



URBAN RENEWAL AGENCY

City of Forest Grove

Tuesday, May 27, 2014
Meeting Agenda

6:15 PM – Urban Renewal Agency

Community Auditorium
1915 Main Street
Forest Grove, OR 97116

PETER B. TRUAX, CHAIR

Thomas L. Johnston, Vice-Chair
Richard G. Kidd III
Victoria J. Lowe

Camille Miller
Ronald C. Thompson
Elena Uhing

All meetings of the Urban Renewal Agency (URA) 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 URA Board 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 URA Board, 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 URA Board action.

➔ **Citizen Communications** – Anyone wishing to address the URA Board 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 URA Board, 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 URA Board, please contact the City Recorder at 503-992-3235.

The URA Board 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.

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- 6:15
1. **URBAN RENEWAL AGENCY (URA) MEETING:** Roll Call
 2. **CITIZEN COMMUNICATIONS:** Anyone wishing to speak to Urban Renewal Agency Board on an item not on the agenda may be heard at this time. *Please sign-in before the meeting on the Citizen Communications form posted in the foyer.* In the interest of time, please limit comments to two minutes. Thank you.
 3. **CONSENT AGENDA:**
 4. **ADDITIONS/DELETIONS:**

PUBLIC HEARING(S):
 5. **URA RESOLUTION NO. 2014-01 APPROVING AND ADOPTING BYLAWS FOR THE URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE**
 6. **URA RESOLUTION NO. 2014-02 CONFIRMING APPOINTMENT OF OFFICERS OF THE URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE**
 7. **URA RESOLUTION NO. 2014-03 PROPOSING THE FOREST GROVE URBAN RENEWAL PLAN TO THE FOREST GROVE CITY COUNCIL FOR ADOPTION UNDER OREGON REVISED STATUTES CHAPTER 457**
 8. **ADJOURNMENT**
- 6:45

Jon Holan, Community
Development Director
Dan Riordan, Senior Planner
Michael Sykes, City Manager

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URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE NOTICE OF PUBLIC MEETING

NOTICE IS HEREBY GIVEN that the Urban Renewal Agency (“Agency”) of the City of Forest Grove will hold a public meeting on **Tuesday, May 27, 2014**, at 6:15 PM or thereafter, in the Community Auditorium, 1915 Main Street, Forest Grove, to consider:

1. Resolution URA 2014-01: Adopting Agency bylaws;
2. Resolution URA 2014-02: Appointment of Agency officers;
3. Resolution URA 2014-03: Recommendation to propose the Forest Grove Urban Renewal Plan, prepared under Oregon Revised Statutes Chapter 457 (Urban Renewal), and forwarding the Plan to the City Council for adoption. The proposed urban renewal area includes the Forest Grove Town Center and the Pacific Avenue/19th Avenue corridor generally between C Street and 3900 block of Pacific Avenue.

All interested parties may appear and provide testimony to the Agency on these matters. Copies of the draft resolutions, urban renewal plan, technical report, and staff report are available for inspection by visiting Forest Grove City Hall, City Recorder’s Office, 1924 Council Street, 2nd Floor, Forest Grove, or by visiting the City’s website at: www.forestgrove-or.gov.

Additional information including the draft urban renewal plan is also available at:

<http://www.forestgrove-or.gov/city-hall/community-development-planning.html>

Written comments or testimony may be submitted at the hearing or sent to the Anna Ruggles, City Recorder, PO Box 326, 1924 Council Street, Forest Grove, OR 97116, prior to the hearing. For information about the hearing, please contact Daniel Riordan, 503-992-3226, or e-mail: driordan@forestgrove-or.gov.

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

Published May 21, 2014

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Date: May 27, 2014

**RESOLUTION APPROVING AND ADOPTING BYLAWS FOR THE
URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE**

PROJECT TEAM:

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

ISSUE STATEMENT: Now that the Agency has been created, a set of bylaws need to be adopted to govern conduct of Agency business.

BACKGROUND: On April 28, 2014, City Council adopted Ordinance 2014-05 establishing the Urban Renewal Agency of the City of Forest Grove. Ordinance 2014-015 also amended Chapter 2 of the Forest Grove Municipal Code (Government and Administration) describing the general powers and duties of the Agency. One power granted to the Agency is the ability to prepare and adopt bylaws to govern the conduct of Agency business.

This memorandum and the accompanying resolution describe recommended bylaws for adoption by the Agency. The recommended bylaws address the following general areas:

1. Agency Authority
Section 1 identifies the legal foundation governing the Agency;
2. Board Membership
Section 2 identifies the Mayor and City Council as the Agency Board, addresses term of office and process for filling vacancies;
3. Agency Officers and Personnel
Section 3 designates the Mayor and Agency Board Chair, City Council President as Vice Chair and City Manager as Executive Director. Section 3 also grants authority to the Agency to retain legal and bond counsel;

4. Meetings
Section 4 describes when the Agency convenes, general order of business and open meetings requirements;
5. Fiscal Matters
Section 5 addresses Agency fiscal matters including preparing the annual budget, keeping books and records and conducting an annual audit;
6. Procedures
Section 6 addresses procedures for establishing standing, special and advisory committees.
7. Administrative Authority
Section 7 describes procedures for adopting Agency resolutions; and
8. Process for amending adopted bylaws
Section 8 recognizes the ability to amend the Agency bylaws in the future.

