

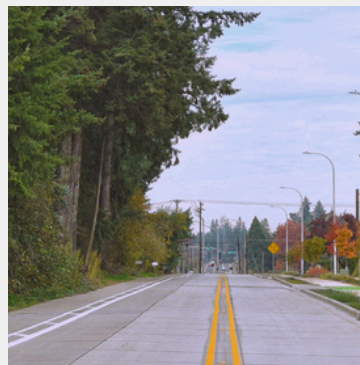
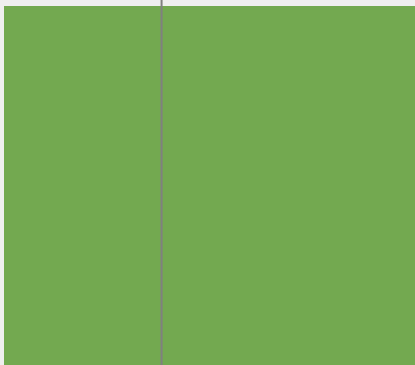
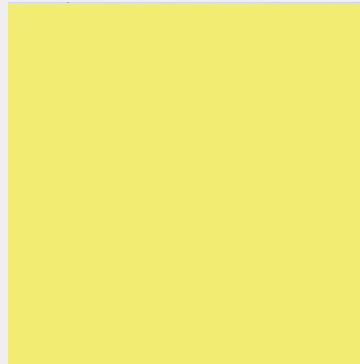


2023-24

# ANNUAL REPORT

For Fiscal Year Ending June 30, 2024

This report fulfills the requirements, as prescribed in ORS 457.460, for the filing of an annual report detailing the financial activity of an urban renewal area established in Oregon.



Explore More



# Introduction

The Urban Renewal Agency of the City of Wilsonville oversees the City's three urban renewal plan areas (Year 2000, West Side, and Coffee Creek), as well as a site-specific local economic development program known as Wilsonville Investment Now (WIN). The Agency is a separate municipal corporation, governed by the City of Wilsonville's City Council members.

For Fiscal Year 2023–24, only the West Side Plan and the Coffee Creek Plan were collecting tax increment; this was the final year for tax increment collections under the West Side Plan. Although they are no longer collecting tax increment, the Year 2000 and West Side Plan areas remain open until all construction in progress is completed. Information on the urban renewal plans and the WIN Program is provided below. A map showing the urban renewal area boundaries is included on the final page of this report.



# Fast Facts

## The Urban Renewal Agency of the City of Wilsonville

**Authorizing State Statute:**

ORS 457

**Incorporated:**

June 4, 1990 // Ordinance No. 369

**Plans Collecting Increment:**Coffee Creek, est'd 2016  
WIN - Twist, est'd 2021**Plans No Longer Collecting Increment:**Year 2000 - terminated 2023  
West Side - terminated 2024**Active Projects:**Boeckman Road Corridor Project  
Brown Road Improvements Project

# The Urban Renewal Concept

Urban Renewal, also known as Tax Increment Financing (TIF), is a funding mechanism authorized by Oregon Revised Statutes (ORS) and implemented by local governments. It is used to cure “blight” (as defined by ORS). More specifically, in Wilsonville urban renewal has been used finance improvements in designated urban renewal areas. Tax Increment Financing (TIF) is not a new tax. Rather, TIF uses existing taxes—specifically, the increased property tax revenue generated by the increase in property values due to new development, redevelopment, and annual tax increases that occur with or without urban renewal.

Here's a breakdown of how it works: →



Finance  
Improvements

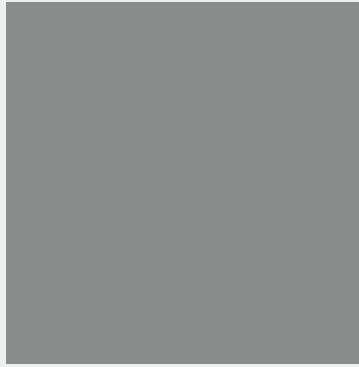


Strengthen  
Tax Base



Cure  
Blight





1

**Designation of an Urban Renewal Area:** A city designates a specific area as an urban renewal area, creates a plan, and establishes a maximum level of indebtedness derived using methodology outlined in ORS. In Oregon, tax increment revenues can only be used to pay off debt associated with urban renewal projects up to a maximum level of indebtedness as outlined in a plan's creation.

