



CITY COUNCIL

City Hall Council Chambers- 180 NE 2nd Street

Where Life is Sweet

October 24, 2022 at 7:00 PM

AGENDA

*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. Proclamation- Honoring Vietnam Veterans Across America

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. Liquor License Application- Hermiston Tavern

B. Committee Vacancy Announcements

C. Replat- Hermiston Mini Storage LLC 4N2802D Tax Lot 1200 & 4N2802CD Tax Lot 501

D. Recommendation of Appointment to Keith Ellis to Position #3 of the Airport Advisory Committee term ending 10/31/2024

E. Minutes of the October 10, 2022 City Council regular meeting

7. ITEMS REMOVED FROM CONSENT AGENDA

8. PUBLIC HEARINGS

- [A.](#) Annexation- Nobles 4N2804D Tax Lots 1100, 1101, 1102, & 1103 - NW Sjoren Lane (Ordinance No. 2342)

9. ORDINANCES AND RESOLUTIONS

- [A.](#) Ordinance No. 2341- Implement Southwest Hermiston Urban Renewal Area- Second Reading
- [B.](#) Ordinance No. 2342- Annexation- Nobles 4N2804D Tax Lots 1100, 1101, 1102, & 1103 NW Sjoren Lane (see "Public Hearing" section)
- [C.](#) Resolution No. 2241- Approval of IGA related to Practical Assistance through Transitional Housing (PATH) project.

10. OTHER

- [A.](#) Approval of Lease to Made to Thrive for the construction of sports fields on the front 20 acres of the EOTEC property.
- [B.](#) September 2022 Financial Report
- [C.](#) Update on Goal Setting Report

11. 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 Enhancement, Community Accountability, Public Safety, Public Infrastructure, Transit Planning, EOTEC

- [B.](#) Mayor's Report
- [C.](#) Council Report
- [D.](#) Youth Advisory Report
- [E.](#) Manager's Report

12. 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.



PROCLAMATION HONORING VIETNAM VETERANS ACROSS AMERICA

Whereas, The Vietnam War spanned nearly 15 years, involving North Vietnam and the Vietcong in conflict with South Vietnam and the United States, along with our allies, ending nearly 47 years ago in 1975; and

Whereas, More than 9 million Americans, including many from Hermiston, courageously answered their country’s call to service during the Vietnam War, being deployed to unknown lands far from their homes and loved ones, and enduring the horrors of war while fighting to preserve our freedoms and way of life; and

Whereas, More than 58,000 American service members never returned home, making the ultimate sacrifice in service to our Nation, their names now etched in black granite on The Wall at the Vietnam Veterans Memorial in Washington, D.C., and more than 1,500 service members remain missing in action; and

Whereas, Many of those who did return home did not receive the heroes’ welcome that they deserved, and instead, were too often subjected to abuse and treated shamefully by an American government and public that were deeply divided over the unpopular war, causing pain, trauma and other consequences that have been long-term and intergenerational; and

Whereas, The 11th of November is commemorated as Veterans Day in the United States to recognize all servicemembers of the U.S. armed forces who have served in times of foreign conflict and in times of peace;

Now, Therefore, I, Dr. Dave Drotzmann, Mayor of Hermiston, Oregon do hereby proclaim, acknowledge, and express our tremendous and undying gratitude for the dedicated service and sacrifices of the American military service members deployed during the Vietnam War, and to the many servicemen and women who supported them in their mission, as well as their family members and loved ones.

Furthermore, I express our deep regrets for the Vietnam veterans and their families whose loyal service to our Nation was not recognized as it should have been, when it should have been, and for all the unnecessary pain and trauma this may have caused.

SIGNED this 24th day of October, 2022

Dr. David Drotzmann, Mayor



HERMISTON POLICE DEPARTMENT

Section 6, Item A.



330 S. First Street
Hermiston, Oregon 97838
www.hermiston.or.us/police/home

Phone: 541-567-5519
Fax: 541-567-8469
Email: records@hermiston.or.us

Sine Metu Sine Gratia

Without Fear Without Favor

TO: City Manager Byron Smith
FROM: Chief Jason Edmiston
DATE: September 28th, 2022
SUBJECT: Liquor License Application – Hermiston Tavern

After review of the liquor license application for “Change of Ownership” for Hermiston Tavern located at 425 N 1st Place, Hermiston, I find nothing of substance after performing a criminal history check consistent with established parameters utilized by the city, to deny the application submitted by William Foster.

It is my recommendation this information/request be presented to the City Council.

CC: City Recorder Lilly Alarcon-Strong

LIQUOR LICENSE APPLICATION

Page 1 of 3

Section 6, Item A.

Check the appropriate license request option:

- New Outlet
- Change of Ownership
- Greater Privilege
- Lesser Privilege

Select the license type you are applying for.

More information about all license types is available [online](#).

Full On-Premises

- Commercial
- Caterer
- Public Passenger Carrier
- Other Public Location
- For Profit Private Club
- Nonprofit Private Club

Winery

- Primary location
- Additional locations: 2nd 3rd 4th 5th

Brewery

- Primary location
- Additional locations: 2nd 3rd

Brewery-Public House

- Primary location
- Additional locations: 2nd 3rd

Grower Sales Privilege

- Primary location
- Additional locations: 2nd 3rd

Distillery

- Primary location
- Additional tasting locations: 2nd 3rd 4th 5th 6th

Limited On-Premises

- Off Premises
- Warehouse
- Wholesale Malt Beverage and Wine

INTERNAL USE ONLY

Application received:

7-26-2022

Minimum documents acquired:

7-26-2022

LOCAL GOVERNING BODY USE ONLY

City/County name:

City of Hermiston

Date application received:

Optional: Date Stamp

09.26.2022

- Recommend this license be granted
- Recommend this license be denied

Printed Name	Date
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Return this form to:

Investigator name:
CHRISTOPHER VOSSEN

Email:
christopher.vossen@oregon.gov

LIQUOR LICENSE APPLICATION

Section 6, Item A.

Page 2 of 3

APPLICANT INFORMATION	
Identify the applicants applying for the license. This is the entity (example: corporation or LLC) or individual(s) applying for the license. Please add an additional page if more space is needed.	
Name of entity or individual applicant #1: Foster LLC	Name of entity or individual applicant #2:
Name of entity or individual applicant #3:	Name of entity or individual applicant #4:

BUSINESS INFORMATION		
Trade Name of the Business (name customers will see): Hermiston Tavern		
Business phone number: 541-567-3971	Business email: bfoz@hotmail.com	
Premises street address (The physical location of the business and where the liquor license will be posted): 425 N 1 st Pl.		
City: Hermiston	Zip Code: 97838	County: Umatilla
Business mailing address (where we will send any items by mail as described in <u>OAR 845-004-0065[1]</u>): 425 N 1 st Pl.		
City: Hermiston	State: OR	Zip Code: 97838
Does the business address currently have an OLCC liquor license? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Does the business address currently have an OLCC marijuana license? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

APPLICATION CONTACT INFORMATION		
Contact Name: William Foster, Managing Member, Foster LLC		
Phone number: 541-377-7887	Email: bfoz@hotmail.com	
Mailing address: 425 N. 1 st Pl.		
City: Hermiston	State: OR	Zip Code: 97838

Please note: liquor license applications are public records.

LIQUOR LICENSE APPLICATION

Section 6, Item A.


Page 3 of 3

ATTESTATIONS

By signing this form, you attest that each of the following statements are true. I understand the Commission may require a licensee to provide proof of any of the below or below referenced documents at any time.

I understand that marijuana is **prohibited** on the licensed premises. This includes marijuana use, consumption, ingestion, inhalation, samples, give-away, sale, etc. I attest that all answers on all forms and documents, and all information provided to the OLCC as a part of this application are true and complete.

I affirm that I have read OAR 845-005-0311 and all individuals (sole proprietors) or entities with an ownership interest (other than waivable ownership interest per OAR 845-005-0311[6]) are listed as license applicants in #2 above. I understand that failure to list an individual or entity who has an un-waivable ownership interest in the business may result in denial of my license or the OLCC taking action against my license in the event that an undisclosed ownership interest is discovered after license issuance.

<u>William Foster</u>	<u></u>	<u>7/26/22</u>	<u></u>
Print name	Signature	Date	Atty. Bar Info (if applicable)
<u></u>	<u></u>	<u></u>	<u></u>
Print name	Signature	Date	Atty. Bar Info (if applicable)
<u></u>	<u></u>	<u></u>	<u></u>
Print name	Signature	Date	Atty. Bar Info (if applicable)
<u></u>	<u></u>	<u></u>	<u></u>
Print name	Signature	Date	Atty. Bar Info (if applicable)



OREGON LIQUOR CONTROL COMMISSION BUSINESS INFORMATION

Please Print or Type

Applicant Name: Foster LLC Phone: 541-567-3971

Trade Name (dba): Hermiston Tavern

Business Location Address: 425 N. 1st Pl.

City: Hermiston ZIP Code: 97838

DAYS AND HOURS OF OPERATION

Business Hours:

Sunday 8 am to 9 pm
 Monday 8 am to 11 pm
 Tuesday 8 am to 11 pm
 Wednesday 8 am to 11 pm
 Thursday 8 am to 11 pm
 Friday 8 am to 11 pm
 Saturday 8 am to 11 pm

Outdoor Area Hours:

Sunday 8 am to 9 pm
 Monday 8 am to 11 pm
 Tuesday 8 am to 11 pm
 Wednesday 8 am to 11 pm
 Thursday 8 am to 11 pm
 Friday 8 am to 11 pm
 Saturday 8 am to 11 pm

The outdoor area is used for:

- Food service Hours: 8 am to 9/11 pm
- Alcohol service Hours: 8 am to 9/11 pm
- Enclosed, how _____

The exterior area is adequately viewed and/or supervised by Service Permittees.

CJV (Investigator's Initials)

Seasonal Variations: Yes No If yes, explain: _____

ENTERTAINMENT

Check all that apply:

- Live Music
- Recorded Music
- DJ Music
- Dancing
- Nude Entertainers
- Karaoke
- Coin-operated Games
- Video Lottery Machines
- Social Gaming
- Pool Tables
- Other: Jukebox

DAYS & HOURS OF LIVE OR DJ MUSIC

Sunday _____ to _____
 Monday _____ to _____
 Tuesday _____ to _____
 Wednesday _____ to _____
 Thursday _____ to _____
 Friday _____ to _____
 Saturday _____ to _____

SEATING COUNT

Restaurant: _____ Outdoor: _____
 Lounge: _____ Other (explain): _____
 Banquet: _____ Total Seating: 99

OLCC USE ONLY	
Investigator Verified Seating: _____ (Y) _____ (N)	
Investigator Initials: _____	<u>N/A</u>
Date: _____	

I understand if my answers are not true and complete, the OLCC may deny my license application.

Applicant Signature: [Signature] Date: 3/25/22

1-800-452-OLCC (6522)
www.oregon.gov/olcc

(rev. 12/07)



PUBLIC ANNOUNCEMENT

The City is accepting applications for the following Committees:

1) Budget Committee

- Position 5: remaining 3-year term ending December 31, 2023 (Vacant as of 10/25/2021)

2) Hispanic Advisory Committee

- Position 3: remaining 3-year term ending June 30, 2024 (Vacant as of 01/19/2022)
- Position 5: 3-year term ending June 30, 2025 (Advertised as of 04/19/2022)

3) Library Board

- Position 3: remaining 4-year term ending June 30, 2025 (Vacant as of 04/05/2021)

Deadline to apply for Committee(s) in Section(s) 1-3: Open until filled

Interested persons are asked to submit an application to City Hall, 235 E Gladys Ave, 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 October 24, 2022

Title/Subject

Replat- Hermiston Mini Storage LLC 4N2802D Tax Lot 1200 & 4N2802CD Tax Lot 501

Summary and Background

Survey One LLC has submitted a replat application on behalf of Hermiston Mini Storage LLC for 2.8 acres on the north side of E Elm Avenue. The replat is intended to combine two lots into one lot facilitating development of the mini-storage under construction at 455 E Elm Ave. The replat combines one 2.42 acre lot and one 0.38 acre lot into a new 2.803 acre lot. Combination of the lot will assist in meeting setback requirements for installation of a septic system serving the development.

The property is zoned Neighborhood Commercial Overlay (NCO) and Light Industrial (M-1). The property is described as 4N 28 02CD Tax Lot 501 (NCO) and 4N 28 02D Tax Lot 1102 (M-1). The replat will result in a split zoned parcel. However, the split zoning is not likely to pose a long-term issue as the M-1 area is 40 feet in width and generally unbuildable due to existing and proposed easements crossing the property.

Public notice was provided for the proposed replat. Notice of the proposed land use action was mailed by direct mail to all property owners within 100 feet on September 28, 2022. A sign informing the public of the proposal was placed on the property on September 28, 2022.

The criteria that are applicable to the decision to accept the proposed replat are contained in §154.46 of the Hermiston Code of Ordinances. The final plat requirements and findings are attached to this report as Exhibit A. The recommended conditions of approval are attached as Exhibit B. The map showing the property boundary, adjacent streets, and parcels is attached as Exhibit C. The final plat as prepared by the surveyor is attached as Exhibit D.

Tie-In to Council Goals

Approval of plats is a matter of administration of City ordinances.

Fiscal Information

The area proposed for replatting is an undeveloped portion of the Hermiston Mini development, but is necessary for the development's septic installation. No additional fiscal impact is anticipated.

Alternatives and Recommendation

Alternatives

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

Recommended Action/Motion

- Motion to approve the final plat subject to the conditions

Submitted By:

Clinton Spencer, Planning Director

Exhibit A

Findings of Fact

Hermiston Mini Storage LLC Replat

643 E Elm Ave

October 24, 2022

Chapter 154: Subdivisions

Design Standards

§154.15 Relation to Adjoining Street System.

The properties are bordered by E Elm Ave only. Each lot has frontage on E Elm Ave which is a state highway.

§154.16 Street and Alley Width.

No new streets or alleys are proposed as part of the partition. The property is currently serviced by E Elm Ave which is a state highway 66 feet in width. The Oregon Department of Transportation controls access to all state highways.

§154.17 Easements.

There is an existing easement for the Hermiston Drain along the entire north boundary of the properties. A 20' wide sanitary sewer easement is being dedicated along the north boundary of Parcel 2 of Partition plat 2021-18 and continuing through the adjacent parcel to the east along its eastern boundary. An additional 20' private sewer easement is being dedicated along the southern border of Parcel 2 of Partition plat 2021-18.

§154.18 Blocks.

No block spacing standard is required for this partition.

§154.19 Lots.

There are no lot size or dimensional standards in the NCO or M-1 zones. The newly created lot is 2.308 acres.

§154.20 Character of Development.

The property is split zoned NCO and M-1. Uses permitted in the NCO zone are listed in 157.043 of the Hermiston Code of Ordinances. The 40' wide M-1 zoned portion is generally unbuildable due to existing and proposed easements.

§154.21 Parks, School Sites and the Like.

The comprehensive plan and parks master plan do not indicate a need for any parks or schools in the vicinity of the proposed partition.

Minimum Improvements Required

§154.60 Permanent Markers

Permanent markers shall be set as shown on the final plat in accordance with ORS 92.050 through 92.080.

154.61 General Improvements

E Elm Ave provides all access for this site.

§154.62 Water Lines

Water has been extended along the south boundary of Parcel 1 Partition Plat 2021-18 and is available for extension and connection to this parcel.

§154.63 Sanitary Sewer System.

Sewer is at the intersection of NE 4th Street and E Elm Ave. This property proposes to be serviced by a private septic system.

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 and none are 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.**

Finding: All items required for the final plat are shown on the final plat.

Chapter 157: Zoning

§157.043 Neighborhood Commercial Overlay Zone (NCO)

There is no minimum lot size in the NCO zone. The NCO portion of the property is 2.42 acres in size. Uses permitted in the NCO zone are listed in 157.043 of the Hermiston Code of Ordinances.

§157.055 Light Industrial Zone (M-1)

There is no minimum lot size in the M-1 zone. The M-1 portion of the property is .38 acres in size. Uses permitted in the M-1 zone are listed in 157.055 of the Hermiston Code of Ordinances.

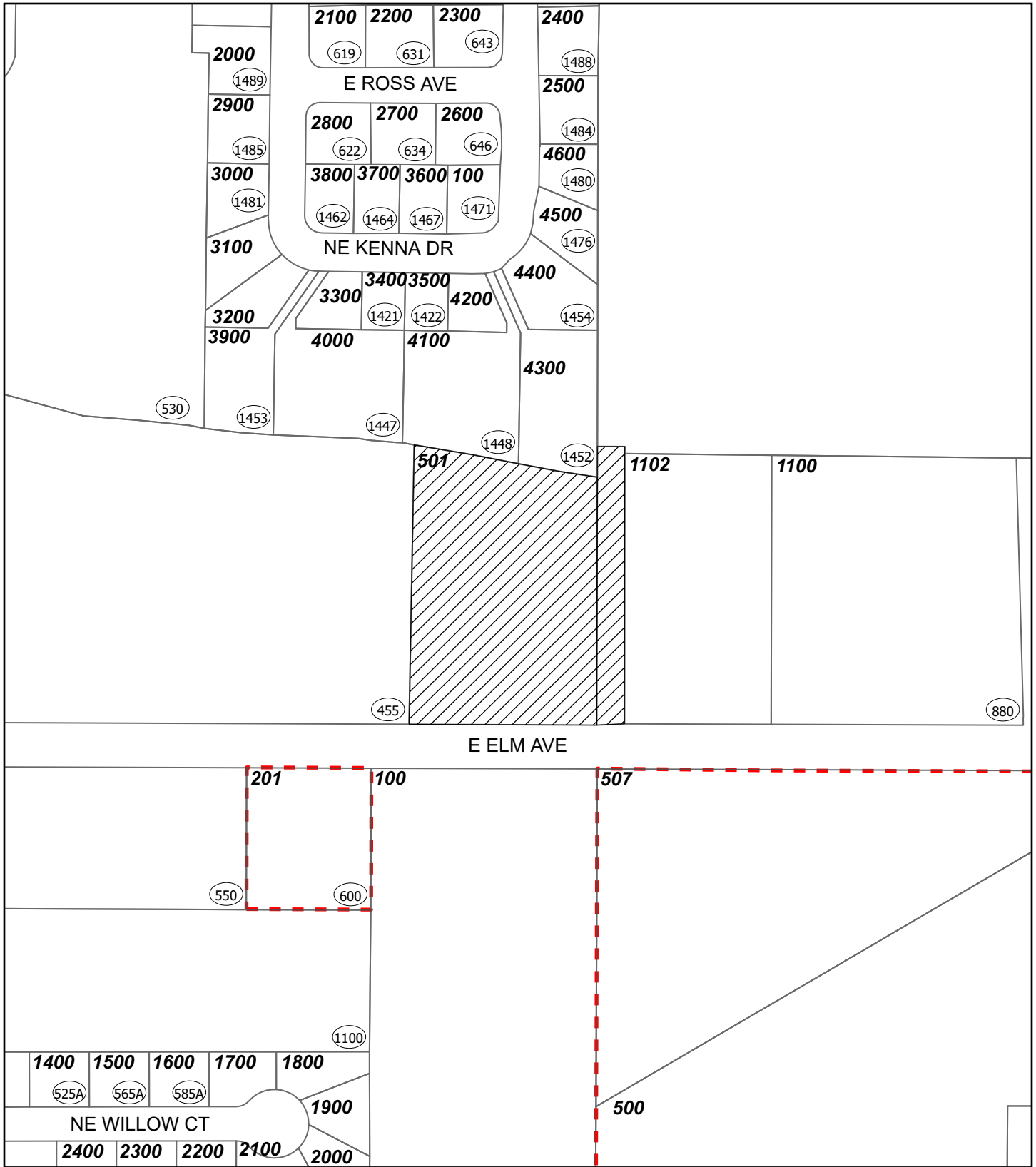
Exhibit B

Conditions of Approval

Hermiston Mini Storage LLC Replat

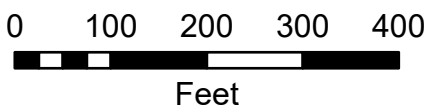
October 24, 2022

1. The property owner shall sign a street improvement agreement agreeing to participate in the future improvement E Elm Ave to include infill paving to a width of 24 feet from centerline, curb, gutter, drainage improvements, and sidewalk. Improvements to E Elm Ave shall be approved by the city engineer and the Oregon Department of Transportation.
2. At such time that construction occurs on the parcel which triggers the development standards of 157.163 of the Hermiston Code of Ordinances, street improvements are required along that parcel's frontage on E Elm Ave.
3. Comprehensive Plan Figure 12 identifies this site as an area subject to development hazards due to high water table. Therefore, the City will prohibit the outdoor storage of hazardous chemicals and underground storage of gasoline and diesel fuels.
4. The applicant shall work with and receive certification from the Hermiston Irrigation District prior to obtaining city signature on the final plat.



Legend

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



PRELIMINARY FOR REVIEW ONLY

LINE TABLE					LINE TABLE					LINE TABLE				
LINE #	LENGTH	BEARING (MEAS.)	LENGTH	BEARING (REC.)	LINE #	LENGTH	BEARING (MEAS.)	LENGTH	BEARING (REC.)	LINE #	LENGTH	BEARING (MEAS.)	LENGTH	BEARING (REC.)
L1	25.60'	S77°24'21"E	25.32'	S76°49'13"E	L16	81.92'	S80°26'56"E	81.94'	S80°26'53"E R13	L31	98.10'	S86°22'46"E		
L2	73.57'	S71°48'22"E	73.48'	S71°49'25"E	L17	75.30'	S78°37'13"E	75.28'	S78°37'02"E R13	L32	85.00'	S84°02'19"E		
L3	94.82'	S70°57'38"E	94.87'	S70°59'27"E	L18	15.11'	S78°49'56"E	15.08'	S79°02'36"E R13	L33	98.89'	S82°18'42"E		
L4	3.11'	S75°05'29"E	3.14'	S74°31'46"E	L19	53.41'	S79°05'56"E	53.48'	S79°02'36"E R13	L34	111.91'	S79°43'40"E		
L5	155.55'	S74°32'43"E	155.55'	S74°31'46"E	L20	49.39'	S81°18'00"E	49.30'	S81°14'33"E R13	L35	83.73'	S78°15'58"E		
L6	79.24'	S85°17'26"E	79.24'	S85°17'26"E *	L21	54.69'	N00°25'19"E			L36	141.54'	S75°29'52"E		
L7	76.49'	S83°54'18"E	76.49'	S83°54'18"E *	L22	40.00'	S89°33'42"E							
L8	33.79'	S81°38'43"E	33.79'	S81°38'43"E *	L23	8.83'	S75°20'48"E							
L9	42.17'	S81°38'43"E	42.17'	S81°38'43"E *	L24	69.83'	S73°00'41"E							
L10	82.72'	S86°45'20"E	82.72'	S86°45'20"E *	L25	69.02'	S71°25'14"E							
L11	62.46'	S86°46'20"E	62.46'	S86°46'20"E *	L26	31.50'	S71°25'14"E							
L12	41.35'	S84°59'32"E	41.35'	S84°59'32"E *	L27	188.84'	S77°36'18"E							
L13	46.33'	S84°59'32"E	46.33'	S84°59'32"E *	L28	96.41'	S81°57'20"E							
L14	14.89'	S80°27'19"E	14.90'	S80°26'53"E	L29	50.02'	S86°58'24"E							
L15	2.10'	S80°27'19"E	2.10'	S80°26'53"E	L30	17.03'	S86°22'46"E							

REPLAT PARCEL 2 PP 2021-18

UMATILLA COUNTY
A REPLAT OF PARCEL 2 OF PARTITION PLAT 2021-18,
LOCATED IN THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF
SECTION 2, TOWNSHIP 4 NORTH, RANGE 28 EAST, WILLAMETTE MERIDIAN,
CITY OF HERMISTON, UMATILLA COUNTY, OREGON.

SURVEYOR'S NARRATIVE:

THIS SURVEY WAS PERFORMED AT THE REQUEST OF STEVE RICHARDS, MEMBER OF HERMISTON MINISTORAGE LLC., OWNER, TO PERFORM A REPLAT ON PARCEL 2 OF PARTITION PLAT 2021-18 AND THE ADJOINING 40.00' WIDE PROPERTY TO THE EAST, LOCATED IN ALL THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE WESTERLY 40' OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 2, TOWNSHIP 4 NORTH, RANGE 28 EAST OF THE WILLAMETTE MERIDIAN, LYING AND BEING 8 FEET SOUTHERLY OF THE SOUTHERLY LINE OF THE HERMISTON IRRIGATION DISTRICT DRAINAGE CANAL EXCEPTING THEREFROM THE WEST 230 FEET THEREOF AND ANY AND ALL WATER RIGHTS-OF-WAY AND ROADS, CITY OF HERMISTON, UMATILLA COUNTY, OREGON.
I WAS ABLE TO LOCATE ALL OF THE PROPERTY CORNERS OF THIS PARCEL AND SOME OF THE ADJOINING, AS SHOWN. IT SHOULD BE NOTED THE HERMISTON IRRIGATION DISTRICT CLEARED AND GRADED THE OVERGROWTH ALONG THE NORTH SIDE OF THIS PROPERTY, RECENTLY, AND MOST OF THE NORTHERLY CORNERS WERE DESTROYED. I RESET ALL MISSING CORNERS BACK INTO ORIGINAL POSITION AS PART OF THIS REPLAT, AS SHOWN.
THIS SURVEY WAS PERFORMED USING A CARLSON BRX7 RTK GPS SYSTEM, AND A TOPCON PSI03 ROBOTIC TOTAL STATION. STANDARD ERROR FOR THE RTK SYSTEM IS 8.0MM + 1 PPM X BASELINE MEASURED, AND THE TOTAL STATION IS +/- (3+2PPM X DISTANCE) IN MILLIMETERS.
I FIND NOTHING OUT OF THE ORDINARY ON THIS SURVEY.

PRELIMINARY FOR REVIEW ONLY

ROBERT D. ENGLISH, ORPLS43406LS

LEGEND

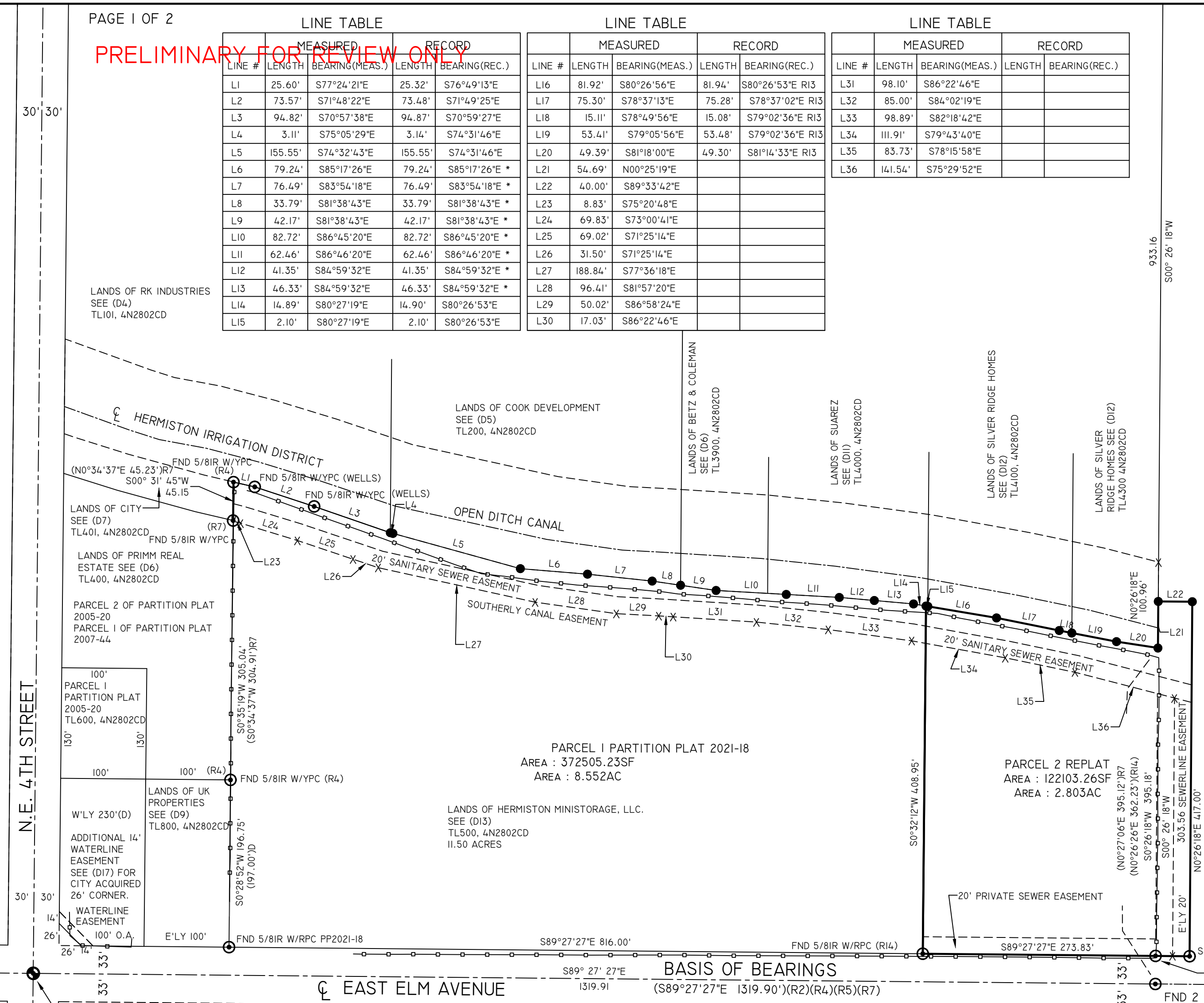
- SET 5/8"x30" IRON REBAR WITH RED PLASTIC CAP, MARKED ORPLS43406LS/WAPLS44338
- ⊙ FOUND 5/8" IRON REBAR WITH YELLOW PLASTIC CAP, FOR ASPEN ESTATES, OR AS NOTED.
- X CALCULATED POINT - NOTHING FOUND OR SET.
- XXX(R#) RECORD AND REFERENCE TO SURVEY
- PROPERTY LINE
- - - EASEMENTS
- EXISTING FENCE

SURVEYOR'S EXACT COPY STATEMENT

I, ROBERT D. ENGLISH, REGISTERED OREGON SURVEYOR NO. 43406LS DO HEREBY CERTIFY THAT I AM THE SURVEYOR WHO PREPARED THIS REPLAT OF PARCEL 2 OF PARTITION PLAT 2021-18 AND TAX LOT 1200 OF CURRENT ASSESSOR'S MAP 4N2802D TO THE CITY OF HERMISTON, COUNTY OF UMATILLA, AND THAT THE ANNEXED TRACING IS AN EXACT COPY OF SAID PARTITION AS THE SAME IS ON FILE IN UMATILLA COUNTY RECORDS, AND SAID EXACT COPY IS SUBMITTED AS PER O.R.S. 92.120.

"INITIAL POINT" ROBERT D. ENGLISH, ORPLS 43406LS
FND 5/8" IR W/YPC EDWARDS
S89°27'27"E 40.00'

PRELIMINARY FOR REVIEW ONLY



REFERENCES:

- (R1) ASSESSOR'S MAP 4N 28 02CD
- (R2) COUNTY SURVEY 98-28-C, WELLS FOR SCHNELL, 1998.
- (R3) PARTITION PLAT 2003-07, WELLS FOR COOK, 2003.
- (R4) COUNTY SURVEY 04-117-B, PRIMM FOR GRAMES, 2004.
- (R5) PARTITION PLAT 2005-20, PRIMM FOR SANTIAM PROPERTIES, 2005.
- (R6) ASPENS PHASE I PLAT, PBI4, PAGE 89, WELLS, 2005.
- (R7) PARTITION PLAT 2007-44, PRIMM FOR PRIMM, 2007.
- (R8) COUNTY SURVEY 09-173-B, ODOT DIAGONAL RD TO I-84, 2009.
- (R9) ASPEN ESTATES PHASE I, BOOK 15, PAGE 89, WELLS, 2004.
- (R10) COUNTY SURVEY 14-007-B, WELLS FOR SCHNELL, 2014.
- (R11) ASPEN ESTATES PH 2, BOOK 16, PAGE 59, WELLS, 2016.
- (R12) ASPEN ESTATES PH 3, BOOK 16, PAGE 70, WELLS, 2016.
- (R13) ASPEN ESTATES PH 4, BOOK 16, PAGE 93, WELLS, 2016.
- (R14) PARTITION PLAT 2021-18, WELLS FOR RICHARDS, 2021.
- (D1) WARRANTY DEED, DOC. NO. 2011-5760408, KALAL TO HANES-ZOLLER, 2011. TL 600, 4N2802D.
- (D2) BARGAIN & SALE DEED, DOC. NO. 2006-4950014, LEONARD MARITAL TRUST TO LEONARD FOUNDATION, 2006. TL1102, 4N2802D.
- (D3) DEED OF PERSONAL REPRESENTATIVE, DOC. NO. 2020-7080284, REIBER TO REIBER, 2020. TL1200, 4N2802D.
- (D4) WARRANTY DEED, DOC. NO. 2014-6130320, SCHNELL TO RK INDUSTRIES, 2014. TL101, 4N2802CD.

- (D5) STATUTORY WARRANTY DEED, DOC. NO. 2006-4970346, SCHNELL TO COOK DEVELOPMENT CORP. 2006. TL200, 4N2802CD.
- (D6) BARGAIN & SALE DEED, DOC. NO. 2008-5440656, PRIMM AND COE TO PRIMM REAL ESTATE, 2008. TL400, 4N2802CD.
- (D7) WARRANTY DEED, DOC. NO. 2008-5300512, PRIMM TO CITY OF HERMISTON, 2008. TL401, 4N2802CD.
- (D8) BARGAIN & SALE DEED, DOC. NO. 2017-6560610, MEDELEZ TO MEDELEZ, 2017. TL500, 4N2802CD.
- (D9) WARRANTY DEED, DOC. NO. 1999-3590540, STEVENS TO UK PROPERTIES, 1999. TL 800, 4N2802CD.
- (D10) WARRANTY DEED, DOC. NO. 2020-6990064, SILVER RIDGE HOMES TO BETZ AND COLEMAN, 2020. TL3900, 4N2802CD.
- (D11) WARRANTY DEED, DOC. NO. 2020-7070802, SILVER RIDGE HOMES TO SUAREZ, 2020. TL4000, 4N2802CD.
- (D12) STATUTORY WARRANTY DEED, DOC. NO. 2020-7020300, HERMISTON HOME WORKS TO SILVER RIDGE HOMES, 2020. TL 4100 & 4300, 4N2802CD.
- (D13) WARRANTY DEED, DOC. NO. 2021-7210573, MEDELEZ TO EASTERN OREGON DEVELOPMENT, LLC., 2021. TL500.
- (D14) BARGAIN & SALE DEED, DOC. NO. 2006-4950014, MERVIN LEONARD M TRUST TO RED & GENA LEONARD FNDTN, 2006. TL 1102, 4N2802D.
- (D15) STATUTORY WARRANTY DEED, DOC. NO. 2020-7130010, HANES-ZOLLER JT. VENTURE TO HERMISTON SCHOOL DIST. 8R, 2020. TL 600, 4N2802D.
- (D16) STATUTORY BARGAIN & SALE DEED, DOC. NO. 2021-7320557, RICHARDS TO HERMISTON MINI STORAGE LLC, 2021. TL 1200, 4N2802D.
- (D17) WARRANTY DEED, DOC. NO. 2000-3710840, SCHREEK TO CITY OF HERMISTON, SW COR. TL700, 4N2802CD.

