

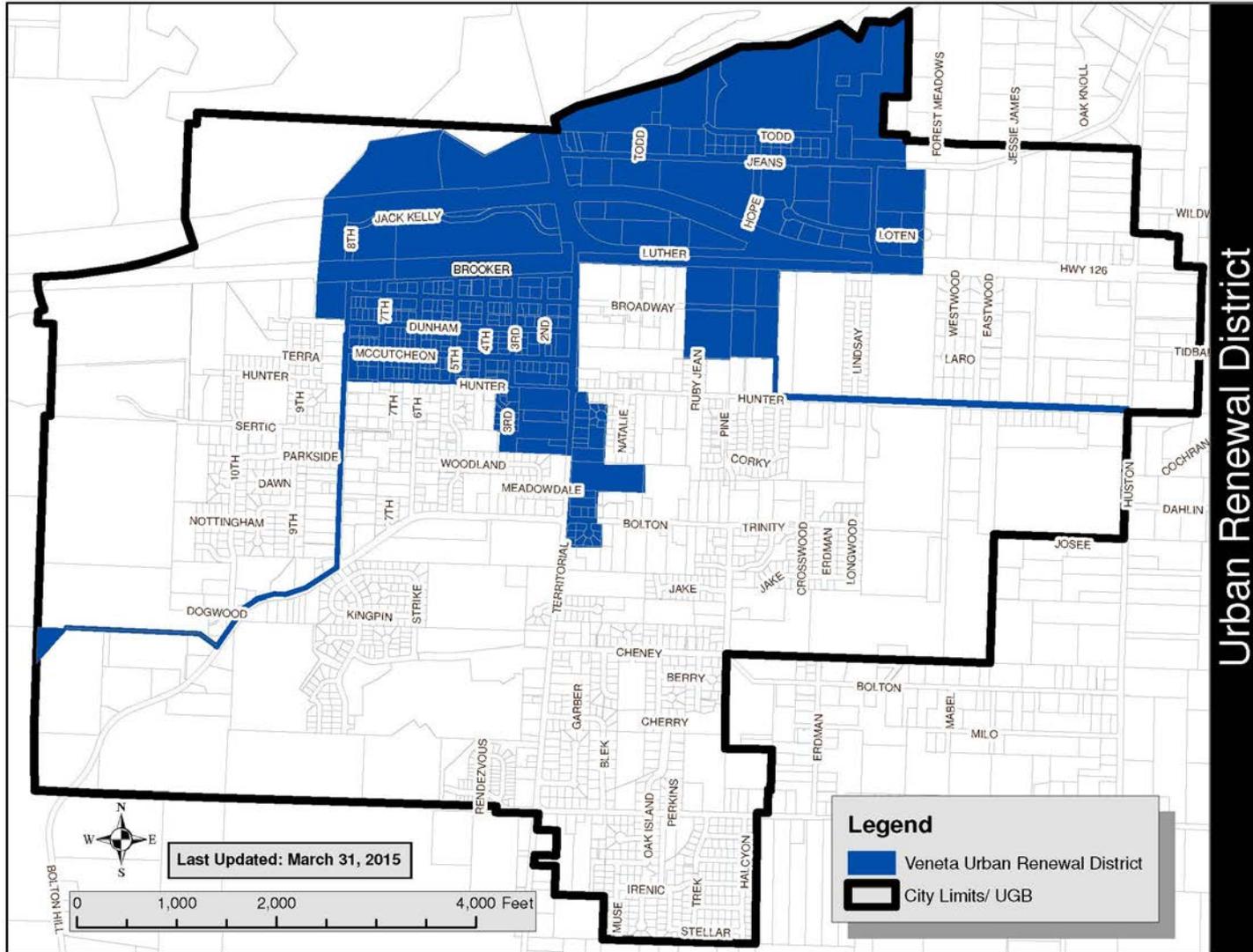
VENETA'S URBAN RENEWAL DISTRICT

OVERVIEW OF PLAN AND PAST, PRESENT & FUTURE
PROJECTS

March 13, 2017



Veneta Urban Renewal District



Urban Renewal District

Purpose of Urban Renewal Agency & Plan

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Urban
Renewal
Agency
formed in
1984 at the
direction of
City Council to
address
conditions of
blight

In 1984, the Veneta City Council appointed an Urban Renewal Task Force to evaluate whether or not an Economic Development-Urban Renewal District should be formed encompassing the blighted central business district and light industrial areas of the City of Veneta. Blighted conditions included:

- The existence of buildings and structures, unfit or unsafe to occupy because of:
 - Defective design and quality of physical construction; or
 - Obsolescence, deterioration, dilapidation, mixed character or shifting of uses.
- The existence of inadequate streets and other rights-of-way, open space and utilities;
- The existence of property or lots or other areas which are subject to inundation by water;
- A prevalence of depreciated values, impaired investments and social and economic maladjustment to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;
- A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive conditions of land potentially useful and valuable for contributing to the public health, safety, and welfare.