2

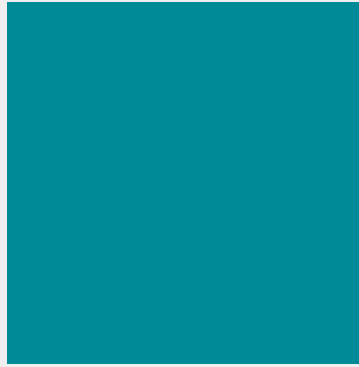
**Establishment of a Base (Frozen) Property Tax Value:** The property tax value of the area is assessed at the time the urban renewal area is established. This is known as the "frozen value" of the district. It represents the current value of the properties in the district, which will continue to contribute to the local taxing authorities (e.g., city, county, vector, fire) as usual.

3

**Incremental Growth in Property Tax Values:** As the urban renewal district undergoes improvements (such as infrastructure upgrades, private (re)development, or new construction), the property values within the district rise. The increase in property values (the "increment") is the difference between the base value and the new value after improvements.

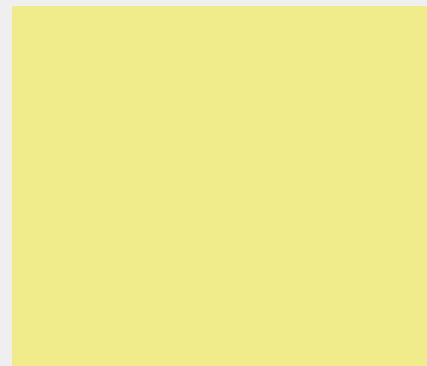
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**Tax Increment Financing:** The increase in property tax revenue from the higher property values (the tax increment) is captured and set aside to fund the urban renewal projects within the area. This means, while an urban renewal plan is in effect, instead of the tax increment revenues going to the local taxing authorities (the county, TVFR, Metro, etc), they are redirected to finance the costs of urban renewal projects in the designated area. As such, urban renewal is a joint investment by all affected taxing agencies, for the benefit of all public budgets in the long term.



5

**Use of the Tax Increment:** The captured tax increment is used to pay for various urban renewal activities that help to cure blight, such as building infrastructure (roads, utilities, etc.), improving public spaces, or facilitating private investment and development projects. These projects aim to further enhance the area, which attracts more private investment and economic activity.

