

Report Accompanying the North Urban Renewal Plan

This document remains draft until the City Council adoption of the North Urban Renewal Plan.

DRAFT



Adopted by the City of Boardman

Date

Ordinance No. _____

List of Participants

Mayor

Paul Keefer

City Council

Heather Baumgartner

Cristina Cuevas

Karen Pettigrew

Brenda Profitt

Richard Rockwell

Isaac Williams

Boardman Urban Renewal Agency

Paul Keefer, Commission Chair

Heather Baumgartner

Cristina Cuevas

Karen Pettigrew

Brenda Profitt

Richard Rockwell

Isaac Williams

Planning Commission

Position 1 Jacob Cain

Position 2 Jennifer Leighton

Position 3 Mike Connell

Position 4 Ragna TenEyck

Position 5 Zach Barresse

Position 6 Sam Irons

Position 7 Ethan Salata

City Manager Pro Tem

Richard Stokoe

Planning Official

Carla McLane

Finance Director

Marta Barajas

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.....	1
II.	INTRODUCTION.....	3
III.	THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA.....	5
IV.	THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS.....	8
V.	FINANCIAL ANALYSIS OF THE PLAN	9
VI.	THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED.....	11
VII.	THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT	13
VIII.	REVENUE SHARING	15
IX.	IMPACT OF THE TAX INCREMENT FINANCING.....	16
X.	COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA.....	20
XI.	EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES.....	21
XII.	REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN	26
XIII.	RELOCATION REPORT	26

I. DEFINITIONS

“Agency” is the Boardman Urban Renewal Agency created under ORS 457.035 and 457.045.

“Area” means the properties and rights-of-way located within the North Urban Renewal Area.

“Blight” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting the North Urban Renewal Plan.

“City” means the City of Boardman, Oregon.

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

“Comprehensive Plan” means the City of Boardman Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Morrow County, Oregon.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within the North Urban Renewal Plan at the time of adoption. The county assessor certifies the assessed value after the adoption of the North Urban Renewal Plan.

“North Urban Renewal Plan” means a plan, as it exists or is changed or modified from time to time, as provided in ORS 457.

“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 the North Urban Renewal Plan, or portion thereof, over the assessed value specified in the certified statement.

“Maximum Indebtedness” means the maximum principal amount of indebtedness that may be incurred by 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 and tax increment financing.

“Plan” means the official plan for the North Urban Renewal Plan pursuant to ORS 457.

“Plan Area” means a blighted area included in the North Urban Renewal Plan under ORS 457.010.

“Planning Commission” means the Boardman Planning Commission.

“Project(s)” means any work or undertaking carried out under the North Urban Renewal Plan.

“Report Accompanying North Urban Renewal Plan” or “Report” means the official report that accompanies the North Urban Renewal Plan pursuant to ORS 457.087.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470 and refers to the funds that are associated with the division of taxes accomplished through the adoption of the North Urban Renewal Plan.

“Tax increment revenues” means the funds allocated by the assessor to the Boardman Urban Renewal Agency due to increases in assessed value over the frozen base within the area.

“Urban Renewal” means the statutory authority provided in ORS 457.

“Urban renewal area” means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.010.

“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 457.087.

II. INTRODUCTION

The Report Accompanying the North Urban Renewal Plan (Report) contains background information and project details that pertain to the North 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 Boardman City Council (City Council) as part of the approval of the Plan.

The Report provides the analysis and contains the information required to meet the standards of ORS 457.087, including financial feasibility. The Report requirements include:

1. A description of the physical, social, and economic conditions in the Area and expected impact of the plan, including fiscal impact in light of increased services; (ORS 457.087(1))
2. Reasons for selection of the plan Area; (ORS 457.087(2))
3. The relationship between each project to be undertaken and the existing conditions; (ORS 457.087(3))
4. The estimated total cost of each project and the source of funds to pay such costs; (ORS 457.087(4))
5. The estimated completion date of each project; (ORS 457.087(5))The estimated amount of funds required in the Area and the anticipated year in which the debt will be retired; (ORS 457.087(6))
6. A financial analysis of the plan; (ORS 457.087(7))
7. A fiscal impact statement that estimates the impact of tax increment financing (TIF) upon all entities levying taxes upon property in the urban renewal area; (ORS 457.0857(8)) and
8. A relocation report.(ORS 457.087(9))

The relationship between the sections of the Report and the ORS 457.087 requirements is shown in Table 1. The specific reference shown 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.

The Report provides guidance on how the Plan might be implemented. As the Boardman Urban Renewal Agency (Agency) reviews 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 times than assumed 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.

Statutory Requirement	Report Section
ORS 457.087 (1)	XI
ORS 457.087 (2)	XII
ORS 457.087 (3)	III
ORS 457.087 (4)	IV
ORS 457.087 (5)	VII
ORS 457.087 (6)	V,VI
ORS 457.087 (7)	V,VI
ORS 457.087 (8)	IX
ORS 457.087 (9)	XIII

4 | Report Accompanying the North Urban Renewal Plan

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

The projects identified for the North Urban Renewal Area (Area) are described below, including how they relate to the existing conditions in the Area. The infrastructure projects are intended to facilitate development in the Area by providing a more efficient transportation system, improved utility lines and access to parcels in the Area. The economic development incentives are intended to help facilitate development within the Area.

Although specific numbers (i.e. 1,059 linear feet) have been used in the project description, those numbers are not absolute and may be changed as the project is undertaken in the future.

A. Infrastructure Improvements

1. NE Boardman Avenue to Olson Road

This project includes approximately 1,059 linear feet (LF) of new road that will stretch from NE Boardman Avenue to Olson Road. The project will include installation 2,118 LF of concrete curb and gutter, 1,412 square yards (SY) of concrete sidewalk, 1,059 LF of new 8-inch sewer line, new curb ramps, and all other work required to finish the project.

