

Report on the North Bay Urban Renewal Plan Amendment - 2017

Plan Amendment Adopted by Coos County
March 27, 2018 Ordinance No. 17-08-006L

Plan Amendment Adopted by the City of Coos Bay
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Plan Amendment Adopted by the City of North Bend
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Consultant Team

Elaine Howard Consulting, LLC

Elaine Howard
Scott Vanden Bos

BergerABAM

Scott Keillor, Scott McMahon, Ethan Spoo

BST Associates

Paul Sorensen

Tiberius Solutions LLC

Nick Popenuk

ECONorthwest
Kate Macfarlane

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I. INTRODUCTION

In 2017 the Coos County Urban Renewal Agency (Agency) hired a consulting team of Elaine Howard Consulting, LLC, BergerABAM, BST Associates, Tiberius Solutions, LLC and ECONorthwest to review and update the North Bay Urban Renewal Plan. The North Bay Urban Renewal Plan was set to expire in 2018 and needed to be updated to extend the life of the urban renewal area so that the Agency can collect tax revenues and fund projects beyond 2018 in accord with Oregon Revised Statutes Chapter 457.

The North Bay Urban Renewal Plan was updated in 2006 but due to the national recession and its after effects, most of the developments projected in the 2006 plan never occurred. As part of the 2017 amendment to extend the duration, the project list was reviewed and revised.

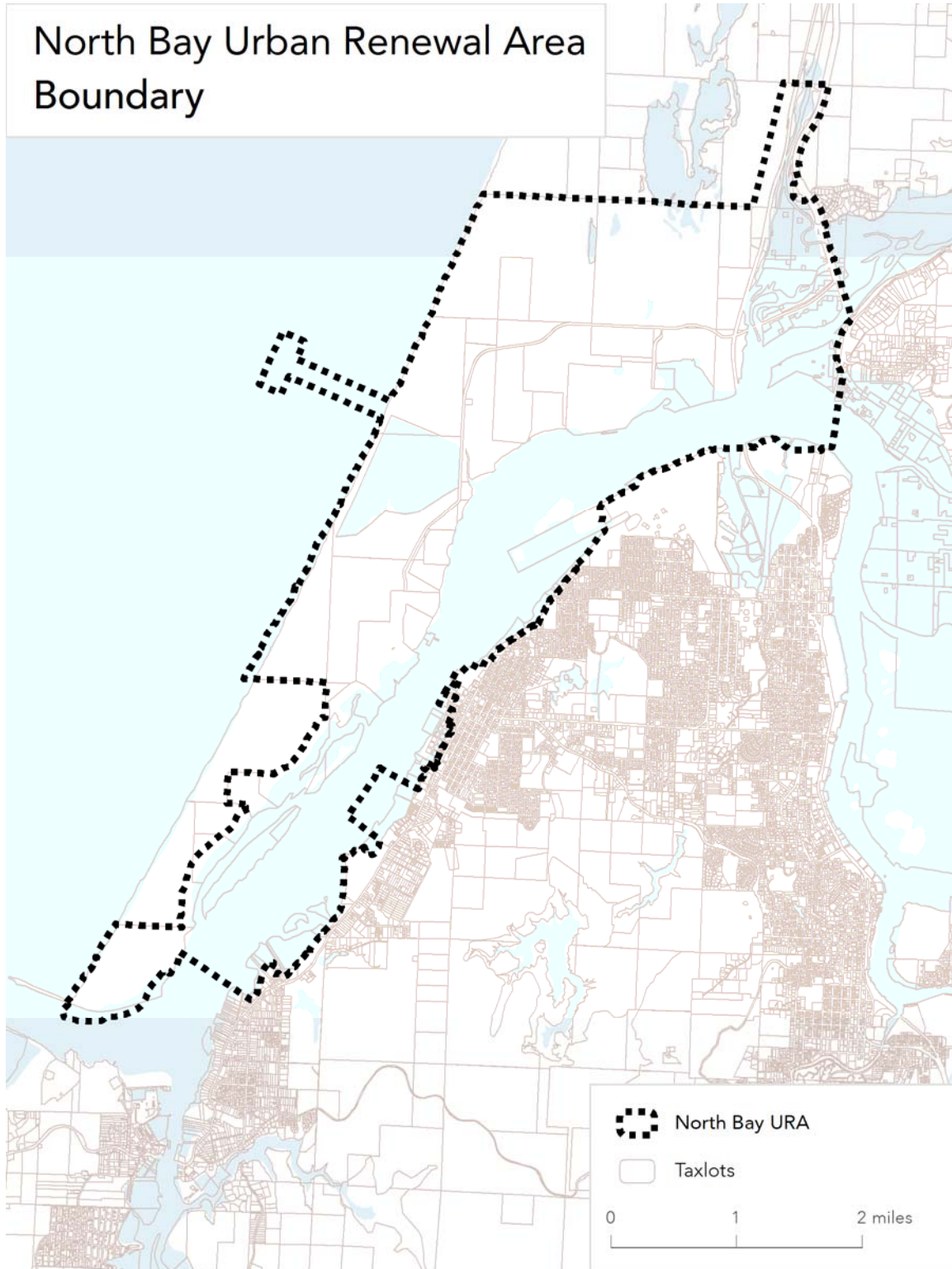
BergerABAM and BST Associates produced the information on the project lists. They produced two reports: *North Bay Urban Renewal Plan Update – Existing and In Process Projects* and *2017 Urban Renewal Projects Report*. Much of the information in this Report on the North Bay Urban Renewal Plan Amendment comes directly from these two documents.

The Report on the North Bay Urban Renewal Plan (Report) contains background information and project details that pertain to the North Bay Urban Renewal Plan (Plan). The Report is not a legal part of the Plan, but is intended to provide public information and support the findings made by the County Commission 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 format of the Report is based on this statute. The Report documents the existing conditions in the North Bay Urban Renewal Area (Area) as they relate to the proposed projects in the Plan.

The Report provides guidance on how the urban renewal plan might be implemented. As the Agency reviews revenues and potential projects each year, it has the authority to adjust the implementation assumptions in this Report. 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 changes as allowed in the amendments section of the Plan.

Figure 1 – North Bay Urban Renewal Plan Area Boundary



Source: ECONorthwest

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

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

A. Physical Conditions

1. Land Use

The Area measures 8,945¹ total acres in size, encompassing 5,740 acres included in 193 individual parcels, and an additional 3,205 acres in public rights-of-way and water. An analysis of FYE 2017 property classification data from the Coos County Department of Assessment and Taxation database was used to determine the land use designation of parcels in the Area. By acreage, Miscellaneous/Exempt accounts for the largest land use within the area (83.73%). Miscellaneous accounts are exempt from taxation and are accounts such as cities, counties, the port, or other public non-taxable entities. This is followed by Industrial Land (7.60%), and Industrial Land with Improvements (7.27%). The total land uses in the Area, by acreage and number of parcels, are shown in Table 1.

Table 1 – Existing Land Use in Area

Land Use	Tax Lots	Acreage	Percent of Acreage
Miscellaneous/Exempt*	141	4,806.1	83.73%
Industrial Land	16	436.4	7.60%
Industrial Land with Improvements	8	417.4	7.27%
High and Best Use Forest Land	1	43.8	0.76%
Residential - Unimproved	5	17.2	0.30%
Residential - Improved	11	13.2	0.23%
Commercial Land With Improvements	3	3.8	0.07%
Commercial - Unimproved	6	1.1	0.02%
Multi For Reporting Only	2	1.0	0.02%
Total	193	5,740.0	100.00%
*Cities, Coos County, Federal, Literary, Benov, Charitable, Etc., Misc Dists-Port, Hosp., Fire, Water, Oyster Beds, State of Oregon, Tidelands.			

Source: Compiled by Tiberius Solutions LLC with data from the Coos County Department of Assessment and Taxation (FYE 2017)

¹ From AKS engineering GIS file made from legal description, number from April 20th email

2. Zoning and Comprehensive Plan Designations

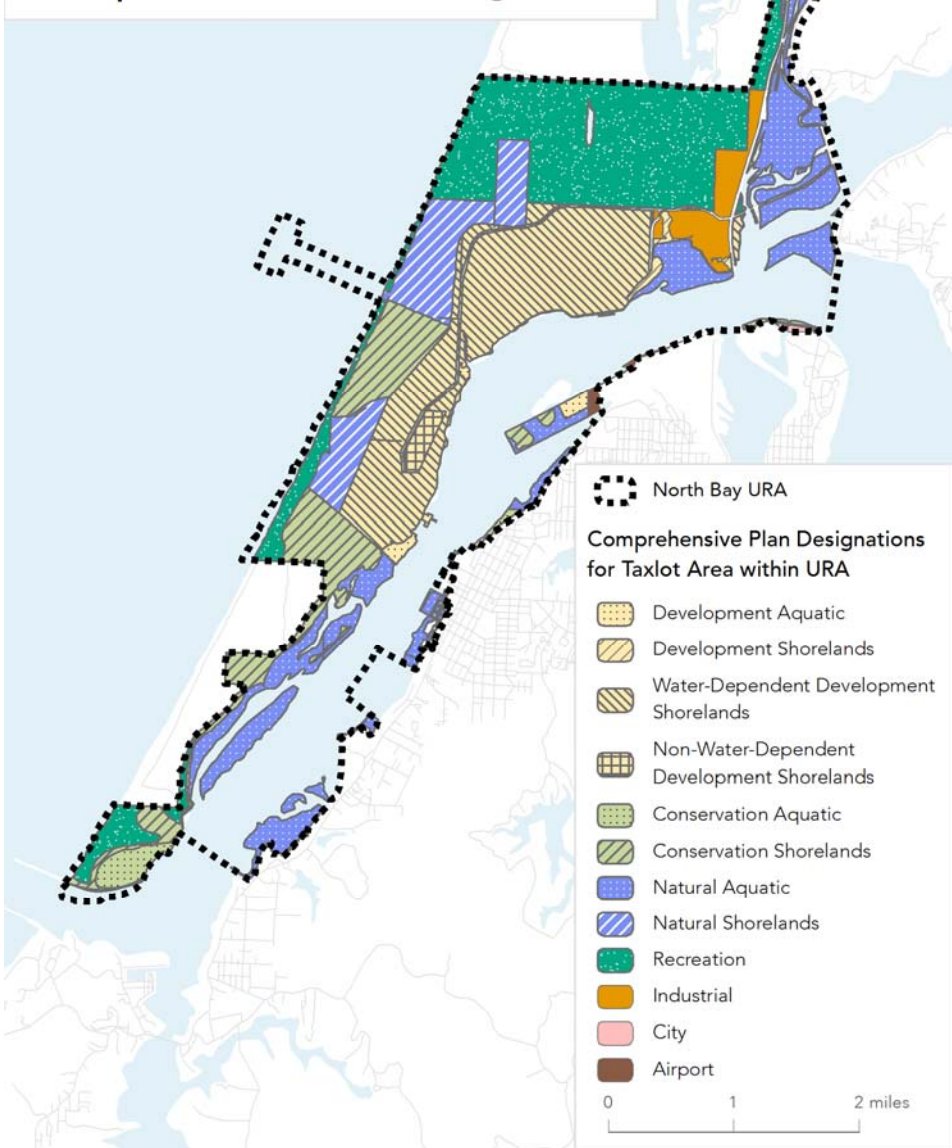
For Coos County, there are eight different zoning and comprehensive plan designation jurisdictions that may classify an individual parcel. For example, a parcel can have some of its land classified in the City of North Bend and some of its land classified in the City of Coos Bay with each having a distinct zoning classification attached to the same parcel. This presented a unique situation among urban renewal areas, and as such the zoning/comprehensive plan designation table has been approached uniquely. The zoning/comprehensive plan table is a combination of all the different jurisdictions into one overarching table, with summary data from the overall numbers. As there were many parcels that belonged to more than one zoning jurisdiction it made including an accurate parcel count for this table difficult as parcels that were in multiple jurisdictions would be counted multiple times and would falsely inflate the overall number of parcels. Instead of the traditional parcel count and acreage information, only acreage is shown, as it is the only accurate indicator of how much land is in each of these zones. As illustrated in Table 2 and Figure 2, the most prevalent zoning designation of the Area by acreage is Recreational (28.61%) The second most prevalent zoning designation is Water-Dependent Development Shorelands, representing 23.07% of the Area.