Objectives of Urban Renewal Plan

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1. Develop a cohesive central business district and attractive light industrial park areas to attract new employers to Veneta.
2. Construct new public facilities to stimulate construction of new residential, commercial and industrial buildings.
3. Replace substandard public facilities.
4. Eliminate unsafe, deteriorated or dilapidated buildings in the older downtown area of Veneta.
5. Improve the appearance of the City and create a sense of community pride.
6. Establish a long-term financing program to make needed public improvements.

The Urban
Renewal Plan
was
developed to
achieve 6
major
objectives

How is Urban Renewal Funded?

Tax Increment Financing (TIF)

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Tax increment financing (TIF) takes a portion of property taxes from all the taxing jurisdictions, based on increased value of property in the Urban Renewal District, and diverts the funds to the Urban Renewal Agency.

As the total value of the property increases, the taxes collected increases, even though the rates are not changed. TIF captures some of that increase.

- Tax:** All property based taxes.
- Increment:** The increased value of property after the District was founded.
- Financing:** Used for indebtedness for specified URA projects.

What changes TIF?

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- The amount of revenue captured by the URA depends on the ratio of value between properties within the District and properties outside the District.
- If the value of property within the District goes up faster than the value of properties outside the District, the URA will “earn” a greater proportion of the total property tax dollar collected.
- The proportion changes every year.

Maximum Indebtedness

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- All annual property tax revenues from growth in UR Area must be used to pay off debt.
- Money borrowed funds urban renewal projects.
- Maximum indebtedness is a legal dollar limit on borrowing for projects.

In 1998 the Urban Renewal Agency set a debt limit of \$13,613,603

Projects – Last 10 Years

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Urban Renewal Project

- Water System Rehabilitation
- Veneta Community Pool
- W. Broadway Redevelopment
- Downtown Monument
- Veneta Transit Center
- Fern Ridge Service Center
Infrastructure Improvements
- Pipeline – PW Yard
Improvements

Urban Renewal Contribution

\$3,360,000

\$350,000

\$1,200,000

\$82,000

*\$359,760 included as part of
W. Broadway Redevelopment*

\$600,000

Veneta Community Pool

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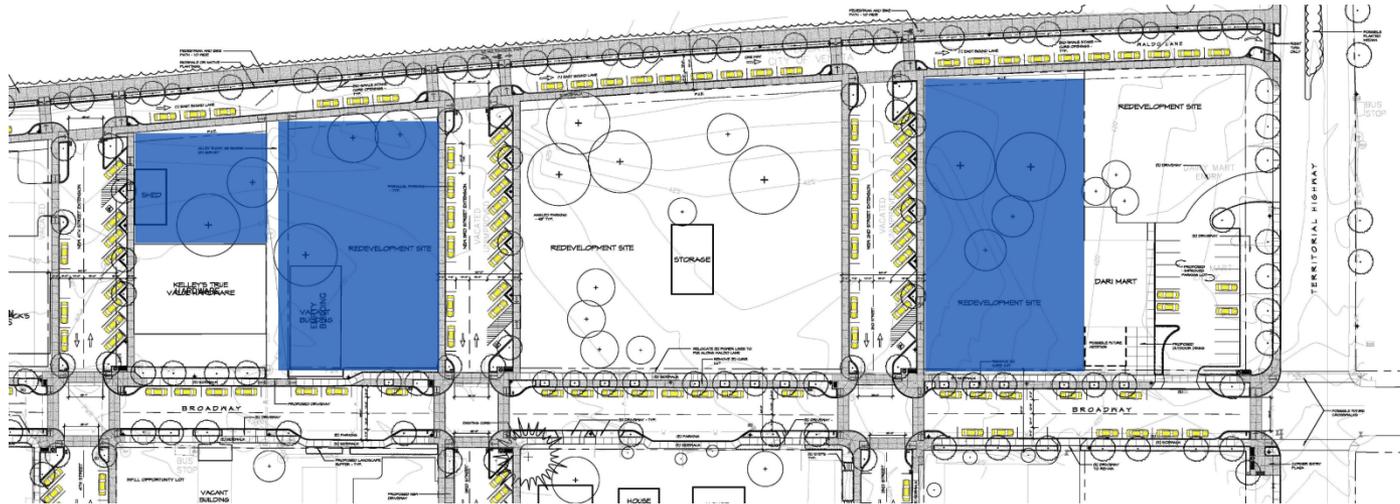