EXISTING CONDITIONS:

Boardman Avenue does not presently connect to Olson Street. This connection will provide a complete transportation network, access to parcels, better access to parks facilities in the Area and help facilitate development of the Area. The TSP, Section 4 lists this project as a potential future project.

Alternative #7 – Extend NE Boardman Avenue to Olson Road

The extension of Boardman Avenue east to Olson Road would enhance the city's east-west connectivity while permitting more direct pedestrian and bicycle access between Riverside High School and the residential areas to the east. This connection would further facilitate east-west circulation if Olson Road is extended across Interstate 84, as recommended in Alternative #3.

East-West Connectivity Recommendations

The extension of Boardman Avenue to Olson Road is recommended for implementation in the mid- to long-term future and should be coordinated with any future development activity in the area.

2. NE Front Street Improvements

This project will improve NE Front Street from N Main Street to Olson Road. This stretch of road is a little over 4,000 LF and will include full width and length asphalt overlay, approximately 5,513 SY of new concrete sidewalk, over 8,270 LF of new curb and gutter, 4,135 LF of new 8-inch water line, new driveway approaches, new curb ramps, and all other work required to finish the project.

EXISTING CONDITIONS:

NE Front Street is presently a two-lane street without curb, gutter, sidewalk and lighting improvements.

3. Alley from 2nd Avenue NE to 3rd Street NE

This project consists of building an alley from 2nd Avenue NE to 3rd Street NE. This stretch of road will be approximately 938 LF and will include approximately 439 tons of asphalt concrete pavement mixture, base rock, a new cement concrete driveway, and all other work required to finish the project.

EXISTING CONDITIONS:

This alley does not exist.

4. 2nd Avenue NE to Columbia Avenue NE

Approximately 379 LF of new road will be installed to complete the connection between Front Street NE and Columbia Avenue NE. This project will require approximately 266 tons of asphalt concrete pavement mixture, 758 LF of concrete curb and gutter, 505 SY of concrete sidewalk, 488 LF of new 8-inch sewer line, and all other work required to finish the project.

EXISTING CONDITIONS:

This section of 2nd Avenue does not exist. The transportation network is incomplete, not allowing for traffic flow from Boardman direction on 2nd to Columbia Avenue.

5. Columbia Avenue NE to Boardman Avenue NE

This includes approximately 977 LF of new roadway between Columbia Avenue NE and Boardman Avenue NE. The project will include approximately 686 tons of asphalt concrete pavement mixture, 1,954 LF of new concrete curb and gutter, 1,303 SY of concrete sidewalk, 977 LF of new 8-inch sewer line, curb ramps, and all other work required to finish the project.

EXISTING CONDITIONS:

This street does not presently exist. It will provide an additional piece of the transportation network connecting Boardman Avenue NE to Columbia Avenue.

6. Main Street Intersection Improvements

Intersection improvements include new traffic signals, roadwork, sidewalk work, striping and signage, and all other work required for the improvements.

EXISTING CONDITIONS:

There is no existing traffic device at North Main Street and Boardman Avenue. As this area develops, a device will be required.

7. Provide other transportation improvements as necessary.

EXISTING CONDITIONS:

Other transportation improvements may be required over the life of the Plan.

B. Economic Development Incentives

- 1. Provide economic development incentives to facilitate development in the Area. These include, but are not limited to:**

- **City owned property.**
- **Cemetery owned property.**
- **Encourage development of a new hotel.**

EXISTING CONDITIONS:

There are many properties within the Area that are either undeveloped or underdeveloped. These properties provide prime opportunities for economic development and the creation of jobs for Boardman residents. When developed, the city owned property will become taxable and return value to the taxing districts. This is the same for the cemetery property. The north side of Boardman could benefit from a variety of economic development opportunities including a new hotel.

C. Administration

- 1. Financing fees and any long-term borrowing costs.**
- 2. General administration including annual reporting, financial statements and administration of the Plan.**

EXISTING CONDITIONS:

This area in Boardman is not presently in an urban renewal Area, so requires no administrative responsibilities from the urban renewal agency. Once an urban renewal plan with its associated requirements for administration exists for the Area, there will be a need for administrative funds to be allocated for that administration.

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

Table 2 shows the costs of the projects in Fiscal Year Ending (FYE) 2023 constant dollars as provided by Anderson Perry in July of 2023.

These estimates will be refined in the annual budgeting process, acknowledging of the limiting total cost factor of the maximum indebtedness. Different allocations may be made to different line items within the Plan.

Table 2. Estimated Cost of Each Project in Constant FYE 2023 and Year of Expenditure Costs

TIF Area Projects	Constant FYE 2023 \$
Extend Boardman Avenue to Olson Street, including pavement, curb, gutter, sidewalks and lighting.	\$1,565,237
Improve NE Front Street, including pavement, curb, gutter, sidewalks and lighting.	\$2,895,170
Alley from 2 nd Avenue NE to 3 rd Street NE	\$273,424
2 nd Avenue NE to Columbia Avenue NE	\$353,934
Columbia Avenue NE to Boardman Avenue NE	\$856,398
Intersection Improvements North Main Street and Boardman Avenue.	\$1,000,000
Other traffic improvements	\$2,000,000
Economic Development Toolkit	\$2,000,000
TOTAL:	\$10,944,163

Source: Anderson Perry, City of Boardman

This financial analysis did not assume the use of long-term debt. However, the Agency may decide to incur debt to allow projects to be finished earlier in the life of the Plan. This debt may include intergovernmental loans, bank loans or other forms of loans for the Agency.

The scenario presented in this Report is only one scenario for how the Agency may decide to implement this Plan, and this scenario is financially feasible.

V. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through Fiscal Year End (FYE) 2044 are calculated based on projections of the assessed value within the Area and the consolidated tax rate that will apply in the Area.

The long-term projections for FYE 2025 and beyond assume an annual growth rate of 3% for existing assessed value in the Area plus specific exception value assumptions for future development within the Area. These assumptions were provide by Boardman staff and relied on exiting permit data and discussions with potential developers.

