

City of Hood River, Oregon

Ordinance No. 1999

AN ORDINANCE MAKING CERTAIN DETERMINATIONS AND FINDINGS RELATING TO AND APPROVING THE HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

WHEREAS, the City Council of the City of Hood River (“Council”) has declared that blighted areas exist in the City of Hood River and has elected to have the powers of an urban renewal agency exercised by a commission designated by the Council; and

WHEREAS, Council has declared that the name of the urban renewal agency shall be the Hood River Urban Renewal Agency (“Agency”); and

WHEREAS, the Hood River Renewal Agency (“Agency”), as the duly authorized and acting urban renewal agency of the City of Hood River, Oregon (“City”), is proposing to undertake certain urban renewal activities in a designated area within the City pursuant to ORS Chapter 457; and

WHEREAS, the Agency, pursuant to the requirements of ORS Chapter 457, has caused the preparation of an urban renewal plan which is attached to this Ordinance as Exhibit A, and incorporated herein by this reference (“Plan”). The Plan authorizes urban renewal activities within the Hood River Heights Business District Urban Renewal Area (the “Area”); and

WHEREAS, the Agency has caused the preparation of a report accompanying the Plan as required by ORS 457.085(3) (“Report”), which Report is dated July 11, 2011 and is attached to this Ordinance as Exhibit B and incorporated herein by this reference; and

WHEREAS, the Plan and the Report were forwarded to the City of Hood River Planning Commission for recommendation, and the Planning Commission considered the Plan and Report on June 20, 2011 and adopted a finding that the Plan conformed with the Hood River Comprehensive Plan and that the Plan be approved by the Hood River City Council; and

WHEREAS, the Plan and the Report were forwarded on May 25, 2011 to the governing body of each taxing district affected by the Plan, and the Agency has thereafter consulted and conferred with said districts; and

WHEREAS, on **May 25, 2011** the City met with representatives of Hood River County to review the Plan, including proposed maximum indebtedness for the Plan; and

WHEREAS, on DATE, the City met with representatives of the Hood River School District to review the Plan, including the proposed indebtedness for the Plan; and

WHEREAS, the City Council has not received written recommendation from the governing bodies of the affected taxing districts: and

WHEREAS, on June 15, 2011 the City caused notice of the hearing to be held before the City Council on the Hood River Height Business District Urban Renewal Plan, including the required statements of ORS 457.120(3), to be mailed to utility customers within the City of Hood River, and

WHEREAS, on July 25, 2011 the City Council held a public hearing to review and consider the Plan, 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 Plan;

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

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

1. The area designated in the Plan as the Area is blighted, as defined by ORS 457.010(1) and is eligible for inclusion within the Plan because of conditions described in Section II of the Report, including the need for infrastructure improvements, lack of streetscape, lack of public spaces and underdevelopment and underutilization of property within the Area.
2. The rehabilitation and redevelopment described in the Plan 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 urban renewal projects, the Area will fail to contribute its fair share of property tax revenues to support City services and will fail to develop and/or redevelop according the goals of the City's Comprehensive Plan.
3. The Plan conforms to the Hood River Comprehensive Plan as a whole, and provides an outline for accomplishing the projects described in the Plan, as more fully described in Chapter IX of the Plan
4. In connection with any residential displacement occurring as a result of the acquisition and disposition of land in the Plan, provision has been made for displaced persons in Section X of the Report as required under applicable state and federal law;

5. The acquisition of real property provided for in the Plan is necessary for the development of infrastructure improvements, including parking improvements, in the Area and for the development of public spaces; because the Agency does not own all the real property interests (rights of way, easements, fee ownership) that will be required to undertake and complete these projects as described in Chapter IV of the Plan and Section V of the Report.
6. Adoption and carrying out the Plan is economically sound and feasible in that funds are available to complete the Plan projects using urban renewal tax increment 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 shown in Sections V, VI, VII, VIII and IX of the Report; and
7. The City shall assume and complete any activities prescribed it by the Plan.
8. The City Council expressly accepts, rejects or modifies the written recommendations of [xx] as follows:

Section 2 : The Hood River Heights Business District Urban Renewal Plan is hereby approved, based upon review and consideration by the City Council of the Plan, the Report, the recommendations of the Planning Commission, and the public testimony in the record.

Section 3 : The City Recorder shall forward forthwith to the Agency a copy of this Ordinance.

Section 4 : The Agency shall thereafter cause a copy of the Plan to be recorded in the Records of Hood River County, Oregon.

Section 5 : The City Recorder, in accordance with ORS 457.115, shall publish notice of the adoption of the Ordinance approving the Plan, including the provisions of ORS 457.135, in the **Hood River News** no later than four days following adoption of this Ordinance.

Read for the First Time this 25th day of July 2011

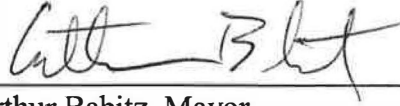
Read for the Second Time, approved and effective this 25th day of July 2011.

AYES: 7 _____

NAYS: 0 _____

ABSTAIN: 0 _____

ABSENT: 0 _____



Arthur Babitz, Mayor

ATTEST:

Approved as to form:

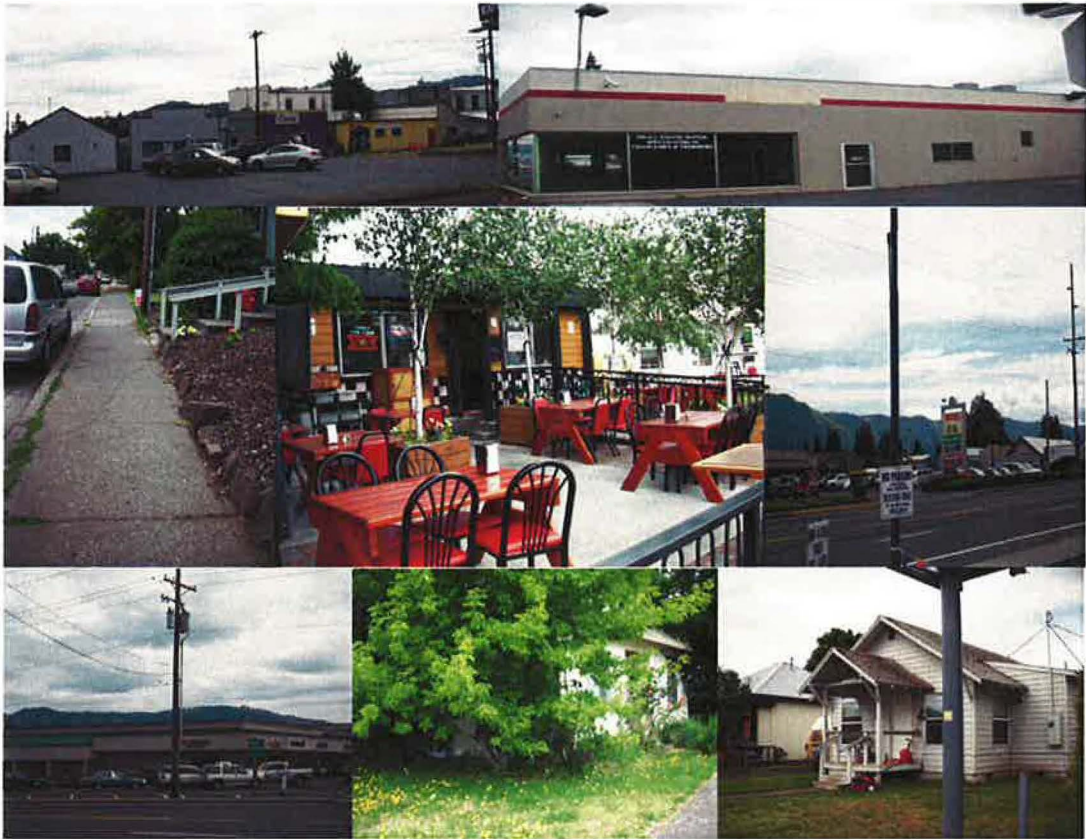


Jennifer Gray, City Recorder

Daniel Kearns, City Attorney

Attachments: Exhibit A – Plan, Exhibit B – Report

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN



Prepared for the City of Hood River
June 20, 2011

Tashman Johnson, LLC
Elaine Howard Consulting, LLC

EXHIBIT A

City of Hood River

LIST OF PARTICIPANTS

Mayor: Arthur Babitz

City Council:
Council President: Ann Frodel
Councilors: Dawna Armstrong
Brian McNamara
Carrie Nelson
Jeff Nicol
Laurent Picard

Hood River Heights Business Association

Urban Renewal Agency:
Chair: Robert Hastings
Vice-Chair: Hoby Streich
Dawna Armstrong
Sherry Bohn
Paul Cummings
Ann Frodel
Kate McBride

City Manager/
Urban Renewal Administrator: Bob Francis

Planning Commission
Chair: Kate McBride
Nathan DeVol
Nikki Hollatz
Bill Irving
Jennifer Reinhard
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Planning Director: Cindy Walbridge
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Public Works Director: Mark Lago
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Consultant Team:
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HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

I. INTRODUCTION

The Hood River Heights Business District Urban Renewal Plan (Plan) has been developed with the cooperative input of the Hood River City Council (City Council) and the Hood River Heights Business Association (Association). The Plan contains goals, objectives, and projects for the development of the Hood River Heights Business District Urban Renewal Area (Area). The overall purpose of the Plan is to use tax increment financing to overcome obstacles to the proper development of the Area.

The purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. The Area has infrastructure needs, lacks adequate streetscape and parking, and does not have a program for assistance to business owners.

Urban renewal allows for the use of tax increment financing to fund urban renewal projects. Urban renewal is unique in that it brings its own financing source: tax increment financing (TIF). Tax increment revenues – the amount of **property taxes** generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established – **are used to repay** borrowed funds. The funds borrowed are used to pay for urban renewal projects.

In general, urban renewal projects can include construction or improvement of streets, utilities, and other public facilities, assistance for rehabilitation or redevelopment of property, acquisition and re-sale of property (site assembly) from willing sellers, and improvements to public spaces. The specific projects to be approved in this Plan are outlined in Sections III and IV.

Urban renewal is put into effect when the local government (the City of Hood River, in this case) adopts an urban renewal plan. The urban renewal plan defines the urban renewal area, states goals and objectives for the area, lists projects and programs that can be undertaken, provides a dollar limit on the funds borrowed for urban renewal projects, and states how the plan may be changed in the future.

The Area, shown in Figure 1, consists of approximately 96 acres of land, including approximately 21 acres of right-of-way.

The Plan will be administered by the Hood River Urban Renewal Agency (Agency), which was established by the City Council of the City of Hood River as the City's Urban Renewal Agency. Major changes to the Plan, if necessary, must be approved by the City Council, as outlined in Section VIII of this Plan.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

The Plan is accompanied by an Urban Renewal Report (Report) that contains additional information, as required by ORS 457.085. The technical information in the Report includes:

- A description of the physical, social, and economic conditions in the area;
- Expected impact of the Plan, including fiscal impact in light of increased services;
- Reasons for selection of each Area in the Plan;
- The relationship between each project to be undertaken and the existing conditions;
- The total cost of each project and the source of funds to pay such costs;
- The estimated completion date of each project;
- The estimated amount of funds required in the Area, and the anticipated year in which the debt will be retired;
- A financial analysis of the Plan;
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal area; and
- A relocation report.

The Plan is anticipated to take 20 years to implement. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is \$8,495,650.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

II. GOALS AND OBJECTIVES

The goals of the Plan represent its basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve the goals. The urban renewal projects identified in Chapter IV of the Plan are the specific means of meeting the objectives. The goals are related to the Hood River Comprehensive Plan and were developed with input from the Heights Business District Association.

Goal 1: *ECONOMY*

Promote the role of the Hood River Heights Business District Urban Renewal Area as diversifying the economic base in the Hood River area and strengthening the area's role as a regional economic center. Preserve and promote a livable community, better utilizing commercial lands. Accommodate the need for expansion of new and existing businesses.

Objectives:

1. Work with property owners to promote development and redevelopment of properties within the Area. Provide publicly-funded programs for improvement of properties.
2. Assist in the financing and provision of transportation and infrastructure improvements to support the development of the Area.
3. Provide sufficient parking to support the Area.

Goal 2: *DISTRICT IDENTITY*

Help create and enhance a distinct identity for the Area as a mixed-use neighborhood of Hood River. The identity should include the role of the Area as a gateway to the city and as a place for residents of the city to live, shop for goods and services, work, and play.

