

La Pine Urban Renewal Plan

**Adopted by the City of La Pine
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I. DEFINITIONS

“Area” means the properties and rights of way located with the La Pine urban renewal boundary.

“Citizens’ Advisory Committee” means the committee formed from private individuals to provide input on the La Pine Urban Renewal Plan. Those members are identified on the acknowledgement page of the urban renewal plan.

“City” means the City of La Pine, Oregon.

“City Council” or “Council” means the City Council of the City of La Pine.

“Comprehensive Plan” means the City of La Pine Comprehensive Land Use Plan and its implementing ordinances, policies, and standards.

“County” means Deschutes County.

“Fiscal year” means the year commencing on July 1 and closing on June 30.

“Frozen base” means the total assessed value including all real, personal, manufactured, and utility values within an urban renewal area at the time of adoption. The county assessor certifies the assessed value after the adoption of an urban renewal plan.

“Increment” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

“ORS” means the Oregon revised statutes, specifically Chapter 457, which relates to urban renewal.

“Planning Commission” means the La Pine Planning Commission.

“Tax increment financing (TIF)” means the funds that are associated with the division of taxes accomplished through the adoption of an urban renewal plan.

“Tax increment revenues” means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the area.

“Urban renewal agency” or “agency” means an urban renewal agency created under ORS 457.035 and 457.045. This agency is responsible for administration of the urban renewal plan.

“Urban renewal area” means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.160.

“Urban renewal plan” or “plan” means a plan, as it exists or is changed or modified from time to time, for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

“Urban renewal project” or “project” means any work or undertaking carried out under ORS 457.170 in an urban renewal area.

“Urban renewal report” means the official report that accompanies the urban renewal plan pursuant to ORS 457.085(3).

II. INTRODUCTION

The La Pine Urban Renewal Plan (Plan) has been developed for the La Pine City Council (City Council) with the cooperative input of a Citizens' Advisory Committee. The Plan contains goals, objectives, and projects for the development of the La Pine Urban Renewal Area (Area). The overall purpose of the Plan is to use tax increment financing to overcome obstacles to the proper development of the Area.

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

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

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

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

The Area, shown in Figure 1, consists of approximately 577.13 total acres: 498.02 acres in parcels and 79.11 acres of public right-of-way.

The Plan will be administered by the La Pine Urban Renewal Agency (Agency), which was established by the La Pine City Council as the City's Urban Renewal Agency (Ordinance No. 2014-06. Substantial changes to the Plan, if necessary, must be approved by the City Council, as outlined in Section IX of this Plan.

The Plan is accompanied by the City of La Pine's Urban Renewal Report (Report) that contains additional information, as required by ORS 457.085. The technical information in the Report includes:

- A description of the physical, social, and economic conditions in the area;
- The expected impact of the Plan, including fiscal impact in light of increased services;
- The 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.

It is anticipated that the Plan will take 25 years of tax increment collections (through FY 2039-40) to implement. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is \$7,019,000 (seven million nineteen thousand dollars).

III. GOALS AND OBJECTIVES

The goals of the Plan represent the 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 Sections IV and V of the Plan are the specific means of meeting the objectives. The goals relate to adopted plans, as detailed in Section XI, and were developed with input from the La Pine Urban Renewal Plan Citizens' Advisory Committee, and community input from the urban renewal open house. The goals and objectives will be pursued as economically as is feasible and at the discretion of the urban renewal agency. The goals and objectives are **not ranked by priority**.

1. Public Involvement

Provide for community input in urban renewal planning and administration.

Objectives

- a. Include the community in a Citizens' Advisory Committee for planning the urban renewal area.
- b. Provide opportunities for community-wide input in the urban renewal plan planning process.
- c. Have an informal open house at the Chamber/Event Center to help inform the urban renewal planning process.
- d. Include citizens in the urban renewal agency.

2. Economy

Promote the role of the Area as an energetic community of local businesses that is supported by the residents of both La Pine and outlying areas and by tourists travelling through La Pine.

Objectives

- a. Develop programs and incentives to encourage expansion of existing businesses, and development of new business activity to create additional jobs in the Area.
- b. Provide for a pleasing visual perception of La Pine by providing assistance for storefront improvements to businesses in the Area.
- c. Form public-private partnerships and use public investment to generate private investment.