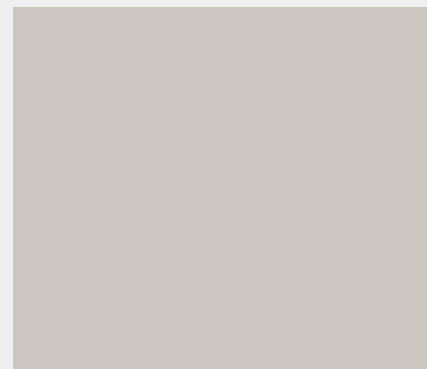


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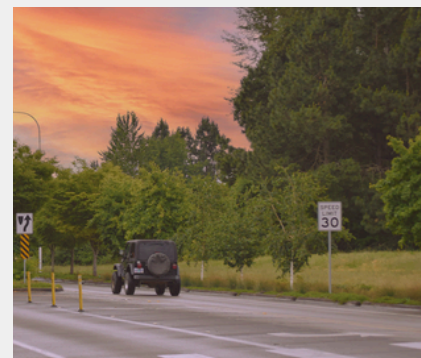
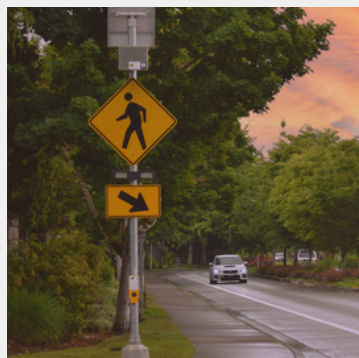
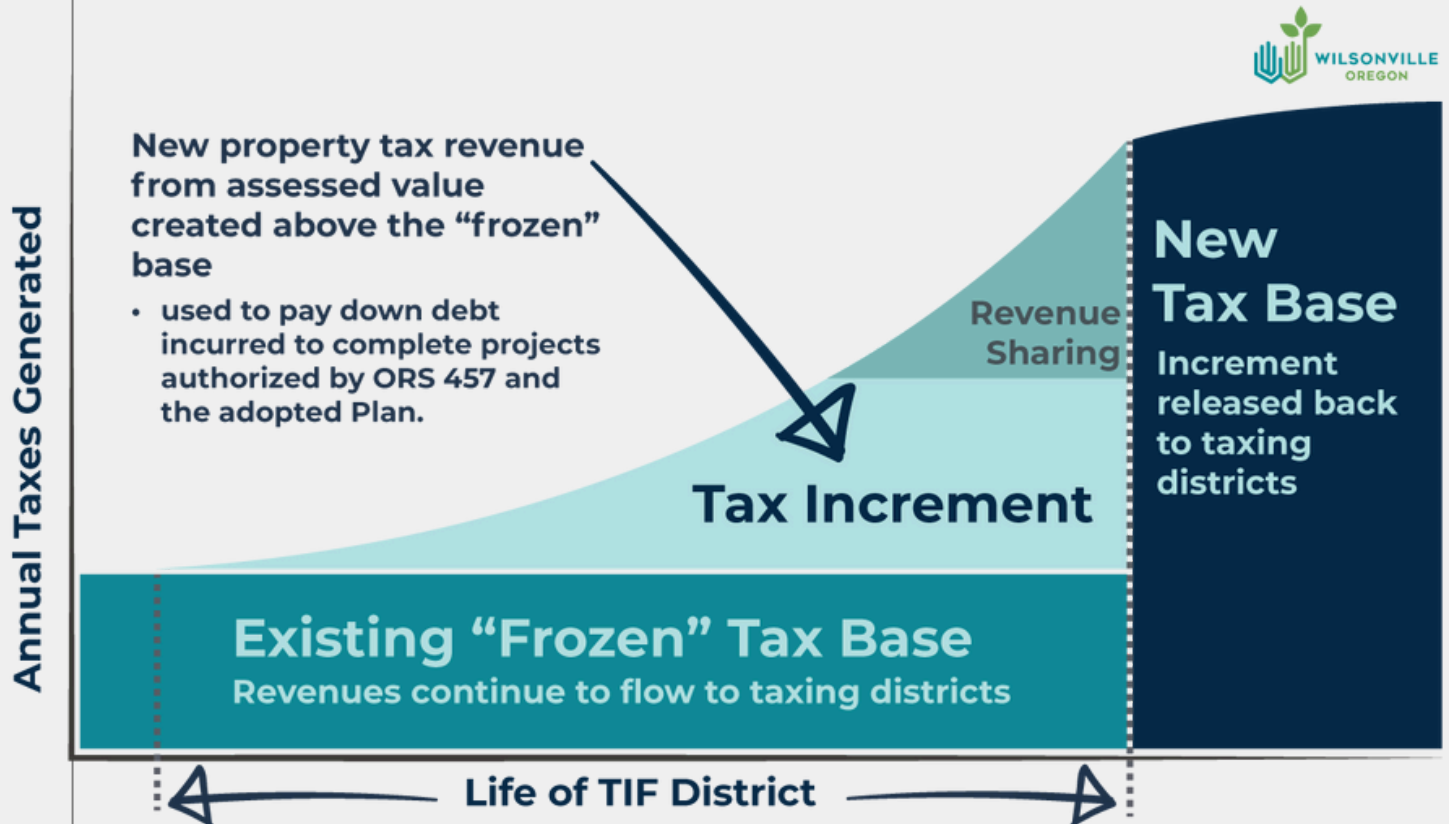
**Duration of Tax Increment Financing:** TIF is typically used for a limited period, often 20 to 30 years. Once the period expires, tax increment collection ends, and the full property tax revenues (including the increment) then flow to the local taxing districts.

7

**Impact:** Over time, TIF helps to stimulate economic development, enhance property values, and improve the overall quality of life within the urban renewal area and surrounding neighborhoods. It is seen as a way for municipalities to fund improvements without raising taxes or relying solely on general funds. In essence, Urban Renewal leverages the future growth in tax revenue to pay for present improvements, where investment begets more investment in a positive feedback loop. Once the plan is complete, moreover, all affected taxing districts reap the benefit of a larger, stronger, and expanding tax base.



