



Urban Renewal

ELAINE HOWARD CONSULTING, LLC

How has Roseburg used Urban Renewal in the past?

- ▶ See display boards
- ▶ Infrastructure improvements
- ▶ Improvements in downtown

Why Urban Renewal for Diamond Lake?

- ▶ Lack of development, but not a lack of developable land
- ▶ Barriers to development
 1. Lack of basic infrastructure in the Area.
 2. Lack of appealing and basic transportation infrastructure in the Area.
 3. An overall lack of a sense of place in the Area.

Why Urban Renewal for Diamond Lake?

- ▶ Urban Renewal provides funding to address the barriers to development in the following ways:
 1. Provide basic infrastructure.
 2. Provide appealing transportation infrastructure.
 3. Beautification of the area.
- ▶ Envision changes like the transformation of the Stewart Parkway corridor between Stephens and Garden Valley from a two lane rural road with ditches on both sides to the major multi-modal transportation facility it is today

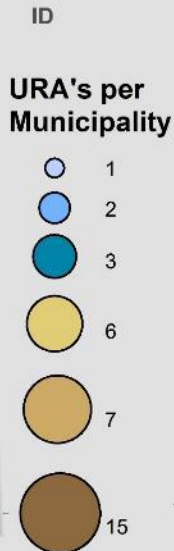
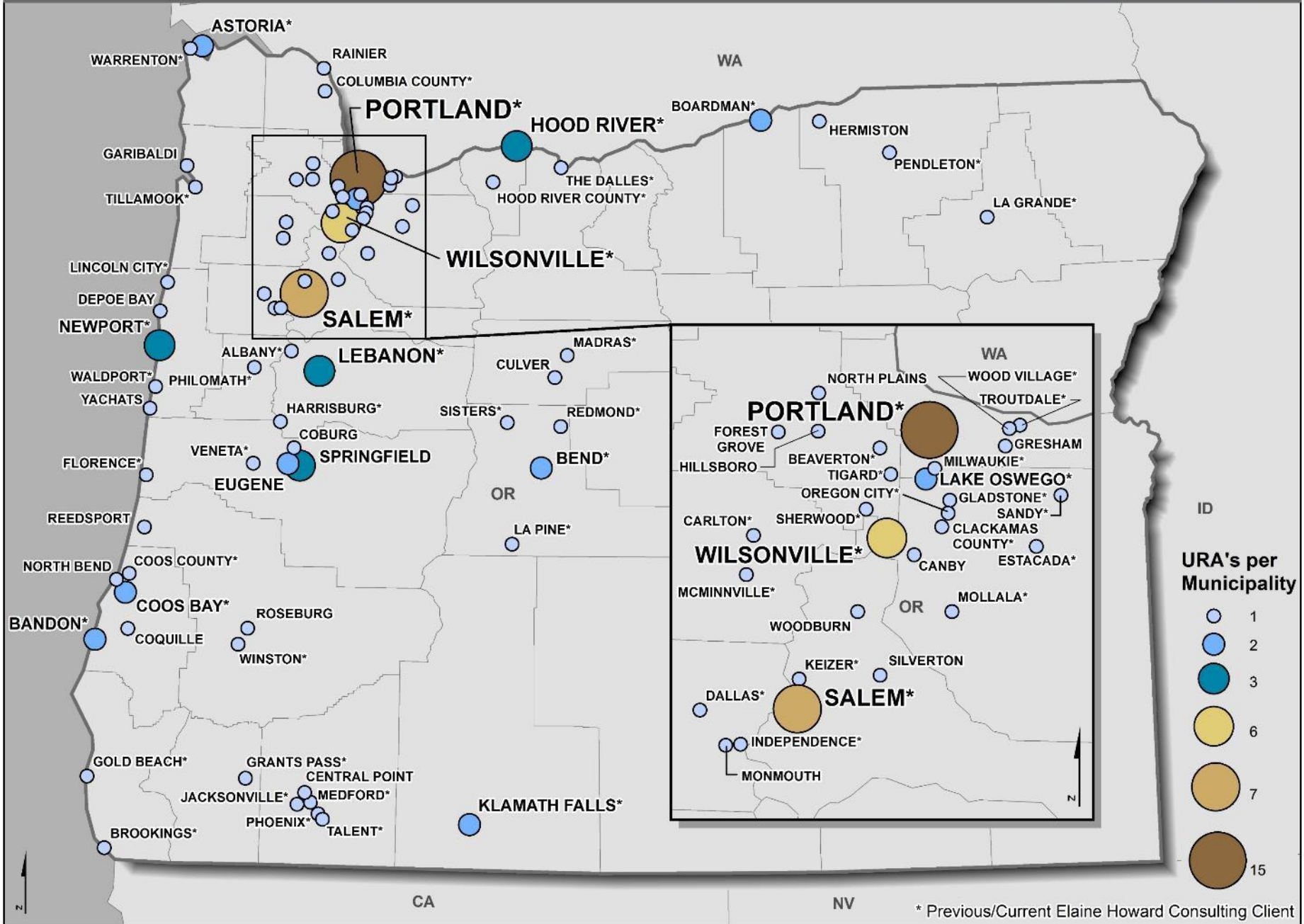
Major Project Categories in Diamond Lake Area

