



CITY COUNCIL

AGENDA

MONDAY, JULY 24, 2023

Where Life is Sweet

COUNCIL CHAMBERS - 180 NE 2ND ST.

*Other ways of viewing or participating in live meetings are available through:
YouTube at: <https://bit.ly/HermistonYoutube>*

*Zoom with Meeting ID: 862 2614 4112 Passcode: 203345 Telephone number to join is: 1 253
215 8782; or submitting comments to meetings@hermiston.or.us*

1. **CALL REGULAR MEETING TO ORDER – 7:00 PM**
2. **DECLARATION OF QUORUM**
3. **FLAG SALUTE**
4. **PROCLAMATIONS, PRESENTATIONS AND RECOGNITIONS**
 - A. Amazon Presentation
5. **CITIZEN INPUT ON NON-AGENDA ITEMS**

Anyone wishing to bring anything before the council that is not on the agenda is asked to please do the following: 1. Please limit comments to not more than FIVE minutes; 2. State your name and address; 3. Direct your comments to the Chair.
6. **CONSENT AGENDA**
 - [A.](#) Committee Vacancy Announcements
 - [B.](#) Major Partition- 4N2823 Tax Lot 200 Amazon Data Services 908 E Penney Ave
 - [C.](#) Initiate annexation proceedings 4N2815CB TL 1907- 910 W Angus Ave
 - [D.](#) Minutes of the July 10th City Council Regular Meeting
7. **ITEMS REMOVED FROM CONSENT AGENDA**
8. **ORDINANCES AND RESOLUTIONS**
 - [A.](#) Adoption of Ordinance No. 2347, creating the North Hermiston Urban Renewal Area, is scheduled.
9. **OTHER**

[A.](#) June 2023 Financial Report

10. COMMITTEE REPORTS

A. City Committee and Liaison:

Airport Advisory, Budget, Hispanic Advisory, Library Board, Parks and Recreation, Planning Commission, Recreation Projects Fund, Faith-Based Advisory, Community Accountability, Public Safety, Public Infrastructure, Transit Planning, EOTEC, Stepping Stones Alliance (not a City Committee)

B. Mayor's Report

C. Council Report

D. Youth Advisory Report

E. Manager's Report

11. ADJOURN

**** AMERICANS WITH DISABILITIES ACT NOTICE****

Please contact Hermiston City Hall, 180 NE 2nd Street, Hermiston, OR 97838 (Phone No. 541-567-5521) at least 48 hours prior to the scheduled meeting time if you need an accommodation. TTY and TDD users please call Oregon Telecommunications Relay Service at 1-800-735-2900 or 711.



PUBLIC ANNOUNCEMENT

The City is accepting applications for the following Committees:

1) Planning Commission

- Position 5: 3-year term ending March, 31, 2026 (Vacant as of 06/15/2023)

2) Faith-Based Advisory Committee

- Position 5: 3-year term ending December 31, 2025 (Advertised as of 11/02/2022)

3) Hispanic Advisory Committee

- Position 2: 3-year term ending June 30, 2026 (Advertised as of 04/11/2023)

4) Library Board

- Position 5: 4-year term ending June 30, 2027 (Advertised as of 04/11/2023)

Deadline to apply for all Committees: Open Until Filled

Interested persons are asked to submit an application to City Hall, 180 NE 2nd Street, Hermiston, or at lalarcon-strong@hermiston.or.us . Application forms are available at City Hall or on the City’s website at <https://hermiston.or.us/volunteer> . If you have questions, please call Lilly Alarcon-Strong at 541-567-5521.

Proposed appointment and confirmation of these positions are made by the City Council. All appointments to city boards and commissions shall be made in accordance with the ordinances and city charter. Appointees shall not be full-time employees of the city, shall not be elected officials of the city, shall not be appointed to more than two boards or commissions at a time, and shall not sell to the city or its boards and commissions over which the council has appointive powers and budget control either directly as a prime contractor or supplier, or indirectly as a first-tier subcontractor or supplier. Sales shall be construed to mean sales, services or fees aggregating \$7,500 or more in any one calendar year. Preference for appointees shall be given to city residents.



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of July 24, 2023

Title/Subject

Major Partition- 4N2823 Tax Lot 200 Amazon Data Services 908 E Penney Ave

Summary and Background

Parametrix has submitted a final plat for Amazon Data Services, Inc’s major partition of property described as 4N2823 Tax lot 200 and addressed as 908 E Penney Ave. The property is zoned Outlying Commercial/Heavy Industrial (C-2/M-2). A major partition differs from a minor partition and requires approval from the city council, while a minor partition is approved only at the planning commission level. A major partition requires council approval because creation of a new public street is proposed as part of the platting process and the city council must accept new public land on behalf of the city. This major partition creates a new street extending SE 9th Street from E Penney Ave south to Feedville Road.

The planning commission’s approval of the preliminary plat was subject to three conditions of approval. One condition is satisfied and the remaining two conditions remain in effect throughout the development process.

The criteria that are applicable to the decision to accept the final plat are contained in 154.46 of the Hermiston Code of Ordinances.

The findings of fact and conditions of approval are attached to this report as Exhibit A. The final plat as prepared by the surveyor is attached as Exhibit B. An aerial is attached as Exhibit C.

Tie-In to Council Goals

Approval of final plats is a matter of administration of city ordinances.

Fiscal Information

The assessed value of the property will substantially increase as it develops industrially. However, enterprise zone property tax abatements have been issued for development on Lot 1 which defers receipt of property tax revenue for several years.

Alternatives and Recommendation

Alternatives

The city council may choose to approve or deny the final plat.

Recommended Action/Motion

Staff recommends that the city council approve the final plat subject to the conditions of approval.

Motion to approve the final plat with the conditions.

Submitted By:

Clinton Spencer, Planning Director

Exhibit A
Findings of Fact and Conditions of Approval
ADS Major Partition
July 24, 2023
908 E Penney Ave

Final Plat

Per §154.46 of the Hermiston Code of Ordinances, the final plat shall show:

- (A) The boundary lines of the area being subdivided, with accurate distances and bearings. **Shown as required**
- (B) The lines of all proposed streets and alleys with their width and names. **Shown as required**
- (C) The accurate outline of any portions of the property intended to be dedicated or granted for public use. **Shown as required**
- (D) The line of departure of one street from another. **Shown as required**
- (E) The lines of all adjoining property and the lines of adjoining streets and alleys with their widths and names. **Shown as required**
- (F) All lot lines together with an identification system for all lots and blocks. **Shown as required**
- (G) The location of all building lines and easements provided for public use, services or utilities. **Shown as required**
- (H) All dimensions, both linear and angular, necessary for locating the boundaries of the subdivision, lots, streets, alleys, easements, and other areas for public or private use. Linear dimensions are to be given to the nearest 1/10 of a foot. **Shown as required**
- (I) All necessary curve data. **Shown as required**
- (J) The location of all survey monuments and bench marks together with their descriptions. **Shown as required**
- (K) The name of the subdivision, the scale of the plat, points of the compass, and the name of the owners or subdivider. **Shown as required**
- (L) The certificate of the surveyor attesting to the accuracy of the survey and the correct location of all monuments shown. **Shown as required**
- (M) Private restrictions and trusteeships and their periods of existence. Should these restrictions or trusteeships be of such length as to make their lettering on the plat impracticable and thus necessitate the preparation of a separate instrument, reference to such instrument shall be made on the plat. **No restrictions are proposed or referenced on the plat**

- (N) Acknowledgment of the owner or owners to the plat and restrictions, including dedication to public use of all streets, alleys, parks or other open spaces shown thereon, and the granting of easements required. **Shown as required**
- (O) Certificates of approval for endorsement by the city council and certificate indicating its submission to the planning commission, together with approval for endorsement by other local, county and/or state authority as required by Oregon statutes. **Shown as required**

Conditions of Approval for AWS Major Partition

- 1. Portions of the property lie within an area subject to potential groundwater pollution hazards due to excessively well-drained soils. Therefore, the outdoor storage of hazardous chemicals and the underground storage of gasoline and diesel fuels are prohibited per §157.101(B) of the Hermiston Code of Ordinances. Per §157.101(D) of the Hermiston Code of Ordinances, a developer may receive an exemption from this requirement upon submission of evidence from a registered engineer that the storage will not contribute to groundwater pollution.

This condition remains in effect.

- 2. The site is bounded by E Penney Ave and E Feedville Road. SE 9th Street is proposed as a new street separating Lots 1 and 2.
 - a. E Penney Avenue is classified as an urban minor collector. As a condition of approval of a permit to develop Lot 2, the owner of Lot 2 shall improve the E Penney Avenue frontage of the Development Site to minor collector status using city standards ST10 in the standard specifications.
 - b. E Feedville Road is classified as an urban major collector and is a county road. All points of access to E Feedville Road will require an access permit from the Umatilla County Road Department. As a condition of approval of a permit to develop Lot 1 or Lot 2, the owner of the lot being developed shall enter a street improvement agreement agreeing to participate in future improvements to E Feedville Road frontage of the Development Site to urban major collector status. Such agreement shall run with the land.
 - c. SE 9th Street is classified as an urban minor collector. As a condition of approval of a permit to develop Lot 1 or 2, the owner of the lot being developed shall improve the SE 9th Street frontage of the respective Development Site to minor collector status using city standard ST10 in the standard specifications.

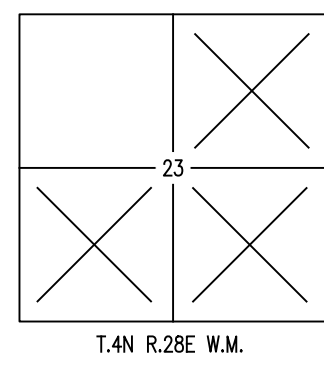
This condition remains in effect.

- 3. A final plat shall be prepared and submitted to the planning commission for review in accordance with §154.46 of the Hermiston Code of Ordinances.

This condition has been satisfied.

PARTITION PLAT NO. 2023-

A PARTITION PLAT OF LOT 1 OF THE "STAHL REPLAT",
 LOCATED IN SECTION 23, TOWNSHIP 4 NORTH, RANGE 28 EAST,
 WILLAMETTE MERIDIAN, CITY OF HERMISTON, UMATILLA COUNTY, OREGON



CURVE TABLE					
CURVE NO.	LENGTH	RADIUS	DELTA	CHORD LENGTH	CHORD BEARING
C1 (R16)(R19) (R20)(R21)(R23)	151.08' (151.08') (151.08')	50.00' (50.00') (50.00')	173°07'30" (173°07'36") (173°07'30")	99.82' (99.82') (99.82')	S44°38'38"E (S44°37'24"E) (S44°37'31"E)
C2 (R3)	363.68' -	484.28' (484.28')	43°01'38" (43°07'20")	355.19' -	N21°05'35"W -
C3 (R3) (R21)(R23)	88.07' -	825.00' (787.68') (825.00')	6°07'00" (6°21'35") (6°07'00")	88.03' -	N45°39'54"W (N45°40'26"W)
C4 (R3) (R16)(R19)(R20) (R18) (R21)(R23)	200.42' (200.13') (200.50') (200.48') (200.42')	484.28' (484.28') -	23°42'41" -	198.99' -	N11°26'07"W -
C5 (R21)(R23)	163.26' (163.26')	484.28' (484.28')	19°18'57" (19°18'57")	162.49' (162.49')	N32°56'56"W (N32°57'28"W)
C6 (R21)(R23)	87.44' (87.44')	300.00' (300.00')	16°42'02" (16°42'02")	87.13' (87.13')	N33°22'56"E (N33°22'33"E)
C7	72.97'	50.00'	83°36'58"	66.66'	S00°06'38"W
C8	72.66'	50.00'	83°15'53"	66.43'	S83°19'48"E
C9	5.45'	50.00'	6°14'39"	5.45'	N51°54'56"E
C10 (R16)(R19) (R20)	31.23' (31.23') (31.23')	20.00' (20.00') (20.00')	89°28'08" (89°28'08") (89°28'02")	28.15' (28.15') (28.15')	S44°37'26"E (S44°37'24"E) (S44°37'21"E)

LINE TABLE		
LINE NO.	LENGTH	BEARING
L1 (R16)(R19) (R18) (R20) (R21)(R23)	387.08' (386.86') (387.22') (386.87') (387.11')	N0°25'14"E - - (N00°52'43"E) (N00°26'47"E)
L2 (R21)(R23)	118.51' (118.50')	N48°54'15"W (N48°52'42"W)
L3 (R21)(R23)	414.64' (414.60')	N41°43'57"E (N41°43'34"E)
L4 (R21)(R23)	420.40' (420.40')	N25°01'57"E (N25°01'34"E)
L5 (R18) (R19)(R20) (R21)	271.99' (272.06') (272.06') (272.06')	N89°59'34"E (N89°59'03"E) - (N89°59'17"E)
L6 (R18) (R19)(R20) (R21) (R23)	191.98' (192.01') (192.01') (192.01') (192.01')	N0°11'49"W (N0°12'07"W) - (N0°11'52"W) (N0°00'52"W)
L7 (R18) (R19)(R20) (R21)(R23)	280.00' (280.00') (280.00') (280.00')	S89°59'56"E (N89°59'03"W) - (N89°59'19"E)
L8 (R16)(R19)(R20) (R18) (R21)(R23)	210.04' (210.00') (210.00') (209.88')	N0°01'49"W - (N0°00'54"W) (N0°00'38"W)
L9 (R16)(R19)(R20) (R18) (R21)(R23)	331.73' (330.41') (331.64') (331.74')	S89°21'30"E (S89°21'28"E) (S89°21'56"E) (S89°21'28"E)
L10 (R3) (R16)(R19) (R20)(R21)(R23)	575.17' -	N0°11'49"W (N0°11'15"W) -
L11 (R16)(R19) (R20) (R21)(R23)	502.20' (502.53') (498.31') (502.39')	N89°15'29"W (N89°16'51"W) (N89°16'15"W)

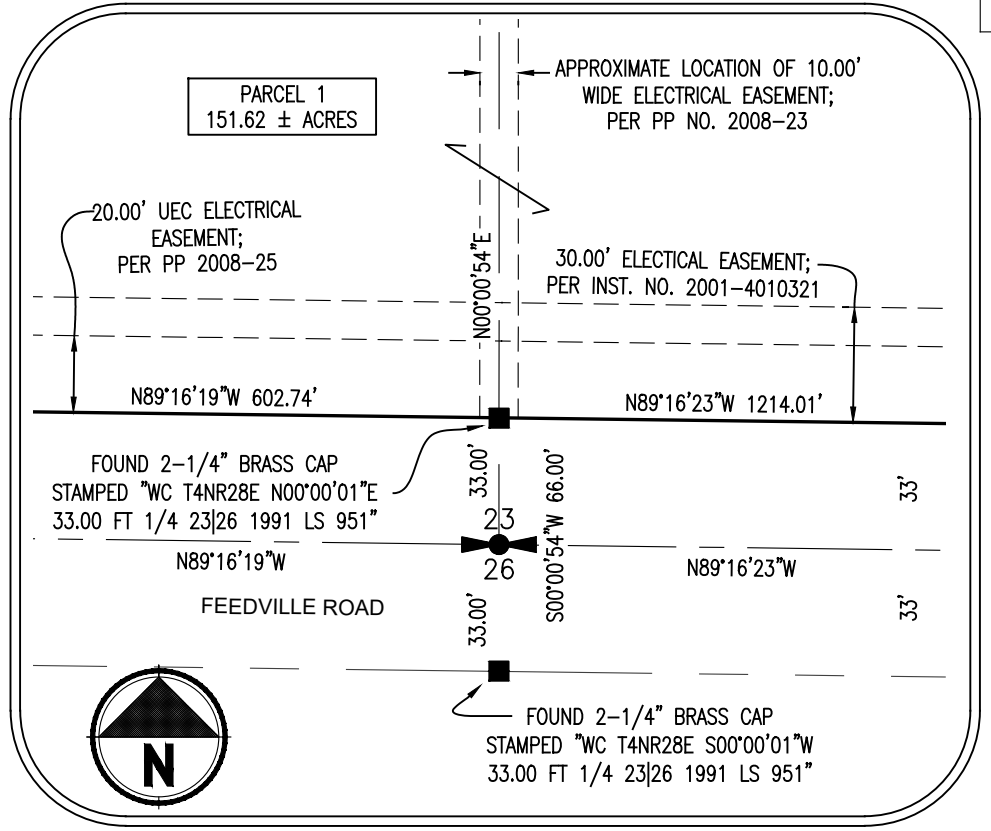
SURVEY REFERENCES

- RECORD INFORMATION PER CS 03-181-A, BY DAVID H. KRUMBEIN, DATED JUNE 19, 1975, UCSR.
- RECORD INFORMATION PER CS 82-58-B, BY THOMAS F. LAGIER, FILED AUGUST 1982, UCSR.
- RECORD INFORMATION PER CS 82-121-B, BY THOMAS F. LAGIER, FILED NOVEMBER 23, 1982, UCSR.
- RECORD INFORMATION PER CS 89-86-B, BY G. DENNIS EDWARDS, FILED OCTOBER 1989, UCSR.
- RECORD INFORMATION PER CS 90-05-A, BY G. DENNIS EDWARDS, FILED JANUARY 1990, UCSR.
- RECORD INFORMATION PER CS 96-22-B, BY PAUL W.P. TOMKINS, FILED FEBRUARY 1996, UCSR.
- RECORD INFORMATION PER CS 92-95-C, BY G. DENNIS EDWARDS, FILED APRIL 1997, UCSR.
- RECORD INFORMATION PER PP NO. 1997-06, INST. NO. 1997-229132, BY RONALD V. MCKINNIS, RECORDED MARCH 18, 1997, UCR.
- RECORD INFORMATION PER PP NO. 1997-14, INST. NO. 1997-230845, BY DAVID L. HADDOCK, RECORDED MAY 1, 1997, UCR.
- RECORD INFORMATION PER PP NO. 1998-58, INST. NO. 1999-3620553, BY GARY B. WAGNER, RECORDED DECEMBER 14, 1999, UCR.
- RECORD INFORMATION PER CS 02-080-B, BY ROBERT H. STRATTON, FILED APRIL 2002, UCSR.
- RECORD INFORMATION PER CS 02-293-B, BY JOHN D. PUTNAM, FILED DECEMBER 2002, UCSR.
- RECORD INFORMATION PER CS 05-204-B, BY G. DENNIS EDWARDS, FILED DECEMBER 2005, UCSR.
- RECORD INFORMATION PER CS 08-48-B, BY WILLIAM R. WELLS, FILED MARCH 2008, UCSR.
- RECORD INFORMATION PER CS 08-141-B, BY WILLIAM L. HANLEY, FILED OCTOBER 2008, UCSR.
- RECORD INFORMATION PER PP NO. 2008-25, INST. NO. 2008-5430520, BY G. DENNIS EDWARDS, RECORDED OCTOBER 21, 2008, UCR.
- RECORD INFORMATION PER CS 09-05-C, BY G. DENNIS EDWARDS, FILED JANUARY 2009, UCSR.
- RECORD INFORMATION PER PP NO. 2009-25, INST. NO. 2009-5560050, BY ROBERT H. STRATTON, RECORDED SEPTEMBER 2, 2009, UCR.
- RECORD INFORMATION PER PP NO. 2010-05, INST. NO. 2010-5640139, BY G. DENNIS EDWARDS, RECORDED APRIL 2, 2010, UCR.
- RECORD INFORMATION PER PP NO. 2018-20, INST. NO. 2018-6800105, BY MICHAEL B. POSADA, RECORDED DECEMBER 5, 2018, UCR.
- RECORD INFORMATION PER PP NO. 2019-08, INST. NO. 2019-6840322, BY MICHAEL B. POSADA, RECORDED APRIL 2, 2019, UCR.
- RECORD INFORMATION PER CS 19-080-C, BY LANCE CLARK KING, FILED AUGUST 13, 2019, UCSR.
- RECORD INFORMATION PER STAHL REPLAT, INST. NO. 2019-6940037, BY RONALD V. MCKINNIS, RECORDED NOVEMBER 27, 2019, IN PLAT BOOK 16, PAGE 45, UCR.
- RECORD INFORMATION PER CS 22-006-C, BY BRIT L. PRIMM, FILED JANUARY 28, 2022, UCSR.

LEGEND

- SET 5/8" X30" IR W/ YPC CAP INSCRIBED "PARAMETRIX"
- FOUND 5/8" IR W/ YPC INSCRIBED "TELEK"; PER R3; HELD UNLESS NOTED OTHERWISE
- ⊙ FOUND 5/8" IR W/ YPC INSCRIBED "EDWARDS 951"; PER R16; HELD UNLESS NOTED OTHERWISE
- ⊙ FOUND 5/8" IR W/ YPC INSCRIBED "STRATTON 1111"; PER R18; HELD UNLESS NOTED OTHERWISE
- ⊙ FOUND 5/8" YPC INSCRIBED "EDWARDS 951"; PER R19; HELD UNLESS NOTED OTHERWISE
- FOUND 5/8" IR W/ YPC INSCRIBED "LS 2431"; PER R23; HELD UNLESS NOTED OTHERWISE
- FOUND MONUMENT AS NOTED; HELD UNLESS NOTED OTHERWISE
- ⊕ FOUND SECTION CORNER AS NOTED; HELD
- ⊕ FOUND QUARTER SECTION CORNER AS NOTED; HELD
- (R#) RECORD INFORMATION PER SURVEY REFERENCE NUMBER
- INST. NO. INSTRUMENT NUMBER PER UMATILLA COUNTY DEED RECORDS
- PP NO. PARTITION PLAT NUMBER PER UMATILLA COUNTY RECORDS
- ROW RIGHT-OF-WAY
- IR IRON ROD
- YPC YELLOW PLASTIC CAP
- RPC RED PLASTIC CAP
- UCSR UMATILLA COUNTY SURVEY RECORDS
- PLAT BOUNDARY
- - - EXISTING CENTER LINE
- - - EXISTING PROPERTY LINE
- - - EXISTING EASEMENT, AS NOTED
- - - EXISTING RIGHT-OF-WAY LINE
- - - EXISTING CENTER SECTION LINE
- - - EXISTING SECTION LINE

DETAIL 'B'
SCALE: 1" = 50'



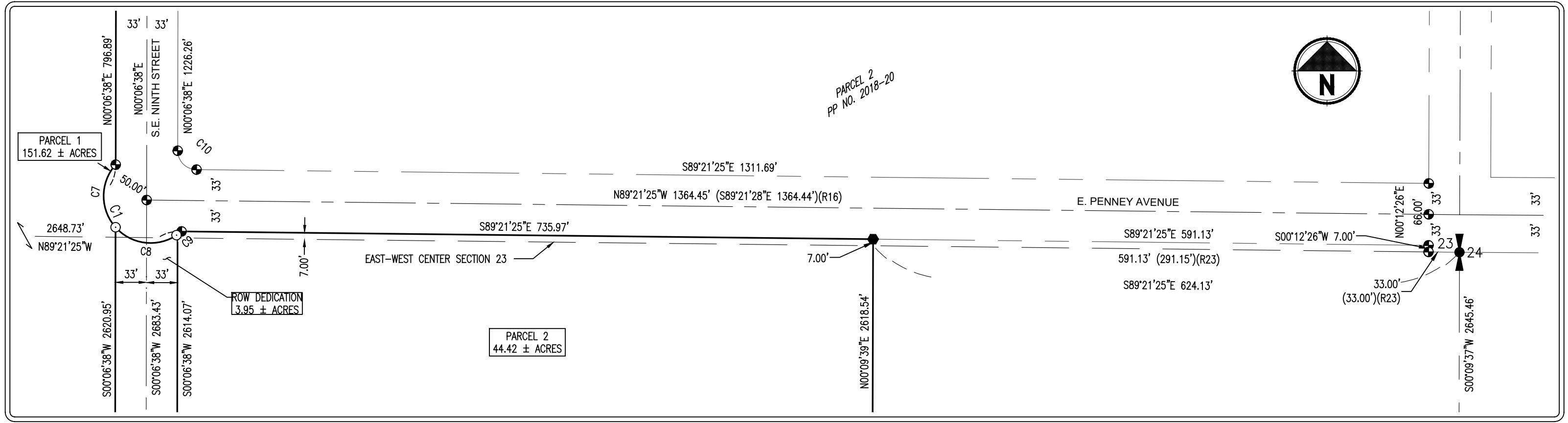
I HEREBY CERTIFY THAT THIS IS A TRUE AND EXACT COPY OF THE ORIGINAL PLAT AS FILED FOR AMAZON DATA SERVICES, INC. IN UMATILLA COUNTY, OREGON.

CHRISTOPHER J. D'ORAZIO, PLS 98905

UMATILLA COUNTY
OFFICE OF RECORDS

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
MARCH 8, 2022
CHRISTOPHER J. D'ORAZIO
98905
RENEWS: 12-31-2023



DETAIL 'A'
SCALE: 1" = 100'

PREPARED FOR:
AMAZON WEB SERVICES INC.

Parametrix
ENGINEERING . PLANNING . ENVIRONMENTAL SCIENCES

150 NW PACIFIC PARK LANE, SUITE 110 | BEND, OR 97701
P 541.508.7710
WWW.PARAMETRIX.COM

PMX JOB NO. 553-8117-034

SURVEYED	CAP/DF	ONE INCH AT FULL SCALE. IF NOT, SCALE ACCORDINGLY	SHEET NO. 2 OF 3
DRAWN	CAP/DF		
CHECKED	CJD	SCALE SEE DETAILS	
APPROVED	CJD	DATE JUNE 2, 2023	

PARTITION PLAT NO. 2023-

A PARTITION PLAT OF LOT 1 OF THE "STAHL REPLAT",
LOCATED IN SECTION 23, TOWNSHIP 4 NORTH, RANGE 28 EAST,
WILLAMETTE MERIDIAN, CITY OF HERMISTON, UMATILLA COUNTY, OREGON

TITLE ENCUMBRANCES

AS DISCLOSED IN AMERITITLE REPORT NUMBER 5, FILE NUMBER 541274AM,
EFFECTIVE DATE DECEMBER 3, 2022. (TITLE EXCEPTIONS 1-5 ARE GENERAL IN
NATURE, AND NOT SHOWN HEREON)

- 6. TAXES DEFERRED, AS DISCLOSED BY THE TAX ROLL, THE PREMISES HEREIN DESCRIBED HAVE BEEN ZONED OR CLASSIFIED FOR FARM USE. AT ANY TIME THAT SAID LAND IS DISQUALIFIED FOR SUCH USE THE PROPERTY WILL BE SUBJECT TO ADDITIONAL TAXES OR PENALTIES AND INTEREST.
- 7. INTENTIONALLY DELETED
- 8. RESERVATION OF COAL AND IRON, INCLUDING THE TERMS AND PROVISIONS CONTAINED THEREIN, IN DEED FROM NORTHERN PACIFIC RAILWAY COMPANY, A CORPORATION.
RECORDED: APRIL 8, 1939
BOOK: 155, PAGE 274
THE COMPANY MAKES NO REPRESENTATION AS TO THE PRESENT OWNERSHIP OF ANY SUCH INTERESTS. THERE MAY BE LEASES, GRANTS, EXCEPTIONS OR RESERVATIONS OF INTERESTS THAT ARE NOT LISTED.
- 9. INTENTIONALLY DELETED
- 10. AN EASEMENT INCLUDING THE TERMS AND PROVISIONS THEREOF, AFFECTING THE PORTION OF SAID PREMISES AND FOR THE PURPOSES STATED THEREIN AS SET FORTH IN INSTRUMENT: GRANTED TO: COLUMBIA BASIN ELECTRIC COOPERATIVE, INC.
RECORDED: JUNE 20, 1949
BOOK: 189, PAGE: 342
- 11. EASEMENT OR EASEMENTS, INCLUDING THE TERMS AND PROVISIONS THEREOF, AS CONTAINED IN INSTRUMENT, RECORDED:
MARCH 6, 1980
REEL: 62, PAGE: 1418
(AS SHOWN ON SURVEY)
- 12. AN EASEMENT INCLUDING THE TERMS AND PROVISIONS THEREOF, AFFECTING THE PORTION OF SAID PREMISES AND FOR THE PURPOSES STATED THEREIN AS SET FORTH IN INSTRUMENT: GRANTED TO: UMATILLA ELECTRIC COOPERATIVE ASSOCIATION
RECORDED: MAY 19, 1980
REEL: 65, PAGE: 1433
- 13. AN EASEMENT INCLUDING THE TERMS AND PROVISIONS THEREOF, AFFECTING THE PORTION OF SAID PREMISES AND FOR THE PURPOSES STATED THEREIN AS SET FORTH IN INSTRUMENT: GRANTED TO: PACIFIC POWER & LIGHT COMPANY RECORDED:
JULY 9, 1980
REEL: 67, PAGE: 1528
AMENDED BY INSTRUMENT, RECORDED: NOVEMBER 12, 1980
REEL: 73, PAGE: 798
- 14. AN EASEMENT INCLUDING THE TERMS AND PROVISIONS THEREOF, AFFECTING THE PORTION OF SAID PREMISES AND FOR THE PURPOSES STATED THEREIN AS SET FORTH IN INSTRUMENT: GRANTED TO: PACIFIC TELEPHONE AND TELEGRAPH COMPANY
RECORDED: JANUARY 20, 1999
INSTRUMENT NO.: 1999-3440050
- 15. AN EASEMENT INCLUDING THE TERMS AND PROVISIONS THEREOF, AFFECTING THE PORTION OF SAID PREMISES AND FOR THE PURPOSES STATED THEREIN AS SET FORTH IN INSTRUMENT: GRANTED TO: UMATILLA ELECTRIC COOPERATIVE ASSOCIATION
RECORDED: NOVEMBER 28, 2001
INSTRUMENT NO.: 2001-4010321
(AS SHOWN ON SURVEY)
- 16. EASEMENTS AS SHOWN ON THE PARTITION PLAT NO. 2008-25.
(AS SHOWN ON SURVEY)
- 17. AN EASEMENT INCLUDING THE TERMS AND PROVISIONS THEREOF, AFFECTING THE PORTION OF SAID PREMISES AND FOR THE PURPOSES STATED THEREIN AS SET FORTH IN INSTRUMENT: GRANTED TO: PACIFICORP
RECORDED: MARCH 17, 2009
INSTRUMENT NO.: 2009-5480611
(AS SHOWN ON SURVEY)
- 18. AN EASEMENT INCLUDING THE TERMS AND PROVISIONS THEREOF, AFFECTING THE PORTION OF SAID PREMISES AND FOR THE PURPOSES STATED THEREIN AS SET FORTH IN INSTRUMENT: GRANTED TO: CITY OF HERMISTON, DBA HERMISTON ENERGY SERVICES
RECORDED: NOVEMBER 16, 2011
INSTRUMENT NO.: 2011-5850092
(AS SHOWN ON SURVEY)
- 19. AN EASEMENT INCLUDING THE TERMS AND PROVISIONS THEREOF, AFFECTING THE PORTION OF SAID PREMISES AND FOR THE PURPOSES STATED THEREIN AS SET FORTH IN INSTRUMENT: GRANTED TO: CITY OF HERMISTON, DBA HERMISTON ENERGY SERVICES
RECORDED: DECEMBER 14, 2015
INSTRUMENT NO.: 2015-6370556
(AS SHOWN ON SURVEY)

TITLE ENCUMBRANCES(CONT.)

