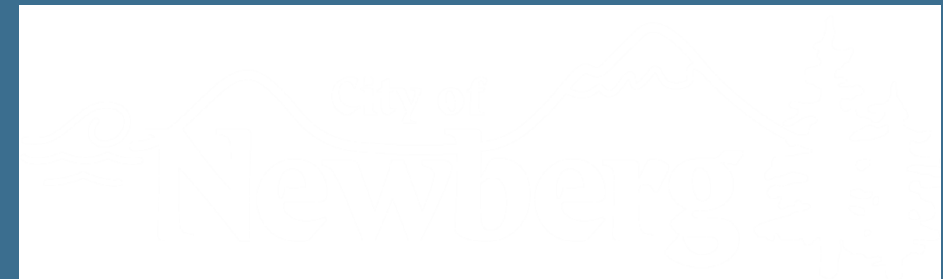


NEWBERG URBAN RENEWAL FEASIBILITY STUDY

Kiwanis Club of Newberg
July 9, 2020



WHAT IS URBAN RENEWAL?

1. Urban renewal is a local government tool used to improve and revitalize areas within a city.
2. Used to implement economic development strategies and comprehensive plan goals. Urban renewal allows local governments to focus investments on a particular area to encourage public and private development.

Why Use Urban Renewal?



Urban renewal is a successful tool for reinvigorating communities across Oregon

Provides funds to implement existing city plans

Makes our city more enjoyable and accessible for community and family activities

Helps facilitate development to create jobs

CITIES IN YAMHILL COUNTY USING URBAN RENEWAL

☐ McMinnville

☐ Carlton

☐ Dundee



URBAN RENEWAL

What work has been done?

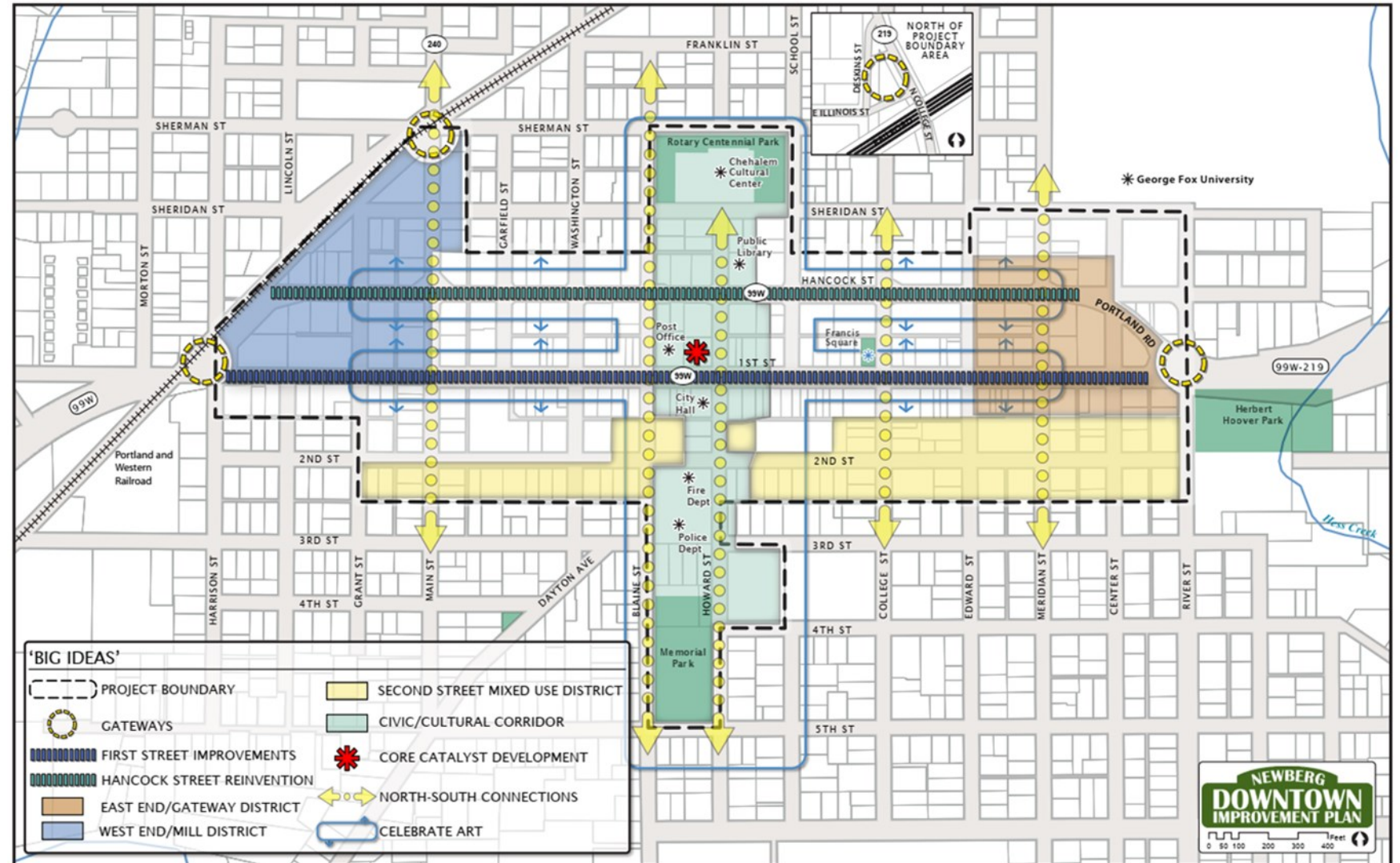
What determines which projects will be funded?

