

RESOLUTION No. UR 14-001

RESOLUTION PROPOSING A MINOR AMENDMENT TO THE JACKSONVILLE URBAN RENEWAL PLAN ("PLAN")

Whereas, the City Council of the City of Jacksonville ("Council") approved the Jacksonville Preservation and Enhancement Plan ("Plan") by adoption of Ordinance No.527 on November 12, 2002; and

Whereas, the City of Jacksonville ("City") was donated property including structures thereon by Jackson County within the urban renewal area ("Area"); and

Whereas, the primary objective of the Plan is the preservation and enhancement of the historic integrity and character of the Urban Renewal Area; and

Whereas, the Jacksonville Urban Renewal Agency ("Agency") finds it in the public interest to amend the Plan to update the project listing in the Plan and the allocations to such projects and to make public benefit findings and to add property that will further protect historic resources in Jacksonville. The addition of the property is less than one percent of the original acreage of the urban renewal area, and therefore may be added through a minor amendment, Such amendments are proposed so that the original objectives in the Plan may be fully accomplished and the urban renewal projects called for in the Plan, as amended, may be completed including allocating resources to rehabilitate structures donated to the City by Jackson County and other historic resources in Jacksonville; and

Whereas, the rehabilitation of publicly owned structures in the Area serve and benefit the Area by preserving the rich historic character of Jacksonville, thereby making it an attractive place to live, work and visit; and

Whereas, the Agency, pursuant to the requirements of ORS Chapter 457, has prepared the amendment which is attached to this Resolution as Exhibit A, and incorporated herein by this reference ("Amendment"). The Amendment makes refinements to the project list by deleting some projects and further specifying other projects and adjusting project cost allocations. The Amendment also includes adding a parcel to the Plan area. The Amendment is accompanied by a report which contains the required information on the projects and the newly added parcel.

NOW THEREFORE THE AGENCY RESOLVES:

1. The Agency hereby adopts the Minor Amendment to update the project listing refine the public benefit findings as contained in this resolution and in Exhibit A, and to add property as described in Exhibit A. Also attached are Exhibit B, a map of the property described, and Exhibit C the legal description of the property described in Exhibit A.

Exhibit D is a copy of the Jacksonville Preservation and Enhancement plan being modified.

2. The Agency will forward a copy of this Minor Amendment to the Jackson County Assessor.
3. This Minor Amendment becomes effective upon adoption.

NOW THEREFORE, BE IT RESOLVED that the City Council of the City of Jacksonville hereby adopts the minor plan amendment to the Jacksonville Preservation and Enhancement Plan hereby attached and incorporated herein through Exhibits A, B, C, D.

Passed by the City Council and signed by me in open session in authentication of its passage this 4<sup>th</sup> day of February, 2014.

  
\_\_\_\_\_  
Urban Renewal Agency Chair

ATTEST:

  
\_\_\_\_\_  
City Recorder or Designee

Exhibit A

Jacksonville Urban Renewal Plan Amendment

Deleted language is shown in ~~crossout~~, new language is shown in *italics*

1. A new Page is inserted before the Introduction to state:

*The First Amendment to the Jacksonville Urban Renewal Plan was adopted by resolution by the Jacksonville Urban Renewal Agency on February 4, 2014. The amendment updated the project listing, revised cost allocations, made public benefit findings, and added a parcel to the urban renewal area.*

Section 601. URBAN RENEWAL PROJECTS AND IMPROVEMENT ACTIVITIES

1. HISTORIC PRESERVATION FUND was updated to add further definition to the word "structures".

Additionally, the Agency may assist in or cause the recovery and enhancement of City owned historic features, structures, *including public buildings*, artifacts, and markers, including buried historic features such as the rails on "C" Street and the Stone walkways on Main, through this Fund.

2. STORM DRAIN, WATER, SEWER AND TRANSPORTATION IMPROVEMENTS

~~e. Sanitary Sewer Improvements – This section is deleted in its entirety.~~

4. PUBLIC BUILDINGS

The consolidation of City facilities into a more centralized location in order to improve efficiency of services for the Urban Renewal Area. Due to the concentration of tourist and commercial enterprise within the UR Area and the high demands for service that such activity generates, it is assumed that consolidated and improved facilities which would enhance services (public information, planning administrative, public safety, and public works maintenance and repair) would benefit the UR area. ~~up to a maximum of 30% of the costs associated with such consolidation.~~

*The rehabilitation of the former Jackson County Courthouse will serve and benefit the Area and residents of Jacksonville by preserving an historic resource.*

*The rehabilitation of Beekman Bank, 100 California Street West, will serve and benefit the Area and residents of Jacksonville by preserving an historic resource that the public can view through tours, and to help protect the historic identity of Jacksonville.*

*The rehabilitation of the St. Joseph's Catholic Rectory, 210 N 4<sup>th</sup> Street, will serve and benefit the Area and residents of Jacksonville by preserving an historic resource to help protect the historic identity of Jacksonville. The building can be opened for public viewing by the Friends of St. Joseph's.*

*The rehabilitation of Beekman House, 470 California Street East, will serve and benefit the Area and residents of Jacksonville by preserving an historic resource that the public can view through tours and to help protect the historic identity of Jacksonville.*

## Report to the Jacksonville Urban Renewal Plan Amendment

Updated project cost allocations equal to the amount of indebtedness left in the Area, \$3,630,202, are shown in Table 1 below. If the ODOT loan is less than originally anticipated, \$1,519,249, those funds may be added back into this project listing.

The addition of the Beekman House, located at 470 California Street East, will add 1.15 acres to the urban renewal area, less than one percent of the original acreage of the Area. The original acreage of the area is approximately 162 acres as identified in the 2002 Report on the Jacksonville Preservation and Enhancement Plan. The addition includes a cherry stem along California Street from 8<sup>th</sup> Street from the existing urban renewal area to the Beekman House, Map 372w32 Tax Lot 101, and includes Tax Lot 101 (see Exhibit B). The Beekman House is in need of exterior rehabilitation.

Table 1 – Project Costs

Jacksonville Urban Renewal Plan				
Original Project List	Completed	Deleted	Original Budget	Adjusted Budget
<b>UR Historic Preservation Fund</b>			2,485,000	915,202
<b>UR Historic Preservation City Owned Facilities</b>			100,000	1,500,000
<b>Cemetery</b>			180,000	360,000
<b>Storm Drain Improvements</b>				
Highway related storm drain	X		90,000	
Storm Drain Basin B	X		147,000	
Storm Drain Basin D	X		47,400	
Storm Drain Basin E & F	X		47,400	
Storm Drain Basin G	X		7,900	
Storm Drain Basin H	X		52,990	
Storm Drain Basin I	X		70,200	
Storm Drain Basin J	X		88,900	
Storm Drain Basin K	X		8,100	
Modifying Storm Drain Structures	X		10,000	
<b>Water Facilities</b>				
California Street	X		175,000	
3rd Street			70,000	70,000
4th Street			85,000	85,000
<b>Sanitary Sewer</b>				
G Street		X	87,285	0
Hueners Lane		X	211,265	0
Blackstone Alley		X	95,165	0
C		X	29,750	0
Paradice Ranch		X	297,000	0
<b>Misc Transportation</b>				
Sidewalks			50,000	50,000 underway
Misc Public Improv Outside core			875,000	75,000
<b>State Highway Facility Management</b>				
(4 projects)	X		491,000	
	X			
	X			
	X			
<b>Public Buildings</b>			265,000	265,000
<b>Misc Public Works</b>			40,000	40,000
<b>Administration annually to 2020, indexed at 3%</b>				270,000
<b>Total</b>				3,630,202

The financial projections were updated in 2012. A comparison of the projections completed by Tashman and Johnson in 2012 to the Jackson County Assessor's projections on 2012-13 Table 4c shows the projections are very close to the actual estimated revenue (off by \$1,584 or less than one percent). Given that these are so close, it is reasonable to assume the projections made by Tashman and Johnson are still valid for your use in projecting the length of time to reach your maximum indebtedness. It was noted in these prior projections that the time frame for urban renewal will depend on the type of borrowing you do and the interest rates on that borrowing. The projections from Tashman and the paragraph from that analysis are shown below.

