



TUALATIN DEVELOPMENT COMMISSION MEETING

MONDAY, JUNE 28, 2021

JUANITA POHL CENTER
8513 SW TUALATIN ROAD
TUALATIN, OR 97062

IMMEDIATELY FOLLOWING THE 7:00PM REGULAR COUNCIL MEETING

To the extent possible, the public is encouraged to watch the meeting live on local cable channel 28, or on the City's website.

For those wishing to provide comment during the meeting, there is one opportunity on the agenda: Public Comment. Written statements may be sent in advance of the meeting to Deputy City Recorder Nicole Morris up until 4:30 pm on Monday, June 28. These statements will be included in the official meeting record, but not read during the meeting.

For those who would prefer to make verbal comment, there are two ways to do so: either by calling in using the number below or entering the meeting using the zoom link and writing your name in chat. As always, public comment is limited to three minutes per person.

Phone: +1 669 900 6833

Meeting ID: 861 2129 3664

Password: 18880

Link: <https://us02web.zoom.us/j/86121293664?pwd=SS9XZUZyT3FnMk5rbDVKN2pWbnZ6UT09>

Call to Order

Public Comment

This section of the agenda allows anyone to address the Council regarding any issue not on the agenda, or to request to have an item removed from the consent agenda. The duration for each individual speaking is limited to 3 minutes. Matters requiring further investigation or detailed answers will be referred to City staff for follow-up and report at a future meeting.

Consent Agenda

The Consent Agenda will be enacted with one vote. The Mayor will ask Councilors if there is anyone who wishes to remove any item from the Consent Agenda for discussion and consideration. If you wish to request an item to be removed from the consent agenda you should do so during the Citizen Comment section of the agenda.

1. Consideration of Approval of the Tualatin Development Commission Meeting Minutes of April 26, 2021

Public Hearings - Legislative or Other

1. Consideration of **Resolution No. 629-21** Adopting the Tualatin Development Commission Budget, and Making Appropriations for the Fiscal Year Commencing July 1, 2021

General Business

If you wish to speak on a general business item please fill out a Speaker Request Form and you will be called forward during the appropriate item. The duration for each individual speaking is limited to 3 minutes. Matters requiring further investigation or detailed answers will be referred to City staff for follow-up and report at a future meeting.

1. Consideration of **Resolution No. 627-21** of the Tualatin Development Commission Commencing the Formal Public Review Process for the Herman Road Substantial Amendment

2. Consideration of **Resolution No. 628-21** of the Tualatin Development Commission Commencing the Formal Review Process of the Southwest and Basalt Creek Development Area Plan

Adjournment

In compliance with the Americans with Disabilities Act, this meeting location is accessible to persons with disabilities. To request accommodations, please contact the City Manager's Office at 503.691.3011 36 hours in advance of the meeting



City of Tualatin

TUALATIN DEVELOPMENT COMMISSION Staff Report

TO: Honorable Chairman and Members of the Commission
THROUGH: Sherilyn Lombos, City Manager
FROM: Nicole Morris, Deputy City Recorder
DATE: June 28, 2021

SUBJECT:
Consideration of Approval of the Tualatin Development Commission Meeting Minutes of April 26, 2021

RECOMMENDATION:
Staff respectfully recommends approval of the meeting minutes.

ATTACHMENTS:

-TDC Meeting Minutes of April 26, 2021



OFFICIAL MINUTES OF THE TUALATIN DEVELOPMENT COMMISSION MEETING FOR APRIL 26, 2021

Present: Chair Frank Bubenik, Commissioner Nancy Grimes, Commissioner Bridget Brooks, Commissioner Maria Reyes, Commissioner Valerie Pratt, Commissioner Cyndy Hillier, Commissioner Christen Sacco

Call to Order

Chair Bubenik called the meeting to order at 9:44 p.m.

Public Comment

None.

Consent Agenda

Motion to adopt the consent agenda made by Councilor Grimes, Seconded by Councilor Brooks.
Voting Yea: Mayor Bubenik, Councilor Grimes, Councilor Brooks, Councilor Reyes, Councilor Pratt, Councilor Hillier, Councilor Sacco
MOTION PASSED

1. Consideration of Approval of the Tualatin Development Commission Meeting Minutes of March 22, 2021
2. Consideration of **Resolution No 626-21** Approving the Annual Financial Report for FY 2019-2020

General Business

1. Consideration of **Resolution No. 625-21** Authorizing the Administrator to Execute a Sole Source Contract with Elaine Howard Consulting, LLC

Economic Development Manager Jonathan Taylor stated this is a contract to complete the Leveton substantial amendment.

Motion to adopt Resolution No. 625-21 authorizing the Administrator to execute a sole source contract with Elaine Howard Consulting, LLC made by Councilor Grimes, Seconded by Councilor Pratt.
Voting Yea: Mayor Bubenik, Councilor Grimes, Councilor Brooks, Councilor Reyes, Councilor Pratt, Councilor Hillier, Councilor Sacco
MOTION PASSED

Adjournment

Chair Bubenik adjourned the meeting at 9:47 p.m.

Sherilyn Lombos, City Manager

_____ / Nicole Morris, Recording Secretary

_____ / Frank Bubenik, Mayor



City of Tualatin

TUALATIN DEVELOPMENT COMMISSION Staff Report

TO: Honorable Chairman and Members of the Commission
THROUGH: Sherilyn Lombos, City Manager
FROM: Don Hudson, Assistant City Manager/Finance Director
DATE: June 28, 2021

SUBJECT:

Consideration of **Resolution No. 629-21** Adopting the Tualatin Development Commission Budget, and Making Appropriations, for the Fiscal Year Commencing July 1, 2021

RECOMMENDATION:

Staff recommends adoption of the attached resolution, which includes the Budget Committee Approved Fiscal Year 2021-2022 Budget, after conducting a public hearing to consider public input.

EXECUTIVE SUMMARY:

The City of Tualatin Budget Advisory Committee approved the proposed budget on May 25, 2021. The total of the Fiscal Year 2021-2022 Budget is \$4,082,820 and is allocated between the Tualatin Development Commission Administration Fund (\$691,010), and the Leveton Tax Increment District Projects Fund (\$3,391,810). Funds will be utilized for expenditures for general operations, an analysis of potential future project areas and capital projects, as identified by the Commission.

Oregon State law requires the Commission to adopt a budget prior to July 1, 2021.

OUTCOMES OF DECISION:

By adopting the budget before July 1st, the Commission will be able to operate, expend money and incur liabilities for fiscal year 2021-2022.

ATTACHMENTS:

- Resolution No. 629-21

RESOLUTION NO. 629-21

A RESOLUTION OF THE TUALATIN DEVELOPMENT COMMISSION
ADOPTING THE TUALATIN DEVELOPMENT COMMISSION'S BUDGET,
AND MAKING APPROPRIATIONS, FOR THE FISCAL YEAR
COMMENCING JULY 1, 2021

BE IT RESOLVED BY THE TUALATIN DEVELOPMENT COMMISSION, THE
RENEWAL AGENCY OF THE CITY OF TUALATIN, OREGON, that:

Section 1. The Board of Commissioners of the Tualatin Development
Commission hereby adopts the Budget approved by the Budget Committee for fiscal
year 2021-2022 in the total sum of \$4,082,820 now on file at the City Offices.

Section 2. The amounts for the fiscal year beginning July 1, 2021, and for the
purposes shown below, are hereby appropriated:

TUALATIN DEVELOPMENT COMMISSION ADMINISTRATION FUND

Material & Services	\$ 436,600
Transfers	187,530
Contingency	66,880

Total TDC ADMINISTRATION FUND Appropriation\$ 691,010

LEVETON TAX INCREMENT DISTRICT - PROJECT FUND

Transfers	\$ 381,810
Capital Outlay	3,010,000

Total LEVETON TAX INCREMENT DISTRICT
PROJECT FUND Appropriation\$ 3,391,810

TOTAL TUALATIN DEVELOPMENT COMMISSION BUDGET\$ 4,082,820

Section 3. This resolution is effective upon adoption.

INTRODUCED AND ADOPTED this 28th day of June, 2021.

TUALATIN DEVELOPMENT COMMISSION, the
Urban Renewal Agency of the City of Tualatin

BY _____
Chair

APPROVED AS TO FORM:

ATTEST:

BY _____
Attorney

BY _____
Administrator



City of Tualatin

TUALATIN DEVELOPMENT COMMISSION Staff Report

TO: Honorable Chairman and Members of the Commission
THROUGH: Sherilyn Lombos, City Manager
FROM: Jonathan Taylor, Economic Development Manger
DATE: June 28, 2021

SUBJECT:

Consideration of Resolution 627-21 of the Tualatin Development Commission commencing the formal public review process for the Herman Road Substantial Amendment.

RECOMMENDATION:

Approve

EXECUTIVE SUMMARY:

Background:

On October 28, 2019, City Council directed staff to identify potential projects for the Leveton District to fully expend remaining funds with the goal of terminating the District Plan. City Council requested input from District businesses on areas of concern or project ideas that remaining funds could be used for. Area business identified projects and concerns in two key areas: transportation and workforce mobility.

On February 8, 2021, City Staff presented to Council three proposed projects. Future urban renewal planning, rapid cross walk beacons, and incorporate the Herman Road Extension project. The future urban renewal planning and rapid cross walk beacons required a minor amendment which was approved on March 22, 2021 by Resolution 624-20. The inclusion of Herman Road Extension Project requires a substantial amendment.

Substantial Amendments

A substantial amendment to an urban renewal plan is based on two factors: expansion of the area boundaries greater than 1% or an increase in maximum indebtedness. The substantial amendment is a multi-step process beginning with an approval by the Tualatin Development Commission, a 45-day consult and confer with area taxing entities, conference with Washington County, a public hearing, and final approval by the Tualatin City Council. In 1989, the City of Tualatin added an additional 33.3 acres to the Leveton Tax Increment District, exceeding 1% of area boundary. Any addition, no matter the size, would require a substantial amendment.

Herman Road Project

Identified in the Transportation Systems Plan, this proposed project will add a sidewalk/path on the north side, bike lanes on both sides, fix the drainage issues, and add a center turn lane at the industrial driveway of Herman Road. It is currently funded through preliminary design. The current budgeted cost is \$2,905,000 and will be administered by the City of Tualatin Community Development and Public Works Departments.

Herman Road Project Update – June 2021

The design team has surveyed existing topographic conditions, surveyed residents and businesses, and formed a citywide project charter team. Conceptual design options were developed based on community and charter team input, transportation needs, and the available space for the roadway and sidewalk. The design team held a virtual open house to listen to community perspective on the conceptual designs, identified a recommended design, and confirmed it with the charter team. The recommended conceptual design.

The next step is to advance the recommended conceptual design to engineered preliminary plans, including coordinating that design with environmental agencies and the railroad, working towards final design and eventual construction. An intergovernmental agreement between the Tualatin Development Commission and the Tualatin City Council for project management services by City Staff will be drafted for consideration in Fall 2021.

2021 Report Accompanying the Leveton Tax Increment Plan

The Report Accompanying the Leveton Tax Increment Plan (Report) contains background information and project details that pertain to the Leveton Tax Increment Plan (Plan) passed in 2002. The Report is not a legal part of the Plan but is intended to provide public information and support the findings made by the Tualatin Development Commission as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.087, including financial feasibility. The Report accompanying the Plan contains the information required by ORS 457.087, including:

- 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 457.087(8))
- A relocation report. (ORS 457.087(9))

Formal Review Process

Upon the adoption of the resolution, the Tualatin Development Commission will begin the required procedural process as required by ORS.

1. Tualatin Development Commission Authorizes Substantial Amendment Public Review Process(June 28, 2021)
2. Referral of Proposed Amendment to Tualatin Planning Commission (July 15, 2021)
3. Consult and Confer with Affected Taxing Districts (45 days)
 - a. The substantial amendment and urban renewal report must be sent to any tax district affected by the urban renewal effort.
4. Washington County Briefing
5. Tualatin City Council Public Hearing

6. Consideration of Substantial Amendment by City Council

- a. Unlike a minor amendment resolution approved by the Tualatin Development Commission, a substantial amendment is adopted by the governing body of the municipality by ordinance.

OUTCOMES OF DECISION

The approval of the resolution will commence the formal review process for the Herman Road extension. The Tualatin Development Commission will send the substantial amendment to the Tualatin Planning Commission and to the impacted taxing districts. Washington County will consider a Resolution for approval, and a public hearing will be conducted by the Tualatin City Council after which they will consider adopting plan approval ordinance.

ALTERNATIVES TO RECOMMENDATION:

None.

FINANCIAL IMPLICATIONS:

None

ATTACHMENTS: ENSURE VERBIAGE MATCHING

- Resolution 627-21
- Report Accompanying the Leveton Tax Increment Plan
- Leveton Tax Increment Plan 11th Amendment
- Herman Road Conceptual Design

RESOLUTION NO. 627-21

A RESOLUTION OF THE TUALATIN DEVELOPMENT COMMISSION
COMMENCING THE FORMAL REVIEW PROCESS FOR THE HERMAN
ROAD SUBSTANTIAL AMENDMENTS.

WHEREAS, the Tualatin Development Commission is an urban renewal agency of the City of Tualatin and organized under the provisions of ORS Chapter 457;

WHEREAS, the Tualatin City Council adopted the Leveton Tax Increment Plan on August 12, 1985 and which has been amended over time;

WHEREAS, under the provisions of ORS Chapter 457, a substantial amendment is required for any district expansion greater than 1% of the original plan boundary;

WHEREAS, the Tualatin Development Commission added an additional 33.3 acres in 1989 exceeding 1% of the original plan boundary,

WHEREAS, under the Leviton Tax Increment Plan, a new project that exceeds \$500,000 may be added as a substantial amendment that serves or performs a function specified in the Plan;

WHEREAS, the Tualatin Development Commission wants to add 7.88 acres of Herman Road to the Leveton Tax Increment District Urban Renewal Plan to authorize funding for the Herman Road Extension Project;

WHEREAS, the Herman Road Extension Project will improve bike lanes, sidewalks, and transit stops along Herman Road between the employment district, neighborhoods, and downtown. The project will improve safety and mobility for all roadway users along Herman Road where currently, bicycles, pedestrians, automobiles, transit, and trucks share two 12-foot vehicle travel lanes because there are no bike lanes or sidewalks. The project will add buffered bike lanes and other "Active Transportation" components where there are existing sidewalks and bike lanes;

WHEREAS, the project meets *Goal 3: Traffic and Transportation* of the Leveton Tax Increment Plan adopted in 2002.

WHEREAS, a substantial amendment to an existing plan must meet the procedural requirements by ORS 457 with adoption by the Tualatin City Council by ordinance.

WHEREAS, The Tualatin Development Commission wishes to commence the formal review process of the proposed substantial amendment as outlined by the procedural requirements of ORS 457.

NOW THEREFORE, BE IT RESOLVED BY THE TUALATIN DEVELOPMENT COMMISSION, that:

Section 1. The Tualatin Development Commission directs staff to commence the formal public review process of the Herman Road Substantial Amendment to the Tualatin Leveton Tax Increment Plan

Section 2. The 11th Amendment (Exhibit A) and the Report Accompanying the Leveton Tax Increment Plan (Exhibit B) will be forwarded to the Tualatin City Council for a public hearing on August 9, 2021.

Section 3. This resolution is effective upon adoption.

ADOPTED by the Tualatin Development Commission this 28th day of June, 2021.

TUALATIN DEVELOPMENT
COMMISSION

BY _____
Chair

APPROVED AS TO FORM

BY _____
Attorney

ATTEST:

BY _____
Executive Director

**EXHIBIT A
RESOLUTION NO. 627-21**

Leveton Tax Increment Plan 11th Amendment

The following changes are made in the Leveton Tax Increment Plan. Added language is shown in *italics*.

B. GOALS AND OBJECTIVES

1. GOALS AND OBJECTIVES OF THE LEVETON TAX INCREMENT PLAN

Goal 3: Improved Traffic and Transportation

Objectives:

- e. *Extend Herman Road within the District*

2. RELATIONSHIP TO LOCAL OBJECTIVES

- b. Traffic and Transportation

The Tualatin Comprehensive Plan section that pertains to this project is:

ECONOMY, COMMERCIAL, & INDUSTRIAL DEVELOPMENT

Plan Details

GOAL 4.2

Encourage new industrial development in ways that strengthen the local tax base and support Tualatin's industrial lands as a major local and regional employment center.

POLICY 4.2.2 Fully develop planned industrial areas, providing full transportation, sewer, and water services prior to or as development occurs.

Finding: *The transportation project in the Plan is intended to directly support the industrial lands in the District and provide connections to residential and commercial lands in Tualatin. The project is in conformance with the Economy, Commercial & Industrial chapter of the Comprehensive Plan.*

C. DESCRIPTION OF PROJECT

Leveton Sector

1. Transportation Access

The extension of Herman Road will improve the bike lanes, sidewalks, and transit stops along Herman Road between the employment district, neighborhoods, and downtown. It will also improve safety and mobility for all roadway users along Herman Road.

D. OUTLINE OF PROJECT ACTIVITIES

1. Public Improvements

a. Road Improvements

- *The Herman Road project is to widen from Tualatin Road to Teton Road. Improve bike lanes, sidewalks, and transit stops along Herman Road between the employment district, neighborhoods, and downtown. The project will improve safety and mobility for all roadway users along Herman Road where currently, bicycles, pedestrians, automobiles, transit, and trucks share two 12-foot vehicle travel lanes because there are no bike lanes or sidewalks. The project will add buffered bike lanes and other Active Transportation components where there are existing sidewalks and bike lanes.*

EXHIBIT B
RESOLUTION 627-21

Report Accompanying the
Leveton Tax Increment Plan DRAFT



City of Tualatin

LIST OF PARTICIPANTS

City Council/ Tualatin Development

Commission

Mayor / Chair

Frank Bubenik

City Council / Commissioners

Nancy Grimes, Council President

Maria Reyes

Christen Sacco

Bridget Brooks

Cyndy Hillier

Valerie Pratt

Planning Commission

Bill Beers, Chair

Alan Aplin

Mona St. Clair

Daniel Bachhuber

Ursula Kuhn

City of Tualatin Staff

Sherilyn Lombos, City Manager

Don Hudson, Assistant City

Manager/Finance Director

Jonathan Taylor, Economic Development

Manager

Kim McMillian, Community Development

Director

Steve Koper, Assistant Community

Development Director/Planning Manager

Elaine Howard Consulting, LLC

Elaine Howard, Scott Vanden Bos

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INTRODUCTION

The Report Accompanying the Leveton Tax Increment Plan (Report) contains background information and project details that pertain to the Leveton Tax Increment 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 Tualatin City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.087, including financial feasibility. The Report accompanying the Plan contains the information required by ORS 457.087, including:

- 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 457.087(8))
- A relocation report. (ORS 457.087(9))

The relationship of the sections of the Report and the ORS 457.087 requirements is shown in Table 1. The specific reference in the table below 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)	X
ORS 457.087 (2)	XI
ORS 457.087 (3)	II
ORS 457.087 (4)	III
ORS 457.087 (5)	VI
ORS 457.087 (6)	IV,V
ORS 457.087 (7)	IV,V
ORS 457.087 (8)	VIII
ORS 457.087 (9)	XII

The Report provides guidance on how the Plan might be implemented. As the Tualatin Development Commission (TDC) reviews revenues and potential projects each year, it has the authority to make adjustments to the implementation assumptions in this Report. The TDC may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different timeframes than projected in this Report, and make other adjustments to the financials as determined by the TDC. The TDC may also make changes as allowed in the Amendments section of the Plan. These adjustments must stay within the confines of the overall maximum indebtedness of the Plan.

Figure 1- Leveton Tax Incement District Boundary Expansion

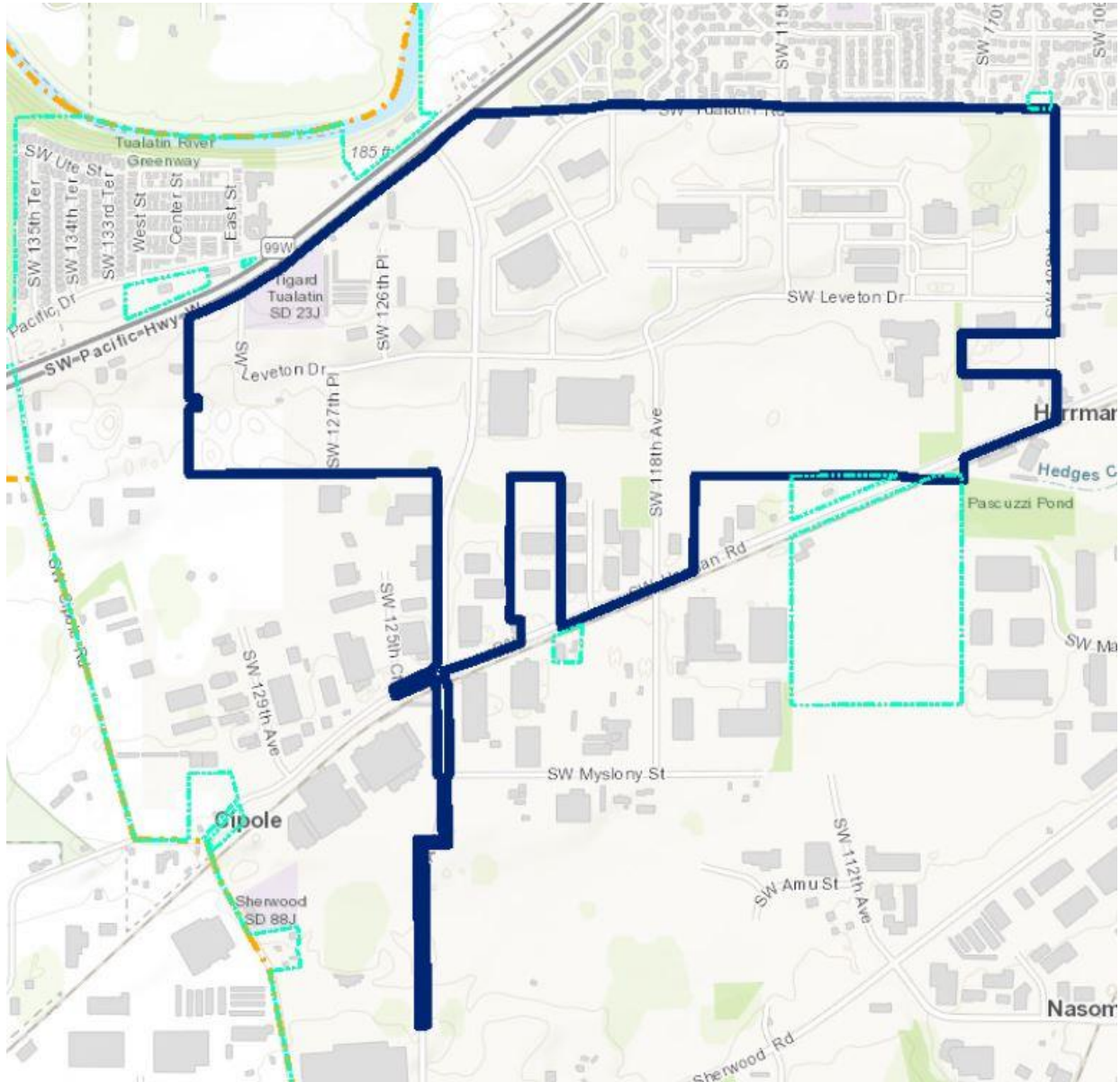
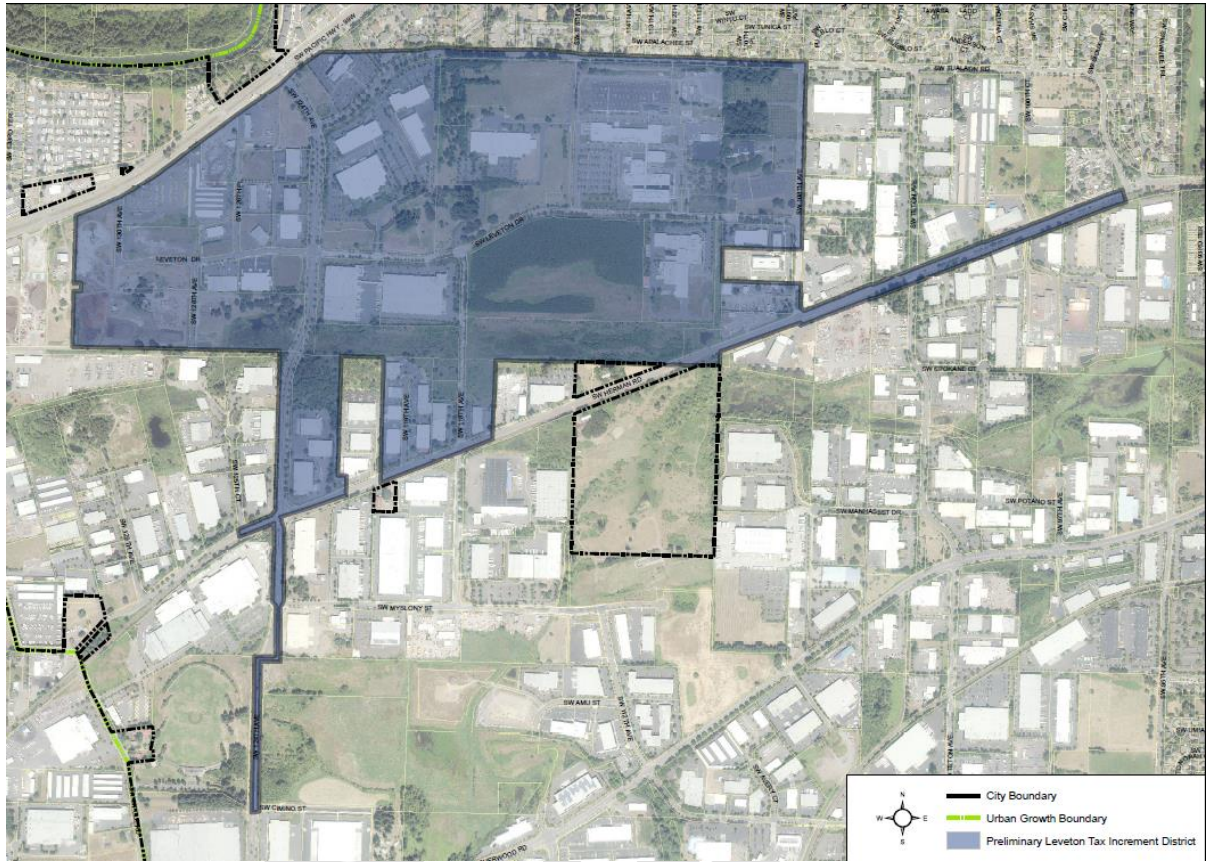


Figure 1- Leveton Tax Incement District Boundary Expansion



DRAFT

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 in the 11th Amendment are described below, including how they relate to the existing conditions in the Area.

Transportation

The following information for the Herman Road project to widen from Tualatin Road to Teton Road comes from the CIP, p 124.

DESCRIPTION:

Improve bike lanes, sidewalks, and transit stops along Herman Road between the employment district, neighborhoods, and downtown. Improve safety and mobility for all roadway users along Herman Road where currently, bicycles, pedestrians, automobiles, transit, and trucks share two 12-foot vehicle travel lanes because there are no bike lanes or sidewalks. Add buffered bike lanes and other “Active Transportation” components where there are existing sidewalks and bike lanes.

PROJECT SCOPE:

The total project cost includes project development, engineering, environmental permitting, right of way acquisition and construction.