Where will the dollars go?

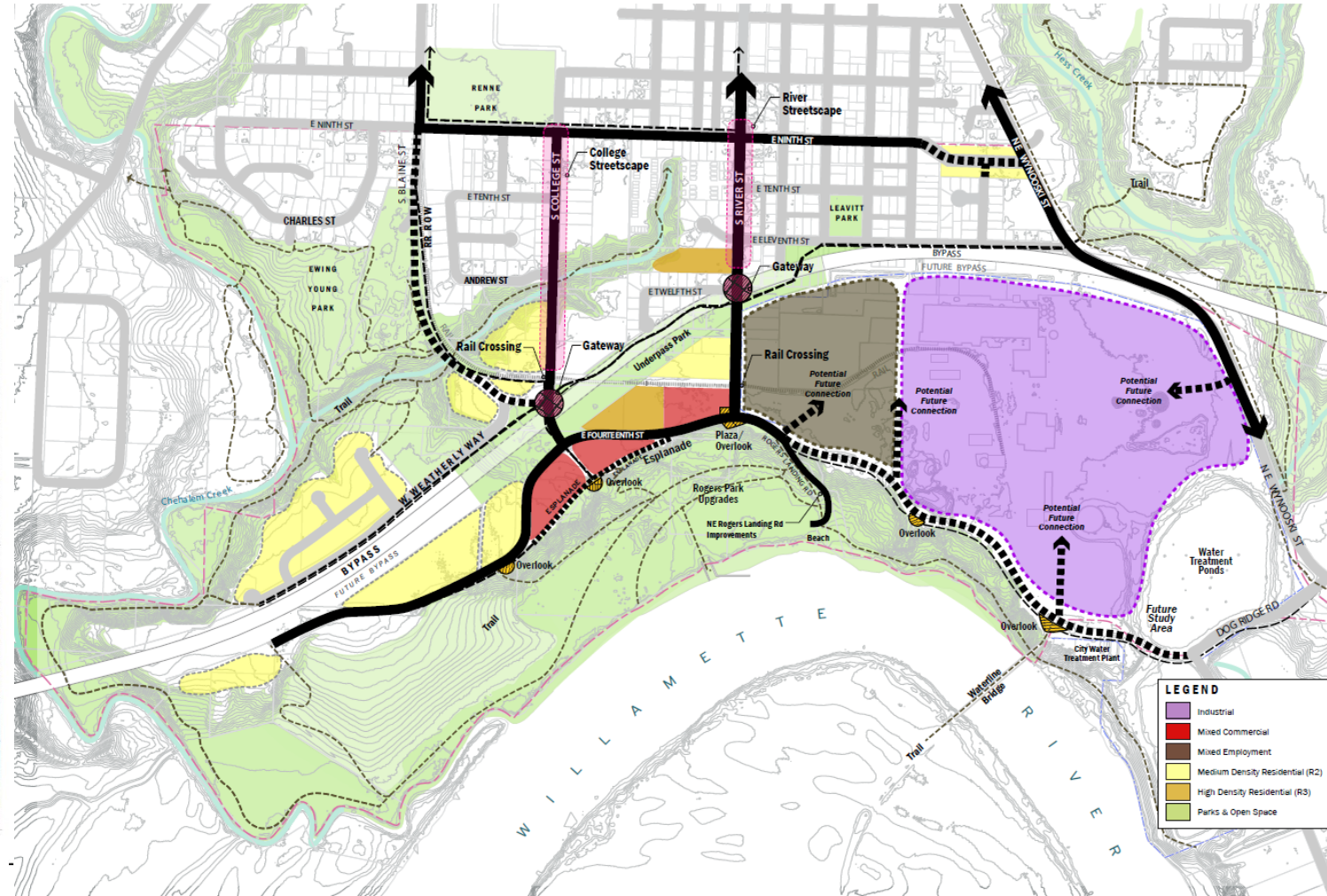
The Urban Renewal Feasibility Study is being conducted after years of the City of Newberg developing plans. The City of Newberg has engaged in multiple long-range planning projects to determine what projects matter to Newberg Residents and where money from a possible Urban Renewal Area should go. Previous plans also informs the City on what boundaries are being considered for an Urban Renewal Area.



