

Report Accompanying the
Southwest and Basalt Creek Development
Area DRAFT



City of Tualatin

LIST OF PARTICIPANTS

Mayor

Frank Bubenik

City Council

Nancy Grimes, Council President

Maria Reyes

Christen Sacco

Bridget Brooks

Cyndy Hillier

Valeris Pratt

Planning Commission

Bill Beers, Chair

Mona St. Clair, Vice-Chair

Alan Aplin

Daniel Bachhuber

Ursula Kuhn

Janelle Thompson

City of Tualatin Staff

Sherilyn Lombos, City Manager

Megan George, Deputy City Manager

Don Hudson, Assistant City Manager/
Finance Director

Kim McMillan, Community Development
Director

Steve Koper, Assistant Community
Development Director/Planning
Manager

Jonathan Taylor, Economic
Development Manager

Urban Renewal Task Force

Jilian Felton, Community Partners for
Affordable Housing

Theresa Haskins, Portland General
Electric (property owner)

Grace Lucini, Area Resident (property
owner)

Christen Sacco, City of Tualatin City
Council

Janelle Thompson, City of Tualatin
Planning Commission

Cassandra Ulven, Public Affairs Chief,
Tualatin Valley Fire and Rescue
(TVF&R)

Consulting Team

Elaine Howard Consulting, LLC

Elaine Howard, Scott Vanden Bos

Tiberius Solutions, LLC

Nick Popenuk, Ali Danko, Rob Wyman

Southwest and Basalt Creek Development Area Plan
approved by the City of Tualatin

DATE

Ordinance No. 2021-

This Plan was also approved by Washington County by Resolution No. ____ on **DATE**
as there are unincorporated properties in the Area.

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I. INTRODUCTION

The Report Accompanying the Southwest and Basalt Creek Development Area Plan (Report) contains background information and project details that pertain to the Southwest and Basalt Creek Development 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))

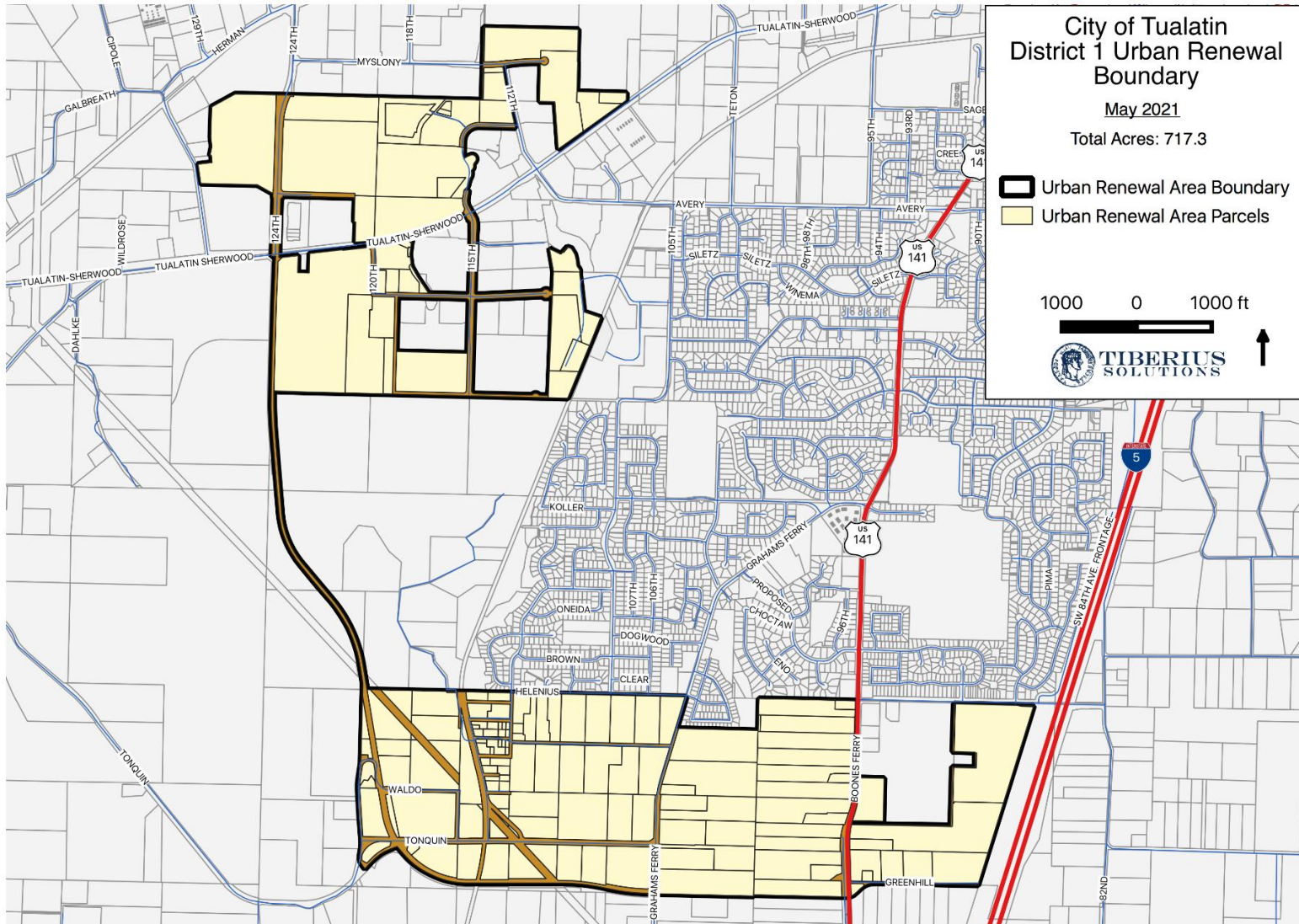
The relationship of the sections of the Report and the ORS 457.087 requirements is shown in Table 1. The specific reference in the table below is the section of this Report that most addresses the statutory reference. There may be other sections of the Report that also address the statute.

Table 1 - Statutory References

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

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 – Southwest and Basalt Creek Development Area Boundary



II. 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. Much of the project descriptions and existing conditions come from the following documents:

Tualatin Capital Improvement Plan, City of Tualatin, FY 2020/21 – 2025/26. This is identified as CIP. The CIP page numbering is by project type (transportation, pedestrian etc.)

Basalt Creek Concept Plan, adopted by the City of Tualatin August 13, 2018, Ord. # 1418-19. This is identified as BCCP

Tualatin Sewer Master Plan, City of Tualatin, Jacobs, August 2019, updated November 2019. This is identified as SMP.

Transportation Systems Plan, CH2M Hill, DKS, Angelo Planning Group, JLA Public Involvement, February 2014. This is identified as TSP.

Southwest Tualatin Concept Plan, CH2M Hill, Kittelson and Associates, October 11, 2010. This is identified as SWTCP.

Instead of footnoting every project, it is noted if these projects come from the above plans and the page number where they can be found.

A. **Transportation**

1. **124th/Future Blake Street Signal**

Design and construct a new traffic signal at the new intersection of the recently-constructed 124th Ave with the future extension of Blake Street along with or after the future Blake Street construction. (CIP p 106)

Existing Conditions: This project was identified through the Tualatin Moving Forward process. 124th was recently constructed. In the future when Blake Street is constructed and when there is sufficient traffic to warrant a signal at this location, this signal will be installed.

Figure 2 – 124th Blake Future Street Signal



Source: City of Tualatin Capital Improvement Plan

2. Tonquin Trail

The preferred alignment for the regional Ice Age Tonquin Trail includes a section bordering the Basalt Creek Planning Area as part of a 22-mile trail alignment through Wilsonville, Tualatin, and Sherwood with trail facility types varying by location based upon landscape and setting. The Ice Age Tonquin Trail is intended to connect in the north to the Tualatin River Greenway Trail, Fanno Creek Trail, and the Westside Trail, and to the south to the Willamette River. (BCCP p 38)

Existing Conditions:

This portion of the trail does not exist but is a vital link for the entire trail construction. “Coordination with Metro, Tualatin Community Services Department, and the Wilsonville Parks and Recreation Department will be necessary to establish a local trail network with regional connections. Metro’s Ice Age Tonquin Trail Master Plan provides a framework for local and regional implementation of the regional Ice Age Tonquin Trail, which is intended to complement the Ice Age Floods National Geological Trail Planning (the national trail will be a network of driving routes with spurs for biking and walking, from Montana to the Pacific Ocean). The preferred alignment for the regional Ice Age Tonquin Trail includes a section bordering the Basalt Creek Planning Area as part of a 22-mile trail alignment through Wilsonville, Tualatin, and Sherwood with trail facility types varying by location based upon landscape and setting. The Ice Age Tonquin Trail is intended to connect in the north to the Tualatin River Greenway Trail,

Fanno Creek Trail, and the Westside Trail, and to the south to the Willamette River. (BCCP p38)

3. Blake Street Extension

Preliminary planning and conceptual design and construction of the future Blake Street between 115th Ave and 124th Avenue. The Blake Street Concept study is in CIP for FY 2020/21. Preliminary planning and conceptual design of the future Blake Street between 115th Ave and 124th Avenue. The Basalt Street Extension is listed on p249 of the CIP as an unfunded project. (SWTCP p 23)

Existing Conditions:

This roadway does not presently exist but will be necessary for the full development of the Area.