Objectives:

1. Tie together parts of the Area using common streetscape features and signage.
2. Create public spaces that provide a venue for formal and informal community activities.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

Goal 3: *RECREATION*

Provide facilities and parks to support the Hood River Heights Business District and neighboring residential community.

Objectives:

1. Improve pedestrian and bicycle access in the Area.
2. Develop public spaces to attract neighboring residents and tourists to visit the Area, supporting the commercial uses in the Area.
3. Coordinate with plans and projects for both Indian Creek and Jackson Park.

Goal 4: *TRAFFIC AND TRANSPORTATION*

Implement transportation improvements that are designed and constructed in a manner that enhances Hood River's livability. Provide a safe transportation system and transportation facilities which are accessible to all members of the community, reduce trip length, and provide for the efficient movement of goods.

Objectives:

1. Provide sidewalks and streetscape improvements that promote the commercial district and provide access and safety.
2. Provide sufficient parking to support the commercial district.
3. Work with the State on street improvements throughout the Area.

Goal 5: *PUBLIC UTILITIES*

Ensure that new development is adequately served by public infrastructure.

Objectives:

1. Encourage the development and redevelopment of commercial parcels within the Area to use the public infrastructure already in place.
2. Upgrade infrastructure, where necessary, to encourage development and redevelopment of parcels in the Area.
3. Undergrounding of utilities where economically feasible.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

Goal 6: *PUBLIC INVOLVEMENT*

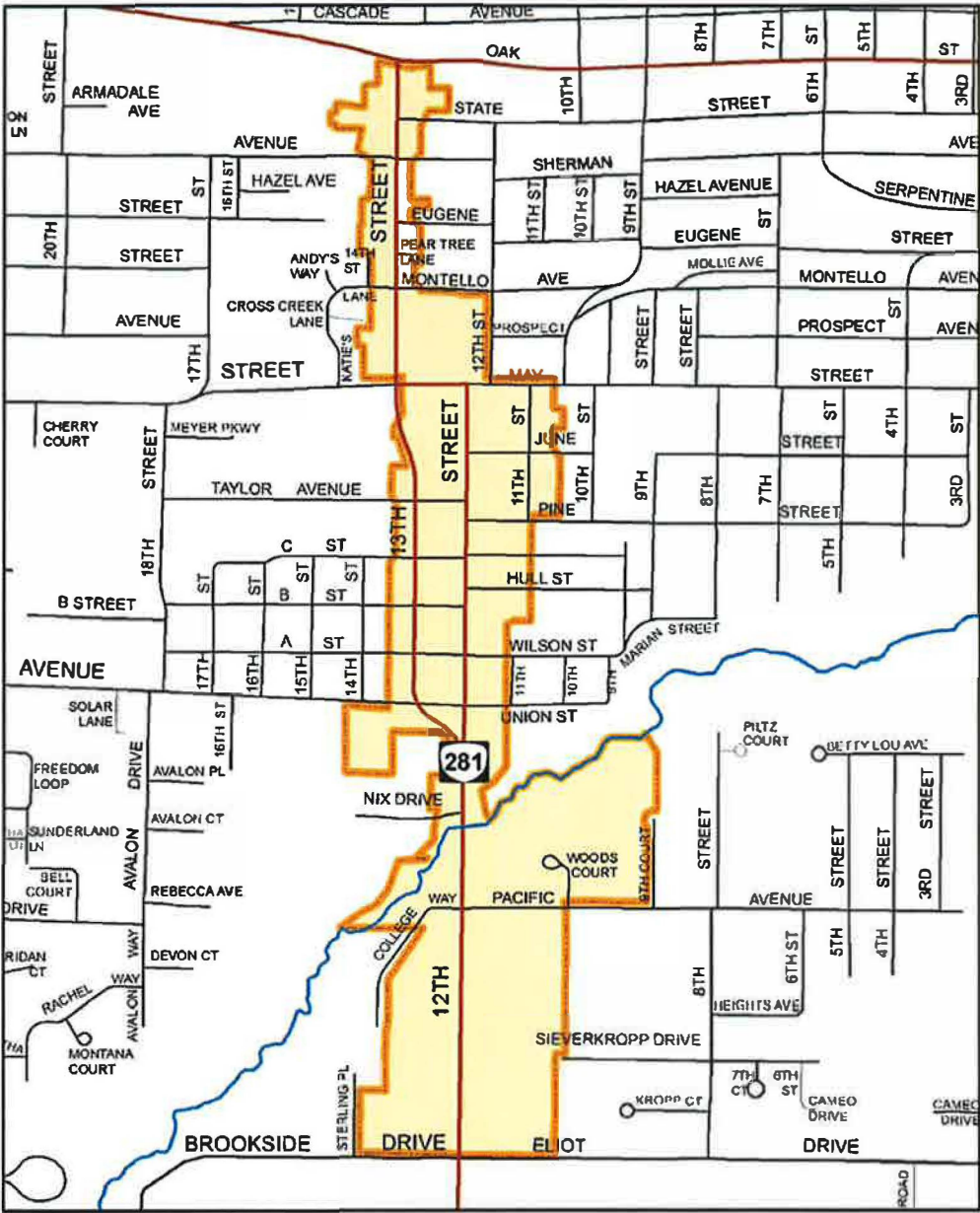
Maintain a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning and implementation process.

Objectives:

1. Work with the Hood River Heights Business Association and the public to develop and implement the urban renewal plan.
2. Provide opportunities for public input from all citizens of Hood River on the development and implementation of the Plan.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

Figure 1 - Urban Renewal Area Boundary



Hood River Heights Urban Renewal Area Boundary



III. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES

The projects within the Area are economic development assistance, infrastructure improvements, and park and recreational improvements. An outline of major urban renewal project activities is as follows:

A. Infrastructure Improvements

1. Utility upgrades addressing deficient systems in the Area, including storm water, sanitary sewer, and water line improvement
2. Parking improvements
3. Undergrounding of utilities where economically feasible

B. District Identity/Streetscape Improvements

1. Pedestrian and bicycle improvements
2. Enhance connections with local parks and greenspaces
3. Public spaces for community events

C. Redevelopment Assistance

1. Redevelopment assistance

D. Acquisition

1. Acquisition of property, as required for infrastructure improvements, including parking improvements
2. Acquisition of property for public spaces and the implementation of the District Identity

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

IV. URBAN RENEWAL PROJECTS

Urban renewal projects authorized by the Plan are described below. Public improvements authorized under the Plan include assistance to help create a district identity for the Area, encouragement of development through the upgrading of utilities, and economic assistance to developers.

As shown in the Report, urban renewal funds will be combined with existing and other future sources of funding to finance project costs. Projects authorized by the Plan are:

A. Infrastructure

1. Utility Upgrades

a) Storm Water: based on information in the Sewer and Storm Water Capital Facilities Plan, completed in 2001, the storm water system upgrades needed in the Area are shown below:

- 12th Street, Nix Drive to Elliot Drive;
- 12th Street, Nix Drive to Belmont Avenue;
- Belmont Avenue, 12th Street to Avalon Way; and
- 12th Street, Taylor Avenue to June Avenue.

b) Sanitary Sewer: based on information in the Sewer and Storm Water Capital Facilities Plan, completed in 2001, the sanitary sewer system upgrades needed in the Area are shown below:

- Hull Street: replace 1600 linear feet of six-inch pipe with eight-inch pipe; and
- 13th and A Streets: replace 900 linear feet of gravity sewer with eight-inch pipe.

c) Water: based on the City of Hood River Water Master Plan, adopted in 2001, the water system upgrades needed in the Area are shown below:

- 12th Street, June to May Streets;
- 12 Street, A Street to May Street;
- Wilson Street, 12th Street to Wilson Reservoir;
- May Street, 12th Street to 17th Street; and
- C Street, 12th Street to 16th Street.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

2. Parking Improvements

Parking improvements will be developed in the Area.

3. Undergrounding of Utilities

Utilities will be undergrounded where feasible. The City will work with the utility providers to underground utilities.

B. District Identity

1. Streetscape and Pedestrian/Bicyclist Improvements

Streetscape improvements throughout the Area will include sidewalk improvements, sidewalk ramps, lighting, banners, signage, and street furniture, including benches, planters, bike racks, and other streetscape improvements, as designated by the Agency.

a) Pedestrian and Bicycle Improvements

The streetscape improvements will be designed with the pedestrian and bicyclist in mind. Any parking improvements will also consider the needs of the bicyclist.

b) Connections to Parks and Greenspaces

Streetscape improvements, including pedestrian and bicyclist improvements, will be designed to enhance the connections to existing local parks and greenspaces adjacent to the Area.

c) Public Spaces

Public spaces will be incorporated into the Area. These spaces could be small “pocket” parks that encourage people to recreate in the Area.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

C. Economic Development Assistance

1. Redevelopment Assistance

A redevelopment assistance program will be developed to support development and redevelopment in the Area, including a storefront improvement loan and/or grant program, assistance with streetscape improvements, and assistance with code compliance and other development costs.

D. Acquisition

1. Acquisition of Property

Acquisition of property will occur as needed for the development of district identity and traffic and transportation, including parking and recreation improvements.

V. PROPERTY ACQUISITION AND DISPOSITION

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses, or other rights to use.

A. Property Acquisition for Public Improvements

The Agency may acquire any property within the Area for the public improvement projects undertaken pursuant to the Plan by all legal means, including use of eminent domain. Good faith negotiations for such acquisitions must occur prior to institution of eminent domain procedures.

B. Property Acquisition – From Willing Sellers

The Plan authorizes Agency acquisition of any interest in property within the Area that the Agency finds is necessary to support private redevelopment, but only in those cases where the property owner wishes to convey such interest to the Agency. The Plan does not authorize the Agency to use the power of eminent domain to acquire property for a private party to transfer property to another private party for private redevelopment. Property acquisition from willing sellers may be required to support development of projects within the Area.

C. Land Disposition

The Agency will dispose of property acquired for a public improvement project by conveyance to the appropriate public agency responsible for the construction and/or maintenance of the public improvement. The Agency may retain such property during the construction of the public improvement.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

The Agency may dispose of property acquired under Subsection B of this Section V by conveying any interest in property acquired. Property shall be conveyed at its fair reuse value. Fair reuse value is the value, whether expressed in terms of rental or capital price, at which the urban renewal agency, in its discretion, determines such land should be made available in order that it may be developed, redeveloped, cleared, conserved, or rehabilitated for the purposes specified in such plan. Because fair reuse value reflects limitations on use of the property to those purposes specified in the Plan, the value may be lower than the property's fair market value.

Where land is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the Plan and to begin and complete the building of its improvements within a period of time that the Agency determines is reasonable.

VI. RELOCATION METHODS

When the Agency acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance, as required under applicable state law. Prior to such acquisition, the Agency shall adopt rules and regulations, as necessary, for the administration of relocation assistance.

VII. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on loans, usually in the form of tax increment bonds. The proceeds of the bonds are used to finance the urban renewal projects authorized in the Plan. Bonds may be either long-term or short-term.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. [Under current law, the property taxes for general obligation (GO) bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.]

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

A. General Description of the Proposed Financing Methods

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues;
- Advances, loans, grants, and any other form of financial assistance from the Federal, State, Port, local governments, or other public bodies;
- Loans, grants, dedications, or other contributions from private developers and property owners, including, but not limited to, assessment districts; and
- Any other public or private source.

Revenues obtained by the Agency will be used to pay or repay the costs, expenses, advancements and indebtedness incurred in (1) planning or undertaking project activities, or (2) otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

B. Tax Increment Financing and Maximum Indebtedness

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the 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. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$8,495,650. This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness.

C. Prior Indebtedness

Any indebtedness permitted by law and incurred by the Agency or the City of Hood River in connection with the preparation of this Plan or prior planning efforts that support the preparation or implementation of this Plan may be repaid from tax increment revenues from the Area when, and if, such funds are available.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

VIII. FUTURE AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

Substantial Amendments are solely amendments:

- Adding land to the urban renewal area, except for an addition of land that totals not more than 1% of the existing area of the urban renewal area; or
- Increasing the maximum amount of indebtedness that can be issued or incurred under the Plan.

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing, and approval procedure required of the original Plan under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Planning Commission, and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Hood River, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

B. Council Approved Amendments

Council Approved amendments consist solely of amendments that result in:

- Material changes to the goals and objectives of the Plan; or
- Addition or expansion of a project that is materially different from projects previously authorized in the Plan.

