

CLACKAMAS COUNTY BOARD OF COUNTY COMMISSIONERS

Staff Presentation Worksheet

Presentation Date: 6/26/12 **Approx Start Time:** 10:30am **Approx Length:** 30 minutes

Presentation Title: Lake Grove Urban Renewal Plan Briefing

Department: County Administration

Presenters: Steve Wheeler, Jane Blackstone and Elaine Howard of the City of Lake Oswego

Other Invitees:

WHAT ACTION ARE YOU REQUESTING FROM THE BOARD?

No action – this is informational only at this time.

EXECUTIVE SUMMARY:

The Lake Oswego City Council is considering adoption of an ordinance to establish an urban renewal area for the Lake Grove Town Center in Lake Oswego and are scheduled to consider the adoption of the proposed Lake Grove Village Center Urban Renewal Plan on July 17, 2012.

FINANCIAL IMPLICATIONS (current year and ongoing):

Tables attached: 1) Project Impacts on Taxing District Permanent Rate Levies and 2) Additional Revenues Projected for FY 2039-40 After Termination of Tax Increment Financing

LEGAL/POLICY REQUIREMENTS:

The legal requirements for the adoption of an urban renewal plan stipulate that the proposed urban renewal plan be sent to representatives of overlapping taxing districts. Although the approval of the overlapping taxing districts is not required, the Lake Oswego City Council is required to respond specifically to any written recommendations of the districts.

RECOMMENDATION:

Review and consider report.

ATTACHMENTS:

Letter – the official transmission of the proposed Lake Grove Village Center Urban Renewal Plan

June 11, 2012 Draft Lake Grove Village Center Urban Renewal Plan

June 11, 2012 Report Accompanying Lake Grove Village Center Urban Renewal Plan

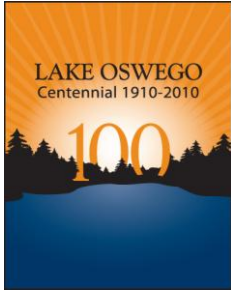
SUBMITTED BY:

Division Director/Head Approval _____

Department Director/Head Approval _____

County Administrator Approval _____

For information on this issue or copies of attachments, please contact _____ @ 503- _____



CITY OF LAKE OSWEGO

ECONOMIC AND CAPITAL DEVELOPMENT

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Date: June 20, 2012

Re: Proposed Lake Grove Village Center Urban Renewal Plan

The Lake Oswego City Council is considering adoption of an ordinance to establish an urban renewal area for the Lake Grove Town Center in Lake Oswego. The tax increment revenues from urban renewal would assist with funding projects defined in the Lake Grove Village Center Plan including the Boones Ferry Road Improvements project and public parking for new and existing development in the Town Center.

The legal requirements for the adoption of an urban renewal plan stipulate that the proposed urban renewal plan be sent to representatives of overlapping taxing districts. Although the approval of overlapping taxing districts is not required, the City Council is required to respond specifically to any written recommendations of the districts. This letter is the official transmission of the proposed Lake Grove Village Center Urban Renewal Plan.

The Lake Oswego City Council is scheduled to consider the adoption of the proposed Lake Grove Village Center Urban Renewal Plan on July 17, 2012. The boundary of the proposed urban renewal area is shown in Figure 1.

Background

The Lake Grove Village Center Plan, a vision for a vibrant mixed-use neighborhood, was adopted by the Lake Oswego City Council in April 2008 after many years of work with community stakeholders. The plan identifies specific projects to address community needs and correct deficiencies with existing public infrastructure. A key project is improving Boones Ferry Road to create safe and attractive sidewalks and pedestrian crossings, linkages to surrounding neighborhoods, bicycle lanes, improved storm water drainage, and better accommodation of

vehicular traffic. The plan also identifies public parking, gateway features to define entries into the Village Center, and public gathering places as additional components to serve the community and stimulate private investment.

In 2011, the City of Lake Oswego hired a consulting team to study potential financing strategies to implement the Lake Grove Village Center Plan. Given the extent of investment needed, the consulting team recommended a variety of financing tools, including urban renewal. After review of the financing study, the Lake Oswego City Council authorized the preparation of an urban renewal plan as a key component of the financing strategy for the Lake Grove Village Center improvements. In 2012, a focus group was formed to help guide the preparation of the urban renewal plan. The focus group was comprised of representatives from Lake Grove neighborhoods, the Lake Grove Business Association, the Lake Oswego Chamber of Commerce, the Lake Oswego Planning Commission, and the Lake Oswego School District. In addition, two public meetings were held to inform the public about the urban renewal planning process and gain their input.

Lake Grove Village Center Urban Renewal Plan Components

The Lake Grove Village Center Urban Renewal Plan (Plan) is limited in scope to the Boones Ferry Road Improvements project, providing funds for parking project. It also includes the ability to fund the administration necessary to implement the Plan.

The maximum indebtedness of the Plan is \$36,000,000. Maximum indebtedness is the total amount of funds to be spent on projects, programs, and administration throughout the life of the Plan. The maximum indebtedness was based on financial analysis of a 26-year plan. While this analysis was based on a specific time frame, there is no time limit for the Plan; it is limited only by the defined maximum indebtedness.

Impact on Taxing Jurisdictions

The impact of urban renewal 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. The projections for impacts on the taxing jurisdictions are estimated through fiscal year 2038-39.

Revenue sharing was a feature of the 2009 legislative changes in urban renewal law. Revenue sharing is based on the actual tax increment revenues generated and occurs at stipulated trigger points in the life of a Plan. Revenue sharing is based on the actual tax increment revenues generated and occurs at stipulated trigger points in the life of a Plan. The first trigger point is when the tax increment revenues are equal to 10% of the maximum indebtedness established for the Area. It is not anticipated that this urban renewal area would reach this revenue sharing

trigger until the last two years of the district. If actual assessed value growth in the Area exceeds the projections made in the Urban Renewal Plan, revenue sharing could occur earlier.

General obligation (GO) bonds and local option levies issued after October 2001 are not impacted by urban renewal. The issuing jurisdiction will still receive its current share of the taxes for GO bonds and local option levies issued after October 2001.

The Lake Oswego School District and the Education Service District are not directly affected by urban renewal; however, the amounts of their taxes divided for the Urban Renewal Plan are shown on Table 1. 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 that are foregone because of urban renewal are replaced (as determined by a funding formula at the State level) with State School Fund revenues. The Lake Oswego School District local option levy will not experience losses because of this Plan.

Table 1 shows the projected impacts to the taxing districts as a result of the proposed Lake Grove Village Center Urban Renewal Plan.

Table 1 – Projected Impact on Taxing District Permanent Rate Levies

Fiscal Year	Total Impacts	Portland Community College	Clackamas ESD *	Lake Oswego School District *	City of Lake Oswego	Clackamas County	County Extension and 4H	County Library	County Soil Conserv.	Park Lake Grove	Port of Portland	Metro/Oregon Zoo	Vector Control
2013-14	281,301	6,022	7,852	95,207	105,846	51,199	1,065	8,463	1,065	894	1,493	2,057	138
2014-15	345,245	7,391	9,637	116,848	129,906	62,837	1,307	10,387	1,307	1,098	1,832	2,525	170
2015-16	416,158	8,910	11,616	140,849	156,589	75,744	1,575	12,520	1,575	1,323	2,209	3,043	205
2016-17	494,583	10,589	13,805	167,392	186,098	90,018	1,872	14,879	1,872	1,573	2,625	3,617	243
2017-18	581,129	12,441	16,221	196,683	218,663	105,770	2,200	17,483	2,200	1,848	3,084	4,250	286
2018-19	682,084	14,603	19,038	230,852	256,649	124,145	2,582	20,520	2,582	2,169	3,620	4,988	336
2019-20	798,941	17,105	22,300	270,402	300,620	145,414	3,024	24,036	3,024	2,540	4,240	5,843	393
2020-21	921,246	19,723	25,714	311,797	346,640	167,674	3,487	27,716	3,487	2,929	4,889	6,737	453
2021-22	1,049,257	22,464	29,287	355,122	394,807	190,973	3,972	31,567	3,972	3,336	5,568	7,673	516
2022-23	1,183,239	25,332	33,027	400,468	445,221	215,359	4,479	35,598	4,479	3,762	6,279	8,653	582
2023-24	1,323,472	28,334	36,941	447,930	497,987	240,883	5,010	39,816	5,010	4,208	7,023	9,679	651
2024-25	1,470,251	31,477	41,038	497,608	553,216	267,598	5,565	44,232	5,565	4,675	7,802	10,752	723
2025-26	1,623,884	34,766	45,326	549,605	611,023	295,560	6,147	48,854	6,147	5,163	8,618	11,876	799
2026-27	1,784,690	38,209	49,815	604,030	671,531	324,828	6,755	53,692	6,755	5,675	9,471	13,051	878
2027-28	1,953,011	41,812	54,513	660,998	734,865	355,464	7,393	58,756	7,393	6,210	10,364	14,282	961
2028-29	2,129,194	45,584	59,430	720,628	801,158	387,531	8,059	64,057	8,059	6,770	11,299	15,571	1,048
2029-30	2,313,616	49,533	64,578	783,045	870,550	421,097	8,758	69,605	8,758	7,356	12,278	16,920	1,138
2030-31	2,487,192	53,249	69,423	841,792	935,862	452,689	9,415	74,827	9,415	7,908	13,199	18,189	1,224
2031-32	2,668,041	57,121	74,471	903,001	1,003,911	485,605	10,099	80,268	10,099	8,483	14,159	19,511	1,313
2032-33	2,856,472	61,155	79,730	966,776	1,074,813	519,901	10,812	85,937	10,812	9,082	15,159	20,889	1,406
2033-34	3,052,807	65,358	85,210	1,033,225	1,148,688	555,636	11,556	91,843	11,556	9,707	16,201	22,325	1,502
2034-35	3,257,374	69,738	90,920	1,102,461	1,225,661	592,869	12,330	97,998	12,330	10,357	17,286	23,821	1,603
2035-36	3,470,522	74,301	96,870	1,174,601	1,305,862	631,663	13,137	104,410	13,137	11,035	18,418	25,380	1,708
2036-37	3,692,609	79,056	103,069	1,249,767	1,389,428	672,085	13,977	111,092	13,977	11,741	19,596	27,004	1,817
2037-38	3,681,002	78,807	102,745	1,245,839	1,385,061	669,973	13,933	110,742	13,933	11,704	19,535	26,919	1,811
2038-39	3,741,284	80,098	104,427	1,266,241	1,407,743	680,944	14,162	112,556	14,162	11,896	19,854	27,360	1,841
Total	\$48,258,604	\$1,033,178	\$1,347,003	\$16,333,167	\$18,158,398	\$8,783,459	\$182,671	\$1,451,854	\$182,671	\$153,442	\$256,101	\$352,915	\$23,745

Source: ECONorthwest

* NOTE: Lake Oswego Schools and the Clackamas Education Service District are not directly impacted, as they are allocated funding through the State School Funding Formula that is based on per pupil counts.

Table 2 shows the tax revenues projected to be available to taxing jurisdictions once the Area is terminated. These are estimates only; changes in the economy may impact the projections. The table depicts the taxes from the frozen base of the Area that the taxing jurisdictions receive throughout the life of the Plan; the estimated additional taxes that will be received by the taxing jurisdictions in FY 2039-40, after projected Plan completion; and the total of the two.

Table 2 – Additional Revenues Projected for FY 2039-40 After Termination of Tax Increment Financing

Taxing District	Tax Rate	Tax Revenues: FY 2039-40		
		From Frozen Base	From Tax Increment Released	Total
Portland Community College	0.2828	\$42,656	\$94,551	\$137,207
Clackamas County ESD	0.3687	\$55,613	\$123,270*	\$178,883
Lake Oswego School District	4.4707	\$674,335	\$1,494,722*	\$2,169,057
City of Lake Oswego	4.9703	\$749,692	\$1,661,757	\$2,411,449
Clackamas County	2.4042	\$362,636	\$803,814	\$1,166,450
Clackamas County Extension and 4H	0.0500	\$7,542	\$16,717	\$24,259
Clackamas County Library	0.3974	\$59,942	\$132,866	\$192,808
Clackamas County Soil and Conservation	0.0500	\$7,542	\$16,717	\$24,259
Park Lake Grove	0.0420	\$6,335	\$14,042	\$20,377
Port of Portland	0.0701	\$10,573	\$23,437	\$34,010
Metro/Oregon Zoo	0.0966	\$14,571	\$32,297	\$46,868
Vector Control	0.0065	\$980	\$2,173	\$3,153
Total	13.2093	\$1,992,417	\$4,416,363	\$6,408,780

Source: ECONorthwest

***These will not be new direct revenues, due to State School Funding Formula.**

The draft Lake Grove Village Center Urban Renewal Plan and Report are enclosed with this letter. If you would like to provide written comments, your comments will be responded to by the Lake Oswego City Council. Please provide your written comments by July 10, 2012.

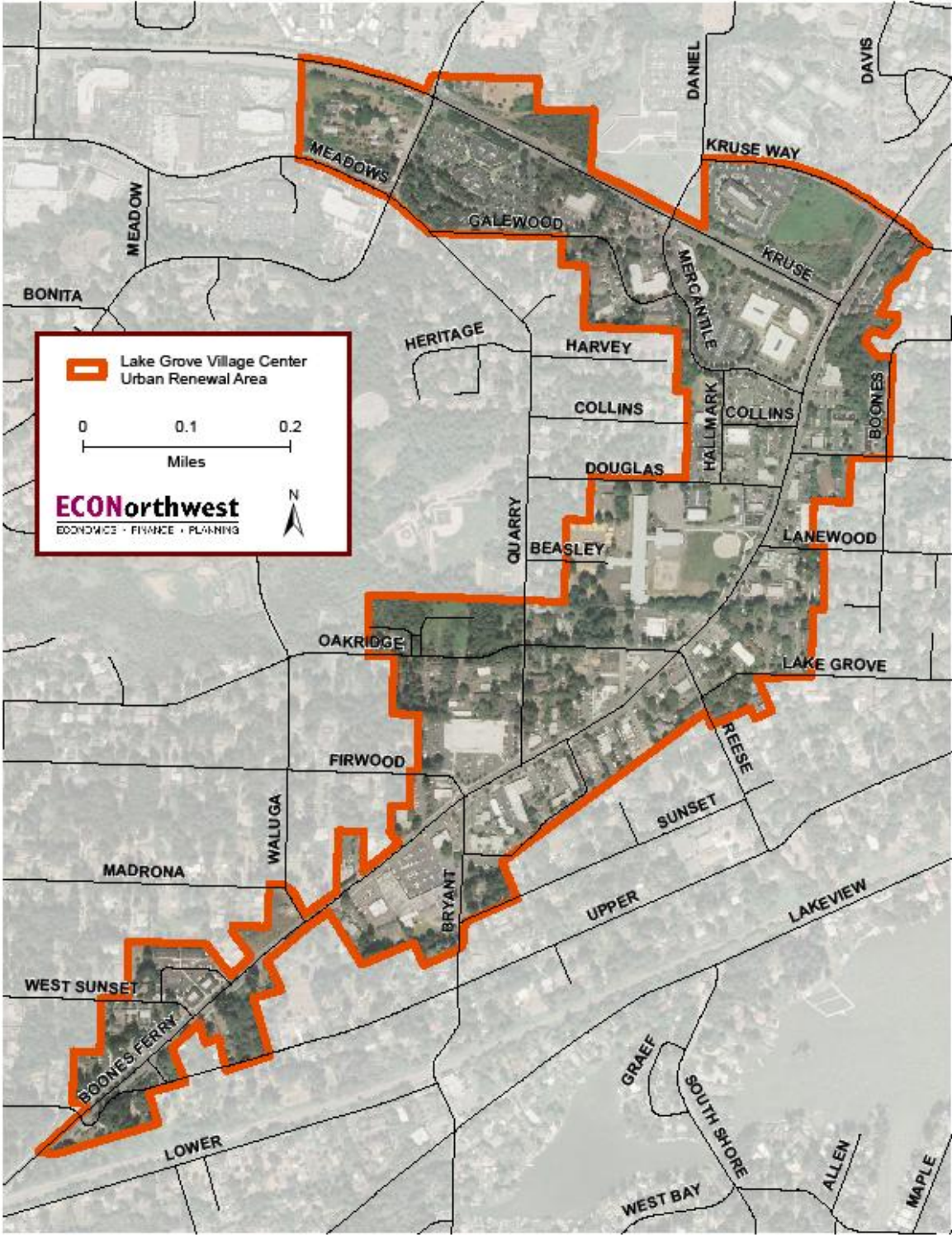
For more information, please contact:

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Sincerely,

David Donaldson
 City Manager

Figure 1 – Lake Grove Village Center Urban Renewal Plan Area Boundary



- Attachments:
- A: Draft Lake Grove Village Center Urban Renewal Plan
 - B: Draft Report on the Lake Grove Village Center Urban Renewal Plan

LAKE GROVE VILLAGE CENTER URBAN RENEWAL PLAN



June 11, 2012 DRAFT

Prepared for the City of Lake Oswego

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TABLE OF CONTENTS

I. INTRODUCTION	1
II. GOALS AND OBJECTIVES	6
III. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES	9
IV. URBAN RENEWAL PROJECTS	10
V. PROPERTY ACQUISITION AND DISPOSITION	11
VI. RELOCATION METHODS	12
VII. TAX INCREMENT FINANCING OF PLAN	13
VIII. FUTURE AMENDMENTS TO PLAN	14
IX. PROPOSED LAND USES	17
X. RELATIONSHIP TO LOCAL OBJECTIVES	19

I. INTRODUCTION

The Lake Grove Village Center Urban Renewal Plan (Plan) contains goals, objectives, and projects for the development of the Lake Grove Village Center 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 Lake Grove Urban Renewal Plan Boundary is shown in Figure 1.

The following project background is taken directly from the 2008 Lake Grove Village Center Plan:

In 1999, the Lake Oswego Comprehensive Plan was amended to designate the Lake Grove area as a Town Center consistent with the Metro 2040 Plan. In 2001, the Boones Ferry Road Corridor Plan was prepared by the City but never formally adopted.

Planning and public involvement for the Lake Grove Town Center began in September, 2002, and culminated with the development of the Lake Grove Town Center (LGTC) Plan Report in July, 2003. Throughout the process, several well attended community open houses and a multi-day design charrette were held to identify issues and test concepts. The LGTC Plan Report provided a summary of issues and concepts for integrating land use and transportation in the center. When completed, the LGTC Plan Report served as a source document for and bridge to the follow up implementation planning process.

