



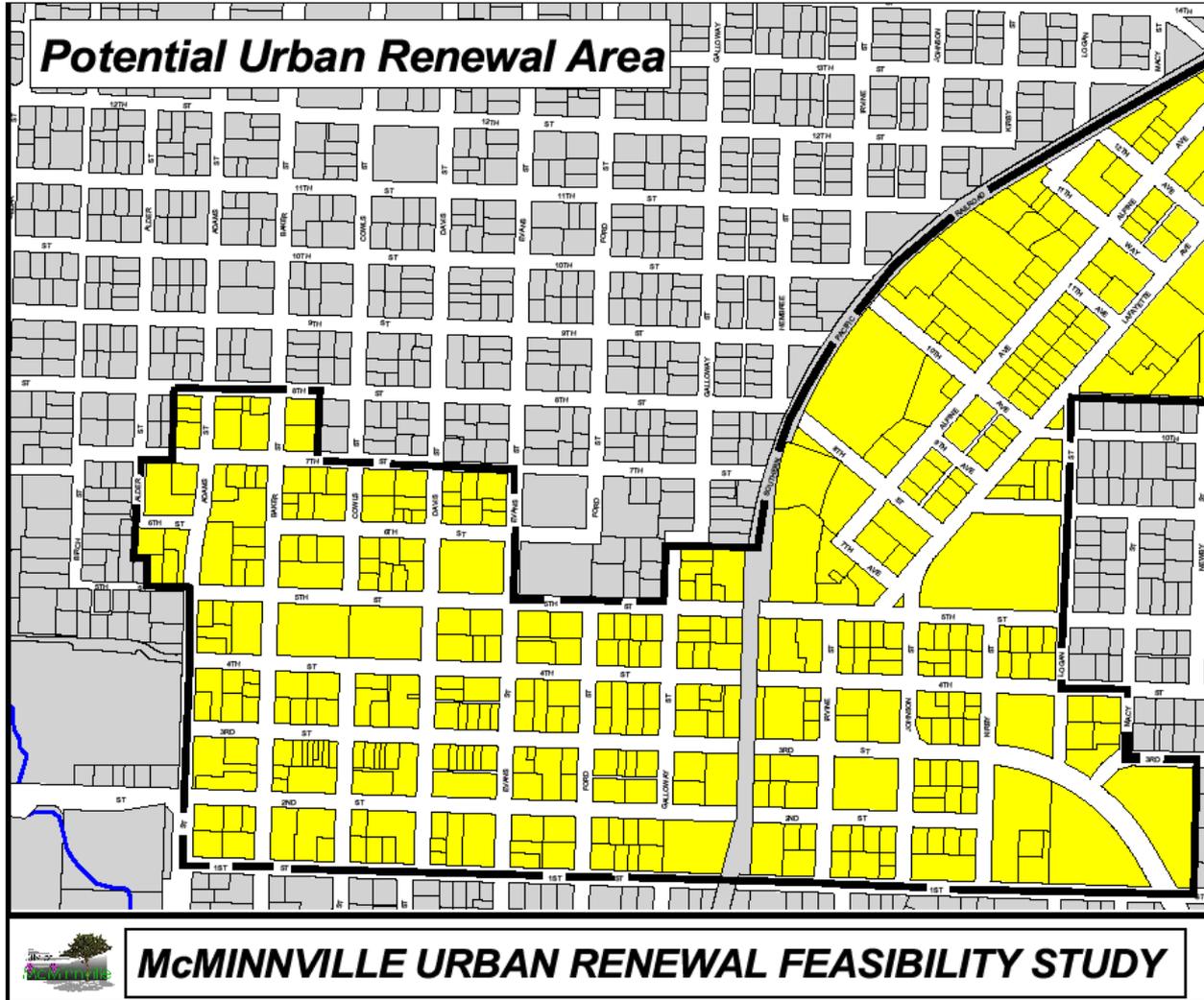
McMinnville Urban Renewal Feasibility Study

Scope of Work



- Establish Boundary for Study Area
- Review Conditions of Blight
- Establish Existing Conditions per ORS 457
- Review Existing Studies
- Perform Financial Analysis
- Identify Potential Projects
- Identify Policy Issues
- Present Feasibility Study

