

Report Accompanying the Nelscott Urban Renewal (Tax Increment Finance) Plan

Nelscott Urban Renewal Tax Increment Finance Plan

Adopted by the City of Lincoln City

August 28, 2023

Ordinance No. 2023-18



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I. DEFINITIONS

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

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

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

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

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

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

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

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

“County” means Lincoln County, Oregon.

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

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

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

“Maximum indebtedness” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness. The maximum indebtedness for this Plan is \$129,000,000.

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

“Nelscott Urban Renewal (TIF) Area” means the urban renewal area/tax increment finance area established under authority in ORS 457 as shown in Exhibit A and defined in the attached legal description.

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

“Planning Commission” means the Lincoln City Planning Commission.

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

“Report Accompanying TIF Plan” or “Report” means the official report that accompanies the Nelscott Plan pursuant to ORS 457.085(3).

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

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

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

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

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

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

“UGB” means urban growth boundary.

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

II. INTRODUCTION

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

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

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

The relationship of the sections of the Report and the ORS 457.087 requirements is shown in Table 1. The specific reference in the table below is the section of this Report that most addresses the statute. There may be other sections of the Report that also address the statute.

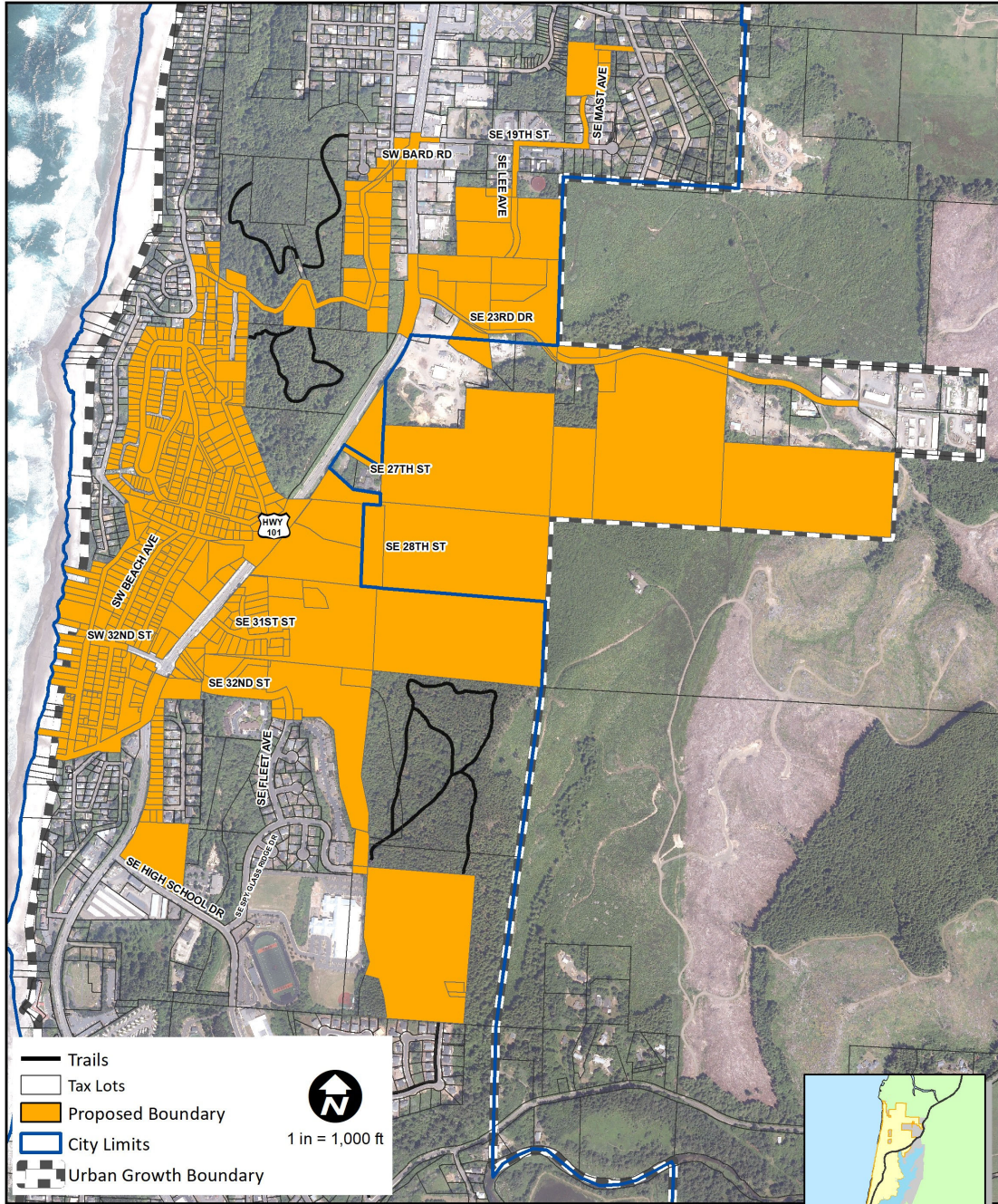
Table 1 - Statutory References

Statutory Requirement	Report Section
ORS 457.087 (1)	XI
ORS 457.087 (2)	XII
ORS 457.087 (3)	III
ORS 457.087 (4)	IV
ORS 457.087 (5)	VII
ORS 457.087 (6)	V,VI
ORS 457.087 (7)	V,VI
ORS 457.087 (8)	IX
ORS 457.087 (9)	XIII

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

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

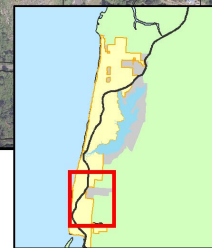
Figure 1 – Nelscott Urban Renewal (TIF) Area Boundary



Nelscott Boundary

City of Lincoln City government use only. Use for any other purpose is entirely at the risk of the user. This product is for informational purposes and may not have been prepared for, or be suitable for legal, engineering, or surveying purposes. Users of this information should review or consult the primary data and information sources to ascertain the usability of the information.

Date: 5/19/2023



Location

Source: City of Lincoln City GIS

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

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

A. Transportation

- Roads. Improve road connections for increased transportation route choice and to help alleviate traffic on Highway 101, to include:
 - New road connection between SE Lee Avenue and SE 23rd Drive
 - New road connection between SE 23rd Drive. and SE 32nd Street / Fleet Avenue intersection
 - New road connection between SE 14th Street and SE 19th Street via an extension of Mast Avenue to connect with Oar Avenue
 - Other new road connections where feasible

Existing Conditions:

There is extreme congestion on Highway 101 throughout all times of the year, but especially during high tourist visitation times. There are no other north/south “through” transportation routes to allow this traffic to be spread out or to improve the travel conditions. This impacts the safety of the transportation network as well as the overall function of the network. The TSP and other City adopted plans identify these projects as needed future projects.

- Pedestrian Safety. Improvements including but not limited to:
 - Pedestrian striping
 - Infill of sidewalk gaps
 - Construct new facilities to correct sidewalk/pathway deficiencies

Existing Conditions:

Sidewalks along Highway 101 are discontinuous or absent. Off of Highway 101, continuous sidewalks are rare in much of the Area. The TSP and the Walking and Biking Plan identify pedestrian improvement projects as needed future projects.

- Public Parking. Improve existing and build new public parking on and off-street, including other associated facilities such as public restrooms, pedestrian amenities, showers/foot wash, surf racks, and Electric Vehicle (EV) charging stations.
 - Improvements to SW 32nd Street parking lot
 - Other locations as needed and where feasible

Existing Conditions:

Lincoln City staff identified there is insufficient public parking to access the beach and insufficient amenities included in that public parking.

- Intersection Improvements. Improve intersections to include pedestrian crossings, realignments and/or re-design, roundabout, all-way stop control or traffic signals as feasible.
 - SE 23rd Drive and Highway 101 intersection improvements
 - SW Bard Road / SE 19th Street and Highway 101 intersection improvements
 - Other intersection improvements within the Area

Existing Conditions:

The 23rd Drive and Highway 101 intersection needs to be re-aligned and possibly re-designed, possible options include a signal or a roundabout to accommodate capacity.

Bard Road / SE 19th is currently un-signalized, and an un-aligned, or skewed intersection making vehicular turn movements and pedestrian crossing challenging. Sidewalk infill and ADA corner improvements are lacking. Traffic Signals. Modify existing traffic signals and install new traffic signals to improve pedestrian safety. Implement coordinated signal timing plans, upgrade traffic signal controllers, and install communication and other improvements as needed, and as designated by the City.

Existing Conditions:

As noted above, traffic conditions in the Area need to be addressed to improve pedestrian safety and improved traffic flow.

- Street Improvements. Local streets and Highway 101 improvements which may include but are not limited to curbs, gutters and sidewalks/pathways, sidewalk gaps, and installation of pedestrian amenities, lighting, and traffic calming measures where appropriate.
 - SE 23rd Drive street improvements, including but not limited to construction of new street, re-alignment with existing rights-of-way, intersection realignment and/or re-design, roundabout, or all-way stop control
 - Bard Road street Improvements to include sidewalks/pathways, paving, stormwater management
 - Other street improvements as needed

Existing Conditions:

SE 23rd Drive is not constructed to Lincoln City standards.

Bard Road is a narrow gravel road, this project will re-construct the road with sidewalk, paving, stormwater treatment. May include intersection of Bard Road and Hwy 101 improvements as described above.

- Public Transportation. Capital Improvement Projects to support, enhance, and expand public transportation. Projects may include improved access of public recreation areas; incorporate regional transit service and other transit amenities; link into greater transit system and improve timing for connecting routes; create Park & Ride opportunities in the Area which could support multiple programs such as solar projects and EV charging stations. Add new or relocate transit stops for improved usability, improve connections between facilities and pedestrian

infrastructure.

