

CENTRAL EUGENE PROJECT (DOWNTOWN) URBAN RENEWAL DISTRICT REPORT

Originally Adopted July 3, 1968 by Eugene Urban Renewal Agency Ordinance No. 257
Amended December 19, 1968 by Eugene City Council Ordinance No. 1609
Amended November 8, 1989 by Eugene City Council Ordinance No. 19648
Amended June 1, 1998 by City Council Ordinance No. 20120
Amended September 13, 2004 by City Council Ordinance No. 20328

Central Eugene (Downtown) Urban Renewal Boundary



City of Eugene



ACKNOWLEDGEMENTS

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REPORT ON URBAN RENEWAL PLAN FOR THE CENTRAL EUGENE PROJECT

Chapter 1: Introduction

The Fourth Amendment to the Central Eugene Project Urban Renewal Plan makes the following changes to Report on the Plan:

- *Expands and revises the list of project activities to be undertaken*
- *Provides new cost estimates of project activities to be undertaken*
- *Extends the duration of the Plan to the year 2029*
- *Provides new information on the impact that carrying out the Plan will have on other taxing bodies under Measure 50.*

Insertions and additions to the Report on the Plan are shown in *italics*. Deletions from the Report on the Plan are shown as ~~strikeouts~~.

The City of Eugene has prepared an *amendment to the* Urban Renewal Plan Update of the URBAN RENEWAL PLAN FOR THE CENTRAL EUGENE PROJECT (CEP) (ORE R-18) JULY 1968 and as modified DECEMBER 1968, *December 1989, and June 1998*. The Plan Update is reformatted in line with the provisions of Chapter 457 of the Oregon Revised Statutes. The Plan Update is based on goals and objectives from the City of Eugene Downtown Plan adopted in ~~October 1984~~ *February 2004*. This report accompanies the Urban Renewal Plan and consists of text, tables, and appendices containing ~~graphic exhibits~~.

The Central Eugene Project area contains approximately 70 acres. The legal description for the area is in Section 300 of the Plan. The area is further described on graphic exhibits included in that Plan.

Chapter 2: Description of Physical, Social, Economic, and Environmental Conditions in the Plan Area.

Note: This description and assessment is only current to the identified dates

A. Physical Conditions

1. Land Use

The Central Eugene Project encompasses about 70 acres. The total incorporated land area for the City of Eugene, ~~as of July 6, 1989,~~ *as of June 2004* is ~~24,349~~ 26,908 acres. The Central Eugene Project represents about 0.3 percent. This area combined with the Riverfront Research Park, approximately ~~148~~ 178 acres, equals ~~248~~ 248 acres or less than one percent of the City's total land area in renewal districts. This one percent is well within the 15 percent maximum allowed by Oregon State law.

2. Existing Land Use and Zoning

Table 1 shows generalized land use ~~as of 1984~~ *as of June 2004* according to 13 categories. Table 2 shows the zoning ~~as of 1984~~ *as of June 2004* according to five different zoning districts. A description of each use permitted is found in the City Zoning Code. The Renewal area and zoning maps are located in the Appendix, Exhibits A and B.

Table 1
Central Eugene Project
Area Acres by Generalized Land Use
~~January 1, 1984 data – LCOG Research Section~~
June 2004 Data

Generalized Land Use	Acres
Communication	0.6
Education	0.4
Transportation	1.7
Government	1.4
Wholesale Trade	0.1
Industrial	0.2
Religious, Charitable	0.1
Recreation	6.8
Residential, Multi-Family	1.2
General Services	8.5
Parks	0.9
Retail Trade	19.2
Vacant	0.1
Streets, Alleys, Roads	28.9
Total	70.0

Generalized Land Use	Acres
Communication	0.60
Education	0.40
Government	1.30
Manufacturing	0.20
Residential	0.02
Parks	5.10
Recreation	1.90
Religion and Charity	0.30
Retail Trade	22.20
Streets, Alleys, etc.	25.30
Parking	12.60
Transportation Related	0.02
Vacant	0.06
TOTAL	70.00

Table 2
Central Eugene Project
Zoning in Acres
~~January 1, 1984 data~~ — LCOG Research Section
June 2004 Data

Zone Description	Zoning	Acres	%
Community Commercial	C2	2.7	3.9%
Central Business	C3	62.9	89.9%
Historic	H	0.3	0.4%
Public Land	PL	4.0	5.7%
Special Development - Downtown Westside Special Area Zone	S	0.1	0.1%
Total		70.0	100.0%

Zoning	Acres	%
C2	5.6	8.0
C3	61.3	87.6
H (Historic)	0.3	0.4
PL (Public Land)	2.8	4.0
TOTAL	70.0	100.0

3. Conditions of buildings and dwelling units

The conditions of 92 principal buildings, within the Renewal Area are rated according to the Lane County assessment records, *current to the date shown*. The conditions of these buildings are categorized as good, fair, or poor through a rating system based on a physical inspection and rated according to a physical depreciation guide. This guide takes into account the age of the building. Table 3 is a summation. It is assumed that buildings in poor condition, and some buildings in fair condition, may require rehabilitation if economically feasible. Some rehabilitation may have taken place since the inspection date.

