



CITY COUNCIL
December 1, 2020
Council Chambers • 411 SW 9th Street

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DECEMBER 1, 2020

WORKSHOP AGENDA

6:00 PM

I. CALL TO ORDER

II. PRESENTATIONS

A. Current Events

B. South 97 Urban Renewal District Pre Approval Informational Briefing

III. OTHER BUSINESS

IV. ADJOURN

Regular Council meetings are broadcast live on COTV11 – BendBroadband Channel 11 beginning at 6:00 p.m. on the 2nd and 4th Tuesdays of each month. Rebroadcasts are scheduled for the non-meeting Tuesdays at 6:00 p.m.

The City of Redmond encourages all citizens to participate in its programs and activities. This meeting location is accessible to people with disabilities. Requests for accommodation may include sign language interpreter service, assistive listening devices, materials in an alternate format or any other accommodation. If any accommodations are needed, please contact the ADA Coordinator at 541-504-3036 or access@ci.redmond.or.us. Requests should be made as soon as possible, but at least 3 business days prior to the scheduled meeting.

The City of Redmond does not discriminate on the basis of disability status in the admission or access to, or treatment, or employment in, its programs or activities



CITY OF REDMOND

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STAFF REPORT

DATE: December 1, 2020
TO: Redmond City Council
THROUGH: Keith Witcosky, City Manager
Chuck Arnold, Economic Development/Urban Renewal Program Manager
FROM: Meghan Gassner, Urban Renewal Program Analyst
SUBJECT: South 97 Urban Renewal District Pre Approval Informational Briefing

Addresses Council Goal:

4. ECONOMIC DEVELOPMENT: Develop and maintain an environment that promotes and supports a strong, healthy, and diverse economic base.

9. URBAN RENEWAL: Invest resources to encourage new business investment in designated blighted areas that will grow the job base and strengthen and diversify the tax base in that area. Invest in infrastructure projects that make a demonstrable, positive impact on job creation and encourage private investment.

Report in Brief:

This informational item is intended to provide City Council with a status update on the South 97 Urban Renewal District ("District") and provide the opportunity to review Ordinance No. 2020-19, which will be presented to Council for formal action at the December 8, 2020 Council meeting. The Ordinance adopts the South 97 Urban Renewal Plan ("Plan") and establishes the South 97 Urban Renewal District.

Background:

The South 97 Urban Renewal District extends along the Highway 97 corridor between Veteran's Way and Yew Avenue, and also encompasses the recently annexed Large Lot Industrial Area south of the Deschutes County Fairgrounds, also known as the South Redmond Tract.

This area is characterized by blighting elements such as, large vacant sites, insufficient and undersized infrastructure, deteriorating or substandard buildings and properties, vacant buildings, inadequate and incomplete street and sidewalk systems, and inefficient and unsafe traffic conditions. These conditions pose a constraint that will inhibit the successful future development envisioned and identified in the City's 2040 Comprehensive Plan.

The primary objectives of the District would be to generate local resources to address these conditions, including: (1) make essential safety improvements, relieve congestion/improve freight mobility along the corridor; (2) create opportunities for new development; and (3) provide resources for infrastructure investments to incent development and job growth.

Adopted South 97 Facility Plan (2019):

Discussions about needed improvements to this corridor have been underway since 2010. Public engagement comprised years of community outreach, stakeholder and technical advisory committee meetings, which culminated in the development of the US 97 Facility Plan (a.k.a. the South Redmond Corridor Project). The plan was approved by City Council and the Redmond Urban Area Planning Commission on September 24, 2019 via an amendment to the City's Transportation System Plan.

The US 97 Facility Plan identified the need for \$50M - \$80M in improvements along the corridor and the Department of State Lands (DSL) property to the south.

The role of Tax Increment Financing (TIF):

TIF was identified as a resource to fund the improvements to the Corridor, and the necessary infrastructure in the DSL property. TIF gives the City the ability to then leverage state and federal dollars. Creating a new urban renewal district

produces the ability to access TIF.

Urban renewal is enabled through Oregon Revised Statute 457. The program works to invest tax increment funds in targeted projects in a designated area of blighted conditions. The intent is to reverse the existing conditions by stimulating private investment and thus accelerating the increase in assessed valuation. The property taxes generated by the growth provide financing for projects identified in the Plan.

Urban Renewal District Feasibility Study (2020):

A feasibility study that was approved by City Council in June 2020 concluded:

- The plan area proposed is within the acreage and total value limits established by ORS 457.
- The proposed boundary contains blighting conditions as defined by ORS 457.
- The scheduled project activities meet the eligibility requirements for tax increment funding.
- The duration needed to carry out plan activities is estimated at twenty-five years and is typical of the duration used for newly adopted urban renewal plans.

Given the tax increment revenue assumptions, project cost information, and program funding included in the feasibility study, forecasted tax increment revenue is adequate to fund the proposed projects in the Plan.

There is no evidence of any technical or legal obstacles to the feasibility of establishing an urban renewal plan for the identified study area.

Also in June, the City Council/Urban Renewal Agency Board directed staff to complete the South 97 Urban Renewal Plan and Report (attached as Exhibit 1) and begin outreach efforts to community and stakeholder groups.

Urban Renewal Plan and Report (Fall 2020):

The proposed District encompasses 1,330 acres of parcels, with a maximum indebtedness of \$85,036,400.

Primary investments areas include:

Transportation:

US97 improvements, per the US97 Corridor Plan (including road repair, raised center medians, pedestrian and bicycle facilities, additional traffic signals, and south gateway treatment).

New local streets to improve access, increase east-west connections, and provide a safer, more attractive environment.

Construction of sidewalks, landscaping, signage, and other streetscape improvements.

Street and sidewalk improvements to improve multimodal safety and circulation.

Acquisition and disposition of land for public improvements, rights-of-way, and utility improvements.

Infrastructure:

Public utilities (water, sewer, stormwater).

Power and gas.

Funding and incentive programs to support economic development objectives, business expansion, employment growth, and other projects as identified in the Plan.

Figure 1. Urban Renewal Projects and Program Funding

Project and Program Description	Urban Renewal Funding	Dates	Future Estimated Cost
US Highway 97 projects	\$24,018,000	2024-2032	\$27,892,200
Local transportation projects	\$5,328,000	2025-2040	\$6,782,100
Fire station	\$4,500,000	2030-2035	\$5,709,200
Industrial opportunity fund	\$12,500,000	2023-2042	\$16,325,500
Small loan program	\$2,000,000	2022-2042	\$2,527,800
Incentive funding	\$10,000,000	2023-2042	\$12,820,100

Canal improvement contribution	\$4,000,000	2026-2032	\$4,736,000
Program administration	\$5,923,000	2022-2045	\$7,405,500
Total Urban Renewal Project Funding	\$68,269,000		\$84,198,400

Outreach Efforts (2020):

After receiving Council direction in June 2020 to begin outreach, staff began an extensive formal outreach effort to overlapping taxing districts to obtain input on the proposed Plan.

These informational meetings are required by state statute. The intent was to provide the taxing district partners with details of the Urban Renewal Plan and Report and present the primary plan objectives and financial requirements and impacts of adopting and implementing the Plan.

The outreach was also intended to gain their support for the creation of the District.

Per state statute, an urban renewal district can be implemented after a process of “consulting and conferring” with taxing district partners. However, if a plan includes a public building (as is proposed in this Plan), taxing districts must provide their consent. Concurrence is required of three of the four taxing districts estimated to forego the most in property tax revenue (see Figure 2).

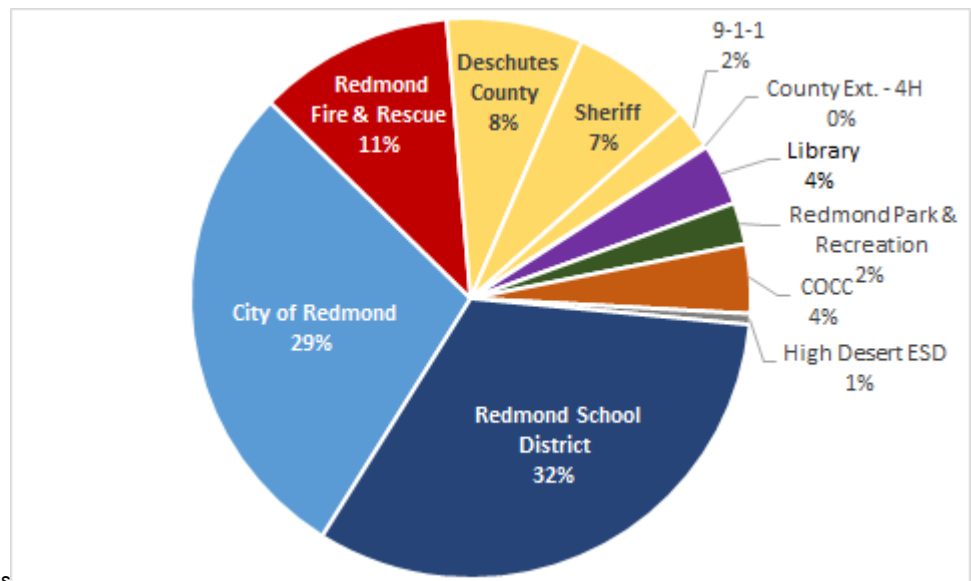


Figure 2. Overlapping Taxing District Levy Rates

During this outreach process, the Plan and Report was distributed to all overlapping taxing district partners and stakeholder groups on August 30, 2020. Per state statute, taxing district boards had 45 days after receipt of the Plan to submit recommendations to City Council for review and consideration.

To date, concurrence to implement the District has been received from the following taxing district boards, including consent from three of the top four overlapping districts (**bolded**):

- **Redmond Fire and Rescue**
- **Redmond School District**
- **Deschutes County Board of County Commissioners**
- Redmond Area Parks and Recreation
- Deschutes County Library
- High Desert Education Service District

Letters of Support and Resolutions submitted from the taxing district partners are attached as Exhibit 2. Based upon this support, the Urban Renewal District may proceed to City Council for consideration on December 8, 2020.

During the outreach presentations, staff addressed many questions about the project from district partners, and also received comments and feedback, detailed in Exhibit 3.

Staff also distributed a supernotice which by statute is required to be mailed to all property taxpayers in the City limits. This notice identified that City Council will be making a determination on a new urban renewal area and that there would be an opportunity for testimony at the December 1, 2020 City Council meeting.

Discussion:

Critical safety issues exist along the South Highway 97 Corridor, spurred in part by significant regional growth. Without safety improvements, traffic crashes that currently average 43 per year are expected to nearly double by 2040.

The South Redmond Tract lands lack infrastructure necessary for development. To make these annexed 1,000 acres shovel-ready, the Plan projects and activities will bring needed infrastructure to incentivize development and provide significant job growth for Redmond.

By approving Ordinance 2020-19, the District will leverage locally generated tax increment resources to be used as matching funds to unlock state and federal funding not otherwise available. The City has limited resources to fund project activities directly. Establishing the District will enable the City and ODOT to respond to safety issues along the South Highway 97 Corridor. Projects to be implemented will reduce accidents and improve mobility for freight as well as all modes of transport. Resources invested to bring infrastructure to the South Redmond Tract will bring these recently annexed 1,000 acres closer to shovel-ready for development and job growth.

The City has had success with prior urban renewal districts, proving the funding tool can bring infrastructure and jobs to the region. By utilizing tax increment resources to fill financing gaps and incentivize development, the City has been able to significantly move the needle on development in the City.

Specifically, the metric utilized to measure success of an urban renewal district is growth in assessed value. If a district has achieved its objectives, improvements made over the life of the urban renewal plan will help remove blight and raise the valuation. The Redmond Urban Renewal Agency operated the South Airport Urban Renewal District from 1989 to 2010. Upon the closure of the district, the assessed value grew from \$725K to \$63M-equivalent to the tax base being multiplied by a factor of 86.

Similarly, the currently active Downtown Urban Renewal District, which began in 1998, has a growth factor of 4 times, beginning with an assessed value base of \$72M, and, if closed today, would have a new assessed value of \$305M. Future projections show it will close with an assessed value of \$743M in 2031, a growth in valuation over 100 times.

Feedback from taxing district partners demonstrated the objectives of the District, as well as the City's proven track record with urban renewal, played a large role in gaining their support for the District's adoption. Taxing district boards recognized the need to solve regional safety concerns with a regional solution, and that incentivizing development and creating job growth will benefit all. For those reasons, taxing district partners have all voted in support of the creation of the district.

This district will require its own advisory body, similar to DURAC. Given the slow early growth of increment, staff proposes the creation of a separate City Council appointed advisory committee occur later in calendar year 2021. A proposal will be brought forward to City Council by June 30, 2021 for this committee.

Fiscal Impact:

All Taxing Districts

Based upon defined tax levy rates, all overlapping taxing districts receive their share of approximately \$2.3M in annual tax revenue (the frozen base) from properties in the defined project area. Should the District be implemented, that tax revenue growth is projected to increase to nearly \$13.7M in the first year after the District sunsets (approximately Year 25 of the District). Without the District, the tax revenue for that same area is projected to increase to just \$5.2M in the same time period.

City of Redmond

The potential financial impact to the City of Redmond is illustrated in Figure 3, below. With a tax levy rate of 29%, the City currently receives approximately \$653K in annual property tax revenue (the frozen base) from the properties in the proposed urban renewal area. If the District is established, this revenue will continue to flow to the City each year for the life of the District. Upon the District's sunset in Year 25, the projected annual property tax revenue will increase from \$653K to \$3.9M. If the District is not implemented, the property tax revenue is projected to increase to \$1.5M.

The financial projections in the Plan estimate taxing districts will realize a 14.3% return on their investment, with a seven-

year payback window (when all foregone revenues will be recouped).

Figure 3. City of Redmond Financial Impact

Current Annual Property Tax Revenue	Foregone Revenue over life of District (25 years)	Projected Property Tax at Sunset – Without UR	Projected Property Tax at Sunset – With UR
\$653K	\$17M	\$1.5M	\$3.9M

Alternative Courses of Action:

No action is requested at this meeting. However, on December 8 the following alternatives are available to City Council:

1. Approve Ordinance No. 2020-19, adopting the South 97 Urban Renewal Plan and Report and establishing the South 97 Urban Renewal District.
2. Request more information.
3. Do not approve Ordinance 2020-19.

Recommendation / Suggested Motion:

No action requested until December 8.

December 2020

Urban Renewal Plan

South 97 Urban Renewal Area



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EXECUTIVE SUMMARY

As the hub of Central Oregon, Redmond has experienced pronounced growth and development throughout the last 20 years. Attracting newcomers from all over, Redmond has become a mid-sized community of 30,000 residents, with an annual growth rate of approximately 2.4 percent. By 2040, the population is expected to grow to nearly 50,000.

Known for its progressive and innovative leadership, Redmond enjoys a state-wide reputation for its ability to successfully undertake efforts that improve the community. The most immediate challenge Redmond faces is how to strategically respond to rapid regional growth while preserving and improving assets like Redmond's small-town character, thriving traded sector and industrial businesses, distinct neighborhood identities, access to nature and outdoor recreation, and important public spaces like the Dry Canyon.

Managing the growth impacts of the South Redmond US Highway 97 (US97) corridor is critical. As the primary north-south route through Redmond, US97 is central to the community's ability to succeed in the areas of safety, mobility, connectivity, and economic development.

In 2019, following a decade of research and outreach, the Oregon Department of Transportation (ODOT), the City of Redmond (City), and local committees completed a joint study of the highway and made recommendations to accommodate its growing use. This study, referred to in this South 97 Urban Renewal Plan ("Plan") as the Redmond South US 97 Corridor Plan ("Corridor Plan"), included a recommended concept intended to enhance corridor safety, improve access to businesses, beautify the highway, create bicyclist- and pedestrian-friendly routes, develop east/west linkages, and enhance economic development and business vitality for long-term community health and sustainability.



The Corridor Plan also identifies several potential funding sources for these improvements, one of which is the creation of an urban renewal area. Urban renewal is one of the only funding mechanisms in the State of Oregon that can raise funds for projects without raising taxes for the local residents through the use of tax increment financing ("TIF").¹ The tax increment is the difference between the total assessed value of the urban renewal area in a given year and the original frozen base value.

Tax revenue from the increment value is diverted from other taxing districts in the Urban Renewal Area ("Area") and invested in projects to make improvements in infrastructure that lead to jobs, advance public policy objectives, and accelerate growth in property taxes.

The City staff spent more than two years working with stakeholders to evaluate conditions in the corridor and potential investments that would benefit from tax increment financing. This work included a parcel-by-parcel assessment to understand the extent of the blighted conditions. A feasibility study found that urban renewal would be an appropriate tool to generate sufficient revenues to support the identified projects in the Plan.

¹ Similar tax increment funding was utilized by the City of Redmond for North Highway 97 and related improvements in the 2000s.

Figure 1. US 97 Corridor Plan Rendering



Source: SERA Architects (from US 97 SRC Facility Plan, "US 97 Corridor Plan")

Plan Boundary, Description, Condition

The 1330.5-acre Urban Renewal Area boundary was determined by the Corridor Plan Committee to include the US 97 corridor. A subsequent Urban Renewal Feasibility Study also included the South Redmond Tract - a state designated land area of nearly 1,000 acres with industrial development opportunities in southeast Redmond.

The South Redmond Tract accounts for approximately 71 percent of the total Area. Significant investments in infrastructure are necessary to realize its potential for substantial industrial development and employment growth.

The remaining land in the Area - approximately 300 acres along South Highway 97 - is zoned for commercial uses. Urban renewal funding is largely expected to provide local matching dollars necessary to leverage state and federal highway improvement funds.

A legal description for the project boundary is included in Attachment "A" of this Plan. The boundary of the Area is shown in Figure 2 on page 7 of this Plan.

Existing Conditions and Challenges of the District

The South Redmond US 97 corridor serves as the primary north-south arterial through Central Oregon. The corridor serves a mixture of state, regional, and local traffic traveling to, from, and within a variety of different destinations in the region. The city's location is not only the hub for transportation serving Central Oregon, but also has regional attractors, including a commercial airport, county fairgrounds, and many industrial and commercial areas.

The corridor currently has a number of challenges related to safety, mobility, and connectivity, including:

- The number of vehicle crashes (about 40 per year) is well above the statewide average.
- Congestion and unreliable travel times slow the movement of freight traffic.

- Lacking or substandard pedestrian facilities.
- Lacking or substandard bicyclist facilities.
- Limited east-west crossing opportunities for pedestrians and bicyclists.
- Limited east-west connectivity between the corridor and the neighborhoods to the west.

Anticipated employment and housing growth will exacerbate these challenges, with traffic activity expected to increase significantly by 2040. The number of vehicle crashes is projected to reach more than 70 per year if challenges are not addressed. The investments outlined in the Plan are critical to mitigating the negative impacts of growth, and significantly improve safety and operations.

Beyond these traffic-related concerns, there is untapped development potential due to a multitude of vacant or underdeveloped parcels along the corridor. The Area contains 77 vacant or mostly vacant parcels, representing 30.8 percent of the parcels, but 87.4 percent of the land area within the proposed boundary. The South Redmond Tract is largely undeveloped and underserved by infrastructure. This area is largely without streets, sidewalks, and utilities necessary for development. An opportunity exists to promote higher density industrial development on the undeveloped acreage.

Additionally, there are challenging corridor aesthetics. Approximately 42 percent of parcels in the Area have missing or deteriorated sidewalks, and 20.9 of parcels are considered to have poor or substandard site conditions.

Maximum Indebtedness/Implementing the Plan

The maximum amount of indebtedness that may be issued or incurred under the Plan is \$85,458,900 (inflation-adjusted dollars). This total is based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion. The tax increment funding will help leverage state and other funding toward the estimated cost of \$116.5 million of improvements (2020 dollars). Please see the accompanying Report for additional information.

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100. INTRODUCTION

This South 97 Urban Renewal Plan has been prepared pursuant to Oregon Revised Statute (ORS) Chapter 457, the Oregon Constitution, and all applicable laws and ordinances of the State of Oregon and City of Redmond respectively. All such applicable laws and ordinances are made a part of this Plan, whether expressly referred to in the text or not.

The proposed Urban Renewal Area is a single geographic area of approximately 1,330 acres. The Area is defined by a single contiguous boundary in which a variety of activities and projects are contemplated to eliminate blight and the cause of blight, as well as create an environment in which the private sector may develop uses compatible with the purposes of this Plan.

200. DEFINITIONS

The following definitions will govern the construction of this Plan unless the context otherwise requires:

"Area" means the area included within the boundaries of the South 97 Urban Renewal Area.

"Bonded Indebtedness" means any formally executed written agreement representing a promise by a unit of government to pay to another a specified sum of money, at a specified date or dates at least one year in the future.

"City" means the City of Redmond, Oregon.

"City Council" means the City Council of the City of Redmond, Oregon.

"Comprehensive Plan" means the City's 2020 Comprehensive Plan and its implementing Ordinances, policies, and development standards.

"Corridor Plan" means the Redmond South US 97 Corridor Plan.

"County" means the County of Deschutes, State of Oregon.

"Disposition and Development Agreement" means an agreement between the Urban Renewal Agency and a private developer which sets forth the terms and conditions which will govern the disposition of land to a private developer.

"Exhibit" means an attachment, either narrative or map, to the Urban Renewal Plan for the Urban Renewal Area.

"ORS" means Oregon Revised Statute (State Law) and specifically Chapter 457 thereof.

"Plan" means the Urban Renewal Plan for the South 97 Urban Renewal Area.

"Planning Commission" means the Urban Area Planning Commission of the City of Redmond, Oregon.

"Project, Activity or Project Activity" means any undertaking or activity within the Area, such as a public improvement, street project, or other activity which is authorized and for which implementing provisions are set forth in the Urban Renewal Plan.

"Report" refers to the report accompanying the Urban Renewal Plan, as provided in ORS 457.085(3).

"Redeveloper" means any individual or group acquiring property from the Urban Renewal Agency or receiving financial assistance for the physical improvement of privately or publicly held structures and land.

"State" means the State of Oregon.

"Urban Renewal Agency" or "Agency" means the Urban Renewal Agency of the City of Redmond, Oregon.

"Urban Renewal Area", "South 97 Urban Renewal Area", or "Area" means the geographic area for which this Urban Renewal Plan has been approved. The boundary of the Renewal Area is described in Exhibits made a part of this plan.

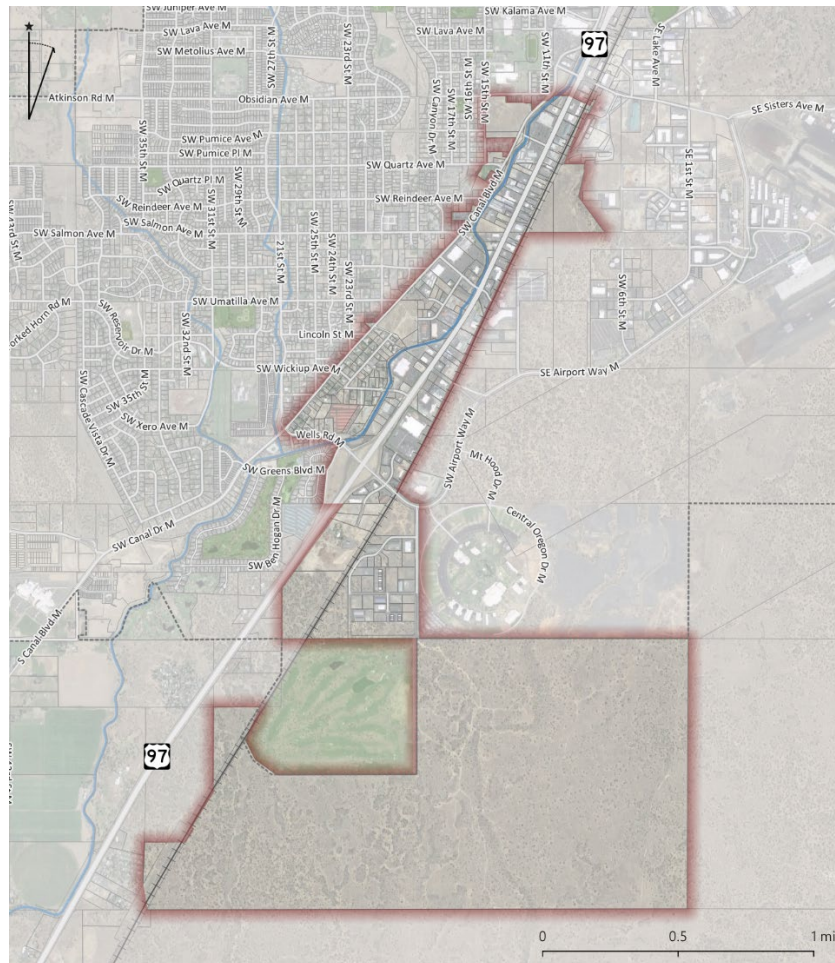
300. URBAN RENEWAL AREA BOUNDARY

The boundary of the South 97 Urban Renewal Area is shown below (Figure 2). A legal description for the Area boundary is included in Attachment "A" of this Plan.

The Urban Renewal Area boundary was determined by the Corridor Plan Committee to include the US 97 Corridor and the South Redmond Tract, a total area of 1,330.5 acres.

The City's current land area is approximately 10,449 acres. Per state statute, no more than 25 percent of the City's total land area can be designated as an urban renewal district. Added to the Redmond Downtown Urban Renewal District (701.7 acres), the total of all acreage in urban renewal areas represents 19.45 percent of the City's land area and is, therefore, within the 25 percent limitation.

Figure 2. South 97 Urban Renewal Area Boundary



Source: Leland Consulting Group

400. RELATIONSHIP TO LOCAL OBJECTIVES

The purpose of this Plan is to eliminate blighting influences found in the Urban Renewal Area, to implement goals and objectives of the City of Redmond 2020 Comprehensive Plan, and to create development strategies and objectives for the Area. The South 97 Urban Renewal Plan relates to the following guidance documents adopted by the City:

A. City of Redmond 2020 Comprehensive Plan

ORS 457.085 requires that an Urban Renewal Plan relate to local objectives. The Comprehensive Plan considers a wide range of goals and policies relating to land uses, transportation, public utilities, economic development, and housing, and serves as the guiding document to which this Plan relates. The Comprehensive Plan establishes a policy framework rooted in a factual basis that helps inform other critical planning documents and implementing tools that together serve as a coordinated, overarching strategy for the City. This approach establishes the structure for how the City works and the types of services it provides. Ultimately, the Comprehensive Plan outlines the direction the City will take when planning for land use and informs all land use decisions and actions, including how land is developed and services are provided.

If the primary goals for the Comprehensive Plan change, the goals, and policies for this Plan should be revised to appropriately reflect those changes.

Specific goals and policies found in the Comprehensive Plan concerning Area conditions and challenges are:

Chapter 9 – Economic Development

Goals

1. Expand, improve, and diversity the economy of the Redmond Urban Growth Boundary area while maintaining Redmond's quality of life.
3. Retain or create industrial, office, professional service, technology, medical, tourism, retail and other jobs through expansion and retention of existing businesses and recruitment of new businesses.
4. Improve the appearance of the community's employment districts, particularly along Highways 97 and 126, the Downtown, central east side industrial areas, and the Airport/Fairgrounds area.
9. Provide, maintain, and promote the enhancement of state of the art infrastructure, including, but not limited to, transportation systems, water, sewer, natural gas, power, telecommunications and air service to support the commercial and industrial needs of the community.
11. Maintain Redmond's favorable employment to housing ratio by taking affirmative steps to ensure economic development and employment growth keeps pace with population growth, especially for industrial employment.
12. To build a strong and thriving regional economy by coordinating public investments, policies, and regulations to support regional and state economic development objectives in Central Oregon as determined through the Central Oregon Large Lot Industrial Land Needs Analysis.

Policies

9. The City should give a high priority to extending and improving the infrastructure needed for economic development.
10. The City shall provide an incentive program encouraging the development of primary industry family wage jobs.

11. The City should provide incentives and innovative ways to encourage and promote an inventory of available industrial buildings and a pre-approved process to attract industrial uses.
12. General Objectives
 - b. Encourage landscaping and other forms of city beautification for the purpose of enhancing the physical character of each area, and the overall city.
 - f. Focus community efforts to improve the overall appearance of existing commercial areas and similar considerations encouraged to all new developments.
 - i. Rehabilitate or re-develop older commercial areas in order to retain their values to the community, including the Downtown and Highway 97 corridor after the highway is re-routed to a limited access corridor.
33. Commercial development adjacent to arterial streets and State highways shall be subject to access restrictions.
34. C-1 commercial development along Highway 97 shall be encouraged to provide service access roads which feed into arterial and collector streets at designated points.
46. The City recognizes the importance of maintaining a large-lot industrial land supply that is readily developable in Central Oregon.

Findings: Plan's relationship to Chapter 9 – Economic Development.

- *The Plan's Industrial Opportunity Fund, Small Loan Program, and Incentive Funding project activities support Economic Development Goals 1, 3, 11, and 12 and Policies 10, 11, and 46 through programs that support the development or expansion of businesses and employment centers that retain and create job opportunities, help maintain a balance of jobs to housing, promote public-private and inter-agency coordination, and expand, diversify, and improve the local economy.*
- *The Plan's public utility, power, gas, and telecommunications project activities support Economic Development Goals 9, 11, and 12 and Policies 9 and 46 by extending and improving Redmond's infrastructure to meet the commercial and industrial needs of the community, thereby supporting job growth, supplying readily developable large-lot industrial land, and helping the City coordinate investments to support regional and state economic development objectives in Central Oregon.*
- *The Plan's transportation project activities support Economic Development Goals 4, 9, and 11 and Policies 33 and 34 by funding transportation investments that improve the appearance of transportation elements in the Area's employment districts, modify and enhance access and connectivity, and extend, develop, and improve infrastructure to serve the commercial and industrial needs of the community.*
- *The Plan's transportation project activities support Economic Development Goals 1, 4, 9, and 12 and Policies 12(b)(f)(i) and 34 by improving the Area's physical appearance, accessibility, and navigability by various modes of transportation, and strengthening the identity and vitality of both the US 97 Corridor and the broader Area.*

Chapter 10 – Housing

Goals

3. Establish residential neighborhoods that are safe, convenient, and attractive places to live, which are located close to schools, parks, shopping, and employment centers.
5. Provide a broad range of accessible and affordable housing.
6. Provide for higher densities in proximity to schools, services, parks, shopping, employment centers, and public transit.

Policies

23. Criteria for the location of multifamily housing shall include proximity to the City core, neighborhood commercial centers, major transportation corridors, schools, services, parks, shopping, employment centers, and transit corridors.

Findings: Plan's relationship to Chapter 10 – Housing.

- *The Plan's transportation and utility infrastructure project activities support Housing Goals 3, 5, and 6 and Policy 23 by reducing the cost burden on developers, thereby improving the prospects of new housing development, and potentially increasing the probability of higher density developments.*
- *The Plan's development assistance and incentive funding program activities support Goals 3, 4, 5, and 6 and Policy 23 by supporting employment growth along a major corridor, near shopping and employment centers, and near services.*

Chapter 11 – Public Facilities and Services

Goals

1. To provide for a close correlation between the provisions of urban services and urban development in order to bring about a more orderly and efficient development pattern, and thereby avoid unnecessary tax burdens and excessive utility costs normally associated with scattered, unrelated development.
2. To achieve a balance of public costs vs. benefits/revenues in the provision of public facilities and services.
3. To provide public and private utility systems - water, sanitary and storm sewer, energy, communications, garbage, and recycling - at levels necessary and suitable for existing and proposed uses.
5. Public facilities shall be available or under construction prior to the issuance of Building Permits.

Policies

2. The City should establish revenue sources to pay for its planned capital improvements.
3. The City Council should investigate funding alternatives to property taxes for funding public facilities and services.
11. The City shall continue to develop, operate, and maintain a water system, including wells, pumps, and reservoirs, capable of serving all urban development within the UGB.
15. Storm drainage facilities such as dry wells, landscaping, retention ponds or storm drains shall be used to control surface drainage.
26. The City shall encourage Natural Gas providers to provide service throughout the UGB area.
27. Property for future fire station locations should be planned for and purchased in advance in order to save costs of facility zoning construction. Attempts shall be made to combine future stations with other government entities in order to reduce infrastructure and operations costs.

Findings: Plan's relationship to Chapter 11 – Public Facilities and Services.

- *The Plan's public utility, power and gas, and communications projects support Goals 1, 2, and 3 and Policies 11, 15, and 26 by providing infrastructure deemed critical to attracting desired users to the Area and by providing the necessary infrastructure for existing businesses and industries to expand operations.*
- *The Plan's Fire Station project supports Goal 5 and Policy 27 by providing funding for a new fire station to serve south/southeast Redmond.*

- *The Plan supports Policies 2 and 3 by providing additional funding methodologies and funding alternatives to pay for and leverage planned capital improvements and programs.*
- *The Plan's Industrial Opportunity Fund, Incentive Funding, and Small Loan Program activities support Goals 1, 2, 3, and 5 and Policies 11, 15, and 26 by encouraging and accelerating the timing of the construction of critical infrastructure deemed necessary for the expansion of existing businesses and establishment of new users.*

Chapter 12 – Transportation

Goals

1. Reduce through traffic, congestion, and improve circulation along Highway 97.
2. Enhance east/west circulation.
3. Identify roadway system needs to serve undeveloped areas so that steps can be taken to preserve rights-of-ways and maintain adequate traffic circulation.
4. Increase the use of alternative travel modes through improved safety and service.

Objectives

- 1b. Improve intersection operations by adding left-turn phases, installing additional traffic signals, actuating and coordinating traffic signals, and/or increasing sight distance as needed.
- 2a. Develop a safe and efficient east-west arterial and collector system
- 2b. Enhance existing crossings and determine the best locations for additional crossings of Dry Canyon, Highway 97, Pilot Butte Canal, and BNSFRR line to link east and west Redmond.
- 3a. Integrate new arterial and collector routes into the existing city grid system.
- 4a. Provide additional sidewalks and improve existing sidewalk pavement for pedestrian safety and access.
- 4b. Provide additional bicycle routes and plan regular maintenance of existing routes for bicycle safety and access (per Redmond Bicycle Master Plan).
- 4c. Provide pedestrian and bicycle access, especially when direct motor vehicle access is not possible.

Policies

3. The function of existing and planned roadways as identified in the Redmond Urban Area Transportation Plan shall be protected through the application of appropriate access control measures.
10. The City shall work to acquire and develop a trail system that utilizes Redmond's irrigation canal system.
16. Sidewalks shall be included on all new streets except limited access roads or where equivalent alternative pedestrian circulation is provided in the UGB. Retrofitting existing streets with sidewalks shall proceed on a prioritized schedule.
20. Wherever practical, access to the highway will be provided via frontage roads, alternative local roads, or other means, rather than direct access to the highway.
22. A non-traversable median should be installed on the highway when operational or safety issues warrant installation. Directional breaks in the median will be provided as needed to provide safe traffic operation.
24. Medians installed in the state highways should provide bicycle and pedestrian crossings at least every 1/4 mile.
34. The City shall improve east-west and north-south traffic patterns in the central part of the community.
38. Alleys shall be an option in new residential areas, providing rear access and backyard parking.

FINDINGS: Plan's Relationship to Chapter 12 – Transportation.

- *The Plan's transportation improvement projects support Goals 1 and 3, Objective 1b, and Policies 3, 22, 24 by improving safety, efficiency, and operations through access and median treatments, supporting the development of new connections and alternative routes to serve existing and underserved areas, and reducing through traffic by encouraging other modes of transportation.*
- *The Plan's US 97, local street, alley, and access improvement projects support Goals 1, 2, 3, and 4, Objectives 1b, 2a, 2b, and 3a, and Policies 20, 34, and 38 by enhancing crossings, improving intersection operations, addressing access through new alleys and alternative routes, and implementing circulation improvements necessary for new development.*
- *The Plan's canal improvement contribution, mixed-use path, US 97 median treatments, sidewalk improvements, and pedestrian infrastructure project activities support Goal 4, Objectives 2a, 4a, 4b, and 4c, and Policies 10, 16, and 24 by providing safer or alternative routes for pedestrians and bicyclists in the US 97 corridor and the surrounding streets, enhancing multimodal connections throughout the Area.*
- *Additionally, transportation improvements may be a key component of several projects in the Plan, such as the Industrial Opportunity Fund, which is intended to support a wide range of investments and project activities that will leverage private development.*

Chapter 15 – Livability

Goals

1. The City of Redmond shall create and maintain livability. The City of Redmond shall guide development and support community identity and pride by implementing policies that improve livability and are innovative creating a high quality of life, ample family-wage jobs, and a safe environment in which to raise and educate families.

Policies

8. Redmond shall plan for a variety of transportation choices.
9. Redmond shall plan for and promote attractive streetscapes free from clutter, confusion, and blight.
10. Redmond shall develop safe, reliable, and economical transportation choices to decrease household transportation costs, improve air quality, reduce greenhouse gas emissions, and promote public health.
11. The City of Redmond shall develop and maintain the environment that promotes and supports a strong, healthy, and diverse economic base.
12. Redmond shall promote economic competitiveness through sustainable choices for housing, transportation, education, cultural diversity and enrichment, and recreational opportunities as well as improve reliable and timely access to employment centers, educational opportunities, services, and other basic needs by workers.
13. Redmond shall help existing businesses within the City to grow and thrive.
14. Redmond shall help to create and foster new businesses of all types.
15. Redmond shall provide well planned and maintain high-quality infrastructure to provide a competitive advantage for business and community growth.

Findings: Plan's Relationship to Chapter 15 – Livability.

- *The Plan's transportation-related projects, such as US 97 improvements, local improvements, pedestrian connections, and other related projects, support Goal 1 and Policies 8, 9, 10, 11, and 12 by providing pedestrian and bicycle infrastructure to encourage walking and cycling, improving streetscapes by addressing*

blighted conditions (such as lacking sidewalks) and funding beautification efforts, and planning for improved access to current and future employment centers.

- *The Plan's Industrial Opportunity Fund, Small Loan Program, and Incentive Funding project activities support Goal 1 and Policies 11, 12, 13, 14, and 15 by providing funding to existing and future businesses to grow and create new employment opportunities.*
- *The Plan's public utility, power and gas, and communications projects support Goal 1 and Policies 12, 13, 15 by providing high-quality infrastructure as a catalyst for growth.*

B. Urban Renewal Objectives

The Plan objectives include:

1. Improve safety for drivers, bicyclists, and pedestrians.
2. Create opportunities for new development in the Area.
3. Provide adequate access to businesses along the US 97 corridor for both customers and freight/delivery.
4. Increase connectivity to surrounding neighborhoods.
5. Develop infrastructure to incent development in the Area.
6. Implement the goals and objectives of the 2020 Comprehensive Plan.

Findings: Plan's Relationship to Urban Renewal Plan Objectives.

The following project activities support Urban Renewal Objective 1 of improving safety for drivers, bicyclists, and pedestrians by funding projects along US97 and existing and planned local connections. Activities include raised medians and traffic signal systems to allow protected left-hand turning movements and U-turns at signalized intersections. These project activities provide areas for safe pedestrian refuge, pedestrian and bicyclist facilities, connections to a new shared-use path, and new access roads or alleyways to provide alternative access where new connections provide safe ingress and egress nearby.

- US Highway 97 Projects
- Local Transportation Projects

The following project activities support Urban Renewal Objective 2 of creating opportunities for new development in the area. The activities fund projects that improve the quality and increase the capacity of infrastructure necessary to support the commercial and industrial needs of the community, and provide programs to incentivize and catalyze new private investment in the Area.

- Public Utilities
- Industrial Development Opportunity Fund
- Small Loan Funding
- Incentive Funding

The following project activities support Urban Renewal Objective 3 of providing safe and adequate access to businesses along the US97 corridor for both customers and freight/delivery by funding median treatments, addressing access through new alleys, adding new connections and alternative routes to serve existing and underserved areas, enhancing pedestrian crossings and intersection operations, and reducing unnecessary through-traffic by encouraging other modes of transportation.

- US Highway 97 Projects
- Local Transportation Projects

The following project activities support Urban Renewal Objective 4 of increasing connectivity to the neighborhoods by funding transportation projects that will add new connections and alternative routes to serve existing and underserved areas, improve local streets to provide pedestrian and bicyclist infrastructure, improve intersection operations, implement circulation improvements, and enhance crossings and access.

- US Highway 97 Projects
- Local Transportation Projects
- Canal Improvement Contribution

The following project activities support Urban Renewal Objective 5 of connecting infrastructure for large lot industrial lands to incent development. The project activities will improve the quality and increase the capacity of Redmond's infrastructure to support the commercial and industrial needs of the community, and provide funding programs to assist with the development of critical infrastructure for underserved areas.

- Public Utilities
- Industrial Development Opportunity Fund
- Small Loan Funding
- Incentive Funding
- Natural Gas/Power Improvements
- Communications Improvements

The following project activities support Urban Renewal Objective 6 of implementing goals and objectives of the 2020 Comprehensive Plan, as identified in Section 400A.

- US Highway 97 Projects
- Local Transportation Projects
- Fire Station
- Public Utilities
- Industrial Development Opportunity Fund
- Small Loan Funding
- Incentive Funding
- Natural Gas/Power Improvements
- Communications Improvements
- Canal Improvement Contribution

C. Relationship to Other Plans

The Corridor Plan references several plans and describes its relevance to many goals and objectives of these plans. The plans include:

- Transportation Planning Rule (OAR 660-012) (Refreshed 2020)
- Oregon Highway Plan Amendment (2018)
- Statement Transportation Improvement Program (STIP) (2018)
- Oregon Freight Plan Amendment (2017)
- Oregon Bicycle and Pedestrian Plan (2016)
- Oregon Transportation Safety Action Plan (TSAP, 2016)
- Oregon State Rail Plan (2014)
- Oregon Resilience Plan (OSP) (2013)
- ODOT Highway Design Manual (HDM) (2012)

- Oregon Intersection Safety Implementation Plan (ISIP) (2012)
- Oregon Aviation Plan (2007)

While this section does not reiterate this Urban Renewal Plan's relationship to these plans and their objectives, it is assumed that due to the extensive processes undertaken during the Corridor Plan's development and the resulting recommended projects that now form the basis of this Urban Renewal Plan, the Corridor Plan adheres to most, if not all, of the same plans and objectives. Additionally, the Corridor Plan was also adopted into the City's Transportation System Plan.

500. PROPOSED LAND USES

A. Land Use Plan

The map on the following page, the "Land Use Map" (figure 3) describes the locations of the principal land use classifications which apply to the Urban Renewal Area. This includes the type, location, and density of land development and redevelopment permitted in the future. The Comprehensive Plan Map is the same as the Zoning Map. The land use plan for the Urban Renewal Area is consistent with the Redmond Comprehensive Plan. The land use classifications are described below.

The Land Use Plan consists of the Comprehensive Plan and Zoning Map, the descriptive material and regulatory provisions contained in this Section (both directly stated and included by reference). This Plan shall be in accordance with the Redmond Comprehensive Plan and the Redmond Development Code, and with their implementing ordinances and policies. The zoning and development code serve as the major implementation mechanism of the Comprehensive Plan. Ordinances controlling the use and construction on the land, such as building codes, sign ordinances, subdivision and zoning ordinances, shall be adopted to carry out the Plan.

The use and development of land in the Urban Renewal Area shall be in accordance with the regulations prescribed in the Redmond Comprehensive Plan, the Redmond Development Code, Zoning Provisions, Subdivision Ordinance, City Charter, or any other applicable local, county, state or federal laws regulating the use of property in the Urban Renewal Area.

Source: City of Redmond



C1 – Strip Service Commercial. To create and preserve areas suitable for commercial uses and services primarily oriented to automobile traffic, requiring extensive outdoor display and storage, and support of the central business district or principal downtown shopping area. In general, this zone shall be applied to those areas already existing and desirable to retain and for those areas that, because of new and/or changing traffic patterns, should be developed for such purpose. In addition, this zone allows for high-density residential development in these areas where such development will not adversely affect commercial development in the zone as a whole.

C5 –Tourist Commercial. To provide for commercial uses primarily oriented to travelers and tourists in locations complementary to existing facilities and future major transportation facilities and to provide incentives for public and private investments in traveler and tourist-related complexes.

R4 – General Residential. To provide high-density residential neighborhoods with a mix of single-family residences, duplexes, and some conditionally permitted multi-family residential development. Limited commercial uses such as offices are also conditionally permitted where compatible with surrounding development.

R5 – High-Density Residential. To provide high-density residential neighborhoods with an emphasis on multi-family development and smaller lot single-family and duplex developments. Limited commercial uses such as offices are also conditionally permitted where compatible with surrounding development.

M1 – Light Industrial. To provide for light industrial uses such as light manufacturing, research, transportation facilities, and similar uses which have a limited impact on surrounding properties and are compatible with clean non-polluting industries along with limited office and commercial activities which support these light industrial uses.

Large Lot Industrial. The South Redmond Tract, Large Lot Industrial (LLI) site, located directly south of the Deschutes County Fair & Expo Center, is designated as the only Large Lot Industrial site to be considered for light industrial development over 200 acres. The South Redmond Tract was selected to be the singular 200-plus acre site permitted by the State LLI Program. Following the purchase of the initial 200-plus acre industrial property, the remainder of the South Redmond Tract will be eligible for 50 to 200 acre light industrial sites. Staffing for these industries could be anywhere from two to 10 employees per acre. It is intended to appeal to technology and other light industrial, low impact uses that require large parcels of land. The land also abuts the airport and the highway, providing excellent transportation access.

The recent annexation of the land follows years of discussions and analysis at the local, regional, and state level. The 2012 Regional Economic Opportunity Analysis served as the basis for the Large Lot Annexation project and is supported by both the Regional Large Lot Industrial Program and the Central Oregon Large Lot Industrial Land Needs Analysis. It should be noted that the Deschutes County Fairgrounds expansion area (140 acres) and the Oregon Military Department Readiness Center area (20 acres), while included in the Urban Renewal Area, have a different zoning designation than the Large Lot Industrial lands, as indicated in Figure 3, above.

B. Plan and Design Review

The Urban Renewal Agency shall be notified of any Comprehensive Plan/Zoning amendment application, building permit, conditional use, or other development permits requested within the Area. Redevelopers, as defined in this Plan, shall comply with the Redeveloper's Obligations, Section 800 of this Plan.

C. Development Standards

Standards for future street and utility improvements are summarized below.

Streets

The 2010 Standards Specification Design Standards provide the Minimum Street design standards for the City of Redmond. Street standards are generally in conformance with the American Association of State Highway and Transportation Officials (AASHTO) Geometric Design of Highways and Streets, 2004 edition. General street right of way, roadway design, and cross-section standards are provided in Section II.A.1. Table 1, and City of Redmond Standard Drawing 2-1. Roadway functional class is determined by using the City's most current Transportation System Plan (TSP). Local transportation projects within the US97 South Redmond Corridor project include local roads, major collector roads, and commercial alley improvements. The South Redmond Tract large lot industrial parcels require streets designed to the City's industrial roadway standard.

Utilities

The 2010 Standards Specification Design Standards provide the minimum utility design standards for the City of Redmond. Stormwater systems are designed in accordance with the latest version of the Central Oregon Stormwater Manual (COSM). The City includes special provisions to the COSM in section II.B.2 of the 2010 Standard Specifications Design Standards. Underground Injection Control (UIC) systems such as dry wells are generally used throughout the City to provide quality and control for stormwater flows. Water and Sewer facilities are designed per the Oregon State Health Department, Oregon Department of Environmental Quality (DEQ), and the American Public Works Association (APWA) standards. Ductile iron pipe is currently the only approved material for water lines. Utility trenches and conduit must comply with Section E of the Design Standards and sections 101 and 212 of the City's Standards and Specifications.

600. OUTLINE OF DEVELOPMENT

The Urban Renewal Plan consists of activities and actions which treat the causes of blight and deterioration in the South 97 Urban Renewal Area. Large vacant sites and low utilization ratios of properties, deteriorated and substandard buildings/improvements, significant building vacancies, inadequate and incomplete street and sidewalk systems, and inefficient and unsafe traffic conditions have been identified as issues contributing to depressed conditions and values in the Area. The conditions also pose a constraint that will encumber successful future development envisioned and identified in the Comprehensive Plan.

Project activities to treat these conditions include:

- a. Transportation projects, including:
 - US97 improvements, including new medians, signals, and beautification of US97.
 - New local streets to improve access, increase east-west connections, and provide a safer, more attractive multimodal environment.
 - Construction of sidewalks, landscaping, signage, and other streetscape improvements.
- b. Street and sidewalk improvements to improve multimodal safety and circulation.
- c. Acquisition and disposition of land for public improvements, rights-of-way, and utility improvements.
- d. Infrastructure projects, including:
 - Public utilities, including water, sewer, and stormwater infrastructure.
 - Power and gas infrastructure.

- Communications infrastructure.
- e. Funding and incentive programs to support economic development objectives, business expansion, employment growth, and other desired Plan outcomes.
- f. Administration and coordination of development in the Urban Renewal Area.

Section 700, below, provides further descriptions of each urban renewal project to be undertaken within the Urban Renewal Area.

700. DESCRIPTION OF PROJECTS TO BE UNDERTAKEN

Several studies, reports, and plans that preceded the Plan development clearly articulate the need for these projects and justify the recommended project budgets in the Plan. These include the Transportation System Plan, Water System Plan, and the Corridor Plan.

Urban renewal projects authorized by the Plan are described below..²

Table 1. Urban Renewal Projects and Approximate Implementation

Project and Program Description	Dates
US Highway 97 Projects	2024-2032
Local Transportation Projects	2025-2040
Public Utilities	2022-2041
Fire Station	2030-2035
Industrial Opportunity Fund	2023-2042
Small Loan Program	2022-2042
Incentive Funding	2023-2042
Natural Gas/Power Improvements	2022-2041
Communications Improvements	2022-2041
Canal Improvement Contribution	2026-2032
Finance Fees and Program Administration	2022-2045

Source: LCG and GEL Oregon

A. US Highway 97 Projects

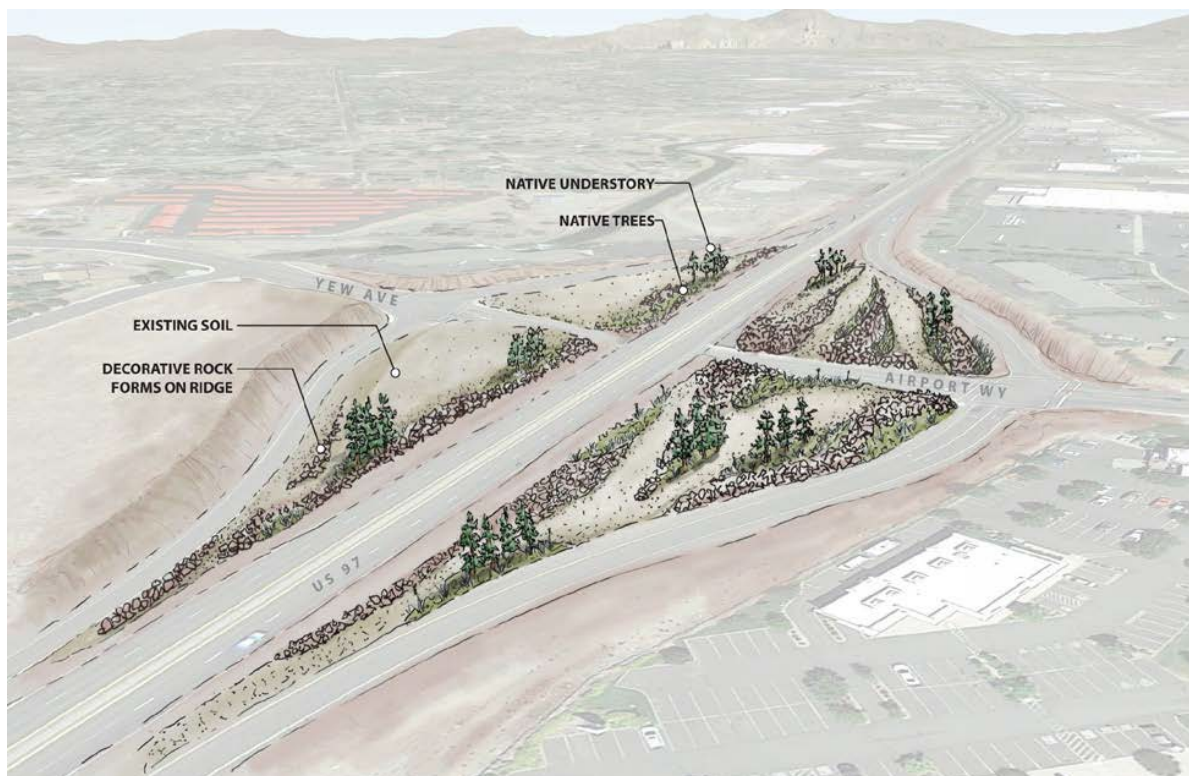
The City's Corridor Plan, in partnership with ODOT, included several recommended improvements, including:

- **US97 road construction.** Repair and replace existing pavement conditions along US97, acquire additional right-of-way as necessary.
- **Raised medians.** Traffic separators between the northbound and southbound lanes on US97 allowing protected left-hand turning movements and U-turns at signalized intersections, as well as providing areas for safe pedestrian refuge halfway across US97 to enhance pedestrian crossings (figure 5)
- **Pedestrian and bicyclist facilities.** New sidewalks and cycle track treatments throughout the length of the corridor to provide a more well-connected active transportation network.
- **Traffic signal systems.** Three new signalized intersections along US97 that allow protected U-turns.

² ORS 457.085 (2)(a) requires a description of each project. ORS 457.085 (3)(d) requires the cost of each project and source of funds. ORS 457.085 (3)(e) requires anticipated completion dates. See Report for details about cost and schedule.

- **Gateway Treatment.** A signature gateway design (figure 4) at the south end of the US97 Corridor will enhance the corridor as a regional destination and to improve the corridor as a welcoming route and entryway to downtown Redmond, local neighborhoods, the airport, and the fairgrounds.

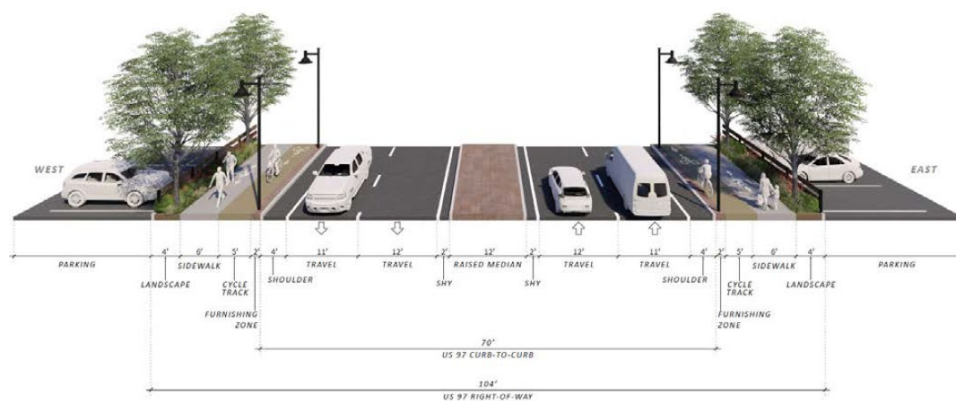
Figure 4. Concept illustration of the South Gateway



Source: SERA

These improvements aim to realize the following vision for the future of the South Redmond US97 Corridor:

"The South US97 Corridor is a vibrant business district that is safe and accessible to shoppers traveling by car, bus, bike, or on foot. The corridor is aesthetically pleasing and provides opportunities for business and community interaction. Traffic moves efficiently and at a reasonable speed in both the north-south and east-west directions." Figure 5. Proposed US97 Cross Section



Source: SERA

Initial ODOT funding will be used to help develop phasing and begin some of the advanced development work. Most of the remaining construction is intended to begin between 2024 to 2027. While there is currently no agreement in place between the City of Redmond and ODOT stipulating responsibilities, it is assumed that the City will be required to provide funding to complete the project in its entirety to match the Corridor Plan. As such, funds available through the Urban Renewal Area are critical to transforming the US97 Corridor to the Redmond community's vision.

B. Local Transportation Projects

Local transportation projects include collectors and distributors, and local streets (figure 6). These projects are informed by the Corridor Plan, the City's TSP, and other information provided by City staff.

Funds available through urban renewal are expected to fund a variety of projects, including:

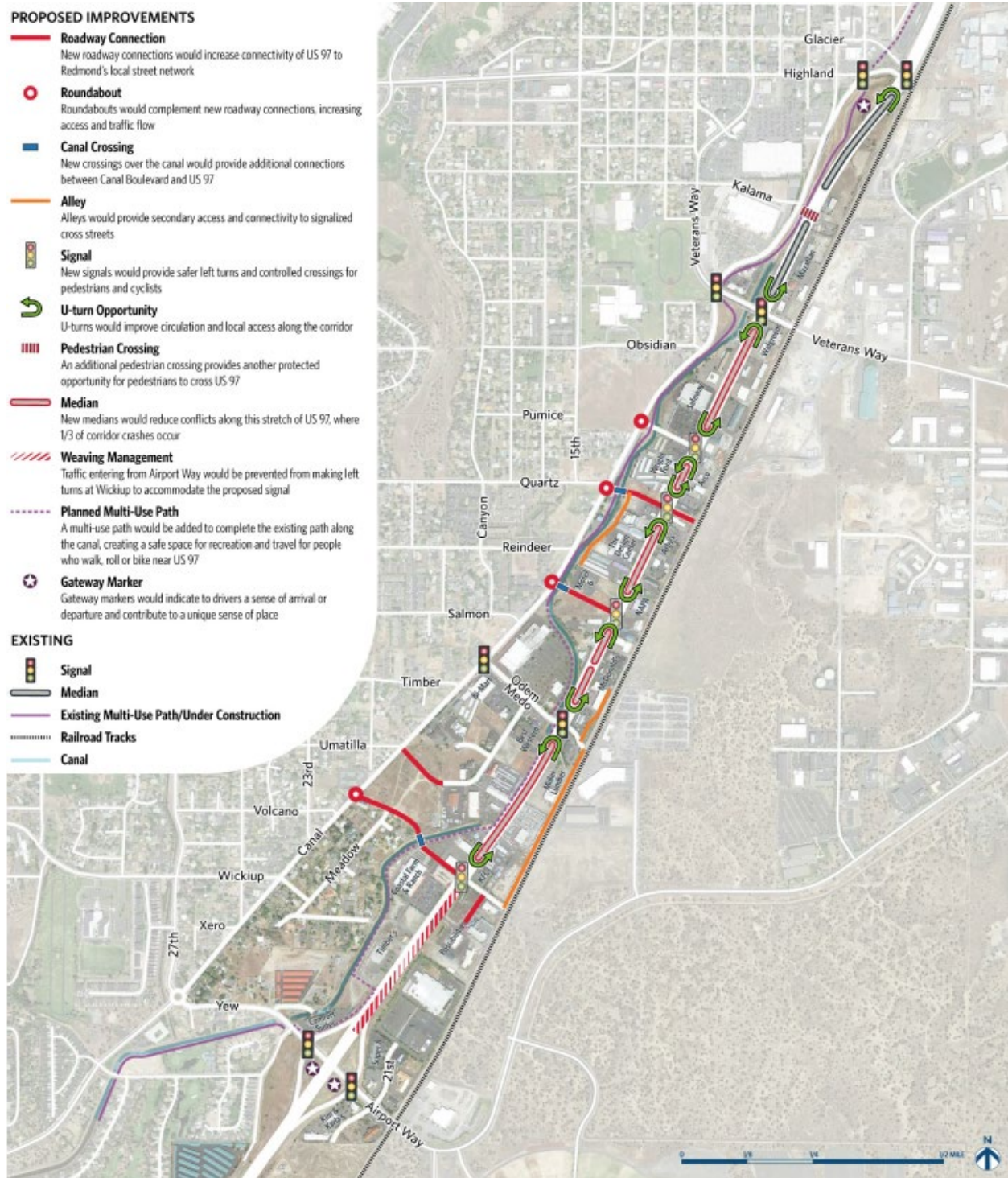
- **Connection road construction.** Three new road connections that cross the canal and connect US97 to Redmond neighborhoods on the west side of US97.
- **Connections to the new shared-use path** along Canal Boulevard and the canal itself.
- **A limited number of new access roads or alleyways** to provide alternative access where new connections provide safe ingress and egress nearby.
- **Pedestrian and bicyclist facilities.** New sidewalks and cycle track treatments along east/west connecting roads to provide a more well-connected active transportation network.
- **New streets.** Improve connectivity, circulation, and access throughout the Area with new or extended local streets. These streets include those not yet defined, such as the 19th Street extension into the South Redmond Tract.

These transportation projects are intended to provide a transportation network in the Area that supports the efficient movement of traffic, and a vibrant business district that is safe and accessible to customers traveling by car, bus, bike or on foot, with comfortable, interesting, and attractive streetscapes, especially along designated pedestrian streets.

The City is expected to include many of these projects in the Transportation System Plan (TSP) and fund them through system development charges (SDCs) and other sources. However, at present, just one new street connection at Quartz is currently planned and budgeted for in the City's TSP. Urban renewal is not expected to fund the entire cost of each project.

Urban Renewal funds are critical to accelerating the timing of these projects for economic development purposes and realizing currently untapped development and employment potential.

Figure 6. Recommended Corridor Plan Concept



Source: HDR (From Corridor Plan)

C. Public Utilities (Water, Stormwater, and Sewer Improvements)

The public utility projects are intended to address infrastructure deficiencies in the Area. This list includes the development of sewer, stormwater, and water infrastructure to support the development and expansion of

businesses in the Area. It also includes the construction of new stormwater facilities, repair of existing sewer lines, and extension or enlargement of existing water and sewer lines as needed to support desired development.

These projects will be largely funded and implemented by the City using non-TIF sources. However, including these projects in the Plan allows the City to provide gap funding assistance to developer-initiated projects and accelerate implementation as required to serve new development in the Area. As such, additional money, funded through tax increment financing, is available through the programmatic elements of the project list as needed for public utility improvements.

D. Fire Station

In order to better serve the community South Redmond and the adjacent unincorporated County area (served by Redmond Fire and Rescue), a new fire station will be constructed to reduce response times and serve new and existing commercial and residential users. As development potential is realized in the Area, lower response times are necessary, especially for users with a higher risk of fire and other hazards.

While neither the specific location nor the cost is currently known and could ultimately be outside of the proposed boundaries, the Plan includes the possibility of a partnership for the development of a new fire station..³

E. Industrial Development Opportunity Fund

This project activity includes a fund for public investments to support industrial development in the Area. Industrial development is a key component of realizing the City's employment growth opportunities, particularly in the South Redmond Tract. However, major new development is challenging in many places, primarily due to the lack of infrastructure in large vacant tracts of land.

While there is currently an agreement in place for the payment and construction of basic infrastructure on the lands that were recently annexed into the City, additional infrastructure investments and improvements are necessary for the area to better prepare for and attract new industrial development. To support and enhance this development, the Industrial Development Opportunity Fund is a flexible fund to help pay for the cost of public infrastructure required to support new development and business activity.

The Opportunity Fund reduces the financial burden of new development by providing gap financing to help prepare shovel-ready sites, thereby accelerating the timing of desired new employment-focused industrial development in the Area.

The Opportunity Fund will include eligibility and other important funding criteria, to be developed upon the adoption of this Plan. Assistance could take the form of gap financing (low or no interest loans), infrastructure (roads, sidewalks, utilities), and other tools.

³ ORS 457.085 (2)(j) describes additional requirements for public buildings. HB 2174 narrowly defined public buildings as fire station, police station, public library, hospital, capitol building, school, college, university, city hall, etc.

F. Small Loan Program

The Small Loan Program provides direct low-interest and/or interest-free and/or forgivable loans as part of the City's effort to assist local businesses within the Urban Renewal Area. This program fills a niche not provided through traditional lending markets, and will include eligibility and other important funding criteria to be developed following the adoption of this Plan.

The Small Loan Program is anticipated to help retain economic vitality and increase property values within the Urban Renewal Area and Redmond through the restoration, rehabilitation, or expansion of existing properties and businesses.

G. Incentive Funding

As part of the City of Redmond's effort to enhance business vitality and support desired development within the South 97 Urban Renewal Area, Incentive Funding allows the Urban Renewal Agency to partner with property owners and developers to rehabilitate or redevelop property that will better serve the Area and the greater Redmond community. Assistance could take the form of direct developer assistance, grants, reimbursements, and or system development charge (SDC) credits for contributions to the transportation and utility system.

The Incentive Funding program is anticipated to help ensure economic growth, vitality, and property value increases within the Urban Renewal Area and citywide. The program will include eligibility and other important funding criteria, to be developed upon the adoption of this Plan.

H. Natural Gas/Power Improvements

The City may provide funding to accelerate the timing or upgrade the capacity of natural gas or power infrastructure. Investments in both gas and electricity are critical to accommodate a range of uses, including but not limited to industrial manufacturers and other significant employment-generating users.

While the construction of gas and power infrastructure is user-driven and paid for and constructed by Cascade Natural Gas and Pacific Power, respectively, to respond to user demands, this project activity allows the City to incentivize system upgrades that would not otherwise occur. As such, additional resources, funded through tax increment financing, are available through the programmatic elements of the project list as needed for gas and power improvements.

I. Communications Improvements

Communications Improvements include telephone and high-speed internet infrastructure. Broadband and other communications improvements are important for economic growth and business vitality. Broadband is the underpinning for some of today's most important transformations in business activity and government services.

While the City is not responsible for the cost of communications upgrades and improvements, this project activity provides seed funding to accelerate the timing of specific improvements to attract desired development projects. As such, additional money, funded through tax increment financing, is available through the programmatic elements of the project list as needed for communications improvements.

J. Canal Improvement Contribution

The Central Oregon Irrigation District (COID) plans to pipe 8.1 miles of the Pilot Butte Canal between Smith Rock and Bend, approximately one-quarter of which is located within the Urban Renewal Area. This project activity includes funding to help pipe at least 1.0 mile of the Canal to accommodate new roads and a multi-use path (figure 7). Once the piping is complete, the land will support road construction without additional structural reinforcements, significantly reducing the construction costs.

As the new east-west transportation connections identified in Section 700(B) do not include funding for bridge structures, the new streets in this section are directly tied to the piping of the canal. Connections to the new shared-use path along the canal are also directly tied to the piping project.

COID has yet to secure funding for piping the canal in the Area and may not do so for several years. Urban Renewal funding is therefore critical to providing gap financing to accelerate the timing of the piping project and other related transportation projects.

Figure 7. Multi-use Path Concept Illustration*



Source: 2012 Corridor Plan

* Due to new plans for the area since the development of the 2012 Corridor Plan, including the canal piping project, the illustration depicts an open canal, however the canal will eventually be rerouted via underground pipes.

K. Finance Fees and Program Administration

The Plan provides for effective administration to complete the various activities contained within.

Project funds may be utilized to pay indebtedness associated with the preparation of the Plan, to carry out design plans, miscellaneous land use and public facility studies, engineering, market, and other technical studies as may be needed during the duration of the Plan.

This category allows for repayment of costs associated with the implementation of the Plan, including but not limited to ongoing administration and financing costs associated with issuing long and short-term debt, relocation costs, and other administrative costs.

Project funds also may be used to pay for personnel and other administrative costs incurred in the management of the Plan, such as the preparation of annual reports (ORS 457.060, HB 2174).

750. PROPERTY ACQUISITION AND DISPOSITION

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses, or other rights to use. If a property is acquired it will be identified in the Plan through a Minor Amendment, as described in Section 1000. Identification of property to be acquired and its anticipated disposition is required by ORS 457.085(g).

A. Property Acquisition for Public Improvements

It is anticipated that the acquisition of real property will be necessary to carry out public use objectives of the Plan. These objectives include right-of-way acquisition for streets, roads, alleys, bicyclist and pedestrian ways, utility rights-of-way, and other public improvements, uses, and facilities described in Section 700 of this Plan. Before the acquisition, this Plan shall be amended to identify the specific property or interest to be acquired.

The Agency may acquire any property within the Area for the public improvement projects undertaken pursuant to the Plan by all legal means, including the use of eminent domain, as described in ORS 456.145⁴. Good faith negotiations for such acquisitions must occur before the institution of eminent domain procedures.

B. Property Disposition

The Agency will dispose of property acquired for a public improvement project by conveyance to the appropriate public agency responsible for the construction and/or maintenance of the public improvement. The Agency may retain such property during the construction of the public improvement.

The Agency may dispose of property by conveying any interest in property acquired. Property shall be conveyed at its fair reuse value. Fair reuse value is the value, whether expressed in terms of rental or capital price, at which the Agency, in its discretion, determines such property should be made available so that it may be developed, redeveloped, cleared, conserved, or rehabilitated for the purposes specified in the Plan. Because fair reuse value reflects limitations on the use of the property to those purposes specified in the Plan, the value may be lower than the property's fair market value.