Figure 3 - Blake Street Extension



Source: City of Tualatin Capital Improvement Plan

B. Sewer

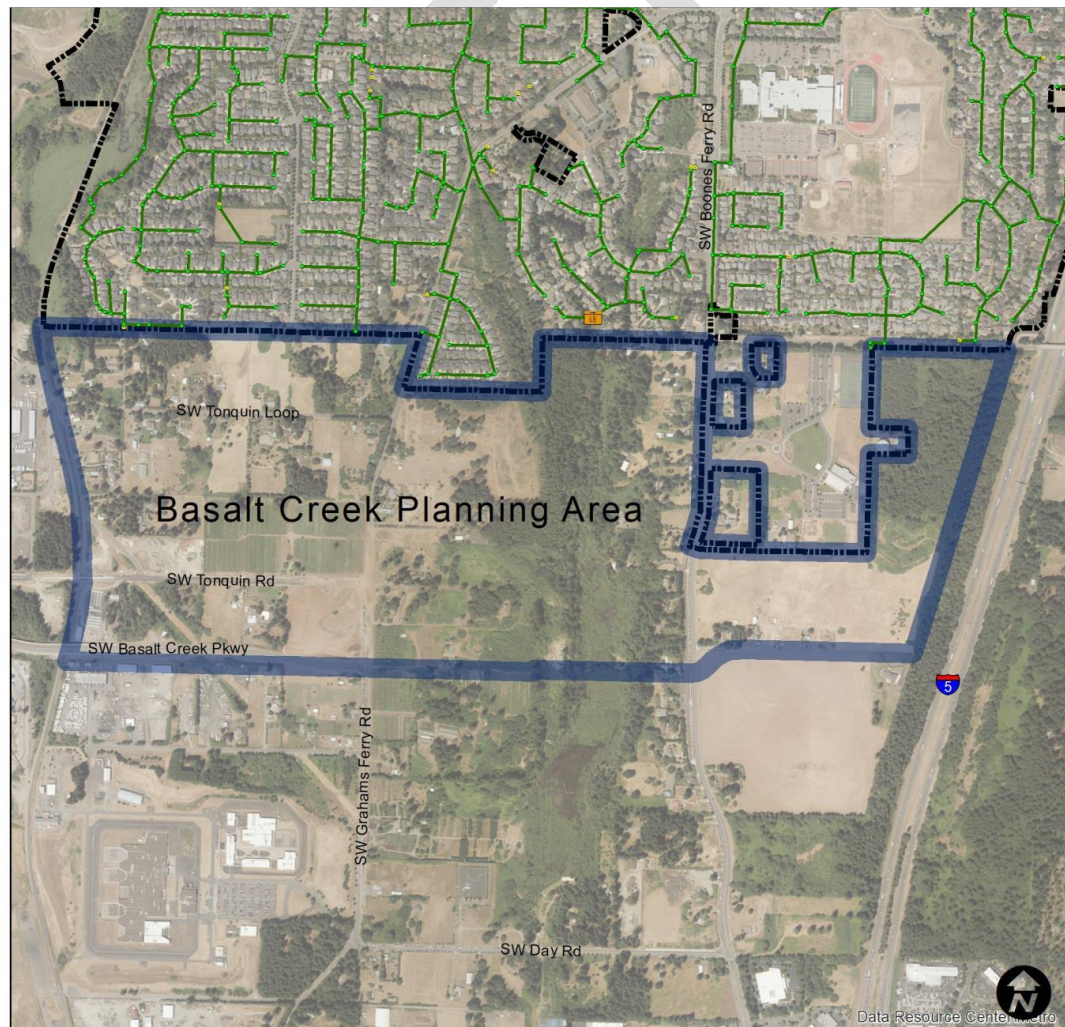
1. Tonquin Loop Sewer

Most of the sanitary sewer in the Basalt Creek Planning Area will be an 8-inch gravity system installed by developers. The construction timeline of this pipe depends on both the construction of Basalt Creek area pump station #4 and development progress in the western portion of the planning area. Because this project is entirely driven by new development, it is eligible for SDC reimbursement. “Build 2,170 feet of 10 inch sanitary sewer service in the Basalt Creek Planning Area to serve new commercial and residential development.” (CIP p 164)

Existing Conditions:

This section of the sewer system is not yet developed but will be necessary to fully develop the Area.

Figure 4 – Tonquin Loop Sewer



Source: City of Tualatin Capital Improvement Plan

2. Basalt Creek Gravity Sewer

The Basalt Creek Conceptual Plan includes approximately 34,250 feet of 8-inch gravity pipe within the planning area. These projects will be funded by developers, and scheduling will be coordinated with the City and CWS. It is expected that the residential portion of the planning area will develop within the next 10 years, while the commercial and industrial portions may develop in the next 20 years. (SMP p 4-3)

Existing conditions:

3. Basalt Creek Pump Stations and Force Mains

The conceptual sanitary sewer design for Basalt Creek includes the construction of six new pump stations, each with 6-inch force mains. One pump station is in the Wilsonville portion of the planning area and will be constructed by Wilsonville. CWS will own and operate the five remaining pump stations in the planning area, and will also be responsible for construction costs. (SMP p 4-3)

Existing conditions:

This section of the sewer system is not yet developed but will be necessary to fully develop the Area.

4. SW Tualatin Gravity Sewer

The proposed conceptual sewer layout for the Southwest Tualatin Concept Area also includes three 8-inch sewer lines to serve the area. It is expected that all gravity sewer in the planning area will be funded by developers and scheduling will be coordinated with the City and CWS. The southern region of the area is serviced by a proposed gravity line that will drain into the Basalt Creek Pump Station 4. The northeastern portion is serviced by a proposed gravity line that connects to existing sewer along SW Iteel Street. The northwestern sewer section connects to existing sewer along SW 124th Avenue and receives flow from the surrounding area as well as the proposed Southwest Tualatin Pump Station. (SMP p 68 4-4).

Existing Conditions:

This section of the sewer system is not yet developed but will be necessary to fully develop the Area. "It is expected that the residential portion of the planning area will develop within the next 10 years, while the commercial and industrial portions may develop in the next 20 years." (SMP p 4-3)

C. *Developer Assistance and Incentives*

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.

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.

D. *Small Business Grants*

Provide small industrial and office space owners and businesses façade grants to update, modernize existing façade infrastructure.

Existing conditions:

There is no funding for small business capital improvements in the Area, but a need for assistance to those small businesses for capital improvements.

E. *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. Prior to any property being acquired, it must be identified in the Plan in Section VIII.

Existing conditions:

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

F. *Administration*

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:

Once an urban renewal plan with its associated requirements for administration exists there will also be a need for administrative funds to be allocated for that administration.

III. 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 2021 constant dollars) and the estimated cost of those projects in the future (year of expenditure dollars).¹ 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 2021	Year of Expenditure Project Cost
Tonquin Loop Sewer	657,000	936,685
Basalt Creek Gravity Sewer	3,838,000	6,533,811
SW Tualatin Gravity Sewer	418,000	732,963
124th/Future Blake Street Signal	656,000	992,266
Tonquin Trail	2,343,000	4,762,850
Property Mitigation	2,965,223	6,128,732
Blake Street Extension	1,500,000	3,234,900
Small Business Grants	1,000,000	1,915,520
Water System Upsizing	12,000,000	22,034,075
Financing Fees	199,280	284,000
Administration	3,450,000	5,804,346
Total Expenditures	\$29,026,503	\$53,360,148

Source: City of Tualatin and Tiberius Solutions

¹ Year of expenditure project cost estimates assume annual inflation of 3.0%.

IV. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FYE 2052 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 2022 and beyond assume an annual growth rate of 6.0% for assessed value in the area (equal to 3% maximum annual appreciation for existing property plus 3% exception value from new development). Achieving this growth rate would require an annual increase in assessed value from new construction equal to an average of \$4.7 million per year, plus the maximum-allowed 3-percent appreciation on all existing property in the Area. 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 shows 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) 2023. Gross tax increment financing (TIF)² 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 5 shows expected TIF revenues over time and the projected tax revenues after termination of the Area.

² TIF is also used to signify tax increment revenues

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

FYE	Total	Frozen Base	Increment	Tax Rate	Gross TIF	Adjustments	Net TIF (Current Year)	Net TIF (Prior Year)	Net TIF (Total)
2023	\$111,902,962	\$99,593,238	\$12,309,724	\$10.7623	\$132,481	(\$6,624)	\$125,857	\$0	\$125,857
2024	\$118,617,139	\$99,593,238	\$19,023,901	\$10.7623	\$204,741	(\$10,237)	\$194,504	\$1,888	\$196,392
2025	\$125,734,167	\$99,593,238	\$26,140,929	\$10.7623	\$281,337	(\$14,067)	\$267,270	\$2,918	\$270,187
2026	\$133,278,218	\$99,593,238	\$33,684,980	\$10.7623	\$362,528	(\$18,126)	\$344,402	\$4,009	\$348,411
2027	\$141,274,910	\$99,593,238	\$41,681,672	\$10.7623	\$448,591	(\$22,430)	\$426,161	\$5,166	\$431,328
2028	\$149,751,405	\$99,593,238	\$50,158,167	\$10.7623	\$539,818	(\$26,991)	\$512,827	\$6,392	\$519,219
2029	\$158,736,490	\$99,593,238	\$59,143,252	\$10.7623	\$636,518	(\$31,826)	\$604,692	\$7,692	\$612,384
2030	\$168,260,680	\$99,593,238	\$68,667,442	\$10.7623	\$739,020	(\$36,951)	\$702,069	\$9,070	\$711,140
2031	\$178,356,321	\$99,593,238	\$78,763,083	\$10.7623	\$847,673	(\$42,384)	\$805,289	\$10,531	\$815,820
2032	\$189,057,701	\$99,593,238	\$89,464,463	\$10.7623	\$962,844	(\$48,142)	\$914,702	\$12,079	\$926,781
2033	\$200,401,162	\$99,593,238	\$100,807,924	\$10.7623	\$1,084,926	(\$54,246)	\$1,030,680	\$13,721	\$1,044,400
2034	\$212,425,232	\$99,593,238	\$112,831,994	\$10.7623	\$1,214,333	(\$60,717)	\$1,153,616	\$15,460	\$1,169,076
2035	\$225,170,745	\$99,593,238	\$125,577,507	\$10.7623	\$1,351,504	(\$67,575)	\$1,283,929	\$17,304	\$1,301,233
2036	\$238,680,988	\$99,593,238	\$139,087,750	\$10.7623	\$1,496,905	(\$74,845)	\$1,422,060	\$19,259	\$1,441,319
2037	\$253,001,847	\$99,593,238	\$153,408,609	\$10.7623	\$1,651,031	(\$82,552)	\$1,568,479	\$21,331	\$1,589,810
2038	\$268,181,957	\$99,593,238	\$168,588,719	\$10.7623	\$1,814,404	(\$90,720)	\$1,723,684	\$23,527	\$1,747,211
2039	\$284,272,875	\$99,593,238	\$184,679,637	\$10.7623	\$1,987,579	(\$99,379)	\$1,888,200	\$25,855	\$1,914,056
2040	\$301,329,246	\$99,593,238	\$201,736,008	\$10.7623	\$2,171,145	(\$108,557)	\$2,062,588	\$28,323	\$2,090,911

Source: Tiberius Solutions

Note: Future annexations may result in a higher weighted average tax rate than what is shown in this table. This analysis assumes all property in the Area remains in their current tax code areas for the duration of the URA, including some property in the City of Tualatin (where tax rates are higher) and some in unincorporated Washington County (where tax rates are lower). The result of future annexations within the URA would be a higher weighted average tax rate for the URA, resulting in additional tax increment revenues for the TDC and potentially an earlier time frame of reaching the maximum indebtedness.

