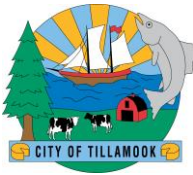




TILLAMOOK URBAN RENEWAL AGENCY

**ANNUAL REPORT
FOR YEAR ENDING
JUNE 30, 2013**





Tillamook Urban Renewal Agency
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Tillamook Urban Renewal Agency
Annual Report for Fiscal Year ending June 30, 2013

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BOARD OF DIRECTORS

Carolyn Decker – Chairwoman

At Large Position #2 - Term 1/1/2010 - 12/31/2013

Dave Schrom - Vice Chairman

At Large Position #3 - Term 1/1/2010 - 12/31/2013

Ruth LaFrance

At Large Position #1 - Term 1/1/2013 - 12/31/2016

Alene Allen

At Large Position #5 - Term 1/1/2013 – 12/31/2016

Vacancy

At Large Position #4 - Term 1/1/2013 - 12/31/2016

Steve Forster

City Councilor Position #1 - Term 1/1/2013 – 12/31/2016

Cheryl Davy

City Councilor Position #2 - Term 1/1/2010 – 12/31/2013

CITY STAFF

Paul Wyntergreen
City Administrator

Debbi Reeves
Executive Assistant

Tillamook Urban Renewal Agency Annual Report for Fiscal Year ending June 30, 2013

History of the Tillamook Urban Renewal Agency

In 2006 the Tillamook Urban Renewal Plan was developed in a series of public meetings and public “open house” workshops conducted by a Citizens Advisory Committee (CAC), approved by the City Council. The CAC reviewed and helped develop all aspects of the Urban Renewal Plan and Report. The City Planning Commission and the Tillamook County Commissioners met at different times to review the Plan inclusion of Tillamook land in the plan area. The Tillamook City Council scheduled a public hearing on adoption of this Plan on November 6, 2006. Additional notice for the City Council’s hearing on adoption of the Plan was provided as required by ORS 457.120.

The original Tillamook Urban Renewal Plan was established in October of 2006, with minor amendments in September 2009 and December of 2009. In June of 2012 a substantial amendment was completed. Explanations of the amendments are listed below.

History of Plan Amendments

The Plan has gone through two Minor Amendments. The first in September 24, 2009 – Resolution 2009-08, A Resolution Making Minor Amendments to the Tillamook Urban Renewal Agency Plan with word clarifications and word corrections. The second Minor Amendment was in December 16, 2009 – Ordinance #1243, An Ordinance Amending the Tillamook Urban Renewal Agency Plan, Section 800, C, Adding Potential Opportunity Sites for Development/Redevelopment which added eighteen (18) potential opportunity sites; Exhibit 2, Maps #1, #2, #3, #4, #5, #6; and added a History of the Plan Amendments section to the Acknowledgements page.

In February of 2011, Elaine Howard of Elaine Howard Consulting was hired to assist the Agency with a Substantial Amendment to the Plan. The Substantial Amendment was done to add acreage in excess of 1% of the Plan acreage and was approved by Tillamook City Council by Ordinance No. 1267, June 18, 2012. Also amended were Section 200 - Citizen Participation, Section 300 - Boundary Description, Section - 400, Relationship to Local Objectives, Section 600 - Outline of Development, Section 700 - Description of Projects to be Undertaken, Section 1200 - Maximum Indebtedness.

Mission Statement

The mission of the Tillamook City Urban Renewal District is to stabilize and improve property values, thus improving the quality of life for those who live, work, and visit within the area. Elimination of existing blight in commercial, industrial, and/or residential properties will aid in providing positive results.

Goals and Objectives

There are six (6) Goals and Objectives listed in the Plan, which included:

Goal One:

Promote private development to increase the City's economic base:

Objectives:

- *Improve the ratio of profitable business to residential growth within the City and immediate area surrounding the district.*
- *Improve streets, streetscapes, parks, and public buildings and spaces to enhance investment and development of existing commercial areas within the City and district.*
- *Assist property owners in rehabilitating existing buildings and property to accommodate more profitable and alluring commercial businesses.*
- *Increase the number of family wage jobs within the district.*
- *Help create economic vitality by promoting and creating activities and encouraging uses that bring a significant amount of new business activity and new people into the downtown area.*
- *Support and assist in implementing the City's Comprehensive & Town Center Plans.*

Goal Two:

Improve and retain existing profitable businesses.