Where property is sold or leased, the purchaser or lessee must agree to use the property for the purposes designated in the Plan, and to complete the building of its improvements within a period of time that the Agency determines is reasonable.

800. REDEVELOPER'S OBLIGATIONS

Redevelopers within the Urban Renewal Area will be subject to controls and obligations imposed by the provisions of this Plan. Redevelopers also will be obligated to the following requirements:

1. The Redeveloper shall develop or redevelop the property per the land use provisions and other requirements specified in this Plan.

⁴ ORS 456.145 refers to the appropriate use of eminent domain in the State of Oregon

2. The Urban Renewal Agency may require the redeveloper to execute a development agreement acceptable to the Urban Renewal Agency as a condition of any form of Agency assistance. The Redeveloper shall accept all conditions and agreements as may be required by the Urban Renewal Agency.
3. The Redeveloper shall submit all plans and specifications for the construction of improvements on the land to the Urban Renewal Agency or its designated agent, for review and approval before distribution to reviewing bodies as required by the City.
4. The Redeveloper shall commence and complete the development of such property for the use provided in this Plan within a reasonable period of time as determined by the Agency.
5. The Redeveloper shall not affect any instrument whereby the sale, lease, or occupancy of the real property, or any part thereof, is restricted on the basis of age, race, color, religion, sex, marital status, or national origin.

900. RELOCATION

The Agency will provide required relocation assistance to all persons or businesses displaced by project activities. All persons or businesses which may be displaced will be contacted to determine such relocation needs. Available space information and financial assistance available will be provided based on relocation needs. Those persons or businesses displaced will be given financial assistance in finding replacement facilities and moving assistance. All persons or businesses displaced will be contacted to determine such relocation needs. They will be provided information on available space and will be assisted in moving. All relocation activities will be undertaken and payments made per the requirements of ORS 35.500 to 35.530 and any other applicable laws or regulations.

Relocation payments will be made as provided in ORS 35.510.

Payments made to persons displaced from dwellings will assure that they will have available to them decent, safe, and sanitary dwellings at costs or rents within their financial capability. Payment for moving expenses will be made to residences and businesses displaced. The Redmond Urban Renewal Agency may contract with the Oregon Department of Transportation (ODOT), or other appropriate agencies or parties for assistance in administering its relocation program.

1000. FUTURE AMENDMENTS

It is anticipated the Plan will be reviewed periodically during the execution of the Project. The Plan may be changed, modified, or amended as future conditions warrant. All amendments shall be governed by state and local laws and ordinances.

A. Minor Amendments

Minor changes to the Plan shall be made by a duly approved resolution of the Agency which describes the details of the minor change. Minor changes shall include:

1. Identification of property to be acquired or any purpose outlined in Section 750 of this Plan.

2. Changes to the Plan which are not specifically identified as requiring a Substantial Amendment or a Minor Amendment requiring Council Approval.

B. Minor Amendments Requiring Council Approval

Council-approved amendments to the Plan shall require only approval by the Agency by Resolution and approval by the City Council by Non-Emergency Ordinance. Council-approved amendments are:

1. Addition of a project, activity, or program that differs substantially from a project, program, or activity in the Plan, and is estimated to cost in excess of the equivalent of \$500,000 in 2020 dollars throughout the Plan. The \$500,000 threshold shall be adjusted annually at a rate equal to the Construction Cost Index (CCI), also referred to as the ENR Index for Construction published quarterly by the Engineering News Record.
2. Identification of land for acquisition which requires Council approval per Section 750 of this Plan.
3. Changes or modifications to the goals and objectives of this Plan, which in the Agency's discretion, warrant Council Approval.

C. Substantial Amendments

Substantial Amendments shall require the notice, hearing, and approval procedures required by statute. Substantial amendments consist of:

1. Adding land to the Urban Renewal Area, except for an addition of land that totals not more than one percent (1%) of the existing area of the Plan.
2. Increasing the maximum amount of indebtedness (excluding bonded indebtedness issued to refinance or fund existing bonded indebtedness) to be issued under the Plan.
3. Adding a public building(s) not identified in the Plan.
4. Any amendment defined by statute to be a substantial amendment.

1100. LATEST DATE FOR ISSUE OF BONDED INDEBTEDNESS

This Plan calls for a division of ad valorem taxes under ORS 457.440. No bonded indebtedness shall be issued with respect to the Plan, or any project undertaken with respect to the Plan later than June 30, 2042.

1200. FINANCING METHODS

A. General

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

- Tax increment revenues;
- Advances, loans, grants, and any other form of financial assistance from federal, state, or local governments, or other public bodies;

- Loans, grants, dedications, or other contributions from private developers and property owners, including, but not limited to, assessment districts; and
- Any other public or private source.

Revenues obtained by the Urban Renewal Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in (1) planning or undertaking project activities, or (2) otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

The Urban Renewal Agency may borrow money and accept advances, loans, grants, and other forms of financial assistance from the federal government, the state, city, county or other public body, or from any sources, public or private for the purposes of undertaking and carrying out this Plan. In addition, the Agency may borrow money from, or lend money to a public agency in conjunction with a joint undertaking of a project authorized by this Plan. If such funds are loaned, the Agency may promulgate rules and procedures for the methods and conditions of payment of such loans.

The funds obtained by the Agency shall be used to pay or repay any costs, expenses, advances, and indebtedness incurred in planning or undertaking project activities or in otherwise exercising any of the powers granted by ORS Chapter 457.

B. Tax Increment Financing

It is contemplated that the Plan will be financed in whole or in part by tax increment financing, as authorized in ORS 457.420 through ORS 457.450.

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

C. Prior Indebtedness

Any indebtedness permitted by law and incurred by the Urban Renewal Agency or the City in connection with preplanning for this Plan may be repaid from tax increment proceeds generated pursuant to this section.

D. Establishment of Maximum Debt

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$85,458,900. This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on bond proceeds. It does include initial bond financing fees and interest earned on tax increment proceeds, separate from interest on bond proceeds.

1300. CITIZEN PARTICIPATION

This Plan was developed under the guidance of the Redmond Urban Renewal Agency. In the course of formulating the Plan, the Agency conducted meetings on June 9, August 25, and October 6, 2020. All meetings of the Agency were open to the public for discussion and comment.

The Redmond Planning Commission met to review the Plan on July 20, 2020. The Redmond City Council held a public hearing on the adoption of this Plan on December 1, 2020. Additional notice on City Council adoption of the Plan was provided, as required by ORS 457.120.

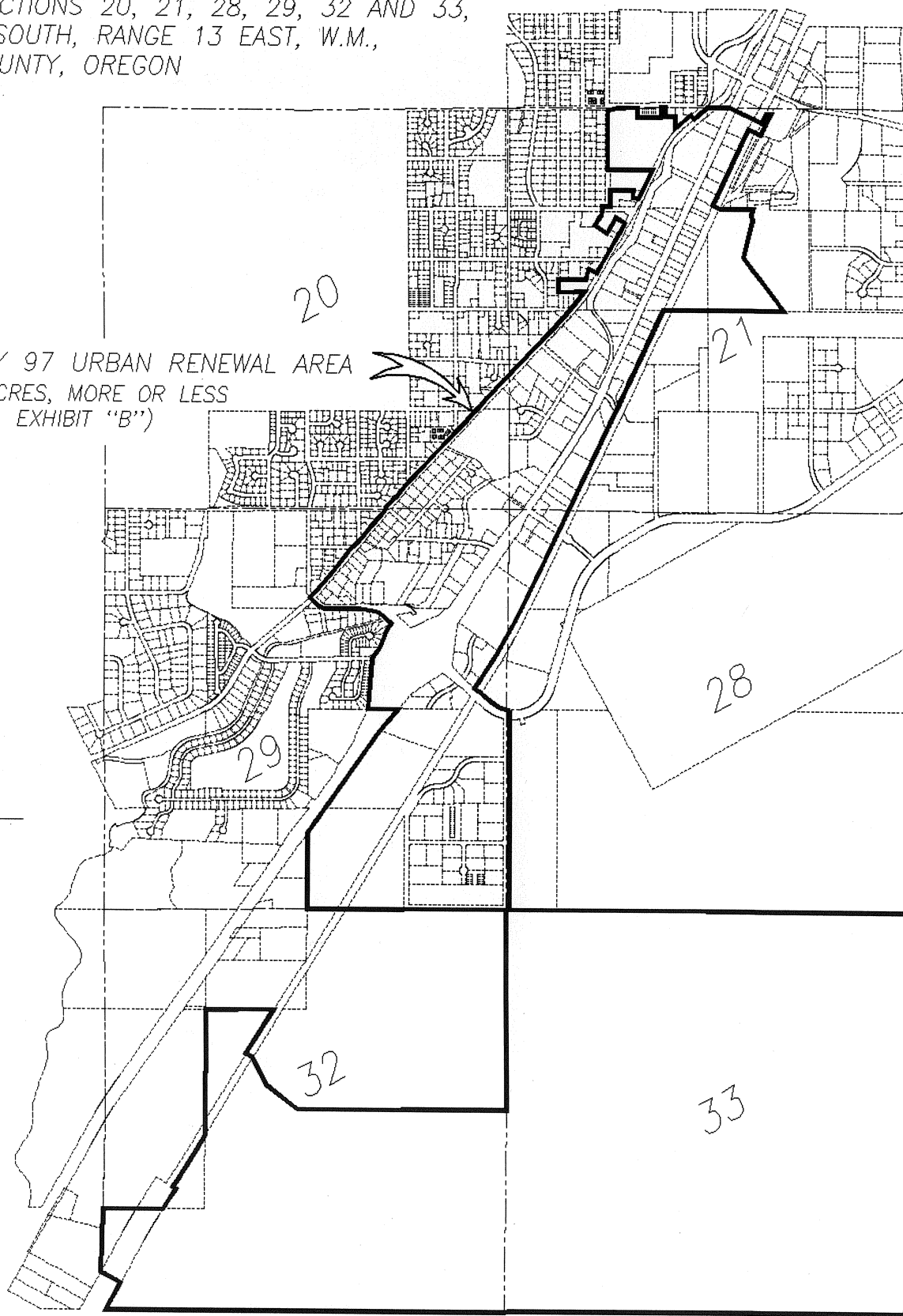
ATTACHMENT A: LEGAL DESCRIPTION OF URBAN RENEWAL BOUNDARY

EXHIBIT "A"

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
LOCATED IN SECTIONS 20, 21, 28, 29, 32 AND 33,
TOWNSHIP 15 SOUTH, RANGE 13 EAST, W.M.,
DESCHUTES COUNTY, OREGON

SOUTH HIGHWAY 97 URBAN RENEWAL AREA
CONTAINS 1440 ACRES, MORE OR LESS
(SEE DESCRIPTION, EXHIBIT "B")

SCALE:
1" = 2000'



PREPARED JULY 3, 2020

POVEY AND ASSOC. LAND SURVEYORS
P.O. BOX 131, REDMOND, OR 97756
(541) 548-6778 20-078D.DWG

EXHIBIT "B"

DESCRIPTION -

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
LOCATED IN SECTIONS 20, 21, 28, 29, 32 AND 33,
TOWNSHIP 15 SOUTH, RANGE 13 EAST, W.M.,
DESCHUTES COUNTY, OREGON

DESCRIPTION OF A TRACT OF LAND LOCATED IN SECTIONS
20, 21, 28, 29, 32 AND 33, TOWNSHIP 15 SOUTH, RANGE 13 EAST,
WILLAMETTE MERIDIAN, DESCHUTES COUNTY, OREGON, DESCRIBED AS
FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 33;
THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION 33, 5296
FEET TO THE SOUTHWEST CORNER OF SAID SECTION 33; THENCE WEST
ALONG THE SOUTH LINE OF SAID SECTION 32, 5232 FEET TO THE
SOUTHEAST RIGHT-OF-WAY LINE OF THE BURLINGTON NORTHERN -
SANTA FE (BNSF) RAILROAD, BEING 100 FEET FROM THE CENTERLINE
OF SAID RAILWAY; THENCE N29°E ALONG SAID SOUTHEAST RIGHT-OF-
WAY LINE, 406 FEET; THENCE N61°W, PERPENDICULAR TO SAID
CENTERLINE, 300 FEET THE INTERSECTION OF THE NORTHWEST
RIGHT-OF-WAY LINE OF SAID RAILWAY AND THE WEST LINE OF THE
SW1/4 SW1/4 OF SAID SECTION 32, SAID INTERSECTION BEING 200
FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE N01°E ALONG
SAID WEST LINE, 817 FEET TO THE NORTH LINE OF SAID SW1/4
SW1/4; THENCE EAST ALONG SAID NORTH LINE, 793 FEET TO SAID
SOUTHEAST RIGHT-OF-WAY LINE, BEING 100 FEET FROM THE
CENTERLINE OF SAID RAILWAY; THENCE N32°E ALONG SAID
SOUTHEAST RIGHT-OF-WAY LINE, 310 FEET; THENCE N58°W ALONG
SAID SOUTHEAST RIGHT-OF-WAY LINE, 50 FEET; THENCE N32°E
ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, BEING 50 FEET FROM
THE CENTERLINE OF SAID RAILWAY, 802 FEET TO THE WEST LINE
OF THE NE1/4 SW1/4 OF SAID SECTION 32; THENCE N01°E ALONG
SAID WEST LINE, 348 FEET; THENCE NORTH ALONG THE WEST LINE
OF THE SE1/4 NW1/4 OF SAID SECTION 32, 1315 FEET TO THE
NORTH LINE OF SAID SE1/4 NW1/4; THENCE EAST ALONG SAID
NORTH LINE, 902 FEET TO SAID NORTHWEST RIGHT-OF-WAY LINE,
BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE
S32°W ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, 695 FEET;
THENCE S58°E, PERPENDICULAR TO SAID CENTERLINE, 100 FEET TO
THE INTERSECTION OF THE SOUTHEAST RIGHT-OF-WAY LINE OF SAID
RAILWAY, AND THE NORTHEAST EASEMENT LINE OF BONNEVILLE POWER
ADMINISTRATION'S REDMOND-BURNS NO. 1 TRANSMISSION LINE, SAID
INTERSECTION BEING 50 FEET FROM THE CENTERLINE OF SAID
RAILWAY, AND BEING 50 FEET FROM THE CENTERLINE OF SAID POWER
LINE; THENCE S27°E ALONG SAID NORTHEAST EASEMENT LINE, 417
FEET; THENCE S53°E ALONG SAID NORTHEAST EASEMENT LINE, 507
FEET TO THE SOUTH LINE OF SAID SE1/4 NW1/4; THENCE EAST
ALONG SAID SOUTH LINE, AND ALONG THE SOUTH LINE OF THE NE1/4
OF SAID SECTION 32, 2750 FEET TO THE EAST LINE OF SAID
NE1/4; THENCE NORTH ALONG SAID EAST LINE, 2649 FEET TO THE
SOUTHEAST CORNER OF SAID SECTION 29; THENCE WEST ALONG THE
SOUTH LINE OF THE SE1/4 OF SAID SECTION 29, 2634 FEET TO THE

DESCRIPTION - SHEET 1 OF 4

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
CONTINUED:

WEST LINE OF THE SW1/4 OF SAID SE1/4; THENCE NORTH ALONG SAID WEST LINE, 992 FEET TO THE SOUTHEAST RIGHT-OF-WAY LINE OF U.S. HIGHWAY 97, BEING 90 FEET FROM THE CENTERLINE OF SAID HIGHWAY; THENCE N35°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 1659 FEET TO ENGINEER'S STATION 125+00, 90 FEET LEFT; THENCE N41°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 376 FEET TO THE NORTH LINE OF THE NW1/4 SE1/4 OF SAID SECTION 29; THENCE WEST ALONG SAID NORTH LINE, 401 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF SAID HIGHWAY (ALSO BEING THE NORTHWEST RIGHT-OF-WAY LINE OF SW 25TH PLACE), AS DESCRIBED IN VOLUME 234, PAGE 1995, DESCHUTES COUNTY DEED RECORDS; THENCE ALONG SAID NORTHWEST RIGHT-OF-WAY LINE AS FOLLOWS: N05°E, 670 FEET; THENCE N33°E, 175 FEET; THENCE N23°E, 255 FEET; THENCE N35°E, 91 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF SW YEW AVENUE, BEING A LINE OF VARIABLE WIDTH FROM THE CENTERLINE OF SAID ROADWAY; THENCE LEAVING SAID NORTHWEST RIGHT-OF-WAY LINE, AND 1190 FEET WESTERLY ALONG SAID SOUTH RIGHT-OF-WAY LINE, AND ALONG ITS NORTHWESTERLY PROLONGATION, TO A POINT WHICH BEARS N73°W, 1131 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING ON THE NORTHWEST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, AND BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE 5459 FEET NORTHEASTERLY ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, TO A POINT WHICH BEARS N42°E, 5449 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING 40 FEET FROM THE CENTERLINE OF SAID ROADWAY, AND BEING ON THE SOUTH BOUNDARY OF A TRACT OF LAND DESCRIBED IN DOCUMENT 2007-43829, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG SAID TRACT BOUNDARY AS FOLLOWS: WEST, 345 FEET; THENCE NORTH, 170 FEET; THENCE EAST, 367 FEET TO THE BOUNDARY OF PARCEL 2, AS DESCRIBED IN DOCUMENT NO. 2018-019368, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE LEAVING SAID TRACT BOUNDARY AND ALONG SAID PARCEL 2 BOUNDARY AS FOLLOWS: N13°E, 122 FEET; THENCE N37°E, 30 FEET; THENCE S61°E, 107 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE LEAVING SAID PARCEL 2 BOUNDARY, N30°E ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, 751 FEET TO THE BOUNDARY OF A TRACT OF LAND DESCRIBED IN DOCUMENT 2007-64854, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID TRACT AS FOLLOWS: N59°W, 136 FEET; THENCE S31°W, 239 FEET; THENCE N56°W, 184 FEET; THENCE 214 FEET ALONG THE ARC OF A NON-TANGENT 658 FOOT RADIUS CURVE TO THE LEFT, THE CHORD OF WHICH BEARS N28°E, 213 FEET; THENCE LEAVING SAID TRACT BOUNDARY, NORTH, PERPENDICULAR TO THE NORTH LINE OF SAID TRACT, 60 FEET TO THE NORTH RIGHT-OF-WAY LINE OF SW QUARTZ AVENUE, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE EAST ALONG SAID NORTH RIGHT-OF-WAY LINE, 105 FEET TO THE BOUNDARY OF A TRACT OF LAND DESCRIBED IN DOCUMENT 2020-06416, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID TRACT AS FOLLOWS: NORTH 214 FEET; THENCE S89°E, 304 FEET; THENCE S01°W, 96 FEET; THENCE S83°E, 74 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
CONTINUED:

SW CANAL BOULEVARD, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE LEAVING SAID TRACT BOUNDARY, AND 422 FEET NORTHEASTERLY ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, TO A POINT WHICH BEARS N26°E, 422 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING AT THE SOUTHEAST CORNER OF TRACT 1, AS DESCRIBED IN DOCUMENT 2020-10963, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE WEST ALONG THE SOUTH LINE OF SAID TRACT 1, 591 FEET TO THE WEST LINE OF SAID TRACT 1; THENCE NORTH ALONG SAID WEST LINE, AND ALONG THE WEST LINE OF TRACT 2, AS DESCRIBED IN SAID DOCUMENT, 782 FEET TO THE NORTH LINE OF SAID TRACT 2; THENCE N74°E ALONG SAID NORTH LINE, 135 FEET; THENCE EAST ALONG SAID NORTH LINE, 265 FEET TO THE EAST LINE OF SAID TRACT 2; THENCE SOUTH ALONG SAID EAST LINE, 125 FEET TO THE NORTH LINE OF SAID TRACT 1; THENCE EAST ALONG SAID NORTH LINE, 312 FEET TO THE WEST RIGHT-OF-WAY LINE OF SW 13TH STREET, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE NORTH ALONG SAID WEST RIGHT-OF-WAY LINE, 125 FEET TO THE NORTH LINE OF THE NE1/4 NW1/4 OF SAID SECTION 21; THENCE EAST ALONG SAID NORTH LINE, 60 FEET TO THE EAST RIGHT-OF-WAY LINE OF SW 13TH STREET, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE SOUTH ALONG SAID EAST RIGHT-OF-WAY LINE, 120 FEET TO THE NORTH LINE OF SAID TRACT 1; THENCE EAST ALONG SAID NORTH LINE, 130 FEET TO THE EAST LINE OF SAID TRACT 1; THENCE SOUTH ALONG SAID EAST LINE, 159 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, BEING 40 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE N49°E ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, 280 FEET TO THE SOUTH LINE OF THE NORTH 96 FEET OF SAID NE1/4 NW1/4; THENCE S41°E, PERPENDICULAR TO SAID CENTERLINE, 70 FEET TO THE SOUTHEAST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE N49°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 228 FEET TO THE NORTH LINE OF THE NW1/4 NE1/4 OF SAID SECTION 21; THENCE EAST ALONG SAID NORTH LINE, 294 FEET TO THE PROLONGATION OF THE NORTHEAST LINE OF A TRACT OF LAND DESCRIBED IN VOLUME 279, PAGE 0839, DESCHUTES COUNTY DEED RECORDS; THENCE S65°E ALONG SAID PROLONGATION, AND ALONG SAID NORTHEAST LINE, 351 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD, BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE S65°E ALONG SAID PROLONGATION, 100 FEET TO THE SOUTHEAST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD, BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE N26°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 126 FEET TO THE NORTH LINE OF THE FIRST EXCEPTION TO PARCEL 1, AS DESCRIBED IN DOCUMENT NO. 2018-005171, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE EAST ALONG SAID NORTH LINE, 67 FEET TO THE NORTHWEST LINE OF A TRACT OF LAND DESCRIBED IN DOCUMENT NO. 2009-52569, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE S26°W ALONG SAID NORTHWEST LINE, 306 FEET TO THE SOUTHEAST LINE OF SAID TRACT; THENCE N64°W, PERPENDICULAR TO SAID RAILWAY CENTERLINE, 160 FEET TO SAID NORTHWEST RIGHT-OF-WAY LINE; THENCE S26°W ALONG SAID

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
CONTINUED:

NORTHWEST RIGHT-OF-WAY LINE, 1110 FEET; THENCE S64°E, PERPENDICULAR TO SAID CENTERLINE, 100 FEET TO THE NORTHWEST CORNER OF PARCEL 4, AS DESCRIBED IN DOCUMENT NO. 2014-042282, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID PARCEL 4 AS FOLLOWS: EAST, 449 FEET; THENCE S14°W, 73 FEET; THENCE S04°E, 82 FEET; THENCE S13°W, 501 FEET; THENCE S36°E, 859 FEET; THENCE WEST, 996 FEET TO THE CENTER 1/4 CORNER OF SAID SECTION 21; THENCE LEAVING SAID TRACT BOUNDARY, WEST ALONG THE SOUTH LINE OF THE SE1/4 NW1/4 OF SAID SECTION 21, 588 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD, BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE 5602 FEET SOUTHWESTERLY ALONG SAID NORTHWEST RIGHT-OF-WAY LINE TO A POINT WHICH BEARS S27°W, 5599 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING ON THE NORTHEAST RIGHT-OF-WAY LINE OF SW AIRPORT WAY, AND BEING 55 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE S52°E, 101 FEET TO THE INTERSECTION OF THE SOUTHEAST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD AND THE NORTHEAST RIGHT-OF-WAY LINE OF SW AIRPORT WAY, SAID INTERSECTION BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY, AND BEING 60 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE 444 FEET SOUTHEASTERLY ALONG SAID NORTHEAST RIGHT-OF-WAY LINE TO A POINT WHICH BEARS S60°E, 434 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING ON THE EAST LINE OF THE WEST 40 FEET OF THE SW1/4 OF SAID SECTION 28; THENCE SOUTH ALONG SAID EAST LINE (ALSO BEING THE EAST RIGHT-OF-WAY LINE OF SW 19TH STREET), 2624 FEET TO THE NORTH LINE OF SAID SECTION 33; THENCE EAST ALONG SAID NORTH LINE, 5246 FEET TO THE NORTHEAST CORNER OF SAID SECTION 33; THENCE SOUTH ALONG THE EAST LINE OF SAID SECTION 33, 5268 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 33, AND TO THE POINT OF BEGINNING.

THE SAME CONTAINING 1440 ACRES, MORE OR LESS.

A SKETCH OF THE URBAN RENEWAL AREA DESCRIBED ABOVE IS SHOWN ON THE ATTACHED EXHIBIT "A", WHICH IS HEREBY INCORPORATED BY REFERENCE.

PREPARED JULY 3, 2020

POVEY AND ASSOC. LAND SURVEYORS
P.O. BOX 131, REDMOND, OR 97756
(541) 548-6778 20-078D.DWG

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
JULY 15, 1983
WILLIAM G. BAHRKE
2039

Renewal Date: 12/31/21

December 2020

Report on the Urban Renewal Plan

South 97 Urban Renewal Area



Prepared for:

City of Redmond, Oregon
411 Southwest 9th Street
Redmond, Oregon 97756
www.redmondoregon.gov

Prepared by:

LELAND CONSULTING GROUP
610 SW Alder Street, Suite 1200
Portland, Oregon 97205
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In collaboration with



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INTRODUCTION

The following Report on the South 97 Urban Renewal Plan (the “Report”) provides supporting information to the South 97 Urban Renewal Plan (the “Plan”) according to the requirements of ORS 457.087. Gathered from a variety of resources, the Report contains background information on the South 97 Urban Renewal Area (“Area”), a blight analysis for the District, details for the projects added by the Plan, and financial feasibility analysis for the Plan. The Report accompanies the Plan to describe existing conditions in the Area, identify the estimated costs of projects and sources of funding, and perform the financial feasibility analysis. It is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

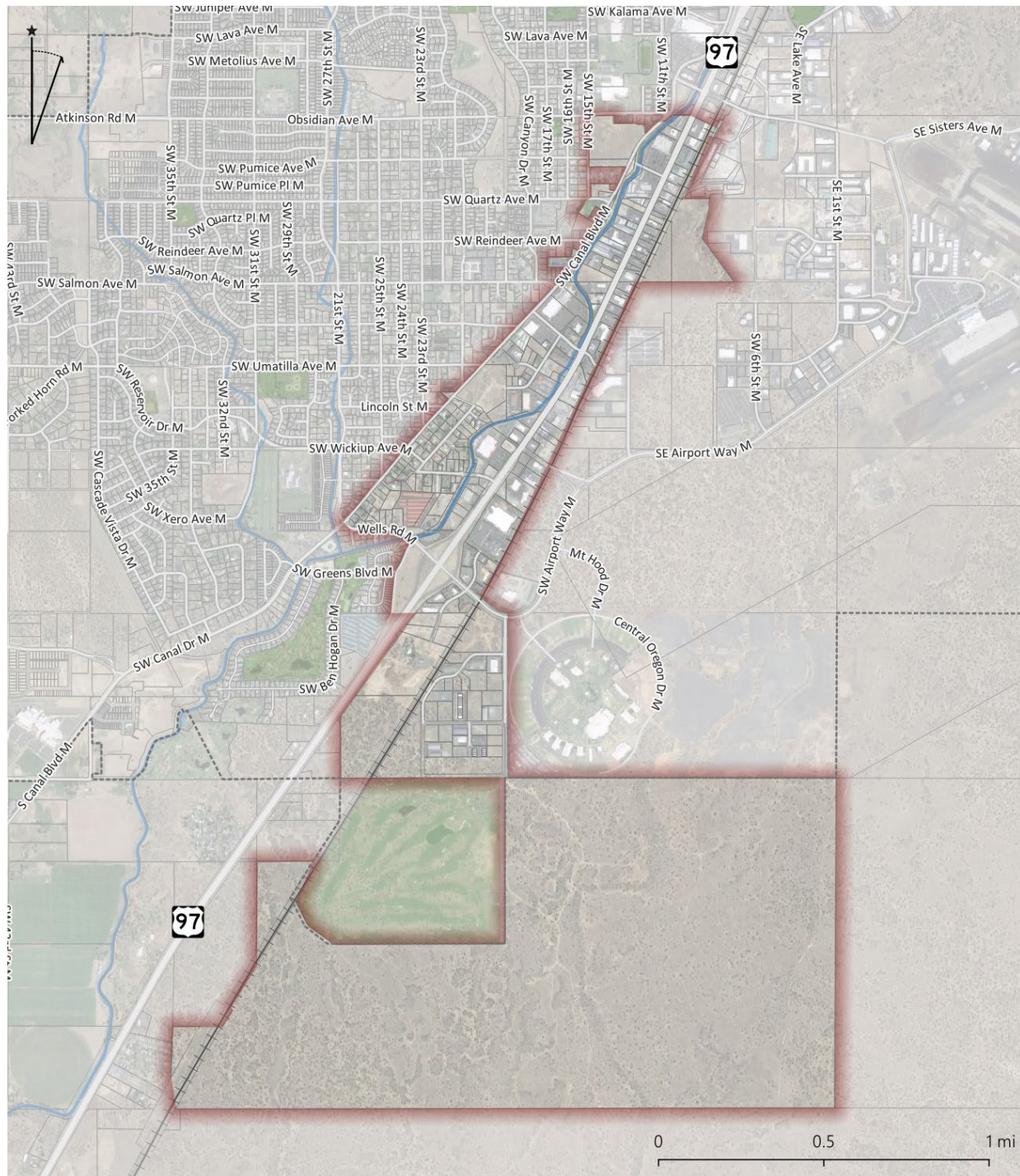
ORS 457.087 requires a report to include:

- A description of the physical, social, and economic conditions within the district and the impact of the plan, including fiscal impacts, in light of added services or increased population
- Reasons for the selection of the Urban Renewal Area (cure blight, implement recommendations from plans)
- Descriptions of land use and zoning, and references to the City’s Comprehensive Plan, Capital Improvement Plan (CIP), Transportation System Plan (TSP)
- The relationship between each project and the conditions within the urban renewal area
- Project estimated costs and sources of funding (TIF and other)
- The estimated completion date for each project
- The estimated amount of money required for each urban renewal area and the anticipated year in which indebtedness will be retired or otherwise provided
- A financial analysis of the plan, with sufficient information to determine the feasibility of the plan
- The fiscal impact on overlapping taxing districts, both until and after the indebtedness is repaid
- A relocation report that includes:
 - An analysis of existing residents or business required to relocate temporarily or permanently as a result of the urban renewal agency’s actions
 - A description of the methods to be used for the temporary or permanent relocation of persons living and businesses situated, in the urban renewal area
 - An enumeration, by cost range, of the existing housing units in the urban renewal areas of the plan to be destroyed or altered and the new units to be added

100. DESCRIPTION OF THE PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS

The conditions described in this section pertain to the Urban Renewal Area (Area) shown in the following map (figure 1). A legal description for the Area boundary is included in this Report (Attachment F).

Figure 1. South 97 Urban Renewal Area Boundary



Source: Leland Consulting Group

A. Physical Conditions

1. Land Area

The South 97 Urban Renewal Area encompasses 1,330.5 acres of land area within the City limits.

ORS 457.420(2)(b)(B) provides that the total land area of a proposed urban renewal district, when added to the land area of existing renewal areas may not exceed 25 percent of the City's land area (for Cities with populations of less than 50,000). The City's current land area is approximately 10,449 acres. The Redmond Downtown Urban Renewal District includes 701.70 acres (6.7 percent of the total). The proposed South 97 Urban Renewal District boundary includes 1,330.52 acres (12.7 percent of the total). The total of all acreage in urban renewal areas represents 19.45 percent of the City's land area and is, therefore, within the 25 percent limitation.

Table 1. Urban Renewal Area Conditions

	Acres	% of Total
Total area within the City	10,449.0	
Redmond Downtown Urban Renewal District	701.7	6.7%
Proposed South Hwy 97 Urban Renewal District	1,330.5	12.7%
Total area within urban renewal districts	2,032.2	19.5%

Source: Deschutes County Assessor

2. Topology and Geography

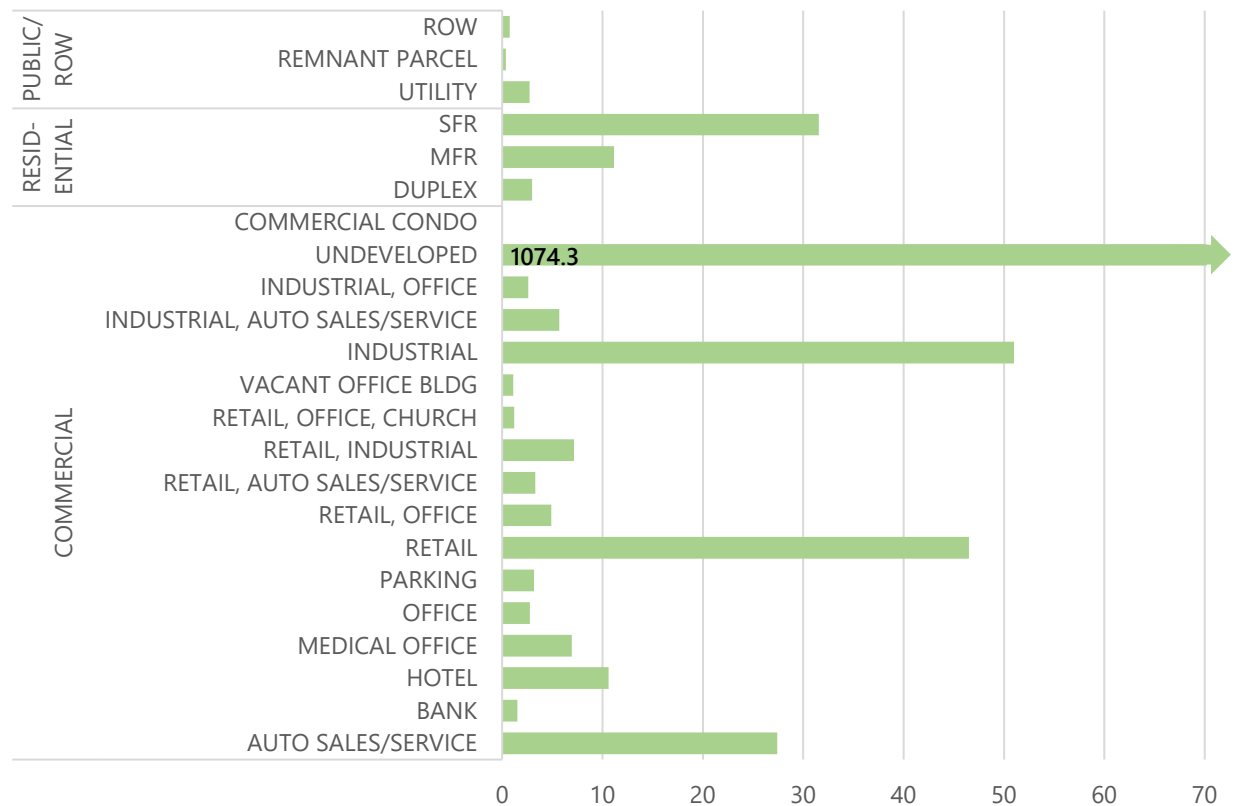
The Urban Renewal Area consists of predominately flat land, 0.0 to 8.0 percent slopes. The soil in the area is generally Deschutes-Stukel complex, which consists of shallow, well-drained soils from volcanic rock. The rocky nature of the area can add to the cost of excavation for building foundations, streets, and utilities. The Central Oregon Irrigation District (COID) Pilot Butte Canal runs adjacent to Highway 97 to the west and the Burlington Northern Santa Fe (BNSF) railway runs along the east. The irrigation canal and railway are barriers to east-west traffic circulation. US 97 South Corridor is mirrored by Canal Blvd. to the west which is the arterial roadway that collects most of the City's westbound traffic.

The South Redmond Tract is relatively level with scattered lava rock outcrops. Surrounding the rock outcrops are level areas of shallow, sandy soils. Elevation ranges from 3,050 to 3,180 feet. It is physically characterized as juniper woodland and considered rangeland. Vegetation includes western juniper and sagebrush and the soils are mostly sandy loam with basalt outcrops.

3. Existing Land Use and Development

A detailed parcel-by-parcel land use inventory of the Urban Renewal Area was undertaken in April 2020 and is summarized in the following table and charts. The inventory shows the Urban Renewal Area contains a significant amount of vacant and underdeveloped land. Of the categorized land uses, the largest percentage of the acreage is undeveloped. The Area contains 1,080.6 acres (83.2%) of land which is vacant or contains only non-structural improvements, such as parking lots, storage yards, etc. This area is mostly without streets, sidewalks, and utilities necessary for development. The four primary uses of developed acreage include industrial, retail, auto sales/service, and single-family residential. The opportunity exists to promote higher density development on the undeveloped acreage in the Urban Renewal Area.

Figure 2. Parcels by Land Use (Acres)



Source: Deschutes County Assessor, LCG

The most intense concentration of the Urban Renewal Area's commercial uses are found in the northern half. Commercial uses, which include retail, service, office, and auto-oriented uses, comprise 118 of the 283 parcels, or 41.7 percent of the total. Industrial uses, which include warehousing, manufacturing, and transportation uses, comprise 55 parcels, or 19.4 percent of the total.

Residential use comprises 81 of the 278 parcels in the Urban Renewal Area, or 29.1 percent of the total. However, reflecting the typically small parcel sizes generally associated with urban residential uses, residential parcels total only 46 acres, comprising only 3.5 percent of the total acreage within the Urban Renewal Area.

Of the 81 residential parcels, 69 are single family, three are multifamily (with one under construction), and 8 are duplexes. The bulk of the residential land uses in the Urban Renewal Area are located in the southwest section of the Area, between Canal Boulevard and US 97. A recently conducted market analysis suggests that future demand for new housing opportunities in the Urban Renewal Area exists.

4. Site Conditions

A survey of site conditions in the Urban Renewal Area was conducted in April 2020. The survey identified 77 parcels as vacant or partially vacant, representing 30.8 percent of the parcels, but 87.4 percent of the land area within the proposed boundary.

Development status was determined primarily through in-person observation and supported by aerial imagery analysis and tax roll data analysis.

The table below indicates a significant amount of potentially valuable property in the proposed renewal area appears to be under-developed, producing little property tax for the City and other taxing bodies.

The diminished property taxes resulting from a preponderance of undeveloped and/or low-value development can lead to service issues for the community. Lower property values due to lack of development and utilization of the area for tax producing purposes meet the ORS definition of blight.

Table 2. Site Development Status

Development Status	Vacant	Partially vacant	Improved
Parcels	60.0	17.0	173.0
% of Total	24.0%	6.8%	69.2%
Acres	1080.6	43.1	162.6
% of Total	84.0%	3.4%	12.6%

Source: Deschutes County Assessor, Leland Consulting Group

Additionally, site conditions of parcels for a significant majority of the proposed urban renewal area are poor or substandard (1,053.7 acres, 81.1 percent of the area). Poor and substandard site conditions include visible deterioration, drainage issues, overgrown vegetation, inefficient circulation or site configuration, etc. Less than 20 percent (18.9 percent) of the area, 200 parcels, have acceptable site conditions.

Table 3. Site Conditions

Site Condition	OK / Acceptable	Poor / Substandard
Parcels	200.0	53.0
% of Total	79.1%	20.9%
Acres	245.2	1053.7
% of Total	18.9%	81.1%

Source: Deschutes County Assessor, Leland Consulting Group

5. Building Occupancy and Conditions

A survey of building use and occupancy in the Urban Renewal Area was conducted in April 2020. The survey identified 187 parcels (66 percent of the total) in the Urban Renewal Area as containing buildings. The survey, which was of exterior building conditions only, evaluated the basic structural condition and level of maintenance of the buildings. Building conditions were categorized as "average to good", "fair (needing repair or maintenance)", and "seriously substandard."

Building conditions in the proposed area are generally in average to good condition, 91.4 percent of parcels and 84.0 percent of developed acreage. Fair and seriously substandard buildings represent 15 parcels, 8.0 percent of the total parcels, and 15.8 percent of the developed acreage. Most of these properties in these categories are either commercial buildings suffering primarily from aesthetic obsolescence or older single-family houses that have fallen into disrepair over time.

Table 4. Building Conditions

Building Exterior Condition	Average to Good	Fair (Repair/Maintain)	Seriously Substandard
Parcels	171.0	15.0	1.0
% of Total	91.4%	8.0%	0.5%
Acres	170.5	32.2	0.3
% of Total	84.0%	15.8%	0.2%

Source: Deschutes County Assessor, LCG

Within the study area, building occupancy is high, with 192.8 acres of 203.0 acres fully occupied (95.0 percent) representing 177 of 187 parcels with buildings (94.7 percent).

The survey results found that 10 buildings within the Renewal Area are either vacant or partially vacant. While these vacancies are scattered throughout the Area, there is a higher concentration of vacant or partially vacant commercial buildings along Highway 97.

Leland Consulting Group utilized CoStar commercial real estate data to determine existing long-term vacancies, which was supplemented with tax roll data and in-person observations.

Table 5. Building Occupancy Status

Building Occupancy	Vacant	Partially Vacant	Fully Occupied
Parcels	3.0	7.0	177.0
% of Total	1.6%	3.7%	94.7%
Acres	2.2	8.0	192.8
% of Total	1.1%	3.9%	95.0%

Source: Deschutes County Assessor, Leland Consulting Group

6. Conditions – Traffic and Circulation

The US 97 South Corridor serves as the primary north-south arterial through Redmond and is approximately three miles long from Highland Avenue to the south of the Yew Avenue/Airport Way interchange. The corridor serves a mixture of state, regional, and local traffic traveling to, from, and within a variety of different destinations in Central Oregon. The City is a destination that is not only the hub for transportation serving Central Oregon but also has regional attractors, including an airport, county fairgrounds, and many industrial and commercial areas.

Traffic signals exist at Odem Meadow Way, Veterans Way, and Highland Avenue. A 2017 traffic analysis indicated that most intersections within the corridor are within an acceptable level of service (LOS) per Highway Capacity Manual (HCM) standards. The traffic analysis also estimated 28,000 average daily trips along the corridor. A large majority of the traffic turns west on the various side streets along the corridor to reach the City's suburban areas. The commercial, industrial, fairgrounds and airport areas to the east are only accessible through Veterans Way and the off-ramps at Yew Avenue and Airport Way.

The US 97 Corridor Plan included 2040 traffic volume forecasts. Most of the land use growth in the study area forecast by the year 2040 is related to employment (i.e., commercial and industrial businesses), with a net increase of about 700 workers in the areas immediately adjacent to US 97 (a 97 percent increase over 2010). The employment growth, coupled with housing growth elsewhere in the City of Redmond and regional travel

growth on US 97, will increase traffic activity with average daily traffic volumes from approximately 28,000 vehicles in 2017 to approximately 36,000 vehicles in 2040. The improvements outlined in the Plan are expected to significantly improve operations and greatly mitigate the impacts of this growth.

Access to the South Redmond Tract is limited to a dead end on 19th Street. The 19th Street extension is critical to improving access to the area. On the north, 19th Street provides direct access to Airport Way and the Yew Avenue interchange at US 97.

7. Conditions – Sidewalks and Streetscape

Properties with missing sidewalks or sidewalks in need of repair are present throughout the Urban Renewal Area, in both residential and commercial areas. A field survey of sidewalk conditions was conducted in April 2020, which indicated that 42 percent of all parcels in the Area have missing or deteriorated sidewalks along their property frontage. The results of this survey are shown in the following table.

Given the vast majority of the area is undeveloped (due to the DSL property), a high proportion of the total acreage within the Area is without sidewalks. With regard to parcels, there is an especially high concentration of properties with missing sidewalks in the residential neighborhoods west of Canal Boulevard, in the central and southern commercial and industrial areas of the Urban Renewal Area.

Table 6. Sidewalk Conditions

Sidewalk Condition	Good Condition	No Sidewalk	Repair / Replace
Parcels	145.0	94.0	11.0
% of Total	58.0%	37.6%	4.4%
Acres	190.0	1078.3	17.9
% of Total	14.8%	83.8%	1.4%

Source: Deschutes County Assessor, LCG

8. Conditions – Sewer and Water Services

Most of the City's sewer flows within the US 97 South Corridor are collected via gravity sewer mains. The gravity sewer mains convey flows to the West Side Sewer Interceptor pipe located in the City's west and central area. The West Side Sewer Interceptor ultimately delivers all sewer flows by gravity to the City's Water Pollution Control Facility (WPCF). Sewer flows specifically from the south area, which includes the County Fairgrounds and the Fairgrounds Business Park subdivisions, are collected via gravity mains to the Yew lift station. The lift station directs flows via a sewer force main to a gravity main located along Canal Boulevard, which ultimately conveys flows to the West Side Sewer Interceptor. Capacity has not been identified as a constraint for all US 97 South Corridor improvements. The City recommends a new lift station and forced main to serve the South Redmond Tract. Alternately, the City is also open to a package treatment plant for the South Redmond Tract.

The City obtains 100 percent of its water supply from groundwater through drilled wells. The City's water distribution system is divided into various zones that operate at different capacities and pressures. Most of the US 97 South Corridor lies within Pressure Zone 2 which encompasses most of the City. The south area is within Pressure Zone 1, which is considered the high-pressure zone for the City. The City has identified several projects to align with the US 97 South Corridor improvements and also to provide water service to the South Redmond Tract. In summary, the projects identified include a new reservoir and well along with numerous new water pipeline projects which are required to meet future capacity and fire flow demands.

9. Conditions – Comprehensive Plan Goals and Objectives

The Redmond Comprehensive Plan addresses numerous conditions, deficiencies, and issues addressed in this Urban Renewal Plan. Specific goals and policies found in the Redmond Comprehensive Plan concerning area conditions and problems are:

CHAPTER 9 – ECONOMIC DEVELOPMENT

Goals

1. Expand, improve, and diversify the economy of the Redmond Urban Growth Boundary area while maintaining Redmond's quality of life.
3. Retain or create industrial, office, professional service, technology, medical, tourism, retail, and other jobs through expansion and retention of existing businesses and recruitment of new businesses.
4. Improve the appearance of the community's employment districts, particularly along Highways 97 and 126, the Downtown, central eastside industrial areas, and the Airport/Fairgrounds area.
9. Provide, maintain, and promote the enhancement of state of the art infrastructure, including, but not limited to, transportation systems, water, sewer, natural gas, power, telecommunications, and air service to support the commercial and industrial needs of the community.
11. Maintain Redmond's favorable employment to housing ratio by taking affirmative steps to ensure economic development and employment growth keeps pace with population growth, especially for industrial employment.
12. To build a strong and thriving regional economy by coordinating public investments, policies, and regulations to support regional and state economic development objectives in Central Oregon as determined through the Central Oregon Large Lot Industrial Land Needs Analysis.

Policies

9. The City should give a high priority to extending and improving the infrastructure needed for economic development.
10. The City shall provide an incentive program encouraging the development of primary industry family-wage jobs.
11. The City should provide incentives and innovative ways to encourage and promote an inventory of available industrial buildings and a pre-approved process to attract industrial uses.
12. General Objectives
 - b. Encourage landscaping and other forms of city beautification for the purpose of enhancing the physical character of each area, and the overall city.
 - f. Focus community efforts to improve the overall appearance of existing commercial areas and similar considerations encouraged to all new developments.
 - i. Rehabilitate or re-develop older commercial areas in order to retain their values to the community, including the Downtown and Highway 97 corridor after the highway is re-routed to a limited access corridor.
33. Commercial development adjacent to arterial streets and State highways shall be subject to access restrictions.

34. C-1 commercial development along Highway 97 shall be encouraged to provide service access roads which feed into arterial and collector streets at designated points.
46. The City recognizes the importance of maintaining a large-lot industrial land supply that is readily developable in Central Oregon.

Findings: Plan's relationship to Chapter 9 – Economic Development.

- The Plan's Industrial Opportunity Fund, Small Loan Program, and Incentive Funding project activities support Economic Development Goals 1, 3, 11, and 12 and Policies 10, 11, and 46 through programs that support the development or expansion of businesses and employment centers that retain and create job opportunities, help maintain a balance of jobs to housing, promote public-private and inter-agency coordination, and expand, diversify, and improve the local economy.
- The Plan's public utility, power, gas, and telecommunications project activities support Economic Development Goals 9, 11, and 12 and Policies 9 and 46 by extending and improving Redmond's infrastructure to meet the commercial and industrial needs of the community, thereby supporting job growth, supplying readily developable large-lot industrial land, and helping the City coordinate investments to support regional and state economic development objectives in Central Oregon.
- The Plan's transportation project activities support Economic Development Goals 4, 9, and 11 and Policies 33 and 34 by funding transportation investments that improve the appearance of transportation elements in the Area's employment districts, modify and enhance access and connectivity, and extend, develop, and improve infrastructure to serve the commercial and industrial needs of the community.
- The Plan's transportation project activities support Economic Development Goals 1, 4, 9, and 12 and Policies 12(b)(f)(i) and 34 by improving the Area's physical appearance, accessibility, and navigability by various modes of transportation, and strengthening the identity and vitality of both the US 97 Corridor and the broader Area.

CHAPTER 10 – HOUSING

Goals

3. Establish residential neighborhoods that are safe, convenient, and attractive places to live, which are located close to schools, parks, shopping, and employment centers.
5. Provide a broad range of accessible and affordable housing.
6. Provide for higher densities in proximity to schools, services, parks, shopping, employment centers, and public transit.

Policies

23. Criteria for the location of multifamily housing shall include proximity to the City core, neighborhood commercial centers, major transportation corridors, schools, services, parks, shopping, employment centers, and transit corridors.

Findings: Plan's relationship to Chapter 10 – Housing.

- The Plan's transportation and utility infrastructure project activities support Housing Goals 3, 5, and 6 and Policy 23 by reducing the cost burden on developers, thereby improving the prospects of new housing development, and potentially increasing the probability of higher density developments.

- The Plan's development assistance and incentive funding program activities support Goals 3, 4, 5, and 6 and Policy 23 by supporting employment growth along a major corridor, near shopping and employment centers, and near services.

CHAPTER 11 – PUBLIC FACILITIES AND SERVICES

Goals

1. To provide for a close correlation between the provisions of urban services and urban development in order to bring about a more orderly and efficient development pattern, and thereby avoid unnecessary tax burdens and excessive utility costs normally associated with scattered, unrelated development.
2. To achieve a balance of public costs vs. benefits/revenues in the provision of public facilities and services.
3. To provide public and private utility systems - water, sanitary and storm sewer, energy, communications, garbage, and recycling - at levels necessary and suitable for existing and proposed uses.
5. Public facilities shall be available or under construction prior to the issuance of Building Permits.

Policies

2. The City should establish revenue sources to pay for its planned capital improvements.
3. The City Council should investigate funding alternatives to property taxes for funding public facilities and services.
11. The City shall continue to develop, operate, and maintain a water system, including wells, pumps, and reservoirs, capable of serving all urban development within the UGB.
15. Storm drainage facilities such as dry wells, landscaping, retention ponds or storm drains shall be used to control surface drainage.
26. The City shall encourage Natural Gas providers to provide service throughout the UGB area.
27. Property for future fire station locations should be planned for and purchased in advance in order to save costs of facility zoning construction. Attempts shall be made to combine future stations with other government entities in order to reduce infrastructure and operations costs.

FINDINGS: Plan's Relationship to Chapter 11 – Public Facilities and Services.

- The Plan's public utility, power and gas, and communications projects support Goals 1, 2, and 3 and Policies 11, 15, and 26 by providing infrastructure deemed critical to attracting desired users to the Area and by providing the necessary infrastructure for existing businesses and industries to expand operations.
- The Plan's Fire Station project supports Goal 5 and Policy 27 by providing funding for a new fire station to serve south/southeast Redmond.
- The Plan supports Policies 2 and 3 by providing additional funding methodologies and funding alternatives to pay for and leverage planned capital improvements and programs.
- The Plan's Industrial Opportunity Fund, Incentive Funding, and Small Loan Program activities support Goals 1, 2, 3, and 5 and Policies 11, 15, and 26 by encouraging and accelerating the timing of the construction of critical infrastructure deemed necessary for the expansion of existing businesses and establishment of new users.

CHAPTER 12 – TRANSPORTATION

Goals

1. Reduce through traffic, congestion, and improve circulation along Highway 97, especially along the 5th and 6th Street couplet.
2. Enhance east/west circulation.
3. Identify roadway system needs to serve undeveloped areas so that steps can be taken to preserve rights-of-ways and maintain adequate traffic circulation.
4. Increase the use of alternative travel modes through improved safety and service

Objectives:

- 1b. Improve intersection operations by adding left-turn phases, installing additional traffic signals, actuating and coordinating traffic signals, and/or increasing sight distance as needed.
- 2a. Develop a safe and efficient east-west arterial and collector system
- 2b. Enhance existing crossings and determine the best locations for additional crossings of Dry Canyon, Highway 97, Pilot Butte Canal, and BNSFRR line to link east and west Redmond.
- 3a. Integrate new arterial and collector routes into the existing city grid system.
- 4a. Provide additional sidewalks and improve existing sidewalk pavement for pedestrian safety and access.
- 4b. Provide additional bicycle routes and plan regular maintenance of existing routes for bicycle safety and access (per Redmond Bicycle Master Plan).
- 4c. Provide pedestrian and bicycle access, especially when direct motor vehicle access is not possible.

Policies

3. The function of existing and planned roadways as identified in the Redmond Urban Area Transportation Plan shall be protected through the application of appropriate access control measures.
10. The City shall work to acquire and develop a trail system that utilizes Redmond's irrigation canal system.
16. Sidewalks shall be included on all new streets except limited access roads or where equivalent alternative pedestrian circulation is provided in the UGB. Retrofitting existing streets with sidewalks shall proceed on a prioritized schedule.
20. Wherever practical, access to the highway will be provided via frontage roads, alternative local roads, or other means, rather than direct access to the highway.
22. A non-traversable median should be installed on the highway when operational or safety issues warrant installation. Directional breaks in the median will be provided as needed to provide safe traffic operation.
24. Medians installed in the state highways should provide bicycle and pedestrian crossings at least every 1/4 mile.
34. The City shall improve east-west and north-south traffic patterns in the central part of the community.
38. Alleys shall be an option in new residential areas, providing rear access and backyard parking.

FINDINGS: Plan's Relationship to Chapter 12 – Transportation.

- The Plan's transportation improvement projects support Goals 1 and 3, Objective 1b, and Policies 3, 22, 24 by improving safety, efficiency, and operations through access and median treatments, supporting the development of new connections and alternative routes to serve existing and underserved areas, and reducing through traffic by encouraging other modes of transportation.
- The Plan's US 97, local street, alley, and access improvement projects support Goals 1, 2, 3, and 4, Objectives 1b, 2a, 2b, and 3a, and Policies 20, 34, and 38 by enhancing crossings, improving intersection operations, addressing access through new alleys and alternative routes, and implementing circulation improvements necessary for new development.
- The Plan's canal improvement contribution, mixed-use path, US 97 median treatments, sidewalk improvements, and pedestrian infrastructure project activities support Goal 4, Objectives 2a, 4a, 4b, and 4c, and Policies 10, 16, and 24 by providing safer or alternative routes for pedestrians and bicyclists in the US 97 corridor and the surrounding streets, enhancing multimodal connections throughout the Area.
- Additionally, transportation improvements may be a key component of several projects in the Plan, such as the Industrial Opportunity Fund, which is intended to support a wide range of investments and project activities that will leverage private development.

CHAPTER 15 – LIVABILITY

Goals

1. The City of Redmond shall create and maintain livability. The City of Redmond shall guide development and support community identity and pride by implementing policies that improve livability and are innovative, creating a high quality of life, ample family-wage jobs, and a safe environment in which to raise and educate families.

Policies

8. Redmond shall plan for a variety of transportation choices.
9. Redmond shall plan for and promote attractive streetscapes free from clutter, confusion, and blight.
10. Redmond shall develop safe, reliable, and economical transportation choices to decrease household transportation costs, improve air quality, reduce greenhouse gas emissions, and promote public health.
11. The City of Redmond shall develop and maintain the environment that promotes and supports a strong, healthy, and diverse economic base.
12. Redmond shall promote economic competitiveness through sustainable choices for housing, transportation, education, cultural diversity and enrichment, and recreational opportunities as well as improve reliable and timely access to employment centers, educational opportunities, services, and other basic needs by workers.
13. Redmond shall help existing businesses within the City to grow and thrive.
14. Redmond shall help to create and foster new businesses of all types.
15. Redmond shall provide well planned and maintain high-quality infrastructure to provide a competitive advantage for business and community growth.

FINDINGS: Plan's Relationship to Chapter 15 – Livability.

- The Plan's transportation-related projects, such as US 97 improvements, local improvements, pedestrian connections, and other related projects, support Goal 1 and Policies 8, 9, 10, 11, and 12 by providing pedestrian and bicycle infrastructure to encourage walking and cycling, improving streetscapes by addressing blighted conditions (such as lacking sidewalks) and funding beautification efforts, and planning for improved access to current and future employment centers.
- The Plan's Industrial Opportunity Fund, Small Loan Program, and Incentive Funding project activities support Goal 1 and Policies 11, 12, 13, 14, and 15 by providing funding to existing and future businesses to grow and create new employment opportunities.
- The Plan's public utility, power and gas, and communications projects support Goal 1 and Policies 12, 13, 15 by providing high-quality infrastructure as a catalyst for growth.

B. Social and Economic Conditions

1. Property Values and Utilization

The total assessed valuation for the City of Redmond for the 2019-20 tax year was \$2.5 billion. The total assessed value of property within the Urban Renewal Area for the 2019-20 tax year was calculated at \$142.5 million (commercial property was \$104.8 million, residential property \$12.8 million, industrial property \$23.1 million, and municipal property \$1.8 million).

The overall value of improvements to land in the Renewal Area is quite low. Improvements represent approximately \$130.2 million while land represents approximately \$106.0 million in value. This equates to an improvement to land value ratio of only 1.23.

Mature urban areas are expected to exhibit improvement to value ratios in the 2:1 to 3:1 range. It was noted earlier that the Urban Renewal Area contained an exceptionally high percentage of land acreage either vacant or under-developed. The low level of utilization within the Area indicates it is far from reaching its potential in terms of generating jobs and tax base for the community.

A survey of existing land use and physical conditions in the Area conducted in April of 2020 found that the Area has a significant supply of vacant and underutilized properties. These vacant properties undermine the vitality of the Area's employment districts and represent wasted opportunities to generate economic activity that would benefit the Area.

Specifically, the survey identified 117 parcels as underutilized (46.2 percent of all parcels), totaling 1,181.5 acres (91.0 percent of total acreage).

Table 7. Site Utilization Status

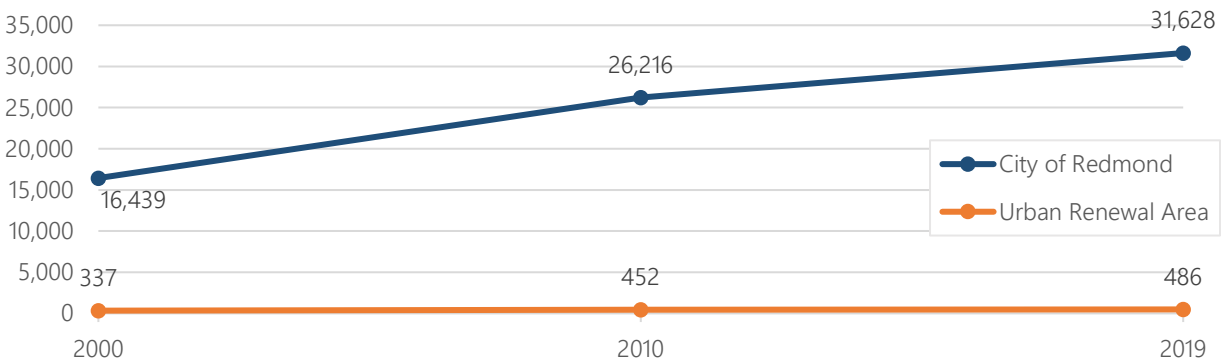
Site Utilization	Not Underutilized	Underutilized
Parcels	136.0	117.0
% of Total	53.8%	46.2%
Acres	117.3	1,181.5
% of Total	9.0%	91.0%

Source: Deschutes County Assessor, Leland Consulting Group

2. Population and Housing

In 2019, with just around 500 residents, the Area contained 1.5 percent of the City's total population of 31,628 residents.

Figure 3. Estimated Population, Urban Renewal Area & City of Redmond



Source: ESRI

As shown in the figure above, between 2000 and 2019, the Urban Renewal Area showed only a marginal population increase of nearly 150 residents. In contrast, during this same timeframe, the City's population increased significantly, adding over 15,000 residents as a result of growth and development in areas outside of the Renewal Area.

In 2019, the City of Redmond comprised an estimated 11,873 housing units. Only 178 or 1.5 percent of these housing units are located in the Renewal Area. At 37 percent, the Area's homeownership rate is significantly lower than the citywide homeownership rate of 56 percent. Further, the Area has a lower percentage of vacant housing units (6.3 percent) relative to the City (9.2 percent).

The recent Redmond Housing Needs Analysis identified the following key findings for housing needs over the 2019-2039 twenty-year planning period:

- Redmond's population is forecast to grow slower than in the past.
- Redmond needs to plan for 6,963 new dwelling units.
- Redmond needs to plan for more single-family attached and multifamily dwelling units.
- Redmond has a deficit of land for single-family and multifamily housing.
- Redmond's development occurred at relatively low densities since 2008.
- Redmond has a deficit of housing affordable to extremely low- and very low-income households.
- Redmond has a deficit of housing affordable to low- and middle- income households.

3. Income

Relative to the City, incomes in the Area are significantly lower. In 2019, the Area's median household income (MHI) was \$30,973, more than \$23,250 lower than the citywide MHI.

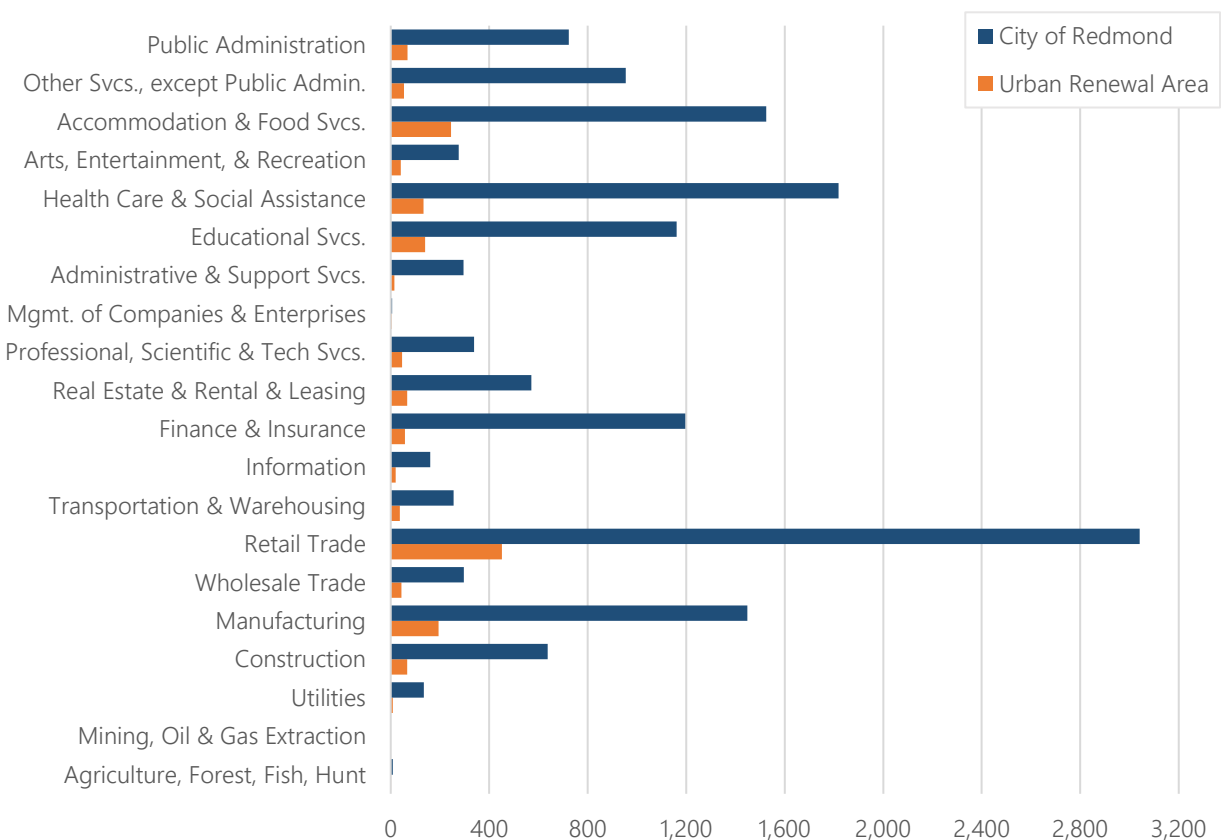
4. Employment

The following figure shows jobs by industry in the Area and the City in 2019. Key findings, based on the 2018 employment data, are summarized below.

- The Area employed 11 percent of citywide jobs in 2019.

- There are an estimated 1,692 jobs in the Area relative to 14,847 jobs in the City of Redmond.
- The majority of jobs in the Area are in the retail trade, with 451 jobs, as is the case citywide, with 3,041 jobs. Retail jobs in the Area comprise approximately 15 percent of the City's retail jobs.
- Industrial jobs, which include the industries of manufacturing, wholesale trade, construction, and transportation and warehousing, comprise 755 jobs in the Area of the 5,423 total jobs citywide (13.9 percent).
- Office jobs—which include the industries of professional, scientific and technical services, information, management of companies and enterprises, finance and insurance, and real estate and rental and leasing—comprise just 194 jobs in the Area of the 2,272 total jobs citywide (8.5 percent)
- Accommodations and Food Service jobs in the Area comprise 16 percent of citywide Accommodations and Food Service jobs.

Figure 4. Estimated 2019 Employment by Industry (NAICS)



Source: ESRI

200. EXPECTED SERVICE AND POPULATION IMPACTS OF THE PLAN

The Plan is expected to produce positive fiscal and service impacts for Redmond. Plan activities are intended to eliminate current and prevent future blighting conditions in the Area. The Plan also supports activities intended to alleviate traffic, circulation, and safety problems, and upgrade streets, sidewalks, and building conditions in the Urban Renewal Area.

The Plan will utilize tax increment revenues. The investments made with tax increment funds from the Urban Renewal Area are expected to produce a more robust tax base from redevelopment and rehabilitation. Development opportunities that may arise as a direct result of these investments are described as follow.

The US 97 Corridor Plan, which involved a significantly smaller study area within the greater Urban Renewal Area, identified a likely development program based on a range of development opportunities and likely real estate projects over the next 10 to 20 years. In 2019, it was determined that this development program would likely accommodate up to 300 units of new housing, almost 90,000 square feet of new employment space, two new hotels, and approximately 160,000 square feet of new retail services.

The addition of the South Redmond Tract provides the opportunity for significantly more development activity and employment growth. While no new analysis was conducted for this additional area within the Urban Renewal Area, the land is expected to accommodate up to three million square feet of new development. New jobs associated with this development will generate significant new state income tax revenues. The Plan supports this growth through numerous transportation and utility infrastructure project activities and programs aimed at incentivizing and catalyzing growth.

Specific impacts of the Plan to the City and other taxing jurisdictions are as follows.

City of Redmond. Demands for City policing will increase in the area as development occurs. Funding for these services will be limited to existing property taxes and additional lodging taxes (from new hotels in the Area), franchise fees; electric, natural gas, cable, water, sewer, stormwater and phone, from new development. The primary development anticipated is industrial, therefore, service demand for police services is anticipated to be limited. Revenue generated from franchise fees will offset a portion of these costs.

Water and sewer service needs, as described in the Physical Conditions in Section 100 of this Report, are generally identified in the City's Capital Improvement Plan and would be funded either by system development charges associated with the new development or with the planned project activities of the Plan.

Fire District. Demands for Fire and Rescue services will increase in the area as development occurs. Funding for these services during the duration of the urban renewal district will be limited to existing property tax revenue. The primary development anticipated is industrial, which will have considerable fire, life safety design standards and will likely be built to the most current building code and equipped with modern fire prevention and public safety features, reducing service demand for fire and rescue services. Revenue generated from existing property taxes is not anticipated to be adequate to pay for services provided during the duration of the urban renewal district.

However, currently, there are many vacant and underutilized properties in the Area which contribute disproportionately to demand for fire and police services. Since the Plan has project activities intended to encourage reinvestment in these blighted properties, it is expected that the Plan would reduce service demand associated with nuisance properties.

The Plan also supports the redevelopment and rehabilitation of older properties, which will bring them up to modern building, safety, and fire codes and is therefore expected to reduce the demand for fire services.

