

**CITY OF CORVALLIS  
COUNCIL WORK SESSION**



**AGENDA**

**July 7, 2008  
7:00 pm**

**Downtown Fire Station  
400 NW Harrison Boulevard**

**COUNCIL ACTION**

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**I. ROLL CALL**

**II. UNFINISHED BUSINESS**

**A. Mayor/Council/Manager Quarterly Meeting**

1. Councilor Discussion (issues/topics not identified)
2. Urban Renewal Plan
3. Joint City/509J Facilities Committee
4. Progress on 2007-2008 Goals and Values
5. Relationships Using Self-Evaluation Tools
  - \* General and Specific Practices; Code of Conduct
6. Other

**III. ADJOURNMENT**

For the hearing impaired, a sign language interpreter can be provided with 48 hours' notice prior to the meeting. Please call 766-6901 or TTD/TDD telephone 766-6477 to arrange for such service.

**A LARGE PRINT AGENDA CAN BE AVAILABLE BY CALLING 766-6901**

*A Community That Honors Diversity*

## MEMORANDUM

**DATE:** July 2, 2008

**TO:** Mayor, City Council & Planning Commission

**FROM:** Ken Gibb, Community Development Director 

**RE:** City Council/Planning Commission Work session on Urban Renewal Plan

### Issue:

The Downtown Corvallis Strategic Planning Committee recently presented the City Council with a recommended Urban Renewal Plan for the Downtown area.

### Background:

Over the last several years, the Downtown Corvallis Association (DCA) Strategic Planning Committee has led a community-based effort (with City financial and staff support) to complete a downtown vision and strategic plan for the downtown area. The Strategic Plan was completed in 2006 and a major recommendation of the Plan is the creation of a Downtown Urban Renewal District.

Over the past two years, the Strategic Planning Committee, with the assistance of a consultant, conducted a process to develop an urban renewal plan. This process included six public meetings, periodic reports to the City Council and outreach to specific community groups.

At the June 16<sup>th</sup> Council meeting, the Committee formally presented the recommended plan to the City Council (please note that State law requires two separate documents, the urban renewal plan and urban renewal report). In addition to the formal documents, a draft summary document was distributed for Council review. The Council then decided to schedule a joint work session with the Planning Commission to begin the process of considering the recommended urban renewal plan.

### Discussion:

At the work session, Staff will present an overview of the recommended urban renewal plan and highlight the changes since the concept was last presented to the Council and Commission. Staff can then respond to general questions at that point but is requesting questions from Councilors and Commissioners be identified so that a consolidated response can be provided at a subsequent work session. Questions received to date are included in Attachment D.

A series of documents is attached:

Attachment A	Urban Renewal 101 (previously presented by consultant Charles Kupper)
Attachment B	Summary: Corvallis Urban Renewal ( distributed at 7/16 Council meeting)
Attachment C	Cover memo and Urban Renewal Plan & Report (7/16 Council packet)
Attachment D	Questions received from Councilors (as of 7/2/08)

Staff suggests the following steps to review the Strategic Planning Committee recommendation and take the Plan through the process as directed by State law.

- Second Planning Commission/City Council work session to review the recommended plan and responses to questions - July 2008
- Two scheduled City Council work sessions to consider the Plan as ‘project sponsor’ and make any changes prior to forwarding the Plan to the Planning Commission for official review and recommendation - August/early September 2008
- Planning Commission public hearing/recommendation - late September/early October 2008
- City Council public hearing/final action - November 2008
- Voter consideration of Urban Renewal District - May 2009

**Request:**

Staff requests that the Planning Commission and City Council review the attached information, identify questions and provide feedback on the suggested process identified above.

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# Urban Renewal - An Overview of the Basics

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Charles Kupper  
Spencer & Kupper, Portland, Or.

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# 1. General Information on Urban Renewal

- Urban Renewal is authorized by Oregon State law - ORS 457
- Oregon's Urban Renewal statutes have been in effect for more than 40 years
- Approximately 65 Oregon counties and cities now have urban renewal plans
- There are more than 90 urban renewal plans currently in effect

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## 2. What is an Urban Renewal Plan?

- The Renewal Plan consists of two documents – The Plan, and the Report on the Plan.
- The contents of both documents are governed by requirements spelled out in ORS 457
- The Renewal Plan and Report must be prepared with community participation

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## 3. Key Elements of the Renewal Plan

- Plan must identify a project boundary
- Plan must identify and describe the projects to be undertaken
- Plan must identify property acquisition procedures
- Plan must describe the process for making amendments to the plan.
- Plan must contain a maximum amount of indebtedness to carry out the plan

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## 4. Key Elements of the Report on the Plan

- Report must identify
  - Acres and assessed values in the project area.
  - Deficient conditions in the project area
  - Estimated tax increment revenues
  - Estimated cost of plan activities
  - Estimated time needed to carry out all projects and pay off debt
  - Estimated tax impacts of carrying out the renewal plan

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## 5. Adopting a Plan

- A Renewal Plan must be adopted by a non-emergency ordinance of City Council
- Prior to the adoption hearing, the plan must:
  - Be sent to affected taxing bodies for review and comment
  - Be sent to the Planning Commission for review and comment
- A “special notice” of the Council hearing must be mailed to the public
- When the adopting ordinance is effective, the community can receive tax increment funds
  - Corvallis will require voter approval

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## 6. Uses of Renewal Funds

- ❑ Basic infrastructure – streets, curbs, sidewalks, water, sewer, storm drainage, etc.
- ❑ Streetscaping and beautification projects
- ❑ Public amenities - parks, open spaces, pedestrian and bike trails, public parking facilities
- ❑ Loans and grants for building rehabilitation and preservation
- ❑ Financial assistance for public or private development projects
- ❑ Assist in funding public buildings in renewal area

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## 7. Tax Increment Financing (TIF)

- Renewal projects are funded mainly by TIF
- When a renewal plan is adopted, the total assessed value (AV) in the plan boundary is calculated by the County Assessor
- The initial AV becomes the “frozen base” of value for the renewal area
- Tax increment revenue is created when there is an increase in AV over the “frozen base” value
- Increase in AV comes from BM50 indexing, (max. 3%) and new construction values

## 8. Calculating Tax Increment Revenue

- An increase over the frozen base value in the renewal area is termed “excess value”
- Tax Increment Revenue (TI) formula is BM50 tax rate times “excess value”
- Example assumes BM50 rate of \$15 per thousand

Year of Plan	Frozen Base	Total AV	Excess Value	Tax Increment \$
Adoption	\$50 million	\$50 million	\$0	\$0
Year 1	\$50 million	\$52 million	\$2 million	\$30,000
Year 2	\$50 million	\$53 million	\$3 million	\$45,000

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## 9. Renewal After Measure 50

- Before Measure 50, urban renewal resulted in an increase in taxpayers' property tax bills
- Urban Renewal now causes little or no change in property owners' tax bills.
  - (May be slight change in pre-2001 bond rates)
- Under Measure 50, taxes from assessed value increases within the renewal area are directed to the renewal agency, not to various taxing bodies.

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## 10. Renewal After Measure 50 (cont.)

- The division of taxes to the renewal agency results in revenue foregone by taxing bodies
- Funding for schools K-12 is NOT affected
  - Per student funding is the same with or without a renewal plan in place.
- An example follows, illustrating:
  - Division of taxes
  - Revenue foregone, and
  - No increase in total property taxes

# 11. Example of Impact on Tax Bodies

<b>Example 1 – Tax Raised for City Government, no Renewal Plan</b>	
Total Assessed Value (AV) in City	<b>\$500,000,000</b>
Tax Rate for City Government	<b>\$3.00 per thousand</b>
Total Taxes raised for City Government	<b>\$1,500,000</b>
<b>Example 2 – Tax Raised for City Government, with Renewal Plan</b>	
Total Assessed Value (AV) in City	<b>\$500,000,000</b>
“Excess” AV in Renewal Area (Renewal AV)	<b>\$5,000,000</b>
AV Available to City Govt. (Other AV)	<b>\$495,000,000</b>
Tax Rate for City Government	<b>\$3.00 per thousand</b>
Amount Raised for City on Other AV	<b>\$1,485,000</b>
Amount Raised for Renewal on Renewal AV	<b>\$15,000</b>
Total Taxes Raised for City Govt, and Renewal	<b>\$1,500,000</b>

# 12. Example – Tax Bill with and without urban renewal

<b>Property Address – 123 Any Street, City. Or.</b>			
<b>Assessed Valuation - \$100,000</b>			
<b>Total Property Taxes - \$1,200</b>			
<b>Tax Bill Without Renewal Plan</b>		<b>Tax Bill With Renewal Plan</b>	
Taxing Entity	Amount of Tax Paid	Taxing Entity	Amount of Tax Paid
City	\$300	City	\$290.
County	\$300	County	\$290
Other	\$300	Other	\$290
Other	\$300	Other	\$290
Urban Renewal	<b>Won't be on bill</b>	Urban Renewal	<b>\$40</b>
Total	<b>\$1,200</b>	Total	<b>\$1,200</b>

Renewal Basics - Charles Kupper, Spencer &  
Kupper

**SUMMARY: CORVALLIS URBAN RENEWAL**

**I. BACKGROUND**

**A.** “Urban renewal” is a community planning and financing tool that cities use to help improve key areas or neighborhoods within their boundaries. It provides a way to plan, build, and help pay for needed public improvements without new taxes. It also helps provide assistance for public-private endeavors and incentives for private projects with proven public benefits.



The urban renewal districts of today differ significantly from the destructive, and often unsuccessful, programs of forty or fifty years ago. For one thing, modern urban renewal districts focus on helping cities sustain and build on their strengths without damaging or drastically altering community identity. Another difference is that a community is not required to demonstrate advanced stages of decay before it can qualify for urban renewal. This allows cities to use urban renewal as a means to

position their communities for ongoing prosperity well into the future, and to start that planning before, not after, severe economic decline sets in.

In Oregon today, over 65 counties and cities have urban renewal plans, and some have more than one—a total of more than 90 plans statewide.

**B.** The primary purpose of the **Corvallis Downtown Urban Renewal Plan** is to help ensure continued revitalization and long-range success for the downtown and our entire community. The plan takes its focus from the Corvallis Vision 2020 Statement, which foresees “a Central City that is the vibrant commercial, civic, cultural and historic heart of the county.” The plan also aims to encourage and support stronger community connections that link the downtown with land uses and activities on both sides of the Mary’s River.



**C. Community and citizen participation** have been important elements of the downtown planning effort. A series of public open houses and workshops was held in 2003 to begin development of a long-range vision for downtown. Additionally, public open houses, presentations, reports to city committees and city councils, and general public meetings have provided important community input into reports on downtown parking (2001), housing (2004), and market conditions (2005 ) as well as the Downtown Strategic Plan (2006).

Citizens working on the urban renewal plan have given four public reports to the city council, held six public meetings in the past year, and made informational presentations to numerous community groups. Presentations and programs for groups will continue to be available to any group requesting them, right up to Election Day. This effort is important to our entire community—it's everybody's downtown, and all citizens deserve the opportunity to have their questions answered in a timely and understandable manner.

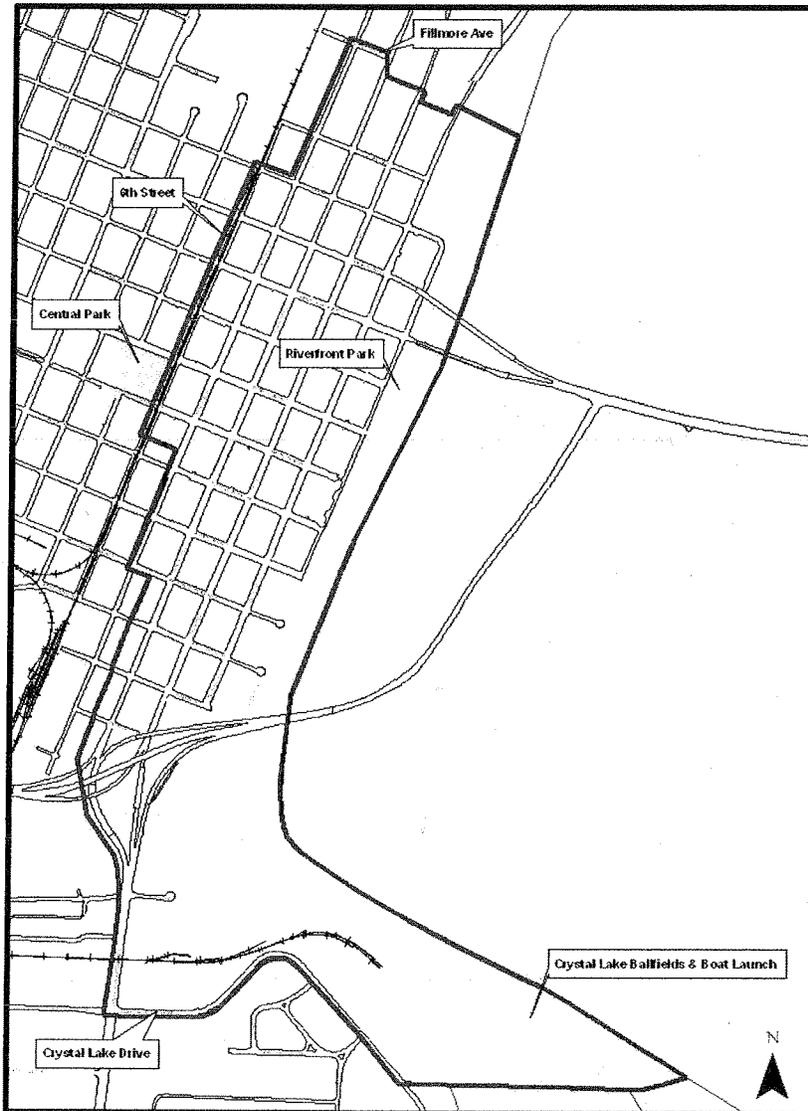


**D. Relationship to local plans and objectives.** This plan is intended to carry out goals, objectives, and policies outlined in *A Vision for Downtown Corvallis*, the *Downtown Strategic Plan*, the *South Corvallis Area Refinement Plan*, the Corvallis Comprehensive Plan, and the Corvallis 2020 Vision Statement. The Downtown Parking Study, Downtown Housing Market Analysis, and Downtown Corvallis Market Study have also contributed to the assessment of downtown needs and to a statement of goals, objectives, and activities for revitalizing the downtown.