Policy Considerations

By their very nature bylaws address policy issues that require careful thought. There are several policy issues worth identifying for Agency Board discussion. These policy issues are identified below by the bullet points and serve as a guide for Agency deliberations on this subject.

- Should the Mayor and Council President be appointed Agency Board Chair and Vice Chair, by default, or should the Agency Board membership elect a Chair and Vice Chair?

The draft bylaws are written so that the Mayor and City Council President automatically become Agency Board Chair and Vice Chair respectively. The draft bylaws establish a process for filling vacancies should the Chair, or Vice Chair, positions become vacant. Under the proposed bylaws the Vice Chair assumes the duties of the Chair until the position of Mayor is filled consistent with the City Charter and City ordinance.

- Should the City Manager be appointed Agency Executive Director?

The draft bylaws are written so that the City Manager serves as the Executive Director of the Agency. This is a common approach among urban renewal agencies in Oregon. Most urban renewal agencies in Oregon contract with the municipality for staff services through and intergovernmental agreement. Appointing the City Manager as Agency Executive Director supports this approach and provides for cost-effective delivery of city staff resources as needed.

Alternatives to appointing the City Manager as Executive Director include appointing a director from one of the City departments or an individual from outside of the organization.

- Should both the Chair and Executive Director both sign all contracts, deeds and other instruments authorized by the Agency board?

Some urban renewal agencies require that both the Chair and Executive Director sign contracts, deeds and other instruments authorized by the Agency Board. The Agency Board could take this approach or elect to have the Executive Director sign such documents on behalf of the Agency. This latter approach is used by the City.

- Should both the Chair and Executive Director sign approved resolutions or should the Chair and City Recorder sign approved resolutions?

Some urban renewal agencies require that both the Chair and Executive Director sign resolutions. This is slightly different than how the City operates with the Mayor and City Recorder both signing resolutions. Although the adopted resolution should be filed with the City Recorder, staff recommends that the Agency Chair and Executive Director sign approved resolutions. The primary reason for this recommendation is the Executive Director is an appointed Agency position whereas the City Recorder is not. Furthermore, providing signature authority to the Executive Director rather than the City Recorder reinforces the distinction that the Agency is a separate legal component of the municipality.

- Are there other areas that should be addressed in the bylaws or clarified?

The Agency bylaws are intended to address the conduct of Agency. The bylaws should be comprehensive and address topics likely to surface as the Agency oversees urban renewal projects and plans. Are there other areas not addressed in the draft bylaws that should be addressed or clarified? The Agency Board can amend the bylaws at a future date if the need arises.

FISCAL IMPACT: None

STAFF RECOMMENDATION: Staff recommends the Urban Agency Board consider the attached resolution adopting the Agency Bylaws and make changes as deemed appropriate consistent with State law and established City procedures.

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URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE

URA RESOLUTION NO. 2014-01

RESOLUTION APPROVING AND ADOPTING BYLAWS FOR THE URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE

WHEREAS, On April 28, 2014, the Forest Grove City Council adopted Ordinance 2014-05 establishing the Urban Renewal Agency (“Agency”) of the City of Forest Grove; and

WHEREAS, Ordinance 2014-05 also amended Chapter 2 of the Forest Grove Municipal Code granting authority to the Agency to adopt bylaws necessary to govern the conduct and business of the Agency; and

WHEREAS, the Agency desires to adopt bylaws to govern the conduct and business of the Agency as authorized by Chapter 2 of the Forest Grove Municipal Code.

NOW, THEREFORE, BE IT RESOLVED BY THE URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE AS FOLLOWS:

Section 1: Bylaws of the Urban Renewal Agency of the City of Forest Grove

Article 1: Authority

1.1: Name

The name of the Agency shall be the Urban Renewal Agency of the City of Forest Grove (hereinafter referred to as “Agency”).

1.2: Primary Office Location

The office of the Agency shall be the City Hall of the City of Forest Grove, Oregon or as mutually agreed to by the Forest Grove City Council and the Agency.

1.3: Powers and Duties of Agency

The powers and duties of the Agency shall be as provided by Oregon Revised Statutes Chapter 457 (Urban Renewal), the City of Forest Grove City Charter adopted in 2009 and as subsequently amended and authorized by the Forest Grove City Council.

Article 2: Agency Board Members

2.1: Agency Membership

As authorized by Oregon Revised Statutes Chapter 457 (Urban Renewal), and Forest Grove City Council Ordinance 2014-05, the governing body of the Agency shall be the

Board of Directors of the Agency (“Agency Board”). The Agency Board shall be comprised of the members of the Forest Grove City Council, as it lawfully exists from time to time, including who shall be the Mayor and City Councilors of the City of Forest Grove.