- 20. RIGHTS OF TENANTS UNDER EXISTING LEASES OR TENANCIES.
 - 21. THE COMPANY WILL REQUIRE THE FOLLOWING DOCUMENTS FOR REVIEW PRIOR TO THE ISSUANCE OF ANY TITLE ASSURANCE PREDICATED UPON A CONVEYANCE OR ENCUMBRANCE BY THE CHURCH NAMED BELOW:

NAME OF CHURCH: STANFIELD HUTTERIAN BRETHREN
(a) PROOF OF INCORPORATION FROM THE STATE OR OTHER PLACE OF INCORPORATION
(b) A COPY OF ITS DISCIPLINE, BY-LAWS OR OTHER REGULATIONS AUTHORIZING REAL ESTATE TRANSACTIONS
(c) A COPY OF THE RESOLUTION AUTHORIZING THE PURCHASE, SALE OR ENCUMBRANCE OF REAL PROPERTY AND DESIGNATING THE APPROPRIATE OFFICERS TO REPRESENT THE CHURCH

THE COMPANY RESERVES THE RIGHT TO ADD ADDITIONAL ITEMS OR MAKE FURTHER REQUIREMENTS AFTER REVIEW OF THE REQUESTED DOCUMENTATION.
 - 22. DISCREPANCIES, CONFLICTS IN BOUNDARY LINES, SHORTAGE IN AREA, ENCROACHMENTS OR ANY OTHER FACTS, WHICH A CORRECT SURVEY WOULD DISCLOSE.
- NOTE: ITEMS 23 AND 24 INTENTIONALLY OMITTED

PROPERTY DESCRIPTION

AS DISCLOSED IN AMERITITLE REPORT NUMBER 5, FILE NUMBER 541274AM,
EFFECTIVE DATE DECEMBER 3, 2022.

LOT 1 AS SHOWN ON THE STAHL REPLAT - A REPLAT OF PARCEL 1 OF PARTITION PLAT 1997-06 AND PARCEL 2 OF PARTITION PLAT 2019-08 (DOCUMENT NO. 2019-6940037, OFFICE OF UMATILLA COUNTY RECORDS, AS CORRECTED BY THAT CERTAIN AFFIDAVIT OF CORRECTION (REPLAT) DATED AS OF NOVEMBER 21, 2022, AND RECORDED ON NOVEMBER 22, 2022, AS DOCUMENT NO. 2022-7490475, OFFICE OF UMATILLA COUNTY RECORDS) LOCATED IN SECTION 23, TOWNSHIP 4 NORTH, RANGE 28, EAST OF THE WILLAMETTE MERIDIAN, CITY OF HERMISTON, UMATILLA COUNTY, OREGON.

GENERAL NOTES

- 1. WATER RIGHTS AFFECTING THIS PROPERTY WERE NOT INVESTIGATED AS PART OF THIS PARTITION PLAT.
- 2. THIS PARTITION PLAT IS SUBJECT TO THE CONDITIONS OF APPROVAL IMPOSED BY THE CITY OF HERMISTON "PRELIMINARY PLAT APPROVAL - 4N2823 TAX LOT 200" LETTER DATED MARCH 10, 2023.

OWNER'S DECLARATION & DEDICATION

I, THE AUTHORIZED REPRESENTATIVE OF THE OWNERS IN FEE SIMPLE OF THE LANDS SHOWN ON THIS PLAT, HAVE CAUSED SAID LAND TO BE SURVEYED AND PLATTED IN PARCELS AND EASEMENTS AS SHOWN HEREON, AND DO HEREBY SUBMIT FOR RECORD AND APPROVAL SAID PARTITION.

AND DOES HEREBY DEDICATE TO THE PUBLIC FOREVER FOR ROAD AND UTILITY PURPOSES, THE PUBLIC ROAD RIGHT-OF-WAY FOR SE NINTH STREET, AS SHOWN HEREON;

MICHAEL GORE, VICE PRESIDENT DATE
AMAZON DATA SERVICES, INC., A DELAWARE CORPORATION

ACKNOWLEDGMENT

STATE OF _____)
COUNTY OF _____)
BEFORE ME THIS ____ DAY OF _____, 2023

APPEARED _____, VICE PRESIDENT OF AMAZON DATA SERVICES AND ACKNOWLEDGE THE FOREGOING DECLARATION

NOTARY PUBLIC FOR _____

PRINTED NAME

COMMISSION NO.

MY COMMISSION EXPIRES

NARRATIVE

THE PURPOSE OF THIS SURVEY IS TO SUBDIVIDE THE LAND SHOWN HEREON INTO TWO PARCELS WITH A DEDICATION OF PUBLIC RIGHT-OF-WAY BEING AN EXTENSION OF SE 9TH STREET AS CONDITIONED IN CITY OF HERMISTON "PRELIMINARY PLAT APPROVAL - 4N2823 TAX LOT 200" LETTER DATED MARCH 10, 2023.

THE INITIAL POINT OF THIS SURVEY IS THE C 1/4 CORNER OF SECTION 23, MARKED WITH A 2" ALUMINUM CAP STAMPED "PLS #951, 2008". THIS PARTITION PLAT IS A SUBDIVISION OF LOT 1 OF THE "STAHL REPLAT", RECORDED IN BOOK 16 OF PLATS, PAGE 95 UNDER INSTRUMENT NO. 2019-6940037. IT WAS FOUND THAT THIS LOT HAS BEEN PART OF MULTIPLE PARTITION PLATS STARTING AS PARCEL 2 OF PARTITION PLAT NO. 1999-58 AND THAT HAS BEEN LABELED AS UNSURVEYED IN PARTITION PLATS 2008-25, 2009-25, 2010-05, 2010-05, 2018-20, 2019-08 AND ON THE STAHL REPLAT. THERE WERE MULTIPLE CORNERS FOUND FROM THESE VARIOUS PARTITION PLATS AS NOTED HEREON AND 14 NEW MONUMENTS WERE SET FOR THE EXTERIOR BOUNDARY AND NEW LOT/RIGHT-OF-WAY CORNERS.

THE EAST LINE OF NEW PARCEL 2 WAS DETERMINED BY HOLDING R.V. MCKINNI'S CORNERS FOUND ON THE WEST LINE OF LOT 2 OF THE STAHL REPLAT AND CONFIRMED THEIR LOCATIONS ON THE RIGHT OF WAY MARGINS OF FEEDVILLE ROAD AND EAST PENNY AVENUE BY HOLDING THE SECTION CORNERS AS THE CENTERLINE OF EACH ROAD AS INTENDED. THE SOUTH LINE OF BOTH PARCELS ARE A 33-FOOT OFFSET FROM THE SOUTH SECTION LINE AS THE HALFWIDTH OF FEEDVILLE ROAD. THE PARCEL LINES ADJACENT TO EAST PENNY AVENUE AND SE NINTH STREET ARE SHOWN AS A 33-FOOT OFFSET FROM THE FOUND MONUMENTS AT THE CENTERLINE OF EACH AS SHOWN ON PARTITION PLAT 2008-25.

THE NORTH AND WEST LINES OF THAT PORTION LYING IN THE NORTHEAST QUARTER OF SECTION 23 IS SHOWN BASED ON THE MONUMENTS FOUND ALONG THE LINES AS SET ON PARTITION PLAT 2010-05 AND THE FOUND CENTER OF SECTION. THE MEASURED MONUMENTS WERE WITHIN TOLERANCE OF THE RECORD DIMENSIONS AND WERE HELD.

ALONG THE WEST LINE THE FOUND MONUMENTS FROM PARTITION PLAT 2009-25 AND SURVEY 82-121-B WERE HELD AND THE CORNER POSITIONS SET ON THIS PLAT WERE DETERMINED BY BOTH HOLDING PLAT DIMENSIONS ALONG L3, L4 AND C6, AND CALCULATING A BEST FIT PROPORTIONAL LINE FOR THE REMAINDER OF THE WEST LINE BETWEEN THE MONUMENT FOUND BETWEEN L2 AND L3 TO THE CALCULATED POSITION AT THE SOUTHWEST CORNER/RIGHT-OF-WAY POINT 33-FEET FROM THE SOUTH SECTION LINE.

THE EXTENSION OF SE NINTH STREET THAT IS BEING DEDICATED ON THIS PLAT WAS ESTABLISHED AS THE EXTENSION OF THE CENTERLINE BASED ON THE FOUND MONUMENTS FOUND ON THE EXISTING CENTERLINE AS SHOWN HEREON. THE CENTERLINE WAS OFFSET 33 -FEET ON EACH SIDE AND LENGTHENED OR SHORTENED TO INTERSECT WITH THE EXISTING RIGHTS-OF-WAY.

NO OTHER UNUSUAL CIRCUMSTANCES WERE ENCOUNTERED DURING THE COURSE OF THIS SURVEY.

BASIS OF BEARINGS = SOUTH 89°21'25" EAST BETWEEN THE EAST ONE-QUARTER CORNER OF SECTION 23 AND THE CENTER OF SECTION 23 (INITIAL POINT).
DISTANCES ARE GROUND VALUES EXPRESSED IN INTERNATIONAL FEET.

SURVEYOR'S CERTIFICATE

I CHRISTOPHER J. D'ORAZIO A REGISTERED LAND SURVEYOR IN THE STATE OF OREGON, DO HEREBY CERTIFY THAT I HAVE CORRECTLY SURVEYED AND MARKED WITH PROPER MONUMENTS, THE LAND SHOWN ON THIS PLAT, AND THIS PLAT MEETS ALL REQUIREMENTS AS ESTABLISHED BY OREGON REVISED STATUTES CHAPTER 92. DESCRIBED AS FOLLOWS:

THE INITIAL POSITION FOR THIS PARTITION IS THE C 1/4 CORNER OF SECTION 23, MARKED WITH A 2" ALUMINUM CAP STAMPED "PLS #951, 2008"

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
MARCH 8, 2022
CHRISTOPHER J. D'ORAZIO
98905

RENEWS: 12-31-2023

I HEREBY CERTIFY THAT THIS IS A TRUE AND EXACT COPY OF THE ORIGINAL PLAT AS FILED FOR AMAZON DATA SERVICES, INC. IN UMATILLA COUNTY, OREGON.

CHRISTOPHER J. D'ORAZIO, PLS 98905

UMATILLA COUNTY
OFFICE OF RECORDS

APPROVALS

CITY OF HERMISTON

I CERTIFY THAT I HAVE EXAMINED AND APPROVED THIS PARTITION PLAT ON THIS:

MAYOR OF THE CITY OF HERMISTON DATE

I CERTIFY THAT I HAVE EXAMINED AND APPROVED THIS PARTITION PLAT ON THIS:

CITY OF HERMISTON PLANNING DIRECTOR DATE

UMATILLA COUNTY COMMISSIONERS

APPROVED THIS _____ DAY OF _____, 2023

CHAIRMAN

UMATILLA COUNTY COMMISSIONER

UMATILLA COUNTY COMMISSIONER

UMATILLA COUNTY SURVEYOR

I CERTIFY I HAVE EXAMINED THE ACCOMPANYING PARTITION PLAT, THAT IT COMPLIES WITH THE LAWS OF THE STATE OF OREGON, WITH REFERENCE TO THE FILING AND RECORDING OF SUCH PLATS, AND THEREFORE APPROVE SAID PLAT FOR SIGNATURE BY THE COUNTY COMMISSIONERS OF UMATILLA COUNTY, OREGON.

DATED THIS _____ DAY OF _____, 2023

UMATILLA COUNTY SURVEYOR

UMATILLA COUNTY TAX COLLECTOR

I, THE TAX COLLECTOR OF UMATILLA COUNTY, OREGON, DO HEREBY CERTIFY THAT I HAVE EXAMINED THE TAX RECORDS RELATIVE TO THE LAND COVERED BY THE ACCOMPANYING PARTITION PLAT AND THAT ALL AD VALOREM AND SPECIAL ASSESSMENTS DUE PURSUANT TO LAW HAVE BEEN ASSESSED AND COLLECTED.

DATED THIS _____ DAY OF _____, 2023

UMATILLA COUNTY TAX COLLECTOR

PREPARED FOR:
AMAZON WEB SERVICES INC.

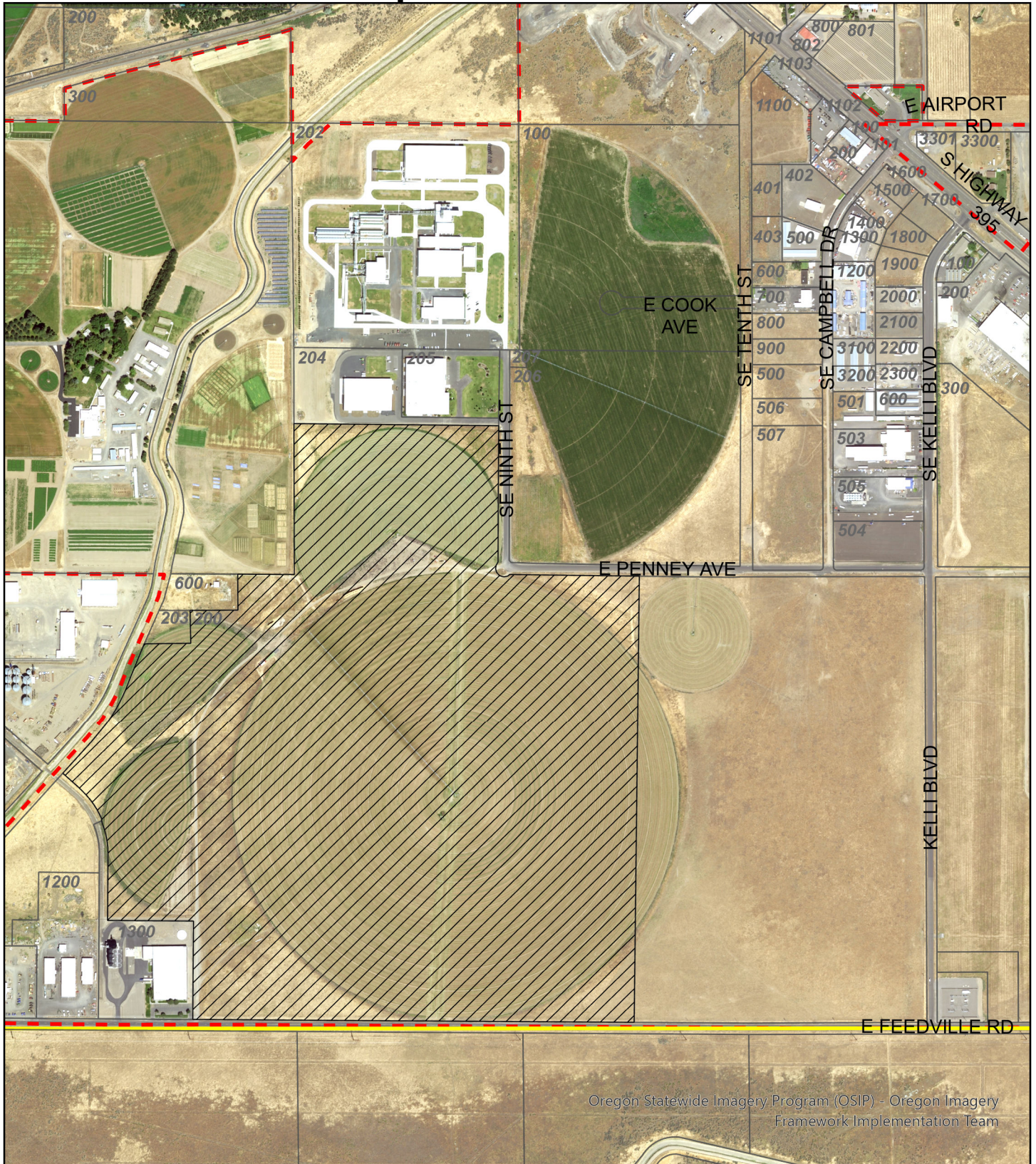
Parametrix
ENGINEERING . PLANNING . ENVIRONMENTAL SCIENCES

150 NW PACIFIC PARK LANE, SUITE 110 | BEND, OR 97701
P 541.508.7710
WWW.PARAMETRIX.COM

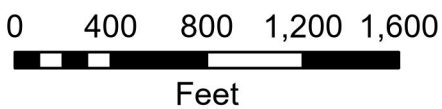
PMX JOB NO. 553-8117-034

SURVEYED	CAP/DF		ONE INCH AT FULL SCALE, IF NOT, SCALE ACCORDINGLY	SHEET NO. 3 OF 3
DRAWN	CAP/DF			
CHECKED	CJD	SCALE N/A		
APPROVED	CJD	DATE JUNE 2, 2023		





Notice of Proposed Land Use Action

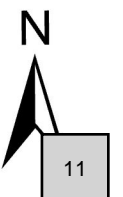


Oregon Statewide Imagery Program (OSIP) - Oregon Imagery Framework Implementation Team



Legend

-  Area of Proposed Partition
-  Property Line
-  City Limits
-  Urban Growth Boundary





Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of July 24, 2023

Title/Subject

Initiate annexation proceedings 4N2815CB TL 1907- 910 W Angus Ave

Summary and Background

Nathan Crowther is proposing to annex .72 acres of land located at 910 W Angus Ave.

The property is described as 4N2815CB tax lot 1907. The property must be annexed to the city to allow connection to city sewer service which is located in SW 9th St. The property lies within the urban portion of the Urban Growth Boundary and has a Comprehensive Plan Map designation of Low Density Residential (L) which corresponds to a Low Density Residential (R-1) and Medium Density Residential (R-2) zoning designation. The applicant has requested annexation with an (R-1) zoning.

Tie-In to Council Goals

Annexations are a matter of administration of city ordinances.

Fiscal Information

Financial impact to the City will be approximately \$1,530 in property tax revenue.

Alternatives and Recommendation

Alternatives

Initiate annexation proceedings and direct staff to schedule hearings.

Do not initiate annexation proceedings.

Recommended Action/Motion

Staff recommends the city council initiate proceedings to annex the property with an R-1 zoning designation.

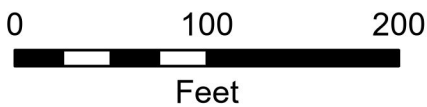
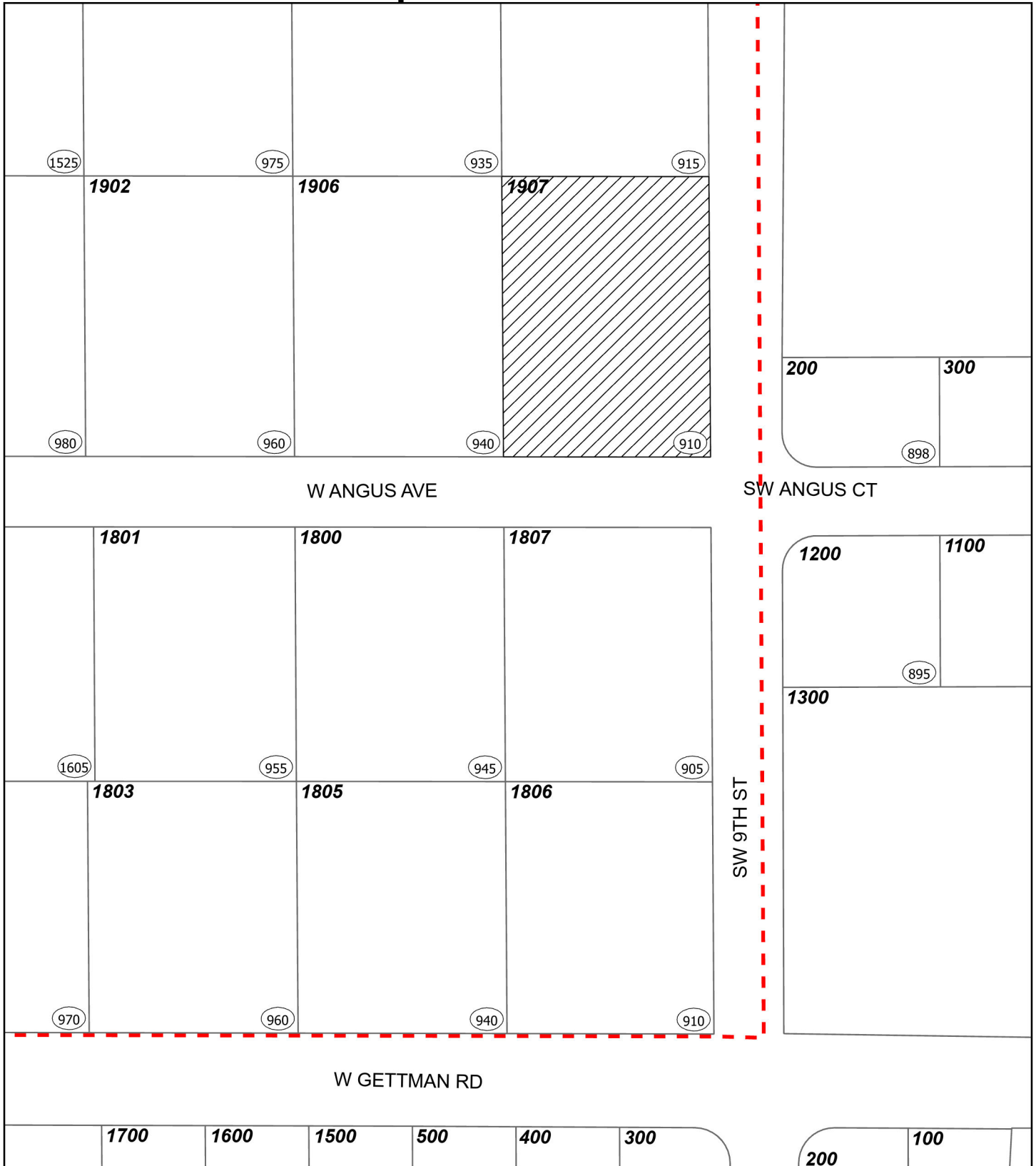
Motion that the annexation be initiated and direct staff to schedule public hearings.

Submitted By:

Clinton Spencer, Planning Director

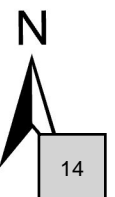
Section 6, Item C.

Notice of Proposed Land Use Action



Legend

- Area of Proposed Annexation
- Property Line
- City Limits
- Urban Growth Boundary





CITY COUNCIL

Regular Meeting Minutes July 10, 2023

Mayor Drotzmann called the regular meeting to order at 7:00pm. Present were Councilors Primmer, Myers, Barron, Duron, Linton (arrived at 7:04pm), Hardin, and Peterson. Councilor McCarthy was excused (listening in on Zoom but did not participate in the meeting). In attendance was City Staff to include: City Manager Byron Smith, Assistant City Manager Mark Morgan, City Attorney Rich Tovey, Finance Director Mark Krawczyk, Chief Edmiston, Planning Director Clint Spencer, Parks and Recreation Director Brandon Artz, Court Administrator Jillian Viles, and City Recorder Lilly Alarcon-Strong. The pledge of allegiance was given.

The Council agreed to amend the agenda to hear the Police Department Budget Presentation after Citizen Input on Non-Agenda Items.

(Councilor Linton arrived at 7:04pm)

Presentation- Hermiston School District Updates

Assistant Superintendent Jake Bacon gave Hermiston School District (HSD) updates to include: Registration information for the 2023/24 School year, New Bus Company Meet and Greet with food and employment opportunities on July 14th, Kinder Camp, Parent Evening at Loma Vista Elementary School on July 27th, Champion after school program, sport physicals, construction updates, free breakfast and lunch provided to all K-12 student for the 23/24 school year, Pre-K Program in the modular buildings at Rocky Heights provided by Head Start, and the Summer School program.

Citizen Input on Non-Agenda Items

George Geranios, 1973 NW Archer Dr- Spoke regarding his frustration with the removal of the recycle center containers on Harper Road.

City Manager Smith stated the recycling center has moved just west of that area near Theater Sports Park.

Daniel Turley, 855 E Quince Ave- Spoke regarding his frustration with the continued noise nuisance caused by fireworks over the last 1 ½ weeks. Mr. Turley stated he has called the Police Department but does not feel like the noise ordinance is being enforced and it should be as it impacts livability.

David Hodges, 1060 SW 7th Street- Asked if the City was considering installing stop lights on W. Highland Ave and First Street as this intersection is very congested with vehicles and pedestrians during the school year.

Mayor Drotzmann stated this has been something the City has been and will continue to discuss and work towards a solution.

Tiffany Brodahl, 725 W Ridgeway Ave- Stated she would like more police enforcement to address issues around the City to include: graffiti, litter, noise complaints, speeding on HWY 395, people driving without a seatbelt and/or on the phone, and more. Ms. Brodahl also spoke regarding the community being more active in neighborhood watch programs, relocating the Bottle Drop as it creates lots of issues with homeless people going through people’s properties that live in the area and steal bottles and cans, sidewalks need to be more handicapped accessible, and people being disrespectful at local stores and stealing items from businesses.



CITY COUNCIL

Regular Meeting Minutes July 10, 2023

Police Chief Edmiston stated he would like to address Mr. Turley and Ms. Brodahl's comments during his presentation.

Consent Agenda Items

Mayor Drotzmann asked to remove Consent Agenda Item A; Councilor Duron moved and Councilor Primmer seconded to approve Consent Agenda items B-F, to include:

- B. Committee Vacancy Announcements
- C. Committee Re-Appointment Confirmation of Jennifer Roberts for: EOTEC Advisory Committee Position #4- term ending 06/30/2026
- D. Committee Appointment Confirmation of Drexlyn Bailey for: EOTEC Advisory Committee Position #3- term ending 06/30/2026
- E. Minutes of the June 12, 2023 Public Infrastructure Meeting.
- F. Minutes of the June 26, 2023 City Council Work Session and Regular Meeting

Motion carried unanimously.

Items Removed from Consent Agenda

- A. Award Funding through the Transient Room Tax (TRT) Recreation Projects Grants.

Mayor Drotzmann stated he removed this item to highlight the many organizations that will benefit from this Transient Room Tax (TRT) grant process and how these organizations contribute to the community.

Councilor Barron stated he had planned to pull this item as well as he would like the Council to consider approving and awarding grants to the Cinco De Mayo Group and Hermiston Jr. Bulldogs Youth Football Club who submitted late applications.

City Manager Smith and Parks and Recreation Director Artz answered questions from the Council and after further discussion,

- Councilor Barron moved to approve Consent Agenda Item A and include grant approvals to the two late applications. The motioned died as there was no second.
- Councilor Duron moved and Councilor Peterson seconded to Approve Consent Agenda Item A and ask the TRT Committee to review the two late applications and give the Council their recommendation. Councilors Barron, Duron, and Peterson voted in favor; Councilors Hardin, Primmer, Myers, and Linton voted against; Motion failed 4-3.
- Councilor Primmer moved and Councilor Linton seconded to approve Consent Agenda Item A. Motion carried unanimously.
- Councilor Peterson moved and Councilor Barron seconded to ask the TRT Committee to review the two late applicants and give the Council their recommendation. Councilors Hardin, Peterson, Primmer, Barron, and Duron voted in favor; Councilors Linton and Myers voted against. Motion carried 5-2.



CITY COUNCIL

Regular Meeting Minutes July 10, 2023

Presentation- Police Department Budget

City Manager Smith stated this presentation is part of the General Fund Budget Review Process usually given during a work session.

Police Chief Edmiston gave information (PowerPoint Presentation attached) regarding: current employee status- specific to being understaffed, calls for service statistics, staff structure and organizational chart, work load and salaries, and more.

City Manager Smith answered Council questions regarding the progression of the COPS Grant and the average cost per police officer of \$175,000 per year to include equipment, vehicle, benefits, and salary.

Chief Edmiston addressed comments made during Citizen Input on Non-Agenda Items, apologizing for the decline of livability as this has been an issue since the passage of Measure 110 which decriminalized user amounts of drugs making it difficult to hold people accountable for their crimes; however, in respects to graffiti- those applying graffiti and their legal guardians, if under 18, are being cited; Neighborhood Watch throughout the Country is declining as people no longer want to participate or interact with their neighbors. He did encourage the community to participate in TIP411; and addressed firework noise complaints stating that the officer must see the violation to cite or have the complainant sign the citation which many complainants do not want to do and therefore the officer cannot cite; and gave information regarding complaints lodged from July 1st – July 5th, to include:

- 18 calls for service for firework complaints including complaints from areas outside of city limits,
- 26 criminal citations issued to include domestic assault, harassment, trespass, unlawful possession of firearms, and DUII,
- 17 violation citations issued, and
- 46 case investigations taken

All while being short staffed. However, the Police Department will continue to try to do a better job.

The Council allowed public comment as requested by the audience.

Public Comment

Jolene Geranios 1973 NW Archer Dr- asked that the Police Department Budget also include a line item for mental health resources for the community.

