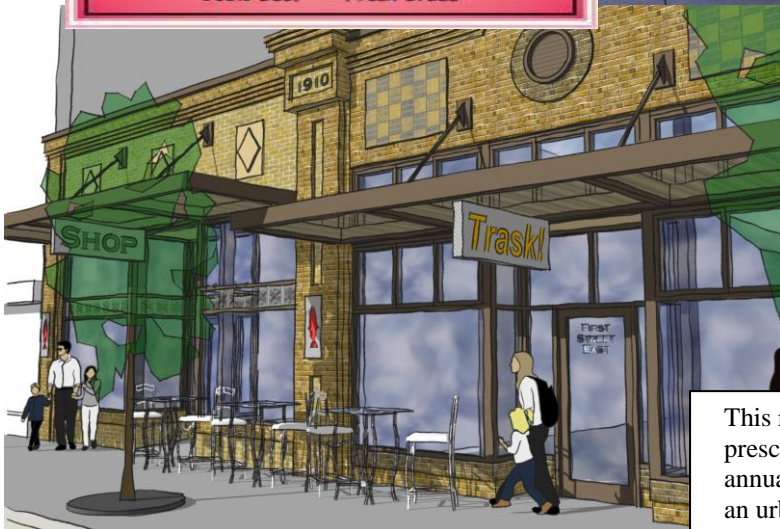


# Tillamook Urban Renewal Agency Annual Report Fiscal Year Ending June 30, 2014



This report fulfills the requirements, prescribed in ORS 457.460, for the filing of an annual report detailing the financial activity of an urban renewal area established in Oregon.



Tillamook Urban Renewal Agency  
Annual Report for Fiscal Year ending June 30, 2014

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## **BOARD OF DIRECTORS**

### **Ruth LaFrance**

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

### **Carolyn Decker**

At Large Position #2 - Term 1/1/2014 - 12/31/2017

### **Dave Schrom**

At Large Position #3 - Term 1/1/2014 - 12/31/2017

### **Suzanne Weber**

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

### **Alene Allen**

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

### **Doug Henson**

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

### **Cheryl Davy**

City Councilor Position #2 - Term 1/1/2014 – 12/31/2017

### **Board Officers:**

Chairman: Carolyn Decker, June 2013 – December 2013

Chairman: Dave Schrom, January 2014 – March 2014

Chairman: Carolyn Decker, April 2014 - June 2014

Vice Chairman – Dave Schrom, June 2013 – December 2013

Vice Chairman: Ruth LaFrance, January 2014 - June 2014

### **CITY STAFF**

Paul Wyntergreen

TURA Administrator

Debbi Reeves

Executive Assistant

# Tillamook Urban Renewal Agency

## Annual Report for Fiscal Year ending June 30, 2014

### **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 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 regards 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.

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.

TURA Annual Taxing District Analysis FY 2013-2014			
District	Taxes with UR	Taxes without UR	UR Taxes Imposed
4-H Extension SD	293,713.94	292,109.20	1,604.74
City of Tillamook	615,674.56	573,580.07	42,094.49
EMCD-911	801,535.70	797,141.97	4,393.73
Fairview Water District	19,554.74	19,321.20	233.54
NW Regional ESD ***	645,351.19	641,764.12	3,587.07
Port Of Tillamook Bay	49,086.30	48,236.73	849.57
Tillamook Bay Community College	1,813,369.68	1,807,216.74	6,152.94
Tillamook County	9,576,978.15	9,533,796.04	43,182.11
Tillamook County Transportation District	851,350.40	846,682.06	4,668.34
Tillamook Fire District	681,927.75	665,580.00	16,347.75
Tillamook School District #9 ***	8,153,935.03	8,034,875.31	119,059.72
Tillamook Soil & Water Conservation Dist	255,404.39	254,005.60	1,398.79
TOTAL	23,757,881.83	23,514,309.04	243,572.79

\*\*\*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.

