

Report Accompanying the Roads End/Villages at
Cascade Head Urban Renewal
(Tax Increment Finance) Plan

Roads End/Villages at Cascade Head Urban Renewal (Tax Increment Finance) Plan

Adopted by the City of Lincoln City

August 10, 2020

Ordinance No. 2020-20



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I. DEFINITIONS

“Agency” means the Lincoln City Urban Renewal Agency, also called Agency. The Agency is responsible for administration of this Roads End/Villages at Cascade Head Urban Renewal (Tax Increment Finance) Plan and other urban renewal/TIF plans previously adopted in the City of Lincoln City.

“Annual report” is the ORS 457.460 requirement for the production of an urban renewal annual report that gets distributed to the taxing districts.

“Area” or “urban renewal area” or “TIF Area” means the tax increment finance area established for this Plan pursuant to ORS 457, including the properties and rights-of-way located therein.

“Blight” is defined in ORS 457.010(1)(a-i) and identified in the ordinance adopting an urban renewal plan.

“Board of Commissioners” means the Lincoln County Board of Commissioners.

“City” means the City of Lincoln City, Oregon.

“City Council” or “Council” means the Lincoln City City Council.

“Comprehensive Plan” means the City of Lincoln City Comprehensive Plan and its implementing ordinances, policies, and standards.

“County” means Lincoln County, Oregon.

“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 a TIF area at the time of adoption. The county assessor certifies the assessed value after the adoption of a TIF area 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 from the assessor (frozen base).

“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. The maximum indebtedness for this Plan is \$87,100,000.

“Municipality” means any county or any city in the state of Oregon.

“ORS” means the Oregon Revised Statutes and specifically Chapter 457, which relates to urban renewal.

“Planning Commission” means the Lincoln City Planning Commission.

“Project(s)” or “TIF Project(s)” means any work or undertaking carried out under the TIF Plan.

“Report Accompanying TIF Plan” or “Report” means the official report that accompanies the Roads End/Villages at Cascade Head TIF Plan pursuant to ORS 457.085(3).

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Roads End/Villages at Cascade Head Urban Renewal (TIF) Area” means the urban renewal area/tax increment finance area established under authority in ORS 457.

“Tax increment finance area” or “urban renewal area” or “TIF area” means a blighted area included in a TIF plan.

“Tax increment finance area plan” or “urban renewal plan” or “TIF plan” means a plan, as it exists or is changed or modified from time to time, for one or more TIF areas, as provided in ORS 457.

“Tax increment finance area project(s)” or “urban renewal project(s)” or “TIF area project(s)” means any work or undertaking carried out under ORS 457.170 and ORS 457.180 in a TIF area.

“Tax increment finance” or “tax increment financing” or “TIF” means the funds that are associated with the division of taxes accomplished through the adoption of a TIF plan.

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

“UGB” means urban growth boundary.

“Urban Renewal” means the statutory authority provided in ORS 457. In this Plan it is synonymous with TIF.

II. INTRODUCTION

This Report on the Roads End/Villages at Cascade Head Urban Renewal (Tax Increment Finance) Plan (Report) contains background information and project details that pertain to the Roads End/Villages at Cascade Head Urban Renewal (Tax Increment Finance) Plan (Plan) for the Roads End/Villages at Cascade Head Urban Renewal (Tax Increment Finance) Area (Area). The Report is not a legal part of the Plan but is intended to provide public information and support the findings made by the Lincoln City City Council (City Council) as part of the approval of the Plan.

The Report provides the analysis required to meet the standards of ORS 457.085(3), including financial feasibility. The Report contains the information required by ORS 457.085, including:

- A description of the physical, social, and economic conditions in the area;(ORS 457.085(3)(a))
- Expected impact of the Plan, including fiscal impact in light of increased services; (ORS 457.085(3)(a))
- Reasons for selection of the Area; (ORS 457.085(3)(b))
- The relationship between each project to be undertaken and the existing conditions; (ORS 457.085(3)(c))
- The estimated total cost of each project and the source of funds to pay such costs; (ORS 457.085(3)(d))
- The estimated completion date of each project; (ORS 457.085(3)(e))
- The estimated amount of funds required in the area and the anticipated year in which the debt will be retired; (ORS 457.085(3)(f))
- A financial analysis of the Plan; (ORS 457.085(3)(g))
- A fiscal impact statement that estimates the impact of tax increment financing upon all entities levying taxes upon property in the urban renewal or TIF Area; (ORS 457.085(3)(h)) and
- A relocation report. (ORS 457.085(3)(i))

The relationship of the sections of the Report and the ORS 457.085(3) requirements is shown in Table 1. The specific reference in the table below is the section of this Report that most addresses the statute. There may be other sections of the Report that also address the statute.

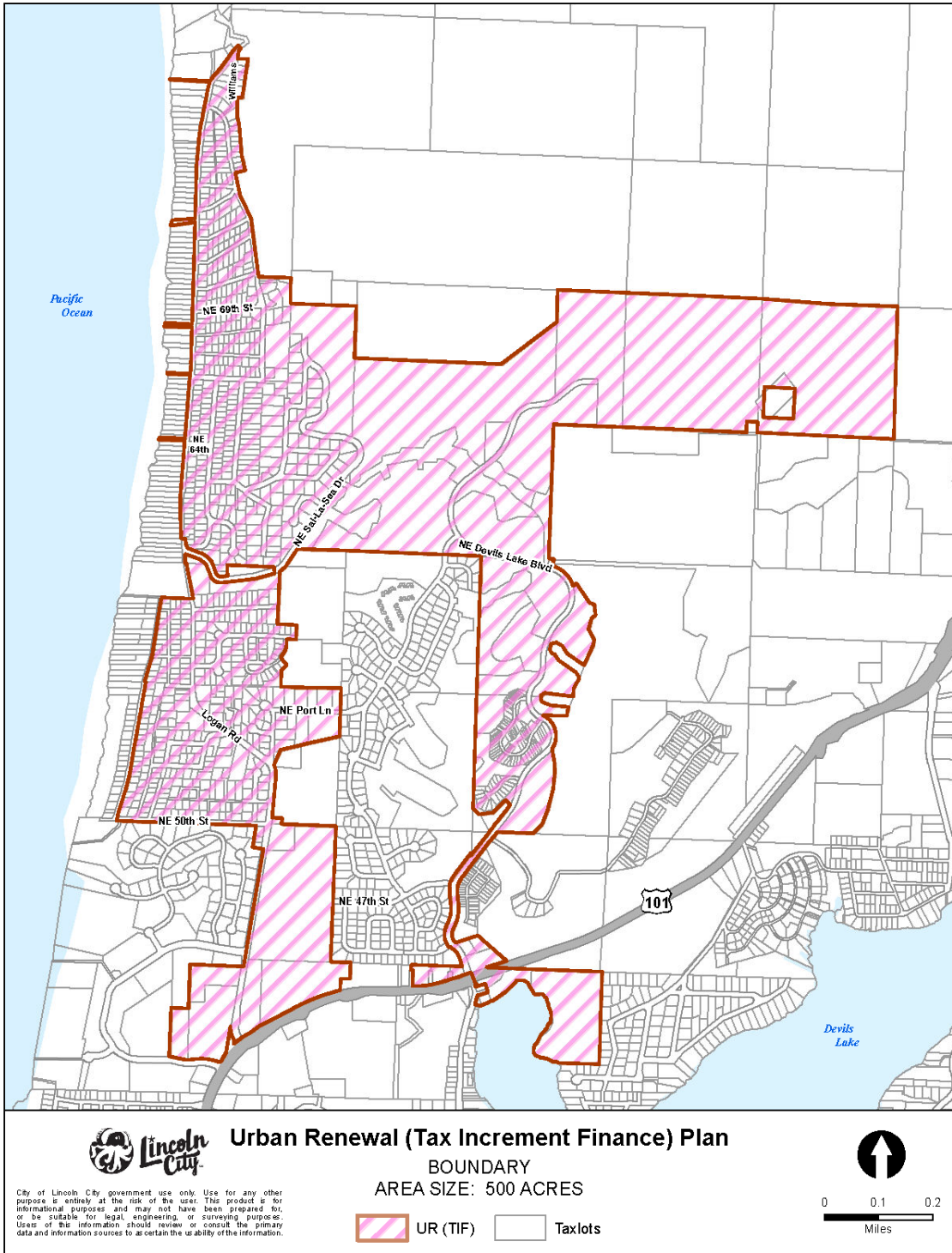
Table 1 - Statutory References

Statutory Requirement	Report Section
ORS 457.085(3)(a)	XI
ORS 457.085(3)(b)	XII
ORS 457.085(3)(c)	III
ORS 457.085(3)(d)	IV
ORS 457.085(3)(e)	VII
ORS 457.085(3)(f)	V, VI
ORS 457.085(3)(g)	V, VI
ORS 457.085(3)(h)	IX
ORS 457.085(3)(i)	XIII

The Report provides guidance on how the Plan might be implemented. The Lincoln City Urban Renewal Agency (Agency) has the authority to make adjustments to the implementation assumptions in this Report, as it reviews revenues and potential projects each year. The Agency may allocate budgets differently, adjust the timing of the projects, decide to incur debt at different timeframes than projected in this Report, and make other adjustments to the financials as determined by the Agency. The Agency may also make changes as allowed in the Amendments section of the Plan. These adjustments must stay within the confines of the overall maximum indebtedness of the Plan and statutory limitations.

Note on language: This Report, wherever applicable and permissible, uses the term Tax Increment Financing or TIF rather than “urban renewal”. Utilizing the term TIF does not affect the statutory authority of ORS 457, as it relates to this Report.

Figure 1 – Roads End/Villages at Cascade Head Urban Renewal (TIF) Area Boundary



Source: City of Lincoln City GIS

III. THE PROJECTS IN THE AREA AND THE RELATIONSHIP BETWEEN URBAN RENEWAL (TIF) AREA PROJECTS AND THE EXISTING CONDITIONS IN THE AREA.

The Projects identified and authorized for the Area are described below, including how they relate to the existing conditions in the Area. The existing conditions were identified by City staff and through review of City documents.

A. Transportation

- Improve road connection between Villages at Cascade Head and Roads End neighborhoods.

Existing Conditions:

There is presently a limited transportation network from Roads End to the Villages at Cascade Head. The area can be reached through NE Sal La Sea Drive. There is a need for an extended transportation network in the Area.

- Logan Road/ NE Port Lane safety improvements, including but not limited to intersection realignment, roundabout, or all-way stop control.

Existing Conditions:

Safety improvements to Logan Road/NE Port Lane were identified in the Transportation System Plan (TSP) and this project is on page 28 project D2.

- Safety improvements including but not limited to
 - pedestrian striping
 - fill in sidewalk gaps.
 - construct new facilities to correct sidewalk/pathway deficiencies

Existing Conditions:

Logan Road has inadequate pedestrian striping between 50th Street and Roads End State Park. There is a 250 foot sidewalk gap on the west side of NW Logan Road between Highway 101 and NW 50th Street. There are sidewalk/pathway deficiencies along the north side of Highway 101 from NE West Devils Lake Road to NW Logan Road, including the 350 feet segment on the east side of Logan Road at the Highway 101 intersection.