# Graphically speaking:



# Impact on Taxing Districts

The following chart shows the impact (forgone tax revenue) of the City's urban renewal plans on the tax collections for the preceding year (FY 2023–24) for all the taxing districts with property taxation authority inside Wilsonville's UR areas.

As noted, urban renewal agencies do not levy any additional taxes. Instead, during a urban renewal plan's lifespan, overlapping taxing districts 'forgo' a portion of their permanent rate, through an administrative process called "division of tax". Once the UR Plan is terminated, the taxing districts receive the full permanent rate of taxes and the benefit of increased property values.

District	West Side	Coffee Creek	TWIST WIN	Total Tax Revenue Forgone	% of 2023–24 Budgeted Agency Requirements	Ratio	2023–24 Agency Budgeted Requirements
Clackamas County	\$ 293,459	\$ -	\$ 184,235	\$ 477,694	0.04%	1:2652	\$ 1,266,733,717
Washington County	\$ -	\$ 139,637	\$ -	\$ 139,637	0.01%	1:12188	\$ 1,701,864,016
City of Wilsonville	\$ 307,292	\$ 132,040	\$ 202,893	\$ 642,225	0.32%	1:317	\$ 203,405,347
Clackamas Extension & 4-H	\$ 5,703	\$ -	\$ 3,509	\$ 9,212	0.07%	1:1532	\$ 14,112,341
Clackamas Library District	\$ 48,254	\$ -	\$ 30,267	\$ 78,521	0.34%	1:295	\$ 23,140,234
Clackamas Soil Conservation Distr.	\$ 5,703	\$ -	\$ 3,509	\$ 9,212	0.14%	1:711	\$ 6,549,623
Tualatin Soil Conservation Distr.	\$ -	\$ 4,530	\$ -	\$ 4,530	0.03%	1:3253	\$ 14,737,176
Tualatin Valley Fire & Rescue	\$ 185,823	\$ 94,596	\$ 122,972	\$ 403,391	0.14%	1:714	\$ 288,057,273
Clackamas Community College	\$ 67,994	\$ -	\$ 42,549	\$ 110,543	0.08%	1:1299	\$ 143,644,237
Portland Community College	\$ -	\$ 17,548	\$ -	\$ 17,548	0.003%	1:37157	\$ 652,030,671
Vector Control	\$ 439	\$ -	\$ 439	\$ 878	0.02%	1:6184	\$ 5,429,865
Port of Portland	\$ 8,163	\$ 4,344	\$ 5,282	\$ 17,789	0.001%	1:172450	\$ 3,067,718,622
Metro Service District	\$ 11,514	\$ 4,804	\$ 7,196	\$ 23,514	0.001%	1:76557	\$ 1,800,169,046
<b>TOTAL</b>	<b>\$ 934,344</b>	<b>\$ 397,499</b>	<b>\$ 602,851</b>	<b>\$ 1,934,694</b>	<b>0.021%</b>	<b>1:4749</b>	<b>\$ 9,187,592,168</b>
West Linn–Wilsonville Schools*	\$ 594,048	\$ -	\$ 373,594	\$ 967,642	0.32%	1:313	\$ 302,598,744
Sherwood School District*	\$ -	\$ 298,889	\$ -	\$ 298,889	0.28%	1:356	\$ 106,387,584
ESD - Clackamas*	\$ 44,587	\$ -	\$ 27,922	\$ 72,509	0.16%	1:607	\$ 44,031,254
ESD - Northwest Regional*	\$ -	\$ 9,522	\$ -	\$ 9,522	0.01%	1:7257	\$ 69,105,673

\* Because of how funds are allocated to schools in Oregon, Wilsonville's use of urban renewal does not result in the school district getting less funding than it would typically receive. Schools and Education Service Districts get their funds on a "per-pupil basis" from the State School Fund. The State School Fund uses a state-wide equalization formula that provides all schools with roughly equivalent funding per pupil. The Oregon Legislature establishes the per-pupil funding ratios and backfills any reduced property tax revenues (such as forgone revenue from urban renewal, enterprise zones, etc.) with other funding sources. Forgone revenues are displayed in the table above for transparency purposes only.