EXISTING CONDITIONS/HISTORY:

This project will enable pedestrians and bicyclist to travel in a safer environment than they currently do when sharing two 12-foot travel lanes with cars, trucks, and buses. Adding sidewalks and bike lanes where they do not currently exist and providing buffered bikes lanes along the rest of the corridor will provide a safer more comfortable environment.

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

The total cost estimate for the Herman Road project is shown in Table 2 below. This estimate is from the *City of Tualatin Capital Improvement Plan* (p 103). The portion of this projects paid for by urban renewal must fit within the remaining maximum indebtedness and funds remaining in the Leveton Project Fund.

Table 2 - Estimated Cost of Each Project as Compared to Total Cost

Project Title	Total Estimated Cost from CIP	
Herman Road Extension	FY 2023/24	\$780,000
	FY 2024/25	\$2,415,000

Source: City of Tualatin

FINANCIAL ANALYSIS OF THE PLAN

The TDC has approved a budget to allow for the completion of the projects using existing funding in the Leveton Project Fund. There will be no new impacts on taxing districts and no need to borrow additional funds to complete this project. The budget for FY 21-22 for the Leveton Projects Fund has \$3,391,810 in resources and \$3,391,810 in expenditures including \$3,010,000 for the Herman Road project.

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

The Area terminated taking division of tax revenues from the Washington County Assessor in FY 2010. There are still remaining funds in the Leveton Projects Fund. The \$3,195,000 of revenues required for the Herman Road project are not new tax increment revenues, but revenues within the Leveton Projects Fund. The budget for FY 21-22 for the Leveton Projects Fund has \$3,391,810 on resources and \$3,391,810 in expenditures including \$3,010,000 for the Herman Road project. There are no existing long term indebtedness commitments in the Area.

THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

Estimated completion dates for the project is in FY 2022/2023.

The TDC may change the completion dates in their annual budgeting process or as project decisions are made in administering the Plan.

REVENUE SHARING

Since the URA is no longer taking division of tax revenues, there is no revenue sharing for this URA.

IMPACT OF THE TAX INCREMENT FINANCING

The impact of tax increment financing on overlapping taxing districts is not relevant to this Amendment. The Leveton Tax Increment District is no longer taking division of taxes. If this project is not pursued, these funds could be used for other specified urban renewal projects.

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. This limitation pertains to urban renewal areas that are taking division of tax revenues as stipulated in ORS 457.420(2)(b)(A). This urban renewal area is no longer taking division of tax revenues. The City is considering another urban renewal area, and the report on that urban renewal area will address relevant compliance with statutory limits on assessed value and acreage.

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

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

Physical Conditions

1. Land Use

The Area is composed of 57 individual parcels encompassing 351.16 acres in parcels. The City of Tualatin database was used to determine the land use designation of parcels in the Area. Thirteen of the parcels are classified as non-profit or government uses and are tax exempt. By acreage, Commercial uses account for the most prevalent land use within the Area (53.18%). This was followed by Industrial uses (32.22%). Detailed land use designations in the Area can be seen in Table 3.

Table 3 - Land Use in the Area

Land Use	Parcels	Acreage	Percent of Acreage
Commercial	36	186.74	53.18%
Industrial	7	113.13	32.22%
Exempt	11	35.84	10.20%
Multi-Family	1	10.21	2.91%
Miscellaneous	2	5.24	1.49%
TOTAL:	57	351.16	100%

Source: Compiled by Elaine Howard Consulting, LLC with data from the City of Tualatin

2. Comprehensive Plan and Zoning Designations

In Tualatin, there is a one map system. The most prevalent comprehensive plan designation by acreage in the Area is Manufacturing Park (69.96%). The second most prevalent comprehensive plan designation in the Area is Light Manufacturing (18.51%). Detailed comprehensive plan designations in the Area can be seen in Table 4 – Comprehensive Plan and Zoning Designations in the Area.

Table 4 – Comprehensive Plan and Zoning Designations in the Area

Comprehensive Plan	Parcels	Acreage	Percent of Acreage
Manufacturing Park	24	245.66	69.96%
Light Manufacturing	21	64.99	18.51%
General Manufacturing	10	23.11	6.58%
General Commercial	2	17.40	4.96%
TOTAL:	57	351.16	100%

Source: Compiled by Elaine Howard Consulting, LLC with data from the City of Tualatin

Infrastructure

This section identifies the existing conditions in the Area to assist in **establishing blight in the ordinance adopting the Tax Increment Plan.** The blighting condition is the “the existences of inadequate streets and other rights of way, open spaces and utilities” (ORS457.010 (1)(e)).

1. Transportation

The *City of Tualatin Capital Improvement Plan* has identified the Herman Road Extension project as a needed improvement. (CIP p 124)

DESCRIPTION:

Improve bike lanes, sidewalks, and transit stops along Herman Road between the employment district, neighborhoods, and downtown. Improve safety and mobility for all roadway users along Herman Road where currently, bicycles, pedestrians, automobiles, transit, and trucks share two 12-foot vehicle travel lanes because there are no bike lanes or sidewalks. Add buffered bike lanes and other Active Transportation components where there are existing sidewalks and bike lanes.

PROJECT SCOPE:

The total project cost includes project development, engineering, environmental permitting, right of way acquisition and construction.

EXISTING CONDITIONS/HISTORY:

This project will enable pedestrians and bicyclist to travel in a safer environment than they currently do when sharing two 12-foot travel lanes with cars, trucks, and buses. Adding sidewalks and bike lanes where they do not currently exist and providing buffered bikes lanes along the rest of the corridor will provide a safer more comfortable environment.

Social Conditions

There is only one lot with residential use in the Area. The area is an employment area for the City of Tualatin providing 7,500 jobs with an average wage of \$98,000.

Economic Conditions

1. 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.

Table 5 shows the improvement to land ratios (I:L) for properties within the Area. There are 11 parcels listed as Exempt from taxation, so they have no assessed value. No improvement value means there are no taxable structures on the tax lot. Overall, the Area is significantly developed.

Table 5 - Improvement to Land Ratios in the Area

Improvement to Land (I:L) Ratio	Parcels	Acreage	Percent of Acreage
Exempt	11	35.84	10.20
No Improvement Value	11	103.98	29.61
0.01-0.50	4	5.98	1.70
0.51-1.00	2	19.35	5.51
1.01-1.50	3	28.79	8.20
1.51-2.00	2	28.68	8.17
2.01-2.50	4	49.38	14.06
2.51-3.00	1	1.06	0.30
3.01-4.00	6	28.66	8.16
> 4.00	13	49.44	14.08
TOTAL:	57	351.16	100.00

Source: Compiled by Elaine Howard Consulting, LLC with data from the city of Tualatin

Impact on Municipal Services

There is no fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) as the Area is no longer taking division of tax revenues. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The project being considered for future use of urban renewal funding is a transportation improvement project. The use of funds in the Leveton Projects Fund allows the city to add an additional funding source to the City of Tualatin general fund or system development charges funds to allow these projects to be completed.

REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

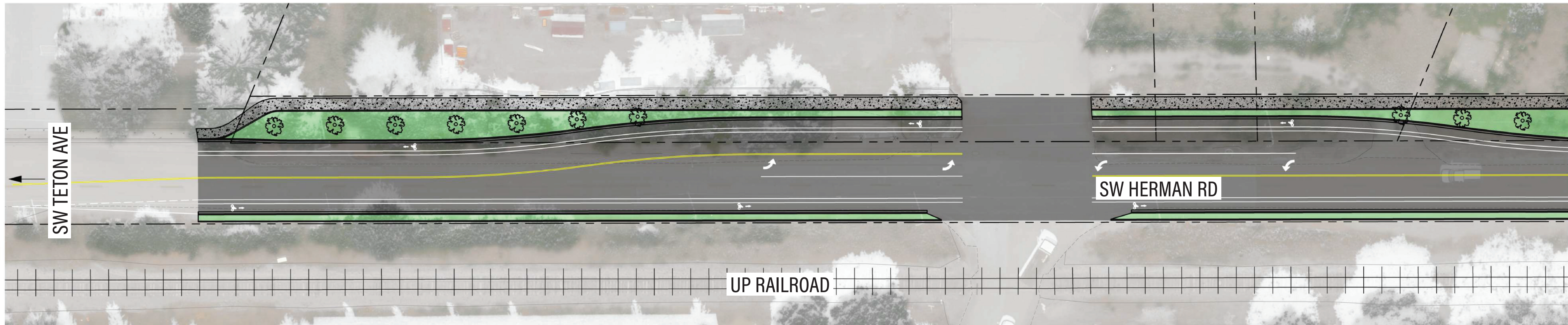
The reason for selecting the Area is to provide the ability to fund projects and programs necessary to cure blight within the Area.

RELOCATION REPORT

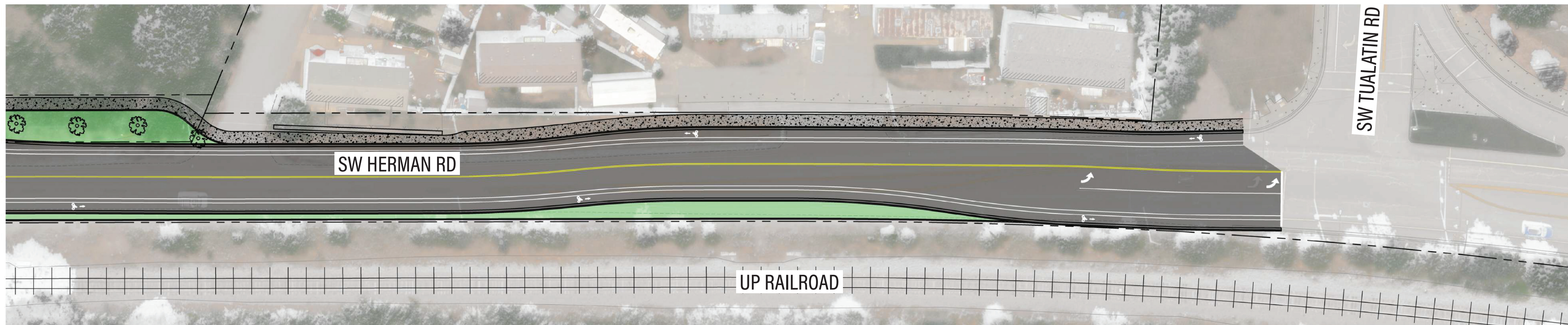
No relocation is expected from the added project in this amendment. If the TDC acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the TDC shall adopt rules and regulations, as necessary, for the administration of relocation assistance. The TDC will comply with all applicable state law in providing these potential benefits.

HERMAN ROAD IMPROVEMENTS CONCEPT PLAN



4.9.2021

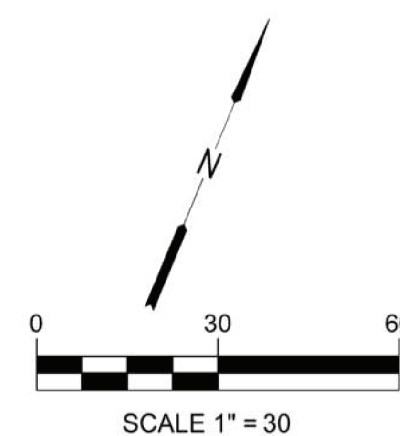


Industrial
Property Section



Willow Glen
Mobile Home
Park Section

LEGEND	
	Landscape/Storm Planter Area
	Sidewalk



City of Tualatin Urban Renewal Agency



Leveton Tax Increment Plan Substantial Amendment

Role of Agency

Plan preparation update

Boundary

Projects

Finances

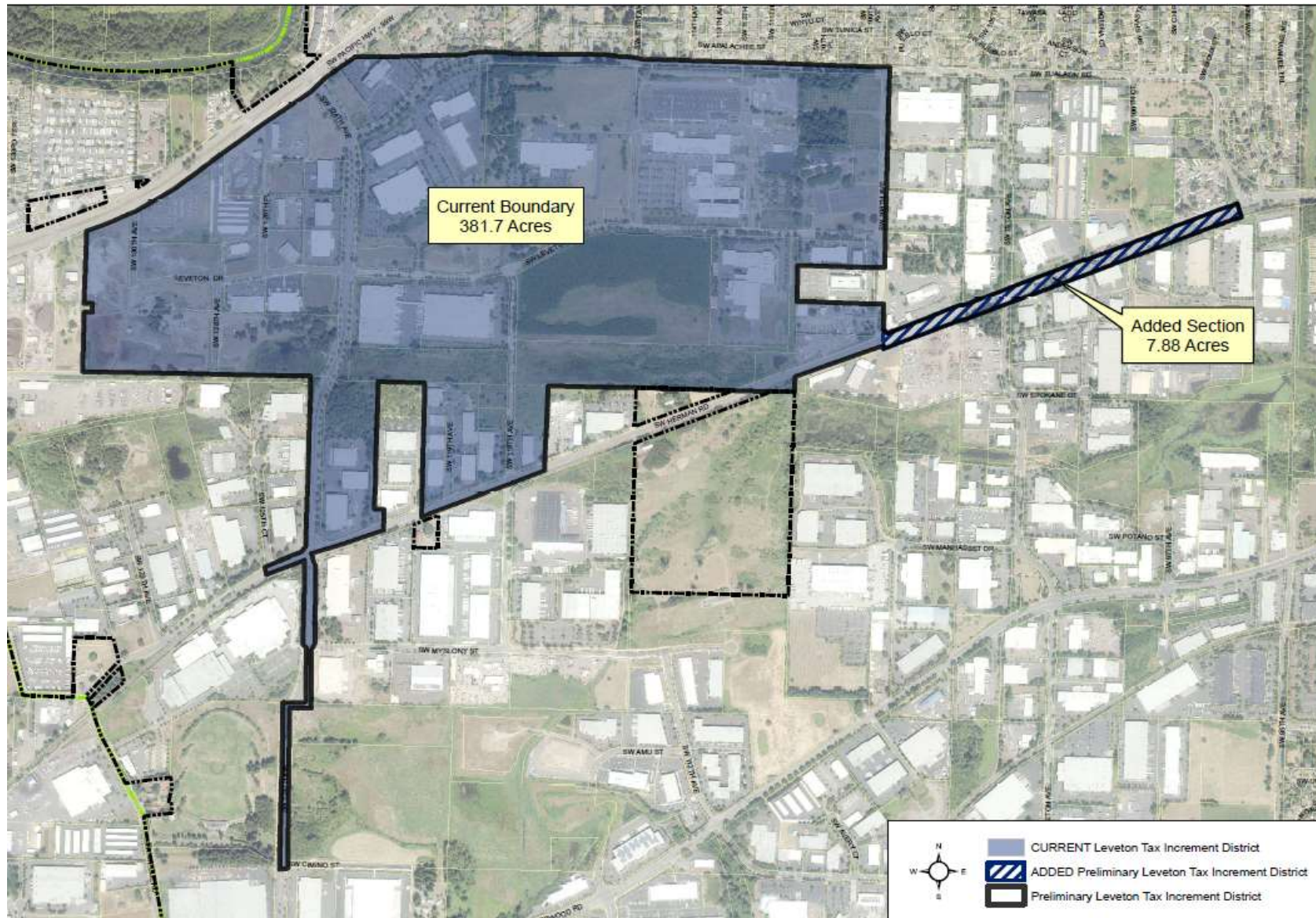
Washington County

Impact on Taxing Districts

Next Steps



Leveton Tax Increment District with Expansion





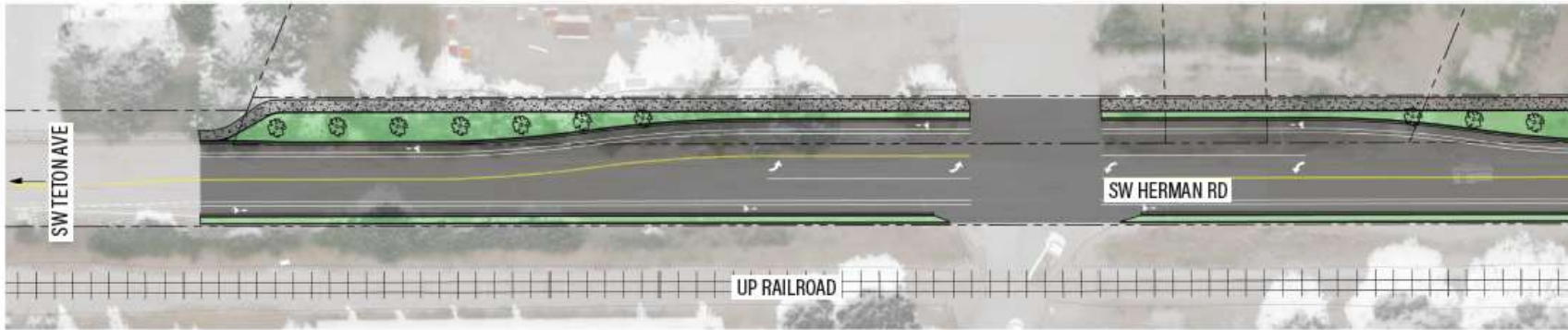
CITY OF
TUALATIN OREGON

PREPARED BY:



4.9.2021

HERMAN ROAD IMPROVEMENTS CONCEPT PLAN

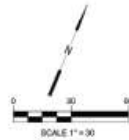


Industrial
Property Section



Willow Glen
Mobile Home
Park Section

LEGEND	
	Landscape/Storm Planter Area
	Sidewalk



NEXT STEPS

Mail Taxing District Letters
Briefing Washington County
Public Input
Tualatin Planning Commission
Tualatin City Council Hearing
Tualatin City Council Vote On Ordinance

June 29, 2021
August 3, 2021
July 2021 Online
July 15, 2021
August 9, 2021
August 23, 2021



City of Tualatin

TUALATIN DEVELOPMENT COMMISSION Staff Report

TO: Honorable Chairman and Members of the Commission
THROUGH: Sherilyn Lombos, City Manager
FROM: Jonathan Taylor, Economic Development Manager
DATE: June 28, 2021

SUBJECT:

Consideration of Resolution 628-21 of the Tualatin Development Commission Commencing the Formal Review Process of the Southwest and Basalt Creek Development Area Plan

RECOMMENDATION:

Staff recommends that the Development Commission approve Resolution 628-21.

EXECUTIVE SUMMARY:

Background:

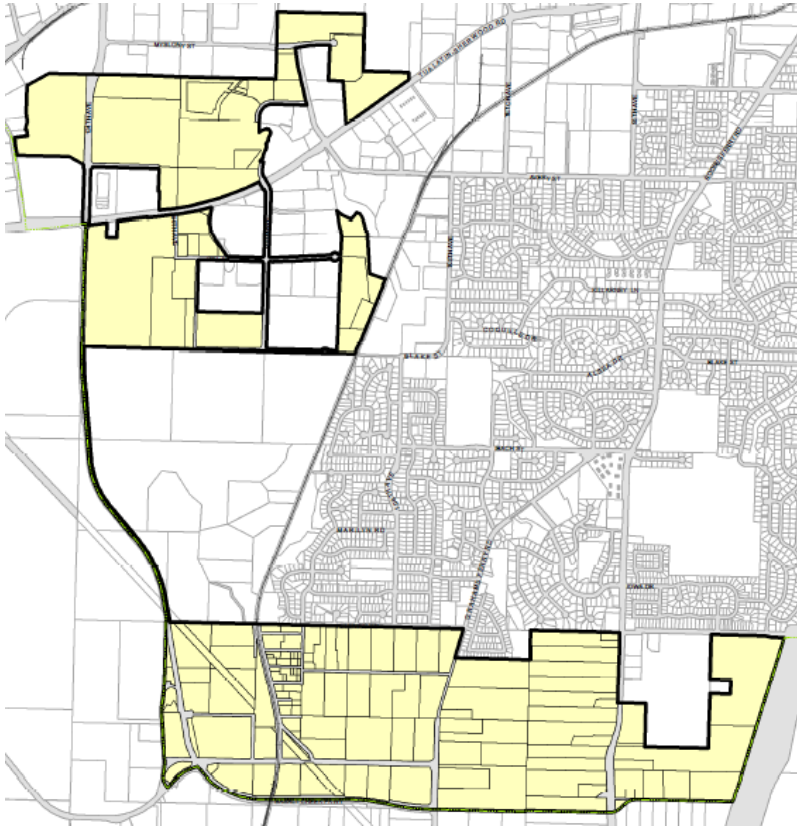
On September 28, 2020, the Tualatin City Council was presented the Proposed Study Area 1 Feasibility Study. The study indicated the total potential tax increment financing (TIF) revenue over a 30-year period is estimated to be between \$28.4 million and \$55.5 million, depending on the future growth in assessed value in the Southwest and Basalt Creek Development Area. Three growth scenarios were analyzed as described in the attached feasibility study. The growth scenarios would support a total maximum indebtedness (i.e., the total principal amount of projects to be funded) between \$24.5 million and \$48.7 million. When accounting for inflation and adjusting the maximum indebtedness to be reported in constant 2020 dollars, the forecast for the true financial capacity of the URA was projected to be between \$13.6 million and \$26.2 million.

The results of the feasibility study have the following key implications:

- Urban renewal could generate significant financial capacity for the Basalt Creek Area and Southwest Industrial Area in the City of Tualatin, including funding for up to \$26.2 million of projects. This funding could pay for significant infrastructure improvements and other high priority economic development projects in this area.
- This financial capacity would not be available immediately, but would build slowly over time. As an example, the soonest the City could adopt an urban renewal plan would be in calendar year 2021, which would result in the Urban Renewal Agency first receiving tax increment revenue in Fiscal Year 2023. Over the first five years of the District (from FY 2023 through FY 2027), annual tax increment revenue is projected to grow to \$400,000. This revenue stream (when combined with financing options, and adjusting for inflation) is projected to support funding for less than \$2 million of projects during this time period. Thus, long-term financial capacity does not necessarily translate into substantial short-term financial capacity.
- Past planning efforts for the Basalt Creek and Southwest Industrial Area have identified key infrastructure projects that are needed in the area. Because of these past planning efforts, there is a clear vision and specific list of projects that could be funded with urban renewal. An urban renewal plan for the Basalt Creek and Southwest Industrial Area could likely gather sufficient public input

through the typical urban renewal planning process, which includes input from an advisory committee.

Proposed Urban Renewal Boundary



Plan Goals

The goals of the Plan represent its basic intents and purposes.

Goal 1: Public Involvement

Implement community involvement practices.

Goal 2: Employment Land Development

Encourage land development that provides high density employment opportunities. Encourage land development in ways that strengthen the local tax base and support Tualatin's employment lands as a major local and regional employment center. Manage land development impacts to the environment and other uses.

Goal 3: Transportation Infrastructure

Maintain and enhance the transportation system to reduce travel times, provide travel-time reliability, provide a functional and smooth transportation system, and promote access and safety for all users. Allow for a variety of alternative transportation choices for residents of and visitors to Tualatin to support a high quality of life and community livability. Support local employment, local businesses, and a prosperous community while recognizing Tualatin's role in the regional economy.

Goal 4: Utility Infrastructure

Provide public services and facilities to meet the present and future needs of the Area.

Goal 5: Developer Assistance and Incentives

Facilitate development and redevelopment on sites in the Area, stimulating growth, providing new employment opportunities and an increased tax base in the Area. Assist in the provision of infrastructure to support the development of additional housing options in the Area.

District 1 Urban Renewal Task Force

District 1 Urban Renewal Task Force (Task Force) was created by Resolution 622-20 by the Tualatin Development Commission tasked with: A. Review the proposed urban renewal plan boundary and make recommendations for size and location of District 1; B. Identify and recommend projects in the proposed area; and C. Review financial analysis and impacts of the proposed district and project.

Task Force members were: Christen Sacco (City Council), Cassandra Ulven (Tualatin Valley Fire and Rescue), Theresa Haskins (Property Owner Representative – Portland General Electric), Grace Lucini (Property Owner), Jilian Felton (Property Owner Representative – Community Partners for Affordable Housing), and Janelle Thompson (Tualatin Planning Commission)

The Task Force met on March 18, 2021 (Meeting 1), April 8, 2021 (Meeting 2), and April 29, 2021 (Meeting 3) via the virtual platform Zoom. Meeting 1 provided an introduction of the Task Force members, staff and consultant; the purpose of the Task Force, the background of the feasibility study; an urban renewal 101, and boundary discussion. Meeting 2 included a boundary discussion update and proposed projects. The boundary update incorporated comments from Community Partners for Affordable Housing. Meeting 3 provided a review of the financial plan and memo.

A request was made by Task Force member Grace Lucini at the end of Task Force meeting 3 to hold an additional meeting. Other Task Force members were polled in the meeting and none requested another meeting although said they would attend one if needed. It was stated in the meeting that an additional Task Force meeting would not be held since just one member requested it and the others did not concur with the need. After the final Task Force meeting, Ms. Lucini made an additional request to hold a fourth meeting to officially recommend the proposed boundary and projects. Schedules of Task Force members have prevented a quorum for the conduct of business. City staff is making a final effort during the formal review process to hold a fourth meeting.

Agenda and meeting minutes can be referenced at:

<https://www.tualatinoregon.gov/economicdevelopment/proposed-area-1-task-force>

Identified Projects

The identified projects presented in the draft plan for the Basalt and Southwest Development Area were sourced from existing strategic/development plans adopted by the City of Tualatin. The projects are divided into six areas of focus: Transportation, Sewer, Storm Drainage, Developer Assistance and Incentives, Acquisition/Disposition, Administration

Transportation

1. 124th/Future Blake Street Signal
Project Cost: \$656,000
Document Source: Capital Improvement Plan, Transportation System Plan
Design and construct a new traffic signal at the new intersection of the recently-constructed 124th Ave with the future extension of Blake Street along with or after the future Blake Street construction.
2. Tonquin Trail
Project Cost: \$2,343,000
Document Source: Capital Improvement Plan, Basalt Creek Concept Plan, Parks and Recreation Master Plan.

The preferred alignment for the regional Ice Age Tonquin Trail includes a section bordering the Basalt Creek Planning Area as part of a 22-mile trail alignment through Wilsonville, Tualatin, and Sherwood with trail facility types varying by location based upon landscape and setting. The Ice Age Tonquin Trail is intended to connect in the north to the Tualatin River Greenway Trail, Fanno Creek Trail, and the Westside Trail, and to the south to the Willamette River.

3. Blake Street
Project Cost: \$1,500,000
Document Source: Capital Improvement Plan

Preliminary planning and conceptual design and construction of the future Blake Street between 115th Ave and 124th Avenue.

Sewer

1. Tonquin Loop Sewer
Project Cost: \$657,000
Document Source: Capital Improvement Plan, Sewer Master Plan

Most of the sanitary sewer in the Basalt Creek Planning Area will be an 8-inch gravity system installed by developers. The construction timeline of this pipe depends on both the construction of Basalt Creek area pump station #4 and development progress in the western portion of the planning area. Because this project is entirely driven by new development, it is eligible for SDC reimbursement. "Build 2,170 feet of 10 inch sanitary sewer service in the Basalt Creek Planning Area to serve new commercial and residential development."

2. Basalt Creek Gravity Sewer
Project Cost: \$3,838,000
Document Source: Sewer Master Plan

The Basalt Creek Conceptual Plan includes approximately 34,250 feet of 8-inch gravity pipe within the planning area. These projects will be funded by developers, and scheduling will be coordinated with the City and CWS. It is expected that the residential portion of the planning area will develop within the next 10 years, while the commercial and industrial portions may develop in the next 20 years.

3. Basalt Creek Pump Stations and Force Mains
Project Cost: Responsible Agent Clean Water Services (Identified Need)

The conceptual sanitary sewer design for Basalt Creek includes the construction of six new pump stations, each with 6-inch force mains. One pump station is in the Wilsonville portion of the planning area and will be constructed by Wilsonville. CWS will own and operate the five remaining pump stations in the planning area and will also be responsible for construction costs.

