

CITY OF BOARDMAN

WEST BOARDMAN

URBAN RENEWAL REPORT

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Prepared For:
CITY OF BOARDMAN, OREGON

By:
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TABLE OF CONTENTS

I. Introduction.....	3
II. Description of Existing Conditions	3
A. Physical Conditions.....	4
B. Social and Economic Conditions	5
C. Urban Renewal Area Qualifications	7
D. Impacts on City Services and Costs	7
III. Reasons for Selection of the West Urban Renewal Area	8
IV. Relationship Between Projects to be Undertaken and Existing Conditions in the Area.....	11
V. Relocation Report	12
VI. Project Costs & Timing	13
VII. Financial Analysis of the Plan	17
A. Anticipated Tax Increment Revenues	17
B. Anticipated Year in Which Indebtedness Will Be Retired	18
C. Statement of Fiscal Impact on Other Jurisdictions	19

I. INTRODUCTION

The City of Boardman West Boardman Urban Renewal Report accompanies the West Boardman Urban Renewal Plan and has been prepared to provide background information on the Plan to the Urban Renewal Agency, the City of Boardman Planning Commission and City Council, and the citizens of the community. The report has been prepared to comply with State law regarding Urban Renewal (ORS 457.085). It is intended to be used in conjunction with the West Boardman Urban Renewal Plan.

II. DESCRIPTION OF EXISTING CONDITIONS

The following map presents the West Boardman Urban Renewal Area (“Area”) boundary. It is bordered roughly by SW Wilson Road to the south, Paul Smith Road to the west, and irregular undeveloped parcels to the north and east.

FIGURE 2.1: WEST BOARDMAN URBAN RENEWAL AREA, BOARDMAN



Source: Morrow County GIS, Johnson Reid LLC

The Agency currently administers one urban renewal area, located in the central city, to the east of the West Boardman Urban Renewal Area. Further references to the “Area” in this document refer to the West Boardman Urban Renewal Area unless otherwise stated.

A. Physical Conditions

1. Description

The Area contains 169.7 acres consisting of 166 individual parcels as well as public right of way. This represents 6.5% of the acreage within City limits. It is located on the western side of the city, south of the I-84 freeway.

The land had an assessed value of \$7,929,220 in the 2013/14 tax year, or 4.6% of the City’s total assessed value.

2. Topography

The Urban Renewal Area is characterized by generally flat terrain and does not contain large scale changes in elevation. Some parcels are characterized by small rolling hills. The terrain is generally dry and is not in the flood plain.

3. Seismic Risk

Seismic risk is an inherent risk in the Pacific Northwest including Boardman. There is potential risk to life and property due to seismic shaking and in some cases soft soil hazard. The northeastern corner of the state, while facing lower risk than the western and coastal areas of the state, still faces low to medium-low earthquake risk for earthquakes in the range of 1.0 to 4.0 magnitude, and lower risk for earthquakes in the 5.0 to 5.9 range.

The Area lacks the types of large older masonry buildings which are most at risk from seismic activity. Much of the land is undeveloped, while the rest of it features low-density housing.

4. Zoning

The area is zoned for a mixture of residential, multi-family residential and manufactured home residential. 116.2 acres of the Area (68%) are zoned Residential. 18.0 acres are zoned Residential (Multifamily Sub District) (11%). 12.6 acres of the Area are zoned Residential (Manufactured Home Sub District) (7%). The remaining acreage is public right of way.

5. Building Stock and Land Use

The Area consists of a mixture of vacant parcels and generally low-density residential uses, of a variety of ages. These include single family detached homes and manufactured homes, and one attached multi-family property of 3.9 acres. An estimated 20% of the land is developed, while 80% is vacant.

B. Social and Economic Conditions

The following section provides an overview of demographic and economic data in the City of Boardman.

