



City of Oregon City

625 Center Street
Oregon City, OR 97045
503-657-0891

Meeting Agenda Urban Renewal Budget Committee

Tuesday, April 23, 2013

5:30 PM

Pioneer Center, 615 15th St., Oregon City

1. **Convene the 2014-2015 Urban Renewal Budget Committee, Roll Call, and Introductions**
2. **Review Committee Process, Authority, and Decisions**
3. **Election of Chairperson**
4. **Review and Approve the Minutes of the April 24, 2012 Budget Committee**
- 4a. [13-281](#) Minutes of the April 24, 2012 Urban Renewal Budget Committee

Staff: City Recorder Nancy Ide
Attachments: [Minutes](#)
5. **Receive the Budget Message from the Budget Officer**
- 5a. [13-282](#) Budget Message

Staff: City Manager David Frasher
Attachments: [Budget Message](#)
6. **Budget Summary Presentation**
- 6a. [13-284](#) Budget Presentation

Staff: Economic Development Manager Eric Underwood
7. **Budget Review and Public Comment**
- 7a. [13-283](#) Budget Review

Staff: Finance Director Wyatt Parno
Attachments: [Budget](#)
8. **Approve the Fiscal Years Ending 2014-2015 Urban Renewal Biennial Budget of \$8,186,531 and Establish that the Maximum Amount of Tax from the Division of Taxes Shall be Levied**
9. **Adjournment**

Instructions for Citizen Comments:

- Complete a Comment Card prior to the meeting and submit it to the staff member.
- When the Chair calls your name, proceed to the speaker table and state your name and city of residence into the microphone.
- Each speaker is given 3 minutes to speak.

Agenda Posted at City Hall, Pioneer Community Center, Library, and City Web site (oregon-city.legistar.com). Notice of the Urban Renewal Budget Committee was also published in the Oregon City News.

Video Streaming & Broadcasts: The meeting is being recorded and will be available on demand following the meeting on the Oregon City's Web site at www.orcity.org.

The Pioneer Community Center is wheelchair accessible with entry ramps and handicapped parking located on the east side of the building. Disabled individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-657-0891.



City of Oregon City

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

File Number: 13-281

Agenda Date: 4/23/2013

Status: Agenda Ready

To: Urban Renewal Budget Committee

Agenda #: 4a.

From: City Recorder Nancy Ide

File Type: Minutes

Minutes of the April 24, 2012 Urban Renewal Budget Committee

**City of Oregon City
Urban Renewal Budget Committee Minutes
April 24, 2012**

**Pioneer Community Center
615 5th St.
Oregon City, OR 97045**

1. Convene Regular Meeting of the Urban Renewal Budget Committee and Roll Call

Chair Olson called the meeting to order at 5:30 p.m.

Commissioners Present:

Doug Neeley
Betty Mumm
Kathy Roth
Carol Pauli
Rocky Smith, Jr
Brian Shaw
Chris Storey
Paul Edgar
Graham Peterson
William Gifford
Autumn Rudisel
Chris Geiger
Casey Flesch
Aaron Olson
Shawn Dachtler

Staff Present:

City Manager David Frasher
Economic Development Manager Eric Underwood
Finance Director David Wimmer
Community Development Director Tony Konkol
City Recorder Nancy Ide
City Engineer and Public Works Director Nancy Kraushaar

2. Review Budget Committee Process, Authority, and Decisions

David Frasher, City Manager, discussed a complaint regarding the qualifications for Budget Committee members and the need for citizen members to be residents of the City. After investigation, it was determined that one member was not a resident and a vacancy had been created.

3. Election of Chairperson

Motion by William Gifford, second by Betty Mumm, to nominate Aaron Olson as Chair. Motion passed unanimously 15-0.

4. Approval of Minutes of the April 26, 2011 Urban Renewal Budget Committee Meeting

Motion by Betty Mumm, second by Rocky Smith, to approve the minutes of the April 26, 2011 Urban Renewal Budget Committee meeting. Motion passed unanimously 15-0.

There was discussion regarding whether or not the amount approved for the Storefront Grants was correct in the minutes.

Commissioner Mumm requested the minutes be sent out earlier than a year after the meeting so the Committee could remember these types of details better.

Motion by Betty Mumm, second by Rocky Smith, to amend the motion to approve the minutes of the April 26, 2011 Budget Committee meeting on the condition that staff review the recording and the minutes reflect what occurred at the meeting. Motion passed 14-1 with Commissioner Neeley opposed.

5. Receive the Budget Message from the Budget Officer

Mr. Frasher said the items in the budget had all been vetted thoroughly with the Urban Renewal Commission (URC). The URC adopted a set of Core Values and the City Commission changed the composition of the URC. The budget was largely restricted funds. No new programs had been added, but priorities had been adjusted. Total revenues and expenditures had decreased by 5.2%. He announced David Wimmer, Finance Director, would be retiring and thanked Mr. Wimmer for his work.

6. Budget Summary Presentation

Eric Underwood, Economic Development Manager, gave a PowerPoint presentation on the recommended budget including an overview of the Urban Renewal District, Urban Renewal Plan goals, Core Values, prioritized projects, Urban Renewal accomplishments, revenue projections and sources, expenditure projections and sources, increment trend, and summary of the budget changes for FY 12/13.

There was discussion regarding the Cove project negotiations, swapping rental properties on 2nd and Tumwater, and the Adaptive Reuse Grant.

Mr. Edgar explained a spreadsheet he created with possible new revenue from division of taxes based on County estimates. Mr. Wimmer stated he used different assumptions than the County and described how he was more conservative and all the revenues came in to the Urban Renewal accounts, but showed up as a larger end balance or bigger beginning balance in next year's budget.

7. Review of the Budget Document

8. Discussion and Consideration of any Adjustments

There was discussion regarding the Amtrak station project and use of the area underneath the building.

Mr. Frasher said the question was did the Budget Committee want to approve an expenditure for a priority that the URC set which was for staff to develop a plan for the station after the Commission toured the building.

Motion by Autumn Rudisel, second by Chris Geiger to increase the money for the Amtrak Station project from \$30,000 to \$45,000. Motion passed unanimously 15-0.

9. Approval of FY 2012-13 Urban Renewal Budget and Establish the Maximum Amount of Taxes to be Levied

Motion by William Gifford, second by Chris Geiger, to approve the FY 2012-13 Urban Renewal budget of \$11,094,650 and establish that the maximum amount of tax from the division of taxes shall be levied. Motion passed unanimously 15-0.

10. Adjournment

Chair Olson adjourned the meeting at 7:05 p.m.

Respectfully submitted,

Nancy Ide, City Recorder



City of Oregon City

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

File Number: 13-282

Agenda Date: 4/23/2013

Status: Agenda Ready

To: Urban Renewal Budget Committee

Agenda #: 5a.

From: City Manager David Frasher

File Type: Report

SUBJECT:

Budget Message

Oregon City Urban Renewal Agency

Proposed Biennial Budget

July 1, 2013 through June 30, 2015

Introduction

It is my pleasure to present the Oregon City Urban Renewal Agency's Biennial Budget for fiscal years ending 2014 and 2015. The budget is balanced and has been prepared in accordance with Oregon Budget Law. The proposed total budget is \$8,186,531. This is the Urban Renewal Commission's first biennial budget.

The Oregon City Urban Renewal Commission (OCURC) is responsible for providing oversight for urban renewal activities in the Oregon City Downtown/North End Urban Renewal District as specified in the Downtown/North End Urban Renewal Plan, as amended in September 2007. The OCURC Board is currently composed of seven voting members, Oregon City's Mayor and four City Commissioners, and two additional citizen members.

Urban Renewal funds are considered capital project funds and are separated from all other City funds. The budget development process is similar to Oregon City's but the District's Budget Committee is a separate entity from the City's Budget Committee.

The OCURC's decisions have the potential to impact all of Oregon City and its economy by affecting service demands, the business climate, and adjacent neighborhoods to the urban renewal district. The OCURC has targeted its development strategy toward Oregon City's designation as one of Metro's "Regional Centers".

The overall goals for the Agency are defined in the Downtown/North End Urban Renewal Plan and include:

- ❖ Improve traffic capacity and safety, pedestrian facilities, recreational facilities, and other public facilities
- ❖ Improve the renewal area as a commercial and employment center and stimulate private development
- ❖ Fulfill Metro2040 Growth Concepts consistent with Oregon City's Comprehensive Plan

These goals include specific objectives such as the elimination of blighted conditions, construction of public improvements, and increasing taxable values in the area. Successful accomplishment of these objectives establishes the foundation for this biennial budget and is supported by these core values that were established by the Commission in 2012:

- ❖ Return on investment both qualitative and quantitative
- ❖ Cultivating resources, processes, and investment in underutilized or affected areas
- ❖ Make the Urban Renewal District a destination
- ❖ Job creation

- ❖ Economic development
- ❖ Historical and cultural interpretation

Budget Highlights

The proposed urban renewal budget is funded by total biennial revenues of \$4.72 million (excluding beginning balances), 92% of which are property tax revenues. This represents annual increases in property tax revenues (from the actual 2012-13 assessment) of \$167,500 and \$53,560 in 2014 and 2015, respectively. The urban renewal agency received an increment increase exceeding 10% in 2013 due to work completed by PGE. This increase is not projected to be duplicated in the biennium, and thus increment increases are budgeted at 3.5% and 2.5%. The Fiscal Year 2013 budget included anticipated borrowings of \$6.55 million in anticipation of funding for the Cove Project, however the project has not progressed as planned and the borrowing was not required.

Projected spending for the biennium totals \$6.66 million (excluding ending balances) and are comprised of the following: \$1.85 million in materials and contracted services, \$1.7 million in capital projects, and \$3.1 million of debt repayments. Materials and contracted services are composed of OCURC's operating expenditures, including administrative and legal, as well as \$1 million in Development Project incentives. Capital projects include continued funding of the Adaptive Reuse/Rehab and Storefront Grant Programs at a combined total of \$720,000 and monies for the McLoughlin Boulevard Phase II project in the amount of \$930,000.

The Downtown/North End Urban Renewal Plan includes an established debt limit of \$130.1 million as a maximum for urban renewal investment ("maximum indebtedness"). Debt outstanding at July 1, 2013 will be approximately \$13.6 million.

Until recently, the OCURC has been working with a developer, in good faith and without a contract, to finalize a Disposition and Development Agreement (DDA) for the Clackamette Cove project. The work has consisted of continuous coordination with the developer involving, but not limited to, plan modification review, financial analyses and project scope and scheduling. Market conditions have had a negative impact on the project from the time of its inception and the developer commitment has scaled back from a mixed use development to a multifamily residential development consisting of approximately 200 units. At this time, the Developer has submitted a new version of the Cove project which includes a substantially different funding model, currently under review by staff with OCURC discussions to follow.

The former landfill site remains undeveloped. However, movement has occurred in the way of new developer interest. Urban renewal staff is currently working with a potential developer in developing an employment center. Both the Cove and the former landfill site are important economic opportunities for the City, and, if properly developed, should inspire other significant investments in the Oregon City "Regional Center" concept and help promote job creation and economic vitality. Funding is not currently proposed for this project, as the OCURC has yet to reach an agreement for project scope. Additionally, it is expected that the potentially significant investments will positively impact the Urban Renewal District by increasing the overall assessed value of the District thereby increasing the revenue of the District for purposes of further eliminating blighted areas.

Downtown District Activities for FY 2012/13

FY 2012/13 was marked by significant activities within the District. Those activities and accomplishments are listed below:

1. Clackamette Cove – Urban renewal funding was put on hold until the project developer could secure the necessary financing. The Urban Renewal Commission expended approximately \$3.5 million of the approved amount of \$10 million in public funding in the form of a traditional line of credit backed by the City. The funds were used to purchase property and plans associated with the project. The money was also used to reimburse the developer for documentation relating to project planning and reports. The project included plans for a public esplanade along the cove, a small park and all required infrastructure to support approximately 200 multifamily units and a recreation building. The \$10 million line of credit, intended for project funding assistance, was extended for a period but subsequently expired in the fall of 2012.

The OCURC made the decision to end negotiations with the developer and not move the project forward due to a number of variables but primarily because of the significant reduction in project scope from when it was first proposed. As a result, work on a new DDA ended in March, 2013.

2. The Former Landfill Site – Uncertainties in the economic and political environment, as well as difficulties in the negotiation process complicated the initial joint efforts between the OCURC and Center Cal to develop the property. Attempts to establish a DDA were unsuccessful.

Staff began communications with another developer for the property in 2012 and is awaiting a proposal from the developer once a negotiated agreement is finalized between the developer and the property owner. Staff continues to market the site in the interim.

3. Jug Handle - Interchange improvements at I-205/Hwy 213 (the Jug Handle) were necessary to provide improved transportation and capacity and safety for the redevelopment of the landfill and surrounding properties. Construction of this project was successfully completed in 2012, ahead of schedule.
4. Train Depot – Staff is working with GDB Architects to develop design drawings for tenant improvements at the Depot so the building can be leased. A bicycle café/business incubation use was approved by the OCURC with a grand opening scheduled to occur in October 2013. Funding of \$45,000 was budgeted in FY 2012-13 for demolition and construction of tenant improvements.
5. North End Opportunities – An inventory of economic development opportunities was taken for the north end of downtown. The focus is on infill development, job creation and mixed use. This inventory will be applied toward business development and recruitment efforts.
6. Land of Opportunity Marketing Campaign – Land of Opportunity signs were created and placed at 922 Main Street, 12th and Main Street and 1910 Clackamette Drive displaying property and contact information. These properties have also been advertised via Oregon Public Broadcasting, Business Expansion Journal, Xpansion Solutions Magazine, the Daily Journal of Commerce, Clackamas County Answer Guide (2012 & 2013) and the City of Oregon City website.
7. McLoughlin Blvd Enhancement Project – Phase 2 has begun and work has progressed toward the 30% design stage. Urban renewal funding of one million dollars is committed for this two year project that includes the area between I- 205 Overpass and the Clackamas River Bridge.

8. Urban Renewal Grant/Loan Investments – In FY 2012/2013, the OCURC awarded \$182,795 in grants to local businesses in the District for storefront improvements. This has become a very successful program, permitting the Urban Renewal Agency to leverage \$120,000 of Metro funds for Oregon City storefront improvement projects that have been identified as strategically important.
9. Grant Programs – The Adaptive Reuse/Rehab Grant program was activated in 2012 and has awarded four projects totaling \$210,000. The program is becoming increasingly competitive and several project applications are anticipated for FY 2013-14 and FY 2014-15.

