

COBURG INDUSTRIAL AREA URBAN RENEWAL PLAN

JUNE 30, 2001

COBURG URBAN RENEWAL AGENCY

CITY OF COBURG

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The Coburg Urban Renewal Area (“the Area”) includes most of the vacant and underutilized property in the city’s industrial area adjacent to Interstate-5. The Coburg Industrial Area Urban Renewal Plan has been prepared by the Coburg Urban Renewal Agency pursuant to Oregon Revised Statute (ORS) Chapter 457, the Oregon Constitution, and all applicable laws and ordinances. All such applicable laws are made part of this Plan, whether expressly referred to in the text or not.

The Coburg Urban Renewal Agency was activated on January 2, 2001. An Advisory Committee to the Urban Renewal Agency – consisting of citizens and elected officials – was formed. The committee met to discuss the key issues in the urban renewal plan. The Advisory Committee selected the properties to be included in the Urban Renewal Area. Public hearings before the City Council on the issue of Urban Renewal included a public hearing prior to the activation of the Urban Renewal Agency and two public hearings concerning adoption of the ordinance approving the Plan.

The Coburg Urban Renewal Agency has prepared the Coburg Industrial Park Urban Renewal Plan (“the Plan”) in accordance with Oregon Revised Statutes (ORS), Chapter 457. ORS 457.085(2) requires that the plan include the following:

- (a) A description of each urban renewal project to be undertaken;
- (b) An outline for the development, redevelopment, improvements, land acquisition, demolition and removal of structures, clearance, rehabilitation or conservation of the urban renewal areas of the plan;
- (c) A map and legal description of urban renewal areas of the plan;
- (d) An explanation of its relationship to definite local objectives regarding appropriate land uses and improved traffic, public transportation, public utilities, telecommunications utilities, recreational and community facilities and other public improvements;
- (e) An indication of proposed land uses, maximum densities and building requirements for each urban renewal area;
- (f) A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area of the plan;
- (g) An indication of which real property may be acquired and the anticipated disposition of said real property, whether by retention, resale, lease or legal uses, together with an estimated time schedule for such acquisition and disposition;
- (h) If the plan provides for the division of ad valorem taxes under ORS 457.420 to 457.460, the maximum amount of indebtedness that can be issued or incurred under the plan;
- (i) A description of what types of possible future amendments to the plan are substantial amendments and require the same notice, hearing and approval procedure required under the original plan under ORS 457.095 as provided in ORS 457.220, including but not limited to:
 - Adding land to the urban renewal area, except for an addition of land that totals not more than one percent of the existing area for the urban renewal area;
 - Increasing the maximum amount of indebtedness that can be issued or incurred under the plan;
- (j) For a project which includes a public building, an explanation of how the building serves or benefits the urban renewal area.

The Urban Renewal Plan for the Coburg Industrial Area was approved by the City Council of the City of Coburg on June 5, 2001 by Ordinance No. A-186.

SECTION II **GOALS AND OBJECTIVES FOR THE COBURG URBAN RENEWAL AREA**

The primary goals of the plan are (1) provision of *adequate facilities*, and (2) *water quality*. At this point in time, Coburg does not have a municipal sewer system. The City of Coburg is currently served by private on-site septic tanks and drain fields. This scenario contributes to groundwater contamination. Development in the industrial area has occurred with the expectation that a sewer system would be forthcoming. A sewer system serving the industrial area would enable infill and new development.

The City of Coburg Comprehensive Plan has several goals and policies that are relevant to the Urban Renewal Area. The comprehensive plan has not been updated since 1982. At this point in time, it is not possible to meet the comprehensive plan's goals and policies related to water quality while continuing to observe the policy of meeting the city's sewage disposal needs with septic tanks.

COBURG COMPREHENSIVE PLAN (1982) — RELEVANT GOALS, OBJECTIVES, AND POLICIES

Goal 6: Air, Water and Land Resource Quality

Objective: To insure the continued quality of air, water and land resources within the City and its area of influence.

- Policy 3: All waste and process discharges from development will not violate applicable state and federal environmental quality standards
- Policy 4: Future development shall be accomplished in accordance with the Coburg Sewerage Facilities Plan (which reviewed several sewage treatment system alternatives and selected a septic system monitoring policy because of its (temporary) ability to continue to protect water quality).
- Policy 7: The City shall maintain water quality through cooperation with all appropriate federal and state agencies, including but not limited to DEQ.

Goal 11: Public Facilities and Services

Objective: To provide residents of Coburg the public facilities and services, which make possible a safe, healthy and satisfying, living environment.

- Policy 5: Community residential and commercial sewage disposal needs will continue to be met on an individual basis utilizing subsurface disposal systems (septic tanks).
- Policy 6: Community industrial sewage disposal will be met either through the use of subsurface disposal systems or where soil conditions do not permit septic tanks, through the use of other means as defined in the Coburg Sewerage Facilities Plan (including wastewater treatment systems for the City).

In the 1977 Coburg Sewerage Facilities Plan, the city elected to adopt an on-site subsurface sewerage disposal management program. Since the early 1990s, the city has recognized that development pressure, particularly in the industrial area, have overwhelmed this approach to sewerage service and has proceeded to address the problem through a series of wastewater facility plan studies. The culmination of those efforts is the 1999 City of Coburg Wastewater Facilities Plan. The recommended alternative in the Wastewater Facilities Plan is the project identified in this Urban Renewal Plan.