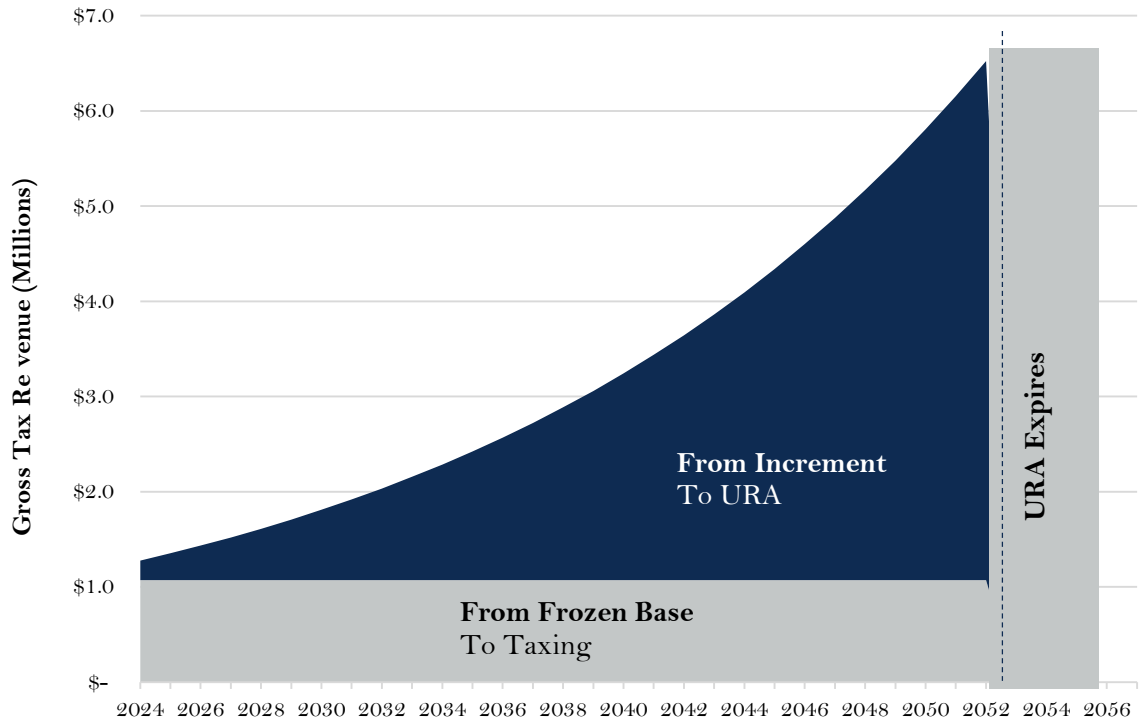
Table 4 - Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues, page 2

FYE	Total	Frozen Base	Increment	Tax Rate	Gross TIF	Adjustments	Net TIF (Current Year)	Net TIF (Prior Year)	Net TIF (Total)
2041	\$319,409,002	\$99,593,238	\$219,815,764	\$10.7623	\$2,365,725	(\$118,286)	\$2,247,439	\$30,939	\$2,278,378
2042	\$338,573,542	\$99,593,238	\$238,980,304	\$10.7623	\$2,571,980	(\$128,599)	\$2,443,381	\$33,712	\$2,477,092
2043	\$358,887,957	\$99,593,238	\$259,294,719	\$10.7623	\$2,790,610	(\$139,530)	\$2,651,079	\$36,651	\$2,687,730
2044	\$380,421,234	\$99,593,238	\$280,827,996	\$10.7623	\$3,022,358	(\$151,118)	\$2,871,240	\$39,766	\$2,911,006
2045	\$403,246,507	\$99,593,238	\$303,653,269	\$10.7623	\$3,268,010	(\$163,401)	\$3,104,610	\$43,069	\$3,147,678
2046	\$427,441,296	\$99,593,238	\$327,848,058	\$10.7623	\$3,528,402	(\$176,420)	\$3,351,982	\$46,569	\$3,398,551
2047	\$453,087,773	\$99,593,238	\$353,494,535	\$10.7623	\$3,804,417	(\$190,221)	\$3,614,197	\$50,280	\$3,664,476
2048	\$480,273,039	\$99,593,238	\$380,679,801	\$10.7623	\$4,096,994	(\$204,850)	\$3,892,144	\$54,213	\$3,946,357
2049	\$509,089,422	\$99,593,238	\$409,496,184	\$10.7623	\$4,407,124	(\$220,356)	\$4,186,768	\$58,382	\$4,245,150
2050	\$539,634,787	\$99,593,238	\$440,041,549	\$10.7623	\$4,735,863	(\$236,793)	\$4,499,070	\$62,802	\$4,561,871
2051	\$572,012,874	\$99,593,238	\$472,419,636	\$10.7623	\$5,084,326	(\$254,216)	\$4,830,110	\$67,486	\$4,897,596
2052	\$606,333,647	\$99,593,238	\$506,740,409	\$10.7623	\$5,453,697	(\$272,685)	\$5,181,012	\$72,452	\$5,253,464
TOTAL:					\$63,056,884	(\$3,152,844)	\$59,904,040	\$820,845	\$60,724,885

Source: Tiberius Solutions

Note: Future annexations may result in a higher weighted average tax rate than what is shown in this table. This analysis assumes all property in the Area remains in their current tax code areas for the duration of the URA, including some property in the City of Tualatin (where tax rates are higher) and some in unincorporated Washington County (where tax rates are lower). The result of future annexations within the URA would be a higher weighted average tax rate for the URA, resulting in additional tax increment revenues for the TDC and potentially an earlier time frame of reaching the maximum indebtedness.

Figure 5 - TIF Projections



Source: Tiberius Solutions

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

Table 5 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 2021 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 2052, 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, it may take longer; if growth in assessed value is faster than the projections, it may take a shorter time period. These assumptions show one scenario for financing and that this scenario is financially feasible.

The maximum indebtedness is \$53,200,000 (Fifty Three Million Two Hundred Thousand dollars). The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$53,200,000 is \$60,724,885 and is from permanent rate levies. The increase over the maximum indebtedness is due to the projected cost of the interest on borrowings.

Table 5 - TIF Capacity of the Area in FYE 2021 Constant Rounded Numbers

Average AV from New Construction	\$4,700,000
Total Net TIF	\$60,700,000
Maximum Indebtedness	\$53,200,000
Capacity (2021\$)	\$29,000,000
Years 1-5	\$600,000
Years 6-10	\$4,900,000
Years 11-15	\$4,900,000
Years 16-20	\$5,100,000
Years 21-25	\$5,700,000
Years 26-30	\$7,800,000

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 2052. 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 6 - Estimated Borrowings and Amounts

Loan	Loan A	Loan B	Loan C	Loan D
Principal Amount	\$1,600,000	\$3,400,000	\$4,400,000	\$4,800,000
Interest Rate	5.00%	5.00%	5.00%	5.00%
Loan Term	20	20	19	14
Loan Year	2024	2029	2034	2039
Interest Payment Start	2024	2029	2034	2039
Principal Payment Start	2024	2029	2034	2039
Annual Payment	(\$128,388)	(\$272,824)	(\$364,078)	(\$484,915)

Source: Tiberius Solutions

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Table 7 - Tax Increment Revenues and Allocations to Debt Service, page 1

	Total	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Resources								
Beginning Balance		-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-	-
TIF: Current Year	59,904,040	125,857	194,504	267,270	344,402	426,161	512,827	604,692
TIF: Prior Years	820,845	-	1,888	2,918	4,009	5,166	6,392	7,692
Total Resources	60,724,885	125,857	196,392	270,187	348,411	431,328	519,219	612,384
Expenditures								
Debt Service								
Loan A	(2,567,763)	-	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)
Loan B	(5,456,496)	-	-	-	-	-	-	(272,825)
Loan C	(6,917,483)	-	-	-	-	-	-	-
Loan D	(6,788,811)	-	-	-	-	-	-	-
Total Debt Service	(21,730,552)	-	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	(401,213)
Debt Service Coverage Ratio	1.00	1.00	1.51	2.08	2.68	3.32	3.99	1.51
Transfer to URA Projects Fund	(38,994,333)	(125,857)	(68,004)	(141,799)	(220,023)	(302,939)	(390,831)	(211,172)
Total Expenditures	(60,724,885)	(125,857)	(196,392)	(270,187)	(348,411)	(431,328)	(519,219)	(612,384)

Source: Tiberius Solutions

Table 8 - Tax Increment Revenues and Allocations to Debt Service, page 2

	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036	FYE 2037
Resources								
Beginning Balance	-	-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-	-
TIF: Current Year	702,069	805,289	914,702	1,030,680	1,153,616	1,283,929	1,422,060	1,568,479
TIF: Prior Years	9,070	10,531	12,079	13,721	15,460	17,304	19,259	21,331
Total Resources	711,140	815,820	926,781	1,044,400	1,169,076	1,301,233	1,441,319	1,589,810
Expenditures								
Debt Service								
Loan A	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)
Loan B	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)
Loan C	-	-	-	-	(364,078)	(364,078)	(364,078)	(364,078)
Loan D	-	-	-	-	-	-	-	-
Total Debt Service	(401,213)	(401,213)	(401,213)	(401,213)	(765,291)	(765,291)	(765,291)	(765,291)
Debt Service Coverage Ratio	1.75	2.01	2.28	2.57	1.51	1.68	1.86	2.05
Transfer to URA Projects Fund	(309,927)	(414,607)	(525,568)	(643,187)	(403,785)	(535,942)	(676,028)	(824,519)
Total Expenditures	(711,140)	(815,820)	(926,781)	(1,044,400)	(1,169,076)	(1,301,233)	(1,441,319)	(1,589,810)

Source: Tiberius Solutions

Table 9 - Tax Increment Revenues and Allocations to Debt Service, page 3

	FYE 2038	FYE 2039	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044	FYE 2045
Resources								
Beginning Balance	-	-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-	-
TIF: Current Year	1,723,684	1,888,200	2,062,588	2,247,439	2,443,381	2,651,079	2,871,240	3,104,610
TIF: Prior Years	23,527	25,855	28,323	30,939	33,712	36,651	39,766	43,069
Total Resources	1,747,211	1,914,056	2,090,911	2,278,378	2,477,092	2,687,730	2,911,006	3,147,678
Expenditures								
Debt Service								
Loan A	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	(128,388)	-	-
Loan B	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)	(272,825)
Loan C	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)
Loan D	-	(484,915)	(484,915)	(484,915)	(484,915)	(484,915)	(484,915)	(484,915)
Total Debt Service	(765,291)	(1,250,206)	(1,250,206)	(1,250,206)	(1,250,206)	(1,250,206)	(1,121,818)	(1,121,818)
Debt Service Coverage Ratio	2.25	1.51	1.65	1.80	1.95	2.12	2.56	2.77
Transfer to URA Projects Fund	(981,920)	(663,850)	(840,705)	(1,028,172)	(1,226,886)	(1,437,524)	(1,789,188)	(2,025,860)
Total Expenditures	(1,747,211)	(1,914,056)	(2,090,911)	(2,278,378)	(2,477,092)	(2,687,730)	(2,911,006)	(3,147,678)

Source: Tiberius Solutions

Table 10 - Tax Increment Revenues and Allocations, page 4

	FYE 2046	FYE 2047	FYE 2048	FYE 2049	FYE 2050	FYE 2051	FYE 2052
Resources							
Beginning Balance	-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-
TIF: Current Year	3,351,982	3,614,197	3,892,144	4,186,768	4,499,070	4,830,110	5,181,012
TIF: Prior Years	46,569	50,280	54,213	58,382	62,802	67,486	72,452
Total Resources	3,398,551	3,664,476	3,946,357	4,245,150	4,561,871	4,897,596	5,253,464
Expenditures							
Debt Service							
Loan A	-	-	-	-	-	-	-
Loan B	(272,825)	(272,825)	(272,825)	-	-	-	-
Loan C	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)	(364,078)
Loan D	(484,915)	(484,915)	(484,915)	(484,915)	(484,915)	(484,915)	(484,915)
Total Debt Service	(1,121,818)	(1,121,818)	(1,121,818)	(848,993)	(848,993)	(848,993)	(848,993)
Debt Service Coverage Ratio	2.99	3.22	3.47	4.93	5.30	5.69	6.10
Transfer to URA Projects Fund	(2,276,733)	(2,542,658)	(2,824,539)	(3,396,157)	(3,712,878)	(4,048,603)	(4,404,471)
Total Expenditures	(3,398,551)	(3,664,476)	(3,946,357)	(4,245,150)	(4,561,871)	(4,897,596)	(5,253,464)

Source: Tiberius Solutions

VI. 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 2052, a 30-year program.

The amount of money available for projects in 2021 constant dollars for the Area is \$29,026,503. See Table 2 for the individual project analysis. This \$29,026,503 is calculated by reflecting the maximum indebtedness of \$53,200,000 in constant 2021 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 \$29,026,503 of 2021 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 \$53,360,148. This exceeds the MI of \$53,200,000 as it includes approximately \$165,000 of anticipated interest earnings in the project fund which can be spent on projects in the URA without being counted against maximum indebtedness. .