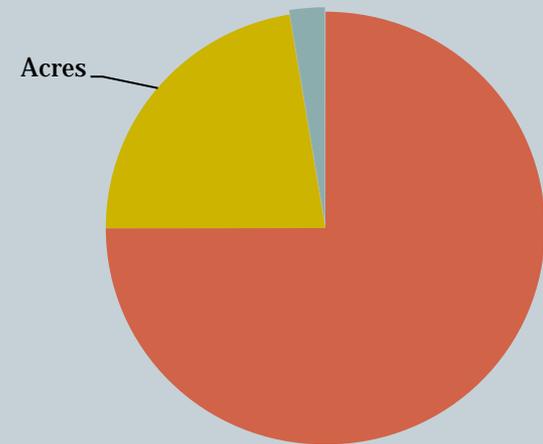
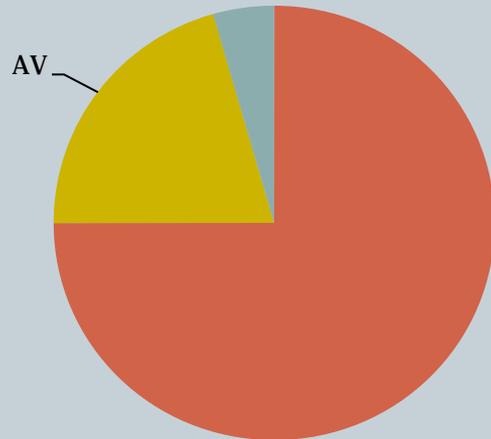
Area Boundary



State Limitations on Urban Renewal



- **Population under 50,000**
 - 25% of Assessed Value of Property in City (4.47%)
 - 25% of Acreage of City (2.61%)



What is Blight?



- Defined by the State Statute ORS 457
- Generally covers:
 - Underdevelopment or underutilization of property
 - Poor condition of buildings including need for seismic upgrading
 - Inadequacy of infrastructure including streets and utilities



Underdevelopment



Conditions of Blight



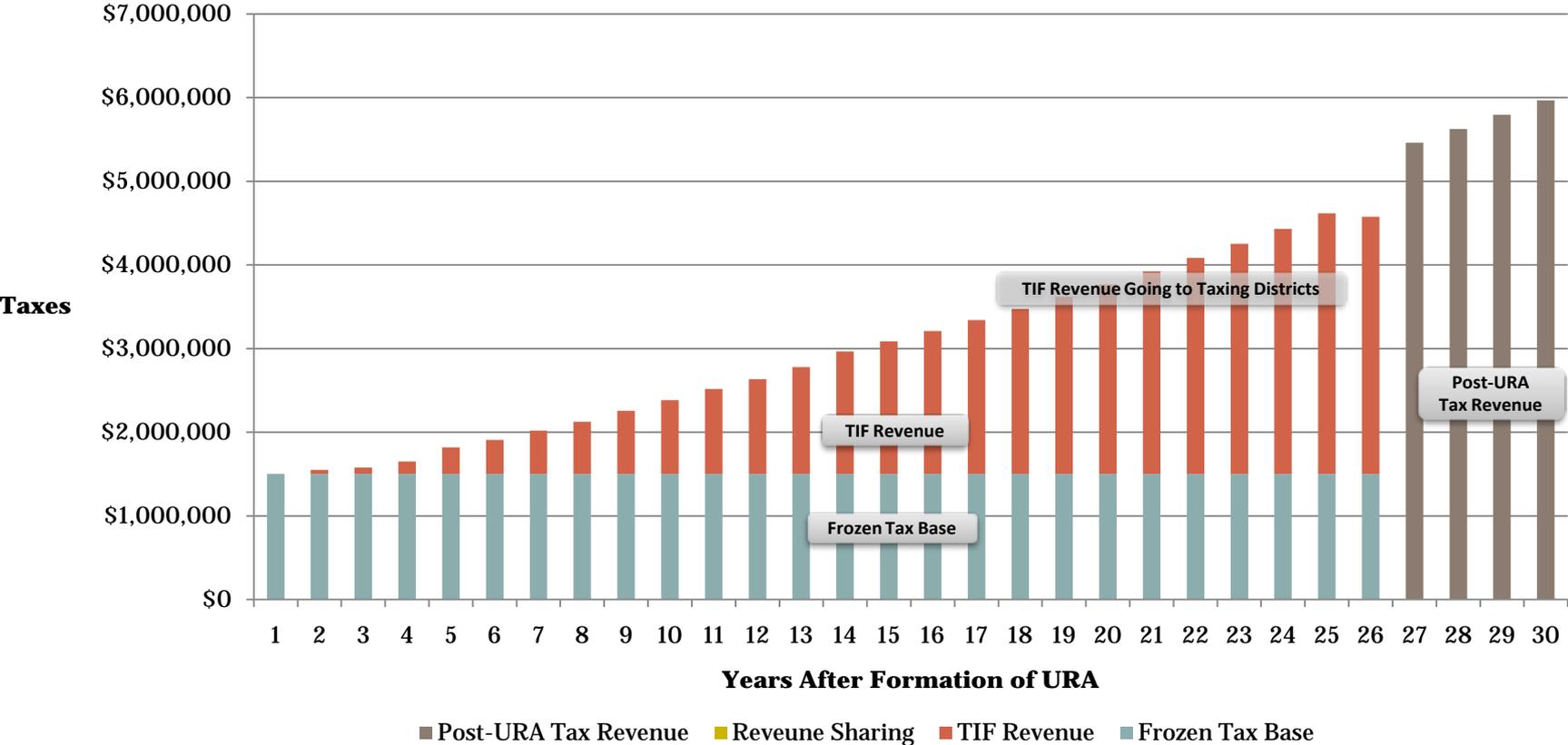
- Deficiencies in the transportation system
- Low improvement to land values throughout the Area
- Vacant and underutilized parcels in the Area
- Infrastructure deficiencies identified in the Area
- Conditions of buildings, including the need for seismic reinforcements