Objectives:

- *Entice private investments in new development and redevelopment in the commercial area of the district.*
- *Encourage retention and expansion of profitable businesses within the commercial areas of the district.*
- *Support and assist in implementing the City's Comprehensive and Town Center plans.*

Goal Three:

Provide efficient, safe, and effective streets, streetscapes and open spaces.

Objectives:

- *Enhance streetscapes by installing street lighting, street furniture, banners, planters, and other amenities.*
- *Reconstruct existing roadways and sidewalks where needed and in a manner meeting the objectives of the Plan.*
- *Construct new streets to provide connectivity and encourage private investment.*
- *Address and improve pedestrian safety on Main and Pacific Avenues.*
- *Improve pedestrian and bicycle access to and through the renewal area.*
- *Create pedestrian spaces that are attractive areas for residents and employees that stimulate economic activity and enhance livability.*
- *Construct or reconstruct utilities (including electrical, water, sewer, and storm sewer) as necessary to encourage and permit development of private properties and public amenities.*

Goal Four:

Maintain, remodel, and construct public parks and open spaces, public facilities and public safety facilities to maintain and enhance safety in the renewal area and increase public utilization of the renewal area.

Objectives:

- *Evaluate the adequacy of public facilities serving the renewal area.*
- *Repair, improve, or construct new public facilities to enable appropriate service within the renewal area.*
- *Develop convenient, attractive parking facilities close to shopping, entertainment, and business destinations.*

- *Improve or construct public parking facilities to support profitable business and activities in the area.*

Goal Five:

Upgrade and repair existing buildings within the renewal area.

Objectives:

- *Improve the appearance of existing buildings in order to enhance the overall aesthetics of the renewal plan.*
- *Repair and improve existing historical buildings for architectural continuity and a revitalized appearance.*
- *Improve the safety of older buildings in regard to seismic stability, fire safety, building code compliance and accessibility to persons with disabilities by repairing or upgrading existing buildings to current code.*
- *Promote the redevelopment of existing buildings and areas that are inconsistent with the goals and objectives of this Plan in manners that benefit the entire economic development effort and the property owners.*

Goal Six:

Provide for new housing units that collectively reflect a diversity of housing types, occupancy (rental and owner occupied) and income levels in the City.

Objectives:

- *Provide a wide range of housing opportunities to accommodate households at all income levels, including low income, moderate-income, and market rate rental and owner-occupied housing which support prospective residential markets in, adjacent to, and near the area.*
- *Provide assistance to help maintain and assist in the rehabilitation of the stock of existing housing in the renewal area.*
- *Assist in the development of quality housing for a range of household incomes that are representative of the City as a whole.*
- *Rehabilitate existing housing stock.*

Funding Mechanism

The Renewal Agency may borrow money and accept advances, loans, grants, and other forms of financial assistance from the federal government, the state, city, Tillamook, or other public body, or from any sources public or private, for the purposes of undertaking and carrying out this Plan.

In addition, the Agency may borrow money from, or lend money to, a public entity in conjunction with a joint undertaking of a project authorized by this Plan. If such funds are loaned out, the Agency may promulgate rules and procedures for the methods and conditions of payment of such loans. The funds obtained by the Agency shall be used to pay or repay any costs, expenses, advances, and indebtedness incurred in planning or undertaking project activities or in otherwise exercising any of the powers granted by ORS Chapter 457.

This Plan will be financed, in whole or in part, by tax increment revenues. The ad valorem taxes levied by all taxing districts in which all or a portion of the Tillamook Urban Renewal Area is located shall be divided as provided in Section 1C, Article IX, of the Oregon Constitution and ORS 457.420 to 457.460.

TURA Annual Taxing District Analysis FY 2012-2013			
District	Taxes with UR	Taxes without UR	UR Taxes Imposed
Tillamook School District #9 ***	7,948,961.65	7,826,225.37	122,736.28
NW Regional ESD ***	627,993.78	624,296.05	3,697.73
Tillamook Bay Community College	1,776,373.49	1,770,032.13	6,341.36
City of Tillamook	604,119.33	560,728.87	43,390.46
Fairview Water District	14,071.67	13,877.27	194.40
Port Of Tillamook Bay	47,401.37	46,531.32	870.05
4-H Extension SD	285,221.87	283,565.42	1,656.45
EMCD-911	778,366.73	773,832.41	4,534.32
Tillamook County	7,883,092.20	7,838,025.04	45,067.16
Tillamook County Transportation District	826,730.91	821,920.51	4,810.40
Tillamook Fire District	655,690.41	638,841.46	16,848.95
TOTAL	21,448,023.41	21,197,875.85	250,147.56
***Due to the state school funding formula, local schools and ESDs are not directly impacted by Tax Increment Financing. Property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Property taxes foregone because of the use of Tax Increment Financing are replaced as determined by a funding formula at the State level with State School Fund revenues.			

