

REPORT ON
PROPOSED DOWNTOWN SISTERS
URBAN RENEWAL PLAN

July 14, 2003

City of Sisters

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	EXISTING PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS AND FISCAL IMPACT	1
	<i>A. PHYSICAL CONDITIONS</i>	<i>1</i>
	<i>B. SOCIAL CONDITIONS</i>	<i>7</i>
	<i>C. ECONOMIC CONDITIONS</i>	<i>9</i>
	<i>D. FISCAL IMPACT ON MUNICIPAL SERVICES</i>	<i>11</i>
III.	REASON FOR SELECTION OF URBAN RENEWAL AREA	11
IV.	ASSESSED VALUE AND LAND AREA LIMITS	11
V.	RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND EXISTING CONDITIONS	11
VI.	ESTIMATED PROJECT COSTS AND REVENUES	13
	<i>A. PROJECT COSTS</i>	<i>13</i>
	<i>B. PROJECT REVENUES</i>	<i>13</i>
VII.	ANTICIPATED PROJECT SCHEDULE	18
VIII.	TAX INCREMENT FUNDS REQUIRED AND ANTICIPATED DATE OF RETIREMENT OF INDEBTEDNESS	18
IX.	FINANCIAL ANALYSIS OF PLAN	18
X.	FISCAL IMPACTS OF TAX INCREMENT FINANCING	18
	<i>A. DURING THE USE OF TAX INCREMENT FINANCING</i>	<i>18</i>
	<i>B. AFTER TERMINATION OF TAX INCREMENT FINANCING</i>	<i>24</i>
XI.	RELOCATION REPORT	24
	<i>A. AN ANALYSIS OF EXISTING RESIDENTS OR BUSINESSES REQUIRED TO RELOCATE PERMANENTLY OR TEMPORARILY AS A RESULT OF AGENCY ACTIONS UNDER THE PLAN</i>	<i>24</i>
	<i>B. METHODS TO BE USED FOR THE TEMPORARY OR PERMANENT RELOCATION</i>	<i>24</i>
	<i>C. ENUMERATION, BY COST RANGE, OF THE EXISTING HOUSING UNITS IN THE URBAN RENEWAL AREAS OF THE PLAN TO BE DESTROYED OR ALTERED AND NEW UNITS TO BE ADDED.</i>	<i>24</i>

I. INTRODUCTION

The following Urban Renewal Report (the “Report”) contains information in support of the Downtown Sisters Renewal Plan (“Plan”). This document is not a legal part of the Plan but is intended to provide public information and a basis for the findings made by the City Council as part of its approval.

The Report provides the information required in ORS 457.085(3) (2001). The format of the Report is based on this statute.

II. EXISTING PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS AND FISCAL IMPACT

A. Physical Conditions

1. Land Use and Zoning

[Note: the land use and zoning analysis below was completed prior to two changes to the Area boundary. The changes resulted an addition of Forest Service property at the western edge of the Area and the block bounded by Washington, Jefferson, Ash and Elm Streets. The land use and zoning analysis below does not reflect these two additions, which do not materially affect the findings of blight in the Area.]

The Urban Renewal Area (“Area”) identified in the Sisters Urban Renewal Plan is a 74.98 acre district that encompasses a significant portion of the City’s commercial lands. With the exception of 1.88 acres contained within the Residential Multi-family land use district , properties in the proposed urban renewal area are predominantly zoned Commercial. Running east-west through the heart of the Area, Cascade Avenue is the current main transportation corridor and access route.

According to the 2002-03 data, the total assessed value of real property in the proposed Urban Renewal Area was \$32,999,335. Table 1, “Measure 50 Assessed Value by Property Class (2002),” provides Measure 50 Assessed Value subtotals for the five major property classes in the Plan area. According to the Deschutes County Tax Assessor’s office, the property classes represent existing land use designations in the proposed Area.

**Table 1: Measure 50 Assessed Value by Property Class (2003)
Sisters, OR URA**

Property Class	Measure 50 AV
Residential	\$190,120
Commercial	\$29,740,620
Exempt	\$300,040
Multi-family	\$2,631,279
Miscellaneous	\$137,276
Total:	\$32,999,335

Source: Sisters Parcel Database, 2002-03

As shown in Table 2, “Land Use (2002),” 190 parcels are located within the Area . Although the Area contains a diversity of existing uses, including several multifamily residential developments and tax exempt public and institutional uses, the majority of parcels (146) are commercial properties. Currently, twenty-five (25) or 3.4% of these commercial properties are vacant.

In total, thirty-five (35) parcels or 50.5% of the Plan Area is vacant, underutilized land. A large, 22.3 acre site owned and managed by the US Forest Service comprises over half of the district’s vacant land and 29.7% of the overall Plan area.