Mayor Drotzmann stated the City has been and is continuing to work with Community Counseling Solutions to provide mental health services community wide.

Daniel Turley, 855 E Quince Ave- thanked Chief Edmiston for addressing his concerns and asked questions regarding viewing the police department budget.

City Manager Smith stated the budget is available to view on the City’s website.

Mayor Drotzmann encouraged Mr. Turley to apply to be on the City’s Budget Committee stating this is the first time in many years that the Budget Committee met more than once to review and give a budget



CITY COUNCIL

Regular Meeting Minutes July 10, 2023

recommendation as not only Hermiston but many cities throughout the state struggle with budget shortfalls and trying to find ways to address those shortfalls while still providing a safe and healthy environment for the community to live in. Mayor Drotzmann thanked the many Police Department staff in attendance as they work tirelessly to provide us with a great place to live. Mayor Drotzmann and all in attendance applauded the Police Department personnel.

Public Hearing- Consider the formation of the North Hermiston Urban Renewal Area (NURA)

Hearing no conflicts of interest from the Council, City Manager Smith read the hearing guidelines and Mayor Drotzmann opened the hearing at 8:26pm.

Planning Director Clint Spencer and Elaine Howard from Elaine Howard Consulting, LLC, presented information (PowerPoint Presentation attached) regarding the proposed formation of the North Hermiston Urban Renewal Area (NURA).

Public Testimony

Proponents

Jim Schlenker, Chief Operating Officer for Good Shepherd Health Care System, stated Good Shepherd has purchased the old Toyota property and is in support of the NURA formation as they believe it will help with the traffic issues in this area.

There were no opponents or neutral persons present who wished to give public testimony and the hearing was closed at 8:43pm.

Elaine Howard addressed questions from the Council, Councilor Barron moved and Councilor Myers seconded to direct staff to prepare and ordinance to adopt the Urban Renewal Plan and Report for adoption at the July 24th City Council Meeting. Motion carried unanimously.

Resolution No. 2283- Establishing “No Parking” on East Fourth Street from Main Street to the alleyways on both the North and South.

- Assistant City Manager Mark Morgan presented information (PowerPoint Presentation attached) regarding the proposed street changes to accommodate the increased traffic in this area, as well as addressed questions from the Council and public that were brought forward at the last City Council meeting.

Public Comment

Kari Christiansen, 470 Christiansen Loop- Stated she is a business owner and part of the Hermiston Downtown District Board and believes taking parking away will hurt businesses as currently, these parking spaces force vehicles to slow down and in turn allows the drivers an opportunity to see what business are in the downtown area. Ms. Christiansen also encouraged business owners and employees to park further away to allow shoppers to park closer to stores.

Josh Roberts, 1709 NE 6th Place- Thanked the City for reaching out to all the residents in the area and asking for their input and stated the photos presented during Mr. Morgans presentation show day parking only not



CITY COUNCIL

Regular Meeting Minutes July 10, 2023

at night. Mr. Roberts stated he does not believe there is a speeding issue in this area and he is in support of this change as it will bring safety and efficient traffic flow to the area and asked if the traffic light would be changed in the intersection.

Assistant City Manager Morgan stated the current traffic system has failed and new equipment will be purchased to reflect street changes if approved by Council.

After further discussion, Councilor Barron moved and Councilor Myers seconded to adopt Resolution No. 2283 and lay upon the record. Councilors Peterson, Hardin, Primmer, Barron, Duron, and Myers voted in favor; Councilor Linton voted against. Motion carried 6-1.

4th Quarter FY2023 Investment Report

Councilor Primmer moved and Councilor Myers seconded to accept the 4th Quarter FY2023 Investment Report as presented by Finance Director Mark Krawczyk. Motion carried unanimously.

2nd Quarter 2023 Council Goal Update

Councilor Barron moved and Councilor Hardin seconded to accept the 2nd Quarter 2023 Council Goal update as presented by City Manager Smith. Motion carried unanimously.

Committee Reports

EOTEC Advisory Committee- Councilor Barron stated he and Councilor Primmer attended this meeting and received updates regarding: Fair and Rodeo upcoming events, Barn expansions, HERO field development, Operations and branding updates. The branding recommendation changes will come before the Council for review and approval at a future meeting. The Committee will not meet again until September.

Mayor's Report

Mayor Drotzmann spoke regarding:

- Thanked Council President Primmer for running the last meeting in his absence
- Encouraged the Council to attend the Ribbon cutting ceremony at the Army Depot on July 12 from 10:00am to 2:00pm
- Gave information regarding the LOC Small Cities Meeting on July 19th in Boardman

Council Reports

None given.

Youth Advisory Report

Youth Advisors were not in attendance.

City Manager's Report

City Manager Smith stated the City will soon be providing Mandatory Reporter training to the Council as is now required by law. More information regarding the training will be forthcoming.



CITY COUNCIL

Regular Meeting Minutes
July 10, 2023

Adjourn City Council Meeting

Mayor Drotzmann adjourned the City Council Meeting at 9:37pm as there was no other City business.

SIGNED:

Dr. David Drotzmann, Mayor

ATTEST:

Lilly Alarcon-Strong, City Recorder

DRAFT



Current Status as of 7/10/2023

- Down (4) positions
 - One entry-level started July 3rd and reports to the academy August 14th for (16) weeks and then 12-14 weeks in-house: best case scenario March 2024 solo patrol
 - One entry-level will start September 16th and then report to the academy October 16th: best case scenario May 2024 solo patrol
 - Currently have (2) entry-level applicants that just passed psychological screenings. Conditional offers of employment forthcoming. Next available academy slot is November. July 2024 solo patrol
 - Anticipating (1-3) more experienced officers leaving the agency within the next 1-4 months

Agency	Calls for Service *	Traffic Stops	Total Arrests	Citations Issued
Pendleton (16,894 pop.**)	12,559	2,003	1,568***	1,742
Hermiston (19,973 pop.)	11,882	4,203	1,116	4,196
UCSO	10,308	995	374	484
Umatilla (7,632 pop.**)	3,053	2,050	246	873
Boardman (4,116 pop.)	2,577	312	154	108

* a number that can be easily manipulated
 ** is inclusive of prison populations though Oregon State Police handle the calls for service
 *** may include arrests made by the drug task force

My reason for showing these statistics is because all of these agencies have significantly raised their wages over the last couple of years. Point being, there is potential for older officers who may see a limited path to advancement, to leave for a smaller agency where there is less population, less work, and less direct supervision (by nature of having fewer supervisors).

Officers per 1,000 population (adjusted): Boardman 2.92, Umatilla 2.26 (2.42 in October '23), Pendleton 1.79, Hermiston 1.5 – national average per FBI website is 2.4

Hermiston +3 officers = 1.65 Hermiston +6 officers = 1.8

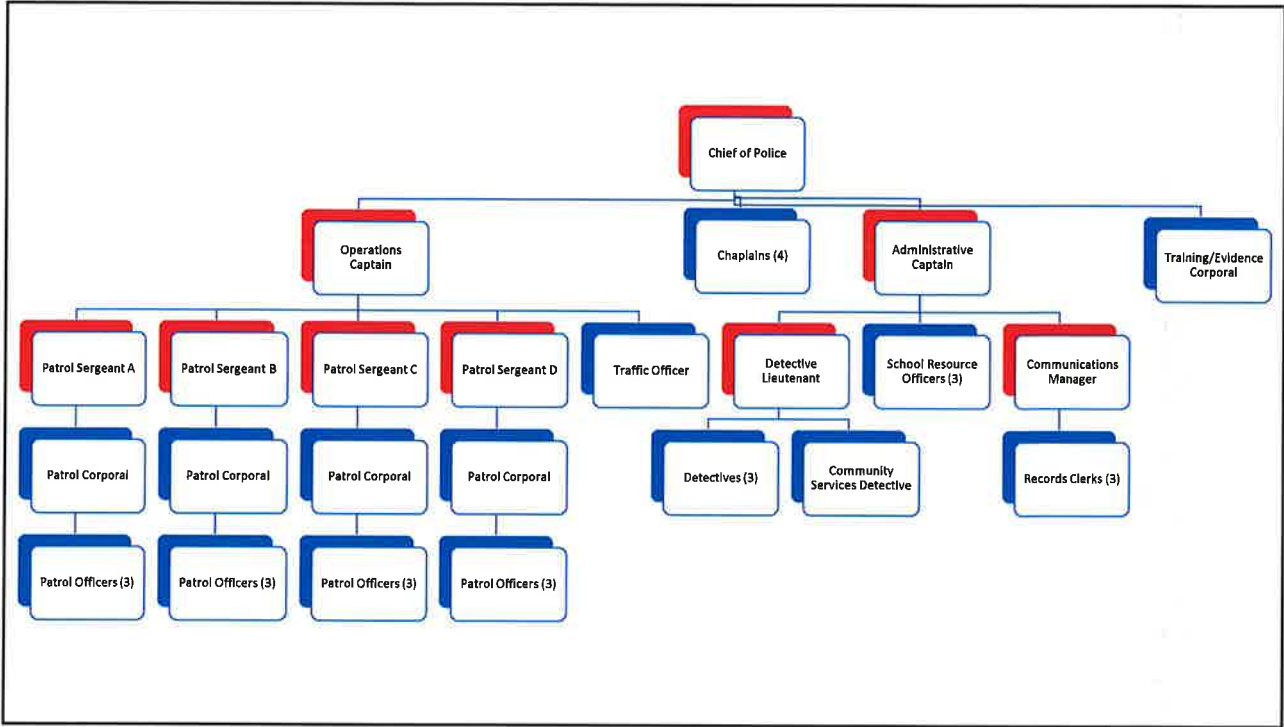
Span of Control @ Hermiston PD

Most textbooks show a span of control of 3-5 employees is ideal for each supervisor. Currently here is our span of control for police department supervisors -

Chief of Police	3 (+4 volunteers)
Operations Captain	4
Administrative Captain	5
Detective Lieutenant	4
Patrol Sergeants	3.5
Communications Manager	3

This is where we would like to get -

Chief of Police	3 (+4 volunteers)
Operations Captain	5
Administrative Captain	5
Detective Lieutenant	4
Patrol Sergeants	4
Communications Manager	3



Operations Captain (Scott Clark)

Patrol is the backbone of any agency. Captain Clark manages patrol to include all special events, grants, directed patrol requests, vacation house checks, and now code enforcement.

Special Events – MLK march, High School Senior march, 4th of July celebration*, Umatilla County Fair Parade, Umatilla County Fair Security patrols, Halloween coverage, New Year’s Eve coverage, funeral escorts, and various meetings to include tabletop exercises and live event training with other entities.

Grants – assisted with managing \$165,000 in grant funding for 2022. This includes overtime grants for dedicated traffic enforcement.

Directed Patrol Requests / Vacation House Checks – directed patrol requests are attempts to target problem areas for a minimum of 2-weeks with dedicated resources. In 2022, we had (53) directed patrol requests with most involving traffic complaints. There were also (15) requests from citizens to provide additional coverage to their residence while they were out of town.

Code Enforcement – though temporary, in just 3 weeks, we have tracked 33 complaints with citations on many of the complaints.

Administrative Captain (Travis Eynon)

This position is very unique and has a wide range of responsibilities to include investigations, school resource officers, records, and serves as the quartermaster for the agency in the issuance/replacement of equipment and uniforms.

Detective Lieutenant (Robert Guerrero) – the detective lieutenant manages (4) full-time detectives. As evidenced in a recent news story, many investigations are very complex and having dedicated staff and resources is mission-critical in our attempt to provide justice and limit the liability exposure of the city. The lieutenant is also trained in specialized arson investigations (attended the 2-week course at the National Fire Academy in Maryland in January of this year). As evidenced in the quarterly crime report disseminated in April, our detectives each carry a significant number of cases. What that report does not show and something that is more challenging to “track” is the percentage of cases our detectives “touch” or review. These come in via referrals from other law enforcement agencies, state agencies such as the Department of Human Services, etc. We estimate our detectives play a part in 33% of the cases/reports that come to our agency. Looking solely at reports taken in 2022, that would equate to over 1,000 matters.

The lieutenant carries a case load and manages (2) general law detectives, (1) detective assigned to the drug task force, and (1) detective who carries a partial caseload and serves as a community services officer.

Community Services Officer – this includes various meetings, landlord/tenant matters, Safer Neighborhoods, safety presentations, etc.

School Resource Officers (SROs)

Contrary to what some may believe, in the times we live in, there is an incredible amount of liability associated with our interaction(s) with youth. The SRO’s are funded 75% (wage and benefits) from the school district. We do not charge additional money for overtime they incur, nor do we truly experience the remaining 25% of their position in the summer months due to personal time off accrual throughout the school year. We are completely happy with the relationship we have and have had with the Hermiston School District. The 75% they pay for each SRO is among the highest percentage I have seen statewide.

The SRO’s are strategically assigned to all schools in the district.

SRO Betty Nava coordinates the Community Accountability Board (CAB) on an as-needed basis.

Communications Manager (Amanda Hartsteen)

This is a very daunting position. The comms. manager is responsible for all systems within the police department. By agreement with other agencies using the same Computer Aided Dispatch (CAD)/Records Management System (RMS) as our department, our manager is 1 of 4 "super users" who by design work through all glitches that take place between the two counties. Our manager, is incredibly savvy with the system and she is often the first call for many agencies. As such, this "greater good" takes away from our agency. We send our manager to the vendor conference each year so we can have a say in what is a predominant California-user system. We have been with the same vendor since Spring of 1999, and we are very happy.

The manager supervises (3) records specialists who are busy ensuring we meet unfunded mandates placed upon us for records dissemination and retention.

2022

4,355 requests for information or approximately 17 requests per day

1st quarter this year we saw a 158% increase in requests of information

4,199 citations entered into the system and shared with court(s)

1st quarter this year we saw a 6% increase

409 municipal court arrest warrants entered

1st quarter this year we saw a 137% increase

Police Department Lobby – the police department lobby is often a very busy place and demands the attention from records staff who by the above examples, are already busy. During the pandemic we kept our lobby open nearly the entire time while other entities such as the court did not. In late 2020, I provided stats showing our window averaging 14 people per day in the lobby and 16 calls coming into records per day. This was during the height of the pandemic.

Fast forward to present day and I would expect the numbers to have a slight increase. The only number that may stagnate and should start declining, would be the amount of foot traffic we get into that lobby where people were seeking the municipal court. The general public often has difficulty understanding the "line in the sand" difference between court employees and police employees.

Additional demands from lobby traffic include non-criminal fingerprinting appointments (366 in 2022) and sex offender registrations (139 in 2022).

Evidence/Training

We do maintain a dedicated lead officer in charge of evidence and department training. The proper chain of custody and storing of evidence is crucial to all investigations. In 2022, our department conducted nearly 4,200 hours of training. All that training was reported to the Oregon Department of Public Safety Standards and Training. Much of the training is mandated though agencies are responsible for finding the funding. Our training officer is also responsible for the maintenance of all police vehicles.

Software/Equipment

We know the cost of personnel is the most significant cost of nearly any entity. For the police department, we calculated the cost of just equipment for (1) full-time officer is \$70,344.37. Much of that are one-time costs until things expire or wear out, but the PD also has large software costs to assist us in our performing the job.

\$17,000 per year for body cameras

\$16,000 per year for our Cellebrite contract – Cellebrite is a cell phone extraction company that specializes in locating and saving all data associated with smartphones.

\$8,500 per year for our Lexipol policy manual. With ever-changing case law, policies are constantly being updated and pushed out to user agencies. Lexipol is used by more than 10,000 agencies nationwide and they have a team of attorneys writing the policies.

\$8,500 per year for GOVQA which allows us to track all requests for information that come to records. This is part of the unfunded mandates previously mentioned.

We are trying to do our part to protect our community, but we must also protect our employees.



HERMISTON NORTH URBAN RENEWAL AREA

HERMISTON CITY COUNCIL



ROADMAP



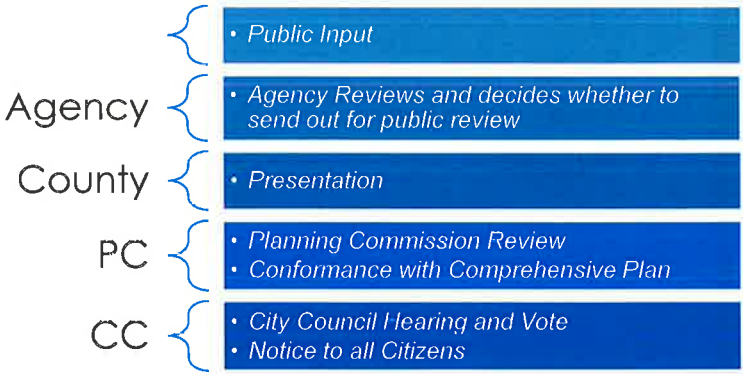
1. Role of City Council
2. Background
3. Financial Capacity
4. Projects
5. Process and Schedule

ROLE OF CITY COUNCIL

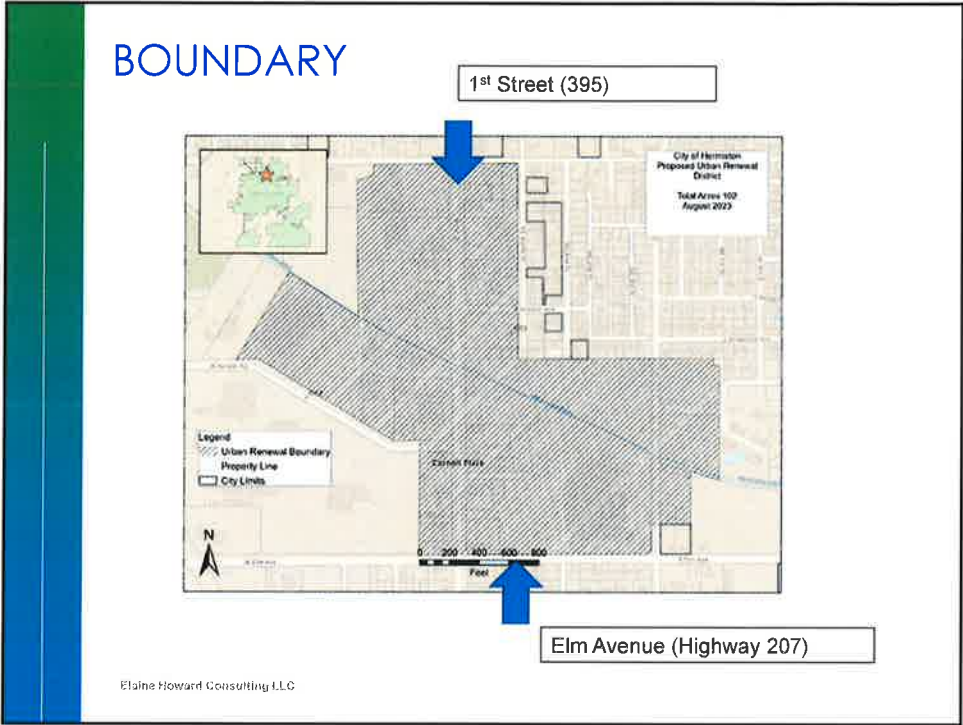
- ❖ To hold a hearing and receive input from citizens and taxing districts
- ❖ Conduct the first reading of the ordinance
- ❖ Conduct second reading of ordinance on July 24 if needed

Elaine Howard Consulting LLC

HOW IS A PLAN ADOPTED?



Elaine Howard Consulting LLC



STATUTORY LIMITATIONS

	Acres	Assessed Value
A. City of Hermiston Downtown Urban Renewal District	125.2	\$42,262,899
B. Southwest Hermiston Urban Renewal District	392.8	\$3,121,349
C. North Hermiston Urban Renewal District	102	\$57,095,267
D. Total Acreage/Assessed Value in URDs	620	\$102,479,515
E. Excess Value		\$16,832,001
F. City of Hermiston	5,402	\$1,262,014,564
% of City Acreage =(D/F)	11.48%	
% of City Assessed Value =(D/(F-E))		8.23%

Elaine Howard Consulting LLC

PROJECTS

- New East West Street: NE Aspen Drive
- Signal at N 1st Street/Aspen Drive
- Extension of NE North Street to NE Aspen Drive
- New water line along NE Aspen Drive
- ROW Acquisition

Elaine Howard Consulting LLC

ESTIMATED COSTS OF PROJECTS

TIF District Projects	Constant FYE 2023 \$	Year of Expenditure \$ ¹
NE Aspen Drive & NE North St. Street Improvements	\$815,250	\$898,813
Water Line Improvements (NE Aspen Drive)	\$161,750	\$178,329
Traffic Signage and Signaling	\$1,608,000	\$1,772,820
Construction Contingencies	\$1,020,000	\$1,124,550
Property Acquisition	\$208,000	\$229,320
Administration	\$10,000	\$11,205
Project Contingency (15%)	\$561,950	\$619,550
TOTAL:	\$4,384,950	\$4,834,407

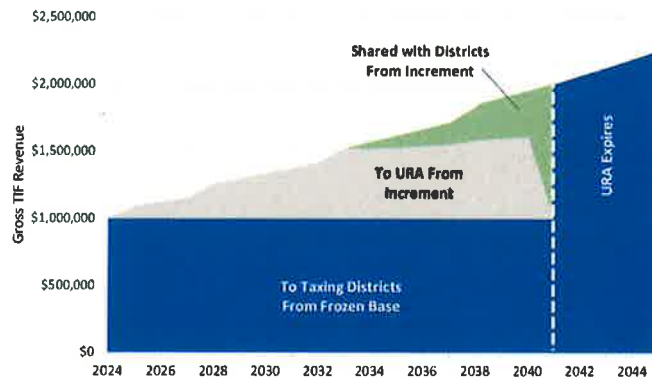
Elaine Howard Consulting LLC

FINANCIAL FORECASTING

Total Net TIF	\$6,162,000
Maximum Indebtedness	\$4,385,000
Capacity (2023\$)	\$4,385,000
Years 1-5	\$3,422,000
Years 6-10	\$937,000
Years 11-15	\$17,000
Year 16	\$11,000

Elathe Howard Consulting LLC

REVENUE SHARING



Elathe Howard Consulting LLC

REVENUE SHARING

FYE	Total AV	Frozen Base AV	Incremental AV Used	Incremental AV Shared	Tax Revenue from Shared
2023 (Base Year)	57,095,267	57,095,267	-	-	-
2024	60,808,125	57,095,267	-	-	-
2025	62,632,369	57,095,267	5,537,102	-	-
2026	64,511,340	57,095,267	7,410,073	-	-
2027	66,446,680	57,095,267	9,351,413	-	-
2028	72,190,081	57,095,267	15,094,813	-	-
2029	74,355,783	57,095,267	17,260,516	-	-
2030	76,586,457	57,095,267	19,491,189	-	-
2031	78,884,050	57,095,267	21,788,783	-	-
2032	81,250,572	57,095,267	24,155,305	-	-
2033	87,438,089	57,095,267	29,054,270	-	-
2034	90,061,232	57,095,267	29,710,055	3,255,909	56,872
2035	92,763,069	57,095,267	30,385,515	5,282,287	92,268
2036	95,545,961	57,095,267	31,081,238	7,369,456	128,725
2037	98,412,340	57,095,267	31,797,832	9,519,240	166,276
2038	105,114,710	57,095,267	33,473,425	14,546,018	254,081
2039	106,268,151	57,095,267	34,261,785	16,911,099	295,393
2040	111,516,196	57,095,267	35,073,786	19,947,132	337,944
2041	114,861,682	57,095,267	14,101,412	43,665,002	762,714
TOTAL:					\$1,331,580

Elaine Howard Consulting, LLC

TAXING DISTRICT IMPACTS GENERAL GOVERNMENT - Totals through FYE 2040

Umatilla County	(988,767)
City of Hermiston	(2,112,369)
Umatilla County Fire District	(607,409)
Port of Umatilla	(53,435)
County Radio	(59,028)
Cemetery District	(32,011)
Mosquito Control	(70,179)
Subtotal	(3,923,197)

General Government

FYE	General County	City of Hermiston	Port of Umatilla	Umatilla County Fire District 1	County Radio District	Cemetery District 8	W. Umatilla Mosquito Control	Subtotal General Gov't
2024	-	-	-	-	-	-	-	-
2025	(14,594)	(31,178)	(789)	(8,965)	(871)	(472)	(1,036)	(57,905)
2026	(19,765)	(42,226)	(1,068)	(12,142)	(1,180)	(640)	(1,403)	(78,425)
2027	(24,941)	(53,283)	(1,348)	(15,321)	(1,489)	(807)	(1,770)	(98,959)
2028	(40,155)	(85,786)	(2,170)	(24,668)	(2,397)	(1,300)	(2,850)	(159,325)
2029	(46,090)	(98,466)	(2,491)	(28,314)	(2,752)	(1,492)	(3,271)	(182,876)
2030	(52,055)	(111,210)	(2,813)	(31,978)	(3,108)	(1,685)	(3,695)	(206,544)
2031	(58,199)	(124,335)	(3,145)	(35,752)	(3,474)	(1,884)	(4,131)	(230,922)
2032	(64,528)	(137,855)	(3,487)	(39,640)	(3,852)	(2,089)	(4,580)	(256,031)
2033	(80,930)	(172,895)	(4,374)	(49,716)	(4,831)	(2,620)	(5,744)	(321,110)
2034	(79,507)	(169,856)	(4,297)	(48,842)	(4,746)	(2,574)	(5,643)	(315,465)
2035	(81,262)	(173,606)	(4,392)	(49,920)	(4,851)	(2,631)	(5,768)	(322,429)
2036	(83,123)	(177,580)	(4,492)	(51,063)	(4,962)	(2,691)	(5,900)	(329,811)
2037	(85,039)	(181,674)	(4,596)	(52,240)	(5,077)	(2,753)	(6,036)	(337,414)
2038	(89,483)	(191,169)	(4,836)	(54,970)	(5,342)	(2,897)	(6,351)	(355,050)
2039	(91,628)	(195,750)	(4,952)	(56,288)	(5,470)	(2,966)	(6,503)	(363,557)
2040	(77,468)	(165,500)	(4,186)	(47,589)	(4,625)	(2,508)	(5,498)	(307,374)
TOTAL:	(988,767)	(2,112,369)	(53,435)	(607,409)	(59,028)	(32,011)	(70,179)	(3,923,197)

Elaine Howard Consulting LLC

TAXING DISTRICT IMPACTS EDUCATION – Totals through FYE 2040

Education Service District	(213,668)
Blue Mountain Community College	(229,462)
Hermiston School District 8	(1,695,130)
Subtotal	(2,138,260)
Total	(6,061,457)

Schools are funded through the State School Fund on a per pupil basis: Urban Renewal indirectly impacts them.

Elaine Howard Consulting LLC

EDUCATION – Totals

FYE	Hermiston School District 8	Intermountain E.S.D.	Blue Mountain CC	Subtotal (Education)	Total (Govt. and Education)
2024	-	-	-	-	-
2025	(25,019)	(3,154)	(3,387)	(31,560)	(89,465)
2026	(33,886)	(4,271)	(4,587)	(42,744)	(121,168)
2027	(42,758)	(5,390)	(5,788)	(53,936)	(152,895)
2028	(68,841)	(8,677)	(9,319)	(86,837)	(246,163)
2029	(79,017)	(9,960)	(10,696)	(99,673)	(282,549)
2030	(89,243)	(11,249)	(12,080)	(112,573)	(319,117)
2031	(99,776)	(12,577)	(13,506)	(125,859)	(356,781)
2032	(110,626)	(13,944)	(14,975)	(139,545)	(395,576)
2033	(138,745)	(17,488)	(18,781)	(175,014)	(496,124)
2034	(136,306)	(17,181)	(18,451)	(171,938)	(487,403)
2035	(139,315)	(17,560)	(18,858)	(175,734)	(498,163)
2036	(142,504)	(17,962)	(19,290)	(179,757)	(509,568)
2037	(145,789)	(18,376)	(19,735)	(183,901)	(521,315)
2038	(153,409)	(19,337)	(20,766)	(193,513)	(548,562)
2039	(157,085)	(19,800)	(21,264)	(198,150)	(581,707)
2040	(132,810)	(16,740)	(17,978)	(167,528)	(474,902)
TOTAL:	(1,695,130)	(213,668)	(229,462)	(2,138,260)	(6,061,457)


Elaine Howard Consulting LLC



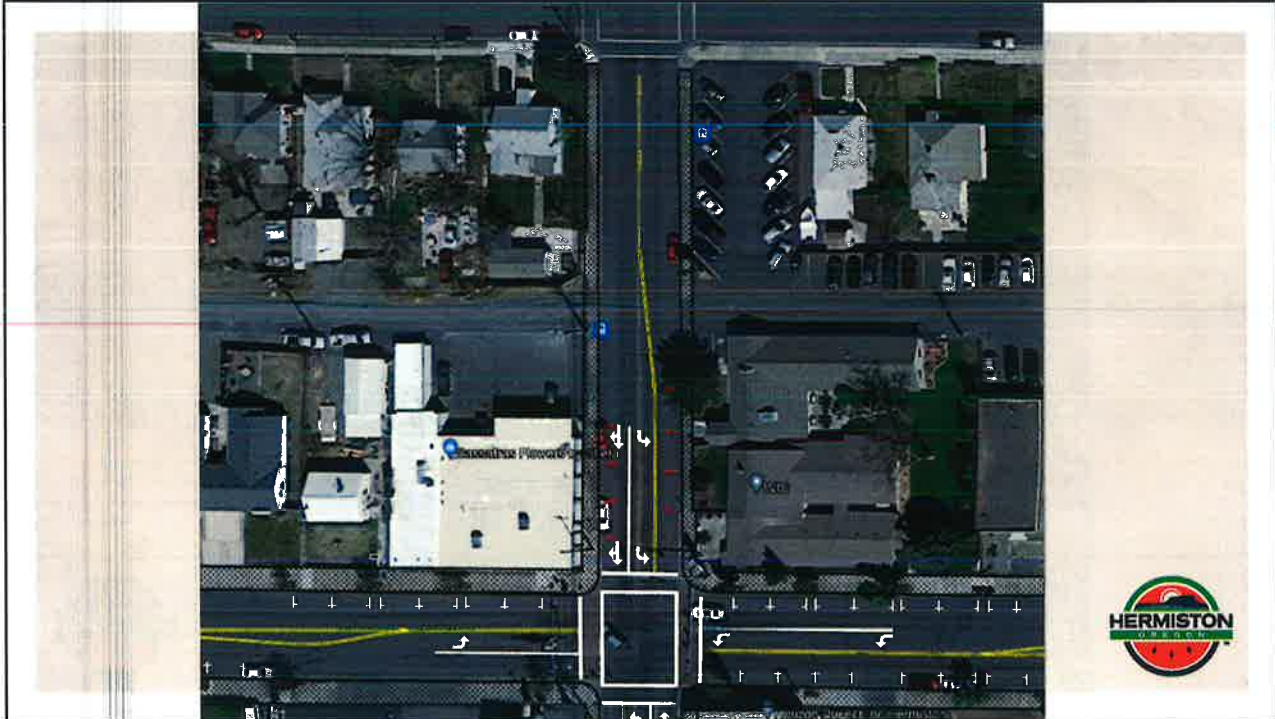
**4th & Main and Downtown
Parking**
July 10, 2023



A collage of six images: a group of people taking a selfie, a panoramic view of a valley, a field of golden wheat, a group of people sitting in a field, a child eating watermelon, and a variety of fresh vegetables including tomatoes, peppers, and carrots. The text '4th & Main and Downtown Parking' and 'July 10, 2023' is centered over the wheat image. The 'HERMISTON OREGON' logo is in the bottom right corner.