2.2: Term of Office

The term of office for each member of the Agency Board is coterminous with the Agency Board member’s service as Mayor or City Councilor of the City of Forest Grove.

2.3 Vacancies

Agency Board vacancies shall be filled in accordance with filling vacancies for City Council as described in the City Charter and Forest Grove Municipal Code Chapter 2.

Article 3: Officers and Personnel

3.1: Officers

The officers of the Agency Board shall be the Chair and Vice-Chair.

3.2: Chair

The Agency Board Chair position shall be filled by the Mayor of the City of Forest Grove unless another person is appointed by majority vote of the entire Agency Board. The Chair shall preside at meetings of the Agency Board when present and eligible to participate on Agency matters. Except as otherwise authorized by resolution of the Board, the Chair shall sign all resolutions approved by the Agency Board. At each meeting the Chair may submit such recommendations and information as the Chair may consider proper concerning the business, affairs, and policies of the Agency.

3.3: Vice-Chair

The Agency Board Vice-Chair position shall be filled by the President of the Forest Grove City Council, unless another person is appointed by majority vote of the entire Agency Board. The Vice-Chair shall perform the duties of the Chair in the absence or incapacity of the Chair; and in case of vacancy of the office of Chair, the Vice-Chair shall perform such duties as are imposed on the Chair.

3.4: Additional Duties

The Officers shall perform such duties and functions as from time to time may be required by the Agency Board or by the bylaws or rules and regulations of the Agency.

3.5: Process for selecting or appointing officers

Confirmation of Agency officers shall occur at the first regular Agency Board meeting of the calendar year. Confirmation of Agency officers shall be by resolution affirmed by a majority vote of the Agency Board members. Such confirmation may occur annually but confirmation is only required when either the position of Chair or Vice Chair are not filled by the Mayor or City Council President.

3.6: Executive Director

The position of Executive Director of the Agency shall be filled by the City Manager, unless by majority vote of the entire Agency Board another person is appointed. The Executive Director, or designee, shall sign all contracts, deeds and other instruments authorized by the Agency board. The Executive Director will assist the Agency Board in development of Agency policies and carry out policies established in adopted urban renewal plans or resolutions. The Executive Director may take part in all Agency Board discussions.

3.7: Support Personnel

The Agency may create such support positions and appoint such personnel as it may from time to time find necessary or convenient to perform Agency duties and obligations. The Agency may contract with the City of Forest Grove for the services of City personnel and to perform Agency duties and obligations at such terms and conditions as the Agency and City may mutually agree. Such agreement shall be memorialized in an adopted intergovernmental agreement executed between the Agency and City of Forest Grove. The Agency may contract for personal services and establish the compensation that shall be paid for such personal services in an adopted Agency resolution or other legal instrument approved by the Agency Board.

3.8: Legal Counsel

The Agency Board shall appoint legal counsel to advise the Agency on legal matters as necessary. Legal counsel shall be appointed for an indefinite term by vote of a majority of the Agency Board members. No Agency Board member shall be eligible to become legal counsel to the Agency until at least one year after leaving office as an Agency Board member.

3.9: Bond Counsel

The Agency Board may appoint bond counsel to advise the Agency on legal matters related to financing urban renewal projects. Bond counsel shall be appointed for an indefinite term by vote of a majority of the Agency Board members. No Agency Board member shall be eligible to become bond counsel to the Agency until at least one year after leaving office as an Agency Board member.

3.10: Vacancies

Should the office of the Mayor become vacant, the Agency Board Vice-Chair shall assume the office of Agency Board Chair until such time the office of Mayor is filled pursuant to the City Charter or City ordinance. Should the office of the Vice-Chair become vacant the Agency Board may elect to appoint a successor from its members at the next regular meeting and such appointment shall be in effect until the position of City Council President is filled pursuant to City Council rules. Should the position of Executive Director become vacant, the Agency Board shall appoint a successor, by majority vote of the entire Agency Board, at the next regular Agency Board meeting or as soon as practicable.

Article 4: Meetings

4.1: Regular Meetings

Regular meetings shall be in accordance with Oregon Revised Statutes Chapter 192 (Records; Public Reports and Meetings). All meetings shall be held at the Forest Grove Community Auditorium in the City of Forest Grove, or other such place determined by the Chair. Regular Agency Board meetings shall precede regular City Council meetings as necessary. A regular Agency Board meeting may be adjourned to a time and date certain decided by a vote of the majority of the Agency Board members present and voting.

4.2: Special Meetings

The Agency Board members may call a special meeting of the Agency to be held at the regular meeting place, unless otherwise specified for the purpose of transacting any business designated. The call for a special meeting must be made in writing unless voted upon during a regular Agency Board meeting. The call for a special meeting must be provided to all Agency Board members and the Executive Director. Notice of such meetings shall be in accordance with Oregon Revised Statutes Chapter 192 (Records; Public Reports and Meetings). The presence of any Board member at any meeting is deemed to be a waiver of notice of such meeting. Special meetings may be held at any time by the unanimous consent of all Agency Board members.