- Improved public parking on and off-street; could include Sal-La-Sea Drive second parking lot.

Existing Conditions:

There is no parking lot on Sal-La-Sea Drive. There is need for additional parking resources.

- Extend NE 47th Street to the intersection of NW 44th Street and NW Logan Road; improvements include but are not limited to sidewalks/pathways.

Existing Conditions:

This section of roadway does not exist. The road presently ends just west of NE Tide Avenue. There are no sidewalks/pathways in this Area. The Area lacks an adequate transportation network and safety for pedestrians and bicyclists.

- Modify existing traffic signals and install new traffic signals to improve pedestrian safety. Optimize the existing traffic signals at Highway 101/ NE West Devils Lake Road/NE Devils Lake Boulevard and at Highway 101/NW Logan Road by implementing coordinated signal timing plans, upgrading traffic signal controllers, and installing communication and other improvements as designated by Public Works

Existing Conditions:

There are existing traffic signals at these locations, but they do not provide adequate pedestrian safety. They do not have coordinated signal timing, upgraded controllers nor communication.

- Local streets and Highway 101 improvements which may include but are not limited to curbs, gutters and sidewalks/pathways, sidewalk gaps, and install pedestrian amenities, and lighting; could be along Logan Road, NE Devils Lake Boulevard, Sal-la-Sea Drive, and other local streets; could also include partnership on Safe Routes to school projects

Existing Conditions:

Existing transportation infrastructure that residents use on a daily basis includes sidewalks, bike lanes, shared-use paths, roadways, and transit. Outside of areas in southern Lincoln City, sidewalks along Highway 101 are discontinuous or absent. Off of Highway 101, continuous sidewalks are rare.

- Transit system for improved access of public recreation areas; including but not limited to; incorporate North by Northwest Connector and other transit routes and amenities; link into grater transit system and improve timing for connection; implement and improve Park & Ride at the North commercial end of Lincoln City.

Existing Conditions:

There is no bus system for recreation areas. There is not a Park and Ride in the North End.

B. Economic Development

- Economic development opportunities for public private partnership within commercial and residential areas; could include but are not limited to economic development toolbox, land acquisition, construction of visitor and educational facilities, work force housing, and child care facilities in support of City efforts and construction of visitor and educational facilities.

Existing Conditions:

There is significant undeveloped land in the Villages at Cascade Head master plan community. Much of this land is not contributing to the property tax rolls. Development of this property will add to the community livability by providing services and also provide additional housing opportunities in the Area.

C. Parks and Open Space

- Improved access to trail heads and parking for recreation partner trails.

Existing Conditions:

The Knoll is an Open Space feature and focal point of the Villages at Cascade Head master plan community. 360 acres of the Villages at Cascade Head master plan community are owned by the City. Except for Open Space, the City expects that most of the Villages will develop with residential and commercial uses. The area has many natural amenities. The topography of the Villages ranges from steep slopes to low drainage ways and wetlands. The pristine area of upland forest, stream valleys, and wetlands provides a stunning addition to the Lincoln City inventory. At its topographic apex, sweeping views to the south over the city, Pacific Ocean, and Devils Lake will be a compelling area for visitors and residents alike. There are opportunities to add trails, trail heads, interpretive areas, nature play and other recreational activities suited to large nature areas. The specific challenges in this area are:

- Steep topography, wetlands, and high natural resource values will limit development.
 - Installing a road network and fire, water, and sewer service infrastructure will increase costs for parks that precede adjacent development.¹
- Improved pathway, sidewalk and trail connections and facility access to neighborhood and community parks, ocean beaches and natural areas.

Existing Conditions:

Improved access to pathways, sidewalks, trail connections neighborhood and community parks, ocean beaches and natural areas is a component of the *Lincoln City Parks and Recreation System Plan*. There are deficiencies in these connections throughout the Area as identified on pages 22,27,37,38, and 39.

- The Villages Neighborhood Park A

¹ *Lincoln City Parks & Recreation System Plan* 2016, p 11

Reserve three to five acres for one or two neighborhood parks in the Villages at Cascade Head to serve new residents as the area develops.

Existing Conditions:

The Roads End/Villages Area has gaps in park and recreation services. Neighborhood Parks are part of those gaps as identified in the *Lincoln City Parks & Recreation System Plan 2016*.

- The Villages Neighborhood Park B

Reserve three to five acres for one or two neighborhood parks in the Villages at Cascade Head to serve new residents as the area develops.

Existing Conditions:

The Roads End/Villages Area has gaps in park and recreation services. Neighborhood Parks are part of those gaps as identified in the *Lincoln City Parks & Recreation System Plan 2016*.

- Provide a community park in the Villages at Cascade Head development area; including but not limited to provide trailhead, parking, picnic shelters, trash cans, benches, restrooms, disc golf, and adventure course trail development.

Existing Conditions:

The Roads End/Villages Area has gaps in park and recreation services. Community Parks are part of those gaps as identified in the *Lincoln City Parks & Recreation System Plan 2016*.

- Complete Head to Bay Trail to provide a multi-modal interconnected system from Villages at Cascade Head to the Siletz Bay that allows travel from one end of the city to the other without using Hwy 101

Existing Conditions:

This project is identified in the Transportation System Plan, page 38. There are presently gaps in the Head to Bay Trail along the west side of NE West Devils Lake Road between NE 26th Street and NE Port Avenue.

D. Public Works/Utilities

- Prepare a properly engineered comprehensive storm drainage systems master plan; within the funding limitations of the Agency, construct needed improvements to adequately drain the Area to eliminate flooding during periods of storm activity; Clean out, improve and protect the natural drainage courses so that they may function properly in coordination with the man-built drainage systems; Control earth moving, grading and development of lands which affect the natural and man-built systems so as to protect the integrity of the drainage system.

Existing Conditions:

There is no Storm Drainage Master Plan for the Area. There are known issues of flooding during storm activity and known natural drainage issues. These need to be identified through a study and mitigated through identified projects.

- Provide Logan Creek improvements including but not limited to replacing one culvert with a fish passage over the second culvert in Logan Creek from the Villages, along Sal-La-Sea Drive to the Ocean at the State Recreation Site.

Existing Conditions:

Logan Creek runs from the Villages, along Sal-La-Sea Drive to the Ocean at the State Recreation Site. The creek is culverted and constrained near the mouth. There are a total of 3 culverts – two under Logan Rd, one on top of the other, and a second location under the unpermitted road that connects to Sal La Sea. The second culvert location under the unpermitted gravel road should be removed.²

- Public utility improvements to include but not limited to power, electric, gas, cable, etc. along Devils Lake Boulevard and other locations within Area.

Existing Conditions:

There are locations in the Area, specifically along Devils Lake Boulevard, that do not have full public utility service.

- Improved infrastructure to support long-range water security for Area.

Existing Conditions:

There is no Storm Drainage Master Plan for the Area. There is a need to provide services for new and existing development.

- Infrastructure projects including but not limited to upgrading water, sanitary sewer and storm lines that are approaching their expected lifespan or are lacking altogether.

Existing Conditions:

Existing water, sanitary sewer and storm lines in the Roads End/Villages at Cascade Head area are in fair condition and many approaching expected lifespan or are lacking.

- Upgrade sewer pump station for Roads End North (at 64th Street) and Neotsu.

Existing Conditions:

The sewer pump station for Roads End North and Neotsu needs pipes to be 1 meter each. This project is identified in City long-term capital plans.

- Improve water line from 69th Street to Williams Court and providing sewer

² Email from Stephanie Reid, PE City Engineer on October 14, 2019

lines to unsewered areas.

Existing Conditions:

There are unsewered areas where public sewer needs to be provided. There are approximately 950 feet of 2-inch water distribution pipe line with 6-inch diameter pipe line in the Roads End area. The 2-inch diameter pipe is undersized to serve the existing domestic water needs and is inadequate to provide fire flows to the area.

E. Community Connections/Appearance

- Install wayfinding signage to assist pedestrians and bicyclist in choosing comfortable routes and to help visitors navigate through the city; may include but is not limited to acquiring property and constructing cohesive, branded signage for drivers and pedestrians.

Existing Conditions:

Wayfinding signage is incomplete in the Area. Wayfinding Signage is identified in the Transportation System Plan on page 7, objective 2d. It is also identified as a project in Table I: Install wayfinding signage to assist pedestrians and bicyclists in choosing comfortable routes and to help visitors navigate through the city.

- Underground existing pole mounted utilities in areas of maximum visual impact to improve view corridor and increase square footage available for other improvements such as pedestrian improvement/pathway.

Existing Conditions:

Most utility poles in the Area are above ground.

F. Emergency Preparedness, Resiliency and Mitigation

- Emergency preparedness, resiliency, and mitigation capital projects related but not limited to undergrounding pole mounted utilities, water resources, erosion protection, seismic retrofit, stormwater drainage, caches, tsunami evacuation, and other efforts as identified in Emergency Preparedness planning.

Existing Conditions:

The *Lincoln City Emergency Operations Plan*³ was adopted in March of 2012 and updated in 2018. As part of this planning, and future planning and updating, capital projects will be warranted to assist in emergency preparedness. Those specific projects are not presently identified, but it is anticipated over the life of this Plan that there will be capital project needs in the future.

G. Plan Administration

Provide for the administration of the Plan. Examples of eligible projects include:

- Community Visioning
- Auditing, annual reports, insurance, bond counsel, and other required administrative costs
- Preparation of financial plans and/or financial analyses of projects and proposals
- Personnel, materials, and other associated administrative costs
- Professional consulting services to refine urban design concepts
- Environmental analyses
- Assisting in the preparation of the annual financial report required by this Plan and ORS 457
- Any other powers granted by ORS 457 in connection with the implementation of this Plan

Existing Conditions:

There is no existing urban renewal area in the Roads End/Villages at Cascade Head Area, therefore no ability to collect tax increment revenues. Once this Plan is adopted, a tax increment revenue stream will be established, providing a revenue source to pay for administration in the Area.

³ *City of Lincoln City, Lincoln County, Oregon Emergency Operations Plan*, Ecology and Environment, Inc., March 2012, with modifications February 2018.

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

The cost estimates for Projects are shown are in Table 2 below. These are all estimates acknowledging that the Area portions of these project activities must fit within the maximum indebtedness. These costs are shown in year of expenditure (YOE) dollars, which assumes inflation of 3.0% annually.

The Plan assumes that the Agency will use other funds to assist in the completion of the projects within the Area. These sources include but are not limited to City of Lincoln City General Funds, SDCs, local, state and federal grants, and other sources as identified by the Agency. The Agency may pursue regional, county, state, and federal funding, private developer contributions and any other sources of funding that may assist in the implementation of the projects.

The Agency will be able to review and update fund expenditures and allocations on an annual basis when the annual budget is prepared. It is anticipated that the Agency will conduct a Community Vision exercise for the Area that will establish priorities once sufficient funding is available.

