



RESOLUTION 2007-072

A RESOLUTION EXPRESSING THE CITY OF SHERWOOD' OPPOSITION TO USING URBAN RENEWAL AND TAX INCREMENT FINANCING TO PAY FOR NEEDED INFRASTRUCTURE IMPROVEMENTS IN NORTH BETHANY AND OTHER URBAN EXPANSION AREAS

WHEREAS, In 2002 approximately 800 acres of land north of NW Springville Road and west of the Multnomah County line, generally known as the North Bethany area, were brought within the Regional Urban Growth Boundary by Metro; and

WHEREAS, In the past few years Washington County has been engaged in the process of planning for the North Bethany area as required by Title 11 of the Metro Urban Growth Management Functional Plan; and

WHEREAS, The preliminary results of the North Bethany planning process, which aspires to create a "Community of Distinction", indicate that the cost of needed infrastructure improvements (e.g., roads, schools, parks, sewer and water lines, etc.) will range from 275-300 million dollars; and

WHEREAS, Washington County has determined that existing available sources of revenue, such as from systems development charges, are inadequate to pay for these needed infrastructure improvements, particularly road improvements; and

WHEREAS, Washington County has contracted with consultants to consider the legality and financial feasibility of forming an Urban Renewal District encompassing North Bethany so a Washington County Urban Renewal Agency could derive property tax revenues from the increment between the assessed value of property at the time the district is established and the annual assessed value over time as the area develops, which can be used to finance bonds to pay for need infrastructure improvements; and

WHEREAS, Washington County has convened a "Taxing District Advisory Group" including representatives of local districts that would serve the North Bethany area such as the Beaverton School District (BSD), the Tualatin Hills Park and Recreation District (THPRD) and the Tualatin Valley Fire and Rescue District (TVF&R), as well as representatives of the cities of Beaverton and Hillsboro, to consider the consultants' findings; and

WHEREAS, The consultants preliminary findings are that North Bethany could be considered a "blighted" area as the term is defined by State Statute, which is a precondition for establishing an urban renewal district, and tax increment revenues from a North Bethany urban renewal district would be sufficient to finance bonds to cover about half the estimated cost of needed infrastructure improvements; and

WHEREAS, Representatives for the BSD, THPRD and TVF&R have expressed serious reservations about the fiscal impacts of establishing a North Bethany urban renewal district on their operating revenues, inasmuch as they would be receiving minimal revenues from the frozen tax base for the area while providing services to an area that is projected to grow over time to a population of approximately 12,000; and

WHEREAS, A recent newspaper article suggests the County may use the same funding solutions for infrastructure needs in the Bull Mountain urban expansion areas as are used in North Bethany; and


WHEREAS, In anticipation of an August 21, 2007 meeting where the Board of County Commissioners will be asked to accept an Urban Renewal Feasibility Study for North Bethany and direct preparation of an Urban Renewal Plan, representatives of the BSD, THPRD and TVF&R have asked for the City's support of their opposition to establishment of an urban renewal district encompassing North Bethany,

NOW, THEREFORE, THE CITY RESOLVES AS FOLLOWS:

Section 1. The Council hereby directs that the Mayor convey to the Board of County Commissioners our opposition to formation of an urban renewal district encompassing the north Bethany area or any other urban expansion area. The Council believes such areas are not truly blighted, and the cost of infrastructure needed to serve their development should be borne by area property owners and developers, not by taxpayers from the larger community.

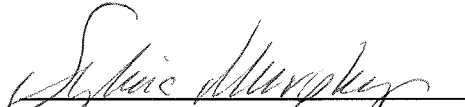
Section 2. Furthermore, it is the Council's position that if urban renewal and tax increment financing are to be used in Washington County, it should be in centers designated on the Metro 2040 Growth Concept Map or other areas more appropriate.

Duly passed by the City Council this 7th day of August, 2007.



Keith S. Mays, Mayor

ATTEST:



Sylvia Murphy, City Recorder