

Report Accompanying the
Central Opportunity and Reinvestment Area
Plan

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City of Tualatin

Central Opportunity Reinvestment Area Plan
approved by the City of Tualatin

DATE

Ordinance No. 2022-

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I. DEFINITIONS

“Agency” means the Tualatin Development Commission (TDC). The TDC is responsible for administration of the urban renewal plan.

“Area” means the properties and rights-of-way located with the Core Opportunity Reinvestment Area Boundary.

“Blight” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting the urban renewal plan.

“City” means the City of Tualatin, Oregon.

“City Council” or “Council” means the Tualatin City Council.

“Comprehensive Plan” means the City of Tualatin comprehensive land use plan and its implementing ordinances, policies, and standards.

“County” means Washington County, Oregon or Clackamas County, Oregon. When used, it will not specifically which county.

“Fiscal year ending” means the year commencing on July 1 and closing on June 30 of the next year.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within an urban renewal area at the time of adoption. The county assessor certifies the assessed value after the adoption of an urban renewal plan.

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

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

“ORS” means the Oregon Revised Statutes. Chapter 457 specifically relates to urban renewal.

“Planning Commission” means the Tualatin Planning Commission.

“Revenue sharing” means under-levying tax increment proceeds to effectively share a portion of the revenue with the other taxing districts who levy permanent rate taxes in the urban renewal area as defined in ORS 457.470.

“Tax increment financing (TIF)” is a method of funding urban renewal projects and programs through incurring debt that is repaid by the division of taxes accomplished through the adoption of an urban renewal plan.

“Tax increment finance revenues” means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the area.

“UGB” means urban growth boundary.

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

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

“Urban renewal project” or “Project” means any work or undertaking carried out under ORS 457 in an urban renewal area.

“Urban renewal report” or “Report” means the official report that accompanies the urban renewal plan pursuant to ORS 457.087.

II. INTRODUCTION

The Report Accompanying the Central Opportunity Reinvestment Area Plan (Report) contains background information and project details that pertain to the Central Opportunity Reinvestment Area Plan (Plan). The Report is not a legal part of the Plan but is intended to provide public information and support the findings made by the Tualatin City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.087, including financial feasibility. The Report accompanying the Plan contains the information required by ORS 457.087, including:

- A description of the physical, social, and economic conditions in the area and expected impact of the plan, including fiscal impact in light of increased services; (ORS 457.087(1))
- Reasons for selection of the plan Area; (ORS 457.087(2))
- The relationship between each project to be undertaken and the existing conditions; (ORS 457.087(3))
- The estimated total cost of each project and the source of funds to pay such costs; (ORS 457.087(4))
- The estimated completion date of each project; (ORS 457.087(5))
- The estimated amount of funds required in the Area and the anticipated year in which the debt will be retired; (ORS 457.087(6))
- A financial analysis of the plan; (ORS 457.087(7))
- A fiscal impact statement that estimates the impact of tax increment financing (TIF) upon all entities levying taxes upon property in the urban renewal area; (ORS 457.087(8))
- A relocation report. (ORS 457.087(9))

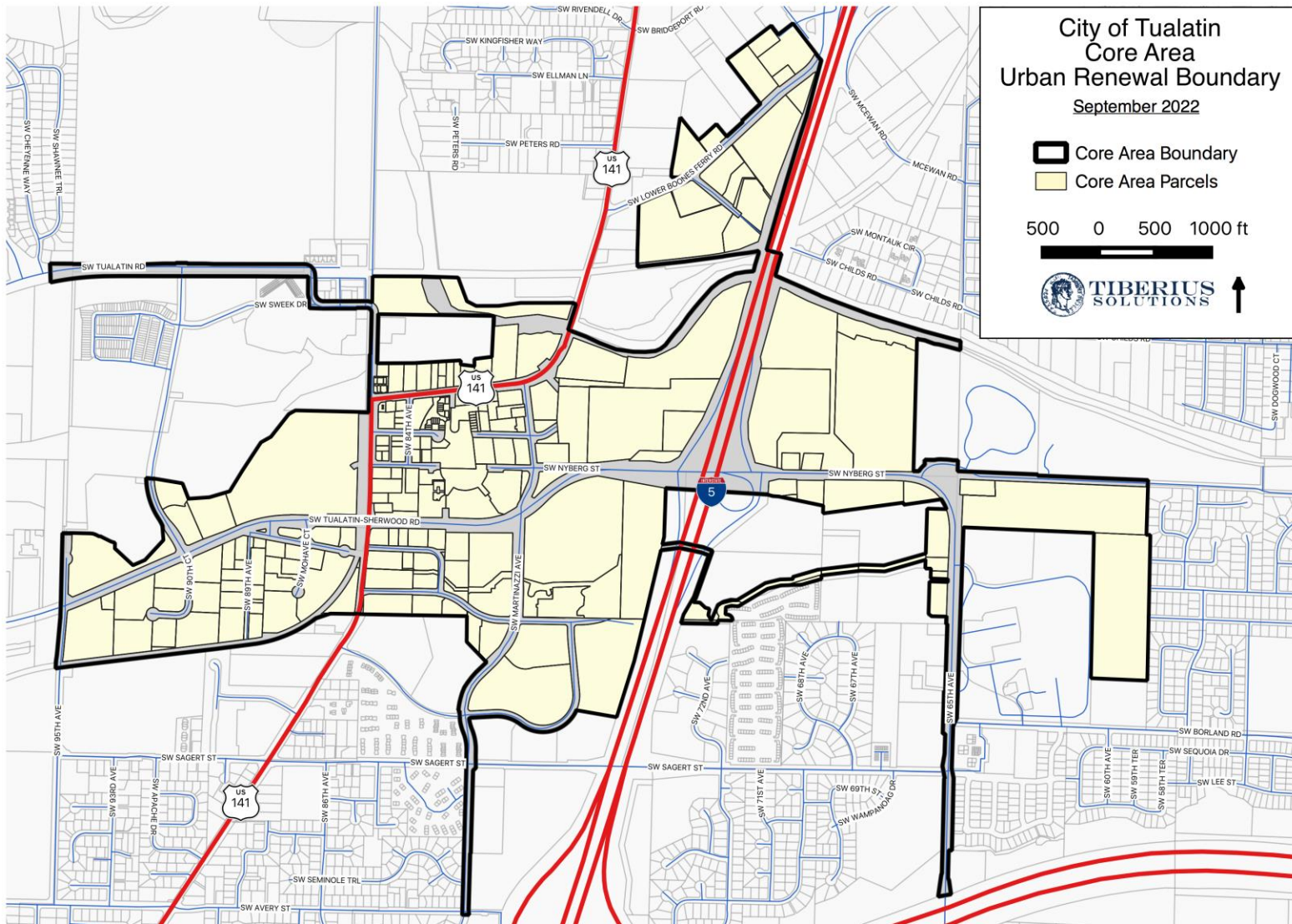
The relationship between the sections of the Report and the ORS 457.087 requirements is shown in Table 1. The specific reference in the table below is the section of this Report that most addresses the statutory reference. There may be other sections of the Report that also address the statute.

Table 1. Statutory References

Statutory Requirement	Report Section
ORS 457.087 (1)	XI
ORS 457.087 (2)	XII
ORS 457.087 (3)	III
ORS 457.087 (4)	IV
ORS 457.087 (5)	VII
ORS 457.087 (6)	V,VI
ORS 457.087 (7)	V,VI
ORS 457.087 (8)	IX
ORS 457.087 (9)	XIII

The Report provides guidance on how the Plan might be implemented. As the Tualatin Development Commission (TDC) reviews revenues and potential projects each year, it has the authority to make adjustments to the implementation assumptions in this Report. The TDC may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different timeframes than projected in this Report, and make other adjustments to the financials as determined by the TDC. The TDC may also make changes as allowed in the Amendments section of the Plan. These adjustments must stay within the confines of the overall maximum indebtedness of the Plan.

Figure 1. Tualatin CORE Area Boundary



Source: Tiberius Solutions

III. THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

The projects identified for the Area are described below, including how they relate to the existing conditions in the Area.

A. Blight Remediation

1. 18970 Catalyst Project

In efforts to meet highest and best use for existing parcels, this catalyst project will seek to fund and implement the design and construction of a mixed-use development with attainable housing and commercial retail at 18970 SW Lower Boones Ferry Road through a public-private partnership. This is city-owned land.

Existing conditions: This parcel is owned by the City and is underdeveloped.

2. SW Nyberg and Nyberg Woods

Improve the existing intersection to allow traffic flow from the southern commercial area onto Nyberg Street in a safer, quicker manner.

Existing conditions:

The traffic flow from the southern commercial area onto Nyberg Street is inefficient and needs to be improved so traffic moves more quickly and safely.

3. Intersection Improvements (SW 89th Ave + SW Mohave CT and Tualatin Sherwood Road)

As found necessary within the Area, construction or improvements relating to intersections, including, without limitation, the construction, installation or upgrade of traffic control devices, turn lanes, appurtenances and/or realignments.

Existing conditions:

The transportation system in the Area has many deficiencies which hamper traffic flow and pedestrian and bicycle traffic.

B. Transportation

1. Area Transportation System Plan

Fund efforts to establish long-range vision for identification of projects, programs, and policies that will achieve the Plan Area's transportation goals and needs.

Existing conditions:

The planning for the transportation system needs to be completed before projects are fully identified. This project will help identify the deficiencies and the solutions.

2. North to South Center Road Development and Tualatin Sherwood Road Realignment

Fund project planning, design considerations and construction of a main street corridor utilizing existing municipal streets to connect Lower Boones Ferry and Tualatin-Sherwood Roads.

Existing conditions:

Creating a “community identity and gathering space” in Tualatin has been a desired goal of the residents and City Council. The SW 84th and Nyberg Street intersection and streets can be modified to create that Main Street atmosphere.

3. Nyberg Creek Greenway

Connect existing Nyberg Creek Trail to the Tualatin River Greenway with the construction of a trail along the Nyberg Creek Wetlands. Connection of these two existing trails will improve access to recreation opportunities, provide safe modes of transportation off of major arterial roads from adjacent residential areas to the Town Core.

Existing conditions:

There is an existing Nyberg Creek Trail and an existing Tualatin River Greenway. There is presently no trail system along the Nyberg Creek Wetlands.

4. Tualatin River Greenway Trail

Fully complete the Tualatin River Greenway adjacent to the Town Commons.

Existing conditions:

“The Tualatin River Trail is an accessible 12 foot wide multi use pedestrian and bike path meandering through trees, alongside the river, and past wetlands. It connects people with nature while enabling easy exercise, recreation, and wildlife viewing.

The trail is 4.6 miles along the Tualatin River from Brown's Ferry Park to Tualatin Community Park. In Tualatin Community Park it crosses the pedestrian and bike bridge into Durham Park and Cook Park in Tigard.”¹

Portions of this trail adjacent to the Town Commons are incomplete.

5. Flood Mitigation and Grading

The Commission’s involvement is proposed to be in the form of participating in the local share of any project funded at the local, regional, state, and/or federally funded efforts. The Commission will assume the public-sector leadership role in the redevelopment of historical vacant parcels with the flood plain.

