



I, Steve Drucker Miller, County Clerk for Linn County, Oregon, certify that the instrument identified herein was recorded in the Clerk records.



Steve Drucker Miller - County Clerk

A BILL FOR AN ORDINANCE MAKING )  
CERTAIN DETERMINATIONS AND )  
FINDINGS RELATING TO AND ADOPTING )  
THE SECOND AMENDMENT TO THE )  
NORTHWEST LEBANON URBAN )  
RENEWAL PLAN )

ORDINANCE BILL NO. 23  
for 2006

ORDINANCE NO. 2714

**WHEREAS**, the Urban Renewal Agency of the City of Lebanon ("Agency"), as the duly authorized and acting urban renewal agency of the City of Lebanon, Oregon, is charged to undertake certain redevelopment activities in the Northwest Lebanon Urban Renewal Area pursuant to the Northwest Lebanon Urban Renewal Plan, adopted August 17, 1989, and amended by the First Amendment on May 27, 1998 (the "Plan"), and ORS Chapter 457; and

**WHEREAS**, the Agency has prepared the Second Amendment to the Plan, which Second Amendment is attached to this Ordinance as Exhibit A, and incorporated herein by this reference ("Second Amendment"). The Second Amendment authorizes certain additional redevelopment activities in the Plan Area, including the acquisition and disposition of property described therein; and

**WHEREAS**, the Agency has caused the preparation of a report accompanying the Second Amendment as required by ORS 457.085(3) ("Report"), which Report dated June, 2006, is attached to this Ordinance as Exhibit B; and

**WHEREAS**, the Second Amendment and the Report were forwarded to the City of Lebanon Planning Commission for recommendation and the Planning Commission considered the Second Amendment and Report on June 7, 2006, and unanimously recommended that the Council adopt the Second Amendment; and

**WHEREAS**, the Second Amendment and the Report were forwarded on June 1, 2006, to the governing body of each taxing district affected by the Second Amendment, and the Agency has thereafter consulted and conferred with said districts; and

*After Recording Please Return To:*  
City of Lebanon  
City Recorder  
925 Main Street  
Lebanon, OR 97355

**WHEREAS**, neither the City Council nor the Agency has received any written recommendations from the governing bodies of the affected taxing districts; and

**WHEREAS**, on June 6, 2006, the City caused notice of the hearing to be held before the City Council on the Second Amendment for the Lebanon Northwest Urban Renewal Area, including the required statements of ORS 457.120(3), to be mailed to postal patrons within the City of Lebanon; and

**WHEREAS**, on June 28, 2006, the City Council held a public hearing to review and consider the Second Amendment, the Report, the recommendation of the Planning Commission, and the public testimony received on that date, and does by this Ordinance desire to approve the Second Amendment; and

**WHEREAS**, the City Council hereby determines and finds that the Second Amendment complies with all requirements of ORS Chapter 457 and the specific criteria of 457.095(1) through (7), in that, based on the information provided in the Report and the findings and recommendation of the Planning Commission, and the public testimony before the City Council:

1. The Second Amendment does not change the Plan Area designated in the Plan. The Plan Area continues to meet the statutory definition of "blight", as defined by ORS 457.010(1) and is eligible for inclusion within the Plan, all as described in the report on the Plan;
2. The redevelopment described in the Second Amendment to be undertaken by the Agency is necessary to protect the public health, safety and welfare of the City because absent the completion of the added urban renewal projects, the Area will fail to contribute its fair share of property tax revenues to support City services and will fail to fulfill its land use functions under the City's Comprehensive Plan;
3. The Second Amendment conforms to the Lebanon Comprehensive Plan and the Linn County Comprehensive Plan, and provides an outline for accomplishing the projects described in the Second Amendment, as more fully described in the Second Amendment and the Report on the Second Amendment;

4. No residential displacement will occur as a result of the acquisition and disposition of land and redevelopment activities proposed in the Second Amendment;
5. The acquisition of real property provided for in the Second Amendment is necessary for the development of public facilities and related private development in the Area;
6. Adoption and carrying out the Second Amendment is economically sound and feasible in that eligible projects and activities will be funded by urban renewal tax revenues derived from a division of taxes pursuant to, section 1c, Article IX of the Oregon Constitution and ORS 457.440 and other available funding as more fully described in Section 6 of the Report; and
7. The City shall assume and complete any activities prescribed to it by the Second Amendment.

**NOW THEREFORE, THE COUNCIL OF THE CITY OF LEBANON HEREBY ORDAINS THAT:**

Section 1 : The Second Amendment to the Northwest Urban Renewal Plan is hereby approved and adopted, based upon review and consideration by the City Council of the Report, the recommendations of the Planning Commission, each of which is hereby accepted, and the public testimony in the record.

Section 2 : The City Recorder shall forward forthwith to the Agency a copy of this Ordinance.

Section 3 : The Agency shall thereafter cause a copy of the Second Amendment to be recorded in the Records of Linn County, Oregon.

Section 4 : The City Recorder, in accordance with ORS 457.115, shall publish notice of the adoption of the Ordinance approving the Second Amendment, including the provisions of ORS 457.135, in the Lebanon Express, no later than four days following adoption of this Ordinance.

Passed by the Lebanon City Council by a vote of 5 for and 0 against  
and approved by the Mayor this 28<sup>th</sup> day of June, 2006.

\_\_\_\_\_  
Kenneth I. Toombs, Mayor [ ]

Ron Miller, Jr.  
\_\_\_\_\_  
Ron Miller, Jr., Council President [X]

ATTEST:

John E. Hitt  
\_\_\_\_\_  
John E. Hitt, City Recorder

**EXHIBIT A**  
SECOND AMENDMENT  
TO THE  
NORTHWEST LEBANON URBAN RENEWAL AREA PLAN

The Second Amendment to the Northwest Lebanon Urban Renewal Area Plan (“Plan”) makes the following changes and additions to the Plan.

1. *Exhibit 2, “Existing Land Uses”* is deleted, and replaced by *“Exhibit 2 – Existing Land Uses”* attached to this Amendment.
2. The fifth paragraph of Section I-A. is revised to read as follows:

“The Northwest Lebanon Urban Renewal Plan is being prepared to further encourage development in the area that is consistent with Comprehensive Plan adopted by the City Council. The Renewal Plan is intended to guide the provision of infrastructure necessary for the orderly and proper development of the area, and to allow for strategic site improvements and assistance to private development as part of local job creation and community enhancement efforts.”
3. Section I-B.1.a. is revised to read as follows:

“a. Encourage new and expanded industrial development through provision of infrastructure and transportation improvements, and through providing strategic site improvements and assistance in support of private development as part of local job creation and community enhancement efforts.”
4. Section I-B.1.b. is revised to read as follows:

“b. Provide utility and street improvements ~~to Hansard Avenue~~ in the Renewal Area to encourage expansion of existing businesses and to allow additional industrial growth in the Plan Area.”
5. All of Section II, “General Description of Land Use Plan”, is deleted and replaced by the substitute Section II, attached to this Second Amendment as Attachment 1.
6. *Exhibit 4, “Land Use Plan”* is deleted, and replaced by *“Exhibit 4 – Comprehensive Plan Designations”* attached to this Amendment.
7. *Exhibit 5, “Development Plan”* is deleted, and replaced by *“Exhibit 5 – Transportation Improvement Plan”* attached to this Amendment.

8. The third paragraph of Section III-A is revised to read as follows:

“The Renewal Agency will ~~may~~ accomplish the renewal projects identified in the Plan by undertaking any land use, design, engineering, or architectural plans and studies that are necessary for contract purposes. The Renewal Agency will acquire all of the necessary permits to complete the projects. The cost estimates in the Urban Renewal Report include design and engineering fees as a part of the total project costs. The final scope of any infrastructure project will be determined in final design and engineering plans.”

9. Section III-A is revised by adding the following new sentence:

“The Renewal Agency may accomplish the renewal projects by participating in project development by providing financing to others to complete the projects, reimbursing project costs incurred by others, assuming indebtedness incurred by others to complete the projects, or by pledging Renewal Agency funds or providing loan guarantees in support of the renewal projects.”

10. Section III-B is revised by adding the following new paragraph:

“In addition, to encourage new development in the Renewal Area and to retain existing businesses, the Renewal Agency may:

1. Acquire land for, and complete wetlands mitigation activities required for public or private development or redevelopment, and
2. Make site improvements in support of public or private development or redevelopment.”

11. *Exhibit 6, “Projects and Phasing”* is deleted, and replaced by *“Exhibit 6 – Priority Areas”*, and *“Exhibit 6-A – Priority I Projects”*, each as attached to this Amendment.

12. Section III-C is hereby deleted, and replaced by the following:

The anticipated projects to implement the objectives of the Plan are described in the following section. The projects have been organized into priority groups to provide an outline for the development of the Area. See **Exhibit 6**.

**“1. Priority I Infrastructure Projects**

Priority I infrastructure projects include the improvement of streets and utilities as shown in Exhibit 6-A. Only Priority I infrastructure projects are included in this Plan:

- a. Reconstruct Hansard Avenue, Harrison Street, Reeves Parkway and 12th Street to industrial standards, with such improvements as are required in the final design and engineering plans;
- b. Provide storm drainage system, sanitary service system, and water service as shown in Exhibit 6-A, with such improvements as are required in the final design and engineering plans.
- c. Provide signalization at 12<sup>th</sup> Street and Highway 34;
- d. Provide signalization at Reeves Parkway and Highway 20.”

“2. **Wetlands Mitigation**

Wetlands mitigation activity in support of public or private development in the Project Area is a project under the Plan.’

“3. **Site Improvements**

The Renewal Agency may undertake physical improvements on private sites to advance the Plan objectives, including, but not limited to, excavation, disposal of excavated materials, site preparation and fill.”

“4. **Fee Payment or Reimbursement**

The Renewal Agency may pay, or reimburse third parties for paying, regulatory fees relating to private development to advance the Plan objectives, including but not limited to SDC’s, fees for land use review, building plan reviews, and building inspection.”

13. Section III-D is hereby deleted and replaced by the following:

“D. **Acquisition and Disposition of Property**

The Renewal Agency has identified the parcels shown on **Exhibit 7 – Acquisition Parcels** for acquisition pursuant to the Renewal Plan (“Acquisition Parcels”). The Renewal Agency will acquire the Acquisition Parcels by donation or by voluntary sale, and does not intend to use its power of eminent domain for such acquisitions. If the Renewal Agency determines it will acquire additional parcels in the future, the Renewal Agency shall initiate a plan amendment to identify the parcels to be acquired.”

“The Agency will dispose of the Acquisition Parcels by conveyance to the City after the period of stabilization of the wetland improvements as approved by the Army Corps of Engineers, but no later than ten years after

the Renewal Agency acquisition of the later of the Acquisition Parcels to be acquired.”

14. **“Exhibit 7 – Acquisition Parcels”**, attached to this Amendment, is hereby added to the Renewal Plan.