Table 3
Central Eugene Project
Condition of Principal Buildings
September, 1985 data – LCOG Research Section
Lane County 1982 Physical Depreciation Index

Condition	Commercial	Dwelling Units
Good	39	0
Average	30	0
Poor	22	1 (6)
TOTAL	91	1 (6)

(*) = number of dwelling units

4. Sanitary sewer system

The sanitary sewer system was upgraded as part of the original Renewal project. This upgrading consisted of relining the existing lines with plastic pipe liners. Each building was reconnected at that time. The engineering analysis showed that the existing capacity is sufficient.

5. Water delivery system

According to the Eugene Water and Electric Board, the water delivery system throughout the original and expanded Central Project Area is in sufficient condition and of sufficient capacity to support additional development.

6. Streets, Alleys, Sidewalks, etc.

The major portions of the streets, alleys and sidewalks within the Project Area were upgraded as part of the original project and remain in good condition. The remaining areas to be upgraded are adjacent to proposed development sites and will be rebuilt concurrent with the new development.

B. Social Conditions

According to a 2004 Planning and Development Department analysis ~~the 1980 census~~, there are ~~five~~ 196 housing units persons living within the Central Eugene Project Area. The ~~small number of residents is accountable to the removal of most of the dwelling units during the initial stage of the Renewal program.~~ The use of the ~~existing dwelling units is strongly connected with the University and occupancy varies with each quarter.~~

C. Economic Conditions

7. Value of Property

The ~~2003/2004 1989/1990~~ estimated total taxable assessed value for the entire City of Eugene is approximately ~~\$8,713,000,000~~ \$3,200,952,657. The taxable assessed value “frozen” base for the Riverfront Research Park Urban Renewal District is ~~\$25,259,285~~ \$32,493,374. The ~~1986/1987~~ assessed value of the established “frozen” base for the Central Eugene Project is ~~\$31,386,991~~ \$39,190,272. The total assessed value of the base is ~~\$87,446,976~~ \$71,683,646 or *slightly less than 1%* ~~2.2 percent~~ of the City’s total assessed value. This is *well within the 15% limit imposed by ORS 457.* ~~within the 15 percent maximum authorized by State law.~~

Based on the 1989 assessment data, the estimated Central Eugene Project Taxable Assessed Value is \$98,218,574.

8. Relationship of the Value of Improvements to the Value of Land within the Project Area

The current relationship of improvement values to land values, based on ~~1989~~ 2003 assessment records and excluding tax exempt property is 5.39 to 1. The accepted I/L value ratios of healthy, viable, and prosperous areas in Oregon cities are 3.0 to 1 and greater.

D. Environmental Conditions

Environmental conditions within the Central Eugene Project Area are not expected to change. The area has been an established commercial business area for several years. Most streets, sidewalks, alleys, and sewers are in place and will be upgraded and maintained. The public park areas within the project area will be upgraded and maintained. The public park areas within the project area will be upgraded and maintained as needed. New street

trees are to be planted as part of the project. This landscaping should provide a positive environmental impact.

Chapter 3: Expected Impact, Including Fiscal Impact of the Plan, in Light of Added Services or Increased Population.

Development within the Project Area is not expected to have a significant impact on the 4-J School system. The zoning criteria of C2 and C3 does not encourage residential housing. The past experience shows residential complexes developed around the project area have focused on adult housing. Based on this experience, there should be no or minimal impact on the local kindergarten through 12th grade schools. The added adult population created by such housing projects may impact Lane Community College, particularly the Downtown campus, with increased registration.

~~All taxing bodies will continue to receive taxes based on the assessed value at the time the area's base was frozen multiplied by their tax rate in any given year while the tax increment process is in effect. Taxes generated from any increased values within the plan area will accrue to the Eugene Renewal Agency to retire debts incurred in planning, administration, and carrying out the plan. Exhibit C in the Appendix shows the projected effect on property tax rates to each of the taxing districts.~~

The Fourth Amendment follows the passage of Ballot Measure 50 and its implementation rules. In the Measure 50 environment, taxing bodies "forego" revenue produced by the growth in values over a renewal area's frozen base. The property tax impacts of carrying out this amended Plan are shown in Chapter 9 of this Report.

Projects within the Renewal Plan have been chosen for the way in which they support various planning efforts for the downtown area, such as the Downtown Plan. These planning documents were based on assumptions about the expected need for new and improved services due to population growth and other factors. The Renewal Plan is expected to facilitate improvements within the district, according to the overall planning efforts for the area.

One of the principal objectives of the Renewal Plan is to improve the existing taxable property. Areas adjacent to the plan area are also expected to become more viable. During the period of time when the Renewal Plan is in effect, property values in the district are estimated to increase by over \$160 million.

The development site is expected to have a small amount of residential development, but it is not expected to significantly impact the school system. Projects in the plan address the expected impacts of area development on police services, transportation, utilities, and other public services.

The Urban Renewal Agency will use tax increment revenues to carry out the plan. The use of tax increment revenues will affect the property tax revenues and bonded debt tax

rates of other taxing jurisdictions that share assessed value with Eugene's Urban Renewal Agency. The tax impacts of the Renewal Plan are discussed in detail in Chapter 9 of this report.

Many other positive impacts are expected from completion of the projects included within the Renewal Plan, such as:

- Better connections between major areas of the downtown, such as the core area, the riverfront area, and the University of Oregon*
- Higher concentration of mixed uses in the plan area, including government, retail and commercial businesses*
- More public amenities, such as parks, plazas, recreation areas, and parking*

Chapter 4: Reasons for Selection of the Plan Area.