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 11 - Programs and Costs in Year of Expenditure Dollars, Page 1

	Total	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Resources								
Beginning Balance		-	3,853	1,514,215	1,534,152	1,628,526	1,802,286	2,060,689
Interest Earnings	165,815	-	19	7,571	7,671	8,143	9,011	10,303
Transfer from TIF Fund	38,994,333	125,857	68,004	141,799	220,023	302,939	390,831	211,172
Bond/Loan Proceeds	14,200,000	-	1,600,000	-	-	-	-	3,400,000
Total Resources	53,360,148	125,857	1,671,876	1,663,585	1,761,846	1,939,608	2,202,128	5,682,164
Expenditures (YOE \$)								
Tonquin Loop Sewer	(936,685)	-	-	-	-	-	-	-
Basalt Creek Gravity Sewer	(6,533,811)	-	-	-	-	-	-	-
SW Tualatin Gravity Sewer	(732,963)	-	-	-	-	-	-	-
124th/Future Blake Street Signal	(992,266)	-	-	-	-	-	-	-
Tonquin Trail	(4,762,850)	-	-	-	-	-	-	-
Property Mitigation	(6,128,732)	-	-	-	-	-	-	(950,100)
Blake Street Extension	(3,234,900)	-	-	-	-	-	-	-
Small Business Grants	(1,915,520)	-	-	-	-	-	-	-
Water System Upsizing	(22,034,075)	-	-	-	-	-	-	(4,433,800)
Financing Fees	(284,000)	-	(32,000)	-	-	-	-	(68,000)
Administration	(5,804,346)	(122,004)	(125,661)	(129,433)	(133,320)	(137,322)	(141,439)	(145,682)
Total Expenditures	(53,360,148)	(122,004)	(157,661)	(129,433)	(133,320)	(137,322)	(141,439)	(5,597,582)
Ending Balance		3,853	1,514,215	1,534,152	1,628,526	1,802,286	2,060,689	84,582

Source: Tiberius Solutions

Table 12 - Programs and Costs in Year of Expenditure Dollars, Page 2

	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036	FYE 2037
Resources								
Beginning Balance	84,582	244,879	506,161	875,078	350,714	787,575	85,610	504,996
Interest Earnings	423	1,224	2,531	4,375	1,754	3,938	428	2,525
Transfer from TIF Fund	309,927	414,607	525,568	643,187	403,785	535,942	676,028	824,519
Bond/Loan Proceeds	-	-	-	-	4,400,000	-	-	-
Total Resources	394,931	660,710	1,034,261	1,522,640	5,156,253	1,327,455	762,066	1,332,041
Expenditures (YOE \$)								
Tonquin Loop Sewer	-	-	-	(936,685)	-	-	-	-
Basalt Creek Gravity Sewer	-	-	-	-	-	-	-	-
SW Tualatin Gravity Sewer	-	-	-	-	-	-	-	-
124th/Future Blake Street Signal	-	-	-	-	-	(992,266)	-	-
Tonquin Trail	-	-	-	-	-	-	-	-
Property Mitigation	-	-	-	-	(367,125)	-	-	-
Blake Street Extension	-	-	-	-	-	-	-	-
Small Business Grants	-	-	-	(71,285)	(73,425)	(75,630)	(77,900)	(80,235)
Water System Upsizing	-	-	-	-	(3,671,250)	-	-	-
Property Mitigation/Acquisition	-	-	-	-	-	-	-	-
Financing Fees	-	-	-	-	(88,000)	-	-	-
Administration	(150,052)	(154,549)	(159,183)	(163,956)	(168,878)	(173,949)	(179,170)	(184,541)
Total Expenditures	(150,052)	(154,549)	(159,183)	(1,171,926)	(4,368,678)	(1,241,845)	(257,070)	(264,776)
Ending Balance	244,879	506,161	875,078	350,714	787,575	85,610	504,996	1,067,265

Source: Tiberius Solutions

Table 13 - Programs and Costs in Year of Expenditure Dollars, Page 3

	FYE 2038	FYE 2039	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044	FYE 2045
Resources								
Beginning Balance	1,067,265	1,781,809	343,860	163,993	894,978	1,819,389	2,949,853	4,428,146
Interest Earnings	5,336	8,909	1,719	820	4,475	9,097	14,749	22,141
Transfer from TIF Fund	981,920	663,850	840,705	1,028,172	1,226,886	1,437,524	1,789,188	2,025,860
Bond/Loan Proceeds	-	4,800,000	-	-	-	-	-	-
Total Resources	2,054,521	7,254,567	1,186,284	1,192,985	2,126,339	3,266,010	4,753,790	6,476,148
Expenditures (YOE \$)								
Tonquin Loop Sewer	-	-	-	-	-	-	-	-
Basalt Creek Gravity Sewer	-	(6,533,811)	-	-	-	-	-	-
SW Tualatin Gravity Sewer	-	-	(732,963)	-	-	-	-	-
124th/Future Blake Street Signal	-	-	-	-	-	-	-	-
Tonquin Trail	-	-	-	-	-	-	-	(4,762,850)
Property Mitigation	-	-	-	-	-	-	-	-
Blake Street Extension	-	-	-	-	-	-	-	-
Small Business Grants	(82,640)	(85,120)	(87,675)	(90,305)	(93,015)	(95,805)	(98,680)	(101,640)
Water System Upsizing	-	-	-	-	-	-	-	-
Property Mitigation/Acquisition	-	-	-	-	-	-	-	-
Financing Fees	-	(96,000)	-	-	-	-	-	-
Administration	(190,072)	(195,776)	(201,653)	(207,702)	(213,935)	(220,352)	(226,964)	(233,772)
Total Expenditures	(272,712)	(6,910,707)	(1,022,291)	(298,007)	(306,950)	(316,157)	(325,644)	(5,098,262)
Ending Balance	1,781,809	343,860	163,993	894,978	1,819,389	2,949,853	4,428,146	1,377,886

Source: Tiberius Solutions

Table 14 - Programs and Costs in Year of Expenditure Dollars, Page 4

	FYE 2046	FYE 2047	FYE 2048	FYE 2049	FYE 2050	FYE 2051	FYE 2052
Resources							
Beginning Balance	1,377,886	1,222,231	180,261	2,639,186	523,260	1,493,432	294,614
Interest Earnings	6,889	6,111	901	13,196	2,616	7,467	1,473
Transfer from TIF Fund	2,276,733	2,542,658	2,824,539	3,396,157	3,712,878	4,048,603	4,404,471
Bond/Loan Proceeds	-	-	-	-	-	-	-
Total Resources	3,661,508	3,771,000	3,005,701	6,048,539	4,238,755	5,549,502	4,700,557
Expenditures (YOE \$)							
Tonquin Loop Sewer	-	-	-	-	-	-	-
Basalt Creek Gravity Sewer	-	-	-	-	-	-	-
SW Tualatin Gravity Sewer	-	-	-	-	-	-	-
124th/Future Blake Street Signal	-	-	-	-	-	-	-
Tonquin Trail	-	-	-	-	-	-	-
Property Mitigation	(523,450)	-	-	-	-	-	(4,288,057))
Blake Street Extension	-	(3,234,900)	-	-	-	-	-
Small Business Grants	(104,690)	(107,830)	(111,065)	(114,395)	(117,825)	(121,360)	(125,000)
Water System Upsizing	(1,570,350)	-	-	(5,147,775)	(2,356,500)	(4,854,400)	-
Property Mitigation/Acquisition	-	-	-	-	-	-	-
Financing Fees	-	-	-	-	-	-	-
Administration	(240,787)	(248,009)	(255,450)	(263,109)	(270,998)	(279,128)	(287,500)
Total Expenditures	(2,439,277)	(3,590,739)	(366,515)	(5,525,279)	(2,745,323)	(5,254,888)	(4,700,557)
Ending Balance	1,222,231	180,261	2,639,186	523,260	1,493,432	294,614	-

Source: Tiberius Solutions

VII. REVENUE SHARING

Revenue sharing targets are not projected to be reached 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 (\$5,320,000). 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 (\$6,650,000). 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.

