

**CITY OF HOOD RIVER, OREGON
ORDINANCE NO. 2082**

AN ORDINANCE MAKING CERTAIN DETERMINATIONS AND FINDINGS RELATING TO AND APPROVING THE 1ST SUBSTANTIAL AMENDMENT TO THE WATERFRONT URBAN RENEWAL PLAN AND DIRECTING THAT NOTICE OF APPROVAL BE PUBLISHED

WHEREAS, the Hood River City Council established the Hood River Urban Renewal Agency pursuant to ORS 457 by Ordinance 1579 (1986); and

WHEREAS, the Hood River Waterfront Urban Renewal Plan was established by the Hood River City Council by Ordinance 1959 (2008); and

WHEREAS, the Hood River Urban Renewal Agency, as the duly authorized and acting urban renewal agency of the City of Hood River, Oregon, has been responsible for the preparation and implementation of the Hood River Waterfront Urban Renewal Plan; and

WHEREAS, the Hood River Urban Renewal Agency, proposed the 1st Substantial Amendment to the Waterfront Urban Renewal Plan which is attached as Exhibit A to this Ordinance; and

WHEREAS, the Agency has caused the preparation of a Westside Urban Renewal Report attached hereto as Exhibit B to accompany the Plan as required under ORS 457.087; and

WHEREAS, the Agency forwarded the 1st Substantial Amendment and Report to the Hood River Planning Commission for review and recommendation. The Hood River Planning Commission considered the Plan and Report on April 1, 2024 and adopted a finding that the Plan conformed with the Hood River Comprehensive Plan; and

WHEREAS, the Plan and the Report were forwarded on March 12, 2024 to the governing body of each taxing district affected by the Plan, and the Agency has thereafter consulted and conferred with each taxing district; and

WHEREAS, on April 15, 2024, the City caused notice of the hearing to be held before the Council on the Plan, including the required statements of ORS 457.120(3), to be mailed to property owners within the City of Hood River; and

WHEREAS, on May 13, 2024 the City Council held a public hearing to review and consider the Plan, the Report, the recommendation of the Hood River Planning Commission and the public testimony received on or before that date and to receive additional public testimony; and

WHEREAS, after consideration of the record presented through this date, the City Council does by this Ordinance desire to approve the 1st Substantial Amendment to the Waterfront Urban Renewal Plan.

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

1. The 1st Substantial Amendment to the Waterfront Urban Renewal Plan, attached hereto as Exhibit A and incorporated herein by reference, complies with all applicable requirements of ORS Chapter 457 and the specific criteria of 457.095(1) through (7).
2. The Amended Waterfront Urban Renewal Plan amends and restates the Original Plan its entirety, incorporating and subsuming all prior versions, which are of no further force and effect to the extent their terms are absent from this Amended Waterfront Urban Renewal Plan.

3. The Report on the 1st Substantial Amendment to the Waterfront Urban Renewal Plan, attached hereto as Exhibit B and incorporated herein by reference, is hereby approved.
4. The Hood River Urban Renewal Agency shall administer the Amended Waterfront Urban Renewal Plan.
5. The Plan shall be financed, in part, by division of taxes as provided in ORS 457.420 to 457.450
6. The Hood River Urban Renewal Agency shall record in the Deeds Records of Hood River County, Oregon, a copy of this Ordinance and Amended Waterfront Plan, upon adoption by the Hood River City Council.
7. The Hood River Urban Renewal Agency shall send a copy of this Ordinance with the Amended Waterfront Plan to the Hood River County Assessor.
8. The Hood River Urban Renewal Agency, in accordance with ORS 457.115, shall publish notice of adoption of this Ordinance approving the Amended Waterfront Plan, including the provisions of ORS 457.135, in the newspaper having the greatest circulation in the City of Hood River within four days following adoption of this Ordinance.

Adopted by the City Council of the City of Hood River this 27th day of May, 2024.

Read for the First Time on May 13th, 2023

Read for the Second Time and approved on May 27, 2024

This Ordinance shall take effect thirty days upon second reading.

AYES: _____
 NAYS: _____
 ABSTAIN: _____
 ABSENT: _____

 Paul Blackburn, Mayor

ATTEST:

Approved as to form:

 Jennifer Gray, City Recorder

 Daniel Kearns, City Attorney

Attachments:
 Exhibit A – Amended Waterfront Urban Renewal Plan
 Exhibit B – Report on the Waterfront Urban Renewal Plan

EXHIBIT A

HOOD RIVER WATERFRONT URBAN RENEWAL PLAN

Adopted

August 11, 2008: Ordinance 1959

Minor Amendment

June 12th, 2023: URA Resolution 2023-URA-01

Substantial Amendment

March 11th, 2024: URA Res. 2024-URA-03

City of Hood River

LIST OF PARTICIPANTS

Mayor: Linda Streich

City Council: Arthur Babitz
Paul Blackburn
Paul Cummings
Ann Frodel
Carrie Nelson
Laurent Picard

Port Commission: Sherry Bohn
Fred Duckwall
Don Hosford
Hoby Streich
Kathy Watson

Urban Renewal Agency: Paul Cummings
Lynn Guenther
Robert Hastings
Don Hosford
Kate McBride
Hoby Streich
Paul Thompson

City Manager/
Urban Renewal Administrator: Bob Francis

Port Director: Michael McElwee

Planning Commission: Stephen Ford
Ambler Harrison
John Herron
Scott Kaden
Bob Kramer
Kate McBride
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City Staff liaison: Cindy Walbridge
Alexandra Sosnkowski
Julie Harvey
Jessica Kinder

County GIS: Mike Schrankel

Consultant Team: Tashman Johnson LLC
Jeannette Launer, Attorney
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HOOD RIVER WATERFRONT URBAN RENEWAL PLAN

I. SUMMARY OF FIRST SUBSTANTIAL AMENDMENT

The Waterfront Urban Renewal Plan was adopted in 2008. Due to effective public investments combined with the partnership with the Port of Hood River, assessed value growth and tax increment revenue in the area has greatly exceeded initial projections. However, the poor condition of the district’s stormwater infrastructure and the urgency to replace it has also exceeded initial assessments.

The Waterfront District’s First Substantial Amendment adds \$2.15 million in Maximum Indebtedness, increasing from \$5,750,000 to \$7,900,000. This additional borrowing capacity is intended to ensure the timely completion of the Waterfront Stormwater Line replacement which began in FY2019-20 and is expected to be completed by 2024-25. Due to the prior rapid increases in taxable value in the Waterfront District, it is now expected to cease division of tax in FY2026-27 inclusive of the \$2.15 million increase in Maximum Indebtedness and the boundary reductions approved by Resolution 2023-URA-01. This is a year ahead of the original 2008 projections.

II. INTRODUCTION

The Hood River Waterfront Urban Renewal Plan (the “Plan”) has been developed with the cooperative input of the Hood River City Council (“City Council”) and the Hood River Port Commission (“Port Commission”). The two governing bodies authorized a feasibility study in the fall of 2007, and after review of that document, in separate meetings by each body, approved further research to allow for the formation of an urban renewal area at the waterfront. In April of 2008, the City Council and Port Commission convened a joint meeting where they discussed the potential projects and provided input on their project priorities, found in Section IV of this document. A public meeting was held in May of 2008 to both provide information to and gain input from the public. The Plan reflects the input from the governing bodies, and the public in general, as well as the strategies outlined in the Port Commission’s Hood River Waterfront Development Strategy that was adopted in 2007. The Plan contains goals, objectives and projects for the development of the Hood River Waterfront Urban Renewal Area (“Area”). The overall purpose of the Plan is to use tax increment financing to overcome obstacles to 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 lacks adequate streets and utilities, excessive odor from the Wastewater Treatment Plant is an impediment to development in the Area and the recreational areas are in need of upgrading.

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

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

Where development can be anticipated in the near future, as it can for the waterfront property, tax increment financing can be a very significant source of funding for necessary improvement projects.

Urban renewal is put into effect by the local government (the City of Hood River in this case) adopting 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 ~~109~~42 acres of land including rights of way. The north boundary is the high water line of the Columbia River, the south boundary is I-84, the west boundary is the Hook and the east boundary is the eastern edge of the Spit. The boundary also includes the area of the pedestrian bridge over the Hood River.

The Plan would be administered by the Hood River Urban Renewal Agency (“Agency”) which was established by the City Council of the City of Hood River as the City’s Urban Renewal Agency. Major changes to the Plan, if necessary, must be approved by the City Council as outlined in Section VIII of this Plan. The Plan is accompanied by an Urban Renewal Report (“Report”) that contains additional information as required by ORS 457.085. The information in the Report is the technical information which includes:

- A description of the physical, social and economic conditions in the area
- Expected impact of the Plan, including fiscal impact in light of increased services
- Reasons for selection of each Area in the Plan
- The relationship between each project to be undertaken and the existing conditions
- The total cost of each project and the source of funds to pay such costs
- The estimated completion date of each project
- The estimated amount of funds required in the Area, 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
- A relocation report.

The Plan is anticipated to take twenty years to implement. The maximum amount of indebtedness (amount of tax increment financing for projects and programs) that may be issued for the Plan is ~~\$5,750,000~~\$7,900,000.