Council Approved amendments require approval by the Agency by resolution and by the City Council by ordinance.

C. Minor Amendments

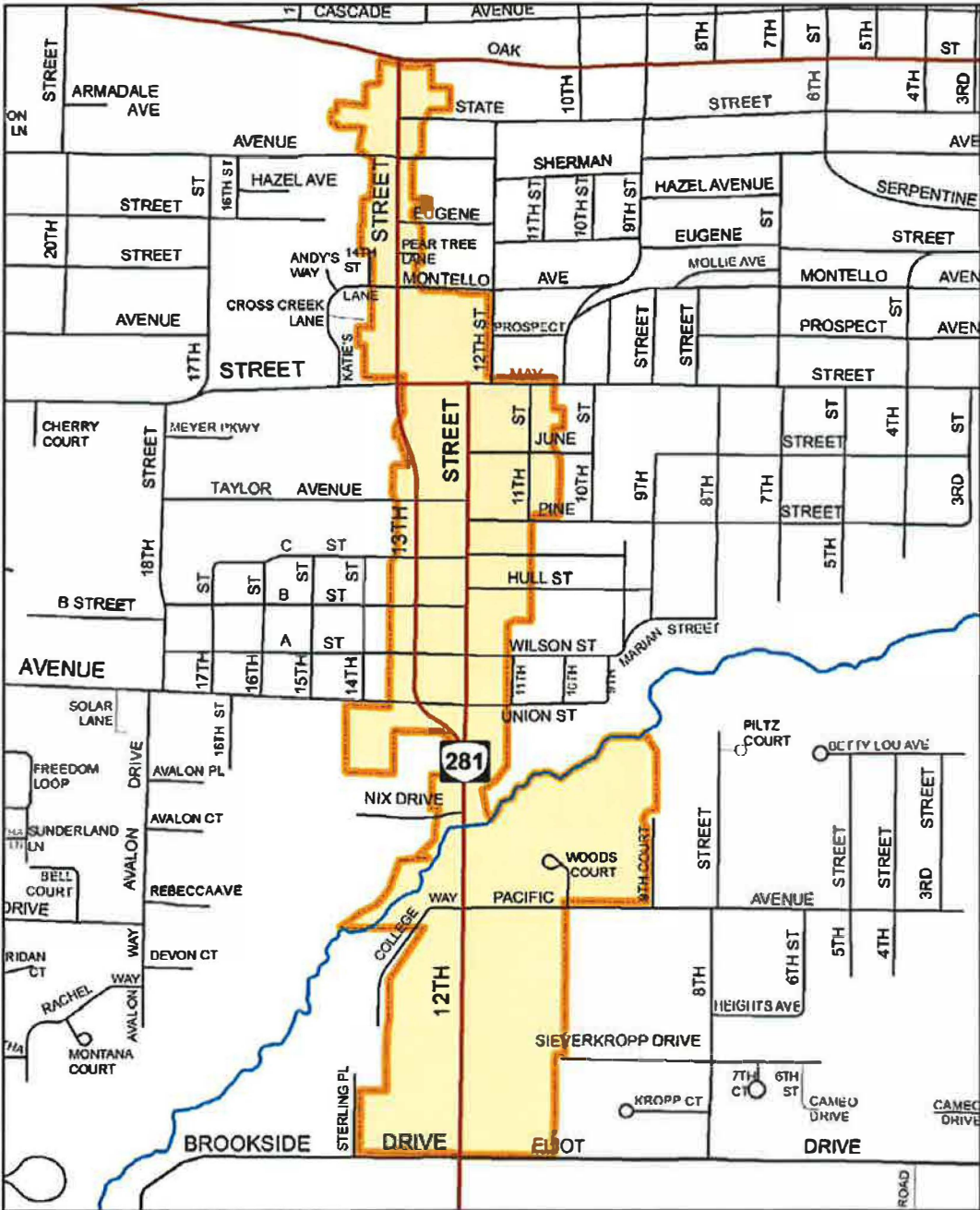
Minor Amendments are amendments that are not Substantial or Council Approved Amendments in scope. They require approval by the Agency by resolution.

D. Amendments to the Hood River Comprehensive Plan and/or Hood River Revised Code

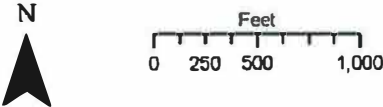
Amendments to the Hood River Comprehensive Plan and/or Hood River Zoning Ordinance that affect the Urban Renewal Plan and/or the Urban Renewal Area shall be incorporated automatically within the Urban Renewal Plan without any separate action required by the Agency or the City Council.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

Figure 2 - Zoning and Comprehensive Plan Designations



Hood River Heights Urban Renewal Area Boundary



IX. RELATIONSHIP TO LOCAL OBJECTIVES

The Plan relates to local planning and development objectives contained within the City of Hood River's Comprehensive Plan, Hood River Municipal Code (Section 17: Zoning Ordinance), and the Transportation System Plan. The following section describes the purpose and intent of these plans, the particular goals and policies within each planning document to which the proposed Plan relates, and an explanation of how the Plan relates to these goals and policies. The numbering of the goals, policies, and implementation strategies will reflect the numbering which occurs in the original document. Italicized text is text that has **not** been taken directly from an original planning document. The Zoning and Comprehensive Plan designations are shown in Figure 2.

A. City of Hood River Comprehensive Plan

The City of Hood River Comprehensive Plan is the general guide for the City for all activities relating to land use. It identifies existing assets, problems, and needs in the community, and sets forth City policy and implementation strategies for dealing with these issues. The proposed Plan relates to several of these stated goals, policies, and implementation strategies. Of particular relevance are sections pertaining to Citizen Involvement, Land Use Planning, Open Spaces, Air, Water and Land Resources Quality, Recreational Needs, Economy, Public Facilities, Transportation, Energy Conservation, and Urbanization.

Purpose of the Comprehensive Plan

The goal of the Comprehensive Plan is to protect and enhance the public health, safety, and welfare of the citizens of Hood River. More specific purposes include:

1. To establish a land-use planning process and policy framework as a basis for all decisions and actions relating to land use;
2. To provide for the housing needs of the citizens of the planning unit;
3. To diversify and improve the local economy;
4. To plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework to direct urban and rural development;
5. To preserve scenic, historic, and natural resources to maintain the quality of living in the area; and
6. To comply with State land use goals and related requirements.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

Goal 1: Citizen Involvement

GOAL

Maintain a citizen involvement program that ensures the opportunity for citizens to be involved in all phases of the planning process.

POLICIES

1. Improve and use existing citizen participation programs to ensure ongoing citizen involvement in planning and land use regulation revisions now and after acknowledgement of the Comprehensive Plan; and
2. Establish, maintain, and encourage uses of an ongoing citizen involvement program for the City of Hood River.

Findings: The Plan relates to and addresses the citizen involvement goal and Policies 1 and 2 through public meetings held in the adoption process. There were numerous meetings with the Hood River Heights Business Association in the feasibility study process as well as in the formation of the Plan. There were also meetings with the Planning Commission and with the Hood River City Council in the feasibility process. The preparation of the Plan involved additional meetings with the Hood River Heights Business Association and briefings with the City Council. Adoption of the Plan will require notice to all citizens of Hood River, Planning Commission review, and a hearing by the City Council.

Goal 2: Land Use Planning

GOAL

To establish a land use planning process and policy framework as a basis for all decisions and actions related to use of land, and to assure an adequate factual base for such decisions and actions.

GUIDELINES

2. Protect public health, safety, and welfare;
3. Maintain the quality of air, water, and land resources of the planning area;
5. Conserve and protect resources;
6. Diversify and improve the economy;
7. Develop public facilities and services;
8. Satisfy recreational needs;
9. Aid in the development of a transportation system; and
10. Conserve energy.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

Findings: The proposed Plan relates to and addresses the Land Use Planning Goal and aforementioned Guidelines. The Plan will encourage development and redevelopment in an area of Hood River which is zoned for commercial uses, thereby supporting the investment in the existing businesses (Guideline 6) and the existing infrastructure (Guidelines 7,9). The investment in the Area will help maintain the quality of air, water, and land resources, as it will encourage neighborhood use of commercial facilities and improve pedestrian and bicycle connections (Guidelines 3,10). There is a project in the plan to develop additional recreational places within the Area (Guideline 8). All investment in the Area will assist in protecting the public health, safety, and welfare of the Area (Guideline 2).

Goal 3: Agricultural Lands

This Plan will not impact or affect this goal.

Goal 4: Forest Lands

This Plan will not impact or affect this goal.

Goal 5: Open Spaces, Scenic and Historic Areas, and Natural Resources

This Goal in the Comprehensive Plan addresses open spaces, historic areas, and natural resources. This Plan will not impact or affect historic areas or natural resources; therefore, only the relevant provisions pertaining to open spaces are referenced.

OPEN SPACES

Open space and natural areas are an integral part of the City of Hood River's livability. A wide range of types and sizes of open space and natural areas within the urban area should provide: diverse plant and animal habitat, visual and special breaks from urban uses and places for recreation, facilities for community events, trails for pedestrian and bicycle transportation, and sports activities. Open space and natural areas may be in the form of parks, public school grounds, trails, natural areas and areas of special interest, river and stream corridors, open space easements and right-of-way, and lands excluded from development.

Maintaining open space and natural areas in an urban area is a difficult task, and one that becomes more complex during periods of rapid growth. However, providing open space in the urban area for the benefit of existing and future residents is important. The following goals are intended to enhance, create, and protect the City of Hood River's open space and natural areas.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

GOALS

3. To establish trails, greenways, and wildlife corridors that are interconnected;
4. To encourage environmental awareness so that citizens will become stewards of our natural resources;
5. To soften the appearance of street corridors with planter and median strips; and
6. To support coordinated efforts of public agencies, private organizations, and individuals to preserve and enhance the area's natural features and open space.

Findings: The Plan relates to the Goals of open space because the proposed projects will improve pedestrian connections by providing streetscape improvements (Goal 5), establish public spaces for community events (Goal 5), and enhance connections with local parks and greenspaces (Goals 3,6). The projects by themselves help increase environmental awareness (Goal 4).

Goal 6: Air, Land, and Water Resources Quality

GOAL

1. To maintain and improve the quality of the air, water, and land resources of the planning area to provide a relatively pollution-free environment.

POLICIES

Air Quality

2. The air discharges from public and private facilities within the City of Hood River will not exceed the carrying capacity of the air shed.
3. Activities involving or affecting the air resources of the City of Hood River and Urban Growth Area will provide for and contribute to both a stable and healthy economy and a relatively pollution-free environment.

IMPLEMENTATION STRATEGIES

1. Placement of walkways and bikeways shall be encouraged in an attempt to lessen the amount of motorized traffic.

Findings: The Plan will improve air quality because it will encourage neighborhood use of commercial facilities, improve pedestrian and bicycle connections, and provide streetscape improvements (Goal 1, Policies 2, 3, and Implementation Strategy 1).

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

Goal 7: Natural Disasters

This Plan will not impact or affect this goal.

Goal 8: Recreational Needs

GOAL

To satisfy the recreational needs of the citizens of the community and visitors to the area.

POLICIES

2. When feasible, recreational opportunities and park sites will be located so as to be accessible to a maximum number of people.
3. The development of parks which are accessible by means of walking or bicycling is encouraged.
4. Participation by neighboring residents will be encouraged to contribute to park development and maintenance.
5. Encourage low-maintenance park and recreation use of floodplains and drainage.

IMPLEMENTATION STRATEGIES

1. Park sites will be developed with the lowest possible maintenance costs while still maintaining quality (i.e. use of native species rather than ornamental species).
4. City sidewalks will continue to be upgraded (i.e. ramps at corners, legal catch).

Findings: The Plan will improve recreation sites by adding signage, streetscape improvements, and public spaces for community events, and will enhance the connections with local parks and greenspaces (Goal 1, Policies 2,3,5, and Implementation Strategy 4). The Area is in an urban setting with a residential neighborhood surrounding it (Goal 1 and Policy 2). The Plan will abide by the Parks and Recreation Master Plan and the State of Oregon Parks Comprehensive Plan (SCORP).

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

Goal 9: Economy

GOALS

1. To diversify and improve the economy of the Hood River planning area;
2. To preserve and promote a livable community;
3. To better utilize all commercial and industrial lands, including underutilized lands;
4. To have adequate public facilities for anticipated economic growth;
5. To have economic development that is consistent with availability of long-term human and natural resources; and
6. To accommodate the need for expansion of new and existing businesses.