Coos County: Coos County Comprehensive Plan: Coos Bay Estuary Management Plan		
	Acreage	Percent of Acreage
Water-Dependent Development Shorelands	1324.3	23.07%
Natural Aquatic	940.2	16.38%
Conservation Shorelands	665.5	11.59%
Natural Shorelands	543.1	9.46%
Conservation Aquatic	81.7	1.42%
Non Water-Dependent Development Shorelands	52	0.91%
Development Aquatic	38.1	0.66%
Development Shorelands	37.4	0.65%
Rural Shorelands	3.4	0.06%
Urban Development	2	0.03%
Urban Water Development	1.8	0.03%
Coos County: City of Coos Bay: Coos Bay Estuary Management Plan		
	Acreage	Percent of Acreage
Natural Aquatic	105.6	1.84%
Conservation Shorelands	24	0.42%
Development Aquatic	22.5	0.39%
Conservation Aquatic	10.1	0.18%
Urban Development	2.3	0.04%
Coos County: City of North Bend: Coos Bay Estuary Management Plan		
	Acreage	Percent of Acreage
Conservation Aquatic	9.7	0.17%
Conservation Shorelands	2.7	0.05%
Natural Aquatic	0.1	0.00%
Coos County: Coos County Comprehensive Plan Volume I		
	Acreage	Percent of Acreage
Recreation	1,642	28.61%
Industrial	197	3.43%
Forest	1.6	0.03%
Urban Residential	0.1	0.00%
City of Coos Bay		
	Acreage	Percent of Acreage
Commercial	4	0.07%
Waterfront Industrial	1.9	0.03%
Low Density Residential-6	0.4	0.01%
City of North Bend		
	Acreage	Percent of Acreage
Airport	18.2	0.32%
Coos County: City of Coos Bay		
	Acreage	Percent of Acreage
City	0.2	0.00%
Coos County: City of North Bend		
	Acreage	Percent of Acreage
City	7.8	0.14%
Total	5,740	100.00%

Source: Compiled by Tiberius Solutions LLC with data from the Marion County Department of Assessment and Taxation (FYE 2016)

Figure 2 – Area Zoning and Comprehensive Plan Designations

North Bay Urban Renewal Area Comprehensive Plan Designations



Source: ECONorthwest

B. Infrastructure

This section identifies the existing conditions in the Area to assist in establishing blight. Most of this information is from the *North Bay Urban Renewal Plan Update – Existing and In Process Projects* and *2017 Urban Renewal Projects Report*. **This does not mean that these projects are included in the Plan, only that they are indicators of blighting conditions in the Area.** The specific projects that are included in the Plan are listed in Sections IV and V of this Report.

1. Transportation

The TransPacific Parkway is the primary road corridor in the urban renewal area. The parkway is a two-lane major collector with improvements ranging from 22 to 38 feet wide in a 100- to 150-foot right of way according to the 2011 Coos County Transportation System Plan. The road provides access to points north from the North Spit via Highway 101 and extends approximately 6 miles west and south onto the North Spit. The TransPacific Parkway does not contain sidewalks or curbs. The asphalt is cracking and potholed in many locations and, during the winter, several inches of water covers stretches of the road because adequate stormwater facilities are lacking.

Other minor public roads within the urban renewal area include Horsfall Beach Road and Jordan Cove Road. There are also private roads to individual industrial sites.²

2. Water

The Coos Bay-North Bend Water Board has a 12-inch water main in TransPacific Parkway. There is also a 24-inch high-density polyethylene pipe crossing the Bay serving the North Spit from the City of Coos Bay. A 16-inch water main feeds the urban renewal area from the north from Highway 101 creating a looped system with redundancy. There are also 18 production wells on the North Spit supplying low-head-pressure well water. Not all of the wells are active. The wells provide untreated water for industrial purposes. The only user of the wells is the Jordan Cove LNG project site, which uses the water to maintain the existing ocean outfall. Water treatment to the North Spit is provided by an existing plant located in the City of Coos Bay. In addition, there are two water treatment plants within the urban renewal area. The North Bay Water Treatment Plant is a 1.0-million-gallon-per-day (MGD) plant, which requires investment to be functional, and the Shorewood Water Treatment Plant, a 1.5-MGD facility located on the west side of Highway 101 on the north bank of the North Slough.³

3. Stormwater

There is no stormwater system in the Area.

² BergerABAM memo to Fred Jacquot dated April 7, 2017

³ BergerABAM memo to Fred Jacquot dated April 7, 2017

4. Sanitary Sewer

There is no sanitary sewer in the area.

5. Parks and Open Space

Within the North Bay Urban Renewal Area boundary, there are a number of recreational opportunities. The area is designated as the Coos Bay District Umpqua Resource Area by the BLM, and recreational opportunities are primarily managed by that agency. The following recreational opportunities are located on the North Spit.

Horsfall Campground and Day Use Area - This is a 1,076-acre recreational area for camping, hiking, horseback riding, and off-road vehicle use. Most of the acreage of the facility is outside the urban renewal area, but the campground, off-road vehicle staging area and some off-road trails are located within the urban renewal area.

Bluebill Campground - Immediately west of Horsfall Campground and Day Use Area, Bluebill Campground provides recreational access to Bluebill Lake for fishing with nearby picnicking and camping areas.

North Spit Overlook - This wetland trailhead for walking/hiking and overlook is located 3 miles to the west of the intersection of Highway 101 and the TransPacific Parkway.

BLM Boat Launch - This free launch with ample parking provides direct access for boaters to Coos Bay. The facility includes restrooms, public phone, wildlife viewing area, and Americans with Disabilities Act access.

Marine Park - A trailhead providing access to wetland and marsh trails, the park is located west of the BLM boat launch. From this location, equestrians, hikers, and walkers can access an extensive trail network on BLM land located on the narrow strip of land between the Pacific Ocean and Coos Bay that is the southern part of the urban renewal area. The area is also the trailhead to the beach and North Jetty for four-wheel drive vehicles.

Port of Coos Bay Trails - At the end of a 1/4-mile-long dirt road extending from the southern terminus of the TransPacific Parkway, the Port owns a gravel parking area and walking, hiking, and equestrian trails overlooking Coos Bay.⁴

6. Other Utilities

Natural Gas – Northwest Natural Gas has a distribution line crossing Coos Bay from the City of Coos Bay near Newark Avenue. The line serving the North Spit was installed in 2000. Service is provided to individual users on the North Spit through a system of individual service lines.

Electricity – Power is provided by Pacific Power, which has two power substations within the urban renewal area located at South Dunes and Jordan Point. The South Dunes substation was built in 1967 and upgraded in 2006 and has a 7.5-megavolt-ampere (MVA) capacity and serves one customer, who uses 4.5 MVA. The Jordan Point substation was built in 1968,

⁴ BergerABAM memo to Fred Jacquot dated April 7, 2017

produces 20 MVA, and was upgraded with a transformer installed in 1997. The Jordan Point substation operates on a reduced output of 12 MVA.

Phone and Internet – Frontier Communications delivers digital phone and internet service to the North Spit via multi-stranded copper cables from the North Spit to their equipment hub located in Glasgow east of Highway 101. The cables are located in Horsfall Beach Road and Jordan Cove Road and extend southeast where they terminate at North Bay Industrial Park. Frontier’s facilities on the North Spit have not changed since the 2006 plan update and the company has concentrated on investing in its existing data backbone capacity and physical diversity planning for the coastal exchanges they serve.

Telecommunications – Charter Communications serves the Coos Bay area and has an existing communications hub located east of the urban renewal area near the Highway 101 bridge. The company has fiber optic lines that terminate on either side of the Highway 101 bridge at Glasgow and Shorewood. They do not have any facilities located within the urban renewal area but are exploring options for extending communications lines to the North Spit.

Waste Collection – Waste Connections, the nation’s third largest solid waste services provider, has an exclusive contract for solid waste management services in Coos County. As such, the company provides solid waste removal for businesses located on the North Spit. Waste is loaded onto trucks and taken to the company’s transfer station in Coos Bay prior to being taken to a landfill. Waste Connections currently serves Roseburg Forest Products, the BLM boat ramp site, Southport Lumber, the Horsfall Beach Campground, and D.B. Western. Waste Connections is also working with the owners of the Jordan Cove site for solid waste removal associated with construction, demolition, and pre-existing waste on that site.

Fire Protection – The urban renewal area is served by the North Bay Rural Fire Protection District. The District does not have any capital facilities located in the urban renewal area. Its nearest station is located east of Highway 101 in Glasgow, which is the headquarters station. The headquarters station houses an Emergency Medical Services (EMS) unit, two fire engines, a fire tender, a rescue and command vehicle, and an administrative office with 20 firefighters on staff. The District also has a second station located northwest of the urban renewal area between Shorewood and Hauser. The second station is primarily staffed by volunteers and has a fire tender, engine, and staff vehicle.

Police Protection – The Coos County Sheriff’s Department provides law enforcement services to the North Spit. The Department does not have any capital facilities on the urban renewal area.⁵

⁵ BergerABAM memo to Fred Jacquot dated April 7, 2017

7. International Port of Coos Bay Capital Improvement Plan

Table 3 – International Port of Coos Bay Capital Improvement Plan

	Capital Improvements	2015 Cost Estimate	Timeline/Status	Business Line
Oregon Gateway	North Spit Multipurpose/Multimodal Cargo Terminal	Basic multimodal marine facility: \$80-\$100 million Bulk facility: \$200-\$350 million Intermodal container facility: \$400-\$700 million	Timing of multipurpose/multimodal cargo terminal depends on Jordan Cove: this site will be used for construction laydown for Jordan cove project	North Spit
Bulk Commodities	Develop sites for bulk commodities. Potential sites include Roseburg, South Port, and between DB Western. Finding enough acreage is a challenge.	Bulk facility: \$200 to \$350 million	Phasing approach including: Phase 1: Due diligence and planning. Phase 2: Preliminary design and engineering. Phase 3: Design and development and final engineering. Phase 4: Construction engineering	North Spit

C. Social Conditions

This area has 5 unimproved residential lots and 11 improved residential lots that together make up .53% of the total acreage of the Urban Renewal Area. Because the residential makeup is less than 1% of the total area no further analysis is required.

D. Economic Conditions

1. Taxable Value of Property within the Area

The estimated total assessed value of the Area calculated with data from the Coos County Department of Assessment and Taxation for FYE 2016, including all real, personal, manufactured, and utility properties, is \$39,959,580.⁶ The frozen base is \$38,290,715⁷ and the excess value is \$11,319,986.⁸ Usually in an urban renewal area the excess value can be arrived at by netting the estimated total assessed value and the frozen base value, however, in Coos County, this is not the case. Summing these two numbers arrives at \$1,668,865, which is not the excess value. The reason for this discrepancy is because there are four tax code areas; 6900, 6901, 6914, 6932; in the North Bay Urban Renewal Area that have assessed values below their frozen base values, see Table 4 below in the Amount Above (below) Frozen Base column. The way urban renewal handles assessed values falling below their frozen base values is that for all intents and purposes the assessed value stays at the frozen base value. This is to prevent a scenario where the urban renewal area actually paying increment instead of receiving it in these tax code areas. With these tax code areas held at their frozen base value, their excess is zero as seen in the excess column, instead of a negative number. The remaining tax code areas with positive excess values sum to the \$11,319,986 value.