Existing Conditions:

- The City partners with Lincoln County Transit to provide bus route service in Lincoln City. The City's TSP calls for transit service and amenities that encourage a higher level of ridership. There is currently no regular City or County bus route service to the Employment Area on SE 23rd Drive.

B. Economic Development/Land Acquisition

Economic development opportunities for public private partnership within commercial, residential, and mixed-use areas; could include but are not limited to Economic Development Toolbox of incentives for workforce housing, childcare, land acquisition, construction of visitor and educational facilities, business preservation and expansion to increase non-tourism, living-wage jobs.

Existing Conditions:

There is significant undeveloped land in the Area. Much of this land is not contributing to the property tax rolls. Lincoln City's employment lands are located within the Area and development of these lands is essential to help diversify the employment base in Lincoln City and the region. There is also opportunity to provide additional housing options in the Area.

C. Emergency Preparedness, Resiliency and Mitigation

Emergency preparedness and assessment for resiliency, and mitigation capital projects related but not limited to undergrounding pole mounted utilities, water resources, erosion protection, seismic retrofit, stormwater drainage, caches, tsunami evacuation, communication infrastructure, alternate transportation routes, and other projects as identified in Emergency Preparedness planning.

Existing Conditions:

The *Lincoln City Emergency Operations Plan*¹ was adopted in March of 2012 and updated in 2018. As part of this planning, and future planning and updating, capital projects will be warranted to assist in emergency preparedness. Those specific projects are not presently identified, but it is anticipated over the life of this Plan that there will be capital project needs in the future.

D. Parks, Trails, Open Spaces

- Parks. Provide additional parks including but not limited to trailheads, parking, picnic shelters, trash cans, benches, restrooms, and associated capital improvements to support City programming objectives. Park locations and quantity may change based on development patterns, and could include new parks:

¹ *City of Lincoln City, Lincoln County, Oregon Emergency Operations Plan*, Ecology and Environment, Inc., March 2012, with modifications February 2018.

- New park in the vicinity of SE Lee Ave. and SE 27th Street
- New park south of SE 23rd Dr. near the planned employment area
- New park near Agnes Creek Open Space

Existing Conditions:

- These parks do not exist. The *Lincoln City Parks & Recreation System Plan 2016* identifies the need for additional parks in the Area. (P 38)
- Beach Access. Improvements to include ADA, walkway, and parking upgrades. Features could include facilities such as public restrooms, pedestrian amenities, showers/foot wash, surf racks, and EV charging stations. Increase connectivity to sidewalks, trails, parks, ocean beaches, and natural areas.
 - Beach access at SW 33rd Street
 - Beach access at SW 35th Street
 - Beach access at other locations within the Area, as feasible

Existing Conditions:

Improved access to pathways, sidewalks, trail connections neighborhood and community parks, ocean beaches and natural areas is a component of the *Lincoln City Parks and Recreation System Plan*. There are deficiencies in these connections throughout the Area. (P 60)

- Trails. Complete segments of the Head to Bay Trail within the Area, to provide a multi-modal (non-vehicular) interconnected system from Villages at Cascade Head to the Siletz Bay that allows travel from one end of the city to the other without using Highway 101 wherever possible; could include connections to Oregon Coast Trail system and greater trail connections.
- Open Spaces. Improve access to trails, trail heads and parking for recreation to include wayfinding map and interpretive signage, gateway features, open space forest management, nature play elements, public art and associated capital improvements to support City programming objectives.
 - Spyglass Open Space and other improvements as feasible

Existing Conditions:

Improved access to pathways, sidewalks, trail connections neighborhood and community parks, ocean beaches and natural areas is a component of the *Lincoln City Parks and Recreation System Plan*. There are deficiencies in these connections throughout the Area. (P 60)

Wayfinding Signage is lacking in the Area and is identified in the Transportation System Plan to assist pedestrians and bicyclists in choosing comfortable routes and to help visitors navigate through the city.

E. Public Works/Utilities

- Prepare a properly engineered comprehensive storm drainage systems master plan; within the funding limitations of the Agency, construct needed improvements to adequately drain the Area to

eliminate flooding during periods of storm activity; Clean out, improve and protect the natural drainage courses so that they may function properly in coordination with the built drainage systems; Control earth moving, grading and development of lands which affect the natural and built systems so as to protect the integrity of the drainage system.

Existing Conditions:

The City needs to complete a comprehensive storm drainage plan. Funding from the Urban Renewal Area could contribute to the costs of a City Wide Study.

- Provide Baldy Creek improvements to address flooding, erosion, invasive species, water quality, wildlife habitat, and overall condition of the Baldy Creek Watershed to restore the floodplain and creek health as feasible. Provide improved public access at City-owned parcels adjacent to Baldy Creek in the Nelscott Business Strip and other practical locations in the Area.

Existing Conditions:

Baldy Creek currently experiences flooding, erosion and the presence of invasive species. The public access to the creek needs to be improved. The Nelscott Gap Neighborhood Plan identifies full existing conditions on page 54.

- Public utility improvements to include power, electric, gas, cable and communications within Area. Undergrounding existing pole-mounted utility systems to improve reliability for emergency preparedness, severe weather events, or greater safety in tsunami evacuations zones.

Existing Conditions:

There are no undergrounded utility poles in the Area.

- Improved infrastructure for water and sewer systems in the Area, including:
- Long-range water security and conservation
- Construct a 5 million gallon water reservoir to increase the City's water storage capacity and improve firefighting flows
- Upgrades and extensions of existing lines and pump stations
- Increase capacity and re-build the wetwell for the Nelscott Sanitary Sewer Pump Station
- Other water and sewer projects as feasible

Existing Conditions:

An additional reservoir is needed to increase water storage capacity and improve firefighting flows. As the Area develops, existing lines and pump stations will need to be upgraded to accommodate this growth.

F. Community Connections/Appearance

- Install wayfinding signage to assist pedestrians and bicyclist in choosing

comfortable routes and to help visitors navigate through the city; may include but is not limited to acquiring property and constructing cohesive, branded signage for all transportation modes.

Existing Conditions:

Wayfinding signage is incomplete in the Area. Wayfinding Signage is identified in the Transportation System Plan in order to assist pedestrians and bicyclists in choosing comfortable routes and to help visitors navigate through the city.

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

Existing Conditions:

Most utility poles in the Area are above ground.

G. Administration

Provide funds to retain the services of City personnel or other independent professionals or organizations for activities such as:

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

Existing Conditions:

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

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

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

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

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

Table 2 - Estimated Cost of Each Project

Project Title	Project Cost (YOE\$)	Percentage of Total Project Cost
Economic Development/Land Acquisition	(\$34,832,192)	27.13%
Emergency Preparedness	(\$1,229,900)	0.96%
Parks	(\$13,025,906)	10.14%
Transportation	(\$52,103,616)	40.58%
Utilities	(\$21,709,838)	16.91%
Planning & Community Involvement	(\$706,165)	0.55%
Administration	(\$4,221,831)	3.29%
Financing Fees	(\$582,000)	0.45%
TOTAL:	(\$128,411,448)	100%

Source: City of Lincoln City and Tiberius Solutions

V. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through Fiscal Year End (FYE) 2054 are calculated based on projections of the assessed value within the Area and the consolidated tax rate that will apply in the Area.

The long-term projections for FYE 2025 and beyond assume an annual growth rate of 8.00% for assessed value in the Area. These projections of growth are the basis for the projections in Table 7 through Table 10.

If actual assessed value growth is less than forecast, then it would reduce the financial capacity of the URA to fund projects listed in the Plan over the anticipated duration of the Plan.

Table 4 shows the incremental assessed value, tax rates, and tax increment revenues each year, adjusted for discounts, delinquencies, and truncation loss. The tax rate used in this table reflects a blended rate of the incorporated as they have different tax rates. As properties incorporate, their tax rates will change, and future projections will vary from these original projections.

The first year of tax increment collections is anticipated to be FYE 2025. Gross tax increment financing is calculated by multiplying the tax rate times the assessed value used. The tax rate is per thousand dollars of assessed value, so the calculation is “tax rate times assessed value used divided by one thousand.” The consolidated tax rate includes permanent tax rates only and excludes general obligation bonds and local option levies as they will not be impacted by this Plan.

Figure 3 shows expected TIF revenues over time and the projected tax revenues after termination of the Area.

The tax rates by code area in the Area are shown in Table 3. Those properties that are in unincorporated Lincoln County have different tax rates than those within the city limits.