15. Section III is amended by adding thereto the following new subsection E:

**“E. Projects Outside the Renewal Area**

Wetland mitigation activities allowed by this Renewal Plan will be conducted on parcels, including a portion of the Acquisition Parcels, that are located outside the Renewal Area. The Renewal Agency may undertake projects located outside the Renewal Area only if the activities outside the Renewal Area are necessary to complete project(s) inside the Renewal Area. A substantial purpose of the Renewal Plan is to encourage the development of industrial land within the Renewal Area to provide jobs and enhance the City’s tax base.

Acquisition of the whole of the parcels required for wetland mitigation is necessary because in order to complete the development of a major portion of the industrial land in the Renewal Area, certain designated wetlands within the Renewal Area must be filled. Pursuant to State and federal regulation, the development must mitigate the loss of designated wetlands by providing alternative lands for wetland activities, and plant and manage those alternative sites as wetlands to replace the lost resource. After full review of all properties reasonably available to mitigate the developed wetlands, the Renewal Agency has found that the only parcels available for mitigation that will satisfy State and federal standards are outside the Renewal Area. If these available parcels are not acquired and developed and managed as wetlands, the industrial development of a significant portion of the industrial land in the Renewal Area will be impossible.

The public acquisition of these parcels is necessary to allow the use of State funds for mitigation activities. Without the State funds, wetland mitigation to induce the private development of a significant portion of the industrial lands in the Renewal Area is not economically feasible. In that case, the private development will not proceed, thus frustrating a major objective of the Renewal Plan: to provide jobs and increase the tax base.

The Renewal Agency and Linn County have entered into an Intergovernmental Agreement, to confirm the Renewal Agency’s authority to conduct the wetland mitigation outside the City’s urban growth boundary (“UGB”).



16. All of Section IV, "General Planning Analysis" is deleted and replaced by the substitute Section IV, attached to this Second Amendment as Attachment 2.

17. Section V is hereby deleted and replaced with the following:

**"V. PROPERTY ACQUISITION AND RELOCATION PLAN**

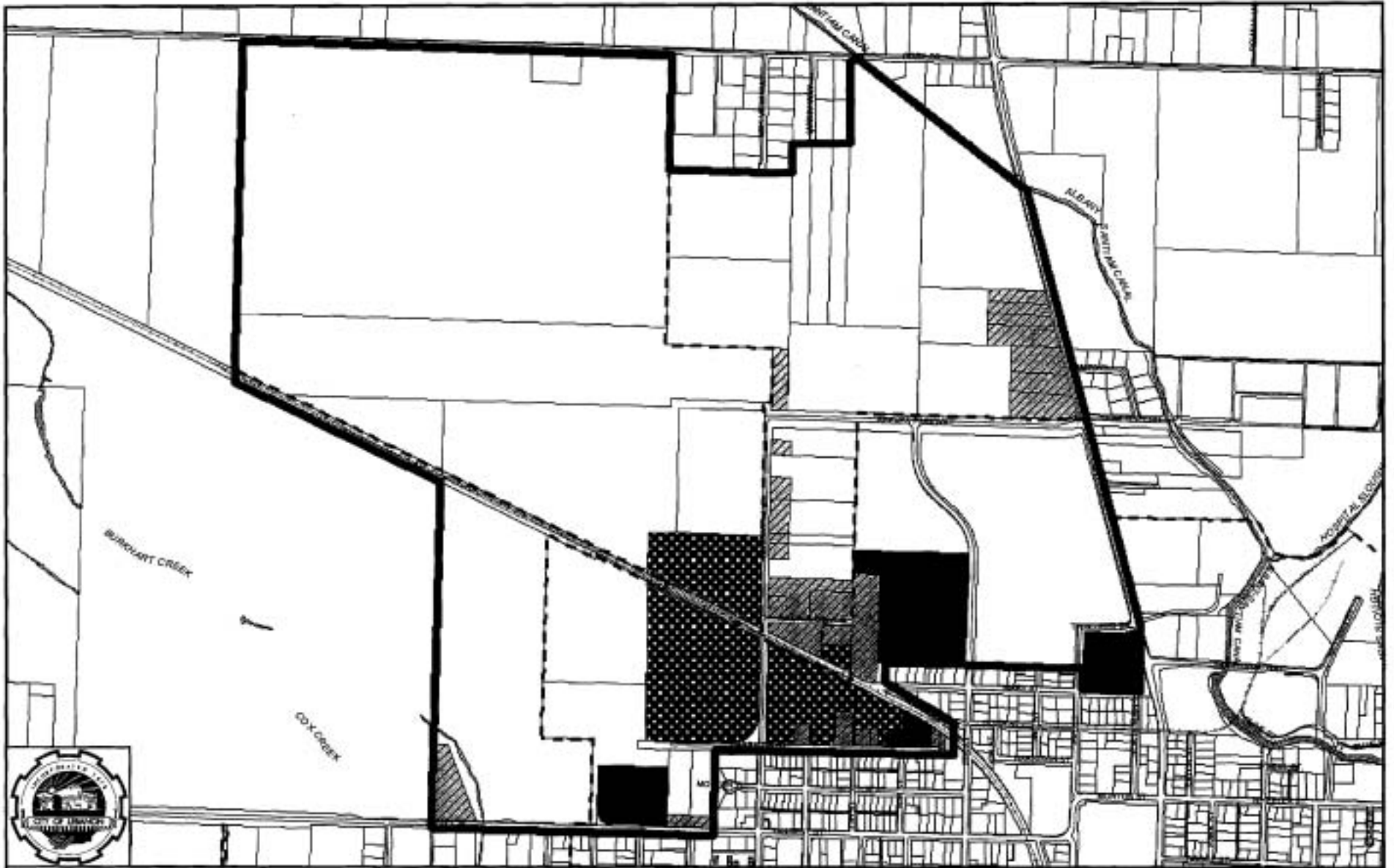
The establishment of the Renewal Plan provides the opportunity for property to be acquired and developed. The Renewal Agency has designated the Acquisition Parcels in *Exhibit 7* for acquisition. In the future, if additional properties are identified for acquisition by the Renewal Agency, *Exhibit 7* will be amended to specifically indicate which properties will be acquired."

"The acquisition of the Acquisition Parcels does not result in the displacement of residents or businesses. If future acquisitions result in the displacement of residents or businesses, the Renewal Agency will provide assistance in finding replacement facilities for such persons or businesses. Prior to displacement, the Renewal Agency will establish regulations and administrative rules relating to relocation assistance and payments to persons displaced as a result of the acquisition pursuant to this Plan. The regulations will comply with all applicable State or federal law. The renewal Agency will prepare and maintain information in its office relating to the relocation program and procedures, including availability of suitable housing, eligibility for and amounts of relocation payments, services available, and other relevant matters."


18. Section VI.B is hereby deleted and replaced by the following:


**"B. Tax Increment Financing**


The Renewal Plan will be financed, in whole or in part, by tax increment revenues allocated to the Renewal Agency as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in section 1c, Article IX of the Oregon Constitution, and ORS 457.440. The Renewal Agency may also collect an urban renewal special levy pursuant to ORS 457.435(2)(a). Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Commission based upon the distribution schedule established under ORS 311.390."




**LEGEND**

 City Limits

 Northwest Urban Renewal District (NWURD)

