

**WALDPORT URBAN RENEWAL AGENCY  
AUGUST 7, 2018  
MEETING NOTICE AND AGENDA**

THE WALDPORT URBAN RENEWAL AGENCY WILL MEET ON TUESDAY, AUGUST 7, 2018 AT 6:00 P.M. IN THE CITY COUNCIL MEETING ROOM, 125 ALSEA HIGHWAY TO TAKE UP THE FOLLOWING AGENDA:

1. ROLL CALL
2. CITIZEN COMMENTS AND CONCERNS
3. AGENCY MEMBER COMMENTS AND CONCERNS
4. MINUTES: *June 14, 2018*
5. DISCUSSION/ACTION ITEMS:
  - A. *Waldport Urban Renewal Briefing - Presentation by Elaine Howard*
  - B. *Other Issues*
6. ADJOURNMENT

*The City Council Meeting Room is accessible to all individuals. If you will need special accommodations to attend this meeting, please call City Hall, 264-7417, during regular business hours.*

Notice given this 3<sup>rd</sup> day of August, 2018

Reda Q. Eckerman, City Recorder



**WALDPOR T URBAN RENEWAL AGENCY**  
**JUNE 14, 2018**  
**MEETING MINUTES**

1. CALL TO ORDER AND ROLL CALL: Chair Woodruff called the meeting to order at 3:25 p.m. Chair Woodruff and Board Members Dennis, Yorks, Cutter and Holland answered the roll. Member Dunn was excused. A quorum was present.

2. CITIZEN COMMENTS AND CONCERNS: None.

3. AGENCY MEMBER COMMENTS AND CONCERNS: None.

4. MINUTES: The Agency considered the minutes from the October 12, 2017 regular meeting, and the April 24, 2018 Budget Committee meeting. Mr. Cutter **moved** to approve the minutes as presented. Mr. Yorks **seconded**, and the motion carried unanimously.

5. PUBLIC HEARING: Chair Woodruff opened the Public Hearing on the Urban Renewal Budget for FY 2018/2019. Mr. Cutter asked about the concerns expressed at the Budget Committee meeting regarding the use of Urban Renewal funds for the Industrial Park sewer project. Mr. Kemp responded that the appropriateness of the funding will be legally ascertained prior to any expenditure. He proposed that the Agency consider an amendment to the budget, to move \$20000 from Contingency into Consulting Services. Following discussion, **consensus** of the Board was favorable to the proposed change. Chair Woodruff closed the Public Hearing.

6. DISCUSSION/ACTION ITEMS:

A. Consideration of Resolution Adopting Budget for FY 2018/2019: A revised resolution, incorporating the proposed change to the budget, was distributed. Mr. Cutter **moved** to approve Resolution UR18-01. Mr. Holland **seconded**, and the motion **carried** unanimously.

B. Other Issues: None.

7. ADJOURNMENT: At 3:44 p.m., there being no further business to come before the Agency, the meeting was adjourned.

Respectfully submitted,

Reda Q Eckerman, City Recorder

APPROVED by the Waldport Urban Renewal Agency this \_\_\_ day of \_\_\_\_\_, 20\_\_.

SIGNED by the Chair this \_\_\_ day of \_\_\_\_\_, 20\_\_.

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Susan Woodruff, Chair



# WALDPORT URBAN RENEWAL BRIEFING

 ELAINE HOWARD  
CONSULTING, LLC

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## ROADMAP

1. Why use Urban Renewal?
2. Crash Course – UR 101
3. Crash Course – UR 201
4. History of 2015 Analysis
5. Next Steps

# WHY USE URBAN RENEWAL?



Many opportunities for improvements and redevelopment in cities that need funding to tip the scales

