



City of Central Point
Development Commission
Agenda

Members: Hank Williams
Allen Broderick
Bruce Dinger
Carol Fischer
Ellie George
Kelly Geiger
Kay Harrison
Staff Liaison: Chris Clayton
Don Burt

Thursday, August 25, 2011
6:00 P.M.

Central Point
Council Chambers
140 S. 3rd Street
Central Point, Oregon

Meeting time, date, or location may be subject to change. Please contact the City Recorder at 541-423-1026 for additional information.

I. MEETING CALLED TO ORDER – 6:00 p.m.

II. ROLL CALL

III. APPROVAL OF MINUTES

A. July 28, 2011 Minutes

IV. BUSINESS

A. No Business.

V. DISCUSSION ITEMS

A. Final Draft Boundaries

B. Maximum Indebtedness and Financial Feasibility Overview (Sections 1100 – 1200)

C. Public Meeting and Study Session Scheduling to Discuss Urban Renewal Draft Plans

VI. ADJOURNEMENT

**CITY OF CENTRAL POINT
Development Commission Minutes
July 28, 2011**

I. REGULAR MEETING CALLED TO ORDER

Chair, Mayor Hank Williams called the meeting to order at 6:00 p.m.

- II. ROLL CALL:** Chair: Mayor Hank Williams
Commission Members: Allen Broderick, Bruce Dingler, Carol Fischer, Kay Harrison, and Matthew Stephenson were present. Kelly Geiger was excused.

City Manager Phil Messina; Community Development Director Tom Humphrey; Parks and Public Works Director Matt Samitore; Assistant City Manager Chris Clayton; Planning Manager Don Burt; and City Recorder Deanna Casey were also present.

III. APPROVAL OF MINUTES

- A. Approval of Development Commission Minutes from June 23, 2011.

Kay Harrison made a motion to approve the minutes as presented. Carol Fischer seconded. Roll call: Allen Broderick, yes, Bruce Dingler, yes; Carol Fischer, yes; Kay Harrison, yes; Hank Williams, yes; and Ellie George, yes. Motion approved.

IV. BUSINESS - None

V. DISCUSSION ITEMS

A. June 23, 2011 Meeting Questions

Planning Manager Don Burt explained that there were concerns from the Commission regarding the phrase "small town feel". They will be replacing that phrase with "maintaining a highly livable community, ". The Commission was more comfortable with the new wording.

B. Draft Urban Renewal District Boundaries

Mr. Burt presented the proposed boundaries for the plan. There was discussion regarding the boundary line. Would it include property on both sides of a street or just one side. If the line goes down Oak Street, the property within the boundary would be included to the middle of the right of way. If the property on the opposite side also needs improvement then the line would follow the property line instead of a street line. These are draft maps and can be changed until the plan is adopted. By law the boundary maps cannot be more than 25% of the total area within the City limits. The proposed maps give the city options to create another district in the future.

C. Section 800, Projects and Activities

Mr. Burt explained the proposed projects and activities that the City should concentrate on. When thinking about projects to be included we should always keep in mind the elimination of blight and items to stabilize the community. The projects should be structured with a return on investment in mind. We need to consider what the city will receive when a project is complete, does it fit into the goals and objectives of the district.

We should consider who the partners are for each project and what the benefit is to them. If the partners will see a profit from the project what will their contribution be? At this time the Commission can add projects to the plan, and/or direct staff to do more research on specified projects. If they are not happy with one of the proposed projects, it can be removed later (prior to adoption of the plan). We want to make sure that the wording for each project does not limit the commission on adding or subtracting the scope of the project in the future.

a. Parks: Projects to be included in this area would be the construction of a community center including a gym and senior center. Park enhancements for Pfaff Park would include new restrooms, new playground equipment, landscaping and the improvement of the utilities at the park.

b. Transportation: Transportation projects would include new signalization on Pine Street in the downtown area, bicycle lane and sidewalk improvements in the older parts of town. Additional projects would be the Hwy 99 RR-Xing, and parking for the downtown core area. The transportation element would change some streets to collectors in order to handle increased traffic.

c. Beautification: Beautification projects are being planned in phases for Hwy 99, Pine Street, gateways and underground utilities for the downtown core area.

d. Infrastructure: Infrastructure projects being considered are fire flow improvements for several portions of the city, extending storm drains and replacing inlets and laterals in the core area of the city that are deteriorating.

e. Economic: the Commission may establish incentive programs to encourage commercial and residential development within the urban renewal area.

All of these projects and activities will promote a pleasant and safe downtown environment that is pedestrian friendly.

There was discussion regarding the time line for completion. The August meeting will be to talk about financing projections and expenditures. At the August meeting discussion will include the date and time for a meeting to allow public input on the urban renewals, goals, policies, projects and project costs, and boundary as currently proposed. The Commission would like to have another meeting prior to the public hearing to be as informed as they can be.