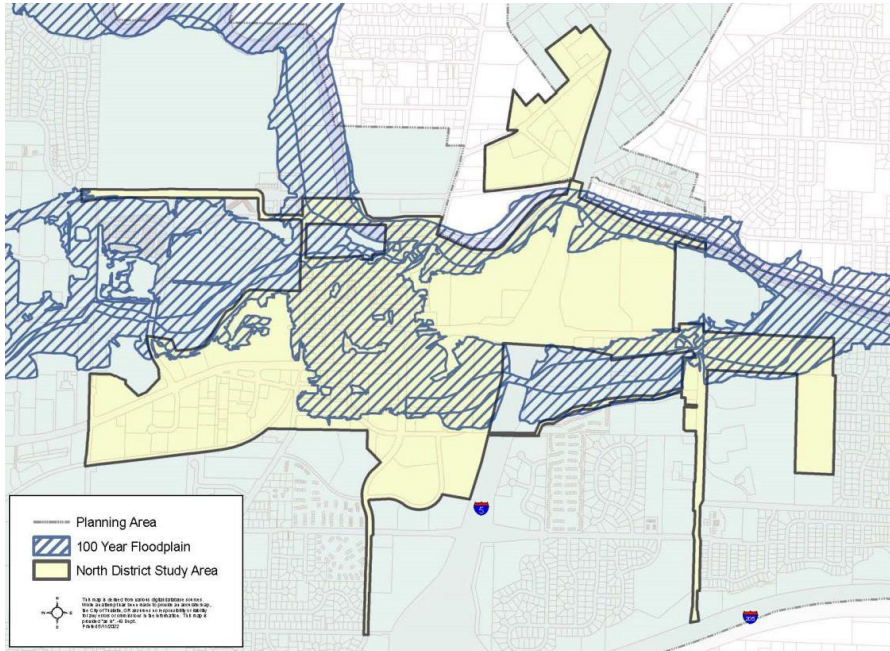
Existing conditions:

The Area contains parcels that are subject to flooding. “The Tualatin River reaches flood stage at 118 feet. More often, localized flooding is caused by small urban streams surging and plugged catch basins associated with heavy rains. One of the lowest lying areas in Tualatin and the first hit when localized flooding occurs is Nyberg Lane at Browns Ferry Park (112 feet) which uses the NGVD1929 Datum.”²

¹ City of Tualatin website <https://www.tualatinoregon.gov/recreation/tualatin-river-greenway-trail>

² City of Tualatin website <https://www.tualatinoregon.gov/publicworks/flooding-our-area>

Figure 2. Floodplain in Area



Source: City of Tualatin

C. Land Acquisition/Disposition

Acquisition/Disposition are allowed in the Plan. Based on sales comparables of notable vacant land, these will be used in accordance with land acquisition to assist with targeted development based on submitted request for proposals.

Existing conditions:

There is presently no funding for an acquisition program for the Area.

D. Community Identity

1. Tualatin River Plaza and Access and Habitat Restoration Project

To design and construction a public gathering space and access point along the Tualatin River. In addition, mitigate impacts while enhancing environmental habitats near project area.

Existing conditions:

There is a desire for a public gathering spot on the Tualatin River near the downtown core. Part of the intent of this project is to help create the “Main Street” feel and community identify for Tualatin while mitigating any impacts and enhancing the environmental habitat.

2. Community Design Master Plan

Fund efforts to establish community design standards for all new development projects, or redevelopment efforts that increase valuation by more than 20%. These standards will allow Tualatin to develop and cultivate a shared identity and design within Plan Area.

Existing conditions:

There are presently no design standards for the Area. Establishing these will further the goal for creating a community identity.

E. Developer Incentives and Rebates

Facilitate development and redevelopment on sites in the Area, stimulating growth and providing new employment opportunities and additional mixed use and commercial growth in the Area. An example of a type of assistance is to reduce or eliminate development impacts on adjacent properties.

Existing conditions:

This Area has many properties that could be developed in the future. There is presently not a funding source in the City to provide development assistance to property owners/developers. This tool will help facilitate development of the Area and will provide additional sources of funds to assist with property mitigation.

F. Economic Development

1. Capital Improvement Grants

Provide financial and regulatory resources to small industrial and commercial property owners to update, modernize existing facilities through capital improvements.

Existing conditions:

There are existing small industrial and commercial properties within the Area that could use assistance for upgrading their facades and modernizing their existing facilities. Many of the businesses occupy several buildings built in 1970s, several which need drastic updates.

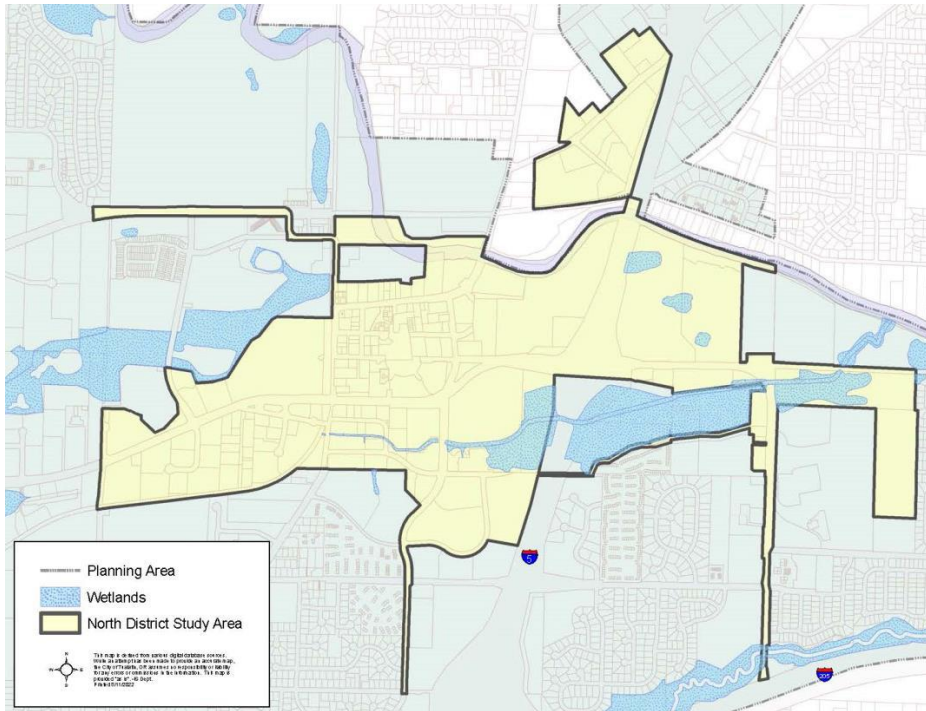
2. Market Feasibility Study

Conduct a market feasibility in the Town Common’s area for added retail and restaurant opportunities to assist with vacant property development.

Existing conditions:

No market study has been conducted by the City of Tualatin since the Commons Redevelopment Project.

Figure 3. Wetlands in Area



Source: City of Tualatin

G. Administration

1. Zone Code Change Plan

Authorizes expenditures to analyze and recommend zone code changes in the Area.

Existing conditions:

The Tualatin Development Code in its current form consists of policies and procedures adopted in 1979. The development requirements based on today's needs and economic issues require an update.

2. Payroll, Legal, Recordings

Authorizes expenditures for the administrative costs associated with managing the URA including budgeting and annual reporting, planning and the implementation of projects in the Area.

Existing conditions:

This Area does not presently exist. Once formed, the TDC needs to allocate sufficient resources to the administration of the Area to allow for implementation of the projects and administration of the Area.

IV. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

The total cost estimates for projects are shown in Table 2 below. Table 2 presents the estimated costs of the projects today (FYE 2023 constant dollars) and the estimated cost of those projects in the future (year of expenditure dollars). The year of expenditure dollars assumes annual 3% inflation rates. These are all estimates acknowledging that the urban renewal portions of these project activities must fit within the maximum indebtedness. If the City is able to jumpstart the Area by providing alternative funding sources which are repaid when tax increment revenues are available, the timing on projects can be moved up.

The Plan assumes that the TDC/City will use other funds to assist in the completion of the projects within the Area. The TDC/City may pursue regional, county, state, and federal funding, private developer contributions, and any other sources of funding that may assist in the implementation of the projects or programs.

The TDC will be able to review and update fund expenditures and allocations on an annual basis when the annual budget is prepared. For more detail, see additional narrative explanation on page 25 of this Report.

Table 2. Estimated Cost of Each Project

Project Title	Constant FYE 2023	Year of Expenditure Project Cost
Blight Remediation - 18970 Catalyst Project'	(\$12,435,000)	(\$14,848,634)
Blight Remediation - SW Nyberg and Nyberg Woods	(\$2,865,000)	(\$3,965,733)
Blight Remediation - Intersection Improvements (SW 89th Ave + SW Mohave CT and Tualatin Sherwood Road)	(\$2,865,000)	(\$3,965,733)
Transportation - Area Transportation Plan	(\$100,000)	(\$103,000)
Transportation - North to South Center Road Development and TS Road Realignment	(\$11,000,000)	(\$21,077,100)
Transportation - Tualatin River Greenway	(\$908,344)	(\$2,017,705)
Transportation - Nyberg Green Way	(\$2,091,656)	(\$4,746,095)
Transportation - Flood Mitigation and Grading	(\$3,850,000)	(\$6,384,515)
Land Acquisition - Land	(\$12,000,000)	(\$22,974,400)
Community Identity - Tualatin River Plaza Project	(\$5,000,000)	(\$8,023,500)
Community Identity - Community Design Master Plan	(\$150,000)	(\$201,585)
Developer Incentives - Incentives and Rebate	(\$16,445,890)	(\$31,152,813)
Economic Development - Grants	(\$3,575,000)	(\$6,399,157)
Administration - Payroll, Legal, Recordings	(\$7,500,000)	(\$12,868,260)
Administration - Market Feasibility Study	(\$100,000)	(\$106,090)
Administration - Zone Code Change Plan	(\$100,000)	(\$106,090)
Financing Fees	(\$704,683)	(\$1,051,000)
Total Expenditures	(\$81,690,573)	(\$139,991,410)

Source: City of Tualatin and Tiberius Solutions

V. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FYE 2053 are calculated based on projections of growth in assessed value due to new development and appreciation within the Area and the consolidated tax rate that will apply in the Area.

The long-term projections for FYE 2024 and beyond assume an annual growth rate of 4.0% for real, personal and utility assessed value in the Area (equal to 3% maximum annual appreciation for existing property plus 1% exception value from new development). These projections of growth are the basis for the projections in the Area.

These projections of growth were informed by conversations with City staff and City Council, based on the amount of development potential within the Area. If actual assessed value growth is less than forecast, then it would reduce the financial capacity of the URA to fund projects listed in the Plan.

Table 3 and Figure 4 show the incremental assessed value, tax rates, and tax increment revenues each year, adjusted for discounts, and delinquencies.

The first year of tax increment collections is anticipated to be fiscal year ending (FYE) 2024. Gross tax increment financing (TIF)³ is calculated by multiplying the tax rate times the assessed value used. The tax rate is per thousand dollars of assessed value, so the calculation is “tax rate times assessed value used divided by one thousand.” The consolidated tax rate includes permanent tax rates only, and excludes general obligation bonds and local option levies, which will not be impacted by this Plan.