POLICIES

3. Encourage family wage jobs, including, but not limited to: office, commercial, retail and lodging developments, light industrial small businesses, expansion of small commercial and light industrial businesses, home businesses, tourism and recreation based businesses, and regional retail businesses.
4. Consider existing business expansion needs.
6. Promote mixed-use developments that integrate business, office, light industrial, research and development, commercial uses, and residential if appropriate, on the same parcel.
7. Maintain consistency between the public facilities plan and the goals, policies, and implementation strategies of this section.
8. Encourage family-wage jobs.

IMPLEMENTATION STRATEGIES

6. The City shall pursue funding opportunities for the construction and completion of services in areas where deficient.

Findings: The Plan will help install the infrastructure necessary to support additional development and redevelopment of the Area (Goal 4, Policy 7, and Implementation Strategy 6). The Plan will help encourage the development of prime commercial land that will provide expansion opportunities for existing local businesses and will attract new ones to the Hood River area (Goals 1,2,3,5,6 and Policies 3,4,6,8). Growth in the Area would create new jobs for the community and would generate additional tax revenue for the municipality when the proposed Heights

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

Business District Urban Renewal Area expires (Goals 1,2,3,5,6 and Policies 3,4,8).

Goal 10: Housing

The Plan will not impact or affect this goal.

Goal 11: Public Facilities and Services

GOAL

To plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban and rural development in the City and Urban Growth Area.

POLICIES

1. Provide urban services (water, sewer, storm drainage, and transportation) to residential, commercial, and industrial lands within the City's Urban Growth Area;
6. Ensure that water mains are installed or upgraded to adequate size for firefighting and supply purposes;
7. Ensure that public facilities and services of adequate size are constructed to serve planned urban uses as urban growth occurs consistent with the zoning;
8. Ensure that location and extension of urban services is done in accordance with this Plan and the Public Facilities Master Plans;
13. Generally, require property owners benefiting from urban services extensions to finance urban services extensions;
15. Maintain an eight-year supply of commercial and industrial land that is serviceable by urban services; and
21. Ensure coordination between the Transportation Systems Plan and Public Facilities Plan, particularly with respect to recommended capital improvements.

IMPLEMENTATION STRATEGIES

12. That City shall adopt standards ensuring that urban service facilities are constructed to levels adequate to serve the needs of the proposed development and, where necessary, urban area.

Findings: The Plan will improve public facilities by providing funding to assist in the upgrading of deficient systems in the Area, including storm water, sanitary sewer, and water line improvements. These upgrades will be done in compliance with the Public Facilities Master Plans and in

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

coordination with the Transportation Systems Plan (Goal for Public Facilities and Policies 1,6,7,8,13,15, 21).

Goal 12: Transportation

There are seven transportation goals with related policies organized under each goal. The Goals that relate to the Plan are incorporated below.

GOAL 1

A balanced transportation system.

POLICIES

1. Develop and implement public street standards that recognize the multi-purpose and shared nature of the street right-of-way for utility, pedestrian, bicycle, transit, truck, and auto use, and recognize these streets as important to community identity as well as providing a needed service;
2. Provide connectivity to each area of the City for convenient multi-modal access;
3. Develop a safe, complete, attractive, and efficient system of pedestrian and bicycle ways, including bike lanes, shared roadways, off-street pathways and sidewalks according to the pedestrian and bicycle system maps. Road standards shall address bicycle and pedestrian paths; and
4. When development or redevelopment of land occurs, provide bike and pedestrian facilities that are consistent with standards and policies of this plan.

Findings: A project included in the Plan to provide streetscape improvements the Area will encourage more pedestrian and bicycle activity, which in turn will support business activity. In addition, the redevelopment will improve the function of the business district to strengthen existing businesses, provide additional employment opportunities, and provide services to residents that will help to reduce trips outside of the Area. Reinforcing the strength of the business district would, in turn, support the strength of the adjacent neighborhoods. Any work on the transportation system in the Area would be coordinated with other governmental entities, as required. These improvements will be made in compliance with the above stated goals and policies (Goal 1 and Policies 1,2,3,4).

GOAL 2

Transportation facilities designed and constructed in a manner that enhances Hood River's livability.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

POLICIES

1. Maintain the livability of Hood River through proper location and design of transportation facilities;
2. Locate and design recreational and bicycle pathways so as to balance the needs of human use and enjoyment with resource preservation in identified Natural Resource areas;
3. Meet the applicable requirements of state and federal resource agencies for wetlands or stream corridors in development of City transportation facilities; and
4. Protect neighborhoods from excessive through traffic and travel speeds while providing reasonable access to and from residential areas. Build local and neighborhood streets to minimize speeding.

Findings: A project included in the Plan to provide streetscape improvements in the Area will encourage more pedestrian and bicycle activity, which in turn will support business activity. In addition, the redevelopment will improve the function of the business district to strengthen existing businesses, provide additional employment opportunities, and provide services to residents that will help to reduce trips outside of the Area. Reinforcing the strength of the business district would, in turn, support the strength of the adjacent neighborhoods. Any work on the transportation system in the Area would be coordinated with other governmental entities, as required (Goal 2 and Policies 1,2,3,4).

GOAL 3

A safe transportation system.

POLICIES

1. Design streets to serve the anticipated function and intended uses as determined by the Comprehensive Plan;
2. Construct pathways only where they can be developed with satisfactory design components that address safety, security, maintainability, and acceptable pathway use;
3. Maintain access management standards for arterial and collector roadways consistent with City, County, and State requirements to reduce conflicts between vehicles and trucks, as well as conflicts between vehicles, bicycles, and pedestrians;
4. Ensure adequate access for emergency service vehicles is provided throughout the City; and

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

5. Designate routes to schools for each school and to and from any new residential project.

Findings: A project included in the Plan to provide streetscape improvements in the Area will encourage more pedestrian and bicycle activity, which in turn will support business activity. In addition, the redevelopment will improve the function of the business district to strengthen existing businesses, provide additional employment opportunities, and provide services to residents that will help to reduce trips outside of the Area. Reinforcing the strength of the business district would, in turn, support the strength of the adjacent neighborhoods. Any work on the transportation system in the Area would be coordinated with other governmental entities, as required (Goal 3 and Policies 1,2,3,4).

GOAL 4

An efficient transportation system that reduces the number of trips and limits congestion.

POLICY

1. Support trip reduction strategies developed regionally, including employment, tourist, and recreational trip programs.

Findings: A project included in the Plan to provide streetscape improvements in the Area will encourage more pedestrian and bicycle activity, which in turn will support business activity. In addition, the redevelopment will improve the function of the business district to strengthen existing businesses, provide additional employment opportunities, and provide services to residents that will help to reduce trips outside of the Area. Reinforcing the strength of the business district would, in turn, support the strength of the adjacent neighborhoods. Any work on the transportation system in the Area would be coordinated with other governmental entities, as required (Goal 4 and Policy 1).

GOAL 5

Transportation facilities, which are accessible to all members of the community and reduce trip length.

POLICIES

1. Construct transportation facilities to meet the requirements of the American with Disabilities Act; and
2. Develop neighborhoods and local connections to provide adequate circulation in and out of the neighborhoods.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

Findings: A project included in the Plan to provide streetscape improvements in the Area will encourage more pedestrian and bicycle activity, which in turn will support business activity. In addition, the redevelopment will improve the function of the business district to strengthen existing businesses, provide additional employment opportunities, and provide services to residents that will help to reduce trips outside of the Area. Reinforcing the strength of the business district would, in turn, support the strength of the adjacent neighborhoods. Any work on the transportation system in the Area would be coordinated with other governmental entities, as required (Goal 5 and Policies 1,2).

GOAL 6

Transportation facilities, which provide efficient movement of goods.

POLICIES

1. Designated arterial routes and freeway access areas in Hood River are essential for efficient movement of goods; design these facilities and adjacent land uses to reflect this need; and
2. Consider existing water, railroad, and air transportation facilities to be City resources and reflect the needs of these facilities in land use decisions.

Findings: The Plan relates to this goal as the transportation network includes arterials which will be used for the transportation of goods. Any new improvements to the system will be designed to facilitate the efficient movement of goods (Goal 6 and Policies 1,2).

GOAL 7

Implement the transportation plan by working cooperatively with federal, state, regional, and local governments, private sector, and residents, and by creating a stable and flexible financial system.

POLICIES

1. Coordinate transportation projects, policy issues, and development actions with all affected governmental units in the area: Hood River County, CAT, Port of Hood River and ODOT.

Findings: The Plan relates to this goal as the City will work cooperatively with the State and Federal government on any areas where this cooperation is necessitated, understanding that Highway 281 is a State Highway (Goal 7 and Policy 1).

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

Goal 13: Energy Conservation

GOAL

To conserve energy and encourage the use of renewable energy resources.

POLICIES

1. The development and growth of urban land uses shall be controlled and managed to maximize the conservation of all forms of energy;
2. Higher density land use along major arterials, collectors, and intersections will be encouraged;
3. Public facilities and services will be extended in an orderly manner to promote development of lands within and adjacent to the City before development of outlying areas;
4. Commercial development in clusters near residential areas and along arterials is encouraged;
6. The City will cooperate with operating utilities, state, and federal agencies and other organizations in projects to promote the conservation of non-renewable energy resources and the use of renewable resources; and
7. The City will encourage residents and businesses to take steps to conserve energy and use renewable energy resources. The City's efforts shall be coordinated with those of utilities, state, and federal agencies, and other organizations.

Findings: The Plan helps ensure the development of land that is already in the urban growth boundary while cooperating with other governmental entities (Energy Conservation Goal and Policies 1,2,6). The Plan assists in the development and redevelopment of a commercial development near residential areas and along arterials (Energy Conservation Goal and Policies 4,7). Public facilities will be improved to allow for the development of the land (Energy Conservation Goal and Policy 3).

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

Goal 14: Urbanization

GOAL

To provide for an orderly and efficient transition from rural to urban land use.

PURPOSE OF THE URBAN GROWTH BOUNDARY:

1. Contain urban development within areas planned for future long-range expansion where basic urban services such as sewer, water facilities, and police and fire protection can be efficiently and economically provided;
2. Conserve land, air, and water resources through orderly development of land areas; and
7. Preserve and enhance the livability of the Area.

Findings: The Plan conforms to the Urbanization goal because it helps make the best use of land that is in the urban growth boundary, which will thereby contain urban development in appropriately zoned areas (Urbanization Goal and Purpose 1,2). The Plan further conforms with this goal as it proposes projects which will preserve and enhance the livability of the area (Urbanization Goal and Purpose 7).

Comprehensive Map Categories:

The Comprehensive Plan map categories are the same as the zoning code categories covered in Section D below.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

B. City of Hood River Transportation System Plan

Transportation Goals and Policies

The Transportation System Plan (TSP) guides the management of existing transportation facilities and the design and implementation of future facilities through 2019. An update to the TSP that incorporates projects specifically identified for the Area is being undertaken, concurrent with the adoption of this Plan.

The existing TSP sets forth seven goals followed by policies and recommended actions to guide the development of Hood River's transportation system. The proposed Plan will comply with every goal that is relevant to the Area, namely goals 1, 2, 3, 6, and 7. A list of the relevant goals, policies, and actions is detailed below, along with how the proposed Plan relates to them.

GOAL 1

A balanced transportation system.

POLICIES

1. Develop and implement public street standards that recognize the multi-purpose and shared nature of the street right-of-way for utility, pedestrian bicycle, transit, truck, and auto use, and recognize these streets as important to community identity as well as providing a needed service;
2. Provide connectivity to each area of the City for convenient multi-modal access;
3. Develop a safe, complete, attractive, and efficient system of pedestrian and bicycle ways, including bike lanes, shared roadways, and off-street pathways and sidewalks, according to the pedestrian and bicycle system maps. Road standards shall address bicycle and pedestrian paths; and
4. When development or redevelopment of land occurs, provide bike and pedestrian facilities that are consistent with standards and policies of this plan.

Findings: The Plan relates to Goal 1 and Policies 1-4 by providing projects that help facilitate an improved pedestrian and bicycle transportation system within the area. The Plan proposes enhancing connections with local parks and greenspaces within the area (Goal 1 and Policies 1,2,3,4).

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GOAL 2

Transportation facilities designed and constructed in a manner that enhances Hood River's livability.

