



# CORNELIUS URBAN RENEWAL PLAN

## ACCOMPANYING REPORT

July 2019





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Cornelius Urban Renewal Plan adopted by the City of Cornelius

July 15, 2019

Ordinance No. 2019-09

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## I. INTRODUCTION

The Report Accompanying the Cornelius Urban Renewal Plan (Report) contains background information and project details that pertain to the Cornelius Urban Renewal Plan (Plan). The Report is not a legal part of the Plan but is intended to provide public information and support the findings made by the Cornelius City Council as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.085(3), including financial feasibility. The Report accompanying the Plan contains the information required by ORS 457.085, including:

- A description of the physical, social, and economic conditions in the area;(ORS 457.085(3)(a))
- Expected impact of the Plan, including fiscal impact in light of increased services; (ORS 457.085(3)(a))
- Reasons for selection of the Plan Area; (ORS 457.085(3)(b))
- The relationship between each project to be undertaken and the existing conditions; (ORS 457.085(3)(c))
- The estimated total cost of each project and the source of funds to pay such costs; (ORS 457.085(3)(d))
- The estimated completion date of each project; (ORS 457.085(3)(e))
- The estimated amount of funds required in the Area and the anticipated year in which the debt will be retired; (ORS 457.085(3)(f))
- A financial analysis of the Plan; (ORS 457.085(3)(g))
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area; (ORS 457.085(3)(h)) and
- A relocation report. (ORS 457.085(3)(i))

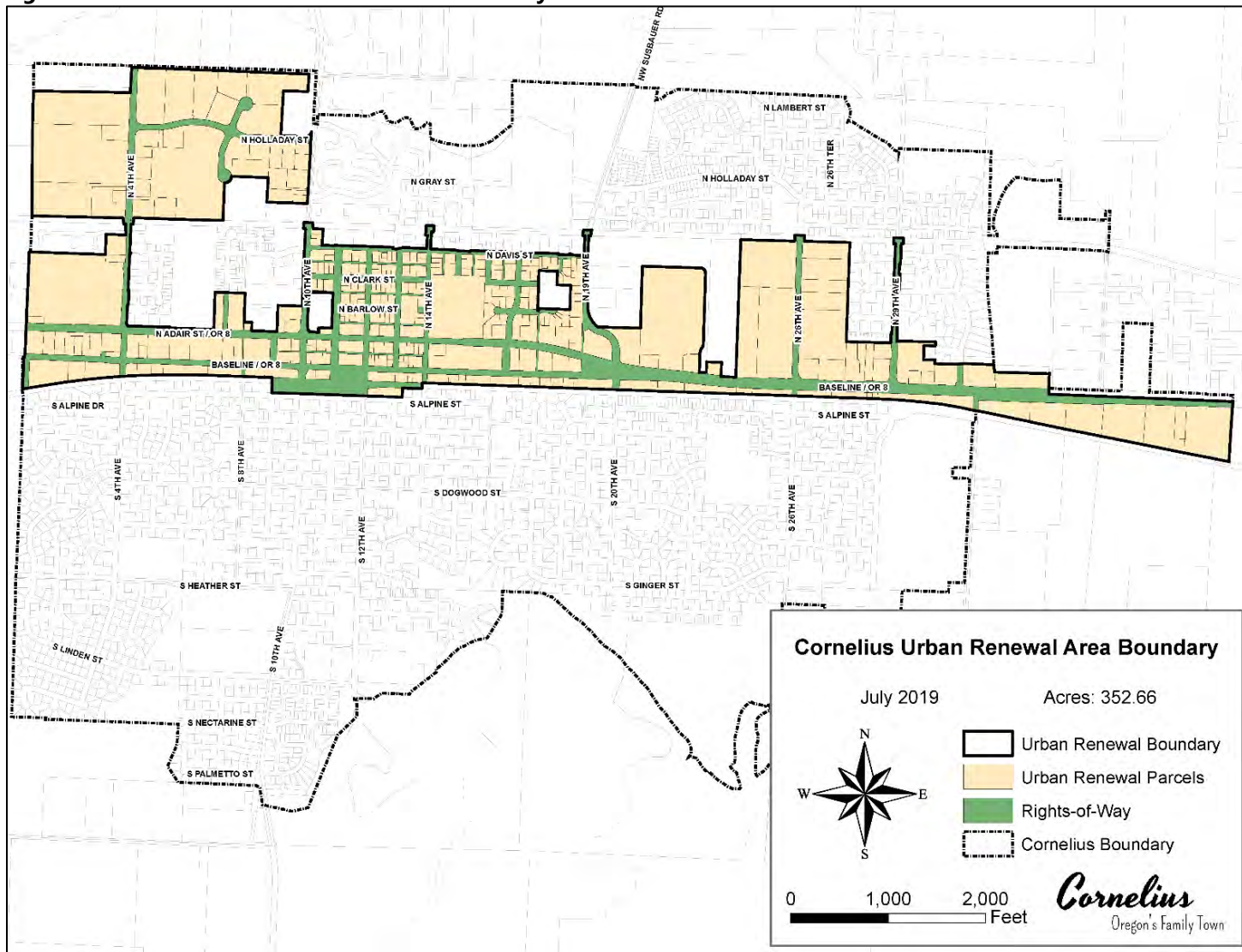
The relationship of the sections of the Report and the ORS 457.085(3) requirements is shown in Table 1. The specific reference in the table below is the section of this Report that most addresses the statutory reference. There may be other sections of the Report that also address the statute.

**Table 1 - Statutory References**

Statutory Requirement	Report Section
ORS 457.085(3)(a)	X
ORS 457.085(3)(b)	XI
ORS 457.085(3)(c)	II
ORS 457.085(3)(d)	III
ORS 457.085(3)(e)	VI
ORS 457.085(3)(f)	IV,V
ORS 457.085(3)(g)	IV,V
ORS 457.085(3)(h)	VIII
ORS 457.085(3)(i)	XII

The Report provides guidance on how the urban renewal plan might be implemented. As the Cornelius Urban Renewal Agency (Agency) will review revenues and potential projects each year, it has the authority to make adjustments to the implementation assumptions in this Report. The Agency may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different timeframes than projected in this Report, and make other adjustments to the financials as determined by the Agency. The Agency may also make changes as allowed in the Amendments section of the Plan. These adjustments must stay within the confines of the overall maximum indebtedness of the Plan.

**Figure 1 - Cornelius Urban Renewal Area Boundary**



Source: City of Cornelius

## II. THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

The projects identified for the Area are described below, including how they relate to the existing conditions in the Area.

### A. *Transportation*

**Reconstruct downtown couplet alleyways with pedestrian amenities and decorative features** – These treatments include but are not limited to stormwater-friendly surfacing, bulbouts at entrances, special paving, lighting, minor furnishings, minor landscaping (planter boxes), utility work (drainage), curb extensions with driveway aprons at street entries, miscellaneous building adjustments.

Existing conditions: The alleyways are important to allow for increased transportation connectivity in the Area. The high volumes and speeds on the downtown couplet are not conducive to pedestrian activity, so finding an alternate way to provide increased transportation connectivity and safety is important. These improvements were identified in the Cornelius Town Center Plan (Town Center Plan).<sup>1</sup>

**Core Neighborhood alleyway improvements** – Install concrete alleyway improvements to improve connectivity and reduce maintenance.

Existing conditions: The alleyways are important to allow for increased transportation connectivity and site access in the Area. Alleyways within the Core Neighborhood are typically gravel and overgrown; these improvements will reduce maintenance burden on the City and increase flow throughout the neighborhood. While these improvements were not specifically identified in the Town Center Plan, they directly complement the vision of the Core Neighborhood subdistrict.

**Alleyway connection road treatments (11th, 12th, 13th, 14th Avenues)** – Install colored or textured street crossings to reinforce connectivity.

Existing conditions: The street crossing treatments are important to allow for increased transportation connectivity in the Area. They enforce a continuation of the couplet alleyway treatments. The high volumes and speeds on the downtown couplet are not conducive to pedestrian activity, so finding an alternate way to provide increased transportation connectivity and safety is important. The TSP called for “Enhancements, such as marked and signed crosswalks, can be considered to increase driver awareness of potential pedestrian.”<sup>2</sup>

**Other downtown street crossing treatments** – Install colored or textured street crossings to reinforce connectivity.

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<sup>1</sup> 3J Consulting *Cornelius Town Center Plan*, (2019) 3J Consulting with partners DKS Associates; ECONorthwest; Elaine Howard Consulting, LLC; JET Planning; SERA Architects; Tiberius Solutions, LLC; Veritas Collaborations; Centro Cultural de Washington County.

<sup>2</sup> DKS Associates. *City of Cornelius Transportation System Plan*, , February 5, 2018, p. 3-4.

Existing conditions: The street crossing treatments are important to allow for increased transportation connectivity in the Area. The high volumes and speeds on the downtown couplet are not conducive to pedestrian activity, so finding an alternate way to provide increased transportation connectivity and safety is vital. The TSP called for “Enhancements, such as marked and signed crosswalks, can be considered to increase driver awareness of potential pedestrian.”<sup>3</sup>

**1st Avenue pathway connectivity** – Construct a pedestrian-friendly connection between Baseline and N Adair Street at 1st Avenue.

Existing conditions: This transportation connection does not exist. The pedestrian connections in this area are deficient. These improvements were identified in the Cornelius Transportation System Plan (TSP) in Figure 5-1.<sup>4</sup>

**Close-in Neighborhood Frontage Improvements** – Install sidewalk improvements including the planting of street trees.

Existing conditions: There is an incomplete sidewalk system in the close-in neighborhood. The lack of sidewalks contribute to unsafe pedestrian connections in the Area. These deficiencies are identified in the TSP on Figure 3-2 and on page 5-1.

**Core Neighborhood pathways** – Improve the core neighborhood pathway system, particularly around Cornelius Elementary.

Existing conditions: The Cornelius Elementary School site creates a barrier for east-west and north-south walking trips. Potential redevelopment of the site provides an opportunity to facilitate continuous walking paths across the edges of the site at N Clark Street and at N 16th Avenue. This project is identified in the Cornelius Town Center Plan.

**Fred Meyer road frontage improvements** – Install improvements to the Haney site which is defined as North 26th Avenue to Lot 3. Improvements include street and frontage improvements for N Davis Street.

Existing conditions: These improvements do not exist. They are identified as project P25 in the TSP.<sup>5</sup>

**Access management plan with ODOT** – Work with ODOT to prepare an access management plan to help facilitate development of properties and safe access along the ODOT right-of-way (OR 8) at the eastern end of town.

Existing conditions: There are many undeveloped and underdeveloped properties along the ODOT right-of-way, known as OR 8 or TV Highway. An access management plan can help facilitate future development of these properties and safe access to the highway and transit services.

**Downtown bike racks, garbage cans, and benches** – Install bike racks, garbage cans, and benches that fit with the current streetscape.

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<sup>3</sup> *ibid.* p. 3-4.

<sup>4</sup> *ibid.* p. 5-8.

<sup>5</sup> *ibid.* p. 5-5.



Existing conditions: Although there are some pedestrian amenities in the Area, additional pedestrian amenities will enhance the Area. Bike racks are provided at upgraded bus stops on Baseline at N 12<sup>th</sup> Avenue and N 14<sup>th</sup> Avenue. The TSP identifies that “available bicycle parking in Cornelius is quite low. Increased bicycle parking is needed to support and promote bicycling as a mode of transportation.”<sup>6</sup>

**Bus stops/amenities** – Add and upgrade transit stop amenities as needed, to include sheltered stops with seating, landing pads, route information, bicycle parking and improved lighting.

Existing conditions: The TSP states “TriMet bus shelters are needed at the Baseline Street/19<sup>th</sup> Avenue and Baseline Street/14<sup>th</sup> Avenue bus stops based on the number of daily boardings.”<sup>7</sup> The TSP identifies that “available bicycle parking in Cornelius is quite low. Increased bicycle parking is needed to support and promote bicycling as a mode of transportation.”<sup>8</sup>

**North 29th Avenue Frontage Improvements** – Supplement Community Development Block Grant (CDBG), Washington County Transit Development Tax, and other funding sources for frontage improvements including curb, gutter, sidewalk, street trees, street lights and utility undergrounding.

Existing conditions: The TSP identifies N 29<sup>th</sup> Avenue as a priority location for sidewalk infill needs.<sup>9</sup>

**Neighborhood Trailheads** – Provide neighborhood trailheads on future Council Creek Regional Trail that include light landscaping, simple signage, light paving for access, fencing and bollards.

