



# City Center Development Agency

*The City of Tigard's Urban Renewal Agency*

2011–12 Adopted Budget | Tigard, Oregon



**City Center Development Agency  
City of Tigard**

Fiscal Year 2011-2012

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**CITY CENTER DEVELOPMENT AGENCY**

City of Tigard

13125 SW Hall Blvd.

Tigard, OR 97223

*Cover Graphic of Burnham Street, whose street reconstruction was completed in during FY 2010-11, and included the use of Urban Renewal funds and enhanced design elements. Picture taken by Meghan Carlsbad, Graphic Designer, City of Tigard is of Burnham Street*

## FY 2011-2012 BUDGET TRANSMITTAL

To the Citizens of Tigard,

As the first Executive Director of the City Center Development Agency (CCDA), it is with some sadness that I submit my fifth and last Budget Transmittal.

The City Center Development Agency is charged with the revitalization of Downtown and implementation of the Urban Renewal Plan which was approved by voters in May of 2006. The source of funding comes from tax increment financing. When the CCDA was established, the assessed value of the district was frozen. Property taxes collected on any growth in assessed value over and above the frozen base (the increment) go to the CCDA.

In prior messages, I have preached patience for two reasons. First, Tigard's Urban Renewal district is not as mature as others in the area and it takes time to build the increment. Second, new private development in the area has been slow to materialize, due to the downturn in the economy. Until the increment grows, we are limited in the type and size of projects we can undertake.

For Fiscal year 2011-12, I want to discuss expectations. There are 68 government jurisdictions with a total of 102 urban renewal districts in the state of Oregon. Tigard is the ninth most populous city with a district. One primary way to measure the size of a district is its maximum indebtedness. This is the most debt the agency can accumulate to pay for projects. Tigard's CCDA is only the 48<sup>th</sup> largest urban renewal district. The average population of agencies with smaller urban renewal districts is 7,100.

The table to the right shows how Tigard's maximum indebtedness compares to a selection of urban renewal districts that are either in the Portland Metro area, or are in cities of a population that is similar to Tigard. Of these districts, Tigard has the lowest maximum indebtedness.

All of this is background to say that Tigard chose to be a modestly sized urban renewal district. We went through a public process to establish the district and the conscious outcome of that process was to have the modestly sized district we have now. Accordingly, our expectations for the size and types of projects the district will undertake should be proportional to the size of the district.

*Oregon Urban Renewal Agencies Selected Comparisons*

City/Agency	City Population	Max. Indebtedness
<b>Albany</b>	48,770	56,000,000
<b>Canby</b>	15,165	51,150,000
<b>Gresham</b>	100,655	92,000,000
<b>Keizer</b>	36,150	45,890,384
<b>Lake Oswego</b>	36,590	58,014,000
<b>Oregon City</b>	30,405	130,000,000
<b>Pendleton</b>	17,295	33,500,000
<b>Redmond</b>	25,445	
Downtown		27,136,719
South Airport		24,675,196
<b>Roseburg</b>	21,235	77,250,133
<b>Sherwood</b>	16,420	35,347,600
<b>Springfield</b>	58,005	
Downtown		43,010,000
Glenwood		32,860,000
<b>Tualatin</b>	26,040	
Leveton		36,424,338
Central		27,707,384
<b>Wilsonville</b>	17,940	
Year 2000		92,687,423
West Side		40,000,000
<b>Woodburn</b>	23,355	29,300,000
<b>Tigard</b>	48,035	22,000,000

The FY 2011-12 Adopted Budget for the CCDA contains \$464,330 in projects based on recommendations by the City Center Advisory Commission (CCAC). In the upcoming year, we will continue the popular Facade Improvement Program. In addition, the CCDA will undertake a number of other projects, including:

- Development Opportunity Studies and Real Estate Consulting
- Downtown Marketing Implementation
- Downtown Gateways at two locations
- Wayfinding Implementation
- Parking Management Assistance
- Burnham Street Public Parking Lot
- Carry-Over Projects from FY 2010-11

All of these projects will be paid for by loans from the City of Tigard that will be repaid during the fiscal year. Additionally, staff has researched the viability of securing private financing. This is now a possibility for the CCDA. Due to the nature of this funding source, it should be used when a major project or land purchase has been identified. These projects and the potential for private funding of additional work are proportional to the expectations of where CCDA should be for its age, economic condition, and size.

