

DALLAS DOWNTOWN URBAN RENEWAL PLAN



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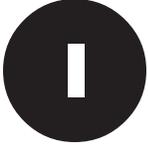
TABLE OF CONTENTS



TOC

I.	Introduction	1
II.	Goals and Objectives	2
III.	Map and Legal Description of Urban Renewal Area	5
IV.	Urban Renewal Projects	6
A.	Public Improvements	6
B.	Assistance to Property Owners/Lessees for Rehabilitation, Redevelopment or Development	9
C.	Public Buildings	10
V.	Relationship to Local Objectives	11
VI.	Proposed Land Uses	16
A.	Central Business District	16
B.	Commercial General District	17
C.	Residential Medium Density	17
D.	Residential High Density	17
VII.	Property Acquisition and Disposition	18
A.	Property Acquisition for Public Improvements	18
B.	Property Acquisition for Private Redevelopment	18
C.	Disposition of Land for Private Redevelopment	18
VIII.	Relocation Methods	19
IX.	Tax Increment Financing of Plan	19
A.	General Description of the Proposed Financing Methods	19
B.	Tax Increment Financing and Maximum Indebtedness	20
C.	Prior Indebtedness	20
X.	Duration of Plan	20
XI.	Future Amendments to Plan	21
A.	Substantial Amendments	21
B.	Council-Approved Amendments	21
C.	Minor Amendments	21
D.	Amendments to the City of Dallas Comprehensive Plan and/or Development Code	21

I. INTRODUCTION



The Dallas Downtown Urban Renewal Plan (the “Plan”) contains goals, objectives and projects for the revitalization of the downtown Dallas Urban Renewal Area (“Area”). The Area, shown in Figure 1, consists of the Central Business District (CBD) and a mixed use area north of Rickreall Creek and adjacent to Main Street (the “northern sub area”). The Area is sometimes referred to in the Plan as “downtown.”

The overall purpose of the Plan is to use the tools provided by urban renewal to overcome obstacles to proper development of the Area. These tools include tax increment financing (see Section IX), which generally means that the property taxes resulting from growth in property value within the Area can be used to finance improvement projects and programs. Urban renewal also allows for the buying and selling of land for redevelopment as part of a public/private development partnership.

The Plan is administered by the Dallas Development Commission (“Commission”) which was established by the City Council of the City of Dallas as the City’s Urban Renewal Agency. Major changes to the Plan, if necessary, must be approved by the City Council.

The Plan is anticipated to last twenty years. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is \$9,044,929

II. GOALS AND OBJECTIVES



The goals of the Plan represent its basic purposes. The objectives for each goal generally show how the goals are to be achieved. The urban renewal projects called for in Chapter IV of the Plan are the specific means of meeting the objectives.

GOAL 1: PROMOTE DEVELOPMENT OF A UNIFIED AND COHESIVE DOWNTOWN

Connect and unify the various parts of the Area so that it functions as a cohesive district.

OBJECTIVES:

- 1A: Improve pedestrian and vehicular linkages between key sites and sub districts in the Area. Specifically, improve connections between the CBD, Rickreall Creek and adjacent shopping areas. Within the CBD, improve connections to the Courthouse.
- 1B: Enhance the entry points into the CBD from the north and south. Incorporate landscaping and streetscape improvements that promote the entries as gateway to the CBD.
- 1C: Use consistent streetscape and signage throughout the downtown to create a unified visual character.

GOAL 2: PROMOTE A MIX OF RETAIL, COMMERCIAL AND RESIDENTIAL USES ORIENTED TO PEDESTRIANS

Promote development of a mix of service, office, and residential uses that benefit from and enhance the Area's pedestrian oriented environment.

OBJECTIVES:

- 2A: Develop a year round pedestrian environment that encourages use and patronage of Area businesses.
- 2B: Help property owners maximize the benefits of pedestrian circulation.
- 2C: Promote development of housing units, including locations above commercial and office space, to increase the range of housing opportunities in the Area.