FY Ending	2013	2014	2015	2016	2017
Growth Rate Total Assessed Value	3.00%	3.50%	4.00%	4.50%	5.00%
Total Assessed Value	59,775,259	61,867,393	64,342,089	67,237,483	70,599,357
Base	37,371,452	37,371,452	37,371,452	37,371,452	37,371,452
Increment	22,403,807	24,495,941	26,970,637	29,866,031	33,227,905
Tax Rate for Urban Renewal	10.6144	10.4144	10.2144	10.0144	9.8144
Tax Increment Revenues	237,803	255,111	275,489	299,090	326,112

FY Ending	2018	2019	2020	2021	2022
Growth Rate Total Assessed Value	5.00%	5.00%	5.00%	5.00%	5.00%
Total Assessed Value	74,129,325	77,835,791	81,727,581	85,813,960	90,104,658
Base	37,371,452	37,371,452	37,371,452	37,371,452	37,371,452
Increment	36,757,873	40,464,339	44,356,129	48,442,508	52,733,206
Tax Rate for Urban Renewal	9.6144	9.3972	9.3972	9.3972	9.3972
Tax Increment Revenues	353,405	380,251	416,823	455,224	495,544

“ The projected annual revenues shown above would support a long term (10 year) borrowing next fiscal year of \$2.6 million. If the urban renewal funds were not used for long term debt, but rather short term debt (a kind of pay-as-you-go approach), interest costs could be reduced or eliminated, and all of the remaining legal capacity of debt of \$3.7 million could be collected by FYE 2024. Whether long term or short term debt makes sense for the Agency is a matter of whether there is a need for greater funding n the present, or whether funds will be needed more or less as they are received.”

Exhibit B

# Urban Renewal District

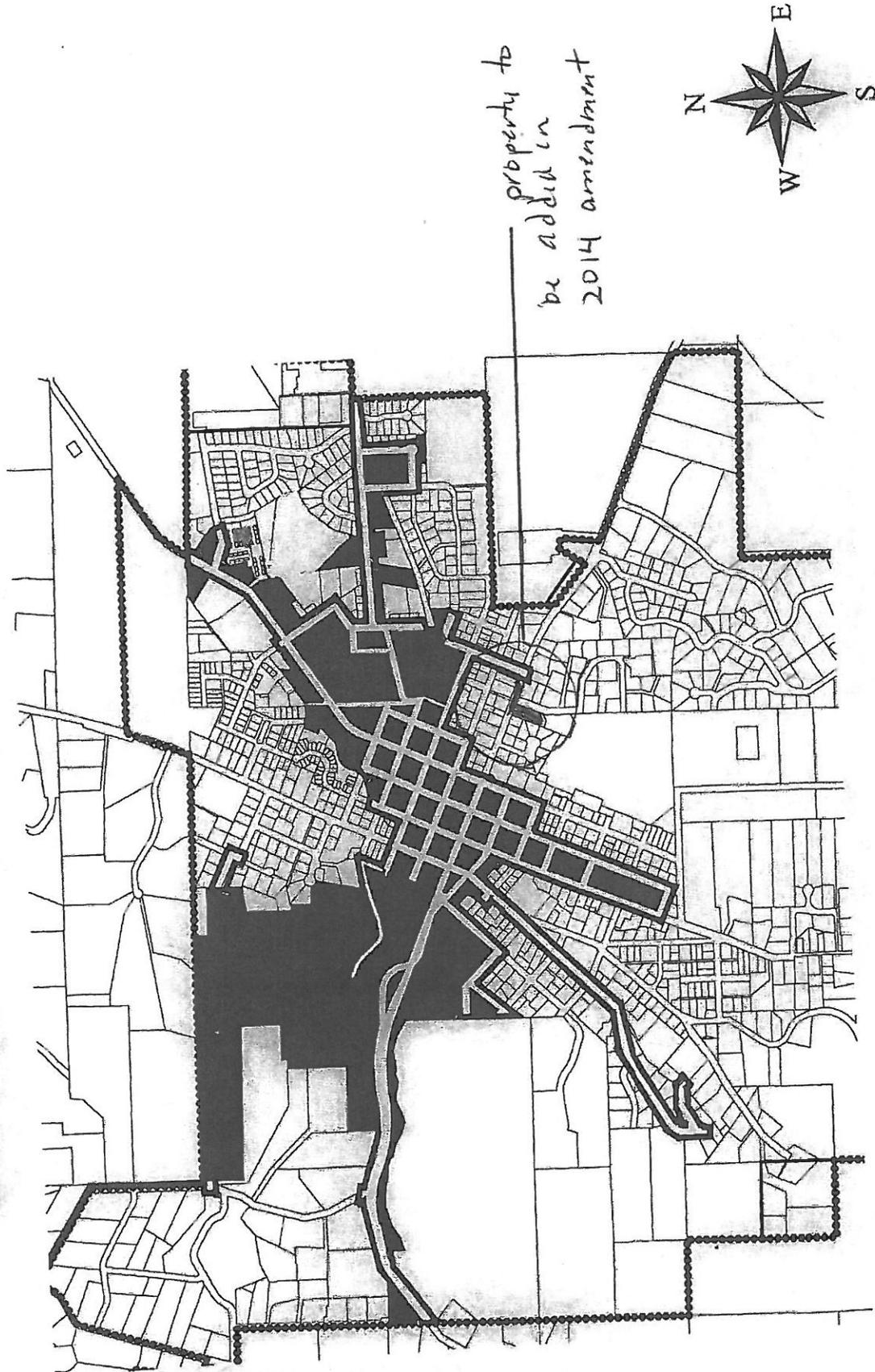


Exhibit C Addition to Legal Description:

Including a cherry stem of 60 feet wide on California Street East from 8th Street to the frontage of Tax Lot 101 and including Tax Lot 101.

EXHIBIT D  
RES UR 2014-001

Urban Renewal Report  
for the  
Jacksonville  
PRESERVATION  
AND  
ENHANCEMENT  
PLAN

November, 2002

# URBAN RENEWAL REPORT

November 2002

This report accompanies the Jacksonville Preservation and Enhancement Plan, and includes all information required by ORS 457.085 (3).

## A Description of the Physical, Social and Economic Conditions in the Urban Renewal Area.

The City of Jacksonville has conducted an analysis of the physical, social and economic conditions within the City and has found a number of conditions of blight in and around the Commercial and Industrial sections of the City. "Blighted area" means an area which by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of the factors found in ORS 457.010 (1), is detrimental to the safety, health or welfare of the community.

At first blush, Jacksonville is a very vibrant city: a National Historic Landmark community with the popular Britt Music Festivals every summer. Situated in an attractive setting with a moderate Mediterranean climate, its population is older, better educated, and more affluent than Jackson County as a whole. Yet, while the City experiences a growing population with a high value residential real estate market and an active tourism economy, it does suffer from several key weaknesses.

- ◆ Its most crucial assets are its historic features, many of which are over one hundred years old and badly in need of preventive maintenance, protection, rehabilitation, and stabilization. Additionally, its historic features have the potential to run afoul of modern code requirements such as handicapped accessibility, fire and life safety, and stabilization. Alternative solutions (sometimes requiring multi-property cooperation) are required.
- ◆ Parts of its infrastructure and public facilities are inadequate, inefficient, or simply nonexistent, such as undersized water and sewer lines, and a lack of storm drainage downtown, which diminishes fire protection capabilities, creates stagnant or clogged flows, reduces service efficiencies, and can lead to water-damage of its historic and commercial assets.
- ◆ Certain areas of town are poorly connected and underserved, which infringes on public welfare and limits development in accordance with their zoning designations.
- ◆ The State's District Highway 238 splits the City and creates a series of negative impacts on historic structures, storm drainage, congestion, and points of conflict, while also creating certain strips that lack cohesiveness with the historic integrity of the community.

With the above general assessment of Jacksonville's physical, social and economic conditions in mind, the citizens of Jacksonville found, through the passage of Ordinance #517, the existence of following blighted conditions which are concentrated in the Urban Renewal Area.

Faulty planning on the part of the City, the region, the State, and the nation has led to the deterioration and substandard structural stability of the historic buildings in the Core area of the City due to the continual vibrational impact of heavy traffic. In addition to the concerns regarding the highway, a lack of planning and affirmative maintenance on the part of individual property owners has led to the degradation of mortar, which, when combined with the unstable nature of the unreinforced masonry construction, leads to the need for stabilization. The problems are compounded where historic buildings are attached and share physical attributes. Given the crucial dependency of the community upon the integrity of its historic character, this situation represents an economic dislocation. If preservation, stabilization, and rehabilitation are not ensured, economic viability will be threatened.

Faulty long-range capital and facility planning has led to the deterioration of historic City-owned artifacts, such as the Cemetery and the rails in 'C' Street, and their need for preservation, stabilization, and rehabilitation. It has also led to a situation whereby the uncertain structural integrity, susceptibility to earthquake damage, and deteriorating nature of the City's Fire Hall has been found to be inadequate for emergency services and is in need of further structural evaluation.