II. GOALS AND OBJECTIVES

The goals of the Plan represent its basic intents and purposes. Accompanying each goal are objectives, which generally describe how the Agency intends to achieve the goals. The urban renewal projects identified in Chapter IV of the Plan are the specific means of meeting the objectives.

Goal 1: *ECONOMY*

Diversify the economic base in the Hood River area and strengthen the area's role as a regional economic center.

Objectives:

1A: Support business development by offering sites for local businesses, preserving current industrial uses, promoting private investment, and providing for a mix of employment types and uses.

1B: Promote job retention and creation by targeting quality jobs, enhancing job opportunities for local residents and maintaining minimum job density.

1C: Ensure quality development by promoting sustainable development and place-based planning principles, encouraging quality design and construction, and making strategic infrastructure investments.

1D: Assist in the financing and provision of transportation and infrastructure improvements to support the development of industrial and commercial uses.

1E: Work with property owners to promote beneficial development of properties within the Area.

Goal 2: *RECREATION*

Provide facilities and parks to support the world-class waterfront recreational opportunities that exist in Hood River.

Objectives:

2A: Plan a cohesive system of trails within the waterfront and connecting to the downtown core.

2B: Sustain existing and promote new recreational activities on the water.

2C: Enhance waterfront recreation sites.

2D: Develop additional waterfront recreation sites.

2E: Improve pedestrian access to and along the river.

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Goal 3: *HABITAT ENHANCEMENT*

Protect the riverine habitat because of its value both to the environment and to waterfront visitors.

Objectives:

- 3A: Provide for appropriate and adequate landscape plantings along the water's edge.
- 3B: Protect areas of existing bio-habitat and recreate habitat where it has been destroyed.
- 3C: Insure that upland development does not degrade habitat conditions in the Columbia River.

Goal 4: *LAND USE*

Ensure an adequate supply of appropriately zoned land to provide for the development of industrial and commercial uses.

Objectives:

- 4A: Provide opportunities for industrial development.
- 4B: Encourage business and industry to locate within the Hood River city limits.
- 4C: Disperse employment centers to parts of the City with access to adequate transportation routes and public utilities.

Goal 5: *TRAFFIC AND TRANSPORTATION*

Implement transportation improvements that will increase access to the area and mitigate traffic impacts.

Objectives:

- 5A: Improve existing streets to meet future development demands.
- 5B: Develop a network of streets to serve all parcels.
- 5C: Construct street improvements as consistent with City standards.
- 5D: Provide sidewalks and streetscape improvements that promote multimodal usage, access and safety.
- 5E: Provide signalization improvements for efficient traffic flow and safety of transportation systems.

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Goal 6: *PUBLIC UTILITIES*

Ensure that new development is located in areas that can be adequately served by public infrastructure.

Objectives:

6A: Develop public infrastructure improvements on parcels of underutilized land to encourage private development.

6B: Develop water, sanitary sewer and storm drainage improvements to support industrial uses.

6C: Mitigate negative impacts of the existing wastewater treatment facility.

6D: Where possible, develop environmentally friendly utility systems to support existing and future development.

Goal 7: *PUBLIC INVOLVEMENT*

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

Objectives:

7A: Use available media to inform citizens of projects and programs to be undertaken.

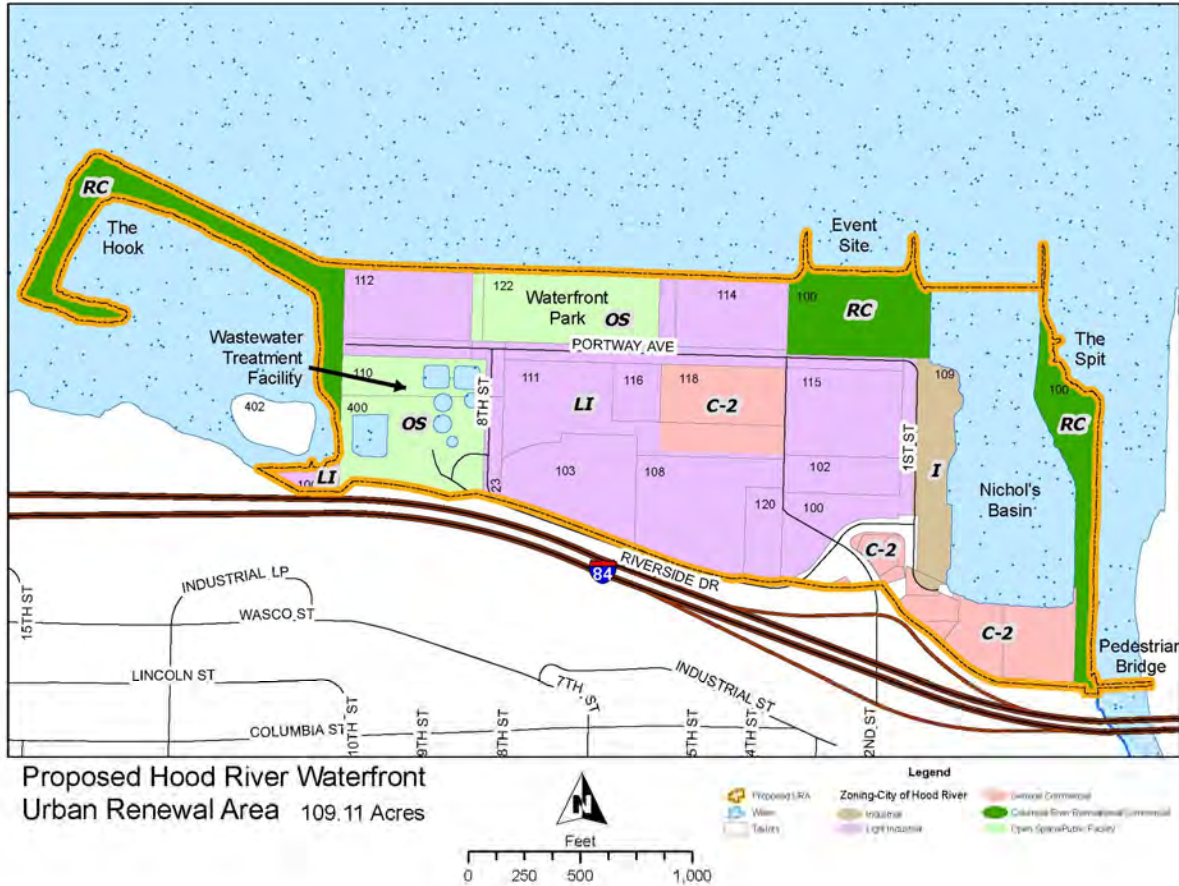
7B: Provide for public input as to implementation of the Plan and work to achieve consensus as a basis for proceeding.

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H.III. MAP AND LEGAL DESCRIPTION OF URBAN RENEWAL AREA

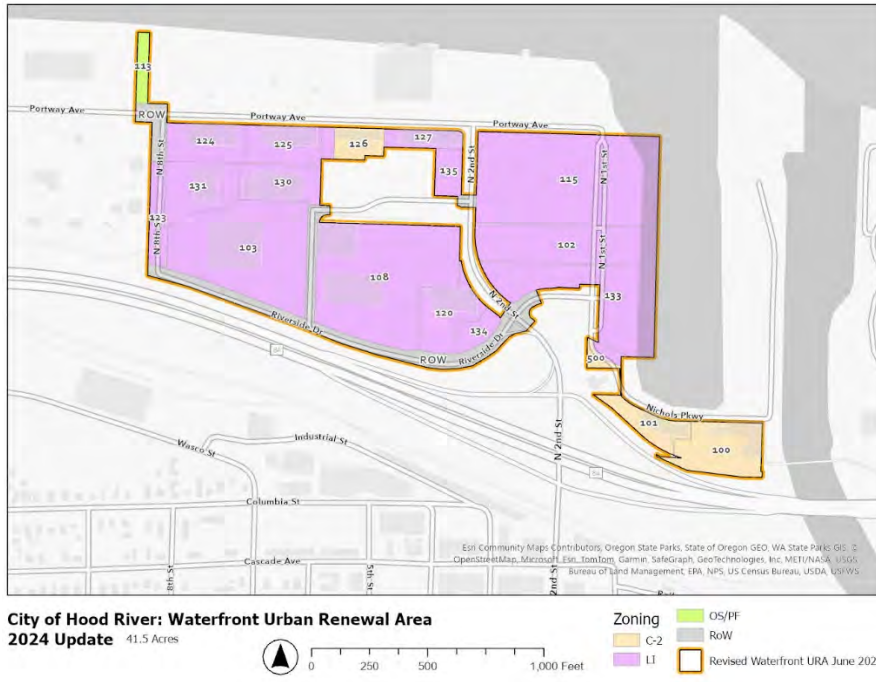
Figure 1. Urban Renewal Area, Zoning and Comprehensive Plan Designations

Original 2008 Boundaries



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2023 Boundaries after adjustment by Resolution 2023-URA-01



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III-IV. OUTLINE OF MAJOR URBAN RENEWAL PROJECT ACTIVITIES

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

A. Infrastructure Improvements

1. Odor control of the wastewater treatment plant (engineering and construction)
2. Transportation improvements to increase circulation from, to, and within the Area
3. Preliminary engineering study for future improvements
4. Utility upgrades and renewable energy

B. Park and Recreational Improvements

1. Trail connections
2. Phase II park improvements
3. Recreational site enhancements including the Spit, Hook and Event Site

C. Habitat Enhancements

1. Habitat enhancements in Nichols Basin
2. Habitat enhancements along areas of the Hook
3. Habitat enhancements along rip rap portions of waterfront

D. Economic Development Assistance

1. Business recruitment and marketing program

IV-V. URBAN RENEWAL PROJECTS

Urban renewal projects authorized by the Plan are described below. Public improvements authorized under the Plan include transportation projects, utility projects including odor control at the sewage treatment plant, park and trail improvements, and habitat restoration. The Plan also authorizes economic development assistance. The scope, budget and priorities for urban renewal projects and programs will be decided by the Agency as it administers the Plan. In April of 2008, the City Council and the Port Commission convened a joint meeting where they discussed the potential projects and identified their project priorities.