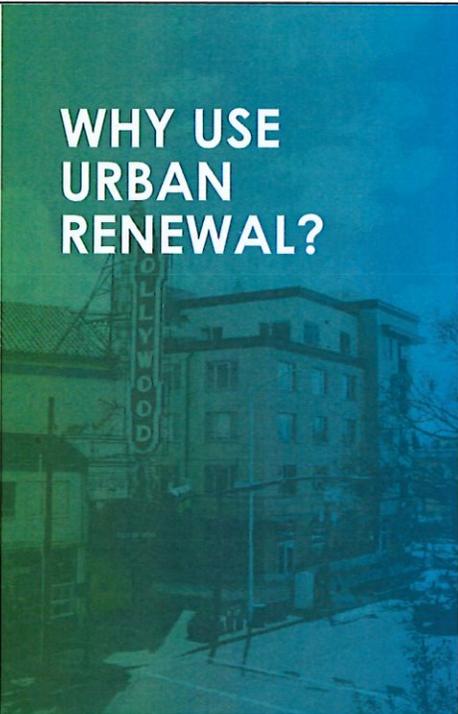
City general funds typically lack the funds to contribute to these opportunities

Urban Renewal provides a funding source to bridge the gap and tip the scales

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# WHY USE URBAN RENEWAL?

- Everyone, from City Staff, City Council, to Citizens, has "that project" in town that needs to get done
- That project doesn't get accomplished not because it isn't a worthwhile project, but simply because of funding
- In these situations urban renewal can bridge the funding gap



UR 101

# CRASH COURSE | UR 101

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UR 101

# CRASH COURSE | UR 101



REGULAR TAXING JURISDICTIONS  
City, County, Etc.

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UR 101

## CRASH COURSE | UR 101

**PROPERTY TAX INCREASES**  
1. 3% Appreciation  
2. Substantial Improvements

**PROPERTY TAX REVENUE**

**REGULAR TAXING JURISDICTIONS**  
City, County, Etc.

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The diagram illustrates a flow from property tax increases to revenue for regular taxing jurisdictions. On the left, an icon of three houses is labeled 'PROPERTY TAX INCREASES' with two points: '1. 3% Appreciation' and '2. Substantial Improvements'. A large green arrow points to the right, containing the text 'PROPERTY TAX REVENUE' and several dollar signs (\$). On the right, an icon of a person at a desk with a scale is labeled 'REGULAR TAXING JURISDICTIONS' with 'City, County, Etc.' below it.

UR 101

## CRASH COURSE | UR 101

**PROPERTY TAX INCREASES**  
1. 3% Appreciation  
2. Substantial Improvements

**PROPERTY TAX REVENUE**

**CITY**

**URBAN RENEWAL AREA**

**REGULAR TAXING JURISDICTIONS**  
City, County, Etc.

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This diagram is similar to the one above but includes an additional element. The green arrow labeled 'PROPERTY TAX REVENUE' now has a circular graphic above it. This graphic is a sunburst or wheel-like structure with 'CITY' written above it and 'URBAN RENEWAL AREA' in a central blue circle. The arrow still points to the 'REGULAR TAXING JURISDICTIONS' icon on the right. The text 'Elaine Howard Consulting LLC' is at the bottom left.

## WHY URBAN RENEWAL FOR CITY?

Urban Renewal provides funding to implement city plans and address the barriers to development in the following ways:

1. Assist in promoting redevelopment of opportunity sites.
2. Create a sense of place including streetscape and beautification of the area.
3. Improve existing facades in the area.



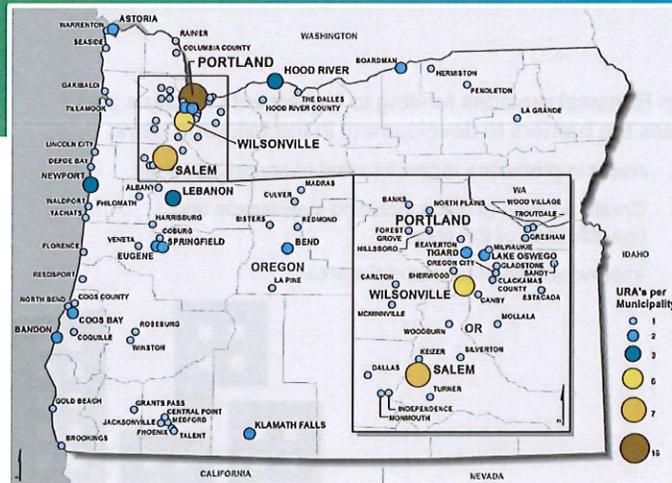
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## UR 201 WHAT IS URBAN RENEWAL?