Boardman is a community of roughly 3,235 people, and is the largest incorporated city in Morrow County. It has grown by an estimated 380 people since 2000. It now has an estimated 968 households. Figure 2.2 displays the past trends and estimated 2013 figures for population and income in Boardman.

**FIGURE 2.2: DEMOGRAPHICS AND INCOME CHARACTERISTICS
CITY OF BOARDMAN**

POPULATION, HOUSEHOLDS, FAMILIES, AND YEAR-ROUND HOUSING UNITS					
	2000	2010	Annual	2013	Annual
	(Census)	(Census)	Growth Rate	(Proj.)	Growth Rate
			00-10		10-13
Population	2,855	3,220	1.2%	3,235	0.2%
Households	853	964	1.2%	968	0.2%
Families	687	759	1.0%	763	0.2%
Housing Units	947	1,017	0.7%	1,019	0.1%
<i>Household Size</i>	3.33	3.34	0.0%	3.34	0.0%
PER CAPITA AND AVERAGE HOUSEHOLD INCOME					
	2000	2010	Annual	2013	Annual
	(Census)	(Est.)	Growth Rate	(Proj.)	Growth Rate
			00-10		10-13
Per Capita (\$)	\$12,297	\$15,139	2.1%	\$16,113	2.1%
Average HH (\$)	\$41,176	\$49,877	1.9%	\$52,830	1.9%
Median HH (\$)	\$32,055	\$41,701	2.7%	\$45,125	2.7%

Source: US Census, PSU Population Research Center, Johnson Reid LLC

- Since 2000, the City's population has grown by 13%, similar to the statewide growth rate. Over the same period Morrow County only grew by an estimated 3%. In fact, Boardman accounts for most of the County's growth over that time.

- Boardman experienced stable household sizes during this decade, in contrast to the state and regional trend of falling household size. This indicates that Boardman is attracting family households in greater proportion than some locales.
- An estimated 79% of Boardman’s households are family households, well in excess of the statewide average of 63%.
- Average income levels in Boardman are low compared to Morrow County as a whole. The per-capita income of \$16,100 is roughly 20% lower than the county average. However, the median household income is essentially equal to the County median. This indicates that households in Boardman have similar incomes, but larger household sizes in comparison to the County.
- Roughly 61% of households in Boardman are home owners, and 39% renters.

Employment

The following table presents employment estimates for Morrow County from the Oregon Employment Department. The table shows growth between 2001 and 2012. (The irregular time period is due to the limitations of this data set.) During this time, employment in Morrow County grew by an estimated 15% to almost 3,600 jobs, but the make-up of that employment has shifted over time. Some sectors experienced growth, while others experienced job losses. It is estimated that the city of Boardman houses nearly 1,000 jobs, or 28% of the countywide employment.

Manufacturing, Wholesale Trade and Education and Health Care sectors are estimated to have added the most jobs. Construction and NatAreal Resource sectors are estimated to have lost the most jobs.

FIGURE 4.2: EMPLOYMENT BY INDUSTRY SECTOR, MORROW COUNTY

Industry Sector	EMPLOYMENT		CHANGE		
	2001	2012	#	%	Annual
Mining and logging	40	20	-20	-50%	-6%
Construction	160	50	-110	-69%	-10%
Manufacturing	810	1,150	340	42%	3%
Wholesale Trade	170	350	180	106%	7%
Retail trade	250	190	-60	-24%	-2%
Transportation, warehousing, and utilities	280	320	40	14%	1%
Information	10	20	10	100%	7%
Financial activities	100	90	-10	-10%	-1%
Professional and business services	160	160	0	0%	0%
Educational and health services	40	150	110	275%	13%
Leisure and hospitality	210	140	-70	-33%	-4%
Other services	70	50	-20	-29%	-3%
Federal government	60	60	0	0%	0%
State government	90	120	30	33%	3%
Local government	670	720	50	7%	1%
	3120	3590	470	15%	1%

Source: Oregon Employment Department

C. Urban Renewal Area Qualifications

ORS 457.420 specifies that the Area identified in the Plan along with any other urban renewal areas in the City may not exceed 25% of the City's land area or 25% of the City's assessed value.

