

# Downtown Oregon City/ North End District

Consolidated Text on the Plan and Report  
Through the 7th Amendment

City of Oregon City  
Oregon City Renewal Agency

July 200 1

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DOWNTOWN OREGON CITY/NORTH END  
URBAN RENEWAL PLAN

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## **NOTE ON CONSOLIDATED DOWNTOWN/NORTH END PLAN DOCUMENT**

**This Plan incorporates all text plan amendments through the date July 1, 2001**

### **Sequence And purpose of Amendments**

1<sup>st</sup> Resolution 91-01, Sept. 25, 2992

Inserts latest date for bonded indebtedness

2<sup>nd</sup> Ordinance 95-1017, Sept. 20, 1995

Authorizes acquisition of Stimson property

3<sup>rd</sup> Resolution 96-02, Dec. 4, 1996

Adds Tumwater Sewer as a project activity

4<sup>th</sup> Ordinance 98-1014, June 17, 1998

Inserts maximum indebtedness per BM50

5<sup>th</sup> Ordinance 00-1012, May 3, 2000

Changes to goals, extensive revisions to working of project activities, acquisition and amendment procedures

6<sup>th</sup> Ordinance 00-1029, December 6, 2000

Authorizes 10<sup>th</sup> & Main acquisition

7<sup>th</sup> Ordinance 01-1016, May 16, 2001

Authorizes acquisition of Art's Cafe

## **100. INTRODUCTION**

This Urban Renewal Plan, adopted December 19,1990, is a new Urban Renewal Plan for the Downtown Oregon City/North End area in Oregon City, Oregon. This Plan is the only urban renewal plan for the downtown area.

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

In 1990, the Oregon City Commission amended the Oregon City Downtown Renewal Plan, 1983 to remove the downtown area from the 1983 Plan, to add project activities, and to rename the 1983 plan the Hilltop Urban Renewal Plan. The Urban Renewal Advisory Committee and City Commission directed staff to prepare a new Urban Renewal Plan for downtown Oregon City, and to include additional areas adjacent to the down-

town which suffer from blighting conditions. This plan, named the **Downtown Oregon City/North End Urban Renewal Plan** is the second Urban Renewal Plan adopted by the City.

## **200. DEFINITIONS**

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

"Agency, Renewal Agency, or Urban Renewal Agency" means the City Commission of Oregon City which, in accordance with ORS 457, is the Urban Renewal Agency of the City of Oregon City, Clackamas County, Oregon.

"Blighted Areas" means areas which, 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; and are characterized by the existence of conditions as described in ORS 457.010.

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

"City Commission" means the elected governing commission of the City of Oregon City, Oregon.

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

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

"Displaced" person or business means any person or business who is required to relocate as a result of action by the Urban Renewal Agency to vacate a property for public use or purpose. The methods to be used for the temporary or permanent relocation of such persons living in, and businesses situated in the Urban Renewal Area shall be in accordance with State Law as specifically set forth in ORS 281.045 to 281.105.

"End of Oregon Trail Center, EOT or Trail" means a planned regional attraction celebrating Oregon City's role as the end of the Oregon Trail. Components of the center include an interpretive center and outdoor living history museum complex, festive retail center,

and other related elements.

"Exhibit" means an attachment, either narrative or map, to the Urban Renewal Plan, Part Two - Exhibits.

"Objective" means any goal, general or specific, or objective described in Section 400 of this Plan.

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

"Plan, Renewal Plan, Urban Renewal Plan" means the Urban Renewal Plan for Downtown Oregon City/End of Trail Renewal Area, Parts One and Two.

"Planning Commission" means the Planning Commission of the City of Oregon City, Oregon.

"Project, Activity or Project Activity" means any undertaking or activity within the Plan 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)

"State" means the State of Oregon.

"Tax Increment Financing" refers to a method of financing urban renewal project activities through a division of ad valorem taxes, as provided in ORS 457.420 through 457.450.

"Taxing Bodies" refers to governmental bodies levying taxes within the Urban Renewal Area.

"Text" means the Urban Renewal Plan for the Downtown Oregon City/North End Urban Renewal Plan, Part One - Text.

### **300. BOUNDARY AND LEGAL DESCRIPTION**

The boundary of the Urban Renewal Area comprises approximately 842 acres including  
Downtown/North End Urban Renewal  
Consolidated Plan & Report  
Text through 7<sup>th</sup> Amendment – July 2001

the Downtown area, the Park Place Interchange area, the Lagoon/Waterfront area, the End of Trail area, the Washington/7th Corridor, and the Heritage Center area. The boundary of this Urban Renewal Plan is shown as Exhibit 1 of Part Two of this Urban Renewal Plan. Sub-districts within the boundary are shown as Exhibit 2 of Part Two of this Urban Renewal Plan. A legal description of the Urban Renewal Area is contained in Exhibit 3 of Part Two of this Plan.

#### **400. RELATIONSHIP TO LOCAL OBJECTIVES**

##### **A. Purpose**

The purpose of this Plan is to eliminate blighting influences found in the Renewal Area, and to implement goals and objectives of Oregon City's Comprehensive Plan. The Urban Renewal Plan furthers the following goals and objectives:

##### **B. City of Oregon City Comprehensive Plan**

ORS 457.085 requires that an Urban Renewal Plan relate to definite local objectives. The City's Comprehensive Plan considers a wide range of goals and policies relating to land uses, traffic, transportation, public utilities, recreation and community facilities, and other public improvements. Specific goals, objectives and policies which relate to this Plan are found in the City of Oregon City's Comprehensive Plan, and are listed as an appendix to the Report. This Plan is consistent with the goals, objectives and policies found in the Comprehensive Plan.

As amendments to the Comprehensive Plan are made from time to time in order to reflect the goals of the community, this Urban Renewal Plan will be amended as needed in order to remain consistent to the Comprehensive Plan.

##### **C. Overall Renewal Area Goals**

1. To improve traffic capacity and safety, pedestrian facilities, park and recreation facilities, and other public facilities within the Area in order to serve existing residents, businesses, workers and visitors.
2. To improve the Renewal Area as a commercial and employment center, and stimulate private development within the Area which is consistent with the Comprehensive Plan.

##### **D. Renewal Area Objectives**

1. To eliminate blighting conditions in the Renewal Area, including inadequate streets and traffic congestion, inadequate pedestrian and bicycle facilities, inadequate park

and recreation facilities, inadequate public service facilities, substandard and obsolete buildings, inadequate sewer, water and drainage facilities, and under-utilized and unproductive land.

2. To make public improvements necessary to encourage new private investment in the Renewal Area including streets, sewer, water and drainage facilities, parking facilities and other public improvements.
3. To increase taxable values in the Renewal Area.
4. To improve the economic viability of Oregon City's downtown as a retail, office, and services center and mixed-use area for Oregon City.
5. To encourage the rehabilitation of downtown's older buildings, particularly those of architectural and/or historic significance.
6. To enhance historic, cultural, and natural resources in the project area.-
7. To support the redevelopment of Clackamette Cove and waterfront areas in the project area.
8. To support the revitalization of the urban renewal area through-building rehabilitation assistance.
9. To provide traffic capacity, pedestrian accessibility, parking, and safety transportation improvements in the urban renewal area
10. To plan for and support development and redevelopment in the renewal area which is consistent with the Comprehensive Plan and the Downtown Community Plan.
11. To further the objectives of this Renewal Plan by assisting as necessary in the acquisition of land for development purposes, and for the assembly of development sites.
12. To assist in the improvement of the overall economic health of Oregon City and its businesses.

### **E. Renewal Area Strategies**

The Renewal Plan implements the development strategy approved by the Urban Renewal Advisory Committee in the preparation of this Renewal Plan. Key elements of that strategy include:

#### **Overall Strategy**

1. Direct short-term public investments into areas with the greatest development and redevelopment potential.
2. Establish on-going short-term business assistance programs in the Downtown.
3. Direct mid-term and long-term public investments in the Urban Renewal area to support existing commercial and residential uses in the renewal area, and to

stimulate new private investment.

## **500. PROPOSED LAND USES**

### **A. Land Use Plan**

The Land Use Plan consists of the Land Use (Comprehensive Plan) Plan Map (Exhibit 4), the Zoning Map (Exhibit 5) and the descriptive material and regulatory provisions contained in this Section (both those directly stated and those herein included by reference). This Plan shall be in accordance with the approved Comprehensive Plan of the City of Oregon City and with its implementing ordinances and policies.

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

The Zoning classifications correspond to the Comprehensive Plan designations.

### **B. Plan and Design Review**

The Urban Renewal Agency shall be notified of any building permit, conditional use or other development permits requested within the Area. Redevelopers, as defined in this Plan, shall comply with all applicable ordinances and Redevelopers Obligations, Section 800 of this Plan.

## **600. OUTLINE OF DEVELOPMENT**

The Urban Renewal Project consists of activities which treat the causes of blight and deterioration in the Urban Renewal Area. This Urban Renewal Area is characterized by underdevelopment, and unproductive conditions of land. Conditions which impaired development included inadequate streets, traffic circulation problems, and inadequate public facilities and utilities.

Project activities to treat these conditions include:

- Street and related improvements, to improve access to land in the project area, and improve traffic safety and circulation.
- Parking improvements, to improve the supply of public parking spaces and parking management in support of commercial and recreational uses.

- Streetscape and pedestrian improvements, to improve the safety and aesthetic character of Area streets in order to enhance these streets for commercial activities.
- Park and recreation improvements, to meet the recreation needs of Oregon City residents and visitors, and to take advantage of the recreation potential offered by the Willamette and Clackamas Rivers.
- Storm drainage, water and sewer improvements, to permit more productive use of land in the area.
- Development assistance programs, to assist property owners and tenants to renovate existing structures, and to develop areas consistent with the Comprehensive Plan.
- Public facility and services improvements, to improve the fire service needed for the Area, and to assist in improving the historic Carnegie Library.
- Acquisition, and disposition of land. Land will be acquired for public improvements and for assembly of development sites. (See Section 700) This activity is intended to improve utilities and rights-of-way, remove incompatible land uses, and further the development objectives of this Plan.
- Additional planning, administration and co-ordination of development in the Project Area.

## **700. DESCRIPTION OF PROJECT ACTIVITIES**

In order to achieve the goals and objectives of this Plan, the following project activities will be undertaken on behalf of the City by the Urban Renewal Agency (hereinafter referred to as "Agency") in accordance with applicable federal, state, county and city laws, policies, and procedures. Exhibit 6 shows the general location of project activities. Exhibit 7 shows the location of properties to be acquired in order to carry out the objectives of this Plan.

### **A. Transportation Improvements**

Traffic and pedestrian circulation and safety, parking and other transportation deficiencies have been identified as issues contributing to the depressed conditions in the urban renewal area, and constraints to future development called for in the Oregon City Comprehensive Plan. The Oregon City Transportation System Plan (TSP) has identified needed transportation improvement projects. The draft was developed with public involvement and the final TSP will likely include the same projects. In order to correct these deficiencies, the Urban Renewal Agency will participate in the planning, design, funding and construction of transportation and related public improvements throughout the area.

Transportation improvements may include the construction, reconstruction, repair or replacement of streets, traffic control devices, bikeways, pedestrian ways, and multi-use paths. Other street and sidewalk improvements including tables, benches and other street furniture, signage, kiosks, phone booths, drinking fountains, decorative fountains, street lights, and acquisition of property and right of way for Transportation Improvement purposes. Transportation Improvements are planned for; but not limited to:

- The McLoughlin Boulevard Corridor through the renewal area
- The Washington Street Corridor between Route 213 and 7<sup>th</sup> Street
- The 7<sup>th</sup> Street Corridor through the renewal area
- The Main Street Corridor from Route 99E to Clackamette Cove
- The Clackamette Cove area.
- Transit or linkages to facilitate public transportation
- Parking

### **B. Parks, Open Space and Recreation Improvements**

The urban renewal area is located on both the Clackamas and Willamette Rivers, which provide the most diverse recreational opportunities of any city in the region. The Oregon City Revised Parks & Recreation Master Plan, Oregon City Capital Facilities Improvement Plan, and End of Oregon Trail Center Master Plan have concluded that there is a need for over 200 acres of additional park land in Oregon City, and that existing parks need improvements. In order to correct these deficiencies, the Urban Renewal Agency will participate in the planning, design and construction of parks, open space and recreation facilities and related public improvements throughout the area.

Parks, Open Space, and Recreation Improvements may include land acquisition, improvement of land or buildings for public parks, open space, bicycle and pedestrian trails, public docks or marinas, and construction of buildings and facilities for public park, open space, and recreation uses. Parks, Open Space, and Recreation Improvements are planned for; but not limited to:

- Clackamette Cove
- River Access and Frontage Improvements
- Willamette Riverfront Promenade
- Downtown Core Area

- End of the Oregon Trail Area bounded by railroad tracks to the west, Highway 213 to the north and Abernethy Creek to the east and south
- Abernethy Creek Corridor
- McLoughlin Bluff/Promenade

### **C. Development and Redevelopment Assistance**

The poor condition of many buildings throughout the Area, the lack of facade improvements and the generally poor maintenance of many downtown buildings contribute to the obsolescence and deterioration of the area. In addition, lotting patterns, varied ownerships, physical constraints and existing incompatible uses act as deterrents to redevelopment consistent with the Oregon City Comprehensive Plan and the Downtown Community Plan. In order to address these problems, the Urban Renewal Agency may participate, through loans, grants, or both, in assisting development of new public and private buildings in the project area, and in maintaining and improving exterior and interior conditions of existing buildings in the renewal area. The Agency may make this assistance available, as it deems necessary to achieve the objectives of this Plan.

#### **1. Redevelopment Through New Construction**

Redevelopment through new construction may be achieved by public or private property owners, with or without financial assistance by the Renewal Agency. To encourage redevelopment through new construction, the Renewal Agency is authorized to set financial guidelines, establish loan programs and provide below-market interest rate and market rate loans and provide such other forms of financial assistance to property owners and those desiring to acquire and redevelop property, as it may deem appropriate in order to achieve the objectives of this Plan.

#### **2. Preservation, Rehabilitation, and Conservation**

The purpose of this activity is to conserve and rehabilitate existing buildings where they may be adapted for uses that further Plan goals. Rehabilitation and conservation may be achieved by owner and/or tenant activity, with or without financial assistance by the Renewal Agency. To encourage rehabilitation and conservation, the Agency is authorized to create guidelines, establish loan and grant programs and provide below market interest rate and market rate loans to the owners of buildings, or those intending to acquire buildings, which are in need of rehabilitation and for which rehabilitation and reuse is economically feasible.

