



MEMORANDUM CITY OF TUALATIN

TO: Honorable Mayor and Members of the City Council

FROM: Sherilyn Lombos, City Manager

DATE: April 22, 2019

SUBJECT: Work Session for April 22, 2019

5:00 p.m. (60 min) – Tualatin Urban Renewal Education Series Part I. The Tualatin Urban Renewal Education Series will provide the Tualatin Development Commission (the City Council) a three part series that focuses on 1.) Urban Renewal 101 - The Basics, 2.) The Tualatin Development Commission, and 3.) Needs of and Goals for Tualatin. Led by our consultant, Elaine Howard, Session 1 will focus on the basics of urban renewal: what is urban renewal, why it is used, how does it function, how tax increment financing works, and a brief overview of Tualatin's two districts and their history.

6:00 p.m. (20 min) – Interstate 205 Update. Oregon Department of Transportation (ODOT) Regional Manager Rian Windsheimer will share information about the status of the I205 projects, especially in relation to the area around the Stafford area.

6:20 p.m. (30 min) – Update on Washington County Transportation Projects. Representatives from Washington County Land Use and Transportation will be present to give updates on the Tualatin Sherwood Road Widening project, the Basalt Creek Parkway, and other projects that are being planned that touch or impact Tualatin.

6:50 p.m. (5 min) – Proclamation Request. The Moms Demand Action for Gun Sense in America has requested that the City Council issue a proclamation regarding National Gun Violence Awareness Day. The request is attached.

6:55 p.m. (5 min) – Council Meeting Agenda Review, Communications & Roundtable. Council will review the agenda for the April 22nd City Council meeting and brief the Council on issues of mutual interest.



MEMORANDUM

CITY OF TUALATIN

TO: Honorable Mayor and Members of the City Council

THROUGH: Sherilyn Lombos, City Manager

FROM: Jonathan Taylor, Economic Development Manager
Aquilla Hurd-Ravich, Community Development Director

DATE: 04/22/2019

SUBJECT: Tualatin Urban Renewal Education Series - Session 1: Urban Renewal Basics

EXECUTIVE SUMMARY:

BACKGROUND

The City of Tualatin and the Tualatin Development Commission have a long and successful history of fostering economic growth and community redevelopment. The City has used Tax Increment Financing (TIF) to fund critical public infrastructure projects that have paved the way for millions of dollars of private investment and have spurred continued job growth in the City through two urban renewal districts:

- Central Urban Renewal District (CURD)
- Leveton Tax Increment District (LTID)

These two districts were formed for very different purposes, and each was successful in its own way.

The Central District (CURD) was intended to alleviate blight in downtown Tualatin, providing a sense of place, and a more vibrant urban setting. Implementation of the Tualatin Commons is one of CURD's greatest accomplishments.

The Leveton District (LTID) was created to open up new lands for employment and industry, and over the last 26 years, it has accommodated over 35 new employers, bringing thoughts of jobs to the City of Tualatin.

While each district was formed for different purposes, they shared a common result – increased property value. The assessed value of the Central District increased by \$180 million between 1975 and 2010. Likewise, the assessed value of the Leveton District increased by \$255.5 million between 1985 and 2010. As a result, the close down of the urban renewal districts returned thousands of dollars of assessed value to other important services such as schools and fire.

EDUCATION SERIES

The Tualatin Urban Renewal Education Series will provide the Tualatin Development Commission a three part series that focuses on 1.) URA 101 - The Basics, 2.) The Tualatin

Development Commission, 3.) Needs of and Goals for Tualatin. Led by our consultant, Elaine Howard - Elaine Howard Consulting, Session 1 will focus on the basics of urban renewal: what is urban renewal, why it is used, how does it function, how tax increment financing works, and a brief overview of Tualatin's two districts and their history.

Attachments: [Attachment A - Session 1 URA Basics PowerPoint](#)

TUALATIN URBAN RENEWAL BASICS



ELAINE HOWARD
CONSULTING, LLC





ROADMAP

1. Terminology
2. Why use Urban Renewal?
3. Crash Course – UR
4. Proposed Legislation
5. Next Steps

TERMINOLOGY

1. UR – Urban Renewal
2. URA - Urban Renewal Area
3. URD - Urban Renewal District
4. TIF - Tax Increment Funds or Tax Increment Financing
5. MI - Maximum Indebtedness
6. AV - Assessed Value
7. TDC - Tualatin Development Commission

WHY USE URBAN RENEWAL?



Many opportunities for improvements and redevelopment in cities that need funding -
Infrastructure

Plans that need to be implemented

Housing Needs

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

Urban Renewal provides an additional tool to the city's toolbox - funding source to bridge the gap

CRASH COURSE | UR 101



CRASH COURSE | UR 101



PROPERTY TAX INCREASES

1. 3% Appreciation
2. Substantial Improvements



REGULAR TAXING JURISDICTIONS
City, County, Etc.

CRASH COURSE | UR 101

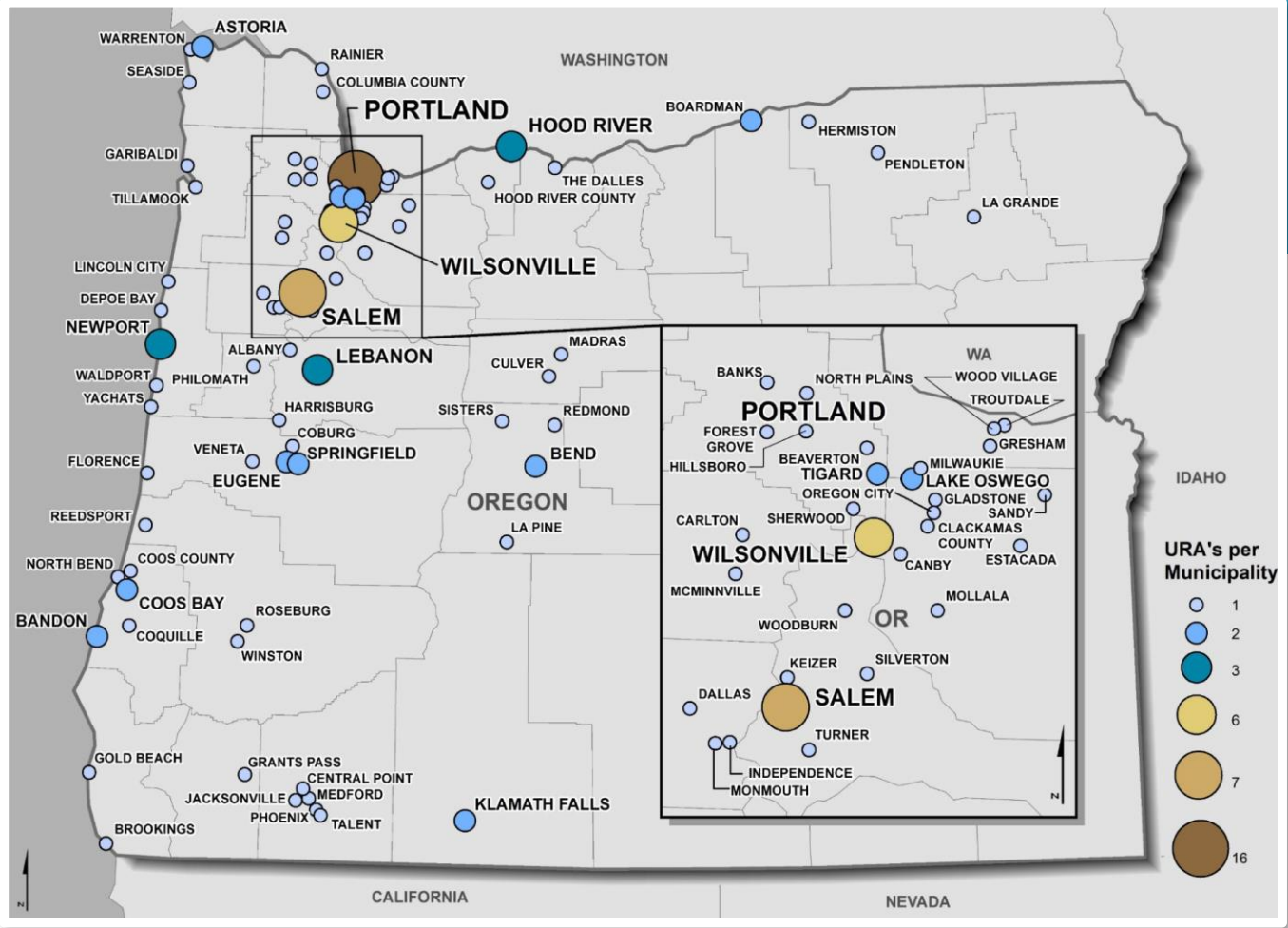




WHAT IS URBAN RENEWAL?