Various sections of the City's infrastructure and public utilities are inadequate, inefficient, or simply nonexistent, such as undersized water and sewer lines, overburdened streets and misaligned intersections, and the inadequacy or total lack of storm drainage facilities. These inadequacies diminish fire protection capabilities, create stagnant or clogged flows, reduce service efficiencies, and can lead to water-damage of historic and commercial assets. Examples of infrastructure inadequacies are:

Highway 238 is currently rated in "Poor" condition and carries a substantial amount of heavy traffic which negatively impacts the historic integrity of the City. Similarly, there are multiple points of congestion and conflict which threaten the safety and welfare of pedestrians and other traffic. The North Gateway into the City suffers from a poorly designed intersection of 5<sup>th</sup> and Shafer Lane, along with a number of storm drainage issues on Highway 238.

Middle Street is also found to be inadequate in its ability to provide safe and convenient vehicular and pedestrian connectivity, in conjunction with Beverly Way's capability to provide adequate storm drainage and pedestrian facilities. The area around the north of the Cemetery Knoll is also found to be inadequate to ensure urban levels of water, sewer, and safe and convenient vehicular and pedestrian connectivity for the northwest quadrant of the City. The existence of other areas where there are inadequate streets and pedestrian facilities in the City are described in the Core Plan and the Transportation System Plan.

The lack of an adequate storm drainage system in the Urban Renewal Area is indicated in the City's Storm Drain Master Plan. Also, the intersection of the Medford Irrigation Canal and Jackson Creek causes a constriction of flows that compounds flooding and adversely impacts proper storm drain.

There are several bottlenecks and design flaws in the sewer system that can inhibit adequate flows.

The layout of the entire downtown core without the provision of a storm drainage system leads to the progressive water-damage inflicted on the historic structures. There are additional areas which are impacted by the hundred-year floodplain due to constrictions in creek flows, such as the intersection of the Medford Irrigation Canal and Jackson Creek which causes a constriction of flows that compounds flooding and adversely impacts proper storm drainage.

Measure 50 has created an economic maladjustment by artificially limiting taxation based upon Real Market Value so tax receipts are inadequate for the cost of public services rendered. Consolidation of City service facilities into one central location will help to correct that maladjustment by returning a number of properties onto the tax rolls and position City services to better take advantage of additional revenue opportunities, thereby improving efficiency.

The extension of sewer, water, and transportation facilities to the west of the downtown core will rectify the underutilization of the Cottage Industrial zone. The poorly designed intersection of 5<sup>th</sup> and Shafer Lane, threatens to impede the proper utilization of commercial property on Highway 238. While development conditions may correct some of the safety issues, the ultimate solution will require alterations of existing fully-developed properties that are out of the control of the developable properties.

#### Reasons for Defining the Urban Renewal Area Boundary; Established Boundary in Conformance with Assessed Value and Area Limitations

The establishment of an Urban Renewal Area must be premised upon a finding of "blight", and therefore, the above findings of blight served as a basis for the selection of the Urban Renewal Area in the plan. The blighted conditions described above in Jacksonville were mapped and a boundary around them established, upon which the Urban Renewal Area is based. It is focused primarily around underserved areas and the historic and commercial/industrial concentrations of the City with Highway 238 functioning as the spine of the Area.

The City's total land area is 1,184 acres. The Urban Renewal Area includes about 162 acres. The Area is therefore roughly 15% of the geographic area of the City. The Area does not exceed 25% of the jurisdiction's geographic area.

The City's total assessed value is \$205,060,440. The Urban Renewal Area assessed value is \$50,652,650. The assessed value in the Urban Renewal Area is slightly under 25% of the City's assessed value. The assessed value in the Urban Renewal Area does not exceed 25% of the assessed value of the City.

**A Description of the Relationship Between Each Urban Renewal Project and the Conditions Within the Area**

**HISTORIC PRESERVATION FUND:**

The establishment of a Historic Preservation Fund is necessitated by the above conditions regarding substandard structural stability of the historic buildings in the Urban Renewal Area, along with the presence of deteriorated or neglected historic features, in combination with the requirements of Policy G.1 of the Historic Element of the Comprehensive Plan (that the City promote financial incentives for historic preservation); Social Policy 5 (that the City develop a system that derives the revenue needed to pay for growth related costs from the development that is most directly responsible for the growth); and Economic Policy #1.A (that seeks to encourage community and economic development simultaneously in order to reach economic goals without compromising the historic integrity and unique character of Jacksonville).

Through this fund, the Agency shall commission a study or studies of the condition and structural stability of the historic structures of the Urban Renewal Area. Such studies shall document in detail building-by-building structural conditions, measurements, and techniques, along with the degradation of mortar and other materials. They shall also analyze remedial solutions and recommend preferred alternatives. Where historic structures are attached, collective solutions shall be analyzed and a treatment program recommended. Such collective rehabilitation/treatment programs may have top priority for implementation and financing under the Urban Renewal program.

With funds available to it, the Agency may establish a granting program and/or a below market interest rate loan programs for the rehabilitation of historic buildings within the Urban Renewal Area. A priority for grants will be to leverage existing below market interest rate loan programs.

**Estimated Cost:** \$2,485,000  
**Sources of Project Funding:** Urban Renewal  
**Estimated Completion Date:** 2026

Additionally, the Agency may assist in or cause the recovery and enhancement of City-owned historical features, structures, artifacts, and markers, including buried historic features such as the rails on 'C' Street and the Stone walkways on Main, through this Fund.

**Estimated Cost:** \$200,000  
**Sources of Project Funding:** Urban Renewal - 50%, SHPO & private foundation grants - 50%  
**Estimated Completion Date:** 2004, 2010

The need for restoration and interpretation of the historic City-owned Cemetery in combination with Historic Policy G.1 (which requires that the City promote financial incentives for historic preservation) and the Jacksonville Cemetery Preservation and Restoration Plan demands that the Agency fund the rehabilitation of historic City-owned Cemetery, including the compilation of further historical documentation and surveywork, the reconstruction of broken or worn monuments, structures, and fencing, the construction of bollards, signage, and interpretative elements, purchase capital equipment, and the construction of new Sexton structures necessary for the operation, maintenance, protection, and upkeep of the grounds. The design, purchase, and construction of such facilities will be coordinated with the Cemetery Commission in accordance with the Jacksonville Cemetery Preservation and Restoration Plan.

Estimated Cost:	\$360,000
Sources of Project Funding:	Urban Renewal – 50%, Grants – 50%
Estimated Completion Date:	2005, 2015

#### **STORM DRAIN, WATER, SEWER AND TRANSPORTATION IMPROVEMENTS:**

There are numerous infrastructure issues that need to be corrected due to the above-described progressive water-damage inflicted on the historic structures by the lack of an adequate storm drainage system; the inadequate fire protection capabilities of undersized waterlines in various areas; and the bottlenecks and design flaws in the sewer system that can inhibit adequate flows and thereby inhibit future economic growth. The infrastructure improvements are in compliance with Economic Policy #1.A (which seeks to encourage community and economic development simultaneously in order to reach economic goals without compromising the historic integrity and unique character of Jacksonville) and Policy #3.B (which would improve and maintain public services and facilities to enhance existing and future commercial activity). Additionally, Historic Policy E.1 required the preparation of a Specific Development Plan for the Historic Core area and correcting the storm drainage problems are a part of that plan.

The Agency may prepare detailed plans and assume the costs, or a share of the costs, of engineering and constructing the following public works projects within the UR Area to further the objectives of this Plan.

##### **a. Storm Drain Improvements**

The Public Facilities Chapter of the Comprehensive Plan requires that the City provide for the long-range storm drainage requirements in existing and developing areas. The Storm Drain Master Plan contains a list of numerous projects that are needed to provide for adequate drainage throughout the City. In accordance with the City's Master Storm Drain Plan, the Agency shall prepare detail plans for reversing the progressive water-damage inflicted on the historic structures by the lack of an adequate storm drainage system in the downtown core (Basin C).

The Agency shall also prepare detail plans for relevant storm drain improvements in the U.R. Area in Basins B, D, E, F, G, H, I, J, and K, along with such improvements in Jackson Creek that will reduce or remove constrictions of flows.