 Office/Commercial/Institutional

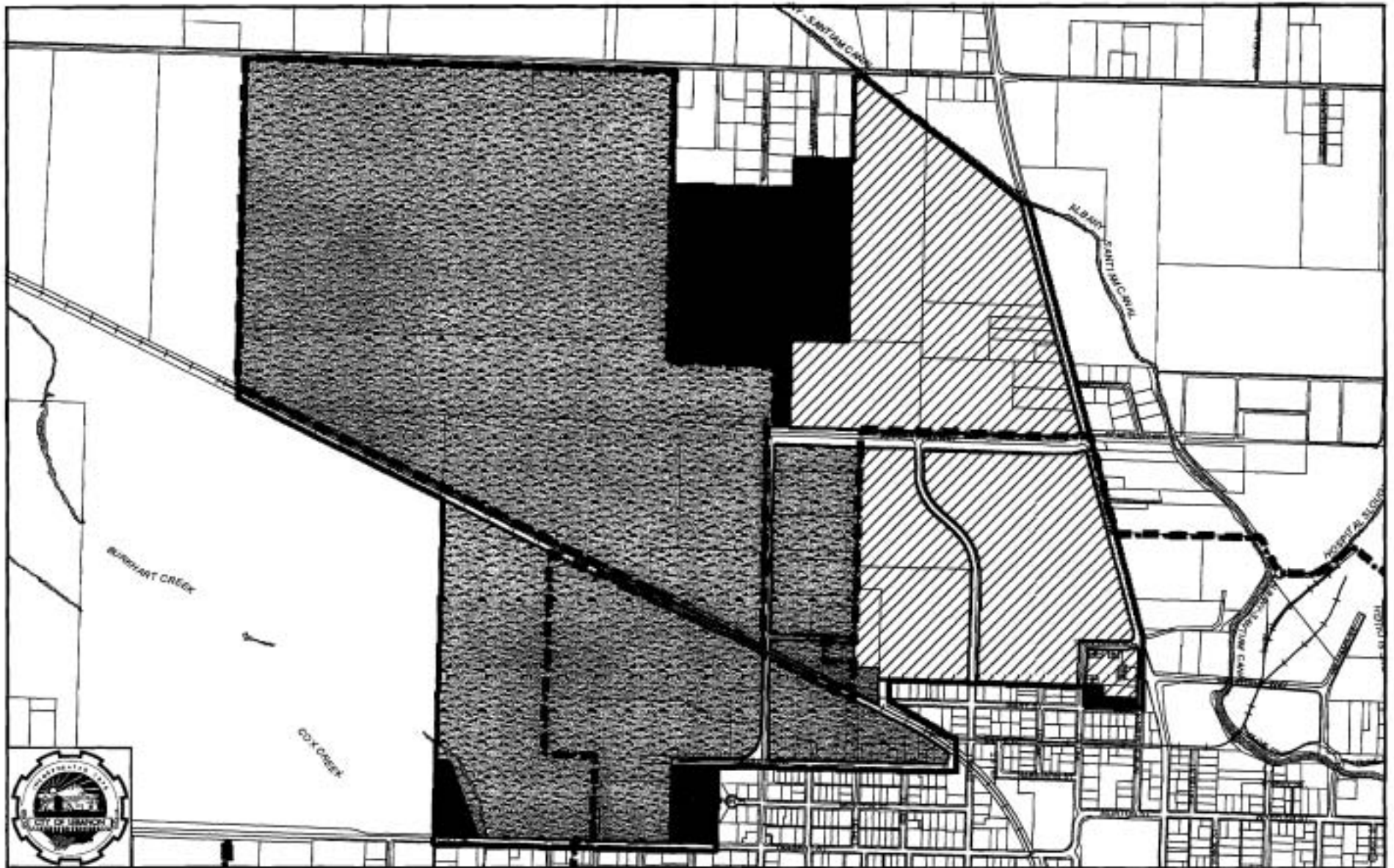
 Agricultural/Open Land






 Industrial

 Residential

**Exhibit 2  
Existing Land Use**

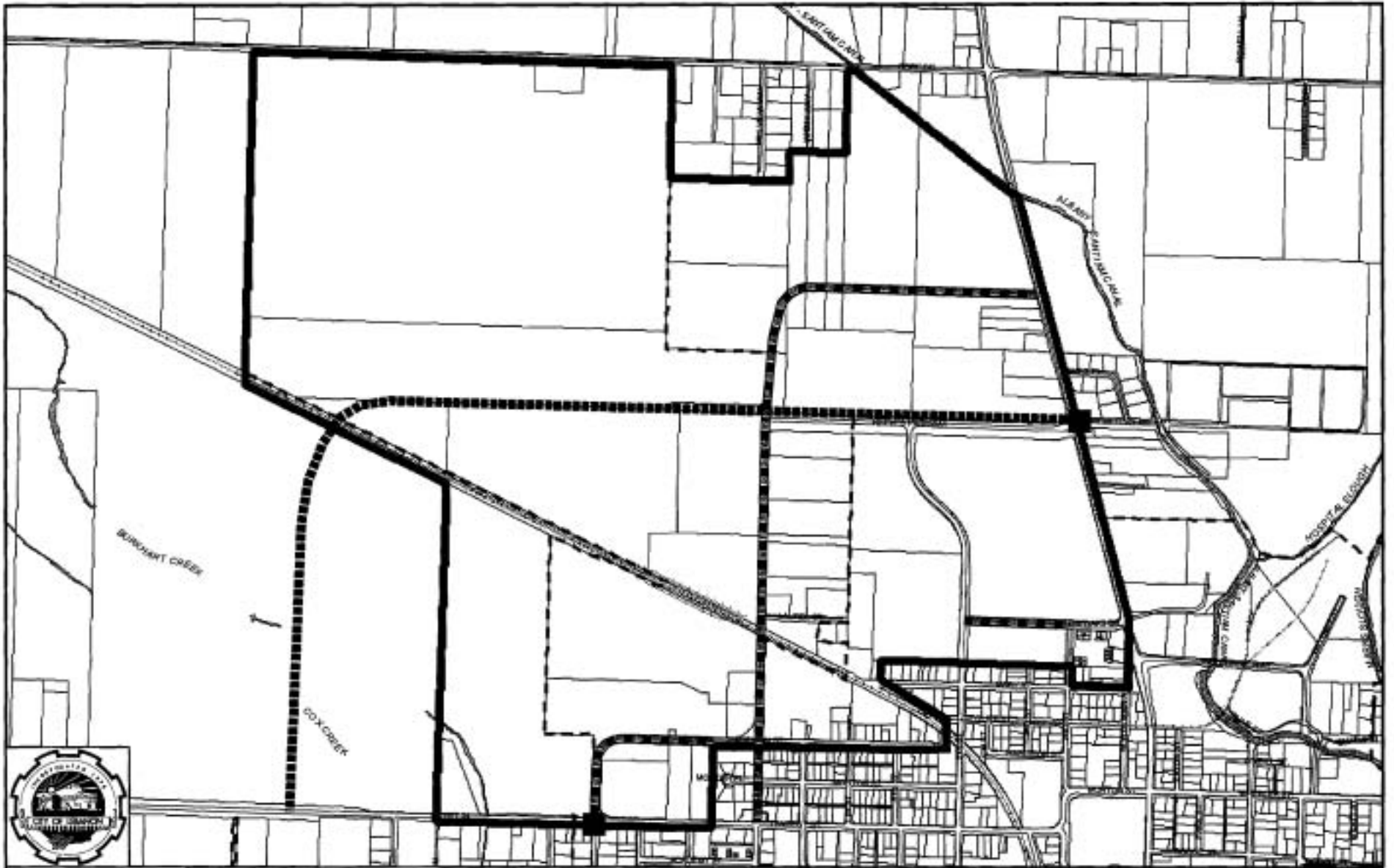
**Northwest Urban Renewal District  
City of Lebanon, Oregon**



<b>LEGEND</b>	
	City Limits
	Northwest Urban Renewal District (NWURD)
	Mixed-Density Residential
	Light Industrial
	Special Development District

**Exhibit 4  
Comprehensive Plan Designations**

**Northwest Urban Renewal District  
City of Lebanon, Oregon**

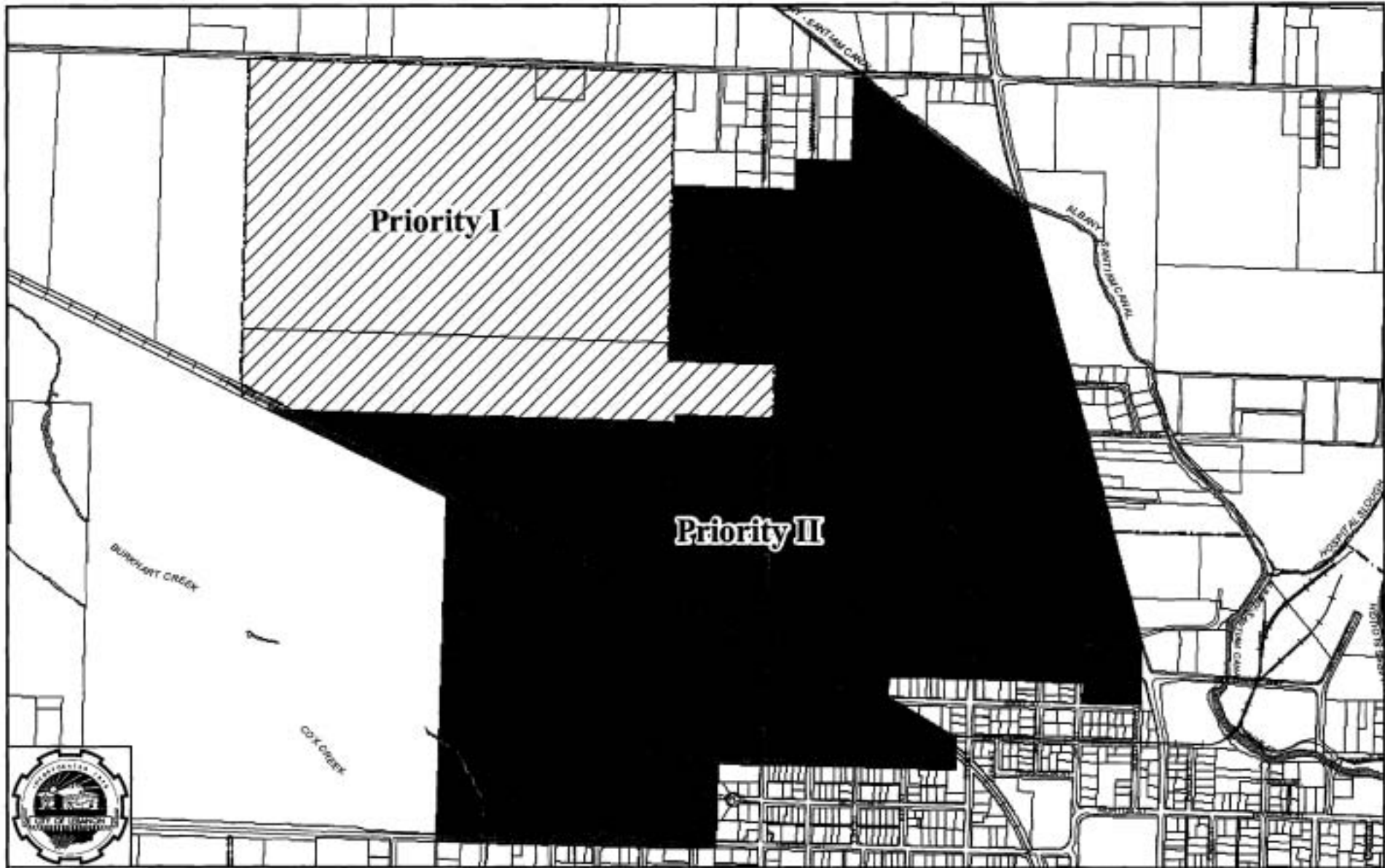


**LEGEND**




-  City Limits
-  Northwest Urban Renewal District (NWURD)
-  Proposed Parkway
-  Proposed Street
-  Intersection Improvement

**Exhibit 5  
Transportation Improvement Plan**

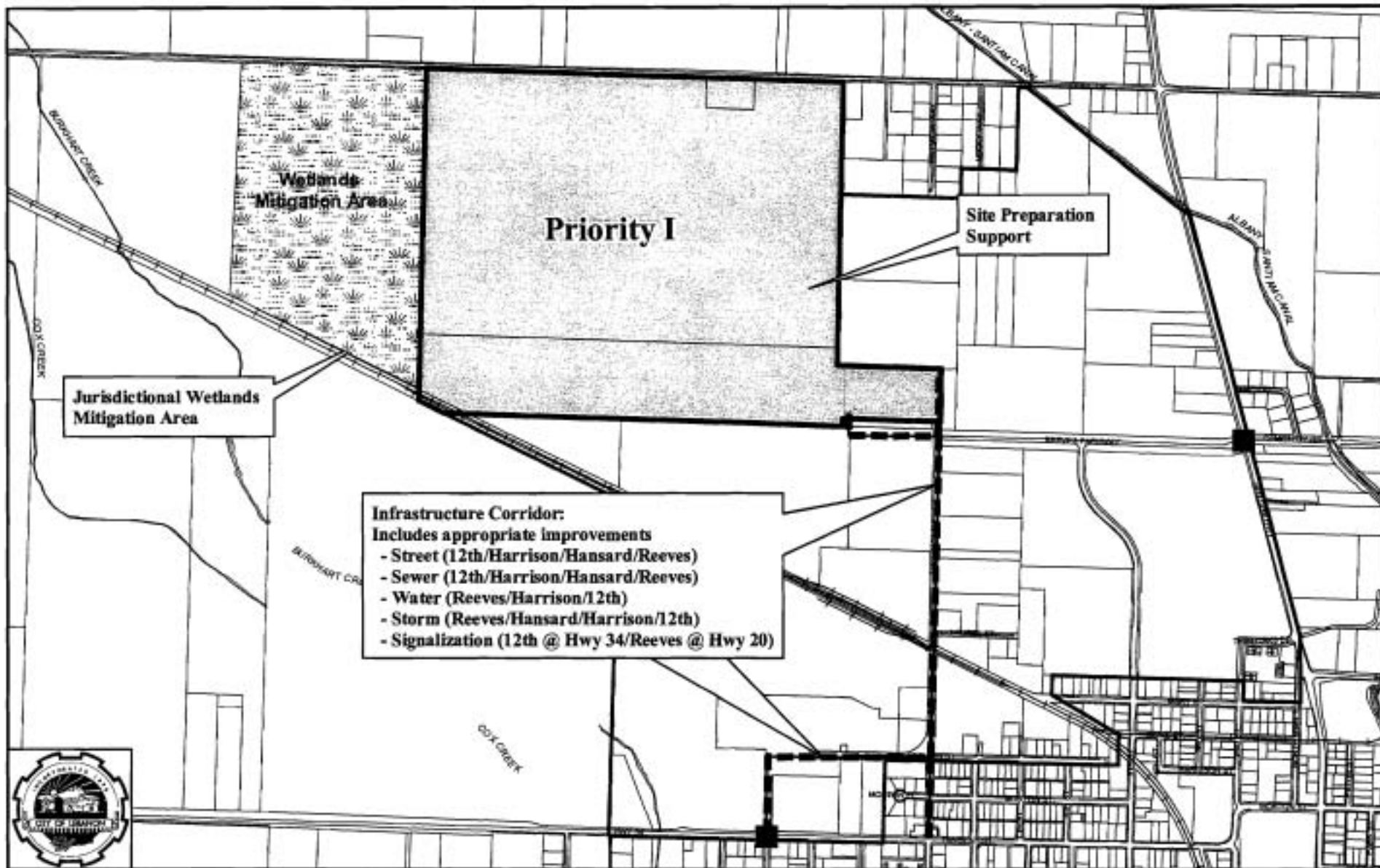
**Northwest Urban Renewal District  
City of Lebanon, Oregon**