#### **D. Public Facility and Services Improvements**

The Oregon City Capital Facilities Improvement Plan has identified needed improvements to several public facilities located in the Urban Renewal Area. The Urban Renewal Agency is authorized to acquire property for, and make improvements for public facilities which support the residential and business development of the project area, including; but not limited to:

- Meeting, conference, educational, or cultural facilities
- Facilities which supporting the identity of the Area, such as plazas, gateways, and public art
- Other Public building facilities

The extent of the Agency's participation in funding public building facilities will be based upon an Agency finding on the benefit of that project to the renewal area and the importance of the project in carrying out Plan objectives.

#### **E. Public Infrastructure**

These projects include construction, reconstruction, repair, and upgrading; water, wastewater and stormwater facilities, relocation of overhead lines, acquisition of land, right of ways, easements and other land rights needed to carry out the above purposes. Public Infrastructure Improvements are planned for; but not limited to:

- Water
- Wastewater
- Stormwater
- Utility Relocation

#### **F. Planning and Administration**

Project resources may be utilized to prepare the Urban Renewal Plan, design plans and master plans for the renewal area, transportation plans, miscellaneous land use and public facility studies as needed during the course of the urban renewal plan. Activities related to marketing program for the Area that may utilize project funds. Project funds may also be utilized to pay for personnel, overhead and other administrative costs incurred in the management of the urban renewal plan.

## **G. Property Acquisition**

Acquisition of real property is determined necessary to carry out the objectives of this Plan. Accordingly, this Plan authorizes the following property acquisitions within the Urban Renewal Area:

- Where detrimental land uses or conditions such as incompatible uses, flood plain, or adverse influences from noise, smoke or fumes exist, or where there exists over-crowding, excessive dwelling unit density or conversions to incompatible types of uses, and it is determined by the Agency that acquisition of such properties and the rehabilitation or demolition of the improvements are necessary to remove blighting influences;
- Where it is determined by the Agency that the property is needed for the following purposes;

### **1. Property to be Acquired for Public Improvements and Facilities**

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

The type of amendment required to acquire property for Public Improvements and Facilities is:

- a. Right-of-way acquisition for streets, alleys, bicycle and pedestrian ways that do not require the use of eminent domain will require a minor amendment to this Plan, as described in Section 1000 A1 of this Plan. City Commission approval will not be required for these acquisitions.
- b. Acquisition for other public improvements, uses, and facilities will require a minor amendment to this Plan, as described in Section 1000 A1 of this Plan, and also will require City Commission approval of the minor amendment, per Section 1000 B. 2 of this Plan.
- c. Any acquisition of property for Public Improvements and Facilities that requires the use of eminent domain will require a minor amendment to this Plan, as described in Section 1000 A1 of this Plan, and also will require City

Commission approval of the minor amendment, per Section 1000 B. 2 of this Plan.

Such amendments will be accompanied by findings to the Agency describing the property to be acquired, the anticipated disposition of such property, and an estimated time schedule for such acquisition and disposition. The property to be acquired will be incorporated into Table 1 of this Plan.

## **2. Property to be acquired for Redevelopment.**

Property may be acquired by the Renewal Agency and disposed of to a public or private developer in accordance with this Plan. Prior to acquisition, this Plan shall be amended to identify the specific property or interest to be acquired. The type of amendment required to acquire property for Redevelopment is:

Acquisition for Redevelopment will require a minor amendment to this Plan as described in Section 1000 A1 of this Plan, and also will require City Commission approval of the minor amendment per Section 1000 B 2 of this Plan.

Such amendments will be accompanied by findings to the Agency describing the property to be acquired, the anticipated disposition of such property, and an estimated time schedule for such acquisition and disposition. The property to be acquired will be incorporated into Table 1 of this Plan, which appears on the next page.

TABLE 1  
 PROPERTIES TO BE ACQUIRED

<u>Tax Map</u>	<u>Tax Lot</u>	<u>Comments</u>
2-2E-20	502	Portion, Completed
2-2E-29	400	Completed
2-2E-29	1400	Completed
2-2E-29	1402	Completed
2-2E-29	1403	To be acquired
2-2E-29	1503	Portion, Completed
2-2E-29	1505	50% ownership to be acquired
2-2E-29	1508	50% ownership to be acquired
2-2E-29CC	2600	Completed
2-2E31AB	3200	To be acquired
2-2E31CA	3801	To be acquired

**Property Acquisition and Disposition Schedule:** It is anticipated that the properties to be acquired-will be acquired during the period 1991 to 2010, and that disposition will be completed by the year 2020.

**H. Property Disposition**

1. **Property Disposition** - The Renewal Agency will dispose of property acquired within the Amended Renewal Area for redevelopment for uses and purposes specified in this Plan. Properties shall be subject to disposition for the following purposes:
  - a. Road, street, and utility improvements.
  - b. Construction of pedestrian, bikeway, or other public facilities specified in this plan.
  - c. Redevelopment by private redevelopers for purposes consistent with the uses and objectives of this plan. Such disposition will be in accordance with the terms of a Disposition and Development Agreement between the Developer and the Renewal Agency.

development, to dispose of any land it has acquired at fair reuse value, and to define the fair reuse value of any land.

### **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 by the following requirements:

- The Redeveloper shall develop or redevelop property in accordance with the land-use provisions and other requirements specified in this Plan.
- The Redeveloper shall submit all plans and specifications for construction of improvements on the land to the Renewal Agency or its designated agent, for review prior to distribution to reviewing bodies as required by the City.
- 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.
- The Redeveloper shall accept all conditions and agreements as may be required by the Renewal Agency. The Renewal Agency may require the redeveloper to execute a development agreement acceptable to the Renewal Agency as a condition of the Agency's assistance.
- The Redeveloper shall not effect any instrument whereby the sale, lease, or occupancy of the real property, or any part thereof, is restricted upon the basis of age, race, color, religion, sex, marital status, or national origin.

### **900. RELOCATION**

This Plan anticipates no business or residential relocation. Should conditions arise which would cause the acquisition of developed and occupied property by the Urban Renewal Agency, the Agency will provide assistance to persons or businesses displaced in finding replacement facilities.

All persons or businesses which may be displaced will be contacted to determine such relocation needs. They will be provided information on available space and will be given assistance in moving. 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. Pay-

ments 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 reach. Payment for moving expense will be made to residences and businesses displaced.

## **1000. FUTURE AMENDMENTS**

It is anticipated that this plan will be reviewed periodically during the execution of the Project. The plan may be changed, modified, or amended as future conditions warrant.

### **A. Minor Amendments**

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

1. Identification of property to be acquired for any purpose set forth in Section 700 G(1)(a) of this Plan.
2. Changes to the Plan which are not specifically identified as requiring a Substantial Amendment, or a City Commission-Approved Amendment

### **B. City Commission-Approved Amendments**

City Commission approved amendments to the Plan shall require approval by the Agency by Resolution and approval by the City Commission by Ordinance. City Commission Approved amendments are:

1. Adding 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 first quarter year 2000 dollars over the duration of 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 City Commission approval per Sections 700 G.1b, G.1c, or 700 G. 2a. of this Plan.

### **C. Substantial Amendments**

Substantial amendments shall require the notice, hearing, and approval procedures required by ORS 457.095, and special notice as provided in ORS 457.120. Substantial amendments are:

1. Adding land to the urban renewal area, except for an addition of land that totals not more than one percent of the existing area of the urban renewal area.
2. Increasing the amount of maximum indebtedness that can be issued or incurred under the plan

### **1100. LATEST DATE FOR BONDED INDEBTEDNESS**

(Section inserted via 1<sup>st</sup> Amendment, Sept. 25, 1991)

**Note:** The requirement for a latest date provision was removed from urban renewal law after passage of BM50. BM50 requires that plans contain a maximum debt provision.

### **1101. FINANCING METHODS**

#### **A. General**

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**

The costs of carrying out this Plan will be financed in whole or in part by tax increment financing, as authorized in ORS 457.420 through ORS 457.450.

### **1200 - ESTABLISHMENT OF MAXIMUM DEBT**

The maximum amount of indebtedness that may be issued or incurred under this Urban Renewal Plan is \$29,766,781. This maximum amount of indebtedness does not include any indebtedness outstanding on the date of adoption of this amendment.

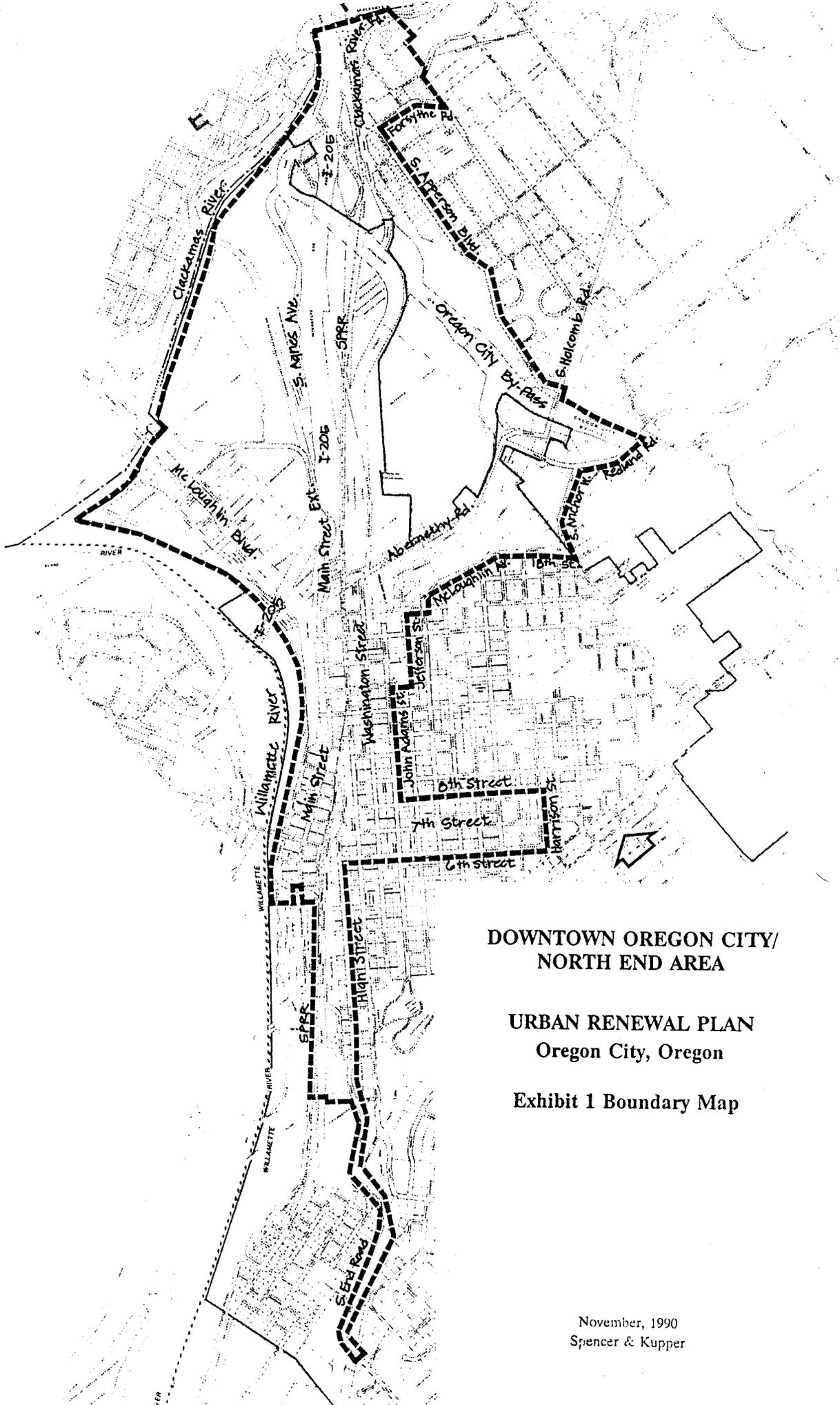
DOWNTOWN OREGON CITY/NORTH END  
URBAN RENEWAL PLAN

PART TWO - EXHIBITS

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**DOWNTOWN OREGON CITY/NORTH END  
URBAN RENEWAL PLAN**

**PART TWO - EXHIBITS**

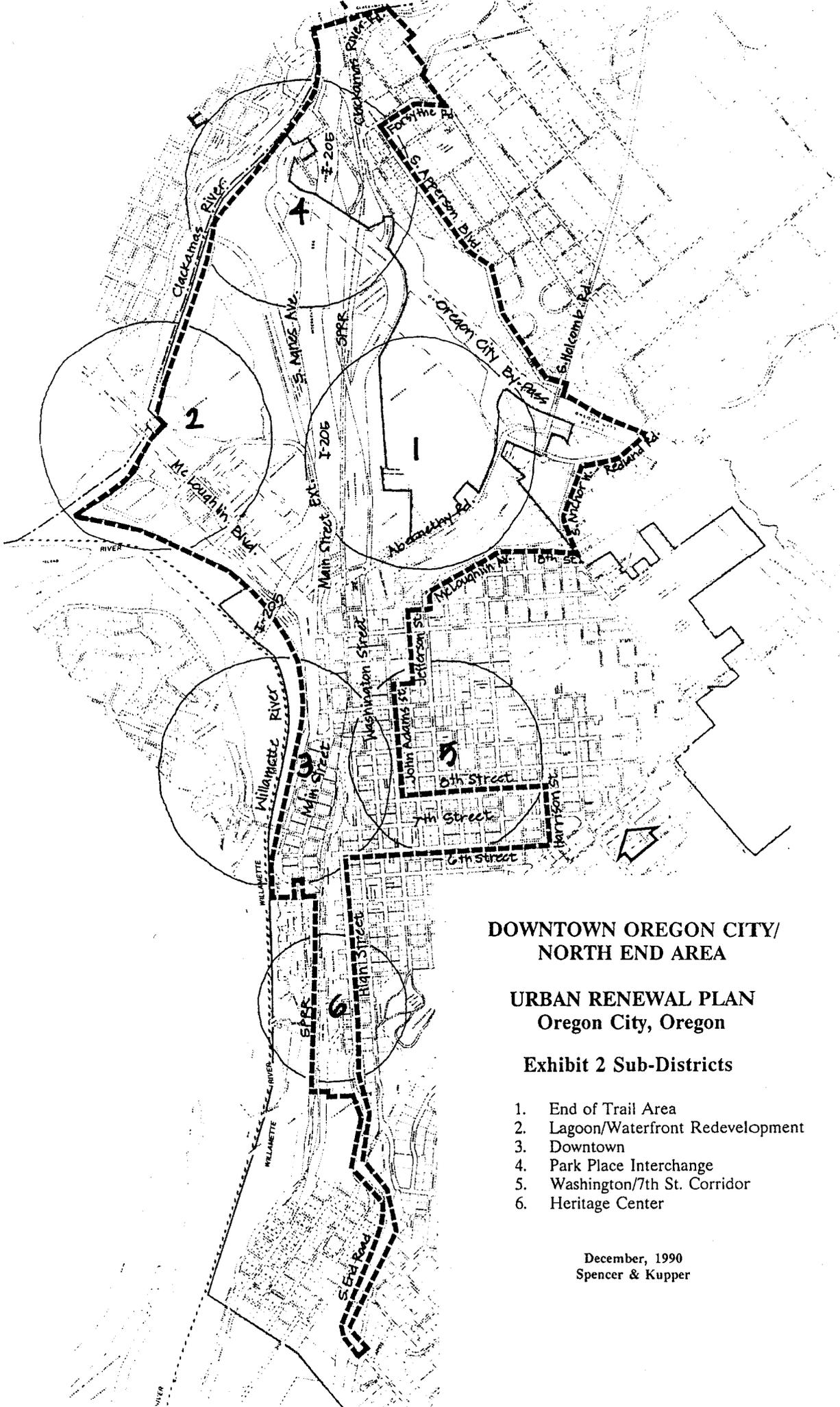


**DOWNTOWN OREGON CITY/  
NORTH END AREA**

**URBAN RENEWAL PLAN  
Oregon City, Oregon**

**Exhibit 1 Boundary Map**

November, 1990  
Spencer & Kupper



**DOWNTOWN OREGON CITY/  
NORTH END AREA**

**URBAN RENEWAL PLAN  
Oregon City, Oregon**

**Exhibit 2 Sub-Districts**

1. End of Trail Area
2. Lagoon/Waterfront Redevelopment
3. Downtown
4. Park Place Interchange
5. Washington/7th St. Corridor
6. Heritage Center