**Estimated Cost:** \$250,000 for Highway-related Storm Drain  
**Sources of Project Funding:** \$90,000 Urban Renewal, \$3,000 SDC plus ODOT  
**Estimated Completion Date:** 2004

**Estimated Cost:** \$147,000 for Storm Drain Basin B  
**Sources of Project Funding:** \$147,000 – Urban Renewal  
**Estimated Completion Date:** 2010

**Estimated Cost:** \$63,650 for Storm Drain Basin D  
**Sources of Project Funding:** \$47,400 – Urban Renewal, \$16,250 SDC  
**Estimated Completion Date:** 2010

**Estimated Cost:** \$47,400 for Storm Drain Basins E & F  
**Sources of Project Funding:** \$47,400 Urban Renewal  
**Estimated Completion Date:** 2015

**Estimated Cost:** \$39,325 for Storm Drain Basin G  
**Sources of Project Funding:** \$7,900 Urban Renewal, \$31,425 SDC  
**Estimated Completion Date:** 2015

**Estimated Cost:** \$52,990 for Storm Drain Basin H  
**Sources of Project Funding:** \$52,990 Urban Renewal  
**Estimated Completion Date:** 2015

**Estimated Cost:** \$70,200 for Storm Drain Basin I  
**Sources of Project Funding:** \$70,200 Urban Renewal  
**Estimated Completion Date:** 2010

**Estimated Cost:** \$99,024 for Storm Drain Basin J  
**Sources of Project Funding:** \$88,900 Urban Renewal, \$10,124 SDC  
**Estimated Completion Date:** 2010

**Estimated Cost:** \$61,980 for Storm Drain Basin K  
**Sources of Project Funding:** \$8,100 Urban Renewal, \$53,880 SDC  
**Estimated Completion Date:** 2010

Based upon the facts that the intersection of the Medford Irrigation Canal and Jackson Creek causes a constriction of flows that compounds flooding and adversely impacts proper storm drainage and fish passage, along with

Environmental Policy #1 of the stream section (which requires that the City protect, maintain, enhance, and restore the functions and values of stream corridors), Policy #11 (which requires that the City design and construct public works projects to preserve existing stream banks and adjacent riparian vegetation), and Policy #5 of the flooding section (which states that the City shall encourage the Medford Irrigation District to install a siphon at the intersection of the MID ditch and Jackson Creek in order to reduce stream flooding),

the Agency may assist in the funding of the cost of modifying structures which currently restrict stream flows, or other stream improvements as identified in the Jackson Creek Action Plan.

**Estimated Cost:** \$90,000  
**Sources of Project Funding:** \$10,000 Urban Renewal, \$80,000 MID  
**Estimated Completion Date:** 2003

**b. Water Facilities Improvements**

The Public Facilities Chapter of the Comprehensive Plan also requires that the City maintain an adequate and efficient municipal supply and distribution system to meet the long-range domestic and fire flow requirements of the City. A Public Works survey of water facilities has identified as inadequate the facilities in 3<sup>rd</sup> Street (from California to C and D to E), 4<sup>th</sup> Street (from California to Maple to 3rd), 4<sup>th</sup> Street (from California to E), 5<sup>th</sup> Street (from California to Shafer), 6<sup>th</sup> Street (from California to D), and 'G' Street (from 5<sup>th</sup> to Hueners Lane), which limit fire flow capacity and require upgrading. Also, a mixture of 4 and 6 inch lines on California Street (from 6th to First Street) need replacement and upsizing to 8 inch diameter due to deterioration and inadequacy for consumption and fire protection. Finally, the age and poor condition of the pressure-reducing valve in South Oregon Street demand prompt attention.

4 and 6 inch lines on California Street (from 6th to First Street) 'G' Street (from 5<sup>th</sup> to Hueners Lane), and 4<sup>th</sup> Street (from California to Main)

Estimated Cost: \$175,000  
Sources of Project Funding: Urban Renewal  
Estimated Completion Date: 2004

4 inch lines on 3<sup>rd</sup> (from D to E), 4<sup>th</sup> Street (from California to E), E Street (from 5<sup>th</sup> to Oregon), and 6<sup>th</sup> Street (from California to D)

Estimated Cost: \$70,000  
Sources of Project Funding: Urban Renewal  
Estimated Completion Date: 2020

4 inch lines on 4<sup>th</sup> Street (from Main to Maple)

Estimated Cost: \$85,000  
Sources of Project Funding: Urban Renewal  
Estimated Completion Date: 2020

c. Sanitary Sewer Improvements

Additionally, the Public Facilities Chapter of the Comprehensive Plan requires that the City strive to implement and maintain a high-quality and efficient sewerage collection and treatment system. The City's Master Sanitary Sewer Plan has noted flow constrictions at 'C' Street (M1-17 to M1-20), Blackstone Alley/5th (M1-7 to M1-13), 'G' Street (M1-5 to M1-7) and Hueners Lane (M1-1 to M1-5), along with the extension to service the northwest of the City. The Board shall also prepare detail plans for removing those constrictions and fund the remedial work within the Urban Renewal Area as described by such plans.

'G' Street (M1-5 to M1-7)

Estimated Cost: \$191,320  
Sources of Project Funding: \$87,285 - Urban Renewal, \$104,035 - SDC  
Estimated Completion Date: 2003

**Hueners Lane (M1-5 to M1-1)**

**Estimated Cost:** \$459,272  
**Sources of Project Funding:** \$211,265 – Urban Renewal, \$248,007 - SDC  
**Estimated Completion Date:** 2010

**Blackstone Alley/5th (M1-7 to M1-13)**

**Estimated Cost:** \$207,080  
**Sources of Project Funding:** \$95,165 – Urban Renewal, \$111,915 - SDC  
**Estimated Completion Date:** 2003

**'C' (M1-17 to M1-20)**

**Estimated Cost:** \$56,000  
**Sources of Project Funding:** \$29,750 – Urban renewal \$26,250 - SDC  
**Estimated Completion Date:** 2003

**Paradise Ranch Road Extension**

**Estimated Cost:** \$645,652  
**Sources of Project Funding:** \$297,000 – Urban Renewal, \$348,652 - SDC  
**Estimated Completion Date:** 2015

**d. Miscellaneous Transportation Improvements**

Based upon the need for improved transportation facilities to lessen negative impacts on the City and to eliminate constraints that serve as disincentives on future economic development and diversification and force underutilization of commercial and residential property, along with

Historic Policy E.1 (which requires the preparation of a Specific Development Plan for the Historic Core area and which, in turn, include several of the following projects), Policy F.2 (which requires that the City promote development of pedestrian pathways throughout the City), Economic Policy #2.A (which seeks economic diversification), Policy #2.C (which seeks to provide a wide range of employment opportunities while creating an attractive streetscape), Policy #3.B (which would improve and maintain public services and facilities to enhance existing and future commercial activity), Policy #7 (which requires that the City develop a system of corridors, linear park routes and trails), Policy #8 (which

requires that, where possible, trails along non-urbanized sections of stream corridors be established), Environmental Policy #11 (which requires that the City design and construct public works projects to preserve existing stream banks and adjacent riparian vegetation), Policy #1 of the Land Use Chapter (which requires that the City maintain a high quality visual appearance, and to the extent possible, a distinct rural/urban transition at major entryways), and Policy #2 (which states that developing commercial areas along major transportation corridors should be afforded ample off-street parking, provision for internal circulation and reasonable, yet limited access and traffic controls).

the Agency shall prepare detail plans and conduct construction of transportation facilities and needed connections in the UR Area, such as Middle Street, the North Gateway area, and in the area around the north of the Cemetery Knoll.

The Agency is also authorized to fund the projects which include necessary pedestrian improvements, landscape and signage features, access management controls, and intersection redesigns in the U.R. area. This is an area where a significant portion of the City's commercial/residential growth will occur in the near future, thus the preparation and adoption of master plans and designs are essential now. The Agency will designate specific projects within this category by Council-Approved amendment to the Plan listing them in this subsection, and making findings of the economic feasibility of such projects.

In general, where walkways do not already exist in the core area, one side of each street should have an improved walkway, to consist of either the extension of the existing or connecting walkway surface, boardwalks, or decomposed granite. Specific facilities are identified in the Core Plan and the Capital Plan (attached in Appendices F & G).

