

**CITY OF COOS BAY
JOINT CITY COUNCIL / URA WORK SESSION
Agenda Staff Report**

MEETING DATE June 27, 2017	AGENDA ITEM NUMBER
--------------------------------------	---------------------------

TO: Agency Chair Kramer and Board Members

FROM: Rodger Craddock, City Manager

ISSUE: Updating the Downtown URA Plan

SUMMARY:

In late 2015, the Urban Renewal Agency embarked on the process of updating the Downtown URA Plan. During the revision process updated goals, objectives, and projects were proposed, although never adopted. Given that over 70% of the Agency Board memberships has changed since the drafting of the proposed changes to the Plan, it's appropriate to take a step back to evaluate the proposed changes to ensure it meets the needs of the City and the collective wishes of the Agency.

ACTION REQUESTED:

Please review the proposed updated goals, objectives, and projects; and discuss possible changes by the Agency.

BACKGROUND:

The Downtown Urban Renewal District was established and the Urban Renewal Plan was adopted in 1988. The Downtown URA District encompasses 1,298 acres. The following goals were established as part of the original plan:

- Waterfront - Develop to enhance its potential while preserving its role as a working waterfront.
- Downtown Core Pedestrian Mall - Revitalize the downtown core area by repairing and changing to promote utilization of area.
- Infrastructure - Improve where the infrastructure had deteriorated or was non-existent.

Over the years, a number of projects have been undertaken and completed. In addition, the Plan has been amended 20 times to meet the changing needs towards urban renewal. There are portions of the original plan that while they made sense when the plan was originally adopted, they may not be relevant in today's environment. As such, and given the numerous changes (amendments) it was the desire of the Agency in 2015 to begin the process of updating the overall Plan.

As part of the process and with the assistance of our Urban Renewal Agency Consultant Elaine

Howard, the Agency was asked to consider future priorities and to consider the following:

- Were goals still relevant?
- What would make the area more vibrant?
- What uses were needed in the area that did not presently exist or could be enhanced?
- What buildings need to be renovated to make the area look and function better?
- Were the infrastructure projects needed?
- What partners exist to help implement the ideas presented?
- What were the impediments in the area, and how could they be overcome?

Based on the process to date, some draft goals, objectives, and projects have emerged which are listed in the attached documents (attachment #1) from our Urban Renewal Advisor.

Attached you will find the 1988 plan, as amended (attachment #2).

BUDGET IMPLICATIONS:

None at this time.

Coos Bay Urban Renewal Agency

Agenda

June 27, 2017

5:30 PM

5:30 Introductions

5:40 History of Plan Update - 2016

5:50 Finances - What can the Area afford to do and in what time frame?

6:10 Dinner Break – (work through with a 20 minute break)

6:30 Projects

- Projects in the Plan
- North Gateway Improvements
- South Gateway Improvements
- Front Street Action Plan - 2017
- Projects discussed in 2016

7:15 Goals and Objectives

8:00 Schedule of Amendment

8:10 Adjourn

Finances, Current Allocations/Future Amounts for Projects

These numbers are from the financial analysis completed by Tiberius Solutions, LLC in the 2016 contract with Elaine Howard Consulting, LLC.

Funding amounts:

- Public Art Installations \$45,000 to FYE 2020 (approx. \$15,000 per year)
- Capital Improvement Program \$1.5M to FYE 2020 (approx. \$500,000 per year)
- Administration \$757,189 to FYE 2020 (approx. \$250,000 per year)
- Plus debt payments on existing borrowings
- Bond Sale in FY 2019-20 of \$7,750,000, Finance Fees of \$155,000. About \$6.7M for projects

Financial Assumptions:

- Assume very slow growth in assessed value, 0.5% per year, confirmed with Finance Director.
- Incurs new debt in FYE 2020. This also allows for the Visitor Center Bond to be fully repaid before incurring new debt, which increases your borrowing capacity.
- Debt is assumed to be a bank loan of 20-year term, and 5.0% interest, maintaining at least a 1.25x coverage ratio in all years, and a debt service reserve fund equal to one year's debt service payments.
- Under these assumptions, there is a borrowing capacity for \$7.75M in 2020.
- However, given the slow rate of growth in TIF, and the large debt service obligations, and increasing administrative expenses due to inflation, this essentially maxes out your ability to fund any additional projects for the next 20 years.
- Of the \$25M in planned projects in the URA, you would be able to fund approximately \$8M, with the remainder unfunded.
- By 2027, the URA would no longer be able to afford the current level of annual administrative costs (adjusted for inflation).
- In 2040, this bank loan would be paid off, and the URA could in theory pursue another loan, but inflation between now and then would make all project costs astronomical, and any long-term loan would require debt service payments extended out many decades.

Special Levy

Through budget process for FY 2017-18, there was a decision to issue an Urban Renewal Special Levy in the Downtown Urban Renewal District of \$.32 per thousand. This was the amount estimated by the City of Coos Bay to be allowed before compression would occur. These funds were designated for street improvements and must be done in the urban renewal area. This allows for gas taxes to be used outside of the urban renewal area.

2017 Potential Projects and 2016 Amendment list of Projects

The project list adds up to \$25.785M, which is using up the full maximum indebtedness. However, the Area has actual capacity of \$8.245M for projects to FYE 2040. We will need to allocate \$\$ and talk about projects using the actual capacity numbers.

2017 Projects to consider/ensure are covered in the urban renewal plan:

South Gateway

North Gateway

Projects from Front Street Action Plan (You have just finished reviewing the Action Plan, so we will not go into specifics here.)

Near Term Catalytic Projects

- Public Waterfront Access Improvements
- Food Truck Attraction Strategy
- Façade Improvement Program Enhancements
- Track Opportunity Sites
- Funding Toolkit and Partnerships

Development Supportive Projects

- Historical Wayfinding
- Restaurant Recruitment Strategy
- Environmental Assessment and Cleanup
- Create Supportive Environment for Public Events
- Public Parking Management Strategy

Infrastructure Projects

Connectivity and Amenity

- Pedestrian North-South Connection (connect the Boardwalk)
- Improved Bicycle/Pedestrian Crossings across Highway 101
- Circulation and Connectivity Improvements
- Access/Intersection Improvements

Utility Infrastructure Enhancements

- Sewer Collection System Enhancements
- Storm Drain Improvements
- Water Distribution System Enhancements

2016 Project List: (Rodger: If you direct us to, we will bring an alternative list to consider that includes the 2017 projects identified above.)