4.3: Quorum

A majority of the board members of the Agency present and voting shall be necessary to determine any question before the Agency, unless otherwise specified in these bylaws, in a resolution of the Agency or in Roberts Rules of Order, Newly Revised. Action on Agency matters requiring a vote shall not be taken if fewer than three (3) Agency Board members are present and eligible to vote.

4.4: Manner of Voting

Voting on resolutions, fiscal matters, or other items shall be by roll call vote of the Agency Board members, and the ayes and nays, and board members present and not voting, shall be entered upon the minutes of such meeting.

4.5: Order of Business

At a regular meeting of the Agency Board, the following shall be substantially the order of business:

- A. Roll Call
- B. Citizen Communication
- C. Consent Agenda
- D. Additions or Deletions to Agenda
- E. General Presentations
- F. Action Items
- G. Executive Director Report
- H. Agency Member Communications
- I. Adjournment

The order of business may be altered by majority vote of the Agency Board members participating in the Agency meeting.

4.6: Roberts Rules of Order

All rules of order not herein provided for or provided for by resolution of the Agency shall be determined in accordance with Roberts Rules of Order, Newly Revised.

4.7: Minutes

The Agency shall keep minutes of all Agency proceedings and committee meetings.

4.8: Open Meetings

All meetings of the Agency board shall be open to the public, except that any portion of a meeting may be held in executive session if such session is in conformity with Oregon Revised Statutes Chapter 192 (Records; Public Reports and Meetings).

Article 5: Fiscal Matters

5.1: Separate Fund

A separate fund or funds of the City of Forest Grove shall be established for the Urban Renewal Agency of the City of Forest Grove. All disbursement from these funds shall follow the regular disbursement procedures of the City of Forest Grove.

5.2: Budget

Budget procedures shall be in compliance with state budget laws. The committee that reviews the Agency budget shall consist of the members of the City of Forest Grove Budget Committee.

5.3: Books and Records

The Agency shall keep current and complete books and records of account and shall keep minutes of the proceedings of Agency and Agency committee meetings.

5.4: Audit

The Forest Grove auditor will audit the Agency's fund(s) annually in accordance with state audit laws and the City's authorized audit procedures.

5.5: Authorization of Expenditures

The Agency Board may authorize money expenditures only at a regular meeting or at a special meeting called for that purpose. The Agency Board cannot authorize money expenditures at a special meeting unless the Executive Director, or Director's designee, give at least 10 calendar days' written notice to all Board members that authorization action may be considered at the special meeting.

Article 6: Procedures

6.1: Standing and Special Committees

The Agency Board is authorized to establish standing or special committee comprised of no more than three (3) Agency board members. The Chair, Agency Board by majority vote, or Executive Director are authorized to refer items to a standing or special committee. The Chair shall appoint the members of a standing or special committee unless otherwise ordered by a majority vote of the Agency board. Vacancies on standing or special committees shall be filled as soon as practicable.

6.2: Advisory Committees

The Agency Board is authorized to establish advisory committees to inform the Board on Agency matters. The Chair, the Agency Board by majority vote, and Executive Director are authorized to refer items to an advisory committee for recommendation and report. Creation of an advisory committee shall be by majority vote of the Agency Board. All committee members shall be appointed by the Chair unless otherwise ordered by a majority vote of the Agency Board. Up to three (3) members Agency Board members may serve on an advisory committee. Vacancies on advisory committees should be filled as soon as practicable.

Article 7: Administrative Authority

7.1: Resolutions

The Agency Board will normally exercise its administrative authority by adopting resolutions. The adopting clause for all resolutions must state “The Urban Renewal Agency of the City of Forest Grove resolves as follows.” All resolutions shall be in writing and signed by the Chair and Executive Director, or Director’s designee. Resolutions shall be effective when approved by a majority vote of the Agency board members present and eligible to vote unless another date is specified in the resolution. The Executive Director, or Director’s designee, shall keep a record of all approved resolutions including title, vote taken and date of adoption.

Article 8: Amendments

8.1: Amendments to Bylaws

The bylaws of the Agency Board shall be amended only with the approval of a majority of all members of the Agency Board at a regular or special meeting, but no such amendment shall be adopted unless at least ten (10) calendar days’ written notice thereof has been previously given to all Agency Board members.

Section 2: This resolution is effective immediately upon its enactment by the Urban Renewal Agency of the City of Forest Grove.

PRESENTED AND PASSED this 27th day of May, 2014

Michael J. Sykes, City Manager
Urban Renewal Agency Executive Director

APPROVED by the Urban Renewal Agency of the City of Forest Grove at a regular meeting thereof this 27th day of May, 2014, and filed with the Forest Grove City Recorder this date.