<b>Estimated Cost:</b>	<b>\$80,000</b>
<b>Sources of Project Funding:</b>	<b>Urban Renewal - \$50,000, Britt/County - \$5,000, Transportation SDCs - \$25,000</b>
<b>Estimated Completion Date:</b>	<b>2010, 2015</b>

In conjunction with such installation, the Board shall make reasonable attempts to preserve existing trees and shall provide appropriate new tree plantings, planting beds, an irrigation system, night lighting on the pedestrian side of the street, benches, drinking fountains and such other items of street furniture as the Board may deem appropriate to establish a comfortable, safe and pleasant pedestrian environment with a visual consistency throughout.

e. Miscellaneous Public Improvements Outside Core

The Agency shall prepare detail plans and conduct construction of extensions of sewer, water, and transportation facilities to the west of the downtown core to encourage the utilization of the Cottage Industrial zone and in the area around the north of the Cemetery Knoll in order to encourage well-connected safe residential development to northwest of the City. The Agency will designate specific projects within this category by minor amendment to the Plan listing them in this subsection, and making findings of the economic feasibility of such projects.

**Estimated Cost:** \$875,000  
**Sources of Project Funding:** Urban Renewal  
**Estimated Completion Date:** 2010, 2015

**STATE HIGHWAY 238 FACILITY MANAGEMENT:**

The Oregon Department of Transportation's (ODOT) Pavement Management rating system has established that the highway is in "Poor" condition. The October 25<sup>th</sup>, 1994 Traffic-Induced Vibration Study prepared by Marquess & Associates, Inc. found that "maintenance of a smooth, defect-free road surface is important to continued minimization of ground-born vibrations" and their seismic impacts on our National Landmark structures. The State itself is reviewing Jacksonville for a designation as a Special Transportation Area demanding special treatment. Therefore, the first priority is to profile Highway 238 through the center of town using ODOT "Preservation" funds, leveraged with some of the following projects.

The Highway 238 Facility Management Plan, Resolution #672, discusses the need for providing a smooth pavement surface on the Highway in order to minimize adverse vibrational impacts, along with the need to remove those adverse impacts. It also describes the need for access management, pavement management, special intersection treatments at Fifth and Shafer, 'E', 'F', and California, and pedestrian connections.

All of those needs described in the Resolution serve as the basis for projects in the Urban Renewal district since Highway 238 carries a substantial amount of heavy traffic which negatively impacts the historic integrity of the City, and creates multiple points of congestion and conflict which threaten the safety and welfare of pedestrians and vehicular traffic. There are numerous policies relating to the development of street, pedestrian, bicycle, & access management plans, and streetscape improvements (including the implementation of the Highway 238 Facility Management Plan (Resolution #672)), followed by Policy R, which directs the City to develop innovative and sound funding policies to implement the Plan. The projects are also in compliance with Economic Policy #1.A (which seeks to encourage community and economic development simultaneously in order to reach economic goals without compromising the historic integrity and unique character of Jacksonville), Policy #2.C (which seeks to provide a wide range of employment opportunities while creating an attractive streetscape), Policy #3.B (which would improve and maintain public services and facilities to enhance existing and future commercial

activity), Historic Policy F.2 (which requires that the City promote development of pedestrian pathways throughout the City), and Policy E.1 (which requires the preparation of a Specific Development Plan for the Historic Core area since several projects are included in that plan).

The Agency may fund the following Highway 238-related projects, along the Rail Track Historic Marker and the storm drainage and waterline improvements on California Street listed above, in order to serve as leverage for the ODOT funds:

In order to define and recreate the historic pedestrian crosswalks at the Historic Core Area intersections of 5<sup>th</sup>-and-'D', 5<sup>th</sup>-and-'C', 5<sup>th</sup>-and-California, California-and-4th, California-and-3<sup>rd</sup>, and California-and-Oregon, the Agency may fund the design and preparation of appropriate base materials and containment curbs, along with the installation of approved type colored-concrete. Existing curbs are not intended to be changed by the crosswalk improvements, but a new, 4-foot wide, stone and concrete apron is proposed at each corner.

**Estimated Cost:** \$125,000  
**Sources of Project Funding:** Urban Renewal  
**Estimated Completion Date:** 2004

In order to conform with the new grades generated by the Highway profiling, numerous sidewalks will need simultaneous reconstruction. A pedestrian refuge on the corner of 5<sup>th</sup> and California needs to be constructed along with providing for any changes in pole/guywire systems. Street trees will need protection. In accordance with the Core Plan, at least two cobra lights on California Street intersections should be removed and replaced by replicas of historic light fixtures. No plant standards should be included on the light fixtures. With removal of the light poles, the banner across California Street will need to be moved. California Street at Fourth Street provides a suitable location for the banner. All other new street lighting fixtures should be historic in design.

Public signage should be modeled after signs in historic photographs of the community. The City should negotiate with the ODOT to supply signage that is more compatible with and sensitive to the historic nature of the city. If replacement of existing ODOT signs is not possible, additional new signage should be installed.

**Estimated Cost:** \$146,000  
**Sources of Project Funding:** Urban Renewal  
**Estimated Completion Date:** 2004

The correction of the misaligned intersection of 5<sup>th</sup> and Shafer Lane has been determined to be essential for future growth and safety, as well as serving as the key entry at the North Gateway into the City and thereby prominent aesthetically.

**Estimated Cost:** \$280,000  
**Sources of Project Funding:** \$140,000 - Private Development, \$70,000 - Urban Renewal, \$70,000 - SDCs  
**Estimated Completion Date:** 2004

The Agency may also participate in the funding of the preparation of an ODOT-acceptable Environmental Impact Statement (EIS) that analyzes the optimal solutions for removing the adverse traffic impacts upon the extremely sensitive and valuable historic core of the City, including analyzing the acoustical and seismic vibrational impacts of heavy traffic and designing transitions and connections with City streets.

**Estimated Cost:** \$1,500,000  
**Sources of Project Funding:** Urban Renewal - \$150,000, U.S.  
government - \$1,350,000  
**Estimated Completion Date:** 2010

### **PUBLIC BUILDINGS:**

Based upon Economic Policy #3 B (which would improve and maintain public services and facilities to enhance existing and future commercial activity), the Agency may assist in the design, funding and financing of the following improvements to public buildings in order to more efficiently serve and benefit the Urban Renewal Area.

The structural evaluation of the City's Fire Hall in order to determine its stability and expansion potential.

The consolidation of City facilities into a more centralized location in order to improve efficiency of services for the Urban Renewal Area.

Consolidation of City service facilities into one central location will help to correct the maladjustment caused by Measure 50 by returning a number of properties onto the tax rolls while positioning City services to better take advantage of additional revenue opportunities, thereby improving efficiency.

Due to the concentration of tourist and commercial enterprise within the UR Area and the high demands for service that such activity generates, it is assumed that consolidated and improved facilities which would enhance services (public information, planning, administrative, public safety, and public works maintenance and repair) would benefit the UR area up to a maximum of 30% of the costs associated with such consolidation.

The optimal location of consolidated services would be around the current Public Works facility although site/design/financial constraints may force modifications from this basic premise. Additionally, funding for this consolidation may involve the provision of bridge financing to cover construction while waiting for the proceeds from surplus properties to be realized.

**Estimated Cost:** \$1,200,000  
**Sources of Project Funding:** Urban Renewal - \$265,000, Surplus property  
- \$935,000.  
**Estimated Completion Date:** 2010

**MISCELLANEOUS PUBLIC WORKS.** Throughout the life of this Plan, the Agency may assume the costs, or a share of the costs, of engineering and constructing public works projects within the UR Area to further the objectives of the Plan. Such projects may include the installation or reconstruction of storm drains, sanitary sewers, water mains and fire hydrants, curbs or curbs and gutters, sidewalks, including irrigated tree planting and landscaping, street lighting, street furnishings, and street signs. The Agency will designate specific projects within this category by minor amendment to the Plan listing them in this subsection, and making findings of the economic feasibility of such projects.

**Estimated Cost:** \$40,000  
**Sources of Project Funding:** Urban Renewal  
**Estimated Completion Date:** 2020

**The Total Estimated Amount of Money Required in the Urban Renewal Area**  
\$14,020,711.60 in urban renewal revenue will be required in the Urban Renewal Area to complete the Plan projects.

**The Anticipated Year in which Indebtedness Will Be Retired**  
The Agency anticipates that indebtedness will be retired in 2026.

**A Financial Analysis of the Plan with Sufficient Information to Determine Feasibility**

A Financial Analysis of the Plan is laid out in Exhibit A on page 14A and is based upon this Report's timing and cost estimates.

The tabular feasibility analysis shows that there will be adequate resources to carry out the activities described in the Plan, that the resources will be available in a timely fashion, that debt incurred to carry out the Plan can be paid off, and that the urban renewal funding provisions of the Plan can be ended in a reasonable period of time.