VIII. 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 2052 and are shown in Table 15 and Table 16.

The Tigard/Tualatin School District, Sherwood 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 15 - Projected Impact on Taxing District Permanent Rate Levies - General Government, page 1

FYE	Wash. County	City of Tualatin	Metro	Port of Portland	Tualatin Soil & Water District	Tualatin Valley Fire & Rescue	Tigard Tualatin Aquatic	Urban Road Maint.	Enhanced Sheriff Patrol	Subtotal General Gov't
2023	(26,293)	(16,523)	(1,130)	(820)	(965)	(17,836)	(298)	(7)	(19)	(63,890)
2024	(41,029)	(25,782)	(1,763)	(1,279)	(1,505)	(27,832)	(465)	(11)	(29)	(99,696)
2025	(56,446)	(35,470)	(2,425)	(1,760)	(2,071)	(38,290)	(639)	(16)	(41)	(137,158)
2026	(72,788)	(45,739)	(3,127)	(2,269)	(2,671)	(49,376)	(824)	(20)	(52)	(176,867)
2027	(90,110)	(56,625)	(3,872)	(2,809)	(3,306)	(61,126)	(1,020)	(25)	(65)	(218,959)
2028	(108,472)	(68,163)	(4,660)	(3,382)	(3,980)	(73,582)	(1,228)	(30)	(78)	(263,576)
2029	(127,936)	(80,394)	(5,497)	(3,989)	(4,694)	(86,785)	(1,449)	(35)	(92)	(310,870)
2030	(148,567)	(93,358)	(6,383)	(4,632)	(5,451)	(100,780)	(1,682)	(41)	(107)	(361,002)
2031	(170,436)	(107,101)	(7,323)	(5,314)	(6,254)	(115,615)	(1,930)	(47)	(122)	(414,142)
2032	(193,618)	(121,668)	(8,319)	(6,037)	(7,104)	(131,340)	(2,192)	(54)	(139)	(470,471)
2033	(218,190)	(137,109)	(9,374)	(6,803)	(8,006)	(148,009)	(2,470)	(60)	(157)	(530,179)
2034	(244,237)	(153,476)	(10,493)	(7,615)	(8,962)	(165,678)	(2,765)	(68)	(175)	(593,469)
2035	(271,846)	(170,826)	(11,680)	(8,476)	(9,975)	(184,407)	(3,078)	(75)	(195)	(660,557)
2036	(301,112)	(189,216)	(12,937)	(9,388)	(11,049)	(204,259)	(3,409)	(83)	(216)	(731,670)
2037	(332,134)	(208,710)	(14,270)	(10,355)	(12,187)	(225,303)	(3,761)	(92)	(238)	(807,050)
2038	(365,017)	(229,374)	(15,683)	(11,380)	(13,393)	(247,609)	(4,133)	(101)	(262)	(886,953)
2039	(399,874)	(251,277)	(17,180)	(12,467)	(14,672)	(271,254)	(4,528)	(111)	(287)	(971,650)
2040	(436,821)	(274,495)	(18,768)	(13,619)	(16,028)	(296,317)	(4,946)	(121)	(314)	(1,061,429)

Table 16 - Projected Impact on Taxing District Permanent Rate Levies - General Government, page 2

FYE	Wash. County	City of Tualatin	Metro	Port of Portland	Tualatin Soil & Water District	Tualatin Valley Fire & Rescue	Tigard/Tualatin Aquatic	Urban Road Maint.	Enhanced Sheriff Patrol	Subtotal General Gov't
2041	(475,986)	(299,106)	(20,450)	(14,840)	(17,465)	(322,884)	(5,389)	(132)	(342)	(1,156,594)
2042	(517,500)	(325,193)	(22,234)	(16,134)	(18,989)	(351,046)	(5,859)	(143)	(371)	(1,257,469)
2043	(561,505)	(352,845)	(24,124)	(17,506)	(20,603)	(380,897)	(6,358)	(156)	(403)	(1,364,397)
2044	(608,151)	(382,157)	(26,129)	(18,961)	(22,315)	(412,538)	(6,886)	(168)	(437)	(1,477,741)
2045	(657,595)	(413,227)	(28,253)	(20,502)	(24,129)	(446,079)	(7,446)	(182)	(472)	(1,597,885)
2046	(710,006)	(446,162)	(30,505)	(22,136)	(26,052)	(481,632)	(8,039)	(197)	(510)	(1,725,238)
2047	(765,561)	(481,073)	(32,891)	(23,868)	(28,091)	(519,318)	(8,668)	(212)	(549)	(1,860,232)
2048	(824,450)	(518,078)	(35,422)	(25,704)	(30,251)	(559,265)	(9,335)	(228)	(592)	(2,003,326)
2049	(886,873)	(557,304)	(38,103)	(27,651)	(32,542)	(601,609)	(10,042)	(246)	(637)	(2,155,005)
2050	(953,040)	(598,883)	(40,946)	(29,714)	(34,970)	(646,494)	(10,791)	(264)	(684)	(2,315,785)
2051	(1,023,178)	(642,957)	(43,960)	(31,900)	(37,543)	(694,072)	(11,585)	(283)	(734)	(2,486,212)
2052	(1,097,524)	(689,675)	(47,154)	(34,218)	(40,271)	(744,504)	(12,427)	(304)	(788)	(2,666,864)
TOTAL:	(12,686,296)	(7,971,968)	(545,053)	(395,530)	(465,495)	(8,605,737)	(143,641)	(3,513)	(9,106)	(30,826,337)

Source: Tiberius Solution

Table 17 – Projected Impact on Taxing District Permanent Rate Levies – Education

FYE	Tigard/Tualatin School District	NW Regional ESD	Portland Community College	Sherwood School District	Subtotal Education
2023	(16,504)	(1,799)	(3,307)	(40,358)	(61,967)
2024	(25,753)	(2,807)	(5,161)	(62,976)	(96,696)
2025	(35,429)	(3,861)	(7,100)	(86,639)	(133,030)
2026	(45,687)	(4,979)	(9,155)	(111,723)	(171,544)
2027	(56,560)	(6,164)	(11,334)	(138,311)	(212,369)
2028	(68,085)	(7,420)	(13,643)	(166,495)	(255,643)
2029	(80,301)	(8,751)	(16,092)	(196,370)	(301,514)
2030	(93,251)	(10,163)	(18,687)	(228,037)	(350,137)
2031	(106,978)	(11,659)	(21,437)	(261,604)	(401,678)
2032	(121,528)	(13,244)	(24,353)	(297,186)	(456,311)
2033	(136,951)	(14,925)	(27,444)	(334,902)	(514,222)
2034	(153,300)	(16,707)	(30,720)	(374,881)	(575,607)
2035	(170,629)	(18,595)	(34,192)	(417,259)	(640,676)
2036	(188,999)	(20,597)	(37,873)	(462,179)	(709,649)
2037	(208,470)	(22,719)	(41,775)	(509,795)	(782,760)
2038	(229,110)	(24,969)	(45,911)	(560,268)	(860,258)
2039	(250,988)	(27,353)	(50,295)	(613,769)	(942,406)
2040	(274,179)	(29,880)	(54,943)	(670,480)	(1,029,482)
2041	(298,761)	(32,559)	(59,869)	(730,594)	(1,121,784)
2042	(324,819)	(35,399)	(65,090)	(794,315)	(1,219,623)
2043	(352,439)	(38,409)	(70,625)	(861,859)	(1,323,333)
2044	(381,717)	(41,600)	(76,492)	(933,455)	(1,433,265)
2045	(412,752)	(44,982)	(82,711)	(1,009,348)	(1,549,793)
2046	(445,649)	(48,567)	(89,303)	(1,089,794)	(1,673,313)
2047	(480,519)	(52,368)	(96,291)	(1,175,066)	(1,804,244)
2048	(517,482)	(56,396)	(103,698)	(1,265,455)	(1,943,031)
2049	(556,662)	(60,666)	(111,549)	(1,361,268)	(2,090,145)
2050	(598,194)	(65,192)	(119,872)	(1,462,829)	(2,246,086)
2051	(642,217)	(69,990)	(128,694)	(1,570,484)	(2,411,384)
2052	(688,881)	(75,075)	(138,045)	(1,684,598)	(2,586,599)
TOTAL:	(7,962,794)	(867,795)	(1,595,661)	(19,472,297)	(29,898,549)

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

Table 17 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2053.

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 18 - Additional Revenues Obtained after Termination of Tax Increment Financing – FYE 2053

Taxing District	Tax Rate	From Frozen Base	From Excess Value	Total
General Government				
Washington County	2.2484	223,925	1,221,152	1,445,077
City of Tualatin	2.2665	140,713	767,362	908,075
Metro	0.0966	9,620	52,465	62,085
Port of Portland	0.0701	6,982	38,073	45,055
Tualatin Soil & Water District	0.0825	8,217	44,808	53,025
Tualatin Valley Fire & Rescue	1.5252	151,899	828,368	980,267
Tigard/Tualatin Aquatic District	0.09	2,535	13,826	16,361
Urban Road Maintenance	0.2456	62	338	400
Enhanced Sheriff Patrol	0.6365	161	876	1,037
Subtotal Gen. Govt.	6.6249	\$543,953	\$2,966,392	\$3,510,345
Education				
Tigard/Tualatin School District	4.9892	140,551	766,479	907,030
NW Regional ESD	0.1538	15,318	83,533	98,851
Portland Community College	0.2828	28,165	153,594	181,759
Sherwood School District	4.8123	343,704	1,874,356	2,218,060
Subtotal Education	10.2381	\$527,738	\$2,877,962	\$3,405,700
Total	16.863	\$1,071,691	\$5,844,354	\$6,916,045

Source: Tiberius Solutions

IX. 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 \$99,593,238. The Washington County Assessor will certify the frozen base once the urban renewal plan is adopted.

The total assessed value of the City of Tualatin in FYE 2020 is \$5,282,129,701.³

The percentage of total City assessed value in the urban renewal area is 1.9%, below the 25% threshold.

The Area contains 717.3 acres, including public rights-of-way, and the City of Tualatin contains 5,240 acres. This puts 13.68 % of the City’s acreage in an urban renewal area, which is below the 25% threshold.

Table 19 - Urban Renewal Area Conformance with Assessed Value and Acreage Limits

	Acreage	Assessed Value
Southwest and Basalt Creek Development Area	717.3	\$99,593,238
City of Tualatin	5,240	\$5,282,129,701*
% of City	13.68%	1.9%

Source: Compiled by Elaine Howard Consulting, LLC with data from Tiberius Solutions LLC, City of Tualatin and Washington County Department of Assessment and Taxation (FYE 2021)

*represents values from both Clackamas (\$553,375,736) and Washington Counties (\$4,728,753,965)

³ Washington County Assessor FY 2020/2021 SAL 4a Report.

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

This section of the Report describes existing conditions within the Southwest and Basalt Creek Development Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use

The Area measures 717.3 total acres in size, which is composed of 158 individual parcels encompassing 646.51 acres, and an additional 70.79 acres in public rights-of-way. An analysis of FYE 2020/2021 property classification data from the Washington County Department of Assessment and Taxation database was used to determine the land use designation of parcels in the Area. By acreage, Commercial uses account for the most prevalent land use within the Area (42.97%). This was followed by Residential uses (30.75%). Detailed land use designations in the Area can be seen in Table 19.

Table 20 - Land Use in the Area

Land Use	Parcels	Acreage	Percent of Acreage
Commercial	42	277.78	42.97%
Residential	78	198.78	30.75%
Forrest	9	83.15	12.86%
Farm	10	54.33	8.40%
Miscellaneous	11	28.08	4.34%
Exempt	8	4.39	0.68%
TOTAL:	158	646.51	1%

Source: Compiled by Elaine Howard Consulting, LLC with data from the Tiberius Solutions using the Washington County Department of Assessment and Taxation database (FYE 2020-2021)

2. Comprehensive Plan Designations

The Comprehensive Plan designation for unannexed properties is identified as unincorporated. The most prevalent comprehensive plan designation by acreage in the Area is Industrial (69.04%). The second most prevalent comprehensive plan designation in the Area is Residential (28.82%). Detailed comprehensive plan designations in the Area can be seen in Table 20 . Properties outside the urban growth boundary are shown as undesignated.

