



DATE: May 23, 2022
TO: Elaine Howard
FROM: Ali Danko
SUBJECT:

WILSONVILLE UR TASK FORCE MEETING #3 NOTES

Introduction

- Kristin Akervall introduced herself. Note of appreciation for joining and sharing time this afternoon. The group plays an important role for the City of Wilsonville, looking to the future and reflecting on the environment that we have now.
- Remo Douglas introduced himself: Manage West Linn/Wilsonville School District construction program. Sitting in today. Very engaged in Wilsonville. There is notable construction happening, including a design for the new primary school. Looking forward to working with City on that new primary school and also excited to be part of this conversation.
- Kevin W: Missed second meeting. Wilsonville Chamber of Commerce. Here for economic prosperity for all.
- Kristin Akervall went over agenda.

Coffee Creek

- Elaine Howard: Task force discussed Coffee Creek and the WIN program at the last meeting. Coffee creek is mostly an industrial jobs/production area. Investments in the area are infrastructure related (Ridder Road investment was not in original plan).
- Elaine Howard: Discussed issues and questions on PowerPoint.
- Elaine Howard: We all agreed that staff should update the project costs so they are more current. This wouldn't be done in time for the strategic planning, but we know that it needs to be done in the future and would become a staff identified project for the future. The group also talked about considering a minor amendment to plan (adding Ridder Road project) and talked about a minor amendment to add land acquisition as an eligible project. These recommendations don't have to be determined now.
- Kevin: Was there any consideration regarding the property to north of Basalt Creek? As part of project costs, need to understand any changes relative to Tualatin and how that might impact Coffee Creek.
 - Miranda Bateschell, Wilsonville Planning Director: Was the project manager for the City, helping to adopt the Basalt Creek Concept Plan with Tualatin. Did a very high conceptual level planning for infrastructure systems and who would be responsible for what as the jurisdictional boundary and plans for how to service those two areas that make up larger Basalt Creek planning area. There are industrial uses in Wilsonville, and both housing and industrial in Tualatin portion of area. Don't see any necessary updates because of the partnership, but as we adopted our portion of concept plan and amendments of comprehensive plan, acknowledgement that there would be more work around what zoning would precisely be since there were some discussions and high-level ideas for different employment uses than we have called out. Have a broad industrial zone. Need to have that discussion with the council around doing master planning level infrastructure analysis and cost estimates. That work will be in future when master plan is completed. That information could help inform later work that we'd be doing. But not at this time.

- Kevin: Don't want to to create extra work. But maybe there is simply a clarification that we are basing project cost of task force on high level. Just want to make sure there's an answer if someone asks.
- No one else on task force had anything to add or any questions.
- Matt Lorenzen: Would like to clarify that for land acquisition, would be aggregating land for development, not just aggregating land for the City to own.
 - Elaine Howard: Parcelization makes it difficult to develop. Larger parcels need to be put together to encourage development to happen.
- Matt: If the City doesn't acquire any property, but negotiates options on property, would that need to be spelled out separately in the Plan?
 - Elaine Howard: Yes, if the City is spending money, it must be in the Plan.
 - Matt: Project could be "land acquisition and associated activities"

Wilsonville Investment Now (WIN)

- Elaine Howard: Went over issues and questions.
- Comments on recommendations:
 - Kevin: This would add a step in the process. Key foundation for the WIN program was being very responsive to development needs and having a process that was defined. When we are talking about public open houses and review for input, are there parameters to make sure it is not dragged out? Can that qualifier be established? So, staff doesn't have public input that would stop the process.
 - Elaine Howard: We can certainly add some language around that for consideration. As discussed at the last meeting, there were many questions that came up in the eleventh hour of the process that almost derailed the last application, because we didn't have the information. If these questions were addressed earlier, it would help the process go more smoothly without the hangups.
 - Kristin Akervall: We want a smooth process. The timing of information for everyone involved (community included) is important to have that smooth process so no one feels surprised, resulting in a hurdle at the very end.
 - Kevin: Understands. Add qualifier that public process isn't mutually exclusive to overall process. If the public process is too long, we've lost the fundamental predictability and smooth process, which is important to the WIN program.