The plan area of the Central Eugene Project was adopted in 1968. This area was selected after comprehensive community process under the guidance of the Federal Department of Housing and Urban Development (HUD).

The goals of the Central Eugene Project are reducing blight and improving the function, condition, and appearance of the plan area.

According to ORS 457.010, "blighted areas" means areas that, by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health or welfare of the community. A blighted area is characterized by the existence of one or more of the following conditions:

(a) The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, that are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:

(A) Defective design and quality of physical construction;

(B) Faulty interior arrangement and exterior spacing;

(C) Overcrowding and a high density of population;

(D) Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities; or

(E) Obsolescence, deterioration, dilapidation, mixed character or shifting of uses;

(b) An economic dislocation, deterioration or disuse of property resulting from faulty planning;

- (c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development;*
- (d) The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions;*
- (e) The existence of inadequate streets and other rights of way, open spaces and utilities;*
- (f) The existence of property or lots or other areas that are subject to inundation by water;*
- (g) A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;*
- (h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare; or*
 - (i) A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.*

Chapter 5: Relationship Between Existing Conditions and Each Project Activity Undertaken Under the Plan.

All public improvements, building rehabilitation loan programs, administrative and technical support, property acquisition and redevelopment authorization, and relocation activities (if any) set forth in Section 600 of the Plan are intended to correct the deficiencies described in Chapter 2 of this report.

Chapter 6: Estimated Total Cost of Each Project or Activity, Sources of Money, and Anticipated Completion Date for Each Project or Activity.

The Fourth Amendment to the Plan inserts a new Chapter 6 into the Report on the Plan, showing in table format the project activities to be carried out following the adoption of the amendment and the estimated cost. Some of the activities described in Chapter 6 of the original plan have been completed, while others are incomplete, or are no longer under consideration. The list of activities in the table in Amended Chapter 6 will allow completion of projects from the original list, as they are deemed appropriate to project objectives. The list of project activities from Chapter 6 of the original Report on the Plan is shown in Exhibit D of this Report on the Plan.

Table 4 on the next page shows that urban renewal financing is estimated to provide \$18.6 million of funding out of an estimated total of almost \$105 million of public and private financing from FY05 through FY29 when the district terminates.

Table 4 – List of Project Activities and their Estimated Cost	
Project Activity	Total Estimated Cost
<i>Public Improvements</i>	
1. <i>Street, curb & sidewalk improvements</i>	<i>\$4,000,000</i>
2. <i>Public utilities</i>	<i>7,500,000</i>
3. <i>Streetscape projects</i>	<i>2,500,000</i>
4. <i>Pedestrian, bike & transit improvements</i>	<i>4,000,000</i>
5. <i>Public parks, public plazas, rest rooms, and open spaces</i>	<i>5,000,000</i>
6. <i>Public parking and public transportation facilities</i>	<i>7,000,000</i>
7. <i>Other public facilities</i>	<i>7,000,000</i>
<i>Total Public Improvements</i>	<i>\$37,000,000</i>
<i>Off-site Facilities (included in other categories)</i>	--
<i>Acquisition & Redevelopment</i>	
1. <i>Property acquisition</i>	<i>\$17,500,000</i>
2. <i>Property redevelopment</i>	<i>10,000,000</i>
<i>Total Acquisition & Redevelopment</i>	<i>\$27,500,000</i>
<i>Relocation Activities (included in acquisition)</i>	--
<i>Administrative Activities (through FY10)</i>	<i>\$5,425,000</i>
<i>Development & Redevelopment</i>	<i>25,000,000</i>
<i>Rehabilitation & Conservation</i>	<i>10,000,000</i>
 <i>TOTAL PROJECTS – All Funding Sources</i>	 <i><u>\$104,925,000</u></i>
 <i>Projects Funded from Urban Renewal Agency through FY10</i>	 <i>\$18,550,000</i>
 <i>Projects Funded from Private Sources and Other Federal, State and Local Government Resources</i>	 <i><u>\$86,375,000</u></i>
 <i>Total Funding for All Projects</i>	 <i><u>\$104,925,000</u></i>

Project activities shown in Table 4 will begin in fiscal year 2004-05. Decisions on priorities of funding for project activities will be made by the Eugene Urban Renewal Agency in its annual budget process, and regular Agency meetings, all of which are open to the public. All urban renewal funded activities will be completed by the termination date of this Plan in Fiscal Year 2028-29.

Chapter 7: Estimated Amount of Money and Anticipated Year in Which Indebtedness will be Retired or Otherwise Provided For Under ORS 457.420 to 457.460.

Table 5 sets out the estimated costs of the projects to be completed under the Renewal Plan. The total cost of all projects is estimated at almost \$105 million between FY04-05 and FY28-29. The projects will be funded with a combination of urban renewal tax increment financing under ORS 457 and other sources. The Urban Renewal Agency expects to apply for funding from other federal, state and local grants in order to complete the projects. Private developers will fund some of the project costs. In addition, the public facilities included within the plan may also be funded in part with other public funds, such as systems development charges and general obligation bonds, among other sources.