Table 21 – Comprehensive Plan Designations in the Area

Comprehensive Plan	Parcels	Acreage	Percent of Acreage
Industrial	102	446.34	69.04%
Residential	49	186.31	28.82%
Commercial	3	4.35	0.67%
No Designation	4	9.51	1.47%
TOTAL:	158	646.51	1.00%

Source: Compiled by Elaine Howard Consulting, LLC with data from the Tiberius Solutions using the Washington County Department of Assessment and Taxation database (FYE 2020-2021)

3. Zoning Designations

Detailed zoning designations in the Area can be seen in Table 21. For properties that are not yet annexed, the zoning designation will be shown as Future Development.

Table 22 - Zoning Designations in the Area

Zoning	Parcels	Acreage	Percent of Acreage
Manufacturing Park	47	140.16	21.68%
High Density Residential	1	4.68	0.72%
Neighborhood Commercial	3	4.35	0.67%
Medium Low Density Residential	7	68.86	10.65%
Low Density Residential	41	112.77	17.45%
Manufacturing Business Park	23	120.14	18.58%
General Manufacturing	32	186.04	28.78%
No Designation	4	9.51	1.47%
TOTAL:	158	646.51	100.00%

Source: Compiled by Elaine Howard Consulting, LLC with data from the Tiberius Solutions using the Washington County Department of Assessment and Taxation database (FYE 2020-2021)

Figure 6 – Southwest and Basalt Creek Development Area Plan Designations

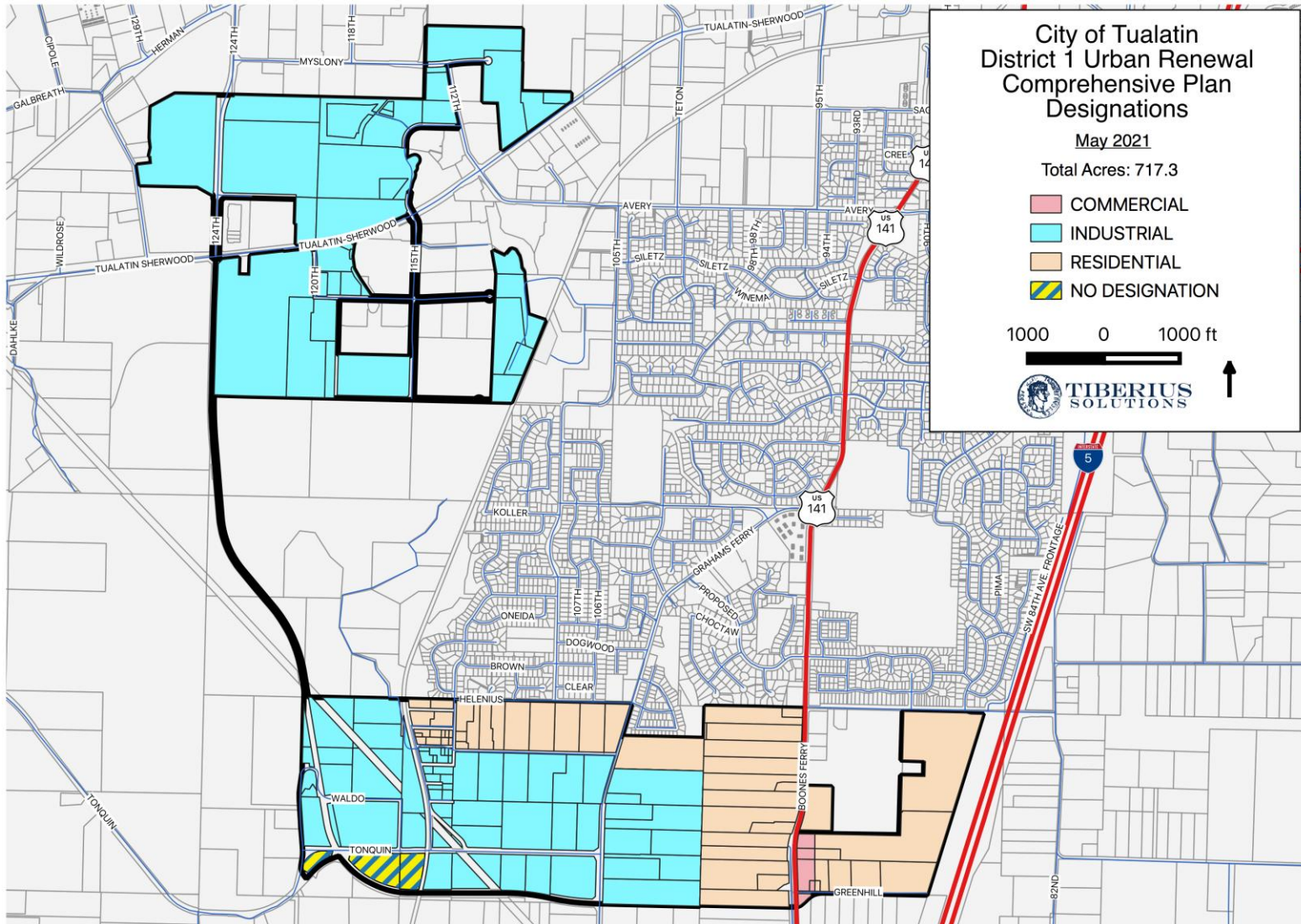
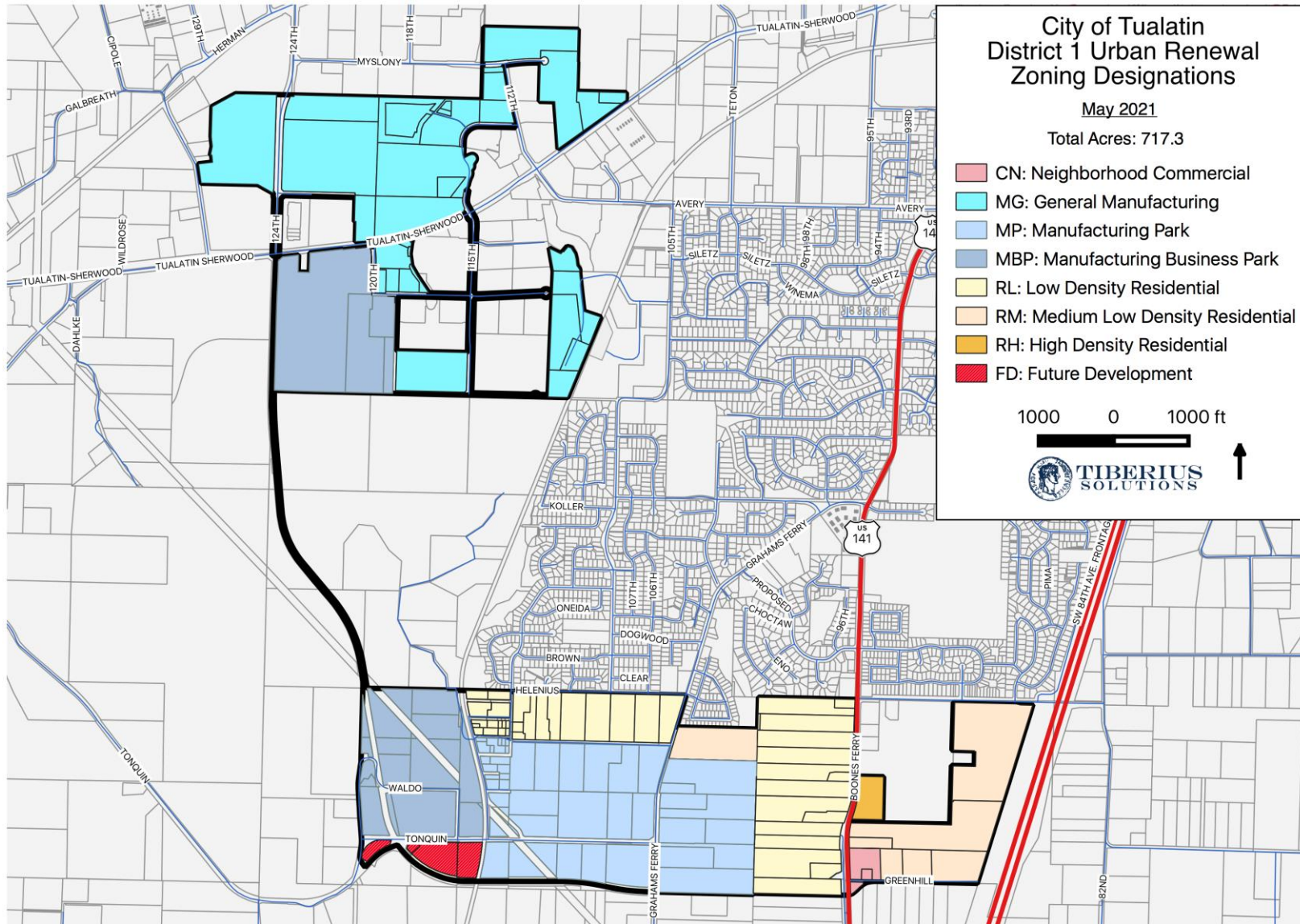


Figure 7 – Southwest and Basalt Creek Development Area Zoning Designations



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. **This does not mean that all of these projects are included in the urban renewal plan.** The projects that are included in the Southwest and Basalt Creek Development Area Plan are **highlighted in yellow.** 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

The *Basalt Creek Concept Plan* "looked at the existing transportation system and the planned transportation system developed as part of the TRP, which includes phased investments to support regional and local transportation needs through 2035. The plan provides 18 transportation investments broken into short, medium and long-term projects, all of which are important to ensure that the transportation network functions at acceptable levels over time. The key element is the East-West Connector to the 124th Avenue extension, the future and partially constructed Basalt Creek Parkway" (described below). (BCCP p 22)

Basalt Creek Parkway

The Basalt Creek Parkway, of which the segment between 124th Avenue/Tonquin Road to Grahams Ferry Road is already under construction, is the major east-west arterial through the area. The Parkway allows for limited local access providing important freight connections between Tonquin, Southwest Tualatin, and Basalt Creek Employment Areas to I-5. It also serves as a future jurisdictional boundary between Tualatin and Wilsonville. (BCCP p 32)

The *Southwest Tualatin Concept Plan* is a guide for the industrial development of a 431-acre area currently outside the southwestern corner of the City of Tualatin. "City, county and/or regional transportation plans call for the following projects to be constructed by 2025, all of which provide extra roadway capacity that does not exist today.