An aerial photograph of a city block with a white rectangular box highlighting a specific parking area. The surrounding area includes residential buildings, streets, and greenery. The 'HERMISTON OREGON' logo is in the bottom right corner.



Gladys Angled Parking: +5 Spaces



South of Main: Shift 30' South



Ample Parking on Hurlburt + Opportunity: 2023



Ample Parking on Hurlburt + Opportunity: 2021



Ample Parking on Hurlburt + Opportunity: 2021



Ample Parking on Hurlburt + Opportunity: 2020



Ample Parking on Hurlburt + Opportunity: 2018



Ample Parking on Hurlburt + Opportunity: 2017



Ample Parking on Hurlburt + Opportunity: 2016



Hurlburt Angled Parking Opportunity



35' Width



Hurlburt Angled Parking Opportunity



45' Width



Hurlburt Angled Parking Opportunity



55' Width



Hurlburt Angled Parking Opportunity



Demolition
Utility Adjust
In-fill Paving
\$150,000?



Other Parking Alternatives

Where Life is Sweet™

Cost of Off-Street Parking

- Direct Upfront Cost: Real Estate
- Direct Upfront Cost: Construction
- Direct Deferred Cost: Property Tax Revenue

- Opportunity Cost: Development Potential?



3rd & Main Vacant Lot Example



Hard Costs

\$200,000 RMV
\$50,000 Improve
50 Spaces



3rd & Main- Lost Opportunity



Annual Prop Tax
Development
Pattern



Partnership Opportunities



Partnership Opportunities



Questions?

Where Life is Sweet™



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of July 24, 2023

Title/Subject

Adoption of Ordinance No. 2347, creating the North Hermiston Urban Renewal Area, is scheduled.

Summary and Background

The city council held a public hearing on the formation of the North Hermiston Urban Renewal Area at the July 10 regular council meeting. Following the conclusion of the public hearing, the city council directed staff to prepare an ordinance for consideration at this council meeting.

During the July 10, hearing, the council questioned the financial tables on page 13 of the report. The report has been amended to reflect the issues raised by the council. Specifically, the total resources in Table 7, 8, and 9 have been lowered and an explanatory note added detailing that outside funding may be utilized if available. The early principal payments are included as the life of the district is projected at 16 years and will likely pay principal ahead of a 20-year traditional schedule.

The information is repeated from the July 10 staff report.

On March 13, 2023, the city council accepted the feasibility report for the proposed new urban renewal area in the north portion of the city between Elm Ave and Theater Lane. After accepting the report, the council directed staff to prepare an urban renewal plan for this area. The report is now complete and a public hearing on the proposed new area is required.

Attached to this staff report are both the urban renewal report which details the financial impacts of the urban renewal district formation and administration, and the urban renewal plan which is focused on the physical projects within the urban renewal area. The plan has been prepared by a consulting team made up of representatives from Elaine Howard Consulting, Johnson Economics, and city staff. The plan is prepared according to the requirements for urban renewal plans in ORS Chapter 457.

The underlying reasoning for the North Hermiston Urban Renewal Area is to address blighted lots, encourage redevelopment, alleviate congestion on N First St (Highway 395), and improve water infrastructure. The existing transportation network in the NURA is inefficient and hampers future development. By providing new transportation connections, the transportation network will be safer and more efficient and development parcels will be created to allow for

new development to occur within NURA. The construction of a new looping water line allow for new development capacity within the NURA. Council is being asked to hold a hearing on July 10, 2023, to gain input regarding the Council’s consideration and potential adoption of the proposed North Hermiston Urban Renewal Plan (Plan) and to vote on the ordinance to adopt the Plan at the July 24, 2023, meeting.

Urban Renewal is not a new tax but reallocates existing tax revenues which are collected above the “frozen” tax base in place at the time of district formation. Urban Renewal diverts the tax revenues from new development within the area to the Urban Renewal Agency, rather than allowing them to go to existing districts, like the City, County, etc. That revenue is what is used to pay for projects and programs in the NURA Plan. In order to front-load these projects and stimulate development capable of paying for itself, staff proposes to borrow up to \$5 million to install the necessary streets and utilities. In which case, the subsequent NURA revenue would predominantly be aimed at paying off that debt.

It is anticipated that the Plan will take sixteen years of tax increment collections to implement. The maximum amount of indebtedness that may be issued for the Plan is not to exceed \$5,000,000 (Five Million dollars). Detailed financial analysis is in the Report Accompanying the North Hermiston Urban Renewal Plan (Report).

Under the state’s school funding model, schools operating budgets are held harmless by Urban Renewal since state income-tax funding backfills any shortfalls in local budgets to ensure consistent per-student revenues for schools.

The draft report includes a section on Revenue Sharing, which is a new requirement since the downtown Urban Renewal Area was created in 2013. Under the revenue sharing requirements, the new urban renewal district will only collect 100% of the tax increment until its assessed value reaches a set proportion of the maximum indebtedness for the area, at which point, the tax increment begins to be shared with other taxing entities. The revenue estimates in the plan demonstrate that existing taxing districts begin receiving revenue in 2034. This means there would be nine years where the NURA receives all the new revenue and existing entities receive zero.

Finally, it is important to note that Urban Renewal only applies to permanent tax rates, not bonds. Therefore, new development that is facilitated by installing the necessary infrastructure, will be paying for the school and fire district bonds.

The financial forecast in the plan is very conservative, estimating a 3% assessed value growth from existing development and the known proposed development. The Area has the capacity to repay the city loan over the sixteen-year timeframe given these financial projections.

Notice to citizens of consideration of an ordinance was given via the city’s utility billings. Notice was also placed on the City of Hermiston website.

The process for approval has included the following steps, in accordance with ORS 457.

1. Preparation of a Plan including opportunity for citizen involvement.
2. Agency review of the proposed Plan and accompanying Report on May 22, 2023.
3. Forwarding a copy of the proposed Plan and the Report to the governing body of each taxing district. The formal taxing districts letters were sent out on May 23, 2023.

4. Review and recommendation by the Hermiston Planning Commission. The Commission reviewed the Plan on June 12, 2023 and voted that the Plan conformed to the Hermiston Comprehensive Plan.
5. Presentation of the Plan to the Umatilla County Commission in a briefing on June 21, 2023.
6. Notice to all citizens of Hermiston of a hearing before the City Council via municipal utility billing.
7. Hearing by Hermiston City Council and adoption of the proposed Plan and accompanying Report by a non-emergency ordinance. The hearing will be held on July 10, 2023, and the ordinance reading and vote by City Council will occur on July 24, 2023. The ordinance must be a non-emergency ordinance, which means that the ordinance does not take effect until 30 days after its approval and during that period of time may be referred to Hermiston voters if a sufficient number of signatures are obtained on a referral petition.
8. Following adoption of the urban renewal ordinance, a notice of adoption will be published. The plan will be forwarded to Umatilla County for recording and filing with the county assessor.

Tie-In to Council Goals

The plan and urban renewal projects are intended to facilitate general economic development in Hermiston, specifically increasing retail and commercial opportunities. Improving mobility and transportation is also a council goal.

Fiscal Information

The maximum indebtedness for the district, meaning all that may be spent or borrowed for projects is \$5,000,000. It is anticipated that this amount will be borrowed early in the life of the district and then repaid in the out years using tax increment revenue. The complete financial impacts are described in detail on pages 7-14 of the attached urban renewal report.

Alternatives and Recommendation

Alternatives

The city council may choose to:

- Adopt the North Hermiston Urban Renewal Plan and Report and implement the new urban renewal area through the adoption of Ordinance No. 2347.
- Reject Ordinance No. 2347 and stop formation of the new urban renewal area.

Recommended Action/Motion

Staff recommends that the city council adopt Ordinance No. 2347 through two readings at this council meeting.

Submitted By:

Clinton Spencer, Urban Renewal Director

ORDINANCE NO. 2347

AN ORDINANCE MAKING CERTAIN DETERMINATIONS AND FINDINGS RELATING TO AND APPROVING THE NORTH HERMISTON URBAN RENEWAL PLAN AND DIRECTING THAT NOTICE OF APPROVAL BE PUBLISHED

WHEREAS, Hermiston Urban Renewal Agency (“Agency”), as the duly authorized and acting urban renewal agency of the City of Hermiston, Oregon, is proposing to undertake certain urban renewal activities in a designated area within the City pursuant to ORS Chapter 457; and

WHEREAS, the Agency, pursuant to the requirements of ORS Chapter 457, has caused the preparation of the North Hermiston Urban Renewal Plan dated July 24, 2023, and attached hereto as Exhibit A (the “Plan”) and incorporated hereby by reference, and the Plan authorizes certain urban renewal activities within the North Hermiston Urban Renewal Area (the “Area”); and

WHEREAS, the Agency has caused the preparation of a certain Urban Renewal Report dated July 24, 2023, attached hereto as Exhibit B (the “Report”) and incorporated hereby by reference to accompany the Plan as required under ORS 457.087; and

WHEREAS, the Agency forwarded the Plan and Report to the Hermiston Planning Commission (the “Planning Commission”) for review and recommendation. The Planning Commission considered the Plan and Report on June 14, 2023, and passed a motion that the Plan conformed with the Hermiston Comprehensive Plan, the minutes of that meeting are attached hereto as Exhibit C and incorporated hereby reference; and

WHEREAS, the Plan and the Report were forwarded on May 23, 2023, to the governing body of each taxing district affected by the Plan, and the Agency has thereafter consulted and conferred with each taxing district; and

WHEREAS, on June 21, 2023, the City met with representatives of Umatilla County to review the Plan, including proposed maximum indebtedness for the Plan; and

WHEREAS, the City Council has not received any written recommendation from the governing bodies of the affected taxing districts; and

WHEREAS, on June 5, 12, 19 and 26, 2023, the City caused notice of the hearing to be held before the Council on the Plan, including the required statements of ORS 457.120(3), to be mailed to utility customers within City’s incorporated limits; and

WHEREAS, on July 10, 2023, the City Council held a public hearing to review and consider the Plan, the Report, the recommendation of the Hermiston Planning Commission and the public testimony received on or before that date and to receive additional public testimony; and

WHEREAS, the City Council found that the Plan conforms with all applicable legal requirements; and

WHEREAS, after consideration of the record presented through this date, the City Council does by this Ordinance desire to approve the Plan.

NOW, THEREFORE, THE CITY OF HERMISTON ORDAINS AS FOLLOWS:

Section 1. The Plan complies with all applicable requirements of ORS Chapter 457 and the specific criteria of 457.095, in that, based on the information provided in the Report, the Hermiston Planning Commission Recommendation, and the public testimony before the City Council:

1. The process for the adoption of the Plan, has been conducted in accordance with the applicable provisions of Chapter 457 of the Oregon Revised Statutes and all other applicable legal requirements.
2. The area designated in the Plan as the North Hermiston Urban Renewal Area (“Area”) is blighted, as defined by ORS 457.010(1) and is eligible for inclusion within the Plan because of conditions described in the Report in the Section “Existing Physical, Social, and Economic Conditions and Impacts on Municipal Services”, including the existence of inadequate streets and other rights of way, open spaces, and utilities within the Area (ORS 457.010(1)(e)).
3. The rehabilitation and redevelopment described in the Plan to be undertaken by the Agency is necessary to protect the public health, safety or welfare of the City because absent the completion of urban renewal projects, the Area will fail to contribute its fair share of property tax revenues to support City services and will fail to develop and/or redevelop according to the goals of the City’s Comprehensive Plan.
4. The Plan conforms to the Hermiston Comprehensive Plan and provides an outline for accomplishing the projects described in the Plan, as more fully described in XI of the Plan and in the Hermiston Planning Commission recommendation.
5. No residential displacement will occur as a result of the acquisition and disposition of land and redevelopment activities proposed in the Plan and therefore the Plan does not include provisions to house displaced persons.
6. Acquisition is an eligible component of the Plan and is necessary to cure blight in the Area and to promote economic prosperity.
7. Adoption and carrying out the Plan is economically sound and feasible in that eligible projects and activities will be funded by urban renewal tax revenues derived from a division of taxes pursuant to section 1c, Article IX of the Oregon Constitution and ORS 457.440 and other available funding as more fully described in the Sections III through VI of the Report.
8. The City shall assume and complete any activities prescribed it by the Plan.
9. The Agency consulted and conferred with affected overlapping taxing districts prior to the Plan being forwarded to the City Council.

Section 2. The North Hermiston Urban Renewal Plan is hereby approved based upon review and consideration by the City Council of the Plan and Report, the Hermiston Planning Commission Recommendations, each of which is hereby accepted, and the public testimony in the record.

Section 3. The City Manager shall forward forthwith to the Agency a copy of this Ordinance.

Section 4. The Agency shall thereafter cause a copy of the Plan to be recorded in the Records of Umatilla County, Oregon.

Section 5. The City Manager, in accordance with ORS 457.115, shall publish notice of the adoption of the Ordinance approving the Plan including the provisions of ORS 457.135, in the East Oregonian no later than four days following adoption of this Ordinance.

PASSED by the Common Council this 24th day of July, 2023.
SIGNED by the Mayor this 24th day of July, 2023.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

- Exhibit A- North Hermiston Urban Renewal Plan
- Exhibit B- Report on the North Hermiston Urban Renewal Plan
- Exhibit C- Hermiston Planning Commission Recommendation on the North Hermiston Urban Renewal Plan

DRAFT

North Hermiston Urban Renewal Plan



Where Life is Sweet

Adopted by the City of Hermiston

July 24, 2023

Ordinance No. 2347

If Amendments are made to the Plan, the Resolution or Ordinance Number and date will be listed here. The amendment will be incorporated into the Plan and noted through a footnote.

List of Participants

Mayor

Dr. David Drotzmann

City Council

Jackie M. Linton, Ward 1
Roy N. Barron, Ward 2
Jackie C. Myers, Ward 3
David P. McCarthy, Ward 4
Maria E. Duron, at large
Rod S. Hardin, at large
Nancy R. Peterson, at large
Doug Primmer, at large, Council President

Hermiston Urban Renewal Agency

Dr. David Drotzmann
Jackie M. Linton
Roy N. Barron
Jackie C. Myers
David P. McCarthy
Maria E. Duron
Rod S. Hardin
Nancy R. Peterson
Doug Primmer

Planning Commission

Position 1 Annette Kirkpatrick
Position 2 Philip Hamm
Position 3 Ben Doherty
Position 4 Patrick Collins
Position 5 Josh Burns
Position 6 Dean Fialka
Position 7 Ben Sargent
Position 8 Margaret E. Saylor, Chair
Position 9 Derek Caplinger

City Manager

Byron Smith

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TABLE OF CONTENTS

- I. DEFINITIONS 6
- II. INTRODUCTION 8
- III. MAXIMUM INDEBTEDNESS 11
- IV. PLAN GOALS 11
- V. PROJECTS 11
- VI. AMENDMENTS TO PLAN 13
- VII. PROPERTY ACQUISITION AND DISPOSITION 14
- VIII. RELOCATION METHODS 14
- IX. TAX INCREMENT FINANCING OF PLAN 15
- X. ANNUAL REPORT 15
- XI. RELATIONSHIP TO LOCAL OBJECTIVES 16
- XII. LEGAL DESCRIPTION 25

I. DEFINITIONS

“Agency” is the Hermiston Urban Renewal Agency created under ORS 457.035 and 457.045.

“Blight” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting the North Hermiston Urban Renewal Plan.

“City” means the City of Hermiston, Oregon.

“City Council” or “Council” means the Hermiston City Council.

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

“County” means Umatilla County, Oregon.

“District” means the properties and rights-of-way located within the North Hermiston Urban Renewal District.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within the North Hermiston Urban Renewal Plan at the time of adoption. The county assessor certifies the assessed value after the adoption of the North Hermiston Urban Renewal Plan.

“HURA” is the Hermiston Urban Renewal Agency.

“North Hermiston Urban Renewal Plan” means a plan, as it exists or is changed or modified from time to time, as provided in ORS 457.

“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 the North Hermiston Urban Renewal Plan, or portion thereof, over the assessed value specified in the certified statement.

“Maximum Indebtedness” means the maximum principal amount of indebtedness that may be incurred by 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 and specifically Chapter 457, which relates to urban renewal and tax increment financing.

“Plan” means the official plan for the North Hermiston Urban Renewal Plan pursuant to ORS 457.

“Plan Area” means a blighted area included in the North Hermiston Urban Renewal Plan under ORS 457.010.

“Planning Commission” means the Hermiston Planning Commission.

“Project(s)” means any work or undertaking carried out under the North Hermiston Urban Renewal Plan.

“Report Accompanying North Hermiston Urban Renewal Plan” or “Report” means the official report that accompanies the North Hermiston Urban Renewal Plan pursuant to ORS 457.087.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470 and refers to the funds that are associated with the division of taxes accomplished through the adoption of the North Hermiston Urban Renewal Plan.

“Tax increment revenues” means the funds allocated by the assessor to the Hermiston Urban Renewal Agency due to increases in assessed value over the frozen base within the area.

“Urban Renewal” means the statutory authority provided in ORS 457.

“Urban renewal area” means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.010.

“Urban renewal plan” or “Plan” means a plan, as it exists or is changed or modified from time to time, for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

“Urban renewal project” or “Project” means any work or undertaking carried out under ORS 457.170 in an urban renewal area.

“Urban renewal report” or “Report” means the official report that accompanies the urban renewal plan pursuant to ORS 457.087.

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II. INTRODUCTION

The North Hermiston Urban Renewal Plan District (District), shown in Figure 1, consists of approximately 102 total acres, 93.49 acres of land in tax lots and 8.51 acres of public rights-of-way. The primary purpose of the North Hermiston Urban Renewal Plan (Plan) is to address infrastructure deficiencies and parcel patterns that are limiting the development potential in the proposed District. The primary investment is expected to be construction of a new east/west street through the District that would ease pressure on Highway 395, as well as a north/south connection to the south.

It is anticipated that the Plan will take sixteen years of tax increment collections to implement. The maximum amount of indebtedness (amount of tax increment financing (TIF) for projects and programs) that may be issued for the Plan is five million dollars (\$5,000,000).

Goals and objectives are intended to guide tax increment financing (TIF) investment in the District over the life of the Plan. The project category descriptions and list of projects are intended to aid future decision makers when considering how best to expend funds generated by TIF.

The Plan is to be administered by the Hermiston Urban Renewal Agency (HURA or Agency). Substantial amendments to the Plan must be approved by City Council as outlined in Section VI. All amendments to the Plan are to be listed numerically on the front page of the Plan and then incorporated into the Plan document and noted by footnote with an amendment number and adoption date.

The relationship between the sections of the Plan and the ORS 457.085 requirements is shown in Table 1 - Statutory References. The specific reference in the table below is the section of this Plan that primarily addresses the statutory reference. There may be other sections of the Plan that also address the statute.

Table 1 - Statutory References

Statutory Requirement	Plan Section
ORS 457.085(2)(a)	V
ORS 457.085(2)(b)	V
ORS 457.085(2)(c)	XII
ORS 457.085(2)(d)	XI
ORS 457.085(2)(e)	XI
ORS 457.085(2)(f)	VIII
ORS 457.085(2)(g)	VII
ORS 457.085(2)(h)	III
ORS 457.085(2)(i)	VI
ORS 457.085(2)(j)	Not applicable

A. Urban Renewal Overview

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 revenue, 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 repay borrowed funds. The borrowed funds are used to pay for urban renewal projects and cannot exceed the maximum indebtedness amount set by the urban renewal plan.

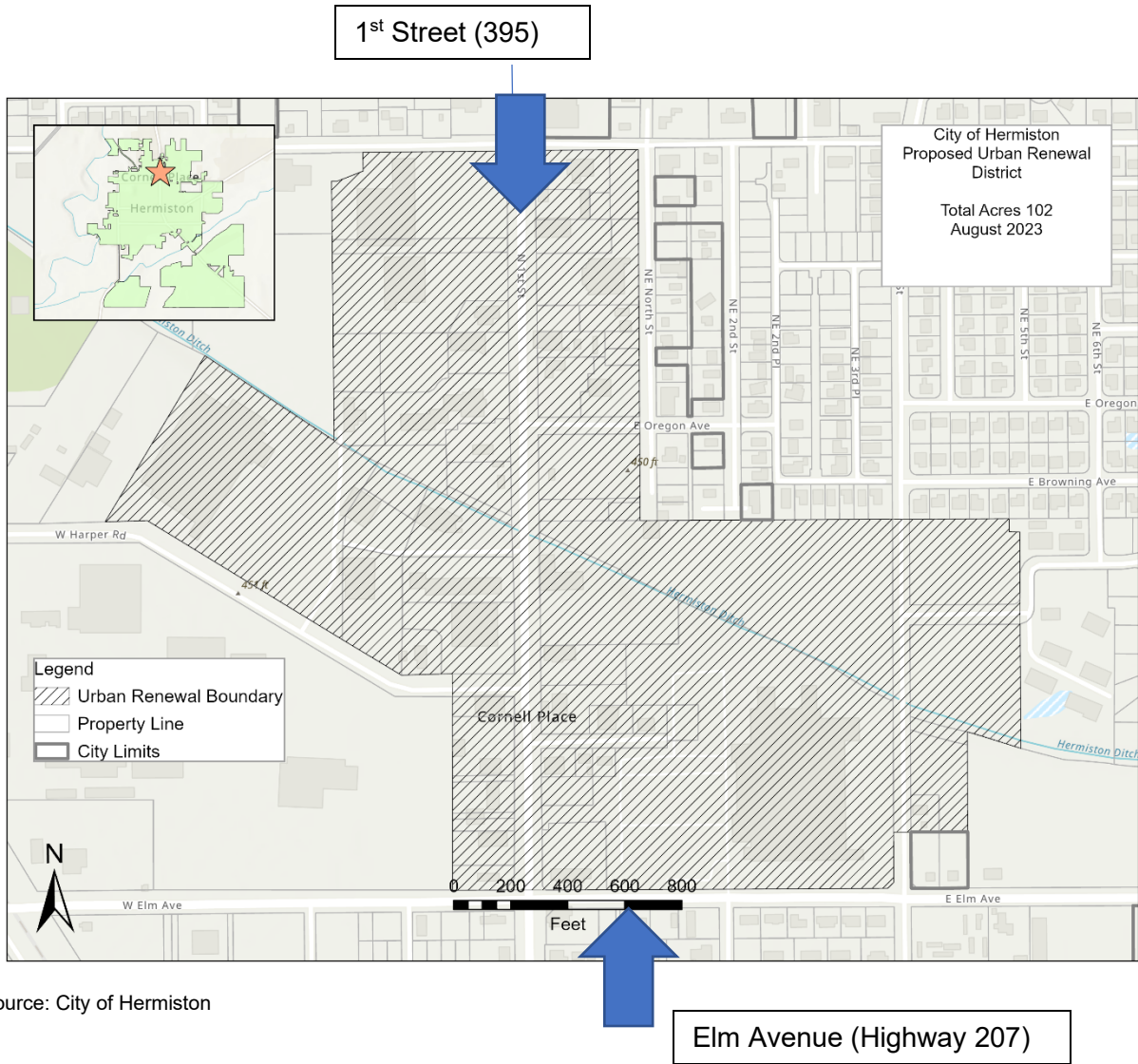
The purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped, called blighted areas in ORS 457. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. In general, urban renewal projects can include construction or improvement of streets, utilities, and other public facilities; assistance for rehabilitation or redevelopment of property; acquisition and re-sale of property (site assembly) from willing sellers; and improvements to public spaces. The North Hermiston Urban Renewal District meets the definition of blight due to the existence of inadequate streets and other rights of way, open spaces and utilities, the division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development and an economic dislocation, deterioration or disuse of property resulting from faulty planning. These blighted conditions are specifically cited in the ordinance adopting the Plan and described in detail in the accompanying North Hermiston Urban Renewal Report (Report).

B. Report Accompanying the Plan

The Report provides the analysis and contains the information required to meet the standards of ORS 457.087, including financial feasibility. These requirements include:

- 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 the Plan Area;
- The relationship between each project to be undertaken and the existing conditions;
- The estimated 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.

Figure 1 Boundary



Source: City of Hermiston

III. MAXIMUM INDEBTEDNESS

Maximum Indebtedness ("MI") is the total amount of money that can be spent on projects, programs and administration throughout the life of the Plan. 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 five million dollars (\$5,000,000). This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on debt proceeds.

IV. PLAN GOALS

Goal 1: Eliminate blight in the District by upgrading inadequate infrastructure including but not limited to streets, water and sewer lines serving the needs of businesses and residents

Objective 1: Provide funding for the construction of infrastructure improvements supporting development and redevelopment within the District.

Goal 2: Promote sustainability and sustainable development practices through Urban Renewal activities.

Objective 1: Encourage the efficient use of land within the District by increasing the likely development/redevelopment of properties in the District.

Goal 3: Facilitate economic development and job creation through the provision of adequate infrastructure in the District.

Objective 1: Provide funding for the construction of infrastructure improvements supporting development and redevelopment within the District.

Provide resources to adequately administer the North Hermiston Urban Renewal Plan.

Objective 1: Administer the Plan including the projects, financial accounting and reporting as required by State Statute.

V. PROJECTS

The projects to be undertaken in the District are infrastructure upgrades.

A. Infrastructure Upgrades

A new east/west street (NE Aspen Drive) is proposed connecting N 1st Street to NE 4th Street. This street is proposed for construction in the easement for the Hermiston Drain. Constructing the street in the easement allows otherwise unbuildable land to be productively utilized for the public good as well as providing new points of access for the irregularly shaped parcels along the easement. This new street will provide nearly 1,300 feet of new street frontage for an area which currently has less than 100 feet of highway frontage. The street will provide pedestrian and bicycle improvements.

Aspen Drive will also provide additional opportunities for alternate circulation as traffic generated by the existing commercial users may leave N 1st Street and connect with existing residential development to the west and south without needing to travel through the congested Elm Street/1st Street intersection.

A new signal is proposed for the N 1st Street/Aspen Drive intersection. This signal is intended to aid in traffic calming on N 1st Street and to provide better traffic spacing, allowing more left turns onto the highway.

An extension of NE North Street south from the current terminus to NE Aspen Drive is proposed. This street extension is approximately 100 feet and will provide opportunities for commercial and residential traffic to the north an opportunity to use the newly constructed signal at NE Aspen Drive and avoid the unsignalized intersection of E Oregon Avenue and N 1st Street.

A new municipal water line is proposed following the NE Aspen Drive route, looping water between N 1st Street and NE 4th Street and providing service to new businesses along the route.

Right of way acquisition is required for all new streets. No existing rights of way exist, and property purchase is planned in the District. Properties identified for acquisition will be added through a Minor Amendment and listed in Section VII of the Plan.

B. Administration

1. Financing fees
2. General administration including annual reporting, financial statements and administration of the Plan.

VI. AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

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 Agency, 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 Hermiston, 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.

Substantial Amendments are amendments that:

- (1) Add land to the North Hermiston Urban Renewal Plan boundary except for an addition of land that totals not more than a cumulative 1% of the area of the North Hermiston Urban Renewal Plan boundary; or
- (2) Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

B. Minor Amendments

Minor Amendments are amendments that are not Substantial Amendments as defined in this Plan and in ORS 457. Minor Amendments require approval by the Agency by resolution.

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

Amendments to the Hermiston Comprehensive Plan (“Comprehensive Plan”) and/or Code of Hermiston that affect the Plan and/or the Plan District shall be incorporated automatically within the Plan without any separate action required by the Agency or City Council. When a substantial amendment is completed, the Relationship to Local Objectives section will be updated.

VII. PROPERTY ACQUISITION AND DISPOSITION

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses, or other rights to use. If property is acquired, it will be identified in the Plan through a Minor Amendment, as described in Section VI. Identification of property to be acquired and its anticipated disposition is required by ORS 457.085(g).

A. Property acquisition for public improvements

The Agency may acquire any property within the District for the public improvement projects undertaken pursuant to the Plan by all legal means, including use of eminent domain. Good faith negotiations for such acquisitions must occur prior to institution of eminent domain procedures.

B. Property acquisition from willing sellers

The Plan authorizes Agency acquisition of any interest in property within the District that the Agency finds is necessary for private redevelopment, but only in those cases where the property owner wishes to convey such interest to the Agency. The Plan does not authorize the Agency to use the power of eminent domain to acquire property from a private party to transfer property to another private party for private redevelopment. Property acquisition from willing sellers may be required to support development of projects within the District.

C. Land disposition

The Agency will dispose of property acquired for a public improvement project by conveyance to the appropriate public agency responsible for the construction and/or maintenance of the public improvement. The Agency may retain such property during the construction of the public improvement.