<u>Project</u>	<u>Description</u>	<u>Cost</u>
Pedway Streetscape	Reinforced concrete and curb cut improvements for food truck access. Art projects located on walls or stand-alone installations.	\$165,000
Central	Take Central back to two lanes and repairing brickwork. Assumption: 36 ft. width, two 10 ft. travel lanes, 8 ft. parallel parking, 8 ft. sidewalk	\$1,330,000
Improve Downtown Aesthetics	Uniform lighting throughout downtown area, seating (benches), trash cans and landscaping.	\$100,000
Public art installations	Locate public art projects throughout the downtown URA	\$150,000
Hwy 101	Fencing, landscaping and sidewalks improvements	\$2,200,000
2 nd Court Alley Improvements	Lighting, dumpster relocation, sidewalks, removal of awnings and street repair	\$600,000
Recreation/Open Space	Improve Lockhart to include pavers for food truck and seating	\$40,000
Building Improvements		
Capital Improvement Program	Grant program for improvements to downtown buildings	\$5,000,000
Library	Land acquisition and site improvements	\$1,000,000
Waterfront/Front St.	Recreational site for kayak and paddleboard launch	\$50,000
	Street improvements including landscaping, lighting and fencing	\$1,500,000
	Acquire additional parking space	\$1,000,000

	Remove pilings and improve docks at Central Dock	\$1,500,000
	Improve current boardwalk and floating docks	\$4,000,000
	New boardwalk extensions	\$6,000,000
	Evaluate potential for recreational docks and float homes	\$50,000
Infrastructure	Develop a plan with the Port for the old eastside airport area which would include recreational uses (sports complex)	\$100,000
	Infrastructure improvements to promote Front Street development	\$1,000,000
	Total	\$25,785,000

Goals and Objectives – Proposed revisions from 2016 work (Rodger: If you direct us to, we will prepare an alternative goals/objectives to consider that includes the 2017 projects identified above.)

Goal 1: Enhance the city's waterfront on both sides of the bay to develop its potential for diverse uses including recreation, tourism, living and commercial mixed use activities while preserving its alternate role as a working waterfront which supports the area's marine related economy.

Potential Goal 1 Objectives: (in no order of priority)

1. Install Highway 101 streetscape
 - a) Provide safe and aesthetically pleasing sidewalks, including lighting, fencing, benches, public art and other street furniture
 - b) Provide effective wayfinding signage
 - c) Include cyclists - bike racks (MORE objectives for cyclists/ bike lanes?)

2. Improve the facilities for waterfront recreation on both sides of the bay
 - a) Work with partners to encourage development of waterfront recreation and commercial uses
 - b) Develop additional docks for boat moorage and future float homes
 - c) Removal of abandoned pilings
 - d) Develop bathrooms on boardwalk
 - e) Develop showers and bathrooms for moorage customers/recreation use
 - f) Develop access for kayaks, paddle boards and other water related craft
 - g) Develop additional space for recreational fishing
 - h) Provide incentives for the development of commercial uses such as restaurants and uses supporting waterfront activities
 - i) Provide incentives for the development of a marina OR work with Port for the development of a marina

3. Revitalization of Front Street
 - a) Provide safe and aesthetically pleasing sidewalks, including lighting, fencing, benches, public art and other street furniture
 - b) Include cyclists - bike racks (MORE objectives for cyclists?)
 - c) Research potential for use of the rail line

Goal 2: Revitalize the businesses and the built environment in the downtown core, including its historic heritage, that reinforces it as the cultural and commercial center of the city and makes it an economically healthy, attractive and unique place for people to live, work, shop, socialize and recreate.

Potential Goal 2 Objectives: (in no order of priority)

1. Pursue building restoration including facades and second floors.
 - a) Target storefront program to specific building clusters within the downtown
 - b) Encourage residential development on second floors and mixed use development in the Area
 - c) Develop site specific pro formas for mixed/use development
 - d) Evaluate potential areas where city could assist developers
 - e) Evaluate, and if feasible, provide elevator loans/grants
 - f) Evaluate, and is feasible, provide sprinkler loans/grants

2. Install streetscape – (locations need to be included)
 - a) Provide safe and aesthetically pleasing sidewalks, including lighting, benches, public art and other street furniture
 - b) Provide effective wayfinding signage
 - c) Install bike racks

3. Encourage the development of new and existing businesses
 - a) Provide storefront loans/grants
 - b) Provide interior loans/grants
 - Priorities for loans/grants are
 - i. Providing incentives within a concentrated area for maximum impact
 - ii. filling vacant storefronts
 - iii. developing additional meeting space

 - c) Work with the Farmers' Market to ensure a safe and functional environment

Goal 3. Construction or re-construction of streets, utilities, and other essential infrastructure in areas of the city within the district where they have deteriorated, are un-safe, are non-existent or where modifications are necessary to support and/or encourage the expansion of new development.

**CITY OF COOS BAY 1988 DOWNTOWN
URBAN RENEWAL PLAN**



Updated July 31, 2015

TABLE OF CONTENTS

CHAPTER ONE: INTRODUCTION..... 1
 Overview of Coos Bay's Environment 3
 History of Coos Bay's Urban Renewal Activities..... 3
 Urban Renewal Plan Goals 4
 Urban Renewal Plan Philosophy..... 5

CHAPTER TWO: URBAN RENEWAL AREA..... 7
 General Description of Boundary..... 7
 Map 1 8
 Boundary Rationale..... 9
 Proposed Land Uses in Area..... 9

CHAPTER THREE: PROPOSED PROJECTS..... 10
 Waterfront 11
 Core Area Revitalization 12
 Streets and Infrastructure..... 14

CHAPTER FOUR: RELATIONSHIP TO LOCAL OBJECTIVES..... 16
 Waterfront Projects 16
 Core Area Projects..... 16
 Streets and Infrastructure..... 18

CHAPTER FIVE: RELOCATION PLAN 19

CHAPTER SIX: ACQUISITION AND DISPOSITION OF PROPERTY 20
 Land Acquisition..... 20
 Property Disposition 21
 Owner Participation 21

CHAPTER SEVEN: FINANCING OF PLAN..... 22
 Indebtedness 22
 Maximum Amount of Indebtedness..... 22

CHAPTER EIGHT: PLAN ADMINISTRATION 23
 Plan Amendments 23
 Financial Reports..... 23
 Severability 23

COOS BAY 1988 URBAN RENEWAL PLAN

LIST OF AMENDMENTS FROM FEBRUARY 2004 TO JUNE 2013

Establishing Ordinance

Sept. 20, 1988 Ordinance No. 130 approving and adopting the Plan

AMENDMENTS

March 1, 1994 Resolution 94-1 for a minor plan amendment for replacement and repair to sidewalks and removal of canopies in Mall Block 2 & 3.