S11
1981
PLS 933



SCALE 1"=100'



BASIS OF BEARING
BEARING BASE -- CENTERLINE ELM STREET
COUNTY SURVEY98-28-C WELLS

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
JANUARY 11, 2005
ROBERT DOUGLAS ENGLISH
43406LS

RENEWAL DATE: 12/31/23

DATE: 06/14/22	DWN.BY: RDE	REPLAT OF PARCEL 2, PP2021-18 FOR: HERMISTON MINISTORAGE, LLC. 42980 HANEY LANE PENDLETON, OR 97801
SCALE: 1" = 100'	CHK. BY: RDE	
JOB NO. 2022-016	REV. DATE: 07/08/22	SURVEY ONE, LLC P.O. BOX 382 PENDLETON OR, 97801 PH:541-276-2055 FAX:541-276-3480
DWG NO. SRPARCEL2REPLAT.DWG		

PRELIMINARY FOR REVIEW ONLY

PRELIMINARY FOR REVIEW ONLY

UMATILLA COUNTY
REPLAT PARCEL 2 PP 2021-18

A REPLAT OF PARCEL 2 OF PARTITION PLAT 2021-18,
LOCATED IN THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF
SECTION 2, TOWNSHIP 4 NORTH, RANGE 28 EAST, WILLAMETTE MERIDIAN,
CITY OF HERMISTON, UMATILLA COUNTY, OREGON.

OWNER'S DECLARATION:

I, STEVE RICHARDS, MEMBER OF HERMISTON MINISTORAGE, LLC., OWNER OF PARCEL 1 AND 2 OF PARTITION PLAT 2021-18 AND TAX LOT 1200 OF ASSESSOR'S MAP 4N2802D, LOCATED IN THE SOUTH HALF OF SECTION 2, TOWNSHIP 4 NORTH, RANGE 28 EAST OF THE WILLAMETTE MERIDIAN, CITY OF HERMISTON, UMATILLA COUNTY, OREGON, DO HEREBY ACKNOWLEDGE THAT WE HAVE CAUSED THIS REPLAT TO BE PREPARED AND THIS LAND TO BE SUBDIVIDED IN ACCORDANCE WITH O.R.S. CHAPTER 92, AS REVISED, AND UMATILLA COUNTY ORDINANCE.

STEVE RICHARDS, MEMBER

ACKNOWLEDGMENT

STATE OF OREGON
S.S.
COUNTY OF UMATILLA

ON THIS _____ DAY OF _____, IN THE YEAR _____, BEFORE ME THE UNDERSIGNED NOTARY PUBLIC, PERSONALLY APPEARED STEVE RICHARDS, PROVED TO ME BY MEANS OF SATISFACTORY EVIDENCE TO BE THE PERSONS WHO EXECUTED THE WITHIN INSTRUMENT AND ACKNOWLEDGED TO ME THAT THEY, AS LEGAL REPRESENTATIVES, EXECUTED IT.

NOTARY SIGNATURE

NOTARY PUBLIC OF OREGON (PRINT)

COMMISSION NO. _____

MY COMMISSION EXPIRES: _____

TAX LOT 501 4N2802CD LEGAL DESCRIPTION FROM PARTITION PLAT 2021-18 UMATILLA CO. DEED RECORDS.
PARCEL 2 OF PARTITION PLAT 2021-18.

TAX LOT 1200 4N2802D LEGAL DESCRIPTION FROM DOCUMENT NO. 2021-7320557, UMATILLA CO. DEED RECORDS.
THE WEST 40 FEET OF THE SOUTH 450 FEET OF THE SOUTHWEST QUARTER OF SOUTHEAST QUARTER OF SECTION 2, TOWNSHIP 4 NORTH, RANGE 28, EAST OF THE WILLAMETTE MERIDIAN, UMATILLA COUNTY, OREGON.

REFERENCES:

- (R1) ASSESSOR'S MAP 4N 28 02CD
- (R2) COUNTY SURVEY 98-28-C, WELLS FOR SCHNELL, 1998.
- (R3) PARTITION PLAT 2003-07, WELLS FOR COOK, 2003.
- (R4) COUNTY SURVEY 04-117-B, PRIMM FOR GRAMES, 2004.
- (R5) PARTITION PLAT 2005-20, PRIMM FOR SANTIAM PROPERTIES, 2005.
- (R6) ASPENS PHASE I PLAT, PBI4, PAGE 89, WELLS, 2005.
- (R7) PARTITION PLAT 2007-44, PRIMM FOR PRIMM, 2007.
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- (D3) DEED OF PERSONAL REPRESENTATIVE, DOC. NO. 2020-7080284, REIBER TO REIBER, 2020. TLI200, 4N2802D.
- (D4) WARRANTY DEED, DOC. NO. 2014-6130320, SCHNELL TO RK INDUSTRIES, 2014. TLI01, 4N2802CD.
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- (D7) WARRANTY DEED, DOC. NO. 2008-5300512, PRIMM TO CITY OF HERMISTON, 2008. TL401, 4N2802CD.
- (D8) BARGAIN & SALE DEED, DOC. NO. 2017-6560610, MEDELEZ TO MEDELEZ, 2017. TL500, 4N2802CD.
- (D9) WARRANTY DEED, DOC. NO. 1999-3590540, STEVENS TO UK PROPERTIES, 1999. TL 800, 4N2802CD.
- (D10) WARRANTY DEED, DOC. NO. 2020-6990064, SILVER RIDGE HOMES TO BETZ AND COLEMAN, 2020. TL3900, 4N2802CD.
- (D11) WARRANTY DEED, DOC. NO. 2020-7070802, SILVER RIDGE HOMES TO SUAREZ, 2020. TL4000, 4N2802CD.
- (D12) STATUTORY WARRANTY DEED, DOC. NO. 2020-7020300, HERMISTON HOME WORKS TO SILVER RIDGE HOMES, 2020. TL 4100 & 4300, 4N2802CD.
- (D13) WARRANTY DEED, DOC. NO. 2021-7210573, MEDELEZ TO EASTERN OREGON DEVELOPMENT, LLC., 2021.TL500.
- (D14) BARGAIN & SALE DEED, DOC. NO. 2006-4950014, MERVIN LEONARD M TRUST TO RED & GENA LEONARD FNDTN, 2006. TL 1102, 4N2802D.
- (D15) STATUTORY WARRANTY DEED, DOC.NO. 2020-7130010, HANES-ZOLLER JT. VENTURE TO HERMISTON SCHOOL DIST. 8R, 2020. TL 600, 4N2802D.
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- (D17) WARRANTY DEED, DOC.NO. 2000-3710840, SCHREEK TO CITY OF HERMISTON, SW COR. TL700, 4N2802CD.

OWNER'S DEDICATION:

I, STEVE RICHARDS, MEMBER OF HERMISTON MINISTORAGE, LLC., OWNER OF PARCEL 1 AND 2 OF PARTITION PLAT 2021-18 AND TAX LOT 1200 OF ASSESSOR'S MAP 4N2802D, LOCATED IN THE SOUTH HALF OF SECTION 2, TOWNSHIP 4 NORTH, RANGE 28 EAST OF THE WILLAMETTE MERIDIAN, CITY OF HERMISTON, UMATILLA COUNTY, OREGON, HAVE CAUSED THE CREATION OF AND DO HEREBY DEDICATE SEWER EASEMENTS, AS SHOWN AND NOTED ON THE FACE OF THIS PLAT, TO THE PUBLIC.

STEVE RICHARDS, MEMBER

APPROVALS

UMATILLA COUNTY SURVEYOR
I, DAVID H. KRUMBEIN, UMATILLA COUNTY SURVEYOR, DO HEREBY CERTIFY THAT I HAVE EXAMINED THE ACCOMPANYING PLAT AND THAT IT COMPLIES WITH THE LAWS OF THE STATE OF OREGON WITH RESPECT TO THE FILING AND RECORDING OF SUCH PLATS, AND I DO THEREFORE APPROVE SAID PLAT FOR FILING IN THE RECORDS OF UMATILLA COUNTY, OREGON.

APPROVED THIS _____ DAY OF _____, 2022.

UMATILLA COUNTY SURVEYOR

UMATILLA COUNTY TAXATION DEPT.
TAXES ARE PAID IN FULL.

THIS _____ DAY OF _____, 2022.

UMATILLA COUNTY TAX ASSESSOR

UMATILLA COUNTY COMMISSIONERS:
THE ACCOMPANYING PLAT IS HEREBY APPROVED FOR FILING AND RECORDING IN THE RECORD OF PLATS OF UMATILLA COUNTY, OREGON BY THE UNDERSIGNED, BY IT'S ORDER.

THIS _____ DAY OF _____, 2022.

CHAIRMAN COMMISSIONER

COMMISSIONER

CITY OF HERMISTON PLANNING COMMISSION & CITY COUNCIL:
THE ACCOMPANYING PLAT HAS BEEN APPROVED BY THE PLANNING COMMISSION AND THE CITY COUNCIL OF HERMISTON, OREGON.

THIS _____ DAY OF _____, 2022.

CHAIRMAN, HERMISTON PLANNING COMMISSION.

THIS _____ DAY OF _____, 2022.

MAYOR OF THE CITY OF HERMISTON - CITY COUNCIL.

HERMISTON IRRIGATION DISTRICT:
THE ACCOMPANYING PLAT IS HEREBY APPROVED

THIS _____ DAY OF _____, 2022.

HERMISTON IRRIGATION DISTRICT

SURVEYOR'S CERTIFICATE

I, ROBERT D. ENGLISH, OREGON PROFESSIONAL LAND SURVEYOR NUMBER 43406LS, BEING DULY SWORN, DEPOSE AND SAY THAT I HAVE SURVEYED AND MARKED WITH LEGAL MONUMENTS THE LANDS SHOWN ON THIS REPLAT AS SHOWN HEREIN. SAID REPLAT IS SITUATED IN THE SOUTH HALF OF SECTION 2, TOWNSHIP 4 NORTH, RANGE 28 EAST OF THE WILLAMETTE MERIDIAN, CITY OF HERMISTON, UMATILLA COUNTY, OREGON. THE PURPOSE OF THIS REPLAT IS TO COMBINE PARCEL 2 OF PARTITION PLAT 2021-18 WITH CURRENT TAX LOT 1200 OF ASSESSOR'S MAP 042802D. I FURTHER CERTIFY AND SAY THAT I MADE THIS SURVEY AND PLAT BY ORDER OF AND UNDER THE DIRECTION OF THE OWNERS THEREOF, AND THAT ALL BOUNDARY CORNERS ARE MARKED WITH MONUMENTS AS INDICATED ON THE AMENDED MAP IN ACCORDANCE WITH THE PROVISIONS OF O.R.S. 92.050 AND 92.060.

THE INITIAL POINT IS A 5/8"X30" IRON REBAR WITH A YELLOW PLASTIC CAP MARKED "ORPLS95I" AT THE SOUTHEAST CORNER OF PARCEL 2.

PRELIMINARY FOR REVIEW ONLY

ROBERT D. ENGLISH, ORPLS 43406LS

SURVEYOR'S NARRATIVE:

THIS SURVEY WAS PERFORMED AT THE REQUEST OF STEVE RICHARDS, MEMBER OF HERMISTON MINISTORAGE, LLC., OWNER, TO PERFORM A REPLAT ON PARCEL 2 OF PARTITION PLAT 2021-18 AND THE ADJOINING 40.00' WIDE PROPERTY TO THE EAST, LOCATED IN ALL THAT PORTION OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE WESTERLY 40' OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 2, TOWNSHIP 4 NORTH, RANGE 28 EAST OF THE WILLAMETTE MERIDIAN, LYING AND BEING 8 FEET SOUTHERLY OF THE SOUTHERLY LINE OF THE HERMISTON IRRIGATION DISTRICT DRAINAGE CANAL EXCEPTING THEREFROM THE WEST 230 FEET THEREOF AND ANY AND ALL WATER RIGHTS-OF-WAY AND ROADS, CITY OF HERMISTON, UMATILLA COUNTY, OREGON. I WAS ABLE TO LOCATE ALL OF THE PROPERTY CORNERS OF THIS PARCEL AND SOME OF THE ADJOINING, AS SHOWN. IT SHOULD BE NOTED THE HERMISTON IRRIGATION DISTRICT CLEARED AND GRADED THE OVERGROWTH ALONG THE NORTH SIDE OF THIS PROPERTY, RECENTLY, AND MOST OF THE NORTHERLY CORNERS WERE DESTROYED. I RESET ALL MISSING CORNERS BACK INTO ORIGINAL POSITION AS PART OF THIS REPLAT, AS SHOWN. THIS SURVEY WAS PERFORMED USING A CARLSON BRX7 RTK GPS SYSTEM, AND A TOPCON PSI03 ROBOTIC TOTAL STATION. STANDARD ERROR FOR THE RTK SYSTEM IS 8.0MM + 1 PPM X BASELINE MEASURED, AND THE TOTAL STATION IS +/- (3+2PPM X DISTANCE) IN MILLIMETERS. I FIND NOTHING OUT OF THE ORDINARY ON THIS SURVEY.

ROBERT D. ENGLISH, ORPLS43406LS

SURVEYOR'S EXACT COPY STATEMENT

I, ROBERT D. ENGLISH, REGISTERED OREGON SURVEYOR NO. 43406LS DO HEREBY CERTIFY THAT I AM THE SURVEYOR WHO PREPARED THIS REPLAT OF PARCEL 2 OF PARTITION PLAT 2021-18 AND TAX LOT 1200 OF CURRENT ASSESSOR'S MAP 4N2802D TO THE CITY OF HERMISTON, COUNTY OF UMATILLA, AND THAT THE ANNEXED TRACING IS AN EXACT COPY OF SAID PARTITION AS THE SAME IS ON FILE IN UMATILLA COUNTY RECORDS, AND SAID EXACT COPY IS SUBMITTED AS PER O.R.S. 92.120.

ROBERT D. ENGLISH, ORPLS 43406LS

PRELIMINARY FOR REVIEW ONLY

REGISTERED PROFESSIONAL LAND SURVEYOR

OREGON JANUARY 11, 2005
ROBERT DOUGLAS ENGLISH
43406LS

RENEWAL DATE: 12/31/23

DATE: 07/29/22
DWN. BY: RDE

SCALE: N/A
CHK. BY: RDE

JOB NO. 2022-016
REV. DATE: 08/03/22

DWG NO. SRPARCEL2REPLAT.DWG

REPLAT OF PARCEL 2, PP2021-18 FOR:
HERMISTON MINISTORAGE, LLC.
42980 HANEY LANE
PENDLETON, OR 97801

SURVEY ONE, LLC
P.O. BOX 382
PENDLETON OR, 97801
PH:541-276-2055 FAX:541-276-3480

PRELIMINARY FOR REVIEW ONLY



366 East Hurlburt Avenue
Hermiston, OR 97838-2445
Office: 541-567-3024
Mobile: 541-571-7698
E-mail: Manager@HermistonID.org

October 11, 2022

City of Hermiston
Clinton Spencer, Planning Director
180 NE 2nd Street
Hermiston, OR 97838

RE: Replat-Hermiston Mini Storage LLC
Applicant: Steve Richards
4N2802CD 501 and 4N2802D 1200

Mr. Spencer,

Thank You for the opportunity to review the replat for Hermiston Mini Storage LLC. This land is located within the Hermiston Irrigation District boundaries and it contains a federal easement for the Hermiston Drain Ditch.

HID has received a preliminary copy of the replat from the developer and has no objection. Our only recommendation is that they change the name of the ditch in the surveyor's narrative from "Hermiston Irrigation District Drainage Canal" to more accurately read "Hermiston Drain Ditch".

Thank you for the opportunity to comment on this request.

Respectfully,


Annette Kirkpatrick
District Manager



CITY COUNCIL

Regular Meeting Minutes October 10, 2022

Mayor Drotzmann called the regular meeting to order at 7:04pm. Present were Councilors Peterson, Spicerkuhn, Primmer, Barron, Davis, Hardin, and Duron. Councilor Myers was excused. Judge Creasing was in attendance, as well as staff to include: City Manager Byron Smith, Assistant City Manager Mark Morgan, City Attorney Rich Tovey, Chief Edmiston, Finance Director Mark Krawczyk, Parks and Recreation Director Brandon Artz, Planning Director Clint Spencer, and City Recorder Lilly Alarcon-Strong. Youth Advisory Members Julissa Gonzales Mendoza and Manuel Salazar were in attendance. The pledge of allegiance was given.

Presentation- Hermiston School District Updates

Assistant Superintendent Jake Bacon gave HSD updates, to include: School District calendar, conferences, Amazon's Think Big Space Program partnership with BMCC and HSD and the recent student experiences with this program, extracurricular activities, and student enrollment numbers to-date.

Citizen Input on Non-Agenda Items

Lisa Williams, 115 NW 11th- Spoke regarding the gang issues plaguing the City and how it has impacted the life of her family. Asked that the Council look at how to better resolve this issue.

Louis Hanson, Hermiston- Invited the Council and public to attend the annual Journey to Bethlehem show & tour with live actors and animals on November 3-5. The tour is about 20 mins long and is hosted by the Seventh-Day Adventist Church at 855 W. Highland Ave.

Brian Owens, 665 W Division- Asked that the Council help him resolve issues regarding the roadway easement and irrigation drainage ditch near his Roller Rink business. These issues are causing him financial hardship that could cause him to permanently close the Roller Rink, which his family runs at little to no profit, so the youth in the area have something fun to do.

David McCarthy, Hermiston- Thanked the Council for the great new facility that gives the City a standard of excellence for people to know us by.

Rebecca Garcia, 608 W Hermiston- Asked that she be given the best contact information for the person who can help her address homelessness issues she's facing on her properties.

Mayor Drotzmann thanked the public for their comments and stated the City will find ways to address these issues.

Consent Agenda Items

Councilor Primmer moved and Councilor Spicerkuhn seconded to approve Consent Agenda items A & B to include:

- A. Committee Vacancy Announcements
- B. Minutes of the September 26, 2022 City Council & HURA Meeting

Motion carried unanimously.



CITY COUNCIL

Regular Meeting Minutes
October 10, 2022

Public Hearing- Formation of the Southwest Hermiston Urban Renewal Agency

Hearing no potential conflicts of interest, City Manager Smith read the hearing guidelines and Mayor Drotzmann opened the hearing at 7:36pm.

Assistant City Manager Morgan and Elaine Howard of Elaine Howard Consulting presented the Council with information regarding the potential formation of the Southwest Hermiston Urban Renewal Agency and next steps moving forward (PowerPoint Presentations attached).

Public Testimony

Proponents

Steve Wilson, MonteVista Homes- Thanked the City for their efforts to move this project forward as MonteVista Homes continues to work to develop the City.

Neutral

Josh Roberts, Hermiston- Stated that the Police Department was not included in the Impact Fee for this project and asked that the Council consider including them in in this fee.

There were no Opponents who wished to address the Council and the hearing was closed at 8:16pm.

Ordinance No. 2341- Southwest Hermiston Urban Renewal Plan Adoption

City Manager Smith stated information regarding Ordinance 2341 was presented earlier during the public hearing.

Mayor Drotzmann requested that the first reading be by title only. Hearing no oppositions, City Attorney Tovey read the ordinance by title only. Councilor Duron moved and Councilor Davis seconded that the ordinance be put on for final adoption at the October 24th meeting and that the second reading be by title only at that meeting. 7 votes for; none against. Motion carried unanimously.

Resolution No. 2238 – LTREZ Distribution

Assistant City Manager Morgan stated this resolution establishes a policy for the administrator of the Greater Hermiston Enterprise Zone (GHEZ) to follow in managing revenue disbursements. This policy is necessary as the GHEZ is jointly managed by the City of Hermiston and Umatilla County.

After some discussion, Councilor Barron moved and Councilor Hardin seconded to adopt Resolution No. 2238 and lay upon the record. Motion carried unanimously.

1st Quarter FY2023 Investment Report

Councilor Primmer moved and Councilor Spicerkuhn seconded to accept the 1st Quarter FY2023 Investment Report as presented by Finance Director Mark Krawczyk. Motion carried unanimously.



CITY COUNCIL

Regular Meeting Minutes
October 10, 2022

Approval of the Lease to Made to Thrive for the Construction of Sports Fields on the Front ~20 acres of the EOTEC Property- City Manager Smith presented the proposed Sports Field Lease between the City and Made to Thrive.

After some discussion, Councilor Barron moved and Councilor Davis seconded to table this decision until the meeting of October 24th to allow the City time to address and add verbiage specific to parking, in the Lease with Made to Thrive. Motion carried unanimously.

Committee Reports

Stepping Stones (not a City Committee)- Councilor Spicerkuhn gave updates regarding: additional work parties in Umatilla to build huts and Project Community Connect at Desert Rose Ministries.

Mayor's Report

Mayor Drotzmann spoke regarding:

- Recent LOC Annual Conference and his acceptance of LOC's President-Elect Position, Executive Director search and interviews, as well as his boastfulness of the Youth Advisors currently serving on each City Committee and Board
- EOTEC's weekend events that included: Faith & Blue, Dueling Piano's and a BBQ contest
- OMA Homelessness Task Force addressing this issue at a state level

Council Reports

Councilor Duron thanked the City for allowing her to attend the LOC Conference stating the information she learned was very valuable and has a greater appreciation for all the work that is involved in planning road closures for infrastructure improvements and more.

Councilor Primmer stated the Faith & Blue event was a huge success. There were five different law enforcement agencies who participated in the event that allowed positive and friendly interaction between law enforcement and the public. Councilor Primmer thanked Police Chief Edmiston and Parks and Recreation Director Brandon Artz for all their work making this event a success.

Councilor Spicerkuhn asked that City Manager Smith update the Council on the public comment issues that were raised tonight.

Councilor Hardin thanked LOC for putting on another great Annual Conference with great information, events, and workshops. Thanked Mayor Drotzmann and City Manager Smith for their leadership in the LOC.

Youth Advisory Report

Youth Advisors gave information regarding congestion at the intersection at N First Place and Orchard Ave and asked that the City help address this issue and invited the public to attend an upcoming High School play.



Where Life is Sweet

CITY COUNCIL

Regular Meeting Minutes
October 10, 2022

City Manager's Report

City Manager Smith spoke regarding:

- Punch list items that are still needed in City Hall
- Thanked the Council and public for their support of the new City Hall building

Adjournment

Mayor Drotzmann adjourned the City Council meeting at 9:26pm as there was no other City business.

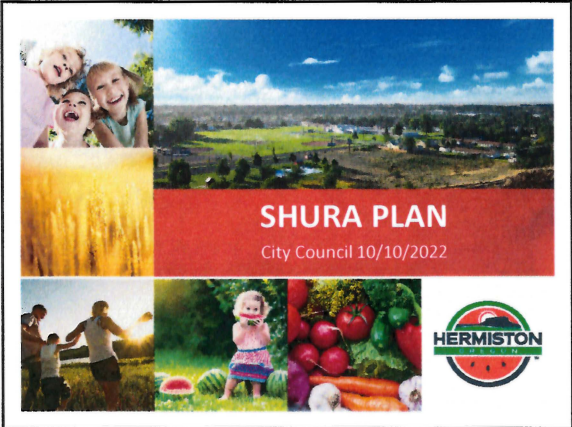
SIGNED:

Dr. David Drotzmann, Mayor

ATTEST:

Lilly Alarcon-Strong, CMC, City Recorder

DRAFT



How does it work?

- Elaine Howard Consulting
- Diverts NEW tax to pay for improvements

Why are we doing this?

- Extend Utilities
- Largest remaining residential tract in City
- 600+ housing units built since 2017
 - 142 Year to Date in 2022
- More land supply necessary


Impact to Existing Services?

- Revenue Sharing begins at 10%
- Diversion capped at ~280 homes
 - Remaining 1,000 homes go to districts as normal
- Bonds not impacted
 - HSD Bond = Extra \$6.6M over 20 years
 - UCFD1 Bond = Extra \$300,000 over 20 years




Other Impacts- Development Agreement

- City & Developer Cover debt in early years
- Developer donates 1.5ac land to UCFD1
- Impact Fee per home paid to UCFD1
- Traffic Impact Fee per home pending TIA

 **Risk to City?**

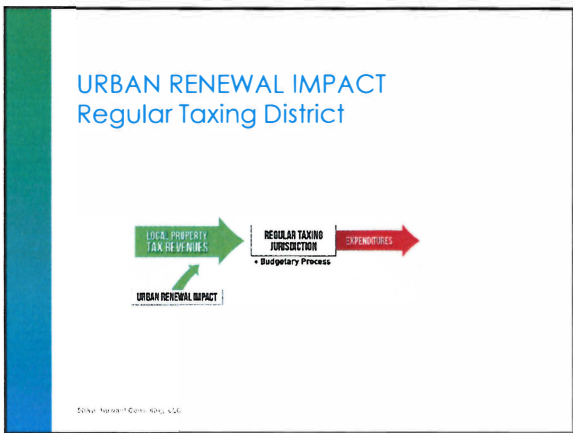
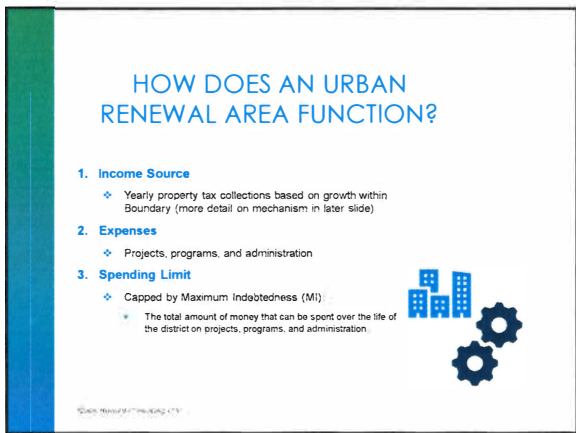
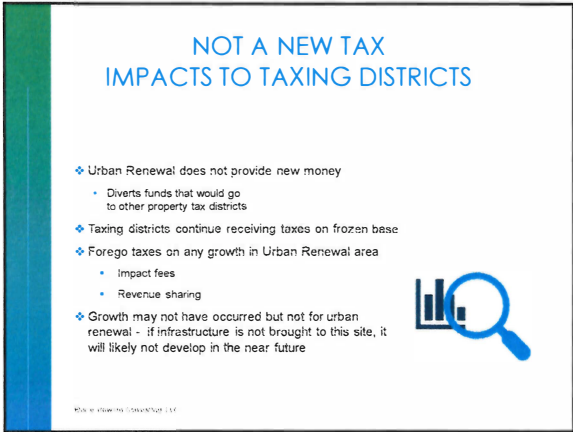
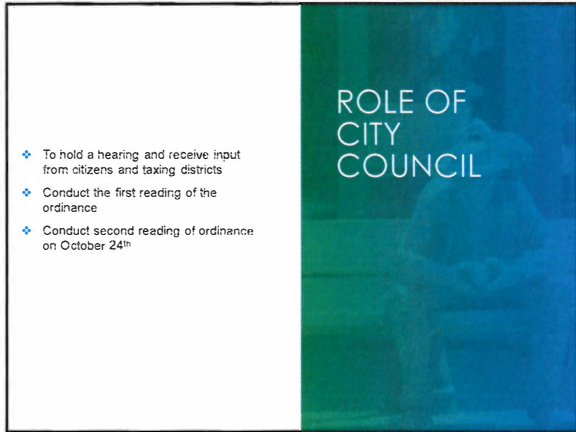
- Shared Debt Obligation = Max ~\$500,000/yr
 - Capacity in Utility Fund to absorb
 - Water improvements benefit/serve entire city

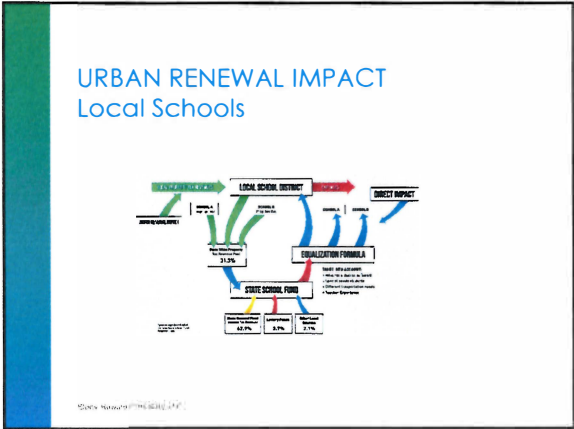


 **Worst Case Scenario?**

- Debt Term assumed at 20 years vs 30
- Assumes \$12M incurred Day #1
- Absorption assumed at just 30 per year
- Occupancy assumed in 2027

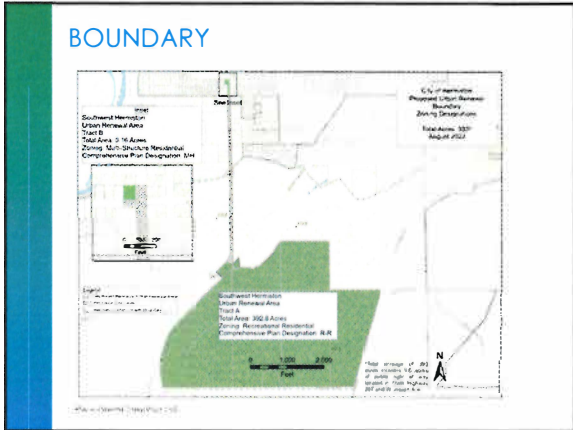
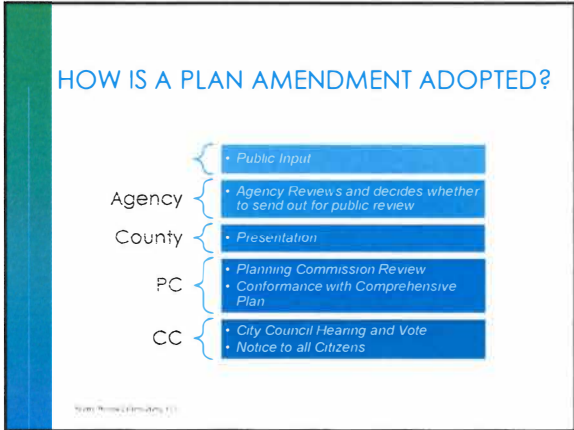






PROPERTY TAX SUMMARY

- No new taxes due to the division of taxes from Urban Renewal
- Schools are indirectly impacted by urban renewal
- There will be a line item for Urban Renewal on your property tax bill if this Plan is adopted
- There are no bonds or local option levies impacted by the proposed urban renewal plan
 - New development will help pay for existing bonds and future bonds in the community



STATUTORY LIMITATIONS

	Acreage	Assessed Value
A. City of Hermiston Downtown Urban Renewal Area	125.2	\$42,262,899
B. Southwest Hermiston Urban Renewal Area	392.8	\$3,121,349
C. Total Acreage/Assessed Value in URAs	518	\$45,384,248
D. Excess Value		\$15,049,186
E. City of Hermiston	5,402	\$1,168,246,817
% of City Acreage = (C/E)	9.6%	
% of City Assessed Value = (C/(E-D))		3.94%

PROJECTS

- Infrastructure Upgrades
- Parks and Pathways
- Developer incentives
- Administration

ESTIMATED COSTS OF PROJECTS

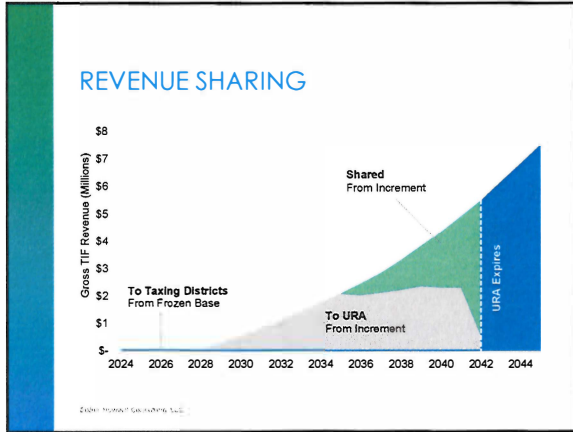
Expenditures (Constant FYE 2023)	Constant FYE 2023\$	Year of Expenditure \$
Community Park	\$2,625,000	\$2,756,250
Neighborhood Parks and Pathways	\$2,100,000	\$3,420,900
Water Transmission Line	\$1,703,100	\$1,788,255
Joseph Booster Pump Station	\$771,750	\$810,338
Upgrades		
Sewer Main Line	\$2,806,650	\$2,946,983
2 Million Gallon Reservoir	\$3,735,900	\$3,922,695
SDC Expenditures	\$1,050,000	\$1,710,450
Financing Fees	\$301,885	\$354,201
Administration Costs	\$210,000	\$354,437
TOTAL:	\$15,304,285	\$18,064,509

Exhibit: Novena Consulting LLC

FINANCIAL FORECASTING

Total Net TIF	\$20,060,000
Capacity (2023\$)	\$15,300,000
Years 1-5	\$11,940,000
Years 6-10	\$3,270,000
Years 11-15	\$50,000
Years 16-19	\$40,000

Exhibit: Novena Consulting LLC



REVENUE SHARING

FYE	Total Assessed Value	Frozen Base AV	Increment Used	Increment Shared	Tax Revenue from Increment Shared
2024	3,206,735	3,121,349	85,386	-	-
2025	3,294,682	3,121,349	173,333	-	-
2026	3,385,268	3,121,349	263,919	-	-
2027	3,478,571	3,121,349	357,222	-	-
2028	3,574,673	3,121,349	453,324	-	-
2029	3,673,842	3,121,349	552,493	-	-
2030	3,776,033	3,121,349	654,684	-	-
2031	3,881,221	3,121,349	760,872	-	-
2032	3,989,424	3,121,349	870,075	-	-
2033	4,100,640	3,121,349	983,291	-	-
2034	4,214,871	3,121,349	1,100,522	-	-
2035	4,332,116	3,121,349	1,220,767	-	-
2036	4,452,375	3,121,349	1,344,026	23,868,840	416,927
2037	4,575,648	3,121,349	1,471,299	40,521,192	707,800
2038	4,701,925	3,121,349	1,602,576	62,372,185	1,089,480
2039	4,831,206	3,121,349	1,737,857	83,650,737	1,461,161
2040	4,963,591	3,121,349	1,877,242	116,977,076	2,043,285
2041	5,109,080	3,121,349	2,020,731	149,066,114	2,603,797
2042	5,267,773	3,121,349	2,146,424	284,139,640	4,963,181

Exhibit: Novena Consulting LLC

GENERAL GOVERNMENT - Totals through FYE 2042

County	(3,270,795)
City of Hermiston	(6,987,770)
Umatilla County Fire District	(2,009,300)
Port of Umatilla	(176,705)
County Radio	(195,189)
Cemetery District	(105,968)
Mosquito Control	(232,045)
Subtotal	(12,977,779)

Exhibit: Novena Consulting LLC

General Government

FYE	General County Permanent	City of Hermiston Permanent	Part of Umatilla Permanent	Umatilla County Fire District 1 Permanent	County Radio District Permanent	Cemetery District 8 Permanent	W Umatilla Mosquito Control Permanent	Subtotal Gen. Gov.
2024	(225)	(481)	(12)	(138)	(13)	(7)	(16)	(893)
2025	(460)	(963)	(25)	(283)	(27)	(15)	(33)	(1,826)
2026	(702)	(1,500)	(38)	(431)	(42)	(23)	(50)	(2,787)
2027	(952)	(2,033)	(51)	(585)	(57)	(31)	(68)	(3,776)
2028	(1,209)	(2,582)	(65)	(742)	(72)	(39)	(86)	(4,796)
2029	(1,475)	(3,139)	(80)	(900)	(90)	(49)	(105)	(5,898)
2030	(1,748)	(3,704)	(105)	(1,068)	(117)	(64)	(124)	(7,166)
2031	(2,027)	(4,277)	(135)	(1,248)	(147)	(83)	(143)	(8,537)
2032	(2,312)	(4,858)	(170)	(1,440)	(177)	(103)	(163)	(10,005)
2033	(2,603)	(5,447)	(210)	(1,645)	(216)	(124)	(183)	(11,518)
2034	(2,900)	(6,044)	(255)	(1,863)	(252)	(145)	(203)	(13,102)
2035	(3,203)	(6,649)	(305)	(2,095)	(291)	(166)	(223)	(14,726)
2036	(3,512)	(7,272)	(360)	(2,340)	(336)	(187)	(243)	(16,390)
2037	(3,827)	(7,913)	(420)	(2,600)	(381)	(208)	(263)	(18,102)
2038	(4,148)	(8,572)	(485)	(2,875)	(426)	(229)	(283)	(19,858)
2039	(4,475)	(9,249)	(555)	(3,165)	(461)	(240)	(293)	(21,638)
2040	(4,808)	(9,944)	(630)	(3,470)	(496)	(251)	(303)	(23,438)
2041	(5,147)	(10,657)	(710)	(3,790)	(521)	(252)	(303)	(25,240)
2042	(5,492)	(11,388)	(795)	(4,135)	(546)	(253)	(303)	(27,044)
Total	(3,270,795)	(6,987,770)	(176,704)	(2,009,300)	(195,189)	(105,976)	(232,045)	(12,977,779)

Exhibit: Novena Consulting LLC

EDUCATION – Totals through FYE 2042

Education Service District	(706,814)
Blue Mountain Community College	(759,054)
Hermiston School District 8	(5,611,910)
Subtotal	(7,077,787)
Total	(20,055,565)

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

EDUCATION – Totals

FYE	Hermiston School District #8	Intermountain E.S.D.	BMCC	Subtotal Education	Total General Government and Education
	Permanent	Permanent	Permanent		
2024	(386)	(49)	(52)	(487)	(1,380)
2025	(789)	(99)	(107)	(996)	(2,821)
2026	(1,205)	(152)	(163)	(1,520)	(4,306)
2027	(1,533)	(206)	(221)	(2,059)	(5,836)
2028	(2,074)	(261)	(280)	(2,615)	(7,411)
2029	(65,300)	(8,224)	(8,832)	(82,357)	(233,365)
2030	(133,248)	(16,782)	(18,023)	(168,053)	(476,193)
2031	(205,202)	(25,845)	(27,755)	(258,802)	(733,338)
2032	(281,341)	(35,435)	(38,054)	(354,829)	(1,005,442)
2033	(361,853)	(45,575)	(48,943)	(456,371)	(1,293,170)
2034	(446,930)	(56,250)	(60,451)	(563,631)	(1,597,214)
2035	(536,774)	(67,606)	(72,803)	(676,983)	(1,918,295)
2036	(523,682)	(65,957)	(70,832)	(660,471)	(1,871,505)
2037	(546,791)	(68,868)	(73,958)	(689,616)	(1,954,092)
2038	(572,221)	(72,071)	(77,397)	(721,689)	(2,044,971)
2039	(607,035)	(76,455)	(82,108)	(765,597)	(2,169,306)
2040	(594,586)	(74,887)	(80,422)	(749,896)	(2,124,900)
2041	(594,397)	(74,863)	(80,396)	(749,651)	(2,124,205)
2042	(136,476)	(17,189)	(18,459)	(171,124)	(487,731)
Total	(6,611,916)	(709,814)	(759,054)	(7,077,787)	(20,055,565)

Next Steps & Schedule

- City Council vote October 24

Elaine Howard Consulting, LLC



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of October 24, 2022

Title/Subject

Annexation- Nobles 4N2804D Tax Lots 1100, 1101, 1102, & 1103 - NW Sjoren Lane

Summary and Background

Ordinance No. 2432 annexing approximately 3.64 acres of property on NW Sjoren Lane is ready for adoption.

