



BEAVERTON URBAN REDEVELOPMENT AGENCY

Urban Renewal Advisory Committee (URAC)

Monday, March 02, 2015



**City Hall | The Beaverton Building
Council Chambers**

12725 SW Millikan Way

MEETING MINUTES

In attendance: Chair Bill Berg, Derrick Weiss, Carmela Bowns, Deric Weiss, Domonic Biggi, Sean Colletta, Jennifer Nye, Lorraine Clairno, Ramsay Weit, Scott Winter, Roy Kim, and Staff Liaison Tyler Ryerson.

Excused: Amy Saberiyan

Not present: Calvin Hamerus and Inessa Vitko,

Other in Attendance: Nick Popenuk, ECONorthwest and John Southgate, Consultant via phone

Public:

Chair Berg called the meeting to order at 7:00 p.m. Introduced guest speaker Nick Popenuk of ECONorthwest and self-introductions were made.

Central Beaverton Urban Renewal Area (URA) Tax Increment Financing (TIF) Revenue Forecast

Guest speaker Nick Popenuk gave an overview of the BURA board meeting presentation on Urban Renewal Area TIF Revenue:

- This forecast is for a 20 year period with an emphasis on the first 5 years—recognizing that will feed directly into the 5 year Action Plan
- Range of forecast ranging high, medium, low
- The area is large: almost 1,000 acres and has roughly \$833 million dollars of assessed value:
 - Large areas are less susceptible to dramatic drops or increases in value to any one property
 - Even without a lot of new development, 3% appreciation each year can be expected, urban renewal can still have rapid growth in property tax revenue
- The vast majority of property in the URA is real property (land and building) which is much easier to forecast in terms of appreciation
- Commercial is the dominant land use type in the URA at 75% almost 2/3rd of the total acreage

- Three areas that can cause assessed value growth to occur:
 - **Appreciation:** Every property is limited to 3% growth per year of the assessed value
 - **New development:** The Creekside District has 40–50 acres of vacant private-owned land and nearly an equal amount of public-owned land
 - **Redevelopment:** The building(s) on the land valued less than the property the site will most likely redevelop
- Historical trends (last seven years) on average the city and county growth rate 3.5%, per year which includes the recession period. In the most recent year the city, county and URA average growth was more than 4%
- Assumed growth:
 - From 2 years ago \$100K in TIF generated revenue—a year from now it will be over \$1M
 - 10 years from now the increase from year to year will be much less significant
 - Tax revenue forecasted at \$1.1M to \$1.2M in the next year
 - Over the next 5 years the accumulated amount is approximately \$10–12M
- Typically urban renewal agencies borrow funds. Shifting the financial capacity forward in time so you can invest in bigger projects and help jumpstart the district. The amount this area can borrow depends how quickly you go out to the bond market and issue the bonds. Each year you wait the revenue stream is higher. The longer you wait to issue those bonds the more they will be willing to loan you:
 - 1 year: \$10M
 - 2 years: \$14M
 - 3 years: \$19M

Responses to Questions:

Nick clarified this forecast is based on gross property tax forecast (not accounting for delinquent tax payers, compression losses...). Nick will work with the city's financial department to see if we should look at these numbers and include them in the forecast.

Nick explained the robust growth is out of the ordinary as it is rare to have a district “today” (most districts are much smaller) this large.

BURA Five-Year Action Plan Update and Discussion John Southgate (via phone)

Draft Priorities for 5 Year Action Plan

- Westgate Theater Site Redevelopment
- Creekside Permits and Improvements
- Street Improvements that set the stage
- Acquisition of Strategic Parcels
- Storefront Program
- Tenant Improvement Program
- E 217 Eco District Vision & Strategy

Other Considerations for 5 Year Action Plan

- Other Funding Sources—CIP, General Fund, Grants, ...
- Two Scenario—Moderate and Conservative
- Geographically Focused
- Acquisition Strategy
- Financial Reporting
- Staff Deployment
- Program Guidelines

Response to questions:

Westgate 1st priority the draft priorities are not in order of importance.

Ramsey Weit inquired about Creekside priorities other than Westgate. Tyler: pre-dev funding, infrastructure improvement, the trail, parking garage:

- Community Development will continue to fund pre-development as well as storefront improvements and begin to bring that across to Urban Renewal (DOS programs, TI programs and other opportunities)
- Look at what kind of money do we put to larger projects and at what point—based on BURA and URAC priorities

Carmella Bowns asked for more information on the Westgate Site RFQ:

- Visioning, Creekside
- Built in incentives (best uses for the site: hotel, office, residential, ACC, parking) all optional
- Specific streetscape requirements
- Development ties Westgate and The Round together

Tyler reviewed the expected timeline of the RFQ selection process through the negotiations of the DDA, through Planning Commission. How quickly that process moves will determine whether we go for bond next year or two years or even three years from now.

John will develop a very conservative and not-so conservative comparison scenario in response to comments from this meeting of the Draft 5 Year Action Plan.

Chair Berg and Roy Kim made the following suggestions for the Action Plan:

- Build in staff time to communicate with key property owners (determine incentives, interest)
- Increase pre-development budget
- Promote land acquisition first (less expensive before improvements)

Beaverton Update, Announcements and Annual Financial Report

Tyler distributed upcoming event flyers and encouraged members to attend and help promote:

- Thursday, March 5th, Economic Development and The Small Business Development Center of Oregon, Access to Capital Event, 7:30–10:30am, TTB
- Monday, March 9th, 4:30–8pm, Open House (Brownfields public), Beaverton City Library
- Tuesday, March 31st, 7:30–9:30am, Brownfields Property and Business Owner Forum, TBB, Council Chambers

Updates:

- RFQ
- Creekside Master Plan is updated and is available on the website
- Rose Biggi should be finished in May
- Construction is underway at the Barcelona project
- La Scala breaking ground any day now (groundbreaking ceremony)
- Rembold is in Land Use review
- Franklin Tucker apartments are also under construction

Approval of January 5, 2015 Minutes

Minutes approved with the following edits.

- Page 2, first bullet last sentence change to “focus instead working (at least in the beginning) inside the **sub** areas” instead of ...**employment** areas.

Calendar Items

March 24, 2015: BURA Board Meeting

April 6, 2015: URAC Meeting

The meeting was adjourned at 8:30 p.m.