**LEGEND**

-  Priority I
-  Priority II
-  City Limits

**Exhibit 6**  
**Priority Areas**  
 Northwest Urban Renewal District  
 City of Lebanon, Oregon



Jurisdictional Wetlands Mitigation Area

Wetlands Mitigation Area




Priority I

Site Preparation Support

**Infrastructure Corridor:**  
 Includes appropriate improvements  
 - Street (12th/Harrison/Hansard/Reeves)  
 - Sewer (12th/Harrison/Hansard/Reeves)  
 - Water (Reeves/Harrison/12th)  
 - Storm (Reeves/Hansard/Harrison/12th)  
 - Signalization (12th @ Hwy 34/Reeves @ Hwy 20)

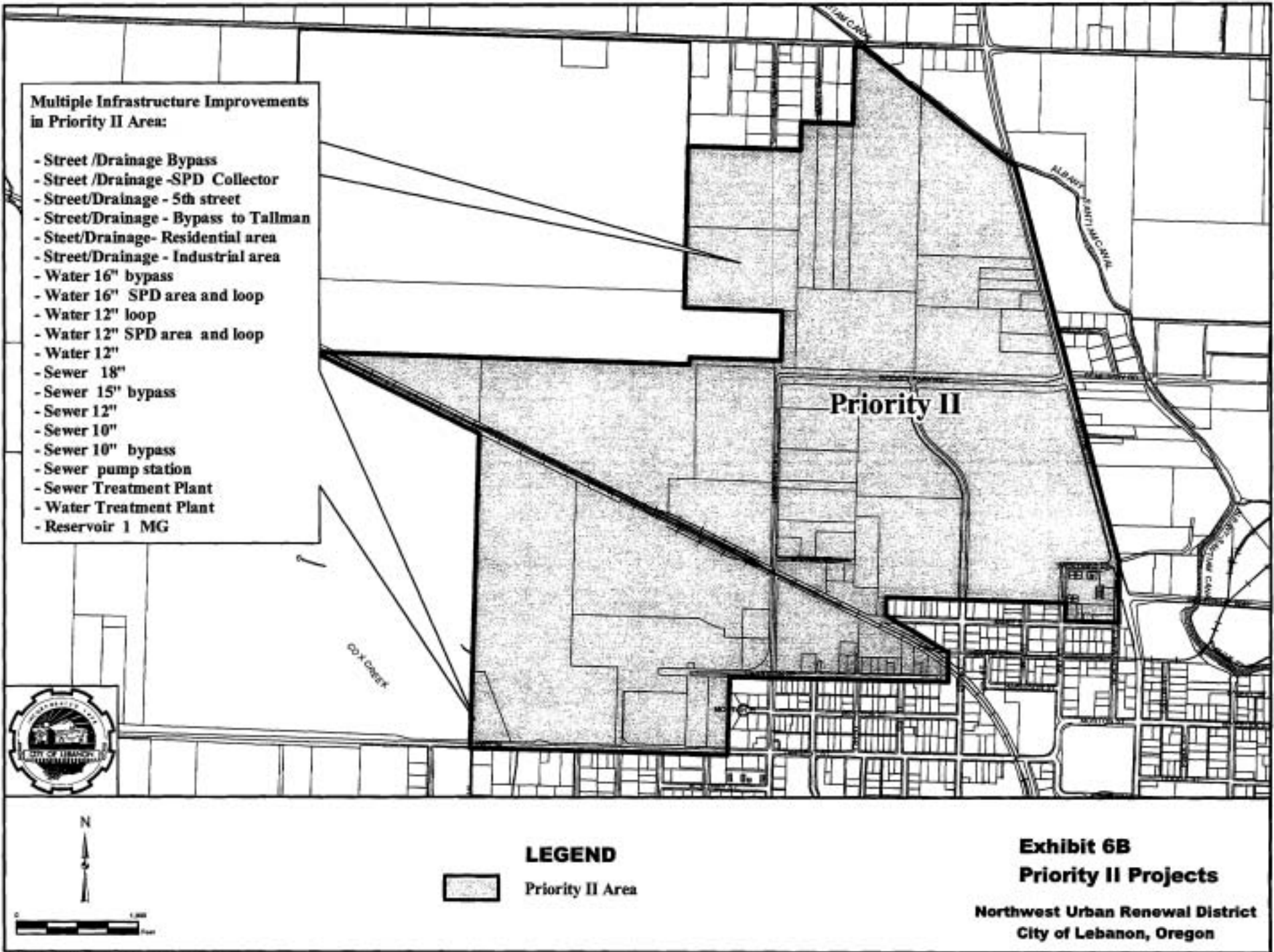


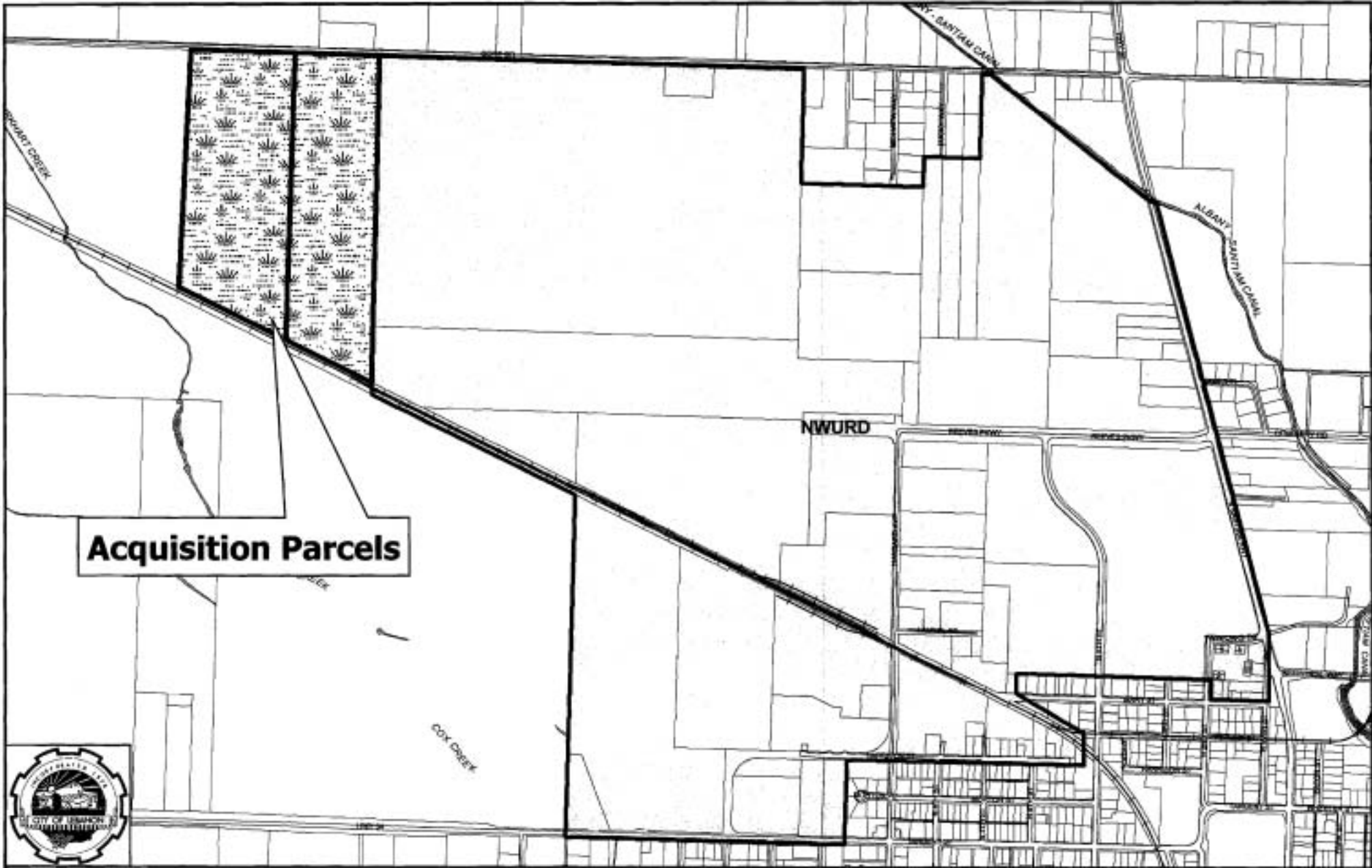
**LEGEND**

-  Priority I Area
-  Priority I Projects
-  Intersection Improvement

**Exhibit 6A  
 Priority I Projects**

**Northwest Urban Renewal District  
 City of Lebanon, Oregon**







**Acquisition Parcels**



**LEGEND**

-  Acquisition Parcels
-  Northwest URD

**Exhibit 7**  
**Acquisition Map**  
 Northwest Urban Renewal District  
 City of Lebanon, Oregon





**ATTACHMENT 1 TO  
SECOND AMENDMENT TO NORTHWEST LEBANON URBAN RENEWAL PLAN  
CITY OF LEBANON OREGON**

**Substitute Section II:**

**II. GENERAL DESCRIPTION OF LAND USE PLAN**

**A. Boundary**

The Lebanon Urban Renewal Area includes land within the City of Lebanon and the County of Linn, State of Oregon and within the boundaries illustrated in **Exhibit 3**. A legal description of the Urban Renewal Area is included in the Appendix.

**B. Land Use Plan**

The Land Use Plan consists of the City of Lebanon 2004 Comprehensive Plan Map and the Linn County Comprehensive Plan Map as they apply to the applicable areas within the Urban Renewal Area and are incorporated herein by reference. The proposed land uses, maximum densities and building requirements for the Urban Renewal Area shall be governed by the City of Lebanon and Linn County Comprehensive Plans.

