

ORDINANCE NO. 693

**AN ORDINANCE MAKING CERTAIN DETERMINATIONS AND FINDINGS
RELATING TO AND APPROVING THE SW 95TH AVENUE URBAN RENEWAL PLAN**

WHEREAS, the City Council of Wilsonville (“City Council”) has declared that blighted areas exist in Wilsonville and has elected to have the powers of an urban renewal agency exercised by the City Council itself acting as the Wilsonville Urban Renewal Agency (“Agency”); and

WHEREAS, the Agency is proposing to undertake certain urban renewal activities in a designated area within the City of Wilsonville pursuant to ORS Chapter 457; and

WHEREAS, the Agency, pursuant to the requirements of ORS 457.085(1) and (2) and in compliance with applicable law, has caused the preparation of the SW 95th Avenue Urban Renewal Plan (“Plan”) dated April 4, 2011 which is attached to this Ordinance as Exhibit A, and incorporated herein by this reference. The Plan authorizes urban renewal activities within the SW 95th Avenue Urban Renewal Area (the “Area”); and

WHEREAS, the Agency has caused the preparation of a report accompanying the Plan as required by ORS 457.085(3) (“Report”), which Report is dated April 4, 2011 and is attached to this Ordinance as Exhibit B and incorporated herein by this reference; and

WHEREAS, the Plan and the Report, and the Planning Commission Staff Report, which Staff Report is dated March 1, 2011 and is attached to this Ordinance as Exhibit C and incorporated herein by this reference, were forwarded to the Wilsonville Planning Commission on March 9, 2011 for its recommendation, and the Planning Commission considered the Plan, Report and Staff Report and acted to recommend that the Plan conforms with the City’s Comprehensive Plan; and

WHEREAS, the Agency has caused preparation of a legal description and boundary map of the Plan Area which is described in Exhibit D, which is attached to this Ordinance and incorporated herein by this reference.

WHEREAS, the Plan and the Report were forwarded on March 11, 2011 to the governing body of each taxing district affected by the Plan, and the Agency has thereafter consulted and conferred with said districts; and

WHEREAS, the Plan and Report were presented to the Clackamas County Board of Commissioners on March 31, 2011 for its comments and recommendations; and

WHEREAS, the Plan and Report were presented to the Tualatin Valley Fire and Rescue Board of Directors on January 25th 2011 and a resolution supporting the Plan was passed; and

WHEREAS, the City Council has not received any further written recommendation or comment from the governing bodies of the affected taxing districts, but has received oral requests for clarification from Metro and Clackamas Community College; and

WHEREAS, on March 21, 2011 the City Council caused notice of the hearing to be held before the City Council on the Plan, including the required statements of ORS 457.120(3), to be mailed to all mailing addresses in the 97070 ZIP Code and all postal patrons within the city limits of Wilsonville and published according to ORS 457.120(4), and

WHEREAS, on April 4, 2011, the City Council held a public hearing to review and consider the Plan, the Report, the recommendation of the Planning Commission, and the public testimony received on that date, and does by this Ordinance desire to approve the Plan;

NOW THEREFORE, THE CITY OF WILSONVILLE ORDAINS AS FOLLOWS:

Section 1. The City Council hereby determines and finds that the Plan complies with all

requirements of ORS Chapter 457 and the specific criteria of ORS 457.095(1) through (7), in that, based on the information provided in the Report, information provided in the Planning Commission Staff Report, the recommendation of the Planning Commission, and the public testimony before the City Council:

1. The area designated in the Plan as the Area is blighted, as defined by ORS 457.010(1) and is eligible for inclusion within the Plan because of conditions described in Section II of the Report, including the underdevelopment of property within the Area.
2. The rehabilitation and redevelopment described in the Plan to be undertaken by the Agency is necessary to protect the public health, safety and welfare of Wilsonville because absent the completion of the urban renewal projects, the Area will fail to contribute its fair share of property tax revenues to support public services and will fail to redevelop according the goals of the City's Comprehensive Plan;
3. The Plan conforms to the Comprehensive Plan of Wilsonville as a whole, and provides an outline for accomplishing the projects described in the Plan, as more fully described in Chapters III and IX of the Plan;
4. No residential displacement is anticipated in the Plan. In connection with any residential displacement that may occur as a result of the acquisition and disposition of land and redevelopment activities proposed in the future in the Plan, provision has been made for displaced persons in Section XI of the Report as required under applicable state and federal law;
5. No acquisition of property is anticipated in the Plan.

6. Adoption and carrying out the Plan is economically sound and feasible in that funds are available to complete the Plan projects using urban renewal tax increment revenues derived from a division of taxes pursuant to section 1c, Article IX of the Oregon Constitution and ORS 457.440, and other available funding as shown in Sections VI, VIII and IX of the Report; and
7. The City shall assume and complete any activities prescribed it by the Plan. These include the City's obligations under a Development Agreement anticipated between the redeveloper of the property in the Area.

Section 3. In accordance with the findings set forth above, the public testimony and the information presented to the City Council, the City Council hereby approves the SW 95th Avenue Urban Renewal Plan and Report on the Plan marked as Exhibit A and Exhibit B and incorporated herein by reference as if fully set forth herein.

Section 4. The City Clerk shall forward a copy of this Ordinance to the Agency. The Agency shall deliver a copy of the Plan to Clackamas County to be recorded in the Records of Clackamas County, Oregon.

Section 5. In accordance with ORS 457.095 and 457.115, notice of the adoption of this Ordinance approving the Plan, and the provisions in ORS 457.135, shall be published in a Wilsonville newspaper no later than four days following adoption of this Ordinance.

SUBMITTED to the Wilsonville City Council and read the first time at a regular meeting thereof on the 4th day of April, 2011 and scheduled for second reading at a regular meeting thereof on the 18th day of April, 2011, commencing at the hour of 7 p.m. at the Wilsonville city Hall.

Sandra C. King, MMC, City Recorder

ENACTED by the City Council on the 18th day of April, 2011 by the following votes:

Yes: -4- No: -1-

Sandra C. King, MMC, City Recorder

DATED and signed by the Mayor this _____ day of April, 2011.

Tim Knapp, Mayor

SUMMARY OF VOTES:

Mayor Knapp - Yes
Councilor Núñez - Yes
Councilor Hurst - No
Councilor Goddard - Yes
Councilor Starr - Yes

Attachments:

Exhibit A – SW 95th Avenue Urban Renewal Plan dated April 18, 2011
Exhibit B – Report on the SW 95th Avenue Urban Renewal Plan dated April 18, 2011
Exhibit C – Planning Commission Resolution No. LP11-0002
Exhibit D – Legal Description

SW 95th Avenue Urban Renewal Plan



April 18, 2011

LIST OF PARTICIPANTS

Mayor:	Tim Knapp
City Council:	Richard Goddard Steven Hurst Celia Nunez Scott Starr
Urban Renewal Agency:	City Council and Mayor
City Manager Pro Tem:	Jeanna Troha
Finance Director:	Gary Wallis
Director, Public Works:	Delora Kerber
Director, Planning:	Chris Neamtzu
Director, Community Development	Michael Bowers
Assistant Community Development Director:	Stephan Lashbrook
Urban Renewal Manager:	Kristin Retherford
Planning Commission:	Marta McGuire, Chair Amy Dvorak Al Levit Ray Phelps Tom Sullivan Ben Altman
Consultant Team:	Tashman Johnson LLC Elaine Howard Consulting LLC Jeannette Launer, Attorney

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SW 95th AVENUE URBAN RENEWAL PLAN**I. INTRODUCTION****A. Background**

The City of Wilsonville is strategically located on the fringe of the metropolitan area, just south of the confluence of the I-5 and I-205 freeways, making it a very desirable location for economic development. In the fall of 2010, the City of Wilsonville was invited by Business Oregon, the State's economic development department, to participate in confidential business-recruitment discussions with a solar-energy-generating products manufacturer considering siting a new facility in Oregon and other states. The firm, SoloPower, is headquartered in San Jose, Calif., and produces state-of-the-art "thin-film" solar panels and siding products.

SoloPower's expansion to Wilsonville will generate a \$250-plus million capital investment in the community and produce more than 400 family-wage jobs over a 5 to 10-year period.

The City has had to compete with California, Arizona, and Portland locations and the financial incentives they offer, including Enterprise Zones and other tax abatement programs. This led to the City Council's recognition that the existing recessionary environment would require a new and creative approach to recruiting SoloPower and implementing successful economic-development goals that would result in large capital investment in the community, generate a substantial number of family-wage jobs and contribute to the city's tax base. Consequently, the City worked closely with Business Oregon and Clackamas County to develop an incentive package for competitively recruiting SoloPower.

The resulting incentive package consists of a \$4 million advance from the City's general fund, of which 50% is guaranteed to be reimbursed by Clackamas County should anticipated tax revenues not exceed the advance, and a proposed urban renewal district that brings both immediate and long-term financial benefits to all taxing jurisdictions, including city, county, school district, fire district and community college. No new public services are required since the property is already developed. A substantial portion of the urban renewal proceeds are to be used for tenant improvements of the warehouse that increase the building's assessed value. Safeguards have been built into the proposal to protect taxpayers' interests, and high-wage job targets need to be met for the company to receive the full benefit. Further, SoloPower, will be redeveloping a mostly vacant warehouse that has not been fully occupied since 2008 and which has lost 25% of its assessed valuation over the prior two-year period.