- 2D: Promote mixed-use development, including office space above ground floor service and retail space, to attract a broad range of businesses, increase employment density, and create a lively downtown commercial community.
- 2E: Encourage the development of a variety of multiple family housing types in the Area that are within convenient walking distance of retail, personal and business services.
- 2F: Facilitate the improvement and redevelopment of existing, underutilized historic commercial buildings to expand the range of retail, commercial and residential services.
- 2G: Promote the rehabilitation and/or conversion of the upper stories of substandard commercial and residential buildings to create workspace suitable for the needs of contemporary commercial and office employers.

GOAL 3: ENHANCE THE PEDESTRIAN ENVIRONMENT ON STREETS, IN PUBLIC PARKS AND GREENSPACES, AND OTHER PUBLIC GATHERING SPACES

Create an environment that is safe and attractive for pedestrians, whether as part of a streetscape system or within the public parks and recreation system.

OBJECTIVES:

- 3A: Develop a system of streetscape improvements that create a continuous and consistent pedestrian environment throughout the Area.
- 3B: Increase pedestrian safety and encourage more street level pedestrian activity in the Area. Create safer pedestrian crossings.
- 3C: Minimize obstacles to the flow of foot traffic created by utility poles and increase the visibility of downtown businesses.
- 3D: Provide both pedestrians and bicyclists safe access to the CBD from Rickreall Creek and the northern sub area.
- 3E: Soften building edges, camouflage vacant lots and surface parking lots and create a safer and more attractive pedestrian environment.

GOAL 4: PROMOTE HIGH QUALITY DESIGN AND DEVELOPMENT COMPATIBLE WITH THE HISTORIC ARCHITECTURAL THEME OF DALLAS' CENTRAL BUSINESS DISTRICT

Promote high quality design and materials that enhance the architectural integrity and character of downtown's historic CBD.

OBJECTIVES:

- 4A: Help property and business owners achieve design objectives identified in the Dallas Commercial Downtown Masterplan.
- 4B: Provide technical and financial assistance for rehabilitation, development or redevelopment projects that promote design and development that incorporate and enhance Downtown Dallas' historic architectural theme.
- 4C: Facilitate façade and storefront improvements in order to promote design that is consistent with the CBD's historic character and maintains the architectural integrity of historic buildings.
- 4D: Infill vacant lots and surface parking lots, whenever possible, with development that is compatible with the scale of traditional downtown buildings, with minimal setbacks.

GOAL 5: INCREASE EMPLOYMENT AND BUSINESS ACTIVITY IN THE DOWNTOWN

Increase employment and attract a broader range of commercial, office and professional businesses to the Area.

OBJECTIVES:

- 5A: Provide opportunities for new businesses to locate to the Area by facilitating the rehabilitation and/or redevelopment of existing commercial space that is currently underutilized or vacant.
- 5B: Ensure that public facilities and services support increased business activity and employment.

III. MAP AND LEGAL DESCRIPTION OF URBAN RENEWAL AREA



Figure 1. shows the urban renewal area boundaries.
Exhibit A is a legal description of the Area.