Table 2 - Estimated Cost of Each Project

Project Title	Project Cost (YOE\$)	Percentage of Total Project Cost
Transportation	\$39,069,795	44.89%
Economic Development	\$17,230,090	19.80%
Parks/Trails/Open Space	\$8,723,501	10.02%
Public Works/Utilities	\$5,081,677	5.84%
Community Connections/Appearance	\$3,514,863	4.04%
Emergency Preparedness	\$1,693,931	1.95%
Plan Administration ⁴	\$11,728,708	13.47%
TOTAL:	\$87,042,561	100.00%

Source: City of Lincoln City and Tiberius Solutions

⁴ Plan Administration includes \$566,000 of financing fees and \$422,063 for Planning and Community Involvement including Community Visioning

V. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FYE 2048 are calculated based on projections of the growth assessed value of existing property and new development within the Area, and the consolidated tax rate that will apply to the Area.

The rate of growth for existing development was projected to be 3%. Table 3 shows the assumptions used for new development in the Area and when that new development is expected to go on the tax rolls. These are assumptions of development; however, market conditions may change these assumptions.

Table 3 – Incremental Assessed Value Growth Assumptions

FYE	Phase I Residential	Phase 1 Commercial	Phase 2	Total AV 2020\$
2024	1,200,000	5,661,262		
2025	1,200,000	5,661,262		7,242,033
2026	1,200,000			7,242,033
2027	1,200,000			1,236,000
2028	1,200,000		9,200,000	1,236,000
2029	1,200,000		9,200,000	10,712,000
2030	1,200,000		9,200,000	10,712,000
2031	1,200,000		9,200,000	10,712,000
2032	1,200,000		9,200,000	10,712,000
2033	1,200,000		9,200,000	10,712,000
2034	1,200,000		9,200,000	10,712,000
2035			9,200,000	9,476,000
2036			9,200,000	9,476,000
2037			9,200,000	9,476,000
2038			9,200,000	9,476,000
2039			9,200,000	9,476,000
2040			9,200,000	9,476,000
2041			9,200,000	9,476,000
2042			9,200,000	9,476,000
2043			9,200,000	9,476,000
2044			9,200,000	9,476,000
2045			9,200,000	9,476,000
2046			9,200,000	9,476,000
2047			9,200,000	9,476,000

Source: City of Lincoln City and Tiberius Solutions

These projections of growth are the basis for the projections in Table 8, Table 9, Table 10 and Table 11.

The first year of tax increment collections is anticipated to be FYE 2022. Gross TIF⁵ is calculated by multiplying the tax rate times the assessed value used. The tax rate is per thousand dollars of assessed value, so the calculation is “tax rate times assessed value used divided by one thousand.” The consolidated tax rate includes permanent tax rates only, and excludes general obligation bonds and local option levies, which will not be impacted by this Plan.

The tax rates in the Area are shown in Table 4.

Table 4 – Taxing District Rates

Taxing District	Tax Code 402 412	Tax Code 407 416	Tax Code 408	Tax Code 410	Tax Code 414	Tax Code 473
Jurisdiction Name	Rate	Rate	Rate	Rate	Rate	Rate
Lincoln County General	2.8202	1.1124	2.8202	2.8202	2.8202	2.8202
Lincoln County Animal Services	0.1100	5.6335	0.1100	0.1100	0.1100	0.1100
Lincoln County Extension	0.0451	-	0.0451	0.0451	0.0451	0.0451
Lincoln County Transport	0.0974	0.0600	0.0974	0.0974	0.0974	0.0974
City of Lincoln City	4.0996	6.8059	4.0996	4.0996	4.0996	4.0996
Road - Lake Point	-	0.5296	0.4669	-	-	-
Lincoln Fire & Rescue #1	0.6783	4.0815	0.6783	0.6783	-	-
Water - Dev Lake In	-	0.4551	0.2499	-	-	-
North Lincoln Health	0.5184	5.0662	0.5184	0.5184	0.5184	0.5184
Water - Dev Lake Out	0.1280	-	-	-	0.1280	-
Lincoln County School	4.9092	4.9092	4.9092	4.9092	4.9092	4.9092
Oregon Coast Comm. College	0.1757	0.1757	0.1757	0.1757	0.1757	0.1757
ESD Linn-Benton	0.3049	0.3049	0.3049	0.3049	0.3049	0.3049
TOTAL:	13.8868	14.0087	14.4756	13.7588	13.2085	13.0805

Source: Lincoln County Assessor and Tiberius Solutions

Table 5 shows the incremental assessed value, tax rates and tax increment revenues each year, adjusted for discounts, and delinquencies, truncation loss, and receipt of delinquent taxes from prior years. The projections assume an annual growth rate of 3.0% for assessed value in the Area plus new development as shown in Table 3. Table 5 also indicates the mandatory revenue sharing as directed by the City Council and incorporated as a provision of the Plan. The revenue sharing is either 15% of the total assessed value increases including both increases on existing property and increases due to new development or revenue sharing as dictated by ORS 457.470, whichever is higher. Figure 2 shows expected TIF revenues over time, the expected revenue sharing and the projected tax revenues after termination of the Area.

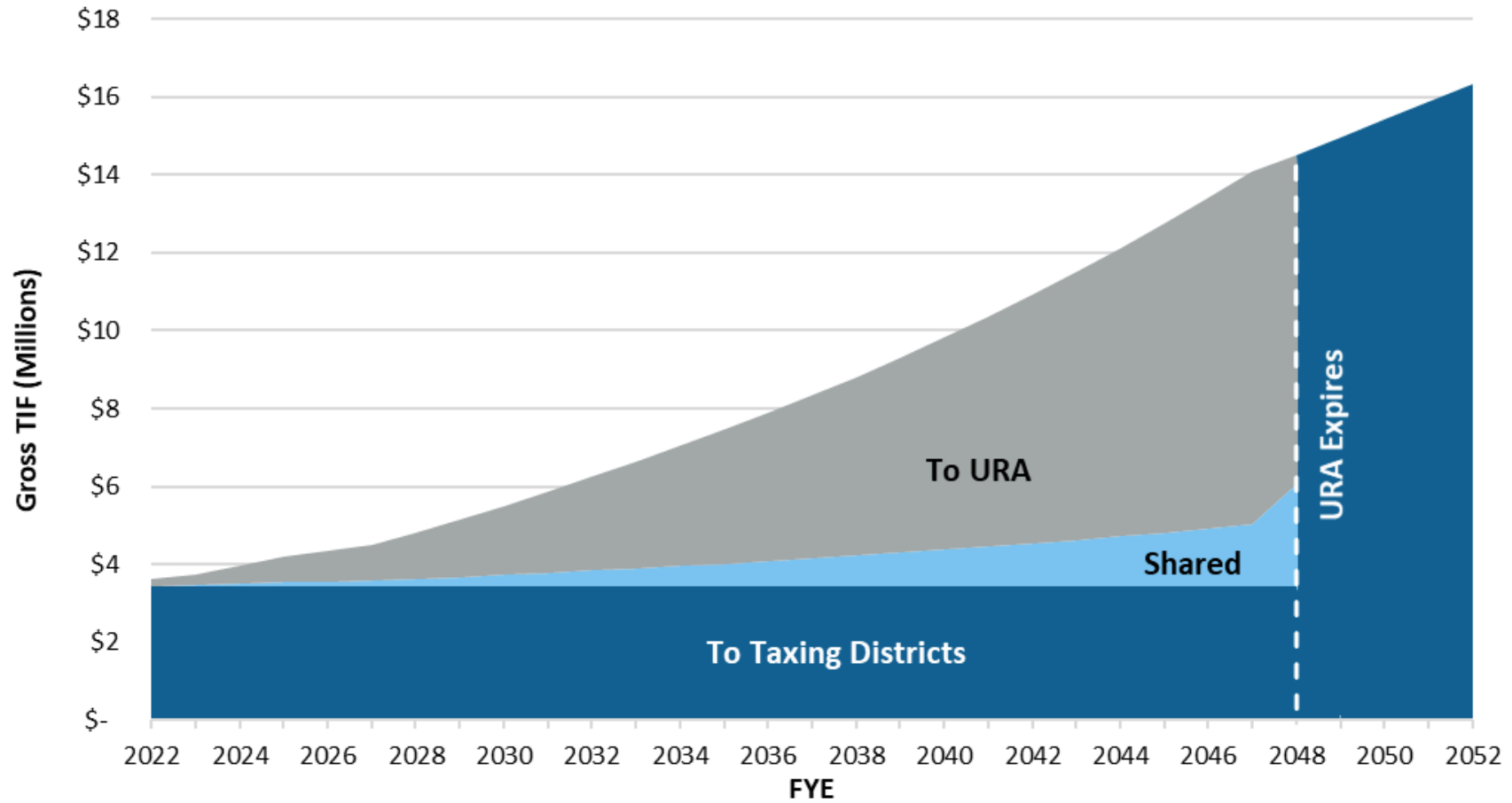
⁵ TIF is also used to signify tax increment revenues

Table 5 - Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues

FYE	Total AV	Frozen Base AV	Increment Applied	Increment Shared	Tax Rate	Gross TIF	Adjustments	Current Year Net	Prior Year Net	Total TIF
2022	263,090,114	248,091,196	12,749,104	2,249,814	13.7660	175,504	(8,775)	166,729	-	166,729
2023	270,928,713	248,091,196	19,411,909	3,425,608	13.7660	267,225	(13,361)	253,864	2,501	256,365
2024	287,153,375	248,091,196	33,202,877	5,859,302	13.7661	457,076	(22,854)	434,222	3,808	438,030
2025	304,109,560	248,091,196	47,615,609	8,402,755	13.7662	655,486	(32,774)	622,712	6,513	629,225
2026	314,654,649	248,091,196	56,578,917	9,984,536	13.7662	778,876	(38,944)	739,932	9,341	749,273
2027	325,560,339	248,091,196	65,848,782	11,620,361	13.7662	906,486	(45,324)	861,162	11,099	872,261
2028	348,843,005	248,091,196	85,639,026	15,112,783	13.7662	1,178,926	(58,946)	1,119,980	12,917	1,132,897
2029	373,231,207	248,091,196	106,369,041	18,770,970	13.7663	1,464,304	(73,215)	1,391,088	16,800	1,407,888
2030	398,769,894	248,091,196	128,076,875	22,601,823	13.7663	1,763,142	(88,157)	1,674,985	20,866	1,695,851
2031	425,506,436	248,091,196	150,802,925	26,612,315	13.7663	2,075,998	(103,800)	1,972,198	25,125	1,997,323
2032	453,489,622	248,091,196	174,588,643	30,809,783	13.7663	2,403,441	(120,172)	2,283,269	29,583	2,312,852
2033	482,770,775	248,091,196	199,477,651	35,201,928	13.7663	2,746,073	(137,304)	2,608,770	34,249	2,643,019
2034	511,533,190	248,091,196	223,925,717	39,516,277	13.7663	3,082,635	(154,132)	2,928,503	39,132	2,967,635
2035	541,588,688	248,091,196	249,472,843	44,024,649	13.7663	3,434,326	(171,716)	3,262,610	43,928	3,306,538
2036	572,988,381	248,091,196	276,162,588	48,734,597	13.7663	3,801,748	(190,087)	3,611,660	48,939	3,660,600
2037	605,785,858	248,091,196	304,040,476	53,654,186	13.7663	4,185,526	(209,276)	3,976,250	54,175	4,030,425
2038	640,037,271	248,091,196	333,154,162	58,791,913	13.7663	4,586,317	(229,316)	4,357,001	59,644	4,416,644
2039	675,800,450	248,091,196	363,552,831	64,156,423	13.7664	5,004,797	(250,240)	4,754,557	65,355	4,819,912
2040	713,134,961	248,091,196	395,287,187	69,756,578	13.7664	5,441,665	(272,083)	5,169,582	71,318	5,240,900
2041	752,103,107	248,091,196	428,410,089	75,601,822	13.7664	5,897,648	(294,882)	5,602,766	77,544	5,680,309
2042	792,769,059	248,091,196	462,976,193	81,701,670	13.7664	6,373,499	(318,675)	6,054,824	84,041	6,138,866
2043	835,199,857	248,091,196	499,042,370	88,066,291	13.7664	6,870,001	(343,500)	6,526,501	90,822	6,617,323
2044	879,464,560	248,091,196	536,667,363	94,706,001	13.7664	7,387,962	(369,398)	7,018,564	97,898	7,116,462
2045	925,635,240	248,091,196	575,912,421	101,631,623	13.7664	7,928,226	(396,411)	7,531,815	105,278	7,637,093
2046	973,786,134	248,091,196	616,840,666	108,854,272	13.7664	8,491,662	(424,583)	8,067,078	112,977	8,180,056
2047	1,023,994,648	248,091,196	659,517,957	116,385,495	13.7664	9,079,175	(453,959)	8,625,216	121,006	8,746,222
2048	1,054,660,381	248,091,196	613,972,421	192,596,763	13.7664	8,452,176	(422,609)	8,029,567	129,378	8,158,945
TOTAL:						104,889,899	(5,244,493)	99,645,404	1,374,238	101,019,642