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

CITIES WITH URBAN RENEWAL



WHAT IS BLIGHT?

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

HOW DOES AN URBAN RENEWAL AREA FUNCTION?

1. Income Source

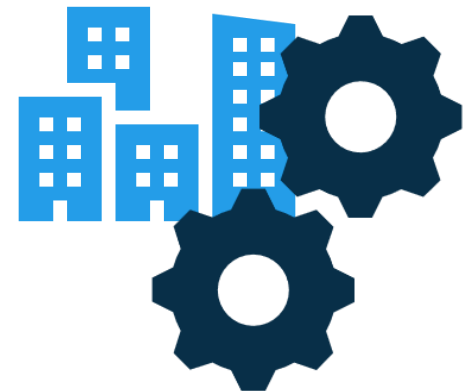
- ❖ Yearly property tax collections based on growth within Boundary (more detail on mechanism in later slide)

2. Expenses

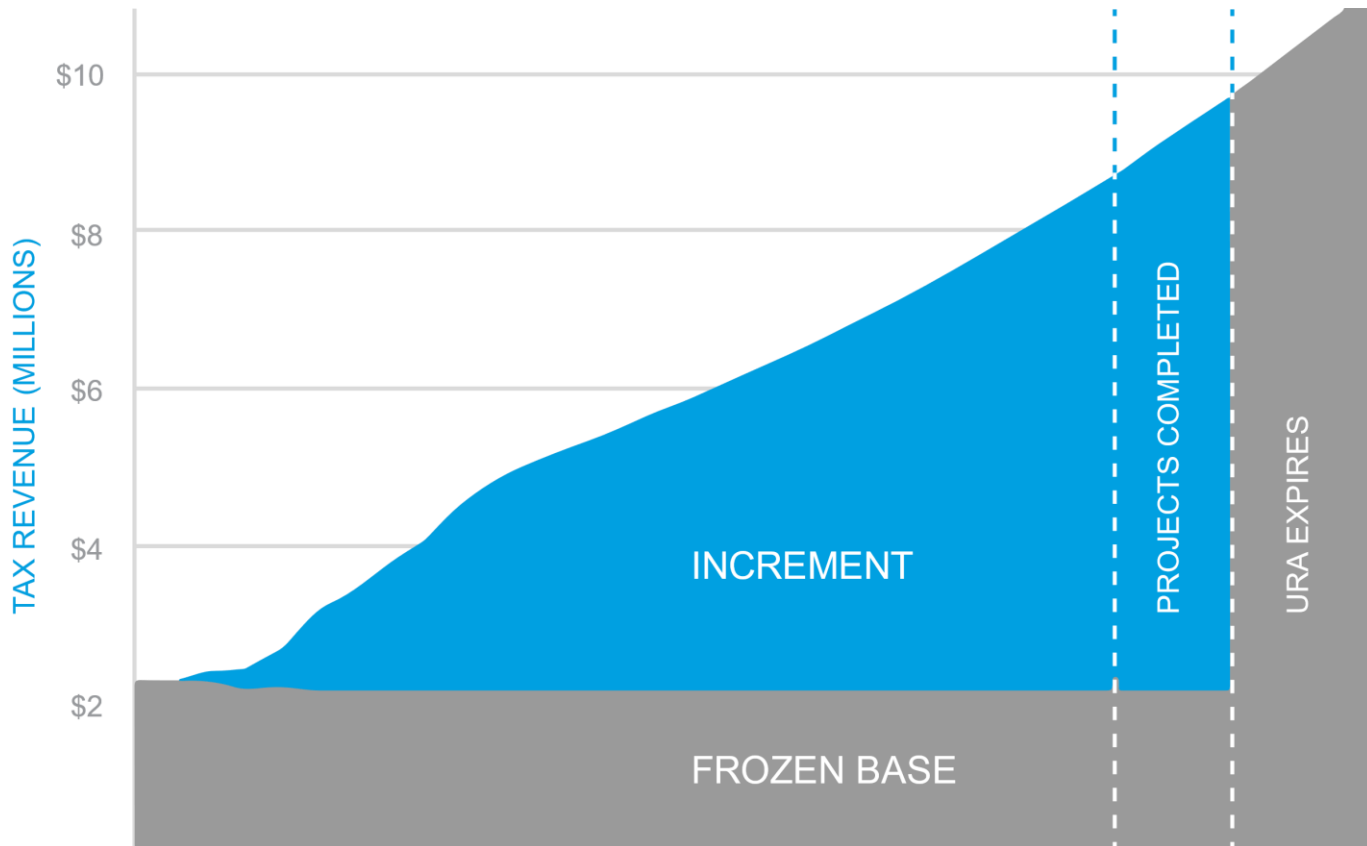
- ❖ Projects, programs, and administration

3. Spending Limit

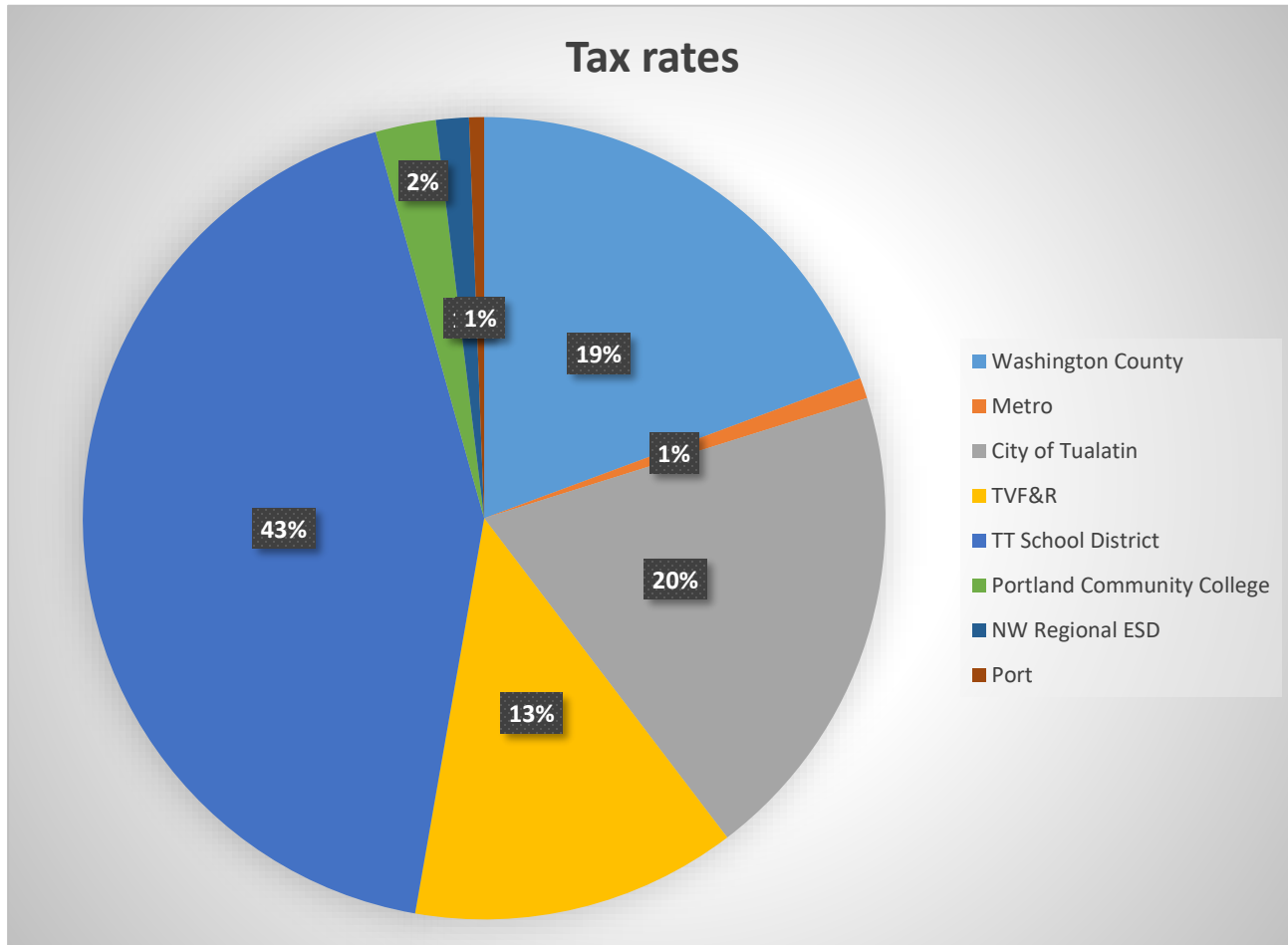
- ❖ Capped by Maximum Indebtedness (MI):
 - The total amount of money that can be spent over the life of the district on projects, programs, and administration.