Existing conditions: These neighborhood trailheads do not exist. They are generally identified in the Council Creek Regional Trail Master Plan<sup>10</sup>, the Cornelius Parks Master Plan<sup>11</sup>, and the TSP.<sup>12</sup>

**North Holladay Extension (4th Avenue to City Boundary)** – Extend Holladay Street from 4th Avenue to the west city limits, construct as an Industrial Collector, with sidewalks and bike lanes. Alignment should connect with a future street extension from Yew Street. (Maximum urban renewal expenditure 50% of project costs)

Existing conditions: This section of roadway does not exist, but is a desired component of an efficient transportation network and will help provide transportation improvements that will allow for future development. This extension is identified in the TSP<sup>13</sup> and subject to a signed Memorandum of Understanding between the Cities of Cornelius and Forest Grove.

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<sup>6</sup>ibid. p. 3-11.

<sup>7</sup>ibid. p. 3-19.

<sup>8</sup>ibid. p. 3-11.

<sup>9</sup> ibid. p. 3-8.

<sup>10</sup> Parametrix. *Council Creek Trail Master Plan*, August 2015.,p. 62.

<sup>11</sup> *City of Cornelius Parks Master Plan*, October 2009.

<sup>12</sup>DKS Associates. *Cornelius Transportation Systems Plan*, February 5, 2018. p. 5-5.

<sup>13</sup>ibid. p. 3-35.

**Add bulbouts along 11th - 14th Avenues between Adair and Davis Streets** – Extend the sidewalk area into the parking lane to provide a more convenient and comfortable pedestrian connection.

Existing conditions: The existing transportation network can be improved by pedestrian safety measures. These features are included in the City's updated Public Works Standards (March 2017).

### ***B. Developer Incentives***

**Town Center Core façade improvement grant program** – Establish a Façade Improvement Program. Preliminary plans include the first \$5k as a grant, and then requiring 1:1 match up to \$30k city expenditure. Further guidelines on how the Façade Improvement Program will be operated will be developed by the Agency once the Plan is adopted.

Existing conditions: There are many properties within the Area that could benefit from façade improvements. There is no present funding source for this program.

**Cost Share Program for frontage improvements (sidewalks) for highway commercial development** – Establish a Cost Share Program that would provide a 50% of total frontage improvement cost (1:1 match) to be offered to developers in the following locations: South side of Baseline, 4th to 10th and Mi Casita to 345th; this offer would also include select couplet properties with 2+ frontages. Treatment includes curb, gutter, sidewalk, street trees, street lights, and utility undergrounding. Further guidelines on how the Cost Share Program will be operated will be developed by the Agency once the Plan is adopted.

Existing conditions: Frontage improvements are required by the Cornelius Municipal Code. The cost of these improvements may make development economically infeasible. These specific parcels are undeveloped and if developed would contribute to the vitality of the Area.

**Downtown blighted building demos** – Assist in demolition of blighted buildings in the Area to prepare the sites for future development.

Existing conditions: There are buildings within the Area that are dilapidated and may create an attractive nuisance, need to be demolished to provide for future development.

**Design and development assistance** – Establish a fund to assist with development assistance. Further guidelines on how the Development and Design Assistance Program will be operated will be developed by the Agency once the Plan is adopted.

Existing conditions: There is a desire for additional development in Cornelius. There is presently no program that can provide this type of assistance.

**Targeted SDC waivers/reductions** – Waive or reduce System Development Charges (SDC)s on specific properties of interest. Further guidelines on how the SDC Waiver/Reduction Program will be operated be developed by the Agency once the Plan is adopted.

Existing conditions: SDCs are an additional cost to developing property in the Area. The city desires additional development in Cornelius. There is presently no program that can provide this type of assistance.

### **C. Acquisition**

An acquisition program will be established. Prior to any property being acquired, it must be identified in the Plan. The following properties are specified identified for future acquisition:

**Western States Fire Apparatus building acquisition and redevelopment into indoor farmer's market** – This project authorizes the purchase of the Western States Fire Apparatus building and also the costs incurred to bring it up to current seismic standards.

Existing conditions: The Western States Fire Apparatus building is underutilized and in need of repair including bringing it up to current seismic standards. The costs of this acquisition and rehabilitation has thus far prohibited the development of this property.

**Railroad Right of Way (ROW) property acquisition** – This project authorizes the purchase of the Railroad ROW within the Area; assumes state grants for brownfield cleanup.

Existing conditions: The railroad ROW is undeveloped and is providing no productive use to the Area.

**Purchase and demolition house adjacent to Cornelius Library, develop for parking** – Purchase, demolition, paving, striping, landscaping, and frontage costs for a parking lot adjacent to City Hall.

Existing conditions: The Cornelius library was completed in 2019. There is a need for additional off-street parking to serve the facility. This parcel can provide that additional off-street parking.

**Estby purchase and brownfield remediation** –Purchase, demolition; assumes state grants for cleanup.

Existing conditions: This parcel is vacant and has potential needs for brownfield remediation. It is a key development parcel in the Area.

### **D. Creating Community**

**New "Welcome to Cornelius" sign on west side; easement acquisition** – Design, construct and install a monument similar to the monument on east side of City.

Existing conditions: There is a wooden welcome sign on the west side of Cornelius. The City desires to improve the quality and condition of the west-side entrance to the city.

**Add electrical conduit and service** – Add electrical conduit and service to downtown.

Existing conditions: There is no electrical conduit within the downtown. The City desires to add electrical conduit to facilitate future events downtown.

**Decorative informational signs** – Design, construct and install decorative informational signs.

Existing conditions: There are no informational signs in Cornelius. The City desires to add decorative informational signs to assist with wayfinding and tourism.

**Convert downtown streetlights** – Convert downtown streetlights to LED and Option C (City owned & maintained).

Existing conditions: The existing street lights are Option B and high pressure sodium. Converting them to LED and Option C lights will improve the energy efficiency and allow the city to maintain the lights in the future.

**Splash Pad and Plaza** – Design and install a plaza with pavement, utilities, furnishings, lighting, landscaping, art, shelter, splash pad fountain and signage.

Existing conditions: There are few outdoor central gathering spaces for residents of Cornelius. This plaza including the splash pad was one of the items specifically identified as a result of the community input on the Cornelius Town Center Plan.<sup>14</sup>

**Town Center Gateway Features** – Design, construct and install five gateways (3 along highway couplet, 2 at north/south arterials). Gateway features may include but are not limited to signage, flag poles, landscaping, lighting, art piece, curb extensions and utility work.

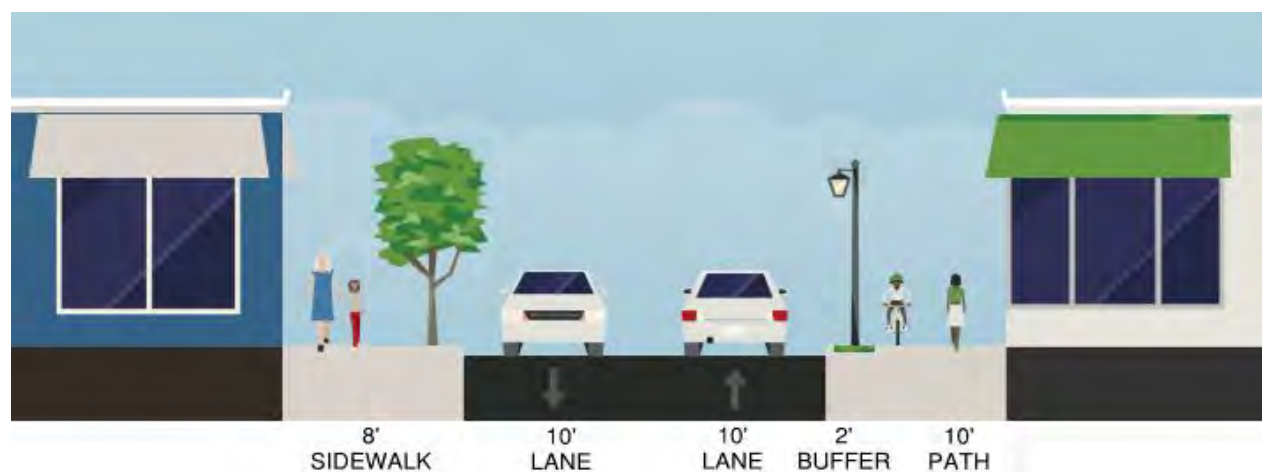
Existing conditions: There are no Town Center Gateway features in Cornelius. The City received abundant feedback during the Town Center development process that gateways were needed to better identify the Town Center district.

**Public Art Program** – Develop a program to support and incentivize public art installations.

Existing conditions: There is no public art program in Cornelius.

**14th Avenue Greenway Treatments** – Provide a multi-modal connection between the Town Center and the planned Council Creek regional trail to the north and the Tualatin River to the south (Alpine Street to Council Creek Regional Trail within the Urban Renewal Area). The greenway would have a unique cross-section to promote walking and biking trips. The available right-of-way is generally 40-foot wide and constrained with existing fronting development. The cross-section elements would include:

- Two travel lanes with narrow width (10 feet) to control vehicle speeds
- Parking bays on one side of the street provided intermittently as space allows



<sup>14</sup> Cornelius Town Center Plan, 3J Consulting team, 2019.



- 10-foot wide sidewalk on the west side of the street with trees in tree wells to buffer the vehicle travel lanes
- 10-foot-wide multiuse path on east side of the street to serve walking and biking trips
- Crosswalks at each intersection
- Curb extensions at crosswalks adjacent to a parking bay
- Pedestrian scale street lighting for safety and comfort
- Art and wayfinding features

The multiuse path on the east side of 14<sup>th</sup> Avenue would serve pedestrians and cyclists in both directions. Pavement markings and signage would help to clarify how users should share the path. A narrow buffer between the pathway and the travel lane would improve the comfort of using the pathway and provide a space for street lighting.

A wayfinding system with signing and/or pavement markings would guide pathway users to local and regional destinations.

Existing conditions: 14<sup>th</sup> Avenue has existing transportation deficiencies as identified in the TSP. These include sidewalk gaps and lack of adequate pedestrian crossings and motor vehicle crashes. There is no greenway treatment in the area designated for greenway treatments in this project. Improvements to 14<sup>th</sup> Avenue are identified in the TSP as project no. P8. The 14<sup>th</sup> Avenue greenway is also identified as an improvement in the Cornelius Town Center Plan.

**Add shepherd's crook lights** – Add shepherd's crook lights between Adair Street and Barlow, Street 11th -14th Avenues.

Existing conditions: There are no shepherd's crook lights in this area nor any other street lighting.

**Connections and equipment for downtown holiday lighting** – Purchase and installation of equipment for downtown holiday lighting.

Existing conditions: There are insufficient connections and equipment for a robust downtown holiday lighting program.

**Community Investment Trust property (CIT) Property** – Assumes turning vacant railroad property next to Veterans Memorial Park into Community Investment Trust property.

Existing conditions: There is a desire in Cornelius to establish a CIT that would be able to pursue future development keeping properties affordable for the future. Assisting in this acquisition could help facilitate this desire.

### ***E. Administration***

**Administration** – Authorizes expenditures for the administrative costs associated with maintaining the urban renewal area.

Existing conditions: There is no administration funding as there is no urban renewal area.



### III. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

The total cost estimates for projects is shown are Table 2 below. These are all estimates acknowledging that the urban renewal portions of these project activities must fit within the maximum indebtedness. These costs are shown in year of expenditure costs, which assumes inflation of 3.0% annually.

The Plan assumes that the Agency/City will use other funds to assist in the completion of the projects within the Area. These sources include but are not limited to City of Cornelius General Funds, System Development Charges (SDCs), local, state and federal grants, and other sources as identified by the Agency/City. The Agency/City may pursue regional, county, state, and federal funding, private developer contributions and any other sources of funding that may assist in the implementation of the programs.

The Agency will be able to review and update fund expenditures and allocations on an annual basis when the annual budget is prepared.

**Table 2 - Estimated Cost of Each Project**

<b>Project Title</b>	<b>Year of Expenditure Project Cost</b>
Transportation	12,645,644
Developer Incentives	3,196,886
Acquisition	2,803,565
Creating Community	5,487,164
Administration	1,430,912
<b>TOTAL:</b>	<b>\$25,564,171</b>

Source: City of Cornelius and Tiberius Solutions LLC

## **IV. FINANCIAL ANALYSIS OF THE PLAN**

The estimated tax increment revenues through 2041 are calculated based on projections of the assessed value of development within the Area and the consolidated tax rate that will apply in the Area.