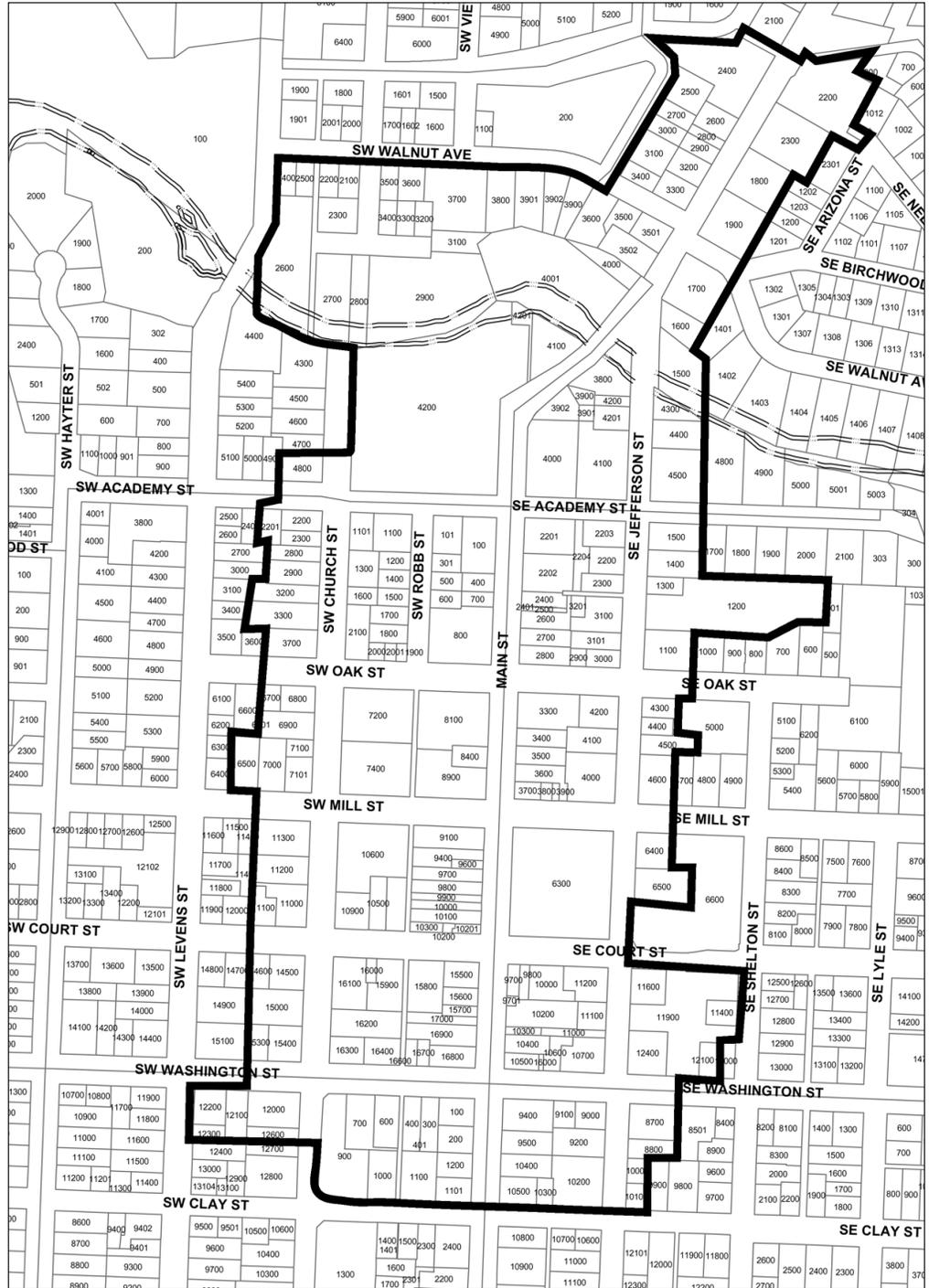


Figure 1. City of Dallas URA Map.

— Indicates URA Boundary

IV. URBAN RENEWAL PROJECTS



Urban renewal projects authorized by the Plan are described below and are shown in Figure 2.

A. PUBLIC IMPROVEMENTS

Public improvements authorized under the plan include developing, replacing or upgrading streets and utilities, sidewalks and streetscape, public parks and a multiuse recreational trail along the creek. As shown in the Report, urban renewal funds will be combined with existing and other future sources of funding to finance project costs.

Specific public improvement projects that may be undertaken under the Plan include:

1. MAIN STREET STREETSCAPE IMPROVEMENTS

The Main Street streetscape improvements project will extend from Orchard Avenue to Washington Street. Its purpose is to create a continuous and consistent pedestrian environment that connects the downtown core area to lands north of the creek. The project will narrow traffic lanes, widen sidewalks, repair curbs, and provide bulb-outs at street corners. Benches, street lights, street trees and other landscape features and streetscape furnishings will be installed to strengthen the perception of Main Street as a safe, pedestrian-friendly corridor.

2. NORTH ENTRANCE IMPROVEMENTS

Improvements to the North Entrance, where the Main and Jefferson couplet reconnects into one street, will create a distinct gateway feel that draws visitors into the downtown district. Adding greenway strips and reducing street widths on Main Street will enhance the pedestrian experience. Landscaped pathways, bridges with expanded sidewalks and views of the creek, and a mini-park with signage welcoming visitors to downtown Dallas will be used to call attention to the entrance to the downtown core.