Table 4 – Assessed Values and Frozen Base Values of Tax Code Areas in the URA

County TCA	Frozen Base	Excess	Total AV	Rate	Current Assessed Value	Check
61300	\$ 8,495	\$ 11,475	\$ 19,970	\$ 14.4809	\$ 19,970	\$ 11,475
61301	\$ 18,218	\$ 20,472	\$ 38,690	\$ 8.2978	\$ 38,690	\$ 20,472
61308	\$ 40,171	\$ 213,949	\$ 254,120	\$ 9.4175	\$ 254,120	\$ 213,949
61391	\$ 5,030	\$ 3,510	\$ 8,540	\$ 8.2978	\$ 8,540	\$ 3,510
61398	\$ 1	\$ 1,999	\$ 2,000	\$ 9.4175	\$ 2,000	\$ 1,999
6900	\$ 343,073	\$ -	\$ 343,073	\$ 15.0271	\$ 58,200	\$ (284,873)
6901	\$ 96,899	\$ -	\$ 96,899	\$ 8.6628	\$ 31,400	\$ (65,499)
6902	\$ 808,658	\$ 11,056,649	\$ 11,865,307	\$ 8.6628	\$ 11,866,807	\$ 11,058,149
6914	\$ 3,524	\$ -	\$ 3,524	\$ 14.8459	\$ -	\$ (3,524)
6927	\$ 989	\$ 741	\$ 1,730	\$ 11.9744	\$ 1,730	\$ 741
6932	\$ 36,949,088	\$ -	\$ 36,949,088	\$ 9.7825	\$ 27,650,363	\$ (9,298,725)
6991	\$ 16,569	\$ 11,191	\$ 27,760	\$ 8.6628	\$ 27,760	\$ 11,191
Total	\$ 38,290,715	\$ 11,319,986	\$ 49,610,701		\$ 39,959,580	\$ 1,668,865

Source: SAL 4C 2016-17

⁶ SAL Table 4C tax year 2016-17

⁷ SAL Table 4C tax year 2016-17

⁸ SAL Table 4E tax year 2016-17

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 urban renewal 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 5 below shows the improvement to land ratios for properties within the Area. The largest number of parcels (141) in the Area are listed as miscellaneous/exempt, making up 83.73% of the acreage. Forty-five parcels (9.14%) have no improvement value. Three parcels (5.36% of the acreage) have I:L ratios of 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 4 of 193 parcels in the Area, totaling 1.77% of the acreage have I:L ratios of 2.0 or more in FYE 2016. In summary, the Area is underdeveloped and not contributing significantly to the tax base in Coos County

Table 5 – I:L Ratio of Parcels in the Area

Improvement/Land Ratio	Tax Lots	Acres	% Total Acres
Miscellaneous/Exempt	141	4,806.1	83.73%
No Improvement Value	45	524.6	9.14%
0.01-0.50	3	307.8	5.36%
0.51-1.00	0	0.0	0.00%
1.01-1.50	0	0.0	0.00%
1.51-2.00	0	0.0	0.00%
2.01-2.50	0	0.0	0.00%
2.51-3.00	0	0.0	0.00%
3.01-4.00	0	0.0	0.00%
> 4.00	4	101.5	1.77%
Total	193	5,740.0	100.00%

Source: Calculated by Tiberius Solutions LLC with data from Coos County Department of Assessment and Taxation (FYE 2016)

E. **Impact on Municipal Services**

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in Section IX of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services. Municipal is defined as any county or any city in the state in ORS 457.010.

The projects being considered for future use of urban renewal funding are; studies, transportation improvements, utilities, rail improvements, public buildings and facilities, redevelopment loans, and plan administration. The use of urban renewal funding for these projects allows the county to match other funding sources to construct the improvements. It

also allows the county to tap into different funding source besides the Coos County general fund or International Port of Coos Bay funds.

It is anticipated that these improvements will catalyze development on the undeveloped and underdeveloped parcels in the Area. This development will require municipal services. As the development will be new construction or redevelopment, it will be up to current building code and will aid in any fire protection needs. An upgraded transportation system will also assist in fire prevention to the Area.

The financial impacts from tax increment collections will be countered by providing future jobs in the Area and, in the future, placing property back on the property tax rolls with future increased tax bases for all taxing jurisdictions, including the county.

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

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

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

The projects identified for the Area are described below, including how they relate to the existing conditions in the Area. Tier 2 projects are projects included in the Area, but as of the 2017 Amendment, funding is not anticipated. However, if development occurs at a faster pace than projected, some of the projects could be completed. There may also be times where the Agency is able to leverage their investment in Tier 1 projects, freeing up funds for Tier 2 projects. There may also be a reallocation of funding priorities in the future that would move Tier 1 and 2 projects into different priority categories.

Recommended Projects, Tier 1

1. **Plan administration – special studies/plans:** Feasibility studies are needed to coordinate planning and development issues to guide urban renewal area administrators, tenants and prospects regarding site constraints and solutions, including critical public infrastructure design and construction. Having a framework of public improvements will allow private industries to better predict and rely on improvements to encourage investment within the urban renewal area. Special studies will likely include engineering, utilities, land use, natural resources, tsunami and resiliency issues, and others to propel the district forward in its mission of development and job creation. An estimated budget of \$500,000 (2017 dollars) is included over the 20-year timeframe of the plan update. Each special study could take from six months to one year to complete.

Existing Conditions: There is an existing project for special studies within the existing Plan. The continued inclusion of this project continues the ability to fund these studies.

- 2. Transportation – Construct TransPacific Parkway Improvements:** TransPacific Parkway is deteriorating and portions of the roadway are flooded during the winter, making access to industrial operations along the southernmost 4,000 linear foot section of the roadway near the North Bay Industrial Park difficult. Roadway reconstruction of this 4,000 linear foot section is recommended. Additionally, the roadway pavement exhibits cracking and other pavement distress along its length from the intersection of Highway 101 and resurfacing the roadway should be considered. The cost to raise the southernmost portion of the roadway, overlay the full length of the roadway, and improve site drainage is estimated between \$3.5 million and \$7.5 million (2017 dollars). Project development, including construction, is anticipated to take 2 to 4 years.

Existing Conditions: The existing conditions of the TransPacific Parkway are noted in the above narrative.

- 3. Utilities – Stormwater detention/containment:** Projects in this category would include construction of distributed stormwater detention/containment facilities to serve future urban renewal area development. A similar project was identified in the 2006 plan and is carried forward to the 2017 plan and expanded to include areas of potential development within the 20-year timeframe of the plan update. The detention/containment facilities would serve both industrial development and public roadway runoff. The estimated cost range of this project is \$4 million to \$16 million (2017 dollars) depending on the extent of development. The detention/containment facility could take from two to three years to complete.

Existing Conditions: There is currently no public stormwater service in the Area.

- 4. Utilities – Water:** This subcategory includes several projects meant to improve the public water system to support new development in the urban renewal area. It includes upgrading one or both of the existing treatment plants (Shorewood or North Spit) and new water lines within and outside the urban renewal boundary to increase capacity. The estimated cost range of this project is \$4.5 million to \$9.5 million (2017 dollars) depending on the extent of development and upgrades to the water system. The estimated project development schedule is approximately 5 to 20 years depending upon future Water Master Planning outcomes.

Existing Conditions: The Coos Bay-North Bend Water Board has a 12-inch water main in TransPacific Parkway. There is also a 24-inch high-density polyethylene pipe crossing the Bay serving the North Spit from the City of Coos Bay. A 16-inch water main feeds the urban renewal area from the north from Highway 101 creating a looped system with redundancy. There are also 18 production wells on the North Spit supplying low-head-pressure well water. Not all of the wells are active. The wells provide untreated water for

industrial purposes. The only user of the wells is the Jordan Cove LNG project site, which uses the water to maintain the existing ocean outfall. Water treatment to the North Spit is provided by an existing plant located in the City of Coos Bay. In addition, there are two water treatment plants within the urban renewal area. The North Bay Water Treatment Plant is a 1.0-million-gallon-per-day (MGD) plant, which is not currently operating, but can be used in emergency circumstances with some necessary upgrades. The second treatment plant is the Shorewood Water Treatment Plant, a 1.5-MGD facility located on the west side of Highway 101 on the north bank of the North Slough.

5. **Utilities – Natural Gas Pipelines:** As new industrial users come online, there could be a need for natural gas distribution lines to be extended from their current location at the North Bay Industrial Park north along the TransPacific Parkway to the causeway to serve industries in the urban renewal area. The estimated cost to extend the natural gas pipeline for approximately 18,000 linear feet is \$4 million to \$8.5 million (2017 dollars). The natural gas pipeline could take between one and three years to complete.

Existing Conditions: Northwest Natural Gas has a distribution line crossing Coos Bay from the City of Coos Bay near Newmark Avenue. The line serving the North Spit was installed in 2000. Service is provided to individual users on the North Spit through a system of individual service lines.

6. **Transportation - Coos Bay Rail Line Spur Extension:** This project would extend the rail line 1 mile south to serve the North Bay Industrial Park, making these sites more attractive to existing and future industrial operations. The estimated cost for this project is \$1.25 million to \$2.5 million (2017 dollars) with project development anticipated to take 2 to 4 years.

Existing Conditions: The first portion of the rail spur extension from Highway 101 to Southport Lumber was completed in 2006.

7. **Redevelopment and Site Preparation:** In many cases, development of this land is dependent upon preparing for development by addressing contaminated soils, demolishing existing facilities (e.g., the defunct Anadromous Aquaculture facility), or potential mitigation for redevelopment. These activities will make sites more “shovel-ready” for new industries, and reduce potential tenants’ upfront development costs. The estimated cost range for this project type is \$300,000 to \$1.3 million (2017 dollars). Each redevelopment and site preparation project could take between six months and two years to complete.

Existing Conditions: There is extensive vacant or underutilized land throughout the urban renewal area.

In addition to the physical improvements described above, two ongoing agency activities have been prioritized for implementation:

1. **Plan administration – urban renewal area administration:** The agency pays the Port of Coos Bay \$12,000 per year to serve as the administrator of the urban renewal area. This activity will continue after the urban renewal plan is updated on an ongoing, annual basis and therefore is not ordered in the list of priorities above. Total estimated cost over the 20-year timeframe of the plan update in 2017 dollars is \$240,000. This amount will increase on a yearly basis for inflation. Other administrative costs include materials and services and include but are not limited to supplies, insurance, publications and advertising, legal counsel, audits, and professional services.

Existing Conditions: The agency currently pays the administrative costs and will continue to have administrative costs.

2. **Redevelopment loans:** Under previous plans and the 2017 update, the agency will be authorized to provide loans or other forms of financial assistance to parties wishing to develop or redevelop land or buildings. Financial assistance could include below market interest rate loans, a write down of acquisition costs, assistance in providing utilities or other infrastructure, technical assistance (engineering, planning, architecture, and permitting work), or transfer of sites at reuse value owned by the agency. A budget allowance of \$1.5 million (2017 dollars) is assumed for this agency activity.

Existing Conditions: There is presently authorization to enter into redevelopment loans. This will allocate funding for these and put this project as a Tier 1 project.

Tier 2 Projects

A. Utilities

Utility projects could include new facilities or improvements to either public or private utility systems in the categories of utility conduit, stormwater, sanitary sewer, water, natural gas, and telecommunications. General utility category projects could include land acquisition for public or private utility projects and site-specific studies such as engineering, design, or planning to facilitate utility projects.

1. Utility Corridors

The existing underwater utility conduit crossing the bay near Newmark Avenue in Coos Bay contains gas and water utilities, and does not have capacity to accommodate new utility lines. Interviews with utility service providers identified the need for a second conduit crossing Coos Bay from North Bend or the City of Coos Bay to serve the urban renewal area. The conduit could either be bored under the bay or installed within the Highway 101 causeway. The conduit could house a variety of public or private utilities to provide more capacity to serve the urban renewal area. The feasibility, constraints, and permitting process of each option (bore or causeway) should be further explored in an engineering feasibility study. Easements may need to be obtained for the utilities.

Existing Conditions: The existing underwater utility conduit crossing the bay near Newmark Avenue in Coos Bay contains gas and water utilities, and does not have capacity to accommodate new utility lines. Interviews with utility service providers identified the need for a second conduit crossing Coos Bay from North Bend or the City of Coos Bay to serve the urban renewal area.

