



**CITY COUNCIL MEETING
STAFF REPORT**

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| Meeting Date: November 21, 2022 | | Subject: Resolution No. 3012 Adoption of the 2022 Urban Renewal Strategic Plan | |
| | | Staff Member: Matt Lorenzen, Economic Development Manager | |
| | | Department: Community Development | |
| Action Required | | Advisory Board/Commission Recommendation | |
| <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 st Reading Date: <input type="checkbox"/> Ordinance 2 nd Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input type="checkbox"/> Consent Agenda | | <input checked="" type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input type="checkbox"/> Not Applicable Comments: On August 31, the Urban Renewal Task Force met for the fifth time and provided a recommendation of approval of the Urban Renewal Strategic Plan to the City Council. | |
| Staff Recommendation: City Council adopt Resolution No. 3012. | | | |
| Recommended Language for Motion: I move to adopt Resolution No. 3012. | | | |
| Project / Issue Relates To: | | | |
| <input checked="" type="checkbox"/> Council Goals/Priorities: 5.2 – Update the Urban Renewal Strategic Plan | <input type="checkbox"/> Adopted Master Plan(s): | <input type="checkbox"/> Not Applicable | |

ISSUE BEFORE COUNCIL:

Shall the Council ratify Resolution No. 3012, thereby adopting the 2022 Urban Renewal Strategic Plan (URSP) as recommended by the Urban Renewal Task Force?

EXECUTIVE SUMMARY:

The City of Wilsonville (the “City”) established a precedent in 2013, when leaders convened an Urban Renewal Task Force (URTF) to make recommendations and develop a strategic plan to guide the City’s urban renewal activities. Since that time the URTF has periodically convened, as indicated by Council, to discuss and make recommendations on urban renewal matters, most recently to inform the creation of the Wilsonville Investment Now (WIN) Zone program.

*(Note: The terms **Urban Renewal** and **Tax Increment Finance** are used interchangeably in this staff report as well as in the attached Strategic Plan.)*

[The 2014 Urban Renewal Strategic Plan](#) served the City well until recently, when the current Council determined, during the 2021-23 goal setting process, the City needed an updated plan and strategy. Indeed, the City’s two largest and oldest urban renewal areas, Year 2000 and West Side, are both nearing their maximum indebtedness having completed all critical projects contained in each area’s respective urban renewal plans. With two districts (Year 2000 and Westside) nearly ready to sunset, each containing large areas of acreage and significant assessed value, there is an opportunity and need to consider new uses of urban renewal in the City, with input from a broad representation of stakeholders, such as the membership of the URTF, which includes affected taxing districts, residents, business owners, real estate professionals, and developers.

In addition to potential new uses of tax increment finance (TIF), the URTF discussed the existing Coffee Creek plan area and the most recently adopted Twist Bioscience plan area, created under the WIN Zone program, to determine if those plan areas need any additions or modifications.

The URTF met five times throughout the summer, led by Council President Kristin Akervall, and staff, Matt Lorenzen – Economic Development Manager, with significant support from other staff in the Community Development Department. The first meeting was in March 2022, and the last in early September.

The 2022 Urban Renewal Strategic Plan (the “Plan” or “URSP”) is structured very similarly to the 2014 document. You will read in the attached Plan about the City’s past and current accomplishments using tax increment finance, which are well documented and many. The Plan goes on to examine each of the city’s four existing urban renewal areas and the challenges and opportunities facing each, as well as recommendations for strategic next steps. Finally, the Plan conveys the recommendations of the URTF regarding potential new uses of tax increment finance. Such uses do not necessarily constitute an exhaustive list; rather, they are the areas and issues the URTF prioritized, and which they, therefore, recommend the Council prioritize moving forward.

Staff presented the Plan to Council at work session on October 17, 2022 and asked the Council to advise of any desired changes to the draft plan. At that time, Council had no recommendations for amendment, and Staff has not learned of any Council concerns since then.

Since the Plan was first presented to Council, staff has made three amendments of note. Any other changes were immaterial typographical corrections.

1. A table with explanatory notes has been added to page 12. The table illustrates how much TIF revenue will be returned to overlapping taxing districts when the Year 2000 and West Side URAs are closed.
2. The following brief note was added on page 28, in order to align this strategic plan document with the Council's thoughts, as expressed during the presentation of the Town Center Infrastructure Funding Plan on October 17, 2022, regarding the potential need for a parking structure in the Town Center Plan area:

Upon review of the draft Town Center Infrastructure Funding Plan, the City Council also recommends a parking structure be studied and considered as a potential project if warranted and feasible, funded in whole or in part by urban renewal, as a potential project under a new urban renewal plan in Town Center.

3. Technical appendices have now been included.

Finally, and importantly, it should be noted that this Urban Renewal Strategic Plan, to be adopted under Resolution No. 3012, is **NOT** to be confused with an "Urban Renewal Plan" pursuant to ORS 457, or more specifically ORS 457.035-457.410, which must be created and approved by ordinance, with many prerequisite steps, robust outreach, and technical analysis. The Urban Renewal Strategic Plan adopted under Resolution No. 3012 is a vision document—a roadmap to guide prioritization and decision-making as the City considers the continued use of urban renewal for existing and prospective plan areas. The creation of any new urban renewal area in the City, as recommended in the URSP, will follow all the legally required protocols prescribed in ORS 457.

EXPECTED RESULTS:

Adoption of the URSP will result in a clear vision and direction for urban renewal activities in the City going forward.

TIMELINE:

Once adopted, the shelf life of the Plan is unknown. One can expect the 2022 Plan will remain relevant for a similar period as the 2014 Wilsonville Urban Renewal Strategic Plan, or until such time the Council determines a new strategy is needed based on evolving conditions in the City.

CURRENT YEAR BUDGET IMPACTS:

No current year budget impacts. Consultant expense and expenses associated with the final in-person meeting of the URTF came from funds allocated under the Community Development Department budget.

COMMUNITY INVOLVEMENT PROCESS:

The URTF is a City Manager-appointed group, selected carefully to provide a broad

representation of stakeholders affected by Wilsonville's urban renewal activities.

The draft Plan has been available to the public for review as it was included in the October 17, 2022 Council packet, in addition to the packet for this meeting.

POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:

Tax increment finance is one of few tools available to Oregon cities that allows for critical infrastructure investment to support prospective development and redevelopment in blighted areas. The City has used urban renewal to transform Wilsonville in remarkable ways in the past. It is anticipated that current and future uses of urban renewal will yield similar outcomes, improving infrastructure to support safety, livability, and to bolster the tax rolls in the long-term with new assessed value associated with private development activity, spurred by public investment.

ALTERNATIVES:

The Council may choose to reject, adopt, or adopt with conditions or amendments the attached 2022 Urban Renewal Strategic Plan, by adopting Resolution No. 3012.

CITY MANAGER COMMENT:

N/A

ATTACHMENTS:

1. Resolution No. 3012
 - A. 2022 Urban Renewal Strategic Plan, with Appendices
2. Correspondence record regarding the URSP
3. [2014 Wilsonville Urban Renewal Strategic Plan \(hyperlink\)](#)