

REPORT ACCOMPANYING THE FIRST AMENDMENT TO THE ASTOR-WEST URBAN RENEWAL PLAN

City of Astoria
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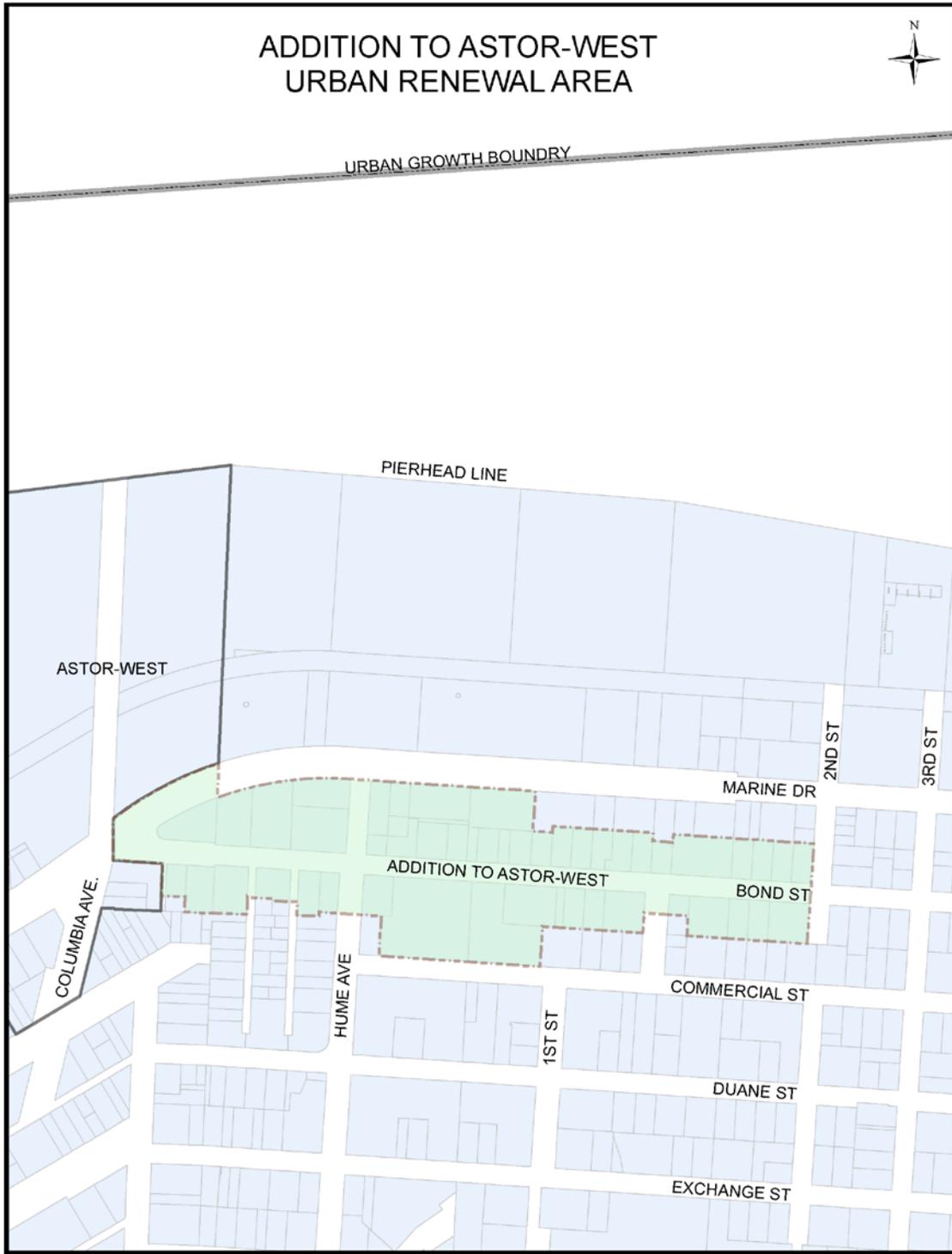
I. INTRODUCTION

The Astor-West Urban Renewal Report (Report) contains background information and project details for the First Amendment to the Astor-West Urban Renewal Plan (Plan). The Report is not a legal part of the Plan, but is intended to provide the public information and a basis for the findings made by the City Council as part of its approval of the Plan.

The Report provides the information required in ORS 457.085(3). The format of the Report is based on this statute.