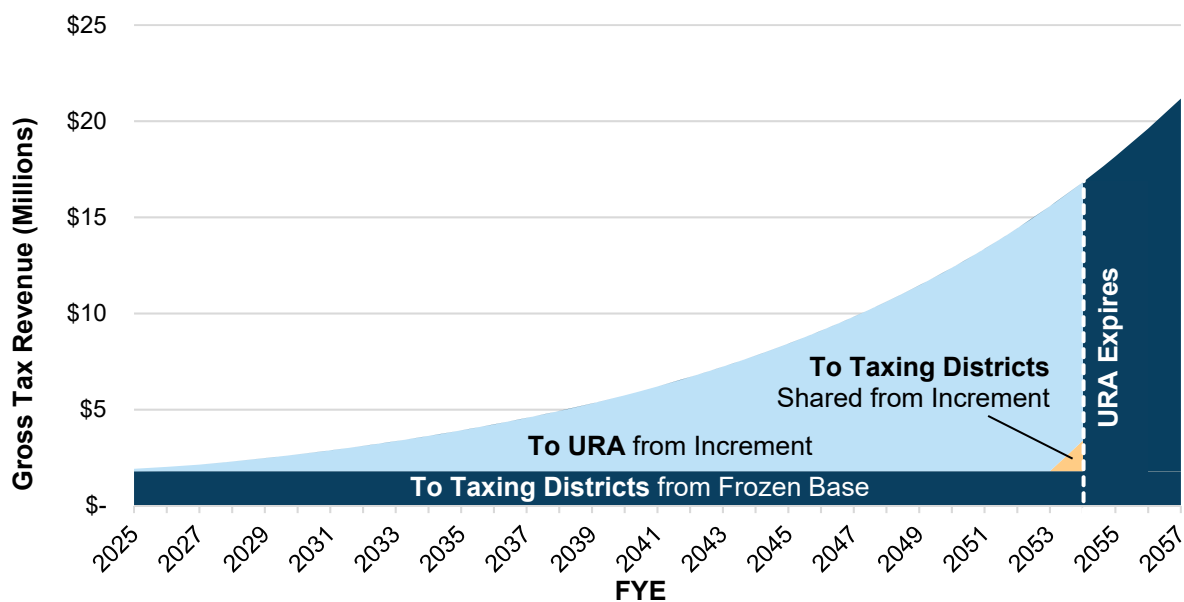
Table 3 – Taxing District Rates

Taxing District	Tax Code	Tax Code	Tax Code	Tax Code
	402	414	461	493
Jurisdiction Name	Rate	Rate	Rate	Rate
Lincoln County General	2.8202	2.8202	2.8202	2.8202
Water - Dev Lake Out	0.1280	0.1280		
Lincoln County Extension	0.0451	0.0451	0.0451	0.0451
Lincoln County Animal Services	0.1100	0.1100	0.1100	0.1100
Lincoln County Transport	0.0974	0.0974	0.0974	0.0974
Lincoln Fire & Rescue #1	0.6783			0.6783
North Lincoln Health	0.5184	0.5184	0.5184	0.5184
City of Lincoln City	4.0996	4.0996	-	-
Lincoln County Library			0.2465	0.2465
Lincoln County School	4.9092	4.9092	4.9092	4.9092
ESD Linn-Benton	0.3049	0.3049	0.3049	0.3049
Oregon Coast Comm. College	0.1757	0.1757	0.1757	0.1757
TOTAL:	13.8868	13.2085	9.2274	9.9057

Source: Lincoln County Assessor and Tiberius Solutions

Table 4 shows the incremental assessed value, tax rates and tax increment revenues each year, adjusted for discounts, and delinquencies, truncation loss, and receipt of delinquent taxes from prior years. The projections assume an annual growth rate of 3.0% for assessed value in the Area plus expected new growth in assessed value over the life of the Area. Figure 2 shows expected TIF revenues over time, the expected revenue sharing and the projected tax revenues after termination of the Area.

Figure 2 - TIF Projections over Time



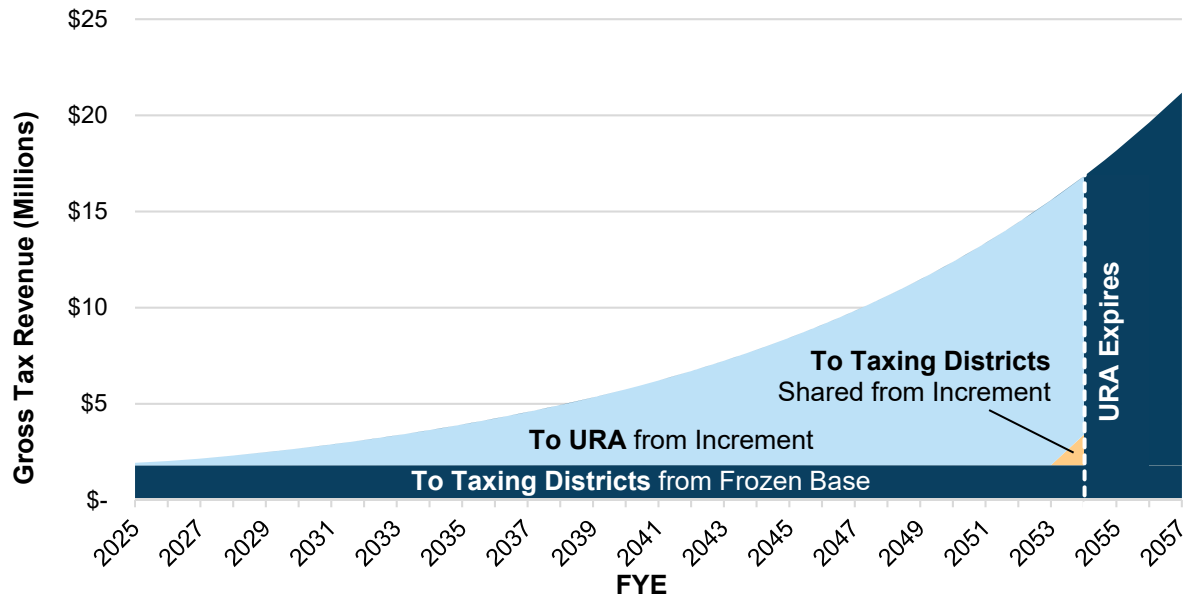
Source: Tiberius Solutions

Table 4 - Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues

FYE	Total AV	Frozen Base AV	Increment Applied	Increment Shared	Tax Rate	Gross TIF	Adjustments	Current Year Net	Prior Year Net	Total TIF
2025	138,982,780	129,762,619	9,220,161	-	13.8681	127,866	(6,393)	121,473	-	121,473
2026	145,892,911	129,762,619	16,130,292	-	13.8705	223,735	(11,187)	212,548	1,822	214,371
2027	154,586,218	129,762,619	24,823,599	-	13.8725	344,364	(17,218)	327,146	3,188	330,334
2028	165,324,486	129,762,619	35,561,867	-	13.8741	493,389	(24,669)	468,719	4,907	473,627
2029	178,443,882	129,762,619	48,681,263	-	13.8755	675,477	(33,774)	641,703	7,031	648,734
2030	192,609,632	129,762,619	62,847,013	-	13.8764	872,092	(43,605)	828,488	9,626	838,113
2031	207,905,351	129,762,619	78,142,732	-	13.8771	1,084,396	(54,220)	1,030,176	12,427	1,042,604
2032	224,421,334	129,762,619	94,658,715	-	13.8777	1,313,643	(65,682)	1,247,960	15,453	1,263,413
2033	242,255,103	129,762,619	112,492,484	-	13.8781	1,561,185	(78,059)	1,483,126	18,719	1,501,846
2034	261,511,976	129,762,619	131,749,357	-	13.8785	1,828,488	(91,424)	1,737,063	22,247	1,759,310
2035	282,305,692	129,762,619	152,543,073	-	13.8789	2,117,128	(105,856)	2,011,272	26,056	2,037,328
2036	304,759,089	129,762,619	174,996,470	-	13.8792	2,428,813	(121,441)	2,307,372	30,169	2,337,541
2037	329,004,824	129,762,619	199,242,205	-	13.8795	2,765,383	(138,269)	2,627,114	34,611	2,661,725
2038	355,186,169	129,762,619	225,423,550	-	13.8798	3,128,830	(156,441)	2,972,388	39,407	3,011,795
2039	383,457,850	129,762,619	253,695,231	-	13.8800	3,521,300	(176,065)	3,345,235	44,586	3,389,821
2040	413,986,968	129,762,619	284,224,349	-	13.8803	3,945,116	(197,256)	3,747,860	50,179	3,798,038
2041	446,953,992	129,762,619	317,191,373	-	13.8805	4,402,782	(220,139)	4,182,642	56,218	4,238,860
2042	482,553,819	129,762,619	352,791,200	-	13.8807	4,897,004	(244,850)	4,652,154	62,740	4,714,894
2043	520,996,938	129,762,619	391,234,319	-	13.8810	5,430,707	(271,535)	5,159,172	69,782	5,228,954
2044	562,510,671	129,762,619	432,748,052	-	13.8812	6,007,046	(300,352)	5,706,694	77,388	5,784,082
2045	607,340,522	129,762,619	477,577,903	-	13.8814	6,629,431	(331,472)	6,297,960	85,600	6,383,560
2046	655,751,631	129,762,619	525,989,012	-	13.8816	7,301,544	(365,077)	6,936,467	94,469	7,030,936
2047	708,030,345	129,762,619	578,267,726	-	13.8817	8,027,360	(401,368)	7,625,992	104,047	7,730,039
2048	764,485,912	129,762,619	634,723,293	-	13.8819	8,811,174	(440,559)	8,370,615	114,390	8,485,005
2049	825,452,321	129,762,619	695,689,702	-	13.8821	9,657,624	(482,881)	9,174,743	125,559	9,300,302
2050	891,290,268	129,762,619	761,527,649	-	13.8823	10,571,719	(528,586)	10,043,133	137,621	10,180,755
2051	962,389,303	129,762,619	832,626,684	-	13.8824	11,558,868	(577,943)	10,980,925	150,647	11,131,572
2052	1,039,170,135	129,762,619	909,407,516	-	13.8826	12,624,914	(631,246)	11,993,668	164,714	12,158,382
2053	1,122,087,126	129,762,619	992,324,507	-	13.8827	13,776,165	(688,808)	13,087,357	179,905	13,267,262
2054	1,211,630,975	129,762,619	967,869,787	113,998,569	13.8829	13,436,809	(671,840)	12,764,969	196,310	12,961,279
TOTAL:						149,564,352	(7,478,215)	142,086,134	1,939,818	144,025,955

Source: Tiberius Solutions

Figure 3 - TIF Projections over Time



Source: Tiberius Solutions

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

Table 5 shows a summary of the financial capacity of the Area, including how the total TIF revenue translates to the ability to fund projects in constant FYE 2023 dollars in five-year increments. The Plan is structured to complete all projects and have sufficient tax increment finance revenue to terminate the Area in FYE 2054, a 30-year duration for the Plan. The time frame of the Plan is not absolute; it may vary depending on the actual ability to meet the maximum indebtedness. If the economy is slower, it may take longer; if the economy is more robust than the projections, it may take a shorter time period. These assumptions show one scenario for financing and that this scenario is financially feasible.

