

**A BILL FOR AN ORDINANCE MAKING CERTAIN
DETERMINATIONS AND FINDINGS RELATING
TO AND APPROVING THE LEBANON
DOWNTOWN URBAN RENEWAL PLAN AND
DIRECTING THAT NOTICE OF APPROVAL BE
PUBLISHED**

ORDINANCE BILL NO. 2018-14

ORDINANCE NO. 2921

WHEREAS, the Lebanon Urban Renewal Agency ("Agency"), as the duly authorized and acting urban renewal agency of the City of Lebanon, Oregon, is proposing to undertake certain urban renewal activities in a designated area within the City pursuant to ORS Chapter 457; and

WHEREAS, the Agency, pursuant to the requirements of ORS Chapter 457, has caused the preparation of the Lebanon Downtown Urban Renewal Plan attached hereto as Exhibit A (the "Plan"). The Plan authorizes certain urban renewal activities within the Lebanon Downtown Urban Renewal Area (the "Area"); and

WHEREAS, the Agency has caused the preparation of a certain Urban Renewal Report dated November 14, 2018 attached hereto as Exhibit B (the "Report") to accompany the Plan as required under ORS 457.085(3); and

WHEREAS, the Agency forwarded the Plan and Report to the Lebanon Planning Commission (the "Commission") for review and recommendation. The Commission considered the Plan and Report on October 17, 2018 and adopted a finding that the Plan conformed with the Lebanon Comprehensive Plan; and

WHEREAS, the Plan and the Report were forwarded on October 4, 2018 to the governing body of each taxing district affected by the Plan, and the Agency has thereafter consulted and conferred with each taxing district; and

WHEREAS, on November 6, 2018 the City met with representatives of Linn County to review the Plan, including proposed maximum indebtedness for the Plan; and

WHEREAS, the City Council has not received any written recommendation from the governing bodies of the affected taxing districts; and

After Recording Return to:
City Clerk's Office
City of Lebanon
925 S. Main Street
Lebanon, OR 97355

RECEIVED

DEC 21 2018

LINN COUNTY, OREGON		2018-21891
ORD-ORD		
Cnt=1	Stn=44	COUNTER 12/18/2018 12:05:38 PM
\$330.00	\$11.00	\$60.00 \$19.00 \$10.00
		\$430.00
		
00338549201800218910660664		
I, Steve Druckenmiller, County Clerk for Linn County, Oregon, certify that the instrument identified herein was recorded in the Clerk records.		
Steve Druckenmiller - County Clerk		
		

WHEREAS, on October 24, the City caused notice of the hearing to be held before the Council on the Plan, including the required statements of ORS 457.120(3), to be mailed to property owners within City's incorporated limits through the City water bills; and

WHEREAS, on November 14, 2018 the City Council held a public hearing to review and consider the Plan, the Report, the recommendation of the Lebanon Planning Commission and the public testimony received on or before that date and to receive additional public testimony; and

WHEREAS, The City Council found that the Plan conforms with all applicable legal requirements; and

WHEREAS, after consideration of the record presented through this date, the City Council does by this Ordinance desire to approve the Plan.

NOW, THEREFORE, THE LEBANON CITY COUNCIL HEREBY ORDAINS THAT:

Section 1. The Plan complies with all applicable requirements of ORS Chapter 457 and the specific criteria of 457.095(1) through (7), in that, based on the information provided in the Report, the Lebanon Planning Commission Recommendation, and the public testimony before the City Council:

1. The process for the adoption of the Plan, has been conducted in accordance with the applicable provisions of Chapter 457 of the Oregon Revised Statutes and all other applicable legal requirements;
2. The area designated in the Plan as the Lebanon Downtown Urban Renewal Area ("Area") is blighted, as defined by ORS 457.010(1) and is eligible for inclusion within the Plan because of conditions described in the Report in the Section "Existing Physical, Social, and Economic Conditions and Impacts on Municipal Services", including the existence of inadequate streets and other rights of way, open spaces and utilities and underdevelopment of property within the Area (ORS 457.010(1)(e) and (g);
3. The rehabilitation and redevelopment described in the Plan to be undertaken by the Agency is necessary to protect the public health, safety or welfare of the City because absent the completion of urban renewal projects, the Area will fail to contribute its fair share of property tax revenues to support City services and will fail to develop and/or redevelop according the goals of the City's Comprehensive Plan;
4. The Plan conforms to the Lebanon Comprehensive Plan and provides an outline for accomplishing the projects described in the Plan, as more fully described in Section XI of the Plan and in the Lebanon Planning Commission Recommendation;
5. No residential displacement will occur as a result of the acquisition and disposition of land and redevelopment activities proposed in the Plan and therefore the Plan does not include provisions to house displaced persons;
6. No acquisition of property is anticipated as a result of the Plan. If property is acquired for right of way improvements, it will be added to the Plan as property to be acquired;
7. Adoption and carrying out the Plan is economically sound and feasible in that eligible projects and activities will be funded by urban renewal tax revenues derived

from a division of taxes pursuant to Section 1c, Article IX of the Oregon Constitution and ORS 457.440 and other available funding as more fully described in Sections III, IV, V, VI of the Report;

8. The City shall assume and complete any activities prescribed it by the Plan; and,
9. The Agency consulted and conferred with affected overlapping taxing districts prior to the Plan being forwarded to the City Council.

Section 2. Lebanon Downtown Urban Renewal Plan is hereby approved based upon review and consideration by the City Council of the Plan and Report, the Lebanon Planning Commission Recommendations, each of which is hereby accepted, and the public testimony in the record.

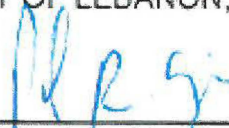
Section 3. The City Manager shall forward forthwith to the Agency a copy of this Ordinance.

Section 4. The Agency shall thereafter cause a copy of the Plan to be recorded in the Records of Linn County, Oregon.

Section 5. The City Administrator, in accordance with ORS 457.115, shall publish notice of the adoption of the Ordinance approving the Plan including the provisions of ORS 457.135, in the Albany Democrat-Herald no later than four days following adoption of this Ordinance.


Passed by the Lebanon City Council and executed by the Mayor on this 14th day of November, 2018 by a vote of 4 yeas and 0 nays.

CITY OF LEBANON, OREGON



Paul R. Aziz, Mayor ☒
Bob Elliott, Council President ☐

ATTESTED BY:



Linda Kaser, City Clerk

Attachments:

Exhibit A – Lebanon Downtown Urban Renewal Plan

Exhibit B – Report on the Lebanon Downtown Urban Renewal Plan

Exhibit C – Lebanon Planning Commission Order of Recommendation

Lebanon Downtown Urban Renewal Plan

Adopted by the City of Lebanon

November 14, 2018

Ordinance No. 2018-14 Number 2921

If Amendments are made to the Plan, the Resolution or Ordinance Number and date will be listed here. The amendment will be incorporated into the Plan and noted through a footnote.



LIST OF PARTICIPANTS

Mayor

Paul Aziz

City Council

Robert Furlow	Ward 1
Wayne Rieskamp	Ward 1
Floyed Fisher	Ward 2
Rebecca Grizzle	Ward 2
Jason Bolen	Ward 3
Bob Elliott	Ward 3

Planning Commission

Don Robertson	Chair
Jeremy Salvage	Vice Chair
John Brown	
Brian Daniels	
David McClain	
Todd Prenoveau	
Samuel Brackeen	(alternate)
Joshua Galka	(alternate)

City Manager

Gary B. Marks

Community Development Director

Walt Wendolowski

IT/GIS Systems Coordinator

Casey McMillin

Administrative Assistant to the City Manager/Communications Coordinator

Leigh Matthews Bock

Consulting Team

Elaine Howard Consulting, LLC

Elaine Howard
Scott Vanden Bos

Tiberius Solutions, LLC

Nick Popenuk
Ali Danko
Rob Wyman

TABLE OF CONTENTS

I.	DEFINITIONS	7
II.	INTRODUCTION	9
III.	MAXIMUM INDEBTEDNESS	11
IV.	PLAN GOALS	12
V.	URBAN RENEWAL PROJECT CATEGORIES	14
VI.	URBAN RENEWAL PROJECTS	14
VII.	AMENDMENTS TO PLAN	14
VIII.	PROPERTY ACQUISITION AND DISPOSITION	16
IX.	RELOCATION METHODS	17
X.	TAX INCREMENT FINANCING OF PLAN	17
XI.	RELATIONSHIP TO LOCAL OBJECTIVES	19
XII.	APPENDIX A: LEGAL DESCRIPTION	26

I. DEFINITIONS

“Agency” means the Lebanon Urban Renewal Agency. This Agency is responsible for administration of the urban renewal plan.

“Area” means the properties and rights-of-way located with the Lebanon Downtown Urban Renewal Area Boundary.

“Blight” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting the urban renewal plan.

“Board of Commissioners” means the Linn County Board of Commissioners.

“City” means the City of Lebanon, Oregon.

“City Council” or “Council” means the Lebanon City Council.

“Comprehensive Plan” means the City of Lebanon comprehensive land use plan and its implementing ordinances, policies, and standards.

“County” means Linn County, Oregon.

“Fiscal year” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within an urban renewal area at the time of adoption. The county assessor certifies the assessed value after the adoption of an urban renewal plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

“ORS” means the Oregon revised statutes and specifically Chapter 457, which relates to urban renewal.

“Planning Commission” means the Lebanon Planning Commission.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment financing (TIF)” means the funds that are associated with the division of taxes accomplished through the adoption of an urban renewal plan.

“Tax increment revenues” means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the area.

“UGB” means urban growth boundary.

“Urban renewal area” means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.160.

“Urban renewal plan” or “Plan” means a plan, as it exists or is changed or modified from time to time, for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

“Urban renewal project” or “Project” means any work or undertaking carried out under ORS 457.170 in an urban renewal area.

“Urban renewal report” or “Report” means the official report that accompanies the urban renewal plan pursuant to ORS 457.085(3).

II. INTRODUCTION

The Lebanon Downtown Urban Renewal Plan (Plan) was developed for the Lebanon City Council (City Council). The Plan also includes input from the community received at a meeting with the Downtown Association and public meetings and hearings before the Planning Commission, City Council, and Linn County Board of Commissioners. Pursuant to the Lebanon City Charter, this Plan will go into effect when it has been adopted by City Council.

A. Plan Overview

The Plan Area, shown in Figure 1, consists of approximately 51.3 total acres: 36.94 acres of land in tax lots and 14.36 acres of public rights-of-way. It represents the downtown core area. It is anticipated that the Plan will take 25 years of tax increment collections to implement. The maximum amount of indebtedness (amount of tax increment financing (TIF) for projects and programs) that may be issued for the Plan is \$3,600,000 (three million six hundred thousand dollars).

City officials met with downtown stakeholders on September 6, 2018 where the Downtown Urban Renewal Area boundary was discussed and projects to identify in the urban renewal plan were reviewed. There was strong support for the development of an urban renewal area to support the downtown.

The City of Lebanon adopted the *Lebanon 2040 Vision and Community Strategic Action Plan* in 2016. This plan was developed with over two years of extensive public input. The Vision is supported by seven Focus Areas with strategies for each area. The Vision represents “*citizens’ overarching description of the community they aspire by 2040.*” The Downtown was one of the focus areas establishing that the downtown is the “*Heart of the Community: Downtown is the recognized center of Lebanon where people gather to celebrate and connect.*” Other focus areas support the concentration of efforts to support the downtown community, including the Healthy Community and Arts and Culture focus areas. The strategies in the “Downtown” focus area call for the creation of an urban renewal plan to provide a funding source for the improvements listed in the *Lebanon 2040 Vision and Community Strategic Action Plan*.

Goals and objectives for this Plan are intended to guide TIF investment in the Area over the life of the Plan. The project category descriptions and list of projects are similarly intended to aid future decision makers when considering how best to expend funds generated by TIF. The Plan is to be administered by the city’s Urban Renewal Agency (Agency). Substantial amendments to the Plan must be approved by City Council as outlined in Section VII. All amendments to the Plan are to be listed numerically on the front page of the Plan and then incorporated into the Plan document and noted by footnote with an amendment number and adoption date. The preparation of the Lebanon Downtown Urban Renewal Plan follows the success of other urban renewal plans in Lebanon. The downtown stakeholders have requested the ability to fund improvements to the downtown to enhance it as the gathering spot for Lebanon residents, providing them with the ability to meet their retail needs within the city.

B. Urban Renewal Overview

Urban renewal allows for the use of tax increment financing, a financing source that is unique to urban renewal, to fund its projects. Tax increment revenues— the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established— are used to pay for the projects directly, or, repay borrowed funds. The borrowed funds are used to pay for urban renewal projects and cannot exceed the maximum indebtedness amount set by the urban renewal plan.

The purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped, called blighted areas in ORS 457. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. In general, urban renewal projects can include construction or improvement of streets, utilities, and other public facilities; assistance for rehabilitation or redevelopment of property; acquisition and re-sale of property (site assembly) from willing sellers; and improvements to public spaces. The Lebanon Downtown Urban Renewal Area meets the definition of blight due to its infrastructure deficiencies and underdeveloped properties. These blighted conditions are specifically cited in the ordinance adopting the Plan and described in detail in the accompanying Urban Renewal Report (Report).

The Report accompanying the Plan contains the information required by ORS 457.085, including:

1. A description of the physical, social, and economic conditions in the area;
2. Expected impact of the Plan, including fiscal impact in light of increased services;
3. Reasons for selection of the Plan Area;
4. The relationship between each project to be undertaken and the existing conditions;
5. The estimated total cost of each project and the source of funds to pay such costs;
6. The estimated completion date of each project;
7. The estimated amount of funds required in the Area and the anticipated year in which the debt will be retired;
8. A financial analysis of the Plan;
9. A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area; and
10. A relocation report.