The governing bodies agreed that, at that time, the three priority projects to be considered by the Agency should be the Odor Control at the Wastewater Treatment Facility, Portway Avenue Improvements and Trail Connectivity. There was also support voiced for the Waterfront Park Improvement Project. The participants understood that the actual project expenditures will be determined by the Agency on an annual basis and may reflect opportunities for working with

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businesses in expanding or relocating to the Area and the opportunity to match funds for specified projects.

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

A. Infrastructure

1. Wastewater Treatment Facility

This project includes preliminary engineering and implementing the plan for odor control. The odor control facilities consist of a new biological soil type biofilter for serving the existing primary clarifier and improvements at the existing septage receiving station.

2. Portway Avenue

Portway Avenue will be improved as a pedestrian oriented street with new paving, ornamental street lights, pedestrian improvements, street trees and sidewalks. Portway Avenue will be evaluated and constructed to the City Engineer's standards based on the results of the evaluation.

3. Riverside Drive to 8th Improvements

Riverside Drive will be the primary truck access street for the Waterfront area. Riverside is significantly substandard and improvements and it will need to be reconstructed and widened to meet an expanded level of truck and vehicular traffic. A signal may be required at 2nd Street and Riverside Drive. Riverside Drive will be constructed to the City Engineer's standards based on the results of the City Engineer's evaluation.

4. 8th Street Improvements

8th Street will be improved, including new sidewalks and pedestrian improvements to meet an expanded level of vehicular traffic. 8th Street will be constructed to the City Engineer's standards based on the results of the City Engineer's evaluation.

5. Future Industrial Street

The future Industrial Street will serve the industrial parcels in the central waterfront area. This new street would be on a dedicated right-of-way that goes north from Riverside Drive and connects to 2nd Street. The street would provide truck access to parcels that front on Riverside Drive, reducing their need to access loading areas from Portway Ave. and other pedestrian-oriented streets within the waterfront. The future Industrial Street will be constructed to City Engineer's standards based on the results of the City Engineer's evaluation.

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B. Park and Recreational Improvements

1. Trail Connectivity

Comprehensive trail connections along the Columbia River waterfront including connecting the Hook, Spit, Park and Event Site to each other and to downtown Hood River will be developed. The existing pedestrian bridge over Hood River may become part of the future improvements for pedestrian access. The trail connections may include but are not limited to trail surfacing, lighting, street furniture, signage and landscaping. Trail connections will be built to existing City standards.

2. Phase II Hood River Waterfront Park

Phase II of the Hood River Waterfront Park will include but not be limited to landscaping with native vegetation, an open grassy field area, on-site parking, an outdoor amphitheater, irrigation, picnic shelters and a picnic area, public art, youth play areas and structures, an architectural feature reminiscent of a Native American fishing platform, and a swimming platform. Phase II also includes paving (ADA) walking paths that were not completed as part of Phase I. The scope and nature of specific improvements will be refined during Plan implementation.

3. Recreational Site Enhancements

Improvements to the various recreational sites will be undertaken. These improvements may include but are not limited to improved access roads, signage, utilities, drainage structures (e.g. bio swales) and support structures (e.g. changing rooms) to accommodate increased recreational use and larger programmed events.

C. Habitat Enhancements

Habitat enhancements can improve the biological diversity and natural habitat characteristics of the waterfront. A Habitat Enhancement Program will be developed by the Agency. Habitat enhancement project components may include but are not limited to bio-engineering and other types of landscape improvements to Nichols Basin, areas of the Hook and rip rap portions of the Columbia River waterfront. Some habitat enhancement work may be necessary to mitigate other waterfront projects. The Agency will decide the scope and nature of specific habitat enhancement improvements after the Plan is approved.

D. Economic Development

1. Utility Upgrades and Renewable Energy

Utility upgrades could consist of assistance as necessary to property owners for a utility tie in to their parcel. This project may also include investment in “green” energy alternatives to support development in the waterfront area.

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2. Economic Development, Business Recruitment and Marketing Program

An Economic Development, Business Recruitment and Marketing Program for the Area will be established by the Port of Hood River to enhance the community's efforts to identify, recruit and potentially provide incentives for investment in construction or rehabilitation by businesses that meet the community's criteria for job creation and development density for the waterfront industrial area. The Agency will establish the guidelines for this program as part of Plan implementation.

V.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 acquisition must occur prior to institution of eminent domain procedures.

B. Property Acquisition – From Willing Sellers

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

C. Land Disposition

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

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

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

VI.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.

VII.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, Port 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.

The financing for projects in the early stages of the urban renewal plan may come from the Port of Hood River or other public sources. If approved by the Agency, these loans will be considered an obligation of the Plan and will be repaid from anticipated tax increment revenues, as shown in Section VII of the Urban Renewal Report.

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

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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 \$5,750,000. 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 Hood River in connection with the preparation of this Plan or prior planning efforts that support the preparation or implementation of this Plan may be repaid from tax increment revenues from the Area when and if such funds are available.

VIII.IX.FUTURE AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

Substantial Amendments are solely amendments:

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

Substantial Amendments, in accordance with ORS 457.085(2)(i), shall require the same notice, hearing and approval procedure required of the original Plan under ORS 457.095, including public involvement, consultation with taxing districts, presentation to the Planning Commission and adoption by the City Council by non-emergency ordinance after a hearing. Notice of such hearing shall be provided to individuals or households within the City of Hood River as required by ORS 457.120. Notice of adoption of a Substantial Amendment shall be provided in accordance with ORS 457.095 and .115.

B. Council Approved Amendments

Council Approved amendments consist solely of amendments that result in:

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

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

C. Minor Amendments

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

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

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

IX.X. RELATIONSHIP TO LOCAL OBJECTIVES

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

A. City of Hood River Comprehensive Plan

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

Goal 1: Citizen Involvement

GOAL

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

POLICIES

1. Improve and use existing citizen participation programs to ensure ongoing citizen involvement in planning and land use regulation revisions now and

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after acknowledgement of the Comprehensive Plan.

2. Establish, maintain, and encourage uses of an ongoing citizen involvement program for the City of Hood River.

Findings: The Plan relates to and addresses the citizen involvement goal and Policies 1 and 2 through public meetings held in the adoption process.

Goal 2: Land Use Planning

GOAL

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

GUIDELINES

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

Findings: The proposed Plan relates to and addresses the Land Use Planning Goal and aforementioned Guidelines. The Plan will help to upgrade the sewage treatment plant to improve the local air quality (Guidelines 2, 3 and 7). It will encourage development on lands that have already been improved but are currently underutilized, protecting resources and diversifying the economy (Goal 1 and Guidelines 5 and 6). It will encourage the development of land within the urban growth boundary that is not presently served by an adequate transportation network. (Goal 1 and Guideline 5) The Area is contiguous to the developed areas of the City of Hood River where transportation systems and other infrastructure are already partially in place (Goal 1 and Guidelines 3 and 5). Some of the funds generated by the Plan will be used for recreational area improvements and improving the transportation network within the Area (Guidelines 7,8 and 9).

Goal 3: Agricultural Lands

This Plan will not impact or affect this goal.

Goal 4: Forest Lands

This Plan will not impact or affect this goal.

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

This Goal in the Comprehensive Plan addressed open spaces, historic areas and natural resources. This Plan will not impact or affect historic areas; therefore, only the relevant provisions pertaining to open spaces and natural resources are referenced. The Economic, Social, Environmental and Energy Analysis (ESEE) is found at the end of this Goal 5 Section, as required by Statewide Land Use Goal 5.

OPEN SPACES

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

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

GOALS

1. To provide land for recreational uses such as windsurfing, kite boarding, bicycling, jogging and fishing.
2. To preserve water resources, riparian, and wildlife habitats.
3. To establish trails, greenways and wildlife corridors that are interconnected.
4. To encourage environmental awareness so that citizens will become stewards of our natural resources.
5. To soften the appearance of street corridors with planter and median strips.
6. To support coordinated efforts of public agencies, private organizations and individuals to preserve and enhance the area's natural features and open space.

IMPLEMENTATION STRATEGIES

4. Include natural features and open space in the design of public facilities.
5. Locate transportation and utility systems to avoid natural features.