Figure 2 shows expected TIF revenues over time, the expected revenue sharing and the projected tax revenues after termination of the Area. Table 3 shows the incremental assessed value, tax rates and tax increment revenues each year, adjusted for discounts, and delinquencies. The projections assume an annual growth rate of 5.0% for assessed value in the Area. This assumption is supported by an evaluation of the development potential of vacant and redevelopable land within the Area. Appendix A from Tiberius Solutions, LLC details the information used in evaluating the growth projections. These projections of growth are the basis for the projections in Table 6, Table 7, Table 8, Table 9, Table 10, and Table 11.

The first year of tax increment collections is anticipated to be fiscal year ending (FYE) 2021. Gross tax increment financing (TIF)<sup>15</sup> is calculated by multiplying the tax rate times the assessed value used. The tax rate is per thousand dollars of assessed value, so the calculation is "tax rate times assessed value used divided by one thousand." The consolidated tax rate includes permanent tax rates only, and excludes general obligation bonds and local option levies, which will not be impacted by this Plan.

Figure 2 shows expected TIF revenues over time, the expected revenue sharing and the projected tax revenues after termination of the Area.

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<sup>15</sup> TIF is also used to signify tax increment revenues

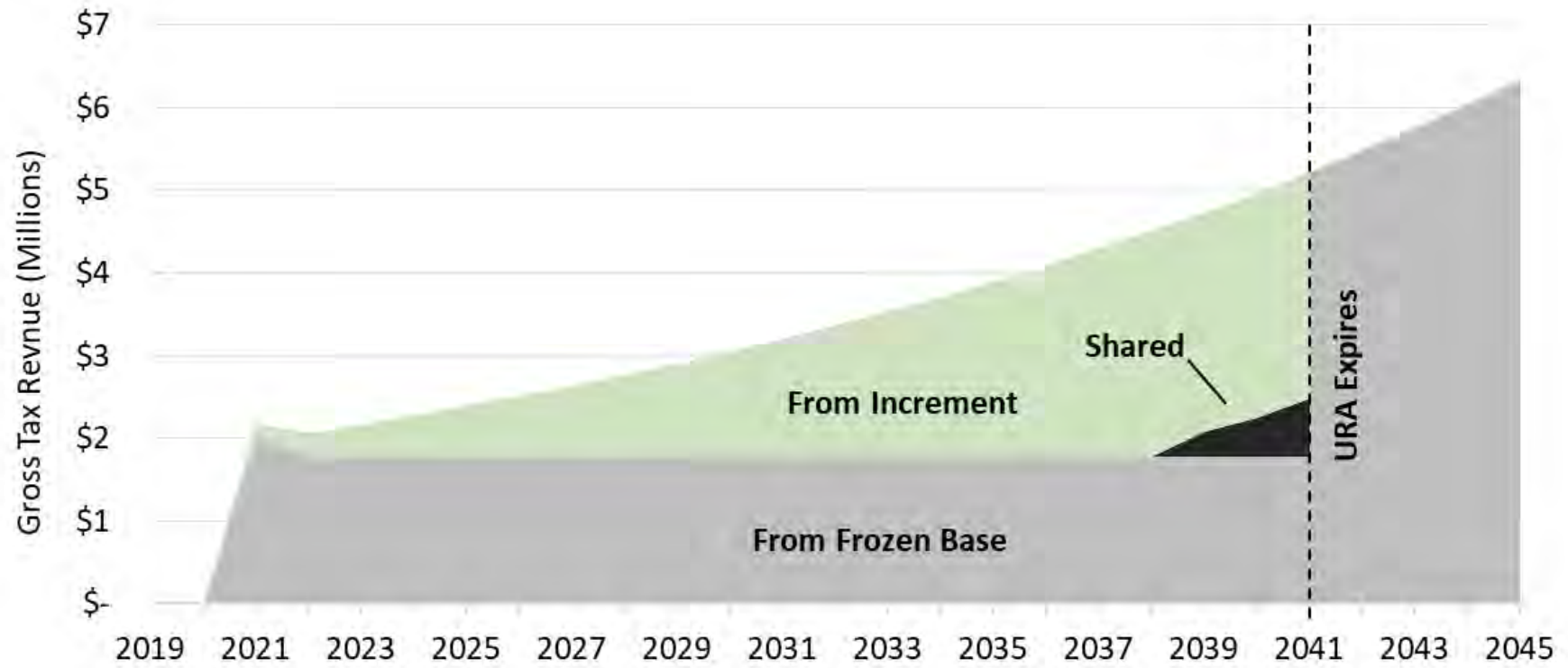


**Table 3 - Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues**

FYE	Total Assessed Value	Frozen Base	Increment Used	Increment Not Used	Tax Rate	Gross TIF	Adjustments	Net TIF (Current Year)	Net TIF (Prior Year)	Net TIF (Total)
2021	171,085,560	155,179,645	15,905,915	-	12.7027	202,048	(10,102)	191,946	-	191,946
2022	179,639,837	155,179,645	24,460,192	-	11.4951	281,171	(14,059)	267,113	2,879	269,992
2023	188,621,829	155,179,645	33,442,184	-	11.4951	384,420	(19,221)	365,199	4,007	369,206
2024	198,052,920	155,179,645	42,873,275	-	11.4951	492,831	(24,642)	468,189	5,478	473,667
2025	207,955,566	155,179,645	52,775,921	-	11.4951	606,662	(30,333)	576,329	7,023	583,352
2026	218,353,344	155,179,645	63,173,699	-	11.4951	726,186	(36,309)	689,876	8,645	698,521
2027	229,271,011	155,179,645	74,091,366	-	11.4951	851,685	(42,584)	809,101	10,348	819,449
2028	240,734,563	155,179,645	85,554,918	-	11.4951	983,459	(49,173)	934,286	12,137	946,423
2029	252,771,290	155,179,645	97,591,645	-	11.4951	1,121,822	(56,091)	1,065,731	14,014	1,079,745
2030	265,409,855	155,179,645	110,230,210	-	11.4951	1,267,103	(63,355)	1,203,748	15,986	1,219,734
2031	278,680,349	155,179,645	123,500,704	-	11.4951	1,419,648	(70,982)	1,348,666	18,056	1,366,722
2032	292,614,367	155,179,645	137,434,722	-	11.4951	1,579,821	(78,991)	1,500,829	20,230	1,521,059
2033	307,245,086	155,179,645	152,065,441	-	11.4951	1,748,002	(87,400)	1,660,601	22,512	1,683,114
2034	322,607,340	155,179,645	167,427,695	-	11.4951	1,924,592	(96,230)	1,828,362	24,909	1,853,271
2035	338,737,707	155,179,645	183,558,062	-	11.4951	2,110,011	(105,501)	2,004,511	27,425	2,031,936
2036	355,674,594	155,179,645	200,494,949	-	11.4951	2,304,702	(115,235)	2,189,467	30,068	2,219,534
2037	373,458,322	155,179,645	218,278,677	-	11.4951	2,509,127	(125,456)	2,383,670	32,842	2,416,512
2038	392,131,238	155,179,645	236,951,593	-	11.4951	2,723,773	(136,189)	2,587,584	35,755	2,623,339
2039	411,737,801	155,179,645	231,167,796	25,390,360	11.4951	2,657,288	(132,864)	2,524,424	38,814	2,563,237
2040	432,324,692	155,179,645	236,314,518	40,830,529	11.4951	2,716,450	(135,822)	2,580,627	37,866	2,618,494
2041	453,940,926	155,179,645	238,445,744	60,315,537	11.4951	2,740,948	(137,047)	2,603,901	38,709	2,642,610
TOTAL:						\$31,351,747	\$(1,567,586)	\$29,784,160	\$407,703	\$30,191,863

Source: Tiberius Solutions, LLC

Figure 2 - TIF Projections



Source: Tiberius Solutions, LLC

## V. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED

Table 4 shows a summary of the financial capacity of the URA, including how the total TIF revenue translates to the ability to fund urban renewal projects in constant 2019 dollars in five-year increments. Table 6, Table 7, and Table 8 show more detailed tables on the allocation of tax revenues to projects, programs, and administration over time.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the urban renewal area in 2041, a 21-year urban renewal plan. The time frame of urban renewal is not absolute; it may vary depending on the actual ability to meet the maximum indebtedness. If the economy is slower, it may take longer; if the economy is more robust than the projections, it may take a shorter time period. These assumptions show one scenario for financing and that this scenario is financially feasible.

The maximum indebtedness is \$25,600,000 (twenty-five million six hundred thousand dollars). The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$25,600,000 is \$30,191,864 and is made up of \$30,173,616 in revenues from the division of taxes from permanent rate levies and \$18,248 from bonds.

If pending legislation introduced in the 2019 Oregon Legislature to amend ORS 457 is adopted, no bonds will be impacted by this Plan. This will shift the impact of the \$18,248 in bonds to the taxing districts. The Forest Grove School District has one bond that was issued prior to 2001. The impacts of GO bonds are on the property tax payer, not on the taxing district. The Forest Grove School District GO bond will be impacted for one year. For the Forest Grove School District GO bond, the impact for a \$100,000 value property is an estimated total of \$0.88 for the 1-year impact on the urban renewal area.

The financial analysis projects capacity of funding for projects in five-year increments as shown below in Table 4.

**Table 4 - TIF Capacity of the Area**

Total TIF (YOE\$)	\$30,191,864
Maximum Indebtedness (YOE\$)	\$25,600,000
Capacity (2019\$)	\$17,525,000
Years 1-5	\$4,642,500
Years 6-10	\$4,455,000
Years 11-15	\$3,457,500
Years 16-21	\$4,970,000

Source: Tiberius Solutions, LLC

This financial analysis shows borrowings as identified in Table 5. These are only one scenario for how the Agency may decide to implement this Plan, and this scenario is financially feasible. The Agency may decide to do borrowings at different times or for different amounts, depending on their analysis at the time. The timeframes on these borrowings are designed to have all borrowings paid off at the termination of the District in FYE 2041. These

are the principal amounts of the borrowings. The amounts including interest are shown in the second column of Table 6, Table 7, and Table 8.

**Table 5 - Estimated Borrowings and Amounts**

Name	Loan A	Loan B	Loan C	Loan D	Loan E	Loan F
Principal Amount	\$2,900,000	\$1,600,000	\$1,600,000	\$2,350,000	\$1,250,000	\$1,000,000
Interest Rate	5 %	5 %	5 %	5 %	5 %	5 %
Loan Term	19	17	15	12	10	9
Loan Year	2,023	2,025	2,027	2,030	2,032	2,033
Interest Payment Start	2,023	2,025	2,027	2,030	2,032	2,033
Principal Payment Start	2,023	2,025	2,027	2,030	2,032	2,033
Annual Payment	(239,961)	(141,919)	(154,148)	(265,140)	(161,881)	(140,690)

Source: Tiberius Solutions, LLC



**Table 6 - Tax Increment Revenues and Allocations to Debt Service, page 1**

	<b>TOTAL:</b>	<b>FYE 2021</b>	<b>FYE 2022</b>	<b>FYE 2023</b>	<b>FYE 2024</b>	<b>FYE 2025</b>	<b>FYE 2026</b>	<b>FYE 2027</b>
<b>Resources</b>								
<b>Beginning Balance</b>		-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-	-
TIF: Current Year	29,784,160	191,946	267,113	365,199	468,189	576,329	689,876	809,101
TIF: Prior Years	407,704	-	2,879	4,007	5,478	7,023	8,645	10,348
<b>Total Resources</b>	<b>30,191,864</b>	<b>191,946</b>	<b>269,992</b>	<b>369,206</b>	<b>473,667</b>	<b>583,352</b>	<b>698,521</b>	<b>819,449</b>
<b>Expenditures</b>								
Debt Service								
Scheduled Payments								
Loan A	(4,559,250)	-	-	(239,961)	(239,961)	(239,961)	(239,961)	(239,961)
Loan B	(2,412,617)	-	-	-	-	(141,919)	(141,919)	(141,919)
Loan C	(2,312,215)	-	-	-	-	-	-	(154,148)
Loan D	(3,181,677)	-	-	-	-	-	-	-
Loan E	(1,618,807)	-	-	-	-	-	-	-
Loan F	(1,266,211)	-	-	-	-	-	-	-
Total Debt Service	(15,350,776)	-	-	(239,961)	(239,961)	(381,879)	(381,879)	(536,027)
Debt Service Coverage Ratio				1.52	1.95	1.51	1.81	1.51
Transfer to URA Projects Fund	(14,841,088)	(191,946)	(269,992)	(129,245)	(233,707)	(201,473)	(316,642)	(283,422)
<b>Total Expenditures</b>	<b>(30,191,864)</b>	<b>(191,946)</b>	<b>(269,992)</b>	<b>(369,206)</b>	<b>(473,667)</b>	<b>(583,352)</b>	<b>(698,521)</b>	<b>(819,449)</b>