HOW DOES URBAN RENEWAL FINANCING WORK?



LEVERAGING CITY TAX RATE



A HYPOTHETICAL PROPERTY TAX BILL

Taxing District	Rate	Property Value
Property Value		\$100,000
Washington County	\$ 2.2484	\$224.84
Metro	\$ 0.0966	\$9.66
City of Tualatin	\$ 2.2665	\$226.65
TVF&R	\$ 1.5252	\$152.52
TT School District	\$ 4.9892	\$498.92
Portland Community College	\$ 0.2828	\$28.28
NW Regional ESD	\$ 0.1538	\$15.38
Port	\$ 0.0701	\$7.01
Tigard Tualatin Acquatic	\$ 0.0900	\$9.00
Tualatin Soil and Water	\$ 0.0691	\$6.91
Urban Renewal		
Total	\$ 11.7917	\$1,179.17

A HYPOTHETICAL PROPERTY TAX BILL

Taxing District	Rate	Property Value	Property Value without UR
Property Value		\$100,000	\$103,000.00
Washington County	\$ 2.2484	\$224.84	\$231.59
Metro	\$ 0.0966	\$9.66	\$9.95
City of Tualatin	\$ 2.2665	\$226.65	\$233.45
TVF&R	\$ 1.5252	\$152.52	\$157.10
TT School District	\$ 4.9892	\$498.92	\$513.89
Portland Community College	\$ 0.2828	\$28.28	\$29.13
NW Regional ESD	\$ 0.1538	\$15.38	\$15.84
Port	\$ 0.0701	\$7.01	\$7.22
Tigard Tualatin Aquatic	\$ 0.0900	\$9.00	\$9.27
Tualatin Soil and Water	\$ 0.0691	\$6.91	\$7.12
Urban Renewal			
Total	\$ 11.7917	\$1,179.17	\$1,198.16

A HYPOTHETICAL PROPERTY TAX BILL

Taxing District	Rate	Property Value	Property Value without UR	Property Value With UR
Property Value		\$100,000	\$103,000.00	\$103,000.00
Washington County	\$ 2.2484	\$224.84	\$231.59	\$224.84
Metro	\$ 0.0966	\$9.66	\$9.95	\$9.66
City of Tualatin	\$ 2.2665	\$226.65	\$233.45	\$226.65
TVF&R	\$ 1.5252	\$152.52	\$157.10	\$152.52
TT School District	\$ 4.9892	\$498.92	\$513.89	\$498.92
Portland Community College	\$ 0.2828	\$28.28	\$29.13	\$28.28
NW Regional ESD	\$ 0.1538	\$15.38	\$15.84	\$15.38
Port	\$ 0.0701	\$7.01	\$7.22	\$7.01
Tigard Tualatin Aquatic	\$ 0.0900	\$9.00	\$9.27	\$9.00
Tualatin Soil and Water	\$ 0.0691	\$6.91	\$7.12	\$6.91
Urban Renewal				\$18.99
Total	\$ 11.7917	\$1,179.17	\$1,198.16	\$1,198.16



PROPERTY TAXES AND URBAN RENEWAL

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

URBAN RENEWAL UTOPIA

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

1. Calculation

2. Distribution

3. Collection

HYPOTHETICAL CITY

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



FORMATION OF URA

Houses in City	40
Total AV 1st Year	\$4,000,000
25% First Year	\$1,000,000
Houses in URA	10



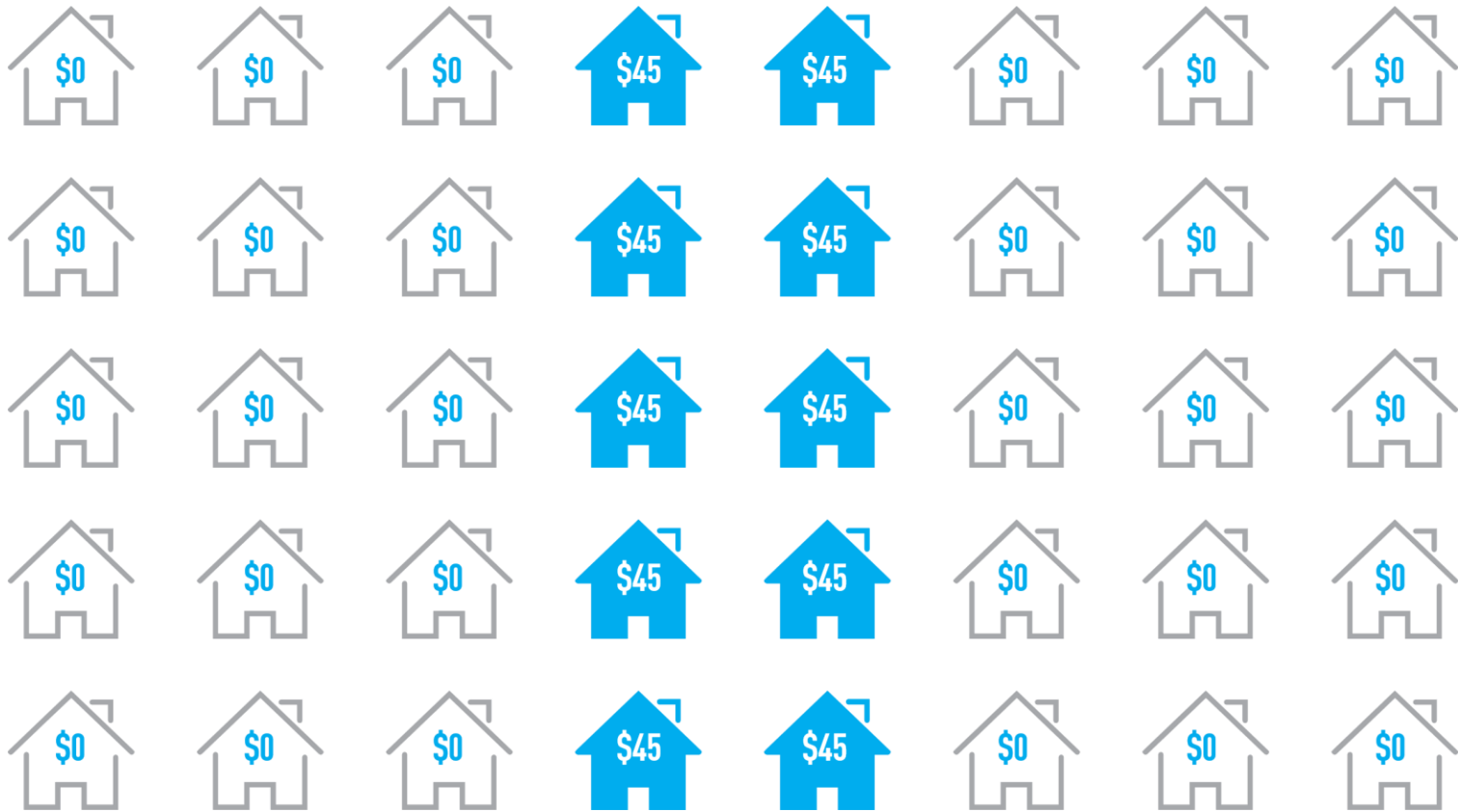
“CALCULATION”

Houses in City	40
Total AV 1st Year	\$4,000,000
25% First Year	\$1,000,000
Houses in URA	10



“DISTRIBUTION”

Houses in City	40
Total AV 1st Year	\$4,000,000
25% First Year	\$1,000,000
Houses in URA	10



“DISTRIBUTION”


Houses in City	40
Total AV 1st Year	\$4,000,000
25% First Year	\$1,000,000
Houses in URA	10



“DISTRIBUTION” + “COLLECTION”

Houses in City	40
Total AV 1st Year	\$4,000,000
25% First Year	\$1,000,000
Houses in URA	10



A photograph of a modern house with a blue and green color overlay. The house has a prominent front door and several windows. The text 'PROPERTY TAX FACTS' is overlaid in white on the left side of the image.