Kelly Nobles has applied for annexation for 3.64 acres of land located on the north side of NW Sjoren Lane. The property lies within the urban portion of the urban growth boundary and has a comprehensive plan map designation of Medium Density/Mobile Home Residential (MH) which corresponds to a Multi-Structure Residential (R-4) zoning designation. The applicant requests annexation with an R-4 zoning. Upon annexation, the applicant intends to develop accessory dwellings and/or new residential units. The annexation is necessary to enable connections to the municipal water and sewer lines in NW 11th Street.

The property is described as 4N 28 04D Tax Lots 1100, 1101, 1102, and 1103. Tax Lots 1100 and 1103 were part of a major partition by the applicant in 2021. This partition created the two lots and dedicated NW Sjoren Lane as a 50-foot public street. Sjoren Lane remains an access easement where it crosses Tax Lots 1101 and 1102. As a condition of annexation, staff recommends the applicant be required to dedicate 50 feet of right of way across the southern boundary of Tax Lots 1101 and 1102. In approving the partition plat, the city imposed an additional approval condition to prepare a feasibility analysis for connecting the property to city services in NW 11th Street prior to further development. The applicant has retained Ron McKinnis as a civil engineer to complete this analysis. Working in conjunction with the city's engineers with Anderson Perry, it has been determined that sewer connection to NW 11th Street is feasible. However, it will not be possible to extend sewer entirely to the west boundary of Tax Lot 1100 and it will be necessary for development on Tax Lots 1101 and 1102 to install private pumps to reach the terminus of any sewer extension. Water service is also feasible.

There are four parcels within the proposed annexation area. Tax Lots 1101 and 1102 are each 0.98 acres and each contain an existing single-family dwelling. Tax Lot 1100 is 1.26 acres and is residentially developed. Tax Lot 1103 is 0.42 acres and is vacant.

The land proposed for annexation is within a low-density residential area. The major surrounding parcels are in excess of 0.75 acres and contains single-family development. However, to the east on the east side of NW 11th Street lies multi-family apartments and an assisted living facility.

150.05 of the Hermiston Code of Ordinances provides the requirements for annexations. The requirements for annexation are as follows:

1. The proposal is in conformance with all applicable state annexation requirements.
2. The property is contained within the urban portion of the urban growth boundary as identified on the comprehensive plan.
3. The proposed zoning is consistent with the underlying comprehensive plan designation.
4. Findings of fact are developed in support or denial of the annexation.
5. All city services can be readily extended and the property owner is willing to bear costs associated with sewer, water, and roads.

The planning commission held a public hearing on the proposed annexation on October 12, 2022. There was written and oral testimony submitted in opposition to the annexation, and numerous questions were posed to the applicant. Testimony centered on the growth of the city into rural portions of the urban growth boundary, property maintenance issues, and traffic. A copy of the written testimony is attached to this report for the council's reference. The applicant has informed staff that he will be unable to attend the hearing on the 24th and requests that the council leave the record open for submission of additional written rebuttal pursuant to ORS 197.763(6)(C). The council may choose to close the hearing, but leave the record open for the applicant to submit additional rebuttal into the record. The council may still make a decision at this meeting if it is determined there is adequate evidence to make a decision.

Following closure of the public hearing, the planning commission made a recommendation to the city council to annex the property with the proposed (R-4) zoning designation.

Tie-In to Council Goals

Annexation is a matter of administration of city ordinances. This set of parcels is adjacent to city limits on NW 11th St.

Fiscal Information

The property has an assessed value of \$181,430. Upon annexation, approximately \$6,200 will be paid annually in city taxes. Additional development will generate higher assessments.

Alternatives and Recommendation

Alternatives

The city council may choose to

- Approve the annexation
- Deny the annexation

Recommended Action/Motion

Staff recommends that the city council approve the annexation of the property.

- Motion to approve the findings of fact
- Motion to impose conditions of approval
- Motion to adopt Ordinance No. 2342

Submitted By:

Clinton Spencer, Planning Director

Draft Findings and Conditions for Nobles Annexation

October 24, 2022

1180, 1214, and 1242 NW Sjoren Lane

1. The City has received consent to annexation from the property owner for approximately 3.64 acres of land.
2. Notice of public hearing was published in the local newspaper for two consecutive weeks prior to the planning commission hearing on September 21 and 28, 2022. Notices were also posted in four public places in the city for a like period. Comments or remonstrances received have been incorporated into the record.
3. Notice of public hearing was physically posted on the property on September 21, 2022.
4. Affected agencies were notified.
5. A public hearing of the planning commission was held on October 12, 2022. Comments received at the hearing are incorporated into the planning commission record.
6. Notice of public hearing of the city council was published in the local newspaper for two consecutive weeks prior to the city council hearing on October 5 and 12, 2022. Notices were also posted in four public places in the city for a like period. Comments or remonstrances received have been incorporated into the record.
7. A public hearing of the city council was held on October 24, 2022. Comments received at the hearing are incorporated into the record.
8. The proposal is consistent with all applicable state annexation requirements in ORS 222.
 - a. The city has received consent from the property owners within the affected area
 - b. An election has been deemed not necessary since consent from more than half the owners has been received
 - c. The property is contiguous with the existing city limits
 - d. All statutorily required notices have been published and posted
9. Since the property is contiguous to the existing city limits, the annexation is in accord with Comprehensive Plan Policy 4 which promotes compact urban development within and adjacent to existing urban areas to ensure efficient utilization of land resources and facilitates economic provision of urban facilities and services.
10. The annexation is consistent with the requirements of Comprehensive Plan Policy 5 relating to annexation.
11. The property is located within the urban portion of the urban growth boundary (UGB) as identified on the comprehensive plan map.
12. Sewer is available to service this property in NW 11th Street. At the time of connection, the applicant is responsible for construction of a new municipal sewer line in NW Sjoren Lane. All civil plans shall be approved by the City Engineer.
13. Water is available to service this property in NW 11th Street. At the time of connection, the applicant is responsible for construction of a new municipal water line in NW Sjoren Lane. All civil plans shall be approved by the City Engineer.
14. Street infrastructure is sufficient upon development based on existing Street Improvement Agreements for tax lots 1100 and 1103 and new Street Improvement Agreements for tax lots 1101 and 1102, conditioned upon this annexation.

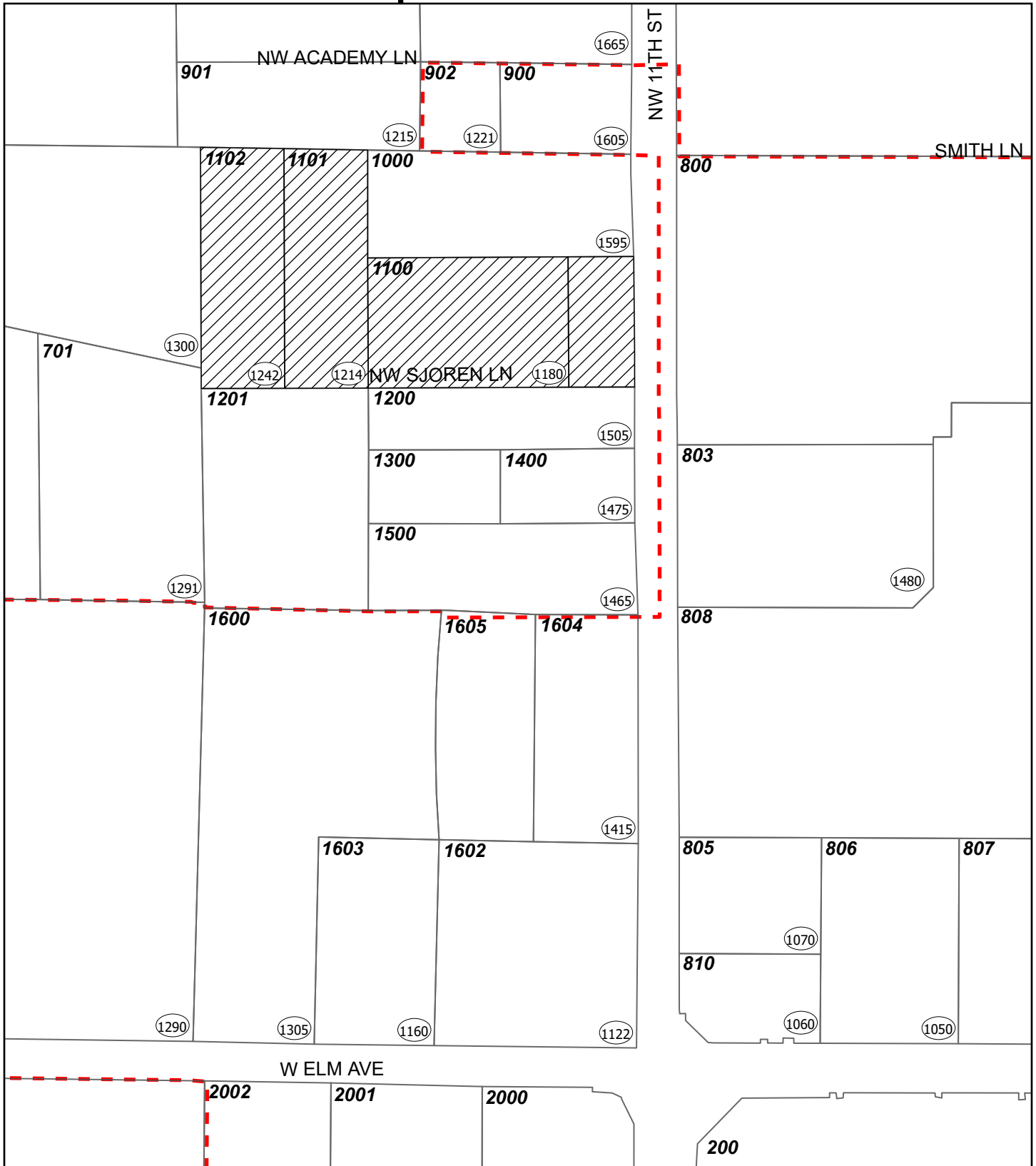
Draft Findings on Zoning Designation

1. The property lies within the urban portion of the urban growth boundary and has a comprehensive plan map designation of Medium Density/Mobile Home Residential (MH).
2. The proposed Multi-Structure Residential (R-4) zoning designation corresponds with the underlying comprehensive plan map designation.





Draft Condition of Approval

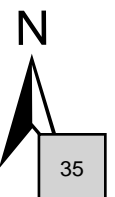
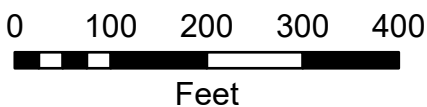
1. The applicant shall dedicate 50 feet of land for use as a public street (the future extension of NW Sjoren Lane) across the southern boundary of Tax Lots 1101 and 1102.
2. The applicant shall sign a street improvement agreement for NW Sjoren Lane agreeing to future installation of a half street improvement including curb, gutter, sidewalk, and paving for Tax Lots 1101 and 1102.

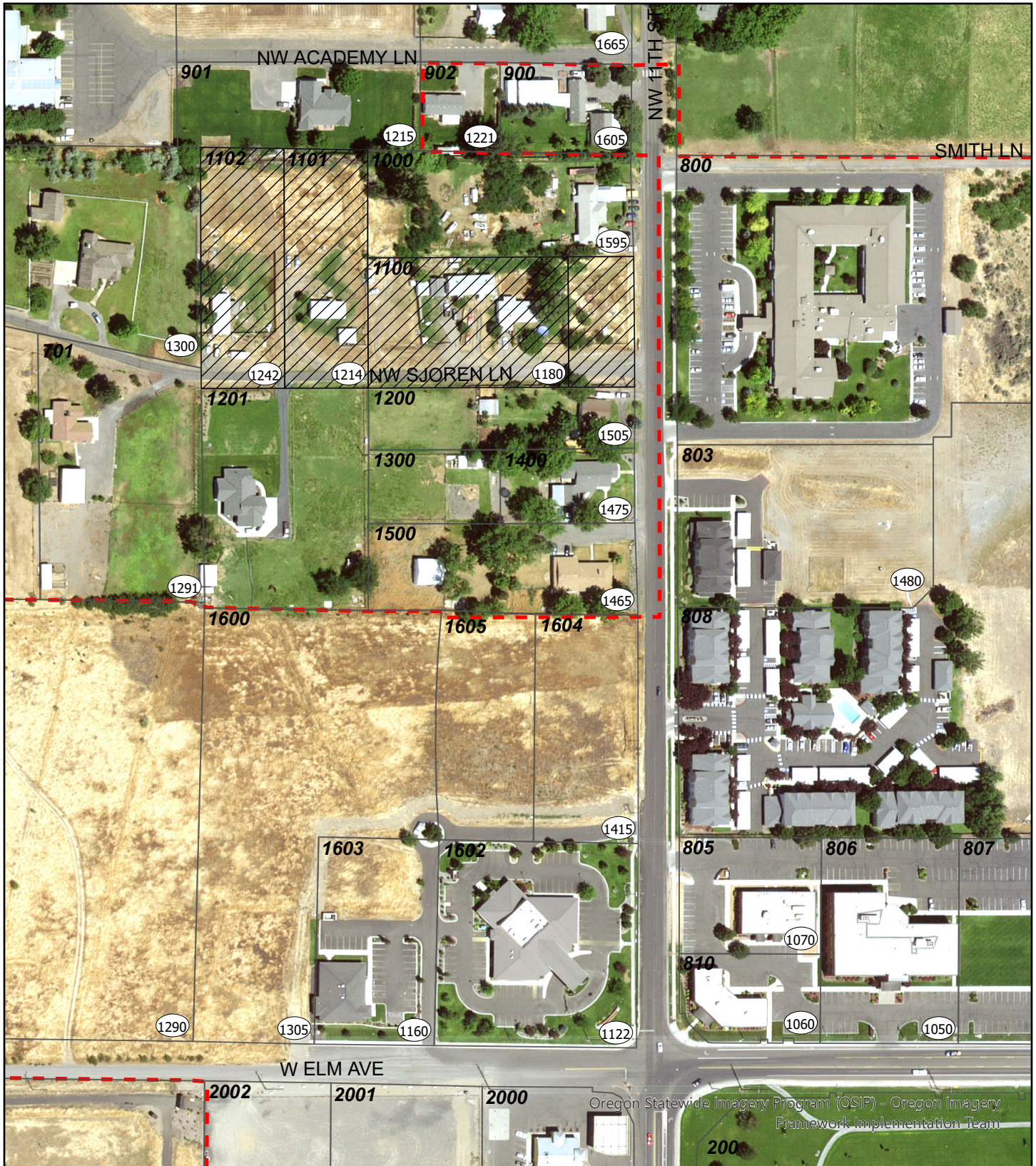
Notice of Proposed Land Use Action







Legend

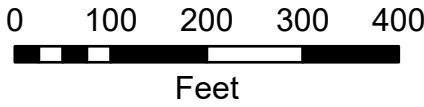
-  Area of Proposed Annexation
-  Property Line
-  City Limits
-  Urban Growth Boundary





Legend

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



Heather LaBeau

From: Swena Family <swenafamily@gmail.com>
Sent: Tuesday, October 11, 2022 4:57 PM
To: Planning
Subject: Sjoren Lane Annexation

STOP and VERIFY This message came from outside of the City of Hermiston

10/11/22

To Members of the Planning Commission and City of Hermiston Oregon:

We have been living on Sjoren Lane since 1994. The lots next to us were empty for many years except for some cows that would escape the broken-down fence now and then. The home at the corner of 11th and Elm had renters. When 2 very old dilapidated mobile homes were moved onto the property we did not know what was happening. Septic and wells were put in, and promises were made that the premises would be fixed up and the yards landscaped. That did not happen.

We had a gravel road. The upkeep of it was done by the neighbors. Only once do I recall the owner of the property helping with dust abatement. Later I was told that Mr. Nobel was behind the request. He put in some money to appease the requirements of working with the neighbors so the land division he wanted could be passed. Later, the neighbors worked together and put in a paved lane. Mr. Noble did not assist in the cost of the lane or the upkeep of it.

The fence we put in between lot number 1102 and our field was damaged by a renter’s dog pulling out the vinyl slats and the trees growing into it. Contact was made by phone several times and the renter was talked with. Repairs were promised but did not happen. A tree fell on it from our side and we are trying to get it fixed. The fences on the rental properties and buildings have been in disrepair for years. Promises have been made and not kept. The neighborhood would be much noisier and congested if more homes were put in.

Does the city really want to annex this kind of development? Many of the neighbors do not. Some of the neighbors have been out of town and unaware of what is proposed, including us.

Yes, cities grow and develop but do we want ours to develop like this?

Ladonna Swena
1300 NW Sjoren Lane
Hermiston OR, 97838

October 11, 2022

James B and Teri A Allstott
1215 NW Academy Lane
Hermiston, OR 97838

Dear Planning Department; Clint Spencer, Planning Director,

This letter is in reference to the purposed annexation of property on NW Sjoren Lane by KC Nobles Enterprises LLC.

We are opposed of this request as it borders the back side of our property and has not been properly maintained throughout the years past. We are against more Medium Density Mobile Homes due to the lack of maintenance or yard up keep/green space. Observations of the last 25 years showed a lack of improvements of the property or grounds, including the homes currently on site.

We will be present at the hearing on Wednesday, October 12, 2022 in hopes that you will be in open to hearing more information on this matter.

Sincerely,



James B and Teri A Allstott

Heather LaBeau

From: chaclupny <chaclupny@gmail.com>
Sent: Wednesday, October 12, 2022 12:22 PM
To: Planning
Subject: Annexation of Nobles properties into the City of Hermiston

STOP and VERIFY This message came from outside of the City of Hermiston

Dear Planning Committee:

Thank you for the privilege of commenting on the future annexation of the Nobles properties. My name is Charles E. Clupny. My family and I live at 1225 NW Sjoren Lane inside the Urban Growth Boundary but in the County area.

Last night I received a phone call from a neighbor concerned about the proposed action. I am only now commenting because we have been gone from our home for a month. I found out last night late a letter was received from the City of Hermiston. We have not received your letter to review since it was mailed after we left Hermiston. In addition, no Hermiston news was available to us if it was printed in the local paper.

These issues aside I would like to express that I am not opposed to the annexation sought by Mr. Nobles. My concerns arise out of the property owners past and future actions in developing his properties. Since the letter copy I was able to review from the neighbor dated October 12, 2022 indicated curb, street and the addition of multiple family homes I am concerned about the timeline and or requirements the City will agree to with Mr. Nobles. If past actions are followed, I am concerned that the new dwellings (used or new) may be the only items that may be completed in the near future. The quality of those structures may be something less than the surrounding landowners would like to have in their current neighborhood.

I apologize for my format but this issue was a surprise to me when received late at night per a phone call. I look forward to reading your letter upon my arrival in Hermiston on October 16th.

I am not able to be at the planning meeting tonight, October 12, 2022. My plan is to attend the City Council meeting scheduled for October 24, 2022.

Thank you again for the opportunity to comment.

Sincerely,
Charles E. Clupny

Sent from my U.S.Cellular© Smartphone

Heather LaBeau

From: melissa198301@gmail.com
Sent: Wednesday, October 12, 2022 8:19 AM
To: Planning
Subject: Proposed land action Sjoren LN

STOP and VERIFY This message came from outside of the City of Hermiston

I live on 1505 NW 11th St.

I would like to vote No for annexing in these properties to the city.
it is going to cause more difficulty of trying to turn on and off NW 11th st to Sjoren LN
not to mention the impacted that will happen during all the construction that will have to happen if this get approved. An how it will affected the other properties around it.

I get that people want to make improvements. But living in the country is nice and not having all that extra traffic and issues wouldn't be preferred..
thank you for your time in this matter

Melissa Hughs
1505 NW 11 th st
Hermiston OR 97838

HERMISTON IRRIGATION DISTRICT

Section 8, Item A.



366 East Hurlburt Avenue
Hermiston, OR 97838-2445
Office: 541-567-3024
Mobile: 541-571-7698
E-mail: Manager@hermistonid.org

September 28, 2022

City of Hermiston
Planning Director Clinton Spencer
180 NE 2nd St
Hermiston, OR 97838

**Re: KC Nobles Enterprises LLC
Annexation – 4N2804D 1100, 1101, 1102, 1103**

Dear Mr. Spencer,

Thank you for the opportunity to review and comment on this annexation. Our review of the properties has revealed that these properties are located within the boundary of Hermiston Irrigation District. All four properties have water rights with HID and those water rights are allocated as listed below and shown on the attached map:

<u>Tax Lot</u>	<u>Water Right</u>
1100	0.90 acres
1101	0.80 acres
1102	0.80 acres
1103	0.30 acres

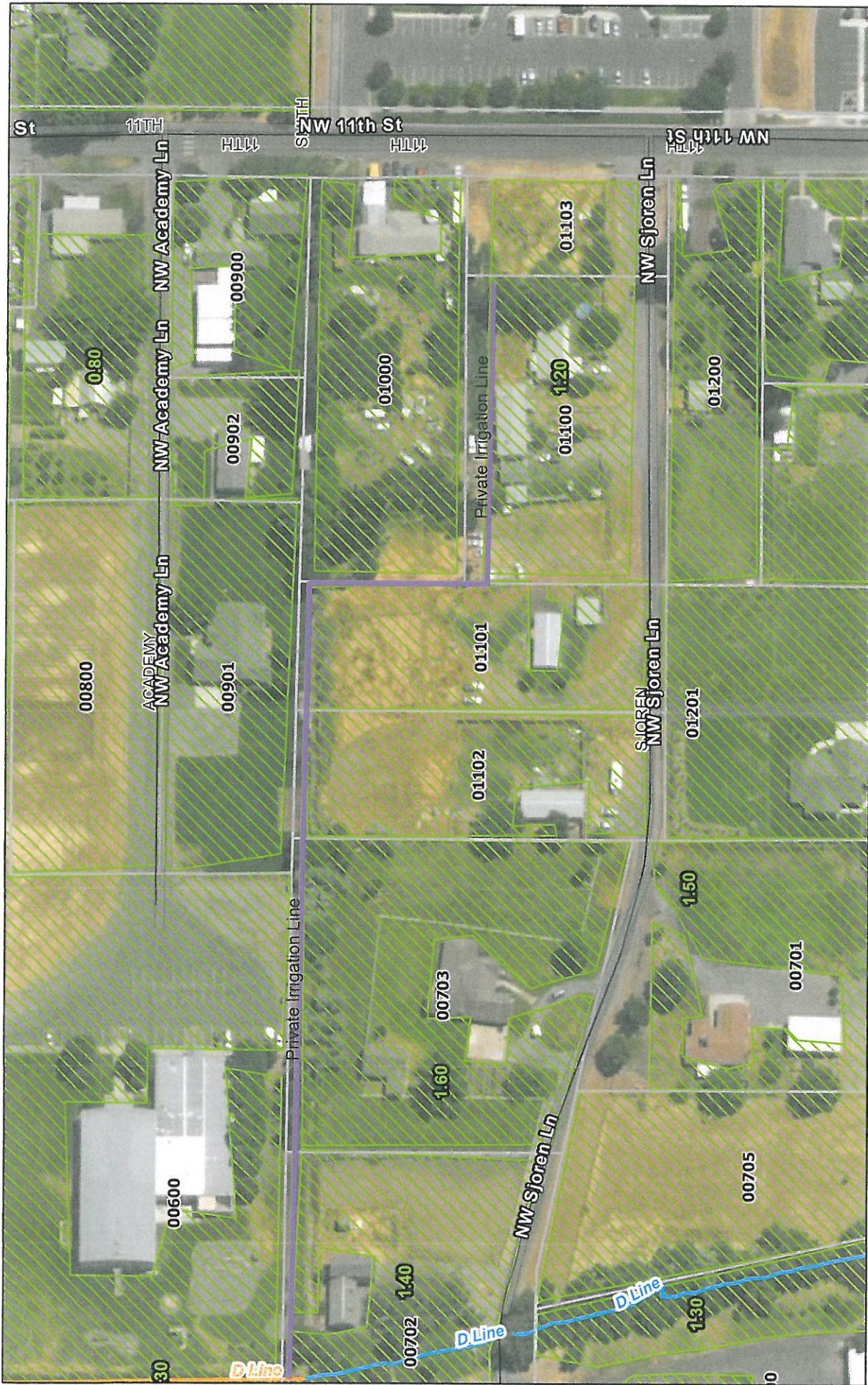
There are no HID or USBR easements on any of the properties listed in this annexation. There are however, private irrigation easements as shown on the attached map and identified on Umatilla County Partition Plat No 2021-37.

HID has no objection to or restrictions on this request for annexation.

Respectfully,

Annette Kirkpatrick
District Manager

KC Nobles Enterprises LLC Annexation 4N2804D 1100, 1101, 1102, 1103, 1103



Section 8, Item A.

9/28/2022, 9:40:15 AM

- Override 1
- DistrictBoundary
- CountyRoads
- Pipeline
- Canals
- WaterRights
- Taxlots



Sent from my iPhone





CITY OF HERMISTON

APPLICATION FOR ANNEXATION

Pursuant to the provisions of ORS Chapter 222 and Chapter 150 of the Hermiston Code of Ordinances, application is hereby made to annex the following described property:

Name of Applicant: Kelly Nobles Phone: 541-571-2588
Mailing Address: 1050 Stephens Ave Umatilla, OR 97882

Contact Person: Same Phone: _____
Mailing Address: _____

Name of Owner (If Different): Same Phone: _____
Mailing Address: _____

Legal Description: Assessor's Map No: 4N28E 4N2804 D TAX LOTS Tax Lot No: 1100, 1101, 1103, 1103
Subdivision (If Applicable): Has been divided into 4 parcels

Street Address: 1180, 1182, 1184, 1214, 1242 Sjoren lane Hermiston OR,

Current Comprehensive Plan Designation: MH Proposed Zoning Designation: R4

Land Area (In Acres): 3.52 acres

Existing Use of Property:

Number of Single-Family Units: Five Number of Multi-Family Units: One duplex
Number of Commercial Units: 0 Number of Industrial Units: 0
Public Facilities or Other Uses: _____
Population: Owners: One Tenants: 15 Voters: 8

Please Include the Names and Ages of All Residents:

Surrounding Use of Property:

North: Residential
South: Residential

East: Residential

West: Residential

Current Year Taxes: 1678.11 Previous Year Taxes: 1592.42

Total Assessed Valuation: 110,810.00

Please provide a general description of the property including topography, vegetation, drainage basins, flood plain areas, etc.:

All four lots are level with no drainage basin or flood plain areas. The vegetation is grass with small trees along the property lines.

Please explain why the annexation has been proposed:

We like to use city water and sewer to avoid septic systems and well use.

If the property is undeveloped, please describe plans for future development. This description should describe whether the development will be residential, commercial or industrial and include building types, public facilities, number of units, etc.:

There is currently five single family homes on 3 of the 4 lots. 4th lot was just created to build a new single family home.

Does the proposed development conform to the uses allowed under the proposed zoning designation?

Yes

Please provide the following information regarding services and utilities:

Location and size of the nearest water line:

City water and sewer are available across 11th street on the

Location and size of the nearest sewer line:

East side of 11th street across the street from the first parcel.

Proximity of other facilities (storm drains, gas lines, irrigation lines, etc.):

There is an irrigation easement along the property line
There is gas provided to 1182 and 1184 Sjoren!

The time at which services can be reasonably provided by the city or other district:

Three months after approval

The estimated cost of extending such facilities and/or services and the method of financing:

\$20,000 for James Dixon to provide services to Sjoren lane to be paid for by Kelly Nobles

Availability of the desired service from any other unit of local government (Please indicated which government):

Not available

Please indicate the roads that adjoin the parcel or will provide service to the parcel:

11th Street to Sjoren lane

Please indicate the condition of the roads and any improvements that are projected:

Road condition is very good, paved.

Please indicate if any new roads will be created or extended through the property:

No

If the property is presently included within the boundaries of any of the following types of governmental units, please indicate by stating the name or names of the governmental units involved.

Rural Fire District: UCFD1 Irrigation District: Hermiston Irr.
School District: Hermiston Drainage District: _____
Library District: Hermiston Parks and Recreation District: Hermiston
Special Road District: _____

Please indicate which services are presently being received in the territory (For example, are residents receiving municipal water or sewer services?):

City water and sewer are in use to adjacent property

ADDITIONAL INFORMATION TO BE FURNISHED AND ATTACHED TO APPLICATION:

1. Evidence that applicant is owner or purchaser of the property or has written permission of such owner to make an application for the proposed use.
2. Two copies (one digital copy) of a site plan (11" x 17") drawn to scale, showing the location of the property concerned, the location of all proposed building(s), highways, streets and alleys.
3. A metes and bounds legal description of the entire property proposed for annexation. A metes and bounds legal description of each individual parcel is not sufficient.

The above statements are true to the best of my beliefs and knowledge. As applicant, I understand that the city council, planning commission and annexation advisory committee request the attendance of me, or my representative, at the meeting(s) where this request is scheduled for consideration and that the city council, planning commission and annexation advisory committee retain the right to approve or deny this request and impose those conditions as may be necessary to lessen probable adverse impacts based upon the testimony provided at the hearing.

I am the owner/ owner(s) authorized representative.
(If authorized representative, attach letter signed by owner or owners.)

Jillie Noller
Signature of Applicant

7/21/22
Date

OUT OF POCKET EXPENSES FOR PUBLICATION COSTS WILL BE BILLED LATER

For further information, please feel free to contact the planning department at the Hermiston City Hall, 180 N.E. 2nd Street, Hermiston, Oregon 97838, or telephone (541) 567-5521. The City's fax number is (541) 567-5530.

OFFICE USE ONLY

Date Filed: 7.22.22 Received By: *[Signature]* Meeting Date: _____
Fee: \$700.00 Date Paid: 7.21.22 Receipt No: 1158222

ORDINANCE NO. 2342

AN ORDINANCE ANNEXING CERTAIN REAL PROPERTY ON NW SJOREN LANE, WEST OF NW 11TH ST, DESCRIBING SAID REAL PROPERTY, WITHDRAWING SAID REAL PROPERTY FROM SPECIAL DISTRICTS AND DESIGNATING ZONING.

THE CITY OF HERMISTON ORDAINS AS FOLLOWS:

SECTION 1. The following described real property is annexed to the City of Hermiston and is withdrawn from the Umatilla County Library District and the Umatilla County Sheriff’s Office Law Enforcement District due to annexation:

Parcels 1 & 2 of Partition Plat 2021-37 and Parcels 1 & 2 of Partition Plat 2001-39 including the 33-foot wide right-of-way adjacent the east property line of Parcel 2 Partition Plat 2021-37 and the 50-foot wide right of way adjacent to the south property lines of Parcels 1 & 2, Partition Plat 2021.37.

All being East of the Willamette Meridian, in the county of Umatilla and State of Oregon.

SECTION 2. The City Zoning Map shall include the real property described in Section 1 above, and shall be designated as Multi-Structure Residential on said map.

SECTION 3. The findings of fact as adopted by the Council on October 24, 2022 are incorporated herein by this reference.

SECTION 4. The City Recorder shall promptly transmit a record of annexation proceedings to the Secretary of State and notify the County Assessor of the change in boundary.

SECTION 5. The effective date of this ordinance shall be the thirtieth day after its adoption.

SECTION 6. This annexation shall be complete when all necessary documents have been accepted and filed by the Secretary of State.

ADOPTED by the Council this 24th day of October, 2022.

SIGNED by the Mayor this 24th day of October, 2022.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

PROCLAMATION

IT IS HEREBY PROCLAIMED that at the regular meeting of October 24, 2022, the City Council of the City of Hermiston, Umatilla County, Oregon, did by unanimous vote annex the following described property, to-wit:

Parcels 1 & 2 of Partition Plat 2021-37 and Parcels 1 & 2 of Partition Plat 2001-39 including the 33-foot wide right-of-way adjacent the east property line of Parcel 2 Partition Plat 2021-37 and the 50-foot wide right of way adjacent to the south property lines of Parcels 1 & 2, Partition Plat 2021.37.

All being East of the Willamette Meridian, in the county of Umatilla and State of Oregon.

IT IS FURTHER PROCLAIMED that copies of this Proclamation be posted in four places in the City of Hermiston for two weeks.

DATED AT HERMISTON, OREGON, this 24th day of October, 2022.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of October 24, 2022

Title/Subject

The second reading of Ordinance No. 2341 is scheduled.

Summary and Background

The city council held a public hearing on the formation of the Southwest Hermiston Urban Renewal Area at the October 10 regular council meeting. The attached Ordinance No. 2341 was passed on the first reading and the second reading was scheduled for the October 24 meeting.

The information below is repeated from the October 10 staff report.

On March 14, 2022, the city council accepted the feasibility report for the proposed new urban renewal area in the southwest quadrant of the city and directed staff to prepare an urban renewal plan for this area. The report is now complete and a public hearing on the proposed new urban renewal area plan is required.

Attached to this staff report are both the urban renewal report which details the financial impacts of urban renewal district formation and administration, and the urban renewal plan which is more focused on the physical projects within the urban renewal area.

The plan has been prepared by a consulting team made up of representatives of Elaine Howard Consulting, Tiberius Solutions, and FCS Group, as well as city staff. The plan is prepared according to the requirements for urban renewal plans in ORS Chapter 457.

The new urban renewal district focuses on encouraging residential development in the 350+ acre tract in the southwest quadrant of the city located at the intersection of Feedville Road and Highway 207. The urban renewal plan creates a series of infrastructure projects intended to alleviate the blighting conditions on the site which lead to a lack of development. Lack of infrastructure is considered a blighting condition which may be remedied through urban renewal per ORS Chapter 457. At full buildout it is estimated that approximately 1,300 housing units will be built as well as several commercial nodes and public service areas.