Oct. 4, 1994 Ordinance 210 for a major plan amendment findings to Section 1 of Ord.130 for property purchase procedure.

Feb. 4, 1997 Resolution 97-2 for a minor plan amendment for the expansion, remodeling and renovation of the public library.

June 17, 1997 Resolution 97-5 for a minor plan amendment regarding rehabilitation projects' costs.

April 21, 1998 Resolution URA 98-3 for a minor plan amendment selecting the option for collecting ad valorem property taxes and establishing maximum indebtedness.

May 19, 1998 Ordinance No. 252 to establish an amount of maximum indebtedness /implementation of ballot measure 50.

May 19, 1998 Ordinance No. 253 to choose the option for the collection of ad valorem taxes.

Aug. 20, 1998 Resolution URA 98-6 for a minor plan amendment adding a bike path along Hwy 101.

Oct. 17, 2000 Resolution URA 00-06 for a minor plan amendment for purchase of property for the construction of a pedestrian walkway (Sportsman Building)

Dec. 19, 2000 Ordinance No. 301 adding the purchase of property for and construction of a facility to house a historic railroad museum as a project.

Aug. 21, 2001 Resolution URA 01-03 minor plan amendment / boardwalk aquarium.

May 7, 2002 Resolution URA 02-05 amend Waterfront Project No. 5 to include upgrading of the utility infrastructure of the city dock.

COOS BAY 1988 URBAN RENEWAL PLAN

- March 4, 2003 Resolution URA 03-02 minor plan amendment to add the Tug Irene project.
- May 5, 2003 Resolution 03-03 minor plan amendment to add renovation of the Marshfield Sun Building.

SUBSTANTIAL PLAN AMENDMENT

- Feb. 17, 2004 Ordinance No. 345 substantial amendment to increase the boundaries by 5.69 acres to include WW Treatment Plant I.

All previous amendments were codified into one new document at this time by Tashman Johnson LLC.

AMENDMENTS AFTER 2004

- April 4, 2006 Resolution URA 06-01 making a minor plan amendment to provide for payment of marketing expenses for projects as described in Chapter 3.
- Nov. 7, 2006 Resolution URA 06-04 making a minor plan amendment to the Core Revitalization, Streets and Infrastructure, and Waterfront section of Chapter Three of the Plan to include Façade Improvements.
- June 17, 2008 Resolution 08-03 making a minor plan amendment to the Core Revitalization, Streets and Infrastructure, and Waterfront section of Chapter Three of the Plan to include Business Recruitment and Retention.
- Dec. 1, 2009 Resolution 09-29 amending the plan to remove the sunset date of September 2018 from the plan.
- Oct. 19, 2010 Resolution 10-05 amending the plan to include projects to the plan; removal of the Lockhart building, demo of the old fire station, and provide matching funds for a grant to seismic retro-fit of city hall.
- July 21, 2015 Resolution 15-04 amending the Plan to delete the section on the Plan in Section Eight pertaining to Plan Duration and Validity.

All amendments after 2004 were codified into one new document on July 31 2015 by Elaine Howard Consulting, LLC.

COOS BAY 1988 URBAN RENEWAL PLAN

CHAPTER ONE: INTRODUCTION

Overview of Coos Bay's Environment

The City of Coos Bay lies approximately 200 miles south of the Columbia River and 450 miles north of San Francisco. Coos Bay sits at the base of the vast Oregon Dunes National Recreation Area and lies adjacent to Shoreacres State Park, Cape Arago and the Pacific shoreline where outdoor activities predominate. Principal industries in the area are lumber, fishing, agriculture, shipping, recreation and a growing tourism industry.

The City of Coos Bay was incorporated in 1874; changed its name from Marshfield in 1944; merged with Empire in 1962; and consolidated with Eastside in 1983. The City is administered by a city manager with policy direction from a six member city council elected to four year terms and a mayor elected to a two year term. City council members will also serve as members of the City's Urban Renewal Agency.

History of Coos Bay's Urban Renewal Activities

The City of Coos Bay created an Urban Renewal District in 1968. The district included the central downtown business core area. It extended from the bay on the east to Fourth Street on the west and from Commercial Avenue on the north to Curtis Avenue on the south. Local financial participation in the district's activities was made possible by tax increment financing. This local participation was supplemented by federal grants. The district's projects consisted of the following:

1. Elimination of traffic on Central Avenue from Highway 101 to Fourth Street and the creation of a pedestrian mall.
2. Undergrounding of many utilities within the district.
3. Property acquisition to create parking lots and remove blighted structures.
4. Canopied walkways to connect parking lots and other district areas with the pedestrian mall.

These projects were completed in the early 1970's. The district ceased tax increment revenue financing in fiscal year ending 1984 and will terminate its affairs in fiscal year ending 1989.

COOS BAY 1988 URBAN RENEWAL PLAN

The pedestrian mall and its related projects were planned as Phase One of a four-phase project to revitalize the downtown core area and relate it to the adjacent waterfront through promotion of water-related, water-dependent and other scenic tourist activities.

Coos Bay's downtown core revitalization never proceeded beyond the Phase One pedestrian mall. Although the pedestrian mall has been maintained over the years, it now requires significant renovation and repair to halt further decay and preserve its utility.

The mall has also remained a controversial development since the day it was constructed. It did not halt the flight of many retail businesses to outlying shopping centers and the movement of professionals and other office activities to office structures away from the core area.