County and County Service Districts. Demands for County services, including but not limited to Sheriff, Library, County Clerk, District Attorney, and Assessor, are anticipated to increase marginally as development within the urban renewal area as new development is anticipated to be industrially driven with limited housing. Local public safety services are provided by the City police department. District Attorney and related court services will have limited impacts resulting from the new development. The Clerk is anticipated to generate

revenue from fees related to recoding and other development services to offset costs, and the Assessor will have impacts resulting from new development. Existing property tax revenue from the urban renewal area will offset a portion of costs during the duration of the urban renewal district, with revenue received subsequently considerably greater than the cost of delivering services within the area.

Parks District. Due to the anticipated nature of development within the urban renewal area, demands for park facilities are anticipated to be limited. Revenue from existing property taxes is anticipated to offset the cost of providing these services to residents within the service area.

Redmond School District. Due to the anticipated nature of development within the Urban Renewal Area, demands for school facilities and operations are anticipated to be limited. State school funding is provided on a per student basis, therefore, any deficiency in local property tax funding is offset by the State school funding formula. Upon the expiration of the urban renewal district, significant local funding will be forthcoming for schools, however, the amount of additional local funding received will be offset with reductions by the State to achieve equitable per student funding across the State.

Central Oregon Community College. Due to the anticipated nature of development within the urban renewal area, demands for higher education facilities and operations are anticipated to be limited. Property tax funding from the urban renewal area will be limited to existing property taxes until the urban renewal district is closed.

Education Service District. Due to the anticipated nature of development within the urban renewal area, demands for pre-kindergarten through high school education facilities and operations are anticipated to be limited. Property tax funding from the urban renewal area will be limited to existing property taxes until the urban renewal district is closed.

Note: Should residential development demand be greater than presently anticipated, impacts on local government services could be significantly different than what is described above.

300. REASONS FOR SELECTING THE URBAN RENEWAL PLAN AREA

The Urban Renewal Plan Area was selected based on Redmond Comprehensive Plan goals, objectives, and policies, and on the existence of blighting conditions within the Area. The blight is evidenced by the lack of proper utilization of land planned for commercial, industrial, residential, and public purposes, traffic and pedestrian conflicts and deficiencies, poor visual and aesthetic conditions, substandard building conditions, the prevalence of low values and lack of investment in the project area, and reduced tax receipts resulting therefrom.

Conditions within the Urban Renewal Area meet the definitions of blight in ORS 457.010. These conditions are described in the previous section, and are summarized below:

- The Area contains a high percentage of parcels of vacant and undeveloped or underdeveloped land.
- The Area lacks adequate multimodal access, circulation, and connectivity. In particular, east-west connections are highly limited.
- The Area lacks adequate sidewalks with 62 percent of parcels with incomplete or missing sidewalks.
- The Area lacks safe bicycle routes connecting key destinations.
- Much of the Area has a poor aesthetic appearance. Landscaping and streetscapes are inconsistent and, in some locations, inadequate or lacking. Overhead utilities contribute to visual clutter and help produce an environment not conducive to new investment in the area.
- The highway commercial properties lack alternative access to improve ingress and egress.

400. RELATIONSHIP BETWEEN EACH PROJECT ACTIVITY AND EXISTING CONDITIONS

The projects in Section 700 of the Plan were identified to specifically address the presence of physical, economic, and other conditions of blight present in the Area. The relationship between these projects and these conditions is described below.

A. US 97 Improvements

Description: This project activity will provide funding to carry out the highway-related improvements from the City of Redmond's US 97 Corridor Plan, including road construction, median and access treatments, pedestrian and bicycle facilities, traffic signal systems, and gateway treatments.

Relationship to Existing Conditions: An efficient and well-planned highway is a critical component of a successful employment district. Under existing conditions, US 97 is inefficient, not aesthetically pleasing, and unsafe, with crashes predicted to increase significantly by 2040. Pedestrian and bicycle connections are also missing or highly limited.

Proposed medians, signals, and access treatments will improve safety in the US 97 Corridor by reducing the frequency and severity of crashes. These projects are also critical to improving the aesthetics of the corridor, providing opportunities for business and community interaction, maintaining freight operations, and improving efficiency.

Bicycle and pedestrian improvements, and the preservation of Highway 97 access, are necessary to support commercial, industrial, and medical-related employment—particularly in the northern portion of the Area. Improvements that improve traffic circulation, such as the signalization of key intersections will also strengthen the Area's capacity to attract private investment.

B. Local Transportation Projects

Description: Local transportation projects include connection roads (including east-west collectors, distributors, and local streets), connections to and construction of a new shared-use path, new access roads or alleyways, pedestrian and bicycle facilities, and other new streets as needed to attract or support private investment.

Relationship to Existing Conditions: Under existing conditions, many parts of the Area, particularly commercial and industrial zoned areas to the north, have poor multimodal access and connectivity. There are few alternatives to US 97, unnecessarily increasing local trips on the highway.

These transportation projects are intended to provide a transportation network in the Area that supports the efficient movement of traffic, reduces traffic volumes on US 97 by providing alternative routes and promoting other transportation modes, and supports a vibrant business district. The projects are also critical to realizing currently untapped development and employment potential.

C. Public Utilities (Water, Stormwater, and Sewer Improvements)

Description: Public utility projects include the development of sewer, stormwater, and water infrastructure to accommodate future development, particularly for the South Redmond Tract. Projects also include the

construction of new stormwater facilities, repair of existing sewer lines, and extension or enlargement of existing water and sewer lines as needed to support the expansion of existing businesses or new development.

- Water, Wastewater, and Stormwater systems will need to be constructed for the area to develop. The City's master plans anticipate these improvements. Funding for these improvements is generally provided by system development charges and utility rates.
- The schedule includes \$22.5 million of funding to assist developers with the cost of these facilities (Industrial Opportunity Fund, Incentive Funding)

Relationship to Existing Conditions: The projects are intended to address infrastructure deficiencies in the Area. The lack of costly utility infrastructure within the urban renewal area is a significant barrier to development. The program funding channels noted above provide financial assistance to facilitate timely and orderly completion of utility infrastructure to support development within the urban renewal area.

While most, if not all, of these projects, may currently be planned by the City, accelerating the timeline of their implementation may be required to serve new development in the Area. As such, additional money, funded through tax increment financing, is available for these projects as needed.

Note that the funding for City utilities and infrastructure and other utilities could be structured in a variety of ways. Total funding allocated to assist developers and the utilities with completion of the required improvements to serve the Area is \$22.5 million.

D. Fire Station

Description: A fire station will be needed in South Redmond to reduce response times and serve new and existing commercial and residential users. As the area develops, lower response times are necessary, especially for users with a higher risk of fire and other hazards.

- Funding of \$4.5 million is included for this project

Relationship to Existing Conditions: The project addresses the present lack of fire and rescue facilities and operations within proximity of the anticipated development within the urban renewal area.

Note: If public building(s) are included in the Urban Renewal Plan, a legislative change in 2017 requires the concurrence of three of four taxing districts that are estimated to forego the most property tax revenue (The City, County, School District, and Fire District). Concurrence requires a vote of the governing body of each of the four taxing districts. Failure of a governing body to take action (resolution) within 45 days of notice is considered concurrence.

E. Industrial Opportunity Fund

Description: This project activity includes a fund for public investments to prepare readily-available industrial lands and support large-scale industrial development in the Area. Assistance could take the form of gap financing (low or no interest loans), infrastructure (roads, sidewalks, utilities), and other tools.

- Funding of \$12.5 million is included for this project

Relationship to Existing Conditions: The project addresses the presence of vacant and underutilized land in the area and supports Comprehensive Plan goals related to job creation, business development, and the diversification of Redmond's economy.

F. Small Loan Program

Description: This program offers financial support to assist properties and businesses within the urban renewal to help retain economic vitality and increase property values.

- \$2.0 million is allocated towards this program.
- Funding for this program is consistent with tax increment financing requirements as described in ORS 457.170(2) and 457.180. A resolution adopted by the City Council may be appropriate to set forth the economic conditions and other criteria for this program.

Relationship to Existing Conditions: While the number of vacant buildings is currently low, challenging economic conditions may cause additional vacancies or a rise in dilapidated sites and building conditions. This program will support job retention and creation, and retention of property values within the urban renewal area.

G. Incentive Funding

Description: This activity creates funding to allow the Urban Renewal Agency to stimulate redevelopment in the Area by partnering with private property owners, repositioning property for redevelopment, and other activities. As part of the City of Redmond's effort to enhance business vitality and support desired development within the South 97 Urban Renewal Area, Incentive Funding is aimed at incentivizing property owners and developers to rehabilitate or redevelop property that will better serve the City's goals for the Area and the greater Redmond community. Assistance could take the form of direct developer assistance, grants, reimbursements, and or system development charge (SDC) credits for contributions to the transportation and utility system.

- Funding of \$10.0 million is included for this project

Relationship to Existing Conditions: The corridor's existing site and building conditions require significant improvements. Existing property and business owners do not currently have the incentives to make the necessary improvements to their sites or building that would result in increased taxable property values, corridor aesthetics, or other economic development-related outcomes. The Incentive Funding program will support the redevelopment or rehabilitation of vacant and undeveloped or underdeveloped properties in the Area, which in turn will support job creation and the mitigation of existing transportation conditions that are a barrier to development today.

H. Natural Gas/Power Improvements

Description: The City may provide funding to accelerate the timing or upgrade the capacity of natural gas or power infrastructure, especially for underserved locations such as the South Redmond Tract.

- The schedule includes \$22.5 million of funding to assist developers with the cost of these facilities (Industrial Opportunity Fund, Incentive Funding)

Relationship to Existing Conditions: The lack of costly utility infrastructure within the urban renewal area is a significant barrier to development. The program funding channels noted above provide financial assistance to facilitate timely and orderly completion of utility infrastructure to support development within the urban renewal area. Investments in both gas and electricity are critical to accommodate a range of uses, including but not limited to industrial manufacturers and other significant employment-generating users.

I. Communications Improvements

Description: Communications Improvements include telephone and high-speed internet infrastructure. While the City is not responsible for the cost of communications upgrades and improvements, this project activity provides seed funding to accelerate the timing of specific improvements to attract desired users.

- The schedule includes \$22.5 million of funding to assist developers with the cost of these facilities (Industrial Opportunity Fund, Incentive Funding)

Relationship to Existing Conditions: Broadband and other communications improvements are important for economic growth and business vitality. Broadband is the underpinning for some of today's most important transformations in business activity and government services. Much of the Area is currently lacking telecommunications infrastructure, posing a significant barrier to attracting desired users to the Area.

J. Canal Improvement Contribution

Description: This project activity includes funding to help the Central Oregon Irrigation District (COID) pipe at least 1.0 mile of the canal to accommodate new road construction and a multi-use path along the canal.

- Funding of \$4.0 million is included for this project

Relationship to Existing Conditions: New east-west transportation connections identified in Section 700(B) requires the piping of the canal to mitigate project costs. Bridging the canal would add significant costs to these new connections. Urban Renewal funding made available through this project activity is therefore critical to providing gap financing to accelerate the timing of the piping project and other related transportation projects.

500. FINANCIAL ANALYSIS OF PLAN

A. Estimated Project Cost and Revenue Sources

The table below shows the estimated total costs of the various projects and programs associated with the South 97 Urban Renewal Area. From the inception of the Plan in fiscal year 2020-21 until its anticipated termination in fiscal year 2044-45, total costs for additional project activities, exclusive of debt service, are estimated at \$84.2 million in inflation-adjusted dollars, or \$68,269,000 in 2020 dollars. An additional \$1.3 million is anticipated for debt issuance related costs. Therefore, the total inflation-adjusted costs for projects, programs, administration, and debt issuance costs to complete the Plan, requires a maximum indebtedness of \$85,458,900.

Table 8. Urban Renewal Projects and Program Funding

Project and Program Description	Urban Renewal Funding	Dates	Future Estimated Cost
US Highway 97 Projects	\$24,018,000	2024-2032	\$27,892,200
Local Transportation Projects	\$5,328,000	2025-2040	\$6,782,100
Fire Station	\$4,500,000	2030-2035	\$5,709,200
Industrial Opportunity Fund	\$12,500,000	2023-2042	\$16,325,500
Small Loan Program	\$2,000,000	2022-2042	\$2,527,800
Incentive Funding	\$10,000,000	2023-2042	\$12,820,100
Canal Improvement Contribution	\$4,000,000	2026-2032	\$4,736,000
Program Administration	\$5,923,000	2022-2045	\$7,405,500
Total Urban Renewal Project Funding	\$68,269,000		\$84,198,400

Source: LCG and GEL Oregon

The principal method of funding the project share of costs will be through the use of tax increment financing as authorized by ORS 457. In addition, the Agency will apply for, and make use of funding from other federal, state, local, or private sources as such funds become available.

Tax increment financing is based upon the premise that new taxes generated by the improvements implemented by the urban renewal district pay for the projects. The tax increment is the difference in property taxes generated by the increase in assessed value in the Area over the original frozen base value when the renewal area was first established.

Note – Urban renewal does not increase the taxes that property owners within the Urban Renewal Area pay, nor does it impact existing tax collections by overlapping taxing districts. It merely redirects any future taxes over the amount that the property owner was paying when the district was established to the Urban Renewal Agency to help pay for projects in the Renewal Area. Without urban renewal, the projects in the Plan may not be implemented due to a lack of funding.

B. Anticipated Start and Finish Dates of Project Activities

The following table shows the anticipated start and finish dates for each project and program activity. Project activities are anticipated to begin in fiscal year 2021-22, and it is estimated that all activities proposed in this plan will be completed by fiscal year 2041-42. At that time, it is estimated that there will be sufficient funds to complete all programmed project activities. Sufficient funds to retire all debt obligations is anticipated in fiscal year 2044-45. An annual schedule of anticipated start and finish dates is provided in Appendix B.

Many project activities will be partially funded with outside sources or will involve outside investment. As a result, the anticipated urban renewal spending will be significantly exceeded by additional investment tied directly to the urban renewal projects.

Table 9. Project Activities Start and Finish Dates and Funding Sources

Project Description	Amount	Dates	Funding
US 97 South Redmond Corridor Plan	\$50,266,700		
US 97 Highway improvements	\$26,248,700	2024-2032	ODOT
Pedestrian and non-street improvements	13,143,000	2025-2033	TIF
SW Volcano Avenue improvements	3,378,000	2025-2033	TIF
SW Umatilla Avenue improvements	1,030,000	2025-2033	TIF
"Reimon" Avenue improvements	2,925,000	2025-2033	TIF
SW Quartz Avenue improvements	2,901,000	2025-2033	TIF
Pumice Roundabout improvements	641,000	2025-2033	TIF
Other Local Transportation Projects	\$5,328,000		
Commercial Alley Improvements	\$1,308,000	2025-2033	TIF
COID Canal Shared-Use Path Improvements	4,020,000	2030-2040	TIF
Public Buildings			
Fire Station	6,000,000	2030-2035	TIF (\$4,500,000) Fire & Rescue District
Other Public Facilities			
Canal improvement contribution	4,000,000	2026-2032	TIF/COID
Local Public Utility Projects	\$16,320,000		
E1 - New Reservoir at Reservoir Dr	\$5,000,000	2021	City/TIF
E2 - New Booster Station & Well at Reservoir Dr	7,000,000	2021	City/TIF
E3 - 43rd St Water Line Improvements	999,000	2020	City/TIF
E4 - SW Canal Water Line Improvements	380,000	2020	City/TIF
E5 - SW 19th St Water Line Improvements	265,000	2022	City/TIF
E7 - SW Deerhound Water Line Improvements	335,000	2022	City/TIF
East Hwy 97 Waterline Improvements	1,200,000	2026	City/TIF
West Hwy 97 Waterline Improvements	800,000	2028	City/TIF
Hwy 97 Sewer Improvements	341,000	2026	City/TIF
Developer Projects	\$34,545,000		
Large Lot Industrial - North public infrastructure	\$13,291,000	2030	Dev/TIF
Large Lot Industrial - South public infrastructure	13,779,000	2040	Dev/TIF
CNG - Airport Way Main Extension	475,000	2030	Dev/TIF
Natural gas/electricity improvements	4,000,000	2022-2041	Dev/TIF
Communications improvements	1,000,000	2022-2041	Dev/TIF
700 gpm Lift Station and Force main	2,000,000	2030	Dev/TIF
Total Infrastructure Projects	\$116,459,700		

Source: LCG, HDR, and GEL Oregon

C. Estimated Expenditures and Year of Debt Retirement

It is estimated that the development activities within the Urban Renewal Area will produce approximately \$110.4 million in tax increment revenue between fiscal years 2021-22 and 2044-45. These funds, along with other resources, will be utilized to finance project activities and pay all debt service costs associated with undertaking these project activities.

It is anticipated that available tax increment revenues and funds accumulated in a dedicated debt service fund for debt redemption will be sufficient to retire all outstanding bonded indebtedness in fiscal year 2045-46, and at that time terminate the tax increment financing provisions of the Agency.

The following table provides a schedule of District revenue and expenditures, exclusive of debt proceeds, and principal repayment. A detailed schedule of sources and uses is provided in Appendix C.

Table 10. Schedule of Project and Program Related Expenditures (amounts in thousands)

Fiscal Year Ending June 30	Administration	Capital Outlay	Other ¹	Total Expenditures
2022	204	-	-	204
2023	208	104	20	332
2024	212	1,167	20	1,400
2025	333	4,440	80	4,854
2026	369	4,921	80	5,371
2027	433	5,771	110	6,313
2028	441	5,886	110	6,437
2029	450	6,004	120	6,574
2030	459	6,124	120	6,703
2031	551	7,343	150	8,044
2032	562	7,490	150	8,202
2033	224	2,987	70	3,281
2034	266	3,550	60	3,876
2035	272	3,621	70	3,962
2036	236	2,482	30	2,747
2037	240	2,532	30	2,802
2038	245	2,582	20	2,847
2039	250	2,634	20	2,904
2040	255	2,687	-	2,941
2041	260	2,212	-	2,472
2042	265	2,257	-	2,522
2043	271	-	-	271
2044	276	-	-	276
2045	124	-	-	124
Totals	7,406	76,793	1,260	85,459

Source: GEL Oregon

¹ Includes bond issuance expenses

Table 11. Schedule of Tax Increment Revenue and interest earnings (amounts in thousands)

Fiscal Year Ending June 30	Property taxes	Interest Earnings	Total Current Year Resources
2022	249	-	249
2023	623	-	623
2024	942	6	948
2025	1,210	9	1,219
2026	1,489	10	1,499
2027	1,769	10	1,779
2028	2,067	10	2,077
2029	2,387	9	2,396
2030	2,729	8	2,737
2031	3,097	9	3,106
2032	3,493	8	3,501
2033	3,917	7	3,924
2034	4,373	12	4,385
2035	4,863	10	4,873
2036	5,389	14	5,403
2037	5,954	17	5,971
2038	6,560	21	6,581
2039	7,211	27	7,238
2040	7,911	33	7,944
2041	8,398	40	8,438
2042	8,626	44	8,670
2043	8,859	73	8,932
2044	9,098	119	9,217
2045	9,347	168	9,515
Total	110,562	664	111,226
2022	249	-	249

Source: GEL Oregon

D. Impacts of Tax Increment Financing

1. Estimated Financial Effect to Local Governments

The net fiscal impacts to local government jurisdictions shown in the table below represent the total amount of property taxes estimated to be redirected, or foregone, from within the boundaries of Redmond. The word "redirected" or "foregone" must be used in context, for those revenues will not be lost to the Redmond community, but will instead be dedicated to capital improvements or public improvements within the Area. To the extent that the Urban Renewal Area increases in assessed value over what would otherwise have occurred without urban renewal investment, the overlapping taxing districts will see an increase in tax revenue in the long-term.

The following tables show the estimated foregone real property taxes during the life of the urban renewal district with an urban renewal district and without a district. Additionally, the forecast annual property taxes in fiscal year 2045-46 (the year after the district is projected to close) are shown, the payback in years for the foregone property taxes if no urban renewal district were created and the return on investment (ROI) (year by

year foregone property taxes information is provided in the appendix for both no urban renewal district and with an urban renewal district).

Table 12. Forecast Foregone Taxes – Governments (Fiscal years 2022-2045)

Taxing Jurisdiction	City of Redmond	Deschutes County	County Library	Countywide Law Enforcement	County Extension - 4H	9-1-1	Redmond Fire & Rescue	Redmond Park & Recreation	Total General Government
No Urban Renewal	17,020,217	4,701,873	2,122,655	4,168,123	86,449	1,396,318	6,770,110	1,434,528	37,700,273
Urban Renewal	32,405,169	8,952,002	4,041,368	7,935,781	164,595	2,658,488	12,889,764	2,731,228	71,778,395
Difference	15,384,952	4,250,129	1,918,713	3,767,658	78,146	1,262,170	6,119,654	1,296,700	34,078,122

Source: GEL Oregon

Table 13. Forecast taxes – Fiscal Year 2045-46 Government; payback of foregone taxes and return on investment (ROI)

Taxing Jurisdiction	City of Redmond	Deschutes County	County Library	Countywide Law Enforcement	County Extension - 4H	9-1-1	Redmond Fire & Rescue	Redmond Park & Recreation	Total General Government
No Urban Renewal	1,479,399	408,687	184,501	362,294	7,514	121,368	588,459	124,689	3,276,911
Urban Renewal	3,906,410	1,079,154	487,183	956,650	19,842	320,477	1,553,847	329,247	8,652,810
Difference	2,427,011	670,467	302,682	594,356	12,328	199,109	965,388	204,558	5,375,899
Payback – Years	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01
ROI	14.3%	14.3%	14.3%	14.3%	14.3%	14.3%	14.3%	14.3%	14.3%

Source: GEL Oregon

2. Forecast Revenue Sharing by Taxing Jurisdiction

Oregon Revised Statute 457.470 (2)(b) provides that beginning with the later of the 11th year after the initial approval of the plan or the year in which the maximum division of taxes equals or exceeds 10 percent of the initial maximum indebtedness in the plan (10% of \$85,458,900, or \$8,545,890), the Urban Renewal Agency] shall notify the County Assessor to compute the division of taxes for the urban renewal area using the assessed value that is not greater than the sum of:

- A. The amount of assessed value (AV) the Urban Renewal Agency estimates will produce division of taxes revenues equal to 10 percent of the initial maximum indebtedness (\$8,545,890) in the Plan, and
- B. 25 percent of the amount by which the assumed increment exceeds the AV of the increment the Urban Renewal Agency estimates will produce division of tax revenue equal to 10 percent of the initial maximum indebtedness in the plan.

Additionally, ORS 457.470(2)(c) provides that, beginning with the first year after the year in which division of taxes equals or exceeds 12.5 percent of the initial maximum indebtedness in the Plan (12.5% of \$85,458,900, or \$10,682,363), the Urban Renewal Agency shall notify the County Assessor pursuant to ORS 457.440 (computation of amounts to be raised from property taxes) (2)(d) to compute the division of taxes for the urban renewal area using an amount of assessed value that the agency estimates will produce division of tax revenues that do not exceed 12.5 percent of the initial maximum indebtedness in the plan (\$10,682,363).

Based on the above limitations, the Agency is expected to be limited in its division of tax collections beginning in fiscal year 2041, continuing through fiscal year 2045, when the Agency is anticipated to have sufficient resources to pay all outstanding debt and close the district.

Table 14. Forecast Revenue Sharing – Government

Fiscal Year Ending June 30	City of Redmond	Deschutes County	County Library	Countywide Law Enforcement	County Extension - 4H	9-1-1	Redmond Fire & Rescue	Redmond Park & Recreation	Total General Government
2041	81,717	22,574	10,191	20,012	415	6,704	32,504	6,887	181,004
2042	258,682	71,461	32,261	63,349	1,314	21,222	102,896	21,803	572,988
2043	448,725	123,961	55,962	109,889	2,279	36,813	178,489	37,820	993,938
2044	652,823	180,344	81,416	159,871	3,316	53,557	259,672	55,022	1,446,021
2045	872,009	240,894	108,751	213,548	4,429	71,539	346,858	73,496	1,931,524
Totals	2,313,956	639,234	288,581	566,669	11,753	189,835	920,419	195,028	5,125,475

Source: GEL Oregon

Table 15. Forecast Revenue Sharing – Education

Fiscal Year Ending June 30	Central Oregon Community College	High Desert ESD	Redmond School District #2J	Total
2041	11,496	1,786	93,112	106,394
2042	36,391	5,655	294,756	336,802
2043	63,125	9,809	511,301	584,235
2044	91,837	14,270	743,860	849,967
2045	122,672	19,061	993,613	1,135,346
Totals	325,521	50,581	2,636,642	3,012,744

Source: GEL Oregon

3. Estimated Financial Effect on Schools

Financial impacts on Redmond School District #2J are offset by the State school funding allocation, which provides funding on a per enrolled student basis. As a result, urban renewal will not result in lost revenue to the Redmond School District.

From a more global perspective, the State receives a majority of its general fund revenue which is used for school support from personal income taxes. The anticipated development and resulting jobs created in the Urban Renewal Area will create additional personal income tax paid to the State providing an offset and likely a surplus to the amount of property taxes that are redirected.

Central Oregon Community College and the High Desert ESD are not subject to the school funding formula and will realize reduced revenue.

The following tables show the estimated foregone real property taxes during the life of the urban renewal district with an urban renewal district and without a district. Additionally, the forecast annual property taxes in fiscal year 2045-46 (the year after the district is projected to close) are shown, the payback in years for the foregone property taxes if no urban renewal district were created and the return on investment (ROI) (year by year foregone property taxes information is provided in the appendix for both no urban renewal district and with an urban renewal district).

Table 16. Foregone Taxes – Education (Fiscal years 2022-2045)

Taxing Jurisdiction	Central Oregon Community College	High Desert ESD	Redmond School District #2J	Total Education
No Urban Renewal	2,394,356	372,042	19,393,732	22,160,130
Urban Renewal	4,558,665	708,340	36,924,156	42,191,161
Difference	2,164,309	336,298	17,530,424	20,031,031

Source: GEL Oregon, Inc.

Table 17. Forecast taxes – Fiscal Year 2045-46; payback of foregone taxes and return on investment (ROI)

Taxing Jurisdiction	Central Oregon Community College	High Desert ESD	Redmond School District #2J	Total Education
No Urban Renewal	208,118	32,338	1,685,705	1,926,161
Urban Renewal	549,543	85,390	4,451,168	5,086,101
Difference	341,425	53,052	2,765,463	3,159,940
Payback – Years	7.01	7.01	7.01	7.01
ROI	14.3%	14.3%	14.3%	14.3%

Source: GEL Oregon, Inc.

4. Effect on Bond Rates Financial

The forecast amount of debt proceeds, approximately \$63.0 million, issued over a period of approximately 17 years (fiscal years 2023-2039), secured by tax increment revenue, and the City's full faith and credit are forecast to have no less than a 1.13 debt coverage ratio (DCR). The DCR is projected to be greater than 1.25 in all but five fiscal years (FY 2031-2035). Debt issues are assumed to have terms of 20 years, with an interest rate of three and one-half percent (3.50%). The maximum outstanding debt balance during the life of the district is forecast at \$44.6 million in fiscal year 2035.

Due to the conservative nature of the debt coverage, excess value of real market value to assessed value within the district, among other factors the debt associated with the district is not anticipated to have a material effect on interest rates of bonds issued by the City. As development occurs within the Urban Renewal Area and property values increase, the total property valuation for Redmond is anticipated to provide benefits to the City for general obligation debt and or other debt issued by the City.

5. Feasibility of Plan

A feasibility study was completed in May 2020 that found the creation of the district was feasible with respect to ORS requirements for an urban renewal district. The feasibility report is attached in Appendix F.

This report updates the financial forecasting for projects and programs, their timing, the use of debt, and repayment of debt. Additionally, comprehensive financial proformas for the Agency's implementation and execution of the plan is prepared that demonstrate the financial feasibility of the Plan.

Factors beyond the Agency's control could negatively impact the Agency's ability to complete the plan as projected. These may include but are not limited to lesser development than projected, increased borrowing costs, inflationary impacts on project costs, and delays with project implementation due to a variety of factors. If these conditions were to occur and were to be material, the Agency could adjust project and program scope and timing in order to maintain financial feasibility.

600. RELOCATION

A. Properties Requiring Relocation

At the time of this report, no specific properties associated with potential project activities have been identified as requiring relocation of businesses, households, or buildings. In addition, no housing units have been identified for destruction or alteration. As a result, no relocation surveys have been conducted at this time. The Plan contemplates the acquisition of right-of-way for various transportation improvements, however, there are no relocations anticipated to be associated with this project activity.

B. Relocation Methods

In the event of any future activity involving relocation, the Renewal Agency will explore the possibility of physically moving buildings and other improvements and will discuss with potentially impacted parties' other possible means of assisting with replacement housing if applicable. Prior to any actual relocation, the Renewal Agency will establish a Relocation Policy which will call for assistance to those residents and businesses displaced. Such assistance will include providing information regarding suitable locations, payment of moving expenses, and other payment as deemed necessary.

All relocation activities will be undertaken, and payments made in accordance with the requirements of ORS 281.045 281.105 and any other applicable laws or regulations. Relocation payments will be made as provided in ORS 281.060.

APPENDIX A: REVENUE ASSUMPTIONS FOR THE URBAN RENEWAL AREA

A. New Values Added in Area

The following specific developments are under construction at the time of writing this report:

- Two hotels, totaling 207 units,
- A commercial retail pad, and
- An apartment complex consisting of 116 units.

The following incremental real market values, as work is completed, are projected by fiscal year 2022-23.

Table 18. New Developments

Description	2022	2023	2024	2025	2026
Hotels, Retail Pad	13,432,000	20,148,000	-	2,680,000	2,000,000
Apartments	6,000,000	12,000,000	12,000,000	-	-
Total	19,432,000	32,148,000	12,000,000	2,680,000	2,000,000

Source: GEL Oregon

The taxable assessed value (TAV) to real market value ratio of 60.3% is used to estimate the TAV created by these developments.

Additionally, annual increases in TAV of existing properties are assumed to be 2.9%, slightly below the maximum property by property maximum of 3.0% annually. Lastly, growth from new development is assumed to increase TAV for the area by 1.0% annually, in addition to the project-specific development noted above, during fiscal years 2021-2023, and 4.5% annually thereafter. The increases noted above are categorized into commercial and residential.

Presently, the assessed valuation of property in the area (FY 2020-21) consists of the following types of development:

Table 19. Assessed Value by Use

Use	Commercial	Residential	Industrial	Municipal	Non-identified	Total
Assessed Value	104,849,416	12,766,770	23,109,510	1,804,290	1,620	142,529,986
Percent of Total	73.6%	9.0%	16.2%	1.3%	0.0%	

Source: GEL Oregon

The forecasts assume that future development will be similar proportionately to existing conditions.

B. Frozen Base

The “frozen base” assessed value of the district, with timely adoption of the Plan subsequent to December 2020, is estimated to be \$148,072,000. This amount is the estimated total assessed value for fiscal year 2021, based on estimated values as of January 1, 2020 within the urban renewal area. This estimate reflects the current existing assessed value increased by 2.9%, plus 1.0% new assessed value due to development within the area during the calendar year 2019.

C. Tax Rates of Overlapping Taxing Jurisdictions

Table 20. Tax Rates

Taxing Districts	Operating Tax Rate	Local Option Rate	Bonded Debt Rate	Total	% of Total Levy Rate
City of Redmond	4.4101	-	-	4.4101	28.43%
Deschutes County	1.2183	-	-	1.2183	7.85%
County Library	0.5500	-	-	0.5500	3.55%
Countywide Law Enforcement	1.0800	-	-	1.0800	6.96%
County Extension - 4H	0.0224	-	-	0.0224	0.14%
9-1-1	0.3618	-	-	0.3618	2.33%
Redmond Fire & Rescue	1.7542	-	-	1.7542	11.31%
Redmond Park & Recreation	0.3717	-	-	0.3717	2.40%
Total General Government	9.7685	-	-	9.7685	62.98%
Central Oregon Community College	0.6204	-	-	0.6204	4.00%
High Desert ESD	0.0964	-	-	0.0964	0.62%
Redmond School District #2J	5.0251	-	-	5.0251	32.40%
Total Education	5.7419	-	-	5.7419	37.02%
Total	15.5104	-	-	15.5104	100.00%

Source: GEL Oregon

APPENDIX B: SCHEDULE OF PROJECTIONS AND PROGRAMS

Table 21. Schedule of Projections and Programs: 2022-2025

Project	Start Year	End Year	Total - Inflation Adjusted \$	2022	2023	2024	2025
Program Administration	2022	2044	\$7,405,500	\$204,000	\$208,100	\$212,200	\$313,100
US 97 Projects	2024	2032	27,892,200	0	0	0	3,249,700
Fire Station	2030	2035	5,709,200	0	0	0	0
Local Transportation Projects	2025	2040	6,782,100	0	0	0	0
Industrial Opportunity Fund	2023	2042	16,325,500	0	0	530,600	541,200
Incentive Funding	2023	2042	12,820,100	0	0	530,600	541,200
Small Loan Program	2022	2042	2,527,800	0	104,000	106,100	108,200
Canal Improvement Cont's.	2026	2032	4,736,000	0	0	0	0
			\$84,198,400	\$204,000	\$312,100	\$1,379,500	\$4,773,400

Schedule: 2026-2030

Project	Start Year	End Year	2026	2027	2028	2029	2030
Program Administration	2022	2044	\$369,100	\$432,800	\$441,400	\$450,300	\$459,300
US 97 Projects	2024	2032	3,314,700	3,381,000	3,448,600	3,517,600	3,588,000
Fire Station	2030	2035	0	0	0	0	0
Local Transportation Projects	2025	2040	392,200	400,000	408,000	416,200	424,500
Industrial Opportunity Fund	2023	2042	552,000	563,100	574,300	585,800	597,500
Incentive Funding	2023	2042	552,000	563,100	574,300	585,800	597,500
Small Loan Program	2022	2042	110,400	112,600	114,900	117,200	119,500
Canal Improvement Cont's.	2026	2032	0	750,800	765,800	781,100	796,100
			\$5,290,400	\$6,203,400	\$6,327,300	\$6,454,000	\$6,583,000

Schedule: 2031-2035

Project	Start Year	End Year	2031	2032	2033	2034	2035
Program Administration	2022	2044	\$550,700	\$561,800	\$224,000	\$266,200	\$271,500
US 97 Projects	2025	2033	3,659,700	3,732,900	0	0	0
Fire Station	2030	2035	1,097,100	1,119,000	1,141,400	1,164,200	1,187,500
Local Transportation Projects	2025	2040	433,000	441,600	450,500	459,500	468,700
Industrial Opportunity Fund	2022	2041	609,500	621,700	634,100	1,078,000	1,099,600
Incentive Funding	2022	2041	609,500	621,70	634,100	718,700	733,000
Small Loan Program	2022	2042	121,900	124,300	126,800	129,400	131,900
Canal Improvement Cont's.	2025	2033	812,700	828,900	0	0	0
			\$7,894,100	\$8,051,900	\$3,210,900	\$3,816,000	\$3,892,200

Schedule: 2036-2040

Project	Start Year	End Year	2036	2037	2038	2039	2040
Program Administration	2022	2044	\$235,500	\$240,200	\$245,000	\$249,900	\$254,900
US 97 Projects	2025	2033	0	0	0	0	0
Fire Station	2030	2035	0	0	0	0	0
Local Transportation Projects	2025	2040	478,100	487,600	497,400	507,300	517,500
Industrial Opportunity Fund	2022	2041	1,121,600	1,144,000	1,166,900	1,190,200	1,214,000
Incentive Funding	2022	2041	747,700	762,700	777,900	793,500	809,300
Small Loan Program	2022	2042	134,600	137,300	140,000	142,800	145,700
Canal Improvement Cont's.	2025	2033	0	0	0	0	0
			\$2,717,500	\$2,771,800	\$2,827,200	\$2,883,700	\$2,941,400

Schedule: 2041-2044

Project	Start Year	End Year	2041	2042	2043	2044	2045
Program Administration	2022	2044	\$260,000	\$265,200	\$270,500	\$276,000	\$123,800
US 97 Projects	2025	2033	0	0	0	0	0
Fire Station	2030	2035	0	0	0	0	0
Local Transportation Projects	2025	2040	0	0	0	0	0
Industrial Opportunity Fund	2022	2041	1,238,300	1,263,100	0	0	0
Incentive Funding	2022	2041	825,500	842,000	0	0	0
Small Loan Program	2022	2042	148,600	151,600	0	0	0
Canal Improvement Cont's.	2025	2033	0	0	0	0	0
			\$2,472,400	\$2,521,900	\$270,500	\$276,000	\$123,800

Source: GEL Oregon

APPENDIX C: DETAILED SOURCES AND USES SCHEDULE

The following sources and uses schedule show the various sources totaling \$196.7 million, including \$110.6 million in tax increment property tax income, to fund the various projects, programs, administration, and debt repayment to execute the Plan.

Following the sources and uses schedule are the year-by-year forecast fund activity for the District's general fund (capital projects fund) and debt service fund.

Table 22. Sources and Uses Schedule (amounts in thousands)

Sources	
Property taxes	\$ 110,562
Interest earnings	802
Debt proceeds - long-term	63,000
Debt proceeds - overnight	22,325
Total sources	\$ 196,689
Uses	
Projects and programs	\$ 76,793
Debt principal - long-term	63,000
Debt principal - overnight	22,325
Debt interest	22,520
Administration	7,406
Debt issuance costs	1,260
Ending balance	3,385
Total uses	\$ 196,689

Source: GEL Oregon

General Fund:

The general fund accounts for debt proceeds, including overnight borrowing (du jour), interest, and other resources to fund the urban renewal projects, programs, administration, and debt issuance costs.

Table 23. General Fund (amounts in thousands)

Fiscal Year Ending June 30	Resources					Expenditures						
	Interest earnings	Debt proceeds - long-term	Debt proceeds - du jour	Total current year resources	Total Resources	Administration	Capital outlay	Other	Total expenditures	Resources over (under) expenditures	Beginning fund balance	Ending fund balance
2021	-	-	-	-	-	-	-	-	-	0	-	-
2022	-	-	225	225	225	204	-	-	204	21	-	21
2023	0	1,000	-	1,000	1,021	208	104	20	332	668	21	689
2024	7	1,000	600	1,607	2,296	212	1,167	20	1,400	207	689	897
2025	9	4,000	800	4,809	5,706	333	4,440	80	4,854	(45)	897	852
2026	9	4,000	900	4,909	5,761	369	4,921	80	5,371	(462)	852	390
2027	4	5,500	900	6,404	6,794	433	5,771	110	6,313	90	390	480
2028	5	5,500	900	6,405	6,885	441	5,886	110	6,437	(33)	480	448
2029	5	6,000	800	6,805	7,252	450	6,004	120	6,574	231	448	678
2030	7	6,000	600	6,607	7,285	459	6,124	120	6,703	(96)	678	582
2031	6	7,500	600	8,106	8,688	551	7,343	150	8,044	62	582	644
2032	6	7,500	500	8,006	8,650	562	7,490	150	8,202	(196)	644	448
2033	5	3,500	-	3,505	3,953	224	2,987	70	3,281	224	448	672
2034	7	3,000	800	3,807	4,478	266	3,550	60	3,876	(69)	672	602
2035	6	3,500	600	4,106	4,708	272	3,621	70	3,962	144	602	746
2036	8	1,500	1,000	2,508	3,254	236	2,482	30	2,747	(240)	746	506
2037	5	1,500	1,300	2,805	3,311	240	2,532	30	2,802	3	506	510
2038	5	1,000	1,700	2,705	3,215	245	2,582	20	2,847	(142)	510	368
2039	4	1,000	2,300	3,304	3,671	250	2,634	20	2,904	400	368	767
2040	8	-	2,800	2,808	3,575	255	2,687	-	2,941	(134)	767	634
2041	6	-	3,600	3,606	4,240	260	2,212	-	2,472	1,134	634	1,768
2042	18	-	1,400	1,418	3,185	265	2,257	-	2,522	(1,104)	1,768	663
2043	7	-	-	7	670	271	-	-	271	(264)	663	400
2044	4	-	-	4	404	276	-	-	276	(272)	400	128
2045	1	-	-	1	129	124	-	-	124	(123)	128	5
Totals	139	63,000	22,325	85,464		7,406	76,793	1,260	85,459	5	-	5

.Source: GEL Oregon

Debt Service Fund

The urban renewal debt service fund accounts for the receipt of tax increment property taxes, interest income, and the repayment of debt issued, both long-term and overnight borrowing. The urban renewal district is anticipated to have sufficient fund balance at the end of fiscal year 2045 to call and defease all outstanding debt of the district.

Table 24. Debt Serve Fund (amounts in thousands)

Fiscal Year Ending June 30	Resources				Expenditures								
	Property taxes	Interest earnings	Total current year resources	Total Resources	Principal	Interest	Du juor debt payments	Total expenditures	Resources over (under) expenditures	Beginning fund balance	Ending fund balance	DCR	Outstanding debt balance
2021	-		-	-				-	0	-	-	-	
2022	249	-	249	249	-	-	225	225	24	-	24	-	-
2023	623	-	623	648	17	18	-	35	588	24	613	-	983
2024	942	6	948	1,561	53	52	600	705	243	613	856	8.98	1,929
2025	1,210	9	1,219	2,075	143	137	800	1,080	139	856	995	4.32	5,786
2026	1,489	10	1,499	2,494	289	271	900	1,460	40	995	1,035	2.66	9,497
2027	1,769	10	1,779	2,814	466	425	900	1,792	(13)	1,035	1,022	1.98	14,531
2028	2,067	10	2,077	3,099	677	600	900	2,176	(99)	1,022	923	1.62	19,354
2029	2,387	9	2,396	3,318	903	775	800	2,479	(83)	923	840	1.42	24,451
2030	2,729	8	2,737	3,577	1,147	952	600	2,698	39	840	879	1.30	29,304
2031	3,097	9	3,106	3,985	1,425	1,146	600	3,170	(64)	879	815	1.21	35,380
2032	3,493	8	3,501	4,315	1,739	1,356	500	3,595	(94)	815	720	1.13	41,140
2033	3,917	7	3,924	4,645	1,995	1,484	-	3,480	445	720	1,165	1.13	42,645
2034	4,373	12	4,385	5,550	2,180	1,527	800	4,507	(122)	1,165	1,043	1.18	43,464
2035	4,863	10	4,873	5,916	2,372	1,563	600	4,534	339	1,043	1,382	1.24	44,593
2036	5,389	14	5,403	6,785	2,544	1,565	1,000	5,109	294	1,382	1,676	1.31	43,549
2037	5,954	17	5,971	7,646	2,687	1,527	1,300	5,514	456	1,676	2,132	1.41	42,362
2038	6,560	21	6,581	8,713	2,826	1,476	1,700	6,002	579	2,132	2,711	1.53	40,536
2039	7,211	27	7,238	9,950	2,961	1,411	2,300	6,672	567	2,711	3,278	1.65	38,576
2040	7,911	33	7,944	11,222	3,083	1,323	2,800	7,206	737	3,278	4,016	1.80	35,493
2041	8,398	40	8,438	12,453	3,192	1,215	3,600	8,006	431	4,016	4,447	1.91	32,301
2042	8,626	44	8,670	13,117	3,305	1,102	1,400	5,806	2,863	4,447	7,310	1.96	28,996
2043	8,859	73	8,932	16,242	3,386	985	-	4,372	4,561	7,310	11,871	2.03	25,610
2044	9,098	119	9,217	21,087	3,435	866	-	4,302	4,915	11,871	16,786	2.11	22,175
2045	9,347	168	9,515	26,301	3,381	746	-	4,127	5,389	16,786	22,174	2.27	18,793
Totals	110,562	664	111,226	177,764	44,207	22,520	22,325	89,052	22,174	-	22,174		

Source: GEL Oregon

APPENDIX D: PROJECTED INCREMENTAL TAXABLE VALUE OF DISTRICT

Table 25. Projected Incremental Taxable Value

Fiscal Year Ending June 30	Frozen Base (000's)	TAV - 4.5% (000s)
2021	-	148,072
2022	148,072	165,552
2023	148,072	191,384
2024	148,072	212,767
2025	148,072	230,109
2026	148,072	248,323
2027	148,072	266,678
2028	148,072	286,389
2029	148,072	307,557
2030	148,072	330,291
2031	148,072	354,705
2032	148,072	380,925
2033	148,072	409,083
2034	148,072	439,323
2035	148,072	471,799
2036	148,072	506,675
2037	148,072	544,129
2038	148,072	584,351
2039	148,072	627,547
2040	148,072	673,937
2041	148,072	723,756
2042	148,072	777,259
2043	148,072	834,716
2044	148,072	896,422
2045	148,072	962,690

.Source: GEL Oregon

APPENDIX E: ESTIMATED IMPACT ON TAX RATES AND REVENUE — OVERLAPPING TAXING JURISDICTIONS

Under Oregon's present property tax-based system, total tax rates will not change as a result of adopting an urban renewal program. Thus, there will be no effect on taxpayers from the establishment of an urban renewal district. Instead, the potential revenues raised by taxing bodies will be affected. The new value 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.

K-12 Schools: It should be noted that under the current system of funding K-12 schools, establishing an urban renewal area does not impact the per-student revenue for schools. The funding per student is derived from a complex formula that establishes a uniform-per-student funding level throughout the State. The amount of funds received by Redmond schools is determined by this formula, not by the amount of property taxes raised locally.

The following schedule shows the estimated foregone property tax revenue for the overlapping taxing jurisdictions based on the value growth assumptions outlined in this report. **It is important to keep the following in mind when looking at the schedule:**

- The potential impact on the school district is shown simply to demonstrate the tax rate calculation. As noted above, however, urban renewal will have no impact on K-12 per student funding (i.e., there will be no reduction in school funding resulting from the creation of an urban renewal district).
- The estimated amounts of foregone revenue assume all the development and increased property values would occur, even without the renewal programs' outlays for area improvements. In reality, the value created by new development would be less or slower without the tax increment funding.

Table 26. Estimated Foregone Property Tax Revenue – Government, Fiscal Years 2022-2045 (assuming urban renewal district created)

Fiscal Year Ending June 30	City of Redmond	Deschutes County	County Library	Countywide Law Enforcement	County Extension - 4H	9-1-1	Redmond Fire & Rescue	Redmond Park & Recreation	Total General Government
2022	77,089	21,296	9,614	18,878	392	6,324	30,663	6,497	170,753
2023	191,010	52,767	23,822	46,777	970	15,670	75,978	16,099	423,093
2024	285,311	78,818	35,582	69,871	1,449	23,407	113,488	24,047	631,973
2025	361,791	99,946	45,120	88,600	1,838	29,681	143,909	30,493	801,378
2026	442,117	122,136	55,138	108,271	2,246	36,271	175,860	37,263	979,302
2027	523,064	144,498	65,233	128,095	2,657	42,912	208,059	44,086	1,158,604
2028	609,992	168,512	76,074	149,382	3,098	50,043	242,636	51,412	1,351,149
2029	703,345	194,301	87,717	172,244	3,572	57,702	279,769	59,281	1,557,931
2030	803,604	221,997	100,220	196,797	4,082	65,927	319,649	67,731	1,780,007
2031	911,272	251,741	113,648	223,164	4,629	74,760	362,476	76,805	2,018,495
2032	1,026,905	283,685	128,069	251,481	5,216	84,246	408,471	86,551	2,274,624
2033	1,151,085	317,990	143,556	281,892	5,847	94,434	457,865	97,018	2,549,687
2034	1,284,446	354,831	160,188	314,551	6,524	105,375	510,913	108,258	2,845,086
2035	1,427,668	394,397	178,050	349,625	7,251	117,124	567,882	120,329	3,162,326
2036	1,581,475	436,886	197,232	387,291	8,033	129,743	629,061	133,293	3,503,014
2037	1,746,651	482,516	217,831	427,742	8,872	143,293	694,763	147,214	3,868,882
2038	1,924,034	531,519	239,953	471,181	9,773	157,846	765,321	162,165	4,261,792
2039	2,114,533	584,144	263,711	517,833	10,740	173,474	841,095	178,221	4,683,751
2040	2,319,117	640,661	289,226	567,934	11,779	190,258	922,472	195,464	5,136,911
2041	2,457,107	678,781	306,435	601,727	12,480	201,579	977,360	207,094	5,442,563
2042	2,516,096	695,077	313,792	616,173	12,780	206,418	1,000,824	212,066	5,573,226
2043	2,579,443	712,577	321,692	631,686	13,102	211,615	1,026,022	217,405	5,713,542
2044	2,647,476	731,371	330,177	648,347	13,447	217,196	1,053,083	223,139	5,864,236
2045	2,720,538	751,555	339,288	666,239	13,818	223,190	1,082,145	229,297	6,026,070
Totals	32,405,169	8,952,002	4,041,368	7,935,781	164,595	2,658,488	12,889,764	2,731,228	71,778,395

Source: GEL Oregon, Inc.

Table 27. Estimated Foregone Property Tax Revenue – Government, Fiscal Years 2022-2045 (assuming no urban renewal district created, i.e., 1.0% projected growth in TAV annually)

Fiscal Year Ending June 30	City of Redmond	Deschutes County	County Library	Countywide Law Enforcement	County Extension - 4H	9-1-1	Redmond Fire & Rescue	Redmond Park & Recreation	Total General Government
2022	77,089	21,296	9,614	18,878	392	6,324	30,663	6,497	170,753
2023	191,010	52,767	23,822	46,777	970	15,670	75,978	16,099	423,093
2024	255,773	70,658	31,898	62,637	1,299	20,983	101,738	21,557	566,543
2025	298,264	82,396	37,198	73,043	1,515	24,469	118,640	25,139	660,664
2026	340,605	94,093	42,478	83,412	1,730	27,943	135,482	28,708	754,451
2027	379,273	104,775	47,301	92,881	1,926	31,115	150,863	31,967	840,101
2028	419,440	115,871	52,310	102,718	2,130	34,410	166,840	35,352	929,071
2029	461,177	127,401	57,515	112,939	2,342	37,835	183,442	38,870	1,021,521
2030	504,537	139,380	62,923	123,557	2,563	41,392	200,689	42,524	1,117,565
2031	549,591	151,826	68,542	134,591	2,792	45,088	218,610	46,322	1,217,362
2032	596,391	164,754	74,378	146,052	3,029	48,927	237,226	50,266	1,321,023
2033	645,017	178,187	80,442	157,960	3,276	52,917	256,568	54,364	1,428,731
2034	695,530	192,142	86,742	170,330	3,533	57,061	276,660	58,622	1,540,620
2035	748,015	206,641	93,288	183,183	3,799	61,366	297,537	63,046	1,656,875
2036	802,546	221,705	100,088	196,537	4,076	65,840	319,228	67,642	1,777,662
2037	859,202	237,357	107,154	210,412	4,364	70,488	341,764	72,417	1,903,158
2038	918,068	253,618	114,496	224,828	4,663	75,317	365,179	77,378	2,033,547
2039	979,214	270,510	122,121	239,802	4,974	80,334	389,501	82,532	2,168,988
2040	1,042,742	288,060	130,044	255,360	5,296	85,545	414,770	87,886	2,309,703
2041	1,108,748	306,294	138,276	271,524	5,632	90,960	441,025	93,449	2,455,908
2042	1,177,325	325,239	146,829	288,318	5,980	96,586	468,303	99,229	2,607,809
2043	1,248,570	344,920	155,714	305,765	6,342	102,431	496,642	105,234	2,765,618
2044	1,322,593	365,369	164,946	323,893	6,718	108,504	526,086	111,473	2,929,582
2045	1,399,497	386,614	174,536	342,726	7,108	114,813	556,676	117,955	3,099,925
Totals	17,020,217	4,701,873	2,122,655	4,168,123	86,449	1,396,318	6,770,110	1,434,528	37,700,273

Source: GEL Oregon

Table 28. Estimated Foregone Property Tax Revenue – Education, Fiscal Years 2022-2045 (assuming urban renewal district created)

Fiscal Year Ending June 30	Central Oregon Community College	High Desert ESD	Redmond School District #2J	Total Education
2022	10,845	1,685	87,839	100,369
2023	26,871	4,175	217,647	248,693
2024	40,137	6,237	325,099	371,473
2025	50,896	7,908	412,244	471,048
2026	62,196	9,664	503,771	575,631
2027	73,583	11,434	596,007	681,024
2028	85,812	13,334	695,057	794,203
2029	98,944	15,374	801,428	915,746
2030	113,049	17,566	915,669	1,046,284
2031	128,195	19,919	1,038,351	1,186,465
2032	144,462	22,447	1,170,110	1,337,019
2033	161,931	25,161	1,311,606	1,498,698
2034	180,692	28,077	1,463,566	1,672,335
2035	200,840	31,207	1,626,760	1,858,807
2036	222,477	34,569	1,802,016	2,059,062
2037	245,714	38,180	1,990,226	2,274,120
2038	270,667	42,057	2,192,346	2,505,070
2039	297,466	46,221	2,409,410	2,753,097
2040	326,247	50,693	2,642,524	3,019,464
2041	345,659	53,710	2,799,757	3,199,126
2042	353,957	54,999	2,866,972	3,275,928
2043	362,869	56,384	2,939,154	3,358,407
2044	372,439	57,871	3,016,673	3,446,983
2045	382,717	59,468	3,099,924	3,542,109
Totals	4,558,665	708,340	36,924,156	42,191,161

Source: GEL Oregon

Note: The difference between the forecast tax collections (\$110.6 million) and the foregone tax revenue (levies) of \$114.0 million, or \$3.4 million is due to discounts taken by taxpayers paying taxes in November of the levy year, approximately 2.5%, with the exception of fiscal years 2043-44 through fiscal year 2044-45, when delinquent tax collections are not fully collected or recognized until after those years.

Table 29. Estimated Foregone Property Tax Revenue – Education, Fiscal Years 2022-2045 (assuming no urban renewal district created, i.e., 1.0% projected growth in TAV annually)

Fiscal Year Ending June 30	Central Oregon Community College	High Desert ESD	Redmond School District #2J	Total Education
2022	10,845	1,685	87,839	100,369
2023	26,871	4,175	217,647	248,693
2024	35,981	5,591	291,441	333,013
2025	41,959	6,520	339,858	388,337
2026	47,915	7,445	388,104	443,464
2027	53,355	8,290	432,164	493,809
2028	59,006	9,169	477,932	546,107
2029	64,877	10,081	525,490	600,448
2030	70,977	11,029	574,897	656,903
2031	77,315	12,013	626,233	715,561
2032	83,899	13,036	679,559	776,494
2033	90,739	14,099	734,966	839,804
2034	97,845	15,204	792,524	905,573
2035	105,229	16,351	852,327	973,907
2036	112,900	17,543	914,463	1,044,906
2037	120,870	18,781	979,020	1,118,671
2038	129,151	20,068	1,046,095	1,195,314
2039	137,753	21,405	1,115,768	1,274,926
2040	146,690	22,793	1,188,155	1,357,638
2041	155,975	24,236	1,263,365	1,443,576
2042	165,623	25,735	1,341,506	1,532,864
2043	175,645	27,292	1,422,686	1,625,623
2044	186,059	28,910	1,507,033	1,722,002
2045	196,877	30,591	1,594,660	1,822,128
Totals	2,394,356	372,042	19,393,732	22,160,130

Source: GEL Oregon

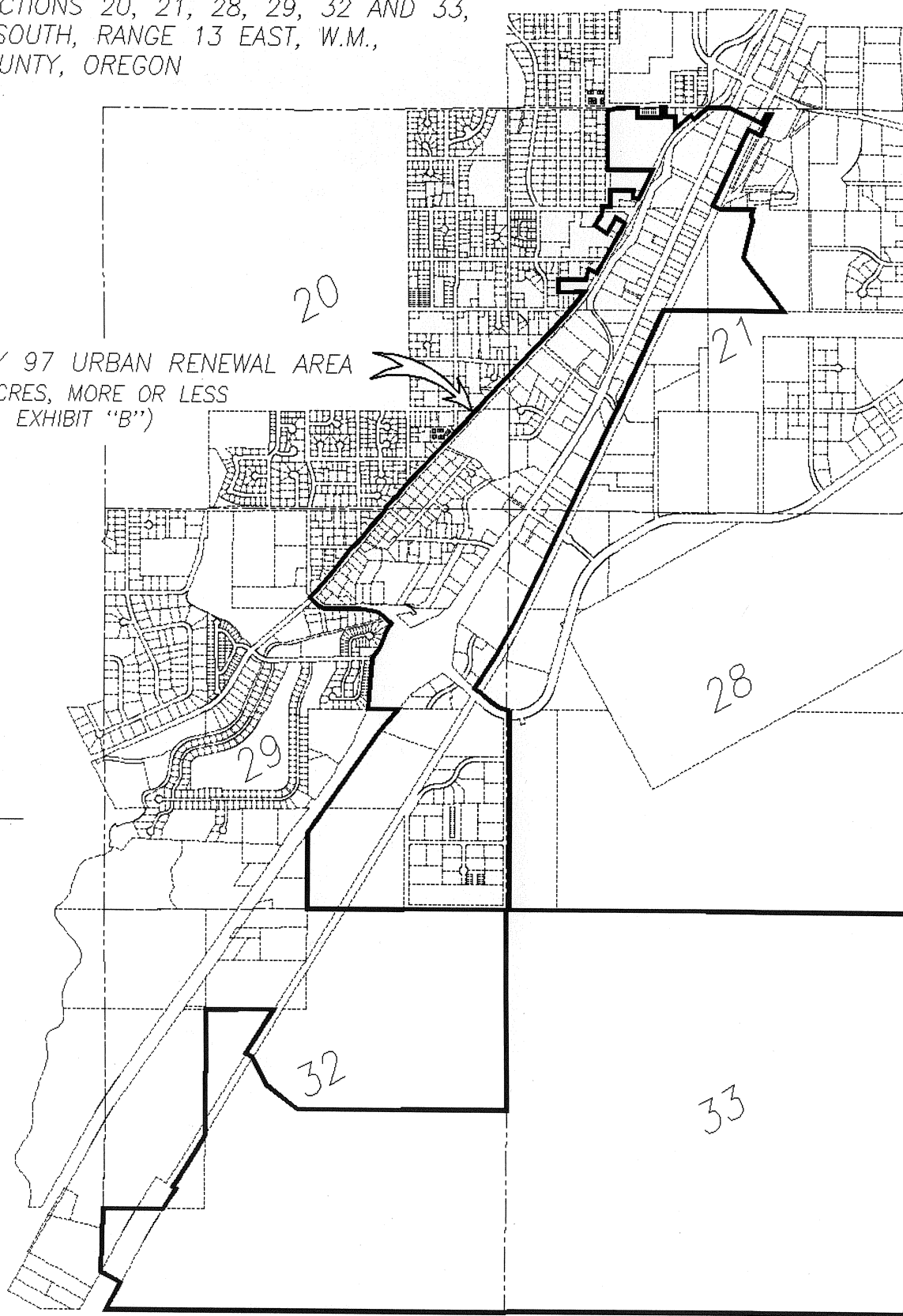
APPENDIX F: LEGAL DESCRIPTION OF URBAN RENEWAL BOUNDARY

EXHIBIT "A"

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
LOCATED IN SECTIONS 20, 21, 28, 29, 32 AND 33,
TOWNSHIP 15 SOUTH, RANGE 13 EAST, W.M.,
DESCHUTES COUNTY, OREGON

SOUTH HIGHWAY 97 URBAN RENEWAL AREA
CONTAINS 1440 ACRES, MORE OR LESS
(SEE DESCRIPTION, EXHIBIT "B")

SCALE:
1" = 2000'



PREPARED JULY 3, 2020

POVEY AND ASSOC. LAND SURVEYORS
P.O. BOX 131, REDMOND, OR 97756
(541) 548-6778 20-078D.DWG

EXHIBIT "B"

DESCRIPTION -

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
LOCATED IN SECTIONS 20, 21, 28, 29, 32 AND 33,
TOWNSHIP 15 SOUTH, RANGE 13 EAST, W.M.,
DESCHUTES COUNTY, OREGON

DESCRIPTION OF A TRACT OF LAND LOCATED IN SECTIONS
20, 21, 28, 29, 32 AND 33, TOWNSHIP 15 SOUTH, RANGE 13 EAST,
WILLAMETTE MERIDIAN, DESCHUTES COUNTY, OREGON, DESCRIBED AS
FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 33;
THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION 33, 5296
FEET TO THE SOUTHWEST CORNER OF SAID SECTION 33; THENCE WEST
ALONG THE SOUTH LINE OF SAID SECTION 32, 5232 FEET TO THE
SOUTHEAST RIGHT-OF-WAY LINE OF THE BURLINGTON NORTHERN -
SANTA FE (BNSF) RAILROAD, BEING 100 FEET FROM THE CENTERLINE
OF SAID RAILWAY; THENCE N29°E ALONG SAID SOUTHEAST RIGHT-OF-
WAY LINE, 406 FEET; THENCE N61°W, PERPENDICULAR TO SAID
CENTERLINE, 300 FEET TO THE INTERSECTION OF THE NORTHWEST
RIGHT-OF-WAY LINE OF SAID RAILWAY AND THE WEST LINE OF THE
SW1/4 SW1/4 OF SAID SECTION 32, SAID INTERSECTION BEING 200
FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE N01°E ALONG
SAID WEST LINE, 817 FEET TO THE NORTH LINE OF SAID SW1/4
SW1/4; THENCE EAST ALONG SAID NORTH LINE, 793 FEET TO SAID
SOUTHEAST RIGHT-OF-WAY LINE, BEING 100 FEET FROM THE
CENTERLINE OF SAID RAILWAY; THENCE N32°E ALONG SAID
SOUTHEAST RIGHT-OF-WAY LINE, 310 FEET; THENCE N58°W ALONG
SAID SOUTHEAST RIGHT-OF-WAY LINE, 50 FEET; THENCE N32°E
ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, BEING 50 FEET FROM
THE CENTERLINE OF SAID RAILWAY, 802 FEET TO THE WEST LINE
OF THE NE1/4 SW1/4 OF SAID SECTION 32; THENCE N01°E ALONG
SAID WEST LINE, 348 FEET; THENCE NORTH ALONG THE WEST LINE
OF THE SE1/4 NW1/4 OF SAID SECTION 32, 1315 FEET TO THE
NORTH LINE OF SAID SE1/4 NW1/4; THENCE EAST ALONG SAID
NORTH LINE, 902 FEET TO SAID NORTHWEST RIGHT-OF-WAY LINE,
BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE
S32°W ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, 695 FEET;
THENCE S58°E, PERPENDICULAR TO SAID CENTERLINE, 100 FEET TO
THE INTERSECTION OF THE SOUTHEAST RIGHT-OF-WAY LINE OF SAID
RAILWAY, AND THE NORTHEAST EASEMENT LINE OF BONNEVILLE POWER
ADMINISTRATION'S REDMOND-BURNS NO. 1 TRANSMISSION LINE, SAID
INTERSECTION BEING 50 FEET FROM THE CENTERLINE OF SAID
RAILWAY, AND BEING 50 FEET FROM THE CENTERLINE OF SAID POWER
LINE; THENCE S27°E ALONG SAID NORTHEAST EASEMENT LINE, 417
FEET; THENCE S53°E ALONG SAID NORTHEAST EASEMENT LINE, 507
FEET TO THE SOUTH LINE OF SAID SE1/4 NW1/4; THENCE EAST
ALONG SAID SOUTH LINE, AND ALONG THE SOUTH LINE OF THE NE1/4
OF SAID SECTION 32, 2750 FEET TO THE EAST LINE OF SAID
NE1/4; THENCE NORTH ALONG SAID EAST LINE, 2649 FEET TO THE
SOUTHEAST CORNER OF SAID SECTION 29; THENCE WEST ALONG THE
SOUTH LINE OF THE SE1/4 OF SAID SECTION 29, 2634 FEET TO THE

DESCRIPTION - SHEET 1 OF 4

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
CONTINUED:

WEST LINE OF THE SW1/4 OF SAID SE1/4; THENCE NORTH ALONG SAID WEST LINE, 992 FEET TO THE SOUTHEAST RIGHT-OF-WAY LINE OF U.S. HIGHWAY 97, BEING 90 FEET FROM THE CENTERLINE OF SAID HIGHWAY; THENCE N35°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 1659 FEET TO ENGINEER'S STATION 125+00, 90 FEET LEFT; THENCE N41°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 376 FEET TO THE NORTH LINE OF THE NW1/4 SE1/4 OF SAID SECTION 29; THENCE WEST ALONG SAID NORTH LINE, 401 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF SAID HIGHWAY (ALSO BEING THE NORTHWEST RIGHT-OF-WAY LINE OF SW 25TH PLACE), AS DESCRIBED IN VOLUME 234, PAGE 1995, DESCHUTES COUNTY DEED RECORDS; THENCE ALONG SAID NORTHWEST RIGHT-OF-WAY LINE AS FOLLOWS: N05°E, 670 FEET; THENCE N33°E, 175 FEET; THENCE N23°E, 255 FEET; THENCE N35°E, 91 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF SW YEW AVENUE, BEING A LINE OF VARIABLE WIDTH FROM THE CENTERLINE OF SAID ROADWAY; THENCE LEAVING SAID NORTHWEST RIGHT-OF-WAY LINE, AND 1190 FEET WESTERLY ALONG SAID SOUTH RIGHT-OF-WAY LINE, AND ALONG ITS NORTHWESTERLY PROLONGATION, TO A POINT WHICH BEARS N73°W, 1131 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING ON THE NORTHWEST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, AND BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE 5459 FEET NORTHEASTERLY ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, TO A POINT WHICH BEARS N42°E, 5449 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING 40 FEET FROM THE CENTERLINE OF SAID ROADWAY, AND BEING ON THE SOUTH BOUNDARY OF A TRACT OF LAND DESCRIBED IN DOCUMENT 2007-43829, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG SAID TRACT BOUNDARY AS FOLLOWS: WEST, 345 FEET; THENCE NORTH, 170 FEET; THENCE EAST, 367 FEET TO THE BOUNDARY OF PARCEL 2, AS DESCRIBED IN DOCUMENT NO. 2018-019368, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE LEAVING SAID TRACT BOUNDARY AND ALONG SAID PARCEL 2 BOUNDARY AS FOLLOWS: N13°E, 122 FEET; THENCE N37°E, 30 FEET; THENCE S61°E, 107 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE LEAVING SAID PARCEL 2 BOUNDARY, N30°E ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, 751 FEET TO THE BOUNDARY OF A TRACT OF LAND DESCRIBED IN DOCUMENT 2007-64854, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID TRACT AS FOLLOWS: N59°W, 136 FEET; THENCE S31°W, 239 FEET; THENCE N56°W, 184 FEET; THENCE 214 FEET ALONG THE ARC OF A NON-TANGENT 658 FOOT RADIUS CURVE TO THE LEFT, THE CHORD OF WHICH BEARS N28°E, 213 FEET; THENCE LEAVING SAID TRACT BOUNDARY, NORTH, PERPENDICULAR TO THE NORTH LINE OF SAID TRACT, 60 FEET TO THE NORTH RIGHT-OF-WAY LINE OF SW QUARTZ AVENUE, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE EAST ALONG SAID NORTH RIGHT-OF-WAY LINE, 105 FEET TO THE BOUNDARY OF A TRACT OF LAND DESCRIBED IN DOCUMENT 2020-06416, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID TRACT AS FOLLOWS: NORTH 214 FEET; THENCE S89°E, 304 FEET; THENCE S01°W, 96 FEET; THENCE S83°E, 74 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
CONTINUED:

SW CANAL BOULEVARD, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE LEAVING SAID TRACT BOUNDARY, AND 422 FEET NORTHEASTERLY ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, TO A POINT WHICH BEARS N26°E, 422 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING AT THE SOUTHEAST CORNER OF TRACT 1, AS DESCRIBED IN DOCUMENT 2020-10963, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE WEST ALONG THE SOUTH LINE OF SAID TRACT 1, 591 FEET TO THE WEST LINE OF SAID TRACT 1; THENCE NORTH ALONG SAID WEST LINE, AND ALONG THE WEST LINE OF TRACT 2, AS DESCRIBED IN SAID DOCUMENT, 782 FEET TO THE NORTH LINE OF SAID TRACT 2; THENCE N74°E ALONG SAID NORTH LINE, 135 FEET; THENCE EAST ALONG SAID NORTH LINE, 265 FEET TO THE EAST LINE OF SAID TRACT 2; THENCE SOUTH ALONG SAID EAST LINE, 125 FEET TO THE NORTH LINE OF SAID TRACT 1; THENCE EAST ALONG SAID NORTH LINE, 312 FEET TO THE WEST RIGHT-OF-WAY LINE OF SW 13TH STREET, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE NORTH ALONG SAID WEST RIGHT-OF-WAY LINE, 125 FEET TO THE NORTH LINE OF THE NE1/4 NW1/4 OF SAID SECTION 21; THENCE EAST ALONG SAID NORTH LINE, 60 FEET TO THE EAST RIGHT-OF-WAY LINE OF SW 13TH STREET, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE SOUTH ALONG SAID EAST RIGHT-OF-WAY LINE, 120 FEET TO THE NORTH LINE OF SAID TRACT 1; THENCE EAST ALONG SAID NORTH LINE, 130 FEET TO THE EAST LINE OF SAID TRACT 1; THENCE SOUTH ALONG SAID EAST LINE, 159 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, BEING 40 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE N49°E ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, 280 FEET TO THE SOUTH LINE OF THE NORTH 96 FEET OF SAID NE1/4 NW1/4; THENCE S41°E, PERPENDICULAR TO SAID CENTERLINE, 70 FEET TO THE SOUTHEAST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE N49°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 228 FEET TO THE NORTH LINE OF THE NW1/4 NE1/4 OF SAID SECTION 21; THENCE EAST ALONG SAID NORTH LINE, 294 FEET TO THE PROLONGATION OF THE NORTHEAST LINE OF A TRACT OF LAND DESCRIBED IN VOLUME 279, PAGE 0839, DESCHUTES COUNTY DEED RECORDS; THENCE S65°E ALONG SAID PROLONGATION, AND ALONG SAID NORTHEAST LINE, 351 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD, BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE S65°E ALONG SAID PROLONGATION, 100 FEET TO THE SOUTHEAST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD, BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE N26°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 126 FEET TO THE NORTH LINE OF THE FIRST EXCEPTION TO PARCEL 1, AS DESCRIBED IN DOCUMENT NO. 2018-005171, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE EAST ALONG SAID NORTH LINE, 67 FEET TO THE NORTHWEST LINE OF A TRACT OF LAND DESCRIBED IN DOCUMENT NO. 2009-52569, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE S26°W ALONG SAID NORTHWEST LINE, 306 FEET TO THE SOUTHEAST LINE OF SAID TRACT; THENCE N64°W, PERPENDICULAR TO SAID RAILWAY CENTERLINE, 160 FEET TO SAID NORTHWEST RIGHT-OF-WAY LINE; THENCE S26°W ALONG SAID

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
CONTINUED:

NORTHWEST RIGHT-OF-WAY LINE, 1110 FEET; THENCE S64°E, PERPENDICULAR TO SAID CENTERLINE, 100 FEET TO THE NORTHWEST CORNER OF PARCEL 4, AS DESCRIBED IN DOCUMENT NO. 2014-042282, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID PARCEL 4 AS FOLLOWS: EAST, 449 FEET; THENCE S14°W, 73 FEET; THENCE S04°E, 82 FEET; THENCE S13°W, 501 FEET; THENCE S36°E, 859 FEET; THENCE WEST, 996 FEET TO THE CENTER 1/4 CORNER OF SAID SECTION 21; THENCE LEAVING SAID TRACT BOUNDARY, WEST ALONG THE SOUTH LINE OF THE SE1/4 NW1/4 OF SAID SECTION 21, 588 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD, BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE 5602 FEET SOUTHWESTERLY ALONG SAID NORTHWEST RIGHT-OF-WAY LINE TO A POINT WHICH BEARS S27°W, 5599 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING ON THE NORTHEAST RIGHT-OF-WAY LINE OF SW AIRPORT WAY, AND BEING 55 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE S52°E, 101 FEET TO THE INTERSECTION OF THE SOUTHEAST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD AND THE NORTHEAST RIGHT-OF-WAY LINE OF SW AIRPORT WAY, SAID INTERSECTION BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY, AND BEING 60 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE 444 FEET SOUTHEASTERLY ALONG SAID NORTHEAST RIGHT-OF-WAY LINE TO A POINT WHICH BEARS S60°E, 434 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING ON THE EAST LINE OF THE WEST 40 FEET OF THE SW1/4 OF SAID SECTION 28; THENCE SOUTH ALONG SAID EAST LINE (ALSO BEING THE EAST RIGHT-OF-WAY LINE OF SW 19TH STREET), 2624 FEET TO THE NORTH LINE OF SAID SECTION 33; THENCE EAST ALONG SAID NORTH LINE, 5246 FEET TO THE NORTHEAST CORNER OF SAID SECTION 33; THENCE SOUTH ALONG THE EAST LINE OF SAID SECTION 33, 5268 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 33, AND TO THE POINT OF BEGINNING.