Proposed 2014-2015 Downtown/North End District Activities

1. Train Depot – Tenant improvements are on-going and a project completion date is anticipated for October 2013. A bicycle café/business incubation use has been recruited and approved by the OCURC. Funding of \$53,000 was budgeted in the biennium for completion of the tenant improvements.
2. McLoughlin Blvd Enhancement Project Phase 2– The McLoughlin Blvd Enhancement Project, Phase II, will include improvements to the section between Dunes Drive and the Clackamas River Bridge. A total of \$930,000 has been budgeted over the next two years for this phase of the project.
3. Former Landfill Site – Dialogue between staff and potential developers for this site continues. Developer roundtable discussions and tours are planned for the latter part of this year.
4. Willamette Falls Legacy – Master Planning process for the site began in spring 2013. Completion of the planning and rezoning process needs to occur prior to addressing site redevelopment.
5. Marketing – The OCURC is aggressively marketing the 10th & Main and 12th & Main Street properties for future development in FY 2012/2013. A biennial budget of \$50,000 has been proposed for the marketing of urban renewal projects. An example would be the marketing of a specific capital project or property owned by the District. This is a reduction from the \$45,000 annual amount budgeted previously.
6. Storefront Improvement Grant – This program will continue into the next budget cycle. A budget of \$100,000 is set aside each year. However, due to community response, staff is proposing a budget of \$295,000 over the two years.
7. Adaptive Reuse/ Rehabilitation Program – This program was proposed for the District last Fiscal Year. The budget proposed for the biennium totals \$425,000 and will be used for retrofitting existing buildings for reuse consistent with the goals of the District. Examples could be conversion of vacant or underutilized space on second and third story spaces to residential use, or conversion of ground floor to retail use.
8. Development Project Incentives – Funds have been set aside in the amount of \$1 million in the event that a project comes forward to the OCURC requesting or requiring incentivizing for future development.

The coming years will be some of the most important in the history of the Urban Renewal Commission. Both the former landfill site and Cove projects present several challenging issues. The decisions on these

projects will shape both the physical and financial future of the City for years to come. The Willamette Falls Legacy project, which may take years to redevelop, also will have a major impact on the future of the City. This proposed biennial budget continues many of last year's projects, but also includes the introduction of some new strategies to help stimulate investment within the District.

In closing, many thanks to each of our Urban Renewal Commissioners for your commitment to Oregon City and the economic vitality of the District. You are called upon to use your skills, values, judgment and, particularly under current circumstances, a great deal of diplomacy and willingness to compromise to achieve results. Special thanks to Economic Development Manager, Eric Underwood and Finance Director, Wyatt Parno, for their assistance to the URA throughout the year and in preparation of this budget.

Respectfully,



David W. Frasher
City Manager

Executive Director, OCURA



City of Oregon City

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

File Number: 13-284

Agenda Date: 4/23/2013

Status: Agenda Ready

To: Urban Renewal Budget Committee

Agenda #: 6a.

From: Economic Development Manager Eric Underwood

File Type: Report

SUBJECT:

Budget Presentation



City of Oregon City

625 Center Street
Oregon City, OR 97045
503-657-0891

Staff Report

File Number: 13-283

Agenda Date: 4/23/2013

Status: Agenda Ready

To: Urban Renewal Budget Committee

Agenda #: 7a.

From: Finance Director Wyatt Parno

File Type: Report

SUBJECT:

Budget Review

**Oregon City Urban Renewal Agency
Proposed Biennial Budget 2014 & 2015**

	Actual 2010-11	Actual 2011-12	Adopted Budget 2012-13	2013-14 Dept Request	2014-15 Dept Request	Biennium Totals
Resources						
Property Taxes						
Property Tax - Current & Prior	\$ 1,858,268	\$ 1,823,027	\$ 1,830,000	\$ 2,142,363	\$ 2,195,922	\$ 4,338,285
Total Property Taxes	1,858,268	1,823,027	1,830,000	2,142,363	2,195,922	4,338,285
Miscellaneous Income						
Interest Income	18,447	16,716	10,000	18,000	18,000	36,000
Rental Income	58,622	5,803	25,050	51,000	-	51,000
Sale of Property	-	-	-	-	300,000	300,000
Grants	-	-	12,000	-	-	-
Total Miscellaneous Income	77,069	22,519	47,050	69,000	318,000	387,000
Proceeds from Borrowing						
Bonds	-	-	6,553,600	-	-	-
Beginning Fund Balance	3,654,929	2,597,493	2,819,000	3,461,246	1,937,674	3,461,246
Total Resources	5,590,266	4,443,039	11,249,650	5,672,609	4,451,596	8,186,531
Requirements						
Materials & Services						
Operating costs - Marketing	381	41,899	45,000	25,000	25,000	50,000
Miscellaneous	35,534	28,980	20,000	20,000	20,000	40,000
Property taxes	5,994	3,248	4,000	4,000	-	4,000
Rentals maintenance	-	152	20,000	20,600	-	20,600
Legal & consultant fees	148,564	45,107	150,000	75,000	75,000	150,000
Administration	266,854	229,613	264,217	277,401	285,573	562,974
Bond Issue Costs	13,428	-	20,000	-	-	-
Other Materials & Services	20,213	-	-	-	-	-
Development Project Incentives	-	-	-	1,000,000	-	1,000,000
Clackemette Cove Dredging Permits	-	-	-	687	2,687	3,374
Property Maintenance	-	-	-	10,000	10,000	20,000
Total Materials & Services	490,968	348,999	523,217	1,432,688	418,260	1,850,948
Capital Outlay						
Amtrak Station	281,751	9,613	45,000	38,000	15,000	53,000
Rehab Program (New 2011-12)	-	-	235,000	225,000	200,000	425,000
Storefront Grant Program	66,122	44,484	190,000	175,000	120,000	295,000
Ermitinger House Repairs/Reserve	9,853	-	-	-	-	-
McLoughlin Blvd Project Phase II	942,515	43,820	1,100,000	440,000	490,000	930,000
McLean Building	69,618	-	-	-	-	-
Clackamette Cove	146,770	44,276	7,000,000	-	-	-
Bluff/Promenade Improvements	44,676	-	-	-	-	-
Main Street 5th - 10th	-	-	-	1,800	-	1,800
Total Capital Outlay	1,561,305	142,193	8,570,000	879,800	825,000	1,704,800
Debt Service	940,500	943,327	1,000,362	1,422,447	1,680,433	3,102,880
Contingency & Reserves						
Debt Service Reserve	1,000,362	1,000,362	1,118,440	1,140,000	1,140,000	1,140,000
Contingency	1,597,131	2,008,158	37,631	797,674	387,903	387,903
Total Contingency	2,597,493	3,008,520	1,156,071	1,937,674	1,527,903	1,527,903
Total Requirements	\$ 5,590,266	\$ 4,443,039	\$ 11,249,650	\$ 5,672,609	\$ 4,451,596	\$ 8,186,531

Urban Renewal Budget Overview

Proposed 2014-2015 Biennial Budget
July 1, 2013 through June 30, 2015



Urban Renewal Area



- **Maximum indebtedness \$130.1 million (obligations as of July 1 will be \$13.6 million)**
- **Consists of the waterfront, Cove and business areas in the downtown area of Oregon City**
- **844.63 Acres**
- **Zoned for mixed-use consisting primarily of commercial, office and residential**

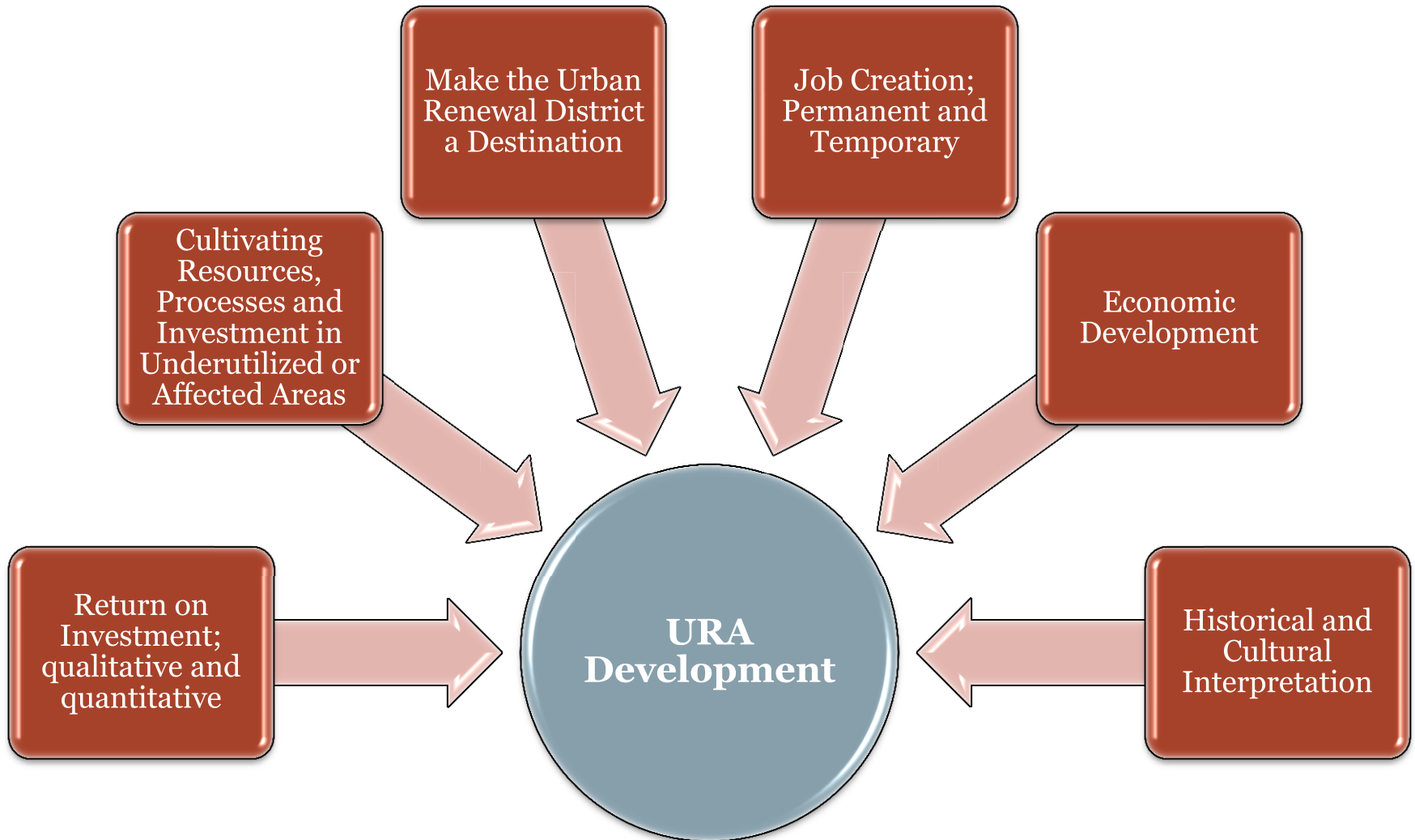
Urban Renewal Plan Goals

To improve traffic capacity and safety, pedestrian facilities, park and recreation facilities, and other public facilities within the Area

To improve the Renewal Area as a commercial and employment center and stimulate private development within the Area

To fulfill Metro Region 2040 Growth Concepts, that are consistent with the City's Comp Plan.

Core Values Created by the URC



Summary of Budget Changes for FY 14/15

- The total proposed budget for the Urban Renewal Commission's first biennial budget is **\$8,186,531**
- Revenues
 - Property taxes are projected at \$4.34 million for the biennium (\$2.14 million and \$2.2 million)
 - This represents annual increases averaging 5% per year over budgeted 2013 property tax revenues, (10% increment in 2013, 3.5% projected in 2014, 2.5% in 2015)
- Expenditures
 - Projected spending for the biennium totals \$6.66 million (\$3.7 million and \$2.9 million)
 - This represents a reduction of \$6.36 million in 2014 and \$811,000 in 2015
 - Continued funding of Adaptive Reuse Rehab and Storefront Grant Programs is an important investment that is expected to maintain an upward trend in revenues.