## II. THE PLAN

A. **District Boundaries.** All activities described within the plan must take place within the Urban Renewal District boundaries. The boundaries of the proposed district are shown on the map below.

**Proposed Urban Renewal District Boundary**



B. **Plan Goals.** What are we aiming for? The eight goals of the Downtown Urban Renewal Plan are not newly discovered. They have evolved from previous planning efforts and adopted planning policy documents of our city. As previously stated, they aim to make downtown the financial, retail, dining, entertainment, culture, and art center of Corvallis, and to strengthen the connections between downtown and other parts of the community.

Some aspects of our downtown are already flourishing. A major focus for continued success will be to identify what's already succeeding, and build on that approach. The intent is to encourage projects that provide social and economic benefits and lead to additional private investment.

As broad categories of intent, the Downtown Urban Renewal Goals are as follows:



1. Promote public and private improvement.
2. Improve streets, signage, pedestrian amenities, parks, and open spaces.
3. Address parking needs, with an emphasis on underground and multi-level parking.
4. Assist with and encourage downtown housing development.
5. Rehabilitate building stock.
6. Invest in a sustainable and greener downtown.
7. Strengthen connections between downtown and both OSU and South Corvallis.
8. Support increased cultural opportunities such as expanded music and entertainment choices.

**Where did those ideas come from?** These goals were drawn from ideas discussed in the 2007 Downtown Strategic Plan. Key goals from that plan include:

- Renew commitment to downtown as the civic, cultural, and entertainment center of the community.
- Provide goods and services that residents presently leave town to purchase.
- Encourage investment in retail, commercial, and office activities.
- Build upon the diverse mix of uses and small town charm.
- Ensure effective access, parking, and wayfinding solutions.

Relevant strategies from the Downtown Strategic Plan also served as guides to how these and other goals could become realities. Some of those strategies are:

- Prepare and implement an urban renewal plan.
- Support businesses that offer entertainment and cultural events.
- Support the City and interested developers in their efforts to diversify downtown housing options.
- Fill vacancies, attract business anchors, and close gaps in the business mix.
- Encourage upper floor offices.
- Enhance physical linkages to downtown.

## C. Projects and Activities.

The funds of the district are intended solely for activities that help achieve the goals of the official Urban Renewal Plan. The district may fund these activities in full, or in part, or seek other sources of funding for them.

Some projects have clearly emerged during the public involvement process as important to undertake, sooner rather than later. In other cases, goals and needs are clear, but multiple possibilities exist for how to best accomplish them. Additionally, it is not possible to foresee what opportunities may arise during the 20-year life of the district, such as availability of federal or state funds, possible public-private partnerships, changes in property status and ownership interest, and potential private investment.

Therefore, the proposed eligible activities are a mix of specific projects, potential projects, and revolving loan programs to fund particular types of improvement. They include both public and private improvements.

**1. Top priorities.** In the first five years of the district's existence, significant amounts of money will not yet be available for major projects. But there will be enough to begin the following activities:

- Improved and increased directional signage
- Building improvement loans
- Parking solutions fund
- South downtown-south Corvallis river path link
- Historic restoration/renovation program

The sections that follow describe the types of activities that are eligible for urban renewal support according to the goals of the Plan. The Top Priority activities are noted with asterisks.

## 2. Public Improvements

Public improvements include the construction, repair, or replacement of curbs, sidewalks, streets, parking, parks and open spaces, pedestrian and bicycle amenities, water, sanitary sewer and storm sewer facilities, utilities, and other public facilities necessary to carry out the goals and objectives of this Plan.

### a. Public Parks and Open Space Improvements.

Potential improvements include, but are not limited to: design, acquisition, construction or rehabilitation of public spaces, parks, or public recreation facilities within the urban renewal area.



**\*Riverfront Path Improvement Project (up to \$350,000)**



The highest priority project identified in this category is the development of a riverfront path that would "fill in the missing link" in the existing riverfront trail between Crystal Lake Sports Fields and the Downtown. The trail would be a 12' wide, paved, multi-use path. It would extend north from the existing trail end at Crystal Lake Sports Fields, run along the top of the riverbank behind Evanite and the Cornerstone properties, and cross the millrace and the City's BMX track to tie into the existing multi-use sidewalk along South 3rd Street between the

Marys River and the First Alternative Coop. This missing trail segment has been identified on the Parks and Recreation Trails Plan and the Corvallis Transportation Plan.

Other identified potential projects include assisting with North Riverfront Park improvements and enhancing the Confluence Park area with benches.

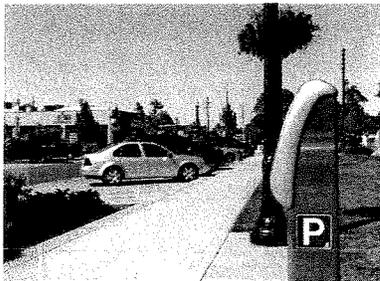
**\*b. Public Parking (\$200,000)**

Public parking can be a challenge in downtown Corvallis. Although a public parking garage has been discussed for years, cost and location have been stumbling blocks. (A single parking space in a garage costs over \$20,000.) That said, customers, employees, businesses and property owners have all clearly identified parking as one of the highest priority needs for the downtown.



To address this, the Renewal Plan proposes to immediately create a Parking Investment Fund to generate seed money on an ongoing basis for improving parking in the downtown. The proposal includes a minimum of \$50,000 per year beginning in the second year of the plan, or a minimum 25% of the Urban Renewal Plan's Public Infrastructure Fund. The fund would permit the district to take advantage of opportunities to meet current and future parking needs.

Projects which could qualify for this funding include:



- Purchasing existing private parking areas for public use.
- Purchasing land to be developed as public parking.
- Entering into public/private partnerships to create additional public parking.
- Construction of additional surface or structured public parking. Structured parking can be either above ground or underground.

**c. Pedestrian, Bicycle and Transit Improvements.**

Successful pedestrian, bicycle, and transit improvements help reduce traffic congestion and parking problems, which are serious issues within the Renewal Area; make the downtown more accessible to members of the community who do not own cars; and encourage transportation choices that do not contribute to air pollution and global warming.

Potential projects in this category include improvements to public transit facilities and the design, redesign, construction, resurfacing, repair and right-of-way acquisition for pedestrian and bicycle routes



**d. Streetscape and Beautification Projects.**

**\*Signage and Locator Project (\$250,000)**

A clear need for better signage has been recommended in several analyses of the downtown--clearer, more visible, and more informative ways of helping downtown visitors unfamiliar with the area to find what they are looking for, both by car and by foot or bicycle. The purpose of this project is to provide that information.

Project objectives include:

- Providing people with the information they need to comfortably access downtown destinations, attractions, parks, and other popular or common destinations (for example, Riverfront Park, the Farmers' Market, or Benton County Courthouse).
- Using consistent, highly visible signage to help drivers find parking convenient to their destination and direct traffic along appropriate streets.
- Developing sign designs that are timeless and can reasonably be made by a contractor, and replaced or repaired by the City's sign shop.
- Developing a wayfinding system that enhances the public image of downtown.

Potential projects may also be undertaken to improve the visual appearance of the Renewal Area. Possible improvements might include:

- Streetscape: Adding decorative pavers, improving street lighting, street trees and landscaping, and improving signage.
- Moving power lines from overhead to underground along Harrison Blvd. between 1st and 5th Streets.
- Improved weather protection in the Renewal Area, particularly in the Downtown.

**e. Street, Curb and Sidewalk Improvements.**

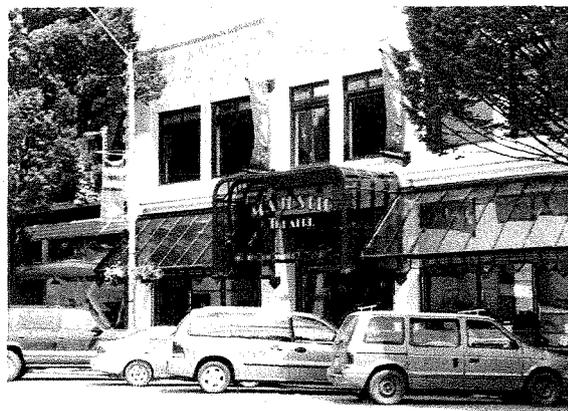
Potential street, curb and sidewalk improvements including design, redesign, construction, resurfacing, repair and acquisition of right-of-way may be considered within the Renewal Area. No specific projects have been identified at this time.

**f. Public Safety Improvements.**

Necessary public safety improvements within the Renewal Area, such as improved lighting, could qualify for funding.

**g. Public Buildings and Facilities.**

Development and redevelopment of public buildings and facilities within the Renewal Area would qualify for a level of funding corresponding to the degree with which the buildings or facilities advance the overall objectives of the Renewal Plan. In addition to the parking facilities mentioned previously, another identified potential project would be to assist with proposed cultural and arts improvements, such as assisting with the establishment of a cultural center.



### 3. Preservation and Rehabilitation

Preservation and rehabilitation activities help improve the condition and appearance of buildings in the Renewal Area. For example, many of the classic older buildings that define the character of downtown were constructed before modern building codes existed, and are in need of seismic and other safety upgrades. Alternatively, newer buildings can sometimes greatly benefit from facade improvements and better weather protection for shoppers.



**Building Improvement Loans** are proposed to address these issues. This loan program is designed to improve the appearance, structural integrity, and use of buildings within the district. The program features deferred payment and below-market interest rates for successful applicants. Applicants would be required to submit proposals to a design review committee for approval, and to provide matching funds or in-kind donations. The program would be supported by funding generated in the first five years of the Urban Renewal Plan, and could be evaluated after the initial 5-year period to determine funding levels in the future.

**\*a. Structural Improvement Program (\$400,000).** This is intended to assist property owners with large projects on buildings that may require significant engineering

or structural work. It's designed to encourage investment that will make buildings structurally sound and usable. Some examples of eligible work are seismic upgrades, sprinkler systems, upper-floor residential conversions, ADA accessibility, elevators, weatherization, and energy-efficiency improvements. Facade improvements may also be eligible when performed in conjunction with other structural improvements.

**\*b. Historic Restoration/Renovation Loan Program (\$100,000)**

This loan program is specifically targeted at structures which are either already formally "listed" as historic resources, or where the proposed restoration/renovation is necessary for formal listing consideration. Note that improvements to historic structures may also qualify for loans from the Building Improvement program. In any case, applicant fund matching is also required.

#### 4. Development and Redevelopment

The urban renewal agency is authorized to provide loans and other forms of financial assistance to property owners wishing to develop or re-develop land and structures within the Renewal Area. Although no near term projects have been identified, potential assistance could take the following forms as well as any others that help achieve the objectives of the Renewal Plan:

- Below market rate loans
- Write-down of land acquisition costs
- Public parking to help development
- Assistance in utility provision
- Technical assistance such as help with design and planning issues



#### 5. Housing Development

The urban renewal agency can use the tools described in the **Preservation And Rehabilitation** and **Development And Redevelopment** sections to help provide new and rehabilitated housing in the Renewal Area. It is also worth noting that Oregon's state housing programs can be used within, or together with, an urban renewal district to help meet the district's goal of increasing downtown housing.

### III. MAKING IT HAPPEN

#### A. Financing

1. ***Tax increment financing.*** No new taxes are used to accomplish urban renewal goals. Instead, the financing comes from a re-allocation of existing taxes on the properties within the urban renewal district. This method of funding is called “tax increment financing.” It works in several steps:

- a. First, when the urban renewal district starts, the assessor freezes the property values for all properties within the district.
- b. Second, every year after that, as the real value of a district property increases, the owner pays the full tax amount, but the additional amount of money by which the tax increased above the first year’s level goes into the urban renewal district’s fund. That extra amount—the additional tax above what the owner paid the previous year—is the “increment.”
- c. Over time, the district accumulates enough money in its fund to begin helping pay for projects or assist with them in some way. Each new completed project that increases the value of its property then begins to return more money into the basic fund, allowing more investment into district projects.
- d. At the end of the district’s life (20 years in the case of Corvallis), all property within the district is re-valuated by the assessor at whatever its full value is at that time. Money is no longer diverted into the district, and all the affected local governments resume receiving their full share of all the newly increased tax revenues.

2. ***Effect on local governments.*** With this method of financing, local governments agree to give up the increase or increment of tax revenue by which properties increase each year. That is, they continue to receive revenues based on the district’s property values at the time the district began. The benefit is that they receive much higher revenues at the end of the district’s life than would otherwise be the case, because of the increased value of the property within the district—value that is much higher than would otherwise be expected, due to the improvements stimulated and encouraged by district support.

The total assessed value of all the properties in Benton County is \$5,923,267,962. Current total assessed value of properties in the proposed Corvallis Downtown Urban Renewal District is \$154,515,620—this is 3 % of all county property.

3. ***Effect on schools.*** It’s important to note that urban renewal financing has little or no effect on the yearly revenues of local schools. State law requires that the state reimburse the school district for whatever revenue the district gives up to the urban renewal district.

## **B. Administration**

The urban renewal district's governing board is the Corvallis City Council. This is the practice with most urban renewal districts throughout Oregon. The City Council by its very nature is broadly representative of the entire city, and is charged with acting in the interests of the full community. That charge extends to its responsibility for the urban renewal district.

The Corvallis Downtown Commission, a citizen advisory commission whose members are appointed by the Mayor of Corvallis, provides ongoing recommendations and advice to the city council on the urban renewal district and other downtown matters. The commission's membership is required to consist of a specified mix of downtown representatives and community members at large.