Any indebtedness permitted by law and incurred by the Agency or the City of Tillamook in connection with preplanning for this Plan shall be repaid from tax increment proceeds generated pursuant to this section. The Substantial Amendment completed in June 2012 increased the Maximum Indebtedness (MI) in compliance with state laws. The Table below reflects the new MI estimates of the Agency.

FY Ending	Assessed Value	Frozen Base	Increment	Tax Rate	TIF
2012	\$84,199,573	\$60,446,942	\$23,752,631	10.3779	\$246,502
2013	\$88,839,914	\$62,120,813	\$26,719,101	10.3739	\$277,182
2014	\$91,949,309	\$62,120,813	\$29,828,496	10.3708	\$309,345
2015	\$107,691,991	\$62,120,813	\$45,571,178	9.9214	\$452,132
2016	\$111,398,588	\$62,120,813	\$49,277,775	9.941	\$489,868
2017	\$115,233,038	\$62,120,813	\$53,112,225	9.9583	\$528,910
2018	\$119,199,759	\$62,120,813	\$57,078,946	9.9739	\$569,302
2019	\$123,303,321	\$62,120,813	\$61,182,508	9.988	\$611,089
2020	\$127,548,455	\$62,120,813	\$65,427,642	10.0007	\$654,322
2021	\$131,940,055	\$62,120,813	\$69,819,242	10.0123	\$699,048
2022	\$136,483,184	\$62,120,813	\$74,362,371	10.0228	\$745,322
2023	\$141,183,079	\$62,120,813	\$79,062,266	10.0325	\$793,196
2024	\$146,045,159	\$62,120,813	\$83,924,346	10.0415	\$842,724
2025	\$151,075,031	\$62,120,813	\$88,954,218	10.0497	\$893,964
2026	\$156,278,499	\$62,120,813	\$94,157,686	10.0574	\$946,979
2027	\$161,661,562	\$62,120,813	\$99,540,749	10.0645	\$1,001,826
2028	\$167,230,432	\$62,120,813	\$105,109,619	10.0711	\$1,058,569
2029	\$172,991,533	\$62,120,813	\$110,870,720	10.0773	\$1,117,275
2030	\$178,951,517	\$62,120,813	\$116,830,704	10.0831	\$1,178,011
2031	\$185,117,257	\$62,120,813	\$122,996,444	10.0885	\$1,240,850
2032	\$191,495,870	\$62,120,813	\$129,375,057	10.0936	\$1,305,861
Total TIF					\$15,962,277

TURA Projects

With the Substantial Plan Amendment in June 2012 a new Project list was established and is shown below. The projects will be ongoing throughout the life of the Plan and will be determined in the annual budgeting process of the Agency. The list below is a tool for guiding the Agency in plans for future spending.

Projects	Project Estimate
3rd Street Project Phase I	\$1,000,000
Administration	\$1,250,000
Technical, Architectural, Zoning	\$100,000
Facades and Signs	\$600,000
City Shops	\$300,000
Town Center Improvements	\$400,000
Alley Improvements	\$50,000
Visitor Sign and Parking Area Signs	\$100,000
Property Acquisition	\$500,000
Public Parking	\$500,000
Goodspeed Park RR	\$300,000
Streetscapes	\$250,000
Janac/IOOF Bldg. 2nd Floor	\$300,000
City Hall Improvements	\$200,000
3rd Street Phase II	\$400,000
Safeway Site	\$200,000
Sue H Elmore Park	\$200,000
Goodspeed Park	\$300,000
Hoquarton Trail Park	\$100,000
Liberty School Sidewalks	\$200,000
Meadow Area Sidewalks	\$200,000
Street/Sidewalk Main & Pacific 4th to 12th	\$200,000
Street/Sidewalk 1st to 5th	\$200,000
Street/Sidewalk 3rd to Trask River Bridge	\$200,000
Stormwater Upgrades	\$500,000
City CIP Water Line	\$500,000
City CIP Wastewater Line	\$500,000
12th St Sewer Line Extension	\$500,000
Holden Creek	\$250,000
City Gateway and Entrance	\$200,000
Assistance Utilities and Infrastructure	\$200,000
Financing Costs	\$10,000
Total	\$10,710,000

Existing conditions for new projects in the Area from the Third Amendment to the Plan were detailed and identified and listed here:

1. Former Safeway and Tillamook RV Site: These sites will be redeveloped into recreational vehicle parking with park features.

