

CITY COUNCIL MONTHLY MEETING CALENDAR

June-14						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	Council Elections Packets Available 9am	2	3	Municipal Court	5	6
Historic Garden Tour Noon-4pm	Planning Comm 7pm	Deadline to Submit CM Eval	4	Council Creek Open House 6pm - 8pm Comm Aud	EDC Noon - Canceled Ford Institute 4pm	7
8	CITY COUNCIL 5:30 PM - EXECUTIVE SESSION (Labor) 6:00 PM - EXECUTIVE SESSION (CM Eval) 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM	9	10	11	12	13
		Red Cross Blood Drive 1pm - 6pm - Comm Aud		Rural Fire 8pm	Employee Breakfast (Fire) PAC 5pm	14
15	Chamber Luncheon - Noon FGS&CC Bd Mtg 6:30pm	16	17	18	19	20
	Planning Comm 7pm	Fernhill Wetlands 5pm	Municipal Court P&R 7am CFC 5:15pm CWAC 5:30pm	CCI 5:30pm Dairy Creek Food 7:30pm		21
22	CITY COUNCIL 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM	23	24	25	26	27
		HLB 7:15pm <i>Johnston out thru 07/29</i>	PSAC MPAC 5pm	Sustainability Comm 6pm	WC Mayors' Luncheon	28
29	30					
July-14						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
	<i>Johnston out thru 07/29 a</i>		Municipal Court		CITY HALL CLOSED	
6	1st Day to File Declaration (120 Days) Council Candidate Petition (SEL101) General Election - November 4th	7	8	9	10	11
	Planning Comm 7pm	Red Cross Blood Drive 1pm - 6pm - Comm Aud Library 6:30pm	Reg Mayors&Chairs Mtg Noon, Tualatin MPAC 5pm	EDC Noon	PAC 5pm	FGS&CC 1st Friday 5pm JWC Noon
13	CITY COUNCIL 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM	14	15	16	17	18
		Fernhill Wetlands 5pm	P&R 7am CFC 5:15pm CWAC 5:30pm	CCI 5:30pm Dairy Creek Food 7:30pm		19
20	Chamber Luncheon - Noon FGS&CC Bd Mtg 6:30pm	21	22	23	24	25
Concours Nyuzen Departs	Planning Comm 7pm	HLB 7:15pm	Municipal Court PSAC MPAC 5pm	Sustainability Comm 6pm		ODF 9am - Comm Aud WC Mayors' Luncheon
27	NO COUNCIL MEETING	28	29	30	31	
		<i>← Johnston returns</i>				
August-14						
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	Planning Comm 7pm		5	6	7	8
			Municipal Court Rural Fire 8pm	EDC Noon		FGS&CC 1st Friday 5pm
10	CITY COUNCIL 7:00 PM - REGULAR MEETING COMMUNITY AUDITORIUM	11	12	13	14	15
		Red Cross Blood Drive 1pm - 6pm - Comm Aud Library 6:30pm	MPAC 5pm	PAC 5pm		16
17	Planning Comm 7pm	19	20	21	22	23
	Chamber Luncheon - Noon FGS&CC Bd Mtg 6:30pm	Fernhill Wetlands 5pm	Municipal Court P&R 7am CFC 5:15pm CWAC 5:30pm	CCI 5:30pm Dairy Creek Food 7:30pm	WC Mayors' Luncheon	
24	NO COUNCIL MEETING	25	26	27	28	29
		<i>Last Day to File (70 Days) Candidate Petition (SEL101)</i>	PSAC MPAC 5pm	Sustainability Comm 6pm		30
31		HLB 7:15pm				Last Day to Withdraw Candidacy

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FOREST GROVE CITY COUNCIL

Monday, June 9, 2014

Meeting Agenda

5:30 PM – Executive Session (Labor Negotiations)
6:00 PM – Executive Session (City Manager Evaluation)
7:00 PM – Regular Meeting

Community Auditorium
1915 Main Street
Forest Grove, OR 97116

Forest Grove City Council Meetings are televised live by Tualatin Valley Community Television (TVCTV) Government Access Programming, Ch 30. To obtain the programming schedule, please contact TVCTV at 503.629.8534 or visit <http://www.tvctv.org/government-programming/government-meetings/forest-grove>.

PETER B. TRUAX, MAYOR

Thomas L. Johnston, Council President
Richard G. Kidd III
Victoria J. Lowe

Camille Miller
Ronald C. Thompson
Elena Uhing

All meetings of the City Council are open to the public and all persons are permitted to attend any meeting except as otherwise provided by ORS 192. The public may address the Council as follows:

➔ Public Hearings – Public hearings are held on each matter required by state law or City policy. Anyone wishing to testify should sign in for any Public Hearing prior to the meeting. The presiding officer will review the complete hearing instructions prior to testimony. The presiding officer will call the individual or group by the name given on the sign in form. When addressing the Council, please use the witness table (center front of the room). Each person should speak clearly into the microphone and must state his or her name and give an address for the record. All testimony is electronically recorded. In the interest of time, Public Hearing testimony is limited to three minutes unless the presiding officer grants an extension. Written or oral testimony is heard prior to any Council action.

➔ Citizen Communications – Anyone wishing to address the Council on an issue not on the agenda should sign in for Citizen Communications prior to the meeting. The presiding officer will call the individual or group by the name given on the sign in form. When addressing the Council, please use the witness table (center front of the room). Each person should speak clearly into the microphone and must state his or her name and give an address for the record. All testimony is electronically recorded. In the interest of time, Citizen Communications is limited to two minutes unless the presiding officer grants an extension.

The public may not address items on the agenda unless the item is a public hearing. Routinely, members of the public speak during Citizen Communications and Public Hearings. If you have questions about the agenda or have an issue that you would like to address to the Council, please contact the City Recorder at 503-992-3235.

City Council meetings are handicap accessible. Assistive Listening Devices (ALD) or qualified sign language interpreters are available for persons with impaired hearing or speech. For any special accommodations, please contact the City Recorder at 503-992-3235, at least 48 hours prior to the meeting.

EXECUTIVE SESSIONS ARE CLOSED TO THE PUBLIC. Representatives of the news media and designated staff may attend Executive Sessions. Representatives of the news media are specifically directed not to report on any of the deliberations during the Executive Session, except to state the general subject of the session as previously announced. No Executive Session may be held for the purpose of taking final action or making any final decision.

The City Council will convene in the Community Auditorium – Conference Room to hold the following executive session(s):

Brenda Camilli, Human Resources Manager Paul Downey, Administrative Services Director Michael Sykes, City Manager	5:30	In accordance with <u>ORS 192.660(2)(d)</u> to conduct deliberations with person designated by the governing body to carry on labor negotiations.
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Mayor Peter Truax Michael Sykes, City Manager	6:00	In accordance with <u>ORS 192.660(2)(i)</u> to review and evaluate the employment-related performance of the City Manager.
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	7:00	1. <u>REGULAR MEETING:</u> Roll Call and Pledge of Allegiance 2. <u>CITIZEN COMMUNICATIONS:</u> Anyone wishing to speak to Council on an item <u>not on the agenda</u> may be heard at this time. <i>Please sign-in before the meeting on the Citizen Communications form posted in the foyer.</i> In the interest of time, please limit comments to two minutes. Thank you. 3. <u>CONSENT AGENDA:</u> See Page 4 4. <u>ADDITIONS/DELETIONS:</u> 5. <u>PRESENTATIONS:</u>
Paul Downey, Administrative Services Director	7:05	5. A. <ul style="list-style-type: none"> • <i>Quarterly Financial Report for Period Ending March 31, 2014</i>
Tom Gamble, Parks and Recreation Director Janie Schutz, Police Chief Michael Sykes, City Manager	7:20	6. <u>CONTINUE PUBLIC HEARING FROM MAY 27,2014: SECOND READING OF ORDINANCE NO. 2014-06 AMENDING FOREST GROVE CODE, CHAPTER 5, PUBLIC PROTECTION OFFENSES, BY ADDING NEW CODE SECTION 5.485, TITLED SMOKING AND TOBACCO USE PROHIBITED, AND ADDING NEW CODE SECTION 5.490, TITLED VIOLATIONS AND PENALTIES AND AMENDING CODE SECTION 5.405</u>

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|---|------|--|
| Jon Holan, Community Development Director
Dan Riordan, Senior Planner
Michael Sykes, City Manager | 7:30 | 7. <u>PUBLIC HEARING AND FIRST READING OF ORDINANCE NO. 2014-07 MAKING CERTAIN DETERMINATIONS AND ADOPTING THE CITY OF FOREST GROVE URBAN RENEWAL PLAN</u> |
| Paul Downey, Administrative Services Director
Michael Sykes, City Manager | 7:45 | 8. <u>PUBLIC HEARING AND RESOLUTION NO. 2014-45 SETTING FEES AND CHARGES, EFFECTIVE JULY 1, 2014, REPEALING RESOLUTION NO. 2013-34</u> |
| Rob Foster, Public Works Director
Paul Downey, Administrative Services Director
Michael Sykes, City Manager | 7:55 | 9. <u>PUBLIC HEARING AND RESOLUTION NO. 2014-46 FIXING WATER RATES FOR THE CITY OF FOREST GROVE, EFFECTIVE JULY 1, 2014, AND REPEALING RESOLUTION NO. 2013-35</u> |
| Jeff King, Economic Development Coordinator
Paul Downey, Administrative Services Director
Michael Sykes, City Manager | 8:10 | 10. <u>RESOLUTION NO. 2014-47 AUTHORIZING EXTENDING BUSINESS INCENTIVE PROGRAM FOR TWELVE MONTHS, AND REESTABLISHING THE PROGRAM REQUIREMENTS</u> |
| Michael Sykes, City Manager | 8:15 | 11. <u>CITY MANAGER'S REPORT:</u> |
| | 8:30 | 12. <u>COUNCIL COMMUNICATIONS:</u> |
| | 8:45 | 13. <u>ADJOURNMENT</u> |

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3. **CONSENT AGENDA:** Items under the Consent Agenda are considered routine and will be adopted with a single motion, without separate discussion. Council members who wish to remove an item from the Consent Agenda may do so prior to the motion to approve the item(s). Any item(s) removed from the Consent Agenda will be discussed and acted upon following the approval of the Consent Agenda item(s).
- A. Approve Executive Session (City Manager Evaluation) Meeting Minutes of May 27, 2014.
 - B. Accept Community Forestry Commission Meeting Minutes of April 16, 2014.
 - C. Accept Historic Landmarks Board Meeting Minutes of April 22, 2014.
 - D. Accept Library Commission Meeting Minutes of March 11 and April 8, 2014.
 - E. Accept Parks and Recreation Commission Meeting Minutes of April 16, 2014.
 - F. Accept Planning Commission Meeting Minutes of May 19, 2014.
 - G. Accept Resignation on Public Safety Advisory Commission (Mike Bernhardt, At-Large, Term Expiring December 31, 2016).
 - H. Community Development Department Monthly Building Activity Informational Report for May 2014.
 - I. Fire Chief Monthly Report for May 10 – May 23, 2014.
 - J. Police Chief Monthly Report for May 2014.
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**FOREST GROVE CITY COUNCIL EXECUTIVE SESSION
ORS 192.660(2)(I) CITY MANAGER EVALUATION
MAY 27, 2014 – 5:30 P.M.
COMMUNITY AUDITORIUM – CONFERENCE ROOM
PAGE 1**

Minutes are unofficial until approved by Council.

1. ROLL CALL:

Mayor Peter Truax called the Executive Session to order at 5:35 p.m. **ROLL CALL: COUNCIL PRESENT:** Thomas Johnston, Council President; Richard Kidd; Victoria Lowe; Camille Miller; Ronald Thompson; Elena Uhing; and Mayor Peter Truax. **STAFF PRESENT:** Michael Sykes, City Manager.

2. EXECUTIVE SESSION:

The City Council met in Executive Session in accordance with:

ORS 192.660(2)(I) to review and evaluate the employment-related performance of the City Manager.

3. ADJOURNMENT

Mayor Truax adjourned the Executive Session at 6:15 p.m.

Respectfully submitted,

Anna D. Ruggles, CMC, City Recorder

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APPROVED

Community Forestry Commission Minutes
April 16, 2014

Members Present: Jen Warren, Bruce Countryman, David Hunter, Mark Nakajima

Council Liaison Present: Ron Thompson

Members Absent: Lance Schamberger, Dale Wiley

Staff Present: Dan Riordan, Steve Huffman

Call to Order: 5:31 PM, quorum present

Approval of Minutes: David Hunter moved and Mark Nakajima seconded approval of the minutes for January 2014 and March 2014. The motion passed unanimously

No Citizen Communication

Old Business

Arbor Day Debriefing: The Commission discussed the results of the Arbor Day Tree Planting on April 8th with the Forest Grove Community School and Tree Pruning Workshop on April 12th. The Commission agreed the tree planting with the Community School was successful. David Hunter mentioned only one person from the public attended the Tree Pruning Workshop.

Banner Design: The Commission discussed the concept for 3' x 15' banner for promoting Arbor Month. The estimated cost is \$360.00. The Commission discussed an alternative approach to use the funds for a smaller banner suitable for a canopy for use at the Farmers Market and other CFC events. David Hunter made a motion, seconded by Bruce Countryman, to purchase a smaller banner with wording: "Celebrate the Urban Forest – Forest Gove Community Forestry Commission." The motion passed unanimously.

New Business

Commission Booth at Farmers Market: The Commission agreed to attend the Farmers Market on June 25th.

Project Reports

1. Urban Forest Management Plan: The management plan will be the primary item for discussion at the Commission's May meeting. Bruce will continue work on the template. The updated version will be distributed to Commission members in advance of the May meeting.

2. Event Display Board: Jen is working on the display board. The current concept includes incorporating frequently asked questions, high resolution photos, CFC mission, information on how to get involved and handouts
3. Commemorative Tree Project/Brochure: Mark provided background on the origins of the project. Mark anticipates progress this summer. David mentioned that Rod Fuiten should be recognized for the tree planting he completed in the Town Center.

Adjourn

Mark Nakajima presented a motion, seconded by David Hunter, to adjourn the meeting at 6:15 PM. The next meeting will be held on May 21st.

APPROVED

30

Members Present: Jennifer Brent, George Cushing, Neil Poulsen, Holly Tsur, Kaylene Toews, Larry Wade (one vacancy)
Staff Present: James Reitz
Council Liaison: Richard Kidd was present
Citizens Present: 03

1. **Call to Order:** Poulsen opened the meeting at 7:22 p.m. **The meeting minutes of March 25, 2014, were approved as submitted.**

2. **Citizen Communication:** None.

3. **Action Items / Discussion:**

A. Renovation Grant Requests –

- **Oscar Brown house #1 at 2325 “A” Street (Washington County Tax Lot 1N3 31CC-1800). Applicants: Scott and Cindy Kistler. File Number: HLR-14-00322.** The applicants were present and discussed their proposal to repair the chimney above the roof line. The project would entail removing and replacing the top ten courses of a flared corbel and repointing all of the lower courses down to the roof. They expect to use a grey mortar similar to what would have been original. **Cushing/Wade to award a \$1,000 grant. Motion carried unanimously.**

The Kistlers said that they were considering moving the front door back to its original location, and asked if the Board would need to review that first. Reitz replied that they would indeed have to receive Board approval before doing so, and that it would be a grant-eligible project. They were reminded that if they could provide evidence of the door's original location that would help the Board to approve the decision.

- **Agnes Moore house @ 2103 15th Avenue (Washington County Tax Lot 1S3 6BD-12500). Applicant: Jim Quiring. File Number: HLR-14-00337.** The applicant was present and discussed his proposal to re-roof his house, noting there were two shake layers and perhaps two or even three layers of asphalt shingles currently. The project would remove all the shingles down to the skip sheathing, lay new plywood, and then overlay with architectural asphalt shingles with metal valleys and ridge vents. It was noted that the Board had previously approved asphalt shingles to replace original wood shingles on other projects. Wade recommended being certain to use premium “tar paper” to last as long as the 30-year shingles were guaranteed. Tsur strongly recommended that the roofer be in close contact with the gutter contractor. Quiring replied that they had already spoken and had a meeting planned that he would attend as well. **Poulsen/Wade to award a \$500 grant. Motion carried unanimously.**

B. Preservation Month – Reitz reported that he had secured a location for the banner, to be up May 12-19, and that the Council would issue the proclamation May 12. Cushing reported that he had contacted the library for approval for a table for the whole month; Reitz noted that he had possession of the display board. Cushing also said he had contacted the FHFG and they would provide a display as well.

Reitz commented that a couple of potential Stewart Award recipients had been suggested since the last meeting. The Board opted to not recognize anyone this year.

C. Spring Newsletter -- Tsur reported that she is still hoping to sit down with Realtor Katya Duncan in the near future and would be able to get the article out quickly after that. A suggestion was made that due to the delay we skip this issue. Reitz advised that could

possibly adversely affect SHPO grant funding but if the summer issue was double the size that might be acceptable. Tsur asked Brent and Toews to each prepare a bio for the newsletter; and Cushing was reminded of his commitment to do an article for the now summer issue.

- D. Design Guidelines Discussion** -- Wade and Tsur had completed their edits. Poulsen noted that currently the wording says that only contributing buildings are considered historic; he recommended that historic buildings be all those constructed during the period of significance. Cushing described two examples of homes built within the period that were considered non-contributing because of some window and siding changes, but that were otherwise intact and offered much to the district. He also reminded the Board that opposition to the standards could be greater if all houses were included. Toews asked if there would be citizen education process before these were incorporated into the city code. She was assured that would happen.

Tsur asked what the penalties might be for changes done that were not approved by staff or the Board, such as painting in non-recommended colors or replacing original windows with vinyl windows. Poulsen replied that Astoria's standards have a very large color chart of acceptable colors and so a homeowner should be able to find acceptable colors.

Poulsen suggested that every potential project be reviewed by the Board in advance of their being initiated. Tsur commented that it might be difficult for the Board to do so in a timely manner what with all their other commitments.

Wade recommended that we have further discussion on these points at a later meeting.

- E. Renovation Grants Alternative Funding** – Due to the lateness of the hour this discussion was postponed to the next meeting.
- F. Officer Succession** – Due to the lateness of the hour this discussion was postponed to the next meeting.

4. Old Business / New Business

- Council Liaison Update: Kidd had nothing to report.
- Staff Update: Reitz had nothing to report.
- May agenda items will include the Spring/Summer newsletter, alternative funding options, officer succession, website update, and mock renovation grant request.

- 5. Adjournment:** The April 22, 2014 meeting adjourned at 9:14 p.m.

These minutes respectfully submitted by George Cushing, Secretary

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APPROVED

Library Commission approved minutes as presented on May 27, 2014.

1. CALLED TO ORDER AND ROLL CALL:

Pamela Bailey, Chair, called the meeting of the Library Commission to order at 5:30PM on Mar 11, 2014.

Members Present: Pamela Bailey, Chair; Nickie Augustine; Annie Hicks; Doug Martin; Kathleen Poulsen, Vice-Chair; Dayla Smoland; Jon Youngberg, Secretary.

Members Absent: None

Staff: Colleen Winters, Library Director

Council Liaison: Peter Truax, Mayor (excused)

Others: None

2. ADDITIONS/DELETIONS: None.

3. APPROVE LIBRARY COMMISSION MEETING MINUTES OF (Feb 11, 2014):

MOTION: Doug moved, seconded by Kathleen, to approve the Feb 11, 2014 minutes as presented. **MOTION CARRIED** by all.

4. CITIZEN COMMUNICATIONS: None.

5. INFORMATIONAL ITEMS:

5a. FOUNDATION REPORT: Colleen Winters reported about the Library Foundation of Forest Grove:

a) The Ed Carpenter art project for the library, now called "Mollie's Garden", is to be installed in the ceiling/skylight area near the library's circulation desk. See Ed Carpenter's website for more info (and pictures) related to this project: (<http://www.edcarpenter.net/home/home.html>)

b) This project will also include participation and collaboration by metal artist Eric Canon and wood artist Greg Kriebel. Their contributions to the project will focus on the enhancement of the four wooden columns, and new light

sconces, all under the skylight.

c) The artwork, once installed, will be owned by the City of Forest Grove, which will also be responsible for maintenance, insurance, etc. The Foundation will pay approx \$70,000 total for installation, materials, extra lighting up in the skylight, and manufacturing costs for the artwork of all three artists. Over half of the needed funds have been raised now.

d) Two additional fundraiser events are planned, but without a set date for either: (1) Donor Event with lecture by Ed Carpenter, and (2) A murder/mystery evening in the Rogers Room, starring Mayor Truax.

e) Timelines for installation of the artwork have been set: The Labor Day 3-day weekend 2014. The fundraising needs to be completed by Labor Day. The Dedication Day has not been set.

f) The Foundation will meet later this week, and will approve a contract for enhanced electric lighting for the project. Additional lighting up inside the skylight and at the top of the four posts.

g) See the Library Foundation of Forest Grove's web site (www.fglf.org).

5b. FRIENDS REPORT: Colleen Winters reported about the Friends of the Forest Grove Library:

a) The Friends board will meet later this week. They might schedule a "retreat" for the board, scheduled for this summer. The Friends board usually does not meet in the summer.

b) The Friends Cultural Series continued on Mar 4, with a program titled "Breaking the Chains: Slavery on Trial in the Oregon Territory".

c) A program is scheduled for Apr 1 7PM – "Pacific University Musicians"

d) The "Forest Grove Conversations" program is planned for the evening of Thursday March 13 at 7PM. The topic will be "Blinded by Science: The Politics of Facts in an Election Year".

e) Online book sale revenues by the Friends are picking up.

f) The Spring Used Booksale will be held the week of May 12.

g) The Friends web site is at: fglibraryfriends.org.

5c. COUNCIL LIAISON REPORT : None

5d. LIBRARY DIRECTOR'S REPORT: Colleen Winters reported these items:

- a) A new member of Forest Grove Library Commission, Nickie Augustine, is present, attending this meeting.
- b) Colleen told the Commission about steps taken to fill the vacancy due to Linda Minor's retirement. A permanent replacement is being looked for. Updated language for advertising the position in several ways. Applications allowed up thru Mar 28. Also, one temporary staff position could be filled very soon, and perhaps even one or more "on-call" staff positions, as well. This would allow for increased flexibility in staffing the library, etc.
- c) A library staff in-service day was held Mon Feb 17 (President's Day). Staff from other nearby libraries attended. Training for handling troublesome library patrons, also presentations by the Police, and staff discussions afterwards. May have to update policies and procedures, communication and signage in the library, as a result.

6. DISCUSSION OF ITEMS:

- a) A proposed list of the 2014 goals for the Library Commission was prepared:

1. Investigate and discuss the "Future of the Forest Grove Library" topic, in particular, and the general "Future of Libraries" topic in general. What will our library "look like" in 5, 10, and 20 years?
2. Decide on a survey that supports bullet 1 above. What questions do we ask? What are we looking to find out? Who do we ask? Not a general "How often do you visit the library?" type of survey, but one focused on the future of the Forest Grove Library.
3. Show appreciation for the library staff, in various ways. Also, involve the library staff in (and work with them on) more activities, as appropriate, with advice from Colleen.
4. Host a friendly "Gathering of the Groups" annual informal social event per year in the Rogers Room. Invite the Friends and the Foundation board members, the Mayor and the City Council, all library staff, and the members of the Library Commission. This event enhances communication among these groups.
5. Enhanced celebration plans are desired for National Library Week, and Library Worker's Day, that occur annually in April.
6. Perform policy reviews, as needed. Including Volunteer and Circulation policies or guidelines, with the assistance of library staff.

b) Work started on the “Future of the Forest Grove Library” item. A list of questions we want to answer was begun:

1. What will the Forest Grove Library look like (or be like), in 5, 10, and 20 years? In what ways will it be the same? In what ways will it change?

2. What will visitors to the library want from the library in the future that is in some way different from what they want now?

3. Who can we ask for advice on these questions? Are we asking the right questions?

4. What are other libraries and library organizations doing along these lines? What changes are other libraries working on now? What do they plan to do over the next few years? We know that we are not alone, in asking these questions. We can learn from others and tailor the answers to the needs of the Forest Grove Library.

5. Should we do a survey of library users, Forest Grove residents, and various other “stake-holders”? What questions should we ask? Who should we ask? Where and how should we ask the survey questions?

6. Do we need a strategy, and formal process, to accomplish this work? Or would a less formal process be better for the Library Commission, given the time we have each month to work on it?

7. Should we make a concerted effort to get answers over the next two years, and then keep the “Future of the Forest Grove Library” item as an on-going and continuing item for consideration by the Library Commission?

8. Once we come up with a list of answers (possible changes to the library in the future), how can these changes be implemented?

9. How do we communicate the value of the Forest Grove Library to the residents of Forest Grove? So that fewer people think of libraries as merely “the place that we don’t need any more, where the dusty old books are kept.”

c) Future event: Meet Sat Apr 12 at 2PM to help put together a gift for library staff. Then meet at the library Wed Apr 16 at 5PM to deliver the gifts. This is for the National Library Week celebration the week of April 17, and for Library Workers Day.

d) The “Gathering of the Groups” event, which was hosted by the Library Commission during April last year, could be scheduled for an evening (5:30PM to 7:00PM) in May this year, in the Rogers Room. May 1, 22, or 29 were dates mentioned for the event. TBD.

7. ANNOUNCEMENT OF NEXT MEETING:

The next Library Commission meeting will be held on Tues Apr 8, 2014 at 6:30PM in the Rogers Conference Room at the Forest Grove Library.

8. ADJOURNMENT:

Hearing no further business, Chair Bailey adjourned the meeting at 8PM.

Minutes respectfully submitted by:

Jon Youngberg, Library Commission Secretary

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APPROVED

Library Commission approved minutes as presented on May 27, 2014.

1. **CALLED TO ORDER AND ROLL CALL:**

Pamela Bailey, Chair, called the meeting of the Library Commission to order at 6:30PM on Apr 8, 2014.

Members Present: Pamela Bailey, Chair; Nickie Augustine; Annie Hicks; Doug Martin; Kathleen Poulsen, Vice-Chair; Dayla Smoland; Jon Youngberg, Secretary.

Members Absent: None

Staff: Colleen Winters, Library Director

Council Liaison: Peter Truax, Mayor

Others: Eva Calcagno, Stephanie Harris

2. **ADDITIONS/DELETIONS:** None.

3. **APPROVE LIBRARY COMMISSION MEETING MINUTES OF (Mar 11, 2014):**

MOTION: Doug moved, seconded by Annie, to approve the Mar 11, 2014 minutes as presented. **MOTION CARRIED** by all.

4. **CITIZEN COMMUNICATIONS:** None.

5. **INFORMATIONAL ITEMS:**

5a. **FOUNDATION REPORT:** Colleen Winters reported about the Library Foundation of Forest Grove:

a) The Ed Carpenter art project for the library, now called “Mollie’s Garden”, is to be installed in the ceiling/skylight area near the library’s circulation desk. See Ed Carpenter’s website for more info (and pictures) related to this project: (<http://www.edcarpenter.net/home/home.html>)

b) This project will also include participation and collaboration by metal artist Eric Canon and wood artist Greg Kriebel. Their contributions to the project will focus on the enhancement of the four wooden columns, and new light

sconces, all under the skylight.

c) The artwork, once installed, will be owned by the City of Forest Grove, which will also be responsible for maintenance, insurance, etc. The Foundation will pay approx \$70,000 total for installation, materials, extra lighting up in the skylight, and manufacturing costs for the artwork of all three artists. Over half of the needed funds have been raised now.

d) A new fundraiser event is planned, to be held Sat Apr 26, with the Public Arts Commission - a movie fundraiser for the Ed Carpenter art project at the Forest Grove Theater.

e) Two additional fundraiser events are planned, but without a set date for either: (1) Donor Event with lecture by Ed Carpenter, and (2) A murder/mystery evening in the Rogers Room, starring Mayor Truax.

f) Timelines for installation of the artwork have been set: The Labor Day 3-day weekend 2014. The fundraising needs to be completed by Labor Day. The Dedication Day has not been set.

g) The Foundation will meet later this week, and will approve a contract for enhanced electric lighting for the project. Additional lighting up inside the skylight and at the top of the four posts.

h) See the Library Foundation of Forest Grove's web site (www.fglf.org).

5b. FRIENDS REPORT: Colleen Winters reported about the Friends of the Forest Grove Library:

a) The Friends board will meet tomorrow (2014 Annual Meeting).

b) The Friends Cultural Series continued on Apr 1, with a program titled "Pacific University Musicians", with 42 attendees.

c) The "Forest Grove Conversations" program was held Thursday Mar 13 at 7PM. The topic was "Blinded by Science: The Politics of Facts in an Election Year". Next year, this event will be a Friends Cultural Series event that will be held at the library.

d) The Cultural Series lectures and events are being firmed up for the 2014-2015 season. A Latino cultural series is planned.

e) The Spring Used Book Sale will be held the week of May 12-17, 2014 in the Rogers Room. The setup period will be from May 6 to May 9.

f) The Friends web site is at: fglibraryfriends.org.

5c. COUNCIL LIAISON REPORT :

a) The WCCLS funding levy is coming up again (in the Nov 2015 General Election). The "Yes For Libraries" campaign to let voters know about the value of county libraries. Old levy expires June 2016. Will be up for vote

same time as the public safety levy.

b) Metro has given more control of some urban reserve land to Forest Grove. Some of the land north of the city (mostly for residential) and south of the city (mostly for industrial & commercial usage), could now be annexed into the city, and planned & developed. Some money has been made available for planning.

c) Also, some funds have been obtained for the planning of a possible new Community Center for Forest Grove.

d) Mayor's lengthy trip to Washington D.C. focused mostly on transportation and funding issues.

5d. LIBRARY DIRECTOR'S REPORT: Colleen Winters reported these items:

a) Sat Apr 12 an "Oregon Reads" event will be held with Oregon Poet Laureate Paulann Petersen, a creative writing workshop, expected to be a well-attended event.

b) Wed Apr 9 event "Art of the Story Festival" event will be held in the Rogers Room with title "Passport to African Countries" with Habiba Addo.

c) There is a new manager (filling a new position) for the city's IT department, which now has 3 people.

d) Colleen told the Commission about steps taken to fill the vacancy due to Linda Minor's retirement. 22 applications were accepted thru the Mar 28 deadline. The screening process is beginning.

e) Two temporary and part-time staff positions have been filled. The positions will last until the permanent employee position (mentioned above) is filled. The Library has 14 employees, 8 are part-time, 11 FTE.

f) The City's budget process is continuing for this year, with "maintain current services" as the main idea. A case has been made by the Library for a pool of people to fill "on-call" staff positions. This would allow for increased flexibility in staffing the library, to take care of absences, conference attendance, etc. The Reference Services desk position is key. Linda Minor allowed for a lot of flexibility there. Many of the on-call staff might also have regular shifts scheduled at another county library as well as ours.

g) Document being written by library staff about the history of funding levies passing or failing, and the effect on staffing and library open hours.

6. DISCUSSION OF ITEMS:

a) The 2014 "Gathering of the Groups" event has a preliminary date set of Thurs May 29, from 5:30PM to 7PM. It was noted that a city Budget Committee meeting is also to be held that evening at 7PM. A subcommittee

was formed to prepare for the Gathering of the Groups event.

b) Eva Calcagno, WCCLS Director discussed the WCCLS and its history, including the history of its levies. There is a Policy Group (Library Directors), and Executive Board (City Managers).

c) Aloha library wants to be a full member of the WCCLS. WCCLS also manages the West Slope library. Partner libraries have to cooperate with each other (sharing of resources), and commit to this partnership. This WCCLS solution works for our county libraries. No change to a “County Library system with various branch libraries” is planned.

d) There are three general missions of the WCCLS:

(1) Washington County is the primary funding source for public library operations. About 80% of the WCCLS budget is distributed to member libraries for their operations.

(2) WCCLS provides support services to member libraries like: library catalog, website, courier services (8 million items shared last year), internet access and Wi-Fi, reference and interlibrary loan, publicity, youth services support, subscriptions to e-books (200,000 used annually), “Library To Go”, Learning Express Library (Learning Centers).

(3) WCCLS provides outreach to special populations, including mail delivery to homebound residents, jail library staff, outreach to Spanish speaking residents, early literacy training, etc.

e) Local funds supplement funding of local library facilities, allowing some level of local control of the library.

f) WCCLS administrative offices located in a county office building in Hillsboro. Leased warehouse space near Hillsboro airport for activities like courier service, etc.

g) WCCLS has presence at County Fair, a county library booth. Grownups are often surprised by the amount of services, the number of events, that occur at the county’s libraries.

h) Looking toward the future of libraries in Washington County, Eva Calcagno mentioned:

(1) Increased electronic offerings would be necessary, more e-materials. The number of e-books available and checked out annually is the same as the number of books available and circulated annually for many smaller and middle-sized libraries. Continued access to internet and Wi-Fi at county libraries. Get lots of questions at member libraries about how to use e-readers and other electronic devices.

(2) Continued “access to government services” – tax forms, employment info, Medicare info, etc.

(3) “Libraries as a Gathering Space” – Your local library as the “front porch

of the community”, crafts and other activities, as a safe, quiet study room, allowing group study & homework, a center for art & culture, lectures, events. Free public programs on a wide variety of topics.

(4) “Libraries as Learning Centers”. Early literacy programs. Interactive learning tools. Language skills, classes, tools to do various activities. Help with Research.

(5) In the future, looking to increase convenience and ease-of-use. More services available 24hrs/day. Self-service check-out an example during library open hours.

(6) An online WCCLS survey was conducted during Summer 2013. Got about 2000 responses (all were Washington County library-card holders). 88% were positive about their local library. General comments from those surveyed can be summarized as wanting “More, Faster, and Easier”. They seemed to comparing WCCLS and our libraries to commercial services & commercial web sites. But they also want a touch of local community and the ability to talk to someone and ask questions in person.

7. ANNOUNCEMENT OF NEXT MEETING:

The next Library Commission meeting will be held on Tues May 13, 2014 at 6:30PM in the Rogers Conference Room at the Forest Grove Library.

8. ADJOURNMENT:

Hearing no further business, Chair Bailey adjourned the meeting at 8PM.

Minutes respectfully submitted by:

Jon Youngberg, Library Commission Secretary

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**PARKS AND RECREATION COMMISSION REGULAR MEETING
WEDNESDAY, APRIL 16, 2014
COMMUNITY AUDITORIUM-CONFERENCE ROOM
PAGE 1 OF 3**

APPROVED

- 1) **ROLL CALL:**
 - a) **Commissioners** – Mike Olson, Howard Sullivan, Susan Taylor, Jeremiah Toews, Glenn VanBlarcom and Todd Winter.
Absent – Ralph Brown, Quinn Johnson and Paul Waterstreet.
 - b) **Staff** – Tom Gamble, Steve Huffman and Cindy Donovan

- 2) **CITIZEN COMMUNICATIONS:**

- 3) **APPROVAL OF MINUTES:** The minutes of the March 20, 2014 meeting were approved.

- 4) **ADDITION/DELETIONS:** None

- 5) **INTRODUCTIONS:**
New Members: Jeremiah Toews and Todd Winters

- 6) **OLD BUSINESS:**
 - a) **Smoke Free/Tobacco Free Policy Report/Discussion**
 - i) **Public Comment Period** – No citizens attended this meeting.
 - ii) The City Attorney made some minor code revisions.
 - iii) The Rec. Commission voted to accept the policy and move it forward to the Public Safety Advisory Commission and the City Council.
 - (1) The PSAC meets next Wednesday at 8:30 a.m. and will take public comment at that time.
 - (2) Carla Bennett from the Washington County Health Department will be on hand to answer questions.
 - b) **Budget**
 - i) **C.I.P. Projects F.Y. 2014-15**
 - (1) Master Plan Update
 - (a) The Master Plan was put in place in 2002. It lets us know where the need is for parks and facilities in different areas of the City.
 - (i) We need to look ahead 5 to 10 years for land for parks.
 - (ii) Currently our standard is a park within a one-third mile radius of homes.
 - (iii) Study the need for a softball/baseball complex.
 - (iv) The RFP hasn't gone out yet.

**PARKS AND RECREATION COMMISSION REGULAR MEETING
WEDNESDAY, APRIL 16, 2014
COMMUNITY AUDITORIUM-CONFERENCE ROOM
PAGE 2 OF 3**

- (b) The Trails Master Plan may be rolled into the general Master Plan.
- (c) A feasibility study for a community center will be done.
 - (i) The cost will be approximately \$200,000 with \$100,000 coming from the State and \$100,000 from SDC funds.
- (2) Trails
 - (a) Currently there is one project, the Old Town Loop, which goes onto Metro property.
 - (b) We are working on two grants for this project. One is the Nature and Neighborhood grant from Metro. If we get this one, the cost would be split in thirds. If not then we will go for a 50% match from the State.
- (3) A question came up about the development of the Stites Property. This project is on the back burner because we don't currently have enough man power to develop it.
 - (a) It is a 10½ acre parcel that will include passive trails, ball fields and a bathroom.
 - (b) There are some deed restrictions.
- ii) **General Fund Report**
 - (1) This pays most departments expenses except for Capital Improvement Projects.
 - (2) No big changes this year, just "hold the line".
- iii) **Playground Update**
 - (1) Bard Park
 - (a) Tom met with a contractor to get a bid to have it installed as the group that was going to do the work is now unable to.
 - (2) Talisman Park
 - (a) Once Bard Park is completed, we will get to work on Talisman.

7) NEW BUSINESS:

- a) **Skyhawks Summer Program**
 - i) All the camps will take place at Lincoln Park this summer.
- b) **Volunteer Recognition/Nominations**
 - i) Start thinking about the time frame for nominations.
 - ii) Location? At the Corn Roast again or can we improve upon that?
- c) **Aquatic Center Fees**
 - i) The fees will increase about 3% on July 1st to keep up with business costs.

**PARKS AND RECREATION COMMISSION REGULAR MEETING
WEDNESDAY, APRIL 16, 2014
COMMUNITY AUDITORIUM-CONFERENCE ROOM
PAGE 3 OF 3**

8) COMMISSIONER'S REPORTS:

a) Todd:

- i) The Eagle Point Recreation Area (formerly A-East) is being developed at Hagg Lake. These 70 to 100 sites will be open year round.
- ii) Other recreation areas that set to reopen soon are Rippling Water in Gales Creek and Lee Falls.

9) STAFF REPORTS:

a) Steve:

- i) This is the Parks Departments busiest time of the year and they rely on everyone to be their eyes and ears. If you see a problem, let them know.
- ii) The Forest Glen erosion problem needs to be dealt with. The trail is gravel. This could be a potential Eagle Scout project.

b) Tom:

- i) Upcoming Budget Committee Meetings
(1) May 22, May 29 and June 4 at 7:00 p.m.

10) ANNOUNCEMENT OF NEXT MEETING: The next meeting will be Wednesday, May 21, 2014 at 7:00 a.m.

11) ADJOURNMENT: The meeting was adjourned at 8:31 p.m.

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1. **CALL TO ORDER:**

Chairman Beck called the meeting to order at 7:03 p.m.

Planning Commission Present: Tom Beck, Carolyn Hymes, Dale Smith, Phil Ruder, Sebastian B. Lawler and Hugo Rojas.

Absent: Lisa Nakajima

Staff Present: Jon Holan, Community Development Director; Chris Crean, City Attorney; Marcia Phillips, Assistant Recorder.

2. **PUBLIC MEETING:**

2.1 **PUBLIC COMMENT PERIOD FOR NON-AGENDA ITEMS:** None.

2.2 **PUBLIC HEARING:** None scheduled.

2.3 **ACTION ITEMS:** None.

2.4 **WORK SESSION ITEMS:**

Annual Training – Legal Requirements for land Use Decision Making.

Chairman Beck turned the meeting over to staff for annual training.

Mr. Holan: I would like to introduce Chris Crean, City Attorney. The Commission has welcomed two new Commissioners since the last training session.

Mr. Crean: Land use is a big complicated area of law. My goal for this training session is to hit the high points. In Oregon there are several levels of government that simultaneously regulate land use – the state, city, county and special districts. A local government, such as cities or counties, adopts its own land use plan as well as regulations to implement the plan. However, the local government's plan and regulations must be consistent with and implement state policies that are set forth in the Statewide Planning Goals and Oregon Administrative Rules (OAR). Also, those cities and counties located within Metro must meet regional requirements established by Metro. State law imposes substantial procedural requirements for local land use decisions, depending on the type of land use decision that is being made. Due to the complexity involved in determining what type of decision is being made, the Planning Department staff and City Attorney will generally evaluate the nature of the particular decision in any given case.

In response to a question from Chairman Beck, there was a discussion about where Metro and Clean Water Services (CWS) regulations fit in. Mr. Holan stated that there is a strong overlap between wetlands and water quality.

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

May 19, 2014 –7:00 P.M.

PAGE 2 of 4

Mr. Crean: A quasi-judicial decision typically applies pre-existing criteria to an individual person or piece of land. Determining whether a proceeding is “quasi-judicial” depends on whether the decision displays the characteristics of such decisions. First, the proceeding must be “bound to result in a decision.” Second, the local government must be “bound to apply preexisting criteria to concrete facts”. Third, the decision must be “directed at a closely circumscribed factual situation or a relatively small number of persons”. Typical examples of a quasi-judicial decision include design review, partition and subdivision, zone change for a small number of lots or parcels, development permits and variances. In Oregon a quasi-judicial decision must comply with general standards of due process. Due process standards typically include an opportunity to be heard, an opportunity to present and rebut evidence, an impartial decision-maker and a record and written findings adequate to permit judicial review. The mechanics of meeting the due process requirement are deeply embedded in state law and in some local codes. Procedures that apply to the City’s review of a quasi-judicial application are largely determined by ORS 197.763. Regulations are enforced through code enforcement staff.

Mr. Crean: There are two rules to remember. First is the 120-day rule, when an application is submitted you have 120-days to complete the process. Second is the “Fixed Goal Post Rule”, the City must apply rules that were in place at the time of application.

Mr. Crean: Another thing to be aware of at the first evidentiary hearing, if asked to hold the record open so the applicant or opponent can submit additional materials, you have to do it. Also per ORS 227.173, you must make sure there is a basis for your decision and it must be supported by findings. As City Attorney this is very important to me. I may be called upon to defend your decision.

Mr. Holan: If the Commission is going in a particular direction with a project, it is very important to explain for the record why you made that decision and based on what. In Forest Grove, any decision can be appealed to the City Council.

Mr. Crean: On Page 6 in your packet is an explanation of how to determine if an application is legislative or quasi-judicial. If in doubt, go with quasi-judicial.

Mr. Crean: On Page 8 in your packet is an explanation of ex parte contacts, bias and conflicts of interest. Every applicant has the right to an impartial decision. If the application is not pending before you this does not apply. The purpose of declaring ex parte contacts, bias and conflicts of interest is to ensure that quasi-judicial land use applications are decided by an impartial hearing body. Ex parte contacts, bias and conflict of interest applies to quasi-judicial – not legislative. When in doubt, disclose. You should disclose at the earliest opportunity, and you must disclose the type of contact (email, in person, etc.). Ex parte contacts are not illegal, you just need to disclose. Page 11 in your packet describes the scope of ex

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

May 19, 2014 –7:00 P.M.

PAGE 3 of 4

parte contacts. Page 12 in your packet describes conflict of interest as defined under ORS 244.020. A potential conflict of interest is distinguished from an actual conflict of interest in that the benefit or detriment could occur while in an actual conflict of interest situation, the benefit or detriment ‘will’ occur. In the case of an actual conflict of interest the official must both announce the actual conflict of interest, and refrain from taking official action. In other words, state the conflict and step down. This preserves the integrity of the process.

Mr. Crean: Local quasi-judicial decision makers are not expected to be free of bias, but they are expected to put whatever bias they may have aside when deciding individual permit applications. They must engage in the necessary fact finding and attempt to interpret and apply the law to the facts as they find them. The ultimate decision is a reflection of their view of the facts and law rather than a product of any positive or negative bias the decision maker may bring to the process. Actual bias means prejudice or prejudgment of the parties or the case to such a degree that the decision maker is incapable of being persuaded by the facts to vote another way. The standard for determining actual bias is whether the decision maker “prejudged the application and did not reach a decision by applying relevant standards based on the evidence and argument presented during quasi-judicial proceedings. The objecting party does not have to demonstrate that a majority of the decision makers were influenced by the bias of one decision maker to warrant a remand; the bias of one City Councilor is enough. General expressions of opinion do not invalidate decisions. A decision maker may not add more additional evidence; it must be provided by the applicant or opponent. However, relevant information from past projects can be used.

Mr. Crean: Assume public meeting laws apply to you. If staff sends you an email, do not click “reply all”, because then it is a public meeting since you have created a quorum – just reply to staff. The presiding officer can require those speaking to speak on matters reasonably related to City business. Time limits are your most valuable tool. Are there any questions?

In response to a question from Commissioner Lawler, Mr. Crean stated that recording a public meeting is allowed, but the recording should not be allowed to be disrupting or distracting to the meeting.

3.0 BUSINESS MEETING:

3.1 APPROVAL OF MINUTES: Commissioner Lawler pointed out that the date on the minutes was not correct. Commissioner Hymes made a motion to approve the minutes from the May 5, 2014 meeting with this one correction. Commissioner Lawler seconded. Motion passed 6-0.

3.2 REPORTS FROM COMMISSIONERS/SUBCOMMITTEES: None.

**PLANNING COMMISSION MEETING MINUTES
FOREST GROVE COMMUNITY AUDITORIUM**

May 19, 2014 –7:00 P.M.

PAGE 4 of 4

- 3.3 DIRECTOR’S REPORT:** Mr. Holan said it is possible that the Ruralite building could come before the Commission on June 16th. He said the Gales Creek Terrace application is incomplete, and staff is waiting for their response, so it could come before the Commission in July.
- 3.4 ANNOUNCEMENT OF NEXT MEETING:** Next meeting to be determined.
- 3.5 ADJOURNMENT:** The meeting was adjourned at 8:36pm.

Respectfully submitted by:
Marcia Phillips
Assistant Recorder

Memorandum

To: Mayor Truax and City Councilors
From: Anna D. Ruggles, City Recorder
Subject: Accept Resignation on Public Safety Advisory Commission
Date: June 9, 2014

Mike Bernhardt, Public Safety Advisory Commission (PSAC), representing Citizen At-Large, Term Expiring December 31, 2016, has informed staff of his desire to resign from the PSAC as per his attached resignation letter notification.

STAFF RECOMMENDATION:

Staff recommends Council accept the above-noted resignation and deem the seat vacant.

May 30, 2014

Mr. Bob Mills
Chairman
Forest Grove PSAC



Subject: Letter of Resignation from Public Safety Advisory Commission

Dear Bob:

I believe it is in the best interest of PSAC and the City of Forest Grove for me to resign my position on the Public Safety Advisory Commission. My work situation has changed as of this past March and I am no longer able to commit to my active involvement as a PSAC voting member. I missed the April meeting, was able to attend the May meeting, and will not be in town for the June or July meetings, based on my current travel schedule.

As we've been discussing, PSAC needs members who can attend regular meetings and be active participants in all discussions. Unfortunately, my new position often requires me to travel, sometimes with very little notice.

It is not fair to PSAC nor is it a service to the community if we have commissioners who can't be counted on to attend meetings and vote on community issues.

I would be glad to participate as a non-voting citizen and attend meetings when I am in town, if that might be of any value, but the proper thing for me to do at this time is to step down from my official position on the Commission.

If you have any alternative ideas by which I might remain a contributor to PSAC, I would be happy to discuss them with you. But, as we have all agreed, having voting members who can't be counted on to attend the meetings is not doing service to PSAC or to the community.

I wish you and the members of PSAC much success and I sincerely thank you and the City Council for the opportunity to serve over the past two years.

With much respect,

A handwritten signature in black ink, appearing to read "Mike Bernhardt", with a long horizontal flourish extending to the right.

Mike Bernhardt
[REDACTED]

3H

Monthly Building Activity Report

May-14

2013-2014

Category	Period: May-13		Period: May-14	
	# of Permits	Value	# of Permits	Value
Man. Home Setup				
Sing-Family New	22	\$5,574,545	9	\$2,137,396
SFR Addition & Alt/Repair	4	\$45,291	4	\$52,709
Mult. Fam. New/At	1	\$4,200		
Group Care Facility				
Commercial New	1	\$1,176,058		
Commerical Addition			1	\$21,240
Commercial Alt/Repair	4	\$1,265,253	8	\$287,762
Industrial New				
Industrial Addition				
Industrial Alt/Repair				
Gov/Pub/Inst (new/add)	1	\$2,531	1	\$1,300,000
Signs				
Grading			1	
Demolitions				
Total	33	\$8,067,878	24	\$3,799,107

Fiscal Year-to-Date

2012-2013		2013-2014	
Permits	Value	Permits	Value
256	\$43,221,990	249	\$47,258,198

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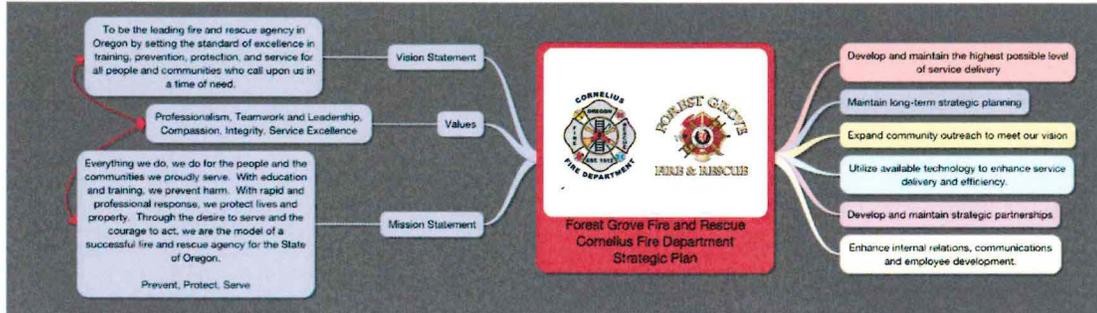
Permit Type	Description	Permits	Square Feet	Valuation	Fees Paid	Custom Field Valuation
xcmalt	Cornelius Commercial Alteration	2	0.00	0.00	719.95	21,200.00
xcmr	Cornelius Commercial Repair	1	0.00	0.00	342.32	12,000.00
xmhs	Cornelius Manufactured Dwelling Placement	2	0.00	0.00	463.76	0.00
xpotc	Cornelius Plumbing Over the Counter	4	0.00	0.00	170.69	0.00
xsfadd	Cornelius Single Family Addition	3	789.00	23,450.76	798.63	23,450.76
Grand Total		12	789.00	23,450.76	2,495.35	56,650.76

<u>Report Group</u>	<u>Fee Code</u>	<u>Fee Description</u>	<u>Amount</u>
bldg	bldpmt	Building Permit Fee	981.40
bldg	blplrv	Building Plan Review Fee	637.92
bldg	flplrv	F&L Safety Plan Review	123.80
bldg	mhplrv	MHP Plan Review & Inspections	360.50
bldg	mhstat	MHP State Fee	60.00
bldg	mhstr	MH State Surcharge	43.26
bldg	plmb	Plumbing Permit Fee	152.40
bldg	plstr	Plumbing State Surcharge	18.29
bldg	stsur	State Surcharge	117.78
		Total for Group bldg	<u>2,495.35</u>
		Grand Total:	<u><u>2,495.35</u></u>



Fire Chief's Report

Reporting Period: May 10-May 23, 2014



Notable Calls and Events

- Forest Grove: Crews responded to a fully involved Chevy Suburban on May 20 on Pacific Boulevard, in front of McDonalds.
- Cornelius: On May 19 Volunteer Firefighters Matt Aalto and Robert Conrath were promoted to Lieutenant before the Cornelius City Council, and letters of commendation were provided to Cornelius Police Officers for their recent AED response to cardiac arrest events.
- Joint: The Cornelius and Forest Grove Firefighter's Association (which have now joined) hosted a fundraiser Firefighter Pancake breakfast on May





Fire Chief's Report

Reporting Period: May 10-May 23, 2014



18, with 300 people attending. During the breakfast attendees watched the live fire training going on behind them as the spring recruit academy conducted some of their final drills of the academy.

- Cornelius: Residential house fire in the Cornelius rural district (Hergert Road) occurred on May 15. Crews were on scene from 2:00 PM Thursday until 5:00 AM Saturday in this extremely difficult fire. The house was located up a steep driveway, there was no nearby water source, and the house was approximately 4000 square feet. The fire started on the exterior and is believed to have started by an oil-based stain that had been applied to the deck and possibly dripped below. Estimated loss of \$325,000.
- Forest Grove: Motor vehicle accident on Highway 47 and Fern Hill road with seven patients on May 15. Gaston and Cornelius units had to respond to this call as all units were committed to the house fire on Hergert Road.
- Forest Grove: Residential house fire on 16th avenue in Forest Grove which started in the kitchen at 0600 on May 15. Crews were able to successfully confine the fire to the kitchen but there was significant smoke damage to the home.
- Forest Grove: On May 12 Forest Grove volunteer firefighters Victor Haney and Bobby Edwards were promoted to Lieutenant at the Forest Grove City Council meeting.





Fire Chief's Report

Reporting Period: May 10-May 23, 2014



Projects and Administration

Links to strategic goals are indicated by the SG# at the end of each update. See chart on page 1.

- Joint: Dr. Daya conducted monthly emergency medical training on May 19.
- Joint: Forest Grove and Cornelius firefighters conducted a joint smoke alarm campaign at the Cornelius Manor trailer park. This event, coordinate by Firefighter Cassie Knierim, visited 82 homes, and tested 57 alarms. 57% of the homes had no working alarms, 33% had alarms present but none were working. We installed 53 alarms, in 74% of the homes that we tested alarms.
- Joint: Forest Grove hosted this year's Washington County Joint Fire District Directors meeting on May 13. The event was attended by District Directors from Forest Grove, Cornelius, Tualitin Valley, Banks, and Gaston. There was a presentation from Retired TVFR Fire Chief Jack Snook on what cooperative partnership studies could do for Western Washington County fire departments.
- Forest Grove: Provided medical coverage to Pacific University Commencement ceremonies on May 17.
- Joint: Fire Chief obtained Chief Fire Officer designation from the Commission of Professional Credentialing Center for Public Safety Excellence.
- Joint: Captain Steve Black is working on a joint "combat challenge" fitness competition event for the departments for early June.
- Joint: Captain Steve Black, Division Chief Ian O'Connor and Captain Tad Buckingham continue to coordinate the recruit fire academy, taking turns grading the distance learning homework and coordinating the hands-on fire, vehicle extrication and EMS training.
- Cornelius: Captain George Robards is working on repairing Tender 8, which suffered a pump failure.
- Cornelius: Lieutenant Ty Augustine will be flying to Philadelphia on May 28 for a pre-construction meeting with KME for the Type I engine.
- Joint: Firefighter Chad Toomey is coordinating the July 4th Fireworks event at Tom McCall school.
- Joint: Completed first draft of RFP for cooperative partnership study.
- Forest Grove: C Shift crews attended the "Donate to Live" event at Forest Grove High School in honor of Anna and Abigail.

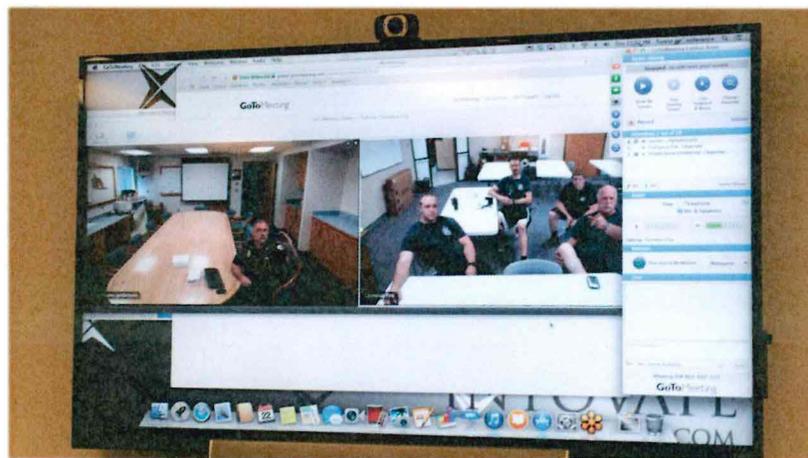


Fire Chief's Report

Reporting Period: May 10-May 23, 2014



- Joint: Crews from Forest Grove, Cornelius and Gaston participated in a live fire training event on Sandstrom Road on May 14 - over 40 firefighters received live fire training in a donated house. For many recruits this was their first exposure to a house fire environment. Hillsboro Fire provided coverage during this training exercise.
- Forest Grove: Volunteer Firefighters Victor Haney and Bobby Edwards were promoted to Lieutenant before the Forest Grove City Council on May 14.
- Joint: Successfully installed new video conferencing system in Forest Grove (3 screens) and Cornelius (1 screen). Training on this system will be coming soon.



- Forest Grove: Fire Prevention conducted two public education presentations for Forest Grove Community School 5th grade students on emergency preparedness. Approximately 75 people attended.
- Forest Grove: Captain Chris Woodford is working with Pacific University to improve their addressing and marking of fire lanes.
- Forest Grove: Lieutenant Will Murphy attended a leadership class at DPSST and is working with Washington County EMS and OHSU on data export for EMS data. Below is our ROC study data for our CPR performance (very good).

Site	Agency	Average Monthly Enrollment ¹	Cumulative			
			Available CPR Process ²	CPR Fraction, mean (sd) (min, max)	Comp Rate, mean (sd) (min, max)	Comp Depth, mean (sd) (min, max)
Performance Goal			>75%	>0.60	80-120	>37mm
PTL	Forest Grove Fire Dept	0	80.0%	0.87 (0.10) (0.68, 0.97)	109.8 (9.0) (100.3, 127.8)	55.3 (6.9) (55.3, 6.9)



Fire Chief's Report

Reporting Period: May 10-May 23, 2014



- Forest Grove: Captain Joe Smith has been working hard to repair the ladder truck. The initial fix to the hydraulic system was unsuccessful. We are now coordinating with the manufacturer to determine other causes. It remains out-of-service for now.
- Joint: Gaston firefighters are now participating in our joint training on Monday nights.
- Forest Grove: Division Chief Dave Nemeyer completed research and planning for the 2014 Fire Code adoption. This will go to the City Council in late summer/fall.
- Forest Grove: Division Chief Ian O'Connor assisted an elderly couple in the Glenwood region of the rural district safely burn a large burn pile.
- Forest Grove: Division Chief Ian O'Connor is coordinating our Memorial Day Observation - Mayor Pete Truax and Chaplain Dexter Danielson will be speaking.
- Joint: Firefighter Chad Toomey continues working on project to improve department communications, and will be meeting with graduate students from Pacific University who are interested in helping with this project.
- Joint: Washington County EMS Operations met and discussed the On-Line Medical Control project. The project will continue, with funding coming from the Washington County EMS Office as negotiations with hospitals (who will eventually fund this) are finalized.
- Cornelius: We have learned that our AFG tender grant has moved forward into the next step of the approval phase.
- Forest Grove: Fire Chief is preparing a presentation for elected officials on the proposed funding mechanism for the required radio system upgrades for WCCCA (\$160 million is latest estimate for Washington and Clackamas County). A special district is being proposed to go out for a bond to fund this at .11/1000.

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About Public Safety Chaplaincy

History...

In 1981, the chaplaincy program was started with Beaverton Police Department. Three years later, the Washington County Law Enforcement Council approved expansion in to the county, including all 11 agencies. On May 10, 1984, Officer Alive Inc. Was incorporated with the State of Oregon. Clackamas County was added to our base of ministry in 1988, in 2001 Officer Alive became Metro Police Chaplaincy. The name of the organization was changed to Public Safety Chaplaincy in late 2006 to better represent the growth of the chaplaincy outside of the Portland/Metro area and into other areas of public safety including Fire, Dispatch and Emergency Medical Services. Today we are Public Safety Chaplaincy, Inc. and we serve more than 20 agencies in northwest Oregon.

Funding...

Public Safety Chaplaincy is a 501c3 IRS approved organization that is dependent upon contributions of concerned groups, businesses, churches and individuals. Payroll deductions are often a way in which support is given and some organizations even provide a matching gift when contributions are made to Public Safety Chaplaincy. Donations through credit unions and the United Way are also received at PSC. We also fulfill Professional Service Contracts through some of the other departments we serve. Occasionally, we receive a foundation grant.

Services...

Public Safety Chaplaincy chaplains respond to wide variety of opportunities. They respond to community crises such as fatal accidents, suicides, homicides, SIDS deaths, search and rescue as well as hostage situations. Following such traumatic incidents, PSC chaplains conduct stress debriefings or defusing for all emergency responders, dispatchers, and commanders etc. who may have been involved. Free counseling is offered to public safety personnel both sworn and non-sworn and their families. This may include pre-marital, career-related, retirement and other topics as need may arise. PSC chaplains also perform weddings, funerals, baptisms as requested and make hospital and home visits as needed. From time t time they are involved in various training and teaching opportunities for officer, spouses, or new recruits in their departments as well as the police and fire academies and at times with the FBI. Ride alongs are an important opportunity for PSC chaplains to develop rapport and be available for informal counseling and support. PSC chaplains are available 24 hours a day, seven days a week and respond on a no-decline basis.

Organization...

Public Safety Chaplaincy is structured with a Board or Directors, an Executive Director and an Administrative Assistant. The Board of Directors is comprised of Godly business leaders, first responders, clergy and lay Christian leaders who oversee the ministry and give guidance, direction, prayer support, finances and their own time to insure continual relevance to the challenges and needs of the communities in which we serve.

Chaplain Dexter Danielson

Biographical

Raised in Portland and graduating from Madison H.S., Dexter entered the U. S. Army in 1967 and served in the infantry in Viet Nam from March 1968 to March 1969. He was awarded the Purple Heart and Bronze Star medals.

In 1969 he married Nancy and entered Portland Community College's Law Enforcement Associate of Arts program. He graduated in 1971 and was hired at the Washington County Sheriff's Office, Hillsboro, Ore in June of 1971. In 1976 he received his Bachelor's in Administration of Justice from Portland State University.

Dexter worked at the Sheriff's Office for 31 years in several assignments including Patrol, Patrol Sergeant, Detective and Community Relations. Most of his career was as Detective assigned in many investigation areas including sex crimes, crimes against children, homicide, robbery, assaults and property crimes.

For many years at the Sheriff's Office Dexter was a member of the Peer Support & Traumatic Incident Team as a volunteer and team coordinator responding to highly stressful events that involved Deputies as well as Police Officers of other agencies. During these incidents he supported and counseled with officers involved in traumatic events such as officer involved shootings, violent death and suicides. Dexter has many hours of training in Peer Support and Critical Incident Stress Management and has participated in numerous critical incident stress diffusing and debriefings.

He had formed an association with Chaplains during those years and was asked to be Executive Director of Metro Police Chaplaincy (now Public Safety Chaplaincy) when he left the Sheriff's Office in 2002. He served in that capacity until March 2008. Dexter was appointed Chaplain for the police and fire departments in Forest Grove Oregon in March of 2007 and serves there to the present day.

In July of 2011 Dexter entered into a new area of ministry as a Commissioned Deacon with the Oregon/Idaho Conference of the United Methodist Church and serves as Local Assigned Pastor of the Yamhill United Methodist Church. In December of 2013 he received a Certificate of Religious Studies (32 hours of Master Level Classes) from Asbury Theological Seminary.

Professional Chaplain Training & Certification

Certified in Critical Incident Stress Management by *International Critical Incident Stress Foundation*.

Trained in couple's enrichment through *Prepare and Enrich Inc.*

Certified member *International Conference of Police Chaplains*.

Certified member of *Federation of Fire Chaplains*



Forest Grove Police Department / May 2014

- The department conducted its 1st Pedestrian Safety Enforcement sting on Wednesday, April 30th at the intersection of Pacific Avenue and Birch Street. Four citations were issued.
- Elder Safe presentations are planned for public events as well as having a presentation made to all patrol officers during their shift briefings.
- A booth was set up at the Farmer's Market, 1st Wednesday. We were very successful in getting 40 people signed up to receive more information on setting up a Neighborhood Watch. Many other questions were answered throughout the evening.
- The department conducted its 2nd Pedestrian Safety Enforcement sting on Tuesday, May 20th at the intersection of 19th Avenue and Birch Street. Two citizens walked up to thank the officers for doing this. 16 cars were stopped and 5 citations written.
- The police department took delivery of the donated command vehicle from Cornelius Police. The vehicle is in good shape following cleanup by Capt. Ellingsburg, however it will eventually need a paint job. Several items inside were also donated including evidence supplies, tables, chairs and two canopies.
- Brochures for victims of stolen property that has been pawned are being created. Brochures are also being made for the Neighborhood Watch Program and for the department in general to describe services available by our agency.
- Two reserve candidates are currently in the background process.
- The department will complete a brief background on three new volunteer candidates. One is Jesus Espinoza who we hope to have assisting the Chaplain with outreach to our Latino community. One volunteer wants to

Forest Grove Police Department
2102 Pacific Avenue
Forest Grove, OR 97116

assist with photography and video editing. Our third would like to assist with community outreach.

- Astute observations made by one of our officers (Ofc. Jenifer Smith) resulted in catching a juvenile in the act of applying graffiti near 19th & Birch Street. The juvenile was charged and released to an adult.

- Detectives are investigating a substantial elder abuse case with dollar amounts reaching into many triple figures, possibly approaching a half million dollars.

- Detectives worked undercover, with one acting as a customer, in a prostitution sting using Craigslist where the suspects advertised for sex. The sting operation was successful and arrests were made.

- Chief Schutz has initiated a training program to assess individual training goals to ensure all are able to proceed in their chosen career paths. This will also allow the agency to get all training records up to date.

CITY OF FOREST GROVE



Financial Report For The Quarter Ending March 31, 2014

This is the quarterly financial report for the quarter ending March 31, 2014. This is the third quarter of the City's fiscal year ending June 30, 2014.

The quarterly report compares the year-to-date budget allocations to the year-to-date revenues and expenditures. The annual budget has been distributed into quarterly budget allotments based upon the pattern of revenue collections and expenditure disbursements from the prior fiscal year. Actual revenue collections and expenditure disbursements are compared to this distribution.

The first part of this report is a graphical representation of the quarterly status of the City's major operating departments and funds. The second part of this report contains comments on other funds where material events have or are projected to occur. The last section of this report is the line item detail of the City's departments and funds. In the detail section, the actual revenues received or expenditures disbursed through the end of the quarter are compared to the year-to-date quarterly budget allotment, and expressed in the detail report as both a dollar variance and percent variance. Many revenues and expenditures are not received or spent on a regular monthly basis during the fiscal year. The quarterly budget allotment reflects this.

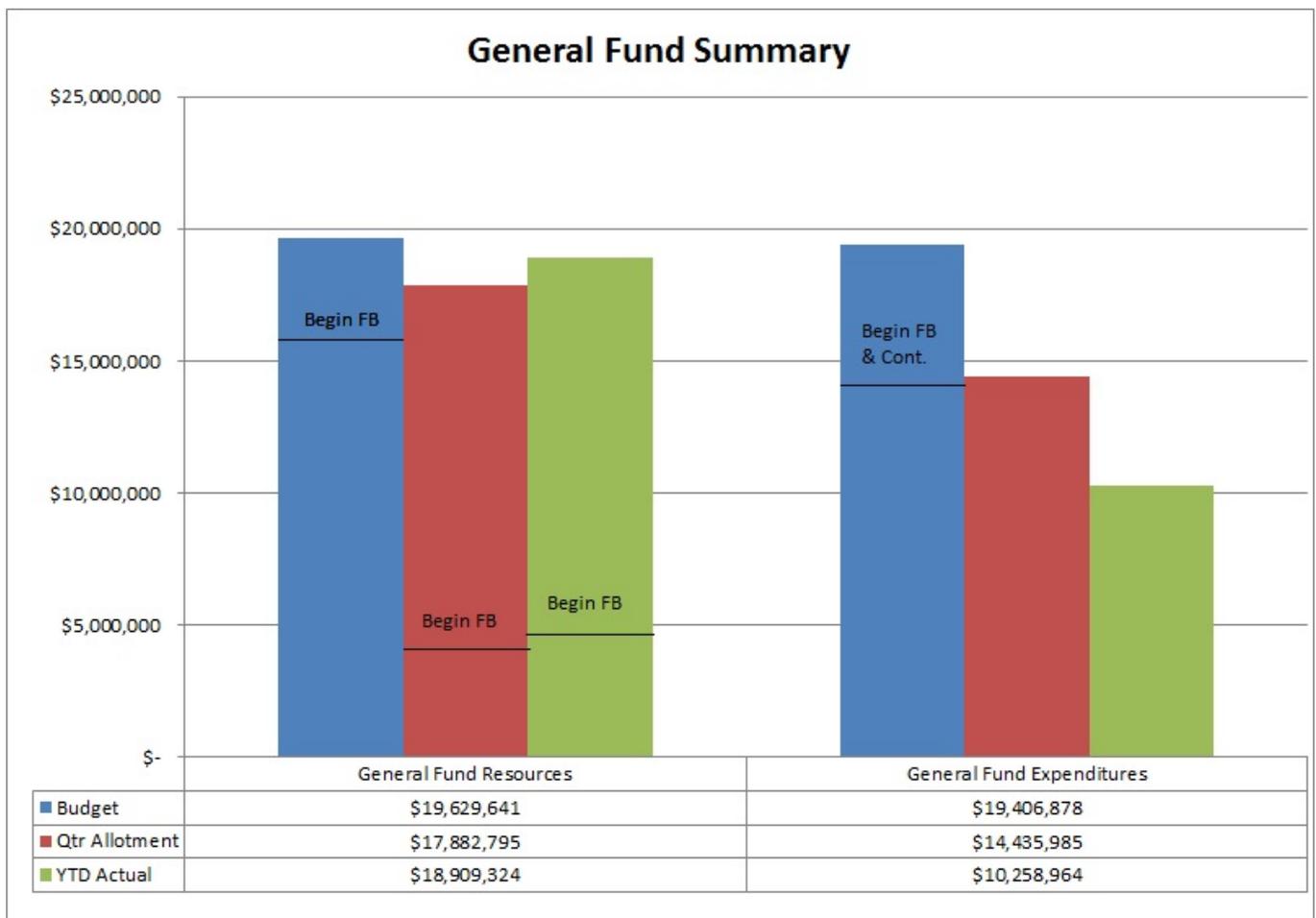
This report begins with an overview of the General Fund, first in summary, and then each department. Next is the Building Service Fund, followed by the Information Systems Fund, the Light Fund and then select Public Works' funds. Not all of the City's funds are represented in the graphical section of this report, but are included in the line item detail section.

All funds have budgeted contingency and unappropriated fund balance, which enables each fund's expenditures to balance to its resources. However, the unappropriated fund balance cannot be spent during the fiscal year. Contingency funds can be spent with Council approval. Both amounts added together make up each fund's reserves.

General Fund

The General Fund receives the most focus throughout the year and during the budget cycle. The General Fund houses property taxes and the major service areas the public associates with local government – police, fire, parks, aquatics and the library, in addition to administrative and planning functions. Below is a summary of the General Fund. General Fund revenues and expenditures are next broken down into categories and departments, respectively. Line item detail for each revenue source and expense item follows in the detail section of this report.

The General Fund is still running very well through three quarters. Overall, revenues are above the allocation. The General Fund’s financial projections show that Fund Balance should increase for the City to meet its five-year financial projection. Actual revenues collected and expenditures paid through the first three quarters of this fiscal year indicate that the City should be able to increase its Ending Fund Balance at June 30, 2014, as was projected. Overall, expenditures are tracking lower than expected over three quarters into the fiscal year.



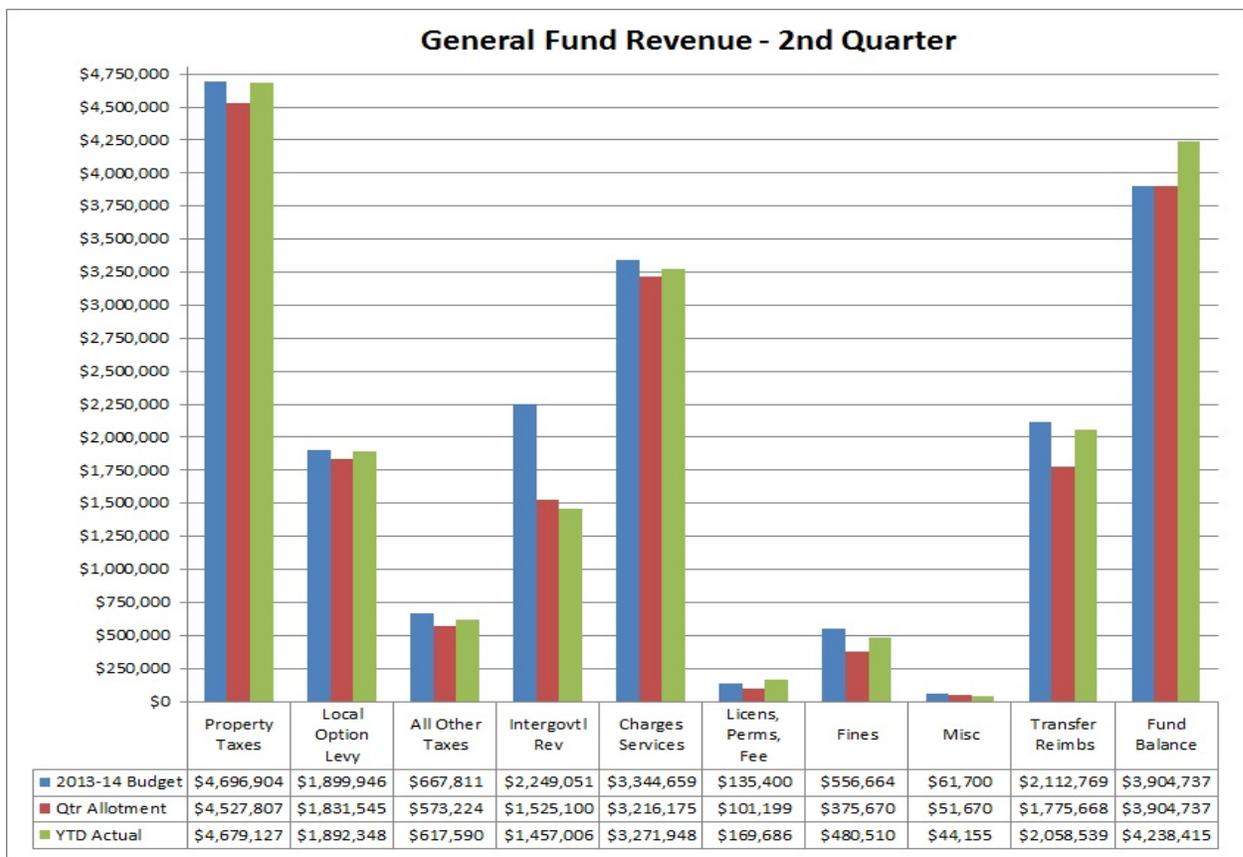
General Fund Revenue

The following graph displays the General Fund Revenue in a snapshot. For each revenue category, the annual revenue is displayed, and then the quarterly budget allocation, then the actual amounts collected through the end of the quarter.

Property taxes revenues are received mostly in the second quarter of the fiscal year and property revenue collections are higher than staff budgeted. Staff projected a 2.3% increase in assessed value compared to the actual increase of 4.0% in assessed value. When the budget was prepared staff knew the actual revenue would be higher if the island annexation area was included in this fiscal year's property taxes. Staff did not budget them in this fiscal year due to the appeal of the annexation to LUBA which eventually failed. The island annexation accounted for about 1% of the assessed value growth. Increased residential construction accounted for the difference.

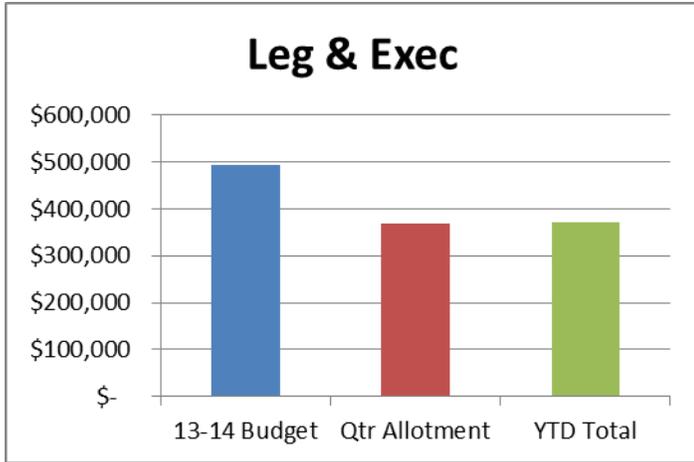
Revenues in the *License, Permits, Fees* revenue category are slightly above the quarterly budget projection due to increased Engineering inspection fees in the prior quarters. In the *Fines* revenue category, Traffic Fines are well above the quarterly allotment due to traffic fines from the Cornelius Municipal Court being higher than expected with revenue from Forest Grove Municipal Court being received as expected.

Fund balance is higher than originally budgeted by about \$333,678 meaning that FY 12-13 ended with higher revenues and lower expenditures than expected. The revenues were higher due to many accounts exceeding their original budget projection. The increased Fund Balance will help the City maintain services over the next five years as projections indicate that expenditures will continue to increase faster than services.

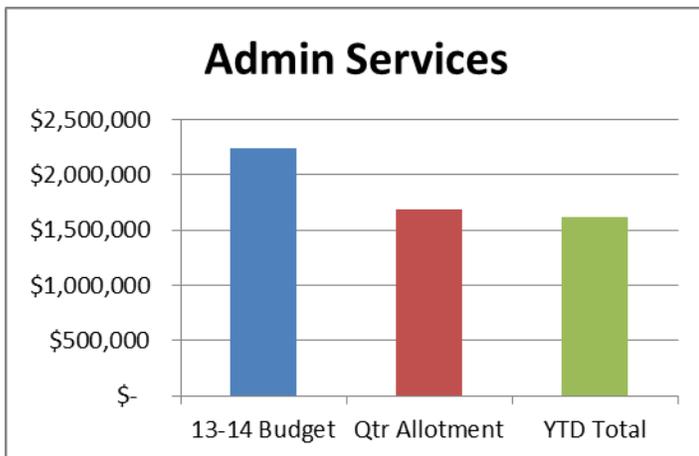


General Fund Expenditures

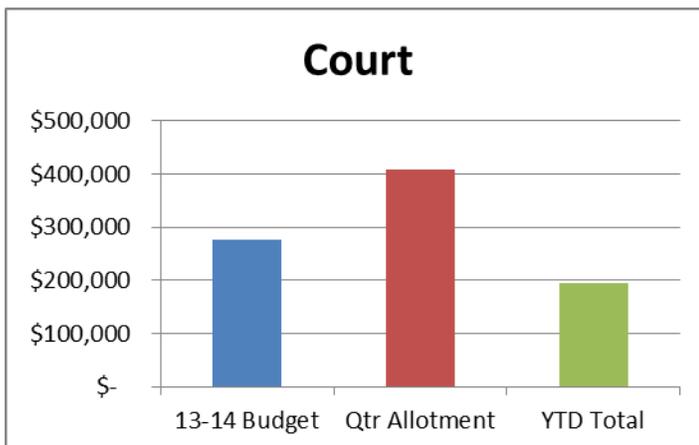
The following charts display each General Fund Department. The annual budget for each is compared to the quarterly budget allotment and the actual amounts. Brief comments are included with each department's chart.