### **Maximum Indebtedness**

The Table below reflects the new MI estimates of the Agency, which was included in the 2012 Report on the Plan. The 2013 tax increments came in lower than estimated, by approximately 12%. These lower tax revenues are due to anticipated new building projects not coming to fruition and two large property parcels rolling from private property to public property. There is considerable new private construction currently taking place in the City at this time, therefore these figures may come back closer to what was originally anticipated.

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



## **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.

<b>Projects</b>	<b>Project Estimate</b>
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
<b>Total</b>	<b>\$10,710,000</b>

Existing conditions for new projects in the Area from the Third Amendment to the Plan were detailed and identified. Some of the listed projects include:

**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.

**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.

**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.

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

**Existing Conditions:** There are no sidewalks in this location.

**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.

**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.

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.

## **Budget History**

The following are excerpts from the Tillamook Urban Renewal Agency budget message to the Budget Committee for fiscal year 2013-2014 and explains current budget planning for the Agency:

*The Tillamook Urban Renewal Agency continues to increase activities in the district and requests for TURA assistance have increased as anticipated.*

*This year we have conservatively increased tax revenue by approximately 4%. We have received an update on the total taxable assessed value of the district due to the substantial plan amendment done in June 2012. The Tillamook County Tax Assessor estimates an increase of approximately \$3 million in frozen value, but the increment value is harder to calculate so we will wait for a couple of years of experience before making increases to the tax revenue budget line on the basis of that amendment.*

*For fiscal year 2013-2014, we are following the Board's lead by shifting the focus to the Tillamook town center in anticipation of the ODOT Intersection project coming in 2015-2016.*

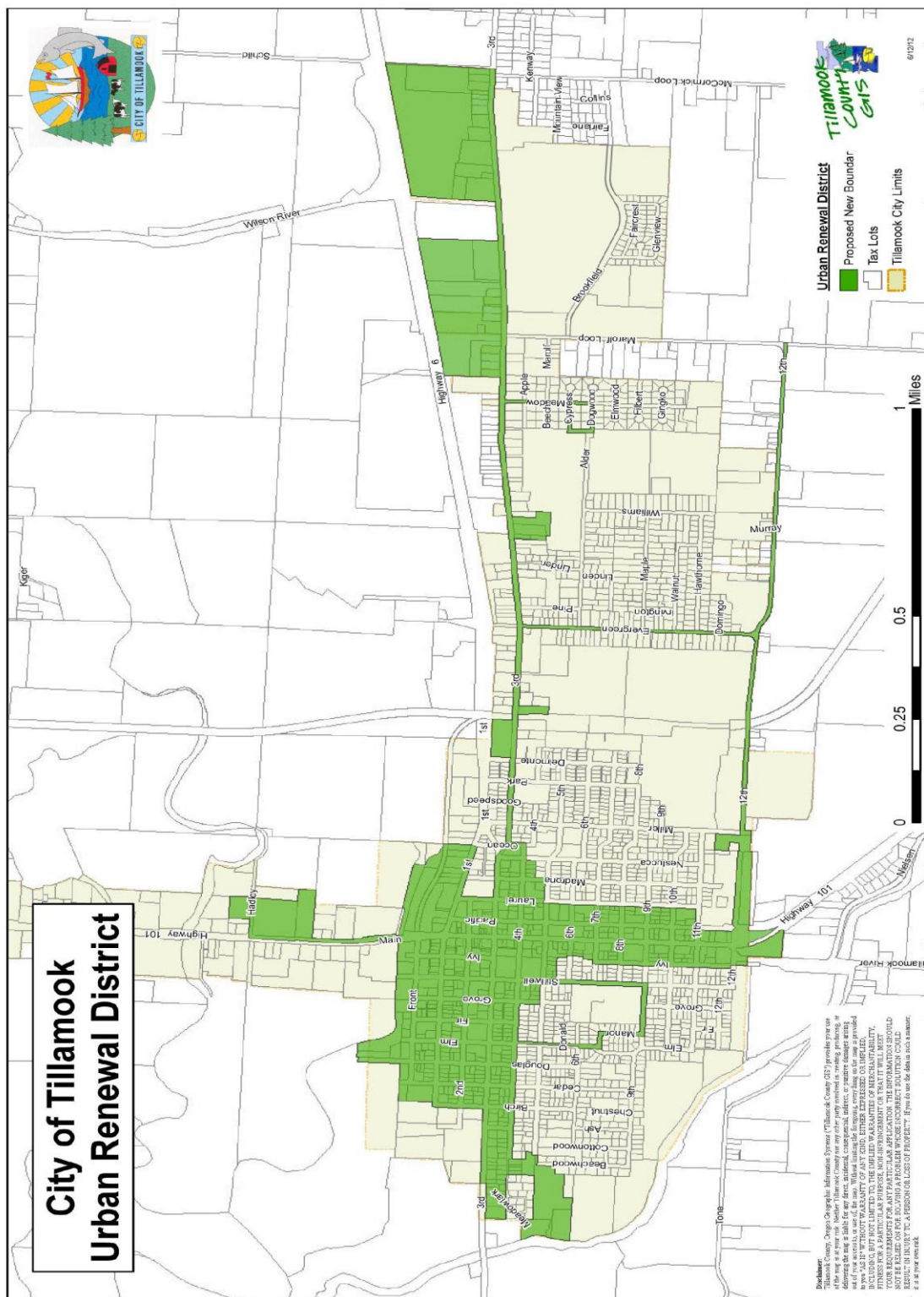
*With regards to Capital Outlay lines, we have included the projects committed to or in the application process and will leave the rest up to the agency board to determine the prioritized projects anticipated for the upcoming fiscal year.*