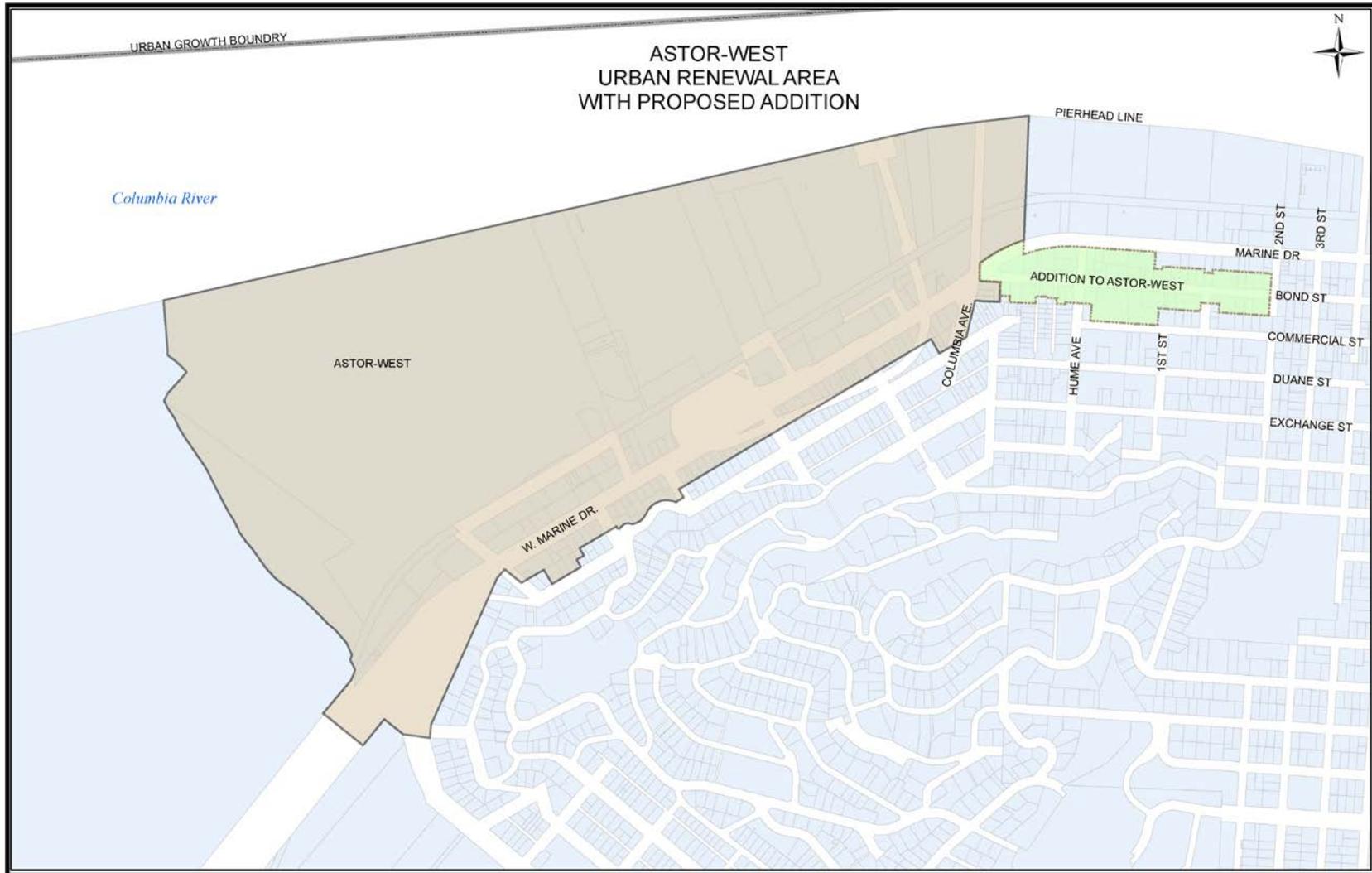
The First Amendment adds 12.05 total acres, 7.74 acres in 43 in tax lots and 4.31 acres in right of way, to the Astor-West Urban Renewal Area (Area). The property to be included into the Astor-West Urban Renewal Area is shown in Figure 1. The new boundary is shown in Figure 2; it includes the entire Area, outlined and shaded.

Figure 1. Amendment Area



REPORT ON FIRST AMENDMENT TO THE ASTOR-WEST URBAN RENEWAL PLAN

Figure 2. Astor-West Urban Renewal Area after Amendment



II. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND THEIR IMPACT ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Area property, including area being added in this First Amendment (Amendment Area), documenting the occurrence of “blighted areas,” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use

The Amendment Area, shown in Figure 1 above, contains approximately 43 tax lots consisting of 7.74 acres in tax lots and 4.31 acres of right of way, for a total of 12.05 acres. The right of way is Bond Street, Hume Avenue, 1st Avenue and Marine Drive.

An analysis of property classification data from Clatsop County FY 2015/16 Assessment and Taxation database was used to determine the land use designation of tax lots in the Amendment Area and Existing Area.

The land uses in the Area before and after the amendment are shown in Table 1. The Amendment Area adds 14 residential tax lots and 3.57 acres to the area, totaling 18 residential tax lots and 4 acres in the Area. The Amendment Area also adds 11 exempt properties and 1.39 acres. There are a total of 193 tax lots and 181.16 acres in tax lots in the Area after the amendment.

Table 1. Land Use of Area

| Existing Land Use | Existing Tax Lots | Existing Acres | Amendment Tax Lots | Amendment Acres | Total Tax Lots | Total Acres | Percent of Acres |
|-------------------|-------------------|----------------|--------------------|-----------------|----------------|---------------|------------------|
| Exempt | 19 | 132.60 | 11 | 1.39 | 30 | 133.99 | 73.96% |
| Commercial | 84 | 32.64 | 10 | 1.81 | 94 | 34.45 | 19.02% |
| Manufactured | 7 | 0.67 | 4 | 0.31 | 11 | 0.98 | 0.54% |
| Residential | 4 | 0.43 | 14 | 3.57 | 18 | 4 | 2.21% |
| Industrial | 11 | 2.74 | 0 | 0 | 11 | 2.74 | 1.51% |
| Vacant | 25 | 4.34 | 4 | 0.66 | 29 | 5.00 | 2.76% |
| Total | 150 | 173.42 | 43 | 7.74 | 193 | 181.16 | 100.00% |