The City of Boardman contains approximately 2,584 acres within its City limits. Based on the County Assessor's tax lot data, as well as estimates of public right of way, the total acreage in the Area boundary is 169.7 acres. Therefore, the area in the Area boundary represents 6.6% of the total acreage in Boardman. The existing Central Urban Renewal Area covers 6.3% of Boardman's acreage. The total between the two Areas is 12.8%, and is within the state law 25% acreage limitation for urban renewal areas.

As noted above, the total assessed valuation within an urban renewal area is limited to no more than 25% of the total municipal assessed value. A review of the Morrow County 2013/2014 Assessor's records indicates that the City of Boardman contained a total taxable assessed value (TAV) of \$171,132,296 for real property. The proposed Area comprises a total TAV of \$7,929,220. The resulting Area's share of City taxable assessed value is 4.6%. The TAV of the Central Urban Renewal Area is 1.9% of the city total. The combined TAV of the two Areas is 6.6% of Boardman's TAV. The Plan meets the state law requirement for relative size of the Plan and its assessed value.

D. Impacts on City Services and Costs

The Plan establishes a framework for encouraging private development and redevelopment of land and rehabilitation of buildings within the Area. Service needs and costs are based on the land use designations contained in the Comprehensive Plan, and it is not anticipated that Urban Renewal activities will increase growth beyond what is already allowed for under current designations. Therefore, the Urban Renewal program is not expected to result in service demands or costs beyond what is already envisioned by the City under the current land use designations.

The impacts of the Tax Increment Financing (TIF) mechanism on the City of Boardman and other taxing jurisdictions are detailed in Section VII of this report.

III. REASONS FOR SELECTION OF THE WEST URBAN RENEWAL AREA

The Boardman Urban Renewal Agency was created in 2008, with the goal to:

- Encourage private investment;
- Increase the taxable value of property in the City;
- Improve the utilization of land within specific areas of the community; and
- Eliminate blight and blighting influences.

The Area contains many large residential parcels which are good candidates for meeting the City's identified need for greater housing diversity. In addition, the Area includes a large city-owned surplus parcel which requires access improvements and potential land development in order to market this land for private use.

ORS Requirements:

In order to form an Urban Renewal Area, the City of Boardman must find that blighted areas exist within the Urban Renewal boundary. ORS 457.010 defines "blighted areas" and blighting conditions in the following manner.

457.010 Definitions:

As used in this chapter, unless the context requires otherwise:

(1) "Blighted areas" means areas which, by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health or welfare of the community. A blighted area is characterized by the existence of one or more of the following conditions:

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

(A) Defective design and quality of physical construction;

(B) Faulty interior arrangement and exterior spacing;

(C) Overcrowding and a high density of population;

(D) Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities; or

(E) Obsolescence, deterioration, dilapidation, mixed character or shifting of uses.

(b) An economic dislocation, deterioration or disuse of property resulting from faulty planning;

- (c) The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development;
- (d) The laying out of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions;
- (e) The existence of inadequate streets and other rights of way, open spaces and utilities;
- (f) The existence of property or lots or other areas which are subject to inundation by water;
- (g) A prevalence of depreciated values, impaired investments and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;
- (h) A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety, and welfare; or
- (i) A loss of population & reduction of proper utilization of the area, resulting in its further services elsewhere.

Blighting Conditions Within Preliminary Boundary:

The feasibility study revealed the following conditions that constitute “blight” within the preliminary boundary:

1. Inadequate Streets and Other Rights of Way [ORS 457.010 (1)(e)]

The Area features large swaths of city and privately-owned land which are not served by adequate street connections. In some cases, this land is already subdivided into residential lots which are not served by street or utility. The area lacks adequate water and sewer service to serve full build-out. Given the economic conditions surrounding residential development in the community, the lack of this infrastructure presents a high barrier to this land being developed.

