

Gold Beach Urban Renewal Feasibility Study



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Table of Contents

Executive Summary 1

Background 2

Boundary 6

Existing Conditions Analysis 8

Compliance with Statutory Limits on Assessed Value and Size of Urban Renewal Area.... 15

Financial Analysis 16

Identification of Issues/Decision Points 32

Next Steps 33

Attachment A Wetlands Map 34

Attachment B ORS 457.010(1) Definition of Blight 35

Attachment C Alternative Funding Sources 36

Executive Summary

The Gold Beach Urban Renewal Agency is considering the possibility of using urban renewal as an implementation tool for projects in Gold Beach. A financial analysis of the feasibility of using urban renewal in Gold Beach was conducted by Elaine Howard Consulting, LLC and ECONorthwest, and was performed for two different scenarios, a conservative, or low, growth scenario and a moderate growth scenario that assumes historical growth in the area.

The following facts were established in the urban renewal feasibility study:

1. The area will meet the statutory definition of blight due to the low improvement to land ratios and conditions of buildings in the urban renewal feasibility study area.
2. In the low-growth scenario, the area is estimated to achieve \$5 million in maximum indebtedness¹ in a 25-year period. These estimates are based on long-term borrowing and paying interest on those funds. The actual tax increment revenue exceeds those estimates, but that excess is projected to be used for interest payments and bond issuance costs.
3. In the moderate-growth scenario, the area is estimated to achieve \$7.5 million in maximum indebtedness in a 25-year period. Like for the low-growth scenario, these estimates are based on long-term borrowing and paying interest on those funds. The actual tax increment revenue exceeds those estimates, but that excess is anticipated for interest payments and bond issuance costs.

¹ Maximum indebtedness is the amount of the principal of indebtedness (not interest incurred in debt) included in an urban renewal plan to fund projects, programs, and administration of the plan. It is the limiting factor in an urban renewal plan.

Background

The City of Gold Beach Urban Renewal Agency (Agency) is exploring the potential of using urban renewal and the associated financing tool, tax increment financing, to assist in the development and redevelopment of the downtown core and the proposed shoreline boardwalk area of Gold Beach (Figure 1). These areas are vital to improving the character and economy of the area.

The City of Gold Beach adopted a Strategic Plan, “Gold Beach 2010” in 1995, with partial revisions in 1998 and 2000. Action agenda items were based off of the need to develop a more vibrant Gold Beach. Those items include:

Business Development Goal: Expansion of a favorable business/industrial climate in Gold Beach that will generate an increased tax base to maintain favorable property tax rates, while supporting need services.

Strategy 3: Review current status/position on nature-based tourism projects, based on findings, to generate a continuing support program. Investigate the current recreation opportunities in the local area for expansion and job opportunities.

Quality of Life Committee Goal: To improve the quality of life in the Gold Beach community through: cultural and recreational amenities, enhanced scenic beauty, and attention to meeting the needs of all segments of the community.

Strategy 1: Enhance the beauty of the business district through landscape development and improved building facades. Place approved mural in selected locations to make the downtown area more attractive to visitors and residents.

Strategy 2: Utilize a “Beach Walk” concept to enhance recreation and accessibility from the Rogue River to the South Beach Park.

Urban renewal is a program that is authorized under state law and implemented locally that allows for the concentrated use of property tax revenues to upgrade certain designated areas of a city or county. These areas are called “blighted²” by state statute and typically contain sections of a city that are underdeveloped and not contributing fully to the local economy. They can have buildings that are in need of renovation,

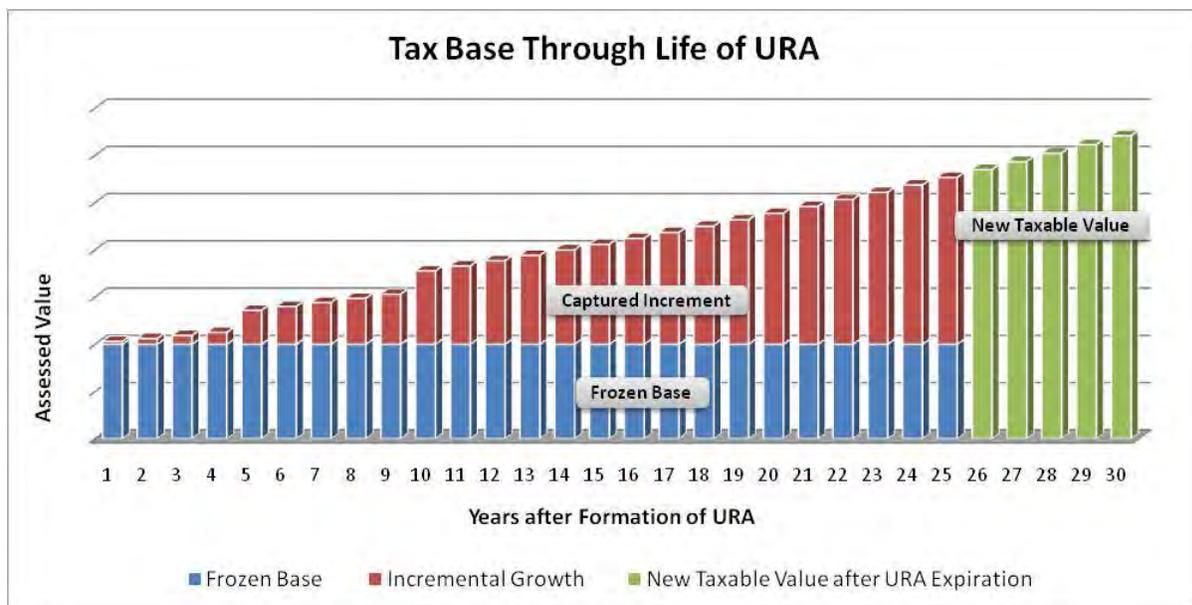
² ORS 457.010(1) defines blight, and is shown in Appendix A.

property that should be developed or redeveloped, or utilities and street systems in poor repair or in need of upgrades.

The underpinning theory of urban renewal is that, if these properties and the surrounding infrastructure are upgraded and blight is removed, the entire area will contribute more substantially to both the local economy and property taxes, which, in turn, will help support all of the taxing jurisdictions.

Urban renewal is one of the few remaining tools for encouraging local economic development. It is unique in that it has its own funding source, tax increment financing. At the time an urban renewal plan is adopted, the county assessor calculates the total assessed value of the area and establishes this value as the “frozen base” for the area. Growth above the base is called the “increment.” Tax increment revenues are the property tax revenues generated off the increase in the assessed values above the frozen base (not including rates for general obligation bonds and local option levies approved by voters after October, 2001). This concept is shown in Chart 1.

Chart 1 – The Components of Tax Increment Financing over 30 Years



The financial impact of urban renewal is borne by the overlapping taxing jurisdictions, including the City of Gold Beach. The taxing jurisdictions gain revenues through the collection of property taxes. Property tax increases come through new development and the statutory limit of a yearly maximum increase of 3% in assessed values on existing real property. During the use of tax increment financing, the permanent rate property taxes on the **growth** in assessed value in the urban renewal area (URA) are allocated to the urban renewal agency and not the taxing district. The taxing jurisdictions are still able to collect the property tax revenues from the assessed value of the frozen base, but increases in revenues are allocated to the urban renewal agency for use within the urban renewal area. In many urban renewal areas, the growth from the new investment would not have occurred but for the use of urban renewal.

The limiting factor of urban renewal plans is the maximum indebtedness. Maximum indebtedness is the total amount of funds that can be spent on projects and programs, including administration, in an urban renewal plan. Maximum indebtedness does not include interest paid on debt. Maximum indebtedness can only be changed by a substantial amendment to an urban renewal plan. A substantial amendment requires the same procedures as adopting a new urban renewal plan, and is, therefore, meant to take considerable effort to enact.

Most individual taxpayers will **not** see an increase in property taxes as a result of urban renewal. If there is an increase, it is due to bonds that were adopted prior to October of 2001 and are still outstanding. There do not appear to be any pre-2001 bonds in Gold Beach.