The Legislative and Executive Department expenditures are mostly tracking as expected through the first three quarters of the fiscal year. Organization Business Expense, Printing, and Training are over their budgeted amounts, but will be absorbed by other line items that appear to be underspent.

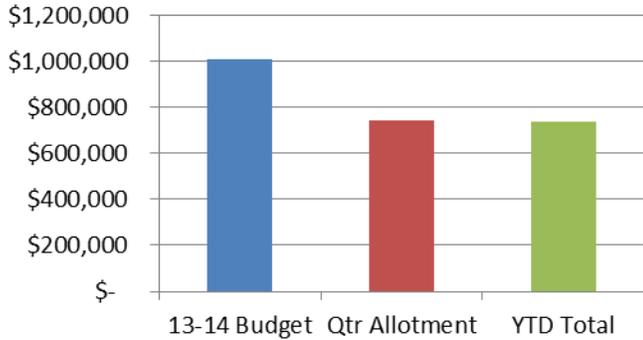


Administrative Services Department expenditures are on track through the first three quarters of the fiscal years in total. Subscriptions, Small Equipment, and Recruitment Expense line items are over-spent, but will be absorbed by other line items that are underspent.



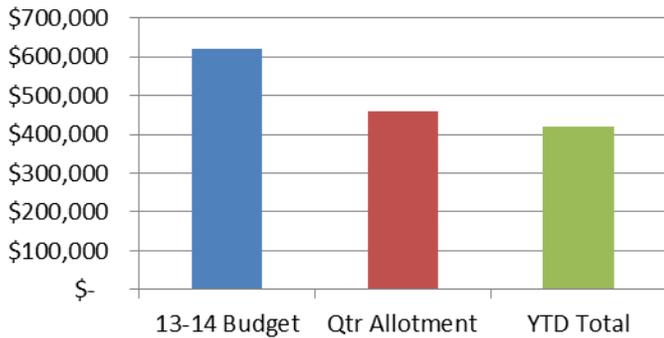
Municipal Court expenditures are on track in the third quarter after the budget adjustment that was approved by the City Council to reflect the increases in assessments due in part from the Cornelius Municipal Court activity.

Library



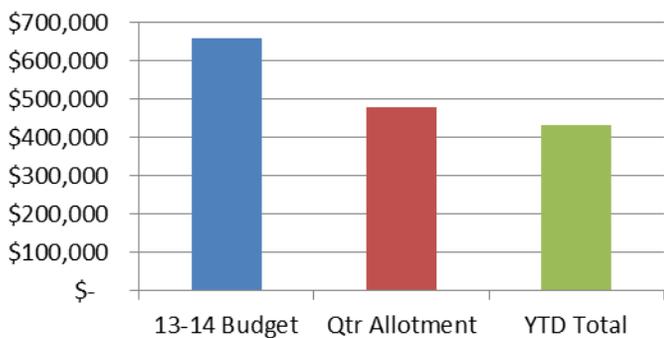
Library Department expenditures are tracking as expected through the first three quarters of the fiscal year. The Bank Fees line item is over budget relating to the increase in use of credit and debit cards to pay for services. This line item will be absorbed by others lines that are underspent though.

Aquatics

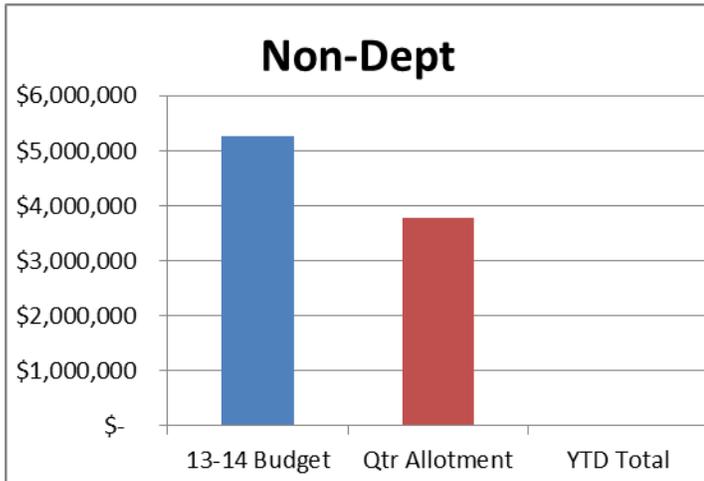


Aquatic Department expenditures are mostly on track through the first three quarters of the first year. A vital piece of equipment failed and had to be replaced so Small Equipment is slightly overspent. The unexpected expense will be absorbed by other line items in the Aquatics budget.

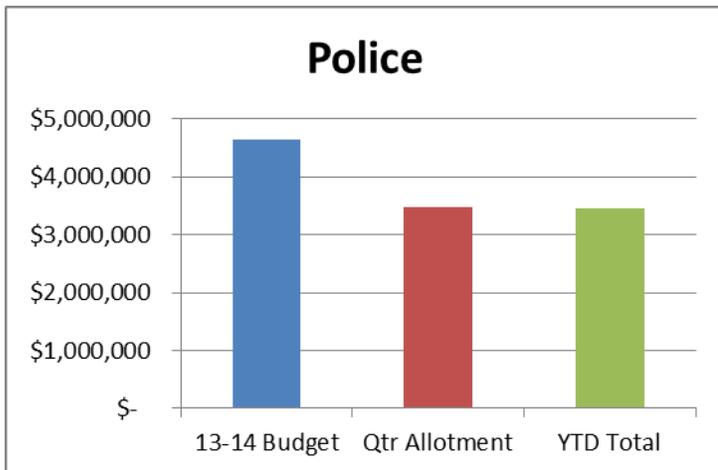
Parks & Rec



Parks and Recreation personnel services are lower than projected due to the department underspending its seasonal wage account and not hiring the new half-time utility worker as quickly as expected. One line item of Public Information is over budget due to increase circulation of summer program information. This will be absorbed by other underspent line items in the budget.

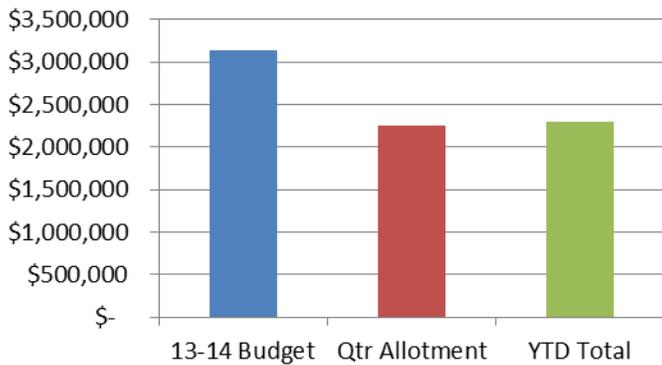


There are no expenditures in the Non-Departmental budget due to a change in how the City accounts for the Metro and School District Construction Excise Taxes. Staff and the auditors agree that since these taxes are pass-through revenues for other agencies, the City does not have to budget the revenue and expenditures but can account for the collection and payment of the taxes through a balance sheet account. The only revenue being recorded is the portion of the taxes the City retains to cover allowed administrative fees.



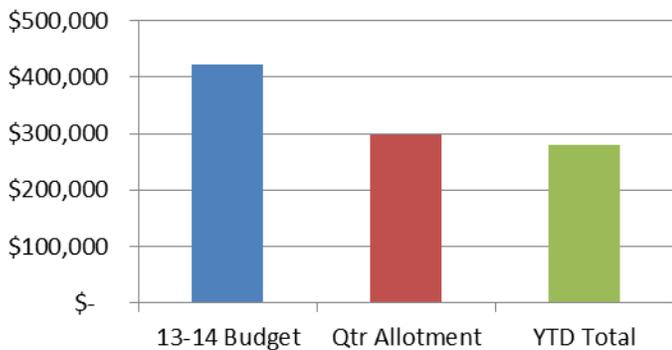
Police Department expenditures are on track for the first two quarters of the fiscal year. Overtime and Health Reimbursement Arrangement line items are tracking higher than expected. Overtime will be overspent by the end of the fiscal year due to vacant position and officers being out for other reasons. Other personnel line items are below projected and will be able to absorb the higher than budgeted expenses in those two line items. A budget adjustment may need to be done at the end of the year for a few overspent line items. Finance is watching and discussing with Police to control expenses for the rest of the fiscal year to stay as close to the overall Materials & Services Budgeted amount as possible.

Fire



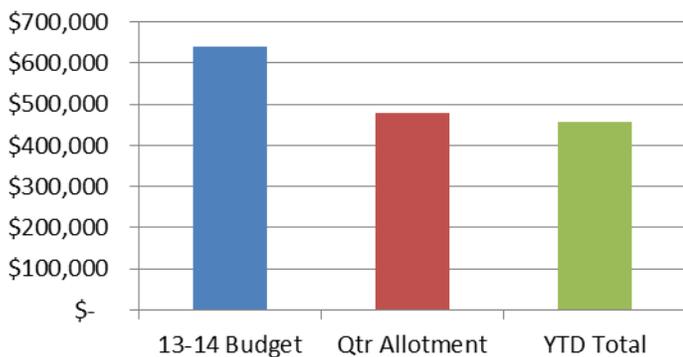
Fire Department expenses are tracking as expected through the first three quarters of the fiscal year. Overtime will be overspent by the end of the fiscal year but underexpenditures in other personnel line items will be able to absorb the extra costs. Memberships and Facility Maintenance Supplies are overspent, but will be absorbed through other line items that are underspent.

Planning



Planning Department expenditures are tracking as expected through the first three quarters of the fiscal year. The SHPO Grant Expense line item is over spent due to unanticipated Grant expenses, but this will be absorbed through other line items that are underspent.

Engineering

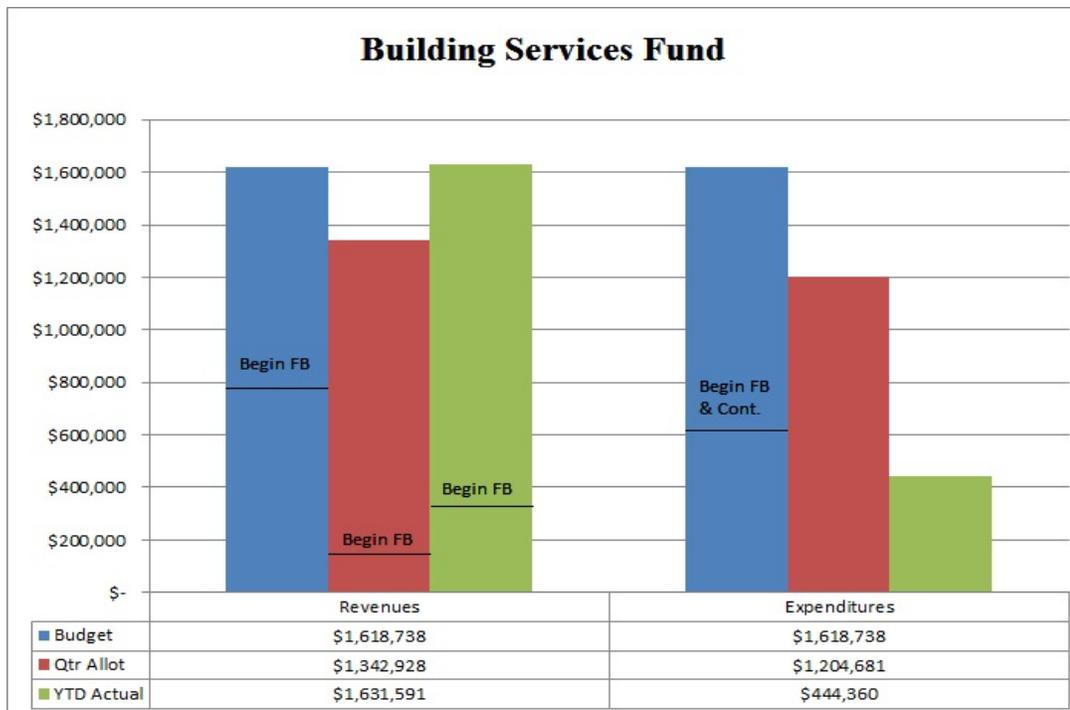


Engineering Department expenditures are tracking as expected through the first three quarters of the fiscal year.

Building Services Fund

City of Forest Grove Single Family New Permits Issued By Fiscal Year; July 1 through June 30						
	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
July	2	5	5	6	6	5
August	4	1	3	6	6	7
September	6	6	3	11	11	5
Q3 Total	12	12	11	23	23	17
October	3	5	5	8	8	13
November	0	5	5	5	5	8
December	0	9	7	8	8	6
Q4 Total	3	19	17	21	21	27
January	0	9	5	12	10	10
February	1	6	7	5	23	5
March	6	16	6	7	17	2
Q1 Total	7	31	18	24	50	17
April	3	15	7	8	23	
May	11	3	7	9	22	
June	9	12	4	8	23	
Q2 Total	23	30	18	25	68	0
Grand Total =	45	92	64	93	162	61

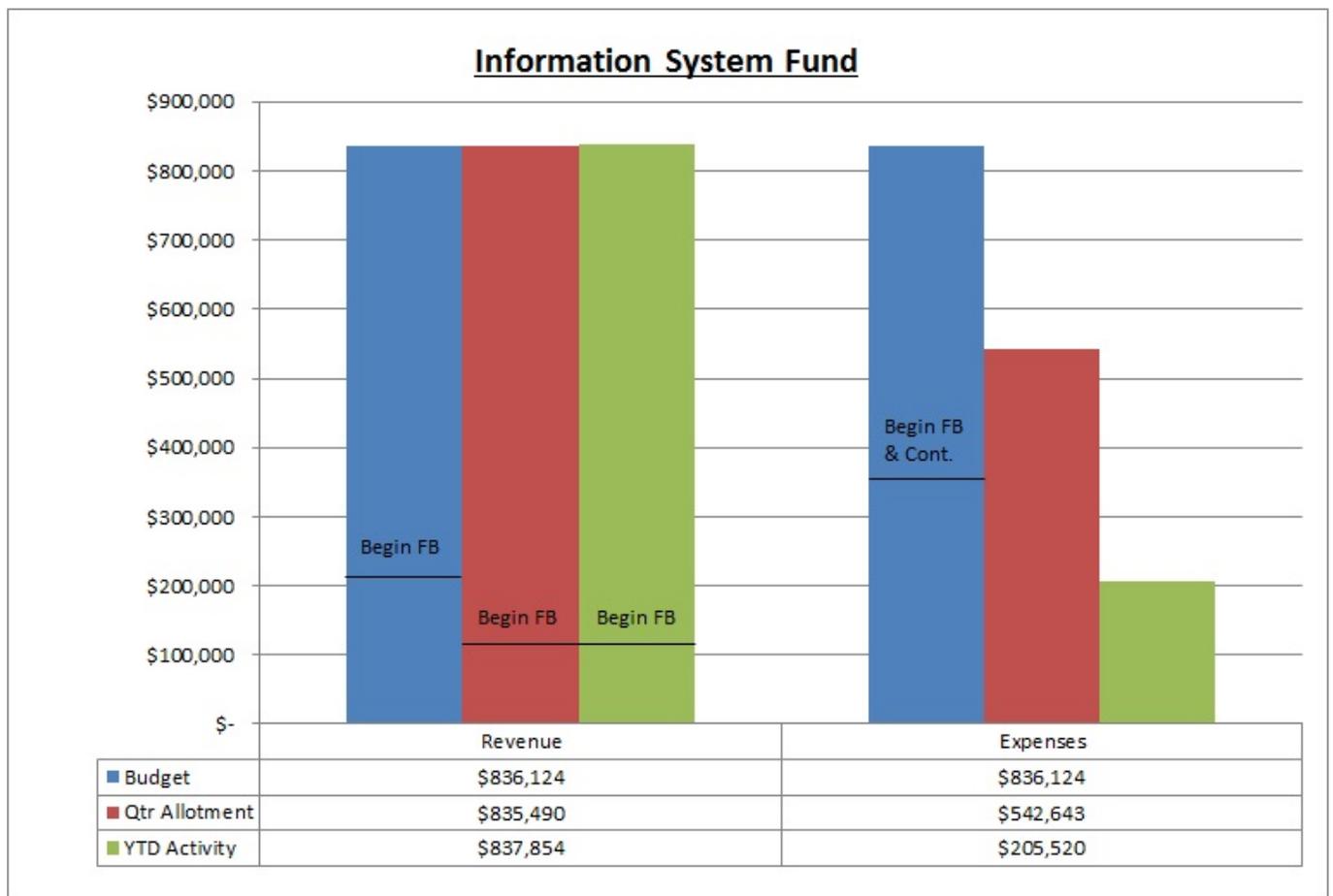
The Building Services Fund operating revenue is at 102% collected through the third quarter of the fiscal year. First and second quarter permits issued was well above prior fiscal years and third quarter activity has tapered off compared to prior years as shown above. Roughly half of the increase in revenue is due to a high-than-expected beginning fund balance. The other part of the higher revenues is due to a high-than-expected number of permits issued in the first and second quarters.



Information Systems Fund

The Information Systems Fund is used to replace the City's computer and network infrastructure. This fund purchases servers and major software applications. Through the third quarter, operating revenues and fund balance are right on target.

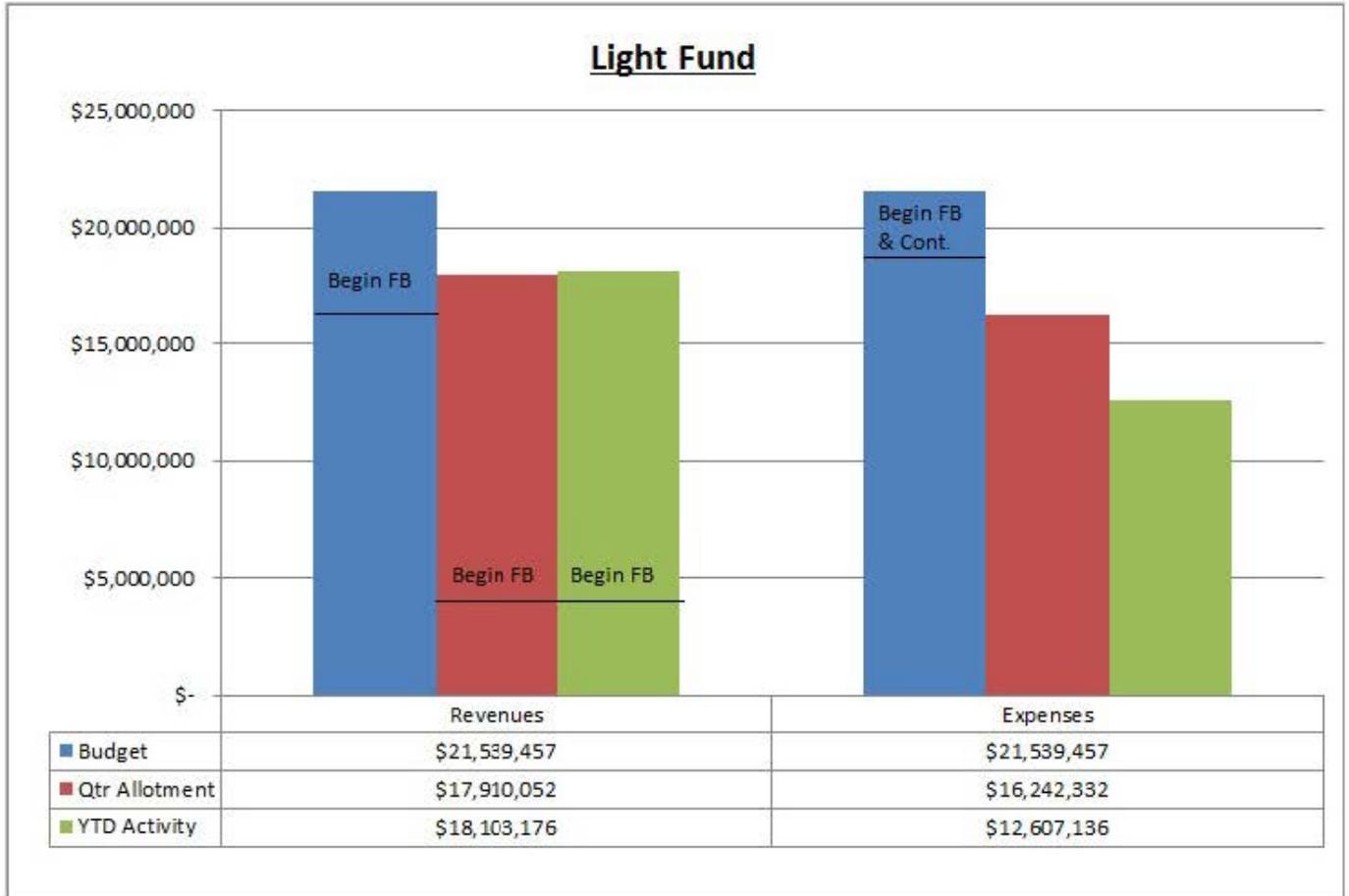
The operating expenditures are slightly behind the budget target, due to timing of renewing software licenses and purchasing hardware when compared to last year. The City has contracted with consultants to assist with management of information services and perform software conversion to Exchange Server 2010 and Windows 7 so professional services will exceed the budget for that line item by the end of the year. Desktop computer replacement has been delayed due the Windows 7 conversion but the computers will be replaced during the current fiscal year. Materials and Services as of March 31st are below expectations, but that will change in the fourth quarter due to expenses incurred for computer upgrades and purchase of new computers that were planned in 14-15, but are being purchased in 13-14 to better prepare as we move towards conversion of Windows 7 for all computers.



Light Fund

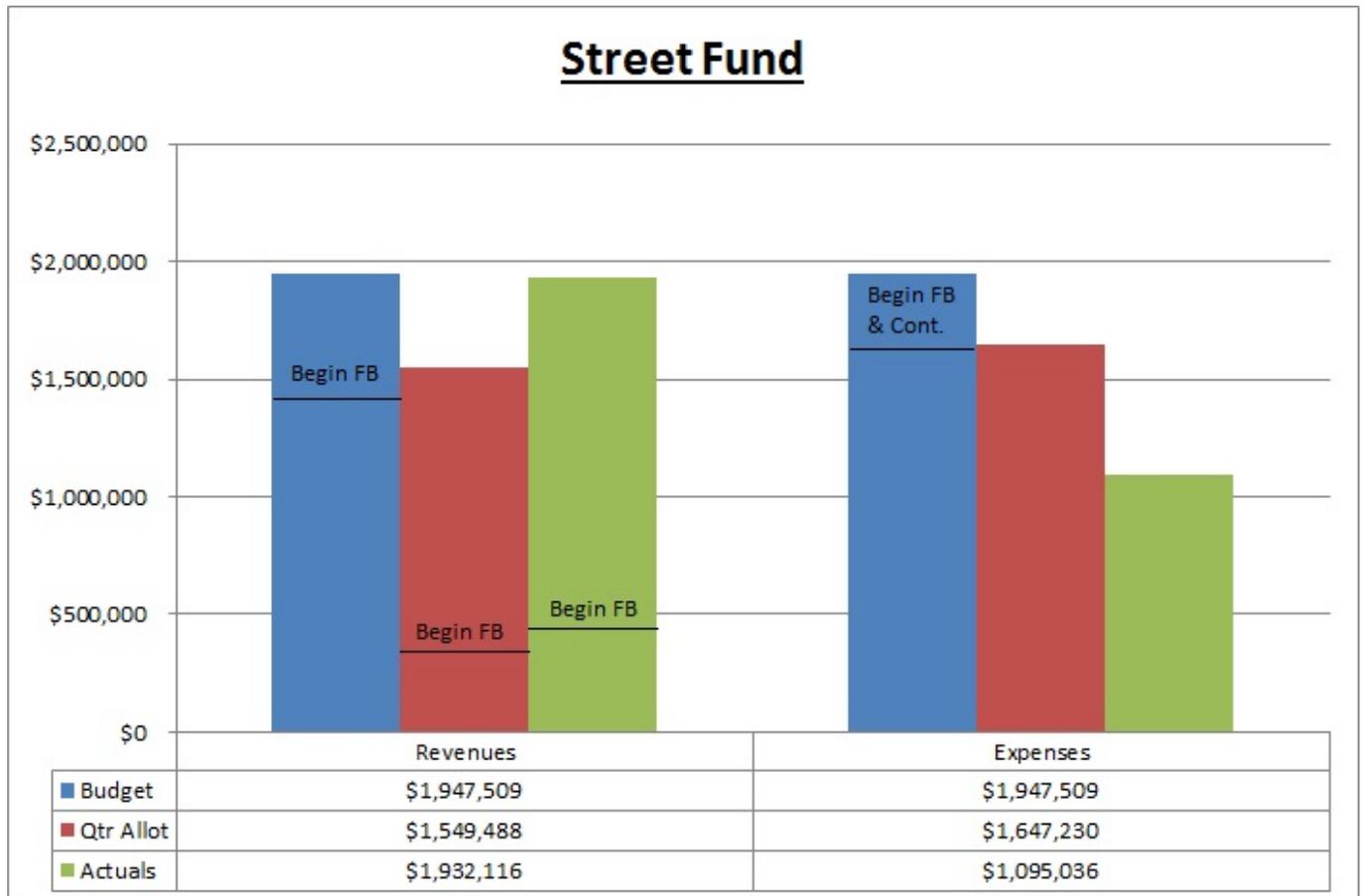
Operating revenue in the Light Fund is tracking as expected for the fiscal year. Connection charges are up 237% due to increased building activity. The Beginning Fund Balance is at the amount staff projected when preparing the budget for the current fiscal year.

Operating Supplies and Professional Services are overspent in their line item through the quarter allotment, but will be absorbed by other line items that are under-spent within the fund.



Public Works Funds

Public Works is responsible for 11 operating and capital funds. The graphical summary below will only focus on the major operating funds, including the Street Fund, the Sewer Fund, the Water Fund, the Surface Water Management Fund, and the Equipment Fund. The detail for all of the Public Works' Funds is included in the second part of this report.



The Street Fund revenues are tracking as expected and are slightly ahead of the projected budget due to the collection of the new streetlight fee which was not included in budgeted revenue. Gas tax is coming in as expected. Beginning Fund Balance is lower than was budgeted.

Non-capital expenditures are tracking as expected for the fiscal year. Capital expenditures are well below budget at this time due to some budgeted projects not yet occurring. For example, the Safe Routes to School is budgeted to occur this year, but the only expected activity for this fiscal year is design work. The Sidewalk Program was budgeted but the decision was made to not do that program during this fiscal year. Street Construction includes \$205,000 for Highway 47 and Quince Street and those funds will not be expended this year.

Sewer Fund



	Revenues	Expenses
■ Budget	\$6,554,653	\$6,554,653
■ Qtr Allot	\$5,420,895	\$4,854,142
■ Actuals	\$5,503,951	\$3,316,097

The Sewer Fund records revenues and expenditures of operating the sewer utility. A large part of the sewer utility is treating the sewage and conveying it to the waste water treatment plant. Clean Water Services (CWS) is responsible for treating the sewage and for the large trunk lines that convey it. Therefore, approximately 84% of the revenue from rates is transferred to CWS for these purposes. This transfer happens each month, and is reflected in the graphic above in the expenditure category, since the transfer to CWS happens through the expenditure line item of Intergovernmental Services.

The revenues received through the third quarter in the Sewer Fund are on target when compared to the quarterly allotment. Additionally, the fund balance exceeds the budgeted amount by \$8,000. The fund balance amount represents how the previous fiscal year ended up when compared with projections.

The expenditures through the third quarter are lagging behind the quarterly allotments partly due to labor costs underspending, as the crews focused more on issues in the water, street and surface water funds in the first six months of the fiscal year. Bank Service Fees are overspent due to increased use of Credit & Debit card use when paying utility bills. This line item will be absorbed, however, by other underspent line items.

Water Fund



The revenues received through the first quarter in the Water Fund are above the quarterly allotments, due principally to two reasons: 1) the fund balance exceeds the budgeted amount. The fund balance amount represents how the previous fiscal year ended up when compared with projections, as discussed when the year-end 2013 quarterly report was presented; and 2) water sales and connection charges this year are above the third quarter allocations in all classes of services. One line item of revenue, "Other" is up 412% because it received a payment of \$14,500 from the Fire Department to install a fire hydrant at the building.

The expenditures are behind their third quarter budget allotment. Operating expenses are tracking as expected. Capital projects are below projections but the construction portion of capital projects, such as the repair of the raw water transmission pipeline from the watershed, are beginning to occur so expenditures will begin to catch up with the budget.

Surface Water Fund

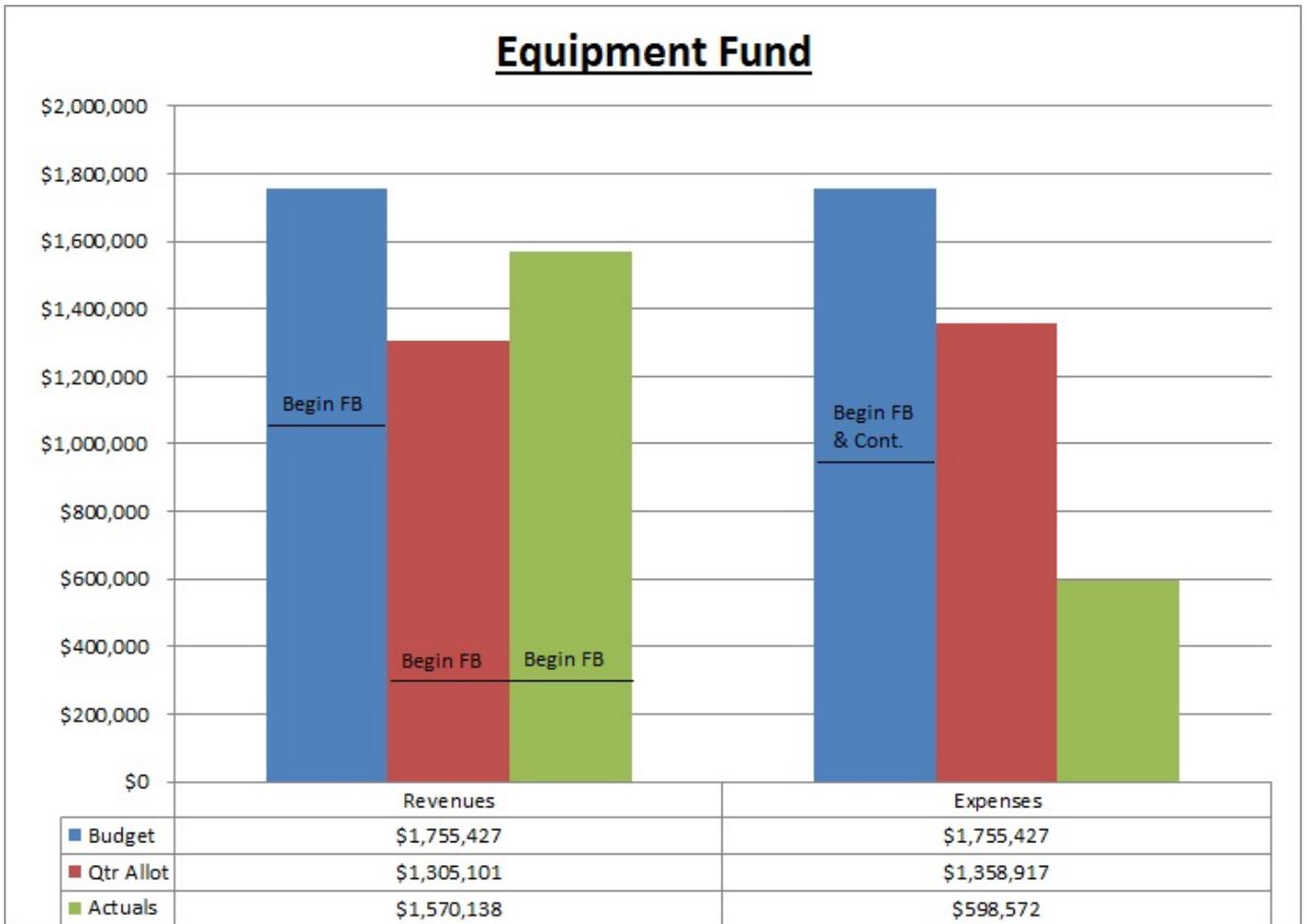


The Surface Water Management Fund (SWM) records revenues and expenditures of operating the surface water utility – which is managing rain run off and storm water run off. A portion of managing surface water is regional in nature, relating to keeping the Tualatin River healthy. CWS is responsible for this regional portion, so 25% of the revenue from rates is transferred to CWS for this purpose. This transfer happens each month, and is reflected in the graphic above in the expenditure category, since the transfer to CWS happens through the expenditure line item of Intergovernmental Services.

The revenues received through the third quarter in the SWM Fund are on target when compared to the budget.

Overall, the expenditures are below the third quarter budget target as the personnel category expenditures returned to the projected amounts as public works crews focused on other funds in the third quarter of the fiscal year.

Equipment Fund



The revenues received through the third quarter in the Equipment Fund are in excess of the quarterly allotment, due to the Beginning Fund Balance exceeding the budgeted amount and the sale of surplus vehicles raising more revenue than expected.

Expenditures are tracking below the budgeted allotments with the exception of Insurance & Bonds and Equipment Maintenance. These will be absorbed by other underspent line items within the fund.

Other Funds

Brief comments are included here on other funds that have activity to note.

System Development Funds

The revenue for the Transportation Development Tax Fund, the Water System Development Charge Fund, the Sewer System Development Tax Fund, and the Parks Acquisition & Development Tax Fund are all significantly over the annual revenue budgeted for FY 2013-14 due to construction activity.

Fund 225 – Fire Equipment Replacement Fund (FERF):

The FERF includes budget authority of \$275,000 to purchase a Water Tender which has been ordered. The City paid 80% of its cost of the Water Tender and the Fire District has paid for 80% of its half of the costs. However, delivery will not occur until early in next fiscal year so the remaining 20% of the Water Tender is being budgeted in FY 2014-15.

Fund 270 – Major Maintenance Fund:

The costs incurred in the current fiscal year have been to paint the remainder of the Aquatic Center, replace three HVAC units at the Library, replace a portion of the HVAC system at City Hall, replace flooring in the Police Sallyport, and replace an HVAC unit at the Fire Department.

Detailed Quarterly Reports

The following pages display the line item detail of the City's funds. This detail will not be reviewed during the meeting, but staff is happy to answer any questions that may come up.

The first column of dollar figures represents the annual budget amount. The next column represents YTD Activity. The third column of dollar figures shows the remaining budget available for that line item for the rest of the fiscal year. The last column shows the YTD Activity spent as a percentage of the annual amount budgeted.

100 - General Fund

Department #11 - Legislative & Executive

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
440029	General Fund Spt Svc (522023)	330,092	330,092	0	100%
472005	Miscellaneous	0	200	200	0%
	REVENUES TOTAL	330,092	330,292	200	100%
EXPENDITURES					
511005	Regular Employee Wages	(273,898)	(196,773)	77,125	72%
511010	Part-Time Employee Wages	(9,000)	(6,576)	2,424	73%
512005	Health & Dental Benefits	(57,165)	(42,787)	14,378	75%
512008	Health Reimb Arrangement	(2,693)	(2,068)	625	77%
512010	Retirement	(58,970)	(43,093)	15,877	73%
512015	FICA	(21,642)	(14,582)	7,060	67%
512020	Workers Comp	(347)	(347)	0	100%
512025	Other Benefits	(1,722)	(5,352)	(3,630)	311%
512030	Other Payroll Taxes	(2,073)	(1,784)	289	86%
520110	Operating Supplies	(750)	(713)	37	95%
520120	Organization Business Expense	(8,000)	(7,549)	451	94%
520180	Subscriptions & Books	(100)	(28)	72	28%
520220	Small Equipment	(1,500)	(1,250)	250	83%
520503	Printing	(2,300)	(2,356)	(56)	102%
520506	Postage	(500)	(407)	93	81%
520509	Telephone	(452)	(300)	152	66%
520521	Public Information	(9,020)	(6,332)	2,688	70%
520524	Publications	(60)	0	60	0%
520530	Memberships	(4,657)	(4,377)	280	94%
520563	Sister City Contribution	(6,800)	(6,754)	46	99%
520578	Insurance & Bonds	(365)	(365)	0	100%
521003	Training/Conferences	(9,270)	(9,844)	(574)	106%
521004	Legislative Conferences & Trainin	(18,500)	(13,654)	4,846	74%
521006	Travel	(200)	(34)	166	17%
521150	Professional Services	(1,000)	(872)	128	87%
522003	Equipment Maint & Oper Supplies	(500)	(499)	1	100%
522012	Fuel/Oil	0	(158)	(158)	0%
522021	Equipment Fund Charges	(720)	(540)	180	75%
522022	Information Systems Fund Charge	(1,688)	(1,688)	0	100%
	EXPENDITURES TOTAL	(493,892)	(371,082)	122,810	75%
	Department Net Totals	(163,800)	(40,790)		

100 - General Fund

Department #12 - Administration Services

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
430455	Metro Cleanup Grant	833	0	(833)	0%
440022	Lien Searches	13,000	11,643	(1,357)	90%
440025	Copy Service	278	123	(155)	44%
440028	Passport Execution Fee	8,800	6,100	(2,700)	69%
440029	General Fund Spt Svc (522023)	1,852,428	1,852,428	0	100%
440030	Reserved Parking	1,020	990	(30)	97%
440040	New Account Set-Up Fee	26,000	22,537	(3,463)	87%
440042	Door Hanger Fee	23,500	20,536	(2,964)	87%
440044	Online Phone Pymt Convenience	0	268	268	0%
440501	Bond Issuance Fees	0	42,230	42,230	0%
450055	Business License Late Fees	0	29	29	0%
450056	Business License	40,000	30,343	(9,658)	76%
450057	Other	1,000	0	(1,000)	0%
472005	Miscellaneous	4,500	1,483	(3,017)	33%
480006	Reimbursements	12,500	950	(11,550)	8%
	REVENUES TOTAL	1,983,859	1,989,659	5,800	100%
EXPENDITURES					
511005	Regular Employee Wages	(845,939)	(595,844)	250,095	70%
511010	Part-Time Employee Wages	(133,681)	(106,544)	27,137	80%
511015	Overtime	0	(328)	(328)	0%
511020	Temporary Employee Wages	(4,585)	0	4,585	0%
511021	Unemployment Compensation	0	(352)	(352)	0%
512005	Health & Dental Benefits	(304,976)	(221,417)	83,559	73%
512008	Health Reimb Arrangement	(9,934)	(7,812)	2,122	79%
512010	Retirement	(195,969)	(124,460)	71,509	64%
512015	FICA	(75,292)	(53,743)	21,549	71%
512020	Workers Comp	(5,015)	(5,017)	(2)	100%
512025	Other Benefits	(5,960)	(6,075)	(115)	102%
512030	Other Payroll Taxes	(7,478)	(5,444)	2,034	73%
520110	Operating Supplies	(6,000)	(3,553)	2,447	59%
520120	Organization Business Expense	(3,150)	(3,036)	114	96%
520150	Utilities	(10,977)	(8,328)	2,649	76%
520180	Subscriptions & Books	(400)	(703)	(303)	176%
520200	Computer Software Maintenance	(62,658)	(65,340)	(2,682)	104%
520220	Small Equipment	(1,200)	(1,545)	(345)	129%
520503	Printing	(17,870)	(16,131)	1,739	90%
520506	Postage	(70,000)	(68,126)	1,874	97%
520509	Telephone	(5,450)	(2,985)	2,465	55%
520521	Public Information	(2,850)	(521)	2,329	18%
520524	Publications	(1,297)	(106)	1,191	8%
520530	Memberships	(20,196)	(19,242)	954	95%
520533	Recruiting Expenses	(2,500)	(3,953)	(1,453)	158%
520557	Intergovernmental Services	(12,357)	(12,581)	(224)	102%
520560	Senior Center	(27,500)	(24,510)	2,990	89%
520578	Insurance & Bonds	(8,749)	(9,125)	(376)	104%
521003	Training/Conferences	(25,000)	(12,060)	12,940	48%
521006	Travel	(1,650)	(1,948)	(298)	118%
521113	Attorney Services	(54,500)	(18,759)	35,741	34%
521150	Professional Services	(37,200)	(7,525)	29,675	20%
521165	Contracts for Services	(6,000)	(4,480)	1,520	75%
521168	Misc Medical Services	0	(78)	(78)	0%

100 - General Fund

Department #12 - Administration Services

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
521171	Financial Services, Auditing, Inve:	(29,570)	(28,879)	691	98%
521172	Bank Service Fees	(1,300)	(1,110)	190	85%
522003	Equipment Maint & Oper Supplies	(31,720)	(8,252)	23,468	26%
522021	Equipment Fund Charges	(7,982)	(5,987)	1,995	75%
522022	Information Systems Fund Charge	(72,383)	(72,383)	0	100%
522303	Custodial	(5,900)	(8,150)	(2,250)	138%
522306	Rents & Leases	(1,100)	0	1,100	0%
522309	Building/Facility Rental	(21,860)	(16,394)	5,466	75%
522312	Facility Maintenance Supplies	(12,300)	(4,494)	7,806	37%
522315	Facility Mnt/Repairs	(92,500)	(56,395)	36,105	61%
	EXPENDITURES TOTAL	(2,242,948)	(1,613,716)	629,232	72%
	Department Net Totals	(259,089)	375,944		

100 - General Fund

Department #13 - Municipal Court

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
460115	Parking Fines (PK)	12,250	11,518	(732)	94%
460120	Traffic Fines (TR)	196,250	165,620	(30,630)	84%
460121	Cornelius Court Revenue	278,814	249,320	(29,494)	89%
460125	PD Ordinance Fines	1,250	635	(615)	51%
460130	Marijuana Fines/Fees (ML)	4,350	6,290	1,940	145%
460135	Minor in Possession Fines/Fees (I)	3,750	5,997	2,247	160%
480006	Reimbursements	2,067	3,802	1,735	184%
	REVENUES TOTAL	498,731	443,182	(55,549)	89%
EXPENDITURES					
511005	Regular Employee Wages	(96,763)	(79,521)	17,242	82%
511010	Part-Time Employee Wages	(18,480)	(8,160)	10,320	44%
512005	Health & Dental Benefits	(35,102)	(29,224)	5,878	83%
512008	Health Reimb Arrangement	(956)	(942)	14	99%
512010	Retirement	(17,268)	(11,533)	5,735	67%
512015	Fica	(8,816)	(6,572)	2,244	75%
512020	Workers Comp	(146)	(146)	0	100%
512025	Other Benefits	(701)	(651)	50	93%
512030	Other Payroll Taxes	(867)	(681)	186	79%
520110	Operating Supplies	(1,000)	(417)	583	42%
520120	Organization Business Expense	(200)	(93)	107	46%
520190	Computer Software	(13,000)	0	13,000	0%
520200	Computer Software Maintenance	(6,813)	(6,632)	181	97%
520220	Small Equipment	(200)	0	200	0%
520503	Printing	(400)	(43)	357	11%
520506	Postage	(1,240)	(1,349)	(109)	109%
520509	Telephone	(250)	(100)	150	40%
520521	Public Information	(100)	0	100	0%
520524	Publications	(500)	(140)	360	28%
520530	Memberships	(195)	(195)	0	100%
520539	Assessment - County	(21,125)	(19,214)	1,911	91%
520557	Intergovernmental Services	(81,986)	(32,458)	49,528	40%
520566	Assessment - State	(175,961)	(108,870)	67,091	62%
520578	Insurance & Bonds	(328)	(328)	0	100%
521003	Training/Conferences	(2,600)	(1,767)	833	68%
521150	Professional Services	(6,900)	(3,106)	3,794	45%
521172	Bank Service Fees	(1,620)	(2,322)	(702)	143%
522022	Information Systems Fund Charge	(4,984)	(4,984)	0	100%
522309	Building/Facility Rental	(784)	(589)	195	75%
	EXPENDITURES TOTAL	(499,285)	(320,037)	179,248	64%
	Department Net Totals	(554)	123,146		

100 - General Fund

Department #14 - Library

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
420035	W.C.C.L.S.	695,705	559,291	(136,414)	80%
430601	Public Library Support Grant	3,000	3,489	489	116%
440019	WCCLS Collection Agency Charg	750	520	(230)	69%
440021	Library Charges	4,400	3,822	(578)	87%
440023	Print Fees	2,800	2,844	44	102%
440025	Copy Service	1,226	1,084	(142)	88%
440301	Rental Income	1,100	837	(263)	76%
460500	Library Late Fines	25,000	17,826	(7,174)	71%
471020	Unrestricted Donations	0	81	81	0%
471021	Donations	200	0	(200)	0%
471022	Restricted Library Memorials	500	775	275	155%
REVENUES TOTAL		734,681	590,570	(144,111)	80%
EXPENDITURES					
511005	Regular Employee Wages	(366,782)	(273,696)	93,086	75%
511010	Part-Time Employee Wages	(255,452)	(184,396)	71,056	72%
511020	Temporary Employee Wages	0	(513)	(513)	0%
512005	Health & Dental Benefits	(98,403)	(69,799)	28,604	71%
512008	Health Reimb Arrangement	(4,562)	(4,048)	514	89%
512010	Retirement	(79,255)	(51,646)	27,609	65%
512015	FICA	(47,600)	(33,010)	14,590	69%
512020	Workers Comp	(740)	(740)	0	100%
512025	Other Benefits	(3,389)	(2,025)	1,364	60%
512030	Other Payroll Taxes	(4,699)	(3,529)	1,170	75%
520110	Operating Supplies	(5,500)	(4,252)	1,248	77%
520120	Organization Business Expense	(200)	(110)	90	55%
520140	Library Materials	(79,850)	(64,426)	15,424	81%
520150	Utilities	(1,756)	(1,374)	382	78%
520220	Small Equipment	(1,500)	0	1,500	0%
520503	Printing	0	0	0	0%
520506	Postage	(1,900)	(1,089)	811	57%
520509	Telephone	(1,296)	(987)	309	76%
520521	Public Information	(800)	(3)	797	0%
520530	Memberships	(750)	(195)	555	26%
520557	Intergovernmental Services	(2,500)	(1,092)	1,408	44%
520578	Insurance & Bonds	(7,395)	(7,395)	0	100%
521003	Training/Conferences	(2,250)	0	2,250	0%
521006	Travel	(500)	0	500	0%
521165	Contracts for Services	(6,000)	(1,654)	4,346	28%
521172	Bank Service Fees	(564)	(930)	(366)	165%
522003	Equipment Maint & Oper Supplies	(5,180)	(1,211)	3,969	23%
522021	Equipment Fund Charges	(720)	(540)	180	75%
522022	Information Systems Fund Charge	(20,943)	(20,943)	0	100%
522312	Facility Maintenance Supplies	(4,400)	(3,066)	1,334	70%
522315	Facility Mnt/Repairs	(4,450)	(2,782)	1,668	63%
EXPENDITURES TOTAL		(1,009,336)	(735,450)	273,886	73%
Department Net Totals		(274,655)	(144,880)		

100 - General Fund

Department #15 - Aquatics

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
440004	Swimming Pool	291,000	203,692	(87,308)	70%
440010	Lockers/Vending Machines	12,000	7,799	(4,201)	65%
	REVENUES TOTAL	303,000	211,492	(91,508)	70%
EXPENDITURES					
511005	Regular Employee Wages	(134,532)	(98,606)	35,926	73%
511010	Part-Time Employee Wages	(196,042)	(125,348)	70,694	64%
512005	Health & Dental Benefits	(37,351)	(25,335)	12,016	68%
512008	Health Reimb Arrangement	(1,846)	(1,634)	212	89%
512010	Retirement	(28,793)	(21,041)	7,752	73%
512015	FICA	(25,595)	(16,658)	8,937	65%
512020	Workers Comp	(6,004)	(6,004)	0	100%
512025	Other Benefits	(1,863)	(1,014)	849	54%
512030	Other Payroll Taxes	(2,638)	(1,813)	825	69%
520110	Operating Supplies	(29,150)	(16,952)	12,198	58%
520120	Organization Business Expense	(400)	(225)	175	56%
520130	Personnel Uniforms & Equipment	(300)	0	300	0%
520150	Utilities	(86,000)	(44,917)	41,083	52%
520220	Small Equipment	(5,450)	(10,924)	(5,474)	200%
520503	Printing	(2,600)	(1,619)	981	62%
520506	Postage	(500)	(262)	238	52%
520509	Telephone	(600)	(600)	0	100%
520521	Public Information	(1,200)	(2,036)	(836)	170%
520530	Memberships	(250)	(200)	50	80%
520557	Intergovernmental Services	(1,300)	(1,271)	29	98%
520578	Insurance & Bonds	(6,312)	(6,312)	0	100%
521003	Training/Conferences	(1,950)	(1,077)	873	55%
521150	Professional Services	(1,000)	(1,171)	(171)	117%
521172	Bank Service Fees	0	(1,755)	(1,755)	0%
522003	Equipment Maint & Oper Supplies	(1,550)	(92)	1,458	6%
522021	Equipment Fund Charges	(842)	(632)	210	75%
522022	Information Systems Fund Charge	(3,452)	(3,452)	0	100%
522312	Facility Maintenance Supplies	(12,500)	(8,132)	4,368	65%
522315	Facility Mnt/Repairs	(28,750)	(21,989)	6,761	76%
	EXPENDITURES TOTAL	(618,770)	(421,073)	197,697	68%
	Department Net Totals	(315,770)	(209,581)		

100 - General Fund

Department #16 - Parks & Recreation

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
440007	Recreation User Fees	40,000	30,182	(9,818)	75%
440029	General Fund Spt Svc (522023)	92,175	92,175	0	100%
471020	Unrestricted Donations	500	1,500	1,000	300%
	REVENUES TOTAL	132,675	123,857	(8,818)	93%
EXPENDITURES					
511005	Regular Employee Wages	(269,403)	(195,936)	73,468	73%
511010	Part-Time Employee Wages	(18,960)	(7,637)	11,323	40%
511020	Temporary Employee Wages	(37,133)	(15,017)	22,116	40%
511021	Unemployment Compensation	0	(630)	(630)	0%
512005	Health & Dental Benefits	(61,075)	(43,423)	17,652	71%
512008	Health Reimb Arrangement	(2,855)	(2,374)	481	83%
512010	Retirement	(58,370)	(42,682)	15,688	73%
512015	FICA	(25,283)	(16,623)	8,660	66%
512020	Workers Comp	(7,025)	(7,025)	0	100%
512025	Other Benefits	(1,528)	(1,409)	119	92%
512030	Other Payroll Taxes	(2,504)	(1,692)	812	68%
520110	Operating Supplies	(2,650)	(535)	2,115	20%
520120	Organization Business Expense	(100)	(60)	40	60%
520130	Personnel Uniforms & Equipment	(2,300)	(1,275)	1,025	55%
520150	Utilities	(5,574)	(4,167)	1,407	75%
520220	Small Equipment	(8,350)	(4,530)	3,820	54%
520503	Printing	0	(4)	(4)	0%
520506	Postage	(150)	0	150	0%
520509	Telephone	(2,735)	(610)	2,125	22%
520521	Public Information	(100)	0	100	0%
520530	Memberships	(1,670)	(1,085)	585	65%
520557	Intergovernmental Services	(450)	(208)	243	46%
520578	Insurance & Bonds	(2,050)	(2,050)	0	100%
521003	Training/Conferences	(2,075)	(1,393)	682	67%
521150	Professional Services	(11,300)	(4,053)	7,248	36%
521168	Misc Medical Services	0	(725)	(725)	0%
522003	Equipment Maint & Oper Supplies	(3,000)	(358)	2,642	12%
522012	Fuel/Oil	(500)	(411)	89	82%
522021	Equipment Fund Charges	(84,945)	(63,708)	21,237	75%
522022	Information Systems Fund Charge	(1,685)	(1,685)	0	100%
522306	Rents & Leases	(500)	0	500	0%
522312	Facility Maintenance Supplies	(23,700)	(7,148)	16,552	30%
522315	Facility Mnt/Repairs	(19,500)	(3,168)	16,332	16%
	EXPENDITURES TOTAL	(657,470)	(431,621)	225,849	66%
	Department Net Totals	(524,795)	(307,763)		

100 - General Fund**Department #18 - Non-Departmental**

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
411003	Property Taxes	4,696,904	4,679,127	(17,777)	100%
411010	Local Option Levy	1,899,946	1,892,348	(7,598)	100%
411150	Property Tax Prior Years	110,000	156,602	46,602	142%
413001	Franchise Tax	557,811	460,988	(96,823)	83%
420020	State Revenue Sharing	199,500	155,905	(43,595)	78%
420055	Metro Construction Excise Tax	60,000	1,694	(58,306)	3%
422045	Transient Room Tax	55,500	58,133	2,633	105%
422055	SD15 Construction Excise Tax	350,000	8,138	(341,863)	2%
470105	Interest	56,000	39,300	(16,700)	70%
480050	In-Lieu of Tax	1,025,179	1,025,179	0	100%
481005	Transfer from Other Funds	836,750	830,000	(6,750)	99%
495005	Fund Bal Avail. for Approp.	3,904,737	4,238,415	333,678	109%
	REVENUES TOTAL	13,752,327	13,545,830	(206,497)	98%
EXPENDITURES					
520547	Metro Construction Excise Tax	(57,000)	0	57,000	0%
520549	SD15 Construction Excise Tax Pa	(336,000)	0	336,000	0%
580206	Contingency	(1,174,991)	0	1,174,991	0%
590304	Unapp Fund Balance	(3,701,750)	0	3,701,750	0%
	EXPENDITURES TOTAL	(5,269,741)	0	5,269,741	0%
	Department Net Totals	8,482,586	13,545,830		

100 - General Fund

Department #21 - Police

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
420005	Alcoholic Beverages	285,000	229,340	(55,660)	80%
430328	Justice Assistance Grant	0	452	452	0%
430329	SPF SIG Grant	4,500	1,123	(3,377)	25%
430335	DEC/DUII Police Grant	3,000	20	(2,980)	1%
440025	Copy Service	3,570	2,248	(1,322)	63%
450050	Liquor Licenses	2,500	2,314	(186)	93%
450051	Police Permits	100	82	(18)	82%
450057	Other	0	185	185	0%
450225	Impound Fees	300	195	(105)	65%
460105	State Court Fines	35,000	23,304	(11,696)	67%
480006	Reimbursements	0	6,997	6,997	0%
480009	TriMet Officer Reimbursement	121,609	93,900	(27,709)	77%
480010	SRO Reimbursement	58,659	58,659	0	100%
	REVENUES TOTAL	514,238	418,818	(95,420)	81%
EXPENDITURES					
511005	Regular Employee Wages	(2,463,603)	(1,750,111)	713,492	71%
511010	Part-Time Employee Wages	(25,260)	(24,773)	487	98%
511015	Overtime	(155,548)	(138,850)	16,698	89%
511021	Unemployment Compensation	(21,770)	0	21,770	0%
512005	Health & Dental Benefits	(543,396)	(408,538)	134,858	75%
512008	Health Reimb Arrangement	(32,739)	(40,705)	(7,966)	124%
512010	Retirement	(484,975)	(336,420)	148,555	69%
512015	FICA	(201,709)	(144,992)	56,717	72%
512020	Workers Comp	(64,690)	(64,690)	0	100%
512025	Other Benefits	(14,856)	(14,182)	674	95%
512030	Other Payroll Taxes	(19,610)	(14,512)	5,098	74%
520110	Operating Supplies	(24,885)	(19,412)	5,473	78%
520120	Organization Business Expense	(2,705)	(2,144)	561	79%
520130	Personnel Uniforms & Equipment	(20,760)	(15,026)	5,734	72%
520150	Utilities	(3,048)	(2,282)	766	75%
520190	Computer Software	(50)	0	50	0%
520220	Small Equipment	(11,020)	(2,849)	8,171	26%
520225	Reserve Officer Expenses	(4,000)	(1,428)	2,572	36%
520270	Miscellaneous	(500)	(721)	(221)	144%
520274	Hands and Words Project	(3,273)	0	3,273	0%
520503	Printing	(3,150)	(1,219)	1,931	39%
520506	Postage	(1,500)	(1,378)	122	92%
520509	Telephone	(15,825)	(14,938)	887	94%
520518	Volunteer Reimbursable Expens	(300)	0	300	0%
520521	Public Information	(2,985)	(1,649)	1,336	55%
520524	Publications	(1,555)	(180)	1,376	12%
520530	Memberships	(2,100)	(780)	1,320	37%
520557	Intergovernmental Services	(9,770)	(4,883)	4,887	50%
520558	WCCCA	(191,878)	(194,147)	(2,269)	101%
520578	Insurance & Bonds	(28,469)	(28,469)	0	100%
521003	Training/Conferences	(25,200)	(25,460)	(260)	101%
521150	Professional Services	(3,925)	(3,608)	317	92%
521168	Misc Medical Services	(2,950)	(2,721)	229	92%
522003	Equipment Maint & Oper Supplies	(2,350)	(5,707)	(3,357)	243%
522009	Vehicle Maint & Oper Supplies	(1,000)	(1,103)	(103)	110%
522010	Vehicle Maint External	(500)	(1,152)	(652)	230%

100 - General Fund

Department #21 - Police

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
522012	Fuel/Oil	(100)	(362)	(262)	362%
522021	Equipment Fund Charges	(201,010)	(150,757)	50,253	75%
522022	Information Systems Fund Charge	(23,355)	(23,955)	(600)	103%
522306	Rents & Leases	(6,060)	(6,239)	(179)	103%
522312	Facility Maintenance Supplies	(1,600)	(2,411)	(811)	151%
522315	Facility Mnt/Repairs	(3,516)	(5,507)	(1,991)	157%
550181	Major Tools & Work Equipment	(10,800)	0	10,800	0%
	EXPENDITURES TOTAL	(4,638,295)	(3,458,259)	1,180,036	75%
	Department Net Totals	(4,124,057)	(3,039,441)		

100 - General Fund

Department #22 - Fire

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
420015	Cigarette	28,380	18,413	(9,967)	65%
420050	Rural Fire District	479,777	217,432	(262,345)	45%
420065	State Fire Conflagration Reimburs	0	54,056	54,056	0%
430214	Homeland Security Grant	0	75,130	75,130	0%
440025	Copy Service	130	138	8	106%
472005	Miscellaneous	0	331	331	0%
480008	Cornelius Fire Chief Reimburseme	44,765	31,532	(13,233)	70%
480015	Fire Dept Reimbursement	5,500	7,521	2,021	137%
480017	Fire Dept Inspection Reimburseme	5,740	0	(5,740)	0%
	REVENUES TOTAL	564,292	404,553	(159,739)	72%
EXPENDITURES					
511005	Regular Employee Wages	(1,458,167)	(1,059,709)	398,458	73%
511010	Part-Time Employee Wages	(17,680)	(13,460)	4,220	76%
511015	Overtime	(93,700)	(78,837)	14,863	84%
511019	Volunteer Firefighter Stipend	(62,880)	(46,520)	16,360	74%
511020	Temporary Employee Wages	(20,000)	(8,206)	11,794	41%
511021	Unemployment Compensation	0	(832)	(832)	0%
512005	Health & Dental Benefits	(335,539)	(239,016)	96,523	71%
512008	Health Reimb Arrangement	(13,876)	(11,469)	2,407	83%
512010	Retirement	(316,330)	(202,715)	113,615	64%
512015	FICA	(126,060)	(90,542)	35,518	72%
512020	Workers Comp	(26,958)	(26,958)	0	100%
512025	Other Benefits	(9,193)	(9,471)	(278)	103%
512030	Other Payroll Taxes	(12,268)	(9,272)	2,996	76%
512035	Volunteer Fringe Benefits	(2,646)	(3,064)	(418)	116%
520110	Operating Supplies	(16,000)	(12,116)	3,884	76%
520120	Organization Business Expense	(4,300)	(2,381)	1,919	55%
520130	Personnel Uniforms & Equipment	(15,000)	(11,270)	3,730	75%
520150	Utilities	(26,953)	(14,611)	12,342	54%
520200	Computer Software Maintenance	0	(2,500)	(2,500)	0%
520220	Small Equipment	(9,000)	(5,530)	3,470	61%
520230	Tools- 50/50	(104,800)	(81,532)	23,268	78%
520300	Emergency Operations Center	(3,100)	(608)	2,492	20%
520503	Printing	(500)	(226)	274	45%
520506	Postage	(700)	(471)	229	67%
520509	Telephone	(4,500)	(4,480)	20	100%
520521	Public Information	(1,800)	(549)	1,251	31%
520524	Publications	(1,490)	(1,549)	(59)	104%
520530	Memberships	(1,000)	(1,282)	(282)	128%
520557	Intergovernmental Services	(1,400)	(1,104)	296	79%
520558	WCCCA	(164,730)	(163,247)	1,483	99%
520578	Insurance & Bonds	(27,115)	(27,115)	0	100%
521003	Training/Conferences	(27,000)	(20,103)	6,897	74%
521150	Professional Services	(29,040)	(22,931)	6,109	79%
521168	Misc Medical Services	(26,000)	(14,902)	11,098	57%
522003	Equipment Maint & Oper Supplies	(6,000)	(6,796)	(796)	113%
522009	Vehicle Maint & Oper Supplies	(50,000)	(44,449)	5,551	89%
522012	Fuel/Oil	(29,645)	(22,177)	7,468	75%
522021	Equipment Fund Charges	(4,342)	(3,256)	1,086	75%
522022	Information Systems Fund Charge	(18,101)	(18,101)	0	100%
522303	Custodial	(1,000)	(117)	883	12%

100 - General Fund

Department #22 - Fire

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
522312	Facility Maintenance Supplies	(3,000)	(3,729)	(729)	124%
522315	Facility Mnt/Repairs	(9,500)	(9,663)	(163)	102%
	EXPENDITURES TOTAL	(3,081,313)	(2,296,866)	784,447	75%
	Department Net Totals	(2,517,021)	(1,892,313)		

100 - General Fund

Department #31 - Planning

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
430460	SHPO Grant	12,800	0	(12,800)	0%
430587	Grant Match - Other Agencies	15,000	74,390	59,390	496%
440020	Code Enforcement Revenue	1,500	1,194	(306)	80%
440025	Copy Service	84	131	47	156%
440029	General Fund Spt Svc (522023)	73,546	73,546	0	100%
450054	Metro Business License	10,500	13,667	3,167	130%
450101	Planning Fees	48,000	40,161	(7,839)	84%
471021	Donations	0	485	485	0%
	REVENUES TOTAL	161,430	203,573	42,143	126%
EXPENDITURES					
511005	Regular Employee Wages	(225,288)	(163,708)	61,580	73%
512005	Health & Dental Benefits	(33,865)	(25,373)	8,492	75%
512008	Health Reimb Arrangement	(2,240)	(1,561)	679	70%
512010	Retirement	(49,061)	(35,852)	13,209	73%
512015	FICA	(17,235)	(12,299)	4,936	71%
512020	Workers Comp	(303)	(303)	0	100%
512025	Other Benefits	(1,239)	(1,081)	158	87%
512030	Other Payroll Taxes	(1,663)	(1,238)	425	74%
520110	Operating Supplies	(2,112)	(607)	1,505	29%
520120	Organization Business Expense	(1,700)	(2,422)	(722)	142%
520170	Code Enforcement Expenditures	(4,500)	(2,280)	2,220	51%
520200	Computer Software Maintenance	(3,000)	(850)	2,150	28%
520503	Printing	(4,050)	(169)	3,881	4%
520506	Postage	(2,400)	(1,906)	494	79%
520509	Telephone	(850)	(399)	451	47%
520521	Public Information	(9,200)	(2,664)	6,536	29%
520524	Publications	(400)	(495)	(95)	124%
520530	Memberships	(2,600)	(1,055)	1,545	41%
520557	Intergovernmental Services	(11,700)	(90)	11,611	1%
520578	Insurance & Bonds	(469)	(469)	0	100%
521003	Training/Conferences	(1,300)	(250)	1,050	19%
521113	Attorney Services	(10,000)	(6,858)	3,142	69%
521150	Professional Services	(26,500)	(5,670)	20,830	21%
522003	Equipment Maint & Oper Supplies	(4,080)	(1,512)	2,568	37%
522021	Equipment Fund Charges	(1,999)	(1,498)	501	75%
522022	Information Systems Fund Charge	(3,946)	(3,946)	0	100%
522309	Building/Facility Rental	(1,573)	(1,180)	393	75%
523006	SHPO Grant Expense	(80)	(4,866)	(4,786)	6,082%
	EXPENDITURES TOTAL	(423,353)	(280,600)	142,753	66%
	Department Net Totals	(261,923)	(77,026)		

100 - General Fund

Department #51 - Engineering

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
440025	Copy Service	1,512	1,041	(471)	69%
440029	General Fund Spt Svc (522023)	563,748	563,748	0	100%
450122	Engineering Inspection Fees	33,000	82,710	49,710	251%
	REVENUES TOTAL	598,260	647,498	49,238	108%
EXPENDITURES					
511005	Regular Employee Wages	(344,514)	(239,710)	104,804	70%
511010	Part-Time Employee Wages	(32,554)	(30,808)	1,746	95%
511020	Temporary Employee Wages	0	(16,297)	(16,297)	0%
512005	Health & Dental Benefits	(72,751)	(48,984)	23,767	67%
512008	Health Reimb Arrangement	(3,390)	(2,515)	875	74%
512010	Retirement	(74,248)	(51,388)	22,860	69%
512015	FICA	(28,845)	(21,903)	6,942	76%
512020	Workers Comp	(3,003)	(3,003)	0	100%
512025	Other Benefits	(2,269)	(2,392)	(123)	105%
512030	Other Payroll Taxes	(2,793)	(2,210)	583	79%
520110	Operating Supplies	(2,500)	(1,626)	874	65%
520120	Organization Business Expense	(250)	(201)	49	80%
520130	Personnel Uniforms & Equipment	(500)	0	500	0%
520190	Computer Software	(3,000)	(360)	2,640	12%
520200	Computer Software Maintenance	0	(2,951)	(2,951)	0%
520220	Small Equipment	(3,300)	0	3,300	0%
520503	Printing	(2,100)	(379)	1,721	18%
520506	Postage	(550)	(201)	349	36%
520509	Telephone	(2,550)	(598)	1,952	23%
520521	Public Information	0	(484)	(484)	0%
520524	Publications	(990)	(147)	843	15%
520530	Memberships	(1,750)	(1,601)	150	91%
520557	Intergovernmental Services	(650)	0	650	0%
520578	Insurance & Bonds	(963)	(963)	0	100%
521003	Training/Conferences	(2,550)	(950)	1,600	37%
521113	Attorney Services	(3,000)	0	3,000	0%
521150	Professional Services	(18,520)	0	18,520	0%
522003	Equipment Maint & Oper Supplies	(4,060)	(2,816)	1,244	69%
522021	Equipment Fund Charges	(17,980)	(13,486)	4,494	75%
522022	Information Systems Fund Charge	(9,502)	(9,502)	0	100%
522306	Rents & Leases	(100)	0	100	0%
522315	Facility Mnt/Repairs	0	(101)	(101)	0%
	EXPENDITURES TOTAL	(639,182)	(455,575)	183,607	71%
	Department Net Totals	(40,922)	191,924		

100 - General Fund

Department #51 - Engineering

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
	Fund Total Revenues	19,573,585	18,909,326		
	Fund Total Expenditures	(19,573,585)	(10,384,278)		
	Fund Net	0	8,525,049		

100 - General Fund

Department #51 - Engineering

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	<i>% Used</i>
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205 - Building Permits Fund
Department #32 - Building Services
 For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
440025	Copy Service	0	21	21	0%
450074	Structural Building Permits	325,007	246,934	(78,073)	76%
450076	Manufactured Home Permits	0	421	421	0%
450078	Plumbing Permits	74,870	90,227	15,357	121%
450080	Mechanical Permits	19,480	23,799	4,319	122%
450082	Structural State Surcharge	39,001	29,191	(9,810)	75%
450084	Manuf. Housing State Surcharge	0	43	43	0%
450086	Plumbing State Surcharge	8,984	10,886	1,902	121%
450088	Mechanical Plans St. Surcharge	2,338	2,884	546	123%
450106	Structural Plan Review Fees	191,520	159,342	(32,178)	83%
450108	Plumbing Plan Review Fees	4,450	9,600	5,150	216%
450110	Mechanical Plan Review Fees	1,500	4,712	3,212	314%
450112	FL&S Plan Review Fees	23,730	20,783	(2,947)	88%
450124	Erosion Control Fees	21,950	26,575	4,625	121%
450126	Misc - Reinspect & Invstg Fee	1,100	3,090	1,990	281%
450130	Cornelius Permit Revenue	50,000	0	(50,000)	0%
470105	Interest	4,000	4,308	308	108%
495005	Fund Bal Avail. for Approp.	850,808	998,775	147,967	117%
	REVENUES TOTAL	1,618,738	1,631,593	12,855	101%
EXPENDITURES					
511005	Regular Employee Wages	(308,513)	(199,749)	108,764	65%
511010	Part-Time Employee Wages	(12,572)	(6,657)	5,915	53%
511015	Overtime	0	(867)	(867)	0%
511020	Temporary Employee Wages	0	(9,215)	(9,215)	0%
512005	Health & Dental Benefits	(62,909)	(41,816)	21,093	66%
512008	Health Reimb Arrangement	(3,052)	(2,148)	904	70%
512010	Retirement	(57,050)	(40,504)	16,546	71%
512015	FICA	(24,563)	(15,863)	8,700	65%
512020	Workers Comp	(1,974)	(1,974)	0	100%
512025	Other Benefits	(1,747)	(1,411)	336	81%
512030	Other Payroll Taxes	(2,406)	(1,584)	822	66%
520110	Operating Supplies	(975)	(644)	331	66%
520120	Organization Business Expense	(300)	(374)	(74)	125%
520190	Computer Software	(3,200)	(229)	2,971	7%
520220	Small Equipment	(100)	0	100	0%
520503	Printing	(1,000)	(962)	38	96%
520506	Postage	(200)	(315)	(115)	157%
520509	Telephone	(1,850)	(944)	906	51%
520521	Public Information	(150)	(151)	(1)	101%
520524	Publications	(1,500)	(329)	1,171	22%
520530	Memberships	(950)	(780)	170	82%
520557	Intergovernmental Services	(31,885)	(44,025)	(12,140)	138%
520578	Insurance & Bonds	(516)	(516)	0	100%
521003	Training/Conferences	(9,000)	(760)	8,240	8%
521113	Attorney Services	(3,000)	0	3,000	0%
521150	Professional Services	(18,800)	(11,670)	7,130	62%
521172	Bank Service Fees	(150)	(64)	86	42%
522003	Equipment Maint & Oper Supplies	(900)	0	900	0%
522021	Equipment Fund Charges	(9,789)	(7,341)	2,448	75%
522022	Information Systems Fund Charge	(5,635)	(5,635)	0	100%

205 - Building Permits Fund
Department #32 - Building Services
For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
522023	General Fund Admin Services	(47,833)	(47,833)	0	100%
580206	Contingency	(250,000)	0	250,000	0%
590304	Unapp Fund Balance	(756,219)	0	756,219	0%
	EXPENDITURES TOTAL	(1,618,738)	(444,361)	1,174,377	27%
	Department Net Totals	0	1,187,232		
	Fund Total Revenues	1,618,738	1,631,593		
	Fund Total Expenditures	(1,618,738)	(444,361)		
	Fund Net	0	1,187,232		

210 - Street Fund

Department #52 - Streets & Traffic

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
420041	Washington County	0	262,889	262,889	0%
422015	State Gas Tax	1,198,241	951,325	(246,916)	79%
422025	County Gas Tax	83,430	61,867	(21,563)	74%
440172	Streetlight Fee	0	64,177	64,177	0%
440190	External Work Performed	1,000	796	(204)	80%
450057	Other	0	4,354	4,354	0%
450100	Street Improv Fee-N Central Proje	0	15,750	15,750	0%
450114	Street Improv Fee-Pac Cross-SG	0	2,280	2,280	0%
470105	Interest	2,810	1,250	(1,560)	44%
470131	Sidewalk Program Interest	0	1,718	1,718	0%
470132	Sidewalk Program Principal	0	14,836	14,836	0%
470133	Sidewalk Program Pymt in Full	100,000	48,883	(51,117)	49%
472030	Environmental Agreement Payme	0	9,125	9,125	0%
495005	Fund Bal Avail. for Approp.	562,028	492,866	(69,162)	88%
	REVENUES TOTAL	1,947,509	1,932,115	(15,394)	99%
EXPENDITURES					
511005	Regular Employee Wages	(176,511)	(133,492)	43,019	76%
511015	Overtime	(2,898)	(3,167)	(269)	109%
512005	Health & Dental Benefits	(55,306)	(41,921)	13,385	76%
512008	Health Reimb Arrangement	(1,716)	(1,604)	112	93%
512010	Retirement	(35,808)	(26,816)	8,992	75%
512015	FICA	(13,418)	(10,425)	2,993	78%
512020	Workers Comp	(6,309)	(6,309)	0	100%
512025	Other Benefits	(930)	(952)	(22)	102%
512030	Other Payroll Taxes	(1,328)	(992)	336	75%
520110	Operating Supplies	(2,000)	(2,194)	(194)	110%
520120	Organization Business Expense	(50)	(14)	36	28%
520130	Personnel Uniforms & Equipment	(3,000)	(1,687)	1,313	56%
520150	Utilities	(78,000)	(61,886)	16,114	79%
520190	Computer Software	(2,500)	(1,580)	920	63%
520220	Small Equipment	(3,250)	(1,253)	1,997	39%
520240	Construction Supplies	(62,000)	(37,578)	24,422	61%
520280	Street Light Maint. (610-440170)	(73,000)	(73,000)	0	100%
520503	Printing	(800)	(202)	598	25%
520506	Postage	(100)	(77)	23	77%
520509	Telephone	(800)	(483)	317	60%
520521	Public Information	(500)	(154)	346	31%
520524	Publications	(300)	0	300	0%
520530	Memberships	0	(36)	(36)	0%
520557	Intergovernmental Services	(22,000)	(9,921)	12,079	45%
520578	Insurance & Bonds	(5,454)	(5,454)	0	100%
521003	Training/Conferences	(1,800)	(1,327)	473	74%
521150	Professional Services	(1,700)	(495)	1,205	29%
521168	Misc Medical Services	(250)	(367)	(117)	147%
521172	Bank Service Fees	(700)	(512)	188	73%
522003	Equipment Maint & Oper Supplies	(1,650)	(2,099)	(449)	127%
522012	Fuel/Oil	(1,000)	(284)	716	28%
522021	Equipment Fund Charges	(91,342)	(68,506)	22,836	75%
522022	Information Systems Fund Charge	(2,302)	(2,302)	0	100%
522023	General Fund Admin Services	(436,594)	(436,594)	0	100%

210 - Street Fund**Department #52 - Streets & Traffic**

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
522306	Rents & Leases	(9,000)	(3,500)	5,500	39%
522309	Building/Facility Rental	(3,132)	(2,349)	783	75%
522315	Facility Mnt/Repairs	(1,000)	0	1,000	0%
550181	Major Tools & Work Equipment	(5,000)	0	5,000	0%
550563	Construction Maintenance	(100,000)	(84,023)	15,977	84%
550575	Street Construction	(309,469)	(71,255)	238,214	23%
550580	Sidewalk Program	(100,000)	(226)	99,774	0%
551066	Safe Routes to School	(50,000)	0	50,000	0%
580206	Contingency	(100,000)	0	100,000	0%
590304	Unapp Fund Balance	(184,592)	0	184,592	0%
EXPENDITURES TOTAL		(1,947,509)	(1,095,036)	852,473	56%
Department Net Totals		0	837,079		
Fund Total Revenues		1,947,509	1,932,115		
Fund Total Expenditures		(1,947,509)	(1,095,036)		
Fund Net		0	837,079		

212 - Street Tree Fund

Department #31 - Planning

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
450140	Tree Planting Fees	51,000	31,280	(19,720)	61%
470105	Interest	500	265	(235)	53%
472025	Tree Compensation Revenue	0	153	153	0%
495005	Fund Bal Avail. for Approp.	129,500	137,803	8,303	106%
	REVENUES TOTAL	181,000	169,501	(11,499)	94%
EXPENDITURES					
520290	Street Tree Planting	(72,600)	(53,865)	18,735	74%
570103	Transfer to General Fund	(6,750)	0	6,750	0%
570127	Transfer to Other Funds	(101,650)	(101,650)	0	100%
	EXPENDITURES TOTAL	(181,000)	(155,515)	25,485	86%
	Department Net Totals	0	13,985		
	Fund Total Revenues	181,000	169,501		
	Fund Total Expenditures	(181,000)	(155,515)		
	Fund Net	0	13,985		

225 - Fire Equipment Repl. Fund
Department #23 - Fire Equipment Repl Fund
 For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
420010	Rural District Share	172,500	0	(172,500)	0%
470105	Interest	1,800	1,764	(36)	98%
481005	Transfer from Other Funds	97,850	73,388	(24,463)	75%
495005	Fund Bal Avail. for Approp.	474,832	475,145	313	100%
	REVENUES TOTAL	746,982	550,297	(196,685)	74%
EXPENDITURES					
551261	Equipment Replacement	(345,000)	(263,229)	81,771	76%
580206	Contingency	(50,000)	0	50,000	0%
590304	Unapp Fund Balance	(351,982)	0	351,982	0%
	EXPENDITURES TOTAL	(746,982)	(263,229)	483,753	35%
	Department Net Totals	0	287,068		
	Fund Total Revenues	746,982	550,297		
	Fund Total Expenditures	(746,982)	(263,229)		
	Fund Net	0	287,068		