Project Cost: \$2,500,000

Urban Renewal Contribution: \$350,000

Property Acquisition

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Project Cost: \$375,000

Urban Renewal Contribution: \$375,000

W. Broadway Redevelopment

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Project Cost: \$2,036,155

Urban Renewal Contribution: \$1,200,000

Grants: \$121,000

Reimbursements from LTD: \$76,280

Veneta Transit Center

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Project Cost: \$768,000

Urban Renewal Contribution: \$82,000

Connect Oregon II Grant: \$686,000

Downtown Monument

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Project Cost: Included in overall Transit Center cost

Urban Renewal Contribution: Included in City's contribution to Transit Center cost

Fern Ridge Service Center

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Project Cost: \$2,366,760

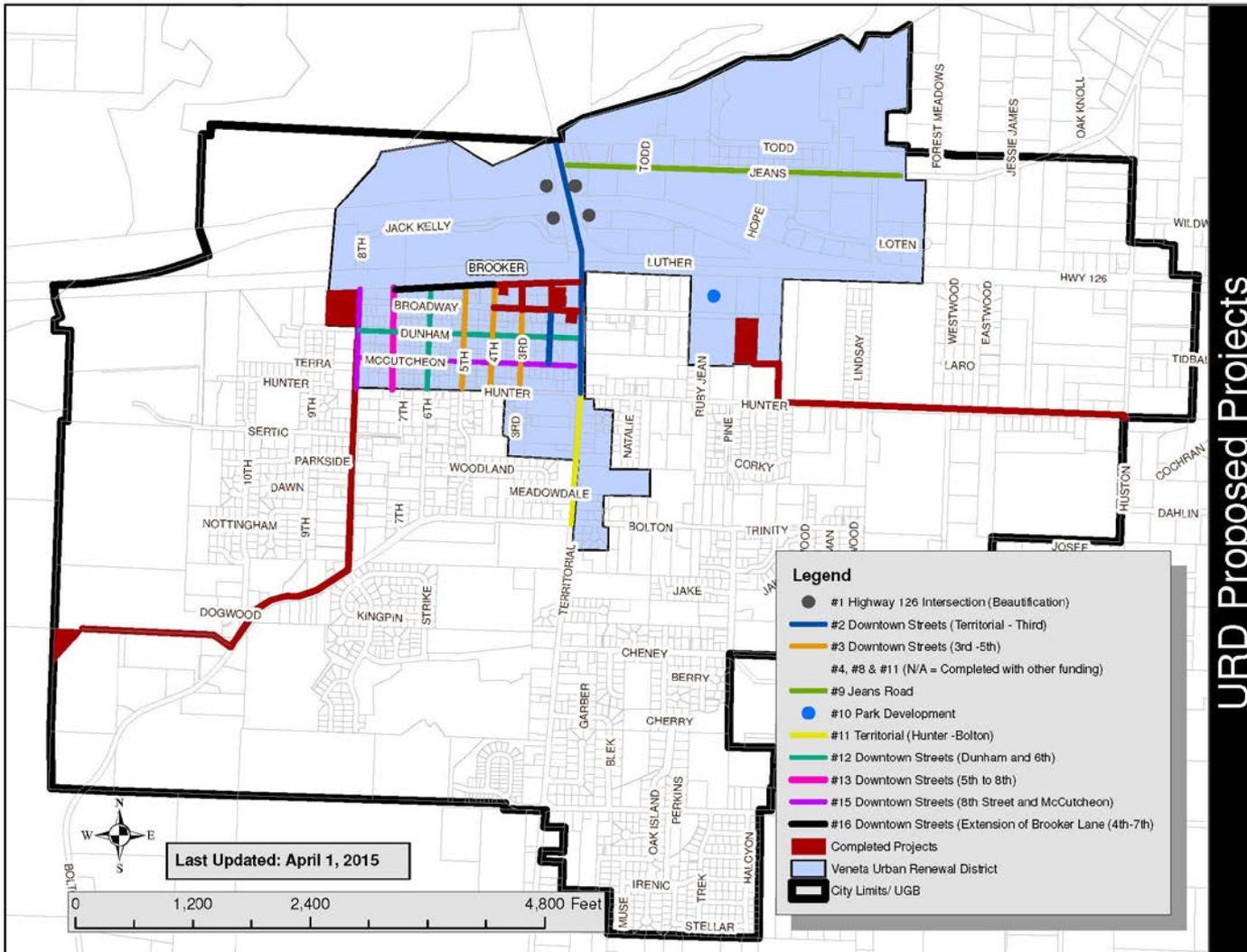
Urban Renewal Contribution: \$359,760 from Infrastructure Improvements and Property Acquisition from W. Broadway project