SoloPower is also receiving a \$200 million US Department of Energy Loan to facilitate their company expansion as well as \$20 million in BETC credits at the state level and a \$14 million State Energy Loan to locate their manufacturing facility in Oregon.

The SW 95th Avenue Urban Renewal Plan (Plan) is for the purpose of redevelopment of a largely vacant industrial structure, putting it to full economic use in order to ultimately

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increase property tax revenue for the City of Wilsonville and other taxing districts and to provide jobs.

The boundary of the Area is shown in Figure 1.

B. Purpose of Urban Renewal

The purpose of urban renewal is to improve specific areas of a city that are poorly developed, underutilized, or underdeveloped. These areas can have old, deteriorated and/or vacant buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development.

Urban renewal allows for the use of tax increment financing to fund urban renewal projects. Urban renewal is unique in that it brings its own financing source: tax increment financing (TIF). 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 funds borrowed are used to pay for urban renewal projects.

In general, urban renewal projects can include construction or improvement of streets, utilities, and other public facilities, assistance for rehabilitation or redevelopment of property, acquisition and re-sale of property (site assembly) from willing sellers, and improvements to public spaces. The specific projects to be approved in this Plan are outlined in Section III and described in more detail in Section IV.

The SW 95th Avenue Urban Renewal Area (Area) is presently an underutilized industrial building that has been vacant for two years. The assessed value has decreased by 25 percent over the past two years. There are presently no programs administered by the City of Wilsonville which can fully fund the assistance required for redevelopment of the Area. The projects in the Plan address these needs.

This Plan has been developed with public input from public meetings and other means and with direction from the City of Wilsonville.

The Area, shown in Figure 1, consists of approximately 26. acres of land in private ownership and approximately 1.5 acres of right of way for a total of 27.5 acres.

The Plan will be administered by the Wilsonville Urban Renewal Agency (Agency). The Agency is comprised of the five elected City Council members, with the City Manager acting as the Executive Director. Major changes to the Plan, if necessary, must be approved by the City Council, as outlined in Section VIII of this Plan. The Plan is accompanied by an Urban Renewal Report (Report) that contains additional information, as required by ORS 457.085. The information in the Report is the technical information, which includes:

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- A description of the physical, social, and economic conditions in the area;
- Expected impact of the Plan, including fiscal impact in light of increased population or added services;
- Reasons for selection of each area in the Plan;
- The relationship between each project to be undertaken and the existing conditions;
- The 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 tax increment funds required in the Area and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan, with sufficient information to determine feasibility;
- 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.

The Plan is anticipated to take ten years to implement. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is \$12,100,000. The total amount of funding required for servicing this debt is \$12,783,487.

SW 95th AVENUE URBAN RENEWAL PLAN**II. GOALS AND OBJECTIVES**

The goals of the Plan represent its basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve the goals. The goals are based on sections of the Wilsonville Comprehensive Plan. The urban renewal projects identified in Chapters III and IV of the Plan are the specific means of meeting the goals and objectives.

Goals and Objectives:

A. Citizen Involvement

Goal: To encourage and provide means for the general public and interested parties to be involved in all phases of the planning process.

Objectives:

1. Meet with citizen and business groups to explain urban renewal and receive input.
2. Conduct public meetings to allow for input from citizens of Wilsonville.
3. Provide information on urban renewal on the City of Wilsonville website.

B. Economic Development

Goal: Encourage industrial development to provide a balanced tax base and take advantage of the City's strategic location along I-5 and the Portland and Western Railroad line. Maintain high-quality industrial development that enhances the livability of the area, promotes diversified economic growth, stimulates and job creation.

Objectives:

1. Convert underutilized property into productive development that will provide jobs and add to the industrial base in the City of Wilsonville.
2. Facilitate property improvements and upgrades through assistance to business owners.
3. Provide incentives for creates jobs.

Figure 1. Urban Renewal Area Boundary



III. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES

The urban renewal projects for the Plan are designed to support economic development in the Area. An outline of major urban renewal project activities is shown in this section. Descriptions of the projects are in Section IV.

A. Redevelopment Assistance

Direct assistance to property owners, developers and users for improvements to property.

IV. URBAN RENEWAL PROJECTS

Urban renewal projects authorized by the Plan are described below. Projects authorized under the Plan include a redevelopment program and infrastructure improvements. The scope, budget, and priorities for urban renewal projects and programs will be decided by the Agency as it administers the Plan.

Projects authorized by the Plan are:

A. Redevelopment Assistance

Provide financial and other assistance, including loans, grants, and other financial assistance to allow for the redevelopment of property tied to specific redevelopment and job creation goals.

SW 95th AVENUE URBAN RENEWAL PLAN**V. 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. Eminent domain would only be used if necessary for the acquisition of land for public improvements, and after the Agency has taken all steps required by law to attempt to acquire the land by voluntary agreement with the property owner.

A. Property Acquisition for Public Improvements

The Agency may acquire any property within the Area for the public improvement projects undertaken pursuant to the Plan by all legal means.

B. Property Acquisition from Willing Sellers

The Plan authorizes the Agency acquisition of any interest in property within the Area that the Agency finds is necessary to support private redevelopment only in those cases where the property owner wishes to convey such interest to the Agency. The Plan does not authorize the Agency to use the power of eminent domain to acquire property other than as described in Section V, Part A, above.

C. Land Disposition

The Agency will dispose of property acquired for a public improvement project by conveyance to the appropriate public agency responsible for construction and/or maintenance of the public improvement. The Agency may retain such property during construction of the public improvement. The schedule for disposition of land for a public improvement project will be determined by the timing of the construction of the public improvement.

The Agency may dispose of property acquired under Section V, Part B by conveying any interest in the property. The schedule for disposition of land acquired under Subsection B of this Section V will be determined by the Agency when the Agency determines the acquisition is necessary pursuant to Section V, Part B, above. These determinations may be made by Resolution of the Agency.

Property shall be conveyed at its fair reuse value. Fair reuse value is the value, whether expressed in terms of rental or capital price, at which the urban renewal agency in its discretion determines such land should be made available in order that it may be developed, redeveloped, cleared, conserved, or rehabilitated for the purposes specified in such plan. Because fair reuse value reflects limitations on 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

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of its improvements within a period of time that the Agency determines is reasonable.

VI. RELOCATION METHODS

When the Agency acquires occupied property under the Plan, residential or commercial occupants who are renting or leasing such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the Agency shall adopt rules and regulations as necessary for the administration of relocation assistance. There is no acquisition or relocation anticipated under this Plan.

VII. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on loans, usually in the form of tax increment bonds. The proceeds of the bonds are used to finance the urban renewal projects authorized in the Plan. Bonds 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 total assessed value at the time an urban renewal plan is adopted. Under current law, the property taxes for General Obligation bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.

A. General Description of the Proposed Financing Methods

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

- Tax increment revenues as described in subsection B below;
- Advances, loans, grants, and any other form of financial assistance from the 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 Agency 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.

The financing for projects in the early stages of the urban renewal plan may come from the City of Wilsonville, or other public sources. If approved by the Agency, these loans will be considered an obligation of the Plan and will be

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repaid from anticipated tax increment revenues, as shown in Section VIII of the Urban Renewal Report.

B. Tax Increment Financing and Maximum Indebtedness

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the 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 un-segregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

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 \$12,100,000. This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness.

C. Prior Indebtedness

Any indebtedness permitted by law and incurred by the Agency or the City of Wilsonville in connection with the preparation of this Plan, or prior planning efforts that support the preparation or implementation of this Plan, may be repaid from tax increment revenues from the Area, when, and if, such funds are available.

VIII. FUTURE AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

Substantial Amendments are solely amendments:

- Adding land to the urban renewal area, except for an addition of land that totals not more than one percent of the existing area of the urban renewal area, or;
- Increasing the maximum amount of indebtedness that can be issued or incurred under the Plan.

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 Planning Commission, and approval by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Wilsonville, as

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required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and .115.

B. Council Approved Amendments

Council Approved Amendments consist solely of amendments that result in:

- Material changes to the goals and objectives of the Plan, or;
- Addition or expansion of a project that is materially different from projects previously authorized in the Plan.

Council Approved Amendments require approval by the Agency by resolution and by the City Council by ordinance.

C. Minor Amendments

Minor Amendments are amendments that are not Substantial or Council Approved Amendments. They require approval by the Agency by resolution.

D. Amendments to the Wilsonville Comprehensive Plan and/or Wilsonville Code: Planning and Development

Amendments to the City of Wilsonville Comprehensive Plan and/or Wilsonville Code: Planning and Development that affect the Urban Renewal Plan and/or the Urban Renewal Area shall be incorporated automatically within the Urban Renewal Plan without any separate action required by the Agency or the City Council.