- Economic development tool
- Unique in that it is a financing tool, but also a plan with projects
- Used to address "blighting" influences in specific areas
- Functions on increases in property tax revenues in "Urban Renewal Areas"
- Used all over Oregon (Map on next slide)

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## CITIES WITH URBAN RENEWAL



UR 201

## WHAT IS BLIGHT?

- ❖ Blight is a precondition to any Urban Renewal Area
- ❖ Specific criteria defined by state statute, generally covers:
  - Underdevelopment or underutilization of property
  - Poor condition of buildings
  - Inadequacy of infrastructure including streets and utilities

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## HOW DOES AN URBAN RENEWAL AREA FUNCTION?

### 1. Income Source

- ❖ Yearly property tax collections based on growth within Boundary (more detail on mechanism in later slide)

### 2. Expenses

- ❖ Projects, programs, and administration

### 3. Spending Limit

- ❖ Capped by Maximum Indebtedness (MI):
  - The total amount of money that can be spent over the life of the district on projects, programs, and administration.



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## HOW DOES URBAN RENEWAL FINANCING WORK?



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## A HYPOTHETICAL PROPERTY TAX BILL

|                                 |                 | 2017              | 2018                                 | 2018                              |
|---------------------------------|-----------------|-------------------|--------------------------------------|-----------------------------------|
| Myrtle Creek                    | Permanent Rates | Property Value    | Property Value Without Urban Renewal | Property Value With Urban Renewal |
|                                 |                 | \$100,000         | \$103,000                            | \$103,000                         |
| Douglas County                  | 1.1124          | \$111.24          | \$114.58                             | \$111.24                          |
| <b>City of Myrtle Creek</b>     | <b>6.5088</b>   | <b>\$650.88</b>   | <b>\$670.41</b>                      | <b>\$650.88</b>                   |
| 4H Master Gardener Extension    | 0.0600          | \$6.00            | \$6.18                               | \$6.00                            |
| <b>ED Douglas</b>               | <b>0.5296</b>   | <b>\$52.96</b>    | <b>\$54.55</b>                       | <b>\$52.96</b>                    |
| South Umpqua SD                 | 4.7091          | \$470.91          | \$485.04                             | \$470.91                          |
| <b>Umpqua Community College</b> | <b>0.4551</b>   | <b>\$45.51</b>    | <b>\$46.88</b>                       | <b>\$45.51</b>                    |
| Urban Renewal                   |                 |                   |                                      | \$40.13                           |
| <b>Total</b>                    | <b>13.3750</b>  | <b>\$1,337.50</b> | <b>\$1,377.63</b>                    | <b>\$1,377.63</b>                 |

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## PROPERTY TAXES AND URBAN RENEWAL

- Urban Renewals Division of Taxes does not increase property taxes, it uses increases in property taxes that were already happening
- Urban Renewal is a line item on your property tax bill
- The Assessor must go through the following steps when distributing Urban Renewal Taxes:
  1. "Calculation" of TIF to be collected
  2. "Distribution" of TIF Citywide to property tax payers
  3. "Collection" of property tax revenues

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# URBAN RENEWAL UTOPIA

The following slides detail in a conceptual manner the steps an Assessor goes through to distribute TIF revenues to an Urban Renewal Agency:

1. Calculation
2. Distribution
3. Collection

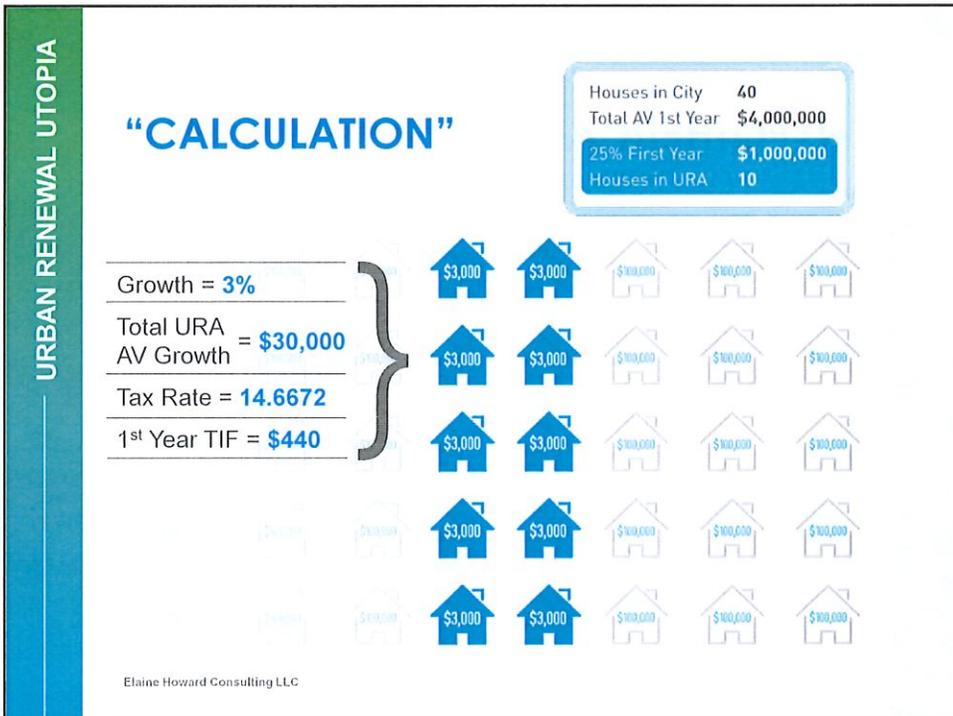
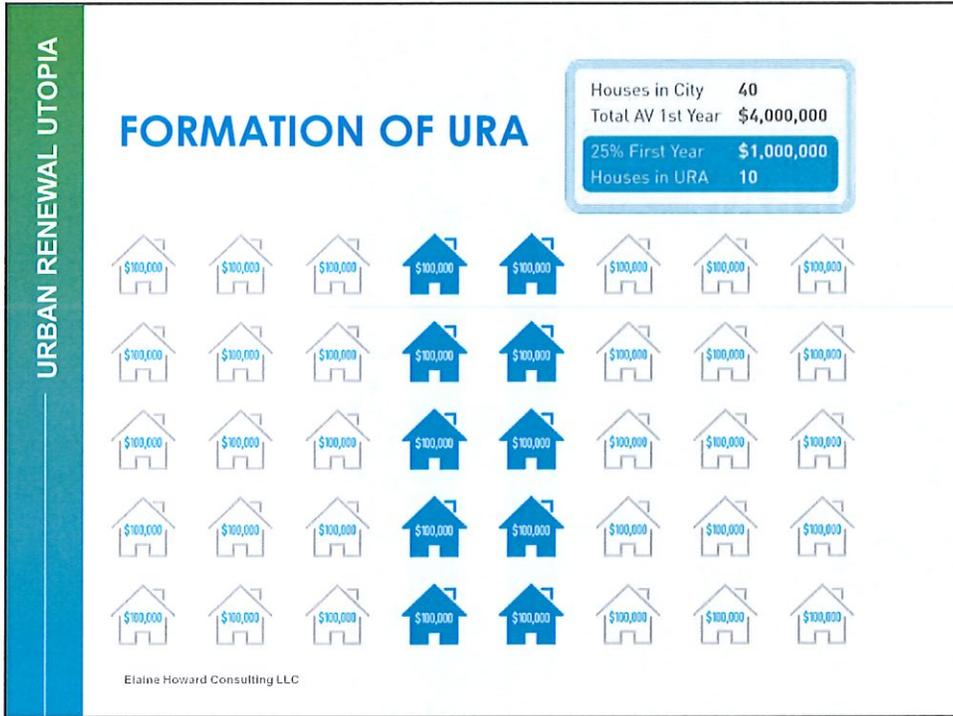
## URBAN RENEWAL UTOPIA

### HYPOTHETICAL CITY

Houses in City 40  
Total AV 1st Year \$4,000,000



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**URBAN RENEWAL UTOPIA**

### WHERE DOES THE MONEY GO?

- Each home in the city has \$44 in new property tax revenue
- Each home, in or out of URA, pays \$11 to Urban Renewal Agency of the new property tax revenue that would have otherwise gone to regular property tax jurisdictions
- Regular property taxing jurisdictions receive \$33 in new revenue plus \$1,466 from the frozen base from each home