The Corvallis City Council, acting as the urban renewal agency, has the authority to set guidelines, establish loan programs, and provide loans and other forms of financial assistance to accomplish the stated goals of the district. It also is authorized to acquire land or buildings in order to carry out the objectives of the plan; strict procedures for acquiring and disposing of property are described in the Plan in section 800. Oregon law prohibits the use of eminent domain to acquire property for purposes of private development.

The urban renewal agency may also borrow money and accept advances, loans, grants and other forms of financial assistance from public and private sources for the purposes of carrying out this plan. The maximum amount of indebtedness that the agency may incur is \$31.3 million.

**C. Changes.** Because the expected life of the Urban Renewal Plan is 20 years, it is expected that the plan will be reviewed periodically. Oregon law permits a plan to be changed as conditions warrant. However, the law spells out quite specifically what constitutes substantial changes and require public notice and voter approval, and what constitutes minor changes. Substantial changes are those seeking to either increase the amount of allowed indebtedness or increase the district boundaries by more than 1%. The Plan describes these in detail in Section 1100.

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June 10, 2008

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**Board Members**

Bruce Pedersen, President,  
KVAL-TV  
Amy Childers, Vice-President,  
Starbucks  
Steve Hutchison, Treasurer  
US Bank  
Les Boudreaux, co-Treasurer  
Downtown Property Owner  
Jerry Groesz, Secretary  
1<sup>st</sup> American Title  
Deanna Carr,  
Elements Building  
John Coleman  
Coleman Jewelers  
Iain Duncan,  
LeBistro  
Catherine Holdorf,  
Sibling Revelry  
Susan MacNeil  
InsideOut Garden Visions  
Cary Stephens,  
Barnhisel, Willis, Barlow & Stephens

**Staff**

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**Ex-Officio**

Sarah Johnson,  
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Trish Daniels,  
City Council  
Dave Henslee,  
Corvallis Police Dept.  
Corvallis Tourism  
Corvallis-Benton Chamber  
Coalition  
Associated Students of OSU

Mayor Tomlinson and Corvallis City Councilors:

The DCA's Downtown Strategic Planning Committee is pleased to present you with the Downtown Urban Renewal Plan and Report. The plan was a two year effort involving 35 committee meetings, five community outreach meetings, and numerous conversations with various agencies, organizations, and taxing bodies.

Since our last meeting with the Council, we have expanded the boundary south to the Crystal Lake Sports Fields to include the entirety of the Riverfront trail extension. In response to comments related to project specificity, we have identified four target projects that could be accomplished during the first 5 years.

The Committee suggests you consider the following schedule as you look at fine tuning the plan and soliciting additional public input:

- Summer – Planning Commission & City Council work sessions
- Early Fall – Planning Commission hearing on Plan
- Fall – City Council hearing on Plan
- May 19, 2009 – City-wide vote on the Plan

The Downtown Strategic Planning Committee is available to assist the City Council such as facilitating meetings with other taxing bodies. We are also working on developing informational handouts about the plan that will be suitable for public distribution.

Sincerely,

A handwritten signature in black ink, appearing to read "Pat Lampton", written over a white background.

Pat Lampton, Chair  
Downtown Strategic Planning Committee

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# **The Corvallis Urban Renewal Plan**

**Prepared for:  
The Corvallis City Council**

**Prepared by:  
The Downtown Corvallis Strategic Planning Committee**

**June, 2008**

**Attachment C - 3**

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## **CORVALLIS URBAN RENEWAL PLAN**

### **ACKNOWLEDGEMENTS**

At the request of the Corvallis City Council, The Downtown Corvallis Association (DCA) acted as the advisory body to direct the public involvement and management efforts for preparation of this renewal plan. Members of DCA and City of Corvallis staff gave generously of their time in providing direction and information on all key issues involved in preparing the plan.

### **Members of the Advisory Committee**

Kirk Bailey  
Eric Blackledge  
David Dodson  
Malcolm Dundas  
David Gazeley  
Pat Lampton  
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Joan Wessell, Downtown Corvallis Association, Executive Director

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**CORVALLIS URBAN RENEWAL PLAN**

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## **100. INTRODUCTION**

The Corvallis urban renewal plan consists of Part One - Text and Part Two - Exhibits. The City Council of City of Corvallis acts as the Urban Renewal Agency of the City of Corvallis, Oregon.

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

This urban renewal plan for the Corvallis Urban Renewal Area was approved by the City Council of City of Corvallis on \_\_\_ by Ordinance No. \_\_\_.

## **200. CITIZEN PARTICIPATION**

This renewal plan was developed in an extensive series of public meetings. Renewal planning was initiated with a renewal feasibility study. The feasibility study was developed in a series of meetings conducted by the Downtown Corvallis Association. That process culminated in a presentation to City Council in May, 2006. Work on a renewal plan started in May, 2007. Five public meetings were held during the preparation of the plan. Each meeting was built around discussion and public input on key elements of the urban renewal plan. Meeting topics included basic information on urban renewal and tax increment financing, development of project goals and objectives, development of a list of project activities, and a thorough review of the revenues, costs, and tax impacts of carrying out the project.

The City of Corvallis Planning Commission met to review the Plan on \_\_\_ 2008. The City Council scheduled a public hearing on adoption of this Plan on \_\_\_\_, 2008. Additional notice for the City Council' hearing on adoption of the Plan was provided, as required by ORS 457.120. The renewal plan is subject to voter approval.

## **300. BOUNDARY DESCRIPTION**

The boundary of the renewal area is shown in Exhibit 1, attached to this plan. A legal description of the project boundary is included as Attachment "A" of this plan. If inconsistencies exist between Exhibit 1 and Attachment A, Attachment A governs.

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

The purpose of this Renewal plan is to mitigate conditions of underdeveloped and underutilized properties in the Renewal Area, to implement goals and objectives of the City of Corvallis Comprehensive Plan, Downtown Corvallis Vision, Downtown Corvallis Strategic Plan, and recent studies and statements on Downtown Corvallis. In addition, the renewal plan steering committee developed a set of renewal plan goals and objectives in its public meetings on the plan.

The purpose of this Renewal Plan is to eliminate "qualifying conditions" that cause the undevelopment and underutilization of properties in the Renewal Area.

Make downtown the financial, retail, dining, entertainment, culture and art center of Corvallis (fix second line indent)

- Identify what's successful and build on it
- Address parking needs
- Invest in a sustainable and greener downtown (i.e. streetscape, rooftop solar panels)
- Create a stronger connection between downtown and South Corvallis
- Improve the connection between the OSU community and downtown
- Enhanced pedestrian amenities
- Minimize surface parking and emphasize underground and multi-level parking
- Assist with and encourage downtown housing development
- Enhance music and entertainment choices
- Encourage renewal projects that provide social and economic benefits and that lead to additional private investment

#### **B. Downtown Corvallis Strategic Plan**

The Downtown Strategic Plan reflects statements in the "Central City" section of the "Corvallis 2020 Vision Statement". The urban renewal plan will help implement the vision and goals described in the Downtown Corvallis Strategic Plan. They are:

- Shoppers enjoy the character and ambiance of downtown, with its rich mix of older (fix second line indent for this and all bullets below) buildings, sidewalk cafes, and the Corvallis Commemorative Riverfront Park. Downtown is the primary shopping area, community gathering place, and governmental hub. People live, work, shop, and play downtown, making it a lively and inviting place.
- Overhangs and awnings above sidewalks provide customers with protection from the elements and encourage more activities, such as street vendors and musicians.
- Building owners are continually upgrading their properties to enhance the visual appearance of the downtown.
- The vibrant riverfront is the City's downtown showcase that respects and celebrates the river.

- The riverfront features a variety of restaurants, shops, upper floor housing, and plazas connected by jogging and cycling paths.
- New and expanding businesses offer a wide selection of merchandise. Major anchor tenants as well as national name tenants have encouraged consumers to stay downtown and shop locally.
- A stable business core ensures downtown remains a major employment center. Businesses have partnered together in their marketing efforts to attract more shoppers to downtown. Professional offices and incubator businesses are located on the upper floors of many buildings.
- Parking options have improved through better utilization of existing parking areas and construction of new parking structures. A number of new buildings provide underground parking. The downtown is pedestrian and bicycle friendly, with easy access to mass transit.
- Downtown is the City's cultural heart, drawing from the close proximity of Central Park, the Art Center, the Public Library, Majestic Theatre, and gateway to the OSU campus. There is an increase in concerts, markets, parades, and festivals, such as the Red White and Blues Riverfront Festival, the Farmers' Market, and Corvallis Fall Festival. Ample parking is available for after-hours use by those attending concerts and shows, dining at restaurants, or using the library.
- Outdoor art is prevalent throughout the downtown, adding a rich dimension to the area downtown. Downtown supports a thriving local theater and music scene. Entertainment and cultural options have increased with the redevelopment of the Whiteside Theater and the new Benton County Museum.
- Downtown offers attractive housing options, including lofts, apartments, townhouses, and condominiums. Most of the new housing is along First Street which offers the added amenity of open space and pastoral views across the river. Upper floors of historic buildings provide affordable housing for the elderly, disabled, and low and moderate income citizens
- City, County, State and regional government offices are clustered downtown. The City and County have maintained their presence in downtown by redeveloping two blocks near Central Park for civic uses.

- The city has taken an active role in partnering with the Downtown Corvallis Association and other organizations to improve the vitality of downtown.

### **C. Methods**

The activities identified in Section 700 of the Urban renewal plan are intended to carry out the goals and objectives of this renewal plan.

## **500. PROPOSED LAND USES**

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

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, Sign Ordinance, Subdivision Ordinance, City Charter, or any other applicable local, county, state or federal laws regulating the use of property in the Urban Renewal Area.

**Zoning Classifications in the Renewal Area**

A zoning map of the renewal area is attached as Exhibit 2 of this plan. Zoning classification in the area are:

<b>Downtown Corvallis Urban Renewal Area Zoning</b>	
<b>Zoning Classification</b>	<b>Description</b>
<b>CB - Central Business</b>	The CB Zone is intended to provide an area for Commercial Uses, as well as Civic and Residential Uses, and to provide all basic services and amenities required to keep the downtown the vital center of our community. The zone is designed to permit some residential units in buildings containing commercial activities.
<b>CBF - Central Business Fringe</b>	The CBF Zone is designed to allow commercial activity necessary to support regional shopping facilities located in the CB Zone. It is located on the fringe of the CB Zone and should contribute to a visually attractive entrance to the downtown area.
<b>MUCS - Mixed Use Community Shopping</b>	The MUCS Zone is generally located between neighborhood centers and is intended to provide a transition to a more pedestrian- and human-scale environment. The zone is intended to provide for retail businesses and commercial and personal service activities of limited size, and mixed use developments that accommodate pedestrian oriented uses and a limited number of more auto-oriented uses.
<b>MUE - Mixed Use Employment</b>	The MUE Zone is intended to provide a variety of employment uses, including Limited Industrial uses, and Commercial, Civic, and Residential uses, at a scale appropriate to surrounding employment areas. This zone provides flexibility to allow for development that includes a broad range of uses in order to facilitate live/work/shop environments and opportunities for pedestrian-oriented lifestyles.

<b>GI - General Industrial</b>	The GI Zone provides appropriate locations for a variety of General Industrial uses, including manufacturing and related activities with few, if any, nuisance characteristics. This zone prohibits residential uses except in specific circumstances.
<b>AG-OS - Agriculture-Open Space</b>	The AG-OS Zone recognizes areas within the City that are suitable for agricultural research uses and for uses compatible with agricultural and horticultural research use types. The characteristics of such uses typically result in preservation of large open space areas.
<b>RF - Riverfront</b>	The RF Zone is designated for a portion of the downtown core area. It is intended to provide an area for Commercial, Civic, and Residential uses, and to merge downtown with the Riverfront Commemorative Park. It is designed to be a pedestrian-friendly, multi-use area that focuses on the river. The zone prohibits new Low Density Residential buildings, but encourages dwelling units in, or attached to, commercial uses to foster a mixed use and vibrant downtown core.
<b>RS-20 - High Density Residential</b>	The RS-20 Zone implements the High Density Residential Comprehensive Plan designation, and allows for 20 or more dwelling units per acre. It is intended to provide areas for high density group residential dwelling units and other closely related and/or supportive uses. This zone allows for a variety of Residential use and building types, as well as Civic and Commercial facilities that are complimentary to high density residential areas.

<b>WRG Overlay - Willamette River Greenway Overlay</b>	<p>The Willamette River Greenway is an Overlay that coincides with the adopted Greenway boundary and applies to all development permitted by the underlying zones. The zone is meant to provide control over proposals for uses, or intensification of uses, within the Greenway; to protect, conserve, enhance, and maintain the natural, scenic, historical, economic, and recreational qualities of lands along the Willamette River; and to ensure development along the river is consistent with natural features protections and State Statute.</p>
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**B. Plan and Design Review**

The Urban Renewal Agency shall be notified of any Comprehensive Plan/Zoning amendment application, building permit, conditional use or other development permits requested within the Area.

**600. OUTLINE OF DEVELOPMENT**

The Urban Renewal project consists of activities and actions which treat the causes of underutilization, underdevelopment, and vacancy in the Corvallis Urban Renewal Area. Project activities further are intended to implement the vision and goals in Section 400 of this plan. Project activities to treat qualifying conditions, maximize value and use of properties and to implement community and comprehensive plan goals include:

- Providing incentives to new public and private building investments in the project area.
- Providing assistance to create and maintain affordable housing in the project area.
- Providing incentives for the repair and rehabilitation of deficient structures in the project area.
- Contributing to funding new parks and public buildings in the renewal area
- Improving the physical appearance of the renewal area
- Improving parking availability in the renewal area.

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

## **700. DESCRIPTION OF PROJECTS TO BE UNDERTAKEN**

In order to achieve the objectives of this Plan, the following activities will be undertaken by the Urban Renewal Agency in accordance with applicable federal, state, county, and city laws, policies, and procedures. The Renewal Agency may fund these activities in full, or in part, or seek other sources of funding for them. The list of projects was developed during the public involvement process as the most important projects to undertake. The intent in describing these projects and activities includes establishing, through this Plan, the general and specific authority to undertake these projects and activities within the Urban Renewal Area. It is not assumed that these projects will be entirely funded with urban renewal funds. It is not possible to foresee all the changing conditions and events that may occur during the life of this Plan. Such projects will be added to the plan by amendment, if such amendment is required by Section 900 of this plan. These projects and activities may be modified, or expanded upon as needed to meet renewal plan objectives. Changes will be undertaken in accordance with procedures for amendments to this Plan.