December, 1990  
Spencer & Kupper

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## **200. DEFINITIONS**

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

**"Agency, Renewal Agency, or Urban Renewal Agency"** means the City Commission of Oregon City which, in accordance with ORS 457, is the Urban Renewal Agency of the City of Oregon City, Clackamas County, Oregon.

**"Blighted Areas"** means areas which, 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; and are characterized by the existence of conditions as described in ORS 457.010.

**"City"** means the City of Oregon City, Oregon.

**"City Commission"** means the elected governing commission of the City of Oregon City, Oregon.

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

**"County"** means the County of Clackamas, State of Oregon.

**"Displaced"** person or business means any person or business who is required to relocate as a result of action by the Urban Renewal Agency to vacate a property for public use or purpose. The methods to be used for the temporary or permanent relocation of such persons living in, and businesses situated in the Urban Renewal Area shall be in accordance with State Law as specifically set forth in ORS 281.045 to 281.105.

**"End of Oregon Trail Center, EOT or Trail"** means a planned regional attraction celebrating Oregon City's role as the end of the Oregon Trail. Components of the center include an interpretive center and outdoor living history museum complex, festive retail center, and other related elements.

**"Exhibit"** means an attachment, either narrative or map, to the Urban Renewal Plan, Part Two - Exhibits.

EXHIBIT 3

CORRECTED

LEGAL DESCRIPTION OF DOWNTOWN/NORTH END

URBAN RENEWAL DISTRICT BOUNDARY

This legal description is being re-recorded to correct an erroneous legal description on Oregon City Ordinance No. 90-1062, An Ordinance Adopting the Downtown/North End Urban Renewal Plan and Making Certain Findings and Determinations, recorded on December 21, 1990, Clackamas County Deed Records, Fee No. 90-62748.

The legal description attached to Ordinance No. 90-1062, recorded December 21, 1990, failed to include the following two exceptions:

EXCEPT THEREFROM that portion lying within the City Limits of the City of Gladstone.

EXCEPT THEREFROM that portion lying outside the existing corporate City Limits of the City of Oregon City.

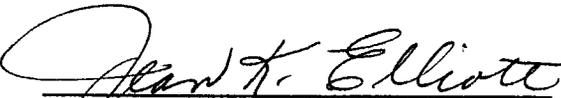
The entire legal description of the Downtown/North End Urban Renewal District Boundary is attached hereto to be re-recorded with the corrected legal description. This document relates back to Ordinance No. 90-1062, recorded on December 21, 1990, Clackamas County Deed Records, Fee No. 90-62748.

This correction duly adopted on motion by the City Commission this 17th day of April, 1991.

CITY OF OREGON CITY

  
DANIEL W. FOWLER, Mayor

ATTESTED this 17th day of April, 1991.

  
JEAN K. ELLIOTT, City Recorder



# EXHIBIT 3

Legal Description  
of  
Downtown/North End  
Urban Renewal District Boundary

1

A tract of land situated in Sections 20, 21, 29, 30, 31, and 32 in Township 2 South, Range 2 East; Section 36 in Township 2 South, Range 1 East; Section 1 in Township 3 South, Range 1 East; and Section 6 in Township 3 South, Range 2 East; of the Willamette Meridian, Clackamas County, Oregon, and being more particularly described as follows:

**BEGINNING** at the intersection of the Southeast line of High Street (a 60 foot right-of-way) and the Southwest line of 6th Street (a 60 foot right-of-way); THENCE Southeast along the Southwest line of said 6th Street, a distance of 2700 feet, more or less, to the intersection with the Southeast line of Harrison Street (a 60 foot right-of-way); THENCE Northeast along the Southeast line of said Harrison Road a distance of 730 feet, more or less, to the intersection with the Northeast line of 8th Street (a 60 foot right-of-way); THENCE Northwest along the Northeast line of said 8th Street a distance of 1900 feet, more or less, to Southeast line of John Adams Street (a 60 foot right-of-way); THENCE Northeast along the Southeast line of said John Adams Street a distance of 1560 feet, more or less, to the a point in the centerline of vacated 13th Street (74-34043, a 60 foot right-of-way); THENCE Southeast along said centerline of 13th Street a distance of 240.00 feet to a point in the centerline of vacated Jefferson Street (74-34043, a 60 foot right-of-way); THENCE Northeast along said centerline of Jefferson Street a distance of 304.00 feet to the Southwest line of 14th Street (a 60 foot right-of-way); THENCE Southeast along the Southwest line of said 14th Street a distance of 30.00 feet to the intersection with the Southeast line of said Jefferson Street; THENCE Northeast along the Southeast line of Jefferson Street (not vacated) a distance of 660 feet, more or less, to the intersection with the Southwest line of 16th Street (a 60 foot right-of-way); THENCE Southeast along the Southwest line of said 16th Street a distance of 270.00 feet to the intersection with the Southeast line of Madison Street (a 60 foot right-of-way); THENCE Northeast along the Southeast line of said Madison Street a distance of 120 feet, more or less, to the intersection with the South line of McLoughlin Avenue (a 60 foot right-of-way); THENCE Easterly along the South line of said McLoughlin Avenue a distance of 940 feet, more or less, to the intersection with the Southwest line of 18th Street (a 60 foot right-of-way); THENCE Southeasterly along the Southwest line of said 18th Street a distance of 1080 feet, more or less, to the intersection with the Southwesterly extension of the Southeast line of South Anchor Way (a 60 foot right-of-way); THENCE Northeasterly along said Southwesterly extension and said Southeast line of South Anchor Way a distance of 1200 feet, more or less, to the intersection with the Southerly line of Redland Road (a 60 foot right-of-way); THENCE Easterly along the Southerly line of said Redland Road a distance of 960 feet, more or less, to the intersection with the Northeast line of Trail's End Highway (Oregon State Hwy. No. 213, Oregon City Bypass, a variable width right-of-way); THENCE Northwest along the Northeast line of said Trail's End Highway a distance of 1200 feet, more or less, to the intersection with the Southeast line of Holcomb Road (County Road No. 354, a 60 foot right-of-way); THENCE Northeast along the Southeast line of said Holcomb Road a distance of 210 feet,

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more or less, to the intersection with the Southeasterly extension of the Northeast line of Apperson Boulevard (County Road No. 1744, a 40 foot right-of-way at this point); THENCE Northwest along said Southeasterly extension and Northeast line of Apperson Boulevard a distance of 4400 feet, more or less, to the intersection with the South line of Forsythe Road (County Road No. 374, a 50 foot right-of-way); THENCE Easterly along the South line of said Forsythe Road a distance of 950 feet, more or less, to the intersection with the West line of Front Street (County Road No. 2370, a 50 foot right-of-way); THENCE North crossing said Forsythe Road a distance of 100 feet, more or less, to an angle point on the North line thereof; THENCE North and Northest along the West line and North line of said Forsythe Road a distance of 445 feet, more or less, to a point on the East line of the Hiram Straight D.L.C. No. 42; THENCE North along the East line of said Straight D.L.C. No. 42 a distance of 200 feet, more or less, to the Southwest corner of the James Winston D.L.C. No. 69; THENCE North along the West line of said Winston D.L.C. No. 69 a distance of 310 feet, more or less, to the most Westerly Northwest corner thereof; THENCE East along the North line thereof a distance of 150 feet, more or less, to the Southwest corner of that certain tract of land conveyed to Clackamas County, State of Oregon, as recorded in Book 281, Page 467, Clackamas County Deed Records; THENCE North along the West line of said Clackamas County tract and its Northerly extension a distance of 450 feet, more or less, to a point on the Southerly bank of the Clackamas River; THENCE West and Southwest along the Southerly bank of said Clackamas River a distance of 6500 feet, more or less, to the intersection with the Easterly bank of the Willamette River; THENCE South and Southwest along the East bank of said Willamette River a distance of 7000 feet, more or less, to the intersection with the Northwesterly projection of the the centerline of a 10 foot alley between Lots 6 and 7 of Block 3 of the duly recorded plat of Oregon City (County Plat No. 123); THENCE Southeast along Northwesterly projection a distance of 35 feet, more or less, to a point on the Northwest line of Water Street (a 60 foot right-of-way, Vacated) THENCE Northeast along the Northwest line thereof a distance of 75 feet, more or less, to the intersection with the Northwesterly projection of the Southwest line of Lot 8 of said Block 3; THENCE Southeast along said Northwesterly projection and the Southwest line of said Lot 8 a distance of 165.00 feet to the most Southerly corner thereof; THENCE Northeast along the Southeast line of said Lot 8 a distance of 69.70 feet to the Southwesterly line of 5th Street (U.S. Hwy No. 99E); THENCE Southeast along the Southwesterly line of said 5th Street a distance of 105.00 feet to the intersection with the Northwest line of Main Street; THENCE Southwest along the Northwest line of said Main Street a distance of 149.70 feet to the intersection with the Northwesterly extension of the Northeasterly line of Lots 3 and 6 of Block 27 of said plat of Oregon City; THENCE Southeast along said Northwesterly extension and Northeast lines of Lots 3 and 6, a distance of 270.00 feet to the most Easterly corner of said Lot 3; THENCE continuing Southeast along the Southeasterly extension of the Northeast line of said Lot 3 a distance of 75 feet, more or less, to the Southeast line of McLoughlin Boulevard (U.S. Hwy. No. 99E); THENCE Southwest along the Southeast line of said McLoughlin Boulevard a distance of 2700 feet, more or less, to the most Northerly corner of that certain tract of land conveyed to Portland General Electric Company (PGE), as recorded in Book 209, Page 001 and Recorder Fee No. 83-5806, Clackamas County Deed Records; THENCE Southeast along the Northeast line of said PGE tract a distance of 120 feet, more or less, to an angle point; THENCE Southwest along the Southeast line of said PGE tract a distance of 75 feet, more or less, to an angle point; THENCE Southeast

along the Northeast line of said PGE tract a distance of 260 feet, more or less, to a point on the Northwest line of South End Road (County Road No. 945, a 60 foot right-of-way); THENCE Southwesterly along the Northwest and West lines of said South End Road a distance of 4100 feet, more or less, to the intersection of the West line of said South End Road with the Southwesterly extension of the Southeast line of Barker Avenue (a 50 foot right-of-way), said line being also the Northwest line of the duly recorded plat of Lawton Heights (County Plat No. 289); THENCE N. 52° 55' E. along said Southwesterly extension a distance of 75 feet, more or less, to the East line of said South End Road; THENCE North and Northeast along the East and Southeast lines of said South End Road a distance of 4400 feet, more or less, to the intersection with the South line of said High Street; THENCE Southeast along the South line of said High Street a distance of 35 feet, more or less, to the intersection with the Southeast line thereof; THENCE Northeast along the Southeast line of said High Street a distance of 2750 feet, more or less, to the POINT OF BEGINNING.

EXCEPT THEREFROM that portion lying within the City Limits of the City of Gladstone.

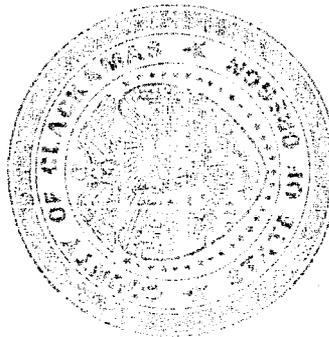
EXCEPT THEREFROM that portion lying outside the existing corporate City Limits of the City of Oregon City.



STATE OF OREGON )  
County of Clackamas ) ss.

