TUALATIN DEVELOPMENT COMMISSION

Staff Report

TO:	Honorable Chairman and Members of the Commission
THROUGH:	Sherilyn Lombos, Administrator
FROM:	Sid Sin, Urban Renewal / Economic Development Manager Don Hudson, Assistant City Manager/Finance Director
DATE:	December 8, 2025

SUBJECT:
Consideration of Resolution No. 643-25 Authorizing the purchase of real property located at 18925 SW 84th Ave. ("Matthias property") and execution of a deed to acquire the Matthias property for inclusion as part of the CORA Plan's 18970 Catalyst Project; and, if approved, adopt Resolution No. 644-25 authorizing an interfund loan from the Southwest Urban Renewal District to the Core Opportunity and Reinvestment Area.

RECOMMENDATION:
Adopt Resolution No. 643-25 approving the purchase of real property located at 18925 SW 84th Ave. in Tualatin (2S124BC tax lots 4300 and 4400) in accordance with the Purchase and Sale Agreement attached to Resolution 643-25 and authorizing the Administrator to execute a deed acquiring the Matthias Property; and, if approved, adopt Resolution No. 644-25 authorizing an interfund loan from the Southwest Urban Renewal District to the Core Opportunity and Reinvestment Area.

EXECUTIVE SUMMARY:
In November 2022 the City Council adopted the Core Opportunity and Reinvestment Area Plan (Plan) with a vision to strengthen the social, cultural, environmental, and economic vitality of central Tualatin by funding projects that improve property values, eliminates existing and future blight, and creates an active civic core.

The Plan includes the 18970 Catalyst Project (Project), which includes redevelopment of four underutilized city-owned properties to a higher and better use through a mixed-use public-private partnership development that will include attainable housing and commercial uses. In November 2025, the Tualatin Development Commission (TDC) amended the Plan to identify three adjacent parcels to the west across the alley from the Project for possible acquisition if the properties were available from willing sellers. The three properties include tax lots 4200, 4300 and 4400.

Rick A. Matthias LLC, owner of tax lots 4300 and 4400 (Property) has agreed to sell the Property to TDC for $600,000. This is a fair and reasonable price given that the cost per square foot of a sale earlier this year in the area was higher. The site includes a one-story commercial building which previously housed a radio station and dental office and as of September there are no tenants on the property.

OUTCOMES OF DECISION:
Acquiring the Property would further the goals of the Plan by making redevelopment of the area more viable and attractive to prospective development partners. Acquiring tax lot 4200 abutting to the south if it becomes available for purchase would make the full block even more desirable as a redevelopment site. Upon acquiring the Property, it is estimated that within several years, the parcels will be sold for redevelopment purposes through a competitive qualification and proposal process.

FINANCIAL IMPLICATIONS:
If the Commission approves Resolution No. 643-25:

As tax increment collection to date in the Core Opportunity and Reinvestment Area has not reached the $600,000 purchase price, staff is asking the Commission to approve an interfund loan from the Southwest Urban Renewal District. Interfund loans are authorized under ORS 294.468 for capital or operating purposes. Purchase of property is a capital purpose and the repayment terms can be for a period of up to 10 years, with no prepayment penalty. The Commission can set the interest rate to be charged on the outstanding loan balance.

Staff is proposing an interfund loan from the Southwest Urban Renewal District (SWURD) to the Core Opportunity and Reinvestment Area (CORA) in the amount of $600,000 to be repaid when CORA tax increment collections are sufficient to repay the loan, or upon issuance of debt for projects within CORA. Interest will accrue at the interest rate of the Local Government Investment Pool throughout the term of the loan.

Resolution No. 644-25 approves the loan and the terms described above.

ATTACHMENTS:

- Resolution No. 643-25
- Resolution No. 644-25
- 18970 Catalyst Project, Acquisition and Potential Acquisition Map
- PowerPoint Presentation