Source: Tiberius Solutions LLC

**Table 7 - Tax Increment Revenues and Allocations to Debt Service. page 2**

	FYE 2028	FYE 2029	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036
<b>Resources</b>									
<b>Beginning Balance</b>	-	-	-	-	-	-	-	-	-
Interest Earnings	-	-	-	-	-	-	-	-	-
TIF: Current Year	934,286	1,065,731	1,203,748	1,348,666	1,500,829	1,660,601	1,828,362	2,004,511	2,189,467
TIF: Prior Years	12,137	14,014	15,986	18,056	20,230	22,512	24,909	27,425	30,068
<b>Total Resources</b>	946,423	1,079,745	1,219,734	1,366,722	1,521,059	1,683,114	1,853,271	2,031,936	2,219,534
<b>Expenditures</b>									
Debt Service									
Scheduled Payments									
Loan A	(239,961)	(239,961)	(239,961)	(239,961)	(239,961)	(239,961)	(239,961)	(239,961)	(239,961)
Loan B	(141,919)	(141,919)	(141,919)	(141,919)	(141,919)	(141,919)	(141,919)	(141,919)	(141,919)
Loan C	(154,148)	(154,148)	(154,148)	(154,148)	(154,148)	(154,148)	(154,148)	(154,148)	(154,148)
Loan D	-	-	(265,140)	(265,140)	(265,140)	(265,140)	(265,140)	(265,140)	(265,140)
Loan E	-	-	-	-	(161,881)	(161,881)	(161,881)	(161,881)	(161,881)
Loan F	-	-	-	-	-	(140,690)	(140,690)	(140,690)	(140,690)
Total Debt Service	(536,027)	(536,027)	(801,167)	(801,167)	(963,047)	(1,103,737)	(1,103,737)	(1,103,737)	(1,103,737)
Debt Service Coverage Ratio	1.74	1.99	1.50	1.68	1.56	1.50	1.66	1.82	1.98
Transfer to URA Projects Fund	(410,396)	(543,718)	(418,567)	(565,555)	(558,012)	(579,377)	(749,534)	(928,199)	(1,115,797)
<b>Total Expenditures</b>	(946,423)	(1,079,745)	(1,219,734)	(1,366,722)	(1,521,059)	(1,683,114)	(1,853,271)	(2,031,936)	(2,219,534)

Source: Tiberius Solutions LLC

**Table 8 - Tax Increment Revenues and Allocations to Debt Service, page 3**

	FYE 2037	FYE 2038	FYE 2039	FYE 2040	FYE 2041
<b>Resources</b>					
<b>Beginning Balance</b>	-	-	-	-	-
Interest Earnings	-	-	-	-	-
TIF: Current Year	2,383,670	2,587,584	2,524,424	2,580,627	2,603,901
TIF: Prior Years	32,842	35,755	38,814	37,866	38,709
<b>Total Resources</b>	2,416,512	2,623,339	2,563,237	2,618,494	2,642,610
<b>Expenditures</b>					
Debt Service					
Scheduled Payments					
Loan A	(239,961)	(239,961)	(239,961)	(239,961)	(239,961)
Loan B	(141,919)	(141,919)	(141,919)	(141,919)	(141,919)
Loan C	(154,148)	(154,148)	(154,148)	(154,148)	(154,148)
Loan D	(265,140)	(265,140)	(265,140)	(265,140)	(265,140)
Loan E	(161,881)	(161,881)	(161,881)	(161,881)	(161,881)
Loan F	(140,690)	(140,690)	(140,690)	(140,690)	(140,690)
Total Debt Service	(1,103,737)	(1,103,737)	(1,103,737)	(1,103,737)	(1,103,737)
Debt Service Coverage Ratio	2.16	2.34	2.29	2.34	2.36
Transfer to URA Projects Fund	(1,312,775)	(1,519,602)	(1,459,500)	(1,514,756)	(1,538,873)
<b>Total Expenditures</b>	(2,416,512)	(2,623,339)	(2,563,237)	(2,618,494)	(2,642,610)

Source: Tiberius Solutions LLC

## **VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT**

The schedule for construction of projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by the Agency. Annual expenditures for program administration is also shown. These are predicated on the fact that urban renewal activities will start off slowly in the beginning years and increase in the final years of the Area.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the Area in 2041, a 21-year program.

The amount of money available for projects in 2019 constant dollars for the Cornelius Urban Renewal Area is \$17,692,792.

Table 9, Table 10, and Table 11 show the \$17,692,792 of 2019 project dollars inflated over the life of the Area including administrative expenses. All costs shown in Table 9, Table 10, and Table 11 are in year-of-expenditure dollars, which are adjusted by 3.0% annually to account for inflation.

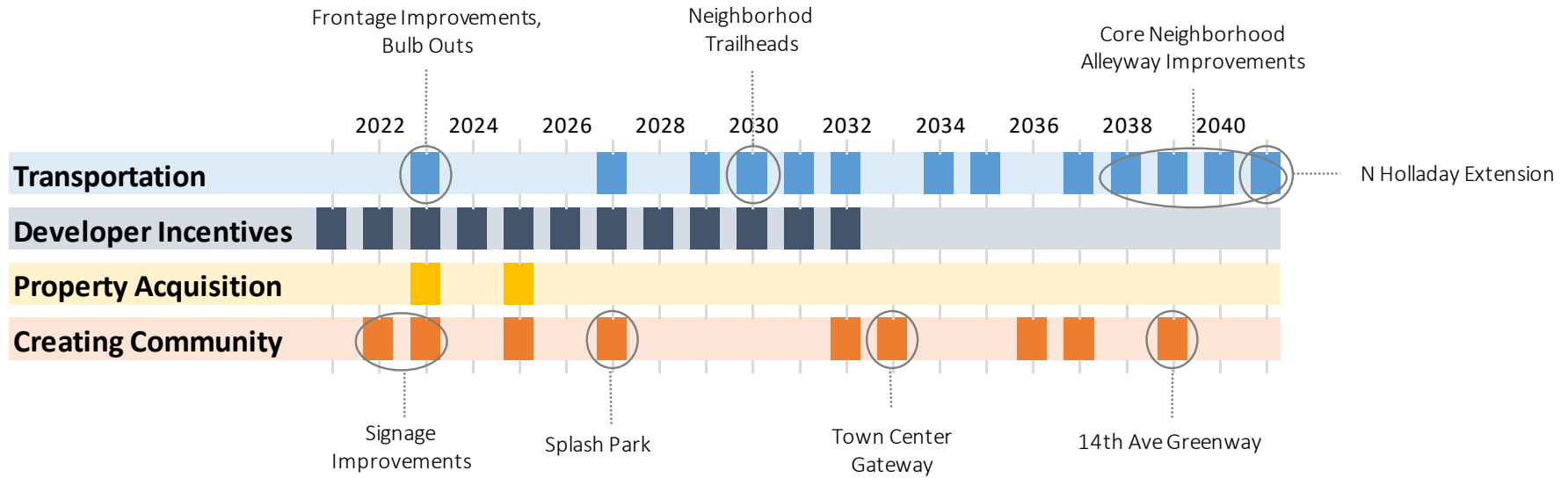
The 3% inflation rate is the rate to use in the future if any amendment to increase maximum indebtedness is pursued in accordance with ORS 457.470.

The Agency may change the completion dates in their annual budgeting process or as project decisions are made in administering the Plan.

An exhibit indicating the projected timing of the projects is shown in Exhibit 1.



**Exhibit 1 - Timing of Projects**



**Table 9 - Programs and Costs in Year of Expenditure Dollars, Page 1**

	<b>Total</b>	<b>FYE 2021</b>	<b>FYE 2022</b>	<b>FYE 2023</b>	<b>FYE 2024</b>	<b>FYE 2025</b>	<b>FYE 2026</b>
<b>Resources</b>							
<b>Beginning Balance</b>		-	\$43,420	\$2,209	\$111,880	\$4,152	\$125,787
Interest Earnings	\$23,083	-	\$217	\$11	\$559	\$21	\$629
Transfer from TIF Fund	\$14,841,088	\$191,946	\$269,992	\$129,245	\$233,707	\$201,473	\$316,642
Bond/Loan Proceeds	\$10,700,000	-	-	\$2,900,000	-	\$1,600,000	-
Other	-						
<b>Total Resources</b>	\$25,564,171	\$191,946	\$313,629	\$3,031,465	\$346,146	\$1,805,646	\$443,058
<b>Expenditures (YOE \$)</b>							
Transportation	\$(12,645,644)			\$(880,704)			
Developer Incentives	\$(3,196,886)	\$(106,090)	\$(120,197)	\$(275,748)	\$(295,622)	\$(376,142)	\$(338,223)
Acquisition	\$(2,803,565)			\$(1,609,465)		\$(1,194,100)	
Creating Community	\$(5,487,164)		\$(147,515)	\$(50,648)		\$(29,853)	
Financing Fees	\$(214,000)			\$(58,000)		\$(32,000)	
Administration	\$(1,216,912)	\$(42,436)	\$(43,708)	\$(45,020)	\$(46,372)	\$(47,764)	\$(49,196)
<b>Total Expenditures</b>	\$(25,564,171)	\$(148,526)	\$(311,420)	\$(2,919,585)	\$(341,994)	\$(1,679,859)	\$(387,419)
<b>Ending Balance</b>	-	\$43,420	\$2,209	\$111,880	\$4,152	\$125,787	\$55,639

Source: Tiberius Solutions, LLC

**Table 10 - Programs and Costs in Year of Expenditure Dollars, Page 2**

	<b>FYE 2027</b>	<b>FYE 2028</b>	<b>FYE 2029</b>	<b>FYE 2030</b>	<b>FYE 2031</b>	<b>FYE 2032</b>	<b>FYE 2033</b>
<b>Resources</b>							
<b>Beginning Balance</b>	\$55,639	\$228,829	\$229,356	\$35,076	\$57,628	\$117,347	\$109,376
Interest Earnings	\$278	\$1,144	\$1,147	\$175	\$288	\$587	\$547
Transfer from TIF Fund	\$283,422	\$410,396	\$543,718	\$418,567	\$565,555	\$558,012	\$579,377
Bond/Loan Proceeds	\$1,600,000	-	-	\$2,350,000	-	\$1,250,000	\$1,000,000
Other							
<b>Total Resources</b>	\$1,939,339	\$640,368	\$774,222	\$2,803,818	\$623,471	\$1,925,947	\$1,689,299
<b>Expenditures (YOE \$)</b>							
Transportation	\$(12,668)		\$(383,012)	\$(2,401,587)	\$(199,598)	\$(1,255,568)	
Developer Incentives	\$(348,370)	\$(358,820)	\$(302,378)	\$(242,235)	\$(249,498)	\$(183,563)	
Acquisition							
Creating Community	\$(1,266,800)					\$(293,700)	\$(1,512,600)
Financing Fees	\$(32,000)			\$(47,000)		\$(25,000)	\$(20,000)
Administration	\$(50,672)	\$(52,192)	\$(53,756)	\$(55,368)	\$(57,028)	\$(58,740)	\$(60,504)
<b>Total Expenditures</b>	\$(1,710,510)	\$(411,012)	\$(739,146)	\$(2,746,190)	\$(506,124)	\$(1,816,571)	\$(1,593,104)
<b>Ending Balance</b>	\$228,829	\$229,356	\$35,076	\$57,628	\$117,347	\$109,376	\$96,195

Tiberius Solutions, LLC

**Table 11 - Programs and Costs in Year of Expenditure Dollars, Page 3**

	<b>FYE 2034</b>	<b>FYE 2035</b>	<b>FYE 2036</b>	<b>FYE 2038</b>	<b>FYE 2039</b>	<b>FYE 2040</b>	<b>FYE 2041</b>
<b>Resources</b>							
<b>Beginning Balance</b>	\$96,195	\$24,365	\$447,205	\$37,549	\$829,637	\$234,330	\$1,071,248
Interest Earnings	\$481	\$122	\$2,236	\$188	\$4,148	\$1,172	\$5,356
Transfer from TIF Fund	\$749,534	\$928,199	\$1,115,797	\$1,519,602	\$1,459,500	\$1,514,756	\$1,538,873
Bond/Loan Proceeds	-	-	-	-	-	-	-
Other							
<b>Total Resources</b>	\$846,210	\$952,686	\$1,565,237	\$1,557,340	\$2,293,285	\$1,750,258	\$2,615,477
<b>Expenditures (YOE \$)</b>							
Transportation	\$(759,525)	\$(441,293)		\$(657,563)	\$(586,983)	\$(604,598)	\$(2,538,833)
Developer Incentives							
Acquisition							
Creating Community			\$(743,760)		\$(1,399,728)		
Financing Fees							
Administration	\$(62,320)	\$(64,188)	\$(66,112)	\$(70,140)	\$(72,244)	\$(74,412)	\$(76,644)
<b>Total Expenditures</b>	\$(821,845)	\$(505,481)	\$(809,872)	\$(727,703)	\$(2,058,955)	\$(679,010)	\$(2,615,477)
<b>Ending Balance</b>	\$24,365	\$447,205	\$755,365	\$829,637	\$234,330	\$1,071,248	-

Source: Tiberius Solutions, LLC

## VII. REVENUE SHARING

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 first threshold is when annual tax increment finance revenues exceed 10% of the original maximum indebtedness of the Plan (\$2,560,000). At the 10% threshold, the 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 (\$3,200,000). If this threshold is met, revenue for the district would be capped at 12.5% of the maximum indebtedness, with all additional tax revenue being shared with affected taxing districts.