- ▶ Economic Development
 - Wetland mitigation and environmental cleanup
 - Infrastructure
- ▶ Housing Incentives
- ▶ Public Safety
- ▶ Transportation
 - Street improvements
 - Sidewalk improvements

What is Urban Renewal?

- ▶ A financing tool, but also a plan with projects
- ▶ Used to address “blighting” influences in specific areas
- ▶ Functions on increases in property tax revenues in “Urban Renewal Areas”
- ▶ Used all over Oregon (Map on next slide)

Cities with Urban Renewal



* Previous/Current Elaine Howard Consulting Client

What is Blight?

- ▶ Blight is a precondition to any Urban Renewal Area
- ▶ Specific criteria defined by state statute, generally covers:
 - Underdevelopment or underutilization of property
 - Poor condition of buildings
 - Inadequacy of infrastructure including streets and utilities



Diamond Lake Existing Conditions

- ▶ Lack of Sidewalks on both Diamond Lake and local connectors



How does an Area Function?

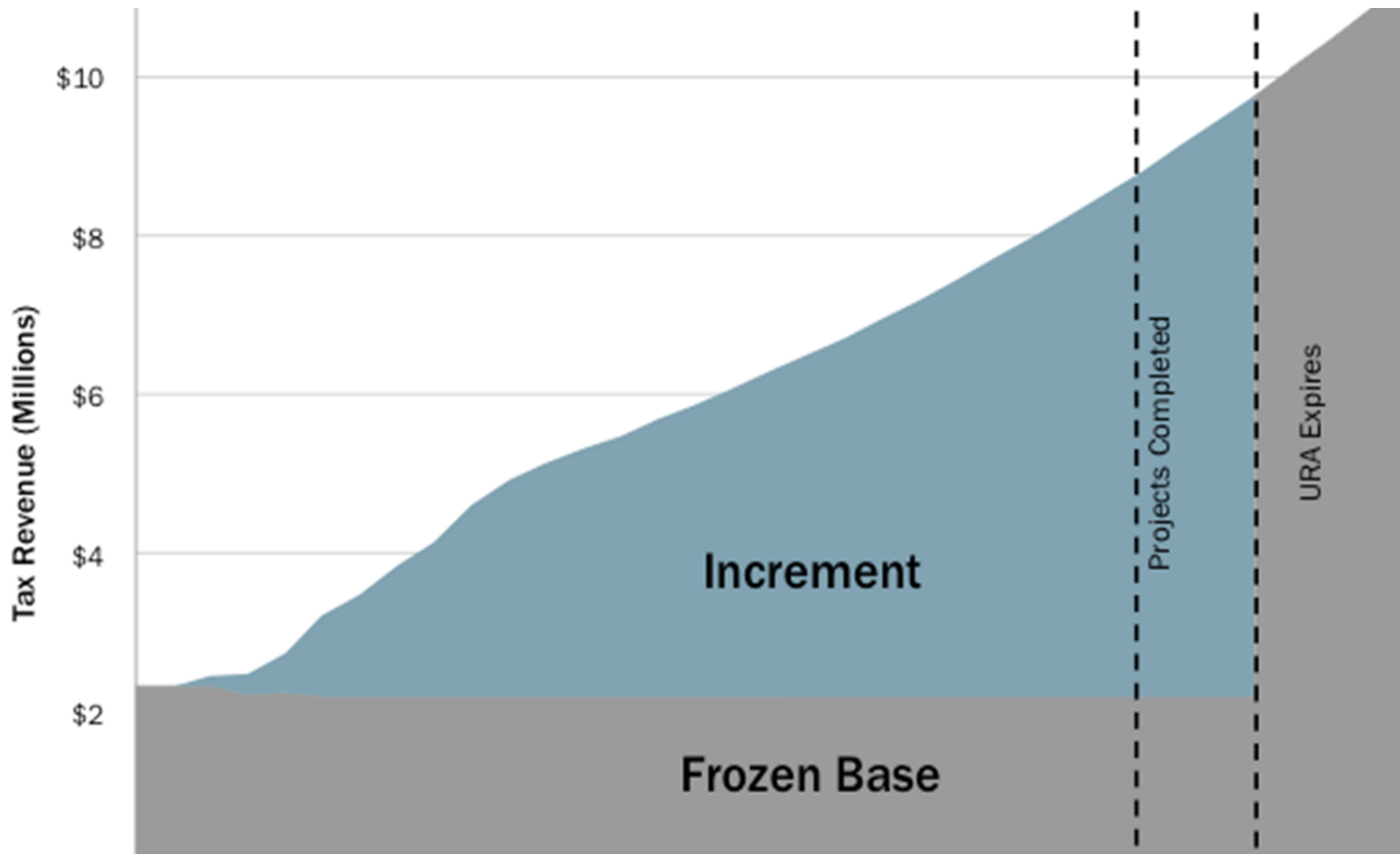
- ▶ Income Source
 - Yearly property tax collections based on growth in Boundary (more detail on mechanism in later slide)
- ▶ Expenses
 - Projects, programs, and administration
- ▶ Spending Limit
 - Bounded by Maximum Indebtedness (MI):
 - The total amount of money that can be spent over the life of the district on projects, programs, and administration.