If actual assessed value growth is less than forecast, then it would reduce the financial capacity of the Area to fund projects listed in the Plan over the anticipated duration of the Plan.

Table 3 shows the incremental assessed value, tax rates, and tax increment revenues each year, adjusted for discounts, delinquencies, and truncation loss. The first year of tax increment collections is anticipated to be FYE 2025. The narrative analysis for Table 3 is shown below:

- Total AV is the estimated total assessed value of the Area on an annual basis.
- Frozen base is the estimate of the assessed value of the Area at its formation.
- Increment applied is the total assessed value minus the frozen base.
- Increment shared is the amount that will be distributed to all taxing Areas according to their permanent rate due to revenue sharing. In this Plan, there is no assumption for revenue sharing as the financial projections do not meet the statutory thresholds.
- Tax rate is the total permanent rate levy for the Area.
- Gross tax increment financing revenue (TIF) is calculated by multiplying the tax rate times the assessed value used. The tax rate is per thousand dollars of assessed value, so the calculation is “tax rate times assessed value used divided by one thousand.”
- Adjustments are calculated at 5% of the Gross TIF and are for discounts, delinquencies, and rate truncation.
- Current Year Net reflects subtracting the 5% adjustment factor from Gross TIF.
- Prior Year Net is the tax increment revenue that was delinquent the prior year and is paid by the assessor’s office once it is received. It is estimated that this amount is 1.5% of total TIF.
- Total TIF is the amount of tax increment revenues estimated to be received by the Agency.

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

FYE	Total AV	Frozen Base AV	Increment Applied	Increment Shared	Tax Rate	Gross TIF	Adjustments	Current Year Net	Prior Year Net	Total TIF
2025	7,503,383	5,129,862	2,373,521	-	16.4893	39,138	(1,957)	37,181	-	37,181
2026	25,338,579	5,129,862	20,208,717	-	16.4893	333,228	(16,661)	316,566	558	317,124
2027	31,163,469	5,129,862	26,033,607	-	16.4893	429,276	(21,464)	407,812	4,748	412,561
2028	36,916,494	5,129,862	31,786,632	-	16.4893	524,139	(26,207)	497,932	6,117	504,050
2029	48,844,090	5,129,862	43,714,228	-	16.4893	720,817	(36,041)	684,776	7,469	692,245
2030	69,733,812	5,129,862	64,603,950	-	16.4893	1,065,274	(53,264)	1,012,010	10,272	1,022,282
2031	79,674,556	5,129,862	74,544,694	-	16.4893	1,229,190	(61,459)	1,167,730	15,180	1,182,910
2032	83,091,921	5,129,862	77,962,059	-	16.4893	1,285,540	(64,277)	1,221,263	17,516	1,238,779
2033	85,564,886	5,129,862	80,435,024	-	16.4893	1,326,317	(66,316)	1,260,001	18,319	1,278,320
2034	104,219,927	5,129,862	99,090,065	-	16.4893	1,633,926	(81,696)	1,552,230	18,900	1,571,130
2035	107,326,732	5,129,862	102,196,870	-	16.4893	1,685,155	(84,258)	1,600,897	23,283	1,624,181
2036	110,526,740	5,129,862	105,396,878	-	16.4893	1,737,921	(86,896)	1,651,025	24,013	1,675,038
2037	113,822,749	5,129,862	108,692,887	-	16.4893	1,792,270	(89,613)	1,702,656	24,765	1,727,422
2038	117,217,638	5,129,862	112,087,776	-	16.4893	1,848,249	(92,412)	1,755,837	25,540	1,781,376
2039	120,714,374	5,129,862	115,584,512	-	16.4893	1,905,908	(95,295)	1,810,612	26,338	1,836,950
2040	124,316,013	5,129,862	119,186,151	-	16.4893	1,965,296	(98,265)	1,867,031	27,159	1,894,191
2041	128,025,700	5,129,862	122,895,838	-	16.4893	2,026,466	(101,323)	1,925,143	28,005	1,953,149
2042	131,846,678	5,129,862	126,716,816	-	16.4893	2,089,472	(104,474)	1,984,998	28,877	2,013,875
2043	135,782,285	5,129,862	130,652,423	-	16.4893	2,154,367	(107,718)	2,046,649	29,775	2,076,424
2044	139,835,960	5,129,862	134,706,098	-	16.4893	2,221,209	(111,060)	2,110,149	30,700	2,140,849
TOTAL:						28,013,158	(1,400,656)	26,612,498	367,534	26,980,037

Source: Tiberius Solutions

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

The maximum indebtedness is \$27,000,000 (Twenty-Seven Million). The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$27,000,000 is \$26,980,037 and is from permanent rate tax levies. The difference between the total amount of tax increment revenues and maximum indebtedness is due in part to rounding, and in part to being conservative with the financial data available. If the Agency decides to accelerate projects in the future by using loans, then the interest on those loans is not calculated as part of the maximum indebtedness and may be repaid through tax increment proceeds.

Table 4 shows a summary of the financial capacity of the Area, including how total TIF revenue translates to the ability to fund urban renewal projects in constant 2023 dollars in five-year increments. Table 5, Table 6 and Table 7 show more detailed tables on the allocation of tax revenues to debt service. Table 8, Table 9 and Table 10 show potential allocations to projects and administration over time.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the Area in FYE 2044, a 20-year time frame for taking division of tax revenues. If growth in assessed value is slower than projected, the Agency may not be able to complete all projects in the Plan in this timeframe and would therefore continue taking division of tax proceeds until the Agency reaches the maximum indebtedness. If growth in assessed value is more robust than the projections, it may take a shorter period. These assumptions show one scenario for financing and that this scenario is financially feasible.