Once an urban renewal plan is adopted in an urban renewal area, taxpayers within that area will see a line item on their property tax statements for urban renewal. This can be quite confusing, because even if the property is not physically located in the area, the property tax statement will include an indication of the impact of urban renewal on the property tax bill of every property owner in the city. The overall tax bill does not increase, but the allocation of revenues received from your payment is changed as a portion of that payment now goes to urban renewal. This is called “division of taxes” and is the administrative way that assessors must calculate the urban renewal revenue. If urban renewal was to be terminated, the property tax bill would not be reduced, but the taxes would be allocated differently, and all taxing jurisdictions would see an increase in their share of the property taxes.

This study is a technical study with the purpose of both identifying the potential revenue that could be raised through urban renewal and the impacts of that decision on the taxing jurisdictions. Since it is technical in nature, public input has been limited. If

the Gold Beach Urban Renewal Agency and Gold Beach City Council decide not to proceed with urban renewal planning, expectations have not been raised city-wide. If they decide they would like to pursue the use of urban renewal as an implementation tool in Gold Beach, opportunity should be provided for significant input from the stakeholders in the impacted areas and the citizens of Gold Beach.

This Gold Beach Urban Renewal Feasibility Study (Study) contains:

- A recommended boundary
- An “Existing Conditions Analysis”
- A “Financial Analysis”
- Identification of issues to consider
- Identification of next steps

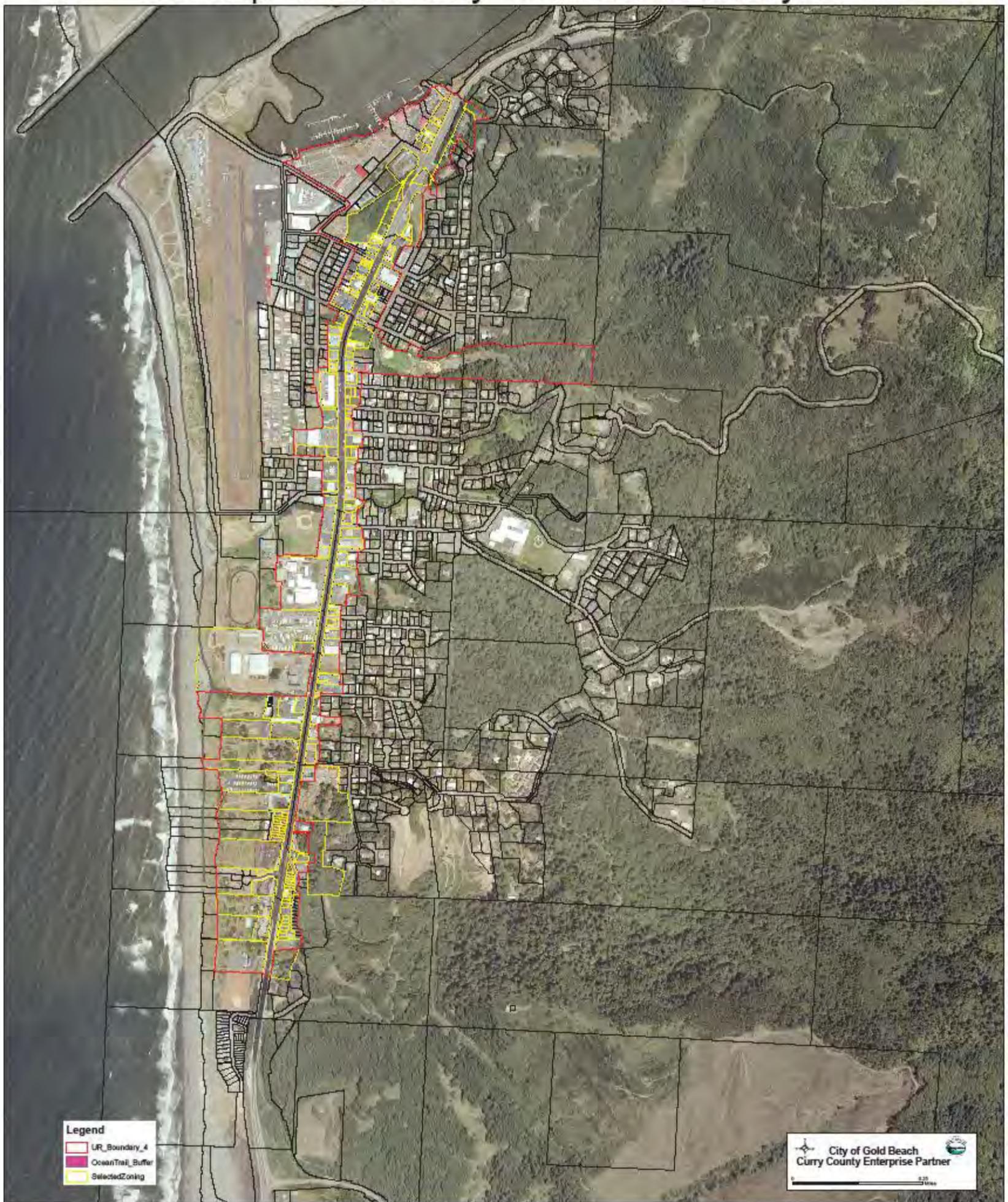
Boundary

The boundary for the Study is shown in Figure 1. This boundary was developed by city staff and urban renewal agency members after a March 6, 2012 meeting with the consultant, Figure 1. Since this does not have an assessed value, it does not change the calculation of total assessed value in the urban renewal area (Area) compared to city-wide assessed value and the acreage calculations show that significant acreage could be added to the Area to still remain in compliance with state statutes (Table 9).

While this is the boundary being used for this Study, if an urban renewal plan is recommended, the boundary could be adjusted at that time to either eliminate or add properties. The boundary area will be reviewed both for the conditions of blight identified in the Oregon Revised Statutes (ORS 457.010) that govern urban renewal and for the financial capacity of the Area to produce tax increment revenues.

Figure 1—Gold Beach Urban Renewal Feasibility Study Area Boundary

Develop UR Boundary Valuation Boundary 4



Existing Conditions Analysis

1. Physical Conditions

Land Use

According to the Curry County Assessor’s Office, the Area, shown in Figure 1 above, contains 182 tax lots, including the Port of Gold Beach tax lot which includes an additional 23 separate parcels under one tax lot. The entire Area consists of 166.3 total acres, 138.5 acres in tax lots and 27.8 acres of right-of-way.

An analysis of property classification data from the Curry County Assessment and Taxation database was used to determine the vacant lands in the Area. Fifty-two of the parcels, accounting for 19 acres or 13.7 % of the acreage in tax lots, have no improvements. Fifty-one percent of the acreage is in commercial use with additional commercial uses on the Port property, which is designated as one parcel in the data set used for this study and shows multiple uses under zoning designations.

Table 1 - Developed/Not Developed Parcels in Area

Land Use	Parcels	Acreage	% of Total Acreage
Vacant	52	19.06	13.76%
Developed	130	119.46	86.24%
Total	182	138.52	100.00%

Source: City of Gold Beach from data provide by Curry County GIS

Zoning/ Comprehensive Plan

In the City of Gold Beach, the zoning code implements the Comprehensive Plan. This code establishes districts to control land use throughout the city, and regulates development standards within these established use districts.

As illustrated in Table 2, much (44.65%) of the Area is has multiple zoning designations. This is followed by General Commercial, which is 51.03% of the Area.

Table 2 - Existing Zoning and Comprehensive Plan Designations of Area

Zoning	Parcels	Acreage	% of Total Acreage
Multiple Zones	14	61.84	44.65%
Commercial 4C	166	70.69	51.03%
Public Facilities 7PF	2	5.99	4.32%
Total	182	138.52	100.00%

Source: City of Gold Beach from data provide by Curry County GIS

Infrastructure

This section of the report identifies the deficiencies in the existing conditions of the infrastructure in the Area.

Streets/Sidewalks/Pathways/Bike Lanes

There are no deficiencies listed for the Transportation System. However, the sidewalks, and streetscape along Highway 101 could be improved and there is not a walkway along the beach front, as illustrated in the photos below.



Water

The water system in the Area has no known deficiencies.

Storm Drainage Master Plan

The storm drainage system in the Area has no known deficiencies.

Sanitary Sewer

The sanitary sewer system in the Area has no known deficiencies.

Parks

There are two parks in the Area. The Gold Beach Visitor Center and South Beach Park are located on the south end of the Area (the last tax lot on the west side). Buffington Park is located on the east side of the Area, near the northern portion of the Area.

Public Parking

The only public parking in the Area is located at the two parks listed above and at Gold Beach City Hall.