III. MAXIMUM INDEBTEDNESS

Maximum indebtedness is the total amount of money that can be spent on projects, programs and administration throughout the life of the Plan. The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$3,600,000 (Three Million Six Hundred Thousand dollars). This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on bond proceeds. It does include initial bond financing fees and interest earned on tax increment proceeds, separate from interest on bond proceeds.

IV. PLAN GOALS AND OBJECTIVES

The goals of the Plan represent its basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve each goal. The urban renewal projects identified in Sections V and VI of the Plan are the specific means of meeting the objectives. The goals and objectives will be pursued as economically as is feasible and at the discretion of the Agency. The goals and objectives are not listed in any order of importance or priority.

Goal 1: ECONOMY

Assist in providing improvements that will enhance the Area and thereby encourage continued health of existing businesses and encourage new businesses to locate in the Area.

Objectives:

1. Add streetscape and wayfinding to the Area.
2. Improve streets in the Area.
3. Improve Ralston Park.

Goal 2: DOWNTOWN IMPROVEMENTS

Assist in improving the streetscape in the downtown to encourage patronage of the downtown businesses and support for improvements that will reinforce the downtown as the heart of community.

Objectives:

1. Provide street furniture.
2. Provide bike racks.
3. Provide wayfinding signage.
4. Construct Americans with Disabilities (ADA) ramps.
5. Use a design consultant to facilitate an overall design aesthetic for these improvements.

Goal 3: PARKS IMPROVEMENTS

Provide parks improvements to enhance the downtown community.

Objectives:

1. Construct improvements in Ralston Park.

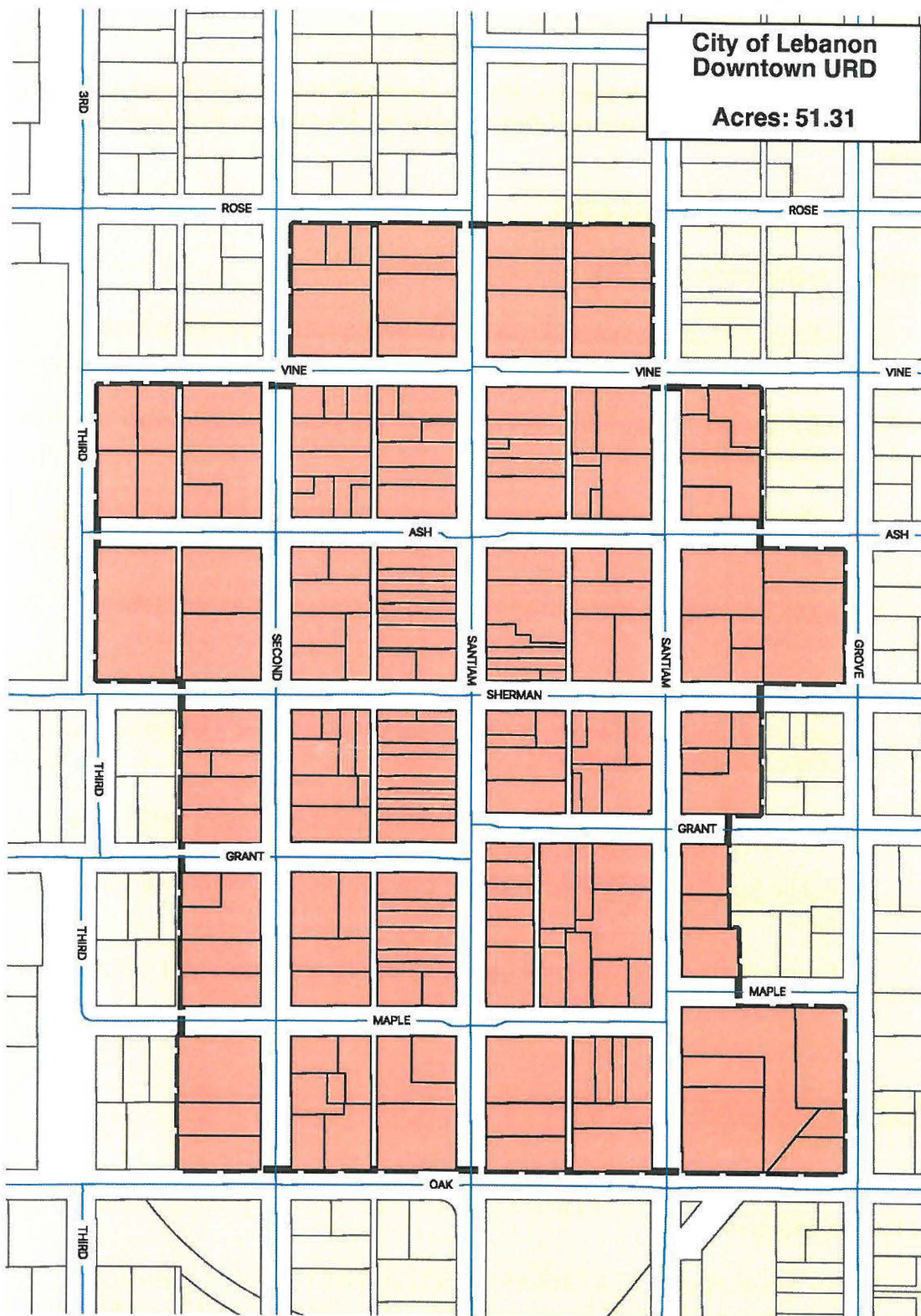
Goal 4: TRANSPORTATION IMPROVEMENTS

Improve the transportation network in the Area to enhance ease of mobility in the Area..

Objectives:

1. Reconstruct streets in the Area.

Figure 1 – Lebanon Downtown Urban Renewal Plan Area Boundary



Source: Tiberius Solutions, LLC

V. URBAN RENEWAL PROJECT CATEGORIES

The projects within the Area fall into the following categories:

Streetscape, Ralston Park Improvements, Design Consultation, Street Reconstruction, Administration, Building Restoration, Public Restroom, Downtown Residential Development

VI. URBAN RENEWAL PROJECTS

Urban renewal projects authorized by the Plan are described below.

- a) Ralston Park Improvements - Develop and implement a Ralston Park Improvement Plan.
- b) ADA Corner Ramps – Increase accessibility by constructing corner ramps to ADA standards.
- c) Streetscape - Install streetscape improvements including but not limited to furniture, bike racks, wayfinding signage, and other visual improvements.
- d) Street Reconstruction - Reconstruction of streets in the Area to urban standards.
- e) Design Consultation - Design consultation for projects authorized in the Plan including design standards for the downtown to promote a consistent and attractive design in the Area.
- f) Building Restoration - Assist in funding building restorations in the Area.
- g) Public Restroom - Construct a public restroom in the commercial core of the Area.
- h) Downtown Residential Development - Develop and implement a Downtown Residential Incentive Plan.

VII. AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

1. Substantial Amendments

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan, under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Agency, the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Lebanon, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

Substantial Amendments are amendments that:¹

1. Add land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or
2. Increase the maximum amount of indebtedness that can be issued or incurred under the Plan.

C. Minor Amendments

Minor Amendments are amendments that are not Substantial Amendments as defined in this Plan and in ORS 457. Minor Amendments require approval by the Agency by resolution.

D. Amendments to the Lebanon Comprehensive Plan and/or Lebanon Zoning Code.

Amendments to the Lebanon Comprehensive Plan and/or Development Code that affect the Plan and/or the Area shall be incorporated automatically within the Plan without any separate action required by the Agency or City Council.

¹ Unless otherwise permitted by state law, no land equal to more than 20 percent of the total land area of the original Plan shall be added to the urban renewal area by amendments, and the aggregate amount of all amendments increasing the maximum indebtedness may not exceed 20 percent of the Plan's initial maximum indebtedness, as adjusted, as provided by law.

VIII. PROPERTY ACQUISITION AND DISPOSITION

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

- **Property acquisition for public improvements**

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

E. Property acquisition from willing sellers

The Plan authorizes Agency acquisition of any interest in property within the Area that the Agency finds is necessary for private redevelopment, but only in those cases where the property owner wishes to convey such interest to the Agency. The Plan does not authorize the Agency to use the power of eminent domain to acquire property from a private party to transfer property to another private party for private redevelopment. Property acquisition from willing sellers may be required to support development of projects within the Area.

F. Land disposition

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

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

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

IX. RELOCATION METHODS

When the Agency acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the Agency shall adopt rules and regulations, as necessary, for the administration of relocation assistance. No specific acquisitions that would result in relocation benefits have been identified.

X. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to pay for the projects directly, or, make payments on debt, usually in the form of bank loans or revenue bonds. The proceeds of the bonds are used to finance the urban renewal projects authorized in the Plan. Bonds may be either long-term or short-term.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

a) General description of the proposed financing methods

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

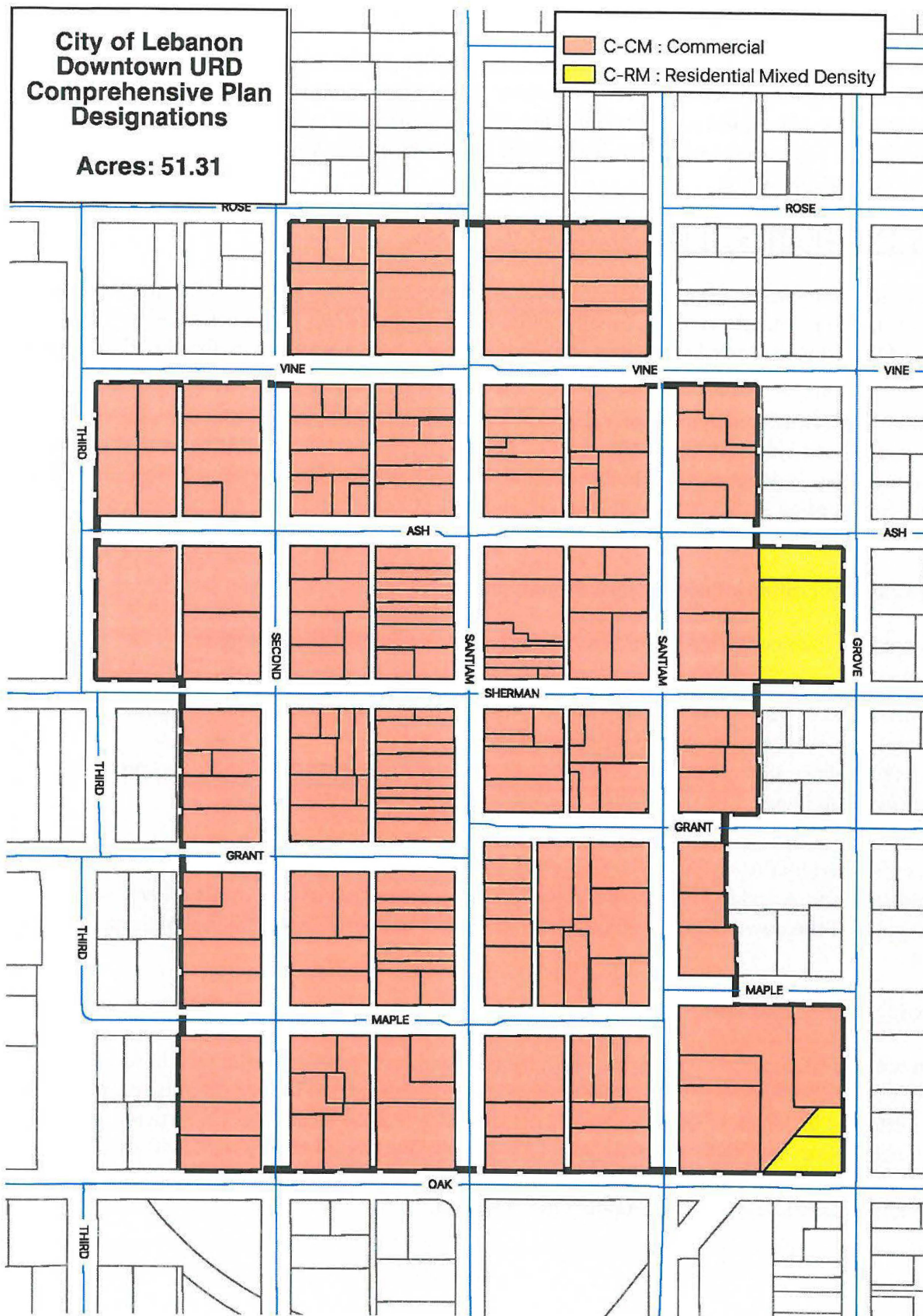
- a) Tax increment revenues;
- b) Advances, loans, grants, and any other form of financial assistance from federal, state, or local governments, or other public bodies;
- c) Loans, grants, dedications, or other contributions from private developers and property owners, including, but not limited to, assessment districts; and
- d) Any other public or private source.

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

G. Tax increment financing

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

Figure 2 – Comprehensive Plan Designations



Source: Tiberius Solutions, LLC

XI. RELATIONSHIP TO LOCAL OBJECTIVES

ORS 457.085 requires that the Plan conform to local objectives. This section provides that analysis. Relevant local planning and development objectives are contained within the *Lebanon Comprehensive Plan*, *Development Code*, and *Lebanon 2040 Vision*. The following section describes the purpose and intent of these plans, the main applicable goals and policies within each plan, and an explanation of how the Plan relates to the applicable goals and policies. This analysis covers the most relevant sections but may not cover every section of the Comprehensive Plan that relates to the Plan. As these documents are updated in the future, this document will automatically incorporate those updates without the Plan having to be formally amended. If a substantial amendment is completed in the future, this section of the Plan should be updated at that point.