Table 4. TIF Capacity of the Area in FYE 2023 Constant Rounded Numbers

Net TIF	\$27,000,000
Maximum Indebtedness	\$27,000,000
Capacity (2023\$)	\$11,000,000
Years 1-5	\$1,400,000
Years 6-10	\$3,400,000
Years 11-15	\$3,400,000
Years 16-20	\$2,800,000

Source: Tiberius Solutions

Table 5. Tax Increment Revenues and Allocations to Debt Service, Through FYE 2031

	Total	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031
Resources								
Beginning Balance		-	-	-	-	-	-	-
TIF: Current Year	26,612,499	37,181	316,566	407,812	497,932	684,776	1,012,010	1,167,730
TIF: Prior Years	367,535	-	558	4,748	6,117	7,469	10,272	15,180
Total Resources	26,980,034	37,181	317,124	412,561	504,050	692,245	1,022,282	1,182,910
Transfer to URA Projects Fund	(26,980,034)	(37,181)	(317,124)	(412,561)	(504,050)	(692,245)	(1,022,282)	(1,182,910)
Total Expenditures	(26,980,034)	(37,181)	(317,124)	(412,561)	(504,050)	(692,245)	(1,022,282)	(1,182,910)
Ending Balance		-	-	-	-	-	-	-

Source: Tiberius Solutions

Table 6. Tax Increment Revenues and Allocations to Debt Service, Through FYE 2039

	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036	FYE 2037	FYE 2038	FYE 2039
Resources								
Beginning Balance	-	-	-	-	-	-	-	-
TIF: Current Year	1,221,263	1,260,001	1,552,230	1,600,897	1,651,025	1,702,656	1,755,837	1,810,612
TIF: Prior Years	17,516	18,319	18,900	23,283	24,013	24,765	25,540	26,338
Total Resources	1,238,779	1,278,320	1,571,130	1,624,181	1,675,038	1,727,422	1,781,376	1,836,950
Transfer to URA Projects Fund	(1,238,779)	(1,278,320)	(1,571,130)	(1,624,181)	(1,675,038)	(1,727,422)	(1,781,376)	(1,836,950)
Total Expenditures	(1,238,779)	(1,278,320)	(1,571,130)	(1,624,181)	(1,675,038)	(1,727,422)	(1,781,376)	(1,836,950)
Ending Balance	-	-	-	-	-	-	-	-

Source: Tiberius Solutions

Table 7. Tax Increment Revenues and Allocations to Debt Service, Through FYE 2044

	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044
Resources					
Beginning Balance	-	-	-	-	-
TIF: Current Year	1,867,031	1,925,143	1,984,998	2,046,649	2,110,149
TIF: Prior Years	27,159	28,005	28,877	29,775	30,700
Total Resources	1,894,191	1,953,149	2,013,875	2,076,424	2,140,849
Transfer to URA Projects Fund	(1,894,191)	(1,953,149)	(2,013,875)	(2,076,424)	(2,140,849)
Total Expenditures	(1,894,191)	(1,953,149)	(2,013,875)	(2,076,424)	(2,140,849)
Ending Balance	-	-	-	-	-

Source: Tiberius Solutions

VII. 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.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the Area in FYE 2044, a 20-year program of tax increment collections.

The amount of money available for projects in 2023 constant dollars for the Area is approximately \$11,000,000. See Table 2 for the individual project analysis.

Table 8, Table 9 and Table 10 show the approximate \$11,000,000 of 2023 constant dollars for projects inflated over the life of the Area, totaling the maximum indebtedness of \$27,000,000. All costs shown in Table 8, Table 9 and Table 10 are in year-of-expenditure dollars, which are adjusted by 7.0% annually to account for inflation. This inflation rate is the rate recommended by Anderson Perry, the engineering firm hired by the City to provide the cost estimates. If actual inflation is lower than this amount, the Agency will be able to either spend money on additional projects or terminate the Area earlier as all projects will be completed.

The 7% inflation rate is the rate to use in the future if any amendment to increase maximum indebtedness is pursued in accordance with ORS 457.470.

The Agency may change the completion dates in their annual budgeting process or as project decisions are made in administering the Plan. The following tables are prepared to show that the Area is financially feasible as required by ORS 457.

Table 8. Programs and Costs in Year of Expenditure Dollars, Through FYE 2031

	Total	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031
Resources								
Beginning Balance		-	-	-	-	-	-	-
Transfer from TIF Fund	26,980,034	37,181	317,124	412,561	504,050	692,245	1,022,282	1,182,910
Total Resources	26,980,034	37,181	317,124	412,561	504,050	692,245	1,022,282	1,182,910
Expenditures (YOE \$)								
Other Projects	(26,980,034)	(37,181)	(317,124)	(412,561)	(504,050)	(692,245)	(1,022,282)	(1,182,910)
Total Expenditures	(26,980,034)	(37,181)	(317,124)	(412,561)	(504,050)	(692,245)	(1,022,282)	(1,182,910)
Ending Balance		-	-	-	-	-	-	-

Source: Tiberius Solutions

Table 9. Programs and Costs in Year of Expenditure Dollars, Through FYE 2039

	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036	FYE 2037	FYE 2038	FYE 2039
Resources								
Beginning Balance	-	-	-	-	-	-	-	-
Transfer from TIF Fund	1,238,779	1,278,320	1,571,130	1,624,181	1,675,038	1,727,422	1,781,376	1,836,950
Total Resources	1,238,779	1,278,320	1,571,130	1,624,181	1,675,038	1,727,422	1,781,376	1,836,950
Expenditures (YOE \$)								
Other Projects	(1,238,779)	(1,278,320)	(1,571,130)	(1,624,181)	(1,675,038)	(1,727,422)	(1,781,376)	(1,836,950)
Total Expenditures	(1,238,779)	(1,278,320)	(1,571,130)	(1,624,181)	(1,675,038)	(1,727,422)	(1,781,376)	(1,836,950)
Ending Balance	-	-	-	-	-	-	-	-

Source: Tiberius Solutions

Table 10. Programs and Costs in Year of Expenditure Dollars, Through FYE 2044

	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044
Resources					
Beginning Balance	-	-	-	-	-
Transfer from TIF Fund	1,894,191	1,953,149	2,013,875	2,076,424	2,140,849
Total Resources	1,894,191	1,953,149	2,013,875	2,076,424	2,140,849
Expenditures (YOE \$)					
Other Projects	(1,894,191)	(1,953,149)	(2,013,875)	(2,076,424)	(2,140,849)
Total Expenditures	(1,894,191)	(1,953,149)	(2,013,875)	(2,076,424)	(2,140,849)
Ending Balance	-	-	-	-	-

Source: Tiberius Solution

VIII. REVENUE SHARING

Revenue sharing targets defined in ORS 457.470 are not projected to be reached as the threshold set (annual tax increment revenues in excess of 10 percent of the maximum indebtedness) is not projected to be met during the expected life of the Plan.