Wetlands

There are designated wetlands that exist in the Area as shown Attachment A.

Conditions of Buildings

There was no visual survey completed for every building in the Area. However, a quick visual survey shows buildings that are in need of façade improvements.

Social Conditions

Of the 183 parcels in the Area, only 3 are zoned for residential uses, and these account for 1.63% of the acreage, and 1.6% of parcels in the Area. There are 18 manufactured homes on an additional tax lot that is zoned for commercial use. The 2010 census data that was recently released is used, below, to describe the social conditions within the Area. At the time of publication, the age and race data was available at the block level, which is still larger than the urban renewal feasibility study area, but smaller than the City of Gold Beach. The other social conditions data was only available on the city level, and will be accurate for the City of Gold Beach as a whole, but it will be a less accurate portrayal of income levels in the Urban Renewal Feasibility Study Area.

Age

The age distribution of the Area is shown in Table 3. A large portion of the population (over 47%) is between 40 and 70 years old, and about half of the population in the Area is under 50 years old.

Table 3 - Age Distribution of Area

Age	Number	Percent
Under 9 years	80	8.17%
10 to 19 years	96	9.81%
20 to 29 years	100	10.21%
30 to 39 years	101	10.32%
40 to 49 years	120	12.26%
50 to 69 years	347	35.44%
70 years and over	135	13.79%
Total	979	100.00%

Source: US Census 2010, block level data

Race

The racial characteristics of the Area are shown in Table 4. The majority of people (89.8%) identify themselves as White and the second largest group (4.0%) that people identify with is Hispanic or Latino.

Table 4 - Racial Characteristics of the Area

Race	Population	Percent
Hispanic or Latino	33	4.0%
White	738	89.8%
Black or African American	2	0.2%
American Indian and Alaska Native	15	1.8%
Asian	8	1.0%
Some Other Race	2	0.2%
Two or More Races	24	2.9%
Total	822	100.0%

Source: US Census 2010, block level data

Income

Again, the income data for the 2010 census was not available on the census block level, so data for the entire city of Gold Beach was used to create Table 5. The mean household income for the City of Gold Beach in 2010 was \$50,964.

Table 5 - Household Income for the City of Gold Beach

Income	Percent of Households
Less than \$10,000	9.5%
\$10,000 to \$14,999	11.6%
\$15,000 to \$24,999	12.8%
\$25,000 to \$34,999	7.6%
\$35,000 to \$49,999	6.8%
\$50,000 to \$74,999	30.8%
\$75,000 to \$99,999	8.5%
\$100,000 to \$149,999	11.2%
\$150,000 to \$199,999	1.2%
\$200,000 or more	0.0%
Total	100.0%

Source: US Census 2010, city level data

Population

Information from the Portland State University Population and Research Center provides the data for the following table. In the last 10 years, Gold Beach has shown fluctuations in population; there was a 26% increase between 2005 and 2006 and an approximate 13% decrease from 2007 to 2008.

Table 6 - Population in Gold Beach

Year	Population	% Growth
2010	2,140	0.00%
2009	2,140	-0.70%
2008	2,155	-11.86%
2007	2,445	0.00%
2006	2,445	26.68%
2005	1,930	0.00%
2004	1,930	0.00%
2003	1,930	0.00%
2002	1,930	0.52%
2001	1,920	

Source: Portland State University Population Research Center

Economic Conditions

Taxable value of property in Area

The estimated 2011/2012 total assessed value of the real property in the Area is \$48,008,110. The total estimated assessed value, including all real, personal, and utility properties, is \$53,336,033.

Table 7 - Total Estimated Assessed Value

	Study Area
Real Property	\$48,008,110
Utility Property	2,447,470
Personal Property	2,693,873
Manufactured	186,580
Total	\$53,336,033

Source: Curry County GIS

Improvement to Land Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Ratio," or "I:L." The values used are real market values. In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives. A healthy condition of real estate investment in the Area would be 3:1 or more.

An important fact to note about Table 8 is that there are 47 taxable parcels with no improvements on them. These are vacant parcels that account for about 13.7 acres of underutilized land that are located in downtown Gold Beach. In general, there is a very low I:L ratio in the Area. Over 87% of the Area does not achieve the desired ratio of 3:1 or better. There are also a number of parcels where the use is economically not the highest and best use of the property, including the mobile home park at the south end of the Area (see photo next page).

Table 8 - I:L Ratio of Parcels in the Area

I:L Ratio	Parcels	Acreage	% of Total Acreage
Not Taxable	5	5.41	3.91%
No Improvements	47	13.65	9.85%
0.01 - 0.50	17	12.98	9.37%
0.51 - 1.00	25	13.96	10.08%
1.01 - 1.50	19	12.71	9.18%
1.51 - 2.00	20	10.78	7.78%
2.01 - 3.00	30	51.33	37.05%
3.01 - 4.00	7	2.24	1.62%
4.01 - 5.00	5	10.21	7.37%
>5.0	7	5.26	3.80%
Total	182	138.52	100.00%

Source: Raw data from City of Gold Beach through Curry County GIS

Figure 2 – Mobile Home Park in Area



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, including all real, personal, and utility properties in the Gold Beach Urban Renewal Study Area is estimated at \$53,336,033. The Curry County Assessor’s office will certify the frozen base of the Area if an urban renewal plan is adopted. According to Curry County GIS, the total assessed value of the City of Gold Beach is \$210,416,659. However, the Curry County 2011-12 tax roll summary indicated the total assessed value is \$219,430,679. We have used the lower number, which is more conservative, for the purposes of this feasibility study. If the higher number is used, the Area would still comply with the assessed value limitations. An estimated 24% of the assessed value of the City would be in an urban renewal area.

The estimated total acreage of the urban renewal study area, excluding the beach boardwalk, is 166 acres, including public right-of-way. The City of Gold Beach has 3,894 acres. Therefore, 4.26% of the acreage in the City would be in an urban renewal area. This provides ample room to add acreage for the beach boardwalk.

The acreage and assessed value figures are both below the statutory 25% limitation.

Table 9 - URA Conformance with AV and Area Limits

Urban Renewal Area	Assessed Value	Acres
Gold Beach Urban Renewal Study Area	\$48,008,110	166
City of Gold Beach	\$210,416,659	3,894
Percent of Gold Beach AV in Urban Renewal Study Area	24.32%	
Percent of Gold Beach Acreage in Urban Renewal Study Area		4.27%

Source: Curry County GIS data

Financial Analysis

The projected assessed values of development in the Area are shown in Table 11. The growth percentages are shown in the left columns and reflect two separate assumptions. The first, shown on the right, is a very conservative assumption. In the conservative growth rate scenario, the first three years' projections are below the 3% allowed by statute, but reflect the current economic trends. The following years are at the allowed assessed value growth of 3%.

The moderate growth scenario, shown on the left, reflects conservative assumptions for the first two years, but anticipates renewed growth in the economy in the following years. In the moderate growth rate scenario, the average growth rate starting in FY 2016 is 4.43%. The actual growth in assessed value in the City of Gold Beach over the last 6 years is shown in Table 10, with the average being 4.43%. The amount of tax increment revenues produced in an urban renewal area are predicated on the growth in assessed value in the Area as described in the Background section of this Report.