The numbering of the goals and policies within this section reflects the numbering that occurs in the original document. *Italicized text* is text that has been taken directly from an original document.

Lebanon Comprehensive Plan designations for all land in the Area are shown in Figure 2. All proposed land uses conform to Figure 2. Maximum densities and building requirements for all land in the Area are contained in the *Development Code*.

- **Lebanon Comprehensive Plan**

The numbering of the policies within this section reflects the numbering that occurs in the original document.

The applicable goals and policies are:

Chapter 3 – Urbanization Goals and Policies

The overall Urbanization Goals of the City include:

G-2: Promoting and implementing development policies that encourage the orderly and efficient development within the community.

The City Shall:

P-12: Pursue, for public infrastructure development and community enhancement, a variety of funding sources, including urban renewal districts (URDs), local improvement districts (LIDs), grants, and other funding mechanisms.

Finding:

The Plan conforms with the Urbanization goals because the development of an urban renewal plan for the Area will provide funding for community enhancement projects.

Chapter 4 – Land use Goals and Policies

The City's Land Use Goals include:

G-2: Promoting the orderly development and conservation of lands for urban uses, such as homes, businesses, industries, and streets, as well as parks, open space, and wetlands.

Finding:

The Plan conforms to the Land Use Goals as providing funding to assist with promoting downtown development helps support orderly development and conservation of lands for urban uses.

Chapter 5 – Economy Goals and Policies

The City's Economic Goals include the following:

G-1 Providing employment opportunities for its citizens.

G-2: Providing a viable tax base for the community in order to pay for essential community services.

G-3: Encouraging a diversified economic base for the community which broadens and improves long-term employment opportunities in all sectors, including, retail, service, and industrial.

G-4: Providing the opportunity for a full range of commercial, cultural, recreational, educational, health services, and other professional services to meet the needs of the City's residents and visitors.

G-5: Supporting the establishment of new employment and the expansion of existing employment to strengthen the City's economic base in order to provide adequate employment opportunities and maintain community livability.

G-6: Seeking balanced, concurrent growth in the commercial, industrial and residential sectors that are within the carrying capacity of community resources.

G-14: Promoting infill development and redevelopment throughout the City.

G-18: Improving community appearance and establishing attractive gateways into the City and visually appealing highway corridors.

Finding:

The Plan conforms to the Economy Goals as providing a funding source to pursue projects within the downtown will help provide infill development, support the economic health of the downtown and support existing and new businesses. The health of these businesses will enable the Area to provide employment opportunities for Lebanon citizens. Projects within the Plan will improve the community appearance in the Area.

Chapter 7 – Community Friendly Development Goals and Policies

The City's Community Friendly Development Goals include:

G-1: Encouraging development patterns that make efficient use of land and energy resources, provide a variety of housing choices, and create multiple transportation options.

G-2: Supporting infill development and other development options on large or underutilized residential or commercial lots guided by clear and objective neighborhood compatibility standards.

G-3: Encouraging policies and ordinances that lead to well-designed, aesthetically pleasing neighborhoods that foster a sense of community and personal interaction.

G-5: Developing streets whose purpose is not solely to move automobiles safely and efficiently, but also to create pedestrian and bicycle friendly environment.

G-6: Developing sidewalks, crosswalks, and multi-use paths that not only meet ADA standards, but also enhance a pedestrian and bicycle friendly environment throughout the community

G-8: Promoting denser development in select locations in order to realize potential savings on infrastructure provision and maintenance.

G-10: Allowing appropriately scale neighborhood commercial centers, subject to provisions of the Zoning Ordinance, and residential zones in order to: (1) provide ease of access to basic daily household needs, to eliminate unnecessary automobile trips, and to provide convenience centers for neighborhood social interaction; and, (2) within the Mixed Density Residential Zones in order to allow for commercial activity closer to the source of the customers and to allow the pedestrian access to retail services.

G-12: Encouraging retail commercial and residential development and restoration activities within the downtown central business commercial district in order to create a more vital neighborhood atmosphere and to enhance the historic and economic value of the downtown area.

Finding:

The Plan conforms to the Community Friendly Goals as providing a funding source to pursue projects within the downtown will help provide infill development, support the economic health of the downtown and support existing and new businesses. The health of these businesses will enable the Area to provide employment opportunities for Lebanon citizens. Projects within the Plan will improve the community appearance in the Area.

Chapter 8 – Transportation Goals and Policies

The City's Transportation Related Goals include the following:

G-1: Developing and maintaining a well-planned, comprehensive transportation system that balances the needs of future land development with the system that serves all users.

G-3: Promoting connectivity and efficient multi-modal access within and between developments and neighborhoods.

Finding:

The Plan conforms to the Transportation Goals as there are projects identified in the Plan that will help develop a comprehensive transportation system in the Area and promote connectivity and efficient multi-modal access in the Area.

Chapter 9 – Public Facilities Goals and Policies

G-2: Planning and developing a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development for both existing and planned land uses.

G-4: Ensuring that essential public facilities and service capabilities (transportation, storm drainage, sewer and water service) are either in place before new development occurs and/or are constructed concurrently with such development.

Finding:

The Plan conforms to the Public Facilities Goals as there are projects identified in the Plan that will help develop a comprehensive transportation system in the Area for both existing and planned land uses.

H. Development Code

The land uses in the Area will conform to the zoning designations in the *City of Lebanon Municipal Code*, including maximum densities and building requirements, and are incorporated by reference herein. Central Business District and Residential High Density zoning districts are present in the Area.

The land uses in the Area will conform to the zoning designations in the City of Lebanon Development Code, including maximum densities and building requirements, and the requirements in the Land Development Code are incorporated by reference herein.

The development is expected to conform to the zoning requirements. As the Development Code is updated, this document will be updated by reference. If a substantial amendment is completed in the future, this section will be updated to match the current zoning designations.

1. A. Central Business and Highway Commercial Zones

Purpose

Commercial districts are centers of business and civic life. This Chapter describes the three commercial districts that are designed to accommodate the range of commercial land uses in the community. (...) The Central Business Commercial Zone (Z-CCM) is focused on "downtown" area, or the commercial and civic the core of the community (generally that area south of Rose Street, north of Oak Street, primarily east of or adjacent to 4th Street, and primarily west of or adjacent to Park Street).

These commercial zones are intended to:

- 1. To preserve and enhance areas within the commercial core of the community for concentrated retail sales and businesses that will serve the pedestrian shopper.*
- 2. Promote efficient use of land and urban services.*
- 3. Create a mixture of land uses that encourages employment and housing options in close proximity to one another.*
- 4. Provide formal and informal community gathering places and opportunities for social activities.*
- 5. Provide connections and appropriate transitions between residential areas and commercial areas;*
- 6. Encourage and nurture pedestrian oriented shopping and activity in the Downtown (Central Business Commercial Zone), and accommodate automobile dependent uses, as well as pedestrian oriented uses, with appropriate standards in the Highway Commercial Zone.*
- 7. Provide for visitor accommodations and tourist amenities.*
- 8. Encourage full utilization of Downtown infrastructure (including parking) and other Amenities.*

2. Residential High Density

Purpose

The Residential Zones are intended to promote the livability, stability and improvement of the City's neighborhoods.

The Residential High Density Zone (Z-RH) is intended to primarily provide areas suitable and desirable for multi-family dwellings at higher densities, with provisions for associated public service uses, in close proximity to the downtown area of the City.

This chapter provides standards for land use and development in each of the three (residential) Zones, based on the following principles:

- 1. Promote the orderly expansion and improvement of neighborhoods.*
- 2. Make efficient use of land and public services and implement the Comprehensive Plan.*
- 3. Designate land for the range of housing types and densities needed by the community, including owner-occupied and rental housing.*
- 4. Provide flexible lot standards that encourage compatibility between land uses, efficiency in site design, and environmental compatibility.*
- 5. Provide for compatible building and site design at an appropriate neighborhood scale.*
- 6. Provide standards that are in character with the landforms and architecture existing in the community.*
- 7. Apply the minimum amount of regulation necessary to ensure compatibility with existing residences, schools, parks, transportation facilities, and neighborhood services.*
- 8. Reduce reliance on the automobile for neighborhood travel and provide options for walking, bicycling.*
- 9. Provide direct and convenient access to schools, parks and neighborhood services.*

I. Lebanon 2040 Vision Plan

The Lebanon 2040 Vision (Vision) and the Lebanon Community Strategic Action Plan (Strategic Action Plan) constitute the community's aspirations for what Lebanon should look and feel like by the year 2040, and a plan for how to get there. The Vision and the Strategic Action Plan were developed over nearly two years with extensive public input to ensure the community's values and priorities provided the foundation for the future physical, economic, and social attributes that will define the community. The Vision and the Strategic Action Plan serve as two constituent parts of a comprehensive process of public engagement. First, the Vision represents the citizens' overarching description of the community they aspire to attain by 2040. The first element of the Vision, the Vision Statement, expresses this aspiration succinctly: The Vision is supported by seven focus areas that expand the Vision Statement concept, elaborating on the specific elements that comprise the community's ambitions for the future. Each focus area provides a brief narrative description of a topic (e.g., education, jobs, arts, etc.) that supports and delineates the intent of the Vision Statement. Second, the Strategic Action Plan charts a course for implementing the Vision over the next five years. It identifies 17 strategies that provide direction for accomplishing the Vision and offers guidance for community leaders helping to achieve its realization. Each strategy includes one or more actions to help move it forward. Each action provides a tangible project, program, or activity to implement the strategy it supports. The Strategic Action Plan was developed as a direct outgrowth of the Vision, allowing each part of the plan to be traced back to the Vision Statement, ensuring fidelity and maintaining the integrity of the Vision as originally conceived.

Vision Statement: Lebanon is a friendly and thriving community.

Focus Areas:

DOWNTOWN

Heart of the Community: Downtown is the recognized center of Lebanon where people gather to celebrate and connect.

Historic Preservation: Lebanon preserves its rich past through renovation and preservation of its historic downtown buildings.

Strategy 4 – Revitalize downtown through consistent and attractive design and upkeep.

Action Item 4.1 Develop a Downtown Public Streetscape and Utility Infrastructure Plan.

Action Item 4.2 Develop downtown design and standards consistent and protective of Lebanon's historic architectural themes.

Action Item 4.3 Implement a Downtown Accessibility Improvement Plan.

Action Item 4.4 Create a Downtown/Commercial Strip (Highway 20) Urban Renewal District and/or Local Improvement District.

Action Item 4.5 Maintain the historic nature of downtown through preservation, education, awareness, and policies such as a Downtown Building Restoration Program to incentivize structural and decorative building improvements in context with Lebanon's historic style.

Strategy 5 – Foster an environment that supports existing businesses and attracts new complementary enterprises.

Action Item 5.4 Develop and implement a Downtown Residential Incentive Plan.

Action Item 5.5 Develop and implement a Ralston Park Improvement Plan.

Strategy 16 – Promote information sharing and civic engagement through a combination of traditional and new information access points.

Action Item 16.3 Create a community information kiosk.

HEALTHY COMMUNITY

Lifestyles: Healthy choices and recreation opportunities in Lebanon enable healthy and active citizens.

Healthcare: Comprehensive health and wellness services support community vitality.

ARTS & CULTURE

Events: Lebanon supports a diversity of events that connect residents to each other and welcomes people to the community.

Arts: Lebanon nurtures creativity across all forms of art.

Finding:

The Plan conforms to the *Lebanon 2040 Vision and Community Strategic Action Plan* as there are projects in the Plan that implement action items in the *Lebanon 2040 Vision and Community Strategic Action Plan* including fostering an environment to support existing businesses and attracting complementary businesses, streetscape including furniture, bike racks, wayfinding, ADA ramps, park improvements, design assistance, transportation network improvements, building restoration, public restrooms and creation of downtown housing.