**The Relocation Report**

It is not expected that any existing residents or businesses will be required to relocate permanently or temporarily as a result of Agency actions under ORS 457.170. No existing housing units in the urban renewal areas of the Plan are proposed to be destroyed or altered by the Agency and no new units are proposed to be added by the Agency.

Because acquisition is not authorized by the Plan, the Agency has not adopted a Relocation Policy in conjunction with the adoption of the Plan. If property acquisition is authorized in the future pursuant to Section 602 of the Plan, and the Agency authorizes acquisition of any real property by amendment to the Plan, then the Agency shall adopt a Relocation Policy as a condition to the acquisition.

EXPECTED CASE URBAN RENEWAL	TWENTY-FIVE YEAR BUDGET PROJECTIONS						EXHIBIT A
	(based upon \$9.34 per thousand)						
	CASH FLOW AND FUNDING CAPACITY						
RESOURCES DESCRIPTION	2002/2003	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	
1. BEGINNING BALANCE	-	4,582	484,833	40,468	640,824	473,601	
2. Delinquency at 3% Average	-	-	856	1,781	2,779	3,656	
3. Investment Earnings at 4%	-	182	18,583	1,818	25,825	18,844	
4. Tax Incremental Revenues	-	37,842	78,721	122,661	170,822	222,008	
5. Other Income	-	-	-	-	-	-	
6. Bond/Debt Receipts	85,000	1,000,000	-	1,000,000	-	-	
7. TOTAL RESOURCES	85,000	1,042,587	562,705	1,186,709	839,549	716,410	
EXPENDITURE DESCRIPTION							
8. Personal Services:	68,068	62,864	89,489	70,247	71,242	78,481	
9. Materials & Services:	18,970	19,870	19,970	19,970	19,970	19,970	
10. Project Activities	11,400	499,000	300,000	300,000	-	-	
11. TOTAL ACTIVITY FUNDED THIS YEAR	80,438	482,654	389,469	390,217	94,212	98,451	
12. Debt Service (6% @ 10 years)	-	85,000	135,868	195,338	271,738	271,738	
13. TOTAL EXPENDITURES	80,438	577,654	525,337	585,555	365,950	370,189	
14. TOTAL RESOURCES	85,000	1,042,587	662,765	1,186,709	839,549	716,410	
15. ENDING BALANCE	4,582	484,833	40,468	640,824	473,601	348,223	
RESOURCES DESCRIPTION							
	2008/2009	2009/2010	2010/2011	2011/2012	2012/2013	2013/2014	
1. BEGINNING BALANCE	348,223	226,048	186,288	827,667	602,733	475,137	
2. Delinquency at 3% Average	5,024	6,282	7,840	9,108	10,683	12,405	
3. Investment Earnings at 4%	13,828	9,042	7,852	25,108	24,108	19,095	
4. Tax Incremental Revenues	277,809	337,880	462,815	472,569	546,208	578,843	
5. Other Income	-	-	-	-	-	-	
6. Bond/Debt Receipts	-	-	1,000,000	-	-	-	
7. TOTAL RESOURCES	644,784	579,032	1,614,393	1,184,357	1,185,741	1,085,391	
EXPENDITURE DESCRIPTION							
8. Personal Services:	82,000	88,000	90,000	94,000	88,000	102,000	
9. Materials & Services:	25,000	25,000	25,000	30,000	30,000	30,000	
10. Project Activities	40,000	-	660,000	-	175,000	-	
11. TOTAL ACTIVITY FUNDED THIS YEAR	147,000	113,000	715,000	124,000	303,000	132,000	
12. Debt Service (6% @ 10 years)	271,738	271,738	271,738	407,894	407,604	407,604	
13. TOTAL EXPENDITURES	418,738	382,738	986,738	531,894	710,604	539,604	
14. TOTAL RESOURCES	644,784	579,032	1,614,393	1,184,357	1,185,741	1,085,391	
15. ENDING BALANCE	226,048	186,288	827,667	602,733	475,137	348,223	
RESOURCES DESCRIPTION							
	2014/2015	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	
1. BEGINNING BALANCE	545,787	678,378	2,045,492	2,081,900	2,189,204	2,318,086	
2. Delinquency at 3% Average	13,088	13,812	14,548	15,905	16,888	18,889	
3. Investment Earnings at 4%	21,631	27,135	117,820	82,476	88,768	82,824	
4. Tax Incremental Revenues	610,399	642,602	678,389	710,865	748,378	782,862	
5. Other Income	-	-	-	-	-	-	
6. Bond/Debt Receipts	-	3,000,000	-	-	-	-	
7. TOTAL RESOURCES	1,181,115	4,362,228	3,754,240	2,870,544	3,016,496	3,205,471	
EXPENDITURE DESCRIPTION							
8. Personal Services:	108,000	110,000	114,000	110,000	122,000	128,000	
9. Materials & Services:	35,000	35,000	35,000	40,000	40,000	40,000	
10. Project Activities	190,000	1,000,000	1,000,000	-	-	-	
11. TOTAL ACTIVITY FUNDED THIS YEAR	241,000	1,145,000	1,149,000	150,000	162,000	168,000	
12. Debt Service (6% @ 10 years)	271,738	271,738	543,340	543,340	543,340	543,340	
13. TOTAL EXPENDITURES	512,738	1,416,738	1,692,340	701,340	705,340	708,340	
14. TOTAL RESOURCES	1,181,115	4,362,228	3,754,240	2,870,544	3,016,496	3,205,471	
15. ENDING BALANCE	678,378	2,045,492	2,081,900	2,189,204	2,319,086	2,468,131	
RESOURCES DESCRIPTION							
	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026	
1. BEGINNING BALANCE	2,488,131	1,715,894	2,076,050	2,487,261	2,838,202	2,727,218	
2. Delinquency at 3% Average	17,717	18,598	19,448	20,352	21,284	21,284	
3. Investment Earnings at 4%	89,845	68,840	83,042	89,263	118,328	108,088	
4. Tax Incremental Revenues	820,641	858,451	888,425	859,889	883,000	1,026,889	
5. Other Income	-	-	-	-	-	-	
6. Bond/Debt Receipts	-	-	-	-	-	-	
7. TOTAL RESOURCES	3,434,334	2,662,854	3,077,965	3,557,808	4,060,823	3,864,280	
EXPENDITURE DESCRIPTION							
8. Personal Services:	130,000	134,000	138,000	142,000	146,000	150,000	
9. Materials & Services:	45,000	45,000	45,000	50,000	50,000	50,000	
10. Project Activities	1,000,000	-	-	-	750,000	250,000	
11. TOTAL ACTIVITY FUNDED THIS YEAR	1,175,000	179,000	183,000	192,000	246,000	450,000	
12. Debt Service (6% @ 10 years)	543,340	407,804	407,604	407,604	407,604	407,604	
13. TOTAL EXPENDITURES	1,718,340	586,804	590,604	599,604	1,353,604	857,604	
14. TOTAL RESOURCES	3,434,334	2,662,854	3,077,965	3,557,808	4,060,823	3,864,280	
15. ENDING BALANCE	1,715,894	2,076,050	2,487,261	2,838,202	2,727,218	3,026,876	

## SUMMARY OF PROJECTS BY SEQUENTIAL GROUPINGS

(with associated Urban Renewal cost estimates)

### First Grouping (within five years) – roughly \$1,050,000

Stabilization of St. Andrew's/ Gateway/Shafer Lane Intersection - \$70,000 Cemetery Restoration - \$50,000	other City-owned structures \$20,000 Middle Street - \$65,000 Multi-property Hist. Analysis - \$30,000
<i>Contribution: Preservation/Profiling Hwy. 238</i> Sewer ('C', Blackstone to 'G') – 238,000 Waterlines - \$175,000 Highway-related Storm Drain - \$100,000 Sidewalks/Ped. Refuge – \$74,000	Core Crosswalks - \$125,000 Railroad Preservation - \$ 30,000 California Lights/Signage - \$45,000 Vaults/conduits/crossings - \$ 12,000 Sidestreet Reconst./Tree Protection - \$15,000

### Second Grouping (within ten years) – roughly \$775,000

Improvement of Hueners Infrastructure - \$211,000 Extension of Infrastructure to Industrial - \$125,000 Highway EIS - \$150,000	Consolidation of City Services - \$265,000
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### Third Grouping (within fifteen years) – roughly \$2,100,000

Storm Drain Improvements - \$470,000 Infrastructure Extension to Northwest - \$750,000 Stabilization of City-owner structures \$50,000	Cemetery Restoration - \$130,000 Pedestrian Improvements - \$50,000 Historic Preservation - \$650,000
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### Fourth Grouping (within twenty years) – roughly \$2,000,000

Historic Preservation Fund - \$1,805,000 Misc. Public Works - \$40,000	Waterline Improvements - \$155,000
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## ANALYSIS OF PLAN IMPACTS

The City of Jacksonville has conducted an analysis of the impact of the plan, including fiscal impacts, in terms of increased population and the need for additional public services.