Table 10 - Historical Growth in Assessed Value in Gold Beach

Year	Assessed Values	Percent Change
2011	\$219,430,679	2.43%
2010	\$214,229,112	1.94%
2009	\$210,157,726	4.83%
2008	\$200,467,970	4.10%
2007	\$192,567,924	6.52%
2006	\$180,780,294	6.83%
2005	\$169,224,658	

Source: Curry County Assessor Tax Summaries

Table 11 - Projected Assessed Value Growth: 2 Scenarios

Moderate Growth Rate Scenario	FY	Assessed Value Projections	Conservative Growth Rate Scenario	FY	Assessed Value Projections
2.42%	2012-13	\$54,626,765	2.42%	2012-13	\$54,626,765
2.50%	2013-14	\$55,992,434	2.50%	2013-14	\$55,992,434
3.03%	2014-15	\$57,686,345	2.66%	2014-15	\$57,479,955
3.66%	2015-16	\$59,798,158	2.82%	2015-16	\$59,102,676
4.43%	2016-17	\$62,447,217	3.00%	2016-17	\$60,875,757
4.43%	2017-18	\$65,213,629	3.00%	2017-18	\$62,702,029
4.43%	2018-19	\$68,102,592	3.00%	2018-19	\$64,583,090
4.43%	2019-20	\$71,119,537	3.00%	2019-20	\$66,520,583
4.43%	2020-21	\$74,270,133	3.00%	2020-21	\$68,516,200
4.43%	2021-22	\$77,560,299	3.00%	2021-22	\$70,571,686
4.43%	2022-23	\$80,996,221	3.00%	2022-23	\$72,688,837
4.43%	2023-24	\$84,584,353	3.00%	2023-24	\$74,869,502
4.43%	2024-25	\$88,331,440	3.00%	2024-25	\$77,115,587
4.43%	2025-26	\$92,244,523	3.00%	2025-26	\$79,429,055
4.43%	2026-27	\$96,330,955	3.00%	2026-27	\$81,811,926
4.43%	2027-28	\$100,598,417	3.00%	2027-28	\$84,266,284
4.43%	2028-29	\$105,054,927	3.00%	2028-29	\$86,794,273
4.43%	2029-30	\$109,708,860	3.00%	2029-30	\$89,398,101
4.43%	2030-31	\$114,568,962	3.00%	2030-31	\$92,080,044
4.43%	2031-32	\$119,644,367	3.00%	2031-32	\$94,842,445
4.43%	2032-33	\$124,944,613	3.00%	2032-33	\$97,687,719
4.43%	2033-34	\$130,479,659	3.00%	2033-34	\$100,618,350
4.43%	2034-35	\$136,259,908	3.00%	2034-35	\$103,636,901
4.43%	2035-36	\$142,296,222	3.00%	2035-36	\$106,746,008
4.43%	2036-37	\$148,599,945	3.00%	2036-37	\$109,948,388
4.43%	2037-38	\$155,182,922	3.00%	2037-38	\$113,246,840

Source: ECONorthwest

Gold Beach Urban Renewal Feasibility Study

The projected Tax Increment Revenues (TIF) from the assessed value growth is shown in Table 12. These are the amounts of funds that could be anticipated to be raised for the Area through the use of urban renewal and tax increment financing. They are shown for a 25-year period on an annual basis (middle column) and cumulative amounts in the last column. They show that, in a moderate growth rate scenario, an estimated \$10.3 million dollars in TIF could be anticipated. In a conservative growth rate scenario, \$6.6 million dollars in TIF could be anticipated. This relates to an estimated \$7.5 and \$5 million in maximum indebtedness, respectively.

Table 12 - Projected Tax Increment Revenue (TIF)

Moderate Growth Rate Scenario			Conservative Growth Rate Scenario		
FY	Annual TIF	Cumulative TIF	FY	Annual TIF	Cumulative TIF
2012-13	\$0	\$0	2012-13	\$0	\$0
2013-14	\$13,648	\$13,648	2013-14	\$13,648	\$13,648
2014-15	\$30,576	\$44,224	2014-15	\$28,513	\$42,161
2015-16	\$51,680	\$95,904	2015-16	\$44,730	\$86,891
2016-17	\$78,154	\$174,058	2016-17	\$62,449	\$149,340
2017-18	\$105,800	\$279,858	2017-18	\$80,700	\$230,041
2018-19	\$134,671	\$414,528	2018-19	\$99,499	\$329,539
2019-20	\$164,821	\$579,349	2019-20	\$118,861	\$448,400
2020-21	\$196,306	\$775,655	2020-21	\$138,804	\$587,204
2021-22	\$229,186	\$1,004,841	2021-22	\$159,346	\$746,550
2022-23	\$263,523	\$1,268,364	2022-23	\$180,503	\$927,053
2023-24	\$299,381	\$1,567,745	2023-24	\$202,296	\$1,129,349
2024-25	\$336,828	\$1,904,573	2024-25	\$224,742	\$1,354,091
2025-26	\$375,933	\$2,280,506	2025-26	\$247,862	\$1,601,953
2026-27	\$416,771	\$2,697,277	2026-27	\$271,675	\$1,873,627
2027-28	\$459,418	\$3,156,695	2027-28	\$296,203	\$2,169,830
2028-29	\$503,954	\$3,660,648	2028-29	\$321,466	\$2,491,296
2029-30	\$550,463	\$4,211,111	2029-30	\$347,487	\$2,838,783
2030-31	\$599,032	\$4,810,144	2030-31	\$374,289	\$3,213,073
2031-32	\$649,753	\$5,459,897	2031-32	\$401,895	\$3,614,968
2032-33	\$702,721	\$6,162,619	2032-33	\$430,330	\$4,045,298
2033-34	\$758,036	\$6,920,654	2033-34	\$459,617	\$4,504,915
2034-35	\$815,801	\$7,736,455	2034-35	\$489,783	\$4,994,697
2035-36	\$876,125	\$8,612,580	2035-36	\$520,854	\$5,515,551
2036-37	\$872,280	\$9,484,860	2036-37	\$552,857	\$6,068,408
2037-38	\$888,727	\$10,373,587	2037-38	\$585,820	\$6,654,227

Source: ECONorthwest

Gold Beach Urban Renewal Feasibility Study

Again, maximum indebtedness is the controlling factor in an urban renewal plan and establishes the amount of funding you may spend on projects, programs and administration in the urban renewal area. It does not include interest or financing costs. The assumptions of maximum indebtedness based on the tables above reflect the assumptions on long and short term debt as shown in Tables 14a and 14b of this Report. They are also based on the assumption that the financing would last for a 25 year term. These assumptions are not restricted by state statute, but restricted by the desires of the locality. The 25 year assumption is typical of urban renewal plans. If you decide you would like to pursue adoption of an urban renewal plan, you would review the assumptions provided by the consultant and determine which assumptions to use for the plan preparation. The financing plan shows that the tax increment revenues come in slowly at first, and build over time. This means you may need to wait a number of years, while not spending the revenue which comes in annually, in order to do projects in the Area. This is typical of urban renewal unless a big project is developed in the beginning years of an urban renewal plan.

Revenue sharing is part of the 2009 legislative changes to urban renewal and 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 share is a percentage basis dependent upon the tax rates of the taxing jurisdictions. The first threshold is 10% of the original maximum indebtedness. At the 10% threshold, the urban renewal 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, however, the projections do not estimate this threshold will be met.

In the 25-year low-growth scenario with \$5 million in maximum indebtedness the revenue sharing threshold is \$500,000 (10% of the \$5 million maximum indebtedness). Revenue sharing is projected to commence in FY 2036-37, the 24th year of the Plan. Obviously, these are just projections, and given that they are 24 years into the future, can only be taken as such.

In the moderate scenario, revenue sharing is estimated to commence in FY 2034-35, which is 22 years after the inception of the plan, again a long time into the future. The moderate growth scenario has a projected maximum indebtedness of \$7.5 million, which means that the threshold is \$750,000 (10% of the \$7.5 million maximum indebtedness).

Gold Beach Urban Renewal Feasibility Study

Table 13a - Projected Revenue Sharing Projection: Conservative Growth Rate Scenario

FY	TIF to be raised	Revenue sharing	TIF to Agency	Cumulative Amount for Agency
2012-13	\$0	\$0	\$0	\$0
2013-14	\$13,648	\$0	\$13,648	\$13,648
2014-15	\$28,513	\$0	\$28,513	\$42,161
2015-16	\$44,730	\$0	\$44,730	\$86,891
2016-17	\$62,449	\$0	\$62,449	\$149,340
2017-18	\$80,700	\$0	\$80,700	\$230,041
2018-19	\$99,499	\$0	\$99,499	\$329,539
2019-20	\$118,861	\$0	\$118,861	\$448,400
2020-21	\$138,804	\$0	\$138,804	\$587,204
2021-22	\$159,346	\$0	\$159,346	\$746,550
2022-23	\$180,503	\$0	\$180,503	\$927,053
2023-24	\$202,296	\$0	\$202,296	\$1,129,349
2024-25	\$224,742	\$0	\$224,742	\$1,354,091
2025-26	\$247,862	\$0	\$247,862	\$1,601,953
2026-27	\$271,675	\$0	\$271,675	\$1,873,627
2027-28	\$296,203	\$0	\$296,203	\$2,169,830
2028-29	\$321,466	\$0	\$321,466	\$2,491,296
2029-30	\$347,487	\$0	\$347,487	\$2,838,783
2030-31	\$374,289	\$0	\$374,289	\$3,213,073
2031-32	\$401,895	\$0	\$401,895	\$3,614,968
2032-33	\$430,330	\$0	\$430,330	\$4,045,298
2033-34	\$459,617	\$0	\$459,617	\$4,504,915
2034-35	\$489,783	\$0	\$489,783	\$4,994,697
2035-36	\$520,854	\$0	\$520,854	\$5,515,551
2036-37	\$552,857	\$39,642	\$513,214	\$6,028,765
2037-38	\$585,820	\$64,365	\$521,455	\$6,550,220