I, John F. Kaufman, County Clerk, for the County of Clackamas, do hereby certify that the instrument of writing was received for recording in the records of said county at

91 APR 25 PM 12:09

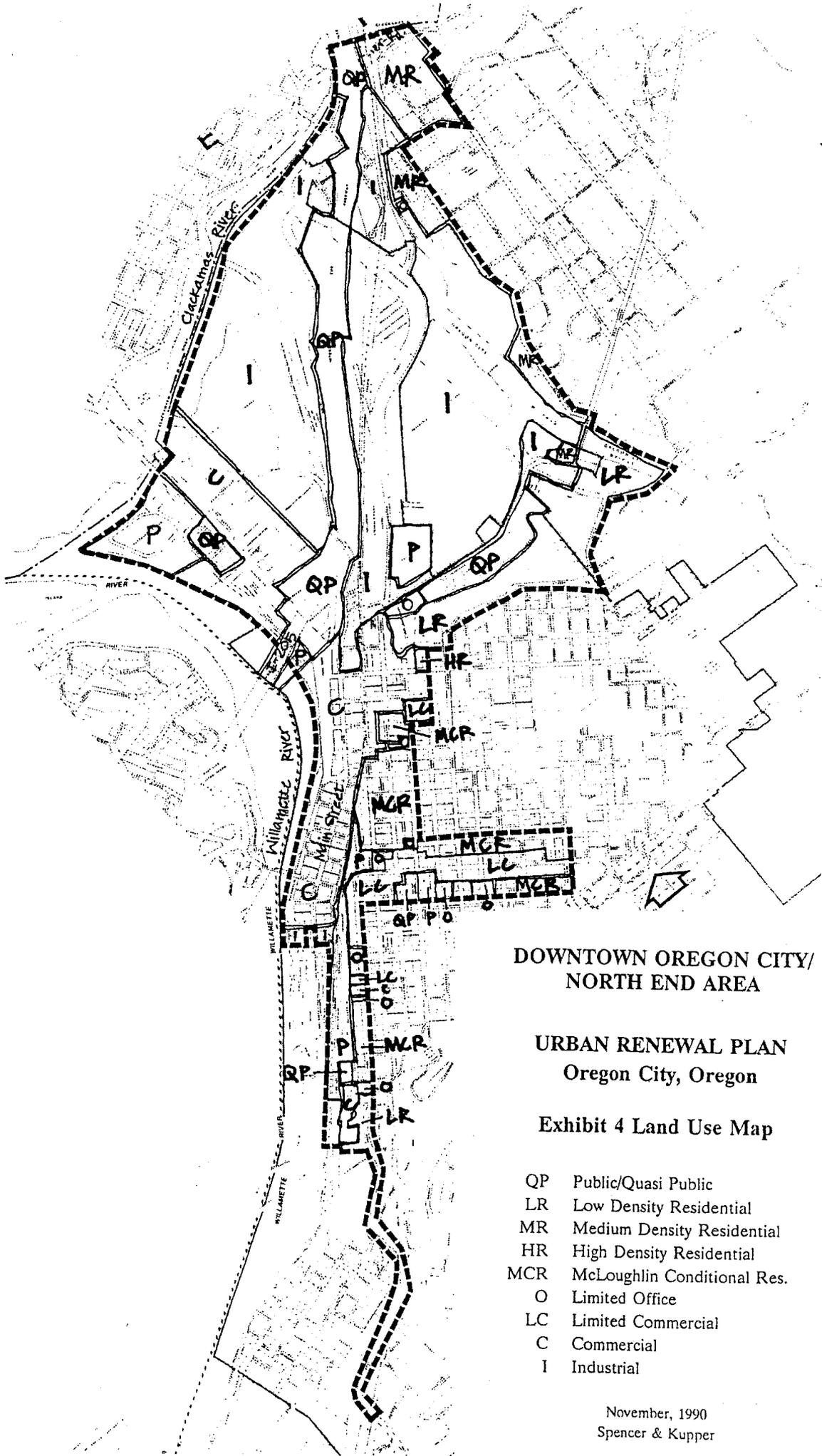


Witness my hand and seal affixed

*John F. Kaufman*  
JOHN F. KAUFFMAN  
County Clerk

Recording Certificate  
CCP-R4 (rev. 12/86)

91 18607

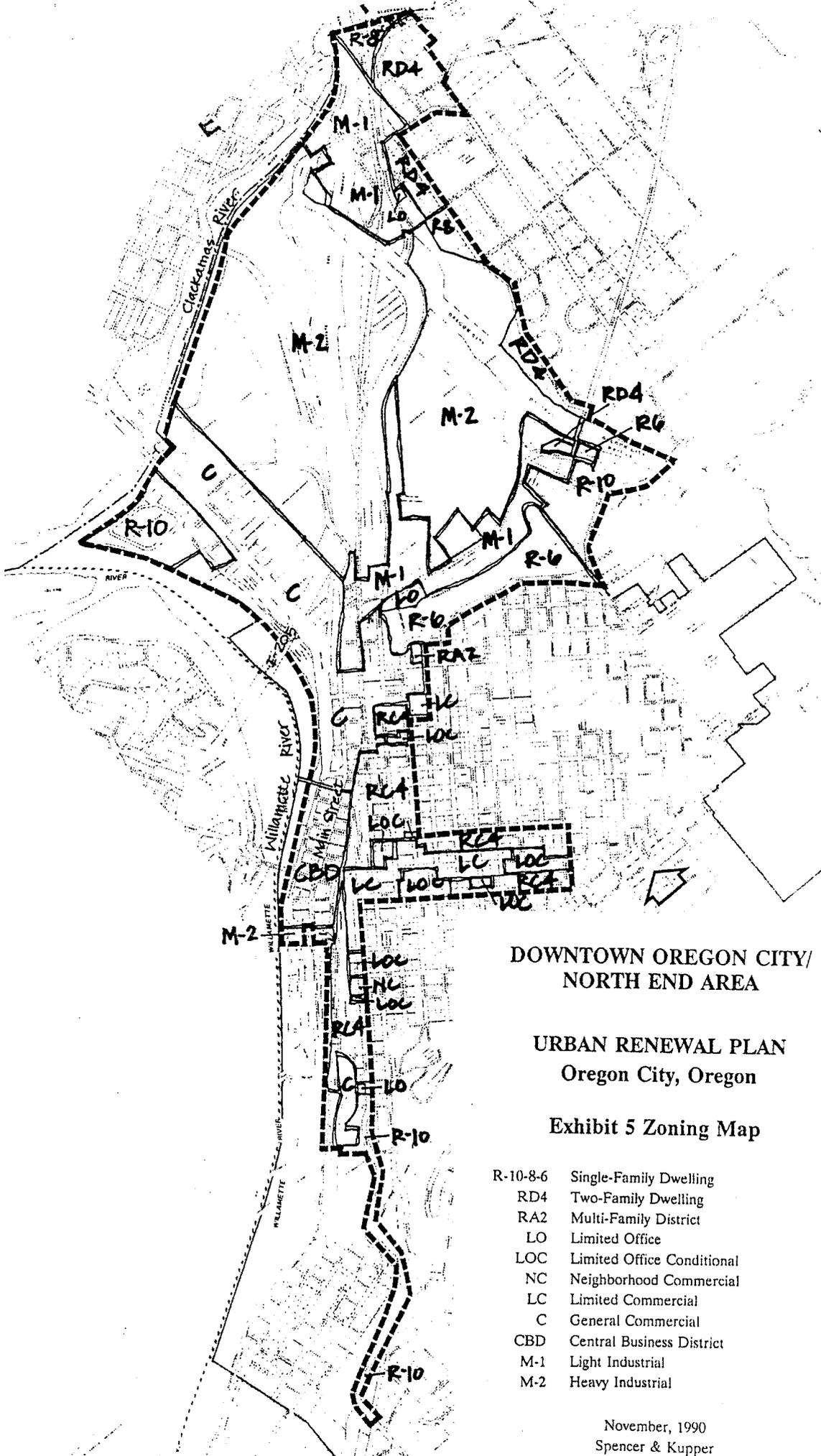


**DOWNTOWN OREGON CITY/  
NORTH END AREA**

**URBAN RENEWAL PLAN  
Oregon City, Oregon**

**Exhibit 4 Land Use Map**

- QP Public/Quasi Public
- LR Low Density Residential
- MR Medium Density Residential
- HR High Density Residential
- MCR McLoughlin Conditional Res.
- O Limited Office
- LC Limited Commercial
- C Commercial
- I Industrial

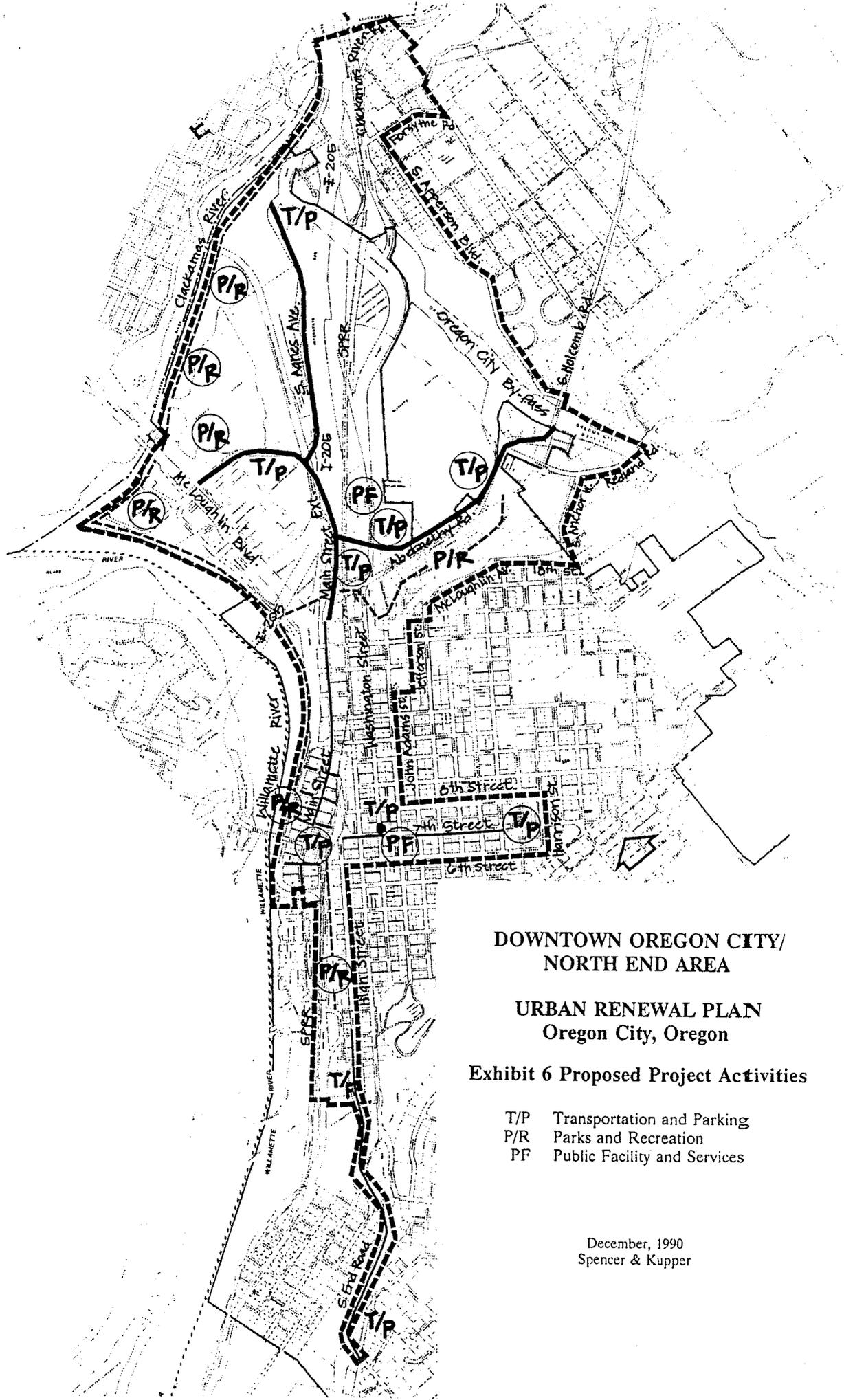


**DOWNTOWN OREGON CITY/  
NORTH END AREA**

**URBAN RENEWAL PLAN  
Oregon City, Oregon**

**Exhibit 5 Zoning Map**

- R-10-8-6 Single-Family Dwelling
- RD4 Two-Family Dwelling
- RA2 Multi-Family District
- LO Limited Office
- LOC Limited Office Conditional
- NC Neighborhood Commercial
- LC Limited Commercial
- C General Commercial
- CBD Central Business District
- M-1 Light Industrial
- M-2 Heavy Industrial



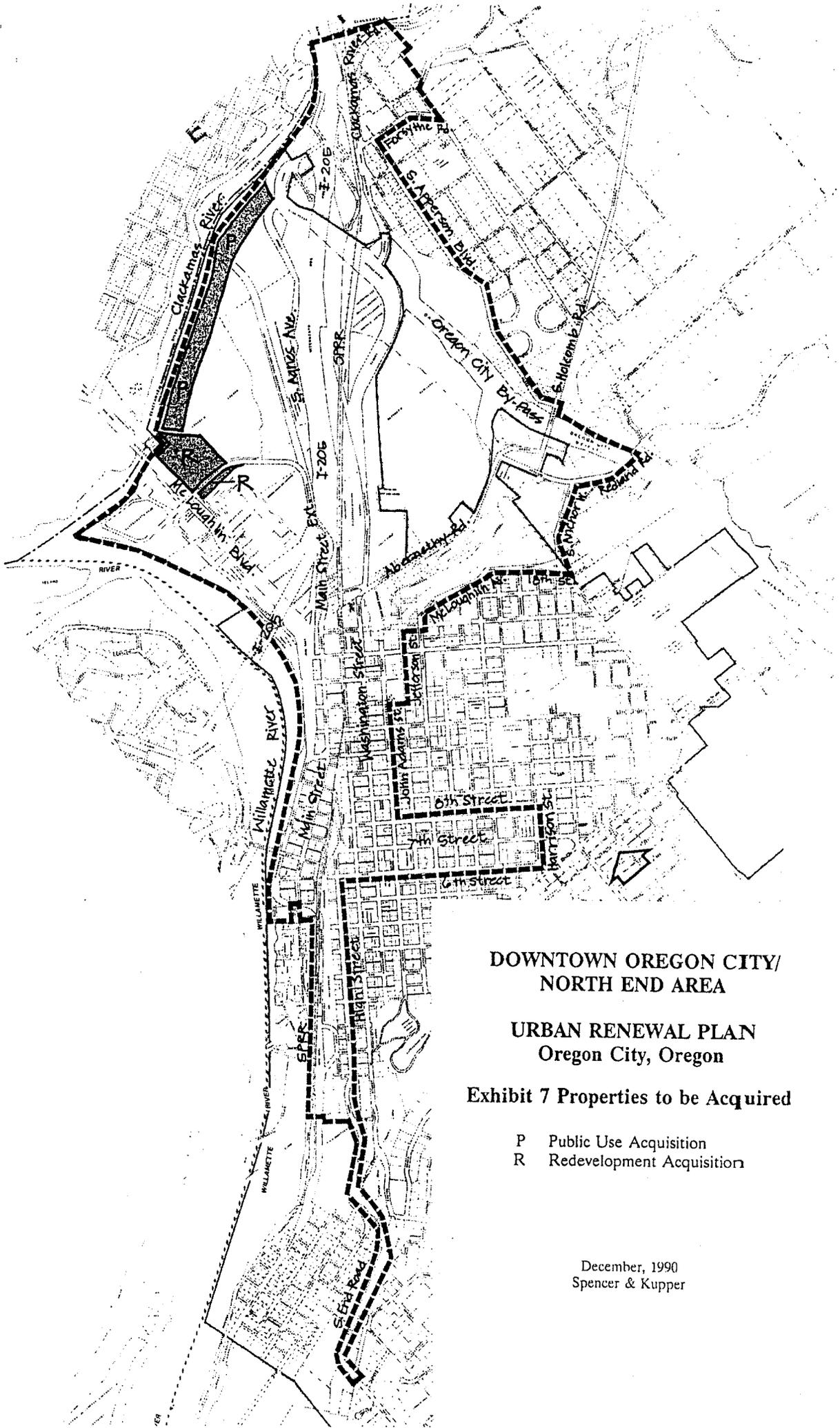
**DOWNTOWN OREGON CITY/  
NORTH END AREA**