The maximum indebtedness is \$129,000,000 (One Hundred Twenty-Nine Million). The estimated total amount of tax increment revenues required to service the maximum indebtedness of \$129,000,000 is \$144,025,953 and is from permanent rate tax levies. The increase over the maximum indebtedness is due to the projected cost of the interest on borrowings (loans).

Table 7 through Table 10, show more detailed tables on the allocation of tax revenues over time.

Table 5 - TIF Capacity of the Area (rounded)

Net TIF	\$144,000,000
Maximum Indebtedness	\$129,000,000
Capacity (2023\$)	\$68,700,000
Years 1-5	\$1,500,000
Years 6-10	\$8,300,000
Years 11-15	\$11,200,000
Years 16-20	\$13,500,000
Years 21-25	\$13,100,000
Years 26-30	\$21,100,000

Source: Tiberius Solutions

The financial analysis projects when borrowings might occur as identified in Table 6. The Agency may decide to complete borrowings at different times or for different amounts, depending on their analysis at the time. The table below summarizes the principal amounts of the projected borrowings for the Area. The total amounts, including interest, are shown in the second column of Table 11. There may be opportunities for the City/Agency to accelerate the timing of financial capacity in the early years. For example, the City/Agency may find lenders willing to offer more attractive terms, such as lower interest rates, lower required minimum debt service coverage ratios, or a longer amortization period. Additionally, the City/Agency could explore short-term, interim financing strategies, such as a line of credit with interest only payments. Any line of credit would need to be repaid in full after an agreed upon term, most likely through a longer-term borrowing like the ones shown in this analysis. The success of these financial strategies will depend upon market conditions, and the specific terms and conditions that lenders are willing to offer to the City/Agency.

Table 6 - Estimated Borrowings and Amounts

	Loan A	Loan B	Loan C
Principal Amount	\$ 6,900,000	\$ 10,000,000	\$ 12,200,000
Interest Rate	5.00%	5.00%	5.00%
Loan Term	20	20	15
Loan Year	2030	2035	2040
Interest Payment Start	2030	2035	2040

Source: Tiberius Solution

Table 7 - Tax Increment Revenues and Allocations to Debt Service, Page 1

	Total	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031
Resources								
Beginning Balance		-	-	-	-	-	-	-
TIF: Current Year	142,086,135	121,473	212,548	327,146	468,719	641,703	828,488	1,030,176
TIF: Prior Years	1,939,818	-	1,822	3,188	4,907	7,031	9,626	12,427
Total Resources	144,025,953	121,473	214,371	330,334	473,627	648,734	838,113	1,042,604
Expenditures								
Debt Service								
Scheduled Payments								
Loan A	(11,073,477)	-	-	-	-	-	(553,674)	(553,674)
Loan B	(16,048,517)	-	-	-	-	-	-	-
Loan C	(17,630,639)	-	-	-	-	-	-	-
Total Debt Service, Scheduled Only	(44,752,633)	-	-	-	-	-	(553,674)	(553,674)
Total Debt Service	(44,752,633)	-	-	-	-	-	(553,674)	(553,674)
Debt Service Coverage Ratio		-	-	-	-	-	1.51	1.88
Transfer to URA Projects Fund	(99,273,320)	(121,473)	(214,371)	(330,334)	(473,627)	(648,734)	(284,439)	(488,930)
Total Expenditures	(144,025,953)	(121,473)	(214,371)	(330,334)	(473,627)	(648,734)	(838,113)	(1,042,604)
Ending Balance		-	-	-	-	-	-	-

Source: Tiberius Solutions

Table 8 - Tax Increment Revenues and Allocations to Debt Service, Page 2

	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036	FYE 2037	FYE 2038	FYE 2039
Resources								
Beginning Balance	-	-	-	-	-	-	-	-
TIF: Current Year	1,247,960	1,483,126	1,737,063	2,011,272	2,307,372	2,627,114	2,972,388	3,345,235
TIF: Prior Years	15,453	18,719	22,247	26,056	30,169	34,611	39,407	44,586
Total Resources	1,263,413	1,501,846	1,759,310	2,037,328	2,337,541	2,661,725	3,011,795	3,389,821
Expenditures								
Debt Service								
Scheduled Payments								
Loan A	(553,674)	(553,674)	(553,674)	(553,674)	(553,674)	(553,674)	(553,674)	(553,674)
Loan B	-	-	-	(802,426)	(802,426)	(802,426)	(802,426)	(802,426)
Loan C	-	-	-	-	-	-	-	-
Total Debt Service, Scheduled Only	(553,674)	(553,674)	(553,674)	(1,356,100)	(1,356,100)	(1,356,100)	(1,356,100)	(1,356,100)
Total Debt Service	(553,674)	(553,674)	(553,674)	(1,356,100)	(1,356,100)	(1,356,100)	(1,356,100)	(1,356,100)
Debt Service Coverage Ratio	2.28	2.71	3.18	1.50	1.72	1.96	2.22	2.50
Transfer to URA Projects Fund	(709,739)	(948,172)	(1,205,636)	(681,228)	(981,441)	(1,305,625)	(1,655,695)	(2,033,721)
Total Expenditures	(1,263,413)	(1,501,846)	(1,759,310)	(2,037,328)	(2,337,541)	(2,661,725)	(3,011,795)	(3,389,821)
Ending Balance	-	-	-	-	-	-	-	-

Source: Tiberius Solutions

Table 9 - Tax Increment Revenues and Allocations to Debt Service, Page 3

	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044	FYE 2045	FYE 2046	FYE 2047
Resources								
Beginning Balance	-	-	-	-	-	-	-	-
TIF: Current Year	3,747,860	4,182,642	4,652,154	5,159,172	5,706,694	6,297,960	6,936,467	7,625,992
TIF: Prior Years	50,179	56,218	62,740	69,782	77,388	85,600	94,469	104,047
Total Resources	3,798,038	4,238,860	4,714,894	5,228,954	5,784,082	6,383,560	7,030,936	7,730,039
Expenditures								
Debt Service								
Scheduled Payments								
Loan A	(553,674)	(553,674)	(553,674)	(553,674)	(553,674)	(553,674)	(553,674)	(553,674)
Loan B	(802,426)	(802,426)	(802,426)	(802,426)	(802,426)	(802,426)	(802,426)	(802,426)
Loan C	(1,175,376)	(1,175,376)	(1,175,376)	(1,175,376)	(1,175,376)	(1,175,376)	(1,175,376)	(1,175,376)
Total Debt Service, Scheduled Only	(2,531,476)	(2,531,476)	(2,531,476)	(2,531,476)	(2,531,476)	(2,531,476)	(2,531,476)	(2,531,476)
Total Debt Service	(2,531,476)	(2,531,476)	(2,531,476)	(2,531,476)	(2,531,476)	(2,531,476)	(2,531,476)	(2,531,476)
Debt Service Coverage Ratio	1.50	1.67	1.86	2.07	2.28	2.52	2.78	3.05
Transfer to URA Projects Fund	(1,266,563)	(1,707,385)	(2,183,418)	(2,697,478)	(3,252,606)	(3,852,085)	(4,499,460)	(5,198,563)
Total Expenditures	(3,798,038)	(4,238,860)	(4,714,894)	(5,228,954)	(5,784,082)	(6,383,560)	(7,030,936)	(7,730,039)
Ending Balance	-	-	-	-	-	-	-	-

Source: Tiberius Solutions

Table 10 - Tax Increment Revenues and Allocations to Debt Service, Page 4

	FYE 2048	FYE 2049	FYE 2050	FYE 2051	FYE 2052	FYE 2053	FYE 2054
Resources							
Beginning Balance	-	-	-	-	-	-	-
TIF: Current Year	8,370,615	9,174,743	10,043,133	10,980,925	11,993,668	13,087,357	12,764,969
TIF: Prior Years	114,390	125,559	137,621	150,647	164,714	179,905	196,310
Total Resources	8,485,005	9,300,302	10,180,755	11,131,572	12,158,382	13,267,262	12,961,279
Expenditures							
Debt Service							
Scheduled Payments							
Loan A	(553,674)	(553,674)	-	-	-	-	-
Loan B	(802,426)	(802,426)	(802,426)	(802,426)	(802,426)	(802,426)	(802,426)
Loan C	(1,175,376)	(1,175,376)	(1,175,376)	(1,175,376)	(1,175,376)	(1,175,376)	(1,175,376)
Total Debt Service, Scheduled Only	(2,531,476)	(2,531,476)	(1,977,802)	(1,977,802)	(1,977,802)	(1,977,802)	(1,977,802)
Total Debt Service	(2,531,476)	(2,531,476)	(1,977,802)	(1,977,802)	(1,977,802)	(1,977,802)	(1,977,802)
Debt Service Coverage Ratio	3.35	3.67	5.15	5.63	6.15	6.71	6.55
Transfer to URA Projects Fund	(5,953,530)	(6,768,827)	(8,202,953)	(9,153,770)	(10,180,580)	(11,289,460)	(10,983,477)
Total Expenditures	(8,485,005)	(9,300,302)	(10,180,755)	(11,131,572)	(12,158,382)	(13,267,262)	(12,961,279)
Ending Balance	-	-	-	-	-	-	-

Source: Tiberius Solutions

VII. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The schedule for construction of projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by the Agency. Annual expenditures for program administration are also shown. These are predicated on the fact that urban renewal activities will start off slowly in the beginning years and increase in the later years of the Area.

The Area is anticipated to complete all projects and have sufficient tax increment finance revenue to terminate the Area in FYE 2054, a 30-year program.