PROPERTY TAX FACTS

- No new taxes due to the division of taxes from Urban Renewal
- Schools are indirectly impacted by urban renewal
- There will be a line item for Urban Renewal on your property tax bill if this Plan is adopted
- There are no bonds or local option levies impacted by the proposed urban renewal plan unless bonds issued prior to 2001

IMPACTS TO TAXING DISTRICTS

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



URBAN RENEWAL AND LOCAL SCHOOL DISTRICTS

An Indirect Impact

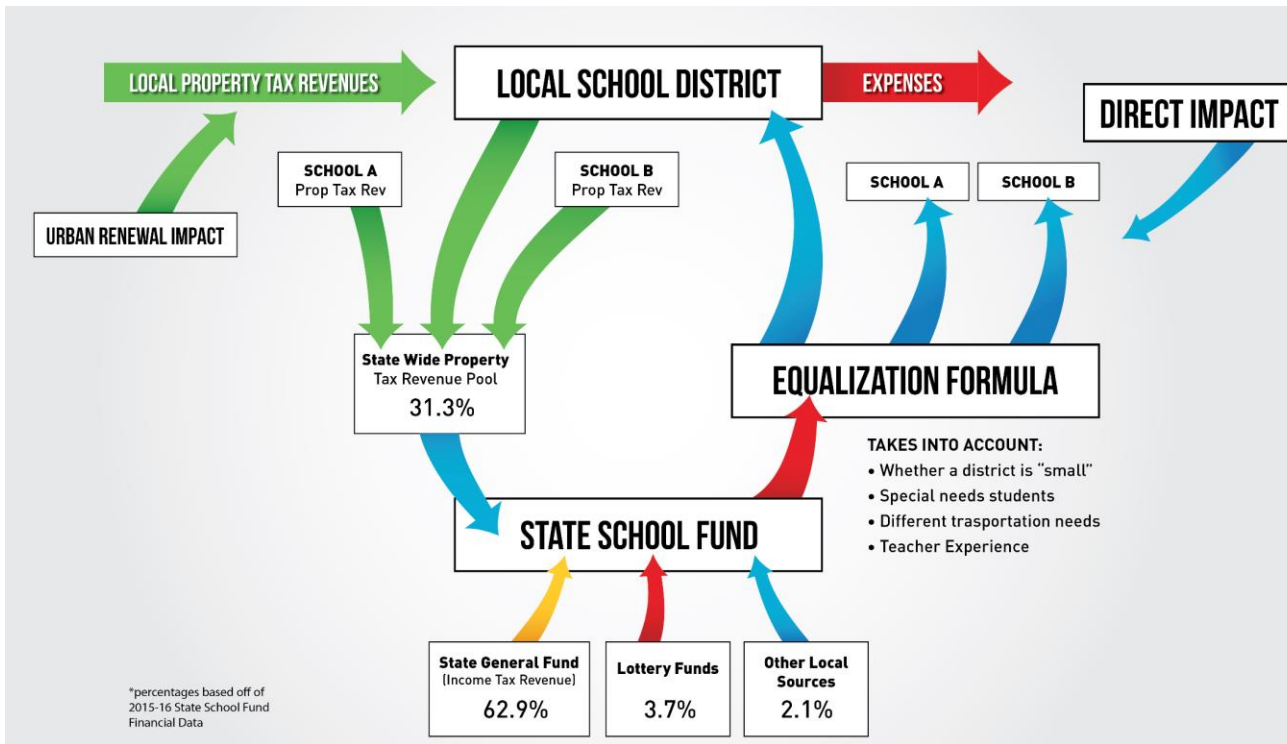
URBAN RENEWAL IMPACT

Regular Taxing District



URBAN RENEWAL IMPACT

Local Schools

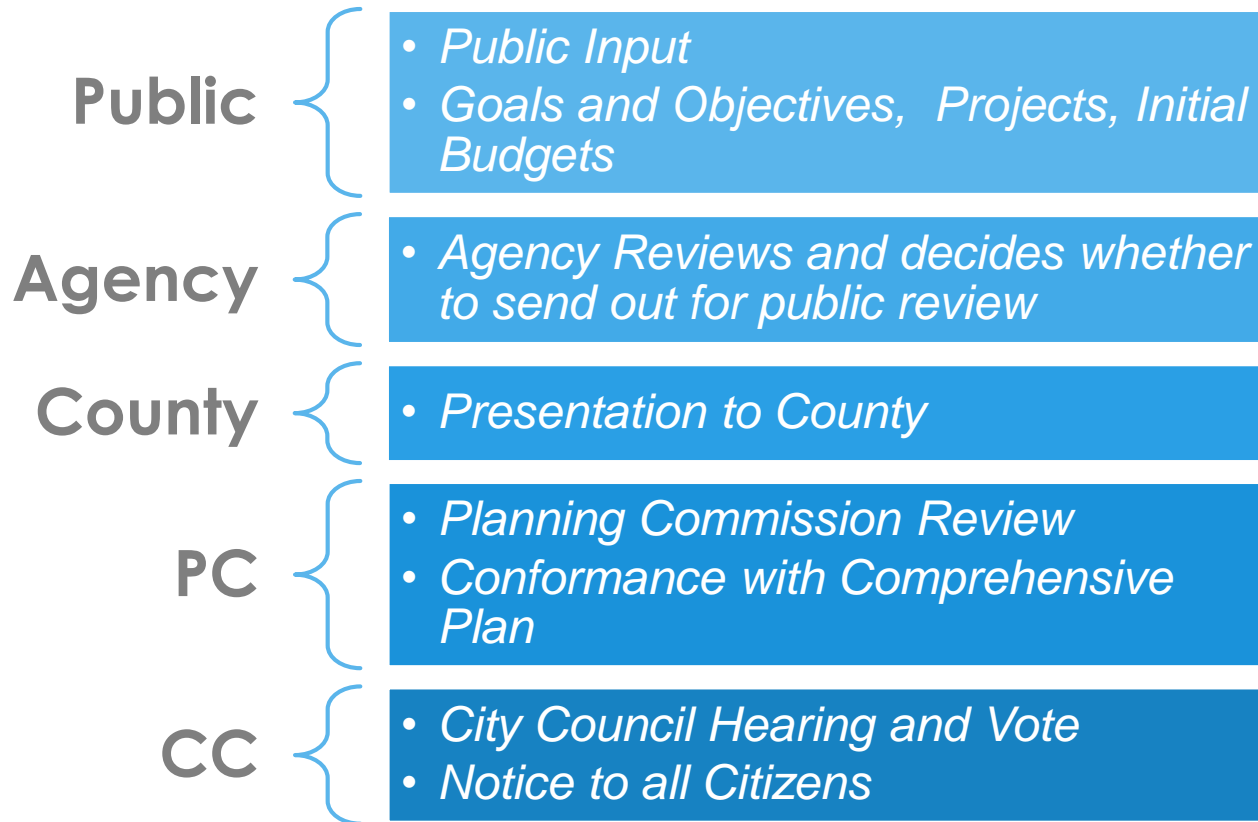




STATE LIMITATIONS ON URBAN RENEWAL

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

HOW IS A PLAN ADOPTED?



TIME FRAME FOR A NEW URBAN RENEWAL AREA

1. Depends on what preparation work has been completed
 - Projects identified
 - General community input and education – is there a desire for the projects and is urban renewal the right tool?
2. If the projects are identified – 6 - 8 months

