

**Report Accompanying
Recommended Estacada Downtown Urban Renewal Plan**

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REPORT ON ESTACADA DOWNTOWN RENEWAL PLAN

I. INTRODUCTION

The Estacada Downtown Urban Renewal Report (the “Report”) contains background information and project details for the Estacada Downtown Urban Renewal Plan (the “Plan”). The Report is not a legal part of the Plan but is intended to provide public information that will guide the City Council as part of its approval of the Plan.

The Report provides the information required in ORS 457.085(3). The format of the Report is based on this statute.

II. EXISTING PHYSICAL AND ECONOMIC CONDITIONS AND IMPACT ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Estacada Downtown Urban Renewal Area (the “Area”), documenting the occurrence of “blighted areas” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use and Zoning

The Area, shown in Figure 1 below, contains approximately 72.2 acres, including an estimated 36.7 acres of public right-of-way (ROW). It includes 153 individual properties zoned for commercial and residential use. An estimated 31.3 acres is within the City’s Central Commercial (C-1) District, which encompasses Estacada’s downtown/central district. South of Highway 224, an estimated 4.3 acres of property overlooking the Clackamas River, including several vacant and underutilized sites, is within the Multiple Family Residential (R-3) District. The Clackamas River is an important natural amenity that provides recreational opportunities for local residents and visitors to the Area. The riverfront area’s proximity to downtown, Highway 224 and recreational activities makes it an ideal location for new residential and tourist-oriented development.

Under current conditions, the Area consists primarily of redevelopable commercial property in Estacada’s downtown/central business district. A significant share of existing commercial buildings in the Area have been poorly maintained and will require major upgrades, rehabilitation or redevelopment to attract and retain high quality retail, entertainment and recreational uses and office development that will provide professional employment opportunities for local residents.

Most of the Area’s existing businesses are concentrated north of Highway 224, in the downtown area. While the majority of downtown retailers are small, locally owned retail shops, regional retailers such as Hi-School Pharmacy and Thriftway as well as national franchises such as Subway and True Value Hardware are also represented. In addition to businesses specializing in retail sales and services, two major utility companies, Cascade Utilities and Portland General Electric, operate facilities and ancillary offices in the downtown area.

Commercial development in the southern portion of the Area, which extends from Highway 224 to the Clackamas River, is generally oriented to tourists and recreational users. Examples of existing businesses include the Red Fox Motel and two restaurants, the Boots and Spurs Family Restaurant and the Cazadero Inn.

In addition to the commercial uses described above, the Area features a limited number of residential uses. Most of the Area’s existing residential development is older and in substandard condition. Although existing development regulations

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prohibit residential development in the C-1 District, a scattering of single family homes and apartment complexes that pre-date current zoning and development provisions are located in the downtown/central business district. South of Highway 224 in the R-3 District, existing residential development includes a newer single family home built in 1995 and an aging apartment complex adjacent to the Clackamas River.

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Figure 1: Estacada Downtown Urban Renewal Area

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Table 1, “Land Use” shows the distribution of Area lands by property class, as identified in Clackamas County’s Fiscal Year 2005-06 Assessment and Taxation database.

Table 1: Land Use

Land Use	Acres ^{2/}	% of Total Acres
Vacant Residential	0.9	2.7%
Improved Residential	3.9	10.9%
Vacant Commercial	2.0	5.7%
Improved Commercial	23.7	66.9%
Vacant Multi-family Residential	0.9	2.7%
Improved Multi-family Residential	1.4	3.9%
Operating Assessed ^{1/}	2.6	7.2%
TOTAL	35.5	100.0%
TOTAL VACANT	3.9	11.1%

Source: Clackamas County 2005-06 Assessment and Taxation Database

^{1/} Utility properties assessed by the State

^{2/} Does not include an estimated 36.7 acres of public right-of-way.

As described above, the Area features a broad mix of uses. At 66.9% (23.7 acres), improved commercial property is the predominant use, followed by improved residential property, which constitutes 10.9% (3.9 acres) of the Area’s total acreage. Vacant residential and commercial lands comprise 11.1% of the Area’s total acreage. Cascade Utilities and Portland General Electric own seven properties totaling 2.6 acres that are assessed by the Oregon Department of Revenue.

