

REPORT ACCOMPANYING THE 10th AMENDMENT
TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN AMENDMENT

City of The Dalles

April 13, 2009

TABLE OF CONTENTS

I. INTRODUCTION	3
II. EXISTING PHYSICAL, SOCIAL AND ECONOMIC CONDITIONS AND IMPACT ON MUNICIPAL SERVICES.....	6
III. REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN	21
IV. THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA.....	21
V. THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS.....	23
VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT.....	25
IX. IMPACT OF THE TAX INCREMENT FINANCING, BOTH UNTIL AND AFTER THE INDEBTEDNESS IS REPAYED, UPON ALL ENTITIES LEVYING TAXES UPON PROPERTY IN THE URBAN RENEWAL AREA.....	30
X. RELOCATION REPORT	31
XI. COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA	32

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

I. INTRODUCTION

The Columbia Gateway/Downtown Urban Renewal Report (the “Report”) contains background information and project details for the 10th Amendment to the Columbia Gateway/Downtown 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. State law requires that, for an amendment that increases a plan’s maximum indebtedness, the report accompanying the plan address conditions in the entirety of the plan area. Therefore, this Report includes information relating to the Plan area, as it may be amended by the 10th Amendment.

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

The Area is shown in Figure 1. The new properties to be added to the Area are outlined in Figure 2. These parcels relate to the greenway project (west end of Area) and a redevelopment project (east end of Area).

Figure 1. Columbia Gateway/Downtown Urban Renewal Area

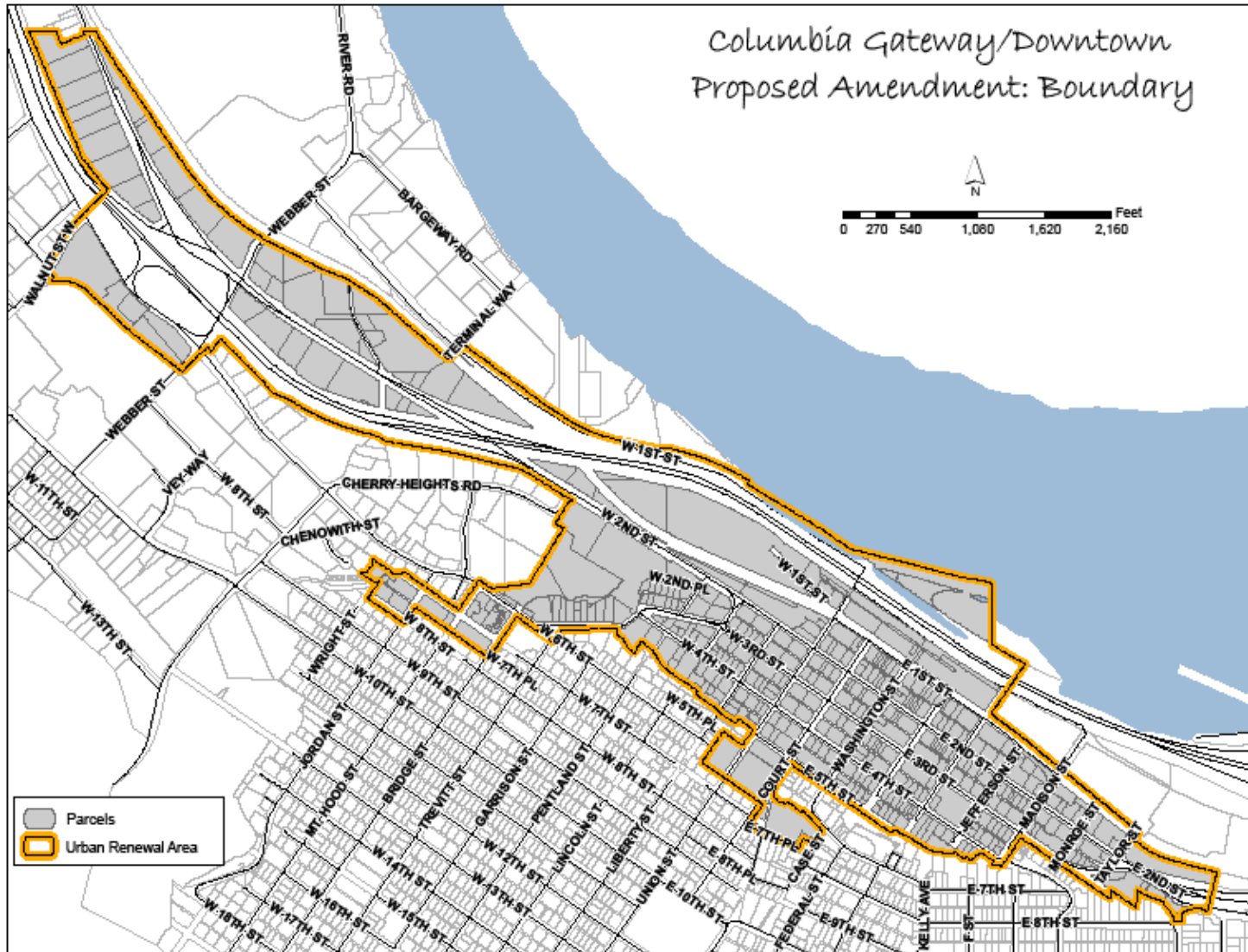
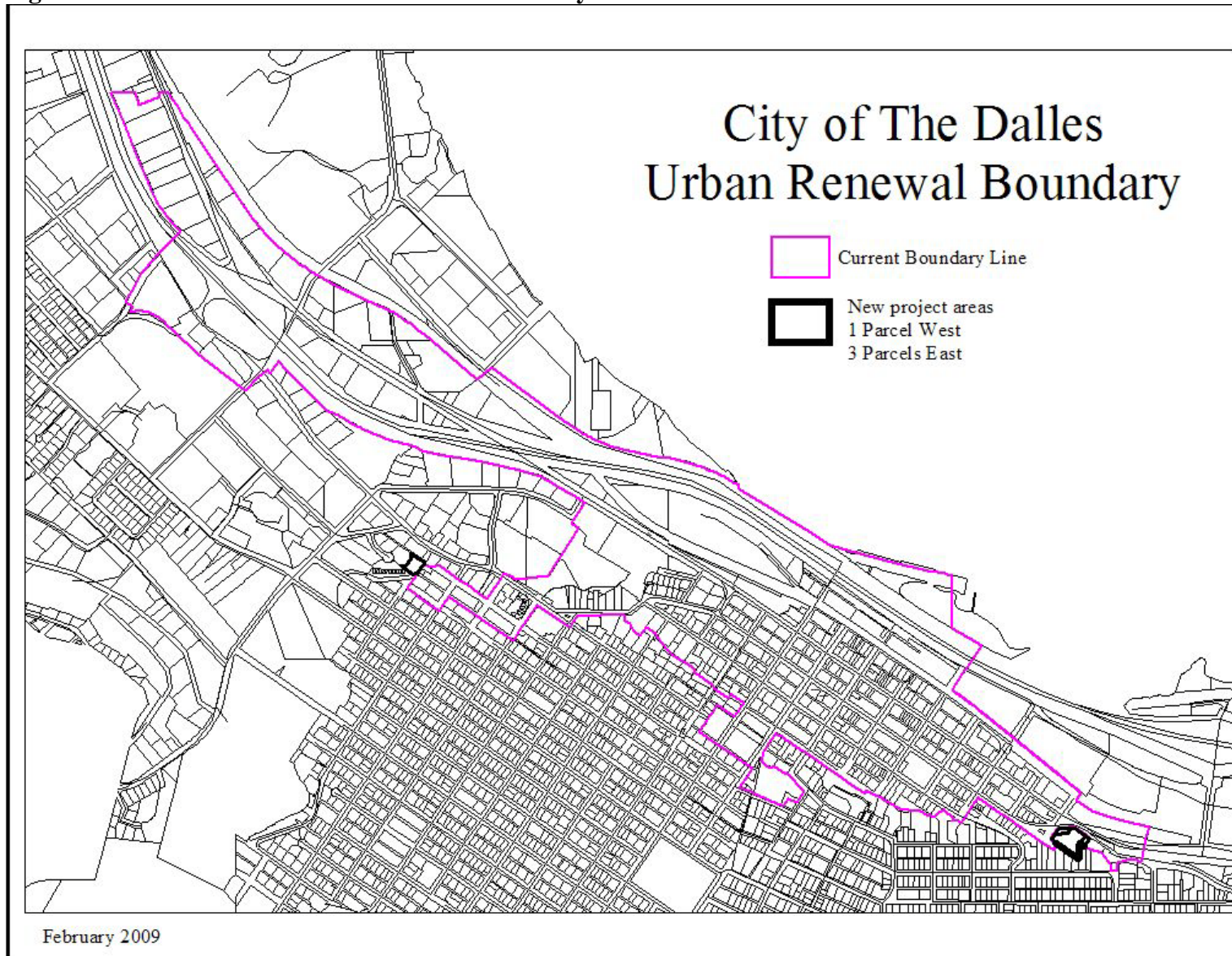