# Benefits to Taxing Districts

It is a best practice to close an urban renewal plan when it has accomplished its purpose. The Urban Renewal Agency of the City of Wilsonville has stopped increment collections for two urban renewal plans in the past two years, and taxing district budgets benefit. When all project work is complete, the plans will be closed.

*“Total assessed valuation of the District among all four counties, in which we levy taxes, grew 5.14% in 2023- 24 on AV that our permanent tax rate is levied upon. This is largely due to the expiration of a URA in Wilsonville.”*

Tualatin Valley Fire & Rescue, 2024–25 Annual Budget Document



# The Year 2000 Plan

The Year 2000 (East Side) Plan was adopted August 29, 1990 (Ordinance #373). The Plan reached its \$107,196,524 maximum indebtedness (MID) and paid off all its existing debt in FY 2022–23. **Tax increment collections terminated on 06/30/2023.**

According to the Year 2000 Urban Renewal Plan document from 1990,

*“The most critical conditions of blight ... [were] related to long-term water supply, waste water treatment capacity, water delivery system, lack of a comprehensive storm drainage system, and the existence of an inadequate and substandard street and transportation system. [Such blight] inhibit[ed] and in some cases prohibit[ed] the timely development of tax-paying property by the private sector.”*

Over 33 years, strategic investments made under the Plan addressed these blighted conditions, buoying property values and livability while supporting new industrial, commercial, and residential development.

The final project for the Year 2000 Plan is the Boeckman Road Corridor Project, under construction now.

**More information about the Year 2000 Plan can be found at:**  
[ci.wilsonville.or.us/renewal/page/tax-increment-finance-districts](https://ci.wilsonville.or.us/renewal/page/tax-increment-finance-districts)



# Boeckman Road Corridor Project

The City of Wilsonville is constructing a new bridge over Boeckman Creek, adding landscaping, lighting, and separated bicycle and pedestrian facilities to Boeckman Road, as well as improving the intersection of Boeckman and Canyon Creek. The Boeckman Road Corridor Project includes pedestrian crossing treatments, storm drainage upgrades, and a new sanitary sewer trunk along Boeckman Road.

## Planned Improvements

- New bridge over Boeckman Creek
- Boeckman Road street improvements between Canyon Creek Road and Wilsonville/Stafford Roads
- Intersection upgrades at Canyon Creek and Boeckman Road
- Expanded sewer capacity to serve Frog Pond area
- Stormwater upgrades to improve water quality and prevent flooding
- Boeckman Creek Trail connection for future expansion of regional trail system project

## Benefits

- Increases capacity for Frog Pond development
- Improves safety for cyclists, drivers, and pedestrians
- Enhances access and mobility
- Protects wildlife, fish, and streams
- Expands recreational opportunities

The project is roughly 80% complete. The entire project is expected to be complete in Fall 2025





# The West Side Plan

The West Side Urban Renewal Plan was adopted November 3, 2003 (Ordinance #560). The Plan reached its \$49,400,000 maximum indebtedness (MID) and paid off all its existing debt in FY 2023–24. **Tax increment collections were terminated on 06/30/2024.**

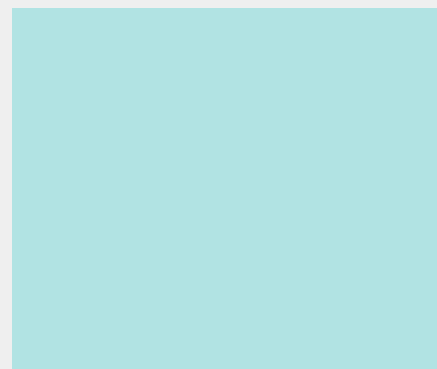
The plan area is located on the west side of I-5, including the Villebois Master Plan area (old Dammasch Hospital site and adjacent properties) and some property located south of Wilsonville Road between Brown Road and the railroad tracks.

The West Side Plan was created in order to build public infrastructure to enable the development of the master-planned community of Villebois in west Wilsonville. The West Side Plan is one of the most successful uses of urban renewal in Oregon history, in terms of assessed value creation, private investment leverage, as well as community development and partnership with impacted taxing districts.