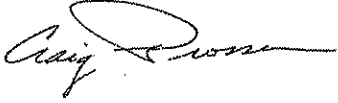
What is amazing is the amount that local government has invested in the urban renewal district. While the CCDA may be modestly sized, it brings attention and investment that may not exist without the district. Over the last several years public projects such as Burnham Street, improvements at the intersections of Pacific Highway with Greenburg/Main and Hall Boulevard have invested over \$18 million in public funds from the CCDA, City of Tigard, Washington County, and State of Oregon. In the next two years, Main Street will be improved with another \$3.7 million from the CCDA, City of Tigard and Metro; plus \$1.7 million in parks acquisition and development is now possible due to the voter approved parks bond that passed in November 2010. The parks bond allows up to ten percent of the proceeds to be used in Downtown. Including the parks bond and the Main Street projects, total public investment in the district as of the end of FY 2012-13 will exceed \$23 million

We have also been fortunate to see some development in the urban renewal district. There has been \$10 million in non-profit development for the Knoll at Tigard senior housing development. This development will not add to the increment since it is exempt from property tax, but we hope it will spur private development in the district. According to building permit records, there has been \$7 million in private investment, including new development, tenant improvements and building upgrades. As the economy continues its slow climb out of the recession, we need to see more investment from the private side to assist with the development of the CCDA.

The objective of the City Center Development Agency is to engage stakeholders and foster economic development in the Downtown. Despite the economic downturn, property and business owners will be engaged to plan for the future, and set up partnerships that can be acted upon when the economy improves.

The Agency is fortunate to have an engaged and committed citizen advisory body, the City Center Advisory Commission (CCAC), which has made recommendations on many critical issues implemented in this budget. I am optimistic that this year's budget and the projects that are currently underway, will position the Urban Renewal District for further revitalization and investment from public and private entities.

Respectfully submitted,

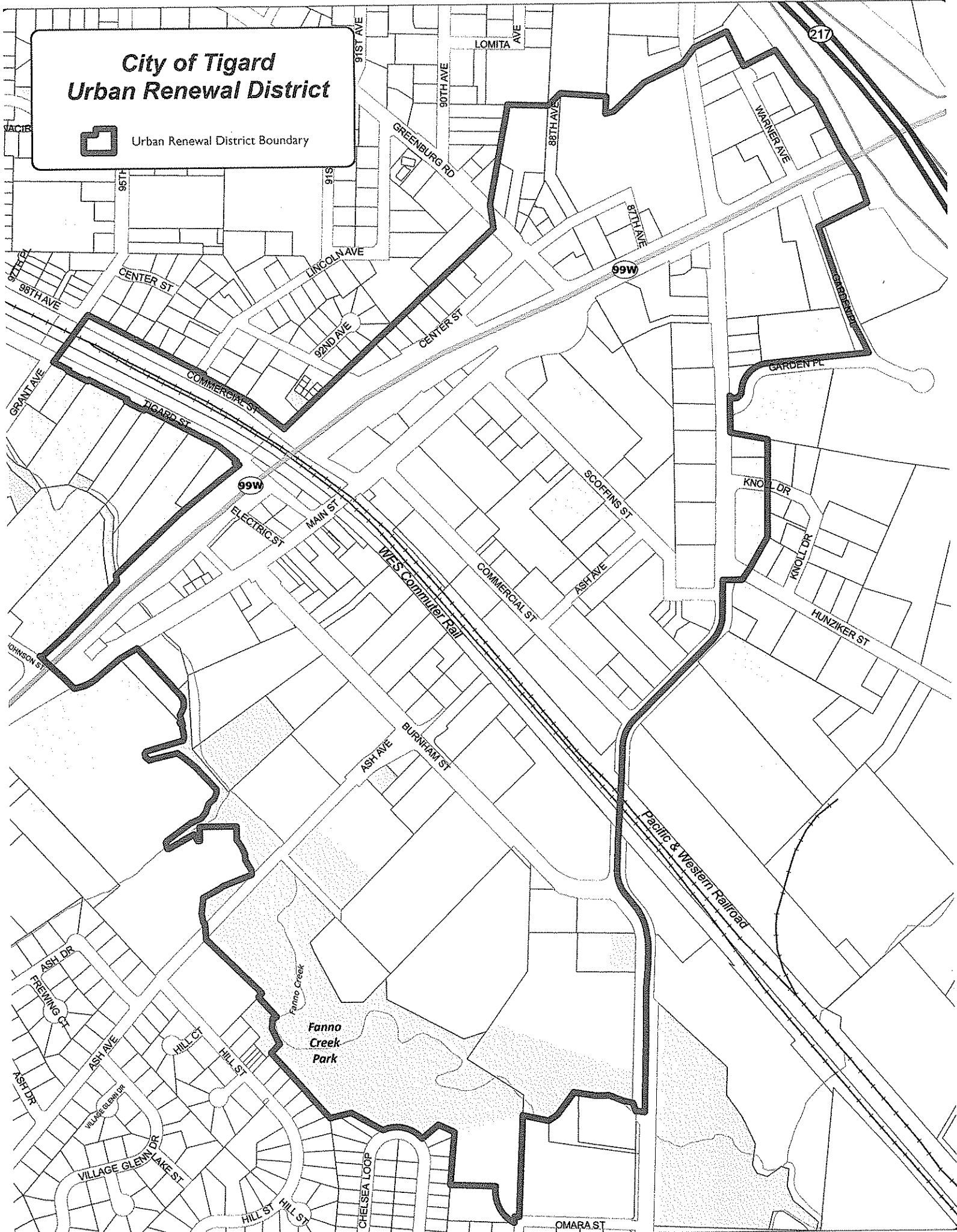
A handwritten signature in black ink, appearing to read "Craig Prosser". The signature is fluid and cursive, with a large loop at the beginning and a long horizontal stroke at the end.