Table 2: Existing Land Use (2003)

Sisters, OR URA

Land Use	Number of Parcels	Acres	Percent of Total
Miscellaneous: No Significance - Vacant	1	0.01	0.0%
Miscellaneous: Commercial - Improvements Only	1	NA	0.0%
Residential: No Significance - Improved	3	0.63	0.8%
Commercial: No Significance - Vacant	25	13.15	17.5%
Commercial: No Significance - Improved	118	24.61	32.8%
Commercial: No Significance: Condo	3	0.31	0.4%
Multifamily: No Significance - Vacant	3	1.89	2.5%
Multifamily: No Significance - Improved (5+ units)	21	5.49	7.3%
Exempt: Church - Improved	1	0.31	0.4%
Exempt: School - Improved	2	3.40	4.5%
Exempt: City - Vacant	2	0.32	0.4%
Exempt: City - Improved	3	1.78	2.4%
Exempt: Federal - Vacant	1	22.30	29.7%
Exempt: Fraternal/Benevolent - Improved	1	0.24	0.3%
Exempt: Other - Vacant	3	0.23	0.3%
Exempt: Other - Improved	1	0.10	0.1%
Exempt: Other - Partially Exempt	1	0.21	0.3%
Total:	190	74.98	100.0%
Total Vacant Parcels:	35	37.90	50.5%

Source: Sisters Parcel Database, 2002-03

Table 3, “Land Use District Designations (2003),” shows the number of parcels and acres in each land use district in the Area. (The term “land use district” is interchangeable with “zone” as in “commercial zone”.)

Table 3: Land Use District Designations (2003)

Sisters, OR URA

Land Use District	Number of Parcels	Acres	Percent of Total
Total:	190	74.98	100.0%
Commercial	185	73.10	97.5%
Residential Multi-family	5	1.88	2.5%

Source: Sisters Parcel Database, 2002-03

The majority of parcels in the Plan area (185) are contained within Sisters’ Commercial land use district designation. The City’s long term vision for the area emphasizes economic goals and objectives. Planning priorities include job creation and retention as well as transportation and public facilities improvements that will draw quality employers to the area and enhance the user-friendliness of the downtown/commercial core.

As shown in Table 4, “Existing Commercial Land Use (2003),” current land use patterns within the Area’s Commercial land use district do not differ markedly from the land use patterns displayed in Table 1. Given the prevalence of commercially zoned land in the Plan area, the absence of any notable variances makes sense. Multi-family residential uses accounts for twenty-four (24) of the one hundred and eighty five (185) parcels in the Commercial land use district.

Table 4: Existing Commercial Land Use (2003)

Sisters, OR URA

Commercial Land Use	Number of Parcels	Acres	Percent of Total
Miscellaneous: No Significance - Vacant	1	0.01	0.0%
Miscellaneous: Commercial - Improvements Only	1	NA	0.0%
Commercial: No Significance - Vacant	25	13.15	18.0%
Commercial: No Significance - Improved	118	24.61	33.7%
Commercial: No Significance: Condo	3	0.31	0.4%
Multifamily: No Significance - Vacant	3	1.89	2.6%
Multifamily: No Significance - Improved (5+ units)	21	5.49	7.5%
Exempt: Church - Improved	1	0.31	0.4%
Exempt: School - Improved	2	3.40	4.7%
Exempt: City - Vacant	1	0.22	0.3%
Exempt: City - Improved	2	0.63	0.9%
Exempt: Federal - Vacant	1	22.30	30.5%
Exempt: Fraternal/Benevolent - Improved	1	0.24	0.3%
Exempt: Other - Vacant	3	0.23	0.3%
Exempt: Other - Improved	1	0.10	0.1%
Exempt: Other - Partially Exempt	1	0.21	0.3%
Total:	185	73.10	100.0%

Source: Sisters Parcel Database, 2002-03

2. Improvement to Land Value Ratios

A measure of the intensity of development of a site is its improvement to land ratio (“I:L”). This is defined as the real market value of the improvements divided by the real market value of the land, as both real market values are determined by the assessor. A higher I:L indicates a higher degree of development or improvement of the site.

For an area such as downtown Sisters, which is planned for intensive development, parcels with an improvement to land ratio of less than 3.0 may be classified as underdeveloped and/or underutilized. In the Area, the average improvement to land ratio for parcels in both the Commercial and Residential Multi-family land use districts is significantly lower than 3.0. Table 5, “Average Improvement to Land Values (2003),” shows the results of two methods of calculating average improvement to land ratios. All parcels in the

Plan Area are factored into the equation used to calculate the ratios in the first column. However, the ratios provided in the second column exclude consideration of all vacant/unimproved properties and are thereby slightly higher.

Table 5: Average Improvement to Land Values (2003)

Sisters, OR URA

Land Use District	Average Building To Land Ratio (All Parcels)	Average Building To Land Ratio (Improved Parcels)
Commercial	1.24	1.57
Residential Multi-family	0.36	0.59

Source: Sisters Parcel Database, 2002-03

3. Public Infrastructure and Utilities

a) Roadways

The City of Sisters Transportation System Plan (TSP), adopted in June of 2001, identifies critical needs that must be addressed to promote sustainable growth and ensure the long term viability of the City and its commercial district. According to the TSP, the street system capacity will need to be expanded to accommodate increased demand over the next 20 years. Currently, during peak periods, the street system is inadequate for local and through traffic, resulting in congestion and impediments to the efficient movement of freight and pedestrian traffic. In particular, congestion on Cascade Avenue (US Highway 20/OR 126), the area's main transportation corridor, can be severe during peak hours and ODOT's mobility standards are not met at the intersections of Cascade Avenue and Pine Street and Cascade Avenue and Locust Street. Locust Street is a collector that serves both residential and industrial land uses in the City. As recommended in the TSP and subsequent analysis, the City needs to implement street improvements that will allow for increased traffic flow on Cascade Avenue by developing an alternative route. With the projected growth of the industrial area to the north of Sisters Downtown/commercial district, increasing mobility at the intersection of Cascade Avenue and Locust Avenue is also listed as a high priority.