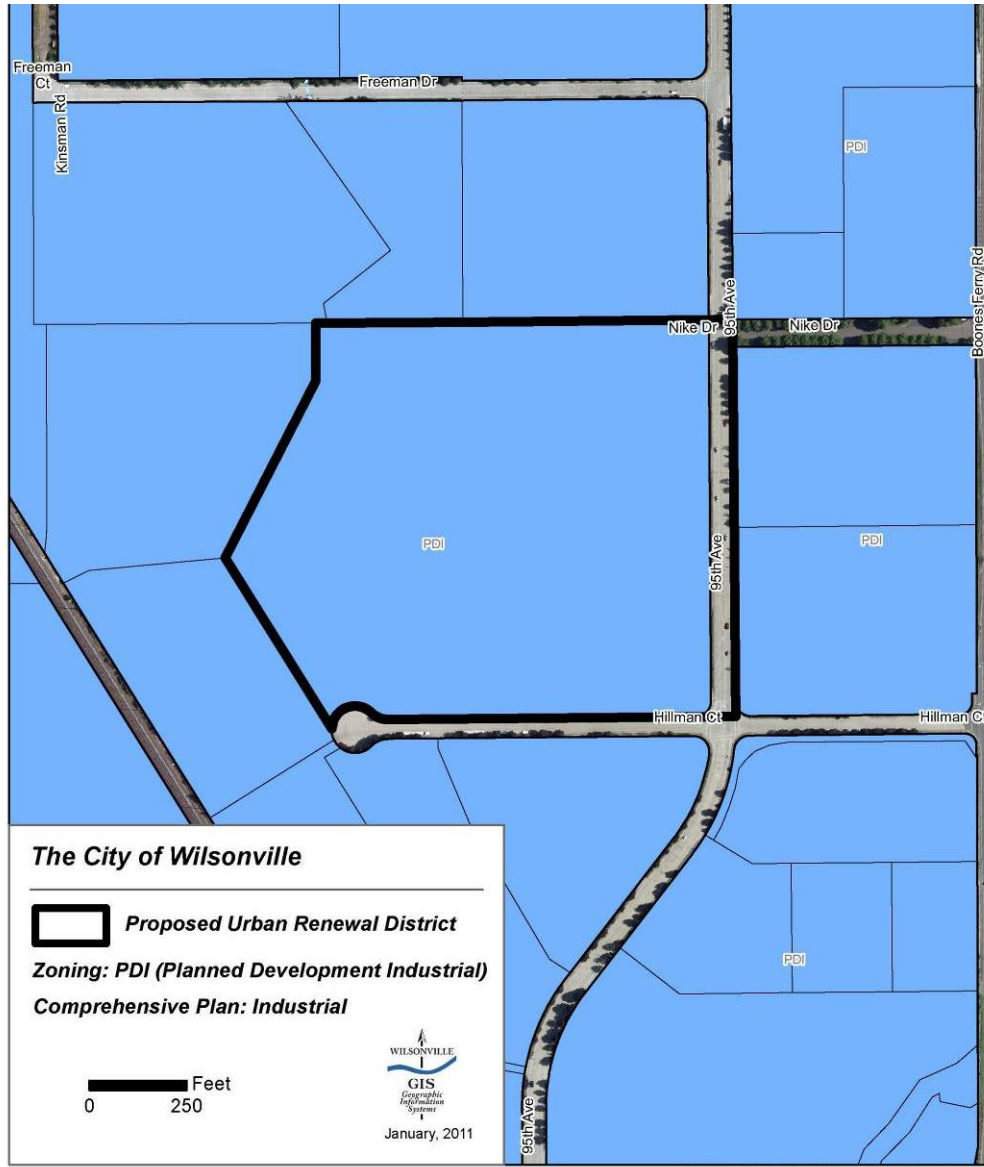
SW 95th AVENUE URBAN RENEWAL PLAN**IX. RELATIONSHIP TO LOCAL OBJECTIVES**

The City of Wilsonville Comprehensive Plan and the Wilsonville Development Code: The Planning and Development Ordinance govern land use in the Area. The use, development, or redevelopment of all land within the Area shall comply with the provisions of the City's Comprehensive Plan, implementing ordinances, codes, policies, and regulations, and with all other applicable Federal, State, County, and City regulations. The City's acknowledged Comprehensive Plan and its implementing ordinances, codes, policies, and regulations as they exist on the effective date of the Plan or as they may be amended from time to time, are incorporated hereby by reference as if they were included in full. The City's Development Code and all applicable Building, Health, and Safety Codes as they exist on the effective date of this Plan or as they may be amended from time to time, are hereby made a part of this as though included herein in full. These documents indicate proposed land uses, maximum densities, and building requirements.

The Plan relates to local planning and development objectives contained within the City of Wilsonville's Comprehensive Plan, Wilsonville Code: Planning and Development and the City of Wilsonville Transportation System Plan. This Section describes the purpose and intent of these plans, the particular goals and policies within each planning document to which the proposed Plan relates, and an explanation of how the Plan relates to these goals and policies.

Figure 2 shows the Comprehensive Plan and Zoning Designations. The numbering of the goals and policies will reflect the numbering which occurs in the original document. The wording in these sections comes directly from the respective documents so it cannot be changed. It is shown in *italicized text*. The wording in regular text is text that has **not** been taken directly from an original planning document, but is how the urban renewal plan relates to the original document.

Figure 2. Comprehensive Plan and Zoning Designation



SW 95th AVENUE URBAN RENEWAL PLAN**A. City of Wilsonville Comprehensive Plan**

The Comprehensive Plan is an official statement of the goals, policies, implementation measures, and physical plan for the development of the City. The Plan documents the City's approach to the allocation of available resources for meeting current and anticipated future needs. In doing so, it records current thinking regarding economic and social conditions. Because these conditions change over time, the Plan must be directive, but flexible, and must also be periodically reviewed and revised to consider changes in circumstances.

1. CITIZEN INVOLVEMENT

Goal: To encourage and provide means for interested parties to be involved in land use planning processes, on individual cases and City-wide programs and policies.

Policy 1.1.1 The City of Wilsonville shall provide opportunities for a wide range of public involvement in City planning programs and processes.

The Plan relates to this goal and policy as there was a public planning process undertaken in the drafting of the Plan. The process included a presentation to the Wilsonville Chamber of Commerce to receive business input, and a public open house for the community at large. The Plan was also presented to the Planning Commission and City Council in meetings where citizen input was received. In addition, a mailing to citizens of Wilsonville notifying them of the City Council hearing on the adoption of the Plan provided initial information about the Plan and provided contact information for more in-depth details about the Plan. Information was also posted on the City of Wilsonville website.

Implementation Measure 1.1.1.b. Support the Planning Commission as the City's official Citizens Involvement Organization with regular, open, public meetings in which planning issues and projects of special concern to the City are discussed and resultant recommendations and resolutions are recorded and regularly reported to the City Council, City staff, and local newspapers. The Planning Commission may schedule special public meetings as the Commission deems necessary and appropriate to carry out its responsibilities as the Committee for Citizen Involvement.

The Plan relates to this implementation measure as there was an open public meeting in front of the Planning Commission to inform and discuss the Plan.

Implementation Measure 1.1.1.e. Encourage the participation of individuals who meet any of the following criteria:

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1. *They reside within the City of Wilsonville.*
2. *They are employers or employees within the City of Wilsonville.*
3. *They own real property within the City of Wilsonville.*
4. *They reside or own property within the City's planning area or Urban Growth Boundary adjacent to Wilsonville.*

The Plan relates to this implementation measure as there were 2 meetings to inform and discuss the Plan. There was also a city-wide mailing to inform citizens about the City Council hearing on the Plan.

Implementation Measure 1.1.1.f. Establish and maintain procedures that will allow any interested parties to supply information.

The Plan relates to this implementation measure as there were 2 meetings to inform and discuss the Plan. There was also a city-wide mailing to inform citizens about the City Council hearing on the Plan.

GOAL 1.2: For Wilsonville to have an interested, informed, and involved citizenry.

Policy 1.2.1 The City of Wilsonville shall provide user-friendly information to assist the public in participating in City planning programs and processes.

The Plan relates to this goal and policy as there was a comprehensive planning process undertaken in the building of the Plan as described under policy 1.1.1. The Plan was also presented to the Planning Commission and City Council in meetings where citizen input was received. In addition, a mailing to citizens of Wilsonville provided initial information about the Plan and provided contact information for more in-depth details about the Plan. Information was also posted on the City of Wilsonville website.

Implementation Measure 1.2.1.b. Using press releases or other means, publicize the ways in which interested parties can participate and the topics which will be considered by public boards.

The Plan relates to this implementation measure as there were 2 meetings to inform and discuss the Plan. There was also a city-wide mailing to inform citizens about the City Council hearing on the Plan.

Policy 1.3 The City of Wilsonville shall coordinate with other agencies and organizations involved with Wilsonville's planning programs and policies.

The Plan relates to this goal and policy as all overlapping taxing jurisdictions were informed of the Plan, were provided copies of the documents, and were given opportunities for input.

Implementation Measure 1.3.1.b Where appropriate, the City shall continue to coordinate its planning activities with affected public agencies and private utilities. Draft documents will be distributed to such agencies and utilities and their comments shall be considered and kept on file by the City.

The Plan relates to this implementation measure as all overlapping taxing jurisdictions were informed of the Plan, were provided copies of the documents, and were given opportunities for input.

SW 95th AVENUE URBAN RENEWAL PLAN2. URBAN GROWTH MANAGEMENT

GOAL: 2.1 To allow for urban growth while maintaining community livability, consistent with the economics of development, City administration, and the provision of public facilities and services.