Source: Clatsop County Assessor

2. Zoning

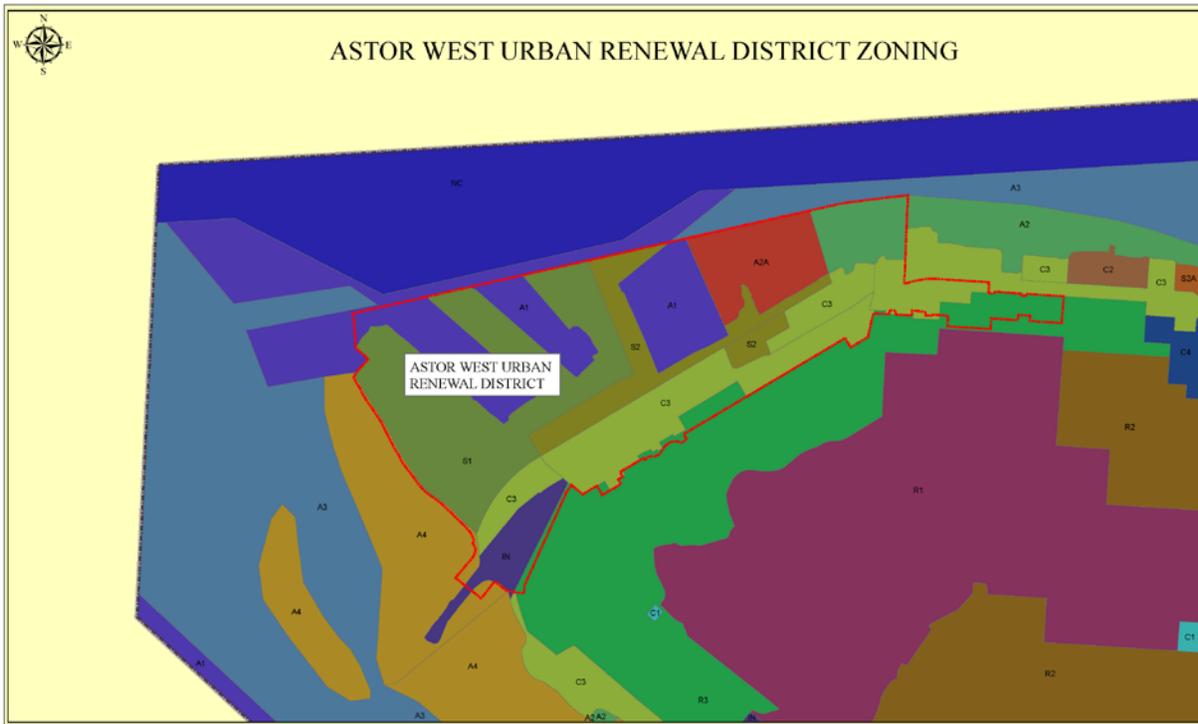
As illustrated in Table 2 and Figure 3, the Amendment Area contains 30 High Density Residential Zone tax lots comprising 5.39 acres. When combined with the existing area, there are 41 High Density Residential Zone tax lots for 6.62 acres. The Amendment also contains 13 General Commercial Zone tax lots comprising 2.35 acres. When combined with the existing area, there are 112 General Commercial Zone tax lots for 22.99 acres.

Table 2. Existing Zoning of Area

| Zoning | Existing Tax Lots | Existing Acres | Amendment Tax Lots | Amendment Acres | Total Tax Lots | Total Acres | % Total Acres |
|-------------------------------------|-------------------|----------------|--------------------|-----------------|----------------|---------------|----------------|
| Aquatic One Development Zone | 12 | 99.25 | 0 | 0 | 12 | 99.25 | 54.79% |
| Aquatic Two-a Development Zone | 5 | 22.31 | 0 | 0 | 5 | 22.31 | 12.32% |
| General Commercial Zone | 99 | 20.64 | 13 | 2.35 | 112 | 22.99 | 12.69% |
| General Development Shorelands Zone | 19 | 11.04 | 0 | 0 | 19 | 11.04 | 6.09% |
| Marine Industrial Shorelands | 1 | 10.44 | 0 | 0 | 1 | 10.44 | 5.76% |
| Aquatic Two Development Zone | 3 | 8.51 | 0 | 0 | 3 | 8.51 | 4.70% |
| High Density Residential Zone | 11 | 1.23 | 30 | 5.39 | 41 | 6.62 | 3.65% |
| Total | 150 | 173.42 | 43 | 7.74 | 193 | 181.16 | 100.00% |

Source: City of Astoria

Figure 3. Astor-West Zoning Designations



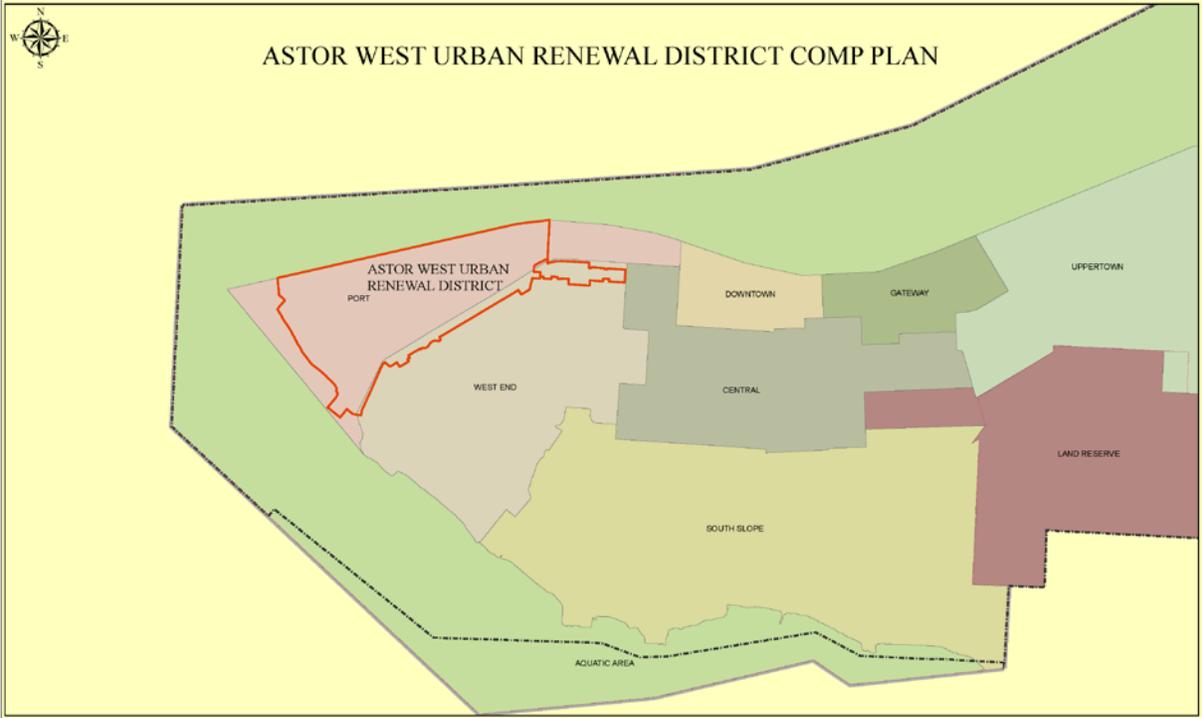
There are 43 tax lots in the Amendment Area all designated West End in the Astoria Comprehensive Plan, comprising 7.74 acres for a total of 108 West End tax lots making up 14.57 acres in the Area. The remainder of the property is designated as Port in the Astoria Comprehensive Plan.