2. Stormwater

Construction of a stormwater detention/containment facility to serve future urban renewal area development was identified in the 2006 plan and is carried forward and expanded to include areas of potential development within the 20-year timeframe of the 2017 plan update. The detention/containment facilities would serve industrial development as well as runoff from public roads and is a non-site-specific project.

Existing Conditions: There is currently no public stormwater service to the Area.

3. Sanitary Sewer

This category of projects represents a range of potential sanitary sewer improvements that could occur throughout the urban renewal area, including the construction of new sanitary sewer lines and a new treatment facility to serve existing and new industrial facilities; both were identified in the 2000 and 2006 urban renewal plans. The 2000 plan discussed sewer treatment in the form of a package plant with a capacity of 30,000 gallons per day to serve an employee base of 1,500. The system would be self-contained, requiring an area of approximately ¼-acre. Additional capacity could be purchased and added via new package plant units. The 2000 plan identified that the package plant could be south of the lagoon, between the lagoon and the TransPacific Parkway.

The 2006 plan called for two long-term improvements in the form of a south sewer extension with pump station, regional treatment facility, and 4-inch diameter, 9,000 linear-foot pressure sanitary sewer pipe, as well as a 3-inch diameter, 18,800 linear-foot pressurized north sewer extension. The sewer lines could transfer both industrial process water and sanitary sewer effluent to the ocean outfall. The 2006 plan also identified short-term improvements including a septic tank effluent pump (or STEP) system with septic tanks ranging in size from 1,000 to 3,000 gallons and a pump station. While specific improvements have not been specified or recommended for the 2017 plan update, sanitary sewer lines will continue to be necessary for development of the urban renewal area.

Both the new treatment plant and sanitary sewer lines are non-site-specific projects.

Existing Conditions: There are presently sanitary sewer needs as identified in the above narrative.

4. Industrial Wastewater

Project E-1: Industrial water treatment occurs in various industrial processes including heating, cooling, processing, cleaning, and rinsing. The 2000 North Bay Urban Renewal Plan indicates that an industrial wastewater treatment facility could be constructed for a variety of uses and would be designed for both primary and secondary treatment of a flow rate of 2.5 to 3.0 MGD. According to the 2000 plan, treated water would be discharged through the ocean outfall on the western side of the urban renewal area. An industrial process water treatment facility is also recommended in this plan update.

Project E-2: This project would rehabilitate the existing 30-inch ocean outfall, as identified in the 2000 North Bay Urban Renewal Plan. According to the 2000 plan, project components would likely include items “such as fitting the existing ocean outfall with additional diffusers to accommodate increased capacity, cleaning bio-fouling that may have occurred inside the line, and tie-in modifications. These modifications would occur along the length of the outfall pipeline or at the ocean or landside ends of the outfall itself.” The outfall could also be used for treated sanitary sewage.

Existing Conditions: There is an existing 30-inch ocean outfall that is in need of renovation. There is need for additional industrial wastewater treatment facilities in the Area.

5. Water

The Coos Bay-North Bend Water Board provides water service to the urban renewal area. Both the 2000 and 2006 urban renewal plans identified water supply system improvements as projects. The 2006 plan called out water distribution lines, but did not indicate the source of supply or treatment.

Project C-1: The urban renewal area currently has two water treatment plants. The North Spit Water Treatment Plant is a 1.0 MGD facility, and the Shorewood Water Treatment Plant did handle 1.5 MGD. The 2000 plan specified that the Shorewood Water Treatment Plant would need to be upgraded. According to the Coos Bay-North Bend Water Board, the North Spit Water Treatment Plant

operates on an emergency-only basis and is in current need of serious upgrades before it can be deemed operational. Therefore, this subcategory includes upgrades to one or both of the existing plants to serve uses in the urban renewal area.

Non-site-specific project: Existing water distribution systems serving the urban renewal area include a 12-inch water main in TransPacific Parkway and a 24-inch pipe crossing Coos Bay from the City of Coos Bay. A 16-inch water main feeds the urban renewal area from the north from Highway 101 creating a looped system with desired redundancy. The 2006 plan identified water lines, including an 18,000 linear-foot ductile iron pipe and fire hydrants, to be installed in the TransPacific Parkway right-of-way. The 2000 plan identified a submarine water line crossing Coos Bay from the City of Coos Bay and connecting with the existing water supply line at the Anadromous Aquaculture facility, and an 8-inch line connecting Well 46 to the North Spit Water Treatment Plant. Additional water lines will be necessary to deliver potable water to new users within the urban renewal area at an adequate flow rate. Water line improvements could include lines within and outside the urban renewal boundary to increase capacity.

Existing conditions: The Coos Bay-North Bend Water Board has a 12-inch water main in TransPacific Parkway. There is also a 24-inch high-density polyethylene pipe crossing the Bay serving the North Spit from the City of Coos Bay. A 16-inch water main feeds the urban renewal area from the north from Highway 101 creating a looped system with redundancy. There are also 18 production wells on the North Spit supplying low-head-pressure well water. Not all of the wells are active. The wells provide untreated water for industrial purposes. The only user of the wells is the Jordan Cove LNG project site, which uses the water to maintain the existing ocean outfall. Water treatment to the North Spit is provided by an existing plant located in the City of Coos Bay. In addition, there are two water treatment plants within the urban renewal area. The North Bay Water Treatment Plant is a 1.0-million-gallon-per-day (MGD) plant, which is not currently operating, but can be used in emergency circumstances with some necessary upgrades. The second treatment plant is the Shorewood Water Treatment Plant, a 1.5-MGD facility located on the west side of Highway 101 on the north bank of the North Slough.

6. Natural Gas

Natural gas infrastructure improvements were not identified in the 2000 or 2006 plans. A natural gas pipeline currently crosses the bay near Newmark Avenue to serve industries at the North Bay Industrial Park. As new industrial users come online, there may be a need for natural gas distribution lines to extend north along the TransPacific Parkway to the causeway to serve industries in the urban renewal area. Because this project crosses multiple subareas, this is a non-site-specific project.

Existing Conditions: Northwest Natural Gas has a distribution line crossing Coos Bay from the City of Coos Bay near Newmark Avenue. The line serving the North Spit was

installed in 2000. Service is provided to individual users on the North Spit through a system of individual service lines.

7. Telecommunications

Prior urban renewal plans did not identify needed telecommunications improvements. Frontier Communications serves the urban renewal area with phone and internet service. Charter Communications does not have existing infrastructure within the urban renewal area, but has facilities located immediately east of the area near Highway 101 in Glasgow and Shorewood, and could serve the area. Providers state that telecommunications infrastructure is inadequate within the urban renewal area, and such services are increasingly critical to meet industrial site needs.

Project I-3: Potential telecommunications projects include installing a primary broadband line in TransPacific Parkway to provide fiber optic availability for Charter, Frontier, or other service providers. Secure fiber optics and bandwidth are important to future high technology processes and to support industrial and marine terminal operations.

Non-site specific project: A second project could install telecommunications lines from a TransPacific Parkway backbone to individual sites (site service extension lines). According to Frontier Communications, site users often develop buildings and other site improvements in advance of placing telecommunications lines, which entails the costly demolition of improvements to retrofit broadband infrastructure. Provision of telecommunications from a new backbone to sites will help prevent costly post-development installations, and help attract industries to the urban renewal area.

Existing Conditions: Charter Communications serves the Coos Bay area and has an existing communications hub located east of the urban renewal area near the Highway 101 bridge. The company has fiber optic lines that terminate on either side of the Highway 101 bridge at Glasgow and Shorewood. They do not have any facilities located within the urban renewal area but are exploring options for extending communications lines to the North Spit.

B. Public Parks and Open Space

Recreational opportunities within the urban renewal area include camping, walking/hiking/equestrian trails, boating, off-road vehicles, trails, bird/wildlife watching, and natural areas. These opportunities occur on land managed by BLM and the Forest Service.

In the context of the urban renewal area, no plans or studies have been completed measuring the demand for new, expanded, or different recreational facilities. The 2006 plan identified the potential for expanding the facilities at the existing BLM boat launch site, acquiring land and constructing new recreational trails, and upgrading Marine Park (amenities and parking lot) as recommended recreational improvements. The BLM boat launch site is frequently over capacity during peak use days. For the 2017 update, general parks and open space projects could include special studies to measure demand for parks or site-specific

engineering, planning, or design studies. Park projects may also include construction of new facilities, improvements or expansions to existing facilities, and land acquisition associated with new or expanded facilities, where necessary.

1. Facility Improvements and New Facilities

Project E-3: Marine Park is a parking lot and trailhead providing access to wetland, marsh, and beach trails for walkers, hikers, equestrians, and four-wheel drive vehicles. The park was identified in the 2006 plan for parking lot and amenity improvements, a project that is carried forward for the 2017 update.

Non-site-specific project: Various formal and informal trails are already located on recreational sites in the urban renewal area, including new planned facilities at Marine Park, Horsfall Beach Campground and Day Use Area, the North Spit overlook, and the Port trails located south of the former aquaculture facility. The 2006 plan identified new recreational improvements to include new trails. These recreational trail projects are included in this 2017 plan update.

Existing conditions: Marine Park is a parking lot and trailhead providing access to wetland, marsh, and beach trails for walkers, hikers, equestrians, and four-wheel drive vehicles. The park needs parking lot and amenity improvements. New trails are desired in the Area.

C. Public Buildings and Facilities

The 2006 plan notes that the urban renewal agency is authorized to fund public building and facility improvements for recreational purposes, new industrial building and parking facilities, and cleanup of blighted properties. Improvements could also include the acquisition and re-use of existing buildings and improvements, and the construction of new industrial buildings as flex, incubator, and/or build-to-suit development projects. Site-specific studies (i.e., engineering, traffic, planning, design, etc.) and land acquisition may also be required. The general public building and facilities projects are not mapped. Specific projects may include those in the categories of redevelopment and site preparation and new facilities.

1. Redevelopment and Site Preparation

Projects could include any site preparation or activity such as demolishing derelict buildings or structures (e.g. demolishing the shuttered Anadromous Aquaculture facility) and cleaning up properties that may have been contaminated by previous use.

Redevelopment could include assistance with funding part or all of improvements on sites such as infrastructure (utilities, roads, etc.) or parking, buildings, or other site improvements. Redevelopment and site preparation is a non-site-specific project.

2. New Facilities

The North Bay Rural Fire Protection District provides fire suppression and emergency medical transport services to the urban renewal area. During peak periods in the summer, as many as 10,000 people can be visiting the North Spit as campgrounds and recreational areas fill to capacity, and recreational site users often require emergency medical transport services. As new development occurs within the urban renewal area, the

demand for fire suppression and emergency medical transport will inevitably increase. According to the North Bay Rural Fire Protection District and as identified in the 2006 plan, a new fire station is needed to serve the urban renewal area development and recreational uses. The station would likely house five or fewer personnel and 2-3 fire apparatuses and could cost approximately \$2.5 million according to the North Bay Rural Fire Protection District.

Existing conditions: There are properties within the Area that are underdeveloped and there are needs for new facilities as new development occurs within the Area, specifically a new Fire Station.

D. Transportation Improvements

The 2006 plan included three specific transportation projects: capacity improvements to the TransPacific Parkway, improvements at the TransPacific Parkway/Highway 101 intersection, and rail spur connections. The rail spur was completed with the 2006 plan update and serves the Southport Lumber Company. General transportation projects include land acquisition and site-specific engineering, design, planning, or transportation studies as needed to permit and construct transportation improvements. Road, rail, and general transportation projects are specified in this plan update as follows.

1. Roads

The 2000 plan called for a new road identified as the “North Bay Industrial Parkway,” which was constructed and is now known as the TransPacific Parkway. The 2000 plan also called for two access roads, one at the northeastern corner of the Roseburg Forest Products site (north) and one at the Henderson Site (south). The 2006 plan identified intersection capacity improvements at Highway 101 and TransPacific Parkway, and capacity improvements for the TransPacific Parkway.