Figure 2. Parcels to be Added to Columbia Gateway/Downtown Urban Renewal Area



REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

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

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

A. Physical Conditions

1. Land Use

The Area, shown in Figure 1 above, contains approximately 176.9 acres of parcels and 142.8 acres of right of way, for a total of 319.7 acres.

The Columbia River borders the northern side of the Area. The eastern boundary is the eastern edge of the central business core of downtown The Dalles. The western boundary is elongated and contains industrial properties to the west of the downtown. Transportation within the Area is conducted mainly along 2nd and 3rd Streets.

An analysis of property classification data from Wasco County 2008-09 Assessment and Taxation database was used to determine the land use designation of parcels in the Area. The largest portion (38.96 percent) of the Area is classified as Commercial Improved, as shown in Table 1, “Existing Land Use (FY 2008-09).” Total commercial uses account for 23.62 percent of the Area. Government/Non Profit uses account for 24.49 percent of the Area. Right of way comprises 44 percent of the Area.

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

Table 1. Existing Land Use of Proposed Area (FY 2008-2009)

Land Use	Code	# Parcels	Acreage	% of Total
Res Unbuildable	10	3	0.4	0.14%
Res Historic	14	2	0.1	0.03%
Com Unbuildable	20	2	0.5	0.16%
Com Historic	24	7	0.8	0.26%
Ind Unbuildable	30	1	0.1	0.03%
Res Vacant	100	4	0.4	0.13%
Res	101	29	3.6	1.14%
Res Multi-Story				0.00%
Res/Com imp	121	46	9.0	2.82%
Com Vacant	200	24	4.4	1.36%
Com Improved	201	211	49.9	15.61%
Com, part EX	204	6	8.1	2.53%
Com MS	209	2	2	0.63%
Com/Ind	231	4	9.8	3.07%
Industrial	300's	10	7.4	2.31%
Multistory	701	2	2	0.63%
Gov't/ Non-Profit	900's	84	78.3	24.49%
Right of Way			142.8	44.66%

Source: Wasco County Assessor by Wasco County GIS

Table 1a. Existing Land Combining Categories

Land Use	Code	# Parcels	Acreage	% of Total
Residential		84	13.61	4.26%
Commercial		256	75.51	23.62%
Industrial		11	7.51	2.35%
Multi-Story		2	2.00	0.63%
Gov't/Non-Profit		84	78.30	24.49%
Right of Way			142.80	44.66%
Totals		437	319.73	100.00%