Figure 4 shows expected TIF revenues over time and the projected tax revenues after termination of the Area. Definitions for Table 4 are shown below:

- Gross tax increment financing revenue (TIF) is calculated by multiplying the tax rate times the assessed value used. The tax rate is per thousand dollars of assessed value, so the calculation is “tax rate times assessed value used divided by one thousand.” The consolidated tax rate includes only permanent tax rates. General obligation bonds and local option levies are excluded, and will not be impacted by this Plan. Total AV is the projected total assessed value.
- Frozen base is the estimate of the assessed value of the Area at its formation.
- Increment used is the total assessed value minus the frozen base.
- Increment shared is the amount that will be distributed to all taxing districts according to their permanent rate due to revenue sharing.
- Tax rate is the total permanent rate levy for the Area.
- Gross tax increment financing revenue (TIF)⁴ is calculated by multiplying the tax rate times the assessed value used. The tax rate is per thousand dollars of assessed value, so the calculation is “tax rate times assessed value used divided by one thousand.”
- Adjustments are calculated at 5% of the Gross TIF and are for discounts, delinquencies, and rate truncation.
- TIF Current Year reflects subtracting the 5% adjustment factor from Gross TIF.

³ TIF is also used to signify tax increment revenues

⁴ TIF is also used to signify tax increment revenues

- TIF Prior Years is the tax increment revenue that was delinquent the prior year and is paid by the assessor's office once it is received. It is estimated that this amount is 1.5% of total TIF.
- Net TIF is the amount of tax increment revenues estimated to be received by the Agency.

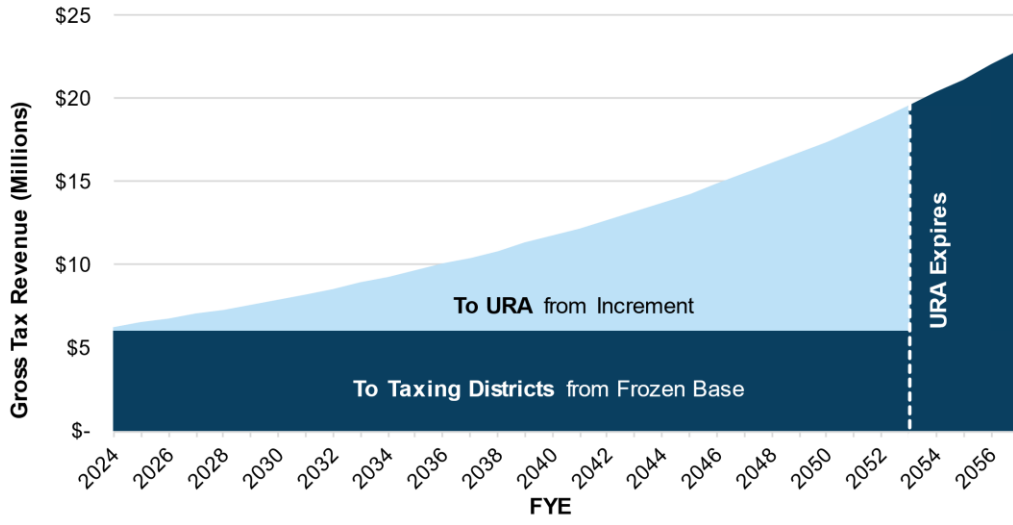
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Table 3. Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues, page 1

FYE	Total AV	Frozen Base AV	Increment Applied	Tax Rate	Gross TIF	Adjustments	Current Year Net	Prior Year Net	Total TIF
2024	529,979,978	509,596,132	20,383,846	11.8383	241,311	(12,066)	229,245	-	229,245
2025	551,179,178	509,596,132	41,583,046	11.8383	492,274	(24,614)	467,660	3,439	471,099
2026	573,226,345	509,596,132	63,630,213	11.8383	753,276	(37,664)	715,612	7,015	722,627
2027	596,155,398	509,596,132	86,559,266	11.8383	1,024,718	(51,236)	973,482	10,734	984,216
2028	620,001,613	509,596,132	110,405,481	11.8383	1,307,017	(65,351)	1,241,666	14,602	1,256,269
2029	644,801,677	509,596,132	135,205,545	11.8383	1,600,609	(80,030)	1,520,578	18,625	1,539,203
2030	670,593,744	509,596,132	160,997,612	11.8383	1,905,944	(95,297)	1,810,647	22,809	1,833,455
2031	697,417,494	509,596,132	187,821,362	11.8383	2,223,492	(111,175)	2,112,318	27,160	2,139,477
2032	725,314,193	509,596,132	215,718,061	11.8383	2,553,743	(127,687)	2,426,056	31,685	2,457,741
2033	754,326,762	509,596,132	244,730,630	11.8383	2,897,203	(144,860)	2,752,343	36,391	2,788,734
2034	784,499,832	509,596,132	274,903,700	11.8383	3,254,402	(162,720)	3,091,682	41,285	3,132,967
2035	815,879,825	509,596,132	306,283,693	11.8383	3,625,889	(181,294)	3,444,595	46,375	3,490,970
2036	848,515,018	509,596,132	338,918,886	11.8383	4,012,236	(200,612)	3,811,624	51,669	3,863,293
2037	882,455,620	509,596,132	372,859,488	11.8383	4,414,036	(220,702)	4,193,334	57,174	4,250,508
2038	917,753,845	509,596,132	408,157,713	11.8383	4,831,908	(241,595)	4,590,313	62,900	4,653,213
2039	954,463,999	509,596,132	444,867,867	11.8383	5,266,495	(263,325)	5,003,171	68,855	5,072,025
2040	992,642,559	509,596,132	483,046,427	11.8383	5,718,466	(285,923)	5,432,543	75,048	5,507,590
2041	1,032,348,261	509,596,132	522,752,129	11.8383	6,188,515	(309,426)	5,879,090	81,488	5,960,578
2042	1,073,642,191	509,596,132	564,046,059	11.8383	6,677,367	(333,868)	6,343,498	88,186	6,431,685
2043	1,116,587,879	509,596,132	606,991,747	11.8383	7,185,772	(359,289)	6,826,484	95,152	6,921,636
2044	1,161,251,393	509,596,132	651,655,261	11.8383	7,714,514	(385,726)	7,328,788	102,397	7,431,186
2045	1,207,701,448	509,596,132	698,105,316	11.8383	8,264,405	(413,220)	7,851,185	109,932	7,961,117
2046	1,256,009,507	509,596,132	746,413,375	11.8383	8,836,292	(441,815)	8,394,478	117,768	8,512,246
2047	1,306,249,887	509,596,132	796,653,755	11.8383	9,431,055	(471,553)	8,959,502	125,917	9,085,419
2048	1,358,499,883	509,596,132	848,903,751	11.8383	10,049,608	(502,480)	9,547,128	134,393	9,681,520
2049	1,412,839,878	509,596,132	903,243,746	11.8383	10,692,903	(534,645)	10,158,258	143,207	10,301,465
2050	1,469,353,473	509,596,132	959,757,341	11.8383	11,361,930	(568,097)	10,793,833	152,374	10,946,207
2051	1,528,127,611	509,596,132	1,018,531,479	11.8383	12,057,718	(602,886)	11,454,832	161,908	11,616,740
2052	1,589,252,716	509,596,132	1,079,656,584	11.8383	12,781,337	(639,067)	12,142,271	171,822	12,314,093
2053	1,652,822,825	509,596,132	1,143,226,693	11.8383	13,533,902	(676,695)	12,857,207	182,134	13,039,341
TOTAL:					170,898,337	(8,544,918)	162,353,423	2,242,444	164,595,865

Source: Tiberius Solution

Figure 4. TIF Projections



Source: Tiberius Solutions

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VI. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

Table 4 shows a summary of the financial capacity of the URA, including how the total TIF revenue translates to the ability to fund urban renewal projects in constant FYE 2023 dollars in five-year increments. Table 7, Table 8, Table 9, and Table 10 show more detailed tables on the allocation of tax revenues to projects, programs, and administration over time.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the URA in FYE 2053, a 30-year urban renewal plan. The time frame of urban renewal is not absolute; it may vary depending on the actual ability to meet the maximum indebtedness. If growth in assessed value is slower than projected, the Agency may take division of taxes for a longer time period. If growth in assessed value is more robust than the projections, the Agency may take division of taxes for a shorter time period. These assumptions show one scenario for financing and that this scenario is financially feasible.

The maximum indebtedness is \$140,000,000 (One Hundred Forty Million Million dollars). The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$140,000,000 is \$164,595,865 and is from permanent rate levies. The increase over the maximum indebtedness is due to the projected cost of the interest on borrowings.

Table 4. TIF Capacity of the Area in FYE 2023 Constant Rounded Numbers

Total Net TIF	\$164,600,000
Maximum Indebtedness	\$140,000,000
Capacity (2021\$)	\$81,700,000
Years 1-5	\$800,000
Years 6-10	\$17,200,000
Years 11-15	\$14,600,000
Years 16-20	\$13,900,000
Years 21-25	\$17,900,000
Years 26-30	\$17,200,000

Source: Tiberius Solutions

This financial analysis shows borrowings as identified in Table 6. This is only one scenario for how the TDC may decide to implement this Plan, and this scenario is financially feasible. The TDC may decide to do borrowings at different times or for different amounts, depending on their analysis at the time. The timeframes on these borrowings are designed to have all borrowings repaid at the termination of the Area in FYE 2053. The amounts shown are the principal amounts of the borrowings. The total amounts, including interest, are shown in the second column of Table 7.

Table 5. Estimated Borrowings and Amounts

Loan	Loan A	Loan B	Loan C	Loan D
Principal Amount	\$12,750,000	\$11,300,000	\$15,000,000	\$13,500,000
Interest Rate	5.00%	5.00%	5.00%	5.00%
Loan Term	20	20	15	9
Loan Year	2029	2034	2039	2045
Interest Payment Start	2029	2034	2039	2045
Principal Payment Start	2029	2034	2039	2045
Annual Payment	(\$1,023,093)	(\$906,741)	(\$1,445,134)	(\$1,899,316)

Source: Tiberius Solutions

Table 6. Tax Increment Revenues and Allocations to Debt Service, page 1

	Total	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Resources								
Beginning Balance		-	-	-	-	-	-	-
TIF: Current Year	162,353,422	229,245	467,660	715,612	973,482	1,241,666	1,520,578	1,810,647
TIF: Prior Years	2,242,443	-	3,439	7,015	10,734	14,602	18,625	22,809
Total Resources	164,595,865	229,245	471,099	722,627	984,216	1,256,269	1,539,203	1,833,455
Expenditures								
Debt Service								
Scheduled Payments								
Loan A	(20,461,860)	-	-	-	-	-	(1,023,093)	(1,023,093)
Loan B	(18,134,825)	-	-	-	-	-	-	-
Loan C	(21,677,015)	-	-	-	-	-	-	-
Loan D	(17,093,845)	-	-	-	-	-	-	-
Total Debt Service	(77,367,544)	-	-	-	-	-	(1,023,093)	(1,023,093)
Debt Service Coverage Ratio	-	-	-	-	-	-	1.50	1.79
Transfer to URA Projects Fund	(87,228,321)	(229,245)	(471,099)	(722,627)	(984,216)	(1,256,269)	(516,110)	(810,362)
Total Expenditures	(164,595,865)	(229,245)	(471,099)	(722,627)	(984,216)	(1,256,269)	(1,539,203)	(1,833,455)
Ending Balance		-	-	-	-	-	-	-