The buildings in the old Urban Renewal District today contain a mixture of retail, professional, financial, service, civic and governmental activities. The area is not a high traffic, consumer retail area. The area has a current vacancy rate which fluctuates between 5-6% as recently reported by the University of Oregon Community Planning Workshop. Visually, the downtown core gives the impression of having a higher vacancy rate, although the amount of vacant space during the last decade has fluctuated slowly, which suggests a balancing of incoming and outgoing business.

Urban Renewal Plan Goals

This 1988 City of Coos Bay Urban Renewal Plan ("Plan") has three principal goals. They are:

1. Develop the city's waterfront to enhance its potential for recreation, tourism and other commercial activities while preserving its alternate role as a working waterfront which supports the area's forest products and marine related economy.
2. Revitalize the downtown core area by repair and change to, but not total elimination of, the pedestrian mall and by other activities which promote the effective utilization of this area for a wide variety of purposes while recognizing its changing role away from high traffic, consumer retail activities.
3. Improvement of streets, utilities and other essential infrastructures in areas of the city within the district where they have deteriorated, are non-existent or where modifications are necessary to support and/or encourage the expansion of new commercial and industrial activity.

COOS BAY 1988 URBAN RENEWAL PLAN

These goals are in accordance with, and further the attainment of, the goals and objectives outlined by the city in its Comprehensive Plan. This Urban Renewal Plan recognizes the Comprehensive Plan's economic goal of the promotion and encouragement of greater commercial and industrial development within the city limits while supporting efforts to diversify and expand the regional economic base in which the city operates. Strategies identified by the Comprehensive Plan to attain this goal include, but are not limited to, the following statements:

1. Coos Bay shall designate areas suitable for recreational vehicle parks recognizing that RV parks located in close proximity to commercial areas generate a propensity for local merchants to consume tourist dollars.
2. Coos Bay shall cooperate with efforts to site a convention center in the city recognizing the economic spinoffs which would result from the development of such a facility.
3. Coos Bay shall designate appropriate amounts of land suited for commercial/industrial development recognizing commercial/industrial development benefits the area's underutilized labor force and supplements its tax base.
4. Coos Bay shall continue to be receptive to proposals to site a commercial and/or industrial park complex for light industry somewhere within the corporate city limits.
5. Coos Bay shall investigate all reasonable means to consolidate and enhance commercial, civic and residential uses in the central area of the city through the redevelopment and rehabilitation of substandard buildings, modification of traffic patterns and provision of pedestrian areas and other amenities which will create an environment conducive to working, shopping, recreation and living within the city's central area.

The Comprehensive Plan's Estuarine Resources Issue Number 4 also directs the city's efforts to improving the condition of the waterfront adjacent to the mall. This issue recognized the waterfront's potential for more moorage, recreation and tourism development.

Urban Renewal Plan Philosophy

This Urban Renewal Plan recognizes the three broad goals outlined earlier are of equal importance. However, it is not logical or financially possible to pursue all three goals simultaneously. For purposes of financial analysis, this Plan proposes projects in the

COOS BAY 1988 URBAN RENEWAL PLAN

general order in which the three goals are listed. This has been done only for analysis purposes and the Plan specifically recognizes the actual project priority may vary from the three goal classification groupings depending upon such unknown future events as tax increment revenues, other financing opportunities, the commitment of private capital and actions taken by other governmental bodies which impact the community's environment.

As discussed in the accompanying Urban Renewal Report, future tax increment revenues cannot be forecasted with precision. This Urban Renewal Plan proposes to make maximum utilization of tax increment revenues as these revenues become available to support debt service for bond financing. Bonds are structured as serial maturities and will not be issued in anticipation of future tax increment revenue growth projections. Bonds will only be issued when tax increment revenues have reached a current level sufficient to support the debt structure for its entire life.

The final tenet of this Plan's philosophy relates to coordination with private investment. Projects proposed in this Plan are designed to encourage private investment and respond to the private business needs of the community. The Plan envisions the Urban Renewal Agency's role as one of partnership with private enterprise to encourage development and engage in activities which private enterprise is not capable of doing for the benefit of the Urban Renewal District as a whole.

In summary, the Plan's basic philosophy incorporates the following tenets:

1. Flexibility to meet unknown future needs.
2. Conservative financial management.
3. Cooperation with private enterprise.

COOS BAY 1988 URBAN RENEWAL PLAN

CHAPTER TWO: URBAN RENEWAL AREA

General Description of Boundary

The city limits of Coos Bay, Oregon encompass a total of approximately 10,883 acres. This Urban Renewal District as Amended (2004) includes approximately 1,298.32 acres, or less than 12% of the city's total land area. Please refer to Map #1 on the following page for an outline of the Urban Renewal District. A legal description of this district is included in this Plan as Appendix A.

The Urban Renewal District begins at the north city limits and runs between the navigation channel and Highway 101 south and southeast toward the city's core area. The district's boundaries proceed south until they come nearly in line with the industrial property located in Eastside. The eastern boundary then turns east to include the industrial-commercial lands in the Eastside area. The westerly boundary proceeds west to include the downtown core area which was a part of the first Urban Renewal Plan and also includes several blocks of transportation corridor immediately west of the core area. The eastern and western urban renewal area boundaries begin to come together in the southern portion of the city and extend to the south city limits along Coalbank Slough.