In 2016, the City capped tax increment collections, which allowed taxing districts to enjoy new tax revenues before the plan was closed in 2024—this best practice is called revenue sharing.

The final project for the West Side Plan is the Brown Road Improvements Project, in design now.

**More information about the West Side Plan can be found at:**  
[ci.wilsonville.or.us/renewal/page/tax-increment-finance-districts](https://ci.wilsonville.or.us/renewal/page/tax-increment-finance-districts)





# Brown Road Improvements Project

The Brown Road Improvements Project aims to provide urban upgrades to bring Brown Road in closer alignment with the City's standards for urban roadways. The section to be upgraded includes approximately 1,800 feet of roadway from SW Wilsonville Rd. to SW Evergreen Dr. The anticipated improvements improve connectivity by adding bike lanes, sidewalks, and turn lanes that accommodate better and safer access to adjacent neighborhoods.

The project is being informed by the input of neighbors and other interested parties. The design team, led by Harper Houf Peterson Righellis Inc., is currently performing an alternatives analysis to evaluate project design constraints. The City anticipates that by the end of the 2025 fiscal year, the design team will have completed 60% design plans and will be continuing to develop designs that are ready for construction in 2026.



# The Coffee Creek Plan

The Coffee Creek Urban Renewal Plan was adopted on October 17, 2016 (Ordinance #796). The 258.3 acre area seeks to develop a new employment area in Northwest Wilsonville that will attract general industrial, warehouse, flex, and research and development related business.

At plan adoption, a debt limit (MID) of \$67,000,000 was set. At fiscal year-end (06/30/2024), the amount of indebtedness remaining for the Plan Area is \$62,200,000. An additional \$500,000 of debt is budgeted for FY 2024–25, of which approximately \$134,000 is an administrative charge that is transferred to the City for its expenses associated with the management of the plan and its projects. The balance is set aside to earn interest in the Capital Improvement Program fund for future use.

The first project completed under the Coffee Creek UR Plan was the improvement of Garden Acres Road, to 2/3 width. The project has unlocked 3 private development projects, including Grahams Ferry Industrial Center.



**More information about the Coffee Creek Plan can be found at:**  
[ci.wilsonville.or.us/renewal/page/tax-increment-finance-districts](https://ci.wilsonville.or.us/renewal/page/tax-increment-finance-districts)



**Twist Bioscience Corporation** became the first successful applicant under the WIN program on September 9, 2021, via Ordinance No. 849. This site-specific urban renewal area is approximately 4.4 acres in size, has a 7-year lifespan, and an MID of \$10,000,000. The first year of tax increment collections and rebate occurred in FYE 2024 and \$9,058,484 of MID remains as of 06/30/24.



The Wilsonville City Council adopted administrative rules for the **Wilsonville Investment Now (WIN)** Program via Resolution 2856 on October 19, 2020.

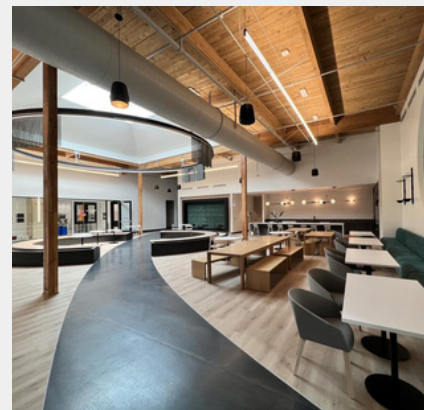
WIN is a local economic development program that seeks to incentivize businesses to operate in Wilsonville by providing partial property tax rebates for qualifying development projects outside of the City's existing urban renewal areas

The first program of its kind in Oregon, WIN aims to attract high-value investments from a wide range of businesses. The program's flexible evaluation criteria provide multiple tiers of benefit, including rewards for Wilsonville-owned business and those prioritizing diversity, equity and inclusion initiatives. The administrative rules allow staff to promote the program, and to bring back site-specific applications for City Council consideration upon receipt.

The tax rebates available to approved applicants are made possible by designating the project property as an individual urban renewal district. This freezes the pre-investment assessed value on the site and allows the Agency to rebate tax increment generated by the new investment back to the applicant.