A Vision for Town Center

- Kim Rybold: Senior planner with the City, managing the implementation of the Town Center Plan, which was adopted in 2019. This will be a short presentation to highlight the Town Center vision and goals. What is it that the Town Center Plan seeks to do? What are projects that we are looking at to help get the adopted vision on the ground? All bullets below are from Kim's presentation:
 - Vision statement: Two-year process. Saw the Town Center in the future being vibrant and walkable.
 - Six distinct goals helped shape and drive recommendations of the plan regarding land use and how we create a sense of place for Town Center.
 - Map of land use plan slide: Illustrates how it's focused in the purple color around main street. Core defining elements in plan include mixed uses, having an active ground floor where people

can walk around and gather. To the west around I-5 contains the tallest buildings. Mixed uses are everywhere. Most intense development will occur in the western part, tapering down to development that is a shorter 2 to 3 stories closer to the residential area to the east. Future connectivity is shown with dashed lines. Areas highlighted in green show the emerald chain. Have an organizing principle around open spaces. Top left is the I-5 pedestrian bridge in Gateway Plaza, which is a link to get town center better connected to key communities to west (Villebois, transit, and employment centers). It connects via Town Center Park, and a couple more projects will make it safer and more accessible.

- **Infrastructure project** locations slide: These are different colors, but a combination of new roadway connections, enhancements to existing connections, and ped/bike projects. One thing that's important to note is that these infrastructure investments are a key backbone to help achieve the larger vision. Support new development and mixed use. Some projects are going to be funded more proportionately by the City, but others will have greater share of private investment.
- **Main Street** slide: This is really the heart and backbone of Town Center, and is the place that best represents the vision for Town Center with a sense of place. Have a focus on active ground floor uses and creating that Main Street.
- **I-5 pedestrian bridge** and plaza slide: this is an infrastructure project that planning is underway on. The City received grant money via metro to fund design work on this project. The image shown is the preferred option for the bridge itself. Engineering drawings have been prepared. Lighting is a key element of the bridge. Looked at how could we have a visually impressive structure, but also different ways to enhance it. Lighting was a key way to do that.
- **Gateway Plaza design work** slide: Town Center loop west, purchased by the City. Through the Town Center planning process, established it would be good opportunity for open space. Would consist of different elements. Smaller property with smaller gathering spaces, walkways and paths. Seen as something to be an open space and initial landing point of emerald chain.
- **Promenade** slide: The promenade is important because it's seen as key street for people and bikes. It is envisioned to create gathering spaces in support of adjacent development, but also have stormwater management integrated and provide a nice focal point to get to main street.
- **Other implementation activities** slide: We also adopted the streetscape plan last year. Looked at design of sidewalk materials, street furniture, and spaces between existing buildings, wanting a coherent streetscape. Current Town Center is a mishmash of different types of lights and trashcans, etc. Also taking opportunities for placemaking, like looking at open spaces and ways to bring people to Town center. Will be looking at development opportunity studies. Also look at ongoing relationships, existing landowners/potential new people.
- **Infrastructure funding plan** slide: Need to figure out how to pay for the list of projects, lots of infrastructure needed to achieve vision of Town Center. Are there existing City funding sources that cover the costs? We will be working over the course of this year to update cost estimates and determine City share. We'll look at funding gaps, and other sources that might be available to us. We will be doing an analysis to consider if urban renewal is a feasible tool to use here. The Infrastructure Funding Plan will be figuring out what funding tools are best suited, and will look at whether urban renewal is one of those tools that makes sense.
- **Questions about material that Kim presented:**
 - **Lauren:** Is the City also seeking input on the plan? Or has it already been adopted?
 - **Kim:** The Plan has been adopted. They are policies that are a subcomponent of the comprehensive plan, and not looking to reopen the plan.