In October 2003, a twelve-member citizen advisory committee, chaired by a member of the Planning Commission, was appointed by the Lake Oswego City Council to assist the Planning Commission in the development of an implementation plan consistent with the project's adopted Guiding Principles and the City's Comprehensive Plan. As the Advisory Committee began its work on refining the vision, the group recommended a name change from Lake Grove Town Center to Lake Grove Village Center which they felt more accurately reflected the scale and character of development envisioned for Lake Grove. Between October 2003 and June 2005, the Advisory Committee met monthly, or in some cases weekly, to refine the vision for the Village Center and to develop implementation measures to achieve the vision. In addition, the Advisory Committee met twice per month from September 2005 through April 2006 to develop and refine draft development code language to implement the plan with additional meetings occurring during the summer.

In the summer [of] 2006, the City of Lake Oswego applied to have the Plan and Code adopted by the Lake Oswego City Council. An Open House was held in September prior to the start of public hearings before the Planning Commission in October 2006. Throughout their deliberations, the Planning Commission sought to strengthen plan and code provisions to meet long-term community needs, balance various interests and concerns raised in public testimony, and to restructure the documents to better conform to the formats of the Comprehensive Plan and Community Development Code. The Planning Commission made an effort to preserve, to the greatest extent possible, the carefully balanced consensus reached by the Advisory Committee.

Public hearings before the City Council began in February, 2008. The Plan was adopted in April, 2008. Throughout the planning process, the Planning Commission guided the work of consultants, staff and citizens in their efforts to create a visionary yet realistic Plan to guide future development in Lake Grove. Many of those involved came to appreciate the delicate balancing act required to integrate and coordinate the diverse interests of the many stakeholders involved in the effort.¹

In 2011 the City of Lake Oswego hired the team of ECONorthwest, Elaine Howard Consulting, LLC and OTAK to propose a financing plan to implement the Lake Grove Village Center Plan. As part of the public review of this financing plan, there were nine individual interviews, two public meetings, two Lake Oswego Planning Commission (Planning Commission) meetings and two Lake Oswego City Council (Council) work sessions. At the second Council work session on April 24, 2012, the Council reinforced earlier direction to begin formation of an urban renewal plan to use tax increment financing to fund some of the projects in the Lake Grove Village Center Plan.

An urban renewal plan focus group was formed to help guide the preparation of the urban renewal plan. The focus group met five times to provide input on the urban renewal plan components and the urban renewal planning process. The focus group contained members from the Lake Oswego Chamber of Commerce, Lake Grove Business District, Lake Grove area neighborhoods, Planning Commission and Lake Oswego School District. Two public meetings were held (April 4 and May 9, 2012) where the plan was discussed and input received from the community.

¹ Lake Grove Village Center Plan, Planning Process, p 4. Adopted 2008.

The Plan includes a list of specific projects to help implement the shared community vision for the Area. These projects include reconstruction of Boones Ferry Road, as described later in this document, and parking improvements.

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 Section III and identified in Section IV.

Urban renewal is put into effect when the City of Lake Oswego 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 that may be 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 159.3 acres of land, including approximately 35.90 acres of right-of-way.

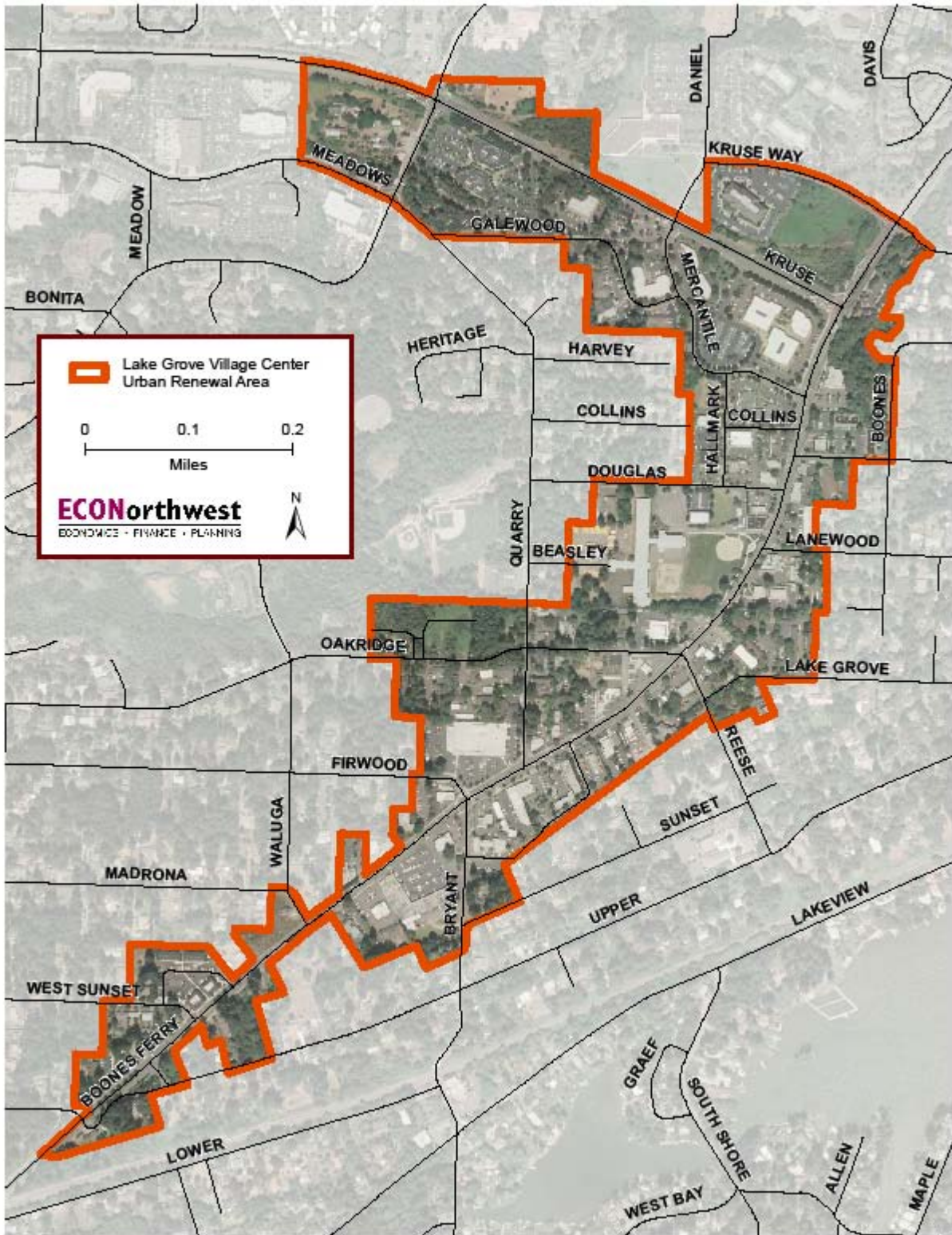
The Plan will be administered by the Lake Oswego Redevelopment Agency (LORA), which was established by the City Council of the City of Lake Oswego as the City's Urban Renewal Agency (Agency). Substantial changes to the Plan, if necessary, must be approved by the City Council, as outlined in Section VIII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

A Report accompanies this Plan. 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 maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is \$36,000,000 (Thirty- Six Million Dollars). The projections of maximum indebtedness and projects to be funded are based on a 26-year time frame. This time frame is not absolute, but is used to model the financial projections. The determining factor for the Plan's time frame is the amount and terms of maximum indebtedness. Economic factors may cause that time frame to decrease if the economy strengthens or increase if the economy weakens.

Figure 1 - Lake Grove Village Center Urban Renewal Area Boundary



II. GOALS AND OBJECTIVES

The goals of the Plan describe 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 Section IV of the Plan are the specific means of meeting certain objectives. The goals are related to the Lake Grove Village Center Plan and were developed with input from a focus group comprised of Lake Grove Business District representatives, Lake Grove area neighborhood residents, the Lake Oswego Chamber of Commerce, the Lake Oswego Planning Commission, and the Lake Oswego School District.

1. Implement the Lake Grove Village Center Plan

Use urban renewal to support, fund, and implement projects that will move the Lake Grove Village Center towards achieving the goals and policies stated in the Lake Grove Village Center Plan adopted by the City Council in 2008 after extensive citizen involvement.

Objectives

- a. Implement the vision of the Lake Grove Village Center Plan in the Area.

2. Transportation

Improve the transportation network within the Area, with an emphasis on Boones Ferry Road, to create an atmosphere that promotes safety, walkability, ease of access, and a unique identity.

Objectives

- a. Improve Boones Ferry Road to create a street that provides a safe and welcoming environment for pedestrians, bicyclists, and vehicles, accommodates auto traffic efficiently, provides adequate vehicular access and parking inventory to meet the needs of businesses, and manages stormwater within the right-of-way.
- b. Encourage alternative modes of transportation, including public transit, walking, and biking within the Area.
- c. Promote pedestrian travel by enhancing the safety, convenience and attractiveness of walking to and from the Area, including safe crossings on Boones Ferry Road and cross streets.

3. Create a Unique Identity with a Sense of Place and Community

Transform the Area into a vibrant mixed-use area with a unique and recognizable aesthetic identity that strengthens sense of place, promotes enjoyable visits and return patronage, and leverages private investment.

Objectives

- a. Establish a unique identity, through Boones Ferry Road and other improvements, that enhances the Area's character, providing a sense of community for existing businesses and residents and giving visitors a reason to return to the Area.
- b. Create gathering places along Boones Ferry Road to create a "String of Pearls" (neighborhood gathering places) effect that will provide focal points in the Area.
- c. Build a Festival Street to accommodate street fairs, public markets, and other gatherings.
- d. Protect the residential character of the adjacent neighborhoods.
- e. Establish gateway features to notify pedestrians and drivers that they have entered the Lake Grove Village Center.
- f. Create a Village Commons to serve as a major attractor and location for community events.

4. Economy

Promote the role of the Area as an energetic mixed-use community of local businesses that is supported both by the surrounding neighborhoods and visiting shoppers.

Objectives

- a. Encourage more neighborhood-serving businesses to locate within the Area, thereby adding to the critical mass of the area.
- b. Support local businesses by enhancing the transportation network and ensuring there is sufficient parking to address Area demand.
- c. Form public-private partnerships and use public investment to generate private investment.
- d. Develop programs and incentives to encourage mixed-use development, housing and retail uses with a focus on retaining and attracting neighborhood-serving businesses, diverse shopping opportunities, and unique cultural attractions.

5. Natural Resources

Protect the natural resources and enhance the natural environment in the Area.

Objectives

- a. Encourage the use of sustainable street design and stormwater management practices, including the use of shared stormwater facilities.
- b. Encourage use of sustainable building and development practices.
- c. Encourage the efficient and productive use of watershed resources, including the Three Sisters and Springbrook creeks.

6. Public Involvement

Ensure that community values and priorities are properly represented through a process of continual community engagement and feedback.

Objectives

- a. Provide opportunities for meaningful public participation in decision-making.

III. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES

The projects within the Area are transportation and parking projects. An outline of major urban renewal project activities is as follows:

1. Transportation Improvements

Boones Ferry Road improvements including the street, sidewalks, a center median with greenstreet elements, traffic signals, pedestrian crosswalks, bike lanes, left turn lanes and space to allow U turns, and streetscape improvements.

2. Parking

Parking development to replace parking lost in the Boones Ferry Road construction and parking to support businesses in the Area.

3. Acquisition

Acquisition of property, as required for implementation of Plan projects.

4. Administration of the Plan

The Agency may use funds for administration of the Plan throughout the life of the Plan.

IV. URBAN RENEWAL PROJECTS

Urban renewal projects authorized by the Plan are described below.

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:

1. Boones Ferry Road

Boones Ferry Road includes full improvements as specified in the Lake Grove Village Center Plan including:

- Four travel lanes (two travel lanes in each direction)
- Landscaped center medians serving as a greenstreet feature to capture stormwater
- Bike lanes on both sides of the street
- Sidewalks, including tree wells or landscaped planter on both sides of the street
- Left turn lane and space for u-turns at the signalized intersections
- Pedestrian crosswalks
- Undergrounding of private utilities
- Consistent streetscape elements, including pedestrian scale lighting, street furniture/benches, public transit shelters, coordinated paving materials, and street trees.

2. Parking Improvements

Parking to replace parking lost in the Boones Ferry Road construction as outlined in the Lake Grove Village Center Plan and parking to support businesses in the Area. This Parking project may include acquisition of sites and the development of parking facilities.

3. Acquisition of Property

Acquisition of property will occur as needed for required implementation of Plan projects in accordance with Section V below.

4. Administration of the Plan

The Agency may use funds for administration of the Plan throughout the life of the Plan.

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 in compliance with State law. 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 implement the Plan. The Plan does not authorize the Agency to use the power of eminent domain to acquire property from a private party to transfer property to another private party for private redevelopment.

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.

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 debt, 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 approved. (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.)

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 will 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 \$36 million (Thirty-Six Million Dollars). 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 Lake Oswego 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.

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 Lake Oswego, 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.

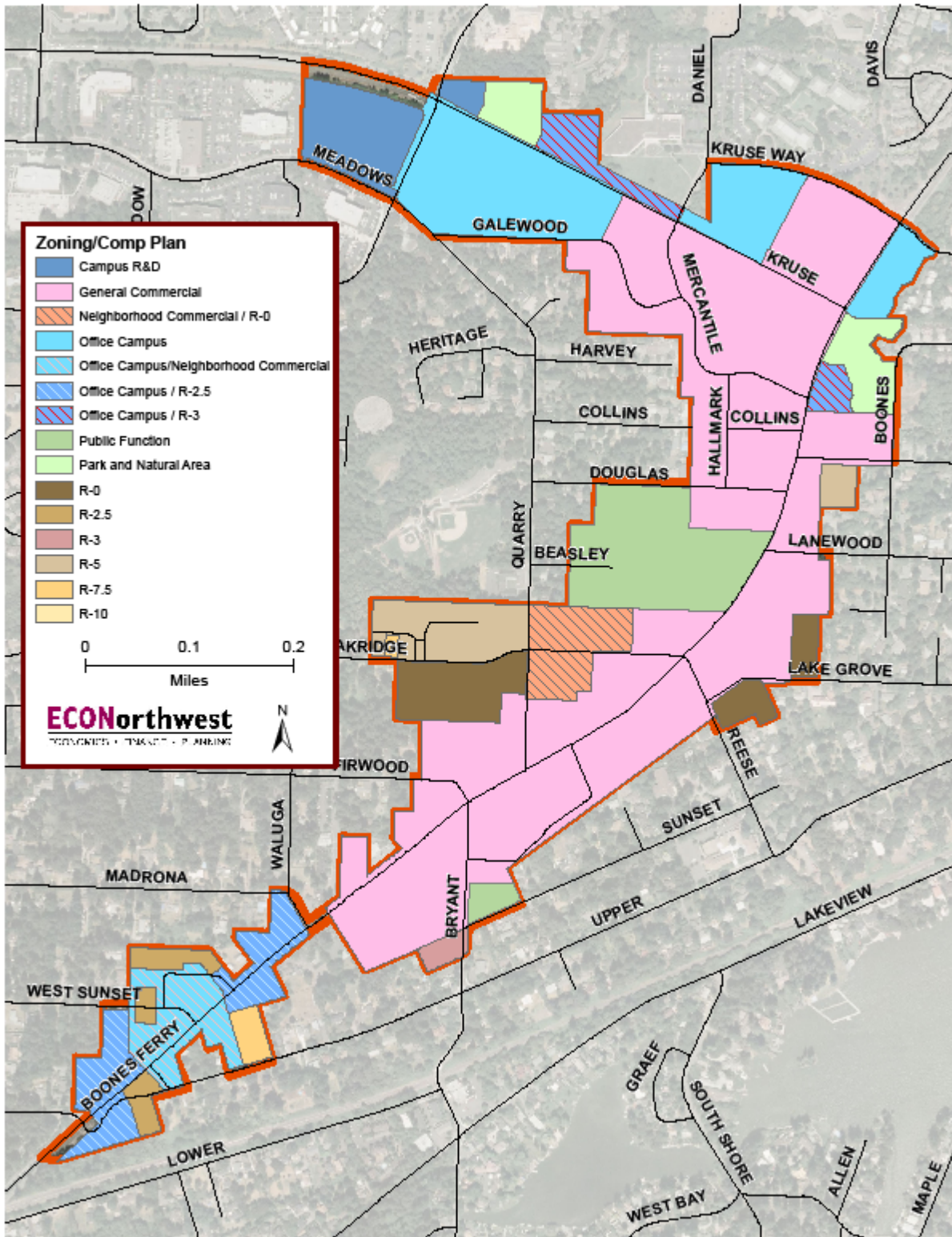
B. Minor Amendments

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

C. Amendments to the Lake Oswego Comprehensive Plan and/or Lake Oswego Community Development Code

Amendments to the Lake Oswego Comprehensive Plan and/or Lake Oswego Community Development Code 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.

Figure 2 – Zoning and Comprehensive Plan Designations



IX. PROPOSED LAND USES

The proposed land uses are those identified in the Lake Oswego Community Development Code Article 50 (zoning code) and the Lake Oswego Comprehensive Plan. The zoning code categories in the Area are shown below. If these are updated by the City of Lake Oswego, those updates are automatically incorporated into this Plan.

General Commercial: To provide lands for commercial activities supplying a broad range of goods and services to a market area that includes the planning area identified in the Comprehensive Plan.

Office Campus: To provide lands for major concentrations of regionally-oriented offices and employment opportunities for a market area larger than the planning area.

Neighborhood Commercial: To provide land near or within residential areas for commercial activities.

Residential Zones 7.5: The purpose of the low density residential zones is to provide lands for single-family residential development with densities ranging from two to five dwelling units per gross acre.

Residential R-5: To provide lands for single and multi-family residential development with densities ranging from seven to eight dwelling units per gross acre.

Residential R3, R2: To provide lands for single and multi-family residential development with densities of at least 12 dwelling units per gross acre.

Campus Research and Development: To provide a mix of clean, employee-intensive industries, offices and high-density housing with associated services and retail commercial uses in locations supportive of mass transit and the regional transportation network.