Revenue sharing targets are projected to be reached in FYE 2039 as the 10% target is met in the prior fiscal year. If assessed value in the Area grows more quickly than projected, the revenue sharing triggers could be reached earlier. If assessed values increase at a slower rate, the revenue sharing triggers could be reached at a later date. The specific projected revenue sharing amounts can be seen in Table 12.

**Table 12 - Projected Revenue Sharing**

<b>Year</b>	<b>Shared Revenue</b>
FYE 2039	291,864
FYE 2040	469,349
FYE 2041	655,709
TOTAL:	\$1,416,922

Source: Tiberius Solutions LLC

## VIII. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the Area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2041 and are shown in Table 13 and Table 14.

The Forest Grove School District and Hillsboro School District and the Northwest Regional 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 substantially replaced with State School Fund revenues, as determined by a funding formula at the state level.

Table 13 and Table 14 show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 13 shows the general government levies, and Table 14 shows the education levies.

Table 13 - Projected Impact on Taxing District Permanent Rate Levies - General Government

<b>FYE</b>	<b>Washington County</b>	<b>City of Cornelius</b>	<b>Metro</b>	<b>Port of Portland</b>	<b>Tualatin Soil &amp; Water District</b>	<b>Subtotal</b>
FYE 2021	33,975	60,195	1,460	1,059	1,044	97,732
FYE 2022	52,810	93,566	2,269	1,647	1,623	151,915
FYE 2023	72,216	127,948	3,103	2,252	2,219	207,737
FYE 2024	92,648	164,149	3,981	2,889	2,847	266,513
FYE 2025	114,102	202,160	4,902	3,557	3,507	328,228
FYE 2026	136,629	242,072	5,870	4,260	4,199	393,029
FYE 2027	160,282	283,979	6,886	4,997	4,926	461,070
FYE 2028	185,117	327,982	7,953	5,772	5,689	532,513
FYE 2029	211,195	374,184	9,074	6,585	6,491	607,528
FYE 2030	238,576	422,697	10,250	7,438	7,332	686,294
FYE 2031	267,327	473,636	11,485	8,335	8,216	768,998
FYE 2032	297,515	527,121	12,782	9,276	9,144	855,838
FYE 2033	329,212	583,281	14,144	10,264	10,118	947,019
FYE 2034	362,494	642,249	15,574	11,302	11,141	1,042,760
FYE 2035	397,441	704,165	17,076	12,391	12,215	1,143,287
FYE 2036	434,134	769,177	18,652	13,535	13,342	1,248,841
FYE 2037	472,663	837,440	20,307	14,737	14,526	1,359,673
FYE 2038	513,117	909,115	22,046	15,998	15,770	1,476,046
FYE 2039	501,362	888,287	21,540	15,631	15,408	1,442,229
FYE 2040	512,170	907,436	22,005	15,968	15,741	1,473,319
FYE 2041	516,887	915,794	22,207	16,115	15,885	1,486,889
<b>TOTAL:</b>	<b>\$5,901,872</b>	<b>\$10,456,633</b>	<b>\$253,566</b>	<b>\$184,008</b>	<b>\$181,383</b>	<b>\$16,977,458</b>

Source: Tiberius Solutions LLC



Table 14 - Projected Impact on Taxing District Permanent Rate Levies – Education

<b>FYE</b>	<b>Forest Grove School District</b>	<b>Hillsboro School District</b>	<b>Portland Community College</b>	<b>NW Regional ESD</b>	<b>Subtotal</b>	<b>Total</b>
FYE 2021	57,374	17,091	972	528	75,965	173,697
FYE 2022	89,209	26,539	1,509	820	118,077	269,992
FYE 2023	121,953	36,328	2,065	1,123	161,469	369,206
FYE 2024	156,458	46,606	2,649	1,441	207,154	473,667
FYE 2025	192,688	57,398	3,263	1,774	255,124	583,352
FYE 2026	230,730	68,730	3,907	2,125	305,492	698,521
FYE 2027	270,674	80,629	4,583	2,493	358,378	819,449
FYE 2028	312,615	93,122	5,294	2,879	413,909	946,423
FYE 2029	356,653	106,240	6,039	3,284	472,217	1,079,745
FYE 2030	402,893	120,014	6,822	3,710	533,440	1,219,734
FYE 2031	451,445	134,477	7,644	4,157	597,723	1,366,722
FYE 2032	502,424	149,663	8,508	4,627	665,222	1,521,059
FYE 2033	555,953	165,608	9,414	5,120	736,095	1,683,114
FYE 2034	612,158	182,350	10,366	5,637	810,511	1,853,271
FYE 2035	671,173	199,930	11,365	6,181	888,649	2,031,936
FYE 2036	733,139	218,388	12,414	6,752	970,693	2,219,534
FYE 2037	798,203	237,770	13,516	7,351	1,056,840	2,416,512
FYE 2038	866,521	258,120	14,673	7,980	1,147,294	2,623,339
FYE 2039	846,668	252,206	14,337	7,797	1,121,009	2,563,237
FYE 2040	864,920	257,643	14,646	7,965	1,145,175	2,618,494
FYE 2041	872,886	260,016	14,781	8,038	1,155,722	2,642,610
<b>TOTAL:</b>	<b>\$9,966,737</b>	<b>\$2,968,868</b>	<b>\$168,767</b>	<b>\$91,782</b>	<b>\$13,196,158</b>	<b>\$30,173,614</b>

Source: Tiberius Solutions LLC

Please refer to the explanation of the schools funding in the preceding section

Table 15 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2042.

The Frozen Base is the assessed value of the Area established by the county assessor at the time the Area is established. Excess Value is the increased assessed value in the Area above the Frozen Base.

**Table 15 - Additional Revenues Obtained after Termination of Tax Increment Financing**

Taxing District	Type	Tax Rate	From Frozen Base	From Excess Value	Total
<b>General Government</b>					
Washington County	Permanent	2.2484	348,906	722,767	1,071,673
City of Cornelius	Permanent	3.9836	618,174	1,280,561	1,898,735
Metro	Permanent	0.0966	14,990	31,053	46,043
Port of Portland	Permanent	0.0701	10,878	22,534	33,412
Tualatin Soil & Water District	Permanent	0.0691	10,723	22,213	32,936
<b>Subtotal</b>	Gen. Govt.	6.4678	1,003,671	2,079,128	3,082,799
<b>Education</b>					
Forest Grove School District	Permanent	4.9142	589,211	1,220,564	1,809,775
Hillsboro School District	Permanent	4.9749	175,515	363,583	539,098
Portland Community College	Permanent	0.2828	9,977	20,668	30,645
NW Regional ESD	Permanent	0.1538	5,426	11,240	16,666
<b>Subtotal</b>	Education	10.3257	780,129	1,616,055	2,396,184
<b>TOTAL:</b>		16.7935	\$1,783,800	\$3,695,183	\$5,478,983

Source: Tiberius Solutions LLC

## **IX. 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 (assumed to be FYE 2019 values), including all real, personal, personal, manufactured, and utility properties in the Area, is projected to be \$155,179,645. The Washington County Assessor will set the frozen base once the urban renewal plan is adopted. The total assessed value of the City of Cornelius in FYE 2019 is \$689,688,734. The percentage of assessed value in the urban renewal area is 22.50%, below the 25% threshold.

The Area contains 352.66 acres, including public rights-of-way, and the City of Cornelius contains 1,494.87 acres. This puts 23.6% of the City’s acreage in an urban renewal area, which is below the 25% threshold.

**Table 16 - Urban Renewal Area Conformance with Assessed Value and Acreage Limits**

	<b>Assessed Value</b>	<b>Acreage</b>
In Cornelius Urban Renewal Area	\$155,179,645	352.66
In City of Cornelius	\$689,688,734	1,494.87
Percent in urban renewal	22.50%	23.6%

Source: Compiled by Elaine Howard Consulting, LLC with data from City of Cornelius and Washington County Department of Assessment and Taxation (FYE 2019)

## **X. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES**

This section of the Report describes existing conditions within the Cornelius Urban Renewal Area and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

### **A. Physical Conditions**

#### **1. Land Use**

The Area measures 352.66 total acres in size, which is composed of 323 individual parcels encompassing 275.13 acres, and an additional 77.53 acres in public rights-of-way. An analysis of FYE 2018-2019 property classification data from the Washington County Department of Assessment and Taxation database was used to determine the land use designation of parcels in the Area. By acreage, Commercial uses account for the most prevalent land use within the Area (61.04%). This was followed by Farm (13.43%). Detailed land use designations in the Area can be seen in Table 17.

**Table 17 - Land Use in the Area**

<b>Land Use</b>	<b>Parcels</b>	<b>Acreage</b>	<b>Percent of Acreage</b>
Commercial	165	167.95	61.04%
Farm	10	36.95	13.43%
Miscellaneous	10	24.13	8.77%
Residential	116	22.19	8.07%
Exempt	18	18.02	6.55%
Industrial	1	5.15	1.87%
Multi-Family	3	0.74	0.27%
<b>TOTAL:</b>	<b>323</b>	<b>275.13</b>	<b>100.00%</b>

Source: Compiled by Elaine Howard Consulting, LLC with data from the City of Cornelius using the Washington County Department of Assessment and Taxation database (FYE 2018-2019)

**2. Comprehensive Plan Designations**

The most prevalent comprehensive plan designation by acreage in the Area is Commercial (57.24%). The second most prevalent comprehensive plan designation in the Area is Industrial (29.21%). Detailed comprehensive plan designations in the Area can be seen in If there is more than one comprehensive plan designation, the most dominate designation is used. The proposed changes to the Comprehensive Plan designations are shown in

Table 19

Table 18. If there is more than one comprehensive plan designation, the most dominate designation is used. The proposed changes to the Comprehensive Plan designations are shown in

Table 19

**Table 18 – Comprehensive Plan Designations in the Area**

<b>Comprehensive Plan Designation</b>	<b>Parcels</b>	<b>Acreage</b>	<b>Percent of Acreage</b>
Commercial	149	157.48	57.24%
Industrial	38	80.37	29.21%
Low Density Residential	96	18.44	6.70%
Medium Density Residential	19	3.76	1.37%
Mixed Use	15	3.94	1.43%
Public Facility	6	11.15	4.05%
<b>TOTAL:</b>	<b>323</b>	<b>275.13</b>	<b>100.00%</b>

Source: Compiled by City of Cornelius with data from the City of Cornelius

**Table 19 - Potential New Comprehensive Plan Designations**

<b>Comprehensive Plan Designation</b>	<b>Parcels</b>	<b>Acreage</b>	<b>Percent of Acreage</b>
Commercial	95	102.71	37.33%
Industrial	43	94.50	34.35%
Low Density Residential	0	0	0%
Medium Density Residential	113	22.99	8.35%
Mixed Use	66	43.79	15.91%
Public Facility	6	11.15	4.05%
<b>TOTAL:</b>	<b>323</b>	<b>275.13</b>	<b>100.00%</b>

Source: Compiled by City of Cornelius with data from the City of Cornelius

### **3. Zoning Designations**

The most prevalent zoning designation by acreage in the Area is General Industrial (29.21%). The second most prevalent zoning designation in the Area is Highway Commercial (28.28%). Detailed zoning designations in the Area can be seen in Table 20. These zoning designations may change with the subsequent actions to the adoption of the Cornelius Town Center Plan.