### **1. PUBLIC IMPROVEMENTS**

Definition - Public improvements include the construction, repair, or replacement of curbs, sidewalks, streets, parking, parks and open spaces, pedestrian and bicycle amenities, water, sanitary sewer and storm sewer facilities, utilities, and other public facilities necessary to carry out the goals and objectives of this plan.

#### **A) Public Parks and Open Spaces**

The Renewal Agency may participate in funding the design, acquisition, construction or rehabilitation of public spaces, parks or public recreation facilities within the urban renewal area. Identified projects include but are not limited to:

- Assist with north riverfront park improvements.
- Enhance confluence park area with benches, bridge to S. Corvallis
- Other specific projects may be identified during the life of this plan.

#### **B) Street, Curb, and Sidewalk Improvements**

The Renewal Agency may participate in funding sidewalk and roadway improvements including design, redesign, construction, resurfacing, repair and acquisition of right-of way for curbs, streets, and sidewalks. Specific street, curb, and sidewalk improvements may be identified during the life of this plan.

### **C) Streetscape and Beautification Projects**

The Renewal Agency is authorized to participate in activities improving the visual appearance of the project area.. These improvements include:

- Streetscape improvements, including decorative pavers, street lighting, street trees, landscaping, street furnishings and signs.
- Place overhead utility lines underground, Harrison Blvd., 1<sup>st</sup> to 5th
- Assist in providing weather protection in the downtown area.
- Other specific projects may be identified during the life of this plan.

### **D) Pedestrian, Bicycle, and Transit Improvements**

The Renewal Agency may participate in funding improvements to public transit facilities, and make improvements including design, redesign, construction, resurfacing, repair and acquisition of right-of way for pedestrian and bicycle paths and connections. These activities will improve transit options, and facilitate pedestrian and bicycle usage in the renewal area. These improvements include:

- Assist with multi-use path improvements from downtown to Crystal Lake sports fields
- Provide signage and wayfaring
- Contribute to a downtown trolley or shuttle
- Other specific projects may be developed during the life of this plan.

### **E) Public Safety Improvements**

The Renewal Agency may participate in funding improvements needed for public safety purposes. Public safety improvements include

- Improve street lighting in the project area

Other specific projects may be developed during the life of this plan.

### **G) Public Buildings and Facilities**

The Renewal Agency may participate in development of public facilities in the renewal area. The extent of the Agency's participation in funding such 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. Potential public facilities to be funded include:

- Construction of parking facilities to serve development in the project area.
- Assist with cultural and arts improvements.

Other specific projects may be developed during the life of this plan.

## **2. PRESERVATION AND REHABILITATION**

This activity will help improve the condition and appearance of buildings in the project area, and encourage infill and reuse in the project area. The Renewal Agency may participate, through loans, grants, or both, in maintaining and improving exterior and interior conditions of properties within the renewal area. This activity will include preservation and rehabilitation of historic buildings.

## **3. DEVELOPMENT AND REDEVELOPMENT**

The Renewal Agency also is authorized to provide loans, or other forms of financial assistance to property owners wishing to develop or redevelop land or buildings within the renewal area. The Agency may make this assistance available as it deems necessary to achieve the objectives of this Plan. Examples of such assistance include, but are not limited to:

- Below market interest rate loans
- Write down of land acquisition costs
- Provision of public parking to assist development
- Assistance in providing utilities
- Technical assistance, including architectural assistance, and zoning change work.

**4. HOUSING DEVELOPMENT** The Renewal Agency will utilize the incentives cited in Sections 700(2), and 700(3) to help provide new and rehabilitated housing for residents and workers in the renewal project area.

**5. PROPERTY ACQUISITION AND DISPOSITION**

In order to carry out the objectives of this Plan, the Renewal Agency is authorized to acquire land or buildings for public and private development purposes. The procedures for acquiring and disposing of property are described in Sections 800 of this Plan.

**6. PLAN ADMINISTRATION**

Tax increment funds may be utilized to pay indebtedness associated with preparation of the urban renewal plan, to carry out design plans, miscellaneous land use and public facility studies, engineering, market, and other technical studies as may be needed during the course of the urban renewal plan. Project funds also may be used to pay for personnel and other administrative costs incurred in management of the renewal plan.

**800. PROPERTY ACQUISITION PROCEDURES**

The Renewal Agency is authorized to acquire property within the renewal area. Property acquisition, including limited interest acquisition, is hereby made a part of this Plan and may be used to achieve the objectives of this Plan. All acquisition of property will require will require an amendment to the plan as set forth in Section 1100 of this Plan

**A. Acquisition requiring City Council approval.**

Acquisitions for the following purposes will require an amendment to this Plan as set forth in Section 1100(B)(2) of this Plan.

- Acquisition of land for development by private developers
- Acquisition of land for development by public sector bodies.
- Acquisition for any purpose that requires the use of the Agency's powers of eminent domain.

The City Council shall ratify the amendment to this Plan by resolution. City Council ratification is required for Renewal Agency acquisitions for the following purposes:

**B. Acquisition not requiring City Council approval.**

Land acquisition not requiring City Council ratification requires a minor amendment to this Plan as set forth in Section 1100 (C)(2) of this Plan. The minor amendment to the Renewal plan may be adopted by the Renewal Agency by Resolution. The Agency may acquire land without Council ratification where the following conditions exist:

1. Where it is determined that the property is needed to provide public improvements
  - a. Right-of-way acquisition for streets, alleys or pedestrian ways;
  - b. Right of way and easement acquisition for water, sewer, and other utilities
2. Where the owner of real property within the boundaries of the Area wishes to convey title of such property by any means, including by gift.

**C. Properties to be acquired**

At the time this plan is prepared, no properties are identified for acquisition. If plan amendments to acquire property are approved, a map exhibit shall be prepared showing the properties to be acquired and the property will be added to the list of properties to be acquired. The list of properties acquired will be shown in this section 800C of the Plan.

**D. Property Disposition Policies and Procedures**

The Renewal Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property which has been acquired, in accordance with the provisions of this Plan.

All real property acquired by the Renewal Agency for redevelopment in the Urban Renewal Area shall be disposed of for development for the uses permitted in the Plan at its fair re-use value. All persons and entities obtaining property from the Renewal Agency shall use the property for the purposes designated in this Plan, and shall commence and complete development of the property within a period of time which the Renewal Agency fixes as reasonable, and shall comply with other conditions which the Renewal Agency deems necessary to carry out the purposes of this Plan.

To provide adequate safeguards to insure that the provisions of this Plan will be carried out, all real property disposed of by the Renewal Agency, as well as all other real property the development of which is assisted financially by the Renewal Agency, shall be made subject to this Plan. Leases, deeds, contracts, agreements, and declarations of restrictions by the Renewal

Agency may contain restrictions, covenants, and conditions running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provisions necessary to carry out this Plan.

No property acquisition is under consideration at the time this plan is adopted, therefore no specific disposition schedule is included. It is anticipated that any property acquired by the renewal agency will be disposed of within five years of its acquisition.

### **900. 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:

1. The Redeveloper shall develop or redevelop property in accordance with the land-use provisions and other requirements specified in this Plan.
2. The Renewal Agency may require the redeveloper to execute a development agreement acceptable to the Renewal Agency as a condition of any form of assistance by the Renewal Agency. The Redeveloper shall accept all conditions and agreements as may be required by the Renewal Agency.
3. 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 and approval prior to distribution to reviewing bodies as required by the City.
4. The Redeveloper shall commence and complete the development of such property for the use provided in this Plan within a reasonable period of time as determined by the Agency.
5. The Redeveloper shall not 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.

### **1000. RELOCATION**

The Renewal Agency will provide relocation assistance to all persons or businesses displaced by project activities. Those displaced will be given assistance 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 Chapter 35 of the Oregon Revised Statutes, and any other applicable laws or regulations.

The Development Agency may contract with Oregon Department of Transportation (ODOT), or other appropriate agencies or parties for assistance in administering its relocation program.

### **1100. PLAN AMENDMENTS**

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

#### **A. Substantial Amendments Per ORS Chapter 457**

Substantial Amendments to the statutes are:

- Adding land to the urban renewal area that is in excess of one percent of the existing area of the Plan.
- Increasing the maximum amount of indebtedness that can be issued or incurred under the Plan.
- Changing the tax increment funds collected or used by an amount in excess of the limits approved by the voters as part of this plan.

Substantial Amendments shall require the same notice, hearing and approval procedure required of the original Plan, including public involvement, consultation with taxing districts, presentation to the Planning Commission and adoption by the City Council by non-emergency ordinance after a hearing requiring “special notice” per ORS 457. 120. Those Substantial Amendments that change the collection or use of tax increment funds in an amount in excess of the limits in this plan must be approved by the voters, consistent with Section 56 of the Corvallis City Charter and Section 1300 C. of this plan.

#### **B. Substantial Amendments Per Section 56 of the Corvallis City Charter**

Substantial Amendments include changes in the collection or use of tax increment funds which vary more than 20% from each amount specifically set out for each project category (A, B, C and D), in Table 2 of Section 500 of the Report on the Urban Renewal Plan, as approved by the Corvallis City Council on \_\_\_\_ 2008. These amendments must be approved by the voters, consistent with Section 56 of the Corvallis City Charter and Section 1300 C. of this plan.

### **C. Minor Amendments.**

Minor amendments may be approved by the Renewal Agency and the City Council by resolution. Such amendments are defined as:

- Acquisition of property for purposes specified in Section 800A1 A2, and A3, and 800 B of this plan.
- Amendments to clarify language, add graphic exhibits, make minor modifications in the scope or location of improvements authorized by this Plan, or other such modifications which do not change the basic planning or engineering principles of the Plan.
- Addition of a project substantially different from those identified in Sections 700 of the Plan.
- Increases in the urban renewal area boundary that are less than one percent of the existing area of the Plan.

### **1200. MAXIMUM INDEBTEDNESS**

The maximum indebtedness authorized under this plan is Thirty-one million. two hundred and seventy thousand dollars (\$31,270,000). This amount is the principal of indebtedness, and does not include interest on indebtedness.

### **1300. 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**

This urban renewal plan will be financed in whole, or in part, by tax increment revenues. The ad valorem taxes levied by all taxing districts in which all or a portion of the Corvallis is located shall be divided as provided in section 1c, Article IX of the Oregon Constitution and ORS 457.420 to 457.460.

## **C. Voter Approval requirement of Corvallis City Charter**

Section 56 of the Corvallis City Charter states that "Any urban renewal plan or amendment approved by the City Council shall contain the following provisions:

1. Any collection or use of tax increment funds for any purpose whatsoever must be approved in advance by a majority vote at a City election.
2. Any collection or use of tax increment funds shall be considered a substantial change in the plan."

Voter approval of this plan includes approval of changes in the collection or use of tax increment funds which does not exceed 20% of each the amounts specifically set out for each project category (A, B, C and D), in Table 2 of Section 500 of the Report on the Urban Renewal Plan, as approved by the Corvallis City Council on \_\_\_\_\_ 2008.

## **D. Prior Indebtedness**

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

## **1400. DEFINITIONS**

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

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

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

"County" means Benton County, Oregon.

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

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

**"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.

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

**"Exhibit"** means an attachment, either narrative or map, to the Urban renewal plan for the Corvallis Urban Renewal Area, Part Two - Exhibits.

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

**"Plan"** means the Urban renewal plan for the Corvallis Urban Renewal Area, Parts One and Two.

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

**"Project, Activity or Project Activity"** means any undertaking or activity within the Renewal 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.

**"Qualifying Condition"** means any condition which would characterize an area as a "blighted area" under the terms of ORS 457.010(1).

**"Report"** refers to the report accompanying the urban renewal plan, as provided in ORS 457.085 (3)

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

**"Rehabilitation Loans and Grants"** – Funds provided by the Renewal Agency to owners of existing properties within the urban renewal area for the purpose of rehabilitation, renovation, repair, or historic preservation of the property. Loan and grant policies and procedures will be developed by the Renewal Agency, to carry out the Rehabilitation and Conservation activities of this Plan

**"Redevelopment Assistance"** – Financial assistance provided by the Renewal Agency to private or public developers of property within the urban renewal area. This assistance is intended to make development within the renewal area financially feasible and competitive with other locations, and carry out the Redevelopment Through New Construction activities of this Plan. Redevelopment Assistance may take the form of participation in financing public improvements such as parking, infrastructure, landscaping, and public places, providing technical information and assistance to potential redevelopers, re-sale of land at written down prices, and such other assistance as the Agency determines is within its authority, and necessary.