Policy 2.1.1. The City of Wilsonville shall support the development of all land within the City, other than designated open space lands, consistent with the land use designations of the Comprehensive Plan.

The Plan relates to this goal and policy as land which is in the urban growth boundary but has been vacant and underutilized will be used for future redevelopment and job creation.

Implementation Measure 2.1.1.a. Allow development within the City where zoning has been approved and other requirements of the Comprehensive Plan have been met.

The Plan relates to this implementation measure as land where zoning has been approved and other requirements of the Comprehensive Plan have been met, but has been vacant or underutilized, will be used for future redevelopment and job creation.

Implementation Measure 2.1.1.c. Encourage a balance between residential, industrial, and commercial land use, based on the provisions of this Comprehensive Plan.

The Plan relates to this implementation measure as industrial land will be put to its full use.

Implementation Measure 2.1.1.d. Establish and maintain revenue sources to support the City's policies for urbanization and maintain needed public services and facilities.

The Plan relates to this implementation measure as tax increment financing is being established to help assist in the redevelopment of an existing structure within the urban growth boundary to provide for full use of the structure and provide future jobs.

Policy 2.2.1. The City of Wilsonville shall plan for the eventual urbanization of land within the local planning area, beginning with land within the Urban Growth Boundary.

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The Plan relates to this policy as land which is in the urban growth boundary will be put to full use.

Implementation Measure 2.2.1.b. The City of Wilsonville, to the best of its ability based on infrastructure provided at the local, regional, and state levels, shall do its fair share to increase the development capacity of land within the Metro UGB.

The Plan relates to this implementation measure as the city will assist in the redevelopment of an existing structure within the urban growth boundary to provide for full use of the structure and provide future jobs.

3. PUBLIC FACILITIES AND SERVICES

GOAL 3.1: To assure that good quality public facilities and services are available with adequate capacity to meet community needs, while also assuring that growth does not exceed the community's commitment to provide adequate facilities and services.

Policy 3.1.1 The City of Wilsonville shall provide public facilities to enhance the health, safety, educational, and recreational aspects of urban living.

Policy 3.1.2 The City of Wilsonville shall provide, or coordinate the provision of, facilities and services concurrent with need (created by new development, redevelopment, or upgrades of aging infrastructure).

The Plan relates to this goal and policies as there are existing public facilities to service the underutilized site.

Implementation Measure 3.1.2.a. Urban development will be allowed only in areas where necessary facilities and services can be provided.

The Plan relates to this implementation measure as the site to be redeveloped has the necessary facilities and services for redevelopment.

Implementation Measure 3.1.3.c The City shall continue to employ pay-back agreements, development agreements, and other creative solutions for facilities that are over-sized or extended from off-site at the expense of only some of the benefited properties.

The Plan relates to this implementation measure as the City is using tax increment financing to help leverage the redevelopment of property which will use existing public facilities.

SW 95th AVENUE URBAN RENEWAL PLAN4. TRANSPORTATION

Goal 3.2 To encourage and support the availability of a variety of transportation choices for moving people that balance vehicular use with other transportation modes, including walking, bicycling and transit in order to avoid principal reliance upon any one mode of transportation.

Policy 3.2.1 To provide for safe and efficient vehicular, transit, pedestrian and bicycle access and circulation.

The Plan relates to this goal and policy as there is an existing transportation network to service the underutilized site that includes sidewalks on both sides of the street and bicycle lanes.

Implementation Measure 3.2.1.a. Plan and implement a well-connected network of streets and supporting improvements for all applicable travel modes.

The Plan relates to this implementation measure as there is an existing transportation network to service the underutilized site.

Implementation Measure 3.2.1.b. Provide safe and efficient multi-modal travel between the connecting roadways (and the surface street network, if applicable).

The Plan relates to this implementation measure as there is an existing transportation network to service the underutilized site.

Goal 3.4: To facilitate the safe, efficient and economic flow of freight and other goods and services within the city and the region.

The Plan relates to this goal as there is an existing transportation network to service the underutilized site. The site is zoned for industrial use and the road system is built to the capacity required for industrial uses.

5. LAND USE AND DEVELOPMENT

GOAL 4.1 To have an attractive, functional, economically vital community with a balance of different types of land uses.

The Plan relates to this goal as the proposed use conforms with the existing zoning on the site and will help contribute to the economic vitality of the community.

SW 95th AVENUE URBAN RENEWAL PLAN

Implementation Measure 4.1.1.j. Development will coincide with the provision of public streets, water, and sanitary sewer and storm drainage facilities....

The Plan relates to this implementation measure as there are existing public services to service the underutilized site.

These facilities shall be: (a) capable of adequately serving all intervening properties as well as the proposed development; and, (b) designed to meet City standards.

The Plan relates to this implementation measure as there are existing public services to service the underutilized site and intervening properties and the public services are designed to meet City standards.

Policy 4.1.3 City of Wilsonville shall encourage light industry compatible with the residential and urban nature of the City.

The Plan relates to this policy as the City is working in partnership with a business which is compatible with the residential and urban nature of the City.

Implementation Measure 4.1.3.a Develop an attractive and economically sound community.

The Plan relates to this implementation measure as the City is working in partnership with a business which will assist in developing an attractive and sound community.

Implementation Measure 4.1.3.b. Maintain high-quality industrial development that enhances the livability of the area and promotes diversified economic growth and a broad tax base.

The Plan relates to this implementation measure as the City is working in partnership with a business to provide a high-quality industrial development that will enhance the livability of the area and promote diversified economic growth and a broad tax base.

Implementation Measure 4.1.3.c. Favor capital intensive, rather than labor intensive, industries within the City.

The Plan relates to this implementation measure as the City is working in partnership with a business to provide a capital intensive industry within the City.

SW 95th AVENUE URBAN RENEWAL PLAN

Implementation Measure 4.1.3.d. Encourage industries interested in and willing to participate in development and preservation of a high-quality environment. Continue to require adherence to performance standards for all industrial operations within the City.

The Plan relates to this implementation measure as the City is working in partnership with a business which is interested in and willing to participate in development and preservation of a high-quality environment and will adhere to performance standards established by the City.

Implementation Measure 4.1.3.e. Site industries where they can take advantage of existing transportation corridors such as the freeway, river, and railroad.

The Plan relates to this implementation measure as the City is working in partnership with a business to redevelop an existing site which is well-served by the existing transportation corridors.

Implementation Measure 4.1.3.f. Encourage a diversity of industries compatible with the Plan to provide a variety of jobs for the citizens of the City and the local area.

The Plan relates to this implementation measure as the City is working in partnership with a business to provide a diversity of jobs for the citizens of the City and the local area.

B. Wilsonville Development Code - Planning and Land Development

The Wilsonville Development Code - Planning and Land Development was enacted for the purpose of promoting the general public welfare by ensuring procedural due process in the administration and enforcement of the City's Comprehensive Plan, Zoning, Design Review, Land Division, and Development Standards. It is contained as Chapter 4 of the Wilsonville Code.

The zoning designation for the property in the Area is PDI - Planned Development Industrial Zone. It is shown in Figure 2. The Plan is not proposing any new zones or code amendments, nor are there any proposals that would modify any of the existing zones or land uses. The Plan will comply with all requirements of the existing zoning.

SW 95th AVENUE URBAN RENEWAL PLAN**Section 4.135. PDI- Planned Development Industrial Zone.**

(.01) Purpose: The purpose of the PDI zone is to provide opportunities for a variety of industrial operations and associated uses.

C. City of Wilsonville Transportation Systems Plan Roadway Element

The City of Wilsonville Transportation Systems Plan Roadway Element (TSP) was prepared by *DKS Associates* in September of 2001.

The purposes of this Transportation Systems Plan (TSP) are to:

- *Comply with state mandates for transportation planning as specified by the statewide Transportation Planning Rule (TPR). Per OAR (Oregon Administrative Rules) 660-012-0015, the purpose of the TSP is to “establish a system of transportation facilities and services adequate to meet identified local transportation needs consistent with regional TSPs and adopted elements of the State TSP”.*
- *Develop standards for the transportation system.*
- *Address current problem areas.*
- *Identify future roadway needs required to support predicted growth over the next 20 years.*
- *Provide guidelines for future transportation planning.*

The TSP contains policies and implementation measures designed to fulfill the City’s transportation needs through the year 2020. Many of these policies and implementation measures will become the City’s standards for future transportation planning; however, several of these policies and measures seek to “encourage”, “promote”, or “support” particular actions in an effort to create a positive environment in Wilsonville. They represent an ideal or a suggestion and are not to be interpreted as a requirement of the TSP or any implementing document of the TSP on any individual, business, or organization. In time, these measures may be supported by incentives.

This TSP provides details to guide transportation investment for the future and to determine how land use and transportation needs can be balanced to bring the most benefit to the City.

The Plan relates to the City of Wilsonville Transportation System Plan Roadway Element as the redevelopment planned for the Area is an industrial use and SW 95th Avenue will be used as designated in the TSP. The street within the Area is SW 95th Avenue and is classified as a Commercial Industrial Street.