- d. Encourage the creation of a focused area of commercial activity to both strengthen existing businesses and create new business activity.
- e. Promote an entrepreneurial climate for business expansion and growth, including a potential business incubator building.
- f. Identify opportunities to support tourist/recreational related businesses, activities, and growth.

3. Create an Identifiable Town Center as a Hub of Community Activity

The Town Center would be a compact area that is centrally located and planned for easy walking access. The uses would be comprised of a mixture of commercial businesses, civic buildings, and other community uses.¹

Within this Town Center, create a unique identity that strengthens the sense of place, promotes economic development through resident and tourist visits, encourages return patronage, and leverages private investment.

Objectives

- a. Establish an identity that promotes a sense of character, providing a community for existing businesses and residents and inviting visitors to bring additional commerce to the Area.
- b. Establish gateway features to delineate the Town Center and show pride in the community by providing improved aesthetic features.
- c. Improve sidewalks, streetscape, walkways, and bike pathways to provide easier access to the commercial area and to promote activity within the Town Center.
- d. Provide business and way finding signage.
- e. Create gathering places that will provide focal points and draw patronage to the Area.
- f. Assess parking needs to support the business district.
- g. Assist in the development of public facilities that expand or enhance the services provided in the Town Center and that serve the interests of the citizens of La Pine and tourist activity in La Pine.

4. Housing/Mixed-Use Development

Encourage development in the Mixed-Use Commercial Residential District of the Area.

Objectives

- a. Encourage development of workforce housing opportunities, commercial support services, and office opportunities in proximity to the housing.
- b. Help facilitate the development of public spaces within the mixed-use area.

5. Infrastructure

Assist in providing infrastructure (water, sewer, storm water) to encourage development in La Pine.

¹ Language from La Pine Comprehensive Plan

Objectives

- a. Upgrade/provide infrastructure as necessary to allow for the development or redevelopment of parcels within and adjacent to the urban renewal area.