226 - Fire SAFER Grant Fund
Department #22 - Fire
For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
430214	Homeland Security Grant	255,984	129,787	(126,197)	51%
	REVENUES TOTAL	255,984	129,787	(126,197)	51%
EXPENDITURES					
511005	Regular Employee Wages	(156,229)	(119,381)	36,848	76%
511015	Overtime	0	(5,369)	(5,369)	0%
512005	Health & Dental Benefits	(43,102)	(29,448)	13,654	68%
512008	Health Reimb Arrangement	(1,401)	0	1,401	0%
512010	Retirement	(34,214)	(23,311)	10,903	68%
512015	Fica	(11,952)	(9,312)	2,640	78%
512020	Workers Comp	(2,981)	(2,981)	0	100%
512025	Other Benefits	(1,008)	(859)	149	85%
512030	Other Payroll Taxes	(1,097)	(940)	157	86%
520110	Operating Supplies	(4,000)	(1,249)	2,751	31%
	EXPENDITURES TOTAL	(255,984)	(192,850)	63,134	75%
	Department Net Totals	0	(63,063)		
	Fund Total Revenues	255,984	129,787		
	Fund Total Expenditures	(255,984)	(192,850)		
	Fund Net	0	(63,063)		

240 - Bikeway Development Fund

Department #52 - Streets & Traffic

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
422015	State Gas Tax	12,146	9,609	(2,537)	79%
450052	Bicycle Licenses	36	0	(36)	0%
470105	Interest	206	76	(130)	37%
495005	Fund Bal Avail. for Approp.	41,115	33,182	(7,933)	81%
	REVENUES TOTAL	53,503	42,867	(10,636)	80%
EXPENDITURES					
550169	General Capital Outlay	(53,503)	(37,605)	15,898	70%
	EXPENDITURES TOTAL	(53,503)	(37,605)	15,898	70%
	Department Net Totals	0	5,262		
	Fund Total Revenues	53,503	42,867		
	Fund Total Expenditures	(53,503)	(37,605)		
	Fund Net	0	5,262		

260 - Trail System Fund

Department #16 - Parks & Recreation

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
470105	Interest	150	145	(5)	97%
495005	Fund Bal Avail. for Approp.	47,220	47,225	5	100%
	REVENUES TOTAL	47,370	47,370	0	100%
EXPENDITURES					
550240	Trail Construction	(47,370)	(47,370)	0	100%
	EXPENDITURES TOTAL	(47,370)	(47,370)	0	100%
	Department Net Totals	0	0		
	Fund Total Revenues	47,370	47,370		
	Fund Total Expenditures	(47,370)	(47,370)		
	Fund Net	0	0		

265 - Transportation Services Fund
Department #12 - Administration Services
For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
430725	DHS Transportation Grant	570,000	284,869	(285,131)	50%
	REVENUES TOTAL	570,000	284,869	(285,131)	50%
EXPENDITURES					
523015	Transportation Grant	(570,000)	(167,244)	402,756	29%
	EXPENDITURES TOTAL	(570,000)	(167,244)	402,756	29%
	Department Net Totals	0	117,625		
	Fund Total Revenues	570,000	284,869		
	Fund Total Expenditures	(570,000)	(167,244)		
	Fund Net	0	117,625		

270 - Facility Major Maintenance Fund
Department #12 - Administration Services
For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
470105	Interest	2,400	2,729	329	114%
481007	Transfer from General Fund	101,650	101,650	0	100%
495005	Fund Bal Avail. for Approp.	673,884	674,377	493	100%
	REVENUES TOTAL	777,934	778,756	822	100%
EXPENDITURES					
550166	Building Improvements	(250,000)	(70,477)	179,523	28%
550171	Capital Projects - Public Safety	0	(15,290)	(15,290)	0%
590304	Unapp Fund Balance	(527,934)	0	527,934	0%
	EXPENDITURES TOTAL	(777,934)	(85,767)	692,167	11%
	Department Net Totals	0	692,989		
	Fund Total Revenues	777,934	778,756		
	Fund Total Expenditures	(777,934)	(85,767)		
	Fund Net	0	692,989		

275 - Community Enhancement Fund
Department #12 - Administration Services
 For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
420025	Metro Enhancement Fee	55,000	40,747	(14,253)	74%
495005	Fund Bal Avail. for Approp.	13,162	14,373	1,211	109%
	REVENUES TOTAL	68,162	55,120	(13,042)	81%
EXPENDITURES					
523003	Comm Enhancement Grants	(58,310)	(50,316)	7,994	86%
523004	CEP Carryover	(3,000)	(624)	2,376	21%
590304	Unapp Fund Balance	(6,852)	0	6,852	0%
	EXPENDITURES TOTAL	(68,162)	(50,940)	17,222	75%
	Department Net Totals	0	4,180		
	Fund Total Revenues	68,162	55,120		
	Fund Total Expenditures	(68,162)	(50,940)		
	Fund Net	0	4,180		

280 - Public Arts Fund

Department #11 - Legislative & Executive

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
470105	Interest	50	30	(20)	60%
471025	Public Arts Comm. Donations	2,000	3,363	1,363	168%
495005	Fund Bal Avail. for Approp.	10,014	11,089	1,075	111%
	REVENUES TOTAL	12,064	14,481	2,417	120%
EXPENDITURES					
520564	Public Arts Comm. Expenditures	(12,064)	(51)	12,013	0%
	EXPENDITURES TOTAL	(12,064)	(51)	12,013	0%
	Department Net Totals	0	14,431		
	Fund Total Revenues	12,064	14,481		
	Fund Total Expenditures	(12,064)	(51)		
	Fund Net	0	14,431		

310 - Traffic Impact Fund

Department #52 - Streets & Traffic

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
470105	Interest	29,563	12,632	(16,931)	43%
495005	Fund Bal Avail. for Approp.	2,956,263	3,023,900	67,637	102%
	REVENUES TOTAL	2,985,826	3,036,532	50,706	102%
EXPENDITURES					
550169	General Capital Outlay	(2,985,826)	(6,284)	2,979,542	0%
	EXPENDITURES TOTAL	(2,985,826)	(6,284)	2,979,542	0%
	Department Net Totals	0	3,030,248		
	Fund Total Revenues	2,985,826	3,036,532		
	Fund Total Expenditures	(2,985,826)	(6,284)		
	Fund Net	0	3,030,248		

311 - Transportation Development Tax Fund

Department #52 - Streets & Traffic

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
451070	Transportation Development Tax	466,550	742,836	276,286	159%
470105	Interest	10,490	11,515	1,025	110%
495005	Fund Bal Avail. for Approp.	2,098,022	2,426,178	328,156	116%
	REVENUES TOTAL	2,575,062	3,180,530	605,468	124%
EXPENDITURES					
550169	General Capital Outlay	(2,575,062)	0	2,575,062	0%
	EXPENDITURES TOTAL	(2,575,062)	0	2,575,062	0%
	Department Net Totals	0	3,180,530		
	Fund Total Revenues	2,575,062	3,180,530		
	Fund Total Expenditures	(2,575,062)	0		
	Fund Net	0	3,180,530		

320 - Park Acq. & Dev Fund

Department #16 - Parks & Recreation

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
451009	Parks SDC	252,000	333,000	81,000	132%
470105	Interest	4,318	4,345	27	101%
495005	Fund Bal Avail. for Approp.	863,562	995,497	131,935	115%
	REVENUES TOTAL	1,119,880	1,332,842	212,962	119%
EXPENDITURES					
521150	Professional Services	(85,000)	0	85,000	0%
550200	Parks Projects - General	(1,034,880)	(96,906)	937,974	9%
	EXPENDITURES TOTAL	(1,119,880)	(96,906)	1,022,974	9%
	Department Net Totals	0	1,235,937		
	Fund Total Revenues	1,119,880	1,332,842		
	Fund Total Expenditures	(1,119,880)	(96,906)		
	Fund Net	0	1,235,937		

330 - Capital Projects Fund

Department #12 - Administration Services

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
470105	Interest	7,500	4,412	(3,088)	59%
471040	Lawsuit Settlement Proceeds	0	64,480	64,480	0%
481005	Transfer from Other Funds	1,600,000	1,600,000	0	100%
495005	Fund Bal Avail. for Approp.	176,197	159,143	(17,054)	90%
	REVENUES TOTAL	1,783,697	1,828,035	44,338	102%
EXPENDITURES					
521150	Professional Services	(30,000)	0	30,000	0%
550169	General Capital Outlay	(1,753,697)	0	1,753,697	0%
550580	Sidewalk Program	0	0	0	0%
	EXPENDITURES TOTAL	(1,783,697)	0	1,783,697	0%
	Department Net Totals	0	1,828,035		
	Fund Total Revenues	1,783,697	1,828,035		
	Fund Total Expenditures	(1,783,697)	0		
	Fund Net	0	1,828,035		

350 - CIP Excise Tax Fund

Department #12 - Administration Services

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
450200	C.I.P. Fees	215,000	222,041	7,041	103%
470105	Interest	200	239	39	119%
495005	Fund Bal Avail. for Approp.	56,287	61,840	5,553	110%
	REVENUES TOTAL	271,487	284,120	12,633	105%
EXPENDITURES					
550170	Capital Projects - Support Service	(58,043)	0	58,043	0%
550171	Capital Projects - Public Safety	(25,544)	0	25,544	0%
570127	Transfer to Other Funds	(187,900)	(140,925)	46,975	75%
	EXPENDITURES TOTAL	(271,487)	(140,925)	130,562	52%
	Department Net Totals	0	143,195		
	Fund Total Revenues	271,487	284,120		
	Fund Total Expenditures	(271,487)	(140,925)		
	Fund Net	0	143,195		

410 - General Debt Service Fund

Department #19 -

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
411003	Property Taxes	486,792	472,730	(14,062)	97%
411150	Property Tax Prior Years	8,000	12,012	4,012	150%
470105	Interest	1,100	1,254	154	114%
495005	Fund Bal Avail. for Approp.	46,046	46,418	372	101%
	REVENUES TOTAL	541,938	532,414	(9,524)	98%
EXPENDITURES					
562008	Principal - 2010 Series	(455,000)	0	455,000	0%
562048	Interest - 2010 Series	(45,250)	(22,625)	22,625	50%
590304	Unapp Fund Balance	(41,688)	0	41,688	0%
	EXPENDITURES TOTAL	(541,938)	(22,625)	519,313	4%
	Department Net Totals	0	509,789		
	Fund Total Revenues	541,938	532,414		
	Fund Total Expenditures	(541,938)	(22,625)		
	Fund Net	0	509,789		

430 - SPWF-Debt Service Fund

Department #19 -

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
451200	Assessment Charges	9,735	5,195	(4,540)	53%
470130	Interest - Assessments	3,154	1,821	(1,333)	58%
495005	Fund Bal Avail. for Approp.	30,184	30,184	0	100%
	REVENUES TOTAL	43,073	37,200	(5,873)	86%
EXPENDITURES					
562020	Principal - 95 S.P.W.F. Loan	(18,228)	(18,228)	0	100%
562055	Interest - 95 S.P.W.F. Loan	(3,753)	(3,753)	1	100%
590304	Unapp Fund Balance	(21,092)	0	21,092	0%
	EXPENDITURES TOTAL	(43,073)	(21,981)	21,093	51%
	Department Net Totals	0	15,219		
	Fund Total Revenues	43,073	37,200		
	Fund Total Expenditures	(43,073)	(21,981)		
	Fund Net	0	15,219		

505 - Library Endowment Fund

Department #14 - Library

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
470105	Interest	300	170	(130)	57%
495005	Fund Bal Avail. for Approp.	0	60	60	0%
495006	Restricted Fund Balance	41,187	41,186	(1)	100%
	REVENUES TOTAL	41,487	41,417	(70)	100%
EXPENDITURES					
520220	Small Equipment	(300)	0	300	0%
590304	Unapp Fund Balance	(41,187)	0	41,187	0%
	EXPENDITURES TOTAL	(41,487)	0	41,487	0%
	Department Net Totals	0	41,417		
	Fund Total Revenues	41,487	41,417		
	Fund Total Expenditures	(41,487)	0		
	Fund Net	0	41,417		

610 - Light Fund

Department #41 - Light & Power

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
440035	NSF Handling Charge	1,500	1,482	(18)	99%
440105	Residential Sales	7,562,118	5,963,042	(1,599,076)	79%
440110	General Service - 1 ph Sales	664,624	503,617	(161,007)	76%
440112	General Service - 3 ph Sales	661,831	514,485	(147,346)	78%
440120	Industrial Service - Special Contra	1,829,600	1,372,748	(456,852)	75%
440125	Large Commercial Industrial	3,942,009	2,948,304	(993,705)	75%
440130	Public Street Lighting Sales	68,875	56,551	(12,324)	82%
440135	Rental Lights	105,295	73,776	(31,519)	70%
440140	Irrigation Service	5,927	1,687	(4,240)	28%
440150	Green Power Units	10,800	6,180	(4,620)	57%
440165	Connection Charges	60,000	125,356	65,356	209%
440170	Street Light Maint. (210-520280)	73,000	73,000	0	100%
440175	Disconnect/Reconnect Charges	22,500	15,786	(6,714)	70%
440180	Pole Rental	21,748	22,045	297	101%
440302	Auditorium Rental	24,142	18,735	(5,407)	78%
445005	Sale of Scrap	15,000	9,706	(5,294)	65%
445010	Sale of Materials	2,500	2,667	167	107%
445015	Sale of Equipment	3,000	2,054	(946)	68%
450057	Other	30,000	39,310	9,310	131%
470105	Interest	31,020	19,279	(11,741)	62%
480006	Reimbursements	0	293	293	0%
480020	Conservation Incentive Reimburs	200,000	134,177	(65,823)	67%
495005	Fund Bal Avail. for Approp.	6,203,968	6,198,896	(5,072)	100%
	REVENUES TOTAL	21,539,457	18,103,178	(3,436,279)	84%
EXPENDITURES					
511005	Regular Employee Wages	(2,018,930)	(1,398,267)	620,663	69%
511010	Part-Time Employee Wages	(30,232)	0	30,232	0%
511015	Overtime	(96,000)	(51,651)	44,349	54%
511020	Temporary Employee Wages	(4,000)	(30,992)	(26,992)	775%
511021	Unemployment Compensation	0	(1,285)	(1,285)	0%
512005	Health & Dental Benefits	(370,593)	(270,960)	99,633	73%
512008	Health Reimb Arrangement	(20,437)	(19,152)	1,285	94%
512010	Retirement	(416,982)	(274,253)	142,729	66%
512015	Fica	(164,028)	(110,600)	53,428	67%
512020	Workers Comp	(37,206)	(37,206)	0	100%
512025	Other Benefits	(11,904)	(7,551)	4,353	63%
512030	Other Payroll Taxes	(15,848)	(11,179)	4,669	71%
520110	Operating Supplies	(12,000)	(11,158)	842	93%
520120	Organization Business Expense	(15,650)	(5,571)	10,079	36%
520130	Personnel Uniforms & Equipment	(38,700)	(28,894)	9,806	75%
520150	Utilities	(29,493)	(24,507)	4,986	83%
520180	Subscriptions & Books	(1,000)	(470)	530	47%
520190	Computer Software	(12,500)	(5,826)	6,675	47%
520200	Computer Software Maintenance	(6,800)	(3,124)	3,676	46%
520220	Small Equipment	(35,250)	(21,957)	13,293	62%
520240	Construction Supplies	(582,500)	(532,243)	50,257	91%
520260	Purchased Power	(8,389,771)	(7,330,087)	1,059,684	87%
520270	Miscellaneous	(1,000)	(140)	860	14%
520503	Printing	(2,000)	(166)	1,834	8%
520506	Postage	(3,000)	(1,998)	1,002	67%

610 - Light Fund

Department #41 - Light & Power

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
520509	Telephone	(10,000)	(4,831)	5,169	48%
520521	Public Information	(42,000)	(17,349)	24,651	41%
520524	Publications	(2,250)	(237)	2,014	11%
520530	Memberships	(98,554)	(86,874)	11,680	88%
520533	Recruiting Expenses	(3,500)	(455)	3,045	13%
520542	Bill Paying Assistance Program	(75,000)	(24,992)	50,008	33%
520554	Conservation Incentives	(50,000)	0	50,000	0%
520555	Industrial Conservation Augmenta	(200,000)	(104,057)	95,943	52%
520556	Green Power Info & Promotion	(2,000)	0	2,000	0%
520557	Intergovernmental Services	(16,500)	(12,070)	4,430	73%
520578	Insurance & Bonds	(33,591)	(33,591)	0	100%
521003	Training/Conferences	(42,100)	(12,441)	29,659	30%
521006	Travel	0	(5)	(5)	0%
521113	Attorney Services	(5,000)	0	5,000	0%
521150	Professional Services	(30,300)	(52,523)	(22,223)	173%
521162	Consultants	(100,000)	(13,801)	86,199	14%
521165	Contracts for Services	(95,000)	(95,076)	(76)	100%
521168	Misc Medical Services	(3,850)	(2,414)	1,436	63%
521172	Bank Service Fees	(45,000)	(46,113)	(1,113)	102%
522003	Equipment Maint & Oper Supplies	(30,000)	(20,337)	9,663	68%
522006	Equipment/Vehicle Rental	(5,000)	0	5,000	0%
522009	Vehicle Maint & Oper Supplies	(41,800)	(19,301)	22,499	46%
522010	Vehicle Maint External	(22,000)	(20,912)	1,088	95%
522012	Fuel/Oil	(37,595)	(32,823)	4,772	87%
522022	Information Systems Fund Charge	(19,373)	(19,373)	0	100%
522023	General Fund Admin Services	(1,097,246)	(822,935)	274,311	75%
522306	Rents & Leases	(14,650)	(6,372)	8,278	43%
522312	Facility Maintenance Supplies	(10,700)	(5,092)	5,608	48%
522315	Facility Mnt/Repairs	(12,500)	(14,091)	(1,591)	113%
550051	Office Equipment & Furniture	(5,000)	(6,875)	(1,875)	138%
550166	Building Improvements	(78,500)	(54,333)	24,167	69%
550181	Major Tools & Work Equipment	(72,000)	(54,712)	17,288	76%
550959	Substation Improvements	(1,323,000)	(37,870)	1,285,130	3%
550962	System Additions & Upgrades	(215,000)	0	215,000	0%
551260	Vehicle Replacement	(485,000)	(143,517)	341,483	30%
551261	Equipment Replacement	(11,000)	(10,530)	470	96%
570127	Transfer to Other Funds	(131,497)	(107,089)	24,408	81%
570130	In-Lieu of Tax	(726,546)	(544,908)	181,638	75%
580206	Contingency	(1,225,581)	0	1,225,581	0%
590304	Unapp Fund Balance	(2,805,000)	0	2,805,000	0%
EXPENDITURES TOTAL		(21,539,457)	(12,607,134)	8,932,323	59%
Department Net Totals		0	5,496,044		
Fund Total Revenues		21,539,457	18,103,178		
Fund Total Expenditures		(21,539,457)	(12,607,134)		
Fund Net		0	5,496,044		

620 - Sewer Fund

Department #54 - Sewer

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
440105	Residential Sales	3,555,475	2,697,882	(857,593)	76%
440106	Commercial Sales	782,597	604,944	(177,653)	77%
440120	Industrial Service - Special Contra	183,249	163,382	(19,867)	89%
450057	Other	800	0	(800)	0%
451040	Sewer Laterals	2,000	1,000	(1,000)	50%
470105	Interest	10,102	8,304	(1,798)	82%
495005	Fund Bal Avail. for Approp.	2,020,430	2,028,439	8,009	100%
	REVENUES TOTAL	6,554,653	5,503,953	(1,050,700)	84%
EXPENDITURES					
511005	Regular Employee Wages	(215,191)	(126,886)	88,305	59%
511015	Overtime	(2,029)	(1,251)	778	62%
512005	Health & Dental Benefits	(63,396)	(48,288)	15,108	76%
512008	Health Reimb Arrangement	(2,086)	(1,883)	203	90%
512010	Retirement	(44,002)	(24,925)	19,077	57%
512015	FICA	(16,235)	(9,802)	6,433	60%
512020	Workers Comp	(7,706)	(7,706)	0	100%
512025	Other Benefits	(1,125)	(1,163)	(38)	103%
512030	Other Payroll Taxes	(1,601)	(1,177)	424	74%
520110	Operating Supplies	(3,000)	(1,758)	1,242	59%
520120	Organization Business Expense	(75)	0	75	0%
520130	Personnel Uniforms & Equipment	(3,250)	(2,119)	1,131	65%
520150	Utilities	(1,350)	(1,538)	(188)	114%
520190	Computer Software	(4,900)	(2,680)	2,220	55%
520220	Small Equipment	(8,000)	(2,453)	5,547	31%
520240	Construction Supplies	(7,000)	(3,522)	3,478	50%
520503	Printing	(200)	(27)	173	14%
520506	Postage	(100)	(386)	(286)	386%
520509	Telephone	(800)	(292)	508	36%
520521	Public Information	(225)	0	225	0%
520524	Publications	(300)	0	300	0%
520530	Memberships	(540)	(316)	225	58%
520557	Intergovernmental Services	(3,391,991)	(2,381,460)	1,010,531	70%
520578	Insurance & Bonds	(8,213)	(8,213)	0	100%
521003	Training/Conferences	(3,825)	(150)	3,675	4%
521150	Professional Services	(3,500)	(619)	2,881	18%
521168	Misc Medical Services	(375)	(442)	(67)	118%
521172	Bank Service Fees	(15,000)	(14,994)	6	100%
522003	Equipment Maint & Oper Supplies	(1,900)	(367)	1,533	19%
522012	Fuel/Oil	0	(88)	(88)	0%
522021	Equipment Fund Charges	(104,677)	(78,508)	26,169	75%
522022	Information Systems Fund Charge	(1,710)	(1,710)	0	100%
522023	General Fund Admin Services	(432,228)	(432,228)	0	100%
522306	Rents & Leases	(500)	0	500	0%
522309	Building/Facility Rental	(6,264)	(4,698)	1,566	75%
522312	Facility Maintenance Supplies	(500)	(20)	480	4%
522315	Facility Mnt/Repairs	(250)	0	250	0%
550181	Major Tools & Work Equipment	(2,500)	0	2,500	0%
550763	Sewer Construction	(30,000)	0	30,000	0%
562001	Principal-CWS/City Phase III Reh	(84,884)	(83,318)	1,566	98%
562041	Interest - CWS/City Phase III Reh	(9,120)	(10,686)	(1,566)	117%

620 - Sewer Fund

Department #54 - Sewer

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
570130	In-Lieu of Tax	(60,424)	(60,424)	0	100%
580206	Contingency	(750,000)	0	750,000	0%
590304	Unapp Fund Balance	(1,263,681)	0	1,263,681	0%
	EXPENDITURES TOTAL	(6,554,653)	(3,316,095)	3,238,558	51%
	Department Net Totals	0	2,187,858		
	Fund Total Revenues	6,554,653	5,503,953		
	Fund Total Expenditures	(6,554,653)	(3,316,095)		
	Fund Net	0	2,187,858		

622 - Sewer SDC Fund

Department #54 - Sewer

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
451005	System Development Charge	636,000	835,838	199,838	131%
451042	Sunset Sewer Connection Fee	1,000	2,250	1,250	225%
470105	Interest	2,696	5,044	2,348	187%
495005	Fund Bal Avail. for Approp.	1,078,480	1,127,968	49,488	105%
	REVENUES TOTAL	1,718,176	1,971,099	252,923	115%
EXPENDITURES					
520557	Intergovernmental Services	(608,800)	(668,671)	(59,871)	110%
550760	Construction Projects	(275,000)	(2,959)	272,041	1%
562002	Principal-CWS/City Sunset Drive	(100,225)	(100,225)	0	100%
562042	Interest - CWS/City Sunset Drive	(21,770)	(21,770)	0	100%
580206	Contingency	(500,000)	0	500,000	0%
590304	Unapp Fund Balance	(212,381)	0	212,381	0%
	EXPENDITURES TOTAL	(1,718,176)	(793,624)	924,552	46%
	Department Net Totals	0	1,177,475		
	Fund Total Revenues	1,718,176	1,971,099		
	Fund Total Expenditures	(1,718,176)	(793,624)		
	Fund Net	0	1,177,475		

630 - Water Fund

Department #53 - Water

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
440105	Residential Sales	2,111,823	1,683,064	(428,759)	80%
440106	Commercial Sales	620,507	534,570	(85,937)	86%
440118	Multi-Family Sales	364,961	310,704	(54,257)	85%
440120	Industrial Service - Special Contr	280,583	233,130	(47,453)	83%
440160	Non-Metered Sales	24,000	24,044	44	100%
440165	Connection Charges	35,000	33,763	(1,237)	96%
440190	External Work Performed	0	3,330	3,330	0%
440305	Building Rental Income	35,928	26,946	(8,982)	75%
445025	Timber Sales - Even Fiscal Years	1,100,000	514,824	(585,176)	47%
450057	Other	5,000	19,671	14,671	393%
470003	Sale of Bonds	0	27,023	27,023	0%
470105	Interest	14,052	13,610	(442)	97%
495005	Fund Bal Avail. for Approp.	2,810,332	3,509,305	698,973	125%
	REVENUES TOTAL	7,402,186	6,933,984	(468,202)	94%
EXPENDITURES					
511005	Regular Employee Wages	(556,446)	(407,445)	149,001	73%
511015	Overtime	(28,980)	(25,668)	3,312	89%
512005	Health & Dental Benefits	(153,915)	(115,445)	38,470	75%
512008	Health Reimb Arrangement	(5,635)	(5,007)	628	89%
512010	Retirement	(117,244)	(83,971)	33,273	72%
512015	FICA	(44,250)	(32,993)	11,257	75%
512020	Workers Comp	(20,418)	(20,418)	0	100%
512025	Other Benefits	(3,786)	(3,144)	642	83%
512030	Other Payroll Taxes	(4,371)	(3,242)	1,129	74%
520110	Operating Supplies	(84,000)	(43,307)	40,693	52%
520120	Organization Business Expense	(250)	(140)	110	56%
520130	Personnel Uniforms & Equipment	(5,500)	(4,650)	850	85%
520150	Utilities	(78,540)	(66,912)	11,628	85%
520190	Computer Software	(4,000)	(1,947)	2,053	49%
520220	Small Equipment	(16,500)	(3,141)	13,359	19%
520240	Construction Supplies	(162,000)	(140,525)	21,476	87%
520250	JWC Water Purchases	(250,000)	(134,897)	115,103	54%
520503	Printing	(2,500)	(256)	2,244	10%
520506	Postage	(1,000)	(578)	422	58%
520509	Telephone	(6,198)	(4,115)	2,083	66%
520521	Public Information	(250)	0	250	0%
520524	Publications	(532)	0	532	0%
520530	Memberships	(1,475)	(646)	830	44%
520548	Watershed Management	(7,500)	(1,365)	6,135	18%
520550	Watershed Maintenance	(7,500)	(1,728)	5,772	23%
520552	Timber Harvesting - Even Fiscal Y	(700,000)	(215,819)	484,181	31%
520557	Intergovernmental Services	(72,930)	(39,301)	33,629	54%
520578	Insurance & Bonds	(25,534)	(25,534)	0	100%
521003	Training/Conferences	(6,300)	(762)	5,538	12%
521113	Attorney Services	(6,500)	0	6,500	0%
521150	Professional Services	(73,000)	(47,991)	25,009	66%
521168	Misc Medical Services	0	(683)	(683)	0%
521172	Bank Service Fees	(15,000)	(13,441)	1,559	90%
522003	Equipment Maint & Oper Supplies	(10,900)	(13,385)	(2,485)	123%
522012	Fuel/Oil	0	(128)	(128)	0%

630 - Water Fund

Department #53 - Water

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
522021	Equipment Fund Charges	(143,705)	(107,779)	35,926	75%
522022	Information Systems Fund Charge	(11,036)	(11,037)	(1)	100%
522023	General Fund Admin Services	(742,859)	(742,859)	0	100%
522303	Custodial	(800)	0	800	0%
522306	Rents & Leases	(3,000)	0	3,000	0%
522312	Facility Maintenance Supplies	(13,200)	(6,606)	6,594	50%
522315	Facility Mnt/Repairs	(21,000)	(19,358)	1,642	92%
550181	Major Tools & Work Equipment	(52,500)	0	52,500	0%
550660	Joint - Capital Equipment	(39,990)	0	39,990	0%
550663	JWC - Other Projects	(214,751)	(142,552)	72,199	66%
550666	Water Line Extension	(275,000)	(183,277)	91,723	67%
550669	Water Treatment Plant Equip	(45,000)	(6,677)	38,323	15%
550672	Watershed Capital	(20,000)	(11,808)	8,192	59%
550760	Construction Projects	(60,000)	(34,862)	25,138	58%
562010	Principal - 2003 FFC Bonds	(255,000)	0	255,000	0%
562030	Principal - Scoggins Reservoir	(32,998)	(32,999)	(1)	100%
562045	Interest - 2003 FFC Bonds	(135,131)	0	135,131	0%
562046	2013 Refunding FFCO - Interest	0	(19,481)	(19,481)	0%
562070	Interest - Scoggins Reservoir	(39,799)	(39,798)	1	100%
570127	Transfer to Other Funds	(49,896)	(41,350)	8,546	83%
570130	In-Lieu of Tax	(185,981)	(185,982)	(1)	100%
580203	JWC - Contingency	(333,250)	0	333,250	0%
580206	Contingency	(251,750)	0	251,750	0%
580212	Debt Service Contingency	(415,000)	0	415,000	0%
590304	Unapp Fund Balance	(1,587,585)	0	1,587,585	0%
EXPENDITURES TOTAL		(7,402,185)	(3,045,009)	4,357,176	41%
Department Net Totals		1	3,888,976		
Fund Total Revenues		7,402,186	6,933,984		
Fund Total Expenditures		(7,402,185)	(3,045,009)		
Fund Net		1	3,888,976		

632 - Water SDC Fund

Department #53 - Water

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
451005	System Development Charge	322,000	502,917	180,917	156%
470031	Principal - J Lieb Water SDC	2,862	2,862	0	100%
470032	Interest - J Lieb Water SDC	38	38	0	99%
470105	Interest	12,970	12,983	13	100%
495005	Fund Bal Avail. for Approp.	2,594,219	2,778,851	184,632	107%
	REVENUES TOTAL	2,932,089	3,297,649	365,560	112%
EXPENDITURES					
521150	Professional Services	(1,200)	(1,481)	(281)	123%
550760	Construction Projects	(50,000)	(14,620)	35,380	29%
580206	Contingency	(100,000)	0	100,000	0%
590304	Unapp Fund Balance	(2,780,889)	0	2,780,889	0%
	EXPENDITURES TOTAL	(2,932,089)	(16,101)	2,915,988	1%
	Department Net Totals	0	3,281,548		
	Fund Total Revenues	2,932,089	3,297,649		
	Fund Total Expenditures	(2,932,089)	(16,101)		
	Fund Net	0	3,281,548		

640 - Surface Water Management Fund

Department #55 - Surf Water Mgmt

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
440101	Surface Water Management Fees	1,045,686	763,598	(282,088)	73%
450057	Other	0	626	626	0%
470105	Interest	1,301	472	(829)	36%
495005	Fund Bal Avail. for Approp.	260,099	272,628	12,529	105%
	REVENUES TOTAL	1,307,086	1,037,324	(269,762)	79%
EXPENDITURES					
511005	Regular Employee Wages	(216,308)	(157,610)	58,698	73%
511015	Overtime	0	(1,970)	(1,970)	0%
512005	Health & Dental Benefits	(68,079)	(51,318)	16,761	75%
512008	Health Reimb Arrangement	(2,094)	(1,988)	106	95%
512010	Retirement	(43,838)	(31,137)	12,701	71%
512015	FICA	(16,089)	(12,161)	3,928	76%
512020	Workers Comp	(7,633)	(7,633)	0	100%
512025	Other Benefits	(1,115)	(1,113)	2	100%
512030	Other Payroll Taxes	(1,592)	(1,215)	377	76%
520110	Operating Supplies	(2,000)	(663)	1,338	33%
520120	Organization Business Expense	(50)	(37)	13	74%
520130	Personnel Uniforms & Equipment	(4,000)	(1,934)	2,066	48%
520150	Utilities	(1,000)	0	1,000	0%
520190	Computer Software	(3,300)	(2,280)	1,020	69%
520220	Small Equipment	(4,700)	(2,393)	2,307	51%
520240	Construction Supplies	(5,500)	(3,927)	1,573	71%
520503	Printing	(250)	(27)	223	11%
520506	Postage	(50)	0	50	0%
520509	Telephone	(630)	(76)	554	12%
520521	Public Information	(1,500)	(1,495)	5	100%
520524	Publications	(300)	0	300	0%
520530	Memberships	(200)	(57)	143	29%
520557	Intergovernmental Services	(234,912)	(155,209)	79,703	66%
520578	Insurance & Bonds	(5,178)	(5,178)	0	100%
521003	Training/Conferences	(1,800)	(165)	1,635	9%
521150	Professional Services	(14,900)	(6,295)	8,605	42%
521168	Misc Medical Services	(500)	(546)	(46)	109%
521172	Bank Service Fees	(2,800)	(3,097)	(297)	111%
522003	Equipment Maint & Oper Supplies	(2,200)	(135)	2,065	6%
522012	Fuel/Oil	0	(54)	(54)	0%
522021	Equipment Fund Charges	(144,569)	(108,428)	36,141	75%
522022	Information Systems Fund Charge	(558)	(558)	0	100%
522023	General Fund Admin Services	(155,229)	(155,229)	0	100%
522306	Rents & Leases	(400)	0	400	0%
522309	Building/Facility Rental	(3,132)	(2,349)	783	75%
522312	Facility Maintenance Supplies	(1,000)	0	1,000	0%
550863	Storm Sewer Construction	(30,000)	0	30,000	0%
570130	In-Lieu of Tax	(52,227)	(52,227)	0	100%
580206	Contingency	(40,000)	0	40,000	0%
590304	Unapp Fund Balance	(237,453)	0	237,453	0%
	EXPENDITURES TOTAL	(1,307,086)	(768,504)	538,582	59%
	Department Net Totals	0	268,820		

640 - Surface Water Management Fund

Department #55 - Surf Water Mgmt

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
	Fund Total Revenues	1,307,086	1,037,324		
	Fund Total Expenditures	(1,307,086)	(768,504)		
	Fund Net	0	268,820		

642 - SWM SDC Fund

Department #55 - Surf Water Mgmt

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
451006	SWM SDC Quality	15,750	3,279	(12,471)	21%
451007	SWM SDC Quantity	19,250	26,131	6,881	136%
470105	Interest	1,613	1,357	(256)	84%
495005	Fund Bal Avail. for Approp.	322,558	351,844	29,286	109%
	REVENUES TOTAL	359,171	382,611	23,440	107%
EXPENDITURES					
550863	Storm Sewer Construction	(50,000)	0	50,000	0%
580207	SWM SDC Cont. Quality	(139,127)	0	139,127	0%
580208	SWM SDC Cont. Quantity	(170,044)	0	170,044	0%
	EXPENDITURES TOTAL	(359,171)	0	359,171	0%
	Department Net Totals	0	382,611		
	Fund Total Revenues	359,171	382,611		
	Fund Total Expenditures	(359,171)	0		
	Fund Net	0	382,611		

710 - Information Systems Fund
Department #12 - Administration Services
For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
440225	Equipment Charges	203,752	203,752	0	100%
470105	Interest	3,000	2,478	(522)	83%
495005	Fund Bal Avail. for Approp.	629,372	631,624	2,252	100%
	REVENUES TOTAL	836,124	837,854	1,730	100%
EXPENDITURES					
520110	Operating Supplies	(500)	(619)	(119)	124%
520190	Computer Software	(5,950)	(16,425)	(10,475)	276%
520200	Computer Software Maintenance	(67,239)	(33,373)	33,866	50%
520210	Computer Supplies	(17,500)	(8,366)	9,134	48%
520220	Small Equipment	(89,915)	(38,889)	51,026	43%
520503	Printing	0	(1,200)	(1,200)	0%
520506	Postage	0	(81)	(81)	0%
520557	Intergovernmental Services	(10,329)	(7,857)	2,472	76%
521003	Training/Conferences	(13,000)	(4,643)	8,357	36%
521150	Professional Services	(19,500)	(64,918)	(45,418)	333%
522003	Equipment Maint & Oper Supplies	(8,028)	(8,028)	0	100%
550051	Office Equipment & Furniture	(50,600)	(21,121)	29,479	42%
550460	Accounting System	(60,000)	0	60,000	0%
580206	Contingency	(85,147)	0	85,147	0%
590304	Unapp Fund Balance	(408,416)	0	408,416	0%
	EXPENDITURES TOTAL	(836,124)	(205,520)	630,604	25%
	Department Net Totals	0	632,334		
	Fund Total Revenues	836,124	837,854		
	Fund Total Expenditures	(836,124)	(205,520)		
	Fund Net	0	632,334		

720 - Equipment Fund

Department #56 - Equipment Rental & Repl

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
440190	External Work Performed	1,000	0	(1,000)	0%
440220	Equipment Rental	579,846	434,886	(144,960)	75%
440221	City Hall Vehicle Replacement	16,582	12,436	(4,146)	75%
440222	Parks Veh & Equipment Replacer	26,193	19,644	(6,549)	75%
440224	Public Works Veh & Equipment R	192,000	144,000	(48,000)	75%
440227	Light/Fire Maintenance	30,000	23,167	(6,833)	77%
440228	Sale of Gas & Oil	60,000	55,624	(4,376)	93%
445015	Sale of Equipment	10,000	14,561	4,561	146%
450057	Other	0	1,213	1,213	0%
470105	Interest	2,000	3,408	1,408	170%
481005	Transfer from Other Funds	90,050	67,538	(22,513)	75%
495005	Fund Bal Avail. for Approp.	747,756	68,700	(679,056)	9%
495010	City Hall Veh Fund Bal Avail	0	87,425	87,425	0%
495011	Parks Veh Fund Bal Avail	0	114,173	114,173	0%
495012	Police Veh Fund Bal Avail	0	164,062	164,062	0%
495013	PW Veh Fund Bal Avail	0	359,301	359,301	0%
	REVENUES TOTAL	1,755,427	1,570,137	(185,290)	89%
EXPENDITURES					
511005	Regular Employee Wages	(134,070)	(97,651)	36,419	73%
511015	Overtime	(2,029)	0	2,029	0%
512005	Health & Dental Benefits	(32,679)	(30,647)	2,032	94%
512008	Health Reimb Arrangement	(1,337)	(1,189)	148	89%
512010	Retirement	(23,745)	(16,987)	6,758	72%
512015	FICA	(10,411)	(7,410)	3,001	71%
512020	Workers Comp	(2,992)	(2,992)	0	100%
512025	Other Benefits	(811)	(892)	(81)	110%
512030	Other Payroll Taxes	(1,029)	(752)	277	73%
520110	Operating Supplies	(1,500)	(893)	607	60%
520130	Personnel Uniforms & Equipment	(1,000)	0	1,000	0%
520190	Computer Software	(5,000)	(3,999)	1,001	80%
520220	Small Equipment	(2,500)	(251)	2,249	10%
520503	Printing	0	(27)	(27)	0%
520506	Postage	(1,000)	(13)	987	1%
520509	Telephone	(350)	(99)	251	28%
520557	Intergovernmental Services	(750)	(911)	(161)	121%
520578	Insurance & Bonds	(25,774)	(25,774)	0	100%
521003	Training/Conferences	(2,000)	(465)	1,535	23%
521150	Professional Services	(1,600)	(2,098)	(498)	131%
521165	Contracts for Services	0	0	0	0%
521168	Misc Medical Services	0	(104)	(104)	0%
521172	Bank Service Fees	(250)	(128)	122	51%
522003	Equipment Maint & Oper Supplies	(1,000)	(2,376)	(1,376)	238%
522009	Vehicle Maint & Oper Supplies	(68,000)	(35,132)	32,868	52%
522010	Vehicle Maint External	(27,000)	(8,794)	18,206	33%
522012	Fuel/Oil	(250,000)	(164,589)	85,411	66%
522022	Information Systems Fund Charge	(3,098)	(3,098)	0	100%
522306	Rents & Leases	(200)	0	200	0%
522309	Building/Facility Rental	(23,400)	(17,550)	5,850	75%
551262	City Hall Veh Replacement	(18,000)	(22,013)	(4,013)	122%
551263	Parks Veh & Equipmnt Replacem	(35,000)	(30,960)	4,040	88%

720 - Equipment Fund

Department #56 - Equipment Rental & Repl

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
551264	Police Veh & Equipmnt Replacem	(108,500)	(86,583)	21,917	80%
551265	Public Works Veh & Equipmnt Re	(128,500)	(34,195)	94,305	27%
580206	Contingency	(250,000)	0	250,000	0%
590304	Unapp Fund Balance	(591,902)	0	591,902	0%
	EXPENDITURES TOTAL	(1,755,427)	(598,573)	1,156,854	34%
	Department Net Totals	0	971,564		
	Fund Total Revenues	1,755,427	1,570,137		
	Fund Total Expenditures	(1,755,427)	(598,573)		
	Fund Net	0	971,564		

730 - City Utility Fund

Department #12 - Administration Services

For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
481005	Transfer from Other Funds	131,497	107,089	(24,408)	81%
481010	Transfer from Water Fund	48,989	41,350	(7,639)	84%
	REVENUES TOTAL	180,486	148,439	(32,047)	82%
EXPENDITURES					
520151	City Hall Utilities	(24,120)	(23,508)	612	97%
520152	Library Utilities	(32,775)	(21,628)	11,147	66%
520153	Aquatics Utilities	(38,381)	(30,260)	8,121	79%
520154	Parks Utilities	(48,985)	(42,187)	6,798	86%
520155	Police Utilities	(20,125)	(16,927)	3,198	84%
520156	Fire Utilities	(13,000)	(11,613)	1,387	89%
520157	Engineering Building Utilities	(3,100)	(2,315)	785	75%
	EXPENDITURES TOTAL	(180,486)	(148,439)	32,047	82%
	Department Net Totals	0	0		
	Fund Total Revenues	180,486	148,439		
	Fund Total Expenditures	(180,486)	(148,439)		
	Fund Net	0	0		

740 - Risk Management Fund
Department #12 - Administration Services
For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
REVENUES					
444126	P/L Insurance - General Fund	82,064	82,215	151	100%
444127	P/L Insurance - Other Funds	104,260	104,260	0	100%
444128	WC Insurance - General Fund	115,270	114,231	(1,039)	99%
444129	WC Insurance - Other Funds	83,054	87,219	4,165	105%
470105	Interest	2,000	5,355	3,355	268%
471035	SAIF Dividend	0	62,371	62,371	0%
472005	Miscellaneous	0	8,104	8,104	0%
495005	Fund Bal Avail. for Approp.	2,846,238	2,827,106	(19,132)	99%
	REVENUES TOTAL	3,232,886	3,290,862	57,976	102%
EXPENDITURES					
520585	Property/Liability Premiums	(218,445)	(214,849)	3,596	98%
520586	P/L Claims - General Fund	(5,000)	(662)	4,338	13%
520589	Risk Management Activities	(33,476)	(3,565)	29,911	11%
520590	Worker's Compensation Premium	(217,220)	(187,835)	29,385	86%
520591	WC Claims - General Fund	(7,500)	(6,173)	1,327	82%
520593	WC Claims - Light & Power Fund	0	(560)	(560)	0%
570103	Transfer to General Fund	(830,000)	(830,000)	0	100%
570127	Transfer to Other Funds	(1,600,000)	(1,600,000)	0	100%
580206	Contingency	(45,890)	0	45,890	0%
590303	Reserved Fund Balance	(275,355)	0	275,355	0%
	EXPENDITURES TOTAL	(3,232,886)	(2,843,644)	389,242	88%
	Department Net Totals	0	447,217		
	Fund Total Revenues	3,232,886	3,290,862		
	Fund Total Expenditures	(3,232,886)	(2,843,644)		
	Fund Net	0	447,217		

740 - Risk Management Fund
Department #12 - Administration Services
For the Period Ending: March, 2014

Budget Year Elapsed → 75%

G/L Account #	Account Name	Budget	YTD Activity	Balance	% Used
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June 9, 2014

STAFF REPORT AND SECOND READING OF ORDINANCE ADDING NEW CODE SECTION 5.485, "SMOKING AND TOBACCO USE PROHIBITED" IN DESIGNATED PARKS, CITY PROPERTIES AND CITY-SPONSORED EVENTS

Project Team: Tom Gamble, Director Parks and Recreation
Janie Schutz, Police Chief
Carla Bennett, Washington County Health
Michael Sykes, City Manger

ISSUE STATEMENT: The City of Forest Grove currently complies with the Oregon-minimum required Smoke Free Workplace Law: Indoor Clean Air Act, which prohibits smoking inside and within ten (10) feet of all entrances, exits, windows that open, ventilation intakes and accessibility ramps per Oregon Administrative Rules 333-015-0025-333-015-0090. The Forest Grove Fire Department has expanded this policy to prohibit smoking on all Fire Department property. Staff is proposing the City provide a smoke- and tobacco-free environment in City parks and City-sponsored events and at the Council meeting of May 27, 2014, Council unanimously approved to include any city-owned or leased property to the Code amendment.

DISCUSSION: At the Council meeting of May 27, 2014, Council unanimously approved to include any city-owned or leased property to the Code amendment. The attached Ordinance (Exhibit A) has been amended to include a wide range of tobacco and smoking products and be enforced on all City-owned properties and City-sponsored events, including, but not limited to, all parks and recreation areas, parking lots, trails and pathways, open space and natural areas. This would also include all events, such as Farmers' Market, outdoor service lines and City-owned vehicles. This policy would exclude City streets and sidewalks.

Tobacco and smoking products, including cigarettes, cigars, pipe tobacco, smokeless tobacco, chewing tobacco, marijuana, and electronic smoking devices, known as e-cigarettes, as these devices have not been proven safe and may pose a "passive vaping" risk to bystanders.

If the ordinance is adopted by City Council, Forest Grove would join other Oregon communities who have already passed similar ordinances as well as special districts, such as Tualatin Hills Parks and Recreation District. Additionally, the State Parks Department demonstrated leadership by passing similar rules for all State Park properties.

The Case for Smoke-Free Outdoor Areas:

Data from the Oregon Health Authority shows that, in Washington County:

- 50,900 Adults Smoke Cigarettes.
- 10,300 county residents suffer from serious illness caused by tobacco.
- 527 county residents died from tobacco
- \$99.5 million dollars spent on Health Care.
- Percent of smokers who made an attempt to quit last year 49.

Secondhand Smoke:

- 800 Oregonians die annually due to secondhand smoke.
- There is no risk-free level of secondhand smoke.
- There are over 4,000 chemicals in secondhand smoke, and over 50 of them cause cancer.

Agency Support:

Not surprising, the following agencies support Smoke free parks and outdoor areas.

- The American Lung Association in Oregon:
 - “Children who are exposed to secondhand smoke have higher rate of Sudden Infant Death Syndrome”
- Center for Disease Control:
 - “In the past 2 decades, a growing body of scientific evidence has demonstrated the dangers of secondhand smoke. New evidence shows that secondhand smoke in outdoor areas also presents health risks”.
- Washington County Department of Health and Human Services:
 - “More people than ever are protected from secondhand smoke where approximately 75% of multi-unit housing is smoke-free”.

The trend is clear: Smoke-free policies are rapidly gaining ground in Oregon and around the country; a quick Google search indicates that communities throughout the nation are taking a stand on the definition of “Healthy Communities”. This trend is clearly reflected in the City Council Goal for 2014-15. Goal #1, which is to

“Promote Safe, Livable and Sustainable Neighborhoods and a Prosperous Dynamic, Green City.

Local Benefits:

- Allows law enforcement to contact persons smoking on City property. The parks systems has numerous locations that additional police support and law enforcement activities will provide them with an additional method to contact suspects who may be persons of interest in other cases.
- Smoking products, once consumed in public spaces, are often discarded on the ground requiring additional maintenance expenses, diminish the beauty of the recreational facilities and pose a risk to children, pets and wildlife due to ingestion.
- Reduces Park Department’s staff time spent collecting litter and cleaning remains of smokeless tobacco in drinking fountains and filled bottles. It is not uncommon for staff to spend two (2) hours per week picking up cigarette butts from shelter areas at Lincoln, Thatcher, Rogers and Bard parks.
- Sends message to facility users that the City not only speaks of a healthy parks system, but puts policies in place that results in concrete action items to provide a healthy park system.
- Smoke– and tobacco-free policies support a message that smoking is unsafe and that non-smokers have the right to be protected from not only secondhand smoke, but waste created by smokeless tobacco. This is especially significant for children as they are influenced by their perception of normal behavior; thus, providing protected places for youths.

A September 2013 survey conducted by the Tualatin Hills Park and Recreation District asked parks and recreation agencies around the state about their current tobacco-free and smoke-free policies. With only one exception, all agencies reported compliance and significant support from law enforcement.

Parks and Recreation Commission meetings, Public Comments and Other Information:

The City conducted three (3) public comments opportunities regarding this proposal. They were:

- Parks and Recreation Commission: March 20th, 2014, 7:00 p.m.
- Parks and Recreation Commission: April 16th, 2014 7:00 a.m.
- Public Safety Advisory Commission: April 23rd, 2014 8:30 a.m.

During the those meetings, four (4) citizens attended and two (2) made comments and submitted written testimony to the Recreation Commission for consideration (attached as Attachments A and B). Additionally, the Commission accepted written letters of support from both Pacific University (Attachment C) and Adelante Mujeres (Attachment D).

Both the Recreation Commission and Public Safety Advisory Commission recommended approval to the City Council to consider adopting the Code Amendment (Exhibit A) prohibiting smoking and tobacco use in City parks and city-sponsored events.

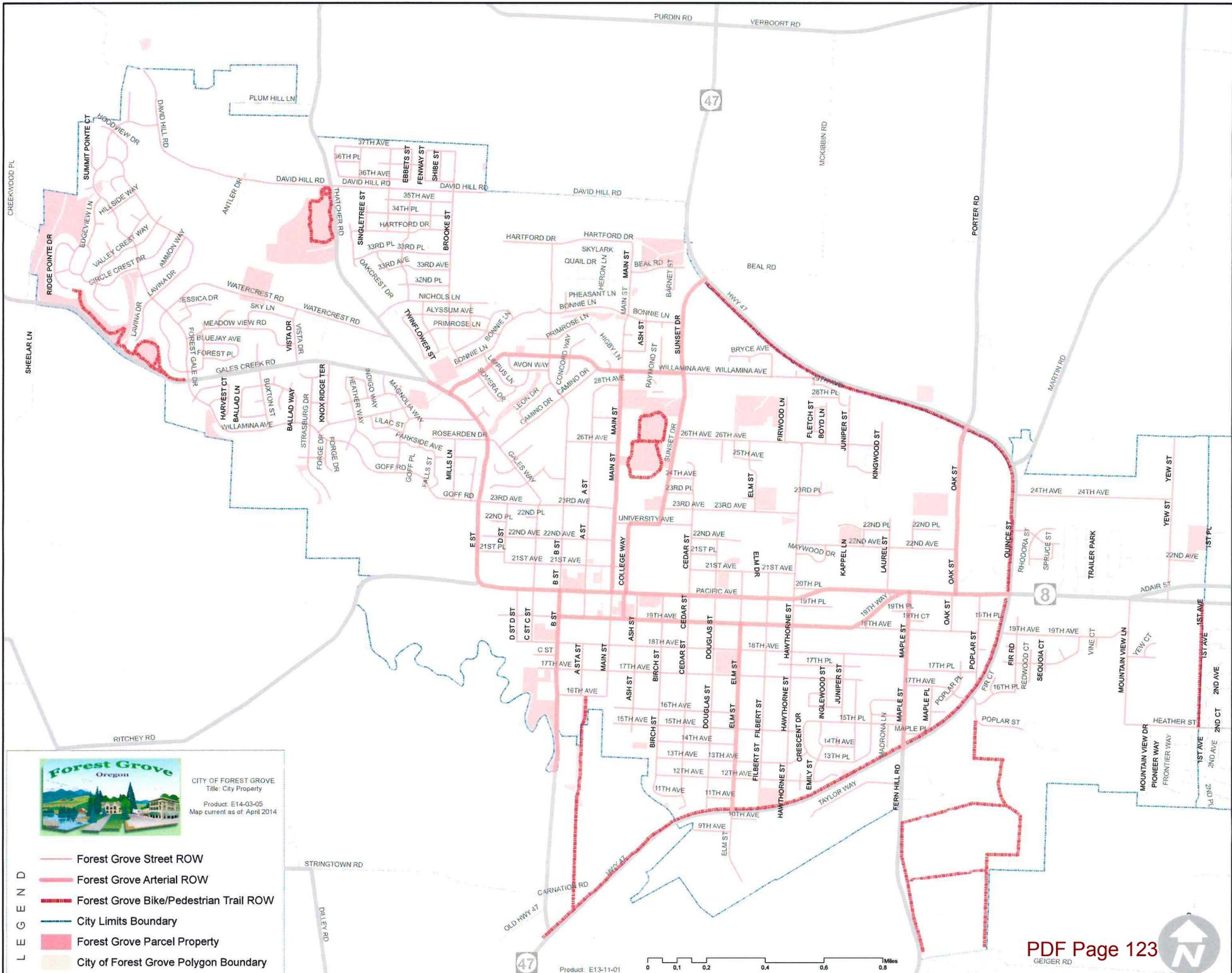
The media has reported on six (6) different occasions, informational articles about the development of the City's proposal and staff has received only positive reactions from the public regarding the City's proposal.

Implementation and Enforcement: The new code provisions would be effective 30 days after the ordinance is enacted by City Council. If adopted by City Council, implementation of the new code provisions will begin with the cooperation from the media, signage placement, law enforcement officials, and park staff, who will begin educating the public. Warning Citations will be issued during the education period, which is expected to last one month.

Violations and Penalties: Staff is proposing the same violations and penalties as established in other sections of the code similar to the proposed violation, which is subject to a civil penalty in the amount of not less than \$100 and not more than \$250. The Enforcement Officer may cite into Municipal Court for the violations.

FISCAL IMPACT: Staff expects to install numerous signs in parks and open space facilities, which will impact the budget during the first year of implementation of the provisions. Anticipated costs for signage is estimated to be \$1,000 and will be proposed in FY 2014-15 budget.

STAFF RECOMMENDATION: Staff recommends the City Council adopt the attached ordinance amending City Code by adding new Code Sections 5.485 and 5.490 as outlined in Exhibit A of the ordinance. The new Code Section as amended prohibits smoking and tobacco use in any city parks, any city-owned or leased property and any city-sponsored event. The Code amendment excludes city streets and sidewalks.



CITY OF FOREST GROVE
 Title: City Property
 Product: E14-03-05
 Map current as of April 2014

- LEGEND**
- Forest Grove Street ROW
 - Forest Grove Arterial ROW
 - Forest Grove Bike/Pedestrian Trail ROW
 - City Limits Boundary
 - Forest Grove Parcel Property
 - City of Forest Grove Polygon Boundary

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SECOND READING:



ORDINANCE NO. 2014-06

ORDINANCE AMENDING FOREST GROVE CODE CHAPTER 5, PUBLIC PROTECTION OFFENSES, BY ADDING NEW CODE SECTION 5.485, TITLED “SMOKING AND TOBACCO USE PROHIBITED” AND ADDING NEW CODE SECTION 5.490, TITLED “VIOLATIONS AND PENALTIES” AND AMENDING CODE SECTION 5.405

WHEREAS, the Oregon Smoke Free Workplace Law: Indoor Clean Air Act regulates smoking in public places indoors and in some outdoor areas to protect the public from secondhand smoke at work and in public places. ORS 433.870 provides that the law is in addition to any other law regulating smoking, which leaves local governments the authority to regulate smoking; and

WHEREAS, The City Council has received information from Washington County Tobacco Education and Prevention Program, which is dedicated to promoting smoke– and tobacco-free environments; and

WHEREAS, smoking products, once consumed in public spaces, are often discarded on the ground requiring additional maintenance expenses, diminish the beauty of the recreational facilities and pose a risk to children, pets and wildlife due to ingestion; and

WHEREAS, it is the desire of the City of Forest Grove to protect and promote public health, safety and welfare by providing smoke– and tobacco-free environments within designated parks, City-owned or leased property and City-sponsored events; and

WHEREAS, notice of the City Council hearing on this ordinance was published in the *News Times* on May 21, 2014; and

WHEREAS, the City Council held a duly-noticed Public Hearing on the proposed ordinance on May 27, 2014.

NOW, THEREFORE, THE CITY OF FOREST GROVE ORDAINS AS FOLLOWS:

Section 1. The Forest Grove City Council does hereby approves and adopts the provisions prohibiting smoking and tobacco use within parks and city-sponsored events and amends Forest Grove Code Chapter 5 by adding new Code Section 5.485, titled “Smoking and Tobacco Use Prohibited, and new Code Section 5.490, titled” Violations and Penalties”, as set forth in the attached Exhibit A.

Section 2. This ordinance is effective 30 days following its enactment by the City Council.

PRESENTED AND PASSED the first reading the 27th day of May, 2014.

PASSED the second reading the 9th day of June, 2014.

Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 9th day of June, 2014.

Peter B. Truax, Mayor

ORDINANCE NO. 2014-06
“EXHIBIT A”

CHAPTER 5 – PUBLIC PROTECTION OFFENSES

CITY OF FOREST GROVE CODE AMENDMENTS
NEW CODE SECTION 5.485
SMOKING AND TOBACCO USE PROHIBITED
NEW CODE SECTION 5.490
VIOLATIONS AND PENALTIES

New language is added in Red.
Existing language is shown in Black.

5.405 **Purpose and Definition.**

- (1) Parks and recreational facilities are established for the enjoyment, convenience and safety of all citizens. Parks are maintained for the leisure time activities of the public. The City encourages the greatest possible use of its parks subject only to regulations designed to preserve the parks and recreational facilities and promote safe use of the parks by all persons.
- (2) As used in the following sections “**designated** parks” shall mean any public or private-owned real property and park facilities placed under the jurisdiction of the City, whether within or outside the corporate limits of the City, and designated for park and recreational purposes.

5.485 **Smoking and Tobacco Use Prohibited.**

- (1) Smoking and tobacco use is prohibited within any designated parks, any city-owned or leased property, and any city-sponsored event.
- (2) Prohibited products include any tobacco products, cigarettes, cigars, pipe tobacco, smokeless tobacco, chewing tobacco, marijuana, and electronic smoking devices.

5.490 **Violations and Penalties.**

- (1) Any person violating Sections 5.410 – 5.485 is subject to a civil penalty in the amount of not less than \$100 and not more than \$250.
- (2) The Enforcement Officer may cite into Municipal Court for the violations.

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Date: June 9, 2014

ORDINANCE ADOPTING THE FOREST GROVE URBAN RENEWAL PLAN

PROJECT TEAM:

Daniel Riordan, Senior Planner
Jeff King, Economic Development Coordinator
Jon Holan, Community Development Director
Paul Downey, Administrative Services Director
George Cress, Light and Power Director
Michael J. Sykes, City Manager

ISSUE STATEMENT: Under state law (ORS Chapter 457: Urban Renewal), the City Council must adopt an ordinance approving an urban renewal plan proposed by a city's urban renewal agency. This memorandum provides information supporting adoption of the ordinance approving the Forest Grove Urban Renewal Plan (Ordinance Exhibit 1) as explained below. In addition, further information and analysis is provided in the report on the plan (Ordinance Exhibit 3) and the Comprehensive Plan Consistency Analysis (Ordinance Exhibit 4).

BACKGROUND: Pursuant to ORS Chapter 457, the Urban Renewal Agency of the City of Forest Grove, on May 27, 2014, adopted a resolution proposing the Forest Grove Urban Renewal Plan for City Council consideration. Under ORS Chapter 457, a city's urban renewal agency must propose an urban renewal plan for City Council adoption by ordinance. This memorandum addresses several topics related to the urban renewal plan to assist the City Council with review of the urban renewal plan and adoption. These topics include:

- Overview of the proposed urban renewal area;
- Proposed urban renewal projects identified in the urban renewal plan;
- Proposed maximum amount of bonded indebtedness authorized by the urban renewal plan;
- Discussion of estimated fiscal impacts to taxing districts;
- Completed steps in the urban renewal adoption process; and
- Next steps required for establishing the urban renewal area.

Overview of the Urban Renewal Area

The Forest Grove Urban Renewal Area, as described, in the urban renewal plan and Ordinance Exhibit 2, includes approximately 250 acres of land. The renewal area generally includes the Forest Grove Town Center and the Pacific Avenue/19th Avenue corridor from C Street to just east of the Quince Street/Oregon Highway 8 intersection (3900 block of Pacific Avenue). The urban renewal area boundary was drawn with the intent of:

- Meeting statutory requirements for blight within urban renewal areas under ORS Chapter 457: Urban Renewal;
- Balancing the land area within the urban renewal area to minimize financial impacts to overlapping taxing districts; and
- Excluding tax exempt property that wouldn't contribute to future tax increment revenue collections by virtue of being tax exempt.

As explained in the report accompanying the urban renewal plan (Ordinance Exhibit 3) the Forest Grove Urban Renewal Plan meets the requirements for blight. Examples of blight within the urban renewal area include:

- Buildings that are obsolete or not suitable for contemporary retail needs due to size layout, inadequate HVAC systems or other characteristics;
- Buildings of poor physical construction including building requiring upgrading to meet current building code requirements for seismic safety;
- Vacant or underutilized sites that could be brought into productive use if financial and economic barriers preventing desirable development and redevelopment are addressed;
- Specific instances of inadequate infrastructure such as reduced water pressure.

The urban renewal area meets the legal definition for exhibiting blight as defined by ORS Chapter 457. The report accompanying the urban renewal plan goes into much more detail regarding blight beginning on page 2 and continuing to page 12.

State law allows for up to 25% of a City's land area to be within an urban renewal area. The Forest Grove Urban Renewal Area includes approximately 6.6% of the City's total land area. The Forest Grove Urban Renewal Area is well within the statutory limitation and represents a balance between designating an urban renewal area large enough to generate sufficient tax increment revenues for projects while minimizing potential financial impacts to overlapping taxing districts.

The urban renewal area also includes property amounting to about 9.5% of the City's taxable assessed value. State law allows for up to 25% of a city's taxable assessed value to be within an urban renewal area. The proposed urban renewal area is well under this statutory limitation. This also represents an attempt at balancing revenue generation and financial impacts to overlapping taxing districts.

Proposed Urban Renewal Projects

The Forest Grove Urban Renewal Plan includes a variety of projects to address blight within the urban renewal area and to increase the taxable value of property. The urban renewal plan's emphasis is on improving the local economy by removing financial barriers for improvements to private property within the urban renewal area. Unlike some urban renewal plans which focus on specific infrastructure projects the Forest Grove Urban Renewal Plan establishes broad project categories. The project categories are identified below and include:

- Acquisition of Redevelopment Opportunity Sites (from willing sellers)

The Urban Renewal Plan does not identify specific redevelopment sites for possible acquisition by the urban renewal Agency, however, redevelopment opportunity sites that could qualify for acquisition by the Agency are identified in the report accompanying the Urban Renewal Plan. Since specific sites are not identified in the Urban Renewal Plan for potential acquisition a Plan amendment will be required before the Agency may proceed with acquisition. Under the draft plan, acquisition of property from willing sellers would require Agency approval of a minor plan amendment. A minor plan amendment requires approval of an urban renewal Agency resolution.

Acquisition of property by the Agency must be consistent with the goals and objectives identified in the Urban Renewal Plan. The Plan identifies specific examples of potential projects on land acquired by the Agency consistent with the Plan's goals and objectives. Examples of possible uses for property acquired by the Agency include:

- Town Center public plaza;
- Transit-oriented development;
- Mixed-use development;
- Stand-alone residential development;
- Stand-alone commercial development;
- Building rehabilitation;
- Site clearance and preparation; or
- Environmental remediation

Agency acquisition of redevelopment opportunity sites is a technique used many by urban renewal agencies to reduce redevelopment project development costs undertaken by private entities. Under state law, urban renewal agencies may sell property for redevelopment at below market value potentially improving a project's financial feasibility. Activities such as site preparation and environmental remediation could also reduce project costs as well as reduce risk and uncertainty.

- Redevelopment Project Assistance to Remove Financial Barriers

This project focuses on removing barriers for private investment within the urban renewal area by providing seed money or gap funding for development or redevelopment projects consistent with the goals and objectives of the urban renewal plan. Redevelopment project assistance could reduce project hard costs or soft costs. Examples of hard costs include items such as property acquisition, building demolition and building construction costs. Examples of soft costs include project feasibility and market studies, engineering costs, system development charge fees, building permit costs, architectural fees and financing costs. The overall objective of this project category is to improve the feasibility of private development or redevelopment projects that might not otherwise occur.

- Exterior Building Improvement Program

The purpose of this project is to encourage improvements to the public realm of existing buildings by providing low interest loans or grants to encourage property owners to upgrade signage, exterior lighting or weather protection such as awnings. The exterior building improvement program could also fund seismic upgrades to building exteriors. In addition, this program could fund exterior building improvements intended to return historic buildings to their original historic character.

- Interior Building Improvement Program

The purpose of this project is to encourage the upgrade of interior building space no longer suitable for contemporary retailing needs. This program could also encourage the conversion of vacant or underutilized upper floor space for offices or needed housing in the urban renewal area. In addition, this program could fund accessibility improvements, seismic upgrades, energy efficiency improvements, mechanical improvements, and tenant improvements. The objective is to focus on improvements intended to assist with filling vacant building space and creating jobs.

- Sustainability Incentive Program

A stated objective of the urban renewal plan is to promote community sustainability. The urban renewal plan promotes physical improvements to encourage sustainability such as bio-swales at development sites, green roofs, use of pervious surfaces to name a few. Other examples of sustainability techniques encouraged by the urban renewal plan include use of wind or solar power for energy generation, purchase of raw materials from local sources, or use of wood using sustainable timber harvesting practices. Promoting development and redevelopment within the urban growth boundary also promotes the efficient use of land in areas provided with City services. This reduces the pressure to expand City services at the periphery of the City to serve new development.

It is possible that encouraging sustainability practices will increase up front project costs for developers. Since sustainability enhancements provide a public benefit for the

community, funding through the urban renewal plan is an appropriate expenditure.

- Funds for Matching Grant Opportunities

Leveraging resources is the foundation of any successful urban renewal project. This project category includes setting aside a small amount of revenue for matching grant opportunities from regional, state and federal programs that arise. The funding set-aside will be determined by the Agency during the annual budgeting process. This project is useful for “jump starting” urban renewal efforts during the early years of the urban renewal plan when tax increment revenues are modest.

- Program administration

This project category would authorize the use of urban renewal funds to pay for costs associated with the administration of the urban renewal plan. Administrative costs include project management, regulatory compliance, bond issuance costs and legal expenses. This project is necessary so the Agency has the legal authority to reimburse the costs associated with City staff, furnishings and equipment necessary to undertake and oversee urban renewal projects. The reimbursement of City expenses related to providing services to the Agency will be outlined in an intergovernmental agreement between the City and Agency. A draft intergovernmental agreement will be presented to the Agency and City Council if the urban renewal plan is adopted.

Maximum Indebtedness

Under state law, urban renewal plans must include a specified maximum indebtedness amount. If adopted, the Forest Grove Urban Renewal Plan will establish a maximum indebtedness of \$15,000,000 in current dollars over a twenty-year period. This amount is the principal of indebtedness necessary for project activities identified in renewal plan. The maximum indebtedness is based on good faith estimates of the scope and cost of projects including but not limited to increases in costs due to reasonably anticipated inflation. The maximum indebtedness does not include interest. Under state law, the total maximum indebtedness may be increased annually on July 1 of each year to reflect actual inflation related to construction and other costs involved in plan projects. The amount of inflation which has occurred since initial adoption of the urban renewal plan is calculated using the Consumer Price Index. The Agency Board must approve an amendment to the urban renewal plan to increase the authorized project cost. The required amendment to the plan is based on the amount of increase in project cost as explained below.

Process to Amend Plan

The urban renewal plan identifies a process for future amendments. The urban renewal plan identifies three types of urban renewal plan amendments. Such amendments include Substantial, Major and Minor amendments as described below:

- Substantial Amendments

Substantial amendments fundamentally alter the assumptions used to formulate the urban renewal plan. Such assumptions include the land area contained in the urban renewal boundary, maximum amount of indebtedness, changes to project costs exceeding \$500,000 or extending the term of the urban renewal plan.

Substantial amendments to the plan are processed in the same manner as adoption of the original plan. This includes providing city-wide notice of the proposed plan amendment, review of the proposal by the potentially affected overlapping taxing districts, public hearings with the City Council and adoption of an ordinance.

- Major Amendments

Major amendments include identification of property for an infrastructure project requiring the use of eminent domain. Under the plan, eminent domain may only be used for public infrastructure projects. Use of eminent domain is not authorized for private redevelopment projects under the urban renewal plan consistent with state law.

A major amendment to the urban renewal plan requires public hearing with the City Council and adoption of an ordinance approved by the City Council.

- Minor Amendments

All amendments or changes to the urban renewal plan which are not substantial amendments or minor amendments must be approved by the Agency Board through adoption of a resolution. An example of a minor plan amendment is acquisition of property by the Agency from a willing seller.

FISCAL IMPACT: Approximately 9.5% of the City's tax base is located within the urban renewal area. Consideration was given the amount of land area needed to generate sufficient revenue to implement projects and the potential financial impact to the City's General Fund and tax collections for the overlapping taxing districts. State laws allows for up to 25% of a city's tax base to be located within an urban renewal area. The Forest Grove Urban Renewal Plan area is well within this limit.

Under state law, property tax bills are *not affected* by the adoption of an urban renewal plan. Given fixed, permanent tax rates and statutory limits on the growth in annual taxable assessed value of property, newly adopted urban renewal plans simply result in a reallocation of some future property tax revenues to implement the urban renewal plan. The estimated reallocation of property tax revenues is explained more fully in the report accompanying the urban renewal plan beginning on page 34.

The Forest Grove Urban Renewal Plan is a reduced rate plan meaning local option levies and general obligation bonds issued after 2001 are unaffected by the plan. Therefore, the City will continue to receive all property tax proceeds from the local option levy with or without adoption of the urban renewal plan.

The Plan, beginning on page 24, goes into detail about methods of financing available to

the Agency. Financing methods include general description of financing methods and maximum indebtedness. The primary method of financing for implementation of urban renewal projects is tax increment financing. Other forms of funding for carrying out the Plan include loans, grants, and any other form of financial assistance from the federal, State, regional, county, or city governments or private sources.

Page 25 and page 26 of the report accompanying the plan addresses project costs and timing. The dollar amounts provided below are 20-year totals.

- Acquisition of redevelopment opportunity sites (\$3,000,000);
- Redevelopment project assistance (\$5,000,000);
- Exterior building improvement program (\$1,000,000);
- Interior building improvement program (\$1,000,000);
- Sustainability incentive program (\$300,000);
- Funds for matching federal, state, regional or county grants (\$300,000); and
- Plan administration costs for legal and bond counsel, City services, and City furnishing and equipment reimbursement (\$400,000/\$20,000 per year).

The report accompanying the urban renewal plan provides a financial analysis of the plan beginning on page 34. Subject areas addressed include:

- Anticipated tax increment revenues;
- Forecast revenue and indebtedness;
- Anticipated year in which indebtedness will be retired; and
- Statement of estimated financial impact on taxing districts.

The report accompanying the Plan shows three potential bond issues. The report shows bond issues in Year 3, year 8, and Year 15. Based on this analysis all debt would be retired by 2046/47. In the latter years of the Plan only tax increment revenue necessary to service the debt would be collected. In other words, although not legally required, the Agency may limit tax increment revenue to that necessary to service outstanding debt. The Agency may also collect sufficient tax increment revenues for staff costs or additional projects so long as maximum indebtedness is not exceeded. Toward the latter years of urban renewal plan implementation it is likely the majority of property tax collections from the urban renewal area would go to the overlapping taxing districts. Under state law all funds remaining unexpended after payment of all principal and interest on indebtedness is provided for shall be turned over to the county treasurer by the Agency and prorated by the treasurer back to the taxing districts based on the taxing district's tax rate.

Planning Commission Review

The Planning Commission reviewed the Forest Grove Urban Renewal Plan on May 5, 2014 and determined the Plan is consistent with the Forest Grove Comprehensive Plan and Economic Development Strategy (Ordinance Exhibit 4). The analysis supporting this determination is attached to this memorandum.

In addition to meeting specific goals, objectives and policies contained in the Forest Grove Comprehensive Plan and Economic Development Strategy, as described in the Attachment to this memo, the urban renewal plan implements recommendations for redevelopment contained in the following City policy documents:

- Forest Grove Town Center Plan (1997);
- Forest Grove Commercial Corridor Study (2005);
- Downtown Resource Team Report (2006); and
- Forest Grove Vision Statement (2007)

Urban Renewal Agency Proposal of Plan

The Urban Renewal Agency adopted a resolution on May 27, 2014 proposing that the City Council adopt the Forest Grove Urban Renewal Plan.

Comments from Overlapping Taxing Districts

A representative of Portland Community College contacted staff to seek clarification regarding two matters related to the urban renewal plan. The first clarification was whether at least $\frac{3}{4}$ of the potentially affected taxing districts must approve of the City's adoption of the urban renewal plan. The second clarification was confirmation of the maximum indebtedness authorized if the Forest Grove Urban Renewal Plan is adopted. Staff provided a response to the request for clarification from Portland Community College in an E-mail dated May 15, 2014 and summarized below.

The answer to the first clarification is no; approval by overlapping taxing districts are not required to take formal action approving the plan. Under state law, such approval is only required if an urban renewal plan includes a maximum indebtedness above a certain amount. For Forest Grove, the applicable amount is a maximum indebtedness of \$50 million based on the taxable assessed value of property in the urban renewal area. The proposed Forest Grove Urban Renewal Plan would establish a maximum indebtedness of \$15 million if adopted. This is well within the \$50 million threshold established by state law so approval from $\frac{3}{4}$ of the overlapping taxing districts is not required for the Forest Grove Urban Renewal Plan.

The City also received a letter from Metro, dated May 20, 2014, supporting approval of the Forest Grove Urban Renewal Plan (Attachment B).

Public Outreach

Community Open House

A community open house was held on May 29th provide an opportunity for property owners within the urban renewal area to ask questions and receive answers from City staff about the urban renewal plan prior to the City Council public hearing scheduled on June 9th. About 15 persons owning property within the proposed urban renewal area attended.

Website

A page for the Urban Renewal Agency has been added on the City's website. The Urban Renewal Agency page includes links to the Plan, report on the plan, draft adoption ordinance, Agency meeting agendas and adopted Agency resolutions. The Urban Renewal Agency page is accessible from the Department tab on www.forestgrove-or.gov.

In addition, the Agency page the City added a link for additional information on the urban renewal plan proposal under the "Latest News" heading. As of May 30th there have been 379 visits to the urban renewal webpages. Approximately 54% of visits have been to the "Latest News" link with 46% of visits to the Urban Renewal Agency page.

Completed Steps

- City-wide Notice of City Council Hearings Included in Utility Mailing (May 2014)
- Planning Commission Review of Urban Renewal Plan (May 5, 2014)
- Plan and Report mailed to each taxing district by return receipt (May 5, 2014)
- Invitations to Community Open House Mailed to Property Owners (May 15, 2014)
- Urban Renewal Agency Proposal to Adopt Urban Renewal Plan (May 27)
- Community Open House (May 29)

Next Steps

- City Council public hearings to adopt plan (June 9 and June 23)
- Publish notice of adoption in newspaper (June 27)
- Notify Tax Assessor of plan adoption to request calculation of certified base (July 1)
- Record Plan with County Recorder's Office (July 1)
- Execute intergovernmental agreement between City and Agency describing roles and responsibilities related to carrying-out the urban renewal plan (August)
- 90-Day presumptive validity/appeal period (September 23)

STAFF RECOMMENDATION:

Staff recommends that the City Council approve the ordinance adopting the Forest Grove Urban Renewal Plan.

ATTACHMENTS:

- A. Ordinance Adopting the Forest Grove Urban Renewal Plan
 - Exhibit 1: Forest Grove Urban Renewal Plan
 - Exhibit 2: Forest Grove Urban Renewal Area Narrative Legal Description
 - Exhibit 3: Report on Forest Grove Urban Renewal Plan
 - Exhibit 4: Urban Renewal Plan/Comprehensive Plan Consistency Analysis
- B. Letter from Metro dated May 20, 2014



**NOTICE OF PUBLIC HEARING
FOREST GROVE CITY COUNCIL
PROPOSED ORDINANCE ADOPTING
FOREST GROVE URBAN RENEWAL PLAN**

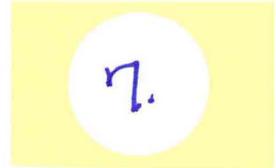
NOTICE IS HEREBY GIVEN that the Forest Grove City Council will hold a public hearing on **Monday, June 9, 2014, at 7:00 PM** or thereafter, in the Community Auditorium, 1915 Main Street, Forest Grove, to consider an ordinance adopting the Forest Grove Urban Renewal Plan pursuant to Oregon Revised Statutes Chapter 457 (Urban Renewal). If adopted, the urban renewal plan will authorize a maximum bonded indebtedness of \$15,000,000 for urban renewal projects that are to be completed over the next twenty years within the Forest Grove Town Center and Pacific Avenue/19th Avenue Corridor from C Street to 3900 Pacific Avenue east of Hwy. 47. Urban renewal projects identified in the Plan include acquisition of redevelopment opportunity sites from willing sellers, redevelopment project assistance, exterior building improvement program, interior building improvement program, sustainability incentive program, funding set aside for matching grants from federal, state, regional or county sources, and program administration. Urban renewal projects identified in the Forest Grove Urban Renewal Plan would be funded using tax increment financing and other available sources of revenue as described in the Plan. The plan shall be conclusively presumed valid for all purposes 90 days after adoption by ordinance. No direct or collateral attack on the action may thereafter be commenced. The proposed ordinance, if enacted by the City Council, would take effect 30 days immediately after enactment.

This hearing is open to the public and all interested parties may appear and provide testimony to the City Council on this matter. A copy of the staff memorandum, ordinance, urban renewal plan and report accompanying the urban renewal plan are available for inspection by visiting Forest Grove City Hall, City Recorder's Office, 1924 Council Street, 2nd Floor, Forest Grove. Additional information about the proposal is available on the City's website at: <http://www.forestgrove-or.gov/city-hall/urban-renewal.html>.