**1. 2004 Lebanon Comprehensive Plan - Map Categories**

The applicable plan categories are described in the following text. **See Exhibit 4.**

- **Industrial (C-IND)**  
The Industrial Designation provides lands suitable for manufacturing and related activities, warehousing and similar activities that will help support the economic base of the community and surrounding area.
- **Residential Mixed Density (C-RM)**  
The Residential Mixed Density Designation primarily provides lands for development of single-family, two-family and multi-family dwellings with provisions for planned developments, as well as lands for multi-family dwellings with close proximity to downtown..
- **Mixed Use (C-MU)**  
**The Mixed Use designation** provides lands that possess potential for several types of land use or combinations of different land uses. The intent of this designation is to achieve an environment in which different land uses can co-exist by providing building groupings for privacy, usable and attractive open spaces, and safe circulation, thus promoting the general well being of the residents, businesses, and other occupants. Mixed Development lands are open to all types of development including residential, commercial, and light industrial land uses..
- **Commercial (C-CM)**  
The **Commercial** designation provides lands for a range of commercial uses, from the commercial downtown core of the community primarily serving the pedestrian shopper, to large compact clusters adjacent to major thoroughfares with easy transportation access, and to small neighborhood shopping clusters that serve the frequent recurring needs of residents.
- **Public Use (C-PU)**  
The **Public Use** designation provide lands suitable for a variety of public uses such as schools and community centers, parks, City facilities, and churches or other facilities for religious organizations.

## **2. 2004 Lebanon Comprehensive Plan - Goals and Policies**

The 2004 Comprehensive Plan also provides the community goals and policy recommendations for economic development in the City of Lebanon.

### **a. Population and Economy Goals (Chapter Five of the 2004 Comprehensive Plan)**

#### **The City's Economic Goals include the following:**

- G-1:** Providing employment opportunities for its citizens.
- G-3:** Encouraging a diversified economic base for the community which broadens and improves long-term employment opportunities in all sectors, including, retail, service, and industrial.
- G-5:** Supporting the establishment of new employment and the expansion of existing employment to strengthen the City's economic base in order to provide adequate employment opportunities and maintain community livability.
- G-7:** Diversifying the economic base of the community through: (a) expansion of existing industries, (b) recruitment of new clean industries, and (c) expansion of the light manufacturing.
- G-9:** Ensuring an adequate supply of appropriately zoned land to provide for the full range of economic development opportunities in City, including commercial, professional, and industrial development.
- G-12:** Developing an industrial siting and permitting process that shortens and streamlines, as well as enhances the certainty of the outcome to industrial development opportunities and plan submittals.
- G-13:** Participating, to the extent possible, in State or privately sponsored programs to "certify" or otherwise make the City's industrial sites "shovel ready."
- G-14:** Promoting infill development and redevelopment throughout the City.
- G-15:** Designating industrial areas where there is good access to transportation facilities and utility facilities are available.
- G-16:** Supporting an infrastructure improvement program for designated industrial lands in order to have a sufficient supply of "development ready" land.
- G-17:** Planning for the anticipated employment growth through the year 2025 and all of the land and services needs required by such growth, as well as employment and associated needs generated by any additional major industrial or commercial growth, as indicated in the *2004 Lebanon Urbanization Study (ECONorthwest)*.
- G-18:** Improving community appearance and establishing attractive gateways into the City and visually appealing highway corridors.

### **b. Population and Economy Policies** The policies in support of the economic development goals are:

#### **The City shall:**

- P-3:** Require plans for vehicular, pedestrian and bicycle needs, for all commercial and industrial development proposals.
- P-5:** Designate enough land in a variety of parcel sizes and locations to meet future employment and commercial needs.
- P-7:** Allow land uses that support the availability of a continuum of health care options, including primary care, assisted living, home health care, and nursing home care.
- P-8:** Support diversity in type, scale, and location of professional, industrial, and commercial activities to maintain a high level of employment and to promote diversification of the local economy.

- P-9:** Preserve and protect lands designated for industrial use from incompatible uses by limiting uses on or near sites zoned for specific industrial to those which are compatible with industrial uses.
- P-10:** Establish prescriptive industrial development standards to reduce conflicts with non-industrial uses and provide developers with clear and objective requirements and timelines.
- P-11:** Establish an industrial development/construction process that clarifies and objectifies site restraints and opportunities as well as providing certainty to the building permit process.
- P-12:** Facilitate cooperation, to the extent possible, with an approved industrial site certification process by means of annexations, infrastructure planning, construction and site development/construction planning and standards.
- P-16:** Take into consideration availability of renewable and non-renewable resources, the availability of land, and pollution control requirements when planning for the economic growth of the community.
- P-17:** Require that waste and process discharges from future development (when combined with discharges from existing development) not violate, or threaten to violate, state or federal environmental quality statutes.
- P-18:** Require that waste and process discharges from future development (when combined with discharges from existing development) not exceed the carrying capacity, degrade, or threaten the availability of air, water, and land resources.
- P-25:** Maintain a current information file on the community including an inventory of available industrial sites for potential developers, utilizing the resources of state of Oregon agencies.
- P-26:** Plan for at least 3,700 new jobs by the year 2025 and all of the land and services needs required by such growth, as well as employment and associated needs generated by any additional major industrial or commercial growth, as indicated in the *2004 Lebanon Urbanization Study* (ECONorthwest).
- P-28:** Establish an industrial land use and building permit process that reasonably assures "readiness to build" in 180 days or less.

### **3. Linn County Comprehensive Plan**

The Linn County Comprehensive Plan Map identifies the Urban Renewal Area as being located within the Lebanon Urban Growth Boundary. The City of Lebanon Comprehensive Plan includes the plan map categories for the Renewal Area.

Key policies from the Linn County Comprehensive Plan that apply to the area include the following:

- o **Public Facilities and Services Policy #2** - Cities are the preferred providers of urban levels of service, especially sewer and water service.
- o **Commercial Lands Policy #2** - The preferred location for new commercial activities in Linn County shall be within the cities or urban growth boundaries.
- o **Industrial Lands Policy #1** - The preferred location for new industrial sites in Linn County shall be within the cities or their urban growth boundaries.

Linn County residential policies relate solely to rural residential land use and therefore do not apply within the renewal area.

## **C. Zoning and Development Standards**

### **1. Lebanon Zoning Map, Zoning Regulations, and Development Standards**

In response to the local adoption and acknowledgment by the State of Lebanon's new (2004) Comprehensive Plan and Map, the City is currently in the process of updating its **Zoning Map, Zoning Regulations, and Development Standards** to bring them into compliance with the new (2004) Comprehensive Plan and Map. It is anticipated that this new Development Code will be completed and effective within a year of the URD Renewal District Amendment.

In the interim, the City of Lebanon Land Development Ordinance of 1980 contains the land use regulations that – in conjunction with the City's 2004 Comprehensive Plan -- affect new development in the renewal area. The applicable zoning districts are described in the following text.

The City of Lebanon Zoning Map identifies the primary zoning districts which are applicable within the renewal area. The use and development of the land within the Renewal Area shall be in accordance with the zoning regulations of the City of Lebanon Land Development Ordinance. The development standards related to lot dimensions, building height, setbacks, landscaped areas, and parking are established by the Land Development Ordinance and generally vary by zone and use. The following Zoning Districts apply to the Renewal Area:

#### **a. Limited Industrial Zone – ML**

The ML zone is intended for light manufacturing, warehouses, research labs, storage buildings, wholesale businesses, and building trade businesses. Offices, restaurants, and certain land extensive retail uses are allowed by conditional use.

#### **b. Mixed Use Zone – MU**

The MU zone is intended for a variety of uses which are permitted by conditional use only. Uses include offices, retail stores, research labs, wholesale and warehouse facilities, and residential uses including mobile homes and single family, two family, and multiple family dwellings.

#### **c. Residential Mixed Density – RM**

The RM zone is intended for single family, two family, multiple family, and mobile home development. Multiple family and mobile home development must be reviewed in accordance with site plan review procedures.

### **2. Linn County Zoning Map and Zoning Ordinance**

All land within the renewal area is within the Urban Growth Boundary. Land under County jurisdiction is zoned to prevent extensive development unless the land is annexed to the City of Lebanon. The applicable zoning districts are described in the following text.

#### **a. Exclusive Farm Use - EFU**

The EFU zone is intended to preserve land for agricultural use and to allow farm property tax deferrals consistent with ORS Chapter 308. Permitted and conditional uses include farms, residential or commercial uses in conjunction with farm use, and non-farm dwellings when specific criteria are satisfied.

#### **b. Urban Growth Management - UGM**

The UGM zone is intended to protect and retain land within the Urban Growth Boundary for future urban densities. The zone permits limited interim farm and residential uses until the lands are annexed and intensive urban scale land use activities develop.

**ATTACHMENT 2 TO  
SECOND AMENDMENT TO THE  
NORTHWEST LEBANON URBAN RENEWAL PLAN**

**Substitute Section IV:**

**IV. GENERAL PLANNING ANALYSIS**

The City of Lebanon Urban Renewal Plan conforms to the local objectives of the City and County Comprehensive Plans. The specific goals and policies of the Comprehensive Plans that relate to the Urban Renewal Plan are addressed below.

**A. 2004 Lebanon Comprehensive Plan** Applicable Goals and Policies for development within the Urban Renewal District<sup>1</sup>:

**1. Population and Economy**

The Urban Renewal Area will encourage further development of the City's business and employment base by targeting public funds for improvement projects which will make the City's industrial land base more attractive to potential land developers.

The Urban Renewal Area and renewal projects will help the City to attract a broader range of industrial employers than are presently located in Lebanon. As a result, the economic base for the community will be more stable. Creation of the Renewal Area will not promote industrial development in the community at the expense of the City's environmental resources. The City will retain its authority to mitigate all potential environmental impacts caused by development through the normal application of its applicable ordinances and regulations.

The Urban Renewal District will enable the City's northwest industrial area to be fully served with public improvements that will make the City's northwest industrial area more attractive and readily available to potential industrial land users.

The Urban Renewal District will enable the City to solve problems facing existing industrial land users in the northwest portion of the City, most notably, the constrained vehicular access at Highway 34 and Hansard Street. The results would be enhanced vehicular mobility and street access at this critical juncture in the local and regional transportation grids.

Accordingly, all proposed development activity noted above is in accordance with the Population and Economy Goals and Polices enumerated earlier in this document.

**2. The Natural Environment**

**2.**All development within the Urban Renewal Area will be on slopes of less than 10-percent. No land slides or other problems associated with development on steep slopes will occur. Buildings and streets within the Renewal Area will be located outside of the 100-year flood-plain and floodway of the South Santiam River.

---

<sup>1</sup> Note, the above noted 2004 Comprehensive Plan Goals and Polices are in addition to the Economic and Population Goals and Policies cited earlier in this URD document.

The Urban Renewal Area is not located in an area in which development would pose a geologic hazard. No special engineering reports will be necessary. The area does not include an identified aggregate resource site.

The Urban Renewal Area is completely within the City's Urban Growth Boundary (UGB). Because the Renewal Area is within the UGB, agricultural resources will not be impacted by development. As mentioned above, no natural development limitations exist within the Area.

Two wetland areas have been identified within the district. An approximately seven acre wetland area is centrally located on Tax Lot 1900 of Map 12-2W-4. An approximately 20 acre wetland occupies the southwestern corner of Tax Lot 1900 and all of Tax Lot 401 of Map 12-2W-4. The proposed Bypass crosses the 20 acre wetland area. No other water bodies have been identified within the Urban Renewal Area. At the time that actual development proposals are submitted for permit review, all applicable local, state, and federal water quality standards will be enforced. Development affecting the wetland areas will be subject to review by the Army Corps of Engineer's and the Division of State Lands. State and federal regulations assure protection of wetland resources and mitigation if the resources are disturbed.