Urban Renewal Accomplishments

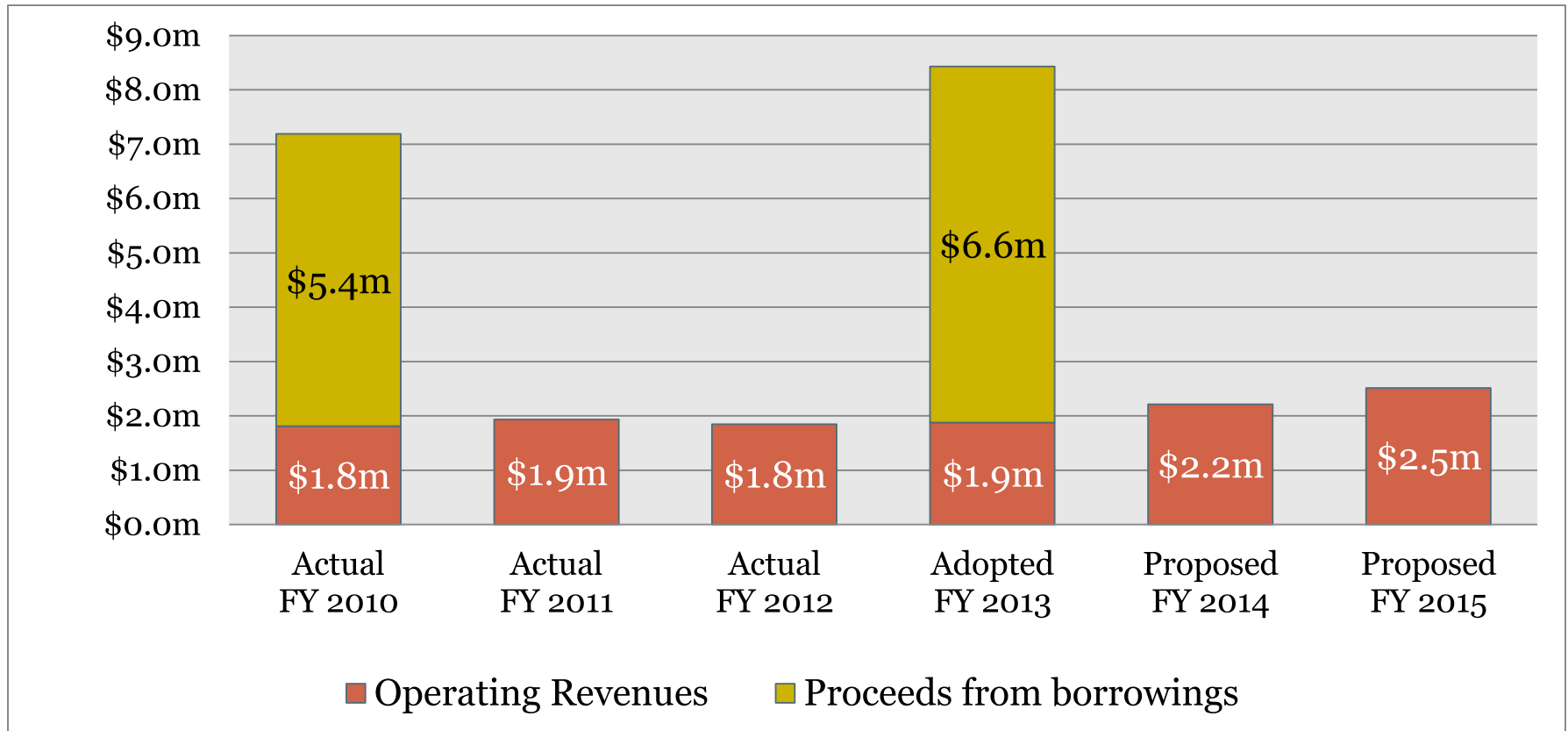
- Storefront Grants
- Adaptive Reuse-Rehab Building Grants
- Leveraged Metro Funding to Augment Existing Urban Renewal Grant Programs
- Aggressive Marketing of UR Infill Properties
- Recruitment of Business for Historic Train Depot (Amtrak Station)

Prioritized Projects

- Train Depot (Amtrak Station)
- McLoughlin Boulevard Enhancement Phase II
- Capitalize on Economic Development Opportunities at North End
- Explore Options for Disposing of/Developing Infill Properties
- Continue Urban Renewal Grant Programs

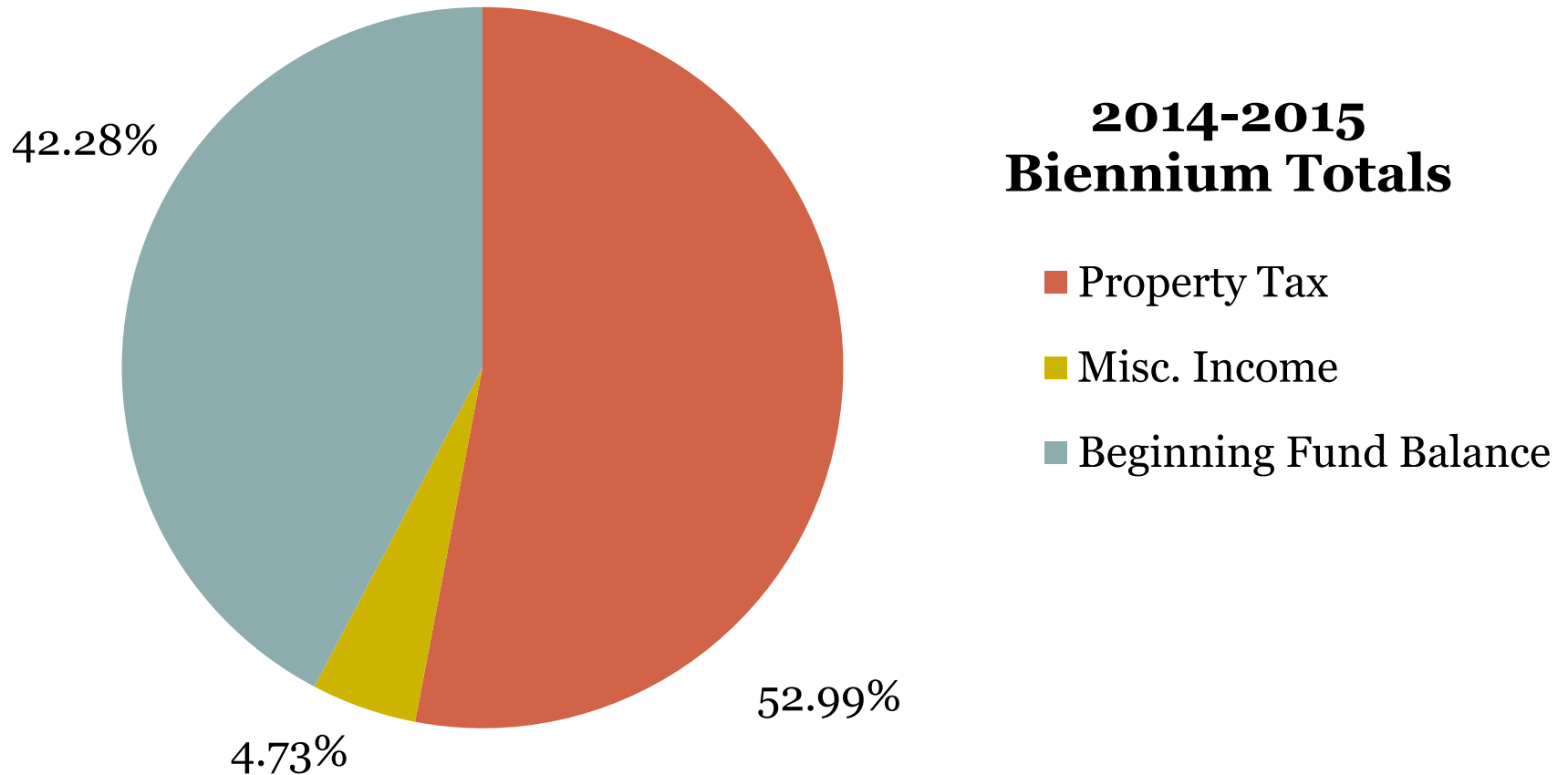
UR Revenue Projections

(Excluding Beginning Balances)



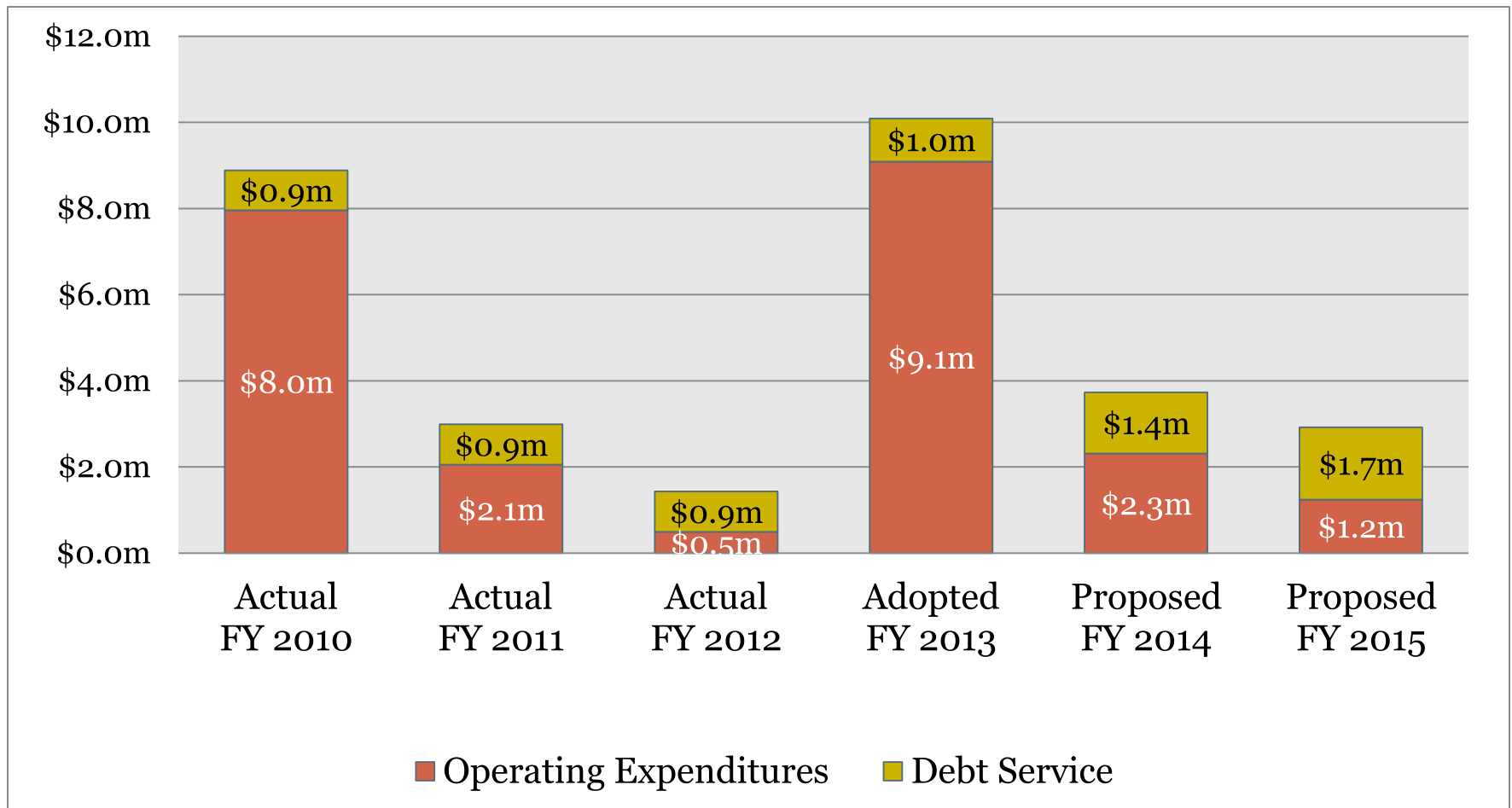
- (1) FY 2010 included \$5.38 million of Bonds and Oregon City Loan proceeds
- (2) FY 2013 Budget included \$6.55 million in anticipated borrowing

UR Resources

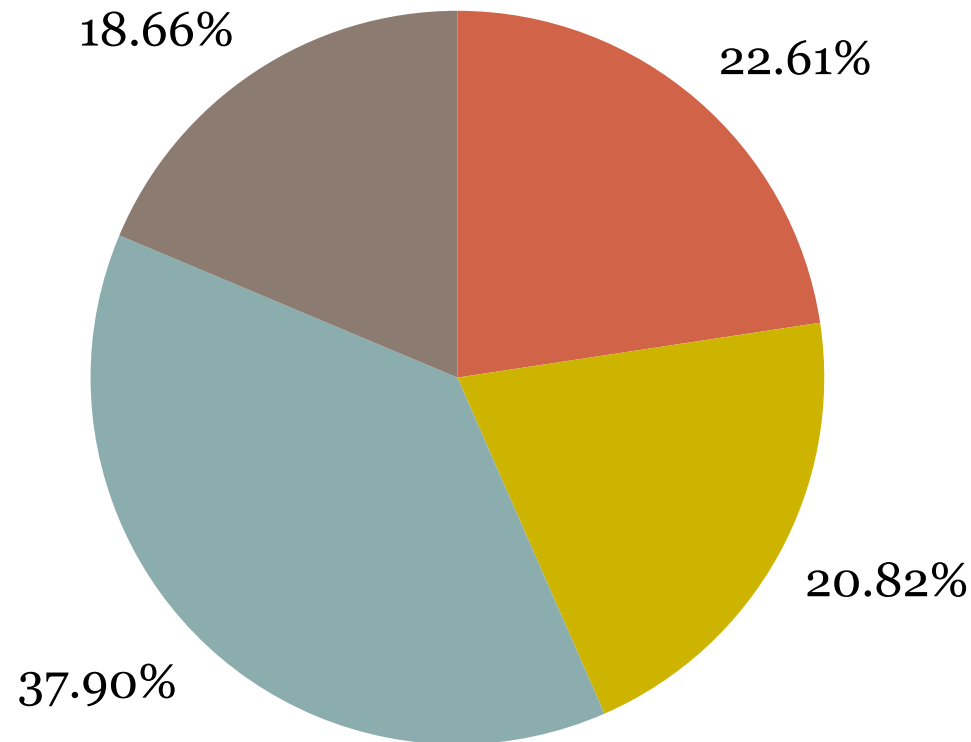


Expenditure Projections

(Excluding Contingency and Reserves)



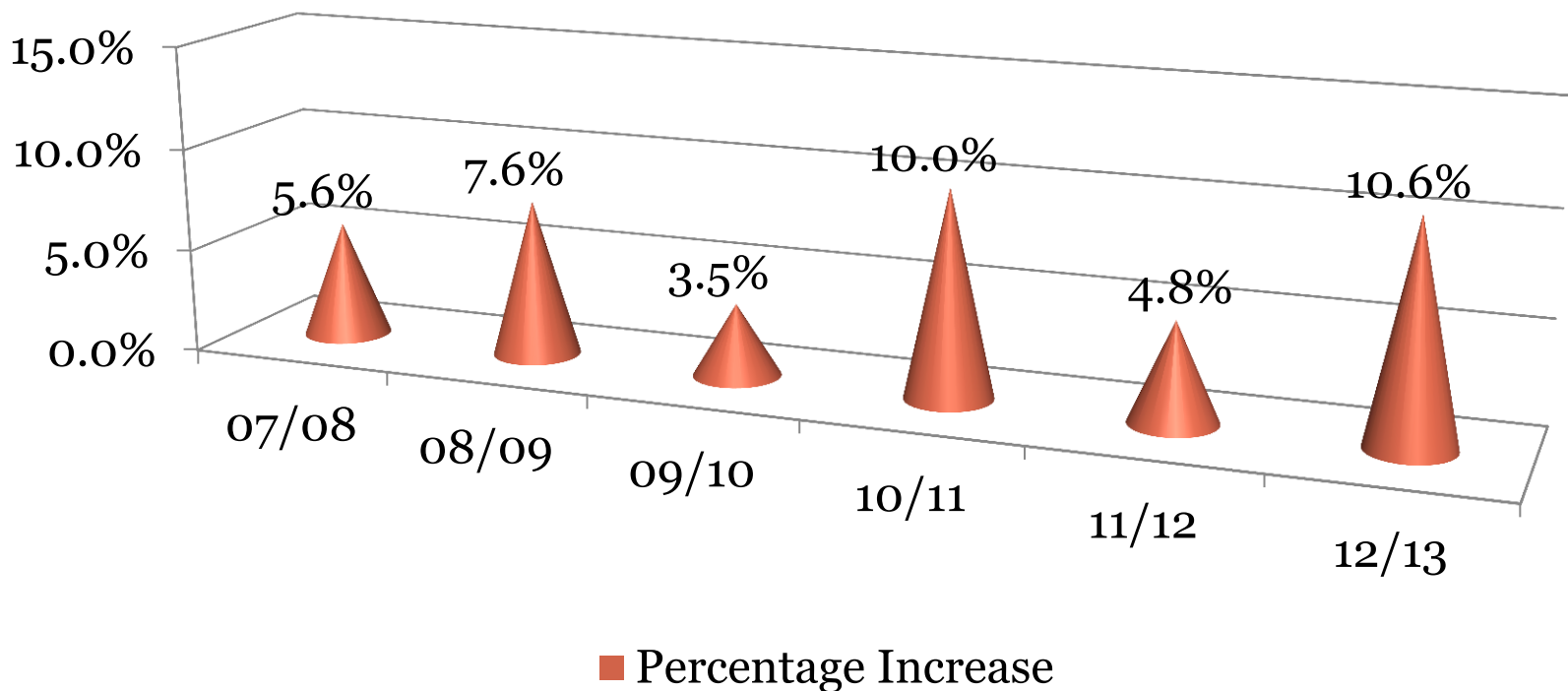
UR Expenditures



2014-2015 Biennium Totals

- Mat. & Svcs
- Capital Outlay
- Debt Service
- Contingency

Increment Trend



FY 2013 increase included adjustment for PGE property for work completed. FY 2014 projects 3.5% increment increase.