Project A-1: TransPacific Parkway is a two-lane major collector with improvements ranging from 22 to 38 feet wide in a 100-to 150-foot right-of-way according to the 2011 Coos County Transportation Plan. As the primary road corridor in the urban renewal area, TransPacific Parkway will require a variety of improvements to accommodate future industrial growth. Capacity improvements at the intersection of Highway 101 and TransPacific Parkway are likely needed to include new turn lanes, road widening, or new approach lanes, or traffic signals depending on specific recommendations in a traffic study.

Project I-1: In addition to intersection capacity improvements, capacity improvements are likely necessary for the entire length of the TransPacific Parkway in order to better serve the urban renewal area. Improvements could include road widening to accommodate additional lanes, turn lanes (center turn lane or right-hand turn lanes), and traffic signals at the intersections of major developments.

Project I-2: TransPacific Parkway lacks stormwater drainage resulting in several inches to nearly a foot of standing water covering portions of the roadway during the winter. The flooding occurs along the southern approximately 4,000 linear feet of roadway near the North Bay Industrial Park. In addition, the pavement is

cracked along the entire roadway from the intersection of Highway 101 to the southern terminus at the North Bay Industrial Park. Resurfacing the roadway and addressing flooding by raising the roadway through reconstruction and/or installing stormwater drainage systems is necessary. Stormwater drainage could include inlets and pipes discharging to detention basins and/or roadside swales.

Existing conditions: Existing conditions are included in the narrative above.

2. Rail

The 2000 plan identified a railroad spur extension from the intersection of the TransPacific Parkway to “the southern end of the industrial land on the North Bay.” This spur line was identified in the 2006 plan, and was constructed in 2006. The 2000 plan also called for a railroad marshalling yard to be constructed in the northeastern part of the urban renewal area to accommodate increased train traffic; the marshalling yard was never constructed.

Project I-4: In 2006, a \$1.8-million rail spur of the Coos Bay Rail Line was extended to serve the Southport Lumber Company. Based on conversations with the agency, the rail line needs to be extended approximately one mile further to serve industrial expansion at the North Bay Industrial Park.

Non-site specific projects: Other rail projects identified by project stakeholders include reconfiguration of existing rail loading operations at existing industrial sites to allow the expansion of industrial operations and to attract new tenants; relocation of truck loading operations at industrial sites; improvements to intermodal rail connections such as covered transfer reload facilities; and new rail spurs and sidings to enhance the rail system during peak seasons.

Existing conditions: Existing conditions are included in the narrative above.

3. Marine

The 2000 plan envisioned the construction of an export/import wharf to serve various cargo types (containers, general cargo, bulk cargo, or forest products). The wharf would have been located along the property of the Oregon International Port of Coos Bay and have two phases. The first wharf was to include construction of two deep-water berths and associated infrastructure (breasting dolphins, mooring dolphins, catwalks, and dredged access channel to the wharf). The wharf was never constructed.

Project I-5: The ability of industry operators to take full advantage of the bay as one of the urban renewal area’s greatest assets will require dredging to accommodate larger vessels. Existing industrial operations within the urban renewal area use Coos Bay to transport products on ships and barges and dredging the Bay will accommodate larger vessels at existing and new operations.

Non-site specific projects: Existing and new industries within the urban renewal area may require deep-water port facilities to ship goods. Some existing industries already transport shipments by barge or ship, but lack adequate deep-water port

facilities to load/unload their products. Funding the construction of deep-water port facilities, either as shared port berths, or as dedicated facilities serving individual users, was identified by industry operators. If deep-water facilities serving multiple users can be constructed and serve users adequately, this option may use urban renewal funds to a wider extent. Existing marine terminals may require improvements to bring them up to current standards or allow different products to be shipped in larger vessels.

Existing conditions: Existing conditions are included in the narrative above.

4. North Bend Airport

The North Bend Airport has planned facility upgrades. One of these is the North Bend Airport Runway Extension that would fill a portion of the tidal lands in the urban renewal boundary.

Existing conditions: The North Bend Airport runway does not presently extend into this location.

E. Environmental Mitigation Activities

The 2000 urban renewal plan called for multiple mitigation projects including those described in the Henderson Marsh Mitigation Plan by Weyerhaeuser and specific actions related to development of the North Bay Marine Industrial Park described in the final environmental impact statement for that project. The urban renewal agency partially funded the “Eastside Mitigation Project” as remediation for the TransPacific Parkway crossing realignment project. General mitigation project activities could include land acquisition and special studies such as natural resources, engineering, or planning studies to facilitate mitigation projects.

Environmental mitigation activities from the 2006 plan are recommended in this 2017 plan update to avoid flooding, enhance wetlands, and provide natural conservation areas. Projects may include assistance in the design, construction, and funding of stormwater detention and/or hazardous spill containment facilities and wildlife conservation areas. These activities have no specific location and are, therefore, not mapped.

Existing Conditions: Mitigation activities have been an identified project in the Plan.

F. Redevelopment Loans

The 2006 plan authorized the urban renewal agency to fund loans and financial assistance to parties wishing to develop or redevelop land or buildings. No redevelopment loans have since been made by the urban renewal agency. In 2017 and after, forms of funding or in-kind services the agency can provide include below-market interest rate loans, a write-down of land acquisition costs, assistance in providing utilities or other infrastructure, technical assistance (engineering, architecture, and permitting work), and a transfer of sites at fair use value.

Existing Conditions: Redevelopment loans have been an identified project in the Plan.

G. Plan Administration

In order to carry out plan projects and administer the urban renewal agency, the 2006 urban renewal plan authorizes the agency to pay indebtedness, conduct special studies associated with plan activities, and pay personnel or other administrative costs incurred in the management of the plan. The Port of Coos Bay is the administrator for the urban renewal agency and provides technical and administrative support. Other administrative costs include materials and services and include but are not limited to supplies, insurance, publications and advertising, legal counsel, audits, and professional services.

1. Staff

The Port of Coos Bay is expected to continue providing administrative services for the urban renewal agency and will receive ongoing payments of \$12,000 per year (2017 dollars), a cost that is expected to be increased annually for inflation.

2. Special Studies/Plans

From time to time, the urban renewal agency may need to conduct special studies or complete plans to assess the need for new public and private facilities and to identify solutions to address development obstacles. Such feasibility studies or plans may address land use, public facilities, infrastructure, engineering, or market issues.

Interviews with various utility providers indicate there is a lack of information regarding the type and quantity of utilities needed to serve future development in the urban renewal area. Given the lack of information on future development, some utility providers have elected not to plan for new utility infrastructure until new users come online, resulting in piecemeal planning efforts. A utility study and/or plan would establish common assumptions about the utility needs to serve future development and estimates of the demand for, type, quantity, and location of new utility infrastructure throughout the district. Such studies or plans could help provide assurances to future industrial users that utilities can be provided to serve their projects.

Existing Conditions: The agency currently pays the administrative costs and will continue to have administrative costs.

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

The total urban renewal fund expenditures for all proposed projects are shown in Table 6. All cost estimates shown are the most current figures available at the time of the preparation of the Plan.

The Plan assumes that the county will use urban renewal funds as leverage and seek out other funding sources to assist in the funding of projects. These sources include Coos County general funds. The county may also pursue regional, state, federal funding and private developer contributions.

The Agency will be able to review and update fund expenditures and allocations on an annual basis when the annual budget is prepared.

Table 6 – Projects to be Completed Using Urban Renewal Funds by Category

Tier 1 Projects	2017\$	YOES
Special Studies/Plans	\$500,000	\$521,798
Transportation - Roads	\$4,000,000	\$4,999,210
Utilities - Stormwater	\$5,060,000	\$7,731,330
Utilities - Water	\$3,950,000	\$6,325,610
Utilities - Natural Gas	\$3,700,000	\$6,652,958
Transportation - Rail	\$750,000	\$1,395,225
Public Buildings and Facilities	\$500,000	\$930,150
Redevelopment Loans	\$950,000	\$1,792,700
Financing Fees	\$181,369	\$242,000
Administration	\$600,000	\$806,109
Total Expenditures	\$20,191,369	\$31,397,090

Source: Tiberius Solutions, LLC with input from the Coos County Urban Renewal Agency YOE – Year of Expenditure dollars

VI. THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

The schedule for construction of projects will be based on the availability of funding. The projects will be ongoing and will be completed as directed by the Agency. The forecast for the allocation of funding over time is shown for eight broad categories of projects: special studies/plans, transportation-roads, utilities-stormwater, utilities-water, utilities-natural gas, transportation-rail, public buildings and facilities, redevelopment loans. Expenditures for finance fees are also shown. It is anticipated that tax increment funds will be used to leverage other funding to complete these projects.

The Area is anticipated to complete all Tier 1 projects and have sufficient tax increment finance revenue to terminate the district in FYE 2038. Section VII of this Report further details the assumptions in the financing scenario.

Estimated annual expenditures by projects are shown in Table 7. All costs shown in Table 7 are in year-of-expenditure dollars, which are adjusted by 3% annually to account for inflation. The Agency may change the completion dates in their annual budgeting process or as project decisions are made in administering the Plan.

Table 7 – Projects and Costs in Year of Expenditure Dollars

URA PROJECTS FUND	Total	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Resources							
Beginning Balance		\$ 970,000	\$ 960,404	\$ 860,291	\$ 9,595	\$ 12,183	\$ 25,201
Interest Earnings	\$ 61,481	\$ 5,000	\$ 7,500	\$ 4,301	\$ 48	\$ 61	\$ 126
Transfer from TIF Fund	\$ 18,264,219	\$ 15,404	\$ 211,687	\$ 37,225	\$ 35,321	\$ 46,722	\$ 51,380
Bond/Loan Proceeds	\$ 12,100,000	\$ -	\$ -	\$ 800,000	\$ -	\$ -	\$ -
Other	\$ -						
Total Resources	\$ 30,425,700	\$ 990,404	\$ 1,179,591	\$ 1,701,817	\$ 44,964	\$ 58,966	\$ 76,707
Expenditures (YOE \$)							
Special Studies/Plans	\$ (521,798)		\$ (288,400)	\$ (233,398)			
Transportation - Roads	\$ (4,999,210)			\$ (1,410,997)			
Utilities - Stormwater	\$ (7,731,330)						
Utilities - Water	\$ (6,325,610)						
Utilities - Natural Gas	\$ (6,652,958)						
Transportation - Rail	\$ (1,395,225)						
Public Buildings and Facilities	\$ (930,150)						
Redevelopment Loans	\$ (1,792,700)						
Financing Fees	\$ (242,000)			\$ (16,000)			
Administration	\$ (806,109)	\$ (30,000)	\$ (30,900)	\$ (31,827)	\$ (32,781)	\$ (33,765)	\$ (34,779)
Total Expenditures	\$ (31,397,090)	\$ (30,000)	\$ (319,300)	\$ (1,692,222)	\$ (32,781)	\$ (33,765)	\$ (34,779)
Ending Balance		\$ 960,404	\$ 860,291	\$ 9,595	\$ 12,183	\$ 25,201	\$ 41,928

Source: Tiberius Solutions LLC

Table 7 – Projects and Costs in Year of Expenditure Dollars, page 2

URA PROJECTS FUND	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Resources							
Beginning Balance	\$ 41,928	\$ 62,127	\$ 82,753	\$ 199,031	\$ 338,055	\$ 589,759	\$ 1,175,705
Interest Earnings	\$ 210	\$ 311	\$ 414	\$ 995	\$ 1,690	\$ 2,949	\$ 5,879
Transfer from TIF Fund	\$ 55,812	\$ 57,212	\$ 153,868	\$ 177,174	\$ 252,544	\$ 624,523	\$ 687,988
Bond/Loan Proceeds	\$ -	\$ -	\$ -	\$ -	\$ 3,700,000	\$ -	\$ -
Other							
Total Resources	\$ 97,950	\$ 119,650	\$ 237,035	\$ 377,199	\$ 4,292,289	\$ 1,217,231	\$ 1,869,572
Expenditures (YOE \$)							
Special Studies/Plans							
Transportation - Roads					\$ (3,588,213)		
Utilities - Stormwater							
Utilities - Water							
Utilities - Natural Gas							
Transportation - Rail							
Public Buildings and Facilities							
Redevelopment Loans							
Financing Fees					\$ (74,000)		
Administration	\$ (35,823)	\$ (36,897)	\$ (38,004)	\$ (39,144)	\$ (40,317)	\$ (41,526)	\$ (42,771)
Total Expenditures	\$ (35,823)	\$ (36,897)	\$ (38,004)	\$ (39,144)	\$ (3,702,530)	\$ (41,526)	\$ (42,771)
Ending Balance	\$ 62,127	\$ 82,753	\$ 199,031	\$ 338,055	\$ 589,759	\$ 1,175,705	\$ 1,826,801