The TSP also designates SW 95th as being in an Industrial Center and there are transit locations specified in the Area. SW 95th Avenue is also designated for bicycle lanes and sidewalks on both sides of the street. There are presently

SW 95th AVENUE URBAN RENEWAL PLAN

sidewalks on both sides of the street and bicycle lanes are demarcated by 8” wide thermoplastic lines.

APPENDIX A: LEGAL DESCRIPTION



MacKay & Sposito, Inc. www.mackaysposito.com

MacKay & Sposito, Inc.
1325 SE Tech Center Drive, Suite 140
Vancouver, WA 98683
Phone: 360-695-3411
Fax: 360-695-0833

15294LD1
1/14/11
btm

LEGAL DESCRIPTION
FORMER NIKE DISTRIBUTION CENTER
CITY OF WILSONVILLE, CLACKAMAS COUNTY, OREGON

Real property lying in the South half of Section 11, Township 3 South, Range 1 West of the Willamette Meridian, being a portion of Parcel 1 as shown on Minor Partition filed as P.S. 22047, survey records of Clackamas County, Oregon, more particularly described as follows:

Beginning at the Northeast corner of the Southwest Quarter of said Section 11; thence along the North line of said Southwest Quarter South 89°32'02" West 479.83 feet to the Northeast corner of that tract of land conveyed to Freeman Land and Cattle by contract recorded as Fee Number 92-36197; thence along the East line of said Freeman Land and Cattle parcel the following 2 courses: South 00°00'13" West 147.84 feet; thence South 27°10'13" West 509.86 feet to the most Northerly Northeast corner of Lot 1 of Wilsonville Business Center Phase 2, Plat Number 2986, plat records of Clackamas County, Oregon ; thence along the East line of said Lot 1 South 31°58'03" East 516.58 feet to a point on the arc of a 60 foot radius curve and a point on the North line of that tract of land dedicated to the City of Wilsonville for right of way recorded as Fee Number 88-50957; thence along the North line of said right of way dedication the following courses:

from a tangent bearing of North 02°13'42" East, along said curve to the right, through a central angle of 132°12'22", an arc distance of 138.45 feet to a point of reverse curvature with a 60.00 foot radius curve; thence along said curve to the left, through a central angle of 44°54'02", an arc distance of 47.02 feet to a point of tangency; thence North 89° 32'02" East 790.65 feet to a point of curvature with a 40.00 foot radius curve; thence along said curve to the left, through a central angle of 89°51'36", an arc distance of 62.73 feet;

thence North 89°40'26" East 62.00 feet to the East right of way line of 95th Avenue as dedicated by the plat of Wilsonville Business Center, Plat Number 2880, Plat records of Clackamas County, Oregon; thence along said East right of way line North 00° 19' 34" West 978.05 feet, more or less, to a point on the North line of the Northeast Quarter of said Section 11; thence along the North line of said Section 11 South 89°32'02" West 592.06 feet to the Point of Beginning.

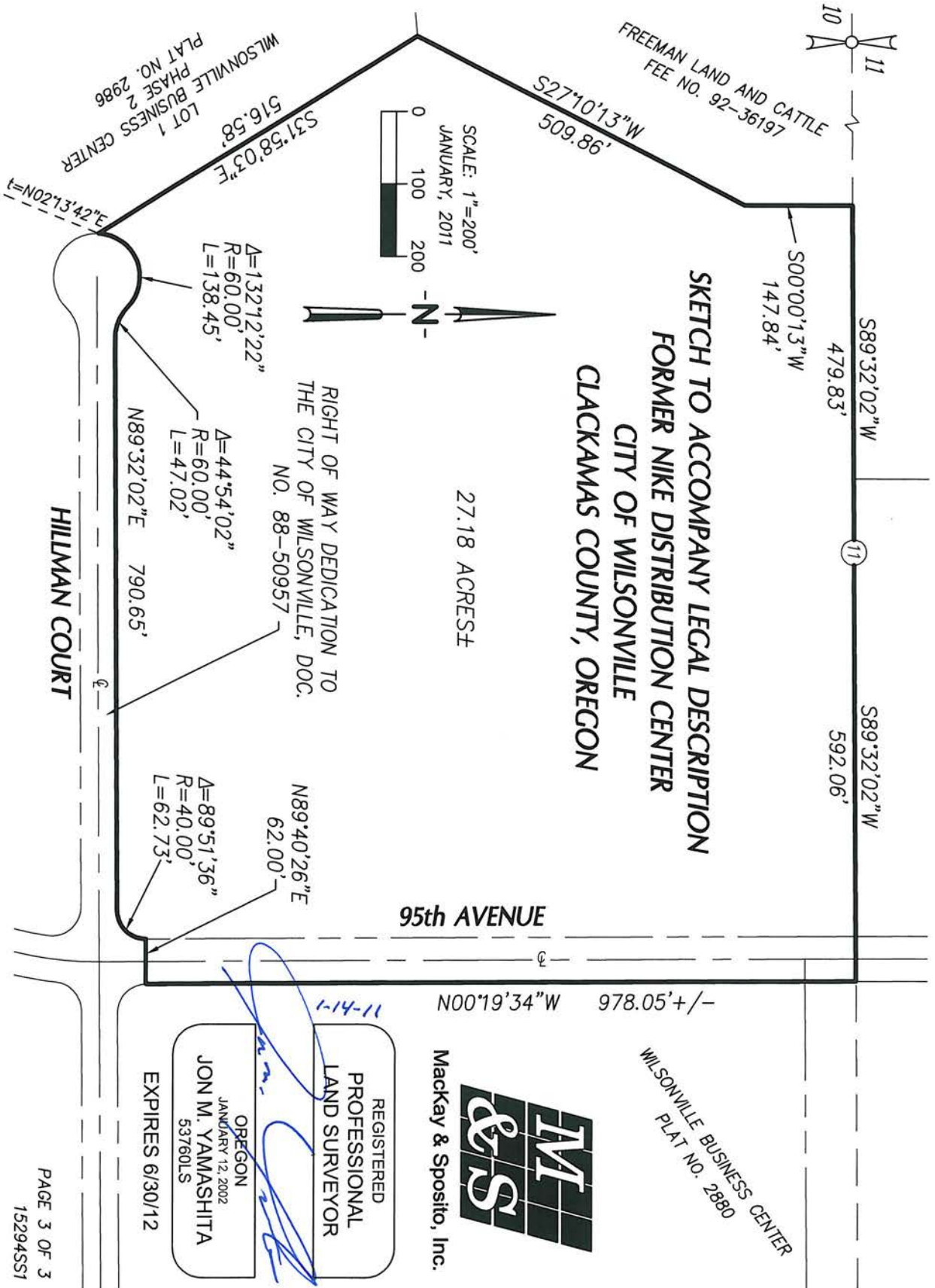
Containing 27.18 acres, more or less.
Subject to easements and restrictions of record.

REGISTERED
PROFESSIONAL
LAND SURVEYOR

Handwritten signature and date 1-14-11

OREGON
JANUARY 12, 2002
JON M. YAMASHITA
53760LS

EXPIRES 6/30/12



Mackay & Spósito, Inc.

1-14-11
 REGISTERED
 PROFESSIONAL
 LAND SURVEYOR
 JON M. YAMASHITA
 OREGON
 JANUARY 12, 2002
 53760LS
 EXPIRES 6/30/12

REPORT ON THE SW 95th AVENUE URBAN RENEWAL PLAN



April 18, 2011

Consultant Team:

Tashman Johnson LLC
Elaine Howard Consulting LLC
Jeannette Launer, Attorney

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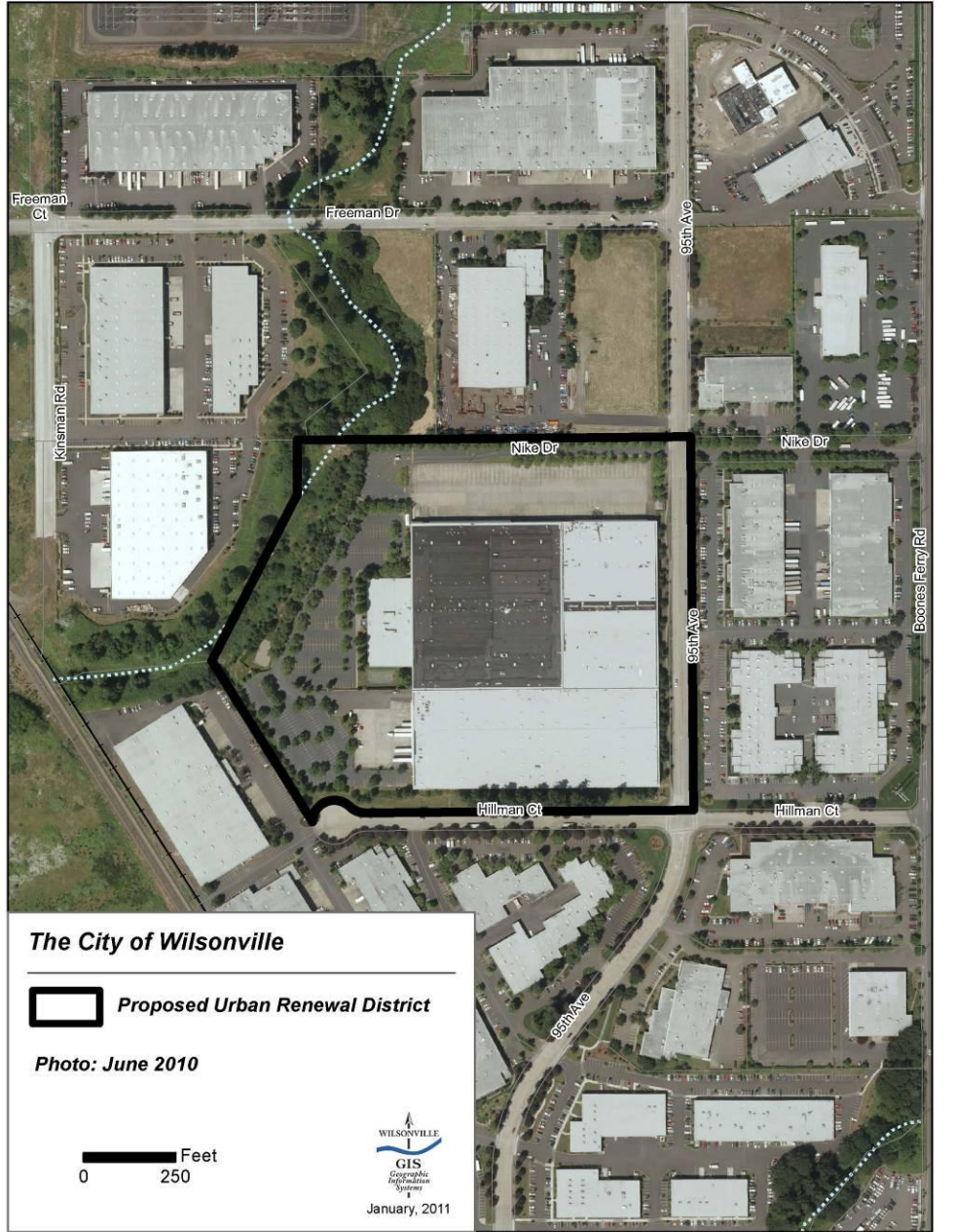
REPORT ON SW 95th AVENUE URBAN RENEWAL PLAN**I. INTRODUCTION**

The SW 95th Avenue Urban Renewal Area Report (Report) contains background information and project details for the SW 95th Avenue Urban Renewal Plan (Plan). The Report is not a legal part of the Plan but is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

The Report provides the information required in ORS 457.085(3). The format of the Report is based on this statute.

The Area is shown in Figure 1.

Figure 1. Wilsonville Urban Renewal Area



REPORT ON SW 95th AVENUE URBAN RENEWAL PLAN**II. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACT ON MUNICIPAL SERVICES**

This section of the Report describes existing conditions within the SW 95th Avenue Urban Renewal Area (Area), documenting the occurrence of “blighted areas” as defined by ORS 457.010(1).

A. Physical Conditions**1. Land Use**

The Area, shown in Figure 1 above, contains one 26.08 acre parcel and largely 1.53 acres of right of way, for a total of 27.61 acres. The property has been vacant since 2008.

An analysis of property classification data from Clackamas County 2010-11 Assessment and Taxation database was used to determine the assessor’s land use designation of parcels in the Area. The property is designated as Industrial: Improved use.

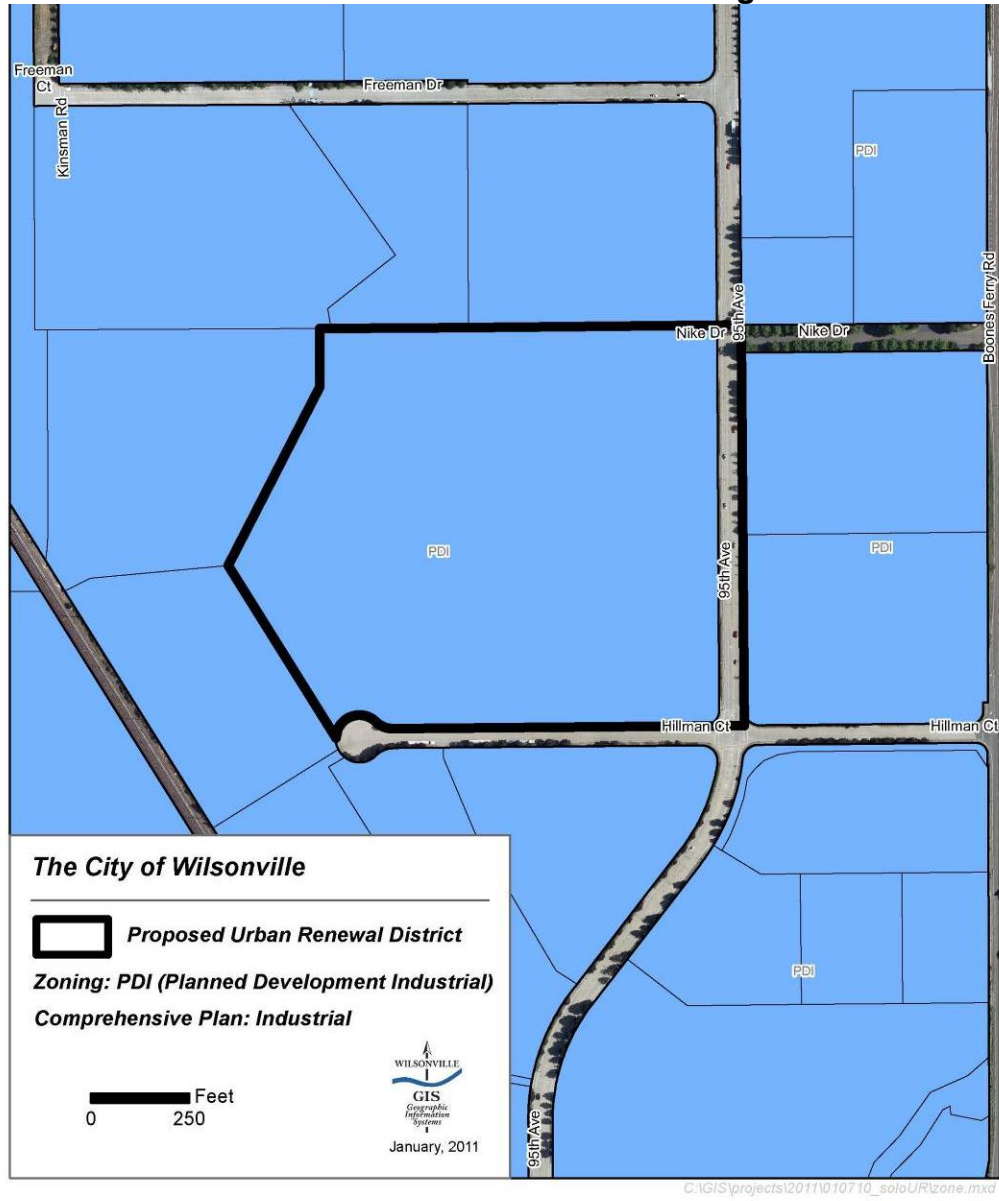
2. Zoning

One hundred percent (100%) of the parcel in the Area (26.08 acres) is zoned Planned Development Industrial (PDI).

3. Comprehensive Plan

The Area is designated Industrial in the Comprehensive Plan.

Figure 2. The Wilsonville Urban Renewal Area Zoning



REPORT ON SW 95th AVENUE URBAN RENEWAL PLAN**B. Infrastructure**1. Transportation

The street within the Area is SW 95th Avenue.

SW 95th Avenue is a three lane street with sidewalks on both sides. According to the Wilsonville Transportation Systems Plan update of 2009 (TSP), *it has a smooth surface with some signs of cracking, but not detectable to the driver.* The portion of SW 95th Avenue which fronts this Area is classified in the TSP as a commercial/industrial street, indicating a route primarily serving industrial areas. SW 95th Avenue to the north of the Area is classified as a minor arterial.

The level of service on SW 95th Avenue is rated as C or better in the TSP. SW 95th has designated bicycle lanes on both sides of the street and is designated as a community connector. SW 95th Avenue is designated in the Wilsonville Transit Master Plan (August 2008) as a major transit street. It is served approximately every 30 minutes on weekdays by SMART regional transit. There are bus stops on SW 95th Avenue directly within the Area.

2. Water, Wastewater, and Storm Drainage Facilities

The water, wastewater, and storm drainage facilities are in excellent condition. There are no capital improvement plans for any of these facilities in the Area.

3. Parks and Open Space

There are no parks in the Area.

4. Public Spaces

There are no public spaces within the Area.

5. Public Parking

There is public parking in the Area.

6. Public Buildings

There are no public buildings in the Area.

C. Social Conditions

There are no parcels in the Area classified by the Clackamas County Assessor as having residential use. However, as an indicator of the need for employment, there is a 10.3 percent unemployment rate in Clackamas County, and a 10.7 percent rate in the Portland Metropolitan Service Area, indicating the need for new employment opportunities for the citizens of Wilsonville.