- A new roadway connecting I-5 and Highway 99W. Although a new freeway connecting south of Sherwood, with an interchange at SW 124th Avenue, produces the best traffic operations, that alignment requires state approvals that have not yet been obtained. Instead, the Concept Plan work assumes a four-lane arterial along the Urban Growth Boundary that joins Tualatin-Sherwood Road northeast of Sherwood.
- Widening Tualatin-Sherwood Road to 5 lanes from Tualatin to Sherwood.
- A new bridge across the Tualatin River (either an extension of Hall Boulevard or a connection between Lower Boones Ferry Road and Tualatin Road)."(p 11)

The SWTCP also recommends the following projects be completed in the planning area:

- SW 115th Avenue, Tualatin-Sherwood Road to Tonquin Road
- **Blake Street, SW 108th Avenue to SW 124th Avenue** (SWTCP p 21)
- East-West Connector, SW 115th Avenue to 124th Avenue (SWTCP p 21)
- IteI Street and SW 122nd, between SW 112th and Blake Street (SWTCP p 21)

Additional transportation needs include:

124th Future Blake Street Signal - *Tualatin Moving Forward* - Design and construct a new traffic signal at the new intersection of the recently-constructed 124th Ave with the future extension of Blake Street along with or after the future Blake Street construction.

Tonquin Trail - Parks and Recreation Master Plan

“Coordination with Metro, Tualatin Community Services Department, and the Wilsonville Parks and Recreation Department will be necessary to establish a local trail network with regional connections. Metro’s Ice Age Tonquin Trail Master Plan provides a framework for local and regional implementation of the regional Ice Age Tonquin Trail, which is intended to complement the Ice Age Floods National Geological Trail Planning (the national trail will be a network of driving routes with spurs for biking and walking, from Montana to the Pacific Ocean). The preferred alignment for the regional Ice Age Tonquin Trail includes a section bordering the Basalt Creek Planning Area as part of a 22-mile trail alignment through Wilsonville, Tualatin, and Sherwood with trail facility types varying by location based upon landscape and setting. The Ice Age Tonquin Trail is intended to connect in the north to the Tualatin River Greenway Trail, Fanno Creek Trail, and the Westside Trail, and to the south to the Willamette River.” (BCCP p 38)

2. Storm Water

Basalt Creek Area: “Existing stormwater infrastructure consists of roadside drainage ditches and culverts. Culverts in the Planning Area are under the jurisdiction of Washington County and may not have capacity for future urban conditions. Culverts to the south of the Planning Area are part of the City of Wilsonville stormwater system. The City of Tualatin has jurisdiction over the stormwater conveyance system to the north of the Planning Area. Culverts may need to be upsized to provide adequate capacity for runoff from new impervious areas, unless onsite retention or infiltration is required when the location of public drainage or the topography of the site make connection to the system not economically feasible.

Basalt Creek itself flows to the south into Wilsonville as part of the Coffee Lake Creek Basin. Basalt Creek discharges into the Coffee Lake wetlands. Coffee Lake Creek flows south from the wetlands and combines with Arrowhead Creek before discharging to the Willamette River.

The City of Wilsonville’s 2012 Stormwater Master Plan identifies capital improvement Project CLC-3 to restore a portion of the Basalt Creek channel, west of Commerce Circle, to increase capacity. The master plan also identifies Project CLC-1 for construction of a wetland for stormwater detention purposes, north of Day Road, to serve an area that includes the Basalt Creek Planning Area. The July 2014 Updated Prioritized Stormwater Project List identifies CLC-3 as a mid-term project (6 to 10 years) and CLC-1 as a long-term project (11 to 20 years).

Locations where stormwater runoff from the Basalt Creek Planning Area could connect to existing stormwater infrastructure will require evaluation of the conveyance systems at time of development.” (BCCP p. 23)

The City of Tualatin is currently issuing a Request for Proposals for a Storm Water Plan for the Basalt Creek Area.

Southwest Corridor Area: “No storm water system exists within the Concept Plan area. The plan area rises gradually in elevation from approximately 185 feet at the north to about 290 feet along the central east side, then drops to about 240 feet at the south. Drainage is imperfect, but generally toward the north and toward the south, with a break point at approximately the middle of the Concept Plan area. Drainage in the northern portion around and in the quarry infiltrates through the fragmented basalt. Drainage to the south flows toward Coffee Lake Creek/Seely Ditch, which flows to the Willamette River.

Infrastructure Needs: Runoff from future streets or access roads and development in the portion of the Concept Plan area that flows north will need to meet Clean Water Services (CWS) design criteria for storm water quality and quantity control. For the portion that flows to the south, design standards necessary for development will need to be coordinated with those design standards applicable downstream and outside of the SWCP area. A new conveyance system will need to be installed along the roadways. Site development runoff will need to be treated and detained, if necessary, before being discharged to the public drainage systems. It should be noted that most of the Concept Plan area is outside of the current CWS service area. The CWS service area may be expanded in the future to include the Concept Plan area. If this does not occur, the City may require that new development meet CWS requirements.” (SWTCP p 15)

3. Sanitary Sewer - all projects from the Sewer Master Plan

“Currently, no sewer service is provided to the Planning Area. Existing homes use septic systems. Wastewater conveyance to the south of the Planning Area is under jurisdiction of the City of Wilsonville. Sewer service to the north of the Planning Area in Tualatin is provided by the City of Tualatin and Clean Water Services.

The nearest treatment facility to the north of the Planning Area is the CWS Durham Advanced Wastewater Treatment Facility (AWTF). Eight gravity sewer mains exist near the north Planning Area boundary that could provide connection points for wastewater from the Basalt Creek Planning Area into the Tualatin collection system. The Victoria Woods Pump Station and associated force main are also located just to the north of the Planning Area boundary. From these connection points, wastewater flows by gravity toward the AWTF, crossing the Tualatin River via the Lower Tualatin Pump Station in Tualatin Community Park. Pump stations will be required to lift flows from the Planning Area into the existing gravity system. Expansion of the service district area to include Tualatin’s portion of the Basalt Creek Planning Area needs to be approved by Clean Water Services at time of Annexation.

The nearest treatment facility to the south of the Planning Area is the City of Wilsonville Wastewater Treatment Plant (WWTP), located approximately 3.2 miles south of the Planning Area. This facility was recently expanded to accommodate growth within the current city limits and allow for additional buildout to accommodate growth outside the city limits in Urban Growth Boundary expansion areas. Approximately half (300 acres)

of the Basalt Creek Planning Area was accounted for in the year 2030 build-out capacity assessment conducted as part of the facility expansion.

The City of Wilsonville's Coffee Creek Master Plan identifies a new sanitary main line to be constructed. After the adoption of that plan, more analysis was completed and determined the appropriate location of the sanitary sewer line to be along Garden Acres Road from Ridder Road and extending north to near Day Road and then continuing up Grahams Ferry Road. A second sanitary sewer line will extend from Garden Acres east and north to Day Road extending east to Boones Ferry Road. These lines are intended to provide conveyance of wastewater within the Coffee Creek area and are also intended to serve flows from the Basalt Creek Planning Area to the WWTP. The Sanitary Sewer Collection System Master Plan has analyzed a range of potential flows from the Planning Area.

The Tualatin Sanitary Sewer Master Plan Update is currently being updated and includes the Basalt Creek Planning Area as a sewer basin. The City of Wilsonville updated its Sanitary Sewer Collection Systems Master Plan (MSA, 2014) which included the Basalt Creek Planning Area as a contributing area. The resulting updated master plans identify the improvements needed to increase the capacity of each system to convey flow from the Basalt Creek Planning Area. " (BCCP p 22,23)

The following projects are identified for the Area.

- **Basalt Creek Gravity Sewer** - The Basalt Creek Conceptual Plan includes approximately 34,250 feet of 8-inch gravity pipe within the planning area. These projects will be funded by developers, and scheduling will be coordinated with the City and CWS. It is expected that the residential portion of the planning area will develop within the next 10 years, while the commercial and industrial portions may develop in the next 20 years.
- **Tonquin Loop Sewer** - Most of the sanitary sewer in the Basalt Creek Planning Area will be an 8-inch gravity system installed by developers. The construction timeline of this pipe depends on both the construction of Basalt Creek area pump station #4 and development progress in the western portion of the planning area. Because this project is entirely driven by new development, it is eligible for SDC reimbursement.
- **Basalt Creek Pump Stations and Force Mains** - The conceptual sanitary sewer design for Basalt Creek includes the construction of six new pump stations, each with 6-inch force mains. One pump station is in the Wilsonville portion of the planning area and will be constructed by Wilsonville. CWS will own and operate the five remaining pump stations in the planning area, and will also be responsible for construction costs
- **SW Tualatin Gravity Sewer** - A section of the Tualatin Reservoir Trunk is currently almost at capacity and will receive flows from developments in the western and central areas of the Basalt Creek Planning Area. This sewer runs along the north side of the Tualatin Reservoir near SW 108 th Avenue and SW Industrial Way. Due to capacity limitations and shallow manholes, SSOs are likely unless the sewer diameter is increased from 15 inches to 24 inches before these areas are developed. Estimated remaining capacity in this sewer is between 50 and 100 EDUs. This project spans from SSL-01214 to SSL-01625 in the GIS database. Because this project is entirely driven by new development, it is eligible for SDC reimbursement. All but roughly 370

feet of this sewer is already 15-inch diameter, so the cost of this project will be mostly funded by CWS. The City will pay a portion of the upgrade cost for the 370 feet of 10-inch pipe. This project includes a section of pipe that crosses under a railroad. (SMP p. 68)

The *Southwest Tualatin Concept Plan* identifies that no sanitary sewer system of adequate size currently exists within or near the Concept Plan area.

The needs identified are:

- Tualatin-Sherwood Extension – a new 24-inch pipeline located in Tualatin-Sherwood Road, extending from the Concept Plan area/URA easterly to SW Avery Street;
- • Bluff/Cipole Lateral – Increase existing 12-inch to 21-inch pipe to an 18-inch and 36-inch pipeline extending from near the SW Tualatin-Sherwood Road / SW Avery Street intersection to the existing Bluff/Cipole Trunk; and
- Bluff/Cipole Trunk improvements – upsize existing trunkline pipe diameters. (SWTCP p 14)

4. Water

Water System Upsizing - *Murray Smith Technical Memorandum 2014*

The *Southwest Tualatin Concept Plan* identifies that there are currently no public water lines located in the Concept Plan area. (SWTCP p 14)

5. Parks

Basalt Creek Park - Parks and Recreation Master Plan (BCPRMP) - Evaluate land opportunities to support recreation needs and protect natural resources for a new neighborhood park in south Tualatin to serve residents and employees. Acquire land and develop park and recreation facilities in future years. This project fulfills four of the Council 2030 Vision initiatives: Connected Informed & Engaged, Vibrant & Accessible Gathering Places, Safe, Desirable & Welcoming Neighborhoods, and Environmentally Active & Responsible.

“No parks currently exist within the Planning Area. Wilsonville Parks owns and maintains 16 different public parks, the closest of which is Canyon Creek Park located in Northeast Wilsonville on the other side of I-5. It has 1.41 developed acres and 6.87 acres of natural area popular for picnics and walking. The other Wilsonville parks are located approximately 2 miles south of the Planning Area, including Graham Oaks Nature Park, which will be connected to the Planning Area when the regional Ice Age Tonquin Trail is complete. City of Tualatin Parks and Recreation owns and maintains 9 different parks, with Ibach Park being the closest to the Planning Area. Ibach includes an award winning and nationally recognized playground that incorporates Tualatin’s pre-historic, Native American, and pioneering past, with information on the cultural and natural history of the area.