Source: Tiberius Solutions LLC

Table 7 – Projects and Costs in Year of Expenditure Dollars, page 3

URA PROJECTS FUND	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036	FYE 2037	FYE 2038
Resources									
Beginning Balance	\$ 1,826,801	\$ 33,623	\$ 778,467	\$ 51,839	\$ 1,077,996	\$ 561,328	\$ 1,037,104	\$ 289,026	\$ 750,118
Interest Earnings	\$ 9,134	\$ 168	\$ 3,892	\$ 259	\$ 5,390	\$ 2,807	\$ 5,186	\$ 1,445	\$ 3,751
Transfer from TIF Fund	\$ 738,193	\$ 790,054	\$ 904,620	\$ 1,074,038	\$ 1,180,326	\$ 1,290,121	\$ 1,403,541	\$ 4,071,846	\$ 4,404,619
Bond/Loan Proceeds	\$ -	\$ -	\$ 7,600,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other									
Total Resources	\$ 2,574,128	\$ 823,845	\$ 9,286,979	\$ 1,126,137	\$ 2,263,712	\$ 1,854,256	\$ 2,445,831	\$ 4,362,318	\$ 5,158,488
Expenditures (YOE \$)									
Special Studies/Plans									
Transportation - Roads									
Utilities - Stormwater	\$ (2,496,450)		\$ (5,234,880)						
Utilities - Water			\$ (3,801,520)		\$ (1,652,800)	\$ (766,080)	\$ (105,210)		
Utilities - Natural Gas							\$ (1,998,990)	\$ (3,612,200)	\$ (1,041,768)
Transportation - Rail									\$ (1,395,225)
Public Buildings and Facilities									\$ (930,150)
Redevelopment Loans									\$ (1,792,700)
Financing Fees			\$ (152,000)						
Administration	\$ (44,055)	\$ (45,378)	\$ (46,740)	\$ (48,141)	\$ (49,584)	\$ (51,072)	\$ (52,605)		
Total Expenditures	\$ (2,540,505)	\$ (45,378)	\$ (9,235,140)	\$ (48,141)	\$ (1,702,384)	\$ (817,152)	\$ (2,156,805)	\$ (3,612,200)	\$ (5,159,843)
Ending Balance	\$ 33,623	\$ 778,467	\$ 51,839	\$ 1,077,996	\$ 561,328	\$ 1,037,104	\$ 289,026	\$ 750,118	\$ (1,355)

Source: Tiberius Solutions LLC

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

Table 8 shows the allocation of tax increment revenues to debt service and transfers to the project fund.

It is anticipated that all debt will be retired by FYE 2038 (any outstanding bonds will be defeased). The existing maximum indebtedness was \$60,900,390 (sixty million nine hundred thousand three hundred and ninety dollars). The Administrator of the Coos County Urban Renewal Agency estimated the amount of maximum indebtedness used through FYE 2016 was \$5,774,046.

As part of the 2017 Amendment, the Coos County Commission reduced the maximum indebtedness to \$37,200,000. The estimated total amount of tax increment revenues required to service the remaining maximum indebtedness is \$32,439,648, the sum of the expected net tax increment revenues shown in Table 10.

The interest rate for the loans and bonds are estimated at 5% with varying terms. The assumed financing plan maintains a debt service coverage ratio of approximately 1.5 x total annual debt service payments.

The time frame of urban renewal 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. The Agency may decide to issue bonds or take on loans on a different schedule, and that will alter the financing assumptions. These assumptions show one scenario for financing and that this scenario is financially feasible.

In the 2017 Amendment, Coos County set a duration of 20 years, to FYE 2038.

A. Boundary, Assessment Data and Tax Lot Issues

During the analysis, the consultant team identified discrepancies in the boundaries of tax code areas within the Area. The Coos County Assessor conducted a tax lot-by-tax lot review of tax lots in the Area to identify and fix these discrepancies. This review resulted in updated information on the acreage within some Area tax code areas. However, none of these changes modified the total assessed value inside the urban renewal area nor the values reported in the FY2016-2017 SAL reports. There is now a current GIS boundary file and the Assessor's data for this Area is now corresponding to that map.

B. Option One and Special Levy

The North Bay Urban Renewal Area is an Option One urban renewal plan as defined by ORS 457.435(2)(a).

ORS 457.435(2)(a)

To collect amounts sufficient to pay the obligations, as budgeted for the plan, from ORS 457.440 (Computation of amounts to be raised from property taxes), and if the amount

estimated to be received from ORS 457.440 (Computation of amounts to be raised from property taxes) is not sufficient to meet the budgeted obligations of the plan for the tax or fiscal year, to make a special levy in the amount of the remainder upon all of the taxable property of the municipality that activated the urban renewal agency and upon all of the taxable property lying outside the municipality but included in an urban renewal area of the plan.

The Coos County Urban Renewal Agency has been collecting the special levy off and on since it was established. **The financial projections included in this 2017 Amendment discontinues use of the special levy.**

Compression arising from the use of urban renewal has not been analyzed. Compression is the reduction of taxes required by Measure 5's property tax limits. Those limits are \$10 per thousand for general government and \$5 per thousand for education based on the real market value of the properties, while taxes are levied on the assessed value. Special levies are treated as permanent rate levies in compression. Compression first impacts local option levies. Only after they are reduced to zero are the permanent rate levies impacted.

C. Enterprise Zone

The Area is located within an Enterprise Zone, which is a State of Oregon economic development program that provides temporary property tax abatement benefits for qualifying development projects. Development within an Enterprise Zone can qualify for property tax abatement for a period of three to five years, if it achieves certain thresholds of new assessed value, employment, and wages.

As of July 2017, only one property in the Area is currently receiving Enterprise Zone benefits, exempting approximately \$800,000 of assessed value. Information from the Coos County Assessor indicates that this abatement will continue through FYE 2020, and the value will be added to the tax rolls for FYE 2021. This is reflected in our forecast of future growth in assessed value in the Area.

Our analysis assumes that future development in the area would qualify for three year Enterprise Zone abatements, which delays the time from when development occurs to when the Area receives increased Tax Increment Finance revenue, generated by that development. Note that if future development does not qualify for any Enterprise Zone benefits, then it would have a positive impact on the projected cash flow. Conversely, if future development qualifies for a five-year abatement schedule, instead of the three years we have assumed, it would have a negative impact on the projected cash flow.

Table 8 – Tax Increment Revenues and Allocations to Debt Service

TAX INCREMENT FUND	Total	FYE 2017	FYE 2018	FYE 2019	FYE 2020	FYE 2021	FYE 2022
Resources							
Beginning Balance		\$ 64,500	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Earnings	\$ 5,000	\$ 5,000	\$ -	\$ -	\$ -	\$ -	\$ -
TIF: Current Year	\$ 32,439,648	\$ 91,418	\$ 94,927	\$ 98,215	\$ 101,604	\$ 112,586	\$ 116,445
TIF: Prior Years	\$ 1,331,282	\$ 5,000	\$ 4,571	\$ 4,746	\$ 4,911	\$ 5,080	\$ 5,629
Special Levy: Current Year	\$ 224,651	\$ 110,486	\$ 114,165	\$ -	\$ -	\$ -	\$ -
Special Levy: Prior Years	\$ 16,232	\$ 5,000	\$ 5,524	\$ 5,708	\$ -	\$ -	\$ -
Total Resources	\$ 34,016,813	\$ 281,404	\$ 219,187	\$ 108,669	\$ 106,515	\$ 117,666	\$ 122,074
Expenditures							
<i>Debt Service</i>							
Umpqua	\$ (329,750)	\$ (266,000)	\$ (7,500)	\$ (7,250)	\$ (7,000)	\$ (6,750)	\$ (6,500)
Loan B	\$ (1,283,881)	\$ -	\$ -	\$ (64,194)	\$ (64,194)	\$ (64,194)	\$ (64,194)
Loan C	\$ (5,009,448)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan D	\$ (9,194,014)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan E	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Debt Service	\$(15,817,094)	\$ (266,000)	\$ (7,500)	\$ (71,444)	\$ (71,194)	\$ (70,944)	\$ (70,694)
<i>Debt Service Coverage Ratio</i>							
		0.80	29.22	1.52	1.50	1.66	1.73
Transfer to URA Projects Fund	\$(18,264,219)	\$ (15,404)	\$ (211,687)	\$ (37,225)	\$ (35,321)	\$ (46,722)	\$ (51,380)
Total Expenditures	\$(34,081,313)	\$ (281,404)	\$ (219,187)	\$ (108,669)	\$ (106,515)	\$ (117,666)	\$ (122,074)
Ending Balance		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Source: Tiberius Solutions LLC

Table 8 – Tax Increment Revenues and Allocations to Debt Service, page 2

TAX INCREMENT FUND	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027	FYE 2028	FYE 2029
Resources							
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TIF: Current Year	\$ 120,434	\$ 121,384	\$ 217,743	\$ 235,981	\$ 727,643	\$ 1,069,789	\$ 1,116,147
TIF: Prior Years	\$ 5,822	\$ 6,022	\$ 6,069	\$ 10,887	\$ 11,799	\$ 36,382	\$ 53,489
Special Levy: Current Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Levy: Prior Years	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Resources	\$ 126,256	\$ 127,406	\$ 223,812	\$ 246,868	\$ 739,442	\$ 1,106,171	\$ 1,169,636
Expenditures							
<i>Debt Service</i>							
Umpqua	\$ (6,250)	\$ (6,000)	\$ (5,750)	\$ (5,500)	\$ (5,250)	\$ -	\$ -
Loan B	\$ (64,194)	\$ (64,194)	\$ (64,194)	\$ (64,194)	\$ (64,194)	\$ (64,194)	\$ (64,194)
Loan C	\$ -	\$ -	\$ -	\$ -	\$ (417,454)	\$ (417,454)	\$ (417,454)
Loan D	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan E	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Debt Service	\$ (70,444)	\$ (70,194)	\$ (69,944)	\$ (69,694)	\$ (486,898)	\$ (481,648)	\$ (481,648)
<i>Debt Service Coverage Ratio</i>	1.79	1.82	3.20	3.54	1.52	2.30	2.43
Transfer to URA Projects Fund	\$ (55,812)	\$ (57,212)	\$ (153,868)	\$ (177,174)	\$ (252,544)	\$ (624,523)	\$ (687,988)
Total Expenditures	\$ (126,256)	\$ (127,406)	\$ (223,812)	\$ (246,868)	\$ (739,442)	\$ (1,106,171)	\$ (1,169,636)
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Source: Tiberius Solutions LLC