Source: Tiberius Solutions

Figure 2 - TIF Projections over Time



Source: Tiberius Solutions

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

Table 6 shows a summary of the financial capacity of the Area, including how the total TIF revenue translates to the ability to fund projects in constant FYE 2020 dollars in five-year increments. Table 8, Table 9, Table 10, and Table 11 show more detailed tables on the allocation of tax revenues over time.

The Plan is structured to complete all projects and have sufficient tax increment finance revenue to terminate the Area in FYE 2048, a 27-year duration for the Plan. The time frame of the Plan is not absolute; it may vary depending on the actual ability to meet the maximum indebtedness. If the economy is slower, it may take longer; if the economy is more robust than the projections, it may take a shorter time period. These assumptions show one scenario for financing and that this scenario is financially feasible.

The maximum indebtedness is \$87,100,000 (eighty-seven million one hundred thousand dollars). The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$87,100,000 is \$101,019,642 which includes expected interest on debt and financing fees and is from the division of taxes from permanent rate levies.

Table 6 - TIF Capacity of the Area

Net TIF (YOE\$)	\$ 101,020,000
Maximum Indebtedness (YOE\$)	\$ 87,100,000
Dollars for Projects (2020\$)	\$ 52,200,000
Years 1-5	\$ 5,560,000
Years 6-10	\$ 7,670,000
Years 11-15	\$ 10,730,000
Years 16-20	\$ 11,150,000
Years 21-25	\$ 16,920,000

Source: Tiberius Solutions

The financial analysis projects when borrowings might occur as identified in Table 7. The Agency may decide to complete borrowings at different times or for different amounts, depending on their analysis at the time. The table below summarizes the principal amounts of the projected borrowings for the Area. The total amounts, including interest, are shown in the second column of Table 8. There may be opportunities for the City/Agency to accelerate the timing of financial capacity in the early years. For example, the City/Agency may find lenders willing to offer more attractive terms, such as lower interest rates, lower required minimum debt service coverage ratios, or a longer amortization period. Additionally, the City/Agency could explore short-term, interim financing strategies, such as a line of credit with interest only payments. Any line of credit would need to be repaid in full after an agreed upon term, most likely through a longer-term borrowing like the ones shown in this analysis. The success of these financial strategies will depend upon market conditions, and the specific terms and conditions that lenders are willing to offer to the City/Agency.

Table 7 - Estimated Borrowings and Amounts

	Loan A	Loan B	Loan C	Loan D
Principal Amount	5,100,000	6,400,000	8,800,000	8,000,000
Interest Rate	5 %	5 %	5 %	5 %
Loan Term	20	20	16	12
Loan Year	2025	2029	2033	2037
Annual Payment	(\$409,237)	(\$513,553)	(\$811,975)	(\$902,603)

Source: Tiberius Solutions

Table 8 - Tax Increment Revenues and Allocations to Debt Service, Page 1

	Total	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028
Resources								
Beginning Balance		-	-	-	-	-	-	-
TIF: Current Year	99,645,404	166,729	253,864	434,222	622,712	739,932	861,162	1,119,980
TIF: Prior Years	1,374,238	-	2,501	3,808	6,513	9,341	11,099	12,917
Total Resources	101,019,642	166,729	256,365	438,030	629,225	749,273	872,261	1,132,897
Expenditures								
Debt Service								
Scheduled Payments								
Loan A	(8,184,744)	-	-	-	(409,237)	(409,237)	(409,237)	(409,237)
Loan B	(10,271,051)	-	-	-	-	-	-	-
Loan C	(12,991,603)	-	-	-	-	-	-	-
Loan D	(10,831,239)	-	-	-	-	-	-	-
Total Debt Service, Scheduled Only	(42,278,637)	-	-	-	(409,237)	(409,237)	(409,237)	(409,237)
Total Debt Service	(42,278,637)	-	-	-	(409,237)	(409,237)	(409,237)	(409,237)
Debt Service Coverage Ratio	.00	.00	.00	.00	1.52	1.81	2.10	2.74
Transfer to URA Projects Fund	(58,741,005)	(166,729)	(256,365)	(438,030)	(219,988)	(340,036)	(463,024)	(723,660)
Total Expenditures	(101,019,642)	(166,729)	(256,365)	(438,030)	(629,225)	(749,273)	(872,261)	(1,132,897)

Source: Tiberius Solutions

Table 9 - Tax Increment Revenues and Allocations to Debt Service, Page 2

	FYE 2029	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036
Resources								
Beginning Balance	-	-	-	-	-	-	-	-
TIF: Current Year	1,391,088	1,674,985	1,972,198	2,283,269	2,608,770	2,928,503	3,262,610	3,611,660
TIF: Prior Years	16,800	20,866	25,125	29,583	34,249	39,132	43,928	48,939
Total Resources	1,407,888	1,695,851	1,997,323	2,312,852	2,643,019	2,967,635	3,306,538	3,660,600
Expenditures								
Debt Service								
Scheduled Payments								
Loan A	(409,237)	(409,237)	(409,237)	(409,237)	(409,237)	(409,237)	(409,237)	(409,237)
Loan B	(513,553)	(513,553)	(513,553)	(513,553)	(513,553)	(513,553)	(513,553)	(513,553)
Loan C	-	-	-	-	(811,975)	(811,975)	(811,975)	(811,975)
Loan D	-	-	-	-	-	-	-	-
Total Debt Service, Scheduled Only	(922,790)	(922,790)	(922,790)	(922,790)	(1,734,765)	(1,734,765)	(1,734,765)	(1,734,765)
Total Debt Service	(922,790)	(922,790)	(922,790)	(922,790)	(1,734,765)	(1,734,765)	(1,734,765)	(1,734,765)
Debt Service Coverage Ratio	1.51	1.82	2.14	2.47	1.50	1.69	1.88	2.08
Transfer to URA Projects Fund	(485,098)	(773,061)	(1,074,533)	(1,390,062)	(908,254)	(1,232,870)	(1,571,773)	(1,925,835)
Total Expenditures	(1,407,888)	(1,695,851)	(1,997,323)	(2,312,852)	(2,643,019)	(2,967,635)	(3,306,538)	(3,660,600)

Source: Tiberius Solutions

Table 10 - Tax Increment Revenues and Allocations to Debt Service, Page 3

	FYE 2037	FYE 2038	FYE 2039	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044
Resources								
Beginning Balance	-	-	-	-	-	-	-	-
TIF: Current Year	3,976,250	4,357,001	4,754,557	5,169,582	5,602,766	6,054,824	6,526,501	7,018,564
TIF: Prior Years	54,175	59,644	65,355	71,318	77,544	84,041	90,822	97,898
Total Resources	4,030,425	4,416,644	4,819,912	5,240,900	5,680,309	6,138,866	6,617,323	7,116,462
Expenditures								
Debt Service								
Scheduled Payments								
Loan A	(409,237)	(409,237)	(409,237)	(409,237)	(409,237)	(409,237)	(409,237)	(409,237)
Loan B	(513,553)	(513,553)	(513,553)	(513,553)	(513,553)	(513,553)	(513,553)	(513,553)
Loan C	(811,975)	(811,975)	(811,975)	(811,975)	(811,975)	(811,975)	(811,975)	(811,975)
Loan D	(902,603)	(902,603)	(902,603)	(902,603)	(902,603)	(902,603)	(902,603)	(902,603)
Total Debt Service, Scheduled Only	(2,637,368)	(2,637,368)	(2,637,368)	(2,637,368)	(2,637,368)	(2,637,368)	(2,637,368)	(2,637,368)
Total Debt Service	(2,637,368)	(2,637,368)	(2,637,368)	(2,637,368)	(2,637,368)	(2,637,368)	(2,637,368)	(2,637,368)
Debt Service Coverage Ratio	1.51	1.65	1.80	1.96	2.12	2.30	2.47	2.66
Transfer to URA Projects Fund	(1,393,056)	(1,779,276)	(2,182,544)	(2,603,532)	(3,042,941)	(3,501,498)	(3,979,955)	(4,479,093)
Total Expenditures	(4,030,425)	(4,416,644)	(4,819,912)	(5,240,900)	(5,680,309)	(6,138,866)	(6,617,323)	(7,116,462)

Source: Tiberius Solutions

Table 11 - Tax Increment Revenues and Allocations to Debt Service, Page 4

	FYE 2045	FYE 2046	FYE 2047	FYE 2048
Resources				
Beginning Balance	-	-	-	-
TIF: Current Year	7,531,815	8,067,078	8,625,216	8,029,567
TIF: Prior Years	105,278	112,977	121,006	129,378
Total Resources	7,637,093	8,180,056	8,746,222	8,158,945
Expenditures				
Debt Service				
Scheduled Payments				
Loan A	-	-	-	-
Loan B	(513,553)	(513,553)	(513,553)	(513,553)
Loan C	(811,975)	(811,975)	(811,975)	(811,975)
Loan D	(902,603)	(902,603)	(902,603)	(902,603)
Total Debt Service, Scheduled Only	(2,228,131)	(2,228,131)	(2,228,131)	(2,228,131)
Total Debt Service	(2,228,131)	(2,228,131)	(2,228,131)	(2,228,131)
Debt Service Coverage Ratio	3.38	3.62	3.87	3.60
Transfer to URA Projects Fund	(5,408,962)	(5,951,925)	(6,518,091)	(5,930,814)
Total Expenditures	(7,637,093)	(8,180,056)	(8,746,222)	(8,158,945)

Source: Tiberius Solutions

VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The schedule for construction of projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by the Agency. The Agency may change the completion dates in their annual budgeting process or as project decisions are made in administering the Plan.

