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)
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

<table>
<thead>
<tr>
<th>District Name</th>
<th>Perm. Rates</th>
<th>Property Value</th>
<th>Property Value Without Urban Renewal</th>
<th>Property Value With Urban Renewal</th>
</tr>
</thead>
<tbody>
<tr>
<td>City of Roseburg</td>
<td>8.4774</td>
<td>$847.74</td>
<td>$873.17</td>
<td>$847.74</td>
</tr>
<tr>
<td>4H Extension</td>
<td>0.06</td>
<td>$6.00</td>
<td>$6.18</td>
<td>$6.00</td>
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<tr>
<td>Douglas County</td>
<td>1.1124</td>
<td>$111.24</td>
<td>$114.58</td>
<td>$111.24</td>
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<tr>
<td>Roseburg Schools 4</td>
<td>4.0327</td>
<td>$403.27</td>
<td>$415.37</td>
<td>$403.27</td>
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<tr>
<td>Umpqua Community Collge</td>
<td>0.4551</td>
<td>$45.51</td>
<td>$46.88</td>
<td>$45.51</td>
</tr>
<tr>
<td>ESD Douglas Co</td>
<td>0.5296</td>
<td>$52.96</td>
<td>$54.55</td>
<td>$52.96</td>
</tr>
<tr>
<td>Urban Renewal</td>
<td>0.5296</td>
<td>$52.96</td>
<td>$54.55</td>
<td>$52.96</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>14.6672</strong></td>
<td><strong>$1,466.72</strong></td>
<td><strong>$1,510.72</strong></td>
<td><strong>$1,510.72</strong></td>
</tr>
</tbody>
</table>

2017: $100,000  
2018: $103,000  
2018: $103,000
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
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?