4. SW Tualatin Gravity Sewer
Project Cost: \$418,000
Document Source: Sewer Master Plan

The proposed conceptual sewer layout for the Southwest Tualatin Concept Area also includes three 8-inch sewer lines to serve the area. It is expected that all gravity sewer in the planning area will be funded by developers and scheduling will be coordinated with the City and CWS. The southern region of the area is serviced by a proposed gravity line that will drain into the Basalt Creek Pump Station 4. The northeastern portion is serviced by a proposed gravity line that connects to existing sewer along SW Itel Street. The northwestern sewer section connects to existing sewer along SW 124th Avenue, and receives flow from the surrounding area as well as the proposed Southwest Tualatin Pump Station.

Developer Assistance and Incentives

Facilitate development and redevelopment on sites in the Area, stimulating growth and providing new employment opportunities and additional mixed use and commercial growth in the Area.

Small Business Grants

Provide small industrial and office space owners and businesses façade grants to update, modernize existing façade infrastructure.

Acquisition/Disposition

Acquisition/Disposition are allowed in the Plan. Based on sales comparables of notable vacant land, these will be used in accordance with land acquisition to assist with targeted development based on submitted request for proposals. Prior to any property being acquired, it must be identified in the Plan in Section VIII.

Administration

Authorizes expenditures for the administrative costs associated with managing the URA including budgeting and annual reporting, planning and the implementation of projects in the Area.

Removed Projects:

1. Basalt Creek Park
Project Cost: \$19,900,000

Evaluate land opportunities to support recreation needs and protect natural resources for a new neighborhood park in south Tualatin to serve residents and employees. Acquire land and develop park and recreation facilities in future years. This project fulfills four of the Council 2030 Vision initiatives: Connected Informed & Engaged, Vibrant & Accessible Gathering Places, Safe, Desirable & Welcoming Neighborhoods, and Environmentally Active & Responsible.

Reason For Removal: Based on the statements and recommendations from overlapping taxing districts, this project commits forgone tax increment revenue to non-tax increment increasing efforts.

Citizen Proposed Projects:

1. Stormwater Management Plan

This project was proposed by Grace Lucini at Task Force Meeting #2 on April 8, 2021. City Staff does not recommend this project at this time based on the City of Tualatin Community Development Department budgeting \$100,000 for FY 2021/2022.

2. Goal 5 Inventory

This project was proposed by Grace Lucini at Task Force Meeting #2. This project is described as creating a natural resource inventory based on the State of Oregon Planning Goal 5. This is an eligible project for tax increment revenue financing. The Tualatin Development Commission must follow all land use efforts and regulations set forth by the Tualatin City Council and cannot supersede with its own efforts. If the City Council wishes for the Tualatin Development Commission to assume this project, clear direction must be given.

Virtual Open House

A virtual, self-guided open house for interested individuals will be available during the month of July. This open house will provide stations to learn about the urban renewal efforts in the proposed area and to provide opportunities for public input and comments. The virtual open house will be located on the City of Tualatin's Urban Renewal Page.

Formal Review Process

Upon the adoption of the resolution, the Tualatin Development Commission will begin the required procedural process as required by Oregon law.

1. Tualatin Development Commission Authorizes Southwest and Basalt Creek Development Area Plan Public Review Process (June 28, 2021)
2. Referral of Plan to Tualatin Planning Commission (July 15, 2021)
3. Consult and Confer with Affected Taxing Districts (45 days)
 - a. The Plan and urban renewal report must be sent to any tax district affected by the Tualatin Development Commission
4. Washington County Briefing and consideration of Resolution for approval of the Plan due to the inclusion of unincorporated properties.
5. Tualatin City Council Public Hearing (August 9, 2021)
6. Consideration of Plan by City Council (August 23, 2021)
 - a. A new plan is adopted by the governing body of the municipality by ordinance.

OUTCOMES OF DECISION:

The passage of this resolution will result in staff beginning the public review process. The Plan Document will be referred to the Tualatin Planning Commission and to the impacted taxing districts. Staff will provide Washington County with a briefing and a public hearing will be conducted by the Tualatin City Council after which they will consider an adoption ordinance.

ALTERNATIVES TO RECOMMENDATION:

None.

FINANCIAL IMPLICATIONS:

None

ATTACHMENTS:

- Resolution 628-21
- Southwest and Basalt Creek Development Area Plan
- Report Accompanying the Southwest and Basalt Creek Development Area Plan
- Power Point

RESOLUTION NO. 628-21

A RESOLUTION OF THE TUALATIN DEVELOPMENT COMMISSION
COMMENCING THE FORMAL REVIEW PROCESS FOR THE SOUTHWEST
AND BASALT CREEK DEVELOPMENT AREA PLAN.

WHEREAS, the Tualatin Development Commission is an urban renewal agency of the City of Tualatin and organized under the provisions of ORS Chapter 457;

WHEREAS, the Tualatin Development Commission wants to establish an approximately 717.3 acre urban renewal area in the Basalt Creek and Southwest Industrial Areas to fund identified projects;

WHEREAS, establishing a new plan must meet the procedural requirements by ORS 457 concluding with adoption by the Tualatin City Council by ordinance; and

WHEREAS, The Tualatin Development Commission wishes to commence the formal review process of the proposed Southwest and Basalt Creek Development Area Plan.

NOW THEREFORE, BE IT RESOLVED BY THE TUALATIN DEVELOPMENT COMMISSION, that:

Section 1. The Tualatin Development Commission directs staff to commence the formal public review process of the Southwest and Basalt Creek Development Area Plan.

Section 2. The Southwest and Basalt Creek Development Area Plan (Exhibit A) and the Report Accompanying the Southwest and Basalt Creek Development Area Plan (Exhibit B) will be forwarded to the Tualatin City Council for a public hearing on August 9, 2021.

Section 3. This resolution is effective upon adoption.

ADOPTED by the Tualatin Development Commission this 28th day of June, 2021.

TUALATIN DEVELOPMENT
COMMISSION

BY _____
Chair

APPROVED AS TO FORM

ATTEST:

BY _____
Attorney

BY _____
Executive Director

EXHIBIT A

RESOLUTION NO. 628-21

Southwest and Basalt Creek Development Area

DRAFT



City of Tualatin

Southwest and Basalt Creek Development Area Plan

Approved by the City of Tualatin

DATE

Ordinance No. 2021 –

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.

This Plan was also approved by Washington County by Resolution No. [REDACTED] on DATE as there are unincorporated properties in the Area.

LIST OF PARTICIPANTS

Mayor

Frank Bubenik

City Council

Nancy Grimes, Council President

Maria Reyes

Christen Sacco

Bridget Brooks

Cyndy Hillier

Valerie Pratt

Planning Commission

Bill Beers, Chair

Mona St. Clair, Vice-Chair

Alan Aplin

Daniel Bachhuber

Ursula Kuhn

Janelle Thompson

City of Tualatin Staff

Sherilyn Lombos, City Manager

Megan George, Deputy City Manager

Don Hudson, Assistant City Manager/
Finance Director

Kim McMillan, Community Development
Director

Steve Koper, Assistant Community

Development Director/Planning Manager

Jonathan Taylor, Economic Development
Manager

Urban Renewal Task Force

Jilian Felton, Community Partners for
Affordable Housing

Theresa Haskins, Portland General Electric
(property owner)

Grace Lucini, Area Resident (property owner)

Christen Sacco, City of Tualatin City Council

Janelle Thompson, City of Tualatin Planning
Commission

Cassandra Ulven, Public Affairs Chief, Tualatin
Valley Fire and Rescue (TVF&R)

Consulting Team

Elaine Howard Consulting, LLC

Elaine Howard, Scott Vanden Bos

Tiberius Solutions, LLC

Nick Popenuk, Ali Danko, Rob Wyman

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DEFINITIONS

“Agency” means the Tualatin Development Commission (TDC). The TDC is responsible for administration of the urban renewal plan.

“Area” means the properties and rights-of-way located with the Southwest and Basalt Creek Development Area Boundary.

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

“Board of Commissioners” means the Washington County Board of Commissioners.

“City” means the City of Tualatin, Oregon.

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

“Comprehensive Plan” means the City of Tualatin comprehensive land use plan and its implementing ordinances, policies, and standards.

“County” means Washington County, Oregon.

“Fiscal year ending” means the year commencing on July 1 and closing on June 30 of the next year.

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

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

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

“ORS” means the Oregon Revised Statutes. Chapter 457 specifically relates to urban renewal.

“Planning Commission” means the Tualatin Planning Commission.

“Revenue sharing” means under-levying tax increment proceeds to effectively share a portion of the revenue with the other taxing districts who levy permanent rate taxes in the urban renewal area as defined in ORS 457.470.

“Tax increment financing (TIF)” is a method of funding urban renewal projects and programs through incurring debt that is repaid by the division of taxes accomplished through the adoption of an urban renewal plan.

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

“UGB” means urban growth boundary.

“Urban renewal area (URA)” 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 in an urban renewal area.

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

INTRODUCTION

Plan Overview

The Tualatin City Council began exploring a new urban renewal area (URA) by completing an Urban Renewal Feasibility Study in 2020. After reviewing those findings, the City Council directed staff to prepare an urban renewal plan for the study areas. The City Council appointed a Task Force to help provide input on the boundary, projects and financing of the potential new URA.

The boundary is a result of past work under the Southwest Industrial Concept Plan Area and the Basalt Creek Concept Area. The Southwest Industrial Concept Area includes parcels around 124th Ave and the new Portland General Electric Site, with areas along Tualatin-Sherwood Road. The Southwest Industrial Concept Plan Area was adopted around 2005. The southern portion of the study area includes the Basalt Creek Concept Plan Area and property owned by Community Partners for Affordable Housing.

The recent work for the area includes:

Basalt Creek Concept Plan, adopted August 13, 2018, Ordinance No. 1418-19. Amended Ordinance No. 1418-19, on April 22, 2019

Southwest Industrial Concept Plan Area adopted June 25, 2007, updated October 11, 2010 CH2M Hill, Kittelson & Associates, Oregon Transportation and Growth Management Program, Metro Construction Excise Tax Grant Program. Amended Ordinance No. 1320-11, on April 11, 2011

Tualatin Capital Improvement Plan, City of Tualatin, FY 2020/21 – 2025/26.
Transportation Systems Plan, CH2M Hill, DKS, Angelo Planning Group, JLA Public Involvement, February 2014.

City of Tualatin Economic Opportunities Analysis, December 2019, ECONorthwest.

City of Tualatin Housing Needs Analysis, December 2019, ECONorthwest.

City of Tualatin Sewer Master Plan, City of Tualatin, Jacobs, August 2019, updated November 2019.

The City formed an Urban Renewal Task Force which was comprised of representatives of the Tualatin City Council, Tualatin Planning Commission, Tualatin Valley Fire and Rescue (TVF&R), Community Partners for Affordable Housing and property owners. The Task Force provided input on the boundary, proposed projects and finances for the urban renewal area. Additional opportunity for public input was provided at the Tualatin Development Commission (TDC) meeting on June 28, 2021,

a Basalt Creek Neighborhood Forum on May 17, 2021, and online open house through the month of July 2020, the Tualatin Planning Commission meeting on July 15, 2021 and the Tualatin City Council public hearing on August 9, 2021. The City Council public hearing was noticed to all postal patrons and mailed individually to property owners who are inside the urban renewal area boundary but outside of the city limits.

The Southwest and Basalt Creek Development Area Plan Area (Area), shown in Figure 1, consists of approximately 717.3 total acres: 646.51 acres of land in tax lots and 70.79 acres of public rights-of-way. It is anticipated that the Southwest and Basalt Creek Development Area Plan (Plan) will take thirty years of tax increment collections to implement. The maximum amount of indebtedness that may be issued for the Plan is not to exceed \$53,200,000 (Fifty Three Million Two Hundred Thousand dollars). Detailed financial analysis is in the Report Accompanying the Southwest and Basalt Creek Development Area Plan Area (Report).

Detailed goals and objectives developed for the Plan are intended to guide tax increment finance (TIF) revenue investment in the Area over the life of the Plan. The project category descriptions and list of projects are similarly intended to aid future decision makers when considering how best to expend TIF revenue. The Plan is to be administered by the Tualatin Development Commission (TDC). Substantial amendments to the Plan must be approved by City Council as outlined in Section VII. All amendments to the Plan are to be listed numerically on the inside of 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. 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)	XIV
ORS 457.085(2)(d)	XIII
ORS 457.085(2)(e)	XIII
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

Urban Renewal Overview

Urban renewal allows for the use of tax increment financing, a funding 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 Oregon Revised Statutes (ORS) 457.010. These areas can have 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. This Area meets the definition of blight due to its transportation system infrastructure deficiencies, utility infrastructure deficiencies, and underdeveloped and undeveloped properties. These blighted conditions are specifically cited in the ordinance adopting the Plan and described in detail in the Report.

The Report contains the information required by ORS 457.087, including:

- 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 area; and
- A relocation report.

MAXIMUM INDEBTEDNESS

Maximum indebtedness is the amount of indebtedness secured by a pledge of tax increment revenue 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 \$53,200,000 (Fifty-three Million Two 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 bond proceeds.

PLAN GOALS

The goals of the Plan represent its basic intents and purposes. Accompanying each goal are objectives, which generally describe how the TDC intends to achieve each goal. The urban renewal projects identified in Sections V and VI of the Plan are the specific means of meeting the objectives. The goals and objectives will be pursued as economically as is feasible and at the discretion of the TDC. The goals and objectives are not listed in any order of importance or priority. A matrix of how the projects align with the goals and objectives is shown in Table 2.

Goal 1: PUBLIC INVOLVEMENT

Implement community involvement practices.

Objectives:

Convene an urban renewal task force comprised of taxing districts and other stakeholders to provide guidance on the preparation of the urban renewal plan.

Invite public comment at all TDC meetings.

Complete the Urban Renewal Annual Report and send it to all impacted taxing districts as required by ORS 457.460.

Goal 2: EMPLOYMENT LAND DEVELOPMENT

Encourage land development that provides high density employment opportunities.

Encourage land development in ways that strengthen the local tax base and support Tualatin's employment lands as a major local and regional employment center. Manage land development impacts to the environment and other uses.

Objectives:

1. Build water, sewer, storm-water and other infrastructure to accommodate growth in the Area.

Assist in the construction and improvement of transportation infrastructure to support existing development and allow for future development.

Assist in the financing and provision of public transportation and utility improvements identified in this Plan.

Cooperate with brokers, local and regional development agencies, and the State Department of Economic Development in marketing properties within the District.

Acquire properties as necessary for reassembly and resale. Create new parcels which conform to the physical characteristics of the terrain and to the proposed public improvements.

Goal 3: TRANSPORTATION INFRASTRUCTURE

Maintain and enhance the transportation system to reduce travel times, provide travel-time reliability, provide a functional and smooth transportation system, and promote access and safety for all users. Allow for a variety of alternative transportation choices for citizens of and visitors to Tualatin to support a high quality of life and community livability. Support local employment, local businesses, and a prosperous community while recognizing Tualatin's role in the regional economy.

Objectives:

2. Assist in the construction of new and improvement of existing transportation infrastructure to allow for future development and support existing development.

Provide pedestrian and bicycle connectivity improvements, increasing safety and access for pedestrians and bicyclists in the Area.

Connect the Tonquin Trail (Tualatin Portion) to the Regional Planned Network.

Leverage the TDC's financial resources to the maximum extent possible with other public and private investments and other public and private funding sources.

Goal 4: UTILITY INFRASTRUCTURE

Provide public services and facilities to meet the present and future needs of the Area.

Objectives:

- 3. Design and construct water, sewer, stormwater and other utility infrastructure to accommodate growth in the Area.

Leverage the TDC’s financial resources to the maximum extent possible with other public and private investments and other public and private funding sources.

Goal 5: DEVELOPER ASSISTANCE AND INCENTIVES

Facilitate development and redevelopment on sites in the Area, stimulating growth, providing new employment opportunities and an increased tax base in the Area. Assist in the provision of infrastructure to support the development of additional housing options in the Area.

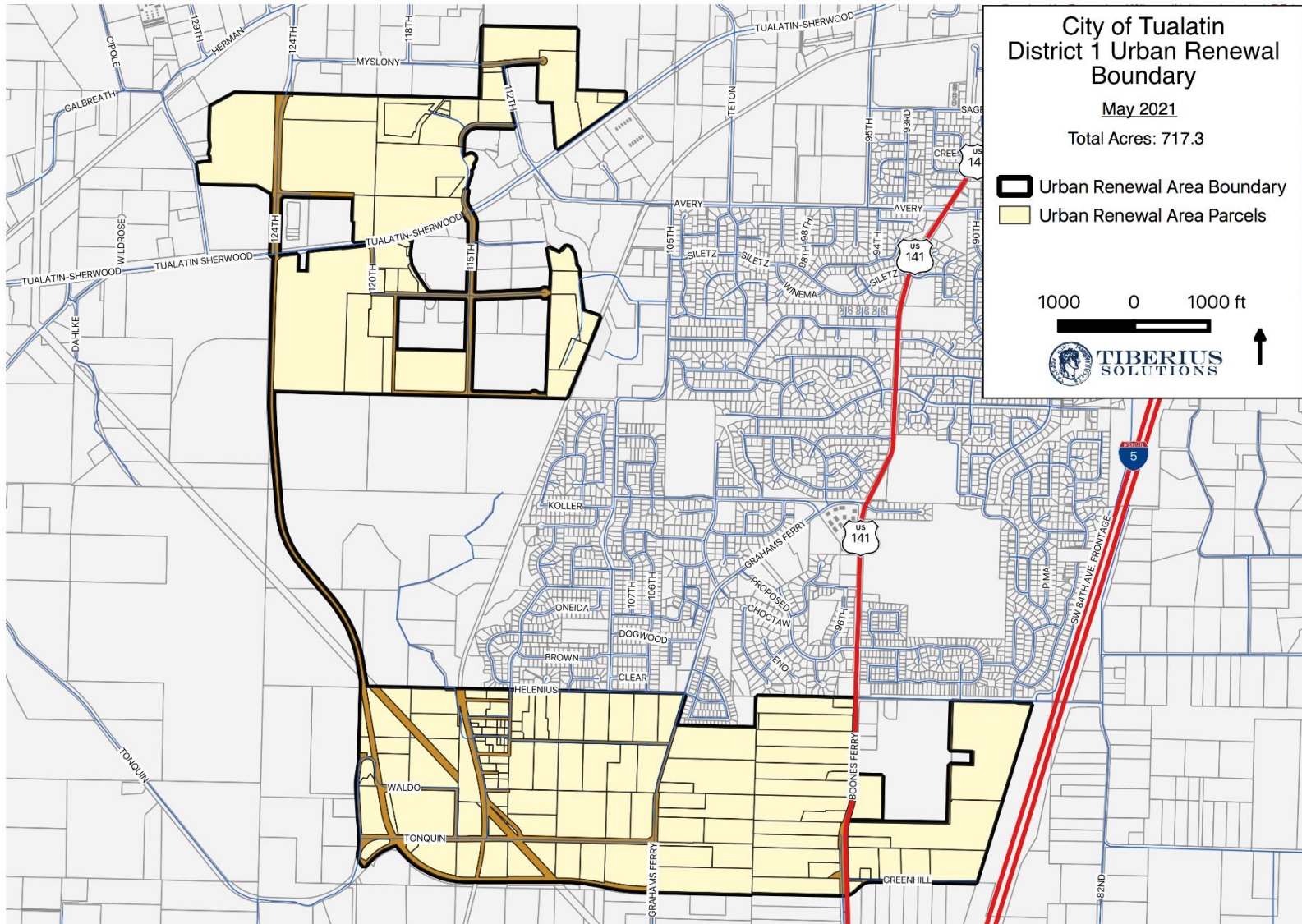
Objectives:

- 4. Provide developer assistance and incentives to facilitate development within the Area.

Table 2 – Relationship of Projects to Southwest and Basalt Creek Development Area Plan Goals

Project Category	Goals
Transportation	2,3
Water	2,4
Sewer	2,4
Stormwater	2,4
Developer Incentives	2,5
Acquisition	2,5
Administration	1

Figure 1 – Southwest and Basalt Creek Development Area Plan Boundary



URBAN RENEWAL PROJECT CATEGORIES

The projects within the Area fall into the following categories:

Transportation

Sewer

Storm Drainage

Developer Assistance and Incentives

Acquisition/Disposition

Administration

URBAN RENEWAL PROJECTS

Urban renewal projects authorized by the Plan are described below. They are not listed in any priority order. The TDC will determine the order of the projects and may add projects in the future through the amendment process defined in Section VII of this Plan. Much of the project descriptions come from the following documents:

Tualatin Capital Improvement Plan, City of Tualatin, FY 2020/21 – 2025/26. This is identified as CIP. The CIP page numbering is by project type (transportation, pedestrian etc.)

Basalt Creek Concept Plan, adopted by the City of Tualatin August 13, 2018, Ord. # 1418-19

Tualatin Sewer Master Plan, City of Tualatin, Jacobs, August 2019, updated November 2019.

Transportation Systems Plan, CH2M Hill, DKS, Angelo Planning Group, JLA Public Involvement, February 2014.

Instead of footnoting every project, it is noted if these projects come from the above plans and the page number where they can be found.

There are specifics listed in project descriptions, i.e. “12” water line, 3 lane street” that come from the above-mentioned plans. However, it is understood in adopting the Plan that these specifics may change over time and that the TDC is not restricted to the specifics outlined in this Plan. Changes to those specifics do not require an amendment to the Plan.

Transportation

1. 124th/Future Blake Street Signal

Design and construct a new traffic signal at the new intersection of the recently-constructed 124th Ave with the future extension of Blake Street along with or after the future Blake Street construction. (CIP p 99, 106)



2. Tonquin Trail

The preferred alignment for the regional Ice Age Tonquin Trail includes a section bordering the Basalt Creek Planning Area as part of a 22-mile trail alignment through Wilsonville, Tualatin, and Sherwood with trail facility types varying by location based upon landscape and setting. The Ice Age Tonquin Trail is intended to connect in the north to the Tualatin River Greenway Trail, Fanno Creek Trail, and the Westside Trail, and to the south to the Willamette River. (Basalt Creek Concept Plan p38, CIP p248)

3. Blake Street

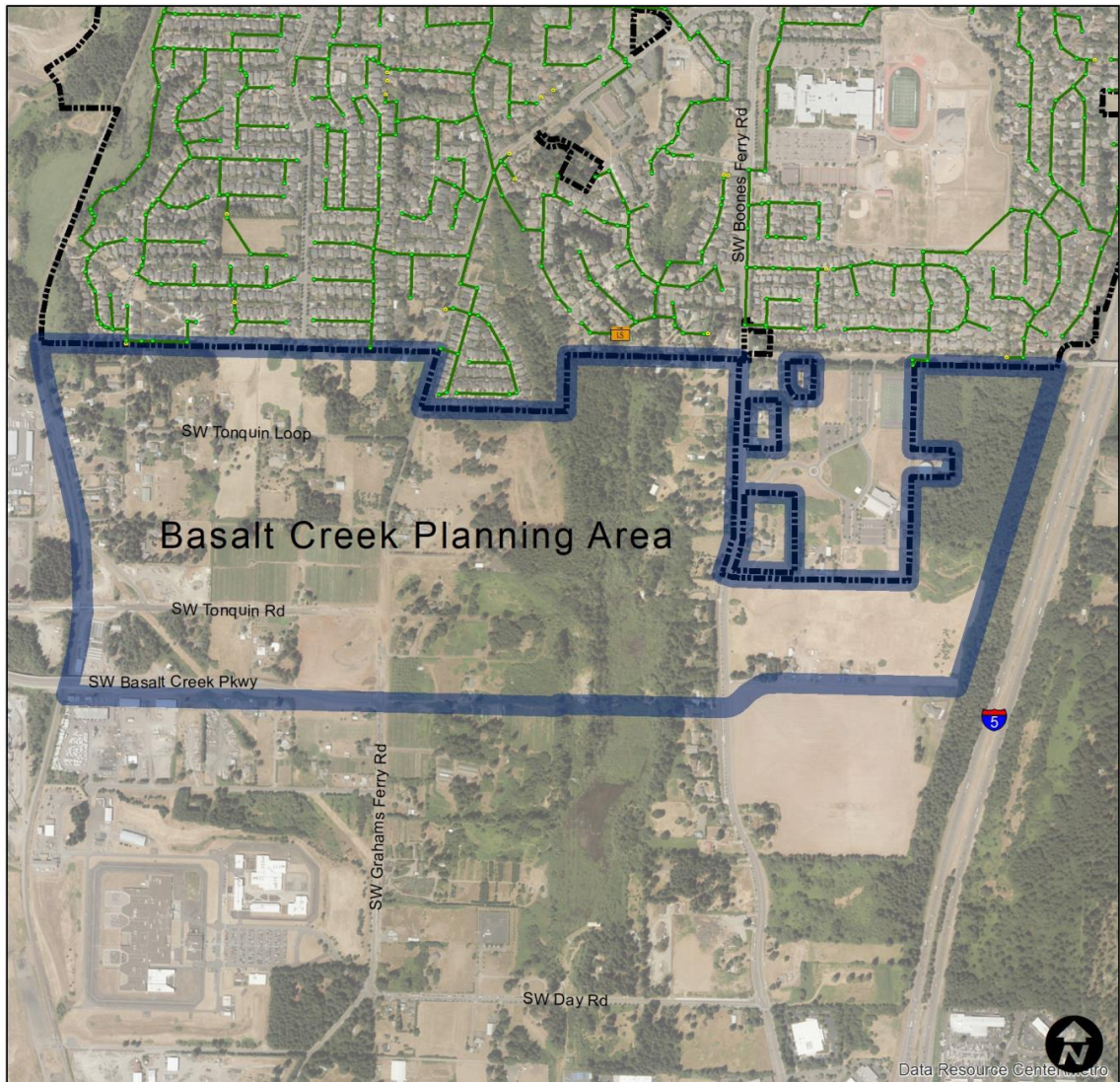
Preliminary planning and conceptual design and construction of the future Blake Street between 115th Ave and 124th Avenue. (CIP p249)



Sewer

1. Tonquin Loop Sewer

Most of the sanitary sewer in the Basalt Creek Planning Area will be an 8-inch gravity system installed by developers. The construction timeline of this pipe depends on both the construction of Basalt Creek area pump station #4 and development progress in the western portion of the planning area. Because this project is entirely driven by new development, it is eligible for SDC reimbursement. “Build 2,170 feet of 10 inch sanitary sewer service in the Basalt Creek Planning Area to serve new commercial and residential development.” (CIP p 164, 165)



2. Basalt Creek Gravity Sewer

The Basalt Creek Conceptual Plan includes approximately 34,250 feet of 8-inch gravity pipe within the planning area. These projects will be funded by developers, and scheduling will be coordinated with the City and CWS. It is expected that the residential portion of the planning area will develop within the next 10 years, while the commercial and industrial portions may develop in the next 20 years. (Sewer Master Plan p 4-3)

3. Basalt Creek Pump Stations and Force Mains

The conceptual sanitary sewer design for Basalt Creek includes the construction of six new pump stations, each with 6-inch force mains. One pump station is in the Wilsonville portion of the planning area and will be constructed by Wilsonville. CWS will own and operate the five remaining pump stations in the planning area and will also be responsible for construction costs. (Sewer Master Plan p 4-3)

4. SW Tualatin Gravity Sewer

The proposed conceptual sewer layout for the Southwest Tualatin Concept Area also includes three 8-inch sewer lines to serve the area. It is expected that all gravity sewer in the planning area will be funded by developers and scheduling will be coordinated with the City and CWS. The southern region of the area is serviced by a proposed gravity line that will drain into the Basalt Creek Pump Station 4. The northeastern portion is serviced by a proposed gravity line that connects to existing sewer along SW Itel Street. The northwestern sewer section connects to existing sewer along SW 124th Avenue, and receives flow from the surrounding area as well as the proposed Southwest Tualatin Pump Station.