In order to analyze the long-range economic health of the City, the Economic Committee, at the beginning of 2001, launched an intensive review of fiscal implications over a six-year period. As a starting point, a "status quo" or "do nothing" projection was prepared using the premise that population and assessed values would increase at relatively the same rate as the present for the next six years. The "status quo" projection also used the premise that there would be no further significant changes in Oregon's tax laws. Under Measure 50, Jacksonville has had its tax rate frozen at a permanent \$1.84 per thousand, the second lowest in Jackson County.

The six-year "status quo" projection examined what will likely happen if no new revenue streams are developed and cost-cutting measures are employed. The following is a list of key assumptions, critical concerns, and suggested avenues for analysis. It is by no means comprehensive, but it should give some basic background.

1. Property taxes were projected using the annual 8% growth in assessed value which reflects the 3% allowed by Measure 50, plus an additional assumed amount for new construction value based upon current trends. The Economic Committee felt the 8% projection was reasonable for the next six years based upon the recent history of Value Increases.
2. All other resources were trended up or down based upon their recent performance, along with the implementation of a new policy of stabilizing medical expenditures at the present rate per employee and converting them to a medical allowance (with 3% increases after that) was assumed.
3. The Department Heads each presented a list of needs for operational and capital increases for next year. Those lists included increases to compensate for fuel prices, electricity costs, and to replace equipment. No Departmental requests for capital projects were reflected in the projection.
4. While the Parks system is growing and a Parks Operation and Maintenance study is underway, the projection limited growth in budget items for Parks.

In the "Urban Renewal Feasibility Study", released May 2001, and revised/updated in April 2002, it was found that the General Fund will be in the negative within two years. Not only is the General Fund devoid of any capital expenditures, but the Capital Fund itself only has the capability of handling a few small projects. Also, certain objectives are not achieved such as initiating a system of Reserves for Replacements in anticipation of GASB's forthcoming asset management requirements (i.e. depreciation) and maintaining at least a 10% reserve in all funds for shortfalls and the unexpected. It was obvious from the existing budget structure that there are no present or even future projected funds to accomplish the large number of the public objectives described above.

It was also found that new revenue options primarily involve some increase in taxes or fees whether through a bond, serial levy or utility fee on the water bills and that the option with the greatest promise is an Urban Renewal District since all other alternatives would either increase a fee or tax in order to pay for even a bare minimum of objectives.

"As a result of Ballot Measure 50, the financial impacts of carrying out an urban renewal plan have undergone radical change. Prior to the passage of Ballot Measure 50, renewal revenues were raised by a form of "levy" imposed on all property owners in the city which initiated the renewal program. Thus, renewal resulted in an increase in total taxes paid by property owners. Under Oregon's new tax rate based system of property taxes, total tax rates will not change as a result of adopting an urban renewal program. Thus, there will be no effect on taxpayers." *Spencer & Kupper, Portland, OR.*

Therefore, the establishment of an Urban Renewal District was recommended by the Economic Committee because it could provide funding for many categories of Capital needs within the District, make room in the Capital Fund to provide for some of the additional needs outside the District, and aid in some operational expenses through shared overhead. These benefits are provided at virtually no added cost to the taxpayer.

Aside from the funding benefits, an Urban Renewal process also provides long-range benefits by creating jobs, enhancing the type of investments made in the community, and increasing assessed values more than what would have occurred without the process. For the purposed of further impact, it has been assumed that, under Urban Renewal, assessed values will continue to increase at 8% per year for a period of ten years, rather than for a period of six years as assumed by the base projections. This would occur due to the enhanced values and business opportunities generated by the Urban Renewal program.

This is based upon the assumption that the following properties would see enhanced values from new construction in the indicated amounts due to the benefits received from Urban Renewal projects.

Cottage Industrial Park

<u>(37 2W 32BB, tax lots 1800, 1900, &amp; 2000):</u>	\$3,500,000
<u>NW corner of California and Oregon (37 2W 32BB, tax lot 1100):</u>	\$500,000
<u>South side of Main Street (37 2W 32BB, tax lot 5100):</u>	\$350,000
<u>West side of South Oregon (37 2W 32BB, tax lot 4800):</u>	\$250,000
<u>City Properties - Brunner Building (37 2W 32BB, tax lot 5700),</u>	
<u>Miller House (37 2W 32BA, tax lot 11801), Sampson Property</u>	
<u>(37 2W 32BA, tax lot 11900), and</u>	
<u>Fire Hall (37 2W 32BA, tax lot 6900):</u>	\$865,000
<u>NW corner of 5th and Main (37 2W 32BA, tax lot 9100):</u>	\$450,000
<u>SE corner of California and 5th (37 2W 32BA, tax lot 8700):</u>	\$150,000
<u>NE corner of California and 4th (37 2W 32BA, tax lot 7800):</u>	\$500,000
<u>SE corner of 3rd and 'D' (37 2W 32BA, tax lot 4800):</u>	\$200,000
<u>NW corner of 4th and 'E' (37 2W 32BA, tax lot 500):</u>	\$750,000
<u>NE corner of 4th and 'F' (37 2W 29CD, tax lot 1300):</u>	\$750,000
<u>SE corner of 5th and Blackstone (37 2W 29DC, tax lot 2700):</u>	\$350,000
<u>SE side of 5th, North of Blackstone (37 2W 29DC, tax lot 2800):</u>	\$350,000
<u>SE corner of 5th, North of 'G' (37 2W 29DC, tax lot 300):</u>	\$3,500,000
<u>SE corner of 5th and Shafer (37 2W 29DA, tax lot 500):</u>	\$500,000
<u>NE corner of 5th and Shafer (37 2W 29DA, tax lot 400):</u>	\$1,500,000
<u>W of terminus of Gold Terrace (37 2W 29C, tax lots 1500 &amp; 1700):</u>	\$10,000,000
<u>W of terminus of Gold Terrace (37 2W 29C, tax lot 1400):</u>	\$5,000,000
<u>E of intersection of Westmont and Pair-A-Dice (37 2W 30, tax lot 605):</u>	\$2,000,000
<u>Estimated Total:</u>	\$31,115,000

This assumed value does not include any enhanced values resulting from a property changing to a more intensive use in the HC zone.

A table of projected revenues for the area encompassed by the Urban Renewal Boundary is attached, labeled as "Analysis of TIF Potential for 25% of City's Value". The middle column shows the income stream that would be produced by the current tax rate and 8% growth in the district over the next six years (3% after that) based upon present trends and serviceable inventory supply. The far-right hand column shows the income stream that would be produced by an Urban Renewal rate and 8% growth in the district over ten years (which is reasonable given the number of enhancement potentials within the boundary). The \$9.34 per thousand tax rate within the area is an estimate based upon the aggregation of all of the present permanent rates of the taxing jurisdictions within the Jacksonville tax code area.

The Analysis of TIF Potential table concludes that the minimal enhancement difference between assessed values likely with and without the Urban Renewal program will be at \$28,569,130.76 (rounded to \$28.5M). This is based upon the spreadsheet differences between 8% assessed value growth for six years (status quo) and 8% for ten years (due to Urban Renewal enhancements). The \$28.5M differential is what comes out after twenty years; however, to discover the true minimal enhancement differential, the 3% compounding effect of the last ten years needs to be removed. Therefore, the difference at the ten-year mark is used, which amounts to \$19,454,190. The enhancement coverage shown above simply allows for estimation errors and the assumption that some of the properties would have developed within the first six years.

The remainder of the City tax base outside of the district would still likely grow at 8% also, continuing to generate growth for the General Fund. The \$50,652,650 tax base within the district would be frozen, generating roughly \$93,200 per year for the General Fund (using the \$1.84 rate) during the life of the Urban Renewal District.

As to the fiscal impact of the Urban Renewal Plan in light of added services or increased population, improvements to the Urban Renewal Area's infrastructure should reduce the City's operation and maintenance costs currently experienced and encourage new job producing industries and businesses with their attendant higher assessed values to locate both within and outside the Urban Renewal Area.

Increased retail, cottage industrial, office and service development is expected to provide job opportunities for many of the City's unemployed and under employed.

