



MEMO

TO: Cornelius Urban Renewal Technical Advisory Committee

FROM: Elaine Howard, Elaine Howard Consulting, LLC

RE: Financial Analysis

DATE: February 11, 2019

Two scenarios were analyzed by Tiberius Solutions, LLC for tax increment revenue generation for the Cornelius Urban Renewal Area: a 20-year urban renewal plan duration and a 25-year urban renewal plan duration. The assumptions include assessed value growth at 5% annually. To realize these assumptions, there must be at least 2% assessed value growth of new construction or substantial rehabilitation each year and 3% growth in existing assessed values.

These scenarios assume that all debt is paid off at the end of each scenario.

The summary data is presented below:

20-Year Duration

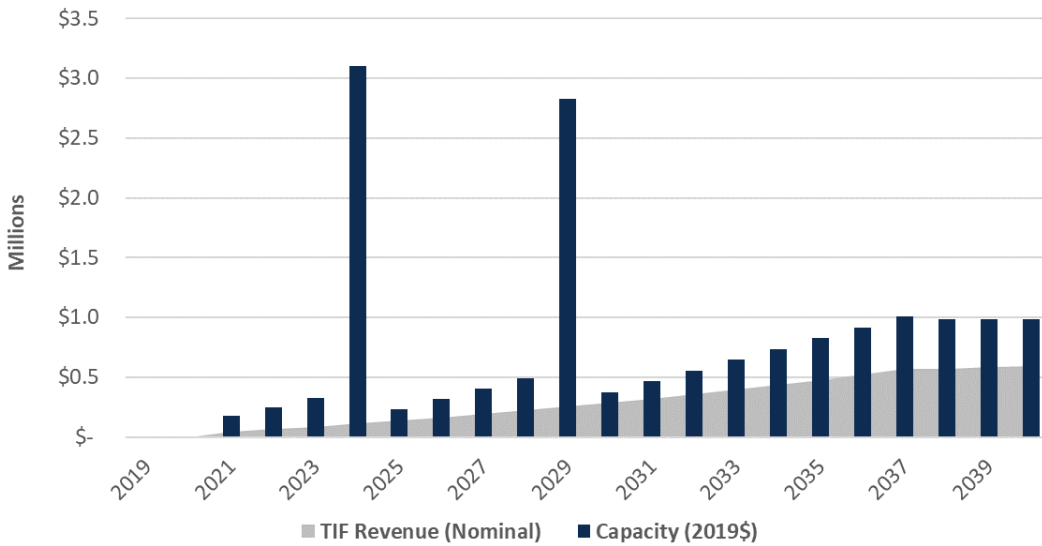
5% Annual Assessed Value Growth Rate

The total amount in current dollars to be spent on projects, programs and administration in this scenario is \$16,590,000.

Total TIF (Nominal)	\$ 27,190,000
Maximum Indebtedness (Nominal)	\$ 24,500,000
Total Financial Capacity (2019\$)	\$ 16,590,000
Years 1-5	\$ 4,080,000
Years 6-10	\$ 4,410,000
Years 11-15	\$ 3,230,000
Years 16-20	\$ 4,870,000

Nominal Dollars: Dollars are “current” dollars, not adjusted for inflation

The following chart shows tax increment funds (TIF) through the years with a larger borrowing forecast in FYE 2024 (\$3,500,000) and FYE 2029 (\$3,500,000). These borrowings are projected, not required and the amounts could vary depending on actual TIF revenues.