**URBAN RENEWAL PLAN  
Oregon City, Oregon**

**Exhibit 6 Proposed Project Activities**

- T/P Transportation and Parking
- P/R Parks and Recreation
- PF Public Facility and Services

December, 1990  
Spencer & Kupper



**DOWNTOWN OREGON CITY/  
NORTH END AREA**

**URBAN RENEWAL PLAN  
Oregon City, Oregon**

**Exhibit 7 Properties to be Acquired**

- P Public Use Acquisition
- R Redevelopment Acquisition

December, 1990  
Spencer & Kupper

# Downtown Oregon City/ North End District

Consolidated Text on the Report  
Through the 7<sup>th</sup> Amendment

July 2001

**DOWNTOWN OREGON CITY/NORTH END  
REPORT ON PLAN**

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**NOTE ON CONSOLIDATED DOWNTOWN OREGON CITY/NORTH END  
REPORT DOCUMENT**

**This report incorporates all amendments through the date July 1, 2001**

**Sequence And purpose of Downtown Oregon City/Northend Plan Amendments**

1<sup>st</sup> - Resolution 91-01, Sept 25, 1991

Inserts latest date for bonded indebtedness

2<sup>nd</sup> – Ordinance 95-1017 Sept 20, 1995

Authorizes acquisition of Stimson property

3<sup>rd</sup> – Resolution 96-02 Dec. 4, 1996

Adds Tumwater Sewer as a project activity

4<sup>th</sup> – Ordinance 98-1014 – June 17, 1998

Inserts maximum indebtedness per BM50

5<sup>th</sup> – Ordinance 00-1012 – May 3, 2000

Changes to goals, extensive revisions to wording of project activities, acquisition and amendment procedures.

6<sup>th</sup> – Ordinance 00-1029 – Dec 6, 2000

Authorizes 10<sup>th</sup> & Main acquisition

7<sup>th</sup> – Ordinance 01-1016 – May 16, 2001

Authorizes acquisition of Art's Cafe

Not all Plan Amendments Required Changes to the Report

**100 - DESCRIPTION OF CONDITIONS IN THE AREA**

**A. Physical Conditions**

**1. Land Area.**

ORS 457.420 provides that the total land area of an urban renewal district, when added to the land area of existing renewal areas may not exceed 25% of the City's land area. The land area of Oregon City is approximately 4,686.4 acres. The Hilltop Urban Renewal Area contains 190.2 acres. This renewal area contains approximately 841.8 acres, and will comprise 18% of the City's land area. Together, the Hilltop and Downtown/North End Urban Renewal Areas contain approximately 1,032.0 acres, or 22% of the City's total land area.

**2. Existing Land Use and Development.**

A parcel by parcel land use inventory of the renewal project area was undertaken in 1990, and was compared with the land use analysis compiled for the Report on the Oregon City Downtown Renewal Plan, 1983. Table 1 on the following page summarizes existing land uses in the project area.

**TABLE 1**  
**EXISTING LAND USE**

<u>Land Use</u>	<u>Acres</u>	<u>Percent</u>
Public Non-Profit	49.9	5.9
Industrial	95.4	11.3
Residential	72.2	8.6
Vacant	85.1	10.1
Parking	5.1	0.6
Commercial	47.2	5.6
Hwy. Commercial	26.8	3.2
Parks/Open Space	34.6	4.1
Vacant/Undevelopable	113.2	13.4
Right-of-Way	281.3	33.5
Water	31.0	3.7
Totals	841.8	100.0

Source: Spencer & Kupper, 1990

The boundary of the urban renewal area is shown in Exhibit 1 to the Urban Renewal Plan. Sub-districts are shown in Exhibit 2.

While the Area includes Oregon City's downtown and primary industrial district, only 27% of the land area is currently used for productive central area and employment uses. The renewal area includes approximately 510 acres of unproductive vacant land, undevelopable land, right-of-way and water with the majority of remaining land used for industrial, commercial and residential purposes. The unproductive areas comprise over 60% of the project area. The vast majority of unproductive land is used for street, railroad, and freeway right-of-way, and an undevelopable landfill.

The End of Trail sub-district contains the landfill, I-205 and Oregon City By-pass freeway right-of-way, the Clackamas County complex along Abernethy Road, and the vacant Stimson Lumber Mill site located along Washington Street. METRO's transfer station and solid waste trucking fleet parking area are located near the I-205/By-pass interchange.

A master plan for the End of the Oregon Trail Center identifies this sub-district as the location for one of two staffed visitor interpretive centers for the Oregon Trail<sup>1</sup>. The Oregon Trail Center was designated by Clackamas County in its "State Regional Strategies Program" as the number one tourism development priority for the County. The master plan calls for a number of elements which will be located on the landfill and in the vicinity of the Washington Street/Abernethy Road intersection. These elements include: emigrant park (public open space on the landfill site); interpretive museum (multi-media center); outdoor living history (indoor and outdoor historical activities); performance area (outdoor amphitheater); festival marketplace (commercial area with restaurants and shops); historic homes district (restored homes for historic interpretation); group cookout area (outdoor); visitor services (lodging and other support facilities); and public open spaces and greenways.

In order to implement this master plan for the End of Oregon Trail Center, transportation and public facility improvements will be required, parking areas developed, fire protection facilities provided, and open space improved. The Urban Renewal Plan may assist in carrying out certain Trail Center activities.

The Lagoon/Waterfront Redevelopment sub-district is located along both the Willamette and Clackamas Rivers. The Willamette River frontage is a narrow band of land between the river and McLoughlin Boulevard. Clackamette Park is located at the confluence of the two rivers, with a motor hotel and marina located to the south. A site once occupied by the old Oregon City sewage treatment plant and a fire district training facility is currently being cleared for development. This area suffers from poor access from McLoughlin Boulevard and from other sub-districts in the Renewal Area. In spite of its riverfront location, existing developments do not take full advantage of the location's amenity, and continuous pedestrian access is not provided.

East of McLoughlin Boulevard is the Oregon City Shopping Center, a community center

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<sup>1</sup>Master Plan: End of the Oregon Trail Center, GSA Partnership, November, 1990.

which has undergone some remodeling during the past 7 years. North of the shopping center is a 45 acre lagoon off the Clackamas River surrounded by vacant lands to the north and west, and heavy industrial uses to the east. The area has good visibility from arterials and the freeway, but access is poor. The lagoon area offers the potential for high quality tourist commercial, recreation, and housing development to support the adjacent End of Oregon Trail Center and the potential expansion of the Oregon City Shopping Center. The existing industrial uses located on the lagoon and adjacent to the shopping center are incompatible with these commercial and planned tourist-related and recreational uses. Relatively small parcels in multiple ownerships are also a deterrent to redevelopment. Transportation improvements are needed to serve this area, and link the area to the freeway system. Soils and floodplain problems also present constraints to development.

The Urban Renewal Plan supports the redevelopment of the Lagoon/Waterfront area for tourist-commercial uses related to the End of Trail Center, and the expansion of park and recreation opportunities. Improvements to the transportation system serving the area, park land acquisition and improvement, the development of a boat dock/marina within the lagoon, and redevelopment assistance are project activities found in the Plan.

The Downtown Sub-district contains about 100 acres of land, with about 40 acres or 40% used for commercial and office purposes, including the Clackamas County Courthouse and other County office uses. The majority of the remaining land area is used for right-of-way. The downtown core area south of 11th Street includes much of the original plat for Oregon City, and has served as a commercial and cultural center since the 1840's. Economic changes during the 1960's through the 1980's have resulted in a district which is losing businesses and investment, suffering from deteriorating structures and infrastructure, and is becoming a concentration of poverty. These characteristics are discussed in detail in Section 100.B of this Report, and in the Report to the 1983 Downtown Renewal Plan<sup>2</sup>.

The north end section of downtown is dominated by highway commercial uses, primarily auto sales, and auto service and repair. These uses require large areas for vehicle storage and parking. The use of this area by pedestrians is discouraged by the existing auto uses because street-level activities are not continuous, and are oriented to drivers rather than

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<sup>2</sup>Report on the Oregon City Downtown Renewal Plan, Oregon City Urban Renewal Board, December, 1983.

pedestrians. This north end area lies between the downtown core and the planned End of Trail Center. If the downtown is to take advantage of the large number of visitors expected to the End of Trail Center, attractive pedestrian linkages through the north end will be needed, as will the availability of other transportation modes such as trolley or light rail.

The downtown district is adjacent to the Willamette River. However there are few opportunities for downtown workers, residents and visitors to get access to the riverfront. Improvements are needed to provide for public walkway and viewing areas, public assembly spaces, and a dock capable of accommodating large tourist boats.

The Urban Renewal Plan supports the enhancement of the historic downtown area as a retail and office district. The Plan provides for downtown streetscape improvements, a building facade improvement program, surface parking improvements, and promenade and riverfront improvements. The Plan also calls for the preparation and implementation of a transportation linkages program in order to create attractive linkages between the downtown and the End of Trail Center.

The Park Place Interchange sub-district is made up of a mix of older residential and industrial uses located to the north, east and south of the I-205/Oregon City Bypass interchange. There is also considerable vacant land in this sub-district. This interchange will provide the primary regional access to the planned End of Oregon Trail Center. Visibility of the area is good, but the generally poor quality of the residential and industrial areas create a deteriorating visual impact on the area. There has been little private investment in the area, and the public improvements such as streets, sewers and water are either lacking or in poor condition. In order for new development to occur, a significant assessment for new sanitary sewage improvements will be needed. This assessment has discouraged development and redevelopment of the area. The Urban Renewal Plan provides for a development and redevelopment assistance program in order to encourage land uses which take advantage of the proximity of the interchange, and will act as attractive gateway developments to the End of Trail Center.

The Washington/7th Street Corridor sub-district lies east of the downtown, and connects the lower downtown area to the Hilltop area further to the east. The Washington Street corridor is primarily single family residential, and includes several historic homes and churches. The 7th Street corridor has a mix of neighborhood commercial, office and public uses along 7th Street, with single family residential uses along 8th and 6th Streets.

High traffic volumes on Washington Street are incompatible with the area's residential character. Along 7th Street, a number of the commercial buildings are in poor condition, and several buildings are vacant. High traffic volumes, lack of on-street parking, inadequate sidewalks and pedestrian features, and the generally poor visual quality of the corridor contribute the deterioration along 7th Street.

The Urban Renewal Plan provides for traffic management improvements in the Washington/7th Street sub-district in order to discourage through traffic on Washington Street. Streetscape and parking improvements along 7th Street are planned, and a facade/building rehabilitation assistance program will improve the commercial corridor.

The Heritage Center sub-district is focused on a new Clackamas County historical museum located off Highway 99E. This sub-district is the southern-most entrance to Oregon City from Highway 99E, and a connecting link along South End Road between the Hilltop area and the downtown. The south end of the McLoughlin Promenade is also located here. The Heritage Museum is an important regional tourist destination, but is surrounded by a mix of older incompatible land uses such as a tavern, cafe, garages and group home located along Highway 99E. The remainder of the sub-district is primarily residential. Traffic capacity and safety problems hinder the use of the Heritage Museum and South End Road. Additional parking is needed to serve the McLoughlin Promenade. The Urban Renewal Plan provides for transportation improvements within the Heritage Center sub-district.

### **3. Comprehensive Plan and Zoning Designations.**

The Oregon City Comprehensive Plan designates the renewal area for a mix of land uses. Exhibits 4 and 5 in the Urban Renewal Plan show the existing Comprehensive Plan and Zoning designations for the Area. Comprehensive Plan goals, objectives and policies which support the Urban Renewal Plan are listed in the Appendix. The predominant plan designations for the End of Trail area are industrial and public/quasi public. When the End of Oregon Trail Center Master Plan is approved, it is anticipated that specific amendments to the Comprehensive Plan and Zoning Map will be required.

The Lagoon/Waterfront area is currently planned for a mix of industrial, commercial and park uses. An application is currently under consideration by the City of Oregon City to redesignate lands around the lagoon for tourist commercial uses. Additional design and development regulations are needed for this area in order to ensure a high quality development which is fully compatible with the End of Oregon Trail Center.

The primary designation in the downtown district is commercial. The core area has a central business district zone, while the north end is zoned for general commercial uses. The Park Place district is planned for industrial and medium density residential uses. Major comprehensive plan amendments are not anticipated in these sub-districts.

The Washington Street corridor is designated for conditional residential uses, as are the areas along 8th Street. Limited Commercial designations are found along 7th Street and the northern end of High Street. Quasi public, public and office designations are found along 6th Street. The Heritage Center area has a mix of public and quasi public use designations, and a small commercial area along 99E. A conditional residential designation is used along the southern end of High Street.

In general, comprehensive plan and zoning designations reflect the existing land uses throughout the Urban Renewal Area. New development and redevelopment will be consistent with these designations. There is a need to develop more specific design and development plans within the sub-districts in order to establish specific guidelines for public improvements and private developments. Preparation of these design plans are authorized by the Urban Renewal Plan.

#### **4. Building Use and Condition.**

A survey of building use and condition was conducted in 1990. This survey was compared with an analysis of building conditions prepared for the Report on the Oregon City Downtown Renewal Plan, 1983. Table 2 summarizes the results of the survey.

**TABLE 2**  
**EXISTING BUILDING INVENTORY**

<u>Use</u>	<u>Poor</u> <u>Condition</u>	<u>Vacant</u>
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Public	1	
Industrial	6	1
Commercial	19	23
Residential	33	3
Totals	59	27

Source: Spencer & Kupper, 1990, and Report on the Oregon City Downtown Renewal Plan, 1983.