POLICIES

1. Maintain the livability of Hood River through proper location and design of transportation facilities; and
2. Locate and design recreational and bicycle pathways so as to balance the needs of human use and enjoyment with resource preservation in identified Natural Resource areas.

Findings: The Plan relates to Goal 2 and Policies 1 and 2 by providing projects that help facilitate an improved pedestrian and bicycle transportation system within the area. The Plan proposes enhancing connections with local parks and greenspaces within the area (Goal 2 and Policies 1 and 2).

GOAL 3

A safe transportation system.

POLICIES

2. Design streets to serve the anticipated function and intended uses, as determined by the Comprehensive Plan;
6. Construct pathways only where they can be developed with satisfactory design components that address safety, security, maintainability, and acceptable pathway use; and
9. Ensure adequate access for emergency service vehicles is provided throughout the City.

Findings: The Plan relates to Goal 3 and Policies 2,6,9 by providing projects that help facilitate an improved pedestrian and bicycle transportation system within the area; improvements that would also improve safety in the Area. The Plan proposes enhancing connections with local parks and greenspaces within the area (Goal 3 and Policies 2,6,9).

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

GOAL 6

Transportation facilities that provide efficient movement of goods.

POLICIES

1. Designated arterial routes and freeway access areas in Hood River are essential for efficient movement of goods; design these facilities and adjacent land uses to reflect this need.

Findings: The Plan relates to Goal 6 and Policy 1 as there is an arterial in the Area which is used by neighboring businesses for the efficient movement of goods. This use is consistent with the intent of the district and will be recognized as a future need in the Area when projects are designed (Goal 6 and Policy 1).

GOAL 7

Implement the transportation plan by working cooperatively with federal, state, regional and local governments, private sector and residents, and by creating a stable, flexible financial system.

POLICIES

1. Coordinate transportation projects, policy issues, and development actions with all affected governmental units in the area: Hood River County, CAT, Port of Hood River, and ODOT;
2. Participate in regional transportation and growth management policies and work with regional agencies to assure adequate funding of transportation facilities to support those policies;
4. Develop and utilize the System Development Charge and Traffic Impact Fee as an element of an overall funding program to pay for adding capacity to the collector and arterial street system and make safety improvements required by increased land use development; and
5. Develop a long-range financial strategy to make needed improvements in the transportation system and support operational and maintenance requirements.

Findings: The Plan relates to Goal 7 and Policies 1,2,4,5 as the main transportation route through the Area is a State of Oregon facility. Whenever possible, the City of Hood River will collaborate with other agencies to finance and complete these projects in the most efficient manner possible (Goal 7 and Policies 1,2,4,5).

THE PEDESTRIAN SYSTEM

A pedestrian system plan will be implemented in the city. Where possible, every paved street will have sidewalks on both sides of the roadway meeting the requirements set forth in the street standards. The pedestrian system projects include only sidewalk projects. Although shoulder additions can serve pedestrians, they are not ideal because they are not separated from the roadway; however, in undeveloped urban areas where development may not occur quickly, the addition of shoulders is often the most practical improvement that can be implemented. Generally, shoulders are more of a benefit to cyclists than to pedestrians; therefore, proposed shoulder widening or additions are discussed in the Bicycle System Plan section of this chapter. Missing sidewalk segments should be installed whenever an opportunity presents itself (such as development, special grants, etc.), concentrating on arterial streets, collectors, and school routes. Pedestrian safety should be improved at crossings through additional/improved signing and lighting, curbs extensions, access management, and speed control measures.

Findings: The Plan proposes projects which will further develop the Pedestrian System as described in the TSP. The Plan proposes streetscape improvements and pedestrian and bicycle improvements throughout the Area.

THE BICYCLE SYSTEM

This Transportation System Plan identifies the bicycle system projects that fill the gaps in the bicycle system network. The plan builds from the State requirement that all arterial and major collector roads have bikeways. Additional linkages are also included to complete the network.

On arterial and collector streets that are not scheduled to be improved as part of the street system plan, bike lanes may be added to the existing roadway at any time to encourage cycling, or when traffic volumes exceed 2,500 to 3,000 vehicles per day. The striping of bike lanes on streets, which lead directly to schools, is a high priority.

Bike lanes will be one-way, five or six feet wide, and located adjacent to the curb, except where there is curb parking or a right-turn lane. Where these conditions occur, the bike lane is located between the through travel lane and parking or right-turn-lane. The bike lanes shall be marked in the same direction as the adjacent travel lane. Striping and signing should conform to the State Bicycle and Pedestrian Plan.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

Findings: The Plan proposes projects which will further develop the Bicycle System as described in the TSP. The Plan proposes streetscape improvements and pedestrian and bicycle improvements throughout the Area.

C. Hood River Planning Code

The City of Hood River Planning Code establishes zoning districts to control land use throughout the city and regulates development standards within these established use districts. The proposed Area is located within established commercial, residential, and open space zones, and is regulated by Section 17 of the Planning Code. Section 17 has been designed in accordance with the goals, policies, and most appropriate statements of the intent of the City's Comprehensive Plan. It is the purpose of this title, therefore, to provide the principal means for the implementation of the Comprehensive Plan. Specifically, the proposed Area is located within the General Commercial, Open Space/Public Facility, Urban High Density Residential, and Urban Low Density Residential zones.

General Commercial (C-2): The General Commercial zone allows for most uses except large scale industrial. It supports small residential developments and commercial uses such as bed and breakfasts, daycares, and home businesses. With a site review, it will allow larger residential complexes (15 or more people), parking lots, and industrial uses that are essential to an on-site commercial business. Conditional uses include, but are not limited to, hospitals, schools, public parks, churches, and townhomes.

Findings: The proposed Plan relates to the general objectives and specific development standards prescribed for this zoning district. Plan projects will support and encourage additional General Commercial uses.

Open Space/Public Facility (OS/PF): The purpose of the Open Space/Public Facilities Zone is to provide land areas for parks and other necessary public facilities. This zone is also intended to serve as the mechanism to implement the public parks land use designation of the Comprehensive Plan. Permitted uses not subject to site plan review in this zone shall include, but are not limited to, recreational activities, parks, non-profit community activities, and arts festivals.

Findings: The proposed Plan relates to the general objectives and specific development standards prescribed for this zoning district. Proposed projects will enhance the open space areas and provide connectivity to those areas and to the downtown core.

Urban High Density Residential (R-3): The Urban High Density Residential Zone allows for single family residences, duplexes and triplexes and multi-

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN

family dwellings, subject to site plan review. It also allows for bed and breakfast facilities, residential care facilities, public parks in an approved subdivision, and other residential uses. Hospitals, churches, schools, public parks, hostels, townhouses, pumping stations, planned unit developments, and professional offices are a conditional use in this zone.

Findings: The proposed Plan relates to the general objectives and specific development standards prescribed for this zoning district. There are no projects proposed for the properties which are zoned R-3. The inclusion of this Area is to provide a link to the downtown and the ability to fund projects for the right-of-way.

Each of these districts contains specific development standards, intended to promote site planning and design that consider the natural environment; maintain the required dimensional standards while promoting energy conservation, privacy, safe, and efficient parking areas; and improve the general living environment and economic life of a development.

Findings: The proposed Plan relates to the general objectives and specific development standards prescribed for each of these zoning districts. The Plan will support the C2 zone by encouraging the development and redevelopment of businesses, assisting in infrastructure improvements that will be necessary for future development in the Area, and providing streetscape improvements to encourage pedestrian activity. It will provide for upgrades of open space and recreational sites and provide the connectivity of those sites to each other and to the downtown retail core.

APPENDIX A: LEGAL DESCRIPTION
DESCRIPTION

REPORT ACCOMPANYING HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL PLAN



Prepared for the City of Hood River
June 20, 2011

Tashman Johnson, LLC
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EXHIBIT 3

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HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL REPORT

I. INTRODUCTION

The Hood River Heights Business District Urban Renewal Report (Report) contains background information and project details to the Hood River Heights Business District Urban Renewal Plan (Plan). The Report 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 of the Plan.

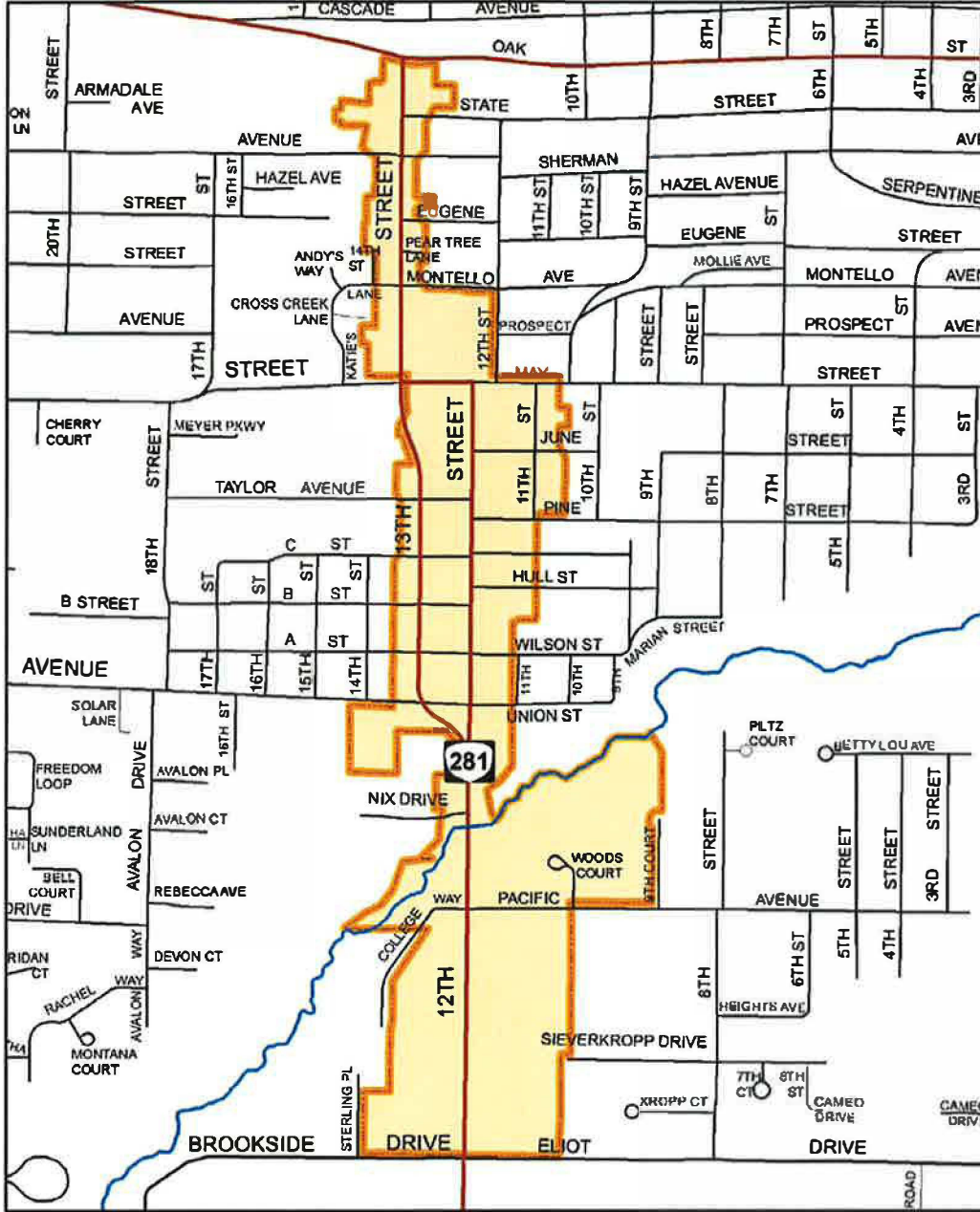
The Report provides the information required in ORS 457.085(3). The format of the Report is based on this statute.

The Hood River Heights Business District is a mixed-use area on the hills above downtown Hood River. It is oriented to Highway 281 - 12th and 13th Streets - which is a major connecting road between the central part of the City of Hood River and the Hood River Valley to the south. The Heights serves local commercial needs for the surrounding neighborhoods, communities to the south, and the city as a whole. In contrast to the recreation and tourism markets served by downtown Hood River, local residents rely on the restaurants, retailers, and service providers located in the Heights. The Heights was developed primarily as a residential neighborhood and many businesses on the north end of the district are operating out of converted single-family dwellings. Consequently, this commercial district lacks the character of a business district, with very low-density development and little pedestrian-oriented amenities or connections.