XII. APPENDIX A: LEGAL DESCRIPTION

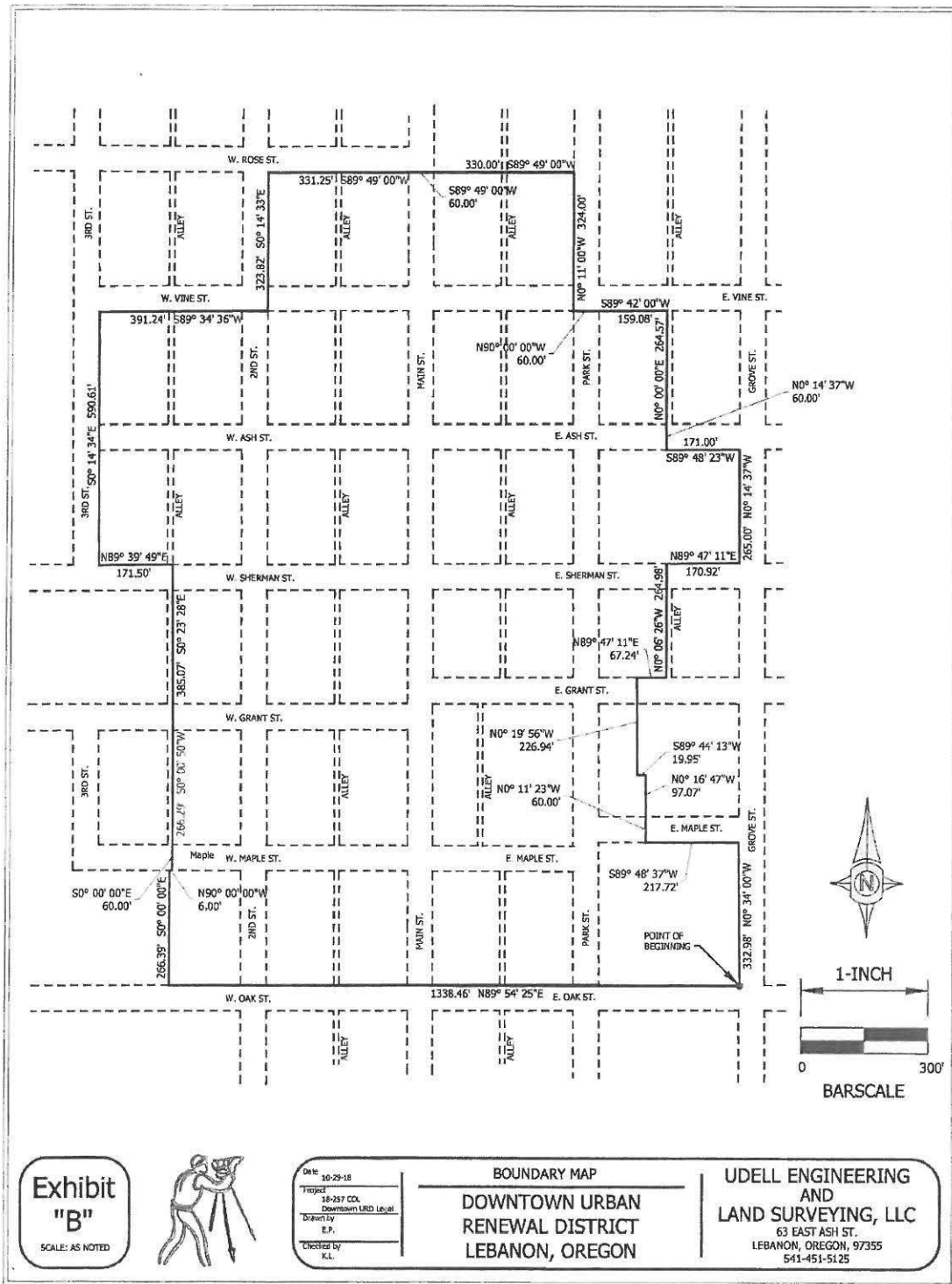
An area of land within the City of Lebanon located in Sections 10 and 11 of Township 12 South, Range 2 West of the Willamette Meridian more particularly described as follows:

Beginning at a point of intersection of the north right of way line of East Oak Street and the west right of way line of Grove Street, said point being West 60 feet from the southwest corner of Lot 6, Block 5 of the J.M. Ralston, Third Addition to Lebanon Oregon; Thence, along said west right of way line of Grove Street North 0°34'00" West 332.98 feet to the south right of way line of East Maple Street; Thence, following said south right of way line of East Maple Street South 89°48'37" West 217.72 feet; Thence, North 0°11'23" West 60.00 feet to the southeast corner of that land described in Deed Reference Number 2006-21928 of Linn County Deed Records; Thence, following the east property boundary of said land described in Deed Reference Number 2006-21928 of Linn County Deed Records North 0°16'47" West 97.07 feet to the northeast corner of said property; Thence, following the north property boundary of said land described in Deed Reference Number 2006-21928 of Linn County Deed Records South 89°44'13" West 19.95 feet to the southeast corner of that land described in Deed Reference Number MF1756-0229 of Linn County Deed Records; Thence, following the east property boundary of said land described in Deed Reference Number MF1756-0229 of Linn County Deed Records North 0°19'56" West 226.94 feet to the north right of way line of East Grant Street; Thence, North 89°47'11" East 67.24 feet to the southeast corner of Lot 6 Block 21 of the Plan of J.M. Ralston's Addition to Lebanon Oregon; Thence, following the west right of way line of the alley in said Block 21 of the Plan of J.M. Ralston's Addition to Lebanon Oregon North 0°06'26" West 264.98 feet to the north right of way line of East Sherman Street; Thence, following said north right of way line of East Sherman Street North 89° 47' 11" East 170.92 feet to the west right of way line of Grove Street; Thence, following said west right of way line of Grove Street North 0°14'37" West 265.00 feet to the south right of way line of East Ash Street; Thence, following said south right of way line of East Ash Street South 89°48'23" West 171.00 feet to the northeast corner of Lot 5 Block 22 of the Plan of J.M. Ralston's Addition to Lebanon Oregon; Thence, North 0°14'37" West 60 feet to the west right of way line of the alley in Block 23 of the Plan of J.M. Ralston's Addition to Lebanon Oregon; Thence, following the west right of way line of the alley in Block 23 of the Plan of J.M. Ralston's Addition to Lebanon Oregon and continuing along the west right of way line of the alley in Block 3 of the Plan of Cowan Addition to Lebanon North 264.57 feet to the south right of way line of East Vine Street; Thence, following said south right of way line of East Vine Street South 89°42'00" West 159.08 feet to the east right of way line of Park Street; Thence, West 60 feet to a point of intersection of the south right of way line of East Vine Street and the west right of way line of Park Street; Thence, following the west right of way line of Park Street North 0°11'00" West 324.00 feet to the southeast corner of that land described in Deed Reference Number 2018-10474 of Linn County Deed Records; Thence, along the south boundary of said land described in Deed Reference Number 2018-10474 of Linn County Deed Records and continuing along the south boundary of that land described in Deed Reference Number MF0728-029 of Linn County Deed Records South 89°49'00" West 330.00 feet to the east right of way line of Main Street; Thence, South 89° 49'00" West 60.00 feet to a point of intersection of the south right of way line of West Rose Street and the west right of way line of Main Street; Thence, along said south right of way line of West Rose Street South 89°49'00" West 331.25 feet to a point of intersection of the south right of way line of West Rose Street and the east right of way line of 2nd Street; Thence, along the east right of way line of 2nd Street South 0°14'33" East 323.82 feet to a point of intersection of the south right of way line of West Vine Street and the east right of way line of 2nd Street; Thence, along the south right of way line of West Vine Street South 89°34'36" West 391.24 feet to a point of intersection of the south right of way line of West Vine Street and the east right of way line of 3rd Street; Thence, along said east right of way line of 3rd Street South 0°14'34" East 590.61 feet more or less to a point of intersection of the north right of way line of West Sherman Street and the east right of way line of 3rd Street; Thence, along said north right of way line of West Sherman Street North 89°39'49" East 171.50 feet to a point of intersection of the north right of way line of West Sherman Street and the east right of way line of the alley which is the southwest corner of that land described in Deed Reference Number MF1195-0606 Linn County Deed Records; Thence, South 0°23'28" East to and continuing along the east right of way line of the alley in Block 8 of the Plan of Lebanon 385.07 feet to a point of intersection of the south right of way line of West Grant Street and the east right of way line of the alley in Block 9 of the Plan of Lebanon; Thence, continuing along said east right of way line of the alley in Block 9 of the Plan of Lebanon South 0°00'50" West 266.29 feet to the north right of way line of West Maple Street; Thence, South 60.00 feet to the south right of way line of West Maple Street; Thence, West along said south right of way line of West Maple Street 6.00 feet to the northwest corner of that land described in Deed Reference Number 2018-6878 of Linn County Deed Records; Thence, South along the west boundary line of said land described in Deed Reference Number 2018-6878 of Linn County Deed Records and continuing along the west boundary line of that land described in Deed Reference Number MF0644-478 of Linn County Deed Records 266.39 feet to the north right of way line of West Oak Street; thence, North 89°54'25" East along said north right of way line of West Oak Street and continuing along the north right of way line of East Oak Street 1338.46 feet more or less back to the point of beginning, containing 51.31 acres.

**REGISTERED
PROFESSIONAL
LAND SURVEYOR**

**OREGON
JULY 11, 2000
EDDIE J. PATTON
46905**

RENEWAL DATE: 12/31/18



Report Accompanying the Lebanon Downtown Urban Renewal Plan

Adopted by the City of Lebanon
November 14, 2018
Ordinance No. 2018-14; Number 2921

Lebanon Downtown Urban Renewal Area



LIST OF PARTICIPANTS

Mayor

Paul Aziz

City Council

Robert Furlow Ward 1

Wayne Rieskamp Ward 1

Floyed Fisher Ward 2

Rebecca Grizzle Ward 2

Jason Bolen Ward 3

Bob Elliott Ward 3

Planning Commission

Don Robertson Chair

Jeremy Salvage Vice Chair

John Brown

Brian Daniels

David McClain

Todd Prenoveau

Samuel Brackeen (alternate)

Joshua Galka (alternate)

City Manager

Gary B. Marks

Community Development Director

Walt Wendolowski

IT/GIS Systems Coordinator

Casey McMillin

Administrative Assistant to the City Manager/Communications Coordinator

Leigh Matthews Bock

Consulting Team

Elaine Howard Consulting, LLC

Elaine Howard

Scott Vanden Bos

Tiberius Solutions, LLC

Nick Popenuk

Ali Danko

Rob Wyman

TABLE OF CONTENTS

I.	INTRODUCTION	32
II.	THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA	35
III.	THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS	36
IV.	FINANCIAL ANALYSIS OF THE PLAN	37
V.	THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED	39
VI.	THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT	43
VII.	REVENUE SHARING	47
VIII.	IMPACT OF THE TAX INCREMENT FINANCING	47
IX.	COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA	51
X.	EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES	52
XI.	REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN	62
XII.	RELOCATION REPORT	62

I. INTRODUCTION

The Report on the Lebanon Downtown Urban Renewal Plan (Report) contains background information and project details that pertain to the Lebanon Downtown Urban Renewal Plan (Plan). The Report is not a legal part of the Plan but is intended to provide public information and support the findings made by the Lebanon City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.085(3), including financial feasibility. The Report accompanying the Plan contains the information required by ORS 457.085, including:

- A description of the physical, social, and economic conditions in the area; (ORS 457.085(3)(a))
- Expected impact of the Plan, including fiscal impact in light of increased services; (ORS 457.085(3)(a))
- Reasons for selection of the Plan Area; (ORS 457.085(3)(b))
- The relationship between each project to be undertaken and the existing conditions; (ORS 457.085(3)(c))
- The estimated total cost of each project and the source of funds to pay such costs; (ORS 457.085(3)(d))
- The estimated completion date of each project; (ORS 457.085(3)(e))
- The estimated amount of funds required in the Area and the anticipated year in which the debt will be retired; (ORS 457.085(3)(f))
- A financial analysis of the Plan; (ORS 457.085(3)(g))
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area; (ORS 457.085(3)(h)) and
- A relocation report. (ORS 457.085(3)(i))

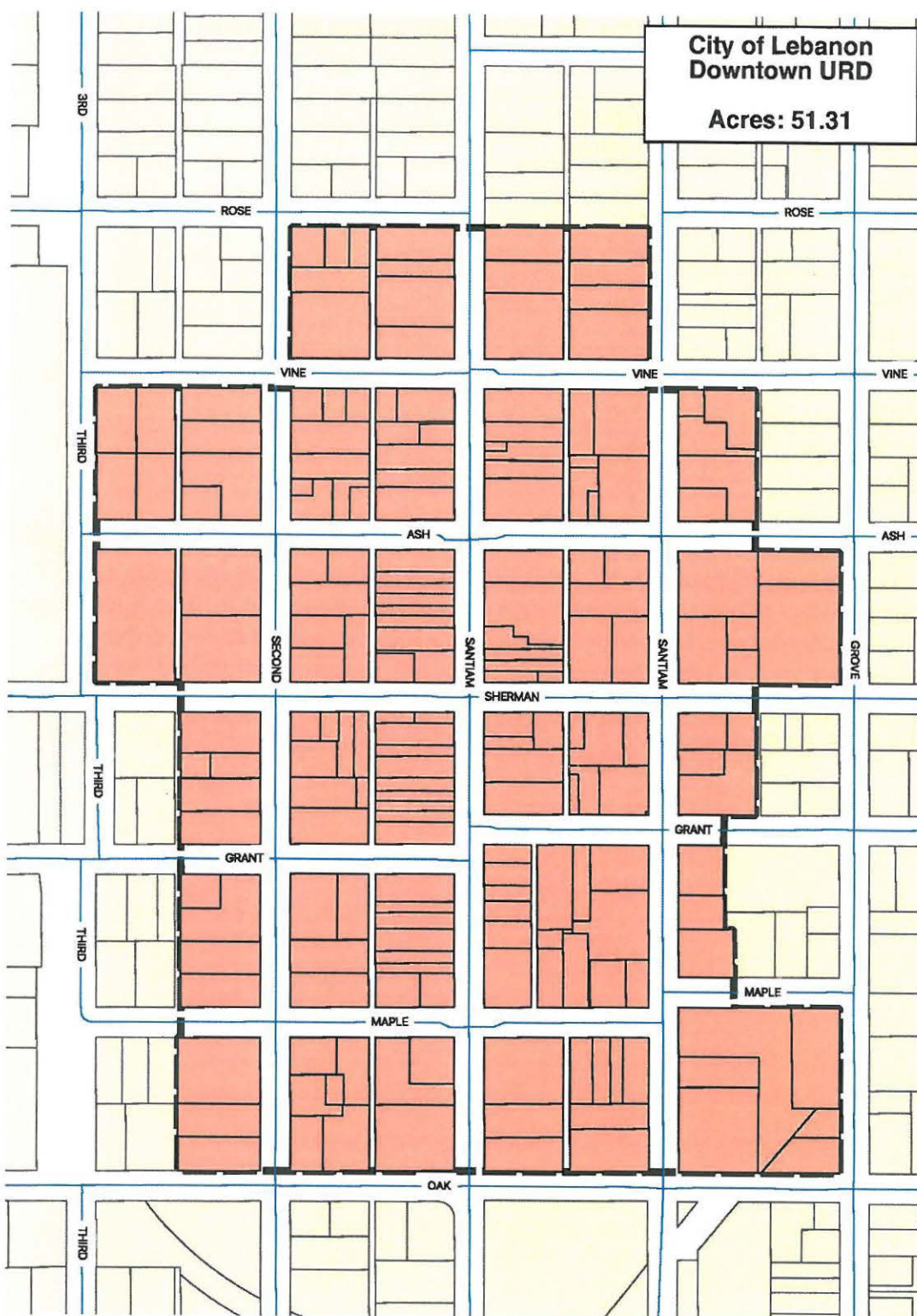
The relationship of the sections of the Report and the ORS 457.085 requirements is shown in Table 1. The specific reference in the table below is the section of this Report that most addresses the statutory reference. There may be other sections of the Report that also address the statute.