In particular, the northern portion of the Area lacks access from the central city, which is planned to eventually be remedied through an extension of Oregon Trail Boulevard which has lacked funding. In addition, the north/south roads into the area, Faler and Paul Smith Roads, are substandard and require paving, sewer and water improvements, sidewalks and curbs.

2. Depreciated Values and Impaired Investments [ORS 457.010 (1)(g)]

The Area is characterized by depreciating values since 2007, and impaired investments in the sense that current home prices and rents in the community do not support the development of infrastructure on large un-served parcels, including city-owned land, nor the extension of adequate water and sewer service to these parcels.

The city currently owns 14.2 acres of residential subdivision land within the proposed Area. This is roughly 8% of the acreage in the Area. It is in the public interest to facilitate the eventual sale and development of this land, both financially and in order to further Boardman's Comprehensive Plan goals and policies regarding encouraging new housing development in the city.

3. Lack of Proper Utilization of Land [ORS 457.010 (1)(h)]

Related to point #2 above, the study area is characterized by many large and vacant parcels which are likely to remain in disuse until they are served with infrastructure. Insofar as it is in the public interest and in agreement with City policies to encourage new development and new types of housing, this residentially-zoned land is not under proper utilization, and is likely to remain so given real estate development market dynamics in the community.

Based on the conditions found within the preliminary study area boundary, the Area contains one or more of the conditions listed under the definition of "blighted areas" found in ORS 457.010. Urban Renewal is an appropriate tool to create resources to address these conditions.

IV. RELATIONSHIP BETWEEN PROJECTS TO BE UNDERTAKEN AND EXISTING CONDITIONS IN THE AREA

The following project categories are designed to address the existing conditions in the Area. These include:

<u>Project</u>
1 Extension of Oregon Trail Boulevard
2 Improvement of Faler Road
3 Extension of local connector street(s)
4 Improvement of Wilson Road
5 Retirement and/or Senior Housing
6 Parks/ trails
7 Strategy/subdivision of City Property
8 Administration

The list above prioritizes physical improvements to significantly increase access and service infrastructure to the Area. These improvements are expected to increase the development potential of underutilized and difficult to develop properties, including publicly owned parcels, in order to meet the City's housing goals. The projects also include provision of parks and open space to serve these new households.

The Agency, or its approved designee, will be responsible for managing the projects and programs throughout the Area. Administrative costs reflect the added expense over the life of the Plan.

V. RELOCATION REPORT

According to ORS 457.085 (3)(i) a relocation report shall include:

- (A) An Analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions under ORS 457.170;
- (B) A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the Urban Renewal Area in accordance with ORS 35.500 to 35.530; and
- (C) An enumeration, by cost range, of the existing housing units in the Urban Renewal Areas of the plan to be destroyed or altered and new units to be added.

No relocation of existing residences or businesses is planned for the Area. Therefore, no relocation report is included in this Report.

VI. PROJECT COSTS & TIMING

The Report accompanying the Plan must identify anticipated projects including estimated cost and timeline for completion. Proposed Urban Renewal projects are described below. The project totals reflect a conservative use of the projected amount of revenue over the life of the Plan (see following section).

The following is a description of each of the possible projects, with estimated budget (in 2013 dollars) and completion date:

1. Extension of Oregon Trail Boulevard w/ Infrastructure

Construction and improvement of the planned Oregon Trail Boulevard alignment from S Main Street to the east to SW Faler Road to the west to increase access and improve service to the Area. The westernmost 2,640 feet (estimated) of this planned street lies within the West Boardman Urban Renewal Area. (The eastern portion of an estimated 1,250 lies within the Central Urban Renewal Area.) Improvement might include new street construction, widening, paving, brick or decorative paving, striping, bike lanes, sidewalks, curbs, plantings, or any other improvement to public right of way to improve functionality, multi-modal access, marking, parking or aesthetics. Construction may include the construction of all underground and/or above ground utilities to accompany the new street. Construction of this street might also entail the acquisition of private property for use as public right of way.