B. Infrastructure

1. Transportation

The Area is adjacent to Highway 224, a state highway that serves as the primary entryway to the City and provides direct access to the downtown/central business district from outside areas. Under current conditions, Highway 224 lacks the sort of visual markers (e.g. decorative signage, landscaping features, etc.) needed to create a clearly identifiable gateway to the City and capture the attention of motor vehicle travelers traveling through the area.

The poor condition of many Area roadways – in particular, substandard pavement conditions – limits the Area’s economic vitality and its capacity to attract and retain high quality retail and office development and tourist-related uses. Further, the Area lacks a comprehensive system of streetscape improvements and

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pedestrian facilities needed to create a safe and attractive environment for shopping, entertainment and recreational activities and improve connections within the downtown/central business district and between downtown and neighboring areas. Upgrades to the pedestrian, bicycle and streetscape systems south of Highway 224 are also needed to facilitate the redevelopment of the riverfront area into a neighborhood that includes a mix of high quality residential and tourist-oriented development.

The Plan supports transportation projects that will improve multimodal access, connectivity and safety within the Area by improving surface street conditions, providing a contiguous system of pedestrian-oriented streetscape improvements and increasing pedestrian and bicycle access to the riverfront area. Further, to increase the visibility of the downtown/central business district from Highway 224 and create a unique identity for the City, the Plan identifies gateway improvements along Highway 224 as a priority project.

2. Public Facilities

The Area lacks the public facilities needed to support higher-intensity commercial, office, residential and recreational uses and new development that is consistent with the goals and objectives of the Development Code and Comprehensive Plan.

3. Public Buildings

Estacada Rural Fire District's Main Station No. 110 is in the Area. The existing fire station will need to be upgraded or replaced to continue to meet the growing demand for fire and emergency services both within and outside the Area.

4. Parks

There are no public parks in the Area at this time.

5. Public Parking

Currently, there are no public parking facilities in the Area. As the Area redevelops, attracting new commercial and office development and recreational uses, the provision of public parking facilities that are centrally located, within close proximity of retail shops and commercial and office buildings, will be necessary.

C. Social Conditions

Currently, the Area encompasses an estimated twenty-three single family residences ranging in age from 11 to 102 years old, as well as four apartment complexes and a retirement home. These residential uses are dispersed throughout the Area and represent a relatively small number of households. Given the Area is contained within two Census Block Groups that encompass all property within the City of Estacada, acquiring meaningful population and household statistics on Area households is not possible and a summary of existing social conditions is not provided in this Report.

D. Economic Conditions

1. Taxable Value of Property Within the Area

The estimated total assessed value of the Area, including all real, personal, personal manufactured and utility properties, is \$23,604,203 or 17.8.% of the City of Estacada's total assessed value for FY 2005/2006.

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 Ratio" or "I:L". The values used are real market values. In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its development objectives.

I:L ratios for healthy properties within the Area could range between 7.0 -10.0 or more. For instance, a property on a 10,000 square foot lot would have a land value of \$120,000 at \$12.00 per square foot. A three-story development with ground floor retail and professional offices on the upper floors containing 15,000 square feet valued at \$65.00 per square foot would have an improvement value of \$975,000. The I:L ratio for this property would be 8.1.

Table 2 below, "Improvement to Land Ratios (FY 2005-06)," shows the improvement to land ratios for properties within the study area.

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Table 2: Improvement to Land Ratios (FY 2005-06)

Improvement to Land Class	Taxlot Acres	% of Total
No Building Value	6.0	18.1%
< 1	4.7	14.3%
1 to 2	7.6	23.1%
2 to 5	6.7	20.2%
Greater than 5	8.0	24.3%
TOTAL ^{1/}	32.9	100.0%

Source: Clackamas County 2005-06 Assessment and Taxation Database

^{1/} Does not include utility properties assessed by the Oregon Department of Revenue.