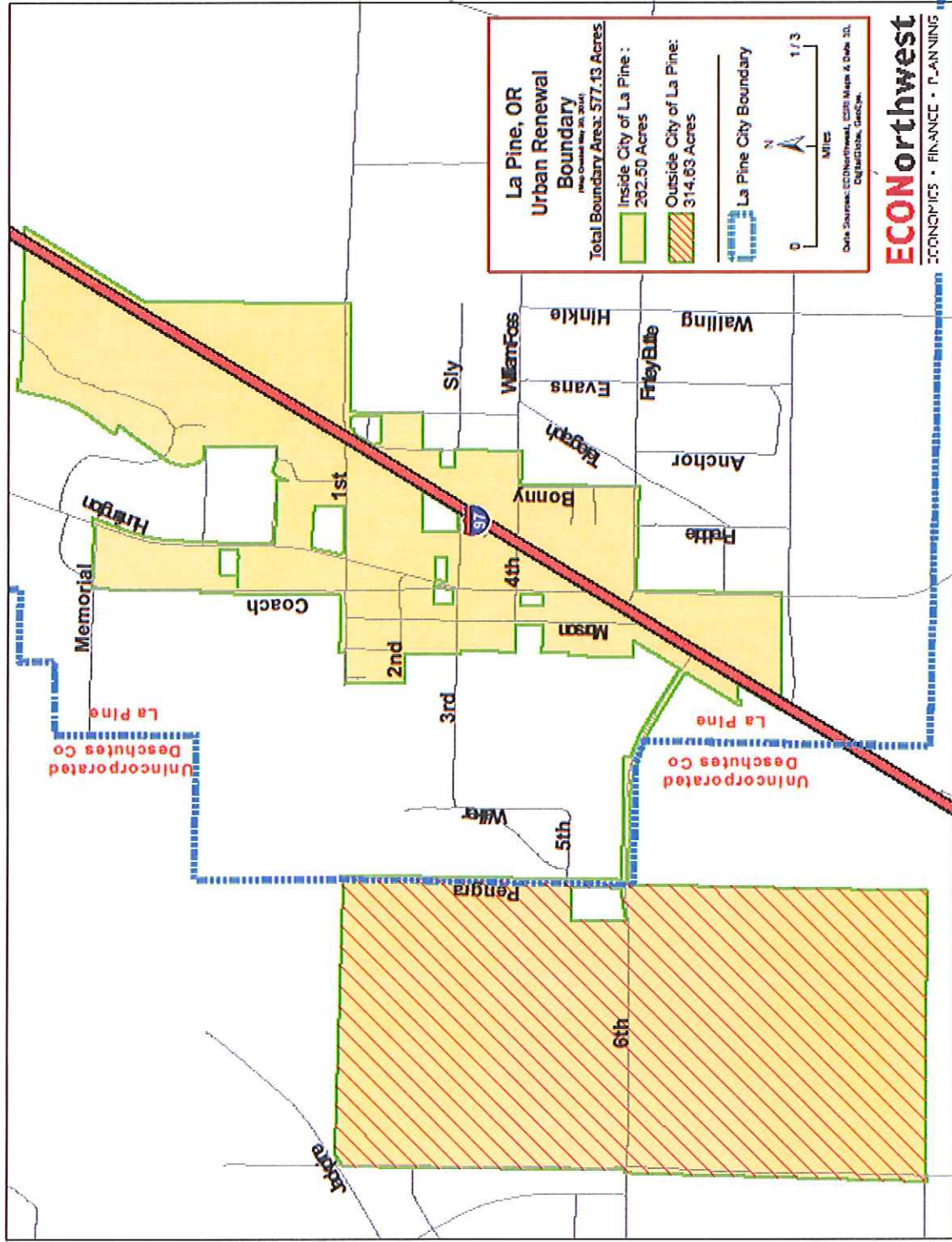
6. Public Facilities

Provide opportunities for residents and visitors alike to shop and recreate in La Pine, supporting public service providers and existing businesses and providing stimulus for new economic activity.

Objectives

- a. Assist in development and redevelopment of public facilities that provide vital services (fire, police, and medical), gathering spaces, and other services for the community, including the proposed Rodeo and Events site.

Figure 1 – Urban Renewal Area Boundary



IV. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES

The projects within the Area include:

- A. District identity/transportation improvements*
- B. Planning and development assistance programs*
- C. Public facilities/Infrastructure*
- D. Debt service and project administration*
- E. Property acquisition*

V. URBAN RENEWAL PROJECTS

Urban renewal projects authorized by the Plan are described below. Public improvements authorized under the Plan include assistance to help create a district identity for the Area, upgrade of utilities to encourage development, and economic assistance to developers. The projects are in conformance with the La Pine Comprehensive Plan, The La Pine Corridor Plan, and the La Pine Transportation Systems Plan as detailed in Section XI of this Plan.

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

A. District Identity/Transportation Improvements

1. Sidewalk improvements

Improve sidewalks within the Area to allow for greater access for pedestrians to the commercial district.

2. Signage: business and way-finding

Support effective signage for businesses and for way-finding to allow citizens and visitors to frequent the commercial area and to know of other opportunities the La Pine community has to offer.

3. Streetscape

Improve the streetscape in the Area to encourage citizens and visitors to visit the Area. Streetscape includes sidewalks, signage, trees, benches, landscaping, public art, archways, bus shelters, lighting and other improvements to enhance the overall appearance of the Area and encourage development and redevelopment of the Area.

4. Bicycle paths

Add bike paths within the Area to encourage greater access to the commercial district.

5. Gathering spaces

Develop gathering spaces to add to the overall positive environment of the Area, encouraging visits to the Area by citizens of La Pine and visitors to the Area.

6. Parking

Assess parking needs for the Area.

B. Planning and development assistance programs to support economic development

1. Assist with development of mixed-use area

Encourage development of the mixed-use area by providing amenities to help make the area more desirable.

2. Encourage/support business expansion

Work with business owners to develop and redevelop properties within the Area, leveraging public investment with private investment.

3. Storefront Improvements

Work with business owners to improve the overall appearance of the exteriors of their properties.

4. Support for incubator businesses

Look for opportunities to help facilitate the development of new businesses within La Pine.

C. Public Facilities/Infrastructure

1. Rodeo/Event Site development

2. Development and redevelopment of public facilities that provide vital services (fire, police, and medical), gathering spaces, and other services for the community.