Estimated Tax Increment Allocation: \$1,500,000

Estimated Time of Completion: 2024

2. Improvements to SW Faler Road

Improvements to SW Faler Road to improve functionality and improve service to the Area. Improvement might include new street construction, widening, paving, brick or decorative paving, striping, bike lanes, sidewalks, curbs, plantings, or any other improvement to public right of way to improve functionality, multi-modal access, marking, parking or aesthetics. Improvement may include the construction or improvement of all underground and/or above ground utilities in or along the right of way. Improvement of this street might also entail the acquisition of private property for use as public right of way.

Estimated Tax Increment Allocation: \$800,000

Estimated Time of Completion: 2034

3. Extension of One or More Local Connector Streets

Construction and improvement of one or more local streets running through the Area in order to complete the internal street system. Improvement might include new street construction, widening, paving, brick or decorative paving, striping, bike lanes, sidewalks, curbs, plantings, or any other improvement to public right of way to improve functionality, multi-modal access, marking, parking or aesthetics. Construction may include the construction of all underground and/or above ground utilities to accompany the new street. Construction of this street might also entail the acquisition of private property for use as public right of way. While included as a potential project in the Plan, the construction or extension of local streets may also be completed wholly by or in partnership with, private entities, as condition for development.

Estimated Tax Increment Allocation: \$800,000

Estimated Time of Completion: 2034

4. Improvements to SW Wilson Road

Improvements to SW Wilson Road to improve functionality and improve service to the Area. Improvement might include new street construction, widening, paving, brick or decorative paving, striping, bike lanes, sidewalks, curbs, plantings, or any other improvement to public right of way to improve functionality, multi-modal access, marking, parking or aesthetics. Improvement may include the construction or improvement of all underground and/or above ground utilities in or along the right of way. Improvement of this street might also entail the acquisition of private property for use as public right of way.

Estimated Tax Increment Allocation: \$300,000

Estimated Time of Completion: 2034

5. Retirement and/or Senior Housing

Fund senior housing within the Area through Agency action or partnership with private entities. Funds may be used for site acquisition and disposition, subsidizing or financing development through loans, grants or any other financing mechanism allowed to an urban renewal agency under state law. The senior housing funded may be affordable or market rate.

Estimated Tax Increment Allocation: \$250,000

Estimated Time of Completion: 2034

6. Parks and Trails

Provide parks, trails and/or other open space as necessary to serve households in the Area. This may include acquisition of lands for parks or rights of way, soft and hard costs of construction of all park, trail and other open space improvements including landscaping, paving, play

equipment, lighting, seating, planters, fencing, restrooms, shelters, tables and other appropriate improvements.

Estimated Tax Increment Allocation: \$250,000

Estimated Time of Completion: 2034

7. Strategy for Subdivision and/or Disposition of Public Lands

Create a strategy for marketing and disposition of public lands within the Area which the City may seek to return to private ownership in order to increase tax base and meet the City's housing goals. Such a strategy might include feasibility analysis, development opportunity study, recommendations on preparatory work, marketing and negotiation with potential buyer/developers. It might also include the expenses of legally subdividing City-owned property.

Estimated Tax Increment Allocation: \$50,000

Estimated Time of Completion: 2024

8. Administrative Costs

This project includes funding for administration of the Area's projects. Administration includes project management, regulatory compliance, and consultant and legal expenses.