**"State"** means the State of Oregon.

**"Text"** means the Urban renewal plan for the Corvallis Urban Renewal Area, Part One - Text.

**"Urban Renewal Agency"** means the Urban Renewal Agency of City of Corvallis, Oregon.

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

**Corvallis Urban Renewal Plan**

**City of Corvallis, Oregon**

**Part Two-Exhibits**

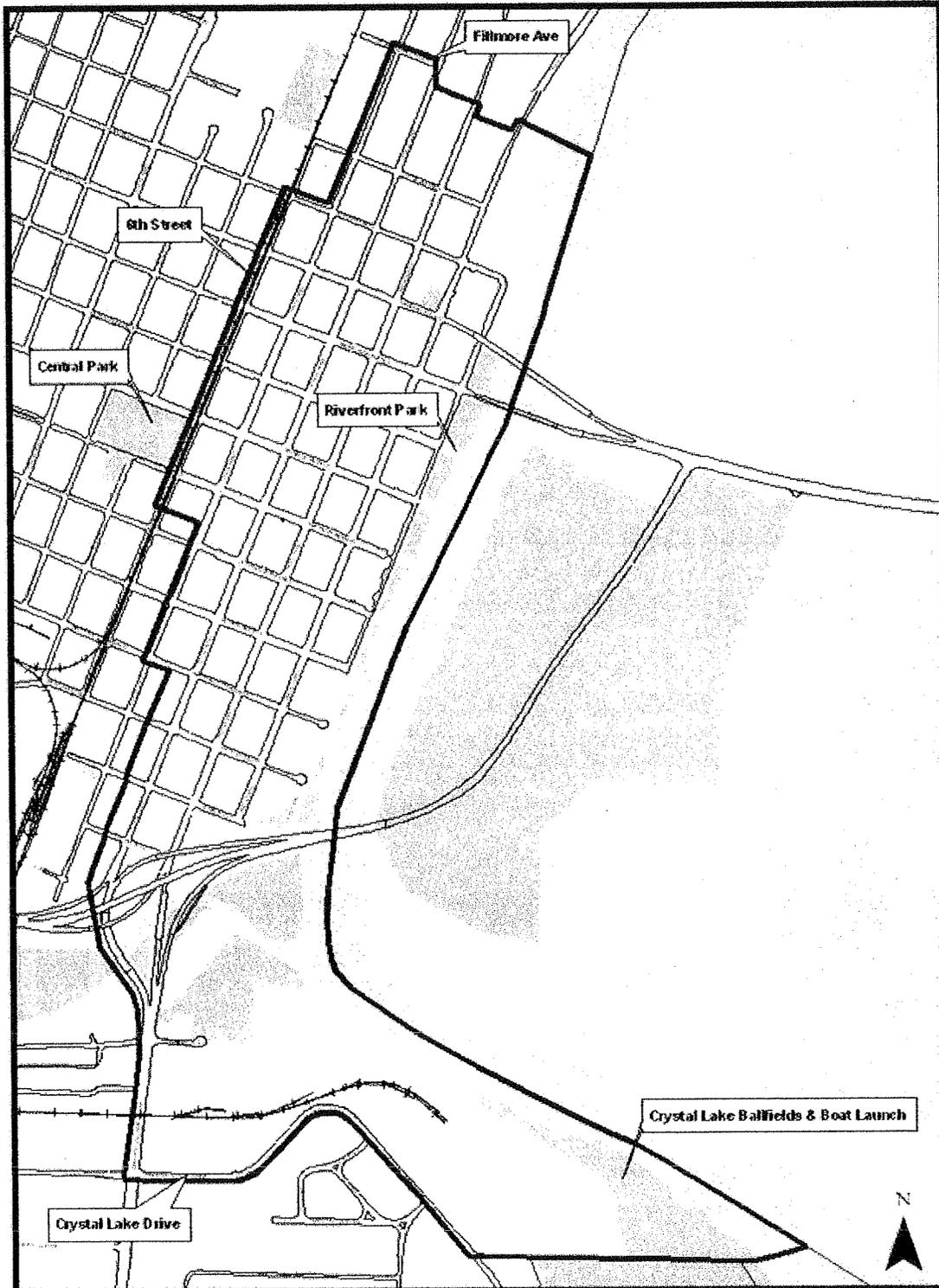
EXHIBITS

Exhibit 1 ..... Map of Plan Boundary

ATTACHMENTS

Attachment A ..... Boundary Description

# Proposed Urban Renewal District Boundary



# **Report On The Corvallis Urban Renewal Plan**

**Prepared for:  
The Corvallis City Council**

**Prepared by:  
The Downtown Corvallis Strategic Planning Committee**

**June, 2008**

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## **REPORT ON THE CORVALLIS URBAN RENEWAL PLAN**

### **ACKNOWLEDGEMENTS**

At the request of the Corvallis City Council, The Downtown Corvallis Association (DCA) acted as the advisory body to direct the public involvement and management efforts for preparation of this renewal plan. Members of DCA and City of Corvallis staff gave generously of their time in providing direction and information on all key issues involved in preparing the plan.

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**REPORT ON THE CORVALLIS URBAN RENEWAL PLAN**

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**Attachments to the Report on the Plan are:  
Description of Building Improvement Loans  
Description of Destination Signage  
Description of Riverfront Path Improvements  
Description of a Parking Investment Fund**

## **REPORT ON THE CORVALLIS URBAN RENEWAL PLAN**

### **Public Involvement in the Report on the Plan.**

This renewal plan was developed in an extensive series of public meetings. Renewal planning was initiated with a renewal feasibility study. The feasibility study was developed in a series of meetings conducted by the Downtown Corvallis Association. That process culminated in a presentation to the City Council in May, 2006. Work on a renewal plan started in May, 2007. Five public meetings were held during the preparation of the plan. Each meeting was built around discussion and public input on key elements of the urban renewal plan. Meeting topics included basic information on urban renewal and tax increment financing, development of project goals and objectives, development of a list of project activities, and a thorough review of the revenues, costs, and tax impacts of carrying out the project. The renewal plan is subject to voter approval.

## **100. DESCRIPTION OF THE PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS IN THE RENEWAL AREA**

### **Definition of Qualifying Conditions**

For purposes of this Report and the associated Plan, a "qualifying condition" is any condition which would characterize an area as a "blighted area" under the terms of ORS 457.010(1).

ORS 457.010(1) uses the term "blighted areas" to describe property that is undervalued, underutilized or in an underdeveloped condition. As used in the statute, "blighted area" has a specific meaning, intended to encompass any one or any number of multiple conditions and levels of improvement, some of which may apply to the proposed Urban Renewal District Area. The statutory definition and characteristics are set out below:

"Blighted areas mean 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. A blighted area is characterized by the existence of one or more of the following conditions:

"The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, which are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:

"Defective design and quality of physical construction;

"Faulty interior arrangement and exterior spacing;

"Overcrowding and a high density of population;

"Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities; or

"Obsolescence, deterioration, dilapidation, mixed character or shifting of uses."

"An economic dislocation, deterioration or disuse of property resulting from faulty planning;

"The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development;

"The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions;

"The existence of inadequate streets and other rights-of-way, open spaces and utilities;

"The existence of property or lots or other areas which are subject to inundation by water;

"A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;

"A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare; or

"A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere."

Note that it is not necessary for each of the cited conditions to be present in the renewal area, or for these conditions to be prevalent in each and every sector of the urban renewal area.

## **100A. PHYSICAL CONDITIONS**

### ***1. Land Area and Conformance with 15 % limit on acreage***

The Corvallis Urban Renewal area contains approximately 298 acres of land area. ORS 457.420 provides that the total land area of a proposed urban renewal district, when added to the land area of existing Renewal areas may not exceed 15% of the City's land area. The City's current land area is approximately 9,079 acres. The total of all acreage in renewal areas represents 3.28% of the City's land area. Total renewal area acreage is within the 15% limitation prescribed by ORS 457.420.

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

The Corvallis Urban Renewal area encompasses the downtown commercial district of Corvallis, and some adjacent industrial and residential areas. Table One, following, shows a breakdown of uses by Department of Revenue property classifications

**Table 1**  
**Corvallis Urban Renewal Area**  
**Property Classes in Area**

Class	Type	Number	Pct
101	Residential unimproved	29	5.93%
121	Residential improved	53	10.84%
200	Commercial unimproved	15	3.07%
201	Commercial improved	289	59.10%
204	Commercial, part exempt	1	0.20%
300	Industrial	11	2.25%
701	Mobile home	19	3.89%
900	Exempt	68	13.91%
003	Utility	4	0.82%
	Total	489	100.00%

Table 1 shows that commercial uses predominate in the area, comprising almost 60% of the uses. The next largest uses are residential, followed by exempt uses.

### **3. Building Conditions**

Most buildings in the area are designated for commercial or residential. Visual inspection of building exteriors in the area shows the overall level of building conditions and upkeep is fair to good. However, several commercial and industrial buildings are vacant, and in poor condition. The condition of some of these properties may make it economically infeasible to rehabilitate or repair them.

### **4. Conditions – Basic Infrastructure**

#### **Water and Sewer Mains - Storm Sewer - Streets, Curbs and Sidewalks**

City staff reports no deficiencies in these elements of project area infrastructure. While the utilities, streets, curbs, and sidewalks systems are aged, they appear adequate to service existing development requirements in the project area.

#### **Parking**

The definition of qualifying conditions for this Report includes “inadequate or improper facilities”. A June 2005 study, “Corvallis Downtown Market Study” by Johnson/Gardner and ECO Northwest makes these notes about parking in downtown Corvallis, which is the core of the renewal plan area.

“.....parking concerns have to be addressed if Downtown wants to compete more aggressively with non-urban retail centers. A solution to deal with peak usage periods, such as home football games at OSU, needs to be reached. Higher density development and a parking garage would help alleviate some parking concerns as noted above”.

“Long-term plans for a garage may make sense, especially if the City is committed to increasing density in the area. In the interim, expanding public parking areas and introducing permit parking for employees would address some parking concerns. Solutions to address peak surge issues should also be discussed.”

### **5. Conditions – Seismic Hazards**

A recently adopted FEMA report, “Multi-Hazard Mitigation Plan”, notes that “Corvallis has at least several dozen masonry buildings (most commercial or industrial in the older downtown area) which may be unreinforced or reinforced masonry. Some of these buildings may be highly vulnerable to earthquake damage, and thus should have a high priority for detailed evaluation, especially those buildings with high occupancies or important functions”

Table 10.5 of the Multi-Hazard Mitigation Plan” lists City Hall, and several other downtown public buildings as needing seismic retrofit. Detailed evaluation of buildings in the renewal area undoubtedly will add to that list.

### **6. Conditions – Access and Linkage to surrounding community**

The “Corvallis Market Study” makes these comments regarding access and linkage weaknesses of downtown Corvallis:

“Highways bisecting Downtown provide exposure for local businesses, but also deter pedestrian activity north of Van Buren Avenue and west of 3<sup>rd</sup> Street. The Highway 34 Bypass helps alleviate this problem somewhat, but traffic from Highway 99 and Highway 20 can still be heavy during peak periods”.

“OSU is within walking distance of Downtown, but student business at most Downtown retailers has declined over the past decade. As discussed in Section IV of this report, there are several ways that Downtown could improve links with college and generate additional student business”.

The “Downtown Strategic Plan” also notes:

“Weak link between South Corvallis and the rest of the community. A missing segment of the multi-use path near Evanite would greatly enhance connectivity”

### **7. Conditions – Visual appearance**

While the visual appearance of an area is not specifically listed as a qualifying condition, most would agree that an area with a poor visual appearance usually reflects a lack of investment, and that appearance can be a deterrent to new investment. The “Corvallis Market Study” makes these comments regarding appearance of downtown Corvallis:

“The large size of many retail spaces has reportedly been a deterrent to some smaller retailers. Many Downtown buildings also suffer from deferred maintenance and are in need of street frontage improvements.”

(from Market Study’s recommendation to increase desirability of downtown core) – “Ongoing improvements of the public realm, including lighting, benches, planters, delineated crossings, signage, parking and other improvements that increase the marketability of the district.”

### **8. Conditions – Investment and Utilization of land**

Assessed values of properties within the Renewal area are concentrated in commercial and residential classifications. One measure of the productivity of land use in an area is the

improvement to land value ratio. Generally speaking, productive land in an intensively developed area such as downtown Corvallis has an improvement value three or more times its land value. For example, if a property has an improvement value of \$100,000, and a land value of \$50,000 the improvement to land value ratio would be two to one. The commercial properties in the renewal area have an exceptionally low improvement to land value ratio. Assessors' data on real market values for commercial property in the area shows an average improvement to land value ratio of only 1.13 to 1. One might expect to find that ratio, or better, in downtown commercial property in communities much smaller than Corvallis. Part of the explanation for the low overall ratio is the great number of small parking lots in downtown Corvallis. Still, the strikingly low improvement/land ratio, and the numerous parking lots combine to represent an inefficient use of tax producing land in the downtown area.

The residential property classifications in the renewal area also show a low improvement to land value ratio. Residential property has an improvement to land ratio only 1.01 to 1. Again, this is a surprisingly low ratio for residential property immediately adjacent to the downtown core of a City of this size, and reflects a low level of investment.

#### ***7. Conformance with 15% limit on Assessed Values Land and Building values***

The assessed value of real, personal and utility property in the renewal area is estimated at \$154,515,620 for the 2007-08 tax year. The total assessed valuation of the City of Corvallis for that year is \$3,613,016,933. The assessed value within the renewal area represents 4.28% of the total assessed value of property within Corvallis. Total assessed value within the renewal area therefore will be well within the maximum 15% of total valuation allowed by urban renewal law.

#### **100B. SOCIAL AND ECONOMIC CONDITIONS**

No census data is available for the residential population of the renewal plan area. Economic conditions, as measured by overall property values, and new investment are reflected in the data in section 100 A.6. above.

#### **200. ANTICIPATED FISCAL, SERVICE AND POPULATION IMPACTS OF PLAN**

Urban renewal plan activities are intended to assist in attracting new investment and increases in property values and taxes for taxing bodies in Corvallis. Renewal activities to improve parking, bike and pedestrian trails and access, and provide streetscape improvements will make the renewal area more attractive and accessible to the general public. Incentives to rehabilitate historic and commercial properties will be both incentives to investment, and improve building conditions in the area. Incentives for housing development will provide housing opportunities for a variety of income levels.

The public and private investments made in the renewal area are likely to encourage new investment in areas adjacent to the renewal area. There are other positive effects of a renewal program that do not lend themselves easily to quantification, for they are quality of life issues. Retaining Corvallis's small town atmosphere, maintaining the downtown core as the heart of the city, improving cultural and shopping opportunities, and improving the appearance of Corvallis all have value to the community.

All the above elements of the Plan are expected to result in positive fiscal and service impacts for residents of Corvallis.

The Plan is not expected to result in a need for any additional police, fire, or other emergency services beyond those already contemplated by the City and other service providers. The prospective mixed use development on the Evanite property is expected to produce additional housing units, but the number and type of units is not known at this time.