Table 21 shows the proposed changes to the zoning designations as a result of the Town Center Plan. As these changes are made, they will be automatically incorporated into the Plan once adopted by the City Council.

**Table 20 - Zoning Designations in the Area**

<b>Zoning Designations</b>	<b>Parcels</b>	<b>Acreage</b>	<b>Percent of Acreage</b>
General Industrial	38	80.37	29.21%
Highway Commercial	65	77.82	28.28%
Core Commercial-Employment	14	50.50	18.35%
Main Street General Employment	38	22.41	8.14%
Single-Family Residential	91	17.58	6.39%
Main Street Civic	6	11.15	4.05%
Main Street Retail	32	6.75	2.45%
Multi-Family Residential	24	4.62	1.68%
Main Street Mixed-Use	15	3.94	1.43%
<b>TOTAL:</b>	<b>323</b>	<b>275.13</b>	<b>100.00%</b>

Source: Compiled by Elaine Howard Consulting, LLC with data from the City of Cornelius using the Washington County Department of Assessment and Taxation database (FYE 2018-2019)

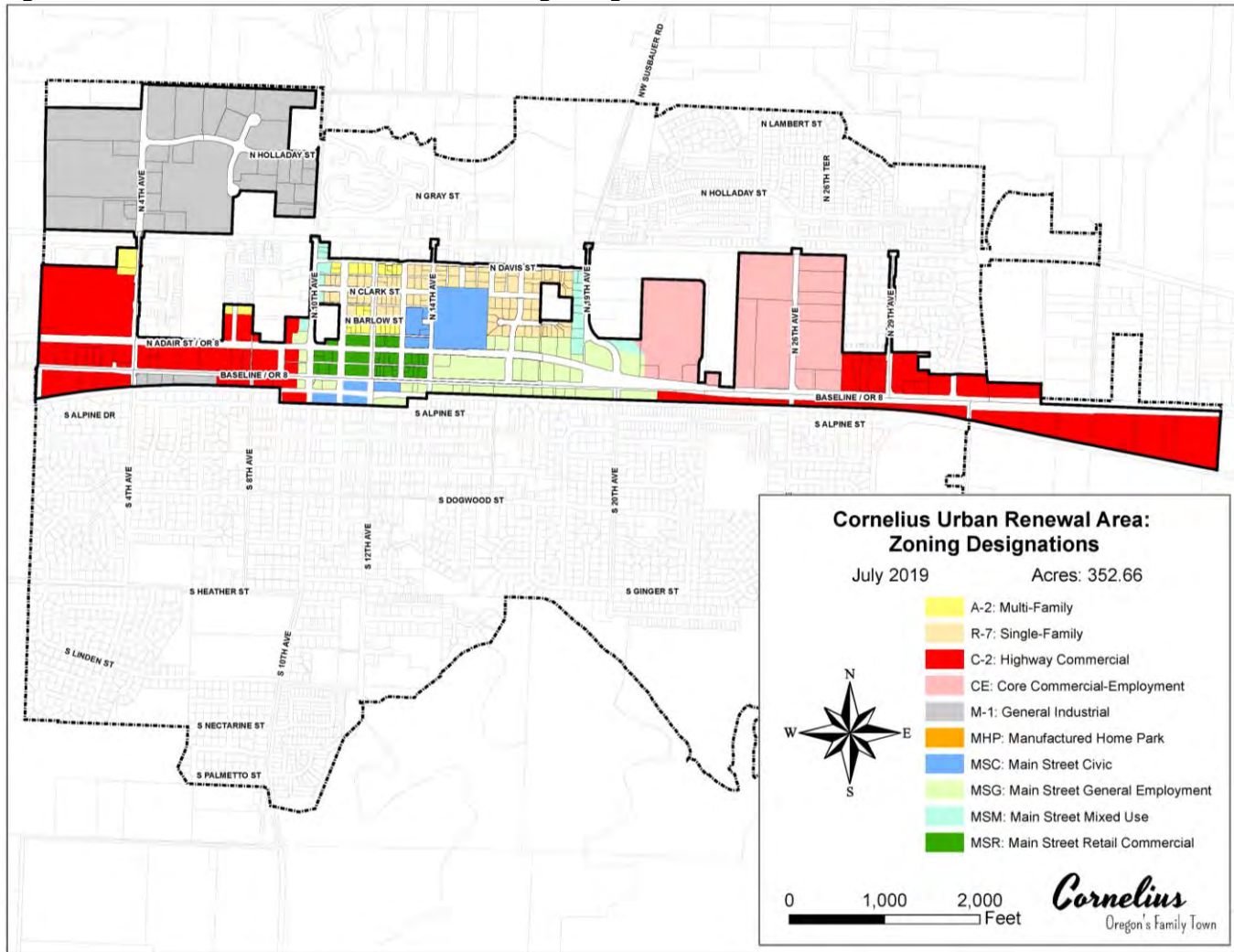


**Table 21 – Proposed New Zoning Designations**

TenBlock Sub district	Existing Zoning	Proposed Zoning
Town Center Core	<ul style="list-style-type: none"> <li>• Main Street Retail Commercial</li> <li>• Main Street General Employment</li> <li>• Main Street Civic</li> <li>• Main Street Design Overlay</li> <li>• Highway Commercial (C-2)</li> <li>• Multi-family Residential (A-2)</li> <li>• Single-family Residential (R-7)</li> </ul>	<ul style="list-style-type: none"> <li>• Central Mixed Use (CMU)</li> <li>• Retain A-2 for properties on south side of Alpine Street</li> </ul>
Core Neighborhood	<ul style="list-style-type: none"> <li>• Multi-family Residential (A-2)</li> <li>• Single-family Residential (R-7)</li> <li>• Main Street Mixed Use (MSM) along 19<sup>th</sup> and 10<sup>th</sup> Streets</li> </ul>	<ul style="list-style-type: none"> <li>• Core Residential (CR)</li> </ul>
Town Center Corridor	<ul style="list-style-type: none"> <li>• Main Street General Employment (MSG)</li> </ul>	<ul style="list-style-type: none"> <li>• Corridor Commercial (CC)</li> </ul>
East Gateway	<ul style="list-style-type: none"> <li>• Main Street Mixed Use (MSM)</li> <li>• Main Street General Employment</li> <li>• (MSG)</li> <li>• Core Commercial Employment (CE)</li> </ul>	<ul style="list-style-type: none"> <li>• Gateway Mixed Use on the north side of highway (GMU)</li> </ul>

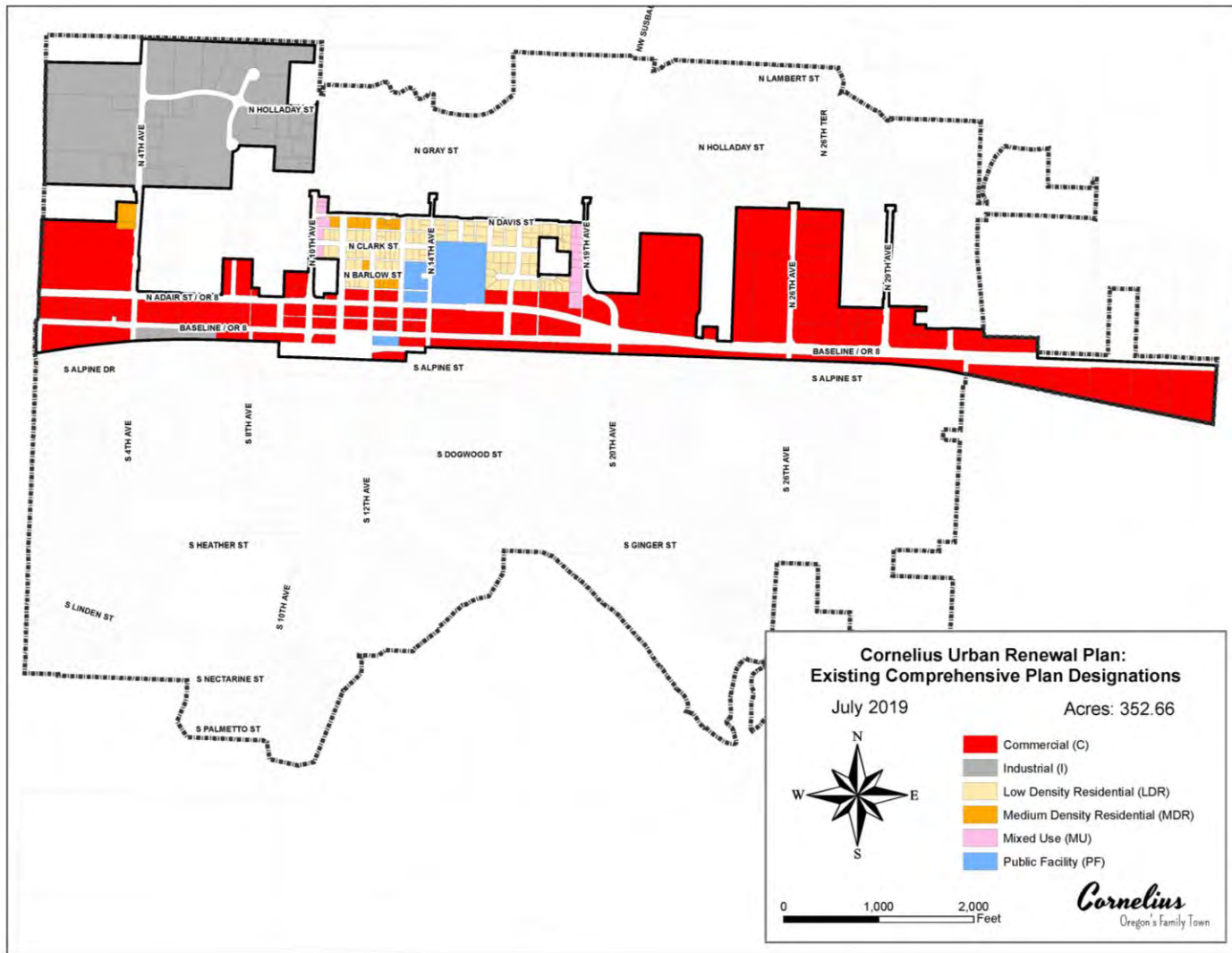
Source: City of Cornelius

Figure 3 - Cornelius Urban Renewal Area Zoning Designations



Source: City of Cornelius

**Figure 4 - Cornelius Urban Renewal Area Comprehensive Plan Designations**



Source: City of Cornelius

**Figure 5 - Proposed Cornelius Urban Renewal Area Comprehensive Plan Designations**



## B. Infrastructure

This section identifies the existing conditions in the Area to assist in **establishing blight in the ordinance adopting the urban renewal plan.** There are projects listed in several City of Cornelius' infrastructure master plans that relate to these existing conditions. **This does not mean that all of these projects are included in the urban renewal plan.** The specific projects that are included in the Plan are listed in Sections II and III of this Report.

### 1. Transportation

The projects listed in Table 22 are capital projects in the Area from the City of Cornelius Transportation System Plan:

**Table 22 - Transportation Projects in the Area**

Project Number	Project Title	Project Description
A	ADA/Curb Ramp Upgrade Program	Upgrade curb ramps and eliminate gaps in ADA access along pedestrian routes near key destinations.
B1	Holladay Street Bicycle Improvements between 4th Ave and 10th Ave	Add bicycle improvements to Holladay Street between 4th Avenue and 10th Avenue (e.g., restripe with bike lanes).
B10	26th Avenue Bicycle Improvements - Baseline St and Fremont St	Add bicycle improvements to 26th Avenue between Baseline Street and Fremont Street (e.g., bike lanes).
B11	Hobbs Road-29th Avenue Bicycle Improvements between Baseline St and Davis Dr	Add bicycle improvements to Hobbs Road-29th Avenue between Baseline Street and Davis Drive (e.g., bike lanes).
B16	10th Avenue Bicycle Improvements between Baseline Street and the southUrban Growth Boundary	Add bicycle improvements to 10th Avenue between Baseline Street and the south Urban Growth Boundary (e.g., restripe with bike lanes).
B2	4th Avenue Bicycle Improvements between Adair Street and the northern terminus of the street	Add bicycle improvements to 4th Avenue between Adair Street and the northern terminus of the street (e.g., bike lanes).
B22	Baseline Street Bike Boulevard	Add a two-way bike boulevard on the south side of Baseline Street through town.
B4	4th Avenue Bicycle Improvements between Baseline Street and Adair Street	Add bicycle improvements to 4th Avenue between Baseline Street and Adair Street (e.g., bike lanes).
B6	Davis Street Bicycle Improvements between 10th Avenue and 19th Avenue	Add bicycle improvements to Davis Street between 10th Avenue and 19th Avenue (e.g., pavement markings/signage designating a shared street for bikes).
B8	19th Avenue Bicycle Improvements between 20th Avenue and the north Urban Growth Boundary	Add bicycle improvements to 19th Avenue between 20th Avenue and the north Urban Growth Boundary (e.g., bike lanes).