THE SAME CONTAINING 1440 ACRES, MORE OR LESS.

A SKETCH OF THE URBAN RENEWAL AREA DESCRIBED ABOVE IS SHOWN ON THE ATTACHED EXHIBIT "A", WHICH IS HEREBY INCORPORATED BY REFERENCE.

PREPARED JULY 3, 2020

POVEY AND ASSOC. LAND SURVEYORS
P.O. BOX 131, REDMOND, OR 97756
(541) 548-6778 20-078D.DWG

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
JULY 15, 1983
WILLIAM G. BAHRKE
2039

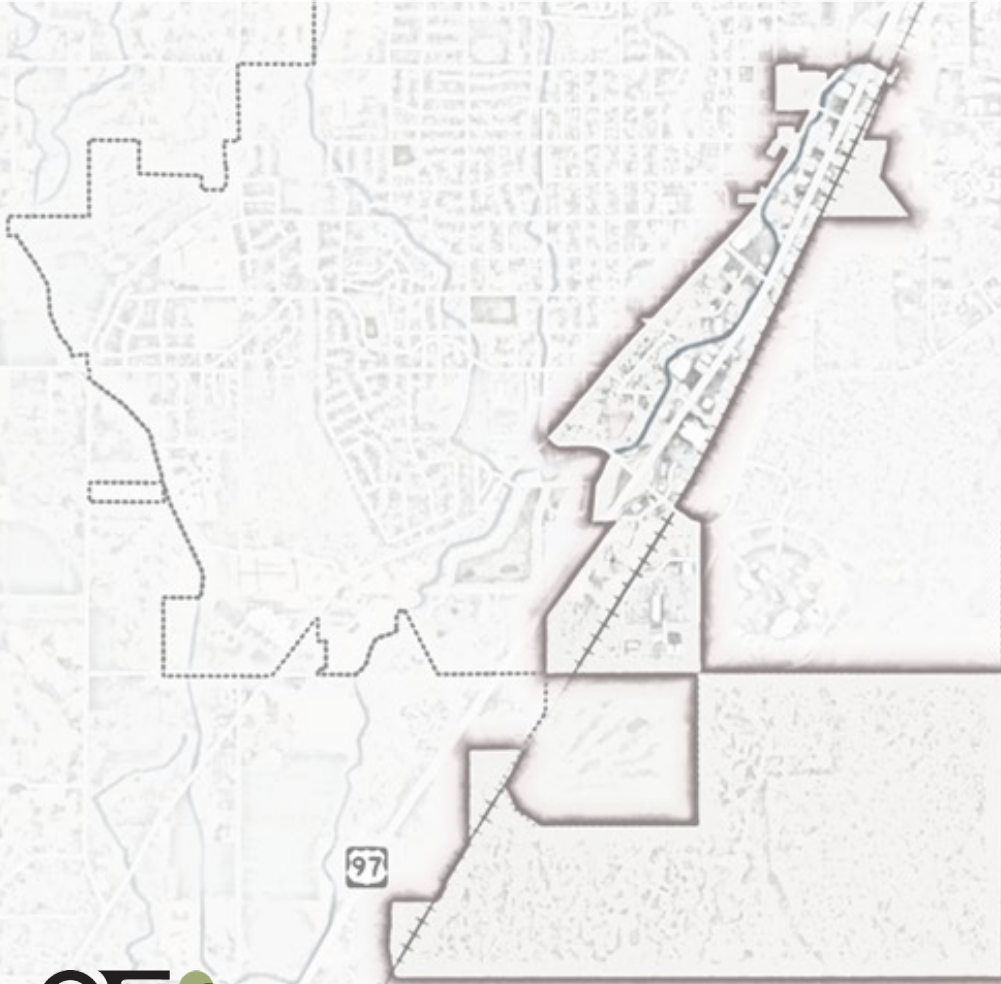
Renewal Date: 12/31/21

APPENDIX G: URBAN RENEWAL FEASIBILITY STUDY

City of Redmond
May 2020

Feasibility Study

SOUTH 97 URBAN RENEWAL PROJECT



GELO
OREGON Inc

LELAND CONSULTING GROUP

www.lelandconsulting.com

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INTRODUCTION

The urban renewal agency for the City of Redmond is considering an opportunity to create a new urban renewal district along US 97 to facilitate the use of tax increment financing (TIF) to primarily support infrastructure and capital investments required to implement the South U.S. 97 Framework Implementation Plan adopted by City Council in 2019.

One of the first steps in the creation of an urban renewal district is to conduct a feasibility study to determine whether physical and economic conditions are present that meet the eligibility criteria established in ORS 457.095(1), ORS 457.085(3)(a), and ORS 457.010(1):

- ✓ ORS 457.095(1) requires the municipal governing body find conditions of blight within the TIF district.
- ✓ ORS 457.085(3)(a) requires that a TIF report accompanying a TIF plan describe the physical, social, and economic conditions in the TIF areas of the plan.
- ✓ ORS 457.010(1) defines blighted areas.

To meet this requirement, the City of Redmond engaged Leland Consulting Group (LCG) to analyze existing conditions in the proposed urban renewal area (the Study Area).

Background

Why an Urban Renewal Area?

An urban renewal area facilitates the use of tax increment financing, which allows, within limits, the property tax revenues on growth in assessed value to be used to fund capital projects. These public resources are directed to a specific area to encourage and catalyze private investment that might not otherwise occur.

For the proposed urban renewal area, urban renewal provides the City with the mechanism to fund important safety, mobility, and connectivity improvements along South Highway 97 while also improving the economic viability of development for current and future developers, property owners, and business owners.

Specifically, an urban renewal area is critical to implementing the recommendations from the South Redmond US 97 Corridor Plan—a recently completed study for the Oregon Department of Transportation and the City of Redmond. The Corridor Plan includes recommended transportation and other related improvements on South Highway 97 and local connecting streets and suggests tax increment as a logical source of funding for the local improvements which can help leverage state and federal dollars for nearly \$100 million required to transform the corridor. The overall objectives of the Corridor Plan are to improve the safety and mobility of U.S. 97 and enhance the economic viability of properties along the corridor.

The proposed boundary also includes nearly 1,000 acres of industrially zoned land which has multiple infrastructure needs (water, transportation, etc.) before it can be developed. The land presents a rare opportunity for significant industrial development and employment growth. An urban renewal area provides the City of Redmond with the resources to invest in infrastructure projects and incentive and grant programs that are critical in realizing these opportunities. Specific programs can encourage workforce and economic development, remove barriers that may discourage development, and facilitate and accelerate the expansion and businesses and job growth in the City of Redmond to create a more vibrant economic landscape.

Similar tax increment funding was utilized by the City of Redmond for North Highway 97 and related improvements in the 2000s.

Purpose of the Feasibility Study

This feasibility study examines key data and assumptions underlying the financial capacity and public benefit of urban renewal district investments. The study determines whether a district as proposed in this feasibility study would comply with the basic requirements of the Oregon statute governing the formation of urban renewal areas, (ORS 457) and is feasible from a financial and policy standpoint.

The study documents the City's forecasted financial capabilities to implement recommendations from the South Redmond US 97 Corridor Plan, as well as other projects and programs that have been determined as critical to the economic viability of the area.

Issues Evaluated in the Study

The following is a schedule of legal requirements the consultants addressed in determining the feasibility of the Urban Renewal District:

- ✓ A boundary for the area has been established,
- ✓ Blighting conditions as defined in ORS 457 are documented,
- ✓ The value and area within the boundary are documented to ensure each is within limitations established by ORS 457,
- ✓ Eligibility of the use of tax increment funding for proposed project activities,
- ✓ Estimated project costs and tax increment revenue, and
- ✓ Estimated completion dates for all project activities.

Note: This feasibility report has no legal status as an urban renewal plan as defined in ORS 457. It is prepared purely for information purposes. The City of Redmond will have to take numerous procedural steps, all in conformance with ORS 457, in order to create an urban renewal district and an urban renewal plan that meet all ORS 457 requirements.

Process and Approach

The analysis summarized here is explicitly intended to provide an objective assessment of conditions within the proposed urban renewal area. This documentation is intended to provide RURA and City leadership with evidence to aid those bodies in their official decision as to whether the Study Area constitutes a deteriorated area or deteriorating area eligible to be designated as an urban renewal project area.

Evidence of Study Area conditions was gathered using the following methods:

- Direct field observation,
- Geographic information systems (GIS) analysis of spatial data (including Deschutes County Assessor's parcel data, aerial imagery, and topographical data),
- Follow-up web-based research, and
- Discussions with City of Redmond staff.

Both the field observations and GIS analysis initially employed a detailed mapping of individual parcels in the proposed district to help ensure a thorough and exhaustive survey of the entire area. Findings, however, are reported and mapped here using individual points and areas without direct reference to individual parcels. This approach balances a reasonable effort to respect the privacy of owners and residents while still preserving the specificity of evidence for purposes of reaching eligibility conclusions.

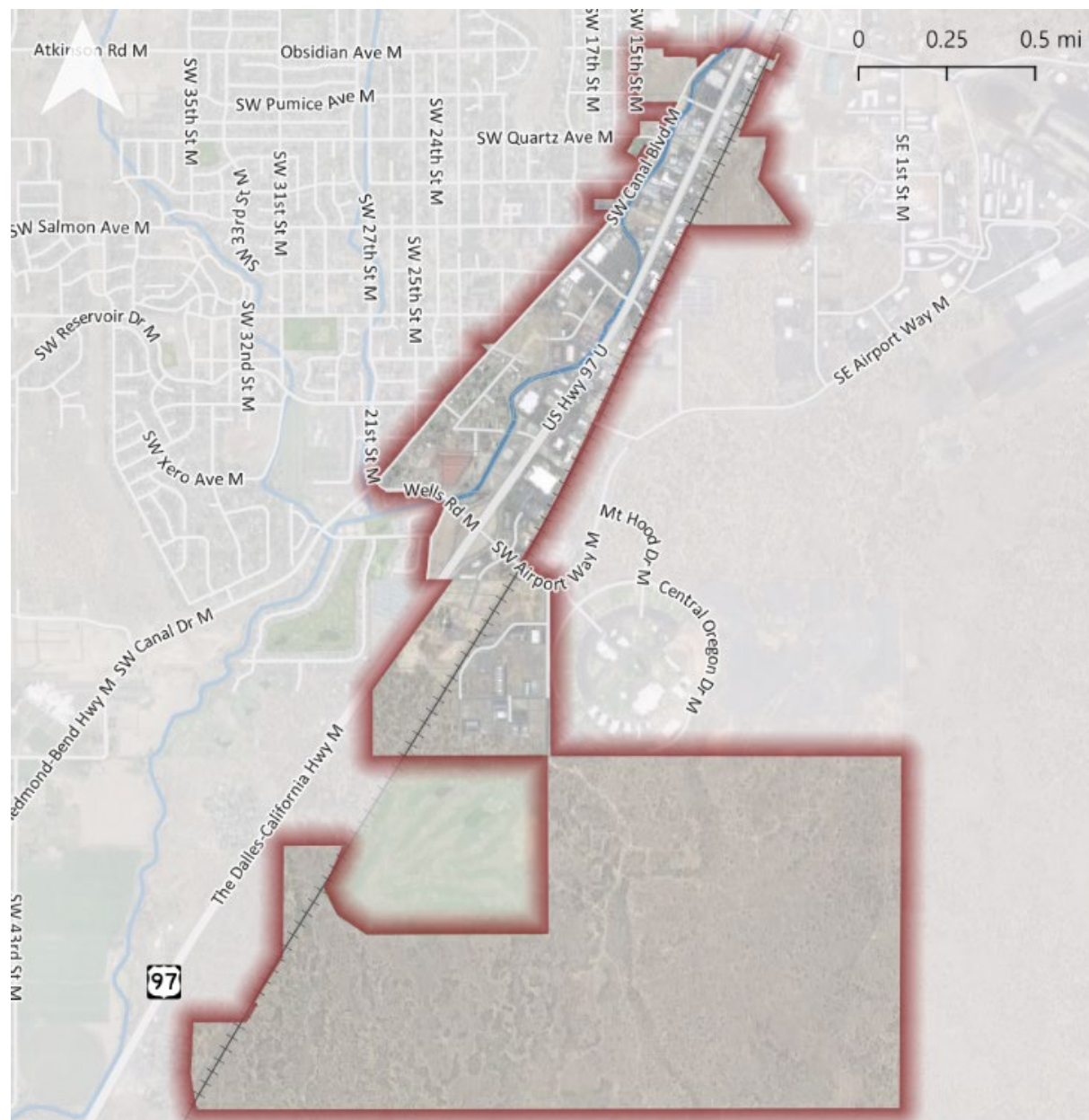
FEASIBILITY ANALYSIS AND FINDINGS

1. Boundary and Acreage Limitations

Study Area Geography

A preliminary urban renewal area boundary was determined by City staff prior to the commencement of this feasibility study. The acreage associated with that boundary is 1,330.5 acres (see proposed boundary below). The preliminary boundary was shown to representatives of overlapping taxing districts in initial meetings for their review and comment. As of the date of this report, no changes have been requested.

Figure 1. Proposed District Boundary



Source: Leland Consulting Group

ORS Requirements

ORS 457.420(2)(b)(B) essentially states that no more than 25 percent of the city's total land area can be designated as an urban renewal district (for Cities with populations of less than 50,000). As demonstrated in the following table, the City's current land area is approximately 10,449 acres. The Redmond Downtown Urban Renewal District includes 701.70 acres (6.7 percent of the total). The proposed South Highway 97 Urban Renewal District boundary includes 1,330.52 acres (12.7 percent of the total). The total of all acreage in urban renewal areas represents 19.45 percent of the City's land area and is, therefore, within the 25 percent limitation.

Table 1. Area Conditions

	Acres	% of Total
Total area within the City	10,449.0	
Redmond Downtown Urban Renewal District	701.7	6.7%
Proposed South Hwy 97 Urban Renewal District	1,330.5	12.7%
Total area within urban renewal districts	2,032.2	19.5%

Source: Deschutes County Assessor

Finding: The preliminary boundary for the proposed urban renewal area is within the ORS acreage limitation of 25% of land within the City.

2. Blighting Conditions

ORS Requirements

In order to form an urban renewal district, the City of Redmond must find that blighted areas exist within the urban renewal boundary. ORS 457.010 sets forth the definitions for "blighted areas" and blighting conditions as follows:

457.010 Definitions. As used in this chapter, unless the context requires otherwise:

(1) "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:

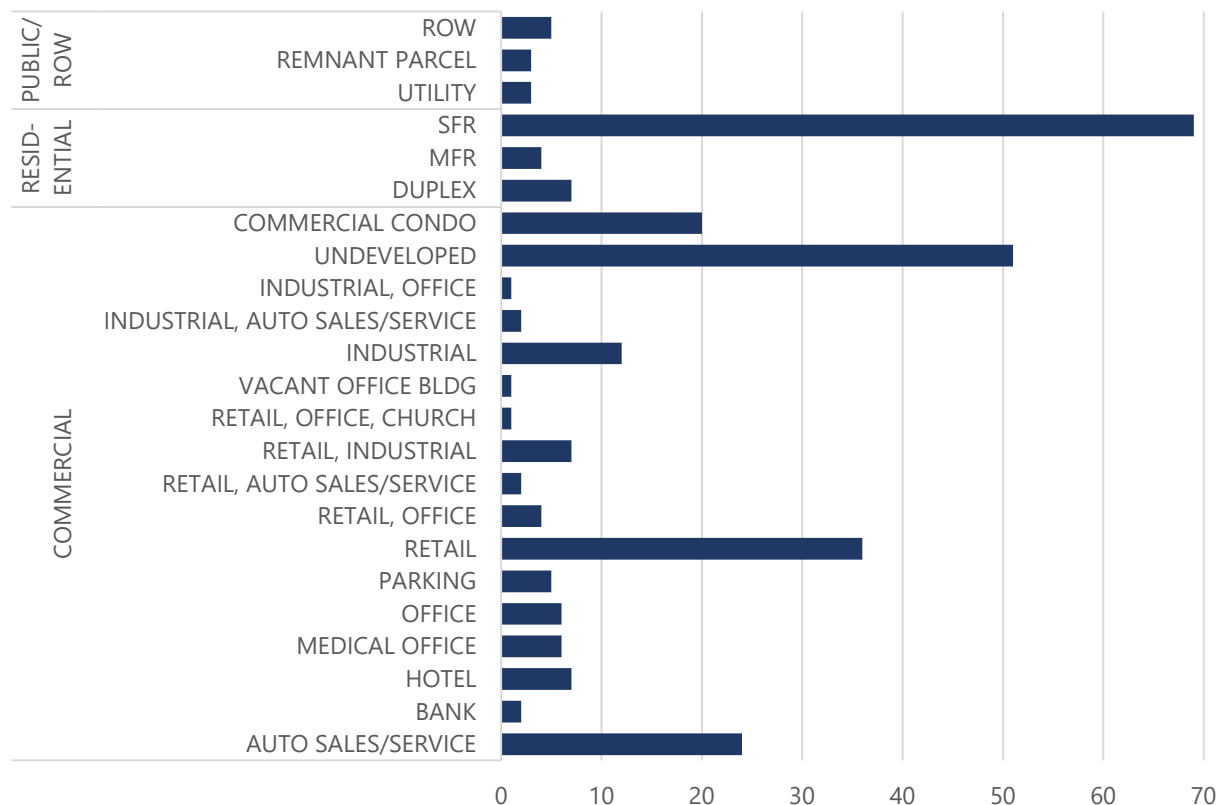
- a) The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, that are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:
 - A. Defective design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

Blighting Conditions Within Preliminary Boundary

The study area has the following land uses by parcel count.

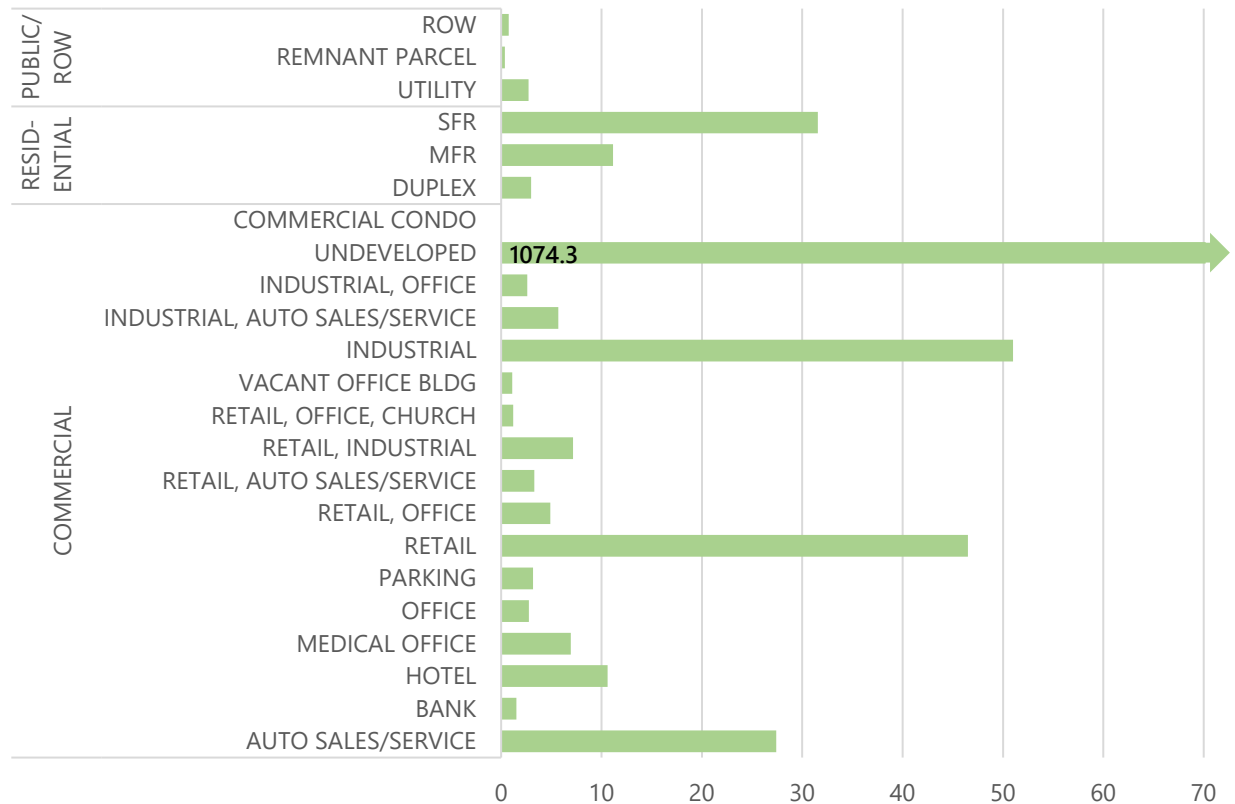
Figure 2. Parcels by Land Use (Total Lots)



Source: Deschutes County Assessor, LCG

Additionally, the study area includes the following uses by acres.

Figure 3. Parcels by Land Use (Acres)



Source: Deschutes County Assessor, LCG

The vast majority of acreage within the urban renewal study area is undeveloped, 1,074.3 acres (80.7%). This area is without streets, sidewalks, and utilities necessary for development. The four primary uses of developed acreage includes industrial, retail, auto sales/service and single family residential.

The blight analysis reveals the following conditions that constitute blight within the preliminary boundary.

Value of Developed Properties Within the Area

Deschutes County assessor records indicate there are 283 tax accounts in the renewal study area. Of those, 14 accounts are shown in exempt property classes, and have no assessed value, including four accounts for canal purposes and a 948.97 acre parcel owned by the State of Oregon for large-lot industrial development.

The data shows, as the following table indicates, a total of 173 (61.1 percent of total) commercial or industrial property class accounts, and 88 (31.1 percent) residential class accounts.

Table 2. Parcel Summary

Property Class	Number of Parcels	% of Total	Assessed Value	% of Total
Residential	86	30.4	12,120,750	8.5
Commercial	118	41.7	104,849,416	73.6
Industrial	55	19.4	23,109,510	16.2
Multifamily	2	0.7	646,020	0.5
Municipal	12	4.2	1,804,290	1.3
Not Identified	10	3.5	0	0.0
Total	283	100.0	142,529,986	100.0

Source: Deschutes County Assessor

The data also shows 117 parcels are underutilized (46.2 percent), with the acreage underutilized at 1,181.5 acres (91.0 percent).

Utilization status was determined primarily by the improvement value to land value ratio (I:L ratio), and checked by in-person observation. An improvement value to land value ratio of less than 1.0 typically indicates underutilized property. Less than 0.5 typically indicates vacant or highly underutilized land.

Table 3. Site Utilization Status

Site Utilization (I:L Ratio by RMV*)	Not Underutilized	Underutilized
Parcels	136.0	117.0
% of Total	53.8%	46.2%
Acres	117.3	1,181.5
% of Total	9.0%	91.0%

Source: Deschutes County Assessor, Leland Consulting Group

Additionally, 77 parcels are vacant or partially vacant, representing 30.8 percent of the parcels, but 87.4 percent of the land area within the proposed boundary.

Development status was determined primarily through in-person observation and supported by aerial imagery analysis and tax roll data analysis.

Table 4. Site Development Status

Development Status	Vacant	Partially vacant	Improved
Parcels	60.0	17.0	173.0
% of Total	24.0%	6.8%	69.2%
Acres	1080.6	43.1	162.6
% of Total	84.0%	3.4%	12.6%

Source: Deschutes County Assessor, Leland Consulting Group

Within the study area, building occupancy is high, 95 percent with 192.8 acres of 203.0 acres fully occupied (95.0 percent) representing 177 of 187 parcels with buildings (94.7 percent).

Leland Consulting Group utilized Costar to determine existing long-time vacancies, as well as tax roll data and in-person observation.

Table 5. Building Occupancy Status

Building Occupancy	Vacant	Partially Vacant	Fully Occupied
Parcels	3.0	7.0	177.0
% of Total	1.6%	3.7%	94.7%
Acres	2.2	8.0	192.8
% of Total	1.1%	3.9%	95.0%

Source: Deschutes County Assessor, Leland Consulting Group

The above findings indicate a significant amount of potentially valuable property in the proposed renewal area appears to be under-developed, producing little property tax for the City, and other taxing bodies.

The diminished property taxes resulting from a preponderance of undeveloped and/or low-value development can lead to service issues for the community. Lower property values due to lack of development and utilization of the area for tax producing purposes meets the ORS definition of blight.

Building Exterior and Site Conditions

Building conditions in the proposed area are generally in average to good condition, 91.4 percent of parcels and 84.0 percent of developed acreage. Fair and seriously substandard buildings represent 15 parcels, 8.0 percent of the total parcels and 15.8 percent of the developed acreage.

Table 6. District Building Conditions

Building Exterior Condition	Average to Good	Fair (Repair/Maintain)	Seriously Substandard
Parcels	171.0	15.0	1.0
% of Total	91.4%	8.0%	0.5%
Acres	170.5	32.2	0.3
% of Total	84.0%	15.8%	0.2%

Source: Deschutes County Assessor, LCG

Additionally, site conditions of parcels for a significant majority of the proposed urban renewal area are poor or substandard (1,053.7 acres, 81.1 percent of the area). Less than 20 percent (18.9 percent) of the area, 200 parcels, have acceptable site conditions.

Table 7. District Site Conditions

Site Condition	OK / Acceptable	Poor / Substandard
Parcels	200.0	53.0
% of Total	79.1%	20.9%
Acres	245.2	1053.7
% of Total	18.9%	81.1%

Source: Deschutes County Assessor, LCG

Substandard or Inadequate Public Facilities

As noted above, the vast majority of the area is undeveloped, therefore much of the proposed urban renewal area is without sidewalks. The developed parcels have sidewalks that are in good condition, 145, with only 11 parcels that have sidewalks the require repair and or replacement. However, only 14.8% (190.0 acres) of the area

has good condition sidewalks, with 85.2% (1,096.2 acres) having no sidewalks or have sidewalks that require repair or replacement.

Table 8. District Sidewalk Conditions

Sidewalk Condition	Good Condition	No Sidewalk	Repair / Replace
Parcels	145.0	94.0	11.0
% of Total	58.0%	37.6%	4.4%
Acres	190.0	1078.3	17.9
% of Total	14.8%	83.8%	1.4%

Source: Deschutes County Assessor, LCG

Findings: The conditions within the preliminary boundary area meet the ORS definition of blight.

3. Assessed Value Limitations

ORS Requirements

Oregon urban renewal law limits the total assessed valuation in cities under 50,000 population to 25% of the total assessed value in the city.

Assessed Value Conditions

The tax roll for the 2019-20 year shows that Redmond contains approximately \$2.549 million in assessed value. This value allows area within urban renewal areas to total approximately \$637.1 million in assessed value.

Table 9. Assessed Value

	Assessed Value	% of Total
Total assessed value City of Redmond	\$2,548,546,802	100.0%
Assessed value Downtown Urban Renewal District	\$288,796,593	11.3%
Assessed value Preliminary Urban Renewal Boundary Area	\$142,529,986	5.6%
Total assessed valued within urban renewal areas	\$431,326,579	16.9%

Source: Deschutes County Assessor

Finding: The combined assessed value of the Downtown Urban District (\$288.8 million, 11.3 percent) and the preliminary urban renewal study area boundary (\$142.5 million, 5.6 percent) is \$431.3 million, or 16.9% of the total assessed value in the City of Redmond. The total combined assessed value within the urban renewal boundaries is within the 25 percent assessed value limit.

4. Eligibility of Proposed Activities

ORS Requirements

ORS 457.170 provides for the activities that an urban renewal agency may plan or undertake consistent with an approved urban renewal plan. ORS 457.170 includes the following authorized activities:

- To carry out any work or undertaking and exercise any powers which a housing authority is authorized to perform or exercise under ORS 456.055 to 456.235, subject to the provisions of this chapter

provided, however, that ORS 456.155 and 456.160 do not limit the power of the agency in the event of a default by a purchaser or lessee of land in an urban renewal plan to acquire property and operate it free from the restrictions in those sections.

- To carry out any rehabilitation or conservation work in an urban renewal area.
- To acquire real property, by condemnation if necessary, when needed to carry out the plan.
- To clear any areas acquired, including the demolition, removal or rehabilitation of buildings and improvements.
- To install, construct or reconstruct streets, utilities, and site improvements in accordance with the urban renewal plan.
- To carry out plans for a program of the voluntary repair and rehabilitation of buildings or other improvements in an urban renewal area in accordance with the urban renewal plan.
- To assist in relocating persons living in, and property situated in, the urban renewal area in accordance with the approved urban renewal plan and to make relocation payments.
- To dispose of, including by sale or lease, any property or part thereof acquired in the urban renewal area in accordance with the approved urban renewal plan.
- To plan, undertake and carry out neighborhood development programs consisting of urban renewal project undertakings in one or more urban renewal areas which are planned and carried out on the basis of annual increments in accordance with the provisions of this chapter for planning and carrying out urban renewal plans.
- To accomplish a combination of the things listed in this section to carry out an urban renewal plan.

Additionally, activities must be consistent with the goals and policies set forth in the City's Comprehensive Plan and other adopted policy documents and must be located within the renewal area boundary. Limited exceptions may apply on a proportionality basis, e.g. a sewage treatment plant which serves the Urban Renewal area.

Identified and Potential Project Activities

At the time of preparing this feasibility report, there was no formal list of approved project activities for the preliminary urban renewal project area. However, the City's primary purpose for creating the urban renewal district is to fund local costs associated with completing the South Redmond Corridor Plan. Other eligible projects have been identified through thorough reviews of existing capital facility master plans and interviews with staff of the City, overlapping taxing districts, and utility providers in the area.

The schedule presented in the table below provides estimated project costs and likely timing for the Highway 97 South Redmond Corridor Plan. Estimated funding for other eligible projects and activities are also included.

Table 10. Proposed Project Activities

Description	Amount	Dates	Inflation Adjusted Amount
US 97 South Redmond Corridor Plan	\$30,829,000	2025-2033	\$36,844,000
Fire Station	4,500,000	2033-2037	6,056,400
Natural Gas/Electricity improvements	4,000,000	2022-2042	5,073,000
Industrial Opportunity Fund	5,000,000	2022-2042	6,341,000
Incentive Funding - SDCs, Capital Infrastructure	8,000,000	2022-2042	10,146,000
Small Loan Program	2,000,000	2022-2042	2,536,000
Communications improvements	1,000,000	2022-2042	1,268,000
Canal improvement contribution	4,000,000	2025-2033	4,780,000
Program administration - 9.5% of project costs	5,636,000	2021-2047	7,148,000
	\$64,965,000		\$82,391,000

Source: LCG

Transportation improvements

US 97 South Redmond Corridor Plan Project

- Joint project with Oregon Department of Transportation (ODOT)
- Improved connectivity of City street system to S. Highway 97 including but not limited to:
 - A. Roadway construction
 - B. Pedestrian facilities
 - C. Raised medians
 - D. Stormwater improvements
 - E. Traffic signal improvements
 - F. Design, construction engineering, right of way fee, right of way acquisition

Public Buildings

Fire Station

- A fire station will be needed to serve the area as the area develops
- Funding of \$4.5 million is included for this project

Note: If public building(s) are included in the Urban Renewal Plan, a legislative change in 2017 requires the concurrence of three of four taxing districts that are estimated to forego the most property tax revenue (The City, County, School District, and Fire District). Concurrence requires a vote of the governing body of each of the four taxing districts. Failure of a governing body to take action (resolution) within 45 days of notice is considered concurrence.

Utilities to Serve the Area Within the Preliminary Boundary

City Utilities and Infrastructure

- Water, Wastewater and Stormwater systems will need to be constructed in order for the area to develop. The City's master plans anticipate these improvements. Funding for these improvements are generally provided by system development charges and utility rates.
- Local street and sidewalk improvements will need to be constructed in order for the area to develop. The City's master plans anticipate these improvements. Funding for these improvements are generally provided by developers.
- The schedule above includes \$13.0 million of funding to assist developers with the cost of these facilities (Industrial Opportunity Fund, Incentive Funding)

Other Utilities

- Cascade Natural Gas - natural gas improvements
- Pacific Power - electricity infrastructure
- Irrigation District – piping canal
- Communications – telephone and high speed internet

The schedule above includes \$9.0 million in funding assistance for these utilities.

Note that the funding for City utilities and infrastructure and other utilities could be structured in a variety of ways. Total funding allocated to assist developers and the utilities with completion of the required improvements to serve the area in the feasibility analysis is \$22.0 million.

Small Loan Program

- Program to facilitate improvements to existing properties.
- \$2.0 million is allocated towards this program.

Program Administration

- Program administration is estimated at 9.5% of project costs.
- Estimated program administration costs are \$5.6 million.

Finding: The project activities in the schedule above meet the requirements of ORS 457 and will help to remove the deficient conditions found within the preliminary urban renewal area. The improvement projects listed are similar to those typically undertaken in other urban renewal districts in Oregon.

5. Financial Feasibility

ORS Requirements

ORS 457.085 (3) (g) requires that a renewal plan be accompanied by "a financial analysis of the plan with sufficient information to determine feasibility." A feasibility analysis typically estimates the tax increment resources that will be available to carry out the proposed activities, estimates when the resources will be available, and the period of time necessary to fund the cost of proposed activities. Determining financial feasibility relies on making reasonable economic and financial assumptions, including but not limited to increases in assessed value, the pace of anticipated development, property tax rates, limits or restrictions on revenue, identification of other resources, the use of debt, its timing, the scope, cost, timing and interrelations

of planned capital investment requirements to facilitate growth and increases to assessed value and other program requirements.

Estimate of Revenues to Pay for Plan Activities

The tax increment revenues to pay for project activities will be generated by the increase in assessed values within the preliminary area boundary. Under Ballot Measure 50, growth in assessed values can come in two ways:

- A maximum of three percent growth in value from the previous years' assessed value on a property by property basis.
- The assessed value from new construction or major renovation projects in the area.

Therefore, even if there is no new construction within a renewal area, overall values may increase by up to the three percent allowed by Ballot Measure 50.

For purposes of providing an estimate of revenues, we have made the following assumptions:

- The duration of tax increment collection for the renewal plan is 25 years.
- The frozen base assessed value is \$142,529,986, the value within the preliminary boundary area as of January 1, 2019.
- The plan will be adopted prior to August 31, 2020.
- The first tax increment revenue will be received in November 2021.
- The combined tax rate for calculating tax increment revenue is \$15.5104.
- Projected annual growth of 4.5 percent in existing incremental values in the area, together with the value of three significant projects underway at the time of writing this feasibility analysis (two hotels and an apartment complex). A growth rate of 4.5 percent is determined to be reasonable given the substantial amount of land available for new development in the area.

Table 11. Forecasted Tax Increment Revenue, Fiscal Years 2021-2046, 4.5% Growth Assumed

Year	Fiscal Year Ending June 30	Frozen Base (000's)	Forecast Assessed Value (AV) (000s)	Annual Change in AV (000s)	Cumulative Change in AV (000s)	Projected Tax Levy	Debt Capacity (millions)	Cumulative Tax Increment Revenue	Net Present Value - Discount Rate 3.5%
0	2021	0	157,060			0	0.00	0	0
1	2022	142,530	182,387	39,857	39,857	618,198	7.03	568,742	549,509
2	2023	142,530	209,256	66,726	106,583	1,034,947	11.77	1,536,348	1,452,780
3	2024	142,530	231,960	89,430	196,013	1,387,095	15.77	2,847,623	2,635,475
4	2025	142,530	250,721	108,191	304,204	1,678,086	19.08	4,450,936	4,032,669
5	2026	142,530	269,252	126,722	430,926	1,965,509	22.35	6,337,486	5,621,094
6	2027	142,530	289,153	146,623	577,549	2,274,182	25.86	8,524,848	7,400,514
7	2028	142,530	310,526	167,996	745,545	2,605,685	29.63	11,033,588	9,372,361
8	2029	142,530	333,479	190,949	936,494	2,961,696	33.67	13,887,086	11,539,341
9	2030	142,530	358,129	215,599	1,152,093	3,344,027	38.02	17,110,831	13,904,702
10	2031	142,530	384,599	242,069	1,394,162	3,754,587	42.69	20,732,162	16,471,932
11	2032	142,530	413,027	270,497	1,664,659	4,195,517	47.70	24,780,488	19,244,815
12	2033	142,530	443,556	301,026	1,965,685	4,669,034	53.09	29,287,366	22,227,392
13	2034	142,530	476,344	333,814	2,299,499	5,177,589	58.87	34,286,726	25,424,003
14	2035	142,530	511,554	369,024	2,668,523	5,723,710	65.08	39,814,948	28,839,238
15	2036	142,530	549,368	406,838	3,075,361	6,310,220	71.75	45,911,144	32,478,000
16	2037	142,530	589,977	447,447	3,522,808	6,940,082	78.91	52,617,296	36,345,478
17	2038	142,530	633,589	491,059	4,013,867	7,616,522	86.60	59,978,507	40,447,173
18	2039	142,530	680,424	537,894	4,551,761	8,342,951	94.86	68,043,189	44,788,884
19	2040	142,530	730,722	588,192	5,139,953	9,123,093	103.73	76,863,358	49,376,745
20	2041	142,530	784,738	642,208	5,782,161	9,960,903	113.25	86,494,858	54,217,208
21	2042	142,530	842,747	700,217	6,482,378	10,860,646	123.48	96,997,665	59,317,066
22	2043	142,530	905,045	762,515	7,244,893	11,826,913	134.47	108,436,201	64,683,462
23	2044	142,530	971,949	829,419	8,074,312	12,864,621	146.27	120,879,649	70,323,898
24	2045	142,530	1,043,800	901,270	8,975,582	13,979,058	150.00	134,402,313	76,246,246
25	2046	142,530	1,120,964	978,434	9,954,016	15,175,903	150.00	149,083,993	82,458,754

Source: LCG, GEL Oregon

Findings: The net present value of forecast tax increment revenue through fiscal year 2046 (25 years) is \$82.5 million using a 3.5 percent discount rate on cash flows. The forecast assumes the completion of known new construction projects within the area in years one and two, with 4.5 percent annual growth due to development thereafter. Additionally, the assessed value of existing properties is assumed to increase annually by 2.9 percent for real property and 2.0 percent for personal and utility property.

The forecast debt capacity, by fiscal year, of the proposed urban renewal district projects the Agency will have the capability to finance project and program costs totaling \$22.3 million by fiscal year 2026 (year 5), \$42.7

million by fiscal year 2031 (year 10) and \$86.6 million by fiscal year 2038 (year 17). This assumes the use of full faith and credit obligations (FFCO) with a term of 20 years and interest rate of 3.5 percent, as presented above.

Estimate of Project Costs

At the time of preparing this feasibility report, there were no estimates of project costs available, other than the primary project, i.e., the US 97 South Redmond Corridor Plan. In the absence of details on the scope of the possible activities shown in Section 4, our analysis instead uses a “revenue-side” approach to identifying costs. This approach involves estimating revenues to establish an estimate of funds available for anticipated capital development requirements within the area. The total tax increment revenues anticipated over a 20-year period are approximately \$149.1 million.

To determine what the forecast revenue stream is worth in 2020 dollars, the consultant applied a 3.5 percent discount rate to the annual revenues shown above. This indicates, in 2020 dollars, the revenues may support approximately \$82.5 million in project costs over the plan duration.

Estimate of Time Needed to Carry Out Plan Activities

ORS 457 imposes no time restrictions on carrying out an urban renewal plan. There is, however, a local policy issue and decision regarding how long the plan may operate before it can retire project indebtedness and return increased assessed value in the area to the tax rolls of the overlapping taxing districts.

The revenue projections shown above are limited to a 25-year period. This period appears adequate to collect sufficient tax increment to pay the anticipated eligible project and program costs. Should there be any changes to the projects, programs, costs, timing, or other assumptions regarding the amount and timing of tax increment collections, the time necessary to pay eligible project and program costs could change significantly.

Estimate of Maximum Indebtedness to Carry Out Plan Activities

With the passage of Ballot Measure 50, ORS 457 requires that a “maximum indebtedness” figure be put into the renewal plan. This figure represents the limit of the tax increment revenue that the City may take in to cover project costs, excluding interest on debt. ORS 457 imposes no restrictions on the maximum indebtedness of a renewal plan. The debt limit is based on good faith estimates of costs and inflation. No maximum indebtedness figure needs to be established at this stage. Projects and project costs should be defined through the public process in developing an urban renewal plan, and at that time the maximum indebtedness for the plan will be established.

Financial Feasibility Evaluation

The forecast of tax increment revenues shows the collection of approximately \$149.1 million during the 25-year duration of the plan (“Cumulus Tax Increment Revenue” column, year 25). Adjusted to 2020 dollars, this would allow the City to undertake roughly \$82.5 million in project and program activities over the duration of the plan. This amount allows the City to make meaningful and timely contributions to the project activities included in the list of recommendations in Section 4 of this report.

Findings: The estimated tax increment revenues are sufficient, discounted to 2020 dollars, to carry out or assist in carrying out the projects listed in Section 4 of this report. The revenue estimates are based on good faith assumptions about growth in the area. If those assumptions prove incorrect, project and program activities may

need to be deferred and or reduced in scope, other funding secured, or the duration of the plan extended. The assumption of a 25-year duration of tax increment collection is presented to demonstrate feasibility only.

An urban renewal district formed within the preliminary boundaries identified appears to be financially feasible.

6. Tax Impacts of an Urban Renewal Plan

Under Oregon's present property tax-based system, total tax rates will not change as a result of adopting an urban renewal program. Thus, there will be no effect on taxpayers from the establishment of an urban renewal district. Instead, the potential revenues raised by taxing bodies will be affected. The new value 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.

K-12 Schools: It should be noted that under the current system of funding K-12 schools, establishing an urban renewal area does not impact the per-student revenue for schools. The funding per student is derived from a complex formula that establishes a uniform-per-student funding level throughout the State. The amount of funds received by Redmond schools is determined by this formula, not by the amount of property taxes raised locally.

The following schedule shows the estimated foregone property tax revenue for the overlapping taxing jurisdictions based on the value growth assumptions outlined in this report. **It is important to keep the following in mind when looking at the schedule:**

- The potential impact on the school district is shown simply to demonstrate the tax rate calculation. As noted above, however, urban renewal will have no impact on K-12 per student funding, i.e., there will be no reduction in school funding resulting from the creation of an urban renewal district.
- The estimated amounts of foregone revenue assume all the development and increased property values would occur, even without the renewal programs' outlays for area improvements. In reality, the value created by new development would be less or slower without the tax increment funding.

Table 12. Estimated Foregone Property Tax Revenue – Government, Fiscal Years 2021-2046

Fiscal Year Ending June 30	City of Redmond	Deschutes County	County Library	Countywide Law Enforcement	County Extension - 4H	9/1/2001	Redmond Fire & Rescue	Redmond Park & Recreation	Total General Government
2020	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-
2022	175,773	48,558	21,921	43,046	893	14,420	69,917	14,815	389,343
2023	294,268	81,292	36,699	72,064	1,495	24,141	117,051	24,802	651,812
2024	394,395	108,953	49,187	96,584	2,003	32,356	156,878	33,241	873,597
2025	477,133	131,809	59,505	116,846	2,423	39,144	189,789	40,215	1,056,864
2026	558,857	154,385	69,697	136,860	2,839	45,848	222,296	47,103	1,237,885
2027	646,622	178,631	80,643	158,353	3,284	53,048	257,206	54,500	1,432,287
2028	740,879	204,670	92,398	181,436	3,763	60,781	294,699	62,444	1,641,070
2029	842,104	232,633	105,022	206,225	4,277	69,085	334,963	70,976	1,865,285
2030	950,813	262,664	118,579	232,847	4,829	78,004	378,204	80,138	2,106,078
2031	1,067,549	294,913	133,138	261,435	5,422	87,581	424,637	89,977	2,364,652
2032	1,192,919	329,547	148,773	292,137	6,059	97,866	474,506	100,544	2,642,351
2033	1,327,555	366,740	165,564	325,108	6,743	108,911	528,060	111,891	2,940,572
2034	1,472,153	406,686	183,598	360,519	7,477	120,774	585,577	124,079	3,260,863
2035	1,627,433	449,582	202,963	398,546	8,266	133,513	647,342	137,166	3,604,811
2036	1,794,196	495,651	223,761	439,385	9,113	147,194	713,675	151,222	3,974,197
2037	1,973,286	545,125	246,096	483,243	10,023	161,886	784,912	166,316	4,370,887
2038	2,165,619	598,257	270,082	530,344	11,000	177,665	861,416	182,527	4,796,910
2039	2,372,166	655,316	295,842	580,926	12,049	194,610	943,574	199,935	5,254,418
2040	2,593,986	716,594	323,506	635,247	13,176	212,808	1,031,806	218,631	5,745,754
2041	2,832,202	782,402	353,214	693,585	14,385	232,351	1,126,561	238,709	6,273,409
2042	3,088,027	853,074	385,119	756,234	15,685	253,339	1,228,321	260,271	6,840,070
2043	3,362,767	928,972	419,383	823,516	17,080	275,878	1,337,604	283,427	7,448,627
2044	3,657,821	1,010,481	456,180	895,773	18,579	300,084	1,454,967	308,295	8,102,180
2045	3,974,691	1,098,017	495,699	973,372	20,188	326,079	1,581,008	335,002	8,804,056
2046	4,314,992	1,192,026	538,139	1,056,709	21,917	353,997	1,716,369	363,684	9,557,833
Totals	43,898,206	12,126,978	5,474,708	10,750,340	222,968	3,601,363	17,461,338	3,699,910	97,235,811

Source: GEL Oregon

Table 13. Estimated Foregone Property Tax Revenue – Education, Fiscal Years

Fiscal Year Ending June 30	Central Oregon Community College	High Desert ESD	Redmond School District #2J	Total Education	Total
2020	-	-	-	-	-
2021	-	-	-	-	-
2022	24,727	3,842	200,285	228,854	618,197
2023	41,397	6,432	335,305	383,134	1,034,946
2024	55,482	8,621	449,395	513,498	1,387,095
2025	67,122	10,430	543,671	621,223	1,678,087
2026	78,618	12,216	636,791	727,625	1,965,510
2027	90,965	14,134	736,795	841,894	2,274,181
2028	104,225	16,195	844,197	964,617	2,605,687
2029	118,465	18,407	959,538	1,096,410	2,961,695
2030	133,758	20,784	1,083,407	1,237,949	3,344,027
2031	150,180	23,335	1,216,421	1,389,936	3,754,588
2032	167,816	26,076	1,359,275	1,553,167	4,195,518
2033	186,757	29,019	1,512,686	1,728,462	4,669,034
2034	207,098	32,180	1,677,449	1,916,727	5,177,590
2035	228,942	35,574	1,854,383	2,118,899	5,723,710
2036	252,402	39,219	2,044,402	2,336,023	6,310,220
2037	277,596	43,134	2,248,466	2,569,196	6,940,083
2038	304,653	47,338	2,467,621	2,819,612	7,616,522
2039	333,709	51,853	2,702,971	3,088,533	8,342,951
2040	364,914	56,702	2,955,724	3,377,340	9,123,094
2041	398,426	61,909	3,227,159	3,687,494	9,960,903
2042	434,415	67,501	3,518,661	4,020,577	10,860,647
2043	473,064	73,506	3,831,714	4,378,284	11,826,911
2044	514,572	79,956	4,167,913	4,762,441	12,864,621
2045	559,148	86,882	4,528,972	5,175,002	13,979,058
2046	607,020	94,321	4,916,729	5,618,070	15,175,903
Totals	6,175,471	959,566	50,019,930	57,154,967	154,390,778

Source: GEL Oregon

Note: The difference between the forecast tax collections (\$149.1 million) and the foregone tax revenue (levies) of \$154.4 million, or \$5.3 million is due to discounts taken by taxpayers paying taxes in November of the levy year, approximately 2.5%, with the exception of years 23-25, when delinquent tax collections are not fully recognized until after year 25.

SUMMARY OF FEASIBILITY FINDINGS

The previous sections of this analysis have provided information on each of the key issues that should be evaluated in making the decision to proceed with an urban renewal plan. In summary, the feasibility findings are:

- The plan area proposed is within the acreage and total value limits established by ORS 457.
- The preliminary area proposed contains blighting conditions as defined by ORS 457.
- The scheduled project activities meet the eligibility requirements for tax increment funding.
- The assumptions used to estimate tax increment revenues are good faith assumptions, based on the information available, and concurred to by City staff.
- The duration needed to carry out plan activities is estimated at twenty five years and is typical of the duration used for newly adopted urban renewal plans.
- Given the tax increment revenue assumptions, project cost information, and program funding included in the feasibility study, forecasted tax increment revenue is adequate to fund the scheduled project activities to achieve the plan objectives.

On the basis of the above findings, there is no evidence of any technical or legal obstacles to the feasibility of establishing an urban renewal plan for the study area shown on the boundary map.

**REDMOND FIRE & RESCUE
RESOLUTION NO. 2020-06**

**A RESOLUTION SUPPORTING THE CREATION OF THE REDMOND SOUTH US 97
URBAN RENEWAL DISTRICT.**

WHEREAS, the BOARD recognizes that the City of Redmond has experienced pronounced growth and development throughout the last twenty years; and

WHEREAS, the City of Redmond is tasked with strategically responding to this rapid regional growth and its impacts on community safety and mobility, including along the South Redmond US Highway 97 Corridor; and

WHEREAS, the BOARD values and understands that improving the safety, mobility, and economic vitality of this Corridor, as well as the South Redmond Tract, is a vital part of the success of our regional growth and development; and

WHEREAS, the Corridor area is currently challenged by dangerous road conditions, insufficient infrastructure, and blight, and is growing economically at a significantly lower rate than surrounding areas; and

WHEREAS, a feasibility study was conducted, finding that the proposed urban renewal area encompassing the US 97 Corridor and the South Redmond Tract meets the state statutory requirements for the creation of an urban renewal district; and

WHEREAS, the proposed projects in the Urban Renewal Plan will address the safety, mobility, and economic vitality of the Plan area, and urban renewal will generate sufficient revenues through tax increment financing to support those proposed projects.

NOW, THEREFORE, BE IT RESOLVED THAT the BOARD agrees that the investments proposed for the Redmond South US 97 Urban Renewal District will prove to bring about long-term positive change and effectively leverage state, federal and private resources to build a more prosperous future for all of Central Oregon.

The BOARD supports the adoption of the South Redmond US97 Urban Renewal District.

The above resolution statements are **ADOPTED** by the District Board and **SIGNED** by Board President this 21st day of October, 2020.

ATTEST:


Carroll Penhollow, Board President


Diane Cox, District Recorder

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON

A Resolution in Support of the Proposed South
Redmond US 97 TIF Plan (Urban Renewal)

*
*
*

RESOLUTION NO. 2020-065

WHEREAS, ORS Chapter 457 generally allows municipalities to establish urban renewal agencies in order to access Tax Increment Financing (TIF) to service debt associated with identified urban renewal projects; and

WHEREAS, to qualify for TIF, urban renewal projects must specifically address “blighted areas” as broadly defined in ORS 457.010; and

WHEREAS, the list of proposed urban renewal projects appears to address blighted areas and positions the City of Redmond for continued strong economic growth; and

WHEREAS, Deschutes County will benefit from investment in the large lot industrial area south of the Fair & Expo Center, including the southerly extension of 19th Street; and

WHEREAS, the ongoing and future impacts of COVID-19 to the economy of Bend, Deschutes County and Central Oregon are continuing to emerge and may not be fully identified and understood for years; and

WHEREAS, Deschutes County suggests that the City of Redmond, in consideration of the uncertainty associated with COVID-19 impacts on government budgets, consider an amendment to the proposed South Redmond US 97 TIF which provides that the subject TIF tax revenue will not be redirected from the countywide taxing district during FY 22; now therefore,

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF DESCHUTES COUNTY, OREGON, AND ALSO AS THE GOVERNING BODY FOR THE COUNTYWIDE LAW ENFORCEMENT DISTRICT, THE DESCHUTES COUNTY EXTENSION / 4-H DISTRICT, AND THE DESCHUTES COUNTY 911 SERVICE DISTRICT as follows:

Section 1. Pursuant to applicable provisions of ORS Chapter 457, Deschutes County, the Countywide Law Enforcement District, the Deschutes County Extension / 4-H District, and the Deschutes County 911 Service District, in the interest of improving blighted areas and continued economic growth, each support the proposed South Redmond US 97 TIF.

Section 2. Deschutes County encourages that the City of Redmond, in consideration of the uncertainty associated with COVID-19 impacts on government budgets, amend the proposed South Redmond US 97 TIF to provide that the subject TIF tax revenue will not be redirected from the countywide taxing district during FY 22.

Section 3. This Resolution shall take effect immediately from and after its adoption.

Dated this 7 of October, 2020

BOARD OF COUNTY COMMISSIONERS
OF DESCHUTES COUNTY, OREGON



PATTI ADAIR, Chair

ATTEST:



Recording Secretary

opposed

ANTHONY DeBONE, Vice Chair



PHILIP G. HENDERSON, Commissioner



P: 541.923.5437

F: 541.923.5142

145 SE Salmon Dr | Redmond, OR 97756

www.redmond.k12.or.us

DATE: September 23, 2020
TO: Redmond City Council
FROM: Redmond School District 2J, Board of Directors
RE: Redmond South US 97 Urban Renewal District

On behalf of the Board of Directors of the Redmond School District, this letter confirms our support for the creation of the Redmond South US 97 Urban Renewal District.

As the hub of Central Oregon, Redmond has experienced pronounced growth and development throughout the last twenty years. This growth is noticeable and problematic along the South US 97 corridor. As the primary north-south route through Redmond, US 97 improvements need to occur which address the safety, mobility and connectivity of the corridor while also catalyzing economic development.

A strategic investment of tax increment resources will help preserve and improve Redmond's small-town character and benefit the thriving industrial traded sector businesses.

We believe the projects proposed for the Redmond South US 97 Urban Renewal District will prove to bring about positive change and effectively leverage state, federal and private resources as build to a more prosperous future for all of Central Oregon.

We support the establishment of this District.

Sincerely,

Tim Carpenter
Board Chair



2804 SW Sixth Street, Redmond, OR 97756 / P 541.693.5600 / F 541.638.9646 / www.hdesd.org

September 16, 2020

Redmond City Council

RE: Redmond South US 97 Urban Renewal District

On behalf of the High Desert Education Service District Board of Directors, this letter confirms our support for the creation of the Redmond South US 97 Urban Renewal District.

As the hub of Central Oregon, Redmond has experienced pronounced growth and development throughout the last twenty years. This growth is noticeable and problematic along the South US 97 corridor. As the primary north-south route through Redmond, US 97 improvements need to occur which address the safety, mobility and connectivity of the corridor while also catalyzing economic development.

A strategic investment of tax increment resources will help preserve and improve Redmond's small-town character and benefit the thriving industrial traded sector businesses.

We believe the projects proposed for the Redmond South US 97 Urban Renewal District will prove to bring about positive change and effectively leverage state, federal and private resources as build to a more prosperous future for all of Central Oregon.

We support the establishment of this District.

Sincerely,

A handwritten signature in blue ink, appearing to read "Scott Reynolds", is written over a light blue horizontal line.

Scott Reynolds
HDESD Board Chair





Redmond Area Park and Recreation District

P.O. Box 843 • 465 SW Rimrock Dr. • Redmond, OR 97756 • 541/548-7275

DATE: October 13, 2020
TO: Redmond City Council
FROM: Redmond Area Park and Recreation District
RE: Redmond South US 97 Urban Renewal District

On behalf of the Redmond Area Park and Recreation District Board of Directors, this letter confirms our support for the creation of the Redmond South US 97 Urban Renewal District.

Redmond has experienced pronounced growth and development throughout the last twenty years. This growth is noticeable and problematic along the South US 97 corridor. As the primary north-south route through Redmond, US 97 improvements need to occur which address the safety, mobility and connectivity of the corridor while also catalyzing economic development. Additionally, RAPRD encourages livability and recreation projects to be included in the plan where feasible.

A strategic investment of tax increment resources will help preserve and improve Redmond's small-town character and benefit the thriving industrial traded sector businesses.

We believe the projects proposed for the Redmond South US 97 Urban Renewal District will prove to bring about positive change and effectively leverage state, federal and private resources as build to a more prosperous future for all of Central Oregon.

We support the establishment of this District.

Sincerely,

A handwritten signature in blue ink, appearing to read "Katie Hammer", is written over a thin horizontal line.

Katie Hammer
Executive Director

"Always Ready To Play..."



DATE: October 14, 2020
TO: Redmond City Council
FROM: Deschutes Public Library
RE: Redmond South US 97 Urban Renewal District

On behalf of the Deschutes Public Library Board of Directors, this letter confirms our support for the creation of the Redmond South US 97 Urban Renewal District.

We believe the projects proposed for the Redmond South US 97 Urban Renewal District will prove to bring about positive change and effectively leverage state, federal and private resources so as to build a more prosperous future for all of Central Oregon.

We support the establishment of this District.

Sincerely,

A handwritten signature in dark ink that reads "Martha Lawler". The signature is written in a cursive, flowing style.

Martha Lawler
Board President



S. HWY. 97 URBAN RENEWAL DISTRICT: Outreach Feedback and Frequently Asked Questions

URBAN RENEWAL/TAX INCREMENT FINANCING (TIF) GENERALLY

How does Tax Increment Financing work?

When property valuations for a designated area are not rising at the same rate as the area around it, an Urban Renewal District can be established. The District Plan lines out projects to help raise property values (and by extension tax collections) for the area. Once created, the existing or base tax collections still flow to the taxing districts (schools, local government, etc.) but the growth or increment in valuation is leverage by the District to invest in projects to raise the values. Once a District is closed, the new, higher valuation is returned to the taxing districts.

Does TIF increase property owners' taxes?

No. TIF is not a new tax on property and does not increase the amount a property owner pays in property taxes. Property taxes are based on the tax rate and the property's assessed value and increases as the assessed value grows. TIF does not increase the tax rate.

How does TIF generate revenue if it does not increase property taxes?

The financial impact of TIF is on taxing jurisdictions, not individual taxpayers. TIF revenues are generated from increases in assessed value of property within a TIF area after it is formed. While the TIF area is active, other taxing jurisdictions' revenue from that area remains largely fixed, and the tax revenue from the increase in assessed values goes to the Urban Renewal Agency to pay for projects that help to spur new investment. When the TIF area expires, taxing jurisdictions can expect to receive more tax revenue than they would have without a TIF area, due to the increased assessed values stemming from the increased investment in the area.

What are the steps for creating a TIF area/plan?

A TIF area is created through a process that includes community input, notice to impacted taxing jurisdictions, and review by the Urban Renewal Agency, the Planning Commission, Deschutes County Commission, and the Redmond City Council. The City Council hearing notice must be sent to each individual household in the City. Adoption of a plan must be by non-emergency ordinance by the City Council. The plan, together with an accompanying TIF report, identifies the goals of the TIF area and projects to be funded with TIF revenue, describes how the area complies with statutory requirements for blight, projects tax increment revenues, and identifies a maximum amount of debt a TIF area can incur, among other topics.

Does TIF affect school district funding?

School districts are not directly affected by TIF. Under Oregon's school funding law, the Oregon Department of Education combines property tax revenues with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone due to the use of tax increment financing are replaced with State School Fund revenues, as determined by the state

funding formula. While TIF statewide has an impact on the amount of funding in the State School Fund, the legislature can re-allocate other funding sources to the State School Fund.

What are the benefits of TIF?

Over the long term, the TIF area could produce significant revenues for capital projects and spur private investment/development. Some examples of TIF investments include:

- Capital improvement loans for small or startup businesses
- Storefront improvement grants for improvements to existing properties
- Streetscape improvements and transportation enhancements, including new lighting, trees, sidewalks, and intersection improvements
- Redevelopment projects, such as mixed-use or infill housing developments
- Historic preservation projects
- Parks and plazas
- Utility or infrastructure projects to support new development

S. HWY. 97 URBAN RENEWAL DISTRICT

Financials

What is the Maximum Indebtedness for the District?

The Maximum Indebtedness is \$85.5M. This includes all money spent on projects, programs, and administration of the Plan. It does not include indebtedness incurred to refund or refinance existing indebtedness, nor does it include interest payments.

Why does the Maximum Indebtedness not equal the lower cost of the projects added together?

The project costs include only the actual costs to complete the projects, while the Maximum Indebtedness includes other cost considerations related to the implementation of the Plan, such as Plan administration and staffing costs.

When can Overlapping Taxing Districts expect to receive the increased tax revenue once the District closes?

2046 is the last date to issue debt, and it typically takes 3-5 years after that date to pay off all the debt that has been issued. Once that indebtedness is fully paid then the base plus the increment (the tax revenue growth) flow back to the taxing jurisdictions.

How have other Urban Renewal Districts in Redmond performed?

Downtown Urban Renewal District: The Assessed Value has grown from a frozen base of \$72M to \$288M to date (4x growth rate). \$9M has leveraged \$46M; For every \$1 of UR funding invested, Downtown has yielded \$5 of private investment.

South Airport Urban Renewal District: The Assessed Value grew from a frozen base of \$725K to \$63M – 8:1 growth ratio.

When will enough TIF be generated to leverage state and federal funds (i.e. When will work begin)?

Projects are scheduled to begin in fiscal year 2021-22. ODOT is willing to partner with the City to begin the corridor work in full and on schedule.

Does the South Redmond Tract carry the majority of the projected tax revenue growth?

Financial projections have not been broken out specifically parcel-by-parcel in the Plan, but rather calculated in the District's entirety. However, the Plan and Report do breakout percentages of parcels by land use type, site condition, development status, exterior condition, and occupancy.

Projects and Activities

Why is the South Redmond Tract included in the Plan? Can the District just encompass the South US97 corridor?

The two areas are intrinsically tied together both in proximity, need, and improvement timelines. ODOT's road repaving timeline is a ticking clock, and they are required to repave that section of US97 within the next 3-5 years. We can save significant public resources by doing this work together, particularly the infrastructure, (public utilities, gas, power, communications, roads) at the same time under the same Urban Renewal financing umbrella. If we do not use tax increment financing to bring infrastructure to the South Redmond Tract, that prime job and employment land will remain undeveloped.

What is the current maintenance schedule for the South 97 Corridor?

The Oregon Department of Transportation is planning to repave US97 in 2025.

Did the Oregon Transportation Commission approve the Facility Plan?

The Facility Plan is expected to be adopted by the OTC at the beginning of 2021. It was adopted by the City with the formal adoption of the Transportation System Plan.

How will industrial incentive programs be developed?

Incentive program specifics are still being developed, however the Urban Renewal Agency plans to work closely with Redmond Economic Development, Inc. (REDI) for guidance on program development.

How did you define blight?

Staff referenced several points of evidence of blight as defined in the Plan. Blighting influences include large vacant sites, insufficient and undersized infrastructure, deteriorating or substandard buildings and property improvements, vacant buildings, inadequate and incomplete street and sidewalk systems, and inefficient and unsafe traffic conditions.

Where will the fire station go?

Generally speaking the service need is in the south side of the City. While a site has yet to be determined, it could likely be built near the airport or fairgrounds.

If a new fire station is built, does RF&R have the capacity and resources to staff it?

Yes. It could be staffed immediately and would be the busiest station on day 1. Equipment will need to be acquired, however at least one ambulance from the downtown station could transition over.

What can UR fund for the fire station? Can it pay for the entire project?

UR funding plays a role of gap financing and leveraging other resources. The funding planned for the station would only cover part of the facility and would be implemented as match dollars.

Is there a possibility for a facility partnership with other taxing districts?

Other than the fire station, there are no project activities contemplated in the Plan that specifically call out facility partnerships with other taxing districts.

Will there be lands set aside as open space in the South Redmond Tract?

The focus will be to provide infrastructure for the development of the industrial sector, however developers of that area may include open space as part of the master plan.

Will there be any new east-west connections to the South Redmond Tract?

The City is working on long-planning to eventually extend Quarry Avenue through the South Redmond Tract Area. This extension is not a specific part of the Urban Renewal Plan, but is part of the City long-range planning efforts for eventual development.

How do COID piping projects sync up with the ODOT?

We are coordinating with both agencies to ensure timelines and projects are synced up and proceed as efficiently as possible.

How will freight delivery be addressed?

The Corridor Plan design work suggests improved access with frontage roads. The final design work will be in cooperation with the business owners.

How will the new signalized intersections work?

The better coordinated signals will improve efficiencies. Less stacking at lights means that traffic can move through more efficiently.

Will there be housing developments funded by UR in this District?

The district would have a focus on safety and economics. UR housing funding in the downtown will continue to ramp up as we work with our partners to help address the housing crisis.

Would taxing district partners have representation on the District's advisory board, once it is formed?

Yes, we plan on having input and membership from all stakeholders to ensure a balanced decision-making process. We expect to begin forming this board summer of 2021.

CITY OF REDMOND

ORDINANCE NO. 2020-19

AN ORDINANCE OF THE CITY OF REDMOND APPROVING THE ESTABLISHMENT OF THE SOUTH 97 URBAN RENEWAL DISTRICT AND DIRECTING THAT NOTICE OF APPROVAL BE PUBLISHED.