Estimated Tax Increment Allocation: \$500,000 (\$25,000 per year)

Estimated Time of Completion: 2034

FIGURE 6.1: SUMMARY OF ESTIMATED PROJECT COSTS

<u>Project</u>	<u>Cost</u>	<u>Share</u>
1 Extension of Oregon Trail Boulevard	\$1,500,000	34%
2 Improvement of Faler Road	\$800,000	18%
3 Extension of local connector street(s)	\$800,000	18%
4 Improvement of Wilson Road	\$300,000	7%
5 Retirement and/or Senior Housing	\$250,000	6%
6 Parks/ trails	\$250,000	6%
7 Strategy/subdivision of City Property	\$50,000	1%
8 Administration	\$500,000	11%
Total Cost:	\$4,450,000	100%

VII. FINANCIAL ANALYSIS OF THE PLAN

A. Anticipated Tax Increment Revenues

The following table presents the estimated projection of Tax Increment Financing (TIF) revenues to the Agency over the 20-year period beginning tax year 2013/14 and ending tax year 2033/34.

At the time of approval, the Assessed Value of all the property in the Area will be determined by the County Tax Assessor in a "Certified Statement," commonly called the "Frozen Value." The Frozen Value of the Area is an estimated \$7,929,220. Property Taxes imposed by all the taxing entities on this Frozen Value continue to flow to those respective taxing entities. An increase in the Assessed Value of all the property in the Area from year-to-year is called the "Incremental Value" and most of the property taxes that would be levied on this Incremental Value is segregated and flow to the Agency as "Tax Increment Revenue."

The Increment Value is composed of two elements: the annual statutory 3% increase in assessed value (not to exceed Real Market Value-RMV) and the assessed value of new construction. The Increment Value times the "Consolidated Rate" of taxation equals the Tax Increment Revenue.

The Consolidated Rate includes most of the property taxes levied by all the taxing entities that levy taxes on property in the Area. This includes each entities "permanent tax rates" plus the rate of tax imposed by some entities to retire bonds issued prior to October 6, 2001. The Consolidated Rate will vary somewhat from year-to-year, for reasons which are hard to forecast and may include unforeseen events. Therefore, these projections are based on the 2013-14 Consolidated Rate of \$19.4561/\$1,000 throughout the 20-year life of the Plan.

Figure 7.1 shows the Frozen Base, the assumed growth in the Increment Value, and the Tax Increment Revenue that would flow to the Agency at the Consolidated Rate. Tax Increment Revenue can be used to pay principle and interest on debt, usually in the form of Tax Increment Bonds, so the final column in Figure 7.1 shows the Bonding Capacity of the Area.

The actual timing and amount of Bonds or other debt the Agency may issue depends entirely upon the timing and amount of growth in the Incremental Value of the Area.

**FIGURE 7.1: PROJECTED TAX INCREMENT REVENUE
WEST BOARDMAN URBAN RENEWAL AREA, 20- YEAR FORECAST**

Tax Year	Estimated¹ Certified "Frozen Base"	Projected Incremental Value	Projected Tax Increment Revenue	Estimated Bonding Capacity²
2013-14	7,929,220	0	0	0
2014-15	7,929,220	1,018,222	19,811	184,346
2015-16	7,929,220	2,077,173	40,414	366,025
2016-17	7,929,220	3,103,482	60,382	530,948
2017-18	7,929,220	4,170,844	81,148	690,829
2018-19	7,929,220	5,280,900	102,746	844,145
2019-20	7,929,220	6,435,358	125,207	989,164
2020-21	7,929,220	7,635,995	148,567	1,123,927
2021-22	7,929,220	8,884,657	172,861	1,246,216
2022-23	7,929,220	10,183,265	198,127	1,353,532
2023-24	7,929,220	11,533,818	224,403	1,443,056
2024-25	7,929,220	12,938,393	251,731	1,511,617
2025-26	7,929,220	14,399,151	280,151	1,555,651
2026-27	7,929,220	15,918,339	309,709	1,571,157
2027-28	7,929,220	17,498,295	340,449	1,553,649
2028-29	7,929,220	19,141,449	372,418	1,498,101
2029-30	7,929,220	20,850,329	405,666	1,398,887
2030-31	7,929,220	22,627,564	440,244	1,249,716
2031-32	7,929,220	24,475,889	476,205	1,043,557
2032-33	7,929,220	26,398,147	513,605	772,560
2033-34	7,929,220	28,397,295	552,501	427,964
<i>Total:</i>			<i>5,116,343</i>	

Source: Morrow County, Johnson Reid LLC

¹ This estimate of bonding capacity is based on the most current data from the Morrow County Tax Assessor for the taxlots included in the West Boardman Urban Renewal Area. The frozen base is not official until certified by the Assessor after adoption of the Plan.

