

The meeting was called to order by Chairman Sandy Toms at 7:40 p.m. and led the group in the Pledge of Allegiance. Roll call was taken:

Commissioners:	Sandy Toms, Marc Rogelstad, Neil Livingston, and Christie Perry
Absent:	David Jones and Brenda Proffitt
Executive Director:	Karen Pettigrew
Budget Officer:	
Staff:	Lila Killingbeck-Recorder, Barry Beyeler, and Chief Rick Stokoe
Audience:	Brendan Buckley-Johnson Reid LLC, Gary Maughan and F.E. Glenn

## **PRESENTATION**

### Johnson Reid-proposed West URA District

Mr. Buckley, Johnson Reid LLC, distributed the 1<sup>st</sup> draft of the proposed West URA report and Data sheet from the report. The main focus of the discussion was regarding the: Potential Projects, projected Tax Increment Financing revenues, and Jurisdictions financial impacts.

Potential Project list was discussed. There was a change made to cost of extension of Oregon Trail Blvd. The total cost is estimated to be \$2 million, but that had included part that is inside the Central URA district so that amount should be lowered to \$1.4 million. There was a discussion regarding adding Paul Smith Road north of Wilson Road to connect Oregon Trail Blvd to Wilson. It was determined that Paul Smith Road is a Morrow County Road and could not be included in the City's West URA plan.

Mr. Buckley explained that the projected TIF revenues were estimated on 3% annual tax increases and if 2 homes were built per year tax increases. On page 16 in the report the table shows that the West URA would need to probably collect taxes for 7-8 years before there would be enough tax collection for repayment on Bonds issues for projects. Director Pettigrew asked how long it would take the affected taxing entities to recoup the loss from frozen tax base. Mr. Buckley did not have the information calculated, but will find out. There was a discussion regarding the estimated recoup. Commissioner Rogelstad asked about larger growth in the first years. Mr. Buckley stated that that would mean that Bond could be issued earlier, more projects could be completed, or the URA district could be retired earlier. There was a discussion regarding the tax effect on School District. They would not be affected, but it would affect the Unified Recreation District.

Mr. Glenn stated that if the improvements listed on the project list are not done there will not be any growth in that area. Commissioner Rogelstad would like to look at alternatives to tax base freezing for the infrastructure improvement in that area. Mr. Maughan asked about private developers guaranteeing bond payments. Mr. Buckley will look into this option. Mr. Glenn's interpretation of the ORS 457.90 (1) rules is that private developers can participate in financing options. There was a discussion regarding the development of duplexes off of Faler Road and the need for the development to be quicker than 7 years.

Commissioner Perry asked Mr. Maughan about his plans for the Central URA District. At this time it is zoned Commercial and needs to be rezoned to accommodate duplexes. He is on both the commercial and the residential in that area. He has been working on a development of a residential subdivision on the West side of South Main past the Wilson Road intersection, while determining the plan for the property in the Central URA district.

There was a discussion that a maximum of 25% of lands inside the City Limits could be included in Urban Renewal Areas. If the West URA is developed, both the Central and West would be a total of 12.8% so that is well below the maximum of 25%.

Commissioner Livingston stated that he felt the best scenario would be that the West URA is created, OR Trail Blvd. is built and Faler Road is improved and residential development occurs and the West URA is retired early. Worst scenario is that OR Trail Blvd is built and the bond could be repaid from the amount of taxes collected. If there are no bonds issued then there isn't a worst case scenario because everything will stay the same.

Mr. Buckley explained that the next step would be to get the details of the plan confirmed. Then begin the public process of hearings with the Planning Commission, other taxing agencies, and then City Council. He will be making the changes that were discussed and provide a new draft for the July 16<sup>th</sup> meeting.

Mr. Glenn made comment that there needs to make sure that the maximum amount of indebtedness is high enough to cover all projects, check the priority of the project, and there should be engineering added to the list of projects. He also felt that the projected annual revenue minus debt service is excessive at \$190,000 and needs looked at before the next draft plan is completed.

Chairman Toms asked for any other questions. There were none.

**Meeting was adjourned at 8:40 p.m.**

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Sandy Toms-Chairman

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Lila Killingbeck, Recorder