



City of Tualatin

CITY OF TUALATIN Staff Report

TO: Honorable Mayor and Members of the City Council
THROUGH: Sherilyn Lombos, City Manager
FROM: Jonathan Taylor, Economic Development Manager
DATE: August 10, 2020

SUBJECT:

Urban Renewal Feasibility Study Update. Staff presentation on the feasibility of urban renewal areas in the City of Tualatin.

EXECUTIVE SUMMARY:

Background

Starting in April 2019, the City of Tualatin began a multi-phased process to community revitalization and financing tools – beginning with an urban renewal education series.

Phase 1: Education Series.

A four-part series that provided an overview of urban renewal and tax increment financing; the history of Tualatin's urban renewal areas, and how to close down an urban renewal area; what to do with the remaining assets of Central Urban Renewal District and Leveton Tax Increment Finance District; and to explore the feasibility of new districts based on Council-identified community and economic development goals.

Phase 2: Urban Renewal Area Official Closure.

In January 2020, the City Council and Tualatin Development Commission completed the closure of the Central Urban Renewal District (CURD), transferred remaining assets to the City of Tualatin, and adopted the final report on CURD.

Phase 3: Technical Study of the Feasibility Study of Urban Renewal Areas.

On February 24, 2020, the City Council directed staff to begin *Phase 3* with the technical study of feasibility of urban renewal in two areas: 1.) Basalt Creek/SW Industrial Area, 2.) The I-5 Corridor and Tualatin-Sherwood Road. The purpose of the feasibility study is to understand if tax increment financing is an appropriate tool to help meet the needs of our community. The needs that have been identified include infrastructure to incentivize greenfield development, providing additional housing options, improving local and regional transportation systems, addressing long-term vacant buildings, preparing and planning for transportation needs associated with the SW Corridor project, and providing redevelopment opportunities for community oriented commercial and retail development. Last year, the City conducted an economic and housing needs assessment that determined the community needed over 1,000 additional residential units to meet demand, and nearly 200 acres more for industrial and commercial development.

Clarifications and Important Points

The feasibility study is a technical document that determines the viability of urban renewal in a specific area. These feasibility studies do not commit the Tualatin Development Commission or the

City of Tualatin to create or establish urban renewal areas or plans in these areas. No official action is required for the feasibility study.

If Council wishes to move forward with the establishment of urban renewal areas, staff will prepare a more detailed proposal for moving into **Phase 4: Stakeholder Input** and will return at a later date.

ATTACHMENTS:

- Attachment A – Power Point (includes proposed area maps)