The TSP and subsequent analysis have resulted in a decision to implement a couplet system to provide an alternative to vehicular traffic on Cascade Avenue. The couplet will consist of an eastbound one way street at the current alignment of Hood Street and a one way westbound street at the current alignment of Main Street. The couplet was judged to be the best alternative for relieving traffic congestion on Cascade Avenue.

b) Sidewalks and Streetscape

The TSP also notes that pedestrian facilities are deficient:

“Pedestrian crossings on Cascade Avenue are inadequate. The street is wide for a two lane street, on-street parking and the lack of curb extensions reduce pedestrian visibility for drivers and there is a lack of painted crosswalks.”

“Sidewalks on Cascade Avenue are generally six feet wide, which is too narrow for a commercial ‘main street’ where sidewalks should be at least ten feet wide. The sidewalks on Cascade Avenue also contain many obstacles such as posts supporting street signs and building awnings, fire hydrants, newspaper vending machines.”

Because of these deficiencies, several of the improvement project “options” described in the TSP relate to sidewalks and streetscape. In addition, the TSP recommends “infill walkways” on streets other than Cascade Avenue but located within the Area. These include several blocks of Hood and Main Streets.

c) Water and Sewer Systems

The City water system is generally adequate in the Area and the sanitary sewer system is new. The City does anticipate a shortfall in sewage treatment capacity within the next five to ten years.

4. Parks

The Sisters Parks Master Plan noted a deficiency of parks in the downtown area. Ash Street Park (now called Barclay Park) is basically unimproved and the site for Larch Park is similarly undeveloped. Improvements to the Village Green were also noted as necessary, as the facility is inadequate as an Sisters’ main urban park.

5. Civic Facilities

Sisters’ current City Hall has been inadequate in size and facilities to meet recent needs and the future growth of the city and demand for services will exacerbate this need. The Sisters’ branch of the Deschutes County Library is similarly undersized for community demand. Public meeting space is lacking, requiring many public meetings to occur well outside the center of town. The inadequacy of such facilities results in less patronage and use of downtown and fails to provide added incentive for private investment.

B. Social Conditions

This section of the Report provides a detailed analysis of social conditions in the Sisters Urban Renewal Area. To this end, key demographic data and trends extracted from the 1990 and 2000 U.S. Census are highlighted and discussed. Since the total population of the City of Sisters is relatively small, with fewer than one thousand (1000) persons counted in the 2000 Census, the analysis reflects citywide population, housing, economic and workforce characteristics and trends. Social conditions in the Area do not necessarily indicate “blight” and no data on the Area itself, as opposed to the City as a whole, were available.

1. Population and Housing

The total population of the City of Sisters was reported at 959 persons in 2000, up 280 41.2% from 679 persons in 1990 according to the Bureau of Census. As shown in Table 6, “Population by Age and Sex (2000)” Sisters’ population was evenly distributed by sex, with 475 males and 484 females. The age distribution of both sexes is also similar.

Table 6: Population by Age and Sex (2000)

Sisters, OR

	Persons	Percent of Total
Total:	959	100.0%
Male:	475	49.5%
Under 18 years	114	11.9%
18 years and over	361	37.6%
Female:	484	50.5%
Under 18 years	136	14.2%
18 years and over	348	36.3%

Source: Census 2000, SF 1 - 100 Percent Data

In 2000, there were 397 households in Sisters, with an average household size of 2.41. Table 7, “Change in Occupancy Status and Tenure (1990 to 2000),” reveals a significant upward trend in the City’s housing units.

Figure 7: Change in Occupancy Status and Tenure (1990 to 2000)

Sisters, OR

	1990	2000	Change	% Change
Total housing units:	354	482	128	36.2
Occupied units:	274	397	123	44.9
owners	163	232	69	42.3
renters	111	165	54	48.6
Vacant units:	80	85	5	6.3
% Owner occupied:	59.5	58.4	-1.1	-1.8%
% Renter occupied:	40.5	41.6	1.1	2.7%

Source: 1990 and 2000 Census, SF 1 - 100 Percent Data

A total of 482 housing units were reported in 2000, up 128 units (36.2%) from 1990. While the owner occupancy rate decreased slightly (1.8%) between 1990 and 2000, renter occupancy increased by 2.7%. By 2000, 58.4% of housing units were owner occupied and 41.6 percent were renter occupied.

Table 8, “Renter Costs (2000)” details the median (monthly) contract rent and the percentage of household income allocated for rent on an annual basis.

Table 8: Renter Costs (2000)

Sisters, OR

Median Contract Rent (dollars)	503
Median Gross Rent as a Percentage of Household Income in 1999	23.6

Source: Census 2000, SF 3 - Sample Data

Table 9, “Owner Costs (2000)” breaks down selected monthly owner costs for owner occupied units by mortgage status. A comparison of renter costs versus owner costs shows that, relative to household income in 1999, median housing costs for renters exceeded housing costs for owners by 6%.