Table 8 – Tax Increment Revenues and Allocations to Debt Service, page 3

TAX INCREMENT FUND	FYE 2030	FYE 2031	FYE 2032	FYE 2033	FYE 2034	FYE 2035	FYE 2036	FYE 2037	FYE 2038
Resources									
Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Earnings	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TIF: Current Year	\$ 1,164,034	\$ 1,213,500	\$ 2,639,024	\$ 2,737,166	\$ 2,838,547	\$ 2,943,273	\$ 3,051,456	\$ 5,714,352	\$ 5,913,980
TIF: Prior Years	\$ 55,807	\$ 58,202	\$ 60,675	\$ 131,951	\$ 136,858	\$ 141,927	\$ 147,164	\$ 152,573	\$ 285,718
Special Levy: Current Year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Special Levy: Prior Years	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Resources	\$ 1,219,841	\$ 1,271,702	\$ 2,699,699	\$ 2,869,117	\$ 2,975,405	\$ 3,085,200	\$ 3,198,620	\$ 5,866,925	\$ 6,199,698
Expenditures									
<i>Debt Service</i>									
Umpqua	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Loan B	\$ (64,194)	\$ (64,194)	\$ (64,194)	\$ (64,194)	\$ (64,194)	\$ (64,194)	\$ (64,194)	\$ (64,194)	\$ (64,194)
Loan C	\$ (417,454)	\$ (417,454)	\$ (417,454)	\$ (417,454)	\$ (417,454)	\$ (417,454)	\$ (417,454)	\$ (417,454)	\$ (417,454)
Loan D	\$ -	\$ -	\$ (1,313,431)	\$ (1,313,431)	\$ (1,313,431)	\$ (1,313,431)	\$ (1,313,431)	\$ (1,313,431)	\$ (1,313,431)
Loan E	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Debt Service	\$ (481,648)	\$ (481,648)	\$ (1,795,079)	\$ (1,795,079)	\$ (1,795,079)	\$ (1,795,079)	\$ (1,795,079)	\$ (1,795,079)	\$ (1,795,079)
<i>Debt Service Coverage Ratio</i>	2.53	2.64	1.50	1.60	1.66	1.72	1.78	3.27	3.45
Transfer to URA Projects Fund	\$ (738,193)	\$ (790,054)	\$ (904,620)	\$ (1,074,038)	\$ (1,180,326)	\$ (1,290,121)	\$ (1,403,541)	\$ (4,071,846)	\$ (4,404,619)
Total Expenditures	\$ (1,219,841)	\$ (1,271,702)	\$ (2,699,699)	\$ (2,869,117)	\$ (2,975,405)	\$ (3,085,200)	\$ (3,198,620)	\$ (5,866,925)	\$ (6,199,698)
Ending Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Source: Tiberius Solutions LLC

VIII. FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FYE 2036 as shown above, are based on projections of the assessed value of development within the Area and the consolidated tax rate that will apply in the Area.

The projections in the financial model assume 3.3% annual growth in the assessed value of real property in the urban renewal area, and no change in the value of personal, utility, or manufactured property value. There is considerable new development projected in the Area. The development assumptions from the International Port of Coos Bay as provided by Fred Jacquot, Director of Port Development on May 19, 2017 are:

North Bay Industrial Park

Parcels 25S13W18100 (tax code 6932), 25S13W18105Z1 (tax code 6932), 25S13W18199Z (tax code 6902), and 25S13W18200 (tax code 6902)

Phase 1 build out – 5 years, \$15 million

Phase 2 build out – 10 years, \$25 million (\$40 million total)

Phase 3 build out – 20 years, \$35 million (\$75 million total)

(This development projection was split equally among the tax code areas 6932 and 6902)

Henderson Site

Parcels 25S13W00200 (tax code 6932), and 25S13W05300 (tax code 6932)

Phase 1 build out – 5 years, \$25 million

Phase 2 build out – 10 years, \$75 million (\$100 million total)

Phase 3 build out – 20 years, \$125 million (\$225 million total)

Other property owners in the Area also provided input on potential development. These projections were also added into the financial model. Those interviews were considered confidential, and are, therefore rolled into the financial model but not identified individually.

There are twelve different taxing code areas in this urban renewal area, as established by the Coos County Assessor. Four of these code areas (6900, 6901, 6914, 6932) have an assessed value that is lower than their frozen base value. This means that the assessed value of new development that occurs will first have to equal the frozen base value before it will produce tax increment revenues for the urban renewal area. The amount of deficit in these code areas is shown in Table 9.

Table 9 – Assessed Values and Frozen Base Values of Tax Codes in the Area

County TCA	Frozen Base	Excess	Total AV	Rate	Current Assessed Value	Check
61300	\$ 8,495	\$ 11,475	\$ 19,970	\$ 14.4809	\$ 19,970	\$ 11,475
61301	\$ 18,218	\$ 20,472	\$ 38,690	\$ 8.2978	\$ 38,690	\$ 20,472
61308	\$ 40,171	\$ 213,949	\$ 254,120	\$ 9.4175	\$ 254,120	\$ 213,949
61391	\$ 5,030	\$ 3,510	\$ 8,540	\$ 8.2978	\$ 8,540	\$ 3,510
61398	\$ 1	\$ 1,999	\$ 2,000	\$ 9.4175	\$ 2,000	\$ 1,999
6900	\$ 343,073	\$ -	\$ 343,073	\$ 15.0271	\$ 58,200	\$ (284,873)
6901	\$ 96,899	\$ -	\$ 96,899	\$ 8.6628	\$ 31,400	\$ (65,499)
6902	\$ 808,658	\$ 11,056,649	\$ 11,865,307	\$ 8.6628	\$ 11,866,807	\$ 11,058,149
6914	\$ 3,524	\$ -	\$ 3,524	\$ 14.8459	\$ -	\$ (3,524)
6927	\$ 989	\$ 741	\$ 1,730	\$ 11.9744	\$ 1,730	\$ 741
6932	\$ 36,949,088	\$ -	\$ 36,949,088	\$ 9.7825	\$ 27,650,363	\$ (9,298,725)
6991	\$ 16,569	\$ 11,191	\$ 27,760	\$ 8.6628	\$ 27,760	\$ 11,191
Total	\$ 38,290,715	\$ 11,319,986	\$ 49,610,701		\$ 39,959,580	\$ 1,668,865

Table 10 shows the projected incremental assessed value, tax rates and tax increment revenues each year, adjusted for discounts, delinquencies, and compression losses. These projections of increment are the basis for the projections in Tables 7 and 8. Gross TIF is calculated by multiplying the tax rate times the excess value. The tax rate is per thousand dollars of value, so the calculation is “tax rate times excess value divided by one thousand.” The consolidated tax rate includes permanent tax rates only, and excludes general obligation bonds and local option levies which would not be impacted by this Plan. The frozen base value used in the calculations for Table 10 matches the total for the frozen base values in the Coos County SAL 4c. This number is different than the adjusted frozen base number reported in the SAL 4e because of the negative tax code areas that were mentioned above.

Table 10 – Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues

FYE	Assessed Value			Tax Rate	Tax Increment Finance		
	Total	Frozen Base	Increment		Gross	Adjustments	Net
2017	\$ 39,959,580	\$ 38,290,715	\$ 11,321,486	8.6825	\$ 98,299	\$ (6,881)	\$ 91,418
2018	\$ 41,275,290	\$ 38,290,715	\$ 11,724,734	8.7057	\$ 102,072	\$ (7,145)	\$ 94,927
2019	\$ 42,634,418	\$ 38,290,715	\$ 12,141,289	8.6983	\$ 105,608	\$ (7,393)	\$ 98,215
2020	\$ 44,038,397	\$ 38,290,715	\$ 12,571,590	8.6905	\$ 109,253	\$ (7,649)	\$ 101,604
2021	\$ 46,416,356	\$ 38,290,715	\$ 13,943,739	8.6821	\$ 121,061	\$ (8,475)	\$ 112,586
2022	\$ 47,945,138	\$ 38,290,715	\$ 14,433,520	8.6749	\$ 125,210	\$ (8,765)	\$ 116,445
2023	\$ 49,524,370	\$ 38,290,715	\$ 14,939,464	8.6682	\$ 129,499	\$ (9,065)	\$ 120,434
2024	\$ 51,155,718	\$ 38,290,715	\$ 15,462,105	8.4413	\$ 130,521	\$ (9,137)	\$ 121,384
2025	\$ 65,508,900	\$ 38,290,715	\$ 27,572,081	8.4916	\$ 234,132	\$ (16,389)	\$ 217,743
2026	\$ 67,667,737	\$ 38,290,715	\$ 29,730,918	8.5347	\$ 253,744	\$ (17,763)	\$ 235,981
2027	\$ 123,653,816	\$ 38,290,715	\$ 85,716,997	9.1279	\$ 782,412	\$ (54,769)	\$ 727,643
2028	\$ 162,336,435	\$ 38,290,715	\$ 124,399,616	9.2469	\$ 1,150,310	\$ (80,521)	\$ 1,069,789
2029	\$ 167,690,581	\$ 38,290,715	\$ 129,753,762	9.2495	\$ 1,200,157	\$ (84,010)	\$ 1,116,147
2030	\$ 173,221,413	\$ 38,290,715	\$ 135,284,594	9.2520	\$ 1,251,649	\$ (87,615)	\$ 1,164,034
2031	\$ 178,934,762	\$ 38,290,715	\$ 140,997,943	9.2543	\$ 1,304,838	\$ (91,338)	\$ 1,213,500
2032	\$ 340,636,652	\$ 38,290,715	\$ 302,699,833	9.3745	\$ 2,837,660	\$ (198,636)	\$ 2,639,024
2033	\$ 351,874,705	\$ 38,290,715	\$ 313,937,886	9.3751	\$ 2,943,190	\$ (206,024)	\$ 2,737,166
2034	\$ 363,483,613	\$ 38,290,715	\$ 325,546,794	9.3756	\$ 3,052,202	\$ (213,655)	\$ 2,838,547
2035	\$ 375,475,616	\$ 38,290,715	\$ 337,538,797	9.3761	\$ 3,164,810	\$ (221,537)	\$ 2,943,273
2036	\$ 387,863,353	\$ 38,290,715	\$ 349,926,534	9.3766	\$ 3,281,135	\$ (229,679)	\$ 3,051,456
2037	\$ 689,635,887	\$ 38,290,715	\$ 651,699,068	9.4284	\$ 6,144,465	\$ (430,113)	\$ 5,714,352
2038	\$ 712,390,915	\$ 38,290,715	\$ 674,454,096	9.4285	\$ 6,359,119	\$ (445,139)	\$ 5,913,980

Source: Tiberius Solutions LLC

Notes: TIF is tax increment revenues. Tax rates are expressed in terms of dollars per \$1,000 of assessed value.

Revenue sharing is part of the 2009 legislative changes to urban renewal and means that, at thresholds defined in ORS 457.470, the impacted taxing jurisdictions will receive a share of the incremental growth in the area. This only impacts Option One Urban Renewal Plans if they are substantially amended after October 2010 to increase the maximum indebtedness. (ORS 457.470(20)(b)). Therefore, this urban renewal plan is not required to participate in revenue sharing.

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 and upon property owners 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 2038.

The Coos Bay School District, North Bend School District and the South Coast Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal 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.

Tables 12a and 12b show the projected impacts to permanent rate levies of taxing districts as a result of this Plan. Table 14a shows the general government levies, and Table 14b shows the education levies.

General obligation bonds and local option levies are impacted by urban renewal only if they were originally approved by voters in an election prior to October 6, 2001. There are two general obligation bonds approved prior to October 6, 2001 that will still be impacted by the North Bay Urban Renewal Area, one in Coos County that impacts through FYE 2023 and one in North Bend Schools that impacts through FYE 2023. This impact is on the property tax payer. While the bonds will cause an impact to the property tax payer, the impact is considered to be minute for two reasons. First, the total impact per \$100,000 of assessed value over the life of the bonds is only \$0.34. For example, a person with a home assessed at \$300,000 will be impacted by \$1.02 over the life of the district. Second, the bonds are only impacting the property tax payer for six of the twenty years of the urban renewal districts existence. The detailed estimated impact is shown in Table 11.