Table 3. Comprehensive Plan Designations of Area

| Comprehensive Plan Designation | Existing Tax Lots | Existing Acres | Amendment Tax Lots | Amendment Acres | Total Tax Lots | Total Acres | % Total Acres |
|--------------------------------|-------------------|----------------|--------------------|-----------------|----------------|---------------|----------------|
| Port | 85 | 166.60 | 0 | 0 | 85 | 166.6 | 91.96% |
| West End | 65 | 6.83 | 43 | 7.74 | 108 | 14.57 | 8.04% |
| Total | 150 | 173.43 | 43 | 7.74 | 193 | 181.17 | 100.00% |

Source: City of Astoria

Figure 4. Astor-West Comprehensive Plan Designations



B. Infrastructure

1. Streets

As a result of a landslide in 2007, Bond Street has been closed to two-way traffic. Only one westbound lane of traffic is allowed limiting east west traffic to Marine Drive. In addition, water and sewer lines have been rerouted above the street. The Public Works Department commissioned a geotechnical analysis completed in August 2015 to study the feasibility of adding a retaining wall. The results of the study concluded that is indeed feasible. Based on the results, the Public Works Department prepared an “order of magnitude” cost estimate of \$395,000 to construct a retaining wall, repair Bond Street for two-way traffic, and include low cost traffic calming measures to mitigate potential speeding along a narrow street in a dense neighborhood of residential buildings.

Below are other projects that are listed in the Astoria Transportation Systems Plan¹ in the Area that indicate blighting conditions in the Area as defined by ORS 457.010.

Table 4. TSP Projects in the Area

| Project # | Project Description | Project Extent | Project Elements | Priority | Estimated Cost |
|-----------|---|---|--|-------------------------------------|----------------|
| D2 | US 101-US 30 Coordinated Signal Timing Plans | US 101-US 30 from Portway Street to Columbia Avenue-Bond Street | Optimize the existing traffic signals by implementing coordinated signal timing plans, upgrading traffic signal controllers or communication infrastructure or cabinets. | Medium-term Likely Funded Plan | \$75,000 |
| D19 | US 101/Hamburg Avenue Capacity Enhancement | US 101/Hamburg Avenue | Restrict access to left-in, right-in, right-out only or install a traffic signal and allow full access | Long-Term Phase 3 Aspirational Plan | \$26,000 |
| D21 | Marine Drive-Columbia to 9th Circulation Option | Marine Drive from Columbia Avenue to 9th Street | Reconfigure Marine Drive to three lanes. Relocate the traffic signal from commercial/9th Street to Commercial/10th Street | Short-Term Likely Funded Plan | \$446,000 |

¹ City of Astoria Transportation Systems Plan, Adopted April 21st 2014

Table 4. TSP Projects in the Area Continued

| Project # | Project Description | Project Extent | Project Elements | Priority | Estimated Cost |
|-----------|-------------------------------------|---|---|--------------------------------------|----------------|
| D23 | Bond Street Two-Way | Hume Avenue to 7th Street | Re-open Bond Street to two-way travel and implement traffic calming | Long-Term Phase 1 Likely Funded Plan | \$702,000 |
| D24 | Industry Street Extension | Basin Street to Bay Street Extension | Extend Industry Street from Basin Street to the bay Street extension as a Mixed-use local street | Long-Term Phase 1 Likely Funded Plan | \$1,057,000 |
| D25 | Bay Street Extension | North of US 30 to Industry Street Extensions | Extend Bay Street to the Industry Street extension as a Mixed-use local street | Long-Term Phase 1 Likely Funded Plan | \$293,000 |
| D34 | Portway Street Capacity Enhancement | Portway Street from US 101 to Industry Street | Improve to a Commercial/Industrial collector street cross-section. Move Portway Street centerline to the west to accommodate trucks making westbound right turns; requires right-of-way acquisition from parcel at northwest corner of intersection. Modify the approach to us 101 to include separate left and right turn lanes. | Long-Term Phase 3 Aspirational Plan | \$424,000 |
| D35 | Bay Street Upgrade | US 30 to northern terminus | Improve to a Mixed-use local street cross-section | Long-Term Phase 3 Aspirational Plan | \$68,000 |

Table 4. TSP Projects in the Area Continued

| Project # | Project Description | Project Extent | Project Elements | Priority | Estimated Cost |
|-----------|--|--|--|--------------------------------------|----------------|
| P6 | Alameda Avenue Community Based Solution | West of Melbourne Avenue to Grand Avenue | Develop a Community Based Solution | Long-Term Phase 4 Aspirational Plan | \$23,000 |
| B14 | Alameda Avenue (North) Shared Roadway Enhancements | W Marine drive to Oregon Street | Add wayfinding and shared lane markings. | Short-Term Likely Funded Plan | \$33,000 |
| B52 | West Marine Drive Bike Lanes | Roundabout to Hamburg Avenue | Re-stripe roadways to include bike lanes | Short-Term Likely Funded Plan | \$8,000 |
| B55 | Taylor Avenue Shared Roadway Enhancements | Hamburg Avenue to Florence Avenue | Add wayfinding and shared lane markings. | Short-Term Likely Funded Plan | \$5,000 |
| CR01 | US 30 and Bay Street Crossing Enhancements | US 30 and Bay Street | Upgrade existing crossing to the highest level pedestrian actuated beacon approved by ODOT. Consider restricting parking near crossing to improve visibility | Long-Term Phase 1 Likely Funded Plan | \$26,000 |
| CR17 | Roundabout Enhancements | Roundabout enhancements | Provide additional signage at roundabout to clarify expected behavior for bicyclists or consider alternate route using Taylor Avenue | Long-Term Phase 1 Likely Funded Plan | \$1,200 |