The Agency may dispose of property acquired under Subsection B of this Section VI by conveying any interest in property acquired. Property shall be conveyed at its fair reuse value. Fair reuse value is the value, whether expressed in terms of rental or capital price, at which the urban renewal agency, in its discretion, determines such land should be made available in order that it may be developed, redeveloped, cleared, conserved, or rehabilitated for the purposes specified in the Plan. Because fair reuse value reflects limitations on the use of the property to those purposes specified in the Plan, the value may be lower than the property’s fair market value.

Where land is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the Plan and to begin and complete the building of its improvements within a period of time that the Agency determines is reasonable.

VIII. RELOCATION METHODS

When the Agency acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the Agency shall adopt rules and regulations, as necessary, for the administration of relocation assistance. No specific acquisitions that would result in relocation benefits have been identified; however, there are plans to acquire land for infrastructure which may trigger relocation benefits in the future in the District.

IX. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on debt. In this Plan, the debt is anticipated to be a contractual obligation to provide developer incentives and agreement to reimburse the Agency for preparation of and administration of the Plan.

Tax increment revenues equal the annual permanent rate property taxes imposed on the cumulative increase in assessed value within the North Hermiston Urban Renewal Plan over the total assessed value at the time the North Hermiston Urban Renewal Plan is adopted. Under current law, the property taxes for general obligation (GO) bonds and local option levies are not part of the tax increment revenues.

A. General Description of the Proposed Financing Methods

The Plan will be financed using tax increment revenues. Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in (1) planning or undertaking project activities, or (2) otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the planning and implementation of this Plan, including preparation of the Plan.

B. Tax Increment Financing

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 Plan District 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.

X. ANNUAL REPORT

The Agency shall file Annual Reports in compliance with ORS 457.460.

XI. RELATIONSHIP TO LOCAL OBJECTIVES

The numbering of the policies within this section reflects the numbering that occurs in the original document. There is no set standard for the findings in an urban renewal plan. In analyzing the findings, the projects and the resulting development have been compared to the Hermiston Comprehensive Plan.

A. Hermiston Comprehensive Plan

POLICY 1: CITIZEN INVOLVEMENT

THE CITY OF HERMISTON WILL INSURE THAT CITIZENS HAVE AN ADEQUATE OPPORTUNITY TO BE INVOLVED IN ALL PHASES OF THE PLANNING PROCESS.

Finding: The HURA met to review the draft Plan, the Planning Commission reviewed the Plan for conformance to the Comprehensive Plan, Umatilla County was briefed on the Plan and the city held a public hearing that was noticed to all residents of Hermiston. All referenced meetings were open, public meetings. The transportation concept was derived from a study prepared by Portland State University in conjunction with the City of Hermiston. There was also opportunity for public input with this study.

POLICY 3: INTERGOVERNMENTAL COORDINATION

THE CITY OF HERMISTON WILL FACILITATE INTERGOVERNMENTAL COORDINATION SO THAT DECISIONS AFFECTING LOCAL, STATE AND FEDERAL PLANNING AND DEVELOPMENT ACTIONS IN THE HERMISTON AREA ARE RENDERED IN AN EFFICIENT AND CONSISTENT MANNER.

Finding: The City has consulted and conferred with the overlapping taxing districts through a letter after the HURA meeting that described the proposed urban renewal district. The letter provided a copy of the Plan and Report. A briefing was provided for the Umatilla County Board of Commissioners.

POLICY 4: ORDERLY URBAN GROWTH

THE CITY OF HERMISTON WILL PROMOTE COMPACT URBAN DEVELOPMENT WITHIN AND ADJACENT TO EXISTING URBAN AREAS TO INSURE EFFICIENT UTILIZATION OF LAND RESOURCES AND FACILITATE ECONOMIC PROVISION OF URBAN FACILITIES AND SERVICES.

Finding: Improvement to the existing transportation network will help facilitate increased growth within the city, provide more access to the parcels within the District and facilitate access to the commercial area from the residential areas to the west and south.

POLICY 11: AIR QUALITY .

THE CITY OF HERMISTON WILL COMPLY WITH STATE AND FEDERAL STANDARDS TO PROMOTE CONTINUED AIR QUALITY.

Finding: An improved transportation network within the Area will provide for ease of travel and travel methods for all modes of transportation, including pedestrians and bicyclists.

POLICY 20: GENERAL ECONOMIC DEVELOPMENT

THE CITY OF HERMISTON SUPPORTS ECONOMIC DEVELOPMENT AND JOB GROWTH WHICH WILL DIVERSIFY AND STRENGTHEN THE MIX OF ECONOMIC ACTIVITY IN THE LOCAL MARKETPLACE AND PROVIDE EMPLOYMENT OPPORTUNITIES FOR LOCAL RESIDENTS:

Finding: The improved transportation network will serve the commercial development in the District and will facilitate increased development within the District by providing access to parcels that have been underdeveloped and undeveloped.

POLICY 29: LOCAL GOVERNMENT SERVICES AND FACILITIES

THE CITY OF HERMISTON WILL PROMOTE ADEQUATE AND EFFICIENT PROVISIONS OF LOCAL GOVERNMENT SERVICES AND FACILITIES.

Finding: The District will have access to all of the city services. The projects within the Plan will provide a more efficient transportation system and improved water system. A new municipal water line is proposed following the NE Aspen Drive route, looping water between N 1st Street and NE 4th Street and providing service to new businesses along the route. Without the looped water line, there are no reasonable connections along the Hermiston Drain.

J. TRANSPORTATION (GOAL 12)

POLICY 31: INTEGRATED TRANSPORTATION SYSTEM

THE CITY OF HERMISTON WILL PROMOTE A BALANCED, WELL-INTEGRATED LOCAL TRANSPORTATION SYSTEM WHICH PROVIDES SAFE, CONVENIENT AND ENERGY-EFFICIENT ACCESS, AND FACILITATES THE MOVEMENT OF COMMODITIES.

Finding: The projects within the Plan provide an improved transportation network that includes alternative transportation systems. This transportation network will be reviewed by the city in the master planning process.

POLICY 33: ALTERNATIVE TRANSPORTATION

THE CITY OF HERMISTON WILL ENCOURAGE AND FACILITATE THE PROVISION OF ALTERNATIVE TRANSPORTATION MODES AND FACILITIES TO REDUCE CONGESTION AND AIR POLLUTION AND IMPROVE RECREATIONAL OPPORTUNITIES. PROVISION OF TRANSPORTATION TO THE HANDICAPPED AND ELDERLY IS A HIGH PRIORITY.

Finding: The District has a transportation network that includes alternative transportation systems. This transportation network will be reviewed by the city in the master planning process.

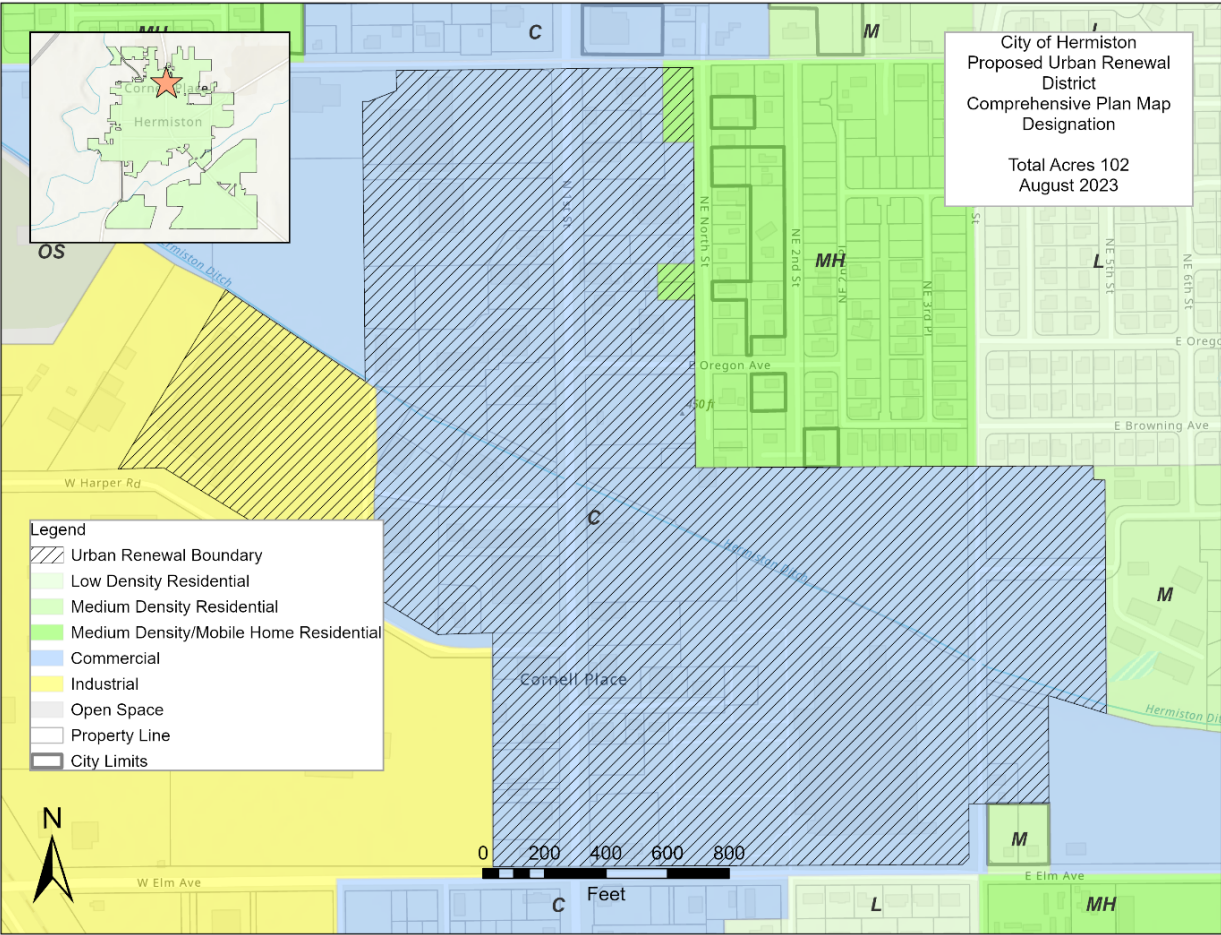
POLICY 34: TRANSPORTATION SYSTEM PLAN

THE CITY OF HERMISTON WILL COMPLY WITH THE REQUIREMENTS OF THE TRANSPORTATION PLANNING RULE WITH THE ADOPTION OF THE TRANSPORTATION SYSTEM PLAN AND RELATED AMENDMENTS TO IMPLEMENTING ORDINANCES.

CONNECTED STREET NETWORK. THE CITY WILL SUPPORT AND DEVELOP A CONNECTED NETWORK OF STREETS, ACCESSWAYS AND OTHER IMPROVEMENTS, INCLUDING BIKEWAYS, SIDEWALKS, AND SAFE STREET CROSSINGS, TO PROMOTE SAFE AND CONVENIENT BICYCLE AND PEDESTRIAN CIRCULATION WITHIN THE COMMUNITY.

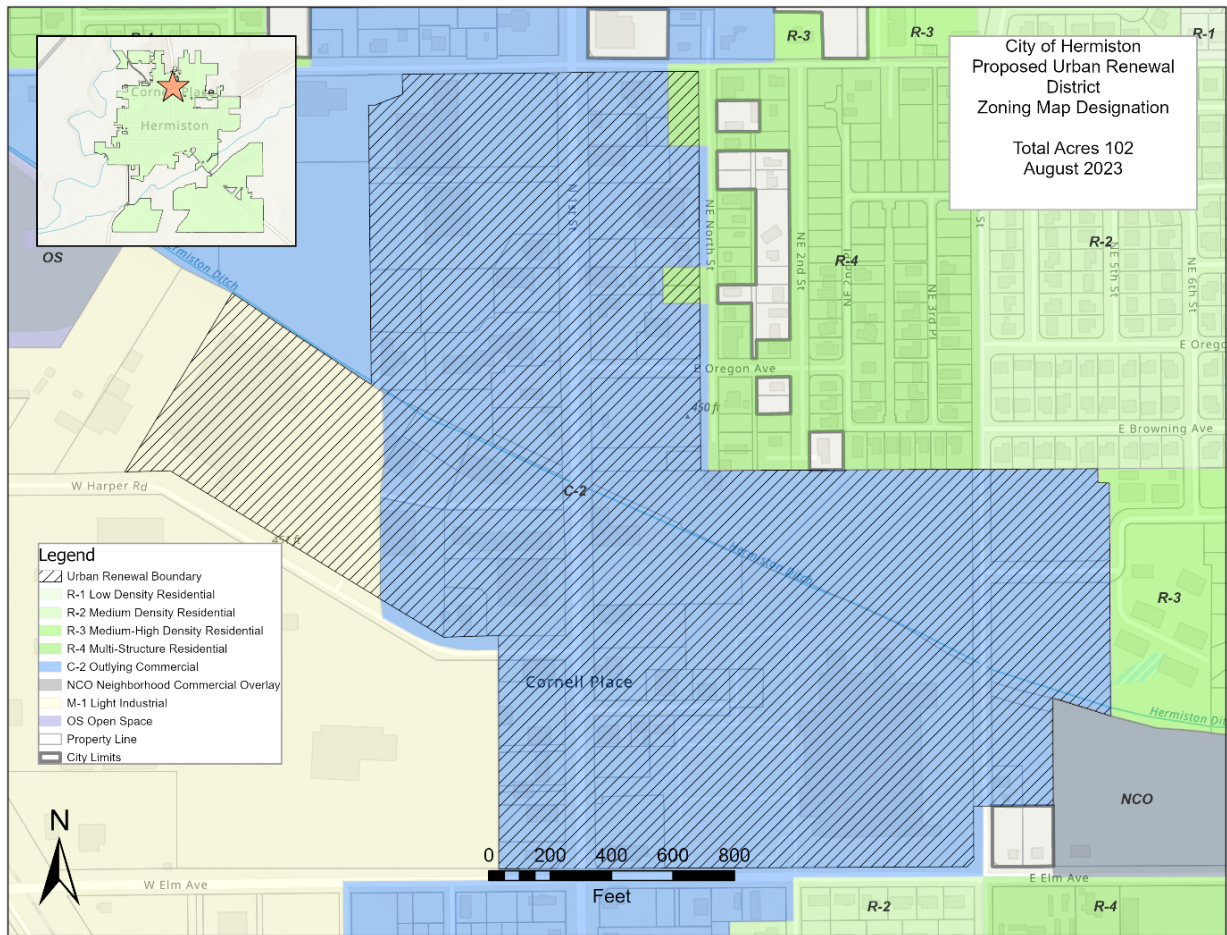
Finding: The proposed development will conform to the provisions of the Hermiston Transportation Systems Plan. The proposed development will be approved through the city's planning and permit process to ensure conformance.

Figure 2 - Comprehensive Plan Designations



Source: City of Hermiston

Figure 3 - Zoning Designations



Source: City of Hermiston

B. Code of Hermiston

Title XV of the Code of Hermiston covers Land Use including the zoning in the District. The majority of the property to be included in the Area is in the Outlying Commercial Zone (C-2) The remaining property is zoned Multi-Structure Residential Zone.

157.041 OUTLYING COMMERCIAL ZONE C-2

(A) *Uses permitted outright.* In a C-2 zone, only the following uses and their accessory uses are permitted outright:

- (1) A use permitted outright in a C-1 zone;
- (2) Amusement enterprise, including pool hall, bowling, dancing hall, skating rink, when enclosed in a building;
- (3) Auditorium, exhibition hall or other public assembly room;
- (4) Automobile, boat or trailer sales, rental, service and repair;
- (5) Automobile service station;
- (6) Automobile laundry;
- (7) Day care home or nursery;
- (8) Mortuary, undertaking or funeral parlor;
- (9) Motel;
- (10) Recreational vehicle park subject to requirements of 157.147;
- (11) Taxidermy shop; and
- (12) Tire shop, including tire recapping.

(B) *Conditional uses permitted.* In a C-2 zone, the following uses and their accessory uses are permitted when authorized in accordance with the requirements of §§ [157.205](#) through [157.210](#):

- (1) Amusement enterprise not enclosed in a building including, but not limited to, "pitch and putt" golf course, driving range, archery range, automobile race track and drive-in theater;
- (2) Caretaker's residence subject to the following conditions:
 - (a) Residence shall be a manufactured dwelling complying with the 1976 HUD codes and shall be skirted;
 - (b) The residence shall be furnished with all utilities including telephone;
 - (c) The facility shall be set back from all streets as far as practical and still be in conformance with the setback requirements as established in the Uniform Building Code;
 - (d) The caretaker's residence shall be allowed only in conjunction with a business which requires the outside storage or display of wares and shall be removed within 30 days following the discontinuance of the business enterprise; and

- (e) All uses shall be subject to annual review by the commission and may be removed upon direction of the Commission for violation of these conditions;
- (3) Community building;
- (4) Drive-in establishment offering goods or services to customers waiting in parked motor vehicles, except drive-in theater;
- (5) Government structure or land use including but not limited to a public park, playgrounds, recreational building, fire station, library or museum;
- (6) Hospital or nursing home;
- (7) Planned unit development;
- (8) Preschool, primary, elementary, junior or senior high, college;
- (9) Private utilities including electric power substations, telephone exchanges, television, radio or microwave transmission facilities;
- (10) Public utilities including wells, water storage tanks and sanitary sewer pump stations; and
- (11) Other uses similar to the uses permitted outright or the conditional uses normally located in the Outlying Commercial Zone (C-2), providing that the use has approval from the planning commission.

(C) *Restrictions on use.* In a C-2 zone, the following conditions and restrictions shall apply:

- (1) Where there are existing residential dwellings, they and their accessory uses may be maintained, expanded or reconstructed in conformance with the development standards as established in the R-3 zone.
- (2) The outside storage of junk shall be contained entirely within a sight-obscuring fence when adjacent to a residential use of property.

(D) *Setback requirements.* Except as provided in § [157.140](#), in a C-2 zone the yards shall be as follows:

- (1) The setback from any street shall be 20 feet. However, if solid ground cover landscaping is provided and maintained, the setback from a street may be reduced to ten feet;
- (2) The side yard shall be a minimum of 20 feet measured from the foundation where abutting a residential zone; and
- (3) The rear yard shall be a minimum of 25 feet measured from the foundation where abutting a residential zone.

(E) *Height of buildings.* In a C-2 zone, no building shall exceed a height of 50 feet.

157.055 LIGHT INDUSTRIAL ZONE (M-1).

(A) *Uses permitted outright.* In a M-1 zone, only the following uses and their accessory uses are permitted outright:

- (1) Cabinet, carpenter or woodworking shop;
- (2) Compounding, packaging or storage of cosmetics, drugs, perfumes, pharmaceuticals, soap or toiletries, but not including processes involving refining or rendering of fats and oils;
- (3) Dwelling for caretaker or night watchman on the property;
- (4) Freight depot;
- (5) Ice or cold storage plant;
- (6) Kennel;
- (7) Laboratory for research or testing, but not including the testing of combustion engines;
- (8) Laundry, dry cleaning or dyeing establishment;
- (9) Lumber yard, building supply outlet;
- (10) Machinery or equipment sales, services or storage;
- (11) Manufacture, repair or storage of articles from the following previously prepared materials: bone, cellophane, cloth, cork, feathers, felts, fiber, fur, glass, hair, horn, leather, paper, plastic, precious or semiprecious stone or metal, shell, textiles, wax, wire or yarn;
- (12) Manufacture, repair or storage of ceramic products, musical instruments, novelties, rubber or metal stamps, toys, optical goods, engineering, scientific or precision instrument, medical or dental supplies or equipment, electronic supplies or equipment, industrial or business machines, aircraft parts and equipment, luggage, photographic equipment or small pleasure boats;
- (13) Mini-storage;
- (14) Motor vehicle body shop, tire shop or similar repair service;
- (15) Plumbing, heating, electrical or paint contractor's sales, repairs or storage;
- (16) Private utilities including electric power substations, telephone exchanges, television, radio or microwave transmission facilities;
- (17) Processing, packaging or storage of food or beverages, but not including processes involving distillation, fermentation, slaughtering or rendering of fats and oils;
- (18) Public utilities including wells, water storage tanks and sanitary sewer pump stations;
- (19) Railroad tracks and related facilities;
- (20) Utility lines, station or substation;
- (21) Veterinary care facility;
- (22) Welding, sheet metal or machine shop;
- (23) Wholesale distribution or outlet, including trucking, warehousing and storage.

157.028 MULTI-STRUCTURE RESIDENTIAL ZONE (R-4).

(A) *Uses permitted outright.* In a R-4 zone, the following uses and their accessory uses are permitted outright:

- (1) A use permitted outright in the R-3 zone; and
- (2) Manufactured dwelling park subject to requirements of § [157.146](#).

(B) *Conditional uses permitted.* In a R-4 zone, the following uses and their accessory uses are permitted when authorized in accordance with the requirements of §§ [157.205](#) through [157.210](#):

- (1) A conditional use permitted in a R-3 zone except manufactured dwelling park which is an outright permitted use in this zone; and
- (2) Recreational vehicle park subject to requirements of § [157.146](#).

(C) *Lot size.* In a R-4 zone, the lot size shall be as follows:

- (1) The minimum lot area for single-family dwellings and two-family dwellings shall be 5,000 square feet for an interior lot and 6,000 square feet for a corner lot;
- (2) For multiple-family dwellings, the minimum lot area shall be 7,500 square feet or 2,000 square feet per dwelling unit, whichever is greater;
- (3) The minimum lot area for manufactured dwelling parks shall be five acres;
- (4) The minimum lot width at the front building line shall be 60 feet for an interior lot, 70 feet for a corner lot, and 25 feet for cul-de-sac lots; and
- (5) The minimum lot depth shall be 80 feet.

(D) *Setback requirements.* Except as provided in § [157.140](#), in a R-4 zone the yards shall be as follows:

- (1) The front yard shall be a minimum of 15 feet, measured from the foundation. The garage shall be constructed at 20 feet measured from the foundation. When a covered patio or covered porch is constructed in the front yard, the porch or patio may be constructed with a ten-foot setback;
- (2) Each side yard shall be a minimum of five feet, measured from the foundation, except that on corner lots the side yard on the street side shall be a minimum of ten feet measured from the foundation; and
- (3) The back yard shall be a minimum of ten feet, measured from the foundation. However, for any structure exceeding 15 feet in height, the rear yard shall be increased one foot, up to a maximum of 25 feet, for every foot or fraction thereof above 15 feet.

(E) *Height of buildings.* In a R-4 zone, no buildings shall exceed a height of 35 feet.

(F) *Lot coverage.* In a R-4 zone, buildings shall not occupy more than 45% of the lot area. Covered decks, porches, patios, and gazebos may occupy an additional five percent of the total lot area.

Overall Finding: The development in the Plan including the land uses, maximum densities and building requirements conform to the Hermiston Development Code.

XII. Legal Description

FILE: 736-135 Aspen Urban Renewal
AP (RES) 20 June 2023

A tract of land in the Northwest corner of Section 2 and the Northeast corner of Section 3, Township 4 North, Range 28 East, Willamette Meridian, City of Hermiston, Umatilla County, Oregon being more particularly described as follows:

Beginning at the Section corner common to Sections 2, 3, 10, and 11;

thence S 89°40'25" W, along the South line of Section 3, a distance of 259.91 feet to the Southwest corner of Parcel 2 on Partition Plat 2001-40;

thence N 00°19'25" W, 33.00 feet to the North right-of-way of Elm Street;

thence N 00°19'25" W, 680.45 feet to a point on the South right-of-way line of Harper Road;

thence along said South right-of-way line the following three (3) courses:

1. N 89°35'32" W, 203.07 feet;
2. N 58°31'49" W, 1,047.07 feet;
3. S 89°37'04" W, 94.88 feet;

thence N 00°22'56" W, 80.00 feet to the Southwest corner of Lot 1 as shown on Partition Plat 2005-11;

thence N 31°29'11" E, along said Westerly line of Lot 1, a distance of 660.52 feet to the North line of said Lot 1;

thence S 56°44'17" E, along said North line 530.73 feet;

thence N 00°26'41" W, 913.48 feet to the Northwest corner of Hermiston Real Estate Investments parcel on County Survey No. 09-109-B;

thence along said West line of said parcel, the following three (3) courses:

1. N 89°27'14" E, 20.00 feet;
2. N 68°45'46" E, 96.80 feet;
3. N 00°33'51" W, 65.80 feet to a point on the South right-of-way line of West Theater Lane;

thence N 00°33'51" W, 28.00 feet to the centerline of Theater Lane;

thence N 89°27'14" E, along said centerline, 549.74 feet to the one-quarter common to said Sections 2 and 3;

thence N 89°36'56" E, along said centerline, 473.32 feet to the intersection of said centerline with the East right-of-way of North Street;

thence S 00°33'29" E, 31.97 feet to an intersection on the South right-of-way line of Theater Lane and the East right-of-way of North Street;

thence S 00°33'29" E, along said East right-of-way line of 1,302.35 feet to a point on the South one-sixteenth of said Section 2;

thence N 89°39'08" E, along said South one-sixteenth line, 1,213.66 feet to the Northeast corner of Lot 1 of The Aspens Phase 1;

thence along the East line of said Lot 1 the following three (3) courses:

1. S 00°16'31" E, 44.04 feet;

2. N 89°35'14" E, 45.08 feet;
 3. S 00°16'31" E, 231.02 feet;
 thence S 00°16'41" E, 94.94 feet to the Northeast corner of Lot 5 of the Aspens Phase 1;
 thence S 00°24'50" E, along said East line of Lot 5 a distance of 435.24 feet to the South line of said Lot 5;
 thence along the South line of Lot 5 the following three (3) courses:
 1. N 71°57'29" W, 98.01 feet;
 2. N 72°40'33" W, 73.48 feet;
 3. N 77°39'44" W, 25.33 feet to the Northeast corner of Parcel 2 as shown on Partition Plat No. 2007-44;
 thence S 00°16'31" E, along the East line of said Parcel 2 and Parcel 1 of said Partition Plat, 350.14 feet to the Southeast corner of said Parcel 1;
 thence S 89°41'25" W, along the South line of said Parcel 1 and Parcel 1 of Partition Plat No. 2005-20, a distance of 200.00 feet to the East right-of-way line of 4th Street;
 thence S 00°16'32" E, along said East right-of-way, 197.01 feet to the North right-of-way line of Elm Street;
 thence S 00°16'32" E, 33.00 feet to the centerline of said Elm Street;
 thence S 89°41'51" W, along said centerline 1,349.90 feet to the **Point of Beginning**.

Tract 1 contains an area of 4,722,357 Square Feet, 108.410 acres, more or less.

Bearings are grid bearings based on the Oregon State Plane Coordinate System, South zone, NAD83(2011). Distances are ground distances.

For purposes of this description, the Southeast Section corner of said Section 3, bears S0°19'07"E, 2659.34 feet from the East one-quarter corner of said Section 3.



EXPIRES: 6/30/2024

Exhibit B to Ordinance 2347

Report Accompanying the North Hermiston Urban Renewal Plan

This document remains draft until the City Council adoption of the North Hermiston Urban Renewal Plan.



Adopted by the City of Hermiston
July 24, 2023
Ordinance No. 2347

List of Participants

Mayor

Dr. David Drotzmann

City Council

Jackie M. Linton, Ward 1
Roy N. Barron, Ward 2
Jackie C. Myers, Ward 3
David P. McCarthy, Ward 4
Maria E. Duron, at large
Rod S. Hardin, at large
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Planning Commission

Position 1 Annette Kirkpatrick
Position 2 Philip Hamm
Position 3 Ben Doherty
Position 4 Patrick Collins
Position 5 Josh Burns
Position 6 Dean Fialka
Position 7 Ben Sargent
Position 8 Margaret E. Saylor, Chair
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TABLE OF CONTENTS

- I. DEFINITIONS..... 1
- II. INTRODUCTION..... 3
- III. THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA..... 5
- IV. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS..... 7
- V. FINANCIAL ANALYSIS OF THE PLAN 8
- VI. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED..... 12
- VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT 15
- VIII. REVENUE SHARING 17
- IX. IMPACT OF THE TAX INCREMENT FINANCING..... 18
- X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA..... 22
- XI. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES..... 23
- XII. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN 30
- XIII. RELOCATION REPORT 30

I. DEFINITIONS

“Agency” is the Hermiston Urban Renewal Agency created under ORS 457.035 and 457.045.

“Blight” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting the North Hermiston Urban Renewal Plan.

“City” means the City of Hermiston, Oregon.

“City Council” or “Council” means the Hermiston City Council.

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

“County” means Umatilla County, Oregon.

“District” means the properties and rights-of-way located within the North Hermiston Urban Renewal District.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within the North Hermiston Urban Renewal Plan at the time of adoption. The county assessor certifies the assessed value after the adoption of the North Hermiston Urban Renewal Plan.

“HURA” is the Hermiston Urban Renewal Agency.

“North Hermiston Urban Renewal Plan” means a plan, as it exists or is changed or modified from time to time, as provided in ORS 457.

“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 the North Hermiston Urban Renewal Plan, or portion thereof, over the assessed value specified in the certified statement.

“Maximum Indebtedness” means the maximum principal amount of indebtedness that may be incurred by 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 and specifically Chapter 457, which relates to urban renewal and tax increment financing.

“Plan” means the official plan for the North Hermiston Urban Renewal Plan pursuant to ORS 457.

“Plan Area” means a blighted area included in the North Hermiston Urban Renewal Plan under ORS 457.010.

“Planning Commission” means the Hermiston Planning Commission.

“Project(s)” means any work or undertaking carried out under the North Hermiston Urban Renewal Plan.

“Report Accompanying North Hermiston Urban Renewal Plan” or “Report” means the official report that accompanies the North Hermiston Urban Renewal Plan pursuant to ORS 457.087.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470 and refers to the funds that are associated with the division of taxes accomplished through the adoption of the North Hermiston Urban Renewal Plan.

“Tax increment revenues” means the funds allocated by the assessor to the Hermiston Urban Renewal Agency due to increases in assessed value over the frozen base within the district.