Table 9: Owner Costs (2000)*

Sisters, OR

Housing units with a mortgage	908
Housing units without a mortgage	287
Median Selected Monthly Owner Costs as a Percentage of Household Income in 1999	17.6

Source: Census 2000, SF 3 - Sample Data

*Median Selected Monthly Owner Costs (dollars) for Specified Owner Occupied Units by Mortgage Status

With 95.8% of the population characterized as “White Alone” according to the 2000 Census, Sisters’ is a racially homogenous city. As illustrated in Table 10, “Race Characteristics (2000),” among residents who identified with a single race, Native American Indian and Alaska Natives constituted 1.6% of the population in 2000 and have the highest minority representation. Asians represented .4% of the City’s population.

Table 10: Race Characteristics (2000)

Sisters, OR

Race	Total	Percent of Total
Total:	959	100.0%
White alone	919	95.8%
Black or African American alone	0	0.0%
American Indian and Alaska Native alone	15	1.6%
Asian alone	4	0.4%
Native Hawaiian and Other Pacific Islander alone	0	0.0%
Some other race alone	13	1.4%
Total non-white alone:	32	3.3%
Two or more races:	8	0.8%
Total non-white:	40	4.2%

Census 2000, SF 1 - 100 Percent Data

Similar to trends in other Oregon cities and the nation as a whole, residents reporting Hispanic or Latino origin increased dramatically between 1990 and 2000. In 2000, 44 persons or 4.6% of Sisters’ total population claimed Hispanic or Latino origin, up 529% from 1990 when only seven residents identified themselves as Hispanic or Latino.

C. Economic Conditions

1. Income and Poverty

In 1999, the median household income reported for Sisters was \$35,000. Table 9, “Poverty Status in 1999 by Age (2000),” shows that 93 persons or an

estimated 10.4% of residents lived below the poverty level. Of those living in poverty, 1.4% were under 18 years while 9% were 18 or over.

Table 11: Poverty Status in 1999 by Age (2000)

Sisters, OR

Poverty Data	Total	Percent of Total
Total Persons*	897	100.0%
Income in 1999 Below Poverty Level:	93	10.4%
Under 18 years	13	1.4%
18 years and over	80	9.0%
Income in 1999 At or Above Poverty Level:	804	89.6%
Under 18 years	212	23.6%
18 years and over	592	66.0%

Source: Census 2000, SF 3 - Sample Data

*Note: Refers to total persons for whom poverty status data was collected

2. Employment

According to Table 10, “Employment Status, Persons 16 years and over (2000),” 62.7% of the total population 16 years and older was employed in 2000 and the unemployment rate for persons in the labor force was reported at 3.8%. Although the unemployment rate figure may appear relatively low on the surface, it is important to note that a significant percentage of this demographic subset (33.5%) was not in the labor force.

Table 12: Employment Status, Persons 16 years and over (2000)

Sisters, OR

Employment Status	Sisters	Percent of Total
Persons, 16 years and over	713	100.0%
In labor force:	474	66.5%
Armed Forces	0	0.0%
Civilian labor force	474	66.5%
Employed	447	62.7%
Unemployed	27	3.8%
Not in labor force	239	33.5%

Source: Census 2000, SF 3 - Sample Data

D. Fiscal Impact on Municipal Services

Development within the Area will be governed by public facility code requirements, which addresses the provision of public facilities and services to serve the development allowed under the Development Code. Increases in service demands should be limited to those anticipated under the applicable facilities plans. Fiscal impacts on the revenues of overlapping taxing districts, which provide municipal services, are discussed in Section IX.

III. REASON FOR SELECTION OF URBAN RENEWAL AREA

The Area was selected for urban renewal because the existing physical and economic conditions as documented in Section II constitute blight, as defined in ORS 457. In particular, such conditions include the underdevelopment of land within the Area, as shown in the I:L analysis, and a street and utility system that is inadequate to serve the development called for in the Area under the Development Code.

IV. ASSESSED VALUE AND LAND AREA LIMITS

Under state law, the total assessed value of the Area cannot exceed 25% of that of the City of Sisters and the total acreage of the Area similarly cannot exceed 25% of that of the City. The Area's estimated 98 acres represent 11 percent of the City's total area of 920 acres. The assessed value of the Area is estimated to be \$35,063,519 or 24.5% of the City's total assessed value of \$143,263,650.

V. RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND EXISTING CONDITIONS

Table 13 below describes the relationship between the urban renewal projects authorized by the Plan and the existing conditions within the Area, as described in Section II. of the Report.

Table 13. Relationship of Projects to Existing Conditions in Area

PROJECT	RELATIONSHIP TO EXISTING CONDITIONS
Transportation System Improvements	Transportation improvement projects will alleviate the congestion on Cascade Avenue, the inadequate capacities of streets and intersections, the lack of connectivity within commercial and mixed use areas and the unsafe and inconvenient pedestrian facilities.
Cascade Street Streetscape Improvements	The streetscape improvements to Cascade Street will address the inadequate pedestrian facilities on Sisters’ “main street”.
Cascade Street Town Square	The development of the town square will address the lack of parks and open space within the Area.
Cascade Street Commercial Plaza	The development of the Commercial Plaza will address the lack of parks and open space within the Area.
Fir Street Streetscapes, Elm Street Streetscapes and Main Street Streetscapes	These streetscape improvements to will address the inadequate pedestrian facilities within the Area.
Off-Street Public Parking Facilities	Development of off-street parking facilities will promote more intensive development and address the underdevelopment within the Area.
Existing Alleyway Improvements	These streetscape improvements to will address the inadequate pedestrian facilities within the Area.
Barclay Park and Larch Park	The development of the these parks will address the lack of parks and open space within the Area.
Assistance to Property and/or Business Owners	Grants and loans to property owners and business owners will address the underdevelopment of the Area and reverse the trends of disinvestment by making conservation, rehabilitation, development and redevelopment more financially feasible. Technical assistance to property and/or business owners will reduce the costs and risks of investment within the Area and thereby similarly address its underdevelopment.