Several infrastructure projects are proposed. First, a 6,000+/- foot water line will be constructed across the property to connect the existing water transmission line in Highway 207

to a future reservoir. Second, a two-million-gallon water reservoir will be constructed. This reservoir will provide storage to meet fire demand as well as daily demand for the entire development as well as providing additional storage for the remainder of the city as planned in the water system master plan. Third, upgrades to the Joseph booster station will increase flow in the Highway 207 transmission line, providing adequate water to charge the reservoir. Fourth, approximately 5,300+/- feet of new gravity fed sewer will be installed in Highway 207 connecting the development to existing municipal sewer in Highway 207 at Gettman Road (Urban Renewal Plan Page 13). The proposed budget for the infrastructure upgrades is \$9,017,400 in 2022 dollars. It is important to note that the infrastructure plan does not account for future transportation upgrades. Transportation infrastructure is scalable and the development will not need the improvements necessary for full build-out at the beginning of the development with few housing units constructed. Therefore, transportation infrastructure will be financed through special impact fees associated with the overall development plan, rather than through the urban renewal district.

In addition to the infrastructure projects, urban renewal funds will be used to create a regional park and trail network in the area. The regional park is proposed as a 38-acre site, encompassing the large basalt butte on the site as well as the new reservoir. Recreational facilities of a regional nature, such as athletic fields, skate park, and a trail network will create a park of significance to the entire city and west Umatilla County. Several small, neighborhood parks and local trails are also proposed (Urban Renewal Plan Page 14). The proposed budget for park development is \$4,752,000 in 2022 dollars.

In order to facilitate lower cost, workforce housing, a system development credit is proposed. A developer will be eligible for reimbursement of system development charges after building targeted housing. The proposed budget for these credits is \$1,050,000 in 2022 dollars.

Administrative overhead is also included in the plan. Overhead includes debt service on infrastructure loans, staff costs, legal publications, etc. The proposed budget for overhead is \$511,885 in 2022 dollars.

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 SHURA Plan.

In order to front-load these projects and stimulate development capable of paying for itself, staff proposes to borrow up to \$12 million to install the necessary utilities. In which case, the subsequent SHURA revenue would predominantly be aimed at paying off that debt.

It is anticipated that the Plan will take nineteen years of tax increment collections to implement. The maximum amount of indebtedness that may be issued for the Plan is not to exceed \$18,100,000 (Eighteen Million One Hundred Thousand dollars). Detailed financial analysis is in the Report Accompanying the Southwest Hermiston 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, point, the tax increment begins to be shared with other taxing entities. This section explains the thresholds in more detail, but you can see that existing taxing districts begin receiving revenue in 2036; however, you can also see from the assessed values, that this very conservative projection assumes that new homes don't hit the tax rolls until 2029. This means there would be 7 years where the SHURA receives all of the new revenue and existing entities receive zero. Since this conservative projection is built off of an assumption of only 30 homes built per year, then existing districts would only see an impact of 280 new homes before they begin receiving increased revenue.

It is important to note that Urban Renewal only applies to permanent tax rates, not bonds. Therefore, every new home, from the day they are completed, will be paying for the school and fire district bonds. Assuming just 30 homes per year at an average assessed value of \$300,000 means the Hermiston School District receives an extra \$31,000 toward paying off its bonds in year one, and a total of \$6.6 million in 2022 dollars over 20 years. The Fire District would also see an extra \$1,400 in year one, and a total of \$300,000 over 20 years.

Staff has been concurrently working on a separate agreement with a large developer to ensure that early years' debt coverage needs are met. At its fundamental level, that development agreement will state that:

1. The City & Developer will partner to cover the debt until SHURA revenue can cover it.
2. The Developer will donate 1.5 acres of land to the Fire District (UCFD1) for a future station.
3. Impact Fee overlay will require one-time payments to UCFD1 per home.
4. Traffic Impact Fee will apply per-home, pending completion of the Traffic Impact Analysis.

Under the tentative terms with the developer, the City and developer would share that debt obligation. Therefore, the worst-case scenario for the city is approximately \$500,000 per year. This amount can be absorbed by the Utility Fund, and would be appropriate, considering that the water system improvements can provide expanded stored water capacity to the entire city.

Notice to citizens of consideration of an ordinance was given via utility billing enclosure. 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 August 8, 2022.
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 August 10, 2022.
4. Presentation of the Plan to the Umatilla County Commission in a briefing on September 7, 2022

5. Review and recommendation by the Hermiston Planning Commission. The Commission reviewed the Plan on September 14, 2022 and voted that the Plan conformed to the Hermiston Comprehensive Plan.
6. Open House to gain information on the Plan on September 14, 2022.
7. Notice to all citizens of Hermiston of a hearing before the City Council via utility billing enclosure.
8. Hearing by Hermiston City Council and adoption of the proposed Plan and accompanying Report by a non-emergency ordinance. The hearing and first reading of the Ordinance will be held on October 10, 2022 and the second reading and vote by City Council will occur on October 24, 2022. 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.

Assuming the ordinance is adopted by the city council, then a notice that the Council has adopted the ordinance will be published four days after adoption in the East Oregonian. The plan will be recorded by the Umatilla County Clerk and will be transmitted to the Umatilla County Assessor.

Tie-In to Council Goals

This new urban renewal area implements Goal #9: Fund infrastructure improvements to support new housing and enhance livability

Fiscal Information

The proposed urban renewal area has a maximum indebtedness of \$18,100,000. This establishes the maximum amount the district will be able to borrow for project financing. Interest on the indebtedness is expected to total around \$8,000,000. Thus, the total outlay over the life of the district will be approximately \$26,500,000. A full description of the total financial impacts is included in Pages 11 through 23 of the attached urban renewal report.

Alternatives and Recommendation

Recommended Action/Motion

1. Conduct second reading of Ordinance 2341
2. Adopt Ordinance 2341

Submitted By:

Clinton Spencer, Planning Director

ORDINANCE NO. 2341

AN ORDINANCE MAKING CERTAIN DETERMINATIONS AND FINDINGS RELATING TO AND APPROVING THE SOUTHWEST 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 Southwest Hermiston Urban Renewal Plan dated October 24, 2022 and attached hereto as Exhibit A (the “Plan”) and incorporated hereby by reference, and the Plan authorizes certain urban renewal activities within the Southwest Hermiston Urban Renewal Area (the “Area”); and

WHEREAS, the Agency has caused the preparation of a certain Urban Renewal Report dated October 24, 2022 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 September 14, 2022 and adopted a finding that the Plan conformed with the Hermiston Comprehensive Plan; and

WHEREAS, the Plan and the Report were forwarded on August 9, 2022 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 September 7, 2022 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 September 7, 14, 21, and 30, 2022, 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 October 10, 2022 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 Southwest 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)) and;
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; and
9. The Agency consulted and conferred with affected overlapping taxing districts prior to the Plan being forwarded to the City Council.

Section 2. The Southwest 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. City Administrator, 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 October, 2022.
SIGNED by the Mayor this 24th day of October, 2022.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

Exhibit A- Southwest Hermiston Urban Renewal Plan
Exhibit B- Report on the Southwest Hermiston Urban Renewal Plan

DRAFT

Southwest Hermiston Urban Renewal Plan



Where Life is Sweet

Adopted by the City of Hermiston

October 2022

Ordinance No. 2341

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

Lori Davis, Ward 1

Roy Barron, Ward 2

Jackie C. Myers, Ward 3

Phillip Spicerkuhn, Ward 4

Maria Duron, at large

Rod S. Hardin, at large

Nancy Peterson, at large

Doug Primmer, at large, Council President

Hermiston Urban Renewal Agency

Dr. David Drotzmann

Lori Davis

Roy Barron

Jackie C. Myers

Phillip Spicerkuhn

Maria Duron

Rod S. Hardin

Nancy 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

Economic Development/Assistant City Manager

Mark Morgan

Planning Director

Clinton Spencer

Finance Director

Mark Krawczyk

Consulting Team

Elaine Howard Consulting, LLC

Elaine Howard

Scott Vanden Bos

Tiberius Solutions LLC

Nick Popenuk

Ali Danko

Rob Wyman

FCS Group

Todd Chase

DRAFT

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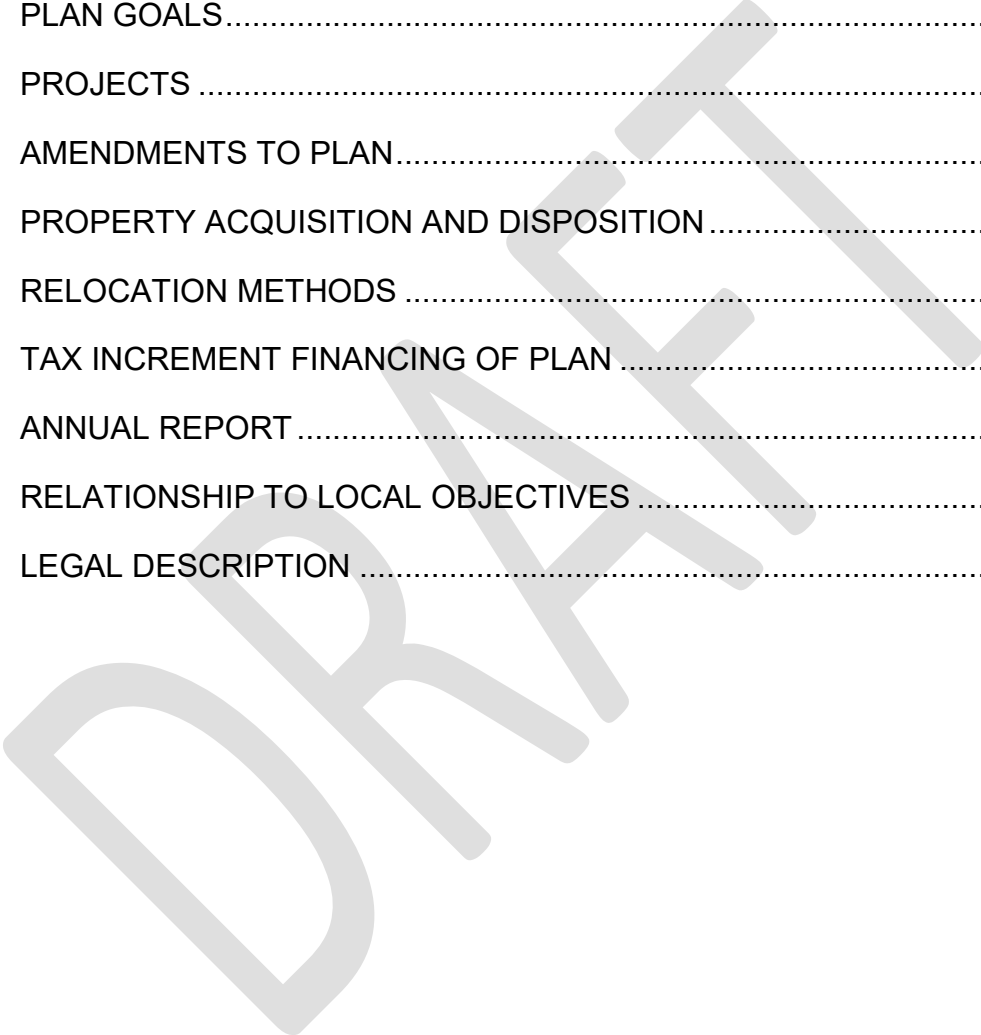
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I. DEFINITIONS

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

“Area” means the properties and rights-of-way located with the Hayfield Park Urban Renewal Area.

“Blight” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting the Southwest 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.

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

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

“Plan Area” or means a blighted area included in the Southwest Hermiston Urban Renewal Plan under ORS 457.160.

“Planning Commission” means the Hermiston Planning Commission.

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

“Report Accompanying Southwest Hermiston Urban Renewal Plan” or “Report” means the official report that accompanies the Southwest Hermiston Urban Renewal Plan pursuant to ORS 457.085(3).

“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 Southwest 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.

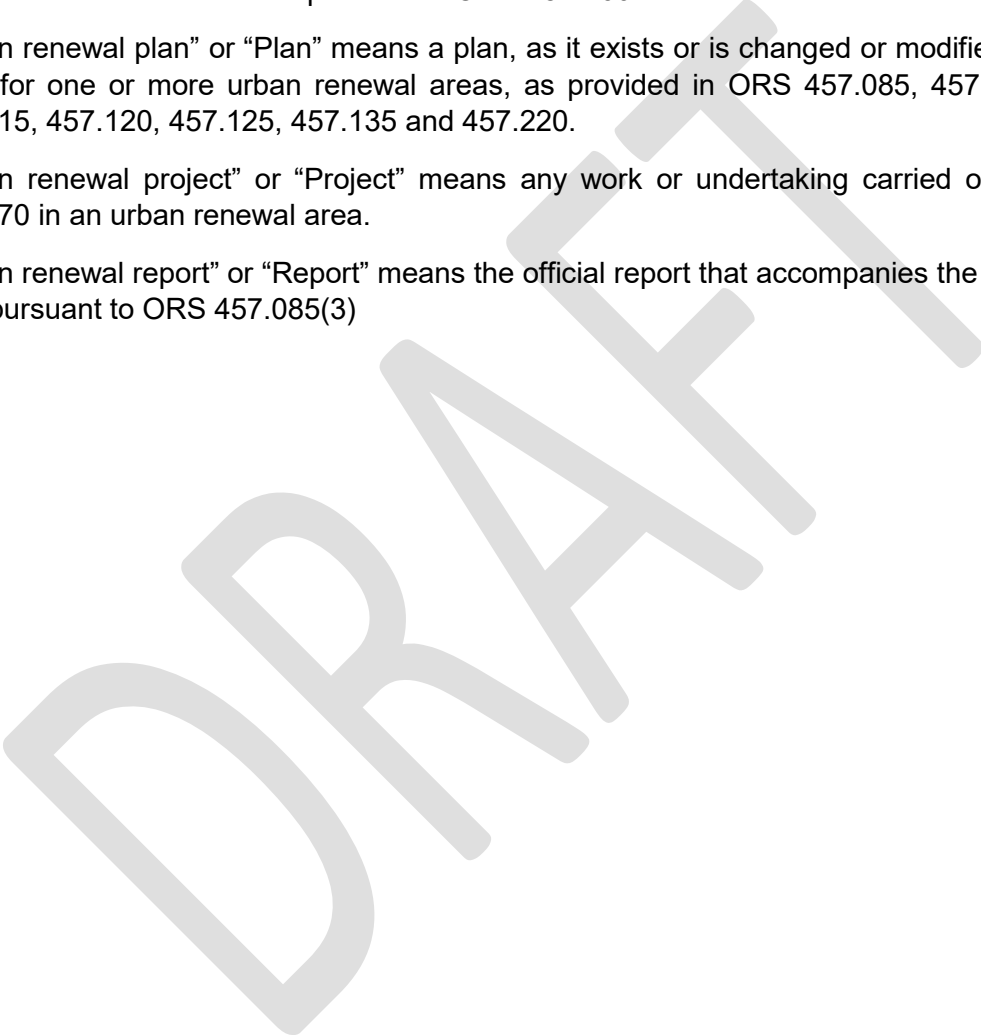
“Urban Renewal” means the statutory authority provided in ORS 457.

“Urban renewal area” means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.160.

“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 457.085(3)



II. INTRODUCTION

The city of Hermiston completed a Housing Capacity Analysis by Johnson Economics in January of 2021. The findings demonstrate that there is a need for more home buying opportunities in the heart of Hermiston’s income distribution, where most households are found. There is also a need for additional subsidized affordable units for low-income households. In general, there is need for more apartment units of all types to alleviate low vacancy and availability in the community. The results of the analysis shows a need for 2,030 new housing units by 2040. Of these new units, 61.5% are projected to be ownership units, and 38.5% are projected to be rental units. There is some new need for ownership housing at the low-end of the pricing spectrum. But income trends suggest that the greatest demand will remain in the middle price ranges (\$175k to \$300k). This is because some of the city’s current housing is found at lower value levels due to age, condition, and mobile homes. At the same time, most new homes are projected to be priced at higher price points.¹

The development of the property included in the Southwest Hermiston Urban Renewal Area (Area) into a residential area will address some of the future housing need of Hermiston. The Area is located in the southwest of the Hermiston city limits, just north of Feedville Road, east of Hermiston Highway 207 and west of Highway 395. There are projected to be 1,100 single family units of different sizes, 150 multi-family units and 80 senior housing units and the ability to help provide assistance to workforce housing. The installation of infrastructure will facilitate the development of this property. The provision of funding for parks will provide recreational opportunities for the area residents and for City of Hermiston residents. .

The land is subject to geographic constraints and high public infrastructure demand which make conventional development cost prohibitive. Urban renewal is the most effective financing tool to provide infrastructure over a great distance and at the capacity necessary to develop the land at urban density. Without the provision of urban level services, the land will remain blighted and undeveloped for the foreseeable future. The inability to develop the land at urban density without using urban renewal to provide services causes a skewing of the city’s residential land inventory.

Without the provision of assistance through urban renewal, the city has a large residential tract which cannot be developed. This excess of undeveloped land makes it difficult to fulfill Statewide Housing Goal 10 needs in general and meet potential housing production strategy needs specifically. The land within the Area constitutes nearly the entirety of the city’s 20-year housing needs within the acknowledged Housing Needs Analysis. The ability to develop this tract at urban density with the assistance of the formation of an urban renewal district allows the city to generate sufficient economic growth and maximize tax revenue.

The Plan Area, shown in Figure 1, consists of approximately 393 total acres, 383.4 acres of land in tax lots and 9.6 acres of public rights-of-way.

It is anticipated that the Plan will take nineteen 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 eighteen million one hundred thousand dollars (\$18,100,000).

¹ Housing Needs Analysis, Johnson Economics, p 22.

Goals and objectives are intended to guide tax increment financing (TIF) investment in the Area 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 IX. 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, VI
ORS 457.085(2)(b)	V, VI
ORS 457.085(2)(c)	XII
ORS 457.085(2)(d)	XI
ORS 457.085(2)(e)	XI
ORS 457.085(2)(f)	IX
ORS 457.085(2)(g)	VIII
ORS 457.085(2)(h)	III
ORS 457.085(2)(i)	VII
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 revenues— the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established— are used to 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 Southwest Hermiston Urban Renewal Area meets the definition of blight due to its infrastructure deficiencies and underdeveloped properties. These blighted conditions are specifically cited in the ordinance adopting the Plan and described in detail in the accompanying 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.

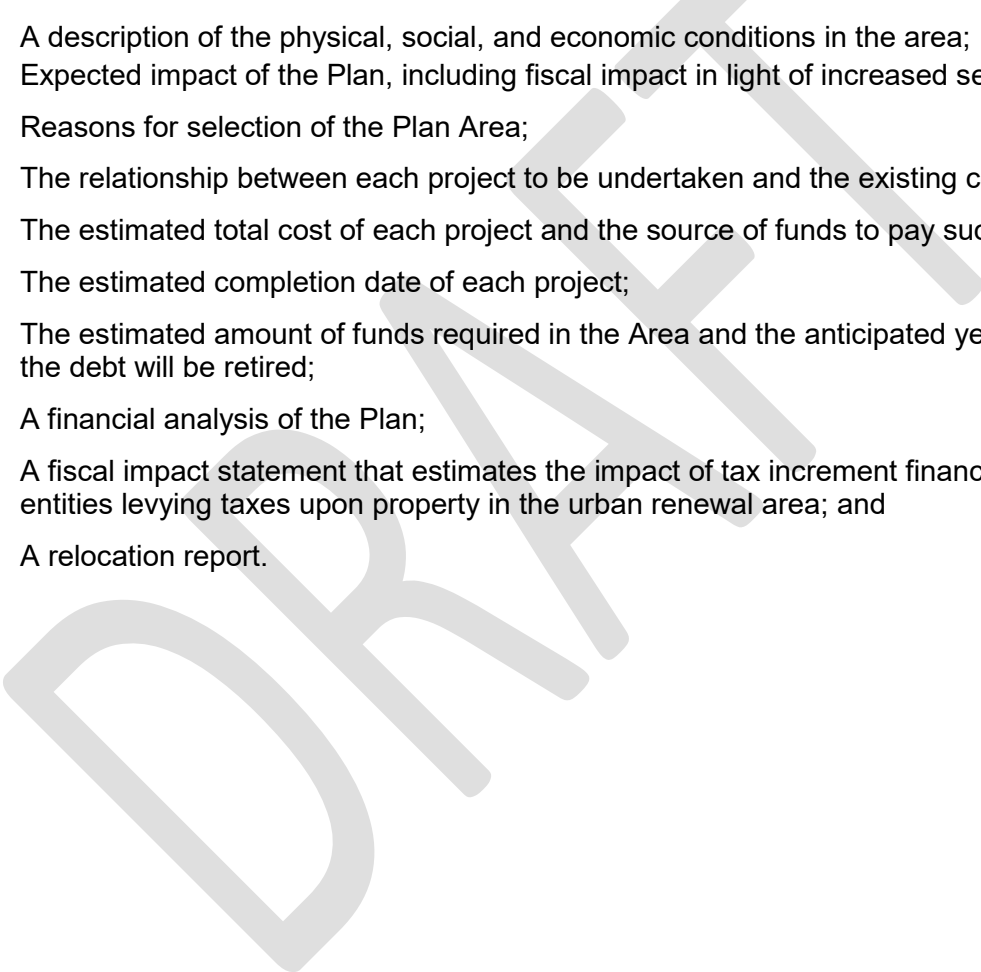
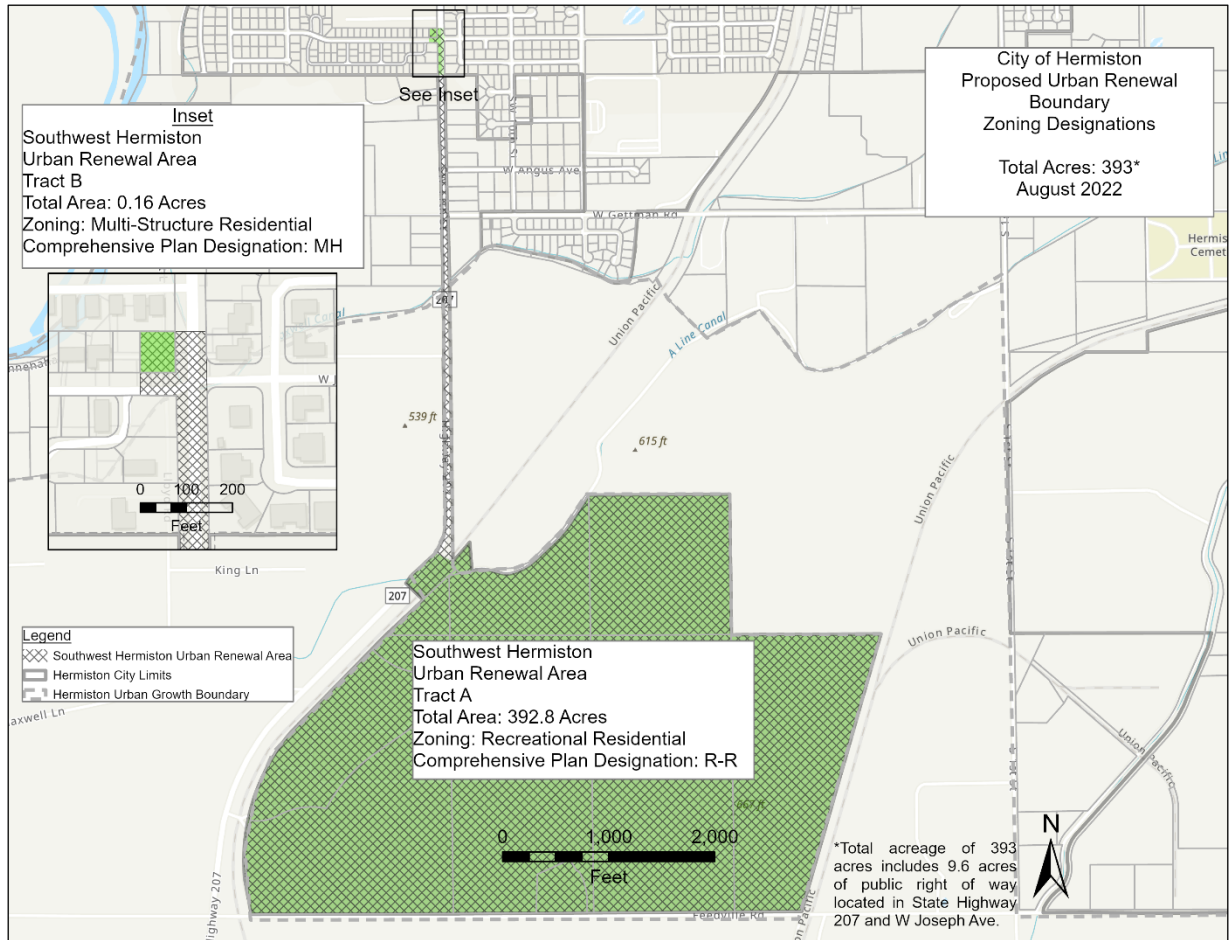


Figure 1 Boundary



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 \$18,100,000 (eighteen million one hundred thousand dollars. 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

A. Encourage the development of housing

Objective #1 - Construct utility and parkland infrastructure necessary to develop housing.

B. Increase local government tax revenue by attracting private investment

Objective #1 - Begin sharing tax increment revenue with local taxing entities as soon as annual revenues are capable of covering annual debt service.

C. Provide for a connected community with a variety of community space options

Objective #1 - Construct parkland infrastructure necessary to meet the needs of the community.

D. Provide resources to adequately administer the Southwest 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 Area are infrastructure upgrades, parks and pathways, incentives for development of workforce housing and administration of the Plan.

A. Infrastructure Upgrades

1. Water transmission line

Construct approximately 6,000 linear feet of new 12” ductile iron water line from the new reservoir located on an elevated area in the southeast portion of the Area, going northwest through the Area to connect to an existing 12” City of Hermiston water main located within the OR207 right-of-way. This project will connect the storage reservoir to the rest of the city’s waterworks.

2. Joseph Booster Pump Station upgrades

Provide upgrades to the Joseph Booster Pump Station, which currently boosts water from the City’s main pressure zone to higher elevations in the southwestern portion of the city using one 15hp pump, two 25hp pumps, and one large 100hp pump. In order to boost water further to this area, this project will install three new larger pumps with variable frequency drives, make associated upgrades to electrical and control systems, and make adjustments to existing valving, which will include installation of two pressure-reducing valves.

3. Sewer main line

Construct approximately 5,300 linear feet of 8” PVC gravity sewer main from the intersection of OR207 and Gettman Road, south to the vicinity of Hermiston Irrigation District’s A-Line Canal, and east under the railroad tracks and canal, to serve the larger area 2 million-gallon reservoir. To be able to develop in the Area, this sewer line must be constructed.

4. 2 million gallon reservoir

Construct a two million-gallon water reservoir on an elevated point in the southeast portion of the Area to serve the Area with pressurized and backup water.

B. Parks and Pathways

1. Community Park and Pathways development

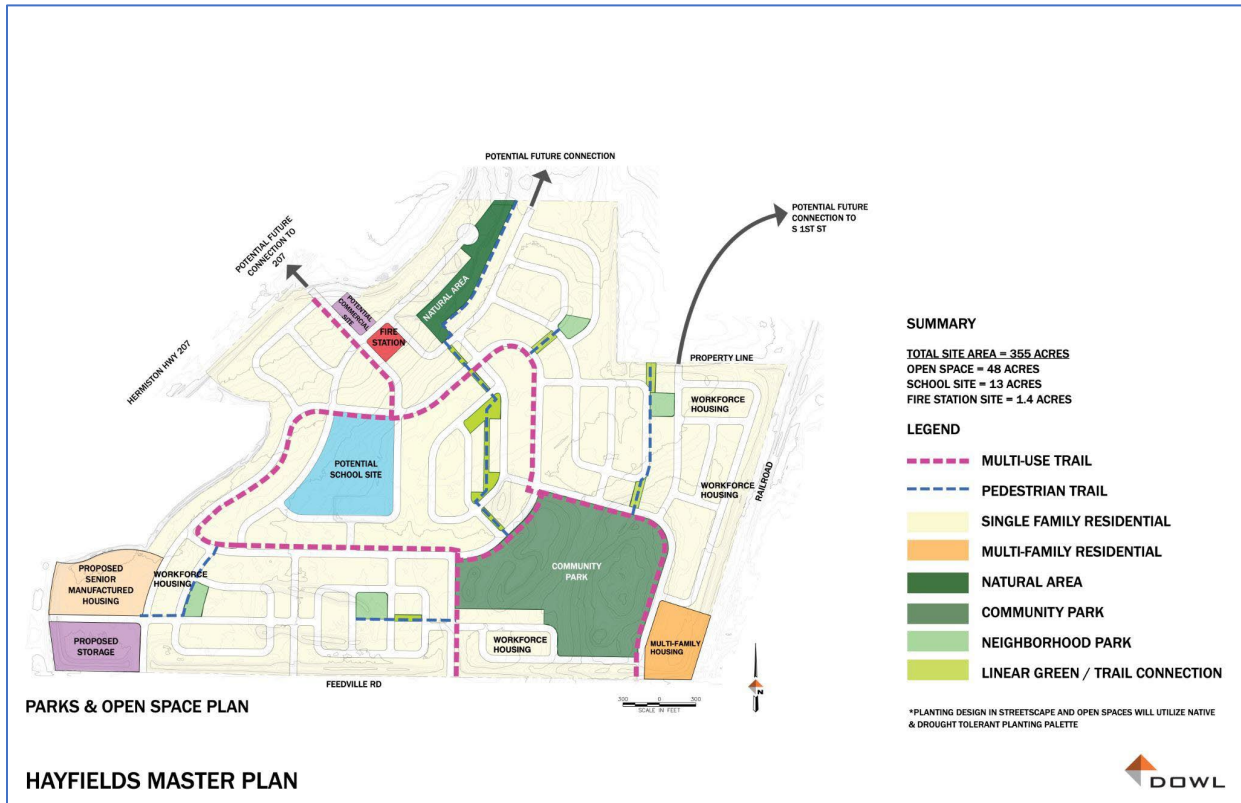
Develop parks within the Area including but not limited to: (1) A large 38-acre community park with amenities designed to enhance the desirability of the entire area, and (2) several smaller neighborhood parks and trails throughout the Area with amenities designed to serve more local demands within the Area..

Figure 2 Community Park Conceptual Plan



Source: Monte Vista Homes

Figure 3 Parks and Open Space Plan



Source: Monte Vista Homes

C. Developer Incentives

1. System Development Charge Reimbursement for development of workforce housing

D. 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 Southwest Hermiston Urban Renewal Plan boundary except for an addition of land that totals not more than 1% of the existing area of the Southwest 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 Hermiston Development Code that affect the Plan and/or the Plan Area 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 IX. 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 Area 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 Area 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 Area.

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 Area.

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 Southwest Hermiston Urban Renewal Plan over the total assessed value at the time the Southwest 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) developer incentives (2) planning or undertaking project activities, or (3) 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 Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

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 documents. 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.

This is not a comprehensive list of all parts of the *Hermiston Comprehensive Plan* that are supported by this Plan. This list includes the major Goals and Policies from the comprehensive plans that are in conformance with the urban renewal Plan however, there may be other Goals and Policies that are not listed but are still in conformance with this Plan.

1. *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 City has held numerous meetings on the proposed development in southwest Hermiston. In addition to those meetings, the HURA met to review the draft Plan, the Planning Commission reviewed the Plan for conformance to the Comprehensive Plan and the city held a public hearing that was noticed to all residents of Hermiston. All referenced meetings were open, public meetings.

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 area and provided a copy of the Plan and Report.

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: Due to the geographic constraints on the urban renewal area, this policy is not applicable.

POLICY 5: ANNEXATION

THE CITY OF HERMISTON WILL UNDERTAKE AN ANNEXATION PROGRAM TO FACILITATE COMPACT URBAN GROWTH AND THE ORDERLY AND EFFICIENT PROVISION OF FACILITIES AND SERVICES.

Finding: The property is within the Hermiston city limits as of December 13, 2004. No annexation is necessary. This policy is not applicable.

POLICY 6: CONVERSION

THE CITY OF HERMISTON WILL ADOPT POLICIES AND PROCEDURES GOVERNING THE CONVERSION OF PROPERTY IN THE UNINCORPORATED PORTION OF THE UGB FROM URBANIZABLE TO URBAN.

Finding: The proposed development will follow all city policies and procedures in the development.

POLICY 7: NATURAL RESOURCES

THE CITY OF HERMISTON WILL PROTECT NATURAL RESOURCES TO THE MAXIMUM DEGREE POSSIBLE.

Finding: The proposed development will go through the normal planning and permit application process which will address any natural resources issues.

POLICY 8: SURFACE AND GROUNDWATER RESOURCES

THE CITY OF HERMISTON WILL COORDINATE ACTIVITIES WITH OTHER GOVERNMENT AGENCIES TO PROTECT THE AREA'S SURFACE AND GROUNDWATER SUPPLIES.

Finding: The City will follow this component of the Comprehensive Plan.

POLICY 9: MINERAL AND AGGREGATE RESOURCES

THE CITY OF HERMISTON WILL PROTECT MINERAL AND AGGREGATE RESOURCE SITES FROM CONFLICTING DEVELOPMENT AND PROTECT SURROUNDING PROPERTY OWNERS FROM THE ADVERSE IMPACTS ASSOCIATED WITH EXTRACTION ACTIVITIES.

Finding: There are no mineral and aggregate resources located in the Area.

POLICY 10: HISTORIC RESOURCES

THE CITY OF HERMISTON WILL COOPERATE WITH PRIVATE INTERESTS TO IDENTIFY AND PROTECT HISTORIC RESOURCES AND PRESERVE THE COMMUNITY'S HISTORIC CHARACTER.

Finding: There are no known historic resources located in the Area.

POLICY 11: AIR QUALITY

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

Finding: The Comprehensive Plan identifies alternative transportation systems to help address air quality issues. The Area’s transportation network includes pathways and trails throughout to promote recreation and alternative forms of transportation.

POLICY 13: WATER QUALITY

THE CITY OF HERMISTON WILL PROTECT WATER QUALITY IN COOPERATION WITH OTHER GOVERNMENTAL AGENCIES.

Finding: The proposed development will be served by a city water, sewer and stormwater system, protecting the city’s ground water.

POLICY 14: NATURAL HAZARDS AND DEVELOPMENT LIMITATIONS

THE CITY OF HERMISTON WILL CONTROL CAREFULLY AND, WHEN NECESSARY, PROHIBIT DEVELOPMENT IN AREAS CHARACTERIZED BY NATURAL HAZARDS AND/OR DEVELOPMENT LIMITATIONS.

Finding: The Area has no natural hazards. There are development limitations that are being addressed by the new infrastructure being constructed to serve the site.

POLICY 15: ENERGY CONSERVATION

THE CITY OF HERMISTON WILL ENCOURAGE THE CONSERVATION OF ENERGY RESOURCES WHEREVER POSSIBLE THROUGH CAREFUL LAND USE PLANNING, COMMUNITY EDUCATION AND ADOPTION OF CONSERVATION-ORIENTED POLICIES.

Finding: The proposed development will be a master planned community that must comply with the energy conservation measures required by the City.

POLICY 16: PARKS, RECREATION AND OPEN SPACE

THE CITY OF HERMISTON WILL ACQUIRE AND DEVELOP ADDITIONAL PARKS AND RECREATIONAL FACILITIES THROUGHOUT THE COMMUNITY AND PRESERVE AS OPEN SPACE CITY-OWNED LAND WHICH POSSESSES RECREATIONAL, SCENIC AND OTHER ENVIRONMENTAL QUALITIES OR IS SUBJECT TO NATURAL HAZARDS.

Finding: The proposed development will incorporate significant recreational improvements to provide recreation opportunities for residents of the development and the city as a whole. These include a community park, neighborhood parks and pathways.

POLICY 19: COMMERCIAL DEVELOPMENT

THE CITY OF HERMISTON WILL ASSURE THE AVAILABILITY OF A SUFFICIENT SUPPLY OF COMMERCIAL LAND TO ACCOMMODATE 20-YEAR PROJECTED NEED

AND STRIVE TO ACHIEVE THE BALANCED DISTRIBUTION OF COMMERCIAL ACTIVITIES IN NEIGHBORHOODS, DOWNTOWN, AND ALONG OUTLAYING HIGHWAYS.