“Urban Renewal” means the statutory authority provided in ORS 457.

“Urban renewal area” means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.010.

“Urban renewal plan” or “Plan” means a plan, as it exists or is changed or modified from time to time, for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

“Urban renewal project” or “Project” means any work or undertaking carried out under ORS 457.170 in an urban renewal area.

“Urban renewal report” or “Report” means the official report that accompanies the urban renewal plan pursuant to ORS 457.087.

II. INTRODUCTION

The Report Accompanying the North Hermiston Urban Renewal Plan (Report) contains background information and project details that pertain to the Hermiston Urban Renewal Plan (Plan). The Report is not a legal part of the Plan but is intended to provide public information and support the findings made by the Hermiston City Council (City Council) as part of the approval of the Plan.

The Report provides the analysis and contains the information required to meet the standards of ORS 457.087, including financial feasibility. The Report requirements include:

- A description of the physical, social, and economic conditions in the Area and expected impact of the plan, including fiscal impact in light of increased services; (ORS 457.087(1))
- Reasons for selection of the plan Area; (ORS 457.087(2))
- The relationship between each project to be undertaken and the existing conditions; (ORS 457.087(3))
- The estimated total cost of each project and the source of funds to pay such costs; (ORS 457.087(4))
- The estimated completion date of each project; (ORS 457.087(5))The estimated amount of funds required in the Area and the anticipated year in which the debt will be retired; (ORS 457.087(6))
- A financial analysis of the plan; (ORS 457.087(7))
- A fiscal impact statement that estimates the impact of tax increment financing (TIF) upon all entities levying taxes upon property in the urban renewal area; (ORS 457.0857(8)) and
- A relocation report. (ORS 457.087(9))

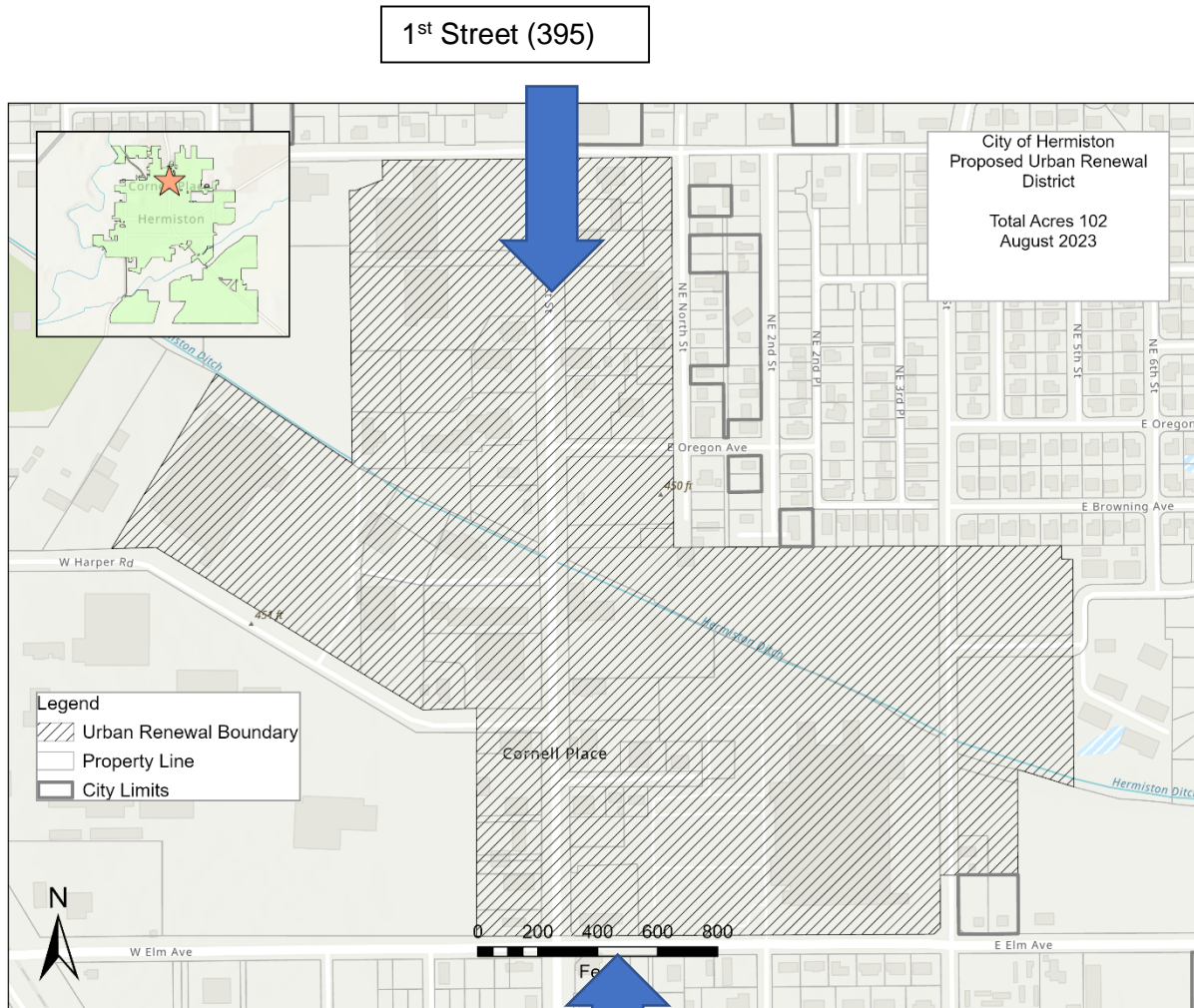
The relationship between the sections of the Report and the ORS 457.087 requirements is shown in Table 1. The specific reference shown is the section of this Report that most addresses the statutory reference. There may be other sections of the Report that also address the statute.

The Report provides guidance on how the Plan might be implemented. As the Hermiston Urban Renewal Agency (HURA or Agency) reviews revenues and potential projects each year, it has the authority to make adjustments to the implementation assumptions in this Report. The Agency may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different times than assumed in this Report, and make other adjustments to the financials as determined by the Agency. The Agency may also make changes as allowed in the Amendments section of the Plan

Table 1 - Statutory References

Statutory Requirement	Report Section
ORS 457.087 (1)	XI
ORS 457.087 (2)	XII
ORS 457.087 (3)	III
ORS 457.087 (4)	IV
ORS 457.087 (5)	VII
ORS 457.087 (6)	V,VI
ORS 457.087 (7)	V,VI
ORS 457.087 (8)	IX
ORS 457.087 (9)	XIII

Figure 1 – North Hermiston Urban Renewal District Boundary



Source: City of Hermiston

Elm Avenue (Highway 207)

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

The projects identified for the North Hermiston Urban Renewal District (District) are described below, including how they relate to the existing conditions in the District. The infrastructure projects are intended to facilitate development in the District by providing a more efficient transportation system, improved water lines and access to parcels in the District.

A. Infrastructure Upgrades

A new east/west street (NE Aspen Drive) is proposed connecting N 1st Street to NE 4th Street. This street is proposed for construction in the easement for the Hermiston Drain. Constructing the street in the easement allows otherwise unbuildable land to be productively utilized for the public good as well as providing new points of access for the irregularly shaped parcels along the easement. This new street will provide nearly 1,300 feet of new street frontage for an area which currently has less than 100 feet of highway frontage. The street will provide pedestrian and bicycle improvements.

Aspen Drive will also provide additional opportunities for alternate circulation as traffic generated by the existing commercial users may leave N 1st Street and connect with existing residential development to the west and south without needing to travel through the congested Elm Street/1st Street intersection.

A new signal is proposed for the N 1st Street/Aspen Drive intersection. This signal is intended to aid in traffic calming on N 1st Street and to provide better traffic spacing, allowing more left turns onto the highway.

An extension of NE North Street south from the current terminus to NE Aspen Drive is proposed. This street extension is approximately 100 feet and will provide opportunities for commercial and residential traffic to the north an opportunity to use the newly constructed signal at NE Aspen Drive and avoid the unsignalized intersection of E Oregon Avenue and N 1st Street.

A new municipal water line is proposed following the NE Aspen Drive route, looping water between N 1st Street and NE 4th Street and providing service to new businesses along the route.

Right of way acquisition is required for all new streets. No existing rights of way exist, and property purchase is planned in the District.

EXISTING CONDITIONS:

The District extends along N 1st Street (Highway 395) between Elm Avenue and Theater Lane in Hermiston and is bounded by NE 4th Street on the east. The entire area is zoned for retail commercial use and provides a significant number of retail, dining, and service opportunities for Hermiston. The District contains numerous commercial businesses which have created increased congestion resulting from poor transportation infrastructure. The intersection of Elm Avenue (Highway 207) and N 1st Street (Highway 395) at the south boundary of the District is the busiest intersection in Oregon Department of Transportation (ODOT) Region 5, seeing an average of 29,000 vehicle trips per day. Historical poor planning and the existing built environment has created a situation where off-highway circulation is virtually impossible, creating even higher demands on the N 1st Street

corridor. The presence of the Hermiston Drain, running northwesterly through the urban renewal district adds to the congestion and development limitations. This drain, which extends on both sides of N 1st Street, is a federally owned facility which is difficult to cross without special permission, limiting parallel street creation in the past. The diagonal layout of the drain and exceptionally wide drain easements have created several irregular shaped parcels which are difficult to market and develop, hindering the ability of the area to develop with any additional density.

As noted, N 1st Street is a state highway and under the jurisdiction of the Oregon Department of Transportation for access management and signalization authority. Although there are three streets which intersect N 1st Street in this corridor (W Harper Road, E Oregon Avenue, and NE Cornell Place), none of the streets provide any opportunity for congestion relief. E Oregon Avenue and NE Cornell Place are not through streets and provide no opportunities for alternative circulation. W Harper Road does connect to Geer Road and River Road to the west, but only serves existing industrial and rural areas to the west, providing limited destinations. None of the three existing street connections are able to be signalized due to state highway minimum spacing standards.

The City of Hermiston has taken steps to mitigate some of the historic issues in the corridor. The zoning of lands along the Hermiston Drain was amended from Industrial to Commercial in 2014 intending to stimulate development of vacant parcels with compatible commercial uses. The irregular shape, large drainage easement, limited highway frontage, and limited access opportunities still hindered commercial development. Areas within the District continue to remain unutilized nine years after these efforts began. The N 1st Street corridor has some of the highest traffic volumes and highest value buildings in the City, yet further development on vacant parcels is difficult, leaving a significant commercial area underutilized. Additional investment in infrastructure will aid in development of underutilized parcels, alleviate congestion, and provide alternate circulation paths for traffic to leave the N 1st Street corridor.

Constructing the new water line is a huge incentive to redevelopment because without it there are no reasonable water connections along the Hermiston Drain available.

B. Administration

- 1. Financing fees
- 2. General administration including annual reporting, financial statements and administration of the Plan.

EXISTING CONDITIONS:

This area in Hermiston is not presently in an urban renewal district, so requires no administrative responsibilities from the urban renewal agency. Once an urban renewal plan with its associated requirements for administration exists for the District, there will be a need for administrative funds to be allocated for that administration.

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

Table 2 shows the costs of the projects in Fiscal Year Ending (FYE) 2023 constant dollars and the estimated year of expenditure dollars.¹ These costs are also shown in “year of expenditure” costs, which assumes inflation of 5.0% annually. City staff provided the cost estimates for these projects. These estimates will be refined in the annual budgeting process, acknowledging of the limiting total cost factor of the maximum indebtedness. Different allocations may be made to different line items within the Plan.

Table 2 - Estimated Cost of Each Project in Constant FYE 2023 and Year of Expenditure Costs

TIF District Projects	Constant FYE 2023 \$	Year of Expenditure \$¹
NE Aspen Drive & NE North St. Street Improvements	\$815,250	\$898,813
Water Line Improvements (NE Aspen Drive)	\$161,750	\$178,329
Traffic Signage and Signaling	\$1,608,000	\$1,772,820
Construction Contingencies	\$1,020,000	\$1,124,550
Property Acquisition	\$208,000	\$229,320
Administration	\$10,000	\$11,205
Project Contingency (15%)	\$561,950	\$619,550
TOTAL:	\$4,384,950	\$4,834,407

Source: Anderson Perry, City of Hermiston and Johnson Economics

The majority of the projects are projected to be funded in FYE 2024 and 2025 through a \$5 million loan, with a portion of the debt service for the loan funded by other funding sources through FYE 2032, when substantial development is projected to have occurred, resulting in sufficient tax increment financing (TIF) revenues to cover the debt service.

The Plan assumes that the Agency/City will use other funds to assist in the completion of the projects within the District. The Agency/City may pursue regional, county, state, and federal funding, private developer contributions, and any other sources of funding that may assist in the implementation of the programs. This funding is identified as “other funding sources” in the financial tables.

This financial analysis shows the described projected borrowings in Table 3.

The scenario presented in this Report is only one scenario for how the Agency may decide to implement this Plan, and this scenario is financially feasible. The Agency may decide to do borrowings at different times or for different amounts, depending on their analysis at the time. The timeframes on these borrowings are designed to have all borrowings repaid at the termination of the District’s division of taxes in FYE 2040. The amounts shown are the principal amounts of the borrowings. The total payments, including interest, are shown in the second column of Table 6.

¹ The cost of Aspen Drive may be increased for pedestrian and bicycle improvements. However, the amount dedicated to this project is not expected to be increased.

Table 3 - Estimated Borrowings and Amounts

Loan	
Principal Amount	\$5,000,000
Interest Rate	5.00%
Loan Term	20
Loan Year	2024
Interest Payment Start	2024
Principal Payment Start	2024
Annual Payment	(\$401,213)

Source: Johnson Economics

V. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through Fiscal Year End (FYE) 2040 are calculated based on projections of the assessed value within the District and the consolidated tax rate that will apply in the District.

The long-term projections for FYE 2025 and beyond assume an annual growth rate of 3% for existing assessed value in the District plus specific exception value assumptions. Exception value is the value of new development in the District, shown in Table 4. The exception value assumptions included in this analysis were calculated by Johnson Economics based on the number of developable parcels, acreage and projections for the timing of development.

Table 4 - Exception Value Assumptions

Number of Developable Parcels:	15	Tax lots
Total Acreage:	22.9	acres
Average Acreage:	1.5	acres
Acreage Range:	0.15 - 9.5	acres
Est. New TAV (in 2023 dollars)	\$16.9	million
Years to Full Buildout:	20	years
First FYE on Tax Roll:	2024	

Source: Johnson Economics with input from the city of Hermiston TAV taxable assessed value
 CPR: Change Property Ratio from Umatilla County Assessor, SAL 7a, FYE 2022
 Source: Johnson Economics with input from the City of Hermiston

If actual assessed value growth is less than forecast, then it would reduce the financial capacity of the District to fund projects listed in the Plan over the anticipated duration of the Plan.

Table 5 shows the incremental assessed value, tax rates, and tax increment revenues each year, adjusted for discounts, delinquencies, and truncation loss.

- Total AV is the estimated total assessed value of the District on an annual basis.
- Frozen base is the estimate of the assessed value of the District at its formation.
- Increment used is the total assessed value minus the frozen base.
- Increment shared is the amount that will be distributed to all taxing districts according to their permanent rate due to revenue sharing. Figure 2 shows the expected tax increment

collections and the timing of when revenue will be shared with the overlapping taxing districts, projected to start in FYE 2034.

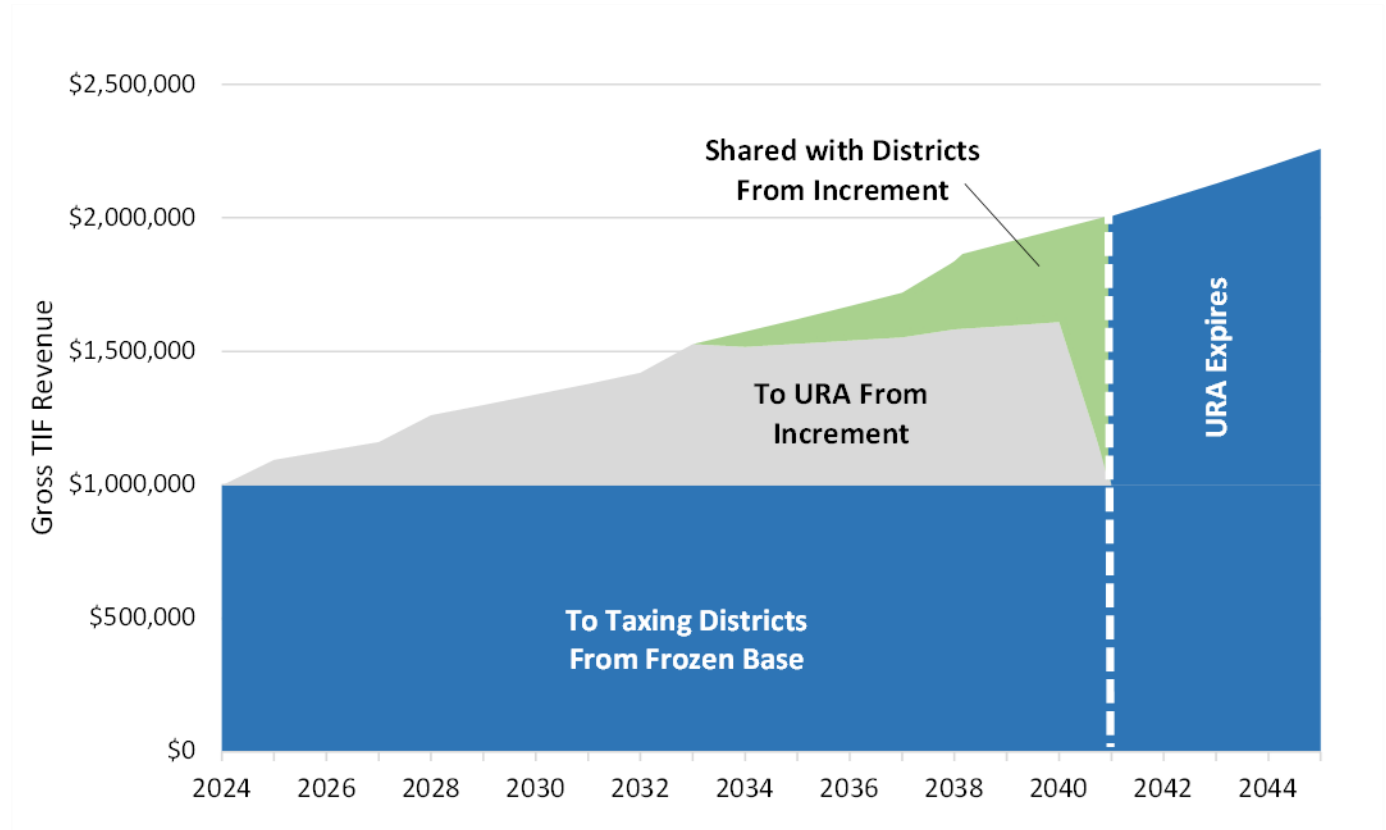
- Tax rate is the total permanent rate levy for the District.
- Gross tax increment financing revenue (TIF) is calculated by multiplying the tax rate times the assessed value used. The tax rate is per thousand dollars of assessed value, so the calculation is “tax rate times assessed value used divided by one thousand.”
- Adjustments are calculated at 5% of the Gross TIF and are for discounts, delinquencies, and rate truncation.
- TIF Current Year reflects subtracting the 5% adjustment factor from Gross TIF.
- TIF Prior Years is the tax increment revenue that was delinquent the prior year and is paid by the assessor’s office once it is received. It is estimated that this amount is 1.5% of total TIF.
- Net TIF is the amount of tax increment revenues estimated to be received by the Agency.

Table 5 - Projected Incremental Assessed Value, Tax Rates, and Tax Incremental Revenues

FYE	Total AV	Frozen Base AV	Incremental AV	Incremental AV Used	Incremental AV Shared	Tax Rate	Gross TIF	Adjustments	Current Year Net	Prior Year Net	Total TIF
2024	60,808,125	57,095,267	-	-	-	17.4674	-	-	-	-	-
2025	62,632,369	57,095,267	5,537,102	5,537,102	-	17.4674	96,719	(7,254)	89,465	-	89,465
2026	64,511,340	57,095,267	7,416,073	7,416,073	-	17.4674	129,540	(9,715)	119,824	1,344	121,168
2027	66,446,680	57,095,267	9,351,413	9,351,413	-	17.4674	163,345	(12,251)	151,094	1,801	152,895
2028	72,190,081	57,095,267	15,094,813	15,094,813	-	17.4674	263,667	(19,775)	243,892	2,270	246,163
2029	74,355,783	57,095,267	17,260,516	17,260,516	-	17.4674	301,496	(22,612)	278,884	3,665	282,549
2030	76,586,457	57,095,267	19,491,189	19,491,189	-	17.4674	340,460	(25,535)	314,926	4,191	319,117
2031	78,884,050	57,095,267	21,788,783	21,788,783	-	17.4674	380,593	(28,544)	352,049	4,732	356,781
2032	81,250,572	57,095,267	24,155,305	24,155,305	-	17.4674	421,930	(31,645)	390,286	5,290	395,576
2033	87,438,089	57,095,267	30,342,822	30,342,822	-	17.4674	530,010	(39,751)	490,259	5,865	496,124
2034	90,061,232	57,095,267	32,965,964	29,710,055	3,255,909	17.4674	518,957	(38,922)	480,036	7,367	487,403
2035	92,763,069	57,095,267	35,667,801	30,385,515	5,282,287	17.4674	530,756	(39,807)	490,949	7,214	498,163
2036	95,545,961	57,095,267	38,450,693	31,081,238	7,369,456	17.4674	542,908	(40,718)	502,190	7,378	509,568
2037	98,412,340	57,095,267	41,317,072	31,797,832	9,519,240	17.4674	555,425	(41,657)	513,769	7,546	521,315
2038	105,114,710	57,095,267	48,019,442	33,473,425	14,546,018	17.4674	584,694	(43,852)	540,842	7,720	548,562
2039	108,268,151	57,095,267	51,172,884	34,261,785	16,911,099	17.4674	598,464	(44,885)	553,579	8,127	561,707
2040	111,516,196	57,095,267	54,420,928	35,073,796	19,347,132	17.4674	612,648	(45,949)	566,699	8,319	575,018
TOTAL:						17.4674	6,571,614	(492,871)	6,078,743	82,830	\$6,161,573

Source: Johnson Economics

Figure 2 - TIF Projections



Source: Johnson Economics

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

Table 6 shows a summary of the financial capacity of the District, including how total TIF revenue translates to the ability to fund urban renewal projects in constant 2023 dollars in five-year increments. Table 7, Table 8 and Table 9 show more detailed tables on the allocation of tax revenues to debt service. Table 10, Table 11, and Table 12 show potential allocations to projects and administration over time.

The District is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the District in FYE 2040, a 16-year time frame for taking division of tax revenues. If growth in assessed value is slower than projected, the Agency may not be able to complete all projects in the Plan. If growth in assessed value is more robust than the projections, it may take a shorter time period. These assumptions show one scenario for financing and that this scenario is financially feasible.

The maximum indebtedness is \$5,000,000 (Five Million dollars). The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$5,000,000 is approximately \$6,061,000 and is from permanent rate tax levies. The total net TIF revenue is greater than the maximum indebtedness due to the projected cost of the interest on borrowings (loans). There is one loan shown in this financial analysis.

Table 6 - TIF Capacity of the District in FYE 2023 Constant Rounded Numbers

Total Net TIF	\$6,061,000
Maximum Indebtedness	\$5,000,000
Capacity (2023\$)	\$4,385,000
Years 1-5	\$3,422,000
Years 6-10	\$937,000
Years 11-15	\$17,000
Year 16	\$11,000

Source: Johnson Economics

Note: TIF funding does not begin until FYE 2025, so the funding in FYE 2024 is from other sources.

Table 7 - Tax Increment Revenues and Allocations to Debt Service, page 1

	Total	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028
Resources						
Beginning Balance	-	-	-	-	-	-
Other Funding Sources	1,641,566	401,213	311,748	280,044	248,318	155,050
TIF: Current Year	5,978,627	-	89,465	119,824	151,094	243,892
TIF: Prior Years	82,830	-	-	1,344	1,801	2,270
Total Resources	7,703,023	401,213	401,213	401,213	401,213	401,213
Expenditures						
Debt Service						
Scheduled Payments (Loan A)	(6,820,620)	(401,213)	(401,213)	(401,213)	(401,213)	(401,213)
Early Principal Payment (Loan A)	(882,403)	-	-	-	-	-
Total Debt Service	(7,703,023)	(401,213)	(401,213)	(401,213)	(401,213)	(401,213)
Debt Coverage Ratio (TIF)		-	0.22	0.30	0.38	0.61
Transfer to URA Fund (Admin)	-	-	-	-	-	-
Total Expenditures	(7,703,023)	(401,213)	(401,213)	(401,213)	(401,213)	(401,213)
Ending Balance	-	-	-	-	-	-

Source: Johnson Economics The total resources includes \$6,061,457 of TIF resources and \$1,641,566 of other funding sources.

Table 8 - Tax Increment Revenues and Allocations to Debt Service, page 2

	FYE 2029	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034
Resources						
Beginning Balance	-	-	-	-	-	-
Other Funding Sources	118,664	82,096	44,432	-	-	-
TIF: Current Year	278,884	314,926	352,049	390,286	490,259	480,036
TIF: Prior Years	3,665	4,191	4,732	5,290	5,865	7,367
Total Resources	401,213	401,213	401,213	395,576	496,124	487,403
Expenditures						
Debt Service						
Scheduled Payments (Loan A)	(401,213)	(401,213)	(401,213)	(401,213)	(401,213)	(401,213)
Early Principal Payment (Loan A)	-	-	-	5,637	(94,911)	(86,190)
Total Debt Service	(401,213)	(401,213)	(401,213)	(395,576)	(496,124)	(487,403)
Debt Coverage Ratio (TIF)	0.70	0.80	0.89	0.99	1.24	1.21
Transfer to URA Fund (Admin)	-	-	-	-	-	-
Total Expenditures	(401,213)	(401,213)	(401,213)	(395,576)	(496,124)	(487,403)
Ending Balance	-	-	-	-	-	-

Source: Johnson Economics

Table 9 - Tax Increment Revenues and Allocations to Debt Service, page 3

	FYE 2035	FYE 2036	FYE 2037	FYE 2038	FYE 2039	FYE 2040
Resources						
Beginning Balance	-	-	-	-	-	-
Other Funding Sources	-	-	-	-	-	-
TIF: Current Year	490,949	502,190	513,769	540,842	553,579	466,583
TIF: Prior Years	7,214	7,378	7,546	7,720	8,127	8,319
Total Resources	498,163	509,568	521,315	548,562	561,707	474,902
Expenditures						
Debt Service						
Scheduled Payments (Loan A)	(401,213)	(401,213)	(401,213)	(401,213)	(401,213)	(401,213)
Early Principal Payment (Loan A)	(96,950)	(108,355)	(120,102)	(147,349)	(160,494)	(73,689)
Total Debt Service	(498,163)	(509,568)	(521,315)	(548,562)	(561,707)	(474,902)
Debt Coverage Ratio (TIF)	1.24	1.27	1.30	1.37	1.40	1.18
Transfer to URA Fund (Admin)	-	-	-	-	-	-
Total Expenditures	(498,163)	(509,568)	(521,315)	(548,562)	(561,707)	(474,902)
Ending Balance	-	-	-	-	-	-

Source: Johnson Economics

VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The schedule for construction of projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by the Agency. Annual expenditures for program administration are also shown.

The District is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the District in FYE 2040, a 16-year program of tax increment collections.

The amount of money available for projects in 2023 constant dollars for the District is approximately \$4,834,407. See Table 2 for the individual project analysis.

Table 10 shows the approximate \$4,384,950 of 2023 constant dollars for projects inflated over the life of the District including administrative expenses. All costs shown in Table 10 are in year-of-expenditure dollars, which are adjusted by 5.0% annually to account for inflation. The year of expenditure total cost is \$4,834,407. This table shows the project costs being incurred in FYE 2024 and FYE 2025. No expenditures are shown thereafter although there may be administrative costs allocated in those years in the future as long as those costs are within the maximum indebtedness.

The 5% inflation rate is the rate to use in the future if any amendment to increase maximum indebtedness is pursued in accordance with ORS 457.470.

The Agency may change the completion dates in their annual budgeting process or as project decisions are made in administering the Plan. The following tables are prepared to show that the District is financially feasible as required by ORS 457.

Table 10 - Programs and Costs in Year of Expenditure Dollars, Page 1

	Total	FYE 2024	FYE 2025	FYE 2026	FYE 2027
Resources					
Beginning Balance		-	1,611,469	-	-
Transfer from TIF Fund		-	-	-	-
Bond/Loan Proceeds	4,834,407	4,834,407	-	-	-
Total Resources	6,445,877	4,834,407	1,611,469	-	-
Expenditures (YOE \$)					
NE Aspen Drive & NE North St. Street Improvements	898,813	599,209	299,604	-	-
Water Line Improvements (NE Aspen Drive)	178,329	118,886	59,443	-	-
Traffic Signage and Signaling	1,772,820	1,181,880	590,940	-	-
Construction Contingencies	1,124,550	749,700	374,850	-	-
Property Acquisition	229,320	152,880	76,440	-	-
Project Contingency and Administration (15%)	630,575	420,383	210,192	-	-
Total Expenditures	4,834,407	3,222,938	1,611,469	-	-
Ending Balance		1,611,469	-	-	-

Source: Johnson Economics

Note: Project expenditures are expected in FYE 2024 and FYE 2025. Expenditures beyond that date are anticipated for administration as there will still be financial responsibilities, debt service payments to be made, annual financial statements and reports to be completed. These administrative expenses will be allocated through the annual budgeting process.

VIII. REVENUE SHARING

Revenue sharing thresholds are projected to be reached in FYE 2034. This is because the threshold set in ORS 457 (annual tax increment revenues in excess of 10 percent of the maximum indebtedness) is met during FYE 2033, triggering revenue sharing.