3. Upgrade/provide infrastructure as necessary to allow for the development or redevelopment of parcels within and adjacent to the urban renewal area.

D. Debt service and project administration

This project will allow for the repayment of costs associated with the preparation of an urban renewal plan, including the potential repayment of the initial planning costs for the development of the urban renewal plan, including the adoption, and implementation of the La Pine Urban Renewal Plan. It also includes ongoing administration and any financing costs associated with issuing long-term debt, relocation costs, and other administrative costs.

E. Property Acquisition

This project will fund acquisition and assembly of key properties for redevelopment, public open space, public parking, trail corridor, housing, or other use consistent with the goals and objectives of this plan, consistent with the property acquisition section of this Plan (Section VI).

VI. PROPERTY ACQUISITION AND DISPOSITION

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

A. Property acquisition for public improvements

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

B. Property acquisition from willing sellers

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

C. Land disposition

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

The Agency may dispose of property acquired under Subsection B of Section VI of this Plan 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 the 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.

VII. 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.

VIII. TAX INCREMENT FINANCING OF PLAN

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

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

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, or local governments, or other public bodies;
- Loans, grants, dedications, or other contributions from private developers and property owners, including, but not limited to, assessment districts; and
- Any other public or private source.

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

B. Tax increment financing and maximum indebtedness

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Agency, as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in Section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to the Agency based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion, is \$7,017,000. 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 La Pine 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.

IX. FUTURE AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

Substantial Amendments are amendments that:

- Add 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
- Increase 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 La Pine, as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and 457.115.

B. Council Approved Amendments

Council approved amendments are those amendments that provide for the addition of improvements or activities that cost more than \$500,000 in 2014 dollars. The \$500,000 amount will be adjusted annually from the year 2014 according to the "Engineering News Record" construction cost index for the Northwest Area.