The expenditure of tax increment funds is expected to produce increased property values for Corvallis. The renewal project is estimated to be completed by 2029. During that period, assessed property values in the renewal area are expected to increase by approximately \$256,585,415. At tax rates expected to prevail at the termination of this plan, the new property values anticipated in the renewal area will contribute approximately \$3.36 million in property tax revenues to all taxing bodies in the first year after the project is ended. Of that revenue, approximately \$1.35 million will return to the City of Corvallis. That property tax revenue then will grow as a result of annual assessment increases.

### **300. REASONS FOR SELECTING THE URBAN RENEWAL AREA**

The Urban Renewal Plan Area was selected based on the existence of underutilized and undervalued properties within the area, goals developed in the Planning process, and taken from other relevant City studies and documents, including Corvallis' Comprehensive Plan. The project area evidences the following characteristics:

- A lack of proper utilization of land planned for tax producing purposes.
- Poor building condition
- Inadequate public facilities including parking.
- Lower than expected property values in the project area, and reduced tax receipts resulting therefrom.
- Seismic hazards to existing buildings, which threaten public safety.

Further support for the necessity to utilize urban renewal tools to deal with property and value conditions in the area is found in this note from the "Corvallis Market Study"

{ } "Downtown Corvallis is largely developed, and reinvigorating the area will require a substantial level of redevelopment. While current uses may not represent what would be considered the highest and best use of a site from a public policy perspective, redevelopment is often not viable from a market perspective."

This Report on the Plan concludes that conditions exist within the Renewal area that meet the characteristics for a “blighted area” as set out in ORS 457.010(1).] Treating these conditions is the reason for selecting this renewal area

**400. RELATIONSHIP BETWEEN EACH PROJECT ACTIVITY AND EXISTING CONDITIONS IN THE PROJECT AREA**

All project activities described in Section 700 of the Plan are intended to correct the deficiencies described in Section 100 of this Report and summarized in Section 300 of this Report.

1. Assistance for rehabilitation and new development will attract new investment to the area, and improve the building conditions and ~~blighted~~ appearance of the area.
2. Streetscape activities will improve the visual appearance of the area, and provide a better climate for new investment in the project area.
3. Improvements to parks, and public buildings, will help attract traffic to the area, and improve the climate for new investment in the area.
4. Parking improvements will help maintain and increase commercial investment in the renewal area
5. Assistance for housing development will bring new residents to the renewal area, and create new opportunities for commercial investment.

**500. FINANCIAL ANALYSIS OF PLAN**

**500A. ESTIMATED PROJECT COST AND REVENUE SOURCES**

Table Two shows the estimated total costs of the Corvallis Urban Renewal Plan. These costs are the anticipated costs of project activities. These costs reflect anticipated inflation, and are the basis for the maximum indebtedness of the Plan.

**Table Two  
Corvallis Renewal Plan  
Estimate of Project costs**

<b>Projects</b>	<b>Estimated renewal share of cost</b>
<b>A. Public Improvements (65%)</b>	<b>\$20,325,500</b>
Streetscape	
Improved Street Lighting	
Undergrounding of utilities	
Parks and Public Spaces	
Confluence Park Enhancements	
North Riverfront Park Improvements	
Improve downtown signage and wayfinding	
Extend weather protection, (canopies, awnings) outside core	

Provide funding for long term parking facilities	
Assist in improving the physical appearance of downtown	
Multi-use path improvements from downtown through Evanite property	
Assist in funding downtown trolley or shuttle	
<b>B. Assist Public and Private Development (15%)</b>	<b>\$4,690,500</b>
Assist new public and private development and redevelopment	
<b>C. Rehabilitation and Historic Preservation (10%)</b>	<b>\$3,127,500</b>
Provide loans and grants for building rehabilitation in area	
Provide loans and grants for preservation of historic property in area	
<b>D. Plan Administration (10%)</b>	<b>\$3,127,500</b>
Staffing and other expenses of administering the urban renewal plan	
<b>Totals</b>	<b>\$31,270,000</b>

The principal method of funding the renewal share of costs will be through use of tax increment financing as authorized by ORS 457. Revenues are obtained from anticipated proceeds of long- and-short term urban renewal indebtedness.

Anticipated annual revenues are shown in Table Three of this Report. The Agency will make use of short-term indebtedness to carry out project activities not covered by issue of long-term debt. Long-term indebtedness may be issued as revenues, project requirements, and overall bond market conditions dictate. In addition, the Renewal Agency will apply for, and make use of funding from other federal, state, local, or private sources as such funds become available.

**500B. ANTICIPATED START & FINISH DATES OF PROJECT ACTIVITIES**

The project activities shown in Table Two will begin in 2009, and be completed by 2029. The sequencing and prioritization of individual project activities shown in Table Two will be done by the Urban Renewal Agency, and any citizen advisory bodies that the Agency calls upon to assist in this process. The priority of projects and annual funding will be as established in the annual budget process. Completion dates for individual activities may be affected by changes to local economic and market conditions, changes in the availability of tax increment funds, and changes in priorities for carrying out project activities.

It is estimated that all activities proposed in this plan will be completed, and project indebtedness paid off by 2028-29. At that time, the tax increment provisions of this plan can be ended.

**500C. ESTIMATED EXPENDITURES AND YEAR OF DEBT RETIREMENT**

It is estimated that the project will collect tax increment revenue between the 2009-10 and 2028-29 tax years. The amount of tax increment revenue needed to carry out project activities and interest on debt is estimated at \$34,114,560

It is anticipated that available project revenues, and funds accumulated in a special fund for debt redemption will be sufficient to retire outstanding bonded indebtedness in the 2028-29 tax year, and terminate the tax increment financing provisions of the project. After all project debt is retired, and the project closed out, it is estimated that there will be surplus tax increment funds.

These funds will be distributed to taxing bodies affected by this plan, as provided in ORS 457. Table Three of this Report shows the anticipated tax increment receipts and project requirements for each year of the project. Table Three follows on the next page.

**Table Three  
Corvallis Urban Renewal Plan  
Resources and Requirements**

a. Resources	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Beginning Balance	0	\$6,792	\$13,492	\$41,395	\$55,416	\$29,869	\$60,517	\$100,099	\$105,902	\$183,459
<b>Resources</b>										
A. Tax Increment Revenue	66,130	147,021	286,390	426,155	648,385	841,389	1,039,702	1,243,467	1,452,837	1,667,963
B. Bond Proceeds										
long term	\$0	\$0	\$1,635,784	\$0	\$0	\$1,817,538	\$0	\$0	\$1,938,707	\$0
C. Interest	\$661	\$1,470	\$19,222	\$4,262	\$6,484	\$26,589	\$10,397	\$12,435	\$33,915	\$16,680
<b>Total Resources</b>	<b>\$66,792</b>	<b>\$148,492</b>	<b>\$1,941,395</b>	<b>\$430,416</b>	<b>\$654,869</b>	<b>\$2,685,517</b>	<b>\$1,050,099</b>	<b>\$1,255,902</b>	<b>\$3,425,459</b>	<b>\$1,684,643</b>

b. Project Requirements										
To Long term Debt Service	\$0	\$0	\$225,000	\$225,000	\$225,000	\$475,000	\$475,000	\$475,000	\$742,000	\$742,000
Projects funded long and short debt	\$60,000	\$135,000	\$1,675,000	\$150,000	\$400,000	\$2,150,000	\$475,000	\$675,000	\$2,500,000	\$775,000
Total, projects and Debt Service	\$60,000	\$135,000	\$1,900,000	\$375,000	\$625,000	\$2,625,000	\$950,000	\$1,150,000	\$3,242,000	\$1,517,000
Ending Balance	\$6,792	\$13,492	\$41,395	\$55,416	\$29,869	\$60,517	\$100,099	\$105,902	\$183,459	\$167,643

a. Resources	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29
Beginning Balance	\$167,643	\$136,531	\$137,393	\$207,904	\$98,506	\$161,357	\$153,687	\$150,618	\$175,278	\$75,795
<b>Resources</b>										
A. Tax Increment Revenue	1,859,931	2,083,557	2,238,238	2,366,837	2,528,076	2,693,749	2,863,979	3,038,889	3,218,609	3,403,272
B. Bond Proceeds										
long term	\$0	\$0	\$4,543,845	\$0	\$0	\$0	\$0	\$3,100,000	\$0	\$0
C. Interest	\$18,599	\$20,836	\$67,821	\$23,668	\$25,281	\$26,937	\$28,640	\$61,389	\$32,186	\$34,033
<b>Total Resources</b>	<b>\$1,878,531</b>	<b>\$2,104,393</b>	<b>\$6,849,904</b>	<b>\$2,390,506</b>	<b>\$2,553,357</b>	<b>\$2,720,687</b>	<b>\$2,892,618</b>	<b>\$6,200,278</b>	<b>\$3,250,795</b>	<b>\$3,437,305</b>

b. Project Requirements										
To Long term Debt Service	\$742,000	\$517,000	\$1,142,000	\$1,142,000	\$892,000	\$892,000	\$892,000	\$1,875,000	\$1,875,000	\$625,000
Projects funded long and short debt	\$1,000,000	\$1,450,000	\$5,500,000	\$1,150,000	\$1,500,000	\$1,675,000	\$1,850,000	\$4,150,000	\$1,300,000	\$2,700,000
Total, projects and Debt Service	\$1,742,000	\$1,967,000	\$6,642,000	\$2,292,000	\$2,392,000	\$2,567,000	\$2,742,000	\$6,025,000	\$3,175,000	\$3,325,000
Ending Balance	\$136,531	\$137,393	\$207,904	\$98,506	\$161,357	\$153,687	\$150,618	\$175,278	\$75,795	\$112,305

#### **500D. IMPACT OF TAX INCREMENT FINANCING**

The passage of Ballot Measure 50 (BM50) changed Oregon's property tax system, and the impacts of urban renewal on taxpayers, and other taxing bodies. Prior to BM50, collection of tax increment revenues for a renewal agency resulted in an increase in the taxpayer's property tax rate. Taxing bodies suffered no revenue losses, unless there was overall compression of property tax revenues.

Under Ballot Measure 50, the taxpayers' permanent rates will not change. However, collection of tax increment revenue will impact the potential property tax revenues received by overlapping tax bodies. These taxing bodies will not be able to apply their permanent BM50 tax rates against the new values added within the urban renewal area. As a result, the taxing bodies will forego revenue they otherwise might have had if there was no renewal plan in effect. Under current urban renewal provisions, the Corvallis urban renewal plan will have a slight effect on tax rates for currently outstanding bonds issued prior to October 6, 2001. The City of Corvallis, SD509J, and Linn-Benton Community College have bonds issued prior to that date. Because the total assessed values used for setting bond tax rates for those taxing bodies are so large, the inability to use renewal area excess values in the rate calculation should alter rates by less than one cent per thousand. That effect will end as each of these bonds is retired. Urban renewal will have no effect on bonds or levies approved after October 6, 2001.

Table Four 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. Table Four actually presents a worst case picture of revenue foregone, for it assumes that all the estimated new values in the Corvallis Renewal Area would occur, even without the investment of urban renewal funds. However, it is more realistic to assume that the public expenditures on renewal activities will have some positive effect on the growth of values within and immediately adjacent to the urban renewal area. Table Four does not make this adjustment

More important, Table Four expresses all revenue foregone in 2008 dollars. It therefore does not take into account the fact that a dollar in the future is not as valuable as today's dollar. A present value calculation of the revenues foregone, using just a 3.5 % rate would substantially reduce the revenue foregone total. Evidence of that reduction is shown in the bottom row of Table Four.

Also, during the plan period, overall values in Corvallis will increase, and those value increases outside the renewal area will reduce the tax foregone impact on the budgets of taxing bodies.

Under the current method of funding K-12 level education, the urban renewal program will not result in revenue losses for those educational units of government. The level of funding per student is not dependent on the amount of property tax raised locally.

When the project is completed, an estimated \$256.5 million in assessed values will be placed back on the tax roll. In the following year, the permanent rates of the overlapping taxing bodies

will generate property tax revenues estimated at approximately \$3.36 million. Given just a 3.5% inflation of assessed values in the area, the revenues foregone by the overlapping taxing bodies will be repaid in a period of 10 years after the project is completed.

**500E. FINANCIAL FEASIBILITY OF PLAN**

The total capital costs (i.e., exclusive of interest on indebtedness) to implement the project activities shown in Table 2 are estimated at \$31.27 million. The principal source of revenue to implement project activities will be annual tax increment revenues of the Renewal Agency. Anticipated tax increment revenues are shown in Table 3. The tax increment revenues shown in Table 3 are based on the following assumptions:

- Indexed growth in total assessed value at 2.75% annually, AND
- Exception values (new construction) as shown in the table below

<b>Description</b>	<b>Total assessed value</b>	<b>Time period</b>
Retail complex, SE corner 3rd & Monroe	\$559,000	2008
Evanite Property - condo and retail mixed use *	\$55,900,000	2011-20
Boutique Hotel, 2nd & Western	\$5,590,000	2009
Add 1% of frozen base in new construction AV	\$1,500,000	2009
Add 2% of frozen base in new construction AV *	\$45,000,000	2014-28

\* The total assessed values shown for Evanite and the 2% of frozen base are spread evenly over the years shown in “time period”

The maximum indebtedness and project costs undertaken in the plan is derived from assumptions on project values. To the extent those assumptions do not materialize as projected, projects will be delayed, cut back, or dropped. It therefore is financially feasible to carry out this urban renewal plan.

## **600. RELOCATION**

### **A. PROPERTIES REQUIRING RELOCATION**

No relocation is anticipated at the adoption of this plan.

### **B. RELOCATION METHODS**

If in the implementation of this Plan, persons or businesses should be displaced by action of the Agency, the Agency shall provide assistance to such persons or businesses to be displaced. Such displaces will be contacted to determine their individual relocation needs. They will be provided information on available space and will be given assistance in moving.

No relocation of businesses or residents is anticipated in this plan.

### **C. HOUSING COST ENUMERATION**

It is anticipated that the renewal plan will produce new housing units via rehabilitation and new construction. No specific housing projects or sites are identified at the time of plan preparation. It is expected that housing units will cover a full range of affordability.