Source: Wasco County Assessor by Wasco County GIS

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

2. Zoning

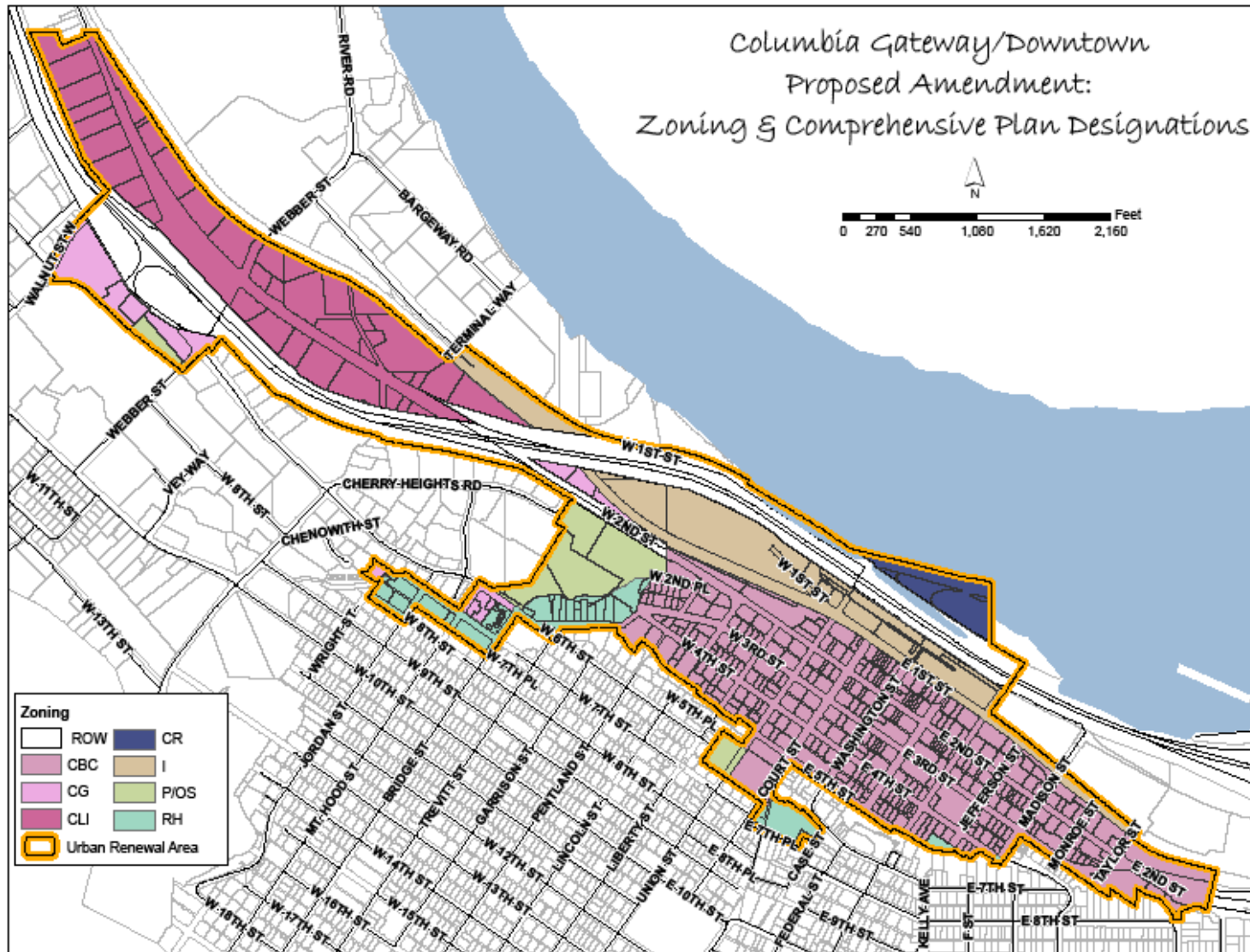
As illustrated in Table 2 and Figure 3, 20.20 percent (64.6 acres) is zoned Central Business District. The Commercial/Light Industrial zone represents 49.4 acres or 15.45 percent of the Area. The remaining zones represent 19.70 percent of the Area and right of way represents 44.65 percent of the Area.

Table 2. Existing Zoning of Proposed Area

Zoning and Comprehensive Plan Designations	Parcels	Acres	% of Total (Acres)
Industrial	15	20.5	6.41%
Commercial General	13	10	3.13%
Recreational Commercial	2	6.4	2.00%
Commercial/Light Industrial	40	49.4	15.45%
Central Business Commercial	318	64.6	20.20%
Park/Open Space	8	15.6	4.88%
High Density Residential	41	10.49	3.28%
Right of Way		142.8	44.65%
<i>Total</i>		<i>319.79</i>	<i>100.00%</i>

Source: Wasco County GIS

Figure 3. The Columbia Gateway/Downtown Urban Renewal Area Zoning



REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

B. Infrastructure

1. Transportation

Running east and west through the downtown of The Dalles are 2nd and 3rd Streets, which compose a major transportation corridor. The streets are characterized by a lack of streetscape improvements in the Area. The east entrance to the downtown is inefficient and in need of upgrading. Designs for this have been approved by the City Engineer and construction is expected in the near future. The east entrance is inadequate and poorly designed and the streetscape improvements are inadequate to meet the demands of projected development in the Area and constitute blight in accordance with ORS 457.050(1)(e).

The classifications of streets in the Area as designated in the Transportation Systems Plan, prepared in June of 1999, and updated in June and December of 2006, are as follows:

Arterials

- a. 2nd Street from Webber Street East Area Boundary
- b. 3rd Street from Lincoln Street to 2nd Street
- c. Webber Street from south Area Boundary to 2nd Street
- d. Cherry Heights Road from Area Boundary to 2nd Street
- e. Lincoln Street from 2nd Street to 3rd Street

Minor Arterials

- a. 6th Street from Jordan Street west
- b. Union Street from 3rd Street to West 1st Street
- c. West 1st Street from Union Street to west edge of Area
- d. Webber Street from West 1st Street to West 2nd Street
- e. Washington Street from 2nd Street to 4th Street
- f. Brewery Grade at the east edge of the Area where it intersects Hwy 30

Major Collectors

- a. Webber Street from 2nd Street to west Area boundary
- b. 3rd Place within the Area boundary
- c. 3rd Street from 3rd Place to Lincoln
- d. 4th Street
- e. Union Street from 3rd Street to 5th Street

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

- f. 2nd Street from Webber Street to west end of Area
- g. 4th Street from Jefferson to East 9th Street
- h. Federal Street from 2nd Street to 4th Street
- i. Madison Street from 1st Street to 3rd Street
- j. Court Street from 1st Street to 2nd Street
- k. Washington Street from 1st Street to 2nd Street

The remaining streets in the Area are classified as Local Streets.

There are no existing bike lanes in the Area. There is a proposed bike path along the Columbia River. There is a proposed bike path shown along the Mill Creek Greenway, which will eventually connect within the Area and connect to the waterfront path. There are many “shared roadways” within the Area. These are roads where bicycle travel is anticipated, but where separate bike lanes will not be designated. The Dalles Bicycle Master Plan, completed in June of 1993, can be found on the City of The Dalles website. Since it does not propose improvements for these shared roadways, they are not explicitly detailed within this document.

Streets

According to city staff, the following streets in the Area are in good/excellent condition:

Court Street- from 4th to 5th Avenue
East 5th Street from Union Street to Washington Street
Union Street to West 1st Avenue from railroad to railroad

The remainder of the streets would be classified as poor-failing condition.

Most of the paved streets within the downtown portion of the Area are built to city standards in that they have curbs, gutters and sidewalks. However, streetscape improvements occur only on 2nd Street. This same level of streetscape improvements is necessary for 1st Street, 3rd Street and 4th Street.

The streets are therefore inadequate, and constitute a blighting condition under ORS 457.010(1)(e).