Building conditions were evaluated by identifying structures suffering from deferred maintenance or substandard/dilapidated. The survey evaluation was compared to an analysis of fire/life safety code concerns for the downtown area prepared in 1983. Only buildings identified as having overall structural integrity problems are included in Table 2. A total of 59 structures were found to suffer from deferred maintenance, or were substandard and dilapidated. Twelve commercial buildings in the downtown and 7 commercial buildings along 7th Street are in poor condition. Of the 33 residential structures found to be in poor condition, seven are in the Park Place district, 16 within the Washington/7th Street Corridor, and 10 in the Heritage Center district, including an apartment complex located on 99E. Approximately 17 of the structures found vacant during the assessment are located in the downtown.

**5. Streets, Transportation and Access.**

A Transportation Master Plan<sup>3</sup>, prepared in 1989 evaluates the transportation problems throughout the City, and identifies transportation improvements required to correct existing deficiencies, and improvements which will be needed in the future as the City of Oregon City continues to grow.

**Streets**

Existing traffic volumes were analyzed and intersection levels of service determined for the major streets and intersections in the Urban Renewal Area. In general, most signalized and four-way stop intersections now operate at an acceptable service level. The primary exception is the McLoughlin Blvd./Oregon City Shopping Center north access,

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<sup>3</sup>Oregon City Transportation Master Plan, CRSS, Inc., August, 1989.

which currently operates at an unacceptable level.

Traffic accidents were evaluated as part of the master plan. Of the 35 locations evaluated, four of the five locations with the greatest number of accidents are located in the Renewal Area. These locations are the intersections of 14th/Main, 14th/Washington, McLoughlin/Tumwater, and 10th/Main. Twenty of the 35 locations with the highest accident rates are located in the Renewal Area.

Short-term improvement needs were identified in the master plan to address existing transportation deficiencies. Roadway improvement needs located in the Renewal Area include:

- Agnes Avenue-develop an improved connection to Main Street Extension.
- **Main Street Extension-widen roadway under McLoughlin Blvd. bridge.**
- Washington Street-widening and curb/gutter construction

**Short-term intersection geometry/lane modification needs located in the Renewal Area include:**

- 7th Ave./Singer Hill/High St.
- 7th Ave./Taylor St./Division St.
- Tumwater Dr./McLoughlin Blvd.
- 7th St./Washington St.
- 11th St./McLoughlin Blvd.
- 13th St./McLoughlin Blvd.

In addition nine short-term signal improvements were identified at signalized intersections located in the Renewal Area.

Long-term transportation improvement needs are identified in the Transportation Master Plan based on year 2009 forecasts using METRO's regional growth scenario. Long-term transportation improvement needs located in the Renewal Area include:

- I-205/Park Place interchange modifications.
- 17<sup>th</sup> Street/Abernethy Road/Washington Street Abernethy Creek Bridge reconstruction .
- S. 2<sup>nd</sup> Street McLoughlin Blvd. New turn lanes and signalization.
- Anchor Way re-alignment and widening of Abernethy Creek Bridge.
- Abernethy Road realignment and extension to intersect with Main Street Extension.

- Main Street (17<sup>th</sup> Street to McLoughlin Blvd.) widen shoulders and street to three lane section.

Many of these short and long-term transportation improvements identified in the Transportation Master Plan are included as project activities in the Urban Renewal Plan. The master plan identifies short-term improvements which are needed to address existing traffic capacity and safety problems. The master plan also identifies long-term improvements needed to address future problems. These improvements are needed in the Renewal Area in order to adequately serve existing development, and to provide access and traffic capacity to serve future development and redevelopment.

### **Parking**

Both on and off-street parking is available throughout the Renewal Area, with the largest concentration of parking located in the downtown. A total of 737 spaces are downtown, with 233 spaces private and 504 public. Public parking is managed by the City in a parking program called "Zone Park". Public spaces are used for contract parking, daily use paid parking, one hour free parking, and long term free parking. A business validation program is in place downtown.

The Transportation Master Plan recommends parking improvements which will be needed to better use and manage existing spaces downtown, and to address the need for additional parking east of the downtown. The key recommendations are to:

- Increase the number of off-street parking spaces available to the public.
- Improve and screen parking lots with landscaping and other improvements.
- Develop a standard sign system for all downtown parking lots.
- Form a parking management cooperative among parking lot owners.
- In the Washington/7<sup>th</sup> Street Corridor, develop one or more off-street parking lots.

The Urban Renewal Plan provides for the implementation of the parking improvement program recommended in the Transportation Master Plan.

The End of Trail Center Master Plan calls for a number of elements which will be located on the landfill and in the vicinity of the Washington Street/Abernethy Road intersection. These elements include: emigrant park (public open space on the landfill site); interpretive museum (multi-media center); outdoor living history (indoor and outdoor historical activities); performance area (outdoor amphitheater); festival marketplace (commercial area with restaurants and shops); historic homes district (restored homes for historic in-

terpretation); group cookout area (outdoor); visitor services (lodging and other support facilities); and public open spaces and greenways. Parking facilities will be an important supporting improvement for all of these plan elements. The Urban Renewal Plan anticipates assistance in development of parking facilities to support the End of Trail Center.

### **Other Modes**

Five public transit lines serve Oregon City and the Renewal Area. There is no formal off-street bus transfer center, so buses must stop on-street to pick up and discharge passengers. Southern Pacific Railroad operates freight rail services on two main line tracks which bisect the Renewal Area. Spur lines also serve the newsprint mill south of McLoughlin Boulevard, and a lumber company north of 17th Street. Five grade-separations and two at-grade crossings are located in the Renewal Area. There are two public marina/boat ramp facilities in the Area, one at the end of Clackamette Park Drive under the I-205 bridge (Sportcraft Marina), and a boat ramp in Clackamette Park.

The Transportation Master Plan identifies a potential for a future extension of light rail transit along McLoughlin Boulevard, with a logical terminus in the lagoon area east of McLoughlin and north of I-205. Such a station could be linked to downtown by a shuttle bus or a trolley line along Main Street. This trolley line may be feasible in the short-term if the development of the Lagoon area and the End of Trail Center progresses as planned.

The Transportation Master Plan also includes a water transportation plan for the City. The elements of the water transportation plan located in the Renewal Area include:

- Develop a new public marina in the Lagoon area.
- Replace/supplement the existing marina under the I-205 Bridge.
- Develop a downtown public dock at the foot of 8<sup>th</sup> Street.

The Urban Renewal Plan provides for the implementation of the water transportation plan as recommended in the Transportation Master Plan.

Improvements to the "streetscape" in commercial districts is an important element in commercial area revitalization. An attractive environment will help attract retail customers and office workers. Streetscape improvements in the downtown core area and along 7th Street are needed to improve the local environment for pedestrians.

## **6. Parks and Open Space**

Two existing regional parks are located in the Renewal Area. Both parks are considered regional parks in the City's Park Master Plan because they serve the specific needs of an entire region. Clackamette Park is a 21.8 acre riverfront park located at the confluence of the Willamette and Clackamas Rivers. This park has been evaluated as a "fair" facility, considering layout, landscaping, type of facilities, and condition of facilities. The second park is Kelly Field, an 8.4 acre playfield located near the intersection of Abernethy Road and Washington Street. Kelly Field has been rated as "good".

The other park and open space located in the Renewal Area are Library Park, a 1.3 acre neighborhood park located on 7th Street, the 0.8 acre McLoughlin House (historic), and the 5.1 acre McLoughlin Promenade (scenic walkway corridor). Each of these park and open space facilities have been rated as "good".

The Oregon City Park Master Plan is currently under review and revision. The standards, inventory and projected needs element of the plan has been completed. Existing parks and open space in Oregon City includes 137.6 acres for an average of 8.11 acres of parkland per 1,000 population. The recommended park standard for the City, based on the "Recreation, Park and Open Space Standards and Guidelines", prepared by the National Recreation and Park Association is 10.4 acres/1,000 population. Based on these standards, there is a need for an additional 39.2 acres of park to serve the existing population. During the next 20 years, the population of Oregon City is expected to increase to approximately 34,000. This population will require approximately 353.6 acres of parkland. In order to meet this future need, the City will have to provide an additional 216 acres of park and open space lands.

The End of Oregon Trail Center Master Plan identifies public open space and greenways as one of 12 physical components which will make up the End of Trial Center. The master plan recommends that public greenway improvements should be implemented and enhanced along the Willamette and Clackamas Rivers, Parker's Lagoon and Abernethy Creek. By providing open space and greenways as a part of the End of Trail center, the park and open space needs of the entire community can be addressed. The Urban Renewal Plan provides for a number of park and recreation improvements which will implement the End of Oregon Trail Center Master Plan, and address the needs of the community. These improvements include the Lagoon/Waterfront parkland acquisition and development, a river access trail, a tour boat dock/marina within the Lagoon,

Clackamette Park improvements, 8th Street dock improvements, McLoughlin Bluff im-

provements, and Abernethy Creek improvements.

## **7. Public Facilities and Services**

A City Facilities Plan<sup>4</sup> has identified needed improvements to public facilities located in the Urban Renewal Area. The Facilities Plan recommends that the existing fire station on 7th Street be abandoned, and two new fire stations be constructed. One of the new stations is planned for the Abernethy Road area. This new Abernethy Station is needed to serve the planned End of Oregon Trail and Lagoon redevelopment areas, and newly annexed residential areas to the northeast of the Renewal Area. A 3800 sq.ft. station is planned. In addition, the training facility, formerly located south of Clackamette Park, will need to be replaced.

The historic Carnegie Library located on 7th Street contains approximately 6600 sq.ft. of building area. In comparing Oregon City's library facilities with facilities in other cities, the City Facilities Plan found that "This square footage and the square footage/per capita are the lowest of any of the comparable cities and obviously inadequate by any recognized standard for library service." The configuration of the existing building also reduces the usable library area. Another problem identified in the City Facility Plan is the lack of library parking. A minimum of 100 to a maximum of 150 parking spaces has been documented.

The Urban Renewal Plan provides for the site acquisition and construction of a new fire station in the End of Trail area, and assistance in restoration and improvements to the historic Carnegie Library.

## **B. Economic Conditions**

There has been little or no improvement in general economic conditions in the project area since Oregon City's first attempt at urban renewal efforts in 1983. Oregon City's population and building value growth during the 1980's was concentrated almost entirely in the newer residential and commercial areas in the southern and Hilltop areas of Oregon City. The project area, comprising the historic downtown, Willamette and Clackamas River frontages, and the area surrounding the Park Place interchange of I-205, was bypassed by this economic growth. As a result, many of the economic conditions

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<sup>4</sup>Oregon City Facilities Study Final Report, Barrentine/Bates/Lee, July, 1990.

cited in the report on the 1983 renewal plan are unchanged, or have worsened.

For example, as evidence of economic deterioration in downtown Oregon City, the 1983 report cited business closures and moveouts, demolition of buildings for parking uses, loss of residential uses, and a growing number of building vacancies, especially on upper floors of commercial properties. These findings were excerpted from a 1978 study of downtown Oregon City by Lord and Associates, an economic consulting firm. In 1989, Lord and Associates produced another study on economic conditions in Oregon City, "Redevelopment Outlook and Strategies: City of Oregon City Central Area". In discussing general market conditions in the Oregon City Central Area, the 1989 study found that, *"Its' role as a retail and office center has diminished in the past 11 years, however. Jereds Outdoor Store has closed, .....Considerably more storefront spaces on Main are vacant or underutilized, and vacancies on second floor office space have increased."* Underscoring these findings, total assessed values within Oregon City's downtown core have declined \$8 million during the period 1983-1990.

The bulk of the project area is located within Census Tract 224. General economic conditions in that Census tract rank it among the poorest in the urbanized areas of Clackamas County, and the Portland metropolitan region.

In general, the tract is characterized by a declining population, low household incomes, and a large percentage of elderly population.

"The Regional Factbook", published by the Metropolitan Service District in June, 1988 shows the following household income information for 1985, and provides one illustration of the area's economic condition:

	Median Income	% of Households under \$15,000
Clackamas County	\$28,505	17.0
Tract 224	\$19,535	33.4

The report on the 1983 plan provided information on trends in population and relative income in Tract 224 for the period 1960-1980. "The Regional Factbook" allows an up-

dating of that information through 1985, shown on next page.

	1960	1970	1980	1985
Relative Income (a)	96%	82%	70%	68%
Population	4152	4121	3838	3767

(a) Relative to median for Clackamas County

The above data shows that Census Tract 224 experienced further population loss and income slippage in the period 1980-1985.

Among the factors influencing economic conditions in the project area and its environs is population age characteristics. The population of Census tract 224 contains a high percentage of persons over 65; the elderly comprising 22% of the tract's population in 1985, as against only 10.5% of Clackamas County population. Areas with high concentrations of elderly population typically contain an older building stock, and display little growth. Demonstrating that point, "The Regional Factbook" shows that there were only 21 housing starts in Census Tract 224 in the period 1980-1986. By contrast, Oregon City's other principal Census Tract, 225, had 182 starts in the same period.

The project area contains approximately \$63.2 million in true cash values. Total assessed value per acre in the project area is well below the average value per acre for the City. Assessed value in the project area is slightly less than \$70,000 per acre, while the City average is well over \$100,000. Total true cash values for Oregon City for the 1990-91 tax year are estimated to be \$475 million. True cash values in Oregon City's two renewal areas are well within ORS 457's 25% limit on total values within renewal districts.

While economic conditions in the area currently are poor, recent market studies have indicated that Oregon City can expect to benefit from long-term growth in Clackamas County, and that City efforts to assist development in the project area can produce results. Excerpts from three of those studies are contained in Appendix C of this report.

**200 - FISCAL, SERVICES, AND POPULATION IMPACTS**

By encouraging the use of vacant or under-utilized land within the area, and the rehabili-

tation of older existing buildings, the plan should substantially increase the assessed value base within the area. It is estimated that approximately \$62 million in new building values will be added during the life of the renewal project. With the recent passage of a property tax limitation, adding new property values will become important as a means to increase revenues for governmental services. A \$62 million increase in assessed values base can produce \$620,000 in additional annual revenues for the non-school jurisdictions levying taxes within the project area.

Improvements to the area's streets, circulation system and infrastructure should reduce Oregon City's operation and maintenance costs, contribute to public safety, and result in reduced demands on public safety services.

Improvements to circulation and traffic flow should result in a reduction of energy consumed per traffic mile, and reduce air pollution and travel time. Pedestrian and bikeway improvements will improve safety, convenience, and provide alternative modes of transportation.

Increased retail, office, tourism and service development is expected to provide new job opportunities for City residents. It is estimated, for instance, that development of the End of Oregon Trail project will produce approximately 60 full time jobs, and the annual impact of visitor expenditures is estimated to be approximately \$8.4 million.