Source: Tiberius Solutions

Table 7. Tax Incremental Revenues and Allocations to Debt Service, page 2

	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036	FYE 2037	FYE 2038
Resources								
Beginning Balance	-	-	-	-	-	-	-	-
TIF: Current Year	2,112,318	2,426,056	2,752,343	3,091,682	3,444,595	3,811,624	4,193,334	4,590,313
TIF: Prior Years	27,160	31,685	36,391	41,285	46,375	51,669	57,174	62,900
Total Resources	2,139,477	2,457,741	2,788,734	3,132,967	3,490,970	3,863,293	4,250,508	4,653,213
Expenditures								
Debt Service								
Scheduled Payments								
Loan A	(1,023,093)	(1,023,093)	(1,023,093)	(1,023,093)	(1,023,093)	(1,023,093)	(1,023,093)	(1,023,093)
Loan B	-	-	-	(906,741)	(906,741)	(906,741)	(906,741)	(906,741)
Loan C	-	-	-	-	-	-	-	-
Loan D	-	-	-	-	-	-	-	-
Total Debt Service	(1,023,093)	(1,023,093)	(1,023,093)	(1,929,834)	(1,929,834)	(1,929,834)	(1,929,834)	(1,929,834)
Debt Service Coverage Ratio	2.09	2.40	2.73	1.62	1.81	2.00	2.20	2.41
Transfer to URA Projects Fund	(1,116,384)	(1,434,648)	(1,765,641)	(1,203,133)	(1,561,136)	(1,933,459)	(2,320,674)	(2,723,379)
Total Expenditures	(2,139,477)	(2,457,741)	(2,788,734)	(3,132,967)	(3,490,970)	(3,863,293)	(4,250,508)	(4,653,213)
Ending Balance	-	-	-	-	-	-	-	-

Source: Tiberius Solutions

Table 8. Tax Incremental Revenues and Allocations to Debt Service, page 3

	FYE 2039	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044	FYE 2045	FYE 2046
Resources								
Beginning Balance	-	-	-	-	-	-	-	-
TIF: Current Year	5,003,171	5,432,543	5,879,090	6,343,498	6,826,484	7,328,788	7,851,185	8,394,478
TIF: Prior Years	68,855	75,048	81,488	88,186	95,152	102,397	109,932	117,768
Total Resources	5,072,025	5,507,590	5,960,578	6,431,685	6,921,636	7,431,186	7,961,117	8,512,246
Expenditures								
Debt Service								
Scheduled Payments								
Loan A	(1,023,093)	(1,023,093)	(1,023,093)	(1,023,093)	(1,023,093)	(1,023,093)	(1,023,093)	(1,023,093)
Loan B	(906,741)	(906,741)	(906,741)	(906,741)	(906,741)	(906,741)	(906,741)	(906,741)
Loan C	(1,445,134)	(1,445,134)	(1,445,134)	(1,445,134)	(1,445,134)	(1,445,134)	(1,445,134)	(1,445,134)
Loan D	-	-	-	-	-	-	(1,899,316)	(1,899,316)
Total Debt Service	(3,374,969)	(3,374,969)	(3,374,969)	(3,374,969)	(3,374,969)	(3,374,969)	(5,274,285)	(5,274,285)
Debt Service Coverage Ratio	1.50	1.63	1.77	1.91	2.05	2.20	1.51	1.61
Transfer to URA Projects Fund	(1,697,057)	(2,132,622)	(2,585,609)	(3,056,716)	(3,546,668)	(4,056,217)	(2,686,832)	(3,237,961)
Total Expenditures	(5,072,025)	(5,507,590)	(5,960,578)	(6,431,685)	(6,921,636)	(7,431,186)	(7,961,117)	(8,512,246)
Ending Balance	-	-	-	-	-	-	-	-

Source: Tiberius Solutions

Table 9. Tax Incremental Revenues and Allocations, page 4

	FYE 2047	FYE 2048	FYE 2049	FYE 2050	FYE 2051	FYE 2052	FYE 2053
Resources							
Beginning Balance	-	-	-	-	-	-	-
TIF: Current Year	8,959,502	9,547,128	10,158,258	10,793,833	11,454,832	12,142,271	12,857,207
TIF: Prior Years	125,917	134,393	143,207	152,374	161,908	171,822	182,134
Total Resources	9,085,419	9,681,520	10,301,465	10,946,207	11,616,740	12,314,093	13,039,341
Expenditures							
Debt Service							
Scheduled Payments							
Loan A	(1,023,093)	(1,023,093)	-	-	-	-	-
Loan B	(906,741)	(906,741)	(906,741)	(906,741)	(906,741)	(906,741)	(906,741)
Loan C	(1,445,134)	(1,445,134)	(1,445,134)	(1,445,134)	(1,445,134)	(1,445,134)	(1,445,134)
Loan D	(1,899,316)	(1,899,316)	(1,899,316)	(1,899,316)	(1,899,316)	(1,899,316)	(1,899,316)
Total Debt Service	(5,274,285)	(5,274,285)	(4,251,192)	(4,251,192)	(4,251,192)	(4,251,192)	(4,251,191)
Debt Service Coverage Ratio	1.72	1.84	2.42	2.57	2.73	2.90	3.07
Transfer to URA Projects Fund	(3,811,135)	(4,407,235)	(6,050,273)	(6,695,016)	(7,365,548)	(8,062,901)	(8,788,149)
Total Expenditures	(9,085,419)	(9,681,520)	(10,301,465)	(10,946,207)	(11,616,740)	(12,314,093)	(13,039,341)
Ending Balance	-	-	-	-	-	-	-

Source: Tiberius Solutions

VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The schedule for construction of projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by the TDC. Annual expenditures for program administration are also shown, and are predicated on the fact that urban renewal activities will start off slowly in the beginning years and increase in the later years of the Area.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the Area in FYE 2053, a 30-year program.

The amount of money available for projects in 2023 constant dollars for the Area is \$81,690,573. See Table 2 for the individual project analysis. This is calculated by reflecting the maximum indebtedness of \$140,000,000 in constant 2023 dollars. This is done as the TDC's cost estimates are typically in constant dollars, so understanding how that relates to the overall MI over 30 years is important to help the TDC to make projections on the allocation of funds throughout the life of the Area.

Table 11, Table 12, Table 13, and Table 14 show the \$81,690,573 of 2022 project dollars inflated over the life of the Area including administrative expenses. All costs shown in Table 11, Table 12, Table 13, and Table 14 are in year-of-expenditure dollars, which are adjusted by 3.0% annually to account for inflation. The year of expenditure total cost is \$139,991,410.

The 3% inflation rate is the rate to use in the future if any amendment to increase maximum indebtedness is pursued in accordance with ORS 457.470. The TDC may change the completion dates in their annual budgeting process or as project decisions are made in administering the Plan. The following tables are prepared to show that the Area is financially feasible as required by ORS 457. It assumes completion of projects as funding becomes available. If the City is able to jumpstart the Area by providing alternative funding sources which are repaid when tax increment revenues are available, or if other outside funding sources are secured, including but not limited to developer contributions, the timing on projects can be moved up.

Table 10. Programs and Costs in Year of Expenditure Dollars, Page 1

	Total	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030
Resources								
Beginning Balance		-	23,245	176,190	790,428	1,666,046	2,814,715	871,855
Interest Earnings	213,089	-	116	881	3,952	8,330	14,074	4,359
Transfer from TIF Fund	87,228,321	229,245	471,099	722,627	984,216	1,256,269	516,110	810,362
Bond/Loan Proceeds	52,550,000	-	-	-	-	-	12,750,000	-
Other	-							
Total Resources	139,991,410	229,245	494,460	899,698	1,778,596	2,930,645	16,094,899	1,686,576
Expenditures (YOE \$)								
Blight Remediation - 18970 Catalyst Project'	(\$14,848,634)						(\$14,848,634)	
Blight Remediation - SW Nyberg and Nyberg Woods	(\$3,965,733)							
Blight Remediation - Intersection Improvements (SW 89th Ave + SW Mohave CT and Tualatin Sherwood Road)	(\$3,965,733)							
Transportation - Area Transportation Plan	(\$103,000)	(\$103,000)						
Transportation - North to South Center Road Development and TS Road Realignment	(\$21,077,100)							
Transportation - Tualatin River Greenway	(\$2,017,705)							
Transportation - Nyberg Green Way	(\$4,746,095)							
Transportation - Flood Mitigation and Grading	(\$6,384,515)							
Land Acquisition - Land	(\$22,974,400)							
Community Identity - Tualatin River Plaza Project	(\$8,023,500)							
Community Identity - Community Design Master Plan	(\$201,585)							
Developer Incentives - Incentives and Rebate	(\$31,152,813)							(\$614,950)
Economic Development - Grants	(\$6,399,157)							(\$153,738)
Administration - Payroll, Legal, Recordings	(\$12,868,260)	(\$103,000)	(\$106,090)	(\$109,270)	(\$112,550)	(\$115,930)	(\$119,410)	(\$307,475)
Administration - Market Feasibility Study	(\$106,090)		(\$106,090)					
Administration - Zone Code Change Plan	(\$106,090)		(\$106,090)					
Financing Fees	(\$1,051,000)						(\$255,000)	
Total Expenditures	(\$139,991,410)	(\$206,000)	(\$318,270)	(\$109,270)	(\$112,550)	(\$115,930)	(\$15,223,044)	(\$1,076,163)
Ending Balance		\$23,245	\$176,190	\$790,428	\$1,666,046	\$2,814,715	\$871,855	\$610,413

Source: Tiberius Solutions

Table 11. Programs and Costs in Year of Expenditure Dollars, Page 2

	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036	FYE 2037	FYE 2038
Resources								
Beginning Balance	610,413	621,400	917,454	167,870	430,986	639,862	1,181,444	2,071,055
Interest Earnings	3,052	3,107	4,587	839	2,155	3,199	5,907	10,355
Transfer from TIF Fund	1,116,384	1,434,648	1,765,641	1,203,133	1,561,136	1,933,459	2,320,674	2,723,379
Bond/Loan Proceeds	-	-	-	11,300,000	-	-	-	-
Other								
Total Resources	1,729,850	2,059,154	2,687,683	12,671,842	1,994,277	2,576,519	3,508,025	4,804,789
Expenditures (YOE \$)								
Blight Remediation - 18970 Catalyst Project'								
Blight Remediation - SW Nyberg and Nyberg Woods				(\$3,965,733)				
Blight Remediation - Intersection Improvements (SW 89th Ave + SW Mohave CT and Tualatin Sherwood Road)				(\$3,965,733)				
Transportation - Area Transportation Plan								
Transportation - North to South Center Road Development and TS Road Realignment								
Transportation - Tualatin River Greenway								
Transportation - Nyberg Green Way								
Transportation - Flood Mitigation and Grading			(\$1,142,315)					
Land Acquisition - Land				(\$2,768,400)				(\$3,116,000)
Community Identity - Tualatin River Plaza Project								
Community Identity - Community Design Master Plan			(\$201,585)					
Developer Incentives - Incentives and Rebate	(\$633,400)	(\$652,400)	(\$671,950)	(\$692,100)	(\$712,850)	(\$734,250)	(\$756,300)	(\$779,000)
Economic Development - Grants	(\$158,350)	(\$163,100)	(\$167,988)	(\$207,630)	(\$213,855)	(\$220,275)	(\$226,890)	(\$233,700)
Administration - Payroll, Legal, Recordings	(\$316,700)	(\$326,200)	(\$335,975)	(\$415,260)	(\$427,710)	(\$440,550)	(\$453,780)	(\$467,400)
Administration - Market Feasibility Study								
Administration - Zone Code Change Plan								
Financing Fees				(\$226,000)				
Total Expenditures	(\$1,108,450)	(\$1,141,700)	(\$2,519,813)	(\$12,240,856)	(\$1,354,415)	(\$1,395,075)	(\$1,436,970)	(\$4,596,100)
Ending Balance	\$621,400	\$917,454	\$167,870	\$430,986	\$639,862	\$1,181,444	\$2,071,055	\$208,689