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

2. Water, Sewer and Storm Drainage Facilities

Water:

In March of 2009, the City of The Dalles Public Works Department conducted an inventory and assessment of the Water Mains within the proposed boundary for the Urban Renewal Agency (Columbia Gateway/Downtown). The mains were found to be in fair to good condition **except** for the following:

- a. Main on 1st Street from Union Street to Monroe Street
- b. Main on Union Street from 1st Street to 7th Street
- c. Main on 3rd Street from Union Street to Brewery Grade
- d. Main on Madison Street from 1st Street to 3rd Street
- e. Main on Jefferson Street from 1st Street to 4th Street minus section replaced with 2nd Street Project
- f. Main on Federal Street from 1st Street to 5th Street minus section replaced with 2nd Street Project
- g. Main in the alley between 4th Street and 5th Street from Laughlin Street to Court Street
- h. Main on 4th Street from Jefferson Street to 3rd Place
- i. Main in the alley between 7th Street and 8th Street from Union Street to Liberty Street
- j. Main in 6th Street from Third Place to Trevitt Street

There is a CIP project planned for Second Street at Webber Street for upsizing to an 18-inch main in the Area.

In addition to the above information, the Fire District has requested water line upgrades in the Area to increase the capacity of the lines. This is included as a project activity under streetscape improvements. The water system is, therefore, inadequate, and constitutes a blighting condition under ORS 457.010(1)(e).

Sanitary Sewer:

In April of 2009, The City of The Dalles Public Works Department conducted an inventory and assessment of the sanitary sewer mains within the Area. The mains were found to be in fair to good condition **except** for the following:

- a) Main on Union Street from 7th Street to 4th Street
- b) All mains from 4th Street to 2nd Street between Union Street and Taylor Street
- c) Main on Taylor Street from 2nd Street to 1st Street
- d) Main on 1st Street from Jefferson Street to Monroe Street
- e) Main on 2nd Street from Taylor Street to Brewery Grade

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

- f) Main on Laughlin Street from 5th Street to 3rd Street
- g) Main on Lincoln Street from 4th Street to 2nd Street
- h) Main on 6th Street and 3rd Place north to Mill Creek
- i) Main on 6th Street all along Mill Creek to 3rd Place
- j) Main on Bridge Street from 7th Street to 6th Street
- k) Main on Mt Hood Street from 8th Street to 7th Street
- l) Main on Jordan Street from 8th Street to 7th Street
- m) Main on 2000 Block of West 2nd Street along railroad tracks to Webber Street

There is a CIP project planned for the following:

- a) Main from 8th Street and Jordan Street to 3rd Place and Lincoln Street
- b) Main on Union Street from 5th Street to 10th Street

The sanitary sewer system is, therefore, inadequate, and constitutes a blighting condition under ORS 457.010(1)(e).

Storm

In April of 2009, The City of The Dalles Public Works Department conducted an inventory and assessment of the storm drain mains within the Area. The mains were found to be in fair to good condition **except** for the following:

- a) Storm main from 2nd Street to 3rd Street and Union Street to Taylor Street are very deep and would present a challenge to repair or replace in the future.

There is a CIP project planned for the following:

- a) 6th Street drainage ditch ease of Walnut Street.

The storm drain mains are adequate for the Area.

3. Parks and Open Space

There are four parks within the Area:

- a) The Mill Creek Greenway
- b) The City Park located at 707 Union Street
- c) Thompson Park at 602 W 2nd Street
- d) A small portion of Kramer Field Park.

4. Public Spaces

The public spaces are identified in the section below: Public Buildings.

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

5. Public Parking

There is public parking in the Area at the locations shown in the following table.

Table 3. Urban Renewal Area Public Parking Information

Spaces	Location	Map & Tax Lot	Owner/Agency
24	214 W. 3rd St.	1N 13E 3BB 3400, 3401	City Parking Lot
18	313 Court St.	1N 13E 3BC 400	City Hall Parking Lot
130	700 Union	1N 13E 3BC 8000, 8100	State Office Building
25	511 Washington	1N 13E 3BC 6800	County Court House
66	602 W. 2nd St.	1N 13E 4AA 600	Thompson Park
60	722 Court Street	1N 13E 3CB 800	Library
86	1st and Washington	1N 13E 3BD 700, 800, 900, 1000, 1100	City Parking Lot
18	1st and Federal	1N 13E 3BD 1300, 1400	City Parking Lot
56	101 W. 2nd St.	1N 13E 3BB 700, 500	
483	Total		

Source: City of The Dalles Staff

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

6. Public Buildings

The Public Buildings as listed by the Wasco County Assessor are shown in the following table.

Table 4. Public Buildings

Map and Taxlot	Owner	Site Address
1N 13E 3 BD 9600	CIVIC AUDITORIUM HIST PRESERV	323 E 4TH
1N 13E 3 DA 100	COLUMBIA GATEWAY URBAN RENEWAL AGCY	901 E 2ND
1N 13E 3 BA 500	DALLES CITY OF THE	110 UNION
1N 13E 3 DA 3800	DALLES CITY OF THE	924 E 2ND
1N 13E 3 BD 200	DALLES CITY OF THE	105 LAUGHLIN
1N 13E 3 BB 3400	DALLES CITY OF THE	222 W 3RD
1N 13E 3 BB 3401	DALLES CITY OF THE	214 W 3RD
1N 13E 3 BD 800	DALLES CITY OF THE	308 E 1ST
1N 13E 3 BD 2700	DALLES CITY OF THE	313 E 2ND
1N 13E 3 BD 1200	DALLES CITY OF THE	201 FEDERAL
1N 13E 3 CB 800	DALLES CITY OF THE	722 COURT
1N 13E 3 BC 8100	DALLES CITY OF THE	700 UNION
1N 13E 3 BC 600	DALLES CITY OF THE	401 COURT
2N 13E 33 DC 800	MID COL COMMUNITY ACTION	1301 W 2ND
1N 13E 4 AA 700	N. WASCO CO PARKS & REC DIST	602 W 2ND
1N 13E 3 BC 8200	N.WASCO CO PARKS & REC DIST	707 UNION
2N 13E 33 C 1500	NORTHERN WASCO CO PUD	2000 W 2ND
2N 13E 33 C 1600	NORTHERN WASCO CO PUD	2050 W 2ND
2N 13E 33 CD 1100	STATE OF OREGON	713 WEBBER
1N 13E 3 BC 2100	THE DALLES ART ASSOCIATION	220 E 4TH
1N 13E 3 BC 500	THE DALLES FIRE DEPT	313 COURT
1N 13E 3 BB 600	UNITED STATES POSTAL SERVICE	101 W 2ND
1N 13E 3 BB 400	UNITED STATES POSTAL SERVICE	205 UNION
1N 13E 3 BB 1300	WASCO COUNTY	410 W 2ND PL
2N 13E 33 C 1700	WASCO COUNTY	808 WALNUT
1N 13E 3 BC 7600	WASCO COUNTY	206 E 5TH
1N 13E 3 BC 7700	WASCO COUNTY	202 E 5TH
1N 13E 3 CA 3000	WASCO COUNTY	419 E 5TH
1N 13E 3 BC 6800	WASCO COUNTY	511 WASHINGTON ST
1N 13E 3 BC 1800	WASCO ELECTRIC COOP INC	105 E 4TH

Source: City of The Dalles Staff

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

C. Social Conditions

There are 132 parcels in the Area classified by the Wasco County Assessor as having residential use.