2. Water

As identified in an email dated July 27, 2016 from the City of Astoria, the City of Astoria Water Distribution Master Plan identifies one specific project in the Area in Table 4-1, p11. The recommended improvements are intended to provide for future development at the Port of Astoria and improve fire flow in the area.

In general, water infrastructure in the subject area is nearing or well past its design life. Many of the pipes and services were installed close to a century ago. In addition, the system layout does not have the redundancy associated with modern design practice.

The water infrastructure at the Port of Astoria is in need of significant improvements to facilitate proper maintenance activity and accommodate future development. The City does not maintain their system, but understands it is in need of significant upgrades and maintenance.

3. Storm Drainage

As identified in an email dated July 27, 2016 from the City of Astoria, there are several potential projects associated with the City's Combined Sewer Overflow program that will need to be implemented in the Area. These projects are intended to control sanitary sewer overflow from Portway Avenue to 2nd Street and are planned for construction in Phase 5.

Generally, storm drainage infrastructure in the subject area is nearing or well past its design life. Many of the storm drain outfalls to the Columbia River need significant improvements to properly accommodate adjacent development and the changing outlet area conditions. Coordinating maintenance needs of aging State drainage infrastructure in this area has also proved challenging.

4. Sanitary Sewer

As identified in an email dated July 27, 2016 from the City of Astoria, the City's sanitary sewer interceptor and associated lift station in the Area was installed in the mid-1970s and is quickly nearing the end of its design life. Significant maintenance efforts will be needed to promote continued use of the existing infrastructure associated with the interceptor.

In general, sanitary sewer infrastructure in this area in passed its design life and need of rehabilitation or replacement.

C. Social Conditions

There are underinvested residential properties that potentially need assistance (i.e., grants/ loans/technical assistance) to renovate and preserve as affordable housing, which is a FY 15-16 Astoria City Council Goal. Astoria staff has met with the Community Action Team about a targeted pilot program that would offer some form of assistance to qualified property owners to renovate multi-family buildings while still meeting Astoria Development Code design requirements.

The following tables indicate the social conditions as identified in the US Census. Due to the difference in population between applicable census blocks and block groups, age and race are reported at the census block level, and the rest of the variables at the census block group level.

Of the people in the census block 78% are white alone and another 12% are some other race alone.

Table 5. Race in the Area

| Race | Number | Percent |
|--|------------|-------------|
| White Alone | 234 | 78% |
| Black or African American Alone | 1 | 0% |
| American Indian and Alaska Native Alone | 7 | 2% |
| Asian Alone | 8 | 3% |
| Native Hawaiian and Other Pacific Islander Alone | 2 | 1% |
| Some Other Race Alone | 36 | 12% |
| Two or More races | 13 | 4% |
| Total | 301 | 100% |

Source: American Factfinder, United States Decennial Census, Table P3, 2010

Of the people in the census block 56, or 19%, are 25 to 34 years of age.

Table 6. Age in the Area

| Age | Number | Percent |
|-------------------|------------|-------------|
| Under 5 Years | 20 | 7% |
| 5 to 9 Years | 18 | 6% |
| 10 to 14 Years | 7 | 2% |
| 15 to 17 Years | 10 | 3% |
| 18 to 24 Years | 40 | 13% |
| 25 to 34 Years | 56 | 19% |
| 35 to 44 Years | 35 | 12% |
| 45 to 54 Years | 48 | 16% |
| 55 to 64 Years | 36 | 12% |
| 65 to 74 Years | 24 | 8% |
| 75 to 84 Years | 6 | 2% |
| 85 Years and over | 1 | 0% |
| Total | 301 | 100% |

Source: United States Decennial Census, Table P12, 2010

Within the block group, 60 people have completed college, comprising 9% of the population, while another 45% of the population has completed some college without earning a degree.

Table 7. Educational Attainment in the Area

| Educational Attainment | Number | Percent |
|---|------------|-------------|
| Less Than High School | 138 | 21% |
| High School Graduate (includes equivalency) | 159 | 24% |
| Some college | 292 | 45% |
| Bachelor's degree | 32 | 5% |
| Master's degree | 28 | 4% |
| Professional school degree | 0 | 0% |
| Doctorate degree | 0 | 0% |
| Total | 649 | 100% |

Source: Social Explorer, American Community Survey 2010-2014 5-Year Estimates

Of the people in the block group, 51%, traveled less than 10 minutes to work, with another 23%, traveled 10-19 minutes to work.

Table 8. Travel Time to Work in the Area

| Travel Time to Work | Number | Percent |
|----------------------|------------|-------------|
| Less than 10 minutes | 154 | 51% |
| 10 to 19 minutes | 69 | 23% |
| 20 to 29 minutes | 39 | 13% |
| 30 to 39 minutes | 14 | 5% |
| 40 to 59 minutes | 0 | 0% |
| 60 to 89 minutes | 0 | 0% |
| 90 or More minutes | 18 | 6% |
| Worked at home | 7 | 2% |
| Total | 301 | 100% |

Source: Social Explorer, American Community Survey 2010-2014 5-Year Estimates

Of the people within the block group 80%, drove alone to work.