3. JEFFERSON STREET STREETScape IMPROVEMENTS

The Jefferson Street streetscape improvements will extend south to Washington Street from the intersection of Main and Jefferson. Landscape enhancements compatible with the scale and architectural style of traditional historic buildings in the downtown district will strengthen public perception of Jefferson as an integral part of

PUBLIC IMPROVEMENT KEY

- Main Street Streetscape Improvements **1**
- North Entrance Improvements **2**
- Jefferson Street Streetscape Improvements **3**
- Courthouse Greenspace Improvements **4**
- Washington Streetscape Improvements **5**
- Multi-Use Recreational Trail **6**



Figure 2, Dallas Downtown Urban Renewal Study Area Project Locations

downtown. Infill street trees, hedges, planting buffers, flower beds and other landscape features will be used to soften building edges and camouflage surface parking lots and vacant lots. Benches, pedestrian lighting and other streetscape furnishings will be used to create a more attractive pedestrian environment.

4. COURTHOUSE GREENSPACE IMPROVEMENTS

The Courthouse Greenspace Improvements will strengthen the aesthetic appeal and connectivity of a prominent civic landmark, the Polk County Courthouse, to the rest of downtown. A mid-block crosswalk and park, landscape enhancements, and pedestrian amenities such as historic lighting, benches and trash receptacles will make the site an attractive destination for pedestrians and recreational users, residents and visitors.

5. WASHINGTON STREETScape IMPROVEMENTS

The Washington Street Streetscape Improvements will extend from Main Street to Jefferson, creating a gateway at the south entrance to downtown. Curb extensions, landscaped medians, infill street trees and pedestrian-oriented lighting will be used to create a visually appealing and welcoming atmosphere that draws pedestrians to the area and strengthens connections to downtown.

6. MULTI-USE RECREATIONAL TRAIL

Develop a segment of the Rickreall Creek multi-use trail system, between Main and Levens Streets. The trail will increase recreational opportunities for pedestrians and bicyclists and provide a safe and convenient access route to downtown from the north. It will also be used to enhance connectivity between the CBD and the northern sub area.

7. PUBLIC UTILITY UPGRADES

Underground electric and telephone utility lines in the downtown core to reduce barriers to the flow of foot traffic, create a more attractive streetscape environment and increase pedestrian accessibility to businesses.

8. PUBLIC PARKING FACILITIES

Acquire property for and develop public parking facilities to serve Area businesses and residents. Such facilities may be a component of a private development, provided the facilities are open to the public.

Prior to property being acquired for parking facilities under the powers of eminent domain, the Commission must adopt a Minor Amendment to the Plan which identifies the property to be acquired. In using its eminent domain authority the Commission shall comply with all statutory requirements, including those contained in ORS 35.

B. ASSISTANCE TO PROPERTY OWNERS/LESSEES FOR REHABILITATION, REDEVELOPMENT OR DEVELOPMENT

The Plan authorizes assistance to property and/or business owners, in making capital improvements to property within the Area which support the goals of the Plan. Specific programs and rules and regulations for their administration will be developed to ensure that urban renewal funds are used properly and for the agreed upon purposes. The adoption and amendment of such programs, rules and regulations by the Commission shall not be considered changes to the Plan.

1. PROPERTY REHABILITATION, REDEVELOPMENT OR DEVELOPMENT LOANS AND/OR GRANTS AND TECHNICAL ASSISTANCE

The Plan authorizes assistance to property and/or business owners, in making capital improvements to property within the Area which support the goals of the Plan. Specific programs and rules and regulations for their administration will be developed to ensure that urban renewal funds are used properly and for the agreed upon purposes. The adoption and amendment of such programs, rules and regulations shall not be considered changes to the Plan.

Programs may include the following:

- Loans and/or grants for property rehabilitation and development, redevelopment and other improvements. Property to be improved may be residential or commercial. Loans may be at or below market rates, and assistance can include direct loans or guarantees of loans made by third parties.

- Technical assistance, in the form of site studies, market studies, feasibility analyses, engineering and design and other activities directly related to development of property in the Area. Examples of such technical assistance include structural analysis of downtown buildings to promote rehab and use of upper stories.

2. UTILITY UPGRADE LOANS AND/OR MATCHING FUNDS

Property to be improved will be commercial. Financial assistance will be provided for electrical and water connections and system upgrades, in particular electrical transformers and water meters.