The following information comes from the United States (US) Census and relate to the City of the Dalles as a whole and can be assumed to relate to the residential parcels in the Plan Area. As of the United States Census of 2000, there were 12,156 people, 4,896 households and 3,226 families residing in the City of The Dalles. The population density was 892.3 people per square mile (km²) and there were 5,227 housing units at an average density of 383.7 per square mile (km²).

The racial makeup of the city as of the 2000 census is shown in Table 5.

Table 5. Racial Characteristics

Racial Characteristics	Percentage
White	87.83%
African American	0.39%
Native American	1.20%
Asian	0.96%
Pacific Islander	0.77%
Other	6.23%
2 or more races	2.62%
<i>Total</i>	<i>100.00%</i>

Source: United States Census of 2000

The Census calculates Hispanic or Latino of any race as a separate category. Hispanic or Latino of any race was 10.5 percent of the population.

There were 4,896 households, 30 percent which had children under the age of 18 living with them, 51.1 percent which were married couples living together, 10.6 percent which had a female householder with no husband present and 34.1 percent which were non-families. Individuals comprised 29.2 percent of all households and 13.5 percent had someone living alone who was 65 years of age or older. The average household size was 2.40 and the average family size was 2.94.

The population by age category in the 2000 census is shown in Table 6.

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

Table 6. Population by Age

Age	Percentage
<18	24.80%
18-24	7.90%
25-44	25.70%
45-64	23.50%
65 >	18.1%

Source: United States Census of 2000

The median age was 39 years. For every 100 females there were 94.7 males. For every 100 females age 18 and over, there were 91.5 males.

The median income is shown in Table 7.

Table 7. Median Income

Category	Income in Dollars Per Year
Family	\$43,041
Male	\$36,387
Female	\$22,583
Per Capita	\$17,511

Source: United States Census of 2000

About 9.0 percent of families were below the poverty line, as were 16.6 percent of those under age 18 and 8.6 percent of those age 65 or over.

The Portland State University Population Research Study of March 2008 estimates the population of The Dalles has increased to 13,170 as of July 1, 2007, an 8 percent increase in population over 7 years.

In May of 2006, ECONorthwest completed a population forecast for The Dalles.

Table 8 presents the population forecast for the City of The Dalles for the period 2006-2056. The forecast reaches a population of 22,545 by 2026 and 31,926 by 2056. The assumed growth rate for the 2006-2056 period is 1.9 percent annually until 2026, 1.3 percent between 2027 and 2046, and 0.9 percent between 2047 and 2056. This rate is based on The Dalles' growth between 1980 and 2005.

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

Table 8. Population Forecast

Year	Population	Decade Increase	Av. Annual Growth Rate	Change
2006	15,472			
2016	18,677	3,204	1.90%	21%
2026	22,545	3,868	1.90%	21%
2036	25,653	3,108	1.30%	14%
2046	29,190	3,537	1.30%	14%
2056	31,926	2,736	.90%	9%

Source: U.S. Census and Population Research Center at Portland State University

D. Economic Conditions

1. 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 \$86,332,755. The total assessed value of the City of The Dalles is \$752,003,143.

2. Building to Land Value Ratio

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property’s improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the “Improvement to Land Ratio” or “I:L.” The values used are real market values. In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives. A healthy condition of real estate investment in the The Dalles area would be 7:1. There are only 4.09 percent of the parcels in the Area that meet this improvement ratio.

Table 9 below “I:L Ratio of Parcels in the Area,” shows the improvement to land ratios for taxable properties within the Area. As the table shows, approximately 80 percent of the study area’s acreage has less than 2.0 improvement value; the I:L ratios for improved properties in the urban renewal study area are very low. This growing lack of proper utilization of land results in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare, constitutes blight in accordance with ORS 457.010(1)(h).

There are 71 parcels which do not have an improvement value listed, so these do not have an I:L ratio. There are 12 parcels that have no I:L ratio as the assessor

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
 URBAN RENEWAL PLAN

has no value listed for the land because properties are non taxable. These parcels account for 7.1 acres.

Table 9. I:L Ratio of Parcels in the Area

I:L Ratio	# Properties	Acreage	% of Total
0	71	37.1	9.88%
0.01 - 0.99	93	43.1	12.93%
1.00 - 1.99	89	34.4	56.95%
2.00 - 2.99	74	25.4	7.27%
3.00 - 3.99	36	10.6	3.90%
4.00 - 4.99	26	8.9	2.51%
5.00 - 5.99	13	3.5	1.49%
6.00 - 6.99	12	3.7	0.98%
7.00 - 7.99	4	0.8	0.21%
8.00 - 8.99	2	0.6	1.37%
9 and over	5	1.6	0.83%
Government	12	7.1	1.68%
Total	437	176.8	100.00%

Source: Wasco County Assessor data

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

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.

Projected increases in mixed use, retail, commercial and residential occupancies within the Area will generally result in higher demand for fire, life safety and public safety services. The projected increase in occupancies within the Area will also raise the demand for water, sewer and storm drainage services.

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

- Improved transportation systems including roads, sidewalks and greenway trails will benefit the citizens of The Dalles. The street improvements will allow residents to travel through the area more safely. The sidewalk and greenway improvements will benefit pedestrians and bicyclists by allowing for both more safety and an extended system of connections throughout the city. In addition, these improvements will contain GPS systems, as requested by the Fire District.
- Building conditions will be improved as a result of the Property Rehab Loan program and the Downtown 2nd Story Rehab programs. If buildings receiving assistance also upgrade to have sprinkler systems, as requested by the Fire District, this installation will aid the Fire District on providing for the public safety in the Area.
- The proposed Marine Terminal dock will bring both jobs and economic vitality to The Dalles.
- The downtown parking structure will assist in the ability of patrons to frequent area businesses, thereby increasing economic vitality.
- In addition, developed sites will have employment opportunities for the citizens of The Dalles.
- The improvements to the Downtown Festival Area will assist in bringing economic stimulus to the The Dalles by providing a place for festival activities to occur.

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

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

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 PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

This section describes the relationship between the NEW urban renewal projects called for in the Plan and the conditions generally described in Section I of this Report, and which are more specifically described below. The Project Map is shown in Figure 4. The projects are identified by the number used for identification in the Plan. The new projects are:

9. Mill Creek Greenway Development

This project has been changed from Mill Creek Greenway Acquisition to Mill Creek Greenway Development as acquisition for the project was completed through a donation from a private party. Although the property has been acquired, development of the greenway trail is still required.