<b>Table Four</b>								
<b>Corvallis Urban Renewal Plan</b>								
<b>Revenue Foregone by Taxing Bodies</b>								
Year	Cumulative New Incremental Values in area	Benton Co. Rate	Corvallis Rate	Library Rate	Soil & Water	SD 509J	ESD	Linn-BenCC
		2.2041	5.1067	0.3947	0.05	4.4614	0.3049	0.1786
		foregone on new values						
2009-2010	\$4,808,180	\$10,598	\$24,554	\$1,898	\$240	\$21,451	\$1,466	\$859
2010	\$10,689,584	\$23,561	\$54,588	\$4,219	\$534	\$47,691	\$3,259	\$1,909
2011	\$20,822,727	\$45,895	\$106,335	\$8,219	\$1,041	\$92,899	\$6,349	\$3,719
2012	\$31,234,532	\$68,844	\$159,505	\$12,328	\$1,562	\$139,350	\$9,523	\$5,578
2013	\$47,522,661	\$104,745	\$242,684	\$18,757	\$2,376	\$212,018	\$14,490	\$8,488
2014	\$61,668,714	\$135,924	\$314,924	\$24,341	\$3,083	\$275,129	\$18,803	\$11,014
2015	\$76,203,783	\$167,961	\$389,150	\$30,078	\$3,810	\$339,976	\$23,235	\$13,610
2016	\$91,138,566	\$200,879	\$465,417	\$35,972	\$4,557	\$406,606	\$27,788	\$16,277
2017	\$106,484,056	\$234,702	\$543,782	\$42,029	\$5,324	\$475,068	\$32,467	\$19,018
2018	\$122,251,548	\$269,455	\$624,302	\$48,253	\$6,113	\$545,413	\$37,274	\$21,834
2019	\$138,452,645	\$305,163	\$707,036	\$54,647	\$6,923	\$617,693	\$42,214	\$24,728
2020	\$155,099,272	\$341,854	\$792,045	\$61,218	\$7,755	\$691,960	\$47,290	\$27,701
2021	\$166,613,681	\$367,233	\$850,846	\$65,762	\$8,331	\$743,330	\$50,801	\$29,757
2022	\$178,444,737	\$393,310	\$911,264	\$70,432	\$8,922	\$796,113	\$54,408	\$31,870
2023	\$190,601,147	\$420,104	\$973,343	\$75,230	\$9,530	\$850,348	\$58,114	\$34,041
2024	\$203,091,858	\$447,635	\$1,037,129	\$80,160	\$10,155	\$906,074	\$61,923	\$36,272
2025	\$215,926,064	\$475,923	\$1,102,670	\$85,226	\$10,796	\$963,333	\$65,836	\$38,564
2026	\$229,113,210	\$504,988	\$1,170,012	\$90,431	\$11,456	\$1,022,166	\$69,857	\$40,920
2027	\$242,663,003	\$534,854	\$1,239,207	\$95,779	\$12,133	\$1,082,617	\$73,988	\$43,340
2028	\$256,585,415	\$565,540	\$1,310,305	\$101,274	\$12,829	\$1,144,730	\$78,233	\$45,826
	<b>Total</b>	<b>\$5,619,166</b>	<b>\$13,019,100</b>	<b>\$1,006,254</b>	<b>\$127,471</b>	<b>\$11,373,962</b>	<b>\$777,317</b>	<b>\$455,326</b>
	<b>PV @3.5%</b>	<b>3,501,617</b>	<b>8,112,930</b>	<b>\$627,053</b>	<b>\$79,434</b>	<b>\$7,087,752</b>	<b>\$484,390</b>	<b>\$283,739</b>

**Note: School and ESD revenue foregone is replaced dollar-for-dollar by State funds, and does not affect per student funding.**

PV = Present value of the revenue foregone. This adjusts future dollars to 2008 dollar totals.

## ATTACHMENT 1

### **Building Improvement Loans (\$500,000)**

The City of Corvallis Urban Renewal Agency offers a loan program designed to improve the appearance, structural integrity, and utilization of buildings located within the urban renewal district. The program features deferred payment and below-market interest rates for successful applicants. Applicants are required to submit proposals to the design review committee for approval, and matching funds or in-kind donations are required. The programs are funded by Urban Renewal funds generated in the first 5 years of the plan, and can be evaluated after the initial 5-year period to determine funding levels in the future. For the first 5 years, the program allocates specified funding amounts to each of the program components, explained below:

#### **1. Structural Improvement Program - \$400,000**

This program component is meant to assist property owners with larger projects on buildings that may require significant engineering or structural work. The program is designed to encourage property owners to invest in buildings so that they are more fully utilized and structurally sound. Some examples of work that is eligible for this loan are:

- Seismic upgrades
- Upper floor residential conversions
- Sprinkler systems
- Structural retrofitting for alternative uses
- ADA accessibility
- Elevators
- Asbestos removal/environmental remediation
- Architectural or engineering fees
- Roof upgrades
- Weatherization
- Energy-efficiency improvements

Other improvements may be eligible for funding through this program as well, including façade improvements such as awning replacement, painting, storefront improvements, and pedestrian amenities, when performed in conjunction with other structural improvements. There is no maximum loan amount for the Structural Improvement Program; however, funds are limited to what is available at the time of application, and all proposals are subject to review and approval by the Design Review Committee. All loans funded require matching funds.

## **2. Historic Restoration/Renovation Program - \$100,000**

This fund is limited to owners or tenants whose buildings are listed as historic resources, or require renovation or restoration in order to be considered for placement on the Historic Registry. The program is meant to fund a wide variety of projects, such as those discussed in the program components above, as well as projects that are specific to historic renovation or restoration. There is no maximum funding limit, but loans are limited to the fund balance at the time of application, and matching funds are required. Applicants who wish to perform work on an historic structure may apply for both fund programs, and may also use other funding mechanisms to demonstrate matching funds.

## ATTACHMENT 2

### **Destination Signage (\$250,000)**

The purpose of the project is to provide the information people need to comfortably access downtown destinations, attractions, parks, and venues including better and timelier route information to reduce misdirected travel.

#### **Project Objectives**

1. Provide the information people need to comfortably access downtown destinations, attractions, parks, and other governmental destinations in downtown.
2. Direct traffic along appropriate streets and help drivers find parking convenient to their destination.
3. Develop a way finding system that enhances the public's image of downtown.
4. Develop sign designs that are timeless and can be reasonably fabricated by a contractor, with replacement or repair by the City's sign shop.

Design and construction is estimated at \$250,000.

## ATTACHMENT 3

### **Riverfront Path Improvements (\$350,000)**

The purpose of the project is to provide a 12-foot wide paved multi-use path between South 3<sup>rd</sup> Street near the Marys River pedestrian bridge and the Crystal Lake Sports Fields. This missing trail segment has been identified on the Parks and Recreation Trails Plan and the Corvallis Transportation Plan.

The proposed trail would extend north from the northern terminus of the Crystal Lake Sports Fields trail, run along the top of the riverbank behind the Evanite and Cornerstone properties, cross the millrace and the City's BMX track to tie into the existing multi-use sidewalk along South 3<sup>rd</sup> Street between the Marys River and the First Alternative Coop.

Costs for designing and constructing 4,400 lineal feet of 12-foot wide paved trail @ \$20 a SF is estimated at \$1,056,000. Costs for installing either a culvert or pedestrian bridge across the millrace is estimated at \$50,000. Total project cost is estimated at \$1,106,000. The Urban Renewal District could contribute a minimum of \$350,000 toward this project.

## ATTACHMENT 4

### **Parking Investment Fund** **(\$200,000)**

A Parking Investment fund is proposed in order to generate seed money on a continual basis that can be used to respond to opportunities for parking improvements in the Downtown area. The proposal includes a minimum of \$50,000 per year beginning in the second year of the plan, or a minimum 25% of the Urban Renewal Plan's Public Infrastructure Fund per year, for the first 5 years. In no case shall parking investment funds be used for operational expenditures. Funds could be used for a variety of parking-oriented projects, including but not limited to the following:

- Purchasing existing private parking for public use
- Purchasing land to be developed into parking improvements
- Entering into public/private partnerships to create additional public parking
- Constructing public parking improvements, such as parking structures or surface parking lots

The formation of this Parking Investment Fund would provide guaranteed, annual deposits of funds to be used specifically for parking improvement opportunities in the Downtown area, and provides the flexibility to be able to respond to opportunities to meet current and future parking needs.

## Urban Renewal Questions Received To Date

### From Councilor Hamby

- ORS 457.010(1) - "Blighted Area" definition. Please state specifically which sites are being designated as blighted and which definition of blight is being applied to each site in the list.
- ORS 457.010(14) - "Urban Renewal Area" definition. As I read that section, I interpret it to say that the URA is the blighted area and nothing more; it cannot be any area of the City that we simply choose. I need to be comfortable with our application of this definition; this is key for me.
- A parking structure seems to be the main focus of the URD; why can't that be accomplished with the CIP mechanism?

And, from the June 16th Council Packet:

- pg 170: Why does the Urban Renewal Agency need to be notified of any application, building permit, etc.?
- pg 174: I would suggest that any land acquisitions need to go through the Council. Section 800 bothers me, especially the mention of eminent domain.
- pg 175: Section 800B should not exist; the Council should approve any and all acquisitions.
- pg 177: Is the definition of "substantial" (being 20%) in our Charter? Or, is it a number that is arbitrary? Is the 20% cumulative over the life of the URD? Or, does it refer to a 20% change within the particular amendment under consideration at the time?
- pg 190: In addition to City Hall, "several other downtown public buildings" are being called out as seismic hazards. Please list those buildings. Hasn't work on City Hall already been initiated, independent of any URD?
- pg 191: "... the numerous parking lots combine to represent an inefficient use of tax producing land in the downtown area." However, on page 205, a Parking Investment Fund is proposed for the URD in which existing private parking could be purchased for public use (reducing tax productivity?), land could be purchased to develop parking improvements (surface lots?), public/private partnerships could be entered into to create additional public parking, and parking structures or surface parking lots could be constructed. These two statements in the plan (pg 191 and pg 205) seem to be in conflict.
- pg 192: Section 300 provides very general reasons for selecting the Urban Renewal Area, but this seems to be stretching the definition of ORS 457.010(14).
- Does the Urban Renewal District give the City ( through the Urban Renewal Agency) additional powers that it otherwise might not have?

**From Councilor Wershow**

- Could there be more specificity regarding the proposed projects?

**From Councilor Raymond**

- How will the Willamette River Greenway apply to the urban renewal process?

## CORVALLIS CITY COUNCIL GOALS 2007-2008

Preface:

Overarching Council goals and values throughout the Corvallis 2020 Vision Statement and within the goals listed below include:

◆Diversity

◆Citizen Involvement

◆Sustainability

◆Cost Efficiency

Goals	Corvallis 2020 Vision Statement Categories
<p><b>Review possible development constraints in South Corvallis Refinement Plan</b></p> <p><u>Accomplished through June 30, 2008:</u></p> <ul style="list-style-type: none"> <li>• Yet to be initiated</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>•</li> </ul>	<p>Economic Vitality Where we Live</p>
<p><b>Explore the need for a Southwest Area Plan</b></p> <p><u>Accomplished through June 30, 2008:</u></p> <ul style="list-style-type: none"> <li>• Yet to be initiated</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>•</li> </ul>	<p>Culture and Recreation Economic Vitality Protecting the Environment Where we Live</p>
<p><b>Improve community livability through code enforcement, code enhancement, outreach, and neighborhood-based safety.</b></p> <p><u>Accomplished through June 30, 2008:</u></p> <ul style="list-style-type: none"> <li>• Code Enforcement Program initiated outreach with DCA and Chamber.</li> <li>• Provided staffing to assist with implementing Sidewalk Café Permits and new standards.</li> <li>• Collaborated with CAO and Police Dept for pursuing additional legal action in compliance cases.</li> <li>• The Fire Department hired seasonal weed abatement staff to enforce the City's "weed ordinance."</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>• Continue community outreach with code enforcement program</li> <li>• The Land Use Inspector position is again vacant; staff has initiated another recruitment for this position.</li> <li>• Begin creation of a program procedures manual and identify potential ICMA performance measures.</li> </ul>	<p>Central City Economic Vitality Governing and Civic Involvement Protecting the Environment Where we Live</p>
<p><b>Develop strategies to implement EVP and Downtown Strategic Plans</b></p> <p><u>Accomplished through June 30, 2008:</u></p> <ul style="list-style-type: none"> <li>• Staff has been assisting DCA in preparing an Urban Renewal Plan that was recommended to the City Council in June.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>• City Council and Planning Commission will review recommended Urban Renewal Plan in summer/fall.</li> </ul>	<p>Central City Culture and Recreation Economic Vitality Education and Human Services Governing and Civic Involvement Protecting the Environment Where we Live</p>