Source: Tiberius Solutions

Table 12. Programs and Costs in Year of Expenditure Dollars, Page 3

	FYE 2039	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044	FYE 2045	FYE 2046
Resources								
Beginning Balance	208,689	640,024	1,205,685	2,180,043	3,581,834	5,430,615	7,746,700	804,872
Interest Earnings	1,043	3,200	6,028	10,900	17,909	27,153	38,734	4,024
Transfer from TIF Fund	1,697,057	2,132,622	2,585,609	3,056,716	3,546,668	4,056,217	2,686,832	3,237,961
Bond/Loan Proceeds	15,000,000	-	-	-	-	-	13,500,000	-
Other								
Total Resources	16,906,789	2,775,845	3,797,323	5,247,659	7,146,410	9,513,985	23,972,267	4,046,857
Expenditures (YOE \$)								
Blight Remediation - 18970 Catalyst Project'								
Blight Remediation - SW Nyberg and Nyberg Woods								
Blight Remediation - Intersection Improvements (SW 89th Ave + SW Mohave CT and Tualatin Sherwood Road)								
Transportation - Area Transportation Plan								
Transportation - North to South Center Road Development and TS Road Realignment							(\$21,077,100)	
Transportation - Tualatin River Greenway								
Transportation - Nyberg Green Way								
Transportation - Flood Mitigation and Grading	(\$3,209,400)							
Land Acquisition - Land	(\$3,209,400)							
Community Identity - Tualatin River Plaza Project	(\$8,023,500)							
Community Identity - Community Design Master Plan								
Developer Incentives - Incentives and Rebate	(\$802,350)	(\$826,400)	(\$851,200)	(\$876,750)	(\$903,050)	(\$930,150)	(\$958,050)	(\$1,480,200)
Economic Development - Grants	(\$240,705)	(\$247,920)	(\$255,360)	(\$263,025)	(\$270,915)	(\$279,045)	(\$287,415)	(\$296,040)
Administration - Payroll, Legal, Recordings	(\$481,410)	(\$495,840)	(\$510,720)	(\$526,050)	(\$541,830)	(\$558,090)	(\$574,830)	(\$592,080)
Administration - Market Feasibility Study								
Administration - Zone Code Change Plan								
Financing Fees	(\$300,000)						(\$270,000)	
Total Expenditures	(\$16,266,765)	(\$1,570,160)	(\$1,617,280)	(\$1,665,825)	(\$1,715,795)	(\$1,767,285)	(\$23,167,395)	(\$2,368,320)
Ending Balance	\$640,024	\$1,205,685	\$2,180,043	\$3,581,834	\$5,430,615	\$7,746,700	\$804,872	\$1,678,537

Source: Tiberius Solutions

Table 13. Programs and Costs in Year of Expenditure Dollars, Page 4

	FYE 2047	FYE 2048	FYE 2049	FYE 2050	FYE 2051	FYE 2052	FYE 2053
Resources							
Beginning Balance	1,678,537	1,025,904	2,402,260	1,024,274	616,251	606,401	483,497
Interest Earnings	8,393	5,130	12,011	5,121	3,081	3,032	2,417
Transfer from TIF Fund	3,811,135	4,407,235	6,050,273	6,695,016	7,365,548	8,062,901	8,788,149
Bond/Loan Proceeds	-	-					
Other							
Total Resources	5,498,064	5,438,270	8,464,544	7,724,411	7,984,880	8,672,335	9,274,063
Expenditures (YOE \$)							
Blight Remediation - 18970 Catalyst Project'							
Blight Remediation - SW Nyberg and Nyberg Woods							
Blight Remediation - Intersection Improvements (SW 89th Ave + SW Mohave CT and Tualatin Sherwood Road)							
Transportation - Area Transportation Plan							
Transportation - North to South Center Road Development and TS Road Realignment							
Transportation - Tualatin River Greenway				(\$2,017,705)			
Transportation - Nyberg Green Way				(\$1,314,245)	(\$3,431,850)		
Transportation - Flood Mitigation and Grading	(\$2,032,800)						
Land Acquisition - Land			(\$4,313,200)			(\$4,713,000)	(\$4,854,400)
Community Identity - Tualatin River Plaza Project							
Community Identity - Community Design Master Plan							
Developer Incentives - Incentives and Rebate	(\$1,524,600)	(\$2,093,800)	(\$2,156,600)	(\$2,776,625)	(\$2,859,875)	(\$2,356,500)	(\$3,509,463)
Economic Development - Grants	(\$304,920)	(\$314,070)	(\$323,490)	(\$333,195)	(\$400,383)	(\$412,388)	(\$424,760)
Administration - Payroll, Legal, Recordings	(\$609,840)	(\$628,140)	(\$646,980)	(\$666,390)	(\$686,370)	(\$706,950)	(\$485,440)
Administration - Market Feasibility Study							
Administration - Zone Code Change Plan							
Financing Fees							
Total Expenditures	(\$4,472,160)	(\$3,036,010)	(\$7,440,270)	(\$7,108,160)	(\$7,378,478)	(\$8,188,838)	(\$9,274,063)
Ending Balance	\$1,025,904	\$2,402,260	\$1,024,274	\$616,251	\$606,401	\$483,497	\$0

Source: Tiberius Solutions

VIII. REVENUE SHARING

Revenue sharing thresholds are expected to begin as the threshold set in ORS 457 (annual tax increment revenues in excess of 10 percent of the maximum indebtedness) is not expected to be met during the life of the Plan.

Revenue sharing means that at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the Area. The first threshold is when annual tax increment finance revenues exceed 10% of the original maximum indebtedness of the Plan (\$14,000,000). At the 10% threshold, the TDC will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold, and the taxing jurisdictions will receive 75% of the increment above the 10% threshold.

The second threshold is set at 12.5% of the maximum indebtedness (\$17,500,000). If this threshold is met, revenue for the area would be capped at 12.5% of the maximum indebtedness, with all additional tax revenue being shared with affected taxing districts.

If assessed value in the Area grows more quickly than projected, the revenue sharing thresholds could be reached earlier. If assessed value grows more slowly, they could be reached later.

IX. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the Area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2053 and are shown in Table 15 and Table 16.

The Tigard/Tualatin School District and the Northwest Regional Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level.

Table 15 and Table 16 show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 15 shows the general government levies, and Table 16 shows the education levies

Table 14. Projected Impact on Taxing District Permanent Rate Levies - General Government, page 1

FYE	Washington County	City of Tualatin	Metro	Port of Portland	Tualatin Soil & Water District	Tualatin Valley Fire & Rescue	Tigard/Tualatin Aquatic District	Clackamas County City	Clackamas County Extension & 4H	Clackamas County Library	Clackamas County Soil Conservation	Vector Control	Subtotal
2024	(41,842)	(43,890)	(1,871)	(1,357)	(1,535)	(29,535)	(1,743)	(1,815)	(38)	(300)	(38)	(5)	(123,969)
2025	(85,986)	(90,194)	(3,844)	(2,790)	(3,155)	(60,694)	(3,581)	(3,730)	(78)	(616)	(78)	(10)	(254,756)
2026	(131,895)	(138,350)	(5,897)	(4,279)	(4,840)	(93,100)	(5,494)	(5,721)	(119)	(946)	(119)	(15)	(390,774)
2027	(179,641)	(188,432)	(8,031)	(5,828)	(6,592)	(126,802)	(7,482)	(7,792)	(162)	(1,288)	(162)	(21)	(532,233)
2028	(229,296)	(240,518)	(10,251)	(7,439)	(8,414)	(161,852)	(9,551)	(9,946)	(207)	(1,644)	(207)	(27)	(679,351)
2029	(280,938)	(294,687)	(12,560)	(9,114)	(10,308)	(198,304)	(11,702)	(12,185)	(253)	(2,014)	(253)	(33)	(832,353)
2030	(334,645)	(351,023)	(14,961)	(10,857)	(12,279)	(236,214)	(13,939)	(14,515)	(302)	(2,399)	(302)	(39)	(991,475)
2031	(390,501)	(409,612)	(17,458)	(12,669)	(14,329)	(275,641)	(16,265)	(16,938)	(352)	(2,800)	(352)	(46)	(1,156,962)
2032	(448,591)	(470,545)	(20,055)	(14,553)	(16,460)	(316,645)	(18,685)	(19,457)	(405)	(3,216)	(405)	(53)	(1,329,069)
2033	(509,004)	(533,915)	(22,756)	(16,513)	(18,677)	(359,288)	(21,201)	(22,078)	(459)	(3,649)	(459)	(60)	(1,508,060)
2034	(571,834)	(599,820)	(25,565)	(18,552)	(20,982)	(403,638)	(23,818)	(24,803)	(516)	(4,100)	(516)	(67)	(1,694,210)
2035	(637,178)	(668,361)	(28,486)	(20,672)	(23,380)	(449,761)	(26,540)	(27,637)	(575)	(4,568)	(575)	(75)	(1,887,807)
2036	(705,135)	(739,644)	(31,524)	(22,876)	(25,873)	(497,730)	(29,370)	(30,585)	(636)	(5,055)	(636)	(83)	(2,089,147)
2037	(775,810)	(813,778)	(34,684)	(25,169)	(28,467)	(547,617)	(32,314)	(33,650)	(700)	(5,562)	(700)	(91)	(2,298,542)
2038	(849,312)	(890,877)	(37,970)	(27,554)	(31,164)	(599,500)	(35,376)	(36,838)	(766)	(6,089)	(766)	(100)	(2,516,311)
2039	(925,755)	(971,061)	(41,387)	(30,034)	(33,968)	(653,458)	(38,560)	(40,154)	(835)	(6,637)	(835)	(109)	(2,742,792)
2040	(1,005,255)	(1,054,452)	(44,942)	(32,613)	(36,886)	(709,574)	(41,871)	(43,602)	(907)	(7,207)	(907)	(118)	(2,978,332)
2041	(1,087,935)	(1,141,178)	(48,638)	(35,295)	(39,919)	(767,935)	(45,315)	(47,188)	(981)	(7,800)	(981)	(128)	(3,223,293)
2042	(1,173,922)	(1,231,374)	(52,482)	(38,085)	(43,074)	(828,630)	(48,896)	(50,918)	(1,059)	(8,416)	(1,059)	(138)	(3,478,053)
2043	(1,263,349)	(1,325,177)	(56,480)	(40,986)	(46,356)	(891,754)	(52,621)	(54,797)	(1,140)	(9,058)	(1,140)	(148)	(3,743,003)
2044	(1,356,352)	(1,422,732)	(60,638)	(44,003)	(49,768)	(957,402)	(56,495)	(58,830)	(1,223)	(9,724)	(1,223)	(159)	(4,018,552)
2045	(1,453,076)	(1,524,190)	(64,962)	(47,141)	(53,317)	(1,025,676)	(60,524)	(63,026)	(1,311)	(10,418)	(1,311)	(170)	(4,305,122)
2046	(1,553,669)	(1,629,706)	(69,459)	(50,405)	(57,008)	(1,096,681)	(64,714)	(67,389)	(1,401)	(11,139)	(1,401)	(182)	(4,603,155)
2047	(1,658,286)	(1,739,442)	(74,136)	(53,799)	(60,847)	(1,170,526)	(69,071)	(71,927)	(1,496)	(11,889)	(1,496)	(194)	(4,913,109)
2048	(1,767,087)	(1,853,568)	(79,001)	(57,329)	(64,839)	(1,247,325)	(73,603)	(76,646)	(1,594)	(12,669)	(1,594)	(207)	(5,235,462)
2049	(1,880,241)	(1,972,259)	(84,059)	(61,000)	(68,991)	(1,327,196)	(78,316)	(81,554)	(1,696)	(13,480)	(1,696)	(220)	(5,570,709)
2050	(1,997,920)	(2,095,698)	(89,320)	(64,817)	(73,309)	(1,410,262)	(83,218)	(86,658)	(1,802)	(14,324)	(1,802)	(234)	(5,919,365)
2051	(2,120,307)	(2,224,074)	(94,792)	(68,788)	(77,800)	(1,496,650)	(88,315)	(91,966)	(1,913)	(15,201)	(1,913)	(249)	(6,281,968)
2052	(2,247,589)	(2,357,586)	(100,482)	(72,917)	(82,470)	(1,586,494)	(93,617)	(97,487)	(2,027)	(16,114)	(2,027)	(264)	(6,659,075)
2053	(2,379,962)	(2,496,437)	(106,400)	(77,212)	(87,327)	(1,679,932)	(99,131)	(103,229)	(2,147)	(17,063)	(2,147)	(279)	(7,051,266)
TOTAL:	(30,042,313)	(31,512,580)	(1,343,091)	(974,646)	(1,102,334)	(21,205,816)	(1,251,328)	(1,303,061)	(27,096)	(215,385)	(27,100)	(3524)	(89,008,275)