The project activities will begin immediately in FY04-05 and will continue through the final year of the Renewal Plan, in FY28-29. In order for the renewal district to complete all programmed activities and retire any outstanding bonded indebtedness, the maximum indebtedness figure will need to be increased in the future, however. When the Central Eugene Project plan was amended in June of 1998, the City Council added a maximum indebtedness figure of \$33 million to the plan. That figure was based on the estimated cost of building a new main library, plus continuation of the administrative costs in the district, preparing annual financial statements, disposing of the Sears building, overseeing completion of the Broadway Place and Overpark elevator projects, and administering the loan portfolio. It excluded existing debt.

Based on the estimated cash flow for the district between now and FY09-10, it is expected that the current maximum indebtedness figure will be insufficient to cover anticipated expenditures for projects. The maximum indebtedness figure is not being considered for revision at this time because such a change in the Plan would result in a loss of the "grandfather" status of the district under Measure 50.

The Plan includes a review in 2009. At that time, it will be necessary for the review to include consideration of a change in maximum indebtedness in order to carry out additional tax increment financing projects within the plan area. Chapter 8 sets out more details about the financial feasibility of the Renewal Plan, along with projected revenues and expenditures through FY09-10.

The timing and amounts for individual project activities will be determined by the Urban Renewal Agency each year during the annual budget process. An advisory committee with citizen participation will provide advice on improvements to the district and the expenditure of funds. Completion dates for individual activities may be affected by changes in local economic and market conditions, changes in the availability of tax increment funds, and changes in priorities for carrying out project activities.

TABLE 5 FOURTH AMENDMENT TO PLAN RESOURCES	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	FY09-10	Total
<i>Property Taxes</i>	3,780,000	3,980,000	4,250,000	4,600,000	5,040,000	5,590,000	27,240,000
<i>Principal & Interest on Loans</i>	100,434	-	-	-	-	-	100,434
<i>Land & Building Rental</i>	-	-	-	-	-	-	-
<i>Interest on Investments</i>	100,000	38,000	32,000	32,000	35,000	32,000	269,000
<i>Miscellaneous Revenues</i>	365,500	500	500	500	500	500	368,000
<i>Beginning Working Capital</i>	4,850,215	2,553,888	2,589,263	2,576,888	2,832,388	2,579,388	4,850,215
TOTAL RESOURCES	<u>9,196,149</u>	<u>6,572,388</u>	<u>6,871,763</u>	<u>7,209,388</u>	<u>7,907,888</u>	<u>8,201,888</u>	<u>32,827,649</u>
REQUIREMENTS							
<i>Library Bonds Principal & Interest</i>	2,345,000	2,353,125	2,356,875	2,380,000	2,372,500	2,408,750	4,216,250
<i>Public Improvements</i>	350,000	1,000,000	150,000	200,000	250,000	5,000,000	6,950,000
<i>Acquisitions</i>	750,000	-	-	-	2,250,000	-	3,000,000
<i>Redevelopment Loans</i>	1,000,000	-	-	-	-	-	1,000,000
<i>Development & Redevelopment Assistance</i>	1,500,000	350,000	1,500,000	1,500,000	150,000	425,000	5,425,000
<i>Administration</i>	271,964	280,000	288,000	297,000	306,000	315,000	1,757,964
<i>Property Disposition</i>	-	-	-	-	-	-	-
<i>Rehab & Conservation Loans</i>	425,297	-	-	-	-	-	425,297
<i>Rehab & Conservation Grants</i>	-	-	-	-	-	-	-
	<u>4,297,261</u>	<u>1,630,000</u>	<u>1,938,000</u>	<u>1,997,000</u>	<u>2,956,000</u>	<u>5,740,000</u>	<u>18,558,261</u>
<i>Debt Service Reserve</i>							
<i>Other Reserve</i>	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	-	-
<i>Balance Available</i>	16,038	42,263	28,888	282,388	28,388	138	138
	37,850	47,000	48,000	50,000	51,000	53,000	53,000
TOTAL REQUIREMENTS	<u>9,196,149</u>	<u>6,572,388</u>	<u>6,871,763</u>	<u>7,209,388</u>	<u>7,907,888</u>	<u>8,201,888</u>	<u>32,827,649</u>
Remaining Maximum Indebtedness at Year End	15,358,036	11,853,036	7,940,036	3,843,036	(1,312,964)	(9,402,964)	

Chapter 8: Financial Analysis of the Plan with Sufficient Information to Determine Feasibility.

~~The annual income and expenditure analysis set forth on Table 6 shows that the plan and its implementation is feasible. The estimated flow of tax increment proceeds, the proposed borrowing and payback schedule, and the implementation of program activities provides for the tax increment process to be terminated in 20 years.~~

The financial analysis of the plan shown in Table 5 includes the anticipated tax increment revenues and the indebtedness capacity of those revenues. The analysis shows that the anticipated tax increment revenues are based on reasonable projections of new development and appreciation in existing property values, and that the projected tax increment revenues are exceed the amount of maximum indebtedness that can be incurred under the Renewal Plan between now and FY09-10.