2019 LEGISLATIVE ISSUES

1. Public buildings
2. Annual Reports
3. Clean up confusing issues



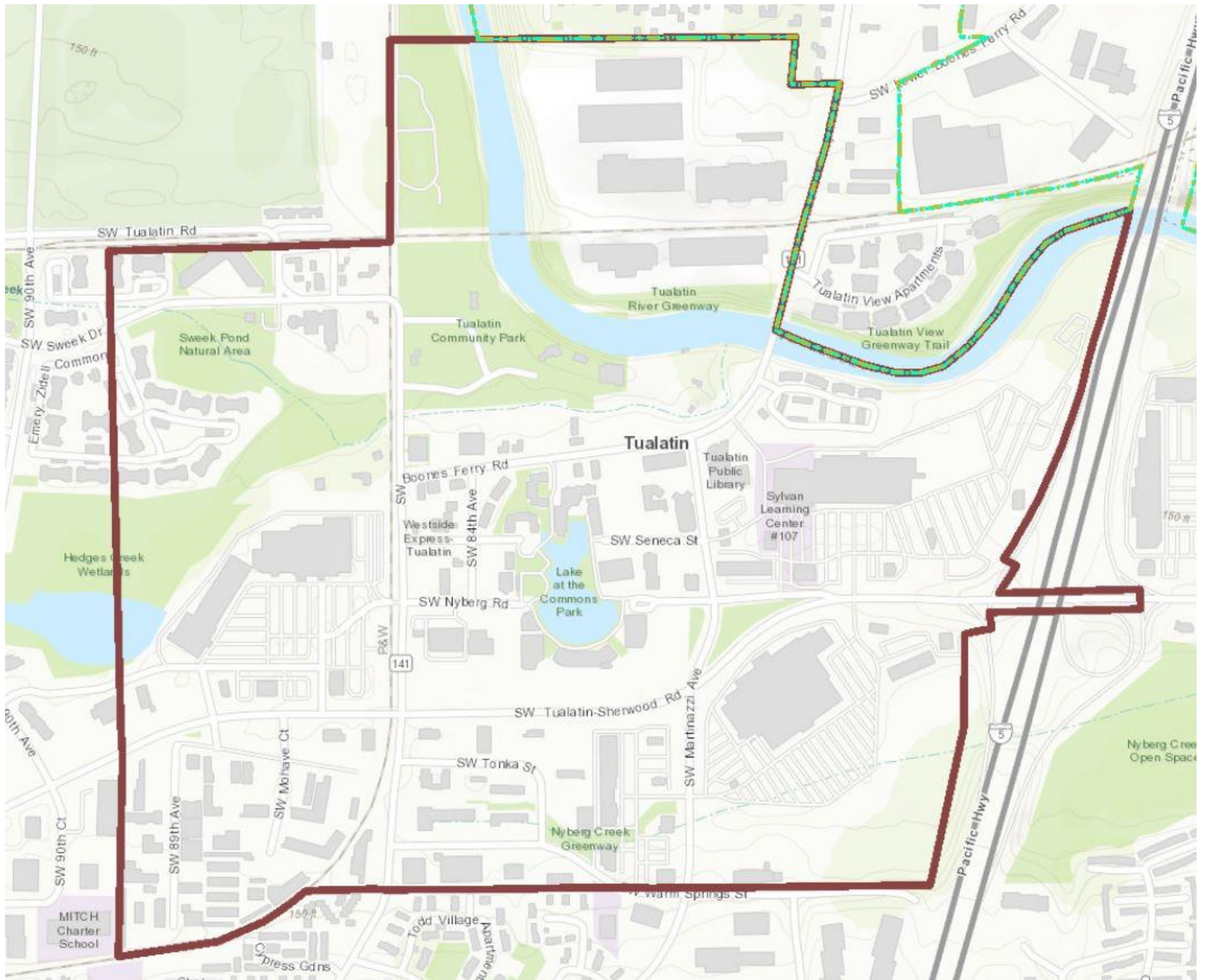
TUALATIN URBAN RENEWAL HISTORY



Tualatin Central

- Frozen base: \$14,067,089
- AV at closing: \$194,288,400
- MI \$27,705,384
- Established 1975
- Projects
 - Tualatin Commons
 - Tualatin Sherwood Road bypass
 - Nyberg Street and I-5 Interchange
 - Surface parking
 - Local street improvements