Finding: The proposed residential development within the urban renewal area proposes small commercial nodes to serve the new residential community.

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 provision of housing is a key component in spurring economic development in a community. New businesses need housing for their employees and existing businesses need housing to support their existing employees and any expansion of their business.

POLICY 21: HOUSING AVAILABILITY AND AFFORDABILITY

THE CITY OF HERMISTON WILL ENCOURAGE THE HOME-BUILDING INDUSTRY TO PROVIDE A VARIETY OF HOUSING OPPORTUNITIES IN SUFFICIENT QUANTITIES AT AFFORDABLE PRICES TO MEET THE HOUSING NEEDS OF ITS RESIDENTS. IN SUPPORT OF THIS GOAL, THE CITY OF HERMISTON ADOPTS THE FOLLOWING POLICIES:

- A) Support the adequate supply of housing that is affordable for low- and moderate-income households is a top priority;
- B) To assure a variety of housing types, the City also places a high priority on the provision of sufficient housing opportunities for households at middle to higher income levels;
- C) The City will maintain an adequate supply of land to provide for housing types within the City’s residential land use categories consistent with the findings from the adopted housing needs analyses;
- D) The City may identify, through an adequate public process, specific areas to become the focus of redevelopment, and/or housing infill opportunities (for instance, the Downtown area);
- E) The City supports the provision of housing for senior citizens and other residents of the city with specialized needs, such as physical disabilities.
- F) Support state housing objectives by encouraging the availability of adequate numbers of needed housing units at price ranges and rent levels that are commensurate with the financial capabilities of Umatilla County households and allow for flexibility of housing location, type, and density.

G) Support partnerships with public sector, private sector, and non-profit programs which facilitate the construction of affordable housing for moderate- and low-income household

H) Develop code and building regulations that allow for and accommodate a variety of housing types, including single-family detached housing, attached single-family housing (duplexes, townhouses), accessory dwelling units, apartments, manufactured housing, and mixed-use development.

I) Support the opportunity for a wider range of rental and ownership housing choices in Hermiston.

Finding: The City completed a Housing Needs Analysis in January of 2021 that identified the existing and future needs for the provision of housing in Hermiston. These are specifically identified in Section XI (C) of the Report. The development in the Area is proposed to add 1,100 single family residential units, 150 multi-family units and 80 senior housing units. The use of tax increment financing to offset systems development charges (one of the projects in the Plan) is a way to lower the costs of housing to provide more affordable housing.

POLICY 22: NEIGHBORHOOD QUALITY

THE CITY OF HERMISTON WILL PROTECT AND ENHANCE THE QUALITY OF LIFE IN RESIDENTIAL NEIGHBORHOODS BY:

Permitting the location of small shops in neighborhoods. As part of the PUD review or conditional use process, evaluate proposed commercial development in terms of its scale, design, and pedestrian and automobile access to insure compatibility with surrounding residences.

Finding: The development proposes a node of commercial uses that will provide services to the community.

POLICY 23: PROVISION OF PUBLIC SERVICES AND FACILITIES

THE CITY OF HERMISTON WILL PLAN FOR THE TIMELY AND EFFICIENT PROVISION OF A FULL COMPLEMENT OF URBAN SERVICES AND FACILITIES IN ALL DEVELOPED AND DEVELOPING AREAS WITHIN THE COMMUNITY. TIMELY MEANS A POINT WITHIN THE 20-YEAR TIMEFRAME WHEN THE CITY DEEMS DEVELOPMENT APPROPRIATE FOR A GIVEN PROPERTY BASED ON FACTORS INCLUDING BUT NOT LIMITED TO THE NEED FOR ADDITIONAL URBAN DEVELOPMENT WITHIN THE URBAN GROWTH BOUNDARY AND THE EXTENT OF UNDEVELOPED OR UNDERDEVELOPED LAND BETWEEN THE EXISTING DEVELOPMENT AND THE SUBJECT PROPERTY.

Finding: The development will have a full range of public services as development commences. The provision of infrastructure to the site is attained through the use of the tax increment financing allowed by establishing an urban renewal area.

POLICY 24: WATER, SEWER AND STORM DRAINAGE

THE CITY OF HERMISTON WILL EXTEND PUBLIC WATER AND SEWER TO ALL DEVELOPING AREAS WITHIN THE UGB; THE CITY MAY EXTEND PUBLIC WATER TO INDUSTRIAL LANDS EXCEPTIONS AREAS OUTSIDE THE UGB: ANNEXATION WILL BE A CONDITION OF SUCH EXTENSIONS EXCEPT WHEN A HEALTH HAZARD OR POLLUTION THREAT EXISTS AND EXCEPT FOR WATER PROVISIONS TO INDUSTRIAL LANDS.

Finding: The development will have a full range of public services as development commences. The provision of infrastructure to the site is attained through the use of the tax increment financing allowed by establishing an urban renewal area.

POLICY 25: SOLID WASTE

THE CITY OF HERMISTON WILL ENCOURAGE THE EFFICIENT AND SAFE DISPOSAL OF SOLID WASTE.

Finding: The Area will be served by the city’s solid waste program.

POLICY 26: SCHOOLS

THE CITY OF HERMISTON WILL SUPPORT AND FACILITATE THE PROVISION OF HIGH QUALITY ELEMENTARY AND SECONDARY EDUCATION IN THE COMMUNITY.

Finding: The schools will receive additional funding through the attendance of additional students in the school system. The city will coordinate with the school district on the expected number of new residential units in the Area.

POLICY 27: POLICE PROTECTION

THE CITY OF HERMISTON WILL PROMOTE ADEQUATE AND EFFICIENT POLICE PROTECTION.

Finding: The City’s police department will provide police services in the Area.

POLICY 28: FIRE PROTECTION

THE CITY OF HERMISTON WILL PROMOTE ADEQUATE AND EFFICIENT FIRE PROTECTION.

Finding: The city will ensure that all development is protected by adequate fire protection through the following steps:

1. Construction of adequate water storage.
2. Construction of adequate water pressure and flow systems in all areas within the urban renewal area.

3. Require construction and maintenance of fire hydrants in all phases of development within the urban renewal area. City standards require installation of fire hydrants along all public streets.
4. Require design and construction of all public streets to ensure adequate maneuvering width and radii for emergency vehicles.
5. Require adequate emergency vehicle access to all areas of the urban renewal area through the construction of a series of collector streets internal to the development which serve local streets.

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 Area will have access to all of the city services.

POLICY 30: PRIVATE UTILITIES

THE CITY OF HERMISTON WILL ENCOURAGE AND FACILITATE THE ADEQUATE AND EFFICIENT PROVISION OF PRIVATE UTILITIES INCLUDING ELECTRICAL, NATURAL GAS AND TELEPHONE SERVICE.

Finding: The Area will have access to electrical, natural gas and telephone service.

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 Area has a 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 Area 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.

2. Hermiston Parks, Recreation and Open Space Master Plan

Adopted August 2020. Prepared by Cameron McCarthy Landscape Architecture & Planning

The **Hermiston Parks, Recreation and Open Space Master Plan** did not specifically address parks needs in the Hayfields area. However, the general goals of the **Hermiston Parks, Recreation and Open Space Master Plan** support the development of additional recreation opportunities as shown below.

Vision Statement

Hermiston actively provides inviting parks, trails, and programs for all walks of life. We celebrate our unique abilities, values and cultures. Parks and Recreation facilities and programs are the heart of our physical and emotional well-being.

Goals

Accessibility and Distribution

Provide an equitable distribution of park facilities and improve physical access to the PROS system.

Community Health

Increase park and recreation opportunities in order to improve physical and mental health across the community.

Natural Resource Restoration and Conservation

Restore and conserve natural resources in Hermiston in order to sustain and enhance environmental assets.

Diversity

Promote a welcoming atmosphere for all residents and identify and meet the needs of a diverse population.

Maintenance and Facility Upgrades

Operate, maintain, and update park facilities and amenities to provide a safe and accessible environment for all Hermiston residents.

Local and Regional Character

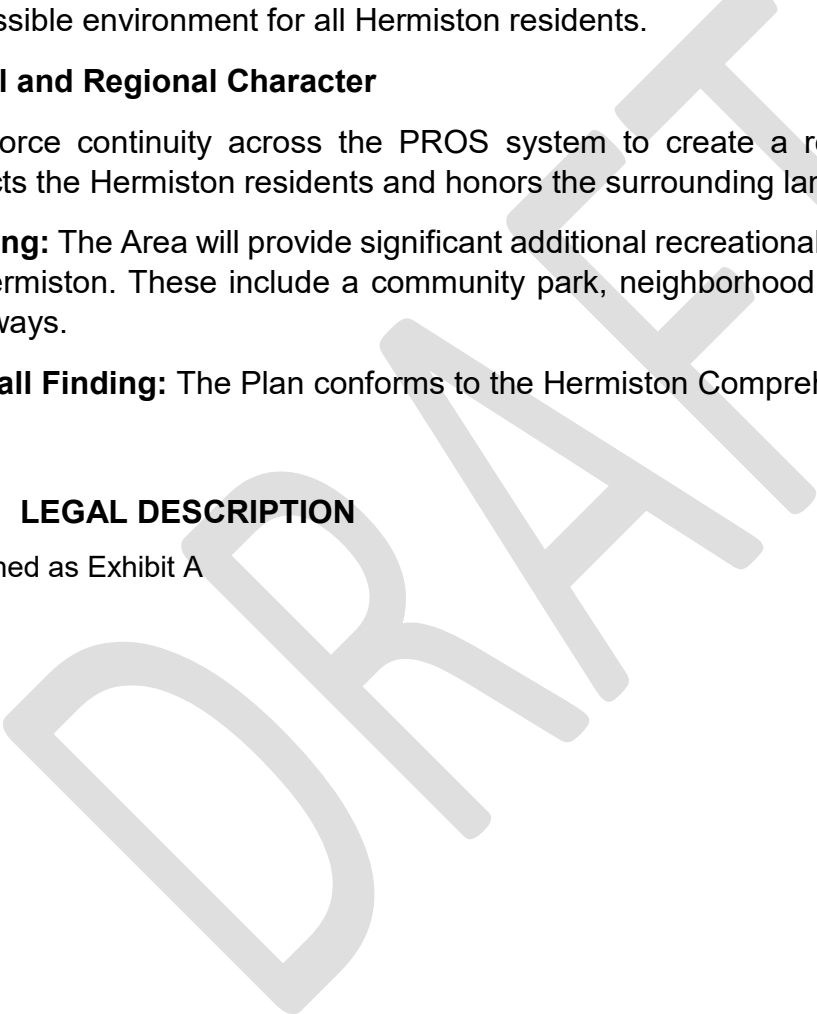
Reinforce continuity across the PROS system to create a recognizable identity that reflects the Hermiston residents and honors the surrounding landscape.

Finding: The Area will provide significant additional recreational opportunities for the City of Hermiston. These include a community park, neighborhood park, natural areas, and pathways.

Overall Finding: The Plan conforms to the Hermiston Comprehensive Plan.

XII. LEGAL DESCRIPTION

Attached as Exhibit A



SOUTHWEST HERMISTON URBAN RENEWAL PLAN AREA

A tract of land located in Sections 15, 16, 21 & 22, Township 4 North, Range 28 East, Willamette Meridian, Umatilla County, Oregon. said tract being more particularly described as follows:

Commencing at a point on the centerline of the Umatilla Branch of the Union Pacific Railroad right-of-way, said point being the Point of Tangent to Spiral with a back tangent of S14°52'13"E. The centerline spiral has a length of 473.84 feet, and a delta of 7°05'19";

thence 252.94 feet along said centerline spiral to a point on South line of said Section 21, also being the centerline of Feedville Road;

thence S89°54'55"E, along said South line, 51.32 feet to the **True Point of Beginning** from which a 2-1/2 inch brass cap marking the South one-quarter corner of said Section 21 bears N89°54'55"W, 674.73 feet, said point being on the 50-foot offset of said spiral;

thence along said Easterly right-of-way line 50.00 feet East of and parallel with said centerline of the railroad right-of-way, the following four (4) courses:

- 1) 50-foot right of and parallel with a spiral curve to the right having a length of 473.84 feet, and having a delta of 7°05'19", the chord of the offset spiral bears from Point of Beginning to the Point of Spiral to Curve N10°41'49"W, 227.90 feet;
- 2) 1,637.64 feet along a curve to the right having a radius of 1,865.00 feet and a central angle of 50°18'39" (chord bears N17°22'25"E, 1,585.53 feet);
- 3) 50-foot right of and parallel with a spiral curve to the right having a length of 133.20 feet, and having a delta of 1°59'33", the chord of the offset spiral bears N43°51'44"E, 131.46 feet;
- 4) N44°31'18"E, 1,336.12 feet;

thence leaving said Easterly right-of-way line N45°29'01"W, 221.23 feet to a point on the Westerly right-of-way line of Oregon State Highway 207;

thence along said Westerly right-of-way line the following five (5) courses:

- 1) N44°29'12"E, 691.78 feet;
- 2) 214.16 feet along a curve to the left having a radius of 328.10 feet and a central angle of 37°23'55" (chord bears N25°47'15"E, 210.38 feet) to a point 33.00 feet Westerly of the East line of said Section 21 when measured at right angles thereto;

- 3) N00°39'55"W, 33.00 feet West of and parallel with said East line of said Section 21, a distance of 1,669.98 feet to a point 33.00 Westerly of the Southeast corner of said Section 16 when measured at right angles thereto;
- 4) N00°53'38"W, 33.00 feet West of and parallel with said East line of said Section 16, a distance of 2,639.37 feet to a point 33.00 Westerly of the East one-quarter corner of said Section 16 when measured at right angles thereto;
- 5) N00°39'04"W, 33.00 feet West of and parallel with said East line of said Section 16, a distance of 299.93 feet to the intersection of said East line with the South right-of-way line of West Joseph Street as shown on Desert Oaks Subdivision;

thence N89°40'43"W, along said South right-of-way line, 79.44 feet;

thence N00°19'43"E, 50.00 feet to the Southwest corner of Lot 1 of said Desert Oaks Subdivision said West Joseph Street;

thence N00°19'43"E, along the West line of said Lot 1, a distance of 89.86 feet to the Northwest corner of said Lot 1;

thence S89°40'14"E, along said North line, 77.04 feet to the Northeast corner of said Lot 1;

thence S89°40'14"E, 66.00 feet to a point on the East right-of-way line of Oregon Highway 207, also being a point 33.00 feet Easterly of the West line of said Section 15 when measured at right angles thereto;

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

- 1) S00°39'12"E, 438.59 feet to a point 33.00 Easterly of the West one-quarter corner of said Section 15 when measured at right angles thereto;
- 2) S00°53'38"E, 2,639.51 feet to a point 33.00 Easterly of the Section corner common to said Sections 15, 16, 21, and 22 when measured at right angles thereto;
- 3) S00°39'55"E, 1,740.32 feet to a point on the Northerly right-of-way line of Umatilla Branch of the Union Pacific Railroad;

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

- 1) 52.10 feet along a non-tangent curve to the right having a radius of 5,630.00 feet and a central angle of 00°31'49" (chord bears S38°38'18"W, 52.10 feet) to a point on the Westerly line of said Section 22;
- 2) S00°39'55"E, along said Westerly line, 77.99 feet;
- 3) 269.80 feet along a non-tangent curve to the right having a radius of 5,680.00 feet and a central angle of 02°43'18" (chord bears S40°52'15"W, 269.78 feet);

thence S03°25'36"W, 173.81 feet to a point on the Southerly right-of-way line of Umatilla Branch of the Union Pacific Railroad;

thence along said Southerly right-of-way line 292.57 feet along a non-tangent curve to the left having a radius of 5,781.62 feet and a central angle of 02°53'58" (chord bears N42°07'12"E, 292.54 feet) to a point on the Westerly line of said Section 22;

thence S00°39'55"E, along said Westerly line, 60.67 feet to a point on the centerline of "A" Canal;

thence along said centerline the following ten (10) courses:

- 1) 2.41 feet along a non-tangent curve to the right having a radius of 141.50 feet and a central angle of 00°58'33" (chord bears N77°38'55"E, 2.41 feet);
- 2) N78°08'12"E, 269.95 feet;
- 3) 102.40 feet along a curve to the right having a radius of 242.48 feet and a central angle of 24°11'45" (chord bears S89°45'56"E, 101.64 feet);
- 4) S77°40'06"E, 161.39 feet;
- 5) 92.79 feet along a curve to the left having a radius of 150.00 feet and a central angle of 35°26'33" (chord bears N84°36'38"E, 91.32 feet);
- 6) N66°53'20"E, 106.65 feet;
- 7) 105.69 feet along a curve to the left having a radius of 286.51 feet and a central angle of 21°08'09" (chord bears N56°19'16"E, 105.09 feet);
- 8) N45°45'10"E, 348.27 feet;
- 9) 118.89 feet along a curve to the left having a radius of 534.52 feet and a central angle of 12°44'38" (chord bears N39°22'51"E, 118.65 feet);
- 10) N33°00'31"E, 346.32 feet to a point on the West line of the Southeast one-quarter of the Northwest one-quarter said Section 22;

thence N00°41'44"W, along said West line, 3.13 feet to the Northwest one-sixteenth corner of said Section 22;

thence N89°39'23"E, along the North line of said Southeast one-quarter of the Northwest one-quarter 1,324.41 feet to the Center North one-sixteenth corner of said Section 22;

thence S00°43'34"E, along the North-South centerline of said Section 22, a distance of 1,322.47 feet to the Center one-quarter corner of said Section 22;

thence N89°39'45"E, along the East-West centerline of said Section 22, a distance of 1,409.85 feet to the Westerly right-of-way line of Union Pacific Railroad;

thence S15°59'24"W, along said Westerly right-of-way line, 2,751.09 feet to the South line of said Section 22 also being the centerline of Feedville Road;

thence S89°35'26"W, along said South line and said centerline, 618.75 feet to the South one-quarter of said Section 22;

thence continuing along said South line and said centerline S89°35'15"W, 2,652.85 feet to the Section corner common to Sections 21, 22, 27, and 28;

thence N89°54'55"W, along the South line of said Section 21 and said centerline, 1,960.10 feet to the **Point of Beginning**.

Containing 17,343,614 Square Feet, 398.155 Acres, more or less.

Bearings based on the Oregon State Plane Coordinate System, North Zone NAD1983.



Report Accompanying the Southwest Hermiston Urban Renewal Plan

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



Adopted by the City of Hermiston
October 2022
Ordinance No. 2341

List of Participants

Mayor

Dr. David Drotzmann

City Council

Lori Davis, Ward 1

Roy Barron, Ward 2

Jackie C. Myers, Ward 3

Phillip Spicerkuhn, Ward 4

Maria Duron, at large

Rod S. Hardin, at large

Nancy Peterson, at large

Doug Primmer, at large, Council President

Hermiston Urban Renewal Agency

Dr. David Drotzmann

Lori Davis

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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

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Byron Smith

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I. DEFINITIONS

“Agency” is the Hermiston Urban Renewal Agency created under ORS 457.035 and 457.045. It is also referred to as “HURA”.

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

“Blight” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting the Southwest 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.³ Double my insertion of

“County” means Umatilla County, Oregon.

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

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

“Plan Area” or means a blighted area included in the Southwest Hermiston Urban Renewal Plan under ORS 457.160.

“Planning Commission” means the Hermiston Planning Commission.

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

“Report Accompanying Southwest Hermiston Urban Renewal Plan” or “Report” means the official report that accompanies the Southwest Hermiston Urban Renewal Plan pursuant to ORS 457.085(3).

“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 Southwest 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 457.160.

“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 457.085(3)

II. INTRODUCTION

The Report Accompanying the Southwest 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))

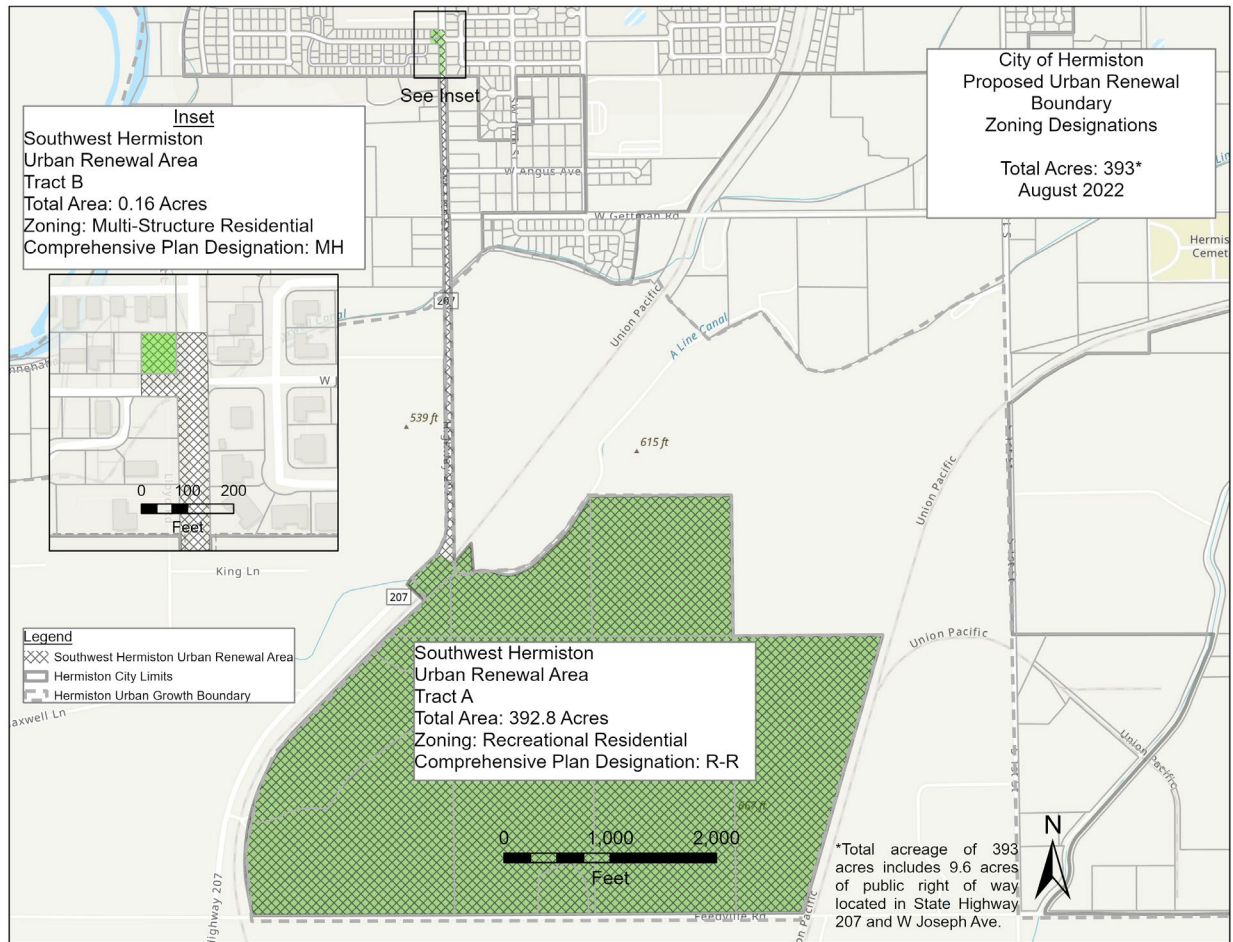
The relationship between the sections of the Report and the ORS 457.087 requirements is shown in Table 1. The specific reference shown is the section of this Report that most addresses the statutory reference. There may be other sections of the Report that also address the statute.

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

The Report provides guidance on how the Plan might be implemented. As the Hermiston Urban Renewal Agency (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.

Figure 1 – Southwest Hermiston Urban Renewal Area Boundary



Source: City of Hermiston

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 Area are described below, including how they relate to the existing conditions in the Area. The infrastructure projects are intended to facilitate the development of housing in the Area by assisting in the provision of needed infrastructure to the Area.

A. Infrastructure Upgrades

1. Water transmission line (existing conditions included in narrative)

Construct approximately 6,000 linear feet of new 12” ductile iron water line from the new reservoir located on an elevated area in the southeast portion of the Area, going northwest through the Area to connect to an existing 12” City of Hermiston water main located within the OR207 right-of-way. This project will connect the storage reservoir to the rest of the city’s waterworks.

2. Joseph Booster Pump Station upgrades (existing conditions included in narrative)

Provide upgrades to the Joseph Booster Pump Station, which currently boosts water from the City’s main pressure zone to higher elevations in the southwestern portion of the city using one 15hp pump, two 25hp pumps, and one large 100hp pump. In order to boost water further to this area, this project will install three new larger pumps with variable frequency drives, make associated upgrades to electrical and control systems, and make adjustments to existing valving, which will include installation of two pressure-reducing valves.

3. Sewer main line (existing conditions included in narrative)

Construct approximately 5,300 linear feet of 8” PVC gravity sewer main from the intersection of OR207 and Gettman Road, south to the vicinity of Hermiston Irrigation District’s A-Line Canal, and east under the railroad tracks and canal, to serve the larger area 2 million-gallon reservoir. To be able to develop in the Area, this sewer line must be constructed.

4. 2 million gallon reservoir (existing conditions included in narrative)

Construct a two million-gallon water reservoir on an elevated point in the southeast portion of the Area to serve the Area with pressurized and backup water.

B. Parks and Pathways

1. Community Park development

Develop parks within the Area including but not limited to: (1) A large 38-acre community park with amenities designed to enhance the desirability of the entire area, and (2) several smaller neighborhood parks and trails throughout the Area with amenities designed to serve more local demands within the Area.

EXISTING CONDITIONS: This area is undeveloped and includes no public parks nor any pathways.

C. Developer Incentives

1. System Development Charge reimbursement for development of workforce housing

EXISTING CONDITIONS:

The Area is undeveloped and is not presently an urban renewal area, so City/Agency funding does not exist to provide incentives for developers to develop workforce housing in the Area.

D. Administration

1. Financing fees

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

EXISTING CONDITIONS: The Area is not presently in an urban renewal area so requires no administrative responsibilities from the urban renewal agency. Once an urban renewal plan with its associated requirements for administration exists for the Area, 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. 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

Expenditures (Constant FYE 2023)	Constant FYE 2023\$	Year of Expenditure \$
Community Park	\$2,625,000	\$2,756,250
Neighborhood Parks and Pathways	\$2,100,000	\$3,420,900
Water Transmission Line	\$1,703,100	\$1,788,255
Joseph Booster Pump Station Upgrades	\$771,750	\$810,338
Sewer Main Line	\$2,806,650	\$2,946,983
2 Million Gallon Reservoir	\$3,735,900	\$3,922,695
SDC Expenditures	\$1,050,000	\$1,710,450
Financing Fees	\$301,885	\$354,201
Administration Costs	\$210,000	\$354,437
TOTAL:	\$15,304,285	\$18,064,509

Source: City of Hermiston and Tiberius Solutions

The majority of the projects are projected to be funded in FYE 2024 through a \$12.5 million loan, with a portion of the debt service for the loan funded by other funding sources through FYE 2033, when substantial development is projected to have occurred, resulting in sufficient tax increment financing (TIF) revenues to cover the debt service. The other funding sources are expected to be reduced annually as TIF from the new development is available to offset their contributions.

The Agency is projected to incur an additional \$5.3 million in debt in FYE 2033, using TIF revenues to pay the debt service.

The Plan assumes that the Agency/City will use other funds to assist in the completion of the projects within the Area. 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 2042. The amounts shown are the principal amounts of the borrowings. The total payments, including interest, are shown in the second column of Table 6.

Table 3 - Estimated Borrowings and Amounts

Loan	Loan A	Loan B
Principal Amount	\$ 12,474,001	\$ 5,236,071
Interest Rate	5.00%	5.00%
Loan Term	20	20
Loan Year	2024	2033
Interest Payment Start	2024	2033
Principal Payment Start	2024	2033
Annual Payment	(\$1,000,946)	(\$420,156)

Source: Tiberius Solution

V. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FYE 2042 are calculated based on projections of the assessed value within the Area and the consolidated tax rate that will apply in the Area.

The long-term projections for FYE 2024 and beyond assume an annual growth rate of 3% for existing assessed value in the Area plus specific exception value assumptions. Exception value is the value of new development in the Area, shown in Table 4. The exception value assumptions included in this analysis were determined by the City and developer, and forecast 1,330 new housing units are developed, including single-family, multi-family, and senior housing. These projections of growth are the basis for the projections in Table 7 through Table 12.

If actual assessed value growth is less than forecast, then it would reduce the financial capacity of the Area 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.

The first year of tax increment collections is anticipated to be FYE 2024. Gross TIF revenues 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.” The consolidated tax rate only includes permanent tax rates. General obligation bonds and local option levies are excluded and will not be impacted by this Plan.

The “Increment Shared” column in Table 5 refers to revenue sharing with the overlapping taxing districts. Revenue sharing is covered in the Revenue Sharing section of this Report on page 21.

Table 4 - Exception Value Assumptions

Unit Type	SF Small	SF Standard	SF Large	Multi-Family	Senior Housing
Total Number of Units	300	525	275	150	80
Number of Years	30	35	30	20	20
FYE 2022 RMV	\$350,000	\$475,000	\$600,000	\$250,000	\$325,000
CPR	.7001	.7001	0.7001	.8645	0.8645
First FYE on Tax Roll	2029	2029	2029	2038	2038

RMV: real market value

CPR: Change Property Ratio from Umatilla County Assessor, SAL 7a, FYE 2022

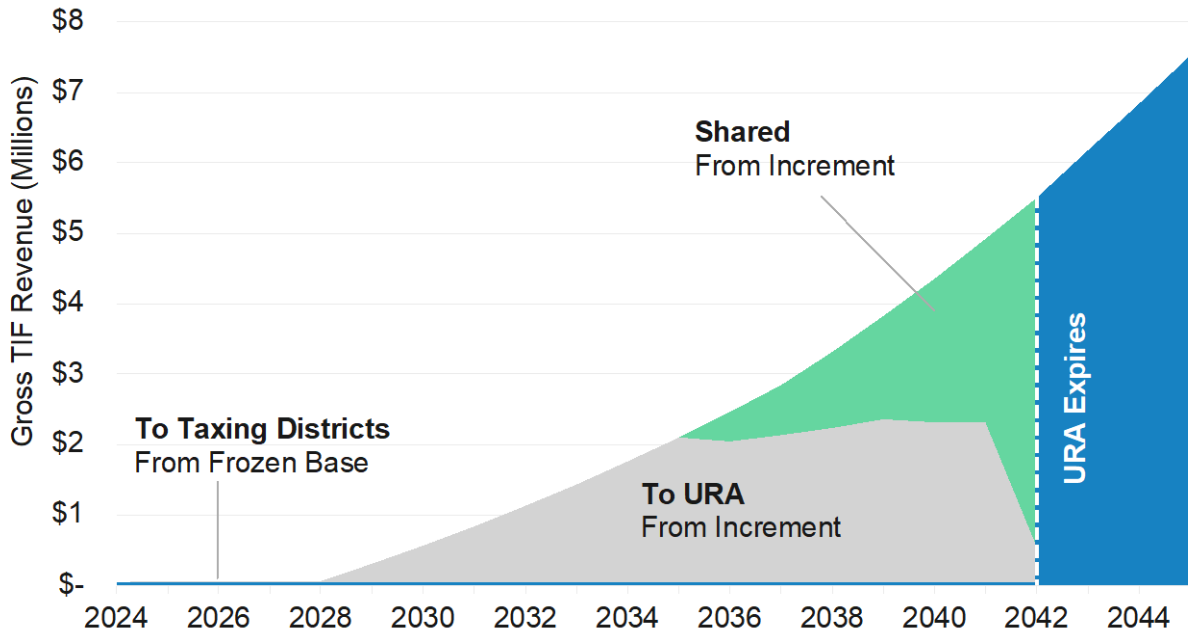
Source: Monte Vista Homes and City of Hermiston

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

FYE	Total AV	Frozen Base AV	Increment Used	Increment Shared	Tax Rate	Gross TIF	Adjustments	Current Year Net	Prior Year Net	Total TIF
2024	3,206,735	3,121,349	85,386	-	17.4674	1,491	(112)	1,380	-	1,380
2025	3,294,682	3,121,349	173,333	-	17.4674	3,028	(227)	2,801	21	2,821
2026	3,385,268	3,121,349	263,919	-	17.4674	4,610	(346)	4,264	42	4,306
2027	3,478,571	3,121,349	357,222	-	17.4674	6,240	(468)	5,772	64	5,836
2028	3,574,673	3,121,349	453,324	-	17.4674	7,918	(594)	7,325	87	7,411
2029	17,557,842	3,121,349	14,436,493	-	17.4674	252,168	(18,913)	233,255	110	233,365
2030	32,377,033	3,121,349	29,255,684	-	17.4674	511,021	(38,327)	472,694	3,499	476,193
2031	48,069,821	3,121,349	44,948,472	-	17.4674	785,133	(58,885)	726,248	7,090	733,338
2032	64,675,284	3,121,349	61,553,935	-	17.4674	1,075,187	(80,639)	994,548	10,894	1,005,442
2033	82,234,060	3,121,349	79,112,711	-	17.4674	1,381,893	(103,642)	1,278,251	14,918	1,293,170
2034	100,788,402	3,121,349	97,667,053	-	17.4674	1,705,989	(127,949)	1,578,040	19,174	1,597,214
2035	120,382,242	3,121,349	117,260,893	-	17.4674	2,048,243	(153,618)	1,894,625	23,671	1,918,295
2036	141,061,251	3,121,349	114,071,062	23,868,840	17.4674	1,992,525	(149,439)	1,843,086	28,419	1,871,505
2037	162,872,903	3,121,349	119,230,362	40,521,192	17.4674	2,082,644	(156,198)	1,926,446	27,646	1,954,092
2038	190,271,126	3,121,349	124,777,592	62,372,185	17.4674	2,179,540	(163,466)	2,016,075	28,897	2,044,971
2039	219,166,903	3,121,349	132,394,817	83,650,737	17.4674	2,312,593	(173,444)	2,139,149	30,241	2,169,390
2040	249,625,430	3,121,349	129,527,005	116,977,076	17.4674	2,262,500	(169,688)	2,092,813	32,087	2,124,900
2041	281,714,468	3,121,349	129,527,005	149,066,114	17.4674	2,262,500	(169,688)	2,092,813	31,392	2,124,205
2042	315,504,431	3,121,349	28,243,442	284,139,640	17.4674	493,340	(37,000)	456,339	31,392	487,731
TOTAL:						21,368,563	(1,602,643)	19,765,924	289,644	20,055,565

Source: Tiberius Solutions

Figure 2 - TIF Projections



Source: Tiberius Solutions

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 Area, including how total TIF revenue translates to the ability to fund urban renewal projects in constant 2023 dollars in five-year increments. Table 6, Table 7, and Table 8 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, programs, and administration over time.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the urban renewal area in FYE 2042, a 19-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 \$18,100,000 (Eighteen Million One Hundred Thousand dollars). The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$18,100,000 is \$20,055,565 and is from permanent rate tax levies. The additional TIF revenue is greater than the maximum indebtedness due to the projected cost of the interest on borrowings (loans). There are two loans shown in this financial analysis.