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Findings: The Plan relates to the Goals and implements the relevant Implementation Strategies of open space because the proposed projects will upgrade the existing parks by providing access, lighting, and infrastructure improvements (Goals 1,3,5 and Implementation Strategies 4). The Plan will also provide assistance to the development of a new area of park land by providing funds for infrastructure improvements in the Park (Goals 1,3). The Plan establishes a Habitat Enhancement Program (Goal 2). Private fundraising is an ongoing commitment for the Park, and some funding will be allocated through the Plan (Goal 6).

NATURAL RESOURCES

Wetland and riparian areas have a variety of native plant species that are adapted to growing in locations where the soils are wet during all or part of the year. Well established wetlands and riparian areas provide a complex ecosystem that support a diverse combination of plants and animals.

Wetlands and riparian areas within Hood River and the Urban Growth Area were inventoried and evaluated in July 2003 as part of the Local Wetland Inventory, a required Periodic Review update for Goal 5. The Port of Hood River conducted and Economic, Social, Environment and Energy Analysis (ESEE) for the Columbia River Waterfront area in May 2004 to allow for greater flexibility for development along that area of the Columbia River.

The riparian areas along the Columbia River, Hood River, Indian Creek and Phelps Creek are considered a significant resource under Statewide Planning Goal 5.

GOALS

1. It is important to conserve and improve the wetlands and riparian areas along the Columbia River, Hood River, Indian Creek and Phelps Creek in Hood River City and Urban Growth Area. These areas serve several functions that protect and enhance the quality of both animal and human life within the urban area in many ways;

- Reduce stream velocities that can erode or damage stream banks and property;
- Provide storage for water during peak flows and flooding conditions;
- Trap or filter sediment and runoff water from upland areas and impervious surfaces;
- Provide shade over rivers and creeks that helps water quality by reducing the warm water temperatures that produce algal blooms;
- Provide shade to help moderate water temperatures to support fish and other aquatic animals;

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- Provide vegetation and woody debris that serve as habitat and nesting areas for a variety of aquatic animals, birds and mammals;
- Provide a safe corridor for birds, amphibians and mammals that live and feed along the river; and
- Provide a transition area between aquatic and upland habitat areas during animal migration.

3. Lands zoned as Open Space shall be preserved as open space.

Findings: The Goals and Implementation Strategies for Natural Resources are implemented through the City's ESEE Analysis and Chapter 17.22 of the Hood River Municipal Code. Findings addressing the ESEE are below. During the development review process for a project, Chapter 17.22 will be applied to the extent a proposed project impacts a natural resource.

Generally, however, the Plan provides for future habitat enhancements supporting natural resources by establishing a Habitat Enhancement Program (Goal 2). The trail system will be upgraded to connect to existing trail segments (Goal 3).

Goal 5: Economic, Social, Environmental and Energy Analysis (ESEE)

An ESEE analysis is an analysis of the potential economic, social, environmental, and energy consequences of prohibiting, limiting, or permitting conflicting uses to occur on resources that have been determined to be significant under Statewide Land Use Goal 5.

The intent of Statewide Land Use Goal 5 is, "to protect natural resources conserve scenic and historic areas and open spaces." Goal 5 resources covered in the analysis are those determined to be significant by the City. The purpose of this ESEE analysis is to develop a basis for general planning policies and implementing measures adopted to provide adequate levels of protection to the Columbia River shoreline along Hood River's waterfront.

This analysis addresses the land use consequences of protecting Goal 5 resources in the City of Hood River's Columbia River Infill Waterfront Area or the allowance of these resources to be reduced or lost. In compliance with Goal 5, the City adopted through the legislative process the Hood River Waterfront Riparian Inventory.

Six Reaches, as defined in the ESEE, are in the Area. The ESEE analysis for each area is as follows:

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REACH: COR4

Basin: Columbia River

Size of Site: 0.67 acres

Location: The east bank of the abandoned boat works basin.

Description of Resource:

This reach is 1,064 feet long. The shoreline and riparian areas are composed of fill material that was placed after construction of the Bonneville Dam in the 1930s. The entire riparian area is developed and the top of the slope consists of an access road. The slope consists of an immature forested riparian community consisting of red-osier dogwood, black cottonwood, red alder, and Himalayan blackberry.

Existing Uses:

- Industrial - this area is currently zoned light industrial but no development currently occurs within this reach.
- Water Recreation - boating and jet skiing.
- Public Access - a gravel road runs along the entire length of the spit.

Findings: The Habitat Enhancement Program could be used in this reach. Any work done will address the standards in the ESEE document. No other projects or programs will have an impact on this reach.

REACH: COR6

Basin: Columbia River

Size of Site: 0.04 acres

Location: The west bank of the abandoned boat works marina.

Description of Resource:

This reach is 1,776 feet long. The shoreline and riparian area are composed of fill material that was placed after construction of the Bonneville Dam in the 1930s. The entire riparian area is developed and the majority of the reach has sheet piling along the banks. There is a boat launch at the north end. No vegetation is growing along the shoreline. The top of the bank consists of either asphalt or well compressed fill and gravel.

Existing Uses:

- Industrial - part of this reach is zoned industrial. Current development includes a vacant building and a gas station.
- Open Space - event site and park with access roads.

Findings: The Habitat Enhancement Program could be used in this reach. Any work done will address the standards in the ESEE document. The recreational sites (open space) will undergo improvements which will address the standards in the ESEE document.

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REACH: COR7

Basin: Columbia River

Size of Site: 2.8 acres

Location: The shoreline of the Columbia River that extends from the abandoned boat works basin west to the hook.

Description of Resource:

This reach is 4,639 feet long. The shoreline and riparian area are composed of fill material that was placed after construction of the Bonneville Dam in the 1930s. The entire riparian area consists of industrial development, parking lots, and a gravel jetty with an access road. The vegetation is limited to five Douglas fir trees growing at the top of the bank.

Existing Uses:

- Recreational/Commercial - this includes the Event Site which has bathroom facilities, parking lots, picnic areas, and water access.
- Light Industrial - there are currently two light industrial developments along this reach which includes the building and parking areas.
- Water recreation - windsurfing, swimming and kiteboarding.

Findings: The Habitat Enhancement Program could be used in this reach. Any work done will address the standards in the ESEE document. The recreational sites (open space) will undergo improvements which will address the standards in the ESEE document.

REACH: COR8

Basin: Columbia River

Size of Site: 0.5 acres

Location: The hook at the end of the man-created jetty.

Description of Resource:

This reach is 499 feet long and consists of a mature forested point that appears to be on a native or natural landform of very large boulder. The vegetation is dense, with extensive coverage by Himalayan blackberry in the shrub layer.

Existing Uses:

- Natural area - heavily used wintering waterfowl area.
- Water recreation - swimming, windsurfing lessons.

Findings: The Habitat Enhancement Program could be used in this reach. Any work done will address the standards in the ESEE document. The recreational sites (open space) will undergo improvements which will address the standards in the ESEE document.

REACH: COR9 & COR10

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Basin: Columbia River

Size of Site: 1.27 acres

Location: COR9 is the interior shoreline of the hook and COR10 is the interior, east shoreline of the hook.

Description of Resource:

COR9 is 905 feet long. The shoreline and riparian area are composed of fill material that was placed after construction of the Bonneville Dam in the 1930s. This man created jetty is heavily used by people and has resulted in limited vegetation able to become established. Vegetation is limited to black cottonwood, red-osier dogwood, willow, and a few weeds.

COR10 is 1,329 feet long. The shoreline and riparian area are composed of fill material that was placed after construction of the Bonneville Dam in the 1930s. This portion of the shoreline has not been as impacted by recreational uses as the western portion. At the toe of the rip rap slope is a 25 foot wide wetland bench that is vegetated by black cottonwood, Himalayan blackberry, willow, cattail, and reed canary grass.

Existing Uses:

- Water recreation - swimming, windsurfing lessons.
- Light Industrial - most of this area is currently zoned light industrial although there is currently no light industrial development along this reach.
- Open Space/Public Facility - the Hood River Wastewater Treatment Plant is located at the eastern end of COR10.
- Natural area - heavily used winter waterfowl area.

Findings: The Habitat Enhancement Program could be used in this reach. Any work done will address the standards in the ESEE document. The recreational sites (open space) will undergo improvements which will address the standards in the ESEE document. The Hood River Wastewater Treatment Plant will undergo changes to eliminate the odor problems associated with it. Any work will address the standards in the ESEE.

REACH: HOR1L

Basin: Hood River

Size of Site: 0.94 acres

Location: HOR1L is the west bank the Hood River and extends from I84 to the confluence with the Columbia River.

Description of Resource:

The shoreline is fill material that was placed after Columbia River levels were raised following construction of the Bonneville Dam. The shoreline is a steep, rip rapped bank.

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Vegetation along the bank is sparse and limited red-osier dogwood and cascara. Willows and slough sedge are growing at the edge of the water. The top of the bank is an access road to the end of the jetty that is composed of well compacted fill and gravel.

Existing Uses:

- Industrial - this area is currently zoned industrial but it is currently undeveloped.
- Water Recreation - fishing, swimming kayaking.
- Public Access - unpaved road to access the point and unpaved, unmarked parking lot.