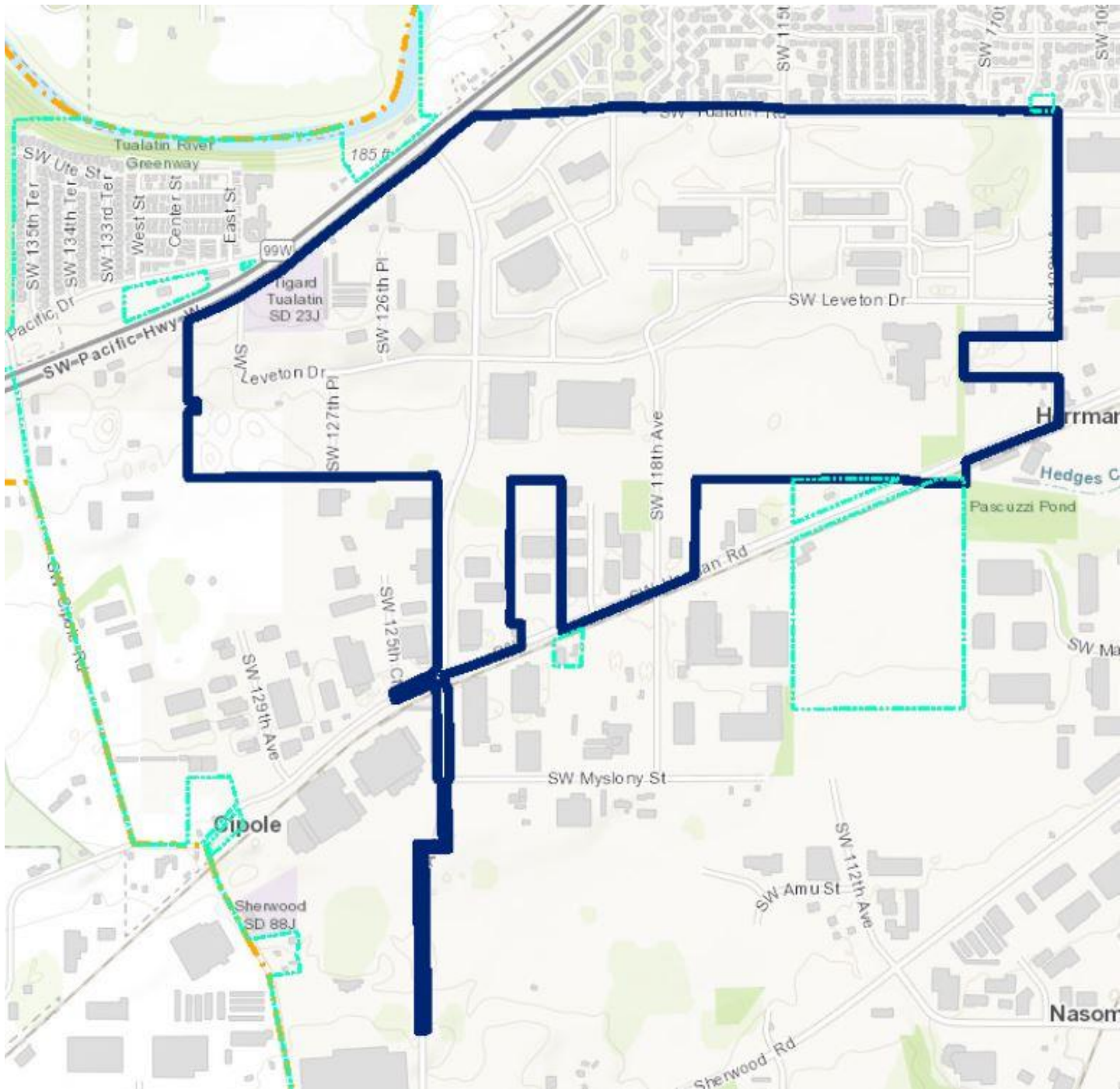


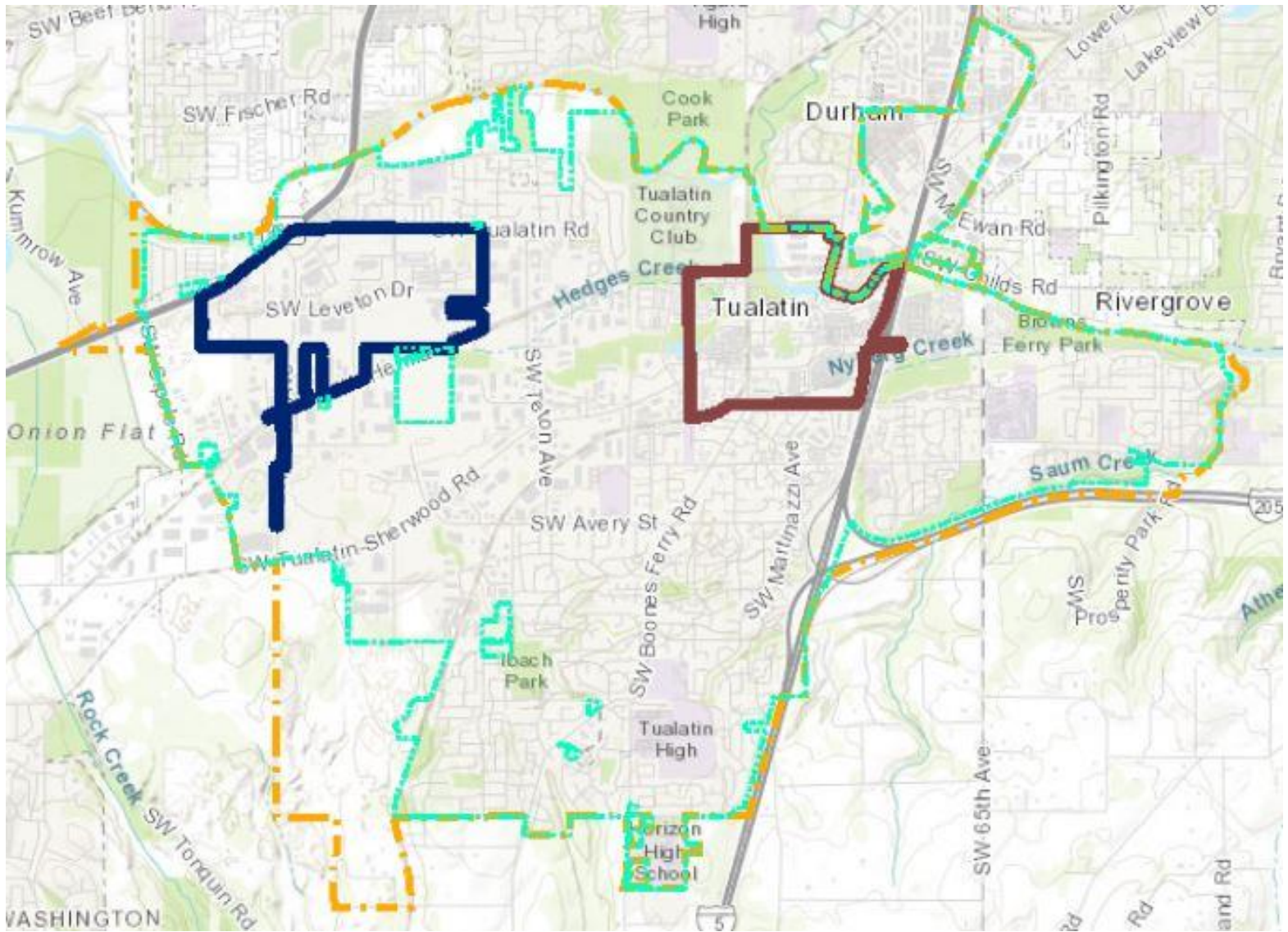


TUALATIN LEVETON

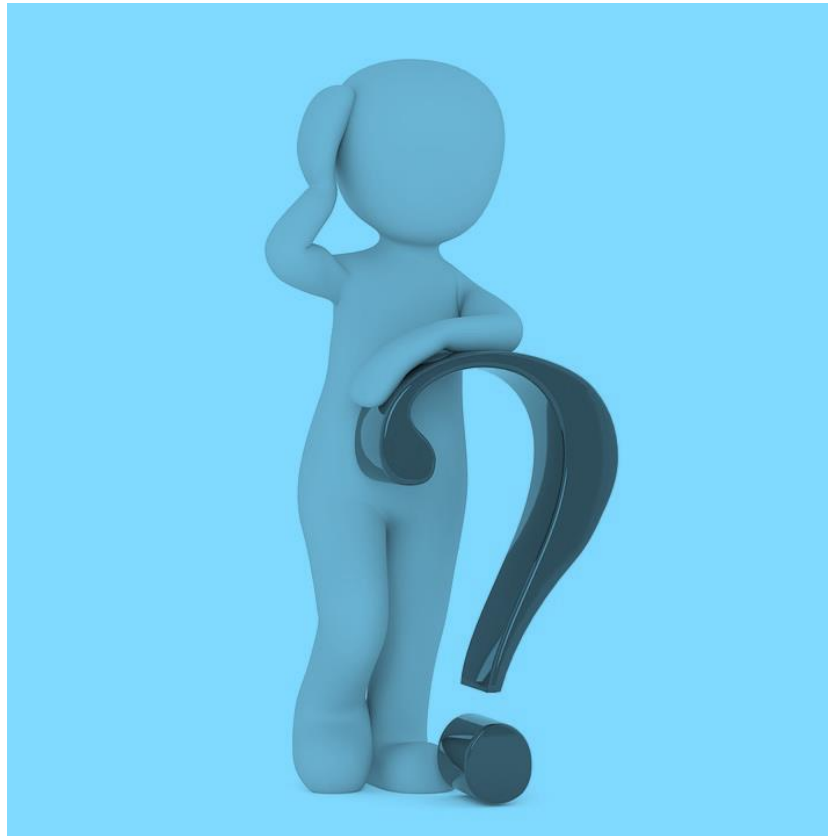
- Open new lands for employment and industry
- Increased in value by \$255.5M between 1985-2010
- Projects included improvements to
 - Transportation
 - Water
 - Sanitary Sewer
 - Storm Drainage







Questions?



NEXT STEPS - Meeting 2

- What is the Tualatin Development Commission and how does it operate?
 - Role of TDC versus City Council
- Status of existing URAs
 - Financial
 - Projects
 - Assets
 - How to close down a URA

NEXT STEPS - Meeting 3

- What are needs in Tualatin that can be addressed by UR? – Meeting 3 if desired
 - Address goals of city
 - Projects that need financing
 - Areas of city that need infrastructure
 - Property to develop
 - Housing issues to address



STAFF REPORT

CITY OF TUALATIN

City Council Work Session

Meeting Date: 04/22/2019

Subject:

Through: Sherilyn Lombos, Administration

PowerPoint



Transportation Project Update

Tualatin City Council

April 22, 2019



Purpose

- Recap previous transportation planning for Basalt Creek area
- Update on Basalt Creek Parkway Extension and Tualatin-Sherwood Road/Roy Rogers Road Projects
- Next Steps



Basalt Creek Planning history

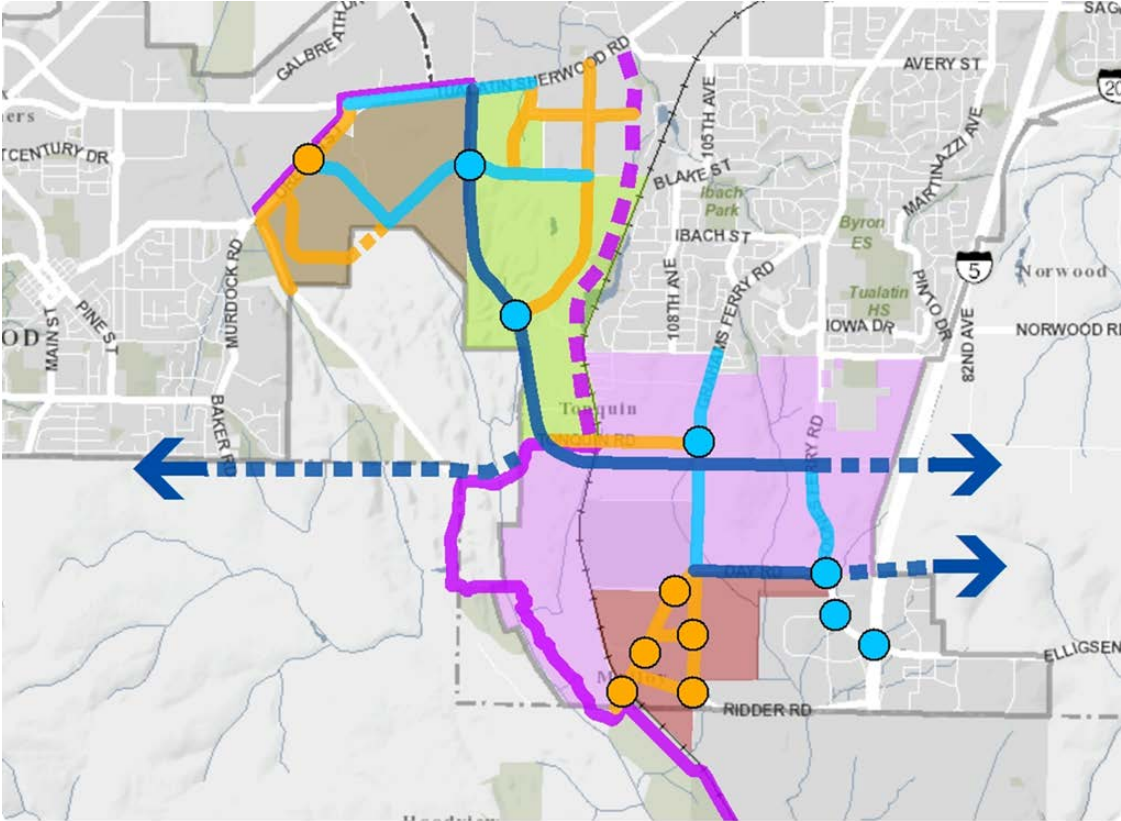
- 2004 – Metro brings area into Urban Growth Boundary
- 2011 – Metro, County, Tualatin, Wilsonville enter into IGA for planning
- 2013 – Basalt Creek Refinement Plan acknowledged by partners, 124th and Basalt Creek Parkway added to Transportation System Plans (TSP)