Relationship to Existing Conditions

There is an existing, paved, Mill Creek Greenway Trail extending from the limited access bridge south of the 6th Street bridge 600 feet west along the creek and which will be extended from its present terminus at the limited access bridge near the Condominiums. It will be extended under the 6th Street bridge and then to connect to 2nd Street. An additional pedestrian bridge over Mill Creek will be needed to join with the Oil Can Henry property. The Mill Creek Greenway Trail is inadequate as it does not presently meet the full needs of the citizens of The Dalles. The Mill Creek Greenway Trail is a blighting condition in accordance with ORS 457.010 (1)(e).

15. Brewery Grade Reconstruction

This provides for the reconstruction of the transportation system in the area called Brewery Grade. It provides for a traffic circle and realignment of the streets within the Area.

Relationship to Existing Conditions

The Brewery Grade area is presently a system of streets which is not functioning adequately for the present transportation demands and will not be sufficient for the future development of the Area. The transportation network in this area is blighted in accordance with ORS 457.010(1)(e).

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

16. 3rd Place Street Improvements

The 3rd Place street improvements include street, utilities, curbs, sidewalks, lighting, landscaping, and associated improvements.

Relationship to Existing Conditions

3rd Place is not to city standards and is in need of upgrading. The street is blighted in accordance with ORS 457.010(1)(e).

The following are not new projects, but are requests by the Fire District and will be allowed under existing project descriptions:

1. Installation of Opticom GPS System

This provides for the installation of an Opticom GPS system for traffic and pedestrian safety for the use of the Fire District and Police Department. This will be added as a component of the street and streetscape programs already in the Plan.

Relationship to Existing Condition

There is no Opticom GPS system in the Area. Installation of this system will aid in the public safety of the Area.

2. Installation of Sprinklers in Downtown Buildings

This provides for the installation of fire sprinklers, as required, in buildings undergoing rehabilitation under the existing Property Rehabilitation Program.

Relationship to Existing Conditions

Many buildings in the Area do not have sprinkler systems. They are unsafe to occupy because of defective quality of physical construction in accordance with ORS 457.010 (1)(a)(A).

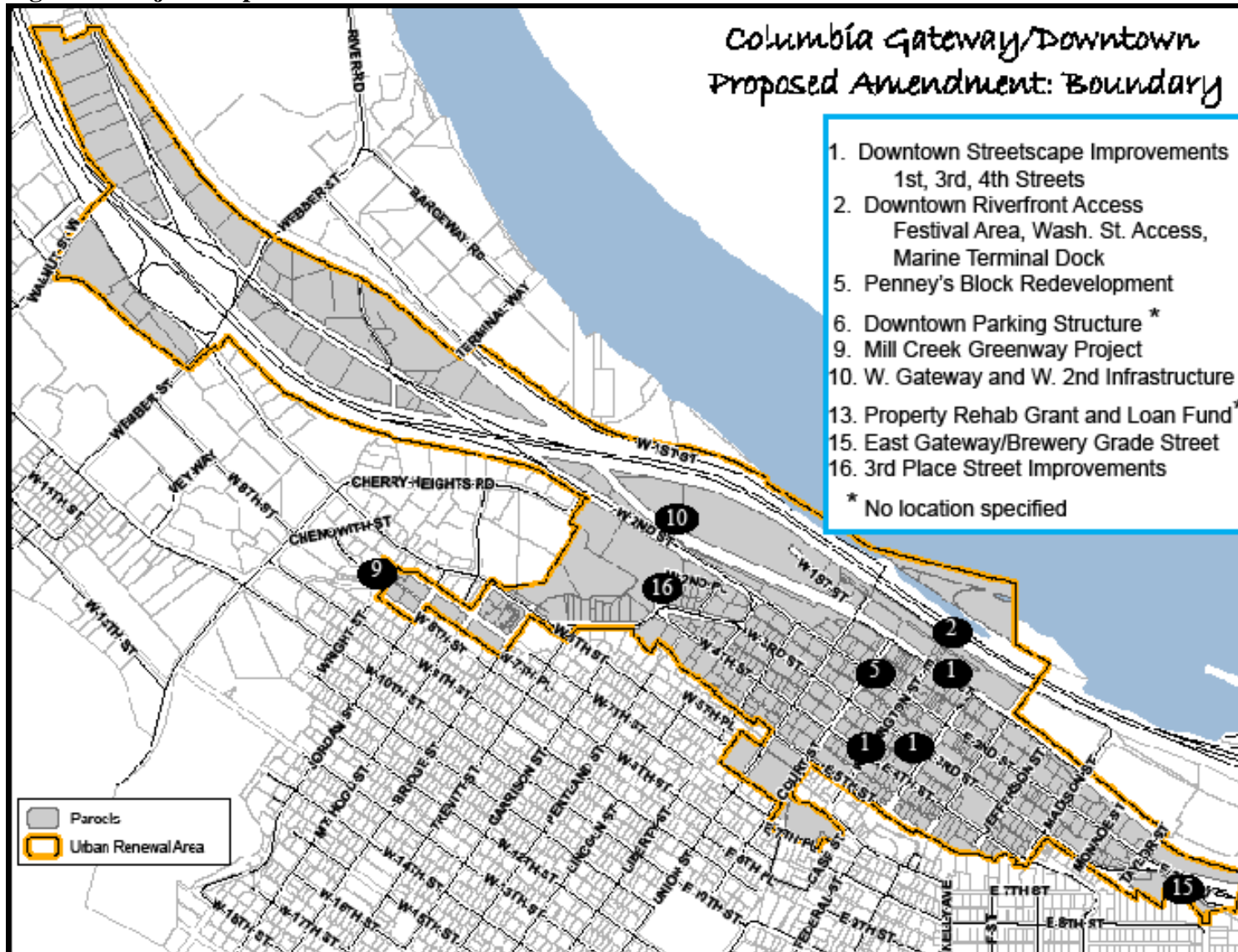
3. Water Systems Upgrades

This provides for the upgrading of water lines throughout the Area. This will be done through the streetscape program already in the Plan.

Relationship to Existing Conditions

There are no utility improvements as projects in the Plan. This would add the ability to upgrade water mains as streets were improved. This upgrade is a result of a request by the Fire District.