3. COMMERCIAL FAÇADE IMPROVEMENT LOANS

Property to be improved will be commercial. Improvements will be used to enhance the architectural integrity and character of downtown's historic commercial district by promoting design and materials that are compatible with the existing scale and style of traditional downtown buildings. Loans may be at or below market rates, and assistance can include direct loans or guarantees of loans made by third parties.

One example of the use of financial assistance would be participation in the rehabilitation of substandard commercial buildings into mixed use developments with office and/or residential uses above ground floor retail.

C. PUBLIC BUILDINGS

Because such uses are key to the vitality of the downtown, the Plan authorizes participation in the development and improvement of public buildings, including City Hall. The participation in the development of public buildings as a project shall be proportional to the benefits of the facility to the Area. Anticipated benefits to the Area include increased downtown activity that stimulates commercial and residential development.

Before allocating tax increment funds to the improvements described in this paragraph C, the Commission shall effect a minor amendment to the Plan by resolution, making findings of proportionality and benefits to the Area consistent with this paragraph.

V. RELATIONSHIP TO LOCAL OBJECTIVES



The Plan addresses local planning and development objectives contained in the City's Comprehensive Plan, Development Code, Transportation System Plan and Commercial Downtown Masterplan. Adopted in 1998, the City's Comprehensive Plan identifies goals and objectives that address economic sustainability, livability and community recreational resources and other policy areas. Recently, the City of Dallas has undertaken an update of the Comprehensive Plan, scheduled for completion in the summer of 2004. The City's Development Code was adopted in 2000 and updated in 2002. In 2003, with assistance from the Oregon Downtown Development Association, (ODDA), the City of Dallas completed its Commercial Downtown Masterplan, which provides a framework for the revitalization of the downtown core.

Most of the Area is within the City's Central Business District (CBD). Properties in the northern sub area are within the City's Commercial General (CG), Residential Medium Density (RMD) and Residential High Density (RHD) districts. (Residential zoned properties constitute 6.98 acres or about 10% of the Area's total acreage.)

The Development Code provides a description of desired uses and development standards for commercial and multiple family residential zoning districts in the Plan area. The most specific objectives to which the Plan responds are those contained in the Comprehensive Plan and the Commercial Downtown Masterplan.

DEVELOPMENT CODE GOALS AND STANDARDS:

According to the Development Code for commercial zoning districts, the stated goal of the Central Business District is to, "recognize and promote Downtown Dallas as the principal commercial, government, office and cultural center of the community." The CBD is intended to promote a broad range of pedestrian-oriented commercial, office and civic uses as well as multiple family housing.

Stated principles for the development of the Central Business District include:

- to encourage the "conversion of older single-family homes in the CBD – to office and small-scale business;"

- to accommodate “a wide range of businesses, government offices (including regional offices of the state and federal governments), office development and medium and high density housing;” and
- to facilitate pedestrian-friendly development.

The Plan identifies goals and objectives that address the City’s desire to revitalize the Central Business District through increased commercial activity, employment and housing opportunities. It provides a detailed description of projects, including streetscape improvements, technical and financial assistance programs designed to enhance the visual appeal of the downtown core, create a pedestrian-friendly atmosphere, and assist property owners with the rehabilitation, development and/or redevelopment of substandard commercial and residential buildings.

The stated goal of the Commercial General District is to promote commercial development that “serves the driving public.”

Stated principles for the development of the Commercial General District include:

- to encourage “large-scale, auto-oriented commercial centers;” and
- to “avoid strip commercial development patterns along arterial streets.”

COMPREHENSIVE PLAN POLICIES:

The Comprehensive Plan contains goals and policies that will guide development in the City of Dallas over the next 20 years. Emphasis is placed on policies that promote sustainable economic growth and livable communities. Of particular relevance to the Plan are policy directives that address economic development, housing and transportation needs in the Central Business District and north Dallas.

According to Chapter 2 of the Comprehensive Plan *A Sustainable Dallas Economy*, “The City’s overall economic goal is to continue as a sustainable community in order to enhance the quality of life for all Dallas citizens. This goal is best achieved by increasing economic opportunities without threatening environmental quality or eroding the region’s natural resource base.” Therefore, the City shall “maintain the Central Business District as the dominant commercial cultural center of the community” and “encourage a broad variety of

commercial activities in the Dallas area in convenient and desirable locations to serve the public.”