WHEREAS, the Redmond Urban Renewal Agency (the "Agency") has prepared and proposed to the City of Redmond City Council for its approval the South 97 Urban Renewal Plan and Report ("Plan"); and

WHEREAS, such Plan has been prepared in conformity with the requirements of ORS 457.085 and with public involvement in all stages of the development; and

WHEREAS, pursuant to applicable state and local law, the City of Redmond has provided public notice, including additional notice as required by ORS 457.120, and has considered public testimony regarding the Plan; and

WHEREAS, the Plan was forwarded to the Redmond Planning Commission for any recommendations as required by ORS 457.089 for the establishment of an urban renewal district, and the Planning Commission reviewed the Plan on September 21, 2020, and voted unanimously to forward their recommendation of support to City Council for its consideration; and

WHEREAS, the City mailed copies of the Plan to the taxing districts affected by the establishment of the proposed urban renewal district on August 30, 2020, and has received written concurrence of taxing districts imposing at least 75 percent of the amount of taxes imposed under permanent rate limits in the urban renewal area per ORS 457.470; and

WHEREAS, City Council has reviewed the Plan; and

WHEREAS, City Council finds the Plan should be adopted and approved, based on the findings listed below.

NOW, THEREFORE, THE CITY OF REDMOND ORDAINS AS FOLLOWS:

SECTION ONE: FINDINGS. In support of its adoption of the Plan, the following findings of fact and conclusions are adopted:

1. Based upon the Report accompanying the Plan and other information, the area described in the South 97 Urban Renewal Area, is blighted by virtue of:
 - a. The Area contains a high percentage of parcels of vacant and undeveloped or underdeveloped land.

- b. The Area lacks adequate multimodal access, circulation, and connectivity. In particular, east-west connections are highly limited.
 - c. The Area lacks adequate sidewalks with 62 percent of parcels with incomplete or missing sidewalks.
 - d. The Area lacks safe bicycle routes connecting key destinations.
 - e. Much of the Area has a poor aesthetic appearance. Landscaping and streetscapes are inconsistent and, in some locations, inadequate or lacking. Overhead utilities contribute to visual clutter and help produce an environment not conducive to new investment in the area.
 - f. The highway commercial properties lack alternative access to improve ingress and egress.
2. That the rehabilitation and redevelopment of the Plan area is necessary to protect the public health, safety or welfare of the City of Redmond.
 3. That based on information contained in Sections 400, 600 and 700 of the Plan and other information, the Plan conforms to the City's Comprehensive Plan as a whole, and provides an outline for accomplishing the projects proposed.
 4. That based on Section 400 of the Plan and Section 100 of the accompanying Report, the Plan conforms to the Economic Development goals of the City's Comprehensive Plan and that the City does not have a separate Economic Development Plan.
 5. That the acquisition of real property as provided for in the Plan is necessary for purposes of ending blight in the geographic area as described in the Plan.
 6. That based on Section 500 and Appendices A, B, C, D, and E of the Report accompanying the Plan and other information, the adoption and carrying out of the urban renewal plan is economically sound and feasible.
 7. That the City shall assume and complete any activities prescribed by the urban renewal plan.
 8. That the Redmond City Council hereby incorporates by reference the South 97 Urban Renewal Plan, attached to this Ordinance as Exhibit "A", as support for its above-mentioned findings.
 9. That City Council further relies on the South 97 Urban Renewal Report, attached to this Ordinance as Exhibit "B", which is incorporated by reference.

SECTION TWO: INTENT OF CITY COUNCIL. It is anticipated the Plan will be reviewed periodically during the execution of the Project. The Plan may be changed, modified, or amended as future conditions warrant. All amendments shall be governed by state and local laws and ordinances.

SECTION THREE: BASED UPON THE FINDINGS IN SECTION ONE.

1. City Council hereby adopts and approves the South 97 Urban Renewal Plan, pursuant to the provisions of ORS 457.
2. City Council further directs the City Recorder as follows:
 - a) To record a copy of the Ordinance approving the South 97 Urban Renewal Plan with the Recording Officer of Deschutes County, Oregon, pursuant to ORS 457.125; and
 - b) To send a copy of this Ordinance to the Urban Renewal Agency for the City of Redmond, Oregon; and
 - c) To publish notice of adoption of the South 97 Urban Renewal Plan in accordance with ORS 457.095, 457.115 and 457.135 within four days following adoption of this Ordinance by City Council.

SECTION FOUR: EFFECTIVE DATE. January 8, 2021

PASSED by City Council and **APPROVED** by the Mayor this 8th day of December 2020.

George Endicott, Mayor

ATTEST:

Kelly Morse, City Recorder

December 2020

Urban Renewal Plan

South 97 Urban Renewal Area



Prepared for:

City of Redmond, Oregon
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EXECUTIVE SUMMARY

As the hub of Central Oregon, Redmond has experienced pronounced growth and development throughout the last 20 years. Attracting newcomers from all over, Redmond has become a mid-sized community of 30,000 residents, with an annual growth rate of approximately 2.4 percent. By 2040, the population is expected to grow to nearly 50,000.

Known for its progressive and innovative leadership, Redmond enjoys a state-wide reputation for its ability to successfully undertake efforts that improve the community. The most immediate challenge Redmond faces is how to strategically respond to rapid regional growth while preserving and improving assets like Redmond's small-town character, thriving traded sector and industrial businesses, distinct neighborhood identities, access to nature and outdoor recreation, and important public spaces like the Dry Canyon.

Managing the growth impacts of the South Redmond US Highway 97 (US97) corridor is critical. As the primary north-south route through Redmond, US97 is central to the community's ability to succeed in the areas of safety, mobility, connectivity, and economic development.

In 2019, following a decade of research and outreach, the Oregon Department of Transportation (ODOT), the City of Redmond (City), and local committees completed a joint study of the highway and made recommendations to accommodate its growing use. This study, referred to in this South 97 Urban Renewal Plan ("Plan") as the Redmond South US 97 Corridor Plan ("Corridor Plan"), included a recommended concept intended to enhance corridor safety, improve access to businesses, beautify the highway, create bicyclist- and pedestrian-friendly routes, develop east/west linkages, and enhance economic development and business vitality for long-term community health and sustainability.



The Corridor Plan also identifies several potential funding sources for these improvements, one of which is the creation of an urban renewal area. Urban renewal is one of the only funding mechanisms in the State of Oregon that can raise funds for projects without raising taxes for the local residents through the use of tax increment financing ("TIF").¹ The tax increment is the difference between the total assessed value of the urban renewal area in a given year and the original frozen base value.

Tax revenue from the increment value is diverted from other taxing districts in the Urban Renewal Area ("Area") and invested in projects to make improvements in infrastructure that lead to jobs, advance public policy objectives, and accelerate growth in property taxes.

The City staff spent more than two years working with stakeholders to evaluate conditions in the corridor and potential investments that would benefit from tax increment financing. This work included a parcel-by-parcel assessment to understand the extent of the blighted conditions. A feasibility study found that urban renewal would be an appropriate tool to generate sufficient revenues to support the identified projects in the Plan.

¹ Similar tax increment funding was utilized by the City of Redmond for North Highway 97 and related improvements in the 2000s.

Figure 1. US 97 Corridor Plan Rendering



Source: SERA Architects (from US 97 SRC Facility Plan, "US 97 Corridor Plan")

Plan Boundary, Description, Condition

The 1330.5-acre Urban Renewal Area boundary was determined by the Corridor Plan Committee to include the US 97 corridor. A subsequent Urban Renewal Feasibility Study also included the South Redmond Tract - a state designated land area of nearly 1,000 acres with industrial development opportunities in southeast Redmond.

The South Redmond Tract accounts for approximately 71 percent of the total Area. Significant investments in infrastructure are necessary to realize its potential for substantial industrial development and employment growth.

The remaining land in the Area - approximately 300 acres along South Highway 97 - is zoned for commercial uses. Urban renewal funding is largely expected to provide local matching dollars necessary to leverage state and federal highway improvement funds.

A legal description for the project boundary is included in Attachment "A" of this Plan. The boundary of the Area is shown in Figure 2 on page 7 of this Plan.

Existing Conditions and Challenges of the District

The South Redmond US 97 corridor serves as the primary north-south arterial through Central Oregon. The corridor serves a mixture of state, regional, and local traffic traveling to, from, and within a variety of different destinations in the region. The city's location is not only the hub for transportation serving Central Oregon, but also has regional attractors, including a commercial airport, county fairgrounds, and many industrial and commercial areas.

The corridor currently has a number of challenges related to safety, mobility, and connectivity, including:

- The number of vehicle crashes (about 40 per year) is well above the statewide average.
- Congestion and unreliable travel times slow the movement of freight traffic.

- Lacking or substandard pedestrian facilities.
- Lacking or substandard bicyclist facilities.
- Limited east-west crossing opportunities for pedestrians and bicyclists.
- Limited east-west connectivity between the corridor and the neighborhoods to the west.

Anticipated employment and housing growth will exacerbate these challenges, with traffic activity expected to increase significantly by 2040. The number of vehicle crashes is projected to reach more than 70 per year if challenges are not addressed. The investments outlined in the Plan are critical to mitigating the negative impacts of growth, and significantly improve safety and operations.

Beyond these traffic-related concerns, there is untapped development potential due to a multitude of vacant or underdeveloped parcels along the corridor. The Area contains 77 vacant or mostly vacant parcels, representing 30.8 percent of the parcels, but 87.4 percent of the land area within the proposed boundary. The South Redmond Tract is largely undeveloped and underserved by infrastructure. This area is largely without streets, sidewalks, and utilities necessary for development. An opportunity exists to promote higher density industrial development on the undeveloped acreage.

Additionally, there are challenging corridor aesthetics. Approximately 42 percent of parcels in the Area have missing or deteriorated sidewalks, and 20.9 of parcels are considered to have poor or substandard site conditions.

Maximum Indebtedness/Implementing the Plan

The maximum amount of indebtedness that may be issued or incurred under the Plan is \$85,458,900 (inflation-adjusted dollars). This total is based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion. The tax increment funding will help leverage state and other funding toward the estimated cost of \$116.5 million of improvements (2020 dollars). Please see the accompanying Report for additional information.

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100. INTRODUCTION

This South 97 Urban Renewal Plan has been prepared pursuant to Oregon Revised Statute (ORS) Chapter 457, the Oregon Constitution, and all applicable laws and ordinances of the State of Oregon and City of Redmond respectively. All such applicable laws and ordinances are made a part of this Plan, whether expressly referred to in the text or not.

The proposed Urban Renewal Area is a single geographic area of approximately 1,330 acres. The Area is defined by a single contiguous boundary in which a variety of activities and projects are contemplated to eliminate blight and the cause of blight, as well as create an environment in which the private sector may develop uses compatible with the purposes of this Plan.

200. DEFINITIONS

The following definitions will govern the construction of this Plan unless the context otherwise requires:

"Area" means the area included within the boundaries of the South 97 Urban Renewal Area.

"Bonded Indebtedness" means any formally executed written agreement representing a promise by a unit of government to pay to another a specified sum of money, at a specified date or dates at least one year in the future.

"City" means the City of Redmond, Oregon.

"City Council" means the City Council of the City of Redmond, Oregon.

"Comprehensive Plan" means the City's 2020 Comprehensive Plan and its implementing Ordinances, policies, and development standards.

"Corridor Plan" means the Redmond South US 97 Corridor Plan.

"County" means the County of Deschutes, State of Oregon.

"Disposition and Development Agreement" means an agreement between the Urban Renewal Agency and a private developer which sets forth the terms and conditions which will govern the disposition of land to a private developer.

"Exhibit" means an attachment, either narrative or map, to the Urban Renewal Plan for the Urban Renewal Area.

"ORS" means Oregon Revised Statute (State Law) and specifically Chapter 457 thereof.

"Plan" means the Urban Renewal Plan for the South 97 Urban Renewal Area.

"Planning Commission" means the Urban Area Planning Commission of the City of Redmond, Oregon.

"Project, Activity or Project Activity" means any undertaking or activity within the Area, such as a public improvement, street project, or other activity which is authorized and for which implementing provisions are set forth in the Urban Renewal Plan.

"Report" refers to the report accompanying the Urban Renewal Plan, as provided in ORS 457.085(3).

"Redeveloper" means any individual or group acquiring property from the Urban Renewal Agency or receiving financial assistance for the physical improvement of privately or publicly held structures and land.

"State" means the State of Oregon.

"Urban Renewal Agency" or "Agency" means the Urban Renewal Agency of the City of Redmond, Oregon.

"Urban Renewal Area", "South 97 Urban Renewal Area", or "Area" means the geographic area for which this Urban Renewal Plan has been approved. The boundary of the Renewal Area is described in Exhibits made a part of this plan.

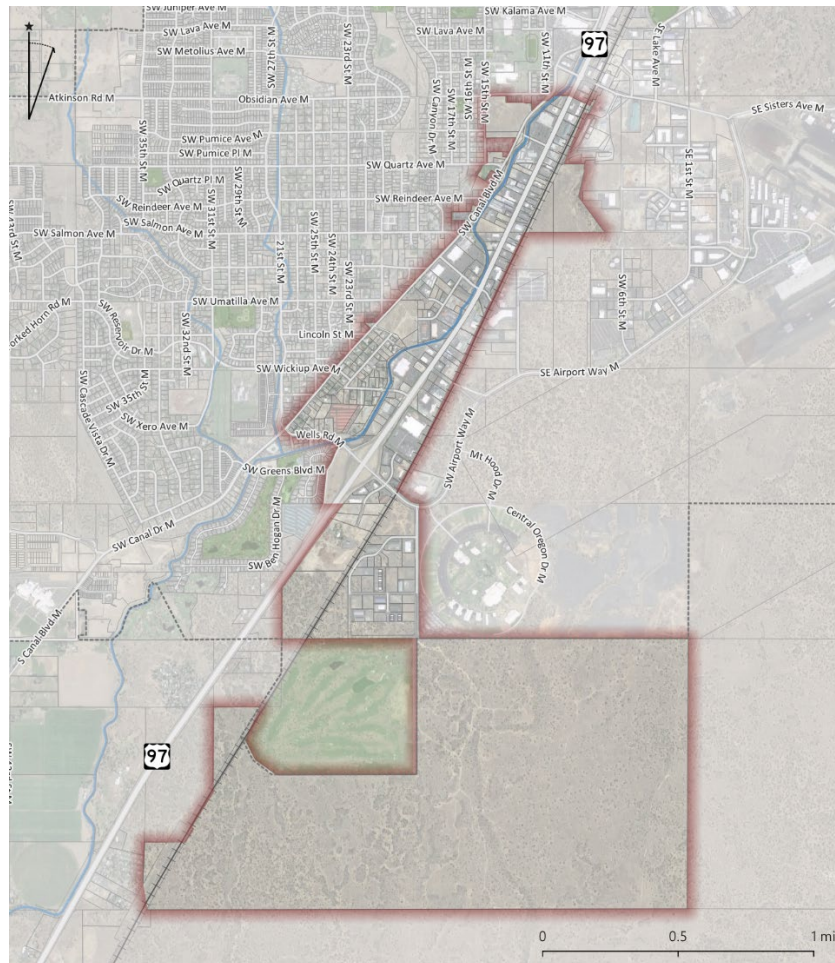
300. URBAN RENEWAL AREA BOUNDARY

The boundary of the South 97 Urban Renewal Area is shown below (Figure 2). A legal description for the Area boundary is included in Attachment "A" of this Plan.

The Urban Renewal Area boundary was determined by the Corridor Plan Committee to include the US 97 Corridor and the South Redmond Tract, a total area of 1,330.5 acres.

The City's current land area is approximately 10,449 acres. Per state statute, no more than 25 percent of the City's total land area can be designated as an urban renewal district. Added to the Redmond Downtown Urban Renewal District (701.7 acres), the total of all acreage in urban renewal areas represents 19.45 percent of the City's land area and is, therefore, within the 25 percent limitation.

Figure 2. South 97 Urban Renewal Area Boundary



Source: Leland Consulting Group

400. RELATIONSHIP TO LOCAL OBJECTIVES

The purpose of this Plan is to eliminate blighting influences found in the Urban Renewal Area, to implement goals and objectives of the City of Redmond 2020 Comprehensive Plan, and to create development strategies and objectives for the Area. The South 97 Urban Renewal Plan relates to the following guidance documents adopted by the City:

A. City of Redmond 2020 Comprehensive Plan

ORS 457.085 requires that an Urban Renewal Plan relate to local objectives. The Comprehensive Plan considers a wide range of goals and policies relating to land uses, transportation, public utilities, economic development, and housing, and serves as the guiding document to which this Plan relates. The Comprehensive Plan establishes a policy framework rooted in a factual basis that helps inform other critical planning documents and implementing tools that together serve as a coordinated, overarching strategy for the City. This approach establishes the structure for how the City works and the types of services it provides. Ultimately, the Comprehensive Plan outlines the direction the City will take when planning for land use and informs all land use decisions and actions, including how land is developed and services are provided.

If the primary goals for the Comprehensive Plan change, the goals, and policies for this Plan should be revised to appropriately reflect those changes.

Specific goals and policies found in the Comprehensive Plan concerning Area conditions and challenges are:

Chapter 9 – Economic Development

Goals

1. Expand, improve, and diversity the economy of the Redmond Urban Growth Boundary area while maintaining Redmond's quality of life.
3. Retain or create industrial, office, professional service, technology, medical, tourism, retail and other jobs through expansion and retention of existing businesses and recruitment of new businesses.
4. Improve the appearance of the community's employment districts, particularly along Highways 97 and 126, the Downtown, central east side industrial areas, and the Airport/Fairgrounds area.
9. Provide, maintain, and promote the enhancement of state of the art infrastructure, including, but not limited to, transportation systems, water, sewer, natural gas, power, telecommunications and air service to support the commercial and industrial needs of the community.
11. Maintain Redmond's favorable employment to housing ratio by taking affirmative steps to ensure economic development and employment growth keeps pace with population growth, especially for industrial employment.
12. To build a strong and thriving regional economy by coordinating public investments, policies, and regulations to support regional and state economic development objectives in Central Oregon as determined through the Central Oregon Large Lot Industrial Land Needs Analysis.

Policies

9. The City should give a high priority to extending and improving the infrastructure needed for economic development.
10. The City shall provide an incentive program encouraging the development of primary industry family wage jobs.

11. The City should provide incentives and innovative ways to encourage and promote an inventory of available industrial buildings and a pre-approved process to attract industrial uses.
12. General Objectives
 - b. Encourage landscaping and other forms of city beautification for the purpose of enhancing the physical character of each area, and the overall city.
 - f. Focus community efforts to improve the overall appearance of existing commercial areas and similar considerations encouraged to all new developments.
 - i. Rehabilitate or re-develop older commercial areas in order to retain their values to the community, including the Downtown and Highway 97 corridor after the highway is re-routed to a limited access corridor.
33. Commercial development adjacent to arterial streets and State highways shall be subject to access restrictions.
34. C-1 commercial development along Highway 97 shall be encouraged to provide service access roads which feed into arterial and collector streets at designated points.
46. The City recognizes the importance of maintaining a large-lot industrial land supply that is readily developable in Central Oregon.

Findings: Plan's relationship to Chapter 9 – Economic Development.

- *The Plan's Industrial Opportunity Fund, Small Loan Program, and Incentive Funding project activities support Economic Development Goals 1, 3, 11, and 12 and Policies 10, 11, and 46 through programs that support the development or expansion of businesses and employment centers that retain and create job opportunities, help maintain a balance of jobs to housing, promote public-private and inter-agency coordination, and expand, diversify, and improve the local economy.*
- *The Plan's public utility, power, gas, and telecommunications project activities support Economic Development Goals 9, 11, and 12 and Policies 9 and 46 by extending and improving Redmond's infrastructure to meet the commercial and industrial needs of the community, thereby supporting job growth, supplying readily developable large-lot industrial land, and helping the City coordinate investments to support regional and state economic development objectives in Central Oregon.*
- *The Plan's transportation project activities support Economic Development Goals 4, 9, and 11 and Policies 33 and 34 by funding transportation investments that improve the appearance of transportation elements in the Area's employment districts, modify and enhance access and connectivity, and extend, develop, and improve infrastructure to serve the commercial and industrial needs of the community.*
- *The Plan's transportation project activities support Economic Development Goals 1, 4, 9, and 12 and Policies 12(b)(f)(i) and 34 by improving the Area's physical appearance, accessibility, and navigability by various modes of transportation, and strengthening the identity and vitality of both the US 97 Corridor and the broader Area.*

Chapter 10 – Housing

Goals

3. Establish residential neighborhoods that are safe, convenient, and attractive places to live, which are located close to schools, parks, shopping, and employment centers.
5. Provide a broad range of accessible and affordable housing.
6. Provide for higher densities in proximity to schools, services, parks, shopping, employment centers, and public transit.

Policies

23. Criteria for the location of multifamily housing shall include proximity to the City core, neighborhood commercial centers, major transportation corridors, schools, services, parks, shopping, employment centers, and transit corridors.

Findings: Plan's relationship to Chapter 10 – Housing.

- *The Plan's transportation and utility infrastructure project activities support Housing Goals 3, 5, and 6 and Policy 23 by reducing the cost burden on developers, thereby improving the prospects of new housing development, and potentially increasing the probability of higher density developments.*
- *The Plan's development assistance and incentive funding program activities support Goals 3, 4, 5, and 6 and Policy 23 by supporting employment growth along a major corridor, near shopping and employment centers, and near services.*

Chapter 11 – Public Facilities and Services

Goals

1. To provide for a close correlation between the provisions of urban services and urban development in order to bring about a more orderly and efficient development pattern, and thereby avoid unnecessary tax burdens and excessive utility costs normally associated with scattered, unrelated development.
2. To achieve a balance of public costs vs. benefits/revenues in the provision of public facilities and services.
3. To provide public and private utility systems - water, sanitary and storm sewer, energy, communications, garbage, and recycling - at levels necessary and suitable for existing and proposed uses.
5. Public facilities shall be available or under construction prior to the issuance of Building Permits.

Policies

2. The City should establish revenue sources to pay for its planned capital improvements.
3. The City Council should investigate funding alternatives to property taxes for funding public facilities and services.
11. The City shall continue to develop, operate, and maintain a water system, including wells, pumps, and reservoirs, capable of serving all urban development within the UGB.
15. Storm drainage facilities such as dry wells, landscaping, retention ponds or storm drains shall be used to control surface drainage.
26. The City shall encourage Natural Gas providers to provide service throughout the UGB area.
27. Property for future fire station locations should be planned for and purchased in advance in order to save costs of facility zoning construction. Attempts shall be made to combine future stations with other government entities in order to reduce infrastructure and operations costs.

Findings: Plan's relationship to Chapter 11 – Public Facilities and Services.

- *The Plan's public utility, power and gas, and communications projects support Goals 1, 2, and 3 and Policies 11, 15, and 26 by providing infrastructure deemed critical to attracting desired users to the Area and by providing the necessary infrastructure for existing businesses and industries to expand operations.*
- *The Plan's Fire Station project supports Goal 5 and Policy 27 by providing funding for a new fire station to serve south/southeast Redmond.*

- *The Plan supports Policies 2 and 3 by providing additional funding methodologies and funding alternatives to pay for and leverage planned capital improvements and programs.*
- *The Plan's Industrial Opportunity Fund, Incentive Funding, and Small Loan Program activities support Goals 1, 2, 3, and 5 and Policies 11, 15, and 26 by encouraging and accelerating the timing of the construction of critical infrastructure deemed necessary for the expansion of existing businesses and establishment of new users.*

Chapter 12 – Transportation

Goals

1. Reduce through traffic, congestion, and improve circulation along Highway 97.
2. Enhance east/west circulation.
3. Identify roadway system needs to serve undeveloped areas so that steps can be taken to preserve rights-of-ways and maintain adequate traffic circulation.
4. Increase the use of alternative travel modes through improved safety and service.

Objectives

- 1b. Improve intersection operations by adding left-turn phases, installing additional traffic signals, actuating and coordinating traffic signals, and/or increasing sight distance as needed.
- 2a. Develop a safe and efficient east-west arterial and collector system
- 2b. Enhance existing crossings and determine the best locations for additional crossings of Dry Canyon, Highway 97, Pilot Butte Canal, and BNSFRR line to link east and west Redmond.
- 3a. Integrate new arterial and collector routes into the existing city grid system.
- 4a. Provide additional sidewalks and improve existing sidewalk pavement for pedestrian safety and access.
- 4b. Provide additional bicycle routes and plan regular maintenance of existing routes for bicycle safety and access (per Redmond Bicycle Master Plan).
- 4c. Provide pedestrian and bicycle access, especially when direct motor vehicle access is not possible.

Policies

3. The function of existing and planned roadways as identified in the Redmond Urban Area Transportation Plan shall be protected through the application of appropriate access control measures.
10. The City shall work to acquire and develop a trail system that utilizes Redmond's irrigation canal system.
16. Sidewalks shall be included on all new streets except limited access roads or where equivalent alternative pedestrian circulation is provided in the UGB. Retrofitting existing streets with sidewalks shall proceed on a prioritized schedule.
20. Wherever practical, access to the highway will be provided via frontage roads, alternative local roads, or other means, rather than direct access to the highway.
22. A non-traversable median should be installed on the highway when operational or safety issues warrant installation. Directional breaks in the median will be provided as needed to provide safe traffic operation.
24. Medians installed in the state highways should provide bicycle and pedestrian crossings at least every 1/4 mile.
34. The City shall improve east-west and north-south traffic patterns in the central part of the community.
38. Alleys shall be an option in new residential areas, providing rear access and backyard parking.

FINDINGS: Plan's Relationship to Chapter 12 – Transportation.

- *The Plan's transportation improvement projects support Goals 1 and 3, Objective 1b, and Policies 3, 22, 24 by improving safety, efficiency, and operations through access and median treatments, supporting the development of new connections and alternative routes to serve existing and underserved areas, and reducing through traffic by encouraging other modes of transportation.*
- *The Plan's US 97, local street, alley, and access improvement projects support Goals 1, 2, 3, and 4, Objectives 1b, 2a, 2b, and 3a, and Policies 20, 34, and 38 by enhancing crossings, improving intersection operations, addressing access through new alleys and alternative routes, and implementing circulation improvements necessary for new development.*
- *The Plan's canal improvement contribution, mixed-use path, US 97 median treatments, sidewalk improvements, and pedestrian infrastructure project activities support Goal 4, Objectives 2a, 4a, 4b, and 4c, and Policies 10, 16, and 24 by providing safer or alternative routes for pedestrians and bicyclists in the US 97 corridor and the surrounding streets, enhancing multimodal connections throughout the Area.*
- *Additionally, transportation improvements may be a key component of several projects in the Plan, such as the Industrial Opportunity Fund, which is intended to support a wide range of investments and project activities that will leverage private development.*

Chapter 15 – Livability

Goals

1. The City of Redmond shall create and maintain livability. The City of Redmond shall guide development and support community identity and pride by implementing policies that improve livability and are innovative creating a high quality of life, ample family-wage jobs, and a safe environment in which to raise and educate families.

Policies

8. Redmond shall plan for a variety of transportation choices.
9. Redmond shall plan for and promote attractive streetscapes free from clutter, confusion, and blight.
10. Redmond shall develop safe, reliable, and economical transportation choices to decrease household transportation costs, improve air quality, reduce greenhouse gas emissions, and promote public health.
11. The City of Redmond shall develop and maintain the environment that promotes and supports a strong, healthy, and diverse economic base.
12. Redmond shall promote economic competitiveness through sustainable choices for housing, transportation, education, cultural diversity and enrichment, and recreational opportunities as well as improve reliable and timely access to employment centers, educational opportunities, services, and other basic needs by workers.
13. Redmond shall help existing businesses within the City to grow and thrive.
14. Redmond shall help to create and foster new businesses of all types.
15. Redmond shall provide well planned and maintain high-quality infrastructure to provide a competitive advantage for business and community growth.

Findings: Plan's Relationship to Chapter 15 – Livability.

- *The Plan's transportation-related projects, such as US 97 improvements, local improvements, pedestrian connections, and other related projects, support Goal 1 and Policies 8, 9, 10, 11, and 12 by providing pedestrian and bicycle infrastructure to encourage walking and cycling, improving streetscapes by addressing*

blighted conditions (such as lacking sidewalks) and funding beautification efforts, and planning for improved access to current and future employment centers.

- *The Plan's Industrial Opportunity Fund, Small Loan Program, and Incentive Funding project activities support Goal 1 and Policies 11, 12, 13, 14, and 15 by providing funding to existing and future businesses to grow and create new employment opportunities.*
- *The Plan's public utility, power and gas, and communications projects support Goal 1 and Policies 12, 13, 15 by providing high-quality infrastructure as a catalyst for growth.*

B. Urban Renewal Objectives

The Plan objectives include:

1. Improve safety for drivers, bicyclists, and pedestrians.
2. Create opportunities for new development in the Area.
3. Provide adequate access to businesses along the US 97 corridor for both customers and freight/delivery.
4. Increase connectivity to surrounding neighborhoods.
5. Develop infrastructure to incent development in the Area.
6. Implement the goals and objectives of the 2020 Comprehensive Plan.

Findings: Plan's Relationship to Urban Renewal Plan Objectives.

The following project activities support Urban Renewal Objective 1 of improving safety for drivers, bicyclists, and pedestrians by funding projects along US97 and existing and planned local connections. Activities include raised medians and traffic signal systems to allow protected left-hand turning movements and U-turns at signalized intersections. These project activities provide areas for safe pedestrian refuge, pedestrian and bicyclist facilities, connections to a new shared-use path, and new access roads or alleyways to provide alternative access where new connections provide safe ingress and egress nearby.

- US Highway 97 Projects
- Local Transportation Projects

The following project activities support Urban Renewal Objective 2 of creating opportunities for new development in the area. The activities fund projects that improve the quality and increase the capacity of infrastructure necessary to support the commercial and industrial needs of the community, and provide programs to incentivize and catalyze new private investment in the Area.

- Public Utilities
- Industrial Development Opportunity Fund
- Small Loan Funding
- Incentive Funding

The following project activities support Urban Renewal Objective 3 of providing safe and adequate access to businesses along the US97 corridor for both customers and freight/delivery by funding median treatments, addressing access through new alleys, adding new connections and alternative routes to serve existing and underserved areas, enhancing pedestrian crossings and intersection operations, and reducing unnecessary through-traffic by encouraging other modes of transportation.

- US Highway 97 Projects
- Local Transportation Projects

The following project activities support Urban Renewal Objective 4 of increasing connectivity to the neighborhoods by funding transportation projects that will add new connections and alternative routes to serve existing and underserved areas, improve local streets to provide pedestrian and bicyclist infrastructure, improve intersection operations, implement circulation improvements, and enhance crossings and access.

- US Highway 97 Projects
- Local Transportation Projects
- Canal Improvement Contribution

The following project activities support Urban Renewal Objective 5 of connecting infrastructure for large lot industrial lands to incent development. The project activities will improve the quality and increase the capacity of Redmond's infrastructure to support the commercial and industrial needs of the community, and provide funding programs to assist with the development of critical infrastructure for underserved areas.

- Public Utilities
- Industrial Development Opportunity Fund
- Small Loan Funding
- Incentive Funding
- Natural Gas/Power Improvements
- Communications Improvements

The following project activities support Urban Renewal Objective 6 of implementing goals and objectives of the 2020 Comprehensive Plan, as identified in Section 400A.

- US Highway 97 Projects
- Local Transportation Projects
- Fire Station
- Public Utilities
- Industrial Development Opportunity Fund
- Small Loan Funding
- Incentive Funding
- Natural Gas/Power Improvements
- Communications Improvements
- Canal Improvement Contribution

C. Relationship to Other Plans

The Corridor Plan references several plans and describes its relevance to many goals and objectives of these plans. The plans include:

- Transportation Planning Rule (OAR 660-012) (Refreshed 2020)
- Oregon Highway Plan Amendment (2018)
- Statement Transportation Improvement Program (STIP) (2018)
- Oregon Freight Plan Amendment (2017)
- Oregon Bicycle and Pedestrian Plan (2016)
- Oregon Transportation Safety Action Plan (TSAP, 2016)
- Oregon State Rail Plan (2014)
- Oregon Resilience Plan (OSP) (2013)
- ODOT Highway Design Manual (HDM) (2012)

- Oregon Intersection Safety Implementation Plan (ISIP) (2012)
- Oregon Aviation Plan (2007)

While this section does not reiterate this Urban Renewal Plan's relationship to these plans and their objectives, it is assumed that due to the extensive processes undertaken during the Corridor Plan's development and the resulting recommended projects that now form the basis of this Urban Renewal Plan, the Corridor Plan adheres to most, if not all, of the same plans and objectives. Additionally, the Corridor Plan was also adopted into the City's Transportation System Plan.

500. PROPOSED LAND USES

A. Land Use Plan

The map on the following page, the "Land Use Map" (figure 3) describes the locations of the principal land use classifications which apply to the Urban Renewal Area. This includes the type, location, and density of land development and redevelopment permitted in the future. The Comprehensive Plan Map is the same as the Zoning Map. The land use plan for the Urban Renewal Area is consistent with the Redmond Comprehensive Plan. The land use classifications are described below.

The Land Use Plan consists of the Comprehensive Plan and Zoning Map, the descriptive material and regulatory provisions contained in this Section (both directly stated and included by reference). This Plan shall be in accordance with the Redmond Comprehensive Plan and the Redmond Development Code, and with their implementing ordinances and policies. The zoning and development code serve as the major implementation mechanism of the Comprehensive Plan. Ordinances controlling the use and construction on the land, such as building codes, sign ordinances, subdivision and zoning ordinances, shall be adopted to carry out the Plan.

The use and development of land in the Urban Renewal Area shall be in accordance with the regulations prescribed in the Redmond Comprehensive Plan, the Redmond Development Code, Zoning Provisions, Subdivision Ordinance, City Charter, or any other applicable local, county, state or federal laws regulating the use of property in the Urban Renewal Area.

Source: City of Redmond



C1 – Strip Service Commercial. To create and preserve areas suitable for commercial uses and services primarily oriented to automobile traffic, requiring extensive outdoor display and storage, and support of the central business district or principal downtown shopping area. In general, this zone shall be applied to those areas already existing and desirable to retain and for those areas that, because of new and/or changing traffic patterns, should be developed for such purpose. In addition, this zone allows for high-density residential development in these areas where such development will not adversely affect commercial development in the zone as a whole.

C5 –Tourist Commercial. To provide for commercial uses primarily oriented to travelers and tourists in locations complementary to existing facilities and future major transportation facilities and to provide incentives for public and private investments in traveler and tourist-related complexes.

R4 – General Residential. To provide high-density residential neighborhoods with a mix of single-family residences, duplexes, and some conditionally permitted multi-family residential development. Limited commercial uses such as offices are also conditionally permitted where compatible with surrounding development.

R5 – High-Density Residential. To provide high-density residential neighborhoods with an emphasis on multi-family development and smaller lot single-family and duplex developments. Limited commercial uses such as offices are also conditionally permitted where compatible with surrounding development.

M1 – Light Industrial. To provide for light industrial uses such as light manufacturing, research, transportation facilities, and similar uses which have a limited impact on surrounding properties and are compatible with clean non-polluting industries along with limited office and commercial activities which support these light industrial uses.

Large Lot Industrial. The South Redmond Tract, Large Lot Industrial (LLI) site, located directly south of the Deschutes County Fair & Expo Center, is designated as the only Large Lot Industrial site to be considered for light industrial development over 200 acres. The South Redmond Tract was selected to be the singular 200-plus acre site permitted by the State LLI Program. Following the purchase of the initial 200-plus acre industrial property, the remainder of the South Redmond Tract will be eligible for 50 to 200 acre light industrial sites. Staffing for these industries could be anywhere from two to 10 employees per acre. It is intended to appeal to technology and other light industrial, low impact uses that require large parcels of land. The land also abuts the airport and the highway, providing excellent transportation access.

The recent annexation of the land follows years of discussions and analysis at the local, regional, and state level. The 2012 Regional Economic Opportunity Analysis served as the basis for the Large Lot Annexation project and is supported by both the Regional Large Lot Industrial Program and the Central Oregon Large Lot Industrial Land Needs Analysis. It should be noted that the Deschutes County Fairgrounds expansion area (140 acres) and the Oregon Military Department Readiness Center area (20 acres), while included in the Urban Renewal Area, have a different zoning designation than the Large Lot Industrial lands, as indicated in Figure 3, above.

B. Plan and Design Review

The Urban Renewal Agency shall be notified of any Comprehensive Plan/Zoning amendment application, building permit, conditional use, or other development permits requested within the Area. Redevelopers, as defined in this Plan, shall comply with the Redeveloper's Obligations, Section 800 of this Plan.

C. Development Standards

Standards for future street and utility improvements are summarized below.

Streets

The 2010 Standards Specification Design Standards provide the Minimum Street design standards for the City of Redmond. Street standards are generally in conformance with the American Association of State Highway and Transportation Officials (AASHTO) Geometric Design of Highways and Streets, 2004 edition. General street right of way, roadway design, and cross-section standards are provided in Section II.A.1. Table 1, and City of Redmond Standard Drawing 2-1. Roadway functional class is determined by using the City's most current Transportation System Plan (TSP). Local transportation projects within the US97 South Redmond Corridor project include local roads, major collector roads, and commercial alley improvements. The South Redmond Tract large lot industrial parcels require streets designed to the City's industrial roadway standard.

Utilities

The 2010 Standards Specification Design Standards provide the minimum utility design standards for the City of Redmond. Stormwater systems are designed in accordance with the latest version of the Central Oregon Stormwater Manual (COSM). The City includes special provisions to the COSM in section II.B.2 of the 2010 Standard Specifications Design Standards. Underground Injection Control (UIC) systems such as dry wells are generally used throughout the City to provide quality and control for stormwater flows. Water and Sewer facilities are designed per the Oregon State Health Department, Oregon Department of Environmental Quality (DEQ), and the American Public Works Association (APWA) standards. Ductile iron pipe is currently the only approved material for water lines. Utility trenches and conduit must comply with Section E of the Design Standards and sections 101 and 212 of the City's Standards and Specifications.

600. OUTLINE OF DEVELOPMENT

The Urban Renewal Plan consists of activities and actions which treat the causes of blight and deterioration in the South 97 Urban Renewal Area. Large vacant sites and low utilization ratios of properties, deteriorated and substandard buildings/improvements, significant building vacancies, inadequate and incomplete street and sidewalk systems, and inefficient and unsafe traffic conditions have been identified as issues contributing to depressed conditions and values in the Area. The conditions also pose a constraint that will encumber successful future development envisioned and identified in the Comprehensive Plan.

Project activities to treat these conditions include:

- a. Transportation projects, including:
 - US97 improvements, including new medians, signals, and beautification of US97.
 - New local streets to improve access, increase east-west connections, and provide a safer, more attractive multimodal environment.
 - Construction of sidewalks, landscaping, signage, and other streetscape improvements.
- b. Street and sidewalk improvements to improve multimodal safety and circulation.
- c. Acquisition and disposition of land for public improvements, rights-of-way, and utility improvements.
- d. Infrastructure projects, including:
 - Public utilities, including water, sewer, and stormwater infrastructure.
 - Power and gas infrastructure.

- Communications infrastructure.
- e. Funding and incentive programs to support economic development objectives, business expansion, employment growth, and other desired Plan outcomes.
- f. Administration and coordination of development in the Urban Renewal Area.

Section 700, below, provides further descriptions of each urban renewal project to be undertaken within the Urban Renewal Area.

700. DESCRIPTION OF PROJECTS TO BE UNDERTAKEN

Several studies, reports, and plans that preceded the Plan development clearly articulate the need for these projects and justify the recommended project budgets in the Plan. These include the Transportation System Plan, Water System Plan, and the Corridor Plan.

Urban renewal projects authorized by the Plan are described below..²

Table 1. Urban Renewal Projects and Approximate Implementation

Project and Program Description	Dates
US Highway 97 Projects	2024-2032
Local Transportation Projects	2025-2040
Public Utilities	2022-2041
Fire Station	2030-2035
Industrial Opportunity Fund	2023-2042
Small Loan Program	2022-2042
Incentive Funding	2023-2042
Natural Gas/Power Improvements	2022-2041
Communications Improvements	2022-2041
Canal Improvement Contribution	2026-2032
Finance Fees and Program Administration	2022-2045

Source: LCG and GEL Oregon

A. US Highway 97 Projects

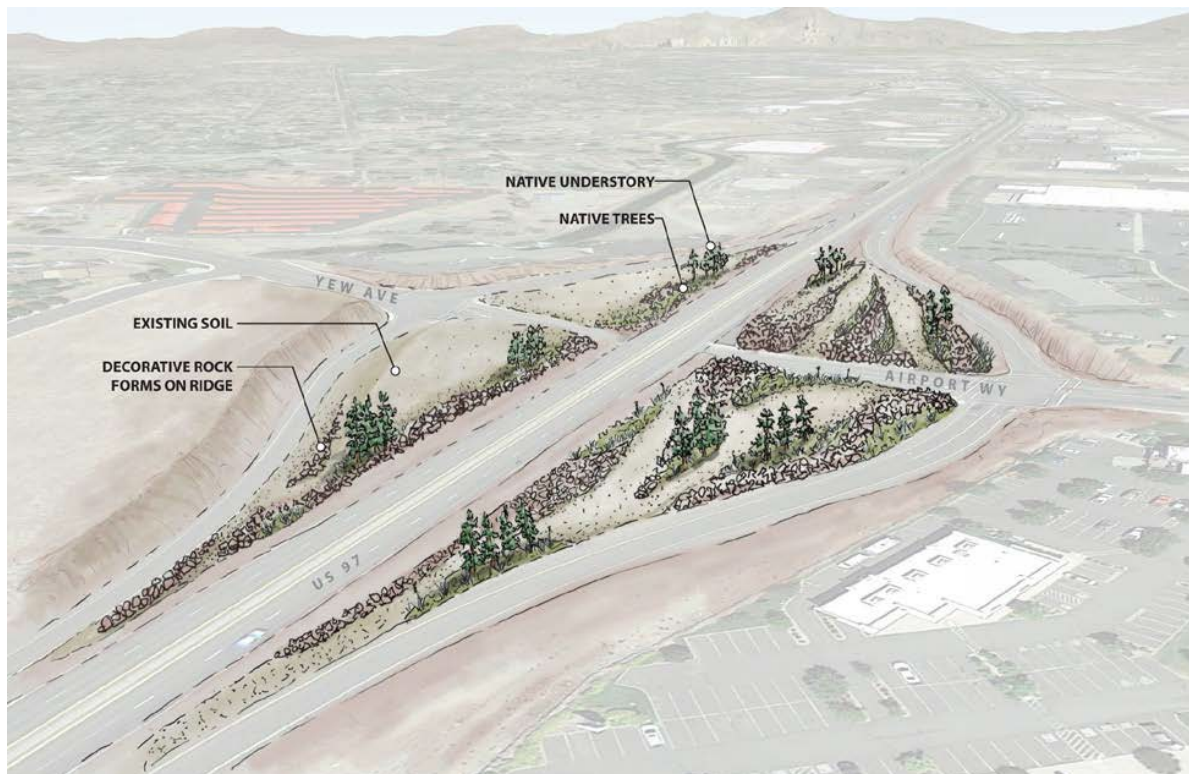
The City's Corridor Plan, in partnership with ODOT, included several recommended improvements, including:

- **US97 road construction.** Repair and replace existing pavement conditions along US97, acquire additional right-of-way as necessary.
- **Raised medians.** Traffic separators between the northbound and southbound lanes on US97 allowing protected left-hand turning movements and U-turns at signalized intersections, as well as providing areas for safe pedestrian refuge halfway across US97 to enhance pedestrian crossings (figure 5)
- **Pedestrian and bicyclist facilities.** New sidewalks and cycle track treatments throughout the length of the corridor to provide a more well-connected active transportation network.
- **Traffic signal systems.** Three new signalized intersections along US97 that allow protected U-turns.

² ORS 457.085 (2)(a) requires a description of each project. ORS 457.085 (3)(d) requires the cost of each project and source of funds. ORS 457.085 (3)(e) requires anticipated completion dates. See Report for details about cost and schedule.

- **Gateway Treatment.** A signature gateway design (figure 4) at the south end of the US97 Corridor will enhance the corridor as a regional destination and to improve the corridor as a welcoming route and entryway to downtown Redmond, local neighborhoods, the airport, and the fairgrounds.

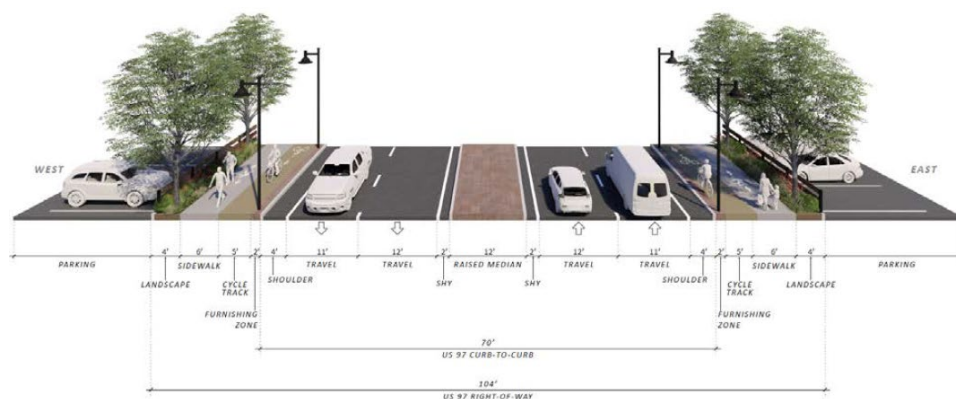
Figure 4. Concept illustration of the South Gateway



Source: SERA

These improvements aim to realize the following vision for the future of the South Redmond US97 Corridor:

"The South US97 Corridor is a vibrant business district that is safe and accessible to shoppers traveling by car, bus, bike, or on foot. The corridor is aesthetically pleasing and provides opportunities for business and community interaction. Traffic moves efficiently and at a reasonable speed in both the north-south and east-west directions." Figure 5. Proposed US97 Cross Section



Source: SERA

Initial ODOT funding will be used to help develop phasing and begin some of the advanced development work. Most of the remaining construction is intended to begin between 2024 to 2027. While there is currently no agreement in place between the City of Redmond and ODOT stipulating responsibilities, it is assumed that the City will be required to provide funding to complete the project in its entirety to match the Corridor Plan. As such, funds available through the Urban Renewal Area are critical to transforming the US97 Corridor to the Redmond community's vision.

B. Local Transportation Projects

Local transportation projects include collectors and distributors, and local streets (figure 6). These projects are informed by the Corridor Plan, the City's TSP, and other information provided by City staff.

Funds available through urban renewal are expected to fund a variety of projects, including:

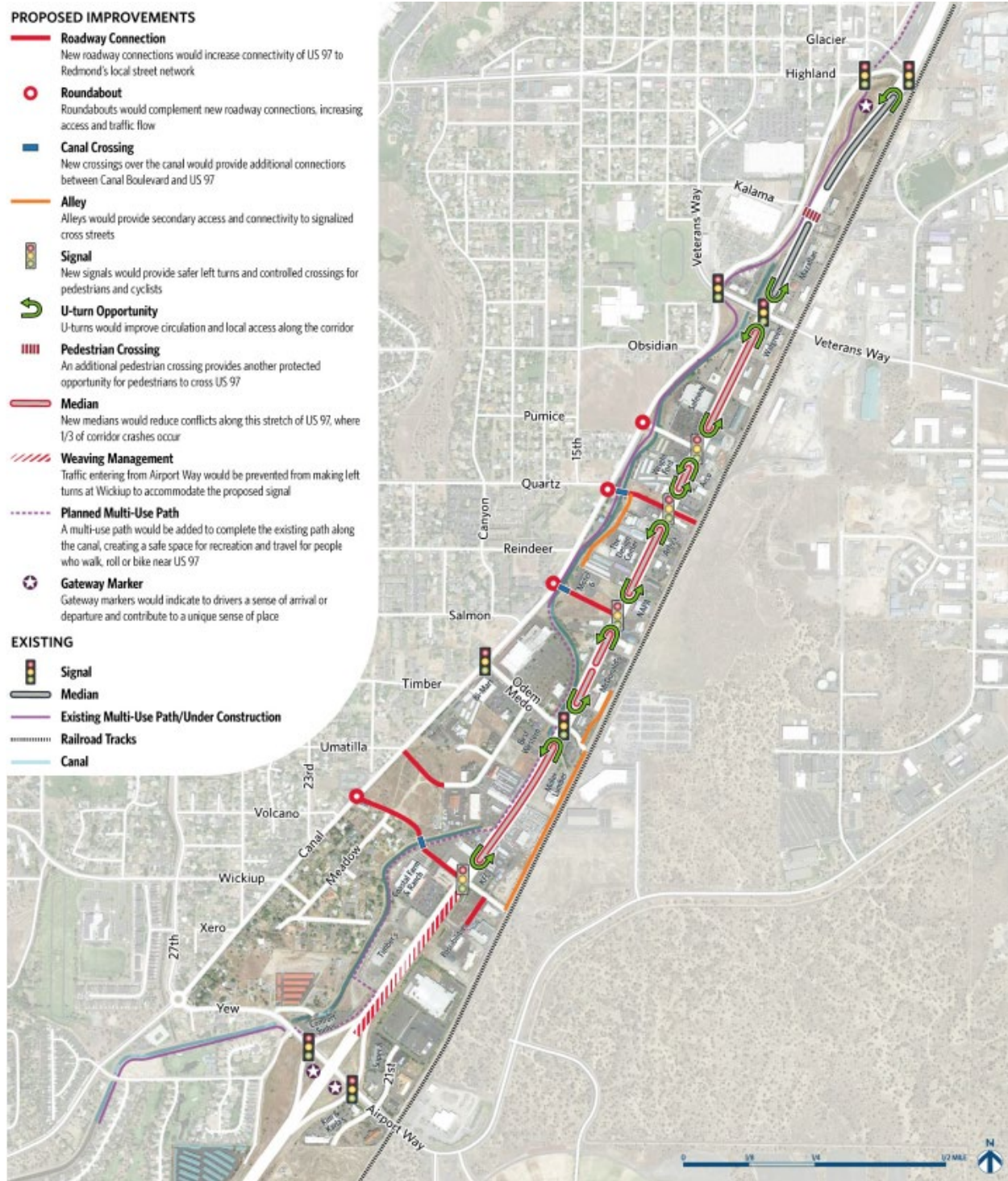
- **Connection road construction.** Three new road connections that cross the canal and connect US97 to Redmond neighborhoods on the west side of US97.
- **Connections to the new shared-use path** along Canal Boulevard and the canal itself.
- **A limited number of new access roads or alleyways** to provide alternative access where new connections provide safe ingress and egress nearby.
- **Pedestrian and bicyclist facilities.** New sidewalks and cycle track treatments along east/west connecting roads to provide a more well-connected active transportation network.
- **New streets.** Improve connectivity, circulation, and access throughout the Area with new or extended local streets. These streets include those not yet defined, such as the 19th Street extension into the South Redmond Tract.

These transportation projects are intended to provide a transportation network in the Area that supports the efficient movement of traffic, and a vibrant business district that is safe and accessible to customers traveling by car, bus, bike or on foot, with comfortable, interesting, and attractive streetscapes, especially along designated pedestrian streets.

The City is expected to include many of these projects in the Transportation System Plan (TSP) and fund them through system development charges (SDCs) and other sources. However, at present, just one new street connection at Quartz is currently planned and budgeted for in the City's TSP. Urban renewal is not expected to fund the entire cost of each project.

Urban Renewal funds are critical to accelerating the timing of these projects for economic development purposes and realizing currently untapped development and employment potential.

Figure 6. Recommended Corridor Plan Concept



Source: HDR (From Corridor Plan)

C. Public Utilities (Water, Stormwater, and Sewer Improvements)

The public utility projects are intended to address infrastructure deficiencies in the Area. This list includes the development of sewer, stormwater, and water infrastructure to support the development and expansion of

businesses in the Area. It also includes the construction of new stormwater facilities, repair of existing sewer lines, and extension or enlargement of existing water and sewer lines as needed to support desired development.

These projects will be largely funded and implemented by the City using non-TIF sources. However, including these projects in the Plan allows the City to provide gap funding assistance to developer-initiated projects and accelerate implementation as required to serve new development in the Area. As such, additional money, funded through tax increment financing, is available through the programmatic elements of the project list as needed for public utility improvements.

D. Fire Station

In order to better serve the community South Redmond and the adjacent unincorporated County area (served by Redmond Fire and Rescue), a new fire station will be constructed to reduce response times and serve new and existing commercial and residential users. As development potential is realized in the Area, lower response times are necessary, especially for users with a higher risk of fire and other hazards.

While neither the specific location nor the cost is currently known and could ultimately be outside of the proposed boundaries, the Plan includes the possibility of a partnership for the development of a new fire station..³

E. Industrial Development Opportunity Fund

This project activity includes a fund for public investments to support industrial development in the Area. Industrial development is a key component of realizing the City's employment growth opportunities, particularly in the South Redmond Tract. However, major new development is challenging in many places, primarily due to the lack of infrastructure in large vacant tracts of land.

While there is currently an agreement in place for the payment and construction of basic infrastructure on the lands that were recently annexed into the City, additional infrastructure investments and improvements are necessary for the area to better prepare for and attract new industrial development. To support and enhance this development, the Industrial Development Opportunity Fund is a flexible fund to help pay for the cost of public infrastructure required to support new development and business activity.

The Opportunity Fund reduces the financial burden of new development by providing gap financing to help prepare shovel-ready sites, thereby accelerating the timing of desired new employment-focused industrial development in the Area.

The Opportunity Fund will include eligibility and other important funding criteria, to be developed upon the adoption of this Plan. Assistance could take the form of gap financing (low or no interest loans), infrastructure (roads, sidewalks, utilities), and other tools.

³ ORS 457.085 (2)(j) describes additional requirements for public buildings. HB 2174 narrowly defined public buildings as fire station, police station, public library, hospital, capitol building, school, college, university, city hall, etc.

F. Small Loan Program

The Small Loan Program provides direct low-interest and/or interest-free and/or forgivable loans as part of the City's effort to assist local businesses within the Urban Renewal Area. This program fills a niche not provided through traditional lending markets, and will include eligibility and other important funding criteria to be developed following the adoption of this Plan.

The Small Loan Program is anticipated to help retain economic vitality and increase property values within the Urban Renewal Area and Redmond through the restoration, rehabilitation, or expansion of existing properties and businesses.

G. Incentive Funding

As part of the City of Redmond's effort to enhance business vitality and support desired development within the South 97 Urban Renewal Area, Incentive Funding allows the Urban Renewal Agency to partner with property owners and developers to rehabilitate or redevelop property that will better serve the Area and the greater Redmond community. Assistance could take the form of direct developer assistance, grants, reimbursements, and or system development charge (SDC) credits for contributions to the transportation and utility system.

The Incentive Funding program is anticipated to help ensure economic growth, vitality, and property value increases within the Urban Renewal Area and citywide. The program will include eligibility and other important funding criteria, to be developed upon the adoption of this Plan.

H. Natural Gas/Power Improvements

The City may provide funding to accelerate the timing or upgrade the capacity of natural gas or power infrastructure. Investments in both gas and electricity are critical to accommodate a range of uses, including but not limited to industrial manufacturers and other significant employment-generating users.

While the construction of gas and power infrastructure is user-driven and paid for and constructed by Cascade Natural Gas and Pacific Power, respectively, to respond to user demands, this project activity allows the City to incentivize system upgrades that would not otherwise occur. As such, additional resources, funded through tax increment financing, are available through the programmatic elements of the project list as needed for gas and power improvements.

I. Communications Improvements

Communications Improvements include telephone and high-speed internet infrastructure. Broadband and other communications improvements are important for economic growth and business vitality. Broadband is the underpinning for some of today's most important transformations in business activity and government services.

While the City is not responsible for the cost of communications upgrades and improvements, this project activity provides seed funding to accelerate the timing of specific improvements to attract desired development projects. As such, additional money, funded through tax increment financing, is available through the programmatic elements of the project list as needed for communications improvements.

J. Canal Improvement Contribution

The Central Oregon Irrigation District (COID) plans to pipe 8.1 miles of the Pilot Butte Canal between Smith Rock and Bend, approximately one-quarter of which is located within the Urban Renewal Area. This project activity includes funding to help pipe at least 1.0 mile of the Canal to accommodate new roads and a multi-use path (figure 7). Once the piping is complete, the land will support road construction without additional structural reinforcements, significantly reducing the construction costs.

As the new east-west transportation connections identified in Section 700(B) do not include funding for bridge structures, the new streets in this section are directly tied to the piping of the canal. Connections to the new shared-use path along the canal are also directly tied to the piping project.

COID has yet to secure funding for piping the canal in the Area and may not do so for several years. Urban Renewal funding is therefore critical to providing gap financing to accelerate the timing of the piping project and other related transportation projects.

Figure 7. Multi-use Path Concept Illustration*



Source: 2012 Corridor Plan

* Due to new plans for the area since the development of the 2012 Corridor Plan, including the canal piping project, the illustration depicts an open canal, however the canal will eventually be rerouted via underground pipes.

K. Finance Fees and Program Administration

The Plan provides for effective administration to complete the various activities contained within.

Project funds may be utilized to pay indebtedness associated with the preparation of the Plan, to carry out design plans, miscellaneous land use and public facility studies, engineering, market, and other technical studies as may be needed during the duration of the Plan.

This category allows for repayment of costs associated with the implementation of the Plan, including but not limited to ongoing administration and financing costs associated with issuing long and short-term debt, relocation costs, and other administrative costs.

Project funds also may be used to pay for personnel and other administrative costs incurred in the management of the Plan, such as the preparation of annual reports (ORS 457.060, HB 2174).

750. PROPERTY ACQUISITION AND DISPOSITION

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses, or other rights to use. If a property is acquired it will be identified in the Plan through a Minor Amendment, as described in Section 1000. Identification of property to be acquired and its anticipated disposition is required by ORS 457.085(g).

A. Property Acquisition for Public Improvements

It is anticipated that the acquisition of real property will be necessary to carry out public use objectives of the Plan. These objectives include right-of-way acquisition for streets, roads, alleys, bicyclist and pedestrian ways, utility rights-of-way, and other public improvements, uses, and facilities described in Section 700 of this Plan. Before the acquisition, this Plan shall be amended to identify the specific property or interest to be acquired.

The Agency may acquire any property within the Area for the public improvement projects undertaken pursuant to the Plan by all legal means, including the use of eminent domain, as described in ORS 456.145⁴. Good faith negotiations for such acquisitions must occur before the institution of eminent domain procedures.

B. Property Disposition

The Agency will dispose of property acquired for a public improvement project by conveyance to the appropriate public agency responsible for the construction and/or maintenance of the public improvement. The Agency may retain such property during the construction of the public improvement.

The Agency may dispose of property by conveying any interest in property acquired. Property shall be conveyed at its fair reuse value. Fair reuse value is the value, whether expressed in terms of rental or capital price, at which the Agency, in its discretion, determines such property should be made available so that it may be developed, redeveloped, cleared, conserved, or rehabilitated for the purposes specified in the Plan. Because fair reuse value reflects limitations on the use of the property to those purposes specified in the Plan, the value may be lower than the property's fair market value.

Where property is sold or leased, the purchaser or lessee must agree to use the property for the purposes designated in the Plan, and to complete the building of its improvements within a period of time that the Agency determines is reasonable.

800. REDEVELOPER'S OBLIGATIONS

Redevelopers within the Urban Renewal Area will be subject to controls and obligations imposed by the provisions of this Plan. Redevelopers also will be obligated to the following requirements:

1. The Redeveloper shall develop or redevelop the property per the land use provisions and other requirements specified in this Plan.

⁴ ORS 456.145 refers to the appropriate use of eminent domain in the State of Oregon

2. The Urban Renewal Agency may require the redeveloper to execute a development agreement acceptable to the Urban Renewal Agency as a condition of any form of Agency assistance. The Redeveloper shall accept all conditions and agreements as may be required by the Urban Renewal Agency.
3. The Redeveloper shall submit all plans and specifications for the construction of improvements on the land to the Urban Renewal Agency or its designated agent, for review and approval before distribution to reviewing bodies as required by the City.
4. The Redeveloper shall commence and complete the development of such property for the use provided in this Plan within a reasonable period of time as determined by the Agency.
5. The Redeveloper shall not affect any instrument whereby the sale, lease, or occupancy of the real property, or any part thereof, is restricted on the basis of age, race, color, religion, sex, marital status, or national origin.

900. RELOCATION

The Agency will provide required relocation assistance to all persons or businesses displaced by project activities. All persons or businesses which may be displaced will be contacted to determine such relocation needs. Available space information and financial assistance available will be provided based on relocation needs. Those persons or businesses displaced will be given financial assistance in finding replacement facilities and moving assistance. All persons or businesses displaced will be contacted to determine such relocation needs. They will be provided information on available space and will be assisted in moving. All relocation activities will be undertaken and payments made per the requirements of ORS 35.500 to 35.530 and any other applicable laws or regulations.

Relocation payments will be made as provided in ORS 35.510.

Payments made to persons displaced from dwellings will assure that they will have available to them decent, safe, and sanitary dwellings at costs or rents within their financial capability. Payment for moving expenses will be made to residences and businesses displaced. The Redmond Urban Renewal Agency may contract with the Oregon Department of Transportation (ODOT), or other appropriate agencies or parties for assistance in administering its relocation program.

1000. FUTURE AMENDMENTS

It is anticipated the Plan will be reviewed periodically during the execution of the Project. The Plan may be changed, modified, or amended as future conditions warrant. All amendments shall be governed by state and local laws and ordinances.

A. Minor Amendments

Minor changes to the Plan shall be made by a duly approved resolution of the Agency which describes the details of the minor change. Minor changes shall include:

1. Identification of property to be acquired or any purpose outlined in Section 750 of this Plan.

2. Changes to the Plan which are not specifically identified as requiring a Substantial Amendment or a Minor Amendment requiring Council Approval.

B. Minor Amendments Requiring Council Approval

Council-approved amendments to the Plan shall require only approval by the Agency by Resolution and approval by the City Council by Non-Emergency Ordinance. Council-approved amendments are:

1. Addition of a project, activity, or program that differs substantially from a project, program, or activity in the Plan, and is estimated to cost in excess of the equivalent of \$500,000 in 2020 dollars throughout the Plan. The \$500,000 threshold shall be adjusted annually at a rate equal to the Construction Cost Index (CCI), also referred to as the ENR Index for Construction published quarterly by the Engineering News Record.
2. Identification of land for acquisition which requires Council approval per Section 750 of this Plan.
3. Changes or modifications to the goals and objectives of this Plan, which in the Agency's discretion, warrant Council Approval.

C. Substantial Amendments

Substantial Amendments shall require the notice, hearing, and approval procedures required by statute. Substantial amendments consist of:

1. Adding land to the Urban Renewal Area, except for an addition of land that totals not more than one percent (1%) of the existing area of the Plan.
2. Increasing the maximum amount of indebtedness (excluding bonded indebtedness issued to refinance or fund existing bonded indebtedness) to be issued under the Plan.
3. Adding a public building(s) not identified in the Plan.
4. Any amendment defined by statute to be a substantial amendment.

1100. LATEST DATE FOR ISSUE OF BONDED INDEBTEDNESS

This Plan calls for a division of ad valorem taxes under ORS 457.440. No bonded indebtedness shall be issued with respect to the Plan, or any project undertaken with respect to the Plan later than June 30, 2042.

1200. FINANCING METHODS

A. General

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

- Tax increment revenues;
- Advances, loans, grants, and any other form of financial assistance from federal, state, or local governments, or other public bodies;

- Loans, grants, dedications, or other contributions from private developers and property owners, including, but not limited to, assessment districts; and
- Any other public or private source.

Revenues obtained by the Urban Renewal Agency will be used to pay or repay the costs, expenses, advancements, and indebtedness incurred in (1) planning or undertaking project activities, or (2) otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

The Urban Renewal Agency may borrow money and accept advances, loans, grants, and other forms of financial assistance from the federal government, the state, city, county or other public body, or from any sources, public or private for the purposes of undertaking and carrying out this Plan. In addition, the Agency may borrow money from, or lend money to a public agency in conjunction with a joint undertaking of a project authorized by this Plan. If such funds are loaned, the Agency may promulgate rules and procedures for the methods and conditions of payment of such loans.

The funds obtained by the Agency shall be used to pay or repay any costs, expenses, advances, and indebtedness incurred in planning or undertaking project activities or in otherwise exercising any of the powers granted by ORS Chapter 457.

B. Tax Increment Financing

It is contemplated that the Plan will be financed in whole or in part by tax increment financing, as authorized in ORS 457.420 through ORS 457.450.

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

C. Prior Indebtedness

Any indebtedness permitted by law and incurred by the Urban Renewal Agency or the City in connection with preplanning for this Plan may be repaid from tax increment proceeds generated pursuant to this section.

D. Establishment of Maximum Debt

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$85,458,900. This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on bond proceeds. It does include initial bond financing fees and interest earned on tax increment proceeds, separate from interest on bond proceeds.

1300. CITIZEN PARTICIPATION

This Plan was developed under the guidance of the Redmond Urban Renewal Agency. In the course of formulating the Plan, the Agency conducted meetings on June 9, August 25, and October 6, 2020. All meetings of the Agency were open to the public for discussion and comment.

The Redmond Planning Commission met to review the Plan on July 20, 2020. The Redmond City Council held a public hearing on the adoption of this Plan on December 1, 2020. Additional notice on City Council adoption of the Plan was provided, as required by ORS 457.120.