Source: Tiberius Solutions

Table 15. Projected Impact on Taxing District Permanent Rate Levies – Education

FYE	Portland Community College	NW Regional ESD	Tigard/Tual atin School District	Clackamas Community College	Subtotal Education	TOTAL Education Gen. Gov't
2024	(5,263)	(2,978)	(96,614)	(421)	(105,277)	(229,245)
2025	(10,815)	(6,120)	(198,542)	(866)	(216,343)	(471,099)
2026	(16,590)	(9,388)	(304,547)	(1,328)	(331,853)	(722,627)
2027	(22,595)	(12,787)	(414,792)	(1,809)	(451,983)	(984,216)
2028	(28,841)	(16,321)	(529,447)	(2,309)	(576,918)	(1,256,269)
2029	(35,336)	(19,997)	(648,689)	(2,829)	(706,850)	(1,539,203)
2030	(42,091)	(23,820)	(772,699)	(3,370)	(841,980)	(1,833,455)
2031	(49,117)	(27,795)	(901,671)	(3,933)	(982,515)	(2,139,477)
2032	(56,423)	(31,930)	(1,035,801)	(4,518)	(1,128,672)	(2,457,741)
2033	(64,022)	(36,230)	(1,175,296)	(5,126)	(1,280,674)	(2,788,734)
2034	(71,924)	(40,703)	(1,320,371)	(5,759)	(1,438,757)	(3,132,967)
2035	(80,143)	(45,354)	(1,471,250)	(6,417)	(1,603,163)	(3,490,970)
2036	(88,691)	(50,191)	(1,628,163)	(7,101)	(1,774,145)	(3,863,293)
2037	(97,580)	(55,221)	(1,791,353)	(7,813)	(1,951,967)	(4,250,509)
2038	(106,825)	(60,453)	(1,961,070)	(8,553)	(2,136,901)	(4,653,213)
2039	(116,440)	(65,894)	(2,137,576)	(9,323)	(2,329,233)	(5,072,025)
2040	(126,439)	(71,553)	(2,321,143)	(10,123)	(2,529,258)	(5,507,590)
2041	(136,839)	(77,438)	(2,512,052)	(10,956)	(2,737,284)	(5,960,578)
2042	(147,654)	(83,558)	(2,710,597)	(11,822)	(2,953,632)	(6,431,685)
2043	(158,902)	(89,924)	(2,917,085)	(12,722)	(3,178,633)	(6,921,636)
2044	(170,600)	(96,544)	(3,131,831)	(13,659)	(3,412,634)	(7,431,186)
2045	(182,766)	(103,428)	(3,355,168)	(14,633)	(3,655,995)	(7,961,117)
2046	(195,418)	(110,588)	(3,587,438)	(15,646)	(3,909,090)	(8,512,246)
2047	(208,576)	(118,035)	(3,828,999)	(16,700)	(4,172,310)	(9,085,419)
2048	(222,261)	(125,779)	(4,080,222)	(17,795)	(4,446,058)	(9,681,520)
2049	(236,494)	(133,833)	(4,341,494)	(18,935)	(4,730,756)	(10,301,465)
2050	(251,295)	(142,210)	(4,613,217)	(20,120)	(5,026,842)	(10,946,207)
2051	(266,689)	(150,921)	(4,895,809)	(21,352)	(5,334,772)	(11,616,740)
2052	(282,698)	(159,981)	(5,189,705)	(22,634)	(5,655,018)	(12,314,093)
2053	(299,348)	(169,403)	(5,495,357)	(23,967)	(5,988,075)	(13,039,341)
TOTAL:	(3,778,675)	(2,138,377)	(69,367,998)	(302,539)	(75,587,588)	(164,595,865)

Source: Tiberius Solutions Please refer to the explanation of the schools funding in the preceding section .

Table 16 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2054. The Frozen Base is the assessed value of the Area established by the county assessor at the time the Area is established. Excess Value is the increased assessed value in the Area above the Frozen Base.

Table 16. Additional Revenues Obtained after Termination of Tax Increment Financing – FYE 2054

Taxing District	Tax Rate	From Frozen Base	From Excess Value	Total
General Government				
Washington County	2.2484	\$1,101,111	\$2,613,084	\$3,714,195
City of Tualatin	2.2665	\$1,154,999	\$2,740,968	\$3,895,967
Metro	0.0966	\$49,227	\$116,822	\$166,049
Port of Portland	0.0701	\$35,723	\$84,775	\$120,498
Tualatin Soil & Water District	0.0825	\$40,403	\$95,881	\$136,284
Tualatin Valley Fire & Rescue	1.5252	\$777,236	\$1,844,485	\$2,621,721
Tigard/Tualatin Aquatic District	0.0900	\$45,864	\$108,841	\$154,705
Clackamas County City	2.4042	\$47,760	\$113,340	\$161,100
Clackamas County Extension & 4H	0.0500	\$993	\$2,357	\$3,350
Clackamas County Library	0.3974	\$7,894	\$18,734	\$26,628
Clackamas County Soil Conservation	0.0500	\$993	\$2,357	\$3,350
Vector Control	0.0065	\$129	\$306	\$435
Subtotal Gen. Govt.	8.7835	\$3,252,323	\$7,718,196	\$10,970,519
Education				
Portland Community College	0.2828	\$138,496	\$328,669	\$467,165
NW Regional ESD	0.1538	\$78,376	\$185,997	\$264,373
Tigard/Tualatin School District	4.9892	\$2,542,477	\$6,033,637	\$8,576,114
Clackamas Community College	0.5582	\$11,089	\$26,315	\$37,404
Subtotal Education	*	\$2,770,438	\$6,574,618	\$9,345,056
TOTAL:		\$6,022,761	\$14,292,814	\$20,315,575

Source: Tiberius Solutions *(two community college districts)

X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

State law limits the percentage of both a municipality’s total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base (assumed to be FYE 2020 values), including all real, personal, personal, manufactured, and utility properties in the Area, is projected to be \$509,596,132. The Washington County Assessor and the Clackamas County Assessors will certify the frozen base once the urban renewal plan is adopted.

The total assessed value of the City of Tualatin in FYE 20210 is \$4,611,249,565. In Washington County and \$566,972,158 in Clackamas County for a total of \$5,178,221,723.

The percentage of total City assessed value in the urban renewal area is 11.88%, below the 25% threshold.

The Area contains 475.9 acres, including public rights-of-way, and the City of Tualatin contains 5,240 acres. This puts 22.8 % of the City’s acreage in an urban renewal area, which is below the 25% threshold.

Table 17. Urban Renewal Area Conformance with Assessed Value and Acreage Limits

	Acreage	Assessed Value
Basalt Creek	717.3	\$105,799,955
Core Opportunity and Reinvestment Area	475.9	\$509,596,132
Total in Urban Renewal	1,193.2	\$615,396,087
City of Tualatin	5,240	\$5,178,221,723
% of City	22.8%	11.88%

Source: Compiled by Elaine Howard Consulting, LLC with data from Tiberius Solutions LLC, City of Tualatin, Washington County Department of Assessment and Taxation (FYE 2022) and Clackamas County Department of Assessment and Taxation (FYE 2022)

*Estimated value, exact value will be set by the Washington County Assessor upon adoption of the Plan.

XI. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Central Opportunity Reinvestment Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use

The Area IS 475.9 acres, which is composed of 231 individual parcels encompassing 356.16 acres, and an additional 119.74 acres in public rights-of-way. An analysis of FYE 2022 property classification data from the Washington County and Clackamas County Assessor’s Office were used to determine the land use designation of parcels in the Area. By acreage, Commercial accounts for the most prevalent land use within the area (77%) . This was followed by Exempt (10%). Detailed land use designations in the Area are shown in Table 18.

Table 18. Land Use in the Area

Land Use	Parcels	Acres	Percent of Acres
Commercial	142	274.08	76.95%
Exempt	46	35.54	9.98%
Multi-Family	8	26.11	7.33%
Tract	1	14.85	4.17%
Miscellaneous	8	4.64	1.30%
Residential	26	0.93	0.26%
TOTAL:	231	356.16	100.00%

Source: Compiled by Elaine Howard Consulting with data from the Washington County and Clackamas County Assessor’s Office (FYE 2022)

2. Comprehensive Plan Designations

The most prevalent comprehensive plan designation by acreage in the Area is Commercial (70%) followed by Residential (16%). Detailed comprehensive plan designations in the Area are shown in Table 19.