As prescribed in Section 2.4 *Commercial Land Use* and Section 2.5 *Other Commercial Zones*, stated policy objectives for the development of the Central Business District and commercial lands in the northern sub area include:

- to “encourage regional offices of the state and federal governments to locate in the City of Dallas and if possible, the Central Business District;”
- to “recognize and promote the Central Business District (CBD) as the principal commercial and cultural center of the community;”
- to “encourage the development of adequate off-street parking facilities in the Central Business District;”
- to “encourage the development of improved access to the Central Business District and the establishment of a convenient route for those not destined for the CBD;” and
- to “discourage ‘strip’ commercial development along arterial streets, by concentrating commercial uses in the CBD and in defined neighborhood commercial ‘nodes’.”

The Plan addresses the commercial development policies prescribed in the Comprehensive Plan with goals and objectives that promote a broad range of commercial activities, increased employment density in the Central Business District and stronger connections between key locations in the downtown area. Projects that will improve pedestrian circulation and access to the Central Business District are also identified in the Plan.

Chapter 3 of *Livable Residential Neighborhoods* emphasizes “...the development of a variety of housing types and densities to meet the needs and desires of the community, and assure that existing and future residents of the community have the opportunity to acquire safe and sanitary housing at a reasonable cost” as a key residential neighborhood planning goal.

Stated policy objectives in Section 3.1 *Locational Design Policies* include:

- to locate land planned for multi-family housing “adjacent to planned commercial areas or along arterial and collector streets, and shall be reserved exclusively for that purpose;”

- to limit high density residential zoning “to the area immediately adjacent to the Central Business District and neighborhood shopping centers;” and
- to encourage the redevelopment and rehabilitation of the upper stories of buildings in the Central Business District for residential and commercial uses.

The Plan proposes to increase multi-family housing opportunities in the Area by encouraging mixed-use development and facilitating the redevelopment and rehabilitation of the upper stories older buildings in the Central Business District for residential, office and commercial uses.

Chapter 4 *Parks and Open Space* states that the primary parks and open space goal is, “To conserve and protect the community’s natural and scenic resources and to ensure that new development helps to provide for the outdoor and recreational needs of its residents.”

Section 4.1 *Natural, Scenic and Historic Resources Policies* includes a stated policy objective that is relevant to the Plan:

- to “encourage the development of an integrated trail system to provide recreational opportunities and to link open space and park areas through the planned development process.”

Among the Plan’s proposed public improvement projects is the development of a segment of the proposed multi-use recreational trail along Rickreall Creek.

Chapter 5 *Multi-Modal Transportation* states that the City’s priority transportation goal is, “To develop a balanced and safe transportation system that minimizes community disruption and promotes the economic and energy-efficient movement of goods and people around and through the community.”

Section 5.1 *Circulation System* includes policy objectives that focus on transportation system access, circulation and livability goals pertinent to the Plan:

- to “provide adequate access to all planned land uses and:
 - Focus on direct multi-modal access to business districts;
 - Achieve a balanced traffic flow through each section of the City; and
 - Reduce congestion on arterial streets by providing alternative transportation routes;”

- to landscape “major arterial streets especially major entrances to the city;”
- to integrate a “system of bicycle and pedestrian facilities...into the transportation system as prescribe in the City’s adopted Bicycle and Pedestrian Plan.”

The Plan recommends several public improvement projects that will increase pedestrian connections in and around downtown and the Central Business District. It also prescribes a system of streetscape enhancements, design and landscape standards that will make the Area more visually appealing and attract a broader range of users.

COMMERCIAL DOWNTOWN MASTERPLAN POLICIES:

The Commercial Downtown Masterplan was created to facilitate the implementation of the Comprehensive Plan goals and policy objectives prescribed above, with particular emphasis on the CBD. The Masterplan’s foremost goals are to enhance connectivity in the downtown core, make downtown a more welcoming, pedestrian-oriented environment through the implementation of suitable design standards, and ensure that the Masterplan’s recommendations incorporate existing downtown studies. The plan includes guiding principles and detailed descriptions of streetscape improvements and design strategies for the downtown core.