Written comments or testimony may be submitted at the hearing or sent to the attention of the City Recorder, Anna Ruggles, PO Box 326, 1924 Council Street, Forest Grove, OR 97116, prior to the hearing. For further information, please call Anna Ruggles, City Recorder, at 503.992.3235.

Anna D. Ruggles, CMC, City Recorder
City of Forest Grove

Published in the *NewsTimes* 6/4/2014



FIRST READING:

ORDINANCE NO. 2014-07

**ORDINANCE MAKING CERTAIN DETERMINATIONS AND
ADOPTING THE FOREST GROVE URBAN RENEWAL PLAN**

WHEREAS, the Urban Renewal Agency of the City of Forest Grove (“Agency”), as the duly authorized and acting urban renewal agency of the City of Forest Grove, is proposing to undertake certain redevelopment activities in a designated area of the City of Forest Grove pursuant to ORS Chapter 457 (Urban Renewal); and

WHEREAS, the Agency, pursuant to ORS Chapter 457, prepared an urban renewal plan (“Plan”) which is attached to this Ordinance as Exhibit 1, and incorporated herein by this reference; and

WHEREAS, the Plan authorizes urban renewal projects to be undertaken by the Agency within the Forest Grove Urban Renewal Area as described therein and by Exhibit 2; and

WHEREAS, the Plan provides an outline for accomplishing the urban renewal projects described in the Plan pursuant to ORS Chapter 457.085; and

WHEREAS, the Agency prepared a report (“Report”) accompanying the Plan as required by ORS 457.085, attached to this Ordinance as Exhibit 3 and incorporated herein by this reference; and

WHEREAS, opportunities for public involvement were provided during development of the Plan through community open houses in September 2012 and May 2014, and a stakeholder advisory committee that included property owners, business owners and other interested persons; and

WHEREAS, the City Council forwarded the Plan and Report to the governing body of each overlapping taxing district potentially affected by the plan on May 2, 2014, and the City provided opportunities for consultation and comment with the taxing districts pursuant to ORS Chapter 457.085(5); and

WHEREAS, the City Council and Agency received written comments from Portland Community College and Metro; and

WHEREAS, Portland Community College requested clarification regarding the Plan adoption process and proposed maximum amount of indebtedness; and

WHEREAS, staff responded to Portland Community College’s request for clarification on May 15, 2014; and

WHEREAS, Metro provided a letter dated May 20, 2014 supporting adoption of the proposed Forest Grove Urban Renewal Plan; and

WHEREAS, On May 5, 2014, the City Council forwarded the Plan and Report to City of Forest Grove Planning Commission for recommendation and determination of

Plan's conformance with the Forest Grove Comprehensive Plan and Economic Development Strategy (Exhibit 4); and

WHEREAS, on May 5, 2014, the City of Forest Grove Planning Commission adopted a motion finding the Plan to be in conformance with the Forest Grove Comprehensive Plan and Economic Development Strategy; and

WHEREAS, on May 5, 2014, the City of Forest Grove Planning Commission also adopted a motion and recommended that the City Council adopt the Plan; and

WHEREAS, during May 2014, the City provided notice of the hearings to be held before the City Council on the Plan, including the required statements of ORS 457.120(3), to all City utility billing customers pursuant to 457.120(1)(c); and

WHEREAS, on June 9 and June 23, 2014, the City Council held duly-noticed public hearings to review and consider the Plan, Report, recommendation of the Planning Commission, and the public testimony received; and

WHEREAS, the City Council finds the Plan complies with all requirements of ORS Chapter 457 including ORS Chapter 457.095(1) through ORS Chapter 457.095(7):

1. The area identified in the Plan as the Plan Area meets the statutory definition of "blight" as defined by ORS 457.010(1) and is therefore eligible for inclusion in the Plan due to: depreciated land and improvements values, obsolescence, deterioration, mixed character and shifting of uses, the existence of inadequate streets and other rights of way, open spaces and utilities, and a growing lack of proper utilization of land resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare of the City;
2. The rehabilitation and redevelopment described in the Plan to be undertaken by the Agency is necessary to address the conditions identified above by removing barriers to private property investment, improving general economic conditions and promoting increases in property values;
3. The Plan provides an outline for accomplishing the urban renewal projects described in the Plan;
4. The Plan conforms to the Forest Grove Comprehensive Plan generally and the policies, goals and objectives of the Land Use, Housing, Economic Development, Urbanization, and Sustainability chapters specifically. The Plan also conforms to the Forest Grove Economic Development Strategy including recommendations to promote development on vacant land and establishing an urban renewal area;
5. The Plan does not include provisions to acquire real property, and therefore no residential displacement is anticipated as the result of real property acquisition or disposition and redevelopment activities proposed in the Plan;

6. Adoption and carrying out the Plan is economically sound and feasible; and
7. The City shall assume and complete any activities prescribed to it by the Plan; and

WHEREAS, the City has complied with all notice and hearing requirements and the City Council has considered comments received on the Plan and Report and findings of fact.

NOW, THEREFORE, THE CITY OF FOREST GROVE ORDAINS AS FOLLOWS:

Section 1. The City Council approves the Forest Grove Urban Renewal Plan attached hereto as Exhibit A, and it incorporates that Plan by reference.

Section 2. The City Council adopts as its determinations and findings in support of the Ordinance the Report accompanying the Plan attached hereto as Exhibit B and the staff report dated June 9, 2014 attached hereto as Exhibit C.

Section 3. The City Recorder shall forward to the Agency and Washington County Recorder's Office certified copies of this Ordinance and the Plan upon adoption by City Council to be recorded into the Deed Records of Washington County, Oregon.

Section 4. In accordance with ORS 457.095 and ORS 457.115, the City Recorder shall place a notice of the adoption of this Ordinance and the provisions of ORS 457.135, in the *Forest Grove NewsTimes* no later than four days following the adoption of this ordinance.

Section 5. In accordance with ORS 457.135, the Plan has been adopted in conformance with all applicable legal requirements and shall be conclusively presumed valid for all purposes 90 days after adoption of this ordinance. No direct or collateral attack on the action may thereafter be commenced.

Section 6. This ordinance is effective 30 days following its enactment by the City Council.

PRESENTED AND PASSED the first reading this 9th day of June, 2014.

PASSED the second reading this 23rd day of June, 2014.

Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 23rd day of June, 2014.

Peter B. Truax, Mayor

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CITY OF FOREST GROVE

URBAN RENEWAL PLAN

PART 1

MAY 2014

Prepared For:
CITY OF FOREST GROVE, OREGON

By:
THE BENKENDORF ASSOCIATES
JOHNSON REID, LLC



EXHIBIT 1

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Appendix 1 – Oregon Revised Statutes Chapter 457 (Urban Renewal)

Appendix 2 – Legal Description

I. INTRODUCTION

The Oregon Legislature created a tool for use by cities and counties to strengthen local economies and improve the general investment climate. This tool is often referred to as urban renewal or redevelopment. Urban renewal provides a dedicated source of revenue, called tax increment financing, to fund capital improvement projects in defined areas of a community needing focused investment.

This urban renewal plan is foremost a financing strategy for capital projects intended to stimulate private investment, create jobs, and strengthen property values within the Forest Grove Urban Renewal Area. In general, this urban renewal plan establishes the policy framework for implementing community goals and objectives for the urban renewal area including encouraging business retention and recruitment, job creation, housing, and promoting desirable land use along the Pacific Avenue corridor and within the Town Center. The plan also establishes the guiding goals and objectives for the urban renewal area and identifies potential projects to address needs and opportunities for public and private investment.

The following Urban Renewal Plan (Part 1) and Report (Part 2) have been prepared to implement the desires of the community to establish an Urban Renewal District. The plan has been prepared to comply with State law regarding urban renewal (ORS 457). The plan is to be used in conjunction with the accompanying urban renewal report. The report provides additional detail about existing conditions within the urban renewal area, reasons for selecting the urban renewal area, relationship between the projects identified and existing conditions, project cost and timing and financial analysis including potential impact to overlapping taxing districts.

The urban renewal plan implements the Forest Grove Town Center Plan (1997), Commercial Corridor Plan (2005), Downtown Resource Team Report (2006), Forest Grove Community Vision Statement (2007), and the City's 2009 general economic development strategy. In addition, the urban renewal plan supports the Forest Grove Comprehensive Plan including the goals and objectives for housing, economic development and land use. The area of the district illustrated in Figure 1 (Section II) was selected to achieve the following purpose.

A. Statement of Purpose

The City of Forest Grove Urban Renewal Plan has been prepared to establish an Urban Renewal program within the City. The primary purpose of the Plan is to:

- Further eliminate blight and blighting influences,
- Improve the utilization of land within the Urban Renewal Area,
- Encourage private investment and job creation and,
- Increase the taxable value of property within the City benefitting all overlapping taxing districts.

The Plan is designed to be consistent with the Comprehensive Plan and zoning and development regulations adopted by the Forest Grove City Council. The Renewal Plan is intended to promote public and private investments and activities within the urban renewal area resulting in the efficient use of land and utilization of existing infrastructure capacity. Through implementation of the Plan, economic development will be stimulated by the elimination of blighting conditions, provision of supporting public facilities, and general improvements in the overall appearance, condition, and function of the Town Center, Commercial Corridor and the urban renewal area in its entirety.

The Forest Grove Urban Renewal Plan presented in this document meets the requirements of Chapter 457 of the Oregon Revised Statutes (Appendix 1). The Plan also complies with other federal, state and local laws pertaining to urban renewal plans including Section 1c, Article IX of the Oregon Constitution and the Forest Grove City Charter.

B. Need for Urban Renewal

The success of the urban renewal program is predicated on stimulating private investment within the urban renewal area to eliminate blight and blighting influences, improve the utilization of land and increase the taxable value of property within the City.

The lack of private investment within certain areas may arise from several factors:

- Limited or no available private financing for desired development meeting local objectives;
- High degree of financial risk perceived by lenders and developers;
- Risk/reward relationship is out of balance;
- Project includes significant public benefits without commensurate private financial return; and
- The cost to construct the project exceeds the market value of the project

The public sector, through an adopted urban renewal plan, could help remove some of the obstacles described above to encourage private investment and higher property values within and around the urban renewal area. The projects and programs included in the plan strive to address this need.

The need for urban renewal, including description of existing conditions and reasons for selecting the urban renewal area, are more fully explained in the accompanying Urban Renewal Report (Part 2).

C. Goals and Objectives

The following Goals and Objectives are envisioned for improving the economic health, residential character and aesthetic appearance of the Urban Renewal Area.

Goal 1: Provide opportunities for public participation in the preparation and adoption of urban renewal plans, plan amendments and policies.

Objective 1.1: At the discretion of the Agency establish an urban renewal advisory committee with broad representation to assist the Agency Board of Directors with implementation of the urban renewal program.

Goal 2: Adopt a prudent annual budget to minimize financial risk to the Urban Renewal Agency and the City of Forest Grove.

Objective 2.1: Establish Urban Renewal Agency policies to guide strategic financial investments in the urban renewal area based on public benefit, documented financial need, and scale of the project and accepted underwriting principles.

Objective 2.2: Evaluate tax increment revenue collections annually to minimize long term impacts to overlapping taxing districts.

Objective 2.3: Secure grant funding from regional, state, federal agencies, and private organizations to implement the urban renewal program and supplement tax increment revenue.

Goal 3: Improve the local investment climate by reducing financial barriers to development and redevelopment within the urban renewal area.

Objective 3.1: Capitalize a program to reduce development costs to the extent necessary to encourage private investment for projects proving a public benefit and resulting in appreciation of property values and efficient use of vacant and underutilized land. Development costs could be reduced through techniques such as land write downs, off-site public improvements, direct loans and grants or offset of system development charges, permit fees, or development hard or soft costs.

Goal 4: Promote a vibrant Forest Grove Town Center through strategic urban renewal investments.

Objective 4.1: Establish a program to encourage the preservation, conservation, and adaptive reuse of designated and contributing historic resources in the urban renewal district through improvements to the exterior and interior of buildings.

Objective 4.2: In conjunction with the Economic Development Commission, assist business retention and expansion efforts in the Forest Grove Town Center.

Objective 4.2: Identify a location and assist with funding construction of a public gathering place in the Town Center.

Objective 4.3: Purchase property from willing sellers to implement the urban renewal program.

Objective 4.4: Encourage the construction of needed housing and mixed use development in the Town Center.

Objective 4.5: Encourage uses and amenities that support increased residential uses in the Town Center.

Goal 5: Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Objective 5.1: Establish incentives to encourage a mixture of land uses including retail, office, and housing at strategic locations along the Pacific Avenue corridor through the creation of nodal development.

Objective 5.2: Work with the Economic Development Commission to market redevelopment opportunity sites to prospective developers.

C. Plan Administration

The City of Forest Grove Urban Renewal Plan consists of the text and exhibits contained in this document and the attached Report. The Plan applies to the specific area outlined in Exhibit 1 and further described in Section II. The Plan has been prepared with the assistance of an Urban Renewal Working Group for adoption by the Forest Grove City Council. The Urban Renewal

Agency of the City of Forest Grove shall administer the Plan in accordance with ORS 457, the Oregon Constitution, and all other applicable laws and ordinances. All such applicable laws are made a part of this Plan by reference.

The members of the Forest Grove City Council will serve as the Board of Directors of the Urban Renewal Agency of the City of Forest Grove as allowed by ORS 457.045.

D. Effective Period of the Plan

The Plan projects will be completed in twenty years or 2033 from the date of adoption by the City Council. If the projects in this Plan, and any additional projects, added to the Plan, are completed earlier, and all indebtedness is paid, the Urban Renewal Agency and the City Council will take action to terminate the Plan at that time.

If the City Council finds a need for an urban renewal agency no longer exists, the City Council, by ordinance, may dissolve the urban renewal agency. Terminating the urban renewal agency shall not affect any outstanding legal actions, contracts, or obligations of the agency and the City shall be considered a continuation of the agency. The urban renewal agency may not be dissolved unless all indebtedness to which a portion of taxes is irrevocably pledged for payment is fully paid.

E. Definitions

1. **Agency** means the Urban Renewal Agency of the City of Forest Grove, Oregon as authorized by ORS 457.035.
2. **Blighted Areas** are 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 health, safety or welfare of the community. **Blight** shall have the same meaning in this Plan as defined in ORS 457.010(1).
3. **Boundary** means the geographic and legal limits which encompass the Forest Grove Urban Renewal Area.
4. **Certified Statement** means the statement prepared and filed pursuant to ORS 457.430, or an amendment to the certified statement prepared and filed pursuant to ORS 457.430, establishing the total taxable assessed value of property within the urban renewal area.
5. **City** means the City of Forest Grove Oregon.
6. **City Council** means the Forest Grove City Council.
7. **Comprehensive Plan** means the Forest Grove Comprehensive Plan including the coordinated map and policy statements, implementing ordinances, supporting public facility mater plans, and development standards.
8. **County** means Washington County, Oregon.

9. **Disposition and Development Agreement** means an agreement between the Urban Renewal Agency and a redeveloper which sets forth the terms and conditions which govern the transfer, use and development of land.
10. **Fair Reuse Value** means the value of property established by the Urban Renewal Agency taking into account the condition of the property, cost of development, type of development desired and conditions imposed by the Urban Renewal Agency.
11. **Lot** means a unit of land that is created by a subdivision or platting of land and recorded in the land records of Washington County
12. **ORS** means the Oregon Revised Statutes (State Law and. specifically, Chapter 457. thereof.
13. **Maximum indebtedness** means the amount of the principal amount of indebtedness authorized by the urban renewal plan pursuant to ORS 457.190 and described in Section VI(B).
14. **Public Improvement Plan** means drawings, development standards and/or objectives designed to guide the improvement of public facilities and services in the Forest Grove Urban Renewal Area.
15. **Persons** means any individual, family, business, firm association, or corporate entity.
16. **Plan** means the Forest Grove Urban Renewal Plan consisting of the text and accompanying exhibits.
17. **Project** means any work or undertaking carried out under ORS 457.170 in an Urban Renewal Area.
18. **Projects or Activities** means the development or improvement projects described in Section III herein.
19. **Property Owner** means any individual who owns property within the Forest Grove Urban Renewal Area.
20. **Redeveloper** means any individual or group acquiring property from the Urban Renewal Agency or receiving financial assistance for the physical improvement of privately or publicly held structures and land.
21. **Renewal Area** means the Forest Grove Urban Renewal Area.
22. **Report** means the report accompanying the Plan prepared pursuant to ORS 457.085(3).
23. **State** means the State of Oregon.
24. **Taxing District** means the state, city, county or any other taxing unit which has the power to levy a tax.
25. **Tax Increment Revenue** means that portion of ad valorem property tax proceeds attributable to any increase in the taxable assessed value of property located in an urban renewal area, or portion thereof, over the taxable assessed value specified in the certified statement.

26. **Text** means the Forest Grove Urban Renewal Plan Text for the Forest Grove Urban Renewal Area.
27. **Urban Renewal Advisory Committee** means an advisory body appointed by the Urban Renewal Agency Board of Directors to make recommendations on the urban renewal program including amendments to the urban renewal plan.

II. GENERAL DESCRIPTION OF LAND USE PLAN

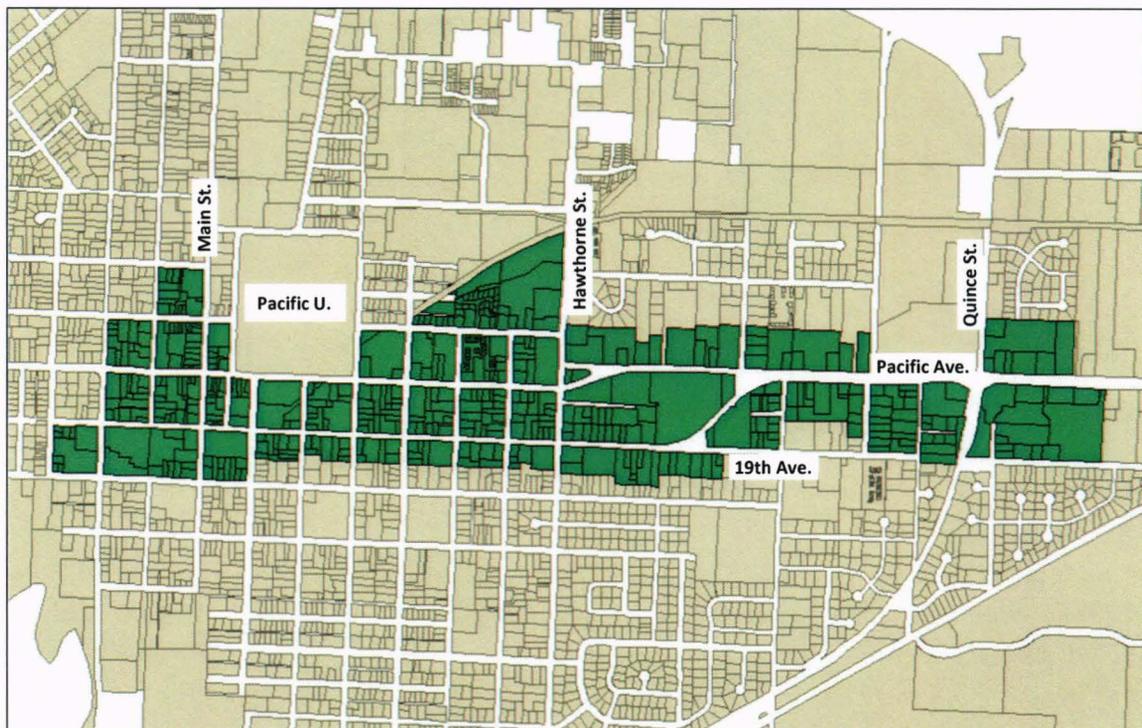
A. Boundary

The City of Forest Grove Urban Renewal District includes land within the City of Forest Grove, only. A legal description is included in Appendix 1.

The Renewal Area encompasses 525 tax lots and a total of 202.1 acres including existing public street rights of way.

The Urban Renewal area is a linear area generally including the tax lots with frontage on Pacific Avenue and 19th Avenue beginning at the Rose Grove manufactured home park in the east and terminating at C Street on the west. The district extends north to the existing rail corridor between Hawthorne Street and Douglas Street. The Pacific University campus is immediately west of the area previously described and is not part of the project area.. The McMenamins' Grand Lodge property from Quince to Oak on the west is also not included in the district. The primary Town Center area west of the university between 22nd on the north and C Street to the south is within the district. See Figure 1.

Figure 1: Forest Grove Urban Renewal Area

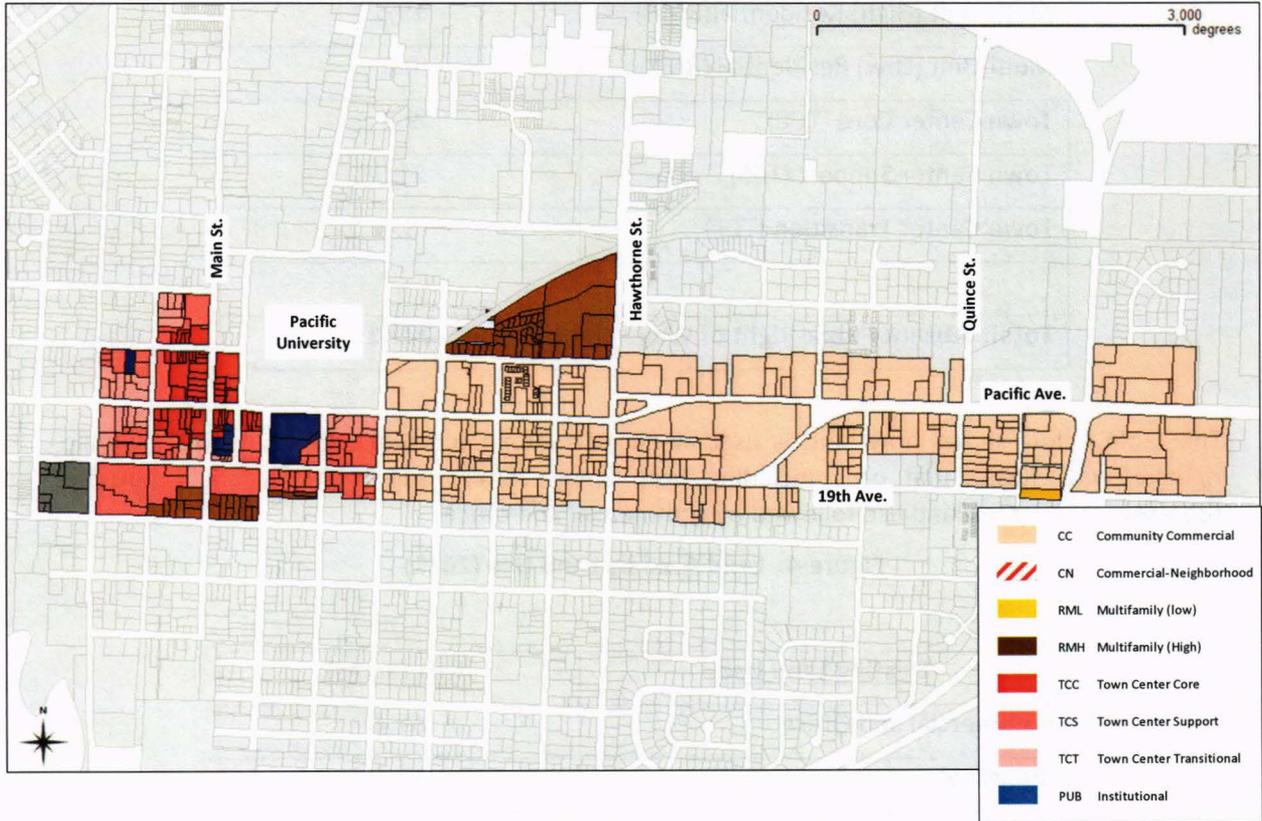


Source: RLIS, City of Forest Grove

B. Land Use Plan, Zoning, Development Standards

The Land Use Plan for the District is based on the City of Forest Grove Comprehensive Plan Map and Zoning Map. (See Figure 2). The proposed land uses within the Forest Grove Urban Renewal District are consistent with the City’s Zoning Maps.

Figure 2: Zoning Map, Urban Renewal Area



Source: RLIS, City of Forest Grove

The following table compares the acreage of currently zoned lands within the Urban Renewal Area not including public rights of way.

Figure 3: Land Area by Zoning Designation

<u>Existing Zoning</u>	<u>Area (acres)</u>
Community Commercial (CC)	134.6
Commercial Neighborhood (CN)	0.2
General Industrial (GI)	3.8
Institutional (INST)	4.3
Multi-Unit (High) Residential(RMH)	19.5
Multi-Unit (Low) Residential (RML)	0.6
Town Center Core (TCC)	9.2
Town Center Support (TCS)	21.5
Town Center Transition (TCT)	8.4
Total: Absent Public Right of Way	202.1

The table below shows how land is used within the urban renewal area exclusive of public rights-of-way. Residential uses including both single family and multiple family housing represents the largest land use followed by commercial and office.

Figure 4: Land Area by Land Use (2011)

<u>Existing Land Use</u>	<u>Area (acres)</u>
Commercial and Office	61.4
Industrial	12.1
Institutional	15.3
Multiple Family Residential	34.5
Single Family Residential	36.8
Vacant	42.0
Total: Absent Public Right of Way	202.1

The use and development of the land within the Forest Grove Urban Renewal District shall be governed by the City of Forest Grove Comprehensive Plan and Development Code.

The following text includes the purpose of the zoning districts as well as the uses permitted by the specific zoning district definitions. All of the Forest Grove Urban Renewal Area is located

within the City limits and within the Forest Grove portion of the Portland Regional Urban Growth Boundary (UGB). The City of Forest Grove has designated the land uses for the entire Forest Grove planning area within the UGB in its Comprehensive Plan.

The land areas within the Urban Renewal District boundary are zoned for nine separate districts. The purpose of each district and a summary of the existing development standards follows:

1. **Residential RML** – The RML zone is intended for development of housing at a target density of 12 dwelling units per net acre. Small-lot single family housing, duplexes, attached dwellings and small multi-dwelling residences will be permitted housing types, subject to the density limitations of the zone. A limited range of compatible non-residential uses such as parks and schools are also permitted or allowed with a conditional use permit approval. The RML zone functions as a transition zone between the lower density residential zones and the higher intensity residential and non-residential zones.
2. **Residential RMH** – The RMH zone is intended for development at a target density of 20.23 dwelling units per net acre. Multi-unit residential buildings will be the predominant housing type in this zone. RMH zoning is generally applied near transit streets and adjacent to commercial districts. The RMH zone also allows a limited range of non-residential uses to help provide services for residents and enhance the quality of the higher density neighborhood.

Residential Zone Development Standards – The City of Forest Grove regulates residential development primarily by density rather than minimum lot size. Density is calculated based on net site area. Within the density limits of each of the five residential zones, a variety of housing types and lot sizes are permitted. This approach allows more sites to be developed with the flexibility of a Planned Development.

All residential subdivisions and multi-family developments are required to develop at a minimum of 80% of the targeted density. (10.3.130 – City Development Standards)

3. **Institutional Zone** – The City of Forest Grove has established an institutional zone (INST) to implement the Public and Semi-Public/Institutional facilities such as campuses, public school sites and associated playgrounds, hospitals, corporation yards, sewer and water treatment facilities and cemeteries. The district is for uses such as governmental services, education facilities, public parks and open space, and other similar activities. Smaller facilities can be found within other appropriate zone districts.

Institutional Zone Development Standards – The development standards for the institutional zone are intended to promote efficient site planning, control the overall scale of buildings, and promote streetscapes that are consistent with the desired character of the neighborhood. (10.3.220 – City Development Code)

4. **Neighborhood Commercial (CN)** – The CN zone is established to provide for small to medium sized shopping and service facilities adjacent to residential neighborhoods. The district is intended to meet the convenience shopping and service needs of the immediate neighborhood and to have minimal negative impacts on surrounding residential uses. NC zones should be located on arterial or collector streets, preferably at an intersection. NC zones should be spaced at approximately one-half (1/2) mile intervals and each zoned area should be limited to a total size of approximately two (2) acres.

5. **Community Commercial (CC)** – The CC zone is established to promote a concentration of mixed uses – including retail, service, office and residential uses – along the regional transit corridor. The link between land use and transit is intended to result in an efficient development pattern that supports the regional transit system and makes progress in reducing traffic congestion, air pollution and regional greenhouse gas reduction targets. The location, mix and configuration of land uses are designed to encourage convenient alternatives to the auto, a safe and attractive streetscape, and a more livable community.

Commercial Zone Development Standards – The development standards for the commercial zones are intended to promote efficient site planning, control the overall scale of buildings, and promote streetscapes that are consistent with the desired character of the two zones. (10.3.330 – City Development Code)

6. **Town Center Core (TCC)** – The Town Center Core zone encompasses the traditional downtown core along Main Street. The purpose of this zone is to provide a concentration of retail and office uses in a defined area. Retail, service uses are required on the ground floor with an emphasis on those uses that serve a walk-in clientele. Office and/or residential uses are allowed on upper floors. The design standards for this zone require a continuous storefront facade featuring streetscape amenities for the pedestrian.

7. **Town Center Transition (TCT)** – The Town Center Transition zone is established to increase employment and housing opportunities in close proximity to the Town Center Core. A mix of retail, office, light industrial and residential uses are allowed in the TCT zone, but ground floor retail uses are permitted but not required. Consistent streetscape improvements such as street lighting, street trees and sidewalks will link the Town Center Transition zone with the Town Center Core.

8. **Town Center Support (TCS)** – The Town Center Support zone is established to increase employment and housing opportunities that support the Town Center Core. A mix of office, light industrial and residential uses are allowed in the TCS zone. Ground floor retail uses are permitted but not required. Pedestrian and bicycle improvements will link the Town Center Support zone with the Town Center Core.

Town Center Zone Development Standards – The development standards are intended to promote efficient use of land and more intensive development. The standards establish minimum and maximum building heights and maximum building setbacks to reinforce the scale and storefront character of existing historic buildings and to support a pedestrian-oriented environment. (10.3.430 - City Development Code)

9. **General Industrial (GI)** – The GI zone is intended for industrial uses that are generally not compatible with residential development because of their operational characteristics. This district is also intended for uses that may require extensive outdoor areas to conduct business activities or for product storage or display. General industrial uses include those involved in the processing of raw materials into refined products and or/industrial uses that have external impacts. The purpose of this district is to permit the normal operations of any industry that can meet and maintain compliance with established state and federal performance standards. The district is intended to contain supportive retail development. Commercial or retail uses that do not primarily serve the needs of people working or living in the employment and industrial areas are prohibited in this district. New residential uses are not permitted in the GI zone.

The development standards listed in the code are applicable to all development within the Light Industrial and General Industrial zones. Development within these zones shall also comply with all other applicable requirements of this Code, including the general development standards in Article 8. (10.3.530 - City Development Code)

The City of Forest Grove is currently conducting a Periodic Review of the City's Comprehensive Plan. The updated Comprehensive Plan is expected to be reviewed by the Planning Commission and adopted by the City Council by December 2013.

III. OUTLINE OF PROJECTS & REDEVELOPMENT ACTIVITIES

A. General Redevelopment Outline

The City of Forest Grove is establishing an urban renewal agency and adopting an Urban Renewal Plan to promote private and public investment within the urban renewal area. The plan area is focused on the Forest Grove Town Center and Pacific Avenue/19th Avenue corridor. The area includes the Town Center, Pacific Avenue/19th Avenue corridor and the area surrounding the Quince Street/Oregon Highway 8 intersection.

Urban renewal has been an effective tool for stimulating public and private investment in areas in need of revitalization throughout Oregon. The most effective urban renewal programs are focused with clearly defined goals, objectives and project outcomes. Several policy documents prepared by the City, including the Town Center Plan, Downtown Resources Team Report, and Commercial Corridor Study, identify urban renewal as an appropriate tool for creating a strong and vibrant Forest Grove.

An initial assessment of the financial feasibility of a Forest Grove urban renewal program was recently completed by the Benkendorf Associates Corp. and Johnson Reid, LLC. The assessment was based on very conservative assumptions regarding growth in the taxable value of property. Two scenarios were initially evaluated for feasibility. The first scenario was based on a 2.4% annual increase in the taxable value of property. This growth rate of 2.4% is consistent with the historical average increase within Forest Grove over the past few years. The second scenario reflected a 3.0% annual increase in the taxable value of property. A growth rate of 3.0% is consistent with the typical maximum rate of growth applied to the taxable assessed value of property permitted under state law. The final scenario assumed higher growth of 4.5% per year, to reflect the impact of the urban renewal area in generating greater private investment over time.

Based on the assumptions described above, an urban renewal area including the Forest Grove Town Center and Pacific Avenue corridor could likely generate approximately \$7.5 million to \$16.2 million in tax increment revenue over a twenty year period. Substantial new development and redevelopment will be necessary to generate tax increment revenue in excess of this amount. Expanding the urban renewal boundary or increasing the duration of the urban renewal program are options for potentially increasing tax increment revenue during the life of the Urban Renewal Plan.

The urban renewal plan must identify anticipated projects including estimated cost and timeline for completion. See Section VII of the Urban Renewal Report. The projects include acquisition of redevelopment opportunity sites for purposes meeting the goals and objectives of the urban renewal plan, redevelopment project assistance, a sustainability incentive program, set-aside

program for matching funds needed for grants benefitting the urban renewal area and project administration.

The following is a description of each of the possible projects. Unless otherwise stated, the project activities may be undertaken throughout the entire urban renewal district. The Urban renewal agency may undertake projects directly or may provide funding for projects to be undertaken by other public or private parties. The agency may fund projects in part or in whole.

B. Acquisition of Redevelopment Opportunity Sites from Willing Sellers

Under State law an urban renewal agency may purchase property for urban renewal projects including redevelopment of sites or infrastructure improvements. Property acquired by the Agency for private development must be acquired from willing sellers. The use of eminent domain is not authorized by this plan for the purchase of property for private development or redevelopment. The identification of property for acquisition by the Urban Renewal Agency from a willing seller requires a minor plan amendment as outlined in Section VII.

Under state law, the urban renewal agency could redevelop the property, acquired by a willing seller, or dispose of the property to a third party for redevelopment. Methods of acquisition include fee-simple or less-than-fee simple purchases such as easements or leaseholds. Redevelopment opportunity sites for purchase must be identified in the urban renewal plan. At this time the urban renewal plan does not identify any property for acquisition. The urban renewal plan may be amended in the future to identify property for potential acquisition by the Urban Renewal Agency.

The urban renewal report provides examples of development types consistent with the urban renewal plan. Property may be acquired by the Agency for a Town Center plaza, mixed-use development where permitted in the urban renewal area, and off-site infrastructure improvements necessary to support development and redevelopment.

Potential projects on land acquired by the Agency include:

- **Town Center Public Plaza**
- **Transit-Oriented Development**
- **Mixed-Use Development** incorporating housing, retail or office uses
- **Stand Alone Residential Development** addressing document housing needs
- **Stand Alone Commercial Development** addressing retail and service needs

- **Building Rehabilitation**
- **Site Clearance and Preparation**
- **Environmental Remediation**

C. Redevelopment Project Assistance

Another available tool is urban renewal agency participation in projects meeting the goals and objectives of the adopted urban renewal plan. Urban renewal agency participation could be focused on reducing hard project costs, paying for certain soft costs or reducing financing expenses. The idea is that lowering development costs to induce private investment to pursue a project.

Project hard costs include site preparation, construction expenses, and on- and Off-site infrastructure improvements. Soft costs include pre-development activities such as preparation of market feasibility studies, engineering reports, environmental analysis or traffic impact assessments. Soft costs may also include fees and charges such as Systems Development Charges (SDCs). SDC waivers or write downs are effective ways to reduce project costs through urban renewal participation. Reducing project financing costs could also be achieved through direct low interest loans or grants provided to the project.

D. Exterior Building Improvement Program

The program category would provide funding for improvements to building exteriors such as awnings and canopies, exterior lighting, and exterior improvements intended to generally improve buildings and return historic buildings to their original historic character. This category would also fund seismic upgrades and ADA accessibility improvements up to established per project funding limits.

E. Interior Building Improvement Program

This program category is intended to assist property owners with costs associated with meeting contemporary building code requirements and hard and soft costs related to building rehabilitation/restoration, environmental remediation, ADA accessibility improvements, seismic upgrades, energy efficiency, HVAC, electrical, plumbing, and tenant improvements subject to an executed lease and per project funding limits. Funding for tenant improvements should focus on filling vacant space and creating jobs.

F. Sustainability Incentive Program

Sustainability is a public objective cited in planning documents including urban renewal plans. Sustainability initiatives are often intended to increase the use of raw materials for building and energy production that are developed through sustainable practices. Sustainable practices include features such as bio-swales, green roofs, and pervious surfaces to name a few. Other examples of sustainable practices include the use of wind or solar power for energy generation, purchase of raw materials from local sources, or wood using sustainable timber harvesting practices. In addition, Sustainability initiatives that encourage or support transit may encourage reductions in greenhouse gas production. Meeting these public objectives may increase project costs. Higher costs may be associated with compliance procedures or acquisition of new technologies. A set aside for partial funding of sustainability improvements could encourage meeting sustainability standards. For example, funds could be used for specific sustainability elements such as installing solar panels, adaptive reuse of existing buildings, or building low or net zero energy buildings.

G. Funds for Matching Grant Opportunities

Many grants are available from private and public sources. Having this funding available would provide the opportunity to leverage urban renewal funds with other sources to complete needed projects. Grant opportunities tend to focus on specific planning activities or capital improvements. Grants typically require a match from the grant award recipient. This program would establish a funding set aside to provide required match for projects meeting urban renewal goals and objectives.

H. Program Administration

This program includes funding for administration of the urban renewal program. Administration includes project management, regulatory compliance, bond issuance expenses and legal expenses.

IV. COMPREHENSIVE PLAN CONSISTENCY

The Forest Grove Urban Renewal Plan was prepared in conformance with the Forest Grove Comprehensive Plan as described below. The urban renewal plan establishes a financing framework to implement key elements of the Comprehensive Plan. As such, there is a direct relationship between the projects identified in the Urban Renewal Plan and applicable Comprehensive Plan goals and policies.

Forest Grove Comprehensive Plan Land Use Element

The Forest Grove Comprehensive Plan Land Use Element, adopted in January 2014, establishes guiding principles, goals, objectives and policies for the use of land within the City's planning area.

Guiding Principles:

Guiding principles relevant to the proposed urban renewal plan include:

- Efficient Use of Land; and
- Strengthen Downtown Forest Grove

The finding below shows how the urban renewal plan conforms to the land use guiding principles.

Finding: The proposed urban renewal plan for the Forest Grove Town Center and Pacific Avenue/19th Avenue corridor conforms to the Land Use Element Guiding Principles contained in the Comprehensive Plan. The urban renewal promotes the efficient use of land by establishing a framework for removing financial barriers to the reuse of buildings, development of vacant land, and redevelopment of underutilized property within the proposed urban area already served by the full array of City services. The proposed urban renewal plan also promotes a strong and vibrant downtown by providing a funding mechanism for and encouraging new housing construction in the Town Center supportive of current and future businesses.

Commercial Land Use Policies and Objectives

The Land Use chapter of the Forest Grove Comprehensive Plan contains policies and objectives for future development in the City. Many of these policies and objectives are supported by the urban renewal plan as described below:

Land Use Objective #4: Designate commercial/mixed-use nodes along the Pacific Avenue/19th Avenue Corridor consistent with the findings contained in the 2005 Commercial Corridor Study.

Finding: The urban renewal area includes the Pacific Avenue/19th Avenue corridor and provides a framework for implementing recommendations contained in the 2005 Commercial Corridor Study. These recommendations include establishing an urban renewal district and promoting mixed-use nodes along the commercial corridor. The following urban renewal plan goal and objectives conform to and support Comprehensive Plan Land Use Objective #4:

Urban Renewal Plan Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Urban Renewal Plan Objective 5.1:

- Establish incentives to encourage a mixture of land uses including retail, office, and housing at strategic locations along the Pacific Avenue corridor through the creation of nodal development.

Land Use Objective #8: Priority should be given to retrofitting single use commercial and retail developments into walkable, mixed-use areas.

Finding: The urban renewal area includes the Pacific Avenue/19th Avenue corridor. The commercial portion of the corridor is characterized by several auto-oriented commercial and retail developments and two large development sites at the Pacific Avenue/Quince Street intersection that are zoned for commercial uses. The urban renewal plan provides a framework for promoting mixed-use development redevelopment intended to create walkable mixed-use areas by encouraging housing, retail and office uses in proximity. This is supported by the following urban renewal plan goals and objectives:

Urban Renewal Plan Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Urban Renewal Plan Objective 5.1:

- Establish incentives to encourage a mixture of land uses including retail, office, and housing at strategic locations along the Pacific Avenue corridor through the creation of nodal development.

Land Use Implementation Action #1: The City of Forest Grove will adopt a land use concept that promotes the efficient use of land within the urban growth boundary. Measures to promote the efficient use of land will take into account local land economics and market feasibility.

The urban renewal plan provides a financial framework for encouraging land uses that support the efficient use of land within the urban growth boundary (specifically within the Town Center and along the Pacific Avenue/19th Avenue corridor). The urban renewal plan also establishes financial incentives to improve local land economics and the market feasibility of development in projects consistent with the urban renewal plan.

Land Use Implementation Action #2: The City of Forest Grove will support policies that promote the continued viability of the Forest Grove Town Center as the focal point of the community.

The urban renewal plan establishes a framework for promoting the continued viability of the Forest Grove Town Center as the focal point of the community. This includes establishing financial incentives to encourage the construction of housing units to support Town Center businesses. The urban renewal plan also identifies several projects geared toward improving the Town Center. This includes a building rehabilitation program to assist property owners with improving building facades, converting unused second floor space for residential purposes, dividing large ground floor space for current retailing needs, and upgrading buildings to meet contemporary building codes.

Land Use Implementation Action #3: The City of Forest Grove will support policies that encourage locating complementary land uses in proximity to reduce demand on transportation system and improve overall quality of life of the community.

The urban renewal plan establishes a framework for promoting complementary land uses in proximity. The following urban renewal plan goals and objectives support these efforts:

Urban Renewal Plan Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor. This goal promotes developing complementary land uses in proximity including mixed-use developments.

Urban Renewal Plan Objective 5.1:

- Establish incentives to encourage a mixture of land uses including retail, office, and housing at strategic locations along the Pacific Avenue corridor through creation of nodal development. This objective encourages locating complementary land uses in proximity. Such development supports reducing trip lengths which reduces demand on the transportation system.

Forest Grove Comprehensive Plan Sustainability Element

The Forest Grove Comprehensive Plan includes a sustainability element to promote compact and complete communities and interconnected land uses among other objectives. The urban renewal plan supports the principles, goals and objectives of the Forest Grove Sustainability Element.

The urban renewal plan provides incentives to develop vacant property in the established part of the City. The urban renewal plan also promotes the reuse of buildings within the historic core including unused upper floor space in existing buildings. This infill development supports reducing the long term costs for providing municipal services by encouraging development where services are already in place. This reduces the need to extend services to outlying areas.

The urban renewal plan promotes a compact and land efficient development pattern by encouraging development and redevelopment in the established, historical core, of the community. This type of development promotes financial sustainability by reducing the need to extend city services such as water and sewer to peripheral areas.

Sustainability Goal #1: Support the function and identity of neighborhoods by encouraging communication, strengthening community bonds, local participation and interaction, and encouraging a sense of place through design.

The urban renewal plan provides a framework for supporting the function and identity of an important City neighborhood: The Forest Grove Town Center. The urban renewal plan encourages maintaining the Forest Grove Town Center sense through context

sensitive development and redevelopment actions. This is exemplified through the following urban renewal plan goals and objectives:

Urban Renewal Plan Goal 4:

- Promote a vibrant Forest Grove Town Center through strategic urban renewal investments.

Urban Renewal Plan Objective 4.1:

- Establish a program to encourage the preservation, conservation, and adaptive reuse of designated and contributing historic resources in the urban renewal district through improvements to the exterior and interior of buildings.

Sustainability Goal #3: Promote financial feasibility through a compact and land efficient development pattern intended to reduce the long term costs for providing municipal services.

The urban renewal plan establishes a financing framework for promoting compact and land efficient development patterns intended to reduce the long term costs for providing municipal services. The following urban renewal plan goal addresses financial feasibility:

Urban Renewal Plan Goal 2:

- Adopt a prudent annual budget to minimize financial risk to the Urban Renewal Agency and the City of Forest Grove.

The following urban renewal plan goal promotes compact and land efficient development patterns intended to reduce the long term costs for providing municipal services:

Urban Renewal Plan Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Sustainability Goal #7: Promote interconnected land uses that encourage diverse, accessible and proximate that promote active living and access to vital services including employment, education, and healthy food.

Urban Renewal Plan Goal 5 conforms to Comprehensive Plan Sustainability Goal #7:

Urban Renewal Plan Goal 5

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Urban Renewal Plan Goal 5 encourages interconnected land uses in proximity. By definition mixed-use development includes a variety of activities such as housing, places of employment and services. Such development is consistent with Sustainability Goal #7.

Sustainability Goal #9: Foster the preservation, construction, and maintenance of an adequate supply of healthful, affordable, resource-efficient, and inclusive housing.

Urban Renewal Plan Objective 4.4 fosters the preservation, construction, and maintenance of an adequate supply of healthful, affordable, resource-efficient, and inclusive housing:

Urban Renewal Plan Objective 4.4:

- Encourage the construction of needed housing and mixed-use development in the Town Center.

Projects supportive of Sustainability Goal #9 includes:

- Acquisition of Redevelopment Opportunity Sites from Willing Sellers
- Redevelopment Project Assistance; and
- Interior Building Improvement Program

Sustainability Goal #10: Promote the preservation and reuse of historic resources, including buildings, structures, sites neighborhood districts, and cultural landscapes to assist in the retention of local, regional, and national history and heritage, reinforcement of community character, and conservation of material resources.

The urban renewal plan promotes the preservation and reuse of historic resources through Urban Renewal Plan Objective 4.1:

Urban Renewal Plan Objective 4.1:

- Establish a program to encourage the preservation, conservation, and adaptive reuse of designated and contributing historic resources in the urban renewal district through improvements to the exterior and interior of buildings.

The urban renewal plan also includes two projects related to building improvements. One project promotes exterior building improvements such as installation of awnings and canopies, exterior lighting and improvements intended to return buildings to their original historic character. The other building improvement program focuses on interior building improvements to meet contemporary building code requirements, tenant

improvements focusing on filling vacant space and creating jobs and ADA accessibility improvements as examples.

Sustainability Goal #21: Promote efforts to improve access to housing meeting household needs.

The urban renewal plan supports efforts to improve access to housing meeting household needs. Specifically Urban Renewal Plan Objective 4.4 states:

Urban Renewal Objective 4.4:

- Encourage the construction of needed housing and mixed-use development in the Town Center.

Several projects contained in the urban renewal plan also support efforts to improve housing access. These projects include acquisition of redevelopment opportunity sites from willing sellers and redevelopment project assistance. These projects support housing since housing is an eligible activity for urban renewal funding on property acquired by the Urban Renewal Agency. In addition, urban renewal funding may be used to improve the financial feasibility of housing projects through system development charge reductions and offsets, loans, or grants.

Sustainability Goal #22 Promote a balanced transportation system increasing opportunities for bicycling and walking throughout the community.

The urban renewal plan does not address transportation directly. However, the urban renewal plan promotes development and redevelopment supportive of a balanced transportation system including increasing opportunities for bicycling and walking. For example, the urban renewal plan promotes mixed-use and nodal development with complementary uses placed in proximity. Such development patterns reduce travel distances increasing opportunities for walking or bicycling to destinations.

Sustainability Policy Measure #5: Establish a program to provide incentives for use of low impact design techniques such as bio-swales, rain gardens, porous pavement, green streets, or other generally accepted techniques in new developments.

The urban renewal plan provides a framework for promoting the use of low impact design techniques. This is accomplished through the “Sustainability Incentive Program” described in the plan. This program would provide financial resources for use of sustainable building practices such as the techniques described above. Urban renewal funding may also be used for solar energy enhancements for energy generation or constructing low or net zero energy buildings.

Forest Grove Comprehensive Plan Housing Element

The Housing Element of the Forest Grove Comprehensive Plan includes several policies related to the urban renewal plan for the Town Center and Pacific Avenue/19th Avenue corridor. The Comprehensive Plan policies and findings supporting conformance of the urban renewal plan with the Comprehensive Plan are summarized below:

Housing Policy 10.1.5: Implement codes and ordinances to encourage the development of passed-over and underutilized land for residential development.

The urban renewal plan includes goals, objectives, and projects to encourage the development of passed-over and underutilized land for residential development as identified below:

Urban Renewal Plan Goal 3:

- Improve the local investment climate by reducing financial barriers to development and redevelopment within the urban renewal area.

Urban Renewal Plan Objective 3.1:

- Capitalize a program to reduce development costs to the extent necessary to encourage private investment for projects proving a public benefit and resulting in appreciation of property values and efficient use of vacant and underutilized land. Development costs could be reduced through techniques such as land write downs, off-site public improvements, direct loans and grants or offset of system development charges, permit fees, or development hard or soft costs.

Urban Renewal Plan Objective 4.4:

- Encourage the construction of needed housing and mixed use development in the Town Center.

Urban Renewal Plan Objective 4.5:

- Encourage uses and amenities that support increased residential uses in the Town Center.

Housing Policy 10.2.1: Establish incentive programs to leverage local resources with private investments. Incentives may take the form of direct financial participation (grants or loans), or indirect participation such as land write-downs.

The urban renewal plan includes financial incentive programs to leverage local resources with private investments through direct public participation, low interest loan and grant programs and land write-downs. Urban Renewal Plan goals and objectives support Housing Policy 10.2.1 including:

Urban Renewal Plan Goal 3:

- Improve the local investment climate by reducing financial barriers to development and redevelopment within the urban renewal area.

Urban Renewal Plan Objective 3.1:

- Capitalize a program to reduce development costs to the extent necessary to encourage private investment for projects providing a public benefit and resulting in appreciation of property values and efficient use of vacant and underutilized land. Development costs could be reduced through techniques such as land write downs, off-site public improvements, direct loans and grants or offsets of system development charges, permit fees, or development hard or soft costs.

Housing Policy 10.2.2: Evaluate the feasibility of establishing a tax increment financing district or Vertical Housing Development Zone to promote residential and mixed-use development within the Forest Grove Town Center, identified high capacity transit station areas, and mixed-use target areas along the Pacific Avenue commercial corridor.

Adoption of the urban renewal plan will establish a tax increment financing district including the Forest Grove Town Center and Pacific Avenue commercial corridor between the Town Center and just east of Quince Street. Several urban renewal plan goal and objectives support Housing Policy 10.2.2 as described below:

Urban Renewal Plan Objective 4.4:

- Encourage the construction of needed housing and mixed use development in the Town Center.

Urban Renewal Plan Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Urban Renewal Plan Objective 5.1:

- Establish incentives to encourage a mixture of land uses including retail, office, and housing at strategic locations along the Pacific Avenue corridor through the creation of nodal development.

Housing Policy 10.4.1: Develop and implement programs to offset the increasing cost of new housing construction. Programs may include, but are not limited to, reductions in building permit fees, development impact fees, or property taxes for affordable housing meeting US Department of Housing and Urban Development Low Income Housing Tax Credit program requirements.

Urban Renewal Plan Goal 3 and Objective 3.1 support Housing Policy 10.4.1 by providing opportunities to reduce development costs for new housing:

Urban Renewal Goal 3:

- Improve the local investment climate by reducing financial barriers to development and redevelopment within the urban renewal area.

Urban Renewal Objective 3.1:

- Capitalize a program to reduce development costs to the extent necessary to encourage private investment for projects proving a public benefit and resulting in appreciation of property values and efficient use of vacant and underutilized land. Development costs could be reduced through techniques such as land write downs, off-site public improvements, direct loans and grants or offset of system development charges, permit fees, or development hard or soft costs.

Forest Grove Comprehensive Plan Urbanization Element

The urban renewal plan is consistent with the Urbanization Element of the Forest Grove Comprehensive Plan. Specifically the urban renewal plan addresses the following urbanization goals and policies:

Urbanization Goal 1: Land shall be made available within the urban growth boundary to meet all local urban land use needs.

The urban renewal plan promotes Comprehensive Plan Urbanization Goal 1 by encouraging the productive use of land that is currently vacant or underutilized within the urban renewal district. The following urban renewal goals support this objective:

Urban Renewal Plan Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

The urban renewal plan also supports Comprehensive Plan Urbanization Policy 10. Urbanization Policy 10 is stated below:

Urbanization Policy 10: The City of Forest Grove will continue to promote the efficient use of land within the Forest Grove Town Center and any areas designated as transit station communities on the Forest Grove Comprehensive Plan land use map.

The urban renewal plan supports Urbanization Policy 10 by establishing financial incentives intended to encourage the development of vacant sites within the urban renewal area for housing, retail and mixed-use development. The urban renewal plan also supports Urbanization Policy 10 by encouraging the redevelopment of underutilized sites and buildings.

Forest Grove Comprehensive Plan Economic Development Element

The Forest Grove Comprehensive Plan includes several guiding principles related to the local economy and economic development. The urban renewal plan supports the following guiding principles as described below:

Guiding Principles

- Strengthen Forest Grove’s economic competitiveness;
- Improve job opportunities for current and future residents; and
- Promote local shopping opportunities

The urban renewal plan supports the guiding principles identified above by reducing financial risk and barriers to redevelopment. Reducing financial risk and barriers to development in turn helps improve Forest Grove’s economic competitiveness. Improving economic competitiveness will improve job opportunities for current and future residents through new private investment in the community. The urban renewal plan also promotes private investment in housing and non-residential construction in the Town Center and along the Pacific Avenue corridor. Additional housing opportunities will result in a larger population base and more jobs in the urban renewal area thereby supporting local shopping opportunities consistent with the guiding principle identified above.

Urban Renewal Plan Goal 3 and Objective 3.1, identified below, also support the Economic Development Guiding Principles identified above:

Urban Renewal Plan Goal 3:

- Improve the local investment climate by reducing financial barriers to development and redevelopment within the urban renewal area.

Urban Renewal Objective 3.1:

- Capitalize a program to reduce development costs to the extent necessary to encourage private investment for projects proving a public benefit and resulting in appreciation of property values and efficient use of vacant and underutilized land. Development costs could be reduced through techniques such as land write downs, off-site public improvements, direct loans and grants or offset of system development charges, permit fees, or development hard or soft costs.

Economic Development Goal 9.7: Promote the Forest Grove Town Center as the focal point of the Community.

The urban renewal plan supports the Economy Goal 9 to promote the Forest Grove Town Center as the focal point of the community. The following urban renewal plan goal and objectives address Economic Development Goal 9.7:

Urban Renewal Plan Goal 4:

- Promote a vibrant Forest Grove Town Center through strategic urban renewal investments.

Urban Renewal Plan Objective 4.1:

- Establish a program to encourage the preservation, conservation, and adaptive reuse of designated and contributing historic resources in the urban renewal district through improvements to the exterior and interior of buildings.

Urban Renewal Plan Objective 4.2:

- Identify a location and assist with funding construction of a public gathering place in the Town Center.

Economic Development Policy 9.7.3: Identify key properties that are underutilized in the Town Center and assist owners with marketing these assets.

The urban renewal plan establishes incentives for redevelopment of key underutilized properties within the Town Center. To this end the urban renewal plan contains several goals and objectives related to the redevelopment of underutilized sites in the Town Center.

Urban Renewal Goal 4:

- Promote a vibrant Forest Grove Town Center through strategic urban renewal investments.

Urban Renewal Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Urban Renewal Objective 5.1:

- Establish incentives to encourage a mixture of land uses including retail, office, and housing at strategic locations along the Pacific Avenue corridor through the creation of nodal development.

Urban Renewal Objective 5.2:

- Work with the Economic Development Commission to market redevelopment opportunity sites to prospective developers.

Economic Development Policy 9.7.5: Evaluate the feasibility of establishing a tax increment financing (urban Renewal) district to encourage commercial investment, building rehabilitation and mixed-use development in the Town Center.

Adoption of the urban renewal plan will establish a tax increment financing district including the Forest Grove Town Center and Pacific Avenue commercial corridor between the Town Center and just east of Quince Street.

Urban Renewal Objective 4.4:

- Encourage the construction of needed housing and mixed use development in the Town Center.

Urban Renewal Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Urban Renewal Objective 5.1:

- Establish incentives to encourage a mixture of land uses including retail, office, and housing at strategic locations along the Pacific Avenue corridor through the creation of nodal development.

Economic Development Policy 9.7.6: Develop an outdoor community gathering place in the Town Center that provides a multi-use area for various community functions.

The urban renewal plan reinforces the need for an outdoor community gathering place in the Town Center through urban renewal plan Objective 4.2.

Urban Renewal Objective 4.2:

- Identify a location and assist with funding construction of a public gathering place in the Town Center.

Economic Development Policy 9.7.11 Promote investment in urban living infrastructure amenities to enhance livability in the Town Center.

The urban renewal plan supports Comprehensive Plan Economic Development Policy 9.7.11 that promotes investment in urban living infrastructure amenities to enhance livability in the Town Center. Specifically, urban renewal plan Objective 4.2 supports the concept of a public gathering place in the Town Center as an amenity to enhance livability in the Town Center. In addition, the urban renewal plan authorizes the use of funds for on- and off-site infrastructure improvements to assist development and redevelopment projects.

Urban Renewal Objective 4.2:

- Identify a location and assist with funding construction of a public gathering place in the Town Center.

Economic Development Policy 9.7.12 Encourage uses in the Town Center to bring residents from throughout the City into the Town Center.

Urban renewal plan Goal 4 promotes investments in the Town Center to bring residents from throughout the City into the Town Center. Specifically, urban renewal plan Goal 4 promotes a vibrant Town Center through strategic urban renewal investments. Urban renewal plan Objective 4.2 encourages construction of a public gathering place in the Town Center. A well-designed gathering place will encourage residents from throughout the City, and elsewhere, to visit the Town Center.

Urban Renewal Goal 4:

- Promote a vibrant Forest Grove Town Center through strategic urban renewal investments.

Urban Renewal Objective 4.2:

- Identify a location and assist with funding construction of a public gathering place in the Town Center.
-

Consistency with Forest Grove Comprehensive Plan Designations

The urban area is designated with several Comprehensive Plan classifications. These classifications include:

- Town Center Core;
- Town Center Support;
- Town Center Transition; and
- Community Commercial

The urban renewal plan promotes mixed-use, retail and housing development within the urban renewal area. This type of development is consistent with the Comprehensive Plan designations. Therefore, the urban renewal plan conforms to and is supportive of the Comprehensive Plan designations.

V. PROPERTY ACQUISITION AND RELOCATION PLAN

A. Property Acquisition

The establishment of the Forest Grove Urban Renewal Plan provides the opportunity for property in the District to be acquired and redeveloped. In the future, if properties are identified for acquisition by the Urban Renewal Agency, the Plan will be amended to specifically indicate which properties will be acquired and the intended use.

Acquisition and redevelopment may result in the displacement of businesses and possibly residents. In the event of displacement, the Agency will establish a Relocation Policy which will call for the Agency's assistance to those residents and businesses displaced. Such assistance may include providing information regarding suitable locations, payments of moving expenses and other reimbursements, as deemed necessary.

Property acquired by the Agency for private development must be obtained from willing sellers. The use of eminent domain is not authorized by this plan for the purchase of property for private development or redevelopment from unwilling sellers. The identification of property for acquisition by the Urban Renewal Agency from a willing seller requires a minor plan amendment as outlined in Section VII.

The Urban Renewal Agency reserves the right to acquire property for public infrastructure improvements, from willing sellers or unwilling sellers, through eminent domain if necessary and allowed by ORS 35.015. Purchase of property from unwilling sellers will be processed as a major amendment to the plan as outlined in Section VII.

All relocation activities will be undertaken and payments made in accordance with the requirements specified in the ORS 35.500 et seq.

B. Property Disposition

The Urban Renewal Agency is authorized to sell, lease, exchange, subdivide, transfer, assign or otherwise dispose of any interest in real property which has been acquired in accordance with the urban renewal plan and State law.

The urban renewal agency is authorized to make land available at its "fair reuse value" as allow by ORS 457.230(1). The fair reuse value is set by the urban renewal agency in order so that the land may be developed, redeveloped, cleared, conserved, or rehabilitated for specific uses to be permitted on the real property. The Agency will adopt policies and procedures for disposing of Agency property.

State law requires than an urban renewal agency, upon sale or lease of land for redevelopment, require that the redeveloper use the land for purposes called for in the plan and begin the improvements within a reasonable amount of time. Such requirements will be outlined in a Disposition and Development Agreement for Agency approval.

VI. METHODS OF FINANCING

A. General Description of Financing Methods

In keeping with ORS 457.190, the designated Urban Renewal Agency may borrow money and accept advances, loans, grants and any other form of financial assistance from the federal government, the state, the county or other public body, or from any sources, public or private, for the purposes of undertaking and carrying out the projects and intents of this Plan. This Plan also authorizes any other financing methods, public or private, allowed to an Urban Renewal Agency under ORS 457.

The primary anticipated source of funding for carrying out this Plan and its projects, in part or in whole, is Tax Increment Financing as authorized in Section 1c, Article IX of the Oregon Constitution and ORS 457. This Plan allows for a division of ad valorem taxes under ORS 457.420 to 458.460. The division of ad valorem taxes does not reduce or otherwise impact property tax revenue collected as the result of the City of Forest Grove's local option levy or to repay bonded indebtedness approved by taxing districts.

Revenues obtained by the Agency will be used to pay or repay costs, expenses, advancements and indebtedness incurred in planning or undertaking project activities or otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

B. Maximum Indebtedness

The maximum indebtedness as set in this Plan shall be \$15,000,000. This amount is the principal of such indebtedness necessary for project activities identified in the plan. The maximum indebtedness is based on good faith estimates of the scope and costs of projects including but not limited to increases in costs due to reasonably anticipated inflation. The maximum indebtedness amount does not include interest or indebtedness incurred to refund or refinance existing indebtedness.

In keeping with ORS 457.190(4)(d) the total maximum indebtedness may be increased annually on July 1 of each year to reflect inflation of construction and other costs involved in the Plan projects. The amount of inflation which has occurred since initial adoption shall be calculated using the Consumer Price Index.

C. Prior Indebtedness

Any indebtedness permitted by law and incurred by the City or the Urban Renewal Agency in connection with preplanning for this Plan may be repaid from tax increment revenues from the Area when and if such funds are available.

VII. URBAN RENEWAL PLAN AMENDMENTS

The Plan anticipates the possibility of plan amendments becoming necessary in response to future changes in economic conditions, land use, and other factors. The three types of plan amendments are described below.

A. Substantial Amendments

In accordance with ORS 457.220, any substantial amendment to the Plan shall, before being carried out, be approved and recorded in the same manner as called for in the original urban renewal plan adopted under the requirements of ORS 457.085.

For the purposes of the document, “substantial amendment” means:

- Adding land to the urban renewal area, except for an addition of land that totals not more than one (1) percent of the existing area of the Forest Grove Urban Renewal Area.
- Increasing the maximum amount of indebtedness that can be issued or incurred under the Urban Renewal Plan.
- Additions of a project, other than those specifically listed, that exceed an estimated \$500,000 in project cost.
- Extending the term of the Urban Renewal Plan for the District.

B. Major Amendments

- Identification of property for an infrastructure project requiring the use of eminent domain.

Major amendments to the plan shall be approved by the City Council by adoption of an ordinance.

C. Minor Amendments

All amendments or changes in this Plan which are not Substantial Amendments or Major Amendments as specified above shall be considered Minor Amendments. Minor amendments to the Plan shall be approved by Resolution of the Urban Renewal Agency.

Presentation of any amendment to the Urban Renewal Agency or City Council shall be accompanied by the recommendations of staff and/or the Forest Grove Urban Renewal Advisory Committee. Any amendments to planned uses which result from amendment of the underlying Comprehensive Plan designations or Zoning District standards will be considered minor amendments to the Renewal Plan. They are designated minor because the City's process for Zoning District Code Text and Comprehensive Plan Map amendments requires analysis, public involvement and adoption by Ordinance in a Council public hearing.

APPENDIX 1

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Chapter 457 — Urban Renewal
2013 EDITION

URBAN RENEWAL

PUBLIC HEALTH AND SAFETY

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GENERAL PROVISIONS

457.010 Definitions. As used in this chapter, unless the context requires otherwise:

(1) "Blighted areas" means areas that, 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. A blighted area is characterized by the existence of one or more of the following conditions:

(a) The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, that are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:

- (A) Defective design and quality of physical construction;
- (B) Faulty interior arrangement and exterior spacing;
- (C) Overcrowding and a high density of population;
- (D) Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities; or
- (E) Obsolescence, deterioration, dilapidation, mixed character or shifting of uses;

(b) An economic dislocation, deterioration or disuse of property resulting from faulty planning;

(c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development;

(d) The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions;

(e) The existence of inadequate streets and other rights of way, open spaces and utilities;

(f) The existence of property or lots or other areas that are subject to inundation by water;

(g) A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;

(h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare; or

(i) A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.

(2) "Certified statement" means the statement prepared and filed pursuant to ORS 457.430 or an amendment to the certified statement prepared and filed pursuant to ORS 457.430.

(3) "City" means any incorporated city.

(4)(a) "Existing urban renewal plan" means an urban renewal plan that provides for a division of ad valorem property taxes as described under ORS 457.420 to 457.460 adopted by ordinance before December 6, 1996, that:

(A) Except for an amendment made on account of ORS 457.190 (3) and subject to paragraph (b) of this subsection, is not changed by substantial amendment, as described in ORS 457.085 (2)(i)(A) or (B), on or after December 6, 1996; and

(B) For tax years beginning on or after July 1, 1998, includes the limit on indebtedness as described in ORS 457.190 (3).

(b) If, on or after July 1, 1998, the maximum limit on indebtedness (adopted by ordinance before July 1, 1998, pursuant to ORS 457.190) of an existing urban renewal plan is changed by substantial amendment, then "indebtedness

issued or incurred to carry out the existing urban renewal plan” for purposes of ORS 457.435 includes only the indebtedness within the indebtedness limit adopted by ordinance under ORS 457.190 (3)(c) before July 1, 1998.

(5) “Fiscal year” means the fiscal year commencing on July 1 and closing on June 30.

(6) “Governing body of a municipality” means, in the case of a city, the common council or other legislative body thereof, and, in the case of a county, the board of county commissioners or other legislative body thereof.

(7) “Housing authority” or “authority” means any housing authority established pursuant to the Housing Authorities Law.

(8) “Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

(9) “Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

(10) “Municipality” means any county or any city in this state. “The municipality” means the municipality for which a particular urban renewal agency is created.

(11) “Taxing body” or “taxing district” means the state, city, county or any other taxing unit which has the power to levy a tax.

(12) “Urban renewal agency” or “agency” means an urban renewal agency created under ORS 457.035 and 457.045.

(13) “Urban renewal area” means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.160.

(14) “Urban renewal plan” or “plan” means a plan, as it exists or is changed or modified from time to time for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

(15) “Urban renewal project” or “project” means any work or undertaking carried out under ORS 457.170 in an urban renewal area. [Amended by 1957 c.456 §1; 1969 c.225 §1; 1979 c.621 §10; 1991 c.67 §128; 1991 c.459 §330; 1997 c.541 §442; 1999 c.21 §76; 1999 c.579 §25; 2001 c.477 §1; 2003 c.621 §106; 2007 c.884 §1; 2009 c.700 §11; 2013 c.579 §1]

Note: The amendments to 457.010 by section 1, chapter 579, Oregon Laws 2013, apply to the division of ad valorem property taxes under 457.420 to 457.460 for tax years beginning on or after July 1, 2014. See section 4, chapter 579, Oregon Laws 2013. The text that applies for tax years beginning before July 1, 2014, is set forth for the user’s convenience.

457.010. As used in this chapter, unless the context requires otherwise:

(1) “Blighted areas” means areas that, 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. A blighted area is characterized by the existence of one or more of the following conditions:

(a) The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, that are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:

(A) Defective design and quality of physical construction;

(B) Faulty interior arrangement and exterior spacing;

(C) Overcrowding and a high density of population;

(D) Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities; or

(E) Obsolescence, deterioration, dilapidation, mixed character or shifting of uses;

(b) An economic dislocation, deterioration or disuse of property resulting from faulty planning;

(c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development;

(d) The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions;

(e) The existence of inadequate streets and other rights of way, open spaces and utilities;

(f) The existence of property or lots or other areas that are subject to inundation by water;

(g) A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;

(h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare; or

(i) A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.

(2) “Certified statement” means the statement prepared and filed pursuant to ORS 457.430 or an amendment to the certified statement prepared and filed pursuant to ORS 457.430.

(3) “City” means any incorporated city.

(4) “Consolidated billing tax rate” means:

(a) If the urban renewal plan is an existing urban renewal plan (other than an existing urban renewal plan designated as an Option Three plan under ORS 457.435 (2)(c)), an urban renewal plan that was an existing urban renewal plan on October 6, 2001, (other than an existing urban renewal plan designated as an Option Three plan under ORS 457.435 (2)(c)) and that was substantially amended as described in ORS 457.085 (2)(i)(A) or (B) on or after October 6, 2001, or an urban renewal plan adopted on or after October 6, 2001, the total of all district tax rates used to extend taxes after any adjustment to reflect tax offsets under ORS 310.105, but does not include any rate derived from:

(A) Any urban renewal special levy under ORS 457.435.

(B) A local option tax, as defined in ORS 280.040, that is approved by taxing district electors after October 6, 2001.

(C) A tax pledged to repay exempt bonded indebtedness (other than exempt bonded indebtedness used to fund local government pension and disability plan obligations that, until funded by the exempt bonded indebtedness, were described in section 11 (5), Article XI of the Oregon Constitution), as defined in ORS 310.140, that is approved by taxing district electors after October 6, 2001.

(D) The increase in the rate of ad valorem property tax allowable under section 11 (5)(d), Article XI of the Oregon Constitution, for a school district with a statutory rate limit on July 1, 2003, that is greater than \$4.50 per \$1,000 of assessed value, to the extent that the increase is excluded from local revenues, as that term is used in ORS chapter 327, and provided that the school district notifies the county assessor of the rate to be excluded for the current fiscal year not later than July 15.

(b) In the case of all other urban renewal plans, the total of all district ad valorem property tax rates used to extend taxes after any adjustments to reflect tax offsets under ORS 310.105, except that "consolidated billing tax rate" does not include any urban renewal special levy rate under ORS 457.435.

(5)(a) "Existing urban renewal plan" means an urban renewal plan that provides for a division of ad valorem property taxes as described under ORS 457.420 to 457.460 adopted by ordinance before December 6, 1996, that:

(A) Except for an amendment made on account of ORS 457.190 (3) and subject to paragraph (b) of this subsection, is not changed by substantial amendment, as described in ORS 457.085 (2)(i)(A) or (B), on or after December 6, 1996; and

(B) For tax years beginning on or after July 1, 1998, includes the limit on indebtedness as described in ORS 457.190 (3).

(b) If, on or after July 1, 1998, the maximum limit on indebtedness (adopted by ordinance before July 1, 1998, pursuant to ORS 457.190) of an existing urban renewal plan is changed by substantial amendment, then "indebtedness issued or incurred to carry out the existing urban renewal plan" for purposes of ORS 457.435 includes only the indebtedness within the indebtedness limit adopted by ordinance under ORS 457.190 (3)(c) before July 1, 1998.

(6) "Fiscal year" means the fiscal year commencing on July 1 and closing on June 30.

(7) "Governing body of a municipality" means, in the case of a city, the common council or other legislative body thereof, and, in the case of a county, the board of county commissioners or other legislative body thereof.

(8) "Housing authority" or "authority" means any housing authority established pursuant to the Housing Authorities Law.

(9) "Increment" means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

(10) "Maximum indebtedness" means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

(11) "Municipality" means any county or any city in this state. "The municipality" means the municipality for which a particular urban renewal agency is created.

(12) "Taxing body" or "taxing district" means the state, city, county or any other taxing unit which has the power to levy a tax.

(13) "Urban renewal agency" or "agency" means an urban renewal agency created under ORS 457.035 and 457.045.

(14) "Urban renewal area" means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.160.

(15) "Urban renewal project" or "project" means any work or undertaking carried out under ORS 457.170 in an urban renewal area.

(16) "Urban renewal plan" or "plan" means a plan, as it exists or is changed or modified from time to time for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

457.020 Declaration of necessity and purpose. It hereby is found and declared:

(1) That there exist within the state blighted areas.

(2) That such areas impair economic values and tax revenues.

(3) That such areas cause an increase in and spread of disease and crime and constitute a menace to the health, safety, morals and welfare of the residents of the state and that these conditions necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health, safety and welfare, fire and accident protection and other public services and facilities.

(4) That certain blighted areas may require acquisition and clearance since the prevailing condition of decay may make impracticable the reclamation of the area by conservation or rehabilitation, but other areas or portions thereof may be susceptible of conservation or rehabilitation in such manner that the conditions and evils mentioned in subsections (1), (2) and (3) of this section may be eliminated, remedied or prevented and that such areas should, if possible, be conserved and rehabilitated through appropriate public action and the cooperation and voluntary action of the owners and tenants of property in such areas.

(5) That the acquisition, conservation, rehabilitation, redevelopment, clearance, replanning and preparation for rebuilding of these areas, and the prevention or the reduction of blight and its causes, are public uses and purposes for which public money may be spent and private property acquired and are governmental functions of state concern.

(6) That there are also certain areas where the condition of the title, the diverse ownership of the land to be assembled, the street or lot layouts or other conditions prevent a proper development of the land, and that it is in the public interest that such areas, as well as blighted areas, be acquired by eminent domain and made available for sound and wholesome development in accordance with a redevelopment or urban renewal plan, and that the exercise of the power of eminent domain and the financing of the acquisition and preparation of land by a public agency for such redevelopment or urban renewal is likewise a public use and purpose.

(7) That redevelopment and urban renewal activities will stimulate residential construction which is closely correlated with general economic activity; that undertakings authorized by this chapter will aid the production of better housing and more desirable neighborhood and community development at lower costs and will make possible a more stable and larger volume of residential construction, which will assist materially in maintaining full employment.

(8) That the necessity in the public interest for this chapter is a matter of legislative determination. [Amended by 1957 c.456 §2; 1979 c.621 §11]

457.025 Powers supplemental to other laws. The powers conferred by this chapter are in addition and supplemental to the powers conferred by any other law. [Formerly 457.110]

457.030 [Amended by 1957 c.456 §18; repealed by 1979 c.621 §28]

URBAN RENEWAL AGENCIES; PLANS; ACTIVITIES

457.035 Urban renewal agencies; creation; ordinance to exercise powers; jurisdiction. (1) In each municipality, as defined in ORS 457.010, there hereby is created a public body corporate and politic to be known as the "urban renewal agency" of the municipality. However, the urban renewal agency shall not exercise its powers until or unless the governing body of the municipality, by nonemergency ordinance, declares that blighted areas exist in the municipality and that there is need for an urban renewal agency to function in the municipality and elects to have the powers of an urban renewal agency exercised in any of the three ways provided in ORS 457.045.

(2) An urban renewal agency, upon activation under subsection (1) of this section, shall have authority to exercise its powers within the same area of operation given a housing authority of the municipality under ORS 456.060. [Formerly 457.130]

457.040 [Repealed by 1979 c.621 §28]

457.045 Election of method of exercise of urban renewal agency's powers. The governing body of a municipality shall, in the ordinance adopted under ORS 457.035, elect to have the powers of an urban renewal agency under this chapter exercised in one of the following ways:

(1) By a housing authority of the municipality established pursuant to the Housing Authorities Law in which case the name of the body corporate and politic shall be the "housing authority and urban renewal agency" of the municipality.

(2) By appointing a board or commission composed of not less than three members.

(3) By the governing body, itself, provided, however, that any act of the governing body acting as the urban renewal agency shall be, and shall be considered, the act of the urban renewal agency only and not of the governing body. [Formerly 457.140]

457.050 [Amended by 1953 c.230 §3; 1957 c.456 §19; repealed by 1979 c.621 §28]

457.055 Transfer of agency powers. At any time following adoption of the ordinance under ORS 457.035, or for urban renewal agencies activated before October 3, 1979, at any time following adoption of a proper resolution or ordinance of the governing body of the municipality, the governing body of a municipality may, by ordinance, transfer the authority to exercise the powers of the urban renewal agency to any other body authorized to exercise those powers under ORS 457.045. All duties and obligations of the urban renewal agency shall thereafter be assumed by the body to which those powers are transferred. [1979 c.621 §16 (enacted in lieu of 457.145)]

457.060 [Repealed by 1979 c.621 §28]

457.065 Advisory board for housing authority acting as urban renewal agency. For the purpose of coordinating its activities and undertakings under this chapter with the needs and undertakings of other local organizations and groups, a housing authority exercising the powers of an urban renewal agency under ORS 457.045 shall establish an advisory board consisting of the chairperson of the authority, who shall be chairperson of the advisory board, and of sufficient members, to be appointed by the chairperson, to represent as far as practicable:

- (1) The general public and consumers of housing.
- (2) General business interests.
- (3) Real estate, building and home financing interests.
- (4) Labor.
- (5) Any official planning body in the locality.
- (6) Church and welfare groups. [Formerly 457.100]

457.070 [Repealed by 1979 c.621 §28]

457.075 Termination of urban renewal agency. If the governing body of a municipality which has an urban renewal agency under ORS 457.035 finds that there no longer exists a need for an urban renewal agency in the municipality, the governing body shall provide, by ordinance, for a termination of the agency and a transfer of the agency's facilities, files and personnel to the municipality. The termination of an urban renewal agency shall not affect any outstanding legal actions, contracts or obligations of the agency and the municipality shall be substituted for the agency and, for the purpose of those legal actions, contracts or obligations, shall be considered a continuation of the urban renewal agency and not a new entity. No urban renewal agency shall be terminated under this section unless all indebtedness to which a portion of taxes is irrevocably pledged for payment under ORS 457.420 to 457.460 is fully paid. [1979 c.621 §6; 1991 c.459 §331; 1997 c.541 §443]

457.080 [Repealed by 1979 c.621 §28]

457.085 Urban renewal plan requirements; accompanying report; contents; approval required. (1) An urban renewal agency shall provide for public involvement in all stages in the development of an urban renewal plan.