The Urban Renewal District Boundary includes lots 1-3 and 10-12 of Block 12, lots 9-16 of Block 13, and Block 11 of the E B Dean, 2nd Addition to Marshfield; and Blocks of the Railroad addition to Marshfield. These areas comprise a total of 12.63 AC which computes to 0.99% of the original Urban Renewal District land area.^{1,2}

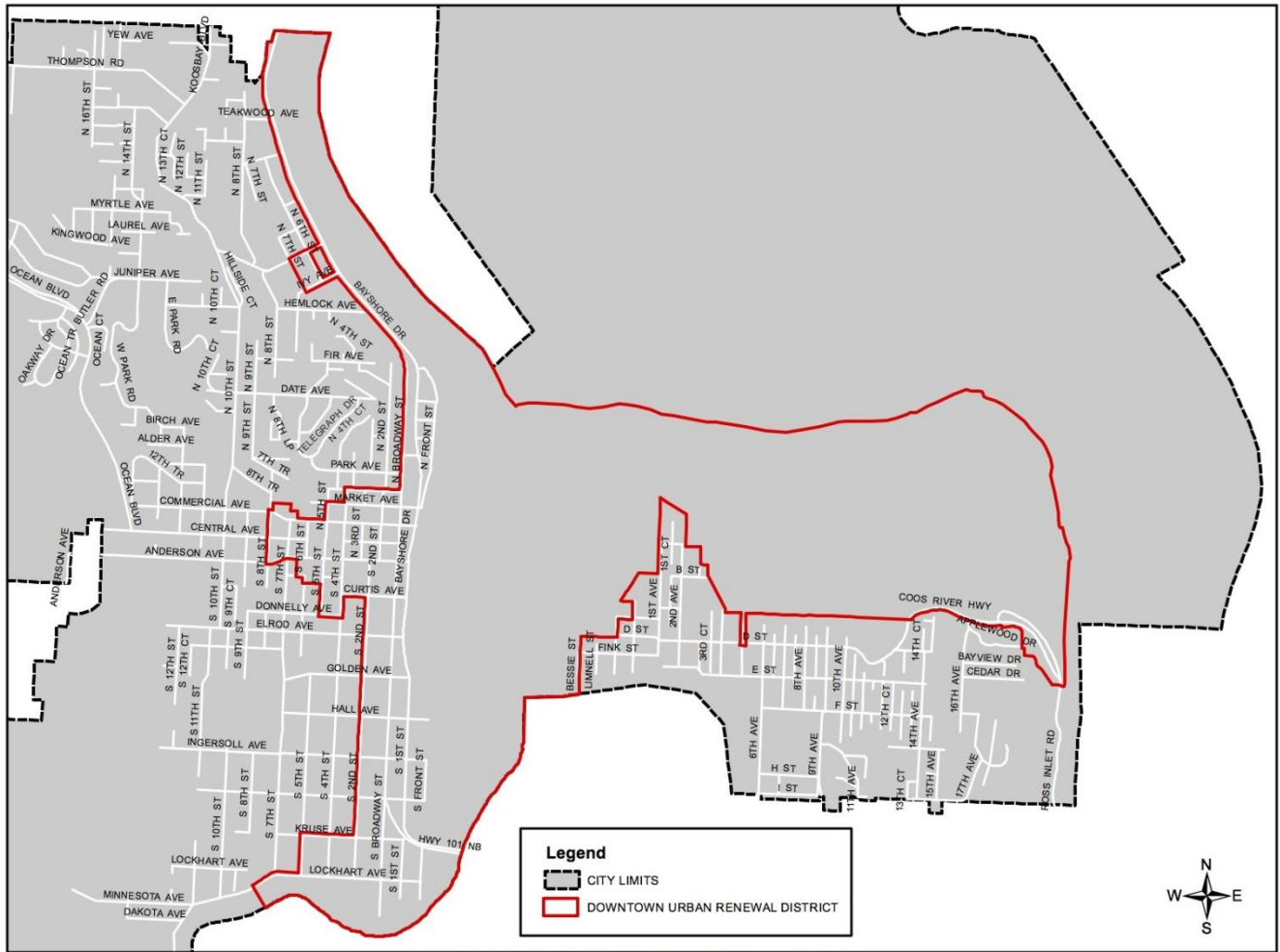
The Urban Renewal District Boundary also includes Block 34 of Nasburg's Addition and adjacent street rights of way and Block A Lots 5 – 10 and Block B, Lots 10 and 18 of the Western Addition, the westernmost 70 feet of Block 27, Lots 6 and 7 in the E.B. Dean and Co. Addition and adjacent vacated 7th Street and Prospect Avenue. These areas comprise a total of 5.69 acres.

¹ Updated due to City of Coos Bay, Ordinance 210, October 4, 1994

² Updated due to City of Coos Bay Ordinance 345, February 17, 2004

COOS BAY 1988 URBAN RENEWAL PLAN

Map 1



COOS BAY 1988 URBAN RENEWAL PLAN

Boundary Rationale

Although the Urban Renewal District has an irregular boundary, this boundary was selected for specific reasons. The boundary includes those properties which are the subject of the district's three broad goals discussed earlier.

First, the district includes those lands adjacent to the city's waterfront in its business district. Second, the district includes the Eastside industrial and commercial properties, those lands with the most potential for industrial expansion and significant additions to the city's tax base, employment and income. Third, the downtown core area is included to allow adjustment of the existing pedestrian mall and to accommodate a potential convention and/or performing arts center and to allow other activities which will enhance the potential of the downtown area as a professional, commercial and residential area while integrating its use with waterfront activities. Finally, the district includes land in the south end of the city between the water and Highway 101 because this area is experiencing significant commercial expansion, has the potential for additional commercial and industrial expansion, requires future infrastructure additions and must be integrated with the development in the remainder of the downtown area.

Proposed Land Uses in Area

All urban renewal projects proposed for the district are compatible with existing zoning and land use regulations. Project activities of this nature were contemplated and specifically provided for in the city's 1981 Comprehensive Plan and the zoning and land use ordinances which resulted from that plan.

Land uses and development standards within the District are governed by, and future Substantial Amendments to the Plan must conform to, the City of Coos Bay's Comprehensive Plan, Development Code and other implementing ordinances.

COOS BAY 1988 URBAN RENEWAL PLAN

CHAPTER THREE: PROPOSED PROJECTS

As discussed earlier, this Plan classifies potential urban renewal projects in three general, broad categories:

1. Waterfront Development.
2. Core Area Revitalization.
3. Streets and Infrastructure.

Also, as emphasized earlier, the Plan views all three project categories as being of equal importance. However, since all projects cannot be pursued simultaneously, this Plan must, of necessity, structure the urban renewal activities within a framework for analysis purposes. The project descriptions, project rankings, project magnitudes and project priorities which follow in the remainder of this Plan document and in its accompanying Report illustrate one single, workable scenario for Urban Renewal District activities under the assumptions contained in the Plan. Because there are many unknowns concerning future development, future economic conditions, future tax increment revenues and the impact of other government activities, it will be necessary to adjust project priority, scope and magnitude to recognize future events.