URBAN RENEWAL GOAL 1: ADEQUATE FACILITIES

Sanitary sewers are a basic city service. Coburg had been primarily a rural agricultural community from its inception in 1906 until the early 1990s when development pressure started spilling over from the Eugene-Springfield area. The Coburg population grew by about 27% percent between 1990 and 2000. In addition to just under 1,000 residents, there are more than 2,000 employees in the Urban Renewal Area – all using private wastewater systems. Existing industrial wastewater disposal systems are no longer adequate. Implementation of an Urban Renewal Area will facilitate development of adequate facilities for the Urban Renewal Area.

URBAN RENEWAL GOAL 2: WATER QUALITY

Preliminary results of an ongoing groundwater study by the Oregon Department of Environmental Quality (DEQ) confirmed the results of past studies by the DEQ, and the Oregon State University Extension Service. These studies have found high levels of nitrates in the Coburg area wells. Each study finds higher levels of nitrates as time goes by. This indicates that existing development with private wastewater systems will continue to impact the water quality in the region. Until recently, most of the development in Coburg has been residential with some commercial. Industrial development is more recent and has a greater potential to impact the water quality without a municipal wastewater system. An Urban Renewal Area in the industrial area will address water quality problems through the development of a wastewater treatment system, and will allow the industrial area to make a proportional contribution to addressing the water quality needs of the city as a whole.

SECTION III

URBAN RENEWAL PROJECTS AND PROGRAMS

In order to achieve the goals and objectives of this Plan, the project activities will be undertaken on behalf of the City by the Coburg Industrial Area Urban Renewal Agency, in accordance with applicable Federal, State, County, and City laws, policies, and procedures. The authority or powers granted in this section may be exercised in conjunction with any authority or powers granted to the City by statute, ordinance, or city charter.

The municipal sewer system, when completed, will benefit the entire city of Coburg. The Coburg Urban Renewal Area proposes to pay for its proportionate share of the new municipal sewer system. Based on expected demand on the sewer system, the Coburg Urban Renewal Area will pay for approximately half of the total cost of the system over the lifetime of the Urban Renewal Agency. For the purposes of this plan, the entire sewer project will be reported, as well as the costs and expected financing for the whole project.

The sewer project includes the following components:

- Construction of a collection and treatment system
- Land acquisition for the treatment plant
- Contingency
- Engineering
- Legal
- Administration
- Management of Urban Renewal Area TIF

SECTION IV URBAN RENEWAL AREA

The project area is the vacant and underdeveloped property in the city that is zoned Light Industrial. The approximate boundaries of the Area are shown in the Coburg Urban Renewal Area Map – Exhibit A. A Legal Description of the Area is included in Exhibit B.

SECTION V PROPOSED LAND USES

The land uses in the Coburg Urban Renewal Area will be the uses allowed per the Light Industrial zoning and plan designations of the property. The property that is currently being used for drain fields will become available for development.

SECTION VI RELOCATION AND ACQUISITION OF REAL PROPERTY

Relocation is not a component of the Coburg Industrial Area Urban Renewal Plan.

The acquisition of property for the sewer facility is a component of the total project. There are three potential sites, all of which are adjacent to the Urban Renewal Area.

SECTION VII

METHODS FOR FINANCING THE PROJECT

The Urban Renewal Agency may borrow money and accept advances, loans, grants, and any other form of financial assistance from the Federal Government, the State, City, County, or other public body, or from any other sources, public or private, for the purposes of undertaking and carrying out this Plan, or may otherwise obtain financing as authorized by ORS Chapter 457. Upon request by the Urban Renewal Agency, the Council of the City of Coburg may issue revenue bonds, certificates, debentures or promissory notes to assist in financing project activities as provided by ORS 457.320.

The City of Coburg will incur debt and obtain financing through grants, operational charges, assessments and other methods approved by the City Council to construct a wastewater treatment system for the City of Coburg. Pursuant to ORS Chapter 457, the Coburg Industrial Urban Renewal Area will assume debt of the City of Coburg proportional to the industrial area's total share of the costs of the wastewater treatment project and through agreements, resolutions and other actions necessarily and commonly used under such circumstances, will provide assistance in financing the City's project.

The funds obtained by the Urban Renewal Agency shall be used to pay or repay any costs, expenses, advancements and indebtedness incurred in planning or undertaking project activities or in otherwise exercising any of the powers granted in ORS 457 in connection with the implementation of this Plan.

The sewer project will be paid for from a variety of sources including grants, loans, and user fees. Loan repayment will be financed by local improvement district assessments and urban renewal area revenue. The Urban Renewal Area's proportionate share of the project will be financed by tax increment financing (TIF). The ad valorem taxes levied by the taxing districts within the Urban Renewal Area shall be divided as provided in section 1c, Article IX of the Oregon Constitution, and ORS 457.420 to 457.460. The total maximum indebtedness that may be incurred to complete the Plan is \$9,000,000.

SECTION VIII

PROCEDURES FOR CHANGES AND AMENDMENTS IN THE APPROVED URBAN RENEWAL PLAN

It is anticipated that this Plan will be changed or modified from time to time as development potential and conditions warrant, as loan levels and interest rates are fixed, as financing becomes available, or as local needs dictate. Where the proposed modifications will substantially change the Plan, the modification must be duly approved and adopted by the City Council in accordance with the requirements of State and local law. The provisions of ORS 457.095 and ORS 457.220 shall apply.

MINOR CHANGES

Minor changes such as clarification of language, procedures or minor modifications to the total cost of the project and the Area's proportionate share, which will not substantially change the basic principles of this Plan, may be approved by the Urban Renewal Agency.

SUBSTANTIAL CHANGES

Increases in the Area boundary in cumulative excess of 1% or increases in the maximum indebtedness authorized under the Plan shall be substantial changes requiring approval as provided in ORS 457.095 and notice as provided in ORS 457.120.