The amount of money available for projects in 2023 constant dollars for the Area is approximately \$68,677,657. See Table 2 for the individual project analysis. This \$68,677,657 is calculated by disinflating the maximum indebtedness (MI) to constant 2023 dollars. Constant year dollars are useful to the Agency during the project funding allocation because estimates for the projects do not typically account for the impact of inflation regarding the year the project is pursued. Constant dollars allow for a simple and direct representation of project funding allocations.

Table 11 through Table 14 are in year-of-expenditure dollars, which are adjusted by 3.00% annually to account for inflation. The year of expenditure total cost is projected to be \$128,411,448.

The 3.00% inflation rate is the rate to use in the future if any amendment to increase maximum indebtedness is pursued in accordance with ORS 457.470.

The Agency may change the completion dates in their annual budgeting process or as project decisions are made in administering the Plan. The following tables are prepared to show that the Area is financially feasible as required by ORS 457. It assumes completion of projects as funding becomes available. If the City can jumpstart the Area by providing alternative funding sources which are repaid when tax increment revenues are available, or if other outside funding sources are secured, including but not limited to, developer contributions, the timing on projects can be moved up.

Table 11 - Programs and Costs in Year of Expenditure Dollars, Page 1

	Total	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029	FYE 2030	FYE 2031
Resources								
Beginning Balance		-	10,078	27,811	43,144	76,451	122,546	50,527
Interest Earnings	38,128	-	50	139	216	382	613	253
Transfer from TIF Fund	99,273,320	121,473	214,371	330,334	473,627	648,734	284,439	488,930
Bond/Loan Proceeds	29,100,000	-	-	-	-	-	6,900,000	-
Total Resources	128,411,448	121,473	224,498	358,285	516,986	725,567	7,307,598	539,710
Expenditures (YOE \$)								
Economic Development/Land Acquisition	(34,832,192)	(106,090)	(191,223)	(309,513)	(434,738)	(477,640)	(245,980)	(506,720)
Emergency Preparedness	(1,229,900)	-	-	-	-	-	(1,229,900)	-
Parks	(13,025,906)	-	-	-	-	-	(845,556)	-
Transportation	(52,103,616)	-	-	-	-	-	(3,382,225)	-
Utilities	(21,709,838)	-	-	-	-	-	(1,409,260)	-
Planning & Community Involvement	(706,165)	-	-	-	-	(119,410)	-	-
Administration	(4,221,831)	(5,305)	(5,464)	(5,628)	(5,797)	(5,971)	(6,150)	(6,334)
Financing Fees	(582,000)	-	-	-	-	-	(138,000)	-
Total Expenditures	(128,411,448)	(111,395)	(196,687)	(315,141)	(440,535)	(603,021)	(7,257,071)	(513,054)
Ending Balance		10,078	27,811	43,144	76,451	122,546	50,527	26,656

Source: Tiberius Solutions

Table 12 - Programs and Costs in Year of Expenditure Dollars, Page 2

	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036	FYE 2037	FYE 2038	FYE 2039
Resources								
Beginning Balance	26,656	77,604	213,104	236,315	6,965	99,998	339,740	275,544
Interest Earnings	133	388	1,066	1,182	35	500	1,699	1,378
Transfer from TIF Fund	709,739	948,172	1,205,636	681,228	981,441	1,305,625	1,655,695	2,033,721
Bond/Loan Proceeds	-	-	-	10,000,000	-	-	-	-
Total Resources	736,528	1,026,164	1,419,806	10,918,725	988,441	1,406,123	1,997,134	2,310,644
Expenditures (YOE \$)								
Economic Development/Land Acquisition	(652,400)	(806,340)	(692,100)	(106,928)	(734,250)	(907,560)	(1,558,000)	(1,444,230)
Emergency Preparedness	-	-	-	-	-	-	-	-
Parks	-	-	-	(1,568,270)	-	-	-	-
Transportation	-	-	-	(6,273,080)	-	-	-	-
Utilities	-	-	-	(2,613,783)	-	-	-	-
Planning & Community Involvement	-	-	(346,050)	-	-	-	-	(240,705)
Administration	(6,524)	(6,720)	(145,341)	(149,699)	(154,193)	(158,823)	(163,590)	(168,494)
Financing Fees	-	-	-	(200,000)	-	-	-	-
Total Expenditures	(658,924)	(813,060)	(1,183,491)	(10,911,760)	(888,443)	(1,066,383)	(1,721,590)	(1,853,429)
Ending Balance	77,604	213,104	236,315	6,965	99,998	339,740	275,544	457,215

Source: Tiberius Solutions

Table 13 - Programs and Costs in Year of Expenditure Dollars, Page 3

	FYE 2040	FYE 2041	FYE 2042	FYE 2043	FYE 2044	FYE 2045	FYE 2046	FYE 2047
Resources								
Beginning Balance	457,215	93,292	260,471	507,573	670,019	754,163	1,151,457	1,304,887
Interest Earnings	2,286	466	1,302	2,538	3,350	3,771	5,757	6,524
Transfer from TIF Fund	1,266,563	1,707,385	2,183,418	2,697,478	3,252,606	3,852,085	4,499,460	5,198,563
Bond/Loan Proceeds	12,200,000	-	-	-	-	-	-	-
Total Resources	13,926,063	1,801,143	2,445,191	3,207,590	3,925,975	4,610,018	5,656,675	6,509,974
Expenditures (YOE \$)								
Economic Development/Land Acquisition	(1,156,960)	(1,361,920)	(1,753,500)	(2,347,930)	(2,976,480)	(3,257,370)	(4,144,560)	(4,472,160)
Emergency Preparedness	-	-	-	-	-	-	-	-
Parks	(1,838,740)	-	-	-	-	-	-	(254,100)
Transportation	(7,354,960)	-	-	-	-	-	-	(1,016,400)
Utilities	(3,064,567)	-	-	-	-	-	-	(423,499)
Planning & Community Involvement	-	-	-	-	-	-	-	-
Administration	(173,544)	(178,752)	(184,118)	(189,641)	(195,332)	(201,191)	(207,228)	(213,444)
Financing Fees	(244,000)	-	-	-	-	-	-	-
Total Expenditures	(13,832,771)	(1,540,672)	(1,937,618)	(2,537,571)	(3,171,812)	(3,458,561)	(4,351,788)	(6,379,603)
Ending Balance	93,292	260,471	507,573	670,019	754,163	1,151,457	1,304,887	130,371

Source: Tiberius Solutions

Table 14 - Programs and Costs in Year of Expenditure Dollars, Page 4

	FYE 2048	FYE 2049	FYE 2050	FYE 2051	FYE 2052	FYE 2053	FYE 2054
Resources							
Beginning Balance	130,371	106,753	179,870	5,718	149,004	67,772	180,315
Interest Earnings	652	534	899	29	745	339	902
Transfer from TIF Fund	5,953,530	6,768,827	8,202,953	9,153,770	10,180,580	11,289,460	10,983,477
Bond/Loan Proceeds	-	-					
Total Resources	6,084,553	6,876,113	8,383,722	9,159,517	10,330,330	11,357,571	11,164,694
Expenditures (YOE \$)							
Economic Development/Land Acquisition	(4,187,600)	-	-	-	-	-	-
Emergency Preparedness	-	-	-	-	-	-	-
Parks	(235,553)	(970,470)	(1,221,715)	(1,315,543)	(1,502,269)	(1,638,360)	(1,635,330)
Transportation	(942,210)	(3,881,880)	(4,886,860)	(5,262,170)	(6,009,075)	(6,553,440)	(6,541,316)
Utilities	(392,588)	(1,617,450)	(2,036,192)	(2,192,570)	(2,503,781)	(2,730,600)	(2,725,548)
Planning & Community Involvement	-	-	-	-	-	-	-
Administration	(219,849)	(226,443)	(233,237)	(240,230)	(247,433)	(254,856)	(262,500)
Financing Fees	-	-	-	-	-	-	-
Total Expenditures	(5,977,800)	(6,696,243)	(8,378,004)	(9,010,513)	(10,262,558)	(11,177,256)	(11,164,694)
Ending Balance	106,753	179,870	5,718	149,004	67,772	180,315	-

Source: Tiberius Solutions

VIII. REVENUE SHARING

Mandatory revenue sharing is defined in ORS 457.470. The statute identifies certain thresholds where the impacted taxing jurisdictions will receive a share of the incremental growth in the Area. The first threshold is when annual tax increment finance revenues exceed 10% of the original maximum indebtedness of the Plan (10% of \$129,000,000 is \$12,900,000). In the year after reaching the 10% threshold, the Agency will receive the full 10% of the initial maximum indebtedness plus 25% of the increment above the 10% threshold, and the taxing jurisdictions will receive 75% of the increment above the 10% threshold. The threshold is not projected to be met in the Plan. If actual assessed value growth is higher than projected, revenue sharing could be realized.

The second threshold is when annual tax increment finance revenues exceed 12.5% of the maximum indebtedness (\$16,125,000). If this threshold is met, revenue for the Area would be capped at 12.5% of the maximum indebtedness, with all additional tax revenue being shared with affected taxing districts. This threshold is not projected to be met.

IX. IMPACT OF THE TAX INCREMENT FINANCING

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

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2054 and are shown in Table 15 and Table 16. Table 16 shows the general government levies, and Table 17 shows the education levies.