Peter B. Truax, Mayor
Urban Renewal Agency Chair

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**RESOLUTION CONFIRMING APPOINTMENT OF OFFICERS OF THE URBAN
RENEWAL AGENCY OF THE CITY OF FOREST GROVE**

PROJECT TEAM:

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

ISSUE STATEMENT: The Urban Renewal Agency bylaws identify the Mayor as Agency Board Chair and City Council President as Vice Chair. The attached resolution confirms the appointment of Mayor and Council President to these positions.

BACKGROUND: The proposed Agency bylaws identify the Mayor as Agency Board Chair and the City Council President as Agency Board Vice Chair. This approach is clear and straightforward when the members of the Agency Board members include all of the City Council members.

A formal election of officer is not required if the Agency bylaws stipulate that the Mayor and City Council president automatically become Agency Board Chair and Vice Chair respectively. As a formality, however, staff prepared the accompanying resolution confirming the Agency Board's desire that the Mayor and City Council President should assume the role of Agency Board Chair and Vice Chair.

FISCAL IMPACT: None

STAFF RECOMMENDATION: Staff recommends the Urban Renewal Agency Board consider the attached resolution confirming the Mayor as Agency Board Chair and Council President as Agency Board Vice Chair. If the Bylaws are adjusted, then the Agency Board needs to consider amending this resolution to reflect the change and to indicate who will function as Agency officers.



URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE

URA RESOLUTION NO. 2014-02

RESOLUTION CONFIRMING APPOINTMENT OF OFFICERS OF THE URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE

WHEREAS, the Forest Grove City Council established the Urban Renewal Agency (“Agency”) of the City of Forest Grove on April 28, 2014; and

WHEREAS, the Agency adopted bylaws on May 27, 2014; and

WHEREAS, the Agency desires to confirm the appointment of Agency board Chair and Vice Chair as Agency officers consistent with the Agency’s adopted bylaws.

NOW, THEREFORE, BE IT RESOLVED BY THE URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE AS FOLLOWS:

Section 1: The Mayor of the City of Forest Grove shall perform the duties of Chair of the Agency board.

Section 2: The President of the Forest Grove City Council shall perform the duties of Vice Chair of the Agency board.

Section 3: This resolution is effective immediately upon its enactment by the Urban Renewal Agency of the City of Forest Grove.

PRESENTED AND PASSED this 27th day of May, 2014

Michael J. Sykes, City Manager
Urban Renewal Agency Executive Director

APPROVED by the Urban Renewal Agency of the City of Forest Grove at a regular meeting thereof this 27th day of May, 2014, and filed with the Forest Grove City Recorder this date.

Peter B. Truax, Mayor
Urban Renewal Agency Chair

Date: May 27, 2014

**RESOLUTION PROPOSING THE FOREST GROVE URBAN RENEWAL PLAN TO THE
FOREST GROVE CITY COUNCIL FOR ADOPTION UNDER OREGON REVISED
STATUTES CHAPTER 457**

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: State law requires the Agency to propose the Urban Renewal Plan to City Council for consideration.

BACKGROUND: Under ORS Chapter 457 the urban renewal Agency must propose an urban renewal plan for adoption by the City Council. The proposed resolution addresses this procedural matter under ORS Chapter 457. Since this is simply a procedural matter the Agency is not obligated to discuss the urban renewal plan in detail. This will occur when the City Council holds public hearings on the urban renewal plan (Attachment A) on June 9th and June 23rd.

The remainder of this memorandum addresses key elements of the proposed urban renewal plan including:

- Overview of the Urban Renewal Area
- Proposed urban renewal projects
- Maximum indebtedness
- Discussion of fiscal impacts
- Completed steps in the urban renewal adoption process; and
- Next steps

Overview of the Urban Renewal Area

Approximately 250 acres focusing on the Forest Grove Town Center and Pacific Avenue/19th Avenue corridor from the Town Center to the area near the Quince Street/Oregon Highway 8 intersection. The urban renewal area includes approximately 6.6% of the City's total land area and about 9.5% of the City's taxable assessed value. State law allow for up to 25% of a city's land area and up to 25% of the taxable assessed value to be within an urban renewal area. The proposed urban renewal area is well under these thresholds.

Proposed Urban Renewal Projects

The proposed Forest Grove Urban Renewal Plan includes a variety of projects intended to promote private investment within the urban renewal area and increase property tax revenues. The plan's emphasis is on improving the local economy by removing financial barriers for improvements to private property within the urban renewal area.

The project areas 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. Redevelopment opportunity sites that could qualify for acquisition by the Agency are identified in the report accompanying the Urban Renewal Plan (Attachment B). Since specific sites are not identified in the Urban Renewal Plan for potential acquisition a Plan amendment will be required before proceeding with acquisition as described below.

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 should 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

In general acquisition of redevelopment opportunity sites helps to reduce project

costs thereby potentially improving financial feasibility. Activities such as site preparation and environmental remediation could significantly reduce the cost of a project and also reduces risk and uncertainty. The objective is to improve the financial feasibility of a project that otherwise might not occur.

- 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.

- 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. This program could also 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 of contemporary retailing needs or to encourage the conversion of vacant or underutilized upper floor space for offices or needed housing. This program could also 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.