The initial project identified for completion is Community Visioning. Through the Community Visioning process, projects will be further defined and prioritized as funds are accrued. For the purposes of the following tables, funding was allocated annually according to total allocations as divided over the life of the Area. These allocations will change as the Community Visioning is completed. Funds not used in the Community Visioning may be carried forward for other projects or used for further Community Visioning activities.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the Area in FYE 2048, a 27-year program.

The amount of money available for projects in FYE 2020 constant dollars for the Area is \$51,801,140. This translates to \$87,042,561 in year of expenditure dollars.

Table 12, Table 13, Table 14, and Table 15 show the \$51,801,140 of project costs in FYE 2020 dollars inflated over the life of the Area, including administrative expenses. All costs shown in Table 12, Table 13, Table 14 and Table 15 are in year-of-expenditure dollars, which are adjusted by 3.0% annually to account for inflation. Annual expenditures for program administration are also shown. These are predicated on the fact that the Area activities will start off slowly in the beginning years and increase in the final years.

A 3.0% inflation rate is the rate to use in the future if any amendment to increase maximum indebtedness is pursued in accordance with ORS 457.470.

Table 12 - Programs and Costs in Year of Expenditure Dollars, Page 1

	Total	FYE 2022	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027
Resources							
Beginning Balance		-	81,857	229,361	35	20	42
Interest Earnings	1,556	-	409	1,147	-	-	-
Transfer from TIF Fund	58,741,005	166,729	256,365	438,030	219,988	340,036	463,024
Bond/Loan Proceeds	28,300,000	-	-	-	5,100,000	-	-
Total Resources	87,042,561	166,729	338,631	668,538	5,320,022	340,056	463,066
Expenditures (YOE \$)							
Administration	(10,740,645)	(84,872)	(109,270)	(135,060)	(302,432)	(311,511)	(320,850)
Financing Fees	(566,000)				(102,000)		
Planning and Community Involvement	(422,063)			(422,063)			
Economic Development	(17,230,090)			(25,481)	(1,124,567)	(6,520)	(32,531)
Transportation	(39,069,795)			(57,794)	(2,550,019)	(14,807)	(73,769)
Public Utility	(5,081,677)			(7,507)	(331,664)	(1,923)	(9,593)
Parks/Trails/Open Space	(8,723,501)			(12,898)	(569,355)	(3,308)	(16,468)
Community Appearance	(3,514,863)			(5,189)	(229,402)	(1,325)	(6,629)
Emergency Preparedness	(1,693,931)			(2,499)	(110,551)	(633)	(3,198)
Total Expenditures	(87,042,561)	(84,872)	(109,270)	(668,503)	(5,320,002)	(340,014)	(463,039)
Ending Balance		81,857	229,361	35	20	42	27

Source: Tiberius Solutions

Table 13 - Programs and Costs in Year of Expenditure Dollars, Page 2

	FYE 2028	FYE 2029	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035
Resources								
Beginning Balance	27	36	37	41	27	25	63	48
Interest Earnings	-	-	-	-	-	-	-	-
Transfer from TIF Fund	723,660	485,098	773,061	1,074,533	1,390,062	908,254	1,232,870	1,571,773
Bond/Loan Proceeds	-	6,400,000	-	-	-	8,800,000	-	-
Total Resources	723,687	6,885,134	773,099	1,074,574	1,390,089	9,708,279	1,232,932	1,571,821
Expenditures (YOE \$)								
Administration	(330,476)	(340,390)	(350,590)	(361,103)	(371,929)	(383,095)	(394,600)	(406,443)
Financing Fees		(128,000)	-	-	-	(176,000)	-	-
Planning and Community Involvement		-	-	-	-	-	-	-
Economic Development	(89,955)	(1,468,004)	(96,653)	(163,225)	(232,931)	(2,093,126)	(191,783)	(266,605)
Transportation	(203,980)	(3,328,754)	(219,177)	(370,121)	(528,179)	(4,746,236)	(434,888)	(604,551)
Public Utility	(25,527)	(432,946)	(28,504)	(48,129)	(68,690)	(617,313)	(56,556)	(78,617)
Parks/Trails/Open Space	(45,541)	(743,227)	(48,931)	(82,637)	(117,920)	(1,059,728)	(97,094)	(134,970)
Community Appearance	(18,343)	(299,452)	(19,715)	(33,290)	(47,504)	(426,966)	(39,116)	(54,374)
Emergency Preparedness	(8,842)	(144,311)	(9,501)	(16,043)	(22,897)	(205,766)	(18,847)	(26,206)
Total Expenditures	(723,651)	(6,885,097)	(773,058)	(1,074,547)	(1,390,064)	(9,708,216)	(1,232,884)	(1,571,781)
Ending Balance	36	37	41	27	25	63	48	40

Source: Tiberius Solutions

Table 14 - Programs and Costs in Year of Expenditure Dollars, Page 3

	FYE 2036	FYE 2037	FYE 2038	FYE 2039	FYE 2040	FYE 2041	FYE 2042	FYE 2043
Resources								
Beginning Balance	40	51	63	33	76	50	34	59
Interest Earnings	-	-	-	-	-	-	-	-
Transfer from TIF Fund	1,925,835	1,393,056	1,779,276	2,182,544	2,603,532	3,042,941	3,501,498	3,979,955
Bond/Loan Proceeds	-	8,000,000	-	-	-	-	-	-
Total Resources	1,925,875	9,393,107	1,779,339	2,182,577	2,603,607	3,042,992	3,501,531	3,980,014
Expenditures (YOE \$)								
Administration	(418,626)	(431,174)	(444,114)	(457,444)	(471,166)	(485,306)	(499,863)	(514,863)
Financing Fees	-	(160,000)	-	-	-	-	-	-
Planning and Community Involvement	-	-	-	-	-	-	-	-
Economic Development	(344,818)	(2,013,672)	(305,462)	(394,660)	(487,846)	(585,139)	(686,711)	(792,736)
Transportation	(781,890)	(4,566,091)	(692,655)	(894,916)	(1,106,218)	(1,326,822)	(1,557,138)	(1,797,575)
Public Utility	(101,690)	(593,884)	(90,091)	(116,397)	(143,874)	(172,561)	(202,532)	(233,793)
Parks/Trails/Open Space	(174,575)	(1,019,497)	(154,646)	(199,811)	(246,984)	(296,234)	(347,676)	(401,351)
Community Appearance	(70,334)	(410,770)	(62,308)	(80,503)	(99,516)	(119,357)	(140,067)	(161,697)
Emergency Preparedness	(33,891)	(197,956)	(30,030)	(38,787)	(47,952)	(57,520)	(67,504)	(77,918)
Total Expenditures	(1,925,824)	(9,393,044)	(1,779,306)	(2,182,501)	(2,603,557)	(3,042,958)	(3,501,472)	(3,979,933)
Ending Balance	51	63	33	76	50	34	59	81

Source: Tiberius Solutions

Table 15 - Programs and Costs in Year of Expenditure Dollars, Page 4

	FYE 2044	FYE 2045	FYE 2046	FYE 2047	FYE 2048
Resources					
Beginning Balance	81	52	70	70	78
Interest Earnings	-	-	-	-	-
Transfer from TIF Fund	4,479,093	5,408,962	5,951,925	6,518,091	5,930,814
Bond/Loan Proceeds	-	-	-	-	-
Total Resources	4,479,175	5,409,014	5,951,995	6,518,161	5,930,893
Expenditures (YOE \$)					
Administration	(530,307)	(546,220)	(562,603)	(579,482)	(596,856)
Financing Fees	-	-	-	-	-
Planning and Community Involvement	-	-	-	-	-
Economic Development	(903,397)	(1,112,478)	(1,232,971)	(1,358,636)	(1,220,183)
Transportation	(2,048,514)	(2,522,631)	(2,795,795)	(3,080,743)	(2,766,532)
Public Utility	(266,439)	(328,098)	(363,624)	(400,678)	(360,047)
Parks/Trails/Open Space	(457,380)	(563,232)	(624,228)	(687,848)	(617,962)
Community Appearance	(184,273)	(226,926)	(251,503)	(277,129)	(249,175)
Emergency Preparedness	(88,813)	(109,359)	(121,201)	(133,545)	(120,161)
Total Expenditures	(4,479,123)	(5,408,944)	(5,951,925)	(6,518,083)	(5,930,893)
Ending Balance	52	70	70	78	-

Source: Tiberius Solutions

VIII. REVENUE SHARING

This Plan requires annual voluntary revenue sharing of a minimum of 15% of the total tax increment proceeds gained through the division of taxes. This decision of the City Council was based on input of the taxing districts through meetings with them throughout the development of the Plan. There is a significant portion of the original area that is owned by the City but anticipated to be developed by the private sector through the life of the Plan. The taxing districts do not receive any division of taxes from these properties while they are in public ownership. If there was not revenue sharing, once those properties transition to private ownership and are developed, all property tax revenue would go to the Agency. Due to the need to provide services in the Area, it was determined by the City Council that a permanent under-levy of a minimum of 15% of the annual division of tax proceeds would be a part of the financing of the Plan. The Agency will annually file a Form UR-50 with the Lincoln County Assessor that will designate that the Agency will annually revenue share a minimum of 15% of the tax increment revenue through the division of taxes.

The City consulted and conferred with the taxing districts pursuant to ORS 457.455 by sending the Plan and Report to the taxing districts and offering to meet with them.

If tax increment revenues meet the mandatory revenue sharing provisions of ORS 457, and if the mandatory requirements are in excess of the 15% revenue sharing, the mandatory requirements will super-cede the voluntary requirements.

Mandatory revenue sharing is defined in ORS 457.470. The statute identifies certain thresholds where the impacted taxing jurisdictions will receive a share of the incremental growth in the Area. The first threshold is when annual tax increment finance revenues exceed 10% of the original maximum indebtedness of the Plan (10% of \$87,100,000 is \$8,710,000). In the year after reaching the 10% threshold, the Agency will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold, and the taxing jurisdictions will receive 75% of the increment above the 10% threshold. The threshold is not projected to be met in the Plan. If actual assessed value growth is higher than projected, revenue sharing could be realized.

The second threshold is when annual tax increment finance revenues exceed 12.5% of the maximum indebtedness (\$10,887,500). If this threshold is met, revenue for the Area would be capped at 12.5% of the maximum indebtedness, with all additional tax revenue being shared with affected taxing districts. This threshold is not projected to be met.

IX. IMPACT OF THE TAX INCREMENT FINANCING

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

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2048 and are shown in Table 16 and Table 17.

The Lincoln County School District and the Linn-Benton-Lincoln Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the Plan are shown in the following tables. 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, due to the use of tax increment financing, are substantially replaced with State School Fund revenues, as determined by a funding formula at the state level.

Table 16 and Table 17 show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 16 shows the general government levies, and Table 17 shows the education levies.