Revenue sharing means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the Area. The first threshold is when annual tax increment finance revenues exceed 10% of the original maximum indebtedness of the Plan (10% = \$2,700,000). 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 (12.5% = \$3,375,000). If this threshold is met, revenue for the Area would be capped at 12.5% of the maximum indebtedness, with all additional tax revenue being shared with affected taxing districts.

If assessed value in the Area grows more quickly than projected, the revenue sharing triggers could be reached earlier.

IX. 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 Areas consists 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 11 and Table 12.

The Morrow County School District and the Intermountain Education Service Area 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 11 and **Table 12** show the projected impacts to permanent rate levies of taxing Areas as a result of this Plan. Table 11 shows the general government levies, and **Table 12** shows the education levies.

Table 11. Projected Impact on Taxing Area Permanent Rate Levies - General Government

FYE	Morrow County	Umatilla-Morrow Radio District	Health District	Port of Morrow	City of Boardman	Boardman Fire Protection District	Boardman Cemetery	Boardman Park	Unified Rec District	Vector Control	Oregon Trail Library	Subtotal
2025	(9,323)	(383)	(1,364)	(190)	(9,496)	(1,683)	(64)	(674)	(1,028)	(428)	(572)	(25,206)
2026	(79,519)	(3,269)	(11,635)	(1,617)	(80,994)	(14,355)	(546)	(5,748)	(8,770)	(3,652)	(4,877)	(214,984)
2027	(103,450)	(4,253)	(15,137)	(2,104)	(105,369)	(18,675)	(711)	(7,478)	(11,409)	(4,751)	(6,345)	(279,682)
2028	(126,391)	(5,197)	(18,494)	(2,571)	(128,735)	(22,816)	(868)	(9,137)	(13,939)	(5,805)	(7,752)	(341,704)
2029	(173,581)	(7,137)	(25,399)	(3,531)	(176,801)	(31,335)	(1,192)	(12,548)	(19,144)	(7,972)	(10,647)	(469,286)
2030	(256,338)	(10,539)	(37,508)	(5,214)	(261,093)	(46,274)	(1,761)	(18,531)	(28,270)	(11,773)	(15,722)	(693,024)
2031	(296,615)	(12,195)	(43,402)	(6,033)	(302,118)	(53,545)	(2,037)	(21,443)	(32,713)	(13,623)	(18,193)	(801,917)
2032	(310,624)	(12,771)	(45,451)	(6,318)	(316,387)	(56,074)	(2,134)	(22,455)	(34,258)	(14,266)	(19,052)	(839,791)
2033	(320,539)	(13,179)	(46,902)	(6,520)	(326,486)	(57,864)	(2,202)	(23,172)	(35,351)	(14,722)	(19,660)	(866,597)
2034	(393,962)	(16,198)	(57,645)	(8,013)	(401,270)	(71,118)	(2,706)	(28,480)	(43,448)	(18,094)	(24,163)	(1,065,098)
2035	(407,264)	(16,745)	(59,592)	(8,284)	(414,819)	(73,520)	(2,797)	(29,441)	(44,916)	(18,705)	(24,979)	(1,101,062)
2036	(420,017)	(17,269)	(61,458)	(8,543)	(427,808)	(75,822)	(2,885)	(30,363)	(46,322)	(19,291)	(25,762)	(1,135,539)
2037	(433,152)	(17,809)	(63,380)	(8,810)	(441,187)	(78,193)	(2,975)	(31,313)	(47,771)	(19,894)	(26,567)	(1,171,051)
2038	(446,681)	(18,365)	(65,360)	(9,086)	(454,967)	(80,635)	(3,068)	(32,291)	(49,263)	(20,515)	(27,397)	(1,207,628)
2039	(460,616)	(18,938)	(67,399)	(9,369)	(469,161)	(83,151)	(3,164)	(33,298)	(50,800)	(21,155)	(28,252)	(1,245,302)
2040	(474,969)	(19,529)	(69,499)	(9,661)	(483,780)	(85,742)	(3,262)	(34,336)	(52,383)	(21,815)	(29,132)	(1,284,107)
2041	(489,753)	(20,136)	(71,662)	(9,962)	(498,838)	(88,411)	(3,364)	(35,405)	(54,013)	(22,494)	(30,039)	(1,324,075)
2042	(504,980)	(20,762)	(73,890)	(10,271)	(514,348)	(91,160)	(3,469)	(36,505)	(55,692)	(23,193)	(30,973)	(1,365,243)
2043	(520,664)	(21,407)	(76,185)	(10,590)	(530,323)	(93,991)	(3,576)	(37,639)	(57,422)	(23,913)	(31,935)	(1,407,646)
2044	(536,819)	(22,072)	(78,549)	(10,919)	(546,777)	(96,907)	(3,687)	(38,807)	(59,204)	(24,655)	(32,926)	(1,451,321)
TOTAL:	(6,765,257)	(278,153)	(989,911)	(137,606)	(6,890,757)	(1,221,271)	(46,468)	(489,064)	(746,116)	(310,716)	(414,945)	(18,290,263)