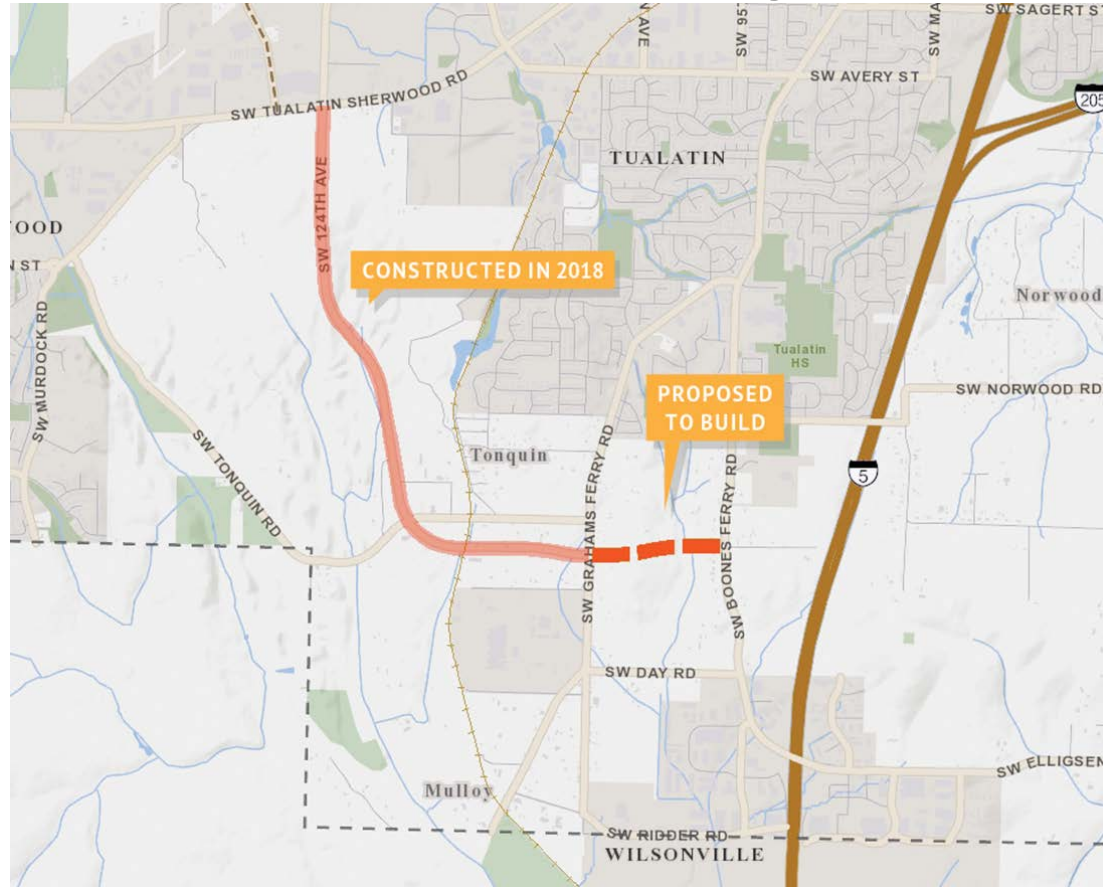
Basalt Creek Planning history

- 2017 – South County Industrial Study prioritizes major projects and identifies funding sources
- 2018 – Tualatin and Wilsonville adopt Basalt Creek Concept Plan, confirm Basalt Creek Parkway as city boundary
- 2019 – Tualatin, Wilsonville and County adopt Urban Planning Area Agreement

Projects



Basalt Creek Parkway Extension



Basalt Creek Parkway Extension

Project Phases	Cost Estimate	Funding
Environmental Analysis & Design <i>(complete in 2020)</i>	\$2.4M	<ul style="list-style-type: none">• 16-18 RFFA (\$2.1M)• Local match (\$.3M)
Right-of-way <i>(complete in 2021)</i>	\$4M	<ul style="list-style-type: none">• 19-21 RFFA (\$3M)• Local match (\$1M)
Engineering & Construction	\$26M	<ul style="list-style-type: none">• Local match (\$3M)• Unfunded (\$23M)
Total:	\$32.4M	




BUILD Grant

- Better Utilizing Investments to Leverage Development (BUILD) transportation grant
- \$32.4M project, \$23M unfunded
- Leverages \$100M of investment in vicinity



Basalt Creek Parkway scope

- Five-lane, limited-access arterial
- Bicycle and pedestrian facilities
- 600-foot bridge
- New, signalized intersection at Boones Ferry
- Right-of-way needs to be determined; one residence may be purchased



Basalt Creek Parkway Extension (Grahams Ferry to Boones Ferry)

- Today: Environmental work underway
- September: Anticipated Federal Highway Administration concurrence on Categorical Exclusion
- October: Final design work
- *Summer 2021-2024: Construction (pending funding)*



Basalt Creek Parkway environmental

- Wetland delineation submitted to Department of State Lands and Army Corp of Engineers
 - Joint permit application required to address jurisdictional waters. Includes Department of Environmental Quality certification.
- Water quality treatment required
- No known threatened/endangered species; field survey is underway to confirm