Table 16 - Projected Impact on Taxing District Permanent Rate Levies - General Government

FYE	Lincoln County General	Lincoln County Animal Services	Lincoln County Extension	Lincoln County Transport	City of Lincoln City	Lincoln Fire & Rescue #1	Water - Dev Lake In	North Lincoln Health	Water - Dev Lake Out	Subtotal General Government
2022	(34,157)	(1,332)	(546)	(1,180)	(49,653)	(8,050)	(181)	(6,279)	(72)	(101,450)
2023	(52,521)	(2,049)	(840)	(1,814)	(76,347)	(12,377)	(278)	(9,654)	(111)	(155,990)
2024	(89,737)	(3,500)	(1,435)	(3,099)	(130,447)	(21,148)	(478)	(16,495)	(191)	(266,530)
2025	(128,906)	(5,028)	(2,061)	(4,452)	(187,384)	(30,379)	(688)	(23,695)	(274)	(382,868)
2026	(153,499)	(5,987)	(2,455)	(5,301)	(223,135)	(36,175)	(819)	(28,216)	(326)	(455,914)
2027	(178,695)	(6,970)	(2,858)	(6,172)	(259,761)	(42,113)	(953)	(32,847)	(380)	(530,749)
2028	(232,090)	(9,053)	(3,712)	(8,016)	(337,378)	(54,697)	(1,241)	(42,662)	(494)	(689,342)
2029	(288,425)	(11,250)	(4,612)	(9,961)	(419,270)	(67,974)	(1,544)	(53,017)	(615)	(856,668)
2030	(347,417)	(13,551)	(5,556)	(11,999)	(505,025)	(81,878)	(1,861)	(63,861)	(741)	(1,031,888)
2031	(409,177)	(15,960)	(6,543)	(14,132)	(594,802)	(96,433)	(2,194)	(75,214)	(874)	(1,215,328)
2032	(473,817)	(18,481)	(7,577)	(16,364)	(688,766)	(111,667)	(2,542)	(87,095)	(1,012)	(1,407,322)
2033	(541,455)	(21,119)	(8,659)	(18,700)	(787,089)	(127,609)	(2,906)	(99,528)	(1,157)	(1,608,222)
2034	(607,956)	(23,713)	(9,722)	(20,997)	(883,759)	(143,282)	(3,264)	(111,753)	(1,300)	(1,805,745)
2035	(677,384)	(26,421)	(10,833)	(23,395)	(984,684)	(159,644)	(3,637)	(124,515)	(1,449)	(2,011,961)
2036	(749,918)	(29,250)	(11,993)	(25,900)	(1,090,122)	(176,739)	(4,028)	(137,847)	(1,604)	(2,227,401)
2037	(825,681)	(32,205)	(13,204)	(28,516)	(1,200,255)	(194,595)	(4,436)	(151,774)	(1,767)	(2,452,432)
2038	(904,802)	(35,291)	(14,469)	(31,249)	(1,315,271)	(213,242)	(4,862)	(166,318)	(1,936)	(2,687,440)
2039	(987,416)	(38,513)	(15,791)	(34,102)	(1,435,363)	(232,713)	(5,307)	(181,504)	(2,113)	(2,932,821)
2040	(1,073,660)	(41,877)	(17,170)	(37,081)	(1,560,732)	(253,039)	(5,771)	(197,357)	(2,298)	(3,188,984)
2041	(1,163,678)	(45,388)	(18,609)	(40,189)	(1,691,587)	(274,254)	(6,256)	(213,903)	(2,491)	(3,456,357)
2042	(1,257,618)	(49,053)	(20,112)	(43,434)	(1,828,144)	(296,394)	(6,762)	(231,171)	(2,693)	(3,735,380)
2043	(1,355,635)	(52,876)	(21,679)	(46,819)	(1,970,627)	(319,495)	(7,290)	(249,188)	(2,903)	(4,026,513)
2044	(1,457,889)	(56,864)	(23,314)	(50,350)	(2,119,269)	(343,594)	(7,841)	(267,984)	(3,123)	(4,330,230)
2045	(1,564,546)	(61,024)	(25,020)	(54,034)	(2,274,312)	(368,731)	(8,416)	(287,590)	(3,351)	(4,647,025)
2046	(1,675,778)	(65,363)	(26,799)	(57,876)	(2,436,004)	(394,947)	(9,015)	(308,036)	(3,590)	(4,977,407)
2047	(1,791,763)	(69,887)	(28,653)	(61,881)	(2,604,607)	(422,282)	(9,641)	(329,356)	(3,839)	(5,321,910)
2048	(1,671,453)	(65,194)	(26,730)	(57,726)	(2,429,718)	(393,927)	(8,992)	(307,241)	(3,581)	(4,964,562)
TOTAL:	(20,695,072)	(807,197)	(330,951)	(714,736)	(30,083,511)	(4,877,381)	(111,203)	(3,804,101)	(44,287)	(61,468,440)

Source: Tiberius Solutions

Table 17 - Projected Impact on Taxing District Permanent Rate Levies – Education

	Lincoln County School District	Oregon Coast Comm College	ESD Linn-Benton	Subtotal Education	Total General Government and Education
2022	(59,459)	(2,128)	(3,693)	(65,279)	(166,729)
2023	(91,424)	(3,272)	(5,678)	(100,374)	(256,364)
2024	(156,208)	(5,591)	(9,702)	(171,500)	(438,030)
2025	(224,390)	(8,031)	(13,936)	(246,357)	(629,225)
2026	(267,200)	(9,563)	(16,595)	(293,359)	(749,273)
2027	(311,060)	(11,133)	(19,319)	(341,512)	(872,261)
2028	(404,005)	(14,459)	(25,092)	(443,556)	(1,132,897)
2029	(502,069)	(17,969)	(31,182)	(551,220)	(1,407,888)
2030	(604,758)	(21,644)	(37,560)	(663,963)	(1,695,851)
2031	(712,265)	(25,492)	(44,237)	(781,995)	(1,997,323)
2032	(824,786)	(29,519)	(51,226)	(905,530)	(2,312,852)
2033	(942,525)	(33,733)	(58,538)	(1,034,797)	(2,643,019)
2034	(1,058,286)	(37,876)	(65,728)	(1,161,890)	(2,967,634)
2035	(1,179,141)	(42,201)	(73,234)	(1,294,577)	(3,306,538)
2036	(1,305,403)	(46,720)	(81,076)	(1,433,199)	(3,660,600)
2037	(1,437,285)	(51,440)	(89,267)	(1,577,992)	(4,030,425)
2038	(1,575,014)	(56,370)	(97,821)	(1,729,204)	(4,416,644)
2039	(1,718,822)	(61,517)	(106,752)	(1,887,091)	(4,819,912)
2040	(1,868,949)	(66,890)	(116,076)	(2,051,915)	(5,240,900)
2041	(2,025,646)	(72,498)	(125,809)	(2,223,952)	(5,680,309)
2042	(2,189,170)	(78,350)	(135,965)	(2,403,486)	(6,138,866)
2043	(2,359,792)	(84,457)	(146,562)	(2,590,810)	(6,617,323)
2044	(2,537,788)	(90,827)	(157,617)	(2,786,232)	(7,116,462)
2045	(2,723,449)	(97,472)	(169,148)	(2,990,069)	(7,637,093)
2046	(2,917,073)	(104,402)	(181,173)	(3,202,648)	(8,180,056)
2047	(3,118,972)	(111,628)	(193,713)	(3,424,313)	(8,746,222)
2048	(2,909,545)	(104,132)	(180,706)	(3,194,383)	(8,158,945)
TOTAL:	(36,024,484)	(1,289,314)	(2,237,404)	(39,551,202)	(101,019,642)

Source: Tiberius Solutions Please refer to the explanation of the schools funding in the preceding section

Table 18 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2049.

The Frozen Base is the assessed value of the Area established by the county assessor at the time the Area is established. Excess Value is the increased assessed value in the Area above the Frozen Base. The Frozen Base indicated in the table below is the consultant’s estimate. It is expected the number may vary slightly as the assessor determines the Frozen Base after the Area is established.

Table 18 - Additional Revenues Obtained after Termination of Tax Increment Financing, FYE 2049.

Taxing District	Tax Rate	From Frozen Base	From Excess Value	Total
General Government				
Lincoln County General	2.8202	699,666	2,363,765	3,063,431
Lincoln County Animal Services	0.11	27,290	92,198	119,488
Lincoln County Extension	0.0451	11,189	37,801	48,990
Lincoln County Transport	0.0974	24,164	81,637	105,801
City of Lincoln City	4.0996	1,017,074	3,436,100	4,453,174
Road - Lake Point	0.4669	0	0	0
Lincoln Fire & Rescue #1	0.6783	164,904	557,091	721,995
Water - Dev Lake In	0.2499	3,800	12,715	16,515
North Lincoln Health	0.5184	128,612	434,500	563,112
Water - Dev Lake Out	0.128	1,512	5,063	6,575
Subtotal	9.0858	2,076,699	7,015,807	9,092,506
Education	12345	12,345	12,345	12,345
Lincoln County School	4.9092	1,217,930	4,114,670	5,332,600
Oregon Coast Comm. College	0.1757	43,590	147,264	190,854
ESD Linn-Benton	0.3049	75,643	255,554	331,197
Subtotal	5.3898	1,337,163	4,517,488	5,854,651
TOTAL:	14.4756	3,413,862	11,533,295	14,947,157

Source: Tiberius Solutions

x. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AND TIF AREAS

State law limits the percentage of both a municipality’s total assessed value and the total land area that can be contained in a TIF area at the time of its establishment to 25% for municipalities under 50,000 in population. As of the adoption of this Plan, there is an existing urban renewal area in Lincoln City, the Year 2000 Development (Urban Renewal) Plan Area. The Lincoln City Urban Renewal Agency (Agency) will make the final bond payment on the Year 2000 Development (Urban Renewal) Plan (Year 2000 Plan) on December 1, 2020. Fiscal year 2020/2021 is the final year to collect division of tax revenues for the Year 2000 Development Plan.

At that time, the assessed value and acreage limitations will only include the Roads End/Villages at Cascade Head Area.

As noted below, the Frozen Base (assumed to be FYE 2020 values), including all real, personal, personal, manufactured, and utility properties in the Area, is projected to be \$248,091,196. The Lincoln County Assessor will set the Frozen Base once the Plan is adopted. The total assessed value of the City of Lincoln City in FYE 2020 is \$1,858,471,488.⁶

The percentage of assessed value of the TIF area in Lincoln City is 17.3%, below the 25% threshold.

The Area contains 500 acres, including public rights-of-way. The Year 2000 Area contains 362.47 acres.⁷ This puts 22.52% of the City’s acreage in a TIF area, which is below the 25% statutory threshold. The information on acreage and assessed value percentages is shown below in Table 19.