Source: Tiberius Solutions

Table 12. Projected Impact on Taxing Area Permanent Rate Levies – Education

FYE	Morrow School	Intermountain ESD	BMCC	Subtotal	Total
2025	(9,097)	(1,388)	(1,491)	(11,975)	(37,181)
2026	(77,586)	(11,839)	(12,714)	(102,140)	(317,124)
2027	(100,935)	(15,402)	(16,541)	(132,878)	(412,561)
2028	(123,319)	(18,818)	(20,209)	(162,345)	(504,050)
2029	(169,362)	(25,844)	(27,754)	(222,959)	(692,245)
2030	(250,107)	(38,165)	(40,986)	(329,258)	(1,022,282)
2031	(289,406)	(44,162)	(47,426)	(380,994)	(1,182,910)
2032	(303,074)	(46,248)	(49,666)	(398,988)	(1,238,779)
2033	(312,748)	(47,724)	(51,251)	(411,723)	(1,278,320)
2034	(384,386)	(58,655)	(62,991)	(506,032)	(1,571,130)
2035	(397,365)	(60,636)	(65,118)	(523,119)	(1,624,181)
2036	(409,808)	(62,535)	(67,157)	(539,499)	(1,675,038)
2037	(422,623)	(64,490)	(69,257)	(556,371)	(1,727,422)
2038	(435,824)	(66,505)	(71,420)	(573,749)	(1,781,376)
2039	(449,420)	(68,579)	(73,648)	(591,648)	(1,836,950)
2040	(463,424)	(70,716)	(75,943)	(610,084)	(1,894,191)
2041	(477,849)	(72,917)	(78,307)	(629,073)	(1,953,149)
2042	(492,706)	(75,185)	(80,742)	(648,632)	(2,013,875)
2043	(508,009)	(77,520)	(83,249)	(668,778)	(2,076,424)
2044	(523,771)	(79,925)	(85,832)	(689,528)	(2,140,849)
TOTAL:	(6,600,819)	(1,007,253)	(1,081,702)	(8,689,773)	(26,980,037)

Source: Tiberius Solutions Please refer to the explanation of the schools funding in the preceding section

Table 13 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated in 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 13. Additional Revenues Obtained after Termination of TIF - FYE 2045

Taxing District	Type	Tax Rate	From Frozen Base	From Excess Value	Total
General Government					
Morrow County	Permanent	4.1347	21,210	574,233	595,443
Umatilla-Morrow Radio District	Permanent	0.1700	872	23,610	24,482
Health District	Permanent	0.6050	3,104	84,023	87,127
Port of Morrow	Permanent	0.0841	431	11,680	12,111
City of Boardman	Permanent	4.2114	21,604	584,885	606,489
Boardman Fire Protection District	Permanent	0.7464	3,829	103,661	107,490
Boardman Cemetery	Permanent	0.0284	146	3,944	4,090
Boardman Park	Permanent	0.2989	1,533	41,512	43,045
Unified Rec District	Permanent	0.4560	2,339	63,330	65,669
Vector Control	Permanent	0.1899	974	26,374	27,348
Oregon Trail Library	Permanent	0.2536	1,301	35,220	36,521
Subtotal	Gen. Govt.	10.9248	56,042	1,517,252	1,573,294
Education					
Morrow School	Permanent	4.0342	20,695	560,275	580,970
Intermountain ESD	Permanent	0.6156	3,158	85,495	88,653
BMCC	Permanent	0.6611	3,391	91,814	95,205
Subtotal	Education	5.3109	27,244	737,584	764,828
TOTAL:		16.2357	83,286	2,254,836	2,338,122

Source: Tiberius Solutions

X. 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 2023 values), including all real, personal, manufactured, and utility properties in the Area, is projected to be \$5,129,862. The frozen base is the assessed value of the Area at the time it is adopted. The Morrow County Assessor will establish the frozen base once the urban renewal plan is adopted.

The frozen base assessed value of the Central Urban Renewal Area is \$3,153,630. The frozen base of the Southwest Urban Renewal Area is \$7,920,750.

The Central Urban Renewal Area has excess value of \$11,178,884. The Southwest Urban Renewal Area has excess value of \$5,771,205. Excess value is the amount of assessed value over the frozen base. The total assessed value of the City of Boardman as stated in the Morrow County Assessor SAL 4a for FYE 2023 was \$700,786,158.

The percentage of total City assessed value in urban renewal Areas is 2.37%, below the 25% threshold. ORS 457.160 (2)(b) states "For municipalities having a population of less than 50,000, according to the latest state census:

- A. The assessed value for the urban renewal areas of the plan, when added to the total assessed value previously certified by the assessor for other urban renewal plans of the municipality for which a division of ad valorem taxes is provided, exceeds a figure equal to 25 percent of the total assessed value of that municipality, exclusive of any increased assessed value for other urban renewal areas and without regard to adjustments made pursuant to [ORS 457.435](#)."

The Area contains approximately 181.1 acres, including public rights-of-way. The Central Urban Renewal Area contains 168.6 acres. The Southwest Urban Renewal Area contains 157.5 acres. The City of Boardman contains 2,839 acres. This puts 17.86% of the city's acreage in an urban renewal area, which is below the 25% threshold.

Table 14. Urban Renewal Area Conformance with Assessed Value and Acreage Limits

	Acreage	Assessed Value
A. Central Urban Renewal Area	168.6	\$3,153,630
B. Southwest Urban Renewal Area	157.5	\$7,920,750
C. North Urban Renewal Area	181.1	\$5,129,862
D. Total Acreage/Assessed Value in URDs	507.2	\$16,204,242
E. Excess Value		\$16,950,089
F. City of Boardman	2,839	\$700,786,158
% of City Acreage =(D/F)	17.87%	
% of City Assessed Value =(D/(F-E))		2.37%

Source: Compiled by Elaine Howard Consulting, LLC with data from Tiberius Solutions, City of Boardman, and Morrow County Department of Assessment and Taxation SAL 4a and SAL 4e (FYE 2023)

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

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

A. Physical Conditions

1. Land Use

The Area measures 181.10 total acres in size, which is composed of 78 individual parcels encompassing 145.55 acres, and an additional 35.55 acres in public rights-of-way. An analysis of FYE 2023 property classification data from the Morrow County Department of Assessment and Taxation database was used to determine the land use designation of parcels in the Area. By acreage, Commercial (69.76%) accounts for the most prevalent land use within the area. This was followed by Residential (16.76%). Detailed land use designations in the area can be seen in Table 15.