How to determine an Urban Renewal Boundary?

▶ Must Balance:

- Blight
- Project necessity
- Potential for assessed value growth/future development
- High assessed value properties that will drive TIF revenues

How does Urban Renewal Financing Work?



A Hypothetical Property Tax Bill

		2017	2018	2018
District Name	Perm. Rates	Property Value	Property Value Without Urban Renewal	Property Value With Urban Renewal
		\$100,000	\$103,000	\$103,000
City of Roseburg	8.4774	\$847.74	\$873.17	\$847.74
4H Extension	0.06	\$6.00	\$6.18	\$6.00
Douglas County	1.1124	\$111.24	\$114.58	\$111.24
Roseburg Schools 4	4.0327	\$403.27	\$415.37	\$403.27
Umpqua Community Collge	0.4551	\$45.51	\$46.88	\$45.51
ESD Douglas Co	0.5296	\$52.96	\$54.55	\$52.96
Urban Renewal				\$44.00
Total	14.6672	\$1,466.72	\$1,510.72	\$1,510.72

Property Tax Summary

- ▶ No new taxes due to the division of taxes from Urban Renewal
- ▶ There will be a line item for Urban Renewal on your property tax bill if this Plan is adopted
- ▶ If there are bonds in the Area that were enacted prior to October 1, 2006 there will be a slight impact to property tax payers
 - Impacts to taxpayers are generally slight, on the magnitude of \$.05 - \$.50 per \$100,000 AV over the life of a district

Impacts to Taxing Districts

- ▶ Urban Renewal does not provide new money
 - Diverts funds that would go to other property tax districts
- ▶ Continue receiving taxes on frozen base
- ▶ Forego taxes on any growth in Urban Renewal area
- ▶ Growth may not have occurred but not for urban renewal

Impacts to Bonds and Local Option Levies

- ▶ Bonds and Local Option Levies issued after October 1, 2006 are not impacted by Urban Renewal
- ▶ Some Bonds and Local Option Levies issued before are, but the impacts are equalized by impacts to property tax payers
 - Impacts to taxpayers are generally slight, on the magnitude of \$.05 - \$.50 per \$100,000 AV over the life of a district

School Districts, ESDs and the State School Fund

- ▶ Schools are indirectly impacted by Urban Renewal because of the State School fund.
- ▶ State property tax revenue pool
- ▶ Equalization formula (per pupil allocation)

State Limitations on Urban Renewal

- ▶ Population under 50,000
 - 25% of Assessed Value of Property in City
 - 25% of Acreage of City
- ▶ Existing Plan limitations:
 - Can not be increased in size by more than 20% of original Plan acreage
 - Maximum Indebtedness (MI) can not increase by more than 20% of original MI, indexing
 - Concurrence

Next Steps

- ▶ Advisory Committee Meeting 3 Mar 21
- ▶ Agency Meeting April 23
- ▶ Planning Commission May 7
- ▶ City Council June 11

Questions?