Source: ECONorthwest

Gold Beach Urban Renewal Feasibility Study

Table 13b - Projected Revenue Sharing Projection: Moderate Growth Rate Scenario

FY	TIF to be Raised	Revenue Sharing	TIF to Agency	Cumulative Amount for Agency
2012-13	\$0	\$0	\$0	\$0
2013-14	\$13,648	\$0	\$13,648	\$13,648
2014-15	\$30,576	\$0	\$30,576	\$44,224
2015-16	\$51,680	\$0	\$51,680	\$95,904
2016-17	\$78,154	\$0	\$78,154	\$174,058
2017-18	\$105,800	\$0	\$105,800	\$279,858
2018-19	\$134,671	\$0	\$134,671	\$414,528
2019-20	\$164,821	\$0	\$164,821	\$579,349
2020-21	\$196,306	\$0	\$196,306	\$775,655
2021-22	\$229,186	\$0	\$229,186	\$1,004,841
2022-23	\$263,523	\$0	\$263,523	\$1,268,364
2023-24	\$299,381	\$0	\$299,381	\$1,567,745
2024-25	\$336,828	\$0	\$336,828	\$1,904,573
2025-26	\$375,933	\$0	\$375,933	\$2,280,506
2026-27	\$416,771	\$0	\$416,771	\$2,697,277
2027-28	\$459,418	\$0	\$459,418	\$3,156,695
2028-29	\$503,954	\$0	\$503,954	\$3,660,648
2029-30	\$550,463	\$0	\$550,463	\$4,211,111
2030-31	\$599,032	\$0	\$599,032	\$4,810,144
2031-32	\$649,753	\$0	\$649,753	\$5,459,897
2032-33	\$702,721	\$0	\$702,721	\$6,162,619
2033-34	\$758,036	\$0	\$758,036	\$6,920,654
2034-35	\$815,801	\$49,351	\$766,450	\$7,687,105
2035-36	\$876,125	\$94,594	\$781,531	\$8,468,636
2036-37	\$939,121	\$141,841	\$797,280	\$9,265,916
2037-38	\$1,004,908	\$191,181	\$813,727	\$10,079,643

Source: ECONorthwest

Gold Beach Urban Renewal Feasibility Study

The revenues and allocations to debt service, either a “pay as you go or short term debt” or issuance of bonds are shown in Tables 14a and 14b. Table 14a reflects the conservative growth rate assumptions, \$5 million maximum indebtedness and 2 long-term bonds issued, one in FY 2020-21 and one in FY 2026-27. The remainder of the financing is predicated on short-term debt, also called “pay as you go.” The bonds were estimated at 5.5% interest for a 20-year time period. The second bond is defeased at the end of the 25-year projection of the Plan. Although the district is projected to be able to reach the maximum indebtedness in 25 years, this is not a requirement of a Plan. The Plan may terminate earlier or later, depending on when it reaches it’s maximum indebtedness and pays off its debt.

Table 14a- Revenue Projections and Allocations to Debt: Conservative Growth Rate Scenario

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
TIF Revenue										
Total TIF	\$13,648	\$28,513	\$44,730	\$62,449	\$80,700	\$99,499	\$118,861	\$138,804	\$159,346	\$180,503
Shared	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total for URA	\$13,648	\$28,513	\$44,730	\$62,449	\$80,700	\$99,499	\$118,861	\$138,804	\$159,346	\$180,503
Debt Service										
Pay-as-you-go	\$13,648	\$28,513	\$44,730	\$62,449	\$80,700	\$99,499	\$118,861	\$0	\$2,447	\$23,605
Long-Term Bonds A								\$125,519	\$125,519	\$125,519
Long-Term Bonds B										
Total Debt Service	\$13,648	\$28,513	\$44,730	\$62,449	\$80,700	\$99,499	\$118,861	\$125,519	\$127,966	\$149,124
Resources										
Beginning Balance	\$0	\$13,648	\$42,161	\$86,891	\$149,340	\$230,041	\$329,539	\$448,400	\$1,918,400	\$1,920,847
Pay-as-you-go	\$13,648	\$28,513	\$44,730	\$62,449	\$80,700	\$99,499	\$118,861		\$2,447	\$23,605
Bond/Loan Proceeds								\$1,500,000		
Interest Earnings										
Total Resources	\$13,648	\$42,161	\$86,891	\$149,340	\$230,041	\$329,539	\$448,400	\$1,948,400	\$1,920,847	\$1,944,452
Ending Fund Balance	\$13,648	\$42,161	\$86,891	\$149,340	\$230,041	\$329,539	\$448,400	\$1,918,400	\$1,920,847	\$1,944,452

Source: ECONorthwest

Gold Beach Urban Renewal Feasibility Study

Table 14a - Revenue Projections and Allocations to Debt: Conservative Growth Rate Scenario, continued

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
TIF Revenue							
Total TIF	\$202,296	\$224,742	\$247,862	\$271,675	\$296,203	\$321,466	\$347,487
Shared	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total for URA	\$202,296	\$224,742	\$247,862	\$271,675	\$296,203	\$321,466	\$347,487
Debt Service							
Pay-as-you-go	\$45,397	\$67,843	\$90,963	\$0	\$8,555	\$33,818	\$59,840
Long-Term Bonds A	\$125,519	\$125,519	\$125,519	\$125,519	\$125,519	\$125,519	\$125,519
Long-Term Bonds B				\$104,599	\$104,599	\$104,599	\$104,599
Total Debt Service	\$170,916	\$193,362	\$216,482	\$230,118	\$238,673	\$263,936	\$289,958
Resources							
Beginning Balance	\$1,944,452	\$1,989,849	\$2,057,692	\$2,148,655	\$3,373,655	\$3,382,210	\$3,416,028
Pay-as-you-go	\$45,397	\$67,843	\$90,963		\$8,555	\$33,818	\$59,840
Bond/Loan Proceeds				\$1,250,000			
Interest Earnings							
Total Resources	\$1,989,849	\$2,057,692	\$2,148,655	\$3,398,655	\$3,382,210	\$3,416,028	\$3,475,868
Ending Fund Balance	\$1,989,849	\$2,057,692	\$2,148,655	\$3,373,655	\$3,382,210	\$3,416,028	\$3,475,868

Source: ECONorthwest

Table 14a - Revenue Projections and Allocations to Debt: Conservative Growth Rate Scenario, continued

	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
TIF Revenue								
Total TIF	\$374,289	\$401,895	\$430,330	\$459,617	\$489,783	\$520,854	\$552,857	\$585,820
Shared	\$0	\$0	\$0	\$0	\$0	\$0	\$39,642	\$64,365
Total for URA	\$374,289	\$401,895	\$430,330	\$459,617	\$489,783	\$520,854	\$513,214	\$521,455
Debt Service								
Pay-as-you-go	\$86,642	\$114,248	\$142,682	\$171,969	\$202,135	\$233,206	\$225,567	\$0
Long-Term Bonds A	\$125,519	\$125,519	\$125,519	\$125,519	\$125,519	\$125,519	\$125,519	\$376,557
Long-Term Bonds B	\$104,599	\$104,599	\$104,599	\$104,599	\$104,599	\$104,599	\$104,599	\$941,391
Total Debt Service	\$316,760	\$344,366	\$372,800	\$402,087	\$432,253	\$463,324	\$455,685	\$1,317,948
Resources								
Beginning Balance	\$3,475,868	\$3,562,510	\$3,676,758	\$3,819,440	\$3,991,409	\$4,193,544	\$4,426,750	\$4,652,317
Pay-as-you-go	\$86,642	\$114,248	\$142,682	\$171,969	\$202,135	\$233,206	\$225,567	\$0
Bond/Loan Proceeds								
Interest Earnings								
Total Resources	\$3,562,510	\$3,676,758	\$3,819,440	\$3,991,409	\$4,193,544	\$4,426,750	\$4,652,317	\$4,652,317
Ending Fund Balance	\$3,562,510	\$3,676,758	\$3,819,440	\$3,991,409	\$4,193,544	\$4,426,750	\$4,652,317	\$4,652,317

Source: ECONorthwest

Gold Beach Urban Renewal Feasibility Study

Table 14b reflects a financing plan based on moderate growth rate assumptions with \$7.5 million maximum indebtedness and 2 long-term bonds issued, one in FY 2020-21 and one in FY 2026-27. The remainder of the financing is predicated on short-term debt, also called “pay as you go.” The bonds were estimated at 5.5% interest for a 20-year time period. The second bond is defeased at the end of the 25-year life of the Area.