Table 15. Land Use in the Area

Land Use	Tax Lots	Acres	Percent of Acres
Commercial	73	101.53	69.76%
Residential	2	24.40	16.76%
Industrial	2	19.31	13.27%
Tract	1	0.31	0.21%
TOTAL:	78	145.55	100.00%

Source: Compiled by Elaine Howard Consulting with data from Tiberius Solutions received from the Morrow County Department of Assessment and Taxation (FYE 2023)

2. Zoning and Comprehensive Plan Designations

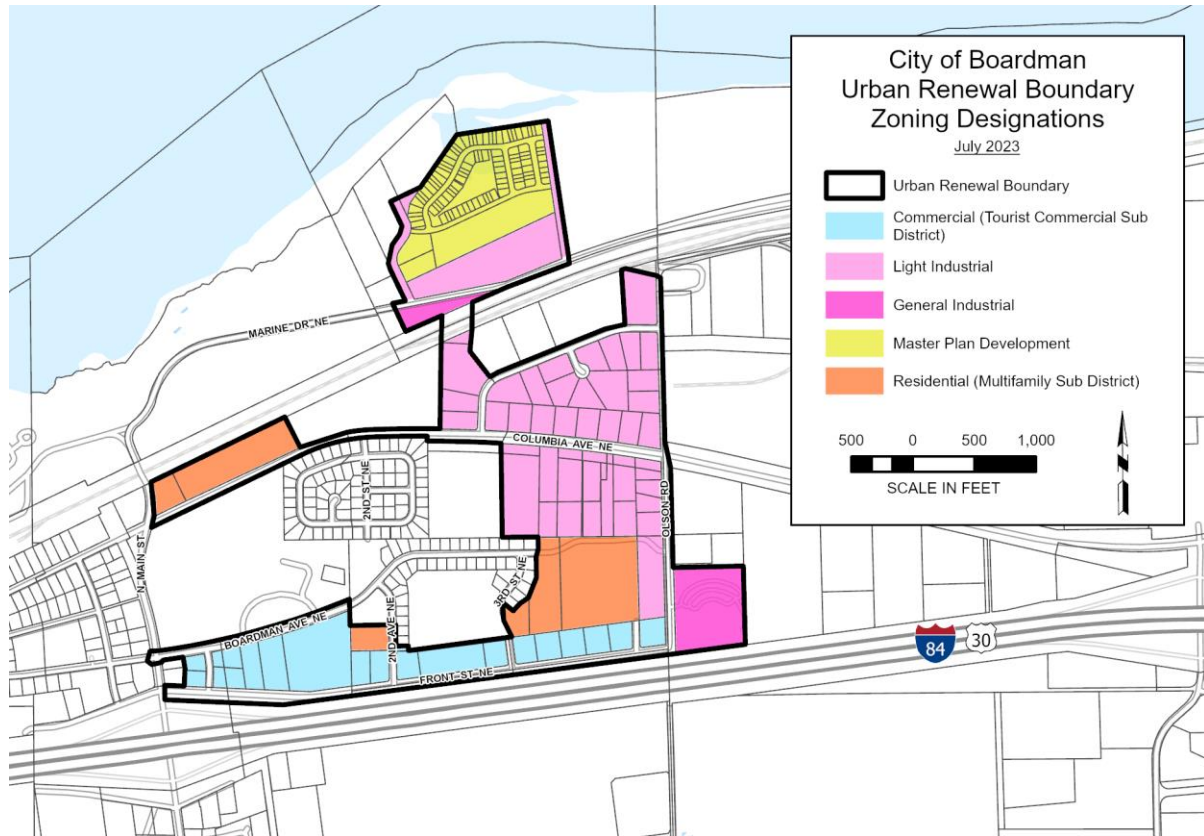
The Zoning and Comprehensive Plan Designations are the same in the city of Boardman. The most prevalent zoning and comprehensive plan designation by acreage in the Area is Tourist Commercial (53.86%). The second most prevalent zoning and comprehensive plan designation in the Area is Residential Multi-family (16.90%). Detailed zoning and comprehensive plan designations in the Area can be seen in Table 16.

Table 16. Zoning and Comprehensive Plan Designations in the Area

Plan Designation	Tax Lots	Acres	Percent of Acres
Tourist Commercial	68	78.39	53.86%
Residential Multi-family	6	24.6	16.90%
Master Planned Community	1	22.94	15.76%
Light Industrial	2	19.31	13.27%
Tract Vacant	1	0.31	0.21%
TOTAL:	78	145.55	100.00%

Source: Compiled by Elaine Howard Consulting with data from Tiberius Solutions received from the Morrow County Department of Assessment and Taxation (FYE 2023)

Figure 2. Boardman Urban Renewal Area Zoning Designations



Source: anderson perry

B. Infrastructure

This section identifies the existing conditions in the Area to assist in **establishing blight in the ordinance adopting the urban renewal plan**. There are projects identified by the City of Boardman in itemizing blighting conditions in the Area. **This does not mean that all of these projects are included in the urban renewal plan.** The specific projects that are included in the Plan are listed in Sections III and IV of this Report.

1. Transportation

The Capital Improvement Plan projects for the Area are shown below in Table 17.