Source: Cornelius Transportation Systems Plan (2018)

**Table 23 - Transportation Projects in the Area, page 2**

<b>Project Number</b>	<b>Project Title</b>	<b>Project Description</b>
C1	Adair-Baseline Street Crossing Study	Study to identify shared-use path alignment between Adair St and Baseline St, and highway crossing needs between Walmart and 1st Avenue at the west end of city.
C2	Baseline Street Crossing Study	Study for crossing enhancements along Baseline Street at the east end of the city (e.g., near transit stops).
D1	Holladay Street extension from 4th Avenue to the west city limits	Extend Holladay Street from 4th Avenue to the west city limits, construct as an Industrial Collector, with sidewalks and bike lanes. Alignment should connect with a future street extension from Yew Street.
D11	29th Boulevard extension from Baseline Street to Dogwood Street	Extend 29th Boulevard from Baseline Street to Dogwood Street as a Collector, with a shared-use path on east side. Close 345th Avenue railroad crossing and relocate to 29th Avenue (pending coordination and permitting with ODOT Rail). Includes possible inst
D18	Baseline Street frontage road (south side) connecting to 341st Avenue	Create a frontage road on the south side of Baseline Street connecting to 341st Avenue as properties redevelop. This street shall be constructed as a local street.
D8	Davis Street extension from the Fred Meyer driveway to 26th Avenue	Extend Davis Street from the Fred Meyer driveway to 26th Avenue constructed as a Collector, with a sidewalk on south side and shared-use path on the north side.
P1	Holladay Street Pedestrian Improvements between 4th Avenue and 10th Avenue	Add pedestrian improvements to Holladay Street between 4th Avenue and 10th Avenue (e.g., complete pedestrian facility gaps on both sides).
P10	Davis Street Pedestrian Improvements between 14th Avenue and 19th Avenue	Add pedestrian improvements to Davis Street between 14th Avenue and 19th Avenue (e.g., complete pedestrian facility gap on the south side).

Source: Cornelius Transportation Systems Plan (2018)



**Table 24 - Transportation Projects in the Area, page 3**

<b>Project Number</b>	<b>Project Title</b>	<b>Project Description</b>
P11	19th Avenue Pedestrian Improvements between 20th Avenue and Davis Street	Add pedestrian improvements to 19th Avenue between 20th Avenue and Davis Street (e.g., complete pedestrian facility gap on the west side).
P13a	26th Avenue Pedestrian Improvements between Baseline Street and Fremont Street (west side)	Add pedestrian improvements to 26th Avenue between Baseline Street and Fremont Street (e.g., complete pedestrian facility gap on the west side).
P14	Hobbs Road-29th Avenue Pedestrian Improvements between Baseline Street and the north Urban Growth Boundary	Add pedestrian improvements to Hobbs Road-29th Avenue between Baseline Street and the north Urban Growth Boundary (e.g., complete pedestrian facility gaps on both sides).
P15	Baseline Street Pedestrian Improvements between 26th Avenue and East Lane	Add pedestrian improvements to Baseline Street between 26th Avenue and East Lane (e.g., complete pedestrian facility gap on the south side).
P2	4th Avenue Pedestrian Improvements between Barlow Court and the northern terminus of the street	Add pedestrian improvements to 4th Avenue between Barlow Court and the northern terminus of the street (e.g., complete pedestrian facility gaps on both sides).
P25	Fred Meyer Roadway Improvements	Add frontage improvements to the Fred Meyer roadway between OR 8 and Davis Street Extension (e.g., complete sidewalks, landscaping buffer).
P3	4th Avenue Pedestrian Improvements between Adair Street and Baseline Street	Add pedestrian improvements to 4th Ave between Adair St and Baseline St (e.g., complete pedestrian facility gaps on east side, includes rail crossing).
P5	Baseline Street Pedestrian Improvements between 1st Avenue and 4th Avenue	Add pedestrian improvements to Baseline Street between 1st Avenue and 4th Avenue (e.g., complete pedestrian facility gaps on both sides).
P6a	Baseline Street Pedestrian Improvements between 4th Avenue and 10th Avenue (north side)	Add pedestrian improvements to Baseline Street between 4th Avenue and 10th Avenue (e.g., complete pedestrian facility gaps on the north side).
P6b	Baseline Street Pedestrian Improvements between 4th Avenue and 10th Avenue (south side)	Add pedestrian improvements to Baseline Street between 4th Avenue and 10th Avenue (e.g., complete pedestrian facility gaps on the south side).

Source: Cornelius Transportation Systems Plan (2018)



**Table 25 - Transportation Projects in the Area, page 4**

<b>Project Number</b>	<b>Project Title</b>	<b>Project Description</b>
P8	14th Avenue Pedestrian Improvements between Davis Street and Gray Street	Add pedestrian improvements to 14th Avenue between Davis Street and Gray Street (e.g., complete pedestrian facility gap on the west side, includes rail crossing).
P9	Davis Street Pedestrian Improvements between 10th Avenue and 14th Avenue	Add pedestrian improvements to Davis Street between 10th Avenue and 14th Avenue (e.g., complete pedestrian facility gap on the south side).
S1	Council Creek Trail connection between the west city limits and 4th Avenue	Create a shared-use path connection between the west city limits and 4th Avenue (e.g., Council Creek Trail).
S2	Council Creek Trail connection between 4th Avenue and 10th Avenue	Create a shared-use path connection between 4th Avenue and 10th Avenue (e.g., Council Creek Trail).
S3	Council Creek Trail connection between 10th Avenue and 19th Avenue	Create a shared-use path connection between 10th Avenue and 19th Avenue (e.g., Council Creek Trail).
S4	Council Creek Trail connection between 19th Avenue and Hobbs Road-29th Avenue	Create a shared-use path connection between 19th Ave and Hobbs Road-29th Avenue (e.g., Council Creek Trail).
S5	Council Creek Trail connection between Hobbs Road-29th Ave and the east Urban Growth Boundary	Create a shared-use path connection between Hobbs Road-29th Avenue and the east Urban Growth Boundary (e.g., Council Creek Trail).
T1	Baseline Street/17th Avenue Bus Stop	Work with TriMet to provide a bus stop on Baseline Street at 17th Avenue.
T2	Transit Stop Improvements	Upgrade transit stop amenities as needed, to include sheltered stops with seating, landing pads, route information, bicycle parking and improved lighting.
T3	OR 8 Park & Ride	Develop a Park & Ride along OR 8 at 10th Avenue and 26th Avenue and incorporate other transit amenities.
T4	High Capacity Transit Feasibility Study	Prepare a feasibility study for high capacity transit to Cornelius, including expected costs, expected revenue, and potential funding sources.

Source: Cornelius Transportation Systems Plan (2018)

## **2. Stormwater**

There are no stormwater projects in the Area from the City of Cornelius' Storm Water Master Plan. The Town Center is serviced by catch basins and gravity storm sewer mains that run within the existing street network. Pipe sizes range from 10 inches to 24 inches. Storm sewer is conveyed to the south of the Town Center, eventually discharging into the Tualatin River. City maps note two water quality facilities within the Town Center. There are eight separate drainage basins that contribute to the Town Center.<sup>16</sup>

## **3. Sanitary Sewer**

There are no sanitary sewer projects in the Area from the City of Cornelius' Sanitary Sewer Master Plan.

## **4. Water**

The current Water System Master Plan was adopted in January 2017. The master plan indicates that the system services approximately 12,000 people with approximately 3,060 customer accounts. Currently the City purchases all their treated water from the City of Hillsboro and has plans to supplement from the ASR well in the future. The City has three master meter connections to the 72-inch Water Transmission Main, two of which fall within the Study Area.

Water infrastructure in the Town Center consists of the 72-inch transmission line, mainly running east west along Tualatin Valley Highway. Distribution lines varying in sizes from 2 inch up to 12 inches in size service the existing Town Center. In addition, there is a 1.5 MG Reservoir and lift station located just south of N. Davis Street, along the east end of N. Clark Street.<sup>17</sup>

## **5. Electrical power**

The Town Center is serviced by Portland General Electric (PGE) by either above ground or below ground power lines.<sup>18</sup>

## **6. Natural Gas**

The Town Center is serviced by Northwest Natural Gas (NWNG) with underground distribution mains.<sup>19</sup>

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<sup>16</sup> 3J Consulting *Memorandum RE: Existing and Planned Conditions Report*, September 17, 2018

<sup>17</sup> *ibid.*

<sup>18</sup> *ibid.*

<sup>19</sup> *ibid.*

## 7. Parks and Open Space

The projects listed in Table 26 are projects in the Area from the City of Cornelius' Parks Master Plan:

**Table 26 - Parks Master Plan Projects in the Area**

<b>Project Number</b>	<b>Project Title</b>	<b>Project Description</b>	<b>Project Source</b>
NP-1	Future Neighborhood Park, northwest area	Property acquisition northwest area, 1-1.5 acres	\$578,813
Trail - 2	Baseline Bike Route	Re-Stripe, Signage	\$16,538
Proposed Bike Routes	Proposed Bike Routes	Re-Stripe, Signage	No estimate listed
Trails and Pathways	Trails and Pathways	Re-Stripe, Signage	No estimate listed

Source: City of Cornelius Parks Master Plan

### C. Social Conditions

The social conditions were taken from the Cornelius Town Center Plan.<sup>20</sup>

*"Cornelius is a growing community that has a distinct demographic profile that varies from many of its neighboring communities in Washington County. With a population of 12,500 people<sup>21</sup>, Cornelius is one of the smaller cities in Washington County, but continues to grow at a steady rate. The city's population is more than 50% Latino, a demographic group that typically has larger than average family sizes and more multigenerational households. According to the 2010 Census, the most recent data set available, the average household size in Cornelius is 3.51, compared to an average household size of 2.61 for Washington County"*<sup>22</sup>

#### 1. Age

*"Cornelius has a distinctly young population and many households with children. This is unique, as many communities in Oregon are aging as the Baby Boomer generational wave continues to get older and put demographic pressures on their communities. Only 10 percent of the Cornelius population is over the age of 60 versus more than 20 percent at the state level. According to the 2017 American Community Survey, the median age in Cornelius is 30.6, compared to 36.4 for Washington County."*<sup>23</sup>

The most common age bracket in the Area was under 20 at 34%.

**Table 27 - Age in the Area**

Age	Percentage
Under 20	34%
20 to 39	30%
40-59	26%
60+ Years	10%
TOTAL:	100%

Source: 3J Consulting September 17, 2018 Memorandum RE: Existing and Planned Conditions Report

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<sup>20</sup>ibid.

<sup>21</sup>The most recent population estimate from the U.S. Census lists 12,492 residents (2017). Other sources, such as the PSU Population Research Center, estimate a population closer to 12,000 persons.

<sup>22</sup>3J Consulting, 2018 Memorandum RE: Existing and Planned Conditions Report, September 17.

<sup>23</sup>ibid.

## 2. Households

*"Another unique demographic characteristic of Cornelius is the high number of households with three or more people. Cornelius' share of households with three or more people was 62 percent from 2012 to 2016. This compares to 41 percent and 35 percent for Washington County, and Oregon, respectively. Half of Cornelius' households are households with children, which explains Cornelius' high share of three or more people per household. Cornelius' households with children will have an impact on all aspects of the city. This group of households will have aligned preferences; households with children may vote similarly regarding schools, parks, and public safety. This group of households may also support a similar subset of businesses, e.g., family-friendly restaurants."<sup>24</sup>*

The measurements for house size ranged from one person, two persons, or three or more persons.

