



City of Tualatin

CITY OF TUALATIN Staff Report

TO: Honorable Mayor and Members of Council
THROUGH: Sherilyn Lombos, City Manager
FROM: Jonathan Taylor, Economic Development Manager
DATE: November 28, 2022

SUBJECT:

Consideration of Ordinance 1471-22 of the Tualatin City Council making certain determinations and findings relating to and approving the Core Opportunity and Reinvestment Area Plan and directing that notice of approval be published.

RECOMMENDATION:

Approve Ordinance 1471-22

EXECUTIVE SUMMARY:

Since 2018, the City of Tualatin has worked on several long-range projects to securely position our community for long-term economic prosperity beginning with the Tualatin|2040 project. To address the constraints identified in the Tualatin|2040 project, Council directed staff to conduct a feasibility study for urban renewal in the Town Core Area.

In January 2022, Council directed staff to develop a draft urban renewal plan for consideration. Council appointed a working group with Resolution 5607-22 to provide feedback on existing conditions of the area, propose a vision and plan objectives, and to identify a final boundary, list of projects, and total maximum indebtedness.

The vision for the Plan takes existing work from prior strategic planning efforts and past conversations and recommendations and consolidates them into one purpose. This vision will be utilized for the adopted plan document that will direct funding and policy priorities for future efforts in the proposed area. The following is the proposed vision:

The Core Opportunity and Reinvestment Area Plan is a guiding document in our community's sustainable effort to strengthen the social, cultural, environmental, and economic vitality of central Tualatin by funding projects that improve property values, eliminate existing and future blight, and create an active civic core.

The Plan has nine goals: blight remediation, enhanced connectivity, mixed-use development, economic development, community identity, industrial development, public utilities, flood mitigation, and environmental stewardship. The identified projects presented in the draft plan for the Core Opportunity and Reinvestment Area were sourced from existing strategic/development plans adopted by the City of Tualatin. The projects are divided into six areas of focus: blight Remediation, transportation, land acquisition/disposition, community identity, developer incentives and rebates, economic development and administration. The total project amount is \$82 million dollars (2023\$).

On September 12, 2022, the Tualatin Development Commission adopted Resolution 633-22 to commence the formal review process and forwarded the proposed urban renewal plan to the Tualatin Planning Commission to determine conformance with the Tualatin Development Code and the Tualatin Comprehensive Plan. On October 20, 2022, the Tualatin Planning Commission approved by motion that the proposed Core Opportunity and Reinvestment Area Plan is in conformance with the Comprehensive Plan.

The City presented to our regional taxing districts on the proposed plan that provided information on projects, boundary, plan term, and maximum indebtedness. Districts included: Tualatin Valley Fire and Rescue (9/27/2022), Clackamas County Board of Commissioners (10/19/2022), Tigard-Tualatin School District (10/24/2022), and Washington County Board of Commissioners (10/25/2022).

The Tualatin City Council held a public hearing for Ordinance 1471-22 on November 14, 2022. No citizen spoke in favor or opposition to the proposed Plan. The City Council approved all recommended changes provided by the City of Tualatin and Washington County Board of Commissioners.

OUTCOMES OF DECISION:

If approved, the City of Tualatin will establish an urban renewal area in the areas identified in the Core Opportunity and Reinvestment Area Plan. Based on projected revenues, the Tualatin Development Commission will begin receiving tax increment revenues in FY 2024 and will may begin major projects in FY 2029.

ALTERNATIVES TO RECOMMENDATION:

None.

FINANCIAL IMPLICATIONS:

The City of Tualatin is projected to forego \$31,512,580 in permanent rate taxes, over the 30-year life of the district, as a result of the Plan. However, the Tualatin Development Commission will gain \$164,595,865 in revenue to allocate to approve projects in the Plan Area.

ATTACHMENTS:

- Ordinance 1471-22
- Power Point