Findings: The Habitat Enhancement Program could be used in this reach. Any work done will address the standards in the ESEE document.

Goal 6: Air, Land, and Water Resources Quality

GOAL

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

POLICIES

Air Quality

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

IMPLEMENTATION STRATEGIES

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

Findings: The Plan will improve air quality by aiding the renovation of the existing sewage treatment plant to reduce odor emissions (Goal and Policies 1,2). This will result in cleaner air for the Hood River waterfront area and downtown Hood River in general. Additionally, any new development will incorporate sidewalks and trail connections to promote multimodal access and reduce traffic loads in the Area (Implementation Strategy 1).

Goal 7: Natural Disasters

This Plan will not impact or affect this goal.

Goal 8: Recreational Needs

GOAL

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

POLICIES

1. Existing park sites will be protected from incompatible uses and future expansion alternatives at some sites will be developed.
2. When feasible, recreational opportunities and park sites will be located so as to be accessible to a maximum number of people.
3. The development of parks which are accessible by means of walking or bicycling is encouraged.
5. Encourage low-maintenance park and recreation use of floodplains and drainage.
7. Because the growth of the windsurfing industry and other recreational activities comprise a significant portion of Hood River's recreational and tourist industry, the establishment of recreational facilities may be allowed in appropriate locations in the City.

IMPLEMENTATION STRATEGIES

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

Findings: The Plan will improve recreation sites by adding signage, streetscape improvements and access improvements to the existing park areas as well as assisting in the Phase II development of an additional park (Goal and Policies 1,2,3,5,7, Implementation Strategy 1). Additionally, any new development will incorporate sidewalks and trail connections to promote multimodal access for users of the recreation system (Implementation Strategy 2). The Plan will abide by the Parks and Recreation Master Plan and the State of Oregon Parks Comprehensive Plan (SCORP).

Goal 9: Economy

GOALS

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

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6. To accommodate the need for expansion of new and existing businesses.

POLICIES

1. Promote commercial and light industrial development on the Waterfront consistent with a Columbia River Waterfront Plan.
2. Encourage family wage jobs, including, but not limited to: office, commercial, retail and lodging developments, light industrial small businesses, expansion of small commercial and light industrial businesses, home businesses, tourism and recreation based businesses, and regional retail businesses.
3. Consider existing business expansion needs.
4. Limit commercial use on lands reserved for light industrial and industrial uses.
5. Promote mixed use developments that integrate business, office, light industrial, research and development, commercial uses, and residential, if appropriate, on the same parcel.
6. Encourage family wage jobs.

IMPLEMENTATION STRATEGIES

6. The City shall pursue funding opportunities for the construction and completion of services in areas where deficient.
8. The City will cooperate with the Port, regional, state and federal agencies and private businesses to develop and implement plans to improve and diversify the economic base of the planning area.
9. Industrial centers will be developed at planned locations that have high standards of design, landscaping, maintenance, and accessibility.

Findings: The Plan will help install the infrastructure necessary to support additional development of the Area. It will help encourage the development of prime industrial and commercial land that will provide expansion opportunities for existing local businesses and attract new ones to the Hood River area (Goals 1,2,3,4, Policies 1,2,3,4,5,6, Implementation Strategies 6,8,9). Growth in the Area will create new jobs for the community and generate additional tax revenue for the municipality when the Urban Renewal Area expires (Goals 1,2,3,4, Policies 1,2,3,4,5,6, Implementation Strategies 6). The Area is providing industrial growth but is in an area of the City where much scrutiny occurs (the waterfront). Existing City standards will require addressing Implementation Strategy 9.

Goal 10: Housing

The Plan will not impact or affect this goal.

Goal 11: Public Facilities and Services

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GOAL

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

POLICIES

1. Provide urban services (water, sewer, storm drainage and transportation) to residential, commercial and industrial lands within the City's Urban Growth Area.
3. Promote the efficient use of urban and urbanizable land in the UGA to minimize the cost of providing public facilities and services.
7. Ensure that public facilities and services of adequate size are constructed to serve planned urban uses as urban growth occurs consistent with the zoning.
8. Ensure that location and extension of urban services is done in accordance with this Plan and the Public Facilities Master Plans.
13. Generally, require property owners benefiting from urban services extensions to finance urban services extensions.
15. Maintain an eight year supply of commercial and industrial land that is serviceable by urban services.
19. Consider protection of riparian zones and habitat when extending utility facilities.
21. Ensure coordination between the Transportation Systems Plan and Public Facilities Plan, particularly with respect to recommended capital improvements.

IMPLEMENTATION STRATEGIES

12. That City shall adopt standards ensuring that urban service facilities are constructed to levels adequate to serve the needs of the proposed development and, where necessary, urban area.
16. The City shall adopt standards or enforce existing measures to protect riparian habitat.

Findings: The Plan will improve public facilities by aiding the renovation of the existing sewage treatment plant to reduce odor emissions and by financing utility upgrades in the Area. The wastewater treatment plant improvement will result in cleaner air for the Hood River waterfront area and downtown Hood River in general (Goal and Policy 1). There is a habitat enhancement program which will address riparian and habitat issues (Policy 19). Development of street and utility infrastructure will provide the services which will attract development of underutilized land (Goal and Policies 1,3,7,8,13,15,21). The TSP is undergoing an update to reflect the planned improvements (Policies 7,8).

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Goal 12: Transportation

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

GOAL 1

A balanced transportation system.

POLICIES

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

Findings: The Plan will provide a system of multi-modal trail and street connections throughout the site and will provide sidewalks where there presently are none in the Area. These improvements will be made in compliance with the above stated goals and policies (Goal 1 and Policies 1,2,3,4).

GOAL 2

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

POLICIES

1. Maintain the livability of Hood River through proper location and design of transportation facilities.
2. Locate and design recreational and bicycle pathways so as to balance the needs of human use and enjoyment with resource preservation in identified Natural Resource areas.
3. Meet the applicable requirements of state and federal resource agencies for wetlands or stream corridors in development of City transportation facilities.

Findings: The Plan relates to the transportation facilities goal in the Area in that facilities will be properly designed and located to maintain the livability of Hood

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River. Pathways are incorporated in the transportation network envisioned for the Area. Wetlands and stream corridor requirements will be followed (Goal 2 and Policies 1,2,3,4).

GOAL 3

A safe transportation system.

POLICIES

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

Findings: The Plan relates to this goal because improvements to be incorporated will be designed meeting the safety requirements as specified by the City Engineer (Goal 3 and Policies 1,2,3,4).

GOAL 6

Transportation facilities, which provide efficient movement of goods.

POLICIES

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

Findings: The Plan relates to this goal as the transportation network is designed to facilitate the efficient movement of goods (Goal 6 and Policies 1,2).

GOAL 7

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

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POLICIES

1. Coordinate transportation projects, policy issues, and development actions with all affected governmental units in the area; Hood River County, CAT, Port of Hood River and ODOT.
4. Develop and utilize the System Development Charge and Traffic Impact Fee as an element of an overall funding program to pay for adding capacity to the collector and arterial street system and make safety improvements required by increased land use development.

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

The Plan will encourage the development of land which is not presently served by an adequate transportation network. It will encourage development on lands that have already been improved but are currently underutilized. The Area is contiguous to the developed areas of the City of Hood River where transportation systems and other infrastructure are already partially in place (Goals 1,2,3,6 and 7).

Goal 13: Energy Conservation

GOAL

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

POLICIES

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

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7. Industry which is energy efficient shall be encouraged.

Findings: The Plan helps ensure the development of land that is already in the urban growth boundary while cooperating with other governmental entities (Goal and Policy 1). Public facilities will be extended to allow for the development of the land (Policy 3). Energy efficient development and businesses will be sought in the marketing programs (Policy 4, 5).

Comprehensive Map Categories:

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

B. City of Hood River Transportation System Plan

Transportation Goals and Policies

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

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

GOAL 1

A balanced transportation system.

POLICIES

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

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4. When development or redevelopment of land occurs, provide bike and pedestrian facilities that are consistent with standards and policies of this plan.

Findings: The Plan relates to Goal 1 and it's policies by providing an upgraded transportation system within the area that serves the underdeveloped parcels within the area and better serves the recreational sites within the area. The Plan proposes a comprehensive trail system which would link the recreational sites within the area and provide a link to the downtown. (Goal 1 and Policies 1,2,3,4)

GOAL 2

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

POLICIES

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

Findings: The Plan relates to this goal and its policies by designing the road system within the area to separate the industrial traffic from the recreational traffic. The Plan also proposes a comprehensive trail system which would link the recreational sites within the area and provide a connection to downtown (Goal 2 and Policies 1,2).

GOAL 3

A safe transportation system.

POLICIES

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

Findings: The Plan relates to this goal and its policies by designing the road system within the area to separate the industrial traffic from the recreational traffic. The Plan proposes transportation improvements which would provide additional sidewalks within the area. The Plan also proposes a comprehensive trail system which would link the recreational sites within the area and provide a

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connection to the downtown (Goal 3 and Policies 2,6,9).

GOAL 6

Transportation facilities which provide efficient movement of goods.