**Table 28 - House Size in the Area**

Household Size	Percentage
1 Person	14%
2 Persons	24%
3 or more Persons	62%
TOTAL:	100%

Source: 3J Consulting September 17, 2018 Memorandum RE: Existing and Planned Conditions Report

Housing was further broken down into household composition with categories of Nonfamily households, Family households without children, Households with children. The most prevalent housing composition was Households with children.

**Table 29 - House Composition in the Area**

Household Composition	Percentage
Nonfamily households	21%
Family households without children	29%
Households with children	50%
TOTAL:	100%

Source: 3J Consulting September 17, 2018 Memorandum RE: Existing and Planned Conditions Report

## 3. Income

*"Cornelius's household income profile also is unique. The city has fewer households in both the lowest income brackets, and the highest income brackets and many more households in the medium income brackets, than households across Washington County and the state. The recently completed Cornelius Economic Opportunities Analysis (EOA) showed that annual wages in Cornelius are less than half of those at the Portland MSA level, and average less than \$30,000 a year."<sup>25</sup>*

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<sup>24</sup>ibid.

<sup>25</sup>3J Consulting Team. *Town Center Master Plan 2019*, and PNW Economics, LLC (2017). *City of Cornelius Economic Opportunity Analysis (EOA)*. Prepared for the City of Cornelius.

Cornelius' median household income was \$58,420, in 2016 dollars, over the period of 2012 to 2016. This compares to Washington County's median household income of \$69,743, and Oregon's of \$53,270. Household Income distribution is shown in Figure 13. Almost one-third of Cornelius' households made between \$50,000 to \$74,000 between 2012 and 2016.

A standard income analysis was performed on the Area. The most prevalent income bracket in the Area was \$50,000 – 74,000.

**Table 30 - Income in the Area**

<b>Income Range</b>	<b>Percentage</b>
< \$25,000	15%
\$25,000 - 49,000	26%
\$50,000 - \$74,000	32%
\$75,000 - \$99,000	13%
\$100,000 - \$149,000	10%
\$150,000 +	4%
TOTAL:	100%

Source: 3J Consulting September 17, 2018 Memorandum RE: Existing and Planned Conditions Report

## **D. Economic Conditions**

### **1. Taxable Value of Property within the Area**

The estimated total assessed value of the Area calculated with data from the Washington County Department of Assessment and Taxation for FYE 2019, including all real, personal, manufactured, and utility properties, is estimated to be \$155,179,645.

### **2. Building to Land Value 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 Value Ratio," or "I:L." The values used are real market values. In urban renewal areas, the I:L is often used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

Table 31 shows the improvement to land ratios (I:L) for properties within the Area. In the Area 194 parcels representing 52% of the acreage have I:L ratios less than 1.0. In other words, the improvements on these properties are worth less than the land they sit on. A reasonable I:L ratio for properties in the Area is 2.0. Only 52 of the 323 parcels in the Area, totaling 29% of the acreage have I:L ratios of 2.0 or more in FYE 2018-2019. In summary, the area is underdeveloped and not contributing significantly to the tax base in Cornelius. Of the 19 parcels listed as Exempt in Table 4, one parcel is a utility property and not technically a governmental exempt property.

**Table 31 - Improvement to Land Ratios in the Area**

<b>Improvement to Land Ratio</b>	<b>Parcels</b>	<b>Acreage</b>	<b>Percent of Acreage</b>
Exempt	19	18.43	6.70%
No Improvement Value	49	59.20	21.52%
0.01-0.50	47	43.81	15.92%
0.51-1.00	98	40.89	14.86%
1.01-1.50	36	12.11	4.40%
1.51-2.00	22	21.29	7.74%
2.01-2.50	12	25.62	9.31%
2.51-3.00	15	6.99	2.54%
3.01-4.00	16	9.41	3.42%
> 4.00	9	37.38	13.59%
<b>TOTAL:</b>	<b>323</b>	<b>275.13</b>	<b>100.00%</b>

Source: Compiled by Elaine Howard Consulting, LLC with data from the Washington County Department of Assessment and Taxation (FYE 2018-2019)



### ***E. Impact on Municipal Services***

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section VIII of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects being considered for future use of urban renewal funding are for development and redevelopment of properties, transportation improvements, creating community and plan administration. The use of tax increment allows the city to add an additional funding source to the City of Cornelius general fund or system development charges funds to allow these projects to be completed.

It is anticipated that these improvements will catalyze development on the undeveloped and underdeveloped parcels in the Area. This development will require city services. However, since the property is within the city limits, the city has anticipated the need to provide services to the Area. As the development will be new construction or rehabilitation, it will be up to current building code and will aid in any fire protection needs.

The financial impacts from tax increment collections will be countered by future economic development, and, in the future, adding increases in assessed value to the tax base for all taxing jurisdictions, including the City.

## **XI. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN**

The reason for selecting the Area is to provide the ability to fund projects and programs necessary to cure blight within the Area.

## **XII. RELOCATION REPORT**

When the Agency acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the Agency shall adopt rules and regulations, as necessary, for the administration of relocation assistance. The acquisition of the parcel adjacent to the Cornelius Library could result in relocation benefits. The Agency will comply with all applicable state law in providing these potential benefits.

There are plans to acquire land for infrastructure which may trigger relocation benefits in the future in the Area. All acquisitions will be reviewed for potential of relocation benefits.



# TIBERIUS SOLUTIONS

Appendix A to Cornelius Urban Renewal Plan  
Accompanying Report

DATE: January 18, 2019  
TO: Steve Faust  
FROM: Nick Popenuk  
SUBJECT:

CORNELIUS EXCEPTION VALUE – MEETING NOTES

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## Attendees:

- Ryan Wells, Community Development Director, City of Cornelius
- Tim Franz, Associate Planner, City of Cornelius
- Nick Popenuk, Tiberius Solutions
- Ali Danko, Tiberius Solutions
- Elaine Howard, Elaine Howard Consulting

## Specific development opportunities in URA

### Industrial area (NW corner of URA)

- Higher Taste: 17,000 SF industrial facility. Breaking ground in 2019. Has been approved for 3-year Enterprise Zone tax abatement.
- Truss Components: 1,248 SF addition. Expected to break ground in 2019.
- Vacant warehouse (t-shaped structure) is for sale and close to a deal with new tenant. Pending land use decision in April. Anticipates \$10M of machinery value. May qualify for 3-year E-Zone tax abatement.
- Eagle Precision sheet metal. Planning expansion of existing operations. Approximately 100% expansion of building (16,000 SF). Would be \$4.5M project (building and equipment), and E-Zone abatement for 3 years.
- Multiple other parcels of vacant industrial land with development opportunities. Approximately 40 acres in this area, divided into contiguous parcels ranging from 1 to 20 acres. Most of the land is shovel ready and does not require additional infrastructure investments. Some of the property will be needed for right-of-way acquisitions.
- Wilco property in the area will likely remain in operation, and is not expected to redevelop in the foreseeable future.

### Commercial/Mixed-Use along Hwy 8 (from West to East)

#### West end

- Just south of industrial area (corner of N 4<sup>th</sup> Ave and N Davis Street), small 6-7 unit residential subdivision planned on one-acre site. Construction expected in next two years.
- Walmart Supercenter. No plans for redevelopment. Excessive amount of onsite parking. Possibility for restaurant/retail/commercial pad development on site, if Walmart is ever interested.

- West end of couplet. Lots of non-conforming residential uses in commercial zone. Relatively few property owners. Have not been interested in selling/redeveloping in past, because owners' estimate of property values are higher than market interest. Still, likely to sell/redevelop in the future due to increasing age of property owners. Frontage improvement costs a stated obstacle.
- Cedar Terrace 2 at 7<sup>th</sup> and Adair. Plans for 21-unit apartment complex and 13 units of single-family detached homes. Apartments may be built prior to single-family homes. Construction likely to begin in late 2019 or 2020.
- Old "Happy Hour" restaurant is a derelict building, applying for demolition, which could make the site and surrounding area more attractive for redevelopment.
- Most properties at West end of couplet are likely to redevelop, except for strip of successful businesses (State Farm, fruteria, etc.).
- South of Baseline on West end, three contiguous parcels with 5 acres of vacant land. All zoned commercial. Attractive "gateway" site, if developer can deal with ODOT requirements for access/frontage. URA likely to include gateway investment in this area.
- Hillsboro Pipe and Supply own an adjacent residential property that has potential for redevelopment in the next few years.

#### Residential neighborhood East of N 10<sup>th</sup> Avenue and West of N 20<sup>th</sup> Avenue

- City is in process of rezoning the neighborhood to allow mixed-use and higher density residential. Rezone is expected to occur later in 2019, and will allow for significant redevelopment opportunities. Need to be careful of how we describe this in the Plan/Report documents, due to ORS requirements that Plan be consistent with current City Comprehensive Plan, and not dependent upon future Comp Plan amendments.
- Opportunity site in middle of couplet between 14<sup>th</sup> and 17<sup>th</sup> Avenues. Old strip mall that is very underutilized. Approximately 3-acre site. Dutch Bros on corner of lot is the only thriving business on the block. This was identified as an opportunity site in the EOA, and identified in the Metro Grant as a site for more in-depth analysis (once the zone change is complete).

#### South of Baseline

- Lots of long-skinny properties on the southside of Baseline from 10<sup>th</sup> street East, with development opportunities. However, constrained by ODOT/City frontage requirements on Baseline and by railroad issues on the backside of the lots. These issues result in bureaucratic red tape, expensive frontage improvement requirements, and difficulty accommodating parking, circulation, and access.

#### N 26<sup>th</sup> Ave

- The Haney property on west side of N 26<sup>th</sup> is an opportunity site for future redevelopment. Owned by Tom Moyer Theaters. 12.5-acre site, zoned "core-commercial employment." This is form-based code that has challenges for development. City is planning to rezone this area to some sort of mixed-use zone as a part of the awarded Metro 2040 grant.
- Sheldon Manufacturing owns 2 lots on east side of street and has potential for expansion, but is land-constrained.
- Eagles Lodge is a good opportunity site, if the Eagles decide in the future that they cannot afford to maintain the current building and need to sell.
- Self-storage facility unlikely to redevelop as anything else in the foreseeable future.

## East End

- Pape and Coastal Farm are established businesses along Hwy 8 that will generate 3% appreciation, but will not redevelop in the foreseeable future.
- West of Pape is 3-acre vacant lot owned by Pacific Tractor. Property owner vacillates between wanting to sell the land and wanting to develop it.

## General thoughts on development opportunities

- Why is development activity likely to be more significant in the future than in past years?
  - Residential development in Cornelius and surrounding communities (i.e., Forest Grove) is really taking off. Cornelius is expecting 1,200 new homes in the next 5-7 years.
  - All of this new growth leads to increased traffic counts along the Hwy 8 couplet, increasing demand for commercial development.
  - City has made recent investments in infrastructure and frontage improvements, and plans to include URA funding to assist private developers with frontage improvements.
  - The City also has a different reputation today than it did a decade ago, with developers appreciating the approach of City staff and the relative ease of development. In particular, the City's development review process is fast, compared with other jurisdictions in the region.
- What are remaining obstacles to development?
  - The Baseline and Adair couplet are ODOT roads that have ODOT requirements for frontage improvements and access, and these are challenging for developers.
  - Additionally two railroad lines through town, the southern one is adjacent to a number of vacant, developable properties, and poses additional bureaucratic challenges to development.
  - TDT has been raised by developers as a deterrent for development, though it is the same rate as all other jurisdictions in Washington County, and less than other jurisdictions that have begun adopting supplemental transportation SDCs.
  - Clean Water Services (CWS) requirements for on-site stormwater detention and treatment.
- Timeline for development:
  - Some projects should be under construction this year.
  - Some of those will have E-Zone abatements that delay value for 3 more years.
  - Other sites likely to develop in near future, benefiting from growing demand, and availability of shovel ready sites for industrial, commercial, and mixed-use.
  - Upcoming zoning changes will allow more development in the area in coming years.
  - Properties dealing with ODOT and railroad frontage will take longer to develop, due to bureaucratic issues.
  - All told – plenty of development opportunities with staggered timelines that should allow a relatively steady stream of development for many years to come.
- Nick's thoughts on growth forecast for urban renewal plan:
  - A large number of relatively low-value development opportunities in the area with uncertainty on exact timing and value of development.

- This lends itself to using an assumed growth rate, as opposed to making specific assumptions of exception value.
- Seems reasonable to assume upwards of 5% growth per year, based on the strong development potential of the area, but will need to look at historical trends citywide, as well as compare the percentage growth to the frozen base to better understand what X% growth per year means in terms of millions of dollars of new construction.