Changes which do substantially modify the basic principles of this Plan, or changes to the goals of the Plan shall be substantial changes requiring approval as provided in ORS 457.095 but not requiring notice as provided in ORS 457.120.

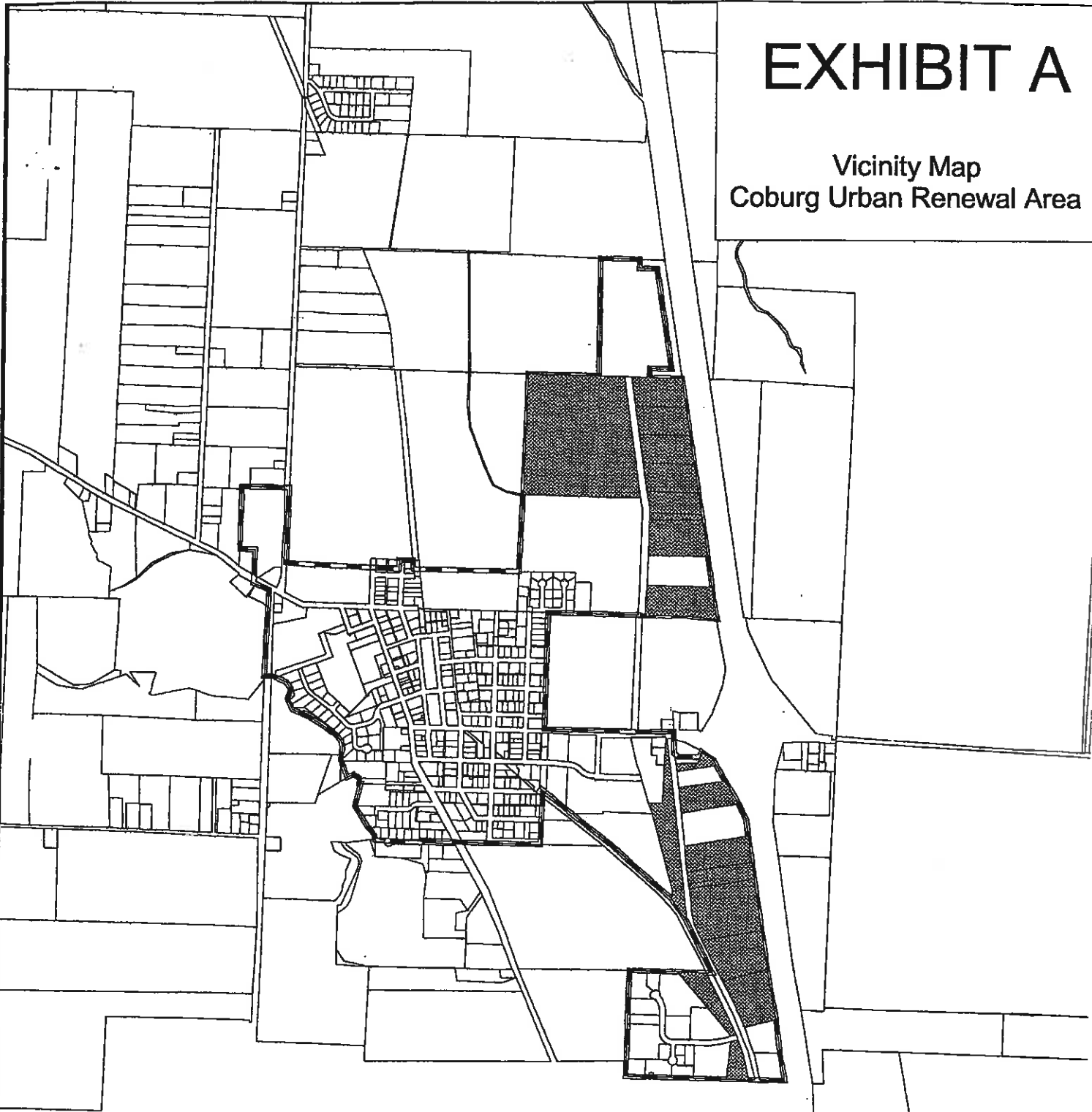
SECTION IX **DURATION AND VALIDITY OF APPROVED URBAN RENEWAL PLAN**

No bonded indebtedness, as defined by applicable state law, for which taxes divided under ORS 457.440 are to be pledged, shall be issued under the Plan after FY 2023-2024 or when maximum indebtedness is reached.

Should a court of competent jurisdiction find any word, clause, sentence, section or part of this Plan to be invalid, the remaining words, clauses, sentences sections or parts shall be unaffected by such findings and shall remain in full force and effect for the duration of the Plan.

EXHIBIT A

Vicinity Map
Coburg Urban Renewal Area



Coburg City Limits



Urban Renewal Area

500 0 500 1000 1500 2000 2500 Feet



N



May 2001

EXHIBIT B

Legal Description of Properties within the Coburg Urban Renewal Area

The Urban Renewal area shall include the following properties:

- A. Lot 2 of Phase I of the Coburg Industrial Park, as platted in Book 64, page seven of the Lane County, Oregon Plat Records.
- B. Lots 1, 3, 4, 5, 6, 7 and 8 of Phase II of the Coburg Industrial Park as platted in Book 64, page seven of the Lane County, Oregon Plat Records.
- C. That parcel of land with boundaries described as follows beginning at a 1990 2-3/8" brass disk marking the northeast corner of the J.C. Spores D.L.C. No. 45, T16S, R3W, W.M.; thence N88° 02' 09"W 646.46 feet to a point on the westerly R/W line of Interstate Highway No. 5; thence along said right of way line N 8°42'W, 1813.30 feet to a 5/8" iron pin opposite centerline station 255+00; thence continuing along said R/W line N 30°25'W 759.89 feet to a iron pin, said point marking the true point of beginning of this property description; thence North 56° 42' West 139.00 feet to an iron pipe set in concrete, thence S 15° 00' W 132.66 feet to an iron pipe set in concrete, thence S89° 39' 02" S 246.25 feet to an iron pin set on the easterly R/W line of Roberts Avenue, thence S 6° 32' 58" E 101.37 feet along said R/W line to a point; thence N 81° 18' E 441.49 feet to a point on the westerly R/W line of Interstate Highway No. 5; thence North 30° 25' W 101.18 feet to the true point of beginning, in Lane County Oregon.
- D. That parcel of land within boundaries described as follows, beginning at the stone monument marking the Northeast corner of the J.C. Spores Donation Land Claim No. 45, T16S, R3W, W.M.; thence N88° 02' 09"W 646.46 feet to a point on the westerly R/W line of Interstate Highway No. 5; thence along said right of way line N 8°42'W, 1093.16 feet along said westerly right of way to a point; thence S81° 18'W 795.29 feet to the true point of beginning; thence N 6° 32' 58"W 1715.39 feet to an iron pin set on the southerly R/W of Interstate Highway No. 5 and Van Duyn Road connector road; thence along said right of way line, being a line concentric with and 50 feet southerly from when measured radially to a centerline spiral curve to the left on the "NA" line in which "L" = 200, "S" = 10° 00' and "a"= 5.0 to a point marked by an iron pin which bears N 87° 01' 12"W, 32.0 feet from the last described point; thence S 1° 58' 30" W, 735.94 feet to an existing 5/8 inch iron rod; thence N 87° 50' 30"W 158.77 feet to the center of an irrigation ditch; thence S 15° 47' 40" E 1039.39 feet to a point; thence N 81° 18' W 131.85 feet to the true point of beginning all in Lane County Oregon.
- E. That parcel of land within boundaries described as follows, beginning at the stone monument marking the Northeast corner of the J.C. Spores Donation Land Claim No. 45, T16S, R3W, W.M.; thence N88° 02' 09"W 646.46 feet to a point on the westerly R/W line of Interstate Highway No. 5; thence along said right of way line N 8°42'W, 1093.16 feet along said westerly right of way to a point, thence S81° 18'W 795.29 feet to the true point of beginning thence S 81° 18'W to a point, thence S 15° 47' 48"E to the easterly R/W of the Southern Pacific rail line; thence along the arc of a 1176.01 foot radius curve right (the long chord of which bears 33° 34' 10' E 133.56 feet) 121.55 feet; thence N 6° 32' 58"W 336.28 feet to the true point of beginning, all in Lane County, Oregon.
- F. Parcel 2 of partition plat 99-P1226.

EXHIBIT B

- G. Parcels 1, 2 and 3 of Partition Plat 93-P0362, being those parcels of land with boundaries described as follows, beginning at a 1990 2-3/8" brass disk marking the northeast corner of the J.C. Spores D.L.C. No. 45, T16S, R3W, W.M.; thence N88° 02' 09"W 646.46 feet to a point on the westerly R/W line of Interstate Highway No. 5; thence along said right of way line N 8°41'37"W, 11093.16 feet to an iron pin marking the initial point; thence S 81 18'W 735.25 feet to a point marked by an iron pin on the easterly line of Roberts Road; thence N6 32' 58" W 485.84 feet along the easterly side of said road to a point marked by an iron pin; thence N 81 18" E 717.02 feet to an iron pin on the westerly R/W or Interstate Highway No. 5; thence S 8 42' E 485.5 feet along said westerly R/W of Interstate Highway No. 5 to the point of beginning all in Lane County, Oregon.
- H. Parcels 1 and 2 of Partition Plat No. 90-P0025, being those parcels of land with boundaries described as follows, beginning at a 1990 2-3/8" brass disk marking the northeast corner of the J.C. Spores D.L.C. No. 45, T16S, R3W, W.M.; thence N88° 02' 09"W 646.46 feet to a point on the westerly R/W line of Interstate Highway No. 5; thence along said right of way line N 8°42'W 56.98 feet to a 5/8" iron pin marking the initial point; thence S 75° 18' 45"W 515.66 feet to a 5/8" iron rod on the easterly right of way of Roberts Road; thence along said R/W N27°19'10"W 692.58 feet; thence along the arc of a 270.00 foot radius curve right (the long chord of which bears N16° 56' 04"W 97.34 feet) 97.88 feet; thence N06°32'58"W 337.54 Feet to a 5/8 inch iron rod; thence N81°18' E 795.25 feet to 5/8" iron rod on the westerly right of way of Interstate Highway No. 5; thence S 08°42"E 1036.18 feet along said right of way to the true point of beginning all in Lane County Oregon;
- I. That parcel of land with boundaries described as follows beginning at a point on the westerly R/W line of Interstate Highway No. 5, said point bears 646.46 feet N 88° 02' 09" W and 901.17 feet S 08° 42' E from the northeast corner of the J.C. Spores Donation Lane Claim No. 45, said Township 16S, Range 3W; thence N 08° 42' W along said westerly R/W line a distance of 958.15 feet; thence S 75° 18' 45" W a distance of 525.66 feet to a point on the easterly R/W line of Roberts Road; thence S 27° 19' 10"E along the easterly R/W line of Roberts Road a distance of 240.54 feet; thence S 26° 58' 02" E along said easterly R/W line a distance of 91.41 feet thence along the arc of a 2,954.83 foot radius curve right through a central angle of 10° 39' 43", the long chord of which bears S 21° 05' 19" E 549.06 feet, an arc distance of 549.85 feet thence leaving last said right of way line, run S 88° 15' 54"E a distance of 294.47 feet to the point of beginning all in Lane County, Oregon.
- J. Lots 6 and 7 of the Roberts Industrial Center Subdivision Plat as shown on File 73, slide 438, recorded December 18, 1980.