25 Year Duration

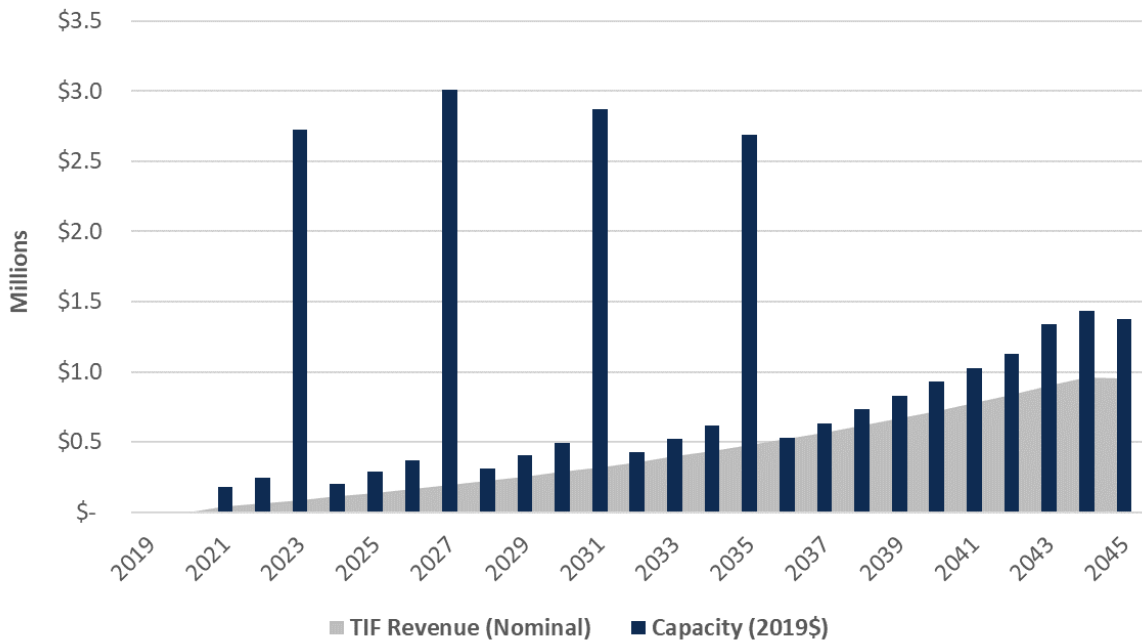
5% Annual Assessed Value Growth Rate

The total amount in current dollars to be spent on projects, programs and administration in this scenario is \$25,310,000.

Total TIF (Nominal)	\$ 47,130,000
Maximum Indebtedness (Nominal)	\$ 41,000,000
Total Financial Capacity (2019\$)	\$ 25,310,000
<i>Years 1-5</i>	\$ 3,640,000
<i>Years 6-10</i>	\$ 4,590,000
<i>Years 11-15</i>	\$ 7,130,000
<i>Years 16-20</i>	\$ 3,650,000
<i>Years 21-25</i>	\$ 6,300,000

Nominal Dollars: Dollars are “current” dollars, not adjusted for inflation

The following chart shows tax increment funds (TIF) through the years with a larger borrowing forecast in FYE 2024 (\$3,000,000), FYE 2027 (\$3,600,000), FYE 2031(\$3,700,000) and FYE 2035 (\$3,700,000). These borrowings are projected, not required and the amounts could vary depending on actual TIF revenues.



Projected impacts to taxing districts are shown below for both scenario:

20 Year Duration - General Government

FYE	Washington County Permanent	City of Cornelius Permanent	Metro Permanent	Port of Portland Permanent	Tualatin Soil & Water District Permanent	Subtotal Gen. Govt.
2021	\$ (33,975)	\$ (60,194)	\$ (1,460)	\$ (1,059)	\$ (1,044)	\$ (97,732)
2022	\$ (52,810)	\$ (93,567)	\$ (2,269)	\$ (1,647)	\$ (1,623)	\$ (151,916)
2023	\$ (72,215)	\$ (127,948)	\$ (3,102)	\$ (2,252)	\$ (2,220)	\$ (207,737)
2024	\$ (92,647)	\$ (164,149)	\$ (3,981)	\$ (2,889)	\$ (2,847)	\$ (266,513)
2025	\$ (114,102)	\$ (202,160)	\$ (4,903)	\$ (3,558)	\$ (3,506)	\$ (328,229)
2026	\$ (136,628)	\$ (242,072)	\$ (5,871)	\$ (4,259)	\$ (4,199)	\$ (393,029)
2027	\$ (160,282)	\$ (283,979)	\$ (6,887)	\$ (4,997)	\$ (4,926)	\$ (461,071)
2028	\$ (185,117)	\$ (327,982)	\$ (7,953)	\$ (5,771)	\$ (5,689)	\$ (532,512)
2029	\$ (211,195)	\$ (374,185)	\$ (9,074)	\$ (6,585)	\$ (6,491)	\$ (607,530)
2030	\$ (238,576)	\$ (422,697)	\$ (10,250)	\$ (7,438)	\$ (7,332)	\$ (686,293)
2031	\$ (267,327)	\$ (473,636)	\$ (11,485)	\$ (8,335)	\$ (8,216)	\$ (768,999)
2032	\$ (297,515)	\$ (527,122)	\$ (12,782)	\$ (9,276)	\$ (9,144)	\$ (855,839)
2033	\$ (329,212)	\$ (583,281)	\$ (14,145)	\$ (10,265)	\$ (10,117)	\$ (947,020)
2034	\$ (362,494)	\$ (642,249)	\$ (15,574)	\$ (11,301)	\$ (11,141)	\$ (1,042,759)
2035	\$ (397,441)	\$ (704,165)	\$ (17,075)	\$ (12,391)	\$ (12,215)	\$ (1,143,287)
2036	\$ (434,134)	\$ (769,177)	\$ (18,653)	\$ (13,535)	\$ (13,342)	\$ (1,248,841)
2037	\$ (472,663)	\$ (837,440)	\$ (20,308)	\$ (14,736)	\$ (14,527)	\$ (1,359,674)
2038	\$ (474,964)	\$ (841,516)	\$ (20,406)	\$ (14,809)	\$ (14,597)	\$ (1,366,292)
2039	\$ (485,459)	\$ (860,112)	\$ (20,857)	\$ (15,135)	\$ (14,920)	\$ (1,396,483)
2040	\$ (496,610)	\$ (879,868)	\$ (21,336)	\$ (15,483)	\$ (15,262)	\$ (1,428,559)
Total	\$ (5,315,366)	\$ (9,417,499)	\$ (228,371)	\$ (165,721)	\$ (163,358)	\$ (15,290,315)