As the table shows, I:L ratios for improved properties in the Area are generally low. More than half of Area properties (55.5%) have an I:L ratio of less than 2.0 and just over three quarters of Area properties (75.7%) have an I:L ratio of 5.0 or less. This is a direct reflection of the predominance of older commercial buildings and single family residences in substandard physical condition and the need for public improvements and development assistance programs that will facilitate private investment that is consistent with the City's long-term vision for the Area.

Figure 2 below identifies three redevelopment areas with low improvement to land value ratios and significant redevelopment potential. Under existing conditions, these areas contain a considerable number of vacant and underutilized properties. In cooperation with land owners and existing businesses, the Agency may wish to focus its revitalization efforts in these areas.

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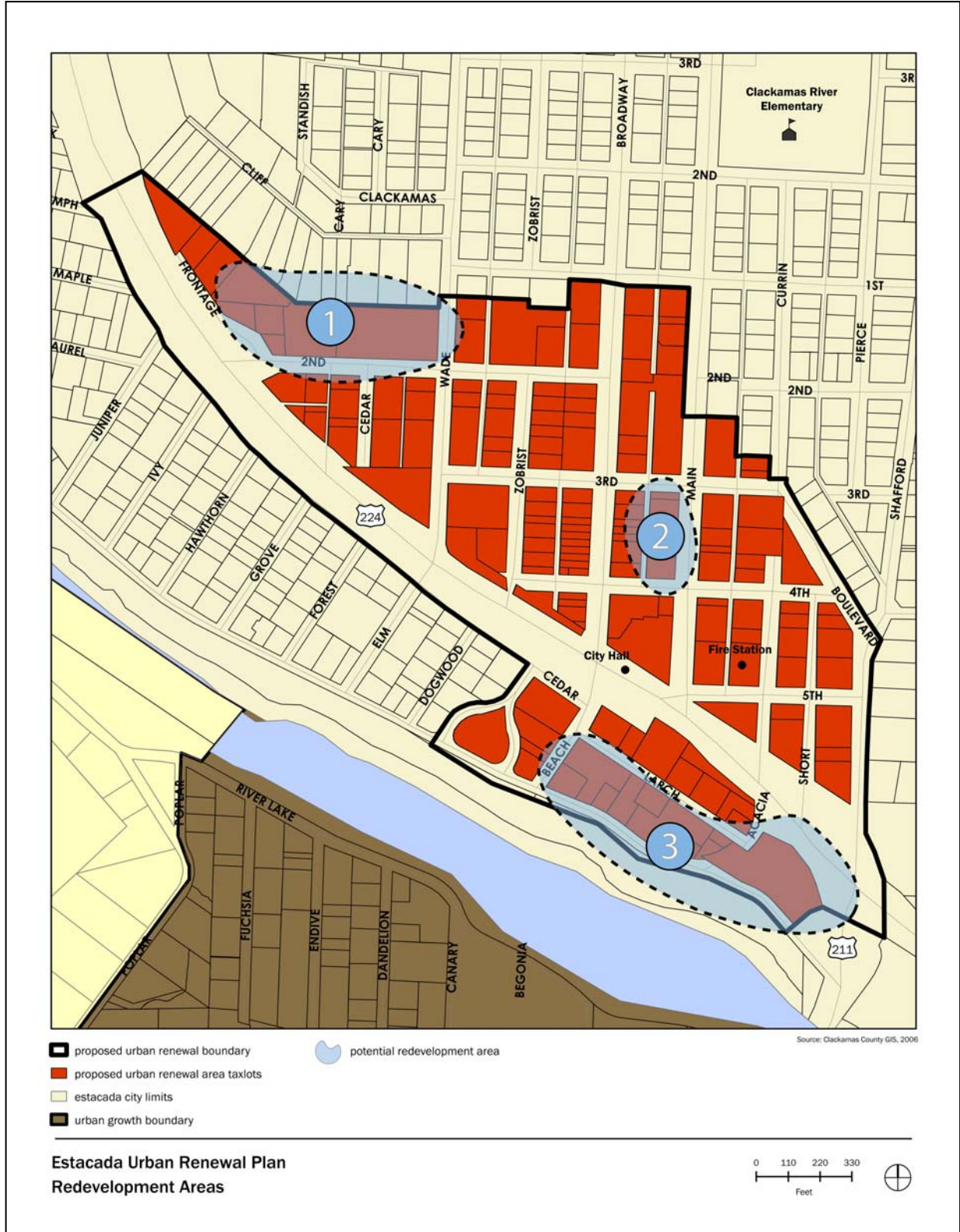