Questions

ENTERED INTO THE RECORD

DATE RECEIVED: 4-23-13

SUBMITTED BY: Eric Underwood

SUBJECT: _____

Urban Renewal Plan

Downtown / North End

THROUGH PROPOSED 10TH PLAN AMENDMENT

CITY OF OREGON CITY, OREGON
OREGON CITY URBAN RENEWAL AGENCY
September 2007

City of Oregon City Staff



Consultant Team:



100. Introduction	2
200. Definitions	2
300. Boundary and Legal Description	4
400. Relationship to Local Objectives	4
A. Purpose	4
B. City of Oregon City Comprehensive Plan	4
C. Overall Renewal Area Goals	4
stated in "Oregon City Comprehensive Plan" and "Oregon City Futures:"	4
D. Renewal Area Objectives	4
E. Renewal Area Strategies	5
500. Proposed Land Uses	6
A. Land Use Plan	6
B. Plan and Design Review	6
600. Outline of Development	6
700. Description of Project Activities	7
A. Transportation Improvements	7
B. Parks, Open Space and Recreation Improvements	8
C. Development and Redevelopment Assistance	8
1. Redevelopment Through New Construction	9
2. Preservation, Rehabilitation, and Conservation	9
D. Public Facility and Services Improvements	9
E. Public Infrastructure	9
F. Planning and Administration	10
G. Property Acquisition	10
1. Property to be Acquired for Public Improvements and Facilities	10
2. Property to be acquired for Redevelopment Property	11
H. Property Disposition	13
800. Redeveloper's Obligations	14
900. Relocation	14
1000. Future Amendments	14
A. Minor Amendments	14
B. City Commission-Approved Amendments	15
C. Substantial Amendments	15
1100. Latest Date for Bonded Indebtedness	15
1101. Financing Methods	15
A. General	15
B. Tax Increment Financing	16
1200 - Establishment of Maximum Indebtedness	16
Exhibits to Text	16

Urban Renewal Plan and Amendments

This Plan incorporates all text plan amendments through the July 31, 2007 and proposed amendments with the 10th Plan Amendment (August 2007).

Sequence and Purpose of Amendments

1st Resolution 91-01, Sept. 25, 1992

Inserts latest date for bonded indebtedness

2nd Ordinance 95-1017, Sept. 20, 1995

Authorizes acquisition of Stimson property

3rd Resolution 96-02, Dec. 4, 1996

Adds Tumwater Sewer as a project activity

4th Ordinance 98-1014, June 17, 1998

Inserts maximum indebtedness per BM50

5th Ordinance 00-1012, May 3, 2000

Changes to goals, extensive revisions to working of project activities, acquisition and amendment procedures

6th Ordinance 00-1029, December 6, 2000

Authorizes 10th & Main Street property acquisition and Stimson parcel as two Lots

7th Ordinance 01-1016, May 16, 2001

Authorizes acquisition of Art's Café

8th Ordinance 02-1003

Authorizes property acquisition at 7th and Railroad, TL 22E31AB06500

9th Ordinance 07-1001

Authorizes potential acquisition of comprehensive list of properties (as per Oregon City Futures, economic development plan, etc.)

10th Ordinance 07-1014

Substantial plan amendment to increase maximum indebtedness to \$130,100,000.

Note: Not all Plan Amendments Required Changes to the Report.

This Urban Renewal Plan, originally adopted December 19, 1990, is the Urban Renewal Plan for the Downtown area in Oregon City, Oregon. This Plan is the only urban renewal plan for the Downtown area. The Plan is being updated to reflect changes in the scope of projects in the project area (See Exhibits 1 and 3) in response to the Oregon City Futures Report prepared by Leland Consulting Group and StastnyBrun Architects, Inc., dated October 2004, and to increase the maximum amount of indebtedness to complete the Plan.

The Oregon City Futures Report (the "Futures Report") is a strategy for economic development for Oregon City. As a result of an extensive public involvement process initiated by the City in March 2004, The Futures Report gives considerable attention to the designation by Metro of Oregon City as a Regional Center in Metro's Region 2040 Growth Concept (one of seven such designations within the Portland Metro area). The Report provides a series of recommendations on policy issues and development strategies to realize economic development success citywide and achieve the objectives of the Urban Renewal Plan for the Plan Area.

This Plan has been prepared pursuant to Oregon Revised Statute (ORS) Chapter 457, and all applicable laws and ordinances of the State of Oregon and City of Oregon City respectively. All such applicable laws and ordinances are made a part of this Plan, whether expressly referred to in the text or not.

In 1990, the Oregon City Commission amended the Oregon City Downtown Renewal Plan of 1983 to remove the downtown area from the Plan, to add project activities, and to rename the 1983 plan the Hilltop Urban Renewal Plan. The Urban Renewal Advisory Committee and City Commission directed staff to prepare a new Urban Renewal Plan for downtown Oregon City, and to include additional areas adjacent to the downtown that suffer from blighting conditions. This plan, named the Downtown Oregon City/North End Urban Renewal Plan was the second Urban Renewal Plan adopted by the City. The Hilltop Urban Renewal District to which this plan referred was closed in 2005, and saw a 1,100% increase in assessed value, and the Downtown Oregon City Urban Renewal District is the only Urban Renewal District designated in Oregon City as of 2007.

The following definitions will govern the construction of this Plan unless the context otherwise requires:

"Agency, Renewal Agency, or Urban Renewal Agency" means the City Commission of Oregon City which, in accordance with ORS 457, is the Urban Renewal Agency of the City of Oregon City, Clackamas County, Oregon.

"Blighted Areas" means areas which, by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health or welfare of the community; and are characterized by the existence of conditions as described in ORS 457.010.

"City" means the City of Oregon City, Oregon.

"City Commission" means the elected governing commission of the City of Oregon City, Oregon.

"Comprehensive Plan" means the City's Comprehensive Land Use Plan and its implementation Ordinances, policies and development standards.

"County" means the County of Clackamas, State of Oregon.

"Displaced" person or business means any person or business who is required to relocate as a result of action by the Urban Renewal Agency to vacate a property for public use or purpose. The methods to be used for the temporary or permanent relocation of such persons living in, and businesses situated in the Urban Renewal Area shall be in accordance with State Law as specifically set forth in ORS 281.045 to 281.105.

"Exhibit" means an attachment, either narrative or map, to the Urban Renewal Plan

"Objective" means any goal, general or specific, or objective described in Section 400 of this Plan.

"ORS" means Oregon Revised Statutes (State Law) and specifically Chapter 457 thereof.

"Plan, Renewal Plan, Urban Renewal Plan" means the Urban Renewal Plan for Downtown Oregon City, the boundaries of which are indicated in Exhibits 1 and 3

"Planning Commission" means the Planning Commission of the City of Oregon City, Oregon.

"Project, Activity or Project Activity" means any undertaking or activity within the plan Area, such as a public improvement, street project or other activity, which is authorized and for which implementing provisions are set forth in the Urban Renewal Plan.

"Regional Center" indicates a designation in Metro's 2040 Growth Concept Plan, describing a concentration of activity and investment that serves an area of multiple cities and towns.

"Report" refers to the report accompanying the urban renewal plan as provided in ORS 457.085 (3).

"State" means the State of Oregon.

"Tax Increment Financing" refers to a method of financing urban renewal project activities through a division of ad valorem taxes, as provided in ORS 457.420 through 457.450.

"Taxing Bodies" refers to governmental bodies levying taxes within the Urban Renewal Area.

"Text" means the Urban Renewal Plan for the Downtown Oregon City Urban Renewal Plan, Part One: Text and Exhibits.

The boundary of the Urban Renewal Area comprises approximately 855 acres including the Downtown area, Clackamette Cove, the Landfill redevelopment site, the Washington/7th Corridor, and the Heritage Center area. The boundary of this Urban Renewal Plan is shown as Exhibit 1 of Part Two of this Urban Renewal Plan. Sub-districts within the boundary are shown as Exhibit 2 of Part Two of this Urban Renewal Plan. A legal description of the Urban Renewal Area is contained in Exhibit 3 of Part Two of this Plan.

A. Purpose

The purpose of this Plan is to eliminate blighting influences found in the Renewal Area and to implement goals and objectives of Oregon City's Comprehensive Plan, and the "Oregon City Futures" report on Economic Development created in 2004. The Urban Renewal Plan furthers the following goals and objectives:

B. City of Oregon City Comprehensive Plan

ORS 457.085 requires that an Urban Renewal Plan relate to definite local objectives. The City's Comprehensive Plan considers a wide range of goals and policies relating to land uses, traffic, transportation, public utilities, recreation and community facilities, and other public improvements. Specific goals, objectives and policies, which relate to this Plan are found in the City of Oregon City's Comprehensive Plan, and are listed as an appendix to the Report. This Plan is consistent with the goals, objectives and policies found in the Comprehensive Plan.

As amendments to the Comprehensive Plan are made from time to time in order to reflect the goals of the community, this Urban Renewal Plan will be amended as needed in order to remain consistent to the Comprehensive Plan.

C. Overall Renewal Area Goals stated in "Oregon City Comprehensive Plan" and "Oregon City Futures:"

1. To improve traffic capacity and safety, pedestrian facilities, park and recreation facilities, and other public facilities within the Area in order to serve existing and future residents, businesses, workers and visitors.
2. To improve the Renewal Area as a commercial and employment center, and stimulate private development within the Area, which is consistent with the Comprehensive Plan.
3. To fulfill Metro Region 2040 Growth Concepts, that are consistent with the City's Comprehensive Plan.

D. Renewal Area Objectives

1. To eliminate blighting conditions in the Renewal Area, including inadequate streets and traffic congestion, inadequate pedestrian and bicycle facilities, inadequate park and recreation facilities, inadequate public service facilities, substandard and obsolete

buildings, inadequate sewer, water and drainage facilities, and underutilized and unproductive land.

2. To make public improvements necessary to encourage new private investment in the Renewal Area including streets, sewer, water and drainage facilities, parking facilities and other public improvements.
3. To increase taxable values in the Renewal Area.
4. To improve the economic viability of Oregon City's downtown as a retail, office, and services center and mixed-use area for Oregon City.
5. To encourage the rehabilitation of downtown's older buildings, particularly those of architectural and/or historic significance.
6. To enhance historic, cultural, and natural resources in the project area.
7. To support the redevelopment of Clackamette Cove and waterfront areas in the project area.
8. To support the revitalization of the urban renewal area through building rehabilitation assistance.
9. To provide traffic capacity, pedestrian accessibility, parking, and safety transportation improvements in the urban renewal area.
10. To plan for and support development and redevelopment in the renewal area, which is consistent with the Comprehensive Plan and the Downtown Community Plan.
11. To further the objectives of this Renewal Plan by assisting as necessary in the acquisition of land for development purposes, and for the assembly of development sites.
12. To assist in the improvement of the overall economic health of Oregon City and its businesses.

E. Renewal Area Strategies

The Renewal Plan implements the development strategy approved by the Urban Renewal Advisory Committee in the preparation of the Renewal Plan update in 2001 and the "Futures Report" approved by the City Commission in 2004. Key elements of these strategies include:

- Establish a Plan that has many projects, with a supportive government and stakeholders that are committed to providing ongoing leadership and review for those Projects, including establishing good organization, development standards, communications and marketing strategies.
- Direct short-term public investments into areas with the greatest development and redevelopment potential.
- Establish on-going short-term business assistance programs in the Downtown.
- Direct mid-term and long-term public investments in the Urban Renewal area to support

existing commercial and residential uses in the renewal area, and to stimulate new private investment.

A. Land Use Plan

The Land Use Plan consists of the Land Use (Comprehensive Plan) Plan Map (Exhibit 4), the Zoning Map (Exhibit 5) and the descriptive material and regulatory provisions contained in this Section (both those directly stated and those herein included by reference).

This Plan shall be in accordance with the approved Comprehensive Plan of the City of Oregon City and with its implementing ordinances and policies. The use and development of land in the Renewal Area (including maximum density and building requirements) shall be in accordance with the regulations prescribed in the City's Comprehensive Plan, Zoning Ordinance, City Charter, or any other applicable local, state or federal laws regulating the use of property in the Renewal Area. The Zoning classifications correspond to the Comprehensive Plan designations.

Land uses proposed for sites within the Urban Renewal Area are indicated in the project list in the Report regarding this text.

B. Plan and Design Review

The Urban Renewal Agency shall be notified of any building permit, conditional use or other development permits requested within the Area. Redevelopers, as defined in this Plan, shall comply with all applicable ordinances and Redevelopers' Obligations, Section 800 of this Plan.