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 includes setting aside funding 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

The project authorizes the use of urban renewal funds for administration of the urban renewal plan. Administrative costs include project management, regulatory compliance, bond issuance costs and legal expenses.

Maximum Indebtedness

Under state law, urban renewal plans must include a specified maximum indebtedness amount. This figure represents the total amount of bonded indebtedness for urban renewal projects specified in the urban renewal plan.

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 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.

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.

FISCAL IMPACT: The action of proposing the Urban Renewal Plan has no fiscal impact. Formal City Council adoption of the proposed urban renewal plan by ordinance is required before any fiscal impact occurs. Detail regarding potential fiscal impacts associated with adoption of the urban renewal plan will be presented to the City Council as part of the urban renewal plan public hearing.

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)

Next Steps

- Urban Renewal Agency Proposal to Adopt Urban Renewal Plan (May 27)
- Community Open House (May 29)
- 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)
- 90-Day presumptive validity/appeal period (September 23)

STAFF RECOMMENDATION: Staff recommends the Urban Renewal Agency propose the Forest Grove Urban Renewal Plan for adoption by the Forest Grove City Council after review and public hearing.

Attachments

- A. Forest Grove Urban Renewal Plan
- B. Accompanying Report on the Urban Renewal Plan

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URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE

URA RESOLUTION NO. 2014-03

RESOLUTION PROPOSING THE FOREST GROVE URBAN RENEWAL PLAN TO THE FOREST GROVE CITY COUNCIL FOR ADOPTION UNDER OREGON REVISED STATUTES CHAPTER 457

WHEREAS, the City of Forest Grove received a grant from Metro to prepare an urban renewal plan (Exhibit A) and urban renewal accompanying report (Exhibit B) for an area within the City of Forest Grove described in Exhibit A; and

WHEREAS, the Agency desires to propose that the City Council adopt the urban renewal plan; and

WHEREAS, Oregon Revised Statutes Chapter 457.085 establishes requirements for approval of an urban renewal plan.

NOW, THEREFORE, BE IT RESOLVED BY THE URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE AS FOLLOWS:

Section 1: The Agency hereby proposes that the Forest Grove Urban Renewal Plan be forwarded to the Forest Grove City Council for approval pursuant with ORS Chapter 457.085.

Section 2: This resolution is effective immediately upon its enactment by the Urban Renewal Agency of the City of Forest Grove.

PRESENTED AND PASSED this 27th day of May, 2014

Michael J. Sykes, City Manager
Urban Renewal Agency Executive Director

APPROVED by the Urban Renewal Agency of the City of Forest Grove at a regular meeting thereof this 27th day of May, 2014, and filed with the Forest Grove City Recorder this date.

Peter B. Truax, Mayor
Urban Renewal Agency Chair

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DRAFT

**CITY OF FOREST GROVE
URBAN RENEWAL PLAN**

PART 1

APRIL 2014

Prepared For:
CITY OF FOREST GROVE, OREGON

By:
THE BENKENDORF ASSOCIATES
JOHNSON REID, LLC



TABLE OF CONTENTS

I. Introduction.....	2
A. Statement of Purpose	2
B. Goals and Objectives.....	4
C. Plan Administration.....	5
D. Effective Period of the Plan.....	6
E. Definitions	6
II. General Description of Land Use Plan	9
A. Boundary	9
B. Land Use Plan, Zoning, Development Standards	10
III. Outline of Projects & Redevelopment Activities	15
A. General Redevelopment Outline	15
B. Acquisition of Redevelopment Opportunity Sites	16
C. Redevelopment Project Assistance	16
D. Exterior Building Improvement Program.....	17
E. Interior Building Improvement Program	17
F. Sustainability Incentive Program	18
G. Funds for Matching Grant Opportunities	18
H. Program Administration	18
IV. Comprehensive Plan Consistency	19
V. Property Acquisition and Relocation Plan.....	34
VI. Methods of Financing	35
A. General Description of Financing Methods	35
B. Maximum Indebtedness	35
C. Prior Indebtedness	35
VII. Urban Renewal Plan Amendments	36