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# UR 201 PROPERTY TAX SUMMARY

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

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UR 201

## IMPACTS TO TAXING DISTRICTS

- ❖ Urban Renewal does not provide new money
  - Diverts funds that would go to other property tax districts
- ❖ Continue receiving taxes on frozen base
- ❖ Temporarily forego taxes on any growth in Urban Renewal area
- ❖ Growth may not have occurred but not for urban renewal



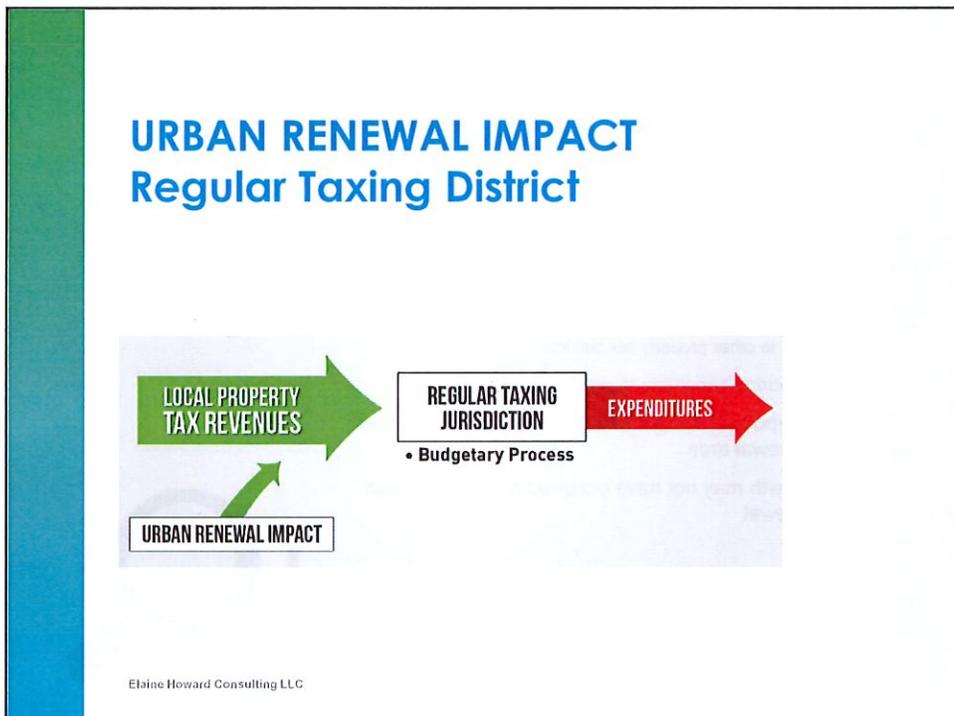
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# URBAN RENEWAL AND LOCAL SCHOOL DISTRICTS

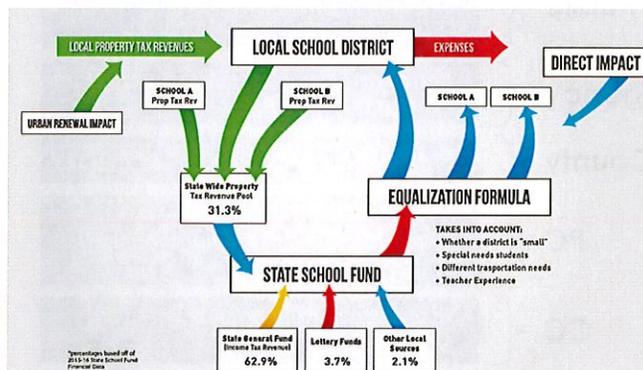
An Indirect Impact



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## URBAN RENEWAL IMPACT Local Schools



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UR 201



## STATE LIMITATIONS ON URBAN RENEWAL

- ❖ Population under 50,000
  - 25% of Assessed Value of Property in City
  - 25% of Acreage of City
- ❖ Existing Plan limitations:
  - Can not be increased in size by more than 20% of original Plan acreage
  - Maximum Indebtedness (MI) can not increase by more than 20% of original MI, indexing
    - May increase MI above 20% as adjusted only with concurrence from 75% of other taxing districts

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## HOW IS A PLAN ADOPTED?