Table 19 Comprehensive Plan Designations in the Area

Comprehensive Plan Designation	Tax Lots	Acres	Percent of Acres
Commercial	181	249.40	70.02%
Residential	11	58.47	16.42%
Industrial	39	48.30	13.56%
TOTAL:	231	356.16	100.00%

Source: Compiled by Elaine Howard Consulting with data from the Washington County and Clackamas County Assessor's Office (FYE 2022)

3. Zoning Designations

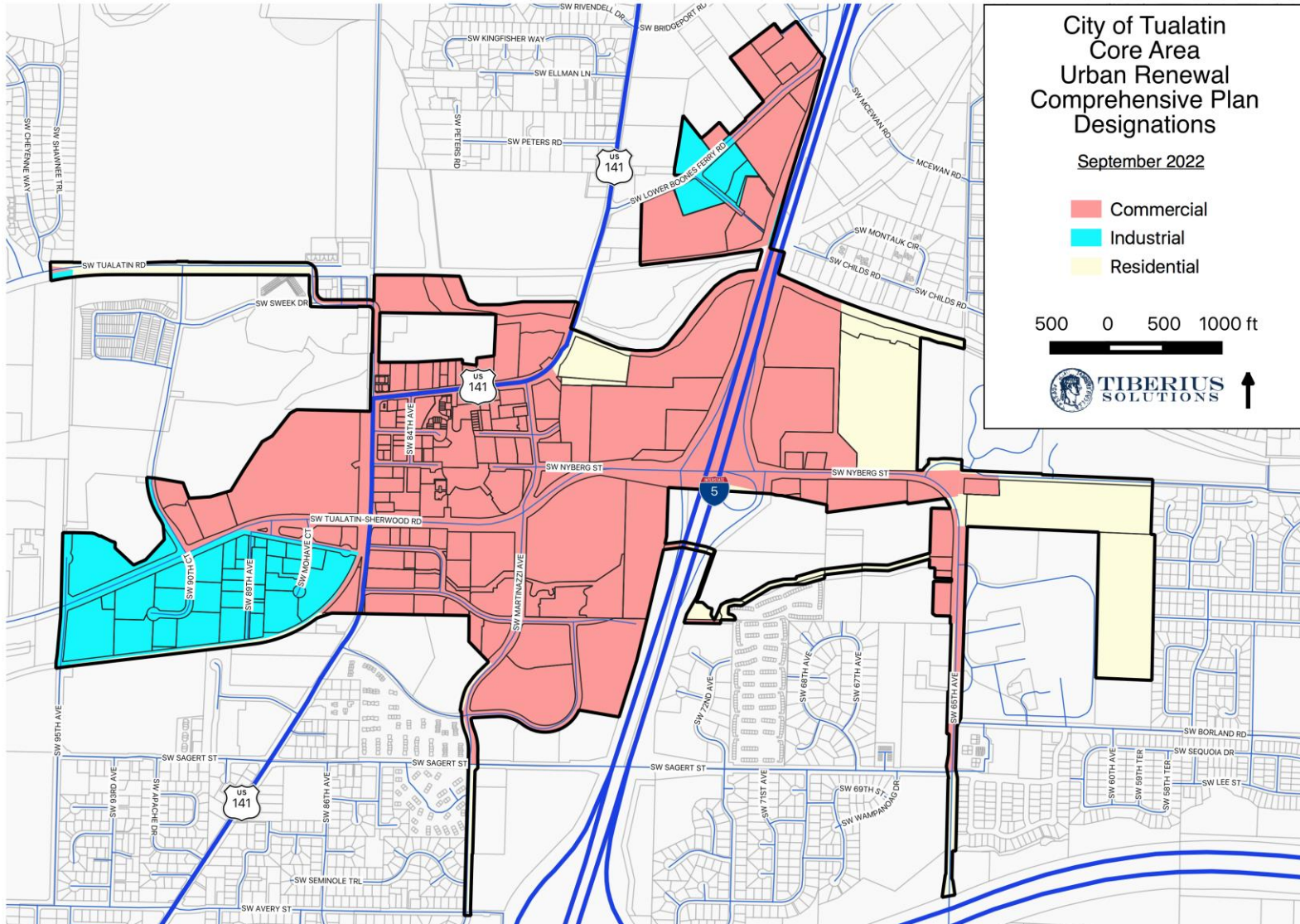
The most prevalent zoning designation by acreage in the Area is Central Commercial (42%) followed by General Commercial (16%). Detailed zoning designations in the Area are shown in Table 20.

Table 20. Zoning Designations in the Area

Zoning Designations	Tax Lots	Acres	Percent of Acres
Central Commercial	138	148.70	41.75%
General Commercial	25	56.13	15.76%
Light Manufacturing	39	48.30	13.56%
Office Commercial	13	37.07	10.41%
Low Density Residential	2	30.08	8.45%
Medium High Density Residential	2	20.12	5.65%
Mixed Use Commercial	5	7.50	2.11%
High Density Residential	3	4.69	1.32%
Medium Low Density Residential	4	3.57	1.00%
TOTAL:	231	356.16	100.00%

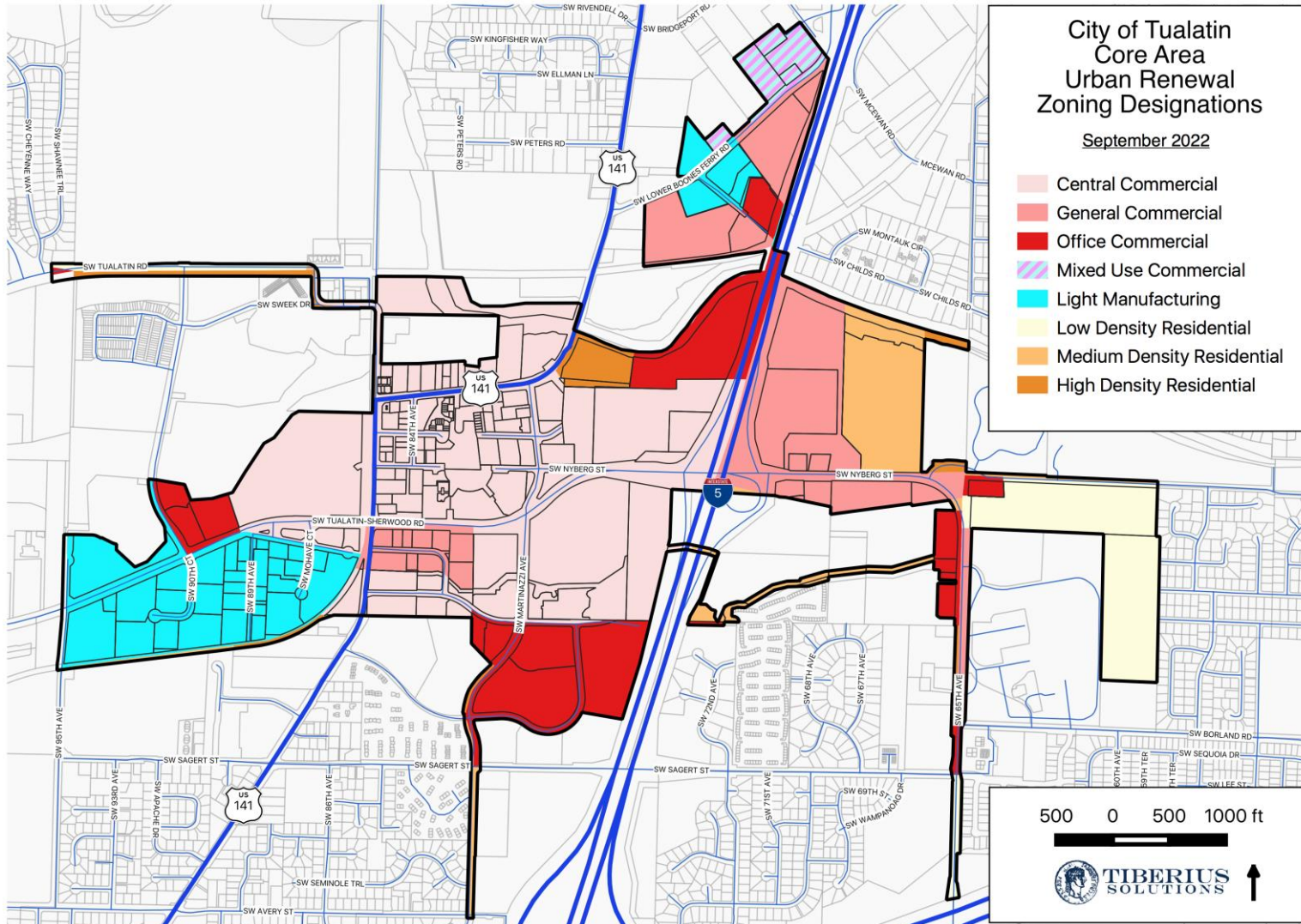
Source: Compiled by Elaine Howard Consulting with data from the Washington County and Clackamas County Assessor's Office (FYE 2022)

Figure 5. Tualatin Urban Renewal Area Comprehensive Plan Designations



Source: Tiberius Solutions

Figure 6. Tualatin Urban Renewal Area Zoning Designations



Source: Tiberius Solutions

B. Infrastructure

This section identifies the existing conditions in the Area to assist in **establishing blight in the ordinance adopting the urban renewal plan**. There are projects listed in several City of Tualatin’s infrastructure master plans that relate to these existing conditions. The projects below are a compilation by Tualatin staff of these projects. **This does not mean that all of these projects are included in the urban renewal plan**. The specific projects that are included in the Plan are listed in Sections II and III of this Report. Much of the language on existing conditions comes from the *Basalt Creek Concept Plan (BCCP)*, the *Southwest Tualatin Concept Plan (SWTCP)*, the *Capital Improvement Plan (CIP)* and the *Transportation Systems Plan (TSP)*.

1. Transportation

- SW Tualatin-Sherwood Road Lane Expansion. Add an east bound right turn-lane on SW Tualatin-Sherwood Road at SW Boones Ferry Road. TSP. 36
- Nyberg Street – Fred Meyer Intersection Improvements. Redesign SW Nyberg Street and Fred Meyer intersection to improve pedestrian crossing. TSP 36
- Local Grid Connectivity. Create a local street grid system with a connection to Seneca Street. TSP 39
- Congestion Relief. Replace existing landscape median with a new east bound lane on Tualatin-Sherwood Road to I-5. Tualatin Bond Fund Project.
- Martinazzi/Sagert St Improvements. New intersectional improvements installing traffic signal, pedestrian sidewalks and lane improvements. TSP/CIP
- Widen Boones Ferry to Five Lanes. Widen Boones Ferry Road north of Martinazzi. Currently underfunded.

2. Storm Water

- 89th Avenue Water Quality Retrofit. This project will provide a new stormwater quality treatment system at an existing outfall near the Hedges Creek Wetland for 28.9 acres of contributing drainage area to address water quality retrofit objectives referenced in Clean Water Services’ NPDES (stormwater) permit. This project is located north of the SW 89th Ave and SW Tualatin-Sherwood Rd intersection near the Hedges Green Retail Center
- 95th Avenue Water Quality Facility. Rehabilitate the existing public water quality facility located north of SW 95th Ave. This swale needs to be regraded and likely requires structural replacements. Rehabilitation work should include site survey, dredging or regrading of the bottom of the swale, potential replacement of existing infrastructure, and will require revegetating with natives to meet current CWS standards. The site does not adequately convey stormwater and has buried pipe structures.

3. Sanitary Sewer

- 65th Ave/Nyberg Trunk Repair. This is an 18 inch sanitary sewer trunk line that travels through the Nyberg Wetlands. This trunk line services the City from I-5 East. The recently developed Sagert Farms Subdivision and upcoming development on Nyberg Lane will also be serviced by this line. In 2011 the City experienced an SSO (sanitary sewer overflow) in the Nyberg wetlands due to the blockage of this 18 inch trunk line. Investigation revealed that a structural defect allowed a tree root to penetrate the line and collect FOG (fats-oil and

grease), resulting in the blockage. Since that time this line has been on a six-month Hot Spot Maintenance schedule.