Existing Conditions: These are Federal Emergency Management Administration (FEMA) buyout properties as they are in a floodplain, very little can be done to develop the properties. Recreational vehicle and park usage is an improved use for the properties.

2. Holden Creek: Improvements to the creek to reduce impacts of flooding.

Existing Conditions: Holden Creek often floods into the adjacent properties. In a coordinated effort with adjacent property owners, the city will perform flood mitigation measures to the creek.

3. **COMPLETED in 2012** - Third Street sidewalk improvements: The project will construct sidewalks on Third Street.

Existing Conditions: There are no sidewalks in this location.

4. Liberty School area sidewalks: Sidewalks to be upgraded. This project is near a school and may be part of a Safe Routes to School project.

Existing Conditions: The existing sidewalks in this location are deteriorating and in need of upgrading.

5. Meadow area sidewalks: The project will construct sidewalks in the Meadow area.

Existing Conditions: There are no sidewalks in this location.

6. 12th Street Sewer Extension: This project will run a new sewer line able to service the proposed new development in the Area.

Existing Conditions: The existing sewer line does not have the capacity to service the proposed new development.

7. CIP water line improvements, CIP wastewater line improvements, storm water upgrades: These projects are all identified in the in the Report on the Plan dated May 7, 2012.

Existing Conditions: The Capital Improvement Plan identifies deficiencies and proposes upgrades as shown in Report mentioned above.

8. **COMPLETED in 2012** - City Shop improvements: This project is a relocation of the city shops.

Existing Conditions: The city shops property is becoming hospital property. The city shops will need to be relocated.

A significant amount of new rights of way was added to the Urban Renewal Area in 2012. The existing conditions of those rights of way include a lack of curbs and sidewalks along streets. It is the intent of the City of Tillamook to construct curbs and sidewalks on those streets. The right of way for gateway signage is unimproved and the City is in need of adequate signage.

3rd Street Improvement Project –



In fiscal year 2012-2013 the 3rd Street Improvement project was completed. This project was initiated with the combined efforts of Tillamook County, the City of Tillamook, the Tillamook Urban Renewal Agency, and the Oregon Department of Transportation. 3rd Street is a major arterial street within the City and a highly traveled street for schools, the Tillamook Bay Community College, the Tillamook County Fairgrounds, and state agencies located to the east of Tillamook City. The project totaled more than \$3 million dollars adding sidewalks, storm drains, bike lanes, street parking, and a newly paved street.



Pelican Brewing Company – Tillamook Facility



Another noteworthy project assisted by the Agency was the development of the Pelican Brewing Company and Tap Room. This new business located on 1st Street will employ more than a dozen people in their first year of operation and over 20 people with three years. An old warehouse was remodeled into a brewing facility and a tasting room with a small deli also added.