Stated policies for the development of the downtown core include:

- to “enhance the entry point into downtown;”
- to “upgrade and enhance building façades appropriately;”
- to implement a consistent and continuous, pedestrian-friendly streetscape environment that “extends beyond downtown” into commercial areas in north Dallas; and
- to “repair and replace broken infrastructure.”

The Plan has been developed primarily as a means of implementing these policies. The streetscape and pedestrian improvements, development of public green spaces and gathering places and participation in the rehabilitation and redevelopment of older commercial and residential buildings that are called for under the Plan are focused on improving the downtown as the core of the Dallas community.

In accordance with the long-range vision for the development of downtown Dallas outlined in the Commercial Downtown Masterplan, the Plan prescribes wider sidewalks, street trees, curb extensions and other streetscape improvements that target key transportation corridors and nodes, including Main Street, Jefferson and the northern and southern gateway areas. It also recommends pedestrian-oriented streetscape and landscape enhancements that will draw citizens and visitors to public gathering spaces and landmark sites, such as the Courthouse, and increase commercial and recreational activity in the downtown core and northern sub area. Public investments will be reinforced and complemented by financial and technical assistance to property owners to rehabilitate and/or redevelopment substandard buildings and encourage mixed use projects that create employment and housing opportunities while preserving downtown's historic character.

VI. PROPOSED LAND USES

VI

Land uses within the Area are governed by the City of Dallas Development Code. The Development Code establishes zoning districts that implement the Dallas Comprehensive Plan. The districts govern the allowed uses (including outright permitted uses and conditional uses) and contain development standards.

Currently, land within the Area is within the Central Business District (CBD), Commercial General District (CG), Residential Medium Density (RMD) and Residential High Density (RHD) zoning districts. The purposes of these districts are described in the Development Code as follows:

A. CENTRAL BUSINESS DISTRICT

The Central Business District recognizes and promotes downtown Dallas as the commercial and cultural focal point of the community. Development is to be based on the following principles:

- Increase employment and housing opportunities in the downtown core;
- Implement streetscape improvements to create a unified visual identity and promote pedestrian activity;
- Enhance connections between key sites, landmarks and public gathering places in downtown Dallas;
- Encourage a diverse range of commercial activities;

- Promote design and building standards compatible with downtown’s historic architectural theme; and
- Limit motor-vehicle oriented uses.

B. COMMERCIAL GENERAL DISTRICT

The Commercial General District promotes a broad range of commercial development that “serves the driving public.” Development is based on the following principles:

- Promote “large-scale”, motor-vehicle oriented commercial development;
- “Avoid strip commercial development patterns along arterial streets;” and
- Commercial General District properties will be landscaped (at least 5% of each site) and maintained free of debris.

C. RESIDENTIAL MEDIUM DENSITY

“The Residential Medium Density district is the City’s primary multiple family housing residential zone. This zone is typically applied along arterial and collector streets, with pedestrian access to General Commercial and Neighborhood Commercial shopping areas... A variety of housing types are permitted in this zone, including row houses, duplexes and apartments. Adequate off-street parking, landscaping, pedestrian and bicycle connections, children’s play areas and/or open space plazas are essential to create a high-quality urban living environment...”

D. RESIDENTIAL HIGH DENSITY

“Generally, the Residential High Density district is assigned near the downtown area and along major arterial streets, with direct pedestrian and vehicular access to the Central Business District and/or General Commercial shopping areas. Although other uses may be permitted on a limited basis, relatively high-density apartment development is expected within this zone. Adequate off-street parking, landscaping, pedestrian and bicycle facilities and children’s play areas and/or open space plazas are essential to create a high-quality urban living environment.”

VII. PROPERTY ACQUISITION AND DISPOSITION

VII

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses or other rights to use.

A. PROPERTY ACQUISITION FOR PUBLIC IMPROVEMENTS

Property may be acquired for public improvement projects authorized in the Plan by all legal means, including use of eminent domain without amendment of the Plan. Good faith negotiations for such acquisition must occur prior to institution of eminent domain procedures.

Procedures for property acquisition requiring eminent domain shall conform to all statutory requirements that ensure that property owners' rights are fully respected.

B. PROPERTY ACQUISITION FOR PRIVATE REDEVELOPMENT

Property may be acquired for resale or lease for private development by all legal means, including use of eminent domain. Property purchased by the Commission under the Plan shall be purchased at fair market value. Property owners may sell or otherwise convey property to the Commission at less than fair market value if such terms are agreeable to the Commission and the property seller.