- Lauren: Did work in Salem (development business) at Mill Creek corporate center. They have urban renewal but have a special SDC district. You pay to a fund but all those dollars go back into the corporate center. It's a larger area (owned by Oregon administrative services). Had never seen that before. They can control/have a better handle on what projects the SDC funds can be used for. In Portland, you can only update the list every 10 years. This is something worth evaluating.
- Lauren: See lots of offsite work with lots of street improvements. Will be difficult for the private side to fully take on. Correct in acknowledging that there will need to be public assistance there. For the 400x400 blocks, there are lots of sidewalks with limited density.
 - Matt Lorenzen: It is helpful to understand and hear from the private development community about what you see when you look at the Plan.
- Lauren: Not sure if underground parking is actually feasible. Intrigued by Town Center Park. Could do something with scale for housing. When you have a 4,000 SF lot, have to go underground for parking, and that's not feasible right now, and not sure if it's the right product type for Wilsonville. Does a consultant figure out what works there?
 - Kim: One implementation project not mentioned is looking at larger **parking strategies**. The parking conversation is interesting and is in a constantly shifting space. We are operating under a certain set of assumptions on what standards are. Is parking an impediment to vision? Does the strategy need to be tailored to different areas?
- Matt Lorenzen: Question regarding **land aggregation**. To what extent does the interest from a private developer change if a public entity has prepared a site, titled it, and schematically designed it, then goes out to development agreement? But then, required to develop in line with the City vision. Is this of higher interest then developer putting together parcels?
 - Lauren: It depends on challenges with the site. If it's a unique site, but the City wants to pay an above market price, and that's how you aggregate the land, then there is value in the City playing that role. It really just depends. Agnostic because the City is putting in a lot of risk, time, dollars, and opportunity costs. Can have longer conversation about that in the future.
 - Matt Lorenzen: For the Block 67 project, Beaverton acquired a critical piece of property, fully programmed it, then offered to development community. Hillsboro also did this with 4th and Main. Not sure if it's required, but if you do have existing development or land that not in a square, there may be a role to play for City to play.
 - Lauren: Agrees.
- Lauren: Make sure to include utility costs in the cost estimations.
 - Kim: It's important to be conservative. If not, the City could find itself in bad position on expense. So will be mindful of that as we work on estimates.
- Matt Lorenzen: As we look to the job description of the task force, the overarching question that we are asking is basic: **is urban renewal an appropriate tool in order to help realize this vision?**
 - Allen: One thing that we've struggled in prior urban renewal committees is how the expenditure relates to development of the property. One example is a proposal to develop a park at frog pond. The committee didn't think there was a correlation of business development and expenditure of funds.
 - Cassandra: Agree. If TIF is being used for infrastructure and sidewalks and roads, that makes it more attractive for developers to come to Wilsonville to achieve the vision. Whereas some other projects might be art, frills, or other things that don't incentivize private development, and those would be a less constructive use of public moneys.