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

Table 15 - Projected Impact on Taxing District Permanent Rate Levies - General Government

FYE	Lincoln County General	Water - Dev Lake Out	Lincoln County Extension	Lincoln Co. Animal Services	Lincoln County Transport	Lincoln Fire & Rescue #1	North Lincoln Health	City of Lincoln City	Lincoln County Library	Subtotal General Government
2025	(24,703)	(1,118)	(395)	(964)	(853)	(5,881)	(4,541)	(35,803)	(6)	(74,263)
2026	(43,587)	(1,973)	(697)	(1,700)	(1,505)	(10,390)	(8,012)	(63,196)	(10)	(131,070)
2027	(67,155)	(3,041)	(1,074)	(2,619)	(2,319)	(16,025)	(12,344)	(97,399)	(13)	(201,991)
2028	(96,275)	(4,361)	(1,540)	(3,755)	(3,325)	(22,995)	(17,697)	(139,668)	(17)	(289,632)
2029	(131,856)	(5,974)	(2,109)	(5,143)	(4,554)	(31,517)	(24,237)	(191,329)	(21)	(396,739)
2030	(170,335)	(7,718)	(2,724)	(6,644)	(5,883)	(40,736)	(31,311)	(247,202)	(24)	(512,578)
2031	(211,885)	(9,602)	(3,388)	(8,264)	(7,318)	(50,692)	(38,948)	(307,535)	(28)	(637,662)
2032	(256,749)	(11,636)	(4,106)	(10,014)	(8,867)	(61,444)	(47,195)	(372,685)	(32)	(772,729)
2033	(305,193)	(13,833)	(4,881)	(11,904)	(10,540)	(73,056)	(56,100)	(443,036)	(37)	(918,579)
2034	(357,502)	(16,205)	(5,717)	(13,944)	(12,347)	(85,597)	(65,715)	(519,005)	(41)	(1,076,073)
2035	(413,987)	(18,766)	(6,620)	(16,147)	(14,298)	(99,140)	(76,098)	(601,040)	(45)	(1,246,141)
2036	(474,979)	(21,532)	(7,596)	(18,526)	(16,404)	(113,766)	(87,309)	(689,626)	(50)	(1,429,789)
2037	(540,840)	(24,519)	(8,649)	(21,095)	(18,679)	(129,562)	(99,416)	(785,288)	(55)	(1,628,102)
2038	(611,960)	(27,744)	(9,786)	(23,869)	(21,135)	(146,622)	(112,488)	(888,590)	(59)	(1,842,254)
2039	(688,757)	(31,227)	(11,014)	(26,865)	(23,787)	(165,045)	(126,605)	(1,000,144)	(64)	(2,073,509)
2040	(771,687)	(34,988)	(12,341)	(30,099)	(26,651)	(184,943)	(141,849)	(1,120,610)	(70)	(2,323,237)
2041	(861,238)	(39,050)	(13,773)	(33,592)	(29,744)	(206,431)	(158,310)	(1,250,699)	(75)	(2,592,912)
2042	(957,942)	(43,436)	(15,319)	(37,364)	(33,084)	(229,638)	(176,086)	(1,391,182)	(80)	(2,884,132)
2043	(1,062,369)	(48,173)	(16,989)	(41,437)	(36,691)	(254,701)	(195,281)	(1,542,890)	(86)	(3,198,617)
2044	(1,175,137)	(53,288)	(18,793)	(45,835)	(40,585)	(281,769)	(216,010)	(1,706,720)	(92)	(3,538,229)
2045	(1,296,913)	(58,812)	(20,740)	(50,585)	(44,791)	(311,001)	(238,394)	(1,883,642)	(98)	(3,904,976)
2046	(1,428,417)	(64,777)	(22,843)	(55,714)	(49,333)	(342,572)	(262,567)	(2,074,701)	(104)	(4,301,029)
2047	(1,570,427)	(71,220)	(25,114)	(61,253)	(54,237)	(376,668)	(288,671)	(2,281,030)	(110)	(4,728,730)
2048	(1,723,784)	(78,177)	(27,566)	(67,235)	(59,534)	(413,490)	(316,860)	(2,503,849)	(117)	(5,190,612)
2049	(1,889,393)	(85,690)	(30,215)	(73,695)	(65,253)	(453,258)	(347,302)	(2,744,477)	(123)	(5,689,406)
2050	(2,068,236)	(93,803)	(33,075)	(80,670)	(71,430)	(496,207)	(380,176)	(3,004,338)	(130)	(6,228,065)
2051	(2,261,369)	(102,565)	(36,163)	(88,203)	(78,100)	(542,591)	(415,678)	(3,284,969)	(137)	(6,809,776)
2052	(2,469,937)	(112,028)	(39,499)	(96,338)	(85,303)	(592,686)	(454,016)	(3,588,033)	(145)	(7,437,984)
2053	(2,695,173)	(122,246)	(43,101)	(105,123)	(93,082)	(646,787)	(495,418)	(3,915,324)	(152)	(8,116,406)
2054	(2,632,986)	(119,429)	(42,106)	(102,698)	(90,934)	(631,914)	(483,987)	(3,825,073)	(143)	(7,929,271)
TOTAL:	(29,260,771)	(1,326,931)	(467,933)	(1,141,294)	(1,010,566)	(7,017,123)	(5,378,621)	(42,499,083)	(2164)	(88,104,493)

Source: Tiberius Solutions

Table 16 - Projected Impact on Taxing District Permanent Rate Levies – Education

FYE	Lincoln County School	ESD Linn-Benton	Oregon Coast Comm. College	Subtotal Education	TOTAL:
2025	(43,000)	(2,671)	(1,539)	(47,210)	(121,473)
2026	(75,873)	(4,712)	(2,715)	(83,300)	(214,371)
2027	(116,899)	(7,260)	(4,184)	(128,343)	(330,335)
2028	(167,588)	(10,409)	(5,998)	(183,994)	(473,627)
2029	(229,525)	(14,255)	(8,215)	(251,994)	(648,734)
2030	(296,508)	(18,415)	(10,612)	(325,535)	(838,113)
2031	(368,834)	(22,908)	(13,201)	(404,942)	(1,042,604)
2032	(446,930)	(27,758)	(15,996)	(490,684)	(1,263,413)
2033	(531,258)	(32,995)	(19,014)	(583,267)	(1,501,846)
2034	(622,314)	(38,651)	(22,273)	(683,237)	(1,759,310)
2035	(720,638)	(44,757)	(25,792)	(791,187)	(2,037,328)
2036	(826,809)	(51,351)	(29,591)	(907,752)	(2,337,541)
2037	(941,456)	(58,472)	(33,695)	(1,033,622)	(2,661,725)
2038	(1,065,255)	(66,161)	(38,125)	(1,169,541)	(3,011,795)
2039	(1,198,938)	(74,464)	(42,910)	(1,316,312)	(3,389,821)
2040	(1,343,296)	(83,429)	(48,077)	(1,474,802)	(3,798,038)
2041	(1,499,181)	(93,111)	(53,656)	(1,645,948)	(4,238,860)
2042	(1,667,516)	(103,566)	(59,680)	(1,830,762)	(4,714,894)
2043	(1,849,295)	(114,856)	(66,186)	(2,030,337)	(5,228,954)
2044	(2,045,594)	(127,047)	(73,212)	(2,245,853)	(5,784,082)
2045	(2,257,573)	(140,213)	(80,798)	(2,478,584)	(6,383,560)
2046	(2,486,485)	(154,430)	(88,991)	(2,729,907)	(7,030,936)
2047	(2,733,686)	(169,783)	(97,838)	(3,001,308)	(7,730,039)
2048	(3,000,638)	(186,363)	(107,393)	(3,294,394)	(8,485,005)
2049	(3,288,919)	(204,268)	(117,710)	(3,610,897)	(9,300,302)
2050	(3,600,235)	(223,603)	(128,852)	(3,952,690)	(10,180,755)
2051	(3,936,428)	(244,483)	(140,885)	(4,321,796)	(11,131,572)
2052	(4,299,488)	(267,032)	(153,878)	(4,720,398)	(12,158,382)
2053	(4,691,562)	(291,383)	(167,911)	(5,150,856)	(13,267,262)
2054	(4,583,312)	(284,660)	(164,037)	(5,032,008)	(12,961,279)
TOTAL:	(50,935,033)	(3,163,466)	(1,822,964)	(55,921,460)	(144,025,956)

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

Table 17 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2055.

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

Table 17 - Additional Revenues Obtained after Termination of Tax Increment Financing, FYE 2055.

Taxing District	Type	Tax Rate	From Frozen Base	From Excess Value	Total
General Government					
Lincoln County General	Permanent	2.8202	365,956	3,323,800	3,689,756
Water - Dev Lake Out	Permanent	0.1280	16,552	150,766	167,318
Lincoln County Extension	Permanent	0.0451	5,852	53,154	59,006
Lincoln County Animal Services	Permanent	0.1100	14,274	129,643	143,917
Lincoln County Transport	Permanent	0.0974	12,638	114,793	127,431
Lincoln Fire & Rescue #1	Permanent	0.6783	86,969	797,771	884,740
North Lincoln Health	Permanent	0.5184	67,269	610,971	678,240
City of Lincoln City	Permanent	4.0996	530,135	4,828,763	5,358,898
Lincoln County Library	Permanent	0.2465	111	174	285
Subtotal General Government		8.7435	1,099,756	10,009,835	11,109,591
Education					
Lincoln County School	Permanent	4.9092	637,030	5,785,830	6,422,860
ESD Linn-Benton	Permanent	0.3049	39,565	359,345	398,910
Oregon Coast Comm. College	Permanent	0.1757	22,798	207,075	229,873
Subtotal Education		5.3898	699,393	6,352,250	7,051,643
TOTAL:		14.1333	1,799,149	16,362,085	18,161,234

Source: Tiberius Solutions

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

State law limits the percentage of both a municipality’s total assessed value and the total land area that can be contained in a TIF area at the time of its establishment to 25% for municipalities under 50,000 in population. As of the adoption of this Plan, there is an existing urban renewal area in Lincoln City, the Roads End/Villages at Cascade Head Area.