Developer Assistance and Incentive Facilitate development and redevelopment on sites in the Area, stimulating growth and providing new employment opportunities and additional mixed use and commercial growth in the Area. ***Small Business Grants***

Provide small industrial and office space owners and businesses façade grants to update, modernize existing façade infrastructure.

Acquisition/Disposition

Acquisition/Disposition are allowed in the Plan. Based on sales comparables of notable vacant land, these will be used in accordance with land acquisition to assist with targeted development based on submitted request for proposals. Prior to any property being acquired, it must be identified in the Plan in Section VIII.

Administration

Authorizes expenditures for the administrative costs associated with managing the URA including budgeting and annual reporting, planning and the implementation of projects in the Area.

AMENDMENTS TO PLAN

The Plan may be amended as described in this section. Adding other properties to the Developer Incentives Program does not require an amendment to the Plan.

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 TDC, the Planning Commission, the County, and adoption by the City Council by non-emergency ordinance after a hearing. If there are unincorporated parcels within the Area at the time a Substantial Amendment is considered, it must also be approved by Washington County through adoption of a resolution by the Board of County Commissioners.

Notice of such hearing shall be provided to individuals or households within the City of Tualatin, 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

1. Add land to the urban renewal area, except for an addition of land that totals not more than a cumulative 1% of the existing area of the urban renewal area; or
2. Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.
3. Increase in duration or the time to retire Plan debt unless the increase is necessary to avoid a default on previously-issued indebtedness.

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 TDC by resolution. Minor amendments include approving a reduction of the maximum indebtedness of the Plan.

Amendments to the Tualatin Comprehensive Plan and/or Tualatin Municipal Code.

Amendments to the Tualatin Comprehensive Plan and/or Tualatin Municipal Code that affect the Plan and/or the Area shall be incorporated automatically within the Plan without any separate action required by the TDC or City Council. If a Substantial Amendment is prepared, the Section of this Plan on Relationship to Local Objectives should be updated.

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 VII. Identification of property to be acquired and its anticipated disposition is required by ORS 457.085(g). If property acquisition includes a public building, how that public building serves and benefits the Area must be identified per ORS 457.085(2)(j).

Property acquisition for public improvements

The TDC 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.

Property acquisition from willing sellers

The Plan authorizes TDC acquisition of any interest in property within the Area that the TDC finds is necessary for private redevelopment, but only in those cases where the property owner wishes to convey such interest to the TDC. The Plan does not authorize the TDC 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.

Land disposition

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

The TDC may dispose of property acquired under Subsection B of this Section VII 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 TDC, 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 TDC determines is reasonable.

Properties to be acquired

This Plan must provide an indication of which real property may be acquired and the anticipated disposition of said real property whether by retention, resale, lease or other legal use, together with an estimated time schedule for such acquisition and

disposition. This may be added at a date when the property is identified and may be added through a Minor Amendment.

RELOCATION METHODS

When the TDC 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 TDC shall adopt rules and regulations, as necessary, for the administration of relocation assistance. The TDC will comply with all applicable state law in providing these potential benefits.

There are plans to acquire land for infrastructure which may trigger relocation benefits in the future in the Area. All acquisitions will be reviewed for potential of relocation benefits.

TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on debt, usually in the form of bank loans or revenue bonds. The proceeds of the debt are used to finance the urban renewal projects authorized in the Plan. Debt may be either long-term or short-term.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative increase in assessed value within an urban renewal area over the frozen base value (i.e., total assessed value at the time an urban renewal plan is adopted). The property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.

General description of the proposed financing methods

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

- Tax increment revenues;
- Advances, loans, grants, and any other form of financial assistance from federal, state, or local governments, or other public bodies;
- Loans, grants, dedications, or other contributions from private developers and property owners, including, but not limited to, assessment districts; and
- Any other public or private source.

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

Tax increment financing

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

Duration

The Agency intends not to collect tax increment revenues for the Area after thirty years of tax increment collections (is first received?). The Agency shall not initiate any Projects in the Area unless the Agency reasonably projects it will be able to pay for those Projects from the proceeds of indebtedness issued on or before FYE 2052, and from other funds available to the Agency. Except as provided in the next sentence, all indebtedness that is secured by the tax increment revenues of the Area shall mature no later than FYE 2052, and the Agency shall structure all its indebtedness so that it can be paid in full from the tax increment revenues of the Area that the Agency reasonably projects it will receive on or before FYE 2052. The Agency may issue refunding indebtedness that matures after FYE 2052, only if issuing that refunding indebtedness is necessary to avoid a default on previously-issued indebtedness.

VALIDITY

Should a court of competent jurisdiction find any work, clause, sentence, section or part of this Plan to be invalid, the remaining words, clauses, sentences, sections or parts shall be unaffected by such findings and shall remain in full force and effect for the duration of this Plan.

ANNUAL REPORT

The TDC shall file an Annual Report in compliance with ORS 457.460.

Figure 2 – Comprehensive Plan Designations

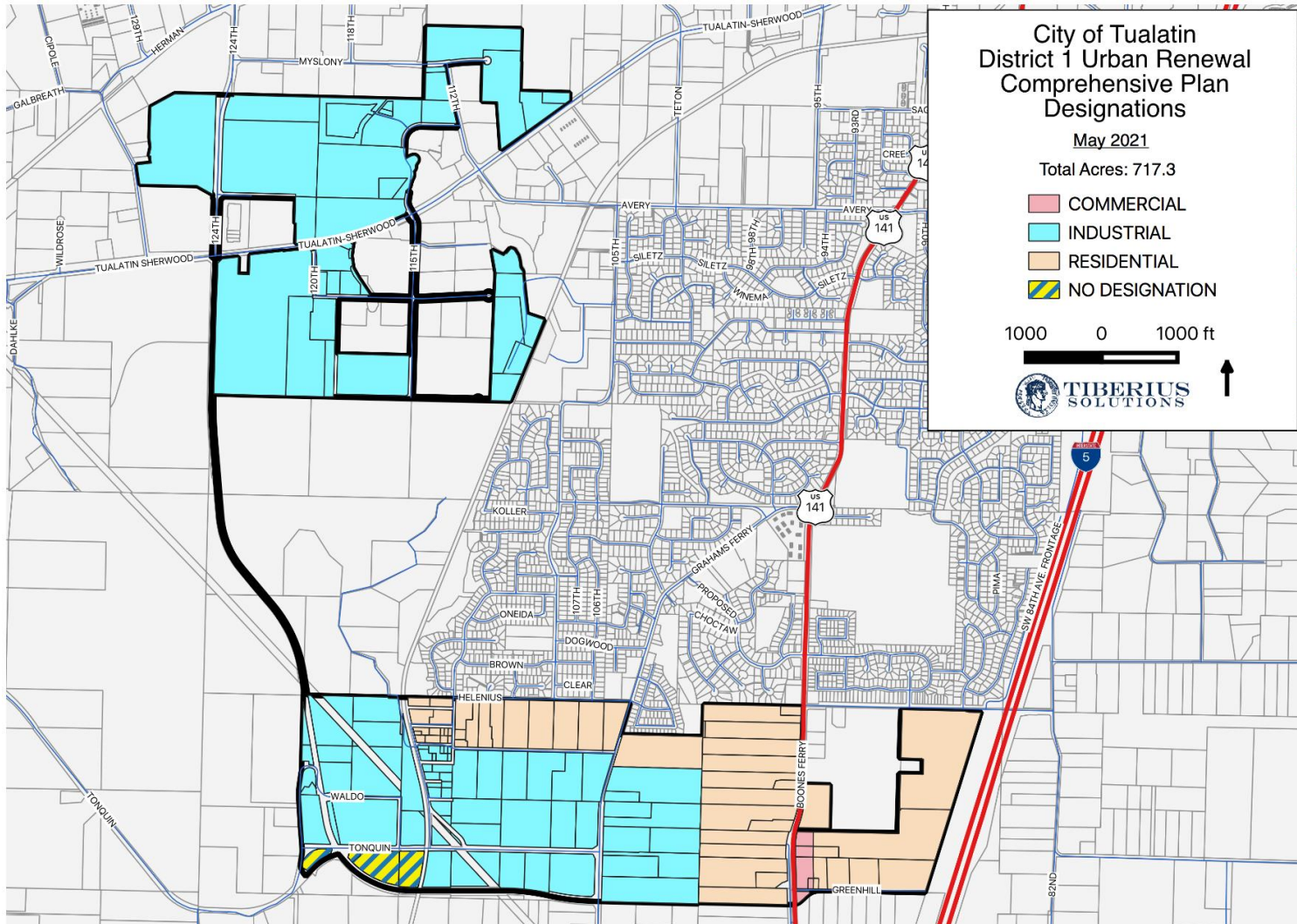
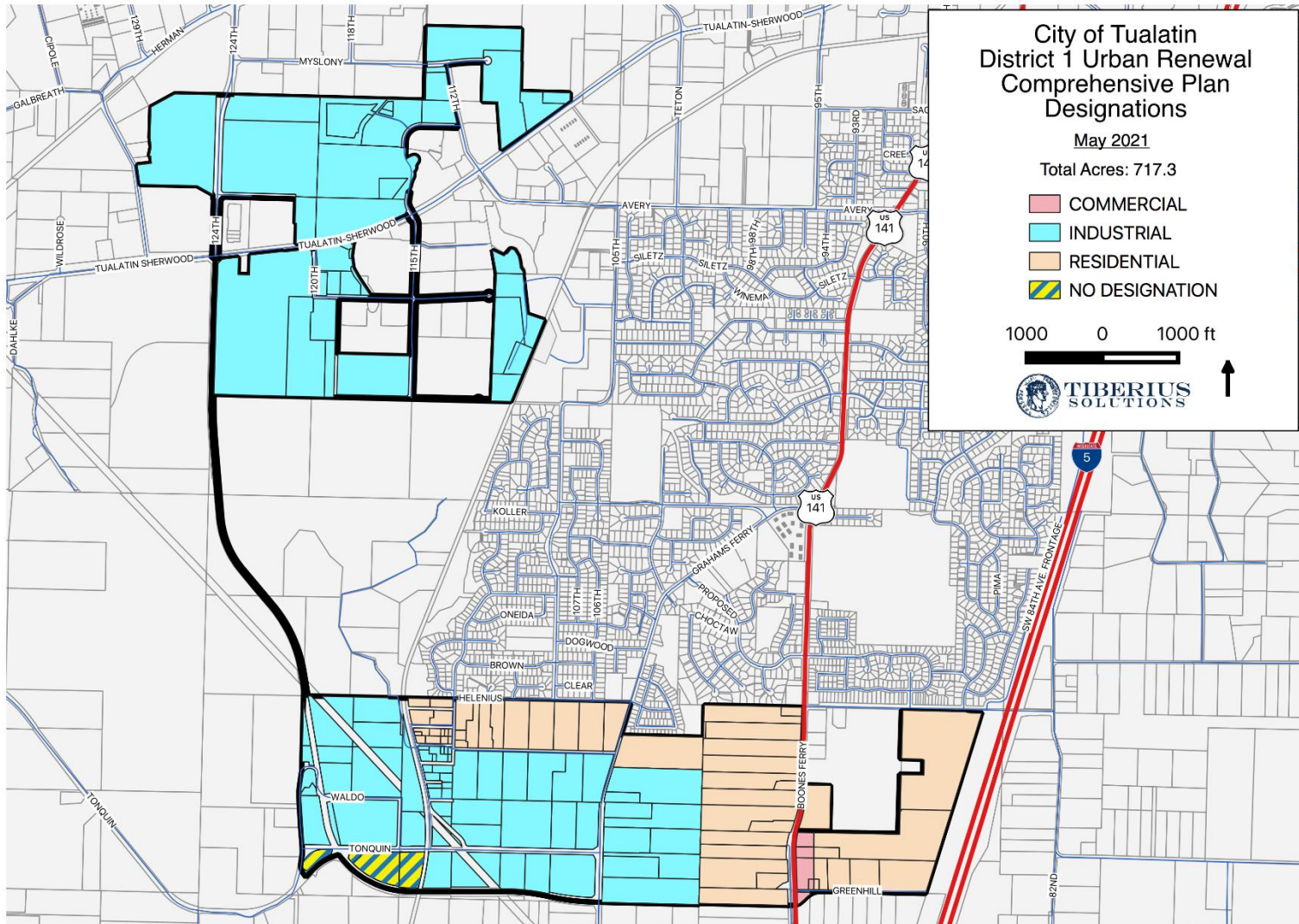


Figure 3 – Zoning Designations



RELATIONSHIP TO LOCAL OBJECTIVES

ORS 457.085 requires that the Plan conform to local objectives including the comprehensive plan and economic development plan of a locality. This section provides that analysis. Relevant local planning and development objectives are contained within the *Tualatin Comprehensive Plan 2040* (Comprehensive Plan), *Tualatin Transportation System Plan*, *Tualatin Economic Opportunities Analysis*, *City of Tualatin Economic Development Strategy* and *Tualatin Municipal Code* (Municipal Code). The following section describes the purpose and intent of these plans, the main applicable goals and policies within each plan, and an explanation of how the Plan relates to the applicable goals and policies. The analysis covers the most relevant sections of the documents but may not cover every section of the documents that relate to the Plan.

The numbering of the goals and policies within this section reflects the numbering that occurs in the original document. *Italicized text* is text that has been taken directly from an original document and therefore cannot be changed.

Comprehensive Plan designations for all land in the Area are shown in Figure 2 All proposed land uses conform to Figure 2. Maximum densities and building requirements for all land in the Area are contained in the Tualatin Municipal Code. Some of the properties are presently outside the city limits but inside the Urban Growth Boundary. It is anticipated that these properties will be annexed prior to development and will comply with the required Comprehensive Plan and Municipal Code designations.

Comprehensive Plan

HOUSING

Plan Details

POLICY 3.1.6 INFRASTRUCTURE PLANNING.

Evaluate future infrastructure planning for consistency with the Housing Needs Analysis and Housing Strategies.

GOAL 3.2 HOUSING FOR ALL.

Encourage development and preservation of housing that is affordable for all households in Tualatin.

POLICY 3.2.1 HOUSING TYPE DIVERSITY. Support development of townhomes, duplexes, triplexes, quadplexes, cottages, courtyard housing, accessory dwelling units, single story units, senior housing, and extended family and multi-generational housing in all residential zoning districts.

GOAL 3.3 ADDITIONAL HOUSING OPTIONS

Encourage the establishment of funding sources to support development of additional housing options and related public infrastructure.

Finding: The Plan conforms with the Housing Chapter of the Comprehensive Plan as the infrastructure projects will support the development of parcels in the Area. One parcel was specifically added to the Area boundary to assist in the provision of housing in the Area.

ECONOMY, COMMERCIAL, & INDUSTRIAL DEVELOPMENT

Plan Details

GOAL 4.1

Encourage commercial development that provides employment opportunities, as well as access to goods and services for residents, employees, and the general community.

POLICY 4.1.2 CRITICAL SERVICES. Provide for the continued development of major medical services and other critical infrastructure within the City of Tualatin.

POLICY 4.1.4 MIXED USE. Encourage mixed use commercial and residential development.

GOAL 4.2

Encourage new industrial development in ways that strengthen the local tax base and support Tualatin's industrial lands as a major local and regional employment center.

POLICY 4.2.1 Preserve and protect, with limited exceptions, the City's existing industrial land.

POLICY 4.2.2 Fully develop planned industrial areas, providing full transportation, sewer, and water services prior to or as development occurs.

GOAL 4.3

Manage industrial impacts to the environment and other uses

POLICY 4.3.2 Protect residential, commercial, and sensitive industrial uses from the adverse environmental impacts of industrial use.

POLICY 4.3.4 Reasonably protect environmentally sensitive areas from adverse impacts of adjacent development.

POLICY 4.3.6 Protect wooded and other natural areas by requiring their preservation in a natural state or by integrating the major trees into the design of the parking lots, buildings, or more formal landscaping areas of an industrial development. If it is necessary to remove a portion or all of the trees, require mitigation.

Finding: The transportation and infrastructure projects in the Plan are intended to directly support the creation of new economic activity in the Area. These projects are necessary to provide the services to allow for the undeveloped parcels to develop in the future. The projects are in conformance with the Economy, Commercial & Industrial chapter of the Comprehensive Plan. Specific projects: 124th/Blake Street Signal, Tonquin Trail, Blake Street Extension, Tonquin Loop Sewer, Basalt Creek Gravity Sewer, Basalt Creek Pump Station and Force Mains, SW Tualatin Gravity Sewer, Development Assistance, Small Business Grants. The City will reasonably protect environmentally sensitive areas from adverse impacts of adjacent development.

PARKS, OPEN SPACE, ENVIRONMENT

Plan Details

GOAL 1: Expand accessible and inclusive parks and facilities to support community interests and recreation needs.

GOAL 2: Create a walkable, bikeable, and interconnected city by providing a network of regional and local trails.

GOAL 3: Conserve and restore natural areas to support wildlife, promote ecological functions, and connect residents to nature and the outdoors.

GOAL 7.1

Identify and protect significant natural resources that promote a healthy environment and natural landscape that improves livability, and to provide recreational and educational opportunities.

GOAL 7.2

Balance natural resource protection with growth and development needs.

POLICY 7.2.2 Allow public facilities such as sewer, stormwater, water and public streets and passive recreation facilities to be located in significant natural resource areas provided they are constructed to minimize impacts and with appropriate restoration and mitigation of the resource.

Finding: The funding for the Tonquin Trail project is in alignment with the Parks, Open Space and Environment chapter of the Comprehensive Plan. The construction of public facilities as permitted will conform the standards established in the Comprehensive Plan.

TRANSPORTATION

Plan Details

GOAL 8.1 ACCESS AND MOBILITY.

Maintain and enhance the transportation system to reduce travel times, provide travel-time reliability, provide a functional and smooth transportation system, and promote access for all users.

GOAL 8.2 SAFETY.

Improve safety for all users, all modes, all ages, and all abilities within the City of Tualatin.

GOAL 8.5 ECONOMY.

Support local employment, local businesses, and a prosperous community while recognizing Tualatin's role in the regional economy.

POLICY AREA 8.9 ROADWAY POLICIES.

The following establish the City's policies on roadways.

POLICY 8.9.1 Implement design standards that provide clarity to developers while maintaining flexibility for environmental constraints.

POLICY 8.9.2 Ensure that street designs accommodate all anticipated users including transit, freight, bicyclists and pedestrians, and those with limited mobility.

POLICY 8.9.3 Work with Metro and adjacent jurisdictions when extending roads or multi-use paths from Tualatin to a neighboring City.

Finding: The Plan conforms with the Transportation Chapter of the Comprehensive Plan as the projects will provide improvements to the transportation network in the Area. The network will serve both motorized traffic and will also include funding for the Tonquin Trail. These improvements will not only improve access but will catalyze development of sites in the Area providing increased tax base and employment opportunities. Specific projects: 124th/Blake Street Signal, Tonquin Trail, Blake Street Extension.

PUBLIC FACILITIES & SERVICES

Plan Details

GOAL 9.1

Water Plan, construct, and maintain a City water system that protects the public health, provides cost-effective water service, meets the demands of users, addresses regulatory requirements and supports all land uses.

POLICY 9.1.1 Require developers to aid in improving the water system by constructing facilities to serve new development and extend lines to adjacent properties.

Policy 9.1.2 Water lines should be looped whenever possible to prevent dead-ends, to maintain high water quality and to increase reliability in the system.

POLICY 9.1.21 Improve the water system to provide adequate service during peak demand periods and to provide adequate fire flows during all demand periods.

GOAL 9.2

Plan, construct, and maintain a City sewer system that protects the public health, protects the water quality of creeks, ponds, wetlands and the Tualatin River, provides cost-effective sewer service, meets the demands of users, addresses regulatory requirements and supports all land uses.

POLICY 9.2.4 Require developers to aid in improving the sewer system by constructing facilities to serve new development as well as adjacent properties

POLICY 9.2.5 Improve the existing sewer system to provide adequate service during peak demand periods.

GOAL 9.3

Provide a plan for routing surface runoff through the City, utilizing the natural drainage way where possible.

Policy 9.3.1 The City of Tualatin will provide an addendum to the City of Tualatin's Stormwater Master Plan to address identified needs for the Basalt Creek Area.

Finding: There are projects in the Plan that provide critical infrastructure improvements to facilitate future development in the Area. The projects are in conformance with this Public Facilities and Services chapter of the Comprehensive Plan. Specific projects: Tonquin Loop

Sewer, Basalt Creek Gravity Sewer, Basalt Creek Pump Station and Force Mains, and SW Tualatin Gravity Sewer. The City of Tualatin will begin efforts of stormwater planning in the Basalt Creek area in FY 2021/2022 that will help identify the existing and any future infrastructure needs. Future funding from urban renewal may be used for those identified projects based on TDC priorities and available tax increment revenues.

***Tualatin Economic Development Strategy Memorandum, ECONorthwest,
December 4, 2019***

Plan Details

Strategy 1: Ensure an Adequate Supply of Land that is Available and Serviceable

Goal

Ensure that sufficient land is designated so that the supply is adequate for commercial and industrial development. Maintain an adequate short-term supply of suitable, shovel-ready commercial and industrial land to respond to economic development opportunities as they arise.

Action 1.2: Identify opportunities to make more efficient use of industrial land.

Action 1.4. Plan for infrastructure development to support commercial and industrial development.

Action 1.6. Plan for long-term development in Tualatin through 2040 and beyond.

Strategy 2: Identify Redevelopment Opportunities

This strategy focuses on actions that are intended to identify redevelopment opportunities in areas where employment growth would be appropriate.

Goal

Redevelop selected areas of Tualatin to create vibrant mixed-use districts that include new employment and housing opportunities.

Action 2.3: Identify opportunities to redevelop and intensify uses in industrial areas.

Strategy 3: Support Business Retention, Growth, and Attraction

Goal

Support business growth in Tualatin to diversify and expand commercial and industrial development in order to provide employment opportunities with levels of pay that allows workers to live in Tualatin, as well as supporting the City's tax base.

Action 3.2: Support growth of existing businesses in Tualatin.

Action 3.3: Support growth of and retain entrepreneurial businesses in Tualatin.

Action 3.4: Identify opportunities to attract or grow businesses with pay at or above Tualatin's average wage.

Action 3.5: Evaluate use of incentives to retain, grow, and attract businesses.

Strategy 4: Ensure there are Connections between Planning for Economic Development and Other Community Planning

Goal

Ensure that Tualatin develops as a walkable and complete community with a range of amenities that are easily accessible to people who live in Tualatin.

Action 4.2. Coordinate planning for economic development planning with housing planning.

Action 4.4. Identify opportunities to support workforce development.

Finding: The Plan conforms with the *Tualatin Economic Opportunities Analysis* as it provides a transportation network and utilities to undeveloped properties within the Tualatin UGB, providing development opportunities for new businesses and expansion opportunities for existing businesses. The Plan also improves the transportation network inside the Area providing an enhanced transportation network. The Plan provides resources to provide developer incentives to facilitate development in the Area.

City of Tualatin Economic Strategic Plan 2014 Update

Plan Details

Overall Goal

Continue a leadership role as one of the premier economic activity centers in the greater Portland metropolitan region. Focus on growing family wage jobs in targeted business clusters while encouraging high standards and excellence in urban design.

Strategy 1: BUSINESS RETENTION, EXPANSION & RECRUITMENT

Retaining and cultivating the growth of existing businesses, as well as attracting new employers, is central to the health of Tualatin. These strategies are designed to strategically focus the City's efforts and resources.

Strategy 2: BUSINESS CLIMATE/ COMPETITIVE POSITIONING

Creating and maintaining a positive climate for business is an effort which takes continual attention. These strategies are designed to ensure the City is actively refining its procedures and codes to encourage business development and job creation.

Finding: The Plan conforms with the *Tualatin Economic Strategic Plan* as it provides a transportation network and utilities to undeveloped industrial properties within the Tualatin UGB providing development opportunities for new businesses and expansion opportunities for existing businesses. The Plan also improves the transportation network inside the Area providing an enhanced transportation network for existing businesses. The Plan provides resources to provide developer incentives to facilitate development in the Area.

Tualatin Municipal Code: Development Code

The land uses in the Area will conform to the zoning designations in the Tualatin Development Code, including the maximum densities and building requirements, and are incorporated by reference herein. The existing zoning is shown in Figure 3.

The development is expected to conform to the zoning requirements. As the Municipal Code is updated, this document will be automatically updated. If a substantial amendment is completed in the future, this section will be updated to match the current zoning designations.

The zoning categories at the time of the Southwest and Basalt Creek Development Area Plan preparation follow. They are in the order that they occur in the Development Code.

Existing Zoning Categories

Low Density Residential (RL)

The purpose of the Low Density Residential (RL) zone is to provide low density residential areas in the City that are appropriate for dwellings on individual lots, as well as other miscellaneous land uses compatible with a low density residential environment.

High Density Residential (RH)

The purpose of this zone is to provide areas of the City suitable for townhouses, high density garden apartment and condominium developments.

Neighborhood Commercial (CN)

The purpose of this district is to provide locations for commercial uses within close proximity to residential areas, to provide opportunities to serve the needs of residents for convenience shopping and services. The primary uses are intended to include professional offices, services, and retail oriented to the day-to-day needs of adjacent neighborhoods. Neighborhood commercial uses are intended to be pedestrian oriented and should serve to reduce automobile trips and energy consumption. The purpose is also to assure that development is of a scale and design that is compatible with the residential environment and is an enhancement to neighborhood areas. It is not the purpose of this district to allow for large scale commercial facilities, such as large grocery or department stores, which are more appropriately located within the downtown area.

General Manufacturing (MG)

The purpose of this zone is to provide areas of the City that are suitable for a wide range of heavier manufacturing and processing activities, including those of a more intense nature and impact than the uses allowed in the Light Manufacturing (ML) Planning Zone. Industrial uses that are environmentally adverse or pose a hazard to life and safety are prohibited. A limited amount of commercial service and other support uses are permitted as regulated by the Commercial Services Overlay zone and the Limited Commercial Setback.

Manufacturing Park (MP)

The purpose of this district is to provide an environment exclusively for and conducive to the development and protection of modern, large-scale specialized manufacturing and related uses and research facilities. Such permitted uses must not cause objectionable noise, smoke, odor, dust, noxious gases, vibration, glare, heat, fire

hazard or other wastes emanating from the property. The district is to provide for an aesthetically attractive working environment with park or campus like grounds, attractive buildings, ample employee parking and other amenities appropriate to an employee oriented activity. The purpose is also to protect existing and future sites for such uses by maintaining large lot configurations or a cohesive planned development design and limiting uses to those that are of a nature so as to not conflict with other industrial uses or surrounding residential areas. The purpose is also to allow a limited amount of commercial uses and services and other support uses..

Manufacturing Business Park (MBP)

(1) The purpose of this zone is to provide an environment exclusively for and conducive to the development and protection of modern, large-scale specialized manufacturing and related uses and research facilities. Such permitted uses must not cause objectionable noise, smoke, odor, dust, noxious gases, vibration, glare, heat, fire hazard or other wastes emanating from the property. The zone is to provide for an aesthetically attractive working environment with park or campus like grounds, attractive buildings, ample employee parking and other amenities appropriate to an employee oriented activity. The purpose is also to protect existing and future sites for such uses. The purpose of this zone is to provide an environment for industrial development consistent with the Southwest Concept Plan (SWCP) and with the Metro-designated Regionally Significant Industrial Area (RSIA).