² Represents estimated bonding capacity per year, assuming that debt will be paid off by end of Project Period. Assumes a 6%, 20-year bond, with debt-coverage ratio of 1.25. Any and all of these assumptions may change at time of financing, which will change the estimated figures shown here.

B. Anticipated Year in Which Indebtedness Will Be Retired

According to the above projections, subject to all assumptions, all Tax Increment Revenues will be collected by the 20th year of the Plan (2033-34). Based on the growth projections above, total Tax Increment Revenues will be \$5,116,343, sufficient to finance the total list of projects costing \$4,450,000.

The Agency may issue Bonds or otherwise incur debt whenever and in whatever amount Tax Increment Revenue is adequate to repay such Bonds or other debt. However, the Agency may not issue Bonds or other debt at any time which would require repayment with Tax Increment Revenue collected after the end of the Project Period (2033-34).

C. Statement of Fiscal Impact on Other Jurisdictions

Tax Increment financing creates a fiscal impact on all taxing entities that levy property taxes within the Area. These “overlapping districts” forego taxes on the Incremental Value for the 20 years the Tax Increment Revenue is collected by the Agency. The impact on each entity varies with the share it has in the Consolidated Rate and the share of its total assessed value lies within the Area.

Figure 7.2, shows the share each taxing entity has in the Consolidated Rate and the amount of tax it will forego over the 20-year life of the Area.

FIGURE 7.2 FORECAST OF TOTAL TAX REVENUE FORGONE OVER 20 YEARS OF TAX INCREMENT FINANCING

Taxing Jurisdiction	Divisible Tax Rate (per 1,000)	% of Total Consolidated Rate	Tax Foregone (over 20-Year life of Area)	Average Annual Impact
Morrow County Schools	5.4666	28.1%	1,437,700	71,885
City of Boardman	5.4511	28.0%	1,433,400	71,670
Morrow County	4.1347	21.3%	1,087,100	54,355
Blue Mountain Community College	0.9558	4.9%	251,300	12,565
Boardman RFD	0.7464	3.8%	196,400	9,820
Intermountain ESD	0.6156	3.2%	162,200	8,110
Morrow County Health	0.6050	3.1%	159,200	7,960
Unified Parks & Rec	0.4560	2.3%	119,900	5,995
Boardman Park	0.2989	1.5%	78,500	3,925
Oregon Trail Library	0.2536	1.3%	66,700	3,335
Vector Control	0.1899	1.0%	49,900	2,495
Radio District	0.1700	0.9%	44,700	2,235
Port of Morrow	0.0841	0.4%	22,200	1,110
Boardman Cemetary	0.0284	0.1%	7,400	370
Totals:	19.4561	100.0%	5,116,600	255,830