Chronology of Plan & Amendments

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- October 23, 1984, Ordinance Adopted creating the Veneta Urban Renewal District and the Veneta Urban Renewal Agency and selecting projects.
- May 1998, First Amendment to the Veneta Urban Renewal Plan, setting a debt limit of \$13,613,603
- February 2002, Second Amendment, modifying the Plan boundary to include the Bolton Hill water storage
- February 2007, Third Amendment, adopting Urban Renewal Action Plan – implementation of downtown master plan.
- November 18, 2013 Amended Plan to add right away property to the Plan area, for Veneta EWEB Pipeline.
- June 8, 2015, Amended Table 8 – Estimated Project Costs, after Council prioritized projects.

2015 Projects for Prioritization



Adopted projects yet to be completed include:

- Highway 126 Beautification
- Territorial – Third 3rd – 5th
- Jeans Road
- Park Development
- Dunham and 6th
- Downtown Improvements

Ongoing uses include:

- Water System Debt Service
- Administrative Charges

Optional projects to be added to the list:

- Downtown Streets (8th St. and McCutcheon)
- Downtown Streets (Extension of Brooker Lane (4th – 7th))

2015 Project Prioritization

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- 126 Intersection (Beautification)
- Downtown Streets (Territorial – Third)
 - 2nd Street (Broadway – Dunham)
 - 3rd Street (Broadway – Dunham)
- Downtown Streets (3rd – 5th)
 - 4th Street (Broadway – Dunham)
 - 5th Street (Broadway – Dunham)
- Downtown Improvements
 - (Next catalyst project)
- Downtown Streets
 - (Dunham & 6th)
 - Dunham (Territorial to 4th)



Adopted Table 8 - Prioritized Projects

Plan Amended
in 2015 with
updated
Table 8

Veneta Urban Renewal Plan - 2015 Amendment			
Table 8 - Estimated Project Costs			
Projects	Estimated Cost (1998)	Estimated Future Cost (2015)	UR Share Incurred Expenses
Highway 126 Intersection (Beautification)		30,000	
Downtown Streets (Territorial -Third)		167,000	
Downtown Streets (3rd - 5th)		140,000	
Fire Station			
City Hall Construction	\$200,000	-	266,292
Water System Development/ Debt Service	\$5,500,000	1,066,091	4,284,952
Highway 126 East Water Main			
Sewer System Development	\$1,440,000		
Jeans Road		-	
Park Development	\$1,000,000	-	187,000
Territorial (Hunter-Bolton)			
Downtown Streets (Dunham and 6th)		278,000	
Downtown Streets (5th to 8th)		-	
Downtown Improvements		-	2,041,138
Downtown Streets (8th Street and McCutcheon)			
Downtown Streets (Extension of Brooker Lane (4th-7th)			
Administrative Charges	\$1,215,000	500,000	171,863
TOTAL PROJECT COSTS	\$9,355,000	\$2,181,091	\$6,951,245

Maximum Indebtedness: Used And Remaining

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- The Veneta URA Plan sets a maximum indebtedness of \$13,613,603.
- Total amount of maximum indebtedness used through February 28, 2017 is \$9,006,198
- This leaves \$4,607,705 remaining capacity.

Proposal for Use of “Extra” TIF

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- Assist with a catalyst retail development project
- Development of Tax Lot 600
- Redevelopment Tool Kit
 - SDC Reduction
 - Street Improvements
- Fiber Projects
- Park Project

Steps for Minor Amendment to Plan

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1) Determine if new activities are eligible as minor amendment

- Are we adding less than 1% of the original Plan acreage?
- Will the additional acreage exceed a 20% cumulative increase of the original Plan acreage?
- Is it altering the Maximum Indebtedness?
- Is it financially feasible?
- Is the project's benefit to the District proportional to the cost or expense to the District?

2) Steps necessary to update the plan

- Complete necessary analysis
- Amend the financial feasibility report
- Pass Urban Renewal Agency Resolution
- Adoption of Plan with amended legal description and map

Timeline and Next Steps

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- 1) Consensus from Urban Renewal Agency to Amend the Plan.
- 2) Budget authority in 2017-18 FY for Plan amendment related expenses.
- 3) Procure consultant and authorize expenses.
- 4) Complete Plan amendment activities in 2018-19 (specific date TBD)