The projection of tax increment revenues is based on the following assumptions:

- *Existing property assessed values will increase by 3% per year.*
- *New development will add assessed value of \$2 million each year.*
- *For the most part, tax rates for the overlapping jurisdictions are projected to remain constant. Exceptions are: the special levy for the Downtown Urban Renewal District will expire in FY09-10; and the Youth & Schools Activities Local Option Levy will expire in FY07-08.*

The projections result in total resources between FY04-05 and FY09-10 of just under \$33 million. These revenues will support the \$33 million of existing maximum indebtedness adopted on June 1998, as well as other expenditures in the plan. The expenditures under the Renewal Plan were based on the following assumptions:

- *Project activities are distributed throughout the Renewal Plan period based on available funds. The timing of individual projects will vary depending on a variety of factors, as explained in Chapter 7 of this report.*
- *Administrative activities, including an allocation of central service overhead costs, will increase due to inflation of 3% per year.*
- *The Urban Renewal Agency will continue to carry a reserve equal to the annual debt service on the library bonds until those bonds are fully paid off, as well as a balance equal to two months of operating costs each year, per City of Eugene financial policy.*

Chapter 9: Fiscal Impact Statement That Estimates the 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.

Taxing bodies that overlap with the Urban Renewal Agency are affected by the use of tax increment funds to implement the Renewal Plan. When a district is first created, the assessed value within the boundaries is established as the “frozen base”. In theory, if urban renewal efforts are successful, the value of the district will grow above the base. That increase is called the “incremental value” or “excess value”. Property taxes from the overlapping jurisdictions (schools, general governments, bonds) are then divided between the jurisdictions that continue to receive taxes on the frozen base, and the urban renewal agency that receives taxes on the incremental value.

Urban renewal does not directly affect an individual school system’s budget because schools are funded by the state on a per-pupil basis. On a state-wide basis, if there are less tax revenues going to schools because of urban renewal districts, then the state provides more general funds to make up the per-pupil funding for all the schools.

For other taxing jurisdictions, the share of property taxes from the “excess value” or “incremental value” is not collected by the overlapping jurisdictions during the period of an active district. Urban renewal nominally affects voter-approved local option levies and bonds because the affected district has less property value to levy taxes against, resulting in slightly higher tax rates.

The incentive for the overlapping districts to support urban renewal is higher property tax revenues in the long run. When the district is ended, the overlapping taxing districts are able to tax the entire value within the district. Under the theory of urban renewal, this value is higher than it would have been if there had been no district in effect.

The estimated amount of urban renewal taxes to be divided over the term of the Renewal Plan (net of discounts, delinquents, etc.) is shown in the following chart. Only the permanent tax rates of the overlapping jurisdictions are considered in this analysis because local option levies and bonded debt tax rates will vary from year to year, and may not continue throughout the term of the Renewal Plan. As can be seen, in FY04-05, it is estimated that the City of Eugene would forego about \$830,000 of revenue because of the Central Eugene Project Urban Renewal District. In FY29, when the district is terminated, the City of Eugene is estimated to receive \$1.9 million of additional tax revenue. Lane County is estimated to forego \$150,000 of revenue in the first fiscal year, and to benefit by \$340,000 of additional tax revenue when the district is terminated in FY29. The combined school districts are estimated to forego \$660,000 of revenue in the first fiscal year, and to benefit by \$1.5 million of additional tax revenue when the district is terminated in FY29. As mentioned above, however, the impact on schools is really an impact on the state’s budget because schools are mainly funded on a per-pupil funding formula rather than by the level of property tax dollars generated within their boundaries.

Because the Central Eugene Plan took steps to be “grandfathered” under the provisions of Measure 50, the district is allowed to levy a higher amount of taxes than would otherwise be allowed for the existing life of the district. The base amount allowed to be levied is the “division of tax” levy, which is equal to the incremental property value in the district times the overlapping tax rate for all jurisdictions (City, County, schools, bonds). In addition, the “grandfather” provision allows the Central Eugene Project to levy a “special levy” in order to protect the level of property tax collections after implementation of the provisions of Measure 50. In FY04, the special levy tax rate was \$0.2014/\$1000 of AV and the “division of tax” levy is \$0.2471, for a total of \$0.4485/\$1000 of AV for the Central Eugene Project. When the current district termination date is reached in FY10, the district will no longer qualify for the special levy and taxes will go down for Eugene taxpayers.

Table 6, on the following pages, provides details of the impact of carrying out the Fourth Amendment to the Plan.

TABLE 6 (Part 1)	FY04-05	FY05-06	FY06-07	FY07-08	FY08-09	FY09-10	FY10-11	FY11-12	FY12-13
Revenue Impact on									
Overlapping									
Jurisdictions									
School District 4J	560,000	590,000	620,000	650,000	690,000	720,000	740,000	770,000	790,000
Lane Community College	70,000	80,000	80,000	90,000	90,000	90,000	100,000	100,000	100,000
Lane Education Service									
District	30,000	30,000	30,000	30,000	30,000	30,000	30,000	40,000	40,000
City of Eugene	830,000	870,000	920,000	970,000	1,010,000	1,060,000	1,100,000	1,130,000	1,160,000
Lane County	150,000	160,000	170,000	180,000	190,000	190,000	200,000	210,000	210,000
Permanent Tax Rates									
School District 4J	4.7485	4.7485	4.7485	4.7485	4.7485	4.7485	4.7485	4.7485	4.7485
Lane Community College	0.6191	0.6191	0.6191	0.6191	0.6191	0.6191	0.6191	0.6191	0.6191
Lane Education Service									
District	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232
City of Eugene	7.0058	7.0058	7.0058	7.0058	7.0058	7.0058	7.0058	7.0058	7.0058
Lane County	1.2793	1.2793	1.2793	1.2793	1.2793	1.2793	1.2793	1.2793	1.2793
Incremental Value in the									
Downtown UR District									
	127,420,000	134,180,000	141,150,000	148,320,000	155,720,000	163,330,000	168,230,000	173,280,000	178,480,000
Property Tax Collection Rate									
	93%	93%	93%	93%	93%	93%	93%	93%	93%