Residential development within the renewal area is expected to result in increased population. The City of Oregon City has a substantial supply of vacant residential land. The Clackamas County economy is anticipated to remain strong in the near term, with especially good growth potential in urbanized communities in the I-205 corridor. As a result, Oregon City can anticipate further population increases regardless of renewal plan activity.

Development of vacant and underutilized land within the renewal area is expected to produce 300 new multi-family units. The availability of other land for residential development in the Oregon City area indicates that the residential land within the renewal area would be absorbed on a very gradual basis over the life of the renewal plan. Using an occupancy figures of 1.4 persons per multi-family unit, the assumed level of residential development would increase the renewal area population by 420 persons over a fifteen to twenty year period.

It is expected that occupants of these housing units would include approximately 60 to 65 school age children. This school population will be introduced into the school system very gradually, as new housing units are constructed, and the school population will enter the system at various grade levels. The renewal plan therefore is not expected to produce any impacts on the school population beyond those which could be anticipated through projected growth in Oregon City's general population.

For Police and Fire services, the anticipated demands created by implementation of the plan should not require larger budgets than would result from Oregon City's anticipated overall growth and development over the life of the renewal plan. As noted previously, new values produced in the renewal area can be expected to produce badly needed revenues to help sustain these basic protection services.

The impacts of the project upon street, sewer, and water systems and community facilities are addressed by the activities to be undertaken in this project. The tax impacts on the overlapping jurisdictions within the renewal area are discussed in Section 500 of this Report.

### **300 - REASONS FOR SELECTION OF THE AREA**

The urban renewal area was selected based on Comprehensive Plan policies, Capital Improvement Plan priorities, Master Plans and on the existence of blighting conditions within the area. Those conditions include:

- Streets, transportation, and access in the area and surrounding environs are insufficient to service existing and proposed development.
- A large number of properties in the area are in substandard condition, including historic properties such as the Carnegie Library.
- Water service, sanitary sewer and drainage systems are inadequate to support proposed development and redevelopment of the area.
- Existing parking opportunities in the downtown, End of Trail area, and along other commercial streets are inadequate, and parking improvements are needed to support existing businesses and new developments.
- Existing parks and open space are inadequate. There is a need for over 200 acres of parks and open space in the community, and the riverfront areas located in the Renewal Area are desirable locations for regional recreational activities.
- Fire protection facilities in the Renewal Area are inadequate. As redevelopment of the Lagoon area and construction of the End of Oregon Trail Center proceeds, a new

fire station is needed.

- Inefficient lotting patterns, and parcelization of land deter development consistent with the Oregon City Comprehensive Plan.
- A high percentage of land in the area is vacant and under-utilized.
- Underutilization of land, and lack of development severely impair the project area's ability to pay taxes. Average values per acre in the area are well below the overall City average, and the ratio of improvement values to land values is far below that which might be expected in an area planned for commercial and industrial development.

#### **400 - RELATIONSHIP BETWEEN EACH PROJECT ACTIVITY TO BE UNDERTAKEN AND EXISTING CONDITIONS**

All project activities described in the Urban Renewal Plan are intended to correct the conditions described in this Report.

- Streets, Transportation and Public Access Improvements will improve access and circulation throughout the Area for autos, transit, pedestrians and bicyclists, and will support new development and redevelopment throughout the urban renewal area.
- Streetscape and parking improvements will improve the visual appearance and pedestrian environment in commercial areas, and will provide additional parking facilities needed to serve shoppers, workers and residents.
- Parks and Recreation Improvements will provide for additional park and open space needed by the community, will enhance the redevelopment of the Lagoon area, and will implement a component of the End of Oregon Trail Center Master Plan.
- Public Facility and Services Improvements will provide for a new fire station needed to serve the north end of the Renewal Area, and will assist in the restoration of the historic Carnegie Library.
- Development Assistance programs will support the rehabilitation of existing commercial buildings in the Renewal Plan Area, and will assist in the development of additional medium and high density housing in the Area.
- Property Acquisition will assist in the implementation of required streets and transportation improvements, eliminate incompatible uses, remove blighting conditions, assemble marketable parcels of land for public and private redevelopments and thereby encourage new investment in the urban renewal area.
- Administration and Planning will assure the effective administration of the urban renewal plan and the various activities contained therein.

#### **500 - FINANCIAL ANALYSIS**

ORS 457.190(3)(c)(B) states that the maximum amount of indebtedness that may be issued or incurred under the plan, as determined for the purposes of meeting the requirements of this paragraph, shall be based upon good faith estimates of the scope and costs of projects, included, but not limited to increases in the costs due to reasonably anticipated inflation..

The Agency has reviewed the records relating to the scope and cost of projects provided for in the Downtown-NorthEnd Plan and scheduled for completion as of December 5, 1996.. The description of the review of the scope and cost of projects constitutes a good faith estimate of the scope and cost of projects anticipated as of December 5,1996.

The Agency has estimated the maximum amount of indebtedness to be incurred needed to complete the project. "Maximum Indebtedness" means the amount of the principal indebtedness included in the Plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

#### **A. Update of Project Costs to 1998 values**

Project costs have been updated from the December 1990 adoption date to March 1998. Costs were updated using the construction cost index from the Engineering News Record.

The December 1990 construction cost index was 4777, and the March 1998 index was 5874. The 1097 points difference in the index constitutes a 23 % growth in costs during the 1987-1998 period. The 1990 plan costs therefore were increased 23 % to account for inflation of construction costs.

In addition to the above-noted indexing of costs for inflation, changes to the scope and cost of several Downtown plan activities were known as of December 6<sup>th</sup>, 1996. Their costs have been further adjusted to take into account this information. These projects are:

- Agnes Street reconstruction - Cost reflects updated engineering information on environmental and structural problems which must be addressed.
- End of Trail Road improvements - Costs reflect our local agency match.
- Downtown Core Streetscaping - Experience in doing the first two blocks of this streetscape project in 1995 showed that the original cost was badly underestimated. The cost per block has been revised to reflect this experience.
- Streetscaping - Washington and 7<sup>th</sup> corridor. This project concept was detailed in a 1995 Design Study undertaken by the Agency, with a major public involvement pro-

gram. These costs reflect the Agency's experience in its Downtown core Streetscape program.

- Washington-7th corridor Parking Improvements. This cost now reflects Agency experience in acquiring and developing parking in the Downtown core area.

The cost of administration of the program also has been revised to reflect:

- The current level of administrative charges. These charges reflect administrative charges in effect as of December 5, 1996, adjusted for inflation.
- Anticipated costs of issuing short and long term debt to carry out project activities. These costs include cost of funding a debt service reserve fund, and legal and other fees.

Table 3 of the Report on the Plan is amended to update the 1990 costs to 1998 values.

Table 3 is shown on the following page:

<b>TABLE 3</b>		
<b>CITY OF OREGON CITY</b>		
<b>DOWNTOWN/NORTH END URBAN RENEWAL DISTRICT</b>		
<b>ESTIMATED PROJECT COSTS</b>		
	Costs (1)	Comments
<b>A. Transportation Improvements</b>		
McLoughlin Blvd Corridor (2)	\$1,000,000	<b>Match for Regional funds</b>
Washington St. Corridor (2)		
Abernethy to 7 <sup>th</sup> Street	\$1,200,000	Overlay, bridge safety, and LOS
Washington Street/Hwy 213	\$3,000,000	Match for Regional Funds long term
7 <sup>th</sup> Street Corridor (2)	\$1,500,000	Match for Regional Funds
Main Street Corridor	\$1,500,000	
Clackamette Cove Area		Partner share with development or Tri-City?
Agnes or Equivalent Cove Access Road construction	\$800,000	
Local Street Linkages (2)		
12 <sup>th</sup> Street, Main to Hwy 99E	\$800,000	
Main Street Ext. Bikeway, Hwy 99E to Main	\$100,000	Match for Regional Funds
Linkages to Public Transportation (2)	\$400,000	Match for Regional Funds
Transit Facilities		
Train Station	\$200,000	
Parking		
Second Downtown lot and Park'n Ride Lot	\$1,000,000	
<b>B. Parks, Open Space &amp; Recreation Improvements (3)</b>	\$3,943,000	
Clackamette Cove		
Willamette Riverfront Promenade		
River Access and Frontage Improvements		
Downtown Core Area		
End of Trail Area (RR, Highway 213, Abernethy Creek)		
Abernethy Creek Corridor		
McLoughlin Bluff Promenade		
<b>C. Development and Redevelopment Assistance (3)</b>	\$1,000,000	
Redevelopment Through New Construction		
Preservation, Rehabilitation, and Conservation		
<b>D. Public Facility and Service Improvements (3)</b>	\$2,000,000	
Meeting, conference, educational and cultural facilities		
Facilities supporting identity of the area (plazas, etc)		
Other public building facilities		
<b>E. Public Infrastructure Projects (3)</b>	\$1,166,683	
Water		
Wastewater		
Stormwater		
Utility Relocation		
<b>F. Planning and Administration (3)</b>	\$3,637,000	
<b>G. Property Acquisition (3)</b>	\$1,000,000	
Total cost of projects (1)	\$24,246,683	

*(1) The estimated total cost of project activities is the same as the total cost used in the 1998 calculation of maximum indebtedness for the Downtown/North End Renewal Area. All costs in Table 3 are shown in 1998 dollars, again to remain consistent with the cost figures used to calculate the maximum indebtedness*

*(2) Projects identified in Transportation System Plan (TSP) and Regional Transportation Plan (RTP)*

*(3) Final project costs within this project category will be adjusted based on project details.*

**B. Estimated Project Cost and Revenue Sources**

The costs shown in Table 3 of this Fourth Amendment are 1998 costs. Anticipated annual tax increment revenues, and anticipated revenues from other sources will not be sufficient to carry out all project activities in 1998. Project activities instead will be undertaken as revenues become available, either through short or longer term borrowing. The need to phase project activities will lead to further inflation of project costs. Recent construction cost increases shown in the Engineering News Record are in the 2.5% range. The 1998 costs from Table 3 are therefore further increased by 2.5% annually, until revenues and borrowing are sufficient to cover all project activity costs.

Table 4 on the following page shows the estimated total principal cost to complete all remaining activities in the Urban Renewal Plan for the Downtown Area, and to cover the outstanding principal balance on an Agency debt which was outstanding as of December 6, 1996.

<b>TABLE 4</b>			
<b>CITY OF OREGON CITY - DOWNTOWN AREA</b>			
<b>COST OF PROJECTS AND ANTICIPATED</b>			
<b>Year</b>	<b>Beginning Balance</b>	<b>Outlays</b>	<b>Ending Balance</b>
1998	\$24,246,683	\$7,109,488	\$17,137,195
1999	\$17,651,310	\$509,578	\$17,141,732
2000	\$17,655,984	\$611,240	\$17,044,744
2001	\$17,556,087	\$715,697	\$16,840,390
2002	\$17,345,602	\$823,026	\$16,522,576
2003	\$17,018,253	\$961,182	\$16,057,071
2004	\$16,538,783	\$1,103,137	\$15,435,647
2005	\$15,898,716	\$1,248,995	\$14,649,720
2006	\$15,089,212	\$1,398,865	\$13,690,347
2007	\$14,101,057	\$1,552,857	\$12,548,201
2008	\$12,924,647	\$2,471,083	\$10,453,564
2009	\$10,767,171	\$2,633,660	\$8,133,511
2010	\$8,377,517	\$2,800,708	\$5,576,809
2011	\$5,744,113	\$2,972,350	\$2,771,763
2012	\$2,854,916	\$2,854,916	\$0
<b>Total, Project Costs</b>		<b>\$29,766,781</b>	

#### Notes on Table 4

##### (a) Outlays on Project Activities

Annual outlays on project activities are based upon anticipated annual tax increment revenues over the life of the project, interest earnings, proceeds from borrowing, and other resources available to the Agency. Anticipated annual tax increment revenues are shown in Table 5, in Section F of this Report.

##### (b) Costs of debt and principal on existing debt

Oregon City's Downtown Urban Renewal Area currently has no outstanding principal balances on long-term indebtedness. It is anticipated that the Renewal Agency will issue a long term bond or other form of borrowing to carry out project activities. The principal amount and timing of the Bond Issue or issues are not yet established. The principal amount and debt service are based upon an as-

sumption that the borrowing will be for a ten year term, at 5% interest, and will require a 1.5 to 1 debt service coverage ratio. A debt service reserve of 10%, and 1.5 % cost of issue are expected to be funded from bond proceeds. This net amount is available for carrying out project activities.

**(c) Cash on hand**

It is assumed that cash on hand as of July 1, 1998 will be \$380,000. This cash will be applied to pay indebtedness incurred to carry out project activities shown in Table 3.

**(d) Other resources**

No additional resources are anticipated to be available for carrying out project activities.

**C. Anticipated Start and Finish Dates of Project Activities**

Table 4 anticipates that revenues will be sufficient to carry out all project activities by the year 2012-13. It is possible that debt service on debt issued during this period will extend beyond that year. When all debt service has been retired, the tax increment collections for this plan are expected to be terminated. anticipates that revenues will be sufficient to carry out all project activities by the year 2012-13.

These dates depend on assumptions regarding the level and timing of increases in values in values within the urban renewal area, and upon the assumption that there will be no adverse changes to Oregon's property tax system, or urban renewal statutes. If these assumptions prove incorrect, the anticipated dates for completion will change.

**D. (Section 500 D deleted by 4<sup>th</sup> Amendment)**

**E. Impact On Other Taxing Jurisdictions**

Prior to passage of the Constitutional amendment on property taxes, this section of the report on a renewal plan usually was devoted to discussion of the estimated impacts of the renewal plan on the tax rates of affected taxing bodies. With passage of the property tax amendment, discussion of tax rate impacts may no longer be pertinent or sufficient.

Before discussing estimated renewal program impacts, it must be noted that the Oregon City Finance Department estimates that the property tax limitation will require a compression of the combined tax rate for non-school units of government levying taxes within Oregon City. The combined tax rate for the 1990-91 tax year for the City of Oregon City, Clackamas County (Including Sheriff and Library levies), Metro, Port of Portland, and Vector Control is estimated to be \$11.48. This rate is exclusive of levies for bonded indebtedness. The Constitutional amendment will require that these bodies' total levies, exclusive of levies for bonded debt, be raised within a \$10 tax rate. Therefore levies likely will need to be reduced. In the following discussion, it must be kept in mind that the urban renewal program will have relatively little impact compared to the levy reductions or compressions required by the property tax amendment.