Table 14b - Revenue Projections and Allocations to Debt: Moderate Growth Rate Scenario

	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
TIF Revenue										
Total TIF	\$13,648	\$30,576	\$51,680	\$78,154	\$105,800	\$134,671	\$164,821	\$196,306	\$229,186	\$263,523
Shared	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total for URA	\$13,648	\$30,576	\$51,680	\$78,154	\$105,800	\$134,671	\$164,821	\$196,306	\$229,186	\$263,523
Debt Service										
Pay-as-you-go	\$13,648	\$30,576	\$51,680	\$78,154	\$105,800	\$134,671	\$164,821	\$0	\$19,988	\$54,324
Long-Term Bonds A								\$167,359	\$167,359	\$167,359
Long-Term Bonds B									\$0	\$0
Total Debt Service	\$13,648	\$30,576	\$51,680	\$78,154	\$105,800	\$134,671	\$164,821	\$167,359	\$187,347	\$221,683
Resources										
Beginning Balance	\$0	\$13,648	\$44,224	\$95,904	\$174,058	\$279,858	\$414,528	\$579,349	\$2,539,349	\$2,559,337
Pay-as-you-go	\$13,648	\$30,576	\$51,680	\$78,154	\$105,800	\$134,671	\$164,821	\$0	\$19,988	\$54,324
Bond/Loan Proceeds		\$0						\$2,000,000		
Interest Earnings										
Total Resources	\$13,648	\$44,224	\$95,904	\$174,058	\$279,858	\$414,528	\$579,349	\$2,579,349	\$2,559,337	\$2,613,661
Ending Fund Balance	\$13,648	\$44,224	\$95,904	\$174,058	\$279,858	\$414,528	\$579,349	\$2,539,349	\$2,559,337	\$2,613,661

Source: ECONorthwest

Table 14b - Revenue Projections and Allocations to Debt: Moderate Growth Rate Scenario, continued

	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
TIF Revenue							
Total TIF	\$299,381	\$336,828	\$375,933	\$416,771	\$459,418	\$503,954	\$550,463
Shared	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total for URA	\$299,381	\$336,828	\$375,933	\$416,771	\$459,418	\$503,954	\$550,463
Debt Service							
Pay-as-you-go	\$90,182	\$127,629	\$166,734	\$0	\$41,020	\$85,556	\$132,065
Long-Term Bonds A	\$167,359	\$167,359	\$167,359	\$167,359	\$167,359	\$167,359	\$167,359
Long-Term Bonds B	\$0	\$0	\$0	\$167,359	\$167,359	\$167,359	\$167,359
Total Debt Service	\$257,541	\$294,988	\$334,093	\$334,718	\$375,738	\$420,274	\$466,783
Resources							
Beginning Balance	\$2,613,661	\$2,703,843	\$2,831,472	\$2,998,206	\$4,958,206	\$4,999,226	\$5,084,782
Pay-as-you-go	\$90,182	\$127,629	\$166,734	\$0	\$41,020	\$85,556	\$132,065
Bond/Loan Proceeds				\$2,000,000			
Interest Earnings							
Total Resources	\$2,703,843	\$2,831,472	\$2,998,206	\$4,998,206	\$4,999,226	\$5,084,782	\$5,216,847
Ending Fund Balance	\$2,703,843	\$2,831,472	\$2,998,206	\$4,958,206	\$4,999,226	\$5,084,782	\$5,216,847

Source: ECONorthwest

Table 14b - Revenue Projections and Allocations to Debt: Moderate Growth Rate Scenario, continued

	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38
TIF Revenue								
Total TIF	\$599,032	\$649,753	\$702,721	\$758,036	\$815,801	\$876,125	\$939,121	\$1,004,908
Shared	\$0	\$0	\$0	\$0	\$49,351	\$94,594	\$141,841	\$191,181
Total for URA	\$599,032	\$649,753	\$702,721	\$758,036	\$766,450	\$781,531	\$797,280	\$813,727
Debt Service								
Pay-as-you-go	\$180,635	\$231,356	\$284,324	\$339,638	\$348,053	\$363,134	\$340,000	\$0
Long-Term Bonds A	\$167,359	\$167,359	\$167,359	\$167,359	\$167,359	\$167,359	\$167,359	\$502,077
Long-Term Bonds B	\$167,359	\$167,359	\$167,359	\$167,359	\$167,359	\$167,359	\$167,359	\$1,506,231
Total Debt Service	\$515,353	\$566,074	\$619,042	\$674,356	\$682,771	\$697,852	\$674,718	\$2,008,308
Resources								
Beginning Balance	\$5,216,847	\$5,397,482	\$5,628,838	\$5,913,162	\$6,252,800	\$6,600,853	\$6,963,987	\$7,303,987
Pay-as-you-go	\$180,635	\$231,356	\$284,324	\$339,638	\$348,053	\$363,134	\$340,000	\$0
Bond/Loan Proceeds								
Interest Earnings								
Total Resources	\$5,397,482	\$5,628,838	\$5,913,162	\$6,252,800	\$6,600,853	\$6,963,987	\$7,303,987	\$7,303,987
Ending Fund Balance	\$5,397,482	\$5,628,838	\$5,913,162	\$6,252,800	\$6,600,853	\$6,963,987	\$7,303,987	\$7,303,987

Source: ECONorthwest

Gold Beach Urban Renewal Feasibility Study

The impacts on taxing jurisdictions are shown in Tables 15a and 15b. The impacts are shown on an annual basis in nominal ³ dollars.

The Curry County School District and the Education Service District 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 replaced with State School Fund revenues, as determined by a funding formula at the State level. The formula for funding schools did not change in the 2012 legislative session.