Budget History

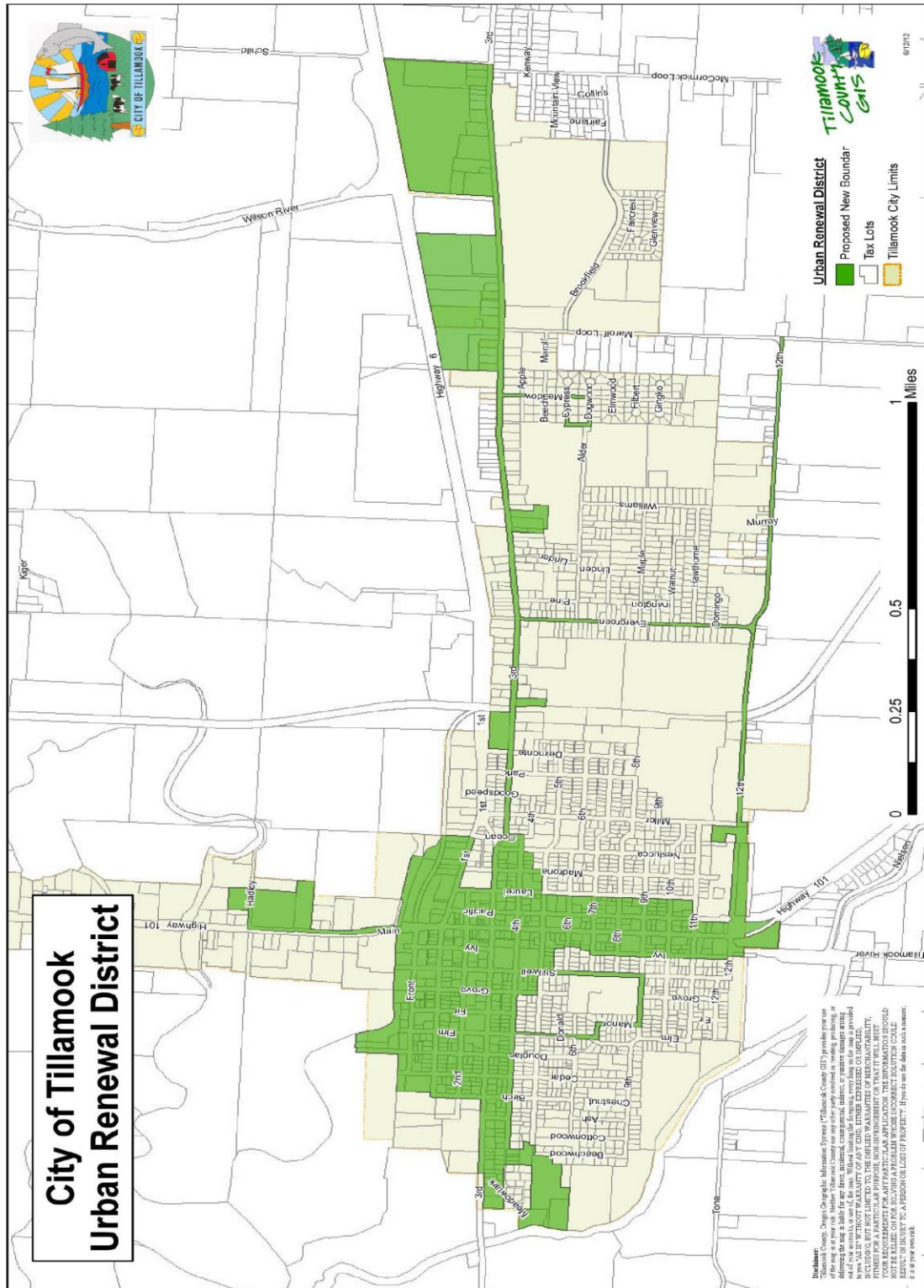
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TILLAMOOK URBAN RENEWAL FUNDS	FY 2009/10	FY 2010/11	FY 2011/12	Approved FY 2012/13	Adopted Budget FY 2013-2014
RESOURCES - TAX INCREMENT FUND					
Beginning Fund Balance	\$160,638	\$36,777	\$49,067	\$130,000	\$260,000
Previously levied taxes to be received	\$5,492	\$8,248	\$10,670	\$9,000	\$11,000
Interest	\$973	\$248	\$544	\$500	\$500
Tax Increment Revenues	\$174,776	\$205,270	\$228,057	\$231,000	\$240,000
Transfer From Other Fund	\$0	\$0	\$561,545	\$0	\$105,555
Unappropriated Fund Balance	\$36,777	\$49,067	\$0	\$0	\$0
Total (not including beginning fund balance)	\$218,018	\$262,833	\$800,816	\$240,500	\$357,055
RESOURCES - GENERAL FUND					
Beginning Fund Balance	\$239,758	\$171,679	\$137,722	\$248,642	\$245,000
Interest	\$520	\$708	\$502	\$500	\$500
Long Term Loan Repayment - Principal	\$0	\$4,000	\$22,881	\$13,300	\$21,500
Long Term Loan Repayment - Interest	\$0	\$0	\$0	\$0	\$0
Late Charges & Fees	\$0	\$1	\$0	\$1,500	\$1,000
Deposit Refund				\$226,000	\$200,000
Total (not including beginning fund balance)	\$520	\$4,709	\$23,383	\$241,300	\$223,000
OTHER RESOURCES - GENERAL FUND					
Grants & Donations	\$0	\$5,000	\$0	\$0	\$0
Short Term Loans	\$461,390	\$140,000	\$0	\$379,000	\$184,445
Future Loan Proceeds	\$0	\$0	\$1,633,855	\$0	\$90,000
Obligated Loan Proceeds	\$0	\$242,552	\$0	\$0	\$300,000
Transfer In from TIF	\$75,000	\$201,350	\$0	\$80,655	\$105,555
Total	\$536,390	\$588,902	\$1,633,855	\$459,655	\$680,000
TOTAL RESOURCES + Unappropriated Fund Balance	\$754,928	\$856,444	\$2,458,054	\$941,455	\$1,260,055
TOTAL RESOURCES + BEGINNING FUND BALANCE	\$1,155,324	\$1,064,900	\$2,644,843	\$1,320,097	\$1,765,055
EXPENDITURES (TIF & GF)					
Materials & Services					
Bank Fees (TIF & GF)	\$450	\$247	\$242	\$2,000	\$800
IGA Admin Services	\$9,080	\$14,613	\$19,805	\$40,055	\$40,555
Legal Services	\$2,752	\$8,744	\$8,869	\$10,000	\$25,000
Legal/Advertising/Publications	\$786	\$1,707	\$606	\$1,500	\$1,500
Agency/Community Meeting Expense	\$577	\$218	\$98	\$500	\$500
Office Supply	\$1,087	\$815	\$75	\$1,000	\$500
Postage	\$0	\$0	\$342	\$200	\$200
RARE Student Program	\$0	\$0	\$0	\$0	\$0
Consulting Fees	\$11,841	\$3,248	\$21,609	\$5,000	\$15,000
Financial Bookkeeping Audit Services	\$0	\$10,359	\$13,989	\$15,000	\$15,000
Engineering Architect Services	\$0	\$2,341	\$250	\$2,500	\$2,000
Design/Environmental Studies	\$0	\$0	\$0	\$2,500	\$2,000
Internet Web Services	\$0	\$495	\$394	\$500	\$500
Conference Education	\$0	\$0	\$0	\$200	\$200
Appraisals Inspections	\$0	\$200	\$0	\$200	\$200
Loan Service Fees	\$0	\$126	\$1,275	\$1,000	\$1,000
Insurance	\$0	\$0	\$573	\$0	\$600
Other Types of Expense	\$0	\$0	\$448	\$0	\$500
Total Materials & Services	\$26,573	\$43,113	\$68,575	\$82,155	\$106,055