EXHIBIT B

Which properties are designated as of May 1, 2001 by the following map and tax lot numbers:

16032800 00606
16032800 00607
16032800 00608
16032800 00609
16032800 00610
16032800 00611
16032800 00612
16032800 00613
16032800 00616

16033300 00300
16033300 00311
16033300 00323

16033340 00300
16033340 00400
16033340 00500
16033340 00600
16033340 00700
16033340 00800
16033340 01000
16033340 01300
16033340 02200

REPORT TO ACCOMPANY THE
COBURG INDUSTRIAL AREA URBAN RENEWAL PLAN

JUNE 30, 2001

COBURG URBAN RENEWAL AGENCY

CITY OF COBURG

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SECTION I **INTRODUCTION**

The Coburg City Council activated the Coburg Urban Renewal Agency on January 2, 2001. The Coburg Urban Renewal Agency has prepared the Report (“the Report”) to Accompany the Coburg Industrial Park Urban Renewal Plan in accordance with Oregon Revised Statutes (ORS), Chapter 457. As required by ORS 457.085(3), this document includes the following:

1. A description of the physical, social, and economic conditions in the urban renewal area in the plan and the expected impact, including the fiscal impact, of the plan in light of added services and population;
2. Reasons for selection of each urban renewal area in the plan;
3. The relationship between each project to be undertaken under the plan and the existing conditions in the urban renewal area;
4. The estimated total cost of each project and the sources of money to pay such costs;
5. The anticipated completion date for each project;
6. The estimated amount of money required in the urban renewal area under ORS 457.420 and 457.460 and the anticipated year in which the indebtedness will be retired or otherwise provided for under ORS 457.420 to 457.460;
7. A financial analysis of the plan with sufficient information to determine feasibility;
8. A fiscal impact statement that estimates the impact of the tax increment financing, both until and after the indebtedness is repaid, upon all entities levying taxes upon the property in the urban renewal area; and
9. A relocation report (if applicable)

The sections of the report will address these nine components. The final section will provide information to satisfy ORS 457.420(2)(a), which sets limits upon the amount of land area and assessed value that may be included within the urban renewal areas.

The Plan and Report pertain to the Coburg Industrial Park Urban Renewal Area (“the Area”). A map of the Area is included in the Plan as Exhibit A. A written legal description is set forth in the Plan as Exhibit B. The Area includes approximately 117.6 acres.

SECTION II **A DESCRIPTION OF THE PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS IN THE URBAN RENEWAL AREA AND THE EXPECTED IMPACT OF THE PLAN**

The City of Coburg does not have a municipal sewer system. Despite the lack of a sewer system, there has been a significant amount of commercial and industrial development in Coburg’s industrial area adjacent to Interstate 5 since the early-1990s.

There are now more than twice as many employees (2,000+) in the industrial area as there are residents in Coburg (969 – per 2000 US Census).

PHYSICAL CONDITIONS

The Coburg Urban Renewal Area is located in the industrial area adjacent to Interstate-5 on the eastern boundary of the City of Coburg.

Land Use, Zoning, and Plan Designation

Existing land uses in the area are primarily industrial and commercial (79 acres), with 39 undeveloped acres. Every developed parcel is considered *underdeveloped*. For example, some parcels have drain fields that will be available for development once the sewer system is completed – other parcels have parking lots for vehicle sales and may be developed with a more intensive use once sewers are available.

All properties are within the Coburg city limits and are zoned and designated Light Industrial.

Condition of Streets and Utilities

The two largest manufacturing firms have private wastewater treatment systems (sequence batch reactor, recirculating gravel filter). The remainder of the existing developments in the Urban Renewal Area use on-site septic systems.

Currently the City of Coburg is in the process of making improvements to its existing water system. The roads and stormwater facilities in the area are adequate at this time.

SOCIAL AND ECONOMIC CONDITIONS

There were approximately 969 people living in Coburg at the time of the 2000 US Census. The estimated number of employees in Coburg is over 2,000 – with the vast majority of employees working in the Urban Renewal Area. There are no residences in the Urban Renewal Area.

The average assessed value per acre of the vacant land in the Coburg Urban Renewal Area is approximately \$43,000. This is far below the market value for similar properties in the region.

EXPECTED IMPACT, INCLUDING FISCAL IMPACT, OF PLAN IN LIGHT OF ADDED SERVICES OR INCREASED POPULATION

A sewer system in the Urban Renewal Area is expected to stimulate commercial and industrial development in the Area. The Plan will be adding municipal sewer services in the Area, as well as enabling the development of citywide sewer services.

The employees filling the additional jobs created by new development will impact the city facilities. The largest issue is roads and traffic. The city is currently undertaking a

transportation demand management study to address the issue of traffic and commuting to and from the industrial area. The study team includes state, regional, and transit district transportation planners, elected officials, business owners, and city staff. The city is also exploring options to encourage more affordable housing so employees can live and work in Coburg, rather than commute from outside the city.

The presence of sewers will not be the only factor affecting development in the Urban Renewal Area, or the rest of Coburg. Installation of sewers will create development options not presently available to Coburg. In this way, installing sewers will allow the city to exercise more control over development, to make certain that whatever development occurs will be consistent with the desires of a majority of the residents of the city.