The total assessed value of the City of Lincoln City as of FYE 2022 is \$2,104,578,530. The “excess value” used in the Roads End/Villages at Cascade Area is \$25,550,059. The amount on which the 25% is applied is \$2,0769,028,471. (total assessed value minus excess value)

As noted below, the Frozen Base (assumed to be FYE 2022 values), including all real, personal, manufactured, and utility properties in the Nelscott Area, is projected to be \$129,762,619. The Lincoln County Assessor will set the Frozen Base once the Plan is adopted. The percentage of assessed value of TIF areas in Lincoln City is 18.28%, below the 25% threshold.

The Nelscott Area contains 323 acres, including public rights-of-way. The Roads End/Villages at Cascade Area has 500 acres. This puts 21.5% of the City’s acreage in a TIF area, which is below the 25% statutory threshold. The information on acreage and assessed value percentages is shown below in Table 18.

Table 18 – Lincoln City Conformance with Assessed Value and Acreage Limits

	Acreage	Assessed Value
City of Lincoln City	3,830	\$2,104,578,530
Roads End/Villages at Cascade Head Area value used	500	(\$25,550,059)
AV to calculate 25%		\$2,079,028,471
25%		\$519,757,117
Roads End/Villages at Cascade Head Frozen Base		\$250,383,800
Nelscott URA Frozen Base	323	\$129,762,619
% in Urban Renewal/TIF Area	21.50%	18.28%

Source: Compiled by Elaine Howard Consulting, LLC with data from City of Lincoln City and Lincoln County Department of Assessment and Taxation (FYE 2022)

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

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

A. Physical Conditions

1. Land Use

The Area measures approximately 323 total acres in size, which is composed of 578 individual parcels encompassing 289 acres, and an additional 34 acres in public rights-of-way. An analysis of FYE 2022 property classification data from the Lincoln County Department of Assessment and Taxation database was used to determine the land use designation of parcels in the Area. By acreage, Forest (43%) accounts for the most prevalent land use within the area. This was followed by Residential (24%). Detailed land use designations in the area can be seen in Table 19.

Table 19 - Land Use in the Area

Land Use	Parcels	Acres	Percent of Acres
Forest	9	123.78	42.81%
Residential	424	69.70	24.10%
Exempt	42	52.43	18.13%
Commercial	62	31.47	10.88%
Miscellaneous	23	6.59	2.28%
Multi-Family	16	2.96	1.02%
Industrial	2	2.23	0.77%
TOTAL:	578	289.16	100.00%

Source: Compiled by Elaine Howard Consulting with data from the Lincoln County Department of Assessment and Taxation (FYE 2022)

2. Comprehensive Plan and Zoning Designations

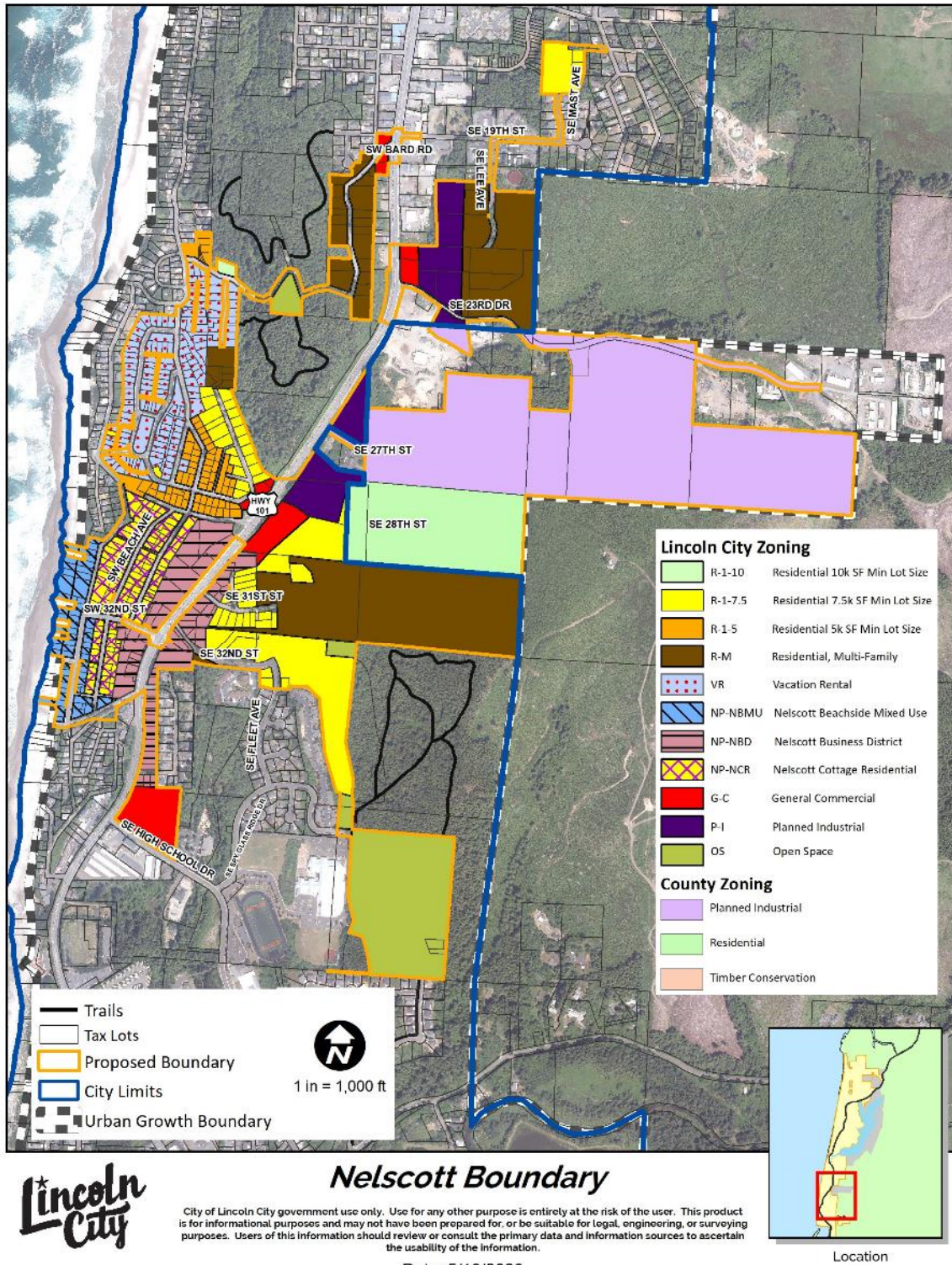
The Lincoln City Zoning and Comprehensive Plan designations are the same. The most prevalent zoning designation by acreage in the Area is R-1-7.5 (28%). The second most prevalent zoning designation in the Area is Planned Industrial (33%). Detailed zoning and comprehensive plan designations in the Area can be seen in Table 20.

Table 20 - Comprehensive Plan and Zoning Designations in the Area

Zoning Designations	Tax Lots	Acres	Percent of Acres
Residential R-1-7.5	57	79.92	27.64%
Planned Industrial PI	14	96.69	33.44%
Open Space OS	5	22.89	7.92%
Multi-Family Residential R-M	32	20.59	7.12%
Vacation Rental VR	157	18.11	6.26%
NP-Nelscott Business District	62	15.05	5.20%
NP-Nelscott Cottage Residential	120	11.95	4.13%
NP-Nelscott Business Mixed Use	55	7.29	2.52%
Residential R-1-5	66	9.63	3.33%
General Commercial GC	9	6.65	2.30%
Residential R-1-10	1	0.38	0.13%
TOTAL:	578	289.16	100.00%

Source: Compiled by Elaine Howard Consulting, LLC with data from the City of Lincoln City (FYE 2022)

Figure 4 – Nelscott Urban Renewal (TIF) Area Comprehensive Plan and Zoning Designations



Source: City of Lincoln City GIS

B. Infrastructure

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

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

1. Transportation

The information on deficiencies in the transportation network comes from the Lincoln City Transportation Systems Plan (TSP), the Walking and Biking Plan and identification from staff.

- Improved public transportation: Capital project improvements to support, enhance, and expand public transportation. Projects may include, improved access of public recreation areas; incorporate regional transit service and other transit amenities; link into greater transit system and improve timing for connections; create Park & Ride opportunities in the Area which could support multiple programs such as solar projects and EV charging stations. Add new transit stops or move transit stops for improved usability, improve connections between facilities and pedestrian infrastructure— TSP T1-T5, P 27.
- Community Way-finding and entry monumentation signage: Install wayfinding signage to assist pedestrians and bicyclists in choosing comfortable routes and to help visitors navigate through the city; may include acquiring property and constructing cohesive, branded signage for varied transportation modes (drivers, cyclists, pedestrians) Transportation System Plan / Walking & Biking Plan, P 7,28. Demand and System Management Projects: M9
- SE Lee Street Phase 1 (North Portion) and Phase 2 (South Portion): Phase 1 (North Portion) is to construct a connection between SE Lee Ave. and 23rd Dr. Phase 2 (South Portion) will construct a connection between SE Lee Ave. and SE 32 Street/SE Fleet Ave. TSP Volume 1, D14, D15 P 29.
- SE 23rd Street Reconstruction: SE 23rd Street is not aligned with the County/City rights of way, it is in terrible condition, will need to re-build.TSP
- SE 23rd Street and Hwy 101 Intersection Improvements: The intersection will need to be re-aligned and possibly re-designed, either at signal or a round-a-bout to accommodate capacity. Staff identified.
- Bard Road Improvements: Bard Road is a narrow gravel road, this project will re-construct the road with sidewalk, paving, stormwater

treatment. May include intersection of Bard Road and Hwy 101 improvements. TSP

- NE Mast to NE 15th/Oar Ave (14th - 19th connection): A new road across Tribal property and in existing public right-of-way would allow for connection between NE 19th and NE 14th, via NE Mast to NE 15th/Oar Avenue. Staff identified.
- SE 19th Street and Hwy 101 Pedestrian Crossing: Improve the SE 19th Street and Hwy 101 intersection for pedestrian crossing and intersection improvements on SE Bard Rd and Hwy 101. TSP
- Sidewalk Improvements within URA boundary: Construct the sidewalk improvements as identified in the City's 2015 Transportation System Plan and Walking and Biking Plan. TSP
- Transportation System Refinement Plan: Refine the alignments for SE Lee Ave. and associated infrastructure to serve future development. Staff identified.
- Undergrounding existing pole mounted utility systems: Following more thorough engineering analysis of the public infrastructure than was possible in the preparation of this Plan, the Agency, after making a finding of need and with funds available to it, may fund such improvements; to improve view corridor and safety in tsunami evacuation zones and in severe weather events. TSP/ Walking & Biking Plan. Goal 7, P 10.
- Improved Public Parking: Improved public parking on and off street and associated facilities, such as restrooms, pedestrian amenities, showers/foot wash, surf racks, and EV charging stations. Staff identified.