Figure 2: Redevelopment Areas

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 X of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

Increases in commercial and residential occupancies within the Area will generally result in higher demand for fire, life safety and public safety services. However, transportation improvements identified in the Plan will make the Area safer and more accessible to fire and emergency services vehicles.

Street and public facilities improvements in the Area will increase the need for maintenance. As noted above, however, these improvements will make the Area a more attractive destination for new commercial, residential and tourism-related development.

III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

There is one urban renewal area in the Plan and it was selected to improve and prevent the future occurrence of blighted areas as defined in ORS 457.010(1).

IV. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

State law limits the percentage of a municipality's total assessed value and 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 above, the estimated total assessed value of the Area, including all real, personal, personal manufactured and utility properties, is \$23,604,203 or 17.8% of the City of Estacada's total assessed value. The estimated total acreage of the Area, including 36.7 acres of ROW, is 72.2 acres or 6.1% of the City's total land area. Accordingly, the Area is well within the 25% assessed value and area limits contained in Chapter 457 of Oregon Revised Statutes.

V. THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

This section describes the relationship between the urban renewal projects called for in the Plan and conditions generally described in Section II of this Report and more particularly described below.

A. Central Business District Streetscape Improvements

The provision of streetscape improvements and pedestrian facilities in Estacada's downtown/central business district is a project under the Plan.

Relationship to Existing Conditions

Under existing conditions, the central business district lacks a visually distinct unified identify and pedestrian facilities. The design and installation of a complete system of streetscape improvements and pedestrian amenities, including but not limited to landscaping features, street trees, street lighting and street furniture, will help create a unique character and sense of place that draws people to the central business district to shop, work and recreate.

B. Highway 224 Gateway Improvements

The design and construction of gateway improvements along Highway 224 that demarcate the entrance to Estacada's downtown/central business district is a project under the Plan.

Relationship to Existing Conditions

Highway 224 is the primary entryway to Estacada and the downtown/central business district from locations outside of the City. Under current conditions, however, the stretch of Highway 224 that parallels downtown lacks the streetscape enhancements and landscaping features needed to attract tourists and out-of-town visitors to the Area. The provision of gateway improvements along Highway 224 will increase the visibility of the downtown/central business district to vehicular traffic traveling on Highway 224. These improvements will also help create a more visually distinct and welcoming environment that will facilitate increased retail and tourist activities in the Area.

C. Area-Wide Street Pavement Improvements

The provision of Area-wide street pavement improvements is a project under the Plan.

Relationship to Existing Conditions

Under existing conditions, substandard pavement conditions on several Area roadways limits multimodal traffic circulation and safety. Implementing Area-wide street pavement improvements will make the Area a safer and more accessible destination for a broad range of retail, employment and recreational activities.

D. Public Parking

The development of public parking facilities in the Area is a project under the Plan.

Relationship to Existing Conditions

The demand for public parking facilities is anticipated to increase as the Area redevelops and attracts new retail, office and tourist-oriented recreational uses. Providing public parking facilities that offer safe and convenient access to retail shops, professional offices and entertainment and recreational activities will benefit local businesses by making the Area a more attractive destination for tourists, out of town visitors and local residents. Further, this project will benefit downtown workers by creating additional off-site parking facilities close to employment areas.

E. Water System Improvements

The provision of water improvements throughout the Area, in accordance with the Water System Master Plan, is a project under the Plan.

Relationship to Existing Conditions

Under current conditions, most of the Area's water distribution lines are at capacity. To accommodate higher intensity commercial and office uses and ensure the continued provision of adequate water services to Area businesses, replacing water lines throughout the Area will be needed.