(2) The Manufacturing Business Park (MBP) Zone will be a mix of light industrial and high-tech uses in a corporate campus setting. Permitted uses are required to be conducted within a building and uses with unmitigated hazardous or nuisance effects are restricted. The RSIA-designated area requires at least one 100-acre parcel and one 50-acre parcel for large industrial users. The remainder of the area is likely to include light to medium industrial uses with some limited, local-serving commercial services. The zone is intended to provide for an aesthetically attractive working environment with campus-like grounds, attractive buildings, ample employee parking and other amenities appropriate to an employee oriented activity. It also is intended to protect existing and future sites for such uses by maintaining large lot configurations, a cohesive planned-development design and limiting uses to those that are of a nature that will not conflict with other industrial uses or nearby residential areas of the City.

Unannexed/Inside Urban Growth Boundary

There are properties within the URA that are in unincorporated Washington County but also within the Urban Growth Boundary of the City of Tualatin. It is anticipated that these properties will be annexed prior to development occurring on them and that they will follow the requirements of the zone they are designated.

Finding: The Plan conforms with the Tualatin Development Code as the projects will support the development of parcels in the Area and those parcels will be developed in accordance with the Municipal Code through the normal City of Tualatin development review process.

LEGAL DESCRIPTION

2021 Southwest and Basalt Creek Development Area Plan Area
Tualatin, Oregon

EXHIBIT B

RESOLUTION No. 628-21

**Report Accompanying the
Southwest and Basalt Creek Development
Area DRAFT**



City of Tualatin

LIST OF PARTICIPANTS

Mayor

Frank Bubenik

City Council

Nancy Grimes, Council President

Maria Reyes

Christen Sacco

Bridget Brooks

Cyndy Hillier

Valeris Pratt

Planning Commission

Bill Beers, Chair

Mona St. Clair, Vice-Chair

Alan Aplin

Daniel Bachhuber

Ursula Kuhn

Janelle Thompson

City of Tualatin Staff

Sherilyn Lombos, City Manager

Megan George, Deputy City Manager

Don Hudson, Assistant City Manager/
Finance Director

Kim McMillan, Community Development
Director

Steve Koper, Assistant Community
Development Director/Planning Manager

Jonathan Taylor, Economic Development
Manager

Urban Renewal Task Force

Jilian Felton, Community Partners for
Affordable Housing

Theresa Haskins, Portland General Electric
(property owner)

Grace Lucini, Area Resident (property owner)

Christen Sacco, City of Tualatin City Council

Janelle Thompson, City of Tualatin Planning
Commission

Cassandra Ulven, Public Affairs Chief,
Tualatin Valley Fire and Rescue (TVF&R)

Consulting Team

Elaine Howard Consulting, LLC

Elaine Howard, Scott Vanden Bos

Tiberius Solutions, LLC

Nick Popenuk, Ali Danko, Rob Wyman

Southwest and Basalt Creek Development Area Plan
approved by the City of Tualatin

DATE

Ordinance No. 2021-

This Plan was also approved by Washington County by Resolution No. ____ on **DATE** as there are unincorporated properties in the Area.

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INTRODUCTION

The Report Accompanying the Southwest and Basalt Creek Development Area Plan (Report) contains background information and project details that pertain to the Southwest and Basalt Creek Development Area 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 Tualatin City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.087, including financial feasibility. The Report accompanying the Plan contains the information required by ORS 457.087, including:

- 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 457.087(8))
- A relocation report. (ORS 457.087(9))

The relationship of the sections of the Report and the ORS 457.087 requirements is shown in Table 1. The specific reference in the table below 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)	X
ORS 457.087 (2)	XI
ORS 457.087 (3)	II
ORS 457.087 (4)	III
ORS 457.087 (5)	VI
ORS 457.087 (6)	IV,V
ORS 457.087 (7)	IV,V
ORS 457.087 (8)	VIII
ORS 457.087 (9)	XII

The Report provides guidance on how the Plan might be implemented. As the Tualatin Development Commission (TDC) reviews revenues and potential projects each year, it has the authority to make adjustments to the implementation assumptions in this Report. The TDC may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different timeframes than projected in this Report, and make other adjustments to the financials as determined by the TDC. The TDC may also make changes as allowed in the Amendments section of the Plan. These adjustments must stay within the confines of the overall maximum indebtedness of the Plan.

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. Much of the project descriptions and existing conditions come from the following documents:

Tualatin Capital Improvement Plan, City of Tualatin, FY 2020/21 – 2025/26. This is identified as CIP. The CIP page numbering is by project type (transportation, pedestrian etc.)

Basalt Creek Concept Plan, adopted by the City of Tualatin August 13, 2018, Ord. # 1418-19. This is identified as BCCP

Tualatin Sewer Master Plan, City of Tualatin, Jacobs, August 2019, updated November 2019. This is identified as SMP.

Transportation Systems Plan, CH2M Hill, DKS, Angelo Planning Group, JLA Public Involvement, February 2014. This is identified as TSP.

Southwest Tualatin Concept Plan, CH2M Hill, Kittelson and Associates, October 11, 2010. This is identified as SWTCP.

Instead of footnoting every project, it is noted if these projects come from the above plans and the page number where they can be found.

A. Transportation

1. 124th/Future Blake Street Signal

Design and construct a new traffic signal at the new intersection of the recently-constructed 124th Ave with the future extension of Blake Street along with or after the future Blake Street construction. (CIP p 106)

Existing Conditions: This project was identified through the Tualatin Moving Forward process. 124th was recently constructed. In the future when Blake Street is constructed and when there is sufficient traffic to warrant a signal at this location, this signal will be installed.

Figure 2 – 124th Blake Future Street Signal



Source: City of Tualatin Capital Improvement Plan

2. Tonquin Trail

The preferred alignment for the regional Ice Age Tonquin Trail includes a section bordering the Basalt Creek Planning Area as part of a 22-mile trail alignment through Wilsonville, Tualatin, and Sherwood with trail facility types varying by location based upon landscape and setting. The Ice Age Tonquin Trail is intended to connect in the north to the Tualatin River Greenway Trail, Fanno Creek Trail, and the Westside Trail, and to the south to the Willamette River. (BCCP p 38)

Existing Conditions:

This portion of the trail does not exist but is a vital link for the entire trail construction. “Coordination with Metro, Tualatin Community Services Department, and the Wilsonville Parks and Recreation Department will be necessary to establish a local trail network with regional connections. Metro’s Ice Age Tonquin Trail Master Plan provides a framework for local and regional implementation of the regional Ice Age Tonquin Trail, which is intended to complement the Ice Age Floods National Geological Trail Planning (the national trail will be a network of driving routes with spurs for biking and walking, from Montana to the Pacific Ocean). The preferred alignment for the regional Ice Age Tonquin Trail includes a section bordering the Basalt Creek Planning Area as part of a 22-mile trail alignment through Wilsonville, Tualatin, and Sherwood with trail facility types varying by location based upon landscape and setting. The Ice Age Tonquin Trail is intended to connect in the north to the Tualatin River Greenway Trail, Fanno Creek Trail, and the Westside Trail, and to the south to the Willamette River. (BCCP p38)

3. Blake Street Extension

Preliminary planning and conceptual design and construction of the future Blake Street between 115th Ave and 124th Avenue. The Blake Street Concept study is in CIP for FY 2020/21. Preliminary planning and conceptual design of the future Blake Street between 115th Ave and 124th Avenue. The Basalt Street Extension is listed on p249 of the CIP as an unfunded project. (SWTCP p 23)

Existing Conditions:

This roadway does not presently exist but will be necessary for the full development of the Area.

Figure 3 - Blake Street Extension



Source: City of Tualatin Capital Improvement Plan

B. Sewer

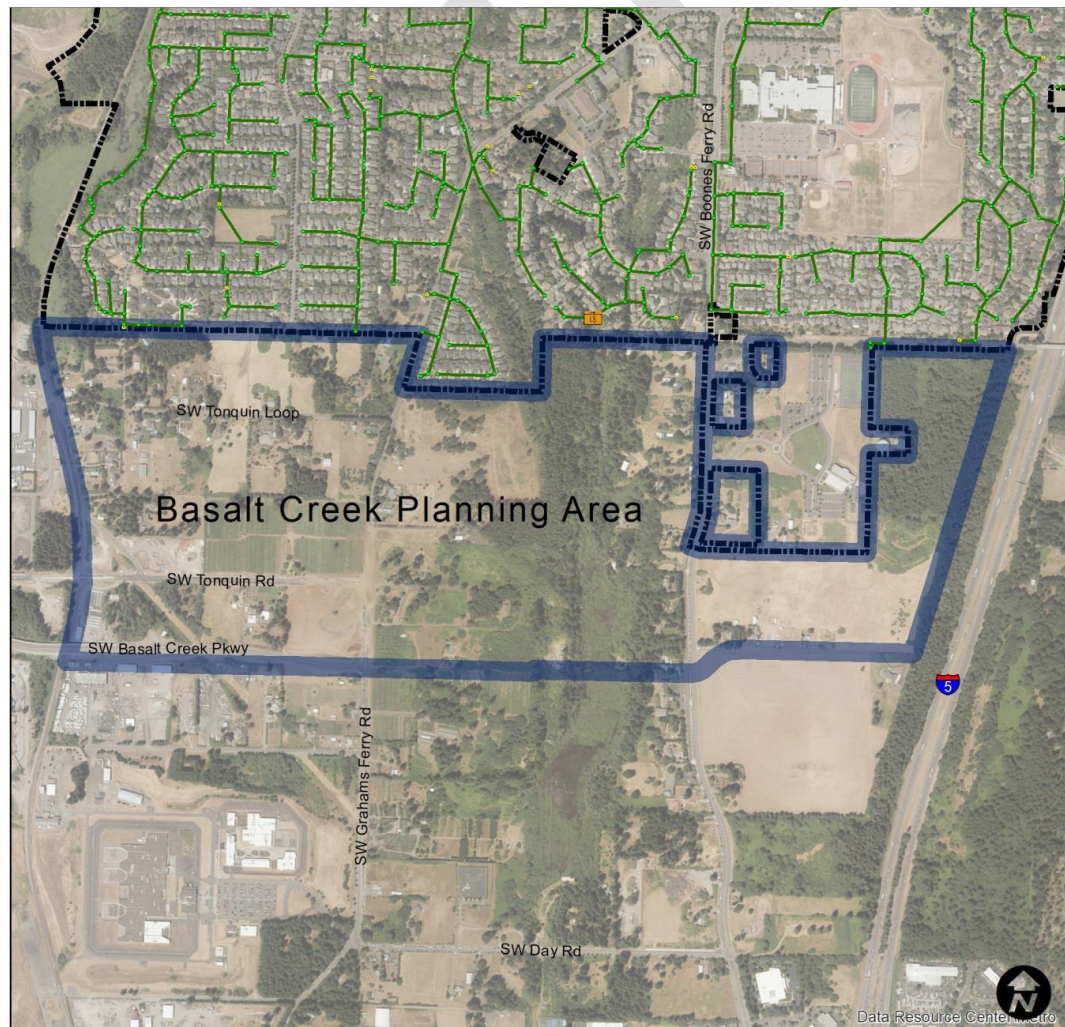
1. Tonquin Loop Sewer

Most of the sanitary sewer in the Basalt Creek Planning Area will be an 8-inch gravity system installed by developers. The construction timeline of this pipe depends on both the construction of Basalt Creek area pump station #4 and development progress in the western portion of the planning area. Because this project is entirely driven by new development, it is eligible for SDC reimbursement. “Build 2,170 feet of 10 inch sanitary sewer service in the Basalt Creek Planning Area to serve new commercial and residential development.” (CIP p 164)

Existing Conditions:

This section of the sewer system is not yet developed but will be necessary to fully develop the Area.

Figure 4 – Tonquin Loop Sewer



Source: City of Tualatin Capital Improvement Plan

2. Basalt Creek Gravity Sewer

The Basalt Creek Conceptual Plan includes approximately 34,250 feet of 8-inch gravity pipe within the planning area. These projects will be funded by developers, and scheduling will be coordinated with the City and CWS. It is expected that the residential portion of the planning area will develop within the next 10 years, while the commercial and industrial portions may develop in the next 20 years. (SMP p 4-3)

Existing conditions:

3. Basalt Creek Pump Stations and Force Mains

The conceptual sanitary sewer design for Basalt Creek includes the construction of six new pump stations, each with 6-inch force mains. One pump station is in the Wilsonville portion of the planning area and will be constructed by Wilsonville. CWS will own and operate the five remaining pump stations in the planning area, and will also be responsible for construction costs. (SMP p 4-3)

Existing conditions:

This section of the sewer system is not yet developed but will be necessary to fully develop the Area.

4. SW Tualatin Gravity Sewer

The proposed conceptual sewer layout for the Southwest Tualatin Concept Area also includes three 8-inch sewer lines to serve the area. It is expected that all gravity sewer in the planning area will be funded by developers and scheduling will be coordinated with the City and CWS. The southern region of the area is serviced by a proposed gravity line that will drain into the Basalt Creek Pump Station 4. The northeastern portion is serviced by a proposed gravity line that connects to existing sewer along SW Iteel Street. The northwestern sewer section connects to existing sewer along SW 124th Avenue and receives flow from the surrounding area as well as the proposed Southwest Tualatin Pump Station. (SMP p 68 4-4).

Existing Conditions:

This section of the sewer system is not yet developed but will be necessary to fully develop the Area. "It is expected that the residential portion of the planning area will develop within the next 10 years, while the commercial and industrial portions may develop in the next 20 years." (SMP p 4-3)

C. *Developer Assistance and Incentives*

Facilitate development and redevelopment on sites in the Area, stimulating growth and providing new employment opportunities and additional mixed use and commercial growth in the Area.

Existing conditions:

This Area has many properties that could be developed in the future. There is presently not a funding source in the City to provide development assistance to property owners/developers. This tool will help facilitate development of the Area.

D. *Small Business Grants*

Provide small industrial and office space owners and businesses façade grants to update, modernize existing façade infrastructure.

Existing conditions:

There is no funding for small business capital improvements in the Area, but a need for assistance to those small businesses for capital improvements.

E. *Acquisition/Disposition*

Acquisition/Disposition are allowed in the Plan. Based on sales comparables of notable vacant land, these will be used in accordance with land acquisition to assist with targeted development based on submitted request for proposals. Prior to any property being acquired, it must be identified in the Plan in Section VIII.

Existing conditions:

There is presently no funding for an acquisition program for the Area.

F. *Administration*

Authorizes expenditures for the administrative costs associated with managing the URA including budgeting and annual reporting, planning and the implementation of projects in the Area.

Existing conditions:

Once an urban renewal plan with its associated requirements for administration exists there will also be a need for administrative funds to be allocated for that administration.

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

The total cost estimates for projects are shown in Table 2 below. **Table 2** presents the estimated costs of the projects today (FYE 2021 constant dollars) and the estimated cost of those projects in the future (year of expenditure dollars).² These are all estimates acknowledging that the urban renewal portions of these project activities must fit within the maximum indebtedness. If the City is able to jumpstart the Area by providing alternative funding sources which are repaid when tax increment revenues are available, the timing on projects can be moved up.

The Plan assumes that the TDC/City will use other funds to assist in the completion of the projects within the Area. The TDC/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 projects or programs.

The TDC will be able to review and update fund expenditures and allocations on an annual basis when the annual budget is prepared. For more detail, see additional narrative explanation on page 25 of this Report.

Table 2 - Estimated Cost of Each Project

Project Title	Constant FYE 2021	Year of Expenditure Project Cost
Tonquin Loop Sewer	657,000	936,685
Basalt Creek Gravity Sewer	3,838,000	6,533,811
SW Tualatin Gravity Sewer	418,000	732,963
124th/Future Blake Street Signal	656,000	992,266
Tonquin Trail	2,343,000	4,762,850
Property Mitigation	2,965,223	6,128,732
Blake Street Extension	1,500,000	3,234,900
Small Business Grants	1,000,000	1,915,520
Water System Upsizing	12,000,000	22,034,075
Financing Fees	199,280	284,000
Administration	3,450,000	5,804,346
Total Expenditures	\$29,026,503	\$53,360,148

Source: City of Tualatin and Tiberius Solutions

² Year of expenditure project cost estimates assume annual inflation of 3.0%.

FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FYE 2052 are calculated based on projections of growth in assessed value due to new development and appreciation within the Area and the consolidated tax rate that will apply in the Area.

The long-term projections for FYE 2022 and beyond assume an annual growth rate of 6.0% for assessed value in the area (equal to 3% maximum annual appreciation for existing property plus 3% exception value from new development). Achieving this growth rate would require an annual increase in assessed value from new construction equal to an average of \$4.7 million per year, plus the maximum-allowed 3-percent appreciation on all existing property in the Area. These projections of growth are the basis for the projections in the Area.

These projections of growth were informed by conversations with City staff and City Council, based on the amount of development potential within the Area. If actual assessed value growth is less than forecast, then it would reduce the financial capacity of the URA to fund projects listed in the Plan.

Table 3 shows the incremental assessed value, tax rates, and tax increment revenues each year, adjusted for discounts, and delinquencies.

The first year of tax increment collections is anticipated to be fiscal year ending (FYE) 2023. Gross tax increment financing (TIF)³ 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 includes permanent tax rates only, and excludes general obligation bonds and local option levies, which will not be impacted by this Plan.

Figure 5 shows expected TIF revenues over time and the projected tax revenues after termination of the Area.

³ TIF is also used to signify tax increment revenues

Table 3 - Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues, page 1

FYE	Total	Frozen Base	Increment	Tax Rate	Gross TIF	Adjustments	Net TIF (Current Year)	Net TIF (Prior Year)	Net TIF (Total)
2023	\$111,902,962	\$99,593,238	\$12,309,724	\$10.7623	\$132,481	(\$6,624)	\$125,857	\$0	\$125,857
2024	\$118,617,139	\$99,593,238	\$19,023,901	\$10.7623	\$204,741	(\$10,237)	\$194,504	\$1,888	\$196,392
2025	\$125,734,167	\$99,593,238	\$26,140,929	\$10.7623	\$281,337	(\$14,067)	\$267,270	\$2,918	\$270,187
2026	\$133,278,218	\$99,593,238	\$33,684,980	\$10.7623	\$362,528	(\$18,126)	\$344,402	\$4,009	\$348,411
2027	\$141,274,910	\$99,593,238	\$41,681,672	\$10.7623	\$448,591	(\$22,430)	\$426,161	\$5,166	\$431,328
2028	\$149,751,405	\$99,593,238	\$50,158,167	\$10.7623	\$539,818	(\$26,991)	\$512,827	\$6,392	\$519,219
2029	\$158,736,490	\$99,593,238	\$59,143,252	\$10.7623	\$636,518	(\$31,826)	\$604,692	\$7,692	\$612,384
2030	\$168,260,680	\$99,593,238	\$68,667,442	\$10.7623	\$739,020	(\$36,951)	\$702,069	\$9,070	\$711,140
2031	\$178,356,321	\$99,593,238	\$78,763,083	\$10.7623	\$847,673	(\$42,384)	\$805,289	\$10,531	\$815,820
2032	\$189,057,701	\$99,593,238	\$89,464,463	\$10.7623	\$962,844	(\$48,142)	\$914,702	\$12,079	\$926,781
2033	\$200,401,162	\$99,593,238	\$100,807,924	\$10.7623	\$1,084,926	(\$54,246)	\$1,030,680	\$13,721	\$1,044,400
2034	\$212,425,232	\$99,593,238	\$112,831,994	\$10.7623	\$1,214,333	(\$60,717)	\$1,153,616	\$15,460	\$1,169,076
2035	\$225,170,745	\$99,593,238	\$125,577,507	\$10.7623	\$1,351,504	(\$67,575)	\$1,283,929	\$17,304	\$1,301,233
2036	\$238,680,988	\$99,593,238	\$139,087,750	\$10.7623	\$1,496,905	(\$74,845)	\$1,422,060	\$19,259	\$1,441,319
2037	\$253,001,847	\$99,593,238	\$153,408,609	\$10.7623	\$1,651,031	(\$82,552)	\$1,568,479	\$21,331	\$1,589,810
2038	\$268,181,957	\$99,593,238	\$168,588,719	\$10.7623	\$1,814,404	(\$90,720)	\$1,723,684	\$23,527	\$1,747,211
2039	\$284,272,875	\$99,593,238	\$184,679,637	\$10.7623	\$1,987,579	(\$99,379)	\$1,888,200	\$25,855	\$1,914,056
2040	\$301,329,246	\$99,593,238	\$201,736,008	\$10.7623	\$2,171,145	(\$108,557)	\$2,062,588	\$28,323	\$2,090,911

Source: Tiberius Solutions

Note: Future annexations may result in a higher weighted average tax rate than what is shown in this table. This analysis assumes all property in the Area remains in their current tax code areas for the duration of the URA, including some property in the City of Tualatin (where tax rates are higher) and some in unincorporated Washington County (where tax rates are lower). The result of future annexations within the URA would be a higher weighted average tax rate for the URA, resulting in additional tax increment revenues for the TDC and potentially an earlier time frame of reaching the maximum indebtedness.

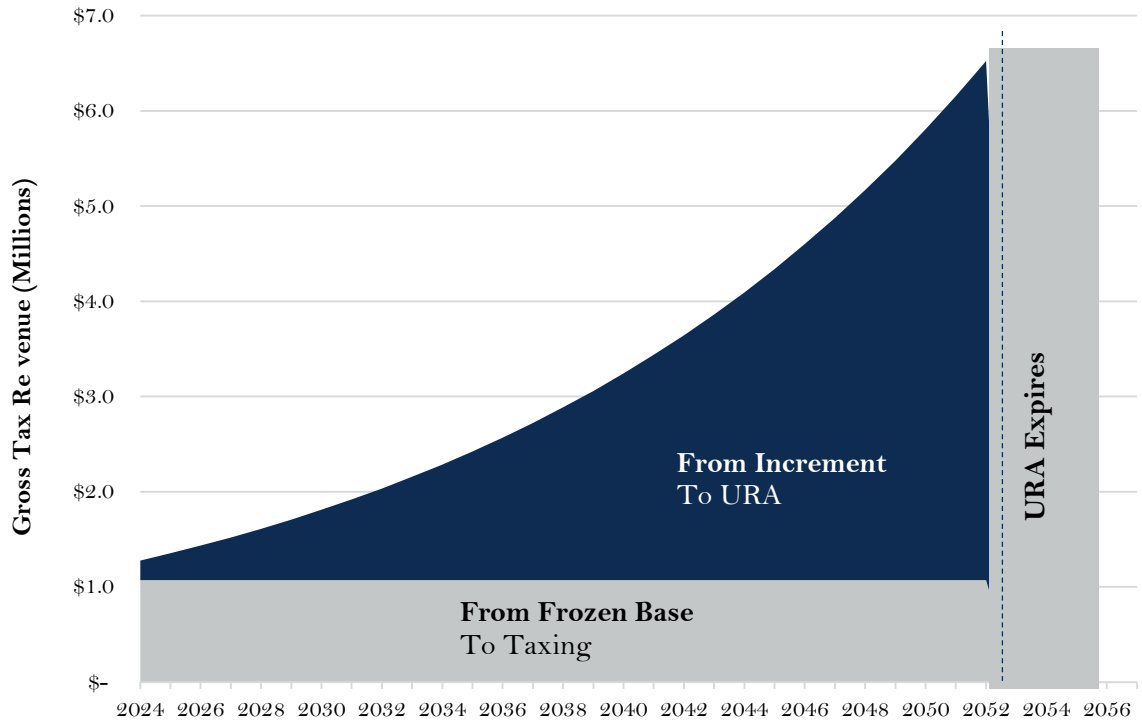
Table 4 - Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues, page 2

FYE	Total	Frozen Base	Increment	Tax Rate	Gross TIF	Adjustments	Net TIF (Current Year)	Net TIF (Prior Year)	Net TIF (Total)
2041	\$319,409,002	\$99,593,238	\$219,815,764	\$10.7623	\$2,365,725	(\$118,286)	\$2,247,439	\$30,939	\$2,278,378
2042	\$338,573,542	\$99,593,238	\$238,980,304	\$10.7623	\$2,571,980	(\$128,599)	\$2,443,381	\$33,712	\$2,477,092
2043	\$358,887,957	\$99,593,238	\$259,294,719	\$10.7623	\$2,790,610	(\$139,530)	\$2,651,079	\$36,651	\$2,687,730
2044	\$380,421,234	\$99,593,238	\$280,827,996	\$10.7623	\$3,022,358	(\$151,118)	\$2,871,240	\$39,766	\$2,911,006
2045	\$403,246,507	\$99,593,238	\$303,653,269	\$10.7623	\$3,268,010	(\$163,401)	\$3,104,610	\$43,069	\$3,147,678
2046	\$427,441,296	\$99,593,238	\$327,848,058	\$10.7623	\$3,528,402	(\$176,420)	\$3,351,982	\$46,569	\$3,398,551
2047	\$453,087,773	\$99,593,238	\$353,494,535	\$10.7623	\$3,804,417	(\$190,221)	\$3,614,197	\$50,280	\$3,664,476
2048	\$480,273,039	\$99,593,238	\$380,679,801	\$10.7623	\$4,096,994	(\$204,850)	\$3,892,144	\$54,213	\$3,946,357
2049	\$509,089,422	\$99,593,238	\$409,496,184	\$10.7623	\$4,407,124	(\$220,356)	\$4,186,768	\$58,382	\$4,245,150
2050	\$539,634,787	\$99,593,238	\$440,041,549	\$10.7623	\$4,735,863	(\$236,793)	\$4,499,070	\$62,802	\$4,561,871
2051	\$572,012,874	\$99,593,238	\$472,419,636	\$10.7623	\$5,084,326	(\$254,216)	\$4,830,110	\$67,486	\$4,897,596
2052	\$606,333,647	\$99,593,238	\$506,740,409	\$10.7623	\$5,453,697	(\$272,685)	\$5,181,012	\$72,452	\$5,253,464
TOTAL:					\$63,056,884	(\$3,152,844)	\$59,904,040	\$820,845	\$60,724,885

Source: Tiberius Solutions

Note: Future annexations may result in a higher weighted average tax rate than what is shown in this table. This analysis assumes all property in the Area remains in their current tax code areas for the duration of the URA, including some property in the City of Tualatin (where tax rates are higher) and some in unincorporated Washington County (where tax rates are lower). The result of future annexations within the URA would be a higher weighted average tax rate for the URA, resulting in additional tax increment revenues for the TDC and potentially an earlier time frame of reaching the maximum indebtedness.

Figure 5 - TIF Projections



Source: Tiberius Solutions

DRAFT

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

Table 5 shows a summary of the financial capacity of the URA, including how the total TIF revenue translates to the ability to fund urban renewal projects in constant 2021 dollars in five-year increments. **Table 7**, **Table 8**, **Table 9**, and **Table 10** show more detailed tables on the allocation of tax revenues 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 URA in FYE 2052, a 30-year urban renewal plan. The time frame of urban renewal is not absolute; it may vary depending on the actual ability to meet the maximum indebtedness. If growth in assessed value is slower, it may take longer; if growth in assessed value is faster 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 \$53,200,000 (Fifty Three Million Two Hundred Thousand dollars). The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$53,200,000 is \$60,724,885 and is from permanent rate levies. The increase over the maximum indebtedness is due to the projected cost of the interest on borrowings.