CONFORMANCE WITH LAND AREA AND ASSESSED VALUE LIMITS

ORS 457.420(2)(b) limits the urban renewal land area for municipalities with less than 50,000 residents to 25% of the total land area, or 25% of the total assessed value of that municipality.

Lane County records indicate that there are 472.05 acres inside the Coburg city limits. The Coburg Urban Renewal Area (URA) is comprised of approximately 117.62 acres. This represents just under 25% of the land area in Coburg. The taxable value in the URA for fiscal year 2000-2001 is just under 18% of the total taxable value inside the Coburg city limits. There are no other urban renewal areas in the City of Coburg.

	Inside Coburg City Limits	Inside Potential URD	Percent of City
Total Acres	472.05	117.62	24.92%
Total Taxable Value	\$83,074,286	\$14,914,028	17.95%

SECTION III REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

Vacant and underdeveloped properties in the Coburg Industrial Area were selected for inclusion the Urban Renewal Area. This selection ensures that any future development will be done with adequate sewer facilities to protect water quality. It will also enable safe and hygienic development of vacant and underdeveloped properties.

The northern portion of the Area is separated from the southern portion of the Area by land that is outside the city limits. This land is not expected to be developed to urban levels of density or intensity until it is annexed to the city. For this reason, and because of the need to limit the Urban Renewal Area to no more than 25% of the total area of the city, this property was not included in the urban renewal area.

SECTION IV THE RELATIONSHIP BETWEEN EACH PROJECT TO BE UNDERTAKEN UNDER THE PLAN AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

There is currently no sewer service in the Urban Renewal Area. Construction of a sewer system will provide a basic level of service to an industrial area with significant economic development potential, while simultaneously protecting water quality.

SECTION V THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEY TO PAY SUCH COSTS

Estimated costs, including capital and operating costs, are shown in *Table 1. Summary of Projected Revenues and Expenditures*.

The ability to pay off the debt to be incurred is based on projections of urban renewal taxes, which in turn are based on projected development in the area, as well as the expiration of enterprise zone exemptions. Development projections are based on the assumption that vacant and underdeveloped properties will develop at an even pace over a ten-year period. Their future expected value is based on the current average value of adjacent developed properties adjusted for inflation at 3% per year, as well as the expected expiration of an estimated \$12 million enterprise zone exemption.

SECTION VI THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The project engineers – Brown & Caldwell – anticipate construction of the treatment facility and the collection system for the Urban Renewal Area properties will be completed in the Spring and Summer of 2004, with a citywide project completion date of Fall 2004.

SECTION VII THE ESTIMATED AMOUNT OF MONEY REQUIRED IN THE URBAN RENEWAL AREA UNDER ORS 457.420 AND 457.460 AND THE ANTICIPATED YEAR IN WHICH THE INDEBTEDNESS WILL BE RETIRED OR OTHERWISE PROVIDED FOR UNDER ORS 457.420 TO 457.460

It is anticipated that the maximum amount of indebtedness under the Plan will be \$9,000,000, reflecting project activities, area management, and proportionate demand of the area on the citywide sewer system. No additional indebtedness would be incurred under the Plan when either the maximum indebtedness amount is reached, or

the Urban Renewal Area no longer has indebtedness or any plan to incur indebtedness within the next year, whichever occurs first. Urban Renewal Area indebtedness is anticipated to be retired or provided for by the end of FY 2023/24.

SECTION VIII A FINANCIAL ANALYSIS OF THE PLAN WITH SUFFICIENT INFORMATION TO DETERMINE FEASIBILITY

Table 1 demonstrates that projected tax increment proceeds are sufficient to cover the Area's proportionate share of the projected expenditures and that the Plan is financially feasible. Additional revenue will be provided by state and federal grants, local improvement district assessments, and user fees.

SECTION IX A FISCAL IMPACT STATEMENT THAT ESTIMATES THE IMPACT OF THE TAX INCREMENT FINANCING UPON ALL ENTITIES LEVYING TAXES UPON THE PROPERTY IN THE URBAN RENEWAL AREA

The maximum revenues of each taxing district with a permanent rate will be determined by applying the permanent rate to the assessed value within the taxing district. Under this system of taxation, the fiscal impacts of urban renewal consist primarily of tax revenues forgone by taxing districts. To a lesser extent, impacts in terms of increased tax rates to tax payers will result from any levy other than permanent rates. For example, if voters approve a local option levy or exempt bond levy, the tax rate necessary to raise the amount approved may be higher as a result of the existence of the Plan.

Table 2 projects the amount of tax revenue that will be forgone by each district over a 22-year period. By the end of FY 2023/24, sufficient urban renewal tax revenue is projected to be collected to retire all outstanding indebtedness necessary to finance the plan. Urban renewal taxes would therefore be projected to cease after FY 2023/24. The forgone revenues are those revenues resulting from taxes on the level of development that would occur without urban renewal. The projection with urban renewal assumes new development resulting from urban renewal as well as new development naturally occurring in the market. The permanent rates are based on FY 2000/01 rates. No other adjustments were made since many of them require voter approval or will not exist for a significant duration of the plan.

SECTION X A RELOCATION REPORT

No relocations are planned in the Urban Renewal Area.