Table 9. Mode of Transportation to Work in the Area

| Means of Transportation to Work | Number | Percent |
|--|------------|-------------|
| Drove Alone | 240 | 80% |
| Carpooled | 32 | 11% |
| Public transportation (Includes Taxicab) | 8 | 3% |
| Motorcycle | 0 | 0% |
| Bicycle | 0 | 0% |
| Walked | 6 | 2% |
| Other means | 8 | 3% |
| Worked at home | 7 | 2% |
| Total | 301 | 100% |

Source: Social Explorer, American Community Survey 2010-2014 5-Year Estimates

D. Economic Conditions

1. Taxable Value of Property within the Amendment Area

The estimated FY 2015/16 total assessed value of the Amendment Area including all real property in the Amendment Area is \$5,209,892. Personal, manufactured, and utility properties, adds another \$202,494, for a total assessed value of \$5,412,386. The total assessed value of the City of Astoria is \$769,253,227.

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 Ratio," or "I:L." The values used are real market values. In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives. A healthy condition of real estate investment in the Astor-West Area would be 2:1 or more. There is one tax lot, which is owned by the Port of Astoria, in the Astor-West Area that is exempt. It comprises 82 acres. This one tax lot skews the data in the I:L table, and as such a new column has been made in the table which excludes the exempt properties from the calculation to give a better picture of the I:L of the properties in the Area. Of these properties 62% fall below the targeted 2:1 ratio.

Table 10. Improvement to Land Value

| Improvement/Land Ratio | Total Tax Lots | Total Acres | % Total Acres | % Total Acres Without Exempt |
|------------------------|----------------|---------------|----------------|------------------------------|
| Exempt | 30 | 135.31 | 74.69% | N/A |
| No Improvement Value | 36 | 11.95 | 6.60% | 26.06% |
| 0.01-0.50 | 33 | 7.40 | 4.08% | 16.14% |
| 0.51-1.00 | 15 | 3.65 | 2.01% | 7.96% |
| 1.01-1.50 | 19 | 3.79 | 2.09% | 8.27% |
| 1.51-2.00 | 12 | 1.68 | 0.93% | 3.66% |
| 2.01-2.50 | 9 | 1.04 | 0.57% | 2.27% |
| 2.51-3.00 | 2 | 0.14 | 0.08% | 0.31% |
| 3.01-4.00 | 14 | 5.31 | 2.93% | 11.58% |
| > 4.00 | 23 | 10.89 | 6.01% | 23.75% |
| Total | 193 | 181.16 | 100.00% | 100.00% |

Source: Clatsop County Assessor data

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 IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

Development and redevelopment projects that may be developed on the property will increase the retail, commercial, and residential occupancies within the Area, and will generally result in higher demand for fire, life safety, and public safety services. The projected increase in occupancies within the Area will also raise the demand for water, sewer, and storm drainage services. However, since these properties are all within the urban growth boundary, the city anticipates these increased levels of service.

These impacts will be countered by funding for projects from the Plan, including:

- Improved transportation systems that will benefit the citizens of Astoria.
- Increased investment in the Area helps strengthen the tax base both within the Area and in surrounding areas.
- Improved supply of affordable housing in the Area.
- In addition, developed sites will create employment opportunities for the citizens of Astoria.

These improvements help offset the fiscal impacts from the urban renewal area.

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

There is one urban renewal area in the Plan and it was selected to improve blighted conditions in the Area and prevent the future occurrence of blighted areas as defined in ORS 457.010(1).

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

This section identifies only the new projects in the Plan due to the First Amendment.

1. Bond Street Repair – Construction of a retaining wall, repair of Bond Street for two-way traffic, and traffic calming measures to mitigate speeding along a narrow street in a dense neighborhood of residential buildings

Existing conditions: As a result of a landslide in 2007, Bond Street has been closed to two-way traffic. Only one westbound lane of traffic is allowed limiting east west traffic to Marine Drive. In addition, water and sewer lines have been rerouted above the street.

2. Affordable housing – There are underinvested residential properties that potentially need assistance (i.e. grants/loans/technical assistance) to renovate and preserve as affordable housing.

Existing conditions: At this point, there is no funding for affordable housing through city resources, but there is a need as there are underinvested residential properties in the Area.

3. Storefront Improvement Program – To provide assistance to property owners for the improvements to their properties.

Existing conditions: At this point, there is no storefront improvement program, although a program has been designed, but not yet implemented.

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

The projects are shown in Table 11, the sources of funds are tax increment revenues.

Table 11. Projects and Costs in Year of Expenditure Dollars

| Existing Projects | |
|---|--------------------|
| Materials and Services | \$398,300 |
| Street improvements - West Marine Drive | \$1,000,000 |
| Street Improvements - Couplet: Bay Street to Hamburg Street | \$1,330,000 |
| Street Improvements - Portway, Hamburg Street, Bay Street, Basin Street | \$870,000 |
| Terminal/Multi-purpose building including public restroom/shower | \$50,000 |
| Proposed Projects | |
| Bond Street Reconnect (Retaining Wall/Traffic Calming) | \$400,000 |
| Housing Rehabilitation (Bond Street) | \$209,100 |
| Storefront Improvement Program | \$265,400 |
| Redevelopment Assistance | \$2,509,337 |
| Total Expenditures | \$7,032,137 |

Source: City of Astoria

VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

Projects will be ongoing and accomplished over the life of the Plan. Anticipated completion dates are shown in Table 12.

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

Table 12 shows the beginning fund balance, tax increment revenue collections, other revenues, and the expected expenditures. The Maximum Indebtedness is \$9,119,000, of which \$6,982,137 remained to be issued as of July, 2015. It is projected that the maximum indebtedness of the Area will be reached by FYE 2021. It is projected that all debt will be retired by FYE 2021.