Table 1 - Statutory References

Statutory Requirement	Report Section
ORS 457.085(3)(a)	X
ORS 457.085(3)(b)	XI
ORS 457.085(3)(c)	II
ORS 457.085(3)(d)	III
ORS 457.085(3)(e)	VI
ORS 457.085(3)(f)	IV,V
ORS 457.085(3)(g)	IV,V
ORS 457.085(3)(h)	VII
ORS 457.085(3)(i)	XII

The Report provides guidance on how the urban renewal plan might be implemented. As the Lebanon Urban Renewal Agency (Agency) will review revenues and potential projects each year, it has the authority to make adjustments to the implementation assumptions in this Report. The Agency may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different timeframes than projected in this Report, and make other adjustments to the financials as determined by the Agency. The Agency may also make changes as allowed in the amendments section of the Plan. These adjustments must stay within the confines of the overall maximum indebtedness of the Plan.

Figure 1 - Lebanon Downtown Urban Renewal Area Boundary



Source: Tiberius Solutions, LLC

II. THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

Streetscape Improvement – Install streetscape improvements including but not limited to furniture, bike racks, wayfinding signage and ADA corner ramps

Existing Conditions: There are many areas in the downtown without ADA ramps. There is limited street furniture, bike racks and no wayfinding signage. These items are identified as necessary components to implement the *Lebanon 2040 Vision and Community Strategic Action Plan* and the *Transportation Systems Plan, 2018 update*.

Ralston Park Improvements – Develop and implement a Ralston Park Improvement Plan.

Existing Conditions: Ralston park is 1.84 acres of irrigated land. It has one picnic shelter and fourteen picnic tables. Ralston Park also features two restrooms. There are four hundred and fourteen feet of unpacked trail in the park. Improving this park is identified in the *Lebanon 2040 Vision and Community Strategic Action Plan*.

Design Consultation – Design consultation for projects authorized in the Plan including design standards for the downtown to promote a consistent and attractive design in the Area.

Existing Conditions: Design assistance is identified in the *Lebanon 2040 Vision and Community Strategic Action Plan*. There is not a design for the Area, and there are needs for streetscape, Ralston Park, and downtown façade assistance.

Street Reconstruction – Reconstruction of streets in the Area to urban standards.

Existing Conditions: Street conditions in the Area are below city standards as identified in the *Transportation Systems Plan* (January 2007).

Administration – Provide for the ongoing administration of the urban renewal area.

Existing Conditions: Since this urban renewal area does not exist, there is no set fund for administration of the urban renewal area.

Building Restoration – Assist in funding building restorations in the Area.

Existing Conditions: Downtown Lebanon has many older and historic structures that could benefit from improvements. This project was identified in the *Lebanon 2040 Vision and Community Strategic Action Plan*.

Public Restroom – Construct a public restroom in the commercial core of the Area.

Existing Conditions: There are presently no public restroom in the downtown.

Downtown Residential Development – Develop and implement a Downtown Residential Incentive Plan.

Existing Conditions: Testimony during various community meetings identified a lack of downtown housing, specifically noting the second and third floors of many commercial buildings could be renovated to create mixed use housing (*Lebanon 2040 Vision and Community Strategy Action Plan*).

III. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

The total cost estimates for projects is shown are Table 2 below. These are all estimates acknowledging that the urban renewal portions of these project activities must fit within the maximum indebtedness. These costs are shown in constant 2018 dollars (2018 \$) to equate to the projected amount of funds available for projects in 2018 \$.

The Plan assumes that the Agency/City will use other funds to assist in the completion of the projects within the Area. These sources include but are not limited to City of Lebanon General Funds, System Development Charges (SDCs), local, state and federal grants, and other sources as identified by the Agency/City. The Agency /City may pursue regional, county, state, and federal funding, private developer contributions and any other sources of funding that may assist in the implementation of the programs.

The Agency will be able to review and update fund expenditures and allocations on an annual basis when the annual budget is prepared. The finance plan is flexible and can be adjusted in the future. Funding may be re-allocated as needed to be responsive to partnerships with other funding sources.

Table 2 - Estimated Cost of Each Project

Project Title	2018 \$ Project Cost	Year of Expenditure Cost
Streetscape Improvements	\$324,400	\$374,452
Ralston Park Improvements	\$500,000	\$692,100
Design Consultation	\$25,000	\$34,605
Street Reconstruction	\$900,000	\$1,633,080
Other projects	\$183,700	\$384,631
Financing Fees	\$21,372	\$28,800
Plan Administration	\$249,980	\$375,509
TOTAL:	\$2,204,452	\$3,523,177

Source: City of Lebanon

IV. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through 2044 are based on projections of the assessed value of development within the Area and the consolidated tax rate that will apply in the Area. shows the incremental assessed value, tax rates and tax increment revenues each year, adjusted for discounts, and delinquencies. The projections in the financial model assume an assessed value growth rate 3.3%. These projections of growth are the basis for the projections in Table 4, Table 5, Table 6, Table 7, Table 8, and Table 9.

The first year of tax increment collections is anticipated to be FYE 2020. Gross TIF is calculated by multiplying the tax rate times the excess value used. The tax rate is per thousand dollars of value, so the calculation is "tax rate times excess value used divided by one thousand." The consolidated tax rate includes permanent tax rates and excludes and local option levies, which would not be impacted by this Plan. There is one General Obligation (GO)bond issued by the Lebanon School District that will be impacted by this Plan. Information on that is on page 9 of this Report. The total TIF and Impacts to Taxing Districts numbers are different due to the funds that will come from the Lebanon School District bond.

Table 3 - Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues

FYE	Total Assessed Value	Frozen Base	Increment	Tax Rate	Gross TIF	Adjustments	Prior year TIF	Net TIF
2020	22,465,805	21,814,663	651,142	16.6174	10,820	(541)	-	10,279
2021	23,138,435	21,814,663	1,323,772	16.6105	21,989	(1,099)	206	21,096
2022	23,833,262	21,814,663	2,018,599	16.6018	33,512	(1,676)	418	32,254
2023	24,551,018	21,814,663	2,736,355	16.5935	45,406	(2,270)	637	43,773
2024	25,292,460	21,814,663	3,477,797	16.5855	57,681	(2,884)	863	55,660
2025	26,058,370	21,814,663	4,243,707	16.5768	70,347	(3,517)	1,096	67,926
2026	26,849,555	21,814,663	5,034,892	16.5686	83,421	(4,171)	1,337	80,587
2027	27,666,849	21,814,663	5,852,186	16.5609	96,917	(4,846)	1,585	93,656
2028	28,511,113	21,814,663	6,696,450	16.552	110,840	(5,542)	1,841	107,139
2029	29,383,238	21,814,663	7,568,575	16.5443	125,217	(6,261)	2,106	121,062
2030	30,284,143	21,814,663	8,469,480	16.5363	140,054	(7,003)	2,379	135,430
2031	31,214,778	21,814,663	9,400,115	14.7793	138,927	(6,946)	2,661	134,642
2032	32,176,124	21,814,663	10,361,461	14.7793	153,135	(7,657)	2,640	148,118
2033	33,169,195	21,814,663	11,354,532	14.7793	167,812	(8,391)	2,910	162,331
2034	34,195,037	21,814,663	12,380,374	14.7793	182,973	(9,149)	3,188	177,012
2035	35,254,732	21,814,663	13,440,069	14.7793	198,635	(9,932)	3,476	192,179
2036	36,349,397	21,814,663	14,534,734	14.7793	214,813	(10,741)	3,774	207,846
2037	37,480,186	21,814,663	15,665,523	14.7793	231,525	(11,576)	4,081	224,030
2038	38,648,291	21,814,663	16,833,628	14.7793	248,789	(12,439)	4,399	240,749
2039	39,854,943	21,814,663	18,040,280	14.7793	266,623	(13,331)	4,727	258,019
2040	41,101,415	21,814,663	19,286,752	14.7793	285,045	(14,252)	5,066	275,859
2041	42,389,020	21,814,663	20,574,357	14.7793	304,075	(15,204)	5,416	294,287
2042	43,719,116	21,814,663	21,904,453	14.7793	323,732	(16,187)	5,777	313,322
2043	45,093,105	21,814,663	23,278,442	14.7793	344,039	(17,202)	6,151	332,988
2044	46,512,436	21,814,663	24,697,773	14.7793	365,016	(18,251)	6,537	353,302
TOTAL					\$4,221,343	\$(211,068)		\$4,083,546

Source: Tiberius Solutions, LLC

**V. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES
REQUIRED AND THE ANTICIPATED YEAR IN WHICH
INDEBTEDNESS WILL BE RETIRED**

Table 4, Table 5, and Table 6 show the allocation of tax revenues to projects, programs, and administration.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the urban renewal area in 2044.

The maximum indebtedness is \$3,600,000 (three million six hundred thousand dollars). The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$3,600,000 is \$4,083,545 and is made up of \$4,000,765 in revenues from the division of taxes from permanent rate levies and \$82,780 from bonds.

The bonds projected to be issued are:

FYE 2024	\$450,000
FYE 2030	\$640,000
FYE 2034	\$350,000

The remainder of the financing is projected to be “pay as you go” financing, financing from the annual division of tax proceeds.

Lebanon Community School District has one bond that was issued prior to 2001. The impacts of GO bonds are on the property tax payer, not on the taxing district. The Lebanon Community School District GO bond will be impacted for 11 years. For the Lebanon Community School District GO bond, the impact for a \$100,000 value property is an estimated total of \$3.33 for the 11-year impact by the urban renewal area.

The time frame of urban renewal is not absolute; it may vary depending on the actual ability to meet the maximum indebtedness. If the economy is slower, it may take longer; if the economy is more robust than the projections, it may take a shorter time period. The Agency may decide to change the assumptions on the incentive required for both programs. These assumptions show one scenario for financing and that this scenario is financially feasible.

Table 4 - Tax Increment Revenues and Allocations to Debt Service, page 1

	TOTAL:	FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Resources							
Beginning Balance		-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-
TIF: Current Year	4,010,275	10,279	20,890	31,836	43,136	54,797	66,830
TIF: Prior Years	73,270	-	206	418	637	863	1,096
Total Resources	4,083,545	10,279	21,096	32,254	43,773	55,660	67,926
Expenditures							
Debt Service							
Loan A	(650,310)	-	-	-	-	(43,354)	(43,354)
Loan B	(924,886)	-	-	-	-	-	-
Loan C	(453,266)	-	-	-	-	-	-
Total Debt Service	(2,028,462)	-	-	-	-	(43,354)	(43,354)
Debt Service						1.26	1.54
Transfer to URA	(2,055,083)	(10,279)	(21,096)	(32,254)	(43,773)	(12,306)	(24,572)
Total Expenditures	(4,083,545)	(10,279)	(21,096)	(32,254)	(43,773)	(55,660)	(67,926)
Ending Balance		-	-	-	-	-	-

Source: Tiberius Solutions LLC

Table 5 - Tax Increment Revenues and Allocations to Debt Service, page 2

	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034
Resources									
Beginning Balance	-	-	-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-	-	-
TIF: Current Year	79,250	92,071	105,298	118,956	133,051	131,981	145,478	159,421	173,824
TIF: Prior Years	1,337	1,585	1,841	2,106	2,379	2,661	2,640	2,910	3,188
Total Resources	80,587	93,656	107,139	121,062	135,430	134,642	148,118	162,331	177,012
Expenditures									
Debt Service									
Loan A	(43,354)	(43,354)	(43,354)	(43,354)	(43,354)	(43,354)	(43,354)	(43,354)	(43,354)
Loan B	-	-	-	-	(61,659)	(61,659)	(61,659)	(61,659)	(61,659)
Loan C	-	-	-	-	-	-	-	-	-
Total Debt Service	(43,354)	(43,354)	(43,354)	(43,354)	(105,013)	(105,013)	(105,013)	(105,013)	(105,013)
Debt Service Coverage Ratio	1.83	2.12	2.43	2.74	1.27	1.26	1.39	1.52	1.66
Transfer to URA Projects Fund	(37,233)	(50,302)	(63,785)	(77,708)	(30,417)	(29,629)	(43,105)	(57,317)	(71,999)
Total Expenditures	(80,587)	(93,656)	(107,139)	(121,062)	(135,430)	(134,642)	(148,118)	(162,331)	(177,012)
Ending Balance	-	-	-	-	-	-	-	-	-

Source: Tiberius Solutions LLC

Table 6 - Tax Increment Revenues and Allocations to Debt Service, page 3

	FYE 2035	FYE 2036	FYE 2037	FYE 2038	FYE 2039	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044
Resources										
Beginning Balance	-	-	-	-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-	-	-	-
TIF: Current Year	188,703	204,072	219,949	236,350	253,292	270,793	288,871	307,545	326,837	346,765
TIF: Prior Years	3,476	3,774	4,081	4,399	4,727	5,066	5,416	5,777	6,151	6,537
Total Resources	192,179	207,846	224,030	240,749	258,019	275,859	294,287	313,322	332,988	353,302
Expenditur es										
Debt Service										
Loan A	(43,354)	(43,354)	(43,354)	(43,354)	-	-	-	-	-	-
Loan B	(61,659)	(61,659)	(61,659)	(61,659)	(61,659)	(61,659)	(61,659)	(61,659)	(61,659)	(61,659)
Loan C	(45,327)	(45,327)	(45,327)	(45,327)	(45,327)	(45,327)	(45,327)	(45,327)	(45,327)	(45,327)
Total Debt Service	(150,340)	(150,340)	(150,340)	(150,340)	(106,986)	(106,986)	(106,986)	(106,986)	(106,986)	(106,986)
Debt Service Coverage	1.26	1.36	1.46	1.57	2.37	2.53	2.70	2.87	3.05	3.24
Transfer to URA Projects	(41,840)	(57,506)	(73,691)	(90,409)	(151,033)	(168,873)	(187,301)	(206,337)	(226,002)	(246,316)
Total Expenditur es	(192,179)	(207,846)	(224,030)	(240,749)	(258,019)	(275,859)	(294,287)	(313,322)	(332,988)	(353,302)
Ending Balance	-	-	-	-	-	-	-	-	-	-

Source: Tiberius Solutions LLC

VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The schedule for construction of projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by the Agency. Annual expenditures for program administration is also shown. These are predicated on the fact that urban renewal activities will start off slowly in the beginning years and increase in the final years of the Area.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the Area in 2044, a 25-year program.