Table 6 (Part 2)	FY13-14	FY14-15	FY15-16	FY16-17	FY17-18	FY18-19	FY19-20	FY20-21	FY21-22
Revenue Impact on									
Overlapping									
Jurisdictions									
School District 4J	810,000	840,000	860,000	890,000	910,000	940,000	970,000	1,000,000	1,030,000
Lane Community College	110,000	110,000	110,000	120,000	120,000	120,000	130,000	130,000	130,000
Lane Education Service									
District	40,000	40,000	40,000	40,000	40,000	40,000	50,000	50,000	50,000
City of Eugene	1,200,000	1,230,000	1,270,000	1,310,000	1,350,000	1,390,000	1,430,000	1,470,000	1,520,000
Lane County	220,000	230,000	230,000	240,000	250,000	250,000	260,000	270,000	280,000
Permanent Tax Rates									
School District 4J	4.7485	4.7485	4.7485	4.7485	4.7485	4.7485	4.7485	4.7485	4.7485
Lane Community College	0.6191	0.6191	0.6191	0.6191	0.6191	0.6191	0.6191	0.6191	0.6191
Lane Education Service									
District	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232
City of Eugene	7.0058	7.0058	7.0058	7.0058	7.0058	7.0058	7.0058	7.0058	7.0058
Lane County	1.2793	1.2793	1.2793	1.2793	1.2793	1.2793	1.2793	1.2793	1.2793
Incremental Value in the									
Downtown UR District									
	183,830,000	189,340,000	195,020,000	200,870,000	206,900,000	213,110,000	219,500,000	226,090,000	232,870,000
Property Tax Collection Rate									
	93%	93%	93%	93%	93%	93%	93%	93%	93%

Table 6 (Part 3)	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27	FY27-28	FY28-29
Revenue Impact on Overlapping Jurisdictions							
School District 4J	1,060,000	1,090,000	1,120,000	1,160,000	1,190,000	1,230,000	1,260,000
Lane Community College	140,000	140,000	150,000	150,000	160,000	160,000	160,000
Lane Education Service District	50,000	50,000	50,000	50,000	60,000	60,000	60,000
City of Eugene	1,560,000	1,610,000	1,660,000	1,710,000	1,760,000	1,810,000	1,870,000
Lane County	290,000	290,000	300,000	310,000	320,000	330,000	340,000
Permanent Tax Rates							
School District 4J	4.7485	4.7485	4.7485	4.7485	4.7485	4.7485	4.7485
Lane Community College	0.6191	0.6191	0.6191	0.6191	0.6191	0.6191	0.6191
Lane Education Service District	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232	0.2232
City of Eugene	7.0058	7.0058	7.0058	7.0058	7.0058	7.0058	7.0058
Lane County	1.2793	1.2793	1.2793	1.2793	1.2793	1.2793	1.2793
Incremental Value in the Downtown UR District	239,860,000	247,060,000	254,470,000	262,100,000	269,960,000	278,060,000	286,400,000
Property Tax Collection Rate	93%	93%	93%	93%	93%	93%	93%

Chapter 910: Relocation Report

A. Requirement

An analysis of the existing residences of businesses required to relocate permanently or temporarily as a result of Agency actions under ORS 457.170.

Response

The plan provides for the acquisition and/or property. However, no specific occupied residence, business, or any other occupied properties are proposed for acquisition. Although, depending on how the Central Eugene Project is developed, certain transportation scenarios may require business and/or resident relocation.

B. Requirement

A description of the methods to be used for the temporary or permanent relocation of persons living in and businesses situated in, the Urban Renewal Area in accordance with ORS 281.045 through 281.105.

Response

No specific relocation activity is anticipated in the plan. However, relocation activities and assistance would be provided in accordance with ORS 281.045 through 281.105.

C. Requirement

An enumeration, by cost range, of the existing housing units in the plan area to be destroyed or altered and new units to be added.

Response

No specific existing housing units are proposed to be removed by actions of this plan. However, voluntary housing rehabilitation programs have been provided by proposing a rehabilitation loan fund, where and if and when funds are available, housing owners may, at their option, avail themselves of below-market rehabilitation loans. Such loans may be made directly by the Renewal Agency or by local financial institutions which participate in loan programs involving the joint participation of the Agency and local financial institutions.

D. Requirement

A description of new residential units which are likely to be constructed within the urban renewal area.

Response

Some new residential units are expected to be constructed within the plan area. The development site at 11th and Willamette Street is expected to contain residential housing units.