Downtown



Riverfront



IN WHAT STAGE OF PLANNING IS THE CITY?

Preparing an Urban Renewal Feasibility Study

Appointed Ad Hoc Citizens Advisory Committee (CAC)

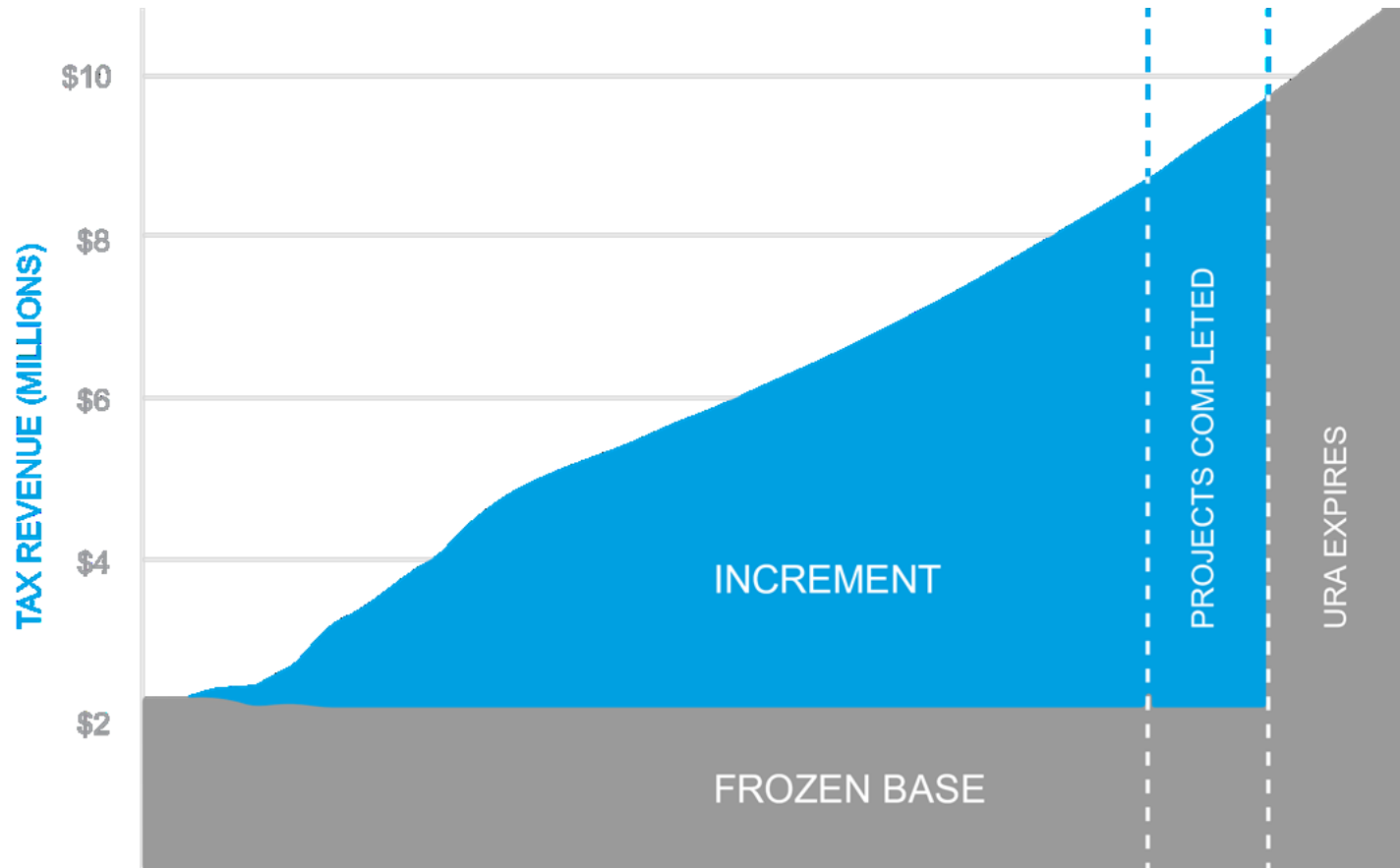
Study is technical in nature:

- a) Identified a boundary
- b) Performed a financial analysis - TIF Forecast
- c) Identified potential projects
- d) Summarized public input
- e) Presentation to City Council

599.73 acres



HOW DOES URBAN RENEWAL FINANCING WORK?



IMPACTS TO TAXING DISTRICTS

- Continue receiving taxes on frozen base
- Temporarily forego taxes on any growth in Urban Renewal area
- Growth may not have occurred but not for urban renewal



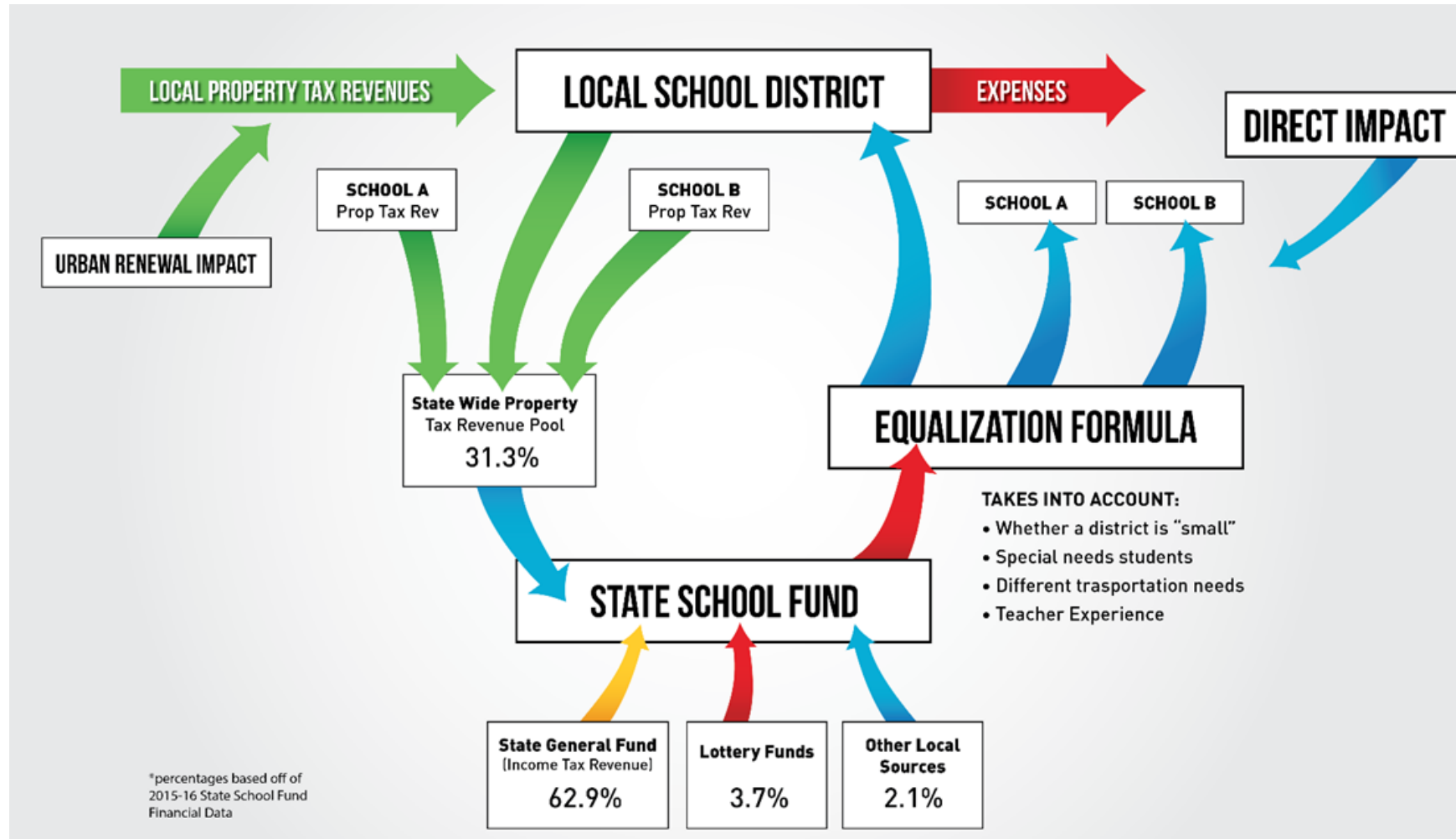
PROPERTY TAXES AND URBAN RENEWAL

- ❖ Urban Renewal Division of Taxes does not increase property taxes, it uses increases in property taxes that were already happening
- ❖ Urban Renewal is a line item on your property tax bill
- ❖ No bonds or local option levies will be impacted by the potential urban renewal plan

PROPERTY TAX BILL WITH URBAN RENEWAL

Taxing District	Rate	Property Value	Property Value without UR – 3% increase	Property Value With UR – 3% increase