Table 5 - TIF Capacity of the Area in FYE 2021 Constant Rounded Numbers

Average AV from New Construction	\$4,700,000
Total Net TIF	\$60,700,000
Maximum Indebtedness	\$53,200,000
Capacity (2021\$)	\$29,000,000
Years 1-5	\$600,000
Years 6-10	\$4,900,000
Years 11-15	\$4,900,000
Years 16-20	\$5,100,000
Years 21-25	\$5,700,000
Years 26-30	\$7,800,000

Source: Tiberius Solutions

This financial analysis shows borrowings as identified in **Table 6**. This is only one scenario for how the TDC may decide to implement this Plan, and this scenario is financially feasible. The TDC 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 Area in FYE 2052. The amounts shown are the principal amounts of the borrowings. The total amounts, including interest, are shown in the second column of **Table 7**.

Table 6 - Estimated Borrowings and Amounts

Loan	Loan A	Loan B	Loan C	Loan D
Principal Amount	\$1,600,000	\$3,400,000	\$4,400,000	\$4,800,000
Interest Rate	5.00%	5.00%	5.00%	5.00%
Loan Term	20	20	19	14
Loan Year	2024	2029	2034	2039
Interest Payment Start	2024	2029	2034	2039
Principal Payment Start	2024	2029	2034	2039
Annual Payment	(\$128,388)	(\$272,824)	(\$364,078)	(\$484,915)

Source: Tiberius Solutions

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

	Total	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Resources								
Beginning Balance		-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-	-
TIF: Current Year	59,904,040	125,857	194,504	267,270	344,402	426,161	512,827	604,692
TIF: Prior Years	820,845	-	1,888	2,918	4,009	5,166	6,392	7,692
Total Resources	60,724,885	125,857	196,392	270,187	348,411	431,328	519,219	612,384
Expenditures								
Debt Service								
Loan A	(2,567,763)	-	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)
Loan B	(5,456,496)	-	-	-	-	-	-	(272,825)
Loan C	(6,917,483)	-	-	-	-	-	-	-
Loan D	(6,788,811)	-	-	-	-	-	-	-
Total Debt Service	(21,730,552)	-	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	(401,213)
Debt Service Coverage Ratio	1.00	1.00	1.51	2.08	2.68	3.32	3.99	1.51
Transfer to URA Projects Fund	(38,994,333)	(125,857)	(68,004)	(141,799)	(220,023)	(302,939)	(390,831)	(211,172)
Total Expenditures	(60,724,885)	(125,857)	(196,392)	(270,187)	(348,411)	(431,328)	(519,219)	(612,384)

Source: Tiberius Solutions

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

	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036	FYE 2037
Resources								
Beginning Balance	-	-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-	-
TIF: Current Year	702,069	805,289	914,702	1,030,680	1,153,616	1,283,929	1,422,060	1,568,479
TIF: Prior Years	9,070	10,531	12,079	13,721	15,460	17,304	19,259	21,331
Total Resources	711,140	815,820	926,781	1,044,400	1,169,076	1,301,233	1,441,319	1,589,810
Expenditures								
Debt Service								
Loan A	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)
Loan B	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)
Loan C	-	-	-	-	(364,078)	(364,078)	(364,078)	(364,078)
Loan D	-	-	-	-	-	-	-	-
Total Debt Service	(401,213)	(401,213)	(401,213)	(401,213)	(765,291)	(765,291)	(765,291)	(765,291)
Debt Service Coverage Ratio	1.75	2.01	2.28	2.57	1.51	1.68	1.86	2.05
Transfer to URA Projects Fund	(309,927)	(414,607)	(525,568)	(643,187)	(403,785)	(535,942)	(676,028)	(824,519)
Total Expenditures	(711,140)	(815,820)	(926,781)	(1,044,400)	(1,169,076)	(1,301,233)	(1,441,319)	(1,589,810)

Source: Tiberius Solutions

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

	FYE 2038	FYE 2039	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044	FYE 2045
Resources								
Beginning Balance	-	-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-	-
TIF: Current Year	1,723,684	1,888,200	2,062,588	2,247,439	2,443,381	2,651,079	2,871,240	3,104,610
TIF: Prior Years	23,527	25,855	28,323	30,939	33,712	36,651	39,766	43,069
Total Resources	1,747,211	1,914,056	2,090,911	2,278,378	2,477,092	2,687,730	2,911,006	3,147,678
Expenditures								
Debt Service								
Loan A	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	-	-
Loan B	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)
Loan C	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)
Loan D	-	(484,915)	(484,915)	(484,915)	(484,915)	(484,915)	(484,915)	(484,915)
Total Debt Service	(765,291)	(1,250,206)	(1,250,206)	(1,250,206)	(1,250,206)	(1,250,206)	(1,121,818)	(1,121,818)
Debt Service Coverage Ratio	2.25	1.51	1.65	1.80	1.95	2.12	2.56	2.77
Transfer to URA Projects Fund	(981,920)	(663,850)	(840,705)	(1,028,172)	(1,226,886)	(1,437,524)	(1,789,188)	(2,025,860)
Total Expenditures	(1,747,211)	(1,914,056)	(2,090,911)	(2,278,378)	(2,477,092)	(2,687,730)	(2,911,006)	(3,147,678)

Source: Tiberius Solutions

Table 10 - Tax Increment Revenues and Allocations, page 4

	FYE 2046	FYE 2047	FYE 2048	FYE 2049	FYE 2050	FYE 2051	FYE 2052
Resources							
Beginning Balance	-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-
TIF: Current Year	3,351,982	3,614,197	3,892,144	4,186,768	4,499,070	4,830,110	5,181,012
TIF: Prior Years	46,569	50,280	54,213	58,382	62,802	67,486	72,452
Total Resources	3,398,551	3,664,476	3,946,357	4,245,150	4,561,871	4,897,596	5,253,464
Expenditures							
Debt Service							
Loan A	-	-	-	-	-	-	-
Loan B	(272,825)	(272,825)	(272,825)	-	-	-	-
Loan C	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)
Loan D	(484,915)	(484,915)	(484,915)	(484,915)	(484,915)	(484,915)	(484,915)
Total Debt Service	(1,121,818)	(1,121,818)	(1,121,818)	(848,993)	(848,993)	(848,993)	(848,993)
Debt Service Coverage Ratio	2.99	3.22	3.47	4.93	5.30	5.69	6.10
Transfer to URA Projects Fund	(2,276,733)	(2,542,658)	(2,824,539)	(3,396,157)	(3,712,878)	(4,048,603)	(4,404,471)
Total Expenditures	(3,398,551)	(3,664,476)	(3,946,357)	(4,245,150)	(4,561,871)	(4,897,596)	(5,253,464)

Source: Tiberius Solutions

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 TDC. Annual expenditures for program administration are also shown, and are predicated on the fact that urban renewal activities will start off slowly in the beginning years and increase in the later years of the Area.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the Area in FYE 2052, a 30-year program.

The amount of money available for projects in 2021 constant dollars for the Area is \$29,026,503. See **Table 2** for the individual project analysis. This \$29,026,503 is calculated by reflecting the maximum indebtedness of \$53,200,000 in constant 2021 dollars. This is done as the TDC's cost estimates are typically in constant dollars, so understanding how that relates to the overall MI over 30 years is important to help the TDC to make projections on the allocation of funds throughout the life of the Area.

Table 11, Table 12, Table 13, and Table 14 show the \$29,026,503 of 2021 project dollars inflated over the life of the Area including administrative expenses. All costs shown in **Table 11**, Table 12, Table 13, and Table 14 are in year-of-expenditure dollars, which are adjusted by 3.0% annually to account for inflation. The year of expenditure total cost is \$53,360,148. This exceeds the MI of \$53,200,000 as it includes approximately \$165,000 of anticipated interest earnings in the project fund which can be spent on projects in the URA without being counted against maximum indebtedness. .

The 3% 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 TDC 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. If the City is able to jumpstart the Area by providing alternative funding sources which are repaid when tax increment revenues are available, or if other outside funding sources are secured, including but not limited to developer contributions, the timing on projects can be moved up.

Table 11 - Programs and Costs in Year of Expenditure Dollars, Page 1

	Total	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Resources								
Beginning Balance		-	3,853	1,514,215	1,534,152	1,628,526	1,802,286	2,060,689
Interest Earnings	165,815	-	19	7,571	7,671	8,143	9,011	10,303
Transfer from TIF Fund	38,994,333	125,857	68,004	141,799	220,023	302,939	390,831	211,172
Bond/Loan Proceeds	14,200,000	-	1,600,000	-	-	-	-	3,400,000
Total Resources	53,360,148	125,857	1,671,876	1,663,585	1,761,846	1,939,608	2,202,128	5,682,164
Expenditures (YOE \$)								
Tonquin Loop Sewer	(936,685)	-	-	-	-	-	-	-
Basalt Creek Gravity Sewer	(6,533,811)	-	-	-	-	-	-	-
SW Tualatin Gravity Sewer	(732,963)	-	-	-	-	-	-	-
124th/Future Blake Street Signal	(992,266)	-	-	-	-	-	-	-
Tonquin Trail	(4,762,850)	-	-	-	-	-	-	-
Property Mitigation	(6,128,732)	-	-	-	-	-	-	(950,100)
Blake Street Extension	(3,234,900)	-	-	-	-	-	-	-
Small Business Grants	(1,915,520)	-	-	-	-	-	-	-
Water System Upsizing	(22,034,075)	-	-	-	-	-	-	(4,433,800)
Financing Fees	(284,000)	-	(32,000)	-	-	-	-	(68,000)
Administration	(5,804,346)	(122,004)	(125,661)	(129,433)	(133,320)	(137,322)	(141,439)	(145,682)
Total Expenditures	(53,360,148)	(122,004)	(157,661)	(129,433)	(133,320)	(137,322)	(141,439)	(5,597,582)
Ending Balance		3,853	1,514,215	1,534,152	1,628,526	1,802,286	2,060,689	84,582

Source: Tiberius Solutions

Table 12 - Programs and Costs in Year of Expenditure Dollars, Page 2

	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036	FYE 2037
Resources								
Beginning Balance	84,582	244,879	506,161	875,078	350,714	787,575	85,610	504,996
Interest Earnings	423	1,224	2,531	4,375	1,754	3,938	428	2,525
Transfer from TIF Fund	309,927	414,607	525,568	643,187	403,785	535,942	676,028	824,519
Bond/Loan Proceeds	-	-	-	-	4,400,000	-	-	-
Total Resources	394,931	660,710	1,034,261	1,522,640	5,156,253	1,327,455	762,066	1,332,041
Expenditures (YOE \$)								
Tonquin Loop Sewer	-	-	-	(936,685)	-	-	-	-
Basalt Creek Gravity Sewer	-	-	-	-	-	-	-	-
SW Tualatin Gravity Sewer	-	-	-	-	-	-	-	-
124th/Future Blake Street Signal	-	-	-	-	-	(992,266)	-	-
Tonquin Trail	-	-	-	-	-	-	-	-
Property Mitigation	-	-	-	-	(367,125)	-	-	-
Blake Street Extension	-	-	-	-	-	-	-	-
Small Business Grants	-	-	-	(71,285)	(73,425)	(75,630)	(77,900)	(80,235)
Water System Upsizing	-	-	-	-	(3,671,250)	-	-	-
Property Mitigation/Acquisition	-	-	-	-	-	-	-	-
Financing Fees	-	-	-	-	(88,000)	-	-	-
Administration	(150,052)	(154,549)	(159,183)	(163,956)	(168,878)	(173,949)	(179,170)	(184,541)
Total Expenditures	(150,052)	(154,549)	(159,183)	(1,171,926)	(4,368,678)	(1,241,845)	(257,070)	(264,776)
Ending Balance	244,879	506,161	875,078	350,714	787,575	85,610	504,996	1,067,265

Source: Tiberius Solutions

Table 13 - Programs and Costs in Year of Expenditure Dollars, Page 3

	FYE 2038	FYE 2039	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044	FYE 2045
Resources								
Beginning Balance	1,067,265	1,781,809	343,860	163,993	894,978	1,819,389	2,949,853	4,428,146
Interest Earnings	5,336	8,909	1,719	820	4,475	9,097	14,749	22,141
Transfer from TIF Fund	981,920	663,850	840,705	1,028,172	1,226,886	1,437,524	1,789,188	2,025,860
Bond/Loan Proceeds	-	4,800,000	-	-	-	-	-	-
Total Resources	2,054,521	7,254,567	1,186,284	1,192,985	2,126,339	3,266,010	4,753,790	6,476,148
Expenditures (YOE \$)								
Tonquin Loop Sewer	-	-	-	-	-	-	-	-
Basalt Creek Gravity Sewer	-	(6,533,811)	-	-	-	-	-	-
SW Tualatin Gravity Sewer	-	-	(732,963)	-	-	-	-	-
124th/Future Blake Street Signal	-	-	-	-	-	-	-	-
Tonquin Trail	-	-	-	-	-	-	-	(4,762,850)
Property Mitigation	-	-	-	-	-	-	-	-
Blake Street Extension	-	-	-	-	-	-	-	-
Small Business Grants	(82,640)	(85,120)	(87,675)	(90,305)	(93,015)	(95,805)	(98,680)	(101,640)
Water System Upsizing	-	-	-	-	-	-	-	-
Property Mitigation/Acquisition	-	-	-	-	-	-	-	-
Financing Fees	-	(96,000)	-	-	-	-	-	-
Administration	(190,072)	(195,776)	(201,653)	(207,702)	(213,935)	(220,352)	(226,964)	(233,772)
Total Expenditures	(272,712)	(6,910,707)	(1,022,291)	(298,007)	(306,950)	(316,157)	(325,644)	(5,098,262)
Ending Balance	1,781,809	343,860	163,993	894,978	1,819,389	2,949,853	4,428,146	1,377,886

Source: Tiberius Solutions

Table 14 - Programs and Costs in Year of Expenditure Dollars, Page 4

	FYE 2046	FYE 2047	FYE 2048	FYE 2049	FYE 2050	FYE 2051	FYE 2052
Resources							
Beginning Balance	1,377,886	1,222,231	180,261	2,639,186	523,260	1,493,432	294,614
Interest Earnings	6,889	6,111	901	13,196	2,616	7,467	1,473
Transfer from TIF Fund	2,276,733	2,542,658	2,824,539	3,396,157	3,712,878	4,048,603	4,404,471
Bond/Loan Proceeds	-	-	-	-	-	-	-
Total Resources	3,661,508	3,771,000	3,005,701	6,048,539	4,238,755	5,549,502	4,700,557
Expenditures (YOE \$)							
Tonquin Loop Sewer	-	-	-	-	-	-	-
Basalt Creek Gravity Sewer	-	-	-	-	-	-	-
SW Tualatin Gravity Sewer	-	-	-	-	-	-	-
124th/Future Blake Street Signal	-	-	-	-	-	-	-
Tonquin Trail	-	-	-	-	-	-	-
Property Mitigation	(523,450)	-	-	-	-	-	(4,288,057))
Blake Street Extension	-	(3,234,900)	-	-	-	-	-
Small Business Grants	(104,690)	(107,830)	(111,065)	(114,395)	(117,825)	(121,360)	(125,000)
Water System Upsizing	(1,570,350)	-	-	(5,147,775)	(2,356,500)	(4,854,400)	-
Property Mitigation/Acquisition	-	-	-	-	-	-	-
Financing Fees	-	-	-	-	-	-	-
Administration	(240,787)	(248,009)	(255,450)	(263,109)	(270,998)	(279,128)	(287,500)
Total Expenditures	(2,439,277)	(3,590,739)	(366,515)	(5,525,279)	(2,745,323)	(5,254,888)	(4,700,557)
Ending Balance	1,222,231	180,261	2,639,186	523,260	1,493,432	294,614	-

Source: Tiberius Solutions

REVENUE SHARING

Revenue sharing targets are not projected to be reached as the threshold set in ORS 457 (annual tax increment revenues in excess of 10 percent of the maximum indebtedness) is not expected to be met during the life of the Plan.

Revenue sharing means that at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the Area. The first threshold is when annual tax increment finance revenues exceed 10% of the original maximum indebtedness of the Plan (\$5,320,000). At the 10% threshold, the TDC will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold, and the taxing jurisdictions will receive 75% of the increment above the 10% threshold.

The second threshold is set at 12.5% of the maximum indebtedness (\$6,650,000). If this threshold is met, revenue for the area would be capped at 12.5% of the maximum indebtedness, 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.

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 primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2052 and are shown in Table 15 and Table 16.

The Tigard/Tualatin School District, Sherwood School District and the Northwest Regional 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 15 and Table 16 show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 15 shows the general government levies, and Table 16 shows the education levies.

Table 15 - Projected Impact on Taxing District Permanent Rate Levies - General Government, page 1

FYE	Wash. County	City of Tualatin	Metro	Port of Portland	Tualatin Soil & Water District	Tualatin Valley Fire & Rescue	Tigard Tualatin Aquatic	Urban Road Maint.	Enhanced Sheriff Patrol	Subtotal General Gov't
2023	(26,293)	(16,523)	(1,130)	(820)	(965)	(17,836)	(298)	(7)	(19)	(63,890)
2024	(41,029)	(25,782)	(1,763)	(1,279)	(1,505)	(27,832)	(465)	(11)	(29)	(99,696)
2025	(56,446)	(35,470)	(2,425)	(1,760)	(2,071)	(38,290)	(639)	(16)	(41)	(137,158)
2026	(72,788)	(45,739)	(3,127)	(2,269)	(2,671)	(49,376)	(824)	(20)	(52)	(176,867)
2027	(90,110)	(56,625)	(3,872)	(2,809)	(3,306)	(61,126)	(1,020)	(25)	(65)	(218,959)
2028	(108,472)	(68,163)	(4,660)	(3,382)	(3,980)	(73,582)	(1,228)	(30)	(78)	(263,576)
2029	(127,936)	(80,394)	(5,497)	(3,989)	(4,694)	(86,785)	(1,449)	(35)	(92)	(310,870)
2030	(148,567)	(93,358)	(6,383)	(4,632)	(5,451)	(100,780)	(1,682)	(41)	(107)	(361,002)
2031	(170,436)	(107,101)	(7,323)	(5,314)	(6,254)	(115,615)	(1,930)	(47)	(122)	(414,142)
2032	(193,618)	(121,668)	(8,319)	(6,037)	(7,104)	(131,340)	(2,192)	(54)	(139)	(470,471)
2033	(218,190)	(137,109)	(9,374)	(6,803)	(8,006)	(148,009)	(2,470)	(60)	(157)	(530,179)
2034	(244,237)	(153,476)	(10,493)	(7,615)	(8,962)	(165,678)	(2,765)	(68)	(175)	(593,469)
2035	(271,846)	(170,826)	(11,680)	(8,476)	(9,975)	(184,407)	(3,078)	(75)	(195)	(660,557)
2036	(301,112)	(189,216)	(12,937)	(9,388)	(11,049)	(204,259)	(3,409)	(83)	(216)	(731,670)
2037	(332,134)	(208,710)	(14,270)	(10,355)	(12,187)	(225,303)	(3,761)	(92)	(238)	(807,050)
2038	(365,017)	(229,374)	(15,683)	(11,380)	(13,393)	(247,609)	(4,133)	(101)	(262)	(886,953)
2039	(399,874)	(251,277)	(17,180)	(12,467)	(14,672)	(271,254)	(4,528)	(111)	(287)	(971,650)
2040	(436,821)	(274,495)	(18,768)	(13,619)	(16,028)	(296,317)	(4,946)	(121)	(314)	(1,061,429)

Table 16 - Projected Impact on Taxing District Permanent Rate Levies - General Government, page 2

FYE	Wash. County	City of Tualatin	Metro	Port of Portland	Tualatin Soil & Water District	Tualatin Valley Fire & Rescue	Tigard/Tualatin Aquatic	Urban Road Maint.	Enhanced Sheriff Patrol	Subtotal General Gov't
2041	(475,986)	(299,106)	(20,450)	(14,840)	(17,465)	(322,884)	(5,389)	(132)	(342)	(1,156,594)
2042	(517,500)	(325,193)	(22,234)	(16,134)	(18,989)	(351,046)	(5,859)	(143)	(371)	(1,257,469)
2043	(561,505)	(352,845)	(24,124)	(17,506)	(20,603)	(380,897)	(6,358)	(156)	(403)	(1,364,397)
2044	(608,151)	(382,157)	(26,129)	(18,961)	(22,315)	(412,538)	(6,886)	(168)	(437)	(1,477,741)
2045	(657,595)	(413,227)	(28,253)	(20,502)	(24,129)	(446,079)	(7,446)	(182)	(472)	(1,597,885)
2046	(710,006)	(446,162)	(30,505)	(22,136)	(26,052)	(481,632)	(8,039)	(197)	(510)	(1,725,238)
2047	(765,561)	(481,073)	(32,891)	(23,868)	(28,091)	(519,318)	(8,668)	(212)	(549)	(1,860,232)
2048	(824,450)	(518,078)	(35,422)	(25,704)	(30,251)	(559,265)	(9,335)	(228)	(592)	(2,003,326)
2049	(886,873)	(557,304)	(38,103)	(27,651)	(32,542)	(601,609)	(10,042)	(246)	(637)	(2,155,005)
2050	(953,040)	(598,883)	(40,946)	(29,714)	(34,970)	(646,494)	(10,791)	(264)	(684)	(2,315,785)
2051	(1,023,178)	(642,957)	(43,960)	(31,900)	(37,543)	(694,072)	(11,585)	(283)	(734)	(2,486,212)
2052	(1,097,524)	(689,675)	(47,154)	(34,218)	(40,271)	(744,504)	(12,427)	(304)	(788)	(2,666,864)
TOTAL:	(12,686,296)	(7,971,968)	(545,053)	(395,530)	(465,495)	(8,605,737)	(143,641)	(3,513)	(9,106)	(30,826,337)

Source: Tiberius Solution

Table 17 – Projected Impact on Taxing District Permanent Rate Levies – Education

FYE	Tigard/Tualatin School District	NW Regional ESD	Portland Community College	Sherwood School District	Subtotal Education
2023	(16,504)	(1,799)	(3,307)	(40,358)	(61,967)
2024	(25,753)	(2,807)	(5,161)	(62,976)	(96,696)
2025	(35,429)	(3,861)	(7,100)	(86,639)	(133,030)
2026	(45,687)	(4,979)	(9,155)	(111,723)	(171,544)
2027	(56,560)	(6,164)	(11,334)	(138,311)	(212,369)
2028	(68,085)	(7,420)	(13,643)	(166,495)	(255,643)
2029	(80,301)	(8,751)	(16,092)	(196,370)	(301,514)
2030	(93,251)	(10,163)	(18,687)	(228,037)	(350,137)
2031	(106,978)	(11,659)	(21,437)	(261,604)	(401,678)
2032	(121,528)	(13,244)	(24,353)	(297,186)	(456,311)
2033	(136,951)	(14,925)	(27,444)	(334,902)	(514,222)
2034	(153,300)	(16,707)	(30,720)	(374,881)	(575,607)
2035	(170,629)	(18,595)	(34,192)	(417,259)	(640,676)
2036	(188,999)	(20,597)	(37,873)	(462,179)	(709,649)
2037	(208,470)	(22,719)	(41,775)	(509,795)	(782,760)
2038	(229,110)	(24,969)	(45,911)	(560,268)	(860,258)
2039	(250,988)	(27,353)	(50,295)	(613,769)	(942,406)
2040	(274,179)	(29,880)	(54,943)	(670,480)	(1,029,482)
2041	(298,761)	(32,559)	(59,869)	(730,594)	(1,121,784)
2042	(324,819)	(35,399)	(65,090)	(794,315)	(1,219,623)
2043	(352,439)	(38,409)	(70,625)	(861,859)	(1,323,333)
2044	(381,717)	(41,600)	(76,492)	(933,455)	(1,433,265)
2045	(412,752)	(44,982)	(82,711)	(1,009,348)	(1,549,793)
2046	(445,649)	(48,567)	(89,303)	(1,089,794)	(1,673,313)
2047	(480,519)	(52,368)	(96,291)	(1,175,066)	(1,804,244)
2048	(517,482)	(56,396)	(103,698)	(1,265,455)	(1,943,031)
2049	(556,662)	(60,666)	(111,549)	(1,361,268)	(2,090,145)
2050	(598,194)	(65,192)	(119,872)	(1,462,829)	(2,246,086)
2051	(642,217)	(69,990)	(128,694)	(1,570,484)	(2,411,384)
2052	(688,881)	(75,075)	(138,045)	(1,684,598)	(2,586,599)
TOTAL:	(7,962,794)	(867,795)	(1,595,661)	(19,472,297)	(29,898,549)

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

Table 17 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2053.

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 18 - Additional Revenues Obtained after Termination of Tax Increment Financing – FYE 2053

Taxing District	Tax Rate	From Frozen Base	From Excess Value	Total
General Government				
Washington County	2.2484	223,925	1,221,152	1,445,077
City of Tualatin	2.2665	140,713	767,362	908,075
Metro	0.0966	9,620	52,465	62,085
Port of Portland	0.0701	6,982	38,073	45,055
Tualatin Soil & Water District	0.0825	8,217	44,808	53,025
Tualatin Valley Fire & Rescue	1.5252	151,899	828,368	980,267
Tigard/Tualatin Aquatic District	0.09	2,535	13,826	16,361
Urban Road Maintenance	0.2456	62	338	400
Enhanced Sheriff Patrol	0.6365	161	876	1,037
Subtotal Gen. Govt.	6.6249	\$543,953	\$2,966,392	\$3,510,345
Education				
Tigard/Tualatin School District	4.9892	140,551	766,479	907,030
NW Regional ESD	0.1538	15,318	83,533	98,851
Portland Community College	0.2828	28,165	153,594	181,759
Sherwood School District	4.8123	343,704	1,874,356	2,218,060
Subtotal Education	10.2381	\$527,738	\$2,877,962	\$3,405,700
Total	16.863	\$1,071,691	\$5,844,354	\$6,916,045

Source: Tiberius Solutions

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 2020 values), including all real, personal, personal, manufactured, and utility properties in the Area, is projected to be \$99,593,238. The Washington County Assessor will certify the frozen base once the urban renewal plan is adopted.

The total assessed value of the City of Tualatin in FYE 2020 is \$5,282,129,701⁴.

The percentage of total City assessed value in the urban renewal area is 1.9%, below the 25% threshold.

The Area contains 717.3 acres, including public rights-of-way, and the City of Tualatin contains 5,240 acres. This puts 13.68 % of the City's acreage in an urban renewal area, which is below the 25% threshold.

Table 19 - Urban Renewal Area Conformance with Assessed Value and Acreage Limits

	Acreage	Assessed Value
Southwest and Basalt Creek Development Area	717.3	\$99,593,238
City of Tualatin	5,240	\$5,282,129,701*
% of City	13.68%	1.9%

Source: Compiled by Elaine Howard Consulting, LLC with data from Tiberius Solutions LLC, City of Tualatin and Washington County Department of Assessment and Taxation (FYE 2021)

*represents values from both Clackamas (\$553,375,736) and Washington Counties (\$4,728,753,965)

⁴ Washington County Assessor FY 2020/2021 SAL 4a Report.

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

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

Physical Conditions

1. Land Use

The Area measures 717.3 total acres in size, which is composed of 158 individual parcels encompassing 646.51 acres, and an additional 70.79 acres in public rights-of-way. An analysis of FYE 2020/2021 property classification data from the Washington County Department of Assessment and Taxation database was used to determine the land use designation of parcels in the Area. By acreage, Commercial uses account for the most prevalent land use within the Area (42.97%). This was followed by Residential uses (30.75%). Detailed land use designations in the Area can be seen in Table 19.