20 Year Duration - Education

FYE	Forest Grove School District Permanent	Hillsboro School District Permanent	Portland Community College Permanent	NW Regional ESD Permanent	Subtotal Education	Total All
2021	\$ (57,374)	\$ (17,091)	\$ (972)	\$ (528)	\$ (75,965)	\$ (173,697)
2022	\$ (89,209)	\$ (26,539)	\$ (1,509)	\$ (820)	\$ (118,077)	\$ (269,993)
2023	\$ (121,953)	\$ (36,328)	\$ (2,065)	\$ (1,123)	\$ (161,469)	\$ (369,206)
2024	\$ (156,458)	\$ (46,606)	\$ (2,649)	\$ (1,441)	\$ (207,154)	\$ (473,667)
2025	\$ (192,688)	\$ (57,398)	\$ (3,263)	\$ (1,774)	\$ (255,123)	\$ (583,352)
2026	\$ (230,730)	\$ (68,730)	\$ (3,907)	\$ (2,125)	\$ (305,492)	\$ (698,521)
2027	\$ (270,674)	\$ (80,629)	\$ (4,583)	\$ (2,493)	\$ (358,379)	\$ (819,450)
2028	\$ (312,615)	\$ (93,122)	\$ (5,294)	\$ (2,879)	\$ (413,910)	\$ (946,422)
2029	\$ (356,653)	\$ (106,240)	\$ (6,039)	\$ (3,284)	\$ (472,216)	\$ (1,079,746)
2030	\$ (402,893)	\$ (120,014)	\$ (6,822)	\$ (3,710)	\$ (533,439)	\$ (1,219,732)
2031	\$ (451,445)	\$ (134,477)	\$ (7,644)	\$ (4,157)	\$ (597,723)	\$ (1,366,722)
2032	\$ (502,424)	\$ (149,663)	\$ (8,508)	\$ (4,627)	\$ (665,222)	\$ (1,521,061)
2033	\$ (555,953)	\$ (165,608)	\$ (9,414)	\$ (5,120)	\$ (736,095)	\$ (1,683,115)
2034	\$ (612,158)	\$ (182,350)	\$ (10,366)	\$ (5,637)	\$ (810,511)	\$ (1,853,270)
2035	\$ (671,173)	\$ (199,930)	\$ (11,365)	\$ (6,181)	\$ (888,649)	\$ (2,031,936)
2036	\$ (733,139)	\$ (218,388)	\$ (12,414)	\$ (6,752)	\$ (970,693)	\$ (2,219,534)
2037	\$ (798,203)	\$ (237,770)	\$ (13,516)	\$ (7,351)	\$ (1,056,840)	\$ (2,416,514)
2038	\$ (802,089)	\$ (238,927)	\$ (13,582)	\$ (7,386)	\$ (1,061,984)	\$ (2,428,276)
2039	\$ (819,814)	\$ (244,207)	\$ (13,882)	\$ (7,550)	\$ (1,085,453)	\$ (2,481,936)
2040	\$ (838,644)	\$ (249,816)	\$ (14,201)	\$ (7,723)	\$ (1,110,384)	\$ (2,538,943)
Total	\$ (8,976,289)	\$ (2,673,833)	\$ (151,995)	\$ (82,661)	\$ (11,884,778)	\$ (27,175,093)