How Does Financing in Urban Renewal Work?

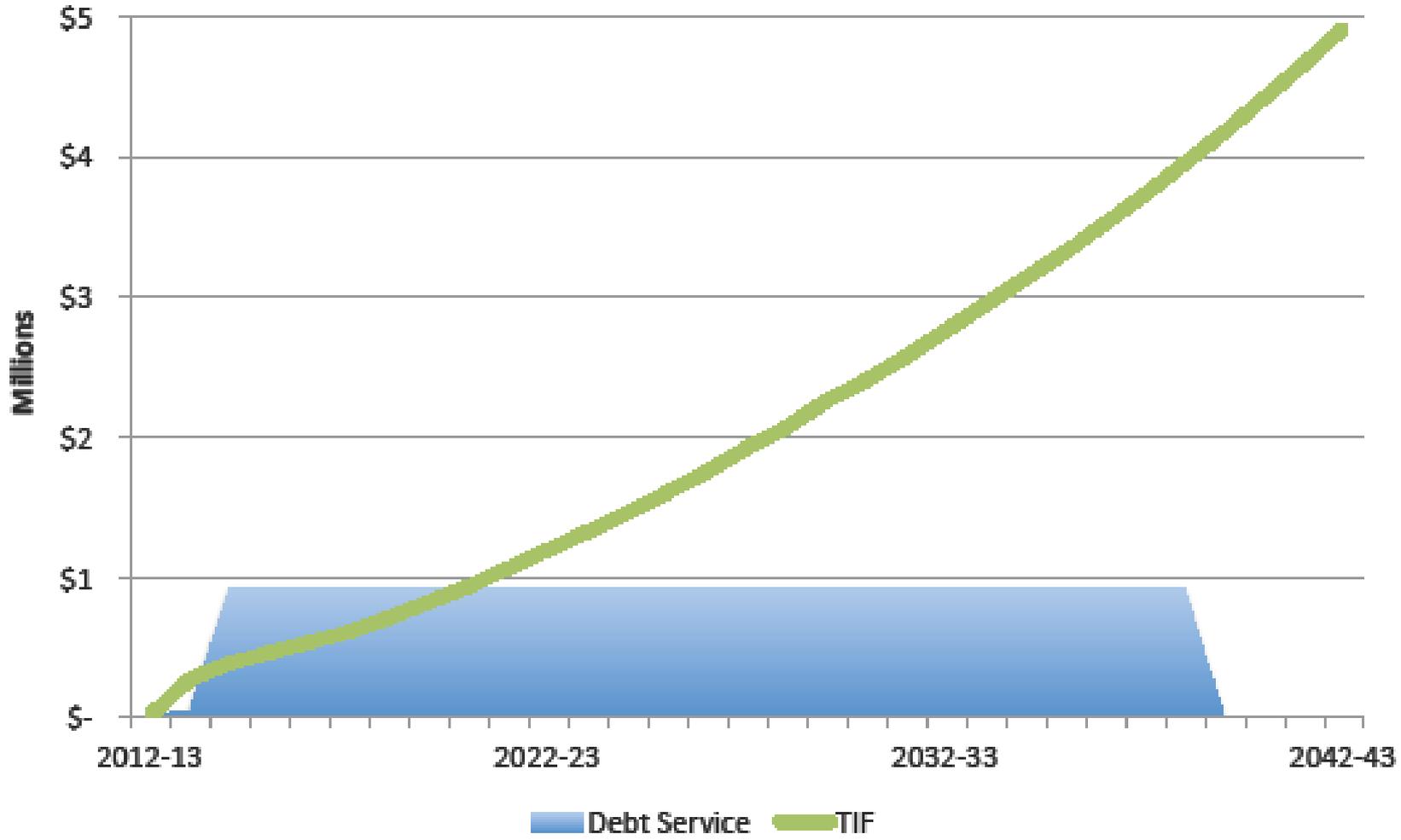


- An area is designated as an urban renewal area
- The tax assessed value of properties within the area is frozen
- Taxes from that “frozen base” go to all taxing jurisdictions
- Increases in taxes over the “frozen base” go to the urban renewal agency for use in the Area

Projected TIF Revenues



Scenario Showing TIF Revenues and Debt Service



Plan Limitations



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 (concurrency)

What is Maximum Indebtedness?



- Total amount of tax increment funds spent on projects and programs in an urban renewal area.
- Administration is included in this number

Financial Scenarios



- **Low Growth 25 year term**
 - ❖ \$10 million MI
- **Low Growth 30 year term**
 - ❖ \$17 million MI
- **Medium Growth 25 year term**
 - ❖ \$30 million MI
 - ✦ Includes projections of development from Northeast Gateway Plan

Impacts on Taxing Jurisdictions



- Continue Receiving Taxes on Frozen Base
- Forego taxes on growth in Area
- “But For Urban Renewal”
- Local Options/Bonds Impact only on bonds issued prior to October 2001: minimal impact
- Increased Tax Revenues After UR
- Schools Impacts : Bonds, Local Option and Construction Excise Tax
- Revenue Sharing