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Table 12. Tax Increment Revenues and Project Fund (Dollars)

| <i>PROJECT FUND</i> | Total | 2016-17 | 2017-18 | 2018-19 | 2019-20 | 2020-21 |
|---|-----------------------|-----------------------|---------------------|---------------------|---------------------|---------------------|
| Resources | | | | | | |
| Beginning Fund Balance | | \$ 3,577,650 | \$ 2,374 | \$ 53,655 | \$ 39,881 | \$ 41,145 |
| Current Year TIF Collections | \$ 3,285,914 | \$ 726,836 | \$ 768,069 | \$ 725,058 | \$ 763,265 | \$ 302,686 |
| Prior Year TIF Collections | \$ 100,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 | \$ 20,000 |
| Miscellaneous | \$ 50,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 | \$ 10,000 |
| Interest Earnings | \$ 18,573 | \$ 17,888 | \$ 12 | \$ 268 | \$ 199 | \$ 206 |
| Total Resources | \$ 3,454,487 | \$ 4,352,374 | \$ 800,455 | \$ 808,981 | \$ 833,345 | \$ 374,037 |
| Expenditures (nominal \$) | | | | | | |
| Materials and Services | \$ (398,300) | \$ (75,000) | \$ (77,300) | \$ (79,600) | \$ (82,000) | \$ (84,400) |
| Street Improvements - West Marine Drive | \$ (1,000,000) | \$ (1,000,000) | | | | |
| Street Improvements - Couplet: Bay to Hamburg | \$ (1,330,000) | \$ (1,330,000) | | | | |
| Street Improvements - Portway, Hamburg, Bay, Basin | \$ (870,000) | \$ (870,000) | | | | |
| Terminal/Multi-purpose bldg inc. public restroom | \$ (50,000) | \$ (50,000) | | | | |
| Bond Street Reconnect: Retaining Wall/Traffic Calming | \$ (400,000) | \$ (400,000) | | | | |
| Housing Rehabilitation (Bond Street) | \$ (209,100) | \$ (50,000) | \$ (51,500) | \$ (53,000) | \$ (54,600) | |
| Storefront Improvement Program | \$ (265,400) | \$ (50,000) | \$ (51,500) | \$ (53,000) | \$ (54,600) | \$ (56,300) |
| Redevelopment Assistance | \$ (2,509,337) | \$ (525,000) | \$ (566,500) | \$ (583,500) | \$ (601,000) | \$ (233,337) |
| Total Expenditures | \$ (7,032,137) | \$ (4,350,000) | \$ (746,800) | \$ (769,100) | \$ (792,200) | \$ (374,037) |
| Ending Fund Balance | | \$ 2,374 | \$ 53,655 | \$ 39,881 | \$ 41,145 | \$ - |

Source: Tiberius Solutions, LLC

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VIII. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FYE 2021, as shown on the previous page, are based on projections of the assessed value of development within the Area and taxes on that assessed value.

Table 13 shows the projected incremental assessed value; projected tax rates that would produce tax increment revenues and the annual tax increment revenues (adjusted 5% for under-collection, penalties and interest). These, in turn, provide the basis for the projections in Table 12.

Table 13. Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues (Dollars)

| FYE | Assessed Value | Frozen Base | Excess Value | Tax Rate | Tax Increment Finance Revenue | | | |
|------|----------------|--------------|--------------|----------|-------------------------------|-------------|-----------|----------------|
| | | | | | Gross TIF | Adjustments | Net TIF | Cumulative TIF |
| 2016 | \$62,424,956 | \$21,843,363 | \$40,581,593 | 17.7839 | \$721,699 | (\$36,085) | \$685,614 | \$685,614 |
| 2017 | \$64,433,607 | \$21,843,363 | \$42,590,244 | 17.9640 | \$765,091 | (\$38,255) | \$726,836 | \$1,412,450 |
| 2018 | \$72,264,604 | \$27,255,749 | \$45,008,855 | 17.9630 | \$808,494 | (\$40,425) | \$768,069 | \$2,180,519 |
| 2019 | \$74,666,841 | \$27,255,749 | \$47,411,092 | 16.0979 | \$763,219 | (\$38,161) | \$725,058 | \$2,905,577 |
| 2020 | \$77,165,167 | \$27,255,749 | \$49,909,418 | 16.0979 | \$803,437 | (\$40,172) | \$763,265 | \$3,668,842 |
| 2021 | \$79,763,426 | \$27,255,749 | \$52,507,677 | 16.0979 | \$845,263 | (\$42,263) | \$803,000 | \$4,471,842 |

Source: Tiberius Solutions, LLC

IX. IMPACT OF THE TAX INCREMENT FINANCING, BOTH UNTIL AND AFTER THE INDEBTEDNESS IS REPAYED, UPON ALL ENTITIES LEVYING TAXES UPON PROPERTY IN THE URBAN RENEWAL AREA

This section describes the impact of tax increment financing of the Amendment Area, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal 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 URA. These projections are for impacts estimated through FYE 2021, and are shown in Table 14. The impacts through FYE 2021 are very small as they represent just the 3% assessed value growth in the Area until FYE 2021. In FYE 2021, the full amount of tax increment revenues are not projected to be taken, showing a positive impact in that year and an overall positive impact due to the dollars collected in FYE 2021.

The Astoria School District and Northwest Regional ESD 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. All schools in Oregon receive the same per pupil allocations. 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. While urban renewal statewide has an impact on the amount of funding in the State School Fund, the legislature has the ability to allocate funds from other sources to fully fund the State School Fund.

General obligation bonds and local option levies are impacted by urban renewal only if they were originally approved by voters in an election prior to October 6, 2001. There are no local option levies approved prior to October 6, 2001 that are in effect in the Astor-West URA. There is, however, one general obligation bond that will be impacted, issued by the Astoria School District. For general obligation bonds, the impact is on the property owner, not on the taxing district. The assessor must assess a slightly higher rate to all properties in the taxing district to account for the division of taxes of the general obligation bond.