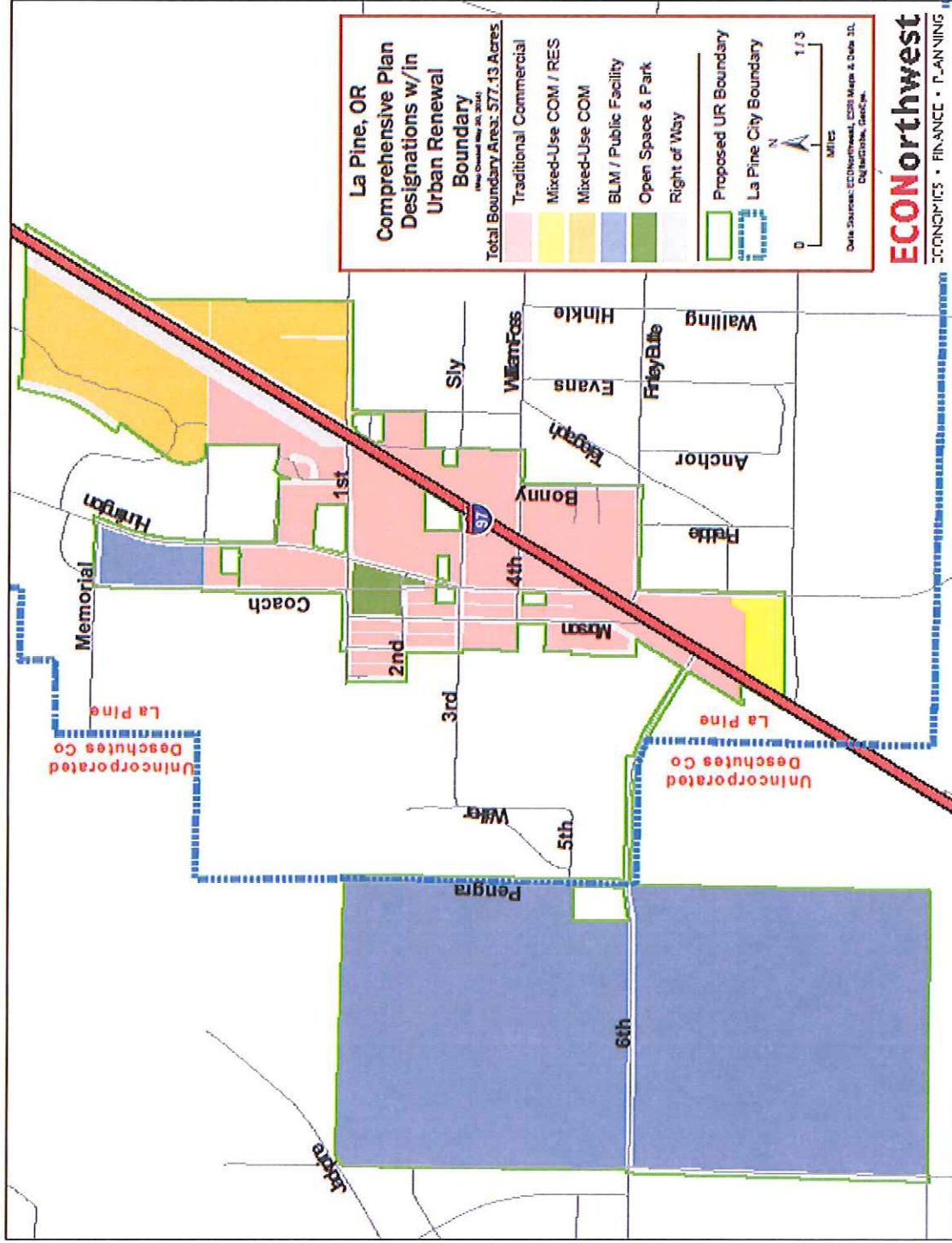
C. Minor Amendments

Minor Amendments are amendments that are not Substantial Amendment nor Council Approved Amendments in scope. They require approval by the Agency by resolution.

D. Amendments to the La Pine Comprehensive Plan and/or La Pine Zoning Ordinance

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

Figure 2 – Comprehensive Plan Designations



X. LAND USES

The land uses in the Area are shown in Table 1 of the Report accompanying the Plan. The land uses are defined by the Deschutes County Assessor. They are:

Industrial, Commercial (partially exempt, improved, miscellaneous, and vacant), Manufactured Residential, Manufactured Structure, State Responsibility, Tract, Multi-Family, and Exempt.

The zoning categories are shown in Table 2 of the Report accompanying the Plan. The zones are Traditional Commercial, Forest Use 1, Public Facility, Master Plan Residential, and Public Land/Bureau of Land Management (BLM).

The densities and building requirements are detailed in the City of La Pine Zoning Ordinance, Ordinance No. 2011-03. This ordinance may be updated from time to time, and those updates are hereby incorporated into this Plan.

XI. RELATIONSHIP TO LOCAL OBJECTIVES

The Plan relates to local planning and development objectives contained within the City of La Pine's Comprehensive Plan, La Pine Zoning Ordinance, the La Pine Corridor Plan, and the La Pine Transportation Systems Plan. The following section describes the purpose and intent of these plans, the particular goals and policies within each planning document to which the proposed Plan relates, and an explanation of how the Plan relates to these goals and policies. The numbering of the goals, policies, and implementation strategies will reflect the numbering that occurs in the original document. Italicized text is text that has been taken directly from an original planning document. The Comprehensive Plan designations are shown in Figure 2.

This is not a comprehensive list of all parts of the above referenced documents that are supported by this Plan. This list includes the major Goals and Policies from the Comprehensive Plan that are supported, however, there may be other Goals and Policies that are not listed but are still supported by this Plan.

A. City of La Pine Comprehensive Plan

Goal 1 Citizen Involvement

The City shall:

- 1. Establish a process to involve a cross section of affected citizens, ensure effective communication between citizens and elected officials, and assure citizens will receive a response from policy makers.*
- 2. Assure compliance with all state requirements for open meetings and open records, as well as defining the process for standing for advisory committees in La Pine land use actions.*
- 3. Provide two bodies for assisting in citizen involvement in La Pine:*
 - a. The Committee for Citizen Involvement (CCI) shall be an advisory body to the City Council to assure that the intent and purposes of this chapter are met.*
 - b. Citizen Advisory Committees (CAC's) shall insure plan amendments are developed in accordance with an overall City plan and advise the Council on individual land use matters. The La Pine Planning Commission is one example of such an advisory committee.*