Figure 4. Project Map



REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN URBAN RENEWAL PLAN

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

Table 8. Projects and Costs in 2009 \$

The Dalles Urban Renewal Projects						
# in Plan	Project	Total Cost	UR Share	With Inflation	Cumulative	Inflation rate
	Admin 2009-2015	2,100,000	2,100,000	2,100,000		0 300K a year
	Admin 2016-2020	1,750,000	1,750,000	1,750,000	3,850,000	0 350K a year
	Admin 2021-2025	1,750,000	1,750,000	1,750,000	5,600,000	0 350K a year
1	Downtown Streetscape Improvements				5,600,000	0
	1st Street	1,800,000	1,700,000	1,700,000	7,300,000	0
	3rd Street	3,000,000	2,750,000	3,025,000	10,325,000	1.1
	4th Street	1,375,000	1,250,000	1,375,000	11,700,000	1.1
2	Downtown Riverfront Access				11,700,000	
	Festival Area	750,000	250,000	275,000	11,975,000	1.1
	Washington Street St. RR Access	5,700,000	2,300,000	2,530,000	14,505,000	1.1
	Marine Terminal Dock	3,000,000	1,800,000	1,980,000	16,485,000	1.1
5	Penney's Block Redevelopment	1,000,000	-		16,485,000	
6	Downtown Parking Structure	3,000,000	3,000,000	3,000,000	19,485,000	0
9	Mill Creek Greenway	400,000	400,000	440,000	19,925,000	1.1
10	Gateway Project				19,925,000	
	West Gateway	1,500,000	1,250,000	1,250,000	21,175,000	0
	West 2nd Street Infrastructure	2,000,000	1,800,000	1,800,000	22,975,000	0
13	Property Rehab Grant and Loan Fund				22,975,000	
	Property Rehab Program	4,100,000	2,300,000	2,300,000	25,275,000	
	Downtown 2nd Story Rehab	500,000	500,000	500,000	25,775,000	
15	East Gateway/Brewery Grade Street Reconstruction	4,200,000	2,100,000	2,100,000	27,875,000	0
16	3rd Place Street Improvements	1,000,000	1,000,000	1,100,000	28,975,000	1.1
	Totals	38,925,000	28,000,000	28,975,000		

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN URBAN RENEWAL PLAN

VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

Projects will be ongoing and accomplished over the life of the Plan.

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

Table 9 shows the tax increment revenues and their allocation to loan repayments, reimbursements, debt service and debt service reserve funds. It is anticipated that all debt will be retired by the end of FY 2026. The maximum indebtedness is Twenty Nine Million, One Hundred Twenty Five Thousand Five Hundred Eighty Three dollars (\$29,125,583). The total amount of tax increment revenues required to service the debt is \$35,188,897.

Table 9. Tax Increment Revenues

	2009	2010	2011	2012	2013	2014	2015	2016	2017
REVENUES									
Beginning Balance	1,116,915	979,614	981,160	981,400	980,274	1,163,501	1,164,871	1,164,895	1,353,838
Current Year's Taxes	1,169,887	1,183,494	1,238,647	1,322,448	1,414,457	1,447,891	1,538,424	1,634,252	1,713,717
Prior Years' Taxes	56,601	61,573	62,289	65,192	69,603	74,445	76,205	80,970	86,013
Interest	11,169	9,796	9,812	9,814	9,803	11,635	11,649	11,649	13,538
Total	2,354,572	2,234,477	2,291,908	2,378,854	2,474,136	2,697,472	2,791,149	2,891,767	3,167,106
EXPENDITURES									
Debt Service, 2002 Bonds	466,882	468,428	468,668	467,542	465,188	466,558	466,582	0	
Bond 1	412,732	412,732	412,732	412,732	412,732	412,732	412,732	412,732	412,732
Bond 2					185,581	185,581	185,581	185,581	185,581
Bond 3								655,525	655,525
Bond 4									
Defeasance									
Total Long Term Debt Service	879,614	881,160	881,400	880,274	1,063,501	1,064,871	1,064,895	1,253,838	1,253,838
Short Term Debt	495,344	372,157	429,108	518,306	247,133	467,729	561,358	284,091	559,430
Reserve	879,614	881,160	881,400	880,274	1,063,501	1,064,871	1,064,895	1,253,838	1,253,838
Balance	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN URBAN RENEWAL PLAN

Table 9. Tax Increment Revenues, cont.

	2018	2019	2020	2021	2022	2023	2024	2025	2026
REVENUES									
Beginning Balance	1,353,838	1,353,838	1,091,106	1,780,273	1,752,558	1,752,558	1,752,558	1,752,558	2,097,034
Current Year's Taxes	2,213,460	2,290,726	2,395,831	2,505,071	2,618,612	2,680,459	2,803,447	2,931,354	3,064,377
Prior Years' Taxes	90,196	116,498	120,565	126,096	131,846	137,822	141,077	147,550	154,282
Interest	13,538	13,538	10,911	17,803	17,526	17,526	17,526	17,526	20,970
Total	3,671,032	3,774,600	3,618,413	4,429,243	4,520,542	4,588,365	4,714,607	4,848,988	5,336,663
EXPENDITURES									
Debt Service, 2002 Bonds									
Bond 1	412,732	412,732		0	0	0			
Bond 2	185,581	185,581	185,581		0	0	0	0	
Bond 3	655,525	655,525	655,525	655,525	655,525	655,525	655,525	655,525	
Bond 4			997,034	997,034	997,034	997,034	997,034	997,034	997,034
Defeasance									2,689,931
Total Long Term Debt Service	1,253,838	1,253,838	1,838,140	1,652,558	1,652,558	1,652,558	1,652,558	1,652,558	3,686,964
Short Term Debt	1,063,356	1,429,656	0	1,024,127	1,115,425	1,183,248	1,309,491	1,099,396	
Reserve	1,253,838	841,106	1,652,558	1,652,558	1,652,558	1,652,558	1,652,558	997,034	
Balance	100,000	250,000	127,715	100,000	100,000	100,000	100,000	1,100,000	1,649,699

VIII. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FY 2026, as shown above, are based on projections of the assessed value of development within the Area and payment of fees. The projections assume continued growth of values in the Area and the development of the Flour Mill project.

Table 10 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues and the annual tax increment revenues (not adjusted for undercollection, penalties and interest). These, in turn, provide the basis for the projections in Table 9.

Table 10. Projected Incremental Assessed Value, Tax Rates and Tax Increment Revenues (Dollars)

	2009	2010	2011	2012	2013	2014	2015
Columbia Gateway/Downtown							
Base	24,866,020						
Excess	61,466,735	63,625,054	66,659,593	71,215,317	75,998,827	81,021,513	86,295,333
Total AV	86,332,755	88,491,074	91,114,482	95,670,206	100,453,716	105,476,402	110,750,222
		2.50%	2.50%	5.00%	5.00%	5.00%	5.00%
Consolidated Rate	20.7926	19.9797	19.9588	19.9460	19.9909	19.1949	19.1487
Division of Taxes Extended	1,278,053	1,271,207	1,330,448	1,420,460	1,519,288	1,555,199	1,652,443
Division of Taxes Imposed	1,231,460	1,245,783	1,303,839	1,392,051	1,488,902	1,524,095	1,619,394
Compression Percentage	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN URBAN RENEWAL PLAN

Table 10. Projected Incremental Assessed Value, Tax Rates and Tax Increment Revenues (Dollars), cont.