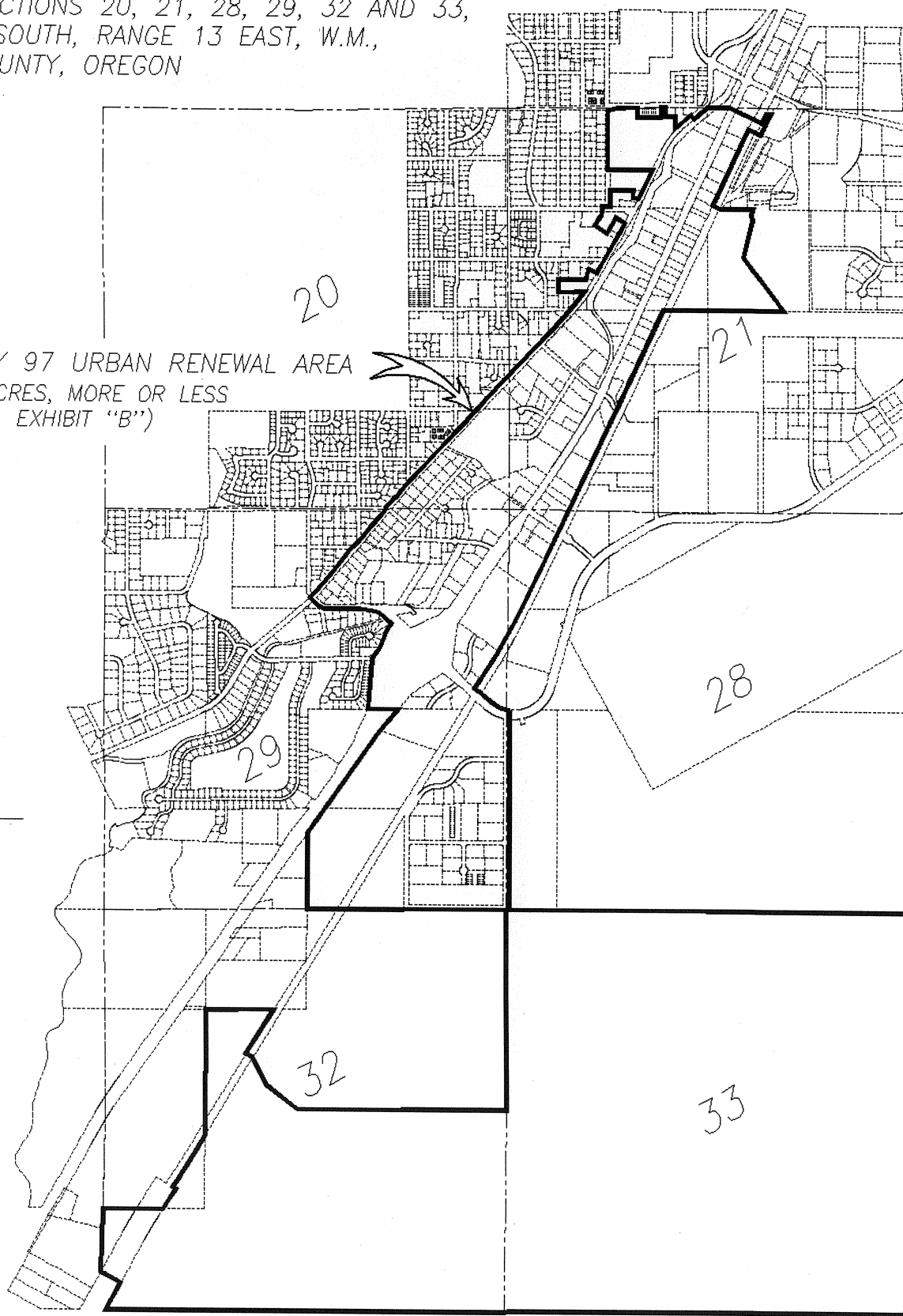
ATTACHMENT A: LEGAL DESCRIPTION OF URBAN RENEWAL BOUNDARY

EXHIBIT "A"

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
LOCATED IN SECTIONS 20, 21, 28, 29, 32 AND 33,
TOWNSHIP 15 SOUTH, RANGE 13 EAST, W.M.,
DESCHUTES COUNTY, OREGON

SOUTH HIGHWAY 97 URBAN RENEWAL AREA
CONTAINS 1440 ACRES, MORE OR LESS
(SEE DESCRIPTION, EXHIBIT "B")

SCALE:
1" = 2000'



PREPARED JULY 3, 2020

POVEY AND ASSOC. LAND SURVEYORS
P.O. BOX 131, REDMOND, OR 97756
(541) 548-6778 20-078D.DWG

EXHIBIT "B"

DESCRIPTION -

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
LOCATED IN SECTIONS 20, 21, 28, 29, 32 AND 33,
TOWNSHIP 15 SOUTH, RANGE 13 EAST, W.M.,
DESCHUTES COUNTY, OREGON

DESCRIPTION OF A TRACT OF LAND LOCATED IN SECTIONS
20, 21, 28, 29, 32 AND 33, TOWNSHIP 15 SOUTH, RANGE 13 EAST,
WILLAMETTE MERIDIAN, DESCHUTES COUNTY, OREGON, DESCRIBED AS
FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 33;
THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION 33, 5296
FEET TO THE SOUTHWEST CORNER OF SAID SECTION 33; THENCE WEST
ALONG THE SOUTH LINE OF SAID SECTION 32, 5232 FEET TO THE
SOUTHEAST RIGHT-OF-WAY LINE OF THE BURLINGTON NORTHERN -
SANTA FE (BNSF) RAILROAD, BEING 100 FEET FROM THE CENTERLINE
OF SAID RAILWAY; THENCE N29°E ALONG SAID SOUTHEAST RIGHT-OF-
WAY LINE, 406 FEET; THENCE N61°W, PERPENDICULAR TO SAID
CENTERLINE, 300 FEET THE INTERSECTION OF THE NORTHWEST
RIGHT-OF-WAY LINE OF SAID RAILWAY AND THE WEST LINE OF THE
SW1/4 SW1/4 OF SAID SECTION 32, SAID INTERSECTION BEING 200
FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE N01°E ALONG
SAID WEST LINE, 817 FEET TO THE NORTH LINE OF SAID SW1/4
SW1/4; THENCE EAST ALONG SAID NORTH LINE, 793 FEET TO SAID
SOUTHEAST RIGHT-OF-WAY LINE, BEING 100 FEET FROM THE
CENTERLINE OF SAID RAILWAY; THENCE N32°E ALONG SAID
SOUTHEAST RIGHT-OF-WAY LINE, 310 FEET; THENCE N58°W ALONG
SAID SOUTHEAST RIGHT-OF-WAY LINE, 50 FEET; THENCE N32°E
ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, BEING 50 FEET FROM
THE CENTERLINE OF SAID RAILWAY, 802 FEET TO THE WEST LINE
OF THE NE1/4 SW1/4 OF SAID SECTION 32; THENCE N01°E ALONG
SAID WEST LINE, 348 FEET; THENCE NORTH ALONG THE WEST LINE
OF THE SE1/4 NW1/4 OF SAID SECTION 32, 1315 FEET TO THE
NORTH LINE OF SAID SE1/4 NW1/4; THENCE EAST ALONG SAID
NORTH LINE, 902 FEET TO SAID NORTHWEST RIGHT-OF-WAY LINE,
BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE
S32°W ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, 695 FEET;
THENCE S58°E, PERPENDICULAR TO SAID CENTERLINE, 100 FEET TO
THE INTERSECTION OF THE SOUTHEAST RIGHT-OF-WAY LINE OF SAID
RAILWAY, AND THE NORTHEAST EASEMENT LINE OF BONNEVILLE POWER
ADMINISTRATION'S REDMOND-BURNS NO. 1 TRANSMISSION LINE, SAID
INTERSECTION BEING 50 FEET FROM THE CENTERLINE OF SAID
RAILWAY, AND BEING 50 FEET FROM THE CENTERLINE OF SAID POWER
LINE; THENCE S27°E ALONG SAID NORTHEAST EASEMENT LINE, 417
FEET; THENCE S53°E ALONG SAID NORTHEAST EASEMENT LINE, 507
FEET TO THE SOUTH LINE OF SAID SE1/4 NW1/4; THENCE EAST
ALONG SAID SOUTH LINE, AND ALONG THE SOUTH LINE OF THE NE1/4
OF SAID SECTION 32, 2750 FEET TO THE EAST LINE OF SAID
NE1/4; THENCE NORTH ALONG SAID EAST LINE, 2649 FEET TO THE
SOUTHEAST CORNER OF SAID SECTION 29; THENCE WEST ALONG THE
SOUTH LINE OF THE SE1/4 OF SAID SECTION 29, 2634 FEET TO THE

DESCRIPTION - SHEET 1 OF 4

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
CONTINUED:

WEST LINE OF THE SW1/4 OF SAID SE1/4; THENCE NORTH ALONG SAID WEST LINE, 992 FEET TO THE SOUTHEAST RIGHT-OF-WAY LINE OF U.S. HIGHWAY 97, BEING 90 FEET FROM THE CENTERLINE OF SAID HIGHWAY; THENCE N35°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 1659 FEET TO ENGINEER'S STATION 125+00, 90 FEET LEFT; THENCE N41°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 376 FEET TO THE NORTH LINE OF THE NW1/4 SE1/4 OF SAID SECTION 29; THENCE WEST ALONG SAID NORTH LINE, 401 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF SAID HIGHWAY (ALSO BEING THE NORTHWEST RIGHT-OF-WAY LINE OF SW 25TH PLACE), AS DESCRIBED IN VOLUME 234, PAGE 1995, DESCHUTES COUNTY DEED RECORDS; THENCE ALONG SAID NORTHWEST RIGHT-OF-WAY LINE AS FOLLOWS: N05°E, 670 FEET; THENCE N33°E, 175 FEET; THENCE N23°E, 255 FEET; THENCE N35°E, 91 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF SW YEW AVENUE, BEING A LINE OF VARIABLE WIDTH FROM THE CENTERLINE OF SAID ROADWAY; THENCE LEAVING SAID NORTHWEST RIGHT-OF-WAY LINE, AND 1190 FEET WESTERLY ALONG SAID SOUTH RIGHT-OF-WAY LINE, AND ALONG ITS NORTHWESTERLY PROLONGATION, TO A POINT WHICH BEARS N73°W, 1131 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING ON THE NORTHWEST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, AND BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE 5459 FEET NORTHEASTERLY ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, TO A POINT WHICH BEARS N42°E, 5449 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING 40 FEET FROM THE CENTERLINE OF SAID ROADWAY, AND BEING ON THE SOUTH BOUNDARY OF A TRACT OF LAND DESCRIBED IN DOCUMENT 2007-43829, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG SAID TRACT BOUNDARY AS FOLLOWS: WEST, 345 FEET; THENCE NORTH, 170 FEET; THENCE EAST, 367 FEET TO THE BOUNDARY OF PARCEL 2, AS DESCRIBED IN DOCUMENT NO. 2018-019368, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE LEAVING SAID TRACT BOUNDARY AND ALONG SAID PARCEL 2 BOUNDARY AS FOLLOWS: N13°E, 122 FEET; THENCE N37°E, 30 FEET; THENCE S61°E, 107 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE LEAVING SAID PARCEL 2 BOUNDARY, N30°E ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, 751 FEET TO THE BOUNDARY OF A TRACT OF LAND DESCRIBED IN DOCUMENT 2007-64854, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID TRACT AS FOLLOWS: N59°W, 136 FEET; THENCE S31°W, 239 FEET; THENCE N56°W, 184 FEET; THENCE 214 FEET ALONG THE ARC OF A NON-TANGENT 658 FOOT RADIUS CURVE TO THE LEFT, THE CHORD OF WHICH BEARS N28°E, 213 FEET; THENCE LEAVING SAID TRACT BOUNDARY, NORTH, PERPENDICULAR TO THE NORTH LINE OF SAID TRACT, 60 FEET TO THE NORTH RIGHT-OF-WAY LINE OF SW QUARTZ AVENUE, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE EAST ALONG SAID NORTH RIGHT-OF-WAY LINE, 105 FEET TO THE BOUNDARY OF A TRACT OF LAND DESCRIBED IN DOCUMENT 2020-06416, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID TRACT AS FOLLOWS: NORTH 214 FEET; THENCE S89°E, 304 FEET; THENCE S01°W, 96 FEET; THENCE S83°E, 74 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
CONTINUED:

SW CANAL BOULEVARD, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE LEAVING SAID TRACT BOUNDARY, AND 422 FEET NORTHEASTERLY ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, TO A POINT WHICH BEARS N26°E, 422 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING AT THE SOUTHEAST CORNER OF TRACT 1, AS DESCRIBED IN DOCUMENT 2020-10963, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE WEST ALONG THE SOUTH LINE OF SAID TRACT 1, 591 FEET TO THE WEST LINE OF SAID TRACT 1; THENCE NORTH ALONG SAID WEST LINE, AND ALONG THE WEST LINE OF TRACT 2, AS DESCRIBED IN SAID DOCUMENT, 782 FEET TO THE NORTH LINE OF SAID TRACT 2; THENCE N74°E ALONG SAID NORTH LINE, 135 FEET; THENCE EAST ALONG SAID NORTH LINE, 265 FEET TO THE EAST LINE OF SAID TRACT 2; THENCE SOUTH ALONG SAID EAST LINE, 125 FEET TO THE NORTH LINE OF SAID TRACT 1; THENCE EAST ALONG SAID NORTH LINE, 312 FEET TO THE WEST RIGHT-OF-WAY LINE OF SW 13TH STREET, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE NORTH ALONG SAID WEST RIGHT-OF-WAY LINE, 125 FEET TO THE NORTH LINE OF THE NE1/4 NW1/4 OF SAID SECTION 21; THENCE EAST ALONG SAID NORTH LINE, 60 FEET TO THE EAST RIGHT-OF-WAY LINE OF SW 13TH STREET, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE SOUTH ALONG SAID EAST RIGHT-OF-WAY LINE, 120 FEET TO THE NORTH LINE OF SAID TRACT 1; THENCE EAST ALONG SAID NORTH LINE, 130 FEET TO THE EAST LINE OF SAID TRACT 1; THENCE SOUTH ALONG SAID EAST LINE, 159 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, BEING 40 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE N49°E ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, 280 FEET TO THE SOUTH LINE OF THE NORTH 96 FEET OF SAID NE1/4 NW1/4; THENCE S41°E, PERPENDICULAR TO SAID CENTERLINE, 70 FEET TO THE SOUTHEAST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE N49°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 228 FEET TO THE NORTH LINE OF THE NW1/4 NE1/4 OF SAID SECTION 21; THENCE EAST ALONG SAID NORTH LINE, 294 FEET TO THE PROLONGATION OF THE NORTHEAST LINE OF A TRACT OF LAND DESCRIBED IN VOLUME 279, PAGE 0839, DESCHUTES COUNTY DEED RECORDS; THENCE S65°E ALONG SAID PROLONGATION, AND ALONG SAID NORTHEAST LINE, 351 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD, BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE S65°E ALONG SAID PROLONGATION, 100 FEET TO THE SOUTHEAST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD, BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE N26°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 126 FEET TO THE NORTH LINE OF THE FIRST EXCEPTION TO PARCEL 1, AS DESCRIBED IN DOCUMENT NO. 2018-005171, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE EAST ALONG SAID NORTH LINE, 67 FEET TO THE NORTHWEST LINE OF A TRACT OF LAND DESCRIBED IN DOCUMENT NO. 2009-52569, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE S26°W ALONG SAID NORTHWEST LINE, 306 FEET TO THE SOUTHEAST LINE OF SAID TRACT; THENCE N64°W, PERPENDICULAR TO SAID RAILWAY CENTERLINE, 160 FEET TO SAID NORTHWEST RIGHT-OF-WAY LINE; THENCE S26°W ALONG SAID

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
CONTINUED:

NORTHWEST RIGHT-OF-WAY LINE, 1110 FEET; THENCE S64°E, PERPENDICULAR TO SAID CENTERLINE, 100 FEET TO THE NORTHWEST CORNER OF PARCEL 4, AS DESCRIBED IN DOCUMENT NO. 2014-042282, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID PARCEL 4 AS FOLLOWS: EAST, 449 FEET; THENCE S14°W, 73 FEET; THENCE S04°E, 82 FEET; THENCE S13°W, 501 FEET; THENCE S36°E, 859 FEET; THENCE WEST, 996 FEET TO THE CENTER 1/4 CORNER OF SAID SECTION 21; THENCE LEAVING SAID TRACT BOUNDARY, WEST ALONG THE SOUTH LINE OF THE SE1/4 NW1/4 OF SAID SECTION 21, 588 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD, BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE 5602 FEET SOUTHWESTERLY ALONG SAID NORTHWEST RIGHT-OF-WAY LINE TO A POINT WHICH BEARS S27°W, 5599 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING ON THE NORTHEAST RIGHT-OF-WAY LINE OF SW AIRPORT WAY, AND BEING 55 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE S52°E, 101 FEET TO THE INTERSECTION OF THE SOUTHEAST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD AND THE NORTHEAST RIGHT-OF-WAY LINE OF SW AIRPORT WAY, SAID INTERSECTION BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY, AND BEING 60 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE 444 FEET SOUTHEASTERLY ALONG SAID NORTHEAST RIGHT-OF-WAY LINE TO A POINT WHICH BEARS S60°E, 434 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING ON THE EAST LINE OF THE WEST 40 FEET OF THE SW1/4 OF SAID SECTION 28; THENCE SOUTH ALONG SAID EAST LINE (ALSO BEING THE EAST RIGHT-OF-WAY LINE OF SW 19TH STREET), 2624 FEET TO THE NORTH LINE OF SAID SECTION 33; THENCE EAST ALONG SAID NORTH LINE, 5246 FEET TO THE NORTHEAST CORNER OF SAID SECTION 33; THENCE SOUTH ALONG THE EAST LINE OF SAID SECTION 33, 5268 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 33, AND TO THE POINT OF BEGINNING.

THE SAME CONTAINING 1440 ACRES, MORE OR LESS.

A SKETCH OF THE URBAN RENEWAL AREA DESCRIBED ABOVE IS SHOWN ON THE ATTACHED EXHIBIT "A", WHICH IS HEREBY INCORPORATED BY REFERENCE.

PREPARED JULY 3, 2020

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REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
JULY 15, 1983
WILLIAM G. BAHRKE
2039

Renewal Date: 12/31/21

December 2020

Report on the Urban Renewal Plan

South 97 Urban Renewal Area



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INTRODUCTION

The following Report on the South 97 Urban Renewal Plan (the “Report”) provides supporting information to the South 97 Urban Renewal Plan (the “Plan”) according to the requirements of ORS 457.087. Gathered from a variety of resources, the Report contains background information on the South 97 Urban Renewal Area (“Area”), a blight analysis for the District, details for the projects added by the Plan, and financial feasibility analysis for the Plan. The Report accompanies the Plan to describe existing conditions in the Area, identify the estimated costs of projects and sources of funding, and perform the financial feasibility analysis. It is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

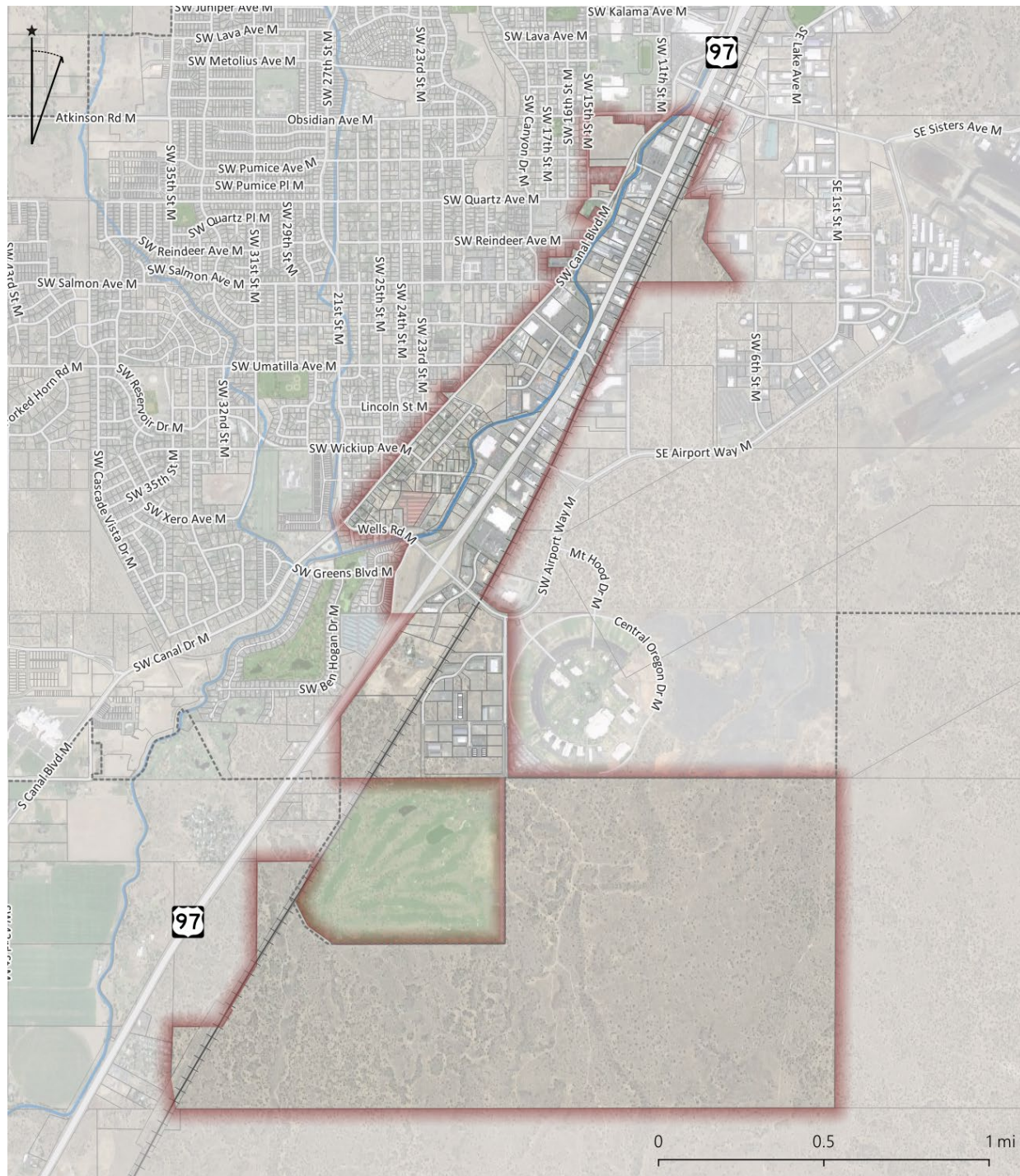
ORS 457.087 requires a report to include:

- A description of the physical, social, and economic conditions within the district and the impact of the plan, including fiscal impacts, in light of added services or increased population
- Reasons for the selection of the Urban Renewal Area (cure blight, implement recommendations from plans)
- Descriptions of land use and zoning, and references to the City’s Comprehensive Plan, Capital Improvement Plan (CIP), Transportation System Plan (TSP)
- The relationship between each project and the conditions within the urban renewal area
- Project estimated costs and sources of funding (TIF and other)
- The estimated completion date for each project
- The estimated amount of money required for each urban renewal area and the anticipated year in which indebtedness will be retired or otherwise provided
- A financial analysis of the plan, with sufficient information to determine the feasibility of the plan
- The fiscal impact on overlapping taxing districts, both until and after the indebtedness is repaid
- A relocation report that includes:
 - An analysis of existing residents or business required to relocate temporarily or permanently as a result of the urban renewal agency’s actions
 - A description of the methods to be used for the temporary or permanent relocation of persons living and businesses situated, in the urban renewal area
 - An enumeration, by cost range, of the existing housing units in the urban renewal areas of the plan to be destroyed or altered and the new units to be added

100. DESCRIPTION OF THE PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS

The conditions described in this section pertain to the Urban Renewal Area (Area) shown in the following map (figure 1). A legal description for the Area boundary is included in this Report (Attachment F).

Figure 1. South 97 Urban Renewal Area Boundary



Source: Leland Consulting Group

A. Physical Conditions

1. Land Area

The South 97 Urban Renewal Area encompasses 1,330.5 acres of land area within the City limits.

ORS 457.420(2)(b)(B) provides that the total land area of a proposed urban renewal district, when added to the land area of existing renewal areas may not exceed 25 percent of the City's land area (for Cities with populations of less than 50,000). The City's current land area is approximately 10,449 acres. The Redmond Downtown Urban Renewal District includes 701.70 acres (6.7 percent of the total). The proposed South 97 Urban Renewal District boundary includes 1,330.52 acres (12.7 percent of the total). The total of all acreage in urban renewal areas represents 19.45 percent of the City's land area and is, therefore, within the 25 percent limitation.

Table 1. Urban Renewal Area Conditions

	Acres	% of Total
Total area within the City	10,449.0	
Redmond Downtown Urban Renewal District	701.7	6.7%
Proposed South Hwy 97 Urban Renewal District	1,330.5	12.7%
Total area within urban renewal districts	2,032.2	19.5%

Source: Deschutes County Assessor

2. Topology and Geography

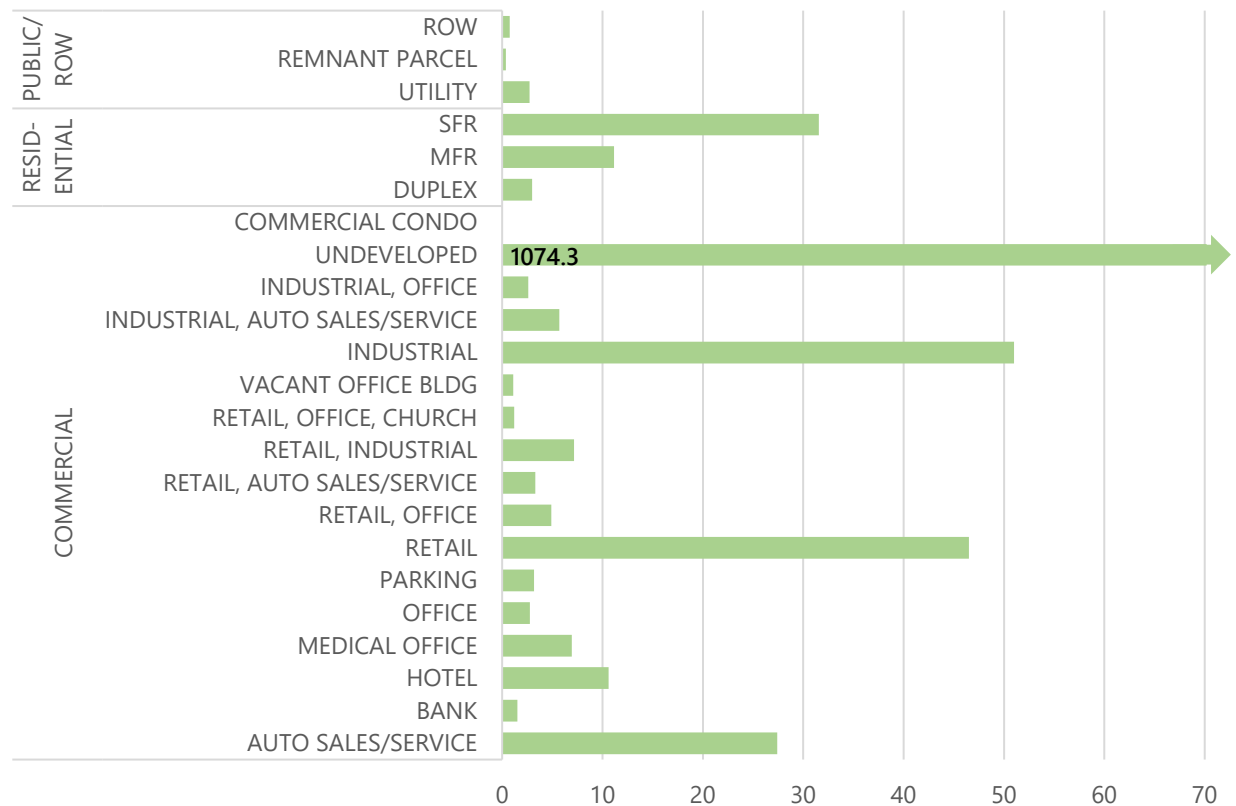
The Urban Renewal Area consists of predominately flat land, 0.0 to 8.0 percent slopes. The soil in the area is generally Deschutes-Stukel complex, which consists of shallow, well-drained soils from volcanic rock. The rocky nature of the area can add to the cost of excavation for building foundations, streets, and utilities. The Central Oregon Irrigation District (COID) Pilot Butte Canal runs adjacent to Highway 97 to the west and the Burlington Northern Santa Fe (BNSF) railway runs along the east. The irrigation canal and railway are barriers to east-west traffic circulation. US 97 South Corridor is mirrored by Canal Blvd. to the west which is the arterial roadway that collects most of the City's westbound traffic.

The South Redmond Tract is relatively level with scattered lava rock outcrops. Surrounding the rock outcrops are level areas of shallow, sandy soils. Elevation ranges from 3,050 to 3,180 feet. It is physically characterized as juniper woodland and considered rangeland. Vegetation includes western juniper and sagebrush and the soils are mostly sandy loam with basalt outcrops.

3. Existing Land Use and Development

A detailed parcel-by-parcel land use inventory of the Urban Renewal Area was undertaken in April 2020 and is summarized in the following table and charts. The inventory shows the Urban Renewal Area contains a significant amount of vacant and underdeveloped land. Of the categorized land uses, the largest percentage of the acreage is undeveloped. The Area contains 1,080.6 acres (83.2%) of land which is vacant or contains only non-structural improvements, such as parking lots, storage yards, etc. This area is mostly without streets, sidewalks, and utilities necessary for development. The four primary uses of developed acreage include industrial, retail, auto sales/service, and single-family residential. The opportunity exists to promote higher density development on the undeveloped acreage in the Urban Renewal Area.

Figure 2. Parcels by Land Use (Acres)



Source: Deschutes County Assessor, LCG

The most intense concentration of the Urban Renewal Area's commercial uses are found in the northern half. Commercial uses, which include retail, service, office, and auto-oriented uses, comprise 118 of the 283 parcels, or 41.7 percent of the total. Industrial uses, which include warehousing, manufacturing, and transportation uses, comprise 55 parcels, or 19.4 percent of the total.

Residential use comprises 81 of the 278 parcels in the Urban Renewal Area, or 29.1 percent of the total. However, reflecting the typically small parcel sizes generally associated with urban residential uses, residential parcels total only 46 acres, comprising only 3.5 percent of the total acreage within the Urban Renewal Area.

Of the 81 residential parcels, 69 are single family, three are multifamily (with one under construction), and 8 are duplexes. The bulk of the residential land uses in the Urban Renewal Area are located in the southwest section of the Area, between Canal Boulevard and US 97. A recently conducted market analysis suggests that future demand for new housing opportunities in the Urban Renewal Area exists.

4. Site Conditions

A survey of site conditions in the Urban Renewal Area was conducted in April 2020. The survey identified 77 parcels as vacant or partially vacant, representing 30.8 percent of the parcels, but 87.4 percent of the land area within the proposed boundary.

Development status was determined primarily through in-person observation and supported by aerial imagery analysis and tax roll data analysis.

The table below indicates a significant amount of potentially valuable property in the proposed renewal area appears to be under-developed, producing little property tax for the City and other taxing bodies.

The diminished property taxes resulting from a preponderance of undeveloped and/or low-value development can lead to service issues for the community. Lower property values due to lack of development and utilization of the area for tax producing purposes meet the ORS definition of blight.

Table 2. Site Development Status

Development Status	Vacant	Partially vacant	Improved
Parcels	60.0	17.0	173.0
% of Total	24.0%	6.8%	69.2%
Acres	1080.6	43.1	162.6
% of Total	84.0%	3.4%	12.6%

Source: Deschutes County Assessor, Leland Consulting Group

Additionally, site conditions of parcels for a significant majority of the proposed urban renewal area are poor or substandard (1,053.7 acres, 81.1 percent of the area). Poor and substandard site conditions include visible deterioration, drainage issues, overgrown vegetation, inefficient circulation or site configuration, etc. Less than 20 percent (18.9 percent) of the area, 200 parcels, have acceptable site conditions.

Table 3. Site Conditions

Site Condition	OK / Acceptable	Poor / Substandard
Parcels	200.0	53.0
% of Total	79.1%	20.9%
Acres	245.2	1053.7
% of Total	18.9%	81.1%

Source: Deschutes County Assessor, Leland Consulting Group

5. Building Occupancy and Conditions

A survey of building use and occupancy in the Urban Renewal Area was conducted in April 2020. The survey identified 187 parcels (66 percent of the total) in the Urban Renewal Area as containing buildings. The survey, which was of exterior building conditions only, evaluated the basic structural condition and level of maintenance of the buildings. Building conditions were categorized as "average to good", "fair (needing repair or maintenance)", and "seriously substandard."

Building conditions in the proposed area are generally in average to good condition, 91.4 percent of parcels and 84.0 percent of developed acreage. Fair and seriously substandard buildings represent 15 parcels, 8.0 percent of the total parcels, and 15.8 percent of the developed acreage. Most of these properties in these categories are either commercial buildings suffering primarily from aesthetic obsolescence or older single-family houses that have fallen into disrepair over time.

Table 4. Building Conditions

Building Exterior Condition	Average to Good	Fair (Repair/Maintain)	Seriously Substandard
Parcels	171.0	15.0	1.0
% of Total	91.4%	8.0%	0.5%
Acres	170.5	32.2	0.3
% of Total	84.0%	15.8%	0.2%

Source: Deschutes County Assessor, LCG

Within the study area, building occupancy is high, with 192.8 acres of 203.0 acres fully occupied (95.0 percent) representing 177 of 187 parcels with buildings (94.7 percent).

The survey results found that 10 buildings within the Renewal Area are either vacant or partially vacant. While these vacancies are scattered throughout the Area, there is a higher concentration of vacant or partially vacant commercial buildings along Highway 97.

Leland Consulting Group utilized CoStar commercial real estate data to determine existing long-term vacancies, which was supplemented with tax roll data and in-person observations.

Table 5. Building Occupancy Status

Building Occupancy	Vacant	Partially Vacant	Fully Occupied
Parcels	3.0	7.0	177.0
% of Total	1.6%	3.7%	94.7%
Acres	2.2	8.0	192.8
% of Total	1.1%	3.9%	95.0%

Source: Deschutes County Assessor, Leland Consulting Group

6. Conditions – Traffic and Circulation

The US 97 South Corridor serves as the primary north-south arterial through Redmond and is approximately three miles long from Highland Avenue to the south of the Yew Avenue/Airport Way interchange. The corridor serves a mixture of state, regional, and local traffic traveling to, from, and within a variety of different destinations in Central Oregon. The City is a destination that is not only the hub for transportation serving Central Oregon but also has regional attractors, including an airport, county fairgrounds, and many industrial and commercial areas.

Traffic signals exist at Odem Meadow Way, Veterans Way, and Highland Avenue. A 2017 traffic analysis indicated that most intersections within the corridor are within an acceptable level of service (LOS) per Highway Capacity Manual (HCM) standards. The traffic analysis also estimated 28,000 average daily trips along the corridor. A large majority of the traffic turns west on the various side streets along the corridor to reach the City's suburban areas. The commercial, industrial, fairgrounds and airport areas to the east are only accessible through Veterans Way and the off-ramps at Yew Avenue and Airport Way.

The US 97 Corridor Plan included 2040 traffic volume forecasts. Most of the land use growth in the study area forecast by the year 2040 is related to employment (i.e., commercial and industrial businesses), with a net increase of about 700 workers in the areas immediately adjacent to US 97 (a 97 percent increase over 2010). The employment growth, coupled with housing growth elsewhere in the City of Redmond and regional travel

growth on US 97, will increase traffic activity with average daily traffic volumes from approximately 28,000 vehicles in 2017 to approximately 36,000 vehicles in 2040. The improvements outlined in the Plan are expected to significantly improve operations and greatly mitigate the impacts of this growth.

Access to the South Redmond Tract is limited to a dead end on 19th Street. The 19th Street extension is critical to improving access to the area. On the north, 19th Street provides direct access to Airport Way and the Yew Avenue interchange at US 97.

7. Conditions – Sidewalks and Streetscape

Properties with missing sidewalks or sidewalks in need of repair are present throughout the Urban Renewal Area, in both residential and commercial areas. A field survey of sidewalk conditions was conducted in April 2020, which indicated that 42 percent of all parcels in the Area have missing or deteriorated sidewalks along their property frontage. The results of this survey are shown in the following table.

Given the vast majority of the area is undeveloped (due to the DSL property), a high proportion of the total acreage within the Area is without sidewalks. With regard to parcels, there is an especially high concentration of properties with missing sidewalks in the residential neighborhoods west of Canal Boulevard, in the central and southern commercial and industrial areas of the Urban Renewal Area.

Table 6. Sidewalk Conditions

Sidewalk Condition	Good Condition	No Sidewalk	Repair / Replace
Parcels	145.0	94.0	11.0
% of Total	58.0%	37.6%	4.4%
Acres	190.0	1078.3	17.9
% of Total	14.8%	83.8%	1.4%

Source: Deschutes County Assessor, LCG

8. Conditions – Sewer and Water Services

Most of the City's sewer flows within the US 97 South Corridor are collected via gravity sewer mains. The gravity sewer mains convey flows to the West Side Sewer Interceptor pipe located in the City's west and central area. The West Side Sewer Interceptor ultimately delivers all sewer flows by gravity to the City's Water Pollution Control Facility (WPCF). Sewer flows specifically from the south area, which includes the County Fairgrounds and the Fairgrounds Business Park subdivisions, are collected via gravity mains to the Yew lift station. The lift station directs flows via a sewer force main to a gravity main located along Canal Boulevard, which ultimately conveys flows to the West Side Sewer Interceptor. Capacity has not been identified as a constraint for all US 97 South Corridor improvements. The City recommends a new lift station and forced main to serve the South Redmond Tract. Alternately, the City is also open to a package treatment plant for the South Redmond Tract.

The City obtains 100 percent of its water supply from groundwater through drilled wells. The City's water distribution system is divided into various zones that operate at different capacities and pressures. Most of the US 97 South Corridor lies within Pressure Zone 2 which encompasses most of the City. The south area is within Pressure Zone 1, which is considered the high-pressure zone for the City. The City has identified several projects to align with the US 97 South Corridor improvements and also to provide water service to the South Redmond Tract. In summary, the projects identified include a new reservoir and well along with numerous new water pipeline projects which are required to meet future capacity and fire flow demands.

9. Conditions – Comprehensive Plan Goals and Objectives

The Redmond Comprehensive Plan addresses numerous conditions, deficiencies, and issues addressed in this Urban Renewal Plan. Specific goals and policies found in the Redmond Comprehensive Plan concerning area conditions and problems are:

CHAPTER 9 – ECONOMIC DEVELOPMENT

Goals

1. Expand, improve, and diversify the economy of the Redmond Urban Growth Boundary area while maintaining Redmond's quality of life.
3. Retain or create industrial, office, professional service, technology, medical, tourism, retail, and other jobs through expansion and retention of existing businesses and recruitment of new businesses.
4. Improve the appearance of the community's employment districts, particularly along Highways 97 and 126, the Downtown, central eastside industrial areas, and the Airport/Fairgrounds area.
9. Provide, maintain, and promote the enhancement of state of the art infrastructure, including, but not limited to, transportation systems, water, sewer, natural gas, power, telecommunications, and air service to support the commercial and industrial needs of the community.
11. Maintain Redmond's favorable employment to housing ratio by taking affirmative steps to ensure economic development and employment growth keeps pace with population growth, especially for industrial employment.
12. To build a strong and thriving regional economy by coordinating public investments, policies, and regulations to support regional and state economic development objectives in Central Oregon as determined through the Central Oregon Large Lot Industrial Land Needs Analysis.

Policies

9. The City should give a high priority to extending and improving the infrastructure needed for economic development.
10. The City shall provide an incentive program encouraging the development of primary industry family-wage jobs.
11. The City should provide incentives and innovative ways to encourage and promote an inventory of available industrial buildings and a pre-approved process to attract industrial uses.
12. General Objectives
 - b. Encourage landscaping and other forms of city beautification for the purpose of enhancing the physical character of each area, and the overall city.
 - f. Focus community efforts to improve the overall appearance of existing commercial areas and similar considerations encouraged to all new developments.
 - i. Rehabilitate or re-develop older commercial areas in order to retain their values to the community, including the Downtown and Highway 97 corridor after the highway is re-routed to a limited access corridor.
33. Commercial development adjacent to arterial streets and State highways shall be subject to access restrictions.

34. C-1 commercial development along Highway 97 shall be encouraged to provide service access roads which feed into arterial and collector streets at designated points.
46. The City recognizes the importance of maintaining a large-lot industrial land supply that is readily developable in Central Oregon.

Findings: Plan's relationship to Chapter 9 – Economic Development.

- The Plan's Industrial Opportunity Fund, Small Loan Program, and Incentive Funding project activities support Economic Development Goals 1, 3, 11, and 12 and Policies 10, 11, and 46 through programs that support the development or expansion of businesses and employment centers that retain and create job opportunities, help maintain a balance of jobs to housing, promote public-private and inter-agency coordination, and expand, diversify, and improve the local economy.
- The Plan's public utility, power, gas, and telecommunications project activities support Economic Development Goals 9, 11, and 12 and Policies 9 and 46 by extending and improving Redmond's infrastructure to meet the commercial and industrial needs of the community, thereby supporting job growth, supplying readily developable large-lot industrial land, and helping the City coordinate investments to support regional and state economic development objectives in Central Oregon.
- The Plan's transportation project activities support Economic Development Goals 4, 9, and 11 and Policies 33 and 34 by funding transportation investments that improve the appearance of transportation elements in the Area's employment districts, modify and enhance access and connectivity, and extend, develop, and improve infrastructure to serve the commercial and industrial needs of the community.
- The Plan's transportation project activities support Economic Development Goals 1, 4, 9, and 12 and Policies 12(b)(f)(i) and 34 by improving the Area's physical appearance, accessibility, and navigability by various modes of transportation, and strengthening the identity and vitality of both the US 97 Corridor and the broader Area.

CHAPTER 10 – HOUSING

Goals

3. Establish residential neighborhoods that are safe, convenient, and attractive places to live, which are located close to schools, parks, shopping, and employment centers.
5. Provide a broad range of accessible and affordable housing.
6. Provide for higher densities in proximity to schools, services, parks, shopping, employment centers, and public transit.

Policies

23. Criteria for the location of multifamily housing shall include proximity to the City core, neighborhood commercial centers, major transportation corridors, schools, services, parks, shopping, employment centers, and transit corridors.

Findings: Plan's relationship to Chapter 10 – Housing.

- The Plan's transportation and utility infrastructure project activities support Housing Goals 3, 5, and 6 and Policy 23 by reducing the cost burden on developers, thereby improving the prospects of new housing development, and potentially increasing the probability of higher density developments.

- The Plan's development assistance and incentive funding program activities support Goals 3, 4, 5, and 6 and Policy 23 by supporting employment growth along a major corridor, near shopping and employment centers, and near services.

CHAPTER 11 – PUBLIC FACILITIES AND SERVICES

Goals

1. To provide for a close correlation between the provisions of urban services and urban development in order to bring about a more orderly and efficient development pattern, and thereby avoid unnecessary tax burdens and excessive utility costs normally associated with scattered, unrelated development.
2. To achieve a balance of public costs vs. benefits/revenues in the provision of public facilities and services.
3. To provide public and private utility systems - water, sanitary and storm sewer, energy, communications, garbage, and recycling - at levels necessary and suitable for existing and proposed uses.
5. Public facilities shall be available or under construction prior to the issuance of Building Permits.

Policies

2. The City should establish revenue sources to pay for its planned capital improvements.
3. The City Council should investigate funding alternatives to property taxes for funding public facilities and services.
11. The City shall continue to develop, operate, and maintain a water system, including wells, pumps, and reservoirs, capable of serving all urban development within the UGB.
15. Storm drainage facilities such as dry wells, landscaping, retention ponds or storm drains shall be used to control surface drainage.
26. The City shall encourage Natural Gas providers to provide service throughout the UGB area.
27. Property for future fire station locations should be planned for and purchased in advance in order to save costs of facility zoning construction. Attempts shall be made to combine future stations with other government entities in order to reduce infrastructure and operations costs.

FINDINGS: Plan's Relationship to Chapter 11 – Public Facilities and Services.

- The Plan's public utility, power and gas, and communications projects support Goals 1, 2, and 3 and Policies 11, 15, and 26 by providing infrastructure deemed critical to attracting desired users to the Area and by providing the necessary infrastructure for existing businesses and industries to expand operations.
- The Plan's Fire Station project supports Goal 5 and Policy 27 by providing funding for a new fire station to serve south/southeast Redmond.
- The Plan supports Policies 2 and 3 by providing additional funding methodologies and funding alternatives to pay for and leverage planned capital improvements and programs.
- The Plan's Industrial Opportunity Fund, Incentive Funding, and Small Loan Program activities support Goals 1, 2, 3, and 5 and Policies 11, 15, and 26 by encouraging and accelerating the timing of the construction of critical infrastructure deemed necessary for the expansion of existing businesses and establishment of new users.

CHAPTER 12 – TRANSPORTATION

Goals

1. Reduce through traffic, congestion, and improve circulation along Highway 97, especially along the 5th and 6th Street couplet.
2. Enhance east/west circulation.
3. Identify roadway system needs to serve undeveloped areas so that steps can be taken to preserve rights-of-ways and maintain adequate traffic circulation.
4. Increase the use of alternative travel modes through improved safety and service

Objectives:

- 1b. Improve intersection operations by adding left-turn phases, installing additional traffic signals, actuating and coordinating traffic signals, and/or increasing sight distance as needed.
- 2a. Develop a safe and efficient east-west arterial and collector system
- 2b. Enhance existing crossings and determine the best locations for additional crossings of Dry Canyon, Highway 97, Pilot Butte Canal, and BNSFRR line to link east and west Redmond.
- 3a. Integrate new arterial and collector routes into the existing city grid system.
- 4a. Provide additional sidewalks and improve existing sidewalk pavement for pedestrian safety and access.
- 4b. Provide additional bicycle routes and plan regular maintenance of existing routes for bicycle safety and access (per Redmond Bicycle Master Plan).
- 4c. Provide pedestrian and bicycle access, especially when direct motor vehicle access is not possible.

Policies

3. The function of existing and planned roadways as identified in the Redmond Urban Area Transportation Plan shall be protected through the application of appropriate access control measures.
10. The City shall work to acquire and develop a trail system that utilizes Redmond's irrigation canal system.
16. Sidewalks shall be included on all new streets except limited access roads or where equivalent alternative pedestrian circulation is provided in the UGB. Retrofitting existing streets with sidewalks shall proceed on a prioritized schedule.
20. Wherever practical, access to the highway will be provided via frontage roads, alternative local roads, or other means, rather than direct access to the highway.
22. A non-traversable median should be installed on the highway when operational or safety issues warrant installation. Directional breaks in the median will be provided as needed to provide safe traffic operation.
24. Medians installed in the state highways should provide bicycle and pedestrian crossings at least every 1/4 mile.
34. The City shall improve east-west and north-south traffic patterns in the central part of the community.
38. Alleys shall be an option in new residential areas, providing rear access and backyard parking.

FINDINGS: Plan's Relationship to Chapter 12 – Transportation.

- The Plan's transportation improvement projects support Goals 1 and 3, Objective 1b, and Policies 3, 22, 24 by improving safety, efficiency, and operations through access and median treatments, supporting the development of new connections and alternative routes to serve existing and underserved areas, and reducing through traffic by encouraging other modes of transportation.
- The Plan's US 97, local street, alley, and access improvement projects support Goals 1, 2, 3, and 4, Objectives 1b, 2a, 2b, and 3a, and Policies 20, 34, and 38 by enhancing crossings, improving intersection operations, addressing access through new alleys and alternative routes, and implementing circulation improvements necessary for new development.
- The Plan's canal improvement contribution, mixed-use path, US 97 median treatments, sidewalk improvements, and pedestrian infrastructure project activities support Goal 4, Objectives 2a, 4a, 4b, and 4c, and Policies 10, 16, and 24 by providing safer or alternative routes for pedestrians and bicyclists in the US 97 corridor and the surrounding streets, enhancing multimodal connections throughout the Area.
- Additionally, transportation improvements may be a key component of several projects in the Plan, such as the Industrial Opportunity Fund, which is intended to support a wide range of investments and project activities that will leverage private development.

CHAPTER 15 – LIVABILITY

Goals

1. The City of Redmond shall create and maintain livability. The City of Redmond shall guide development and support community identity and pride by implementing policies that improve livability and are innovative, creating a high quality of life, ample family-wage jobs, and a safe environment in which to raise and educate families.

Policies

8. Redmond shall plan for a variety of transportation choices.
9. Redmond shall plan for and promote attractive streetscapes free from clutter, confusion, and blight.
10. Redmond shall develop safe, reliable, and economical transportation choices to decrease household transportation costs, improve air quality, reduce greenhouse gas emissions, and promote public health.
11. The City of Redmond shall develop and maintain the environment that promotes and supports a strong, healthy, and diverse economic base.
12. Redmond shall promote economic competitiveness through sustainable choices for housing, transportation, education, cultural diversity and enrichment, and recreational opportunities as well as improve reliable and timely access to employment centers, educational opportunities, services, and other basic needs by workers.
13. Redmond shall help existing businesses within the City to grow and thrive.
14. Redmond shall help to create and foster new businesses of all types.
15. Redmond shall provide well planned and maintain high-quality infrastructure to provide a competitive advantage for business and community growth.

FINDINGS: Plan's Relationship to Chapter 15 – Livability.

- The Plan's transportation-related projects, such as US 97 improvements, local improvements, pedestrian connections, and other related projects, support Goal 1 and Policies 8, 9, 10, 11, and 12 by providing pedestrian and bicycle infrastructure to encourage walking and cycling, improving streetscapes by addressing blighted conditions (such as lacking sidewalks) and funding beautification efforts, and planning for improved access to current and future employment centers.
- The Plan's Industrial Opportunity Fund, Small Loan Program, and Incentive Funding project activities support Goal 1 and Policies 11, 12, 13, 14, and 15 by providing funding to existing and future businesses to grow and create new employment opportunities.
- The Plan's public utility, power and gas, and communications projects support Goal 1 and Policies 12, 13, 15 by providing high-quality infrastructure as a catalyst for growth.

B. Social and Economic Conditions

1. Property Values and Utilization

The total assessed valuation for the City of Redmond for the 2019-20 tax year was \$2.5 billion. The total assessed value of property within the Urban Renewal Area for the 2019-20 tax year was calculated at \$142.5 million (commercial property was \$104.8 million, residential property \$12.8 million, industrial property \$23.1 million, and municipal property \$1.8 million).

The overall value of improvements to land in the Renewal Area is quite low. Improvements represent approximately \$130.2 million while land represents approximately \$106.0 million in value. This equates to an improvement to land value ratio of only 1.23.

Mature urban areas are expected to exhibit improvement to value ratios in the 2:1 to 3:1 range. It was noted earlier that the Urban Renewal Area contained an exceptionally high percentage of land acreage either vacant or under-developed. The low level of utilization within the Area indicates it is far from reaching its potential in terms of generating jobs and tax base for the community.

A survey of existing land use and physical conditions in the Area conducted in April of 2020 found that the Area has a significant supply of vacant and underutilized properties. These vacant properties undermine the vitality of the Area's employment districts and represent wasted opportunities to generate economic activity that would benefit the Area.

Specifically, the survey identified 117 parcels as underutilized (46.2 percent of all parcels), totaling 1,181.5 acres (91.0 percent of total acreage).

Table 7. Site Utilization Status

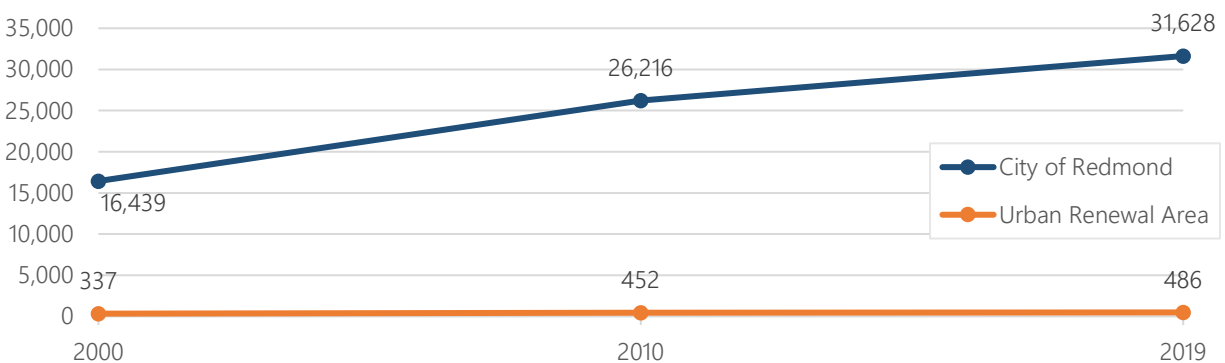
Site Utilization	Not Underutilized	Underutilized
Parcels	136.0	117.0
% of Total	53.8%	46.2%
Acres	117.3	1,181.5
% of Total	9.0%	91.0%

Source: Deschutes County Assessor, Leland Consulting Group

2. Population and Housing

In 2019, with just around 500 residents, the Area contained 1.5 percent of the City's total population of 31,628 residents.

Figure 3. Estimated Population, Urban Renewal Area & City of Redmond



Source: ESRI

As shown in the figure above, between 2000 and 2019, the Urban Renewal Area showed only a marginal population increase of nearly 150 residents. In contrast, during this same timeframe, the City's population increased significantly, adding over 15,000 residents as a result of growth and development in areas outside of the Renewal Area.

In 2019, the City of Redmond comprised an estimated 11,873 housing units. Only 178 or 1.5 percent of these housing units are located in the Renewal Area. At 37 percent, the Area's homeownership rate is significantly lower than the citywide homeownership rate of 56 percent. Further, the Area has a lower percentage of vacant housing units (6.3 percent) relative to the City (9.2 percent).

The recent Redmond Housing Needs Analysis identified the following key findings for housing needs over the 2019-2039 twenty-year planning period:

- Redmond's population is forecast to grow slower than in the past.
- Redmond needs to plan for 6,963 new dwelling units.
- Redmond needs to plan for more single-family attached and multifamily dwelling units.
- Redmond has a deficit of land for single-family and multifamily housing.
- Redmond's development occurred at relatively low densities since 2008.
- Redmond has a deficit of housing affordable to extremely low- and very low-income households.
- Redmond has a deficit of housing affordable to low- and middle- income households.

3. Income

Relative to the City, incomes in the Area are significantly lower. In 2019, the Area's median household income (MHI) was \$30,973, more than \$23,250 lower than the citywide MHI.

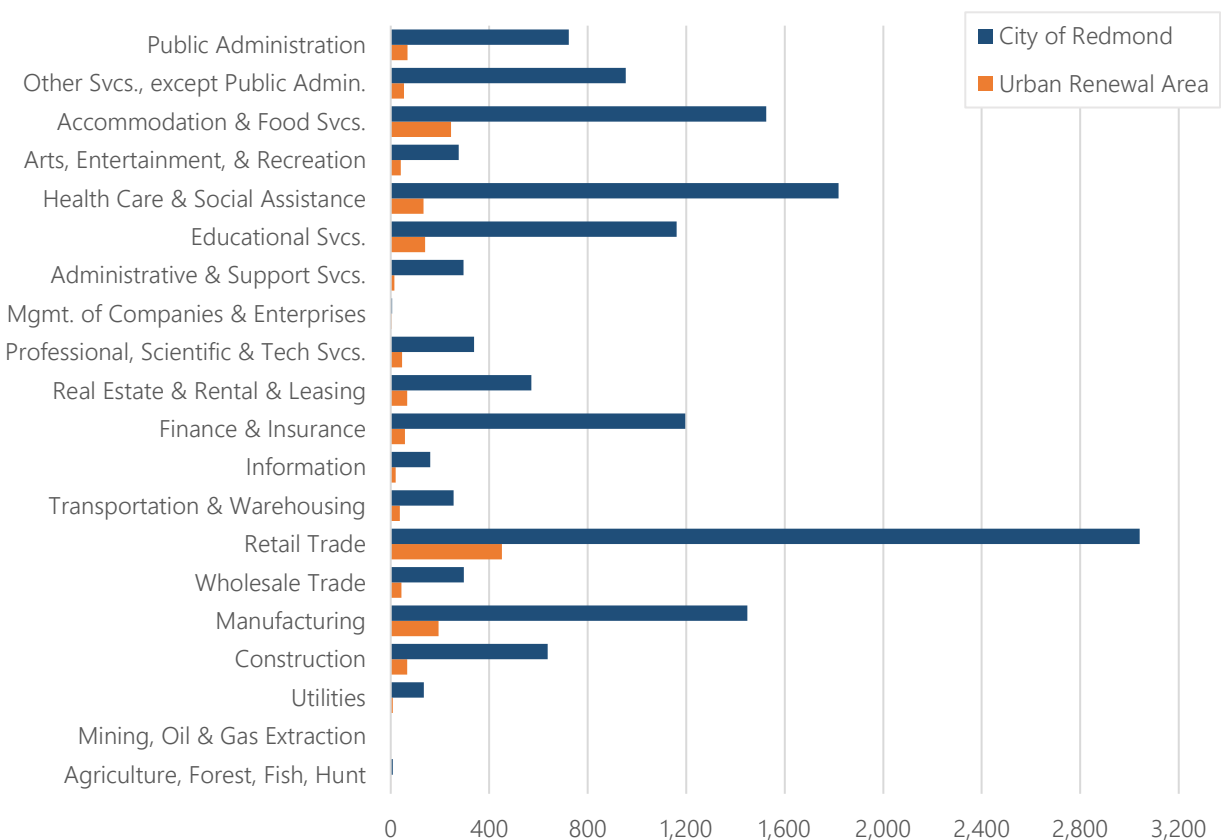
4. Employment

The following figure shows jobs by industry in the Area and the City in 2019. Key findings, based on the 2018 employment data, are summarized below.

- The Area employed 11 percent of citywide jobs in 2019.

- There are an estimated 1,692 jobs in the Area relative to 14,847 jobs in the City of Redmond.
- The majority of jobs in the Area are in the retail trade, with 451 jobs, as is the case citywide, with 3,041 jobs. Retail jobs in the Area comprise approximately 15 percent of the City's retail jobs.
- Industrial jobs, which include the industries of manufacturing, wholesale trade, construction, and transportation and warehousing, comprise 755 jobs in the Area of the 5,423 total jobs citywide (13.9 percent).
- Office jobs—which include the industries of professional, scientific and technical services, information, management of companies and enterprises, finance and insurance, and real estate and rental and leasing—comprise just 194 jobs in the Area of the 2,272 total jobs citywide (8.5 percent)
- Accommodations and Food Service jobs in the Area comprise 16 percent of citywide Accommodations and Food Service jobs.

Figure 4. Estimated 2019 Employment by Industry (NAICS)



Source: ESRI

200. EXPECTED SERVICE AND POPULATION IMPACTS OF THE PLAN

The Plan is expected to produce positive fiscal and service impacts for Redmond. Plan activities are intended to eliminate current and prevent future blighting conditions in the Area. The Plan also supports activities intended to alleviate traffic, circulation, and safety problems, and upgrade streets, sidewalks, and building conditions in the Urban Renewal Area.

The Plan will utilize tax increment revenues. The investments made with tax increment funds from the Urban Renewal Area are expected to produce a more robust tax base from redevelopment and rehabilitation. Development opportunities that may arise as a direct result of these investments are described as follow.

The US 97 Corridor Plan, which involved a significantly smaller study area within the greater Urban Renewal Area, identified a likely development program based on a range of development opportunities and likely real estate projects over the next 10 to 20 years. In 2019, it was determined that this development program would likely accommodate up to 300 units of new housing, almost 90,000 square feet of new employment space, two new hotels, and approximately 160,000 square feet of new retail services.

The addition of the South Redmond Tract provides the opportunity for significantly more development activity and employment growth. While no new analysis was conducted for this additional area within the Urban Renewal Area, the land is expected to accommodate up to three million square feet of new development. New jobs associated with this development will generate significant new state income tax revenues. The Plan supports this growth through numerous transportation and utility infrastructure project activities and programs aimed at incentivizing and catalyzing growth.

Specific impacts of the Plan to the City and other taxing jurisdictions are as follows.

City of Redmond. Demands for City policing will increase in the area as development occurs. Funding for these services will be limited to existing property taxes and additional lodging taxes (from new hotels in the Area), franchise fees; electric, natural gas, cable, water, sewer, stormwater and phone, from new development. The primary development anticipated is industrial, therefore, service demand for police services is anticipated to be limited. Revenue generated from franchise fees will offset a portion of these costs.

Water and sewer service needs, as described in the Physical Conditions in Section 100 of this Report, are generally identified in the City's Capital Improvement Plan and would be funded either by system development charges associated with the new development or with the planned project activities of the Plan.

Fire District. Demands for Fire and Rescue services will increase in the area as development occurs. Funding for these services during the duration of the urban renewal district will be limited to existing property tax revenue. The primary development anticipated is industrial, which will have considerable fire, life safety design standards and will likely be built to the most current building code and equipped with modern fire prevention and public safety features, reducing service demand for fire and rescue services. Revenue generated from existing property taxes is not anticipated to be adequate to pay for services provided during the duration of the urban renewal district.

However, currently, there are many vacant and underutilized properties in the Area which contribute disproportionately to demand for fire and police services. Since the Plan has project activities intended to encourage reinvestment in these blighted properties, it is expected that the Plan would reduce service demand associated with nuisance properties.

The Plan also supports the redevelopment and rehabilitation of older properties, which will bring them up to modern building, safety, and fire codes and is therefore expected to reduce the demand for fire services.

County and County Service Districts. Demands for County services, including but not limited to Sheriff, Library, County Clerk, District Attorney, and Assessor, are anticipated to increase marginally as development within the urban renewal area as new development is anticipated to be industrially driven with limited housing. Local public safety services are provided by the City police department. District Attorney and related court services will have limited impacts resulting from the new development. The Clerk is anticipated to generate

revenue from fees related to recoding and other development services to offset costs, and the Assessor will have impacts resulting from new development. Existing property tax revenue from the urban renewal area will offset a portion of costs during the duration of the urban renewal district, with revenue received subsequently considerably greater than the cost of delivering services within the area.

Parks District. Due to the anticipated nature of development within the urban renewal area, demands for park facilities are anticipated to be limited. Revenue from existing property taxes is anticipated to offset the cost of providing these services to residents within the service area.

Redmond School District. Due to the anticipated nature of development within the Urban Renewal Area, demands for school facilities and operations are anticipated to be limited. State school funding is provided on a per student basis, therefore, any deficiency in local property tax funding is offset by the State school funding formula. Upon the expiration of the urban renewal district, significant local funding will be forthcoming for schools, however, the amount of additional local funding received will be offset with reductions by the State to achieve equitable per student funding across the State.

Central Oregon Community College. Due to the anticipated nature of development within the urban renewal area, demands for higher education facilities and operations are anticipated to be limited. Property tax funding from the urban renewal area will be limited to existing property taxes until the urban renewal district is closed.

Education Service District. Due to the anticipated nature of development within the urban renewal area, demands for pre-kindergarten through high school education facilities and operations are anticipated to be limited. Property tax funding from the urban renewal area will be limited to existing property taxes until the urban renewal district is closed.

Note: Should residential development demand be greater than presently anticipated, impacts on local government services could be significantly different than what is described above.

300. REASONS FOR SELECTING THE URBAN RENEWAL PLAN AREA

The Urban Renewal Plan Area was selected based on Redmond Comprehensive Plan goals, objectives, and policies, and on the existence of blighting conditions within the Area. The blight is evidenced by the lack of proper utilization of land planned for commercial, industrial, residential, and public purposes, traffic and pedestrian conflicts and deficiencies, poor visual and aesthetic conditions, substandard building conditions, the prevalence of low values and lack of investment in the project area, and reduced tax receipts resulting therefrom.

Conditions within the Urban Renewal Area meet the definitions of blight in ORS 457.010. These conditions are described in the previous section, and are summarized below:

- The Area contains a high percentage of parcels of vacant and undeveloped or underdeveloped land.
- The Area lacks adequate multimodal access, circulation, and connectivity. In particular, east-west connections are highly limited.
- The Area lacks adequate sidewalks with 62 percent of parcels with incomplete or missing sidewalks.
- The Area lacks safe bicycle routes connecting key destinations.
- Much of the Area has a poor aesthetic appearance. Landscaping and streetscapes are inconsistent and, in some locations, inadequate or lacking. Overhead utilities contribute to visual clutter and help produce an environment not conducive to new investment in the area.
- The highway commercial properties lack alternative access to improve ingress and egress.

400. RELATIONSHIP BETWEEN EACH PROJECT ACTIVITY AND EXISTING CONDITIONS

The projects in Section 700 of the Plan were identified to specifically address the presence of physical, economic, and other conditions of blight present in the Area. The relationship between these projects and these conditions is described below.

A. US 97 Improvements

Description: This project activity will provide funding to carry out the highway-related improvements from the City of Redmond's US 97 Corridor Plan, including road construction, median and access treatments, pedestrian and bicycle facilities, traffic signal systems, and gateway treatments.

Relationship to Existing Conditions: An efficient and well-planned highway is a critical component of a successful employment district. Under existing conditions, US 97 is inefficient, not aesthetically pleasing, and unsafe, with crashes predicted to increase significantly by 2040. Pedestrian and bicycle connections are also missing or highly limited.

Proposed medians, signals, and access treatments will improve safety in the US 97 Corridor by reducing the frequency and severity of crashes. These projects are also critical to improving the aesthetics of the corridor, providing opportunities for business and community interaction, maintaining freight operations, and improving efficiency.

Bicycle and pedestrian improvements, and the preservation of Highway 97 access, are necessary to support commercial, industrial, and medical-related employment—particularly in the northern portion of the Area. Improvements that improve traffic circulation, such as the signalization of key intersections will also strengthen the Area's capacity to attract private investment.

B. Local Transportation Projects

Description: Local transportation projects include connection roads (including east-west collectors, distributors, and local streets), connections to and construction of a new shared-use path, new access roads or alleyways, pedestrian and bicycle facilities, and other new streets as needed to attract or support private investment.

Relationship to Existing Conditions: Under existing conditions, many parts of the Area, particularly commercial and industrial zoned areas to the north, have poor multimodal access and connectivity. There are few alternatives to US 97, unnecessarily increasing local trips on the highway.

These transportation projects are intended to provide a transportation network in the Area that supports the efficient movement of traffic, reduces traffic volumes on US 97 by providing alternative routes and promoting other transportation modes, and supports a vibrant business district. The projects are also critical to realizing currently untapped development and employment potential.

C. Public Utilities (Water, Stormwater, and Sewer Improvements)

Description: Public utility projects include the development of sewer, stormwater, and water infrastructure to accommodate future development, particularly for the South Redmond Tract. Projects also include the

construction of new stormwater facilities, repair of existing sewer lines, and extension or enlargement of existing water and sewer lines as needed to support the expansion of existing businesses or new development.

- Water, Wastewater, and Stormwater systems will need to be constructed for the area to develop. The City's master plans anticipate these improvements. Funding for these improvements is generally provided by system development charges and utility rates.
- The schedule includes \$22.5 million of funding to assist developers with the cost of these facilities (Industrial Opportunity Fund, Incentive Funding)

Relationship to Existing Conditions: The projects are intended to address infrastructure deficiencies in the Area. The lack of costly utility infrastructure within the urban renewal area is a significant barrier to development. The program funding channels noted above provide financial assistance to facilitate timely and orderly completion of utility infrastructure to support development within the urban renewal area.

While most, if not all, of these projects, may currently be planned by the City, accelerating the timeline of their implementation may be required to serve new development in the Area. As such, additional money, funded through tax increment financing, is available for these projects as needed.

Note that the funding for City utilities and infrastructure and other utilities could be structured in a variety of ways. Total funding allocated to assist developers and the utilities with completion of the required improvements to serve the Area is \$22.5 million.

D. Fire Station

Description: A fire station will be needed in South Redmond to reduce response times and serve new and existing commercial and residential users. As the area develops, lower response times are necessary, especially for users with a higher risk of fire and other hazards.

- Funding of \$4.5 million is included for this project

Relationship to Existing Conditions: The project addresses the present lack of fire and rescue facilities and operations within proximity of the anticipated development within the urban renewal area.

Note: If public building(s) are included in the Urban Renewal Plan, a legislative change in 2017 requires the concurrence of three of four taxing districts that are estimated to forego the most property tax revenue (The City, County, School District, and Fire District). Concurrence requires a vote of the governing body of each of the four taxing districts. Failure of a governing body to take action (resolution) within 45 days of notice is considered concurrence.

E. Industrial Opportunity Fund

Description: This project activity includes a fund for public investments to prepare readily-available industrial lands and support large-scale industrial development in the Area. Assistance could take the form of gap financing (low or no interest loans), infrastructure (roads, sidewalks, utilities), and other tools.

- Funding of \$12.5 million is included for this project

Relationship to Existing Conditions: The project addresses the presence of vacant and underutilized land in the area and supports Comprehensive Plan goals related to job creation, business development, and the diversification of Redmond's economy.

F. Small Loan Program

Description: This program offers financial support to assist properties and businesses within the urban renewal to help retain economic vitality and increase property values.

- \$2.0 million is allocated towards this program.
- Funding for this program is consistent with tax increment financing requirements as described in ORS 457.170(2) and 457.180. A resolution adopted by the City Council may be appropriate to set forth the economic conditions and other criteria for this program.

Relationship to Existing Conditions: While the number of vacant buildings is currently low, challenging economic conditions may cause additional vacancies or a rise in dilapidated sites and building conditions. This program will support job retention and creation, and retention of property values within the urban renewal area.

G. Incentive Funding

Description: This activity creates funding to allow the Urban Renewal Agency to stimulate redevelopment in the Area by partnering with private property owners, repositioning property for redevelopment, and other activities. As part of the City of Redmond's effort to enhance business vitality and support desired development within the South 97 Urban Renewal Area, Incentive Funding is aimed at incentivizing property owners and developers to rehabilitate or redevelop property that will better serve the City's goals for the Area and the greater Redmond community. Assistance could take the form of direct developer assistance, grants, reimbursements, and or system development charge (SDC) credits for contributions to the transportation and utility system.

- Funding of \$10.0 million is included for this project

Relationship to Existing Conditions: The corridor's existing site and building conditions require significant improvements. Existing property and business owners do not currently have the incentives to make the necessary improvements to their sites or building that would result in increased taxable property values, corridor aesthetics, or other economic development-related outcomes. The Incentive Funding program will support the redevelopment or rehabilitation of vacant and undeveloped or underdeveloped properties in the Area, which in turn will support job creation and the mitigation of existing transportation conditions that are a barrier to development today.

H. Natural Gas/Power Improvements

Description: The City may provide funding to accelerate the timing or upgrade the capacity of natural gas or power infrastructure, especially for underserved locations such as the South Redmond Tract.

- The schedule includes \$22.5 million of funding to assist developers with the cost of these facilities (Industrial Opportunity Fund, Incentive Funding)

Relationship to Existing Conditions: The lack of costly utility infrastructure within the urban renewal area is a significant barrier to development. The program funding channels noted above provide financial assistance to facilitate timely and orderly completion of utility infrastructure to support development within the urban renewal area. Investments in both gas and electricity are critical to accommodate a range of uses, including but not limited to industrial manufacturers and other significant employment-generating users.

I. Communications Improvements

Description: Communications Improvements include telephone and high-speed internet infrastructure. While the City is not responsible for the cost of communications upgrades and improvements, this project activity provides seed funding to accelerate the timing of specific improvements to attract desired users.