As noted above, development affecting the wetland areas within the district will require compliance with Army Corps of Engineer and Division of State Lands requirements. Any disruption of riparian vegetation will include mitigation and the restoration of the vegetation to the maximum extent possible consistent with City policy. No significant natural upland vegetation exists within the Renewal Area. All future development within the Renewal Area shall maintain landscaped areas as required by the City Land Development Ordinance.

All future development within the Urban Renewal Area will conform with all applicable State and Federal Clean Air Standards. With urban levels of development, no field burning will occur within the Area.

All future development proposals within the Urban Renewal Area, including the location and construction of public roads shall comply with DEQ noise control regulations. Noise emissions from future developments within the industrial portion of the Area shall be evaluated for their compliance with DEQ standards during the City's Plan Review process. Any necessary mitigation factors for a particular proposed land use will be developed as a part of the Design Review process.

Accordingly, all proposed development activity noted above is in accordance with the Natural Environment Goals and Polices of the 2004 City of Lebanon Comprehensive Plan (Chapter Two), as enumerated below:

**The City's Natural Resource Goals include the following:**

- G-10:** Protecting sensitive environmental features such as steep slopes, wetlands, and riparian lands.
- G-16:** Working with Linn County and appropriate state agencies to establish best management practices that minimize the introduction of pollutants into ground and surface water.
- G-17:** Developing and implementing improved stormwater management requirements to enhance water quality.

**Natural Resource Policies**

**The City shall:**

- P-12:** Require, where practical, the use of open, naturally vegetated drainage ways to reduce stormwater runoff and improve water quality.
4. Preservation of Historic Resources

No known historic structures or sites are known to be located within the Area. Formation of the Area will not preclude the City from protecting any historically significant sites within the Area, if such a determination is made in the future.

Accordingly, all proposed development activity noted above is in accordance with the Preservation of Historic Resources Goals and Policies of the 2004 City of Lebanon Comprehensive Plan (Chapter Seven).

## **5. Urbanization**

The City and Linn County have adopted a joint agreement for the management of land within the City's Urban Growth Boundary. The Urban Renewal Plan is in support of land uses determined to be appropriate by both jurisdictions. The formation of the Area is consistent with the intent of the management program.

The Urban Renewal Area is located in the "Northwest Area" of the City, which is designated in the Comprehensive Plan as a high priority area for urban growth.

The Urban Renewal Area will not adversely affect the City's ability to annex land within the Urban Growth Boundary as it develops and requires City services.

The Urban Renewal Area is located within the Urban Growth Boundary. No changes to the Urban Growth Boundary will result from development within the Area.

The Urban Renewal Area will help to ensure that adequate public facilities will exist within the Area to handle the demands of present and future industrial and residential land users. The Urban Renewal Plan provides a long range detailed capital improvements program for the Area, which will prioritize needed projects and provide cost estimates for each.

All development proposals, both public and private, will be required to continue to meet the environmental quality standards established by the State and the City of Lebanon.

Accordingly, all proposed development activity noted above is in accordance with the Urbanization Goals and Policies of the 2004 City of Lebanon Comprehensive Plan (Chapter Three), as enumerated below:

### **Overall Urbanization Goals**

#### **The overall Urbanization Goals of the City include:**

- G-1:** Providing for an orderly and efficient transition from rural to urban land use.
- G-2:** Promoting and implementing development policies that encourage the orderly and efficient development within the community.

### **Urbanization Policies**

#### **Public Facilities Capability Policies**

##### **The City shall:**

- P-3:** Support a flexible phased program for the orderly extension of water, wastewater, storm drainage and transportation services in response to land development proposals.
- P-4:** Maintain directives and technical standards for the extension of services as identified in the various original or updated infrastructure master plans and studies, such as the Wastewater Facility Study Master Plan, the Water Facility Study, Storm Drainage Master Plan, and the Transportation System Plan (TSP).
- P-10:** Review all development proposals to ensure that public facilities are available and have adequate capacity to accommodate the proposed development, or that such facilities and their capacities can be made available through appropriate extensions and/or enhancements concurrent with or prior to proposed developments.

**P-11:** Require that new developments are either served by existing and/or proposed public infrastructure improvements, and/or are served by privately funded infrastructure extensions and improvements.

**P-12:** Pursue, for public infrastructure development and community enhancement, a variety of funding sources, including urban renewal districts (URDs), local improvement districts (LIDs), grants, and other funding mechanisms.

## **6. Energy Conservation and Efficiency**

The Urban Renewal Area will allow for more efficient traffic circulation in the Area. Sidewalks will also provide improved pedestrian access. Both features will improve energy efficiency within the Area.

Accordingly, all proposed development activity noted above is in accordance with the Energy Goals and Policies of the 2004 City of Lebanon Comprehensive Plan (Chapter Three), as enumerated below:

### **Energy Goal – The overall Energy Goal of the city of Lebanon is --**

**G-1:** Supporting and encouraging the realization in the community of the objectives of Statewide Planning Goal 13.

### **Energy Policies -- The City Shall:**

**P-2:** Support the provision and development of alternative modes of transportation to the automobile, including the development of mass transit and the provision of walkways and bikeways to reduce transportation costs.

## **7. Land Use**

The Urban Renewal Area will provide the opportunity for a mix of densities and housing types consistent with the Comprehensive Plan. The locational policies for different types of residential land uses within the Mixed Residential zone will not be altered by the Urban Renewal Area.

Improved traffic circulation, which is a major goal of the Urban Renewal Area, will make it more feasible to locate future commercial centers within the Special Development District. In addition, improved access into the Mixed Density Residential District will allow development of commercial centers in conjunction with Planned Developments as set forth in Commercial Land Use Policy #8 of the Comprehensive Plan.

The Urban Renewal Area will aid the City in developing a sufficient supply of suitable industrial land to attract industry. The Comprehensive Plan contains numerous policies to define design standards, use limitations, and maintain environmental quality. The Urban Renewal Area will support these policies by providing a secure source of funds to make needed public infrastructure improvements to industrial lands within the Area.

The Urban Renewal Area contains no identified Open Space or Scenic Resources, but does contain land designated for Public Use.

Accordingly, all proposed development activity noted above is in accordance with the Land Use Goals and Policies of the 2004 City of Lebanon Comprehensive Plan (Chapter Four), as enumerated below:

### **Land Use Goals -- The City's Land Use Goals include:**

**G-2:** Promoting the orderly development and conservation of lands for urban uses, such as homes, businesses, industries, and streets, as well as parks, open space, and wetlands.



## **General Policies for Land Use**

### **The City shall:**

- P-8:** Reserve the right to impose off-site public improvement requirements necessitated by serving a proposed development. Each development shall provide for all on-site needs. In areas with identified deficient conditions that represent a constraint in a public facility and thereby limiting the provision or delivery of those public services, the City may require the rectification of this facility constraint. Such mitigation measures may include the construction, reconstruction, and/or over-sizing of public improvements.
- P-11:** Continue to cooperate with federal, state, regional, and county agencies, special districts, utility companies, and adjoining cities in planning delivery of services, including transportation, solid waste, air quality control, sewer, water, stormwater, education, energy, and emergency services.

## **Policies for Commercial Uses**

### **The City shall:**

- P-32:** Require that upon development of property in a commercial or industrial zone that abuts a residential zone, the developer must provide an effective buffer to be used to minimize or mitigate the negative impacts to the abutting residential property.

## **Policies for Industrial Uses**

### **The City shall:**

- P-34:** Designate industrial areas with adequate infrastructure improvements to serve new industrial development and actively encourage industry to locate in these designated areas.
- P-35:** Encourage industries that are compatible with City's livability and that minimally disrupt residential adjacent areas due to excessive traffic, noise, pollution, or other impacts that would impair the livability of the community.
- P-36:** Require that all industrial development strictly comply with the environmental quality standards of the State of Oregon, including all applicable standards and regulations of the Oregon State Board of Health, the Oregon Department of Environmental Quality and any other public agency having regulatory jurisdiction.
- P-37:** Maintain a supply of diverse, serviceable industrial lands that provide choices in the marketplace to attract desirable industries, particularly light manufacturing and nonpolluting industries, in support of the City's economic development program.

## **Policies for Public Use and Open Areas**

### **The City shall:**

- P-45:** Support and encourage the management of the City's waterways and drainage courses as community greenways preserving and enhancing (policy decision) their vegetation and drainage function while creating a system of natural corridors throughout the community.

## **9. Transportation**

The Urban Renewal Area will improve the transportation system in an area that lacks adequate facilities. The traffic improvements will provide a more balanced transportation network for the area, and will enhance overall growth in the urban area.

All traffic improvements initiated within the Urban Renewal Area will meet all applicable street standards. The proposed traffic improvements will improve traffic circulation within the Renewal Area, and also improve the City's overall transportation network.

The railroad right-of-way bisects the industrial portion of the Urban Renewal Area. All transportation improvements initiated within the Area will be coordinated with the needs of the railroad.

Accordingly, all proposed development activity noted above is in accordance with the Transportation Goals and Policies of the 2004 City of Lebanon Comprehensive Plan (Chapter Eight), as enumerated below:

#### **Overall Goals**

##### **The City's Transportation Related Goals include the following:**

**G-4:** Promoting efficient access to land development and maintaining operational levels of traffic flow in terms of safety, capacity, functional classification, and performance standards.

**G-5:** Complying with all applicable Statewide Planning Goal 12 requirements for transportation.

##### **Transportation System Planning Policies- The City Shall:**

**P-12:** The transportation system shall be managed to reduce existing traffic congestion and facilitate the safe, efficient movement of people and commodities within the community.

##### **Auto Traffic and Circulation Policies - The City Shall:**

**P-26:** Future streets and highways shall contribute to the creation of an efficient circulation network and provide for convenient movement of traffic and access to all parts of the community.

##### **Pedestrian Policies - The City Shall:**

**P-59:** The City shall continue to provide and improve sidewalks and pedestrian ways as part of its continuing street improvement program.

**P-61:** The bike and pedestrian element of the Transportation System Plan shall contain a priority list of future bike and pedestrian ways.

**P-62:** The Planning Commission shall include consideration of bicycle and pedestrian needs as part of the public hearing process.

##### **Transit Policies - The City Shall:**

**P-64:** Park-and-ride lots on the periphery of the City shall be investigated by the City as an alternative solution to parking and congestion problems.

**P-65a:** The City shall continue to support any available inter-city or intra-city bus service as necessary and needed transportation alternatives, especially for elderly and handicapped citizens.

##### **Rail Policies - The City Shall:**

**P-65b:** Passenger and freight rail service shall be included as part of the multi-modal potential options available to the community during future transportation planning.

**P-66:** The City shall continue implementing measures that increase the safety of railroad crossings.

**P-67:** The City shall work with industry and rail service providers to retain and enhance rail service to this community's industrial areas.

**P-68:** The City shall work with government, passenger rail service providers, and other agencies to obtain passenger rail service for the City.