F. Sewer System Improvements

The provision of sewer improvements throughout the Area, in accordance with the Waste Water Plan, is a project under the Plan.

Relationship to Existing Conditions

The Area's existing sanitary sewer facilities are at capacity and will not support projected long-term growth in employment density. Replacing existing sewer lines with higher capacity lines will ensure that the Area can continue to provide adequate sanitary sewer services to existing businesses and new commercial and office development that is anticipated to occur as the Area redevelops.

G. Riverfront Improvements

Improvements to existing pedestrian, bicycle and public recreational facilities in the riverfront area are a project under the Plan.

Relationship to Existing Conditions

Under existing conditions, the riverfront area lacks a comprehensive system of pedestrian, bicycle and public recreational facilities needed to attract and sustain tourism and tourist-oriented development as well as new, higher density residential development. Upgrading existing facilities, including the multi-use riverfront trail, and providing new public recreational facilities, which may include but are not limited to a river-walk, finger piers, non-motorized boat launches, bird watching facilities, picnicking sites and a covered pavilion, will make the riverfront area a more attractive destination for tourists and local residents.

H. Fire Station Improvements

Improvements to Estacada Rural Fire District's Main Station No. 110 are a project under the Plan.

Relationship to Existing Conditions

The existing Main Station No. 110 will need to be upgraded or replaced with a new facility to continue to provide adequate fire and life safety services to residents and businesses. In particular, as the Area redevelops and residential and commercial densities increase, the demand for services is expected to grow.

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VI. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

Table 3 below shows the estimated total cost of each project and the estimated sources of funds to address such costs, with capital costs in year-of-expenditure dollars (which take into account inflation). Table 4 provides a summary of total revenues by source.

Table 3: Estimated Costs (\$)

Bond Issuance Costs	229,138
Materials & Services	1,347,298
Capital Projects	
Streetscape Improvements	1,085,000
Highway 224 Gateway Improvements	100,000
Area-Wide Street Pavement Improvements	250,000
Riverfront Improvements	325,000
Public Parking	675,000
Water Improvements	365,000
Sanitary Sewer Improvements	355,000
Fire Station Development Assistance	200,000
Assistance to Property Owners	1,330,000
Total Capital Projects	4,685,000
Contingency	315,500
Total Expenditures	6,576,937
With Ending Fund Balance	6,580,721

Table 4: Estimated Revenues (\$)

Long Term Tax Increment Debt Proceeds	5,610,330
Short Term Tax Increment Debt Proceeds	945,000
Interest	25,392
Total	6,580,721

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Table 5 shows costs, revenues and a schedule of urban renewal projects throughout the duration of the Plan.

Table 5: Annual Costs and Revenues

FY Ending June 30	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues											
Beginning Balance	0	190,898	121,607	40,351	124,883	13,132	308,728	17,264	260,157	2,972	197,986
Long Term Tax Increment Debt Proceeds	271,768	0	0	202,218	0	840,255	0	649,316	0	670,219	0
Short Term Tax Increment Debt Proceeds	0	0	0	0	0	0	0	0	75,000	0	110,000
Interest	0	1,909	1,216	404	1,249	131	3,087	173	2,602	30	1,980
Total	271,768	192,807	122,823	242,972	126,132	853,518	311,815	666,753	337,758	673,220	309,966
Expenditures											
Bond Issuance Costs	10,871	0	0	8,089	0	33,610	0	25,973	375	26,809	550
Materials & Services	20,000	21,200	22,472	50,000	53,000	56,180	59,551	63,124	66,911	70,926	75,182
Capital Projects											
Streetscape Improvements						100,000	100,000	100,000	100,000	100,000	
Highway 224 Gateway Improvements						100,000					
Area-Wide Street Pavement Improvements											
Riverfront Improvements								75,000	75,000	175,000	
Public Parking											50,000
Water Improvements						50,000					
Sanitary Sewer Improvements						50,000					
Fire Station Development Assistance											
Assistance to Property Owners	50,000	50,000	60,000	60,000	60,000	125,000	125,000	125,000	75,000	75,000	75,000
Total Capital Projects											
Contingency	0	0	0	0	0	30,000	10,000	17,500	17,500	27,500	5,000
Total Expenditures	80,871	71,200	82,472	118,089	113,000	544,790	294,551	406,597	334,786	475,235	205,732