The Urban Renewal Project consists of activities, which treat the causes of blight and deterioration in the Urban Renewal Area. This Urban Renewal Area is characterized by underdevelopment, and unproductive conditions of land. Conditions that impair development include inadequate streets, traffic circulation problems, and inadequate public facilities and utilities. Project activities to treat these conditions include, but are not limited to:

- Street and related improvements, to improve access to land in the project area, and improve traffic safety and circulation.
- Parking improvements, to improve the supply of public parking spaces and parking management in support of commercial and recreational uses.
- Streetscape and pedestrian improvements, to improve the safety and aesthetic character of Area streets in order to enhance these streets for commercial activities.
- Park and recreation improvements, to meet the recreation needs of Oregon City residents and visitors, and to take advantage of the recreation potential offered by the Willamette and Clackamas Rivers.
- Storm drainage, water and sewer improvements, to permit more productive use of land in the area.
- Development assistance programs, to assist property owners and tenants to renovate

- existing structures, and to develop areas consistent with the Comprehensive Plan.
- Public facility and services improvements, to improve the services needed for the Area, and to assist in improving historic buildings, and adding to the character and utility of and in Oregon City.
- Acquisition, and disposition of land. Land will be acquired for public improvements and for assembly of development sites (See Section 700). This activity is intended to improve utilities and rights-of-way, remove incompatible land uses, and further the development objectives of this Plan.
- Additional planning, administration and co-ordination of development in the Project Area.

700. Description of Project Activities

In order to achieve the goals and objectives of this Plan, the following project activities will be undertaken on behalf of the City by the Urban Renewal Agency (hereinafter referred to as "Agency") in accordance with applicable federal, state, county and city laws, policies, and procedures. Exhibit 6 shows the general location of project activities. Exhibit 7 shows the location of properties to be acquired in order to carry out the objectives of this Plan.

A. Transportation Improvements

Traffic and pedestrian circulation and safety, parking and other transportation deficiencies have been identified as issues contributing to the depressed conditions in the urban renewal area, and constraints to future development called for in the Oregon City Comprehensive Plan. The Oregon City Transportation System Plan (TSP) has identified needed transportation improvement projects. The draft was developed with public involvement and the final TSP will likely include the same projects. In order to correct these deficiencies, the Urban Renewal Agency will participate in the planning, design, funding and construction of transportation and related public improvements throughout the area.

Transportation improvements may include the construction, reconstruction, repair or replacement of streets, traffic control devices, bikeways, pedestrian ways, and multi-use paths. Other street and sidewalk improvements including tables, benches and other street furniture, signage, kiosks, phone booths, drinking fountains, decorative fountains, street lights, and acquisition of property and right of way for Transportation Improvement purposes. Transportation Improvements are planned for; but not limited to:

- The McLoughlin Boulevard Corridor through the renewal area.
- The Washington Street Corridor between Route 213 and 7th Street.
- The 7th Street Corridor through the renewal area.
- The Main Street Corridor from Route 99E to Clackamette Cove.
- The Clackamette Cove area.
- Transit or linkages to facilitate public transportation including but not limited to:
 - Transit oriented development in the Oregon City Shopping Center and throughout the Plan areas
 - High capacity transit along I-205 and/or McLoughlin Boulevard corridors
- I-205 Interchange improvements and other improvements to serve Rossman Landfill site.
- Street improvements Oregon City Shopping Center area.

- Street improvements to Railroad Avenue.
- Streetscape modernization throughout the Project Area.
- Amtrak Station improvements.
- On street and off street parking throughout the Project Areas including but not limited to:
 - Antique Mall
 - Civic Complex
 - McLean Clinic
 - Oregon City Plumbing block
 - Willamette Falls viewing area
 - Court House renovation
 - Railroad Avenue
 - 12th Street Lot
 - End of Oregon Trail Interpretative Center
 - County Shops property
 - Amtrak Station
 - Clackamette Cove
 - Rossman Land Fill

B. Parks, Open Space and Recreation Improvements

The Urban Renewal area is located on both the Clackamas and Willamette Rivers, signifying opportunity to provide diverse recreational opportunities for Oregon City and the region. To promote this opportunity while contributing to economic value to the district and Oregon City, the Urban Renewal Plan includes participation in the planning, design, and construction of parks, open spaces, and recreational facilities and related public improvements, including but not limited to:

- Clackamette Cove
- River Access and Frontage Improvements
- Willamette Riverfront Promenade
- Downtown Core Area
- End of the Oregon Trail Area bounded by railroad tracks to the west, Highway 213 to the north and Abernethy Creek to the east and south
- Abernethy Creek Corridor
- McLoughlin Bluff/Promenade

C. Development and Redevelopment Assistance

The poor condition of many buildings throughout the Area, the lack of façade improvements and the generally poor maintenance of many downtown buildings contribute to the obsolescence and deterioration of the area. In addition, lot patterns, varied ownerships, physical constraints and existing incompatible uses act as deterrents to redevelopment consistent with the Oregon City Comprehensive Plan and the Downtown Community Plan. In order to address these problems, the Urban Renewal Agency may participate, through loans, grants, or both, in assisting development of new public and private buildings in the project area, and in maintaining and improving exterior and interior conditions of existing buildings in the renewal area. The Agency may make this assistance available, as it deems necessary to achieve the objectives of this Plan.

1 Redevelopment Through New Construction

Redevelopment through new construction may be achieved by public or private property owners, with or without financial assistance by the Renewal Agency. To encourage redevelopment through new construction, the Renewal Agency is authorized to set financial guidelines, establish loan programs and provide below-market interest rate and market rate loans, and provide such other forms of financial assistance to property owners and those desiring to acquire and redevelop property as it may deem appropriate in order to achieve the objectives of this Plan.

2 Preservation, Rehabilitation, and Conservation

The purpose of this activity is to conserve and rehabilitate existing buildings where they may be adapted for uses that further Plan goals. Rehabilitation and conservation may be achieved by owner and/or tenant activity, with or without financial assistance by the Renewal Agency. To encourage rehabilitation and conservation, the Agency is authorized to create guidelines, establish loan and grant programs and provide below-market interest rate and market rate loans to the owners of buildings (or those intending to acquire buildings), which are in need of rehabilitation and for which rehabilitation and reuse is economically feasible.

D. Public Facility and Services Improvements

The Oregon City Capital Facilities Improvement Plan has identified needed improvements to several public facilities located in the Urban Renewal Area. The Urban Renewal Agency is authorized to acquire property for, and make improvements for public facilities, which support the residential and business development of the project area, including but not limited to:

- Meeting, conference, educational, or cultural facilities.
- Facilities which supporting the identity of the Area, such as plazas, gateways, and public art.
- Other Public building facilities.

The extent of the Agency's participation in funding public building facilities will be based upon an Agency finding on the benefit of that project to the renewal area and the importance of the project in carrying out Plan objectives.

E. Public Infrastructure

These projects include construction reconstruction, repair, and upgrading; water, wastewater and stormwater facilities, relocation of overhead lines, acquisition of land, right of ways, easements and other land rights needed to carry out the above purposes. Public Infrastructure Improvements are planned for, but not limited to:

- Water
- Wastewater
- Storm water
- Utility Relocation

F. Planning and Administration

Project resources may be utilized to prepare the Urban Renewal Plan, design plans and master plans for the renewal area, transportation plans, miscellaneous land use and public facility studies as needed during the course of the urban renewal plan. Activities related to marketing program for the Area that may utilize project funds. Project funds may also be utilized to pay for personnel, overhead and other administrative costs incurred in the management of the urban renewal plan.

G. Property Acquisition

Acquisition of real property is determined necessary to carry out the objectives of this Plan. Accordingly, this Plan authorizes the following property acquisitions within the Urban Renewal Area, including but limited to:

- Where detrimental land uses or conditions such as incompatible uses, flood plain, or adverse influences from noise, smoke or fumes exist, or where there exists overcrowding, excessive dwelling unit density or conversions to incompatible types of uses, and it is determined by the Agency that acquisition of such properties and the rehabilitation or demolition of the improvements are necessary to remove blighting influences.
- Where it is determined by the Agency that the property is needed for the following purposes.

1 Property to be Acquired for Public Improvements and Facilities

It is anticipated that acquisition of real property will be necessary to carry out public use objectives of this plan. These objectives include right-of-way acquisition for streets, alleys, bicycle and pedestrian ways, and other public improvements, uses and facilities described in Section 700 of this Plan. Prior to acquisition, this Plan shall be amended to identify the specific property or interest to be acquired. The type of amendment required to acquire property for Public Improvements and Facilities is:

- a) Right-of-way acquisition for streets, alleys, bicycle and pedestrian ways that do not require the use of eminent domain will require a minor amendment to this Plan, as described in Section 1000 A1 of this Plan. City Commission approval will not be required for these acquisitions.
- b) Acquisition for other public improvements, uses, and facilities will require a minor amendment to this Plan, as described in Section 1000 A1 of this Plan, and also will require City Commission approval of the minor amendment, per Section 1000 B. 2 of this Plan.
- c) Any acquisition of property for Public Improvements and Facilities that requires the use of eminent domain will require a minor amendment to this Plan, as described in Section 1000 A1 of this Plan, and also will require City Commission approval of the Minor amendment, per Section 1000 B. 2 of this Plan. Such amendments will be Accompanied by findings to the Agency describing the property to be acquired, the Anticipated disposition of such property, and an estimated time schedule for such

acquisition and disposition. The property to be acquired will be incorporated into Table 1 of this Plan.

2 Property to be acquired for Redevelopment Property

Property to be acquired for redevelopment property may be acquired by the Renewal Agency and disposed of to a public or private developer in accordance with this Plan.

Prior to acquisition, this Plan shall be amended to identify the specific property or interest to be acquired. The type of amendment required to acquire property for Redevelopment is:

Acquisition for Redevelopment will require a minor amendment to this Plan as described in Section 1000 A1 of this Plan, and also will require City Commission approval of the minor amendment per Section 1000 B 2 of this Plan. Such amendments will be accompanied by findings to the Agency describing the property to be acquired, the anticipated disposition of such property, and an estimated time schedule for such acquisition and disposition. The property to be acquired will be incorporated into Table 1 of this Plan.

This area is intentionally blank.

Table 1: Properties to be Acquired (with status as of June 30, 2007)

Tax Map	Tax Lot	Property Description	Acquisition Status
2-2E-20	502	Clackamette Cove - 8.28 acres	Portion, Completed
2-2E-29	400	Lot between Metro South Station & I-205 - 4.78 acres	Completed
2-2E-29	900	Landfill - 91.12 acres	To be acquired
2-2E-29	902	Parker NW on Abernethy - 2.09 acres	To be acquired
2-2E-29	1200	Landfill - 2.91 acres	To be acquired
2-2E-29	1400	Lot between Metro South Station & I-205 - 4.79 acres	Completed
2-2E-29	1402	Clackamas Landscape Supply on Washington - 8.1 acres	Completed
2-2E-29	1403	Amtrak Station - 1.01 acres	Completed
2-2E-29	1500	Glacier, N. lot - 5.57 acres	To be acquired
2-2E-29	1503	Clackamette Cove - 63.34 acres	Portion, Completed
2-2E-29	1505	Main St. Extension parcel - 1.4 acres	Completed
2-2E-29	1508	Main St. Extension parcel - 1.72 acres	Completed
2-2E-29	1600	Glacier, easement - 1.81 acres	To be acquired
2-2E-29	1700	Gladstone Water Intake - in Gladstone city limits	To be acquired
2-2E-29	1900	Glacier, center lot - 5.6 acres	To be acquired
2-2E-29CA	300	1810 Washington - .54 acres	Completed
2-2E-29CA	400	1780 Washington, Stein - 3.47 acres	To be acquired
2-2E-29CA	1600	Auction House, Abernethy Rd., Johnson - .3 acres	To be acquired
2-2E-29CA	1700	Abernethy Rd., Johnson - .13 acres	To be acquired
2-2E-29CA	1800	Abernethy Rd., Beyl - .08 acres	To be acquired
2-2E-29CA	1900	Abernethy Rd., Schreiber - .11 acres	To be acquired
2-2E-29CA	1901	Abernethy Rd., Shaw - .11 acres	To be acquired
2-2E-29CA	2000	Abernethy Rd., Carlson - .14 acres	To be acquired
2-2E-29CA	2300	Abernethy Rd., Reynolds - .11 acres	To be acquired
2-2E-29CA	2400	Clackamas County on N. side Abernethy - .15 acres	To be acquired
2-2E-29CA	2500	Clackamas County on N. side Abernethy - .57 acres	To be acquired
2-2E-29CA	2700	Clackamas County on N. side Abernethy - 1.22 acres	To be acquired
2-2E-29CB	100	Glacier, S. lot - 1.74 acres	To be acquired
2-2E-29CC	1400	Clackamas County on S. side Abernethy - .28 acres	To be acquired
2-2E-29CC	1500	Clackamas County on S. side Abernethy - .19 acres	To be acquired
2-2E-29CC	1600	Clackamas County on S. side Abernethy - .24 acres	To be acquired
2-2E-29CC	1700	Clackamas County on S. side Abernethy - .4 acres	To be acquired
2-2E-29CC	2600	Between Washington and Abernethy Creek - .43 acres	Completed
2-2E-29CC	2800	1601 Washington, Alleman - .12 acres	To be acquired
2-2E-29CC	2900	Washington St., Alleman - .12 acres	To be acquired
2-2E-29CC	3000	Krueger Lumber, main building - .58 acres	To be acquired
2-2E-29CC	3100	Krueger Lumber, rear lot, .25 acres	To be acquired
2-2E-29CC	3200	Krueger Lumber, rear lot - .16 acres	To be acquired
2-2E-29CC	3300	Krueger Lumber, rear lot off of 16th - .49 acres	To be acquired

Redevelopers within the Urban Renewal Area will be subject to controls and obligations imposed by the provisions of this Plan. Redevelopers also will be obligated by the following requirements:

- The Redeveloper shall develop or redevelop property in accordance with the land-use provisions and other requirements specified in this Plan.
- The Redeveloper shall submit all plans and specifications for construction of improvements on the land to the Renewal Agency or its designated agent, for review prior to distribution to reviewing bodies as required by the City.
- The Redeveloper shall commence and complete the development of such property for the use provided in this Plan within a reasonable period of time as determined by the Agency.
- The Redeveloper shall accept all conditions and agreements as may be required by the Renewal Agency. The Renewal Agency may require the redeveloper to execute a Development agreement acceptable to the Renewal Agency as a condition of the Agency's assistance.
- The Redeveloper shall not effect any instrument whereby the sale, lease, or occupancy of the real property, or any part thereof, is restricted upon the basis of age, race, color, religion, sex, marital status, or national origin.