Medium Growth Scenario

FYE	Yamhill County	Yamhill County Ext. Serv.	Yamhill Co. Soil & Water	McMinnville School Dist.	Willamette Regional ESD	City of McMinnville	Chemeketa Library	Chemeketa Comm. Coll.	Total
	2.5775	0.0449	0.0354	4.1494	0.2967	5.02	0.0818	0.6259	12.8316
2012	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2013	\$ 9,072	\$ 158	\$ 125	\$ 14,605	\$ 1,044	\$ 17,669	\$ 288	\$ 2,203	\$ 45,164
2014	\$ 14,467	\$ 252	\$ 199	\$ 23,289	\$ 1,665	\$ 28,175	\$ 459	\$ 3,513	\$ 72,019
2015	\$ 27,591	\$ 481	\$ 379	\$ 44,418	\$ 3,176	\$ 53,738	\$ 876	\$ 6,700	\$ 137,358
2016	\$ 58,895	\$ 1,026	\$ 809	\$ 94,813	\$ 6,780	\$ 114,706	\$ 1,869	\$ 14,302	\$ 293,199
2017	\$ 79,884	\$ 1,392	\$ 1,097	\$ 128,601	\$ 9,196	\$ 155,583	\$ 2,535	\$ 19,398	\$ 397,685
2018	\$ 101,857	\$ 1,774	\$ 1,399	\$ 163,974	\$ 11,725	\$ 198,379	\$ 3,233	\$ 24,734	\$ 507,074
2019	\$ 124,854	\$ 2,175	\$ 1,715	\$ 200,997	\$ 14,372	\$ 243,169	\$ 3,962	\$ 30,319	\$ 621,563
2020	\$ 148,918	\$ 2,594	\$ 2,045	\$ 239,736	\$ 17,142	\$ 290,036	\$ 4,726	\$ 36,162	\$ 741,359
2021	\$ 174,091	\$ 3,033	\$ 2,391	\$ 280,262	\$ 20,040	\$ 339,064	\$ 5,525	\$ 42,275	\$ 866,680
2022	\$ 200,419	\$ 3,491	\$ 2,753	\$ 322,645	\$ 23,070	\$ 390,340	\$ 6,361	\$ 48,668	\$ 997,746
2023	\$ 227,947	\$ 3,971	\$ 3,131	\$ 366,961	\$ 26,239	\$ 443,954	\$ 7,234	\$ 55,353	\$ 1,134,790
2024	\$ 256,724	\$ 4,472	\$ 3,526	\$ 413,289	\$ 29,552	\$ 500,002	\$ 8,147	\$ 62,341	\$ 1,278,053
2025	\$ 294,049	\$ 5,122	\$ 4,039	\$ 473,377	\$ 33,848	\$ 572,697	\$ 9,332	\$ 71,405	\$ 1,463,869
2026	\$ 318,065	\$ 5,541	\$ 4,368	\$ 512,039	\$ 36,613	\$ 619,471	\$ 10,094	\$ 77,236	\$ 1,583,428
2027	\$ 343,153	\$ 5,978	\$ 4,713	\$ 552,426	\$ 39,501	\$ 668,332	\$ 10,890	\$ 83,329	\$ 1,708,321
2028	\$ 369,359	\$ 6,434	\$ 5,073	\$ 594,615	\$ 42,518	\$ 719,373	\$ 11,722	\$ 89,692	\$ 1,838,786
2029	\$ 396,735	\$ 6,911	\$ 5,449	\$ 638,686	\$ 45,669	\$ 772,691	\$ 12,591	\$ 96,340	\$ 1,975,073