POLICIES

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

Findings: The Plan relates to this goal and its policies as it proposes improvements that would facilitate the use of underdeveloped industrial properties which are located in close proximity to the freeway system (Goal 6 and Policy 1).

GOAL 7

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

POLICIES

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

2. Participate in regional transportation and growth management policies and work with regional agencies to assure adequate funding of transportation facilities to support those policies.

4. Develop and utilize the System Development Charge and Traffic Impact Fee as an element of an overall funding program to pay for adding capacity to the collector and arterial street system and make safety improvements required by increased land use development.

5. Develop a long-range financial strategy to make needed improvements in the transportation system and support operational and maintenance requirements.

Findings: The Plan relates to this goal and its policies as it calls for multiple transportation improvements including improving 8th Street and Portway, a new street to serve industrial properties, improving access to and roads on the Spit, and installing a new traffic signal at 2nd Street. All roads in the area will have sidewalks to aid pedestrian access and new trail connections will be constructed throughout the waterfront park. Whenever possible, the City of Hood River will collaborate with other agencies to finance and complete these projects in the most efficient manner possible (Goal 7 and Policies 1,2,4,5).

THE PEDESTRIAN SYSTEM

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

Findings: The Plan proposes projects which will further develop the Pedestrian System as described in the TSP. There is one pedestrian project in the TSP for the Area, P-22 which is an Intermediate Range project for the Port of Hood River, specifically a Riverfront Pedestrian Trail System with an estimated cost of \$150,000.

THE BICYCLE SYSTEM

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

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

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

Findings: The Plan proposes projects which will further develop the Bicycle System as described in the TSP. A specific TSP project in the Area: B3, 2nd St, Riverside Drive to State Avenue: bike striping.

HOOD RIVER WATERFRONT URBAN RENEWAL PLAN

C. Hood River Waterfront Development Strategy

The Hood River Waterfront Development Strategy (WDS) was developed in 2007 and adopted by the Port of Hood River Commission in 2007 to address the unique needs of the Hood River Waterfront area. The Hood River Waterfront Development Strategy has not been adopted by City Council. The plan identifies community objectives, creates an overall concept that provides the framework for future waterfront development, and describes specific actions and projects to guide the Port's investments, marketing and business development over a 10 year period.

Findings: Many of the objectives identified in the WDS have been incorporated as goals in the proposed Plan. Additionally, a majority of the projects included in the Plan are also outlined as crucial projects in the WDS.

D. Hood River Zoning Ordinance

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

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

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

Industrial (I): This zone allows for, pending a site plan review, industrial uses such as manufacturing, processing, warehousing, outside storage, and parking lots. It also allows for commercial uses that incidental and essential to on site industrial uses.

Findings: The proposed Plan relates to the general objectives and specific development standards prescribed for this zoning district. Plan projects will

HOOD RIVER WATERFRONT URBAN RENEWAL PLAN

support additional Industrial uses. The proposed Economic Development Fund will provide for marketing and recruitment of companies to develop these sites.

Light Industrial (LI): This zone allows for, pending a site plan review, light industrial uses such as manufacturing, processing, warehousing, outside storage, and parking lots. It also allows for commercial uses that are incidental and essential to on site light industrial uses.

Findings: The proposed Plan relates to the general objectives and specific development standards prescribed for this zoning district. Plan projects will support additional Light Industrial uses. The proposed Economic Development Fund will provide for marketing and recruitment of companies to develop these sites.

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

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

Columbia River Recreational/Commercial (RC): The purpose of this zone is to provide an area within the City to promote recreational Columbia River waterfront uses and limited accessory commercial activities. The zone is intended to increase and protect public access, including visual access, to the Columbia River waterfront and related recreational opportunities and to contribute to an aesthetically pleasing urban environment. The uses permitted in this zone are intended to be consistent with visual and pedestrian access and include wildlife viewing areas, public bike and jogging paths, fishing sites, swimming beaches, and numerous others.

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

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

Findings: The proposed Plan relates to the general objectives and specific development standards prescribed for each of these zoning districts. The Plan

HOOD RIVER WATERFRONT URBAN RENEWAL PLAN

will support the development of underdeveloped industrial land, thereby providing employment opportunities, which will in turn encourage development on adjacent parcels. It will provide for upgrades of open space and recreational sites and provide the connectivity of those sites to each other and to the downtown retail core.

APPENDIX A: LEGAL DESCRIPTION
DESCRIPTION

EXHIBIT B

REPORT ACCOMPANYING THE HOOD RIVER WATERFRONT URBAN RENEWAL PLAN

As required by ORS 457.087
Inclusive of Boundary Change, Res. 2023-URA-01



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I. INTRODUCTION

The Hood River Waterfront Urban Renewal Report (the “Report”) contains background information and project details for the Hood River Urban Renewal Plan (the “Plan”). The Report is not a legal part of the Plan but is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Plan.

The Hood River Waterfront Urban Renewal Plan was initially created in 2008 by Ordinance 1959. The boundary of the Waterfront Urban Renewal District was reduced in 2023 by Resolution 2023-URA-01. This report supports a Substantial Amendment to the Waterfront Urban Renewal Plan. This Substantial Amendment increases the Waterfront Urban Renewal District’s authorized Maximum Indebtedness by \$2.15 Million to support the replacement of the Waterfront Stormwater Line.

The Report provides the information required in ORS 457.087. The format of the Report is based on this statute.

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

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

A. Physical Conditions

Zoning

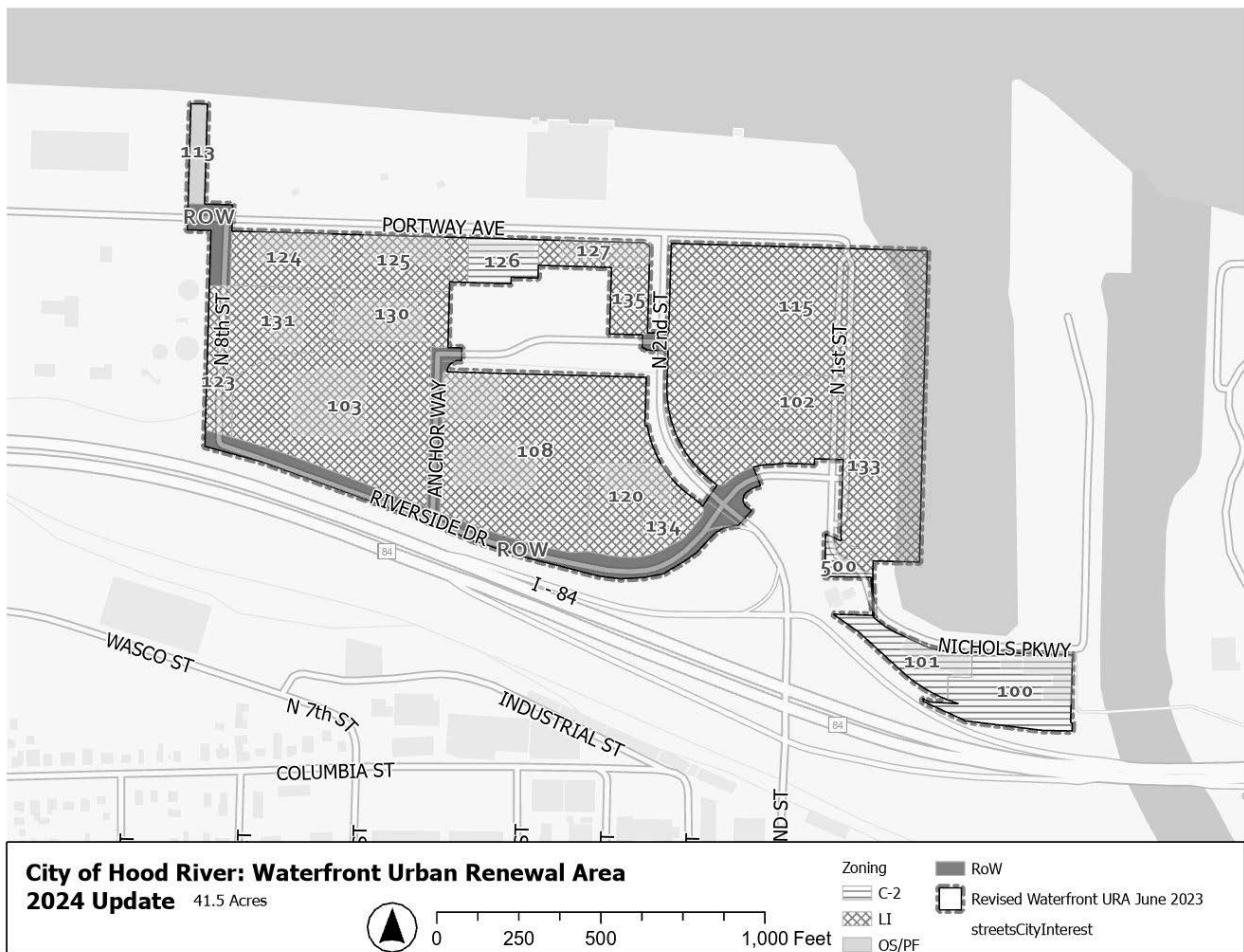
The Area, shown in Figure 1 below, contains approximately 41.5 acres. This includes public right-of-way. It includes 19 individual tax lots with the following use classifications as determined by the County assessor: light industrial, general commercial, open space/public facility and one unzoned property which encompasses the right of way. All of the Area is inside Hood River city limits and within the Urban Growth Boundary.