The amount of money available for projects in 2018 constant dollars for the Lebanon Downtown Urban Renewal Area is \$2,204,452.

Table 7, Table 8, and Table 9 show the \$2,204,452 of 2018 project dollars inflated over the life of the Area along with administrative expenses. All costs shown in Table 7, Table 8, and Table 9 are in year-of-expenditure dollars, which are adjusted by 3.0% annually to account for inflation.

The Agency may change the completion dates in their annual budgeting process or as project decisions are made in administering the Plan.

Table 7 - Programs and Costs in Year of Expenditure Dollars, page 1

	TOTAL:	FYE 2020	FYE 2021	FYE 2022	FYE 2023	FYE 2024	FYE 2025
Resources							
Beginning Balance		-	-	10,487	5,203	37,747	131,859
Interest Earnings	28,094	-	-	52	26	189	659
Transfer from TIF Fund	2,055,083	10,279	21,096	32,254	43,773	12,306	24,572
Bond/Loan Proceeds	1,440,000	-	-	-	-	450,000	-
Other	-						
Total Resources	9,142,465	10,279	21,096	42,792	49,002	500,242	157,090
Expenditures (YOE \$)							
Streetscape: Furniture	(15,735)			(15,735)			
Streetscape: Bike Racks	(10,927)			(10,927)			
Streetscape: Wayfinding Signage	(115,930)					(115,930)	
Streetscape: ADA Corner Ramps	(231,860)					(231,860)	
Ralston Park Improvements	(692,100)						
Design Consultation	(34,605)						
Street Reconstruction	(1,633,080)						
Other projects	(384,631)						
Financing Fees	(28,800)					(9,000)	
Administration	(375,509)	(10,279)	(10,609)	(10,927)	(11,255)	(11,593)	(11,941)
Total Expenditures	(3,523,177)	(10,279)	(10,609)	(37,589)	(11,255)	(368,383)	(11,941)
Ending Balance		-	10,487	5,203	37,747	131,859	145,149

Source: Tiberius Solutions LLC

Notes: TIF is tax increment revenues. Tax rates are expressed in terms of dollars per \$1,000 of assessed value.

Table 8 - Programs and Costs in Year of Expenditure Dollars, page 2

	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034
Resources									
Beginning Balance	145,149	170,808	209,296	261,080	326,654	245,357	261,956	291,685	335,335
Interest Earnings	726	854	1,046	1,305	1,633	1,227	1,310	1,458	1,677
Transfer from TIF Fund	37,233	50,302	63,785	77,708	30,417	29,629	43,105	57,317	71,999
Bond/Loan Proceeds	-	-	-	-	640,000	-	-	-	-
Other									
Total Resources	183,107	221,964	274,128	340,093	998,704	276,213	306,370	350,461	409,011
Expenditures (YOE \$)									
Streetscape: Furniture									
Streetscape: Bike Racks									
Streetscape: Wayfinding									
Streetscape: ADA Corner Ramps									
Ralston Park Improvements					(692,100)				
Design Consultation					(34,605)				
Street Reconstruction									
Other projects									
Financing Fees					(12,800)				
Administration	(12,299)	(12,668)	(13,048)	(13,439)	(13,842)	(14,257)	(14,685)	(15,126)	(15,580)
Total Expenditures	(12,299)	(12,668)	(13,048)	(13,439)	(753,347)	(14,257)	(14,685)	(15,126)	(15,580)
Ending Balance	170,808	209,296	261,080	326,654	245,357	261,956	291,685	335,335	393,431

Source: Tiberius Solutions LLC

Table 9 - Programs and Costs in Year of Expenditure Dollars, page 3

	FYE 2035	FYE 2036	FYE 2037	FYE 2038	FYE 2039	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044
Resources										
Beginning Balance	393,431	282,781	325,173	383,466	458,257	51,690	202,219	371,370	559,828	158,461
Interest Earnings	1,967	1,414	1,626	1,917	2,291	258	1,011	1,857	2,799	792
Transfer from TIF Fund	41,840	57,506	73,691	90,409	151,033	168,873	187,301	206,337	226,002	246,316
Bond/Loan Proceeds	350,000	-	-	-	-	-	-	-	-	-
Other										
Total Resources	787,238	341,701	400,490	475,792	611,581	220,822	390,531	579,564	788,629	405,569
Expenditures (YOE \$)										
Streetscape: Furniture										
Streetscape: Bike Racks										
Streetscape: Wayfinding										
Streetscape: ADA Corner										
Ralston Park Improvements										
Design Consultation										
Street Reconstruction	(481,410)				(541,830)				(609,840)	
Other projects										(384,631)
Financing Fees	(7,000)									
Administration	(16,047)	(16,528)	(17,024)	(17,535)	(18,061)	(18,603)	(19,161)	(19,736)	(20,328)	(20,938)
Total Expenditures	(504,457)	(16,528)	(17,024)	(17,535)	(559,891)	(18,603)	(19,161)	(19,736)	(630,168)	(405,569)
Ending Balance	282,781	325,173	383,466	458,257	51,690	202,219	371,370	559,828	158,461	-

Source: Tiberius Solutions LLC

VII. REVENUE SHARING

Revenue sharing is part of the 2009 legislative changes to urban renewal and means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the Area. Revenue sharing targets are not projected to be reached during the life of the Area. If assessed value in the Area grows more quickly than projected, the revenue sharing triggers could be reached.

The first threshold is 10% of the original maximum indebtedness (\$360,000). At the 10% threshold, the Agency will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold and the taxing jurisdictions will receive 75% of the increment above the 10% threshold.

The second threshold is set at 12.5% of the maximum indebtedness. If this threshold is met, revenue for the district would be capped at 12.5% of the maximum indebtedness, with all additional tax revenue being shared with affected taxing districts.

VIII. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the Area. The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2044 and are shown in Table 10 and Table 11.

The Lebanon Community School District and the Linn Benton Lincoln ESD are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the following tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level. Table 10 and Table 11 show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 10 shows the general government levies, and Table 11 shows the education levies.

Table 10 - Projected Impact on Taxing District Permanent Rate Levies - General Government

FYE	Linn County	City of Lebanon	Lebanon RFD	Lebanon Aquatic Center	4H Extension	Subtotal General Government
2020	788	3,177	1,398	148	43	5,554
2021	1,617	6,523	2,870	305	89	11,404
2022	2,474	9,979	4,391	466	136	17,446
2023	3,360	13,550	5,962	633	185	23,690
2024	4,274	17,237	7,584	805	235	30,135
2025	5,219	21,047	9,261	983	287	36,797
2026	6,195	24,982	10,992	1,167	340	43,676
2027	7,203	29,048	12,781	1,357	396	50,785
2028	8,244	33,247	14,629	1,553	453	58,126
2029	9,319	37,585	16,537	1,756	512	65,709
2030	10,431	42,066	18,509	1,966	573	73,545
2031	11,603	46,794	20,589	2,186	638	81,810
2032	12,764	51,477	22,650	2,405	702	89,998
2033	13,989	56,416	24,823	2,636	769	98,633
2034	15,254	61,519	27,068	2,874	838	107,553
2035	16,561	66,790	29,387	3,121	910	116,769
2036	17,911	72,235	31,783	3,375	984	126,288
2037	19,306	77,860	34,258	3,638	1,061	136,123
2038	20,746	83,670	36,815	3,910	1,140	146,281
2039	22,235	89,672	39,455	4,190	1,222	156,774
2040	23,772	95,872	42,183	4,480	1,307	167,614
2041	25,360	102,276	45,001	4,779	1,394	178,810
2042	27,000	108,892	47,912	5,088	1,484	190,376
2043	28,695	115,727	50,919	5,407	1,577	202,325
2044	30,446	122,787	54,026	5,737	1,673	214,669
TOTAL:	\$344,766	\$1,390,428	\$611,783	\$64,965	\$18,948	\$2,430,890

Source: Tiberius Solutions LLC

Table 11 - Projected Impact on Taxing District Permanent Rate Levies – Education

FYE	Linn Benton Lincoln ESD	Linn Benton Community College	Lebanon Community School District #9	Subtotal Education	Total All
2020	189	310	3,088	3,587	9,141
2021	387	637	6,341	7,365	18,769
2022	592	975	9,699	11,266	28,712
2023	804	1,324	13,170	15,298	38,988
2024	1,023	1,684	16,754	19,461	49,596
2025	1,249	2,057	20,458	23,764	60,561
2026	1,483	2,441	24,283	28,207	71,883
2027	1,724	2,838	28,234	32,796	83,581
2028	1,974	3,249	32,316	37,539	95,665
2029	2,231	3,673	36,532	42,436	108,145
2030	2,497	4,110	40,888	47,495	121,040
2031	2,778	4,572	45,483	52,833	134,643
2032	3,056	5,030	50,035	58,121	148,119
2033	3,349	5,513	54,836	63,698	162,331
2034	3,652	6,011	59,795	69,458	177,011
2035	3,965	6,526	64,919	75,410	192,179
2036	4,288	7,058	70,211	81,557	207,845
2037	4,622	7,608	75,678	87,908	224,031
2038	4,967	8,176	81,326	94,469	240,750
2039	5,323	8,762	87,160	101,245	258,019
2040	5,691	9,368	93,186	108,245	275,859
2041	6,071	9,994	99,411	115,476	294,286
2042	6,464	10,640	105,841	122,945	313,321
2043	6,870	11,308	112,484	130,662	332,987
2044	7,289	11,998	119,347	138,634	353,303
TOTAL:	\$82,538	\$135,862	\$1,351,475	\$1,569,875	\$4,000,765

Source: Tiberius Solutions LLC

Please refer to the explanation of the schools funding in the preceding section

Table 12 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2045.

The Frozen Base is the assessed value of the Area established by the county assessor at the time the Area is established. Excess Value is the increased assessed value in the Area above the Frozen Base.

Table 12 - Additional Revenues Obtained after Termination of Tax Increment Financing

Taxing District	Type	Tax Rate	From Frozen Base	From Excess Value	Total
General Government					
Linn County	Permanent	1.2736	27,783	33,322	61,105
City of Lebanon	Permanent	5.1364	112,049	134,388	246,437
Lebanon RFD	Permanent	2.26	49,301	59,131	108,432
Lebanon Aquatic Center	Permanent	0.24	5,236	6,279	11,515
4H Ext	Permanent	0.07	1,527	1,831	3,358
Subtotal		8.98	195,896	234,951	430,847
Linn Benton Lincoln ESD	Permanent	0.3049	6,651	7,977	14,628
Linn Benton Community College	Permanent	0.5019	10,949	13,132	24,081
Lebanon Community SD #9	Permanent	4.9925	108,910	130,623	239,533
Subtotal		5.7993	126,510	151,732	278,242
Total		14.7793	\$322,406	\$386,683	\$709,089

Source: Tiberius Solutions LLC

IX. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

State law limits the percentage of both a municipality's total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population . As noted below, the frozen base (assumed to be FYE 2018 values), including all real, personal, personal, manufactured, and utility properties in the Area, is projected to be \$21,814,663. The total amount of assessed value in urban renewal areas including the new urban renewal area is \$54,879,834. The total assessed value of the City of Lebanon less urban renewal excess is \$923,817,716. Urban renewal excess is the increased assessed value above the frozen base. The percentage of assessed value in the Urban Renewal Area is 5.94%, below the 25% threshold.

The Area contains 1,115.07 acres, including public rights-of-way, and the City of Lebanon contains 4,603.86 acres. This puts 24.22% of the City's acreage in an Urban Renewal Area when including the City's other urban renewal areas, which is below the 25% threshold. The acreage in urban renewal may calculates some acreage that is outside the city limits, but the overall acreage number is still within the statutory requirements.