- The schedule includes \$22.5 million of funding to assist developers with the cost of these facilities (Industrial Opportunity Fund, Incentive Funding)

Relationship to Existing Conditions: Broadband and other communications improvements are important for economic growth and business vitality. Broadband is the underpinning for some of today's most important transformations in business activity and government services. Much of the Area is currently lacking telecommunications infrastructure, posing a significant barrier to attracting desired users to the Area.

J. Canal Improvement Contribution

Description: This project activity includes funding to help the Central Oregon Irrigation District (COID) pipe at least 1.0 mile of the canal to accommodate new road construction and a multi-use path along the canal.

- Funding of \$4.0 million is included for this project

Relationship to Existing Conditions: New east-west transportation connections identified in Section 700(B) requires the piping of the canal to mitigate project costs. Bridging the canal would add significant costs to these new connections. Urban Renewal funding made available through this project activity is therefore critical to providing gap financing to accelerate the timing of the piping project and other related transportation projects.

500. FINANCIAL ANALYSIS OF PLAN

A. Estimated Project Cost and Revenue Sources

The table below shows the estimated total costs of the various projects and programs associated with the South 97 Urban Renewal Area. From the inception of the Plan in fiscal year 2020-21 until its anticipated termination in fiscal year 2044-45, total costs for additional project activities, exclusive of debt service, are estimated at \$84.2 million in inflation-adjusted dollars, or \$68,269,000 in 2020 dollars. An additional \$1.3 million is anticipated for debt issuance related costs. Therefore, the total inflation-adjusted costs for projects, programs, administration, and debt issuance costs to complete the Plan, requires a maximum indebtedness of \$85,458,900.

Table 8. Urban Renewal Projects and Program Funding

Project and Program Description	Urban Renewal Funding	Dates	Future Estimated Cost
US Highway 97 Projects	\$24,018,000	2024-2032	\$27,892,200
Local Transportation Projects	\$5,328,000	2025-2040	\$6,782,100
Fire Station	\$4,500,000	2030-2035	\$5,709,200
Industrial Opportunity Fund	\$12,500,000	2023-2042	\$16,325,500
Small Loan Program	\$2,000,000	2022-2042	\$2,527,800
Incentive Funding	\$10,000,000	2023-2042	\$12,820,100
Canal Improvement Contribution	\$4,000,000	2026-2032	\$4,736,000
Program Administration	\$5,923,000	2022-2045	\$7,405,500
Total Urban Renewal Project Funding	\$68,269,000		\$84,198,400

Source: LCG and GEL Oregon

The principal method of funding the project share of costs will be through the use of tax increment financing as authorized by ORS 457. In addition, the Agency will apply for, and make use of funding from other federal, state, local, or private sources as such funds become available.

Tax increment financing is based upon the premise that new taxes generated by the improvements implemented by the urban renewal district pay for the projects. The tax increment is the difference in property taxes generated by the increase in assessed value in the Area over the original frozen base value when the renewal area was first established.

Note – Urban renewal does not increase the taxes that property owners within the Urban Renewal Area pay, nor does it impact existing tax collections by overlapping taxing districts. It merely redirects any future taxes over the amount that the property owner was paying when the district was established to the Urban Renewal Agency to help pay for projects in the Renewal Area. Without urban renewal, the projects in the Plan may not be implemented due to a lack of funding.

B. Anticipated Start and Finish Dates of Project Activities

The following table shows the anticipated start and finish dates for each project and program activity. Project activities are anticipated to begin in fiscal year 2021-22, and it is estimated that all activities proposed in this plan will be completed by fiscal year 2041-42. At that time, it is estimated that there will be sufficient funds to complete all programmed project activities. Sufficient funds to retire all debt obligations is anticipated in fiscal year 2044-45. An annual schedule of anticipated start and finish dates is provided in Appendix B.

Many project activities will be partially funded with outside sources or will involve outside investment. As a result, the anticipated urban renewal spending will be significantly exceeded by additional investment tied directly to the urban renewal projects.

Table 9. Project Activities Start and Finish Dates and Funding Sources

Project Description	Amount	Dates	Funding
US 97 South Redmond Corridor Plan	\$50,266,700		
US 97 Highway improvements	\$26,248,700	2024-2032	ODOT
Pedestrian and non-street improvements	13,143,000	2025-2033	TIF
SW Volcano Avenue improvements	3,378,000	2025-2033	TIF
SW Umatilla Avenue improvements	1,030,000	2025-2033	TIF
"Reimon" Avenue improvements	2,925,000	2025-2033	TIF
SW Quartz Avenue improvements	2,901,000	2025-2033	TIF
Pumice Roundabout improvements	641,000	2025-2033	TIF
Other Local Transportation Projects	\$5,328,000		
Commercial Alley Improvements	\$1,308,000	2025-2033	TIF
COID Canal Shared-Use Path Improvements	4,020,000	2030-2040	TIF
Public Buildings			
Fire Station	6,000,000	2030-2035	TIF (\$4,500,000) Fire & Rescue District
Other Public Facilities			
Canal improvement contribution	4,000,000	2026-2032	TIF/COID
Local Public Utility Projects	\$16,320,000		
E1 - New Reservoir at Reservoir Dr	\$5,000,000	2021	City/TIF
E2 - New Booster Station & Well at Reservoir Dr	7,000,000	2021	City/TIF
E3 - 43rd St Water Line Improvements	999,000	2020	City/TIF
E4 - SW Canal Water Line Improvements	380,000	2020	City/TIF
E5 - SW 19th St Water Line Improvements	265,000	2022	City/TIF
E7 - SW Deerhound Water Line Improvements	335,000	2022	City/TIF
East Hwy 97 Waterline Improvements	1,200,000	2026	City/TIF
West Hwy 97 Waterline Improvements	800,000	2028	City/TIF
Hwy 97 Sewer Improvements	341,000	2026	City/TIF
Developer Projects	\$34,545,000		
Large Lot Industrial - North public infrastructure	\$13,291,000	2030	Dev/TIF
Large Lot Industrial - South public infrastructure	13,779,000	2040	Dev/TIF
CNG - Airport Way Main Extension	475,000	2030	Dev/TIF
Natural gas/electricity improvements	4,000,000	2022-2041	Dev/TIF
Communications improvements	1,000,000	2022-2041	Dev/TIF
700 gpm Lift Station and Force main	2,000,000	2030	Dev/TIF
Total Infrastructure Projects	\$116,459,700		

Source: LCG, HDR, and GEL Oregon

C. Estimated Expenditures and Year of Debt Retirement

It is estimated that the development activities within the Urban Renewal Area will produce approximately \$110.4 million in tax increment revenue between fiscal years 2021-22 and 2044-45. These funds, along with other resources, will be utilized to finance project activities and pay all debt service costs associated with undertaking these project activities.

It is anticipated that available tax increment revenues and funds accumulated in a dedicated debt service fund for debt redemption will be sufficient to retire all outstanding bonded indebtedness in fiscal year 2045-46, and at that time terminate the tax increment financing provisions of the Agency.

The following table provides a schedule of District revenue and expenditures, exclusive of debt proceeds, and principal repayment. A detailed schedule of sources and uses is provided in Appendix C.

Table 10. Schedule of Project and Program Related Expenditures (amounts in thousands)

Fiscal Year Ending June 30	Administration	Capital Outlay	Other ¹	Total Expenditures
2022	204	-	-	204
2023	208	104	20	332
2024	212	1,167	20	1,400
2025	333	4,440	80	4,854
2026	369	4,921	80	5,371
2027	433	5,771	110	6,313
2028	441	5,886	110	6,437
2029	450	6,004	120	6,574
2030	459	6,124	120	6,703
2031	551	7,343	150	8,044
2032	562	7,490	150	8,202
2033	224	2,987	70	3,281
2034	266	3,550	60	3,876
2035	272	3,621	70	3,962
2036	236	2,482	30	2,747
2037	240	2,532	30	2,802
2038	245	2,582	20	2,847
2039	250	2,634	20	2,904
2040	255	2,687	-	2,941
2041	260	2,212	-	2,472
2042	265	2,257	-	2,522
2043	271	-	-	271
2044	276	-	-	276
2045	124	-	-	124
Totals	7,406	76,793	1,260	85,459

Source: GEL Oregon

¹ Includes bond issuance expenses

Table 11. Schedule of Tax Increment Revenue and interest earnings (amounts in thousands)

Fiscal Year Ending June 30	Property taxes	Interest Earnings	Total Current Year Resources
2022	249	-	249
2023	623	-	623
2024	942	6	948
2025	1,210	9	1,219
2026	1,489	10	1,499
2027	1,769	10	1,779
2028	2,067	10	2,077
2029	2,387	9	2,396
2030	2,729	8	2,737
2031	3,097	9	3,106
2032	3,493	8	3,501
2033	3,917	7	3,924
2034	4,373	12	4,385
2035	4,863	10	4,873
2036	5,389	14	5,403
2037	5,954	17	5,971
2038	6,560	21	6,581
2039	7,211	27	7,238
2040	7,911	33	7,944
2041	8,398	40	8,438
2042	8,626	44	8,670
2043	8,859	73	8,932
2044	9,098	119	9,217
2045	9,347	168	9,515
Total	110,562	664	111,226
2022	249	-	249

Source: GEL Oregon

D. Impacts of Tax Increment Financing

1. Estimated Financial Effect to Local Governments

The net fiscal impacts to local government jurisdictions shown in the table below represent the total amount of property taxes estimated to be redirected, or foregone, from within the boundaries of Redmond. The word "redirected" or "foregone" must be used in context, for those revenues will not be lost to the Redmond community, but will instead be dedicated to capital improvements or public improvements within the Area. To the extent that the Urban Renewal Area increases in assessed value over what would otherwise have occurred without urban renewal investment, the overlapping taxing districts will see an increase in tax revenue in the long-term.

The following tables show the estimated foregone real property taxes during the life of the urban renewal district with an urban renewal district and without a district. Additionally, the forecast annual property taxes in fiscal year 2045-46 (the year after the district is projected to close) are shown, the payback in years for the foregone property taxes if no urban renewal district were created and the return on investment (ROI) (year by

year foregone property taxes information is provided in the appendix for both no urban renewal district and with an urban renewal district).

Table 12. Forecast Foregone Taxes – Governments (Fiscal years 2022-2045)

Taxing Jurisdiction	City of Redmond	Deschutes County	County Library	Countywide Law Enforcement	County Extension - 4H	9-1-1	Redmond Fire & Rescue	Redmond Park & Recreation	Total General Government
No Urban Renewal	17,020,217	4,701,873	2,122,655	4,168,123	86,449	1,396,318	6,770,110	1,434,528	37,700,273
Urban Renewal	32,405,169	8,952,002	4,041,368	7,935,781	164,595	2,658,488	12,889,764	2,731,228	71,778,395
Difference	15,384,952	4,250,129	1,918,713	3,767,658	78,146	1,262,170	6,119,654	1,296,700	34,078,122

Source: GEL Oregon

Table 13. Forecast taxes – Fiscal Year 2045-46 Government; payback of foregone taxes and return on investment (ROI)

Taxing Jurisdiction	City of Redmond	Deschutes County	County Library	Countywide Law Enforcement	County Extension - 4H	9-1-1	Redmond Fire & Rescue	Redmond Park & Recreation	Total General Government
No Urban Renewal	1,479,399	408,687	184,501	362,294	7,514	121,368	588,459	124,689	3,276,911
Urban Renewal	3,906,410	1,079,154	487,183	956,650	19,842	320,477	1,553,847	329,247	8,652,810
Difference	2,427,011	670,467	302,682	594,356	12,328	199,109	965,388	204,558	5,375,899
Payback – Years	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01	7.01
ROI	14.3%	14.3%	14.3%	14.3%	14.3%	14.3%	14.3%	14.3%	14.3%

Source: GEL Oregon

2. Forecast Revenue Sharing by Taxing Jurisdiction

Oregon Revised Statute 457.470 (2)(b) provides that beginning with the later of the 11th year after the initial approval of the plan or the year in which the maximum division of taxes equals or exceeds 10 percent of the initial maximum indebtedness in the plan (10% of \$85,458,900, or \$8,545,890), the Urban Renewal Agency] shall notify the County Assessor to compute the division of taxes for the urban renewal area using the assessed value that is not greater than the sum of:

- A. The amount of assessed value (AV) the Urban Renewal Agency estimates will produce division of taxes revenues equal to 10 percent of the initial maximum indebtedness (\$8,545,890) in the Plan, and
- B. 25 percent of the amount by which the assumed increment exceeds the AV of the increment the Urban Renewal Agency estimates will produce division of tax revenue equal to 10 percent of the initial maximum indebtedness in the plan.

Additionally, ORS 457.470(2)(c) provides that, beginning with the first year after the year in which division of taxes equals or exceeds 12.5 percent of the initial maximum indebtedness in the Plan (12.5% of \$85,458,900, or \$10,682,363), the Urban Renewal Agency shall notify the County Assessor pursuant to ORS 457.440 (computation of amounts to be raised from property taxes) (2)(d) to compute the division of taxes for the urban renewal area using an amount of assessed value that the agency estimates will produce division of tax revenues that do not exceed 12.5 percent of the initial maximum indebtedness in the plan (\$10,682,363).

Based on the above limitations, the Agency is expected to be limited in its division of tax collections beginning in fiscal year 2041, continuing through fiscal year 2045, when the Agency is anticipated to have sufficient resources to pay all outstanding debt and close the district.

Table 14. Forecast Revenue Sharing – Government

Fiscal Year Ending June 30	City of Redmond	Deschutes County	County Library	Countywide Law Enforcement	County Extension - 4H	9-1-1	Redmond Fire & Rescue	Redmond Park & Recreation	Total General Government
2041	81,717	22,574	10,191	20,012	415	6,704	32,504	6,887	181,004
2042	258,682	71,461	32,261	63,349	1,314	21,222	102,896	21,803	572,988
2043	448,725	123,961	55,962	109,889	2,279	36,813	178,489	37,820	993,938
2044	652,823	180,344	81,416	159,871	3,316	53,557	259,672	55,022	1,446,021
2045	872,009	240,894	108,751	213,548	4,429	71,539	346,858	73,496	1,931,524
Totals	2,313,956	639,234	288,581	566,669	11,753	189,835	920,419	195,028	5,125,475

Source: GEL Oregon

Table 15. Forecast Revenue Sharing – Education

Fiscal Year Ending June 30	Central Oregon Community College	High Desert ESD	Redmond School District #2J	Total
2041	11,496	1,786	93,112	106,394
2042	36,391	5,655	294,756	336,802
2043	63,125	9,809	511,301	584,235
2044	91,837	14,270	743,860	849,967
2045	122,672	19,061	993,613	1,135,346
Totals	325,521	50,581	2,636,642	3,012,744

Source: GEL Oregon

3. Estimated Financial Effect on Schools

Financial impacts on Redmond School District #2J are offset by the State school funding allocation, which provides funding on a per enrolled student basis. As a result, urban renewal will not result in lost revenue to the Redmond School District.

From a more global perspective, the State receives a majority of its general fund revenue which is used for school support from personal income taxes. The anticipated development and resulting jobs created in the Urban Renewal Area will create additional personal income tax paid to the State providing an offset and likely a surplus to the amount of property taxes that are redirected.

Central Oregon Community College and the High Desert ESD are not subject to the school funding formula and will realize reduced revenue.

The following tables show the estimated foregone real property taxes during the life of the urban renewal district with an urban renewal district and without a district. Additionally, the forecast annual property taxes in fiscal year 2045-46 (the year after the district is projected to close) are shown, the payback in years for the foregone property taxes if no urban renewal district were created and the return on investment (ROI) (year by year foregone property taxes information is provided in the appendix for both no urban renewal district and with an urban renewal district).

Table 16. Foregone Taxes – Education (Fiscal years 2022-2045)

Taxing Jurisdiction	Central Oregon Community College	High Desert ESD	Redmond School District #2J	Total Education
No Urban Renewal	2,394,356	372,042	19,393,732	22,160,130
Urban Renewal	4,558,665	708,340	36,924,156	42,191,161
Difference	2,164,309	336,298	17,530,424	20,031,031

Source: GEL Oregon, Inc.

Table 17. Forecast taxes – Fiscal Year 2045-46; payback of foregone taxes and return on investment (ROI)

Taxing Jurisdiction	Central Oregon Community College	High Desert ESD	Redmond School District #2J	Total Education
No Urban Renewal	208,118	32,338	1,685,705	1,926,161
Urban Renewal	549,543	85,390	4,451,168	5,086,101
Difference	341,425	53,052	2,765,463	3,159,940
Payback – Years	7.01	7.01	7.01	7.01
ROI	14.3%	14.3%	14.3%	14.3%

Source: GEL Oregon, Inc.

4. Effect on Bond Rates Financial

The forecast amount of debt proceeds, approximately \$63.0 million, issued over a period of approximately 17 years (fiscal years 2023-2039), secured by tax increment revenue, and the City's full faith and credit are forecast to have no less than a 1.13 debt coverage ratio (DCR). The DCR is projected to be greater than 1.25 in all but five fiscal years (FY 2031-2035). Debt issues are assumed to have terms of 20 years, with an interest rate of three and one-half percent (3.50%). The maximum outstanding debt balance during the life of the district is forecast at \$44.6 million in fiscal year 2035.

Due to the conservative nature of the debt coverage, excess value of real market value to assessed value within the district, among other factors the debt associated with the district is not anticipated to have a material effect on interest rates of bonds issued by the City. As development occurs within the Urban Renewal Area and property values increase, the total property valuation for Redmond is anticipated to provide benefits to the City for general obligation debt and or other debt issued by the City.

5. Feasibility of Plan

A feasibility study was completed in May 2020 that found the creation of the district was feasible with respect to ORS requirements for an urban renewal district. The feasibility report is attached in Appendix F.

This report updates the financial forecasting for projects and programs, their timing, the use of debt, and repayment of debt. Additionally, comprehensive financial proformas for the Agency's implementation and execution of the plan is prepared that demonstrate the financial feasibility of the Plan.

Factors beyond the Agency's control could negatively impact the Agency's ability to complete the plan as projected. These may include but are not limited to lesser development than projected, increased borrowing costs, inflationary impacts on project costs, and delays with project implementation due to a variety of factors. If these conditions were to occur and were to be material, the Agency could adjust project and program scope and timing in order to maintain financial feasibility.

600. RELOCATION

A. Properties Requiring Relocation

At the time of this report, no specific properties associated with potential project activities have been identified as requiring relocation of businesses, households, or buildings. In addition, no housing units have been identified for destruction or alteration. As a result, no relocation surveys have been conducted at this time. The Plan contemplates the acquisition of right-of-way for various transportation improvements, however, there are no relocations anticipated to be associated with this project activity.

B. Relocation Methods

In the event of any future activity involving relocation, the Renewal Agency will explore the possibility of physically moving buildings and other improvements and will discuss with potentially impacted parties' other possible means of assisting with replacement housing if applicable. Prior to any actual relocation, the Renewal Agency will establish a Relocation Policy which will call for assistance to those residents and businesses displaced. Such assistance will include providing information regarding suitable locations, payment of moving expenses, and other payment as deemed necessary.

All relocation activities will be undertaken, and payments made in accordance with the requirements of ORS 281.045 281.105 and any other applicable laws or regulations. Relocation payments will be made as provided in ORS 281.060.

APPENDIX A: REVENUE ASSUMPTIONS FOR THE URBAN RENEWAL AREA

A. New Values Added in Area

The following specific developments are under construction at the time of writing this report:

- Two hotels, totaling 207 units,
- A commercial retail pad, and
- An apartment complex consisting of 116 units.

The following incremental real market values, as work is completed, are projected by fiscal year 2022-23.

Table 18. New Developments

Description	2022	2023	2024	2025	2026
Hotels, Retail Pad	13,432,000	20,148,000	-	2,680,000	2,000,000
Apartments	6,000,000	12,000,000	12,000,000	-	-
Total	19,432,000	32,148,000	12,000,000	2,680,000	2,000,000

Source: GEL Oregon

The taxable assessed value (TAV) to real market value ratio of 60.3% is used to estimate the TAV created by these developments.

Additionally, annual increases in TAV of existing properties are assumed to be 2.9%, slightly below the maximum property by property maximum of 3.0% annually. Lastly, growth from new development is assumed to increase TAV for the area by 1.0% annually, in addition to the project-specific development noted above, during fiscal years 2021-2023, and 4.5% annually thereafter. The increases noted above are categorized into commercial and residential.

Presently, the assessed valuation of property in the area (FY 2020-21) consists of the following types of development:

Table 19. Assessed Value by Use

Use	Commercial	Residential	Industrial	Municipal	Non-identified	Total
Assessed Value	104,849,416	12,766,770	23,109,510	1,804,290	1,620	142,529,986
Percent of Total	73.6%	9.0%	16.2%	1.3%	0.0%	

Source: GEL Oregon

The forecasts assume that future development will be similar proportionately to existing conditions.

B. Frozen Base

The “frozen base” assessed value of the district, with timely adoption of the Plan subsequent to December 2020, is estimated to be \$148,072,000. This amount is the estimated total assessed value for fiscal year 2021, based on estimated values as of January 1, 2020 within the urban renewal area. This estimate reflects the current existing assessed value increased by 2.9%, plus 1.0% new assessed value due to development within the area during the calendar year 2019.

C. Tax Rates of Overlapping Taxing Jurisdictions

Table 20. Tax Rates

Taxing Districts	Operating Tax Rate	Local Option Rate	Bonded Debt Rate	Total	% of Total Levy Rate
City of Redmond	4.4101	-	-	4.4101	28.43%
Deschutes County	1.2183	-	-	1.2183	7.85%
County Library	0.5500	-	-	0.5500	3.55%
Countywide Law Enforcement	1.0800	-	-	1.0800	6.96%
County Extension - 4H	0.0224	-	-	0.0224	0.14%
9-1-1	0.3618	-	-	0.3618	2.33%
Redmond Fire & Rescue	1.7542	-	-	1.7542	11.31%
Redmond Park & Recreation	0.3717	-	-	0.3717	2.40%
Total General Government	9.7685	-	-	9.7685	62.98%
Central Oregon Community College	0.6204	-	-	0.6204	4.00%
High Desert ESD	0.0964	-	-	0.0964	0.62%
Redmond School District #2J	5.0251	-	-	5.0251	32.40%
Total Education	5.7419	-	-	5.7419	37.02%
Total	15.5104	-	-	15.5104	100.00%

Source: GEL Oregon

APPENDIX B: SCHEDULE OF PROJECTIONS AND PROGRAMS

Table 21. Schedule of Projections and Programs: 2022-2025

Project	Start Year	End Year	Total - Inflation Adjusted \$	2022	2023	2024	2025
Program Administration	2022	2044	\$7,405,500	\$204,000	\$208,100	\$212,200	\$313,100
US 97 Projects	2024	2032	27,892,200	0	0	0	3,249,700
Fire Station	2030	2035	5,709,200	0	0	0	0
Local Transportation Projects	2025	2040	6,782,100	0	0	0	0
Industrial Opportunity Fund	2023	2042	16,325,500	0	0	530,600	541,200
Incentive Funding	2023	2042	12,820,100	0	0	530,600	541,200
Small Loan Program	2022	2042	2,527,800	0	104,000	106,100	108,200
Canal Improvement Cont's.	2026	2032	4,736,000	0	0	0	0
			\$84,198,400	\$204,000	\$312,100	\$1,379,500	\$4,773,400

Schedule: 2026-2030

Project	Start Year	End Year	2026	2027	2028	2029	2030
Program Administration	2022	2044	\$369,100	\$432,800	\$441,400	\$450,300	\$459,300
US 97 Projects	2024	2032	3,314,700	3,381,000	3,448,600	3,517,600	3,588,000
Fire Station	2030	2035	0	0	0	0	0
Local Transportation Projects	2025	2040	392,200	400,000	408,000	416,200	424,500
Industrial Opportunity Fund	2023	2042	552,000	563,100	574,300	585,800	597,500
Incentive Funding	2023	2042	552,000	563,100	574,300	585,800	597,500
Small Loan Program	2022	2042	110,400	112,600	114,900	117,200	119,500
Canal Improvement Cont's.	2026	2032	0	750,800	765,800	781,100	796,100
			\$5,290,400	\$6,203,400	\$6,327,300	\$6,454,000	\$6,583,000

Schedule: 2031-2035

Project	Start Year	End Year	2031	2032	2033	2034	2035
Program Administration	2022	2044	\$550,700	\$561,800	\$224,000	\$266,200	\$271,500
US 97 Projects	2025	2033	3,659,700	3,732,900	0	0	0
Fire Station	2030	2035	1,097,100	1,119,000	1,141,400	1,164,200	1,187,500
Local Transportation Projects	2025	2040	433,000	441,600	450,500	459,500	468,700
Industrial Opportunity Fund	2022	2041	609,500	621,700	634,100	1,078,000	1,099,600
Incentive Funding	2022	2041	609,500	621,70	634,100	718,700	733,000
Small Loan Program	2022	2042	121,900	124,300	126,800	129,400	131,900
Canal Improvement Cont's.	2025	2033	812,700	828,900	0	0	0
			\$7,894,100	\$8,051,900	\$3,210,900	\$3,816,000	\$3,892,200

Schedule: 2036-2040

Project	Start Year	End Year	2036	2037	2038	2039	2040
Program Administration	2022	2044	\$235,500	\$240,200	\$245,000	\$249,900	\$254,900
US 97 Projects	2025	2033	0	0	0	0	0
Fire Station	2030	2035	0	0	0	0	0
Local Transportation Projects	2025	2040	478,100	487,600	497,400	507,300	517,500
Industrial Opportunity Fund	2022	2041	1,121,600	1,144,000	1,166,900	1,190,200	1,214,000
Incentive Funding	2022	2041	747,700	762,700	777,900	793,500	809,300
Small Loan Program	2022	2042	134,600	137,300	140,000	142,800	145,700
Canal Improvement Cont's.	2025	2033	0	0	0	0	0
			\$2,717,500	\$2,771,800	\$2,827,200	\$2,883,700	\$2,941,400

Schedule: 2041-2044

Project	Start Year	End Year	2041	2042	2043	2044	2045
Program Administration	2022	2044	\$260,000	\$265,200	\$270,500	\$276,000	\$123,800
US 97 Projects	2025	2033	0	0	0	0	0
Fire Station	2030	2035	0	0	0	0	0
Local Transportation Projects	2025	2040	0	0	0	0	0
Industrial Opportunity Fund	2022	2041	1,238,300	1,263,100	0	0	0
Incentive Funding	2022	2041	825,500	842,000	0	0	0
Small Loan Program	2022	2042	148,600	151,600	0	0	0
Canal Improvement Cont's.	2025	2033	0	0	0	0	0
			\$2,472,400	\$2,521,900	\$270,500	\$276,000	\$123,800

Source: GEL Oregon

APPENDIX C: DETAILED SOURCES AND USES SCHEDULE

The following sources and uses schedule show the various sources totaling \$196.7 million, including \$110.6 million in tax increment property tax income, to fund the various projects, programs, administration, and debt repayment to execute the Plan.

Following the sources and uses schedule are the year-by-year forecast fund activity for the District's general fund (capital projects fund) and debt service fund.

Table 22. Sources and Uses Schedule (amounts in thousands)

Sources	
Property taxes	\$ 110,562
Interest earnings	802
Debt proceeds - long-term	63,000
Debt proceeds - overnight	22,325
Total sources	\$ 196,689
Uses	
Projects and programs	\$ 76,793
Debt principal - long-term	63,000
Debt principal - overnight	22,325
Debt interest	22,520
Administration	7,406
Debt issuance costs	1,260
Ending balance	3,385
Total uses	\$ 196,689

Source: GEL Oregon

General Fund:

The general fund accounts for debt proceeds, including overnight borrowing (du jour), interest, and other resources to fund the urban renewal projects, programs, administration, and debt issuance costs.

Table 23. General Fund (amounts in thousands)

Fiscal Year Ending June 30	Resources					Expenditures						
	Interest earnings	Debt proceeds - long-term	Debt proceeds - du jour	Total current year resources	Total Resources	Administration	Capital outlay	Other	Total expenditures	Resources over (under) expenditures	Beginning fund balance	Ending fund balance
2021	-	-	-	-	-	-	-	-	-	0	-	-
2022	-	-	225	225	225	204	-	-	204	21	-	21
2023	0	1,000	-	1,000	1,021	208	104	20	332	668	21	689
2024	7	1,000	600	1,607	2,296	212	1,167	20	1,400	207	689	897
2025	9	4,000	800	4,809	5,706	333	4,440	80	4,854	(45)	897	852
2026	9	4,000	900	4,909	5,761	369	4,921	80	5,371	(462)	852	390
2027	4	5,500	900	6,404	6,794	433	5,771	110	6,313	90	390	480
2028	5	5,500	900	6,405	6,885	441	5,886	110	6,437	(33)	480	448
2029	5	6,000	800	6,805	7,252	450	6,004	120	6,574	231	448	678
2030	7	6,000	600	6,607	7,285	459	6,124	120	6,703	(96)	678	582
2031	6	7,500	600	8,106	8,688	551	7,343	150	8,044	62	582	644
2032	6	7,500	500	8,006	8,650	562	7,490	150	8,202	(196)	644	448
2033	5	3,500	-	3,505	3,953	224	2,987	70	3,281	224	448	672
2034	7	3,000	800	3,807	4,478	266	3,550	60	3,876	(69)	672	602
2035	6	3,500	600	4,106	4,708	272	3,621	70	3,962	144	602	746
2036	8	1,500	1,000	2,508	3,254	236	2,482	30	2,747	(240)	746	506
2037	5	1,500	1,300	2,805	3,311	240	2,532	30	2,802	3	506	510
2038	5	1,000	1,700	2,705	3,215	245	2,582	20	2,847	(142)	510	368
2039	4	1,000	2,300	3,304	3,671	250	2,634	20	2,904	400	368	767
2040	8	-	2,800	2,808	3,575	255	2,687	-	2,941	(134)	767	634
2041	6	-	3,600	3,606	4,240	260	2,212	-	2,472	1,134	634	1,768
2042	18	-	1,400	1,418	3,185	265	2,257	-	2,522	(1,104)	1,768	663
2043	7	-	-	7	670	271	-	-	271	(264)	663	400
2044	4	-	-	4	404	276	-	-	276	(272)	400	128
2045	1	-	-	1	129	124	-	-	124	(123)	128	5
Totals	139	63,000	22,325	85,464		7,406	76,793	1,260	85,459	5	-	5

.Source: GEL Oregon

Debt Service Fund

The urban renewal debt service fund accounts for the receipt of tax increment property taxes, interest income, and the repayment of debt issued, both long-term and overnight borrowing. The urban renewal district is anticipated to have sufficient fund balance at the end of fiscal year 2045 to call and defease all outstanding debt of the district.

Table 24. Debt Serve Fund (amounts in thousands)

Fiscal Year Ending June 30	Resources				Expenditures								
	Property taxes	Interest earnings	Total current year resources	Total Resources	Principal	Interest	Du juor debt payments	Total expenditures	Resources over (under) expenditures	Beginning fund balance	Ending fund balance	DCR	Outstanding debt balance
2021	-		-	-				-	0	-	-	-	
2022	249	-	249	249	-	-	225	225	24	-	24	-	-
2023	623	-	623	648	17	18	-	35	588	24	613	-	983
2024	942	6	948	1,561	53	52	600	705	243	613	856	8.98	1,929
2025	1,210	9	1,219	2,075	143	137	800	1,080	139	856	995	4.32	5,786
2026	1,489	10	1,499	2,494	289	271	900	1,460	40	995	1,035	2.66	9,497
2027	1,769	10	1,779	2,814	466	425	900	1,792	(13)	1,035	1,022	1.98	14,531
2028	2,067	10	2,077	3,099	677	600	900	2,176	(99)	1,022	923	1.62	19,354
2029	2,387	9	2,396	3,318	903	775	800	2,479	(83)	923	840	1.42	24,451
2030	2,729	8	2,737	3,577	1,147	952	600	2,698	39	840	879	1.30	29,304
2031	3,097	9	3,106	3,985	1,425	1,146	600	3,170	(64)	879	815	1.21	35,380
2032	3,493	8	3,501	4,315	1,739	1,356	500	3,595	(94)	815	720	1.13	41,140
2033	3,917	7	3,924	4,645	1,995	1,484	-	3,480	445	720	1,165	1.13	42,645
2034	4,373	12	4,385	5,550	2,180	1,527	800	4,507	(122)	1,165	1,043	1.18	43,464
2035	4,863	10	4,873	5,916	2,372	1,563	600	4,534	339	1,043	1,382	1.24	44,593
2036	5,389	14	5,403	6,785	2,544	1,565	1,000	5,109	294	1,382	1,676	1.31	43,549
2037	5,954	17	5,971	7,646	2,687	1,527	1,300	5,514	456	1,676	2,132	1.41	42,362
2038	6,560	21	6,581	8,713	2,826	1,476	1,700	6,002	579	2,132	2,711	1.53	40,536
2039	7,211	27	7,238	9,950	2,961	1,411	2,300	6,672	567	2,711	3,278	1.65	38,576
2040	7,911	33	7,944	11,222	3,083	1,323	2,800	7,206	737	3,278	4,016	1.80	35,493
2041	8,398	40	8,438	12,453	3,192	1,215	3,600	8,006	431	4,016	4,447	1.91	32,301
2042	8,626	44	8,670	13,117	3,305	1,102	1,400	5,806	2,863	4,447	7,310	1.96	28,996
2043	8,859	73	8,932	16,242	3,386	985	-	4,372	4,561	7,310	11,871	2.03	25,610
2044	9,098	119	9,217	21,087	3,435	866	-	4,302	4,915	11,871	16,786	2.11	22,175
2045	9,347	168	9,515	26,301	3,381	746	-	4,127	5,389	16,786	22,174	2.27	18,793
Totals	110,562	664	111,226	177,764	44,207	22,520	22,325	89,052	22,174	-	22,174		

Source: GEL Oregon

APPENDIX D: PROJECTED INCREMENTAL TAXABLE VALUE OF DISTRICT

Table 25. Projected Incremental Taxable Value

Fiscal Year Ending June 30	Frozen Base (000's)	TAV - 4.5% (000s)
2021	-	148,072
2022	148,072	165,552
2023	148,072	191,384
2024	148,072	212,767
2025	148,072	230,109
2026	148,072	248,323
2027	148,072	266,678
2028	148,072	286,389
2029	148,072	307,557
2030	148,072	330,291
2031	148,072	354,705
2032	148,072	380,925
2033	148,072	409,083
2034	148,072	439,323
2035	148,072	471,799
2036	148,072	506,675
2037	148,072	544,129
2038	148,072	584,351
2039	148,072	627,547
2040	148,072	673,937
2041	148,072	723,756
2042	148,072	777,259
2043	148,072	834,716
2044	148,072	896,422
2045	148,072	962,690

.Source: GEL Oregon

APPENDIX E: ESTIMATED IMPACT ON TAX RATES AND REVENUE — OVERLAPPING TAXING JURISDICTIONS

Under Oregon's present property tax-based system, total tax rates will not change as a result of adopting an urban renewal program. Thus, there will be no effect on taxpayers from the establishment of an urban renewal district. Instead, the potential revenues raised by taxing bodies will be affected. The new value 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.

K-12 Schools: It should be noted that under the current system of funding K-12 schools, establishing an urban renewal area does not impact the per-student revenue for schools. The funding per student is derived from a complex formula that establishes a uniform-per-student funding level throughout the State. The amount of funds received by Redmond schools is determined by this formula, not by the amount of property taxes raised locally.

The following schedule shows the estimated foregone property tax revenue for the overlapping taxing jurisdictions based on the value growth assumptions outlined in this report. **It is important to keep the following in mind when looking at the schedule:**

- The potential impact on the school district is shown simply to demonstrate the tax rate calculation. As noted above, however, urban renewal will have no impact on K-12 per student funding (i.e., there will be no reduction in school funding resulting from the creation of an urban renewal district).
- The estimated amounts of foregone revenue assume all the development and increased property values would occur, even without the renewal programs' outlays for area improvements. In reality, the value created by new development would be less or slower without the tax increment funding.

Table 26. Estimated Foregone Property Tax Revenue – Government, Fiscal Years 2022-2045 (assuming urban renewal district created)

Fiscal Year Ending June 30	City of Redmond	Deschutes County	County Library	Countywide Law Enforcement	County Extension - 4H	9-1-1	Redmond Fire & Rescue	Redmond Park & Recreation	Total General Government
2022	77,089	21,296	9,614	18,878	392	6,324	30,663	6,497	170,753
2023	191,010	52,767	23,822	46,777	970	15,670	75,978	16,099	423,093
2024	285,311	78,818	35,582	69,871	1,449	23,407	113,488	24,047	631,973
2025	361,791	99,946	45,120	88,600	1,838	29,681	143,909	30,493	801,378
2026	442,117	122,136	55,138	108,271	2,246	36,271	175,860	37,263	979,302
2027	523,064	144,498	65,233	128,095	2,657	42,912	208,059	44,086	1,158,604
2028	609,992	168,512	76,074	149,382	3,098	50,043	242,636	51,412	1,351,149
2029	703,345	194,301	87,717	172,244	3,572	57,702	279,769	59,281	1,557,931
2030	803,604	221,997	100,220	196,797	4,082	65,927	319,649	67,731	1,780,007
2031	911,272	251,741	113,648	223,164	4,629	74,760	362,476	76,805	2,018,495
2032	1,026,905	283,685	128,069	251,481	5,216	84,246	408,471	86,551	2,274,624
2033	1,151,085	317,990	143,556	281,892	5,847	94,434	457,865	97,018	2,549,687
2034	1,284,446	354,831	160,188	314,551	6,524	105,375	510,913	108,258	2,845,086
2035	1,427,668	394,397	178,050	349,625	7,251	117,124	567,882	120,329	3,162,326
2036	1,581,475	436,886	197,232	387,291	8,033	129,743	629,061	133,293	3,503,014
2037	1,746,651	482,516	217,831	427,742	8,872	143,293	694,763	147,214	3,868,882
2038	1,924,034	531,519	239,953	471,181	9,773	157,846	765,321	162,165	4,261,792
2039	2,114,533	584,144	263,711	517,833	10,740	173,474	841,095	178,221	4,683,751
2040	2,319,117	640,661	289,226	567,934	11,779	190,258	922,472	195,464	5,136,911
2041	2,457,107	678,781	306,435	601,727	12,480	201,579	977,360	207,094	5,442,563
2042	2,516,096	695,077	313,792	616,173	12,780	206,418	1,000,824	212,066	5,573,226
2043	2,579,443	712,577	321,692	631,686	13,102	211,615	1,026,022	217,405	5,713,542
2044	2,647,476	731,371	330,177	648,347	13,447	217,196	1,053,083	223,139	5,864,236
2045	2,720,538	751,555	339,288	666,239	13,818	223,190	1,082,145	229,297	6,026,070
Totals	32,405,169	8,952,002	4,041,368	7,935,781	164,595	2,658,488	12,889,764	2,731,228	71,778,395

Source: GEL Oregon, Inc.

Table 27. Estimated Foregone Property Tax Revenue – Government, Fiscal Years 2022-2045 (assuming no urban renewal district created, i.e., 1.0% projected growth in TAV annually)

Fiscal Year Ending June 30	City of Redmond	Deschutes County	County Library	Countywide Law Enforcement	County Extension - 4H	9-1-1	Redmond Fire & Rescue	Redmond Park & Recreation	Total General Government
2022	77,089	21,296	9,614	18,878	392	6,324	30,663	6,497	170,753
2023	191,010	52,767	23,822	46,777	970	15,670	75,978	16,099	423,093
2024	255,773	70,658	31,898	62,637	1,299	20,983	101,738	21,557	566,543
2025	298,264	82,396	37,198	73,043	1,515	24,469	118,640	25,139	660,664
2026	340,605	94,093	42,478	83,412	1,730	27,943	135,482	28,708	754,451
2027	379,273	104,775	47,301	92,881	1,926	31,115	150,863	31,967	840,101
2028	419,440	115,871	52,310	102,718	2,130	34,410	166,840	35,352	929,071
2029	461,177	127,401	57,515	112,939	2,342	37,835	183,442	38,870	1,021,521
2030	504,537	139,380	62,923	123,557	2,563	41,392	200,689	42,524	1,117,565
2031	549,591	151,826	68,542	134,591	2,792	45,088	218,610	46,322	1,217,362
2032	596,391	164,754	74,378	146,052	3,029	48,927	237,226	50,266	1,321,023
2033	645,017	178,187	80,442	157,960	3,276	52,917	256,568	54,364	1,428,731
2034	695,530	192,142	86,742	170,330	3,533	57,061	276,660	58,622	1,540,620
2035	748,015	206,641	93,288	183,183	3,799	61,366	297,537	63,046	1,656,875
2036	802,546	221,705	100,088	196,537	4,076	65,840	319,228	67,642	1,777,662
2037	859,202	237,357	107,154	210,412	4,364	70,488	341,764	72,417	1,903,158
2038	918,068	253,618	114,496	224,828	4,663	75,317	365,179	77,378	2,033,547
2039	979,214	270,510	122,121	239,802	4,974	80,334	389,501	82,532	2,168,988
2040	1,042,742	288,060	130,044	255,360	5,296	85,545	414,770	87,886	2,309,703
2041	1,108,748	306,294	138,276	271,524	5,632	90,960	441,025	93,449	2,455,908
2042	1,177,325	325,239	146,829	288,318	5,980	96,586	468,303	99,229	2,607,809
2043	1,248,570	344,920	155,714	305,765	6,342	102,431	496,642	105,234	2,765,618
2044	1,322,593	365,369	164,946	323,893	6,718	108,504	526,086	111,473	2,929,582
2045	1,399,497	386,614	174,536	342,726	7,108	114,813	556,676	117,955	3,099,925
Totals	17,020,217	4,701,873	2,122,655	4,168,123	86,449	1,396,318	6,770,110	1,434,528	37,700,273

Source: GEL Oregon

Table 28. Estimated Foregone Property Tax Revenue – Education, Fiscal Years 2022-2045 (assuming urban renewal district created)

Fiscal Year Ending June 30	Central Oregon Community College	High Desert ESD	Redmond School District #2J	Total Education
2022	10,845	1,685	87,839	100,369
2023	26,871	4,175	217,647	248,693
2024	40,137	6,237	325,099	371,473
2025	50,896	7,908	412,244	471,048
2026	62,196	9,664	503,771	575,631
2027	73,583	11,434	596,007	681,024
2028	85,812	13,334	695,057	794,203
2029	98,944	15,374	801,428	915,746
2030	113,049	17,566	915,669	1,046,284
2031	128,195	19,919	1,038,351	1,186,465
2032	144,462	22,447	1,170,110	1,337,019
2033	161,931	25,161	1,311,606	1,498,698
2034	180,692	28,077	1,463,566	1,672,335
2035	200,840	31,207	1,626,760	1,858,807
2036	222,477	34,569	1,802,016	2,059,062
2037	245,714	38,180	1,990,226	2,274,120
2038	270,667	42,057	2,192,346	2,505,070
2039	297,466	46,221	2,409,410	2,753,097
2040	326,247	50,693	2,642,524	3,019,464
2041	345,659	53,710	2,799,757	3,199,126
2042	353,957	54,999	2,866,972	3,275,928
2043	362,869	56,384	2,939,154	3,358,407
2044	372,439	57,871	3,016,673	3,446,983
2045	382,717	59,468	3,099,924	3,542,109
Totals	4,558,665	708,340	36,924,156	42,191,161

Source: GEL Oregon

Note: The difference between the forecast tax collections (\$110.6 million) and the foregone tax revenue (levies) of \$114.0 million, or \$3.4 million is due to discounts taken by taxpayers paying taxes in November of the levy year, approximately 2.5%, with the exception of fiscal years 2043-44 through fiscal year 2044-45, when delinquent tax collections are not fully collected or recognized until after those years.

Table 29. Estimated Foregone Property Tax Revenue – Education, Fiscal Years 2022-2045 (assuming no urban renewal district created, i.e., 1.0% projected growth in TAV annually)

Fiscal Year Ending June 30	Central Oregon Community College	High Desert ESD	Redmond School District #2J	Total Education
2022	10,845	1,685	87,839	100,369
2023	26,871	4,175	217,647	248,693
2024	35,981	5,591	291,441	333,013
2025	41,959	6,520	339,858	388,337
2026	47,915	7,445	388,104	443,464
2027	53,355	8,290	432,164	493,809
2028	59,006	9,169	477,932	546,107
2029	64,877	10,081	525,490	600,448
2030	70,977	11,029	574,897	656,903
2031	77,315	12,013	626,233	715,561
2032	83,899	13,036	679,559	776,494
2033	90,739	14,099	734,966	839,804
2034	97,845	15,204	792,524	905,573
2035	105,229	16,351	852,327	973,907
2036	112,900	17,543	914,463	1,044,906
2037	120,870	18,781	979,020	1,118,671
2038	129,151	20,068	1,046,095	1,195,314
2039	137,753	21,405	1,115,768	1,274,926
2040	146,690	22,793	1,188,155	1,357,638
2041	155,975	24,236	1,263,365	1,443,576
2042	165,623	25,735	1,341,506	1,532,864
2043	175,645	27,292	1,422,686	1,625,623
2044	186,059	28,910	1,507,033	1,722,002
2045	196,877	30,591	1,594,660	1,822,128
Totals	2,394,356	372,042	19,393,732	22,160,130

Source: GEL Oregon

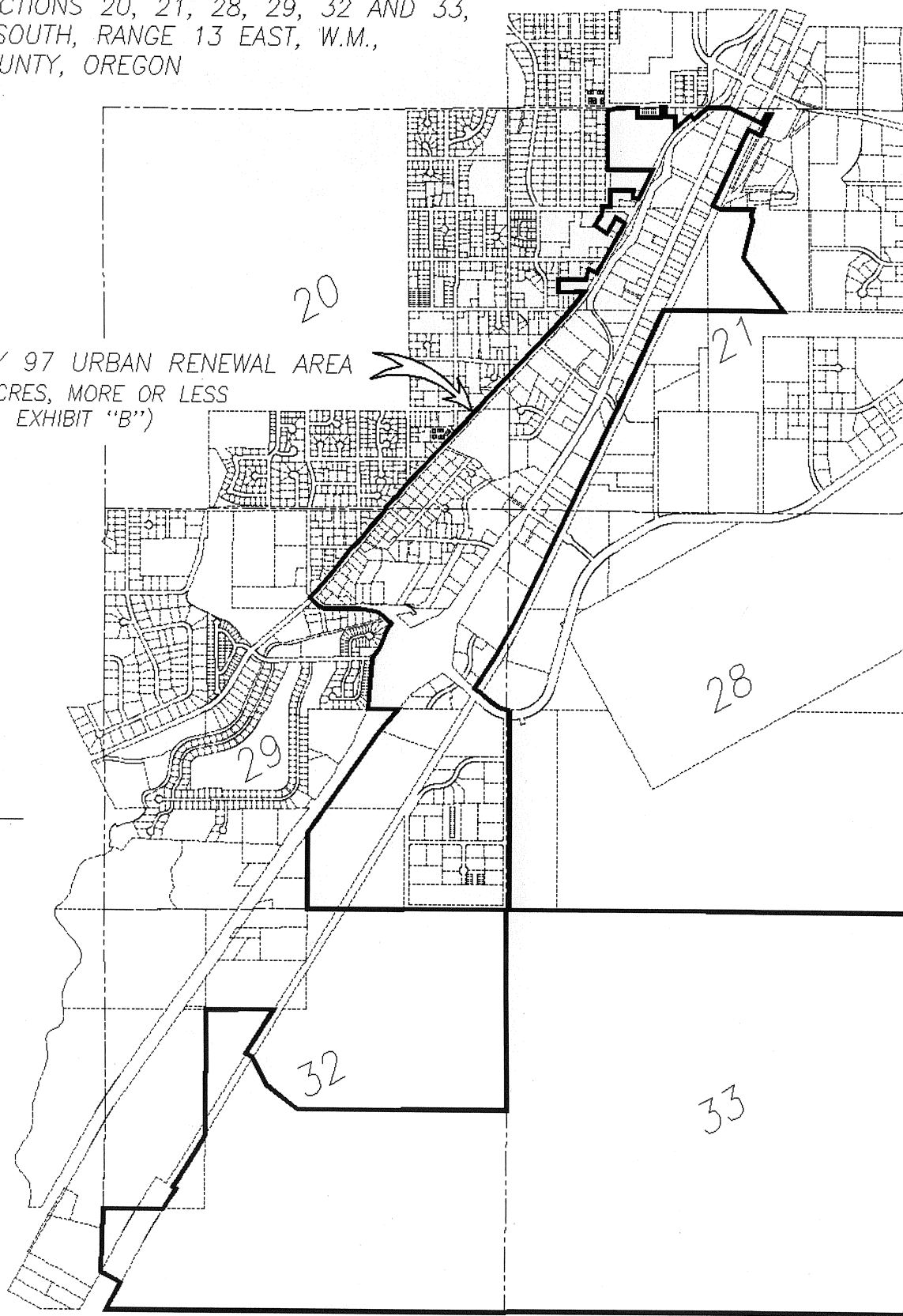
APPENDIX F: LEGAL DESCRIPTION OF URBAN RENEWAL BOUNDARY

EXHIBIT "A"

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
LOCATED IN SECTIONS 20, 21, 28, 29, 32 AND 33,
TOWNSHIP 15 SOUTH, RANGE 13 EAST, W.M.,
DESCHUTES COUNTY, OREGON

SOUTH HIGHWAY 97 URBAN RENEWAL AREA
CONTAINS 1440 ACRES, MORE OR LESS
(SEE DESCRIPTION, EXHIBIT "B")

SCALE:
1" = 2000'



PREPARED JULY 3, 2020

POVEY AND ASSOC. LAND SURVEYORS
P.O. BOX 131, REDMOND, OR 97756
(541) 548-6778 20-078D.DWG

EXHIBIT "B"

DESCRIPTION -

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
LOCATED IN SECTIONS 20, 21, 28, 29, 32 AND 33,
TOWNSHIP 15 SOUTH, RANGE 13 EAST, W.M.,
DESCHUTES COUNTY, OREGON

DESCRIPTION OF A TRACT OF LAND LOCATED IN SECTIONS
20, 21, 28, 29, 32 AND 33, TOWNSHIP 15 SOUTH, RANGE 13 EAST,
WILLAMETTE MERIDIAN, DESCHUTES COUNTY, OREGON, DESCRIBED AS
FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 33;
THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION 33, 5296
FEET TO THE SOUTHWEST CORNER OF SAID SECTION 33; THENCE WEST
ALONG THE SOUTH LINE OF SAID SECTION 32, 5232 FEET TO THE
SOUTHEAST RIGHT-OF-WAY LINE OF THE BURLINGTON NORTHERN -
SANTA FE (BNSF) RAILROAD, BEING 100 FEET FROM THE CENTERLINE
OF SAID RAILWAY; THENCE N29°E ALONG SAID SOUTHEAST RIGHT-OF-
WAY LINE, 406 FEET; THENCE N61°W, PERPENDICULAR TO SAID
CENTERLINE, 300 FEET THE INTERSECTION OF THE NORTHWEST
RIGHT-OF-WAY LINE OF SAID RAILWAY AND THE WEST LINE OF THE
SW1/4 SW1/4 OF SAID SECTION 32, SAID INTERSECTION BEING 200
FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE N01°E ALONG
SAID WEST LINE, 817 FEET TO THE NORTH LINE OF SAID SW1/4
SW1/4; THENCE EAST ALONG SAID NORTH LINE, 793 FEET TO SAID
SOUTHEAST RIGHT-OF-WAY LINE, BEING 100 FEET FROM THE
CENTERLINE OF SAID RAILWAY; THENCE N32°E ALONG SAID
SOUTHEAST RIGHT-OF-WAY LINE, 310 FEET; THENCE N58°W ALONG
SAID SOUTHEAST RIGHT-OF-WAY LINE, 50 FEET; THENCE N32°E
ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, BEING 50 FEET FROM
THE CENTERLINE OF SAID RAILWAY, 802 FEET TO THE WEST LINE
OF THE NE1/4 SW1/4 OF SAID SECTION 32; THENCE N01°E ALONG
SAID WEST LINE, 348 FEET; THENCE NORTH ALONG THE WEST LINE
OF THE SE1/4 NW1/4 OF SAID SECTION 32, 1315 FEET TO THE
NORTH LINE OF SAID SE1/4 NW1/4; THENCE EAST ALONG SAID
NORTH LINE, 902 FEET TO SAID NORTHWEST RIGHT-OF-WAY LINE,
BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE
S32°W ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, 695 FEET;
THENCE S58°E, PERPENDICULAR TO SAID CENTERLINE, 100 FEET TO
THE INTERSECTION OF THE SOUTHEAST RIGHT-OF-WAY LINE OF SAID
RAILWAY, AND THE NORTHEAST EASEMENT LINE OF BONNEVILLE POWER
ADMINISTRATION'S REDMOND-BURNS NO. 1 TRANSMISSION LINE, SAID
INTERSECTION BEING 50 FEET FROM THE CENTERLINE OF SAID
RAILWAY, AND BEING 50 FEET FROM THE CENTERLINE OF SAID POWER
LINE; THENCE S27°E ALONG SAID NORTHEAST EASEMENT LINE, 417
FEET; THENCE S53°E ALONG SAID NORTHEAST EASEMENT LINE, 507
FEET TO THE SOUTH LINE OF SAID SE1/4 NW1/4; THENCE EAST
ALONG SAID SOUTH LINE, AND ALONG THE SOUTH LINE OF THE NE1/4
OF SAID SECTION 32, 2750 FEET TO THE EAST LINE OF SAID
NE1/4; THENCE NORTH ALONG SAID EAST LINE, 2649 FEET TO THE
SOUTHEAST CORNER OF SAID SECTION 29; THENCE WEST ALONG THE
SOUTH LINE OF THE SE1/4 OF SAID SECTION 29, 2634 FEET TO THE

DESCRIPTION - SHEET 1 OF 4

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
CONTINUED:

WEST LINE OF THE SW1/4 OF SAID SE1/4; THENCE NORTH ALONG SAID WEST LINE, 992 FEET TO THE SOUTHEAST RIGHT-OF-WAY LINE OF U.S. HIGHWAY 97, BEING 90 FEET FROM THE CENTERLINE OF SAID HIGHWAY; THENCE N35°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 1659 FEET TO ENGINEER'S STATION 125+00, 90 FEET LEFT; THENCE N41°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 376 FEET TO THE NORTH LINE OF THE NW1/4 SE1/4 OF SAID SECTION 29; THENCE WEST ALONG SAID NORTH LINE, 401 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF SAID HIGHWAY (ALSO BEING THE NORTHWEST RIGHT-OF-WAY LINE OF SW 25TH PLACE), AS DESCRIBED IN VOLUME 234, PAGE 1995, DESCHUTES COUNTY DEED RECORDS; THENCE ALONG SAID NORTHWEST RIGHT-OF-WAY LINE AS FOLLOWS: N05°E, 670 FEET; THENCE N33°E, 175 FEET; THENCE N23°E, 255 FEET; THENCE N35°E, 91 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF SW YEW AVENUE, BEING A LINE OF VARIABLE WIDTH FROM THE CENTERLINE OF SAID ROADWAY; THENCE LEAVING SAID NORTHWEST RIGHT-OF-WAY LINE, AND 1190 FEET WESTERLY ALONG SAID SOUTH RIGHT-OF-WAY LINE, AND ALONG ITS NORTHWESTERLY PROLONGATION, TO A POINT WHICH BEARS N73°W, 1131 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING ON THE NORTHWEST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, AND BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE 5459 FEET NORTHEASTERLY ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, TO A POINT WHICH BEARS N42°E, 5449 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING 40 FEET FROM THE CENTERLINE OF SAID ROADWAY, AND BEING ON THE SOUTH BOUNDARY OF A TRACT OF LAND DESCRIBED IN DOCUMENT 2007-43829, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG SAID TRACT BOUNDARY AS FOLLOWS: WEST, 345 FEET; THENCE NORTH, 170 FEET; THENCE EAST, 367 FEET TO THE BOUNDARY OF PARCEL 2, AS DESCRIBED IN DOCUMENT NO. 2018-019368, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE LEAVING SAID TRACT BOUNDARY AND ALONG SAID PARCEL 2 BOUNDARY AS FOLLOWS: N13°E, 122 FEET; THENCE N37°E, 30 FEET; THENCE S61°E, 107 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE LEAVING SAID PARCEL 2 BOUNDARY, N30°E ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, 751 FEET TO THE BOUNDARY OF A TRACT OF LAND DESCRIBED IN DOCUMENT 2007-64854, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID TRACT AS FOLLOWS: N59°W, 136 FEET; THENCE S31°W, 239 FEET; THENCE N56°W, 184 FEET; THENCE 214 FEET ALONG THE ARC OF A NON-TANGENT 658 FOOT RADIUS CURVE TO THE LEFT, THE CHORD OF WHICH BEARS N28°E, 213 FEET; THENCE LEAVING SAID TRACT BOUNDARY, NORTH, PERPENDICULAR TO THE NORTH LINE OF SAID TRACT, 60 FEET TO THE NORTH RIGHT-OF-WAY LINE OF SW QUARTZ AVENUE, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE EAST ALONG SAID NORTH RIGHT-OF-WAY LINE, 105 FEET TO THE BOUNDARY OF A TRACT OF LAND DESCRIBED IN DOCUMENT 2020-06416, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID TRACT AS FOLLOWS: NORTH 214 FEET; THENCE S89°E, 304 FEET; THENCE S01°W, 96 FEET; THENCE S83°E, 74 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
CONTINUED:

SW CANAL BOULEVARD, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE LEAVING SAID TRACT BOUNDARY, AND 422 FEET NORTHEASTERLY ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, TO A POINT WHICH BEARS N26°E, 422 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING AT THE SOUTHEAST CORNER OF TRACT 1, AS DESCRIBED IN DOCUMENT 2020-10963, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE WEST ALONG THE SOUTH LINE OF SAID TRACT 1, 591 FEET TO THE WEST LINE OF SAID TRACT 1; THENCE NORTH ALONG SAID WEST LINE, AND ALONG THE WEST LINE OF TRACT 2, AS DESCRIBED IN SAID DOCUMENT, 782 FEET TO THE NORTH LINE OF SAID TRACT 2; THENCE N74°E ALONG SAID NORTH LINE, 135 FEET; THENCE EAST ALONG SAID NORTH LINE, 265 FEET TO THE EAST LINE OF SAID TRACT 2; THENCE SOUTH ALONG SAID EAST LINE, 125 FEET TO THE NORTH LINE OF SAID TRACT 1; THENCE EAST ALONG SAID NORTH LINE, 312 FEET TO THE WEST RIGHT-OF-WAY LINE OF SW 13TH STREET, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE NORTH ALONG SAID WEST RIGHT-OF-WAY LINE, 125 FEET TO THE NORTH LINE OF THE NE1/4 NW1/4 OF SAID SECTION 21; THENCE EAST ALONG SAID NORTH LINE, 60 FEET TO THE EAST RIGHT-OF-WAY LINE OF SW 13TH STREET, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE SOUTH ALONG SAID EAST RIGHT-OF-WAY LINE, 120 FEET TO THE NORTH LINE OF SAID TRACT 1; THENCE EAST ALONG SAID NORTH LINE, 130 FEET TO THE EAST LINE OF SAID TRACT 1; THENCE SOUTH ALONG SAID EAST LINE, 159 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, BEING 40 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE N49°E ALONG SAID NORTHWEST RIGHT-OF-WAY LINE, 280 FEET TO THE SOUTH LINE OF THE NORTH 96 FEET OF SAID NE1/4 NW1/4; THENCE S41°E, PERPENDICULAR TO SAID CENTERLINE, 70 FEET TO THE SOUTHEAST RIGHT-OF-WAY LINE OF SW CANAL BOULEVARD, BEING 30 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE N49°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 228 FEET TO THE NORTH LINE OF THE NW1/4 NE1/4 OF SAID SECTION 21; THENCE EAST ALONG SAID NORTH LINE, 294 FEET TO THE PROLONGATION OF THE NORTHEAST LINE OF A TRACT OF LAND DESCRIBED IN VOLUME 279, PAGE 0839, DESCHUTES COUNTY DEED RECORDS; THENCE S65°E ALONG SAID PROLONGATION, AND ALONG SAID NORTHEAST LINE, 351 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD, BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE S65°E ALONG SAID PROLONGATION, 100 FEET TO THE SOUTHEAST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD, BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE N26°E ALONG SAID SOUTHEAST RIGHT-OF-WAY LINE, 126 FEET TO THE NORTH LINE OF THE FIRST EXCEPTION TO PARCEL 1, AS DESCRIBED IN DOCUMENT NO. 2018-005171, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE EAST ALONG SAID NORTH LINE, 67 FEET TO THE NORTHWEST LINE OF A TRACT OF LAND DESCRIBED IN DOCUMENT NO. 2009-52569, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE S26°W ALONG SAID NORTHWEST LINE, 306 FEET TO THE SOUTHEAST LINE OF SAID TRACT; THENCE N64°W, PERPENDICULAR TO SAID RAILWAY CENTERLINE, 160 FEET TO SAID NORTHWEST RIGHT-OF-WAY LINE; THENCE S26°W ALONG SAID

SOUTH HIGHWAY 97 URBAN RENEWAL AREA,
CONTINUED:

NORTHWEST RIGHT-OF-WAY LINE, 1110 FEET; THENCE S64°E, PERPENDICULAR TO SAID CENTERLINE, 100 FEET TO THE NORTHWEST CORNER OF PARCEL 4, AS DESCRIBED IN DOCUMENT NO. 2014-042282, DESCHUTES COUNTY OFFICIAL RECORDS; THENCE ALONG THE BOUNDARY OF SAID PARCEL 4 AS FOLLOWS: EAST, 449 FEET; THENCE S14°W, 73 FEET; THENCE S04°E, 82 FEET; THENCE S13°W, 501 FEET; THENCE S36°E, 859 FEET; THENCE WEST, 996 FEET TO THE CENTER 1/4 CORNER OF SAID SECTION 21; THENCE LEAVING SAID TRACT BOUNDARY, WEST ALONG THE SOUTH LINE OF THE SE1/4 NW1/4 OF SAID SECTION 21, 588 FEET TO THE NORTHWEST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD, BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY; THENCE 5602 FEET SOUTHWESTERLY ALONG SAID NORTHWEST RIGHT-OF-WAY LINE TO A POINT WHICH BEARS S27°W, 5599 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING ON THE NORTHEAST RIGHT-OF-WAY LINE OF SW AIRPORT WAY, AND BEING 55 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE S52°E, 101 FEET TO THE INTERSECTION OF THE SOUTHEAST RIGHT-OF-WAY LINE OF THE BNSF RAILROAD AND THE NORTHEAST RIGHT-OF-WAY LINE OF SW AIRPORT WAY, SAID INTERSECTION BEING 50 FEET FROM THE CENTERLINE OF SAID RAILWAY, AND BEING 60 FEET FROM THE CENTERLINE OF SAID ROADWAY; THENCE 444 FEET SOUTHEASTERLY ALONG SAID NORTHEAST RIGHT-OF-WAY LINE TO A POINT WHICH BEARS S60°E, 434 FEET FROM THE END OF THE PREVIOUS COURSE, SAID POINT BEING ON THE EAST LINE OF THE WEST 40 FEET OF THE SW1/4 OF SAID SECTION 28; THENCE SOUTH ALONG SAID EAST LINE (ALSO BEING THE EAST RIGHT-OF-WAY LINE OF SW 19TH STREET), 2624 FEET TO THE NORTH LINE OF SAID SECTION 33; THENCE EAST ALONG SAID NORTH LINE, 5246 FEET TO THE NORTHEAST CORNER OF SAID SECTION 33; THENCE SOUTH ALONG THE EAST LINE OF SAID SECTION 33, 5268 FEET TO THE SOUTHEAST CORNER OF SAID SECTION 33, AND TO THE POINT OF BEGINNING.

THE SAME CONTAINING 1440 ACRES, MORE OR LESS.

A SKETCH OF THE URBAN RENEWAL AREA DESCRIBED ABOVE IS SHOWN ON THE ATTACHED EXHIBIT "A", WHICH IS HEREBY INCORPORATED BY REFERENCE.

PREPARED JULY 3, 2020

POVEY AND ASSOC. LAND SURVEYORS
P.O. BOX 131, REDMOND, OR 97756
(541) 548-6778 20-078D.DWG

REGISTERED
PROFESSIONAL
LAND SURVEYOR

OREGON
JULY 15, 1983
WILLIAM G. BAHRKE
2039

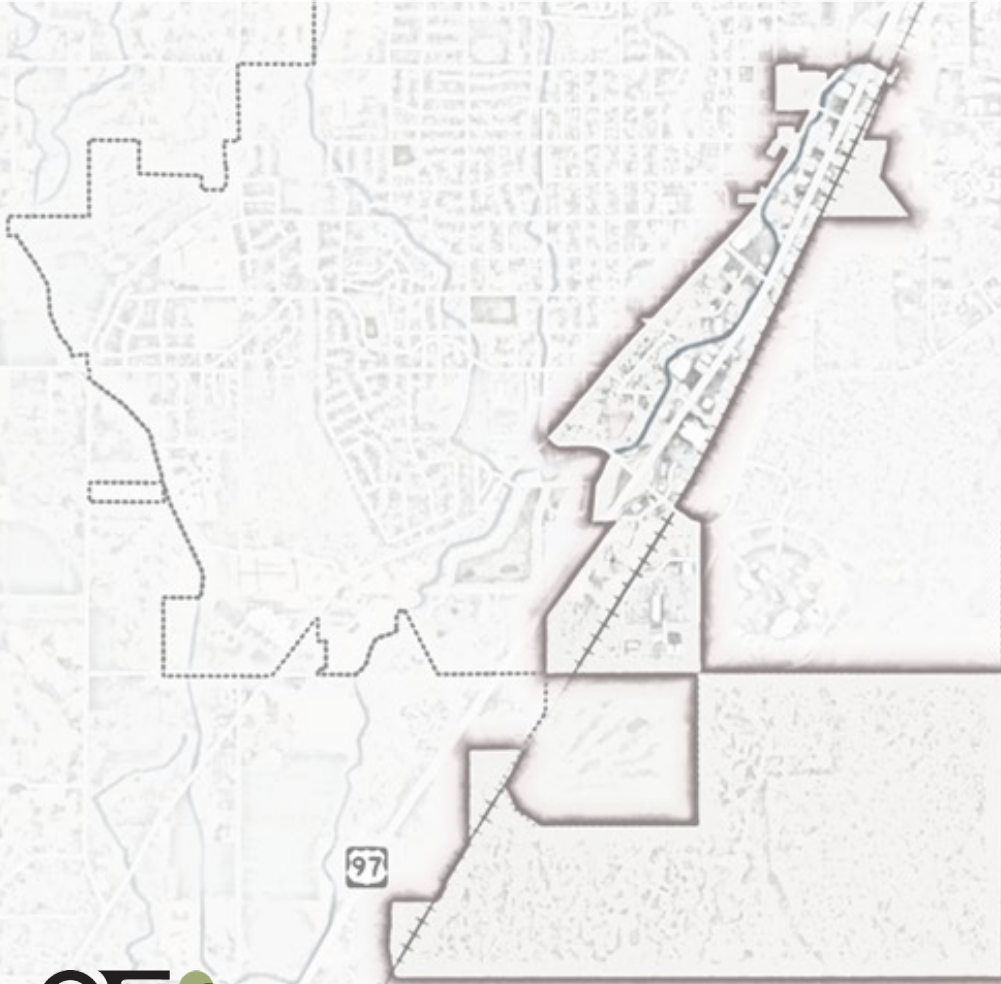
Renewal Date: 12/31/21

APPENDIX G: URBAN RENEWAL FEASIBILITY STUDY

City of Redmond
May 2020

Feasibility Study

SOUTH 97 URBAN RENEWAL PROJECT



GELO
OREGON Inc

LELAND CONSULTING GROUP

www.lelandconsulting.com

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INTRODUCTION

The urban renewal agency for the City of Redmond is considering an opportunity to create a new urban renewal district along US 97 to facilitate the use of tax increment financing (TIF) to primarily support infrastructure and capital investments required to implement the South U.S. 97 Framework Implementation Plan adopted by City Council in 2019.

One of the first steps in the creation of an urban renewal district is to conduct a feasibility study to determine whether physical and economic conditions are present that meet the eligibility criteria established in ORS 457.095(1), ORS 457.085(3)(a), and ORS 457.010(1):

- ✓ ORS 457.095(1) requires the municipal governing body find conditions of blight within the TIF district.
- ✓ ORS 457.085(3)(a) requires that a TIF report accompanying a TIF plan describe the physical, social, and economic conditions in the TIF areas of the plan.
- ✓ ORS 457.010(1) defines blighted areas.

To meet this requirement, the City of Redmond engaged Leland Consulting Group (LCG) to analyze existing conditions in the proposed urban renewal area (the Study Area).

Background

Why an Urban Renewal Area?