Park and Open Space: The purposes of the Park and Natural Area (PNA) Zone are to:

- i. Protect, preserve, conserve, and enhance natural areas, greenways, and parks;
- ii. Permit a wide range of passive and active recreational uses, and accessory uses, on property for the future use and enjoyment of the City and its residents;
- iii. Implement Statewide Planning Goal 8, Recreational Needs; and
- iv. Establish a Master Plan process for park planning and development.

Public Functions: The Public Functions (PF) Zone is intended to specify appropriate land uses and development standards for public uses, such as government services, education, and similar activities.

West Lake Grove District: The purpose of the West Lake Grove District is to create an attractive mixed use district that includes housing, office, and limited retail. There are a number of zone districts within the West Lake Grove District including Town Home Residential (WLG R-2.5), Residential Live Work (WLG RLW), Residential Mixed Use (WLG RMU), and Office-Commercial (WLG OC). There are not purpose statements for each of the zones within the West Lake Grove District.

The maximum densities and building requirements can be found in the Lake Oswego Development Code, Article 50. This Plan will conform to those requirements.

X. RELATIONSHIP TO LOCAL OBJECTIVES

The Plan conforms with local planning and development objectives contained within the City of Lake Oswego's Comprehensive Plan, including the Lake Grove Village Center Plan, and the Lake Oswego Economic Development Strategy. 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 conforms, 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 that occurs in the original document. *Italicized text* is text that has been taken directly from an original planning document. The Zoning and Comprehensive Plan designations are shown in Figure 2.

A. City of Lake Oswego Comprehensive Plan

Land use planning involves the consideration and balancing of many different factors and issues to make the best decisions for the community both for the short and long term. The goals and policies of Lake Oswego's Comprehensive Plan are intended to guide the community in making these decisions. The Plan is intended for use by all those who have concerns with the City's land use planning process including; local officials, persons with development interests, state, regional and federal agencies, neighborhood and community groups, and citizens of all interests.

The proposed Plan relates to and conforms with 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, Parks and Recreation, Economic Development, Housing, Public Facilities and Services, Transportation, Energy Conservation, and Urbanization.

Goal 1. Citizen Involvement

GOAL

The City shall:

- a. Create opportunities for every interested citizen to be involved in all phases of the planning process to ensure that their concerns are heard;*
- b. Encourage broadly based public participation including all geographic areas and diverse interests; and,*

c. Ensure regular and ongoing two-way communication between citizens and City elected and appointed officials.

The Plan conforms with Goal 1 Citizen Involvement as there has been substantial citizen involvement in the creation of the Plan. A focus group, that met five times, was organized to provide review of the Plan components. The focus group was comprised of representatives of the Lake Grove Business Association, Lake Grove area neighborhoods, Lake Oswego Chamber of Commerce, Lake Oswego Planning Commission, and Lake Oswego School District. Two open public meetings were held. These meetings were advertised in Hello LO, the Lake Oswego Review, and posted on the City of Lake Oswego's website. The Plan will be reviewed formally by the Planning Commission and Lake Oswego City Council after notice to all citizens of Lake Oswego. In addition to the public involvement in the preparation of the Plan, there has been substantial public involvement in the creation of the Lake Grove Village Center Plan, as detailed in the Background section of the Plan.

Goal 2. Land Use Planning

Section 2, Community Design and Aesthetics

GOAL

The City shall maintain and enhance the appearance and design quality of Lake Oswego.

POLICY

4. Ensure that both public and private development enhance the aesthetic quality of the community.

The Plan conforms with Goal 2 Land Use Planning as the projects that are to be implemented in the Plan will maintain and enhance the appearance and design quality of Lake Oswego. The design details of the reconstruction of Boones Ferry Road are described in detail in the Lake Grove Village Center Plan, which is a component of the Lake Oswego Comprehensive Plan.

Goal 6. Air, Water, and Land Quality

Section 2 Water Quality

GOAL

The City shall:

- a. Reduce water pollution and ensure that future land use activities protect and enhance area water quality, and;*
- b. Protect and enhance the functions and values of the natural ground and surface water drainage systems.*

POLICIES

Lake Grove Village Center Urban Renewal Plan

DRAFT

20

1. *Protect the natural surface water drainage systems and enhance water quality by treating and controlling run-off and pollution at the source.*
2. *Favor the use of the natural drainage system and other non-structural methods to treat, convey and dispose of run-off.*
3. *Lake Oswego's management of surface water shall:*
 - a. *Restore, protect and enhance water quality and the physical and biological integrity of rivers, lakes and stream corridors and their associated environmental values including natural vegetation, fish and wildlife habitats;*
 - b. *Promote public safety and minimize damage to public and private property by surface water run-off; and,*
 - c. *Educate and involve the community in opportunities to restore, protect and enhance water quality.*
4. *Fund surface water management programs in a manner which allocates costs based upon the impact a development has upon the surface water management system.*
5. *Require all development to:*
 - a. *Comply with applicable local, state and federal water quality and erosion control standards; and,*
 - b. *Implement measures to minimize run-off from the development site during and after construction.*

The Plan conforms with Goal 6 Air, Water and Land Quality, Section 2 Water Quality as the reconstruction of Boones Ferry Road is intended to utilize Green Street features that will provide for a natural drainage system for the road, which will, in turn, treat and contain run-off and pollution at the source. The Plan will promote public safety by minimizing the damage to public and private property by managing water run-off.

Goal 8. Parks and Recreation

GOAL

The City shall plan, acquire, develop and maintain a system of park, open space and recreation facilities, both active and passive, that is attractive, safe, functional, available to all segments of the population and serves diverse current and long range community needs.

POLICIES

1. *Plan for park and recreation facilities which:*
 - a. *Provide for active and passive recreational opportunities;*
 - b. *Educate and entertain the public through interpretive and recreational programs;*
 - c. *Promote enjoyment of the cultural arts; and,*
 - d. *Enhance the environmental quality of the City.*

2. *Identify and acquire lands which satisfy current and/or long-range community recreation needs in terms of size and usability for planned activities and facilities.*
3. *Coordinate park planning, acquisition and development with affected neighborhoods and with other community projects and programs.*
4. *Distribute park and recreation opportunities by type throughout the City as land availability allows.*
5. *Ensure a long-range balance is maintained between land acquisition and facility development efforts to:*
 - a. *Avoid the irrevocable loss of land suitable for park and recreation uses;*
 - b. *Minimize future land acquisition costs; and,*
 - c. *Provide for the activity needs and preferences of the community.*
6. *Require developers to pay their equitable share of future park acquisition and development costs.*
7. *Plan and develop a system of pathways which can connect open space and park facilities with neighborhoods.*
8. *Develop parks that:*
 - a. *Are compatible with adjacent land uses, by using setbacks and effective buffering and screening to minimize impacts of intensive uses such as traffic, parking, bright lights and noise;*
 - b. *Do not generate traffic which exceeds the design capacity of adjacent streets at off peak hours and, where feasible, do not utilize local residential streets to accommodate traffic generated by intensive uses; and,*
 - c. *Are, where possible, accessible by a variety of transportation modes including transit, bicycling and walking.*
10. *Provide accessibility to all park users, according to applicable state and federal laws.*
13. *Integrate open space, pathways and view corridors, with park land and facilities.*
18. *Coordinate and cooperate with school districts and other organizations to meet park and recreation needs of the City and the region and to assure optimum efficient use of all parks and recreation facilities and resources.*

The Plan conforms with Goal 8 Parks and Recreation as the Plan will provide for improvements to Boones Ferry Road that will provide bicycle and pedestrian connectivity to the Area as envisioned with the full development of the Lake Grove Village Center Plan: connecting to the string of pearls, festival street, and village commons in the Area.

Goal 9. Economic Development

GOAL

The City shall provide for economic development opportunities which enhance the prosperity and livability of the community.

POLICY

- 6. Support redevelopment of existing vacant and underutilized industrial and commercial lands rather than designating additional lands for these purposes.*
- 8. Prevent further expansion of “strip commercial development” and encourage redevelopment of existing strip commercial areas to become more attractive and oriented toward pedestrians and transit.*
- 9. Ensure neighborhood commercial areas that are:
 - a. Conveniently located and minimize the need for automobile travel;*
 - b. Developed at a scale and in character with the area to be served; and,*
 - c. Consistent with applicable and adopted Neighborhood Plans.**
- 10. Designate the Downtown and Lake Grove Commercial Districts as the primary centers of general commercial activity in Lake Oswego.*
- 11. Require new commercial development, where possible, to develop joint street access, parking facilities, and pedestrian connections with other businesses to reduce land area requirements, traffic congestion, parking and safety problems.*
- 12. Place new utilities and, where possible, existing utilities within commercial and industrial districts, underground.*
- 17. Allow mixed use development within the Downtown and the Lake Grove Business Districts to provide opportunities for commercial, entertainment, professional, cultural, public, and residential activities. Regional draw (business other than those providing specialized services and unique goods) shall not be located in these districts.*

The Plan conforms with Goal 9 Economic Development as the reconstruction of Boones Ferry Road will stimulate economic development within the Area by providing much improved auto, pedestrian, and bicycle access to businesses within the Area. The improvements will make the area more pedestrian friendly by installing pedestrian crossings that break down the “strip development” feel of the Area. The road development will create a visually pleasing atmosphere that will also support future economic development in the Area. New development will be guided by the LGVC

Plan, which is a component of the Comprehensive Plan. A portion of the project costs are allocated to undergrounding of utilities.

Goal 10. Housing

GOAL

The City shall:

- a. Provide the opportunity for a variety of housing types in locations and environments to provide an adequate supply of safe, sanitary, energy efficient housing at price and rent levels appropriate to the varied financial capabilities of present and future city residents;*
- b. Protect the character of existing neighborhoods; and,*
- c. Provide for needed housing while protecting environmentally sensitive areas, using land and public facilities as efficiently as possible, and facilitating greater use of alternative transportation modes.*

POLICIES

- 10. Provide for an interconnected street system to encourage pedestrian, bicycle and transit travel and to reduce vehicle miles traveled to local destinations thus reducing energy use, pollution and congestion.*
- 11. Place higher density residential, employment and shopping opportunities and public facilities, such as transit and parks, within close proximity where feasible.*

The Plan conforms to Goal 10 Housing as the projects in the Plan will provide for an interconnected street system to encourage pedestrian, bicycle, and public transit travel and help reduce per capita vehicle miles traveled in the Area. The reconstruction of Boones Ferry Road will encourage future development in the Area, which is zoned for mixed-use development and has the ability to incorporate housing uses.

Goal 11. Public Facilities and Services

Section 2, Stormwater Management

GOAL

The City shall reduce storm water problems which cause flooding, erosion and water quality problems.

POLICIES

- 1. Minimize future storm drainage problems within and adjacent to the Urban Services Boundary (USB).*
- 2. Implement measures to protect existing drainage systems and easements.*

5. *Require new storm drainage facilities to have the capacity to accommodate projected upstream flows within the respective drainage basin in addition to runoff generated by the development served by these facilities.*
6. *Require developers to construct required storm drainage facilities and to pay an appropriate system development charge (SDC).*
7. *Develop equitable funding mechanisms:*
 - a. *For storm drainage facilities maintenance;*
 - b. *To resolve the deficiencies of the existing system within developed areas, and provide adequate storm drainage services to developing areas; and,*
 - c. *To implement a capital improvement program (CIP) for the storm drainage system.*
8. *Utilize natural systems and non-structural methods to control storm water run-off at the source as a preference to structural systems to the extent allowed by site characteristics.*

The Plan conforms with Goal 11 Public Facilities and Services, Section 2 Stormwater Management as the reconstruction of Boones Ferry Road includes a major component to address stormwater issues along the road. The Green Street features include a center median that will serve to manage the water run-off in the Area.

Goal 12. Transportation

GOAL12- 1: MAJOR STREETS SYSTEM (Transportation)

Lake Oswego shall develop a major street system consisting of major and minor arterials and major collectors, which will have minimal impact on the City's air quality, address the mobility needs of residents for all modes of travel and promote energy conservation.

POLICIES

1. *The arterial and major collector street network shall be designed and maintained to service level "E" during peak hours. The design of the roadway system shall also take into consideration:*
 - a. *Balancing roadway size and scale with the need to provide efficient and safe transportation for all modes of travel, including bike, pedestrian and transit,*
 - b. *Giving preference to transportation projects that increase the efficiency, safety, design capacity or level of service of a transportation facility, without increasing corridor width; and*
 - c. *Preserving community aesthetics by considering existing topography and vegetation.*

4. Where residential neighborhoods are bisected by existing major streets, the impacts of traffic — noise, safety, aesthetics and air quality — shall be minimized by the following actions:

- a. Where feasible, traffic generated by new development, shall be routed to other available major streets that are not within or adjacent to residential uses.
- b. Ensure that traffic generated by new land uses does not exceed the design capacity of the street system, or adversely affect adjoining neighborhoods.
- c. Provision of safe and efficient bicycle and pedestrian improvements to connect residential areas to other areas of the community.
- d. Measures to physically re-orient residential areas away from major streets. This may include installation of major landscape elements such as landscaped buffers and tree plantings, and the development of neighborhood activity centers such as public open spaces, parks and community centers.
- e. New commercial uses and neighborhood activity centers such as parks, schools and community centers shall provide direct, convenient access to and from adjacent residential areas to facilitate walking, bicycling and short auto trips. Measures shall be implemented to ensure that such routes do not attract or serve traffic from outside the neighborhood.

6. The City shall consider the movement of freight within the City when:

- a. Conducting multi-modal transportation studies,
- b. Developing truck routing plans, and;
- c. Developing freight loading and parking strategies.

The Plan conforms with Goal 12 Transportation as the main project in the Plan is the reconstruction of Boones Ferry Road, the arterial through the Area. The reconstruction will help provide more efficient and safer transportation systems in the Area, including auto, pedestrian, and bicycle access in the Area. The reconstruction will encourage additional pedestrian and bicycle trips because of improved facilities. Safer sidewalks and bike lanes will provide much needed connectivity to the adjacent residential neighborhoods, hopefully reducing automobile trips in the future. The road reconstruction includes major landscape elements to improve the aesthetic features in the Area.

GOAL 12- 5: TRANSPORTATION DEMAND MANAGEMENT (Transportation)

GOAL

Lake Oswego shall develop strategies and implement programs that reduce the number of automobiles traveling in Lake Oswego, especially during peak morning and evening traffic hours.

POLICIES

2. Support the Department of Environmental Quality (DEQ) Employee Commute Options (ECO) goals for trip reductions.

3. Increase the attractiveness of alternative transportation through mixed use development in areas consistent with the Region 2040 Plan.

The Plan conforms with Goal 12 Transportation, sub-goal 5 Transportation Demand Management as the main project in the Plan is the reconstruction of Boones Ferry Road, the arterial through the Area. The reconstruction will help provide more efficient and safer transportation systems in the Area, including auto, pedestrian, and bicycle access in the Area. The reconstruction will encourage additional pedestrian and bicycle trips because of the improved facilities. Safer sidewalks, pedestrian crossings, and bike lanes will provide much needed connectivity to the adjacent residential neighborhoods, hopefully reducing automobile trips in the future.

GOAL12- 6: WALKING (Transportation)

GOAL

The City shall provide a continuous citywide network of safe and convenient walkways that promotes walking as a mode of travel for short trips.

POLICIES

1. Integrate pedestrian access needs into planning, design, construction and maintenance of all transportation projects.

2. Improve access to and use of the public transportation system through pedestrian improvements and changes in land use patterns.

3. Connect local walkways to activity centers such as schools, employment areas, parks, commercial areas, and transit centers and corridors.

4. The City shall make the pedestrian environment safe, convenient, attractive and accessible for all users through:

a. Planning and developing a network of continuous sidewalks, pathways, and crossing improvements that are accessible per the requirements of the Americans with Disabilities Act (ADA),

b. Providing adequate and safe street crossing opportunities for pedestrians, and

c. Improving street amenities (e.g., landscaping, pedestrian-scale street lighting, benches and shelters) for pedestrians, particularly near transit centers, town centers, main streets, employment centers, and transit corridors serving the primary transit network.

5. Involve citizens in the pedestrian facility planning process as well as in facility design.

6. *The City shall ensure that planned bike and pedestrian paths are not obstructed as the result of new land development.*
7. *The City shall require developers to provide pathway connections from new development projects to the existing bicycle and pedestrian system.*
8. *The City shall work to preserve existing railroad rights-of-ways and other easements to maintain opportunities for future mass transit, bike and pedestrian paths.*

The Plan conforms with Goal 12 Transportation, sub-goal 6 Walking as the main project in the Plan is the reconstruction of Boones Ferry Road, the arterial through the Area. The reconstruction will help provide more efficient and safer transportation systems in the Area, including pedestrian access in the Area. The reconstruction will encourage additional pedestrian trips because of the improved facilities. Safer sidewalks, pedestrian crossings, and bike lanes will provide much needed connectivity to the adjacent residential neighborhoods, hopefully reducing automobile trips in the future.

GOAL 12-7: BICYCLING (Transportation)

GOAL

The City shall provide a network of safe and convenient bikeways integrated with other transportation modes to increase modal share of bicycle transportation for all trip purposes.

POLICIES

1. *Integrate bicycle access needs into planning, design, construction and maintenance of all transportation projects.*
2. *Connect local bicycle facilities for bicyclists to ride to local and regional destinations, activity centers, connections to other transportation modes and the regional bicycle network.*
3. *Maintain existing and future bicycle facilities to encourage use.*
4. *Require, as appropriate, and encourage the placement of bicycle lockers and bicycle racks at major destinations and activity centers. Encourage covered bicycle parking whenever possible.*
5. *The City shall work to preserve existing railroad rights-of-ways and other easements to maintain opportunities for future mass transit, bike and pedestrian paths.*

The Plan conforms with Goal 12 Transportation, sub-goal 7 Bicycling as the main project in the Plan is the reconstruction of Boones Ferry Road, the arterial through the Area. The reconstruction will help provide more efficient and safer transportation systems in the Area, including bicycle access in the Area. The reconstruction will encourage additional bicycle trips because of the improved facilities. Safer sidewalks

and bike lanes will provide much needed connectivity to the adjacent residential neighborhoods, hopefully reducing automobile trips in the future.

GOAL 12-10: CITIZEN INVOLVEMENT (Transportation)

GOAL

Lake Oswego shall ensure that opportunities are provided for citizen involvement in decisions affecting the City's transportation system.