The exact nature and extent of the impacts of the urban renewal plan upon other entities levying taxes upon property in the urban renewal area will be clarified as provisions of the tax limitation measure are further interpreted in legal and legislative actions. Given the Oregon Attorney General's September, 1990 opinion, the interpretation given to the "bonded indebtedness" of a renewal agency may have important consequences on the "impact" of renewal programs on other taxing bodies. The interpretation could govern the amount of tax increment revenue which would be considered a levy subject to the \$10 limitation on non-school taxing bodies.

For example, an interpretation which finds that all tax increment revenues are in fact levied to pay bonded indebtedness would appear to have one set of effects; namely, all annual tax increment revenues could be considered as a debt service levy outside the \$10 non-schools limitation. *In that event, the presence of this urban renewal program will, in itself, have no effect on the ability of other taxing bodies to raise their levies within the \$10 limitation.* It is likely in this scenario that the renewal agency would be shown on tax bills as a separate taxing body, whose annual levy is entirely for bonded indebtedness.

*Estimated effect* - If this interpretation is applied to the annual tax increment revenues forecast in this plan, the tax rates required for renewal agency debt service will range from 1.5 cents to 12.6 cents per thousand of property valuation during

the life of the plan.

On the other hand, an interpretation which finds that only some tax increment revenues qualify as being levied to pay bonded indebtedness has another set of effects; namely, tax increment revenues not considered as levied for bonded indebtedness could be construed as a levy which must be raised within the \$10 non-schools limitation. In that event, the presence of a renewal program could require an additional compression (beyond any required by the tax limitation amendment) of non-school rates to fit the \$10 rate limit. If this interpretation is applied to the annual tax increment revenues forecast in this plan, the plan's annual bonded debt service payments of \$196,000 likely would meet the definition of revenues pledged for "bonded indebtedness". Tax increment revenues above the \$196,000 amount might then be considered a levy to be raised within the \$10 non-school rate.

*Estimated effect* - Calculations were made assuming that all tax increment revenues above the \$196,000 for annual payments on bonded debt service would have to be levied within the \$10 rate limitation. Tax revenues therefore might be foregone by the other taxing bodies in order to accommodate the renewal levy within the \$10 limit. The calculations show that the revenues foregone by all taxing bodies *entirely as a result of this renewal project* range from approximately \$5800 to a high of approximately \$36,000 annually. The most heavily impacted jurisdiction, Oregon City, shows revenues foregone ranging from \$3500 to \$25,000 annually. The revenues foregone are relatively low because the tax rates set out in the limitation amendment restrain the amount of the renewal levy, and because it is assumed that the renewal levy will be raised on a county-wide basis.

It is worth repeating that the above is an estimate of revenues foregone *if a portion of tax increment revenues must be calculated as a levy within the \$10 limitation*. This should not be confused with any overall levy reduction that these bodies might be required to make in order to accommodate the tax limitation requirements. It has been noted that such an overall reduction appears necessary in Oregon City. Also, the word "foregone" must be used cautiously, for those revenues will not be lost to Oregon City, but will instead be dedicated toward capital improvements within the urban renewal area. Finally, these calculations are based several assumptions, any of which could be changed by future interpreta-

tions of the tax limitation measure. Full detail of the calculations made here is on file with the City of Oregon City.

*Estimated financial effect on schools* - At the present time, arguments can be made on a range of possible impacts on schools, including:

- 1) An argument can be made that schools will levy taxes against all new cash values added in the renewal area. Values added within the renewal district thus would produce new revenues for schools that otherwise would not be realized. In addition, the positive benefits to schools would be realized immediately, rather than at the closeout of the renewal project. This interpretation says that the renewal program produces immediate and positive financial impacts for schools. Assuming a \$5 combined school rate, new school revenues created during the life of the renewal plan would range from \$25,000 to \$310,000 per year.
- 2) An argument can be made that the State of Oregon will completely take over school funding, and there will be no reliance at all on property tax. In that event, the renewal plan would appear to have no financial impact on schools, positive or negative.
- 3) While it appears inconsistent with the Attorney General's September 7th, 1990 opinion, an argument can be made that new values added in the renewal area will not be available for tax purposes until the renewal project is closed out. In that event, using the same \$5 rate as employed in the first example, revenues lost to schools during the life of the renewal plan would range from \$25,000 to \$310,000 per year. When the plan is terminated, values in the renewal area would be expected to produce \$310,000 in new revenue for schools.

As Oregon's property tax limitation is given more study, and its ramifications better understood and interpreted, other renewal impacts may emerge. Other interpretations of the measure could be made by the Legislature or the courts, and the effect of those interpretations can not be predicted. This section provides estimates of impacts, based upon the best information available at this time. ORS 457.460 requires that a renewal agency shall, by August 1 of each year, prepare a

statement which contains, among other things, an analysis of the impact of carrying out the renewal plan. While that provision of ORS 457 currently relates to an analysis of tax rate impacts, it can be expected that the Oregon City Renewal Agency will use that annual statement to evaluate other renewal impacts as they become better defined through future legal and legislative interpretation.

(The 4<sup>th</sup> Amendment added the following wording to Section E of the Report on the Urban Renewal Plan for the Oregon City Downtown Urban Renewal Area):

Section E of the original Report on the Urban Renewal Plan addresses increases in property tax rates which result from carrying out the Urban Renewal Program. The permanent Ballot Measure 50 tax rates for overlapping taxing bodies have been increased as a result of being calculated without the 1997-98 level of incremental values in the Oregon City Urban Renewal Area.

Under Ballot Measure 50, the choice of tax increment revenue certification method can impact the potential property tax revenues received by overlapping tax bodies. A Table 5 hereby is added to Section E of the report on the Fourth Amendment to the Urban renewal Plan.

Table 5 shows the anticipated cumulative incremental values in the Renewal Area over the life of the Plan, and the anticipated property tax revenues foregone as a result of taxing bodies not being able to apply their permanent BM50 tax rates to those values. The dollars foregone in each year also are shown as a percentage of the total potential property tax revenues for that body would increase if it had access to the renewal area values.

**The urban renewal program also may impact educational units of government. Property tax revenues foregone as a result of the choice of Agency's certification option will be taken into consideration in the State's formula for allocation and equalization of school revenues. The presence of the urban renewal program could impact the tax rates for future special levies, or bond issues by educational bodies.**

Table 5 is shown on the following page.

OREGON CITY – DOWNTOWN AREA  
TABLE 5 – POTENTIAL TAXES FOREGONE BY OTHER TAXING BODIES

Year	Cumulative New Incremental Values in Area	County taxes foregone on new values	Amt fore- gone as % of Total County tax	City Tax		Port Tax		Metro		Vector tax fore- gone on new val- ues	Amt foregone as % of Total Fire tax
				Rate	City taxes foregone on new values	Amt fore- gone as % of Total City tax	Port taxes foregone on new values	Amt fore- gone as % of Total Port tax	Metro tax foregone on new values		
1998-99	\$3,454,485	\$8,310	0.038%	\$17,481	0.382%	\$242	0.019%	\$334	0.026%	\$22	0.018%
1999-00	\$7,003,969	\$16,848	0.071%	\$35,444	0.718%	\$490	0.036%	\$678	0.049%	\$46	0.033%
2000-01	\$10,651,063	\$25,621	0.101%	\$53,900	1.012%	\$746	0.051%	\$1,031	0.070%	\$69	0.047%
2001-02	\$14,398,453	\$34,635	0.127%	\$72,863	1.270%	\$1,008	0.064%	\$1,394	0.087%	\$94	0.059%
2002-03	\$18,248,896	\$43,898	0.150%	\$92,349	1.494%	\$1,277	0.075%	\$1,766	0.103%	\$119	0.070%
2003-04	\$23,205,225	\$55,820	0.177%	\$117,430	1.766%	\$1,624	0.089%	\$2,246	0.122%	\$151	0.083%
2004-05	\$28,297,854	\$68,070	0.202%	\$143,201	2.003%	\$1,981	0.101%	\$2,739	0.139%	\$184	0.094%
2005-06	\$33,530,531	\$80,658	0.223%	\$169,681	2.209%	\$2,347	0.112%	\$3,246	0.153%	\$218	0.104%
2006-07	\$38,907,106	\$93,591	0.241%	\$196,889	2.385%	\$2,723	0.121%	\$3,766	0.166%	\$253	0.112%
2007-08	\$44,431,536	\$106,880	0.256%	\$224,846	2.536%	\$3,110	0.129%	\$4,301	0.177%	\$289	0.120%
2008-09	\$50,107,889	\$120,535	0.270%	\$253,571	2.669%	\$3,508	0.135%	\$4,850	0.186%	\$326	0.126%
2009-10	\$55,940,341	\$134,564	0.282%	\$283,086	2.782%	\$3,916	0.141%	\$5,415	0.194%	\$364	0.131%
2010-11	\$61,933,186	\$148,980	0.292%	\$313,413	2.875%	\$4,335	0.146%	\$5,995	0.201%	\$403	0.136%
2011-12	\$68,090,834	\$163,793	0.300%	\$344,574	2.952%	\$4,766	0.150%	\$6,591	0.206%	\$443	0.140%
2012-13	\$74,417,817	\$179,012	0.306%	\$376,591	3.013%	\$5,209	0.153%	\$7,204	0.211%	\$484	0.143%

## **Compression**

For the 1997-98 year, the special levy required to carry out the Downtown Urban Renewal Plan was \$0.4862 cents per thousand of valuation in Clackamas County. The combined BM50 local government tax rate in Oregon City was \$8.6207. This rate is calculated using assessed values, and thus is somewhat higher than the rate which would be calculated using true cash values as specified in Ballot Measure 5. Ballot Measure 5 rates in Oregon City would be approximately 85% of the Measure 50 rate, or roughly \$7.33. It is the Ballot Measure 5 rate which would be used to calculate whether the \$10.00 limit on governmental rates was exceeded. There was no compression of revenue for the City of Oregon City in 1997-98. Under Ballot Measure 50, compression effects will vary from tax code to tax code and even from property to property. It is possible therefore, that the levy for the Downtown Urban Renewal Area might have contributed to some compression losses of revenue for units of general government in Clackamas County.

Future voter-approved, or urban renewal levies may affect compression of general government revenues in the future. The possibility of compression impacts could increase if, and as, the special levies for the Downtown Area increase substantially. Levies are expected to grow only gradually during the life of the plan. In any event, the Urban Renewal Agency is not obliged to take the maximum revenue to which it is entitled. Decisions on whether to employ a special levy, and the amount of the special levy, will be made each year, in the City and Urban Renewal Agency budget process.

## **Effect on Bond Rates**

The presence of the Downtown Urban Renewal Area impacts the tax rate for bonds issued by overlapping taxing bodies. The table on the following page shows the decrease in bond tax rates that would result if the 1997-98 incremental values from the Downtown Renewal Area were available for calculating tax rates. The Table indicates that the tax rates for bonds would decrease approximately two cents per thousand of valuation in the affected tax codes. It is assumed that the proportion of total taxable values represented by the Downtown incremental values would remain relatively stable throughout the life of the Downtown plan, and so would bond impacts.

<b>Downtown Urban Renewal Area Fourth Amendment to Renewal Plan Impact on Bond Rates</b>				
	Comm Coll Clack	Trans Trimet	Srv 2 Metro	Srv 4 Tricity
Levy	\$907,113	\$2,162,479	\$3,887,963	\$2,651,742
AV to set rate	\$13,095,149,440	\$13,323,963,220	\$13,251,407,050	\$2,498,224,980
Bond Rate	\$0.0692	\$0.1623	\$0.2934	\$1.0614
Add UR incre- ment	\$38,542,110	\$38,542,110	\$38,542,110	\$38,542,110
New Rate	\$0.0691	\$0.1618	\$0.2925	\$1.0453
Rate change	-\$0.0001	-\$0.0005	-\$0.0009	-\$0.0161
Total Rate Change	-\$0.0175			

### **Section F. Financial Feasibility of Plan**

Tables 3 and 4 in Section 500 of the Report on the Fourth Amendment to the Plan show the anticipated costs of project activities, and the estimated time required to carry out all project activities, and pay off indebtedness. The principal source of revenue to carry out project activities will be annual tax increment revenues of the Renewal Agency. Anticipated tax increment revenues are shown in Table 6, on the following page.

<b>TABLE 6</b>		
<b>Projected Tax Increment Revenues</b>		
<i>Year</i>	<i>% Growth In</i>	<i>Maximum Tax Increment Amount</i>
1998-99	8.963%	\$1,147,684
1999-00	8.452%	\$1,244,685
2000-01	8.007%	\$1,344,353
2001-02	7.618%	\$1,446,761
2002-03	7.273%	\$1,551,986
2003-04	8.727%	\$1,687,433
2004-05	8.248%	\$1,826,605
2005-06	7.829%	\$1,969,603
2006-07	7.460%	\$2,116,535
2007-08	7.133%	\$2,267,506
2008-09	6.841%	\$2,422,630
2009-10	6.579%	\$2,582,019
2010-11	6.343%	\$2,745,792
2011-12	6.129%	\$2,914,068
2012-13	5.933%	\$3,086,972

The tax increment revenues shown in Table 6 are based on the following assumptions:

1. It is assumed that option 1 will be selected as the tax increment revenue certification method.
2. It is assumed that the renewal agency will certify 100% of its maximum revenue in each year of the projection period.
3. It is assumed that total assessed value within urban renewal area number one will increase 3% annually in each year of the projection period.
4. In addition, it is assumed that new construction will add \$1,000,000 of value during each year of the projection period.
5. These revenue projections are consistent with ballot measure 50 provisions on value increases, and produce annual growth and renewal values consistent with growth patterns in the recent past for Oregon City Downtown Renewal Area.

The revenues shown in Table 6 are expected to be sufficient to carry out all project activities currently shown on the Urban Renewal Plan for the Downtown area, and to retire project indebtedness within a reasonable period of time. It is

financially feasible to carry out the Urban Renewal Plan for the Oregon City Downtown area.

## **600 - RELOCATION**

### **A. Analysis of Residents and Businesses Requiring Relocation**

Acquisition activities contemplated in this plan do not require the relocation of any residents or businesses.

### **B. Description of Relocation Methods**

The Plan does not anticipate the acquisition of property which may result in the displacement of residents and businesses. Should relocation activity subsequently become required by this plan, 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, housing referral, and other relocation assistance and payments 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.

### **C. Housing Cost Enumeration**

This plan does not contemplate the removal of any existing housing units. It is estimated that plan activities will result in the construction of approximately 300 additional multi-family dwelling units. The estimated cost range for these multi-family housing units is \$30,000 to \$35,000 per unit.