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

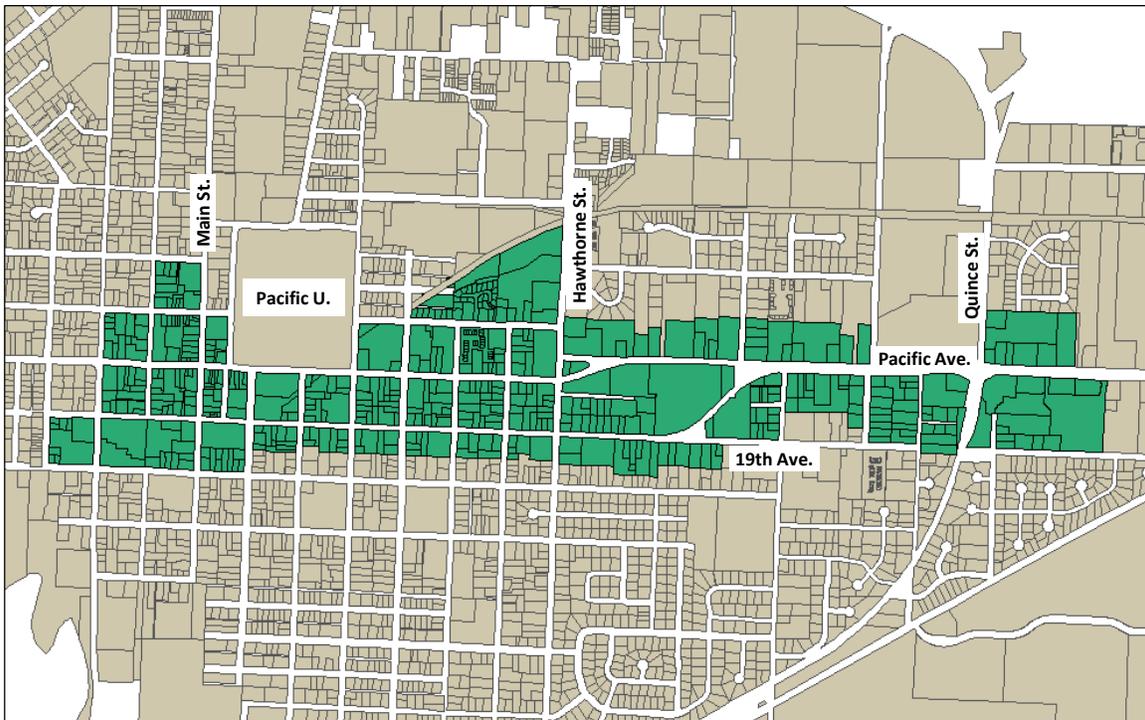
A. Boundary

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 McMenamín's 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

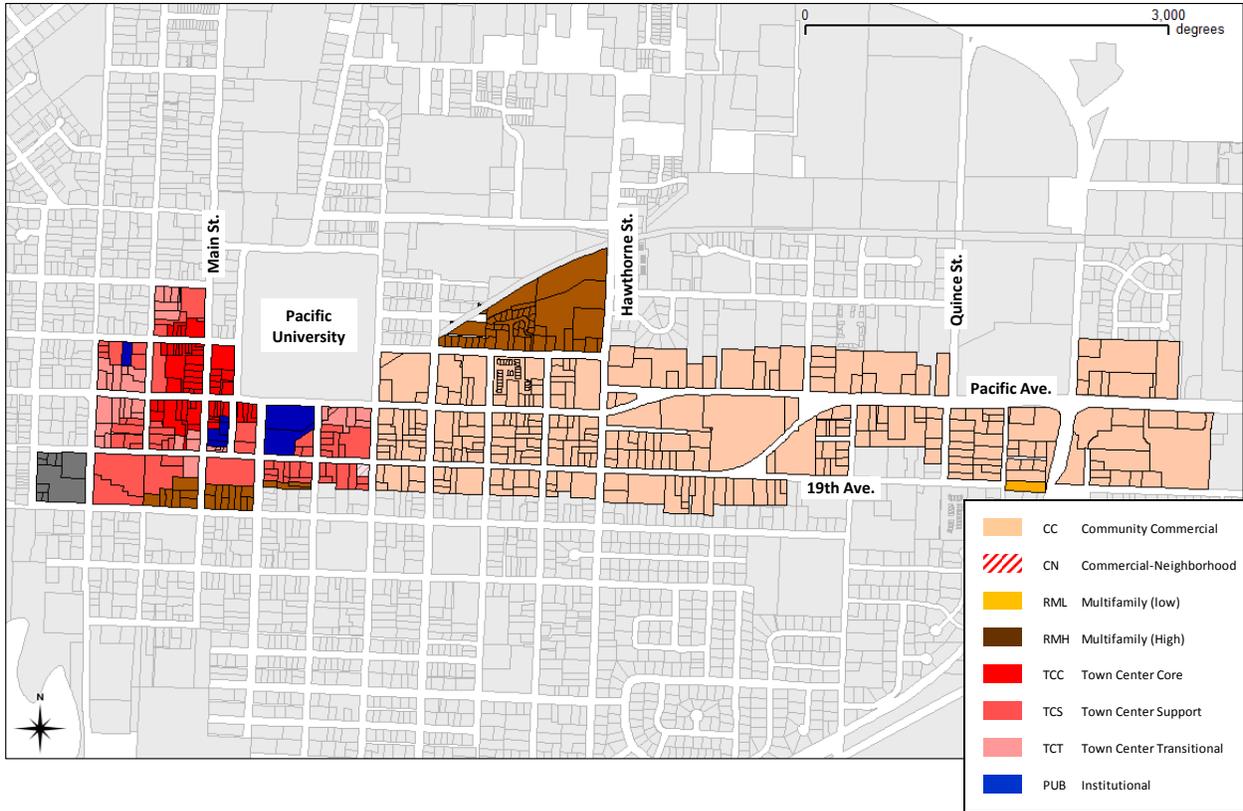


Source: RLIS, City of Forest Grove

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 allowed 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 that 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.