The project descriptions which follow are intended to provide a conceptual overview of the types and typical costs of projects likely to be included in each of the three development classifications. They are not to be used as definitive but are, rather, illustrative of the general magnitude, scope and nature of the activities contemplated by this Plan.

The following project descriptions are grouped in the three broad categories described earlier.

The costs of carrying out projects described in this Chapter Three may be financed with tax increment revenues. Those costs may include costs of marketing property in the District to facilitate development of that property in accordance with the Plan.³

The Waterfront, Core Revitalization, Streets and Infrastructure sections are amended to add the following proposed projects:

1. Façade Improvements: Provide financial assistance to owners and tenants to encourage enhancing the appearance and commercial viability of the District. Façade Improvements include awnings, painting, and other changes to exterior building features that are

³ Urban Renewal Agency Resolution 06-01, April 4, 2006

COOS BAY 1988 URBAN RENEWAL PLAN

described in the Agency's guidelines.⁴

2. Business Recruitment and Retention: Provide financial assistance to owners and tenants to encourage commercial viability of the District. Business Recruitment and Retention includes assistance with marketing, advertising, signage, training, and other efforts that support the revitalization, development, and sustainability of businesses in the urban renewal district.⁵

Waterfront

1. A boardwalk along the waterfront in the downtown core area extending from approximately Market Street to approximately Curtis Street.
2. Pedestrian access across Southern Pacific Railroad tracks at two points in the downtown core area. Access anticipated to include automatic crosswalks with control gates.
3. Observation deck with connecting walkway to shore and interpretive displays located somewhere along the waterfront between city limits at the north and the downtown core. Development and installation of interpretive displays and artwork in the Boardwalk area associated with the Aquarium.⁶
4. Acquisition of, and necessary alterations to, sufficient property for conversion to intertidal wetlands mitigating all dredge, fill and marine construction activities contemplated in the Urban Renewal District.
5. Unallocated funds for related waterfront development and/or as contingency for projects numbered 1-4 above. Upgrade of the utility infrastructure of the city docks.⁷ Development and installation of the Tug Irene and interpretive displays for the Tug and related items at the site located at the intersection of North Front Street and Highway 101 and related streetscape improvements to provide for a positive visitor

⁴ Urban Renewal Agency Resolution 06-04, November 7, 2006

⁵ Urban Renewal Agency Resolution 08-03, June 17, 2008

⁶ Urban Renewal Agency Resolution 01-03, August 21, 2001

⁷ Urban Renewal Agency Resolution 02-05, May 7, 2002

COOS BAY 1988 URBAN RENEWAL PLAN

experience.⁸ Renovation of the Marshfield Sun Building consistent with the historic design and original materials used in the construction of the facility.⁹

6. Modification of roadways in the Eastside district to provide access to and through the industrial/commercial lands in the Urban Renewal District. This project will only be undertaken if a potential tenant or tenants will commit to development on this property sufficient to justify the expenditure of district tax increment revenue dollars. The cost estimate for this project is based upon preliminary studies by the Oregon International Port of Coos Bay.
7. Development of parking structure.
8. Development of rest area for Boardwalk visitors.
9. Reconstruction of Front Street from Market to Hemlock.
10. Acquisition of property and construction of a boat ramp in the Cedar area along Front Street.
11. Acquisition of land area in the Waterfront Area sufficient in size for the construction of a historic railway museum, and the construction of a facility to house such a museum and related amenities.¹⁰

Core Area Revitalization

1. Acquisition of a land area somewhere in the downtown area approximately equivalent to one city block in size as a site for a convention/performing arts center.
2. Phase One building construction of a convention/performing arts center on the site identified as project seven above.
3. Second phase of building construction for a convention/performing arts center. The division of costs between the two phases of building construction is an arbitrary division for Plan purposes. The completed facility cost estimate was derived using square foot cost data for a

⁸ Urban Renewal Agency Resolution 03-02, March 4, 2003

⁹ Urban Renewal Agency Resolution 03-03, May 5, 2003

¹⁰ City of Coos Bay Ordinance No. 301, December 19, 2000

COOS BAY 1988 URBAN RENEWAL PLAN

facility with a capacity of 1,000 persons in auditorium theater seating plus 1,000 persons in banquet dining.

4. Open Central Avenue through mall block number 1 to one way traffic.
5. Open Central Avenue through mall blocks number 2,3 and 4 to traffic or for a pedestrian plaza.
6. Modify existing mall canopy by selective removal of the deteriorated and/or incompatible portions and repair of remaining portions.
7. Establishment of revolving loan fund number 1 to assist core area property owners with building facade beautification projects.
8. Establishment of revolving loan fund number 2 to assist core area property owners with major building renovation projects and assist other developers with substantial new construction activities.
9. Construct a linear park from Curtis to Coalbank Slough along the waterfront, containing trees and other plantings, walking/jogging paths and lighting.
10. Unallocated funds to supplement core area development and/or as an inflation contingency.
11. Acquisition of land and building construction for a Tourist Information Center.
12. Acquisition of land and building construction for a City Library expansion.
13. Acquisition of land and building construction for a new City Fire Station.
14. Acquisition of land and building construction for a parking structure.
15. Replacement and repair of sidewalks.
16. Removal of canopies on Mall Blocks 2 and 3. ¹¹

¹¹ Urban Renewal Agency Resolution No. 94-1, March 1, 1994.