³ Nominal dollars are “year of receipt” dollars

Gold Beach Urban Renewal Feasibility Study

Table 15a - Impacts on Taxing Jurisdictions: Conservative Growth Rate Scenario

Year	Jurisdiction	Curry County School District	Education Service District	Southwest Oregon Community College	City-Gold Beach	Port-Gold Beach	Cemetery- Rogue River	Health Curry County	Library Curry County	4-H/ Extensions	Curry County General
Year	Increment										
2013-14	\$13,648	\$5,349	\$605	\$958	\$3,190	\$564	\$105	\$1,014	\$903	\$139	\$819
2014-15	\$28,513	\$11,176	\$1,265	\$2,002	\$6,665	\$1,179	\$220	\$2,118	\$1,886	\$291	\$1,711
2015-16	\$44,730	\$17,533	\$1,984	\$3,141	\$10,456	\$1,849	\$346	\$3,323	\$2,958	\$457	\$2,684
2016-17	\$62,449	\$24,478	\$2,770	\$4,385	\$14,598	\$2,582	\$482	\$4,640	\$4,130	\$638	\$3,747
2017-18	\$80,700	\$31,632	\$3,579	\$5,666	\$18,864	\$3,337	\$623	\$5,996	\$5,337	\$824	\$4,842
2018-19	\$99,499	\$39,000	\$4,413	\$6,986	\$23,258	\$4,114	\$769	\$7,393	\$6,580	\$1,017	\$5,970
2019-20	\$118,861	\$46,589	\$5,271	\$8,346	\$27,784	\$4,915	\$918	\$8,831	\$7,861	\$1,214	\$7,132
2020-21	\$138,804	\$54,406	\$6,156	\$9,746	\$32,446	\$5,739	\$1,072	\$10,313	\$9,180	\$1,418	\$8,328
2021-22	\$159,346	\$62,458	\$7,067	\$11,189	\$37,247	\$6,588	\$1,231	\$11,839	\$10,538	\$1,628	\$9,561
2022-23	\$180,503	\$70,751	\$8,005	\$12,674	\$42,193	\$7,463	\$1,394	\$13,411	\$11,937	\$1,844	\$10,830
2023-24	\$202,296	\$79,293	\$8,972	\$14,204	\$47,287	\$8,364	\$1,563	\$15,030	\$13,378	\$2,067	\$12,138
2024-25	\$224,742	\$88,091	\$9,967	\$15,780	\$52,534	\$9,292	\$1,736	\$16,698	\$14,863	\$2,296	\$13,484
2025-26	\$247,862	\$97,153	\$10,992	\$17,404	\$57,938	\$10,248	\$1,915	\$18,416	\$16,392	\$2,532	\$14,871
2026-27	\$271,675	\$106,487	\$12,048	\$19,076	\$63,505	\$11,233	\$2,099	\$20,185	\$17,967	\$2,776	\$16,300
2027-28	\$296,203	\$116,101	\$13,136	\$20,798	\$69,238	\$12,247	\$2,288	\$22,007	\$19,589	\$3,026	\$17,772
2028-29	\$321,466	\$126,003	\$14,257	\$22,572	\$75,143	\$13,292	\$2,483	\$23,884	\$21,260	\$3,284	\$19,288
2029-30	\$347,487	\$136,203	\$15,411	\$24,399	\$81,226	\$14,368	\$2,684	\$25,818	\$22,980	\$3,550	\$20,849
2030-31	\$374,289	\$146,708	\$16,599	\$26,281	\$87,491	\$15,476	\$2,891	\$27,809	\$24,753	\$3,824	\$22,457
2031-32	\$401,895	\$157,529	\$17,824	\$28,219	\$93,944	\$16,617	\$3,105	\$29,860	\$26,579	\$4,106	\$24,113
2032-33	\$430,330	\$168,674	\$19,085	\$30,216	\$100,590	\$17,793	\$3,324	\$31,973	\$28,459	\$4,397	\$25,819
2033-34	\$459,617	\$180,154	\$20,383	\$32,272	\$107,436	\$19,004	\$3,551	\$34,149	\$30,396	\$4,696	\$27,577
2034-35	\$489,783	\$191,978	\$21,721	\$34,390	\$114,488	\$20,251	\$3,784	\$36,390	\$32,391	\$5,004	\$29,386
2035-36	\$520,854	\$204,156	\$23,099	\$36,572	\$121,751	\$21,536	\$4,024	\$38,699	\$34,446	\$5,321	\$31,251
2036-37	\$552,857	\$216,700	\$24,519	\$38,819	\$129,231	\$22,859	\$4,271	\$41,076	\$36,562	\$5,648	\$33,171
2037-38	\$585,820	\$229,621	\$25,980	\$41,134	\$136,936	\$24,222	\$4,525	\$43,525	\$38,742	\$5,985	\$35,149
Total	\$6,654,227	\$2,608,223	\$295,107	\$467,231	\$1,555,439	\$275,132	\$51,404	\$494,398	\$440,064	\$67,984	\$399,247

Source: ECONorthwest

Gold Beach Urban Renewal Feasibility Study

Table 15b - Impacts on Taxing Jurisdictions: Moderate Growth Rate Scenario

Year	Jurisdiction	Curry County School District	Curry County Education Service District	Southwest Oregon Community College	City-Gold Beach	Port-Gold Beach	Cemetery- Rogue River	Health Curry County	Library Curry County	4-H/ Extensions	Curry County General
2013-14	\$13,648	\$5,349	\$605	\$958	\$3,190	\$564	\$105	\$1,014	\$903	\$139	\$819
2014-15	\$30,576	\$11,985	\$1,356	\$2,147	\$7,147	\$1,264	\$236	\$2,272	\$2,022	\$312	\$1,835
2015-16	\$51,680	\$20,257	\$2,292	\$3,629	\$12,080	\$2,137	\$399	\$3,840	\$3,418	\$528	\$3,101
2016-17	\$78,154	\$30,633	\$3,466	\$5,488	\$18,269	\$3,231	\$604	\$5,807	\$5,169	\$798	\$4,689
2017-18	\$105,800	\$41,470	\$4,692	\$7,429	\$24,731	\$4,374	\$817	\$7,861	\$6,997	\$1,081	\$6,348
2018-19	\$134,671	\$52,786	\$5,972	\$9,456	\$31,480	\$5,568	\$1,040	\$10,006	\$8,906	\$1,376	\$8,080
2019-20	\$164,821	\$64,604	\$7,310	\$11,573	\$38,527	\$6,815	\$1,273	\$12,246	\$10,900	\$1,684	\$9,889
2020-21	\$196,306	\$76,945	\$8,706	\$13,784	\$45,887	\$8,117	\$1,516	\$14,585	\$12,982	\$2,006	\$11,778
2021-22	\$229,186	\$89,833	\$10,164	\$16,092	\$53,573	\$9,476	\$1,770	\$17,028	\$15,157	\$2,342	\$13,751
2022-23	\$263,523	\$103,292	\$11,687	\$18,503	\$61,599	\$10,896	\$2,036	\$19,579	\$17,428	\$2,692	\$15,811
2023-24	\$299,381	\$117,347	\$13,277	\$21,021	\$69,981	\$12,378	\$2,313	\$22,244	\$19,799	\$3,059	\$17,963
2024-25	\$336,828	\$132,025	\$14,938	\$23,651	\$78,734	\$13,927	\$2,602	\$25,026	\$22,275	\$3,441	\$20,209
2025-26	\$375,933	\$147,353	\$16,672	\$26,396	\$87,875	\$15,544	\$2,904	\$27,931	\$24,862	\$3,841	\$22,556
2026-27	\$416,771	\$163,359	\$18,483	\$29,264	\$97,421	\$17,232	\$3,220	\$30,965	\$27,562	\$4,258	\$25,006
2027-28	\$459,418	\$180,076	\$20,375	\$32,258	\$107,390	\$18,995	\$3,549	\$34,134	\$30,383	\$4,694	\$27,565
2028-29	\$503,954	\$197,532	\$22,350	\$35,385	\$117,800	\$20,837	\$3,893	\$37,443	\$33,328	\$5,149	\$30,237
2029-30	\$550,463	\$215,762	\$24,412	\$38,651	\$128,672	\$22,760	\$4,252	\$40,898	\$36,404	\$5,624	\$33,027
2030-31	\$599,032	\$234,800	\$26,566	\$42,061	\$140,025	\$24,768	\$4,628	\$44,507	\$39,616	\$6,120	\$35,941
2031-32	\$649,753	\$254,680	\$28,816	\$45,623	\$151,881	\$26,865	\$5,019	\$48,276	\$42,970	\$6,638	\$38,985
2032-33	\$702,721	\$275,442	\$31,165	\$49,342	\$164,262	\$29,055	\$5,429	\$52,211	\$46,473	\$7,179	\$42,163
2033-34	\$758,036	\$297,123	\$33,618	\$53,226	\$177,192	\$31,342	\$5,856	\$56,321	\$50,131	\$7,745	\$45,481
2034-35	\$815,801	\$319,765	\$36,180	\$57,282	\$190,695	\$33,731	\$6,302	\$60,613	\$53,951	\$8,335	\$48,947
2035-36	\$876,125	\$343,410	\$38,855	\$61,518	\$204,796	\$36,225	\$6,768	\$65,095	\$57,941	\$8,951	\$52,567
2036-37	\$872,280	\$341,903	\$38,685	\$61,248	\$203,897	\$36,066	\$6,738	\$64,809	\$57,686	\$8,912	\$52,336
2037-38	\$888,727	\$348,350	\$39,414	\$62,403	\$207,742	\$36,746	\$6,865	\$66,031	\$58,774	\$9,080	\$53,323
Total	\$10,373,587	\$4,066,081	\$460,056	\$728,388	\$2,424,846	\$428,915	\$80,136	\$770,740	\$686,036	\$105,983	\$622,405

Source: ECONorthwest

The projected amount to taxing jurisdictions once an urban renewal plan is terminated is shown in Table 15.