VI. ADJOURNMENT

Kay Harrison moved to adjourn, Ellie George seconded, all said "aye" and the Meeting was adjourned at 6:56 p.m.

Dated:

Chair Mayor Hank Williams

ATTEST:

City Recorder

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MEMORANDUM
DISCUSSION ITEMS

August 18, 2011 Agenda

To: Central Point Development Commission
Chris Clayton, Assistant City Administrator

From: Don Burt, Planning Manager

Subject: City of Central Point Urban Renewal Plan

Date: August 25, 2011

DISCUSSION ITEM 1 – URBAN RENEWAL BOUNDARY. Since our last discussion, and based on the financial feasibility calculations, the boundary has moved westerly to include part of the Twin Creeks commercial area near the proposed Twin Creeks RR-Xing, and has eliminated the High School property. The inclusion of the Twin Creeks area (cross-hatched area on map) was based on those properties benefiting from the urban renewal rr-xing project. If the rr-xing is not improved the properties will have limited, if any, development potential due to traffic limitations. The High School property was removed to reduce/off-set the urban renewal district's acreage percentage. Attached is a map of the modified boundary. The percentage distributions (acreage and Assessed Value) are 18.2% and 13.1% respectively. A maximum of 25% is allowed by law.

As part of the boundary consideration it should be noted that not all of the Hwy. 99 and railroad right-of-way are within the City limits. To avoid confusion in the future it is recommended that the City initiate annexation of the appropriate rights-of-way.

Before leaving this discussion item it is appropriate that there be a general consensus to move forward using the latest boundaries.

DISCUSSION ITEM 2 -MAXIMUM INDEBTEDNESS AND FINANCIAL FEASIBILITY. As we discussed at the last meeting the estimated total project cost for the urban renewal program, measured in today's dollars, is approximately \$56,000,000¹. Urban Renewal's share is approximately \$45,000,000, with other organizations responsible for the balance, i.e. SDC fees, grant's developer participation, etc. These amounts are based on 2011 dollars. It is estimated that by

¹ At the July meeting the Economic Incentive Project was unfunded and has now been funded to the extent of \$6,000,000 per Table 1.

the end of the program the cost to complete the projects will be \$60,000,000 vs. the original \$45,000,000. The \$60,000,000 is what will be used as the maximum indebtedness.

Based on past construction activity and assessed value increases a projection was prepared for to FY2037-38 of the urban renewal programs incremental assessed value. An overview of the methodology used for the assessed value projections will be presented at the meeting. Based on the assessed value projections it appears that the urban renewal program will generate an estimated \$68,000,000 measured in future value. Given a maximum indebtedness of \$60,000,000 (expenditures) and \$68,000,000 (revenue) the urban renewal program's appears to be financially feasible (revenue exceeds expenditures).

Attached to this memo are draft Sections 1100 and 1200 addressing the financial limitations of the urban renewal plan.

Table 1
SECTION 800 PROJECTS AND ESTIMATED COSTS
CENTRAL POINT URBAN RENEWAL AGENCY

Project No.	Project Description	Total Cost	Other	Urban Renewal
1	Downtown Core Area Streetscape Improvements	\$ 7,197,511	\$ 719,751	\$ 6,477,760
2	Pine Stree Improvements, east of 10th St.	\$ 5,564,984	\$ 2,225,994	\$ 3,338,991
3	Neighborhood Sidewalk, Street Lighting, and Alleys	\$ 2,121,071	\$ 848,428	\$ 1,272,643
4	Hwy. 99 Corridor Improvements	\$ 1,939,104	\$ 775,642	\$ 1,163,462
5	Intersection Signalization	\$ 5,104,818	\$ 2,552,409	\$ 2,552,409
6	Off-Street Parking Facilities	\$ 555,617	\$ 222,247	\$ 333,370
7	Underground Existing Pole Mounted Utility Systems	\$ 4,000,000	\$ -	\$ 4,000,000
8	Gebard Rd. Extension	\$ 2,500,000	\$ 500,000	\$ 2,000,000
9	Pfaff Park Renovation	\$ 206,464	\$ 103,232	\$ 103,232
10	Freeman Road Upgrade to Collector Street Standards	\$ 1,474,271	\$ 442,281	\$ 1,031,990
11	Penninger Road Southern Extension	\$ 11,741,423	\$ 2,348,285	\$ 9,393,138
12	Miscellaneous Public Works	\$ 2,234,648	\$ 670,394	\$ 1,564,253
13	Community Center	\$ 4,305,303	\$ 3,228,978	\$ 1,076,326
14	South Hamrick Road Extension	\$ 1,333,481	\$ 400,044	\$ 933,437
15	Economic Development Incentives Programs	\$ 6,000,000	\$ 600,000	\$ 5,400,000
PROJECT TOTAL		\$ 56,278,696	\$ 15,637,685	\$ 40,641,011
Administration (10%)				\$ 4,064,101
Total Program Cost				\$ 44,705,113

DISCUSSION ITEM 3 – STUDY SESSION AND PUBLIC MEETING SCHEDULING. At the last meeting the Commission indicated an interest in having a study session with the Planning Commission to discuss the projects, maximum indebtedness, and financial feasibility. If it is the Commission's intent to have such a study session, it should be scheduled for two hours minimum.