Craig Prosser  
Executive Director

# City of Tigard Urban Renewal District



Urban Renewal District Boundary



## CITY CENTER URBAN RENEWAL AGENCY FACTS

District Formation Date.....	May 2006
District Size (acres) .....	193.71
District Tax Lot Area (acres):.....	144.14
District Right-of-Way Area (acres).....	49.57
Base Assessed Value .....	\$69,207,378
Assessed Value (2011) .....	\$95,604,035
Annual taxes levied (projected 2012) .....	\$300,000
Maximum Debt Limit:.....	\$22,000,000
Debt Issued (2010):.....	\$393,687
Remaining Debt Limit.....	\$22,000,000

## Capital Project Funds - Urban Renewal Capital Improvements

Description	FY 2009 Actual	FY 2010 Actual	2011 Revised	2012 Proposed	2012 Approved	2012 Adopted	Adopted vs FY 11 Revised
<b>Resources</b>							
40000 - Beginning Fund Balance	0	27,967	42,500	0	0	89,330	110.2%
<b>Total Beginning Fund Balance</b>	<b>0</b>	<b>27,967</b>	<b>42,500</b>	<b>0</b>	<b>0</b>	<b>89,330</b>	<b>110.2%</b>
44501 - Intergovernmental Revenue	323,616	17,020	449,000	375,000	375,000	375,000	-16.5%
<b>Total Intergovernmental</b>	<b>323,616</b>	<b>17,020</b>	<b>449,000</b>	<b>375,000</b>	<b>375,000</b>	<b>375,000</b>	<b>-16.5%</b>
49100 - Transfer In from General Fund	0	70,071	0	0	0	0	0.0%
<b>Total Transfers In</b>	<b>0</b>	<b>70,071</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>Total Resources</b>	<b>323,616</b>	<b>115,058</b>	<b>491,500</b>	<b>375,000</b>	<b>375,000</b>	<b>464,330</b>	<b>-5.5%</b>
<b>Requirements</b>							
<b>Program Expenditures</b>							
Program Expenditures	0	0	0	0	0	0	0.0%
<b>Total Transfers Out</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0%</b>
<b>Total Work in Progress</b>	<b>295,649</b>	<b>72,613</b>	<b>491,500</b>	<b>375,000</b>	<b>375,000</b>	<b>464,330</b>	<b>-5.5%</b>
<b>Total Budget</b>	<b>295,649</b>	<b>72,613</b>	<b>491,500</b>	<b>375,000</b>	<b>375,000</b>	<b>464,330</b>	<b>-5.9%</b>
Reserve for Future Exp	27,967	42,445	0	0	0	0	0.0%
<b>Total Requirements</b>	<b>323,616</b>	<b>115,058</b>	<b>491,500</b>	<b>375,000</b>	<b>375,000</b>	<b>464,330</b>	<b>-5.5%</b>