2030	\$ 425,333	\$ 7,409	\$ 5,842	\$ 684,725	\$ 48,961	\$ 828,390	\$ 13,498	\$ 103,285	\$ 2,117,443
2031	\$ 455,208	\$ 7,930	\$ 6,252	\$ 732,818	\$ 52,400	\$ 886,574	\$ 14,447	\$ 110,539	\$ 2,266,167
2032	\$ 486,416	\$ 8,473	\$ 6,681	\$ 783,058	\$ 55,992	\$ 947,355	\$ 15,437	\$ 118,117	\$ 2,421,529
2033	\$ 519,017	\$ 9,041	\$ 7,128	\$ 835,542	\$ 59,745	\$ 1,010,850	\$ 16,472	\$ 126,034	\$ 2,583,828
2034	\$ 553,074	\$ 9,635	\$ 7,596	\$ 890,368	\$ 63,665	\$ 1,077,179	\$ 17,552	\$ 134,304	\$ 2,753,373
2035	\$ 588,651	\$ 10,254	\$ 8,085	\$ 947,643	\$ 67,761	\$ 1,146,471	\$ 18,682	\$ 142,943	\$ 2,930,489
2036	\$ 625,818	\$ 10,902	\$ 8,595	\$ 1,007,475	\$ 72,039	\$ 1,218,857	\$ 19,861	\$ 151,969	\$ 3,115,515
2037	\$ 618,121	\$ 10,768	\$ 8,489	\$ 995,085	\$ 71,153	\$ 1,203,868	\$ 19,617	\$ 150,100	\$ 3,077,201
Total	\$ 7,417,718	\$ 129,217	\$ 101,879	\$ 11,941,447	\$ 853,866	\$ 14,446,923	\$ 235,410	\$ 1,801,261	\$ 36,927,714

How Long Does Urban Renewal Last?



- Typical plans are designed for a 25-30 year period, time period is not a requirement
- Plans can be closed out if all projects are completed earlier:

Redmond Industrial Area and Airport
Proposed Wilsonville Plan

- Financial Scenarios depicted 25-30 year plans, MI will be dependent on projects

How Impacts are Calculated by Assessor



		2012	2013	2013
		Property Value	Property Value	Property Value
		\$100,000.00	\$103,000.00	\$103,000.00
District Name	Perm. Rates			
Yamhill County	2.5775	\$257.75	\$265.48	\$257.75
Yamhill County Ext. Serv.	0.0449	\$4.49	\$4.62	\$4.49
Yamhill Co. Soil & Water	0.0354	\$3.54	\$3.65	\$3.54
McMinnville School Dist.	4.1494	\$414.94	\$427.39	\$414.94
Willamette Regional ESD	0.2967	\$29.67	\$30.56	\$29.67
City of McMinnville	5.0200	\$502.00	\$517.06	\$502.00
Chemeketa Library	0.0818	\$8.18	\$8.43	\$8.18
Chemeketa Comm. Coll.	0.6259	\$62.59	\$64.47	\$62.59
Urban Renewal				\$38.49
Total	12.8316	\$1,283.16	\$1,321.65	\$1,321.65