With regard to a general public meeting (not a hearing) it is probably best to schedule such a meeting late September (after school starts) or later in October. The purpose of the public meeting is to open discussion to the public, introduce urban renewal's purpose, and gather support, concerns, objections.

Section 1100. MAXIMUM AMOUNT OF INDEBTEDNESS AND FINANCING OF URBAN RENEWAL MAXIMUM AMOUNT OF INDEBTEDNESS

In accordance with ORS 457.190(3)(a) the maximum amount of indebtedness that may be incurred throughout the remaining duration of this Plan, commencing with fiscal year 2012-13 through fiscal year 2037-2038, shall not exceed \$60,000,000. The Board of the Urban Renewal Agency may borrow money and accept advances, grants and any other legal form of financial assistance from the federal government, State, City, County, or other public body, or from any legal source, public or private, for purposes of undertaking and carrying out this Plan, or may otherwise obtain financing as authorized by ORS Chapter 457.

1101. SELF LIQUIDATION OF COSTS OF URBAN RENEWAL INDEBTEDNESS (TAX INCREMENT FINANCING).⁹

The projects may be financed, in whole or in part, by self-liquidation of the costs of urban renewal activities as provided in ORS 457.420 through 457.460. The ad valorem taxes, levied by a taxing body upon the taxable real and personal property situated in the Urban Renewal Area, shall be divided as provided in ORS 457.440. That portion of the taxes representing the levy against the increase, in the assessed value of property located in the urban renewal areas, or part thereof, over the assessed value specified in the certificate filed under ORS 457.430, shall, after collection by the tax collector, be paid into a special fund of the Commission of Directors of the Urban Renewal Agency and shall be used to pay the principal and interest on any indebtedness incurred by the Commission to finance or refinance this Plan and any projects or activities authorized and undertaken pursuant to the provisions of this Plan.

The tax increment financing process, pursuant to ORS 457.420 through 457.460, shall be terminated no later than Fiscal Year 2037-38. However, the tax increment collection process may be terminated prior to Fiscal Year 2037-38 should debts of the Agency be retired earlier.

Based on the most accurate estimates of Commission costs and income which are possible to make during the preparation of this Plan, the tax increment process commencing in Fiscal Year 2012-13 may be terminated in Fiscal Year 2037-38, following twenty-five (25) years of tax increment collection of \$60,000,000 which represents the maximum amount of indebtedness of this Plan as approved by the City Council in Ordinance No. xxx on xxxx xx,xxxx.

Should the terminal year of tax increment proceeds collection be greater than the amount of debt to be retired, the surplus amount of such tax increment proceeds shall be prorated back to the affected taxing bodies as required by ORS 457.450(3).

1102. PRIOR INDEBTEDNESS

Any indebtedness permitted by law and incurred by the Commission, or the City of Central Point in connection with preplanning for this Urban Renewal Plan may be repaid from Commission funds when and if such funds are available.

1103. ANNUAL BUDGET

The Agency shall adopt and use a fiscal year ending June 30 accounting period. Each year, by July 1, the Commission shall adopt a budget in conformance with the provisions of ORS 294 and ORS 457.460 which shall describe its source of revenue, proposed expenditures and activities.

The Agency shall submit its proposed budget to the Urban Renewal Agency's Budget Committee for its review and approval and the Commission shall not undertake any activities nor expend any funds except as provided in the approved budget.

SECTION 1200 – ANNUAL FINANCIAL STATEMENT REQUIRED

1201. REQUIRED FINANCIAL STATEMENT

ORS Section 457.460 required that the Commission, by January 31 of each year, prepare a statement containing:

- a. The amount of money actually received during the preceding fiscal year under subsection (4) of ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460;
- b. The purpose and amounts for which any money received under 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460 were expended during the preceding fiscal year;
- c. An estimate of monies to be received during the current fiscal year under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460;
- d. A budget setting forth the purposes and estimated amounts for which the monies which have been or will be received under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460 are to be expended during the current fiscal year; and
- e. An analysis of the impact, if any, of carrying out the urban renewal plan on the tax collections for the preceding year for all taxing bodies included under ORS 457.430.
- f. If the August 1 deadline to meet the provisions of ORS Section 457.460 is changed by the legislature, the Agency will conform to the new date to prepare the required statement.

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