Property Value		\$100,000	\$103,000.00	\$103,000.00
Yamhill County	\$ 2.5775	\$257.75	\$265.48	\$257.75
YC 4H and Extension	\$ 0.0449	\$4.49	\$4.62	\$4.49
YC Soil & Water	\$ 0.0354	\$3.54	\$3.65	\$3.54
TVFR	\$ 1.5252	\$152.52	\$157.10	\$152.52
Chehalem Park & Rec	\$ 0.9076	\$90.76	\$93.48	\$90.76
City of Newberg	\$ 2.5750	\$257.50	\$265.23	\$257.50
School District 29J	\$ 4.6616	\$466.16	\$480.14	\$466.16
Portland Community College	\$ 0.2828	\$28.28	\$29.13	\$28.28
Willamette Reg. ESD	\$ 0.2967	\$29.67	\$30.56	\$29.67
		\$0.00	\$0.00	\$0.00
Urban Renewal				\$38.62
Total	\$ 12.9067	\$1,290.67	\$1,329.39	\$1,329.39

URBAN RENEWAL IMPACT - Local Schools



STATUTORY LIMITATIONS

	Acreage	Assessed Value
Potential Urban Renewal Area	599.73	\$152,610,424
City of Newberg	3,799.92	\$2,037,958,279
Percent in URA	16.13%	7.49%
Statutory Maximum	25%	25%