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Table 5 (continued)

FY Ending June 30	2019	2020	2021	2022	2023	2024	2025	2026
Revenues								
Beginning Balance	104,234	279,623	94,895	185,779	47,147	412,905	109,763	26,865
Long Term Tax Increment Debt Proceeds	657,853	0	588,258	0	772,028	0	0	958,416
Short Term Tax Increment Debt Proceeds	0	110,000	50,000	115,000	50,000	125,000	190,000	120,000
Interest	1,042	2,796	949	1,858	471	4,129	1,098	269
Total	763,130	392,419	734,102	302,637	869,646	542,034	300,860	1,105,549
Expenditures								
Bond Issuance Costs	26,314	550	23,780	575	31,131	625	950	38,937
Materials & Services	79,692	84,474	89,542	94,915	100,610	106,646	113,045	119,828
Capital Projects								
Streetscape Improvements	100,000		100,000	50,000	100,000	100,000		135,000
Highway 224 Gateway Improvements								
Area-Wide Street Pavement Improvements		50,000	50,000	50,000	50,000	50,000		
Riverfront Improvements								
Public Parking	75,000	75,000	100,000					375,000
Water Improvements	50,000		50,000		50,000	50,000	50,000	65,000
Sanitary Sewer Improvements	50,000		50,000		50,000	50,000	50,000	55,000
Fire Station Development Assistance								200,000
Assistance to Property Owners	75,000	75,000	50,000	50,000	50,000	50,000	50,000	50,000
Total Capital Projects								
Contingency	27,500	12,500	35,000	10,000	25,000	25,000	10,000	63,000
Total Expenditures	483,507	297,524	548,323	255,490	456,741	432,271	273,995	1,101,765

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Table 6: Tax Increment Revenues, Debt Service and Debt Service Reserves

FY Ending June 30	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues												
Beginning Balance	0	271	6,785	17,897	60,107	136,189	169,096	244,230	294,439	310,870	378,341	381,140
Property Tax												
Current Year	27,075	32,399	56,665	86,579	118,753	157,118	197,389	234,745	273,881	314,870	357,786	393,517
Prior Year	0	855	1,023	1,789	2,734	3,750	4,962	6,233	7,413	8,649	9,943	11,299
Interest	271	335	645	1,063	1,816	2,971	3,714	4,852	5,757	6,344	7,461	7,860
Transfer From Project Fund												
Total	27,346	33,860	65,119	107,329	183,410	300,028	375,162	490,060	581,491	640,733	753,531	793,814
Expenditures												
Debt Service - Long Term Bonds												
Bond 1	27,075	27,075	27,075	27,075	27,075	27,075	27,075	27,075	27,075	27,075	27,075	27,075
Bond 2			20,146	20,146	20,146	20,146	20,146	20,146	20,146	20,146	20,146	20,146
Bond 3						83,711	83,711	83,711	83,711	83,711	83,711	83,711
Bond 4								64,689	64,689	64,689	64,689	64,689
Bond 5										66,771	66,771	66,771
Bond 6												65,539
Bond 7												
Bond 8												
Bond 9												
Total Debt Service - Long Term Bonds	27,075	27,075	47,221	47,221	47,221	130,932	130,932	195,621	195,621	262,391	262,391	327,931
Bond Reserve				47,221	47,221	130,932	130,932	195,621	195,621	262,391	262,391	327,931
Short Term Bonds	0								75,000		110,000	
Total Expenditures	27,075	27,075	47,221	94,442	94,442	261,864	261,864	391,241	466,241	524,783	634,783	655,861
Ending Balance	271	6,785	17,897	12,886	88,968	38,164	113,298	98,819	115,249	115,950	118,748	137,953

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Table 6 (continued)