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

Total Net TIF	\$20,060,000
Maximum Indebtedness	\$18,100,000
Capacity (2023\$)	\$15,300,000
Years 1-5	\$11,940,000
Years 6-10	\$3,270,000
Years 11-15	\$60,000
Years 16-19	\$40,000

Source: Tiberius Solutions

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	6,812,327	1,011,172	1,010,311	1,009,435	1,008,544	1,007,641
TIF: Current Year	19,765,922	1,380	2,801	4,264	5,772	7,325
TIF: Prior Years	289,644	-	21	42	64	87
Total Resources	26,867,892	1,012,551	1,013,132	1,013,741	1,014,380	1,015,052
Expenditures						
Debt Service						
Scheduled Payments						
Loan A	(16,385,366)	(1,000,946)	(1,000,946)	(1,000,946)	(1,000,946)	(1,000,946)
Loan B	(4,201,559)	-	-	-	-	-
Early Principal Payment	-	-	-	-	-	-
Loan A	(2,900,262)	-	-	-	-	-
Loan B	(3,026,269)	-	-	-	-	-
Total Debt Service, Scheduled Only	(20,586,925)	(1,000,946)	(1,000,946)	(1,000,946)	(1,000,946)	(1,000,946)
Total Debt Service	(26,513,455)	(1,000,946)	(1,000,946)	(1,000,946)	(1,000,946)	(1,000,946)
Debt Service Coverage Ratio		0.00	0.00	0.00	0.01	0.01
Transfer to URA Projects Fund	(354,437)	(11,605)	(12,186)	(12,795)	(13,434)	(14,106)
Total Expenditures	(26,867,892)	(1,012,551)	(1,013,132)	(1,013,741)	(1,014,380)	(1,015,052)
Ending Balance	-	-	-	-	-	-

Source: Tiberius Solutions

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

	FYE 2029	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035
Resources	-	-	-	-	-	-	-
Beginning Balance	-	-	-	-	-	-	-
Other Funding Sources	782,393	540,305	283,938	12,651	145,937	-	-
TIF: Current Year	233,255	472,694	726,248	994,548	1,278,251	1,578,040	1,894,625
TIF: Prior Years	110	3,499	7,090	10,894	14,918	19,174	23,671
Total Resources	1,015,758	1,016,498	1,017,276	1,018,093	1,439,107	1,597,214	1,918,295
Expenditures							
Debt Service							
Scheduled Payments							
Loan A	(1,000,946)	(1,000,946)	(1,000,946)	(1,000,946)	(1,000,946)	(1,000,946)	(1,000,946)
Loan B	-	-	-	-	(420,156)	(420,156)	(420,156)
Early Principal Payment	-	-	-	-	-	-	-
Loan A	-	-	-	-	-	(157,206)	(477,342)
Loan B	-	-	-	-	-	-	-
Total Debt Service, Scheduled Only	(1,000,946)	(1,000,946)	(1,000,946)	(1,000,946)	(1,421,102)	(1,421,102)	(1,421,102)
Total Debt Service	(1,000,946)	(1,000,946)	(1,000,946)	(1,000,946)	(1,421,102)	(1,578,308)	(1,898,444)
Debt Service Coverage Ratio	0.23	0.48	0.73	1.00	0.91	1.12	1.35
Transfer to URA Projects Fund	(14,812)	(15,552)	(16,330)	(17,147)	(18,005)	(18,906)	(19,851)
Total Expenditures	(1,015,758)	(1,016,498)	(1,017,276)	(1,018,093)	(1,439,107)	(1,597,214)	(1,918,295)
Ending Balance	-	-	-	-	-	-	-

Source: Tiberius Solutions

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

	FYE 2036	FYE 2037	FYE 2038	FYE 2039	FYE 2040	FYE 2041	FYE 2042
Resources	-	-	-	-	-	-	-
Beginning Balance	-	-	-	-	-	-	-
Other Funding Sources	-	-	-	-	-	-	-
TIF: Current Year	1,843,086	1,926,446	2,016,075	2,139,149	2,092,813	2,092,813	456,339
TIF: Prior Years	28,419	27,646	28,897	30,241	32,087	31,392	31,392
Total Resources	1,871,505	1,954,092	2,044,971	2,169,390	2,124,900	2,124,205	487,731
Expenditures							
Debt Service							
Scheduled Payments							
Loan A	(1,000,946)	(1,000,946)	(1,000,946)	(1,000,946)	(370,228)	-	-
Loan B	(420,156)	(420,156)	(420,156)	(420,156)	(420,156)	(420,156)	(420,156)
Early Principal Payment	-	-	-	-	-	-	-
Loan A	(429,560)	(511,105)	(600,889)	(724,159)	-	-	-
Loan B	-	-	-	-	(1,309,180)	(1,677,446)	(39,643)
Total Debt Service, Scheduled Only	(1,421,102)	(1,421,102)	(1,421,102)	(1,421,102)	(790,384)	(420,156)	(420,156)
Total Debt Service	(1,850,662)	(1,932,207)	(2,021,991)	(2,145,261)	(2,099,564)	(2,097,602)	(459,799)
Debt Service Coverage Ratio	1.32	1.38	1.44	1.32	2.69	5.06	1.16
Transfer to URA Projects Fund	(20,843)	(21,885)	(22,980)	(24,129)	(25,336)	(26,603)	(27,932)
Total Expenditures	(1,018,093)	(1,954,092)	(2,044,971)	(2,169,390)	(2,124,900)	(2,124,205)	(487,731)
Ending Balance	-	-	-	-	-	-	-

Source: Tiberius Solutions

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 Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the Area in FYE 2042 a 19-year program of tax increment collections.

The amount of money available for projects in 2023 constant dollars for the Area is approximately \$15,304,285. See Table 2 for the individual project analysis. This \$15,304,285 is calculated by taking the maximum indebtedness (MI) and bringing it back to constant 2023 dollars. This is done as the Agency's cost estimates are typically in constant dollars, so understanding how that relates to the overall MI over 19 years is important to enable the Agency to make projections on the allocation of funds throughout the life of the Area.

Table 10 through Table 12 show the approximate \$15,304,285 of 2023 constant dollars for projects inflated over the life of the Area including administrative expenses. All costs shown in Table 10 through Table 12 are in year-of-expenditure dollars, which are adjusted by 5.0% annually to account for inflation. The year of expenditure total cost is \$18,064,509.

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 Area is financially feasible as required by ORS 457. It assumes completion of projects as funding becomes available.

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

	Total	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Resources		-	-	-	-	-	-
Beginning Balance	-	-	-	-	-	-	-
Transfer from TIF Fund	354,437	11,605	12,186	12,795	13,434	14,106	14,812
Bond/Loan Proceeds	17,710,072	12,474,001	-	-	-	-	-
Total Resources	18,064,509	12,485,606	12,186	12,795	13,434	14,106	14,812
Expenditures (YOE \$)							
Community Park	(2,756,250)	(2,756,250)	-	-	-	-	-
Neighborhood Parks and Pathways	(3,420,900)	-	-	-	-	-	-
Water Transmission Line	(1,788,255)	(1,788,255)	-	-	-	-	-
Joseph Booster Pump Station Upgrades	(810,338)	(810,338)	-	-	-	-	-
Sewer Main Line	(2,946,983)	(2,946,983)	-	-	-	-	-
2 Million Gallon Reservoir	(3,922,695)	(3,922,695)	-	-	-	-	-
SDC Expenditures	(1,710,450)	-	-	-	-	-	-
Financing Fees	(354,201)	(249,480)	-	-	-	-	-
Administration Costs	(354,437)	(11,605)	(12,186)	(12,795)	(13,434)	(14,106)	(14,812)
Total Expenditures	(18,064,509)	(12,485,606)	(12,186)	(12,795)	(13,434)	(14,106)	(14,812)
Ending Balance	-	-	-	-	-	-	-

Source: Tiberius Solutions

Table 11 - Programs and Costs in Year of Expenditure Dollars, Page 2

	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036
		-	-	-	-	-	-
Resources	-	-	-	-	-	-	-
Beginning Balance	-						
Transfer from TIF Fund	15,552	16,330	17,147	18,005	18,906	19,851	20,843
Bond/Loan Proceeds	-	-	-	5,236,071	-	-	-
Total Resources	15,552	16,330	17,147	5,254,076	18,906	19,851	20,843
Expenditures (YOE \$)		-	-	-	-	-	-
Community Park	-	-	-	-	-	-	-
Neighborhood Parks and Pathways	-	-	-	(3,420,900)	-	-	-
Water Transmission Line	-	-	-	-	-	-	-
Joseph Booster Pump Station Upgrades	-	-	-	-	-	-	-
Sewer Main Line	-	-	-	-	-	-	-
2 Million Gallon Reservoir	-	-	-	-	-	-	-
SDC Expenditures	-	-	-	(1,710,450)	-	-	-
Financing Fees	-	-	-	(104,721)	-	-	-
Administration Costs	(15,552)	(16,330)	(17,147)	(18,005)	(18,906)	(19,851)	(20,843)
Total Expenditures	(15,552)	(16,330)	(17,147)	(5,254,076)	(18,906)	(19,851)	(20,843)
Ending Balance	-	-	-	-	-	-	-

Source: Tiberius Solutions

Table 12 - Programs and Costs in Year of Expenditure Dollars, Page 3

	FYE 2037	FYE 2038	FYE 2039	FYE 2040	FYE 2041	FYE 2042
	-	-	-	-	-	-
Resources	-	-	-	-	-	-
Beginning Balance						
Transfer from TIF Fund	21,885	22,980	24,129	25,336	26,603	27,932
Bond/Loan Proceeds	-	-	-	-	-	-
Total Resources	21,885	22,980	24,129	25,336	26,603	27,932
Expenditures (YOE \$)	-	-	-	-	-	-
Community Park	-	-	-	-	-	-
Neighborhood Parks and Pathways	-	-	-	-	-	-
Water Transmission Line	-	-	-	-	-	-
Joseph Booster Pump Station Upgrades	-	-	-	-	-	-
Sewer Main Line	-	-	-	-	-	-
2 Million Gallon Reservoir	-	-	-	-	-	-
SDC Expenditures	-	-	-	-	-	-
Financing Fees	-	-	-	-	-	-
Administration Costs	(21,885)	(22,980)	(24,129)	(25,336)	(26,603)	(27,932)
Total Expenditures	(21,885)	(22,980)	(24,129)	(25,336)	(26,603)	(27,932)
Ending Balance	-	-	-	-	-	-

Source: Tiberius Solutions

VIII. REVENUE SHARING

Revenue sharing thresholds are projected to be reached in FYE 2036. 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 2035, triggering the 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 Area. The first threshold is met when annual TIF revenues exceed 10% of the original maximum indebtedness of the Plan or \$1,810,000. 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 \$2,262,500. If this threshold is met, revenue for the Area 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 Area grows more quickly than projected, the revenue sharing thresholds could be reached earlier. Revenue sharing projections are shown in Table 13.

Table 13 – Revenue Sharing Projections

FYE	Total Assessed Value	Frozen Base AV	Increment Used	Increment Shared	Tax Revenue from Increment Shared
2024	3,206,735	3,121,349	85,386	-	
2025	3,294,682	3,121,349	173,333	-	
2026	3,385,268	3,121,349	263,919	-	
2027	3,478,571	3,121,349	357,222	-	
2028	3,574,673	3,121,349	453,324	-	
2029	17,557,842	3,121,349	14,436,493	-	
2030	32,377,033	3,121,349	29,255,684	-	
2031	48,069,821	3,121,349	44,948,472	-	
2032	64,675,284	3,121,349	61,553,935	-	
2033	82,234,060	3,121,349	79,112,711	-	
2034	100,788,402	3,121,349	97,667,053	-	
2035	120,382,242	3,121,349	117,260,893	-	
2036	141,061,251	3,121,349	114,071,062	23,868,840	416,927
2037	162,872,903	3,121,349	119,230,362	40,521,192	707,800
2038	190,271,126	3,121,349	124,777,592	62,372,185	1,089,480
2039	219,166,903	3,121,349	132,394,817	83,650,737	1,461,161
2040	249,625,430	3,121,349	129,527,005	116,977,076	2,043,285
2041	281,714,468	3,121,349	129,527,005	149,066,114	2,603,797
2042	315,504,431	3,121,349	28,243,442	284,139,640	4,963,181
TOTAL:					

Source: Tiberius Solutions

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 Area.

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 Area. These projections are for impacts estimated through FYE 2053 and are shown in Table 14 and Table 15.

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 14 and Table 15 show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 14 shows the general government levies, and Table 15 shows the education levies.

Table 14 - 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 Hermiston	W. Umatilla Mosquito Control
2024	(225)	(481)	(12)	(138)	(13)	(7)	(16)
2025	(460)	(983)	(25)	(283)	(27)	(15)	(33)
2026	(702)	(1,500)	(38)	(431)	(42)	(23)	(50)
2027	(952)	(2,033)	(51)	(585)	(57)	(31)	(68)
2028	(1,209)	(2,582)	(65)	(742)	(72)	(39)	(86)
2029	(38,059)	(81,309)	(2,056)	(23,380)	(2,271)	(1,233)	(2,700)
2030	(77,661)	(165,915)	(4,196)	(47,708)	(4,635)	(2,516)	(5,510)
2031	(119,598)	(255,510)	(6,461)	(73,471)	(7,137)	(3,875)	(8,485)
2032	(163,974)	(350,317)	(8,859)	(100,732)	(9,785)	(5,313)	(11,633)
2033	(210,899)	(450,567)	(11,394)	(129,558)	(12,586)	(6,833)	(14,962)
2034	(260,484)	(556,502)	(14,073)	(160,020)	(15,545)	(8,440)	(18,480)
2035	(312,848)	(668,373)	(16,902)	(192,188)	(18,670)	(10,137)	(22,195)
2036	(305,217)	(652,071)	(16,489)	(187,500)	(18,214)	(9,889)	(21,654)
2037	(318,686)	(680,846)	(17,217)	(195,774)	(19,018)	(10,326)	(22,609)
2038	(333,508)	(712,510)	(18,018)	(204,879)	(19,903)	(10,806)	(23,661)
2039	(353,799)	(755,860)	(19,114)	(217,344)	(21,113)	(11,463)	(25,100)
2040	(346,543)	(740,359)	(18,722)	(212,887)	(20,680)	(11,228)	(24,585)
2041	(346,429)	(740,116)	(18,716)	(212,817)	(20,674)	(11,225)	(24,577)
2042	(79,542)	(169,936)	(4,297)	(48,864)	(4,747)	(2,577)	(5,643)
TOTAL:	(3,270,795)	(6,987,770)	(176,705)	(2,009,300)	(195,189)	(105,968)	(232,045)

Source: Tiberius Solutions

Table 15 - Projected Impact on Taxing District Permanent Rate Levies – Education

FYE	Hermiston School District #8	Intermountain E.S.D.	Blue Mountain CC	Subtotal	Total
2024	(386)	(49)	(52)	(487)	(1,380)
2025	(789)	(99)	(107)	(996)	(2,821)
2026	(1,205)	(152)	(163)	(1,520)	(4,306)
2027	(1,633)	(206)	(221)	(2,059)	(5,836)
2028	(2,074)	(261)	(280)	(2,615)	(7,411)
2029	(65,300)	(8,224)	(8,832)	(82,357)	(233,365)
2030	(133,248)	(16,782)	(18,023)	(168,053)	(476,193)
2031	(205,202)	(25,845)	(27,755)	(258,802)	(733,338)
2032	(281,341)	(35,435)	(38,054)	(354,829)	(1,005,442)
2033	(361,853)	(45,575)	(48,943)	(456,371)	(1,293,170)
2034	(446,930)	(56,290)	(60,451)	(563,671)	(1,597,214)
2035	(536,774)	(67,606)	(72,603)	(676,983)	(1,918,295)
2036	(523,682)	(65,957)	(70,832)	(660,471)	(1,871,505)
2037	(546,791)	(68,868)	(73,958)	(689,616)	(1,954,092)
2038	(572,221)	(72,071)	(77,397)	(721,688)	(2,044,971)
2039	(607,035)	(76,455)	(82,106)	(765,597)	(2,169,390)
2040	(594,586)	(74,887)	(80,422)	(749,896)	(2,124,900)
2041	(594,392)	(74,863)	(80,396)	(749,651)	(2,124,205)
2042	(136,476)	(17,189)	(18,459)	(172,125)	(487,731)
TOTAL:	(5,611,910)	(706,814)	(759,054)	(7,077,787)	(20,055,565)

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

Table 16 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2043.

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

Table 16 - Additional Revenues Obtained after Termination of TIF - FYE 2043

Taxing District	Tax Rate	From Frozen Base	From Excess Value	Total
General Government				
General County	2.8487	8,892	991,197	1,000,089
City of Hermiston	6.086	18,997	2,117,606	2,136,603
Port of Umatilla	0.1539	480	53,549	54,029
Umatilla County Fire District 1	1.75	5,462	608,908	614,370
County Radio District	0.17	531	59,151	59,682
Cemetery District 8 Hermiston	0.0923	288	32,116	32,404
W. Umatilla Mosquito Control	0.2021	631	70,320	70,951
Subtotal	11.303	35,281	3,932,847	3,968,128
Education				
Hermiston School District #8	4.8877	15,256	1,700,661	1,715,917
Intermountain E.S.D.	0.6156	1,922	214,196	216,118
BMCC	0.6611	2,064	230,028	232,092
Subtotal	6.1644	19,242	2,144,885	2,164,127
TOTAL:	17.4674	\$54,523	\$6,077,732	\$6,132,255

Source: Tiberius Solutions

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

State law limits the percentage of both a municipality’s total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base (assumed to be FYE 203 values), including all real, personal, manufactured, and utility properties in the Area, is projected to be \$3,121,349. 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 Area is \$42,262,899. The Downtown Urban Renewal Area 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 2022 was \$1,168,246,817.

The percentage of total City assessed value in urban renewal areas is 3.94%, 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 Area contains approximately 392.8 acres, including public rights-of-way. The City of Hermiston Downtown Urban Renewal area contains 125.2 acres. The City of Hermiston contains 5,402 acres. This puts 9.6% of the city’s acreage in an urban renewal area, which is below the 25% threshold.

Table 17 – Urban Renewal Area Conformance with Assessed Value and Acreage Limits

	Acreage	Assessed Value
A. City of Hermiston Downtown Urban Renewal Area	125.2	\$42,262,899
B. Southwest Hermiston Urban Renewal Area	392.8	\$3,121,349
C. Total Acreage/Assessed Value in URAs	518	\$45,384,248
D. Excess Value		\$15,049,186
E. City of Hermiston	5,402	\$1,168,246,817
% of City Acreage =(C/E)	9.6%	
% of City Assessed Value =(C/(E-D))		3.94%

Source: Compiled by Elaine Howard Consulting, LLC with data from Tiberius Solutions, City of Hermiston, and Umatilla County Department of Assessment and Taxation SAL 4a and SAL 4e (FYE 2022)

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

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

A. Physical Conditions

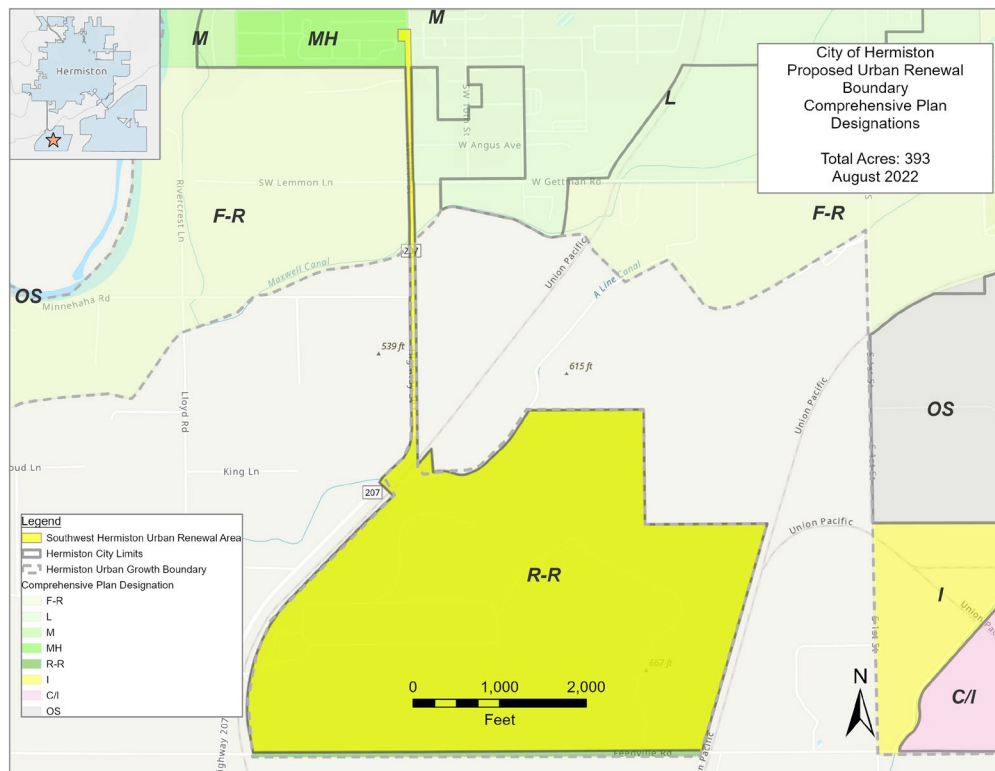
The Area consists of nine parcels that will be in one development and a parcel for the new water reservoir. These parcels combined are 392.8 acres, including 9.6 acres of right-of-way. The zoning and comprehensive plan designations for the nine development taxlots are all Recreational Residential. The zoning for the booster pump station is Multi-Structure Residential and its comprehensive plan designation is Medium Density Residential. The detailed land use, zoning, and comprehensive plan designations in the Area can be seen in Table 18.

Table 18 - Land Use, Zoning and Comprehensive Plan Designations in the Area

Land Use	Zoning	Comprehensive Plan	Acres
Vacant	Recreational/Residential RR	Recreational Residential R-R	383.04
Vacant	Multi-Structure Residential R-4	Medium Density Residential MH	0.16
Right of Way			9.6
TOTAL:			392.8

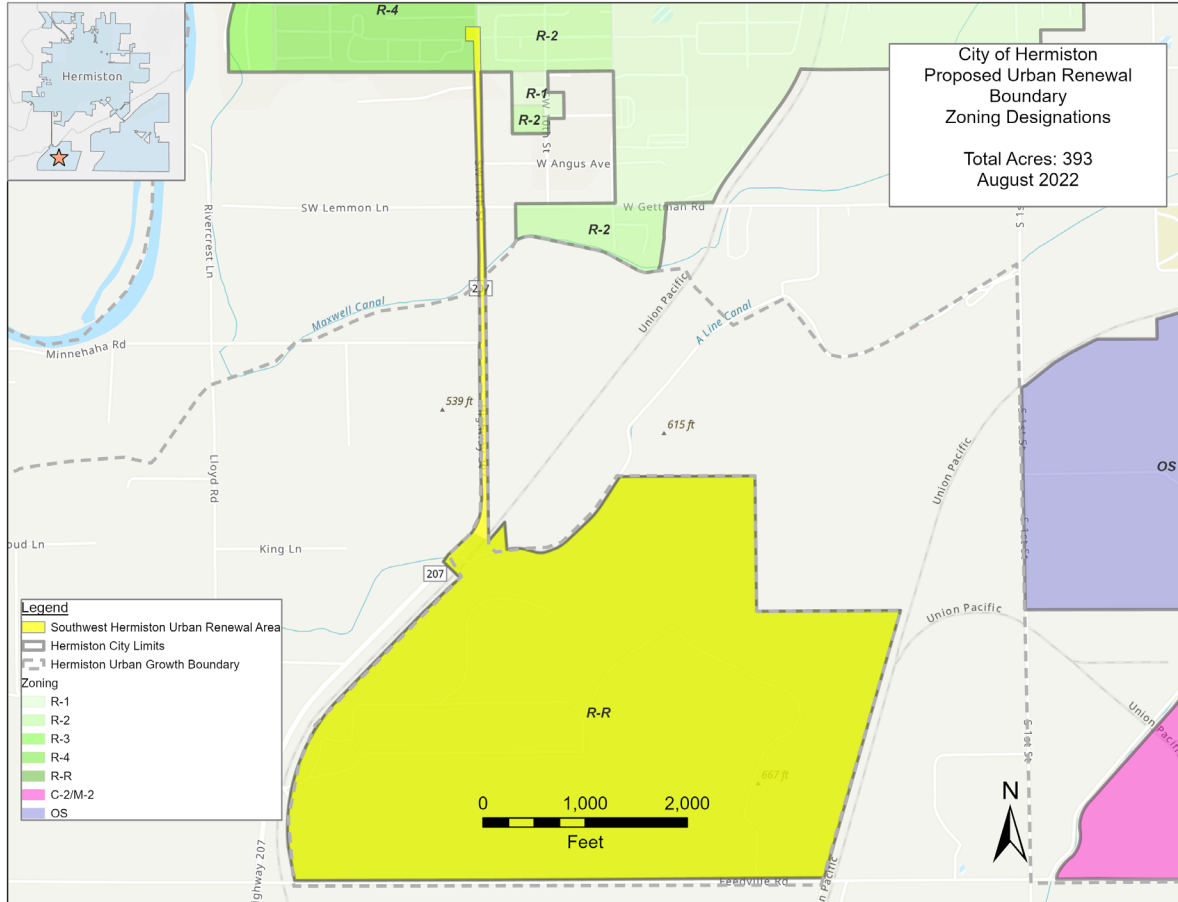
Source: Compiled by Elaine Howard Consulting, with data from the City of Hermiston (FYE 2022)

Figure 3 - Hermiston Urban Renewal Area Comprehensive Plan Designations



Source: City of Hermiston

Figure 4 - Hermiston Urban Renewal Area Zoning Designations



Source: City of Hermiston

B. Infrastructure

This section identifies the existing conditions in the Area 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 Area. **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 *City of Hermiston Transportation Systems Plan Final Report* was completed in 1997 and amended in 2000, 2003, 2014, and 2017. There were no identified projects in this Area. However, development within the Area is expected to generate traffic impacts and related public capital investments for mitigation that are included in citywide or subarea transportation system development charges. There will be traffic mitigations but they will not be urban renewal projects but funded separately and included in a TSP revision to be developed concurrently with the development plan.

2. Parks

The *Hermiston Parks, Recreation and Open Space Master Plan* was completed on July 29, 2020

No parks were identified for this Area as development was not expected to occur at the time the analysis was completed in 2020.

Vision Statement

Hermiston actively provides inviting parks, trails, and programs for all walks of life. We celebrate our unique abilities, values and cultures. Parks and Recreation facilities and programs are the heart of our physical and emotional well-being.

The following needs were identified in the Parks Master Plan.

Facility Needs

- Indoor Aquatic and Athletic Facility, Wellness Center
- Universally accessible facilities
- Expanded trail facilities (walking, bicycling)
- Parks in Northeast, specifically, and east generally
- More athletic fields, specifically soccer or multipurpose fields.
- Areas for large group gatherings for extended periods of time
- Restrooms
- Water access
- Skate Park

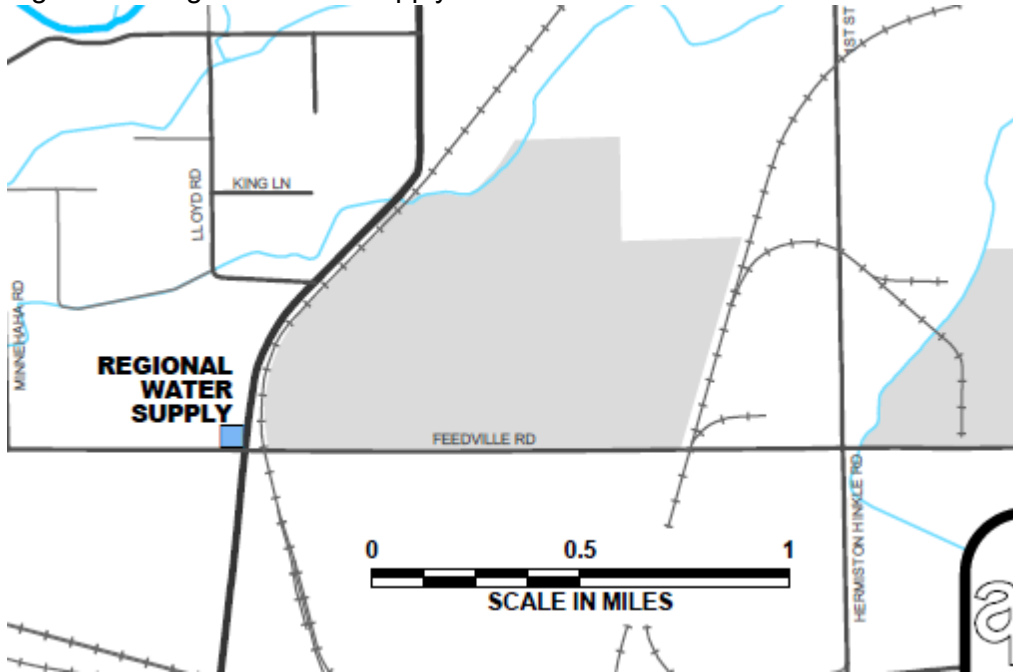
3. Water, Sanitary Sewer and Storm Water

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

a) Water

The regional water supply is located to the west of the site.

Figure 5 - Regional Water Supply



Source: Hermiston Capital Improvement Plan, Figure 1

Project W 27 was identified to provide water to the Area.

Project Number: W 27.0

Project Name: Southwest Storage Reservoir

Fund: Water

Subcategory: Storage

Estimated Cost: \$3,100,000 (plus inflation depending on year constructed)

Fiscal Year: Undefined

Project Description:

The project will include developing a new reservoir located in the southwest area of the City. Work will include construction of the new reservoir, water line extensions, control systems, valves, site

development, property acquisition, and engineering/permitting services. Specific attention for access to the reservoir roof will be evaluated during design. Access alternatives may entail an exterior stairway system or a ladder system with landings.

Project Justification:

A new 2,000,000-gallon reservoir on the southwest side of town is needed to accommodate additional water demands from ongoing population growth. A new reservoir will reduce the

City's reliance on booster pump stations to pressurize the system, provide compliance with fire flow requirements as well as applicable health and safety rules, and will ensure minimum water distribution system pressures are maintained. A new well constructed in a separate project would keep the reservoir full and operating. The Water System Master Plan prepared in 2018 and 2019 discusses this project in more depth.

Funding Data:

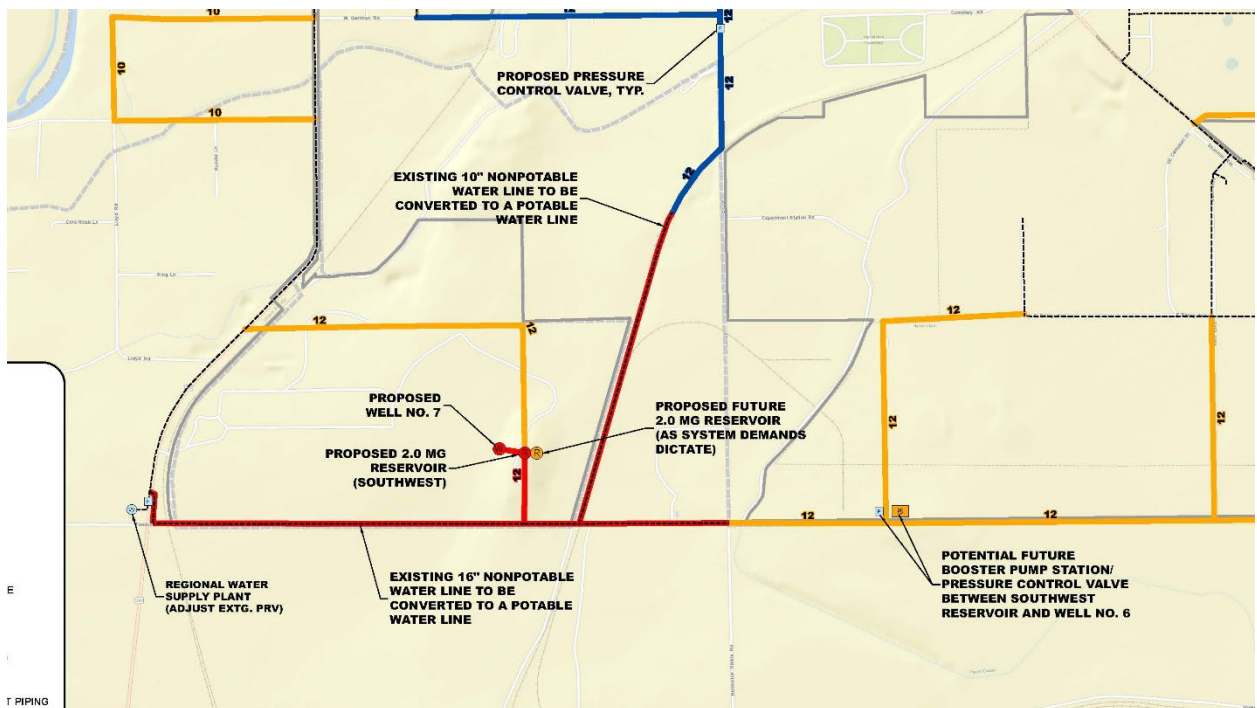
Project No.	Fund Name	Amount	Fiscal Year
W 27.0	Water Fund	\$3,100,000	Undefined

Water Systems

There are no existing water systems that serve the Area.

The **Hermiston Water System Master Plan**, completed in 2019 by Anderson Perry & Associates, proposes the following improvements in the Area.

Figure 6 – Water System in the Area



Source: **Hermiston Water System Master Plan** Proposed Water Distribution System Pressure Zone Map , Figure 5-3

Medium Priority Improvements

Provide distribution system piping and/or pressure reducing valves to connect similar pressure zones to reduce the number of and/or reliance on booster pump stations. Provide distribution piping to connect the proposed southwest reservoir to the existing distribution system.(p 6-3)

Long-Term/Future Development Improvements

Provide distribution system piping to serve areas within the City’s urban growth boundary not currently being served. Create a new pressure zone with a booster pump station in east Hermiston to serve existing and future users with system pressures near the City’s recommended minimum system pressure. (p 6-4)

Modifications to Existing Booster Pump Stations

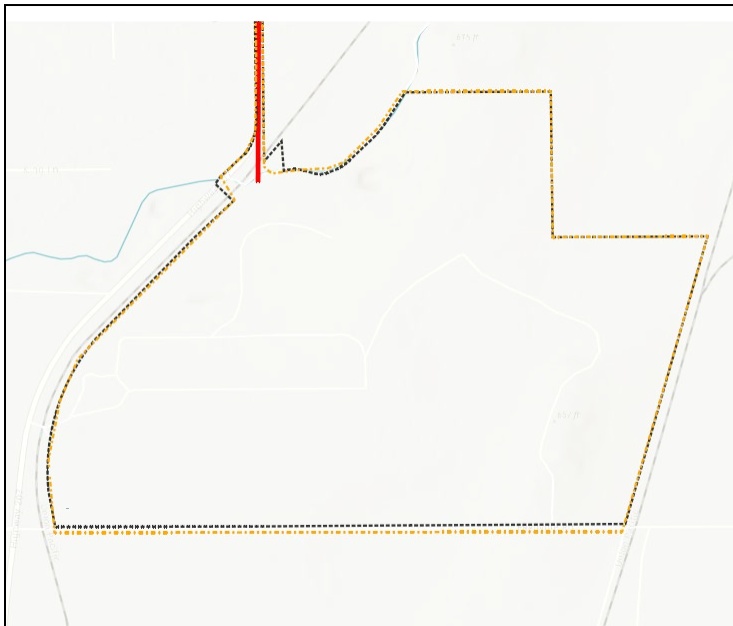
The proposed improvements presented herein would allow the City to discontinue continuous use of the Geer Road booster pump station, Sunland booster pump station, and Moore booster pump station. As part of the proposed northeast reservoir and southwest reservoir improvements, the Alora Heights booster pump station and Joseph booster pump station would be improved to change from 24-hour per day booster pump stations to reservoir fill stations. See Chapters 4 and 5 for further discussion on proposed improvements at the Alora Heights booster pump station and Joseph booster pump station to convert them from “booster” stations to “reservoir fill” stations. Once the system improvements are made, the Geer Road booster pump station and Moore booster pump station are not anticipated to be used on a daily basis.

However, it is recommended that the City maintain the Geer Road and Moore booster pumpstations to act as backups to the Alora Heights and Joseph booster pump stations, respectively. (p 6-4)

b) Sanitary Sewer

The CIP shows a proposed sanitary sewer trunkline to the Area.

Figure 7 - Proposed Future Sanitary Sewer Trunkline and Lift Stations



Source: Figure 1 of the CIP

Lift Station 8

Lift Station 8, also known as “West Side,” was constructed in 1980 and is located on the west end of the City at the northeastern corner of Harrison Park. Lift Station 8 is the primary lift station for the western sanitary sewer trunkline and pumps all sewage from Basins W3 to W21 north through approximately 3,300 feet of 12-inch Class 50 ductile iron pipe to Manhole W1-23 on W. Elm Avenue Extension. Lift Station 8 consists of a wetwell and a drywell. A building above the drywell houses control equipment.