This Plan anticipates no business or residential relocation. Should conditions arise, which would cause the acquisition of developed and occupied property by the Urban Renewal Agency, the Agency will provide assistance to persons or businesses displaced in finding replacement facilities.

All persons or businesses, which maybe displaced, will be contacted to determine such relocation needs. They will be provided information on available space and will be given assistance in moving. All relocation activities will be undertaken and payments made, in accordance with the requirements of ORS 281.045-281.105 and any other applicable laws or regulations. Relocation payments will be made as provided in ORS 281.060. Payments made to persons displaced from dwellings will assure that they will have available to them decent, safe, and sanitary dwellings at costs or rents within their financial reach. Payment for moving expense will be made to residences and businesses displaced.

It is anticipated that this plan will be reviewed periodically during the execution of the Project. The plan may be changed, modified, or amended as future conditions warrant.

A. Minor Amendments

Minor changes to the Plan shall be made by a duly approved resolution of the Agency that describes the details of the minor change. Minor changes shall include:

1. Identification of property to be acquired for any purpose set forth in Section 700 G.1(a) of this Plan.
2. Changes to the Plan which are not specifically identified as requiring a Substantial Amendment, or a City Commission-Approved Amendment.

B. City Commission-Approved Amendments

City Commission approved amendments to the Plan shall require approval by the Agency by Resolution and approval by the City Commission by Ordinance. City Commission Approved amendments are:

1. Adding a project, activity, or program that differs substantially from a project, program, or activity in the Plan, and is estimated to cost in excess of the equivalent of \$500,000 in first quarter year 2000 dollars over the duration of the Plan. The \$500,000 threshold shall be adjusted annually at a rate equal to the Construction Cost Index (CCI), also referred to as the ENR Index for Construction published by the Engineering News Record.
2. Identification of land for acquisition which requires City Commission approval per Sections 700G.1(b), G.1(c), or 700 G. 2(a) of this Plan.

C. Substantial Amendments

Substantial amendments shall require the notice, hearing, and approval procedures required by ORS 457.095, and special notice as provided in ORS 457.120. Substantial amendments are:

1. 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.
2. Increasing the amount of maximum indebtedness that can be issued or incurred under the plan.

1100. Latest Date for Bonded Indebtedness

(Section inserted via 1st Amendment, Sept. 25, 1991)

Note: The requirement for a latest date provision was removed from urban renewal law after passage of BM50. BM50 requires that plans contain a maximum debt provision.

1101. Financing Methods

A. General

The Urban Renewal Agency may borrow money and accept advances, loans, grants and other forms of financial assistance from the federal government, the state, city, county 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 agency in conjunction with a joint undertaking of a project authorized by this plan. If such funds are

loaned, 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.

B. Tax Increment Financing

The costs of carrying out this Plan will be financed in whole or in part by tax increment financing, as authorized in ORS 457.420 through ORS 457.450.

The maximum amount of indebtedness that may be issued or incurred under this Urban Renewal Plan is \$130,100,000. This maximum amount of indebtedness does not include any indebtedness incurred to complete Plan projects prior to and any indebtedness outstanding on the date of adoption of this amendment. Please see Exhibit 8 for Schedule of Anticipated Projects, Estimated Costs, and Estimated Timelines.

The maximum amount of indebtedness noted above is the amount necessary to complete the projects in the Plan as measured in August 2007 dollars. To complete all projects anticipated in this Plan it is anticipated that the maximum amount of indebtedness will need to be increased to reflect increased costs due to inflation. Current costs were not adjusted for inflation due to the significant uncertainty and variation in timing of projects due to the need for private sector participation, inflation and changes in building requirements during the anticipated Plan period.

Urban Renewal Plan
Downtown Oregon City/North End

- Exhibit 1 - Boundary Map of Project Area
- Exhibit 2 - Sub-Districts in Project Area
- Exhibit 3 - Legal Description of Project Area
- Exhibit 4 - Land Use Map of Project Area
- Exhibit 5 - Zoning Map of Project Area
- Exhibit 6 - Map of Proposed Project Activities
- Exhibit 7 - Map of Properties to be Acquired
- Exhibit 8 - Anticipated Schedule of Projects, Estimated Costs and Estimated Timeline

Exhibit 1

Boundaries

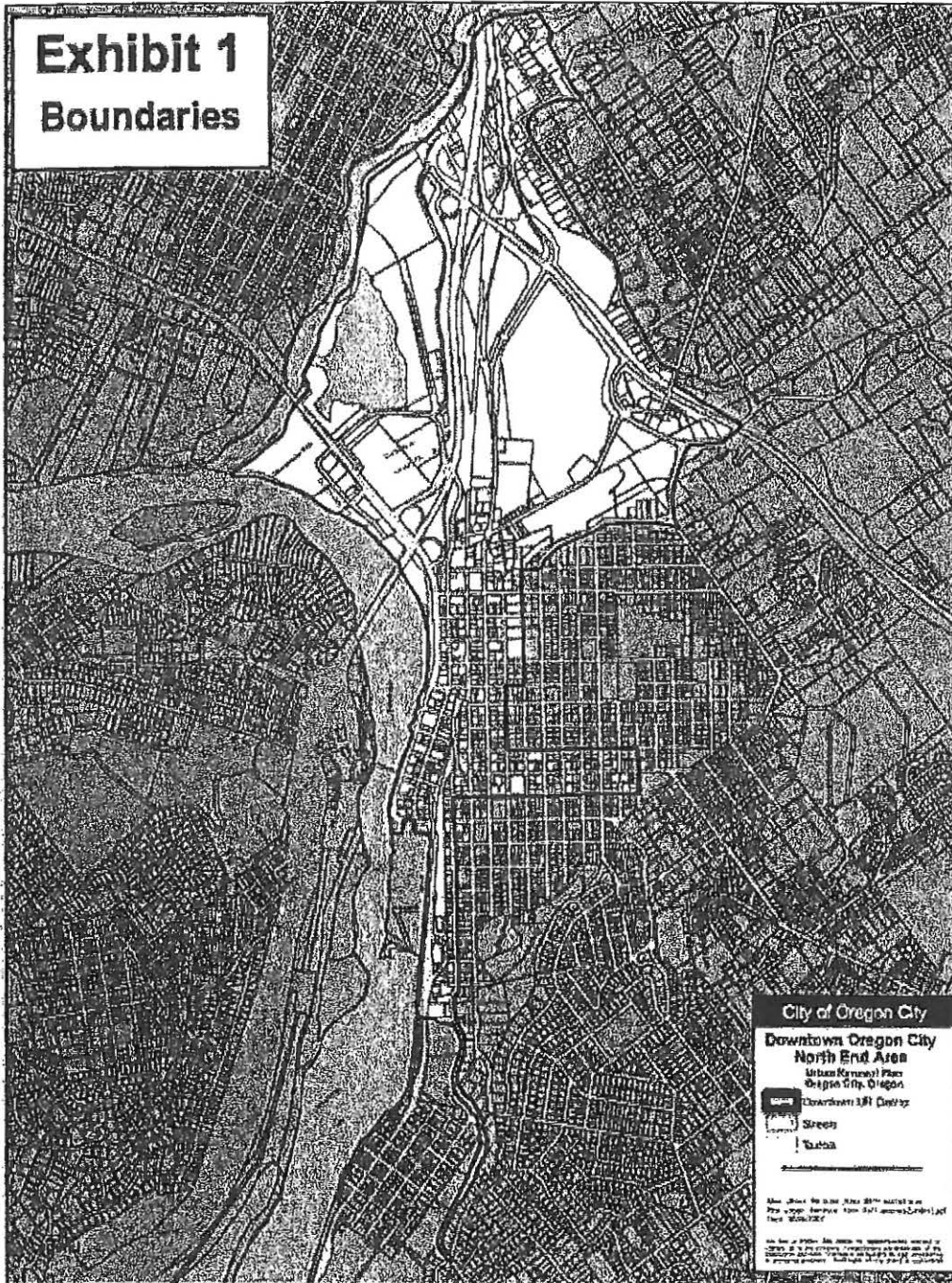


Exhibit 2

Sub-Districts

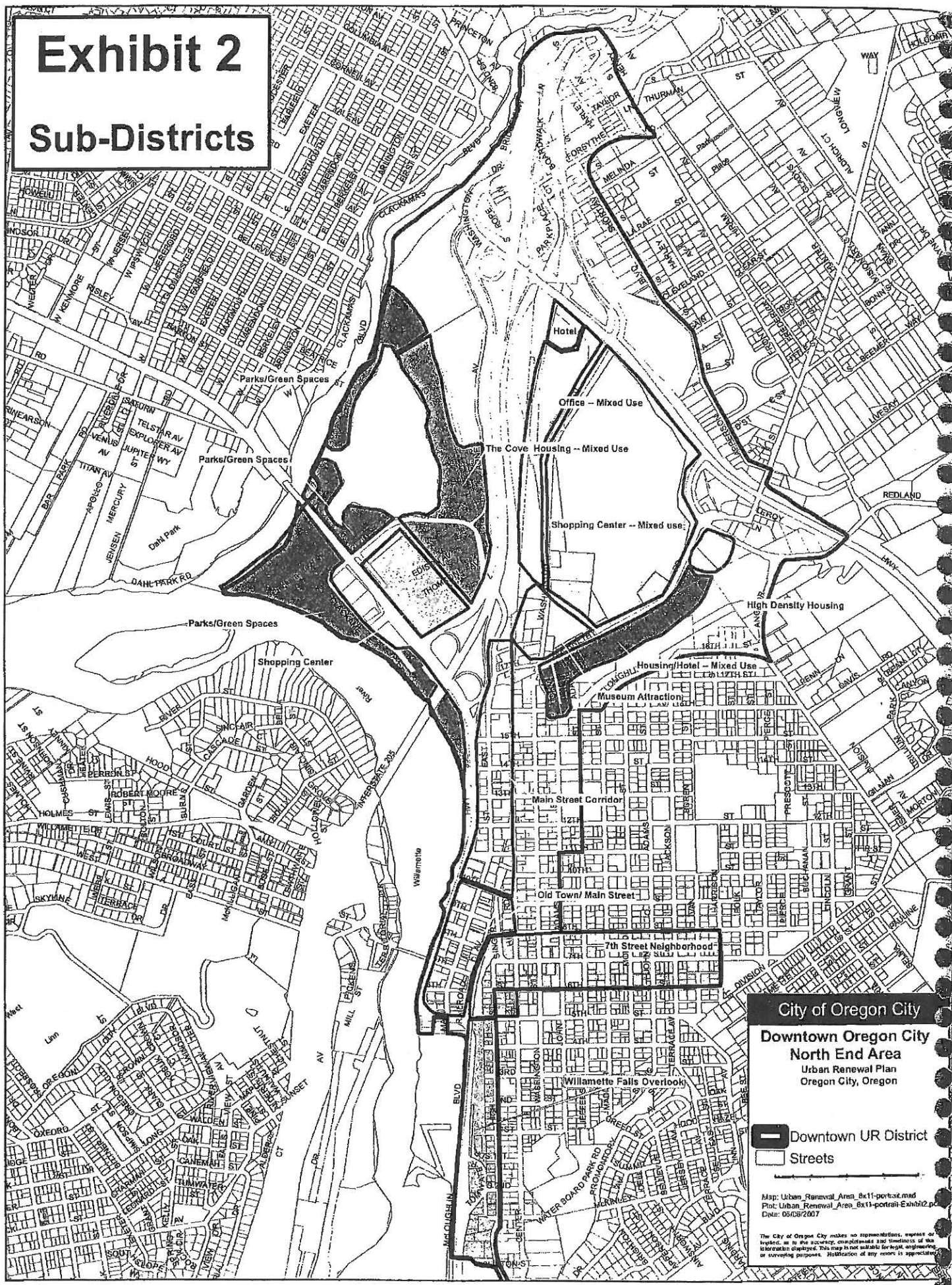


Exhibit 3 - Legal Description of Project Area

CORRECTED

LEGAL DESCRIPTION OF DOWNTOWN/NORTH END

URBAN RENEWAL DISTRICT BOUNDARY

This legal description is being re-recorded to correct an erroneous legal description on Oregon City Ordinance No. 90-1062, An Ordinance Adopting the Downtown/North End Urban Renewal Plan and Making Certain Findings and Determinations, recorded on December 21, 1990, Clackamas County Deed Records, Fee No. 90-62748.

The legal description attached to Ordinance No. 90-1062, recorded December 21, 1990, failed to include the following two exceptions:

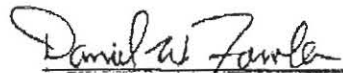
EXCEPT THEREFROM that portion lying within the City Limits of the City of Gladstone.

EXCEPT THEREFROM that portion lying outside the existing corporate City Limits of the City of Oregon City.

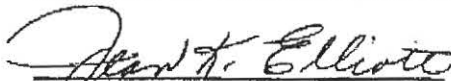
The entire legal description of the Downtown/North End Urban Renewal District Boundary is attached hereto to be re-recorded with the corrected legal description. This document relates back to Ordinance No. 90-1062, recorded on December 21, 1990, Clackamas County Deed Records, Fee No. 90-62748.

This correction duly adopted on motion by the City Commission this 17th day of April, 1991.

CITY OF OREGON CITY


DANIEL W. FOWLER, Mayor

ATTESTED this 17th day of April, 1991.