POLICIES

1. Public involvement opportunities shall be provided for all major transportation projects.

The Plan conforms with Goal 10 Transportation, sub-goal 10 Citizen Involvement as there has been substantial citizen involvement in the creation of the Plan. A focus group, that met five times, was organized to provide review of the Plan components. The focus group was comprised of representatives from the Lake Grove Business Association, Lake Grove area neighborhoods, Lake Oswego Chamber of Commerce, Lake Oswego Planning Commission, and Lake Oswego School District. Two open public meetings were held. These meetings were advertised in Hello LO, the Lake Oswego Review, and posted on the City of Lake Oswego's website. The Plan will be reviewed formally by the Planning Commission and Lake Oswego City Council after notice to all citizens of Lake Oswego. In addition to the public involvement in the preparation of the Plan, there has been substantial public involvement in the creation of the Lake Grove Village Center Plan, as detailed in the Background section of the Plan. There was also substantial public involvement in the Boones Ferry Road Refinement Plan.

GOAL 12-11: PARKING (Transportation)

GOAL

Adequate on-site parking and loading facilities shall be provided for all land uses.

The Plan conforms with Goal 10 Transportation, sub-goal Parking as parking is a project identified in the Plan in direct response to the stipulations in the LGVC Plan that no parking is lost due to the reconstruction of Boones Ferry Road and also in an effort to support the Area businesses.

Goal 13. Energy Conservation

GOAL

The city shall conserve energy.

POLICIES

3. Reduce energy consumption related to transportation by promoting a reduction in vehicle miles traveled through the use of alternative transportation.

4. Require energy-efficient land use and circulation patterns through mixed use development, promoting high density developments near transit and major employment and shopping opportunities, and design of developments to encourage alternative transportation.

The Plan conforms with Goal 13 Energy Conservation as the reconstruction of Boones Ferry Road is intended to reduce trips within the Area by encouraging more pedestrian and bicycle traffic and transit through the Area. Increased safety and enhanced facilities for pedestrians and bicyclists, including the connectivity to the neighborhoods, is intended to increase alternative modes of transportation in the Area. The reconstruction of the road will help catalyze mixed-use development in the Area.

Goal 14. Urbanization

GOAL

Lake Oswego shall ensure that the rate, amount, type, location and cost of population growth and development within or outside of the Urban Service Boundary will not diminish the quality of life the City has presently attained.

POLICIES

- 7. The City shall work to minimize the expansion of the Urban Growth Boundary by:*
- a. Providing opportunities to achieve and maintain a compact urban form and targeting public investments to reinforce a compact urban form.*
 - b. Protecting existing Inner Neighborhoods by focusing future commercial and medium to high residential growth in and in close proximity to Town Centers and Main Streets and along Transit Corridors that contain commercial, high density residential or mixed use development.*
 - c. Maintaining livability.*

The Plan conforms with Goal 14 Urbanization as the reconstruction of Boones Ferry Road and other projects included in the Plan will help encourage additional development within the Area, helping to achieve a more compact urban form and protect existing neighborhoods. Improvements to the Area as envisioned in this Plan will add to the quality of life by providing additional pedestrian and bicycle linkages to the adjacent neighborhoods and improved automobile access to the Area.

B. Lake Grove Village Center Plan

The Lake Grove Village Center Plan is a Special District Plan within the Lake Oswego Comprehensive Plan. The purpose of the Lake Grove Village Center Plan is to provide implementation measures to achieve the community's vision for the Lake Grove Village Center.

The Lake Grove Village Center Plan Goals and Policies are organized under the four sections as follows:

I. TRANSPORTATION

GOAL 1: *Transform Boones Ferry into a Great Street*

Create an attractive street that promotes a safe, welcoming and convenient environment for pedestrians, bicyclists and vehicles, accommodates auto traffic efficiently, provides adequate vehicle access to meet the needs of businesses, and manages stormwater within the right-of-way.

POLICIES

1.1 Utilize engineering and urban design strategies to improve access to and from businesses in the corridor, and calm traffic on Boones Ferry Road.

1.2 Provide landscaped center medians along Boones Ferry Road to organize access, enhance safety, manage storm water and to beautify the corridor.

1.3 Employ green street concepts in Boones Ferry Road improvements where practicable. Consider Boones Ferry Road's function as a significant water conveyance system within an urban watershed. Integrate storm water system improvements for watershed health including water quality, habitat, and tree canopy coverage.

1.4 Provide continuous sidewalks and bike lanes to enhance safety along Boones Ferry Road.

1.5 Provide pedestrian crossings at regular intervals. Consider signalization of pedestrian crossings in design refinement studies.

The Plan conforms with Goal 1 Transform Boones Ferry into a Great Street as the main project in the Plan is the reconstruction of Boones Ferry Road, the arterial through the Area. The design will provide strategies to improve access to businesses and provide landscape medians to organize access, enhance safety, and manage stormwater. The reconstruction will help provide more efficient and safer transportation systems in the Area, including auto, pedestrian, and bicycle access in the Area. The reconstruction will encourage additional pedestrian and bicycle trips because of the improved facilities.

The road reconstruction includes major landscape elements to improve the aesthetic features in the Area and incorporates green street elements.

GOAL 2: *Enhance Alternative Modes of Travel*

Promote the safe and convenient use of public transit service and bicycling within, to and from the Village Center.

POLICIES

2.1 Create enhanced public transit service between the Village Center and surrounding areas (e.g. bus, shuttle bus, trolley, commuter rail). In partnership with TriMet, design and construct bus shelters along Boones Ferry Road and Kruse Way.

2.2 Provide a range of safe bicycling options, including, but not limited to, on-street bike lanes on Boones Ferry Road (and major collectors, as appropriate), a marked neighborhood bike route around the Village Center and secure bicycle parking.

The Plan conforms with Goal 2 Enhance Alternative Modes of Travel as the main project in the Plan is the reconstruction of Boones Ferry Road, the arterial through the Area. The reconstruction will help provide more efficient and safer transportation systems in the Area, including bicycle lanes for better access in the Area. The reconstruction will encourage additional bicycle trips because of the improved facilities. Safer sidewalks and bike lanes will provide much needed connectivity to the adjacent residential neighborhoods, hopefully reducing automobile trips in the future. The road reconstruction will provide transit facilities within the Area.

GOAL 3: *Enhance the Pedestrian Environment and Connectivity*

Enhance the safety, convenience and attractiveness of walking, transit and bicycling within, to and from the Village Center including safe crossings on Boones Ferry Road and cross streets.

POLICIES

3.2 Provide continuous sidewalks, pedestrian refuges, landscaped medians, consolidated driveways, crosswalks, signals at crosswalks, public restrooms, and attractive transit shelters. Replace overhead utilities with under-ground utilities.

3.3 Emphasize pedestrian amenities on cross streets to the neighborhoods to strengthen connections to the Village Center. Augment the non-grid system of streets with additional off-street pedestrian and bike pathways to provide safe and convenient connections for all ages.

3.4 Encourage safe pedestrian connections between businesses and parking areas and connectivity between businesses on each side of Boones Ferry Road. Pedestrian arcades, covered walkways and other design features are encouraged to connect uses in a safe and convenient manner.

The Plan conforms with Goal 3 Enhance the Pedestrian Environment and Connectivity as the main project in the Plan is the reconstruction of Boones Ferry Road, the arterial through the Area. The reconstruction will help provide more efficient and safer transportation systems in the Area, including pedestrian access in the Area. The reconstruction, which includes additional pedestrian crossings and improved sidewalks, will encourage additional pedestrian trips because of the improved facilities. Safer sidewalks will provide much needed connectivity to the adjacent residential neighborhoods, hopefully reducing automobile trips in the future.

II. LAND USE

GOAL 4: *Encourage a Mix of Uses within the Village Center*

Promote an economically vibrant, sustainable, and transportation efficient district based on a range of uses and compact development.

POLICIES

4.1 Foster a mix of uses, including retail businesses, services, offices, and residential development.

4.2 Preserve and increase the number of high density housing units and provide a range of housing opportunities.

4.3 Encourage the retention or addition of affordable housing.

4.4 Encourage retention of local, small-scale and independent businesses at redevelopment.

4.5 Develop incentive programs and code provisions to encourage retail, mixed use, and high density housing projects.

4.6 Promote sustainable and low-impact development strategies for private and public development.

The Plan conforms with Goal 4 Encourage a Mix of Uses within the Village Center as the reconstruction of Boones Ferry Road and the development of parking in the Area will help to foster a mix of uses in the Area, including high density housing, affordable housing, and local, small-scale, and independent businesses.

GOAL 5: *Strengthen the Lake Grove Sense of Place and Community*

Provide public uses designed to foster community relationships and to leverage desired private development.

POLICIES

5.1 Create a series of community gathering places (a “string of pearls”) throughout the Village Center to enhance Lake Grove’s sense of community identity and provide opportunities for social and cultural engagements.

5.2 Create a village commons to serve as a major attracter and location for community events.

5.4 Foster a sense of place by coordinating unified design elements and features in public areas throughout the Village Center. (Refer to policies under Goal 6 Enhance Village Character below.)

5.5 Provide distinctive public art to reflect Lake Grove’s history or unique character.

The Plan conforms with Goal 5 Strengthen the Lake Grove Sense of Place and Community as the reconstruction of Boones Ferry Road will integrate features that will create an identity and a sense of place and community within the Area. The design standards in the LGVC Plan will guide the design process for the road reconstruction, ensuring unified design elements and features.

GOAL 6: *Enhance Village Character*

Create a distinct Lake Grove identity based on unified design features that support pedestrian activity and are compatible with existing development.

POLICIES

6.1 Ensure development contributes to a unified village character.

6.2 Ensure consistent streetscape and public area design treatments reflecting mature native trees, water, stone, and other elements characterizing the area’s natural environment.

6.3 Create a safe, attractive pedestrian environment while incorporating sustainable practices and products.

6.4 Permit a diverse mix of building styles, foster compatibility, encourage sustainable building and stormwater management practices, and create a rich, pedestrian-scale environment.

6.5 Invite people into the district Define entries into the Village Center with unique gateway features on Boones Ferry Road that reflect Lake Grove’s sense of place.

6.6 Preserve and highlight the history of Lake Grove.

The Plan conforms with Goal 6 Enhance Village Character as the reconstruction of Boones Ferry Road will integrate features that will create an identity and a sense of place and community within the Area. The design standards in the LGVC Plan will guide the design process for the road reconstruction, ensuring unified design elements and features, and consistent streetscape and public area treatments, as specified in the LGVC Plan. The new sidewalks will help create a safe and attractive pedestrian atmosphere.

GOAL 7: *Protect the Residential Character of Adjoining Neighborhoods*

Maintain livability in adjoining low-density residential neighborhoods by ensuring compatible Village Center development.

POLICIES

7.1 Reduce impacts on surrounding residential development using landscaping, lighting, noise mitigation and other standards to create buffers between development in the Village Center and abutting residential neighborhoods.

7.2 Transition and decrease the intensity and scale of development along the cross streets transitioning from Boones Ferry Road to the edges of the Village Center.

7.3 Manage on-street parking opportunities for neighbors who live adjacent to the Village Center.

7.4 Discourage cut-through traffic in the neighborhoods. Ensure that current classifications of streets are maintained.

The Plan conforms with Goal 7 Protect the Residential Character of Adjoining Neighborhoods as the reconstruction of Boones Ferry Road will include landscape features and parking projects that will help keep automobile traffic on the main streets and parking within the commercial core of the Area.

III. NATURAL RESOURCES

GOAL 8: *Protect Natural Resources and Enhance the Natural Environment within the Village Center.*

Strengthen Lake Grove’s character, enhance quality of life, and promote clean, efficient practices through stewardship of the natural environment.

POLICIES

8.1 Preserve existing trees and tree groves, in particular native species to the greatest extent practicable.

8.2 Require new street trees whose growth pattern will achieve a sense of enclosure.

8.3 Improve Three Sisters and Springbrook Creeks, as redevelopment allows. Recognize, protect and enhance the role of the Waluga Tributary to the ecological function of Springbrook Creek and the area’s riparian resources.

8.4 Encourage the use of sustainable building and development practices (e.g. recycled or low impact building materials, on-site stormwater retention, pervious paving materials, “green streets”).

8.5 Encourage the use of sustainable street design and stormwater management practices (e.g. “green streets”, pervious paving materials).

8.6 Integrate and enhance access to parks and open space (e.g. Springbrook Creek/Pennington Park, Waluga Park).

The Plan conforms with Goal 8 Protect Natural Resources and Enhance the Natural Environment within the Village Center. It will strengthen Lake Grove’s character, enhance quality of life, and promote clean, efficient practices through stewardship of the natural environment, as the street will incorporate sustainable street design and stormwater management practices.

IV. ECONOMIC DEVELOPMENT

GOAL 9: Support Businesses in the Village Center

Create an economically viable business core where neighborhood-serving, independent businesses may flourish.

POLICIES

9.1 Retain and attract neighborhood-serving businesses, diverse shopping opportunities and unique cultural attractions.

9.2 Stimulate and support the development of a local business organization to provide marketing and public improvement programs.

9.3 Provide adequate parking opportunities to serve businesses in the Village Center.

9.4 Ensure no net loss of parking facilities within the Lake Grove Village Center when making access modifications to Boones Ferry Road.

9.5 Strengthen connections between the Kruse Way employment area and Village Center retail and service businesses.

9.6 Improve vehicular access between businesses and Boones Ferry Road by requiring connectivity between parking lots and shared access drives where practical.

The Plan conforms with Goal 9 Support Businesses in the Village Center. It will create an economically viable business core where neighborhood-serving, independent businesses may flourish as the reconstruction of Boones Ferry Road will stimulate economic development within the Area by providing much improved auto, pedestrian, and bicycle access to businesses within the Area. The road development will provide a visually pleasing atmosphere that will also support future economic development in the Area. Creation of additional parking in the Area will encourage more activity at the businesses in the Area. New development will be guided by the LGVC Plan, which is a component of the Comprehensive Plan.

GOAL 10: Identify and Implement Funding Mechanisms to Sustain Economic Vitality

Ensure prosperity by providing for significant public input and review of economic impacts associated with funding mechanisms for public projects and programs.

POLICIES

10.1 Provide adequate and sustainable funding mechanisms to implement the Plan.

10.2 Identify the Village Center as a priority investment area. Include plan projects in the Capital Improvement Plan.

10.3 Give funding priority to public area improvements to serve existing businesses and to leverage private investment.

10.4 Analyze estimated costs, benefits and economic impacts associated with proposed funding mechanisms prior to adoption.

10.5 Establish at the outset an extensive, neutral and thorough public process for review and recommendation of potential funding mechanisms prior to adoption.

The Plan conforms with Goal 10 Identify and Implement Funding Mechanisms to Sustain Economic Vitality. It will ensure prosperity by providing for significant public input and review of economic impacts associated with funding mechanisms for public projects and programs, as urban renewal is an implementation tool that will help fund key components of the LGVC Plan. The costs, benefits, and economic impacts are analyzed as a part of the urban renewal plan and accompanying report. The reconstruction of Boones Ferry Road conforms with the policy of giving funding priority to public area improvements to serve existing businesses and to leverage private investment. The financing strategy that proceeded the urban renewal planning process included a rigorous public process which is described in the Background Section of this Plan.

C. Lake Oswego Comprehensive Plan Special Districts Plans

The Special District Plans that apply to this Area are the Lake Grove Neighborhood Plan, the Lake Forest Neighborhood Plan and the Waluga Neighborhood Plan. This documentation is taken directly from the findings on the adoption of the Lake Grove Village Center Plan as part of the Lake Oswego Comprehensive Plan. The document is not taken in its entirety, only that which corresponds to the projects being undertaken in the Plan.

ECONOMIC DEVELOPMENT/COMMERCIAL LANDS - POLICIES

Lake Grove Neighborhood Plan: Goal 9, Economic Development/Commercial Lands – Policies:

- 1. Ensure that future improvements to Boones Ferry Road maintain or improve safe access to area businesses for the automobile, transit, pedestrians and bicyclists, while maintaining the function and character of adjacent neighborhood collectors and local residential streets.*
- 3. Provide opportunities for mixed-use development to occur in the Lake Grove Commercial District whereby multi-story buildings would accommodate businesses on the ground floor and residential units above.*
- 8. Ensure that the design of new commercial development and required public improvements contribute to the development of a safe and efficient transit and pedestrian environment within the Lake Grove Commercial District.*

Lake Forest Neighborhood Plan: Goal 9, Economic Development – Policies:

- 1. Require that future improvements to Boones Ferry Road maintain or improve safe access to area businesses for the automobile, transit, pedestrians and bicyclists, while maintaining the function and character of adjacent neighborhood collectors and local residential streets.*

Waluga Neighborhood Plan: Goal 9, Economic Development Policies:

- 1. Ensure that future improvements to Boones Ferry Road maintain or improve safe access to area businesses for the automobile, transit, pedestrians and bicyclists, while maintaining the function and character of adjacent neighborhood collectors and the local residential streets.*
- 3. Provide opportunities for mixed-use development to occur in the Lake Grove Business District whereby multi-story buildings would accommodate businesses on the ground floor and residential units above.*

The Plan conforms with the economic development policies of the Lake Grove, Lake Forest, and Waluga Plans as the Boones Ferry Road concept of the Lake Grove Village Center Plan and part of the Plan propose improvements that will help to manage traffic and enhance the pedestrian environment by creating safer and more numerous pedestrian crossings. The function of neighborhood streets will be maintained by ensuring that Boones Ferry is designed to accommodate projected traffic volumes, thereby avoiding cut through trips into the neighborhoods. The reconstruction of the road will enhance development opportunities within the Area.

HOUSING / RESIDENTIAL LAND USE - POLICIES

Lake Grove Neighborhood Plan: Goal 10, Housing/Residential Land Use – Policies:

1. *Ensure that the scale and character of neighborhood collectors and local streets, which provide access to and within Lake Grove’s residential neighborhoods are appropriate to the area served. Especially important are:*
 - a. *Preservation of trees within street rights-of-way and on adjacent properties to provide tree canopy and shade;*
 - b. *The non-urban design character of local streets including:*
 - i. *“Skinny Streets” where warranted by traffic, safety and access conditions;*
 - ii. *No curbs, gutters and sidewalks where alternative storm drainage and safe pedestrian movement can be accommodated by pathways and walkways and the natural drainage system, and;*
 - iii. *Area for adequate on street parking for residents and their guests which can also provide for safe pedestrian travel.*
 - c. *The safety and convenience of pedestrians and bicyclists, and;*
 - d. *Access by emergency vehicles and school buses.*

The Plan conforms with the housing policies of the Lake Grove and Waluga Neighborhood Plans as the Plan includes street and pedestrian improvement projects that are intended to provide linkages from neighborhoods into the commercial core of the district while respecting the village character of the neighborhood streets. Urban curb and gutter improvements are proposed along Boones Ferry Road. The proposed design for most local and neighborhood streets includes a transition from the urban setting along Boones Ferry to a “country lane” character in the heart of the adjoining neighborhoods.