Buying, Receiving and Selling, Leasing or Otherwise Conveying Property	Land transactions will address the underdevelopment of the Area by enabling the assembly of sites of appropriate size for development and by providing land at prices that reflect the value of the land for uses which meet the objectives of the Plan.
Public Facilities	The development of public facilities for civic, social, recreational and educational purposes will alleviate the lack of such facilities in the Area which contributes to the poor environment for development.

VI. ESTIMATED PROJECT COSTS AND REVENUES

A. Project Costs

Table 14. below summarizes the total project costs and the urban renewal share of those costs.

	Urban Renewal Share	Urban Renewal \$	Direct Construction Cost	Total Cost with A&E @ 30%
Public Improvements				
Cascade Street Streetscape Improvements	75%	1,218,750	1,250,000	1,625,000
Cascade Street Town Square	75%	195,000	200,000	260,000
Cascade Street Commercial Plaza	75%	146,250	150,000	195,000
Fir Street Streetscapes	85%	663,000	600,000	780,000
Elm Street Streetscapes	85%	580,125	525,000	682,500
Main Street Streetscapes	25%	48,750	150,000	195,000
Off-Street Public Parking Facilities (Improvements)	50%	117,000	180,000	234,000
Off-Street Public Parking Facilities (land)	50%	455,000	700,000	910,000
Alleyway Improvements	75%	468,000	480,000	624,000
Ash Street Park	50%	130,000	200,000	260,000
Total Public Improvements		4,021,875	4,435,000	5,765,500
Civic Center	10%	487,500	3,750,000	4,875,000
Loans and Grants, Technical Assistance	100%	1,300,000		
Staff, Materials and Services	100%	1,000,000		1,000,000
Total Costs, 2003 Dollars		6,809,375		
Estimated Total Costs, with Inflation		9,705,668		

B. Project Revenues

The revenues for the urban renewal share of the project costs are anticipated to come from the sale of long term and short term tax increment bonds. Table 15. below summarizes the projected revenues from these sources. Table 16. shows the projected annual tax increment revenues and the projected debt service requirements for these long term and short term bonds. Table 17. shows the projected increase in assessed value within the Area and the projected tax rate that would generate the projected tax increment revenues.

Table 15: Tax Increment Debt Proceeds

Total Long Term Debt	5,069,199
Total Short Term Debt	4,820,000
Total Debt	9,889,199

REPORT ON DOWNTOWN SISTERS URBAN RENEWAL PLAN

Table 16: Annual Tax Increment Revenues and Debt Service Requirements

FY ending June 30	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues											
Beginning Balance	0	16,680	104,683	114,341	125,367	140,196	241,160	282,739	319,557	415,484	417,900
Tax Increment Revenues	66,019	119,303	164,625	215,389	268,550	313,933	353,147	397,526	450,056	505,035	562,311
Interest Earnings	660	3,916	5,250	5,854	6,496	11,268	12,670	13,530	17,340	18,849	19,446
Transfer PF for Reserve		50,000	0								
Total Revenues	66,680	189,899	274,558	335,583	400,413	465,398	606,977	693,794	786,952	939,369	999,658
Expenditures											
Debt Service Long Term Bonds											
Bond 1		85,217	85,217	85,217	85,217	85,217	85,217	85,217	85,217	85,217	85,217
Bond 2						139,021	139,021	139,021	139,021	139,021	139,021
Bond 3									97,230	97,230	97,230
Bond 4											
Total LT Bond DS	0	85,217	85,217	85,217	85,217	224,238	224,238	224,238	321,468	321,468	321,468
Short Term Bonds	50,000		75,000	125,000	175,000		100,000	150,000	50,000	200,000	275,000
Long Term Bond Reserve		85,217	85,217	85,217	85,217	224,238	224,238	224,238	321,468	321,468	321,468
Ending Balance	16,680	19,466	29,124	40,150	54,979	16,922	58,501	95,319	94,016	96,432	81,721