JEAN K. ELLIOTT, City Recorder



more or less, to the intersection with the Southeasterly extension of the Northeast line of Apperson Boulevard (County Road No. 1744, a 40 foot right-of-way at this point); THENCE Northwest along said Southeasterly extension and Northeast line of Apperson Boulevard a distance of 4400 feet, more or less, to the intersection with the South line of Forsythe Road (County Road No. 374, a 50 foot right-of-way); THENCE Easterly along the South line of said Forsythe Road a distance of 950 feet, more or less, to the intersection with the West line of Front Street (County Road No. 2370, a 50 foot right-of-way); THENCE North crossing said Forsythe Road a distance of 100 feet, more or less, to an angle point on the North line thereof; THENCE North and Northeast along the West line and North line of said Forsythe Road a distance of 445 feet, more or less, to a point on the East line of the Hiram Straight D.L.C. No. 42; THENCE North along the East line of said Straight D.L.C. No. 42 a distance of 200 feet, more or less, to the Southwest corner of the James Winston D.L.C. No. 69; THENCE North along the West line of said Winston D.L.C. No. 69 a distance of 310 feet, more or less, to the most Westerly Northwest corner thereof; THENCE East along the North line thereof a distance of 150 feet, more or less, to the Southwest corner of that certain tract of land conveyed to Clackamas County, State of Oregon, as recorded in Book 281, Page 467, Clackamas County Deed Records; THENCE North along the West line of said Clackamas County tract and its Northerly extension a distance of 450 feet, more or less, to a point on the Southerly bank of the Clackamas River; THENCE West and Southwest along the Southerly bank of said Clackamas River a distance of 6500 feet, more or less, to the intersection with the Easterly bank of the Willamette River; THENCE South and Southwest along the East bank of said Willamette River a distance of 7000 feet, more or less, to the intersection with the Northwesterly projection of the centerline of a 10 foot alley between Lots 6 and 7 of Block 3 of the duly recorded plat of Oregon City (County Plat No. 123); THENCE Southeast along Northwesterly projection a distance of 35 feet, more or less, to a point on the Northwest line of Water Street (a 60 foot right-of-way, Vacated) THENCE Northeast along the Northwest line thereof a distance of 75 feet, more or less, to the intersection with the Northwesterly projection of the Southwest line of Lot 8 of said Block 3; THENCE Southeast along said Northwesterly projection and the Southwest line of said Lot 8 a distance of 165.00 feet to the most Southerly corner thereof; THENCE Northeast along the Southeast line of said Lot 8 a distance of 69.70 feet to the Southwesterly line of 5th Street (U.S. Hwy No. 99E); THENCE Southeast along the Southwesterly line of said 5th Street a distance of 105.00 feet to the intersection with the Northwest line of Main Street; THENCE Southwest along the Northwest line of said Main Street a distance of 149.70 feet to the intersection with the Northwesterly extension of the Northeasterly line of Lots 3 and 6 of Block 27 of said plat of Oregon City; THENCE Southeast along said Northwesterly extension and Northeast lines of Lots 3 and 6, a distance of 270.00 feet to the most Easterly corner of said Lot 3; THENCE continuing Southeast along the Southeasterly extension of the Northeast line of said Lot 3 a distance of 75 feet, more or less, to the Southeast line of McLoughlin Boulevard (U.S. Hwy No. 99E); THENCE Southwest along the Southeast line of said McLoughlin Boulevard a distance of 2700 feet, more or less, to the most Northerly corner of that certain tract of land conveyed to Portland General Electric Company (PGE), as recorded in Book 209, Page 001 and Recorder Fee No. 83-5806, Clackamas County Deed Records; THENCE Southeast along the Northeast line of said PGE tract a distance of 120 feet, more or less, to an angle point; THENCE Southwest along the Southeast line of said PGE tract a distance of 75 feet, more or less, to an angle point; THENCE Southeast

Legal Description
of
Downtown/North End
Urban Renewal District Boundary

1

A tract of land situated in Sections 20, 21, 29, 30, 31, and 32 in Township 2 South, Range 2 East; Section 36 in Township 2 South, Range 1 East; Section 1 in Township 3 South, Range 1 East; and Section 6 in Township 3 South, Range 2 East; of the Willamette Meridian, Clackamas County, Oregon, and being more particularly described as follows:

BEGINNING at the intersection of the Southeast line of High Street (a 60 foot right-of-way) and the Southwest line of 6th Street (a 60 foot right-of-way); **THENCE** Southeast along the Southwest line of said 6th Street, a distance of 2700 feet, more or less, to the intersection with the Southeast line of Harrison Street (a 60 foot right-of-way); **THENCE** Northeast along the Southeast line of said Harrison Road a distance of 730 feet, more or less, to the intersection with the Northeast line of 8th Street (a 60 foot right-of-way); **THENCE** Northwest along the Northeast line of said 8th Street a distance of 1900 feet, more or less, to Southeast line of John Adams Street (a 60 foot right-of-way); **THENCE** Northeast along the Southeast line of said John Adams Street a distance of 1560 feet, more or less, to the a point in the centerline of vacated 13th Street (74-34043, a 60 foot right-of-way); **THENCE** Southeast along said centerline of 13th Street a distance of 240.00 feet to a point in the centerline of vacated Jefferson Street (74-34043, a 60 foot right-of-way); **THENCE** Northeast along said centerline of Jefferson Street a distance of 304.00 feet to the Southwest line of 14th Street (a 60 foot right-of-way); **THENCE** Southeast along the Southwest line of said 14th Street a distance of 30.00 feet to the intersection with the Southeast line of said Jefferson Street; **THENCE** Northeast along the Southeast line of Jefferson Street (not vacated) a distance of 660 feet, more or less, to the intersection with the Southwest line of 16th Street (a 60 foot right-of-way); **THENCE** Southeast along the Southwest line of said 16th Street a distance of 270.00 feet to the intersection with the Southeast line of Madison Street (a 60 foot right-of-way); **THENCE** Northeast along the Southeast line of said Madison Street a distance of 120 feet, more or less, to the intersection with the South line of McLoughlin Avenue (a 60 foot right-of-way); **THENCE** Easterly along the South line of said McLoughlin Avenue a distance of 940 feet, more or less, to the intersection with the Southwest line of 18th Street (a 60 foot right-of-way); **THENCE** Southeasterly along the Southwest line of said 18th Street a distance of 1080 feet, more or less, to the intersection with the Southwesterly extension of the Southeast line of South Anchor Way (a 60 foot right-of-way); **THENCE** Northeasterly along said Southwesterly extension and said Southeast line of South Anchor Way a distance of 1200 feet, more or less, to the intersection with the Southerly line of Redland Road (a 60 foot right-of-way); **THENCE** Easterly along the Southerly line of said Redland Road a distance of 960 feet, more or less, to the intersection with the Northeast line of Trail's End Highway (Oregon State Hwy. No. 213, Oregon City Bypass, a variable width right-of-way); **THENCE** Northwest along the Northeast line of said Trail's End Highway a distance of 1200 feet, more or less, to the intersection with the Southeast line of Holcomb Road (County Road No. 354, a 60 foot right-of-way); **THENCE** Northeast along the Southeast line of said Holcomb Road a distance of 210 feet,

URBAN RENEWAL DISTRICT BOUNDARY

3

along the Northeast line of said PGE tract a distance of 260 feet, more or less, to a point on the Northwest line of South End Road (County Road No. 945, a 60 foot right-of-way); THENCE Southwesterly along the Northwest and West lines of said South End Road a distance of 4100 feet, more or less, to the intersection of the West line of said South End Road with the Southwesterly extension of the Southeast line of Barker Avenue (a 50 foot right-of-way), said line being also the Northwest line of the duly recorded plat of Lawton Heights (County Plat No. 289); THENCE N. 52° 55' E. along said Southwesterly extension a distance of 75 feet, more or less, to the East line of said South End Road; THENCE North and Northeast along the East and Southeast lines of said South End Road a distance of 4400 feet, more or less, to the intersection with the South line of said High Street; THENCE Southeast along the South line of said High Street a distance of 35 feet, more or less, to the intersection with the Southeast line thereof; THENCE Northeast along the Southeast line of said High Street a distance of 2750 feet, more or less, to the POINT OF BEGINNING.

EXCEPT THEREFROM that portion lying within the City Limits of the City of Gladstone.

EXCEPT THEREFROM that portion lying outside the existing corporate City Limits of the City of Oregon City.

5th DISTRICT OF OREGON
County of Clatsop
I, John F. Karlman, County Clerk for the County of Clatsop, do hereby certify that the instrument of which this is a true and correct copy was received by me in the office of said County Clerk.

91 APR 25 PM 12:09

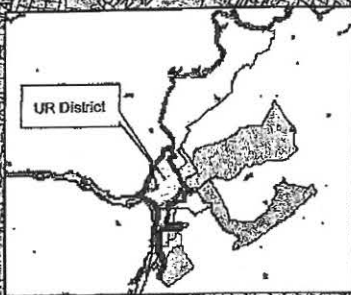
Witness my hand and seal of said County of Clatsop
John F. Karlman
County Clerk

91 18607

[RECEIVED: JUNE 11, 1991]

Exhibit 4

Land Use



Comp Plan	Imp. Value	Avg. Imp. Value
C	\$2,431,000	\$486,200
HR	\$725,390	\$90,674
I	\$9,592,560	\$342,591
LR	\$20,962,781	\$101,269
MR	\$42,509,780	\$250,058
MUC	\$19,426,180	\$154,176
MUD	\$70,190,600	\$257,108
P	\$12,383,180	\$515,966
QP	\$50,540,610	\$3,887,739
Total	\$228,762,081	\$267,871

Comp Plan	Developed Acres	Vacant Acres	Total Acres	% of Dev. In UR	% of Vacant In UR
C	6.7	2.6	9.3	72.0%	28.0%
HR	2.3	3.0	5.3	43.7%	56.3%
I	55.2	10.3	65.6	84.3%	15.7%
LR	71.2	25.4	96.6	73.7%	26.3%
MR	40.4	0.6	41.0	98.5%	1.5%
MUC	36.2	0.3	36.5	99.2%	0.8%
MUD	288.2	119.6	407.7	70.7%	29.3%
P	58.5	0.6	59.1	99.1%	0.9%
QP	99.0	35.3	134.3	73.7%	26.3%
Grand Total	657.6	197.6	855.5	76.9%	23.1%

Land Use

comprehensive

- LR - Low Density Residential
- MR - Medium Density Residential
- HR - High Density Residential
- Mixed Use-Corridor
- Mixed Use-Downtown
- C - Commercial
- Mixed Use-Employment
- I - Industrial
- QP - Public/Quasi Public
- P - Parks
- Future Urban

City of Oregon City

Downtown Oregon City
North End Area
 Urban Renewal Plan
 Oregon City, Oregon

Downtown
UR District

0 200 400 600 800 1,000 Feet

Map: Urban_Renewal_Area_8x11-portrait.mxd
 Plot: Urban_Renewal_Area_8x11-
 portrait-Exhibit-4.mxd-100lbs.pdf
 Date: 08/14/2007

The City of Oregon City makes no representation, warranty or
 implied as to the accuracy, completeness and timeliness of the
 information displayed. This map is not suitable for legal, engineering, surveying
 or planning purposes. Notification of any errors is appreciated.

Exhibit 5 Zoning

UR District

Zone	Imp. Value	Avg. Imp. Value
C	\$94,206,844	\$1,290,505
CI	\$5,613,060	\$193,554
County	\$144,019,570	\$160,022
GI	\$93,373,020	\$1,609,880
HC	\$4,295,920	\$110,152
I	\$303,748,000	\$3,197,347
MUC1	\$74,109,661	\$197,626
MUC2	\$9,448,790	\$349,955
MUD	\$70,190,600	\$254,314
MUE	\$236,713,500	\$1,727,836
R10	\$584,002,146	\$185,870
R2	\$94,650,410	\$339,249
R3.5	\$170,913,080	\$178,406
R6	\$356,323,721	\$145,974
R8	\$570,863,243	\$201,292
Total	\$2,812,471,565	\$241,103

Zoning

- R-10 - Single Family Dwelling
- R-8 - Single Family Dwelling
- R-6 - Single Family Dwelling
- RD4-MDP - Manufactured Dwelling Park
- R-3.5 - Medium Density Residential
- R-2 - Multi-Family Dwelling
- MUC-1 - Mixed Use Corridor 1
- MUC-2 - Mixed Use Corridor 2
- MUD - Mixed Use Downtown
- MUE - Mixed Use Employment
- C - General Commercial
- HC - Historic Commercial
- GI - General Industrial
- CI - Campus Industrial
- I - Institutional
- FU-10 - County Zoning
- County

ZONE	Acres of Zone in UR		Total Acres	% of Zone in UR	
	Developed	Vacant		Developed	Vacant
C	6.6	1.1	7.8	85.6%	14.4%
GI	80.4	57.3	137.7	58.4%	41.6%
I	60.2	3.5	63.7	94.5%	5.5%
MUC-1	39.3	0.3	39.6	99.2%	0.8%
MUD	341.9	140.7	482.6	70.8%	29.2%
R-10	33.1	17.7	50.9	65.1%	34.9%
R-2	2.3	3.0	5.3	43.6%	56.4%
R-3.5	40.3	0.8	41.1	98.0%	2.0%
R-6	13.9	9.2	23.1	60.2%	39.8%
R-8	17.0	1.7	18.8	90.8%	9.2%
None		0.2	0.2	0.0%	100.0%
Total	635.2	235.7	870.9		

City of Oregon City

Downtown Oregon City
North End Area
Urban Renewal Plan
Oregon City, Oregon

Downtown
UR District

0 200 400 600 800 1,000 Feet

Map: Urban Renewal Area 8x11-portrait.mxd
Post Urban Renewal Area 8x11-portrait-Exhibit 5 with tables.pdf
Date: 08/14/2007

The City of Oregon City makes no representation or warranty as to the accuracy, completeness and timeliness of the information displayed. This map is not a liability for legal, engineering, or surveying purposes. Notation of any errors is appreciated.

Exhibit 6 Potential Projects

Potential Projects

- | ID | NAME |
|----|-------------------------------|
| 1 | Rossman Landfill |
| 2 | Clackamette Cove |
| 3 | Metro Transfer Station |
| 4 | Amtrak Station |
| 5 | County Shops Property |
| 6 | City Owned Property |
| 7 | Stimson Property |
| 8 | Oregon City Shopping Center |
| 9 | Krueger Lumber Building |
| 10 | End / Oregon Trail Interp Ctr |
| 11 | 12 Street Lot |
| 12 | Railroad Ave. Improvements |
| 13 | Court House Renovation |
| 14 | Streetscape Renovation |
| 15 | McLoughlin Blvd Improvements |
| 16 | Willamette Falls Access |
| 17 | Plumbing Block |
| 18 | Bluff from 7th St to Elevator |
| 19 | Antique Mall Block |
| 20 | McLean Clinic |
| 21 | Civic Complex (location TBA) |

City of Oregon City

Downtown Oregon City
North End Area
Urban Renewal Plan
Oregon City, Oregon

 Downtown UR District
 Streets

Map: Urban_Renewal_Area_8x11-portrait.mxd
Plot: Urban_Renewal_Area_8x11-portrait-Exhibit6.pdf
Date: 06/06/2007

The City of Oregon City makes no representations, express or implied, as to the accuracy, completeness and timeliness of the information displayed. This map is not suitable for legal, engineering, or surveying purposes. Noification of any errors is appreciated.