Table 20 - Land Use in the Area

Land Use	Parcels	Acreage	Percent of Acreage
Commercial	42	277.78	42.97%
Residential	78	198.78	30.75%
Forrest	9	83.15	12.86%
Farm	10	54.33	8.40%
Miscellaneous	11	28.08	4.34%
Exempt	8	4.39	0.68%
TOTAL:	158	646.51	1%

Source: Compiled by Elaine Howard Consulting, LLC with data from the Tiberius Solutions using the Washington County Department of Assessment and Taxation database (FYE 2020-2021)

2. Comprehensive Plan Designations

The Comprehensive Plan designation for unannexed properties is identified as unincorporated. The most prevalent comprehensive plan designation by acreage in the Area is Industrial (69.04%). The second most prevalent comprehensive plan designation in the Area is Residential (28.82%). Detailed comprehensive plan designations in the Area can be seen in Table 20 . Properties outside the urban growth boundary are shown as undesignated.

Table 21 – Comprehensive Plan Designations in the Area

Comprehensive Plan	Parcels	Acreage	Percent of Acreage
Industrial	102	446.34	69.04%
Residential	49	186.31	28.82%
Commercial	3	4.35	0.67%
No Designation	4	9.51	1.47%
TOTAL:	158	646.51	1.00%

Source: Compiled by Elaine Howard Consulting, LLC with data from the Tiberius Solutions using the Washington County Department of Assessment and Taxation database (FYE 2020-2021)

3. Zoning Designations

Detailed zoning designations in the Area can be seen in Table 21. For properties that are not yet annexed, the zoning designation will be shown as Future Development.

Table 22 - Zoning Designations in the Area

Zoning	Parcels	Acreage	Percent of Acreage
Manufacturing Park	47	140.16	21.68%
High Density Residential	1	4.68	0.72%
Neighborhood Commercial	3	4.35	0.67%
Medium Low Density Residential	7	68.86	10.65%
Low Density Residential	41	112.77	17.45%
Manufacturing Business Park	23	120.14	18.58%
General Manufacturing	32	186.04	28.78%
No Designation	4	9.51	1.47%
TOTAL:	158	646.51	100.00%

Source: Compiled by Elaine Howard Consulting, LLC with data from the Tiberius Solutions using the Washington County Department of Assessment and Taxation database (FYE 2020-2021)

Figure 6 – Southwest and Basalt Creek Development Area Plan Designations

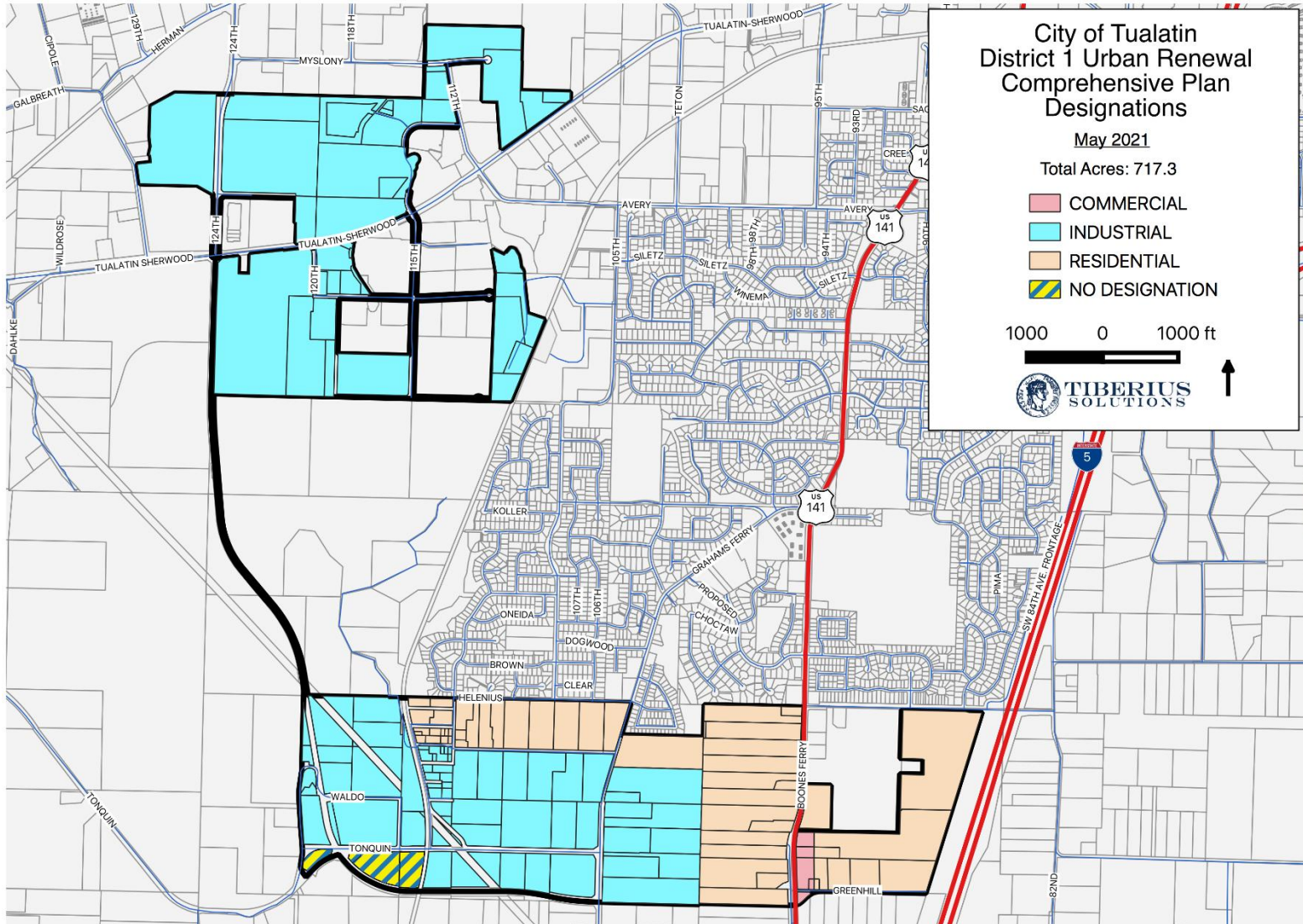
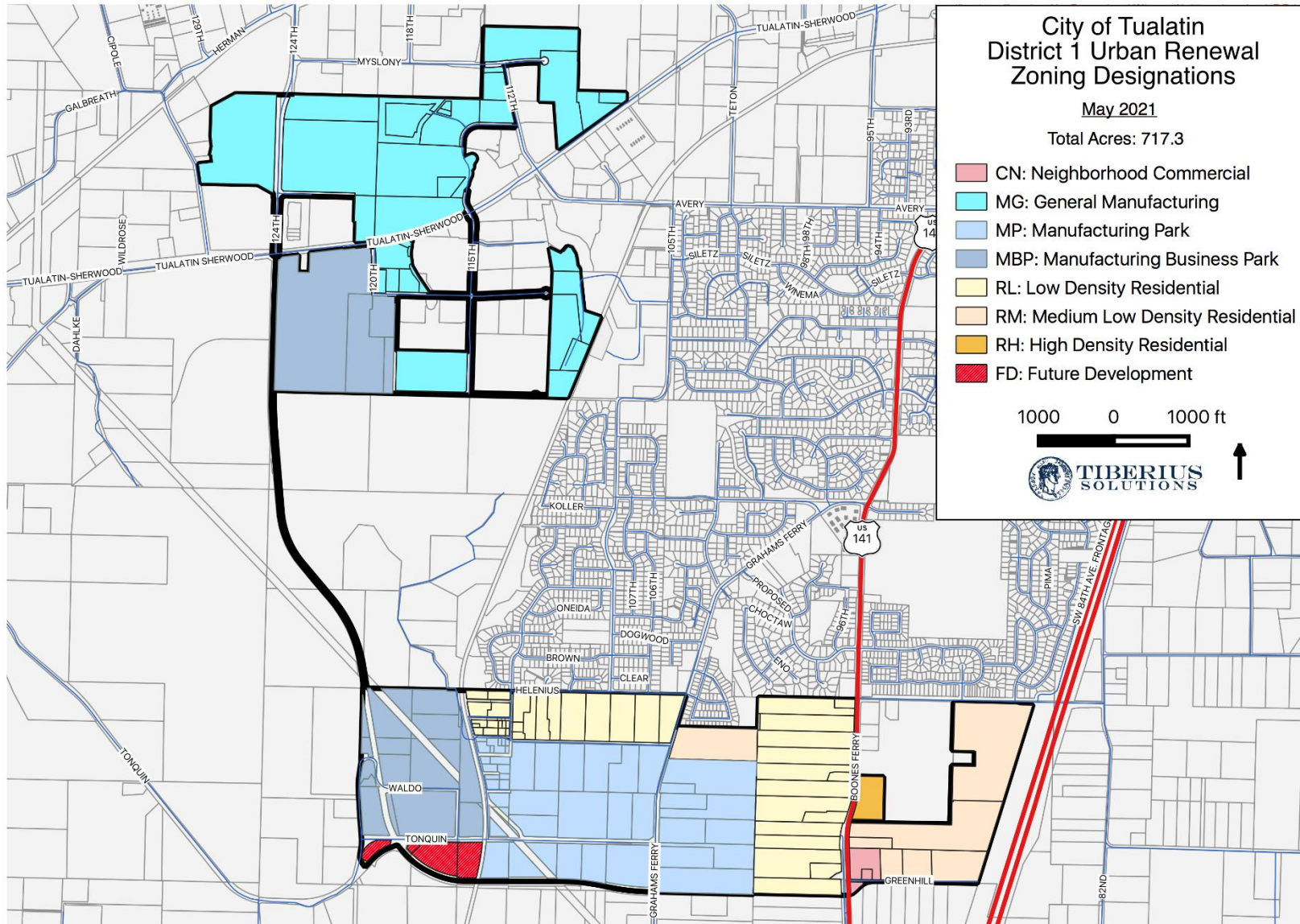


Figure 7 – Southwest and Basalt Creek Development Area Zoning Designations



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 listed in several City of Tualatin's infrastructure master plans that relate to these existing conditions. **This does not mean that all of these projects are included in the urban renewal plan.** The projects that are included in the Southwest and Basalt Creek Development Area Plan are **highlighted in yellow.** The specific projects that are included in the Plan are listed in Sections II and III of this Report. Much of the language on existing conditions comes from the *Basalt Creek Concept Plan* (BCCP), the *Southwest Tualatin Concept Plan* (SWTCP), the *Capital Improvement Plan* (CIP) and the *Transportation Systems Plan* (TSP).

1. Transportation

The *Basalt Creek Concept Plan* "looked at the existing transportation system and the planned transportation system developed as part of the TRP, which includes phased investments to support regional and local transportation needs through 2035. The plan provides 18 transportation investments broken into short, medium and long-term projects, all of which are important to ensure that the transportation network functions at acceptable levels over time. The key element is the East-West Connector to the 124th Avenue extension, the future and partially constructed Basalt Creek Parkway" (described below). (BCCP p 22)

Basalt Creek Parkway

The Basalt Creek Parkway, of which the segment between 124th Avenue/Tonquin Road to Grahams Ferry Road is already under construction, is the major east-west arterial through the area. The Parkway allows for limited local access providing important freight connections between Tonquin, Southwest Tualatin, and Basalt Creek Employment Areas to I-5. It also serves as a future jurisdictional boundary between Tualatin and Wilsonville. (BCCP p 32)

The *Southwest Tualatin Concept Plan* is a guide for the industrial development of a 431-acre area currently outside the southwestern corner of the City of Tualatin. "City, county and/or regional transportation plans call for the following projects to be constructed by 2025, all of which provide extra roadway capacity that does not exist today.

A new roadway connecting I-5 and Highway 99W. Although a new freeway connecting south of Sherwood, with an interchange at SW 124th Avenue, produces the best traffic operations, that alignment requires state approvals that have not yet been obtained. Instead, the Concept Plan work assumes a four-lane arterial along the Urban Growth Boundary that joins Tualatin-Sherwood Road northeast of Sherwood.

Widening Tualatin-Sherwood Road to 5 lanes from Tualatin to Sherwood.

A new bridge across the Tualatin River (either an extension of Hall Boulevard or a connection between Lower Boones Ferry Road and Tualatin Road)."(p 11)

The SWTCP also recommends the following projects be completed in the planning area:

SW 115th Avenue, Tualatin-Sherwood Road to Tonquin Road

Blake Street, SW 108th Avenue to SW 124th Avenue (SWTCP p 21)

East-West Connector, SW 115th Avenue to 124th Avenue (SWTCP p 21)

Itel Street and SW 122nd, between SW 112th and Blake Street (SWTCP p 21)

Additional transportation needs include:

124th Future Blake Street Signal - *Tualatin Moving Forward* - Design and construct a new traffic signal at the new intersection of the recently-constructed 124th Ave with the future extension of Blake Street along with or after the future Blake Street construction.

Tonquin Trail - Parks and Recreation Master Plan

“Coordination with Metro, Tualatin Community Services Department, and the Wilsonville Parks and Recreation Department will be necessary to establish a local trail network with regional connections. Metro’s Ice Age Tonquin Trail Master Plan provides a framework for local and regional implementation of the regional Ice Age Tonquin Trail, which is intended to complement the Ice Age Floods National Geological Trail Planning (the national trail will be a network of driving routes with spurs for biking and walking, from Montana to the Pacific Ocean). The preferred alignment for the regional Ice Age Tonquin Trail includes a section bordering the Basalt Creek Planning Area as part of a 22-mile trail alignment through Wilsonville, Tualatin, and Sherwood with trail facility types varying by location based upon landscape and setting. The Ice Age Tonquin Trail is intended to connect in the north to the Tualatin River Greenway Trail, Fanno Creek Trail, and the Westside Trail, and to the south to the Willamette River.” (BCCP p 38)

2. Storm Water

Basalt Creek Area: “Existing stormwater infrastructure consists of roadside drainage ditches and culverts. Culverts in the Planning Area are under the jurisdiction of Washington County and may not have capacity for future urban conditions. Culverts to the south of the Planning Area are part of the City of Wilsonville stormwater system. The City of Tualatin has jurisdiction over the stormwater conveyance system to the north of the Planning Area. Culverts may need to be upsized to provide adequate capacity for runoff from new impervious areas, unless onsite retention or infiltration is required when the location of public drainage or the topography of the site make connection to the system not economically feasible.

Basalt Creek itself flows to the south into Wilsonville as part of the Coffee Lake Creek Basin. Basalt Creek discharges into the Coffee Lake wetlands. Coffee Lake Creek flows south from the wetlands and combines with Arrowhead Creek before discharging to the Willamette River.

The City of Wilsonville’s 2012 Stormwater Master Plan identifies capital improvement Project CLC-3 to restore a portion of the Basalt Creek channel, west of Commerce Circle, to increase capacity. The master plan also identifies Project CLC-1 for construction of a wetland for stormwater detention purposes, north of Day Road, to serve an area that includes the Basalt Creek Planning Area. The July 2014 Updated Prioritized Stormwater Project List identifies CLC-3 as a mid-term project (6 to 10 years) and CLC-1 as a long-term project (11 to 20 years).

Locations where stormwater runoff from the Basalt Creek Planning Area could connect to existing stormwater infrastructure will require evaluation of the conveyance systems at time of development.” (BCCP p. 23)

The City of Tualatin is currently issuing a Request for Proposals for a Storm Water Plan for the Basalt Creek Area.

Southwest Corridor Area: “No storm water system exists within the Concept Plan area. The plan area rises gradually in elevation from approximately 185 feet at the north to about 290 feet along the central east side, then drops to about 240 feet at the south. Drainage is imperfect, but generally toward the north and toward the south, with a break point at approximately the middle of the Concept Plan area. Drainage in the northern portion around and in the quarry infiltrates through the fragmented basalt. Drainage to the south flows toward Coffee Lake Creek/Seely Ditch, which flows to the Willamette River.

Infrastructure Needs: Runoff from future streets or access roads and development in the portion of the Concept Plan area that flows north will need to meet Clean Water Services (CWS) design criteria for storm water quality and quantity control. For the portion that flows to the south, design standards necessary for development will need to be coordinated with those design standards applicable downstream and outside of the SWCP area. A new conveyance system will need to be installed along the roadways. Site development runoff will need to be treated and detained, if necessary, before being discharged to the public drainage systems. It should be noted that most of the Concept Plan area is outside of the current CWS service area. The CWS service area may be expanded in the future to include the Concept Plan area. If this does not occur, the City may require that new development meet CWS requirements.” (SWTCP p 15)

3. Sanitary Sewer - all projects from the Sewer Master Plan

“Currently, no sewer service is provided to the Planning Area. Existing homes use septic systems. Wastewater conveyance to the south of the Planning Area is under jurisdiction of the City of Wilsonville. Sewer service to the north of the Planning Area in Tualatin is provided by the City of Tualatin and Clean Water Services.

The nearest treatment facility to the north of the Planning Area is the CWS Durham Advanced Wastewater Treatment Facility (AWTF). Eight gravity sewer mains exist near the north Planning Area boundary that could provide connection points for wastewater from the Basalt Creek Planning Area into the Tualatin collection system. The Victoria Woods Pump Station and associated force main are also located just to the north of the Planning Area boundary. From these connection points, wastewater flows by gravity toward the AWTF, crossing the Tualatin River via the Lower Tualatin Pump Station in Tualatin Community Park. Pump stations will be required to lift flows from the Planning Area into the existing gravity system. Expansion of the service district area to include Tualatin’s portion of the Basalt Creek Planning Area needs to be approved by Clean Water Services at time of Annexation.

The nearest treatment facility to the south of the Planning Area is the City of Wilsonville Wastewater Treatment Plant (WWTP), located approximately 3.2 miles south of the Planning Area. This facility was recently expanded to accommodate growth within the current city limits and allow for additional buildout to accommodate growth outside the city limits in Urban Growth Boundary expansion areas. Approximately half (300 acres) of the Basalt Creek Planning Area was accounted for in the year 2030 build-out capacity assessment conducted as part of the facility expansion.

The City of Wilsonville’s Coffee Creek Master Plan identifies a new sanitary main line to be constructed. After the adoption of that plan, more analysis was completed and determined the appropriate location of the sanitary sewer line to be along Garden Acres Road from Ridder Road and extending north to near Day Road and then continuing up Grahams Ferry Road. A second sanitary sewer line will extend from Garden Acres east and north to Day Road extending east to Boones Ferry Road. These lines are intended to provide conveyance of wastewater within the Coffee Creek area and are also intended to serve

flows from the Basalt Creek Planning Area to the WWTP. The Sanitary Sewer Collection System Master Plan has analyzed a range of potential flows from the Planning Area.

The Tualatin Sanitary Sewer Master Plan Update is currently being updated and includes the Basalt Creek Planning Area as a sewer basin. The City of Wilsonville updated its Sanitary Sewer Collection Systems Master Plan (MSA, 2014) which included the Basalt Creek Planning Area as a contributing area. The resulting updated master plans identify the improvements needed to increase the capacity of each system to convey flow from the Basalt Creek Planning Area. “ (BCCP p 22,23)

The following projects are identified for the Area.

Basalt Creek Gravity Sewer - The Basalt Creek Conceptual Plan includes approximately 34,250 feet of 8-inch gravity pipe within the planning area. These projects will be funded by developers, and scheduling will be coordinated with the City and CWS. It is expected that the residential portion of the planning area will develop within the next 10 years, while the commercial and industrial portions may develop in the next 20 years.

Tonquin Loop Sewer - Most of the sanitary sewer in the Basalt Creek Planning Area will be an 8-inch gravity system installed by developers. The construction timeline of this pipe depends on both the construction of Basalt Creek area pump station #4 and development progress in the western portion of the planning area. Because this project is entirely driven by new development, it is eligible for SDC reimbursement.

Basalt Creek Pump Stations and Force Mains - The conceptual sanitary sewer design for Basalt Creek includes the construction of six new pump stations, each with 6-inch force mains. One pump station is in the Wilsonville portion of the planning area and will be constructed by Wilsonville. CWS will own and operate the five remaining pump stations in the planning area, and will also be responsible for construction costs

SW Tualatin Gravity Sewer - A section of the Tualatin Reservoir Trunk is currently almost at capacity and will receive flows from developments in the western and central areas of the Basalt Creek Planning Area. This sewer runs along the north side of the Tualatin Reservoir near SW 108 th Avenue and SW Industrial Way. Due to capacity limitations and shallow manholes, SSOs are likely unless the sewer diameter is increased from 15 inches to 24 inches before these areas are developed. Estimated remaining capacity in this sewer is between 50 and 100 EDUs. This project spans from SSL-01214 to SSL-01625 in the GIS database. Because this project is entirely driven by new development, it is eligible for SDC reimbursement. All but roughly 370 feet of this sewer is already 15-inch diameter, so the cost of this project will be mostly funded by CWS. The City will pay a portion of the upgrade cost for the 370 feet of 10-inch pipe. This project includes a section of pipe that crosses under a railroad. (SMP p. 68)

The *Southwest Tualatin Concept Plan* identifies that no sanitary sewer system of adequate size currently exists within or near the Concept Plan area.

The needs identified are:

Tualatin-Sherwood Extension – a new 24-inch pipeline located in Tualatin-Sherwood Road, extending from the Concept Plan area/URA easterly to SW Avery Street;

- Bluff/Cipole Lateral – Increase existing 12-inch to 21-inch pipe to an 18-inch and 36-inch pipeline extending from near the SW Tualatin-Sherwood Road / SW Avery Street intersection to the existing Bluff/Cipole Trunk; and

Bluff/Cipole Trunk improvements – upsize existing trunkline pipe diameters. (SWTCP p 14)

4. Water

Water System Upsizing - *Murray Smith Technical Memorandum 2014*

The *Southwest Tualatin Concept Plan* identifies that there are currently no public water lines located in the Concept Plan area. (SWTCP p 14)

5. Parks

Basalt Creek Park - Parks and Recreation Master Plan (BCPRMP) - Evaluate land opportunities to support recreation needs and protect natural resources for a new neighborhood park in south Tualatin to serve residents and employees. Acquire land and develop park and recreation facilities in future years. This project fulfills four of the Council 2030 Vision initiatives: Connected Informed & Engaged, Vibrant & Accessible Gathering Places, Safe, Desirable & Welcoming Neighborhoods, and Environmentally Active & Responsible.

“No parks currently exist within the Planning Area. Wilsonville Parks owns and maintains 16 different public parks, the closest of which is Canyon Creek Park located in Northeast Wilsonville on the other side of I-5. It has 1.41 developed acres and 6.87 acres of natural area popular for picnics and walking. The other Wilsonville parks are located approximately 2 miles south of the Planning Area, including Graham Oaks Nature Park, which will be connected to the Planning Area when the regional Ice Age Tonquin Trail is complete. City of Tualatin Parks and Recreation owns and maintains 9 different parks, with Ibach Park being the closest to the Planning Area. Ibach includes an award winning and nationally recognized playground that incorporates Tualatin’s pre-historic, Native American, and pioneering past, with information on the cultural and natural history of the area.

Metro’s Ice Age Tonquin Trail Master Plan provides a framework for local and regional jurisdictions to embark on trail implementation efforts. The proposed trail alignments show about 22 miles of trails connected through Tualatin, Wilsonville and Sherwood, and includes a section traversing the Basalt Creek Planning Area. “ (BCPRMP p 24)

“One of the guiding principles of the Basalt Creek Concept Plan is to protect key natural resources and sensitive areas while making recreational opportunities accessible by integrating new parkland, open spaces, natural areas and trails in the Planning Area and connecting to existing regional networks.

The Planning Area provides an interesting opportunity for different types of parks, given the variety of land uses and the extensive Basalt Creek Canyon natural area: active and passive neighborhood parks, pocket parks, and even perhaps a large community or regional facility. It also provides opportunities for jogging, hiking, or other outdoor recreation by area employees and nearby residents.

Cities will determine specific locations of facilities as part of citywide parks planning and implementation, and will adopt funding methods for acquisition, capital and operating costs for parklands in the Basalt Creek Planning Area, including the use of their current System Development Charges for parks. Locating parks near schools, natural areas or other public facilities is preferable, especially when it provides an opportunity for shared use facilities.

As in any park development, the acquisition is best done in advance of annexation and extension of services, with development of the parks occurring as the need arises.

At the time of this writing, both cities are going through a Park and Recreation Master Plan update. This update has considered the Basalt Creek Planning Area in the types of services and facilities that will be needed to serve residents and businesses in this area. Each City will include their respective portions of the Basalt Creek area in their independent Parks and Recreation Master Plan.”(BCPRMP p 41)

6. Natural Resources

Basalt Creek Concept Plan - “Oregon Statewide Planning Goal 5: Natural Resources, Scenic and Historic Areas, and Open Spaces

Goal 5 protects natural resources and conserves scenic and historic areas and open spaces by directing local governments to adopt protection programs. Titles 3 and 13 of Metro’s Urban Growth Management Functional Plan implements Goal 5 in the Portland Metro region.

Metro Title 3: Water Quality, Flood Management and Fish and Wildlife Conservation

Title 3 requires local jurisdictions to limit or mitigate the impact of development activities on Water Quality and Flood Management Areas which includes wetlands and riparian areas. An inventory was conducted in 2001. There are 116 acres of land in the Basalt Creek Planning Area that have been designated by Metro as Water Quality and Flood Management Areas under Title 3. These lands are restricted for development and buffered by a vegetated corridor. Any development within the vegetated corridor must be mitigated by environmental restoration and/or stormwater retention and water quality measures. As a result of Title 3, these lands were excluded from the developable lands input in the scenario testing.

Table 6 Title 3 Wetlands by Category and Acres” (BCCP p 43)

Category	Acres	Description
Open Water	49	Includes 50 ft. buffer
Streams	31	Includes 15 to 50 ft. buffers
Wetlands	69	Includes 25 to 50 ft. buffers

Metro Title 13: Nature in Neighborhoods

Title 13 requires local jurisdictions to protect and encourage restoration of a continuous ecologically viable streamside corridor system integrated with upland wildlife habitat and the urban landscape. Metro’s regional habitat inventory in 2001 identified the location and health of fish and wildlife habitat based on waterside, riparian and upland habitat criteria. These areas were named Habitat Conservation Areas.

Table 7 Title 13 HCA Categories with Acreage (BCCP p 43)

HCA Categories	Acres	Description
Riparian Wildlife Habitat Class I	130	Area supports 3 or more riparian functions
Riparian Wildlife Habitat Class II	31	Area supports 1 or 2 primary riparian functions

Riparian Wildlife Habitat Class III	7	Area supports only secondary riparian functions outside of wildlife areas
Upland Wildlife Habitat Class A	103	Areas with secondary riparian value that have high value for wildlife habitat
Upland Wildlife Habitat Class A	72	Area with secondary riparian value that have medium value for wildlife habitat
Upland Wildlife Habitat Class A	37	Areas with secondary riparian value that have low value for wildlife habitat
Designated Aquatic Impact	52	Area within 150 ft. of streams, river, lakes, or wetlands

Development in Title 13 areas is not prohibited but generally discouraged within the Basalt Creek Planning Area. Areas designated Riparian Habitat Classes I and II require 20% reduction in developable lands. Low impact design and mitigation strategies would be important to any development that might happen to maintain the function of these important ecological areas.

Both the City of Wilsonville and Clean Water Services have local ordinances in place that go beyond the level of conservation required by Title 3 and existing local standards from each City would apply upon annexation of a Planning Area property into either Wilsonville or Tualatin. Future development in Tualatin must comply with Clean Water Services' Design and Construction Standards & Service Provider Letters (SPLs) for impacts in sensitive areas such as vegetated corridors surrounding streams and wetland habitat, including the Tualatin River Watershed and the entire City of Tualatin. Within the City of Wilsonville, the Significant Resource Overlay Zone (SROZ) includes floodplains, wetlands, riparian corridors, and vegetated corridors. Impact areas are generally considered to be the areas within 25 feet of a Significant Resource area. Development can only be permitted through review of a Significant Resource Impact Report (SRIR) analyzing the impacts of development within mapped significant resource areas.”(BCCP p 43)

Southwest Tualatin Concept Plan –

Existing Conditions: Natural resources in the Concept Plan area have been highly modified by historical and current land uses.