TRANSPORTATION - POLICIES

Lake Grove Neighborhood Plan: Goal 12, Transportation – Policies

3. *Construct improvements on Bryant Road, Boones Ferry Road and Kruse Way to ensure their ability to function as major streets and to prevent traffic diversion onto neighborhood collectors and local residential streets.*
4. *Do not widen Boones Ferry Road for automobile travel lanes or related improvements which would have negative impacts on adjacent commercial land uses such as removal of buildings, pedestrian facilities or parking. Future transportation improvements shall be executed as part of a comprehensive transportation study of Boones Ferry Road to balance automobile access with the need to maintain existing land use patterns and develop a comfortable and safe pedestrian shopping environment.*
5. *Ensure the ability to walk and bike safely throughout the neighborhood by providing, where practicable, bicycle and pedestrian facilities:*
 - *On, at the minimum, one side of all neighborhood collectors and other selected local streets; and*
 - *On both sides of major streets (arterials and major collectors).*
6. *Provide neighborhood residents, business owners, employees and customers greater access to public transit service.*
8. *Where practicable require that new development develop shared access to Boones Ferry Road through use of wide consolidated driveways of sufficient width to allow simultaneous ingress and egress and shared parking facilities.*

Lake Forest Neighborhood Plan: Goal 12, Transportation – Policies:

2. *Where appropriate, utilize traffic management devices to prevent speeding and discourage cut-through traffic on local residential streets and neighborhood collectors. On all streets, traffic will be managed to preserve the existing Functional Street Classification, rather than increase the designation to a higher classification.*
3. *Support the construction of improvements on Major Arterials, such as traffic signal timing, which facilitate the flow of traffic to reduce non-local trips through the neighborhood's local streets.*
6. *Future transportation improvements on Boones Ferry Road should address the need to balance automobile access with additional opportunities for and safety for alternative modes of transportation such as bike, pedestrian and transit.*

7. *Ensure the ability to walk safely throughout the neighborhood by providing pedestrian facilities as follows:*
 - *At a minimum, on one side of all neighborhood collectors and other selected local streets;*
 - *On both sides of major streets (arterials and major collectors); and*
9. *Reduce vehicle miles traveled in the Lake Forest Neighborhood by:*
 - *Placement and design of new streets which reduce trip length to shopping, transit, schools and parks;*
 - *Considering pedestrian and bicycle facilities where appropriate to increase the use of alternative travel modes, and;*
 - *Providing for safe and efficient transit streets to encourage the use of public transportation as an alternative to the single occupant vehicle.*
12. *Provide pedestrian facilities. Pathways, separated from travel lanes with a vegetated buffer, are preferred over sidewalks. Pathways shall meander around significant trees if necessary. On Carman Drive and Boones Ferry Road, a separated pathway is preferred over a shoulder pathway.*
13. *Provide bicycle facilities on Bangy, Bonita, Carman, Meadows, Boones Ferry and Firwood, between Boones Ferry and Waluga. Those designated roads with speeds of 25 mph. or less and 3000 vehicles per day or less in volume will be shared roadways. Other facilities shall be bike lanes on each side of the travel lane.*

Waluga Neighborhood Plan: Goal 12, Transportation – Policies:

4. *Future transportation improvements should address the need to balance automobile access with the need to maintain the existing land use pattern and develop a comfortable and safe pedestrian shopping environment.*
5. *Ensure the ability to walk and bike safely throughout the neighborhood by providing bicycle and pedestrian facilities:*
 - *At a minimum, on one side of all neighborhood collectors and other selected local streets;*
 - *On both sides of major streets (arterials and major collectors); and*
 - *Where practicable, sidewalks, pathways and bike lanes that provide contiguous paths between major streets.*
10. *In accordance with the City Code and where practicable require that new development develop shared access to Boones Ferry Road through use of consolidated driveways of sufficient width to allow simultaneous ingress and egress and shared parking facilities.*

The Plan conforms with the transportation policies of the Lake Grove, Lake Forest, and Waluga Neighborhood Plans for the following reasons:

- The Lake Grove Village Center Plan includes projects and standards that will create a transition from urban improvements along Boones Ferry Road to “country lane” improvements on side streets. The side street improvements are intended to strengthen linkages for pedestrians and cyclists traveling to the commercial core of the district. Walkways and pathways are proposed.
- Improvements on Boones Ferry Road are intended to accommodate increased traffic volumes to reduce the possibility of neighborhood cut through traffic. Where needed, the City’s neighborhood traffic management program and neighborhood enhancement grants can be used to mitigate any unforeseen impacts.
- The Boones Ferry Concept Plan includes a center median, two travel lanes in each direction, bike lanes, and sidewalks. The concept plan was developed with the intention of minimizing impacts on adjoining commercial development. The resulting improvements are expected to manage access, improve traffic flow, and moderate traffic speeds. In addition, improvements are expected to enhance the pedestrian environment, making it easier to cross Boones Ferry Road and creating more attractive pedestrian walkways along the roadway.
- With improved pedestrian access into the district, access to bus transit service is enhanced.
- The proposed development code amendments include provisions to limit the distance between driveway access points to no more than 150 feet. With redevelopment, this will require properties to consider joint access.
- The plan includes proposed pedestrian and bike facilities along all arterials and collector level streets.

D. Lake Oswego Economic Development Strategy

There are four identified strategies in the Lake Oswego Economic Development Strategy:

Strategy 1: Market Lake Oswego

Marketing Lake Oswego to both internal and external audiences is a high priority of participants in strategy work sessions. The goal of marketing would be multi-faceted -- to attract customers to shop and dine in Lake Oswego, to encourage tourism, and to position Lake Oswego as a great place to locate a business, thus supporting commercial leasing efforts.

Action items include development of a marketing strategy, budget, and funding/implementation plan, followed by implementation.

While the Plan does not directly address any of the action items specified in Strategy, the Plan conforms with Strategy 1 Market Lake Oswego as the major infrastructure projects in the Plan will help create a vibrant community in the Lake Grove Village Center Area, which will enhance the ability to market the Area.

Strategy 2: Leverage quality of life and place

Lake Oswego's quality of life and place are economic strengths that attract and retain residents, businesses, and visitors. There is potential to build on this strength by continuing to improve the City's infrastructure and create great places and events that nurture and support community and business.

This strategy encompasses a diverse set of action items, including:

- Foothills redevelopment*
- Streetcar extension*
- North Anchor project at 1st and B*
- Downtown parking analysis and potential code changes and parking projects*
- Arts programming and events*
- Actions to implement the Lake Grove Village Center Plan*

The Plan conforms with Strategy 2 Leverage Quality of Life and Place as the projects identified in the Plan will partially implement the Lake Grove Village Center Plan.

Strategy 3: Provide exemplary City service to business

Focus groups and stakeholder interviews indicate concerns that City regulations and permitting are barriers to economic development. Making the City government more business-friendly is a high priority.

Action items include development of a strong Business Solutions Team, improving City regulations and permitting, facilitating development projects, welcoming new businesses, developing demographic and economic data, and building and leveraging partnerships with the business community.

The Plan conforms with Strategy 3 Provide Exemplary City Service to Business as the reconstruction of Boones Ferry Road and providing parking improvements in the Area will help build partnerships with the business community and will facilitate development projects.

Strategy 4: Retain and recruit businesses

Another high priority is supporting and growing existing businesses and recruiting new businesses to serve community needs, complement neighboring uses, and fill vacant commercial space.

Action items include outreach to businesses to learn more about business needs, participation in the Clackamas County Strategic Investment Zone incentive program, communication of available business resources, an economic gardening pilot project, business training, and targeted recruitment. Actions also include study of a potential business incubator and additional incentive programs.

While the Plan does not directly address any of the action items specified in Strategy 4 Retain and Recruit Businesses, the reconstruction of Boones Ferry Road and provision of parking will help to both retain and recruit businesses in the Area.

APPENDIX A: LEGAL DESCRIPTION

DESCRIPTION

REPORT ACCOMPANYING LAKE GROVE VILLAGE CENTER URBAN RENEWAL PLAN



June 11, 2012

Prepared for the City of Lake Oswego

Report Accompanying Lake Grove Village Center Urban Renewal Plan

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TABLE OF CONTENTS

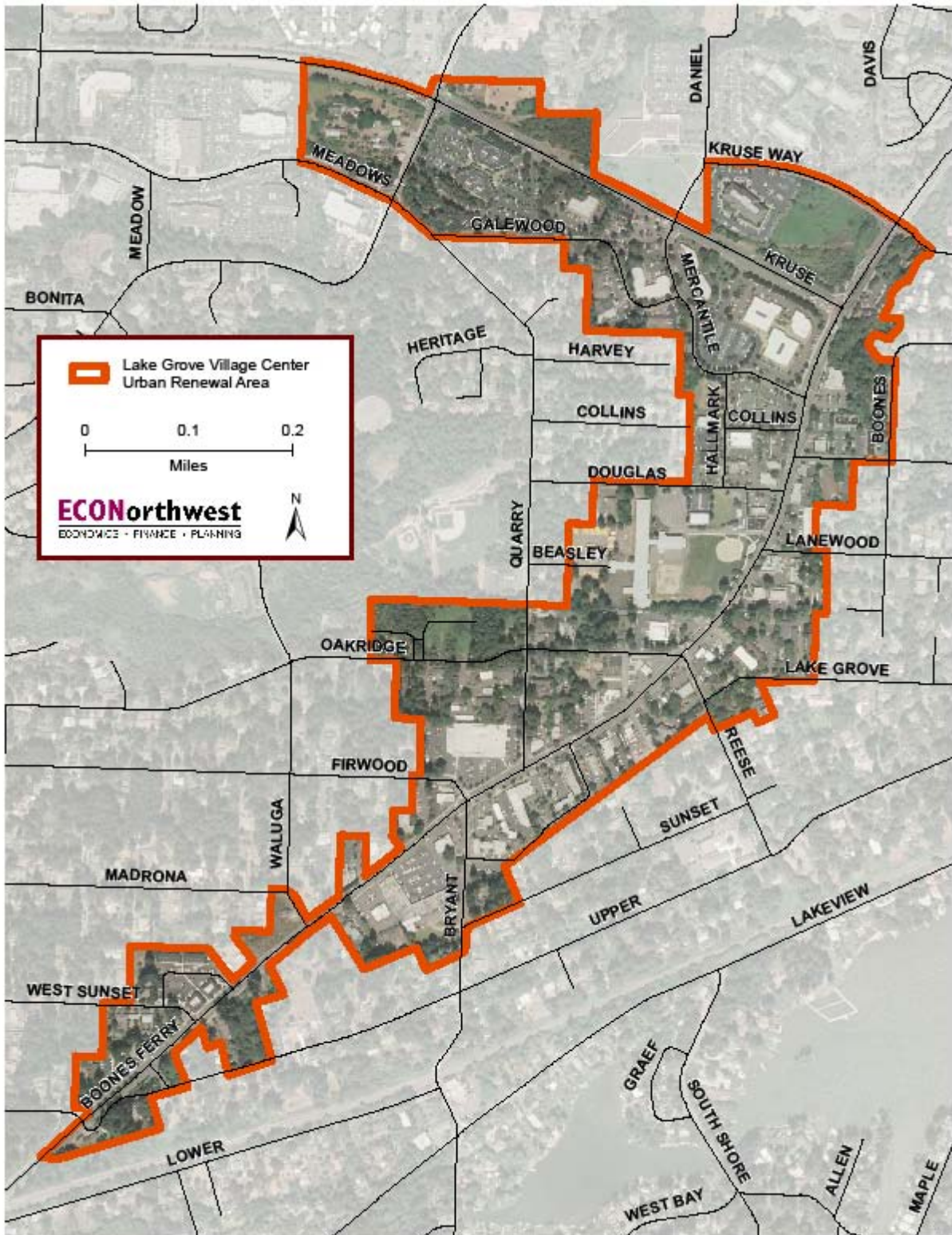
I. INTRODUCTION.....	4
II. EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES	6
PHYSICAL CONDITIONS	6
INFRASTRUCTURE: EXISTING CONDITIONS.....	9
SOCIAL CONDITIONS	20
ECONOMIC CONDITIONS.....	23
IMPACT ON MUNICIPAL SERVICES.....	24
III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN	25
IV. THE URBAN RENEWAL PROJECTS AND THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA	25
V. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS	27
VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT.....	27
VII. THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED.....	29
VIII. FINANCIAL ANALYSIS OF THE PLAN.....	33
IX. IMPACT OF THE TAX INCREMENT FINANCING	37
X. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA.....	42
XI. RELOCATION REPORT.....	42

I. INTRODUCTION

The Report on the Lake Grove Village Center Urban Renewal Plan (Report) contains background information and project details pertaining to the Lake Grove Village Center Urban Renewal Plan (Plan). The Plan area boundary is shown in Figure 1. 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 by ORS 457.085(3). The format of the Report is based on this statute. The Report documents not only the proposed projects in the Plan, but also the existing conditions in the Lake Grove Village Center Urban Renewal Plan Area (Area). Many of the projects in the Existing Conditions section in this Report are projects identified in a master plan or capital improvement plan, but are not necessarily identified as projects in the Lake Grove Village Center Urban Renewal Plan.

Figure 1 – Lake Grove Village Center Urban Renewal Plan Area Boundary



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

This section of the Report describes existing conditions within the Lake Grove Village Center Urban Renewal Area (Area), and documents the occurrence of “blighted areas,” as defined by ORS 457.010(1).

Physical Conditions

Land Use

According to data from the Clackamas County Assessor’s Office, the Area, shown in Figure 2 below, contains 250 parcels excluding duplicate parcels for apartments and condominiums, and consists of 123.4 acres in tax lots and 35.9 acres of right-of-way, for a total size of 159.3 acres.

An analysis of property classification data from the Clackamas County Assessment and Taxation database was used to determine the land use designation of parcels in the Area.

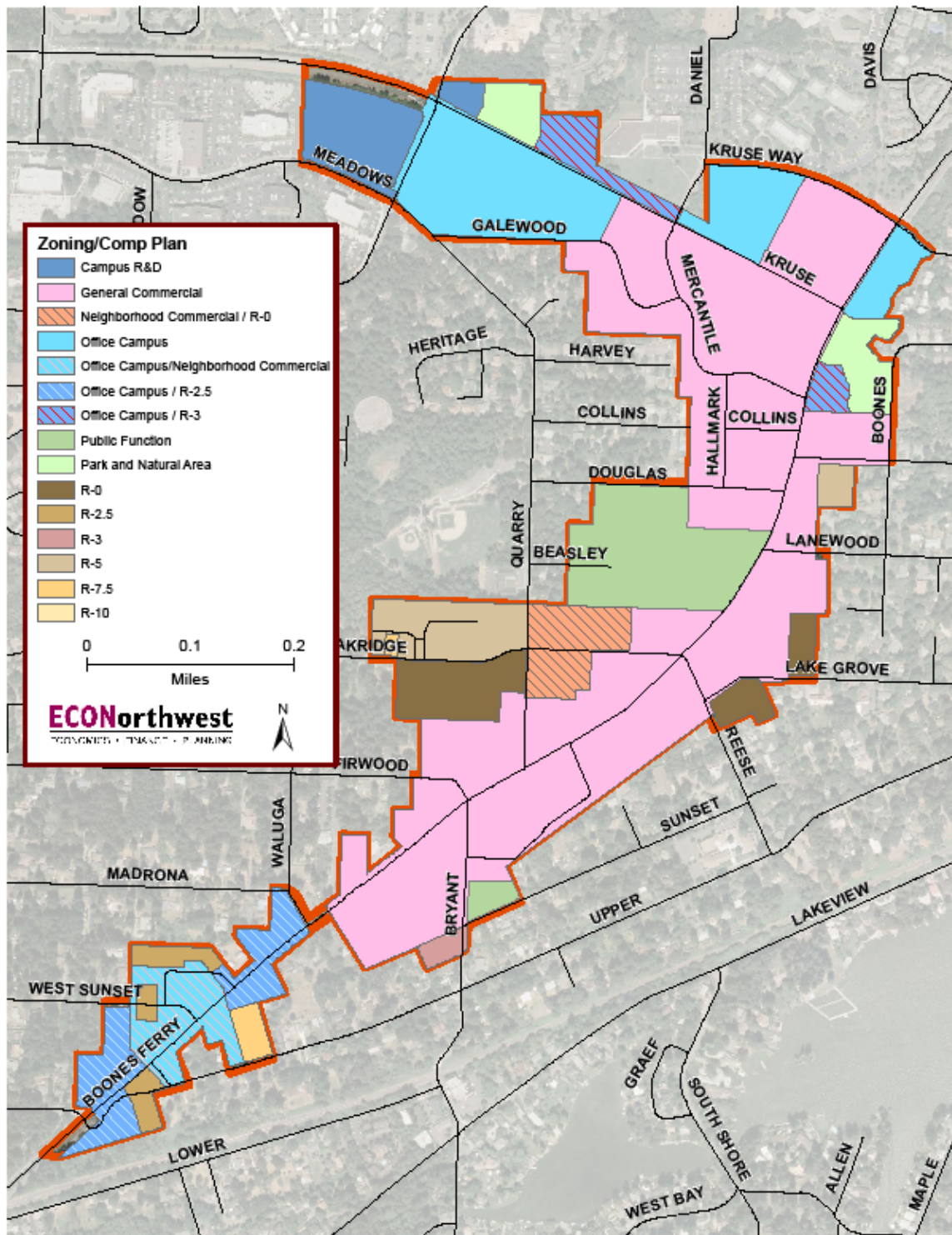
Within the Area, the largest use of land is commercial (60.90% of total acreage). Following this, and demonstrating the underutilization of the Area, the largest land use category is vacant land (14.37%). In the Assessor’s data, 41 of the vacant parcels in the Area are in Trillium Woods and are either currently developed, under construction or planned for development. This accounts for 3.89 acres. To accurately reflect this information, this acreage and the tax lots were moved from Vacant to the Single Family Residential use in the table below.