2. Storm Drain

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

3. Water

- Water Reservoir and Distribution System: Construct a 5 million gallon reservoir to increase the City's water storage capacity and improve fire flows. Staff identified.

4. Sewer

- Nelscott Sewer Pump Station: Re-build the wetwell and increase capacity at the Nelscott Sanitary Sewer Pump Station. Staff identified.

5. **General Public Works**

- With the addition of new development, City utilities will need to be extended or upgraded. Staff identified.
- Infrastructure projects including upgrading water, sanitary sewer and storm lines that are approaching their expected lifespan or are lacking altogether; long range water security. Staff identified.

5. **Parks and Open Space**

The deficiencies in the Parks and Open Space come from the Lincoln City Parks & Recreation Master Plan.

- Improve parks, open spaces and trail heads: Wayfinding maps & signage, trail signage and gateway improvements, forest restoration and improvements, nature play element/or discovery areas, geocaching, interpretive trails and "timber art". Parking, access and trail improvements. Spyglass Open Space is one area identified for such improvements. Parks & Recreation Master Plan Opportunity #1.
- Head to Bay Trail: Complete sections within the Area of the Head to Bay Trail to provide a multi-modal interconnected system from Villages at Cascade Head to the Siletz Bay that allows travel from one end of the city to the other without using Hwy 101 wherever possible; could include connections to Oregon Coast trail system and greater trail connections. TSP, P 38. Shared-Use Path Projects: S3
- Improve beach access: Improving pathway, sidewalk, trail connections and facility access to neighborhood and community parks, ocean beaches and natural areas. Parks & Recreation System Plan, 2016 ADA Transition Plan
- SW 35 Street Beach Access: ADA, parking, and beach access and walkway improvements. Paving, striping, park amenity improvements that may include restroom, showers, foot wash stations, surfboard racks, seating areas. Parks & Recreation Master Plan, p 60.
- SW 33 Street Beach Access: ADA, parking, beach access and walkway improvements. Paving, striping, park amenity improvements that may include restroom, showers, foot wash stations, surfboard racks, seating areas. Parks & Recreation Master Plan/2016 ADA Transition Plan, p 60.
- Construction of neighborhood parks: Possible locations include (1) in the vicinity of SE Lee Ave. (Foothills BLVD) and SE 27 St., (2) South of 23 Drive near the planned employment area, and (3) near Agnes Creek Open Space. Park locations and quantity may change based on development patterns. Nelscott Gap Neighborhood Plan (2017), Parks & Recreation Master Plan (2016), p 60.
- Public Parking/Restroom next to Nelscott Strip SW 32 Street:

Paving, striping, ADA access, EV charging and new restroom or restroom improvements including roof. Staff identified.

- Baldy Creek Restoration: To address flooding, erosion, invasive species, and overall condition of the Baldy Creek Watershed, this project would restore the floodplain and creek health and provide public access to the City owned parcels adjacent to Baldy Creek (Baldy Creek Walk project). Nelscott Gap Neighborhood Plan 2017/2006 Nelscott Community Vision Plan, P 39.

6. Utility Providers

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

City of Lincoln City

Pacific Power

NW Natural

Charter/Spectrum

CenturyLink

CoastCom/Wave

Sprint

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

C. Social Conditions

Within the Area, there are 440 tax lots representing 25% of the acreage shown as residential use in the land use table, Table 19 of this report. According to the US Census Bureau, American Community Survey 2017-2021 Five Year Estimates, the block groups have 2,465 residents, 81% of whom identify as white alone. These block groups represent more residents than exist in the Area but are the closest block groups to represent the Area.

Table 21 - Race in the Area

Race	Number	Percent
White alone	1,999	81.10%
Black or African American alone	6	0.24%
American Indian and Alaska Native alone	75	3.04%
Asian alone	200	8.11%
Native Hawaiian and Other Pacific Islander alone	0	0.00%
Some other race alone	14	0.57%
Two or more races	171	6.94%
TOTAL:	2,465	100%

Source: American Community Survey 2017-2021 Five Year Estimates

The largest percentage of residents are between 65 to 74 years of age (22%) with 53% of the residents over 55.

Table 22 - Age in the Area

Age	Number	Percent
Under 5 years	100	4.06%
5 to 9 years	99	4.02%
10 to 14 years	54	2.19%
15 to 17 years	34	1.38%
18 to 24 years	167	6.77%
25 to 34 years	310	12.58%
35 to 44 years	128	5.19%
45 to 54 years	270	10.95%
55 to 64 years	527	21.38%
65 to 74 years	541	21.95%
75 to 84 years	210	8.52%
85 years and over	25	1.01%
TOTAL:	2,465	100%

Source: American Community Survey 2017-2021 Five Year Estimates

In the block groups, 20% of adult residents have earned a bachelor’s degree or higher. Another 34% have some college education without a degree, 12% have an associate’s degree and another 30% have graduated from high school with no college experience.

Table 23 - Educational Attainment in the Area

Education	Number	Percent
Less than high school	86	4.28%
High school graduate (includes equivalency)	600	29.84%
Some college	687	34.16%
Associate's degree	239	11.88%
Bachelor's degree	212	10.54%
Master's degree	119	5.92%
Professional school degree	26	1.29%
Doctorate degree	42	2.09%
TOTAL:	2,011	100%

Source: American Community Survey 2017-2021 Five Year Estimates

The most common travel time class was 10 to 19 minutes, with 46% of journeys being in this class. This was followed by the Less than 10 minutes travel time class, which represented 41% of journeys.

Table 24 - Travel Time to Work in the Area

Travel Time	Number	Percent
Less than 10 minutes	433	41.44%
10 to 19 minutes	478	45.74%
20 to 29 minutes	63	6.03%
30 to 39 minutes	0	0.00%
40 to 59 minutes	36	3.44%
60 to 89 minutes	19	1.82%
90 or more minutes	16	1.53%
TOTAL:	1,045	100%

Source: American Community Survey 2017-2021 Five Year Estimates

Of the means of transportation used to travel to work, the majority, 75%, drove alone. The second most common means of transportation used to travel to work was carpooling, at 14.18%

Table 25 - Means of Transportation to Work in the Area

Means of Transportation	Number	Percent
Drove alone	851	75.44%
Carpooled	160	14.18%
Public transportation (includes taxicab)	0	0.00%
Motorcycle	0	0.00%
Bicycle	0	0.00%
Walked	34	3.01%
Other means	0	0.00%
Worked at home	83	7.36%
TOTAL:	1,128	100%

Source: American Community Survey 2017-2021 Five Year Estimate

D. Economic Conditions

1. Taxable Value of Property within the Area

The estimated total assessed value of the Area calculated with data from the Lincoln County Department of Assessment and Taxation for FYE 2022, including all real, personal, manufactured, and utility properties, is estimated to be \$129,762,619.

2. Building to Land Value Ratio

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

Table 28 shows the improvement to land ratios (I:L) for properties within the Area. In the Area, 123 tax lots representing 50% of the acreage have no improvement value. Another 57 tax lots representing 11.5% of the acreage have I:L ratios less than 1.0. In other words, the improvements on these properties are worth less than the land they sit on. A reasonable I:L ratio for properties in the Area is 2.0. Only 210 of the 578 tax lots in the Area, totaling 10.35% of the acreage have I:L ratios of 2.0 or more in FYE 2022. In summary, the majority of the Area is underdeveloped and not contributing significantly to the tax base in Lincoln City.

Table 26 - Improvement to Land Ratios in the Area

Improvement to Land Ratio	Parcels	Acres	Percent of Acres
Exempt	42	52.43	18.13%
No Improvement Value	123	145.40	50.28%
0.01-0.50	27	27.72	9.59%
0.51-1.00	30	5.70	1.97%
1.01-1.50	63	13.86	4.79%
1.51-2.00	83	14.11	4.88%
2.01-2.50	39	4.96	1.72%
2.51-3.00	27	3.83	1.33%
3.01-4.00	46	5.26	1.82%
> 4.00	98	15.87	5.49%
TOTAL:	578	289.16	100.00%

Source: Compiled by Elaine Howard Consulting, LLC with data from the Lincoln County Department of Assessment and Taxation (FYE 2022)

E. Impact on Municipal Services

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

The projects being considered for future use of tax increment funding are for transportation and utility infrastructure, park improvements, economic development and emergency preparedness. Tax increment financing is a method for funding projects that would otherwise be funded by the City general fund or SDCs, or delayed until resources are available.

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

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

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

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

In addition, there is a great need for alternative transportation routes north and south throughout the city. There is also a need to provide better transportation within this area of the city.

Much of this land is employment land that provides the opportunity for Lincoln City to diversify its employment base.

The Area also contains land that will be able to provide needed housing for the city's residents.

XIII. RELOCATION REPORT

When the Agency acquires occupied property under the Plan, residential or commercial occupants of such property shall be offered relocation assistance as required under applicable state law. The Agency has adopted rules for relocation assistance. The Agency will comply with all applicable state laws in providing these potential benefits.