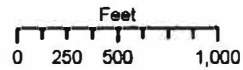
The City of Hood River has responded to requests from property owners and business owners in the Hood River Heights Business District for public investment to spur more intensive and higher quality development in the area. The Hood River Heights Business Association expressed an interest in urban renewal as a means of that public investment. A feasibility study for urban renewal in the Hood River Heights Business District was completed in September, 2010. It was reviewed by the Hood River Heights Business Association, the Planning Commission and the City Council, and the Council directed staff to prepare an urban renewal plan for its consideration.

The Hood River Heights Business District Urban Renewal Area (Area) is shown in Figure 1.

Figure 1- Hood River Heights Business District Urban Renewal Plan Area Boundary



Hood River Heights Urban Renewal Area Boundary



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

This section of the Report describes existing conditions within the Hood River Heights Business District Urban Renewal Area, documenting the occurrence of “blighted areas,” as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use

The Area, shown in Figure 1 above, contains 214 parcels, consisting of 74.82 acres and 20.82 acres of right-of-way, for a total size of 95.64 acres.

The Area is located in the Hood River Heights Business District along 12th and 13th Streets and connects at the north end to downtown Hood River at Oak Street. The Area extends to the south to Brookside Drive.

An analysis of property classification data from Hood River County 2010/11 Assessment and Taxation database was used to determine the land use designation of parcels in the Area. Commercial uses (occupied and vacant) are the main uses within the area (54%). The Hood River County Assessor classifies 40 properties as Highest and Best Use Residential, Commercially zoned, a total of 22% of the Area. The next highest use is Government/Non Profit (8%) followed by Single-Family Residential (5%).

Table 1 - Existing Land Use of Area

Land Use	Parcels	Acreage	% of Total Acreage
Commercial	109	40.24	53.78%
Vacant Commercial	14	6.51	8.70%
Highest & Best Use Residential (Commercial zone)	40	16.07	21.48%
Government/Non Profit	24	5.78	7.73%
Residential (single-family)	14	3.65	4.88%
Multi-family Residential	2	0.33	0.44%
Vacant Residential	11	2.24	2.99%
Total	214	74.82	100.00%

Source: Hood River County Assessor through Hood River County GIS

2. Zoning and Comprehensive Plan Designations

In the City of Hood River, the zoning and comprehensive plan designations are the same. The City of Hood River Planning Code establishes zoning districts to control land use throughout the city, and regulates development standards within these established use districts. Section 17 of the City of Hood River Planning Code has been designed in accordance with the goals, policies, and most appropriate statements of the intent of the City's Comprehensive Plan. It is the purpose of the zoning code, therefore, to provide the principal means for the implementation of the Hood River Comprehensive Plan.

Specifically, the majority of the proposed Area is located within the General Commercial zone. Other zones represented in the Area are the Residential High Density and Open Space zones.

The General Commercial zone allows for the development of commercial uses, which are subject to site plan review. The C-2 zone contains more of the service commercial uses. The C-2 zone also allows for single-family dwellings, duplexes and tri-plexes, home occupations, bed and breakfasts, residential care facilities, and other uses.

The Residential High Density zone allows multi-family housing subject to site plan review, duplexes and tri-plexes, and single-family housing. It also allows for home occupations, bed and breakfasts, residential care facilities, public parks and playgrounds, and other uses.

The purpose of the Open Space/Public Facilities Zone is to provide land areas for parks and other necessary public facilities. This zone is also intended to serve as the mechanism to implement the public parks land use designation of the Comprehensive Plan. Permitted uses not subject to site plan review in this zone shall include, but are not limited to: recreational activities, non-profit community activities, and arts festivals.

As illustrated in Table 4 and Figure 2, the largest portion (87%) of the Area is zoned as General Commercial. High Density Residential is approximately 11%. Open Space/Public Facility zoning accounts for 2% of the Area.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL REPORT

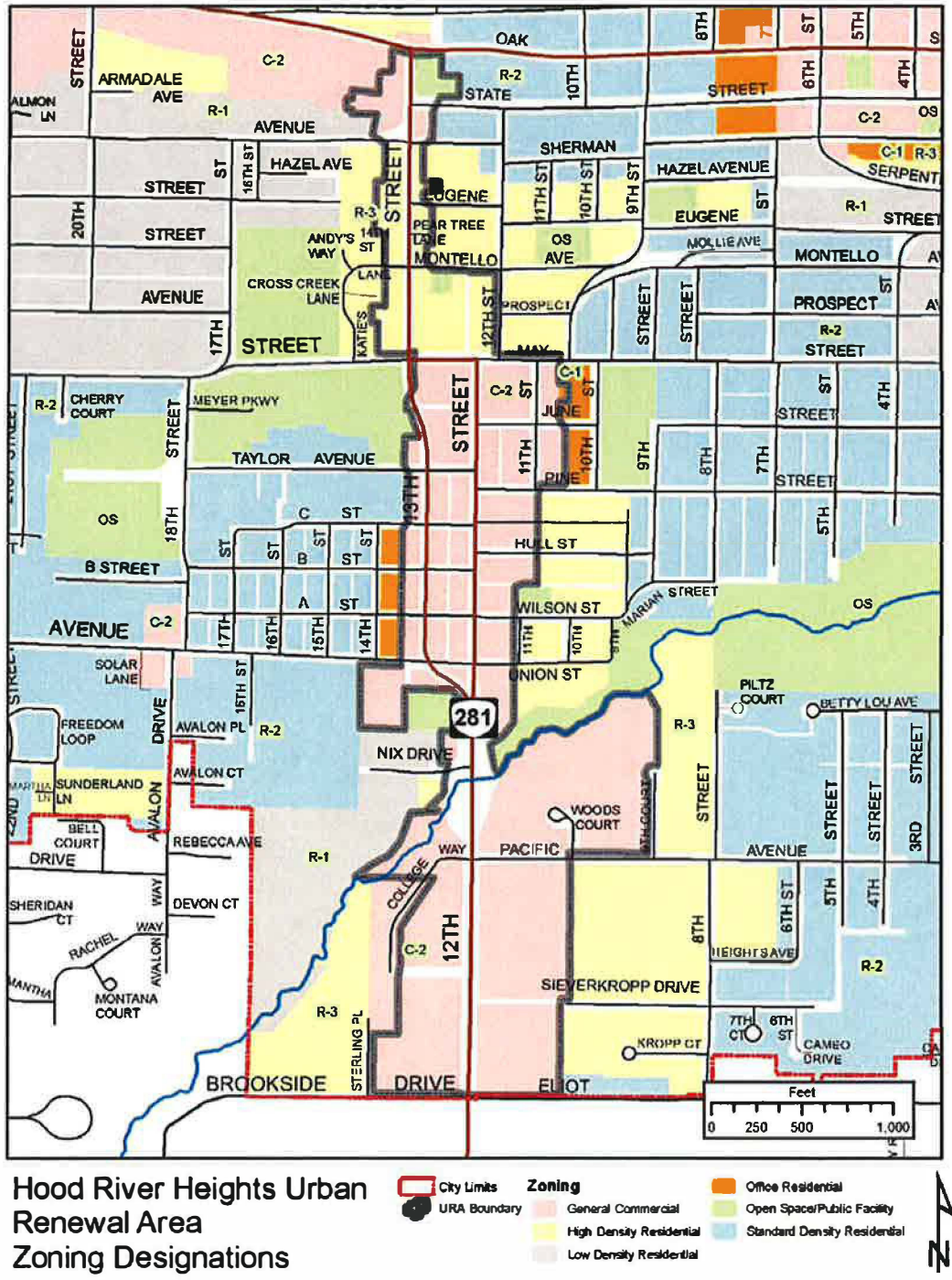
Table 2 - Existing Zoning and Comprehensive Plan Designations of Area

Zone	# Parcels	Acreage	% of Total Acreage
General Commercial	175	65.22	87.17%
Residential - High Density	37	8.26	11.04%
Open Space	2	1.34	1.79%
Total	214	74.82	100.00%

Source: Hood River County Assessor through Hood River County GIS

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Figure 2 - Area Zoning and Comprehensive Plan Designations



B. Infrastructure

1. Street and Sidewalk Conditions

There are sidewalk and streetscape improvements required throughout the Area. There are no bicycle lanes in the Area, and there are streets that could benefit from pedestrian safety improvements. The City Engineer provided an analysis of the street conditions as of February, 2011. Thirteen percent (13%) of the sections surveyed were in poor condition and another 13% were in fair to poor condition. Nine percent (9%) of the curbs were in either poor or fair to poor condition. Forty-eight percent (48%) of the intersections do not have American Disabilities Act (ADA) ramps that meet current standards for orientation, slope, and width. Some of the ramps and some of the sidewalks have power poles located in them in such a way as to impede access.

2. Storm Water

Based on information in the Sewer and Storm Water Capital Facilities Plan, completed in 2001, the storm water system upgrades needed in the Area are shown below, with a total cost of \$1,129,514. The project costs for all of the following infrastructure improvements were estimated by the City Engineer using the original 2001 project cost estimates and adjusting them according to the Engineering News Record (ENR) Construction Cost Index. The construction cost increase for this time period, according to the ENR, was 39%. A review of other cost indexes was made to provide a higher level of comfort in this number, however, since there is significant variation in the index values and lack of specific local data, the use of the ENR construction cost index value was utilized without adjustment.

Table 3 - Storm Water Projects

Location	Description	2001 Estimated Values	2010 Indexed Values
12th Street, Nix Drive to Elliot Drive	Replace 1650 LF existing SD with 15", 18", and 24" pipe	\$273,400.00	\$380,026.00
12th Street, Nix Drive to Belmont Avenue	Replace 585 LF existing SD with 18", 24", and 36" pipe. Replace manhole & 5 CBs	\$139,800.00	\$194,322.00
Belmont Avenue, 12th Street to Avalon Way	Replace 1650 LF SD with 24" pipe. Replace manholes, install T connections	\$344,300.00	\$478,577.00
12th Street, Taylor Ave to June Ave	Replace 303 LF existing SD 15" & 18" pipe. Install 2 CBs and replace 2 CB with manholes	\$55,100.00	\$76,589.00
Total			\$1,129,514.00

Source: City of Hood River 2011

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL REPORT

3. Sanitary Sewer

Based on information in the Sewer and Storm Water Capital Facilities Plan, completed in 2001, the sanitary sewer system upgrades needed in the Area are shown below with a total cost of \$2,668,800.

Table 4 - Sanitary Sewer Projects

Location	Description	2001 Estimated Values	2010 Indexed Values
Hull Street	Replace 1600 LF of 6" pipe with 8" pipe	\$795,100.00	\$1,105,189.00
13th & A Streets	Replace 900 LF of gravity sewer with 8" pipe	\$1,124,900.00	\$1,563,611.00
Total			\$2,668,800.00

Source: City of Hood River 2011

4. Water

Based on the City of Hood River Water Master Plan, adopted in 2001, the water system upgrades needed in the Area are shown below with a total cost of \$387,551.46.

Table 5 - Water Projects

Location	Description	2001 Estimated Values	2010 Indexed Values
12th Street between June and May Street	Replace 77 LF of 6" CI with 8" PVC	\$4,774.00	\$6,635.86
12 Street between A Street and May Street	Replace 1400 LF of 6" lead jointed pipe with 8" PVC	\$86,800.00	\$120,652.00
Wilson Street between 12th Street and Wilson Reservoir	Replace 8" lead jointed pipe with 300 LF of 8" PVC	\$18,600.00	\$25,854.00
May Street from 12th Street to 17th Street	Replace 1320 LF of 4" lead jointed pipe with 8" PVC	\$81,840.00	\$113,757.60
C Street from 12 th Street to 16th Street	Replace 1400 LF of 4" lead jointed pipe with 8" PVC	\$86,800.00	\$120,652.00
Total			\$387,551.46

Source: City of Hood River 2011

C. Social Conditions

There are 67 parcels in the Area classified by the Hood River County Assessor as having residential use. (Forty of those parcels are identified by the Hood River County Assessor as residential and the highest and best use.)

The Portland State University Population Research Study of April, 2010 estimates the population of the City of Hood River at 6,925 as of July 1, 2009, an 18.8% increase in population over nine years. This is a much higher increase than other communities of like size in Oregon.