- (2) An urban renewal plan proposed by an urban renewal agency shall include all of the following:
 - (a) A description of each urban renewal project to be undertaken.
 - (b) An outline for the development, redevelopment, improvements, land acquisition, demolition and removal of structures, clearance, rehabilitation or conservation of the urban renewal areas of the plan.
 - (c) A map and legal description of the urban renewal areas of the plan.
 - (d) An explanation of its relationship to definite local objectives regarding appropriate land uses and improved traffic, public transportation, public utilities, telecommunications utilities, recreational and community facilities and other public improvements.
 - (e) An indication of proposed land uses, maximum densities and building requirements for each urban renewal area.
 - (f) A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area of the plan.
 - (g) An indication of which real property may be acquired and the anticipated disposition of said real property, whether by retention, resale, lease or other legal use, together with an estimated time schedule for such acquisition and disposition.
 - (h) If the plan provides for a division of ad valorem taxes under ORS 457.420 to 457.460, the maximum amount of indebtedness that can be issued or incurred under the plan.
 - (i) A description of what types of possible future amendments to the plan are substantial amendments and require the same notice, hearing and approval procedure required of the original plan under ORS 457.095 as provided in ORS 457.220, including but not limited to amendments:
 - (A) 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.
 - (B) Increasing the maximum amount of indebtedness that can be issued or incurred under the plan.
 - (j) For a project which includes a public building, an explanation of how the building serves or benefits the urban renewal area.
- (3) An urban renewal plan shall be accompanied by a report which shall contain:
 - (a) A description of physical, social and economic conditions in the urban renewal areas of the plan and the expected impact, including the fiscal impact, of the plan in light of added services or increased population;
 - (b) Reasons for selection of each urban renewal area in the plan;
 - (c) The relationship between each project to be undertaken under the plan and the existing conditions in the urban renewal area;
 - (d) The estimated total cost of each project and the sources of moneys to pay such costs;

- (e) The anticipated completion date for each project;
 - (f) The estimated amount of money required in each urban renewal area under ORS 457.420 to 457.460 and the anticipated year in which indebtedness will be retired or otherwise provided for under ORS 457.420 to 457.460;
 - (g) A financial analysis of the plan with sufficient information to determine feasibility;
 - (h) A fiscal impact statement that estimates the impact of the tax increment financing, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area; and
 - (i) A relocation report which shall include:
 - (A) An analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions under ORS 457.170;
 - (B) A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 35.500 to 35.530; and
 - (C) An enumeration, by cost range, of the existing housing units in the urban renewal areas of the plan to be destroyed or altered and new units to be added.
- (4) An urban renewal plan and accompanying report shall be forwarded to the planning commission of the municipality for recommendations, prior to presenting the plan to the governing body of the municipality for approval under ORS 457.095.
- (5) An urban renewal plan and accompanying report shall be forwarded to the governing body of each taxing district affected by the urban renewal plan and the agency shall consult and confer with the taxing districts prior to presenting the plan to the governing body of the municipality for approval under ORS 457.095. Any written recommendations of the governing body of each taxing district shall be accepted, rejected or modified by the governing body of the municipality in adopting the plan.
- (6) No urban renewal plan shall be carried out until the plan has been approved by the governing body of each municipality pursuant to ORS 457.095 and 457.105. [1979 c.621 §2; 1983 c.544 §1; 1987 c.668 §1; 1987 c.447 §130; 1991 c.459 §332; 1997 c.541 §444]

457.090 [Repealed by 1979 c.621 §28]

457.095 Approval of plan by ordinance; required contents of ordinance; notice. The governing body of the municipality, upon receipt of a proposed urban renewal plan and report from the municipality's urban renewal agency and after public notice and hearing and consideration of public testimony and planning commission recommendations, if any, may approve the urban renewal plan. The approval shall be by nonemergency ordinance which shall incorporate the plan by reference. Notice of adoption of the ordinance approving the urban renewal plan, and the provisions of ORS 457.135, shall be published by the governing body of the municipality in accordance with ORS 457.115 no later than four days following the ordinance adoption. The ordinance shall include determinations and findings by the governing body that:

- (1) Each urban renewal area is blighted;
- (2) The rehabilitation and redevelopment is necessary to protect the public health, safety or welfare of the municipality;
- (3) The urban renewal plan conforms to the comprehensive plan and economic development plan, if any, of the municipality as a whole and provides an outline for accomplishing the urban renewal projects the urban renewal plan proposes;
- (4) Provision has been made to house displaced persons within their financial means in accordance with ORS 35.500 to 35.530 and, except in the relocation of elderly individuals or individuals with disabilities, without displacing on priority lists persons already waiting for existing federally subsidized housing;
- (5) If acquisition of real property is provided for, that it is necessary;
- (6) Adoption and carrying out of the urban renewal plan is economically sound and feasible; and
- (7) The municipality shall assume and complete any activities prescribed it by the urban renewal plan. [1979 c.621 §3; 1989 c.224 §121; 2007 c.70 §263]

457.100 [Amended by 1979 c.621 §12; renumbered 457.065]

457.105 Approval of plan by other municipalities. In addition to the approval of a plan by the governing body of the municipality under ORS 457.095, when any portion of the area of a proposed urban renewal plan extends beyond the boundaries of the municipality into any other municipality and, in the case of a proposed plan by a county agency, when any portion of such area is within the boundaries of a city, the governing body of the other municipality may approve the plan and may do so by resolution, rather than by ordinance. A proposed plan for an urban renewal area which is wholly within the boundaries of a city, or which is wholly within the boundaries of a county and does not include any area within the boundaries of a city, must be approved only by the governing body of the municipality in accordance with ORS 457.095. [1979 c.621 §3a; 1987 c.668 §2]

457.110 [Renumbered 457.025]

457.115 Manner of newspaper notice. Notice of adoption of an urban renewal plan required under ORS 457.095 and notice of filing of an annual financial statement required under ORS 457.460 shall be published in the newspaper, as defined in ORS 193.010, having the greatest circulation in the municipality and which is published within the municipality. If no newspaper is published within the municipality, the required notice shall be published in the newspaper having greatest circulation within the municipality published nearest to the municipality. [1979 c.621 §3b]

457.120 When additional notice required; to whom sent; content; notice by publication. (1) In addition to any required public notice of hearing on a proposed urban renewal plan or substantial amendment or change to a plan, as described in ORS 457.085 (2)(i) and 457.220, the municipality shall cause notice of a hearing by the governing body on a proposed plan for a new urban renewal area or on a proposed change containing one of the types of amendments specified in ORS 457.085 (2)(i) to be mailed to each individual or household in one of the following groups:

- (a) Owners of real property that is located in the municipality;
- (b) Electors registered in the municipality;
- (c) Sewer, water, electric or other utility customers in the municipality; or
- (d) Postal patrons in the municipality.

(2) If the urban renewal area governed by the plan or substantial amendment thereof extends beyond the boundaries of the municipality, notice shall also be sent to each individual in the selected group who is located in the urban renewal area.

(3) The notice required by this section shall contain a statement in plain language that:

- (a) The governing body, on a specified date, will hold a public hearing and consider an ordinance adopting or substantially amending an urban renewal plan;
- (b) The adoption or amendment may impact property tax rates;
- (c) States the proposed maximum amount of indebtedness that can be issued or incurred under the plan or amendment;
- (d) The ordinance, if approved, is subject to referendum; and
- (e) A copy of the ordinance, urban renewal plan and accompanying report can be obtained by contacting a designated person within the municipality.

(4) If the municipality which activated the urban renewal agency is a county:

(a) The notice required by subsection (1) of this section shall be sent to each individual or household in one of the groups listed in subsections (1)(a) to (d) of this section, except that the notice need be sent only to those individuals or households located in a school district with territory affected or to be affected by the tax increment financing for the new urban renewal area or proposed change.

(b) In addition to the notice under paragraph (a) of this subsection, the county shall cause notice to be published in a paper of general circulation throughout the county. The published notice shall contain the information described in subsection (3) of this section, be published in an advertisement not less than three inches in height and three inches in width and be located in a general interest section of the newspaper other than the classified advertisement section. [1991 c.459 §335f; 1997 c.541 §445]

Note: 457.120 was added to and made a part of ORS chapter 457 by legislative action but was not added to any smaller series therein. See Preface to Oregon Revised Statutes for further explanation.

457.125 Recording of plan upon approval. A copy of the ordinance approving an urban renewal plan under ORS 457.095 shall be sent by the governing body of the municipality to the urban renewal agency. A copy of the resolution approving an urban renewal plan under ORS 457.105 shall be sent by the governing body of a municipality to the urban renewal agency. Upon receipt of the necessary approval of each municipality governing body, the urban renewal plan shall be recorded by the urban renewal agency with the recording officer of each county in which any portion of an urban renewal area within the plan is situated. [1979 c.621 §4]

457.130 [1957 c.456 §§4,5; 1979 c.621 §13; renumbered 457.035]

457.135 Conclusive presumption of plan validity. After October 3, 1979, any urban renewal plan purported to be adopted in conformance with applicable legal requirements shall be conclusively presumed valid for all purposes 90 days after adoption of the plan by ordinance of the governing body of the municipality. No direct or collateral attack on the action may thereafter be commenced. [1979 c.621 §5]

457.140 [1957 c.456 §6; 1975 c.246 §1; 1979 c.621 §14; renumbered 457.045]

457.145 [1967 c.311 §2; repealed by 1979 c.621 §15 (457.055 enacted in lieu of 457.145)]

457.150 [1957 c.456 §8; repealed by 1979 c.621 §28]

457.160 Exception to plan requirements for disaster areas. Notwithstanding any other provisions of ORS chapters 455 and 456 or this chapter and ORS 446.515 to 446.547, where the governing body of a municipality certifies that an area is in need of redevelopment or rehabilitation as a result of a flood, fire, hurricane, earthquake, storm or other catastrophe respecting which the Governor has certified the need for disaster assistance under federal law, the governing body may declare a need for an urban renewal agency, if necessary, and may approve an urban renewal plan and an urban renewal project for such area without regard to the provisions requiring:

(1) That the urban renewal plan conform to the comprehensive plan and economic development plan, if any, for the municipality as a whole.

(2) That the urban renewal area be a blighted area. [1957 c.456 §15; 1979 c.621 §18; 1993 c.18 §114]

457.170 Urban renewal agency's powers in planning or undertaking an urban renewal project. An urban renewal agency may plan or undertake any urban renewal project to carry out an approved urban renewal plan. In planning or undertaking an urban renewal project, the urban renewal agency has the power:

(1) To carry out any work or undertaking and exercise any powers which a housing authority is authorized to perform or exercise under ORS 456.055 to 456.235, subject to the provisions of this chapter provided, however, that ORS 456.155 and 456.160 do not limit the power of an agency in event of a default by a purchaser or lessee of land in an urban renewal plan to acquire property and operate it free from the restrictions in those sections.

(2) To carry out any rehabilitation or conservation work in an urban renewal area.

(3) To acquire real property, by condemnation if necessary, when needed to carry out the plan.

(4) To clear any areas acquired, including the demolition, removal or rehabilitation of buildings and improvements.

(5) To install, construct or reconstruct streets, utilities and site improvements in accordance with the urban renewal plan.

(6) To carry out plans for a program of the voluntary repair and rehabilitation of buildings or other improvements in an urban renewal area in accordance with the urban renewal plan.

(7) To assist in relocating persons living in, and property situated in, the urban renewal area in accordance with the approved urban renewal plan and to make relocation payments.

(8) To dispose of, including by sale or lease, any property or part thereof acquired in the urban renewal area in accordance with the approved urban renewal plan.

(9) To plan, undertake and carry out neighborhood development programs consisting of urban renewal project undertakings in one or more urban renewal areas which are planned and carried out on the basis of annual increments in accordance with the provisions of this chapter for planning and carrying out urban renewal plans.

(10) To accomplish a combination of the things listed in this section to carry out an urban renewal plan. [1957 c.456 §7; 1969 c.225 §2; 1969 c.539 §1; 1979 c.621 §19; 1995 c.79 §268]

457.180 Powers of urban renewal agencies in general. An urban renewal agency, in addition to its other powers, may:

(1) Make plans for carrying out a program of voluntary repair and rehabilitation of buildings and improvements.

(2) Make plans for the enforcement of laws, codes and regulations relating to:

(a) The use of land.

(b) The use and occupancy of buildings and improvements.

(c) The repair, rehabilitation, demolition or removal of buildings and improvements.

(3) Make plans for the relocation of persons and property displaced by an urban renewal project.

(4) Make preliminary plans outlining urban renewal activities for neighborhoods to embrace two or more urban renewal areas.

(5) Conduct preliminary surveys to determine if the undertaking and carrying out of an urban renewal project is feasible.

(6) Develop, test and report methods and techniques and carry out demonstrations and other activities for the prevention and the elimination of urban blight.

(7) Engage in any other housing or community development activities specifically delegated to it by the governing body of the municipality including but not limited to land acquisition and disposition, conservation and rehabilitation, residential or business relocation, construction, leasing or management of housing, and the making of grants and loans from any available source. [1957 c.456 §10; 1975 c.382 §1]

457.190 Acquisition of funds by urban renewal agency; maximum amount of indebtedness. (1) An urban renewal agency may borrow money and accept advances, loans, grants and any other form of financial assistance from the federal government, the state, county or other public body, or from any sources, public or private, for the purposes of undertaking and carrying out urban renewal projects.

(2) An urban renewal agency may do all things necessary or desirable to secure such financial aid, including obligating itself in any contract with the federal government for federal financial aid to convey to the federal government the project to which the contract relates upon the occurrence of a substantial default thereunder, in the same

manner as a housing authority may do to secure such aid in connection with blighted area clearance and housing projects under the Housing Authorities Law.

(3)(a) Each urban renewal plan adopted by ordinance on or after July 14, 1997, that provides for a division of taxes pursuant to ORS 457.440 shall include in the plan the maximum amount of indebtedness that may be issued or incurred under the plan. Notwithstanding subsection (1) of this section, if a maximum amount of indebtedness is not included in the plan, the urban renewal agency may not issue indebtedness for which taxes divided under ORS 457.440 are to be pledged to carry out the plan.

(b) Each urban renewal plan adopted by ordinance on or after December 6, 1996, and before July 14, 1997, that provides for a division of taxes pursuant to ORS 457.440 but does not include a maximum amount of indebtedness that may be issued or incurred under the plan shall be changed, by substantial plan amendment pursuant to ORS 457.220, to include the maximum amount of indebtedness that may be issued or incurred under the plan before July 1, 2000. Notwithstanding subsection (1) of this section, if a maximum amount of indebtedness is not included in the plan on or before July 1, 2000, the urban renewal agency may not on or after July 1, 2000, issue indebtedness for which taxes divided under ORS 457.440 are to be pledged to carry out the plan.

(c)(A) Each existing urban renewal plan that provides for a division of taxes pursuant to ORS 457.420 to 457.460 may be changed by substantial amendment no later than July 1, 1998, to include a maximum amount of indebtedness that may be issued or incurred under the plan determined as described in subparagraph (B) of this paragraph. The additional notices required under ORS 457.120 are not required for an amendment adopted pursuant to this paragraph.

(B) The maximum amount of indebtedness that may be issued or incurred under the plan, as determined for purposes of meeting the requirements of this paragraph, shall be based upon good faith estimates of the scope and costs of projects, including but not limited to increases in costs due to reasonably anticipated inflation, in the existing urban renewal plan and the schedule for their completion as completion dates were anticipated as of December 5, 1996. The maximum amount of indebtedness shall be specified in dollars and cents.

(C) Notwithstanding subsection (1) of this section, if a maximum amount of indebtedness is not adopted for an existing urban renewal plan as described in this paragraph before July 1, 1998, the urban renewal agency may not collect funds under ORS 457.435.

(4) For an urban renewal plan initially approved on or after January 1, 2010, other than for a large metropolitan plan as defined in ORS 457.470, the initial maximum indebtedness that may be issued or incurred under the plan shall be established as follows:

(a) If the total assessed value in the certified statement under ORS 457.430 is less than or equal to \$50 million, the initial maximum indebtedness may not exceed \$50 million.

(b) If the total assessed value in the certified statement is more than \$50 million and less than or equal to \$150 million, the initial maximum indebtedness may not exceed \$50 million plus 50 percent of the total assessed value in the certified statement that is over \$50 million.

(c) If the total assessed value in the certified statement exceeds \$150 million, the initial maximum indebtedness may not exceed \$100 million, plus 35 percent of the total assessed value in the certified statement that is over \$150 million.

(d) Beginning July 1, 2010, the dollar limits set forth in this subsection may be increased on July 1 of each year by the index used in the urban renewal report to compute the future costs of projects that will be financed under the plan.

(e) The limits in this subsection do not apply if the agency obtains concurrence as provided in ORS 457.470. [1957 c.456 §14; 1991 c.459 §333; 1997 c.541 §446; 2007 c.606 §12; 2009 c.700 §1]

Note: Section 335e, chapter 459, Oregon Laws 1991, provides:

Sec. 335e. Bonded indebtedness for project agreed to prior to September 29, 1991. Notwithstanding ORS 457.190, an urban renewal agency may issue bonded indebtedness to undertake an urban renewal project to carry out an urban renewal plan if, prior to September 29, 1991, a written contract or other written agreement for the project was made, the instrument setting forth the contract or agreement was executed and the parties were bound. The urban renewal agency of the municipality may use any of the money available to it from the issuance of the bonds for carrying out the project in accordance with the contract or agreement. [1991 c.459 §335e; 1997 c.541 §446a]

457.210 Applicability of housing cooperation law to urban renewal projects; delegation of powers and functions. (1) Any state public body, as defined in ORS 456.305, shall have the same rights and powers to cooperate with and assist urban renewal agencies with respect to urban renewal projects that such state public body has pursuant to ORS 456.305 to 456.325 to cooperate and assist housing authorities with respect to housing projects in the same manner as though those sections were applicable to urban renewal agencies and projects under this chapter.

(2) Any state public body, as defined in ORS 456.305, hereby is authorized to enter into agreements with any other public body, including an urban renewal agency, respecting action to be taken pursuant to any of the powers granted by this chapter, including, but not limited to, the furnishing of funds or other assistance in connection with an urban renewal plan or urban renewal project.

(3) An urban renewal agency hereby is authorized to delegate any of its powers or functions to the municipality or other state public body, as defined in ORS 456.305, with respect to the planning or undertaking of an urban renewal project in the area in which such municipality or other state public body is authorized to act. The municipality, or other

state public body to which the powers or functions are delegated hereby is authorized to carry out or perform such powers or functions. [1957 c.456 §11]

457.220 Plan amendment; limit on additional land and increased maximum indebtedness. (1) Except for the provisions of subsections (2) and (4) of this section, an urban renewal agency shall carry out the urban renewal plan approved under ORS 457.095.

(2) Any substantial change made in the urban renewal plan shall, before being carried out, be approved and recorded in the same manner as the original plan.

(3) No land equal to more than 20 percent of the total land area of the original plan shall be added to the urban renewal areas of a plan by amendments.

(4) On or after January 1, 2010, the urban renewal agency may amend a plan that is not a large metropolitan plan as defined in ORS 457.470 to increase the maximum indebtedness, provided that:

(a) The aggregate of all amendments under this subsection may not exceed 20 percent of the plan's initial maximum indebtedness, as adjusted pursuant to paragraph (b) of this subsection.

(b) For purposes of computing the 20 percent limit on increases in maximum indebtedness, the initial maximum indebtedness may be increased annually on the anniversary date of initial approval of the plan by the index used in the urban renewal report to compute the future costs of projects that will be financed under the plan, beginning on the later of July 1, 1999, or the first anniversary of plan approval. This increase may be applied only to the first amendment to the maximum indebtedness that is made on or after January 1, 2010.

(5) The limits in subsection (4) of this section do not apply if the agency obtains concurrence as provided in ORS 457.470. [1957 c.456 §9; 1979 c.621 §20; 2009 c.700 §2]

457.230 Disposition of land in urban renewal project; determination of value; obligations of purchaser or lessee; recordation. (1) The urban renewal agency shall, in accordance with the approved urban renewal plan, make land in an urban renewal project available for use by private enterprise or public agencies. Such land shall be made available at a value determined by the urban renewal agency to be its fair reuse value, which represents the value, whether expressed in terms of rental or capital price, at which the urban renewal agency in its discretion determines such land should be made available in order that it may be developed, redeveloped, cleared, conserved or rehabilitated for the purposes specified in such plan.

(2) To assure that land acquired in an urban renewal project is used in accordance with the urban renewal plan, an urban renewal agency, upon the sale or lease of such land, shall obligate purchasers or lessees:

(a) To use the land for the purposes designated in the urban renewal plan.

(b) To begin the building of their improvements within a period of time which the urban renewal agency fixes as reasonable.

(3) Any obligations by the purchaser shall be covenants and conditions running with the land where the urban renewal agency so stipulates.

(4) Any contract for the transfer of any interest in land by the urban renewal agency may be recorded in the land records of the county in which the land is situated in the same manner as any other contract for the transfer of an interest in land is recorded. [1957 c.456 §12; 1965 c.571 §1; 1967 c.312 §1]

457.240 Tax status of land leased under an urban renewal plan. Any property which the urban renewal agency leases to private persons as defined in ORS 174.100 under an urban renewal plan shall have the same tax status as if such leased property were owned by such private individuals or corporations. [1957 c.456 §13; 1983 c.327 §11]

457.310 [1957 c.456 §16; repealed by 1979 c.621 §28]

457.320 Municipal assistance under plan; assumption by agency of general obligation bond payments of municipality. In addition to the other powers granted a municipality under this chapter, a municipality may exercise any of its powers otherwise provided by law to assist in the planning or the carrying out of an urban renewal plan. Without limiting the powers granted by the preceding sentence, a municipality may issue its general obligation bonds for the purpose of assisting in the planning or the carrying out of an urban renewal plan. The urban renewal agency of the municipality may assume payment of the general obligation bonds and may use any of the moneys available to it for that purpose. [1957 c.456 §17; 1979 c.621 §21]

457.410 [1961 c.554 §2; repealed by 1979 c.621 §28]

TAX INCREMENT FINANCING OF URBAN RENEWAL INDEBTEDNESS

457.420 Plan may provide for division of property taxes; limits on land area. (1) Any urban renewal plan may contain a provision that the ad valorem taxes, if any, levied by a taxing district in which all or a portion of an urban renewal area is located, shall be divided as provided in section 1c, Article IX of the Oregon Constitution, and ORS

457.420 to 457.460. Ad valorem taxes shall not be divided if there is no provision in the urban renewal plan for the division.

(2) No plan adopted after October 3, 1979, shall provide for a division of ad valorem taxes under subsection (1) of this section if:

(a) For municipalities having a population of more than 50,000, according to the latest state census:

(A) The assessed value for the urban renewal areas of the plan, when added to the total assessed value previously certified by the assessor for other urban renewal plans of the municipality for which a division of ad valorem taxes is provided, exceeds a figure equal to 15 percent of the total assessed value of that municipality, exclusive of any increased assessed value for other urban renewal areas and without regard to adjustments made pursuant to ORS 457.435 (2)(c), 457.455 or 457.470 (2) to (5); or

(B) The urban renewal areas of the plan when added to the areas included in other urban renewal plans of the municipality providing for a division of ad valorem taxes, exceed a figure equal to 15 percent of the total land area of that municipality.

(b) For municipalities having a population of less than 50,000, according to the latest state census:

(A) The assessed value for the urban renewal areas of the plan, when added to the total assessed value previously certified by the assessor for other urban renewal plans of the municipality for which a division of ad valorem taxes is provided, exceeds a figure equal to 25 percent of the total assessed value of that municipality, exclusive of any increased assessed value for other urban renewal areas and without regard to adjustments made pursuant to ORS 457.435 (2)(c), 457.455 or 457.470 (2) to (5); or

(B) The urban renewal areas of the plan, when added to the areas included in other urban renewal plans of the municipality providing for a division of ad valorem taxes, exceed a figure equal to 25 percent of the total land area of that municipality.

(3) Property may not be included in more than one urban renewal area. [1961 c.554 §3; 1969 c.539 §2; 1971 c.544 §4; 1979 c.621 §24; 1991 c.459 §334; 1997 c.541 §447; 2009 c.700 §3]

457.430 Certification of assessed value of property in urban renewal area; amendment. (1) As soon as practicable after the approval of a plan containing a provision authorized by ORS 457.420, the county assessor of each county in which an urban renewal area is located shall prepare, in duplicate, a certified statement of the total assessed value, as shown on the county assessment roll last certified prior to the effective date of the ordinance approving the plan, of all of the taxable real and personal property contained in the urban renewal area in the county.

(2) Wherever only a part of an urban renewal area is located in a taxing district, the assessor also shall show in the statement required by subsection (1) of this section the assessed value of the real and personal property in the part of the urban renewal area located in the taxing district.

(3) One copy of the certified statement shall be filed by the assessor with the agency and the other copy shall constitute a part of the public records of the county assessor's office.

(4) Whenever a part of an urban renewal area comes within the territory of a taxing district either by annexation, incorporation of a new taxing district or consolidation, after the approval of a plan containing a provision authorized by ORS 457.420, the county assessor shall in the same manner as under subsection (3) of this section file a certified statement or an amendment to a certified statement to show the assessed value of the real and personal property in that part of the urban renewal area incorporated by annexation or consolidation into the taxing district. The assessed value of the real and personal property so incorporated shall be determined in the same manner and as of the same date as provided in subsections (1) and (2) of this section.

(5) When a certified statement is filed as required by subsection (1) of this section, if the law provides a reduction or increase of the valuation for tax purposes of the taxable property contained in the urban renewal area at the time of the filing, the assessor shall state the total assessed value as it is so reduced or increased. After a certified statement has been filed as required by subsection (1) of this section, if a law is enacted which provides a reduction or increase of the valuation for tax purposes of the taxable property contained in the urban renewal area at the time the certified statement was filed, the assessor shall amend the certified statement annually or as otherwise required to reduce or increase the stated total assessed value of the real and personal property accordingly. An amendment to the certified statement shall be filed in the manner provided by subsections (3) and (4) of this section.

(6)(a) Subject to subsections (4) and (5) of this section and paragraph (b) of this subsection, all certified statements and amendments thereto filed under this section before July 14, 1997, shall continue to remain in effect.

(b) Effective as of the tax year beginning on July 1, 1997, the assessor shall amend the amount of assessed value included in a certified statement by applying to the certified assessed value of each tax code area located within an urban renewal area the percentage obtained by dividing the total assessed value within the tax code area, including growth in assessed value over the certified assessed value, by the total real market value within the tax code area. [1961 c.554 §4; 1969 c.539 §3; 1979 c.621 §25; 1981 c.804 §105; 1983 s.s. c.5 §24; 1991 c.459 §335; 1997 c.541 §448]

457.435 Property tax collection methods for existing plans; special levies. (1) For each existing urban renewal plan that includes a provision for a division of ad valorem taxes under ORS 457.420 to 457.460, the municipality that activated the urban renewal agency that is carrying out the plan shall adopt an ordinance choosing one of the options

listed in subsection (2) of this section as the method of collecting ad valorem property taxes sufficient to pay, when due, indebtedness issued or incurred to carry out the plan as permitted by section 11 (16), Article XI of the Oregon Constitution.

(2) The options referred to in subsection (1) of this section are as follows:

(a) Option One: To collect amounts sufficient to pay the obligations, as budgeted for the plan, from ORS 457.440, and if the amount estimated to be received from ORS 457.440 is not sufficient to meet the budgeted obligations of the plan for the tax or fiscal year, to make a special levy in the amount of the remainder upon all of the taxable property of the municipality that activated the urban renewal agency and upon all of the taxable property lying outside the municipality but included in an urban renewal area of the plan.

(b) Option Two: To make a special levy in the amount stated in the notice given under ORS 457.440 (2) upon all of the taxable property of the municipality that activated the urban renewal agency, and upon all of the taxable property lying outside the municipality but included in an urban renewal area of the plan.

(c) Option Three: To collect an amount equal to the amount stated in the ordinance adopted as provided in subsection (1) of this section by dividing the taxes pursuant to ORS 457.440, and to make a special levy upon all of the taxable property of the municipality that activated the urban renewal agency and upon all of the taxable property lying outside the municipality but within an urban renewal area of the plan. The county assessor shall adjust the amount of the total assessed value included in the certified statement filed under ORS 457.430 so that the amount collected by dividing the taxes pursuant to ORS 457.440 does not exceed the amount stated in the ordinance to be collected by dividing the taxes pursuant to ORS 457.440.

(3)(a) The total amount obtained under an option listed in subsection (2) of this section for any plan shall not exceed the maximum amount that could have been certified to the assessor for the plan under ORS 457.440 (1995 Edition) for the tax year beginning July 1, 1997.

(b) For each tax year beginning after the 1997-1998 tax year, the limitation of paragraph (a) of this subsection shall be adjusted by a percentage change equal to the percentage change in the increment within the urban renewal area from the preceding year.

(4)(a) The ordinance choosing the option referred to in subsection (1) of this section shall be adopted no later than July 1, 1998, and shall be applicable for tax years beginning on or after July 1, 1998. If not so adopted, the municipality shall be considered to have chosen Option One as its method of collection of ad valorem property taxes sufficient to pay, when due, indebtedness issued or incurred to carry out the existing urban renewal plan. An option, once chosen, may not be changed to another option. In addition, if Option Three is chosen, the amount specified in the ordinance choosing the option to be collected by dividing the taxes pursuant to ORS 457.440 shall not be changed by subsequent ordinance or amendment to the certified statement.

(b) The option chosen, together with the particulars of the option, including but not limited to any limit on the amount to be received from ORS 457.440, shall be reflected in the notice filed by the urban renewal agency with the county assessor.

(5)(a) The county assessor, or county assessors if the taxable property is in more than one county, shall extend the special levy against all of the taxable property of the municipality that activated the urban renewal agency and all of the taxable property lying outside the municipality but included in an urban renewal area of the plan.

(b) Any amounts collected from special levies made under this section shall be paid into the special fund or funds of the urban renewal agency referred to in ORS 457.440 (6) and shall be used to pay the principal and interest to finance or refinance the existing urban renewal plan or plans of the urban renewal agency.

(6) This section applies to existing urban renewal plans with respect to principal and interest on indebtedness until the indebtedness is fully paid or it is found that deposits in the special fund are sufficient to pay the principal and interest on the indebtedness issued or incurred under the existing urban renewal plan.

(7) Nothing in this section shall prevent the funding of urban renewal indebtedness as provided under ORS 457.440. [1997 c.541 §454; 1999 c.579 §32]

457.437 Consultation with municipalities; resolution requirements. (1) Prior to the establishment of a maximum amount of indebtedness for an urban renewal plan under ORS 457.190 and before an option is adopted under ORS 457.435, the urban renewal agency that is carrying out the plan shall meet with the governing bodies of the municipality that activated the urban renewal agency and other municipalities affected by the urban renewal plan and review the proposed maximum amount of indebtedness for the plan and the agency's recommended option under ORS 457.435.

(2) After the meeting described in subsection (1) of this section, the governing bodies shall adopt resolutions in support of or opposition to the recommended option under ORS 457.435.

(3) If an affected municipality adopts a resolution in opposition to the recommended option, then the agency's recommendations may be adopted only by the adoption of a separate resolution by the municipality that activated the urban renewal agency. [1997 c.541 §454a]

457.440 Computation of amounts to be raised from property taxes; notice; rules. During the period specified under ORS 457.450:

(1) The county assessor shall determine the amount of funds to be raised each year for urban renewal within the county levied by taxing districts in accordance with Article IX, section 1c, of the Oregon Constitution, and ORS 457.420 to 457.460.

(2) Not later than July 15 of each tax year, each urban renewal agency shall determine and file with the county assessor a notice stating the amount of funds to be raised for each urban renewal area as follows:

(a) If the municipality that activated the urban renewal agency has chosen Option One as provided in ORS 457.435 (2)(a), the notice shall state that the maximum amount of funds that may be raised by dividing the taxes under Article IX, section 1c, of the Oregon Constitution, shall be raised for the agency.

(b) If the municipality that activated the urban renewal agency has chosen Option Two as provided in ORS 457.435 (2)(b), the notice shall state the amount of funds to be raised by the special levy.

(c) If the municipality that activated the urban renewal agency has chosen Option Three as provided in ORS 457.435 (2)(c), the notice shall state the amount of funds to be raised by special levy in addition to the amount to be raised by dividing the taxes as stated in the ordinance adopted under ORS 457.435 (1).

(d) For plans that are initially approved or substantially amended to increase maximum indebtedness on or after January 1, 2010, the notice must comply with ORS 457.470.

(e) If the agency limits the amount that may be raised by the division of taxes, as provided in ORS 457.455 (1), the notice shall comply with ORS 457.455 (1).

(f) If the plan is not described in paragraph (a), (b), (c), (d) or (e) of this subsection, the notice shall state that the maximum amount of funds that may be raised by dividing the taxes under Article IX, section 1c, of the Oregon Constitution, shall be raised for the agency.

(3) If a municipality has chosen Option Three pursuant to ORS 457.435, the maximum amount of funds that may be raised for an urban renewal agency by dividing the taxes as provided in Article IX, section 1c, of the Oregon Constitution, may be limited by the municipality in which the urban renewal agency is located. The decision of the municipality to limit the amount of funds to be included in the notice filed under subsection (2) of this section shall be reflected in the certified statement filed by the urban renewal agency with the county assessor.

(4) Not later than September 25 of each tax year, the assessor of any county in which a joint district is located shall provide, to the assessor of each other county in which the joint district is located, the assessed values of the property in the joint district that is located within the county, including the certified statement value and the increment for each code area containing any urban renewal area located within the joint district, and a copy of the notice filed by the urban renewal agency for the area located within the joint district under subsection (2) of this section.

(5) The maximum amount of funds that may be raised for an urban renewal plan by dividing the taxes as provided in Article IX, section 1c, of the Oregon Constitution, shall be computed by the county assessor as follows:

(a) The county assessor shall compute, in the manner required under ORS 457.445, the total consolidated billing tax rate for each code area in which an urban renewal area of the plan is located.

(b) The assessor shall determine the amount of taxes that would be produced by extending the tax rate computed under paragraph (a) of this subsection against the increment of each code area.

(c) The total amount determined for all code areas containing urban renewal areas included within the urban renewal plan is the maximum amount of funds to be raised for the urban renewal plan by dividing the taxes.

(6)(a) The county assessor shall certify to the tax collector the amount of funds to be raised for an urban renewal agency as determined under subsection (2) of this section. The tax collector shall include the amount so certified in the percentage schedule of the ratio of taxes on property prepared under ORS 311.390 and filed with the county treasurer. Notwithstanding ORS 311.395 (6), the county treasurer shall credit the amount to the urban renewal agency and shall distribute its percentage amount to the urban renewal agency as determined by the schedule at the times other distributions are made under ORS 311.395 (7).

(b) The county assessor shall notify the urban renewal agency of the amounts received under subsection (5) of this section or amounts received pursuant to the notice provided in subsection (2) of this section for each urban renewal plan area. Any amounts received by the urban renewal agency under paragraph (a) of this subsection shall be attributed to the urban renewal plan in which the urban renewal area is included, shall be paid into a special fund of the urban renewal agency for the urban renewal plan and shall be used to pay the principal and interest on any indebtedness issued or incurred by the urban renewal agency to finance or refinance the urban renewal plan.

(7) Unless and until the total assessed value of the taxable property in an urban renewal area exceeds the total assessed value specified in the certified statement, all of the ad valorem taxes levied and collected upon the taxable property in the urban renewal area shall be paid into the funds of the respective taxing districts.

(8) The agency may incur indebtedness, including obtaining loans and advances in carrying out the urban renewal plan, and the portion of taxes received under this section may be irrevocably pledged for the payment of principal of and interest on the indebtedness.

(9) The Department of Revenue shall by rule establish procedures for giving notice of amounts to be raised for urban renewal agencies and for determination of amounts to be raised and distributed to urban renewal agencies.

(10) The notice required under this section shall serve as the notice required under ORS 310.060 for the special levy described under ORS 457.435.

(11) Notwithstanding any other provision of this chapter, a city with a population of more than 500,000 on January 1, 2010, may, in lieu of its urban renewal agency, take any actions that an urban renewal agency is authorized to take under this section and any other actions that are required to certify, collect, receive, hold and apply tax revenues raised for the urban renewal agency under Article IX, section 1c, of the Oregon Constitution, and taxes authorized for the urban renewal agency by Article XI, section 11 (16), of the Oregon Constitution. [1961 c.554 §5; 1979 c.621 §26; 1981 c.804 §106; 1983 s.s. c.5 §25; 1985 c.613 §17; 1987 c.158 §87; 1991 c.459 §335a; 1997 c.541 §449; 1999 c.579 §26; 2003 c.190 §§16,17; 2007 c.537 §7; 2009 c.700 §4; 2013 c.579 §3]

Note: The amendments to 457.440 by section 3, chapter 579, Oregon Laws 2013, apply to the division of ad valorem property taxes under 457.420 to 457.460 for tax years beginning on or after July 1, 2014. See section 4, chapter 579, Oregon Laws 2013. The text that applies for tax years beginning before July 1, 2014, is set forth for the user's convenience.

457.440. During the period specified under ORS 457.450:

(1) The county assessor shall determine the amount of funds to be raised each year for urban renewal within the county levied by taxing districts in accordance with section 1c, Article IX of the Oregon Constitution, and ORS 457.420 to 457.460.

(2) Not later than July 15 of each tax year, each urban renewal agency shall determine and file with the county assessor a notice stating the amount of funds to be raised for each urban renewal area as follows:

(a) If the municipality that activated the urban renewal agency has chosen Option One as provided in ORS 457.435 (2)(a), the notice shall state that the maximum amount of funds that may be raised by dividing the taxes under section 1c, Article IX of the Oregon Constitution, shall be raised for the agency.

(b) If the municipality that activated the urban renewal agency has chosen Option Two as provided in ORS 457.435 (2)(b), the notice shall state the amount of funds to be raised by the special levy.

(c) If the municipality that activated the urban renewal agency has chosen Option Three as provided in ORS 457.435 (2)(c), the notice shall state the amount of funds to be raised by special levy in addition to the amount to be raised by dividing the taxes as stated in the ordinance adopted under ORS 457.435 (1).

(d) For plans that are initially approved or substantially amended to increase maximum indebtedness on or after January 1, 2010, the notice must comply with ORS 457.470.

(e) If the agency limits the amount that may be raised by the division of taxes, as provided in ORS 457.455 (1), the notice shall comply with ORS 457.455 (1).

(f) If the plan is not described in paragraph (a), (b), (c), (d) or (e) of this subsection, the notice shall state that the maximum amount of funds that may be raised by dividing the taxes under section 1c, Article IX of the Oregon Constitution, shall be raised for the agency.

(3) If a municipality has chosen Option Three pursuant to ORS 457.435, the maximum amount of funds that may be raised for an urban renewal agency by dividing the taxes as provided in section 1c, Article IX of the Oregon Constitution, may be limited by the municipality in which the urban renewal agency is located. The decision of the municipality to limit the amount of funds to be included in the notice filed under subsection (2) of this section shall be reflected in the certified statement filed by the urban renewal agency with the county assessor.

(4) Not later than September 25 of each tax year, the assessor of any county in which a joint district is located shall provide, to the assessor of each other county in which the joint district is located, the assessed values of the property in the joint district that is located within the county, including the certified statement value and the increment for each code area containing any urban renewal area located within the joint district, and a copy of the notice filed by the urban renewal agency for the area located within the joint district under subsection (2) of this section.

(5) The maximum amount of funds that may be raised for an urban renewal plan by dividing the taxes as provided in section 1c, Article IX of the Oregon Constitution, shall be computed by the county assessor as follows:

(a) The county assessor shall compute the total consolidated billing tax rate for each code area in which an urban renewal area of the plan is located.

(b) The assessor shall determine the amount of taxes that would be produced by extending the tax rate computed under paragraph (a) of this subsection against the increment of each code area.

(c) The total amount determined for all code areas containing urban renewal areas included within the urban renewal plan is the maximum amount of funds to be raised for the urban renewal plan by dividing the taxes.

(6)(a) The county assessor shall certify to the tax collector the amount of funds to be raised for an urban renewal agency as determined under subsection (2) of this section. The tax collector shall include the amount so certified in the percentage schedule of the ratio of taxes on property prepared under ORS 311.390 and filed with the county treasurer. Notwithstanding ORS 311.395 (6), the county treasurer shall credit the amount to the urban renewal agency and shall distribute its percentage amount to the urban renewal agency as determined by the schedule at the times other distributions are made under ORS 311.395 (7).

(b) The county assessor shall notify the urban renewal agency of the amounts received under subsection (5) of this section or amounts received pursuant to the notice provided in subsection (2) of this section for each urban renewal plan area. Any amounts received by the urban renewal agency under paragraph (a) of this subsection shall be attributed to the urban renewal plan in which the urban renewal area is included, shall be paid into a special fund of the urban renewal

agency for the urban renewal plan and shall be used to pay the principal and interest on any indebtedness issued or incurred by the urban renewal agency to finance or refinance the urban renewal plan.

(7) Unless and until the total assessed value of the taxable property in an urban renewal area exceeds the total assessed value specified in the certified statement, all of the ad valorem taxes levied and collected upon the taxable property in the urban renewal area shall be paid into the funds of the respective taxing districts.

(8) The agency may incur indebtedness, including obtaining loans and advances in carrying out the urban renewal plan, and the portion of taxes received under this section may be irrevocably pledged for the payment of principal of and interest on the indebtedness.

(9) The Department of Revenue shall by rule establish procedures for giving notice of amounts to be raised for urban renewal agencies and for determination of amounts to be raised and distributed to urban renewal agencies.

(10) The notice required under this section shall serve as the notice required under ORS 310.060 for the special levy described under ORS 457.435.

(11) Notwithstanding any other provision of this chapter, a city with a population of more than 500,000 on January 1, 2010, may, in lieu of its urban renewal agency, take any actions that an urban renewal agency is authorized to take under this section and any other actions that are required to certify, collect, receive, hold and apply tax revenues raised for the urban renewal agency under section 1c, Article IX of the Oregon Constitution, and taxes authorized for the urban renewal agency by section 11 (16), Article XI of the Oregon Constitution.

457.445 Consolidated billing tax rate; election of alternative. (1)(a) The consolidated billing tax rate of the following urban renewal plans shall be determined under paragraph (b) of this subsection:

(A) An existing urban renewal plan (other than an existing urban renewal plan designated as an Option Three plan under ORS 457.435 (2)(c));

(B) An urban renewal plan that was an existing urban renewal plan on October 6, 2001, (other than an existing urban renewal plan designated as an Option Three plan under ORS 457.435 (2)(c)) and that was substantially amended as described in ORS 457.085 (2)(i)(A) or (B) on or after October 6, 2001; and

(C) An urban renewal plan adopted on or after October 6, 2001.

(b)(A) The consolidated billing tax rate of an urban renewal plan described in paragraph (a) of this subsection equals the total of all district tax rates used to extend taxes after any adjustment to reflect tax offsets under ORS 310.105.

(B) Notwithstanding subparagraph (A) of this paragraph, the consolidated billing tax rate of an urban renewal plan described in paragraph (a) of this subsection excludes any rate derived from:

(i) An urban renewal special levy under ORS 457.435.

(ii) A local option tax, as defined in ORS 280.040, that is approved by taxing district electors after October 6, 2001.

(iii) A tax pledged to repay exempt bonded indebtedness (other than exempt bonded indebtedness used to fund local government pension and disability plan obligations that, until funded by the exempt bonded indebtedness, were described in Article XI, section 11 (5), of the Oregon Constitution), as defined in ORS 310.140, that is approved by taxing district electors after October 6, 2001.

(iv) The increase in the rate of ad valorem property tax allowable under Article XI, section 11 (5)(d), of the Oregon Constitution, for a school district with a statutory rate limit on July 1, 2003, that is greater than \$4.50 per \$1,000 of assessed value, to the extent that the increase is excluded from local revenues, as that term is used in ORS chapter 327, and provided that the school district notifies the county assessor of the rate to be excluded for the current fiscal year not later than July 15.

(2)(a) The consolidated billing tax rate of all other urban renewal plans equals the total of all district ad valorem property tax rates used to extend taxes after any adjustments to reflect tax offsets under ORS 310.105.

(b) Notwithstanding paragraph (a) of this subsection, the consolidated billing tax rate of urban renewal plans referred to in paragraph (a) of this subsection excludes:

(A) An urban renewal special levy rate under ORS 457.435.

(B) A new local option tax.

(3)(a) Notwithstanding subsection (2)(b)(B) of this section, the consolidated billing tax rate of urban renewal plans referred to in subsection (2)(a) of this section includes a new local option tax imposed in a fiscal year for which the urban renewal agency files with the county assessor an impairment certificate in the manner described in paragraph (b) of this subsection not later than the May 1 immediately preceding the beginning of the fiscal year.

(b) An impairment certificate must:

(A) Identify the urban renewal plan to which it relates;

(B) Instruct the county assessor to include the new local option tax in the consolidated billing tax rate for the urban renewal plan for the ensuing fiscal year;

(C) State that the urban renewal agency has reasonably determined that excluding the new local option tax from the consolidated billing tax rate for the fiscal year under this subsection would impair contracts that the agency has entered into with owners of indebtedness incurred before October 7, 2013, to carry out an urban renewal plan described in subsection (2) of this section; and

(D) Be signed by an authorized representative of the agency.

(4)(a) Notwithstanding subsection (2) of this section, the governing body of a municipality that adopted an urban renewal plan before December 5, 1996 (other than an existing urban renewal plan designated as an Option Three plan under ORS 457.435 (2)(c)), that would otherwise be required to use a consolidated billing tax rate determined under subsection (2) of this section may, by resolution or ordinance, irrevocably elect to have amounts collected by dividing the taxes for the urban renewal plan pursuant to ORS 457.440 be determined under subsection (1)(b) of this section.

(b) An election made pursuant to this subsection applies first to the assessment roll next following if the assessor has received notice of the election from the urban renewal agency before January 1.

(5) As used in this section, "new local option tax" means a local option tax, as defined in ORS 280.040, that is approved by taxing district electors after January 1, 2013. [2009 c.317 §2; 2013 c.579 §2]

Note: The amendments to 457.445 by section 2, chapter 579, Oregon Laws 2013, apply to the division of ad valorem property taxes under 457.420 to 457.460 for tax years beginning on or after July 1, 2014. See section 4, chapter 579, Oregon Laws 2013. The text that applies for tax years beginning before July 1, 2014, is set forth for the user's convenience.

457.445 The governing body of a municipality that adopted an urban renewal plan before December 5, 1996 (other than an existing urban renewal plan designated as an Option Three plan under ORS 457.435 (2)(c)), that would otherwise be required to use a consolidated billing tax rate as defined in ORS 457.010 (4)(b) may, by resolution or ordinance, irrevocably elect to have amounts collected by dividing the taxes for the urban renewal plan pursuant to ORS 457.440 be determined instead by using the consolidated billing tax rate as defined in ORS 457.010 (4)(a). This election applies first to the assessment roll next following if the assessor has received notice of the election from the urban renewal agency before January 1.

Note: 457.445 was added to and made a part of ORS chapter 457 by legislative action but was not added to any smaller series therein. See Preface to Oregon Revised Statutes for further explanation.

457.450 Notice to tax assessor; provision for debt retirement; distribution of remaining tax increment funds.

(1)(a) ORS 457.440 shall first apply to the assessment roll next following the tax roll referred to in ORS 457.430 if the assessor is provided notice of a plan adoption or amendment changing area boundaries by the agency prior to January 1 before the tax year to which the plan first applies.

(b) If the assessor is not provided notice of plan adoption or amendment changing area boundaries by the agency prior to January 1 before the tax year to which ORS 457.440 would otherwise first apply, then ORS 457.440 shall first apply to the assessment roll next following the assessment roll described in paragraph (a) of this subsection.

(2) When the principal and interest on the maximum indebtedness of an urban renewal plan to which the portion of taxes is irrevocably pledged for payment under ORS 457.435 or 457.440 is fully paid, or it is found that deposits in the special fund are sufficient to fully pay principal and interest on the maximum indebtedness either through direct payment of the indebtedness or by payment of principal and interest on bonds or notes issued to finance the indebtedness, the agency shall notify the assessor of that fact.

(3) All moneys remaining unexpended from the special fund provided for in ORS 457.435 or 457.440, after payment of all the principal and interest on indebtedness is provided for, shall be turned over to the county treasurer by the agency and prorated by the treasurer back to the taxing districts in which the area, or part thereof, is located, in proportion to the amount of money in the fund attributable to each taxing district for the last fiscal year in which tax levy moneys were paid into the special fund of the agency under ORS 457.435 or 457.440. [1961 c.554 §6; 1971 c.426 §1; 1979 c.621 §27; 1991 c.459 §335b; 1997 c.541 §450; 2009 c.700 §5]

457.455 Limiting collections; notification; consultation with taxing districts. (1) If the maximum amount of funds under ORS 457.440 is not required to pay the principal and interest on indebtedness incurred for an urban renewal plan, the urban renewal agency may take formal action to limit collections under a plan for a single fiscal year, and may notify the county assessor pursuant to ORS 457.440 (2)(e) to compute the division of taxes for the urban renewal area using an assessed value that is equal to the amount specified by the agency. The assessor may not use an amount that is greater than the increment.

(2) If the maximum amount of funds under ORS 457.440 is not required to pay the principal and interest on indebtedness incurred for an urban renewal plan, the urban renewal agency may limit future collections under a plan by notifying the county assessor to permanently increase the amount of the total assessed value included in the certified statement filed under ORS 457.430. The assessed value included in the certified statement may not be subsequently decreased except in connection with boundary changes.

(3) Before taking formal action under this section, the urban renewal agency shall consult and confer with each taxing district affected by the urban renewal plan. [2009 c.700 §7]

Note: 457.455 was added to and made a part of ORS chapter 457 by legislative action but was not added to any smaller series therein. See Preface to Oregon Revised Statutes for further explanation.

457.460 Financial report required for agency; contents; notice. (1) Not later than January 31 of each year, an urban renewal agency shall prepare a statement on the same basis on which its financial statements are prepared containing:

(a) The amount of money received during the preceding fiscal year under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460;

(b) The purposes and amounts for which any money received under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460 were expended during the preceding fiscal year;

(c) An estimate of moneys to be received during the current fiscal year under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460;

(d) A budget setting forth the purposes and estimated amounts for which the moneys which have been or will be received under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460 are to be expended during the current fiscal year; and

(e) An analysis of the impact, if any, of carrying out the urban renewal plan on the tax collections for the preceding year for all taxing districts included under ORS 457.430.

(2) The statement required by subsection (1) of this section shall be filed with the governing body of the municipality. Notice shall be published that the statement has been prepared and is on file with the municipality and the agency and the information contained in the statement is available to all interested persons. The notice shall be published once a week for not less than two successive weeks before March 1 of the year in which the statement is filed, in accordance with ORS 457.115. The notice shall summarize the information required under subsection (1)(a) to (d) of this section and shall set forth in full the information required under subsection (1)(e) of this section. [1979 c.621 §23; 1991 c.459 §335c; 1997 c.541 §451; 2009 c.700 §8]

457.470 Modification of assessed value; indexing; concurrence of taxing districts; rules. (1) As used in this section, unless the context requires otherwise:

(a) "Assumed increment" means the assessed value of the increment in the prior year, increased by the average percentage increase of the increment, if any, during the three prior years.

(b) "Large metropolitan plan" means a plan for an urban renewal area by a city with a population of more than 500,000 on January 1, 2010, that is either first approved on or after January 1, 2010, or is substantially amended to increase maximum indebtedness on or after January 1, 2010.

(c) "Maximum division of taxes" means the maximum amount of funds that may be raised for an urban renewal plan by dividing the taxes as provided in section 1c, Article IX of the Oregon Constitution, as described in ORS 457.440 (5), without regard to notices to assessors under this section or ORS 457.455 (1) or adjustments made pursuant to ORS 457.435 (2)(c).

(d) "Transition amount" means the maximum division of taxes for a plan in the year in which the plan is first substantially amended to increase maximum indebtedness on or after January 1, 2010.

(2)(a) Except as provided in paragraphs (b) and (c) of this subsection, an urban renewal agency may notify the assessor to collect the maximum division of taxes for a plan, other than a large metropolitan plan, that is first approved on or after January 1, 2010.

(b) Beginning with the later of the 11th year after the initial approval of the plan or the first year after the year in which the maximum division of taxes equals or exceeds 10 percent of the initial maximum indebtedness in the plan, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an assessed value that is not greater than the sum of:

(A) The amount of assessed value the agency estimates will produce division of tax revenues equal to 10 percent of the initial maximum indebtedness in the plan; and

(B) 25 percent of the amount by which the assumed increment exceeds the assessed value of the increment the agency estimates will produce division of tax revenues equal to 10 percent of the initial maximum indebtedness in the plan.

(c) Beginning with the first year after the year in which the division of taxes equals or exceeds 12.5 percent of the initial maximum indebtedness in the plan, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an amount of assessed value that the agency estimates will produce division of tax revenues that does not exceed 12.5 percent of the initial maximum indebtedness in the plan.

(d) After computing the assessed value as required under paragraph (b) or (c) of this subsection, an urban renewal agency shall further modify the value if, for reasons other than use of the assumed increment, the value included in the prior year's notice to the assessor resulted in division of tax revenues different from the respective target amounts under paragraphs (b) and (c) of this subsection. The modification under this paragraph may not exceed an amount that would result in the difference between the actual revenues and the target amounts.

(3)(a) Except as provided in paragraphs (b) and (c) of this subsection, an urban renewal agency may notify the assessor to collect the maximum division of taxes for a plan, other than a large metropolitan plan, that is substantially amended on or after January 1, 2010, to increase maximum indebtedness.

(b) Beginning with the later of the year after the year in which the plan is substantially amended or the 11th year after the plan was initially approved, when the maximum division of taxes exceeds 10 percent of the initial maximum

indebtedness in the plan, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an assessed value that is not greater than the sum of:

(A) The amount of assessed value the agency estimates will produce division of tax revenues equal to the greater of:

(i) 10 percent of the initial maximum indebtedness in the plan; or

(ii) The transition amount; and

(B) 25 percent of the amount by which the assumed increment exceeds the assessed value of the increment the agency estimates will produce division of tax revenues equal to the greater of:

(i) 10 percent of the initial maximum indebtedness in the plan; or

(ii) The transition amount.

(c) Beginning with the first year after the year in which the division of taxes equals or exceeds the greater of 12.5 percent of the initial maximum indebtedness in the plan or the transition amount, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an amount of assessed value that the agency estimates will produce division of tax revenues that does not exceed the greater of 12.5 percent of the initial maximum indebtedness in the plan or the transition amount.

(d) After computing the assessed value as required under paragraph (b) or (c) of this subsection, an agency shall further modify the value if, for reasons other than use of the assumed increment, the value included in the prior year's notice to the assessor resulted in division of tax revenues different from the respective target amounts under paragraphs (b) and (c) of this subsection. The modification under this paragraph may not exceed an amount that would result in the difference between the actual revenues and the target amounts.

(4)(a) Except as provided in paragraphs (b) to (d) of this subsection, an urban renewal agency may notify the assessor to impose the maximum division of taxes for a large metropolitan plan that is initially approved on or after January 1, 2010.

(b) In the first year after the year in which the maximum division of taxes equals or exceeds three percent of the initial maximum indebtedness in the plan, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an assessed value that is not greater than the sum of:

(A) The amount of assessed value the agency estimates will produce division of tax revenues equal to three percent of the initial maximum indebtedness in the plan; and

(B) 75 percent of the amount by which the assumed increment exceeds the assessed value of the increment the agency estimates will produce division of tax revenues equal to three percent of the initial maximum indebtedness in the plan.

(c) Except as provided in paragraph (d) of this subsection, beginning with the year after the year described in paragraph (b) of this subsection, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an assessed value that is not greater than the sum of:

(A) The amount of assessed value the agency estimates will produce division of tax revenues equal to the greatest amount of division of tax revenues the agency was permitted to use in any prior year to compute assessed value under this paragraph or paragraph (b) of this subsection; and

(B) 75 percent of the amount by which the assumed increment exceeds the assessed value of the increment the agency estimates will produce division of tax revenues equal to the greatest amount of division of tax revenues the agency was permitted to use in any prior year under this paragraph or paragraph (b) of this subsection.

(d) Beginning with the first year after the year described in paragraph (c) of this subsection in which the division of tax revenues equals or exceeds 10 percent of the initial maximum indebtedness in the plan, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an amount of assessed value the agency estimates will produce division of tax revenues that does not exceed 10 percent of the initial maximum indebtedness in the plan.

(e) After computing the assessed value as required under paragraph (b), (c) or (d) of this subsection, an agency shall further modify the value if, for reasons other than use of the assumed increment, the value included in the prior year's notice to the assessor resulted in division of tax revenues different from the respective target amounts under paragraphs (b) to (d) of this subsection. The modification under this paragraph may not exceed an amount that would result in the difference between the actual revenues and the target amounts.

(5)(a) As used in this subsection, "substantial amendment" refers to the first substantial amendment to increase maximum indebtedness for the urban renewal plan after January 1, 2010.

(b) This subsection applies to an urban renewal plan that becomes a large metropolitan plan because it is substantially amended to increase its maximum indebtedness on or after January 1, 2010. This subsection applies beginning in the first year after the year in which the urban renewal plan is first amended to increase its maximum indebtedness on or after January 1, 2010. Except as provided in paragraphs (c) to (e) of this subsection, an urban renewal agency may notify the assessor to impose the maximum division of taxes.

(c) In the first year following a year that the maximum division of taxes exceeds three percent of the maximum indebtedness in effect for the plan immediately before the substantial amendment, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an assessed value that is not greater than the sum of:

(A) The amount of assessed value the agency estimates will produce division of tax revenues equal to the greater of:

(i) The transition amount; or
(ii) Three percent of the maximum indebtedness in the plan immediately before the substantial amendment; and
(B) 75 percent of the amount by which the assumed increment exceeds the assessed value of the increment the agency estimates will produce division of tax revenues equal to the greater of:

(i) The transition amount; or
(ii) Three percent of the maximum indebtedness in the plan immediately before the substantial amendment.
(d) Except as provided in paragraph (e) of this subsection, beginning with the year after the year described in paragraph (c) of this subsection, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an assessed value that is not greater than the sum of:

(A) The amount of assessed value the agency estimates will produce division of tax revenues equal to the greatest amount of division of tax revenues the agency was permitted to use in any prior year to compute assessed value under this paragraph or paragraph (c) of this subsection; and

(B) 75 percent of the amount by which the assumed increment exceeds the assessed value of the increment the agency estimates will produce division of tax revenues equal to the greatest amount of division of tax revenues the agency was permitted to use in any prior year under this paragraph or paragraph (c) of this subsection.

(e) Beginning with the first year after the year in which the division of tax revenues equals or exceeds the greater of the transition amount or 10 percent of the maximum indebtedness in effect for the plan immediately before the substantial amendment, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an amount of assessed value that is not greater than an amount the agency estimates will produce division of tax revenues equal to the greater of the transition amount or 10 percent of the maximum indebtedness in effect for the plan immediately before the substantial amendment.

(f) After computing the assessed value as required under paragraph (c), (d) or (e) of this subsection, an agency shall further modify the value if, for reasons other than use of the assumed increment, the value included in the prior year's notice to the assessor resulted in division of tax revenues different from the respective target amounts under paragraphs (c) to (e) of this subsection. The modification under this paragraph may not exceed an amount that would result in the difference between the actual revenues and the target amounts.

(6)(a) The initial maximum indebtedness for a large metropolitan plan that is initially approved after January 1, 2010, shall be established as provided in ORS 457.190 (4)(a) to (c).

(b) Beginning in 2010, the dollar amounts in this subsection may be increased on July 1 of any year by the percent change in average construction costs since July 1, 2009, according to the Engineering News-Record Northwest (Seattle, Washington) Construction Cost Index. The adjusted dollar amounts may be used only when a large metropolitan plan is initially approved.

(c) The maximum indebtedness may not be increased by more than 20 percent of the initial maximum indebtedness of the plan.

(d) The maximum indebtedness for a plan that becomes a large metropolitan plan because it is substantially amended on or after January 1, 2010, to increase its maximum indebtedness may not be increased above 20 percent of the maximum indebtedness in effect for the plan immediately before the first substantial amendment to increase maximum indebtedness that was made on or after January 1, 2010.

(7) Limitations imposed under this section and ORS 457.190 (4), 457.220 (4) and 457.455 do not apply to the extent the municipality approving a plan obtains the written concurrence of taxing districts imposing at least 75 percent of the amount of taxes imposed under permanent rate limits in the urban renewal area. For plans that are initially approved or substantially amended on or after January 1, 2010, compliance with this section is determined based on the amount of taxes imposed under permanent rate limits in the fiscal year prior to the fiscal year in which the plan is approved or amended, as applicable.

(8) For purposes of this section, a plan is treated as approved or amended on the day on which the municipality took final action to enact the nonemergency ordinance approving or amending the plan.

(9) The amounts shown in the certified statement filed under ORS 457.430 are not affected by subsections (2) to (5) of this section. If the increment for an area is less than the assessed value that the assessor is directed to use under subsections (2) to (5) of this section, the division of taxes shall be computed based on the increment and the assessor shall impose the maximum division of taxes for the plan.

(10)(a) Notwithstanding subsection (1) of this section, as used in this subsection, "transition amount" means the maximum division of taxes for the plan in the fiscal year that the first amendment made after June 1, 2008, to increase maximum indebtedness takes effect.

(b) Notwithstanding any provisions in this section to the contrary, an urban renewal plan that was first approved in 1998 and had an initial maximum indebtedness of \$224,780,350 may be substantially amended after June 1, 2008, to increase maximum indebtedness by not more than \$343,719,650.

(c) Except as provided in paragraph (d) of this subsection, an urban renewal agency may notify the assessor to collect the maximum division of taxes for an urban renewal plan described in paragraph (b) of this subsection that is substantially amended to increase its maximum indebtedness after June 1, 2008.

(d) Beginning with the first fiscal year after the fiscal year in which the first amendment made after June 1, 2008, to increase maximum indebtedness in the plan described in paragraph (b) of this subsection takes effect that the maximum

division of taxes exceeds three percent of the maximum indebtedness in effect for the plan immediately after the first amendment made after June 1, 2008, to increase maximum indebtedness takes effect, the agency shall notify the assessor pursuant to ORS 457.440 (2)(d) to compute the division of taxes for the urban renewal area using an assessed value that is the sum of:

(A) The amount of assessed value the agency estimates will produce division of tax revenues equal to the greater of:

(i) The transition amount; or

(ii) Three percent of the maximum indebtedness in effect for the plan immediately after the first amendment made after June 1, 2008, to increase maximum indebtedness takes effect; and

(B) 75 percent of the amount by which the assumed increment exceeds the assessed value of the increment the agency estimates will produce division of tax revenues equal to the greater of:

(i) The transition amount; or

(ii) Three percent of the maximum indebtedness in effect for the plan immediately after the first amendment made after June 1, 2008, to increase maximum indebtedness takes effect.

(e)(A) To the extent permitted by law, a plan amendment described in this subsection shall provide direct economic benefits to the county in which the plan's urban renewal area is located in the following amounts:

(i) If the plan is substantially amended to increase maximum indebtedness by \$343,719,650 or more, at least \$35,000,000.

(ii) If the plan is amended to increase maximum indebtedness by less than \$343,719,650, no less than 10.18 percent of any increase in maximum indebtedness.

(B) Benefits required under subparagraph (A) of this paragraph shall be paid as follows:

(i) \$10,000,000 no later than June 30, 2014; and

(ii) The balance no later than June 30, 2021.

(11)(a) The Director of the Department of Revenue shall adopt rules necessary to apportion assessed value among tax code areas in an urban renewal area for which the urban renewal agency has notified the assessor pursuant to this section or ORS 457.440 (2)(d) or 457.455 to compute the division of taxes.

(b) The director may adopt any rule necessary or convenient for the imposition and collection of taxes under this section or ORS 457.455.

(12) The taxing districts affected by the urban renewal plan and the urban renewal agency are not liable for any amount by which amounts intended to be collected pursuant to this section differ from the targeted amounts in subsections (2) to (5) of this section. The sole remedy for any difference is the agency's modification of assessed value in subsequent years' notices as provided in subsections (2)(d), (3)(d), (4)(e) and (5)(f) of this section. [2009 c.700 §10]

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APPENDIX 2

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LEGAL DESCRIPTION

CITY OF FOREST GROVE URBAN RENEWAL BOUNDARY

A TRACT OF LAND IN THE CITY OF FOREST GROVE, WASHINGTON COUNTY, OREGON, BEING PART OF THE RECORDED PLAT OF THE "TOWN OF FOREST GROVE" AND OTHER LANDS, IN SECTION 31, TOWNSHIP 1 NORTH, RANGE 3 WEST, SECTION 36, TOWNSHIP 1 NORTH, RANGE 4 WEST, SECTION 6, TOWNSHIP 1 SOUTH, RANGE 3 WEST AND SECTION 1, TOWNSHIP 1 SOUTH, RANGE 4 WEST, WILLAMETTE MERIDIAN, THE BOUNDARY OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF BLOCK 3, TOWN OF FOREST GROVE, WASHINGTON COUNTY PLAT RECORDS, BEING SOUTH 33.00 FEET FROM THE NORTHWEST CORNER HARVEY CLARK DONATION LAND CLAIM NO. 37, SAID POINT BEING THE INTERSECTION OF SAID EAST RIGHT OF WAY OF "B" STREET AND THE SOUTH RIGHT OF WAY OF 21ST AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID SOUTH RIGHT OF WAY LINE OF 21ST AVENUE, S87°52'43"E 458.04 FEET TO THE NORTHWEST CORNER OF BLOCK 2, OF SAID TOWN OF FOREST GROVE SAID POINT BEING THE INTERSECTION OF THE SOUTH RIGHT OF WAY OF 21ST AVENUE AND THE EAST RIGHT OF WAY OF "A" STREET (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG THE EAST RIGHT OF WAY OF "A" STREET N02°07'17"E 468.60 FEET TO A POINT 19.8 FEET EAST OF THE NORTHWEST CORNER OF BLOCK 2, WALKER'S ADDITION, WASHINGTON COUNTY PLAT RECORDS, SAID POINT BEING THE INTERSECTION OF THE EAST RIGHT OF WAY LINE OF "A" STREET AND THE SOUTH RIGHT OF WAY LINE OF 22ND AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID SOUTH RIGHT OF WAY LINE OF 22ND AVENUE S87°52'43"E 402.60 FEET TO THE NORTHEAST CORNER OF BLOCK 2, OF SAID WALKER'S ADDITION AND THE INTERSECTION OF SAID SOUTH RIGHT OF WAY LINE OF 22ND AVENUE AND THE WEST RIGHT OF WAY LINE OF MAIN STREET (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID WEST RIGHT OF WAY LINE OF MAIN STREET, S02°07'17"W 402.60 FEET TO THE SOUTHEAST CORNER OF SAID BLOCK 2, WALKER'S ADDITION AND THE INTERSECTION OF SAID WEST RIGHT OF WAY LINE OF MAIN STREET AND THE NORTH RIGHT OF WAY LINE OF 21ST AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF 21ST AVENUE S87°52'43"E 267.30 FEET TO THE SOUTHEAST CORNER OF BLOCK 1, WALKER'S ADDITION AND THE INTERSECTION OF SAID NORTH RIGHT OF WAY LINE OF 21ST AVENUE AND THE WEST RIGHT OF WAY LINE OF COLLEGE WAY (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID WEST RIGHT OF WAY LINE OF COLLEGE WAY S02°07'17"W 468.60 FEET TO THE SOUTHEAST CORNER OF BLOCK 1, TOWN OF FOREST GROVE, AND THE INTERSECTION OF SAID WEST RIGHT OF WAY LINE OF COLLEGE WAY AND THE NORTH RIGHT OF WAY OF PACIFIC AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF PACIFIC AVENUE S87°52'43"E 1204.50 FEET TO THE SOUTHWEST CORNER OF BLOCK 10, TOWN OF FOREST GROVE AND THE INTERSECTION OF SAID NORTH RIGHT OF WAY LINE OF PACIFIC AVENUE AND THE EAST RIGHT OF WAY LINE OF CEDAR STREET (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID EAST RIGHT OF WAY LINE OF CEDAR STREET N02°07'17"E 402.60 FEET TO THE NORTHWEST CORNER OF SAID BLOCK 10 AND THE INTERSECTION OF SAID EAST RIGHT OF WAY LINE OF

CEDAR STREET AND THE SOUTH RIGHT OF WAY LINE OF 21ST AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID SOUTH RIGHT OF WAY LINE OF 21ST AVENUE S87°52'43"E 468.60 FEET THE NORTHWEST CORNER OF BLOCK 11, TOWN OF FOREST GROVE, AND THE INTERSECTION OF SAID SOUTH RIGHT OF WAY LINE OF 21ST AVENUE AND THE EAST RIGHT OF WAY LINE OF DOUGLAS STREET (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE LEAVING THE NORTH LINE OF THE TOWN OF FOREST GROVE ALONG SAID EAST RIGHT OF WAY LINE OF DOUGLAS STREET N02°07'17"E 120.02 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF THE BURLINGTON NORTHERN RAILROAD (SAID RIGHT OF WAY WIDTH IS 60 FEET); THENCE ALONG SAID SOUTHERLY RIGHT OF WAY LINE OF THE BURLINGTON NORTHERN RAILROAD N57°45'20"E 846.15 FEET TO A POINT OF CURVE RIGHT; THENCE ALONG THE CURVE RIGHT (CENTRAL ANGLE=15°09'37", RADIUS=2834.93 FEET, LONG CHORD BEARS N65°20'09"E 747.93 FEET) 750.11 FEET TO A POINT OF INTERSECTION OF SAID SOUTHERLY RIGHT OF WAY LINE OF THE BURLINGTON NORTHERN RAILROAD AND THE WEST RIGHT OF WAY LINE OF HAWTHORNE STREET BOTH RIGHT OF WAY (WIDTHS ARE 60 FEET); THENCE ALONG SAID WEST RIGHT OF WAY LINE OF HAWTHORNE STREET S02°19'03"W 365.10 FEET TO AN ANGLE POINT AND THE BEGINNING OF A (VARIABLE RIGHT OF WAY WIDTH); THENCE CONTINUING ALONG SAID WEST RIGHT OF WAY LINE OF HAWTHORNE STREET S05°08'03"W 428.07 TO A POINT OF INTERSECTION OF SAID WEST RIGHT OF WAY LINE OF HAWTHORNE STREET AND THE PROJECTION WESTERLY EXTENSION OF THE SOUTH LINE OF THAT TRACT OF LAND DESCRIBED IN WARRANTY DEED TO WILLIAM F. GULACY AND TRACY A. GULACY, RECORDED JULY 20, 1998 AS DOCUMENT NO. 98079019, WASHINGTON COUNTY RECORDS; THENCE ALONG SAID WESTERLY EXTENSION OF THE SOUTH LINE AND THE SOUTH LINE OF SAID WARRANTY DEED S88°21'35"E 283.45 FEET TO A POINT ON THE WEST LINE OF LOT 5, BLOCK 4, MAYWOOD PARK, WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG SAID WEST LINE OF LOT 5, S01°27'05"W 20.00 FEET TO THE SOUTHWEST CORNER OF SAID LOT 5; THENCE ALONG THE SOUTH LINE OF SAID MAYWOOD PARK S88°21'35"E 411.44 FEET TO THE SOUTHEAST CORNER OF SAID MAYWOOD PARK; THENCE ALONG THE WEST LINE OF THAT PROPERTY DESCRIBED IN WARRANTY DEED TO WILLOW PARK LIMITED PARTNERSHIP, AN OREGON LIMITED PARTNERSHIP, RECORDED NOVEMBER 8, 1997 AS DOCUMENT NO. 97104598, WASHINGTON COUNTY RECORDS, S02°02'01"W 111.42 FEET TO THE NORTHWEST CORNER OF THAT PROPERTY DESCRIBED IN STATUTORY WARRANTY DEED TO MUNE LOUIE AND ANGELA LOUIE, RECORDED JULY 12, 2006 AS DOCUMENT NO. 2006-082350, WASHINGTON COUNTY RECORDS; THENCE ALONG THE NORTH LINE OF SAID STATUTORY WARRANTY DEED S88°03'11"E 133.57 FEET TO A POINT ON THE WEST LINE OF THAT PROPERTY DESCRIBED IN BARGAIN AND SALE DEED TO HAMPTON CENTER, LLC, AN OREGON LIMITED LIABILITY COMPANY, RECORDED APRIL 7, 2008 AS DOCUMENT NO. 2008-031222, WASHINGTON COUNTY RECORDS; THENCE ALONG THE WEST LINE OF SAID BARGAIN AND SALE DEED N02°02'01"E 32.80 FEET TO THE NORTHWEST CORNER OF SAID BARGAIN AND SALE DEED; THENCE ALONG THE NORTH LINE OF SAID BARGAIN AND SALE DEED S88°03'11"E 163.57 FEET TO A POINT ON THE WEST LINE OF THAT PROPERTY DESCRIBED IN STATUTORY WARRANTY DEED TO GOODWILL INDUSTRIES OF THE COLUMBIA WILLAMETTE, AN OREGON NON-PROFIT CORPORATION, RECORDED APRIL 30, 1998 AS DOCUMENT NO. 98045010, WASHINGTON COUNTY RECORDS; THENCE ALONG THE WEST LINE OF SAID STATUTORY WARRANTY DEED N02°02'01"E 86.69 FEET TO THE NORTHWEST CORNER OF SAID STATUTORY WARRANTY DEED; THENCE ALONG THE NORTH LINE SAID STATUTORY WARRANTY DEED S87°57'43"E 267.15 FEET TO A POINT ON THE WEST LINE OF PARCEL 1, PARTITION PLAT NO. 1999-041, WASHINGTON COUNTY PLAT RECORDS; THENCE



ALONG THE WEST LINE OF SAID PARCEL 1, N02°02'02"E 39.84 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 1; THENCE ALONG THE NORTH LINE OF SAID PARCEL 1, S88°13'43"E 225.16 FEET TO A POINT ON THE WEST LINE OF LOT 32, VANDERVELDEN TRACTS-NO.2, WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG THE WEST LINE OF SAID LOT 32, N01°53'18"E 18.90 FEET TO THE NORTHWEST CORNER OF SAID LOT 32; THENCE ALONG THE NORTH LINE OF SAID LOT 32 AND LOT 23 OF SAID VANDERVELDEN TRACTS-NO.2, S88°03'51"E 451.01 FEET TO THE NORTHEAST CORNER OF SAID LOT 23; THENCE ALONG THE EAST LINE OF SAID LOT 23, S01°57'09"W 19.73 FEET TO THE SOUTHWEST CORNER OF CONDONETT CONDOMINIUM, WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG THE SOUTH LINE OF SAID CONDONETT CONDOMINIUM AND ALONG THE SOUTH LINE OF THE FOLLOWING PROPERTIES: STATUTORY WARRANTY DEED TO EVENS ENTERPRISES, LLC, AN OREGON LIMITED LIABILITY COMPANY, RECORDED JULY 22, 2005 AS DOCUMENT NO. 2005-086138, WASHINGTON COUNTY RECORDS, QUITCLAIM DEED TO MEYER M. SOROUDI AND JUDITH L. SOROUDI, RECORDED MARCH 2, 2010 AS DOCUMENT NO. 2010-015975, WASHINGTON COUNTY RECORDS, PERSONAL REPRESENTATIVE'S DEED TO LOUIS D. PECKHAM AND ADELLE H. PECKHAM, THE PECKHAM TRUST, RECORDED JULY 29, 2011 AS DOCUMENT NO. 2011-052269, WASHINGTON COUNTY RECORDS S88°04'19"E 667.31 FEET TO THE NORTHWEST CORNER OF PARCEL 4 OF THAT PROPERTY DESCRIBED IN BARGAIN AND SALE DEED TO LL&S HEALTHCARE, LLC, AN OREGON LIMITED LIABILITY COMPANY, RECORDED AUGUST 11, 2005 AS DOCUMENT NO. 2005-095864, WASHINGTON COUNTY RECORDS; THENCE ALONG THE WEST LINE OF SAID PARCEL 4 IN BARGAIN AND SALE DEED S01°56'08"W 105.27 FEET TO THE MOST WESTERLY SOUTHWEST CORNER OF PARCEL 4 OF SAID BARGAIN AND SALE DEED; THENCE ALONG THE PROJECTED EASTERLY EXTENSION OF THE SOUTH LINE (BEING 250 FEET NORTH OF THE MOST SOUTH LINE OF SAID PARCEL 4) IN BARGAIN AND SALE DEED S88°04'17"E 170.61 FEET TO A POINT ON THE EAST LINE OF SAID PARCEL 4 IN BARGAIN AND SALE DEED; THENCE ALONG SAID EAST LINE N02°11'32"E 104.86 FEET TO AN ANGLE POINT IN SAID BARGAIN AND SALE DEED; THENCE ALONG THE SOUTH LINE OF SAID BARGAIN AND SALE DEED S88°19'57"E 112.90 FEET TO THE SOUTHEAST CORNER THEREOF AND THE WEST RIGHT OF WAY LINE OF OAK STREET (RIGHT OF WAY WIDTH IS 66 FEET); THENCE ALONG SAID WEST RIGHT OF WAY LINE S01°59'24"W 345.43 FEET TO THE INTERSECTION OF THE WEST RIGHT OF WAY LINE OF OAK STREET (RIGHT OF WAY WIDTH OF 66 FEET) AND THE NORTH RIGHT OF WAY LINE OF THE TUALATIN VALLEY HIGHWAY (RIGHT OF WAY WIDTH OF 120 FEET) ; THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF THE TUALATIN VALLEY HIGHWAY S88°09'46"E 17.30 FEET TO A POINT OF CURVE LEFT; THENCE ALONG THE CURVE LEFT (CENTRAL ANGLE = 4°46'00", RADIUS = 3759.70 FEET, LONG CHORD BEARS N89°27'14"E 312.69 FEET) 312.78 FEET TO A POINT; THENCE CONTINUING ALONG SAID NORTH RIGHT OF WAY LINE N87°04'14"E 163.71 FEET TO A POINT OF CURVE RIGHT; THENCE ALONG THE CURVE RIGHT (CENTRAL ANGLE = 4°44'59", RADIUS = 3893.12 FEET, LONG CHORD BEARS N89°26'43"E 322.64 FEET) 322.73 FEET TO A POINT; THENCE CONTINUING ALONG SAID NORTH RIGHT OF WAY LINE S88°10'47"E 223.58 FEET TO THE INTERSECTION OF THE EAST RIGHT OF WAY LINE OF QUINCE STREET (RIGHT OF WAY WIDTH OF 63 FEET) AND THE NORTH RIGHT OF WAY LINE OF THE TUALATIN VALLEY HIGHWAY (RIGHT OF WAY WIDTH VARIES) ; THENCE ALONG SAID EAST RIGHT OF WAY LINE N03°01'54"E 115.64 FEET TO AN ANGLE POINT IN THE EAST RIGHT OF WAY LINE; THENCE S86°58'06"E 3.00 FEET (RIGHT OF WAY WIDTH OF 66 FEET); THENCE ALONG SAID EAST RIGHT OF WAY LINE N03°01'54"E 192.02 FEET; THENCE N86°58'06"W 3.00 FEET TO (RIGHT OF WAY WIDTH OF 63 FEET); THENCE ALONG SAID EAST RIGHT OF WAY LINE N03°01'54"E 153.23 FEET TO THE SOUTHWEST CORNER