COOS BAY 1988 URBAN RENEWAL PLAN

17. To encourage greater commercial development and support improvement efforts, projects to remove blighted property, demolition, and removal of a dangerous building known as the Lockhart Building located at 335 Central Avenue, Coos Bay.
18. To encourage greater commercial development and support improvement efforts, projects to remove blighted property, demolition and removal of a substandard building known as the Downtown Fire Station located at 150 South 4th Street, Coos Bay.
19. To conserve the City Hall Building as a critical attractor within the Urban Renewal Area; and thereby, serve and benefit the Urban Renewal Area by providing matching funds for a grant for the seismic retro-fit of City Hall building located at 500 Central Avenue, Coos Bay.¹²
20. Resurfacing of facility roof, carpeting over asbestos floor tiled floors, exterior and interior painting, replacement of light fixtures, earthquake stabilization of library stacks, replacement of inadequate wiring, construction of steps on Bennett Street parking lot, and reimbursement of City of Coos Bay for staff time.¹³
21. Provide for the use of surplus funds from the previously budgeted specified rehabilitation for additional rehabilitation projects, including, but not limited to the purchase of drapes for the library auditorium¹⁴
22. Acquisition of land and construction of a pedestrian walkway and other public facilities between Broadway and 2nd Court between Curtis Avenue and Anderson Avenue.¹⁵

Streets and Infrastructure

1. Develop and/or improve public facilities and services, including but not limited to transportation, water, sanitary sewer, stormwater management, where appropriate in the downtown area and in the south end of town from the vicinity of Ingersoll or Hall on the north to Coalbank Slough. This project also includes funds for the selective

¹² Urban Renewal Agency Resolution No. 10-5, October 19, 2010. Added projects 17, 18 and 19.

¹³ Urban Renewal Agency Resolution No. 97-2, February 4, 1997

¹⁴ Urban Renewal Agency Resolution No. 97-5, June 17, 1997

¹⁵ Urban Renewal Agency Resolution No. 00-06, October 17, 2000

COOS BAY 1988 URBAN RENEWAL PLAN

undergrounding of utility services in the downtown and south Coos Bay expansion areas.

2. Underground utilities on Highway 101 from Market to Curtis.
3. Open First Street to connect with Highway 101, including signalization.
4. Develop and or maintain existing streets as recommended by Bay Area transportation study and overlay plan.
5. Rebuild Front Street from Market Avenue to Hemlock Avenue.
6. Development and construction of a bicycle path along that portion of US Highway 101 which is located in the northerly area of the Downtown Urban Renewal District near the intersection of Bayshore Drive and Broadway.¹⁶
7. Assist in expansion of sanitary sewer treatment facilities related to serving the Urban Renewal District

¹⁶ Urban Renewal Agency Resolution No. 98-6, August, 20, 1998

COOS BAY 1988 URBAN RENEWAL PLAN

CHAPTER FOUR: RELATIONSHIP TO LOCAL OBJECTIVES

The projects outlined in Chapter 3 were specifically formulated to provide the most effective response to the city's goals and objectives as outlined in the Introduction while remaining within the financial and time constraints imposed by the Plan's anticipated tax increment revenue funding. The relationship of specific projects to specific local goals and objectives will be discussed in the context of the three project group categories described earlier.

Waterfront Projects

Waterfront projects may be grouped in two categories. The first category consists in the development of tourist amenities and attractions, including, but not limited to the Boardwalk, pedestrian access across the railroad tracks, Railroad Museum, an observation deck and related mitigation activities. These projects directly address the Coos Bay Comprehensive Plan Estuarine Resources Issue Number 4. Enhancing the waterfront's potential for recreation and tourism, while still allowing its other major role as a "working" industrial waterfront to continue, also directly helps the downtown core area, particularly the mall area. Many visitors pass through downtown on Highway 101 along the waterfront with only a fleeting glimpse of its attractions. The proposed waterfront projects would enable tourists to stop and, while stopped, visit the commercial establishments in the downtown area.¹⁷

The second category consists of modification of roadways for access and circulation in the Eastside. This is the city's largest parcel of prime industrial/commercial/residential land suitable for water-related or water-dependent activities. Its further development with an appropriate access road directly implements Comprehensive Plan Economic Development Strategy Numbers 11 and 12 to designate appropriate amounts of land suited for commercial/industrial development and to site a commercial and/or industrial park complex somewhere within the city. A project of this magnitude is not feasible without prior commitment of a tenant or tenants for the property.

Core Area Projects

Core area projects may be divided into three general categories: convention/performing arts center, mall modifications and improvements to other downtown areas within the district.

Coos Bay's Comprehensive Plan's Economic Development Strategy 9 commits the city to cooperate with efforts to site a convention center in the city. For purposes of analysis, this

¹⁷ City of Coos Bay Ordinance No. 301, December 19, 2000

COOS BAY 1988 URBAN RENEWAL PLAN

Plan assumes such a center would be constructed in the downtown area. A downtown location would enable the center to benefit from the recreation and tourist enhancement activities proposed for the waterfront while also serving as a powerful impetus for increased downtown commercial activity, particularly activity in and near the pedestrian mall.

For financial analysis purposes, the Plan assumes the entire convention/performing arts center would be funded with tax increment revenue bond financing and would be a public facility. This would be the highest-cost alternative open to the city and its inclusion in the Plan is akin to a "worst case" scenario. When the city has reached the point where its urban renewal activities are ready to address such a center, private investor capital may be located which will bear a large part of the center's cost. The city may, for example, be able to attract private capital for center construction simply by assembling the needed land.

The second core area project category consists of projects to improve the existing mall structure and nearby properties. As noted in the introductory chapter, the character of the downtown core area is changing. High traffic, consumer retail activity has been lost by the downtown area to outlying shopping centers and it is unlikely this activity will ever be regained, nor should efforts be made to do so.

Economic Development Strategy 6 directs the city's efforts to ensuring the central business district (mall area) will remain the dominant commercial district within the city. Economic Development Strategy 13 directs the city to use all reasonable means to consolidate and enhance commercial, civic and residential uses in the central area of the city. These two strategies are not contradictory. They allow the development of the downtown for a variety of commercial, civic and residential uses while recognizing that a "commercial district" is not necessarily synonymous with activities found in a large shopping center.

The proposed projects which will open the mall blocks to vehicular and/or pedestrian traffic, repair and revise the existing mall canopy and provide revolving loan funds for business beautification projects, business rehabilitation projects and new business construction will enable the downtown area to continue its development as a commercial governmental, civic, cultural and recreational area of the city.

Other area projects include expansion of the city Library and a new fire station.

COOS BAY 1988 URBAN RENEWAL PLAN

Streets and Infrastructure

Upgrading streets and utility infrastructure throughout the city's business areas, particularly the growing south section of the city, is a direct response to several economic development strategies. The street and utility projects are designed to serve those areas of the city currently experiencing the largest rates of expansion and those areas which have the greatest potential for future tax increment revenues as a result of these projects.