An urban renewal area facilitates the use of tax increment financing, which allows, within limits, the property tax revenues on growth in assessed value to be used to fund capital projects. These public resources are directed to a specific area to encourage and catalyze private investment that might not otherwise occur.

For the proposed urban renewal area, urban renewal provides the City with the mechanism to fund important safety, mobility, and connectivity improvements along South Highway 97 while also improving the economic viability of development for current and future developers, property owners, and business owners.

Specifically, an urban renewal area is critical to implementing the recommendations from the South Redmond US 97 Corridor Plan—a recently completed study for the Oregon Department of Transportation and the City of Redmond. The Corridor Plan includes recommended transportation and other related improvements on South Highway 97 and local connecting streets and suggests tax increment as a logical source of funding for the local improvements which can help leverage state and federal dollars for nearly \$100 million required to transform the corridor. The overall objectives of the Corridor Plan are to improve the safety and mobility of U.S. 97 and enhance the economic viability of properties along the corridor.

The proposed boundary also includes nearly 1,000 acres of industrially zoned land which has multiple infrastructure needs (water, transportation, etc.) before it can be developed. The land presents a rare opportunity for significant industrial development and employment growth. An urban renewal area provides the City of Redmond with the resources to invest in infrastructure projects and incentive and grant programs that are critical in realizing these opportunities. Specific programs can encourage workforce and economic development, remove barriers that may discourage development, and facilitate and accelerate the expansion and businesses and job growth in the City of Redmond to create a more vibrant economic landscape.

Similar tax increment funding was utilized by the City of Redmond for North Highway 97 and related improvements in the 2000s.

Purpose of the Feasibility Study

This feasibility study examines key data and assumptions underlying the financial capacity and public benefit of urban renewal district investments. The study determines whether a district as proposed in this feasibility study would comply with the basic requirements of the Oregon statute governing the formation of urban renewal areas, (ORS 457) and is feasible from a financial and policy standpoint.

The study documents the City's forecasted financial capabilities to implement recommendations from the South Redmond US 97 Corridor Plan, as well as other projects and programs that have been determined as critical to the economic viability of the area.

Issues Evaluated in the Study

The following is a schedule of legal requirements the consultants addressed in determining the feasibility of the Urban Renewal District:

- ✓ A boundary for the area has been established,
- ✓ Blighting conditions as defined in ORS 457 are documented,
- ✓ The value and area within the boundary are documented to ensure each is within limitations established by ORS 457,
- ✓ Eligibility of the use of tax increment funding for proposed project activities,
- ✓ Estimated project costs and tax increment revenue, and
- ✓ Estimated completion dates for all project activities.

Note: This feasibility report has no legal status as an urban renewal plan as defined in ORS 457. It is prepared purely for information purposes. The City of Redmond will have to take numerous procedural steps, all in conformance with ORS 457, in order to create an urban renewal district and an urban renewal plan that meet all ORS 457 requirements.

Process and Approach

The analysis summarized here is explicitly intended to provide an objective assessment of conditions within the proposed urban renewal area. This documentation is intended to provide RURA and City leadership with evidence to aid those bodies in their official decision as to whether the Study Area constitutes a deteriorated area or deteriorating area eligible to be designated as an urban renewal project area.

Evidence of Study Area conditions was gathered using the following methods:

- Direct field observation,
- Geographic information systems (GIS) analysis of spatial data (including Deschutes County Assessor's parcel data, aerial imagery, and topographical data),
- Follow-up web-based research, and
- Discussions with City of Redmond staff.

Both the field observations and GIS analysis initially employed a detailed mapping of individual parcels in the proposed district to help ensure a thorough and exhaustive survey of the entire area. Findings, however, are reported and mapped here using individual points and areas without direct reference to individual parcels. This approach balances a reasonable effort to respect the privacy of owners and residents while still preserving the specificity of evidence for purposes of reaching eligibility conclusions.

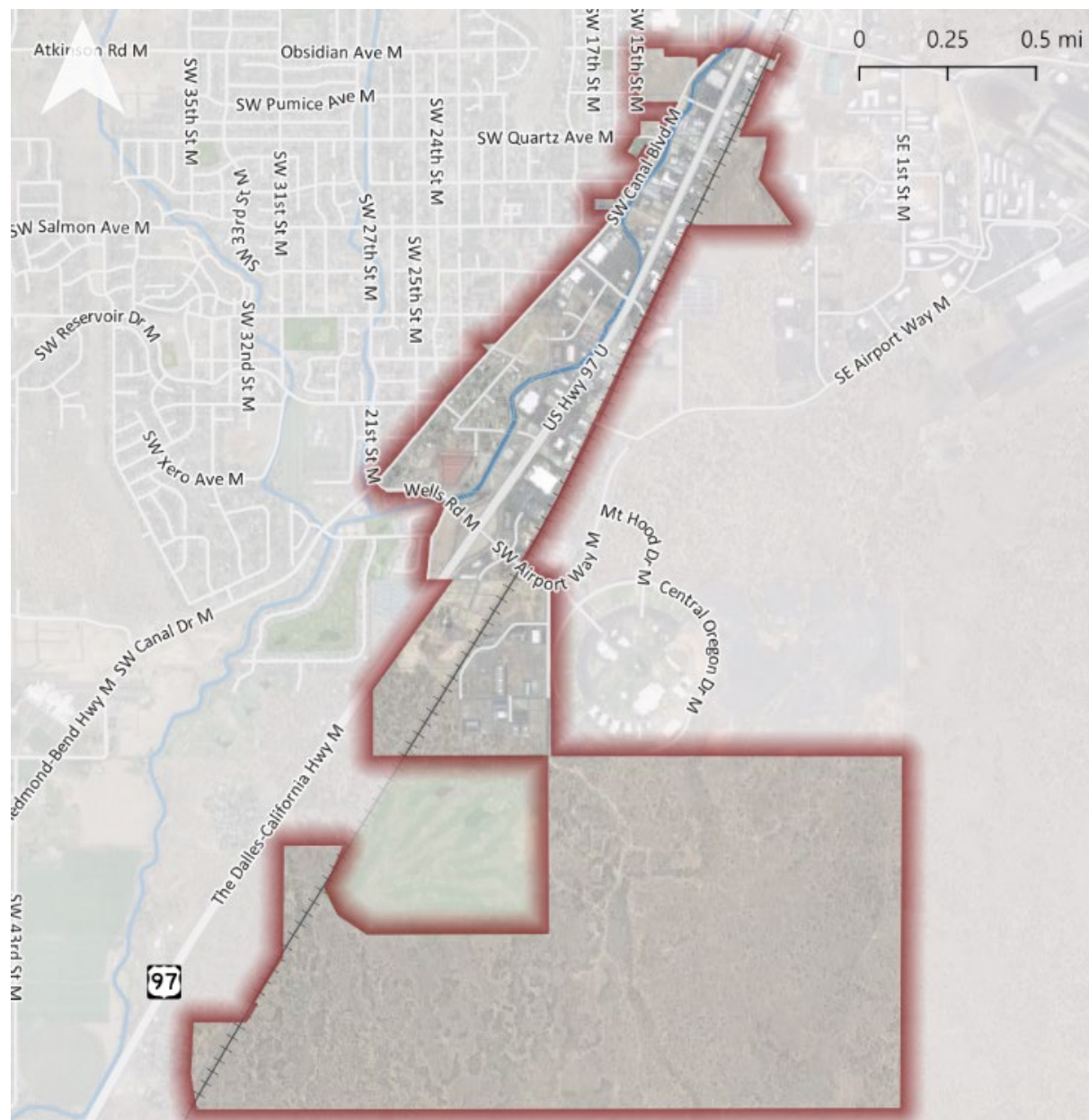
FEASIBILITY ANALYSIS AND FINDINGS

1. Boundary and Acreage Limitations

Study Area Geography

A preliminary urban renewal area boundary was determined by City staff prior to the commencement of this feasibility study. The acreage associated with that boundary is 1,330.5 acres (see proposed boundary below). The preliminary boundary was shown to representatives of overlapping taxing districts in initial meetings for their review and comment. As of the date of this report, no changes have been requested.

Figure 1. Proposed District Boundary



Source: Leland Consulting Group

ORS Requirements

ORS 457.420(2)(b)(B) essentially states that no more than 25 percent of the city's total land area can be designated as an urban renewal district (for Cities with populations of less than 50,000). As demonstrated in the following table, the City's current land area is approximately 10,449 acres. The Redmond Downtown Urban Renewal District includes 701.70 acres (6.7 percent of the total). The proposed South Highway 97 Urban Renewal District boundary includes 1,330.52 acres (12.7 percent of the total). The total of all acreage in urban renewal areas represents 19.45 percent of the City's land area and is, therefore, within the 25 percent limitation.

Table 1. Area Conditions

	Acres	% of Total
Total area within the City	10,449.0	
Redmond Downtown Urban Renewal District	701.7	6.7%
Proposed South Hwy 97 Urban Renewal District	1,330.5	12.7%
Total area within urban renewal districts	2,032.2	19.5%

Source: Deschutes County Assessor

Finding: The preliminary boundary for the proposed urban renewal area is within the ORS acreage limitation of 25% of land within the City.

2. Blighting Conditions

ORS Requirements

In order to form an urban renewal district, the City of Redmond must find that blighted areas exist within the urban renewal boundary. ORS 457.010 sets forth the definitions for "blighted areas" and blighting conditions as follows:

457.010 Definitions. As used in this chapter, unless the context requires otherwise:

(1) "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:

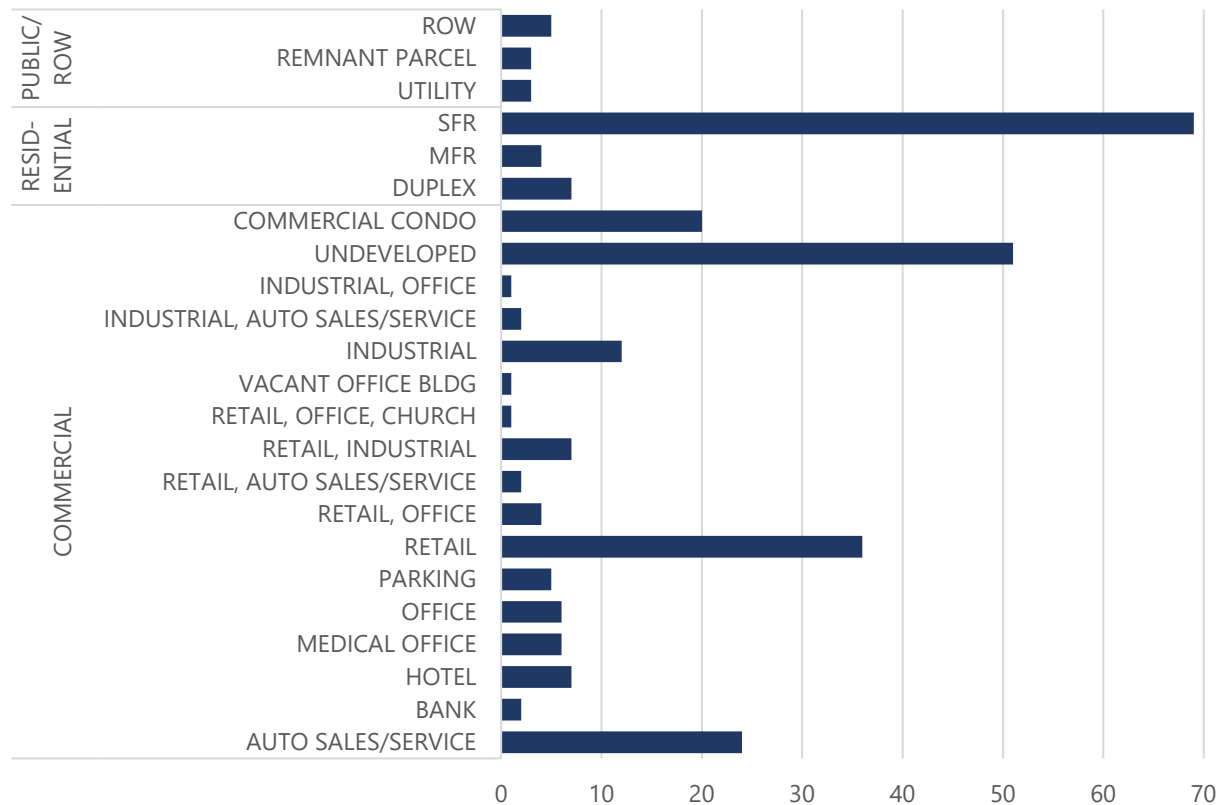
- a) The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, that are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:
 - A. Defective design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

Blighting Conditions Within Preliminary Boundary

The study area has the following land uses by parcel count.

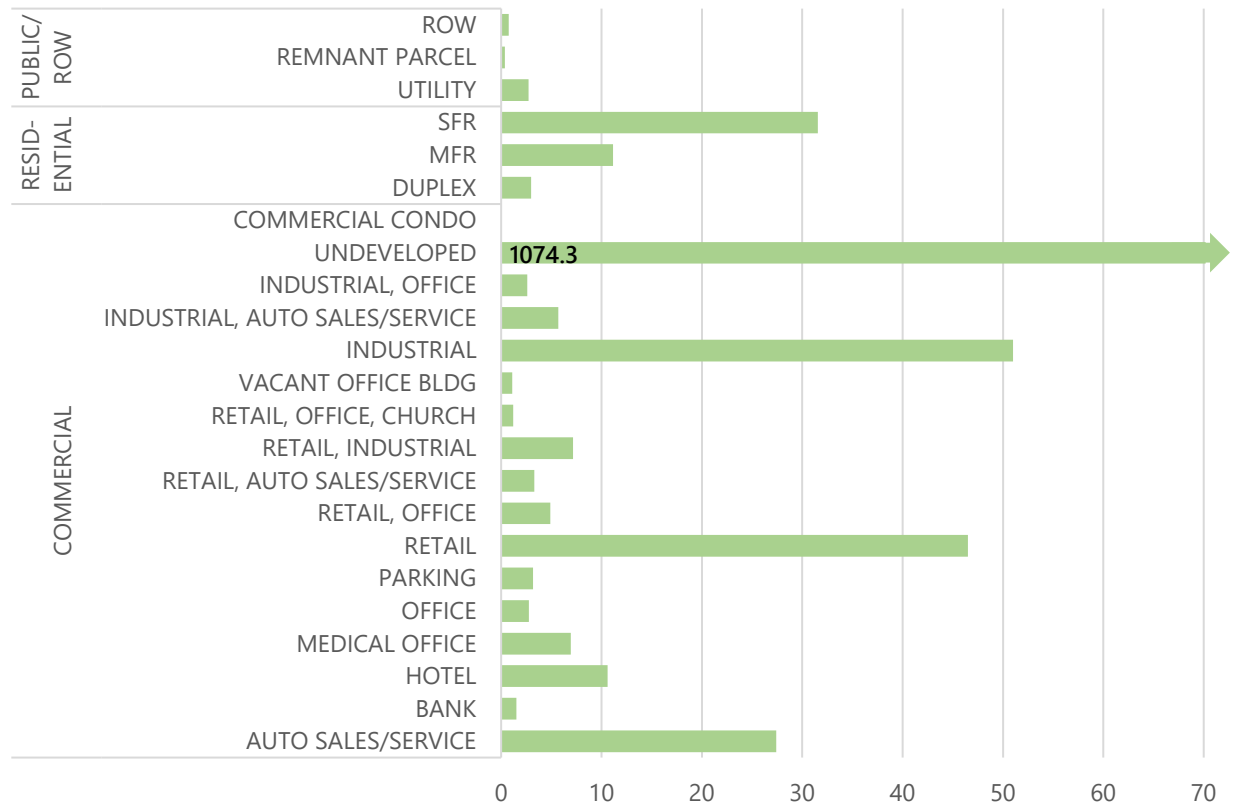
Figure 2. Parcels by Land Use (Total Lots)



Source: Deschutes County Assessor, LCG

Additionally, the study area includes the following uses by acres.

Figure 3. Parcels by Land Use (Acres)



Source: Deschutes County Assessor, LCG

The vast majority of acreage within the urban renewal study area is undeveloped, 1,074.3 acres (80.7%). This area is without streets, sidewalks, and utilities necessary for development. The four primary uses of developed acreage includes industrial, retail, auto sales/service and single family residential.

The blight analysis reveals the following conditions that constitute blight within the preliminary boundary.

Value of Developed Properties Within the Area

Deschutes County assessor records indicate there are 283 tax accounts in the renewal study area. Of those, 14 accounts are shown in exempt property classes, and have no assessed value, including four accounts for canal purposes and a 948.97 acre parcel owned by the State of Oregon for large-lot industrial development.

The data shows, as the following table indicates, a total of 173 (61.1 percent of total) commercial or industrial property class accounts, and 88 (31.1 percent) residential class accounts.

Table 2. Parcel Summary

Property Class	Number of Parcels	% of Total	Assessed Value	% of Total
Residential	86	30.4	12,120,750	8.5
Commercial	118	41.7	104,849,416	73.6
Industrial	55	19.4	23,109,510	16.2
Multifamily	2	0.7	646,020	0.5
Municipal	12	4.2	1,804,290	1.3
Not Identified	10	3.5	0	0.0
Total	283	100.0	142,529,986	100.0

Source: Deschutes County Assessor

The data also shows 117 parcels are underutilized (46.2 percent), with the acreage underutilized at 1,181.5 acres (91.0 percent).

Utilization status was determined primarily by the improvement value to land value ratio (I:L ratio), and checked by in-person observation. An improvement value to land value ratio of less than 1.0 typically indicates underutilized property. Less than 0.5 typically indicates vacant or highly underutilized land.

Table 3. Site Utilization Status

Site Utilization (I:L Ratio by RMV*)	Not Underutilized	Underutilized
Parcels	136.0	117.0
% of Total	53.8%	46.2%
Acres	117.3	1,181.5
% of Total	9.0%	91.0%

Source: Deschutes County Assessor, Leland Consulting Group

Additionally, 77 parcels are vacant or partially vacant, representing 30.8 percent of the parcels, but 87.4 percent of the land area within the proposed boundary.

Development status was determined primarily through in-person observation and supported by aerial imagery analysis and tax roll data analysis.

Table 4. Site Development Status

Development Status	Vacant	Partially vacant	Improved
Parcels	60.0	17.0	173.0
% of Total	24.0%	6.8%	69.2%
Acres	1080.6	43.1	162.6
% of Total	84.0%	3.4%	12.6%

Source: Deschutes County Assessor, Leland Consulting Group

Within the study area, building occupancy is high, 95 percent with 192.8 acres of 203.0 acres fully occupied (95.0 percent) representing 177 of 187 parcels with buildings (94.7 percent).

Leland Consulting Group utilized Costar to determine existing long-time vacancies, as well as tax roll data and in-person observation.

Table 5. Building Occupancy Status

Building Occupancy	Vacant	Partially Vacant	Fully Occupied
Parcels	3.0	7.0	177.0
% of Total	1.6%	3.7%	94.7%
Acres	2.2	8.0	192.8
% of Total	1.1%	3.9%	95.0%

Source: Deschutes County Assessor, Leland Consulting Group

The above findings indicate a significant amount of potentially valuable property in the proposed renewal area appears to be under-developed, producing little property tax for the City, and other taxing bodies.

The diminished property taxes resulting from a preponderance of undeveloped and/or low-value development can lead to service issues for the community. Lower property values due to lack of development and utilization of the area for tax producing purposes meets the ORS definition of blight.

Building Exterior and Site Conditions

Building conditions in the proposed area are generally in average to good condition, 91.4 percent of parcels and 84.0 percent of developed acreage. Fair and seriously substandard buildings represent 15 parcels, 8.0 percent of the total parcels and 15.8 percent of the developed acreage.

Table 6. District Building Conditions

Building Exterior Condition	Average to Good	Fair (Repair/Maintain)	Seriously Substandard
Parcels	171.0	15.0	1.0
% of Total	91.4%	8.0%	0.5%
Acres	170.5	32.2	0.3
% of Total	84.0%	15.8%	0.2%

Source: Deschutes County Assessor, LCG

Additionally, site conditions of parcels for a significant majority of the proposed urban renewal area are poor or substandard (1,053.7 acres, 81.1 percent of the area). Less than 20 percent (18.9 percent) of the area, 200 parcels, have acceptable site conditions.

Table 7. District Site Conditions

Site Condition	OK / Acceptable	Poor / Substandard
Parcels	200.0	53.0
% of Total	79.1%	20.9%
Acres	245.2	1053.7
% of Total	18.9%	81.1%

Source: Deschutes County Assessor, LCG

Substandard or Inadequate Public Facilities

As noted above, the vast majority of the area is undeveloped, therefore much of the proposed urban renewal area is without sidewalks. The developed parcels have sidewalks that are in good condition, 145, with only 11 parcels that have sidewalks the require repair and or replacement. However, only 14.8% (190.0 acres) of the area

has good condition sidewalks, with 85.2% (1,096.2 acres) having no sidewalks or have sidewalks that require repair or replacement.

Table 8. District Sidewalk Conditions

Sidewalk Condition	Good Condition	No Sidewalk	Repair / Replace
Parcels	145.0	94.0	11.0
% of Total	58.0%	37.6%	4.4%
Acres	190.0	1078.3	17.9
% of Total	14.8%	83.8%	1.4%

Source: Deschutes County Assessor, LCG

Findings: The conditions within the preliminary boundary area meet the ORS definition of blight.

3. Assessed Value Limitations

ORS Requirements

Oregon urban renewal law limits the total assessed valuation in cities under 50,000 population to 25% of the total assessed value in the city.

Assessed Value Conditions

The tax roll for the 2019-20 year shows that Redmond contains approximately \$2.549 million in assessed value. This value allows area within urban renewal areas to total approximately \$637.1 million in assessed value.

Table 9. Assessed Value

	Assessed Value	% of Total
Total assessed value City of Redmond	\$2,548,546,802	100.0%
Assessed value Downtown Urban Renewal District	\$288,796,593	11.3%
Assessed value Preliminary Urban Renewal Boundary Area	\$142,529,986	5.6%
Total assessed valued within urban renewal areas	\$431,326,579	16.9%

Source: Deschutes County Assessor

Finding: The combined assessed value of the Downtown Urban District (\$288.8 million, 11.3 percent) and the preliminary urban renewal study area boundary (\$142.5 million, 5.6 percent) is \$431.3 million, or 16.9% of the total assessed value in the City of Redmond. The total combined assessed value within the urban renewal boundaries is within the 25 percent assessed value limit.

4. Eligibility of Proposed Activities

ORS Requirements

ORS 457.170 provides for the activities that an urban renewal agency may plan or undertake consistent with an approved urban renewal plan. ORS 457.170 includes the following authorized activities:

- To carry out any work or undertaking and exercise any powers which a housing authority is authorized to perform or exercise under ORS 456.055 to 456.235, subject to the provisions of this chapter

provided, however, that ORS 456.155 and 456.160 do not limit the power of the agency in the event of a default by a purchaser or lessee of land in an urban renewal plan to acquire property and operate it free from the restrictions in those sections.

- To carry out any rehabilitation or conservation work in an urban renewal area.
- To acquire real property, by condemnation if necessary, when needed to carry out the plan.
- To clear any areas acquired, including the demolition, removal or rehabilitation of buildings and improvements.
- To install, construct or reconstruct streets, utilities, and site improvements in accordance with the urban renewal plan.
- To carry out plans for a program of the voluntary repair and rehabilitation of buildings or other improvements in an urban renewal area in accordance with the urban renewal plan.
- To assist in relocating persons living in, and property situated in, the urban renewal area in accordance with the approved urban renewal plan and to make relocation payments.
- To dispose of, including by sale or lease, any property or part thereof acquired in the urban renewal area in accordance with the approved urban renewal plan.
- To plan, undertake and carry out neighborhood development programs consisting of urban renewal project undertakings in one or more urban renewal areas which are planned and carried out on the basis of annual increments in accordance with the provisions of this chapter for planning and carrying out urban renewal plans.
- To accomplish a combination of the things listed in this section to carry out an urban renewal plan.

Additionally, activities must be consistent with the goals and policies set forth in the City's Comprehensive Plan and other adopted policy documents and must be located within the renewal area boundary. Limited exceptions may apply on a proportionality basis, e.g. a sewage treatment plant which serves the Urban Renewal area.

Identified and Potential Project Activities

At the time of preparing this feasibility report, there was no formal list of approved project activities for the preliminary urban renewal project area. However, the City's primary purpose for creating the urban renewal district is to fund local costs associated with completing the South Redmond Corridor Plan. Other eligible projects have been identified through thorough reviews of existing capital facility master plans and interviews with staff of the City, overlapping taxing districts, and utility providers in the area.

The schedule presented in the table below provides estimated project costs and likely timing for the Highway 97 South Redmond Corridor Plan. Estimated funding for other eligible projects and activities are also included.

Table 10. Proposed Project Activities

Description	Amount	Dates	Inflation Adjusted Amount
US 97 South Redmond Corridor Plan	\$30,829,000	2025-2033	\$36,844,000
Fire Station	4,500,000	2033-2037	6,056,400
Natural Gas/Electricity improvements	4,000,000	2022-2042	5,073,000
Industrial Opportunity Fund	5,000,000	2022-2042	6,341,000
Incentive Funding - SDCs, Capital Infrastructure	8,000,000	2022-2042	10,146,000
Small Loan Program	2,000,000	2022-2042	2,536,000
Communications improvements	1,000,000	2022-2042	1,268,000
Canal improvement contribution	4,000,000	2025-2033	4,780,000
Program administration - 9.5% of project costs	5,636,000	2021-2047	7,148,000
	\$64,965,000		\$82,391,000

Source: LCG

Transportation improvements

US 97 South Redmond Corridor Plan Project

- Joint project with Oregon Department of Transportation (ODOT)
- Improved connectivity of City street system to S. Highway 97 including but not limited to:
 - A. Roadway construction
 - B. Pedestrian facilities
 - C. Raised medians
 - D. Stormwater improvements
 - E. Traffic signal improvements
 - F. Design, construction engineering, right of way fee, right of way acquisition

Public Buildings

Fire Station

- A fire station will be needed to serve the area as the area develops
- Funding of \$4.5 million is included for this project

Note: If public building(s) are included in the Urban Renewal Plan, a legislative change in 2017 requires the concurrence of three of four taxing districts that are estimated to forego the most property tax revenue (The City, County, School District, and Fire District). Concurrence requires a vote of the governing body of each of the four taxing districts. Failure of a governing body to take action (resolution) within 45 days of notice is considered concurrence.

Utilities to Serve the Area Within the Preliminary Boundary

City Utilities and Infrastructure

- Water, Wastewater and Stormwater systems will need to be constructed in order for the area to develop. The City's master plans anticipate these improvements. Funding for these improvements are generally provided by system development charges and utility rates.
- Local street and sidewalk improvements will need to be constructed in order for the area to develop. The City's master plans anticipate these improvements. Funding for these improvements are generally provided by developers.
- The schedule above includes \$13.0 million of funding to assist developers with the cost of these facilities (Industrial Opportunity Fund, Incentive Funding)

Other Utilities

- Cascade Natural Gas - natural gas improvements
- Pacific Power - electricity infrastructure
- Irrigation District – piping canal
- Communications – telephone and high speed internet

The schedule above includes \$9.0 million in funding assistance for these utilities.

Note that the funding for City utilities and infrastructure and other utilities could be structured in a variety of ways. Total funding allocated to assist developers and the utilities with completion of the required improvements to serve the area in the feasibility analysis is \$22.0 million.

Small Loan Program

- Program to facilitate improvements to existing properties.
- \$2.0 million is allocated towards this program.

Program Administration

- Program administration is estimated at 9.5% of project costs.
- Estimated program administration costs are \$5.6 million.

Finding: The project activities in the schedule above meet the requirements of ORS 457 and will help to remove the deficient conditions found within the preliminary urban renewal area. The improvement projects listed are similar to those typically undertaken in other urban renewal districts in Oregon.

5. Financial Feasibility

ORS Requirements

ORS 457.085 (3) (g) requires that a renewal plan be accompanied by "a financial analysis of the plan with sufficient information to determine feasibility." A feasibility analysis typically estimates the tax increment resources that will be available to carry out the proposed activities, estimates when the resources will be available, and the period of time necessary to fund the cost of proposed activities. Determining financial feasibility relies on making reasonable economic and financial assumptions, including but not limited to increases in assessed value, the pace of anticipated development, property tax rates, limits or restrictions on revenue, identification of other resources, the use of debt, its timing, the scope, cost, timing and interrelations

of planned capital investment requirements to facilitate growth and increases to assessed value and other program requirements.

Estimate of Revenues to Pay for Plan Activities

The tax increment revenues to pay for project activities will be generated by the increase in assessed values within the preliminary area boundary. Under Ballot Measure 50, growth in assessed values can come in two ways:

- A maximum of three percent growth in value from the previous years' assessed value on a property by property basis.
- The assessed value from new construction or major renovation projects in the area.

Therefore, even if there is no new construction within a renewal area, overall values may increase by up to the three percent allowed by Ballot Measure 50.

For purposes of providing an estimate of revenues, we have made the following assumptions:

- The duration of tax increment collection for the renewal plan is 25 years.
- The frozen base assessed value is \$142,529,986, the value within the preliminary boundary area as of January 1, 2019.
- The plan will be adopted prior to August 31, 2020.
- The first tax increment revenue will be received in November 2021.
- The combined tax rate for calculating tax increment revenue is \$15.5104.
- Projected annual growth of 4.5 percent in existing incremental values in the area, together with the value of three significant projects underway at the time of writing this feasibility analysis (two hotels and an apartment complex). A growth rate of 4.5 percent is determined to be reasonable given the substantial amount of land available for new development in the area.

Table 11. Forecasted Tax Increment Revenue, Fiscal Years 2021-2046, 4.5% Growth Assumed

Year	Fiscal Year Ending June 30	Frozen Base (000's)	Forecast Assessed Value (AV) (000s)	Annual Change in AV (000s)	Cumulative Change in AV (000s)	Projected Tax Levy	Debt Capacity (millions)	Cumulative Tax Increment Revenue	Net Present Value - Discount Rate 3.5%
0	2021	0	157,060			0	0.00	0	0
1	2022	142,530	182,387	39,857	39,857	618,198	7.03	568,742	549,509
2	2023	142,530	209,256	66,726	106,583	1,034,947	11.77	1,536,348	1,452,780
3	2024	142,530	231,960	89,430	196,013	1,387,095	15.77	2,847,623	2,635,475
4	2025	142,530	250,721	108,191	304,204	1,678,086	19.08	4,450,936	4,032,669
5	2026	142,530	269,252	126,722	430,926	1,965,509	22.35	6,337,486	5,621,094
6	2027	142,530	289,153	146,623	577,549	2,274,182	25.86	8,524,848	7,400,514
7	2028	142,530	310,526	167,996	745,545	2,605,685	29.63	11,033,588	9,372,361
8	2029	142,530	333,479	190,949	936,494	2,961,696	33.67	13,887,086	11,539,341
9	2030	142,530	358,129	215,599	1,152,093	3,344,027	38.02	17,110,831	13,904,702
10	2031	142,530	384,599	242,069	1,394,162	3,754,587	42.69	20,732,162	16,471,932
11	2032	142,530	413,027	270,497	1,664,659	4,195,517	47.70	24,780,488	19,244,815
12	2033	142,530	443,556	301,026	1,965,685	4,669,034	53.09	29,287,366	22,227,392
13	2034	142,530	476,344	333,814	2,299,499	5,177,589	58.87	34,286,726	25,424,003
14	2035	142,530	511,554	369,024	2,668,523	5,723,710	65.08	39,814,948	28,839,238
15	2036	142,530	549,368	406,838	3,075,361	6,310,220	71.75	45,911,144	32,478,000
16	2037	142,530	589,977	447,447	3,522,808	6,940,082	78.91	52,617,296	36,345,478
17	2038	142,530	633,589	491,059	4,013,867	7,616,522	86.60	59,978,507	40,447,173
18	2039	142,530	680,424	537,894	4,551,761	8,342,951	94.86	68,043,189	44,788,884
19	2040	142,530	730,722	588,192	5,139,953	9,123,093	103.73	76,863,358	49,376,745
20	2041	142,530	784,738	642,208	5,782,161	9,960,903	113.25	86,494,858	54,217,208
21	2042	142,530	842,747	700,217	6,482,378	10,860,646	123.48	96,997,665	59,317,066
22	2043	142,530	905,045	762,515	7,244,893	11,826,913	134.47	108,436,201	64,683,462
23	2044	142,530	971,949	829,419	8,074,312	12,864,621	146.27	120,879,649	70,323,898
24	2045	142,530	1,043,800	901,270	8,975,582	13,979,058	150.00	134,402,313	76,246,246
25	2046	142,530	1,120,964	978,434	9,954,016	15,175,903	150.00	149,083,993	82,458,754

Source: LCG, GEL Oregon

Findings: The net present value of forecast tax increment revenue through fiscal year 2046 (25 years) is \$82.5 million using a 3.5 percent discount rate on cash flows. The forecast assumes the completion of known new construction projects within the area in years one and two, with 4.5 percent annual growth due to development thereafter. Additionally, the assessed value of existing properties is assumed to increase annually by 2.9 percent for real property and 2.0 percent for personal and utility property.

The forecast debt capacity, by fiscal year, of the proposed urban renewal district projects the Agency will have the capability to finance project and program costs totaling \$22.3 million by fiscal year 2026 (year 5), \$42.7

million by fiscal year 2031 (year 10) and \$86.6 million by fiscal year 2038 (year 17). This assumes the use of full faith and credit obligations (FFCO) with a term of 20 years and interest rate of 3.5 percent, as presented above.

Estimate of Project Costs

At the time of preparing this feasibility report, there were no estimates of project costs available, other than the primary project, i.e., the US 97 South Redmond Corridor Plan. In the absence of details on the scope of the possible activities shown in Section 4, our analysis instead uses a “revenue-side” approach to identifying costs. This approach involves estimating revenues to establish an estimate of funds available for anticipated capital development requirements within the area. The total tax increment revenues anticipated over a 20-year period are approximately \$149.1 million.

To determine what the forecast revenue stream is worth in 2020 dollars, the consultant applied a 3.5 percent discount rate to the annual revenues shown above. This indicates, in 2020 dollars, the revenues may support approximately \$82.5 million in project costs over the plan duration.

Estimate of Time Needed to Carry Out Plan Activities

ORS 457 imposes no time restrictions on carrying out an urban renewal plan. There is, however, a local policy issue and decision regarding how long the plan may operate before it can retire project indebtedness and return increased assessed value in the area to the tax rolls of the overlapping taxing districts.

The revenue projections shown above are limited to a 25-year period. This period appears adequate to collect sufficient tax increment to pay the anticipated eligible project and program costs. Should there be any changes to the projects, programs, costs, timing, or other assumptions regarding the amount and timing of tax increment collections, the time necessary to pay eligible project and program costs could change significantly.

Estimate of Maximum Indebtedness to Carry Out Plan Activities

With the passage of Ballot Measure 50, ORS 457 requires that a “maximum indebtedness” figure be put into the renewal plan. This figure represents the limit of the tax increment revenue that the City may take in to cover project costs, excluding interest on debt. ORS 457 imposes no restrictions on the maximum indebtedness of a renewal plan. The debt limit is based on good faith estimates of costs and inflation. No maximum indebtedness figure needs to be established at this stage. Projects and project costs should be defined through the public process in developing an urban renewal plan, and at that time the maximum indebtedness for the plan will be established.

Financial Feasibility Evaluation

The forecast of tax increment revenues shows the collection of approximately \$149.1 million during the 25-year duration of the plan (“Cumulus Tax Increment Revenue” column, year 25). Adjusted to 2020 dollars, this would allow the City to undertake roughly \$82.5 million in project and program activities over the duration of the plan. This amount allows the City to make meaningful and timely contributions to the project activities included in the list of recommendations in Section 4 of this report.

Findings: The estimated tax increment revenues are sufficient, discounted to 2020 dollars, to carry out or assist in carrying out the projects listed in Section 4 of this report. The revenue estimates are based on good faith assumptions about growth in the area. If those assumptions prove incorrect, project and program activities may

need to be deferred and or reduced in scope, other funding secured, or the duration of the plan extended. The assumption of a 25-year duration of tax increment collection is presented to demonstrate feasibility only.

An urban renewal district formed within the preliminary boundaries identified appears to be financially feasible.

6. Tax Impacts of an Urban Renewal Plan

Under Oregon's present property tax-based system, total tax rates will not change as a result of adopting an urban renewal program. Thus, there will be no effect on taxpayers from the establishment of an urban renewal district. Instead, the potential revenues raised by taxing bodies will be affected. The new value 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.

K-12 Schools: It should be noted that under the current system of funding K-12 schools, establishing an urban renewal area does not impact the per-student revenue for schools. The funding per student is derived from a complex formula that establishes a uniform-per-student funding level throughout the State. The amount of funds received by Redmond schools is determined by this formula, not by the amount of property taxes raised locally.

The following schedule shows the estimated foregone property tax revenue for the overlapping taxing jurisdictions based on the value growth assumptions outlined in this report. **It is important to keep the following in mind when looking at the schedule:**

- The potential impact on the school district is shown simply to demonstrate the tax rate calculation. As noted above, however, urban renewal will have no impact on K-12 per student funding, i.e., there will be no reduction in school funding resulting from the creation of an urban renewal district.
- The estimated amounts of foregone revenue assume all the development and increased property values would occur, even without the renewal programs' outlays for area improvements. In reality, the value created by new development would be less or slower without the tax increment funding.

Table 12. Estimated Foregone Property Tax Revenue – Government, Fiscal Years 2021-2046

Fiscal Year Ending June 30	City of Redmond	Deschutes County	County Library	Countywide Law Enforcement	County Extension - 4H	9/1/2001	Redmond Fire & Rescue	Redmond Park & Recreation	Total General Government
2020	-	-	-	-	-	-	-	-	-
2021	-	-	-	-	-	-	-	-	-
2022	175,773	48,558	21,921	43,046	893	14,420	69,917	14,815	389,343
2023	294,268	81,292	36,699	72,064	1,495	24,141	117,051	24,802	651,812
2024	394,395	108,953	49,187	96,584	2,003	32,356	156,878	33,241	873,597
2025	477,133	131,809	59,505	116,846	2,423	39,144	189,789	40,215	1,056,864
2026	558,857	154,385	69,697	136,860	2,839	45,848	222,296	47,103	1,237,885
2027	646,622	178,631	80,643	158,353	3,284	53,048	257,206	54,500	1,432,287
2028	740,879	204,670	92,398	181,436	3,763	60,781	294,699	62,444	1,641,070
2029	842,104	232,633	105,022	206,225	4,277	69,085	334,963	70,976	1,865,285
2030	950,813	262,664	118,579	232,847	4,829	78,004	378,204	80,138	2,106,078
2031	1,067,549	294,913	133,138	261,435	5,422	87,581	424,637	89,977	2,364,652
2032	1,192,919	329,547	148,773	292,137	6,059	97,866	474,506	100,544	2,642,351
2033	1,327,555	366,740	165,564	325,108	6,743	108,911	528,060	111,891	2,940,572
2034	1,472,153	406,686	183,598	360,519	7,477	120,774	585,577	124,079	3,260,863
2035	1,627,433	449,582	202,963	398,546	8,266	133,513	647,342	137,166	3,604,811
2036	1,794,196	495,651	223,761	439,385	9,113	147,194	713,675	151,222	3,974,197
2037	1,973,286	545,125	246,096	483,243	10,023	161,886	784,912	166,316	4,370,887
2038	2,165,619	598,257	270,082	530,344	11,000	177,665	861,416	182,527	4,796,910
2039	2,372,166	655,316	295,842	580,926	12,049	194,610	943,574	199,935	5,254,418
2040	2,593,986	716,594	323,506	635,247	13,176	212,808	1,031,806	218,631	5,745,754
2041	2,832,202	782,402	353,214	693,585	14,385	232,351	1,126,561	238,709	6,273,409
2042	3,088,027	853,074	385,119	756,234	15,685	253,339	1,228,321	260,271	6,840,070
2043	3,362,767	928,972	419,383	823,516	17,080	275,878	1,337,604	283,427	7,448,627
2044	3,657,821	1,010,481	456,180	895,773	18,579	300,084	1,454,967	308,295	8,102,180
2045	3,974,691	1,098,017	495,699	973,372	20,188	326,079	1,581,008	335,002	8,804,056
2046	4,314,992	1,192,026	538,139	1,056,709	21,917	353,997	1,716,369	363,684	9,557,833
Totals	43,898,206	12,126,978	5,474,708	10,750,340	222,968	3,601,363	17,461,338	3,699,910	97,235,811

Source: GEL Oregon

Table 13. Estimated Foregone Property Tax Revenue – Education, Fiscal Years

Fiscal Year Ending June 30	Central Oregon Community College	High Desert ESD	Redmond School District #2J	Total Education	Total
2020	-	-	-	-	-
2021	-	-	-	-	-
2022	24,727	3,842	200,285	228,854	618,197
2023	41,397	6,432	335,305	383,134	1,034,946
2024	55,482	8,621	449,395	513,498	1,387,095
2025	67,122	10,430	543,671	621,223	1,678,087
2026	78,618	12,216	636,791	727,625	1,965,510
2027	90,965	14,134	736,795	841,894	2,274,181
2028	104,225	16,195	844,197	964,617	2,605,687
2029	118,465	18,407	959,538	1,096,410	2,961,695
2030	133,758	20,784	1,083,407	1,237,949	3,344,027
2031	150,180	23,335	1,216,421	1,389,936	3,754,588
2032	167,816	26,076	1,359,275	1,553,167	4,195,518
2033	186,757	29,019	1,512,686	1,728,462	4,669,034
2034	207,098	32,180	1,677,449	1,916,727	5,177,590
2035	228,942	35,574	1,854,383	2,118,899	5,723,710
2036	252,402	39,219	2,044,402	2,336,023	6,310,220
2037	277,596	43,134	2,248,466	2,569,196	6,940,083
2038	304,653	47,338	2,467,621	2,819,612	7,616,522
2039	333,709	51,853	2,702,971	3,088,533	8,342,951
2040	364,914	56,702	2,955,724	3,377,340	9,123,094
2041	398,426	61,909	3,227,159	3,687,494	9,960,903
2042	434,415	67,501	3,518,661	4,020,577	10,860,647
2043	473,064	73,506	3,831,714	4,378,284	11,826,911
2044	514,572	79,956	4,167,913	4,762,441	12,864,621
2045	559,148	86,882	4,528,972	5,175,002	13,979,058
2046	607,020	94,321	4,916,729	5,618,070	15,175,903
Totals	6,175,471	959,566	50,019,930	57,154,967	154,390,778

Source: GEL Oregon

Note: The difference between the forecast tax collections (\$149.1 million) and the foregone tax revenue (levies) of \$154.4 million, or \$5.3 million is due to discounts taken by taxpayers paying taxes in November of the levy year, approximately 2.5%, with the exception of years 23-25, when delinquent tax collections are not fully recognized until after year 25.

SUMMARY OF FEASIBILITY FINDINGS

The previous sections of this analysis have provided information on each of the key issues that should be evaluated in making the decision to proceed with an urban renewal plan. In summary, the feasibility findings are:

- The plan area proposed is within the acreage and total value limits established by ORS 457.
- The preliminary area proposed contains blighting conditions as defined by ORS 457.
- The scheduled project activities meet the eligibility requirements for tax increment funding.
- The assumptions used to estimate tax increment revenues are good faith assumptions, based on the information available, and concurred to by City staff.
- The duration needed to carry out plan activities is estimated at twenty five years and is typical of the duration used for newly adopted urban renewal plans.
- Given the tax increment revenue assumptions, project cost information, and program funding included in the feasibility study, forecasted tax increment revenue is adequate to fund the scheduled project activities to achieve the plan objectives.

On the basis of the above findings, there is no evidence of any technical or legal obstacles to the feasibility of establishing an urban renewal plan for the study area shown on the boundary map.



SOUTH 97 URBAN RENEWAL DISTRICT

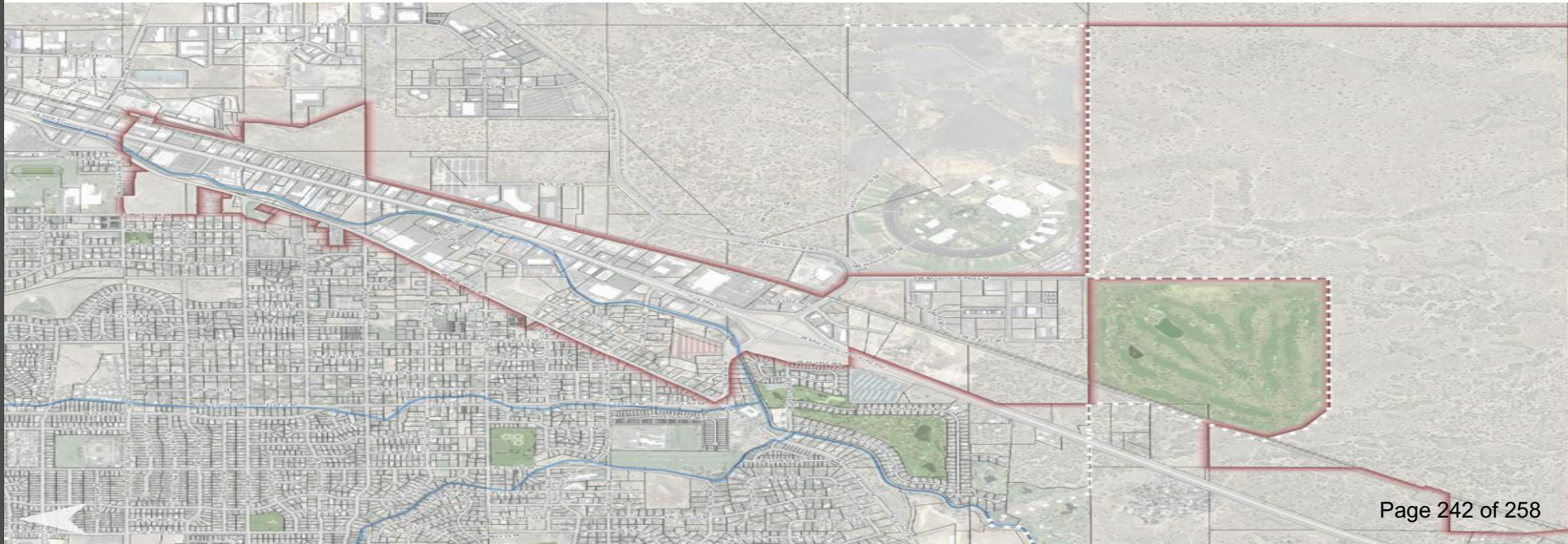
REDMOND CITY COUNCIL WORKSESSION, DECEMBER 1, 2020





- INFORMATIONAL REPORT ON 2020 OUTREACH
- REVIEW OF DISTRICT PURPOSE AND OBJECTIVES
- NO ACTION UNTIL DECEMBER 8, 2020

MEETING PURPOSE





THREE TOPICS

SLIDE / 3

01

PROJECT OVERVIEW

02

DISTRICT PURPOSE AND FINANCIAL IMPACTS

03

QUESTIONS AND FEEDBACK



DISTRICT PROFILE

SOUTH 97 URBAN RENEWAL DISTRICT

ESTABLISHMENT TARGET DATE: 2020

LAST DATE TO ISSUE DEBT	MAXIMUM INDEBTEDNESS (NEAREST MILLION)	TOTAL ACREAGE OF DISTRICT
2046	\$83M	1330 ACRES

TOP ISSUES/OPPORTUNITIES (12 - 36 MONTHS)

- **Leverage** - State and Federal Hwy. \$\$ with TIF (BUILD Grant by 2022)
- **Safety & First Responder** - Needs for Southern Redmond
- **Infrastructure** - Loans to Traded Sector Companies

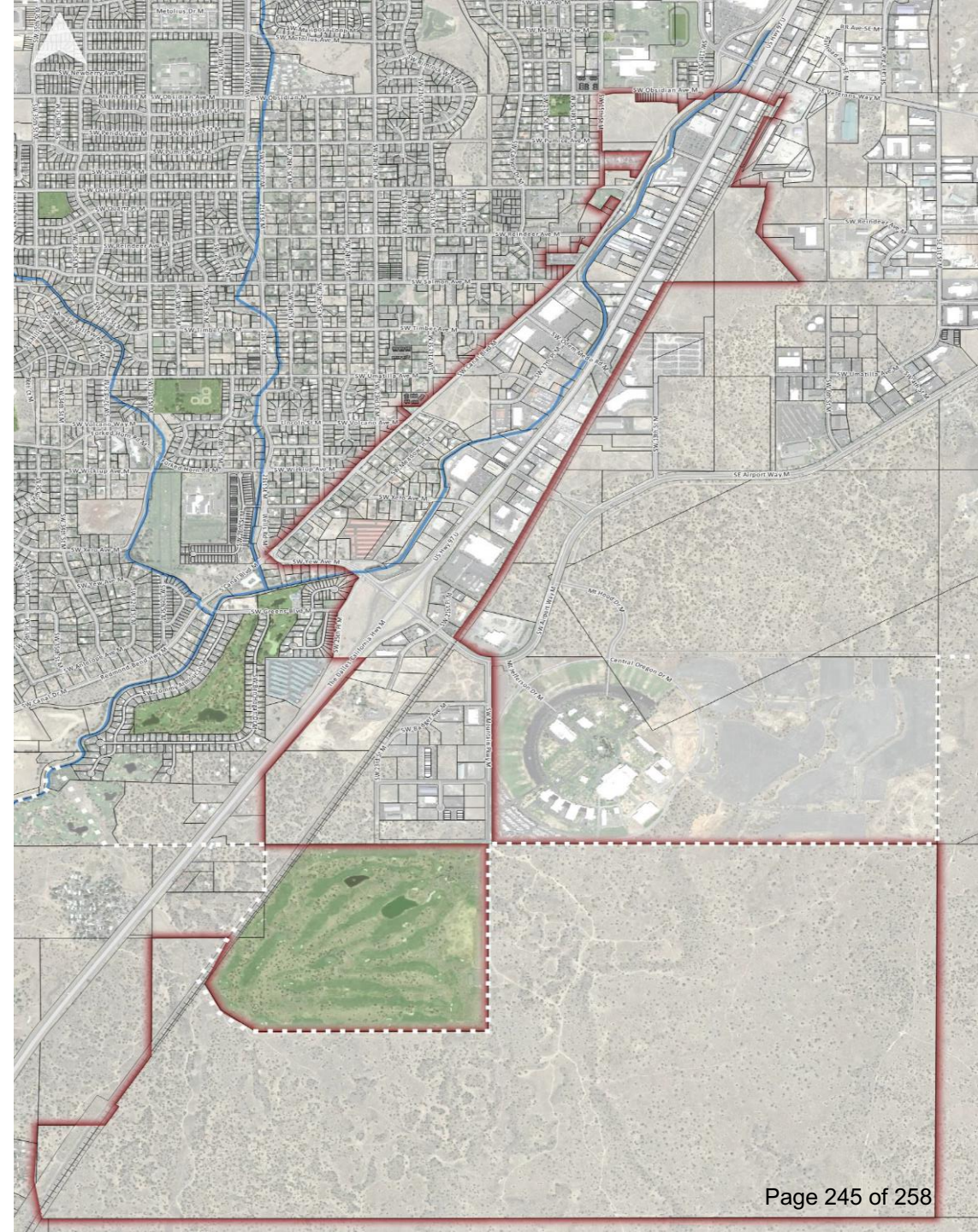
DISTRICT CHARACTER

- Deteriorating infrastructure
- Jobs and employment lands
- Major County thoroughfare
- Under-invested commercial corridor



1330 ACRES IN SOUTHERN REDMOND

SOUTH 97
URBAN
RENEWAL
DISTRICT —
PROPOSED
BOUNDARY





IMPETUS FOR DISTRICT:

SOUTH HWY 97 CORRIDOR REBUILD

\$50M - \$70M

SLIDE / 6

SAFETY

- 214 crashes 2010-2015 – average of 43/year
- Increases to 76/year by 2040 with no improvements
- Crash rates higher than state average
- Improvements will: reduce crashes and crash severity
- Partnership with RF&R for fire station

MOBILITY

FREIGHT/VEHICLE

- Traffic time improves
- East-West connects

PEDESTRIAN

- Halfway refuge
- Sidewalks
- Connect to Canal path
- Cycle track

NEIGHBORHOOD CONNECTIVITY

ECONOMIC VITALITY

- Low value density, limited development along US97
- Aging, limited infrastructure
- 84% lot vacancy in proposed area



URBAN
RENEWAL:

PRIMARY
INVESTMENTS
2021 – 2046

PRIMARY INVESTMENTS 2021-2046

US 97 SOUTH REDMOND CORRIDOR PLAN	\$37M
UTILITIES AND INFRASTRUCTURE	\$11M
FIRE STATION	\$ 4M
BUSINESS/PROPERTY DEV. PROGRAMS	\$19M
TOTAL AVAILABLE FOR CAPITAL PROJECTS	\$71M



TAXING JURISDICTION IMPACT

	Current Annual Property Tax	Foregone Revenue over Life of District (25 years)	Projected Property Tax at Sunset – Without UR	Projected Property Tax at Sunset – With UR
All Districts	\$2.3M	\$59.9M	\$5.2K	\$13.7M
City of Redmond	\$653K	\$17M	\$1.5M	\$3.9M

Payback (in years)	7.0
ROI	14.3%





REDMOND URBAN RENEWAL SUCCESS

SOUTH AIRPORT URD

Frozen Base: \$725K
Closed: \$63M

Growth Rate: 87x

DOWNTOWN URD

Frozen Base: \$ 72M
Current: \$288M

Growth Rate: 4x

Leverage Ratio: 1:5

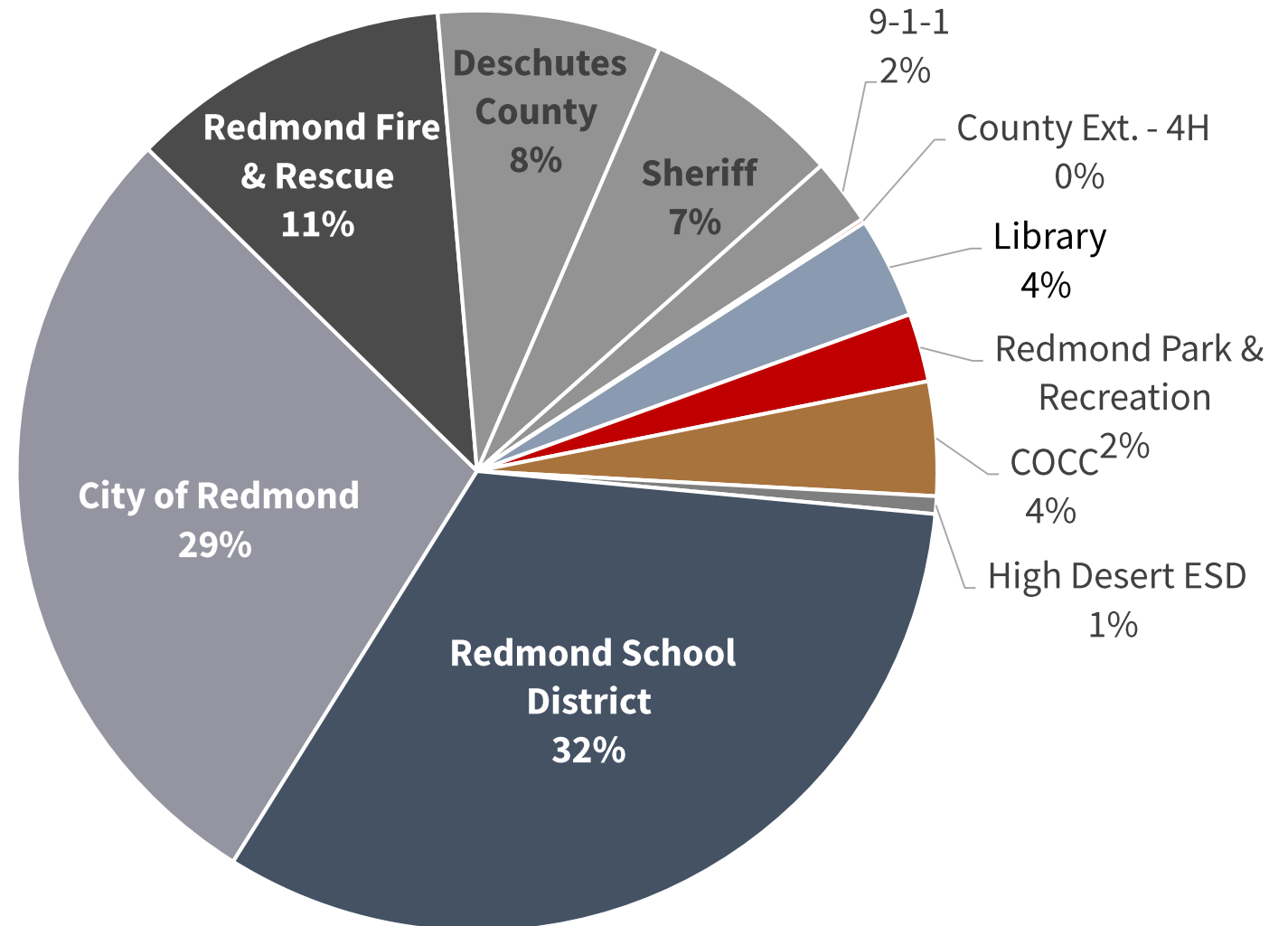
US97 URD

Growth Rate (projected): 6X



TAXING JURISDICTION IMPACT

OVERLAPPING TAXING DISTRICT LEVY RATES





**SUPPORT
FROM
OVERLAPPING
TAXING
DISTRICTS**

SLIDE / 11

BOARD VOTE RESULTS:

HIGH DESERT ESD



LIBRARY DISTRICT



REDMOND PARKS



FIRE DISTRICT



DESCHUTES COUNTY



REDMOND SCHOOL DISTRICT





NEXT STEPS

SLIDE / 12

JULY/AUGUST

● Outreach to taxing district partners, community groups, and stakeholder groups to introduce Project

AUGUST 31

● Plan and Report Distributed to Partners

SEPTEMBER 8

● City Council meeting: Status update

SEPT./OCT.

● Outreach round #2 to taxing district partners and community groups

SEPTEMBER 23

● Board of County Commissioners Meeting

OCTOBER 15

● Recommendations due from stakeholder groups and taxing district partners

DECEMBER 1

● City Council meeting: hear recommendations/public comments

DECEMBER 8

● City Council meeting: Plan adoption decision

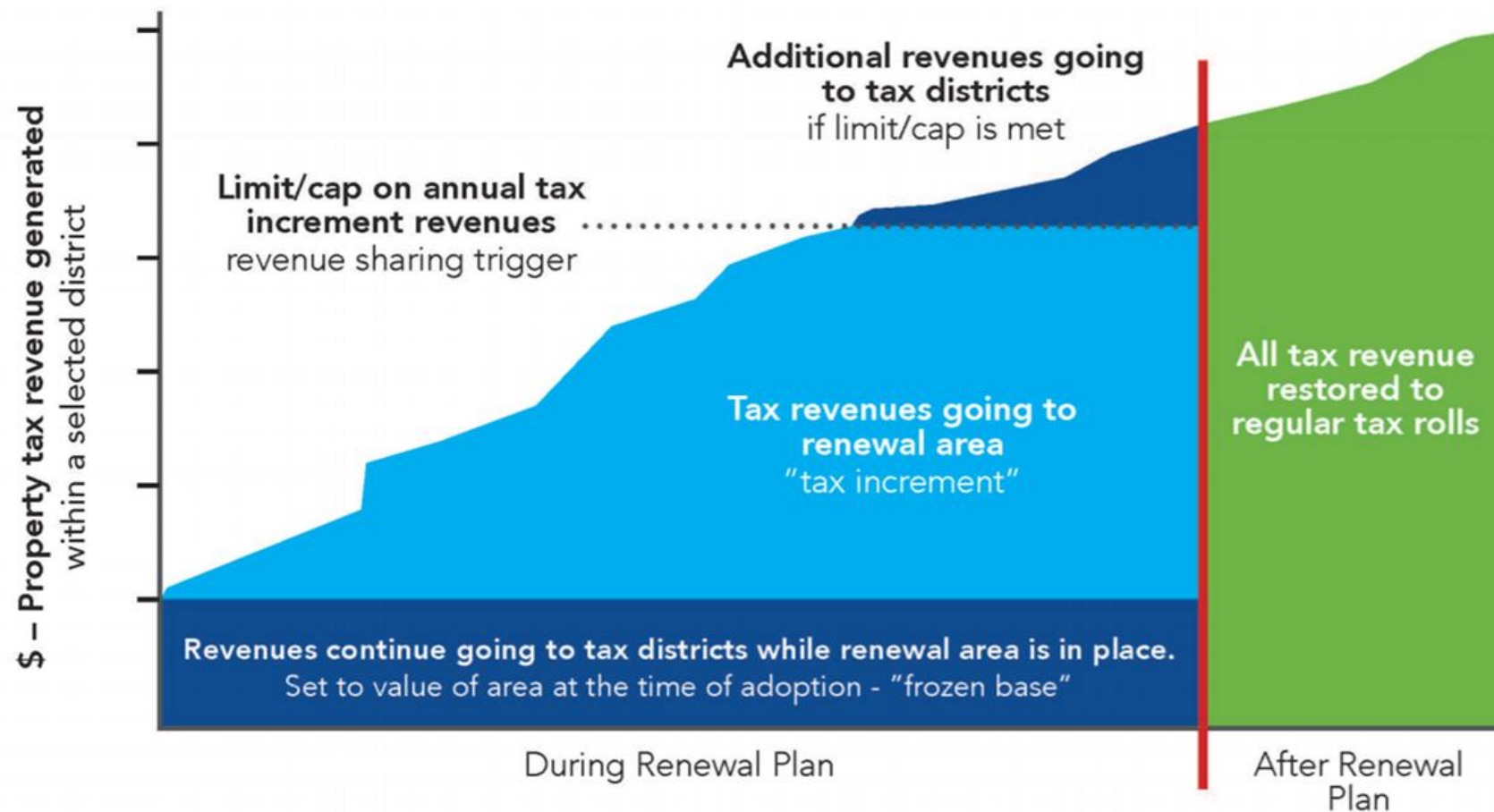




TAX INCREMENT FINANCING

SLIDE / 14

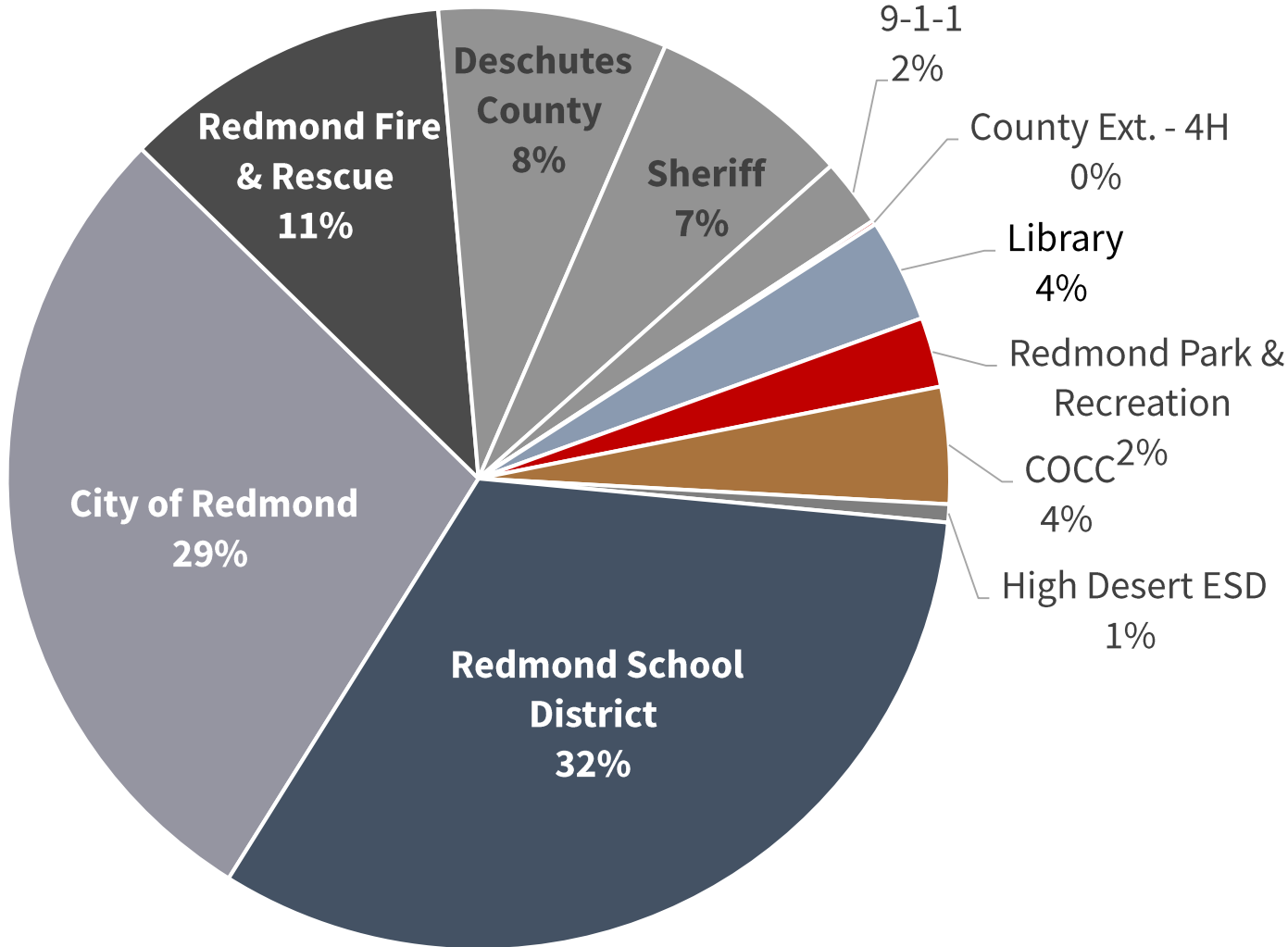
Visualizing Tax Increment Financing





TAXING JURISDICTION IMPACT

OVERLAPPING TAXING DISTRICT LEVY RATES





RENEWAL AREA:

PRIMARY INVESTMENTS 2020 – 2046

SLIDE / 16

PRIMARY INVESTMENTS 2020-2046

US 97 SOUTH REDMOND CORRIDOR PLAN.....\$37M

UTILITIES AND INFRASTRUCTURE\$11M

FIRE STATION\$ 6M

BUSINESS/PROPERTY DEV. PROGRAMS\$19M

**TOTAL AVAILABLE FOR
CAPITAL PROJECTS.....\$73M**

Kelly Morse

From: Chloe Halvorson <halvoyang2002@gmail.com>
Sent: Wednesday, November 18, 2020 10:12 AM
To: Public Testimony
Subject: Public comment on S 97 urban renewal district

: This email originated from outside of the city. Do not click links or open attachments unless you recognize the sender and know the con

I would like to stress the need for safe pedestrian crossings, and bike lanes. Redmond is a prime example of the classic American architecture that centers itself around freeway driving. As Redmond's population expands and begins to include a number of citizens not involved in the farming community, this type of city plan is no longer reasonable. There needs to be crossings to accommodate shoppers, tourists, and in turn support the smaller businesses that rely on easy pedestrian access rather than drivers pulling off the freeway.

I hope that Redmond does not exclude an opportunity for an adequate bus lane. Redmond's rapid growth is tied distinctly to the increasing tourism industry of Bend, Oregon. To help congestion in the S 97 district, a bus system connecting (or maybe branching off of Bend's existing bus system) could potentially decrease the number of vehicles on the freeway. Many, if not most of these cars in this district, are on their way to or from Bend. Even if the bus route was exceedingly simple, stretching across a linear route of infrequent stops through Redmond, it would still be exceedingly useful for Redmond's young and poor population who lack access or funds to their own mode of transportation. Additionally, a bus route would create job opportunities in bus driving and management.

--

Mia Halvorson
she/her

Kelly Morse

From: Cecilia Bryant <celieb868@gmail.com>
Sent: Tuesday, December 1, 2020 8:37 AM
To: Public Testimony
Subject: Proposed south 97 Project

: This email originated from outside of the city. Do not click links or open attachments unless you recognize the sender and know the con

Hi, I have looked over the proposal. I agree that section of 97 definitely needs improvement. I have 2 concerns, however. One is the cost. We have just paid our tax bill which grows every year. The Urban renewal is a fairly large bite out of it, and prior to seeing this proposal I was hoping that in the very near future that this would be reduced. If this project goes forward this appears to be very unlikely.

My second concern is the traffic into the fairgrounds. (When things return to normal). I was under the impression way back that this was an important issue to address and there was going to be an arterial road on the south end to address this issue. I did not see this in the plan.

Thank you for your attention,
Cecilia Bryant