Table 13 - Urban Renewal Area Conformance with Assessed Value and Acreage Limits

Urban Renewal Area	Frozen Base Assessed Value	Acreage
Northwest Lebanon	\$10,012,246	624.16
North Gateway	\$8,365,939	144.16
Cheadle Lake	\$14,686,986	295.45
Downtown	\$21,814,663	51.30

	Assessed Value	Acreage
Total in URAs	\$54,879,834	1,115.07
City of Lebanon	\$1,152,059,205	4,603.86
UR Excess	\$228,241,489	
City less UR Excess	\$923,817,716	
Percent of Total	5.94%	24.22%

Source: Compiled by Elaine Howard Consulting, LLC with data from City of Lebanon and Linn County Department of Assessment and Taxation (FYE 2018)

X. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Lebanon Downtown Urban Renewal Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use

The Area measures 51.30 total acres in size, which is composed of 194 individual parcels encompassing 36.94 acres, and an additional 14.36 acres in public rights-of-way. An analysis of FYE 2018 property classification data from the Linn County Department of Assessment and Taxation database was used to determine the land use designation of parcels in the Area. By acreage, Commercial accounts for the most prevalent land use within the area (80.62%). This was followed by Residential (14.70%). Detailed land use designations in the area can be seen in Table 14.

Table 14 - Land Use in the Area

Land Use	Parcels	Acreage	Percent of Acreage
Commercial	154	29.78	80.62%
Residential	33	5.43	14.70%
Industrial	6	1.33	3.60%
Multi-Family	1	0.40	1.09%
TOTAL:	194	36.94	100.00%

Source: Compiled by Tiberius Solutions LLC with data from the Linn County Department of Assessment and Taxation (FYE 2018)

2. Zoning and Comprehensive Plan Designations

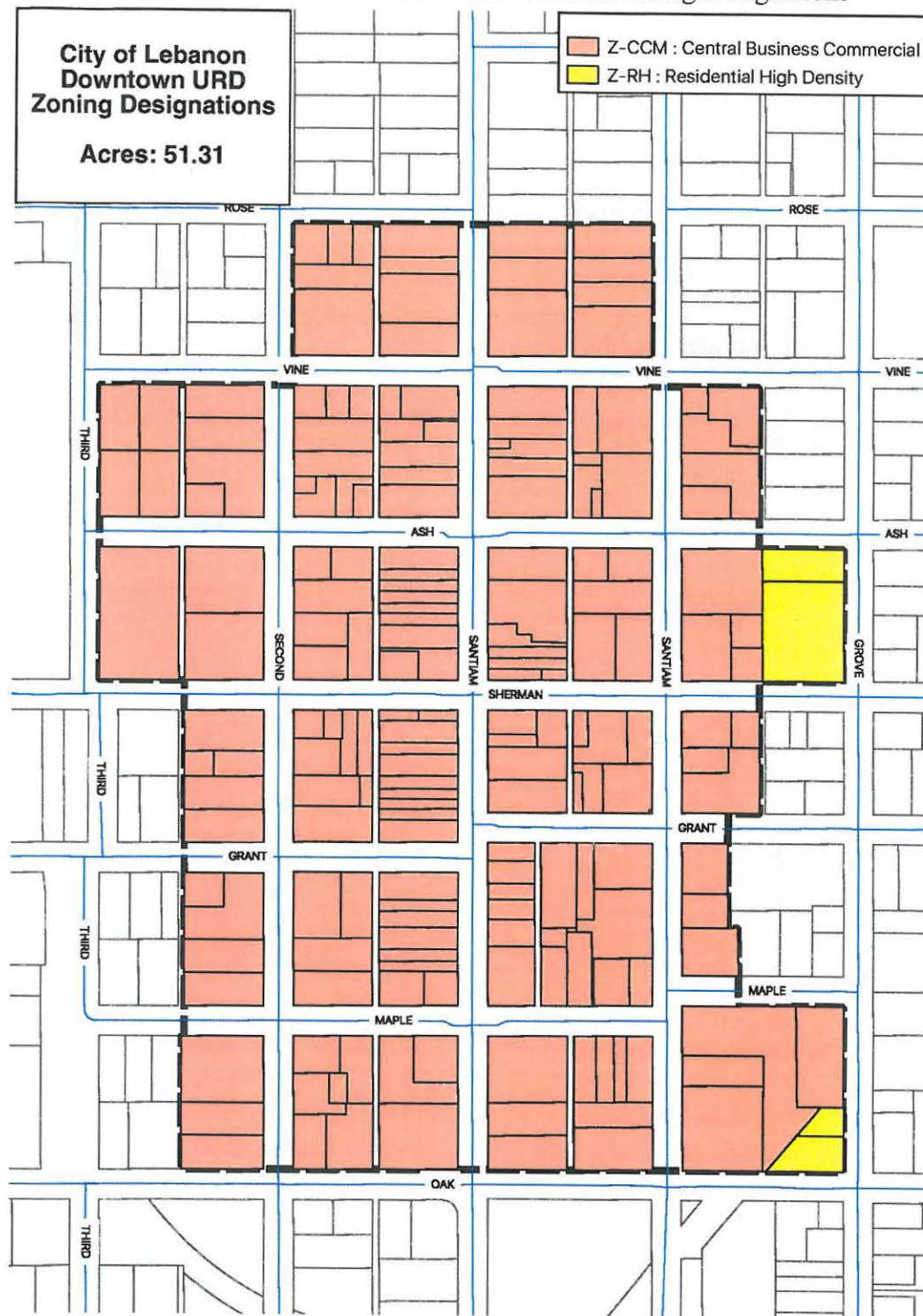
The most prevalent zoning designation is Central Business Commercial which is a Commercial designation in the comprehensive plan. This category, by acreage in the Area, is 96.44% of the Area. Detailed zoning and comprehensive plan designations in the Area can be seen in Table 15.

Table 15 – Comprehensive Plan Designations in the Area

Zoning	Comprehensive Plan	Parcels	Acreage	Percent of Acreage
Central Business Commercial	Commercial	190	35.62	96.44%
Residential High Density	Residential Mixed Density	4	1.32	3.56%
TOTAL:		194	36.94	100.00%

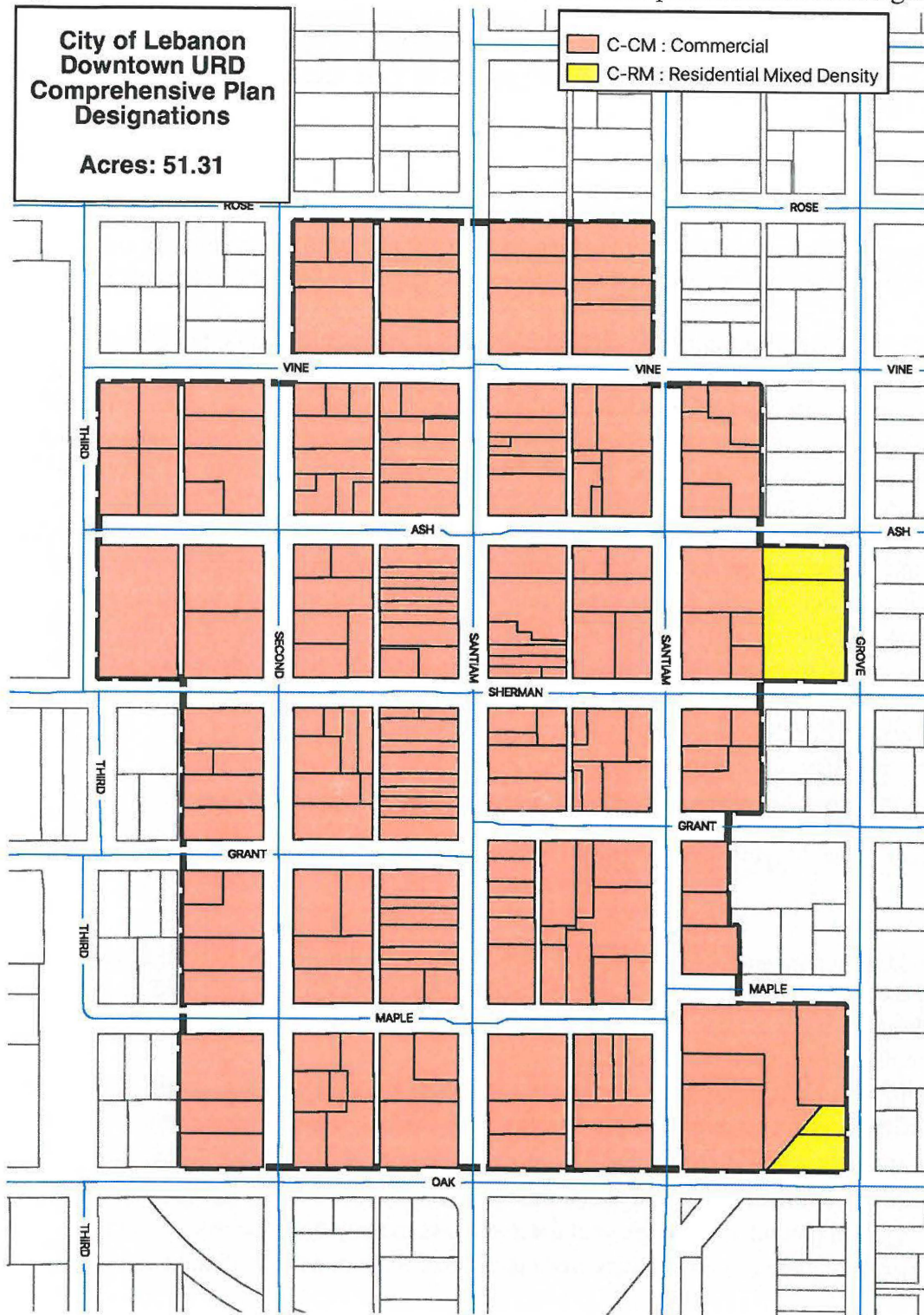
Source: Compiled by Tiberius Solutions LLC with data from the Linn County Department of Assessment and Taxation (FYE 2018)

Figure 2 - Lebanon Downtown Urban Renewal Area Zoning Designations



Source: Compiled by Tiberius Solutions LLC

Figure 3 - Lebanon Downtown Urban Renewal Area Comprehensive Plan Designations



Source: Compiled by Tiberius Solutions LLC

B. Infrastructure

This section identifies the existing conditions in the Area to assist in **establishing blight in the ordinance adopting the Plan. This does not mean that all of these projects are included as projects to be undertaken in the Plan.** The specific projects that are included in the Plan are listed in Section II of this Report.

1. Transportation

A Transportation Systems Plan (TSP) is a long-range plan that sets the vision for a community's transportation system for the next 20 years. This vision is developed through community and stakeholder input and is based on the system's existing needs, opportunities, and anticipated available funding.

A TSP is required by the State of Oregon. In compliance with State requirements, the City of Lebanon updated the City's TSP, replacing the previous TSP adopted in 2007. This Lebanon TSP update establishes a new 2016 baseline condition and identifies transportation improvements needed through the year 2040. The TSP addresses compliance with new or amended federal, state, and local plans, policies, and regulations including the Oregon Transportation Plan, the State's Transportation Planning Rule, and the Oregon Highway Plan. The TSP has the following vision statement:

The design of transportation infrastructure promotes safe, comfortable travel, shows respect for the City's resources, and showcases the natural environment. All transportation modes flow smoothly and safely to and throughout the city, meeting the needs of residents, businesses, visitors, and people of all physical and financial conditions. Connectivity facilitates travel between and within each neighborhood, where walking and biking environments complement mixed-use development.

Projects in the boundary include

- B – Bike Parking Program
- C – Wayfinding Signage Program
- B6 – South 2nd Street bicycle improvements between OR 34 and Oak Street

Sherman Street-Hiatt Street bicycle improvements between South 2nd Street and Milton Street.

2. Water

The *Water System Master Plan* provides a comprehensive, updated plan for the City of Lebanon's water system. It updates the City of Lebanon Water Facility Study, which was prepared in 1989. This plan is a roadmap to the future, to help ensure that Lebanon continues to provide high-quality and reliable service in a cost-effective manner.

The Water System Master Plan is intended as a recommended plan and long-term guide. It includes discussion of specific projects and preparation of an updated, 20-year capital improvements plan (CIP). Although it presents specific projects and proposed dates for implementing these projects, it must be recognized that the plan is intended as a guide. The projects and their implementation schedules will be adjusted annually to ensure that the system is managed efficiently to meet customer needs. Currently there are no projects from the Water System Master Plan in the Area.

3. Stormwater

The Storm Drainage Master Plan was written in 1989 with the primary goal of guiding the orderly provision of drainage service within the City. The plan aimed to do so by adding new facilities and optimizing the efficiency of existing facilities. Currently there are no Storm Drainage Master Plan projects in the Area.

4. Sanitary Sewer

The Wastewater Master Plan presents the results of the planning effort conducted for the City of Lebanon's wastewater treatment system. The plan summarizes the service area and wastewater characteristics, identifies the components of the existing wastewater collection and treatment system, evaluates the performance of the treatment system with respect to water quality and regulatory standards, and analyzes alternatives for improvements that will remedy system deficiencies and accommodate future growth. Based on this analysis, the facilities plan recommends specific projects for inclusion in the wastewater treatment system Capital Improvement Plan (CIP). These projects will ensure that the Lebanon plant continues to provide adequate and reliable service for the community.

The wastewater management planning study has been conducted to ensure a cost effective and environmentally responsible approach. Planning for community growth and meeting water quality requirements were both influential factors that guided the development of the recommended plan. Since the planning period for this study is 20 years, the projections and analysis are conducted through the year 2024.

Currently there are no wastewater projects in the Area.

5. Parks and Open Space

The Lebanon Parks Master Plan is intended to guide development of the municipal parks system for the 20-year period between 2006 and 2026.