Table 1 - Existing Land Use of Area

Existing Land Use	Tax lots	Acres	Percent of Acres
Commercial	99	75.1	60.90%
Vacant	34	17.7	14.37%
SF Residential	78	15.2	12.31%
MF Residential	39	9.0	7.32%
School	1	6.36	5.10%
Total	252	123.4	100.00%

Source: Clackamas County Assessor data

Figure 2 – Zoning and Comprehensive Plan Designations



Zoning and Comprehensive Plan Designations

In the Area, the zoning code designations and the comprehensive plan designations are the same. The zoning code implements the comprehensive plan, regulates land use throughout the city and defines development standards within established

zones. Data for this analysis was taken from the city of Lake Oswego Geographic Information System (GIS) and varies slightly from the data base from the Clackamas County Assessor shown in Table 1.

As illustrated in Table 2, the largest portion (49.54%) of the Area is zoned as General Commercial. This is followed by Office Campus, which is approximately 9.92% of the Area. All combined, residential zones or combinations of zones that include residential usages comprise 19.67% of the Area and commercial, office and campus research zones or zone combinations including office and commercial comprise 75.71% of the Area.

Table 2 – Existing Zoning/Comprehensive Plan Designations of Area

Zoning/Comp Plan Designation	Tax lots	Acres	Percent of Acres
General Commercial	88	61.13	49.54%
Office Campus	10	12.24	9.92%
Public Function	4	10.4	8.43%
Residential R-0	19	5.81	4.71%
Campus R&D	2	5.46	4.42%
Park and Natural Area	14	5.3	4.29%
Residential R-5	44	4.94	4.00%
Office Campus / R-2.5	9	4.7	3.81%
Office Campus / Neighborhood Commercial	13	4.59	3.72%
Neighborhood Commercial / R-0	25	3.38	2.74%
Residential R-7.5	3	1.1	0.89%
Office Campus / R-3	2	1.93	1.56%
Residential R-2.5	15	1.61	1.30%
Residential R-3	4	0.81	0.66%
Total	252	123.4	100.00%

Source: City of Lake Oswego and Clackamas County Assessment Data

Infrastructure: Existing Conditions

An existing conditions analysis is one way of identifying blight within an urban renewal area. When describing the existing conditions of infrastructure within an urban renewal area, the current best practice is to pull that information from existing plans for the area, such as the capital improvement plan, comprehensive plan, or various master plans if there is no current capital improvement plan. These plans represent a significant amount of research and labor, and contained within these plans are lists of projects to address deficiencies that were identified within the Area. This Report will use the project lists from some of the various plans listed above to describe the existing conditions and various deficiencies within the Area. This does not mean that the projects identified in this existing conditions analysis are all projects to be funded by the Plan. The projects to be funded in the Plan are the reconstruction of Boones Ferry Road and parking, which are described in the Lake Grove Village Center Urban Renewal Plan and later in this Report in the section titled, "The Urban Renewal Projects and the Relationship Between Urban Renewal Projects and the Existing Conditions in the Urban Renewal Area."

Transportation

The backbone of the Area is its two Major Arterials, Boones Ferry Road and Kruse Way. The area surrounding them is interlaced with smaller roads, parks, pathways, and sidewalks, some of which are sufficient for their purposes, but most of which require upgrades to bring them in line with various plans for the future of the Area. The following sections will outline the projects and improvements scheduled for the Area by Lake Oswego plans, including the 2011 Lake Oswego Capital Improvement Plan (LOCIP) and the Lake Grove Village Center Plan (LGVC Plan).

Sidewalks

Boones Ferry Road and Kruse Way both have sidewalks throughout the Area, but the overall effectiveness of the pedestrian transportation system needs improvements. There are two major deficiencies identified by the LGVC Plan, which, if addressed, would greatly improve pedestrian access.

The first is that, even though sidewalks exist along portions of the arterials, there is a distinct lack of neighborhood connections to the Area. It is proposed that sidewalks or pathways be added to arterial and collector roadways to enhance connectivity. This would encourage pedestrian travel not just within the Area, but to the Area as well.

The second deficiency is that there are too few pedestrian crossings along Boones Ferry Road within the Area. There are only four marked and controlled crosswalks, meaning that pedestrians have to walk more than a quarter of a mile, on average, to reach a crosswalk. This situation encourages illegal crossings and discourages pedestrians on one side of the road from visiting businesses on the other side of the road.

The pedestrian improvements, as detailed in the LGVC Plan, are shown in Table 3.

Table 3 – Projects from the LGVC Plan – On-Street Pedestrian Improvements

Location	Description	Priority
Kruse Way between Daniel Way/Mercantile Drive & Boones Ferry Road	Enhanced multi-use pathway with “Village Gateway” streetscape treatment	High
Boones Ferry Road between Kruse Way Place & Mercantile Drive	Enhanced sidewalk with “Village Gateway” streetscape treatment	High
Galewood/Quarry along curve at west end	Urban Curb & Gutter	Low
Mercantile Drive complete west/south side and all of east/north side	Urban Curb & Gutter	Medium
Douglas Way both sides at commercial zone	Urban Curb & Gutter	High
Douglas Way west of commercial zones	Residential (meandering) Path	High
Lanewood Street north and south to complete at commercial zone	Urban Curb & Gutter	Medium complete at commercial zone
Quarry Road north of Oakridge	Residential (meandering) Path	Medium
Quarry Road south of Oakridge	Urban Curb & Gutter	Medium
Oakridge Road west of Quarry north & south	Residential (meandering) Path	Low
Oakridge Road east of Quarry north & south	Urban Curb & Gutter	Medium
Reese Road west side at commercial zone	Urban Curb & Gutter	Medium
Lake Grove Avenue north side at commercial zone	Urban Curb & Gutter	Low
Bryant Road	Urban Curb & Gutter	High
Bryant Road	Residential (meandering) Path	High
Madrona north/east side	Urban Curb & Gutter	Low

Source: Lake Grove Village Center Plan

Bike Facilities

Bicycle facilities are provided along two segments of road (on Boones Ferry Road, between Kruse Way and Mercantile Drive and a southbound lane on the west side

of Bryant Road near the Lake Grove Shopping Center) in the Area. This means that on all other sections of road, bicyclists must share the road with motorists. The LGVC Plan calls for improvements to bike facilities (mainly the creation of bike lanes). The bicycle projects in the LGVC Plan are shown in Table 4.

Table 4 – Projects from the Lake Grove Village Center Plan – Bike Facilities

Location	Description	Priority
Boones Ferry Road	Bike Lanes	See also Transportation Project 1, Boones Ferry Corridor Improvements
Kruse Way between Daniel Way/Mercantile Drive & Boones Ferry Road	Enhanced multi-use pathway with “Village Gateway” streetscape treatment. Bicycles one direction each side of Kruse Way.	High
Quarry Road	Bikeways	Low
Bryant Road	Bikeways	Low

Source: Lake Grove Village Center Plan

Streets and Intersections

Major Arterials Kruse Way and Boones Ferry Road handle the majority of the traffic load within the area. Connecting these streets to local neighborhoods are Major Collectors Carman Drive and Bryant Road. Serving as connecting streets with lower traffic loads, Oakridge Road, Quarry Road, Firwood Road, Reese Road, and Lake Grove Avenue are the Neighborhood Connectors in the Area. The remaining streets are classified as “local.”

These streets are currently functional, but have a number of deficiencies that the 2011 LOCIP and the LGVC Plan seek to remedy. The LGVC Plan does not assign costs to its recommended projects, but the LOCIP has an estimate of \$17,080,000 for projects in the Area. These projects are listed below. The projects from the LGVC Plan are shown in Table 5.

Projects from the 2011 Lake Oswego Capital Improvement Plan

Boones Ferry Rehabilitation Project

Estimate from LOCIP: \$830,000

Project Description: This project will repave the roadway on Boones Ferry Road and Kruse Way to the Lake Oswego/Portland city limit. This project will not pave the area known as the Lake Grove Town Center.

Relation to Area:

This project will repave the small section of Boones Ferry Road that extends north of its intersection with Kruse Way, while still remaining in the Area boundary.

Lake Grove Village Center Improvements – Engineering Study

Estimate from LOCIP: \$250,000

Project Description: This project funds a preliminary engineering design and possible demonstration project related to the Lake Grove Village Center Plan. The project was proposed by citizens during the Budget Committee hearings and recommended by the Budget Committee.

Relation to Area:

This project will define the centerline and provide other engineering details for the future construction of Boones Ferry Road. This project is currently underway.

Boones Ferry Road Improvements

Estimate from LOCIP: \$16,000,000 (This number is from the 2011 LOCIP, it differs from the present numbers being used.)

Project Description: The Lake Grove Village Center Plan includes a project to improve Boones Ferry Road between Madrona Street and Kruse Way. The project includes bikeways, sidewalks, a center median, green street features, and intersection improvements.

Relation to Area:

This project will improve the section of Boones Ferry Road that is left out of the Boones Ferry Road Rehabilitation Project. The project will upgrade Boones Ferry beyond a standard Minor Arterial and create a corridor that is more pedestrian friendly, more aesthetically pleasing, and more sustainable.

Table 5 – Projects from the Lake Grove Village Center Plan – Street Improvements

Location	Description	Priority
Boones Ferry Road between Kruse Way and Madrona Street	Boones Ferry Road corridor improvement including signals, intersection improvements, mid-block pedestrian crossings, landscaped medians, bike lanes, and pedestrian amenities.	High
Mercantile Intersection	Intersection Improvements – Existing signal	Low
Lanewood Intersection	Intersection Improvements – New signal	Medium
Reese-Oakridge Intersection	Intersection Improvements – Existing signal	High
Between Reese and Bryant	Intersection Improvements – New signal	High
Bryant-Firwood Intersection	Intersection Improvements – Existing signal	Medium
Between Bryant and Madrona	Intersection Improvements – New signal	Low
Hallmark Drive between Mercantile Drive and Douglas Way	Festival street treatment including curbless sidewalks, bollards, special paving and landscaping.	

Source: Lake Grove Village Center Plan

Pathways

Neighborhood connections to Boones Ferry Road in the Area are lacking. To create a safe and inviting pedestrian network, the 2011 LOCIP and the LGVC Plan identified a number of projects in the Area. The LGVC Plan does not assign costs to its recommended projects, but the LOCIP established a budget of \$1,472,000 for projects in the Area. Some of these projects are not entirely in the Area, but a portion is in the Area. These projects are listed below.

Projects from the 2011 Lake Oswego Capital Improvement Plan

Bryant Road Bike Lanes and Pathway

Estimate from LOCIP: \$636,000

Project Description: This project adds bike lanes and pathways from Childs Road to Boones Ferry Road. The total cost of the regional project is estimated at \$6,360,000. This project is contained in Metro's 2035 Regional Transportation Plan. If grants and regional funding are approved in the future, then the cost to Lake Oswego is estimated at 10% of the total project cost.

Relation to Area:

This project will improve Bryant Road, whose northernmost portion enters the Area and then connects to Boones Ferry Road.

Douglas Way Pathway

Estimate from LOCIP: \$31,000

Project Description: This project would complete a 300-foot section of missing sidewalk to connect up with the existing sidewalk from Boones Ferry to Lake Grove Elementary School.

Relation to Area:

This entire project falls within the Area. Creating this pathway will enhance pedestrian mobility and will help bring the Area in line with the visions of the governing plans.

Firwood Road Neighborhood Pathway

Estimate from LOCIP: \$325,000

Project Description: This project includes a 2,500-foot long, 5-foot wide asphalt pathway. The City would need to acquire right-of-way and remove large Douglas Fir trees to implement this pathway. Priority of this pathway is based on acquiring road authority for part of this project from Clackamas County.

Relation to Area:

The easternmost portion of this project lies within the Area. Creating this pathway will enhance pedestrian mobility and will help bring the Area in line with the visions of the governing plans.

Mercantile Drive Local Pathway

Estimate from LOCIP: \$50,000

Project Description: This project consists of two 400-foot long, 5-foot wide concrete sidewalks between Boones Ferry Road and Hallmark Drive.

Relation to Area:

This entire project falls within the Area. Creating this pathway will enhance pedestrian mobility and will help bring the Area in line with the visions of the governing plans.

Lake Grove Village Center Improvements

Estimate from LOCIP: \$100,000

Project Description: The Lake Grove Village Center Plan includes a variety of projects to improve pedestrian, bicycle, and vehicular access within the Village Center. The plan also includes improvements to parks and public open spaces. This LOCIP project intends to fund these projects. Individual projects will be selected based on a set of ranked criteria and the priorities listed in the Village Center Plan.

Relation to Area:

In its current condition, the Area does not provide a friendly environment for pedestrians or bikes. Improving non-vehicular circulation will encourage people to support businesses in the Area. Vehicular access can also be improved, bringing with it a similar boost to businesses. Table 6 lists the projects from the LGVC Plan.

Table 6 – Projects from the Lake Grove Village Center Plan – Pathways

Location	Description	Priority
North/South between Lake Grove Ave. & Lanewood St.	Pathway	Medium
Kruse Way to Galewood	Pathway	Low
Harvey Way to Mercantile Drive	Pathway	Low
Collins Way to Hallmark Drive	Pathway	Low
Douglas Way to School Driveway	Pathway	Medium
Lake Grove Elementary - Douglas Way to Boones Ferry	Pathway	Medium
Lake Grove Ave to Boones Ferry	Pathway	Low
Oak Ridge Rd to Boones Ferry	Pathway	Low

Source: Lake Grove Village Center Plan

Stormwater

There are no projects in the 2011 LOCIP that specifically deal with stormwater issues in the Area. The LGVC Plan identifies an action measure to “fund and complete a detailed stormwater management and engineering feasibility study to fully assess issues and cost associated with incorporating green streets” (LGVC Plan, p.17). This issue may be addressed in the Boones Ferry Road Refinement Plan, scheduled for adoption in the spring of 2012.

Wastewater

There are no projects in the 2011 LOCIP or the LGVC Plan that specifically deal with wastewater issues in the Area.

Water

There is one major water project that lies partially within the Area. The planned new water supply line linking Lake Oswego and Tigard should pass through the north end of the Area.

Projects from the 2011 Lake Oswego Capital Improvement Plan

Lake Oswego-Tigard Water Partnership

Estimate: \$213,980,000

Project Description: Plan, design, finance, and construct an expansion of Lake Oswego’s water supply system from its current capacity of 16 million gallons per day (mgd) to 32 mgd. This project started in FY 2009-10 and will conclude in FY 2016-17.

Relation to Area:

A portion of the pipeline being upgraded by this project lies in the Area.

Parks and Open Space

The 2011 LOCIP does not identify specific improvements for any parks or open spaces in the Area. There is, however, a project in the LOCIP that has an estimated cost of \$100,000 whose description says some of the budget will be used on parks and open spaces in the Area. This project is detailed as **Lake Grove Village Center Improvements** above. Although there are no parks identified in the Area, the Lake Grove Elementary School playground serves a park function in the Area.

Public Parking to Support Businesses

Other than the parking at the Lake Grove Elementary School, there is no existing publicly owned parking in the Area. The LGVC Plan and the 2011 LOCIP both identify parking as an aspect within the Area that needs to be improved. The LOCIP estimates \$6,200,000 to address this issue.

Projects from the 2011 Lake Oswego Capital Improvement Plan

Lake Grove Village Center Parking Improvements

Estimate from LOCIP: \$6,200,000

Project Description: The Lake Grove Village Center Plan includes a project to provide public parking facilities in conjunction with roadway improvements. The parking improvements may be a stand-alone project or a project developed jointly with a private developer.

Relation to Area:

Parking is one of the most important components to creating a successful mixed-use area. Creating effective parking infrastructure will encourage more people to frequent the businesses in the Area.

Table 7 – Projects from the Lake Grove Village Center Plan – Public Parking

Location	Description	Priority	Comments
Distribute public parking lots/facilities and related access within each of the three parking service areas: North, Central and South.	Public parking lots/facilities and related access	High	Acquire sites for public parking lots/facilities. Develop future parking lots/facilities through public/private partnerships as opportunities arise and as needs are defined in conjunction with redevelopment and Boones Ferry Road improvements.

Source: Lake Grove Village Center Plan

Public Buildings

The Public Buildings in the Area are:

- United States Post Office
- Lake Grove Elementary School
- Lake Oswego School District Bus Storage
- A Clackamas County Housing Authority building

Wetlands

There is a small wetland in the Area located off the end of Harvey Way and adjacent to Mercantile Drive.

Social Conditions

According to the Clackamas County Assessor's data, there are 87 parcels in the Area with residential uses, accounting for 22.75% of the acreage and 31% of parcels. Claritas is the database used for this information. The boundary drawn for the data is roughly the same boundary as the Plan Area.

The population of the Area is estimated at 605 people.

Table 8 – Population Estimate

Population	
1990 Census	500
2000 Census	620
2012 Estimate	605

Source: Claritas, 2010

The age distribution in the Area is centered around the 45 to 54-year-old age group (17%). The age group from 25 to 65 accounts for 59% of the population. The full age distribution of the Area is shown in Table 9, below.

Table 9 – Age Distribution

Age	Number	Percent
0 - 4	27	4%
5 - 9	32	5%
10 - 14	36	6%
15 - 17	22	4%
18 - 20	17	3%
21 - 24	24	4%
25 - 34	70	12%
35 - 44	99	16%
45 - 54	102	17%
55 - 64	88	15%
65 - 74	45	7%
75 - 84	24	4%
85 and over	20	3%
Total	605	100%

Source: Claritas, 2010

The racial characteristics of the Area are shown in Table 10, below. The majority of people (85%) identify themselves as white and the second largest group that people identify with is Asian (7%).

Table 10 – Racial Characteristics

Race	Number	Percent
White Alone	512	85%
Black or African American Alone	9	1%
Amer. Indian and Alaska Native Alone	3	0%
Asian Alone	45	7%
Native Hawaiian and Other Pac. Isl. Alone	3	0%
Some Other Race Alone	9	1%
Two or More Races	25	4%
Hispanic or Latino	28	5%
Not Hispanic or Latino	577	95%
Total	605	100%

Source: Claritas, 2010

Over 89% of the people living in the Area indicate they have some level of college education or college degree, including advanced degrees as shown in Table 11 below.