4. Water

- Childs Road, Crossing I-5. This project will replace existing asbestos concrete (AC) distribution piping along Childs Road where it crosses Interstate 5.
- Lower Boones Ferry Road AC Replacement. This project will replace existing asbestos concrete (AC) distribution piping along Boones Ferry Rd where it crosses the railroad, turns east and follows along Lower Boones Ferry Rd.
- Nyberg Street AC Pipe Replacement. This project will replace existing asbestos concrete (AC) distribution piping east along Nyberg Rd from the Martinazzi Ave intersection.

5. Natural Resources

Table 6 Title 3 Wetlands by Category and Acres ” (BCCP p 43)

Category	Acres	Description
Open Water	49	Includes 50 ft. buffer
Streams	31	Includes 15 to 50 ft. buffers
Wetlands	69	Includes 25 to 50 ft. buffers

Metro Title 13: Nature in Neighborhoods

Title 13 requires local jurisdictions to protect and encourage restoration of a continuous ecologically viable streamside corridor system integrated with upland wildlife habitat and the urban landscape. Metro’s regional habitat inventory in 2001 identified the location and health of fish and wildlife habitat based on waterside, riparian and upland habitat criteria. These areas were named Habitat Conservation Areas.

Table 7 Title 13 HCA Categories with Acreage (BCCP p 43)

HCA Categories	Acres	Description
Riparian Wildlife Habitat Class I	130	Area supports 3 or more riparian functions
Riparian Wildlife Habitat Class II	31	Area supports 1 or 2 primary riparian functions
Riparian Wildlife Habitat Class III	7	Area supports only secondary riparian functions outside of wildlife areas
Upland Wildlife Habitat Class A	103	Areas with secondary riparian value that have high value for wildlife habitat
Upland Wildlife Habitat Class B	72	Area with secondary riparian value that have medium value for wildlife habitat

Upland Wildlife Habitat Class A	37	Areas with secondary riparian value that have low value for wildlife habitat
Designated Aquatic Impact	52	Area within 150 ft. of streams, river, lakes, or wetlands

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C. Social Conditions

The following information in quotes is from the City of Tualatin Economic Opportunities Analysis prepared by ECONorthwest for the City of Tualatin in December 2019.

“Growth in manufacturing and healthcare / social assistance sectors. Employment in manufacturing and the healthcare / social assistance sectors accounted for about 37% of employment in Tualatin in 2017. In 2007, employment in these industries accounted for about 36% of employment in Tualatin, an increase of about 3,299 employees between 2007 and 2017. Employment in both of these sectors support above average wages.

In Washington County, employment in manufacturing and the healthcare / social assistance sectors accounted for 23% of employment in 2017, down from 24% in 2007. While the overall share of employment decreased, total employment increased by about 9,809 employees between 2007 and 2017.

Availability of trained and skilled labor. Availability of labor depends, in part, on population growth and in-migration. Tualatin’s population increased by 4,344 people between 2000 and the 2013–2017 period, at an average growth rate of 1.0%. In comparison, Oregon’s population also grew at an average rate of 1.0%, between 2000 and 2017, with 66% of population coming from in-migration.

The current labor force participation rate is another important consideration in the availability of labor. The labor force in any market consists of the adult population (16 and over) who are working or actively seeking work. The labor force includes both the employed and unemployed. Children, retirees, students, and people who are not actively seeking work are not considered part of the labor force. According to the 2013–2017 American Community Survey, Tualatin had about 15,643 people in its labor force and Washington County had over 310,400. The labor force participation rate in Tualatin (73%) was higher than Washington County (69%) and the Portland Region (68%) in the 2013–2017 period. A higher concentration of older residents in an area or a mismatch of the types of jobs available in an area and the types of skills of the labor force can contribute to low labor force participation rates.

Businesses in Tualatin draw employees from across Washington County as well as Multnomah and Clackamas Counties. Relative to Washington County and the Portland Region, Tualatin residents have a slightly higher level of educational attainment.

Aging of the population. Tualatin has a smaller percentage of residents 60 years and older relative to Washington County and the Portland Region. Tualatin’s median age, which was 31.9 in 2000, increased to 38.2 by the 2013–2017 period. In comparison, Washington County’s median age was 36.4 in the 2013–2017 period.

Washington County’s population is expected to continue to age, with people 60 years and older forecast to grow from 20% of the population in 2020 to 24% of the population in 2040, consistent with Statewide trends. Tualatin may continue to attract midlife and older workers over the planning period. People in this age group may provide sources of skilled labor, as people continue to work until later in life. These skilled workers may provide opportunities to support business growth in Tualatin.

Increases in racial and ethnic diversity. Overall, the nation and Oregon are becoming more racially and ethnically diverse. Between 2000 and 2013–2017, the Latinx population in Oregon increased from 8% to 13%, and the Latinx population in Tualatin increased from 12% to 16% in that same time. Growth

in the Latinx community will continue to drive economic development in Oregon. The share of Oregon’s non-Caucasian population increased from 13% to 15% and stayed static in Tualatin at 13%. Tualatin is less racially diverse but more ethnically diverse than Oregon.”

The following social conditions were taken from the American Community Survey 2015-2019 Five Year Estimates. The most common age bracket in the Area is under 35-44 years at 19%.

Table 21. Age in the Area

Age	Number	Percent
Under 5 years	238	9.58%
5 to 9 years	218	8.77%
10 to 14 years	325	13.08%
15 to 17 years	88	3.54%
18 to 24 years	207	8.33%
25 to 34 years	449	18.07%
35 to 44 years	474	19.07%
45 to 54 years	255	10.26%
55 to 64 years	96	3.86%
65 to 74 years	73	2.94%
75 to 84 years	42	1.69%
85 years and over	20	0.80%
TOTAL:	2485	100%

Source: American Community Survey 2015-2019 Five Year Estimates

According to the US Census Bureau, American Community Survey 2016-2020 Five Year Estimates, the block groups have 2,485 residents, 73% of whom identify as White alone. The analysis of race and origin are shown in the table below.

Table 22. Hispanic or Latino Origin by Race in the Area

Race	Number	Percent
White alone	1,808	72.76%
Black or African American alone	233	9.38%
American Indian and Alaska Native alone	54	2.17%
Asian alone	60	2.41%
Native Hawaiian and Other Pacific Islander alone	18	0.72%
Some other race alone	77	3.10%
Two or more races	235	9.46%
TOTAL:	2,485	100%

Source: American Community Survey 2015-2019 Five Year Estimates

In the block groups, 34% of adult residents have earned a bachelor’s degree or higher. Another 31% have some college education without a degree, and another 19% have graduated from high school with no college experience.

Table 23. Education in the Area

Education	Number	Percent
Less than high school	107	7.59%
High school graduate (includes equivalency)	263	18.67%
Some college	438	31.09%
Associate's degree	122	8.66%
Bachelor's degree	367	26.05%
Master's degree	66	4.68%
Professional school degree	20	1.42%
Doctorate degree	26	1.85%
TOTAL:	1409	100%

Source: American Community Survey 2015-2019 Five Year Estimates

Of the means of transportation used to travel to work, the majority, 87%, drove alone with another 7.31% carpooling.

Table 24. Means of Transportation to Work in the Area

Means of Transportation	Number	Percent
Drove alone	1,011	87.01%
Carpooled	85	7.31%
Public transportation (includes taxicab)	20	1.72%
Motorcycle	0	0.00%
Bicycle	0	0.00%
Walked	24	2.07%
Other means	0	0.00%
Worked at home	22	1.89%
TOTAL:	1,162	100%

Source: American Community Survey 2016-2020 Five Year Estimates

The incomes in the Area are distributed fairly equally in the ten thousand dollars ranges between \$30,000 to \$99,999. Incomes in the Area are shown in Table 26.

Table 25. Income in the Area

Income Range	Number	Percentage
Less than \$10,000	78	8%
\$10,000 to \$19,999	36	4%
\$20,000 to \$29,999	73	8%
\$30,000 to \$39,999	112	12%
\$40,000 to \$49,999	115	12%
\$50,000 to \$59,999	139	15%
\$60,000 to \$74,999	104	11%
\$75,000 to \$99,999	167	18%
\$100,000 to \$124,999	58	6%
\$125,000 to \$149,999	28	3%
\$150,000 to \$199,999	32	3%
\$200,000 or more	1	0%
TOTAL:	943	100%

Source: American Community Survey 2015-2019 Five Year Estimates

D. Economic Conditions

1. Taxable Value of Property within the Area

The estimated total assessed value of the Area calculated with data from the Washington County and Clackamas County Departments of Assessment and Taxation for FYE 2022, including all real, personal, manufactured, and utility properties, is estimated to be \$509,596,132. The County Assessor will certify the frozen base if the ordinance for the approval of the Plan is adopted by the City Council.

2. Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Value Ratio," or "I:L." The values used are real market values. In urban renewal areas, the I:L is often used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

Table 26 shows the improvement to land ratios (I:L) for properties within the Area. Ten percent of the tax lots are exempt, which means they do not pay taxes. These are typically government or non-profit owned properties. Eighty one tax lots representing 23.53% of the acreage have I:L ratios less than 1.0. In other words, the improvements on these properties are worth less than the land they sit on. A reasonable I:L ratio for properties in the Area is 2.0. Only 74 of the 231 tax lots in the Area, totaling 45.46% of the acreage have I:L ratios of 2.0 or more in FYE 2022. In summary, the area is underdeveloped and not contributing significantly to the tax base in Tualatin.

Table 26. Improvement to Land Ratios in the Area

Improvement to Land Ratio	Parcels	Acres	Percent of Acres
Exempt	46	35.54	9.98%
No Improvement Value	32	35.87	10.07%
0.01-0.50	18	29.94	8.41%
0.51-1.00	31	18.00	5.05%
1.01-1.50	17	24.83	6.97%
1.51-2.00	13	50.08	14.06%
2.01-2.50	20	45.02	12.64%
2.51-3.00	13	13.15	3.69%
3.01-4.00	11	27.63	7.76%
> 4.00	30	76.11	21.37%
TOTAL:	231	356.16	100.00%

Source: Compiled by Tiberius Solutions LLC with data from the Washington County and Clackamas County Departments of Assessment and Taxation (FYE 2022)

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section VIII of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects being considered for future use of urban renewal funding are for blight remediation and include transportation improvements, facilitating development of properties including mixed use and housing development, recreational improvements, economic development assistance to local businesses and plan administration. The use of tax increment allows the City to add an additional funding source to the City of Tualatin general fund or system development charges funds to allow these projects to be completed.

It is anticipated that these improvements will catalyze development on the undeveloped and underdeveloped parcels in the Area. This development will require city services. However, as the property is within the city limits, the city has anticipated the need to provide services to the Area. As the development will be new construction or rehabilitation, it will be up to current building code which will aid in any fire protection needs. The transportation projects will also assist in fire protection needs in the area.

The financial impacts from tax increment collections will be countered by future economic development, and, in the future, adding increases in assessed value to the tax base for all taxing jurisdictions, including the City.

XII. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

The reason for selecting the Area is to provide the ability to fund projects and programs necessary to cure blight within the Area. There are large parcels within the Area that are undeveloped or underdeveloped. There are also transportation deficiencies which impact the residents in Tualatin.

The outcome of implementing these projects is anticipated to be substantial increase to the economic growth in Tualatin by providing new mixed used development, additional recreational opportunities and providing tools inside the Area to assist with economic development.

XIII. RELOCATION REPORT

When the TDC acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the TDC shall adopt rules and regulations, as necessary, for the administration of relocation assistance. The TDC will comply with all applicable state law in providing these potential benefits.