The following information comes from the United States (US) Census and relates to the County of Hood River as a whole and can be assumed to relate to the residential parcels in the Area. Information is dated as 2009. This data set was used in preference over the 10-year-old data from the 2000 Census. 2010 Census data for the City of Hood River is not yet available. According to the data on the United States Census website, information from 2009, there were 21,883 people, 7,248 households, residing in the County of Hood River, with 2.70 persons per household. There were 8,978 housing units with a 64.9% homeownership rate.

The racial makeup of the County of Hood River as of the 2009 census information is shown in Table 6.

Table 6 - Racial Characteristics

Racial Characteristics	Percentage
White	94.5%
African American	0.8%
Native American	1.6%
Asian	1.5%
Pacific Islander	0.2%

Source: United States Census of 2000

The Census calculates Hispanic or Latino of any race as a separate category. Hispanic or Latino of any race was 27.4% of the population.

The median household income in the 2009 data was \$48,895.

D. Economic Conditions

1. Taxable Value of Property Within the Area

The estimated 2010/11 total assessed value of the real property in the Area is \$46,490,559. The total assessed value, including all real, personal, personal manufactured, and utility properties, is estimated to be \$49,465,955.

2. Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Ratio" or "I:L." The values used are real market values. In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives. A healthy condition of real estate investment in the Hood River Heights Business District Area would be 4:1 or more.

Table 7 below, "I:L Ratio of Parcels in the Area," shows the improvement to land ratios for taxable properties within the Area. Fifteen percent (15%) is undeveloped property. Approximately 24% of the parcels in the Area meet the improvement ratio of 4.0; the I:L ratios for improved properties in the urban renewal study area are very low.

Table 7 - I:L Ratio of Parcels in the Area

I:L Ratio	# Parcels	Acres	% of Total Acres
No Improvements	31	11.73	15.68%
0 - .99: 1	46	16.37	21.88%
1 - 1.99: 1	50	14.47	19.34%
2 - 2.99: 1	34	10.58	14.14%
3 - 3.99: 1	16	3.77	5.04%
4 - 4.99: 1	10	6.89	9.21%
5 - 5.99: 1	6	0.84	1.12%
6 - 6.99: 1	1	0.12	0.16%
7 or More	8	4.11	5.49%
No Land Value*	12	5.94	7.94%
Total	214	74.82	100.00%

Source: Data from Hood River County GIS *Non-profit or governmental

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

Funding for Development and Redevelopment projects will increase the retail and commercial occupancies within the Area, which will generally result in higher demand for fire, life safety, and public safety services. The projected increase in occupancies within the Area will also raise the demand for water, sewer, and storm drainage services.

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

- Improved transportation systems, including street and streetscape improvements, will benefit the citizens of Hood River Heights Business District. The streetscape improvements will benefit pedestrians and bicyclists by allowing for more safety and an extended system of connections throughout the City. The streetscape will also benefit the commercial businesses as these improvements will result in a more user-friendly area to support the existing businesses and encourage new business development.
- Potential rehabilitation of existing structures and new construction will occur as a result of the Redevelopment Assistance program.
- Improvement in public spaces in the Area will help encourage more activity in the commercial core, supporting the businesses in the Area.
- Additional parking in the Area will support the businesses in the Area and make shopping in the Area easier for the residents of Hood River Heights Business District.
- Increased investment in the Area helps strengthen the tax base both within the Area and in surrounding areas.
- Undergrounding of utilities will help improve the appearance of the Area, attracting more visits to the commercial core and supporting businesses.
- In addition, developed sites will create employment opportunities for the citizens of Hood River.

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

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

The Hood River Heights Business District Area is selected to cure blight within the Area. Projects specified in the Area will help encourage development within the Area, curing blight, adding to the tax base, and providing jobs within the City of Hood River Heights Business District.

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

The projects identified for the Area are:

1. Infrastructure Improvements

Infrastructure improvements include utility upgrades addressing deficient systems in the Area, including storm water, sanitary sewer, and water line improvements. Infrastructure improvements also include parking improvements and undergrounding of utilities.

a) Utility Upgrades

Utility upgrades include storm water, sanitary sewer and water system improvements as identified in the Capitol Improvement Plans.

Existing Conditions: As identified in Section B of the Report, there are deficiencies in the utility systems in the Area. These include deficiencies in storm water, sanitary sewer, and water systems within the Area.

b) Parking Improvements

Parking improvements will be developed in the Area.

Existing Conditions: There is presently on-street parking throughout the northern portion of the Area, north of Union Street. The businesses in the northern section are mostly served by this on-street parking, with the addition of some small lots adjacent to individual businesses. There is a need for a public parking facility with appropriate signage to help encourage business in the Area. The larger commercial businesses at the south end of the Area do not have on-street parking, but are served by parking lots at the front of their businesses.

c) Undergrounding of Utilities

Utilities will be undergrounded where feasible. The City will work with the utility providers to underground utilities.

Existing Conditions: The electrical, cable, and internet lines in the Area are not presently undergrounded.

2. District Identity/Streetscape Improvements

Streetscape improvements throughout the Area will include sidewalk improvements, sidewalk ramps, lighting, banners, signage, and street furniture, including benches, planters, bike racks, and other streetscape improvements, as designated by the Agency.

Existing Conditions: The existing sidewalks in the Area are in need of upgrading. There are very few ADA compliant ramps in the Area. There is no street furniture, district-wide signage, lighting, planters, banners, or other streetscape amenities.

a) Pedestrian and Bicycle Improvements

The streetscape improvements will be designed with the pedestrian and bicyclist in mind. Any parking improvements will also consider the needs of the bicyclist.

Existing Conditions: There are no designated bike lanes or routes and the existing sidewalks are difficult for a bicyclist to use.

b) Connections to Parks and Greenspaces

Streetscape improvements, including pedestrian and bicyclist improvements, will be designed to enhance the connections to existing local parks and greenspaces adjacent to the Area.

Existing Conditions: Jackson Park is located at the north of the Area. There is also the Indian Creek trail system within the Area. Improved connections of these parks and greenspaces to the sidewalk system within the Area is desired.

c) Public Spaces

Public spaces will be incorporated into the Area. These spaces could be small "pocket" parks encouraging people to recreate in the Area.

Existing Conditions: There are no designated "public spaces" in the Area. Jackson Park is adjacent to the area, but the desired public spaces are spaces to be integrated into the business area, encouraging people to relax and recreate within the Area.

3. Redevelopment Assistance

A redevelopment assistance program will be developed to support development and redevelopment in the Area.

Existing Conditions: There is presently no funded program for redevelopment assistance in the Area.

4. Acquisition of Property

Property will be acquired as necessary for infrastructure improvements, including parking improvements, public space improvements, and the implementation of the District Identity.

Existing Conditions: There is presently no funded program for acquisition of property in the Area.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL REPORT

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

Table 8 - Projects

Hood River Heights Business District Project Costs			
Infrastructure Improvements	Estimated Costs	Urban Renewal Share (PV)	
Storm Water	1,129,514	564,000	50% of cost
Sanitary Sewer	2,668,800	834,000	31% of cost
Water	387,551	194,000	50% of cost
Parking Improvements		800,000	
Acquisition of Property: Parking/Parks		500,000	
District Identity			
Streetscape Improvements		2,040,000	\$340K per block (6)
Public Spaces		600,000	
Connections to local parks/greenspaces		100,000	
Economic Development Assistance			
Redevelopment assistance programs		268,000	
Administration		200,000	\$10K / 20 years
Total Project and Administration Costs		6,100,000	
Estimated MI (inflated dollars)		8,495,650	
Present Value of Maximum Indebtedness		6,100,000	

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL REPORT

Table 9 - Projects and Costs in Year of Expenditure Dollars

	FYE	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
REVENUES											
Beginning Balance		0	2,899	3,825	96,754	57,598	75,826	54,220	109,403	154,443	37,519
Debt Proceeds											
Long Term		0	0	1,050,679	0	0	1,020,326	0	0	1,257,948	0
Short Term		20,000	40,000	0	0	60,000	0	100,000	90,000	65,000	160,000
Interest			58	76	1,935	1,152	1,517	1,084	2,188	3,089	750
	Total	20,000	42,957	1,054,580	98,689	118,750	1,097,668	155,305	201,591	1,480,480	198,269
EXPENDITURES											
Bond Issuance Costs		200	400	26,267	0	600	25,508	1,000	900	32,099	1,600
Administration		10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048
Capital Projects											
Storm Water		0	0	0	0	0	0	0	0	294,357	0
Sanitary Sewer		0	0	0	0	0	0	0	0	435,272	0
Water		0	0	0	0	0	0	0	0	101,250	0
Parking Improvements		0	0	0	0	0	0	0	0	0	0
Acquisition of Property: Parking/Parks		0	0	0	0	0	0	0	0	0	0
Streetscape Improvements		0	0	891,665	0	0	974,347	0	0	532,347	0
Public Spaces		0	0	0	0	0	0	0	0	0	0
Connections to Local											
Parks/Greenspaces		0	0	0	0	0	0	0	0	0	0
Business assistance programs		6,901	28,432	29,285	30,164	31,069	32,001	32,961	33,949	34,968	36,017
	Total	17,101	39,132	957,826	41,091	42,924	1,043,448	45,901	47,148	1,442,961	50,665

Source: Tashman Johnson LLC projections, 2011

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL REPORT

Table 9 - Projects and Costs in Year of Expenditure Dollars, continued

	FYE	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
REVENUES											
Beginning Balance		147,604	178,771	111,595	40,576	54,601	258,367	110,649	41,340	118,808	757,560
Debt Proceeds											
Long Term		0	1,338,439	0	0	0	0	0	0	0	0
Short Term		210,000	0	200,000	265,000	220,000	380,000	545,000	610,000	660,000	321,506
Interest		2,952	3,575	2,232	812	1,092	5,167	2,213	827	2,376	15,151
Total		360,556	1,520,785	313,827	306,388	275,693	643,535	657,862	652,166	781,184	1,094,217
EXPENDITURES											
Bond Issuance Costs		2,100	33,461	2,000	2,650	2,200	3,800	5,450	6,100	6,600	3,215
Administration		13,439	13,842	14,258	14,685	15,126	15,580	16,047	16,528	17,024	17,535
Capital Projects											
Storm Water		0	482,477	0	0	0	0	0	0	0	0
Sanitary Sewer		0	713,451	0	0	0	0	0	0	0	0
Water		0	165,959	0	0	0	0	0	0	0	0
Parking Improvements		0	0	0	121,007	0	513,506	0	0	0	722,444
Acquisition of Property: Parking/Parks		0	0	256,993	113,444	0	0	247,927	0	0	180,611
Streetscape Improvements		0	0	0	0	0	0	0	0	0	0
Public Spaces		0	0	0	0	0	0	347,098	510,730	0	162,550
Connections to Local											
Parks/Greenspaces		138,423	0	0	0	0	0	0	0	0	0
Business assistance programs		27,823	0	0	0	0	0	0	0	0	0
Total		181,786	1,409,190	273,251	251,787	17,326	532,886	616,522	533,358	23,624	1,086,355

Source: Tashman Johnson LLC projections, 2011

VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

Projects will be ongoing and accomplished over the life of the Plan. The anticipated dates of the projects are shown in Table 9 above.

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL REPORT

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

Table 10 shows the tax increment revenues and their allocation to loan repayments, reimbursements, debt service, and debt service reserve funds. It is anticipated that all debt will be retired by the end of FY 2032 (any outstanding bonds will be defeased). The maximum indebtedness is \$8,495,650. The estimated total amount of tax increment revenues required to service the maximum indebtedness is \$10,385,420. The term of the long term bonds is 15 years, coverage ratio of 1.25 and interest rate of 5.5%.