25 Year Duration - General Government

FYE	Washington County	City of Cornelius	Metro	Port of Portland	Tualatin Soil & Water District	Subtotal
2021	\$ (33,975)	\$ (60,194)	\$ (1,460)	\$ (1,059)	\$ (1,044)	\$ (97,732)
2022	\$ (52,810)	\$ (93,567)	\$ (2,269)	\$ (1,647)	\$ (1,623)	\$ (151,916)
2023	\$ (72,215)	\$ (127,948)	\$ (3,102)	\$ (2,252)	\$ (2,220)	\$ (207,737)
2024	\$ (92,647)	\$ (164,149)	\$ (3,981)	\$ (2,889)	\$ (2,847)	\$ (266,513)
2025	\$ (114,102)	\$ (202,160)	\$ (4,903)	\$ (3,558)	\$ (3,506)	\$ (328,229)
2026	\$ (136,628)	\$ (242,072)	\$ (5,871)	\$ (4,259)	\$ (4,199)	\$ (393,029)
2027	\$ (160,282)	\$ (283,979)	\$ (6,887)	\$ (4,997)	\$ (4,926)	\$ (461,071)
2028	\$ (185,117)	\$ (327,982)	\$ (7,953)	\$ (5,771)	\$ (5,689)	\$ (532,512)
2029	\$ (211,195)	\$ (374,185)	\$ (9,074)	\$ (6,585)	\$ (6,491)	\$ (607,530)
2030	\$ (238,576)	\$ (422,697)	\$ (10,250)	\$ (7,438)	\$ (7,332)	\$ (686,293)
2031	\$ (267,327)	\$ (473,636)	\$ (11,485)	\$ (8,335)	\$ (8,216)	\$ (768,999)
2032	\$ (297,515)	\$ (527,122)	\$ (12,782)	\$ (9,276)	\$ (9,144)	\$ (855,839)
2033	\$ (329,212)	\$ (583,281)	\$ (14,145)	\$ (10,265)	\$ (10,117)	\$ (947,020)
2034	\$ (362,494)	\$ (642,249)	\$ (15,574)	\$ (11,301)	\$ (11,141)	\$ (1,042,759)
2035	\$ (397,441)	\$ (704,165)	\$ (17,075)	\$ (12,391)	\$ (12,215)	\$ (1,143,287)
2036	\$ (434,134)	\$ (769,177)	\$ (18,653)	\$ (13,535)	\$ (13,342)	\$ (1,248,841)
2037	\$ (472,663)	\$ (837,440)	\$ (20,308)	\$ (14,736)	\$ (14,527)	\$ (1,359,674)
2038	\$ (513,117)	\$ (909,115)	\$ (22,045)	\$ (15,998)	\$ (15,769)	\$ (1,476,044)
2039	\$ (555,595)	\$ (984,374)	\$ (23,871)	\$ (17,322)	\$ (17,075)	\$ (1,598,237)
2040	\$ (600,196)	\$ (1,063,397)	\$ (25,787)	\$ (18,712)	\$ (18,446)	\$ (1,726,538)
2041	\$ (647,028)	\$ (1,146,371)	\$ (27,799)	\$ (20,173)	\$ (19,885)	\$ (1,861,256)
2042	\$ (696,201)	\$ (1,233,493)	\$ (29,911)	\$ (21,706)	\$ (21,396)	\$ (2,002,707)
2043	\$ (747,832)	\$ (1,324,971)	\$ (32,130)	\$ (23,316)	\$ (22,983)	\$ (2,151,232)
2044	\$ (802,046)	\$ (1,421,023)	\$ (34,459)	\$ (25,006)	\$ (24,649)	\$ (2,307,183)
2045	\$ (795,029)	\$ (1,408,592)	\$ (34,158)	\$ (24,787)	\$ (24,434)	\$ (2,287,000)
Total	\$ (9,215,377)	\$ (16,327,339)	\$ (395,932)	\$ (287,314)	\$ (283,216)	\$ (26,509,178)