Private Investment  
**\$80M**

Jobs Created  
**300+**



FY 2023-24

# Financial Reporting

	Year 2000 FY 2023-24 ACTUALS	West Side FY 2023-24 ACTUALS	Coffee Creek FY 2023-24 ACTUALS	WIN Prgm FY 2023-24 ACTUALS	TOTAL
<b>REVENUES:</b>					
Tax Increment	\$ -	\$ 534,437	\$ 679,917	\$ 943,892	\$ 2,158,246
Investment revenue	602,453	427,984	36,294	-	1,066,731
Issuance of debt	-	-	500,000	-	500,000
Other revenue	5,000	-	-	-	5,000
<b>TOTAL RESOURCES</b>	<b>607,453</b>	<b>962,421</b>	<b>1,216,211</b>	<b>943,892</b>	<b>3,729,977</b>
<b>EXPENDITURES</b>					
Materials and services	217,401	133,433	134,000	941,616	1,426,450
Capital Improvement Projects (CIP):					
CIP #4212 - Boeckman Corridor	13,162,214	-	-	-	13,162,214
Debt Service	-	4,187,519	778,535	-	4,966,054
Transfer Out	25,000	-	-	-	25,000
<b>TOTAL REQUIREMENTS</b>	<b>13,404,615</b>	<b>4,320,952</b>	<b>912,535</b>	<b>941,616</b>	<b>19,579,718</b>
<i>Net change</i>	(12,797,162)	(3,358,531)	303,676	2,276	(15,849,741)
Beginning balance	14,251,281	10,002,478	435,526	-	24,689,285
Ending balance 06/30/2024	1,454,119	6,643,947	739,202	2,276	8,839,544