Table 10 - Tax Increment Revenues

Fiscal Year Ending	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
REVENUES											
Beginning Balance + Prior Year Reserve	0	0	34,558	88,788	119,349	191,620	248,244	309,949	323,876	401,315	435,545
Tax Increment Revenues		53,488	91,705	130,843	171,135	213,203	257,906	307,895	360,085	414,561	471,411
Interest	0	1,070	2,525	4,393	5,810	8,086	10,123	12,357	13,679	16,318	18,139
Transfer from Bond Proceeds											
Total	0	54,558	128,788	224,024	296,294	412,919	516,274	630,201	697,640	832,194	925,095
EXPENDITURES											
Long Term Debt Service											
Bond 1				104,674	104,674	104,674	104,674	104,674	104,674	104,674	104,674
Bond 2							101,651	101,651	101,651	101,651	101,651
Bond 3										125,324	125,324
Bond 4											
Total Long Term Debt Service	0	0	0	104,674	104,674	104,674	206,325	206,325	206,325	331,649	331,649
Long Term Debt Service Reserve	0	0	0	104,674	104,674	104,674	206,325	206,325	206,325	331,649	331,649
Short Term Debt Service		20,000	40,000			60,000		100,000	90,000	65,000	160,000
Defeasance											
Total	0	20,000	40,000	209,349	209,349	269,349	412,650	512,650	502,650	728,298	823,298
Ending Balance	0	34,558	88,788	14,675	86,945	143,570	103,624	117,551	194,990	103,896	101,797
Short Term Principal	0	20,000	40,000	0	0	60,000	0	100,000	90,000	65,000	160,000
Funding Capacity	\$0	\$20,000	\$40,000	\$1,050,679	\$0	\$60,000	\$1,020,326	\$100,000	\$90,000	\$1,322,948	\$160,000

Source: Tashman Johnson LLC projections, 2011

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL REPORT

Table 10 - Tax Increment Revenues, continued

Fiscal Year Ending	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
REVENUES										
Beginning Balance + Prior Year Reserve	433,446	436,173	572,769	571,630	567,467	672,776	677,364	576,397	574,697	586,911
Tax Increment Revenues	525,203	581,240	639,605	700,388	763,677	819,730	877,919	938,322	1,001,017	1,066,086
Interest	19,173	20,348	24,247	25,440	26,623	29,850	31,106	30,294	31,514	33,060
Transfer from Bond Proceeds										
Total	977,822	1,037,761	1,236,622	1,297,459	1,357,767	1,522,356	1,586,389	1,545,014	1,607,228	1,686,057
EXPENDITURES										
Long Term Debt Service										
Bond 1	104,674	104,674	104,674	104,674	104,674	104,674	104,674			
Bond 2	101,651	101,651	101,651	101,651	101,651	101,651	101,651	101,651	101,651	101,651
Bond 3	125,324	125,324	125,324	125,324	125,324	125,324	125,324	125,324	125,324	125,324
Bond 4		133,343	133,343	133,343	133,343	133,343	133,343	133,343	133,343	133,343
Total Long Term Debt Service	331,649	464,992	464,992	464,992	464,992	464,992	464,992	360,317	360,317	360,317
Long Term Debt Service Reserve	331,649	464,992	464,992	464,992	464,992	464,992	360,317	360,317	360,317	
Short Term Debt Service	210,000		200,000	265,000	220,000	380,000	545,000	610,000	660,000	203,259
Defeasance										
Total	873,298	929,983	1,129,983	1,194,983	1,149,983	1,309,983	1,370,309	1,330,634	1,380,634	563,576
Ending Balance	104,524	107,777	106,639	102,475	207,784	212,372	216,080	214,380	226,594	
Short Term Principal	210,000	0	200,000	265,000	220,000	380,000	545,000	610,000	660,000	203,259
Funding Capacity	\$210,000	\$1,338,439	\$200,000	\$265,000	\$220,000	\$380,000	\$545,000	\$610,000	\$660,000	\$203,259

Source: Tashman Johnson LLC projections, 2011

HOOD RIVER HEIGHTS BUSINESS DISTRICT URBAN RENEWAL REPORT

VIII. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FY 2032, as shown above, are based on projections of the assessed value of development within the Area and the total tax rate which will apply in the Area. Note that these projected revenues are calculated subject to concurrence of overlapping taxing districts of collection of full division of tax amounts from FYE 2029 through 2032.

Table 11 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues and the annual tax increment revenues (not adjusted for under-collection, penalties and interest). These, in turn, provide the basis for the projections in Table 10.

Table 11 - Projected Incremental Assessed Value, Tax Rates and Tax Increment Revenues (Dollars)

FYE Ending	2012	2013	2014	2015	2016	2017	2018	2019
Total Assessed Value	49,809,500	52,945,723	56,230,606	59,688,936	63,348,651	67,273,351	71,552,046	76,020,135
Incremental Assessed Value	1,309,500	4,445,723	7,730,606	11,188,936	14,848,651	18,773,351	23,052,046	27,520,135
Frozen Base	48,500,000	48,500,000	48,500,000	48,500,000	48,500,000	48,500,000	48,500,000	48,500,000
Appreciation %	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
Appreciation \$	1,309,500	1,344,857	1,429,535	1,518,226	1,611,601	1,710,414	1,816,380	1,931,905
New Development Value		1,791,366	1,855,349	1,940,104	2,048,113	2,214,286	2,462,314	2,536,184
Projected Total Tax Rate		12.0313	11.8626	11.6940	11.5253	11.3567	11.1880	11.1880
Tax Increment Revenues	\$0	\$53,488	\$91,705	\$130,843	\$171,135	\$213,203	\$257,906	\$307,895
Percent from New Development		57%	56%	56%	56%	56%	58%	57%

Source: Tashman Johnson LLC projections, 2011

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Table 11 - Projected Incremental Assessed Value, Tax Rates and Tax Increment Revenues (Dollars), continued

FYE Ending	2020	2021	2022	2023	2024	2025	2026	2027
Total Assessed Value	80,684,948	85,554,079	90,635,396	95,443,403	100,452,052	105,668,885	111,101,712	116,758,618
Incremental Assessed Value	32,184,948	37,054,079	42,135,396	46,943,403	51,952,052	57,168,885	62,601,712	68,258,618
Frozen Base	48,500,000	48,500,000	48,500,000	48,500,000	48,500,000	48,500,000	48,500,000	48,500,000
Appreciation %	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%	2.7%
Appreciation \$	2,052,544	2,178,494	2,309,960	2,447,156	2,576,972	2,712,205	2,853,060	2,999,746
New Development Value	2,612,269	2,690,637	2,771,357	2,360,852	2,431,677	2,504,628	2,579,766	2,657,159
Projected Total Tax Rate	11.1880	11.1880	11.1880	11.1880	11.1880	11.1880	11.1880	11.1880
Tax Increment Revenues	\$360,085	\$414,561	\$471,411	\$525,203	\$581,240	\$639,605	\$700,388	\$763,677
Percent from New Development	56%	55%	55%	49%	49%	48%	47%	47%

Source: Tashman Johnson LLC projections, 2011

FYE Ending	2028	2029	2030	2031	2032
Total Assessed Value	121,768,673	126,969,728	132,368,610	137,972,383	143,788,353
Incremental Assessed Value	73,268,673	78,469,728	83,868,610	89,472,383	95,288,353
Frozen Base	48,500,000	48,500,000	48,500,000	48,500,000	48,500,000
Appreciation %	2.7%	2.7%	2.7%	2.7%	2.7%
Appreciation \$	3,152,483	3,287,754	3,428,183	3,573,952	3,725,254
New Development Value	1,857,573	1,913,300	1,970,699	2,029,820	2,090,715
Projected Total Tax Rate	11.1880	11.1880	11.1880	11.1880	11.1880
Tax Increment Revenues	\$819,730	\$877,919	\$938,322	\$1,001,017	\$1,066,086
Percent from New Development	37%	37%	37%	36%	36%

Source: Tashman Johnson LLC projections, 2011

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

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. These projections are for impacts estimated through FYE 2032, subject to concurrence of overlapping districts of collection of full division of tax amounts from FYE 2029 through FYE 2032.

Table 12a - Projected Impact on Taxing District Permanent Rate Levies During Use of Tax Increment Financing

Present Value of Revenues Foregone Through FYE 2032	Total	Average Annual
Hood River County General	641,843	32,092
Hood River 911	255,632	12,782
City of Hood River	1,273,268	63,663
Port of Hood River	15,037	752
Hood River Parks and Recreation	158,434	7,922
Hood River Transportation District	32,747	1,637
Hood River Library District	176,642	8,832
Columbia Gorge Community College	122,426	6,121

Source: Tashman Johnson LLC projections, 2011
 The Hood River Library District Levy begins in fiscal year ending 2012. The present value rate is calculated at 3%.

The following districts are not directly affected by the tax increment financing, but the amount of their taxes divided for the urban renewal plan is shown below. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone because of the use of Tax Increment Financing are replaced as determined by a funding formula at the State level with State School Fund revenues.

Table 12b - Projected Impact on Taxing District Permanent Rate Levies During Use of Tax Increment Financing

Present Value of Revenues Foregone Through FYE 2032	Total	Average Annual
Hood River County School District	2,179,439	108,972
Columbia Gorge Education Service District	211,879	10,594

Source: Tashman Johnson LLC projections, 2011

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The present value of average impact of foregone revenues as a percentage of the total permanent rate levy of each taxing district is shown in Table 13a.

Table 13a - Average Annual Revenues Foregone as Percent of Levy

Present Value of Revenues Foregone Through FYE 2032	FYE 2011 Permanent Rate Levy*	Percent Average Annual of FYE 2011 Permanent Rate Levy
Hood River County General	2,486,394	1.3%
Hood River 911	990,476	1.3%
City of Hood River	1,709,314	3.7%
Port of Hood River	54,543	1.4%
Hood River Parks and Recreation	586,739	1.4%
Hood River Transportation District	126,910	1.3%
Hood River Library District	684,253	1.3%
Columbia Gorge Community College	442,998	1.4%

Source: Tashman Johnson LLC projections, 2011

The following districts are not directly affected by the tax increment financing, but the percent average annual of FY 2011 Permanent Rate Levy is shown below.

Table 13b - Average Annual Revenues Foregone as Percent of Levy

Present Value of Revenues Foregone Through FYE 2032	FYE 2011 Permanent Rate Levy*	Percent Average Annual of FYE 2011 Permanent Rate Levy
Hood River County School District	8,442,569	1.3%
Columbia Gorge Education Service District	820,965	1.3%

Source: Tashman Johnson LLC projections, 2011

Table 13a shows that the City of Hood River itself has the highest percentage of revenues foregone in comparison to the FY 2011 permanent rate levy (3.7%). All other taxing districts show impacts of 1.4% or less.

Table 14a shows the increase in permanent rate levy revenues that would occur after termination of the tax increment financing in FYE 2032.

Table 14a - Additional Revenues Obtained After Termination of Tax Increment Financing

Revenues Received in FYE 2033	
Hood River County General	45,654
Hood River 911	18,183
City of Hood River	90,568
Port of Hood River	1,070
Hood River Parks and Recreation	11,269
Hood River Transportation District	2,329
Hood River Library District	12,565
Columbia Gorge Community College	8,708

Source: Tashman Johnson LLC projections, 2011

The following taxing districts are not directly affected by the tax increment financing, but the amount of revenues they would receive in FY2033 which would be directed to the State School Fund is shown below.

Table 14b - Additional Revenues Obtained After Termination of Tax Increment Financing

Revenues Received in FYE 2033	
Hood River County School District	155,024
Columbia Gorge Education Service District	15,071

Source: Tashman Johnson LLC projections, 2011

X. RELOCATION REPORT

There are no businesses or residents to be relocated under the Plan.

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

There are two existing urban renewal areas in the City of Hood River. State law limits the percentage of both a municipality's **total assessed value** and **the total land area that can be** contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base, including all real, personal, personal manufactured, and utility properties in the Hood River Heights Urban Renewal Area is estimated at \$49,465,955. The Hood River County Assessor's office will certify the frozen base of the Area once the Plan is adopted.

The estimated total acreage of the existing urban renewal areas is 188.44 acres, including public right-of-way. There are 95.64 total acres in the Expansion Area, for 284.04 total URA acres. Therefore, 13.38% of the acreage in the City would be in urban renewal areas, and 11.94% of the assessed value of the City would be in urban renewal areas. This is below the statutory limitation of 25% in both cases.

Table 15 - URA Conformance with AV and Area Limits

Urban Renewal Area	Frozen Base Assessed Value	Acres
Hood River Heights Business District	\$49,465,955	95.64
Cascade Columbia Development Plan (Downtown Urban Renewal)	\$12,583,099	79.29
Waterfront Urban Renewal Area	\$10,354,866	109.11
Total	\$72,403,920	284.04
Total Acreage, City of Hood River		2,123
Total Assessed Value City of Hood River Less Incremental Assessed Value in Urban Renewal Areas	\$606,499,793*	
Percent of Hood River AV in Urban Renewal Areas	11.94%	
Percent of Hood River Acreage in Urban Renewal		13.38%

Source: Hood River County Assessor FY 10/11 tax rolls

*Less excess from current URA