- Andrew: If used for infrastructure, probably appropriate.
- Matt Lorenzen: Is urban renewal the right tool? And to what extent? Probably not looking for super specific recommendation. Is urban renewal worthy of consideration?
 - Lauren: It depends on how much it would generate. Until we see what increment would be, not sure.
- Matt Lorenzen: What is the difference between a URA in area in area like this where this is existing assessed value vs area where there is less or none?
 - Nick Popenuk: In an area that is already developing, paying attention to timing of demolition is important. When you are looking at area that has a large existing frozen base, you can invest in urban renewal projects right away. You would also tend to be careful in making sure you're putting appropriate constraints on the TIF collection. For Coffee Creek, very little TIF is being generated in early years so there is very little foregone revenue. If you have existing value, tax revenue can grow very rapidly from just the appreciation of existing value. It's a great opportunity, but there is real importance in watching impacts and making sure you aren't vacuuming in all revenue.
 - Andrew: Can you cap the TIF?
 - Nick Popenuk: There are many ways to be a responsible partner. You can limit your maximum indebtedness or underlevy (only collecting half of tax revenue that you could bring in each year, for example).
- Kevin: Going back to question of is it a good idea relative to infrastructure/does it make sense as a tool? Nick talks about positive/negative impacts as it relates to the big picture of money for taxing districts and the City. But the question is also, how are property owners going to look at the infrastructure coming out of that? You've got existing pieces there. Is it equitable? Is it fair? What are the positive/negative impacts by putting infrastructure dollars there? Does it tilt the balance? Refer to staff of that. Seems like it's a new area and worth having a discussion about, but would think that every property owner is going to ask those questions. If you did it here vs there because needs are different, can you defend that realistically/honestly? If infrastructure is covered in one place, but private owners have to pay in a different place. One more ruler to measure, and if it can be done, then worthwhile to have conversation about it.
- Matt Lorenzen: Regarding just spending TIF on infrastructure, urban renewal as a tool can be used in other more creative ways. In some instances, we see cities stand up grant/loan programs to help not just with development but also to support business within the URA. There may be some risk of displacement of businesses as properties redevelop in this area. We certainly would not want to have that negative impact. Something like improvement loan/grant program could help business make a move or begin new? The buildings would be just a shell, and there could be additional grant to make that business in occupiable. Food business have substantial costs associated with startup. The vision for this area is to be vibrant cultural district, and eating establishments are an element of that. One way to use TIF beyond infrastructure is to offset some of startup costs.
 - Lauren: If targeted towards first time business owners, not a franchisee like Starbucks, it's a good idea. But not necessarily tenant improvements dollars that keep small businesses from getting into these places. It's more about having guarantees of the lease (payment obligations) and needing someone to cosign a lease--could a City do that? But also, businesses need operating capital. Would be nice to see not only TI improvement funding, but also fund operating capital (staff, taxes, etc. for first couple of months).
 - Kevin (in chat): I believe that during the TCP process that this issue came up and if I recall it was included in the language of the approved plan. (I think it was covered under "improvements" to existing)

- Nancy: There was input from community. There was concern that we have number of small business owners. How do we help locate and keep them in town center? Many residents/owners/Council raised Matt's question.
- Elaine Howard: Typically, on assisting small businesses and dealing with displacement, you can spend TIF on sticks and bricks (improvements). Could be an industrial kitchen or restrooms/ovens in a shared space with all restaurants using. Operational costs cannot be covered through urban renewal. The City could figure out how to fund that through some other source, but urban renewal funds are for hard capital costs. By statute, the main goal of urban renewal is to cure blight. Over the past 10 years, have tried to incorporate economic development, although nothing in statute talks about that.
- Kevin: Think about curing blight relative to childcare. We are in a childcare desert. Is it conceivable that a URA could be set up so that there was a shared area for childcare?
 - Elaine Howard: Urban renewal could fund the facility, but it could not fund the staffing or other ongoing operational costs.
 - Cassandra: While it's a significant concern, think that spending TIF on childcare capital costs would stray from the fundamental intent in investing public taxpayer money, and thus the overlapping districts foregoing revenue. Stick with projects that would invite private investment that wouldn't occur otherwise, like aggregating parcels, etc. Straying too far from that would make policymakers feel uncomfortable.
 - Kristin Akervall: Do we have access to data about if lack of childcare options is hindering business in the area? Goes back to the question of if business would not have happened without the investment in childcare? Can staff reach out to partners to see if there is any data or other information that could help inform this discussion about childcare? Agree that we do have to keep coming back to the core mission of would development be happening.
 - Matt Lorenzen: If there were a grant/loan program that were stood up, nothing to preclude a childcare business from being an applicant. In a previous role, one of the biggest challenges to locate a childcare business is having on-site of proximate outdoor space. Emerald chain in town center would be a great asset to childcare businesses. Also physical improvements of interior space (new sink, bathroom, adding a wall for new room) are all conceivable "bricks and sticks."
 - Elaine Howard: Gresham has a childcare facility as part of a larger development. City is working with a developer of a mixed-use development that contains many components (affordable housing, retail space, and childcare). They will be using urban renewal funds to help write down the cost of the development. Whether it goes specifically to the childcare portion or not, they did see that as an important component to establishing the types of businesses they wanted to see there.
- Matt Lorenzen: Is there an overall approval, at least at conceptual level, to explore urban renewal further?
 - Elaine Howard: Similar to Coffee Creek, will put together statements (like, there is general interest in using urban renewal as a potential tool for infrastructure and some interest in capital improvements for businesses, grant/loan programs to support businesses, and childcare capital costs).