The Area is served by one major transportation corridor, Highway I-84 via the City Center/ 2nd Street Exit. Highway I-84 runs east and west along the southern border of the Area and provides all major access to the Hood River area. The Hood River Bridge, to the east of the Area, provides access to the State of Washington. 2nd Street is the major route to the Area. Transportation within the Area is conducted along six streets, Portway Avenue, Riverside Drive, Anchor Way, 1st Street, 2nd Street and 8th Street.

Table 1. Existing Zoning of Proposed Area

Zoning Classification	Parcels	Acres	% of Total (Acres)
General Commercial	4	3.8	9.2
Light Industrial	14	33.9	91.5
Open Space/Public Facilities	1	0.4	0.1
Unzoned ROW		3.4	8.2
<i>Total</i>	<i>19</i>	<i>41.5</i>	<i>100</i>

Figure 1. Hood River Waterfront Urban Renewal Area and Zoning



Riparian Habitat

The Area borders Nichols Basin which is a converted natural area and former dock yard. The Waterfront Urban Renewal District purchased the parcel on the southern bank of Nichols Basin to preserve as a passive park. This parcel is no longer within the Area after 2023 boundary changes. The Port of Hood River intends additional recreational improvements along the western bank of Nichols

Basin which are also included in the Waterfront Plan. The Area itself is built on fill from the creation of Columbia River dams and the natural habitat has only been partially restored.

B. Infrastructure

Transportation

2nd Street is designated as a Major Arterial in the Hood River Transportation System Plan (TSP). All other streets within the Area are classified as local streets. The Riverfront Pedestrian Trail System follows the Columbia River to Nichols Basin and then connects via a walking bridge to the Port of Hood River's Marina.

The two main east and west streets within the area are Riverside Drive and Portway Avenue. The Urban Renewal Agency built Anchor Way which primarily serves freight traffic.

Riverside Drive varies in its improvement levels. The section from 2nd Street west is an improved two-lane street with sidewalks on each side up to the Hood River Distillers. It continues to a lower improvement level with no sidewalks to 8th street.

Portway Avenue has been significantly improved with Waterfront Urban Renewal investments. Sidewalks were replaced, lighting installed, and diagonal parking built by the Urban Renewal Agency.

The numbered streets have a north south orientation. 1st Street has an island in between the north and south flowing traffic. 2nd Street is a fully improved two lane street with sidewalks, street trees and decorative lighting on both sides of the street. 8th Street is a two-lane street with sidewalks on the east side of the street.

The road system in the Area is generally adequate for the anticipated development in the Area except for 2nd and Riverside. Improvements at this intersection are needed to allow Lot 1 to develop.

Wastewater, Water, Sewer, and Storm Drainage Facilities

The City of Hood River wastewater treatment plant is located on City property at the west end of the Port of Hood River. Wastewater systems are adequate for the existing and future development potential of the Area. Urban Renewal investments have made substantial improvements to the smell from the Wastewater Treatment Plant. The odor from the Wastewater Treatment Plant has been largely remediated.

Water: The City of Hood River's water is of extremely high quality from a pristine groundwater source consisting of three springs located approximately 15 miles southwest of town on the slopes of Mount Hood. Cold Spring, Stone Spring I, and Stone Spring II are located on approximately 23 acres of City-owned property near Lost Lake. It is estimated that the springs can continuously provide at least 10 million gallons of water per day. They are currently providing up to five million gallons of water per day, which is carried from the source to the City's primary five-million gallon reservoir in a 14-inch steel transmission main that was constructed in 1929. From the five-million gallon reservoir, the water travels through approximately three more miles of parallel 14-inch and 16-inch mains to serve the City's distribution system and two more reservoirs. The three reservoirs provide a total of nearly six million gallons of storage capacity for fire fighting and service outages.

The water service is adequate for the existing and future development potential of the Area.

Stormwater: The City of Hood River maintains an extensive storm drainage system in conjunction with the City streets. The system consists primarily of catch basins, manholes and underground piping except in some of the older parts of town and in areas recently annexed into the City where drainage ditches still exist.

There are significant stormwater deficiencies in the Area. The primary stormwater line was installed in the 1960s and is at the end of its useful life. A section of this pipe collapsed in 2019 creating a sinkhole near the foundation of Hood River Distillers. Stormwater was routed around the collapse section but the existing line is still threatening overhead businesses along Riverside Drive and 8th Street. The aged stormwater line needs to be fully decommissioned and replaced with a new stormwater line placed in the right-of-way. The development of Lot 1 also requires the installation of stormwater drainage infrastructure. Neither of these projects are included in the City's Capital Improvement Plan.

Parks and Open Space: There are four parks in the original boundaries Area: the Hook, the Spit, the Event Site and Hood River Waterfront Park, though none of these are inventoried under Goal 8. The revised boundaries of the Area now only includes a section of trail which runs along the western edge of Nichols Basin. The Port of Hood River intends to more fully develop the recreational amenities of this area as Lot 1 is further developed.

Public Spaces: Other than the parks above, there are no other public spaces in the area.

Public Parking: There is paid public parking at the Event Site and several smaller parking areas managed by the Port of Hood River. All parking located on public streets is free, but some is time-limited.

Public Buildings – The original 2008 boundary of the Area included a now removed Expo Center, the City’s Wastewater Treatment Plant. No public buildings are currently within the existing boundaries of the Area.

C. Social Conditions

The Area contains no residential dwellings. Therefore, social conditions do not need to be further examined.

D. Economic Conditions

Taxable Value of Property within the Area - The estimated total assessed value of the Area, including all real, personal, personal manufactured and utility properties, is \$92,554,130 or 7.3% of Hood River City’s total assessed value, which is up from 2.1% when the Waterfront Plan was first enacted.

Building to Land Value Ratios -

The table below evaluates the economic condition of the Area by comparing improvement value to property values. The relationship of a property’s improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the “Improvement to Land Ratio” or “I:L”. The values used are real market values. In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives.

Table 2. I:L Ratio of Non-Park and Right-of-way Parcels in the Area

I:L Ratio	Parcels	Acres	% of Total (Acres)
No Improvements	1	0.54	1.45%
0 - 0.5	6	14.56	39.05%
0.51 – 1	0	0	0.00%
1.1 - 1.5	1	5.12	13.73%
1.6 – 2	0	0	0.00%
2.1- 2.5	0	0	0.00%
2.6- 3	0	0	0.00%
3.1 – 4	1	1.58	4.24%
4.1 – 5	0	0	0.00%
>5	9	15.49	41.54%
<i>Total</i>	<i>18</i>	<i>37.29</i>	<i>100.00%</i>

The Area has developed substantially from 2008 when only 19.23% of properties had an I:L value over 5.0. The parcels that collectively constitute Lot 1 and the undeveloped field along 2nd Street are the properties with the lowest I:L ratios and therefore the highest potential for future taxable value increases.

E. Impact on Municipal Services

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

The 2024 Substantial Amendment is focused on the decommissioning of a 1960s Stormwater Line and replacing it with a new line located within the right-of-way. The current line is located underneath existing businesses and threatens their long-term survival if not decommissioned. The Plan may also improve the developable potential of Lot 1 by making investments in roadway, sewer, water, stormwater, and park infrastructure if funds remain after the Area’s primary stormwater line is replaced.

New industrial and commercial development will generate new taxes sufficient to pay for additional public services, such as Police and Fire/EMS.

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

There is one urban renewal area in the Plan and it was selected to improve and prevent the future occurrence of blighted areas as defined in ORS 457.010(1).

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

This section describes the relationship between the urban renewal projects called for in the Plan and conditions generally described in Section II of this Report and more particularly described below.

The Waterfront Urban Renewal District has greatly improved the Waterfront District's infrastructure. The District remediated odor issues at the wastewater treatment plant, built Anchor Way, and substantially improved Portway. Deficiencies in urban infrastructure in the Area remain. Deficiencies include inadequate transportation improvements, water, sewer and storm water facilities. Urban renewal funds will be combined with existing and other future sources of funding to finance project costs. These projects are identified in priority order and will be completed as funding allows.

1. Waterfront Stormwater Line

The existing stormwater line in the Area which runs underneath existing buildings will be decommissioned and a new replacement line placed in the right-of-way.

Relationship to Existing Conditions – The existing stormwater line in the district was built in the 1960s, is at end-of-life, and in danger of collapsing again as it did in 2019.

2. Recreational Site Development, Access and Enhancements

Improvements to the various recreational sites may be undertaken as funds are available. These improvements may include but are not limited to improved access roads, signage, utilities, drainage structures (eg. bio swales) and support structures (eg. changing rooms) to accommodate increased recreational use and larger programmed events.

Relationship to Existing Conditions – Concept plans call for the enlargement of recreational areas on the Westbank of Nichols Basing, including the addition of amenities like rental vendors, food, and other concessions.

3. Roadway, Drainage, Water, and Sewer Improvements to Lot 1

Improvements may be undertaken as funds are available to improvement the development potential of Lot 1.