Metro’s Ice Age Tonquin Trail Master Plan provides a framework for local and regional jurisdictions to embark on trail implementation efforts. The proposed trail alignments show about 22 miles of trails connected through Tualatin, Wilsonville and Sherwood, and includes a section traversing the Basalt Creek Planning Area. “ (BCPRMP p 24)

“One of the guiding principles of the Basalt Creek Concept Plan is to protect key natural resources and sensitive areas while making recreational opportunities accessible by

integrating new parkland, open spaces, natural areas and trails in the Planning Area and connecting to existing regional networks.

The Planning Area provides an interesting opportunity for different types of parks, given the variety of land uses and the extensive Basalt Creek Canyon natural area: active and passive neighborhood parks, pocket parks, and even perhaps a large community or regional facility. It also provides opportunities for jogging, hiking, or other outdoor recreation by area employees and nearby residents.

Cities will determine specific locations of facilities as part of citywide parks planning and implementation, and will adopt funding methods for acquisition, capital and operating costs for parklands in the Basalt Creek Planning Area, including the use of their current System Development Charges for parks. Locating parks near schools, natural areas or other public facilities is preferable, especially when it provides an opportunity for shared use facilities. As in any park development, the acquisition is best done in advance of annexation and extension of services, with development of the parks occurring as the need arises.

At the time of this writing, both cities are going through a Park and Recreation Master Plan update. This update has considered the Basalt Creek Planning Area in the types of services and facilities that will be needed to serve residents and businesses in this area. Each City will include their respective portions of the Basalt Creek area in their independent Parks and Recreation Master Plan.”(BCPRMP p 41)

6. Natural Resources

Basalt Creek Concept Plan - “Oregon Statewide Planning Goal 5: Natural Resources, Scenic and Historic Areas, and Open Spaces

Goal 5 protects natural resources and conserves scenic and historic areas and open spaces by directing local governments to adopt protection programs. Titles 3 and 13 of Metro’s Urban Growth Management Functional Plan implements Goal 5 in the Portland Metro region.

Metro Title 3: Water Quality, Flood Management and Fish and Wildlife Conservation

Title 3 requires local jurisdictions to limit or mitigate the impact of development activities on Water Quality and Flood Management Areas which includes wetlands and riparian areas. An inventory was conducted in 2001. There are 116 acres of land in the Basalt Creek Planning Area that have been designated by Metro as Water Quality and Flood Management Areas under Title 3. These lands are restricted for development and buffered by a vegetated corridor. Any development within the vegetated corridor must be mitigated by environmental restoration and/or stormwater retention and water quality measures. As a result of Title 3, these lands were excluded from the developable lands input in the scenario testing.

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 A	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

Development in Title 13 areas is not prohibited but generally discouraged within the Basalt Creek Planning Area. Areas designated Riparian Habitat Classes I and II require 20% reduction in developable lands. Low impact design and mitigation strategies would be important to any development that might happen to maintain the function of these important ecological areas.

Both the City of Wilsonville and Clean Water Services have local ordinances in place that go beyond the level of conservation required by Title 3 and existing local standards from each City would apply upon annexation of a Planning Area property into either Wilsonville or Tualatin. Future development in Tualatin must comply with Clean Water Services’ Design and Construction Standards & Service Provider Letters (SPLs) for impacts in sensitive areas such as vegetated corridors surrounding streams and wetland habitat, including the Tualatin River Watershed and the entire City of Tualatin. Within the City of Wilsonville, the Significant Resource Overlay Zone (SROZ) includes floodplains, wetlands, riparian corridors, and vegetated corridors. Impact areas are generally considered to be the areas within 25 feet of a Significant Resource area. Development can only be permitted through review of a Significant Resource Impact Report (SRIR) analyzing the impacts of development within mapped significant resource areas.”(BCCP p 43)

Southwest Tualatin Concept Plan –

Existing Conditions: Natural resources in the Concept Plan area have been highly modified by historical and current land uses.

The plant community consists predominantly of scrub-shrub vegetation with remnant patches of forested habitat. Shrub vegetation is dominated by ocean spray (*Holodiscus discolor*) and poison oak (*Rhus diversiloba*). Dominant trees include madrone (*Arbutus menziesii*), Scouler's willow (*Salix scouleriana*), black cottonwood (*Populus balsamifera*), and Douglas fir (*Pseudotsuga menziesii*). With the exception of a fairly large population of madrone, no unique species or species assemblages were found. Madrone is native to western Oregon, but not particularly common in this portion of the Willamette Valley. Introduction and dispersal of weeds is prevalent, facilitated by high truck traffic and the electrical transmission rights-of-way (i.e., BPA).

Wildlife activity appears sparse where vegetation is cleared and land use by people is active. Inactive land areas appear suitable for a variety of wildlife species, especially deer, coyote, small mammals, song birds, and reptiles.

The Washington County soil map indicates that most of the plan area is covered by Saum silt loam (38), Briedwell stony silt loam (5), Hillsboro loam (21), and Pits (76), all non-hydric soils. Wapato silty clay loam (43), a hydric soil, is present along Coffee Lake Creek and west of the old railroad station. Wetland resources tend to occur at hydric soil locations.

Waters and wetlands seem to occur where perched hydrology intersects with ground surfaces. A cursory search for potential waters and wetlands reveals the Kolk Ponds, shallow wetland ponds at the north end, and wetlands associated with Coffee Lake Creek.

Field observations indicate that wetland conditions exist at former borrow sites, where unimproved roads have altered surface drainage, at roadside ditches, and at CWS Water Quality Sensitive Areas and Vegetated Corridors. It will be challenging to determine the jurisdictional status of wetlands that occur at active and formerly active quarry operations, potentially isolated wetlands, drainage ditch wetlands, and artificial ponds.

Development Issues: “ Protection of waters and wetlands will constrain many land uses because regulated areas are scattered across the plan area. The initial impression is that threatened and endangered species protections do not appear to impact development. Presence of archeological resources is unknown, but unlikely at present and former borrow areas. Current stormwater and surface water patterns and management are disjunct and imperfect. ” (SWTCP p 16)

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 21%.

Table 23 - Age in the Area

Age	Number	Percentage
Under 5 years	482	5%
5 to 9 years	592	6%
10 to 14 years	535	5%
15 to 17 years	352	3%
18 to 24 years	833	8%
25 to 34 years	1,608	16%
35 to 44 years	2,144	21%
45 to 54 years	1,475	14%
55 to 64 years	1,319	13%
65 to 74 years	656	6%
75 to 84 years	202	2%
85 years and over	37	0%
TOTAL:	10,235	100%

Source: American Community Survey 2015-2019 Five Year Estimates

The analysis of race and origin are shown in the table below.

Table 24 – Hispanic or Latino Origin by Race in the Area

	Number	Percentage
Not Hispanic or Latino	8,773	86%
White alone	7,209	70%
Black or African American alone	382	4%
American Indian and Alaska Native alone	77	1%
Asian alone	446	4%
Native Hawaiian and Other Pacific Islander alone	215	2%
Some other race alone	5	0%
Two or more races	439	4%
Hispanic or Latino	1,462	14%
White alone	978	10%
Black or African American alone	8	0%
American Indian and Alaska Native alone	22	0%
Asian alone	50	0%
Native Hawaiian and Other Pacific Islander alone	-	0%
Some other race alone	289	3%
Two or more races	115	1%
TOTAL:	10,235	100%

Source: American Community Survey 2015-2019 Five Year Estimates

Only 26% of the residents reported an education that included less than high school or gaining a high school diploma. The remaining 74% had some type of advanced education.

Table 25 - Education in the Area

Education	Number	Percentage
Less than high school	397	5%
High school graduate (includes equivalency)	1,547	21%
Some college	1,833	25%
Associate's degree	645	9%
Bachelor's degree	2,077	28%
Master's degree	689	9%
Professional school degree	143	2%
Doctorate degree	110	1%
TOTAL:	7,441	100%

Source: American Community Survey 2015-2019 Five Year Estimates

The income in the Area is shown in Table 26. .

Table 26 - Income in the Area

Income Range	Number	Percentage
Less than \$10,000	210	6%
\$10,000 to \$19,999	49	1%
\$20,000 to \$29,999	200	6%
\$30,000 to \$39,999	258	8%
\$40,000 to \$49,999	128	4%
\$50,000 to \$59,999	157	5%
\$60,000 to \$74,999	234	7%
\$75,000 to \$99,999	550	16%
\$100,000 to \$124,999	455	13%
\$125,000 to \$149,999	333	10%
\$150,000 to \$199,999	337	10%
\$200,000 or more	489	14%
TOTAL:	3,400	100%

Source: American Community Survey 2015-2019 Five Year Estimates

Additional data from the American Community Survey 2015-2019 Five Year Estimates shows that 80% of the responders drove alone to work and that 84% of those drove more than 10 minutes to work.

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 Department of Assessment and Taxation for FYE 2021, including all real, personal, manufactured, and utility properties, is estimated to be \$99,593,238.

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 27 shows the improvement to land ratios (I:L) for properties within the Area. In the Area 8 parcels representing less than one percent of the Area are exempt from taxation. Another 63 parcels have no improvement value. No improvement value means there are no taxable structures on the tax lot. One hundred thirty four parcels representing 87% of the non-exempt 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 9 of the 150 non-exempt parcels in the Area, totaling 6% of the acreage have I:L ratios of 2.0 or more in FYE 2020-2021. In summary, the Area is underdeveloped and not contributing significantly to the tax base in Tualatin.

Table 27 - Improvement to Land Ratios in the Area

Improvement/Land Ratio	Parcels	Acres	% of Total Acres
Exempt	8	4.39	0.68%
No Improvement Value	63	224.80	34.77%
0.01-0.50	54	282.26	43.66%
0.51-1.00	17	52.26	8.08%
1.01-1.50	6	40.06	6.20%
1.51-2.00	1	2.59	0.40%
2.01-2.50	0	0.00	0.00%
2.51-3.00	0	0.00	0.00%
3.01-4.00	2	4.63	0.72%
> 4.00	7	35.52	5.49%
TOTAL:	158	646.51	100%

Source: Compiled by Elaine Howard Consulting, LLC with data from the Washington County Department of Assessment and Taxation (FYE 2020-21)

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 transportation improvements, water, sewer and stormwater and other utility infrastructure improvements, facilitating development of properties including housing development, 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 or the urban growth boundary, 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 water and 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.

XI. 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. The outcome of implementing these projects is anticipated to be substantial increase to the economic growth in Tualatin by providing new industrial parcels for development and providing tools inside the Area to assist with economic development.

XII. 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.