Public uses may include expansion of municipal services, specifically expansion of the existing City Library, development of a new fire station, development of a parking structure, enhancement of sanitary sewage treatment facilities and development of a tourist information center.

COOS BAY 1988 URBAN RENEWAL PLAN

CHAPTER FIVE: RELOCATION PLAN

This Urban Renewal Plan anticipates the acquisition of property under circumstances which may create displaced persons or businesses, as "displaced" is interpreted in Oregon Revised Statutes. If the Urban Renewal Agency does acquire developed and/or occupied property, it shall assist displaced persons or businesses in finding replacement facilities. All displaced persons or businesses shall be contacted to determine relocation needs and shall be provided information on available space and be given assistance in moving. All relocation activities will be undertaken and payments made in accordance with the requirements of Oregon Revised Statutes 281.045 to 281.105, and any other applicable laws or regulations.

COOS BAY 1988 URBAN RENEWAL PLAN

CHAPTER SIX: ACQUISITION AND DISPOSITION OF PROPERTY

The Urban Renewal Agency of the City of Coos Bay (“Urban Renewal Agency”) may acquire property within the urban renewal area to achieve the objectives of the Plan and implement the proposed urban renewal projects. At the time of Plan adoption, no specific property has been identified for acquisition but property acquisition, including a limited interest in property, may be required at a later date to implement Plan projects.

Land Acquisition

The Urban Renewal Agency may acquire land without amendment to the Plan for the following purposes:

1. Rights-of-way acquisition for streets and other transportation systems, utilities, bikeways and walkways, boardwalks and other public access.
2. Other public use, including, but not limited to, parks, expansion or extension of utilities, provision of parking, library expansion, fire station construction, and tourist information facilities.
3. When such conditions exist as may affect the health, safety and welfare of the urban renewal area, such as, but not limited to, the following:
 - a. When existing conditions do not permit practical or feasible rehabilitation of a structure and it is determined acquisition of such property and demolition of such structure is necessary for the health, safety and welfare of the urban renewal area.
 - b. When detrimental land uses or conditions such as incompatible uses, unsuitable lot size, or unsuitable ownership patterns exist and it is determined acquisition of such properties and demolition of the improvements are necessary to remove blighting influences and to achieve the objectives of this Plan.
4. For the creation of a convention/performing arts center within the Urban Renewal District.

Land acquisition for any purposes other than those listed above requires a Council Approved plan amendment.

COOS BAY 1988 URBAN RENEWAL PLAN

Property Disposition

The Urban Renewal Agency may sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust or otherwise dispose of any interest in real property which has been acquired in accordance with the provisions of this Urban Renewal Plan.

All real property acquired by the Urban Renewal Agency in the urban renewal area would be disposed of for development or uses permitted in the Plan at its fair, re-use value for the specific uses to be permitted. Real property acquired by the Urban Renewal Agency may be disposed of to any other public entity without cost, in accordance with the Plan. All persons and entities obtaining property from the Urban Renewal Agency must use the property for the purposes designated in this Plan and must begin and complete development of the property within a period of time fixed by the Urban Renewal Agency and must comply with other conditions the Urban Renewal Agency establishes to carry out the purposes of this Plan.

To ensure the provisions of this Plan are carried out and to prevent the recurrence of blight, all real property disposed of by the Urban Renewal Agency, as well as all real property owned or leased by participants assisted financially by the Urban Renewal Agency, are made subject to this Plan. Leases, deeds, contracts, agreements and declarations of restrictions by the Urban Renewal Agency may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitude or any other provisions necessary to carry out this Plan.

Owner Participation

Property owners within the Urban Renewal District proposing to improve their properties and receiving financial assistance from the Urban Renewal Agency must do so in accordance with all applicable provisions of this Plan and with all applicable codes, ordinances, policies, plans and procedures of the city and the Urban Renewal Agency.

COOS BAY 1988 URBAN RENEWAL PLAN

CHAPTER SEVEN: FINANCING OF PLAN

Indebtedness

Pursuant to ORS 457.085(2)(h) this Plan provides for a division of ad valorem taxes under ORS 457.

48

Maximum Amount of Indebtedness

The maximum amount of indebtedness that may be issued or incurred under this 1988 City of Coos Bay Urban Renewal Plan is \$45,055,764.00.^{19 20 21}

¹⁸ Deleted last date to issue bonded indebtedness Urban Renewal Agency Resolution 09-29, December 1, 2009

¹⁹ Urban Renewal Agency Resolution No. 98-3, selecting option for collecting ad valorem property taxes and establishing maximum indebtedness, April 21, 1998

²⁰ City of Coos Bay Ordinance No. 252, May 19, 1998

²¹ City of Coos Bay Ordinance No. 253, May 19, 1998

COOS BAY 1988 URBAN RENEWAL PLAN

CHAPTER EIGHT: PLAN ADMINISTRATION

Plan Amendments

The Urban Renewal Plan may evolve and change during the course of its implementation and in response to further review and planning and unknown economic, social and other environmental conditions impacting the City. Changes to the Plan shall consist of Substantial Amendments, Council Approved Amendments and Minor Amendments.

Substantial Amendments consist solely of those amendments that (1) add land to the urban renewal area, except for an addition of land that totals not more than one percent of the existing area of the urban renewal area; or (2) increases the Maximum Amount of indebtedness that can be issued or incurred under the Plan.

Substantial Amendments require approval and adoption in the same manner as the original Plan and in accordance with the requirements of ORS 457 and Coos Bay City Ordinances.

Council Approved Amendments consist of those that authorize acquisition of real property for purposes not specifically indicated in the Plan, extend the Plan duration or which are found by the Agency to change the principal goals of the Plan as outlined in Chapter One. Council Approved Amendments require approval by Resolution of the City Council.

Minor Amendments are all amendments that are not Substantial Amendments or Minor Amendments. Minor Amendments require approval by resolution of the Urban Renewal Agency.

Financial Reports

The Coos Bay Urban Renewal Agency shall, by August 1 of each year, prepare a statement containing the information required by ORS 457.460.

Severability

Should a court of competent jurisdiction find any word, clause, sentence, section or part of the plan to be invalid, the remaining words, clauses, sentences, sections or parts will be unaffected by such finding and will remain in effect for the duration of the plan.