Relationship to Existing Conditions - Lot 1 is the largest remaining undeveloped parcel in the Area. It has a very low I:L ratio indicating the potential for increased growth in taxable value. The site is devoid of public utilities and requires improvements to the intersection of 2nd and Riverside to fully develop.

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

The table below shows the estimated total costs of each project and the estimated source of funds to address such costs. No future loans are anticipated as annual revenues are sufficient to pay for the anticipated costs.

Table 3. Total Estimated Cost and Estimated Sources of Funds

Projects	Estimated Costs	TI Funding	Other Funding	Other Source
Waterfront Stormwater Line Replacement	4,165,709	1,070,756	3,094,953	BizOR & ARPA Grants
Materials and Services	511,720	511,720	-	
Contingency	1,823,607	1,823,607	-	
TOTAL	6,501,035	3,406,082	3,094,953	

Table 4. Estimated Project Expenditures and Revenues

FY Ending June 30	2024	2025	2026	2027
RESOURCES				
Beginning Balance	-	-	-	-
Tax Increment Debt Proceeds - Loans	-	-	-	-
Tax Increment Debt Proceeds - Current Receipts	857,324	1,125,325	1,209,201	214,232
Other Resources				
Total	857,324	1,125,325	1,209,201	214,232
EXPENDITURES				
Materials and Services	120,505	125,325	130,338	135,552
Subtotal Infrastructure	120,505	125,325	130,338	135,552
Waterfront Stormwater Line Replacement	686,819	383,937	-	-
Subtotal Economic Development	686,819	383,937	-	-
Contingency	50,000	616,064	1,078,863	78,680
Total	857,324	1,125,325	1,209,201	214,232
Balance	-	-	-	-

VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

Projects will be ongoing and accomplished in increments. Estimated timeframes for the projects are shown in Table 4.

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

Table 5 below shows the yearly tax increment revenues and their allocation to debt service and debt service reserve funds. It is anticipated that all debt will be retired by the end of FY 2027. The total amount of tax increment revenues required to service debt is \$7,845,124. The maximum indebtedness is Seven Million and Nine Hundred Thousand Dollars (\$7,900,000).

Table 5. Tax Increment Revenues, Debt Service and Debt Service Reserves

FY Ending June 30	2010	2011	2012	2013	2014	2015	2016	2017	2018
REVENUES									
Beginning Balance	-	-	111,114	186,168	266,752	545,437	801,255	1,181,753	1,504,421
Tax Increment Revenues	31,921	31,635	97,880	109,966	201,502	297,329	347,816	420,370	467,759
Total Revenues	31,921	31,635	208,994	296,134	468,254	842,766	1,149,070	1,602,122	1,972,179
Par Amount of Financing	1,231,737	21,458	25,054	129,225	193,757	73,345	467,522	67,672	530,513
Interest	-	-	-	-	-	16,966	8,919	49	4,814
Principle - Loans	-	89,656	50,000	45,000	216,287	165,507	299,057	254,946	336,648
Principle - Current Receipts	-	21,458	25,054	35,584	62,398	73,345	72,522	67,672	61,513
Balance	-	111,114	186,168	266,752	545,437	801,255	1,181,753	1,504,421	1,907,396
FY Ending June 30	2019	2020	2021	2022	2023	2024	2025	2026	2027
REVENUES									
Beginning Balance	1,907,396	2,152,002	2,571,325	3,256,255	4,066,745	4,553,006	5,410,330	6,535,655	7,744,856
Tax Increment Revenues	534,578	696,783	13,854	811,654	883,233	906,000	871,869	906,744	214,232
Total Revenues	2,441,974	2,848,785	2,585,179	4,067,909	4,949,979	5,459,006	6,282,199	7,442,399	7,959,088
Par Amount of Financing	147,139	303,538	1,180,500	64,500	57,958	857,324	1,125,325	1,209,201	214,232
Interest	3,685	5,816	4,396	10,454	3,989	-	-	-	-
Principle - Loans	93,783	109,968	250,034	735,537	424,314	-	-	-	-
Principle - Current Receipts	147,139	303,538	430,500	64,500	57,958	857,324	1,125,325	1,209,201	214,232
Balance	2,152,002	2,571,325	3,256,255	4,066,745	4,553,006	5,410,330	6,535,655	7,744,856	7,959,088

VIII. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues of \$7,845,124 are based on actual revenues received through FY2023 and existing development. The estimates do not include significant additional buildout in the Area. The incremental value (exception value) of the district declines in FY2024 due to the boundary reduction approved under 2023-URA-01. The exception value decreases again in FY2025 as only a partial collection is required to meet total authorized Maximum Indebtedness.

Table 6 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues (not adjusted for under collection, penalties, and interest). These, in turn, provide the basis for the projections in Table 5.

Table 6. Tax Rate Analysis

FY Ending June 30	2024	2025	2026	2027
Base Assessed Value	11,872,754	11,872,754	11,872,754	11,872,754
Appreciation	3%	3%	3%	3%
Appreciation Amount	2,776,624	2,690,768	2,771,491	2,854,635
Exception Value	(5,638,503)	-	-	(66,597,241)
Total	89,692,251	92,383,018	95,154,509	31,411,903
Incremental AV	77,819,497	80,510,264	83,281,755	19,539,149
Tax Rate per \$1,000	11.1880	11.1880	11.1880	11.1880
Tax Increment Revenues	870,645	900,749	931,756	218,604

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

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. The table below calculates the amount of revenues forgone due to the 1st Substantial Amendment to the Waterfront Plan that increases Maximum Indebtedness by \$2.15 Million. The impact to the Hood River County School Education Service District is indirect as they are funded through the State School Fund on a per pupil basis. The Community College is funded through the Community College Fund.

Table 7. Projected Impact on Taxing District Permanent Rate Levies

Taxing Jurisdiction	Tax Rate per \$1,000 of Assessed Value	Revenue Forgone due to Substantial \$2.15M Amendment
Hood River County	1.4171	272,324
911 Communications District	0.5644	108,461
City of Hood River	2.8112	540,229
Port of Hood River	0.0332	6,380
Hood River Parks & Recreation District	0.3498	67,221
Hood River County Transit District	0.0723	13,894
Hood River County Library District	0.3900	74,946
Columbia Gorge Community College	0.2703	51,944
Columbia Gorge Educational School District	0.4678	89,897
Hood River County School District	4.8119	924,704

Table 8 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2028. 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.

Table 8. Additional Revenues Obtained after Termination of Tax Increment Financing

Taxing District	Permanent Rate	FY2028 Additional Annual Revenue
Hood River County	1.4171	143,055
911 Communications District	0.5644	56,976
City of Hood River	2.8112	283,789
Port of Hood River	0.0332	3,352
Hood River Parks & Recreation District	0.3498	35,312
Hood River County Transit District	0.0723	7,299
Hood River County Library District	0.3900	39,370
Columbia Gorge Community College	0.2703	27,287
Columbia Gorge Educational School District	0.4678	47,224
Hood River County School District	4.8119	485,759

X. RELOCATION REPORT

There are no businesses, residents, or homes to be relocated, destroyed, or altered.

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

State law limits the percentage of both a municipality’s total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. The table below summarizes the Hood River Urban Renewal Agency’s compliance with this requirement.

Table 9. Acreage and Assessed Value Limitations

Urban Renewal Area	Acreage	Assessed Value	Excess Value
Hood River Waterfront	42	\$11,872,754	\$80,681,376
Heights	96	\$54,455,226	\$26,900,284
Hood River Westside Area	406	\$149,755,979	
Total	544	\$216,083,959	\$107,581,660
City of Hood River	2,180	\$1,273,624,325	
25% of City	545		
% in urban renewal	24.95%	18.53%	

ORS 457.220 allows an increase of 20% of an urban renewal district’s original maximum indebtedness (MI), inflated by the inflation rate assumed in the district’s plan. The Waterfront District’s original MI when it was created 16 years ago was \$5.75M and the plan’s assumed inflation rate is 4%. The table below lists the amount of available Maximum Indebtedness increase by fiscal year under this statutorily prescribed formula. The Waterfront District’s 1st Substantial Amendment increases Maximum Indebtedness by \$2,150,000 to \$7,900,000. This is within the \$2,153,928 increase allowed under ORS 457.220

Table 10. Calculation of Potential Maximum Indebtedness Amount:

Fiscal Year	Potential Maximum Indebtedness Increase	Total Potential Maximum Indebtedness
2008	1,150,000	6,900,000
2009	1,196,000	6,946,000
2010	1,243,840	6,993,840
2011	1,293,594	7,043,594
2012	1,345,337	7,095,337
2013	1,399,151	7,149,151
2014	1,455,117	7,205,117
2015	1,513,322	7,263,322
2016	1,573,854	7,323,854
2017	1,636,809	7,386,809
2018	1,702,281	7,452,281
2019	1,770,372	7,520,372
2020	1,841,187	7,591,187
2021	1,914,835	7,664,835
2022	1,991,428	7,741,428
2023	2,071,085	7,821,085
2024	2,153,928	7,903,928
2025	2,240,086	7,990,086
2026	2,329,689	8,079,689