Table 19 – TIF Area Conformance with Assessed Value and Acreage Limits

	Assessed Value	Frozen Base	Acreage
City of Lincoln City	\$1,858,471,488		3,830
Year 2000 Plan Area		\$62,489,095	362.47
Year 2000 Plan Incremental/Excess Value	\$56,204,456 ⁸		
Roads End/Villages at Cascade Head Area		\$248,091,196	500
% in Urban Renewal/TIF Area	17.3%		22.52%

Source: Compiled by Elaine Howard Consulting, LLC with data from City of Lincoln City and Lincoln County Department of Assessment and Taxation (FYE 2020)

⁶ Lincoln County FYE 2020 Sal 4a

⁷ Acreage information for Y2000 Plan from Resolution UR2019-03

⁸ This is the excess value used. In 2014 the City of Lincoln City determined to under-levy their tax increment by 80%, with only 20% of the available increment going to the urban renewal agency. Even with this adjustment, the Area is expected to be terminated in FYE 2021.

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

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

A. Physical Conditions

1. Land Use

The Area measures 500 total acres in size, which is composed of 910 individual parcels encompassing 445.69 acres, and an additional 54.31 acres in public rights-of-way. An analysis of FYE 2019-2020 property classification data from the Lincoln County Department of Assessment and Taxation database was used to determine the land use designation of parcels in the Area. By acreage, Exempt uses account for the most prevalent land use within the Area (56.68%). This was followed by Residential uses (36.25%). Detailed land use designations in the Area can be seen in Table 20.

Table 20 - Land Use in the Area

Land Use	Parcels	Acreage	Percent of Acreage
Exempt	105	252.63	56.68%
Residential	780	161.58	36.25%
Commercial	10	25.35	5.69%
Miscellaneous	12	3.29	0.74%
Tract	1	2.36	0.53%
Forest	1	0.25	0.06%
TOTAL:	910	445.69	100%

Source: Compiled by Elaine Howard Consulting, LLC with data from the City of Lincoln City using the Lincoln County Department of Assessment and Taxation database (FYE 2020)

2. Comprehensive Plan Designations

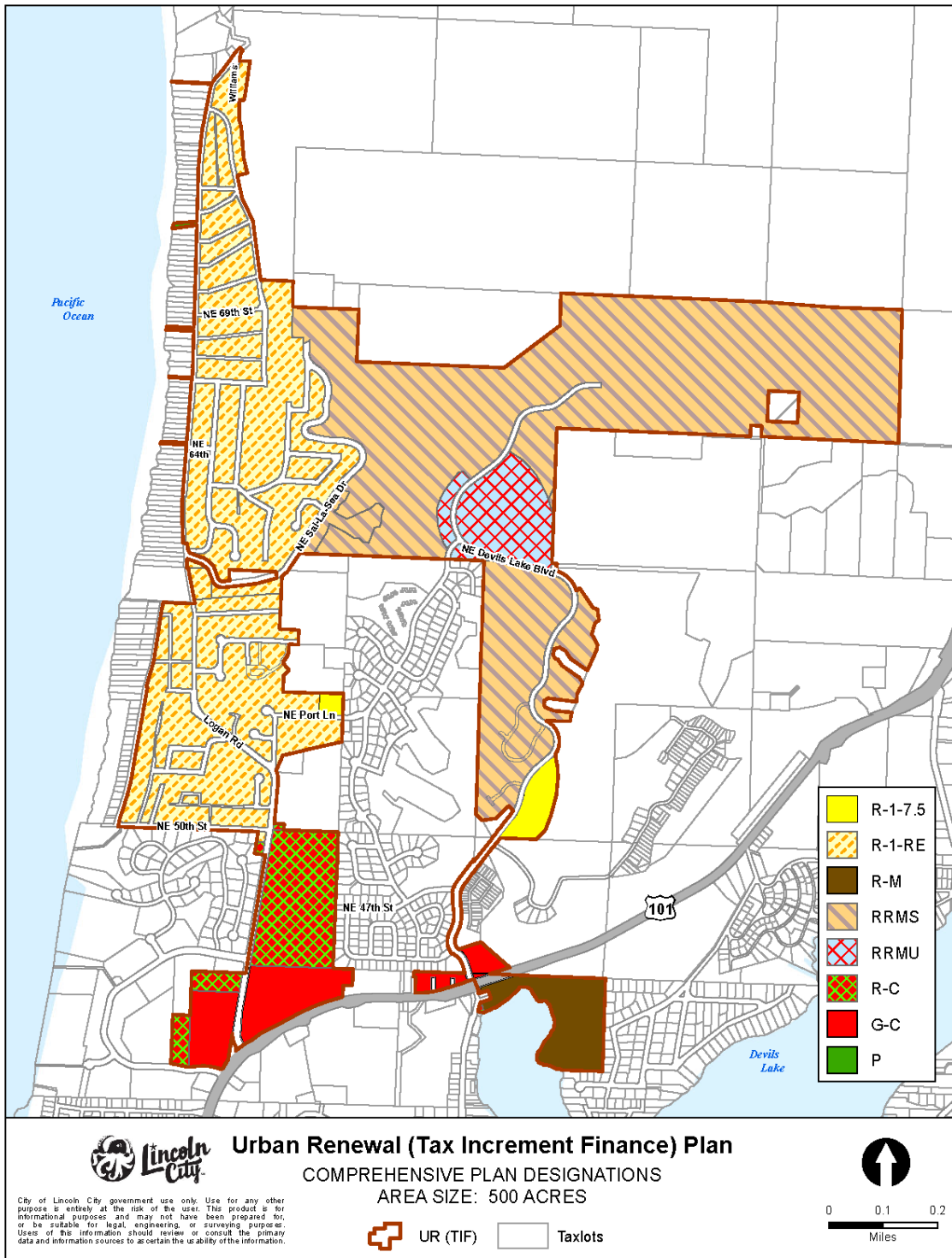
The most prevalent comprehensive plan designation by acreage in the Area is Resort Residential Mixed Structure (49.20%). The second most prevalent comprehensive plan designation by acreage in the Area is Residential 1-Roads End (31.82%). Detailed comprehensive plan designations in the Area can be seen in Table 21.

Table 21 – Comprehensive Plan Designations in the Area

Comprehensive Plan Designation	Parcels	Acreage	Percent of Acreage
Resort Residential Mixed Structure (RRMS)	114	219.26	49.20%
Residential 1 – Roads End (R-1-RE)	765	141.83	31.82%
General Commercial (G-C)	9	43.07	9.66%
Recreation Resort Mixed Use (RRMU)	5	16.33	3.66%
Multi-Family Residential (RM)	7	14.85	3.33%
Residential – 1 – 7.5 (R-1-7.5)	3	6.26	1.40%
Recreation Commercial (R-C)	6	3.86	0.87%
Park (P)	1	0.24	0.05%
TOTAL:	910	445.69	100%

Source: Compiled by Elaine Howard Consulting, LLC with data from the City of Lincoln City

Figure 3 – Roads End/Villages at Cascade Head Urban Renewal (TIF) Area Comprehensive Plan Designation



Source: City of Lincoln City GIS

3. Zoning Designations

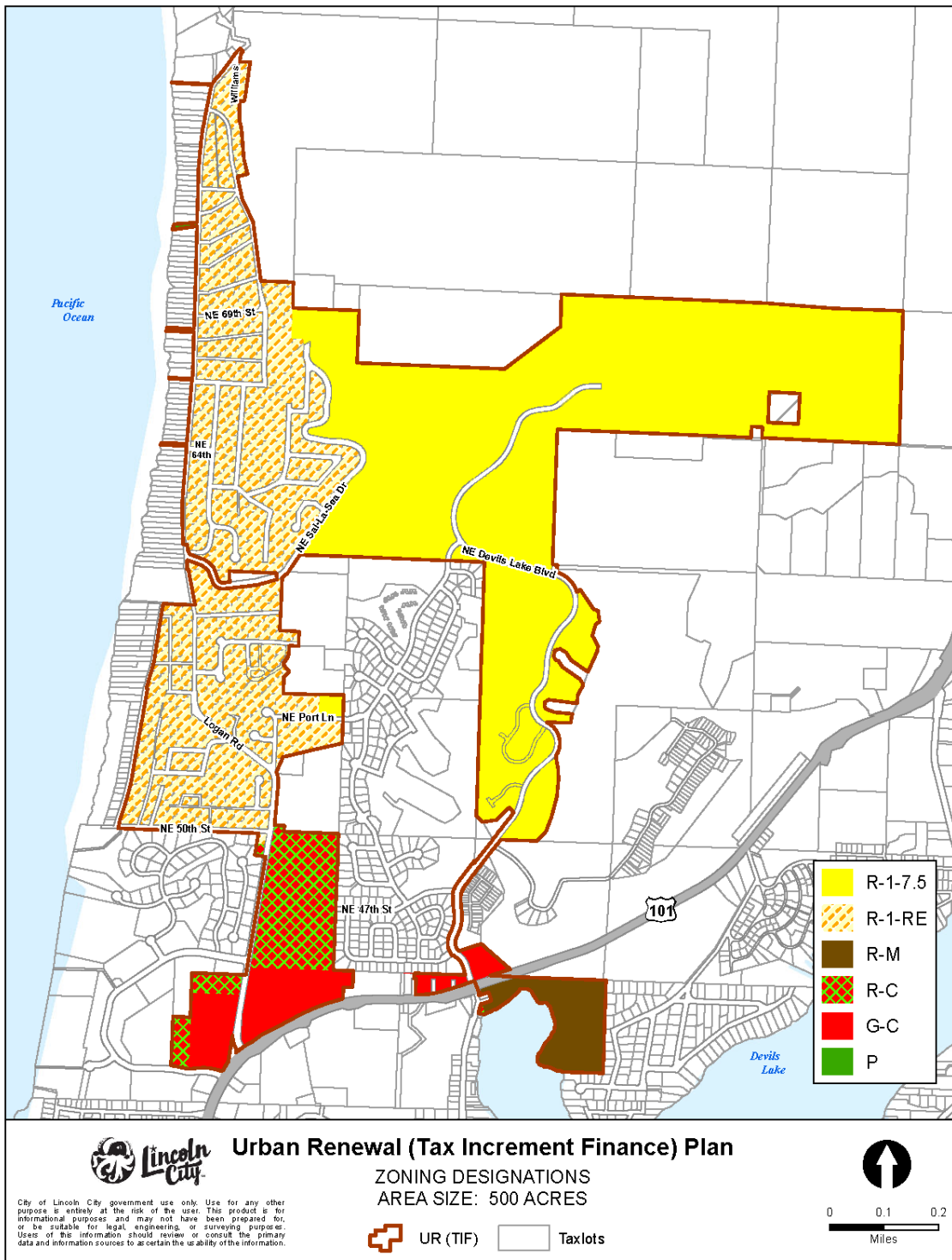
The most prevalent zoning designation by acreage in the Area is Residential R-1-7.5 (58.80%). The second most prevalent zoning designation in the Area is Residential R-1-Roads End (31.82%). Detailed zoning designations in the Area can be seen in Table 22.

Table 22 - Zoning Designations in the Area

Zoning Designation	Parcels	Acreage	Percent of Acreage
Single Family Residential R-1-7.5 (R-1-7.5)	123	262.06	58.80%
Single Family Residential R-1 Roads End (R-1-RE)	765	141.83	31.82%
General Commercial (G-C)	8	22.86	5.13%
Multiple-Family Residential (R-M)	7	14.85	3.33%
Recreation Commercial (R-C)	6	3.86	0.87%
Park (P)	1	0.24	0.05%
TOTAL:	910	445.69	100%

Source: Compiled by Elaine Howard Consulting, LLC with data from the City of Lincoln City

Figure 4 – Roads End/Villages at Cascade Head Urban Renewal (TIF) Area Zoning Designations



Source: City of Lincoln City GIS

B. Infrastructure

This section identifies the existing conditions in the Area to assist in **establishing blight in the ordinance adopting the Plan.** There are projects listed in several City of Lincoln City infrastructure master plans that relate to these existing conditions.