## Debt Service Funds - Urban Renewal Debt Service

Description	FY 2009 Actual	FY 2010 Actual	2011 Revised	2012 Proposed	2012 Approved	2012 Adopted	Adopted vs FY 11 Revised
<b>Resources</b>							
40000 - Beginning Fund Balance	39,662	157,579	414,993	384,818	384,818	384,818	-7.3%
<b>Total Beginning Fund Balance</b>	<b>39,662</b>	<b>157,579</b>	<b>414,993</b>	<b>384,818</b>	<b>384,818</b>	<b>384,818</b>	<b>-7.3%</b>
40100 - Current Property Taxes	115,019	253,283	211,000	300,000	300,000	300,000	42.2%
40101 - Prior Year Property Taxes	0	2,318	1,600	0	0	0	-100.0%
<b>Total Taxes</b>	<b>115,019</b>	<b>255,601</b>	<b>212,600</b>	<b>300,000</b>	<b>300,000</b>	<b>300,000</b>	<b>41.1%</b>
47000 - Interest Earnings	2,898	895	6,225	3,455	3,455	3,455	-44.5%
<b>Total Interest Earnings</b>	<b>2,898</b>	<b>895</b>	<b>6,225</b>	<b>3,455</b>	<b>3,455</b>	<b>3,455</b>	<b>-44.5%</b>
<b>Total Resources</b>	<b>157,579</b>	<b>414,076</b>	<b>633,818</b>	<b>688,273</b>	<b>688,273</b>	<b>688,273</b>	<b>8.6%</b>
<b>Requirements</b>							
<b>Program Expenditures</b>							
Program Expenditures	0	0	0	0	0	0	0.0%
<b>Total Debt Service</b>	<b>0</b>	<b>0</b>	<b>249,000</b>	<b>375,000</b>	<b>375,000</b>	<b>375,000</b>	<b>50.6%</b>
<b>Total Budget</b>	<b>0</b>	<b>0</b>	<b>249,000</b>	<b>375,000</b>	<b>375,000</b>	<b>375,000</b>	<b>33.6%</b>
Reserve for Future Exp	157,579	414,076	384,818	313,273	313,273	313,273	-18.6%
<b>Total Requirements</b>	<b>157,579</b>	<b>414,076</b>	<b>633,818</b>	<b>688,273</b>	<b>688,273</b>	<b>688,273</b>	<b>8.6%</b>

## **FY 2011-2012 Urban Renewal Projects**

### **Main Street Green Street Related Projects**

#### **Burnham Street Public Parking Lot- \$50,000**

Description: Build a public parking lot on two City-owned parcels on Burnham Street. As a companion project to the Main Street project, the lot will provide additional parking options and flexibility in managing parking in the downtown.

#### **Parking Management Assistance-\$5,000**

This project would fund a consultant to assist in the development of a parking management plan for Main Street.

#### **Wayfinding Implementation-\$15,000**

The City has obtained a Metro grant to fund a wayfinding plan and walking map. This project would pay for the design and installation of signage, including directional signage to public parking that would be installed in conjunction with Main Street Green Street streetscape improvements.

### **Downtown Gateways - \$120,000**

Gateways demark entrances to the Downtown and create an identity for the District. One gateway was installed at the intersection of Burnham and Hall and another is planned for the intersection of Hall and Pacific Hwy. This project would fund the design and construction of two additional gateway walls at the northern and southern entrances of Main Street and Pacific Highway. The construction will be coordinated with the Main Street Green Street project.

### **Façade Improvement Program-\$75,000**

The program has awarded three matching grants for a total of \$39,195 (one completed, two in progress) to property owners. Five additional property/business owners have received architectural design assistance (one owner used a suggested design for a sign without requesting a grant).

This project includes up to \$22,500 available for architectural design assistance and \$52,500 available for matching grants.

### **Development Opportunity Studies and Real Estate Consulting- \$60,000**

This project consists of funding professional services (in real estate development and economics, architecture, and other needed specialists) to foster the opportunities for the redevelopment and/or renovation of properties. A major program will be development opportunity studies to provide business and property owners the technical assistance and resources to assess the feasibility of redeveloping properties in the urban renewal district. Eligible pre-development activities include architectural, planning, and engineering studies, and real estate market and financial analysis. The goal is to increase the tax increment revenues in the urban renewal district.

### **Downtown Marketing Implementation- \$50,000**

The Agency has engaged the services of a consultant to work with Downtown business and property owners and other stakeholders to develop a marketing strategy for Main Street/Downtown. While the consultant's final recommendations are not due until June, this proposed technical assistance project would pay for consultant services to implement the recommendations, and funds for marketing and promotional materials.

**Carry Over-\$89,330**

Crry-over projects are projects started in prior fiscal year that are contractually obligated but were not completed. The unspent budget from the prior fiscal year is added to the beginning fund balance for this fiscal year and provides the funding source for the projects. The carry-over of funds include \$50,150 for the Façade Improvement Grant Program, \$20,000 for consulting work for the Circulation Plan refinement; \$8,000 for consulting fees for the Main Street Art consultant; \$6,000 for review of the Urban Renewal Plan by Leland Consulting; \$5,180 for carryover for the Real Estate Consulting Services with Shiels Obletz Johnsen.

<b>Total Budgeted Projects: \$464,330</b>
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