Table 15 - Taxing Jurisdictions after Urban Renewal

Jurisdiction	FY 2038-39	
	Moderate Growth Rate Scenario	Conservative Growth Rate Scenario
Curry County School District	\$355,082	\$222,418
Education Service District	\$40,176	\$25,165
Southwest Oregon Community College	\$63,609	\$39,843
City – Gold Beach	\$211,756	\$132,641
Port – Gold Beach	\$37,456	\$23,462
Cemetery-Rogue River	\$6,998	\$4,384
Health Curry County	\$67,307	\$42,160
Library Curry County	\$59,910	\$37,527
4-H/Extensions	\$9,255	\$5,797
Curry County General	\$54,353	\$34,046
Total	\$905,902	\$567,443

Source: ECONorthwest

Identification of Issues/Decision Points

The issues to consider and decisions to make are:

1. Does blight exist in the Area?

An analysis of the existing conditions of the Area indicates blight exists in the following blight categories:

- deficiencies in the pedestrian transportation system,
- low improvement to land values throughout the Area,
- vacant and underutilized parcels in the Area, and
- conditions of buildings.

2. Can sufficient funds be raised through urban renewal to address the conditions of blight in the Area?

The financial analysis estimates that between \$5-\$7.5 million in maximum indebtedness could be achieved in a 25-year urban renewal plan, depending on the growth rate assumptions used in the Plan. This amount can be used to finance projects throughout the life of the Plan. The actual tax increment revenues exceed that amount but some of those proceeds are allocated to paying debt service and bond issuance costs.

3. What are the impacts on the taxing jurisdictions, including the City of Gold Beach?
The estimated impacts on the taxing jurisdictions are shown in Tables 15a and 15b.

4. Does urban renewal make sense for the City of Gold Beach? If so, the City should give guidance on:

- Time frame for urban renewal? (How long should an urban renewal plan last?
We evaluated a 25-year district.)
- Which growth rate assumptions to use.
- How many projects to identify for the Plan and at what costs.
- Amount of maximum indebtedness to establish for the Plan. This figure directly correlates to the estimated time frame of the Plan.

Next Steps

After receipt of an urban renewal feasibility study, the Gold Beach Urban Renewal Agency and the Gold Beach City Council should decide whether they would like to pursue forming an urban renewal area in the city. This decision typically involves reviewing the financial impacts on the city and other taxing jurisdictions and a review of the boundary to ensure that it meets the needs of the city in focusing improvements in the Area. If the city determines it would like to proceed with urban renewal, the following steps should to be taken:

1. Direct the urban renewal agency to prepare an urban renewal plan.
2. Hire a consultant for preparation of an urban renewal plan.
3. Prepare a public participation plan for the development of an urban renewal plan. The plan should include opportunities for public involvement at all stages in the urban renewal planning (ORS 457.085(1)). This could be both an advisory committee and a presentation to the citizens of Gold Beach at large.
4. Consult with the impacted taxing jurisdictions.
5. Determine the timeline for proceeding. In order to capture the growth in the Area from January 1, 2012, the plan would need to be adopted by the Gold Beach City Council by September 1, 2012, as new tax rolls are typically released in October of each year. If the plan is adopted after the County Tax Assessor releases the new tax roll, then the frozen base values would be predicated on the new tax rolls (you effectively lose one year of incremental growth in the Area). This is mostly relevant if there is any new development that you are intending to capture as increment. If you do not adopt a plan before October, 2012, you do not have another time constraint until October of the following year.

Attachment A

Wetlands Map

Attachment B

ORS 457.010(1) Definition of Blight

(1) “Blighted areas” means areas that, 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, that 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 that 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 and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.

Attachment C

Alternative Funding Sources

Urban renewal typically cannot generate sufficient revenues to pay for all of the projects in an urban renewal area, especially if there are large infrastructure projects that must be undertaken. In addition, urban renewal often takes a few years to generate the revenue stream that is necessary to place tax increment bonds. If cities are intent on pursuing projects in the Area prior to the tax increment revenue stream being sufficient to fund those improvements, cities may make the decision to front the cost of the projects and get repaid from the tax increment funds once they are sufficient. This is true in areas where the infrastructure is necessary to compel the other anticipated development, and where, without the infrastructure, the area would not redevelop.

Tax increment funding may also be used as a “local match” for grants and other governmental funding. Finally, city officials may feel there needs to be a commitment by property owners and businesses to also dedicate revenues to an area that is going to be designated as an urban renewal area. The agreement to fund partial costs through Economic Improvement Districts, Business Improvement Districts, and Local Improvement Districts is evidence of property owner commitment.

Potential alternative sources of funding are listed below:

Economic Improvement District

An Economic Improvement District (EID) is typically for commercial property owners, and is authorized by ORS 223.112. An EID is a funding mechanism to enable an area to fulfill its commercial revitalization plans, including beautification and property improvements, business development recruitment and retention efforts, marketing commercial districts, and other commercial activities.

An EID may be an assessment on the value of the property (commercial property only) or it may be a fee paid by the property owner. If it is an assessment, the assessments cannot exceed 1% of the total assessed value of the properties within the proposed district. The maximum length is five years, but may be renewed indefinitely and may be voluntary or involuntary. If involuntary, it must have two-thirds support of the commercial property owners within the district. It is established through the City Council in an ordinance after two public hearings. Opposition is received either through written communication from the commercial property owner or testimony in opposition at the hearing where the property owner would also present a letter in opposition. A voluntary EID allows those

opposing the EID to opt out of the payments. It generally takes nine months to establish an EID.

Business Improvement District (BID)

A Business Improvement District (BID) is for business owners within a specified area and is authorized by ORS 223.112, the same authorization for Economic Business Districts. A BID is enacted through a business license fee imposed by the City Council after receiving a petition for the formation of the BID signed by 33% or more of persons conducting business with the proposed district. A BID is for a maximum of five years, which can be extended. If more than 33% of the persons conducting business within the district oppose the district in writing, the district and the projects it funds will be terminated. It generally takes nine months to establish a BID.

Local Improvement District

Local Improvement Districts are authorized by ORS 223 and are within the Gold Beach City Code. These bonds are secured by charges or assessments to property owners who benefit from the improvements. These assessments are usually on a proportionate share of total costs. LIDs are formed to collect the assessments. The city code allows for initiation of a LID upon the order of the council or upon the petition of owners of one-half of the property to benefit from the improvements. The city has a specific procedure for making the assessments, and liens are recorded on properties to ensure payment of the LID. Some assessment financings are secured by full faith and credit security.

A LID was used in The Dalles for assistance in streetscape projects. It was also used on a development of Keizer Station in Keizer, Oregon in conjunction with urban renewal funds. The LID was with the property owners for the construction of the streets within the area. Keizer Station has been very successful and has brought hundreds of jobs and hundreds of thousands of dollars of assessed value to the City of Keizer. A recent default by one of the property owners caused the City of Keizer to devise a method of paying the LID payments with tax increment funding from the urban renewal district.

Systems Development Charges

Revenues from systems development charges (SDCs) may be used pay for approved improvements and may be used as a revenue stream for revenue bonds. Current SDCs in the City of Gold Beach are:

- Sewer connection fee
- Transportation fee
- Water connection fee

General Obligation Bonds

General obligation (GO) bonds are backed by the full faith and credit and taxing power of the issuing jurisdiction. A general obligation bond must be approved by a ballot election in the jurisdiction. These bonds may be issued for capital construction and improvements having an expected life of more than one year. GO Bonds are supported by an unlimited tax levy outside the limits of property taxes.

Revenue Bonds

Revenue bonds may be issued by the City of Gold Beach and are repaid by a dedicated revenue stream. They are authorized under ORS 287A.150 (revenue bonds) and ORS 271.390 (revenue obligations). No property tax revenues are levied or pledged. Revenue bondholders do not have recourse of full faith and credit of the jurisdiction; these bonds are expected to be fully self-supporting. Typical revenue streams are SDCs, gas taxes, utility taxes, or other identifiable sources. Voter approval is usually not required.

Full Faith and Credit Bonds

Full faith and credit bonds are authorized under ORS 271.390 and may be issued by the City of Gold Beach. They are backed by the full faith and credit of the City, without a specific revenue source being identified other than the City's general fund. The City is required to use all legally available resources to meet its bond obligations. The City could issue bonds for improvements in the urban renewal area prior to the ability of the urban renewal area to issue its own bonds. Future revenues from the urban renewal area could be pledged to pay the City back for their expenses under the full faith and credit bond. This commitment would be in the form of a binding agreement between the City and the urban renewal agency.