D. Economic Conditions**1. Taxable Value of Property Within the Area**

The estimated total 2010-11 assessed value of the Area, including all real, personal, personal manufactured, and utility properties, is \$17,483,524, a decrease of 16 percent from the 2009-10 value. The 2009-10 value was a decrease of 14 percent from the prior year's taxes, or a total decrease of 28 percent over the last two years. Prior to the decreases starting in the 2009 tax year, the property was increasing in value at a rate of 2.6 - 3 percent a year.

The 2010-11 total assessed value of the City of Wilsonville is \$2,566,501,870.

REPORT ON SW 95th AVENUE URBAN RENEWAL PLAN

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 Ratio (I:L). The values used are real market values. In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives. A healthy condition of industrial real estate investment in the Wilsonville area would be 5:1. The I:L ratio for this property is 2.2:1.

This growing lack of proper utilization of land results in a stagnant and unproductive condition of land that is potentially useful and valuable for contributing to the public health, safety, and welfare, and constitutes blight in accordance with ORS 457.010(1)(h).

3. Vacancy Rates

The property has 508,277 square feet of leasable space. The October 2010 vacancy rates for the City of Wilsonville are shown below. The rates show that there is a huge amount (45%) of vacant industrial and office/flex space in the City of Wilsonville.

	Oct-10	TOTALS		
Space Type	RBA	Vacant Space	% Vacancy	
Industrial/Warehouse	3,050,709	1,426,863	47%	
Office/Flex/Retail/Other	766,238	273,131	36%	
TOTAL	3,816,947	1,699,994	45%	
ALL Comm/Indus in City	9,799,378	1,699,994	17%	
	11,952,880			
		RBA=Rentable Building Area		

Source: City of Wilsonville

REPORT ON SW 95th AVENUE URBAN RENEWAL PLAN**E. Impact on Municipal Services**

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

Projected increases in industrial occupancies within the Area will generally result in higher demand for fire, life safety, and public safety services. The projected increase in occupancies within the Area will also raise the demand for water, sewer, and storm drainage services, for which fees will be paid by the consumer.

A Development Agreement will also be signed with the projected redeveloper, terms of which are described in Section VIII, Financial Analysis of the Plan.

III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

There is one urban renewal area in the Plan and it was selected to improve and prevent the future occurrence of blighted areas as defined in ORS 457.010(1).

IV. THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

This section describes the relationship between the urban renewal projects called for in the Plan and the conditions generally described in Section I of this Report, which are described more specifically below.

A. Redevelopment Assistance

1. Create a Redevelopment Assistance Program to allow for payment to businesses for assistance in preparing a vacant property for occupancy in order to create jobs and economic activity in Wilsonville.

Relationship to Existing Conditions

There are presently no programs to assist with redevelopment assistance in the Area. The property is presently largely vacant and has been so for two years. The assessed value of the property has decreased over the past two years and will continue to decrease unless the building becomes occupied with a productive use.

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

The assistance will be from two sources, a loan from the City of Wilsonville and from tax increment revenues as generated through the urban renewal area.

Table 1: Projects and Costs in Year of Expenditure Dollars

REVENUES	
Tax Increment Revenues	\$12,783,487
Proceeds of Loan From City	4,030,000
Total Revenues	16,813,487
PROJECT COSTS	
Redevelopment Assistance	11,916,236
Repayment of City Loan	
Principal	4,030,000
Interest	683,487
Administrative Costs	183,764
Total Costs	\$16,813,487

REPORT ON SW 95th AVENUE URBAN RENEWAL PLAN**VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT**

Projects will be ongoing and accomplished over the life of the Plan. Estimated completion dates are shown in Table 2 below.

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

Table 2 shows the annual and total certified tax increment revenues and loan proceeds and their allocation to loan repayments, redevelopment assistance, and administrative costs. It is anticipated that all debt will be retired by the end of FY 2019. The maximum indebtedness of the Plan is \$12,100,000. This is the total of the principal amount of debt to be issued, repayable from tax increment revenues. The total amount of tax increment revenues required to service the maximum indebtedness is \$12,783,487.

Table 2: Anticipated Completion Dates for Projects

FYE Ending June 30	2012	2013	2014	2015	2016	2017	2018	2019	Totals
REVENUES									
Tax Increment Revenues		912,332	1,523,290	2,728,438	2,789,907	2,417,206	1,521,075	891,239	12,783,487
Proceeds of Loan From City	4,030,000								4,030,000
Total Revenues	4,030,000	912,332	1,523,290	2,728,438	2,789,907	2,417,206	1,521,075	891,239	16,813,487
PROJECT COSTS									
Redevelopment Assistance	4,000,000		562,387	1,751,277	1,776,033	1,524,271	1,411,028	891,239	11,916,236
Repayment of City Loan									
Principal		559,179	791,317	839,228	909,510	824,951	105,814		4,030,000
Interest		322,400	138,833	107,180	73,611	37,231	4,233		683,487
Administrative Costs	30,000	30,753	30,753	30,753	30,753	30,753	0		183,764
Total Costs	4,030,000	912,332	1,523,290	2,728,438	2,789,907	2,417,206	1,521,075	891,239	16,813,487

REPORT ON SW 95th AVENUE URBAN RENEWAL PLAN**VIII. FINANCIAL ANALYSIS OF THE PLAN**

The estimated tax increment revenues through FY 2019, as shown in Table 2 above, are based on projections of the assessed value of development within the Area. Each Tranche listed below refers to an individual production line and accompanying capital investment.

The commitment of the redeveloper as contained in the Redevelopment Agreement is detailed below:

- Approximately \$12,000,000 in tenant improvements in Phase One.
- Approximately \$12,000,000 in tenant improvements in Phase Two.
- Approximately \$60,600,000 investment in Tranche One.
- Approximately \$60,600,000 investment in Tranche Two.
- Approximately \$60,600,000 investment in Tranche Three.
- Approximately \$60,600,000 investment in Tranche Four.
- An agreement to provide employment as follows:
 - Create and maintain 100 permanent, full-time (FTE) positions for five consecutive years for Tranche One;
 - 100 FTE for five consecutive years for Tranche Two;
 - 100 FTE for five consecutive years for Tranche Three, and;
 - 100 FTE for five consecutive years for Tranche Four, totaling 400 FTE.
- Pay new employees at least 200% of the state minimum wage with at least 20 positions per every 100 FTE's at 300% of the state minimum wage, excluding benefits.
- First Source Hiring and Contracting Agreement with the Oregon Employment Department.
- Provide permanent increases to the assessed value of the property to provide for funds to make the assistance to the business and to provide future tax revenues for the locality once the urban renewal plan is terminated.

The total cash value of the advances and rebate incentives provided by the City of Wilsonville is estimated at \$11,916,236. These incentives provide a leverage of City of Wilsonville investment to private investment of 1:22.36.

REPORT ON SW 95th AVENUE URBAN RENEWAL PLAN

Table 3 shows the projected incremental assessed values, the projected tax rates used to calculate tax increment revenues, and the maximum annual tax increment revenues (not adjusted for under-collection, penalties and interest). The Agency intends to collect less than the maximum annual tax increment revenues should the maximum revenues not be required for project costs. The amount the Agency projects to collect is the "Tax Increment Revenues Certified." These amounts, in turn, are used for the projections in Table 2.

As a result of certifying less than the maximum tax increment revenues, the Agency is projected to effectively return part of the incremental assessed value which will be distributed to the taxing districts. This is shown in Table 3 as the Incremental Assessed Value Released to Taxing Districts.

Table 3: Projected Incremental Assessed Value and Tax Increment Revenues

FYE Ending June 30	2013	2014	2015	2016	2017	2018	2019	Total
Prior Total Assessed Value	18,000,000	82,260,000	138,727,800	251,429,634	256,000,900	241,514,302	227,047,606	
Change In Assessed Value	64,260,000	56,467,800	112,701,834	4,571,266	-14,486,598	-14,466,696	-14,446,197	
Total Assessed Value	82,260,000	138,727,800	251,429,634	256,000,900	241,514,302	227,047,606	212,601,409	
Base Assessed Value	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	18,000,000	
Incremental Assessed Value	64,260,000	120,727,800	233,429,634	238,000,900	223,514,302	209,047,606	194,601,409	
Tax Rate	14.1975	14.1703	14.1893	14.2097	13.0877	13.0719	13.0728	
Maximum Tax Increment Revenues	912,332	1,710,753	3,312,197	3,381,918	2,925,296	2,732,646	2,543,988	
Tax Increment Revenues Certified	912,332	1,523,290	2,728,438	2,789,907	2,417,206	1,521,075	891,239	12,783,487
Incremental Assessed Value Released to Taxing Districts	0	13,229,224	41,140,862	41,662,500	38,821,875	92,685,282	126,426,409	

REPORT ON SW 95th AVENUE URBAN RENEWAL PLAN

IX. IMPACT OF THE TAX INCREMENT FINANCING, BOTH UNTIL AND AFTER THE INDEBTEDNESS IS REPAID, UPON ALL ENTITIES LEVYING TAXES UPON PROPERTY IN THE URBAN RENEWAL 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. Table 4 shows the present value of the permanent rate revenues foregone throughout the life of the urban renewal area and the average annual revenues foregone.