**P-69:** The City shall recognize the importance of the railroad to the economy of the area when considering any proposal that could have an adverse or disruptive impact on the railroad.

**P-60:** In considering potential development of industrial sites, the City shall consider the unique opportunities offered by sites with railroad access.

**Truck/Freight Route Policies - The City Shall:**

**P-81:** The City shall continue exploring ways, for example the Reeves Parkway, to provide a better truck route alternative to the existing Wheeler/Williams/Milton Streets route.

## **10. Public Facilities and Services**

The Urban Renewal Plan will provide a means of funding needed infrastructural improvements within the Area. The renewal projects will provide a framework for efficient industrial, commercial, and residential growth within the Area which will result in a positive impact on the community as a whole. Growth within the Area will not overburden City-wide public services and facilities because the City will maintain control over all aspects of the land development process.

Any needed expansions to the City water system within the Area will also comply with City-wide improvement standards and will not decrease water capacities in other parts of the City.

A major goal of the Urban Renewal Area is to provide sewer facilities to the industrial properties within the Renewal Area. Service will only be provided to properties that annex to the City.

The Urban Renewal Area will support the City's policy to discourage the use of on site septic tanks within the Urban Growth Boundary.

Needed storm drainage improvements within the Urban Renewal Area will be included in the public facilities improvement projects for the Area. New private development within the Renewal Area must continue to submit storm drainage plans for review and approval by the City.

The Urban Renewal Area, and the projects that will be generated within it, will be compatible with the City's solid waste management policies.

All development within the Urban Renewal Area will continue to comply with the Lebanon Fire district's fire protection standards, as required by the City's and the Fire District's Comprehensive Plans. The Renewal Area will also not interfere with the City's efforts to develop new fire substations as they are needed.

The Plan policies related to energy and communication systems will continue to be implemented by the City within the Urban Renewal Area.

The purpose of the Urban Renewal Area is to improve public service within the Area. The Renewal Area does not prevent the construction of new public buildings within the area.

Accordingly, all proposed development activity noted above is in accordance with the Public Facilities and Services Goals and Polices of the 2004 City of Lebanon Comprehensive Plan (Chapter Nine), as enumerated below:

### **General Goals**

#### **The City's Public Facilities and Services Goals include:**

- G-2:** Planning and developing a timely, orderly and efficient arrangement of public facilities and services to serve as a framework for urban development for both existing and planned land uses.
- G-4:** Ensuring that essential public facilities and service capabilities (transportation, storm drainage, sewer and water service) are either in place before new development occurs and/or are constructed concurrently with such development.

### **Policies**

#### **General Policies - The City shall:**

- P-1:** Support a flexible phased program for the orderly extension of water, wastewater, and transportation services in response to land development proposals. *(Duplicated in Chapter 3, Urbanization)*
- P-8:** Review all development proposals to ensure that public facilities are available and

have adequate capacity to accommodate the proposed development, or that such facilities and their capacities can be made available through appropriate extensions and/or enhancements concurrent with or prior to proposed developments. *(Duplicated in Chapter 3, Urbanization)*

- P-9:** Require that new developments are either served by existing and/or proposed public infrastructure improvements, and/or are served by privately funded infrastructure extensions and improvements. *(Duplicated in Chapter 3, Urbanization)*
- P-10:** Consider impacts on key City-provided urban utility services (water, storm drainage, wastewater, and streets) and any other community facilities that are identified by service providers as substantially impacted by the proposal before development proposals, or rezoning applications are approved.
- P-13:** Evaluate growth trends to assist in the planning for future public facilities expansions.
- P-15:** Pursue, for public infrastructure development and community enhancement, a variety of funding sources, including urban renewal districts (URDs), local improvement districts (LIDs), grants, and other funding mechanisms.

**Water System Policies – The City shall:**

- P-45:** Maintain and expand the City's water system to anticipate and respond to growth as outlined in the City's Water Master Plan.

**Wastewater Facilities Policies -- City Wastewater Service and System – The City shall:**

- P-53:** Require that the extension of public wastewater infrastructure be in accordance with the City's Facilities Plans, as amended by special studies, or the City's Capital Improvement plans, and/or by official City Council action.
- P-55:** Maintain and expand the City's wastewater system to anticipate and respond to growth as outlined in the City's Wastewater Master Plan.

**Storm Drainage Policies – The City shall:**

- P-59:** Require that, as part of the City's project review process, private development plans address surface drainage issues.

**Fire Protection and Emergency Medical Service Policies – The City shall:**

- P-71:** Require applicants of development projects (land use) to comply with all Fire District regulations and practices.

**Samaritan Lebanon Community Hospital Policies – The City shall:**

- P-72:** Support and encourage the continued improvement of the Lebanon Community Hospital.

**Energy and Communications Systems Policies – The City shall:**

- P-74:** Encourage energy and communication systems operators to provide the Lebanon area with service levels and technology that is state of the art for industry standards.

**B. Linn County Comprehensive Plan**

The Urban Renewal Plan is consistent with the Goals and Policies of the Linn County Comprehensive Plan because the Renewal Area is located within the Lebanon Urban Growth Boundary. New urban development that occurs within the Renewal Area will be annexed to the City and will develop at City standards. Urban level uses are not

permitted under current County zoning regulations.

The Urban Renewal Plan is consistent with the following specific policies:

**1. Public Facilities and Services Policy #2**

The City of Lebanon will provide all urban levels of service to the area including water and sewer service.

**2. Commercial Lands Policy #2**

New urban level commercial development shall occur only after annexation to the City and the provision of City services to the site.

**3. Industrial Lands Policy #1**

New industrial development shall occur only after annexation to the City and the Provision of City services to the site.

**Report on the Second Amendment  
To the  
Northwest Lebanon Urban Renewal Area Plan  
City of Lebanon, Oregon  
June 2006**

**INTRODUCTION**

The Second Amendment to the Urban Renewal Plan for the Lebanon Urban Renewal Area (the "Plan") amends the Plan by adding several new projects to the Plan. The Second Amendment is a substantial amendment pursuant to Section VII. of the Plan. Accordingly, the Second Amendment shall be effective thirty (30) days after the City Council adopts the ordinance approving the Second Amendment.

ORS 457.085(3) requires that an urban renewal plan, or substantial amendment to a plan, be accompanied by a report that contains information specified in ORS 457.085(3). The Second Amendment is a substantial amendment under the Plan. This Report accompanying the Second Amendment is provided pursuant to the guidelines of ORS 457.085(3). The elements reviewed are:

- (a) A description of the physical, social and economic conditions in the urban renewal areas of the plan and the expected impact, including the fiscal impact, of the plan in light of added services or increased population;
- (b) Reasons for the selection of each urban renewal area in the Plan;
- (c) The relationship between each project to be undertaken under the plan and the existing conditions in the urban renewal area;
- (d) The estimated total cost of each project and the sources of monies to pay such costs;
- (e) The anticipated completion date for each project;
- (f) The estimated amount of money required in each urban renewal area under ORS 457.420 to 457.460 and the anticipated year in which indebtedness will be retired or otherwise provided for under ORS 457.420 to 457.460;
- (g) A financial analysis of the plan with sufficient information to determine feasibility;
- (h) 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 property in the urban renewal area;
- (i) A relocation report which shall include:

(A) An analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions under ORS 457.170;

(B) 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 in accordance with ORS 281.045 to 281.105; and

(C) An enumeration, by cost range, of the existing housing units in the urban renewal areas of the plan to be destroyed or altered and the new units to be added.

TO THE EXTENT THAT ANYTHING IN THIS REPORT ON THE SECOND AMENDMENT TO THE NW LEBANON URBAN RENEWAL AREA PLAN CONFLICTS WITH PROVISIONS OF THE ORIGINAL REPORT ON THE PLAN, THE MATERIAL IN THIS REPORT SHALL CONTROL.

## **THE REPORT**

Section 1: Physical, social, and economic conditions in the urban renewal area.

The purpose of this section is to show the conditions of blight existing in the Plan Area that justify the adoption of an urban renewal plan under ORS Chapter 457. The Second Amendment does not add new land to the Plan Area and therefore the facts of the original Report on the Plan relating to the physical, social, and economic conditions in the urban renewal area are not changed by the Second Amendment.

Section 2: Impact of the Second Amendment in light of added services or increased population.

The Second Amendment will not add increased population to the Plan Area because the projects anticipated by the Second Amendment relate to commercial and industrial, not residential, development. The Second Amendment itself does not include projects that increase the need for services in the Plan Area. However, substantial new private industrial development in the Plan Area will require increasing the capacity of the transportation system, the water sewer and storm sewer systems, and mitigation of wetlands within the Plan Area. The Second Amendment provides the funding for completion of the projects to provide the services that will be needed in support of the private investment.

Section 3: Reasons for the selection of the property to be added to the Plan Area.

ORS 457.085(3)(b) requires a statement of the reasons for the selection of each urban renewal area in the Plan. The reasons for the selection of the entire Plan Area have not changed since the original adoption of the Plan. There is no new property added to the Plan Area by the Second Amendment.

Section 4: Relationship between each project to be undertaken and the existing conditions in the urban renewal area.



The Projects to be undertaken are listed in Section III-C of the Plan. The following describes the relationship of each of the projects and the existing conditions in the Plan Area:

1. Priority I infrastructure projects include the improvement of streets and utilities as shown in Exhibit 6-A to the Plan:
  - a. Reconstruct Hansard Avenue, Harrison Street, Reeves Parkway and 12th Street to industrial standards, with such improvements as are required in the final design and engineering plans – *This project will increase traffic capacity and allow heavy truck traffic on the stated roadways in support of the private development of vacant industrial land within the Plan Area. The project will allow use of vacant land at its highest and best use.*
  - b. Provide storm drainage system, sanitary service system, and water service as shown in Exhibit 6-A, with such improvements as are required in the final design and engineering plans - *This project will provide the necessary urban services for the private development of vacant industrial land within the Plan Area. The project will allow use of vacant land at its highest and best use.*
  - c. Provide signalization at 12<sup>th</sup> Street and Highway 34 - *This project is required to facilitate the increased traffic generated by private development of vacant industrial lands and to allow movement of heavy truck traffic on roadways to be improved in support of the private development of vacant industrial land within the Plan Area. The project will allow use of vacant land at its highest and best use.*
  - d. Provide signalization at Reeves Parkway and Highway 20 - *This project is required to facilitate the increased traffic generated by private development of vacant industrial lands and to allow movement of heavy truck traffic on roadways to be improved in support of the private development of vacant industrial land within the Plan Area. The project will allow use of vacant land at its highest and best use.*

## 2. **Wetlands Mitigation**

Wetlands mitigation activity in support of public or private development in the Project Area is a project under the Plan – *In order to develop a portion of the vacant industrial land in the Plan Area, certain designated wetlands within the Plan Area must be filled. Pursuant to State and federal regulation, the development must mitigate the loss of designated wetlands by providing alternative lands for wetland activities, and plant and manage those alternative sites as wetlands to replace the lost resource. This project provides public financial assistance and/or public completion of the wetlands mitigation.*

### 3. **Site Improvements**

The Renewal Agency may undertake physical improvements on private sites to advance the Plan objectives, including, but not limited to, excavation, disposal of excavated materials, site preparation and fill – *To fully utilize vacant industrial lands in the Plan Area, some land must be excavated and filled. For projects in the Plan Area to be financially feasible for private development, public participation in the excavation and fill activities is necessary.*

### 4. **Fee Payment or Reimbursement**

The Renewal Agency may pay, or reimburse third parties for paying, regulatory fees relating to private development to advance the Plan objectives, including but not limited to SDC's, fees for land use review, building plan reviews, and building inspection – *The private cost of development in the blighted Plan Area requires certain public subsidies in order to attain financial feasibility for the private investor. The Agency's assistance in paying regulatory fees allows the private development to proceed and therefore, vacant industrial land to be developed at its highest and best use.*

### 5. **Acquisition and Disposition of Property**

The Renewal Agency has identified the parcels shown on **Exhibit 7 – Acquisition Parcels** (attached to the Second Amendment to the Plan) for acquisition pursuant to the Renewal Plan (“Acquisition Parcels”). The Renewal Agency will acquire the Acquisition Parcels by donation or by voluntary sale, and does not intend to use its power of eminent domain for such acquisitions. If the Renewal Agency determines it will acquire additional parcels in the future, the Renewal Agency shall initiate a plan amendment to identify the parcels to be acquired.