Source: Morrow County, Johnson Reid LLC

**FIGURE 7.3 AVERAGE ANNUAL AND MAXIMUM ANNUAL IMPACT
AS A PERCENTAGE OF EACH TAXING ENTITY'S 2013 TOTAL TAX LEVY**

Taxing Jurisdiction	Total Est. 2013 Tax Levy	Average Annual Impact	% of 2013 Tax Levy	Max Annual Impact (Year 20)
Morrow County Schools	7,815,927	71,885	0.92%	155,200
City of Boardman	1,920,647	71,670	3.73%	154,800
Morrow County	6,364,111	54,355	0.85%	117,400
Blue Mountain Community College	1,474,511	12,565	0.85%	27,100
Boardman RFD	813,326	9,820	1.21%	21,200
Intermountain ESD	938,791	8,110	0.86%	17,500
Morrow County Health	926,755	7,960	0.86%	17,200
Unified Parks & Rec	698,492	5,995	0.86%	12,900
Boardman Park	183,902	3,925	2.13%	8,500
Oregon Trail Library	326,040	3,335	1.02%	7,200
Vector Control	225,383	2,495	1.11%	5,400
Radio District	260,405	2,235	0.86%	4,800
Port of Morrow	128,857	1,110	0.86%	2,400
Boardman Cemetary	17,411	370	2.13%	800
Totals:	22,094,558	255,830		552,400

Source: City of Boardman, Morrow County, Johnson Reid LLC

As a percentage of its own tax levy, the City of Boardman, the Boardman Park District and the Boardman Cemetery District are the largest contributors to the Area's Tax Increment financing at 3.72%, 2.13% and 2.13% percent. In dollar amounts, Morrow County Schools (\$1,437,700), the City of Boardman (\$1,433,400) and Morrow County (\$1,087,100) are the three largest contributors.

As a group, all taxing entities in the overlapping district category will forego an estimated maximum of \$5,116,600 at the current consolidated rate of \$19.4561/\$1,000 during the 20-year life of the Area.

Thereafter, these taxing entities will receive taxes levied on the projected \$28,397,295 Incremental Value (as of 2034). Moreover it is anticipated the Incremental Value will continue to grow into the future but at a slower rate. Figure 7.4 shows the period of time needed to fully recover of taxes foregone between 2013-14 and 2033-34. This projection assumes that following the end of the Plan period that assessed value will grow at the statutorily allowed rate of 3% per year.

**FIGURE 7.4 RECOVERY OF TAXES FOREGONE DURING 20 YEARS OF TAX INCREMENT FINANCING
BEGINNING IN 2034-35 TAX YEAR**

Tax Year	Est. Incremental Value	Taxes Recovered	Total Taxes Foregone
2033-34	28,397,295	0	5,116,343
2034-35	29,249,214	569,076	4,547,267
2035-36	30,126,690	586,148	3,961,119
2036-37	31,030,491	603,732	3,357,387
2037-38	31,961,405	621,844	2,735,543
2038-39	32,920,248	640,500	2,095,043
2039-40	33,907,855	659,715	1,435,328
2040-41	34,925,091	679,506	755,822
2041-42	35,972,843	699,891	55,931
2042-43	37,052,029	720,888	-664,957

Source: Johnson Reid LLC

The amount of taxes recovered shown in Figure 7.4 will be divided among the various taxing entities according to their respective shares in the consolidated rate. (See Figure 7.5).

FIGURE 7.5 ADDITIONAL REVENUES OBTAINED AFTER TERMINATION OF TAX INCREMENT FINANCING

Taxing Jurisdiction	Divisible Tax Rate (per 1,000)	Additional Revenue (2034-35)
Morrow County Schools	5.4666	159,894
City of Boardman	5.4511	159,440
Morrow County	4.1347	120,937
Blue Mountain Community	0.9558	27,956
Boardman RFD	0.7464	21,832
Intermountain ESD	0.6156	18,006
Morrow County Health	0.6050	17,696
Unified Parks & Rec	0.4560	13,338
Boardman Park	0.2989	8,743
Oregon Trail Library	0.2536	7,418
Vector Control	0.1899	5,554
Radio District	0.1700	4,972
Port of Morrow	0.0841	2,460
Boardman Cemetary	0.0284	831
Totals:	19.4561	569,076

Source: Johnson Reid LLC

While the Recovery period show above is the maximum Tax Increment Revenue generated by the growth in the Incremental Value based on the assumptions of this Report, even if the growth rate and timing are different, either more or less than assumed, the taxing entities will recover all taxes foregone over 20 years in the nine years following 2033-34.