The majority of the Urban Renewal Area is zoned for commercial, industrial, and special open space or historic protection uses, however, if all vacant residentially designated properties within the UR Area were developed to their expected densities, there could be an additional 110 dwelling units constructed, housing an additional estimated 235 people. This represents a 10% population growth impact over a 25 year period or less than a half % per year, a modest and thoroughly serviceable impact given its compact nature.

Improvement in the Area's traffic flow, due to efficiency and better choice of alternative modes, should result in a reduction of energy consumed per vehicular traffic mile with an attendant reduction in air pollution and travel time.

# ANALYSIS OF TIF POTENTIAL FOR 25% OF CITY'S VALUE

GROWTH 8%/6 yr - 3%	TIMES \$1.84 RATE	UR GROWTH 8%/10 yr - 3%	TIMES \$0.34 RATE
\$0.00	\$0.00	\$0.00	\$0.00
\$4,052,212.00	\$7,462.98	\$4,052,212.00	\$37,842.39
\$8,428,600.96	\$15,522.95	\$8,428,600.96	\$78,712.18
\$13,155,101.04	\$24,227.75	\$13,155,101.04	\$122,351.54
\$18,259,721.12	\$33,628.93	\$18,259,721.12	\$170,622.06
\$23,772,710.81	\$43,782.20	\$23,772,710.81	\$222,006.21
\$29,726,739.67	\$54,747.74	\$29,726,739.67	\$277,609.10
\$32,138,121.36	\$59,188.78	\$36,157,090.85	\$337,660.22
\$34,621,844.51	\$63,783.05	\$43,101,870.12	\$402,515.43
\$37,180,079.34	\$68,474.55	\$50,602,231.73	\$472,559.06
\$39,815,061.22	\$73,327.40	\$58,702,622.26	\$548,208.18
\$42,529,092.56	\$78,325.83	\$61,983,280.43	\$578,843.26
\$45,324,544.83	\$83,474.21	\$65,362,358.34	\$610,399.46
\$48,203,860.68	\$88,777.05	\$68,842,806.59	\$642,902.34
\$51,169,556.00	\$94,238.97	\$72,427,672.35	\$676,380.30
\$54,224,222.18	\$99,864.75	\$76,120,082.02	\$710,862.81
\$57,370,528.34	\$105,659.30	\$79,923,263.98	\$746,379.39
\$60,611,223.70	\$111,627.69	\$83,840,541.40	\$782,981.66
\$63,949,139.91	\$117,775.13	\$87,875,337.14	\$820,641.41
\$67,387,193.60	\$124,106.99	\$92,031,176.76	\$859,451.55
\$70,928,388.91	\$130,628.81	\$96,311,691.56	\$899,425.99
\$74,575,820.08	\$137,346.29	\$100,720,621.81	\$940,599.67
\$78,332,674.16	\$144,265.28	\$105,261,819.96	\$983,008.56
\$82,202,233.91	\$151,391.85	\$109,939,254.06	\$1,026,689.71
\$86,187,880.42	\$158,732.22	\$114,757,011.18	\$1,071,681.30
	<b>\$2,070,340.70</b>		<b>\$14,020,711.60</b>

DIFFERENCE BETWEEN "UR" AND NONE  
(6 for 10 years)

**\$28,569,130.76**

## FISCAL IMPACT STATEMENT

### The Impact on the Tax Rates and Revenues of the Taxing Districts that Overlap the Urban Renewal Area

"New values created within the urban renewal area after the formation of the Renewal District (these values are called "incremental" or "excess" values) will not be available to other taxing bodies for raising property tax revenues. The revenues from those incremental values will instead be directed to the Renewal Agency for the purpose of paying off indebtedness to carry out project activities. The effects of this foregone revenue will vary with the size of the tax bodies' tax rates, and the cumulative level of incremental values in the Renewal area. The city or county that forms the Renewal area usually comprises the largest single share of the overall tax rate, and therefore will bear the heaviest impact in revenue foregone." *Spencer & Kupper, Portland, OR.*

The second table, labeled "Revenue Impacts on Existing Jurisdictions," portrays the projected impacts on other taxing jurisdictions since the additional revenue is not raised from additional taxes but rather from reallocation of existing taxes. At the top of each column the proportion that each segment of lost future revenue represents to the affected jurisdiction in relation to its present budget (see July 19, 2001 memo).

Jackson County – two thousandth of one percent

RVTD – one hundredth of one percent

RCC – three thousandth of one percent

District 549C – two hundredth of one percent

ESD – three thousandth of one percent

Vector Control – four hundredth of one percent

These figures utilize only their tax base, not their full budgets which have other revenue sources such as fees and grants. In contrast, the City's tax revenues in the urban renewal area increase almost ninefold when Urban Renewal revenue is compared to the revenues that could be expected without the Plan.

In terms of the comparison of the enhancement difference between the assessed values likely with and without the Urban Renewal program (assuming that assessed values will continue to increase at least 8% per year for a period of ten years, rather than for a period of six years as assumed by the base projections), the taxing districts are likely to see additional assessed values of at least \$28.5 million (see third attached table).

Therefore, development of new facilities on the Area's buildable land should substantially improve the Area's assessed value base allowing all seven affected taxing bodies a broader economic base on which to levy taxes when the tax increment process is terminated.

# City of Jacksonville

Date: July 19, 2001

To: Paul Wyntergreen

From: Sarah Sousa

RE: Budget Figures

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<u>Entity</u>	<u>Total Budget</u>	<u>Property Tax</u>	<u>Contact Name</u>	<u>Date</u>
Jackson County	\$217,769,656	\$19,043,670	Harvey Bragg	6/19/01
School Dist 549C	\$80,430,505	\$17,210,031	Bonnie Malepsy	6/19/01
Jackson BLD	\$29,036,564	\$5,364,240	Howard George	6/19/01
RCC	\$52,297,199	\$6,851,250	Margaret Michaelis	6/19/01
RVTD	\$6,527,432	\$1,248,176	Louanne Spencer	6/19/01
Vector Control	\$486,290	\$409,424	Kristine Mason	6/19/01

# REVENUE IMPACTS ON EXISTING JURISDICTIONS

2000th of 1%	3000th/3000th of 1%	200th of 1%	400th/100th of 1%
JACKSON COUNTY	RCC(59%)/ESD(41%)	SCHOOL DISTRICT	VECT(19%)/RVTD(81%)
\$0.00	\$0.00	\$0.00	\$0.00
\$8,111.72	\$3,505.97	\$17,879.58	\$891.08
\$16,872.37	\$7,292.43	\$37,189.52	\$1,853.45
\$26,333.88	\$11,381.79	\$58,044.25	\$2,892.61
\$36,552.31	\$15,798.31	\$80,567.37	\$4,015.31
\$47,588.21	\$20,568.15	\$104,892.83	\$5,227.62
\$59,506.99	\$25,719.58	\$131,163.29	\$6,536.91
\$64,334.09	\$27,805.90	\$141,803.03	\$7,067.17
\$69,306.01	\$29,954.82	\$152,781.96	\$7,613.34
\$74,427.08	\$32,168.20	\$164,049.66	\$8,175.90
\$79,701.79	\$34,447.99	\$175,675.99	\$8,755.33
\$85,134.74	\$36,796.17	\$187,651.12	\$9,352.15
\$90,730.67	\$39,214.80	\$199,985.49	\$9,966.87
\$96,494.49	\$41,705.98	\$212,689.89	\$10,600.03
\$102,431.22	\$44,271.90	\$225,775.43	\$11,252.19
\$108,546.05	\$46,914.80	\$239,253.54	\$11,923.91
\$114,844.32	\$49,636.98	\$253,135.98	\$12,615.78
\$121,331.55	\$52,440.83	\$267,434.90	\$13,328.41
\$128,013.39	\$55,328.80	\$282,162.79	\$14,062.42
\$134,895.68	\$58,303.40	\$297,332.51	\$14,818.44
\$141,984.45	\$61,367.24	\$312,957.33	\$15,597.15
\$149,285.88	\$64,523.00	\$329,050.89	\$16,399.22
\$156,806.35	\$67,773.43	\$345,627.26	\$17,225.36
\$164,552.43	\$71,121.37	\$362,700.92	\$18,076.27
\$172,530.90	\$74,569.75	\$380,288.78	\$18,952.71
<b>\$2,250,316.57</b>	<b>\$972,611.60</b>	<b>\$4,960,071.83</b>	<b>\$247,199.83</b>

ESTIMATED REVENUE GENERATION FROM "UR" AREA @ 8% for 10 years  
CITY'S DIFFERENTIAL GAIN OVER EXISTING TAX STRUCTURE