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TILLAMOOK URBAN RENEWAL FUNDS	FY 2009/10	FY 2010/11	FY 2011/12	Approved FY 2012/13	Adopted Budget FY 2013-2014
Capital Outlay					
3rd Street ROW Match Waterline	\$0	\$0	\$806,996	\$0	\$0
Façade Loan & Grants	\$0	\$5,000	\$33,045	\$50,000	\$50,000
Streetscapes Neighborhood Beautification	\$0	\$11,384	\$3,000	\$50,000	\$300,000
Playground Equipment	\$0	\$0	\$0	\$5,000	\$0
Land/Property Purchase Development	\$0	\$247,454	\$68,731	\$0	\$150,000
Reserved Agency Approved Project	\$0	\$11,433	\$21,300	\$344,942	\$437,445
Total Capital Outlay	\$0	\$275,271	\$933,072	\$449,942	\$937,445
Project Fees	\$0	\$0	\$853	\$0	\$1,000
Special Payments - Loans Grants AV Producing	\$0	\$164,311	\$0	\$0	\$0
Contingency	\$0	\$0	\$0	\$0	\$0
Transfer to TIF	\$0	\$0	\$561,545	\$0	\$0
Reserved Debt Service	\$0	\$0	\$165,249	\$160,000	\$200,000
Short Term Loan Repayment	\$0	\$0	\$0	\$0	\$20,000
Transfer Out to GF	\$75,000	\$201,350	\$0	\$80,655	\$105,555
Reserve for Future Debt Service	\$0	\$0	\$0	\$118,345	\$185,445
TOTAL EXPENDITURES	\$101,573	\$482,695	\$1,729,294	\$532,097	\$1,555,500
Unappropriated Fund Balance (TIF & GF)	\$208,456	\$186,789	\$231,041	\$40,000	\$104,000
TOTAL EXPENDITURES +	\$310,029	\$669,484	\$1,960,335	\$572,097	\$1,659,500
UNAPPROPRIATED FUND BALANCE					

Maps



Information

A full copy of the TURA Plan and Report on the Plan can be reviewed or downloaded from the City of Tillamook website at www.tillamookor.gov/urban-renewal . Applications for assistance are also located at this website.

Please contact the TURA Administrator Paul Wyntergreen at (503) 842-2472, Ext. 3460 or TURA Executive Assistant Debbi Reeves at (503) 842-2472, Ext. 3463 if there are any questions.