Prior to acquisition of property for private redevelopment, the Plan must be changed by minor amendment to identify the property to be acquired and its intended disposition. Procedures for property acquisition requiring eminent domain shall conform to all statutory requirements that ensure that property owners' rights are fully respected.

C. DISPOSITION OF LAND FOR PRIVATE REDEVELOPMENT

Land sold or leased by the Commission for private redevelopment shall be sold or leased at its fair re-use value, which is the value at which the Commission determines such land should be made available in order that it may be used for the purposes specified in the Plan.

Where land is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the urban renewal plan and to begin the building of their improvements within a period of time that the Commission determines is reasonable.

VIII. RELOCATION METHODS

VIII

Where property is acquired under the Plan and the acquisition is through or under the threat of eminent domain, residential or commercial occupants of such property shall be offered relocation assistance as required under applicable state law. Prior to such acquisition, the Commission shall adopt rules and regulations as necessary for the administration of relocation assistance.

IX. TAX INCREMENT FINANCING OF PLAN

IX

Tax increment financing consists of using annual tax increment revenues to make payments on loans, usually in the form of tax increment bonds. The proceeds of the bonds are used to finance the urban renewal projects authorized in the Plan. Bonds may be both long-term and short-term.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative increase in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (“GO”) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

A. GENERAL DESCRIPTION OF THE PROPOSED FINANCING METHODS

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues;
- Advances, loans, grants and any other form of financial assistance from the Federal, State or local governments or other public body;
- Loans, grants, dedications or other contributions from private developers and property owners; and
- Any other source, public or private.

Revenues obtained by the Commission will be used to pay or repay costs, expenses, advancements and indebtedness incurred in planning or undertaking project activities or otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

B. TAX INCREMENT FINANCING AND MAXIMUM INDEBTEDNESS

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Commission as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Commission based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$9,044,929. This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness.

C. PRIOR INDEBTEDNESS

Any indebtedness permitted by law and incurred by the Commission or the City of Dallas in connection with the preparation of this Plan or prior planning efforts related to this Plan may be repaid from tax increment revenues from the Area when and if such funds are available.

X. DURATION OF PLAN



No projects may be commenced and no new indebtedness may be incurred after twenty years from the effective date of the Plan. Tax increment revenues may continue to be collected beyond this date, until it is found that deposits in the Commission's debt service fund are sufficient to fully pay principal and interest on indebtedness issued during the twenty years following the effective date of the Plan, either through direct payment of the indebtedness or by payment of principal and interest on bonds or notes issued to finance the indebtedness.

XI. FUTURE AMENDMENTS TO PLAN



The Plan may be amended as described in this section.

A. SUBSTANTIAL AMENDMENTS

Substantial Amendments are solely amendments:

- Adding land to the urban renewal area, except for an addition of land that totals not more than one percent of the existing area of the urban renewal area; or
- Increasing the maximum amount of indebtedness that can be issued or incurred under the plan.

Substantial Amendments shall require the same notice, hearing and approval procedure required of the original Plan, including public involvement, consultation with taxing districts, presentation to the Planning Commission and adoption by the City Council by non-emergency ordinance after a hearing notice of which is provided to individual households within the City of Dallas.

B. COUNCIL-APPROVED AMENDMENTS

Council-Approved Amendments consist solely of the following amendments:

- Material changes to the goals and objectives of the Plan.
- Addition or expansion of a project, which adds a cost in 2003 dollars of more than \$500,000 and which is materially different from projects previously authorized in the Plan.
- Extending the duration of the Plan as stated in Section X.

Council-approved amendments require approval by the Commission by resolution and by the City Council, which may approve the amendment by resolution.

C. MINOR AMENDMENTS

Minor Amendments are amendments that are not Substantial Amendments or Council-Approved amendments. They require approval by the Commission by resolution.

D. AMENDMENTS TO THE CITY OF DALLAS COMPREHENSIVE PLAN AND/OR DEVELOPMENT CODE

Amendments to the City of Dallas Comprehensive Plan and/or Development Code that affect the Plan and/or the Area shall be incorporated within the Plan without any action required by the Commission or the City Council.