PRELIMINARY PROJECT COSTS BY CATEGORY

Downtown Improvement Plan	Estimated Costs
Public Transportation	\$36,998,850
Public Utility	\$10,794,017
Signage/Wayfinding/N/S Connections, Trolley, Parking	\$6,677,481 to \$8,437,406
Pedestrian Furniture	\$175,600
Building Façade	\$500,000
Second Street Utility Undergrounding	\$1,833,200
Subtotal	\$56,979,148 to \$58,739,073
Riverfront Master Plan	
Public Transportation	\$33,311,213
Public Utility	\$13,713,780
Riverfront Trails	\$1,824,070
Subtotal	\$48,849,063
Administration	\$9,930,000
TOTAL	\$115,758,211 to \$117,518,136

FINANCIAL PROJECTIONS

Projected Annual Growth in AV	4%	5%	6%	7%
Avg Annual Exception AV (2020 \$)	\$1,700,000	\$4,100,000	\$7,400,000	\$11,700,000
Total Net TIF (Over 30 Years)	\$59,300,000	\$84,400,000	\$115,900,000	\$154,300,000
Maximum Indebtedness	\$50,300,000	\$72,000,000	\$99,300,000	\$132,800,000
Capacity (2020 \$)	\$27,900,000	\$39,400,000	\$53,700,000	\$71,100,000
Years 1-5	\$2,500,000	\$3,300,000	\$4,000,000	\$4,800,000
Years 6-10	\$3,900,000	\$5,100,000	\$6,600,000	\$8,100,000
Years 11-15	\$5,100,000	\$7,000,000	\$9,200,000	\$11,900,000
Years 16-20	\$5,200,000	\$7,500,000	\$10,200,000	\$13,700,000
Years 21-25	\$5,400,000	\$8,000,000	\$11,300,000	\$15,600,000
Years 26-30	\$5,700,000	\$8,500,000	\$12,400,000	\$17,100,000

Total Estimated Direct Impacts to Taxing Districts – 30 Years

Annual Growth of AV	Yamhill County	Yamhill County Extension	Yamhill County Soil & Water	City of Newberg	Tualatin Valley Fire & Rescue	Chehalem Park & Recreation District	Portland Community College
4%	(\$12,080,969)	(\$210,450)	(\$165,923)	(\$10,830,306)	(\$7,148,746)	(\$4,254,001)	(\$1,325,508)
5%	(\$17,203,263)	(\$299,680)	(\$236,274)	(\$15,422,321)	(\$10,179,793)	(\$6,057,684)	(\$1,887,520)
6%	(\$23,622,189)	(\$411,498)	(\$324,433)	(\$21,176,739)	(\$13,978,104)	(\$8,317,943)	(\$2,591,796)
7%	(\$31,459,295)	(\$548,020)	(\$432,069)	(\$28,202,521)	(\$18,615,603)	(\$11,077,577)	(\$3,451,674)

Source: Tiberius Solutions

Total Estimated Indirect Impacts to Taxing Districts – 30 years

Annual Growth of AV	Newberg School District 29J	Willamette Education Service District
4%	(\$21,849,329)	(\$1,390,659)
5%	(\$31,113,377)	(\$1,980,294)
6%	(\$42,722,482)	(\$2,719,187)
7%	(\$56,896,469)	(\$3,621,328)

Source: Tiberius Solutions

FEASIBILITY STUDY

Newberg Urban Renewal Feasibility Study Executive Summary



Newberg Urban Renewal Feasibility Study



FARMERS' MARKET/CIVIC ORGANIZATIONS



VIDEOS

What is Urban Renewal?

Why Use Urban Renewal?

Where in the Urban Renewal Process is the City of Newberg?

How does Urban Renewal Impact Taxing Districts?

How does Urban Renewal Impact the School District?

How are TIF Funds Distributed to an Urban Renewal Agency?



NEXT STEPS

1. Planning Commission Update July 9
2. Taxing Districts Outreach July 3 - 19
3. Presentation of Feasibility Study &
Action on CAC Recommendation July 20