	2016	2017	2018	2019	2020	2021	2022
Columbia Gateway/Downtown							
Base							
Excess	91,832,844	96,484,353	129,824,250	135,995,416	142,413,428	149,088,160	156,029,882
Total AV	116,287,733	120,939,242	154,279,139*	160,450,305	166,868,317	173,543,049	180,484,771
	5.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%
Consolidated Rate	19.1149	19.0780	18.3133	18.0925	18.0699	18.0479	18.0266
Division of Taxes Extended	1,755,373	1,840,727	2,377,508	2,460,500	2,573,395	2,690,732	2,812,687
Division of Taxes Imposed	1,720,266	1,803,912	2,329,958	2,411,290	2,521,927	2,636,917	2,756,434
Compression Percentage	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

*This increase reflects the Brewery Grade project coming onto the tax rolls.

Table 10. Projected Incremental Assessed Value, Tax Rates and Tax Increment Revenues (Dollars), cont.

	2023	2024	2025	2026	2027	2028	2029
Columbia Gateway/Downtown							
Base							
Excess	166,273,085	173,902,204	181,836,488	190,088,143	196,524,434	203,153,813	209,982,074
Total AV	190,727,974	198,357,093	206,291,377	214,543,032	220,979,323	227,608,702	234,436,963
	4.00%	4.00%	4.00%	4.00%	3.00%	3.00%	3.00%
Consolidated Rate	17.3156	17.3156	17.3156	17.3156	17.3156	17.3156	17.3156
Division of Taxes Extended	2,879,118	3,011,221	3,148,608	3,291,490	3,402,938	3,517,730	3,635,966
Division of Taxes Imposed	2,821,536	2,950,997	3,085,636	3,225,660	3,334,880	3,447,376	3,563,246
Compression Percentage	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

Table 10. Projected Incremental Assessed Value, Tax Rates and Tax Increment Revenues (Dollars), cont.

	2030	2031	2032	2033
Columbia Gateway/Downtown				
Base				
Excess	217,015,183	224,259,286	231,720,711	239,405,979
Total AV	241,470,072	248,714,175	256,175,600	263,860,868
	3.00%	3.00%	3.00%	3.00%
Consolidated Rate	17.3156	17.3156	17.3156	17.3156
Division of Taxes Extended	3,757,748	3,883,184	4,012,383	4,145,458
Division of Taxes Imposed	3,682,593	3,805,520	3,932,135	4,062,549
Compression Percentage	2.0%	2.0%	2.0%	2.0%

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

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

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area.

The tables below show no impacts on the The Dalles Public Schools School or the Educational Service District. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone because of the use of Tax Increment Financing are replaced with State School Fund revenues. These projections are for revenues foregone through FY 2026.

Table 11. Projected Impact on Taxing District Permanent Rate Levies During Use of Tax Increment Financing

Taxing District	Total Revenues Foregone	Average Annual Revenues Foregone
WASCO COUNTY	4,931,522	308,220
PORT OF THE DALLES	232,758	14,547
THE DALLES CITY	3,497,167	218,573
NORTHERN WASCO PARK & REC	788,501	49,281
COLUMBIA GORGE COMMUNITY COLLEGE	313,475	19,592
MID-COL FIRE & RESCUE	2,435,898	152,244
LIBRARY	788,617	49,289
COUNTY 4H	286,453	17,903
SOIL CONSERVATION	213,390	13,337

The average impact of foregone revenues as a percentage of the total permanent rate levy of each taxing district, is shown in Table 12 below.

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

Table 12. Average Annual Revenues Foregone as Percent of Levy

Taxing District	FY 2008/2009 Levy	% of Levy
WASCO COUNTY	6,807,527	4.5%
PORT OF THE DALLES	223,307	6.5%
THE DALLES CITY	1,932,068	11.3%
NORTHERN WASCO PARK & REC	550,131	9.0%
COLUMBIA GORGE COMMUNITY COLLEGE	431,130	4.5%
MID-COL FIRE & RESCUE	2,365,780	6.4%
LIBRARY	1,054,432	4.7%
COUNTY 4H	393,966	4.5%
SOIL CONSERVATION	294,566	4.5%

Table 13 shows the increase in permanent rate levy revenues that would occur after termination of the tax increment financing in FY2026. By FY 2033, revenues added to the permanent rate levies would substantially equal the revenues foregone during the use of tax increment financing.

Table 13. Additional Revenues Obtained After Termination of Tax Increment Financing by FY 2033

Taxing District	Revenues Gained by Taxing District FY 2027 - FY 2033
WASCO COUNTY	5,217,676
PORT OF THE DALLES	246,264
THE DALLES CITY	3,700,092
NORTHERN WASCO PARK & REC	834,254
COLUMBIA GORGE COMMUNITY COLLEGE	331,665
MID-COL FIRE & RESCUE	2,577,242
LIBRARY	834,377
COUNTY 4H	303,075
SOIL CONSERVATION	225,773

X. RELOCATION REPORT

There are no businesses or residents to be relocated under the Plan at the time of this 10th Amendment.

REPORT ON 10TH AMENDMENT TO THE COLUMBIA GATEWAY/DOWNTOWN
URBAN RENEWAL PLAN

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

There is only one URA in The Dalles. 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 percent for municipalities under 50,000 in population. As noted below, the frozen base plus the estimated total assessed value of the properties being added to the Area, including all real, personal, personal manufactured and utility properties is \$25,630,490, which is 3.41 percent of the City of The Dalles' total assessed value, and well within the 25 percent statutory limitation. The estimated total acreage of the Area is 319.8 acres, including public right of way. Therefore, 7.31 percent of the acreage in the City would be in urban renewal areas, and 3.41 percent of the assessed value of the City would be in urban renewal areas. This is below the statutory limitation of 25 percent in both cases.

Table 14. URA Conformance with AV and Area Limits

Urban Renewal Area	Acres	Frozen Base/Assessed Value
Columbia Gateway/Downtown (CHD) URA (frozen base)	317.93	\$24,866,020
Additional Areas added in 10 th Amendment (08/09 AV)	1.77	\$764,470
Total in CGD URA	319.7	\$25,630,490
City	4375.14	\$752,003,143
<i>Total Amount of City in URAs</i>	<i>7.31%</i>	<i>3.41%</i>