Exhibit 7

- Freeways
- Major Streets
- - - City Limits
-  Taxlots Already Acquired
-  Taxlots To Be Acquired



0 500 1,000 2,000
Feet

The City of Oregon City makes no representations, express or implied, as to the accuracy, completeness and timeliness of the information displayed. This map is not suitable for legal, engineering, or surveying purposes. Notification of any errors is appreciated.

City of Oregon City
PO Box 3040
320 Warner Milne Rd
Oregon City, OR 97045
(503) 657-0891
www.orcity.org



Date: 5/23/07; Map: Acquisition_taxlots.mxd; Plot: Acquisition_taxlots_11a171_30070923.pdf

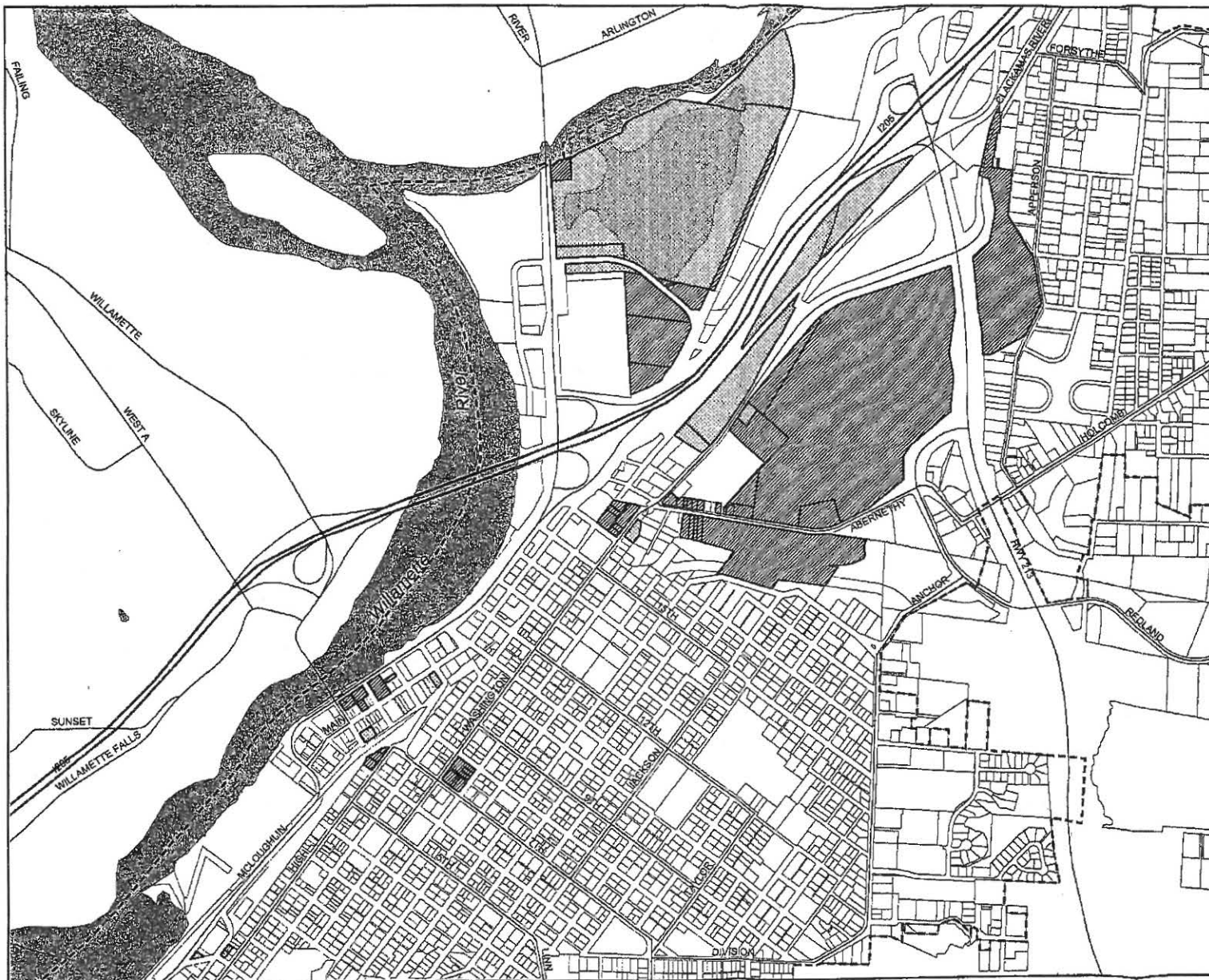


Exhibit 8
City of Oregon City, Oregon
Urban Renewal Plan Amendment
Projects, Costs and Projected Timelines
August 2007

(amounts in millions)							Total Urban Renewal	Total Private Investment
Project	Fiscal year 2008	2009	2010	2011	2012	Beyond 2012		
1. Rossman Landfill				30.0			30.0	
Lifestyle Center/Retail/Office/Housing		60.0	108.0	48.0	24.0			240.0
2. Clackamette Cove	2.0	3.0	3.0				8.0	
Mixed Use Housing and Commercial		40.0	60.0	40.0	20.0			160.0
3. Metro Transfer Station							-	
Lodging/commercial								-
4. Amtrak Station	0.5	0.5					1.0	
Government infrastructure improvement								-
5. County Shops			2.6	2.5			5.1	
Housing				20.0	20.0			40.0
6. City Property McLoughlin			2.0				2.0	
Commercial			5.0	10.0				15.0
7. Stinson Property Redevelopment						10.0	10.0	
Commercial/retail						60.0		60.0
8. Oregon City Shopping Center				2.0			2.0	
Commercial redevelopment				10.0				10.0
9. Krueger Lumber				1.0			1.0	
Commercial/retail				5.0				5.0
10. End of Oregon Trail			1.0				1.0	
Museum other public improvements								-
11. Historic Downtown	5.0	2.5	5.0			25.0	37.5	
Mixed Use Commercial/Retail				5.0	10.0	125.0		140.0
12. Falls Access & Viewing			1.5	1.5			3.0	
Public improvements					15.0			15.0
13. 7th Street Projects			2.5	2.5		0.5	5.5	
Mixed Use Commercial/residential/public				12.5	12.5	2.5		27.5
14. Civic Complex		2.5	5.0	2.5			10.0	
Public improvements								-
Project Administration and related costs	0.5	0.5	0.5	0.5	0.5	9.0	11.4	
Debt issuance costs (2%)	0.2	0.2	0.5	0.8	0.0	0.9	2.6	
Totals - Urban Renewal	8.2	9.2	23.6	43.3	0.5	45.4	130.1	
Totals - Private Sector Projects		100.0	173.0	150.5	101.5	187.5		712.5
Percentage Urban Renewal/Private Investment	-	9%	14%	29%	0%	24%	18%	

Note: Urban renewal activity
Developer activity

Oregon City Urban Renewal

Work Plan

FY 2012-13

URBAN RENEWAL CORE VALUES

1. Return on Investment; qualitative and quantitative
2. Cultivating Resources, Processes and Investment in Underutilized or Affected Areas
3. Make the Urban Renewal District a Destination
4. Job Creation; Permanent and Temporary
5. Economic Development
6. Historical and Cultural Interpretation

SUMMARY

The Urban Renewal Commission, the City of Oregon City's Urban Renewal Agency, has identified six core values (above) and an associated work plan that will guide urban renewal activities for a twelve month period. The core values and activities listed in the Work Plan are aligned with the Urban Renewal Plan goals and its authorized projects. Urban renewal activities for FY 2012/13 are prioritized in short, medium and long-term categories.

Short-Term

Activity: <i>Train Depot</i>
Description: Identify use for the Depot and move forward on tenant improvements
Results/Impact/Benefit: Economic development; job creation; finding a use for empty facilities; aligning efforts with County tourism efforts; leveraging other funding; renewed opportunity to focus on Amtrak/rail; Duck trains and shuttles
Priority Level: (1=low; 5=high) - 5
When to Move Forward? 1-3mos.

Activity: <i>Economic Development Opportunities at the North End</i>
Description: Identify all opportunity sites for development in the north end of downtown and facilitate such development
Results/Impact/Benefit: North end Main Street focus; infill development; job creation; specific focus on 12 th St. and 10 th St., focus on mixed-use component; grocery store
Priority Level: (1=low; 5=high) - 5
When to Move Forward? 1-3mos.

Activity: <i>Explore Options for Disposing of/Developing Infill Properties</i>
Description: Identify options available to the URC that will facilitate a proactive approach for developing/disposing of infill properties.
Results/Impact/Benefit: Proactive Development; Revenue for District; Good Development Projects; Jobs
Priority Level: (1=low; 5=high) – 5
When to Move Forward? 1-3mos.

Activity: <i>Transfer of Stimson Property into City Wetlands as Part of the Jughandle Project</i>
Description: The URC currently owns an undevelopable piece of property (the Stimson Property) in the proximity of the Jughandle project along I-205. The property is undevelopable due to it being a wetlands area and the activity would be to swap this property for developable City-owned property at 12 th and Main Street.
Results/Impact/Benefit: Facilitate UR Development; Needs to move forward to the City Commission
Priority Level: (1=low; 5=high) - 4
When to Move Forward? 1-3mos.

Mid-Term

Activity: <i>Blue Heron</i>
Description: Identify urban renewal tools and programs that help facilitate redevelopment of the Blue Heron site.
Results/Impact/Benefit: Maximize/Facilitate Blue Heron Development; Update the Commission on a periodic basis
Priority Level: (1=low; 5=high) - 3
When to Move Forward? 6-12mos.

Long-Term

Activity: <i>Urban Renewal Incentive Programs</i>
Description: Identify and create urban renewal incentive programs in lieu of or in addition to current UR incentive programs to entice redevelopment.

Results/Impact/Benefit: Incentivize high value development
Priority Level: (1=low; 5=high) - 1.55
When to Move Forward? 12mos. +

Activity: <i>Terminating Existing UR District and Forming Smaller UR District Areas</i>
Description: Closing down existing urban renewal district to create smaller UR districts throughout the City and identifying new projects within the smaller districts.
Results/Impact/Benefit: Table; bring back after 12 months.
Priority Level: (1=low; 5=high) - 1
When to Move Forward? 12mos. +

Activity: <i>Explore Economic Development Opportunities at the South End</i>
Description: Analyze the potential of annexing a portion of land at the south end of Oregon City's urban growth boundary and expanding the Urban Renewal District to facilitate industrial development.
Results/Impact/Benefit: Economic Development, Jobs, Diversification of the economic base
Priority Level: (1=low; 5=high) - 1
When to Move Forward? 12mos. +

Memo From: Philip Yates

To: Urban Renewal Budget Committee

Date: April 23, 2013

ENTERED INTO THE RECORD

DATE RECEIVED: 04-23-13

SUBMITTED BY: Philip Yates

SUBJECT: Item 7a

There are a number of **existing conditions**, mostly new and all important, for this Committee to consider:

1. Currently, there are no UR District "projects" for the landfill or the cove.
2. The current 2006 UR plan (the 10th amended plan), adopted when the economy was "in the bubble," has generated community discord. We've spent millions of dollars since 2006 under the plan and have very little to show for it.
3. OC has a new charter ordinance that requires a vote before any new UR bonds can be issued.
4. The Willamette Falls (Blue Heron) site is now available for development. It's outside the current UR District's boundaries.
5. We've gone through a wrenching recession, the national and international economy still appears to be fragile, e.g. the Fed wouldn't be printing money unless the Fed thought it was averting another recession.

Under these conditions, **what should the UR District do going forward?**

1. Put money in the budget to build community consensus over a new UR plan. The plan would likely result in the creation of an additional district for Willamette Falls/Blue Heron. We may reach a different conclusion about the highest and best use of the lands owned or controlled by Oregon City. The existing UR plan calls (essentially) for high-end residential/office/retail development of the cove and the landfill. We may find that a simple sale for a less high-end development, without subsidy, may provide funds we needed for the Willamette Falls site development.
2. Reduce this year's UR budget to bare bones, until after a plan is adopted, as follows:

Operations

- a. Eliminate the \$50,000 budget for marketing. Hire commissioned sales agents to sell the property we decide to sell.
- b. Eliminate the \$20,000 for rental repairs. It seems there is a clear consensus on the URC to sell the property we currently rent. There is no reason to fix up property we are going to sell.
- c. Dramatically reduce \$713,000 (in Legal/consulting/admin expenses), to reflect the diminished activity of the district.
- d. Put the \$1,000,000 for "development project incentives" into reserves, in anticipation of an 11th amended plan.

Capital Outlays

- a. Eliminate the \$425,000 rehab program.

This program fosters cronyism. We keep seeing the same applicants.

This is a very inefficient way to spend our money. Note that there is \$562,000 in admin costs over two years to administer this program and the store front program. This is not an efficient way to increase development.

The results of the program cannot be appreciated by the public because the improvements are indoors. If you can't see it, it does not address "blight".

If the program incentivizes office/retail space development, it would disadvantage all the existing property owners with vacant office/retail space. OC has way too much vacant space to be subsidizing more. If we wish to incentivize housing development, we could avoid cronyism and have a much wider impact on residential desirability downtown and on the bluff by funding RR "quiet zone" improvements.

The program has no clear guidelines (at least to this commissioner), so it is hard to evaluate applications, and it is difficult to evaluate for program effectiveness.

Evaluation Criteria for the rehab program are:

1. Amount of private match (required match is 1:1).
2. Project increases usable square feet of building for a higher and better use.
3. Adding to the mixed-use activity of the building (ex: first floor retail/restaurant, second floor commercial/professional/residential, higher floors residential).
4. Development experience of applicant or project partners.
5. Increase in value of property as documented by pro-forma, appraisal, economic analysis, etc.
6. Overall project benefit, impact and quality (based upon staff review).

Conclusion

If the committee follows my recommendations, the operating budget would be reduced by \$50,000 (marketing) and the capital program by \$425,000 (rehab program). Additionally, under operations, the \$713,000 cost for legal/consultants/admin would be reduced to match the diminished activities of the District, and to pay a consultant to assist in the development of a new UR plan.