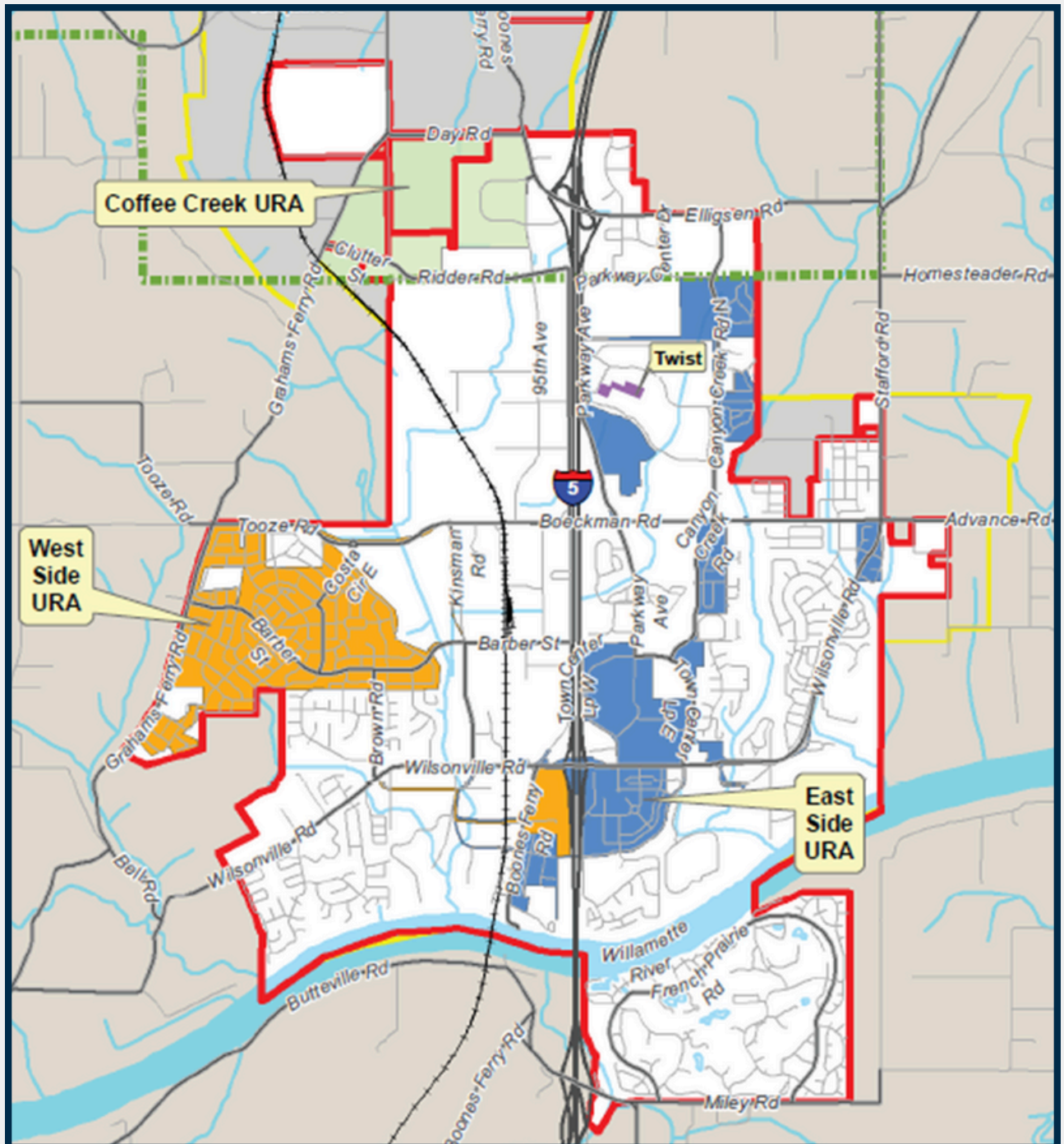
FY 2024-25

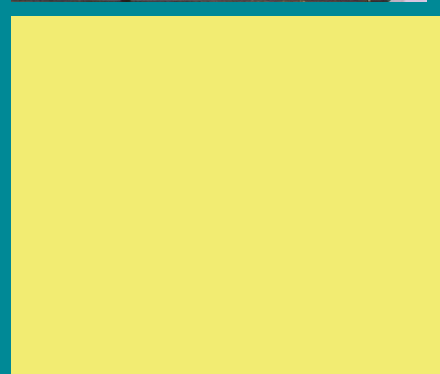
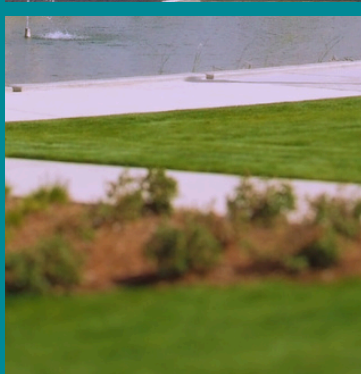
# Estimated Revenue & Budget

	Year 2000 FY 2023-24 BUDGET	West Side FY 2023-24 BUDGET	Coffee Creek FY 2023-24 BUDGET	WIN Prgm FY 2023-24 BUDGET	TOTAL
<b>REVENUES:</b>					
Tax Increment	-	-	\$ 748,000	\$ 1,056,000	\$ 1,804,000
Investment revenue	-	133,500	8,500	-	142,000
Issuance of debt	-	-	500,000	-	500,000
<b>TOTAL RESOURCES</b>	<b>-</b>	<b>133,500</b>	<b>1,256,500</b>	<b>1,056,000</b>	<b>2,446,000</b>
<b>EXPENDITURES:</b>					
Materials and services	-	223,808	136,004	1,056,000	1,415,812
Capital Improvement Projects (CIP):					
CIP #4212 - Boeckman Corridor	1,454,120	-	-	-	1,454,120
CIP #4216 - Brown Road	-	2,227,681	-	-	2,227,681
Debt Service	-	-	782,000	-	782,000
Transfer Out	-	-	-	-	-
<b>TOTAL REQUIREMENTS</b>	<b>1,454,120</b>	<b>2,451,489</b>	<b>918,004</b>	<b>1,056,000</b>	<b>5,879,613</b>
<i>Net change</i>	(1,454,120)	(2,317,989)	338,496	-	(3,433,613)
Beginning fund balance	1,454,120	6,476,943	709,426	-	8,640,489
Ending fund balance	-	4,158,954	1,047,922	-	5,206,876



# Map of Urban Renewal Areas





# Thank You

For more information, please contact the Finance Director or the Economic Development Manager.



503-682-1011



29799 SW Town Center Loop E | Wilsonville, OR 97068



[ci.wilsonville.or.us/renewal](https://ci.wilsonville.or.us/renewal)