Table 11 – GO Bond Impact on Property Owners

FYE	GO Bond Tax Rate (per \$1,000 AV)			Property Tax Paid per \$100,000 AV		
	Without UR	With UR	Impact of UR	Without UR	With UR	Impact of UR
2018	0.2632	0.2638	0.0006	\$ 26.32	\$ 26.38	\$ 0.06
2019	0.2556	0.2562	0.0006	\$ 25.56	\$ 25.62	\$ 0.06
2020	0.2478	0.2483	0.0005	\$ 24.78	\$ 24.83	\$ 0.05
2021	0.2406	0.2412	0.0006	\$ 24.06	\$ 24.12	\$ 0.06
2022	0.2332	0.2338	0.0006	\$ 23.32	\$ 23.38	\$ 0.06
2023	0.2265	0.2270	0.0005	\$ 22.65	\$ 22.70	\$ 0.05
Total				\$ 170.77	\$ 171.11	\$ 0.34

Source: Tiberius Solutions LLC

Table 12a – Projected Impact on Taxing District Permanent Rate Levies - General Government

FYE	Coos County Permanent	Coos County 4H/Ext Permanent	Coos County Library Permanent	Port of Coos Bay Permanent	Coos County Airport Permanent	City of North Bend Permanent	North Bay RFPD Permanent	Charleston RFPD Permanent	Charleston Sanitary Permanent	Subtotal Gen. Govt.
2017	(\$11,992)	(\$986)	(\$8,093)	(\$6,795)	(\$2,666)	(\$69)	(\$237)	(\$2)	\$0	(\$30,840)
2018	(\$12,342)	(\$1,014)	(\$8,331)	(\$6,993)	(\$2,742)	(\$73)	(\$245)	(\$2)	\$0	(\$31,742)
2019	(\$12,782)	(\$1,050)	(\$8,628)	(\$7,243)	(\$2,841)	(\$77)	(\$254)	(\$2)	\$0	(\$32,877)
2020	(\$13,235)	(\$1,088)	(\$8,934)	(\$7,500)	(\$2,942)	(\$82)	(\$264)	(\$3)	\$0	(\$34,048)
2021	(\$14,636)	(\$1,204)	(\$9,879)	(\$8,293)	(\$3,252)	(\$86)	(\$274)	(\$3)	\$0	(\$37,627)
2022	(\$15,197)	(\$1,250)	(\$10,258)	(\$8,611)	(\$3,378)	(\$91)	(\$285)	(\$3)	\$0	(\$39,073)
2023	(\$15,729)	(\$1,293)	(\$10,617)	(\$8,912)	(\$3,495)	(\$95)	(\$296)	(\$3)	\$0	(\$40,440)
2024	(\$16,298)	(\$1,339)	(\$11,002)	(\$9,235)	(\$3,622)	(\$100)	(\$307)	(\$4)	\$0	(\$41,907)
2025	(\$28,462)	(\$2,340)	(\$19,211)	(\$16,128)	(\$6,325)	(\$103)	(\$1,849)	(\$4)	\$0	(\$74,422)
2026	(\$31,235)	(\$2,568)	(\$21,083)	(\$17,700)	(\$6,941)	(\$110)	(\$3,274)	(\$4)	\$0	(\$82,915)
2027	(\$87,482)	(\$7,194)	(\$59,047)	(\$49,570)	(\$19,442)	(\$112)	(\$57,195)	(\$4)	\$0	(\$280,046)
2028	(\$129,186)	(\$10,623)	(\$87,196)	(\$73,200)	(\$28,710)	(\$119)	(\$98,692)	(\$4)	\$0	(\$427,730)
2029	(\$136,558)	(\$11,228)	(\$92,173)	(\$77,379)	(\$30,349)	(\$126)	(\$104,653)	(\$5)	\$0	(\$452,471)
2030	(\$142,382)	(\$11,707)	(\$96,103)	(\$80,677)	(\$31,642)	(\$132)	(\$109,440)	(\$5)	(\$1)	(\$472,089)
2031	(\$148,397)	(\$12,201)	(\$100,163)	(\$84,086)	(\$32,980)	(\$139)	(\$114,387)	(\$5)	(\$1)	(\$492,359)
2032	(\$310,994)	(\$25,573)	(\$209,911)	(\$176,216)	(\$69,115)	(\$141)	(\$274,315)	(\$5)	(\$1)	(\$1,066,271)
2033	(\$330,489)	(\$27,176)	(\$223,070)	(\$187,264)	(\$73,448)	(\$151)	(\$291,684)	(\$6)	(\$1)	(\$1,133,289)
2034	(\$342,713)	(\$28,181)	(\$231,320)	(\$194,190)	(\$76,165)	(\$158)	(\$302,645)	(\$6)	(\$1)	(\$1,175,379)
2035	(\$355,340)	(\$29,218)	(\$239,843)	(\$201,344)	(\$78,970)	(\$165)	(\$313,966)	(\$6)	(\$1)	(\$1,218,853)
2036	(\$368,382)	(\$30,293)	(\$248,648)	(\$208,734)	(\$81,872)	(\$172)	(\$325,661)	(\$6)	(\$1)	(\$1,263,769)
2037	(\$671,981)	(\$55,257)	(\$453,568)	(\$380,762)	(\$149,343)	(\$175)	(\$626,239)	(\$7)	(\$1)	(\$2,337,333)
2038	(\$710,085)	(\$58,389)	(\$479,286)	(\$402,351)	(\$157,811)	(\$187)	(\$661,855)	(\$7)	(\$1)	(\$2,469,972)
Total	(\$3,905,897)	(\$321,172)	(\$2,636,364)	(\$2,213,183)	(\$868,051)	(\$2,663)	(\$3,288,017)	(\$96)	(\$9)	(\$13,235,452)

Source: Tiberius Solutions LLC

Table 12b – Projected Impact on Taxing District Permanent Rate Levies - Education

FYE	South Coast ESD Permanent	Coos Bay School Dist Permanent	SW Oregon Comm College Permanent	North Bend School Dist Permanent	Subtotal Education	Total All
2017	(\$4,921)	(\$49,162)	(\$7,792)	(\$1,027)	(\$62,902)	(\$93,742)
2018	(\$5,065)	(\$50,589)	(\$8,020)	(\$1,064)	(\$64,738)	(\$96,480)
2019	(\$5,247)	(\$52,387)	(\$8,307)	(\$1,108)	(\$67,049)	(\$99,926)
2020	(\$5,432)	(\$54,237)	(\$8,601)	(\$1,155)	(\$69,425)	(\$103,473)
2021	(\$6,006)	(\$60,057)	(\$9,510)	(\$1,198)	(\$76,771)	(\$114,398)
2022	(\$6,236)	(\$62,351)	(\$9,875)	(\$1,251)	(\$79,713)	(\$118,786)
2023	(\$6,455)	(\$64,529)	(\$10,221)	(\$1,303)	(\$82,508)	(\$122,948)
2024	(\$6,690)	(\$66,860)	(\$10,591)	(\$1,356)	(\$85,497)	(\$127,404)
2025	(\$11,681)	(\$117,830)	(\$18,496)	(\$1,381)	(\$149,388)	(\$223,810)
2026	(\$12,820)	(\$129,371)	(\$20,297)	(\$1,462)	(\$163,950)	(\$246,865)
2027	(\$35,904)	(\$365,172)	(\$56,844)	(\$1,476)	(\$459,396)	(\$739,442)
2028	(\$53,019)	(\$539,922)	(\$83,942)	(\$1,562)	(\$678,445)	(\$1,106,175)
2029	(\$56,045)	(\$570,744)	(\$88,732)	(\$1,645)	(\$717,166)	(\$1,169,637)
2030	(\$58,433)	(\$595,090)	(\$92,517)	(\$1,708)	(\$747,748)	(\$1,219,837)
2031	(\$60,903)	(\$620,240)	(\$96,427)	(\$1,774)	(\$779,344)	(\$1,271,703)
2032	(\$127,635)	(\$1,301,917)	(\$202,077)	(\$1,798)	(\$1,633,427)	(\$2,699,698)
2033	(\$135,636)	(\$1,383,531)	(\$214,746)	(\$1,913)	(\$1,735,826)	(\$2,869,115)
2034	(\$140,652)	(\$1,434,698)	(\$222,688)	(\$1,987)	(\$1,800,025)	(\$2,975,404)
2035	(\$145,835)	(\$1,487,556)	(\$230,893)	(\$2,062)	(\$1,866,346)	(\$3,085,199)
2036	(\$151,188)	(\$1,542,157)	(\$239,368)	(\$2,140)	(\$1,934,853)	(\$3,198,622)
2037	(\$275,788)	(\$2,814,990)	(\$436,643)	(\$2,174)	(\$3,529,595)	(\$5,866,928)
2038	(\$291,423)	(\$2,974,601)	(\$461,400)	(\$2,302)	(\$3,729,726)	(\$6,199,698)
Total	(\$1,603,014)	(\$16,337,991)	(\$2,537,987)	(\$34,846)	(\$20,513,838)	(\$33,749,290)

Source: Tiberius Solutions LLC

Please refer to the explanation of the schools funding in the preceding section

Table 13 shows the projected increased revenue to the taxing jurisdictions after tax increment proceeds are projected to be terminated. These projections are for FYE 2039.

Table 13 – Additional Revenues Obtained after Termination of Tax Increment Financing

Tax Revenue in FYE 2039 (year after termination)					
Taxing District	Type	Tax Rate	From Frozen Base	From Excess Value	Total
General Government					
Coos County	Permanent	1.0799	\$41,349	\$753,345	\$794,694
Coos County 4H/Ext	Permanent	0.0888	\$3,400	\$61,949	\$65,349
Coos County Library	Permanent	0.7289	\$27,911	\$508,485	\$536,396
Port of Coos Bay	Permanent	0.6119	\$23,430	\$426,867	\$450,297
Coos County Airport	Permanent	0.2400	\$9,190	\$167,427	\$176,617
City of North Bend	Permanent	6.1831	\$53	\$200	\$253
North Bay RFPD	Permanent	1.1197	\$41,913	\$702,248	\$744,161
Charleston RFPD	Permanent	3.0000	\$3	\$8	\$11
Charleston Sanitary	Permanent	0.3116	\$0	\$1	\$1
<i>Subtotal</i>		<i>19.7282</i>	<i>\$147,249</i>	<i>\$2,620,530</i>	<i>\$2,767,779</i>
Education					
South Coast ESD	Permanent	0.4432	\$16,971	\$309,178	\$326,149
Coos Bay School Dist	Permanent	4.5276	\$173,039	\$3,155,817	\$3,328,856
SW Oregon Comm College	Permanent	0.7017	\$26,868	\$489,511	\$516,379
North Bend School Dist	Permanent	4.1626	\$299	\$2,450	\$2,749
<i>Subtotal</i>		<i>9.8351</i>	<i>\$217,177</i>	<i>\$3,956,956</i>	<i>\$4,174,133</i>
Total		29.5633	\$364,426	\$6,577,486	\$6,941,912

Source: Tiberius Solutions LLC

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

State law limits the percentage of both a municipality’s total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 15% for municipalities over 50,000 in population. As noted below, the frozen base, including all real, personal, personal, manufactured, and utility properties in the Area, is \$38,290,715. The total assessed value of Coos County, **minus excess value** of the existing urban renewal area is \$5,160,428,089. Excess value is the assessed value created above the frozen base in an urban renewal area. The total assessed value of the urban renewal area is 0.74% of the total assessed value of the county, minus excess value, which is below the 15% statutory limitation.

The Area contains 8,945 acres, including public rights-of-way, and Coos County contains 1,070,950 acres. The percentage of acreage in an urban renewal area is .83%, which is below the 15% statutory limitation.

Table 14 – Urban Renewal Area Conformance with Assessed Value and Acreage Limits

	Assessed Value	Acreage
Coos County	\$5,171,748,075	1,070,950
minus Urban Renewal excess	\$11,319,986	
Coos County Net	\$5,160,428,089	
North Bay Urban Renewal Area	\$38,290,715	8,945
Percentage in UR Areas	0.74%	.83%

Source: Compiled by Elaine Howard Consulting, LLC with data from Coos County Department of Assessment and Taxation (FYE 2016)

XI. RELOCATION REPORT

There is no relocation report required for the Plan. No specific acquisitions that would result in relocation benefits have been identified, however, there are plans to acquire land for infrastructure which may trigger relocation benefits in the future in the Area.