Revenue sharing means that at the thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the taxes from incremental growth in the District. The first threshold is met when annual TIF revenues exceed 10% of the original maximum indebtedness of the Plan or \$500,000. The year after the 10% threshold is reached, the Agency will receive the 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 met when annual TIF revenues exceed 12.5% of the maximum indebtedness or \$625,000. If this threshold is met, revenue for the District would be capped at 12.5% of the maximum indebtedness in all future years, with all additional tax revenue being shared with affected taxing districts.

If assessed value in the District grows more quickly than projected, the revenue sharing thresholds could be reached earlier. Revenue sharing projections are shown in Table 11.

Table 11 – Revenue Sharing Projections

FYE	Total AV	Frozen Base AV	Incremental AV Used	Incremental AV Shared	Tax Revenue from Shared
2023 (Base Year)	57,095,267	57,095,267	-	-	
2024	60,808,125	57,095,267	-	-	
2025	62,632,369	57,095,267	5,537,102	-	
2026	64,511,340	57,095,267	7,416,073	-	
2027	66,446,680	57,095,267	9,351,413	-	
2028	72,190,081	57,095,267	15,094,813	-	
2029	74,355,783	57,095,267	17,260,516	-	
2030	76,586,457	57,095,267	19,491,189	-	
2031	78,884,050	57,095,267	21,788,783	-	
2032	81,250,572	57,095,267	24,155,305	-	
2033	87,438,089	57,095,267	29,054,270	-	
2034	90,061,232	57,095,267	29,710,055	3,255,909	56,872
2035	92,763,069	57,095,267	30,385,515	5,282,287	92,268
2036	95,545,961	57,095,267	31,081,238	7,369,456	128,725
2037	98,412,340	57,095,267	31,797,832	9,519,240	166,276
2038	105,114,710	57,095,267	33,473,425	14,546,018	254,081
2039	108,268,151	57,095,267	34,261,785	16,911,099	295,393
2040	111,516,196	57,095,267	35,073,796	19,347,132	337,944
2041	114,861,682	57,095,267	14,101,412	43,665,002	762,714
TOTAL:					\$1,331,560

Source: Johnson Economics

IX. IMPACT OF THE TAX INCREMENT FINANCING

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

The impact of tax increment financing on overlapping taxing districts consists of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the District. These projections are for impacts estimated through FYE 2040 and are shown in Table 12 and Table 13.

The Hermiston School District # 8 and the Intermountain 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.

Table 12 and Table 13 show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 12 shows the general government levies, and Table 13 shows the education levies.

Table 12 - Projected Impact on Taxing District Permanent Rate Levies - General Government

FYE	General County	City of Hermiston	Port of Umatilla	Umatilla County Fire District 1	County Radio District	Cemetery District 8	W. Umatilla Mosquito Control	Subtotal General Gov't
2024	-	-	-	-	-	-	-	
2025	(14,594)	(31,178)	(789)	(8,965)	(871)	(472)	(1,036)	(57,905)
2026	(19,765)	(42,226)	(1,068)	(12,142)	(1,180)	(640)	(1,403)	(78,425)
2027	(24,941)	(53,283)	(1,348)	(15,321)	(1,489)	(807)	(1,770)	(98,959)
2028	(40,155)	(85,786)	(2,170)	(24,668)	(2,397)	(1,300)	(2,850)	(159,325)
2029	(46,090)	(98,466)	(2,491)	(28,314)	(2,752)	(1,492)	(3,271)	(182,876)
2030	(52,055)	(111,210)	(2,813)	(31,978)	(3,108)	(1,685)	(3,695)	(206,544)
2031	(58,199)	(124,335)	(3,145)	(35,752)	(3,474)	(1,884)	(4,131)	(230,922)
2032	(64,528)	(137,855)	(3,487)	(39,640)	(3,852)	(2,089)	(4,580)	(256,031)
2033	(80,930)	(172,895)	(4,374)	(49,716)	(4,831)	(2,620)	(5,744)	(321,110)
2034	(79,507)	(169,856)	(4,297)	(48,842)	(4,746)	(2,574)	(5,643)	(315,465)
2035	(81,262)	(173,606)	(4,392)	(49,920)	(4,851)	(2,631)	(5,768)	(322,429)
2036	(83,123)	(177,580)	(4,492)	(51,063)	(4,962)	(2,691)	(5,900)	(329,811)
2037	(85,039)	(181,674)	(4,596)	(52,240)	(5,077)	(2,753)	(6,036)	(337,414)
2038	(89,483)	(191,169)	(4,836)	(54,970)	(5,342)	(2,897)	(6,351)	(355,050)
2039	(91,628)	(195,750)	(4,952)	(56,288)	(5,470)	(2,966)	(6,503)	(363,557)
2040	(77,468)	(165,500)	(4,186)	(47,589)	(4,625)	(2,508)	(5,498)	(307,374)
TOTAL:	(988,767)	(2,112,369)	(53,435)	(607,409)	(59,028)	(32,011)	(70,179)	(3,923,197)

Source: Johnson Economics

Table 13 - Projected Impact on Taxing District Permanent Rate Levies – Education

FYE	Hermiston School District 8	Intermountain E.S.D.	Blue Mountain CC	Subtotal (Education)	Total (Govt. and Education)
2024	-	-	-	-	-
2025	(25,019)	(3,154)	(3,387)	(31,560)	(89,465)
2026	(33,886)	(4,271)	(4,587)	(42,744)	(121,168)
2027	(42,758)	(5,390)	(5,788)	(53,936)	(152,895)
2028	(68,841)	(8,677)	(9,319)	(86,837)	(246,163)
2029	(79,017)	(9,960)	(10,696)	(99,673)	(282,549)
2030	(89,243)	(11,249)	(12,080)	(112,573)	(319,117)
2031	(99,776)	(12,577)	(13,506)	(125,859)	(356,781)
2032	(110,626)	(13,944)	(14,975)	(139,545)	(395,576)
2033	(138,745)	(17,488)	(18,781)	(175,014)	(496,124)
2034	(136,306)	(17,181)	(18,451)	(171,938)	(487,403)
2035	(139,315)	(17,560)	(18,858)	(175,734)	(498,163)
2036	(142,504)	(17,962)	(19,290)	(179,757)	(509,568)
2037	(145,789)	(18,376)	(19,735)	(183,901)	(521,315)
2038	(153,409)	(19,337)	(20,766)	(193,513)	(548,562)
2039	(157,085)	(19,800)	(21,264)	(198,150)	(561,707)
2040	(132,810)	(16,740)	(17,978)	(167,528)	(474,902)
TOTAL:	(1,695,130)	(213,668)	(229,462)	(2,138,260)	(6,061,457)

Source: Johnson Economics Please refer to the explanation of the schools funding in the preceding section

Table 14 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2041.

The Frozen Base is the assessed value of the District established by the County Assessor at the time the District is established. Excess Value is the increased assessed value in the District above the Frozen Base.

Table 14 - Additional Revenues Obtained after Termination of TIF - FYE 2041

Taxing District	Tax Rate	From Frozen Base	From Excess Value	Total
General Government				
General County	2.8487	162,647	174,375	337,023
City of Hermiston	6.0860	347,482	372,538	720,020
Port of Umatilla	0.1539	8,787	9,421	18,208
Umatilla County Fire District 1	1.7500	99,917	107,121	207,038
County Radio District	0.1700	9,706	10,406	20,112
Cemetery District 8	0.0923	5,270	5,650	10,920
W. Umatilla Mosquito Control	0.2021	11,539	12,371	23,910
Subtotal	11.3030	645,348	691,882	1,337,230
Education				
Hermiston School District 8	4.8877	279,065	299,187	578,252
Intermountain E.S.D.	0.6156	35,148	37,682	72,830
Blue Mountain CC	0.6611	37,746	40,467	78,213
Subtotal	6.1644	351,958	377,337	729,295
TOTAL:	17.4674	997,306	1,069,219	2,066,525

Source: Johnson Economics

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 district at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base (assumed to be FYE 203 values), including all real, personal, manufactured, and utility properties in the Area, is projected to be \$57,095,267. The Umatilla County Assessor will certify the frozen base once the urban renewal plan is adopted. The frozen base assessed value of the City of Hermiston Downtown Urban Renewal District is \$42,262,899. The projected frozen base of the Southwest Hermiston Urban Renewal District is \$3,121,349. The Downtown Urban Renewal District has excess value of \$15,049,186. The total assessed value of the City of Hermiston as stated in the Umatilla County Assessor SAL 4a for FYE 2023 was \$1,262,014,564.

The percentage of total City assessed value in urban renewal districts is 8.23%, below the 25% threshold. ORS 457.160 (2)(b) states “For municipalities having a population of less than 50,000, according to the latest state census:

- A. The assessed value for the urban renewal areas of the plan, when added to the total assessed value previously certified by the assessor for other urban renewal plans of the municipality for which a division of ad valorem taxes is provided, exceeds a figure equal to 25 percent of the total assessed value of that municipality, exclusive of any increased assessed value for other urban renewal areas and without regard to adjustments made pursuant to [ORS 457.435](#).”

The District contains approximately 102 acres, including public rights-of-way. The City of Hermiston Downtown Urban Renewal District contains 125.2 acres. The Southwest Hermiston Urban Renewal District contains 392.8 acres. The City of Hermiston contains 5,402 acres. This puts 11.48% of the city’s acreage in an urban renewal district, which is below the 25% threshold.

Table 15 – Urban Renewal District Conformance with Assessed Value and Acreage Limits

	Acreage	Assessed Value
A. City of Hermiston Downtown Urban Renewal District	125.2	\$42,262,899
B. Southwest Hermiston Urban Renewal District	392.8	\$3,121,349
C. North Hermiston Urban Renewal District	102	\$57,095,267
D. Total Acreage/Assessed Value in URDs	620	\$102,479,515
E. Excess Value		\$16,832,001
F. City of Hermiston	5,402	\$1,262,014,564
% of City Acreage =(D/F)	11.48%	
% of City Assessed Value =(D/(F-E))		8.23%

Source: Compiled by Elaine Howard Consulting, LLC with data from Johnson Economics, City of Hermiston, and Umatilla County Department of Assessment and Taxation SAL 4a and SAL 4e (FYE 2023)

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

This section of the Report describes existing conditions within the District and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use

The District measures 102 total acres in size, which is composed of 63 individual parcels encompassing 93.49 acres, and an additional 8.51 acres in public rights-of-way. An analysis of FYE 2023 property classification data from the Umatilla County Department of Assessment and Taxation database was used to determine the land use designation of parcels in the District. By acreage, Commercial (81.55%) accounts for the most prevalent land use within the area. This was followed by Industrial (12.91%). Detailed land use designations in the District can be seen in Table 16.

Table 16 - Land Use in the District

Land Use	Parcels	Acres	Percent of Acres
Commercial	47	76.24	81.55%
Industrial	2	12.07	12.91%
Residential	7	2.18	2.33%
Miscellaneous	4	2.16	2.31%
Farm	1	0.45	0.48%
Exempt	2	0.39	0.42%
TOTAL:	63	93.49	100.00%

Source: Compiled by Elaine Howard Consulting with data from Johnson Economics received from the Umatilla County Department of Assessment and Taxation (FYE 2023)

2. Comprehensive Plan Designations

There are only two comprehensive plan designations in the District. The most prevalent comprehensive plan designation by acreage in the District is Commercial (87.98%). The second most prevalent comprehensive plan designation in the District is Industrial (11.04%). Detailed comprehensive plan designations in the District can be seen in Table 17. The Industrial tax lot also has a small portion that is designated as Commercial, but the majority of the tax lot is Industrial.

Table 17 – Comprehensive Plan Designations in the District

Comprehensive Plan Designation	Tax Lots	Acres	Percent of Acres
Commercial	59	82.25	87.98%
Industrial	1	10.32	10.94%
Mobile Home	4	1.01	1.08%
TOTAL:	63	93.49	100.00%

Source: Compiled by Elaine Howard Consulting with data from Johnson Economics received from the Umatilla County Department of Assessment and Taxation (FYE 2023)

3. Zoning Designations

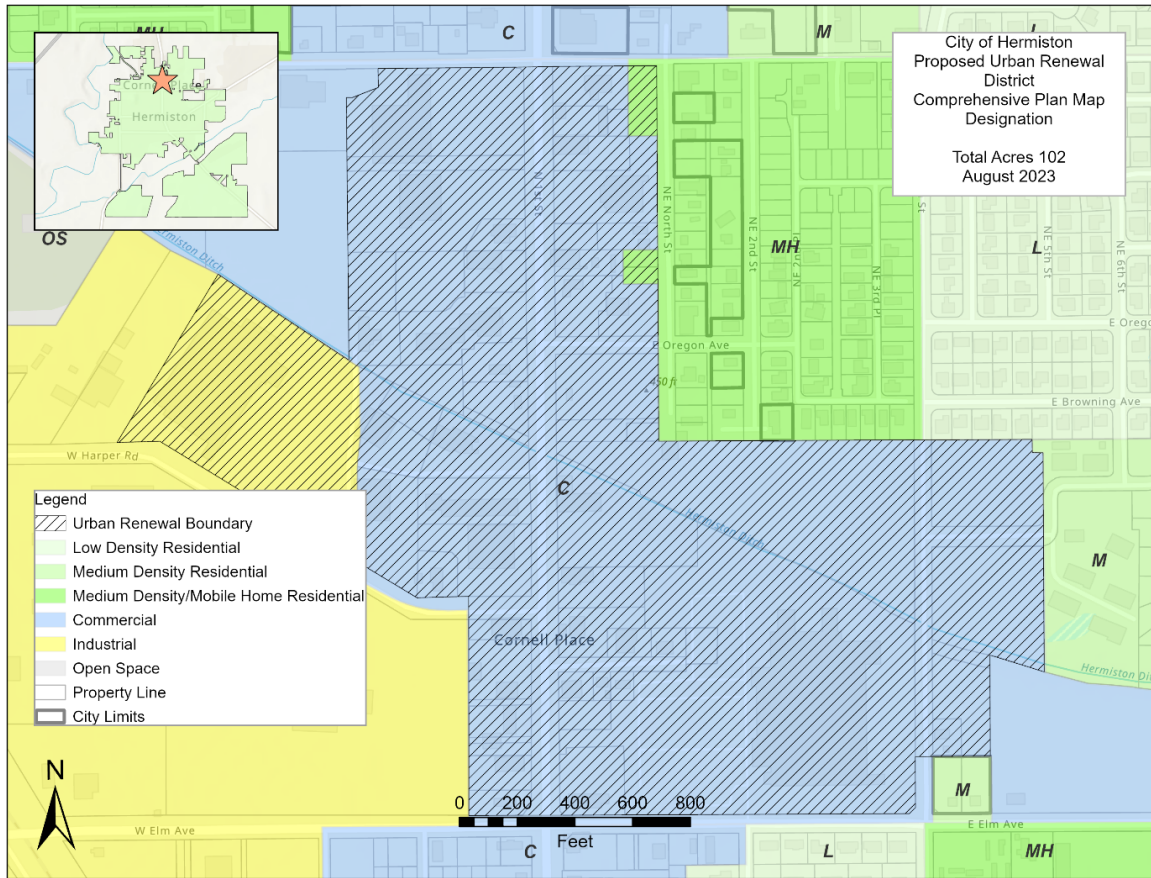
There are only two zoning designations in the District. The most prevalent zoning designation by acreage in the District is the Outlying Commercial Zone (C-2) (87.98%). The second most prevalent zoning designation in the District is the Light Industrial Residential Zone (M-1) (1.08%). Detailed zoning designations in the District can be seen in Table 18. The Light Industrial tax lot also has a small portion that is zoned as Commercial, but the majority of the tax lot is Industrial.

Table 18 - Zoning Designations in the District

Zoning Designations	Tax Lots	Acres	Percent of Acres
Outlying Commercial Zone (C-2)	59	82.25	87.98%
Light Industrial (M-1)	1	10.23	10.94%
Multi-Structure Residential Zone (R-4)	4	1.01	1.08%
TOTAL:	63	93.49	100.00%

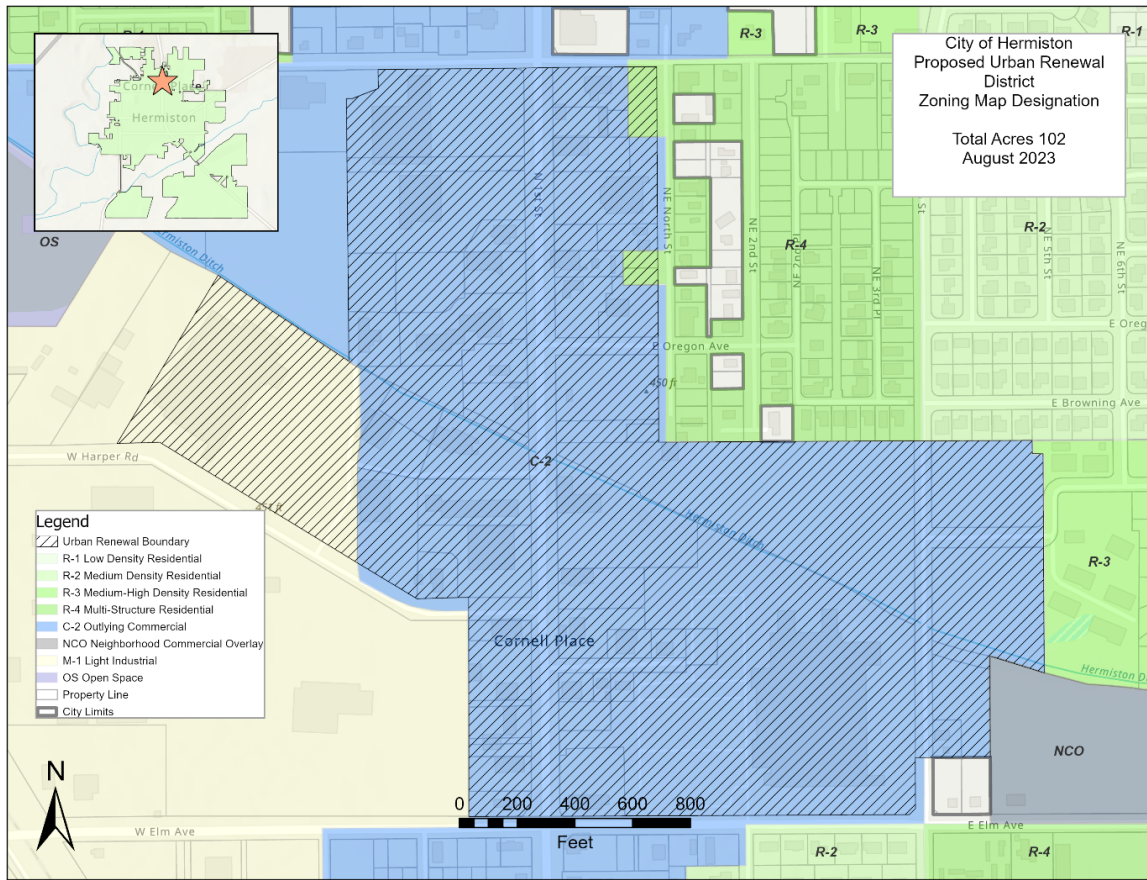
Source: Compiled by Elaine Howard Consulting with data from Johnson Economics received from the Umatilla County Department of Assessment and Taxation (FYE 2023)

Figure 3 - Hermiston Urban Renewal District Comprehensive Plan Designations



Source: City of Hermiston

Figure 4 - Hermiston Urban Renewal District Zoning Designations



Source: City of Hermiston

B. Infrastructure

This section identifies the existing conditions in the District to assist in **establishing blight in the ordinance adopting the urban renewal plan.** There are projects identified by the City of Hermiston in itemizing blighting conditions in the District. **This does not mean that all of these projects are included in the urban renewal plan.** The specific projects that are included in the Plan are listed in Sections III and IV of this report.

1. Transportation

The following transportation system is required in the District:

A new east/west street connecting N 1st St to NE 4th St (NE Aspen Drive).

This street is proposed for construction in the easement for the Hermiston Drain. Constructing the street in the easement allows otherwise unbuildable land to be productively utilized for the public good as well as providing new points of access for the irregularly shaped parcels along the easement. This new street will provide nearly 1,300 feet of new street frontage for an area which currently has less than 100 feet of highway frontage.

Aspen Drive will also provide additional opportunities for alternate circulation as traffic generated by the existing commercial users may leave N 1st St and connect with existing residential development to the west and south without needing to travel through the congested Elm/1st St intersection.

A new signal is proposed for the N 1st St/Aspen Drive intersection. This signal is intended to aid in traffic calming on N 1st Street and to provide better traffic spacing, allowing more left turns onto the highway.

An extension of NE North St south from the current terminus to NE Aspen Drive is proposed. This street extension is approximately 100 feet and will provide opportunities for commercial and residential traffic to the north an opportunity to use the newly constructed signal at NE Aspen Drive and avoid the unsignalized intersection of E Oregon Ave and N 1st St.

2. Water, Sanitary Sewer and Storm Water

The **Hermiston Capital Improvement Plan** (CIP) was completed in January 2021 by Anderson Perry & Associates, Inc. The following information comes from that document.

There is a need for a new municipal water line following the NE Aspen Drive route, looping water between N 1st Street and NE 4th Street and providing service to new businesses along the route.

C. Social Conditions

According to information from the Umatilla County Assessor’s office, the District contains seven parcels with 2.18 acres that have residential uses. Since there are such limited residential uses in the District, the following demographics are presented for the City of Hermiston as a whole.

According to the US Census 2016-2020 update, there are 6,041 households on Hermiston with 2.87 persons in each household. Forty-five percent of the residents speak a language other than English at home.

The following social conditions were taken from the <https://www.census.gov/quickfacts/hermistoncityoregon> Approximately 79% of the residents are white. 52% of the Hermiston residents identify as Hispanic or Latino.

Table 19 – Race in the District

Race	Percent
White alone, percent	78.90%
Black or African American alone, percent(a)	0.30%
American Indian and Alaska Native alone, percent(a)	0.20%
Asian alone, percent(a)	0.20%
Native Hawaiian and Other Pacific Islander alone, percent(a)	0.10%
Two or More Races, percent	7.40%
Hispanic or Latino, percent(b)	52.30%
White alone, not Hispanic or Latino, percent	44.50%

Source: US Census Quick Facts

The largest percentage of residents (31.50%) .in Hermiston are under 18 years of age.

Table 20 - Age in the District

Age	Percent
Persons under 5 years, percent	8.20%
Persons under 18 years, percent	31.50%
Persons 65 years and over, percent	11.50%
Female persons	51.3%

Source: US Census Quick Facts

In Hermiston, 69 % of the residents have graduated from high school but have not attended college. An additional 16% of residents have earned a bachelor’s degree or higher.

Table 21 - Educational Attainment in the District

Education	Percent
High school graduate or higher, percent of persons age 25 years+, 2016-2020	69.20%
Bachelor's degree or higher, percent of persons age 25 years+, 2016-2020	16.00%

Source US Census Quick Facts

D. Economic Conditions

1. Taxable Value of Property within the District

The estimated total assessed value of the District calculated with data from the Umatilla County Department of Assessment and Taxation for FYE 2023 including all real, personal, manufactured, and utility properties, is estimated to be \$57,095,267.

2. Building to Land Value Ratio

Table 22 shows the improvement to land ratios (I:L) for properties within the District. Two tax lots in the District are exempt from taxation. Fifteen parcels representing approximately 23% of the District have no improvement value. A reasonable I:L ratio for properties in the District is 2.0. Thirty -two of the 63 tax lots in the District, totaling 64.45% of the acreage have I:L ratios of 2.0 or more in FYE 2023. In summary, approximately one quarter of the District is underdeveloped and not contributing significantly to the tax base in Hermiston.

Table 22 - Improvement to Land Ratios in the District

Improvement to Land Ratio	Parcels	Acres	Percent of Acres
Exempt	2	0.39	0.42%
No Improvement Value	15	21.40	22.89%
0.01-0.50	4	3.05	3.26%
0.51-1.00	2	1.25	1.34%
1.01-1.50	5	2.58	2.76%
1.51-2.00	3	4.57	4.89%
2.01-2.50	7	6.69	7.16%
2.51-3.00	5	4.73	5.06%
3.01-4.00	8	8.44	9.03%
> 4.00	12	40.39	43.20%
TOTAL:	63	93.49	100.00%

Source: Compiled by Elaine Howard Consulting with data from Johnson Economics received from the Umatilla County Department of Assessment and Taxation (FYE 2023)

E. Impact on Municipal Services

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

The projects being considered for future use of urban renewal funding are for improving the transportation network and providing water system upgrades to facilitate improved safety, alternative routes and improved provision of water.

It is anticipated that these improvements will catalyze development on the undeveloped parcels in the District and improve safety for all transportation modes. Without these improvements, much of this land is undevelopable.

The financial impacts from tax increment collections will be countered by future economic development, and, in the future, adding increases in assessed value to the tax base for all taxing jurisdictions, including the City.

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

The reason for selecting the District is to provide the ability to fund projects and programs necessary to cure blight within the District. The outcome of implementing these projects is anticipated to be an increase to the economic growth in Hermiston by providing infrastructure improvements to improve the safety and functioning of the transportation network in the District and providing upgraded water systems.

XIII. RELOCATION REPORT

When the Agency acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the Agency shall adopt rules and regulations, as necessary, for the administration of relocation assistance. The Agency will comply with all applicable state law in providing these potential benefits. At the writing of this report, the Agency anticipates acquiring right of way in the District.



PLANNING COMMISSION

Regular Meeting Minutes

June 14, 2023

filled in to bring the houses level. She was told that the lot would never be developed, or she would not have bought her house. She feels the street can not handle the traffic and doesn't want her driveway cut back further than it is.

Planning Director Spencer commented that if the planning commission feels that Hurlburt could be extended, even terminating to a cul-de-sac, then the infill designation probably is not justifiable. Also to consider, with a 60 foot minimum lot width, 8 lots are permissible onto the property with or without an infill designation unless there is some incredible safety issue. To date, no evidence of a safety issue has been received. The street is currently only partially built. With development the street will be fully developed with wider paving and sidewalks on the north side.

Brian Owens- In response to a comment from Commissioner Burns that it appeared Mr. Barrows house was too close to the property line to have a road pass by, Mr. Owens stated that he and Mr. Barrows paid to have a survey completed and there are survey stakes showing the house is located 25 feet off the property line. He feels a cul-de-sac could easily be built in the corner of tax lots 2400, 2500 and 2501.

Mr. Guerena- If he could do a cul-de-sac and face houses inside the cul-de-sac, he is willing to forgo the infill designation. He is making payments on the land and would like to be able to proceed with development. The plan is to build bigger houses on the larger lots.

Mr. Gervais- He has concerns as the sewer is extremely shallow and the sewer may not be able to be extended and it is not certain if Hurlburt can be extended. The water in the pipe would still need to be flowing downhill, not stagnant.

After discussing speeding and the feasibility to extend the road, including utilities, cul-de-sac standards, and lot configuration, Commissioner Fialka moved, and Commissioner Kirkpatrick seconded to continue the hearing to the July planning commission meeting. Motion passed.

Chairman Saylor called for a recess from 8:41 to 8:52PM.

North Hermiston Urban Renewal Area (NURA) Presentation

Planning Director Spencer reviewed the purpose of the proposed urban renewal plan. The district is a small, concentrated area with a focused directive to add a light at the intersection of 395 and NE Aspen Drive, extend NE Aspen Drive from 395 to NE 4th St, with a water line extension, and extend NE North St to NE Aspen Drive. The intent is to add traffic calming measures and increase potential development opportunities. The plan has a maximum indebtedness of \$5,000,000 and a life span of 16 years.

Elaine Howard of Elaine Howard Consulting used PowerPoint slides (attached) to present additional details of the plan.



Where Life is Sweet

PLANNING COMMISSION

Regular Meeting Minutes

June 14, 2023

After some discussion, Commissioner Collins moved, and Commissioner Burns seconded that the Hermiston Planning Commission finds, based upon information provided in the staff report and the provided attachments, that the North Hermiston Urban Renewal Plan conforms to the Hermiston Comprehensive Plan and further recommends that the Hermiston City Council adopt the proposed North Hermiston Urban Renewal Plan. Motion passed.

New Business - Final Plat- Highland Meadows Phase 2 4N2814AA TL 102- 942 E Highland Ave

Planning Director Spencer presented the staff report. The planning commission modified one of the original conditions of approval in February of 2022.

Testimony

Tyler Brandt 469 SW Cottonwood Dr- The recently installed drainpipe along the church frontage is solid and less likely to collapse than the previous perforated pipe that failed due to tree roots.

After discussion regarding the location and maintenance of the drainage pipe along the church property, Commissioner Fialka moved, and Commissioner Caplinger seconded to approve the final plat subject to the conditions of approval. Motion passed.

New Business- Final Plat- View Wood Estates Phase 1 4N2814AD TL 902- 920 E View Drive

Planning Director Spencer presented the staff report. This phase creates 11 single family lots and one oversized lot for future development.

Commissioner Caplinger moved, and Commissioner Kirkpatrick seconded to approve the final plat subject to the conditions of approval. Motion passed.

Planner Comments and Unscheduled Communication

Commissioner Burns announced his resignation from Position #5 of the Planning Commission. The commissioners thanked him for his service.

Adjournment

Chairman Saylor adjourned the meeting at 9:22PM.



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of July 24, 2023

Title/Subject

June 2023 Financial Report

Summary and Background

This is the monthly overview of the previous month's financial position of the city.

Tie-In to Council Goals

Fiscal Prudence

Fiscal Information

NONE

Alternatives and Recommendation

Alternatives

NONE

Recommended Action/Motion

Recommend approval/acceptance of the June 2023 Financial Report as presented.

Request a motion to approve/accept the June 2023 Financial Report as presented.

Submitted By:

Mark Krawczyk

Director of Finance

June 2023 Preliminary Financial Report



Department of Finance
June 2023
(Unaudited)

FY2022-2023 Monthly Financial Report

Section 9, Item A.