The plant community consists predominantly of scrub-shrub vegetation with remnant patches of forested habitat. Shrub vegetation is dominated by ocean spray (*Holodiscus discolor*) and poison oak (*Rhus diversiloba*). Dominant trees include madrone (*Arbutus menziesii*), Scouler’s willow (*Salix scouleriana*), black cottonwood (*Populus balsamifera*), and Douglas fir (*Psuedotsuga menziesii*). With the exception of a fairly large population of madrone, no unique species or species assemblages were found. Madrone is native to western Oregon, but not particularly common in this portion of the Willamette Valley. Introduction and dispersal of weeds is prevalent, facilitated by high truck traffic and the electrical transmission rights-of-way (i.e., BPA).

Wildlife activity appears sparse where vegetation is cleared and land use by people is active. Inactive land areas appear suitable for a variety of wildlife species, especially deer, coyote, small mammals, song birds, and reptiles.

The Washington County soil map indicates that most of the plan area is covered by Saum silt loam (38), Briedwell stony silt loam (5), Hillsboro loam (21), and Pits (76), all non-hydric soils. Wapato silty clay loam (43), a hydric soil, is present along Coffee Lake Creek and west of the old railroad station. Wetland resources tend to occur at hydric soil locations.

Waters and wetlands seem to occur where perched hydrology intersects with ground surfaces. A cursory search for potential waters and wetlands reveals the Kolk Ponds, shallow wetland ponds at the north end, and wetlands associated with Coffee Lake Creek.

Field observations indicate that wetland conditions exist at former borrow sites, where unimproved roads have altered surface drainage, at roadside ditches, and at CWS Water Quality Sensitive Areas and Vegetated Corridors. It will be challenging to determine the jurisdictional status of wetlands that occur at active and formerly active quarry operations, potentially isolated wetlands, drainage ditch wetlands, and artificial ponds.

Development Issues: “ Protection of waters and wetlands will constrain many land uses because regulated areas are scattered across the plan area. The initial impression is that threatened and endangered species protections do not appear to impact development. Presence of archeological resources is unknown, but unlikely at present and former borrow areas. Current stormwater and surface water patterns and management are disjunct and imperfect. ” (SWTCP p 16)

Social Conditions

The following information in quotes is from the City of Tualatin Economic Opportunities Analysis prepared by ECONorthwest for the City of Tualatin in December 2019.

“Growth in manufacturing and healthcare / social assistance sectors. Employment in manufacturing and the healthcare / social assistance sectors accounted for about 37% of employment in Tualatin in 2017. In 2007, employment in these industries accounted for about 36% of employment in Tualatin, an increase of about 3,299 employees between 2007 and 2017. Employment in both of these sectors support above average wages.

In Washington County, employment in manufacturing and the healthcare / social assistance sectors accounted for 23% of employment in 2017, down from 24% in 2007. While the overall share of employment decreased, total employment increased by about 9,809 employees between 2007 and 2017.

Availability of trained and skilled labor. Availability of labor depends, in part, on population growth and in-migration. Tualatin’s population increased by 4,344 people between 2000 and the 2013–2017 period, at an average growth rate of 1.0%. In comparison, Oregon’s population also grew at an average rate of 1.0%, between 2000 and 2017, with 66% of population coming from in-migration.

The current labor force participation rate is another important consideration in the availability of labor. The labor force in any market consists of the adult population (16 and over) who are working or actively seeking work. The labor force includes both the employed and unemployed. Children, retirees, students, and people who are not actively seeking work are not considered part of the labor force. According to the 2013–2017 American Community Survey, Tualatin had about 15,643 people in its labor force and Washington County had over 310,400. The labor force participation rate in Tualatin (73%) was higher than Washington County (69%) and the Portland Region (68%) in the 2013–2017 period. A higher concentration of older residents in an area or a mismatch of the types of jobs available in an area and the types of skills of the labor force can contribute to low labor force participation rates.

Businesses in Tualatin draw employees from across Washington County as well as Multnomah and Clackamas Counties. Relative to Washington County and the Portland Region, Tualatin residents have a slightly higher level of educational attainment.

Ageing of the population. Tualatin has a smaller percentage of residents 60 years and older relative to Washington County and the Portland Region. Tualatin’s median age, which was 31.9 in 2000, increased to 38.2 by the 2013–2017 period. In comparison, Washington County’s median age was 36.4 in the 2013–2017 period.

Washington County’s population is expected to continue to age, with people 60 years and older forecast to grow from 20% of the population in 2020 to 24% of the population in 2040, consistent with Statewide trends. Tualatin may continue to attract midlife and older workers over the planning period. People in this age group may provide sources of skilled labor, as people continue to work until later in life. These skilled workers may provide opportunities to support business growth in Tualatin.

Increases in racial and ethnic diversity. Overall, the nation and Oregon are becoming more racially and ethnically diverse. Between 2000 and 2013–2017, the Latinx population in Oregon increased from 8% to 13%, and the Latinx population in Tualatin increased from 12% to 16% in that same time. Growth in the Latinx community will continue to drive economic development in Oregon. The share of Oregon’s non-Caucasian population increased from 13% to 15% and

stayed static in Tualatin at 13%. Tualatin is less racially diverse but more ethnically diverse than Oregon.”

The following social conditions were taken from the American Community Survey 2015-2019 Five Year Estimates. The most common age bracket in the Area is under 35-44 years at 21%.

Table 23 - Age in the Area

Age	Number	Percentage
Under 5 years	482	5%
5 to 9 years	592	6%
10 to 14 years	535	5%
15 to 17 years	352	3%
18 to 24 years	833	8%
25 to 34 years	1,608	16%
35 to 44 years	2,144	21%
45 to 54 years	1,475	14%
55 to 64 years	1,319	13%
65 to 74 years	656	6%
75 to 84 years	202	2%
85 years and over	37	0%
TOTAL:	10,235	100%

Source: American Community Survey 2015-2019 Five Year Estimates

The analysis of race and origin are shown in the table below.

Table 24 – Hispanic or Latino Origin by Race in the Area

	Number	Percentage
Not Hispanic or Latino	8,773	86%
White alone	7,209	70%
Black or African American alone	382	4%
American Indian and Alaska Native alone	77	1%
Asian alone	446	4%
Native Hawaiian and Other Pacific Islander alone	215	2%
Some other race alone	5	0%
Two or more races	439	4%
Hispanic or Latino	1,462	14%
White alone	978	10%
Black or African American alone	8	0%
American Indian and Alaska Native alone	22	0%
Asian alone	50	0%
Native Hawaiian and Other Pacific Islander alone	-	0%
Some other race alone	289	3%
Two or more races	115	1%
TOTAL:	10,235	100%

Source: American Community Survey 2015-2019 Five Year Estimates

Only 26% of the residents reported an education that included less than high school or gaining a high school diploma. The remaining 74% had some type of advanced education.

Table 25 -Education in the Area

Education	Number	Percentage
Less than high school	397	5%
High school graduate (includes equivalency)	1,547	21%
Some college	1,833	25%
Associate's degree	645	9%
Bachelor's degree	2,077	28%
Master's degree	689	9%
Professional school degree	143	2%
Doctorate degree	110	1%
TOTAL:	7,441	100%

Source: American Community Survey 2015-2019 Five Year Estimates

The income in the Area is shown in **Table 26**.

Table 26 - Income in the Area

Income Range	Number	Percentage
Less than \$10,000	210	6%
\$10,000 to \$19,999	49	1%
\$20,000 to \$29,999	200	6%
\$30,000 to \$39,999	258	8%
\$40,000 to \$49,999	128	4%
\$50,000 to \$59,999	157	5%
\$60,000 to \$74,999	234	7%
\$75,000 to \$99,999	550	16%
\$100,000 to \$124,999	455	13%
\$125,000 to \$149,999	333	10%
\$150,000 to \$199,999	337	10%
\$200,000 or more	489	14%
TOTAL:	3,400	100%

Source: American Community Survey 2015-2019 Five Year Estimates

Additional data from the American Community Survey 2015-2019 Five Year Estimates shows that 80% of the responders drove alone to work and that 84% of those drove more than 10 minutes to work.

Economic Conditions

1. Taxable Value of Property within the Area

The estimated total assessed value of the Area calculated with data from the Washington County Department of Assessment and Taxation for FYE 2021, including all real, personal, manufactured, and utility properties, is estimated to be \$99,593,238.

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.

Table 27 shows the improvement to land ratios (I:L) for properties within the Area. In the Area 8 parcels representing less than one percent of the Area are exempt from taxation. Another 63 parcels have no improvement value. No improvement value means there are no taxable structures on the tax lot. One hundred thirty four parcels representing 87% of the non-exempt acreage have I:L ratios less than 1.0. In other words, the improvements on these properties are worth less than the land they sit on. A reasonable I:L ratio for properties in the Area is 2.0. Only 9 of the 150 non-exempt parcels in the Area, totaling 6% of the acreage have I:L ratios of 2.0 or more in FYE 2020-2021. In summary, the Area is underdeveloped and not contributing significantly to the tax base in Tualatin.

Table 27 - Improvement to Land Ratios in the Area

Improvement/Land Ratio	Parcels	Acres	% of Total Acres
Exempt	8	4.39	0.68%
No Improvement Value	63	224.80	34.77%
0.01-0.50	54	282.26	43.66%
0.51-1.00	17	52.26	8.08%
1.01-1.50	6	40.06	6.20%
1.51-2.00	1	2.59	0.40%
2.01-2.50	0	0.00	0.00%
2.51-3.00	0	0.00	0.00%
3.01-4.00	2	4.63	0.72%
> 4.00	7	35.52	5.49%
TOTAL:	158	646.51	100%

Source: Compiled by Elaine Howard Consulting, LLC with data from the Washington County Department of Assessment and Taxation (FYE 2020-21)

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 VIII 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 transportation improvements, water, sewer and stormwater and other utility infrastructure improvements, facilitating development of properties including housing development, and plan administration. The use of tax increment allows the City to add an additional funding source to the City of Tualatin general fund or system development charges funds to allow these projects to be completed.

It is anticipated that these improvements will catalyze development on the undeveloped and underdeveloped parcels in the Area. This development will require city services. However, as the property is within the city limits or the urban growth boundary, the city has anticipated the need to provide services to the Area. As the development will be new construction or rehabilitation, it will be up to current building code which will aid in any fire protection needs. The water and transportation projects will also assist in fire protection needs in the area.

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.

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 substantial increase to the economic growth in Tualatin by providing new industrial parcels for development and providing tools inside the Area to assist with economic development.

RELOCATION REPORT

When the TDC 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 TDC shall adopt rules and regulations, as necessary, for the administration of relocation assistance. The TDC will comply with all applicable state law in providing these potential benefits.

City of Tualatin Urban Renewal Agency



ROADMAP

Role of Agency

Plan preparation update

Advisory Committee

Boundary

Projects

Finances

Washington County approval

Impact on Taxing Districts

Next Steps

ROLE OF AGENCY

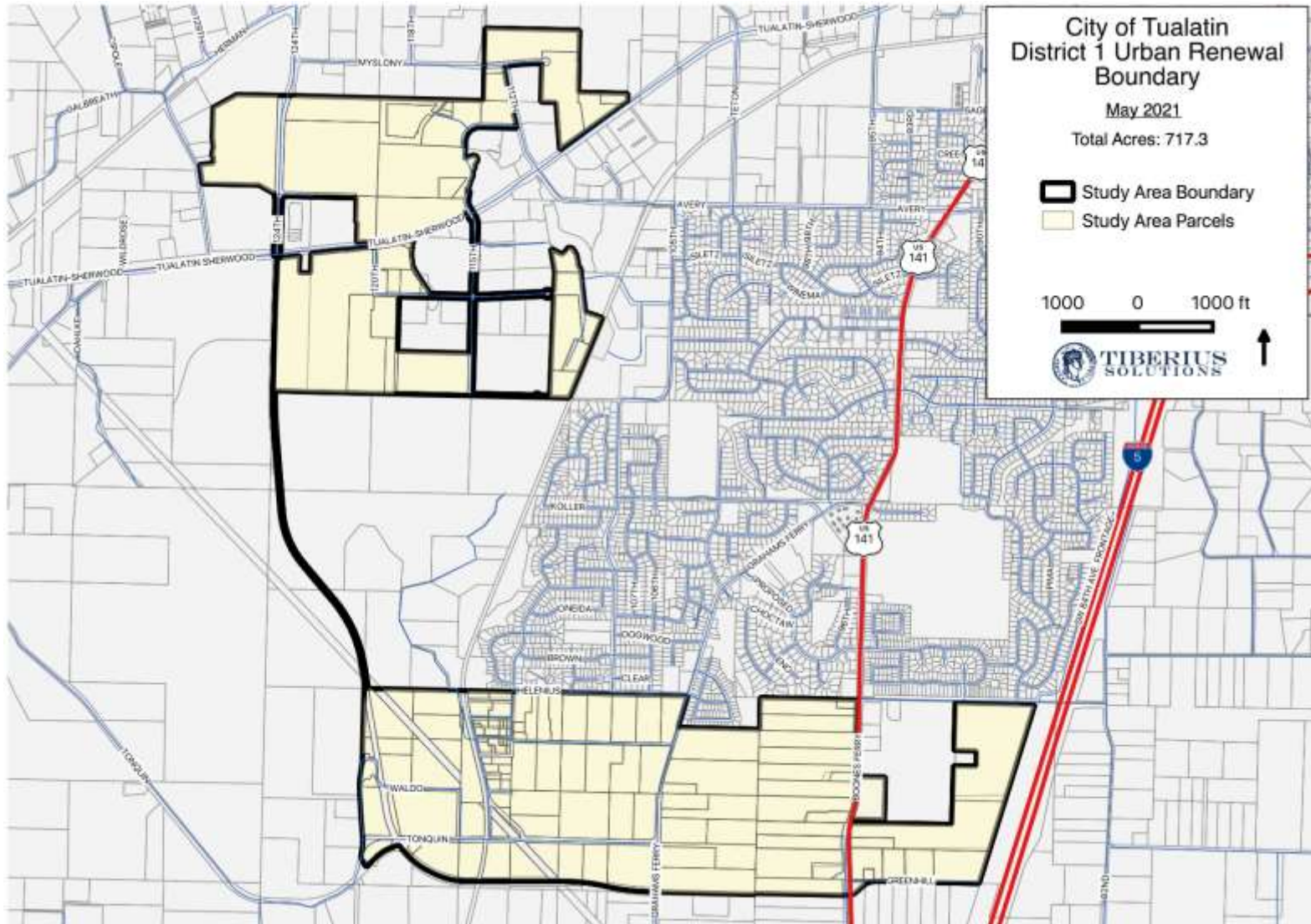
Send the draft Southwest and Basalt Creek Area Plan and Report out for formal public review including

- Tualatin Planning Commission
- Consult and confer with taxing districts
- Washington County action
- Public input
- City wide notice
- City consideration of ordinance for adoption

PUBLIC REVIEW

Advisory Committee review and input:

Agency
Planning Commission
City Council
General public information



Projects

Project Title	Constant FYE 2021	Year of Expenditure Project Cost
Tonquin Loop Sewer	657,000	936,685
Basalt Creek Gravity Sewer	3,838,000	6,533,811
SW Tualatin Gravity Sewer	418,000	732,963
124th/Future Blake Street Signal	656,000	992,266
Tonquin Trail	2,343,000	4,762,850
Property Mitigation	2,965,223	6,128,732
Blake Street Extension	1,500,000	3,234,900
Small Business Grants	1,000,000	1,915,520
Water System Upsizing	12,000,000	22,034,075
Financing Fees	199,280	284,000
Administration	3,450,000	5,804,346
Total Expenditures	\$29,026,503	\$53,360,148

ACREAGE AND ASSESSED VALUE LIMITATIONS

	Acreage	Assessed Value
Southwest and Basalt Creek Development Area	717.3	\$99,593,238
City of Tualatin	5,240	\$5,282,129,701*
% of City	13.68%	1.9%

MAXIMUM INDEBTEDNESS

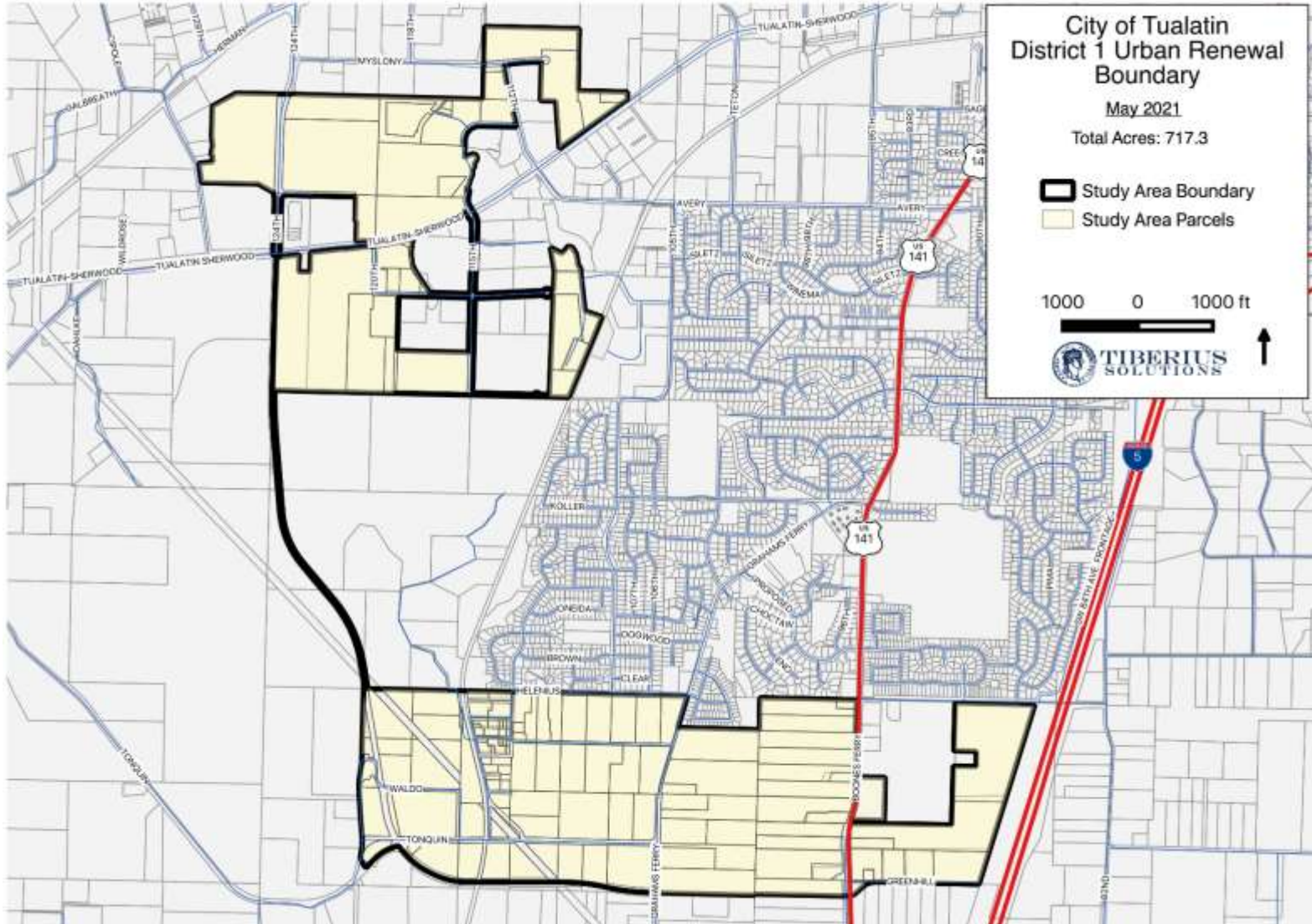
The Maximum Indebtedness was recalculated using a 6% growth scenario.

The proposed MI \$53,200,000

6% AV growth

Average AV from New Construction	\$4,700,000
Total Net TIF	\$60,700,000
Maximum Indebtedness	\$53,200,000
Capacity (2021\$)	\$29,000,000
Years 1-5	\$600,000
Years 6-10	\$4,900,000
Years 11-15	\$4,900,000
Years 16-20	\$5,100,000
Years 21-25	\$5,700,000
Years 26-30	\$7,800,000

COUNTY APPROVAL OF PLAN DUE TO UNINCORPORATED PROPERTIES



TAXING DISTRICT IMPACTS –

FYE	Wash. County	City of Tualatin	Metro	Port of Portland	Tualatin Soil & Water District	Tualatin Valley Fire & Rescue	Tigard Tualatin Aquatic	Urban Road Maint.	Enhanced Sheriff Patrol
2023	(26,293)	(16,523)	(1,130)	(820)	(965)	(17,836)	(298)	(7)	(19)
2024	(41,029)	(25,782)	(1,763)	(1,279)	(1,505)	(27,832)	(465)	(11)	(29)
2025	(56,446)	(35,470)	(2,425)	(1,760)	(2,071)	(38,290)	(639)	(16)	(41)
2026	(72,788)	(45,739)	(3,127)	(2,269)	(2,671)	(49,376)	(824)	(20)	(52)
2027	(90,110)	(56,625)	(3,872)	(2,809)	(3,306)	(61,126)	(1,020)	(25)	(65)
2028	(108,472)	(68,163)	(4,660)	(3,382)	(3,980)	(73,582)	(1,228)	(30)	(78)
2029	(127,936)	(80,394)	(5,497)	(3,989)	(4,694)	(86,785)	(1,449)	(35)	(92)
2030	(148,567)	(93,358)	(6,383)	(4,632)	(5,451)	(100,780)	(1,682)	(41)	(107)
2031	(170,436)	(107,101)	(7,323)	(5,314)	(6,254)	(115,615)	(1,930)	(47)	(122)
2032	(193,618)	(121,668)	(8,319)	(6,037)	(7,104)	(131,340)	(2,192)	(54)	(139)
2033	(218,190)	(137,109)	(9,374)	(6,803)	(8,006)	(148,009)	(2,470)	(60)	(157)
2034	(244,237)	(153,476)	(10,493)	(7,615)	(8,962)	(165,678)	(2,765)	(68)	(175)
2035	(271,846)	(170,826)	(11,680)	(8,476)	(9,975)	(184,407)	(3,078)	(75)	(195)
2036	(301,112)	(189,216)	(12,937)	(9,388)	(11,049)	(204,259)	(3,409)	(83)	(216)
2037	(332,134)	(208,710)	(14,270)	(10,355)	(12,187)	(225,303)	(3,761)	(92)	(238)
2038	(365,017)	(229,374)	(15,683)	(11,380)	(13,393)	(247,609)	(4,133)	(101)	(262)
2039	(399,874)	(251,277)	(17,180)	(12,467)	(14,672)	(271,254)	(4,528)	(111)	(287)
2040	(436,821)	(274,495)	(18,768)	(13,619)	(16,028)	(296,317)	(4,946)	(121)	(314)
2041	(475,986)	(299,106)	(20,450)	(14,840)	(17,465)	(322,884)	(5,389)	(132)	(342)
2042	(517,500)	(325,193)	(22,234)	(16,134)	(18,989)	(351,046)	(5,859)	(143)	(371)
2043	(561,505)	(352,845)	(24,124)	(17,506)	(20,603)	(380,897)	(6,358)	(156)	(403)
2044	(608,151)	(382,157)	(26,129)	(18,961)	(22,315)	(412,538)	(6,886)	(168)	(437)
2045	(657,595)	(413,227)	(28,253)	(20,502)	(24,129)	(446,079)	(7,446)	(182)	(472)
2046	(710,006)	(446,162)	(30,505)	(22,136)	(26,052)	(481,632)	(8,039)	(197)	(510)
2047	(765,561)	(481,073)	(32,891)	(23,868)	(28,091)	(519,318)	(8,668)	(212)	(549)
2048	(824,450)	(518,078)	(35,422)	(25,704)	(30,251)	(559,265)	(9,335)	(228)	(592)
2049	(886,873)	(557,304)	(38,103)	(27,651)	(32,542)	(601,609)	(10,042)	(246)	(637)
2050	(953,040)	(598,883)	(40,946)	(29,714)	(34,970)	(646,494)	(10,791)	(264)	(684)
2051	(1,023,178)	(642,957)	(43,960)	(31,900)	(37,543)	(694,072)	(11,585)	(283)	(734)
2052	(1,097,524)	(689,675)	(47,154)	(34,218)	(40,271)	(744,504)	(12,427)	(304)	(788)
TOTAL:	(12,686,296)	(7,971,968)	(545,053)	(395,530)	(465,495)	(8,605,737)	(143,641)	(3,513)	(9,106)

FYE	Tigard/Tualatin School District	NW Regional ESD	Portland Community College	Sherwood School District
2023	(16,504)	(1,799)	(3,307)	(40,358)
2024	(25,753)	(2,807)	(5,161)	(62,976)
2025	(35,429)	(3,861)	(7,100)	(86,639)
2026	(45,687)	(4,979)	(9,155)	(111,723)
2027	(56,560)	(6,164)	(11,334)	(138,311)
2028	(68,085)	(7,420)	(13,643)	(166,495)
2029	(80,301)	(8,751)	(16,092)	(196,370)
2030	(93,251)	(10,163)	(18,687)	(228,037)
2031	(106,978)	(11,659)	(21,437)	(261,604)
2032	(121,528)	(13,244)	(24,353)	(297,186)
2033	(136,951)	(14,925)	(27,444)	(334,902)
2034	(153,300)	(16,707)	(30,720)	(374,881)
2035	(170,629)	(18,595)	(34,192)	(417,259)
2036	(188,999)	(20,597)	(37,873)	(462,179)
2037	(208,470)	(22,719)	(41,775)	(509,795)
2038	(229,110)	(24,969)	(45,911)	(560,268)
2039	(250,988)	(27,353)	(50,295)	(613,769)
2040	(274,179)	(29,880)	(54,943)	(670,480)
2041	(298,761)	(32,559)	(59,869)	(730,594)
2042	(324,819)	(35,399)	(65,090)	(794,315)
2043	(352,439)	(38,409)	(70,625)	(861,859)
2044	(381,717)	(41,600)	(76,492)	(933,455)
2045	(412,752)	(44,982)	(82,711)	(1,009,348)
2046	(445,649)	(48,567)	(89,303)	(1,089,794)
2047	(480,519)	(52,368)	(96,291)	(1,175,066)
2048	(517,482)	(56,396)	(103,698)	(1,265,455)
2049	(556,662)	(60,666)	(111,549)	(1,361,268)
2050	(598,194)	(65,192)	(119,872)	(1,462,829)
2051	(642,217)	(69,990)	(128,694)	(1,570,484)
2052	(688,881)	(75,075)	(138,045)	(1,684,598)
TOTAL:	(7,962,794)	(867,795)	(1,595,661)	(19,472,297)

NEXT STEPS

Mail Taxing District Letters	June 29, 2021
Briefing Washington County	August 3, 2021
Public Input	July 2021 Online
Tualatin Planning Commission	July 15, 2021
Washington County Consider Vote On Plan & Unincorporated Properties	August 17, 2021
Tualatin City Council Hearing	August 9, 2021
Tualatin City Council Vote On Ordinance	August 23, 2021

ACTION:

Consider adoption of the prepared resolution.

QUESTIONS?