OF THAT PROPERTY DESCRIBED IN WARRANTY DEED TO FOREST MANOR APARTMENTS, RECORDED JANUARY 7, 1972 IN BOOK 849, PAGE 900, WASHINGTON COUNTY RECORDS; THENCE ALONG THE SOUTH LINE OF SAID WARRANTY DEED AND FORESTMEADE, WASHINGTON COUNTY PLAT RECORDS S88°09'47"E 829.01 FEET TO THE SOUTHEAST CORNER OF SAID FORESTMEADE AND THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN BARGAIN AND SALE DEED TO CRYSTAL WATERS, LLC, AN OREGON LIMITED LIABILITY COMPANY, RECORDED OCTOBER 5, 2007 AS DOCUMENT NO. 2007-107290, WASHINGTON COUNTY RECORDS; THENCE ALONG THE EAST LINE OF SAID BARGAIN AND SALE DEED S02°21'01"W 570.35 FEET TO THE INTERSECTION OF THE PROJECTION SOUTHERLY EXTENSION OF THE EAST LINE OF SAID BARGAIN AND SALE DEED AND THE SOUTH RIGHT OF WAY LINE OF TUALATIN VALLEY HIGHWAY (RIGHT OF WAY WIDTH OF 105 FEET); THENCE ALONG SAID SOUTH RIGHT OF WAY LINE OF TUALATIN VALLEY HIGHWAY S88°10'24"E 310.03 FEET TO THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN STATUTORY WARRANTY DEED TO MGP X REIT, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, RECORDED OCTOBER 26, 2012 AS DOCUMENT NO. 2012-090742, WASHINGTON COUNTY RECORDS; THENCE ALONG THE EAST LINE OF SAID STATUTORY WARRANTY DEED OF THE FOLLOWING COURSES: A POINT OF CURVE LEFT; THENCE ALONG THE CURVE LEFT (CENTRAL ANGLE = 46°48'53", RADIUS = 20.00 FEET, LONG CHORD BEARS S25°21'49"W 15.89 FEET) 16.34 FEET TO A POINT; THENCE S01°57'22"W 11.06 FEET TO A POINT OF CURVE RIGHT; THENCE ALONG THE CURVE RIGHT (CENTRAL ANGLE = 19°12'27", RADIUS = 100.00 FEET, LONG CHORD BEARS S11°33'36"W 33.37 FEET) 33.52 FEET TO A POINT OF CURVE LEFT; THENCE ALONG THE CURVE LEFT (CENTRAL ANGLE = 19°12'26", RADIUS = 80.00 FEET, LONG CHORD BEARS S11°33'37"W 26.69 FEET) 26.82 FEET TO A POINT; THENCE S01°57'24"W 40.01 FEET TO A POINT OF CURVE RIGHT; THENCE ALONG THE CURVE RIGHT (CENTRAL ANGLE = 87°58'13", RADIUS = 5.18 FEET, LONG CHORD BEARS S45°56'23"W 7.19 FEET) 7.95 FEET TO A POINT; THENCE S01°57'24"W 500.76 FEET TO THE NORTH RIGHT OF WAY LINE OF 19TH AVENUE (RIGHT OF WAY WIDTH OF 60 FEET); THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF 19TH AVENUE N87°55'57"W 330.00 FEET TO A POINT ON A LINE BETWEEN THE EAST 1/2 AND THE WEST 1/2 OF THE WILLIAMS CATCHING DLC NO. 38 AND AN ANGLE POINT OF NORTH RIGHT OF WAY LINE OF 19TH AVENUE ; THENCE ALONG SAID DLC S01°57'24"W 5.00 FEET TO THE NORTH RIGHT OF WAY LINE OF 19TH AVENUE (RIGHT OF WAY WIDTH OF 50 FEET); THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF 19TH AVENUE N88°21'24"W 672.08 FEET TO THE SOUTHWEST CORNER THAT PROPERTY DESCRIBED IN REAL ESTATE CONTRACT M. JAMES DOYLE AND CECILE A. DOYLE, RECORDED JANUARY 8, 1981 AS DOCUMENT NO. 81000839, WASHINGTON COUNTY RECORDS; THENCE N72°22'03"W 31.14 FEET TO THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN RELINQUISHMENT OF TITLE DEED TO THE CITY OF FOREST GROVE, RECORDED MARCH 20, 1978 AS DOCUMENT NO. 78-13548, WASHINGTON COUNTY RECORDS; THENCE ALONG THE NORTH LINE OF SAID RELINQUISHMENT OF TITLE DEED N88°12'24"W 312.13 FEET TO A POINT OF INTERSECTION OF PROJECTED WESTERLY EXTENSION OF SAID NORTH LINE OF RELINQUISHMENT OF TITLE DEED AND THE WEST RIGHT OF WAY LINE OF TUALATIN VALLEY HIGHWAY (RIGHT OF WAY WIDTH VARIES) ; THENCE ALONG SAID WEST RIGHT OF WAY LINE OF TUALATIN VALLEY HIGHWAY S13°21'25"W 81.88 FEET TO THE SOUTHEAST CORNER OF THAT PROPERTY DESCRIBED IN WARRANTY DEED TO NEW ALBERTSONS, INC., RECORDED JUNE 12, 2006 AS DOCUMENT NO. 2006-069418, WASHINGTON COUNTY RECORDS; THENCE ALONG THE SOUTH LINE OF SAID WARRANTY DEED N87°52'39"W 311.25 FEET TO THE SOUTHWEST CORNER OF SAID WARRANTY DEED AND THE EAST RIGHT OF WAY LINE OF POPLAR STREET (RIGHT OF WAY WIDTH OF 40 FEET); THENCE



ALONG SAID EAST RIGHT OF WAY LINE OF POPLAR STREET N02°02'55"E 78.86 FEET TO THE INTERSECTION OF SAID EAST RIGHT OF WAY LINE OF POPLAR STREET (RIGHT OF WAY WIDTH OF 40 FEET) AND THE PROJECTED EASTERLY EXTENSION OF NORTH RIGHT OF WAY LINE OF 19TH AVENUE (RIGHT OF WAY WIDTH OF 60 FEET); THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF 19TH AVENUE N88°06'07"W 444.00 FEET TO THE SOUTHWEST CORNER OF LOT 6, ERBVALE, WASHINGTON COUNTY PLAT, RECORDS AT THE INTERSECTION OF THE NORTH RIGHT OF WAY LINE OF 19TH AVENUE AND THE EAST RIGHT OF WAY LINE OF OAK STREET (BOTH RIGHT OF WAY WIDTHS 60 FEET); THENCE ALONG SAID EAST RIGHT OF WAY LINE OF OAK STREET N02°01'53"E 116.80 FEET TO THE NORTHWEST CORNER OF LOT 7 OF SAID PLAT; THENCE THE PROJECTED EASTERLY EXTENSION OF SOUTH LINE OF LOT 4 OF SAID PLAT AND CROSSES OAK STREET N88°06'07"W 190.00 FEET TO THE SOUTHWEST CORNER OF SAID LOT 4 AND THE WEST BOUNDARY OF ERBVALE; THENCE ALONG THE WEST LINE OF SAID LOT 4 N02°01'53"E 120.00 FEET TO THE SOUTHEAST CORNER OF THAT PROPERTY DESCRIBED IN STATUTORY WARRANTY DEED TO FOREST GROVE MINI STORAGE, LLC, RECORDED NOVEMBER 1, 2012 AS DOCUMENT NO. 2012-093012, WASHINGTON COUNTY RECORDS; THENCE ALONG THE SOUTH LINE OF SAID STATUTORY WARRANTY DEED N88°03'13"W 335.38 FEET TO THE NORTHEAST CORNER OF RUBY'S ADDITION (VACATED), WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG SAID NORTH LINE OF RUBY'S ADDITION (VACATED) N88°50'17"W 343.51 FEET TO THE WEST RIGHT OF WAY LINE OF MAPLE STREET BEING THE INTERSECTION OF THE PROJECTION WESTERLY EXTENSION OF THE NORTH LINE OF RUBY'S ADDITION (VACATED) AND THE WEST RIGHT OF WAY LINE OF MAPLE STREET (RIGHT OF WAY WIDTH OF 60 FEET); THENCE S02°25'04"W 232.68 FEET ALONG SAID WEST RIGHT OF WAY LINE OF MAPLE STREET TO THE SOUTHEAST CORNER OF LOT 17, VANDERVELDEN TRACTS, WASHINGTON COUNTY PLAT RECORDS, AND THE INTERSECTION OF THE WEST RIGHT OF WAY LINE OF MAPLE STREET (RIGHT OF WAY WIDTH OF 60 FEET) AND THE NORTH RIGHT OF WAY LINE OF 19TH AVENUE (RIGHT OF WAY WIDTH OF 66 FEET); THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF 19TH AVENUE N88°06'07"W 518.98 FEET TO THE INTERSECTION OF THE PROJECTED NORTHERLY EXTENSION OF THE EAST LINE OF THAT PROPERTY DESCRIBED IN STATUTORY WARRANTY DEED TO ELLIOTT D. HORNE AND MELISSA D. HORNE, RECORDED JANUARY 29, 1999 AS DOCUMENT NO. 99011958, WASHINGTON COUNTY RECORDS, AND SAID NORTH RIGHT OF WAY LINE OF 19TH AVENUE; THENCE S02°06'50"W 284.24 FEET ALONG SAID EAST LINE OF SAID STATUTORY WARRANTY DEED AND THE EAST LINE OF THAT PROPERTY DESCRIBED IN QUITCLAIM DEED TO FOREST GROVE VILLA LLC, RECORDED OCTOBER 29, 2007 AS DOCUMENT NO. 2007-113946, WASHINGTON COUNTY RECORDS, TO THE SOUTHEAST CORNER OF SAID QUITCLAIM DEED; THENCE ALONG THE SOUTH LINE OF THE FOLLOWING PROPERTIES: IN QUITCLAIM DEED TO FOREST GROVE VILLA LLC, RECORDED OCTOBER 29, 2007 AS DOCUMENT NO. 2007-113946, STATUTORY BARGAIN AND SALE DEED JOSE ARCIGA APARTMENTS, LIMITED PARTNERSHIP, RECORDED AUGUST 22, 2000 AS DOCUMENT NO. 2000067461 AND QUITCLAIM DEED TO DEAN CHAPMAN AND RENEE M. WRIGHT, RECORDED APRIL 20, 2012 AS DOCUMENT NO. 2012-031689, ALL IN THE WASHINGTON COUNTY RECORDS, N88°06'09"W 294.43 FEET TO THE SOUTHWEST CORNER OF SAID QUITCLAIM DEED; THENCE ALONG THE WEST LINE OF SAID QUITCLAIM DEED N01°53'51"E 14.75 FEET TO THE SOUTHEAST CORNER OF THAT PROPERTY DESCRIBED IN STATUTORY WARRANTY DEED TO JOSE ARCIGA APARTMENTS LTD., PARTNERSHIP, RECORDED AUGUST 15, 2000 AS DOCUMENT NO. 2000065026, WASHINGTON COUNTY RECORDS; THENCE ALONG THE SOUTH LINE OF THE FOLLOWING PROPERTIES: STATUTORY WARRANTY DEED TO JOSE ARCIGA APARTMENTS LTD., PARTNERSHIP, RECORDED AUGUST

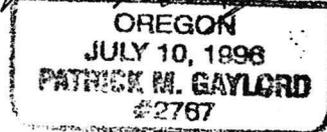
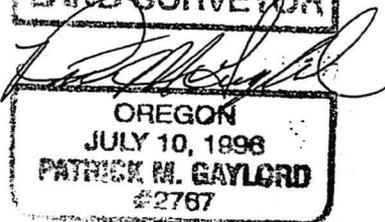
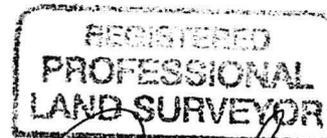


15, 2000 AS DOCUMENT NO. 2000065026, SPECIAL WARRANTY DEED TO RENE CHANCO AND CARLA ANN CHANCO, RECORDED NOVEMBER 13, 1991 AS DOCUMENT NO. 91063013 AND WARRANTY DEED TO ROY MATEO, RECORDED JUNE 29, 1993 AS DOCUMENT NO. 93051230, ALL IN THE WASHINGTON COUNTY RECORDS, N88°06'09"W 289.31 FEET TO THE SOUTHWEST CORNER OF SAID WARRANTY DEED AND A POINT ON THE EAST LINE OF PARCEL 1, PARTITION PLAT NO. 1998-066, WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG THE EAST LINE SAID PARCEL 1, S02°23'03"W 105.00 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL 1; THENCE ALONG THE SOUTH LINE OF SAID PARCEL 1, N88°06'20"W 75.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 1; THENCE ALONG THE WEST LINE OF SAID PARCEL 1, N02°23'03"E 21.00 FEET TO THE SOUTHEAST CORNER OF THAT PROPERTY DESCRIBED IN , QUITCLAIM DEED TO FULTEN FAMILY PARTNERSHIP, LIMITED PARTNERSHIP, RECORDED SEPTEMBER 1, 1995 AS DOCUMENT NO. 95062473, WASHINGTON COUNTY RECORDS; THENCE ALONG THE SOUTH LINE OF SAID QUITCLAIM DEED AND THE SOUTH LINE OF THAT PROPERTY DESCRIBED IN BARGAIN AND SALE DEED TO SUPERIOR BARON PROPERTIES, LLC AN OREGON LIMITED LIABILITY COMPANY, RECORDED SEPTEMBER 28, 2009 AS DOCUMENT NO. 2009-086797, WASHINGTON COUNTY RECORDS N88°06'09"W 324.17 FEET TO THE SOUTHWEST CORNER OF SAID BARGAIN AND SALE DEED; THENCE ALONG THE WEST LINE OF SAID BARGAIN AND SALE DEED N02°23'03"E 70.04 FEET TO THE SOUTHEAST CORNER OF THAT PROPERTY DESCRIBED IN BARGAIN AND SALE DEED TO FOREST GROVE REAL ESTATE, LLC, RECORDED DECEMBER 8, 2007 AS DOCUMENT NO. 2007-125457, WASHINGTON COUNTY RECORDS; THENCE ALONG THE SOUTH LINE OF SAID BARGAIN AND SALE DEED AND THE SOUTH LINE OF THAT PROPERTY DESCRIBED IN BARGAIN AND SALE DEED TO MAYGER ALLIANCE GROUP LLC AND JUSTIN TIRET, RECORDED SEPTEMBER 3, 2009 AS DOCUMENT NO. 2009-080673, WASHINGTON COUNTY RECORDS N88°10'20"W 499.44 FEET TO THE SOUTHWEST CORNER OF SAID DOCUMENT NO. 2009-080673 AND A POINT ON THE EAST RIGHT OF WAY LINE OF HAWTHORNE STREET (RIGHT OF WAY WIDTH OF 66 FEET); THENCE CROSSING HAWTHORNE STREET N73°43'41"W 68.07 FEET TO THE SOUTHEAST CORNER OF LOT 2, BLOCK 17, OF SAID TOWN OF FOREST GROVE; THENCE ALONG THE SOUTH LINE OF SAID LOT 2, N87°52'43"W 201.30 FEET TO THE SOUTHWEST CORNER OF SAID LOT 2; THENCE ALONG THE WEST LINE OF SAID LOT 2, N02°07'17"E 50.00 FEET TO THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN WARRANTY DEED TO KEVIN J. STUDER AND MARY E. STUDER, RECORDED OCTOBER 3, 1988 AS DOCUMENT NO. 88-43847, WASHINGTON COUNTY RECORDS; THENCE ALONG THE NORTH LINE OF SAID WARRANTY DEED N87°52'43"W 101.30 FEET TO THE NORTHWEST CORNER OF SAID WARRANTY DEED; THENCE ALONG THE WEST LINE OF SAID WARRANTY DEED S02°07'17"W 50.00 FEET TO A POINT ON THE SOUTH LINE OF LOT 3, BLOCK 17, OF SAID TOWN OF FOREST GROVE; THENCE ALONG THE SOUTH LINE OF SAID LOT 3, N87°52'43"W 100.00 FEET TO THE SOUTHWEST CORNER THEREOF AND THE EAST RIGHT OF WAY LINE OF FILBERT STREET (RIGHT OF WAY WIDTH OF 66 FEET); THENCE ALONG THE SOUTH LINE OF LOTS 2 AND 3 IN EACH OF BLOCKS 18, 19, AND 20 OF SAID TOWN OF FOREST GROVE, N87°52'43"W 1471.80 FEET TO THE SOUTHEAST CORNER OF LOT 2, BLOCK 21 OF SAID TOWN OF FOREST GROVE, SAID POINT BEING THE WEST RIGHT OF WAY LINE OF CEDAR STREET (RIGHT OF WAY WIDTH OF 66 FEET); THENCE ALONG SAID WEST RIGHT OF WAY LINE N02°07'17"E 2.20 FEET TO THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN WARRANTY DEED TO RONALD A. WATSON AND CLAUDIA J. WATSON, RECORDED JANUARY 12, 2007 AS DOCUMENT NO. 2007-005127, WASHINGTON COUNTY RECORDS; THENCE ALONG THE NORTH LINE OF SAID IN WARRANTY DEED N87°54'36"W 164.07 FEET TO THE NORTHWEST CORNER OF SAID IN WARRANTY DEED; THENCE ALONG



THE WEST LINE OF SAID WARRANTY DEED S02°08'59"W 2.20 FEET TO THE NORTHEAST CORNER OF PARCEL 2, PARTITION PLAT NO. 1991-079, WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG THE NORTH LINE OF SAID PARCEL 2 N87°52'43"W 99.95 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 2 AND A POINT ON THE EAST LINE OF THAT PROPERTY DESCRIBED IN WARRANTY DEED TO MIRACLES INC. A NEVADA CORPORATION, RECORDED OCTOBER 20, 2005 AS DOCUMENT NO. 2005-131074 WASHINGTON COUNTY RECORDS; THENCE ALONG SAID EAST LINE, N02°07'17"E 51.30 FEET TO THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN SAID DOCUMENT NO. 2005-131074; THENCE ALONG THE NORTH LINE OF SAID DOCUMENT NO. 2005-131074, N87°52'43"W 138.60 FEET TO THE NORTHWEST CORNER OF SAID WARRANTY DEED AND A POINT ON THE EAST RIGHT OF WAY LINE OF BIRCH STREET (RIGHT OF WAY WIDTH OF 66 FEET BY PLAT); THENCE CROSSING BIRCH STREET, S89°44'08"W 66.06 FEET TO THE NORTHEAST CORNER OF PARCEL 1, PARTITION PLAT NO. 1991-019, WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG THE WEST RIGHT OF WAY LINE OF BIRCH STREET S02°07'17"W 59.85 FEET TO THE SOUTHEAST CORNER OF PARCEL 2 OF SAID PLAT NO. 1991-019; THENCE ALONG THE SOUTH LINE OF SAID PARCEL 2, N87°52'43"W 283.50 FEET TO THE SOUTHWEST CORNER THEREOF; THENCE ALONG THE WEST LINE OF SAID PARCEL 2, N02°07'17"E 11.30 FEET TO A POINT ON THE SOUTH LINE OF LOT 3, BLOCK 22, OF SAID TOWN OF FOREST GROVE; THENCE ALONG THE SOUTH LINE OF SAID LOT 3 AND ITS WESTERLY EXTENSION, N87°52'43"W 185.10 FEET TO THE SOUTHEAST CORNER OF SAID LOT 2, BLOCK 23, OF SAID TOWN OF FOREST GROVE AND THE WEST RIGHT OF WAY LINE OF ASH STREET (RIGHT OF WAY WIDTH OF 66 FEET); THENCE S02°07'17"W 201.30 FEET TO THE SOUTHEAST CORNER OF SAID BLOCK 23 AND SAID POINT BEING AT THE INTERSECTION OF THE EAST RIGHT OF WAY LINE OF ASH STREET AND THE NORTH RIGHT OF WAY LINE OF 18TH AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG THE SAID NORTH RIGHT OF WAY LINE OF 18TH AVENUE, N87°52'43"W 1798.74 FEET TO THE SOUTHWEST CORNER OF LOT 15, PROSPECT PARK, WASHINGTON COUNTY PLAT RECORDS, SAID POINT BEING AT THE INTERSECTION OF THE NORTH RIGHT OF WAY LINE OF 18TH AVENUE AND THE EAST RIGHT OF WAY LINE OF "C" STREET (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID EAST RIGHT OF WAY LINE OF "C" STREET N02°07'17"E 402.60 FEET, TO THE INTERSECTION OF THE EAST RIGHT OF WAY LINE OF "C" STREET AND THE SOUTH RIGHT OF WAY LINE OF 19TH AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID SOUTH RIGHT OF WAY LINE OF 19TH AVENUE, S87°52'43"E 200.00 FEET TO A POINT ON THE EAST LINE OF LOT 10 OF SAID PROSPECT PARK; THENCE ALONG SAID EAST LINE OF LOT 10, N02°07'17"E 10.00 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF 19TH AVENUE BEING A (RIGHT OF WAY WIDTH OF 56 FEET); THENCE CONTINUING ALONG SAID RIGHT OF WAY LINE OF 19TH AVENUE, S87°52'43"E 269.50 FEET TO THE INTERSECTION OF THE SOUTH RIGHT OF WAY LINE OF 19TH AVENUE (RIGHT OF WAY WIDTH OF 56 FEET) AND THE EAST RIGHT OF WAY LINE OF "B" STREET (RIGHT OF WAY WIDTH OF 66 FEET BY PLAT); THENCE ALONG SAID EAST RIGHT OF WAY OF "B" STREET, N02°07'17"E 927.20 FEET TO THE POINT OF BEGINNING.

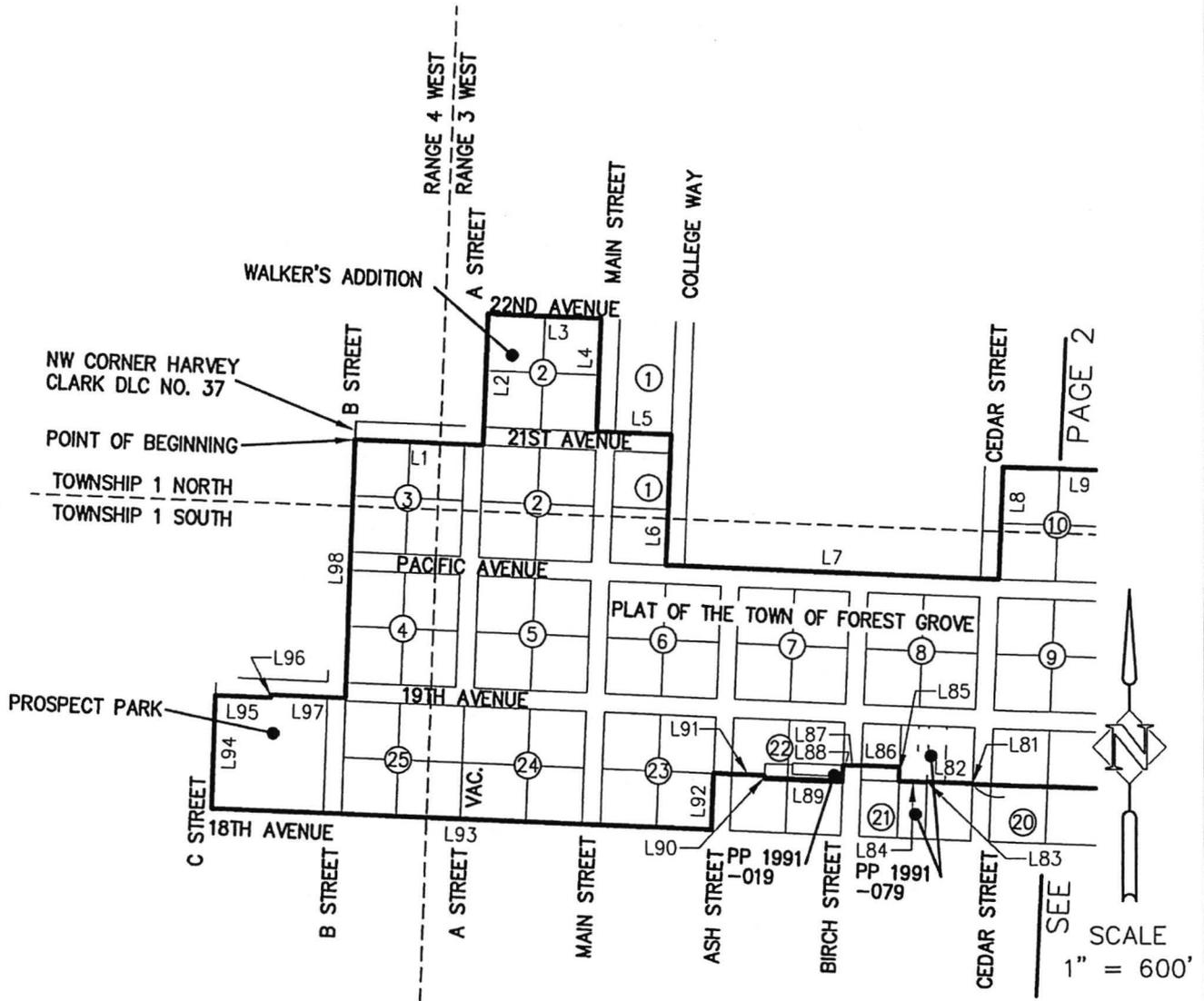
CONTAINING 248.3 ACRES MORE OR LESS.



Renewed through 6/30/2013



EXHIBIT "B"
 THE CITY OF FOREST GROVE
 URBAN RENEWAL BOUNDARY



REGISTERED
 PROFESSIONAL
 LAND SURVEYOR

Patrick M. Gaylord

OREGON
 JULY 10, 1996
 PATRICK M. GAYLORD
 2767

EXPIRES 06-30-13

SEE ATTACHED
 LEGAL DESCRIPTION



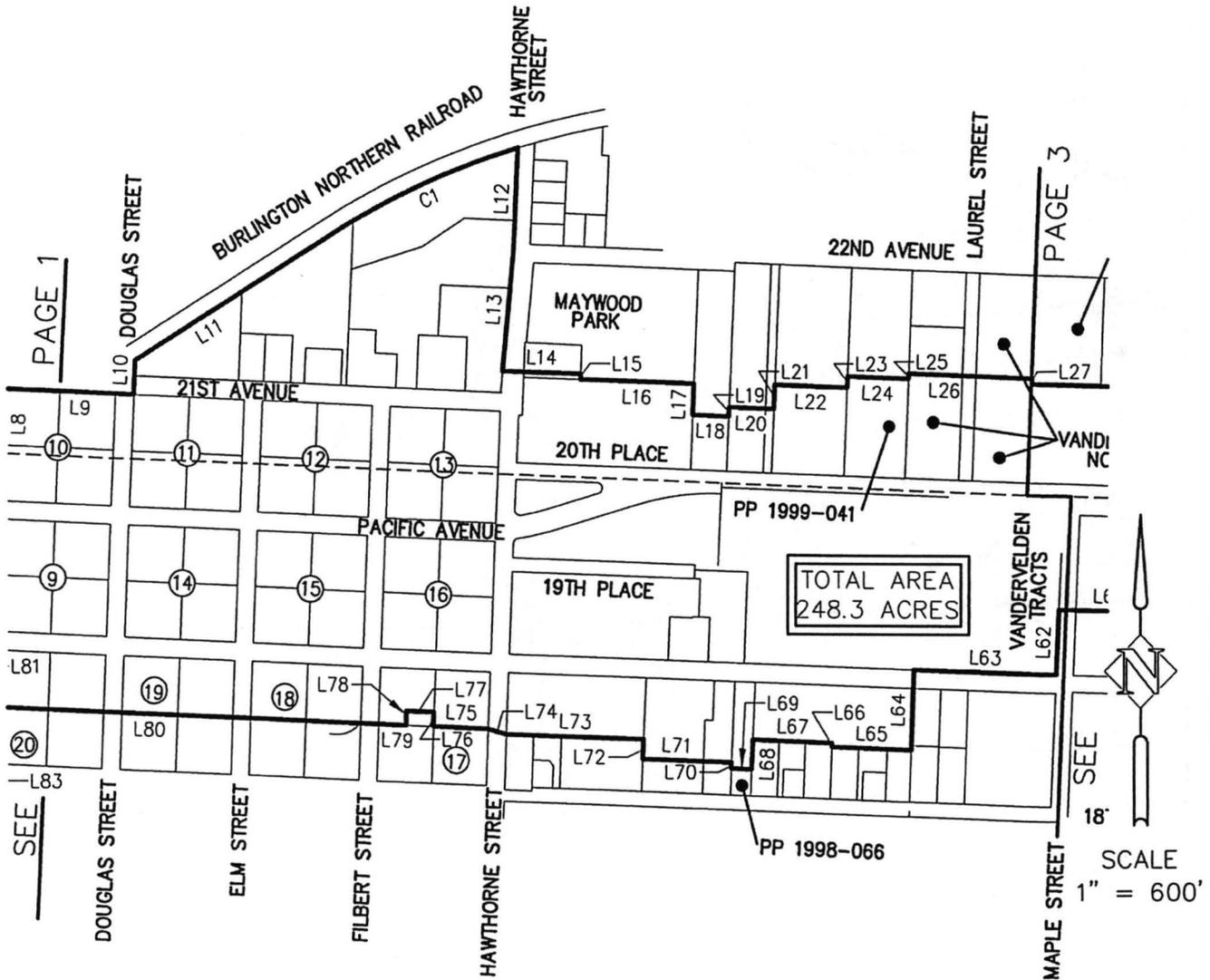
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 phone: 503.221.1131 www.hhpr.com fax: 503.221.1171

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EXHIBIT "B"
 THE CITY OF FOREST GROVE
 URBAN RENEWAL BOUNDARY



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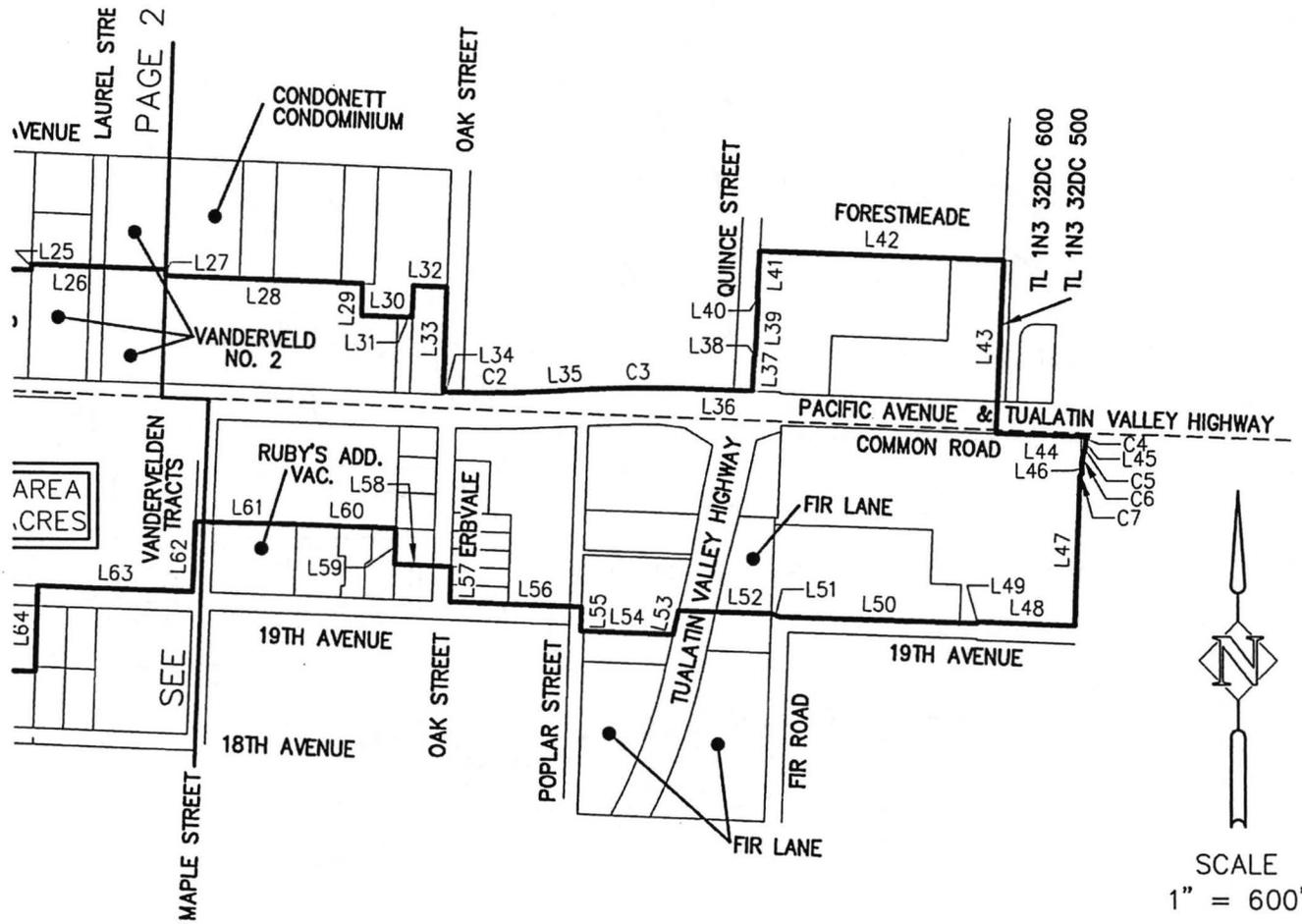
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SEE ATTACHED
 LEGAL DESCRIPTION

EXHIBIT "B"
 THE CITY OF FOREST GROVE
 URBAN RENEWAL BOUNDARY



SEE ATTACHED
 LEGAL DESCRIPTION



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LEGAL DESCRIPTION

CITY OF FOREST GROVE URBAN RENEWAL BOUNDARY

A TRACT OF LAND IN THE CITY OF FOREST GROVE, WASHINGTON COUNTY, OREGON, BEING PART OF THE RECORDED PLAT OF THE "TOWN OF FOREST GROVE" AND OTHER LANDS, IN SECTION 31, TOWNSHIP 1 NORTH, RANGE 3 WEST, SECTION 36, TOWNSHIP 1 NORTH, RANGE 4 WEST, SECTION 6, TOWNSHIP 1 SOUTH, RANGE 3 WEST AND SECTION 1, TOWNSHIP 1 SOUTH, RANGE 4 WEST, WILLAMETTE MERIDIAN, THE BOUNDARY OF WHICH IS MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF BLOCK 3, TOWN OF FOREST GROVE, WASHINGTON COUNTY PLAT RECORDS, BEING SOUTH 33.00 FEET FROM THE NORTHWEST CORNER HARVEY CLARK DONATION LAND CLAIM NO. 37, SAID POINT BEING THE INTERSECTION OF SAID EAST RIGHT OF WAY OF "B" STREET AND THE SOUTH RIGHT OF WAY OF 21ST AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID SOUTH RIGHT OF WAY LINE OF 21ST AVENUE, S87°52'43"E 458.04 FEET TO THE NORTHWEST CORNER OF BLOCK 2, OF SAID TOWN OF FOREST GROVE SAID POINT BEING THE INTERSECTION OF THE SOUTH RIGHT OF WAY OF 21ST AVENUE AND THE EAST RIGHT OF WAY OF "A" STREET (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG THE EAST RIGHT OF WAY OF "A" STREET N02°07'17"E 468.60 FEET TO A POINT 19.8 FEET EAST OF THE NORTHWEST CORNER OF BLOCK 2, WALKER'S ADDITION, WASHINGTON COUNTY PLAT RECORDS, SAID POINT BEING THE INTERSECTION OF THE EAST RIGHT OF WAY LINE OF "A" STREET AND THE SOUTH RIGHT OF WAY LINE OF 22ND AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID SOUTH RIGHT OF WAY LINE OF 22ND AVENUE S87°52'43"E 402.60 FEET TO THE NORTHEAST CORNER OF BLOCK 2, OF SAID WALKER'S ADDITION AND THE INTERSECTION OF SAID SOUTH RIGHT OF WAY LINE OF 22ND AVENUE AND THE WEST RIGHT OF WAY LINE OF MAIN STREET (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID WEST RIGHT OF WAY LINE OF MAIN STREET, S02°07'17"W 402.60 FEET TO THE SOUTHEAST CORNER OF SAID BLOCK 2, WALKER'S ADDITION AND THE INTERSECTION OF SAID WEST RIGHT OF WAY LINE OF MAIN STREET AND THE NORTH RIGHT OF WAY LINE OF 21ST AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF 21ST AVENUE S87°52'43"E 267.30 FEET TO THE SOUTHEAST CORNER OF BLOCK 1, WALKER'S ADDITION AND THE INTERSECTION OF SAID NORTH RIGHT OF WAY LINE OF 21ST AVENUE AND THE WEST RIGHT OF WAY LINE OF COLLEGE WAY (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID WEST RIGHT OF WAY LINE OF COLLEGE WAY S02°07'17"W 468.60 FEET TO THE SOUTHEAST CORNER OF BLOCK 1, TOWN OF FOREST GROVE, AND THE INTERSECTION OF SAID WEST RIGHT OF WAY LINE OF COLLEGE WAY AND THE NORTH RIGHT OF WAY OF PACIFIC AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF PACIFIC AVENUE S87°52'43"E 1204.50 FEET TO THE SOUTHWEST CORNER OF BLOCK 10, TOWN OF FOREST GROVE AND THE INTERSECTION OF SAID NORTH RIGHT OF WAY LINE OF PACIFIC AVENUE AND THE EAST RIGHT OF WAY LINE OF CEDAR STREET (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID EAST RIGHT OF WAY LINE OF CEDAR STREET N02°07'17"E 402.60 FEET TO THE NORTHWEST CORNER OF SAID BLOCK 10 AND THE INTERSECTION OF SAID EAST RIGHT OF WAY LINE OF

EXHIBIT 2

CEDAR STREET AND THE SOUTH RIGHT OF WAY LINE OF 21ST AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID SOUTH RIGHT OF WAY LINE OF 21ST AVENUE S87°52'43"E 468.60 FEET THE NORTHWEST CORNER OF BLOCK 11, TOWN OF FOREST GROVE, AND THE INTERSECTION OF SAID SOUTH RIGHT OF WAY LINE OF 21ST AVENUE AND THE EAST RIGHT OF WAY LINE OF DOUGLAS STREET (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE LEAVING THE NORTH LINE OF THE TOWN OF FOREST GROVE ALONG SAID EAST RIGHT OF WAY LINE OF DOUGLAS STREET N02°07'17"E 120.02 FEET TO THE SOUTHERLY RIGHT OF WAY LINE OF THE BURLINGTON NORTHERN RAILROAD (SAID RIGHT OF WAY WIDTH IS 60 FEET); THENCE ALONG SAID SOUTHERLY RIGHT OF WAY LINE OF THE BURLINGTON NORTHERN RAILROAD N57°45'20"E 846.15 FEET TO A POINT OF CURVE RIGHT; THENCE ALONG THE CURVE RIGHT (CENTRAL ANGLE=15°09'37", RADIUS=2834.93 FEET, LONG CHORD BEARS N65°20'09"E 747.93 FEET) 750.11 FEET TO A POINT OF INTERSECTION OF SAID SOUTHERLY RIGHT OF WAY LINE OF THE BURLINGTON NORTHERN RAILROAD AND THE WEST RIGHT OF WAY LINE OF HAWTHORNE STREET BOTH RIGHT OF WAY (WIDTHS ARE 60 FEET); THENCE ALONG SAID WEST RIGHT OF WAY LINE OF HAWTHORNE STREET S02°19'03"W 365.10 FEET TO AN ANGLE POINT AND THE BEGINNING OF A (VARIABLE RIGHT OF WAY WIDTH); THENCE CONTINUING ALONG SAID WEST RIGHT OF WAY LINE OF HAWTHORNE STREET S05°08'03"W 428.07 TO A POINT OF INTERSECTION OF SAID WEST RIGHT OF WAY LINE OF HAWTHORNE STREET AND THE PROJECTION WESTERLY EXTENSION OF THE SOUTH LINE OF THAT TRACT OF LAND DESCRIBED IN WARRANTY DEED TO WILLIAM F. GULACY AND TRACY A. GULACY, RECORDED JULY 20, 1998 AS DOCUMENT NO. 98079019, WASHINGTON COUNTY RECORDS; THENCE ALONG SAID WESTERLY EXTENSION OF THE SOUTH LINE AND THE SOUTH LINE OF SAID WARRANTY DEED S88°21'35"E 283.45 FEET TO A POINT ON THE WEST LINE OF LOT 5, BLOCK 4, MAYWOOD PARK, WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG SAID WEST LINE OF LOT 5, S01°27'05"W 20.00 FEET TO THE SOUTHWEST CORNER OF SAID LOT 5; THENCE ALONG THE SOUTH LINE OF SAID MAYWOOD PARK S88°21'35"E 411.44 FEET TO THE SOUTHEAST CORNER OF SAID MAYWOOD PARK; THENCE ALONG THE WEST LINE OF THAT PROPERTY DESCRIBED IN WARRANTY DEED TO WILLOW PARK LIMITED PARTNERSHIP, AN OREGON LIMITED PARTNERSHIP, RECORDED NOVEMBER 8, 1997 AS DOCUMENT NO. 97104598, WASHINGTON COUNTY RECORDS, S02°02'01"W 111.42 FEET TO THE NORTHWEST CORNER OF THAT PROPERTY DESCRIBED IN STATUTORY WARRANTY DEED TO MUNE LOUIE AND ANGELA LOUIE, RECORDED JULY 12, 2006 AS DOCUMENT NO. 2006-082350, WASHINGTON COUNTY RECORDS; THENCE ALONG THE NORTH LINE OF SAID STATUTORY WARRANTY DEED S88°03'11"E 133.57 FEET TO A POINT ON THE WEST LINE OF THAT PROPERTY DESCRIBED IN BARGAIN AND SALE DEED TO HAMPTON CENTER, LLC, AN OREGON LIMITED LIABILITY COMPANY, RECORDED APRIL 7, 2008 AS DOCUMENT NO. 2008-031222, WASHINGTON COUNTY RECORDS; THENCE ALONG THE WEST LINE OF SAID BARGAIN AND SALE DEED N02°02'01"E 32.80 FEET TO THE NORTHWEST CORNER OF SAID BARGAIN AND SALE DEED; THENCE ALONG THE NORTH LINE OF SAID BARGAIN AND SALE DEED S88°03'11"E 163.57 FEET TO A POINT ON THE WEST LINE OF THAT PROPERTY DESCRIBED IN STATUTORY WARRANTY DEED TO GOODWILL INDUSTRIES OF THE COLUMBIA WILLAMETTE, AN OREGON NON-PROFIT CORPORATION, RECORDED APRIL 30, 1998 AS DOCUMENT NO. 98045010, WASHINGTON COUNTY RECORDS; THENCE ALONG THE WEST LINE OF SAID STATUTORY WARRANTY DEED N02°02'01"E 86.69 FEET TO THE NORTHWEST CORNER OF SAID STATUTORY WARRANTY DEED; THENCE ALONG THE NORTH LINE SAID STATUTORY WARRANTY DEED S87°57'43"E 267.15 FEET TO A POINT ON THE WEST LINE OF PARCEL 1, PARTITION PLAT NO. 1999-041, WASHINGTON COUNTY PLAT RECORDS; THENCE



ALONG THE WEST LINE OF SAID PARCEL 1, N02°02'02"E 39.84 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 1; THENCE ALONG THE NORTH LINE OF SAID PARCEL 1, S88°13'43"E 225.16 FEET TO A POINT ON THE WEST LINE OF LOT 32, VANDERVELDEN TRACTS-NO.2, WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG THE WEST LINE OF SAID LOT 32, N01°53'18"E 18.90 FEET TO THE NORTHWEST CORNER OF SAID LOT 32; THENCE ALONG THE NORTH LINE OF SAID LOT 32 AND LOT 23 OF SAID VANDERVELDEN TRACTS-NO.2, S88°03'51"E 451.01 FEET TO THE NORTHEAST CORNER OF SAID LOT 23; THENCE ALONG THE EAST LINE OF SAID LOT 23, S01°57'09"W 19.73 FEET TO THE SOUTHWEST CORNER OF CONDONETT CONDOMINIUM, WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG THE SOUTH LINE OF SAID CONDONETT CONDOMINIUM AND ALONG THE SOUTH LINE OF THE FOLLOWING PROPERTIES: STATUTORY WARRANTY DEED TO EVENS ENTERPRISES, LLC, AN OREGON LIMITED LIABILITY COMPANY, RECORDED JULY 22, 2005 AS DOCUMENT NO. 2005-086138, WASHINGTON COUNTY RECORDS, QUITCLAIM DEED TO MEYER M. SOROUDI AND JUDITH L. SOROUDI, RECORDED MARCH 2, 2010 AS DOCUMENT NO. 2010-015975, WASHINGTON COUNTY RECORDS, PERSONAL REPRESENTATIVE'S DEED TO LOUIS D. PECKHAM AND ADELLE H. PECKHAM, THE PECKHAM TRUST, RECORDED JULY 29, 2011 AS DOCUMENT NO. 2011-052269, WASHINGTON COUNTY RECORDS S88°04'19"E 667.31 FEET TO THE NORTHWEST CORNER OF PARCEL 4 OF THAT PROPERTY DESCRIBED IN BARGAIN AND SALE DEED TO LL&S HEALTHCARE, LLC, AN OREGON LIMITED LIABILITY COMPANY, RECORDED AUGUST 11, 2005 AS DOCUMENT NO. 2005-095864, WASHINGTON COUNTY RECORDS; THENCE ALONG THE WEST LINE OF SAID PARCEL 4 IN BARGAIN AND SALE DEED S01°56'08"W 105.27 FEET TO THE MOST WESTERLY SOUTHWEST CORNER OF PARCEL 4 OF SAID BARGAIN AND SALE DEED; THENCE ALONG THE PROJECTED EASTERLY EXTENSION OF THE SOUTH LINE (BEING 250 FEET NORTH OF THE MOST SOUTH LINE OF SAID PARCEL 4) IN BARGAIN AND SALE DEED S88°04'17"E 170.61 FEET TO A POINT ON THE EAST LINE OF SAID PARCEL 4 IN BARGAIN AND SALE DEED; THENCE ALONG SAID EAST LINE N02°11'32"E 104.86 FEET TO AN ANGLE POINT IN SAID BARGAIN AND SALE DEED; THENCE ALONG THE SOUTH LINE OF SAID BARGAIN AND SALE DEED S88°19'57"E 112.90 FEET TO THE SOUTHEAST CORNER THEREOF AND THE WEST RIGHT OF WAY LINE OF OAK STREET (RIGHT OF WAY WIDTH IS 66 FEET); THENCE ALONG SAID WEST RIGHT OF WAY LINE S01°59'24"W 345.43 FEET TO THE INTERSECTION OF THE WEST RIGHT OF WAY LINE OF OAK STREET (RIGHT OF WAY WIDTH OF 66 FEET) AND THE NORTH RIGHT OF WAY LINE OF THE TUALATIN VALLEY HIGHWAY (RIGHT OF WAY WIDTH OF 120 FEET) ; THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF THE TUALATIN VALLEY HIGHWAY S88°09'46"E 17.30 FEET TO A POINT OF CURVE LEFT; THENCE ALONG THE CURVE LEFT (CENTRAL ANGLE = 4°46'00", RADIUS = 3759.70 FEET, LONG CHORD BEARS N89°27'14"E 312.69 FEET) 312.78 FEET TO A POINT; THENCE CONTINUING ALONG SAID NORTH RIGHT OF WAY LINE N87°04'14"E 163.71 FEET TO A POINT OF CURVE RIGHT; THENCE ALONG THE CURVE RIGHT (CENTRAL ANGLE = 4°44'59", RADIUS = 3893.12 FEET, LONG CHORD BEARS N89°26'43"E 322.64 FEET) 322.73 FEET TO A POINT; THENCE CONTINUING ALONG SAID NORTH RIGHT OF WAY LINE S88°10'47"E 223.58 FEET TO THE INTERSECTION OF THE EAST RIGHT OF WAY LINE OF QUINCE STREET (RIGHT OF WAY WIDTH OF 63 FEET) AND THE NORTH RIGHT OF WAY LINE OF THE TUALATIN VALLEY HIGHWAY (RIGHT OF WAY WIDTH VARIES) ; THENCE ALONG SAID EAST RIGHT OF WAY LINE N03°01'54"E 115.64 FEET TO AN ANGLE POINT IN THE EAST RIGHT OF WAY LINE; THENCE S86°58'06"E 3.00 FEET (RIGHT OF WAY WIDTH OF 66 FEET); THENCE ALONG SAID EAST RIGHT OF WAY LINE N03°01'54"E 192.02 FEET; THENCE N86°58'06"W 3.00 FEET TO (RIGHT OF WAY WIDTH OF 63 FEET); THENCE ALONG SAID EAST RIGHT OF WAY LINE N03°01'54"E 153.23 FEET TO THE SOUTHWEST CORNER



OF THAT PROPERTY DESCRIBED IN WARRANTY DEED TO FOREST MANOR APARTMENTS, RECORDED JANUARY 7, 1972 IN BOOK 849, PAGE 900, WASHINGTON COUNTY RECORDS; THENCE ALONG THE SOUTH LINE OF SAID WARRANTY DEED AND FORESTMEADE, WASHINGTON COUNTY PLAT RECORDS S88°09'47"E 829.01 FEET TO THE SOUTHEAST CORNER OF SAID FORESTMEADE AND THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN BARGAIN AND SALE DEED TO CRYSTAL WATERS, LLC, AN OREGON LIMITED LIABILITY COMPANY, RECORDED OCTOBER 5, 2007 AS DOCUMENT NO. 2007-107290, WASHINGTON COUNTY RECORDS; THENCE ALONG THE EAST LINE OF SAID BARGAIN AND SALE DEED S02°21'01"W 570.35 FEET TO THE INTERSECTION OF THE PROJECTION SOUTHERLY EXTENSION OF THE EAST LINE OF SAID BARGAIN AND SALE DEED AND THE SOUTH RIGHT OF WAY LINE OF TUALATIN VALLEY HIGHWAY (RIGHT OF WAY WIDTH OF 105 FEET); THENCE ALONG SAID SOUTH RIGHT OF WAY LINE OF TUALATIN VALLEY HIGHWAY S88°10'24"E 310.03 FEET TO THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN STATUTORY WARRANTY DEED TO MGP X REIT, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, RECORDED OCTOBER 26, 2012 AS DOCUMENT NO. 2012-090742, WASHINGTON COUNTY RECORDS; THENCE ALONG THE EAST LINE OF SAID STATUTORY WARRANTY DEED OF THE FOLLOWING COURSES: A POINT OF CURVE LEFT; THENCE ALONG THE CURVE LEFT (CENTRAL ANGLE = 46°48'53", RADIUS = 20.00 FEET, LONG CHORD BEARS S25°21'49"W 15.89 FEET) 16.34 FEET TO A POINT; THENCE S01°57'22"W 11.06 FEET TO A POINT OF CURVE RIGHT; THENCE ALONG THE CURVE RIGHT (CENTRAL ANGLE = 19°12'27", RADIUS = 100.00 FEET, LONG CHORD BEARS S11°33'36"W 33.37 FEET) 33.52 FEET TO A POINT OF CURVE LEFT; THENCE ALONG THE CURVE LEFT (CENTRAL ANGLE = 19°12'26", RADIUS = 80.00 FEET, LONG CHORD BEARS S11°33'37"W 26.69 FEET) 26.82 FEET TO A POINT; THENCE S01°57'24"W 40.01 FEET TO A POINT OF CURVE RIGHT; THENCE ALONG THE CURVE RIGHT (CENTRAL ANGLE = 87°58'13", RADIUS = 5.18 FEET, LONG CHORD BEARS S45°56'23"W 7.19 FEET) 7.95 FEET TO A POINT; THENCE S01°57'24"W 500.76 FEET TO THE NORTH RIGHT OF WAY LINE OF 19TH AVENUE (RIGHT OF WAY WIDTH OF 60 FEET); THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF 19TH AVENUE N87°55'57"W 330.00 FEET TO A POINT ON A LINE BETWEEN THE EAST 1/2 AND THE WEST 1/2 OF THE WILLIAMS CATCHING DLC NO. 38 AND AN ANGLE POINT OF NORTH RIGHT OF WAY LINE OF 19TH AVENUE ; THENCE ALONG SAID DLC S01°57'24"W 5.00 FEET TO THE NORTH RIGHT OF WAY LINE OF 19TH AVENUE (RIGHT OF WAY WIDTH OF 50 FEET); THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF 19TH AVENUE N88°21'24"W 672.08 FEET TO THE SOUTHWEST CORNER THAT PROPERTY DESCRIBED IN REAL ESTATE CONTRACT M. JAMES DOYLE AND CECILE A. DOYLE, RECORDED JANUARY 8, 1981 AS DOCUMENT NO. 81000839, WASHINGTON COUNTY RECORDS; THENCE N72°22'03"W 31.14 FEET TO THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN RELINQUISHMENT OF TITLE DEED TO THE CITY OF FOREST GROVE, RECORDED MARCH 20, 1978 AS DOCUMENT NO. 78-13548, WASHINGTON COUNTY RECORDS; THENCE ALONG THE NORTH LINE OF SAID RELINQUISHMENT OF TITLE DEED N88°12'24"W 312.13 FEET TO A POINT OF INTERSECTION OF PROJECTED WESTERLY EXTENSION OF SAID NORTH LINE OF RELINQUISHMENT OF TITLE DEED AND THE WEST RIGHT OF WAY LINE OF TUALATIN VALLEY HIGHWAY (RIGHT OF WAY WIDTH VARIES) ; THENCE ALONG SAID WEST RIGHT OF WAY LINE OF TUALATIN VALLEY HIGHWAY S13°21'25"W 81.88 FEET TO THE SOUTHEAST CORNER OF THAT PROPERTY DESCRIBED IN WARRANTY DEED TO NEW ALBERTSONS, INC., RECORDED JUNE 12, 2006 AS DOCUMENT NO. 2006-069418, WASHINGTON COUNTY RECORDS; THENCE ALONG THE SOUTH LINE OF SAID WARRANTY DEED N87°52'39"W 311.25 FEET TO THE SOUTHWEST CORNER OF SAID WARRANTY DEED AND THE EAST RIGHT OF WAY LINE OF POPLAR STREET (RIGHT OF WAY WIDTH OF 40 FEET); THENCE



ALONG SAID EAST RIGHT OF WAY LINE OF POPLAR STREET N02°02'55"E 78.86 FEET TO THE INTERSECTION OF SAID EAST RIGHT OF WAY LINE OF POPLAR STREET (RIGHT OF WAY WIDTH OF 40 FEET) AND THE PROJECTED EASTERLY EXTENSION OF NORTH RIGHT OF WAY LINE OF 19TH AVENUE (RIGHT OF WAY WIDTH OF 60 FEET); THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF 19TH AVENUE N88°06'07"W 444.00 FEET TO THE SOUTHWEST CORNER OF LOT 6, ERBVALE, WASHINGTON COUNTY PLAT, RECORDS AT THE INTERSECTION OF THE NORTH RIGHT OF WAY LINE OF 19TH AVENUE AND THE EAST RIGHT OF WAY LINE OF OAK STREET (BOTH RIGHT OF WAY WIDTHS 60 FEET); THENCE ALONG SAID EAST RIGHT OF WAY LINE OF OAK STREET N02°01'53"E 116.80 FEET TO THE NORTHWEST CORNER OF LOT 7 OF SAID PLAT; THENCE THE PROJECTED EASTERLY EXTENSION OF SOUTH LINE OF LOT 4 OF SAID PLAT AND CROSSES OAK STREET N88°06'07"W 190.00 FEET TO THE SOUTHWEST CORNER OF SAID LOT 4 AND THE WEST BOUNDARY OF ERBVALE; THENCE ALONG THE WEST LINE OF SAID LOT 4 N02°01'53"E 120.00 FEET TO THE SOUTHEAST CORNER OF THAT PROPERTY DESCRIBED IN STATUTORY WARRANTY DEED TO FOREST GROVE MINI STORAGE, LLC, RECORDED NOVEMBER 1, 2012 AS DOCUMENT NO. 2012-093012, WASHINGTON COUNTY RECORDS; THENCE ALONG THE SOUTH LINE OF SAID STATUTORY WARRANTY DEED N88°03'13"W 335.38 FEET TO THE NORTHEAST CORNER OF RUBY'S ADDITION (VACATED), WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG SAID NORTH LINE OF RUBY'S ADDITION (VACATED) N88°50'17"W 343.51 FEET TO THE WEST RIGHT OF WAY LINE OF MAPLE STREET BEING THE INTERSECTION OF THE PROJECTION WESTERLY EXTENSION OF THE NORTH LINE OF RUBY'S ADDITION (VACATED) AND THE WEST RIGHT OF WAY LINE OF MAPLE STREET (RIGHT OF WAY WIDTH OF 60 FEET); THENCE S02°25'04"W 232.68 FEET ALONG SAID WEST RIGHT OF WAY LINE OF MAPLE STREET TO THE SOUTHEAST CORNER OF LOT 17, VANDERVELDEN TRACTS, WASHINGTON COUNTY PLAT RECORDS, AND THE INTERSECTION OF THE WEST RIGHT OF WAY LINE OF MAPLE STREET (RIGHT OF WAY WIDTH OF 60 FEET) AND THE NORTH RIGHT OF WAY LINE OF 19TH AVENUE (RIGHT OF WAY WIDTH OF 66 FEET); THENCE ALONG SAID NORTH RIGHT OF WAY LINE OF 19TH AVENUE N88°06'07"W 518.98 FEET TO THE INTERSECTION OF THE PROJECTED NORTHERLY EXTENSION OF THE EAST LINE OF THAT PROPERTY DESCRIBED IN STATUTORY WARRANTY DEED TO ELLIOTT D. HORNE AND MELISSA D. HORNE, RECORDED JANUARY 29, 1999 AS DOCUMENT NO. 99011958, WASHINGTON COUNTY RECORDS, AND SAID NORTH RIGHT OF WAY LINE OF 19TH AVENUE; THENCE S02°06'50"W 284.24 FEET ALONG SAID EAST LINE OF SAID STATUTORY WARRANTY DEED AND THE EAST LINE OF THAT PROPERTY DESCRIBED IN QUITCLAIM DEED TO FOREST GROVE VILLA LLC, RECORDED OCTOBER 29, 2007 AS DOCUMENT NO. 2007-113946, WASHINGTON COUNTY RECORDS, TO THE SOUTHEAST CORNER OF SAID QUITCLAIM DEED; THENCE ALONG THE SOUTH LINE OF THE FOLLOWING PROPERTIES: IN QUITCLAIM DEED TO FOREST GROVE VILLA LLC, RECORDED OCTOBER 29, 2007 AS DOCUMENT NO. 2007-113946, STATUTORY BARGAIN AND SALE DEED JOSE ARCIGA APARTMENTS, LIMITED PARTNERSHIP, RECORDED AUGUST 22, 2000 AS DOCUMENT NO. 2000067461 AND QUITCLAIM DEED TO DEAN CHAPMAN AND RENEE M. WRIGHT, RECORDED APRIL 20, 2012 AS DOCUMENT NO. 2012-031689, ALL IN THE WASHINGTON COUNTY RECORDS, N88°06'09"W 294.43 FEET TO THE SOUTHWEST CORNER OF SAID QUITCLAIM DEED; THENCE ALONG THE WEST LINE OF SAID QUITCLAIM DEED N01°53'51"E 14.75 FEET TO THE SOUTHEAST CORNER OF THAT PROPERTY DESCRIBED IN STATUTORY WARRANTY DEED TO JOSE ARCIGA APARTMENTS LTD., PARTNERSHIP, RECORDED AUGUST 15, 2000 AS DOCUMENT NO. 2000065026, WASHINGTON COUNTY RECORDS; THENCE ALONG THE SOUTH LINE OF THE FOLLOWING PROPERTIES: STATUTORY WARRANTY DEED TO JOSE ARCIGA APARTMENTS LTD., PARTNERSHIP, RECORDED AUGUST



15, 2000 AS DOCUMENT NO. 2000065026, SPECIAL WARRANTY DEED TO RENE CHANCO AND CARLA ANN CHANCO, RECORDED NOVEMBER 13, 1991 AS DOCUMENT NO. 91063013 AND WARRANTY DEED TO ROY MATEO, RECORDED JUNE 29, 1993 AS DOCUMENT NO. 93051230, ALL IN THE WASHINGTON COUNTY RECORDS, N88°06'09"W 289.31 FEET TO THE SOUTHWEST CORNER OF SAID WARRANTY DEED AND A POINT ON THE EAST LINE OF PARCEL 1, PARTITION PLAT NO. 1998-066, WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG THE EAST LINE SAID PARCEL 1, S02°23'03"W 105.00 FEET TO THE SOUTHEAST CORNER OF SAID PARCEL 1; THENCE ALONG THE SOUTH LINE OF SAID PARCEL 1, N88°06'20"W 75.00 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 1; THENCE ALONG THE WEST LINE OF SAID PARCEL 1, N02°23'03"E 21.00 FEET TO THE SOUTHEAST CORNER OF THAT PROPERTY DESCRIBED IN , QUITCLAIM DEED TO FULTEN FAMILY PARTNERSHIP, LIMITED PARTNERSHIP, RECORDED SEPTEMBER 1, 1995 AS DOCUMENT NO. 95062473, WASHINGTON COUNTY RECORDS; THENCE ALONG THE SOUTH LINE OF SAID QUITCLAIM DEED AND THE SOUTH LINE OF THAT PROPERTY DESCRIBED IN BARGAIN AND SALE DEED TO SUPERIOR BARON PROPERTIES, LLC AN OREGON LIMITED LIABILITY COMPANY, RECORDED SEPTEMBER 28, 2009 AS DOCUMENT NO. 2009-086797, WASHINGTON COUNTY RECORDS N88°06'09"W 324.17 FEET TO THE SOUTHWEST CORNER OF SAID BARGAIN AND SALE DEED; THENCE ALONG THE WEST LINE OF SAID BARGAIN AND SALE DEED N02°23'03"E 70.04 FEET TO THE SOUTHEAST CORNER OF THAT PROPERTY DESCRIBED IN BARGAIN AND SALE DEED TO FOREST GROVE REAL ESTATE, LLC, RECORDED DECEMBER 8, 2007 AS DOCUMENT NO. 2007-125457, WASHINGTON COUNTY RECORDS; THENCE ALONG THE SOUTH LINE OF SAID BARGAIN AND SALE DEED AND THE SOUTH LINE OF THAT PROPERTY DESCRIBED IN BARGAIN AND SALE DEED TO MAYGER ALLIANCE GROUP LLC AND JUSTIN TIRET, RECORDED SEPTEMBER 3, 2009 AS DOCUMENT NO. 2009-080673, WASHINGTON COUNTY RECORDS N88°10'20"W 499.44 FEET TO THE SOUTHWEST CORNER OF SAID DOCUMENT NO. 2009-080673 AND A POINT ON THE EAST RIGHT OF WAY LINE OF HAWTHORNE STREET (RIGHT OF WAY WIDTH OF 66 FEET); THENCE CROSSING HAWTHORNE STREET N73°43'41"W 68.07 FEET TO THE SOUTHEAST CORNER OF LOT 2, BLOCK 17, OF SAID TOWN OF FOREST GROVE; THENCE ALONG THE SOUTH LINE OF SAID LOT 2, N87°52'43"W 201.30 FEET TO THE SOUTHWEST CORNER OF SAID LOT 2; THENCE ALONG THE WEST LINE OF SAID LOT 2, N02°07'17"E 50.00 FEET TO THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN WARRANTY DEED TO KEVIN J. STUDER AND MARY E. STUDER, RECORDED OCTOBER 3, 1988 AS DOCUMENT NO. 88-43847, WASHINGTON COUNTY RECORDS; THENCE ALONG THE NORTH LINE OF SAID WARRANTY DEED N87°52'43"W 101.30 FEET TO THE NORTHWEST CORNER OF SAID WARRANTY DEED; THENCE ALONG THE WEST LINE OF SAID WARRANTY DEED S02°07'17"W 50.00 FEET TO A POINT ON THE SOUTH LINE OF LOT 3, BLOCK 17, OF SAID TOWN OF FOREST GROVE; THENCE ALONG THE SOUTH LINE OF SAID LOT 3, N87°52'43"W 100.00 FEET TO THE SOUTHWEST CORNER THEREOF AND THE EAST RIGHT OF WAY LINE OF FILBERT STREET (RIGHT OF WAY WIDTH OF 66 FEET); THENCE ALONG THE SOUTH LINE OF LOTS 2 AND 3 IN EACH OF BLOCKS 18, 19, AND 20 OF SAID TOWN OF FOREST GROVE, N87°52'43"W 1471.80 FEET TO THE SOUTHEAST CORNER OF LOT 2, BLOCK 21 OF SAID TOWN OF FOREST GROVE, SAID POINT BEING THE WEST RIGHT OF WAY LINE OF CEDAR STREET (RIGHT OF WAY WIDTH OF 66 FEET); THENCE ALONG SAID WEST RIGHT OF WAY LINE N02°07'17"E 2.20 FEET TO THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN WARRANTY DEED TO RONALD A. WATSON AND CLAUDIA J. WATSON, RECORDED JANUARY 12, 2007 AS DOCUMENT NO. 2007-005127, WASHINGTON COUNTY RECORDS; THENCE ALONG THE NORTH LINE OF SAID IN WARRANTY DEED N87°54'36"W 164.07 FEET TO THE NORTHWEST CORNER OF SAID IN WARRANTY DEED; THENCE ALONG



THE WEST LINE OF SAID WARRANTY DEED S02°08'59"W 2.20 FEET TO THE NORTHEAST CORNER OF PARCEL 2, PARTITION PLAT NO. 1991-079, WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG THE NORTH LINE OF SAID PARCEL 2 N87°52'43"W 99.95 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 2 AND A POINT ON THE EAST LINE OF THAT PROPERTY DESCRIBED IN WARRANTY DEED TO MIRACLES INC. A NEVADA CORPORATION, RECORDED OCTOBER 20, 2005 AS DOCUMENT NO. 2005-131074 WASHINGTON COUNTY RECORDS; THENCE ALONG SAID EAST LINE, N02°07'17"E 51.30 FEET TO THE NORTHEAST CORNER OF THAT PROPERTY DESCRIBED IN SAID DOCUMENT NO. 2005-131074; THENCE ALONG THE NORTH LINE OF SAID DOCUMENT NO. 2005-131074, N87°52'43"W 138.60 FEET TO THE NORTHWEST CORNER OF SAID WARRANTY DEED AND A POINT ON THE EAST RIGHT OF WAY LINE OF BIRCH STREET (RIGHT OF WAY WIDTH OF 66 FEET BY PLAT); THENCE CROSSING BIRCH STREET, S89°44'08"W 66.06 FEET TO THE NORTHEAST CORNER OF PARCEL 1, PARTITION PLAT NO. 1991-019, WASHINGTON COUNTY PLAT RECORDS; THENCE ALONG THE WEST RIGHT OF WAY LINE OF BIRCH STREET S02°07'17"W 59.85 FEET TO THE SOUTHEAST CORNER OF PARCEL 2 OF SAID PLAT NO. 1991-019; THENCE ALONG THE SOUTH LINE OF SAID PARCEL 2, N87°52'43"W 283.50 FEET TO THE SOUTHWEST CORNER THEREOF; THENCE ALONG THE WEST LINE OF SAID PARCEL 2, N02°07'17"E 11.30 FEET TO A POINT ON THE SOUTH LINE OF LOT 3, BLOCK 22, OF SAID TOWN OF FOREST GROVE; THENCE ALONG THE SOUTH LINE OF SAID LOT 3 AND ITS WESTERLY EXTENSION, N87°52'43"W 185.10 FEET TO THE SOUTHEAST CORNER OF SAID LOT 2, BLOCK 23, OF SAID TOWN OF FOREST GROVE AND THE WEST RIGHT OF WAY LINE OF ASH STREET (RIGHT OF WAY WIDTH OF 66 FEET); THENCE S02°07'17"W 201.30 FEET TO THE SOUTHEAST CORNER OF SAID BLOCK 23 AND SAID POINT BEING AT THE INTERSECTION OF THE EAST RIGHT OF WAY LINE OF ASH STREET AND THE NORTH RIGHT OF WAY LINE OF 18TH AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG THE SAID NORTH RIGHT OF WAY LINE OF 18TH AVENUE, N87°52'43"W 1798.74 FEET TO THE SOUTHWEST CORNER OF LOT 15, PROSPECT PARK, WASHINGTON COUNTY PLAT RECORDS, SAID POINT BEING AT THE INTERSECTION OF THE NORTH RIGHT OF WAY LINE OF 18TH AVENUE AND THE EAST RIGHT OF WAY LINE OF "C" STREET (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID EAST RIGHT OF WAY LINE OF "C" STREET N02°07'17"E 402.60 FEET, TO THE INTERSECTION OF THE EAST RIGHT OF WAY LINE OF "C" STREET AND THE SOUTH RIGHT OF WAY LINE OF 19TH AVENUE (BOTH RIGHT OF WAY WIDTHS ARE 66 FEET BY PLAT); THENCE ALONG SAID SOUTH RIGHT OF WAY LINE OF 19TH AVENUE, S87°52'43"E 200.00 FEET TO A POINT ON THE EAST LINE OF LOT 10 OF SAID PROSPECT PARK; THENCE ALONG SAID EAST LINE OF LOT 10, N02°07'17"E 10.00 FEET TO A POINT ON THE SOUTH RIGHT OF WAY LINE OF 19TH AVENUE BEING A (RIGHT OF WAY WIDTH OF 56 FEET); THENCE CONTINUING ALONG SAID RIGHT OF WAY LINE OF 19TH AVENUE, S87°52'43"E 269.50 FEET TO THE INTERSECTION OF THE SOUTH RIGHT OF WAY LINE OF 19TH AVENUE (RIGHT OF WAY WIDTH OF 56 FEET) AND THE EAST RIGHT OF WAY LINE OF "B" STREET (RIGHT OF WAY WIDTH OF 66 FEET BY PLAT); THENCE ALONG SAID EAST RIGHT OF WAY OF "B" STREET, N02°07'17"E 927.20 FEET TO THE POINT OF BEGINNING.

CONTAINING 248.3 ACRES MORE OR LESS.

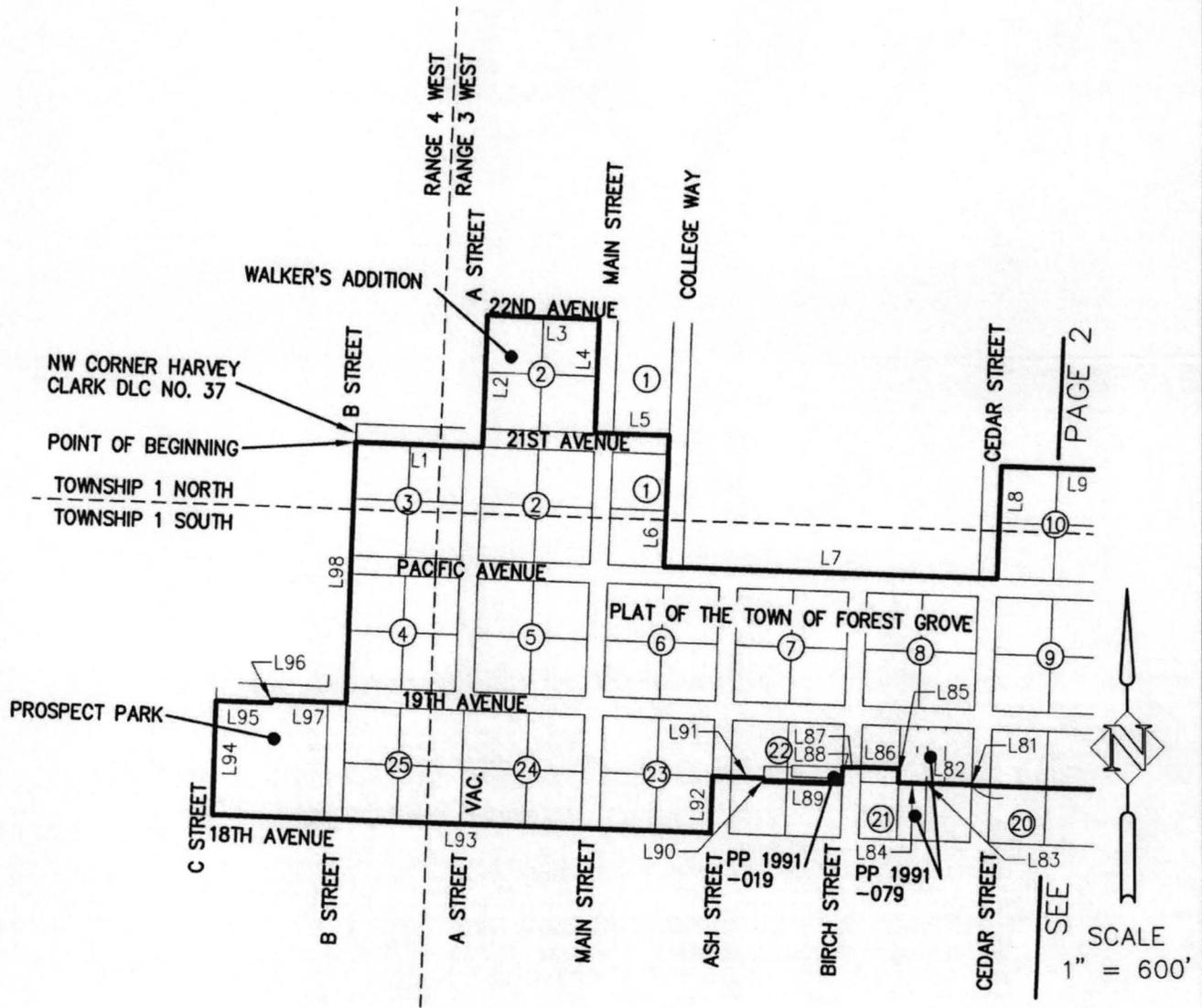
REGISTERED
PROFESSIONAL
LAND SURVEYOR

Patrick M. Gaylord
OREGON
JULY 10, 1896
PATRICK M. GAYLORD
#2787

Renewed through 6/30/2013



EXHIBIT "B"
 THE CITY OF FOREST GROVE
 URBAN RENEWAL BOUNDARY



REGISTERED
 PROFESSIONAL
 LAND SURVEYOR

Patrick M. Gaylord

OREGON
 JULY 10, 1996
 PATRICK M. GAYLORD
 2767

EXPIRES 06-30-13

SEE ATTACHED
 LEGAL DESCRIPTION



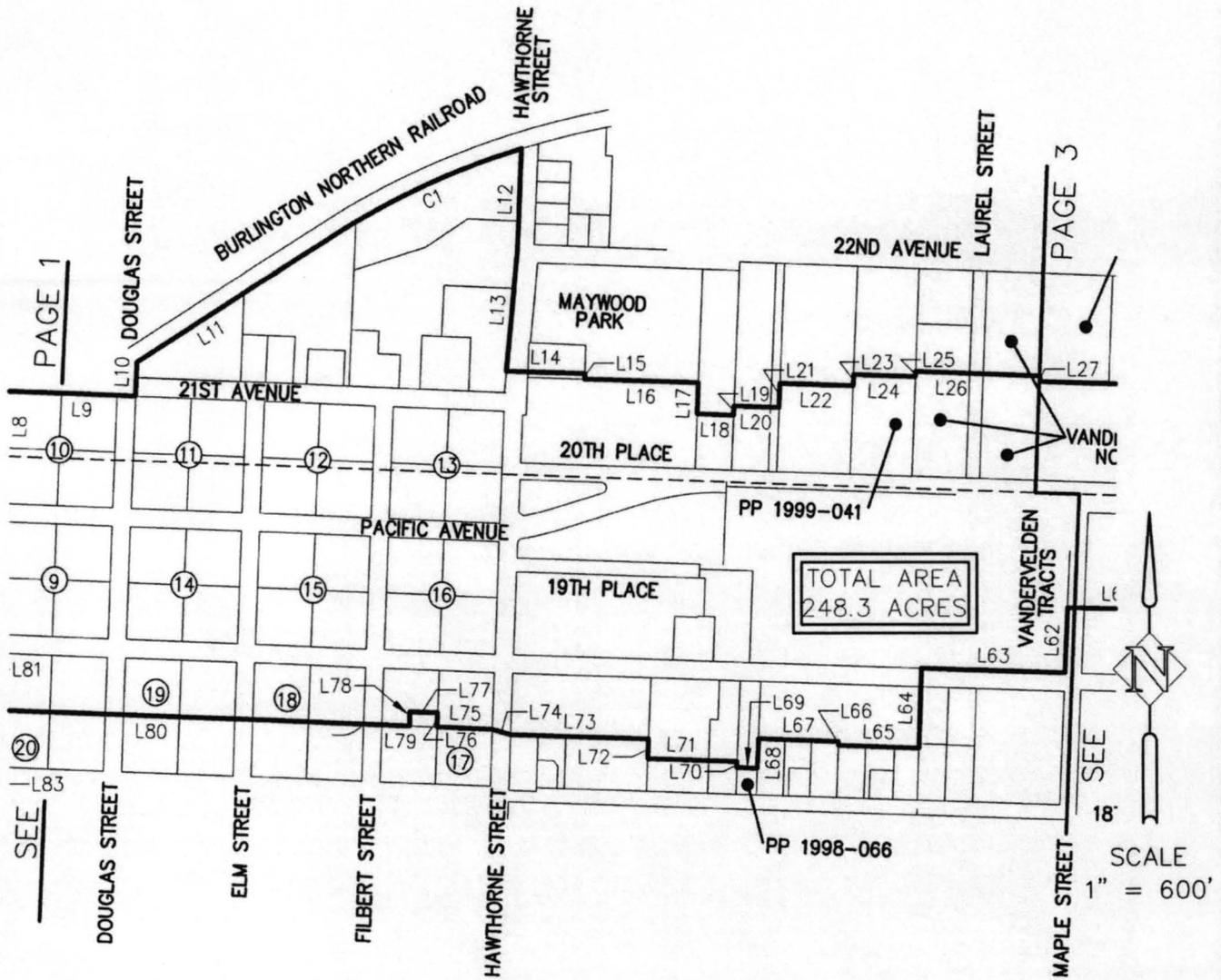
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EXHIBIT "B"
 THE CITY OF FOREST GROVE
 URBAN RENEWAL BOUNDARY



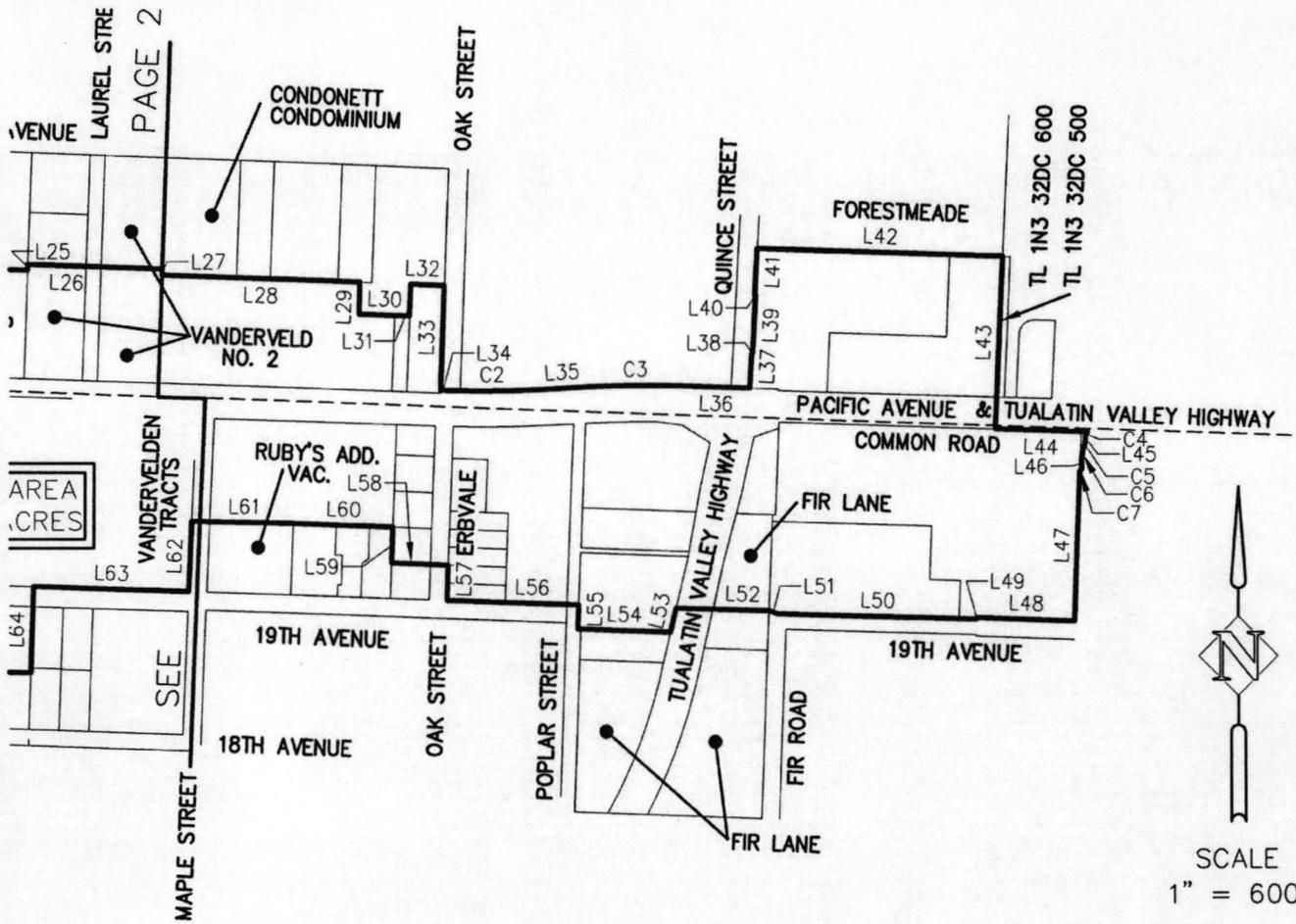
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 JRL-01 RLC 05/31/2013 PAGE 2 OF 3

EXHIBIT "B"
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JRL-01 RLC 05/31/2013 PAGE 3 OF 3

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CITY OF FOREST GROVE
URBAN RENEWAL REPORT

PART 2

MAY 2014

Prepared For:
CITY OF FOREST GROVE, OREGON

By:
THE BENKENDORF ASSOCIATES
JOHNSON REID, LLC

T B A C



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I. INTRODUCTION

The City of Forest Grove Urban Renewal Report has been prepared to provide the essential background information on the urban renewal area to the Urban Renewal Agency, the City of Forest Grove Planning Commission City Council, and the citizens of the community. The report has been prepared to comply with State law regarding Urban Renewal (ORS 457.085). It is intended to be used in conjunction with the Forest Grove Urban Renewal Plan (Part 1). The capitalized headings at the beginning of each major section of this report directly correspond to the information required by ORS 457.