Table 11 – Education

Educational Attainment	Number	Percent
Less than 9th grade	6	1%
Some High School, no diploma	8	2%
High School Graduate (or GED)	37	8%
Some College, no degree	102	23%
Associate Degree	21	5%
Bachelor's Degree	165	37%
Master's Degree	70	16%
Professional School Degree	24	5%
Doctorate Degree	14	3%
Total	447	100%

Source: Claritas, 2010

Many workers in the Area spend less than 15 minutes travelling to work (35%), with the majority of residents spending less than 30 minutes to get to work as shown in Table 12.

Table 12 – Travel Time to Work

Travel Time to Work	Number	Percent
Less than 15 Minutes	115	35%
15 - 29 Minutes	97	30%
30 - 44 Minutes	93	29%
45 - 59 Minutes	12	4%
60 or more Minutes	7	2%
Total Workers	324	100%

Source: Claritas, 2010

Most of the workers (74%) drove alone to work as indicated in Table 13. Only one percent walked and one person indicated transportation by bicycle.

Table 13 – Method of Transportation to Work

Method of Transportation to Work	Number	Percent
Drove Alone	255	74.30%
Car Pooled	21	6.10%
Public Transportation	12	3.50%
Walked	4	1.20%
Bicycle	1	0.30%
Other Means	4	1.20%
Worked at Home	46	13.40%
Total Workers	343	100.00%

Source: Claritas, 2010

Economic Conditions

The estimated total assessed value of the Area, including all real, personal, manufactured, and utility properties, is \$150,834,268, or 2.75% of Lake Oswego's total assessed value. The total assessed value of the City of Lake Oswego is \$5,485,494,853; the value less urban renewal excess is \$5,280,630,292 (data from Clackamas County Assessor).

Improvement to Land 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 neighborhood/mixed-use commercial district would have an improvement to land value of 4:1.

Table 14, below, shows the improvement to land ratios for taxable properties within the Area. As the table shows, over 59% of the Area has less than a 2.01 improvement to land ratio, and nearly 20% of the Area is undeveloped (however, 41 of the vacant parcels in the Area are in Trillium Woods and are either currently developed, under construction or planned for development. This accounts for 3.89 acres). The I:L ratios for improved properties in the Area are very low. The row titled non-taxable represents the public or non-profit properties in the Area. The row titled no improvements represents those lots shown as having no improvements by the Clackamas County Assessor's data.

Table 14 – Improvement to Land Ratio

Improvement/Land Ratio	Tax lots	Acres	Percent of Acres	Assessed Value	Percent of AV
Not Taxable	34	20.6	16.66%	\$0	0.00%
No Land Value (Condos)	28	0.3	0.25%	\$2,457,510	1.75%
No Improvement Value (Vacant)	55	20.6	16.66%	\$12,168,143	8.69%
0.01 - 0.50	31	12.5	10.10%	\$8,046,045	5.74%
0.51 - 1.00	19	15.4	12.49%	\$18,378,358	13.12%
1.01 - 1.50	22	16.2	13.15%	\$22,165,126	15.83%
1.51 - 2.00	24	8.5	6.91%	\$14,370,954	10.26%
2.01 - 3.00	24	17.0	13.74%	\$25,642,453	18.31%
3.01 - 4.00	6	3.9	3.18%	\$8,970,193	6.40%
4.01 - 5.00	6	7.5	6.09%	\$20,945,496	14.95%
>5.0	3	0.9	0.75%	\$6,916,773	4.94%
Total	252	123.4	100%	\$140,061,051	100%

Source: Base data from Clackamas County Assessor

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 the section on Impact of Tax Increment Financing in this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects being considered for future use of urban renewal are transportation and parking development projects. The use of urban renewal funding for these projects allows the City to leverage other available City and other funding sources to complete the improvements in the Area. Given the ability to fund much of the reconstruction of Boones Ferry Road through tax increment financing, other much needed City transportation projects can be funded with the City’s other funding sources, as determined through the annual budgeting process.

It is anticipated that the transportation and parking development projects will catalyze development on the adjacent undeveloped and underdeveloped parcels. This development will require City services, such as utilities and fire and police services, but will also generate systems development charges, revenues from the use of utilities in the Area, and school excise taxes. As the development will be new construction or upgrading of existing structures, the development will meet current building code, which will enhance fire-protection.

These impacts of needed municipal services will be mitigated by providing funding for major transportation facilities creating vital connections to the existing developed parcels and to major parcels of undeveloped and underdeveloped land. With increased connectivity, this land will be more likely to be improved at a higher density, which will provide additional future jobs to the Lake Oswego area, and future increased tax base for all taxing jurisdictions. The projects will also provide a highly desired transportation amenity which will greatly increase the pedestrian and bicycle connectivity in the Area, which reduces transportation costs and increases livability.

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

The reason for selecting the Area is to cure blight. Some of the conditions of blight will be addressed by implementing the projects identified in this Plan.

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

The projects identified for the Area are the reconstruction of Boones Ferry Road and parking for the Area. The descriptions of the projects and relationship to existing conditions are shown below.

Boones Ferry Road

Boones Ferry Road includes full improvements as specified in the Lake Grove Village Center Plan including:

- Four travel lanes (two travel lanes in each direction)
- Landscaped center medians serving as a greenstreet feature to capture stormwater
- Bike lanes on both sides of the street
- Sidewalks, including tree wells or landscaped planter on both sides of the street
- Left turn lane and space for u-turns at the signalized intersections
- Pedestrian crosswalks
- Undergrounding of private utilities
- Consistent streetscape elements, including pedestrian scale lighting, street furniture/benches, public transit shelters, coordinated paving materials, and street trees.

Existing Conditions:

Boones Ferry Road is classified as a major arterial in the City of Lake Oswego Transportation Systems Plan (TSP). It has two travel lanes in each direction, with some turn lane refuges in the center. Sidewalks exist along portions of Boones Ferry Road, but not along the full extent. The sidewalks have significant deterioration in many segments. As identified in the LGVC Plan, over half of the existing sidewalks facilities do not meet minimum width standards, some portion of the sidewalk tilt toward the street with no buffer between pedestrian path and vehicle traffic, in other areas the pedestrian path is obstructed with utility poles and/or trees, many driveways and access points create potential pedestrian-vehicle conflict points and the existing system lacks connectivity (LGVC Plan, p 11). The LGVC Plan also notes that there are some bicycle facilities, but not throughout the Area. It identifies issues including transportation safety in the Area. The LGVC Plan identifies many transportation improvements for Boones Ferry Road. The deficiencies identified in the TSP include the need for

Widening of Boones Ferry Road (3-14)

Intersection Improvements (3-14)

Bike lanes/bikeways (3-22)

New or refined signal coordination (3-27)

In addition, Boones Ferry Road is identified as needing rehabilitation, signals, turn lanes, widening, pedestrian and bicycle improvements (TSP in Table 4-3, p 4-7). There are also storm water runoff deficiencies in the Area.

Parking Improvements

Includes parking development to replace parking lost in the Boones Ferry Road construction as outlined in the Lake Grove Village Center Plan, and parking to support businesses in the Area. Parking may include acquisition of sites and the development of facilities.

Existing Conditions:

The reconstruction of Boones Ferry Road as described in the LGVC Plan and identified as a project in this Plan recognizes that parking spaces will be eliminated in the road reconstruction. The LGVC Plan specifically identifies that these parking spaces must be replaced (LGVC Plan, p 56). In addition, there is parking demand throughout the Area.

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

The costs of the projects are shown in Table 15. The sources of funds are tax increment revenues (TIF) and a variety of other funding sources as identified by the City of Lake Oswego (City). The “other” sources include systems development charges, general obligation bonds, street fund contribution, general fund contributions, local improvement district(s) or other sources identified by the City.

In addition to the other sources identified above, if the projects are to be constructed according to the schedule shown in Table 16, there is an identified up-front funding gap which must be filled to allow the Boones Ferry Road Phase I project to commence. It is anticipated the City of Lake Oswego would issue a full faith and credit bond to pay for the Phase I funding of Boones Ferry Road. It is anticipated there will be TIF revenues sufficient to repay the up-front financing provided through the full faith and credit bond by the City.

There may also be a funding gap for Phase II of Boones Ferry Road, depending on the final engineering and costs of the project and the actual inflation of project costs into the distant future. If there is a gap, it is anticipated that other funding sources as identified above will fill the gap. The TIF Share Column refers to the amount of tax increment revenues in FY2011-12 dollars.

Table 15 – Estimated Cost of Projects

Project	Estimated Project Costs FY	TIF Share
	2011-12 \$	2011-12 \$
Boones Ferry Road Phase I	\$23,000,000	\$15,700,000
Boones Ferry Road Phase II	\$9,000,000	\$4,500,000
Parking	\$2,000,000	\$2,000,000

Source: City of Lake Oswego and ECONorthwest, rounded totals

VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

- The project schedule is shown in Table 16. The projects will be ongoing and will be completed as directed by the Lake Oswego Redevelopment Agency (LORA) The anticipated construction start dates are shown below, with completion depending on project specifics identified at the time of construction and all projects anticipated to be completed by FY 2042-43. This date is after the Area is expected to quit receiving tax increment revenues, but the final construction of Phase II may go beyond the construction start date, where funding will be allocated. This is not expected to increase the term of the tax increment financing, projected for 26 years.

Table 16 - Anticipated Completion Dates

Project	Anticipated Construction Date	Anticipated Completion Date
Boones Ferry Road Phase I	FY 2014-15	FY 2018-19
Parking	FY 2031-32	FY 2034-35
Boones Ferry Road Phase II	FY 2038-39	FY 2040-41

Source: ECONorthwest ,City of Lake Oswego, dependent on financing plan devised by the City

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

Table 17 shows the tax increment revenues and other funds and their allocation to reimbursements, debt service, and debt service reserve funds. It is anticipated that all debt will be retired by the end of FY 2038-39. The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$36,000,000 is \$48,995,831(nominal dollars).

It is anticipated the City of Lake Oswego would issue a full faith and credit bond to pay for the Phase I funding of Boones Ferry Road. In the early years of the district, TIF revenues are estimated to be insufficient to cover 100% of the debt service for the City FF&C bond. Therefore, other City funds would be used to make partial debt service payments.

Once there is sufficient funding from tax increment revenues, the debt service payments on the full faith and credit bond will be repaid to the City from the tax increment revenues. The up-front financing cited above, called “other funds” in this table, represents annual contributions from the City. The financing plan shows these up-front funds being re-paid to the City in FY 2023-24 to 2030-31.

Abbreviations used in the table:

FF&C Bond Full Faith and Credit Bond

Table 17 – Tax Increment Revenues, Other Funds and Allocations to Debt Service

	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21
RESOURCES									
Beginning Fund Balance	\$0	\$0	\$99,994	\$365,693	\$12,215,000	\$5,930,000	\$0	\$0	\$0
Tax Increment	\$0	\$302,994	\$371,789	\$448,036	\$532,397	\$625,443	\$734,143	\$859,963	\$987,042
Transfers in:									
General Fund (FF&C Bond)	\$0	\$0	\$0	\$17,400,000	\$0	\$0	\$0	\$0	\$0
Other Funds	\$350,000	\$2,250,000	\$4,000,000	\$1,630,117	\$814,727	\$1,080,058	\$619,836	\$497,598	\$374,209
Total Resources	\$350,000	\$2,552,994	\$4,471,783	\$19,843,846	\$13,562,124	\$7,635,501	\$1,353,979	\$1,357,561	\$1,361,251
EXPENDITURES									
Debt Service	\$0	\$0	\$0	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)
URD Administration	(\$100,000)	(\$103,000)	(\$106,090)	(\$109,273)	(\$112,551)	(\$115,928)	(\$119,406)	(\$122,988)	(\$126,678)
Repayment to Other Funds*	\$0	(\$100,000)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay									
Boones Ferry Road Phase 1	(\$250,000)	(\$2,250,000)	(\$4,000,000)	(\$6,285,000)	(\$6,285,000)	(\$6,285,000)	\$0	\$0	\$0
Boones Ferry Road Phase 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Parking	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	(\$350,000)	(\$2,453,000)	(\$4,106,090)	(\$7,628,846)	(\$7,632,124)	(\$7,635,501)	(\$1,353,979)	(\$1,357,561)	(\$1,361,251)
Ending Fund Balance	\$0	\$99,994	\$365,693	\$12,215,000	\$5,930,000	\$0	\$0	\$0	\$0

Source: ECONorthwest

Table 17 – Tax Increment Revenues, Other Funds and Allocations to Debt Service, continued

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
RESOURCES									
Beginning Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tax Increment	\$1,124,417	\$1,268,220	\$1,418,836	\$1,576,458	\$1,658,281	\$1,784,691	\$1,953,010	\$2,129,195	\$2,313,614
Transfers in:									
General Fund (FF&C Bond)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Funds	\$240,634	\$100,745	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Resources	\$1,365,051	\$1,368,965	\$1,418,836	\$1,576,458	\$1,658,281	\$1,784,691	\$1,953,010	\$2,129,195	\$2,313,614
EXPENDITURES									
Debt Service	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)
URD Administration	(\$130,478)	(\$134,392)	(\$138,424)	(\$142,577)	(\$146,854)	(\$151,260)	(\$155,798)	(\$160,472)	(\$165,286)
Repayment to Other Funds*	\$0	\$0	(\$45,839)	(\$199,308)	(\$276,854)	(\$398,858)	(\$562,639)	(\$734,150)	(\$913,755)
Capital Outlay									
Boones Ferry Road Phase 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Boones Ferry Road Phase 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Parking	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenditures	(\$1,365,051)	(\$1,368,965)	(\$1,418,836)	(\$1,576,458)	(\$1,658,281)	(\$1,784,691)	(\$1,953,010)	(\$2,129,195)	(\$2,313,614)
Ending Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Source: ECONorthwest

Table 17 – Tax Increment Revenues, Other Funds and Allocations to Debt Service, continued

	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37	2037-38	2038-39
RESOURCES									
Beginning Fund Balance	\$0	\$310,851	\$0	\$0	\$857,188	\$2,688,377	\$4,726,965	\$6,981,720	\$9,218,772
Tax Increment	\$2,487,190	\$2,668,041	\$2,856,474	\$3,052,807	\$3,257,374	\$3,470,521	\$3,692,609	\$3,681,004	\$3,741,282
Transfers in:									
General Fund (FF&C Bond)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Resources	\$2,487,190	\$2,978,892	\$2,856,474	\$3,052,807	\$4,114,562	\$6,158,898	\$8,419,574	\$10,662,724	\$12,960,054
EXPENDITURES									
Debt Service	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$1,234,573)	(\$2,410,343)
URD Administration	(\$170,245)	(\$175,352)	(\$180,613)	(\$186,031)	(\$191,612)	(\$197,360)	(\$203,281)	(\$209,379)	(\$215,660)
Repayment to Other Funds*	(\$771,521)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Outlay									
Boones Ferry Road Phase 1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Boones Ferry Road Phase 2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$10,334,051)
Parking	\$0	(\$1,568,967)	(\$1,441,288)	(\$775,015)	\$0	\$0	\$0	\$0	\$0
Total Expenditures	(\$2,176,339)	(\$2,978,892)	(\$2,856,474)	(\$2,195,619)	(\$1,426,185)	(\$1,431,933)	(\$1,437,854)	(\$1,443,952)	(\$12,960,054)
Ending Fund Balance	\$310,851	\$0	\$0	\$857,188	\$2,688,377	\$4,726,965	\$6,981,720	\$9,218,772	\$0

Source: ECONorthwest

VIII. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FY 2038/39, as shown above, are based on projections of the assessed value of development within the Area and the total tax rate that will apply in the Area. Table 18 shows the estimated assessed values of the Area and the growth assumptions for projecting those values.

The assumptions include projected new assessed value of \$12,524,565 from current development projects¹. This development is shown in the AV estimated in Table 19 below. Building permits in the Area over the last ten years as identified by the City of Lake Oswego and shown in Table 19 indicate consistent upgrading and new development in the Area which supports assessed value growth assumptions above the 3% statutory limits for existing development. The projects identified in the Plan are anticipated to also help catalyze new development in the Area. A market analysis conducted by ECONorthwest in April of 2012 states

“Overall, the market fundamentals in the Lake Oswego market remain strong.... The most likely use to develop in the Lake Grove Village Center is retail. Retail uses are in the planning stage – but not the development stage. The high traffic counts and variety of existing retail on Boones Ferry Road make it a good location for additional retail.

The proposed improvements will improve access on Boones Ferry Road for existing and future businesses. Further, funding the road project will increase certainty among property owners and developers about the future of the Lake Grove Village Center area. This increased certainty by itself might help to improve the likelihood that redevelopment will occur, but the road improvement itself does not alter the strong fundamental market conditions in the area.”

¹ Lake Grove Shopping Center and Trillium Woods.

