



*City of Tualatin*

## TUALATIN DEVELOPMENT COMMISSION Staff Report

**TO:** Honorable Chairman and Members of the Commission  
**THROUGH:** Sherilyn Lombos, City Manager  
**FROM:** Jonathan Taylor, Economic Development Manger  
**DATE:** June 28, 2021

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**SUBJECT:**

Consideration of Resolution 627-21 of the Tualatin Development Commission commencing the formal public review process for the Herman Road Substantial Amendment.

**RECOMMENDATION:**

Approve

**EXECUTIVE SUMMARY:**

*Background:*

On October 28, 2019, City Council directed staff to identify potential projects for the Leveton District to fully expend remaining funds with the goal of terminating the District Plan. City Council requested input from District businesses on areas of concern or project ideas that remaining funds could be used for. Area business identified projects and concerns in two key areas: transportation and workforce mobility.

On February 8, 2021, City Staff presented to Council three proposed projects. Future urban renewal planning, rapid cross walk beacons, and incorporate the Herman Road Extension project. The future urban renewal planning and rapid cross walk beacons required a minor amendment which was approved on March 22, 2021 by Resolution 624-20. The inclusion of Herman Road Extension Project requires a substantial amendment.

*Substantial Amendments*

A substantial amendment to an urban renewal plan is based on two factors: expansion of the area boundaries greater than 1% or an increase in maximum indebtedness. The substantial amendment is a multi-step process beginning with an approval by the Tualatin Development Commission, a 45-day consult and confer with area taxing entities, conference with Washington County, a public hearing, and final approval by the Tualatin City Council. In 1989, the City of Tualatin added an additional 33.3 acres to the Leveton Tax Increment District, exceeding 1% of area boundary. Any addition, no matter the size, would require a substantial amendment.

*Herman Road Project*

Identified in the Transportation Systems Plan, this proposed project will add a sidewalk/path on the north side, bike lanes on both sides, fix the drainage issues, and add a center turn lane at the industrial driveway of Herman Road. It is currently funded through preliminary design. The current budgeted cost is \$2,905,000 and will be administered by the City of Tualatin Community Development and Public Works Departments.

## *Herman Road Project Update – June 2021*

The design team has surveyed existing topographic conditions, surveyed residents and businesses, and formed a citywide project charter team. Conceptual design options were developed based on community and charter team input, transportation needs, and the available space for the roadway and sidewalk. The design team held a virtual open house to listen to community perspective on the conceptual designs, identified a recommended design, and confirmed it with the charter team. The recommended conceptual design.

The next step is to advance the recommended conceptual design to engineered preliminary plans, including coordinating that design with environmental agencies and the railroad, working towards final design and eventual construction. An intergovernmental agreement between the Tualatin Development Commission and the Tualatin City Council for project management services by City Staff will be drafted for consideration in Fall 2021.

### *2021 Report Accompanying the Leveton Tax Increment Plan*

The Report Accompanying the Leveton Tax Increment Plan (Report) contains background information and project details that pertain to the Leveton Tax Increment Plan (Plan) passed in 2002. 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 Development Commission 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))

### *Formal Review Process*

Upon the adoption of the resolution, the Tualatin Development Commission will begin the required procedural process as required by ORS.

1. Tualatin Development Commission Authorizes Substantial Amendment Public Review Process(June 28, 2021)
2. Referral of Proposed Amendment to Tualatin Planning Commission (July 15, 2021)
3. Consult and Confer with Affected Taxing Districts (45 days)
  - a. The substantial amendment and urban renewal report must be sent to any tax district affected by the urban renewal effort.
4. Washington County Briefing
5. Tualatin City Council Public Hearing

6. Consideration of Substantial Amendment by City Council

- a. Unlike a minor amendment resolution approved by the Tualatin Development Commission, a substantial amendment is adopted by the governing body of the municipality by ordinance.

**OUTCOMES OF DECISION**

The approval of the resolution will commence the formal review process for the Herman Road extension. The Tualatin Development Commission will send the substantial amendment to the Tualatin Planning Commission and to the impacted taxing districts. Washington County will consider a Resolution for approval, and a public hearing will be conducted by the Tualatin City Council after which they will consider adopting plan approval ordinance.

**ALTERNATIVES TO RECOMMENDATION:**

None.

**FINANCIAL IMPLICATIONS:**

None

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**ATTACHMENTS: ENSURE VERBIAGE MATCHING**

- Resolution 627-21
- Report Accompanying the Leveton Tax Increment Plan
- Leveton Tax Increment Plan 11<sup>th</sup> Amendment
- Herman Road Conceptual Design