REPORT ON DOWNTOWN SISTERS URBAN RENEWAL PLAN

FY ending June 30	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Beginning Balance	403,189	552,815	550,900	548,200	546,289	537,066	552,640	530,521	522,673	706,660
Tax Increment Revenues	616,737	673,136	731,785	787,047	844,182	903,480	965,016	1,028,869	1,095,120	1,136,550
Interest Earnings	23,415	25,475	26,043	26,568	27,121	27,621	28,392	28,810	29,394	18,432
Transfer PF for Reserve										
Total Revenues	1,043,342	1,251,426	1,308,727	1,361,816	1,417,592	1,468,167	1,546,048	1,588,200	1,647,187	1,861,642
Expenditures										
Debt Service Long Term Bonds										
Bond 1	85,217	85,217	85,217	85,217	85,217	85,217	85,217	85,217	85,217	85,217
Bond 2	139,021	139,021	139,021	139,021	139,021	139,021	139,021	139,021	139,021	139,021
Bond 3	97,230	97,230	97,230	97,230	97,230	97,230	97,230	97,230	97,230	97,230
Bond 4	119,058	119,058	119,058	119,058	119,058	119,058	119,058	119,058	119,058	119,058
Total LT Bond DS	440,527	440,527	440,527	440,527	440,527	440,527	440,527	440,527	440,527	440,527
Short Term Bonds	50,000	260,000	320,000	375,000	440,000	475,000	575,000	625,000	500,000	
Long Term Bond Reserve	440,527	440,527	440,527	440,527	440,527	440,527	440,527	440,527	440,527	
Ending Balance	112,288	110,373	107,674	105,763	96,539	112,113	89,995	82,146	266,133	1,421,115

REPORT ON DOWNTOWN SISTERS URBAN RENEWAL PLAN

Table 17: Projected Tax Increment Revenues

FY ending June 30	2005	2006	2007	2008	2009	2010	2011	2012	2013
Total AV	39,189,735	42,354,932	45,383,446	48,546,762	51,850,022	55,298,552	58,581,171	62,002,860	65,568,806
Base AV	35,063,519	35,063,519	35,063,519	35,063,519	35,063,519	35,063,519	35,063,519	35,063,519	35,063,519
Incremental AV	4,126,216	7,291,413	10,319,927	13,483,243	16,786,503	20,235,033	23,517,652	26,939,341	30,505,287
Appreciation %	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Exception Value (New Dev't)	1,326,125	2,185,454	1,969,640	2,028,730	2,089,592	2,152,279	1,900,155	1,957,160	2,015,875

FY ending June 30	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total AV	76,819,673	80,630,902	84,594,134	88,313,694	92,174,384	96,181,177	100,339,212	104,653,804	109,130,443
Base AV	35,063,519	35,063,519	35,063,519	35,063,519	35,063,519	35,063,519	35,063,519	35,063,519	35,063,519
Incremental AV	41,756,154	45,567,383	49,530,615	53,250,175	57,110,865	61,117,657	65,275,693	69,590,284	74,066,924
Appreciation %	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Exception Value (New Dev't)	1,835,667	1,890,737	1,947,459	1,604,706	1,652,848	1,702,433	1,753,506	1,806,111	1,860,295

VII. ANTICIPATED PROJECT SCHEDULE

Table 18. below shows the anticipated project schedule.

Project	Schedule
Cascade Street Streetscape Improvements	2005-2008
Cascade Street Town Square	2005-2008
Cascade Street Commercial Plaza	2005-2008
Fir Street Streetscapes	2008-2012
Elm Street Streetscapes	2008-2012
Main Street Streetscapes	
Off-Street Public Parking Facilities (Improvements)	2008-2025
Off-Street Public Parking Facilities (land)	2008-2025
Alleyway Improvements	2008-2025
Barclay Park and Larch Park	2008-2012
Civic Center	2005-2008
Loans and Grants, Technical Assistance	2005-2025
Staff, Materials and Services	2005-2025

VIII. TAX INCREMENT FUNDS REQUIRED AND ANTICIPATED DATE OF RETIREMENT OF INDEBTEDNESS

The tax increment revenues shown in Table 16 total \$12,197,818 through FY 2024/2025. This table shows an ending balance in FY 2024/25 sufficient to retire all debt outstanding at that time.

IX. FINANCIAL ANALYSIS OF PLAN

The financial analysis contained in Section VI shows that projected revenues are sufficient to cover projected costs. The projections of the increased assessed value and future tax rates that produce the projected tax increment revenues are based on reasonable expectations of development, redevelopment and rehabilitation of property within the Area.

X. FISCAL IMPACTS OF TAX INCREMENT FINANCING

A. During the Use of Tax Increment Financing

The primary fiscal impact of tax increment financing will be that taxing districts that levy taxes within the Area will forego property tax revenues from their permanent rate levies on the growth in assessed value within the Area that would have occurred without the Urban Renewal Plan.

Table 19. below shows the projected revenues foregone in year of receipt dollars and as a percentage of the total permanent rate levy. The assessed value of taxing districts is projected at 6% per year for this analysis. Because all debt is anticipated to be retired during FY 2024/25 the impacts are shown through that year.