The projected impact to the property owner as a result of a general obligation bond issued by the Astoria School District prior to 2001 is very small. As a result of this Amendment, a property tax owner will pay an additional 5 cents per \$100,000 of value for one year, FYE 2018, when the Astoria School District Bond is set to expire. Any bonds issued after October of 2001 are not subject to urban renewal division of taxes.

Table 14. Projected Impact on Taxing District Permanent Rate Levies During Use of Tax Increment Financing

| General Government | | | | | | | |
|--------------------|---------------------|----------------------|-----------------------------|-----------------------------------|--------------------------|----------------------|------------------------------|
| | Clatsop County Perm | Port of Astoria Perm | Clatsop 4H & Extension Perm | Sunset Empire Transportation Perm | Clatsop Care Center Perm | City of Astoria Perm | Subtotal: General Government |
| 2018 | (\$480) | (\$39) | (\$16) | (\$51) | (\$55) | (\$2,560) | (\$3,201) |
| 2019 | (\$815) | (\$67) | (\$28) | (\$87) | (\$94) | (\$4,343) | (\$5,434) |
| 2020 | (\$1,163) | (\$95) | (\$41) | (\$123) | (\$134) | (\$6,198) | (\$7,754) |
| 2021 | \$2,536 | \$207 | \$88 | \$268 | \$291 | \$13,514 | \$16,904 |
| Total | \$78 | \$6 | \$3 | \$7 | \$8 | \$413 | \$515 |

| Education | | | | | |
|--------------|--------------------|-----------------------------|--------------------------------|---------------------|--------------|
| | Astoria SD #1 Perm | Northwest Regional ESD Perm | Clatsop Community College Perm | Subtotal: Education | Total |
| 2018 | (\$1,547) | (\$48) | (\$243) | (\$1,838) | (\$5,039) |
| 2019 | (\$2,625) | (\$81) | (\$414) | (\$3,120) | (\$8,554) |
| 2020 | (\$3,746) | (\$116) | (\$591) | (\$4,453) | (\$12,207) |
| 2021 | \$8,169 | \$254 | \$1,287 | \$9,710 | \$26,614 |
| Total | \$251 | \$9 | \$39 | \$299 | \$814 |

Source: Tiberius Solutions, LLC

*Table 14 shows an impact on the Astoria Public Schools School and the Educational Service District. However, 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, because of the use of Tax Increment Financing, are replaced as determined by a funding formula at the State level with State School Fund revenues. These projections are for revenues foregone through FY 2021.

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Table 15 shows the increase in permanent rate levy revenues that would occur after termination of the tax increment financing in FYE 2022.

Table 15. Additional Revenues Obtained After Termination of Tax Increment Financing

| Taxing District | Tax Rate | From Frozen Base | From Excess Value | Total |
|------------------------------|----------------|------------------|-------------------|--------------------|
| General Government | | | | |
| Clatsop County | 1.5338 | \$33,503 | \$92,982 | \$126,485 |
| Port of Astoria | 0.1256 | \$2,744 | \$7,614 | \$10,358 |
| Clatsop 4H & Extension | 0.0534 | \$1,166 | \$3,237 | \$4,403 |
| Sunset Empire Transportation | 0.1620 | \$3,539 | \$9,821 | \$13,360 |
| Clatsop Care Center | 0.1763 | \$3,851 | \$10,688 | \$14,539 |
| City of Astoria | 8.1738 | \$178,543 | \$495,514 | \$674,057 |
| <i>Subtotal</i> | 10.2249 | \$223,346 | \$619,856 | \$843,202 |
| Education | | | | |
| Astoria SD #1 | 4.9407 | \$107,922 | \$299,516 | \$407,438 |
| Northwest Regional ESD | 0.1538 | \$3,360 | \$9,324 | \$12,684 |
| Clatsop Community College | 0.7785 | \$17,005 | \$47,194 | \$64,199 |
| <i>Subtotal</i> | 5.8730 | \$128,286 | \$356,034 | \$484,321 |
| Total | 16.0979 | \$351,633 | \$975,890 | \$1,327,523 |

Source: Tiberius Solutions, LLC

X. RELOCATION REPORT

There are no businesses or residents to be relocated under the Plan at the time of this First Amendment.

XI. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

There are two urban renewal areas in Astoria. 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 percent for municipalities under 50,000 in population. As noted below, the frozen base including all real, personal, manufactured, and utility properties in the two urban renewal areas in Astoria is \$30,534,789, which is 4.15% of the City of Astoria’s total assessed value, less the incremental value. The estimate of the frozen base for the Amendment Area includes 3% assessed value increase over the FYE 2016 assessed value, as the assessor will certify a new tax roll before this property is added. The estimated total acreage of the two urban renewal areas is 255.5 acres, including public right of way. Therefore, 3.77% of the acreage in the City would be in urban renewal areas, and 4.15% of the assessed value of the City would be in urban renewal areas. This is well below the statutory limitation of 25 percent in both cases.

Table 16. URA Conformance with AV and Area Limits

| Urban Renewal Area | Acres | Frozen Base/Assessed Value |
|--|-------|----------------------------|
| Astor-East URA | 50 | \$2,949,516 |
| Astor-West URA | 205.5 | \$21,843,363 |
| Astor-West Addition | 12.05 | \$5,742,000 |
| Total in Urban Renewal | 255.5 | \$30,534,879 |
| City of Astoria | 6,784 | \$769,253,227 |
| City of Astoria Incremental value | | \$65,082,245 |
| City of Astoria Less Incremental value | | \$736,439,664 |
| Total Amount of City in URAs | 3.77% | 4.15% |

Source: Clatsop County Assessor FYE 2017 tax rolls except for Astor-West Addition, which is FYE 2016
 Astor-East Incremental Value \$20,653,984
 Astor-West Incremental Value \$44,428,261