Table 4: Present Value of Permanent Rate Revenues Foregone, Total and Annual

Present Value Permanent Rate Taxes Foregone (2013\$) Through FYE 2019	Total Value	Average Annual
CLACKAMAS COMMUNITY COLLEGE	444,062	63,437
CITY WILSONVILLE	2,005,202	286,457
CLACKAMAS COUNTY	1,912,603	273,229
COUNTY EXTENSION & 4-H	39,776	5,682
COUNTY LIBRARY	316,142	45,163
VECTOR CONTROL	5,171	739
COUNTY SOIL CONSERVATION DISTRICT	31,821	4,546
FIRE DISTRICT 64 TUALATIN VALLEY FIRE AN	1,213,336	173,334
PORT OF PORTLAND	55,766	7,967
SRV 2 METRO - OREGON ZOO	76,848	10,978

The present value of average impact of foregone revenues as a percentage of the total permanent rate levy of each taxing district is shown in Table 5.

Table 5: Percent Average Annual Revenues Foregone as Percent of Projected 2013 Permanent Rate Levy in Clackamas County

Taxing District	Projected Permanent Rate Levy in Clackamas County	Percent of Perm. Rate Levy
CLACKAMAS COMMUNITY COLLEGE	15,299,145	0.4%
CITY WILSONVILLE	4,754,028	6.0%
CLACKAMAS COUNTY	48,980,819	0.6%
COUNTY EXTENSION & 4-H	1,859,561	0.3%
COUNTY LIBRARY	14,389,150	0.3%
VECTOR CONTROL	241,803	0.3%
COUNTY SOIL CONSERVATION DISTRICT	1,488,020	0.3%
FIRE DISTRICT 64 TUALATIN VALLEY FIRE	10,683,253	1.6%
PORT OF PORTLAND	2,607,755	0.3%
SRV 2 METRO - OREGON ZOO	2,623,300	0.4%

REPORT ON SW 95th AVENUE URBAN RENEWAL PLAN

Table 5 shows that the City of Wilsonville itself has the highest percentage of revenues foregone in comparison to the FY 12/13 permanent rate levy in Clackamas County (6 percent). Tualatin Valley Fire and Rescue shows average impacts of 1.6 percent of its projected FY 11/12 permanent rate levy in Clackamas County. All other taxing districts show impacts of 0.6 percent or less.

Table 6 shows the present value of revenues received after termination of tax increment financing in fiscal year 2019/2020.

Table 6: Present Value of Revenues Received after Termination of Tax Increment Financing in FY 19/20.

Taxing District	Present Value Revenues Received in FY 19/20
CLACKAMAS COMMUNITY COLLEGE	56,911
CITY WILSONVILLE	256,988
CLACKAMAS COUNTY	245,121
COUNTY EXTENSION & 4-H	5,098
COUNTY LIBRARY	40,517
VECTOR CONTROL	663
COUNTY SOIL CONSERVATION DISTRICT	4,078
FIRE DISTRICT 64 TUALATIN VALLEY FIRE	155,502
PORT OF PORTLAND	7,147
SRV 2 METRO - OREGON ZOO	9,849

X. RELOCATION REPORT

As identified in the Plan, when the Agency acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance as required under applicable state law. Prior to such acquisition, the Agency shall adopt rules and regulations as necessary for the administration of relocation assistance.

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

There are two existing urban renewal areas in Wilsonville, the Year 2000 Plan and the Wilsonville West Side Plan. 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 percent for municipalities under 50,000 in population. As noted below, the frozen base plus the estimated total assessed value of the properties being added to the Area, including all real, personal, personal manufactured, and utility properties, is \$17,483,524. The estimated total acreage of the Area is 27.61 acres, including public right of way. The existing urban renewal areas are shown in the table below. When calculating the three urban renewal areas together, 23.63 percent of the acreage in the City would be in urban renewal areas, and 5.73 percent of the

REPORT ON SW 95th AVENUE URBAN RENEWAL PLAN

assessed value of the City would be in urban renewal areas. This is below the statutory limitation of 25 percent in both cases. The SW 95th Avenue Plan is also in conformance with ORS 457.190(4) re: limits on initial maximum indebtedness.

Table 7: URA Conformance with AV and Area Limits

Urban Renewal Area	Acres	Frozen Base Assessed Value
Year 2000 Plan (Eastside Urban Renewal) frozen base	629	\$88,313,858
Wilsonville West Side Urban Renewal frozen base	457	14,972,924
SW 95th Avenue	28	17,483,524
Total in Urban Renewal	1,114	120,770,033
City of Wilsonville 2011 acreage/assessed value	4,712	2,566,501,870
City assessed value less "excess value" from existing urban renewal areas		\$2,108,900,790
<i>Total Amount of City in URAs</i>	23.63%	5.73%

**PLANNING COMMISSION
RESOLUTION NO. LP11-0002**

A WILSONVILLE PLANNING COMMISSION RESOLUTION RECOMMENDING THAT THE CITY COUNCIL FIND THAT THE PROPOSED SW 95TH AVENUE URBAN RENEWAL PLAN CONFORMS TO THE WILSONVILLE COMPREHENSIVE PLAN.

WHEREAS, the Wilsonville Planning Director submitted the proposed Urban Renewal Plan amendments to the Planning Commission, along with a Staff Report, in accordance with the public hearing and notice procedures that are set forth in Sections 4.008, 4.010, 4.011 and 4.012 of the Wilsonville Code (WC); and

WHEREAS, the Planning Commission, after providing the required notice, held a Public Hearing on March 9, 2011, for the proposed new 95th Urban Renewal Plan and to gather additional testimony and evidence regarding the Ordinance; and

WHEREAS, the Commission has afforded all interested parties an opportunity to be heard on this subject and has entered all available evidence and testimony into the public record of their proceeding; and

WHEREAS, the Planning Commission has duly considered the subject, including the staff recommendations and all the exhibits and testimony introduced and offered by all interested parties; and

NOW, THEREFORE, BE IT RESOLVED that the Wilsonville Planning Commission does hereby adopt relevant Staff Reports as amended, along with the findings and recommendations contained therein and, further, finds that the proposed SW 95th Avenue Urban Renewal Plan is consistent with the Wilsonville Comprehensive Plan, recommends Council so find, and hereby forwards this resolution to the Wilsonville City Council; and

BE IT RESOLVED that this Resolution shall be effective upon adoption.

ADOPTED by the Planning Commission of the City of Wilsonville at a regular meeting thereof this 9th day of March 2011, and filed with the Planning Administrative Assistant on March 14, 2011.



Wilsonville Planning Commission

Attest:



Linda Straessle, Administrative Assistant III

SUMMARY of Votes:

Chair McGuire: Aye

Commissioner Sullivan: Aye

Commissioner Altman: Aye

Commissioner Dvorak: Aye

Commissioner Levit: Aye

Commissioner Phelps: Aye

Vacant



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Vancouver, WA 98683
Phone: 360-695-3411
Fax: 360-695-0833

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1/14/11
btm

LEGAL DESCRIPTION
FORMER NIKE DISTRIBUTION CENTER
CITY OF WILSONVILLE, CLACKAMAS COUNTY, OREGON

Real property lying in the South half of Section 11, Township 3 South, Range 1 West of the Willamette Meridian, being a portion of Parcel 1 as shown on Minor Partition filed as P.S. 22047, survey records of Clackamas County, Oregon, more particularly described as follows:

Beginning at the Northeast corner of the Southwest Quarter of said Section 11; thence along the North line of said Southwest Quarter South 89°32'02" West 479.83 feet to the Northeast corner of that tract of land conveyed to Freeman Land and Cattle by contract recorded as Fee Number 92-36197; thence along the East line of said Freeman Land and Cattle parcel the following 2 courses: South 00°00'13" West 147.84 feet; thence South 27°10'13" West 509.86 feet to the most Northerly Northeast corner of Lot 1 of Wilsonville Business Center Phase 2, Plat Number 2986, plat records of Clackamas County, Oregon ; thence along the East line of said Lot 1 South 31°58'03" East 516.58 feet to a point on the arc of a 60 foot radius curve and a point on the North line of that tract of land dedicated to the City of Wilsonville for right of way recorded as Fee Number 88-50957; thence along the North line of said right of way dedication the following courses:

from a tangent bearing of North 02°13'42" East, along said curve to the right, through a central angle of 132°12'22", an arc distance of 138.45 feet to a point of reverse curvature with a 60.00 foot radius curve; thence along said curve to the left, through a central angle of 44°54'02", an arc distance of 47.02 feet to a point of tangency; thence North 89° 32'02" East 790.65 feet to a point of curvature with a 40.00 foot radius curve; thence along said curve to the left, through a central angle of 89°51'36", an arc distance of 62.73 feet;

thence North 89°40'26" East 62.00 feet to the East right of way line of 95th Avenue as dedicated by the plat of Wilsonville Business Center, Plat Number 2880, Plat records of Clackamas County, Oregon; thence along said East right of way line North 00° 19' 34" West 978.05 feet, more or less, to a point on the North line of the Northeast Quarter of said Section 11; thence along the North line of said Section 11 South 89°32'02" West 592.06 feet to the **Point of Beginning**.

Containing 27.18 acres, more or less.
Subject to easements and restrictions of record.

REGISTERED
PROFESSIONAL
LAND SURVEYOR

1-14-11

OREGON
JANUARY 12, 2002
JON M. YAMASHITA
53760LS

EXPIRES 6/30/12