II. DESCRIPTION OF EXISTING CONDITIONS

A. Physical Conditions

1. Topography

The urban renewal area is characterized by generally flat terrain ranging in elevation from about 170 feet on the eastern edge of the area to about 210 feet on the western boundary. The area does not include significant water courses and is not located within the 100 year floodplain.

The most prevalent soil type within the urban renewal area is Woodburn Silt Loam (0% to 3%) slope. This soil type is moderately well drained. The depth to water table is generally 25 inches to 32 inches.

2. Seismic Risk

Seismic risk is an inherent risk in the Pacific Northwest including Forest Grove. There is potential risk to life and property due to seismic shaking and in some cases soft soil/liquefaction hazard. The urban renewal area is within a zone classified as being a severe earthquake risk area due to seismic shaking. Given the age of buildings within the urban renewal area and type of construction (unreinforced masonry) substantial investment is needed to withstand potential seismic risk. Adaptive reuse of structures within the Town Center will require costly improvements to meet current seismic mitigation standards.

3. Building Stock

▪ Town Center

The urban renewal area includes the City's historic core. As such, some of the oldest buildings in the community are found within the urban renewal area. Buildings in the Town Center were generally constructed between 1890 and 1948. Many of these structures are not suitable for current retail, office, or residential needs. Interior improvements are needed to divide large space not suitable for contemporary retailing. Residential use of upper floors is often precluded due to the expense associated with accessibility improvements and upgrades necessary to comply with building codes.

The former Times-Litho site is a specific example of a single story industrial building in the Town Center of poor physical construction with faulty interior arrangement of space not suitable for uses complementary of a town center location. The presence of this structure creates a stagnant and unproductive condition on a site that is potentially useful and valuable for contributing to the public health, safety and welfare of the community. The Times-Litho building was added to over time and the quality of physical construction is now poor and does not meet current building code requirements. The building also exhibits a faulty interior arrangement of space that is not suitable for contemporary retail or residential use. This site is underutilized and contributes to a stagnant and unproductive condition that left unchecked could impact surrounding properties.

Several key underutilized and vacant development sites exist within the Town Center area. In addition, to the Times-Litho building, the vacant lots owned by Woodfold-Marco and the surface parking lots owned by the City of Forest Grove provide opportunities for redevelopment. The presence of shopping and cultural amenities and a good pedestrian environment in the Town Center should encourage further redevelopment of the area.

Significant opportunity also exists for adaptive re-use of under-utilized second and third floor space contained in many of the historic buildings along Main Street. Much of this space is unsuitable for current retail, office or residential needs due to the interior arrangement of improvements. Impediments to adaptive re-use of these structures include meeting contemporary building codes associated with accessibility, seismic mitigation and general code compliance.

A summary of potential redevelopment candidate sites is included as an Appendix to this report. The properties included may or may not develop during Plan period, and no implication of public funding for these projects is implied here. Also, this list is illustrative and not meant to be exhaustive.

- Mid-Town Corridor Area

The mid-corridor area includes the Pacific Avenue/19th Avenue corridor from about Cedar Street to Maple Street. The area is generally characterized by single story retail buildings, single family residences, small multiple family structures, and some single family homes converted to office space. This area also includes the Ballard Towne Shopping Center - a traditional strip commercial retail complex. The Ballard Towne Shopping Center includes the city's only grocery store. This property includes multiple main buildings and outbuildings, which may have partial or full redevelopment potential during the life of the Plan.

- Quince/Pacific Avenue Gateway

The Quince Avenue/Pacific Avenue intersection is characterized by large vacant tracts intended for future large format retail development. This area exhibits substandard streets, and other rights-of-way including Poplar Street and Oak Street. Poplar Street has substandard pavement width as well as no sidewalks, curbs or gutters. Oak Street has no sidewalks. It is expected that these streets will be improved when the area is redeveloped.

In general, the urban renewal area has remained stagnant for many years. Due to the lack of redevelopment in this area there is a growing lack of proper utilization of the area resulting in a stagnant and unproductive condition of land. The land area could contribute to the public welfare including providing jobs and necessary services for residents, workers, and visitors to the community.

- Historic and Cultural Resources

The urban renewal area includes several historic and cultural resources. Historic resources included on the City's register of historic resources include are shown on Figure 1 below.

Figure 1: Historic and Cultural Resources

<u>Address</u>	<u>Property Name</u>	<u>Year</u>	<u>Exterior Material</u>	<u>Exterior Condition</u>
2004 Main Street	1 st National Bank of Oregon Building	c. 1910	Brick/Concrete	Good
2008 Main Street	Haines and Bailey Building	c. 1890	Brick	Good
2016 Main Street	Nixon Building	c. 1912	Brick	Fair
2019 Main Street	Holbrook Lodge #30	c. 1923	Concrete	Good
2020 Main Street	Woods and Caples Building	c. 1893	Brick	Good
2030 Main Street	Ingles and Pope Building	c. 1892	Brick	Fair
2036 Main Street	Ingles and Porter Building	c. 1892	Brick	Good
2038 Main Street	Wagner Building	c. 1890	Brick	Fair
1810 Pacific Avenue	Via House	c. 1928	Stucco	Good
1904 Pacific Avenue	Christian Science Church Building	c. 1916	Brick	Good
1926 Pacific Avenue	Knights of Pythias Building	c. 1909	Brick	Good
2028 Pacific Avenue	Star Theater (Theater in the Grove)	c. 1914	Stucco/Tile	Fair

Source: City of Forest Grove Planning Division and Peter J. Edwards, Columbia Historical Research

Cultural resources within the urban renewal area include Main Street, between Pacific Avenue and 21st Avenue which serves as the location for the Forest Grove Farmers Market held on Wednesday evenings during late-spring and summer. The urban renewal area also includes the Forest Grove Library, Theater in the Grove, and the Forest Grove Senior Center which serve as cultural resources for the community. In addition, several religious organizations are located within the area.

4. Utilities

The urban renewal area is generally served with water, sewer, sanitary sewer, storm drainage, electricity, natural gas, and telephone. Service deficiencies exist within the urban renewal area as described in Section D: Condition of Utilities. The following providers provide utility services within the urban renewal area:

- Water: City of Forest Grove Public Works
- Storm Drainage: City of Forest Grove Public Works, Washington County Clean Water Services
- Sanitary Sewer: City of Forest Grove Public Works, Washington County Clean Water Services
- Electricity: Forest Grove Light and Power
- Natural Gas: Northwest Natural

- Telephone: Frontier Communications, Comcast, various wireless providers

5. Transportation

Several major transportation corridors serve the urban renewal area. The functional classifications are shown below.

Figure 3: Major Transportation Facilities

<u>Street</u>	<u>Classification</u>
Oregon Highway 8(TV Highway)	Arterial
Oregon Highway 47	Principal Arterial
19 th Avenue	Arterial
B Street (north of Pacific)	Collector
B Street (south of Pacific)	Arterial
Pacific Avenue	Arterial
Quince Street	Arterial
Elm Street	Collector
Hawthorne Street	Collector
Main Street (north of 19 th Avenue)	Collector
Maple Street	Collector
Oak Street (north of Pacific Avenue	Collector

Forest Grove Transportation System Plan 2010

In general, most streets within the urban renewal are in satisfactory condition with routine maintenance and periodic repaving required. Poplar Street south of Pacific Avenue is the notable exception. Poplar Street is in poor condition with potholes. Poplar Street also lacks sidewalks, curbs and gutters.

The Pacific Avenue/Quince intersection has the highest number of reported accidents between 2002 and 2006 at 30. During that same time period the B Street at Pacific Avenue had 12 reported accidents.

The Forest Grove Transportation System Plan identifies specific projects within or near the urban renewal area. These projects include:

- Extend 19th Avenue to E Street
- Improve Pacific Avenue and E Street Intersection
- Extend 19th Avenue to Strasburg Drive

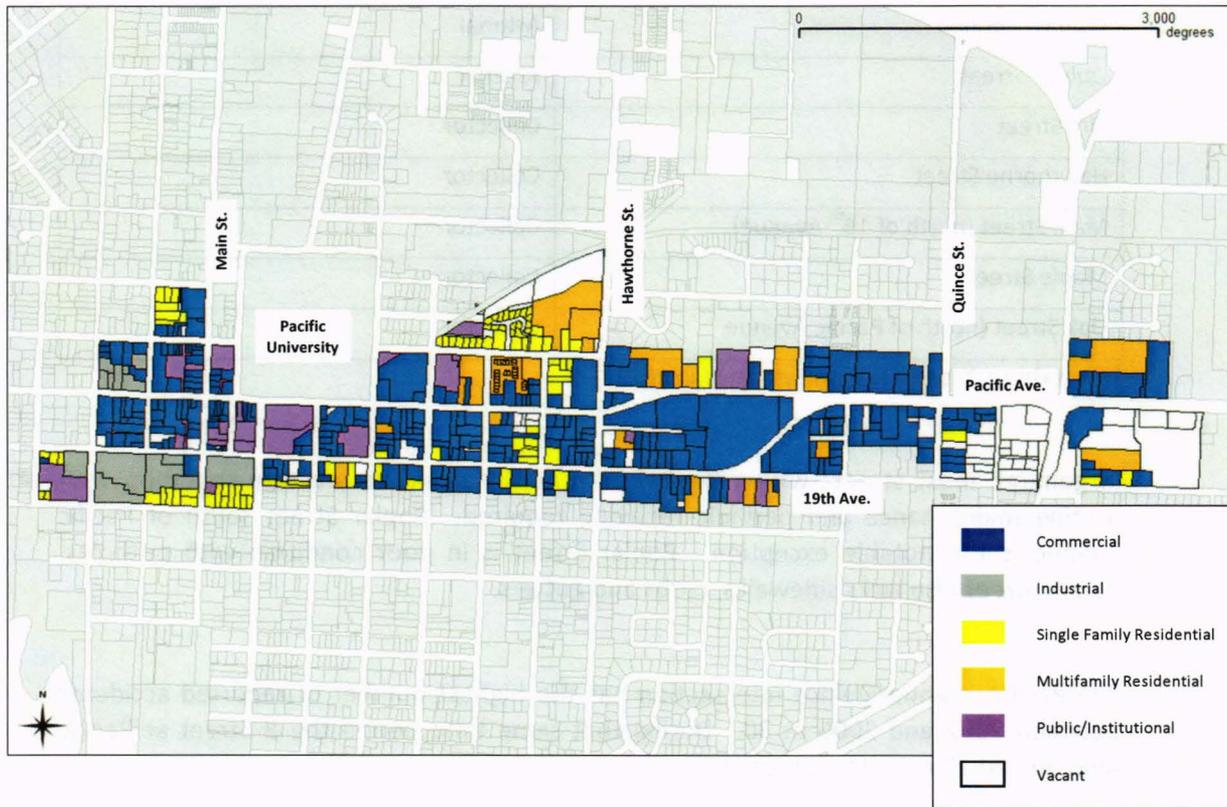
- Improve the Quince/Highway 47 intersection
- Traffic signal at Oak Street and Pacific Avenue

6. Vacant Lots

Based on the 2011 land use inventory there are 69 vacant lots within the urban renewal area. This amounts to 13.3% of total lots. The 69 vacant lots include approximately 32.28 acres of land or approximately 16% of the land within the urban renewal area exclusive of rights-of-way.

Approximately 201 parcels within the urban renewal area could be considered underutilized based on the value of improvements. These parcels contain approximately 86.09 acres or about 43% of the total land area within the urban renewal area excluding rights-of-way.

Figure 4: Existing Land Uses, Urban Renewal Area



B. Social and Economic Conditions

Based on the City’s 2011 land use inventory there are approximately 940 dwelling units within the urban renewal area. This represents about 12% of the total number of dwelling units in the City. Based on the number of dwelling units, the City estimates the population within the urban renewal area to be approximately 2,538 or approximately 11.8 percent of the City’s total population.

Figure 5: Demographic Characteristics, Urban Renewal Area

Forest Grove Population (2011)	21,275
Urban Renewal Area Population (2011)	2,538
Forest Grove Housing Units	7,600
Urban Renewal Housing Units	940

The land use inventory indicates there are approximately 195 single family residential housing units within the Forest Grove urban renewal area. Based on Washington County tax assessment records, the average value of these housing units is approximately \$185,188. This is well below the average value of \$236,100 for housing units within the City as a whole.

The urban renewal area includes a mixture of single family detached structures and smaller multifamily apartments. According to Washington County Assessor data, most of the housing stock was constructed between 1900 and 1950. The oldest residential structure within the urban renewal area was built in 1859 (2117 A Street). Given the age of the structures many of the homes are in need of repair. The most common visible deferred maintenance item is degraded exterior painting.

The urban renewal area has a high percentage of renter-occupied housing units compared with the City as a whole. Based on a review of ownership address data there are approximately 75 single family rental units within the urban renewal area. The City’s land use inventory indicates there area approximately 745 multiple family rental units within the urban renewal area.

The estimated median income in the Census Tracts which include the Urban Renewal Area was \$43,290 in 2011. This was roughly 7% lower than the citywide median income of \$50,400 in Forest Grove (US Census, American Community Survey).

There are an estimated 1,350 jobs in the Urban Renewal Area, or roughly 20% of the employment in Forest Grove. Retail, health care, and public administration are the sectors with the most employment in the area, together representing 60% of jobs. The manufacturing and

educational sectors have much lower representation in the Urban Renewal Area than in the city itself, though the area is adjacent to large industrial areas and Pacific University.

C. Urban Renewal Area Qualifications

ORS 457.420 specifies that the Urban Renewal Area identified in the Plan along with other urban renewal areas in the City may not exceed 25% of the City’s land area or 25% of the City’s assessed value.

The following table provides a comparison of taxable assessed value and acreage between the city as whole and the urban renewal area. The City of Forest Grove contains approximately 3,816.8 acres within its City limits. Based on the county assessor’s tax lot data, the total acreage in the boundary is approximately 251 acres. The area in the urban renewal district boundary represents 6.6% of the total area in Forest Grove and is within ORS 457’s 25% acreage limitation for urban renewal areas.

	City	Urban Renewal Area	Legal Limit (ORS 457)
Taxable Assessed Value (TAV)	\$1,137,119,200	\$107,793,530	
Land Area	3,816.8 acres	251 acres	
Percent of TAV	100%	9.5%	25%
Percent of Land Area	100%	6.6%	25%

As noted above, the total assessed valuation within an urban renewal area is limited to no more than 25% of the total municipal assessed value. A review of the Washington County 2012/2013 Assessor records indicates the City of Forest Grove comprised a total taxable assessed value (TAV) of \$1,137,119,200. The proposed urban renewal district comprises a total TAV of \$107,793,530. The resulting Urban Renewal District’s share of City taxable assessed value is 9.5%. The plan meets the Oregon State law requirement since the urban renewal TAV is below the 25% limit.

D. Condition of Area Infrastructure

Transportation

Pacific Avenue and the Pacific Avenue/19th Avenue couplet are the major east-west transportation connections serving the urban renewal area. Significant north-south connections include B Street, Main Street, Elm Street, Hawthorne, Maple Street, and Oregon Highway 47. Overall, the street system appears to be in satisfactory condition with routine maintenance required. Poplar Street, south of Pacific Avenue, is substandard with very poor pavement condition, no curbs and no sidewalks.

The Town Center includes a higher level of streetscape than found elsewhere in the community. Streetscape within the Town Center includes wide sidewalks, trash receptacles, decorative

street lighting, benches and decorative crosswalk markings. In general the streetscape within the Town Center is in good condition. Streetscape improvements are needed in certain locations within the Town Center where none currently exists. This includes the area between Cedar Street and Elm Street, and Main Street north of 21st Avenue.

The Pacific Avenue/19th Avenue corridor is identified for boulevard improvements in the Forest Grove Transportation System Plan. The boulevard improvements would include enhanced streetscape elements similar to the Town Center.

Water Distribution

The urban renewal area includes some of the oldest water and sewer lines in the community. The condition of the water and sewer lines varies based on age and material used. General waterline improvements are needed within the urban renewal area to improve flow and pressure at specific points in the system. These improvements are necessary for better fire protection and to replace old deteriorated pipe.

The Water Master Plan, completed in 2010, documents the locations where there is insufficient flow or residual pressure at fire hydrant locations. The amount of water required for fire emergencies is related to the local building type and the land use of the specific location in the distribution system. Insufficient fire flow is a consideration within the urban renewal area. Locations with insufficient flow or residual hydrant pressure within the urban renewal area include:

- Pacific Avenue at Ash Street
- 21st Avenue at College Way
- 19th Avenue at B Street
- 19th Avenue at C Street
- 21st Avenue at Cedar Street
- 19th Place at Hawthorne Street
- 19th Way between Pacific Avenue and 19th Avenue
- 19th Place at Maple Street
- Quince Street north of Pacific Avenue

The Water Master Plan includes the following distribution and piping improvement projects for the urban renewal area:

- Upsize from 6" to 8" line in 21st Avenue and Cedar Street area
- Upsize from 6" to 8" line near 19th Place and Maple Street
- Looping from 19th Place to Pacific Avenue 8" line

- Upsize from 6" to 8" line near 2900 19th Avenue
- Looping from Pacific Avenue to 21st Avenue on College Way with an 8" line

Sewer

Overall the sewer system serving the urban renewal area is generally adequate. The City of Forest Grove Wastewater Master Plan completed in 2007 identifies specific improvements within the urban renewal area. The master plan recommends increasing the 8-inch and 10-inch diameter lines to 15 inches along 19th Avenue from A Street to Birch Street to meet a 2030 design flow of approximately 1,500 gallons per minute. The master plan also recommends increasing the size of the Maple Street sanitary sewer line from 12-inches to 18-inches to meet a design flow of approximately 1,550 gallons per minute. In addition, the master plan recommends upgrading the existing sanitary sewer line from the Pacific Avenue/Quince Street intersection and along Fir Road to a 15-inch line.

The Forest Grove Capital Improvement Program (CIP) includes a project to rehabilitate the public sanitary sewer line and the private sanitary sewer laterals in the area around Pacific Avenue and Cedar Street. The purpose of the project is to minimize inflow and infiltration of ground water into the existing sanitary sewer system. The CIP also identifies a need to improve the capacity of the Maple Street Sewer Trunk Line.

The Sewer Master Plan also recommends annual replacement/rehabilitation of portions of the old collection piping. Projects are generally selected to coincide with paving projects to minimize cutting trenches through good roads.

Storm Drainage

Localized storm drainage problems exist within the urban renewal area. The lack of adequate storm drainage has precluded redevelopment of a vacant parcel of land located at 2617 Pacific Avenue. The lack of adequate storm drainage at this site will be addressed as part of site redevelopment. The City of Forest Grove Storm Drainage Master Plan completed in 2007 recommends improvements to the storm drainage system within and near the urban renewal area. Improvements include Construction of a 24-inch storm pipe from Cedar Street and 24th Avenue to 26th Avenue and Open channel restoration from Douglas Street to about Hawthorne Street near the railroad corridor.

Electricity

Forest Grove Light and Power provides electricity to customers within and near Forest Grove. Electrical lines are generally overhead within the urban renewal area. The Forest Grove Light and Power Substation Master Plan completed in 2013 recommends improvements to electrical substations to improve system reliability and capacity. These improvements will benefit the urban renewal area and support potential redevelopment.

E. Impacts on City Services and Costs

The Forest Grove Urban Renewal Plan establishes a framework for encouraging private development and redevelopment of land and rehabilitation of buildings within the urban renewal area. The Forest Grove Comprehensive Plan and Development Code govern development and redevelopment activities throughout the City including within the urban renewal area. Service needs and costs are based on the land use designations contained in the Comprehensive Plan. Therefore, the urban renewal program is not expected to result in service demands or costs beyond what is already projected by the City.

In general, the urban renewal program should have a positive impact on the cost-effective delivery of municipal services. Development within the urban renewal area will take advantage of prior public investment in infrastructure and excess capacity. Removing financial barriers for the construction of housing in areas already served by public infrastructure may reduce the need for the costly extension of public services elsewhere in the planning area to support development. Furthermore, private development and redevelopment supported by the urban renewal program could result in infrastructure improvements benefitting the City such as water and sewer lateral replacement where needed.

Development and redevelopment within the urban renewal area will increase the taxable value of property. As a result, the City of Forest Grove will receive additional property tax revenue from the City's local option levy based on this increased value. Proceeds from the local option levy will be allocated through the annual budget process for general city services including police and fire protection. Therefore, if service demand increases due to urban renewal projects, the City will receive additional tax revenue to help fund required services. Overlapping taxing districts will also benefit from higher property tax collections due to the higher taxable value during the latter years of the urban renewal program which will depend on the level of tax increment revenue collections and completion of the urban renewal program.

III. REASONS FOR SELECTION OF THE URBAN RENEWAL AREA INVOLVED IN THE PROGRAM

The City of Forest Grove has initiated a strong interest in improving the Town Center since at least 1997. Following the Town Center Plan, a Commercial Corridor Plan was completed in 2005. These two planning areas of the City are the primary parts of the City included in the proposed Urban Renewal District. To date, the following planning studies and documents provide direction for the proposed District. These include:

- | | |
|---|------------|
| ▪ Comprehensive Plan Goals and Policies | 1980- 2007 |
| ▪ Town Center Plan | 1997 |
| ▪ Commercial Corridor Plan | 2005 |
| ▪ Downtown Resource Team Report | 2006 |
| ▪ Forest Grove Vision Statement | 2007 |
| ▪ Storm Drainage Master Plan | 2007 |
| ▪ Wastewater Master Plan | 2007 |
| ▪ Economic Dev. Commission Strategic Plan | 2009/10 |
| ▪ Water Master Plan Update | 2010 |
| ▪ Transportation System Plan | 2010 -2013 |
| ▪ Successful Downtowns and Main Streets | 2012 |

Six amendments were made to the Comprehensive Plan from 1987 through 2007 that recognized the changes to the City in the past 30 years. The City is in the process of a major update to the Plan which will be reviewed by the City Planning Commission during 2013.

All of these plans proposed specific goals, objectives, projects and creative ideas for improving the Town Center and Commercial Corridor areas which now make up the proposed Urban Renewal District. This area was selected because an Urban Renewal program can provide the tools necessary to implement the visions and strategies expressed in these plans.

Town Center Plan (TCP)

The Town Center Plan offered the following policies and actions in the areas of Design and Land Use:

- Enhancing the Pedestrian Experience
- Reinforcing the Downtown as a Civic, Financial and Business Center,
- Preserving, restoring and benefiting from historic architecture.

Management and Implementation:

- Ensuring that the TCP moves forward as an ongoing improvement effort.
- Managing the Retail
- Encouraging building (new construction) in the Town Center.

The actual Plan is comprised of 12 major improvements intended to implement the policies and actions of the TCP – See Page 7 of the Plan.

Commercial Corridor Plan (CCP)

The CCP is a follow up to the Forest Grove Town Center Plan to better implement the land use, economic development and transportation goals for the Corridor, consistent with Metro’s Functional Plan designation. The plan focuses commercial and residential development in the Corridor to create a more pedestrian, bicycle and transit supportive development environment.

The Corridor contains a significant amount of vacant land, and vacant or under-utilized structures. The project area has a mix of piecemeal and auto-dependent development with development occurring mostly along the arterial roadway with direct driveway access. The current comprehensive plan and zoning map designations could support a mixed-use pattern of development or a multi-modal transportation system. This will improve efficiency of the transit system and reduce congestion.

The Corridor Plan is a strategy on efficient land use arrangements and economic development opportunities through the identification of master planned commercial nodes at key locations along the corridor. It also forms a program for future City improvements to the streetscape and surrounding environs.

The Action Plan is a document that delineates the responsibilities, funding sources and phasing for implementation of elements of the Corridor Plan. The Action Plan is intended to be implemented by public and private partners.

Downtown Resource Team Report

In 2006, the Forest Grove Downtown Resource Team initiated a project to better understand and deal with the dynamics, issues and opportunities facing the downtown. The final report addresses the economic, physical, and organizational components critical to successfully moving the downtown revitalization efforts forward. In addition to downtown issues, the project also addressed the need to better connect downtown with the lodging opportunities.

The recommendations of the Resource Team report fall into the following seven categories. These categories can serve as a framework for implementing the Urban Renewal Plan.

Strategic Initiative 1: Downtown Organization

Building the capacity of existing groups to pull together private sector efforts is of primary importance in Forest Grove. This initiative addresses necessary changes in “who does what” to carry out the goals of Strategic Initiative 2.

Strategic Initiative 2: Business Development

There are a number of business mix and clustering opportunities that can be put into motion in Forest Grove in the near-term. Utilizing the findings and conclusions of the market assessment and business analysis, the action items will move the economics for downtown in the right direction.

Strategic Initiative 3: Redevelopment Tool Kit

The specific elements of redevelopment are packaged in one convenient strategy. This group of incentives looks at existing and potential strategies that will assist local efforts at infill and rehabilitation.

Strategic Initiative 4: Redevelopment

Encouraging infill and facade rehabilitation efforts is a significant part of this report’s recommendations. Providing the right climate and right incentives for desirable redevelopment is a hallmark of successful downtowns.

Strategic Initiative 5: Housing Development

A critical strategy in downtown commercial development is the creation of additional housing. Time and time again, housing has shown to contribute to the demand for additional shops, services, entertainment and restaurants.

Strategic Initiative 6: Historic Preservation

Historic preservation and rehabilitation can be an ideal economic development strategy for attracting and retaining small business. Exploring elements of the creation of an Historic District could be key to the future of downtown Forest Grove.

Strategic Initiative 7: Visitor Development

Many of the same techniques and businesses that are important to the local market, will draw a wider consumer audience.

Forest Grove Vision Statement & 2007 Action Plan

Over 100 residents and interested citizens participated in developing the Forest Grove Vision statement and Action Plan in 2007. The vision statement serves as the foundation for the update of the Forest Grove Comprehensive Plan and provides a framework for the Urban Renewal Plan. It includes the following objectives and actions:

Historic Preservation Objective 2 – Achieve an activity-filled, vital downtown that attracts residents and non-residents while maintaining the historic authenticity of buildings and landscape.

Arts & Culture Long Term Actions 2 & 5 – Find ways to encourage and support the development of art galleries downtown.

Create a covered meeting space in downtown Forest Grove for public gatherings and events.

Economic Development Objectives 2 and 3 – Attract investment and development of the Quince/Highway 47 node on Pacific and 19th Avenues.

- Revitalize downtown leading to stronger sales, increased activity and reduced vacancies.

Actions (Short Term) 5, 7, 9 and 10 – Support establishment of a book store and high-end restaurant in downtown.

- Support and strengthen First Wednesday, Main Course and Holiday Light Parade events that showcase and increase activity in downtown.
- Establish urban renewal district to encourage commercial investment in downtown.
- Work to support commercial redevelopment on large sites at Quince/Pacific Avenues.

Actions (Long Term) 1 – Create “festival Street” on 21st Avenue between College and Main Streets on 21st Avenue in downtown to support events and activities.

People and Community Building - Actions (Long Term) 2 – Develop an outdoor community gathering place downtown that provides a multi-use area for various community functions.

Successful Downtowns and Main Streets

A recent report titled Successful Downtowns and Main Streets was recently presented to the City of Forest Grove by Civilis Consultants. Some of the lessons offered for successful Downtowns and Main Streets are noted below. Several of these may be helpful to the Urban Renewal Agency as implementation of the Urban Renewal Plan is initiated.

1. Destination versus Impulse Businesses – Emerging and transition districts need a solid base of active destination businesses.
2. Restaurants – Food service is key to making a district a destination, particularly staples that become neighborhood hang-outs: baker, breakfast/lunch dining options, pizza place and a coffee shop are all good examples.
3. Strengthen Nodes – Focus improvement on areas that are already active and engaging, then work to connect them.
4. Tenant for Value – Tenanting to create place and ground floor activation results in long-term value for all downtown stakeholders. Lowering rent initially to get the correct tenant use in the door is a proven strategy that works.
5. Walkability – Every business and every building should contribute to a vibrant and active environment for pedestrians.
6. Space Size and Finish – High ceilings, wood floors, exposed brick, dramatic window lines and old world charm are all valuable. Don't make spaces too big. Flexibility is a must to appeal to the widest possible tenant pool. Spaces divisible down to about 900 square feet are ideal.
7. Connectivity – “Blanks” in a downtown or main street, whether they be vacancies, empty lots, or inward facing office or industrial uses, kill a retail district and lower its ability to generate sales and foot traffic.
8. Promote, Promote, Promote – Event planning, large and small, is a huge part of creating civic identity and driving traffic to the expertise offered by passionate local business owners.
9. Wide Stakeholder Involvement – Active and connected building owners, property owners, public sector officials, and residents can develop and implement strategies to effectively plan events, promote the district and create place. Strong relationships are the key to tenanting, to creating community fabric, and to spurring successful revitalization.

Economic Development Commission - 2009/2011 Strategic Plan

The Forest Grove Economic Development Commission began work on an economic development strategic plan in 2008. The recommendations of the plan help position the City to strengthen the Forest Grove area economy. The Strategic Plan includes several strategies pertinent to the Forest Grove urban renewal district.

Strategy 15 – Inventory and redevelop vacant and underutilized commercial/retail sites. Identify and inventory underutilized or vacant sites and develop tools and tactics to encourage redevelopment.

- Establish Urban Renewal Districts in key commercial redevelopment areas.

Strategy 16 – Improve public infrastructure in downtown. Expand and upgrade public infrastructure amenities in and leading to the downtown to support business growth, shopping and livability.

- Site and build a gathering location such as an urban park
- Develop a festival street on 21st
- Ensure adequate parking in downtown
- Improve signage

Comprehensive Plan Goals and Policies

The Comprehensive Plan was adopted in 1980. As noted above, the City is in the process of updating the plan which is intended for adoption by the Planning Commission and City Council in the Spring, 2013. While the Plan is 34 years old, six amendments to the Plan have been executed from 1987 through 2007. There are several Plan goals and policies that are supportive of improving the Town Center. These include:

Related Local Policies from other Elements of the Comprehensive Plan

3. Encourage and cooperate with the development of a central business district study which would generate a plan for the CBD by December, 1981, addressing major issues confronting the area with particular attention to the historic character of the existing CBD (Commercial Element). The Town Center Plan was adopted in 1997.

Commercial Land Use – Goals

2. Encourage the opportunity for revitalization of the central business district.

3. Provide for a mix of commercial uses and multi-family housing in the commercial core area.

Commercial Land Use – Policies

3. Encourage improvement of the central Business District by cooperating with the Downtown Business Association and the Oregon Downtown Development Association in their Main Street Program. (Amended by Ord. 87-7)
4. Multi-family dwellings shall be permitted in the Central Business District. (Amended by Ord. 87-7.
5. Sufficient land shall be included in the Central Business District to allow the opportunity for growth and expansion (Amended by Ord. 87-7)
6. Off-street parking for new uses in the Central Business District shall be provided in the best manner possible, provided that it may not be located at the front of buildings. (Amended by Ord. 87-7)
16. Refer to the Forest Grove Town Center Plan for guidance on all downtown-area policies and strategies. (Ord. 99-17, 12/13/99)

Historic Preservation and Scenic Areas – Policies

2. Encourage the use of tax and other financial incentives to individuals who wish to preserve and/or rehabilitate historically significant sites or structures.
5. Encourage utilization of historical structures in designated commercial zones through building adaptation and rehabilitation.

Conclusion

The seven planning studies summarized above illustrate Forest Grove's long term interest in improving the Town Center and the Commercial Corridor to the east. Many of the ingredients of the Town Center Plan completed in 1997 remain valid today. Those most relevant to this new century and the current community desires have been extracted from these plans to demonstrate that an Urban Renewal District is the best tool necessary for them to finally come to fruition.

The other major reason for selecting the proposed Urban Renewal Area are the conditions of "blight" As defined by ORS 457.101(1).

In the commercial areas of the Town Center, there are several vacant storefronts, second and third floor vacancies and completely vacant buildings. In addition, some of the buildings require moderate to major renovation. These conditions reflect a degree of obsolescence and deterioration (ORS 457(1)(a)(E). These conditions demonstrate a growing lack of proper

utilization of the area resulting in a stagnant and unproductive condition of land. These conditions, impact the public health, safety and welfare of the community.

There are also vacant light industrial buildings and associated land areas including the vacant land owned by Woodfold-Marco and the Times Litho property. Within the Town Center, there are vacant lots, residences requiring renovation and several under-utilized properties. The Light and Power Department yard, located at B Street and 18th Avenue, is an excellent example of an incompatible use with the existing and planned uses in the Town Center area.

The Mid-Town Corridor is comprised of a variety of land uses, many on under-sized lots. These also include older residences and vacated commercial uses such as Tualatin Chevrolet. This area represents conditions of “blight” associated with obsolescence and mixed character or transitional uses.

The Gateway area at the eastern end of the proposed Urban Renewal District is also a mix of commercial and older residential uses. However, there are also a considerable number of vacant lots including two large parcels which have been land-banked by the owners. Similar to the Mid-Town Corridor, this area represents conditions of “blight” associated with obsolescence and mixed-character of uses. In addition, the large amount of vacant land shows a stagnant and unproductive condition of several land areas potentially useful and valuable for contributing to the public health, safety and welfare of the community.

IV. RELATIONSHIP BETWEEN THE PROJECTS TO BE UNDERTAKEN IN THE PROGRAM AND THE EXISTING CONDITIONS IN THE AREA

There are five project categories that are specifically designed to address the existing conditions in the Urban Renewal Area. These include:

- Acquisition of Redevelopment Opportunity Sites from willing sellers
- Redevelopment Project Assistance
- Sustainability Incentive Program
- Grant Project Matching Funds
- Program Administration

Acquisition of Redevelopment Opportunity Sites

As described in Section III above there are existing site conditions in all three sub-areas of the Urban Renewal District that invite redevelopment. The Town Center Area has existing former industrial properties that are either vacant or underutilized. These sites are suited for acquisition and clearance, as necessary, for redevelopment consistent with the character of the Town Center as a mixed-use retail and residential area. There are also smaller sites where in-fill at an urban scale is consistent with the existing retail and office uses.

The mid-town area also has vacant and underutilized properties where medium density residential uses and automobile oriented commercial could strengthen the existing land use pattern and improve property values.

Redevelopment Project Assistance

The Quince/Pacific Avenue Gateway area has large vacant parcels adjacent to the Gateway intersection. As the economy is strengthening, these larger parcels offer unique opportunities for new development by their owners/developers. Based on past experience, they may need assistance from the Urban Renewal Agency with their project development soft costs such as market feasibility studies, engineering reports and environmental or traffic impact assessments.

This type of project assistance may also be needed in the Mid-Town area and Town Center but the scope of the assistance may be more limited.

Sustainability Incentive Program

The Sustainability Incentive Program isn't proposed to address specific "blighting" conditions in the Urban Renewal Area but rather to promote sustainability practices by business owners and

project developers. This can include some of the techniques described in Section VII of the Report. The Sustainability Incentive Program responds to Metro's desire to encourage sustainable development practices through redevelopment activities.

Grant Project Matching Funds

There are many state, federal and Metro grant programs available to communities for specific projects. One of the values of an urban renewal program is that the agency's funds can be utilized as a "local match" to increase the funds available for specific projects. There are many needs in the proposed Urban Renewal Area where loan and grant programs would be very beneficial.

Program Administration

The Urban Renewal Agency will be responsible for managing the projects and programs throughout the Urban Renewal District. At the beginning of the program, the agency should initiate projects in all of the three sub-areas which have high visibility in the community.

V. CITIZEN PARTICIPATION

The citizen participation program included work sessions with the City Council and Planning Commission, a community open house, and an urban renewal working group made up of property owners and representatives from the City Council, Planning Commission, Budget Committee and Economic Development Commission. During the plan preparation process five City Council work sessions were held. An additional work session was held with the Planning Commission. The urban renewal working group met four times over a two month period. Comments and suggestions received from the citizen participation meetings were considered as part of preparing the urban renewal plan. Specifically, comments influenced the proposed urban renewal boundary, project categories and cost allocations.

Approximately 28 persons attended the community open house held on September 12, 2012. The open house provided information on urban renewal, the concept of tax increment financing, and feasibility of establishing an urban renewal program in Forest Grove.

Meeting Dates

City Council Work Sessions:

October 10, 2011;

February 6, 2012;

August 13, 2012;

September 24, 2012; and

February 11, 2013

Planning Commission Work Session: December 5, 2011

Community Open House: September 12, 2012

Working Group Meeting #1: April 4, 2013;

Working Group Meeting #2: April 11, 2013;

Working Group Meeting #3: May 2, 2013; and

Working Group Meeting #4: May 16, 2013

In accordance with ORS 457.120, all utility customers in the City were notified in writing of the City Council's intent to adopt the urban renewal plan and report.

VI. RELOCATION REPORT

According to ORS 457.085 (3)(i) A Relocation Report shall include:

- (A) An Analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions under ORS 457.170;
- (B) A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 35.500 to 35.530; and
- (C) An enumeration, by cost range, of the existing housing units in the urban renewal areas of the plan to be destroyed or altered and new units to be added.

No relocation of existing residences or businesses is planned for the Urban Renewal District. Therefore, no Relocation Report is included in the Urban Renewal Report.

VII. PROJECT COSTS & TIMING

A. Introduction

The City of Forest Grove is establishing an urban renewal agency and adopting an urban renewal plan. The plan area is focused on the Forest Grove Town Center and Pacific Avenue corridor. The area includes the Town Center, Pacific Avenue/19th Street corridor and area surrounding the Quince Street/Oregon Highway 8 intersection.

Urban renewal has been an effective tool for stimulating public and private investment in areas in need of revitalization throughout Oregon. The most effective urban renewal programs are focused with clearly defined goals, objectives and project outcomes.

An initial assessment of the financial feasibility of a Forest Grove urban renewal program was recently completed by the Benkendorf Associates Corp. and Johnson Reid, LLC. The assessment was based on very conservative assumptions regarding growth in the taxable value of property. Two scenarios were evaluated for feasibility. The first scenario was based on a 2.4% annual increase in the taxable value of property. This growth rate of 2.4% is consistent with the historical average increase within Forest Grove over the past few years. The second scenario reflected a 3.0% annual increase in the taxable value of property. A growth rate of 3.0% is consistent with the typical maximum rate of growth applied to the taxable assessed value of property permitted under state law.

Based on the assumptions described above, an urban renewal area including the Forest Grove Town Center and Pacific Avenue corridor could likely generate approximately \$9.7 million in tax increment revenue over a twenty year period. Substantial new development and redevelopment will be necessary to generate tax increment revenue in excess of this amount. Expanding the urban renewal boundary or increasing the duration of the urban renewal program are potential options for increasing tax increment revenue during the life of the Urban Renewal Plan.

The allocation of revenue to potential project categories is based on the 20-year tax increment revenue projections prepared by Johnson-Reid and presented to the urban renewal working group on April 11, 2013.

The Urban Renewal Plan must identify anticipated projects including estimated cost and timeline for completion. Possible urban renewal projects are described below. These projects reflect the modest amount of tax increment funds expected during a twenty-year period. The projects include acquisition of redevelopment opportunity sites, redevelopment project assistance, a sustainability incentive program, set-aside program for matching funds needed for grants benefitting the urban renewal area and project administration.

The following is a description of each of the possible projects, with estimated completion date. The projects proposed for this Urban Renewal Area are programmatic in nature and expected to last through the 20-year life of the district. Therefore the expected completion date is 2033 for most of these projects. The only exception is the first project involving acquisition of sites, which is not a program. However, acquisition activities may extend to the end of the 20-year period, and therefore the listed completion date remains 2033.

B. Planned Projects

1. Acquisition of Redevelopment Opportunity Sites

An urban renewal agency may purchase property for urban renewal projects including redevelopment of sites or infrastructure improvements. Under state law, the urban renewal agency could redevelop the property or dispose of the property to a third party for redevelopment. Acquisition could be fee-simple or less-than-fee simple purchases such as easements or leaseholds. Redevelopment opportunity sites for purchase must be identified in the urban renewal plan. The urban renewal plan could authorize the purchase of property from willing sellers for redevelopment projects. In addition, the urban renewal plan could authorize use of eminent domain powers for infrastructure projects. The use of eminent domain is a policy question for City Council consideration. The City Council could decide to use eminent domain when necessary for urban renewal projects or forego the use entirely if desired.

To spur development, the urban renewal agency may sell land at below market cost. The sale price of the property should be determined based on fair reuse value. Fair reuse value is simply the value of the property, set by the Urban Renewal Agency, taking into account the condition of the property, cost of development, type of development desired and conditions imposed by the urban renewal agency. Typically as-is and as-developed appraisals are prepared to help determine fair reuse value.

Estimated Tax Increment Allocation: \$3,000,000

Estimated Time of Completion: 2033

Potential Acquisition Sites:

- a) Gravel parking lot north of 19th Avenue, east of City Hall
- b) Parking lot north of 19th and west of Main Street
- c) Gravel parking lot south of 19th Avenue east of Council Street
- d) Times-Litho Site, A Street, between Pacific and 2st Avenues
- e) Albertson Site (southwest of Pacific Avenue and Quince Street intersection)
- f) Haggen Site (southeast corner of Pacific Avenue and Quince Street intersection)

Potential Uses:

- Town Center Public Plaza.
- Transit-Oriented Development
- Mixed-Use Development incorporating housing, retail or office uses
- Stand Alone Residential Development addressing document housing needs
- Building Rehabilitation
- Site Clearance and Preparation
- Environmental Remediation

2. Redevelopment Project Assistance

Another tool that is available is urban renewal agency participation in projects meeting the goals and objectives of the adopted urban renewal plan. Urban renewal agency participation could be focused on reducing hard project costs, paying for certain soft costs or reducing financing expenses. The idea is that lowering development costs would induce private investment to pursue a project.

Project hard costs include site preparation and construction expenses. Soft costs include pre-development activities such as preparation of market feasibility studies, engineering reports, environmental analysis or traffic impact assessments. Soft costs may also include fees and charges such as System Development Charges (SDCs). SDC waivers or write downs are effective ways to reduce project costs through urban renewal participation. Reducing project financing costs could also be achieved through direct low interest loans or grants provided to the project.

Estimated Tax Increment Allocation: \$5,000,000

Estimated Time of Completion: 2033

Purpose

Encourage development of vacant property and redevelopment of underutilized property. Promote use of prior investments in infrastructure and increase the tax base. Redevelopment project assistance could include direct loans and grants for construction of physical improvements, system development charge reductions or offsets, funding of pre-development activities such as market feasibility studies, engineering reports, environmental analysis, or traffic impact assessments. Redevelopment project assistance could also include write-downs, participation in funding and constructing off-site improvements and building upgrades to meet building and development code requirements for mixed-use development.

Typical System Development Charges (SDC)

A description of current system development charges applicable to new development is provided below. System development charges reflect the impact that development has on existing systems including excess capacity previously publicly funded. In some instances the amount of system development charges create a barrier to the financial feasibility of new development meeting public objectives for land-efficient development, needed housing and mixed-use projects.

TDT¹ (Apartment) \$4,325

TDT (Condo) \$3,976

TDT (Office) \$6,869 TSFGFA²

TDT (Quality Restaurant) \$19,280 TSFGFA

TDT (High Turnover Restaurant) \$16,573 TSFGFA

Water SDC \$4,212 per unit

Sanitary SDC \$4,800

Park SDC \$3,000

3. Exterior Building Improvement Program

The project category would provide funding for improvements to building exteriors including façade improvements, awnings and canopies, exterior lighting, and exterior improvements intended to generally improve buildings, return historically designated buildings to their original historic character or meet design standards and guidelines applicable to new construction. This category would also fund seismic upgrades and ADA accessibility improvements up to established per project funding limits.

Estimated Tax Increment Allocation: \$1,000,000

Estimated Time of Completion: 2033

4. Interior Building Improvement Program

This project category is intended to assist property owners with costs associated with meeting contemporary building code requirements and hard and soft costs related to building rehabilitation/restoration, environmental remediation, ADA accessibility

¹ TDT: Transportation Development Tax

² TSFGFA: Thousand Square Feet of Gross Floor Area

improvements, seismic upgrades within buildings, energy efficiency, HVAC, electrical, plumbing, and tenant improvements subject to an executed lease and per project funding limits. Funding for tenant improvements should focus on filling vacant space and creating jobs.

Purpose: Expand housing options and create jobs

Estimated Tax Increment Allocation: \$1,000,000

Estimated Time of Completion: 2033

Examples

- ADA accessibility improvements
- Seismic upgrades
- Tenant improvements to support business retention and expansion

5. Sustainability Incentive Program

Sustainability is a public objective cited in planning documents including urban renewal plans. Sustainability initiatives are often intended to increase the use of raw materials for building and energy production that are developed through sustainable practices. Sustainable practices include features such as bio-swales, green roofs, and pervious surfaces to name a few. Other examples of sustainable practices include the use of wind or solar power for energy generation, purchase of raw materials from local sources, or wood using sustainable timber harvesting practices. In addition, Sustainability initiatives that encourage or support transit may encourage reductions in greenhouse gas production. Meeting these public objectives may increase project costs. Higher costs may be associated with compliance procedures or acquisition of new technologies. A set aside for partial funding of sustainability improvements could encourage meeting sustainability standards. For example, funds could be used for specific sustainability elements such as installing solar panels, adaptive reuse of existing buildings, or building low or net zero energy buildings.

Estimated Tax Increment Allocation: \$300,000

Estimated Time of Completion: 2033

6. Grant Project Matching Funds

Many grants are available from private and public sources. Having this funding available would provide the opportunity to leverage urban renewal funds with other sources to

complete needed projects. Grant opportunities tend to focus on specific planning activities or capital improvements. Grants typically require a match from the grant award recipient. This program would establish a funding set aside to provide required match for projects meeting urban renewal goals and objectives. Supplementing tax increment proceeds with grant funds could be especially useful during the early years of the urban renewal program when tax increment proceeds are expected to be minor.

Estimated Tax Increment Allocation: \$300,000

Estimated Time of Completion: 2033

Typical match is 10%. Therefore, this set aside could leverage an addition \$3,000,000 for urban renewal programs.

7. Program Administration

This project includes funding for administration of the urban renewal program. Administration includes project management, regulatory compliance, bond issuance expenses and legal expenses. Program administration is estimated to require approximately 3.6% of program revenue during the duration of the urban renewal program.

Estimated Tax Increment Allocation: \$400,000 (\$20,000 per year)

Estimated Time of Completion: 2033

The table below shows funding allocations for the projects identified above. The table also shows the percentage of total resources allocated to the project. The estimated total allocation of \$11,000,000 would be funded through bond proceeds and tax increment revenue not required for debt service.

Figure 6: Summary of Estimated Project Costs

Project	Estimated Allocation	Percent
Land Acquisition	\$3,000,000	27.3%
Redevelopment Project Assistance	\$5,000,000	45.5%
Sustainability Incentive Program	\$300,000	2.7%
Exterior Building Improvement Program	\$1,000,000	9.1%
Interior Building Improvement Program	\$1,000,000	9.1%
Grant Project Matching Funds	\$300,000	2.7%
Program Administration (20-years)	\$400,000	3.6%
Total	\$11,000,000.00	100%

VIII. FINANCIAL ANALYSIS OF THE PLAN

A. Anticipated Tax Increment Revenues

The following table presents the estimated projection of Tax Increment Financing (TIF) revenues to the Urban Renewal District over the 20-year period beginning tax year 2013/14 and ending tax year 2032/33.

The tax increment is the difference between the total assessed value in the district in a given year, and the total assessed value in the district at the time the plan is approved. At the time of approval, ad valorem tax revenue from all applicable taxing jurisdiction is “frozen” at current levels, and all additional revenue which results from growth of assessed value in the district provides TIF revenue to the Urban Renewal District to fund its plans and activities.

The following table assumes an annual growth rate in assessed value of 3%. 3% is the automatic assessed value escalation allowed under Oregon law stemming from the passage of Measure 50 in 1997. The actual growth rate in assessed value in the district may be more or less than this assumed rate, but 3% is assumed to be a conservative rate.

The projected revenue under a higher rate of 4.5% is included here for reference to indicate the potential for higher revenue from urban renewal activities, but the official rate assumed in this Plan and Report, and reflected in the subsequent tables is 3%.

**Figure 7: Projected Tax Increment Revenue
Forest Grove Urban Renewal Area, 20-Year Forecast**

Tax Year	Planning Area Levy Rate (per \$1,000 TAV)	
	15.4527	15.4527
	Medium Growth (M50) 3.0%	High Growth 4.5%
2012-13	\$0	\$0
2013-14	\$49,971	\$74,957
2014-15	\$77,811	\$117,578
2015-16	\$118,475	\$180,365
2016-17	\$160,360	\$245,977
2017-18	\$203,501	\$314,541
2018-19	\$247,936	\$386,191
2019-20	\$293,704	\$461,065
2020-21	\$340,846	\$539,308
2021-22	\$389,402	\$621,072
2022-23	\$439,414	\$706,516
2023-24	\$490,927	\$795,805
2024-25	\$543,985	\$889,112
2025-26	\$598,635	\$986,617
2026-27	\$654,924	\$1,088,510
2027-28	\$704,981	\$1,181,711
2028-29	\$764,035	\$1,291,745
2029-30	\$824,860	\$1,406,730
2030-31	\$887,510	\$1,526,889
2031-32	\$952,040	\$1,652,456
2032-33	\$1,018,506	\$1,783,673
20-Year Revenue	\$9,761,821	\$16,250,815

Source: Washington County Assessor, Johnson Reid LLC

B. Forecast of Revenue and Indebtedness

The following table presents the anticipated schedule of TIF revenue and indebtedness (bonding) of the Urban Renewal district. The Urban Renewal Agency reserves the right to change this anticipated bonding schedule to adapt to facts on the ground within the district during its lifetime. The Urban Renewal Agency reserves the right to take on new indebtedness until the 20th year (2032/33) if necessary to complete the projects as described in the Plan and this Report, which may extend the period of debt repayment beyond what is shown in the following table. (Further explanation is provided following the table.)

Figure 8: Forecast of Urban Renewal Program Revenue and Indebtedness

1	2	3	4	5	6	7	8	9	10
Program Year	Tax Year	Total Annual TIF Revenue	Bond Issuance (Year 3) /Principal	Bond Issuance (Year 8) /Principal	Bond Issuance (Year 15) /Principal	Total Annual Debt Service	Annual TIF Revenue (Minus Debt Service)	Projected Annual Program Revenues	Revenue to Other Taxing Jurisdictions (Year 21 +)
	2012-13	\$0				\$0	\$0	\$0	
1	2013-14	\$49,971				\$0	\$49,971	\$49,971	
2	2014-15	\$77,811				\$0	\$77,811	\$77,811	
3	2015-16	\$118,475	\$918,714			\$78,983	\$39,492	\$958,206	
4	2016-17	\$160,360	\$893,739			\$78,944	\$81,416	\$81,416	
5	2017-18	\$203,501	\$867,266			\$78,903	\$124,597	\$124,597	
6	2018-19	\$247,936	\$839,204			\$78,862	\$169,074	\$169,074	
7	2019-20	\$293,704	\$809,459			\$78,819	\$214,885	\$214,885	
8	2020-21	\$340,846	\$777,928	\$2,032,224		\$253,489	\$87,357	\$2,119,581	
9	2021-22	\$389,402	\$744,506	\$1,976,979		\$253,357	\$136,045	\$136,045	
10	2022-23	\$439,414	\$709,079	\$1,918,419		\$253,221	\$186,193	\$186,193	
11	2023-24	\$490,927	\$671,526	\$1,856,346		\$253,082	\$237,845	\$237,845	
12	2024-25	\$543,985	\$631,720	\$1,790,548		\$252,939	\$291,046	\$291,046	
13	2025-26	\$598,635	\$589,526	\$1,720,802		\$252,793	\$345,842	\$345,842	
14	2026-27	\$654,924	\$544,800	\$1,646,872		\$252,643	\$402,281	\$402,281	
15	2027-28	\$704,981	\$497,390	\$1,568,505	\$3,508,842	\$554,150	\$150,831	\$3,659,673	
16	2028-29	\$764,035	\$447,136	\$1,485,437	\$3,413,456	\$553,842	\$210,192	\$210,192	
17	2029-30	\$824,860	\$393,866	\$1,397,385	\$3,312,346	\$553,526	\$271,334	\$271,334	
18	2030-31	\$887,510	\$337,400	\$1,304,049	\$3,205,170	\$553,203	\$334,308	\$334,308	
19	2031-32	\$952,040	\$277,547	\$1,205,114	\$3,091,563	\$552,871	\$399,169	\$399,169	
20	2032-33	\$1,018,506	\$214,102	\$1,100,242	\$2,971,140	\$552,532	\$766,840	\$766,840	
21	2033-34	\$1,086,965	\$146,850	\$989,078	\$2,843,492	\$552,185		\$534,781	
22	2034-35	\$1,157,479	\$75,564	\$871,244	\$2,708,185	\$551,829		\$605,649	
23	2035-36	\$1,230,107		\$746,340	\$2,564,759	\$473,485		\$756,623	
24	2036-37	\$1,304,915		\$613,942	\$2,412,728	\$473,175		\$831,740	
25	2037-38	\$1,381,967		\$473,600	\$2,251,575	\$472,859		\$909,108	
26	2038-39	\$1,461,330		\$324,838	\$2,080,752	\$472,536		\$988,794	
27	2039-40	\$1,543,075		\$167,150	\$1,899,680	\$472,206		\$1,070,869	
28	2040-41	\$1,627,271			\$1,707,744	\$299,372		\$1,327,899	
29	2041-42	\$1,713,994			\$1,504,292	\$299,166		\$1,414,828	
30	2042-43	\$1,803,318			\$1,288,633	\$298,955		\$1,504,363	
31	2043-44	\$1,895,322			\$1,060,034	\$298,739		\$1,596,583	
32	2044-45	\$1,990,086			\$817,719	\$298,519		\$1,691,567	
33	2045-46	\$2,087,693			\$560,866	\$298,295		\$1,789,398	
34	2046-47	\$2,188,228			\$288,601	\$298,066		\$1,890,162	
35	2047-48	\$2,291,779						\$2,291,779	
TOTAL Projected Revenue:								\$11,036,308	

Source: City of Forest Grove, Johnson Reid LLC

All figures in this table are projections based on a number of assumptions. Actual district performance in terms of revenue and bonding schedule may differ significantly from the above projections. This table is meant to demonstrate that the Plan and projects are feasible.

- Column 3 of the table presents the total anticipated TIF revenue by year.
- Columns 4, 5 and 6 present the anticipated revenue of three bond issues, the first in the 3rd year of the plan, the second in the 8th year, and the last in the 15th year. The estimated bond amounts are based on the estimated debt payment supportable by TIF revenue in that year. The calculation assumes a conservative debt coverage ratio of 1.5, meaning that the total allowable debt payment would be the total TIF revenue of the year of debt issuance, divided by 1.5. This means that a cushion exists between the expected revenue and the debt service payment, in case revenues are lower than projected. The calculation also assumes a conservative rate of 6% over a 20-year term.
- In Columns 4 through 6, the highlighted top number represents the amount of debt taken on, while the trailing numbers below represent the amount of principal left on the debt over the 20-year payment period.
- Column 7 presents the anticipated total debt service of the two bonds over the total repayment period.
- Column 9 presents the total revenue by year, including TIF revenues and bond proceeds. It is projected that annual TIF revenues will accrue to the district after debt service is accounted for. Therefore total district revenue is a mixture of TIF revenue and debt.
- Column 10 presents the projected return of property tax revenue to the other taxing jurisdictions, once remaining debt service payments are accounted for, beginning in the 21st year.

The projected annual program revenue in Column 9 is the sum total of bond proceeds from the three bond issues (Columns 4, 5, and 6) and annual tax increment revenue minus debt service (Column 8). The total amount shown Column 9 (Projected Annual Program Revenues) of approximately \$11 million is consistent with the total estimated allocation of revenue for all projects shown on Figure 6 on Page 30. Therefore, project funding requirements are met based on projected program revenue during the duration of the urban renewal plan and the urban renewal program is financially feasible,

C. Anticipated Year in Which Indebtedness Will Be Retired

According to the above projections, subject to all assumptions, the final year of indebtedness would be the 34th year (2046/47). Increment revenue (minus remaining debt service payments) is returned to taxing jurisdictions beginning in the 21st year. As noted above, the Urban Renewal Agency reserves the right to assume new indebtedness until the 20th year, which may extend debt payment beyond that shown in the above table.

D. Statement of Fiscal Impact on Other Jurisdictions Under ORS 457.420-440

The use of tax increment financing creates a fiscal impact on the taxing districts (e.g. the City, the County, community college) that levy taxes within the Area. This impact consists of those districts foregoing the taxes that would have been levied on the increase in assessed value within the Area while tax increment financing is in effect. Figure 10 (on the following page) shows projected impacts on other taxing jurisdictions until the final year of indebtedness. After the 20th year, some incremental tax revenues begin to be returned to the jurisdictions (minus that needed for ongoing debt service payments).

The City’s revenue from its local option levy is not included in the division of taxes for Urban Renewal and therefore is not impacted. Based on the incremental increase in the value of taxable property within the urban renewal area the City will collect approximately \$1.3 million from the special levy. This analysis is based on a 3% annual increase in the taxable value of property within the urban renewal area and continuation of the special levy during the duration of the urban renewal plan at the current rate of \$1.60 per \$1,000 in taxable assessed value. The table below shows the estimated annual revenue from the special levy based on the incremental increase in the taxable assessed value of property within the urban renewal area.

Figure 9: Estimated 20-Year Special Levy Revenue

Program Year	Incremental Value	Special Levy Revenue
2013-14	\$3,233,806	\$5,174
2014-15	\$6,564,626	\$10,503
2015-16	\$9,995,371	\$15,993
2016-17	\$13,529,038	\$21,646
2017-18	\$17,168,715	\$27,470
2018-19	\$20,917,582	\$33,468
2019-20	\$24,778,915	\$39,646
2020-21	\$28,756,089	\$46,010
2021-22	\$32,852,577	\$52,564
2022-23	\$37,071,961	\$59,315
2023-24	\$41,417,925	\$66,269
2024-25	\$45,894,269	\$73,431
2025-26	\$50,504,903	\$80,808
2026-27	\$55,253,856	\$88,406
2027-28	\$60,145,277	\$96,232
2028-29	\$65,183,442	\$104,294
2029-30	\$70,372,751	\$112,596
2030-31	\$75,717,739	\$121,148
2031-32	\$81,223,077	\$129,957
2032-33	\$86,893,576	\$139,030
Total		\$1,323,961

School district ad valorem tax revenue is included in the division of taxes, however, due to the fact that school funding in Oregon is aggregated at the state level and redistributed to the local districts per pupil, the diminishment of revenue will be felt at the much larger level of the state pool, and the actual impacts to the Forest Grove School District will be minimal.

Subsequent to the retirement of all debt in the 34th year, the other taxing jurisdictions would share an increase in total revenue of \$2.29 million in the 35th year, at the growth rate assumed in this analysis. The distribution in that year of what was formerly the tax increment would provide additional revenues to the jurisdictions as follows:

Figure 10: Forecasted Annual Revenue to Taxing Jurisdictions
35th Year

Taxing Jurisdiction	Frozen Base	New Revenue	Total
Washington County	\$242,400	\$439,600	\$682,000
Metro	\$10,400	\$18,900	\$29,300
Port of Portland	\$7,600	\$13,700	\$21,300
City of Forest Grove	\$426,400	\$773,400	\$1,199,800
Portland Community College	\$30,500	\$55,300	\$85,800
Forest Grove School District #15	\$529,700	\$960,800	\$1,490,500
NW Regional ESD	\$16,600	\$30,100	\$46,700
Totals:	\$1,263,600	\$2,291,800	\$3,555,400

**Figure 11: Forecast of Revenue Impacts on Taxing Jurisdictions
Until First Year After Indebtedness**

Program Year	Tax Year	Washington County		Metro		Port of Portland		City of Forest Grove		Portland Community College		Forest Grove School District #15		NW Regional FSD	
		Divisible Tax Rate	Revenue	Divisible Tax Rate	Revenue	Divisible Tax Rate	Revenue	Divisible Tax Rate	Revenue	Divisible Tax Rate	Revenue	Divisible Tax Rate	Revenue	Divisible Tax Rate	Revenue
			\$0		\$0	0.0701	\$0	3.9554	\$0	0.4853	\$0	8.1459	\$0	0.1538	\$0
1	2013-14	2.3801	\$7,700	0.0966	\$300	0.0701	\$200	3.9554	\$12,800	0.2828	\$900	4.9142	\$15,900	0.1538	\$500
2	2014-15	2.3801	\$15,600	0.0966	\$600	0.0701	\$500	3.9554	\$26,000	0.2828	\$1,900	4.9142	\$32,300	0.1538	\$1,000
3	2015-16	2.3801	\$23,800	0.0966	\$1,000	0.0701	\$700	3.9554	\$39,500	0.2828	\$2,800	4.9142	\$49,100	0.1538	\$1,500
4	2016-17	2.3801	\$32,200	0.0966	\$1,300	0.0701	\$900	3.9554	\$53,500	0.2828	\$3,800	4.9142	\$66,500	0.1538	\$2,100
5	2017-18	2.3801	\$40,900	0.0966	\$1,700	0.0701	\$1,200	3.9554	\$67,900	0.2828	\$4,900	4.9142	\$84,400	0.1538	\$2,600
6	2018-19	2.3801	\$49,800	0.0966	\$2,000	0.0701	\$1,500	3.9554	\$82,700	0.2828	\$5,900	4.9142	\$102,800	0.1538	\$3,200
7	2019-20	2.3801	\$59,000	0.0966	\$2,400	0.0701	\$1,700	3.9554	\$98,000	0.2828	\$7,000	4.9142	\$121,800	0.1538	\$3,800
8	2020-21	2.3801	\$68,400	0.0966	\$2,800	0.0701	\$2,000	3.9554	\$113,700	0.2828	\$8,100	4.9142	\$141,300	0.1538	\$4,400
9	2021-22	2.3801	\$78,200	0.0966	\$3,200	0.0701	\$2,300	3.9554	\$129,900	0.2828	\$9,300	4.9142	\$161,400	0.1538	\$5,100
10	2022-23	2.3801	\$88,200	0.0966	\$3,600	0.0701	\$2,600	3.9554	\$146,600	0.2828	\$10,500	4.9142	\$182,200	0.1538	\$5,700
11	2023-24	2.3801	\$98,600	0.0966	\$4,000	0.0701	\$2,900	3.9554	\$163,800	0.2828	\$11,700	4.9142	\$203,500	0.1538	\$6,400
12	2024-25	2.3801	\$109,200	0.0966	\$4,400	0.0701	\$3,200	3.9554	\$181,500	0.2828	\$13,000	4.9142	\$225,500	0.1538	\$7,100
13	2025-26	2.3801	\$120,200	0.0966	\$4,900	0.0701	\$3,500	3.9554	\$199,800	0.2828	\$14,300	4.9142	\$248,200	0.1538	\$7,800
14	2026-27	2.2484	\$124,200	0.0966	\$5,300	0.0701	\$3,900	3.9554	\$218,600	0.2828	\$15,600	4.9142	\$271,500	0.1538	\$8,500
15	2027-28	2.2484	\$135,200	0.0966	\$5,800	0.0701	\$4,200	3.9554	\$237,900	0.2828	\$17,000	4.9142	\$295,600	0.1538	\$9,300
16	2028-29	2.2484	\$146,600	0.0966	\$6,300	0.0701	\$4,600	3.9554	\$257,800	0.2828	\$18,400	4.9142	\$320,300	0.1538	\$10,000
17	2029-30	2.2484	\$158,200	0.0966	\$6,800	0.0701	\$4,900	3.9554	\$278,400	0.2828	\$19,900	4.9142	\$345,800	0.1538	\$10,800
18	2030-31	2.2484	\$170,200	0.0966	\$7,300	0.0701	\$5,300	3.9554	\$299,500	0.2828	\$21,400	4.9142	\$372,100	0.1538	\$11,600
19	2031-32	2.2484	\$182,600	0.0966	\$7,800	0.0701	\$5,700	3.9554	\$321,300	0.2828	\$23,000	4.9142	\$399,100	0.1538	\$12,500
20	2032-33	2.2484	\$195,400	0.0966	\$8,400	0.0701	\$6,100	3.9554	\$343,700	0.2828	\$24,600	4.9142	\$427,000	0.1538	\$13,400
21	2033-34	2.2484	\$105,921	0.0966	\$4,551	0.0701	\$3,302	3.9554	\$186,337	0.2828	\$13,323	4.9142	\$231,505	0.1538	\$7,245
22	2034-35	2.2484	\$105,853	0.0966	\$4,548	0.0701	\$3,300	3.9554	\$186,217	0.2828	\$13,314	4.9142	\$231,356	0.1538	\$7,241
23	2035-36	2.2484	\$90,825	0.0966	\$3,902	0.0701	\$2,832	3.9554	\$159,779	0.2828	\$11,424	4.9142	\$198,510	0.1538	\$6,213
24	2036-37	2.2484	\$90,765	0.0966	\$3,900	0.0701	\$2,830	3.9554	\$159,675	0.2828	\$11,416	4.9142	\$198,381	0.1538	\$6,209
25	2037-38	2.2484	\$90,705	0.0966	\$3,897	0.0701	\$2,828	3.9554	\$159,568	0.2828	\$11,409	4.9142	\$198,248	0.1538	\$6,205
26	2038-39	2.2484	\$90,643	0.0966	\$3,894	0.0701	\$2,826	3.9554	\$159,459	0.2828	\$11,401	4.9142	\$198,113	0.1538	\$6,200
27	2039-40	2.2484	\$90,579	0.0966	\$3,892	0.0701	\$2,824	3.9554	\$159,348	0.2828	\$11,393	4.9142	\$197,974	0.1538	\$6,196
28	2040-41	2.2484	\$57,426	0.0966	\$2,467	0.0701	\$1,790	3.9554	\$101,024	0.2828	\$7,223	4.9142	\$125,513	0.1538	\$3,928
29	2041-42	2.2484	\$57,386	0.0966	\$2,466	0.0701	\$1,789	3.9554	\$100,955	0.2828	\$7,218	4.9142	\$125,426	0.1538	\$3,925
30	2042-43	2.2484	\$57,346	0.0966	\$2,464	0.0701	\$1,788	3.9554	\$100,883	0.2828	\$7,213	4.9142	\$125,338	0.1538	\$3,923
31	2043-44	2.2484	\$57,305	0.0966	\$2,462	0.0701	\$1,787	3.9554	\$100,811	0.2828	\$7,208	4.9142	\$125,248	0.1538	\$3,920
32	2044-45	2.2484	\$57,262	0.0966	\$2,460	0.0701	\$1,785	3.9554	\$100,737	0.2828	\$7,202	4.9142	\$125,155	0.1538	\$3,917
33	2045-46	2.2484	\$57,219	0.0966	\$2,458	0.0701	\$1,784	3.9554	\$100,661	0.2828	\$7,197	4.9142	\$125,061	0.1538	\$3,914
34	2046-47	2.2484	\$57,176	0.0966	\$2,456	0.0701	\$1,783	3.9554	\$100,584	0.2828	\$7,191	4.9142	\$124,965	0.1538	\$3,911
35	2047-48	2.2484	\$0	0.0966	\$0	0.0701	\$0	3.9554	\$0	0.2828	\$0	4.9142	\$0	0.1538	\$0
Total Revenue Foregone:			\$2,970,611		\$125,717		\$91,148		\$5,148,937		\$368,131		\$6,397,094		\$200,247
2013 Dollars (3% Inflation):			\$1,764,700		\$74,400		\$53,900		\$3,045,500		\$217,700		\$3,783,800		\$118,400

APPENDIX

The following is a summary of potential redevelopment candidate projects within the Urban Renewal Area. Most feature some element of blight as discussed in Section II of this report. The properties included may or may not develop during Plan period, and their inclusion here does not imply the use of public funding for any development that occurs. This list is illustrative and not meant to be exhaustive.

APPENDIX A

Potential Redevelopment Opportunity Sites

	Site	Zoning	Taxlot Number	Acreage
1	Woodfold (1821 Main Street)	TCS	1S306BB13800	2.04
2	Gravel Parking Lot	TCS	1S306BB10500	0.36
3	Former Service Station	TCS	1S306BA06500	0.31
4	Albertson's Site	CC	Various	8.32
5	Haggen Site	CC	Various	9.91
6	Cain Petroleum	CC	1S306BA03400	0.48
7	Poppio's	CC	1S306AB00700	0.38
8	Main/21st Parking Lot	INST	1S306BB01900	0.82
9	Wells Fargo Parking Lot	TCS	1S306BB01700	0.99
10	Main/19 th Avenue Parking Lot	INST	1S306BB07800	0.21
11	1917 19 th Avenue	TCS	1S306BB07700	0.11
12	Times Litho	TCS/TCT	Various	2.55
13	Schlegel Property (19 th Avenue)	TCS	Various	0.98

Area #1
Woodfold
1821 Main Street

Zoning: Town Center Support
Acreage: 2.04 acres
Current Use: Warehouse and
underutilized land



Area #2
Gravel Parking Lot

Zoning: Town Center Support
Acreage: 0.36 acres
Current Use: Parking for downtown
employees and visitors



Area #3
Former Service Station
2134 19th Avenue

Zoning: Town Center Support
Acreage: 0.31

Current: Vacant former service station
and underutilized land



**Area #4
Albertson's Site**

Zoning: Community Commercial
Acreage 8.32

Current Use: Vacant land



**Area #5
Haggen Site**

Zoning: Community Commercial
Acreage: 9.91

Current Use: Vacant Land



**Area #6
Cain Petroleum
2624 Pacific Avenue**

Zoning: Community Commercial
Acreage: 0.48

Current Use: Vacant buildings and underutilized land



Area #7
Poppio's Site
2617 Pacific Avenue

Zoning: Community Commercial
Acreage: 0.38

Current Use: Vacant Land



Area #8
Main and 21st Parking Lot

Zoning: Institutional
Acreage: 0.82

Current Use: Surface parking



Area #9
Wells Fargo Parking Lot

Zoning: Town Center Support
Acreage: 0.99

Current Use: Surface parking



Area #10
Main and 19th Avenue Parking Lot

Zoning: Institutional
Acreage: 0.21

Current Use: Surface parking



Area #11
1917 19th Avenue (parking lot)

Zoning: Town Center Support
Acreage 0.11

Current use: Surface parking



Area #12
Times-Litho Site

Zoning: Town Center Support
Town Center Transition

Acreage: 2.55

Current use: vacant industrial buildings and
vacant single family residential building

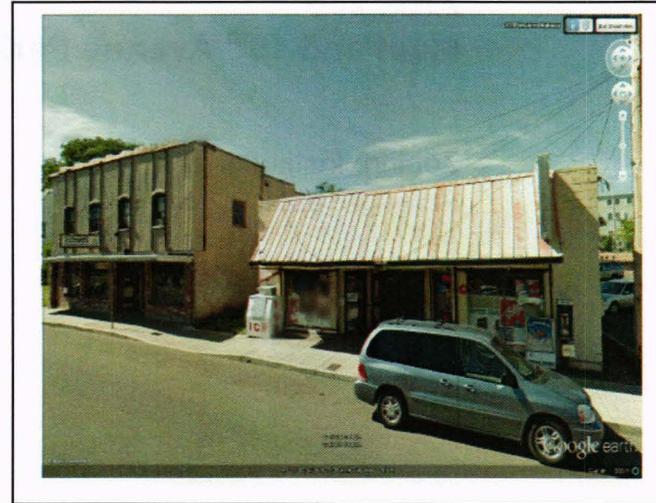


**Area #13
Schlegel Property**

Zoning: Town Center Support

Acreage: 0.98

Current use: convenience store, bicycle shop,
single family residences



Urban Renewal Plan Conformance Analysis Forest Grove Comprehensive Plan (2014) and Economic Development Strategic Plan (2009 – 2011)

Oregon Revised Statutes Chapter 457 requires conformance of an urban renewal plan with the local comprehensive plan and economic development plan, if any (ORS 457.095(3)). This document demonstrates how the proposed urban renewal plan for the Forest Grove Town Center and Pacific Avenue/19th Avenue corridor conforms to the Forest Grove Comprehensive Plan, Forest Grove Economic Development Strategy and other City of Forest Grove policy documents. Furthermore, this document satisfies the requirements of ORS 457.095(3).

Forest Grove Comprehensive Plan Land Use Element

The Forest Grove Comprehensive Plan Land Use Element, adopted in January 2014, establishes guiding principles, goals, objectives and policies for the use of land within the City's planning area.

Guiding Principles:

Guiding principles relevant to the proposed urban renewal plan include:

- Efficient Use of Land; and
- Strengthen Downtown Forest Grove

The finding below shows how the urban renewal plan conforms to the land use guiding principles.