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## 2015 Waldport 2 UPDATE HISTORY

## PURPOSE OF WALDPORT UR # 2

1. Create new property values
2. Stimulate economic growth
3. Provide infrastructure needed to allow and accelerate development of vacant and underutilized land
4. Modernize public facilities – assist in relocating safety facilities out of tsunami zone

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## 2015 UPDATE OPTIONS MEMO

1. Financial projections in original Plan needed to be updated.
2. Options for additions to the Area were explored.
  - Added in the medical clinic -- it ended up being non-taxable
3. Other boundary options not completed:
  - Add in the public works existing facility
  - Add in new location of public works facility
  - Bring in industrial park area
4. Encourage development in SF parcel.

## BOUNDARY ALTERNATIVES DISCUSSED

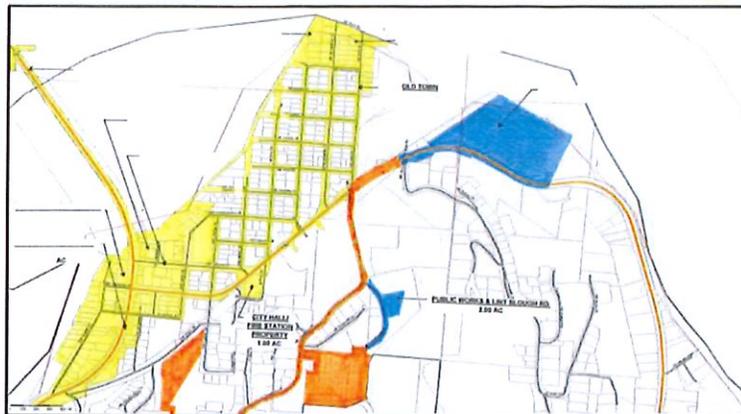
Existing – orange  
Proposed additions – blue  
New area – yellow



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## BOUNDARY ALTERNATIVES DISCUSSED

Existing – orange  
Proposed additions – blue  
New area – yellow



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## FINANCIAL PROJECTIONS REVISED IN 2015 – 3% growth

1. Projected \$ 54,937 in 2017/18
2. Actual \$ 71,171

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## FINANCIAL PROJECTIONS REVISED IN 2015 with Medical Clinic

1. Projected \$79,276 in 2017/18
2. Actual \$71,171

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## CONSIDERATION OF NEW URBAN RENEWAL AREA

1. Downtown commercial core, Yaquina John Point area and Alsea Bay Bridge

## QUESTIONS RAISED DURING BUDGET

1. Question of \$660,000 pipeline project
  - Crestline Drive is not blighted
  - Industrial Park is outside URA
  - Acreage in UR in Waldport - is there capacity to include industrial park?
2. Legal issue
3. Policy issue
4. Acreage in UR:
  - UR 1 had 94.7 – area is closed
  - UR 2 has 289.8 + .86 added from 2015 amendment
  - City acreage 1,841.12 - 18.02% in urban renewal 169.62 additional capacity

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# PROJECT PREVIEW

Storefront Loans

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## PROJECT PREVIEW | Streetscape



Estacada Streetscape



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## PROJECT PREVIEW | Streetscape



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*Before*

## Double Dragon in Sandy



*After*

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## Sandy Glass



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## Astoria Fort George Brewery & Pub

Historic building re-constructed in 1923, remodeled over 80 years later in 2006

- Urban Renewal provided:
- Low interest loan for \$120,039 with an 8-year maturity date
- Storefront Improvement Grant of \$30,000

Leverage:

- SBA Loan
- State of Oregon (forgivable loan)



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**Project Preview:  
Redevelopment  
Assistance**

City of Myrtle Creek  
Urban Renewal District Boundary (Draft)

Proposed URD Boundary  
Additional South Main Area  
(To be considered for URD)

Approximate Acres within proposed URD: 513 Acres  
Approximate Acres within Myrtle Creek City Limits: 1,267.4 Acres  
Percent of Acres within proposed URD: 3.9%

**Questions?**

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