Goals	Corvallis 2020 Vision Statement Categories
<p><b>Enhance organizational sustainability efforts and begin to develop a community-wide sustainability initiative.</b></p> <p><u>Accomplished through June 30, 2008:</u></p> <ul style="list-style-type: none"> <li>• The Fire Department installed a solar/tankless water heater at Station 3, replacing a failed conventional unit.</li> <li>• The Parks and Recreation Department has added a recycle symbol to publications/flyers; added recycle bins in the lounge and multi-purpose room at the Senior Center and some rentable facilities; developed and initiated Sustainable Rental Guidelines for building rentals; and added a Sustainability Tip to the Senior Newsletter.</li> <li>• At Crystal Lake Sports Facility, the Parks and Recreation Department has replaced golf carts with larger capacity electric vehicles.</li> <li>• Staff completed the Sustainability Management System impact identification with brainstorming sessions in the Police Department.</li> <li>• The Sustainability Coordinator enhanced the annual report to Council on the organization’s accomplishments, including a score card for easy reference on progress toward goals.</li> <li>• Library began collecting hard plastic and transporting to Coop for recycling.</li> <li>• Library HVAC project resulted in energy savings and increased comfort for staff and patrons; the Library also received a \$25,901 Energy Trust Incentive Award for the project .</li> <li>• Over 600 people attended one in series of brown bag programs, “If I Had a Hammer...the Sustainable Home.”</li> <li>• Library staff promoted library resources at Farmer’s Market booth.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>• Consolidate the department teams that have been working on department-specific efforts into a city-wide Core Team that will focus on finalizing the organizational-wide management system plan.</li> <li>• Improve the intranet pages on sustainability to provide employees better access to policies and procedures, tips for recycling and reuse, innovative ideas used in other organizations, and help with life-cycle considerations in purchasing.</li> </ul>	<p>Culture and Recreation Economic Vitality Governing and Civic Involvement Protecting the Environment</p>
<p><b>Create opportunities for more affordable housing</b></p> <p><u>Accomplished through June 30, 2008:</u></p> <ul style="list-style-type: none"> <li>• A five-year Consolidated Plan and one-year Action Plan to guide the City’s CDBG, HOME and Revolving Loan Fund affordable housing investments and related activities has been approved by the U.S. Department of Housing and Urban Development. The one-year Plan for FY 08-09 will guide the investment of just over \$1.4 million in local and federal resources.</li> <li>• Funding agreements for housing capital projects have been developed for three projects (Habitat Tunison, WNHS Leonard Knolls and Alexander Court) and await execution.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>• Execute FY 08-09 funding agreements and authorize initiation of projects.</li> <li>• Continue to carry out City-operated loan programs for low income home buyer down payment assistance and low income owner housing rehabilitation.</li> </ul>	<p>Central City Economic Vitality Education and Human Services Governing and Civic Involvement Where we Live</p>

Goals	Corvallis 2020 Vision Statement Categories
<p><b>Develop a fiscal strategy for core City services, including a comprehensive and collaborative communication plan to increase citizen understanding of City budgets and services.</b></p> <p><u>Accomplished through June 30, 2008:</u></p> <ul style="list-style-type: none"> <li>• The City Council adopted a Comprehensive Communications Plan and new three-year Action Plan.</li> <li>• The City Council continued discussion on its financial strategy.</li> <li>• The Budget Commission authorized a \$50,000 enhancement for communications in the draft 2008/2009 budget.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>• Adopt a Financial Strategy and develop a communications plan based on the strategy.</li> <li>• Evaluate the first year of the new Communications Plan and continue implementation and monitoring.</li> </ul>	<p>Central City            Culture and Recreation            Economic Vitality            Education and Human Services            Governing and Civic Involvement            Protecting the Environment            Where we Live</p>
<p><b>Change City ordinance and policies to implement Charter amendment relating to diversity</b></p> <p><u>Accomplished through June 30, 2008:</u></p> <ul style="list-style-type: none"> <li>• Civil Rights Municipal Code updated.</li> <li>• City Council Anti-bias Policy updated.</li> <li>• Diversity Initiative Steering Committee (DISC) formed to develop a Diversity Strategic Plan and members attended training sessions. Sessions were held with both elected and staff leadership on vision and goals for the action plan. Committee has developed mission and purpose statements and has begun work on the action plan.</li> <li>• City non-discrimination contract language updated to mirror charter categories.</li> <li>• Job description language revised to include diversity language as positions come forward for review or recruitment.</li> <li>• Other gender identity or expression added to the gender question in 2007 Citizens Attitude Survey (CAS) and City employment application.</li> <li>• Labor agreement language changes as needed are being negotiated as contracts expire.</li> </ul> <p><u>Next Steps:</u></p> <ul style="list-style-type: none"> <li>•</li> </ul>	<p>Culture and Recreation            Education and Human Services            Governing and Civic Involvement</p>
<p><b>Accomplishments Toward the Overarching Goals and Values (Diversity, Citizen Involvement, Sustainability and Cost Efficiency):</b></p> <ul style="list-style-type: none"> <li>• Over 120 volunteers attended the Library's annual volunteer recognition event, with some being honored for over 30 years of service.</li> </ul>	

**DEPARTMENT ACCOMPLISHMENTS**

**CITY MANAGER'S OFFICE**

- The Personnel Division completed its reorganization and filled its vacancies.
- Work began on annual boards and commissions re-appointments and vacancies.
- Supplemental questionnaires were sent to 19 applicants for the Parks and Recreation Director position.
- Staff prepared candidate packets for the November 2008 City Council election.

### **COMMUNITY DEVELOPMENT DEPARTMENT**

- FY 08-09 through FY 12-13 CDBG/HOME Program Consolidated Plan approved by HUD.
- Two First Time Home Buyer loans of \$10,000 each and one Essential Repair Program rehabilitation loan in the amount of \$65,881 were closed, with both purchase transactions completed and the rehab work underway.
- Funding agreements for FY 08-09 CDBG Human Services Fund grants have been developed for ten recipient agencies.
- Completed 4,018 building construction inspections for building safety and code compliance.
- Initiated investigations on 95 new citizen complaints for nuisance type violations.
- Facilitated two workshops for Sidewalk Café Permit Process.
- Participated in Building Safety Week and conducted community wide outreach focusing on the benefits of obtaining permits.
- Continued Development Services Stakeholder Advisory Group discussions.
- Inspection staff attended code update courses for new Residential codes.
- Completed an analysis of Land Use Application fees and presented the information to Administrative Services Committee. Initiated outreach to stakeholders to discuss Council direction to migrate toward full cost recovery.
- Planning processed 12 Administrative Land Use cases. Others received during the quarter are awaiting additional information to be deemed complete.
- Processed two Historic Preservation Permits through the HRC and one Director-level.
- Processed through Planning Commission the Corvallis Crossing Major NC Master Site Plan, Reservoir Road Realignment PD, Seavey Meadows PD and SUB, and the Regent Parking Addition PD.

### **FINANCE DEPARTMENT**

- Staff implemented a software application to permit notification to utility services customers by telephone regarding delinquent charges and pending service disconnect. The telephone notification system will allow staff to discontinue mailing more than 6,000 notification letters annually.
- Staff completed data file changes with the vendor that prints the City's utility bills, to begin consolidating fire service accounts with regular accounts onto a single bill. This change is expected to eliminate at least 200 bills that are printed each month.
- The RFP process was completed with the three year financial audit services contract awarded to Grove

Mueller and Swank, which has been the City's audit firm for the last three years.

- Staff completed training for all departments to clarify upcoming changes in the new chart of accounts.
- Staff facilitated a web-based, audio conference on ICMA performance measures.
- Staff facilitated a wage and hour workshop for Oregon public agencies attended by staff from each department and Benton County.
- Accounting staff held information sessions with non-profits that receive City grants to discuss financial reporting issues and to clarify reporting periods so that contracts for FY 08-09 could be clearer.

### **FIRE DEPARTMENT**

- Heavenly Harvest fruit and vegetable boxes are delivered to all stations each week for IAFF personnel as part of the current contract's wellness program.
- Staff issued a request for bids for a rescue boat to replace the out-of-service Zodiac.
- Staff are preparing RFPs for an aerial platform and for records management software.
- Preparations are underway for revision of the Strategic Master Plan.
- A seven-year contract with the Rural District, effective through June 30, 2015, has been finalized.
- DPSST accreditation has been approved for existing certifications and rescue skills.

### **LIBRARY DEPARTMENT**

- The Library remodeled the lobby and instituted self pickup of holds, increasing patron privacy and convenience.
- A major upgrade to library online system occurred in April.
- The Summer Reading Program for youth began, with sleepovers, weekly programs, and the Teddy Bear Picnic.
- Recruitment began for Early Literacy Coordinator and completed for Reference Librarian.
- RFP's were issued for audiovisual dispensing machines for materials security and for Master Planning Consultant.

### **PARKS & RECREATION DEPARTMENT**

- A presentation on earthquake preparedness was given by Peggy Pierson from Benton County Emergency Services at the May 29<sup>th</sup> Parks and Recreation All-Staff meeting.
- The Department's annual fee review was presented to the Parks, Natural Areas and Recreation Board at the June Board meeting.
- Administration staff attended new chart of accounts training provided by Finance.

- The recruiting process is underway for a part-time, front desk assistant in Administration during the busy summer season and for a Park Maintenance Technician.
- Willamette Park Greenway Permit application is underway.
- Public Works and Parks collaborated on improving the parking lot at Pioneer Park for a seasonal leaf disposal site and program parking.
- To date, 9,560 trees within Corvallis have been inventoried using the TreeWorks software program.
- Volunteers picked up trash at Crystal Lake as part of SOLV Down by the Riverside.
- Parks staff is working with the Natural Resource Conservation Service, the Institute for Applied Ecology and adjacent landowners at Marys River Natural Area to provide a multiple use environment.
- Procession of Species was a huge success despite cold, unseasonable weather.
- There are 117 teams currently registered in the Adult Softball Program and 13 teams in Adult Spring Volleyball.
- Youth sports (volleyball, football and Lacrosse) reflect maximum registration numbers and a youth Ultimate Frisbee program is being offered for the first time.
- Planning is underway at the Senior Center for a six-part “Aging Well” Seminar which will begin in July.
- OSU Water Polo adopted Osborn Aquatic Center as their “home pool” and rented OAC for all practices in April.
- Approximately 300 children, families, and spectators participated in the annual April Pool’s Day with a focus on water safety and aquatic recreation opportunities; 141 participants took advantage of CPR, First Aid, Water Safety and Lifeguard Instructor classes; 21 youth attended Red Cross Babysitter’s Training; 1500 athletes and spectators enjoyed the Corvallis Aquatic Team (CAT) Open May 16<sup>th</sup>-18<sup>th</sup>; 274 adults and children completed the Heart of the Valley Triathlon held on Memorial Day; and 750 individuals took advantage of “Dollar Day” at the special Otter Beach early opening.

### **PUBLIC WORKS**

- Began process to update the solid waste management franchise.
- The last 6 of 8 remaining wells at the United Chrome Superfund site were modified to allow occupancy of the site by a revenue-generating lessee.
- Held several meetings, including one specifically for the public to present recommendations for transit route revisions, planned for a September implementation.

**\* \* \* MEMORANDUM \* \* \***

**JULY 3, 2008**

**TO: MAYOR AND CITY COUNCIL**

**FROM: KATHY LOUIE, ASSISTANT TO CITY MANAGER/CITY RECORDER**

**SUBJECT: SELF-EVALUATION FORMS**



A total of seven self-evaluation forms was received and tabulated. Attached is a compilation of the responses for your discussion at the July 7 quarterly work session.

c: City Manager Nelson

Attachment

**CORVALILS CITY COUNCIL**

July 7, 2008

**Self-Evaluation  
General Practices**

	<b>How are we doing on <i>General Practices?</i></b>	Low	Mid-Range		High	No Ans.	Average Jul 2008	Average Mar 2008	
		1	1.5	2	2.5				3
1	Thinking and acting strategically			2	3	2		2.50	2.31
2	Understanding and demonstrating the elements of teams and teamwork					6	1	3.00	2.88
3	Mastering "small group" decision-making			1	2	3	1	2.67	2.43
4	Clearly defined roles and relationships			1	1	5		2.79	2.56
5	Council/staff partnership			2		5		2.71	2.75
6	Systematic evaluation of policy implementation			1	1	5		2.79	2.07
7	Allocation of Council time and energy			3		4		2.57	2.31
8	Clear rules and procedures for Council meetings					7		3.00	2.88
9	response to the public's concerns and evaluation of council performance			1	3	3		2.64	2.31
10	Continuous personal learning and leadership development			1	2	4		2.71	2.56

Additional Comments:

- \* The Financial Strategy Ad Hoc Committee needs resuscitation.  
The LUBA remands, the difficulty in dealing with the 7th Street Station developers/neighborhood, and the controversial "resolution" of the sidewalk café issue lead me to believe there are some problems in our decision-making process. Is there anything we should learn from these experiences, so we can do better? Or are these unexpected outcomes inevitable in governance?
- \* Problems that led to establishment of code enforcement officers have not been alleviated.
- \* In general, I'm pretty new to the Council and so wouldn't be able to give a fair evaluation. Mostly I would rate the Council in the high categories.

**CORVALIS CITY COUNCIL**

July 7, 2008

**Self-Evaluation  
Specific Practices**

	<b>How are we doing on <i>Specific Practices?</i></b>	Low	Mid-Range			High	No Ans.	Average Jul 2008	Average Mar 2008
		1	1.5	2	2.5	3			
1	Effective chartering of committees and acceptance of committee work			2		4	1	2.67	2.75
2	Prioritizing goals and initiatives and avoiding over-commitment			1	1	5		2.79	2.31
3	Educating ourselves about issues				1	6		2.93	2.43
4	Limiting amount of time spent on "small-picture" activities			5	1	1		2.21	2.19
5	Regular evaluation of our effectiveness as a Council					7		3.00	2.56
6	Celebrating success -- our own and that of others			1		6		2.86	2.31

Additional Comments:

- \* #6 -- Celebrate with croissants from Le Patisserie (Ward 6).
- \* #1 -- I still haven't received my liaison committees.
- \* The staff and Council and Mayor were all welcoming to me, and I appreciate it!

**CORVALILS CITY COUNCIL**

July 7, 2008

**Self-Evaluation  
Code of Conduct**

	<b>How are we doing on <i>Code of Conduct?</i></b>	<b>Low</b>	<b>Mid-Range</b>		<b>High</b>	<b>No Ans.</b>	<b>Average Jul 2008</b>	<b>Average Mar 2008</b>
		<b>1</b>	<b>1.5</b>	<b>2</b>	<b>2.5</b>			
1	Show consideration and civility to everyone					7	3.00	3.00
2	Allow for disagreement, but strive to keep conflict at a level where we are working together to address the issues					7	3.00	2.81
3	Apply meeting principles to staff and public					7	3.00	2.81
4	Explain reasoning and intent			2	1	4	2.64	2.69
5	Focus on understanding interests of people			1	1	5	2.79	2.56
6	Be concise and respectful while focusing on issues				1	6	2.93	2.88
7	Assume best intentions as you seek common ground			1	1	5	2.79	2.94
8	Respect decisions of the body					7	3.00	3.00

Additional Comments:

\* None.