DRAFT

**CITY OF FOREST GROVE
URBAN RENEWAL REPORT**

PART 2

APRIL 2014

Prepared For:
CITY OF FOREST GROVE, OREGON

By:
THE BENKENDORF ASSOCIATES
JOHNSON REID, LLC



TABLE OF CONTENTS

I. Introduction.....	2
II. Description of Existing Conditions	2
A. Physical Conditions.....	2
B. Social and Economic Conditions	8
C. Urban Renewal Area Qualifications	9
D. Condition of Area Infrastructure.....	9
E. Impacts on City Services and Costs	12
III. Reasons for Selection of the Urban Renewal Area Involved in the Program	13
IV. Relationship Between the Projects to be Undertaken in the Program and the Existing Conditions in the Area	21
V. Citizen Participation.....	23
VI. Relocation Report	24
VII. Project Costs & Timing	25
A. Introduction.....	25
B. Planned Projects.....	26
VIII. Financial Analysis of the Plan	31
A. Anticipated Tax Increment Revenues	31
B. Forecast of Revenue and Indebtedness.....	32
C. Anticipated Year in Which Indebtedness Will Be Retired	33
D. Statement of Fiscal Impact on Other Jurisdictions Under ORS 457.420-440	34
Appendix	36
A. Redevelopment Opportunity Sites	

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

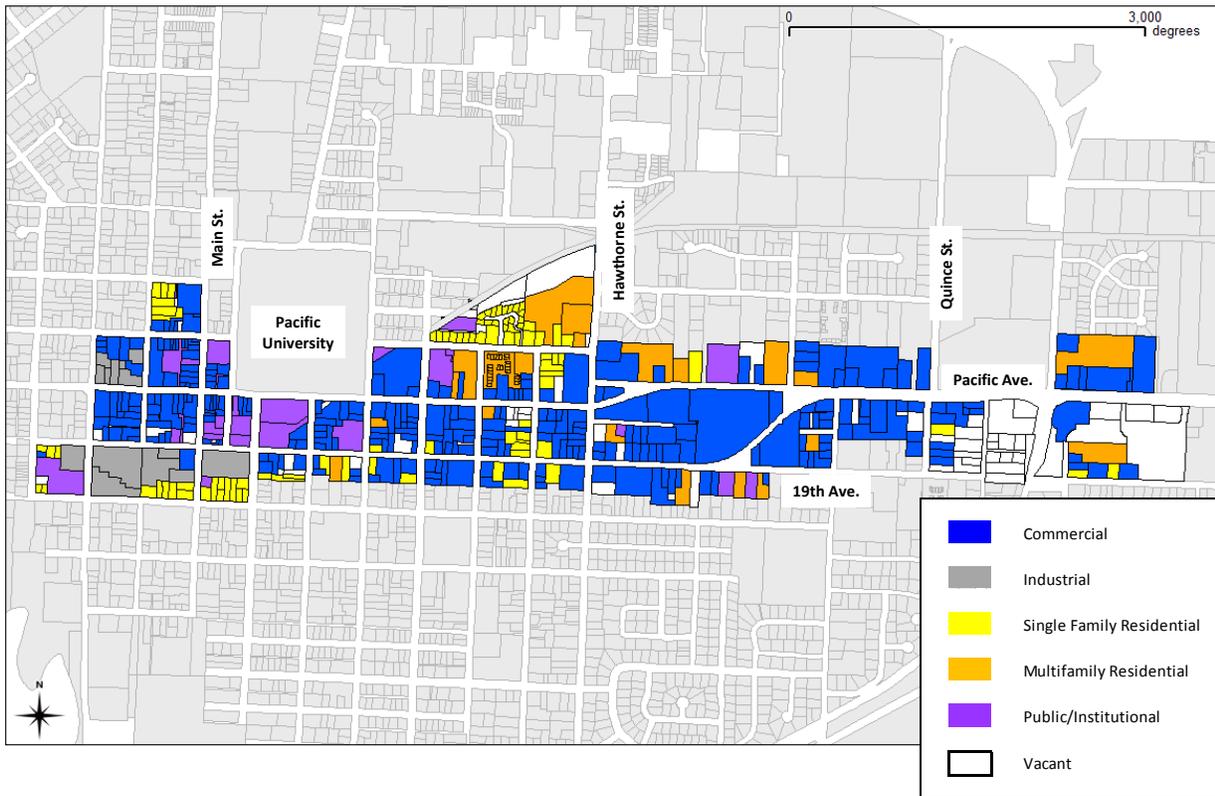
- Improve the Quince/Highway 47 intersection
- Traffic signal at Oak Street and Pacific Avenue

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 ESD	
		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		\$0		\$0		\$0		\$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

City of Forest Grove, Urban Renewal Report



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