25 Year Duration - Education

FYE	Forest Grove School District	Hillsboro School District	Portland Community College	NW Regional ESD	Subtotal	Total
2021	\$ (57,374)	\$ (17,091)	\$ (972)	\$ (528)	\$ (75,965)	\$ (173,697)
2022	\$ (89,209)	\$ (26,539)	\$ (1,509)	\$ (820)	\$ (118,077)	\$ (269,993)
2023	\$ (121,953)	\$ (36,328)	\$ (2,065)	\$ (1,123)	\$ (161,469)	\$ (369,206)
2024	\$ (156,458)	\$ (46,606)	\$ (2,649)	\$ (1,441)	\$ (207,154)	\$ (473,667)
2025	\$ (192,688)	\$ (57,398)	\$ (3,263)	\$ (1,774)	\$ (255,123)	\$ (583,352)
2026	\$ (230,730)	\$ (68,730)	\$ (3,907)	\$ (2,125)	\$ (305,492)	\$ (698,521)
2027	\$ (270,674)	\$ (80,629)	\$ (4,583)	\$ (2,493)	\$ (358,379)	\$ (819,450)
2028	\$ (312,615)	\$ (93,122)	\$ (5,294)	\$ (2,879)	\$ (413,910)	\$ (946,422)
2029	\$ (356,653)	\$ (106,240)	\$ (6,039)	\$ (3,284)	\$ (472,216)	\$ (1,079,746)
2030	\$ (402,893)	\$ (120,014)	\$ (6,822)	\$ (3,710)	\$ (533,439)	\$ (1,219,732)
2031	\$ (451,445)	\$ (134,477)	\$ (7,644)	\$ (4,157)	\$ (597,723)	\$ (1,366,722)
2032	\$ (502,424)	\$ (149,663)	\$ (8,508)	\$ (4,627)	\$ (665,222)	\$ (1,521,061)
2033	\$ (555,953)	\$ (165,608)	\$ (9,414)	\$ (5,120)	\$ (736,095)	\$ (1,683,115)
2034	\$ (612,158)	\$ (182,350)	\$ (10,366)	\$ (5,637)	\$ (810,511)	\$ (1,853,270)
2035	\$ (671,173)	\$ (199,930)	\$ (11,365)	\$ (6,181)	\$ (888,649)	\$ (2,031,936)
2036	\$ (733,139)	\$ (218,388)	\$ (12,414)	\$ (6,752)	\$ (970,693)	\$ (2,219,534)
2037	\$ (798,203)	\$ (237,770)	\$ (13,516)	\$ (7,351)	\$ (1,056,840)	\$ (2,416,514)
2038	\$ (866,521)	\$ (258,120)	\$ (14,673)	\$ (7,980)	\$ (1,147,294)	\$ (2,623,338)
2039	\$ (938,254)	\$ (279,488)	\$ (15,888)	\$ (8,640)	\$ (1,242,270)	\$ (2,840,507)
2040	\$ (1,013,574)	\$ (301,925)	\$ (17,163)	\$ (9,334)	\$ (1,341,996)	\$ (3,068,534)
2041	\$ (1,092,660)	\$ (325,483)	\$ (18,502)	\$ (10,062)	\$ (1,446,707)	\$ (3,307,963)
2042	\$ (1,175,701)	\$ (350,219)	\$ (19,908)	\$ (10,827)	\$ (1,556,655)	\$ (3,559,362)
2043	\$ (1,262,893)	\$ (376,192)	\$ (21,385)	\$ (11,630)	\$ (1,672,100)	\$ (3,823,332)
2044	\$ (1,354,445)	\$ (403,463)	\$ (22,935)	\$ (12,473)	\$ (1,793,316)	\$ (4,100,499)
2045	\$ (1,342,595)	\$ (399,934)	\$ (22,734)	\$ (12,364)	\$ (1,777,627)	\$ (4,064,627)
Total	\$ (15,562,385)	\$ (4,635,707)	\$ (263,518)	\$ (143,312)	\$ (20,604,922)	\$ (47,114,100)