The Agency will dispose of the Acquisition Parcels by conveyance to the City after the period of stabilization of the wetland improvements as approved by the Army Corps of Engineers, but no later than ten years after the Renewal Agency acquisition of the later of the Acquisition Parcels to be acquired.

*The voluntary acquisition of the Acquisition Parcels provides the necessary area for wetlands mitigation. As stated above, without mitigation of the wetlands on the vacant industrial land within the Plan Area, the private development of the Plan Area cannot be maximized.*

Section 5: Estimated total cost of project, sources, and anticipated completion date.

The estimated total cost of the added projects is \$17,118,000, subject to future bid. See **Table VII-1**, attached hereto.

The funds for the Priority I Projects will be available from the proceeds of loans and grants from the State of Oregon, Linn County, and the City of Lebanon. The industrial user of a portion of the industrial land in the Renewal Area is advancing certain project costs. Borrowed funds will be repaid by tax increment collections from the committed development of vacant industrial land in the Plan Area. See **Table "A"**, attached to this Report.

The anticipated completion date for projects in the Plan is 2009-2010.

Section 6: Estimated amount of money required under ORS 457.420 - .460, and the anticipated year in which indebtedness will be retired or otherwise provided for.

The total amount of money to be collected under ORS 457.420-.460 to service debt incurred to finance the projects in the Plan is shown in **Tables "B" and "C"**. It is anticipated that indebtedness will be retired in FY 2015/2016.

The maximum amount of indebtedness to be incurred under the Plan will not change by virtue of this Second Amendment. However, if the Agency determines that, in order to repay the entire amount of the project costs advanced by the industrial user, the Agency must incur more debt secured by tax increment revenues than is shown in this Report, then the Agency will recommend an increase in the maximum indebtedness of the Plan for City approval

Section 7: Analysis of Plan Financial Feasibility.

The projected growth in incremental assessed value is based on an overview of the local economy and an analysis of rehabilitation and redevelopment capacity. The urban renewal taxes resulting from this growth in increment, as shown in **Table "D"** are sufficient for the payments of long and short term debt in the amounts shown in **Table "B"**, which are sufficient to cover the estimated Project costs. The Renewal Agency has a reasonable expectation of obtaining non-urban renewal tax funding which in combination with the proceeds of urban renewal debt will be sufficient to cover total project costs. These projections show that the Plan is financially feasible.

Section 8: Fiscal impact of tax increment financing on all entities levying taxes 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 Area *without the Plan*. Revenues on growth in assessed value that would not occur but for the Plan cannot be considered as foregone.

It is reasonable to project that development within the Area without the Plan would take much longer to occur, would be less extensive and would have lower assessed values. However, it is difficult to project the extent or value of such development or to determine what it would have been at some future date. Therefore the analysis shown in **Table "E"** below shows the *maximum* revenues foregone, as if all development with the Plan occurred without the Plan.

There are small impacts (increases) on tax rates for bonds approved by voters prior to October, 2001.

**Table "F"** shows that present value of the increase in permanent rate levy revenues that would occur by FY 2024/2025 would exceed the present value of the revenues foregone through FY 2015/2016.

Section 9: Relocation

The Second Amendment does not affect relocation of residents or businesses in the Plan Area.

**Table VII-1**

**Projects and Costs by Priority**

**NORTHWEST LEBANON URBAN RENEWAL AREA AND  
PROJECTS COSTS**

<b>PROJECT</b>		<b>PROJECT COSTS IN DOLLARS</b>	
<b>PRIORITY I</b>			
Estimated Street Improvement Total			\$2,451,000
Estimated Storm Improvements			\$646,000
Estimated Water Improvement Total - Public			\$262,000
Est Signalization 12th/Tangent and Reeves/20			\$280,000
Estimated Sanitary Improvement Total			\$2,129,000
Site Preparation Support			\$7,000,000
Jurisdictional Wetlands Mitigation Area			\$4,350,000
<b>Total</b>			<b>\$17,118,000</b>

**Table A to Report**

Special Public Works Fund Loan - Infrastructure	3,568,000
Special Public Works Fund Grant Infrastructure	1,000,000
Special Public Works Fund Loan - Wetlands Mitigation	1,150,000
Strategic Reserve Fund	220,000
Long Term Tax Increment Debt Proceeds	
Short Term Tax Increment Debt Proceeds	
Loan from Industrial User	9,000,000
City of Lebanon and ODOT Grant	1,000,000
Other Grant (County)	1,000,000
Interest	274,372
<b>Total</b>	<b>17,212,372</b>

**Table B to Report**

**Annual Tax Increment Revenues and Debt Service Through FY 2015/1016**

FY Ending June 30	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Revenues</b>											
Beginning Balance	200,000	1,052,500	2,091,044	2,985,401	4,006,068	5,010,534	7,263,913	2,736,278	4,531,016	6,280,313	7,989,261
Current Year Tax Increment Revenues	1,274,570	1,437,339	1,775,275	1,884,103	1,851,564	3,080,287	3,000,163	2,942,980	2,885,226	2,826,894	2,767,978
Prior Years Tax Increment Revenues	26,037	38,237	43,120	53,258	56,523	55,547	92,409	90,005	88,289	86,557	84,807
Interest	15,006	25,281	39,094	49,228	59,142	81,464	103,565	57,693	75,045	91,938	108,420
Bond Proceeds			4,879,138				9,430,949				
<b>Total Revenues</b>	<b>1,515,613</b>	<b>2,553,357</b>	<b>8,827,672</b>	<b>4,971,991</b>	<b>5,973,297</b>	<b>8,227,832</b>	<b>19,890,998</b>	<b>5,826,956</b>	<b>7,579,577</b>	<b>9,285,701</b>	<b>10,950,467</b>
<b>Expenditures</b>											
Bond Issuance Costs			121,978				262,794				
Long Term Debt Service	463,113	462,313	963,133	965,923	962,763	963,920	1,296,751	1,295,939	1,299,264	1,296,439	1,297,751
Short Term Debt Service							6,400,000				
Reserve	466,900	462,313	963,133	965,923	962,763	963,920	1,296,751	1,295,939	1,299,264	1,296,439	1,297,751
Loan Repayment	0	0	4,757,159	0	0	0	9,195,175	0	0	0	0
Bond Defeasance											6,068,484
<b>Total</b>	<b>930,013</b>	<b>924,626</b>	<b>6,805,403</b>	<b>1,931,845</b>	<b>1,925,525</b>	<b>1,927,839</b>	<b>18,451,472</b>	<b>2,591,879</b>	<b>2,598,529</b>	<b>2,592,879</b>	<b>8,663,987</b>
Ending Balance	585,600	1,628,731	2,022,269	3,040,146	4,047,772	6,299,993	1,439,526	3,235,077	4,981,048	6,692,822	2,286,480

**Table C to Report**

**Total Net Tax Increment Revenues Required**

Total Tax Increment Revenues	26,441,170
Ending Balance	2,286,480
Net Total	24,154,690



**Table D to Report**

**Growth in Tax Increment 2007-2016**

FY Ending June 30	2007	2008	2009	2010	2011
Prior AV	61,220,108	69,332,309	83,565,632	88,149,288	86,778,781
Percent Increase	1.00%	1.00%	1.00%	1.00%	1.00%
New Development Assessed Value	7,500,000	13,540,000	3,748,000	-2,252,000	50,884,000
Total AV	69,332,309	83,565,632	88,149,288	86,778,781	138,530,569
Incremental AV	60,538,328	74,771,651	79,355,307	77,984,800	129,736,588
Base	8,793,981	8,793,981	8,793,981	8,793,981	8,793,981
Change in AV	15.5%	23.5%	6.1%	-1.7%	66.4%
Max. tax increment revenues (Authority)	1,592,619	1,967,064	2,087,649	2,051,594	3,413,061
Compression %	5.00%	5.00%	5.00%	5.00%	5.00%
Revenues After Compression	1,512,988	1,868,711	1,983,267	1,949,015	3,242,408

FY Ending June 30	2012	2013	2014	2015	2016
Prior AV	138,530,569	135,155,875	132,747,434	130,314,908	127,858,057
Percent Increase	1.00%	1.00%	1.00%	1.00%	1.00%
New Development Assessed Value	-4,760,000	-3,760,000	-3,760,000	-3,760,000	-3,760,000
Total AV	135,155,875	132,747,434	130,314,908	127,858,057	125,376,638
Incremental AV	126,361,894	123,953,453	121,520,927	119,064,076	116,582,657
Base	8,793,981	8,793,981	8,793,981	8,793,981	8,793,981
Change in AV	-2.6%	-1.9%	-2.0%	-2.0%	-2.1%
Max. tax increment revenues (Authority)	3,324,281	3,260,920	3,196,926	3,132,292	3,067,012
Compression %	5.00%	5.00%	5.00%	5.00%	5.00%
Revenues After Compression	3,158,067	3,097,874	3,037,080	2,975,678	2,913,662

**Table E to Report**

**Revenues Foregone by Taxing Districts, FY 2006/2007 – FY 2015/2016**

Taxing District	Present Total Revenues Foregone	Value, Present Revenues	Average Present Value Per Year
Linn County		1,094,896	109,490
Lebanon School District 9		4,311,617	431,162
Lebanon City		4,435,891	443,589
Lebanon Fire District		1,951,778	195,178
Lebanon Aquatic Center		207,269	20,727
North Lebanon Water District		122,634	12,263
Linn Benton Community College		433,450	43,345

**Table F to Report**

**Revenues Gained by Taxing District By FY 2024/2025**

Taxing District	Present Value, Total Revenues Gained, By FY 2024/2025
Linn County	1,139,672
Lebanon City	4,617,297
Lebanon Fire District	2,031,596
Lebanon Aquatic Center	215,745
North Lebanon Water District	127,649
Linn Benton Community College	451,176