Finding: The proposed urban renewal plan for the Forest Grove Town Center and Pacific Avenue/19th Avenue corridor conforms to the Land Use Element Guiding Principles contained in the Comprehensive Plan. The urban renewal promotes the efficient use of land by establishing a framework for removing financial barriers to the reuse of buildings, development of vacant land, and redevelopment of underutilized property within the proposed urban area already served by the full array of City services. The proposed urban renewal plan also promotes a strong and vibrant downtown by providing a funding mechanism for and encouraging new housing construction in the Town Center supportive of current and future businesses.

Commercial Land Use Policies and Objectives

The Land Use chapter of the Forest Grove Comprehensive Plan contains policies and objectives for future development in the City. Many of these policies and objectives are supported by the urban renewal plan as described below:

Land Use Objective #4: Designate commercial/mixed-use nodes along the Pacific Avenue/19th Avenue Corridor consistent with the findings contained in the 2005 Commercial Corridor Study.

Finding: The urban renewal area includes the Pacific Avenue/19th Avenue corridor and provides a framework for implementing recommendations contained in the 2005 Commercial Corridor Study. These recommendations include establishing an urban renewal district and promoting mixed-use nodes along the commercial corridor. The following urban renewal plan goal and objectives conform to and support Comprehensive Plan Land Use Objective #4:

Urban Renewal Plan Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Urban Renewal Plan Objective 5.1:

- Establish incentives to encourage a mixture of land uses including retail, office, and housing at strategic locations along the Pacific Avenue corridor through the creation of nodal development.

For the reasons stated above, the urban renewal plan conforms to Land Use Objective #4.

Land Use Objective #8: Priority should be given to retrofitting single use commercial and retail developments into walkable, mixed-use areas.

Finding: The urban renewal area includes the Pacific Avenue/19th Avenue corridor. The commercial portion of the corridor is characterized by several auto-oriented commercial and retail developments and two large development sites at the Pacific Avenue/Quince Street intersection that are zoned for commercial uses. The urban renewal plan provides a framework for promoting mixed-use development redevelopment intended to create walkable mixed-use areas by encouraging housing, retail and office uses in proximity. This is supported by the following urban renewal plan goals and objectives:

Urban Renewal Plan Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Urban Renewal Plan Objective 5.1:

- Establish incentives to encourage a mixture of land uses including retail, office, and housing at strategic locations along the Pacific Avenue corridor through the creation of nodal development.

For the reasons stated above, the urban renewal plan conforms to Land Use Objective #8.

Land Use Implementation Action #1: The City of Forest Grove will adopt a land use concept that promotes the efficient use of land within the urban growth boundary. Measures to promote the efficient use of land will take into account local land economics and market feasibility.

Finding: The urban renewal plan provides a financial framework for encouraging land uses that support the efficient use of land within the urban growth boundary (specifically within the Town Center and along the Pacific Avenue/19th Avenue corridor). The urban renewal plan also establishes financial incentives to improve local land economics and the market feasibility of development in projects consistent with the urban renewal plan. For these reasons the urban renewal plan conforms to Forest Grove Comprehensive Plan Land Use Implementation Action #1.

Land Use Implementation Action #2: The City of Forest Grove will support policies that promote the continued viability of the Forest Grove Town Center as the focal point of the community.

Finding: The urban renewal plan establishes a framework for promoting the continued viability of the Forest Grove Town Center as the focal point of the community. This includes establishing financial incentives to encourage the construction of housing units to support Town Center businesses. The urban renewal plan also identifies several projects geared toward improving the Town Center. This includes a building rehabilitation program to assist property owners with improving building facades, converting unused second floor space for residential purposes, dividing large ground floor space for current retailing needs, and upgrading buildings to meet contemporary building codes.

For the reasons stated above, the urban renewal plan conforms to Land Use Implementation Action #2.

Land Use Implementation Action #3: The City of Forest Grove will support policies that encourage locating complementary land uses in proximity to reduce demand on transportation system and improve overall quality of life of the community.

Finding: The urban renewal plan establishes a framework for promoting complementary land uses in proximity. The following urban renewal plan goals and objectives support these efforts:

Urban Renewal Plan Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor. This goal promotes developing complementary land uses in proximity including mixed-use developments.

Urban Renewal Plan Objective 5.1:

- Establish incentives to encourage a mixture of land uses including retail, office, and housing at strategic locations along the Pacific Avenue corridor through creation of nodal development. This objective encourages locating complementary land uses in proximity. Such development supports reducing trip lengths which reduces demand on the transportation system.

For the reasons stated above, the urban renewal plan conforms to Land Use Implementation Action #3.

Forest Grove Comprehensive Plan
Sustainability Element

The Forest Grove Comprehensive Plan includes a sustainability element to promote compact and complete communities and interconnected land uses among other objectives. The urban renewal plan supports the principles, goals and objectives of the Forest Grove Sustainability Element.

Finding: The urban renewal plan provides incentives to develop vacant property in the established part of the City. The urban renewal plan also promotes the reuse of buildings within the historic core including unused upper floor space in existing buildings. This infill development supports reducing the long term costs for providing municipal services by encouraging development where services are already in place. This reduces the need to extend services to outlying areas.

The urban renewal plan promotes a compact and land efficient development pattern by encouraging development and redevelopment in the established, historical core, of the community. This type of development promotes financial sustainability by reducing the need to extend city services such as water and sewer to peripheral areas.

Sustainability Goal #1: Support the function and identity of neighborhoods by encouraging communication, strengthening community bonds, local participation and interaction, and encouraging a sense of place through design.

Finding: The urban renewal plan provides a framework for supporting the function and identity of an important City neighborhood: The Forest Grove Town Center. The urban renewal plan encourages maintaining the Forest Grove Town Center sense through context sensitive development and redevelopment actions. This is exemplified through the following urban renewal plan goals and objectives:

Urban Renewal Plan Goal 4:

- Promote a vibrant Forest Grove Town Center through strategic urban renewal investments.

Urban Renewal Plan Objective 4.1:

- Establish a program to encourage the preservation, conservation, and adaptive reuse of designated and contributing historic resources in the urban renewal district through improvements to the exterior and interior of buildings.

For the reasons stated above the urban renewal plan conforms to Sustainability Goal #1.

Sustainability Goal #3: Promote financial feasibility through a compact and land efficient development pattern intended to reduce the long term costs for providing municipal services.

Finding: The urban renewal plan establishes a financing framework for promoting compact and land efficient development patterns intended to reduce the long term costs for providing municipal services. The following urban renewal plan goal addresses financial feasibility:

Urban Renewal Plan Goal 2:

- Adopt a prudent annual budget to minimize financial risk to the Urban Renewal Agency and the City of Forest Grove.

The following urban renewal plan goal promotes compact and land efficient development patterns intended to reduce the long term costs for providing municipal services:

Urban Renewal Plan Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

For the reasons identified above the urban renewal plan conforms to Sustainability Goal #3.

Sustainability Goal #7: Promote interconnected land uses that encourage diverse, accessible and proximate that promote active living and access to vital services including employment, education, and healthy food.

Finding: Urban Renewal Plan Goal 5 conforms to Comprehensive Plan Sustainability Goal #7:

Urban Renewal Plan Goal 5

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Urban Renewal Plan Goal 5 encourages interconnected land uses in proximity. By definition mixed-use development includes a variety of activities such as housing, places of employment and services. Such development is consistent with Sustainability Goal #7.

For the reasons stated above the urban renewal plan conforms to Sustainability Goal #7.

Sustainability Goal #9: Foster the preservation, construction, and maintenance of an adequate supply of healthful, affordable, resource-efficient, and inclusive housing.

Finding: Urban Renewal Plan Objective 4.4 fosters the preservation, construction, and maintenance of an adequate supply of healthful, affordable, resource-efficient, and inclusive housing:

Urban Renewal Plan Objective 4.4:

- Encourage the construction of needed housing and mixed-use development in the Town Center.

Projects supportive of Sustainability Goal #9 include:

- Acquisition of Redevelopment Opportunity Sites from Willing Sellers
- Redevelopment Project Assistance; and
- Interior Building Improvement Program

For the reasons stated above the urban renewal plan conforms to Sustainability Goal #9.

Sustainability Goal #10: Promote the preservation and reuse of historic resources, including buildings, structures, sites neighborhood districts, and cultural landscapes to assist in the retention of local, regional, and national history and heritage, reinforcement of community character, and conservation of material resources.

Finding: The urban renewal plan promotes the preservation and reuse of historic resources through Urban Renewal Plan Objective 4.1:

Urban Renewal Plan Objective 4.1:

- Establish a program to encourage the preservation, conservation, and adaptive reuse of designated and contributing historic resources in the urban renewal district through improvements to the exterior and interior of buildings.

The urban renewal plan also includes two projects related to building improvements. One project promotes exterior building improvements such as installation of awnings and canopies, exterior lighting and improvements intended to return buildings to their original historic character. The other building improvement program focuses on interior building improvements to meet contemporary building code requirements, tenant improvements focusing on filling vacant space and creating jobs and ADA accessibility improvements as examples. For the reasons stated above the urban renewal plan conforms to Sustainability Goal #10.

For the reasons stated above the urban renewal plan conforms to Sustainability Goal #10.

Sustainability Goal #21: Promote efforts to improve access to housing meeting household needs.

Finding: The urban renewal plan supports efforts to improve access to housing meeting household needs. Specifically Urban Renewal Plan Objective 4.4 states:

Urban Renewal Objective 4.4:

- Encourage the construction of needed housing and mixed-use development in the Town Center.

Several projects contained in the urban renewal plan also support efforts to improve housing access. These projects include acquisition of redevelopment opportunity sites from willing sellers and redevelopment project assistance. These projects support housing since housing is an eligible activity for urban renewal funding on property acquired by the Urban Renewal Agency. In addition, urban renewal funding may be used to improve the financial feasibility of housing projects through system development charge reductions and offsets, loans, or grants. For the reasons stated above, the urban renewal plan conforms to Sustainability Goal #21.

For the reasons stated above, the urban renewal plan conforms to Sustainability Goal #21.

Sustainability Goal #22 Promote a balanced transportation system increasing opportunities for bicycling and walking throughout the community.

Finding: The urban renewal plan does not address transportation directly. However, the urban renewal plan promotes development and redevelopment supportive of a balanced transportation system including increasing opportunities for bicycling and walking. For example, the urban renewal plan promotes mixed-use and nodal development with complementary uses placed in proximity. Such development patterns reduce travel distances increasing opportunities for walking or bicycling to destinations.

For the reasons stated above, the urban renewal plan conforms to Sustainability Goal #22.

Sustainability Policy Measure #5: Establish a program to provide incentives for use of low impact design techniques such as bio-swales, rain gardens, porous pavement, green streets, or other generally accepted techniques in new developments.

Finding: The urban renewal plan provides a framework for promoting the use of low impact design techniques. This is accomplished through the “Sustainability Incentive Program” described in the plan. This program would provide financial resources for use of sustainable building practices such as the techniques described above. Urban renewal funding may also be used for solar energy enhancements for energy generation or constructing low or net zero energy buildings.

For the reasons stated above, the urban renewal plan conforms to Sustainability Policy Measure #5.

Forest Grove Comprehensive Plan
Housing Element

The Housing Element of the Forest Grove Comprehensive Plan includes several policies related to the urban renewal plan for the Town Center and Pacific Avenue/19th Avenue corridor. The Comprehensive Plan policies and findings supporting conformance of the urban renewal plan with the Comprehensive Plan are summarized below:

Housing Policy 10.1.5: Implement codes and ordinances to encourage the development of passed-over and underutilized land for residential development.

Finding: The urban renewal plan includes goals, objectives, and projects to encourage the development of passed-over and underutilized land for residential development as identified below:

Urban Renewal Plan Goal 3:

- Improve the local investment climate by reducing financial barriers to development and redevelopment within the urban renewal area.

Urban Renewal Plan Objective 3.1:

- Capitalize a program to reduce development costs to the extent necessary to encourage private investment for projects proving a public benefit and resulting in appreciation of property values and efficient use of vacant and underutilized land. Development costs could be reduced through techniques such as land write downs, off-site public improvements, direct loans and grants or offset of system development charges, permit fees, or development hard or soft costs.

Urban Renewal Plan Objective 4.4:

- Encourage the construction of needed housing and mixed use development in the Town Center.

Urban Renewal Plan Objective 4.5:

- Encourage uses and amenities that support increased residential uses in the Town Center.

For the reasons stated above the urban renewal plan conforms to Housing Policy 10.1.5.

Housing Policy 10.2.1: Establish incentive programs to leverage local resources with private investments. Incentives may take the form of direct financial participation (grants or loans), or indirect participation such as land write-downs.

Finding: The urban renewal plan includes financial incentive programs to leverage local resources with private investments through direct public participation, low interest loan and grant programs and land write-downs. Urban Renewal Plan goals and objectives support Housing Policy 10.2.1 including:

Urban Renewal Plan Goal 3:

- Improve the local investment climate by reducing financial barriers to development and redevelopment within the urban renewal area.

Urban Renewal Plan Objective 3.1:

- Capitalize a program to reduce development costs to the extent necessary to encourage private investment for projects providing a public benefit and resulting in appreciation of property values and efficient use of vacant and underutilized land. Development costs could be reduced through techniques such as land write downs, off-site public improvements, direct loans and grants or offsets of system development charges, permit fees, or development hard or soft costs.

For the reasons stated above, the urban renewal plan conforms to Housing Policy 10.2.1.

Housing Policy 10.2.2: Evaluate the feasibility of establishing a tax increment financing district or Vertical Housing Development Zone to promote residential and mixed-use development within the Forest Grove Town Center, identified high capacity transit station areas, and mixed-use target areas along the Pacific Avenue commercial corridor.

Finding: Adoption of the urban renewal plan will establish a tax increment financing district including the Forest Grove Town Center and Pacific Avenue commercial corridor between the Town Center and just east of Quince Street. Several urban renewal plan goal and objectives support Housing Policy 10.2.2 as described below:

Urban Renewal Plan Objective 4.4:

- Encourage the construction of needed housing and mixed use development in the Town Center.

Urban Renewal Plan Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Urban Renewal Plan Objective 5.1:

- Establish incentives to encourage a mixture of land uses including retail, office, and housing at strategic locations along the Pacific Avenue corridor through the creation of nodal development.

For the reasons stated above the urban renewal plan conforms to Housing Policy 10.2.2.

Housing Policy 10.4.1: Develop and implement programs to offset the increasing cost of new housing construction. Programs may include, but are not limited to, reductions in building permit fees, development impact fees, or property taxes for affordable housing meeting US Department of Housing and Urban Development Low Income Housing Tax Credit program requirements.

Finding: Urban Renewal Plan Goal 3 and Objective 3.1 support Housing Policy 10.4.1 by providing opportunities to reduce development costs for new housing:

Urban Renewal Goal 3:

- Improve the local investment climate by reducing financial barriers to development and redevelopment within the urban renewal area.

Urban Renewal Objective 3.1:

- Capitalize a program to reduce development costs to the extent necessary to encourage private investment for projects proving a public benefit and resulting in appreciation of property values and efficient use of vacant and underutilized land. Development costs could be reduced through techniques such as land write downs, off-site public improvements, direct loans and grants or offset of system development charges, permit fees, or development hard or soft costs.

For the reasons stated above the urban renewal plan conforms to Housing Policy 10.4.1

Forest Grove Comprehensive Plan
Urbanization Element

The urban renewal plan is consistent with the Urbanization Element of the Forest Grove Comprehensive Plan. Specifically the urban renewal plan addresses the following urbanization goals and policies:

Urbanization Goal 1: Land shall be made available within the urban growth boundary to meet all local urban land use needs.

Finding: The urban renewal plan promotes Comprehensive Plan Urbanization Goal 1 by encouraging the productive use of land that is currently vacant or underutilized within the urban renewal district. The following urban renewal goals support this objective:

Urban Renewal Plan Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

The urban renewal plan also supports Comprehensive Plan Urbanization Policy 10. Urbanization Policy 10 is stated below:

Urbanization Policy 10: The City of Forest Grove will continue to promote the efficient use of land within the Forest Grove Town Center and any areas designated as transit station communities on the Forest Grove Comprehensive Plan land use map.

Finding: The urban renewal plan supports Urbanization Policy 10 by establishing financial incentives intended to encourage the development of vacant sites within the urban renewal area for housing, retail and mixed-use development. The urban renewal plan also supports Urbanization Policy 10 by encouraging the redevelopment of underutilized sites and buildings.

For the reasons stated above the urban renewal plan conforms to the Urbanization Element of the Forest Grove Comprehensive Plan.

Forest Grove Comprehensive Plan Economic Development Element

The Forest Grove Comprehensive Plan includes several guiding principles related to the local economy and economic development. The urban renewal plan supports the following guiding principles as described below:

Guiding Principles

- Strengthen Forest Grove's economic competitiveness;
- Improve job opportunities for current and future residents; and
- Promote local shopping opportunities

Finding: The urban renewal plan supports the guiding principles identified above by reducing financial risk and barriers to redevelopment. Reducing financial risk and barriers to development in turn helps improve Forest Grove's economic competitiveness. Improving economic competitiveness will improve job opportunities for current and future residents through new private investment in the community. The urban renewal plan also promotes private investment in housing and non-residential construction in the Town Center and along the Pacific Avenue corridor. Additional housing opportunities will result in a larger population base and more jobs in the urban renewal area thereby supporting local shopping opportunities consistent with the guiding principle identified above.

Urban Renewal Plan Goal 3 and Objective 3.1, identified below, also support the Economic Development Guiding Principles identified above:

Urban Renewal Plan Goal 3:

- Improve the local investment climate by reducing financial barriers to development and redevelopment within the urban renewal area.

Urban Renewal Objective 3.1:

- Capitalize a program to reduce development costs to the extent necessary to encourage private investment for projects proving a public benefit and resulting in appreciation of property values and efficient use of vacant and underutilized land. Development costs could be reduced through techniques such as land write downs, off-site public improvements, direct loans and grants or offset of system development charges, permit fees, or development hard or soft costs.

For the reasons identified above, the urban renewal plan conforms to the Forest Grove Comprehensive Plan Economic Development Element Guiding Principles.

Economic Development Goal 9.7: Promote the Forest Grove Town Center as the focal point of the Community.

Finding: The urban renewal plan supports the Economy Goal 9 to promote the Forest Grove Town Center as the focal point of the community. The following urban renewal plan goal and objectives address Economic Development Goal 9.7:

Urban Renewal Plan Goal 4:

- Promote a vibrant Forest Grove Town Center through strategic urban renewal investments.

Urban Renewal Plan Objective 4.1:

- Establish a program to encourage the preservation, conservation, and adaptive reuse of designated and contributing historic resources in the urban renewal district through improvements to the exterior and interior of buildings.

Urban Renewal Plan Objective 4.2:

- Identify a location and assist with funding construction of a public gathering place in the Town Center.

For the reasons stated above, the urban renewal plan conforms to the Economic Development Goal 9.7.

Economic Development Policy 9.7.3: Identify key properties that are underutilized in the Town Center and assist owners with marketing these assets.

Finding: The urban renewal plan establishes incentives for redevelopment of key underutilized properties within the Town Center. To this end the urban renewal plan contains several goals and objectives related to the redevelopment of underutilized sites in the Town Center.

Urban Renewal Goal 4:

- Promote a vibrant Forest Grove Town Center through strategic urban renewal investments.

Urban Renewal Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Urban Renewal Objective 5.1:

- Establish incentives to encourage a mixture of land uses including retail, office, and housing at strategic locations along the Pacific Avenue corridor through the creation of nodal development.

Urban Renewal Objective 5.2:

- Work with the Economic Development Commission to market redevelopment opportunity sites to prospective developers.

For the reasons stated above, the urban renewal plan conforms to Economic Development Policy 9.7.3 of the Forest Grove Comprehensive Plan.

Economic Development Policy 9.7.5: Evaluate the feasibility of establishing a tax increment financing (urban Renewal) district to encourage commercial investment, building rehabilitation and mixed-use development in the Town Center.

Finding: Adoption of the urban renewal plan will establish a tax increment financing district including the Forest Grove Town Center and Pacific Avenue commercial corridor between the Town Center and just east of Quince Street.

Urban Renewal Objective 4.4:

- Encourage the construction of needed housing and mixed use development in the Town Center.

Urban Renewal Goal 5:

- Promote commercial and mixed-use redevelopment of sites along the Pacific Avenue corridor.

Urban Renewal Objective 5.1:

- Establish incentives to encourage a mixture of land uses including retail, office, and housing at strategic locations along the Pacific Avenue corridor through the creation of nodal development.

For the reasons stated above, the urban renewal plan conforms to Forest Grove Comprehensive Plan Economic Development Policy 9.7.5.

Economic Development Policy 9.7.6: Develop an outdoor community gathering place in the Town Center that provides a multi-use area for various community functions.

Finding: The urban renewal plan reinforces the need for an outdoor community gathering place in the Town Center through urban renewal plan Objective 4.2.

Urban Renewal Objective 4.2:

- Identify a location and assist with funding construction of a public gathering place in the Town Center.

For the reasons stated above, the urban renewal plan conforms to Comprehensive Plan Economic Development Policy 9.7.6.

Economic Development Policy 9.7.11 Promote investment in urban living infrastructure amenities to enhance livability in the Town Center.

Finding: The urban renewal plan supports Comprehensive Plan Economic Development Policy 9.7.11 that promotes investment in urban living infrastructure amenities to enhance livability in the Town Center. Specifically, urban renewal plan Objective 4.2 supports the concept of a public gathering place in the Town Center as an amenity to enhance livability in the Town Center. In addition, the urban renewal plan authorizes the use of funds for on- and off-site infrastructure improvements to assist development and redevelopment projects.

Urban Renewal Objective 4.2:

- Identify a location and assist with funding construction of a public gathering place in the Town Center.

For the reasons stated above, the urban renewal plan conforms to Comprehensive Plan Economic Development Policy 9.7.11.

Economic Development Policy 9.7.12 Encourage uses in the Town Center to bring residents from throughout the City into the Town Center.

Finding: Urban renewal plan Goal 4 promotes investments in the Town Center to bring residents from throughout the City into the Town Center. Specifically, urban renewal plan Goal 4 promotes a vibrant Town Center through strategic urban renewal investments. Urban renewal plan Objective 4.2 encourages construction of a public gathering place in the Town Center. A well-designed gathering place will encourage residents from throughout the City, and elsewhere, to visit the Town Center.

Urban Renewal Goal 4:

- Promote a vibrant Forest Grove Town Center through strategic urban renewal investments.

Urban Renewal Objective 4.2:

- Identify a location and assist with funding construction of a public gathering place in the Town Center.

For the reasons stated above, the urban renewal plan conforms to Comprehensive Plan Economic Development Policy 9.7.12.

Consistency with Forest Grove Comprehensive Plan Designations

Finding: The urban area is designated with several Comprehensive Plan classifications. These classifications include:

- Town Center Core;
- Town Center Support;
- Town Center Transition; and
- Community Commercial

The urban renewal plan promotes mixed-use, retail and housing development within the urban renewal area. This type of development is consistent with the Comprehensive Plan designations. Therefore, the urban renewal plan conforms to and is supportive of the Comprehensive Plan designations.

**Forest Grove
Economic Development Strategic Plan**

The Forest Grove Economic Development Commission prepared an endorsed an Economic Development Strategic Plan for the City. This plan establishes a strategy for job creation, business retention and business recruitment.

Finding: The urban renewal plan is consistent with the Forest Grove Economic Development Strategic Plan. The urban renewal plan recognizes the need to redevelop vacant and underutilized commercial/retail businesses in Forest Grove consistent with the Economic Development Strategic Plan.

The urban renewal plan supports the following Economic Development Strategic Plan objectives:

Strategic Plan Objective: Inventory and redevelop vacant and underutilized commercial/retail sites

- Identify and inventory underutilized or vacant sites and develop tools and tactics to encourage redevelopment.
- Establish urban renewal district in key commercial redevelopment areas

Finding: The urban renewal plan establishes a financing framework for development and redevelopment of vacant and underutilized commercial/retail sites. The urban renewal plan

includes specific projects to encourage redevelopment consistent with the Economic Development Strategic Plan. These projects include:

- Acquisition of Redevelopment Opportunity Sites from Willing Sellers: Purchase of real property for mixed-use development, stand-alone residential development, and stand-alone commercial development projects.
- Redevelopment Project Assistance: Funding for redevelopment activities including hard and soft project costs to promote private investment within the urban renewal area.

Strategic Plan Objective: Market redevelopment of vacant/underutilized sites

- Identify sites for development/redevelopment
- Support urban renewal, vertical housing tax tools

Finding: The urban renewal plan provides a potential source of funding for marketing redevelopment sites consistent with the Economic Development Strategic Plan. The urban renewal plan includes a specific project supportive of marketing redevelopment of vacant/underutilized sites:

Redevelopment Project Assistance: Funding for redevelopment activities including hard and soft project costs. Soft costs include pre-development activities such as preparation of market feasibility studies, engineering reports, environmental analysis or traffic impact assessments. These pre-development activities support marketing redevelopment of vacant/underutilized sites.

For the reasons stated above, the urban renewal plan conforms to the Economic Development Strategic Plan.

Consistency with Other City Policy Documents

The local urban renewal program is consistent with many adopted community goals and objectives. Many of the goals and objectives come from prior plans and studies including the Forest Grove Comprehensive Plan, Town Center Plan, Downtown Resource Team Report, and Commercial Corridor Study. An urban renewal program also addresses a key City Council goal.

Relevant City Goals and Objectives

City Council Goal 1

Promote safe, livable and sustainable neighborhoods and a prosperous dynamic green city.

Finding: An urban renewal district provides a dedicated funding source to strengthen neighborhoods, improve the taxable value of property, encourage use of prior public investments in infrastructure and promote adaptive reuse of existing buildings. Promoting the

adaptive re-use of buildings in the Town Center is a sustainable and green development practice. Re-use of such buildings, however, may be costlier than new construction. As such the urban renewal program could step in and offset some of these higher costs.

The urban renewal program also implements key elements of the Forest Grove Community Vision Statement. This Vision Statement was created through the efforts of over 100 citizen volunteers.

Vision Statement

Planning that considers and accommodates both the desires and needs of all community members to ensure their quality of life and prosperity

Finding: Tax increment financing is a tool that can help improve community prosperity by promoting business expansion to provide jobs, and goods and services to help meet citizen needs. In addition, by supporting more investments, urban renewal promotes higher property values in areas needing investment and job creation through construction activities.

Economic development that encourages innovative diverse and ecologically sound enterprises that provide ample opportunities for employment and ensures the vitality of the community.

Action: establish an urban renewal district to encourage commercial investment in downtown.

Finding: The proposed urban renewal district includes the Forest Grove Town Center. The Town Center represents the heart and soul of the community. A strong and vibrant Town Center demonstrates a commitment to civic life and community interaction. The urban renewal program can assist with efforts already underway related to encouragement of commercial investment in downtown. For instance, the urban renewal program could fund economic development efforts such as marketing vacant commercial space, funding tenant improvements, improving the appearance of building facades and retaining the historical integrity of the Town Center.

Action: work to support commercial redevelopment of large sites at Quince/Pacific Avenues.

Finding: The proposed urban renewal area includes the large redevelopment sites south of Pacific Avenue on either side of Highway 47. These sites remain vacant and have development challenges. The sites are large and the scale of development may be too large for one developer. The urban renewal program could provide incentives to encourage desired development by constructing streetscape improvements or providing system development charge offsets to reduce the impact of the transportation development tax.

Commercial Corridor Study (2005)

The Commercial Corridor examined development and redevelopment concepts for the area along Pacific Avenue from E Street to the Forest Grove/Cornelius boundary. The financing strategy element of the Commercial Corridor Study identifies urban renewal as a potential tool for realizing the development potential of the corridor.

Finding: The urban renewal plan is consistent with and supportive of the Commercial Corridor Study (2005).

Downtown Resource Team Report (2007)

The Downtown Resource Team Report includes many objectives related to urban renewal efforts. These objectives include:

- Downtown revitalization should be both a public and private effort, with everyone working off the same plan;
- Strategic Initiative 3: The specific elements of redevelopment are packaged in one convenient strategy, the Redevelopment Toolkit. This group of incentive looks at existing and potential strategies that will assist local efforts at infill and rehabilitation;
 - Goal 1: Create broad range of tools through various agencies that fit the entire spectrum of downtown development opportunities; and
 - Goal 2: Consider the feasibility of Urban Renewal Agency to fill the role of many of these actions
 - Action 3.2: Provide free design assistance for redevelopment projects;
 - Action 3.3: Implement a Façade Improvement Program;
 - Action 3.4: Establish a signage Grant Program;
 - Action 3.5: Consider waiving, reducing or deferring system development charges;
 - Action 3.6: Provide Grants to help fill funding gaps. This tool should be used only in very special cases to help fill a small project gap, where no other funding sources are available;
 - Action 3.7: Consider forgiving development debt in special cases;
 - Action 3.8: Provide grants or loans for required seismic or ADA upgrades;
 - Action 3.9: Streetscape improvements as part of a specific redevelopment project; and
 - Action 3.10: Optioning downtown “opportunity site” property for redevelopment.
- Strategic Initiative 4 Redevelopment: Encouraging infill and façade rehabilitation efforts is a significant part of this report’s recommendations, in addition to public infrastructure projects. Providing the right climate and right incentives for desirable redevelopment is a hallmark of successful downtowns;
- Strategic Initiative 5 Housing Development: A critical strategy in downtown commercial development is the creation of additional housing. Time and time again, housing has shown to contribute to the demand for additional shops, service, entertainment and restaurants.

Finding: The urban renewal plan is consistent with and supportive of the Downtown Resource Team Report (2007) and incorporates the above strategies as part of the plan.

Forest Grove Town Center Plan (1997)

The potential benefits of an urban renewal districts have been discussed since at least 1997 when the Forest Grove Town Center Plan was completed. Specifically, the Forest Grove Town Center Plan recommended:

- Identify, institute, and promote grant and loan programs and use of incentives to assist/encourage reinvestment in downtown and Town Center properties;
- Public/Private Partnerships;
- Loan programs for private investments; and
- Set up a renewal district

Finding: An urban renewal/tax increment financing district is a tool that could help realize these objectives from the 1997 plan. Tax increment financing is used throughout the State to fund grant and low interest loan programs design to encourage private investment. Urban renewal programs also establish partnerships between the private and public sectors to undertake redevelopment projects.

Conclusion and Recommendation

Given the findings, facts and conclusions as stated above, the Planning Commission determines the urban renewal plan to be consistent with the Forest Grove Comprehensive Plan, Forest Grove Economic Development Strategy and other City policy documents. Furthermore, the Planning Commission recommends that the Forest Grove City Council adopt an ordinance approving the urban renewal plan.



May 20, 2014

Michael Sykes
City Manager
City of Forest Grove
PO Box 326
Forest Grove, OR 97116

Dear Mr. Sykes:

Thank you for providing Metro the opportunity to review Forest Grove's proposed Urban Renewal Plan and Report on the Plan. As an impacted taxing district we appreciate the thorough analysis and engaged public process the city completed in developing this urban renewal plan. We support its use as a redevelopment tool in and around the Forest Grove Town Center.

As you know, Metro's Community Planning and Development Grant Program provided funding for the city's feasibility study and urban renewal plan. Thus, we anticipated that the City would move forward using urban renewal as a financing strategy for capital projects intended to stimulate private investment, create jobs and strengthen property values while promoting the efficient use of land in the downtown and commercial areas.

Please submit this letter into the record for the June 9, 2014, City Council meeting. We look forward to supporting the City in its redevelopment efforts in the future.

Sincerely,

Martha Bennett
Chief Operating Officer

- c: Tom Hughes, Metro Council President
- Councilor Kathryn Harrington, District No. 4
- Tim Collier, Chief Financial Officer
- Elissa Gertler, Director, Planning and Development
- Tim O'Brien, Land Use Planning

ATTACHMENT B



June 9, 2014

**REPORT ON RESOLUTION SETTING FEES & CHARGES,
EFFECTIVE JULY 1, 2014,
AND REPEALING RESOLUTION 2013-34**

PROJECT TEAM: Paul Downey, Director of Administrative Services
Michael Sykes, City Manager

ISSUE: During FY 01-02, the City completed a cost-of-service study and the City Council approved fee increases based on that study. City Code Section 2.601 states the licenses, permits, and fees will be adjusted by Council Resolution in July each year. It further states that subsequent adjustments prior to completion of the next required cost-of-service study shall be made in accordance with Section 2.605. That section states that adjustments to fees and charges shall be based on the CPI or the percentage of the wage adjustment for City employees. Staff has prepared a resolution setting fees for Council consideration.

DISCUSSION: Staff has prepared the proposed fee schedules using a general cost increase of 3.5% based on projected total wage and benefit increases. The fees have been rounded slightly in many instances to eliminate creating change issues for some departments.

Aquatic fees are not included in this resolution as the Council established those fees at its April 29, 2014, meeting. Building permits fees are not proposed to be changed as part of this resolution. Based on the FY 2014-15 Proposed Budget, staff is not recommending any change in building permit fees. If those fees were to be changed, a different process with three months' notice to the State is required.

New fees or changes in current fees other than the 4% increase are as follows:

Planning Fees

The Appeal of Administrative Decision Fee will stay at \$250.00 which is the limit of this fee per ORS 227.175(10).

REPORT ON FEE RECOMMENDATIONS

June 9, 2014

PAGE 2

Police

A new fee for police officers providing security at events, such as organized running or bicycle events is being proposed. The fee would be for \$89.00 per hour, which is the overtime cost of a Step 6 officer, plus ten percent overhead fee with a four-hour minimum per officer.

City Recorder

The City Council Packet Subscription Fee is proposed to increase from \$148.75 to \$200.00. The packets are available on the City website and the fee is designed to encourage users to get the packet off the website.

Administrative Service

A new fee is being proposed for utility billing customers who make a payment arrangement and then fail to keep the payment arrangement due to the extra work caused by the failure to keep the payment arrangement. Staff is proposing a \$10.00 fee and customers will be advised of the fee when a payment arrangement is initially made.

FISCAL IMPACT: The proposed 3.5% fee increase should increase fee revenue to the City but the projected revenue increase is dependent on the volume of transactions that occur.

STAFF RECOMMENDATION: Staff recommends the City Council approve the attached resolution.



RESOLUTION NO. 2014-45

**RESOLUTION SETTING FEES & CHARGES, EFFECTIVE JULY 1, 2014,
AND REPEALING RESOLUTION 2013-34**

WHEREAS, the City Code Section 2.601 requires fees and charges be adjusted annually in July of each year in accordance with City Code Section 2.605; and

WHEREAS, certain fees and charges have been previously set by Resolutions 2013-34; and

WHEREAS, staff is proposing some fee adjustments in accordance with City Code Section 2.605; and

WHEREAS, staff has prepared the resolution with the proposed fees and charges attached as Exhibits 1 and 2; and

WHEREAS, a duly-noticed Public Hearing was held on June 9, 2014.

NOW, THEREFORE, BE IT RESOLVED BY THE FOREST GROVE CITY COUNCIL AS FOLLOWS:

Section 1. The planning fees listed on Exhibit 1 of this resolution are hereby adopted as of July 1, 2014.

Section 2. Other fees listed on Exhibit 2 of this resolution are hereby adopted as of July 1, 2014.

Section 3. Resolution 2013-34 is hereby repealed upon the effective implementation of date of the foregoing fees.

Section 4. This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 9th day of June, 2014.

Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 9th day of June, 2014.

Peter B. Truax, Mayor

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Exhibit 1 - Planning Fees

	ADOPTED FEES AS OF JULY 1, 2013	ADOPTED FEES AS OF JULY 1, 2014
Amendment to Map	\$71.75/hour with a \$2,850 deposit*	\$74.30/hour with a \$2,850 deposit*
Amendment to Text	\$71.75/hour with a \$2,300 deposit*	\$74.30/hour with a \$2,300 deposit*
Annexation	\$71.75/hour with a \$675 deposit (City); \$2,600 (Metro)	\$74.30/hour with a \$675 deposit (City); \$2,600 (Metro)
Appeal of Administrative Decision	\$250.00	\$250.00
Appeal of Planning Commission Decision	\$364.00	\$377.00
Commercial Design Review	\$71.75.00/hour with a \$3,000 deposit*	\$74.30/hour with a \$3,000 deposit*
Conditional Use	\$71.75/hour with a \$2,300 deposit*	\$74.30/hour with a \$2,300 deposit*
Preliminary Expedited Land Division	\$1,175.00	\$1,216.00
Final Expedited Land Division	\$359.00	\$372.00
Historic Designation	\$36.50	\$37.80
Lot Line Adjustment	\$155.50	\$156.55
Preliminary Partition	\$1,175.00	\$1,216.00
Final Partition	\$359.00	\$372.00
Plat and Street Vacation	\$1,784.00	\$1,847.00
Preliminary Planned Development	\$71.75/hour with a \$4,300 deposit*	\$74.30/hour with a \$4,300 deposit*
Final Planned Development	\$1,925.00	\$1,992.00
Renovation Grant	\$0.00	\$0.00
Sign Permit	\$71.75 + \$3.27/sq. ft. (maximum fee of \$1,880)	\$74.30+ \$3.38/sq. ft. (maximum fee of \$1,946)
Site Plan Review		
Non-Residential over 1 acre	\$71.75/hour with a \$3,000 deposit*	\$74.30/hour with a \$3,000 deposit*
Non-Residential under 1 acre	\$71.75/hour with a \$3,000 deposit*	\$74.30/hour with a \$3,000 deposit*
Residential		
New Residential	\$320 + \$112.25/unit over 1	\$331 + \$116.20/unit over 1
Residential Additions & Accessory Structures	\$71.75	\$74.30
Addition	\$1,051.45	\$1,088.25
Preliminary Subdivision	\$71.75/hour with a deposit* of \$2,000 + \$73.85/lot over 3 lots	\$74.3/hour with a deposit* of \$2,000 + \$76.44/lot over 3 lo
Final Subdivision	\$844.50	\$874.00
Street Tree Fee	\$340.00	\$352.00
Tree Permit Fee	\$0.00	\$0.00
Erosion Control Review	fee schedule set by CWS	fee schedule set by CWS
Variance from Regulations	\$71.75/hour with an \$2,000 deposit*	\$74.30/hour with an \$2,000 deposit*

*Plus all incidental costs associated with processing a permit including but not limited to legal notice publication, copying and postage.

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Forest Grove Fee Schedule Exhibit 2

Adopted Fees - 7/1/13

Adopted Fees - 7/1/14

PARKS AND RECREATION

Facility Reservation (not including Light Charge)

Lincoln Park Stadium & Turf Field (in-City)	\$47.70 per hour: \$382.00 max	\$49.40 per hour: \$395.50 max
Lincoln Park Stadium & Turf Field (Out of City)	\$95.40 per hour: \$764.00 max	\$98.80 per hour: \$791.00 max
Bond Field (every 2 hour rental)	\$35.60 (in-city); \$71.20 (out)	\$36.85 (in-city); \$73.70 (out)
Sherman Field (every 2 hour rental)	\$29.65 (in-city); \$59.30 (out)	\$30.70 (in-city); \$61.40 (out)
Thatcher Park Soccer Field (every 2 hour rental)	\$23.75 (in-city); \$47.50 (out)	\$24.60 (in-city); \$49.20 (out)
Lincoln Park Practice Soccer Field (every 2 hour rental)	\$23.75 (in-city); \$47.50 (out)	\$24.60 (in-city); \$49.20 (out)
Thatcher Park Softball Field (every 2 hour rental)	\$12.00 (in-city); \$24.00 (out)	\$12.50 (in-city); \$25.00 (out)
Shelter (4 Hour Period)	\$44.50 (in-city); \$89.00 (out)	\$46.00 (in-city); \$92.00 (out)

Light Charge

Soccer Field - Lincoln Park or Thatcher	\$42.20 per hour	\$43.70 per hour
Bond Field	\$42.20 per hour	\$43.70 per hour
Sherman Field & Thatcher Park Softball (per field)	\$21.20 per hour	\$21.85 per hour
Lincoln Park Practice Field	\$21.20 per hour	\$21.85 per hour

ENGINEERING

Permit to Construct Public Improvements	\$139.00 per hour	\$139.00 per hour
Excavation Permit	\$30.20	\$31.25
Permit to Deposit on Streets (per permit)	\$44.75	\$46.00
Tourist-Oriented Signs	\$104.00	\$107.75
Engineering Plans & Specifications (Copies)		
Standard	\$58.50	\$60.55
Mail	\$58.50	\$60.55
Disk	\$31.20	\$32.30
Copies per Sheet (Copy Machine)		
8.5x11	\$0.20	\$0.20
Larger than 8.5x11	\$0.25	\$0.25
Auditron Copies	\$7.00	\$7.25

WATER

Forest Grove Fee Schedule Exhibit 2

	Adopted Fees - 7/1/13	Adopted Fees - 7/1/14	
Water Shut-Off/On During Public Works Business Hours	0.00	0.00	
Water Shut-Off/On After Public Works Business Hours (Customer Request)	161.20	166.85	If determined by Public Works Director circumstances beyond control of property owner, fee may be waived.
Non Payment Disconnect Fee	32.25	33.40	Charged at the time of disconnect.
Non Payment Reconnection Service -			
During City Hall Business Hours	32.25	33.40	Charged at the time of reconnect.
After City Hall Business Hours-Mon-Fri 5:01pm-8:00pm			
After City Hall Business Hours Additional Surcharge (After hours reconnection service not available on weekends or holidays)	107.00	110.75	
Water Meter Tamper/Damage Fee	187.50	194.00	Plus cost to repair/replace meter
Water Stand-By Service (Annual)	53.50	55.40	Meter out of service for 7+ months
Water Stand-By Service- outside City limits (Annual)	107.00	110.80	Meter out of service for 7+ months
Water Connections - Drop In			
3/4-inch Meter	286.00	296.00	
1-inch Meter	286.00	296.00	
1 1/2-inch Meter	Actual cost	Actual cost	\$500 deposit
2-inch Meter	Actual cost	Actual cost	\$500 deposit
3-inch Meter	Actual cost	Actual cost	\$1,000 deposit
4-inch Meter	Actual cost	Actual cost	\$1,000 deposit
> 4-inch Meter	Actual cost	Actual cost	\$1,000 deposit
Water Connections - Full Service			
3/4-inch Meter	Actual cost	Actual cost	\$1,000 deposit
1-inch Meter	Actual cost	Actual cost	\$1,000 deposit
1 1/2-inch Meter	Actual cost	Actual cost	\$1,000 deposit
2-inch Meter	Actual cost	Actual cost	\$1,000 deposit

Forest Grove Fee Schedule Exhibit 2

	Adopted Fees - 7/1/13	Adopted Fees - 7/1/14	
3-inch Meter	Actual cost	Actual cost	\$2,000 deposit
4-inch Meter	Actual cost	Actual cost	\$2,000 deposit
> 4-inch Meter	Actual cost	Actual cost	\$2,000 deposit

SEWER

Sewer Connection Inspection	\$60.00	\$62.25	
Sewer Dye Test	\$79.85	\$82.70	

LIGHT AND POWER

Main Street Auditorium Rental			
Non-Profit Group (per hour)	\$37.45 min; \$107.00max	\$38.80 min; \$110.75 max	
For-Profit Group(per hour)	\$52.50 min; \$150. max	\$54.35 min; \$155.25 max	
Non Payment Disconnect Fee			
	32.25	33.40	Charged at the time of disconnect.
Non Payment Reconnection Service -			
During City Hall Business Hours	32.25	33.40	Charged at the time of reconnect.
After City Hall Business Hours			
After City Hall Business Hours Additional Surcharge	107.00	110.75	
Electric Meter Tamper/Damage Fee			
	187.50	194.00	Plus cost to repair/replace meter

POLICE

Copies			
Reports	\$15.00 + \$.20/p over 10	\$15.50 + \$.20/p over 10	
Audio Cassette /VHS Tape	\$31.20	\$32.30	
Burn CD/DVD	\$21.30	\$22.00	
Photographs Burned to CD/DVD	\$21.30 (up to 30 photographs per disc)	\$22.00 (up to 30 photographs per disc)	
Photographs Burned to CD/DVD (continued)	\$0.50 per duplicate photograph copy	\$0.55 per duplicate photograph copy	
Color Photograph Print	\$5.50 per sheet	\$5.70 per sheet	
Citation Copy	\$5.50	\$5.70	
Radar Certification Copy	\$5.50	\$5.70	
Fingerprinting	\$19.00	\$19.70	

Forest Grove Fee Schedule Exhibit 2

	Adopted Fees - 7/1/13	Adopted Fees - 7/1/14
Record Check Letter	\$38.25	\$39.60
Release Impounded/Immobilized Vehicle	\$110.00	\$114.00
After-Hours Release Impounded/Immobilized Vehicle	\$146.00	\$151.00
Damage to Boot Immobilizer Fee	\$100.00 plus cost to repair/replace	\$103.50 plus cost to repair/replace
Event Security - Officer Reimbursement		\$89.00 per hour plus 10% overhead fee (Per officer - Minimum of 4 Hours)
Miscellaneous Permits		
Event Permit	no fee	no fee
Temporary Street Closure	\$16.65	\$17.25
Dance	no fee	no fee

FIRE

Report Copies (after 1 free copy to customer)	\$15.00 + \$.20/p over 10	\$15.50 + \$.20/p over 10
Emergency Response Cost Recovery Fees & Charges (billed only to Non-Residents of City, Rural Fire District, and mutual aid IGAs)		
Motor Vehicle Incidents: \$250 minimum, plus 15% administrative fee & actual costs of supplies and/or equipment used		
Fire/Public Safety Incidents: \$400 minimum, plus 15% administrative fee & actual costs of supplies and/or equipment used		
After first half-hour, fees set by State Fire Marshal Standardized Costs Schedule		

LIBRARY

Processing Fee - Lost & Damage	\$5.00 per WCCLS	\$5.00 per WCCLS
Collection Agency	\$10.00 per WCCLS	\$10.00 per WCCLS
Rogers Room Rental Fee		
Whole Room (per hour)	\$13.00	\$13.50
One Half (Divider Closed - per hour)	\$6.50	\$6.75
Inter-Library Loan	\$0 per WCCLS	\$0 per WCCLS
Library Late Fine	per WCCLS schedule	per WCCLS schedule
Public Online Printing	\$.10/page	\$.10/page
Public Copy Service	\$.10/page	\$.10/page

CITY RECORDER

City Council Packet Subscription (per 6 mos.)	\$148.75	\$200.00
City Council Agenda Annual Subscription	\$29.25	\$35.00
Liquor License		

Forest Grove Fee Schedule Exhibit 2

	Adopted Fees - 7/1/13	Adopted Fees - 7/1/14
Original Application	\$100.00	\$100.00
Change: Ownership, Location, Privilege Application	\$75.00	\$75.00
Renewal or Temporary Application	\$35.00	\$35.00
Special Liquor License Permit	\$22.00	\$22.00
Noise Variance Permit	\$16.65	\$17.25
Copies		
Audio Cassette /VHS Tape	\$31.20	\$32.30
Burn CD/DVD	\$21.30	\$22.00
Photographs Burned to CD/DVD	\$21.30 (up to 30 photographs per disc)	\$22.00 (up to 30 photographs per disc)
Photographs Burned to CD/DVD (continued)	\$0.50 per duplicate photograph copy	\$0.55 per duplicate photograph copy
Document Copy	\$15.00 + \$.20/p over 10	\$15.50 + \$.20/p over 10

ADMINISTRATIVE SERVICES

Hydrant Permit	\$46.30	\$48.00
Lien Search	\$24.50	\$25.40
Reserve Parking (monthly)	\$22.00	\$22.75
Utility Bill Inserts	\$185.40	\$192.00
Utility Billing Account Set-Up Fee - In-City	\$18.50	\$19.15
Utility Billing Account Set-Up Fee - Out-of-City	\$37.00	\$38.30
Door Hanger Fee - In-City	\$13.00	\$13.50
Door Hanger Fee - Out-of-City	\$26.00	\$27.00
Failure to Keep Payment Arrangements		\$10.00
Convenience Fee for Telephone Payment Execution	\$3.00	\$3.00
NSF Check Processing Fee	\$26.00	\$27.00
Passport Processing Fee	Fee set by State Department	Fee set by State Department

ALL DEPARTMENTS

Research Fee	53.60	55.50
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**STAFF REPORT AND RESOLUTION INCREASING WATER RATES
FOR THE CITY OF FOREST GROVE, EFFECTIVE JULY 1, 2014**

PROJECT TEAM: Rob Foster, Director, Public Works
Paul Downey, Director, Administrative Services
Michael Sykes, City Manager

ISSUE STATEMENT: The attached resolution proposes to increase water rates by a system-wide average of 8%.

BACKGROUND: In 2011, the City engaged the services of FCS Group to perform a cost of service analysis on the City's water utility to ensure that rates are recovering adequate revenue in an equitable manner.

This analysis evaluated the cost of providing water service, and the most efficient way to recover those costs through water rates. All rate classes were reviewed – residential, multi-family, commercial and industrial. Additionally, the rate analysis suggested that a charge for compound meters and fire service be added in order to recover the cost to provide these. The result of this rate analysis demonstrated that the water utility needs system-wide average rate increases of approximately 8% per year for the next several years in order to afford on-going operations and required investments in maintaining the water capital infrastructure.

With this rate increase, the City's water rates still remain competitive when compared to its neighbors. The attached graphs compare the monthly water bill for a residential customer using 7,000 gallons of water, about the average consumption, and for a residential customer using 25,000 gallons of water.

The attached resolution proposes to increase water rates 8%, according to the rate path outlined in 2011 by the consultant FCS Group. For the average residential user, the proposed changes mean that water bill will increase by about \$2.46 per month.

FISCAL IMPACT: The proposed rate increase will yield approximately \$150,000 in additional revenue. These funds will be used to fund ongoing operations of the water utility, as well as to make needed capital infrastructure improvements.

STAFF RECOMMENDATION: Staff recommends the City Council approve the attached resolution.

Monthly Water Rate Comparison 2014-15

Estimated rate increases included, for a residential water customer using 7,000 gallons (9.36 ccf) per billing cycle

CITY	RATE				TOTAL	Notes
	Volume					
	Base	Tier 1	Tier 2	Tier 3		
Cornelius	\$23.72	\$19.56	\$4.73	<i>not triggered in example</i>	\$48.01	(1)
Beaverton	\$12.00	\$26.88	<i>None</i>	<i>None</i>	\$38.88	(2)
Forest Grove	\$21.29	\$11.97	<i>not triggered in example</i>	<i>not triggered in example</i>	\$33.26	(3)
Hillsboro	\$13.02	\$12.75	\$3.36	<i>None</i>	\$29.13	(4)
TVWD*	<i>\$17.87</i>	<i>\$27.16</i>	<i>not triggered in example</i>	<i>not triggered in example</i>	<i>\$45.03</i>	(5)

1 ccf = 100 cubic feet of water, or 748 gallons. Results based on 3/4" meter.

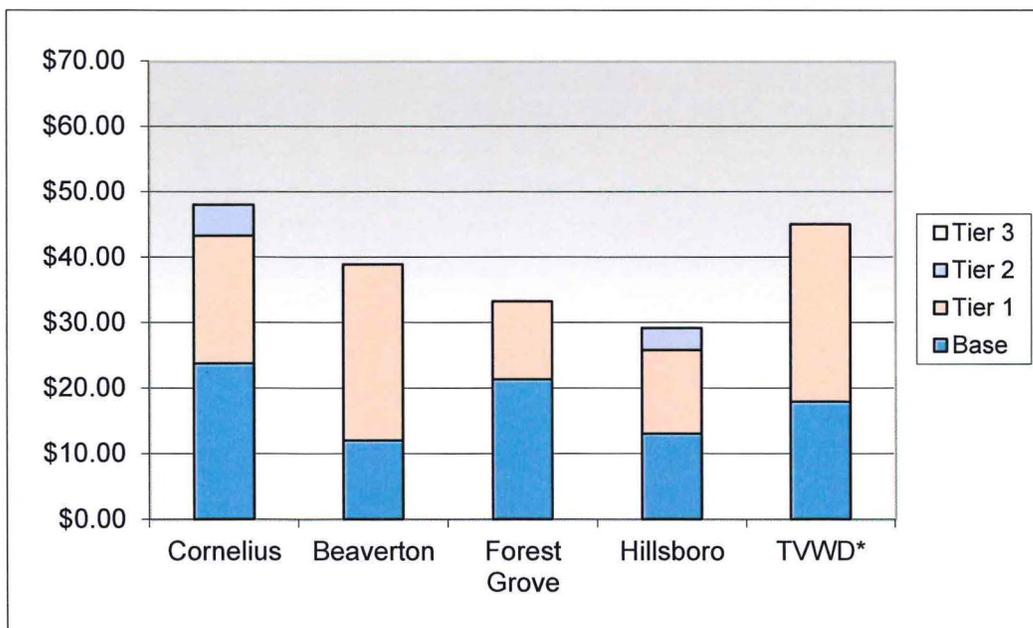
(1) Cornelius' third tier is \$4.73 per 1,000 gallons over 12,000 gallons. Proposed rate increase of roughly 9% goes into effect on July 1, 2014.

(2) Beaverton does not have tiered rates. Estimated rate increase is \$0.10 per ccf; not yet approved.

(3) FG proposing 8% increase for all rates, all customer classes.

(4) Estimated rate increase is 6.75%, not yet approved.

**(5) Assuming rate increase of 6%, not yet proposed or approved.*



Monthly Water Rate Comparison 2014-15

Estimated rate increases included, for a residential water customer using 25,000 gallons (33.42 ccf) per billing cycle

CITY	RATE				TOTAL	Notes
	Volume					
	Base	Tier 1	Tier 2	Tier 3		
Cornelius	\$23.72	\$19.56	\$28.38	\$90.61	\$162.27	(1)
Beaverton	\$12.00	\$96.00	<i>None</i>	<i>None</i>	\$108.00	(2)
Forest Grove	\$21.29	\$11.97	\$27.76	\$50.40	\$111.42	(3)
Hillsboro	\$13.02	\$14.32	\$24.76	\$56.78	\$108.88	(4)
TVWD*	<i>\$17.87</i>	<i>\$108.64</i>	<i>\$22.44</i>	<i>None</i>	<i>\$148.95</i>	(5)

1 ccf = 100 cubic feet of water, or 748 gallons. Results based on 3/4" meter.

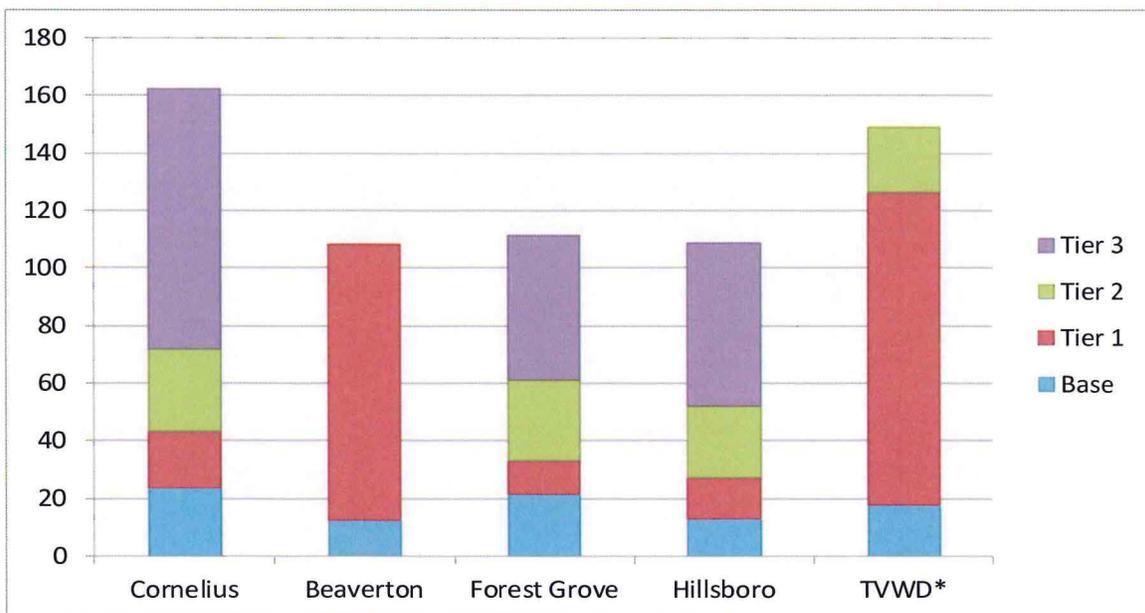
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(2) Beaverton does not have tiered rates. Estimated rate increase is \$0.10 per ccf; not yet approved.

(3) FG proposing 8% increase for all rates, all customer classes.

(4) Estimated rate increase is 6.75%, not yet approved.

**(5) Assuming rate increase of 6%, not yet proposed or approved.*



IMPACT OF WATER RATE INCREASE (8%) TO CURRENT CUSTOMERS

FY14-15

	CURRENT - AVERAGE BILL	NEW RATE – AVERAGE BILL	DIFFERENCE
RESIDENTIAL	\$30.77	\$33.23	\$2.46

	CURRENT - AVERAGE BILL	NEW RATE – AVERAGE BILL	DIFFERENCE
MULTI-FAMILY	\$297.31	\$321.60	\$24.29

	CURRENT - AVERAGE BILL	NEW RATE – AVERAGE BILL	DIFFERENCE
COMMERCIAL	\$68.26	\$73.81	\$5.55

	CURRENT - AVERAGE BILL	NEW RATE – AVERAGE BILL	DIFFERENCE
INDUSTRIAL	\$475.11	\$512.83	\$37.72

(1) *Dollars are cost per month.*

(2) *Water consumption based on actual Forest Grove customers from each classification.*

FY14-15 WATER RATES

SF RESIDENTIAL CUSTOMER CLASS				
METER SIZE	MONTHLY FIXED RATE	MONTHLY USAGE RATES		
		TIER 1	TIER 2	TIER 3
		0 kgal to 7 kgal	7 kgal to 15 kgal	15 kgal & Over
3/4" & Less	\$21.29	\$1.71	\$3.47	\$5.04
1"	\$29.98	\$1.71	\$3.47	\$5.04
1.5"	\$44.45	\$1.71	\$3.47	\$5.04
2"	\$57.25	\$1.71	\$3.47	\$5.04

MF RESIDENTIAL CUSTOMER CLASS			COMMERCIAL CUSTOMER CLASS		
METER SIZE	MONTHLY FIXED RATE	MONTHLY USAGE RATE (kgal)	METER SIZE	MONTHLY FIXED RATE	MONTHLY USAGE RATE (kgal)
3/4" & Less	\$16.73	\$2.38	3/4" & Less	\$20.35	\$2.51
1"	\$23.06	\$2.38	1"	\$26.59	\$2.51
1.5"	\$33.63	\$2.38	1.5"	\$39.09	\$2.51
2"	\$46.26	\$2.38	2"	\$59.07	\$2.51
3"	\$80.01	\$2.38	3"	\$99.04	\$2.51
4"	\$117.99	\$2.38	4"	\$161.50	\$2.51
6"	\$223.40	\$2.38	6"	\$286.39	\$2.51
8"	\$349.94	\$2.38	8"	\$450.37	\$2.51

INDUSTRIAL CUSTOMER CLASS			COMPOUND METERS		
METER SIZE	MONTHLY FIXED RATE	MONTHLY USAGE RATE (kgal)	MONTHLY FIRE SERVICE CHARGE	\$62.64	MFR Compound Meter Example: 2" domestic + compound meter: \$108.90
3/4" & Less	\$18.85	\$2.18			
1"	\$28.38	\$2.18			
1.5"	\$44.24	\$2.18			
2"	\$63.28	\$2.18			
3"	\$114.04	\$2.18			
4"	\$171.15	\$2.18			
6"	\$329.79	\$2.18			
8"	\$520.11	\$2.18			
			FIRE SERVICE CHARGE		
			MONTHLY CHARGE		\$7.56

	USAGE RATE (kgal)
FIRE HYDRANT WATER <i>(permit required)</i>	\$2.83

NOTICE OF PUBLIC HEARINGS

PROPOSED RESOLUTIONS INCREASING VARIOUS FEES AND CHARGES; WATER RATES; SEWER RATES; AND SURFACE WATER MANAGEMENT RATES FOR THE CITY OF FOREST GROVE

NOTICE IS HEREBY GIVEN that the Forest Grove City Council will hold Public Hearings **Monday, June 9, 2014, at 7:00 p.m.** or thereafter, in the Community Auditorium, 1915 Main Street, Forest Grove, to consider enacting resolutions that would increase various fees and charges by 3.5% or slightly higher, excluding building fees; water rates for all customer classes to achieve an overall 8% water revenue increase and water service outside the City would be the new rate, plus 100%; 3% per month sanitary sewer rate increase; and \$0.25 per dwelling unit equivalent per month surface water management fee increase. Pass-through rate increases proposed by Clean Water Services (www.cleanwaterservices.org) include a 3% per month sanitary sewer rate increase; \$0.50 per dwelling unit equivalent per month surface water management fee increase; and \$100 increase sanitary sewer system development charges. If enacted by City Council, the proposed fees and rate increases would be effective July 1, 2014.

These hearings are open to the public and interested parties are encouraged to attend. A copy of the reports and list of the proposed fees and charges and rates are available for inspection before the hearing at the City Recorder's Office or by visiting the City's website at www.forest-grove-or.gov. Written comments or testimony may be submitted at the hearing or sent to the attention of the City Recorder's Office, P.O. Box 326, 1924 Council Street, Forest Grove, OR 97116, prior to the hearing. For further information, please contact Anna Ruggles, City Recorder, at 503.992.3235, or via e-mail aruggles@forestgrove-or.gov.

Anna D. Ruggles, CMC, City Recorder
City of Forest Grove

Published in NewsTimes, Wednesday, June 4, 2014



RESOLUTION NO. 2014-46

**RESOLUTION FIXING WATER RATES FOR THE
CITY OF FOREST GROVE, EFFECTIVE JULY 1, 2014,
AND REPEALING RESOLUTION NO. 2013-35**

WHEREAS, Forest Grove Code Section 4.035 and 3.800 authorizes the City Council to fix water rates, water connection charges, and system development charges by resolution; and

WHEREAS, The City Council has determined that water fund revenue requirements will necessitate that water rates be increased; and

WHEREAS, A duly-noticed Public Hearing was held June 10, 2014.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE AS FOLLOWS:

Section 1: That the water rates within the city limits of Forest Grove shall be as follows:

SF RESIDENTIAL CUSTOMER CLASS				
METER SIZE	MONTHLY FIXED RATE	MONTHLY USAGE RATES		
		TIER 1 0 kgal to 7 kgal	TIER 2 7 kgal to 15 kgal	TIER 3 15 kgal & Over
3/4" & Less	\$21.29	\$1.71	\$3.47	\$5.04
1"	\$29.98	\$1.71	\$3.47	\$5.04
1.5"	\$44.45	\$1.71	\$3.47	\$5.04
2"	\$57.25	\$1.71	\$3.47	\$5.04

MF RESIDENTIAL CUSTOMER CLASS			COMMERCIAL CUSTOMER CLASS		
METER SIZE	MONTHLY FIXED RATE	MONTHLY USAGE RATE (kgal)	METER SIZE	MONTHLY FIXED RATE	MONTHLY USAGE RATE (kgal)
3/4" & Less	\$16.73	\$2.38	3/4" & Less	\$20.35	\$2.51
1"	\$23.06	\$2.38	1"	\$26.59	\$2.51
1.5"	\$33.63	\$2.38	1.5"	\$39.09	\$2.51
2"	\$46.26	\$2.38	2"	\$59.07	\$2.51
3"	\$80.01	\$2.38	3"	\$99.04	\$2.51
4"	\$117.99	\$2.38	4"	\$161.50	\$2.51
6"	\$223.40	\$2.38	6"	\$286.39	\$2.51
8"	\$349.94	\$2.38	8"	\$450.37	\$2.51

INDUSTRIAL CUSTOMER CLASS			COMPOUND METERS		
METER SIZE	MONTHLY FIXED RATE	MONTHLY USAGE RATE (kgal)	MONTHLY FIRE SERVICE CHARGE	\$62.64	MFR Compound Meter Example: 2" domestic + compound meter: \$108.90
3/4" & Less	\$18.85	\$2.18			
1"	\$28.38	\$2.18			
1.5"	\$44.24	\$2.18			
2"	\$63.28	\$2.18	FIRE SERVICE		
3"	\$114.04	\$2.18	MONTHLY FIRE SERVICE CHARGE	\$7.56	
4"	\$171.15	\$2.18			
6"	\$329.79	\$2.18			
8"	\$520.11	\$2.18			

	USAGE RATE (kgal)
FIRE HYDRANT WATER <i>(permit required)</i>	\$2.83

Section 2: That the following rules shall govern the definition of various customers classes:

- a. Whenever one water meter serves more than one type of customer class, the higher of the two rates shall be charged for all water used.
- b. In order to be classified as a residential water user, the water customer must meet the following definition:

The term residential user is applicable to all single family, multiple family, and mobile home buildings where residential customers receive metered water service, and which structures house family dwelling units. A residential dwelling unit is defined to include dwelling units designed for permanent occupation by family and which include kitchens and bathroom facilities.

- c. In order to be classified as an industrial water user, a water utility customer must meet all three requirements listed below:
 - (1) A water system customer's status is determined by using the Standard Industrial Classification Manual and the customer must belong to a major industrial group in Division A (agriculture, forestry, and fishing), Division B (mining), Division D (manufacturing), or Division F (wholesale trade) as defined in most current Standard Industrial Classification Manual.

- (2) A water system customer's historical annual water use, documented by City of Forest Grove Water Utility water billing records, must equal or exceed an average of 10,000 gallons per day.
- (3) A water system customer's water meter size must equal or exceed two inches in diameter.
- d. A water user who does not meet the requirements contained in Section 2(b) residential user of section 2(c) industrial user shall be classified and billed for water as a commercial class customer.
- e. Any water taken from fire hydrant or other unmetered facility other than for an authorized city use, shall be charged at the rate listed Section 1 above for Fire Hydrant Water, plus the current permit fee.

Section 3: That the monthly charge when there is no water consumption shall be the monthly fixed rate contained in Section 1 of the meter size and customer class for the service being provided.

Section 4: That meters set on "stand-by" service shall be charged as set out by the fee Resolution 2014-45.

Section 5: That the following rules shall govern the definition of a meter on stand-by service:

- a. A meter on stand-by service is out of service;
- b. The property owner may make application for stand-by service to the City, or the City may place a water meter on stand-by at its discretion after seven (7) or more months of non-use;
- c. The water meter must be out of service for seven (7) or more consecutive months from the date the property owner applies, or the seven (7) preceding months if the City places a meter on stand-by;
- d. If a meter is taken off of stand-by service before the passage of seven (7) consecutive months, Section 3 will apply retro-actively from the date the meter was placed on stand-by;
- e. Once brought back into service, the water meter must remain in service for twelve (12) consecutive months before becoming eligible to be placed on stand-by service again;
- f. If the water meter remains on stand-by service for sixty (60) or more consecutive months, in order to put the meter back in service, the prevailing meter drop-in charges will apply.

Section 6: That the applicable rate for water service outside the city limits shall be those contained in Section One (1) through Section Four (4), plus 100%, except as otherwise noted.

Section 7: Gales Creek Waterline grantors/customers that hold easement agreements (through 2015) with the City shall pay rates equal to

the rates inside the City, plus the cost of debt service associated with the Gales Creek Waterline as follows:

<u>Meter Size (inches)</u>	<u>Monthly Debt Service Payment</u>
3/4	\$ 21.37
1	\$ 53.43
2	\$170.96

Section 8: The above water rates shall become effective July 1, 2014.

Section 9: Resolution No. 2013-35 is hereby repealed upon the effective implementation date of the foregoing water rates.

Section 10: This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 9th day of June, 2014.

Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 9th day of June, 2014.

Peter B. Truax, Mayor

June 9, 2014

**REPORT AND RESOLUTION EXTENDING INCENTIVES TO BUSINESSES
OCCUPYING VACANT SPACE BY REDUCING CERTAIN FEES AND
ALLOWING AN INSTALLMENT PAYMENT PLAN PROGRAM
FOR FINANCING WATER SYSTEM DEVELOPMENT CHARGES**

PROJECT TEAM: Jeffrey King, Economic Development Manager
Michael Sykes, City Manager

ISSUE STATEMENT:

Forest Grove, like most communities, was left with an increase of vacant buildings as a result of the Great Recession. While the economy is in recovery, it has been slow and uneven. In response, the City of Forest Grove enacted a Business Incentive Program to attract users to empty commercial and industrial space. The program reduced or eliminated the business license fee, building and sign permit fees and site plan review fees. Programs like the Business Incentive Program and other tools are helping Forest Grove realize a significant decrease in vacant industrial building space although not in commercial space. The program originally began on April 1, 2011 and was extended twice to June 30, 2014 and is set to expire on that date. With the local economy not yet on sustained, solid footing, staff is proposing that the Business Incentive Program be extended twelve months to June 30, 2015.

DISCUSSION:

The post-recession recovery has been sluggish and uneven and is only now beginning to see steady growth. While Washington County and the Portland Metro have made up all of the jobs lost during the recession, the region still has a ways to go to sustained prosperity as the population has grown significantly since 2008. Unemployment remains high and runs 3 points higher in Forest Grove than the 6%, as of April 2014, for the Washington County region. Progress has been made in reducing vacant industrial space but not commercial. When staff first presented its analysis in March of 2011, Forest Grove had 16 industrial buildings accounting for 681,530 square feet (sf) of vacant space (3 buildings account for over half of that number). As of today that number has come down to 11 buildings and 314,120 square feet – (includes 50,000sf of Times Litho Space) For commercial space, Forest Grove had 16 commercial/retail spaces totaling

53,640 s.f. of vacant space in early 2011. That has increased to 22 spaces and 75,600sf. However just five sites account for over half of this space or 40,700sf. This also masks the fact that new commercial space has been built since then and several sites were kept off the market during this period. Nevertheless this example in the commercial market shows the tenuousness of the recovery.

States and communities remain highly competitive in an effort to create more business activity that will add jobs and fill vacant space. Communities like Gresham and Beaverton have extended incentives to fill available space.

Program Incentives

The elements of the program would remain the same during the extension period. A summary of the program is as follows:

- Waiver of business license fee. Fee savings of up to \$275
- Fee waiver of Building Permit, including 12% state surcharge, Fire and Life Safety and Structural fees up to \$5,000
- Fee waiver of Site Plan Review fees up to \$2,000
- Waiver of Sign Permit fees up to \$1,000 if the applicant meets certain design standards.
- Water System Development Fee can be paid over a period up to 5 years; an interest rate would be charged and a lien placed on the property.

Program Use

Since July 1, 2013, the beginning of the fiscal year, six business have signed agreements. They include:

- Chaucer Foods, 2238 Yew Street. A UK company that will be a food processing manufacturer. 71 new jobs
- Clearwater Pump Service. 2133 Douglas Street. Distribution and installation of water pumps. 7 new jobs
- Summit Foods, 1840 B Street. Food processing manufacturer of fruits and apple chips. 7 new jobs
- Waltz Brewing Company, 1900 A Street A small micro-brewery in the downtown that will both bottle beer and have a tasting room
- Bull Run Cider, 2227 Cedar Street. Will both bottle hard cider and have a tasting room. 3 jobs
- Linda's Restoration/Funky Finds Décor, 1840 Pacific Ave. Retail store selling restored furniture and interior design services. 2 jobs

The past history of the program is as follows:

- 2011-2012 6 businesses
- 2012-2013 2 businesses

Three year program total: 14 new businesses

The program is used as an incentive and not targeted to businesses that do not need it. For example, the program was not used for a national pizza chain that occupied existing space if Forest Grove.

In summary, the key reasons for requesting a 12-month extension are:

- The economy has not fully recovered. The post-recession recovery has been slow and uneven. Businesses still need help if they are going to step up investment. For very small business, the program is quite valuable as many open somewhat undercapitalized as it is.
- Businesses are using the program. Between April 1, 2011, and June 3, 2014, 14 businesses have applied. The cost to the program for bringing in these businesses through the program remains than \$1,500 on average even with Chaucer Foods and Summit Foods included.
- Competitor communities such as Beaverton and Gresham have extended their vacant building incentives and avidly market them. Hillsboro offers other incentives. Washington County has continued to freeze the Transportation Development Tax for another year.
- The program, in conjunction with other local efforts, sends a strong message that Forest Grove is supportive of job creation and new investment in our community. For attracting larger companies, the program is a valuable marketing tool. Chaucer Foods saw the value in the program, despite being a large international business with a total project cost expected to be \$13 million.

This proposal for a 12-month extension has been reviewed and approved unanimously by the Forest Grove Economic Development Commission at their May meeting.

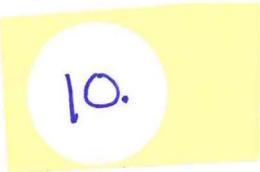
The program would retain a sunset provision. It program would expire automatically on June 30, 2015, with no further action from Council required.

FISCAL IMPACT:

Fiscal impact remains minimal. No General Fund outlays are needed. With three years' experience of the program to review, fees foregone remains well under \$1,500 per project. In 2013-2014 to date, total fees foregone for six projects is \$6,500 or \$1,083 per project. This is mainly due to the inclusion of Chaucer Foods, a large renovation project.

STAFF RECOMMENDATION: Staff recommends the City Council approve the attached resolution extending the Business Incentive Program for twelve months to encourage the occupancy of vacant commercial and industrial space.

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RESOLUTION NO. 2014-47

**RESOLUTION AUTHORIZING EXTENDING BUSINESS INCENTIVE PROGRAM
FOR TWELVE MONTHS TO JUNE 30, 2015,
AND REESTABLISHING THE PROGRAM REQUIREMENTS**

WHEREAS, the United States, Oregon and Forest Grove economies continue to experience a slow and uneven recovery from a deep and protracted recession; and

WHEREAS, commercial and industrial areas of Forest Grove have been plagued by higher vacancy rates as a result of the recession; and

WHEREAS, a high level of commercial and industrial vacancies detracts from the economic activity of surrounding businesses and threatens even further decline; and

WHEREAS, the establishment and expansion of businesses in Forest Grove will bring new customers and activity that benefits also benefits existing businesses but the current economic conditions are making it difficult, especially for entrepreneurs, to bring their business ideas to market; and

WHEREAS, it is the goal of the City of Forest Grove to support existing business expansion and to encourage new business development through targeted economic development tools which will strengthen and diversify our local economy; and

WHEREAS, Forest Grove Code, Chapter 3, Section 3.808 Collection of Charge for Water System Development Charges, currently allows for financing of Water Systems Development Charges for certain commercial and industrial projects; and

WHEREAS, the Forest Grove City Council has determined that certain fees be waived or reduced for a limited period of time.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE
AS FOLLOWS:**

The City Council hereby authorizes a twelve month extension to July 30, 2015, of Business Incentive Program originally passed by Council Resolution 2011-23 on March 28, 2011, and extended by Council Resolutions 2012-35 on June 11, 2012, and 2013-40 on June 10, 2013, defined as follows:

Section 1. To qualify for the Business Incentive Program for Vacant Space, a business must:

- Occupy commercial or industrial space that that received approval of final building inspection(s) on or before March 1, 2011
- Occupy a building or space that is vacant
- Be a business a that is new to the City or be an existing Forest Grove business that is:

- a. Expanding into adjacent existing commercial or industrial space,
 - b. Opening a new satellite locations,
 - c. Relocating within Forest Grove and increase occupied square footage by 10%.
- Receive a permanent Certificate of Occupancy for a commercial or industrial tenant between June 1, 2014 and June 30, 2015
 - Sign an agreement with the City with the City covering terms, obligations and timelines.

Section 2. Notwithstanding Section 1, a business does not qualify for the Business Incentive Program if the business:

- Relocates or expands but occupies less than ten percent additional square footage at the new or expanded locations; or
- Expands existing commercial or industrial space by constructing a new building or an addition that adds additional floor area; or
- Converts occupied or vacant residential space to commercial or industrial space; or
- Is a government office or agency; or
- Does not commence tenant improvement construction within thirty days of issuance of tenant improvement building permit, fails to vigorously and continuously perform the construction improvement work, or fails to obtain a permanent certificate of occupancy within 180 days of issuance of the tenant improvement building permit.

Section 3. The fees, and charges for a qualifying business as stated in Section 1 of this resolution that are subject to waivers under this Business Incentive Program shall be as described in Attachment A.

Section 4. The financing plans for a qualifying business as stated in Section 1 of this resolution under this Business Incentive Program shall be described in Attachment B.

Section 5. This Program shall be extended for twelve months and automatically sunset on June 30, 2015, unless extended by resolution of the City Council.

Section 6. This resolution is effective immediately upon its enactment by the City Council.

PRESENTED AND PASSED this 9th day of June, 2014.

Anna D. Ruggles, City Recorder

APPROVED by the Mayor this 9th day of June, 2014.

Peter B. Truax, Mayor

ATTACHMENT A

BUSINESS INCENTIVE PROGRAM AFFECTED FEES AND CHARGES

- A. Fees and charges that are subject to waivers under the Business Incentive Program are:

Waiver of Business License Fee including first time application fee if applicable

Waiver of Building Permit, Fire and Life Safety, and Structural fees including state 12% surcharge, up to \$5,000*

Waiver of Site Plan Review Fees up to \$2,000

Waiver of Sign Permit fees up to \$1,000 if the applicants meets certain design requirements

*payment of 12% state building permit surcharge paid by General Fund

ATTACHMENT B

BUSINESS INCENTIVE PROGRAM WATER SYSTEM DEVELOPMENT CHARGES PAYMENT PLAN

A qualified business may make installment payments up to five years for the collection of Water System Development Charges pursuant to Forest Grove Code, Chapter 3, Section 3.808.

- The Water System Development Charges Installment Payment Plan Financing Option Program is for non-residential projects that meet eligibility requirements as defined in Section 1 of this resolution.
- Certain eligible projects in commercial, town center or industrial zones may qualify to enter into an installment payment agreement to finance the SDC.
- A maximum of five years will be allowed for repayment.
- The term of financing plan will be set at time of repayment agreement.
- An interest rate will be charged using the current prime interest rate plus 2 percent (2%).
- The obligation to pay the SDC pursuant to a financing installment payment agreement shall be secured by a lien against the property upon which the improvement will be located. The lien shall be entered into the City's lien docket as provided in Forest Grove Code Section 2.300, and may be collected in the same manner as allowed by law for collection of assessment liens.
- The City Manager has final approval over projects to be financed under this program.