Table 17. Transportation Capital Improvement Projects in Area

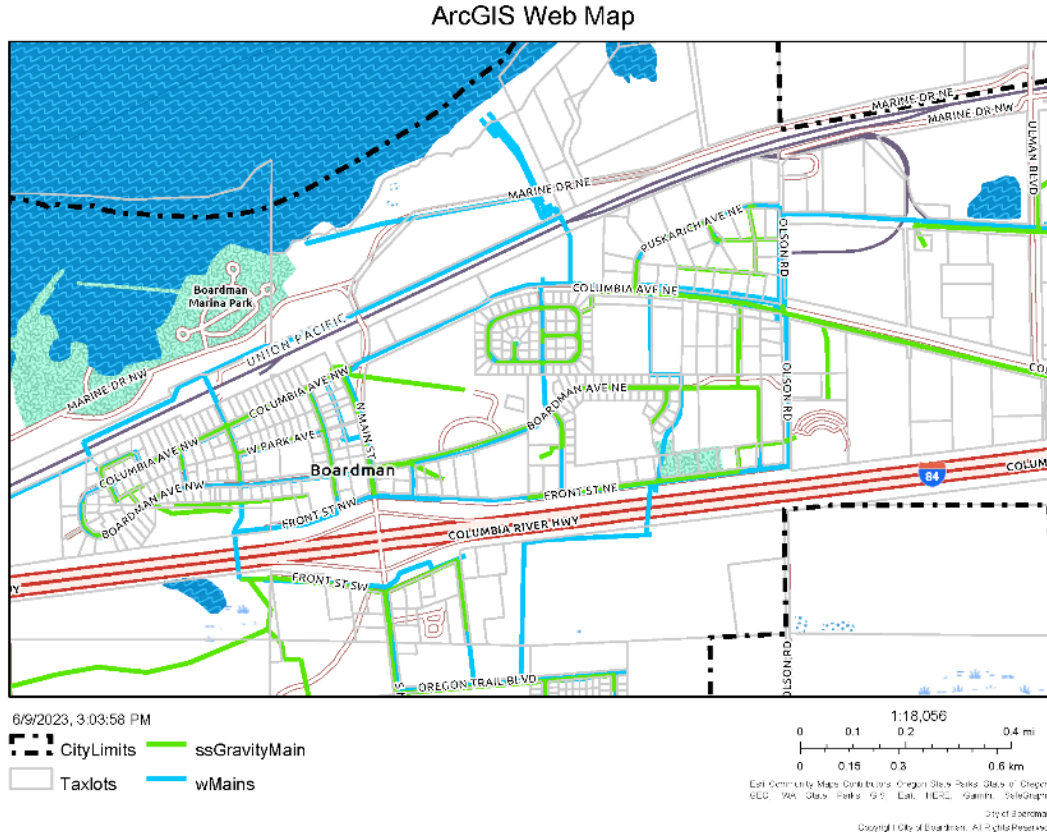
CIP #	Project
11905	NE 2 nd Street Connection
13405	NE 4 th Street Connection
13305	NE Boardman Avenue Extension
15305	NE 4 th Street Connection

Source: Boardman Capital Improvement Plan

2. Water, Sanitary Sewer and Storm Water

Figure 3 shows the existing water sewer, fire hydrants and manholes within the Area. There are no deficiencies that require urban renewal assistance in the Area.

Figure 3. Water and Sewer lines within Area



C. Social Conditions

According to information from the Morrow County Assessor's office, the Area contains two parcels containing 24.4 acres that have residential uses. While there is construction in the Area, most of this acreage is not yet occupied. Since there are such limited residents in the Area, the following demographics are presented for the City of Boardman as a whole.

- According to the US Census 2016-2020 update, there are 1,109 households with 3.4 persons per household. Boardman has a population of 3,748. Sixty-eight percent of the residents speak Spanish at home.
- The largest Boardman racial/ethnic groups are Hispanic (66.9%) followed by White (29.4%) and Black (1.4%).
- In 2021, the median household income of Boardman households was \$61,442. However, 16.8% of Boardman families live in poverty.
- The median age for Boardman residents is 28.9 years young.

D. Economic Conditions

1. Taxable Value of Property within the Area

The estimated total assessed value of the Area calculated with data from the Morrow County Department of Assessment and Taxation for FYE 2023 including all real, personal, manufactured, and utility properties, is estimated to be \$5,129,862.

2. Building to Land Value Ratio

Table 18 shows the improvement to land ratios (I:L) for properties within the Area. In the Area, 64 tax lots representing 77.89% 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. Over 67% of the parcels are shown as vacant, with no improvements on the properties. A reasonable I:L ratio for properties in the Area is 2.0. Only 10 of the 57 tax lots in the Area, totaling 11.20% of the acreage have I:L ratios of 2.0 or more. In summary, the area is underdeveloped and not contributing significantly to the tax base in Boardman.

Table 18. Improvement to Land Ratios in the Area

Improvement to Land Ratio	Tax Lots	Acres	Percent of Acres
No Improvement Value	57	98.47	67.65%
0.01-0.50	5	9.15	6.28%
0.51-1.00	2	5.77	3.96%
1.01-1.50	3	14.19	9.75%
1.51-2.00	2	1.67	1.15%
2.01-2.50	2	2.00	1.37%
2.51-3.00	2	1.68	1.15%
3.01-4.00	2	2.50	1.72%
> 4.00	3	10.13	6.96%
TOTAL:	78	145.55	100%

Source: Compiled by Elaine Howard Consulting with data from Tiberius Solutions received from the Morrow County Department of Assessment and Taxation (FYE 2023)

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing Areas that levy taxes within the Area (affected taxing Areas) is described in Section IX 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 improving the transportation network and providing funding to help facilitate development in the Area.

It is anticipated that these improvements will catalyze development on the undeveloped parcels in the Area and improve safety for all transportation modes.

The financial impacts from tax increment collections will be countered by future economic development, and, in the future, adding increases in assessed value to the tax base for all taxing jurisdictions, including the City.

XII. 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. The outcome of implementing these projects is anticipated to be an increase to the economic growth in Boardman by providing infrastructure improvements to improve the safety and functioning of the transportation network in the Area, providing upgraded utility systems and the ability to provide incentives for economic development in the Area.

XIII. RELOCATION REPORT

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. The Agency will comply with all applicable state law in providing these potential benefits. At the writing of this Report, the Agency anticipates acquiring right of way in the Area.