Chapter 1011: Appendices

- Exhibit A: Urban Renewal Boundary
- Exhibit B: Zoning District Map
- Exhibit C: Projected Margin of Change in Property Tax Rates
- Exhibit D: Urban Renewal Site Development Design Guidelines
- Exhibit E: Program Activities from Prior Version of Plan Report*
- Exhibit F: Income and Expenditure Analysis from Prior Version of Plan Report*

Exhibit A – Area Boundary

Central Eugene (Downtown) Urban Renewal Boundary

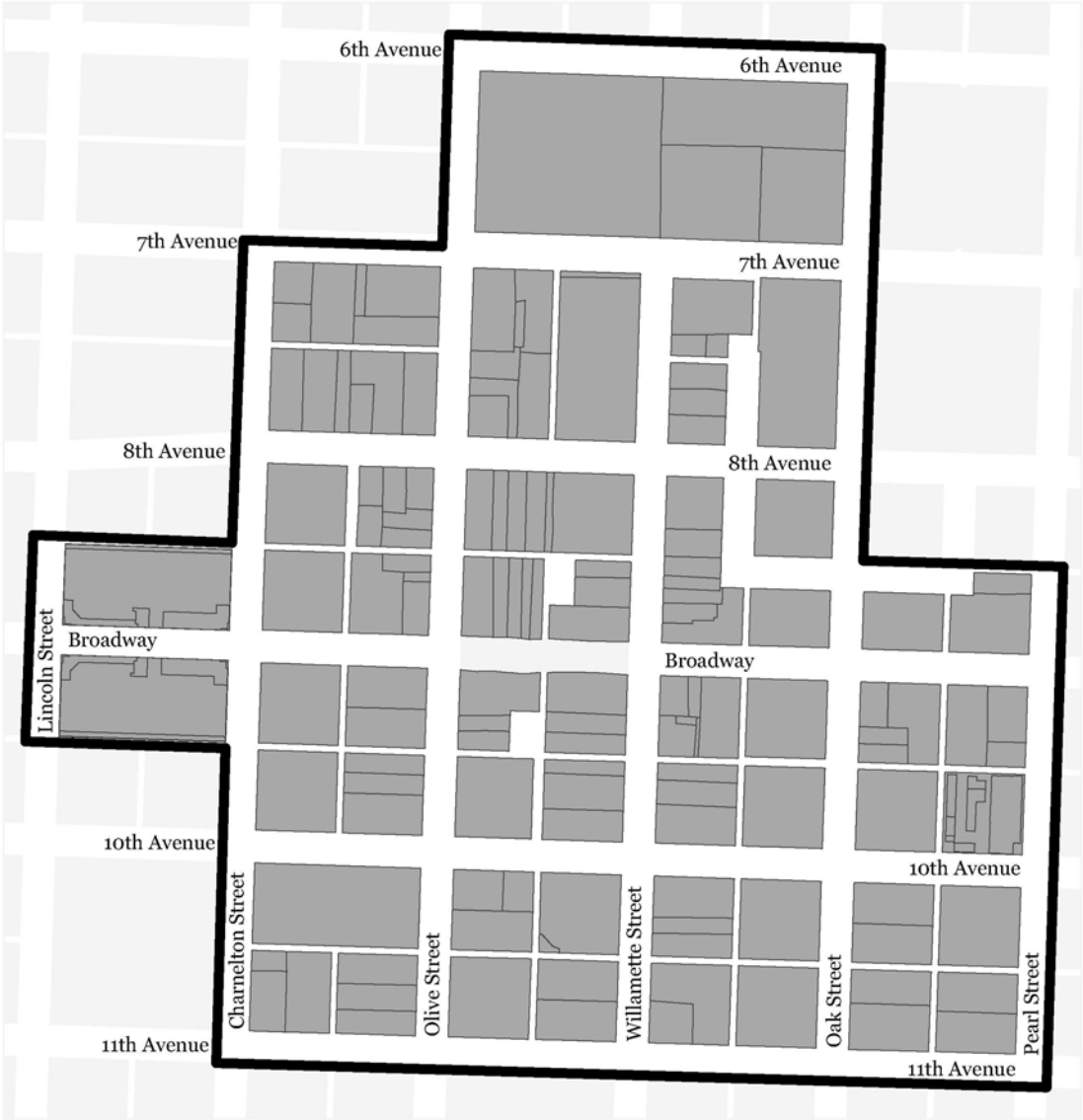


Exhibit B – Zoning Map

Central Eugene (Downtown) Urban Renewal Boundary



Exhibit C – Projected Margin of Change in Tax Rate

Projected Margin of Change in Property Tax Rates (original report on the plan)

Existing Renewal District Only																				
Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Fiscal Year	90	91	92	93	94	95	96	97	98	99	100	101	102	103	104	105	106	107	108	109
City of Eugene	0.21	0.21	0.25	0.29	0.31	0.31	0.32	0.32	0.33	0.33	0.34	0.34	0.35	0.36	0.36	0.37	0.37	0.38	0.38	0.39
4-J School Dist	0.32	0.32	0.37	0.43	0.47	0.47	0.48	0.49	0.50	0.50	0.51	0.52	0.52	0.54	0.55	0.56	0.56	0.57	0.58	0.59
LCC	0.02	0.02	0.02	0.02	0.02	0.02	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03	0.03
County	0.01	0.01	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
Metro WW	0.01	0.01	0.01	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02
ESD High	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ESD Elem	0.00	0.00	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01	0.01
	0.58	0.58	0.68	0.79	0.85	0.86	0.87	0.89	0.90	0.91	0.92	0.94	0.95	0.98	1.00	1.01	1.02	1.04	1.05	1.06

Assumptions

Renewal District Valuation Growth Rate, years 1 – 3: 0%
Renewal District Valuation Growth Rate, years 4 – 20: 1%
Other Districts Valuation Growth Rate, years 1 – 20: 3%
Tax Base Growth Rate: 6%
New Construction Rate: See DRAFT ESTIMATE INCOME & EXPENDITUE ANALYSIS ASSUMPTIONS

Exhibit D – Prior Program Activities

Program Activities from Prior Version of Plan Report

The following program activities are provided for in the plan and are more fully described below. Costs are estimated in 1989 dollars. The projects are not prioritized. The costs are predesign estimates and represent the high range of the projected cost. The primary funding sources are tax increment cash flow and tax increment bonding. FY90 is considered to be year one.