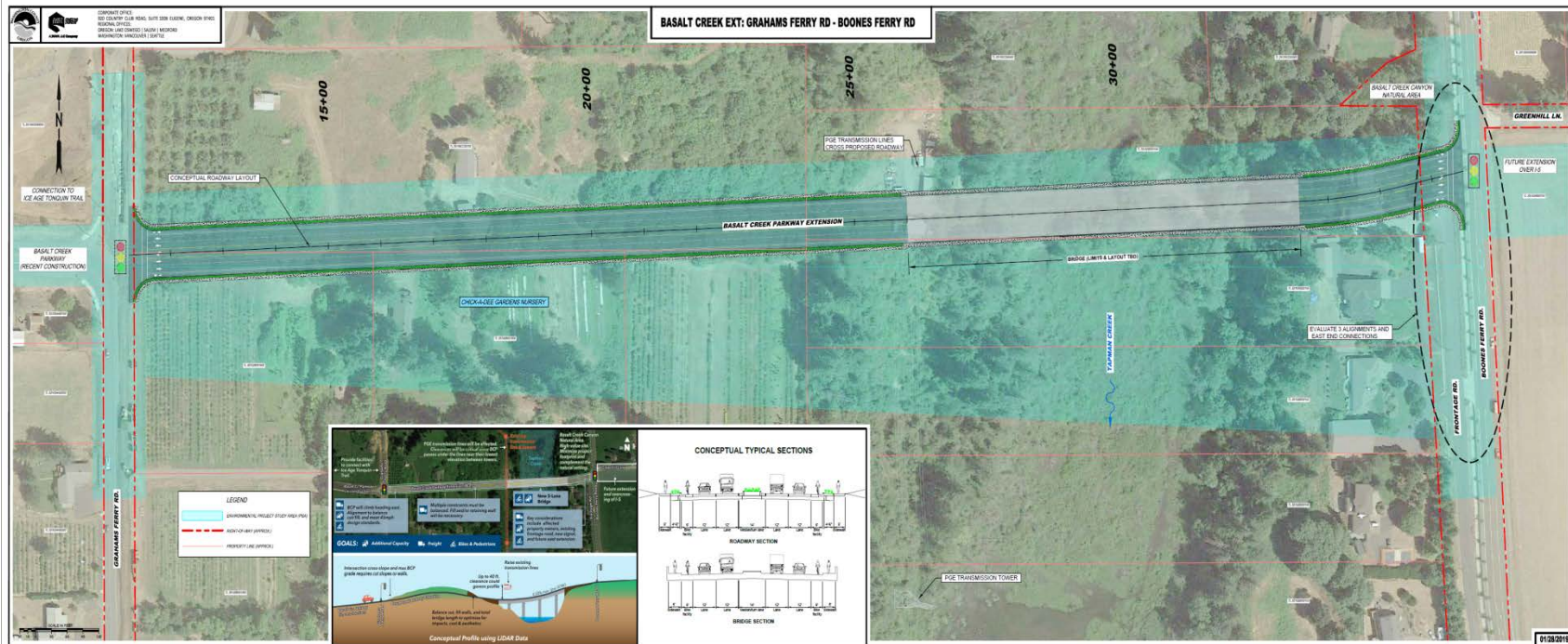


Basalt Creek Parkway environmental

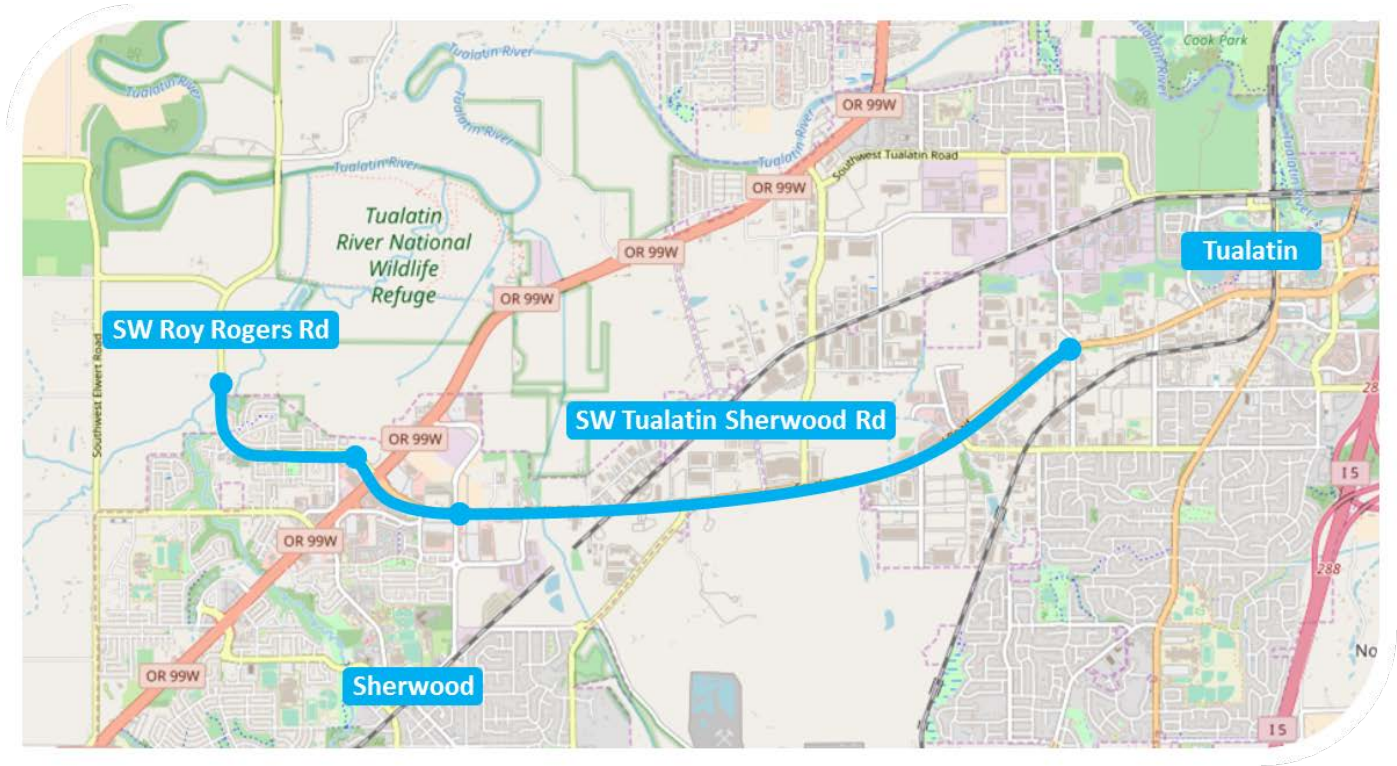
Archaeological investigation:

- 49 shovel probes; no significant resources identified
- Historical resources baseline conducted
- The Carlon School is recommended as a historical resource

Study area



Tualatin-Sherwood Road





Tualatin-Sherwood Road and Roy Rogers Road

- Three separate projects
 - Highway 99W Crossing (2020-2022)
 - Borchers Drive to Chicken Creek (2021- 2023)
 - Teton Avenue to Langer Farms Parkway (2021-2023)
- Open house June 2019



Next steps

- BUILD grant support
- Continued collaboration on transportation planning
- Construction project updates this summer
- Basalt Creek alignment study results later this year



Questions?

Russ Knoebel

russell_knoebel@co.washington.or.us

503-846-7681

Erin Wardell

erin_wardell@co.washington.or.us

503-846-3876



STAFF REPORT

CITY OF TUALATIN

City Council Work Session

Meeting Date: 04/22/2019

Subject:

Through: Sherilyn Lombos, Administration

Informational Attachment

Proclamation Draft



Moms Demand Action for Gun Sense in America

(www.momsdemandaction.org) is a grassroots, non-partisan movement of Americans fighting for public safety measures that can protect people from gun violence and keep our families safe.

Moms Demand Action has a chapter in every state and, along with Mayors Against Illegal Guns, Students Demand Action and the Everytown Survivor Network, it is part of the nation's largest gun violence prevention organization, Everytown for Gun Safety, with more than 5 million supporters.

Moms Demand Action works with survivors, mayors, law enforcement officers, faith leaders, educators, gun owners, doctors and communities across the country who know there is more we can do to prevent gun violence. We do this work because every day **100 Americans die from gun violence** and hundreds more are wounded. Gun violence is the second leading cause of death for American children and teens overall and the first leading cause of death for Black children and teens.

The daily toll of gun violence in America doesn't always make headlines, but this violence affects everyone, everywhere. It strikes big cities, small towns and rural communities.

We can support responsible gun ownership while doing much more to keep guns out of the wrong hands and create a culture of gun safety. **That's why we advocate for the following, evidence-based policies to keep our families and communities safe:**

- **Keeping Guns Out of the Wrong Hands – A Better Background Check System.** Lawmakers need to close loopholes in the system, such as those that allow people to buy guns without a background check.
- **Protecting Kids and Communities – Supporting Red Flag Laws and Responsible Access to Firearms.** To keep our families safe from mass shootings and reduce gun suicides, lawmakers must pursue policies like Red Flag laws, which allow family and law enforcement to intervene if someone poses a threat to themselves or others, before deadly tragedies involving firearms take place. Lawmakers must also limit easy access to firearms and accessories capable of inflicting mass casualties and encourage safe and responsible storage of all guns.
- **Addressing America's Uniquely Lethal Domestic Abuse Problem – Disarming Domestic Abusers.** More than half of women murdered with guns in America are killed by an intimate partner or family member, and women are five times more likely to be killed in a domestic confrontation when a gun is present. Lawmakers must strengthen laws that help keep guns out of the hands of domestic abusers.
- **Combating Daily Gun Violence – Supporting Research, Law Enforcement and Local Solutions.** The government needs to support law enforcement, researchers and local communities in their efforts to combat daily gun violence by funding new research into gun violence; community-driven, evidence-based interventions to curb city gun violence; and new tools to help law enforcement collect evidence, trace all crime guns, reduce trafficking and solve gun crimes.

It's time for our government to enact common-sense gun laws supported by the overwhelming majority of Americans. And if our elected officials choose not to act, we will mobilize voters to replace them with leaders who will.

For more information on joining, volunteering, finding a local chapter or donating, visit MOMSDEMANDACTION.ORG

[FACEBOOK.COM/MOMSDEMANDACTION](https://www.facebook.com/momsdemandaction)

[@MOMSDEMAND](https://twitter.com/momsdemand)

PROCLAMATION
DECLARING THE FIRST FRIDAY IN JUNE TO BE
NATIONAL GUN VIOLENCE AWARENESS DAY

DRAFT

This proclamation declares the first Friday in June to be National Gun Violence Awareness Day in the City of TUALATIN to honor and remember all victims and survivors of gun violence and to declare that we as a country must do more to reduce gun violence.

WHEREAS, every day, 100 Americans are killed by gun violence and on average there are nearly 13,000 gun homicides every year; and

WHEREAS, Americans are 25 times more likely to be killed with guns than people in other high-income countries; and

WHEREAS, protecting public safety in the communities they serve is mayors' highest responsibility; and

WHEREAS, support for the Second Amendment rights of law-abiding citizens goes hand-in-hand with keeping guns away from people with dangerous histories; and

WHEREAS, mayors and law enforcement officers know their communities best, are the most familiar with local criminal activity and how to address it, and are best positioned to understand how to keep their citizens safe; and

WHEREAS, in January 2013, Hadiya Pendleton, a teenager who marched in President Obama's second inaugural parade and was tragically shot and killed just weeks later, should be now celebrating her 22nd birthday; and

WHEREAS, to help honor Hadiya – and the 100 Americans whose lives are cut short and the countless survivors who are injured by shootings every day – a national coalition of organizations has designated June 7, 2019, the first Friday in June, as the 5th National Gun Violence Awareness Day; and

WHEREAS, the idea was inspired by a group of Hadiya's friends, who asked their classmates to commemorate her life by wearing orange; they chose this color because hunters wear orange to announce themselves to other hunters when out in the woods and orange is a color that symbolizes the value of human life; and

WHEREAS, anyone can join this campaign by pledging to Wear Orange on June 7th, the first Friday in June in 2019, to help raise awareness about gun violence; and

WHEREAS, by wearing orange on June 7, 2019 Americans will raise awareness about gun violence and honor the lives of gun violence victims and survivors; and

WHEREAS, we renew our commitment to reduce gun violence and pledge to do all we can to keep firearms out of the wrong hands, and encourage responsible gun ownership to help keep our children safe.

NOW, THEREFORE BE IT RESOLVED, that Mayor Frank Bubenik of the city of TUALATIN declares the first Friday in June, June 7, 2019, to be National Gun Violence Awareness Day. I encourage all citizens to support their local communities' efforts to prevent the tragic effects of gun violence and to honor and value human lives.

[date]