Under current public school financing law, revenues foregone by the school district would be offset by state revenues. Because current law is likely to be changed in the future, ~~the~~ **potential** revenue impacts **that would result if total school district revenues were affected by its property tax receipts** are shown in the table.

e

REPORT ON DOWNTOWN SISTERS URBAN RENEWAL PLAN

Table 19: Revenues Foregone by Taxing Districts

FY ending June 30		2005	2006	2007	2008	2009	2010	2011	2012	2013
Taxing Districts	Permanent Rates	Revenues Foregone								
City	2.6417	10,550	17,748	24,150	30,285	36,669	43,313	49,724	56,384	63,305
County	1.2783	5,105	8,588	11,686	14,655	17,744	20,959	24,061	27,284	30,633
County Library	0.5500	2,196	3,695	5,028	6,305	7,635	9,018	10,352	11,739	13,180
Fire District	2.7317	10,909	18,353	24,972	31,316	37,919	44,789	51,418	58,305	65,462
SOAR	0.2200	879	1,478	2,011	2,522	3,054	3,607	4,141	4,696	5,272
School District	4.0997	16,373	27,543	37,478	46,999	56,908	67,219	77,167	87,504	98,244
ESD	0.0964	385	648	881	1,105	1,338	1,581	1,814	2,058	2,310
COCC	0.6204	2,478	4,168	5,672	7,112	8,612	10,172	11,678	13,242	14,867
	FY 02/03 AV	Projected AV								
City	143,263,650	154,953,964	164,251,202	174,106,274	184,552,650	195,625,809	207,363,358	219,805,159	232,993,469	246,973,077
County	10,221,833,589	11,055,935,210	11,719,291,322	12,422,448,802	13,167,795,730	13,957,863,474	14,795,335,282	15,683,055,399	16,624,038,723	17,621,481,046
County Library	10,221,833,589	11,055,935,210	11,719,291,322	12,422,448,802	13,167,795,730	13,957,863,474	14,795,335,282	15,683,055,399	16,624,038,723	17,621,481,046
Fire District	429,132,517	464,149,730	491,998,714	521,518,637	552,809,755	585,978,341	621,137,041	658,405,264	697,909,579	739,784,154
SOAR	641,151,455	693,469,414	735,077,579	779,182,233	825,933,167	875,489,157	928,018,507	983,699,617	1,042,721,594	1,105,284,890
School District	1,060,489,908	1,147,025,884	1,215,847,438	1,288,798,284	1,366,126,181	1,448,093,752	1,534,979,377	1,627,078,139	1,724,702,828	1,828,184,997
ESD	10,221,833,589	11,055,935,210	11,719,291,322	12,422,448,802	13,167,795,730	13,957,863,474	14,795,335,282	15,683,055,399	16,624,038,723	17,621,481,046
COCC	10,221,833,589	11,055,935,210	11,719,291,322	12,422,448,802	13,167,795,730	13,957,863,474	14,795,335,282	15,683,055,399	16,624,038,723	17,621,481,046
	Incremental AV as Percent of Total									
City		2.58%	4.09%	5.25%	6.21%	7.10%	7.91%	8.56%	9.16%	9.70%
County		0.04%	0.06%	0.07%	0.09%	0.10%	0.11%	0.12%	0.13%	0.14%
County Library		0.04%	0.06%	0.07%	0.09%	0.10%	0.11%	0.12%	0.13%	0.14%
Fire District		0.86%	1.37%	1.75%	2.07%	2.37%	2.64%	2.86%	3.06%	3.24%
SOAR		0.58%	0.91%	1.17%	1.39%	1.59%	1.77%	1.91%	2.05%	2.17%
School District		0.35%	0.55%	0.71%	0.84%	0.96%	1.07%	1.16%	1.24%	1.31%
ESD		0.04%	0.06%	0.07%	0.09%	0.10%	0.11%	0.12%	0.13%	0.14%
COCC		0.04%	0.06%	0.07%	0.09%	0.10%	0.11%	0.12%	0.13%	0.14%

REPORT ON DOWNTOWN SISTERS URBAN RENEWAL PLAN

Table 19: Revenues Foregone by Taxing Districts (Continued)