The 2006 Parks Master Plan is an update to the 1993 Parks Master Plan. A parks master plan is a long-term vision and plan of action for a community's park system. Currently, Lebanon has 20 parks facilities—15 developed and five undeveloped. This plan identifies strategies and techniques for operation and development of parks, land acquisition, and funding. Through this plan, the City of Lebanon intends to continue improving the level and quality of its parks to meet the needs of current and future residents.

Currently there is one park, Ralston Park, in the Area. Ralston Square Park is a 2.49-acre special use area located at 925 Park Street between Maple and Oak Street. The park is surrounded by residential uses to the north and east and commercial uses to the west. The Santiam-Albany canal bisects the site. The City recently acquired property housing a former service station in the southwest corner of the block. The park now includes this property and spans the entire block.

The park is used as a major community events site. The park contains seating and picnic areas. Facilities include a gazebo, open play area, a rose garden, restrooms, and trails and walkways. Other amenities include an entrance sign, trees, plant beds, lawn areas, benches, a memorial, picnic tables, and trash receptacles. The park could be expanded by acquiring the properties adjoining the north side of the facility. Current needs at Ralston park include a kiosk that highlights the park and their uses throughout the City, identifies areas of interest, and provides a detail park system brochure and map. Other Planned improvements include a bridge crossing the Albany-Santiam Canal, viewing and seating areas along the canal, trails along the canal, lighting, a small gazebo, and landscaping and trees.

C. Social Conditions

Within the Area, there are 33 tax lots shown as residential use and 1 tax lots shown as multi-family use. The Social Conditions are derived from US Census Bureau, American Community Survey 2012-2016 Five Year Estimates and represent areas in close proximity to the urban renewal area as the boundary of the urban renewal area does not directly align with Block Groups. All of the following tables represent this larger area. According to the US Census Bureau, American Community Survey 2012-2016 Five Year Estimates, the block groups have 3,453 residents, 99% of whom are white.

Table 16 - Race in the Area

Race	Number	Percent
White	3,411	98.78%
Black or African American a	14	0.41%
American Indian and Alaska Native	11	0.32%
Asian	0	0.00%
Native Hawaiian and Other Pacific Islander	0	0.00%
Some other race	0	0.00%
Two or more races	17	0.49%
TOTAL:	3,453	100%

Source: American Community Survey 2012-2016 Five Year Estimates

The largest percentage of residents are between 45 to 54 years of age (16%).

Table 17 - Age in the Area

Age	Number	Percent
Under 5 years	267	7.73%
5 to 9 years	155	4.49%
10 to 14 years	166	4.81%
15 to 17 years	264	7.65%
18 to 24 years	185	5.36%
25 to 34 years	293	8.49%
35 to 44 years	367	10.63%
45 to 54 years	545	15.78%
55 to 64 years	487	14.10%
65 to 74 years	309	8.95%
75 to 84 years	217	6.28%
85 years and over	198	5.73%
TOTAL:	3,453	100%

Source: American Community Survey 2012-2016 Five Year Estimates

In the block groups, 19% of adult residents have earned a bachelor's degree or higher. Another 26% have some college education without a degree, and another 34% have graduated from high school with no college experience.

Table 18 - Educational Attainment in the Area

Educational Attainment	Number	Percent
Less than high school	123	5.09%
High school graduate (includes equivalency)	823	34.06%
Some college	639	26.45%
Associate's degree	367	15.19%
Bachelor's degree	288	11.92%
Master's degree	142	5.88%
Professional school degree	14	0.58%
Doctorate degree	20	0.83%
TOTAL:	2,416	100%

Source: American Community Survey 2012-2016 Five Year Estimates

The most common travel time class was Less than 10 minutes, with 46% of journeys being in this class. This was followed by the 20 to 29 minutes travel time class, which represented 18% of journeys.

Table 19 - Travel Time to Work in the Area

Travel Time	Number	Percent
Less than 10 minutes	665	45.64%
10 to 19 minutes	211	14.48%
20 to 29 minutes	261	17.91%
30 to 39 minutes	172	11.81%
40 to 59 minutes	117	8.03%
60 to 89 minutes	15	1.03%
90 or more minutes	16	1.10%
TOTAL:	1,457	100%

Source: American Community Survey 2012-2016 Five Year Estimates

Of the means of transportation used to travel to work, the majority, 78%, Drove alone with another 10% Carpooling.

Table 20 - Means of Transportation to Work in the Area

Means of Transportation	Number	Percent
Drove alone	1,187	78.45%
Carpooling	158	10.44%
Using Public Transportation	36	2.38%
Motorcycling	0	0.00%
Bicycling	0	0.00%
Walking	76	5.02%
Using Other Means	0	0.00%
Working at home	56	3.70%
TOTAL:	1,513	99.99%

Source: American Community Survey 2012-2016 Five Year Estimates

The income with the highest percentage of persons was \$50,000 to \$59,000.

Table 21 - Income in the Area

Income	Number	Percent
Less than \$10,000	101	7.00%
\$10,000 to \$19,999	191	13.25%
\$20,000 to \$29,999	208	14.42%
\$30,000 to \$39,999	107	7.42%
\$40,000 to \$49,999	163	11.30%
\$50,000 to \$59,999	217	15.05%
\$60,000 to \$74,999	121	8.39%
\$75,000 to \$99,999	170	11.79%
\$100,000 to \$124,999	118	8.18%
\$125,000 to \$149,999	8	0.55%
\$150,000 to \$199,999	38	2.64%
\$200,000 or more	0	0.00%
Total	1,442	100.00%

Source: American Community Survey 2012-2016 Five Year Estimates

D. Economic Conditions

1. Taxable Value of Property within the Area

The estimated total assessed value of the Area calculated with data from the Linn County Department of Assessment and Taxation for FYE 2019, including all real, personal, manufactured, and utility properties, is estimated to be \$21,814,663.

2. Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Value Ratio," or "I:L." The values used are real market values. In urban renewal areas, the I:L is often used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

Table 22 shows the improvement to land ratios (I:L) for properties within the Area. In the Area 64 parcels representing 49% of the acreage have I:L ratios less than 1.0. In other words, the improvements on these properties are worth less than the land they sit on. A reasonable I:L ratio for properties in the Area is 2.0. Only 47 of the 186 parcels in the Area, totaling 13% of the acreage have I:L ratios of 2.0 or more in FYE 2018. In summary, the area is underdeveloped and not contributing significantly to the tax base in Lebanon.

Table 22 - Improvement to Land Ratios in the Area

Improvement to Land Ratio	Parcels	Acreage	Percent of Acreage
Exempt	17	11.99	13.91%
No Improvement Value	20	32.68	37.90%
0.01-0.50	17	2.85	3.30%
0.51-1.00	27	6.54	7.58%
1.01-1.50	30	12.18	14.12%
1.51-2.00	28	8.90	10.32%
2.01-2.50	11	2.09	2.43%
2.51-3.00	9	1.90	2.21%
3.01-4.00	13	1.78	2.07%
> 4.00	14	5.32	6.17%

Source: Compiled by Tiberius Solutions LLC with data from the Linn County Department of Assessment and Taxation (FYE 2018)

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section VIII of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects being considered for future use of urban renewal funding are for downtown improvements including streetscape, park improvements, design consultation, street reconstruction and plan administration. The use of tax increment allows the city to add an additional funding source to the City of Lebanon general fund or system development charges (SDC) funds to allow these projects to be completed.

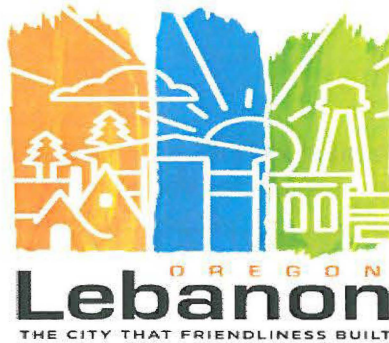
It is anticipated that these improvements will improve the overall appearance and function of the downtown and will catalyze development on the undeveloped and underdeveloped parcels in the Area. This development will require city services. However, since the property is within the city limits, the city has anticipated the need to provide services to the Area. As the development will be new construction, it will be up to current building code and will aid in any fire protection needs. The financial impacts from tax increment collections will be countered by future economic development, and, in the future, adding future increased increases in assessed value to the tax bases for all taxing jurisdictions, including the city.

XI. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

The reason for selecting the Area is to provide the ability to fund projects and programs necessary to cure blight within the Area.

XII. RELOCATION REPORT

There is no relocation report required for the Plan. No specific acquisitions that would result in relocation benefits have been identified. However, if homes are acquired that require relocation, the Agency shall comply with applicable relocation requirements.



**BEFORE THE LEBANON PLANNING COMMISSION
PLANNING FILE No. 18-09-35**

In the Matter of the

)
)
)
)
)
)

1. Downtown URD

City of Lebanon

ORDER OF DETERMINATION

I. NATURE OF THE APPLICATION

This matter comes before the Lebanon Planning Commission on the application of the City of Lebanon to establish the Downtown Urban Renewal District.

II. GENERAL INFORMATION

A. Site Location

The subject area includes land centered around the City's downtown, generally bordered by Vine and Maple Street, and, 2nd and Park Streets.

B. Site Development and Zoning

The subject area contains approximately 51.3 acres. The majority of land is zoned Central Business Commercial (Z-CCM) with the remainder zoned Residential Mixed Density (Z-RM). This area is dominated by existing commercial buildings and includes Ralston Park. The area is fully serviced with sewer, water and storm facilities.

C. Proposal

The applicant is requesting a determination as whether proposed Downtown Urban Renewal District are consistent with the City's Comprehensive Plan.

III. PUBLIC HEARING

A. Planning Commission Action

On October 17, 2018, the Planning Commission held a public hearing on this matter. At the hearing, Planning File 18-09-35 became part of the official record. The City provided notice of the hearing. No objection was raised as to jurisdiction, conflicts of interest, bias or to evidence or testimony presented at the hearing. At the conclusion of the hearing, the Planning Commission deliberated on the issue and found the proposed Downtown Urban Renewal District were consistent with the City's Comprehensive Plan.

B. City Council Action

The City Council, acting as the City's Urban Renewal Agency, will review the Planning Commission's recommendation at a date and time certain.

IV. FINDINGS OF FACT-GENERAL

The Lebanon Planning Commission, after careful consideration of the testimony and evidence in the record, adopts the following General Findings of Fact:

- A. The applicant is the City of Lebanon.
- B. The subject area includes land centered around the City's downtown, generally bordered by Vine and Maple Street, and, 2nd and Park Streets.
- C. The subject area contains approximately 51.3 acres.
- D. This area is dominated by existing commercial buildings and includes Ralston Park. The area is fully serviced with sewer, water and storm facilities.
- E. The majority of land is zoned Central Business Commercial (Z-CCM) with the remainder zoned Residential Mixed Density (Z-RM).
- F. A request by the City to determine whether proposed Downtown Urban Renewal District is consistent with the City's Comprehensive Plan.
- G. The Planning Commission will base its recommendation on conformance of the proposed modifications with applicable provisions in the Lebanon Comprehensive Plan.

V. REQUEST AND DETERMINATION

- A. The City wishes to establish a new Urban Renewal District centered upon the City's downtown. The attached material details the proposal, which is briefly summarized below:

1. Area – The proposed URD will encompass most the downtown and include Ralston Park. This area totals 51.3 acres, including public right-of-way.
 2. Projects – The project list is limited due to the limited potential for tax increment funding. Emphasis will be placed on improving the streetscape – bicycle racks, benches, ADA ramps - and potentially redeveloping Ralston Park. The list also includes aspirational projects that will depend on available funding, such as refurbishing older buildings. Specific projects are outlined in the attached URD Plan.
 3. Maximum Indebtedness – The maximum indebtedness is limited to \$3.6 million. However, the realistic budget for these projects is approximately \$2.0 million. The sunset date is 2044.
- B. In addition to coordination with affected taxing districts (Linn County, Aquatic, School, Fire, etc.) the amendment process requires the Commission to review the amendments and determine whether the proposed land use activities are consistent with the Comprehensive Plan. The final decision regarding the amendments – including the expansion and new sunset date – is left to the City Council acting as the Urban Renewal Agency.
- C. Attached to this memorandum are documents prepared by the City's urban renewal consultant, Elaine Howard. They include: (1) an assessment of the proposal regarding conformance with the City Comprehensive Plan; (2) a draft copy of the URD Plan; and, (3) a draft copy of the URD Report. The mapped area is included in the URD Plan.
- D. Regarding the Comprehensive Plan, the Commission concurs with the consultant's assessment. A majority of the projects address street improvements and do not, by themselves, create uses or activities contrary to the Comprehensive Plan and implementing zones. In addition, the URD can provide valuable assistance in developing the City's downtown, which is entirely consistent with the 2040 Community Vision. Therefore, based on the submitted material, staff recommends the Planning Commission find the proposed URD is consistent with the City's Comprehensive Plan policies.

VI. ORDER OF DETERMINATION

The Lebanon Planning Commission finds the proposed Downtown Urban Renewal District are consistent with the City of Lebanon Comprehensive Plan.

VII. APPEAL DATES

This Order of Determination Any appears as a matter of record only. The City Council will review the determination at a date and time certain.

APPROVED BY A ____ VOTE OF THE LEBANON PLANNING COMMISSION ON THE
17th DAY OF OCTOBER 2018.


DATED at Lebanon, Oregon, this 17th day of October 2018.

SIGNED:



Jeremy Salvage, Planning Commission Chair
Don Robertson, Planning Commission Vice-Chair

ATTEST:



Walt Wendolowski, AICP
Community Development Director

Attachments:

- (1) Assessment as to Conformance with City Comprehensive Plan
- (2) Downtown URD Plan (Draft)
- (3) Downtown URD Report (Draft)