Table 1. (1)

Coburg Industrial Area Urban Renewal Plan: Summary of Projected Revenues and Expenditures

	Year 0	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8
	FY 2001/02	FY 2002/03	FY 2003/04	FY 2004/05	FY 2005/06	FY 2006/07	FY 2007/08	FY 2008/09	FY 2009/10
REVENUES									
<u>Anticipated Grants¹</u>									
RECD grant									
SPWF grant	\$1,000,000	\$500,000							
<u>Anticipated Loans¹</u>									
RECD loan		\$3,000,000							
SPWF loan		\$930,000							
DEQ loan		\$3,500,000							
<u>Estimated LID Assessment</u>									
<u>Projected UR Revenue</u>	\$0	\$0	\$10,827	\$1,212,052	\$1,212,052	\$256,435	\$284,729	\$313,872	\$343,889
<u>User Fees</u>				\$202,296	\$228,966	\$147,442	\$153,193	\$159,167	\$165,375
Total Revenues	\$1,000,000	\$7,930,000	\$10,827	\$1,550,929	\$1,582,926	\$403,878	\$437,922	\$473,039	\$509,264
EXPENDITURES									
<u>Sewer System</u>									
Construction	\$113,400	\$1,590,800	\$4,168,600	\$380,600					
Land	\$126,000								
Engineering	\$394,800	\$341,250	\$189,000	\$31,500					
Admin, Legal	\$131,600	\$113,750	\$63,000	\$10,500					
Contingency	\$23,400	\$325,200	\$850,000	\$76,000					
<u>Operating Cost</u>				\$136,581	\$141,908	\$147,442	\$153,193	\$159,167	\$165,375
<u>Debt Service²</u>									
<u>URA Management</u>	\$11,104	\$11,104	deferred	\$545,968	\$545,968	\$545,968	\$545,968	\$545,968	\$545,968
Total Expenditures	\$800,304	\$2,382,104	\$5,281,704	\$1,192,253	\$698,980	\$704,514	\$710,264	\$716,239	\$722,446

¹The grant and loan amounts -- and sources -- may change at the time the funding package is finalized

²The debt service repayment schedule is based on current interest rates in the three loan programs, as well as expected loan levels

Table 1. (2)

Coburg Industrial Area Urban Renewal Plan: Summary of Projected Revenues and Expenditures

	Year 9	Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17
	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19
REVENUES									
<u>Anticipated Grants¹</u>									
RECD grant									
SPWF grant									
<u>Anticipated Loans¹</u>									
RECD loan									
SPWF loan									
DEQ loan									
<u>Estimated LID Assessment</u>									
<u>Projected UR Revenue</u>	\$374,807	\$406,652	\$439,452	\$457,969	\$477,042	\$496,686	\$516,920	\$537,761	\$559,227
<u>User Fees</u>	\$171,824	\$178,525	\$185,488	\$192,722	\$200,238	\$208,047	\$216,161	\$224,591	\$233,351
Total Revenues	\$546,631	\$585,177	\$624,940	\$650,691	\$677,280	\$704,733	\$733,081	\$762,352	\$792,578
EXPENDITURES									
<u>Sewer System</u>									
Construction									
Land									
Engineering									
Admin, Legal									
Contingency									
<u>Operating Cost</u>	\$171,824	\$178,525	\$185,488	\$192,722	\$200,238	\$208,047	\$216,161	\$224,591	\$233,351
<u>Debt Service²</u>	\$545,968	\$545,968	\$545,968	\$545,968	\$545,968	\$545,968	\$545,968	\$545,968	\$545,968
<u>URA Management</u>	\$11,104	\$11,104	\$11,104	\$11,104	\$11,104	\$11,104	\$11,104	\$11,104	\$11,104
Total Expenditures	\$728,896	\$735,597	\$742,560	\$749,794	\$757,310	\$765,119	\$773,233	\$781,663	\$790,422

¹The grant and loan amounts -- and sources -- may change at the time the funding package is finalized

²The debt service repayment schedule is based on current interest rates in the three loan programs, as well as expected loan levels

Table 1. (3)

Coburg Industrial Area Urban Renewal Plan: Summary of Projected Revenues and Expenditures

	Year 18 FY 2019/20	Year 19 FY 2020/21	Year 20 FY 2021/22	Year 21 FY 2022/23	Year 22 FY 2023/24	TOTAL
REVENUES						
<u>Anticipated Grants¹</u>						
RECD grant						\$1,000,000
SPWF grant						\$500,000
<u>Anticipated Loans¹</u>						\$0
RECD loan						\$3,000,000
SPWF loan						\$930,000
DEQ loan						\$3,500,000
<u>Estimated LID Assessment</u>						\$2,424,104
<u>Projected UR Revenue</u>	\$581,337	\$604,111	\$627,567	\$651,727	\$676,613	\$9,048,885
<u>User Fees</u>	\$242,451	\$251,907	\$261,731	\$271,939	\$282,544	\$4,025,186
Total Revenues	\$823,788	\$856,017	\$889,298	\$923,666	\$959,157	\$24,428,174
EXPENDITURES						
<u>Sewer System</u>						
Construction						\$6,253,400
Land						\$126,000
Engineering						\$956,550
Admin, Legal						\$318,850
Contingency						\$1,274,600
<u>Operating Cost</u>	\$242,451	\$251,907	\$261,731	\$271,939	\$282,544	\$4,025,186
<u>Debt Service²</u>	\$545,968	\$545,968	\$545,968	\$545,968	\$545,968	\$10,919,362
<u>URA Management</u>	\$11,104	\$11,104	\$11,104	\$11,104	\$11,104	\$255,385
Total Expenditures	\$799,523	\$808,979	\$818,803	\$829,010	\$839,616	\$24,129,333

¹The grant and loan amounts -- and sources -- may change at the time the funding package is finalized

² The debt service repayment schedule is based on current interest rates in the three loan programs, as well as expected loan levels

Table 2.