Table 18 – Assessed Value Estimates

Fiscal Year	Real	Personal	Utility	Net Assessed Value from Special Projects	Total	Percent Growth
2011-2012	\$140,061,051	\$7,892,030	\$2,881,187	\$0	\$150,834,268	0.0%
2012-2013	\$144,262,883	\$7,892,030	\$2,881,187	\$6,141,605	\$161,177,705	6.9%
2013-2014	\$148,590,769	\$7,892,030	\$2,881,187	\$12,766,040	\$172,130,026	6.8%
2014-2015	\$153,048,492	\$7,892,030	\$2,881,187	\$13,149,021	\$176,970,730	2.8%
2015-2016	\$158,022,568	\$7,892,030	\$2,881,187	\$13,543,491	\$182,339,276	3.0%
2016-2017	\$163,553,358	\$7,892,030	\$2,881,187	\$13,949,796	\$188,276,371	3.3%
2017-2018	\$169,686,609	\$7,892,030	\$2,881,187	\$14,368,290	\$194,828,116	3.5%
2018-2019	\$176,898,290	\$7,892,030	\$2,881,187	\$14,799,338	\$202,470,845	3.9%
2019-2020	\$185,300,959	\$7,892,030	\$2,881,187	\$15,243,318	\$211,317,494	4.4%
2020-2021	\$194,102,755	\$7,892,030	\$2,881,187	\$15,700,618	\$220,576,590	4.4%
2021-2022	\$203,322,636	\$7,892,030	\$2,881,187	\$16,171,636	\$230,267,489	4.4%
2022-2023	\$212,980,461	\$7,892,030	\$2,881,187	\$16,656,785	\$240,410,463	4.4%
2023-2024	\$223,097,033	\$7,892,030	\$2,881,187	\$17,156,488	\$251,026,738	4.4%
2024-2025	\$233,694,142	\$7,892,030	\$2,881,187	\$17,671,183	\$262,138,542	4.4%
2025-2026	\$244,794,614	\$7,892,030	\$2,881,187	\$18,201,319	\$273,769,150	4.4%
2026-2027	\$256,422,358	\$7,892,030	\$2,881,187	\$18,747,359	\$285,942,934	4.4%
2027-2028	\$268,602,420	\$7,892,030	\$2,881,187	\$19,309,780	\$298,685,417	4.5%
2028-2029	\$281,361,035	\$7,892,030	\$2,881,187	\$19,889,074	\$312,023,326	4.5%
2029-2030	\$294,725,684	\$7,892,030	\$2,881,187	\$20,485,747	\$325,984,648	4.5%
2030-2031	\$307,251,526	\$7,892,030	\$2,881,187	\$21,100,319	\$339,125,062	4.0%
2031-2032	\$320,309,716	\$7,892,030	\$2,881,187	\$21,733,328	\$352,816,261	4.0%
2032-2033	\$333,922,879	\$7,892,030	\$2,881,187	\$22,385,328	\$367,081,424	4.0%
2033-2034	\$348,114,601	\$7,892,030	\$2,881,187	\$23,056,888	\$381,944,706	4.0%
2034-2035	\$362,909,472	\$7,892,030	\$2,881,187	\$23,748,594	\$397,431,283	4.1%
2035-2036	\$378,333,125	\$7,892,030	\$2,881,187	\$24,461,052	\$413,567,394	4.1%
2036-2037	\$394,412,283	\$7,892,030	\$2,881,187	\$25,194,884	\$430,380,384	4.1%
2037-2038	\$411,174,805	\$7,892,030	\$2,881,187	\$25,950,731	\$447,898,753	4.1%
2038-2039	\$428,649,734	\$7,892,030	\$2,881,187	\$26,729,253	\$466,152,204	4.1%

Source: ECONorthwest

Table 19 – Anticipated Increased Value from Building Permits

Value of Permits	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
ACCESSORY STRUCTURE		\$42,500				\$16,433		\$0	\$13,280	\$29,127	\$29,200
COMMERCIAL ADD/ALTER	\$390,145	\$3,592,472	\$1,511,329	\$1,460,396	\$1,381,425	\$1,827,378	\$1,178,456	\$536,210	\$497,350	\$4,377,557	\$1,794,520
COMMERCIAL ELECTRICAL	\$0	\$28,234	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
COMMERCIAL FIRE ALARM	\$1,100	\$52,882	\$11,693	\$2,900	\$6,300	\$14,000	\$74,450	\$11,050	\$27,935	\$20,210	\$65,450
COMMERCIAL LOW VOLTAGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
COMMERCIAL MECHANICAL	\$560,699	\$347,758	\$178,017	\$620,457	\$185,845	\$235,804	\$293,590	\$78,603	\$98,557	\$169,514	\$747,973
COMMERCIAL PLUMBING	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,008	\$0	\$0	\$0
COMMERCIAL SPRINKLER	\$0	\$28,222	\$6,846	\$2,900			\$10,844	\$12,748	\$1,431	\$5,990	\$74,480
DEMOLITION		\$0	\$0		\$0	\$0	\$0	\$0	\$0	\$0	\$0
NEW COM CONSTRUCTION	\$466,188		\$593,245	\$1,225,800			\$4,242,500	\$0	\$785,500	\$5,100,000	\$0
NEW SF RESIDENTIAL CONST				\$1,842,263				\$0		\$3,892,885	\$0
RESIDENTIAL ADD/ALTER	\$42,000	\$24,090	\$8,180		\$500						
RESIDENTIAL ELECTRICAL	\$0		\$0	\$0	\$0	\$0	\$0		\$0	\$0	\$0
RESIDENTIAL LOW VOLTAGE				\$0	\$0					\$0	\$0
RESIDENTIAL MECHANICAL	\$0	\$2,663	\$0	\$0	\$2,802		\$0			\$0	\$0
RESIDENTIAL PLUMBING	\$0			\$0	\$0		\$0				\$0
SPRINKLER BY SQ FOOT		\$6,240		\$0	\$2,057	\$13,732	\$7,620	\$41,042			
Total	\$1,465,132	\$4,125,061	\$2,309,310	\$5,154,716	\$1,578,929	\$2,107,347	\$5,807,460	\$681,661	\$1,424,053	\$13,595,283	\$2,711,623
Total New Construction	\$466,188	\$0	\$593,245	\$3,068,063	\$0	\$0	\$4,242,500	\$0	\$785,500	\$8,992,885	\$0

Source: ECONorthwest from City of Lake Oswego building permit data

Table 20 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 projections of increment are the basis for the projections in Table 18. These projections include a potential of two years of shared revenue with impacted taxing jurisdictions. The tax rate varies because of impacts from GO Bond rates.

Table 20 - Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues and Revenue Sharing

Fiscal Year	Increment	Applicable Levy Rate	TIF Collected	TIF to URA	Potential Revenue Sharing
2012-2013	\$0	\$14.3279	\$0	\$0	\$0
2013-2014	\$21,295,758	\$14.2279	\$302,994	\$302,994	\$0
2014-2015	\$26,136,462	\$14.2249	\$371,789	\$371,789	\$0
2015-2016	\$31,505,008	\$14.2211	\$448,036	\$448,036	\$0
2016-2017	\$37,442,103	\$14.2192	\$532,397	\$532,397	\$0
2017-2018	\$43,993,848	\$14.2166	\$625,443	\$625,443	\$0
2018-2019	\$51,636,577	\$14.2175	\$734,143	\$734,143	\$0
2019-2020	\$60,483,226	\$14.2182	\$859,963	\$859,963	\$0
2020-2021	\$69,742,322	\$14.1527	\$987,042	\$987,042	\$0
2021-2022	\$79,433,221	\$14.1555	\$1,124,417	\$1,124,417	\$0
2022-2023	\$89,576,195	\$14.1580	\$1,268,220	\$1,268,220	\$0
2023-2024	\$100,192,470	\$14.1611	\$1,418,836	\$1,418,836	\$0
2024-2025	\$111,304,274	\$14.1635	\$1,576,458	\$1,576,458	\$0
2025-2026	\$122,934,882	\$13.4891	\$1,658,281	\$1,658,281	\$0
2026-2027	\$135,108,666	\$13.2093	\$1,784,691	\$1,784,691	\$0
2027-2028	\$147,851,149	\$13.2093	\$1,953,010	\$1,953,010	\$0
2028-2029	\$161,189,058	\$13.2093	\$2,129,195	\$2,129,195	\$0
2029-2030	\$175,150,380	\$13.2093	\$2,313,614	\$2,313,614	\$0
2030-2031	\$188,290,794	\$13.2093	\$2,487,190	\$2,487,190	\$0
2031-2032	\$201,981,993	\$13.2093	\$2,668,041	\$2,668,041	\$0
2032-2033	\$216,247,156	\$13.2093	\$2,856,474	\$2,856,474	\$0
2033-2034	\$231,110,438	\$13.2093	\$3,052,807	\$3,052,807	\$0
2034-2035	\$246,597,015	\$13.2093	\$3,257,374	\$3,257,374	\$0
2035-2036	\$262,733,126	\$13.2093	\$3,470,521	\$3,470,521	\$0
2036-2037	\$279,546,116	\$13.2093	\$3,692,609	\$3,692,609	\$0
2037-2038	\$297,064,485	\$13.2093	\$3,924,014	\$3,681,004	\$243,011
2038-2039	\$315,317,936	\$13.2093	\$4,165,129	\$3,741,282	\$423,847
Total			\$49,662,688	\$48,995,831	\$666,857

Source: ECONorthwest

IX. IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the Plan, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area.

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FY 2038-39, and are shown in Table 21, below. Table 22 shows the tax revenues projected to be available to taxing jurisdictions once the Area is terminated. These are estimates only, and the changes in the economy may impact the projections made for the Area.

Note that, in FY 2037-38 the Area's TIF revenue is projected to meet the 10% of initial maximum indebtedness trigger stated in the ORS statutes (10% of \$36,000,000 is \$3,600,000). At that 10% limit, the affected taxing jurisdictions will begin receiving a portion of the TIF revenues (Revenue Sharing). These are estimates, and given the extended period before Revenue Sharing may occur, they cannot be certain. The Agency will notify the Assessor to initiate Revenue Sharing once this threshold is met.

The Lake Oswego School District and the Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the charts. 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.

The Lake Oswego School District is presently experiencing impacts of compression on their local option levies. The Lake Oswego School District local option levies are not projected to experience additional losses because of this Plan. As market values increase, compression is less of a concern for all local governments.

New commercial and residential development in the Area will be subject to the construction excise taxes that are collected for the Lake Oswego School District.

Table 21 shows the projected impacts to permanent rate levies of taxing districts as a result of this Plan. The projections in the Total Impacts column do not exactly match the tax increment projections in Table 20 because in the years 2012-2025 there are GO bonds issued prior to 2001 that have an impact on the overall TIF revenue generation, but are an impact on the tax payer (see Table 23) not on the taxing jurisdictions.

Table 21 - Projected Impact on Taxing District Permanent Rate Levies

Fiscal Year	Total Impacts	Portland		Lake Oswego		County		County		Park	Port of Portland	Metro/Oregon Zoo	Vector Control
		Community College	Clackamas ESD *	School District *	City of Lake Oswego	Clackamas County	Extension and 4H	County Library	Soil Conserv.	Lake Grove			
2013-14	281,301	6,022	7,852	95,207	105,846	51,199	1,065	8,463	1,065	894	1,493	2,057	138
2014-15	345,245	7,391	9,637	116,848	129,906	62,837	1,307	10,387	1,307	1,098	1,832	2,525	170
2015-16	416,158	8,910	11,616	140,849	156,589	75,744	1,575	12,520	1,575	1,323	2,209	3,043	205
2016-17	494,583	10,589	13,805	167,392	186,098	90,018	1,872	14,879	1,872	1,573	2,625	3,617	243
2017-18	581,129	12,441	16,221	196,683	218,663	105,770	2,200	17,483	2,200	1,848	3,084	4,250	286
2018-19	682,084	14,603	19,038	230,852	256,649	124,145	2,582	20,520	2,582	2,169	3,620	4,988	336
2019-20	798,941	17,105	22,300	270,402	300,620	145,414	3,024	24,036	3,024	2,540	4,240	5,843	393
2020-21	921,246	19,723	25,714	311,797	346,640	167,674	3,487	27,716	3,487	2,929	4,889	6,737	453
2021-22	1,049,257	22,464	29,287	355,122	394,807	190,973	3,972	31,567	3,972	3,336	5,568	7,673	516
2022-23	1,183,239	25,332	33,027	400,468	445,221	215,359	4,479	35,598	4,479	3,762	6,279	8,653	582
2023-24	1,323,472	28,334	36,941	447,930	497,987	240,883	5,010	39,816	5,010	4,208	7,023	9,679	651
2024-25	1,470,251	31,477	41,038	497,608	553,216	267,598	5,565	44,232	5,565	4,675	7,802	10,752	723
2025-26	1,623,884	34,766	45,326	549,605	611,023	295,560	6,147	48,854	6,147	5,163	8,618	11,876	799
2026-27	1,784,690	38,209	49,815	604,030	671,531	324,828	6,755	53,692	6,755	5,675	9,471	13,051	878
2027-28	1,953,011	41,812	54,513	660,998	734,865	355,464	7,393	58,756	7,393	6,210	10,364	14,282	961
2028-29	2,129,194	45,584	59,430	720,628	801,158	387,531	8,059	64,057	8,059	6,770	11,299	15,571	1,048
2029-30	2,313,616	49,533	64,578	783,045	870,550	421,097	8,758	69,605	8,758	7,356	12,278	16,920	1,138
2030-31	2,487,192	53,249	69,423	841,792	935,862	452,689	9,415	74,827	9,415	7,908	13,199	18,189	1,224
2031-32	2,668,041	57,121	74,471	903,001	1,003,911	485,605	10,099	80,268	10,099	8,483	14,159	19,511	1,313
2032-33	2,856,472	61,155	79,730	966,776	1,074,813	519,901	10,812	85,937	10,812	9,082	15,159	20,889	1,406
2033-34	3,052,807	65,358	85,210	1,033,225	1,148,688	555,636	11,556	91,843	11,556	9,707	16,201	22,325	1,502
2034-35	3,257,374	69,738	90,920	1,102,461	1,225,661	592,869	12,330	97,998	12,330	10,357	17,286	23,821	1,603
2035-36	3,470,522	74,301	96,870	1,174,601	1,305,862	631,663	13,137	104,410	13,137	11,035	18,418	25,380	1,708
2036-37	3,692,609	79,056	103,069	1,249,767	1,389,428	672,085	13,977	111,092	13,977	11,741	19,596	27,004	1,817
2037-38	3,681,002	78,807	102,745	1,245,839	1,385,061	669,973	13,933	110,742	13,933	11,704	19,535	26,919	1,811
2038-39	3,741,284	80,098	104,427	1,266,241	1,407,743	680,944	14,162	112,556	14,162	11,896	19,854	27,360	1,841
Total	\$48,258,604	\$1,033,178	\$1,347,003	\$16,333,167	\$18,158,398	\$8,783,459	\$182,671	\$1,451,854	\$182,671	\$153,442	\$256,101	\$352,915	\$23,745

Source: ECONorthwest * NOTE: Lake Oswego Schools and the Clackamas Education Service District are not directly impacted, as they are allocated funding through the State School Funding Formula that is based on per pupil counts.

Table 22 shows the tax revenues projected to be available to taxing jurisdictions once the Area is terminated. These are estimates only, and the changes in the economy may impact the projections made for the Area. The table depicts the taxes from the frozen base of the Area that the taxing jurisdictions receive throughout the life of the Plan, and the taxes estimated from the additional taxes which will be received by the taxing jurisdictions once the Plan is terminated, estimated to be in FY 2039-40. The final column estimates the total amount of taxes estimated for the year that the Plan is expected to be terminated.

Table 22 – Additional Revenues Projected After Termination of Tax Increment Financing

Taxing District	Tax Rate	Tax Revenues: FY 2039-40		
		From Frozen Base	From Tax Increment Released	Total
Portland Community College	0.2828	\$42,656	\$94,551	\$137,207
Clackamas County ESD *	0.3687	\$55,613	\$123,270	\$178,883
Lake Oswego School District *	4.4707	\$674,335	\$1,494,722	\$2,169,057
City of Lake Oswego	4.9703	\$749,692	\$1,661,757	\$2,411,449
Clackamas County	2.4042	\$362,636	\$803,814	\$1,166,450
Clackamas County Extension and 4H	0.0500	\$7,542	\$16,717	\$24,259
Clackamas County Library	0.3974	\$59,942	\$132,866	\$192,808
Clackamas County Soil and Conservation	0.0500	\$7,542	\$16,717	\$24,259
Park Lake Grove	0.0420	\$6,335	\$14,042	\$20,377
Port of Portland	0.0701	\$10,573	\$23,437	\$34,010
Metro/Oregon Zoo	0.0966	\$14,571	\$32,297	\$46,868
Vector Control	0.0065	\$980	\$2,173	\$3,153
Total	13.2093	\$1,992,417	\$4,416,363	\$6,408,780

Source: ECONorthwest *These will not be new direct revenues, due to State School Funding Formula.

Table 23 shows the projected impacts of bond rates of taxpayers as a result of this Plan. This impact is due to the spreading of pre-2001 GO Bond rates to taxpayers to equal the amount that would have been raised from properties in the urban renewal area. In other words, properties within the URA have some property tax revenues diverted from paying GO bonds that go to the urban renewal agency. However, jurisdictions still need to pay 100% of their scheduled debt service payment, so the GO bond tax rate is increased, causing taxpayers to contribute more property tax

revenues to offset the loss of tax revenue. For new urban renewal areas, bonds and local option levies issued after 2001 are not impacted by urban renewal.

The last column of Table 23 show what these impacts would be for a property with an assessed value of \$100,000. The impact is minimal, and for the most part less than one dollar a year for a property with a \$100,000 value.

Table 23 – Projected Impact on Bonds

Year	Per \$100,000 AV		
	w/o UR	UR Adjusted	Difference
2012-2013	\$111.86	\$111.86	\$0.00
2013-2014	\$101.57	\$101.90	\$0.33
2014-2015	\$101.21	\$101.67	\$0.46
2015-2016	\$100.77	\$101.28	\$0.51
2016-2017	\$100.52	\$101.10	\$0.58
2017-2018	\$100.18	\$100.83	\$0.65
2018-2019	\$100.19	\$100.93	\$0.74
2019-2020	\$100.17	\$100.99	\$0.82
2020-2021	\$93.59	\$94.44	\$0.85
2021-2022	\$93.78	\$94.72	\$0.94
2022-2023	\$93.94	\$94.97	\$1.03
2023-2024	\$94.17	\$95.28	\$1.11
2024-2025	\$94.33	\$95.52	\$1.19
2025-2026	\$27.64	\$28.01	\$0.37

Source: ECONorthwest

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

In cities with a population under 50,000, ORS 457.420 limits the amount of acreage and assessed value in an urban renewal area to 25% of the total acreage in the city and 25% of the assessed value, exclusive of urban renewal excess value. Lake Oswego has one existing urban renewal area, The East End Redevelopment Area. The table below projects the total acreages and assessed values for the East End Redevelopment Area and the Lake Grove Village Center Area. The Clackamas County Assessor will establish the frozen base once the Plan is approved. The projections below are estimates for the frozen base which were calculated from the Assessor’s records of assessed values in the Area.

Table 24 – Existing and Pending Urban Renewal Areas

Urban Renewal Areas	Frozen Base Assessed Value	Acres
East End Redevelopment Area	\$45,832,170	156
Lake Grove Village Center Area	\$150,834,268	159.3
Total	\$196,666,438	315.30
City of Lake Oswego	\$5,280,630,292	7,168
% of Total	3.72%	4.39%

Source: City of Lake Oswego *Less Incremental Assessed Value in Urban Renewal Area

XI. RELOCATION REPORT

There is no relocation anticipated due to this Plan. If any property acquisition under the Plan occurs requiring relocation of the occupants of the acquired property, LORA will follow applicable state and federal regulations to relocate such occupants.