Three 6-MVF-15, centrifugal, vertical, variable speed, single-stage, dry pit-type pumps with non-clogging impellers are located on the bottom floor of the drywell. The pumps are 3-phase, 480-volt (V), 60-Hz pumps manufactured by the Worthington Pump Corporation. Each is rated at 30 Hp with a design pump rate of 900 gpm against 74 feet of TDH. Although the pumps are supposed to be variable speed, some issues with the control system cause the pumps to run at their maximum capacity for all but the first and last few seconds of a run cycle. Attempts have been made to diagnose and fix these issues, but they have been unsuccessful.

Pumps are operated based on wetwell water levels that are sensed by a purged-air, liquid level controller. The control system is a CD-3000-SLB-A Peabody Flomatcher. Telemetry monitoring utilizes an old auto-dialer system by Stead and Baggerly, Inc., to notify City personnel when problems are detected.

Auxiliary power is provided by a 164 kVA, 480-V, 3-phase, 60-Hz diesel generator located on the first floor of the lift station building. It outputs 135 kW and has a fuel tank capacity of 550 gallons. When the power goes out, the transfer switch can automatically change the power source if the engine control switch is set to automatic. The switch can be set to manual if needed. The City has purchased a new natural gas generator that is anticipated to be installed in fall 2020.

Lift Station 8 has been maintained by City personnel and is cleaned approximately once every six months. The wetwell appears to be in good condition. An intake plug valve on Pump 1 has been replaced. Three discharge plug valves, three check valves, and two intake plug valves are on the City’s list to be replaced, but funds to purchase the replacement parts have not been made available. Because the control system does not allow pump speeds to vary, upgrades to the pump control system, potentially with new variable frequency drives (VFDs), are needed to replace the current system. New motors may be required when the VFDs are purchased and installed. (p 3-20)

Basin W8 Trunkline

Basin W8 trunkline is located in the southwest portion of the City between W. Highland Avenue and the Maxwell Canal. The trunkline consists of 8-inch PVC, 8-inch transite, and 8-, 10-, and 12-inch concrete pipe. The trunkline begins at upstream Manhole W8-84 and flows through the basin into the western primary trunkline at Manhole W1-4.

The area south of the basin to the UGB has the potential for future development. When developed, this 52-acre area is expected to contribute approximately 23,300 gpd to the basin’s existing flows. Analyzing this trunkline at minimum slope with combined existing and future flows shows that the pipes appear to have adequate capacity, with pipe flows ranging from 34 to 73 percent of capacity. (p 3-9)

Lift Station 8

Lift Station 8 is the main lift station on the west side of Hermiston, located in the northeast corner of Harrison Park. Three pumps alternate days to pump sewer flows. Lift Station 8 had an average maximum daily run time of 13.08 hours in August 2017. The average run times of Pumps 1, 2, and 3 were 5.4, 4.0, and 3.6 hours, respectively. Operation is being distributed among the pumps in a slightly uneven fashion likely due to differing pump age, impeller wear, and pump rebuild times; however, flow is likely being evenly distributed even though hour meter readings vary slightly between pumps. The design capacity of the pumps at this lift station is 900 gpm. With a maximum daily run time of 13.08 hours and a design pumping rate of 900 gpm, this lift station is theoretically pumping approximately 0.707 MGD or 43.4 percent of the City’s sewage.

Lift Station 8 operates 13.08 hours on average during the maximum month, correlating to 82 percent of capacity. If the lift station continues pumping approximately 43 percent of the City’s sewage through year 2043, the pumps would need to operate for approximately 17.38 hours per day and pump approximately 0.939 MGD. This would result in Lift Station 8 operating at approximately 109 percent of capacity. (P 4-12)

The area north of Feedville Road and between two UPRR tracks will likely be developed. This area would be serviced by extending sewer from Manhole W8-92 west to S.W. 11th Street, then south along S.W. 11th Street. (p 5-6)

Update Lift Station 8 Electrical and Controls

The electrical and pump controls at Lift Station 8 have surpassed their useful life and need to be updated to current industry standards. It is recommended that pumping volumes and pump run hours be monitored as development occurs in areas served by Lift Station 8 as pumping capacities may need to be increased to meet future demands. (p 5-7)

c) Stormwater

Hermiston’s Public Works Standards call for managing stormwater through Underground Injection Control (UIC) systems, or by infiltration swales where depth to groundwater is not sufficient to allow for a UIC. The area is currently undeveloped with no stormwater infrastructure. Based on soil types and groundwater depths in the area, it is anticipated that all stormwater generated within the area will stay within the area predominantly through the use of UIC’s constructed by development as it occurs.

C. Social Conditions

The Area is undeveloped. Therefore, the following demographics are presented for the City of Hermiston as a whole. The following information is excerpted from the *Housing Capacity Analysis* completed in January of 2021 by Johnson Economics¹, which identifies the social conditions in the Area and the relating housing needs.

“Hermiston is a City of nearly 21,400 people (within the UGB) located in Umatilla County in north-central Oregon. The city is the largest city in the county and represents roughly a quarter of the county’s population. The estimated population within the city limits was 19,696 in 2021, meaning that an additional 2,000 people (or 11%) live outside the city but within the UGB.

- *Hermiston’s UGB population makes it roughly the 28th largest city in the state by population, similar in size to other Oregon cities such as Ashland or Happy Valley. The city is roughly 125% the size of nearby Pendleton.*
- *According to the US Census and PSU estimates, Hermiston has experienced moderate growth, growing at just over 42% since 2000. In comparison, Umatilla County and the state are both estimated to have experienced lower growth of less than 24% since 2000.*

Hermiston’s UGB was home to an estimated 7,673 households in 2020, an increase of 1,975 households since 2000. The percentage of families has remained stable from 68% of all households in 2000 to 67% in 2020. The city has a higher share of family households than Umatilla County (64%) and the state (63%).

- *Average household size is estimated to have grown since 2000. Hermiston’s estimated average household size is 2.8 persons. This is slightly larger than the Umatilla County average of 2.7 and the statewide average of 2.5.*

Since 2000, Hermiston’s UGB has grown by roughly 6,285 people within the UGB, or 42% in 20 years. This was higher than the countywide rate of growth. In comparison, the population of the state grew by an estimated 24% during this period.

Data from the City of Hermiston and the US Census indicate that the city added just over 1,930 new housing units since 2000 within the UGB, representing 32% growth in the housing stock. This number of new units is slightly lower than the growth in new households estimated during the same period (1,971), indicating that housing growth has not kept pace with growing need.

As of 2020, the city had an estimated housing stock of roughly 8,051 units for its 7,673 estimated households. This translates to an estimated average vacancy rate of under 5%.

Hermiston has a greater share of homeowner households than renter households. The 2018 ACS estimates that 60% of occupied units were owner occupied, and 40% renter occupied. The ownership rate has risen from an estimated 55% in 2000. During this period the statewide rate fell from 64% to 61%. Nationally, the homeownership rate is 66%.

¹ Johnson Economics. (January 2021). *Housing Capacity Analysis*

The estimated ownership rate is higher across Umatilla County (64%) than it is in Hermiston or the state overall

Hermiston had an estimated 8,051 housing units in 2020, with a vacancy rate of 4.7% (includes ownership, rental units, and second homes). The housing stock has increased by roughly 1,930 units since 2000, or growth of 32%.

Hermiston’s housing stock reflects the pattern of development over time. Seventy-three percent of the housing stock is pre-2000 with the remainder being post-2000. The single largest share of housing stock was built in the 1970’s. Rental units are more likely to be older units, while a larger percentage of ownership units were built since the 1990’s.

The results (of their analysis) show a need for 2,030 new housing units by 2040.

- Of the new units needed, 61.5% are projected to be ownership units, while 38.5% are projected to be rental units.
- There is some new need for ownership housing at the low-end of the pricing spectrum. But income trends suggest that the greatest demand will remain in the middle price ranges (\$175k to \$300k). This is because some of the city’s current housing is found at lower value levels due to age, condition, and mobile homes. At the same time, most new homes are projected to be priced at higher price points.
- The greatest need for rental units is found at the lowest and some higher price points. Market rents are currently clustered in the \$400 to \$1,000 range in current dollars. Therefore, most units are to be found in this range. There is insufficient rental housing for the lowest income households making \$15,000 or less, and there may also be some support for higher rent units, which may be in new apartment complexes, townhomes or detached single-family homes for rent.“

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 Area

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 Area

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 Area

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 Area

The estimated total assessed value of the Area 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 \$3,121,349.

2. Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property’s improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the “Improvement to Land Value Ratio,” or “I:L.” The values used are real market values. In urban renewal areas, the I:L is often used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives. The properties in the Area are vacant and undeveloped and not contributing significantly to the tax base in Hermiston.

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section IX 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 facilitating improvement of properties for residential uses, recreation improvements, utility improvements, multi-modal improvements, an incentive program to help facilitate the development of workforce housing and plan administration.

It is anticipated that these improvements will catalyze development on the undeveloped and parcels in the Area and provided needed infrastructure improvements and new recreational opportunities for the community. As the development will be new construction, it will be up to current building code which will aid in any fire protection needs.

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 Area is to provide the ability to fund projects and programs necessary to cure blight within the Area. The outcome of implementing these projects is anticipated to be an increase to the economic growth in Hermiston by providing assistance to facilitate the development of much needed housing, providing recreational activities to support local residents, and providing infrastructure improvements inside the Area to assist with housing development.

The land is subject to geographic constraints and high public infrastructure demand which make conventional development cost prohibitive. Urban renewal is the most effective financing tool to provide infrastructure to the Area and at the capacity necessary to develop the land at urban density. Without the provision of urban level services, the land will remain blighted and undeveloped for the foreseeable future. Without using urban renewal to provide services, the inability to develop the land at urban density would cause a skewing of the city's residential land inventory.

Without the provision of assistance through urban renewal, the city has a large residential tract which cannot be developed. This excess of undeveloped land makes it difficult to fulfill Statewide Housing Goal 10's needs in general and meet potential housing production strategy needs specifically. The land within the Area constitutes nearly the entirety of the city's 20-year housing needs within the acknowledged Housing Capacity Analysis. The ability to develop this tract at urban density, with the assistance of the formation of an urban renewal district, allows the city to generate sufficient economic growth and maximize tax revenue.

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 does not anticipate acquiring any property on the Area.

An enumeration by cost range of the housing units to be added is shown in Table 4 on page 10.



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of October 24, 2022

Title/Subject

Approval of IGA related to Practical Assistance through Transitional Housing (PATH) project.

Summary and Background

The City has been working cooperatively with the Cities of Umatilla, Stanfield, Echo and Umatilla County on an approach to provide transitional housing and other services to those in need for over a year. This collaboration has led to an award of \$1,000,000 from the State of Oregon to assist in that effort. This work has led to a project titled PATH. May 23, 2022 a joint meeting was held with the City of Umatilla and Umatilla County to discuss this approach to a homeless assistance project.

The proposed IGA establishes and advisory board to advise the City of Umatilla on the actual operations of the project. Umatilla has taken leadership on the day to day supervision of a contract to operate Project PATH. Their procurement process has led to an agreement with the non-profit Stepping Stones.

Tie-In to Council Goals

- 10. Facilitate public forum to discuss homelessness in community
- 11. Determine City role as it relates to homelessness

Fiscal Information

Current projections have operations being covered by the grant funding for two years. Following that budgets will have to be reviewed and adjusted.

Recommendation

Authorize signature of City Manager on IGA

Submitted By: Byron D. Smith

RESOLUTION NO. 2241

A RESOLUTION AUTHORIZING THE CITY OF HERMISTON TO ENTER INTO AN INTERGOVERNMENTAL AGREEMENT WITH THE CITIES OF UMATILLA, STANFIELD AND ECHO AND UMATILLA COUNTY FOR THE PURPOSE OF PROVIDING SERVICES TO THE HOMELESS POPULATION UNDER THE PRACTICAL ASSISTANCE THROUGH TRANSITIONAL HOUSING (PATH) PROJECT AND TO AUTHORIZE THE CITY MANAGER TO SIGN ALL NECESSARY DOCUMENTS ON BEHALF OF THE CITY

WHEREAS, the City of Hermiston (City) has been working with the neighboring cities of Umatilla, Stanfield and Echo along with Umatilla County on a regional homeless assistance project; and

WHEREAS, the City was a co-recipient (with all of the above-named entities) of a grant from the State of Oregon to help fund the PATH project; and

WHEREAS, the City and the other named partners have reached an agreement on how to work together on these services; and

WHEREAS, City staff believes it is in the best interest of the City to approve and execute the Intergovernmental Agreement.

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

1. That the Intergovernmental Agreement attached to this resolution between the City of Hermiston and the Cities of Umatilla, Stanfield, and Echo and Umatilla County is hereby approved.
2. That the City Manager is authorized to sign the Intergovernmental Agreement.
3. That pursuant to ORS 221.310(3), that this resolution is effective immediately upon its passage.

PASSED by the Common Council this 24th day of October, 2022.

SIGNED by the Mayor this 24th day of October, 2022.

Dr. David Drotzmann, MAYOR

ATTEST:

Lilly Alarcon-Strong, CMC, CITY RECORDER

INTERGOVERNMENTAL AGREEMENT

This INTERGOVERNMENTAL AGREEMENT (this “Agreement”) is entered into by and between Umatilla County, a political subdivision of the State of Oregon (“County”), the City of Umatilla, an Oregon municipal corporation (“Umatilla”), City of Hermiston, an Oregon municipal corporation (“Hermiston”), City of Echo, an Oregon municipal corporation (“Echo”), and the City of Stanfield, an Oregon municipal corporation (“Stanfield”, and collectively with Umatilla, Hermiston, and Echo, the “Cities”; County and the Cities shall hereinafter be referred to collectively as the “Parties” and each, a “Party”) as of the date the last party signs this Agreement (the “Effective Date”).

RECITALS

A. ORS 190.010 authorizes units of local government to enter into intergovernmental agreements for the performance of any or all functions which a Party has the authority to perform.

B. County has signed a grant agreement with the State of Oregon awarding County \$1,000,000 to establish a coordinated homeless response system consisting of the Parties. The grant agreement is entered pursuant to the terms of HB 4123.

C. The Parties wish to implement HB 4123 and establish a coordinated homeless response system consisting of the County and the Cities (“Project PATH”).

NOW, THEREFORE, County and the Cities, on the terms and conditions set forth herein, and for consideration of which the existence and sufficiency is mutually acknowledged, enter into the following Agreement:

AGREEMENT

1. **Project PATH.** Project PATH shall, at a minimum, satisfy the requirements set forth in Exhibit A, attached hereto.

2. **Homeless Response Office.** The Homeless Response Office (required to be established by Exhibit A, Section 1(a)) (the “Office”) shall be organized as follows and shall perform the following functions:

- (a) The Office will operate under the general policy guidance of the Homeless Response Advisory Board (required to be established by Exhibit A, Section 1(b)) (the “Advisory Board”).
- (b) The Office will primarily consist of a person (the “Director”) selected by Umatilla and approved by the Advisory Board. Umatilla may contract for the services provided by the Director. The Director may be any individual or entity duly qualified and willing to serve in the role.
- (c) The Office will coordinate with and develop partnerships with local and regional stakeholders as specified in House Bill 4123, including plans for coordination with any local continuum of care receiving funding under 24 C.F.R. part 578.
- (d) The Office will be managed by the Director who will report to Umatilla and the Advisory Board or their respective designees. The Director will be charged with the general operation of the Office, and shall work to coordinate with Umatilla

and the Advisory Board and all Parties to develop a five-year strategic plan and endeavor to meet the project goals set forth in Exhibit A.

3. **Homeless Advisory Board.** The Advisory Board shall be organized as follows and shall perform the following functions:

- (a) The Advisory Board members shall consist of a representative from each Party, and shall be formed for the purposes of providing general guidance to the Office.
- (b) The Advisory Board members shall have the opportunity to make important decisions, including approving a recommendation to the Parties of the strategic plan developed by the Office.
- (c) Given that the Advisory Board is authorized by statute and governed by this Agreement with the authority to make formal advice and recommendations on public policy and administration, the Advisory Board is considered a public body for the purposes of Oregon Public Meetings Law, and will hold noticed meetings open to the public, and otherwise act in accordance with Oregon Public Meetings Law.
- (d) The Advisory Board shall adopt formal Bylaws sufficient to ensure compliance with Oregon Public Meetings Law and the orderly functioning of the Advisory Board. The Bylaws will establish a regular meeting schedule to be observed by the Advisory Board.

4. **Obligations of the Parties.**

- (a) The Parties shall support the Office until this Agreement is terminated.
- (b) The Parties shall cooperate in good faith to ensure that the goals of Project PATH are achieved. The Parties shall work in good faith to amend this Agreement when necessary to achieve the goals set forth in Exhibit A.
- (c) Project PATH will be funded in part with the \$1,000,000 grant from the State of Oregon to County referenced in Recital B, which County will transfer in its entirety to Umatilla upon County's receipt from the State of Oregon and execution of this agreement.
- (d) (i) If this Agreement is terminated, then each Party shall promptly pay a termination fee to Umatilla as set forth in Schedule 4(d) calculated as of the effective date of such termination; or (ii) if any Party withdraws from this Agreement, then such withdrawing Party shall be obligated to pay the termination fee to Umatilla as set forth in Schedule 4(d) calculated as of the effective date of such withdrawal promptly upon Umatilla's request.
- (e) Umatilla shall serve as the fiscal agent responsible for funding the operations of Project PATH. Umatilla will retain fiscal and managerial oversight of Project PATH, including the Office and the Director.
- (f) Under the recommendation of the Advisory Board, Umatilla is authorized to and will select a Director to manage the Office. Umatilla is authorized to terminate the Director, and in such an event, Umatilla is authorized to and

will select a new Director. This Agreement does not create any employment or contractual relationship between the Parties or the Office or Director.

- (g) Umatilla is authorized to and will be responsible for all contracting, procurement, or other activities necessary to operate Project PATH, including engaging any third party service providers as Umatilla determines is reasonably necessary. Umatilla is currently negotiating a Transitional Housing Services Agreement (the “Services Agreement”) with Stepping Stones of Hermiston Inc., an Oregon nonprofit corporation, to provide certain services to further the objectives of Project PATH, which Services Agreement shall be subject to review and corresponding recommendation for approval by the Advisory Board, not to be unreasonably withheld, conditioned, or delayed.
- (h) Each of the Parties, the Office, and the Advisory Board shall cooperate with respect to all matters described herein, and shall execute such notifications and other documents as may be reasonably requested for the purpose of giving effect to, or evidencing or giving notice of, the provisions of this Agreement.
- (i) Umatilla’s legal counsel may be called upon to provide legal advice to the Advisory Committee and the Office as necessary. Such advice may include, but is not limited to, advice on public meetings law, the requirements of HB 4123, and the formulation of necessary bylaws.

5. **General Terms.**

- (a) Notice. The designated representatives of the Parties for the administration of this Agreement are as follows. Notice shall be deemed delivered upon sending an email to all of the Parties.
 - (i) Umatilla County: Dan Dorran, County Commissioner
Phone: 541-278-6201
Email: dan.dorran@umatillacounty.gov
 - (ii) City of Umatilla: David Stockdale, City Manager.
Phone: 541-922-3226 x102
Email: david@umatilla-city.org
 - (iii) City of Hermiston: Byron Smith, City Manager
Phone: 541-567-5521
Email: bsmith@hermiston.or.us
 - (iv) City of Echo: David Slaght, City Administrator
Phone: 541-376-6038
Email: dave@echo-oregon.com
 - (v) City of Stanfield: Benjamin Burgener, City Manager
Phone: 541-449-3831
Email: citymanager@cityofstanfield.com
- (b) Entire Agreement. This Agreement, together with the recitals above and exhibit attached hereto, which are incorporated herein by this reference, constitute the entire agreement among the Parties on the subject matter hereof. There are no understandings, agreements, or representations, oral or written not specified herein regarding such subject matter. No waiver, consent modification or change of terms of this Agreement shall bind any Party unless in writing and signed by all Parties. Such waiver, consent, modification or

change, if made, shall be effective only in the specific instance and for the specific purpose given.

- (c) Severability. The determination that any provision of this Agreement is invalid or unenforceable will not affect the validity or enforceability of the remaining provisions or of that provision under other circumstances. Any invalid or unenforceable provision will be enforced to the maximum extent permitted by law.

- (d) Term; Termination. The initial term of this Agreement shall commence on _____, 2022 (“Commencement Date”), and end on June 30, 2024 (the “Initial Term”). County, Hermiston, Stanfield, and Echo may not voluntarily terminate or withdraw from this Agreement during the Initial Term. The term of this Agreement shall automatically renew for additional successive 12-month periods, subject to the termination and withdrawal rights provided herein. After the Initial Term, any Party may withdraw from this Agreement upon 180 days’ prior written notice to the other Parties. Additionally, Umatilla may terminate this Agreement effective immediately or force a breaching Party to withdraw from this Agreement upon the material breach of any other Party. If any Party shall file or suffer the filing of a bankruptcy or similar proceeding, such filing shall constitute a material breach of this Agreement. Any termination of or withdrawal from this Agreement is subject to the termination fees described in Section 4(d).

- (e) Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Execution of this Agreement by electronic means intended to preserve the original pictorial appearance of this Agreement or by industry standard electronic signature software shall have the same legal force and effect as execution by original signatures.

- (f) Access to Records/Record Retention. The Parties shall maintain fiscal records and all other records pertinent to this Agreement.
 - (i) All fiscal records shall be maintained pursuant to generally accepted accounting standards, and other records shall be maintained to the extent necessary to clearly reflect actions taken.
 - (ii) All records shall be retained and kept accessible for at least three years, or as otherwise required to be retained by Oregon law.
 - (iii) If an audit, litigation or other action involving this Agreement is started before the end of the three-year period, the records shall be retained until all issues arising out of the action are resolved or until the end of the three- year period, whichever is later.
 - (iv) The Parties and their authorized representatives shall have the right to access all of associated books, documents, papers and records related to this Agreement for the purpose of conducting audits and examinations and making copies, excerpts and transcripts.

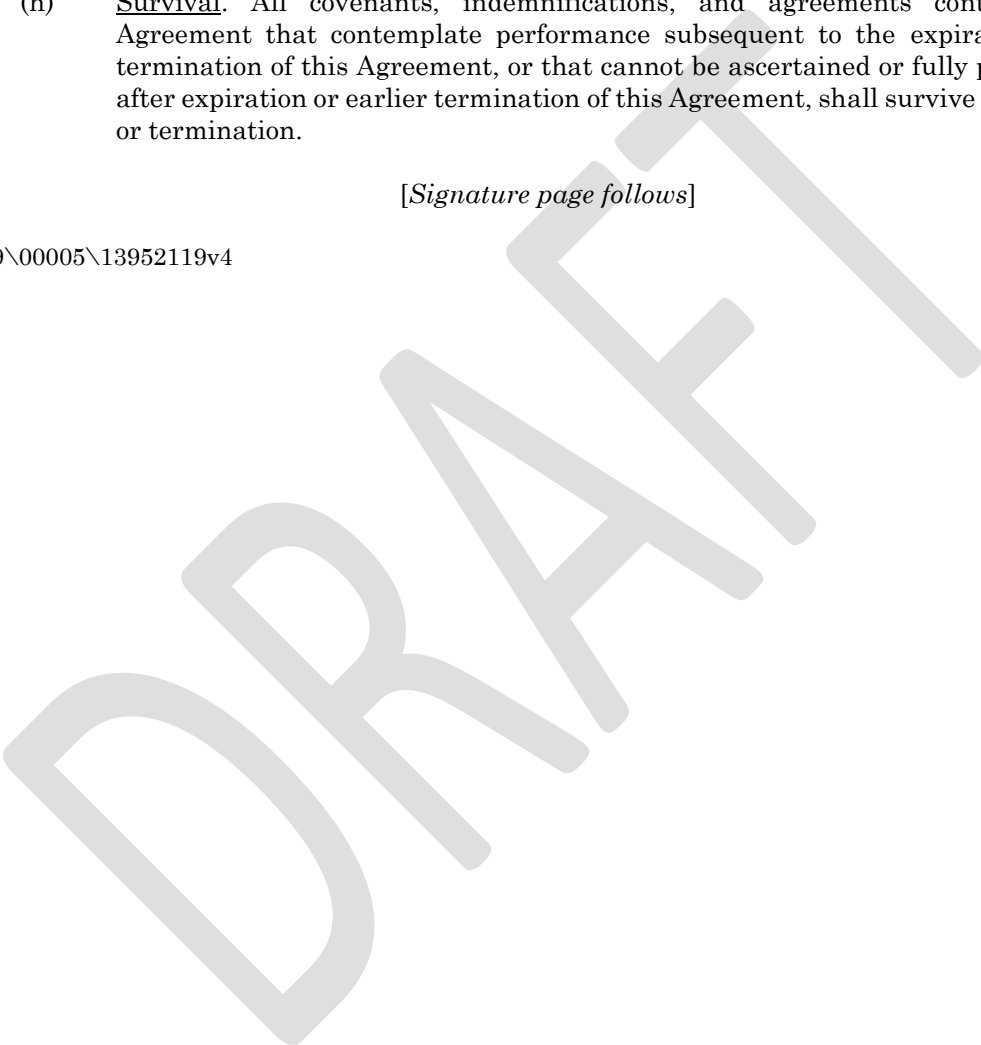
- (g) Indemnification. Subject to the limits of the Oregon Tort Claims Act and the Oregon Constitution, each Party shall defend, indemnify, and hold each other Party, and its

officers, agents, employees and volunteers, harmless against all liability, claims, losses, demands, suits, fees and judgments (collectively referred to as "claims") that may be based on, or arise out of, damage or injury (including death) to persons or property to the extent caused by or resulting from the indemnifying Party's: (1) negligence or willful misconduct in connection with the performance of this Agreement or by conditions created thereby; (2) breach of this Agreement; or (3) violation of any statute, ordinance or regulation. The Parties are not agents of each other and are not entitled to indemnification and defense under ORS 30.285 and ORS 30.287.

- (h) Survival. All covenants, indemnifications, and agreements contained in this Agreement that contemplate performance subsequent to the expiration or earlier termination of this Agreement, or that cannot be ascertained or fully performed until after expiration or earlier termination of this Agreement, shall survive such expiration or termination.

[Signature page follows]

039419\00005\13952119v4



IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the Effective Date by their respective officers thereunto duly authorized.

UMATILLA COUNTY:

CITY OF UMATILLA:

By: _____
Name: _____
Title: _____
Date: _____

By: _____
David Stockdale, City Manager
Date: _____

CITY OF HERMISTON:

CITY OF ECHO:

By: _____
Name: _____
Title: _____
Date: _____

By: _____
Name: _____
Title: _____
Date: _____

CITY OF STANFIELD:

By: _____
Name: _____
Title: _____
Date: _____

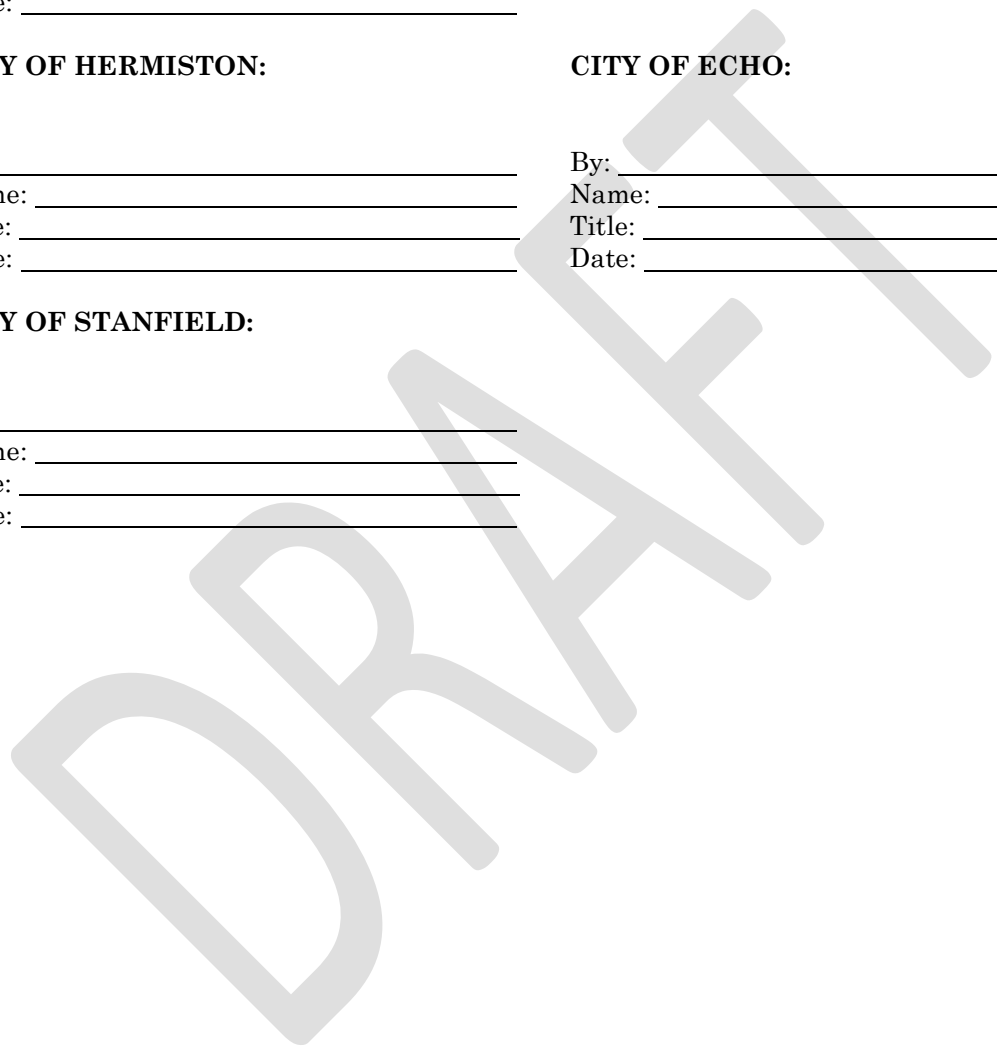


Exhibit A

Project PATH Description

[Attached.]

DRAFT

Schedule 4(d)

Termination Fee Schedule

Calendar Year Termination Occurs	Total Termination Fee	Party	Party's Termination Fee Percentage	Party's Termination Fee Amount
2024	\$712,000	County	30%	\$213,600
		Hermiston	30%	\$213,600
		Stanfield	6%	\$42,720
		Echo	4%	\$28,480
2025	\$623,000	County	30%	\$186,900
		Hermiston	30%	\$186,900
		Stanfield	6%	\$37,380
		Echo	4%	\$24,920
2026	\$534,000	County	30%	\$160,200
		Hermiston	30%	\$160,200
		Stanfield	6%	\$32,040
		Echo	4%	\$21,360
2027	\$445,000	County	30%	\$133,500
		Hermiston	30%	\$133,500
		Stanfield	6%	\$26,700
		Echo	4%	\$17,800
2028	\$356,000	County	30%	\$106,800
		Hermiston	30%	\$106,800
		Stanfield	6%	\$21,360
		Echo	4%	\$14,240
2029	\$267,000	County	30%	\$80,100
		Hermiston	30%	\$80,100
		Stanfield	6%	\$16,020
		Echo	4%	\$10,680
2030	\$178,000	County	30%	\$53,400
		Hermiston	30%	\$53,400
		Stanfield	6%	\$10,680
		Echo	4%	\$7,120
2031	\$89,000	County	30%	\$26,700
		Hermiston	30%	\$26,700
		Stanfield	6%	\$5,340
		Echo	4%	\$3,560
2032	\$0.00	County	30%	\$0.00
		Hermiston	30%	\$0.00
		Stanfield	6%	\$0.00
		Echo	4%	\$0.00



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
 For the Meeting of October 24, 2022

Title/Subject

Approval of Lease to Made to Thrive for the construction of sports fields on the front 20 acres of the EOTEC property.

Summary and Background

A community group interested in increasing the amount of field space available in Hermiston for youth sports approached the City prior to the COVID-19 pandemic about building field space on the Eastern Oregon Trade and Event Center (EOTEC) property. Discussions started then and were going in a good direction. During the pandemic discussions slowed down for obvious reasons. These talks were revived within the last year. After a positive recommendation from the EOTEC Advisory Committee at their July meeting, the community group presented at the July 25, 2022 City Council meeting and the Council authorized the group to move forward with a fundraising effort to build the sports fields.

Since that council meeting, the group began working with the local youth-focused non-profit Made to Thrive as their fiscal agent for donations. Staff has had many discussions with these stakeholders in order to develop the proposed lease. The basic terms are as follows:

- Five year term with an option for a one year extension if construction is not complete.
- Fees
 - Improvements made
 - 5% of parking fees during the term of the lease.
- Maintenance and scheduling will be done with Parks and Recreation collaborating closely with EOTEC staff (all of whom will be city staff starting January 2023).
- [Changes specifying the need to use these fields as parking during the Umatilla County Fair and other large events.](#)

Tie-In to Council Goals

15. Begin implementation of EOTEC Strategic Plan

Fiscal Information

There are no solid numbers as to the revenue these tournaments will generate.

Recommendation

Authorize signature of City Manager on lease as proposed

Propose changes to the lease and authorize signature

Direct staff to negotiate different terms and bring renegotiated lease back

Recommended Action/Motion

Authorize signature of City Manager on lease as proposed

Submitted By: Byron D. Smith

LEASE

DATE. October _____, 2022.

1. PARTIES. City of Hermiston (“CITY”, “LANDLORD”), located at 1705 E Airport Rd, Hermiston, OR 97838, (“Landlord”), and Made to Thrive, a 501c3, Domestic Non-Profit Corporation, located at 295 E Main St. Ste 1-W, Hermiston, OR 97838 (“TENANT”).

2. DESCRIPTION OF PROPERTY. Landlord leases to Tenant and Tenant leases from Landlord the 18 acre overflow parking area at EOTEC which will be named HEROS (“the Property” and “lease property”) more fully described in Exhibit “A” attached hereto and by this reference incorporated herein.

3. TERM. This Lease shall commence on October ____, 2022, and end on October ____, 2027, being five (5) years in length. Tenant shall be entitled to possession on execution of this Lease. Renewal options of up to one (1) year are available should construction not be complete and mutually agreed to by the parties.

4. RENT.

BASIC RENT. Tenant shall pay rent in the form of Tenant’s improvements to the Property, namely the construction of the HEROS Sportplex and other valuable improvements. During the term of this lease, Tenant shall pay a rent sum of ONE DOLLAR (\$1.00) per calendar year (or partial calendar year), payable no later than 10 days after the execution of the lease or renewal of said lease. At the termination of this Lease ownership of all improvements to the Property made by Tenant shall become the sole property of Landlord and Landlord shall have no obligation to reimburse Tenant for the cost of any improvements made by Tenant.

5. USE OF THE PROPERTY.

(a) PERMITTED USE. The Property shall be used by Tenant for construction of the 18 acre HEROS Sportsplex.

(b) RESTRICTIONS ON USE. In connection with the use of the Property, Tenant shall:

(1) Conform to all applicable laws and regulations of any public authority affecting the Property and the use, and correct at Tenant’s own expenses any failure of compliance.

(2) Refrain from any use which would be reasonably offensive to the Landlord or owners and users of adjoining property or which would tend to create a nuisance or damage the reputation of the Property.

(3) Refrain from any development or construction activity that would prevent the Property from being used as overflow parking for the Umatilla County Fair and Rodeo and other large events held at the Eastern Oregon Trade and Event Center (EOTEC).

6. OPERATIONS AND LANDLORD’S OBLIGATIONS. Except for Tenant’s construction activity, all other uses and activity upon the Property shall be under Landlord’s control. Landlord shall have the following specific responsibilities and obligations:

- (a) GRASS FIELDS. The Hermiston Parks & Recreation Department will be responsible for maintaining and repairing the field once the grass is established even if construction is not complete. The Hermiston Parks & Recreation Department will keep the grass fields up to a ready to play standard which may include:
 - (1) Mowing as necessary to maintain a ready to play standard.
 - (2) Fertilizing as needed to maintain a ready to play standard.
 - (3) Painting field lines on fields as needed.
 - (4) Aerating, fertilizing and overseeding (if necessary) as needed including possibly directly following the Umatilla County Fair.
 - (5) Watering as needed to maintain a ready to play standard.
 - (6) Spraying weeds as needed to maintain a ready to play standard.