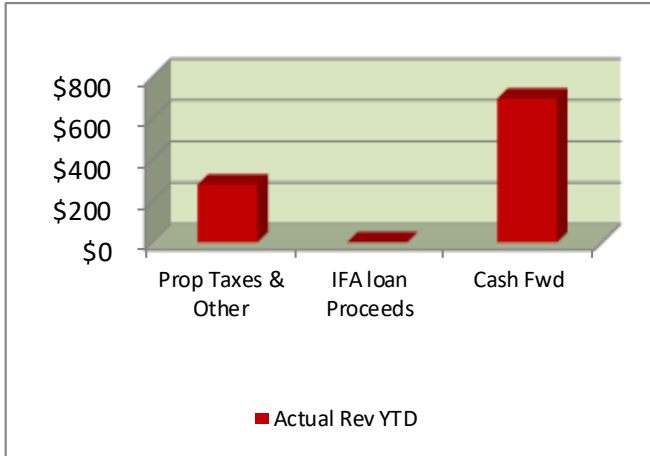
Hermiston Urban Renewal Agency (HURA)

For the Month Ending June 30, 2023

Resources

Through June 30, 2023

by Category



	Annual Proj Rev	Actual Rev YTD	% Var
Prop Taxes & Other	\$ 271	279	103%
IFA loan Proceeds	\$ 496	0	0%
Cash Fwd	\$ 695	695	100%
Total	\$ 1,462	\$ 974	67%

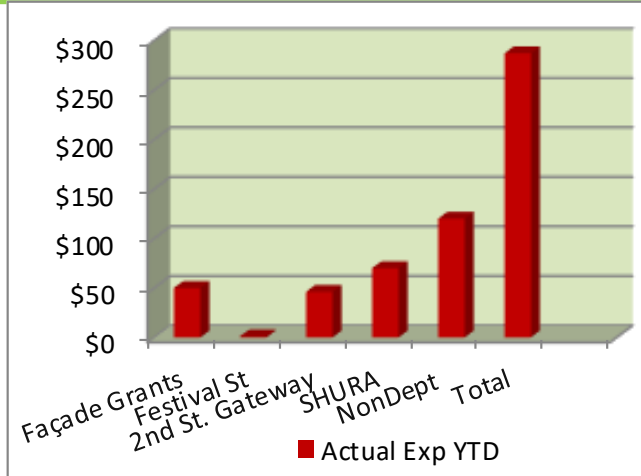
Note: Variance is calculated as % of revenue YTD

Expenditures

Through June 30, 2023

by Character

(in \$1,000)



	Annual Proj Exp	Actual Exp YTD	% Var
Façade Grants	\$ 50	50	100%
Festival St	\$ 5	1	20%
2nd St. Gateway	\$ 400	46	12%
SHURA	\$ 496	70	14%
NonDept	\$ 511	120	23%
Total	\$ 1,462	\$ 287	20%

Note: variance is calculated as % of expenses YTD.

The FY2022-23 budget for the Urban Renewal Agency is \$ 1,461,762. This includes \$50,000 for Façade Grants, \$5,000 for the Festival Street, \$400,000 for construction of the 2nd Street Gateway project, \$496,000 for the beginning of the SHURA project, and \$190,662 for Non-Departmental expenses.

Property tax revenues collection totaled \$5,713 for June, bringing total revenue collected for FY2023 of **\$ 278,947**.

FY2022-2023 Monthly Financial Report

Section 9, Item A.

City of Hermiston, Oregon

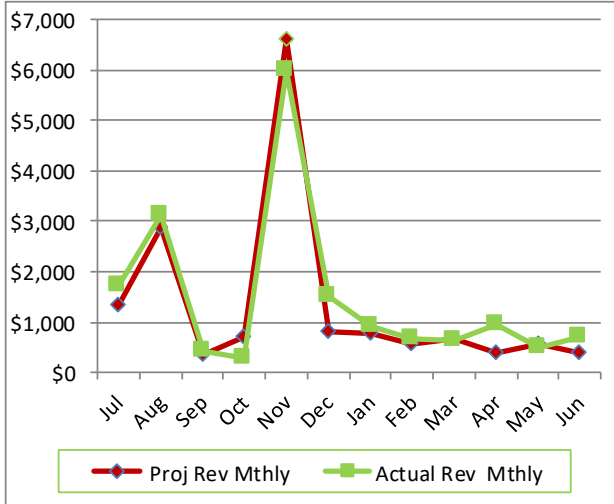
General Fund Resources

For the Month Ending June 30, 2023

General Fund Resources Summary

Through June 30, 2023

(in \$1,000)



	Proj Rev Mthly	Rev Proj Mthly	Actual Rev Mthly	Var Fav/ (Unfav)	% Var
Jul	\$ 1,338	\$ 1,338	\$ 1,731	\$ 393	29%
Aug	\$ 2,870	\$ 2,870	\$ 3,133	\$ 263	9%
Sep	\$ 356	\$ 356	\$ 445	\$ 89	25%
Oct	\$ 704	\$ 704	\$ 295	\$ (409)	-58%
Nov	\$ 6,614	\$ 6,614	\$ 5,983	\$ (632)	-10%
Dec	\$ 815	\$ 815	\$ 1,526	\$ 710	87%
Jan	\$ 793	\$ 793	\$ 903	\$ 110	14%
Feb	\$ 579	\$ 579	\$ 670	\$ 91	16%
Mar	\$ 689	\$ 689	\$ 640	\$ (49)	-7%
Apr	\$ 392	\$ 392	\$ 946	\$ 554	141%
May	\$ 560	\$ 560	\$ 514	\$ (46)	-8%
Jun	\$ 399	\$ 399	\$ 695	\$ 295	74%
Total YTD	16,112	16,112	17,480	1,370	8.5%
Cash Fwd	1,747	-	-	-	0%
Total	\$ 17,859	\$ 16,112	\$ 17,480	\$ 1,370	8.5%

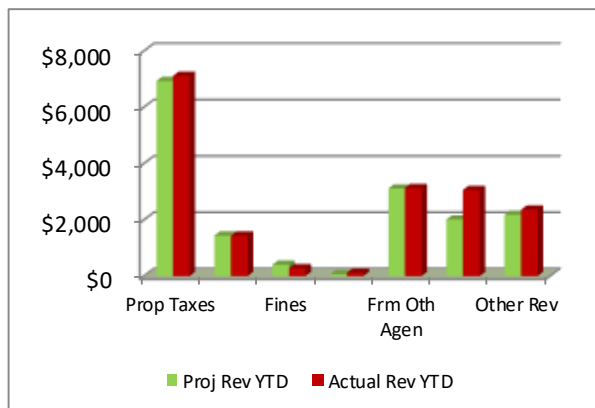
Estimated General Fund revenues for the 2022-23 fiscal year are **\$17,857,838**. Projected revenues for June were **\$399,446**, compared to actual revenues of **\$694,860**, a positive variance of **\$295,414**. The fund is **\$1,368,733** more than projected for FY2023.

General Fund - All Resources

Through June 30, 2023

by Category

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 6,927	\$ 6,927	\$ 7,110	\$ 183	3%
Lic & Fran	\$ 1,435	\$ 1,435	1,437	2	0%
Fines	\$ 400	\$ 400	277	(123)	-31%
Interest Rev	\$ 62	\$ 62	116	54	87%
Frm Oth Agen	\$ 3,107	\$ 3,107	3,122	15	0%
Svc Chgs	\$ 2,008	\$ 2,008	3,057	1,049	52%
Other Rev	\$ 2,172	\$ 2,172	2,360	188	9%
Cash Fwd	\$ 1,747	\$ -	-	-	0%
Total	\$17,858	\$ 16,111	\$ 17,480	\$ 1,369	8.5%

Note: variance is calculated as a percent of the projected revenue YTD.

FY2022-2023 Monthly Financial Report

Section 9, Item A.

City of Hermiston, Oregon

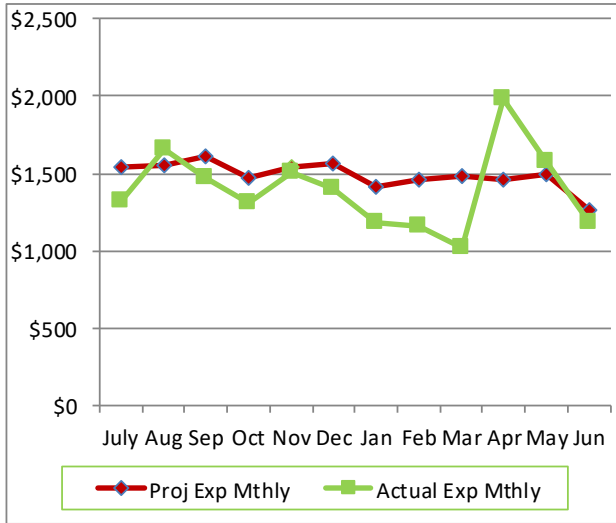
General Fund Expenditures

For the Month Ending June 30, 2023

General Fund Expenditure Summary

Through June 30, 2023

(in \$1,000)



	Proj Exp Mthly	Proj Exp	Actual Exp Mthly	Var Fav/ (Unfav)	% Var
July	\$ 1,545	\$ 1,545	\$ 1,324	\$ 221	14%
Aug	\$ 1,549	\$ 1,549	\$ 1,653	\$ (104)	-7%
Sep	\$ 1,606	\$ 1,606	\$ 1,473	\$ 133	8%
Oct	\$ 1,471	\$ 1,471	\$ 1,304	\$ 168	11%
Nov	\$ 1,541	\$ 1,541	\$ 1,502	\$ 39	3%
Dec	\$ 1,562	\$ 1,562	\$ 1,397	\$ 165	11%
Jan	\$ 1,416	\$ 1,416	\$ 1,185	\$ 231	16%
Feb	\$ 1,465	\$ 1,465	\$ 1,160	\$ 304	21%
Mar	\$ 1,480	\$ 1,480	\$ 1,021	\$ 459	31%
Apr	\$ 1,461	\$ 1,461	\$ 1,979	\$ (517)	-35%
May	\$ 1,500	\$ 1,500	\$ 1,578	\$ (78)	-5%
Jun	\$ 1,260	\$ 1,260	\$ 1,181	\$ 79	6%
Total YTD	17,858	17,858	16,757	1,101	6.2%
Contngcy		-	-	-	0%
Total	\$ 17,858	\$ 17,858	\$ 16,757	\$ 1,101	6.2%

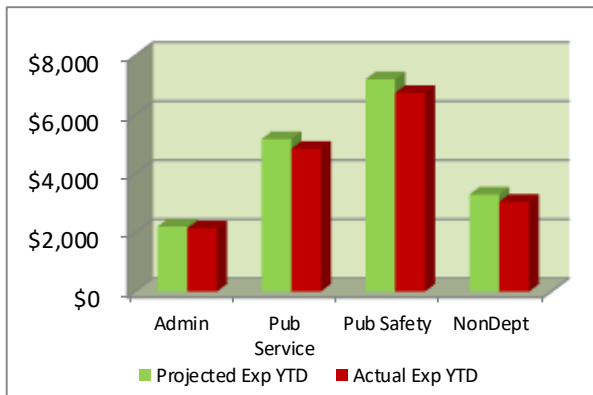
Projected General Fund monthly expenditures for June were **\$1,260,411**. Actual expenditures were **\$1,181,074**, which is **\$79,337** less than projected for a **positive variance of 6.2%** for the month, and a positive **6.162%** for FY2023.

General Fund Expenditures

Through June 30, 2023

by Consolidated Department

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 2,201	2,202	2,142	60	3%
Pub Service	5,169	5,169	4,838	331	6%
Pub Safety	7,199	7,199	6,733	465	6%
NonDept	3,289	3,289	3,044	244	7%
Unapp	-	-	-	-	0%
Total	\$17,858	\$ 17,858	\$ 16,757	\$ 1,101	6.2%

Note: variance is calculated as a percent of the projected expenditures YTD.

FY2022-2023 Monthly Financial Report

Section 9, Item A.

General Fund Expenditure Detail For the Month Ending June 30, 2023

General Fund Expenditures by Department

	Annual Projected			Var Fav/ (Unfav)	% Var Fav/ (Unfav)
	Exp	Projected Exp YTD	Actual Exp YTD		
City Council	67,127	67,127	56,749	10,378	15%
City Manager/Legal	1,031,513	1,031,513	1,016,579	14,934	1%
City Planning	443,872	443,872	419,500	24,372	5%
Finance	659,029	659,029	649,073	9,956	2%
Total Administration	2,201,541	2,201,541	2,141,901	59,640	3%
Transportation	411,800	411,800	411,568	232	0%
Airport	380,000	380,000	368,164	11,836	3%
Bldg Inspection	603,257	603,257	532,141	71,116	12%
Parks	735,081	735,081	737,656	(2,575)	0%
Parks/Utility Landscaping	67,061	67,061	51,045	16,016	24%
Pool	599,315	599,315	552,458	46,857	8%
Municipal Buildings	145,973	145,973	146,589	(616)	0%
Library	1,028,515	1,028,515	906,231	122,284	12%
Recreation	877,059	877,059	881,236	(4,177)	0%
Community Center	256,822	256,822	191,055	65,767	26%
Harkenrider Center	64,264	64,264	59,638	4,626	7%
Total Public Services	5,169,147	5,169,147	4,837,781	331,366	6%
Court	835,778	835,778	635,596	200,182	24%
Public Safety Center	62,000	62,000	56,415	5,585	9%
Police Operations	6,300,785	6,300,785	6,041,199	259,586	4%
Total Public Safety	7,198,563	7,198,563	6,733,210	465,353	6%
Non-Departmental	3,288,587	3,288,587	3,044,407	244,180	7%
Unappropriated	0	0	0	0	0%
Total Non-Dept	3,288,587	3,288,587	3,044,407	244,180	7%
Total	17,857,838	17,857,838	16,757,299	1,100,539	6.2%

For June of FY2023, **Total Administration** is \$59,640 less than projected for FY2023.. **Total Public Services** are \$331,366 less than projected for FY2023. **Public Safety** is \$465,353 less than projected for FY2023. **Non-Departmental** is \$244,180 less than projected for FY2023. The total **General Fund expenses** are \$1,100,539 less than projected for FY2023.

FY2022-2023 Monthly Financial Report

Section 9, Item A.

Fund Balance - General Fund

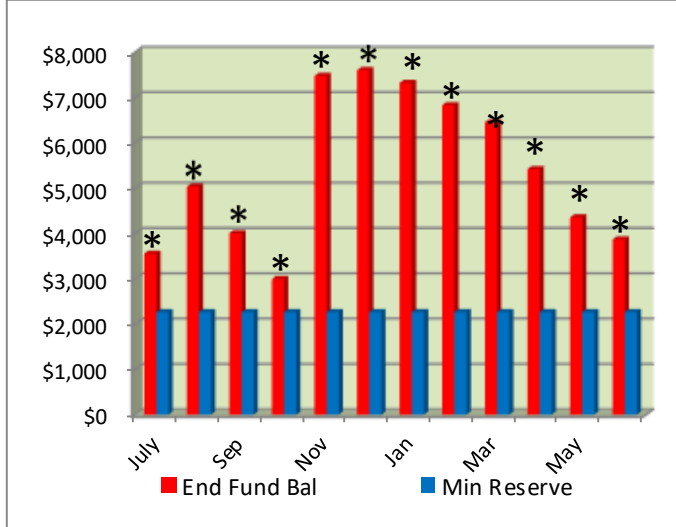
For the Month Ending June 30, 2023

General Fund

Through June 30, 2023

Ending Fund Balance

(in \$1,000)



Minimum Reserve = \$2,264,700

	Begin Fund Bal	Revenue	Expense	End Fund Bal	ACT/PROJ Fund Bal
July	\$ 3,144	\$ 1,731	\$ (1,324)	\$ 3,551	ACT*
Aug	\$ 3,551	\$ 3,133	\$ (1,653)	\$ 5,031	ACT*
Sep	\$ 5,031	\$ 445	\$ (1,473)	\$ 4,003	ACT*
Oct	\$ 4,003	\$ 295	\$ (1,304)	\$ 2,995	ACT*
Nov	\$ 2,995	\$ 5,983	\$ (1,502)	\$ 7,475	ACT*
Dec	\$ 7,475	\$ 1,526	\$ (1,397)	\$ 7,604	ACT*
Jan	\$ 7,604	\$ 903	\$ (1,185)	\$ 7,321	ACT*
Feb	\$ 7,321	\$ 670	\$ (1,160)	\$ 6,831	ACT*
Mar	\$ 6,831	\$ 640	\$ (1,021)	\$ 6,449	ACT*
Apr	\$ 6,449	\$ 946	\$ (1,979)	\$ 5,417	ACT*
May	\$ 5,417	\$ 514	\$ (1,578)	\$ 4,353	ACT*
June	\$ 4,353	\$ 695	\$ (1,181)	\$ 3,867	ACT*
Total	\$ 3,144	\$ 17,480	\$ 16,757	\$ 3,867	

The General Fund balance at the end of June for FY2023 is approximately **\$3,867,000**, which is **\$1,602,300** more than the current Minimum Reserve requirement of **\$2,264,700..**

The General Fund reserve policy is to maintain **15% fund balance** of total expenditures based on the prior fiscal year activity.

FY2022-2023 Monthly Financial Report

Section 9, Item A.

Special Revenue Funds Report For the Month Ending June 30, 2023

Special Revenue Funds Resources & Requirements

	2022-23		Remaining Budget
	Annual Budget	Actual YTD	
02 Bonded Debt Fund			
Resources	634,018	513,227	120,791
Expenditures	531,720	530,819	901
Unappropriated Balance	102,298	N/A	N/A
05 Transient Room Tax (TRT)			
Resources	998,800	1,119,579	120,779
Expenditures	998,800	1,150,104	(151,304)
Unappropriated Balance	-	N/A	N/A
08 Reserve Fund			
Resources	22,873,083	8,871,422	14,001,661
Expenditures	21,778,689	7,952,928	13,825,761
Unappropriated Balance	1,094,394	N/A	N/A
11 Miscellaneous Special Revenue			
Resources	141,000	70,926	70,074
Expenditures	141,000	115,914	25,086
Unappropriated Balance	-	N/A	N/A
19 Christmas Express Special Revenue			
Resources	35,000	20,679	14,321
Expenditures	35,000	20,999	14,001
Unappropriated Balance	-	N/A	N/A
20 Law Enforcement Special Revenue			
Resources	84,014	14,744	69,270
Expenditures	65,000	18,470	46,530
Unappropriated Balance	19,014	N/A	N/A
21 Library Special Revenue			
Resources	33,000	5,651	27,349
Expenditures	3,300	1,535	1,765
Unappropriated Balance	29,700	N/A	N/A
23 Enterprise Zone Project Fund			
Resources	1,648,699	1,120,000	528,699
Expenditures	1,648,699	1,005,325	643,374
Unappropriated Balance	763,374	N/A	N/A
25 EOTEC Operations			
Resources	956,316	682,728	273,588
Expenditures	956,316	746,496	209,820
Unappropriated Balance		N/A	N/A
26 IT Services			
Resources	806,000	778,821	27,179
Expenditures	806,000	853,959	(47,959)
Unappropriated Balance		N/A	N/A

Beginning with the 2016-17 fiscal year the City began distinguishing within the funds some part of ending fund balance as contingency and some as reserved for future expenditure. The contingency is included in appropriations while the reserve for future expenditures is unappropriated.

The City uses multiple Special Revenue funds to account for revenues that are restricted to expenditure for particular purposes. They include funds for debt service, economic development, parks and recreation, capital projects, and grants. Since these funds are not operational in nature and used for specific purposes from year-to-year, their expenditures do not typically follow a predictable pattern so budget variances are not calculated for them.

FY2022-2023 Monthly Financial Report

Utility and Street Funds Report

For the Month Ending June 30, 2023

Utility and Street Funds Report

Resources & Expenditures

	2022-2023		Actual YTD	Variance	
	Annual Budget	Projected YTD		Fav/(Unfav)	% Variance
04 Street Fund					
Resources	2,004,007	1,966,168	1,576,323	(389,845)	-20%
Expenditures	1,974,007	1,974,007	1,476,487	497,520	25%
Contingency	30,000	N/A	N/A	N/A	N/A

06 Utility Fund					
Resources	11,806,391	10,775,500	11,588,209	812,709	8%
Expenditures	10,817,381	10,817,381	10,056,927	760,454	7%
Contingency	989,010	N/A	N/A	N/A	N/A

13 HES Fund					
Resources	12,495,134	9,810,000	11,151,761	1,341,761	14%
Expenditures	9,945,430	9,945,430	9,332,903	612,527	6%
Contingency	2,549,704	N/A	N/A	N/A	N/A

15 Regional Water Fund					
Resources	1,874,653	1,351,000	1,192,120	(158,880)	-12%
Expenditures	1,206,031	1,206,031	963,261	242,770	20%
Contingency	668,622	N/A	N/A	N/A	N/A

All four of these funds are projected on a straight line, 1/12th of budgeted expense or revenue per month.

Revenues for the **Street Fund** are **\$354,677** less than projected. Expenditures are **\$497,520** below projected.

Revenues in the **Utility Funds** are **\$812,709** above projected. Expenditures are **\$760,454** below projected.

The **HES Fund** revenue is **\$1,341,761** more than projected. Expenditures are **\$612,527** below projected.

The **Regional Water Fund** revenues are **\$158,880** below projected. Expenditures are **\$242,770** below projected.

FY2022-23 Monthly Financial Report

Section 9, Item A.

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending June 30, 2023

	2022-2023 Budget	YTD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 125,000	\$ -	\$ 1,500,000	\$ 11,062	0.74%
N. 1st Place Reconstruction	\$ 4,500,000	\$ 420,481	\$ 4,500,000	\$ 502,481	11.17%
Well #5 Water System Improvements	\$ 520,000	\$ 432,568	\$ 520,000	\$ 55,878	10.75%
Well #6 Backup Generator	\$ 320,000	\$ 70,434	\$ 380,000	\$ 112,363	29.57%
N. 1st Place Water Line Replacement	\$ 100,000	\$ 516,624	\$ 800,000	\$ 542,632	67.83%
Gladys & Main Waterline Replacement	\$ 100,000	\$ -	\$ 1,180,000	\$ -	0.00%
Lift Station #6 Reconstruction	\$ 620,000	\$ 591,617	\$ 620,000	\$ 623,205	100.52%
McDonald's & 395 Sewer Main Replacement	\$ 330,000	\$ 4,361	\$ 330,000	\$ 26,361	7.99%
Lift Station #3 Upgrade	\$ 1,430,000	\$ 1,081,684	\$ 1,430,000	\$ 1,440,758	100.75%
Penney Ave Roadway Improvement	\$ 1,193,200	\$ 299,306	\$ 1,193,200	\$ 299,306	25.08%
AWS System Expansion - RWS	\$ 3,949,400	\$ 2,345,718	\$ 3,949,400	\$ 2,345,718	59.39%
AWS Cooling Discharge	\$ 805,000	\$ 248,042	\$ 805,000	\$ 248,042	30.81%
Total	\$ 13,187,600	\$ 6,010,835	\$ 16,402,600	\$ 5,959,764	36.33%

Geer & Harper Re-alignment

This intersection needs to be reconstructed to improve traffic/pedestrian access and ensure connectivity to property east of N. 1st Place. The current configuration makes access difficult for large trucks and traffic backs up on Harper Road during busy times during the day.

Current Update: No change in the status of this project. Still waiting for additional right-of-way acquisition.

North 1st Place Reconstruction

North 1st Place is a critical secondary north/south arterial in Hermiston's transportation system. The existing road is cracking, there are no sidewalks and there is unrestricted access to the roadway from parking and undeveloped areas.

Current Update: Work continued apace with the entirety of June focused on water and sewer main replacement.

Well #5 Water System Improvements

Well No. 5 has become the city's primary water source in recent years and provides water to the main pressure zone, which is the baseline for the entire water system. However, the current pumping capacity is less than the water right associated with it. The project will increase pumping capacity to allow the city to use its full water right of 5,000 gallons per minute.

Current Update: The contractor completed the installation of new water main from Well #5 through Theater Sports Park to the Theater/Geer Intersection. Work now enters a summertime stoppage through the irrigation season, with work on the actual pumps and motors in Well 5 to begin in September.

Well #6 Backup Generator

Well No. 6 is the primary well and the only well available that could provide minimal water supply to lower pressure zones in the city during a power outage. The current pump was last repaired in 1994, and the backup pump lacks the capacity to service the pressure zone. The pump covers service area including Walmart Distribution Center, Eastern Oregon Higher Education Center, Pioneer Seed, and EOTEC. Preventative maintenance will avoid significant inconvenience and loss of water to area businesses.

Current Update: Project still delayed by supply-chain issues holding up actual delivery of the generator.

FY2022-23 Monthly Financial Report

Section 9, Item A.

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending June 30, 2023

	2022-2023 Budget	YTD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
Geer & Harper Re-alignment	\$ 125,000	\$ -	\$ 1,500,000	\$ 11,062	0.74%
N. 1st Place Reconstruction	\$ 4,500,000	\$ 420,481	\$ 4,500,000	\$ 502,481	11.17%
Well #5 Water System Improvements	\$ 520,000	\$ 432,568	\$ 520,000	\$ 55,878	10.75%
Well #6 Backup Generator	\$ 320,000	\$ 70,434	\$ 380,000	\$ 112,363	29.57%
N. 1st Place Water Line Replacement	\$ 100,000	\$ 516,624	\$ 800,000	\$ 542,632	67.83%
Gladys & Main Waterline Replacement	\$ 100,000	\$ -	\$ 1,180,000	\$ -	0.00%
Lift Station #6 Reconstruction	\$ 620,000	\$ 591,617	\$ 620,000	\$ 623,205	100.52%
McDonald's & 395 Sewer Main Replacement	\$ 330,000	\$ 4,361	\$ 330,000	\$ 26,361	7.99%
Lift Station #3 Upgrade	\$ 1,430,000	\$ 1,081,684	\$ 1,430,000	\$ 1,440,758	100.75%
Penney Ave Roadway Improvement	\$ 1,193,200	\$ 299,306	\$ 1,193,200	\$ 299,306	25.08%
AWS System Expansion - RWS	\$ 3,949,400	\$ 2,345,718	\$ 3,949,400	\$ 2,345,718	59.39%
AWS Cooling Discharge	\$ 805,000	\$ 248,042	\$ 805,000	\$ 248,042	30.81%
Total	\$ 13,187,600	\$ 6,010,835	\$ 16,402,600	\$ 5,959,764	36.33%

North 1st Place Water Line Replacement

This project will eliminate failing, deteriorating lines which will minimize future repair work. It will also eliminate steel pipes from the 1920's and will improve public safety by ensuring no lead pipes.

Current Update: : Construction has started.

Gladys & Main Waterline Replacement

Sections of this water distribution system were installed in the 1920s with steel pipe – some of the oldest pipe in the city water system. This project will eliminate failing, deteriorating and undersized line, reduce repair work, and improve public safety.

Current Update: A project design kickoff meeting has been scheduled for August.

Lift Station #6 Reconstruction

Lift station #6 was built in 1981. The submersible duplex pump station has experienced corrosion of both metal and brick. Replacement of the wetwell will increase capacity, eliminate porous brick, and safeguard the environment. Ventilation of the structure is inadequate and electrical systems are nearing the end of their useful life.

Current Update: The project has been completed

FY2022-23 Monthly Financial Report

Section 9, Item A.

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McDonald's & 395 Sewer Main Replacement

Segments of this piping have been found to have structural failures in multiple locations and failing joints. These line failures cause pipe blockage and requires monthly cleaning. In addition, pipe failures may be allowing sewage to exfiltrate the surrounding soil. A new sewer line would eliminate current monthly maintenance costs and provide watertight lines to protect existing groundwater resources from contamination.

Current Update: Legal staff continues to work with outside counsel to secure the necessary easements for this work.

Lift Station #3 Upgrade

Lift Station No. 3 was built in approximately 1981 and is located underneath Highway 395. The pump and electrical systems need to be replaced. This project calls for the install of duplex pumps and upgraded electrical and control systems. It also will include evaluation of extending a gravity line to Lift Station No. 6, which is also in poor shape. Extending the line under Union Pacific Railroad tracks may be more cost effective than replacing both lift stations. Traffic control will be necessary during design phase

Current Update: Final punchlist items were completed in late March, with project acceptance soon after. The project will be closed out before the end of FY '23.

Penney Ave. Extension

Business Oregon awarded a grant of approximately \$600,000 to cover half of the cost of constructing an extension of Penney Ave. between Kelli Blvd. and US395. Council approved using ARPA funds to cover the local match (half). This project implements the Transportation System Plan by adding an additional connection in to the southern industrial area of the City.

Current Update: Contractor finished final preparations for paving by the end of June with paving to take place in early July.

FY2022-23 Monthly Financial Report

Section 9, Item A.

City of Hermiston, Oregon

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Total	\$ 13,187,600	\$ 6,010,835	\$ 16,402,600	\$ 5,959,764	36.33%

AWS System Expansion- RWS (\$3,949,400)

Amazon Web Services is paying to extend the City-owned 16" water main in Feedville Road approximately 7,000 feet to connect up with the City's other existing water infrastructure in Kelli Blvd. This project will also upgrade various pumps and motors in the Regional Water System, and also chlorinate and perform the necessary functions to convert the line to carry potable water. AWS is also paying the City to design a second, permanent, 24" nonpotable water main in Feedville Road.

Current Update: The contractor completed installation of all of the new potable water main from 1st & Feedville to Kelli & Penny. In June work shifted to taking the pipe under the USBOR Feed Canal, making the tie-in to existing mains, chlorinating the existing main, and final pump/motor upgrades in the pump station.

AWS Cooling Discharge (\$805,000)

Amazon Web Services is paying the City to design a discharge solution for their non-contact cooling water which is used to cool their facilities. This solution will require installation of a lift station and approximately 10,600 feet of a new discharge water Main in Feedville and South 1st to discharge in to the Hermiston Irrigation District's A-Line Canal. This work will also require development of a separate NPDES Permit for the new discharge.

Current Update: Anderson Perry continues the design effort and coordinating early permitting issues with Umatilla County and DEQ.