FY Ending June 30	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Revenues												
Beginning Balance	465,884	480,270	530,759	548,472	612,230	633,388	620,458	633,759	799,990	1,083,633	1,402,996	1,824,045
Property Tax												
Current Year	430,799	463,843	494,205	523,650	554,167	583,599	614,054	645,564	676,291	707,878	740,350	773,731
Prior Year	12,427	13,604	14,648	15,606	16,536	17,500	18,429	19,391	20,386	21,357	22,354	23,379
Interest	9,091	9,577	10,396	10,877	11,829	12,345	12,529	12,987	14,967	18,129	21,657	26,212
Transfer From Project Fund												
Total	918,201	967,295	1,050,008	1,098,605	1,194,763	1,246,832	1,265,470	1,311,701	1,511,633	1,830,996	2,187,357	2,647,366
Expenditures												
Debt Service - Long Term Bonds												
Bond 1	27,075	27,075	27,075									
Bond 2	20,146	20,146	20,146	20,146	20,146	20,146						
Bond 3	83,711	83,711	83,711	83,711	83,711	83,711	83,711	83,711				
Bond 4	64,689	64,689	64,689	64,689	64,689	64,689	64,689	64,689	64,689	64,689		
Bond 5	66,771	66,771	66,771	66,771	66,771	66,771	66,771	66,771	66,771	66,771	66,771	66,771
Bond 6	65,539	65,539	65,539	65,539	65,539	65,539	65,539	65,539	65,539	65,539	65,539	65,539
Bond 7		58,606	58,606	58,606	58,606	58,606	58,606	58,606	58,606	58,606	58,606	58,606
Bond 8				76,914	76,914	76,914	76,914	76,914	76,914	76,914	76,914	76,914
Bond 9							95,483	95,483	95,483	95,483	95,483	95,483
Total Debt Service - Long Term Bonds	327,931	386,536	386,536	436,375	436,375	436,375	511,711	511,711	428,000	428,000	363,312	363,312
Bond Reserve	327,931	386,536	359,461	436,375	436,375	416,229	511,711	428,000	428,000	363,312	363,312	296,541
Short Term Bonds	110,000	50,000	115,000	50,000	125,000	190,000	120,000					
Total Expenditures	765,861	823,072	860,997	922,749	997,749	1,042,603	1,143,423	939,712	856,001	791,312	726,624	659,853
Ending Balance	152,340	144,223	189,011	175,856	197,013	204,229	122,047	371,989	655,633	1,039,684	1,460,733	1,987,514

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Table 7: Projected Incremental Assessed Value and Tax Rates

FY Ending June 30	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Appreciation Growth %	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%
Appreciation Growth \$	602,152	624,953	654,690	710,839	779,432	851,406	937,231	1,027,319	1,110,884	1,198,433	1,290,127	1,386,133
New Development Assessed Value	212,180	437,091	1,350,611	1,738,911	1,791,078	2,213,773	2,280,186	1,957,160	2,015,875	2,076,351	2,138,641	1,468,534
Total Assessed Value	22,319,754	23,381,797	25,387,098	27,836,848	30,407,358	33,472,537	36,689,955	39,674,433	42,801,192	46,075,976	49,504,745	52,359,411
Certified ("Frozen") Base Value	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671
Incremental Assessed Value	1,985,833	2,462,126	4,467,427	6,917,177	9,487,687	12,552,866	15,770,284	18,754,762	21,881,521	25,156,305	28,585,074	31,439,740
Consolidated Billing Rate	14.3517	13.8517	13.3517	13.1753	13.1753	13.1753	13.1753	13.1753	13.1753	13.1753	13.1753	13.1753
Tax Increment Revenues	28,500	34,105	59,648	91,136	125,003	165,388	207,778	247,100	288,296	331,442	376,617	414,228