- (b) TURF CARE EQUIPMENT. Turf care equipment donated by Tenant will be properly maintained by the Hermiston Parks & Recreation Department up to the manufacturer's recommendations. All equipment will be exclusively used at the Property.

- (c) GOALS, NETS, AND PLAYING EQUIPMENT. All playing equipment will be stored and maintained in the best and most efficient manner.

- (d) BUILDING, LIGHT POLES AND PERMANENT STRUCTURES. The storage building, donor wall, field lights, irrigation pumps and variable speed drives shall be kept in good repair.

- (e) SCHEDULING. All field scheduling for tournaments and events will be conducted by the Hermiston Parks & Recreation department in close communication, coordination and cooperation with CITY Staff operating EOTEC.

7. PARKING FEE INCOME. For the term of this lease, Tenant shall receive 5% of all gross income derived from parking fees charged by landlord for events and use of the Property as a sportsplex. This does not include parking income for any other purpose, such as Umatilla County Fair and Rodeo events. Tenant intends to use these funds to offset Tenant's construction-related loan interest and administration costs. Landlord shall distribute Tenant's portion of the parking fee at least annually. After the expiration of the lease, all parking fees will remain with the CITY

8. INDEMNIFICATION. Tenant shall defend, indemnify and hold Landlord harmless from any and all claims, losses, liabilities, causes of action or causes of suit arising out of or related to any construction activity of Tenant on the leased property or any condition of the leased property which is not Landlord's responsibility under this lease. This includes but is not limited to claims made by users of the leased property, employees or neighboring landowners alleging damages caused by Tenant's operation, and includes any damages caused by materials escaping from the leased Property. Landlord shall defend, indemnify and hold Tenant harmless from any and all claims, losses, liabilities, causes of action or causes of suit arising out of or related to any activity or event held or scheduled by Landlord on the leased property or any condition of the leased property which is not Tenants responsibility under this lease.

9. TENANT INSURANCE. Tenant shall maintain during the term of this lease or any renewal of it, and continue to carry the following insurance at Tenant's cost:

- (a) Liability insurance and property damage insurance with limits of not less than One Million Dollars (\$1,000,000.00) for injury per occurrence, Two Million Dollars (\$2,000,000.00) aggregate.
- (b) Such insurance shall cover all risks arising directly or indirectly out of Tenant's activities on or any condition of the leased property, shall protect Tenant and shall protect Landlord and Tenant against claims of third persons.
- (c) Tenant shall be responsible for any fire insurance Tenant wishes to have on the improvements and assets.
- (d) Waiver of Subrogation. Neither party shall be liable to the other (or to the other's successors and assigns) for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended coverage endorsement, and in the event of insured loss, neither party's insurance company shall have a subrogated claim against the other.

10. LANDLORD INSURANCE. Landlord shall maintain during the term of this lease or any renewal of it, continue to carry the following insurance at Landlord's cost:

- (a) Liability insurance and property damage insurance with limits of not less than One Million Dollars (\$1,000,000.00) for injury per occurrence, Two Million Dollars (\$2,000,000.00) aggregate.
- (b) Such insurance shall cover all risks arising directly or indirectly out of Landlord's activities on or any condition of the Property, shall protect Landlord and shall protect Landlord and Tenant against claims of third persons.
- (c) Landlord shall be responsible for any fire insurance Landlord wishes to have on the improvements and assets transferred to Landlord from Tenant.
- (d) Waiver of Subrogation. Neither party shall be liable to the other (or to the other's successors and assigns) for any loss or damage caused by fire or any of the risks enumerated in a standard fire insurance policy with an extended coverage endorsement, and in the event of insured loss, neither party's insurance company shall have a subrogated claim against the other.

11. LIABILITY TO THE THIRD PERSONS. Except with respect to activities for which Landlord is responsible, Tenant shall pay as due all claims for work done on and for services rendered or material furnished to the leased Property and shall keep the Property free from any liens.

12. QUIET ENJOYMENT. Landlord warrants that Landlord is the owner of the leased Property and has the right to lease said Property free of all encumbrances, except any encumbrance of record.

13. ASSIGNMENT AND SUBLEASE. No part of the leased property or Tenant's operations on the leased property may be assigned, mortgaged or subleased, nor may a right of use of any portion of the Property be conferred on any third person by any other means without the prior written consent of Landlord. This provision shall apply, to the extent allowed by law, to all transfer by operation of law and transfers to and by trustees in bankruptcy, receivers, administrators, executives and legatees. No consent in one instance shall prevent the provision from applying to a subsequent instance. Any such assignment, mortgage or sublease or attempted assignment, mortgage or sublease without the prior

written consent of Landlord is void and, at the option of Landlord, is an act of default in addition to those listed below.

14. TENANT'S DEFAULT. The following shall be events of default:

- (a) Failure of Tenant to comply with any term or condition or fulfill any obligation of the lease within thirty (30) days after written notice by Landlord specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the 30-day period, this provision shall be complied with if Tenant begins correction of the default within the 30-day period and thereafter proceeds with diligence and in good faith to effect the remedy as soon as practicable.
- (b) Insolvency of Tenant; an assignment by Tenant for the benefit of creditors; the filing by Tenant of a voluntary petition in bankruptcy; an adjudication that Tenant is bankrupt or the appointment of a receiver of the properties of Tenant; the filing of an involuntary petition of bankruptcy and the failure of the Tenant to secure a dismissal of the petition within thirty (30) days after filing; attachment of or the levying of execution on the leasehold interest and failure of the Tenant to secure discharge of the attachment or release of the levy of execution within ten (10) days.

15. LANDLORD'S REMEDIES ON TENANT'S DEFAULT.

- (a) RIGHT TO CURE. If Tenant fails to perform any obligation under this lease, Landlord shall have the option to do so after thirty (30) days written notice to Tenant. All of Landlord's expenditures to correct the default shall be reimbursed by Tenant on demand with interest at the maximum rate allowed by law from the date of expenditure by Landlord.
- (b) TERMINATION. In the event of default, the lease may be terminated at the option of the Landlord by notice in writing to Tenant. The notice may be given before or within thirty (30) days after the running of the grace period for default. If the Property is abandoned by Tenant in connection with a default, termination shall be automatic and without notice.
- (c) DAMAGES. Whether or not this lease is terminated by election of Landlord or otherwise, Landlord shall be entitled to recover damages from Tenant for default. However, damages shall be limited to insurance proceeds and all improvements made to the Property by Tenant.
- (d) RE-ENTRY AFTER TERMINATION. If the lease is terminated for any reason the rights and obligations of the parties shall be as follows:
 - (1) Tenant shall vacate the Property immediately, remove any property which Tenant is required to remove under this lease and perform any clean up.
 - (2) Landlord may re-enter, take possession of the Property and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages.
- (e) REMEDIES CUMULATIVE. The foregoing remedies shall be in addition to and shall not exclude any other remedy available to Landlord under applicable law.

16. LANDLORD’S DEFAULT AND TENANT’S REMEDIES. Landlord shall be in default if it fails to cure any breach of this agreement within 30 days of written notice specifying in detail the nature of the breach. Upon a default by Landlord, Tenant shall be entitled to any and all remedies available under this agreement and Oregon law and equity.

17. REPRESENTATIONS. Tenant has inspected the Property and has independently determined that the Property is suitable for its purpose. Tenant accepts the leased property, and all aspects of it, in its present condition, AS IS, including latent defects, without any representations or warranties, expressed or implied by Landlord, including any warranties or merchantability or fitness for a particular purpose.

18. COMPLIANCE WITH LAW-WASTE. Tenant shall comply with all government rules and regulations related to the leased property and Tenant’s use of the leased property. Tenant shall not commit or permit any waste or misuse of the leased property.

19. MISCELLANEOUS.

(a) NON-WAIVER. Waiver by either party of strict performance of any provision of this lease shall not be a waiver of or prejudice the party’s right to require strict performance of the same provision in the future or of any other provision.

(b) ATTORNEY FEES. If suit or action or any appeal therefrom is instituted in connection with any controversy arising out of this lease, the parties shall be responsible to pay their own attorney fees and costs associated with any suit, action or appeal. Should any dispute arise between Landlord and Tenant under this Lease then exclusive venue shall lie in the Umatilla County Circuit Court in the State of Oregon.

(c) INSPECTION OF PROPERTY. Landlord shall have the right to inspect the Property at any reasonable time or times.

(d) SUCCESSION. Subject to the above-stated limitations on transfer of Tenant’s interest, this lease shall be binding upon and ensure to the benefit of the parties, their respective successors and assigns.

(e) TIME IS OF THE ESSENCE. The parties acknowledge and agree that time is of the essence with respect to all the terms, conditions and provisions of this lease.

(f) CAPTION. The paragraph headings used herein are for convenience only and are not intended to broaden or limit the meaning of the terms used.

(g) NOTICES. Any notice required or permitted under this lease shall be given when actually delivered or when deposited in the United States mail as certified mail addressed as follows:

LANDLORD: City of Hermiston
Attn: Byron Smith, City Manager
180 NE 2nd Street
Hermiston, OR 97838

TENANT: Made to Thrive
Attn: Kriss Dammeyer, Executive Director
P.O. Box 684
295 E. Main St. Ste 1-W

Hermiston, OR 97838

or to such other address as may be specified from time to time by either of the parties in writing.

20. ENTIRE AGREEMENT. This lease embodies the whole agreement of the parties. There are no promises, terms, conditions, or obligations other than those contained herein; and this contract shall supersede all previous communications, representations, or agreements, either verbal or written, between the parties hereto. In addition, the parties specifically acknowledge and agree that the term of this lease is as set forth above and that no contract, lease or agreement exists between the parties concerning any extension, renewal, or additional lease term. The parties further agree that in the event the parties mutually agree to modify this lease in any way, said modification shall not be effective until reduced to writing and signed by both of the parties.

IN WITNESS WHEREOF, the parties have caused this Lease to be executed as of the date first written above.

<p>LANDLORD:</p> <p>City of Hermiston</p> <p>_____</p> <p>By: _____</p> <p>Its: _____</p>	<p>TENANT:</p> <p>Made to Thrive</p> <p>_____</p> <p>By: _____</p> <p>Its: _____</p>
--	---

EXHIBIT A

DESCRIPTION OF LEASED PROPERTY

The land located at EOTEC known as the overflow parking area located on the portion of Real Property identified as *Tax Lot 1400 in the SW 1/4 of the SE 1/4 in Section 13 in Township 4 North Range 28 East of the Willamette Meridian, Umatilla County, State of Oregon.*





Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of October 24, 2022

Title/Subject

September 2022 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 acceptance of the September 2022 Financial Report as presented.

Submitted By:

Mark Krawczyk

September 2022 Financial Report



Department of Finance
September 2022
(Unaudited)

FY2022-2023 Monthly Financial Report

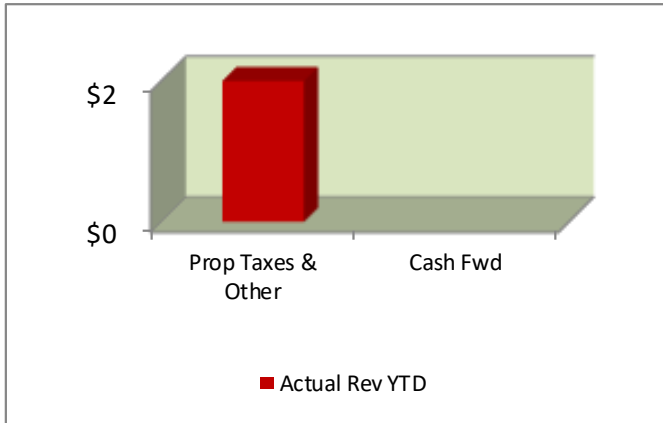
Hermiston Urban Renewal Agency (HURA)

For the Month Ending September 30, 2022

Resources

through September 30, 2022

by Category



	Annual Proj Rev	Actual Rev YTD	% Var
Prop Taxes & Other	\$ 271	2	1%
Cash Fwd	\$ 375		0%
Total	\$ 646	\$ 2	0%

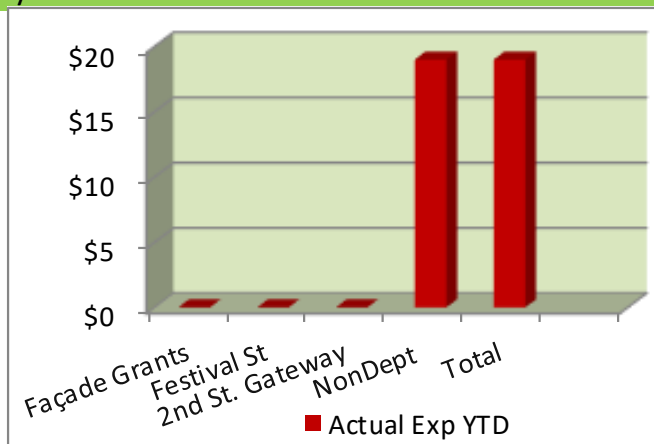
Note: Variance is calculated as % of revenue YTD

Expenditures

through September 30, 2022

by Character

(in \$1,000)



	Annual Proj Exp	Actual Exp YTD	% Var
Façade Grants	\$ 50	0	0%
Festival St	\$ 5	0	0%
2nd St. Gateway	\$ 400	0	0%
NonDept	\$ 191	19	10%
Total	\$ 646	\$ 19	3%

Note: variance is calculated as % of expenses YTD.

The FY2022-23 budget for the Urban Renewal Agency is \$ 645,662. This includes \$50,000 for Façade Grants, \$5,000 for the Festival Street, \$400,000 for construction of the 2nd Street Gateway project, and \$190,662 for Non-Departmental expenses.

Property tax revenues of \$894 were collected in September with total revenues of \$1,777 to date.

FY2022-2023 Monthly Financial Report

Section 10, Item B.

City of Hermiston, Oregon

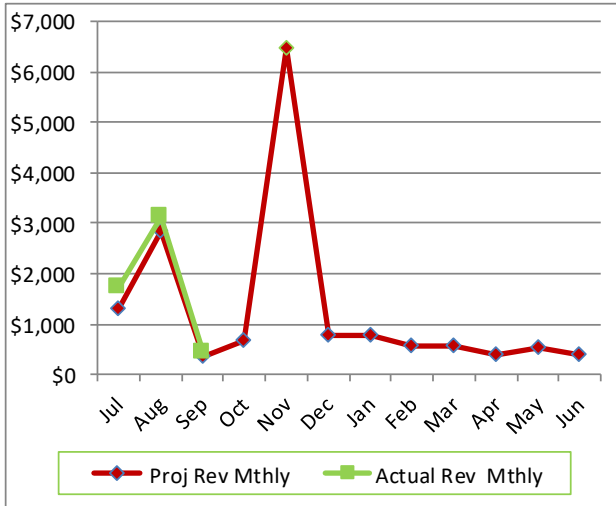
General Fund Resources

For the Month Ending September 30, 2022

General Fund Resources Summary

Through September 30, 2022

(in \$1,000)



	Proj Rev Mthly	Rev Proj	Actual Rev Mthly	Var Fav/ (Unfav)	% Var
Jul	\$ 1,298	\$ 1,298	\$ 1,731	\$ 433	33%
Aug	\$ 2,834	\$ 2,834	\$ 3,133	\$ 299	11%
Sep	\$ 342	\$ 342	\$ 445	\$ 103	30%
Oct	\$ 675	\$ 675	\$ -	\$ -	0%
Nov	\$ 6,469	\$ 6,469	\$ -	\$ -	0%
Dec	\$ 781	\$ 781	\$ -	\$ -	0%
Jan	\$ 762	\$ 762	\$ -	\$ -	0%
Feb	\$ 557	\$ 557	\$ -	\$ -	0%
Mar	\$ 573	\$ 573	\$ -	\$ -	0%
Apr	\$ 379	\$ 379	\$ -	\$ -	0%
May	\$ 544	\$ 544	\$ -	\$ -	0%
Jun	\$ 384	\$ 384	\$ -	\$ -	0%
Total YTD	15,600	15,600	5,309	835	5.4%
Cash Fwd	1,102	-	-	-	0%
Total	\$ 16,702	\$ 15,600	\$ 5,309	835	5.4%

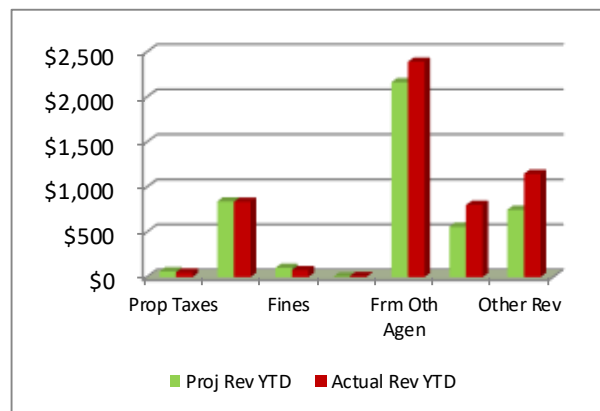
Estimated General Fund revenues for the 2022-23 fiscal year are **\$15,603,889**. Projected revenues for September were **\$341,594**, compared to actual revenues of **\$444,933**, a positive variance of **\$103,339**. The fund is currently **\$834,123** more than projected through September, or **30.1% more** than projections for the month; and **5.4% more** for the fiscal year after three months.

General Fund - All Resources

Through September 30, 2022

by Category

(in \$1,000)



	Annual Proj Rev	Proj Rev YTD	Actual Rev YTD	Var Fav/ (Unfav)	% Var
Prop Taxes	\$ 6,783	\$ 63	\$ 50	\$ (12)	-20%
Lic & Fran	\$ 1,435	\$ 839	836	(3)	0%
Fines	\$ 400	\$ 102	77	(25)	-25%
Interest Rev	\$ 15	\$ 4	10	6	164%
Frm Oth Agen	\$ 3,017	\$ 2,163	2,390	227	10%
Svc Chgs	\$ 1,904	\$ 559	800	241	43%
Other Rev	\$ 2,051	\$ 746	1,146	400	54%
Cash Fwd	\$ 1,102	\$ -	-	-	0%
Total	\$16,706	\$ 4,475	\$ 5,309	\$ 834	18.6%

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

FY2022-2023 Monthly Financial Report

Section 10, Item B.

City of Hermiston, Oregon

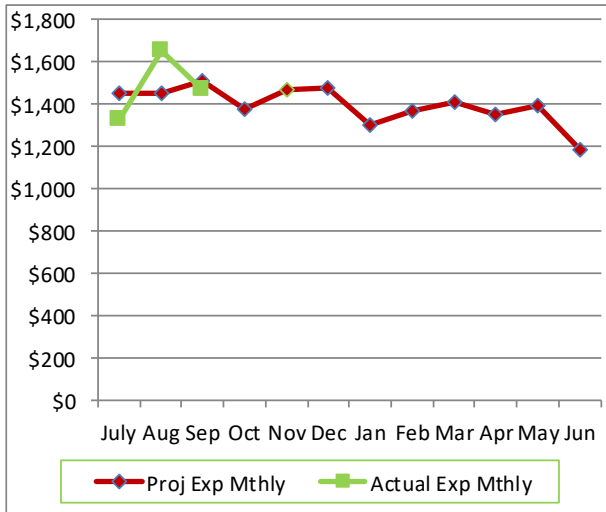
General Fund Expenditures

For the Month Ending September 30, 2022

General Fund Expenditure Summary

Through September 30, 2022

(in \$1,000)



	Proj Exp Mthly	Proj Exp	Actual Exp Mthly	Var Fav/ (Unfav)	% Var
July	\$ 1,454	\$ 1,454	\$ 1,324	\$ 130	9%
Aug	\$ 1,453	\$ 1,453	\$ 1,653	\$ (200)	-14%
Sep	\$ 1,512	\$ 1,512	\$ 1,473	\$ 39	3%
Oct	\$ 1,377	\$ 1,377		\$ -	0%
Nov	\$ 1,469	\$ 1,469		\$ -	0%
Dec	\$ 1,477	\$ 1,477		\$ -	0%
Jan	\$ 1,304	\$ 1,304		\$ -	0%
Feb	\$ 1,367	\$ 1,367		\$ -	0%
Mar	\$ 1,409	\$ 1,409		\$ -	0%
Apr	\$ 1,355	\$ 1,355		\$ -	0%
May	\$ 1,398	\$ 1,398		\$ -	0%
Jun	\$ 1,183	\$ 1,183		\$ -	0%
Total YTD	16,758	16,758	4,450	(32)	-0.2%
Contngcy		-	-	-	0%
Total	\$ 16,758	\$ 16,758	\$ 4,450	\$ (32)	-0.2%

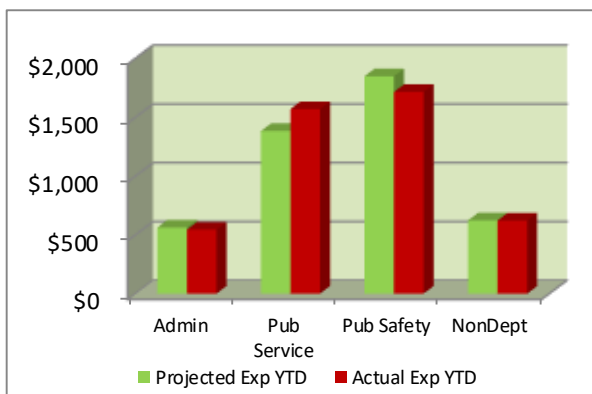
Projected General Fund monthly expenditures for September were **\$1,511,656**. Actual expenditures were **\$1,473,136**, which is **\$38,520** less than projected for a **variance of 2.5%** for the month, but only a **negative .2%** year-to-date.

General Fund Expenditures

Through September 30, 2022

by Consolidated Department

(in \$1,000)



	Annual Proj Exp	Projected Exp YTD	Actual Exp YTD	Var Fav/ (Unfav)	% Var
Admin	\$ 2,164	562	545	18	3%
Pub Service	4,985	1,384	1,569	(186)	-13%
Pub Safety	7,066	1,849	1,715	134	7%
NonDept	2,492	623	621	2	0%
Unapp	-	-	-	-	0%
Total	\$16,706	\$ 4,418	\$ 4,450	\$ (32)	-0.7%

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

FY2022-2023 Monthly Financial Report

Section 10, Item B.

General Fund Expenditure Detail

For the Month Ending September 30, 2022

General Fund Expenditures by Department

	Annual Projected			Var Fav/ (Unfav)	% Var Fav/ (Unfav)
	Exp	Projected Exp YTD	Actual Exp YTD		
City Council	67,027	39,415	25,184	14,231	36%
City Manager/Legal	1,010,363	252,591	246,768	5,823	2%
City Planning	431,372	107,843	104,269	3,574	3%
Finance	654,929	162,473	168,428	(5,955)	-4%
Total Administration	2,163,691	562,321	544,649	17,672	3%
Transportation	297,000	56,644	98,366	(41,722)	-74%
Airport	339,000	55,738	124,636	(68,898)	-124%
Bldg Inspection	600,157	147,133	132,734	14,399	10%
Parks	731,981	208,003	249,109	(41,106)	-20%
Parks/Utility Landscaping	66,861	19,268	13,005	6,263	33%
Pool	585,615	292,821	315,298	(22,477)	-8%
Municipal Buildings	145,173	36,293	37,723	(1,430)	-4%
Library	1,024,415	256,734	217,704	39,030	15%
Recreation	874,159	231,098	331,497	(100,399)	-43%
Community Center	256,122	64,640	36,808	27,832	43%
Harkenrider Center	64,064	15,312	12,532	2,780	18%
Total Public Services	4,984,547	1,383,685	1,569,412	(185,727)	-13%
Court	833,378	277,935	173,448	104,487	38%
Public Safety Center	62,000	14,800	11,253	3,547	24%
Police Operations	6,169,885	1,556,564	1,530,471	26,093	2%
Total Public Safety	7,065,263	1,849,299	1,715,172	134,127	7%
Non-Departmental	2,492,087	623,022	620,762	2,260	0%
Unappropriated	0	0	0	0	0%
Total Non-Dept	2,492,087	623,022	620,762	2,260	0%
Total	16,705,588	4,418,327	4,449,995	(31,668)	-0.7%

For August of FY2023, **Total Administration** is \$, \$17,762 less than projected for the month. **Total Public Services** is \$187,727 more than projected this month. **Public Safety** is \$134,127 less than projected for August. **Non-Departmental** is \$2,260 less than projected for the month. The total **General Fund expenses are \$31,668 more than projected (.7%)** for the first three months of FY2023.

FY2022-2023 Monthly Financial Report

Fund Balance - General Fund

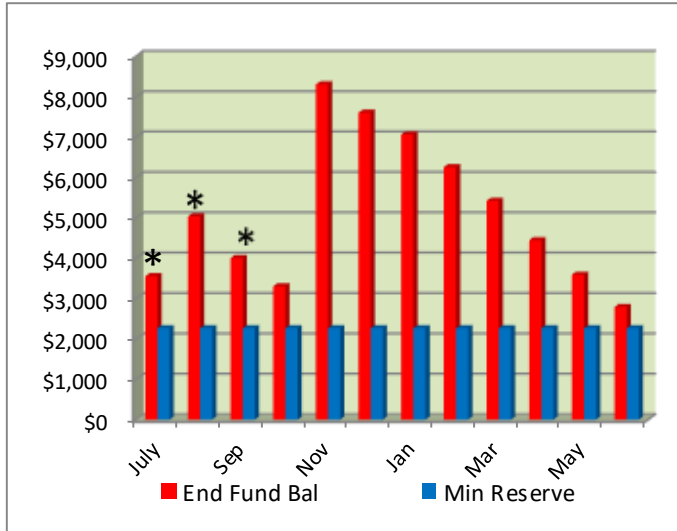
For the Month Ending September 30, 2022

General Fund

Through September 30, 2022

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	\$ 675	\$ (1,377)	\$ 3,301	PROJ
Nov	\$ 3,301	\$ 6,469	\$ (1,469)	\$ 8,301	PROJ
Dec	\$ 8,301	\$ 781	\$ (1,477)	\$ 7,604	PROJ
Jan	\$ 7,604	\$ 762	\$ (1,304)	\$ 7,063	PROJ
Feb	\$ 7,063	\$ 557	\$ (1,367)	\$ 6,252	PROJ
Mar	\$ 6,252	\$ 573	\$ (1,409)	\$ 5,416	PROJ
Apr	\$ 5,416	\$ 379	\$ (1,355)	\$ 4,440	PROJ
May	\$ 4,440	\$ 544	\$ (1,398)	\$ 3,587	PROJ
June	\$ 3,587	\$ 384	\$ (1,183)	\$ 2,788	PROJ
Total	\$ 3,144	\$ 16,433	\$ (16,789)	\$ 2,788	

The General Fund balance at the end of September for FY2023 is approximately **\$4,003,000**, which is **\$1,737,300** more than the current Minimum Reserve requirement of **\$2,264,700** (or **1.77 times** the Minimum Reserve requirement.)

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

Special Revenue Funds Report

For the Month Ending September 30, 2022

Special Revenue Funds Resources & Requirements

	2022-23		Remaining Budget
	Annual Budget	Actual YTD	
02 Bonded Debt Fund			
Resources	634,018	54,702	579,316
Expenditures	531,720	309,500	222,220
Unappropriated Balance	102,298	N/A	N/A
05 Transient Room Tax (TRT)			
Resources	998,800	308,679	690,121
Expenditures	998,800	300,216	698,584
Unappropriated Balance	-	N/A	N/A
08 Reserve Fund			
Resources	15,468,683	2,270,889	13,197,794
Expenditures	14,374,289	587,884	13,786,405
Unappropriated Balance	1,094,394	N/A	N/A
11 Miscellaneous Special Revenue			
Resources	141,000	20,088	120,912
Expenditures	141,000	32,087	108,913
Unappropriated Balance	-	N/A	N/A
19 Christmas Express Special Revenue			
Resources	35,000	-	35,000
Expenditures	30,000	-	30,000
Unappropriated Balance	5,000	N/A	N/A
20 Law Enforcement Special Revenue			
Resources	84,014	4,295	79,719
Expenditures	64,014	-	64,014
Unappropriated Balance	20,000	N/A	N/A
21 Library Special Revenue			
Resources	33,000	50	32,950
Expenditures	3,300	500	2,800
Unappropriated Balance	29,700	N/A	N/A
23 Enterprise Zone Project Fund			
Resources	1,648,699	500,000	1,148,699
Expenditures	885,325	885,325	-
Unappropriated Balance	763,374	N/A	N/A
25 EOTEC Operations			
Resources	627,793	11,680	616,113
Expenditures	627,793	128,614	499,179
Unappropriated Balance		N/A	N/A
26 IT Services			
Resources	670,800	67,860	602,940
Expenditures	670,800	147,039	523,761
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 September 30, 2022

Utility and Street Funds Report

Resources & Expenditures

	2021-22		Actual YTD	Variance	
	Annual Budget	Projected YTD		Fav/(Unfav)	% Variance
04 Street Fund					
Resources	1,843,007	451,292	382,699	(68,593)	-15%
Expenditures	1,813,007	453,252	342,137	111,115	25%
Contingency	30,000	N/A	N/A	N/A	N/A
06 Utility Fund					
Resources	11,806,391	2,693,875	3,686,564	992,689	37%
Expenditures	9,650,089	2,412,522	1,945,287	467,235	19%
Contingency	2,156,302	N/A	N/A	N/A	N/A
13 HES Fund					
Resources	12,495,134	2,452,500	2,687,047	234,547	10%
Expenditures	9,945,430	2,486,358	2,087,362	398,996	16%
Contingency	2,549,704	N/A	N/A	N/A	N/A
15 Regional Water Fund					
Resources	1,874,653	337,750	268,455	(69,295)	-21%
Expenditures	1,206,031	301,508	222,916	78,592	26%
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 **\$68,593** less than projected. Expenditures are **\$111,115** below projected.

Revenues in the **Utility Funds** are **\$992,689** above projected. Expenditures are **\$467,235** below projected.

The **HES Fund** revenue is **\$234,547** above projected. Expenditures are **\$398,996** below projected.

The **Regional Water Fund** revenues are **\$69,295** below projected. Expenditures-for July are **\$78,592** below projected.

FY2021-2022 Monthly Financial Report

Section 10, Item B.

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending September 30, 2022

	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	\$ 33,956	\$ 4,500,000	\$ 115,956	2.58%
Well #6 Backup Generator	\$ 320,000	\$ -	\$ 320,000	\$ 41,929	
N. 1st Place Water Line Replacement	\$ 100,000	\$ 21,165	\$ 800,000	\$ 47,173	5.90%
Gladys & Main Waterline Replacement	\$ 100,000	\$ 70,769	\$ 1,180,000	\$ 70,769	6.00%
Lift Station #6 Reconstruction	\$ 620,000	\$ 161,371	\$ 620,000	\$ 192,959	31.12%
McDonald's & 395 Sewer Main Replacement	\$ 330,000	\$ -	\$ 330,000	\$ 22,000	6.67%
Lift Station #3 Upgrade	\$ 550,000	\$ 73,749	\$ 900,000	\$ 432,823	48.09%
Total	\$ 6,645,000	\$ 361,010	\$ 10,150,000	\$ 934,671	9.21%

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: *City Staff began outreach to adjacent businesses along the N 1st Place route specifically to make sure everyone understands changes to be made to their parking and driveway accesses. Anderson Perry is finalizing the roadway design, with bidding anticipated to begin the first week of November, contract award at the December City Council meeting, and work to begin in early 2023.*

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: Delivery & Installation still on-track for the winter due to supply-chain issues.

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: Design work continues in conjunction with the N 1st Place Roadway Project.

FY2021-2022 Monthly Financial Report

Section 10, Item B.

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending September 30, 2022



	2022-2023 Budget	YTD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
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Lift Station #6 Reconstruction	\$ 620,000	\$ 161,371	\$ 620,000	\$ 192,959	31.12%
McDonald's & 395 Sewer Main Replacement	\$ 330,000	\$ -	\$ 330,000	\$ 22,000	6.67%
Lift Station #3 Upgrade	\$ 550,000	\$ 73,749	\$ 900,000	\$ 432,823	48.09%
Total	\$ 6,645,000	\$ 361,010	\$ 10,150,000	\$ 934,671	9.21%

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: This project is being pushed back to occur in late 2023 due to internal staff capacity. Moving the N 1st waterline project back to coincide with the N 1st roadway project will result in a large project occurring in early 2023; meanwhile, the request from Amazon Data Services to supply regional water will also result in a very large project occurring there in early/mid 2023. Delaying the Gladys & Main project will result in better oversight of the project.

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 contractor mobilized on-site the first week of August and has begun work, with closures to N 1st Place occurring for approximately 2 months.

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: Work to secure the necessary easement has hit an impasse due to the legal framework of the property ownership group, not due to any opposition by any of the individual owners. On advice of external counsel, Staff is likely to bring a condemnation request to Council in November to secure this easement.

FY2021-2022 Monthly Financial Report

Section 10, Item B.

City of Hermiston, Oregon

Utilities/Streets Capital Projects Report

For the Month Ending September 30, 2022

	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%
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Total	\$ 6,645,000	\$ 361,010	\$ 10,150,000	\$ 934,671	9.21%

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: *Boring has finally begun, and is expected to continue 24/7 until it is completed. The remaining work to decommission the liftstation itself located within the Hwy 395 right of way will be mothballed until Spring in order to accommodate closure of the paving plants for winter.*

FY2022-23 Monthly Financial Report

City of Hermiston, Oregon

Other City Capital Projects Report

For the Month Ending September 30, 2022

	2022-2023 Budget	YTD Expenditures	Project Budget	Project To-Date Expenditures	% Complete
New City Hall Construction	\$ 7,348,498	\$ 1,175,563	\$ 8,690,000	\$ 9,303,123	107.06%

New City Hall

This project encompasses the demolition of the old City Hall; the demolition of the Lanham building (to the east) for additional parking for City Hall; the construction of a new City Hall and parking lot; the complete rebuild of the "Banner Bank" parking lot across 2nd street from City Hall to the west; and the replacement of water and sewer lines in the alley from 1st street to 3rd street.

Current Update: *Project is considered substantially complete. Many punch list items have been identified. Some are being addressed. Many other items are yet to be addressed. Open house was a great success.*



Where Life is Sweet

Mayor and Members of the City Council
STAFF REPORT
For the Meeting of October 24, 2022

Title/Subject

Update on Goal Setting Report

Summary and Background

On February 2-3 of this year, the Hermiston City Council and the senior staff of the City met in a goal setting session facilitated by Sara Wilson. Nineteen goal tasks were adopted and this is an update on the progress in these areas.

I am going to update on those goals where progress is happening. If there are questions on other goal areas feel free to let me know.

- *Workforce Development.*
 - Pac/West has been helping us build relationships with groups that are working to build a training center in our region.
- *Housing*
 - Met with a new potential rental housing developer.
 - Revisiting Green property with new potential developer that has some expertise in senior housing development.
- *Wellness*
 - Preliminary conversations are being conducted with potential partners for a Health and Wellness Facility.
- *Homelessness*
 - PATH project IGA is before the council at this meeting.
 - Various other projects have been reviewed by City officials as possible local options.
- *City Facilities*
 - City Hall is occupied!!!
 - Finalized lease for construction of the grass fields at EOTEC is before the council tonight.
 - Working with stakeholders to construct barn expansions with funds from the State.
 - Plans are being made to transition EOTEC management to City.
- *Water*
 - Finalized purchase of ground water rights from the Port of Umatilla

- Beginning discussions with the Port of Umatilla on the addition of water to the Regional Water System.
- *Digital Infrastructure*
 - Completed broadband surveying. Examining funding opportunities.
- *Arts+Culture*
 - Assigned a liaison to a community group working on the idea of a Hermiston museum.
 - Working with Umatilla County to create a resource center for minority populations.
- *Advocacy*
 - Continue to work with regional, state and national partners to secure funding for City projects.

Tie-In to Council Goals

Update on said goals.

Fiscal Information

N/A

Alternatives and Recommendation

Alternatives

Recommended Action/Motion

No action is requested.

Submitted By: Byron D. Smith