Coburg Indl. ial Park Urban Renewal Plan: Taxes Forgone to Ta g Districts

	Frozen Base		Year 0		Year 1		Year 2		Year 3		Year 4		Year 5		Year 6	
	2000/2001	FY 2001/02	FY 2002/03	FY 2003/04	FY 2004/05	FY 2005/06	FY 2006/07	FY 2007/08								
Total Taxable Value with UR	\$14,914,028	\$15,361,449	\$15,822,292	\$31,885,014	\$34,122,391	\$36,426,889	\$38,800,522	\$41,245,365								
Total Taxable Value without UR			\$15,822,292	\$30,187,472	\$31,093,096	\$32,025,889	\$32,986,665	\$33,976,265								
TV without UR Less Frozen Base			\$908,264	\$15,273,444	\$16,179,068	\$17,111,861	\$18,072,637	\$19,062,237								

	Permanant Rate		Year 7		Year 8		Year 9		Year 10		Year 11		Year 12		Year 13		Year 14	
	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16										
City of Coburg	3.7506	\$0	\$0	\$3,407	\$57,285	\$60,681	\$64,180	\$67,783	\$71,495									
Coburg RFPD	1.3277	\$0	\$0	\$1,206	\$20,279	\$21,481	\$22,719	\$23,995	\$25,309									
Lane County	1.2690	\$0	\$0	\$1,153	\$19,382	\$20,531	\$21,715	\$22,934	\$24,190									
Eugene School District	4.7485	\$0	\$0	\$4,313	\$72,526	\$76,826	\$81,256	\$85,818	\$90,517									
Eugene School District	1.5000	\$0	\$0	\$1,362	\$22,910	\$24,269	\$25,668	\$27,109	\$28,593									
Lane Community College	0.6191	\$0	\$0	\$562	\$9,456	\$10,016	\$10,594	\$11,189	\$11,801									
Lane Education Service District	0.2232	\$0	\$0	\$203	\$3,409	\$3,611	\$3,819	\$4,034	\$4,255									

	Permanant Rate		Year 7		Year 8		Year 9		Year 10		Year 11		Year 12		Year 13		Year 14	
	FY 2008/09	FY 2009/10	FY 2010/11	FY 2011/12	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16										
Total Taxable Value with UR	\$43,763,552	\$46,357,285	\$49,028,830	\$51,780,522	\$53,333,938	\$54,933,956	\$56,581,974	\$58,279,434										
Total Taxable Value without UR	\$34,995,553	\$36,045,420	\$37,126,783	\$38,240,586	\$39,387,804	\$40,569,438	\$41,786,521	\$43,040,117										
TV without UR Less Frozen Base	\$20,081,525	\$21,131,392	\$22,212,755	\$23,326,558	\$24,473,776	\$25,655,410	\$26,872,493	\$28,126,089										

	Permanant Rate		Year 15		Year 16		Year 17		Year 18		Year 19		Year 20		Year 21		Year 22	
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24										
City of Coburg	3.7506	\$75,318	\$79,255	\$83,311	\$87,489	\$91,791	\$96,223	\$100,788	\$105,490									
Coburg RFPD	1.3277	\$26,662	\$28,056	\$29,492	\$30,971	\$32,494	\$34,063	\$35,679	\$37,343									
Lane County	1.2690	\$25,483	\$26,816	\$28,188	\$29,601	\$31,057	\$32,557	\$34,101	\$35,692									
Eugene School District	4.7485	\$95,357	\$100,342	\$105,477	\$110,766	\$116,214	\$121,825	\$127,604	\$133,557									
Eugene School District	1.5000	\$30,122	\$31,697	\$33,319	\$34,990	\$36,711	\$38,483	\$40,309	\$42,189									
Lane Community College	0.6191	\$12,432	\$13,082	\$13,752	\$14,441	\$15,152	\$15,883	\$16,637	\$17,413									
Lane Education Service District	0.2232	\$4,482	\$4,717	\$4,958	\$5,206	\$5,463	\$5,726	\$5,998	\$6,278									

	Permanant Rate		Year 15		Year 16		Year 17		Year 18		Year 19		Year 20		Year 21		Year 22	
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24										
Total Taxable Value with UR	\$60,027,817	\$61,828,651	\$63,683,511	\$65,594,016	\$67,561,836	\$69,588,692	\$71,676,352	\$73,826,643										
Total Taxable Value without UR	\$44,331,320	\$45,661,260	\$47,031,097	\$48,442,030	\$49,895,291	\$51,392,150	\$52,933,914	\$54,521,932										
TV without UR Less Frozen Base	\$29,417,292	\$30,747,232	\$32,117,069	\$33,528,002	\$34,981,263	\$36,478,122	\$38,019,886	\$39,607,904										

	Permanant Rate		Year 15		Year 16		Year 17		Year 18		Year 19		Year 20		Year 21		Year 22	
	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24										
City of Coburg	3.7506	\$110,332	\$115,321	\$120,458	\$125,750	\$131,201	\$136,815	\$142,597	\$148,553									
Coburg RFPD	1.3277	\$39,057	\$40,823	\$42,642	\$44,515	\$46,445	\$48,432	\$50,479	\$52,587									
Lane County	1.2690	\$37,331	\$39,018	\$40,757	\$42,547	\$44,391	\$46,291	\$48,247	\$50,262									
Eugene School District	4.7485	\$139,688	\$146,003	\$152,508	\$159,208	\$166,109	\$173,216	\$180,537	\$188,078									
Eugene School District	1.5000	\$44,126	\$46,121	\$48,176	\$50,292	\$52,472	\$54,717	\$57,030	\$59,412									
Lane Community College	0.6191	\$18,212	\$19,036	\$19,884	\$20,757	\$21,657	\$22,584	\$23,538	\$24,521									
Lane Education Service District	0.2232	\$6,566	\$6,863	\$7,169	\$7,483	\$7,808	\$8,142	\$8,486	\$8,840									