FY ending June 30	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Taxing Districts										
City	70,494	77,962	85,136	92,577	100,294	107,661	115,288	123,184	131,359	139,821
County	34,112	37,725	41,197	44,798	48,532	52,096	55,787	59,608	63,564	67,658
County Library	14,677	16,232	17,725	19,275	20,881	22,415	24,003	25,647	27,349	29,111
Fire District	72,896	80,618	88,037	95,731	103,711	111,329	119,216	127,381	135,834	144,585
SOAR	5,871	6,493	7,090	7,710	8,352	8,966	9,601	10,259	10,940	11,644
School District	109,401	120,991	132,125	143,673	155,648	167,081	178,917	191,172	203,858	216,991
ESD	2,572	2,845	3,107	3,378	3,660	3,929	4,207	4,495	4,793	5,102
COCC	16,556	18,309	19,994	21,742	23,554	25,284	27,075	28,930	30,849	32,837
City	261,791,462	277,498,949	294,148,886	311,797,819	330,505,688	350,336,030	371,356,192	393,637,563	417,255,817	442,291,166
County	18,678,769,909	19,799,496,104	20,987,465,870	22,246,713,822	23,581,516,651	24,996,407,651	26,496,192,110	28,085,963,636	29,771,121,454	31,557,388,742
County Library	18,678,769,909	19,799,496,104	20,987,465,870	22,246,713,822	23,581,516,651	24,996,407,651	26,496,192,110	28,085,963,636	29,771,121,454	31,557,388,742
Fire District	784,171,203	831,221,476	881,094,764	933,960,450	989,998,077	1,049,397,961	1,112,361,839	1,179,103,550	1,249,849,763	1,324,840,748
SOAR	1,171,601,983	1,241,898,102	1,316,411,988	1,395,396,708	1,479,120,510	1,567,867,741	1,661,939,805	1,761,656,193	1,867,355,565	1,979,396,899
School District	1,937,876,097	2,054,148,663	2,177,397,583	2,308,041,438	2,446,523,924	2,593,315,360	2,748,914,281	2,913,849,138	3,088,680,086	3,274,000,892
ESD	18,678,769,909	19,799,496,104	20,987,465,870	22,246,713,822	23,581,516,651	24,996,407,651	26,496,192,110	28,085,963,636	29,771,121,454	31,557,388,742
COCC	18,678,769,909	19,799,496,104	20,987,465,870	22,246,713,822	23,581,516,651	24,996,407,651	26,496,192,110	28,085,963,636	29,771,121,454	31,557,388,742
Incremental AV as Percent of Total										
City	10.19%	10.64%	10.96%	11.24%	11.49%	11.63%	11.75%	11.85%	11.92%	11.97%
County	0.14%	0.15%	0.15%	0.16%	0.16%	0.16%	0.16%	0.17%	0.17%	0.17%
County Library	0.14%	0.15%	0.15%	0.16%	0.16%	0.16%	0.16%	0.17%	0.17%	0.17%
Fire District	3.40%	3.55%	3.66%	3.75%	3.83%	3.88%	3.92%	3.95%	3.98%	4.00%
SOAR	2.28%	2.38%	2.45%	2.51%	2.57%	2.60%	2.63%	2.65%	2.66%	2.67%
School District	1.38%	1.44%	1.48%	1.52%	1.55%	1.57%	1.59%	1.60%	1.61%	1.62%
ESD	0.14%	0.15%	0.15%	0.16%	0.16%	0.16%	0.16%	0.17%	0.17%	0.17%
COCC	0.14%	0.15%	0.15%	0.16%	0.16%	0.16%	0.16%	0.17%	0.17%	0.17%

Table 19: Revenues Foregone by Taxing Districts (Continued)

FY ending June 30	2024	2025
Taxing Districts		
City	148,581	154,611
County	71,897	74,815
County Library	30,934	32,190
Fire District	153,643	159,879
SOAR	12,374	12,876
School District	230,585	239,944
ESD	5,422	5,642
COCC	34,894	36,310
City	468,828,636	496,958,354
County	33,450,832,066	35,457,881,990
County Library	33,450,832,066	35,457,881,990
Fire District	1,404,331,193	1,488,591,065
SOAR	2,098,160,713	2,224,050,356
School District	3,470,440,945	3,678,667,402
ESD	33,450,832,066	35,457,881,990
COCC	33,450,832,066	35,457,881,990
Incremental AV as Percent of Total		
City	12.00%	11.78%
County	0.17%	0.17%
County Library	0.17%	0.17%
Fire District	4.01%	3.93%
SOAR	2.68%	2.63%
School District	1.62%	1.59%
ESD	0.17%	0.17%
COCC	0.17%	0.17%

Table 19: Revenues Foregone by Taxing Districts (Continued)

FY ending June 30	2024	2025
Taxing Districts		
City	148,581	154,611
County	71,897	74,815
County Library	30,934	32,190
Fire District	153,643	159,879
SOAR	12,374	12,876
School District	230,585	239,944
COCC	34,894	36,310
City	468,828,636	496,958,354
County	33,450,832,066	35,457,881,990
County Library	33,450,832,066	35,457,881,990
Fire District	1,404,331,193	1,488,591,065
SOAR	2,098,160,713	2,224,050,356
School District	3,470,440,945	3,678,667,402
COCC	33,450,832,066	35,457,881,990
Incremental AV as Percent of Total		
City	12.00%	11.78%
County	0.17%	0.17%
County Library	0.17%	0.17%
Fire District	4.01%	3.93%
SOAR	2.68%	2.63%
School District	1.62%	1.59%
COCC	0.17%	0.17%

B. After Termination of Tax Increment Financing

Following the termination of tax increment financing the taxing districts will receive revenues from their permanent rate levies on all the growth in assessed value within the Area. The projected annual revenues for the first five years after termination of tax increment financing are shown in Table 20 below.

Table 20: Revenues Received by Taxing Districts **From the Area** After Termination of Tax Increment Financing

FY ending June 30	2026	2027	2028	2029	2030
Taxing Districts					
City	211,735	220,866	230,270	239,957	249,935
County	102,457	106,875	111,426	116,114	120,942
Fire District	218,948	228,390	238,115	248,132	258,450
SOAR	17,633	18,394	19,177	19,984	20,815
School District	328,595	342,765	357,361	372,394	387,878

XI. RELOCATION REPORT

A. An Analysis Of Existing Residents Or Businesses Required To Relocate Permanently Or Temporarily As A Result Of Agency Actions Under The Plan

At this time no specific parcels have been identified for acquisition under the threat of eminent domain and therefore no existing residents or businesses would currently be required to relocate.

B. Methods To Be Used For The Temporary Or Permanent Relocation

See XI. A, above.

C. Enumeration, By Cost Range, Of The Existing Housing Units In The Urban Renewal Areas Of The Plan To Be Destroyed Or Altered And New Units To Be Added.

No existing housing units are required to be destroyed or altered by the Plan. New housing units may be encouraged by the Plan, but it is not possible to anticipate the number of units that may be added.