*The General Fund Unappropriated Ending Fund Balance has been set at 10% as in previous years.*

### **Tillamook Urban Renewal Agency Funds**

Adopted				
<b>Resources - Tax Increment Financing</b>	FY 2011-2012	FY 2012-2013	FY 2013-2014	FY 2014-2015
Beginning Fund Balance	\$48,945	\$165,127	\$272,231	\$201,000
Total (not including beginning fund balance)	\$800,817	\$246,143	\$243,433	\$242,500
<b>Resources - General Fund</b>				
Beginning Fund Balance	\$137,850	\$229,663	\$112,131	\$44,000
Total (not including beginning fund balance)	\$23,383	\$10,491	\$45,488	\$230,216
Other Resources - General Fund	\$1,633,855	\$1,659,813	\$234,907	\$761,505
<b>Total Resources + Unappropriated Fund Balance</b>	\$2,458,055	\$1,916,447	\$523,828	\$1,234,221
<b>Total Resources + Beginning Fund Balance</b>	\$2,644,850	\$2,311,237	\$908,190	\$1,479,221
<b>Expenditures</b>				
Materials and Services	\$68,575	\$75,997	\$75,514	\$96,700
Capital Outlay	\$933,925	\$191,066	\$267,708	\$848,521
Special Payments/Debt Service	\$684,635	\$1,597,969	\$167,920	\$200,495
Transfers	\$561,545	\$107,000	\$136,627	\$241,505
Reserve Future Debt Service	\$165,249	\$0	\$210,990	\$0
<b>Total Expenditures</b>	\$2,413,929	\$1,972,032	\$858,759	\$1,387,221
<b>Unappropriated Fund Balance</b>	\$231,041	\$384,362	\$104,000	\$92,000
<b>Total Expenditures + Unappropriated Fund Balance</b>	\$2,644,970	\$2,356,394	\$962,759	\$1,479,221

## District Map



## **Information**

This report fulfills the requirements, prescribed in ORS 457.460, for the filing of an annual report detailing the financial activity of an urban renewal area established in Oregon.

This report was prepared by Debbi Reeves, Executive Assistant to the Tillamook Urban Renewal Agency.

A full copy of the TURA Plan and Report on the Plan can be reviewed or downloaded from the Documents page of the City of Tillamook website at [www.tillamookor.gov](http://www.tillamookor.gov).

Applications for assistance are also located at this website.

Please contact the TURA Administrator Paul Wyntergreen at (503) 374-1829 or TURA Executive Assistant Debbi Reeves at (503) 374-1830 if there are any questions.