Parking Facility Loans

- Parking Facility, 8th and Willamette. Construction of a parking facility in conjunction with the development of the parcel at 8th and Willamette. Estimated Tax Increment contribution, \$5,000,000 in year one.
- Parking Facility, 11th and Willamette. Loan for construction of a parking facility as part of the development at 11th and Willamette. Estimated loan \$1,000,000 in year one.

Public Space Improvements

- Public Right-of-Way Redesign. Redesign of Willamette Street between 8th and 10th, Olive between 8th and 10th, and Broadway between Willamette and Oak in accordance with the Mall Improvement Design Concepts, and to relate to future development along the street. Estimated cost, \$2,100,000 in year two and three.
- Existing Plaza Redesign and Downtown Mall Restroom Development. Redesign of the plaza at the Broadway and Willamette intersection in accordance with the Mall Improvement Design Concepts. Development of new handicapped accessible public restrooms within the mall area. Estimated cost, \$350,000 in year three.
- Various Downtown Sidewalk/Frontage Improvements, Site Preparation. Improve streets, street frontages, alleys, sidewalks, benches, lights, landscaping, signing for the handicapped, etc. in areas within Renewal District concurrent with site development. Estimated cost, \$700,000 in years one and two.
- Various Downtown Sidewalk/Frontage Improvements. Improve street frontages, alleys, sidewalks, benches, lights, landscaping, signing for the handicapped, etc. in areas within or directly benefiting Renewal District. Estimated cost, \$350,000 in various years.

- Various Undesignated Capital Projects. Reserve for various undesignated capital projects in future years. Estimated cost, \$3,600,000 in years nine through twenty.

Development

- Various Undesignated Capital Projects. A reserve to be available for various undesignated capital projects in future years dependent on development and budget availability. Would provide financing contributions for projects which could include, but not limited to, transportation facilities, parking facilities, library, etc. Estimated reserve set aside \$15,000,000 to \$25,000,000 in years three through twenty.
- Awnings/Raincover, Facades, and Tool Kit Loans. Grant and/or loan funds to be used to encourage businesses abutting public areas within the Renewal District to improve the existing pedestrian raincover system and building facades, to leverage private investment and development in the downtown. Estimated cost, \$800,000 in various years.
- Building Rehabilitation/Reuse Loans. Loans used to repair, rehabilitate, make improvements and encourage reuse of existing buildings. Estimated cost, \$550,000 in years one and four.

Exhibit F - Prior Income and Expenditure

Income and Expenditure Analysis from Prior Version of Plan Report

The table below is based on assumptions about the growth and development in the plan area. The actual expenditure of funds will be reviewed each year in the budget process. The public improvements and programs are more fully described in chapter 6. The following table reflects the Draft Estimated Income and Expenditure Analysis, Appendix G.

Table 4
Estimated Income and Expenditure Analysis

Revenues (thousands)				Expenditures (thousands)					
Year	Fiscal Year	Tax Incrmt	Int	Summary					
				Bonds and Other Funds	Public Imprv	Loan Programs	Debt Svc	Admin and Tech Svc	Annual Balance Carried Forward
1	89/90	1,783	287	7,000	6,350	1,400	1,599	375	4,386
2	90/91	1,822	386	1,000	1,350	400	1,595	390	3,859
3	91/92	2,213	344	4,250	5,700	200	2,414	406	1,947
4	92/93	2,666	35	0	0	125	2,463	422	1,639
5	93/94	2,974	191	0	0	50	2,468	439	1,847
6	94/95	3,126	166	2,250	0	2,300	2,733	456	1,899
7	95/96	3,171	183	0	0	50	2,723	474	2,005
8	96/97	3,217	187	0	0	25	2,961	474	1,948
9	97/98	3,263	195	0	0	25	2,957	474	1,949
10	98/99	3,309	191	0	0	25	2,960	474	1,990
11	99/00	3,356	197	0	0	0	2,958	427	2,154
12	00/01	3,403	207	1,750	1,750	0	3,233	384	2,148
13	01/02	3,451	207	0	0	0	3,014	346	2,447
14	02/03	3,570	231	0	0	0	2,743	311	3,192
15	03/04	3,620	290	6,250	0	6,250	3,237	280	3,585
16	04/05	3,670	322	0	0	0	3,237	252	4,088
17	05/06	3,720	362	0	0	0	3,237	227	4,707
18	06/07	3,771	412	2,750	0	2,750	4,066	204	4,620
19	07/08	3,823	405	0	0	0	4,066	184	4,598
20	08/09	3,875	403	0	0	0	4,066	165	4,645
SUBTOTAL		63,803	5,198	25,250	15,150	13,600	58,730	7,164	
TOTAL		94,251			94,644				