Property Tax Bills



- Add all increases in Assessed Value in Area
- Distribute Amount to all Property Tax Bills in City
- Does Not Increase Tax Bills, Just Shows the Division of Taxes
- Bonds

	2013	2013
	Property Value	Property Value
	\$103,000.00	\$103,000.00
District Name		
Yamhill County	\$265.48	\$257.75
Yamhill County Ext. Serv.	\$4.62	\$4.49
Yamhill Co. Soil & Water	\$3.65	\$3.54
McMinnville School Dist.	\$427.39	\$414.94
Willamette Regional ESD	\$30.56	\$29.67
City of McMinnville	\$517.06	\$502.00
Chemeketa Library	\$8.43	\$8.18
Chemeketa Comm. Coll.	\$64.47	\$62.59
Urban Renewal		\$38.49
Total	\$1,321.65	\$1,321.65

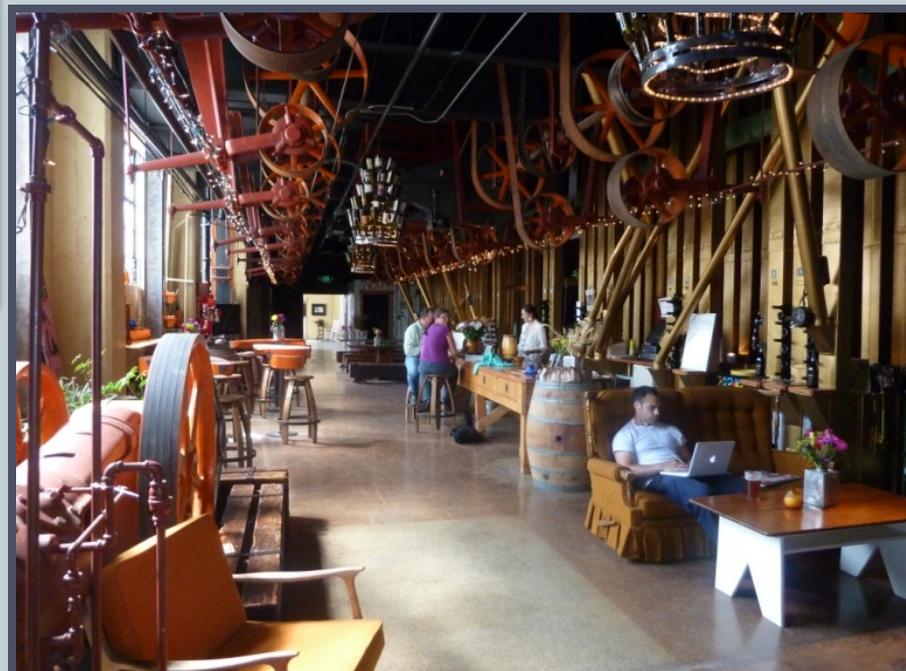
Recommended Projects



Improvements to Alpine Avenue;
Street and streetscape improvements along Alpine
Avenue, Lafayette Avenue, and throughout the
downtown core, including 2nd Street;



Developer Assistance: Participation and Façade Program



Catalyst Projects



Historic building

Urban Renewal provided:

- Low interest loan for \$120,039
- Storefront Improvement Grant of \$30,000

Leverage:

- SBA Loan
- State of Oregon (forgivable loan)



Pedestrian Connections/Safety/Streetscape



Parking



Protect Historic Resources



Places to Entice Families



Policy Issues



- Sufficient funds to do projects?
- Impacts on Taxing Jurisdictions
- “Jump – start” the district
- If Urban Renewal makes sense
 - Time Frame of District
 - Maximum Indebtedness
 - Medium or Low Growth Projections
 - Projects to undertake
- Coordinate with Comprehensive Plan changes in the Area from Northeast Gateway Plan

Next Steps



- If the City decides to Proceed with Urban Renewal
 - Form Urban Renewal Agency
 - Form Advisory Committee
 - Hire Consultant to prepare a Plan
 - Public Participation Component
 - Determine timeline for proceeding

Process for Adoption of an Urban Renewal Area



- Urban Renewal Plan
 - ✦ Public Input
 - ✦ Urban Renewal Agency Starts Process
 - ✦ Letter to all taxing Districts: consult and confer
 - ✦ Planning Commission
 - ✦ Presentation to Yamhill County
 - ✦ Notice to citizens of McMinnville
 - ✦ City Council hearing



McMinnville Urban Renewal Feasibility Study