FY Ending June 30	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Appreciation Growth %	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%	2.8%
Appreciation Growth \$	1,466,064	1,549,466	1,623,387	1,691,308	1,757,176	1,825,444	1,891,286	1,959,414	2,029,904	2,098,641	2,169,303	2,241,943
New Development Assessed Value	1,512,590	1,090,577	802,353	661,139	680,973	526,052	541,833	558,088	425,000	425,000	425,000	425,000
Total Assessed Value	55,338,064	57,978,107	60,403,848	62,756,295	65,194,444	67,545,940	69,979,060	72,496,562	74,951,466	77,475,107	80,069,410	82,736,353
Certified ("Frozen") Base Value	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671	20,919,671
Incremental Assessed Value	34,418,393	37,058,436	39,484,177	41,836,624	44,274,773	46,626,269	49,059,389	51,576,891	54,031,795	56,555,436	59,149,739	61,816,682
Consolidated Billing Rate	13.1753	13.1753	13.1753	13.1753	13.1753	13.1753	13.1753	13.1753	13.1753	13.1753	13.1753	13.1753
Tax Increment Revenues	453,473	488,256	520,216	551,210	583,333	614,315	646,372	679,541	711,885	745,135	779,316	814,453

VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

Table 5 shows the anticipated completion dates of the urban renewal projects.

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

Table 6 shows the yearly tax increment revenues and their allocation to debt service and debt service reserve funds. It is anticipated that all debt will be retired by the end of FY 2030/31. The estimated amount of tax increment revenues required to service debt is \$9,956,745.

IX. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues of \$9,956,745 are based on projections of the assessed value of development and appreciation of existing property within the Area.

Table 7 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues. These in turn provide the basis for the projections in Table 6.

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X. IMPACT OF THE TAX INCREMENT FINANCING, BOTH UNTIL AND AFTER THE INDEBTEDNESS IS REPAID, UPON ALL ENTITIES LEVYING TAXES UPON PROPERTY IN THE URBAN RENEWAL 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 *without the Plan*. (Very small increases in property tax rates for General Obligation bonds will occur as a result of tax increment financing.) Revenues on growth in assessed value that would not occur but for the Plan cannot be considered as foregone. It is reasonable to project that development within the Area without the Plan would take much longer to occur, would be less extensive and would have lower assessed values. For the analysis below, it was projected that generally the value of new development within the Area *without the Plan* would be 25% of the value with the Plan.

Table 8 shows the property tax revenue foregone by overlapping taxing districts during the use of tax increment financing, in terms of average revenues foregone per year through from FY 2008/2009 through FY 2031/32 in current dollars. No impacts are shown for the Estacada School District or the Clackamas Educational Service District because under the current education financing system, property tax revenues foregone by these districts would be offset by additional revenues from the State School Fund.

Table 8: Revenues Foregone FY 2008/2009 – 2031/2032

Taxing District Levy	Present Value Total Revenues Foregone	Present Value Revenues Foregone Average/Year	Present Value Average Permanent Rate Levy	Average % of Levy
Clackamas County Rural	805,207	35,009	52,120,435	0.1%
City of Estacada	715,478	31,108	617,820	5.0%
Estacada Fire	650,014	28,261	2,071,643	1.4%
Port of Portland	18,963	824	2,665,583	0.0%
Vector Control	1,758	76	247,165	0.0%
Clackamas CC	151,000	6,565	22,072,371	0.0%
Estacada Cemetery District	16,014	696	120,240	0.6%

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Table 9 shows the increases in permanent rate levy revenues that would occur in the years after termination of the tax increment financing, from FY 2032/33 through 2040/2041, when the projected additional value in the Area would result in a “break even” point. During FY 2040/2041 the value in current dollars of the revenues foregone would be exceeded by the value in current dollars of the additional revenues gained.

Table 9: Total Revenues Gained, FY 2032/2033 – FY 2040/2041

Revenues Gained	
County Rural	868,360
City of Estacada	771,594
Estacada Fire	700,995
Port of Portland	20,450
Vector Control	1,896
Clackamas CC	162,843
Estacada Cemetery District	17,270

XI. RELOCATION METHODS

The Plan authorizes the acquisition of property by willing sellers only. Relocation benefits must be paid for any public acquisition, whether the acquisition is voluntary or involuntary. Therefore, before the Agency acquires any property, the Agency will adopt relocation regulations.