There are also deficiencies in the transportation system that have been identified by City staff for inclusion. **This does not mean that all of these projects are included in the Plan.** The specific projects that are included in the Plan are listed in Section III of this Report.

1. Transportation

The Lincoln City Transportation Systems Plan identified the following projects in the Capital Improvement List.

Bus system for hikers to access the Knoll recreation areas; Develop Park & Ride at the North end and incorporate North by Northwest Connector and other transit amenities.

Improved public parking on and off-street; could include Sal-La-Sea second parking lot.

Improve road connection between Villages at Cascade Head and Roads End to Highway 101 (one-half of this project is in the Area).

Logan Road/ NE Port Lane safety improvements, such as intersection realignment, roundabout, or all-way stop control.

Extend NE 47th Street. to the intersection of NW 44th Street and NW Logan Road; improvement includes sidewalks/pathways.

Modify Existing Traffic Signals and Install New Traffic Signals to improve pedestrian safety. Optimize the existing traffic signals at Highway 101/ NE West Devils Lake Road / NE Devils Lake Boulevard and Highway 101/NW Logan Road by implementing coordinated signal timing plans, upgrading traffic signal controllers, and installing communication.

Local streets and Highway 101 improvements which may include curbs, gutters and sidewalks/pathways, sidewalk gaps, and install pedestrian amenities, and lighting; could be along Logan Road, NE Devils Lake Boulevard, Sal-la-Sea Drive, and other local streets; could also include partnership on Safe Routes to school projects.

2. Storm Drain

The Storm Drain project within the Area was identified by staff at a meeting on October 9, 2019.⁹

Prepare a properly engineered comprehensive storm drainage systems master plan; within the funding limitations of the Agency, construct needed improvements to adequately drain the Area to eliminate flooding during periods of storm activity; Clean out, improve and protect the natural drainage courses so that they may function properly in coordination with the man-built drainage systems; Control earth moving, grading and development of lands which affect the natural and built systems so as to protect the integrity of the drainage system.

3. Water

The following water project within the Area was identified by staff at a meeting on October 9, 2019.

Improved infrastructure to support long-range water security for the Area.

4. Sewer

The following sewer project within the Area was identified by staff at a meeting on October 9, 2019.

Upgrade sewer pump station for Roads End North (at 64th Street) and Neotsu.

5. General Public Works

The following water projects within the Area were identified by staff at a meeting on October 9, 2019.

Logan Creek runs from the Villages, along Sal-La-Sea Drive to the Ocean at the State Recreation Site. The creek is culverted and constrained near the mouth but is otherwise a natural stream. A project to replace one culvert with a fish passage over the second culvert has been identified, it would improve water quality and fish and wildlife habitat.

Public Utility Improvements to include power, electric, gas, cable, etc. along Devils Lake Boulevard and other locations within Area.

Utilities should be undergrounded where economically feasible.

⁹ As there was not a Water or Sewer Master Plan, the city Economic Development and Urban Renewal staff met with the city Public Works staff to identify deficiencies in the Area. This meeting was attended by Alison Robertson, Jodi Mescher, Stephanie Reid, and Lila Bradley.

Infrastructure projects are required including upgrading water, sanitary sewer and storm lines that are approaching their expected lifespan or are lacking altogether.

Improve water line from 69th Street. to Willams Court and sewerage to unsewered areas.

5. Parks and Open Space

The *Lincoln City Parks and Recreation Plan*¹⁰ established the need for additional open space and parks facilities in the Area. The specific projects are identified below:

Improved access to trail heads and parking for recreation partner trails.

Improving pathway, sidewalk and trail connections and facility access to neighborhood and community parks, ocean beaches and natural areas.

Reserve three to five acres for one or two neighborhood parks in the Villages at Cascade Head to serve new residents as the area develops.

Provide a community park in the Villages at Cascade Head development area; including provide trailhead, parking, picnic shelters, trash cans, benches, restrooms, disc golf, and adventure course trail development.

Complete Head to Bay Trail to provide a multi-modal interconnected system from Villages at Cascade Head to the Siletz Bay that allows travel from one end of the city to the other without using Highway 101.

Install wayfinding signage to assist pedestrians and bicyclist in choosing comfortable routes and to help visitors navigate through the city; may include acquiring property and constructing cohesive, branded signage for drivers and pedestrian.

6. Utility Providers

The following utility providers have services within the City of Lincoln City:

City of Lincoln City

Pacific Power

NW Natural

Charter/Spectrum

CenturyLink

CoastCom/Wave

Sprint

North Lincoln Sanitary Service (Contracted by City of Lincoln City)

¹⁰ GreenWorks *City of Lincoln City Park and Recreation System Plan, 2016.*

C. Social Conditions

Within the Area, there are 780 tax lots shown as residential use in the land use table, Table 20 of this report. According to the US Census Bureau, American Community Survey 2013-2017 Five Year Estimates, the block groups that most closely represent the Area have 980 residents, 83% of whom are white. These block groups represent more residents than exist in the Area but are the closest block groups to represent the Area.

Table 23 - Race in the Area

Race	Number	Percent
White alone	810	82.7%
Black or African American alone	-	0.0%
American Indian and Alaska Native alone	9	.8%
Asian alone	147	15%
Native Hawaiian and Other Pacific Islander alone	-	0.0%
Some other race alone	-	0.0%
Two or more races	15	1.5%
TOTAL:	980	100%

Source: American Community Survey 2013-2017 Five Year Estimates

The largest percentage of residents are between 55 to 64 years of age (31%).

Table 24 - Age in the Area

Age	Number	Percent
Under 5 years	79	8%
5 to 9 years	-	0%
10 to 14 years	-	0%
15 to 17 years	7	1%
18 to 24 years	23	2%
25 to 34 years	60	6%
35 to 44 years	46	5%
45 to 54 years	84	9%
55 to 64 years	299	31%
65 to 74 years	194	20%
75 to 84 years	139	14%
85 years and over	49	5%
TOTAL:	980	100%

Source: American Community Survey 2013-2017 Five Year Estimates

In the block groups, 33% of adult residents have earned a bachelor’s degree or higher. Another 37% have some college education without a degree, and 14% have graduated from high school with no college experience.

Table 25 - Educational Attainment in the Area

Educational Attainment	Number	Percent
Less than high school	137	16%
High school graduate (includes equivalency)	123	14%
Some college	289	33%
Associate's degree	36	4%
Bachelor's degree	145	17%
Master's degree	109	13%
Professional school degree	12	1%
Doctorate degree	20	2%
TOTAL:	871	100%

Source: American Community Survey 2013-2017 Five Year Estimates

The most common travel time to work class was 10 to 19 minutes, with 60% of journeys being in this class. This was followed by less than 10 minutes travel time class, which represented 33% of journeys.

Table 26 - Travel Time to Work in the Area

Travel Time	Number	Percent
Less than 10 minutes	107	33%
10 to 19 minutes	197	60%
20 to 29 minutes	5	2%
1.00830 to 39 minutes	11	3%
40 to 59 minutes	7	2%
60 to 89 minutes	-	0%
90 or more minutes	-	0%
TOTAL:	327	100%

Source: American Community Survey 2013-2017 Five Year Estimates

Of the means of transportation used to travel to work, the majority, 60% drove alone with another 25% carpooling.

Table 27 - Means of Transportation to Work in the Area

Means of Transportation	Number	Percent
Drove alone	217	60%
Carpooled	89	25%
Bicycle	-	0%
Walked	-	0%
Other means	-	0%
Worked at home	14	4%
TOTAL:	362	89%

Source: American Community Survey 2013-2017 Five Year Estimates

D. Economic Conditions

1. Taxable Value of Property within the Area

The estimated total assessed value of the Area calculated with data from the Lincoln County Department of Assessment and Taxation for FYE 2020, including all real, personal, manufactured, and utility properties, is estimated to be \$248,091,196.

2. Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the "Improvement to Land Value Ratio," or "I:L." The values used are real market values. In TIF Areas, the I:L is often used to measure the intensity of development or the extent to which an area has achieved its short and long-term development objectives.

Table 28 shows the improvement to land ratios (I:L) for properties within the Area. There are 104 parcels totaling 56.40% of the total acreage that are "exempt" from taxation as they are owned by governmental agencies or non-profits. There are 166 parcels totaling 13.80% of the acreage that have no improvement value. Excluding the Exempt parcels, there are 274 parcels representing 21.91% of the acreage that have I:L ratios less than 1.0. In other words, the improvements on these properties are worth less than the land they sit on. A reasonable I:L ratio for properties in the Area is 2.0, or an improvement worth twice as much as the land it is on. Two hundred and sixty-six of the parcels in the Area, totaling 16.97% of the acreage, have I:L ratios of 2.0 or more in FYE 2020. In summary, approximately 83.03% of the Area is either exempt or underdeveloped and not contributing significantly to the tax base in the City.

Table 28 - Improvement to Land Ratios in the Area

I:L Ratio	Parcels	Acreage	Percent of Acreage
Exempt	104	251.38	56.40%
No Improvement Value	166	61.52	13.80%
0.01-0.50	15	3.08	0.69%
0.51-1.00	93	33.07	7.42%
1.01-1.50	112	21.06	4.72%
1.51-2.00	154	26.28	5.90%
2.01-2.50	129	25.17	5.65%
2.51-3.00	69	10.86	2.44%
3.01-4.00	42	7.76	1.74%
> 4.00	26	5.51	1.24%
TOTAL:	910	445.69	100%

Source: Compiled by Elaine Howard Consulting, LLC with data from the Lincoln County Department of Assessment and Taxation (FYE 2020)

E. Impact on Municipal Services

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area is described in Section IX of 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 tax increment funding are for transportation and utility infrastructure, park improvements, economic development and emergency preparedness. Tax increment financing is a method for funding projects that would otherwise be funded by the City general fund or SDCs, or delayed until resources are available.

It is anticipated that these improvements will catalyze development on the undeveloped and underdeveloped parcels in the Area. This development will require City services. However, since the property is within the City limits, and the level of redevelopment has been planned for based on the Comprehensive Plan and zoning designations, the City has anticipated the need to provide services to the Area. As the development will be new construction, it will be constructed to current building codes, which will aid in the needs for fire protection and lessen the burden on fire response.

The financial impacts from tax increment collections will be countered by future economic development, and, in the future, adding increases in assessed value to the tax base for all taxing jurisdictions, including the City.

XII. REASONS FOR SELECTION OF EACH URBAN RENEWAL (TIF) AREA IN THE PLAN

The reason for selecting the Area is to provide the ability to fund projects and programs necessary to cure blight within the Area.

XIII. RELOCATION REPORT

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. The Agency has adopted rules for relocation assistance. The Agency will comply with all applicable state laws in providing these potential benefits.