

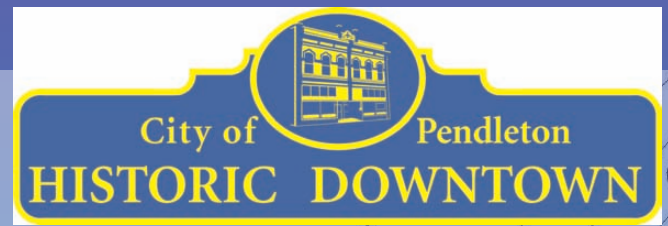


PENDLETON

Downtown/Riverfront

Urban Renewal Agency

Exhibit "A" - Plan
Exhibit "B" - Report



EXIST'G PARAPET
24'-6"



13 SOUTH MAIN



245, 24
Pendle
Owner
05.10.07

Adopted August 05, 2003
City of Pendleton Ordinance-3687

ORDINANCE

Return to:
CITY OF PENDLETON
500 S.W. DORION AVE.
PENDLETON, OR 97801-2090

RECEIVED

AUG 14 2003

UMATILLA COUNTY
RECORDS



2003-4450022

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ORDINANCE NO. 3687

AN ORDINANCE MAKING CERTAIN DETERMINATIONS AND FINDINGS RELATING TO AND ADOPTING THE PENDLETON DOWNTOWN RIVERFRONT URBAN RENEWAL PLAN

WHEREAS, the Pendleton Development Commission ("Commission"), as the duly authorized and acting urban renewal agency of the City of Pendleton, Oregon, is proposing to undertake certain redevelopment activities in a designated area within the City of Pendleton pursuant to ORS Chapter 457; and

WHEREAS, the Commission, pursuant to the requirements of ORS Chapter 457, has prepared an urban renewal plan which is attached to this Ordinance as Exhibit "A", and incorporated herein by this reference ("Plan"). The Plan authorizes the redevelopment activities, including the acquisition and disposition of property described therein within the Pendleton Downtown Riverfront Urban Renewal Area (the "Area"); and

WHEREAS, the Commission has caused the preparation of a report accompanying the Plan as required by ORS 457.085(3) ("Report"), which Report dated July 7, 2003 is attached to this Ordinance as Exhibit B and incorporated herein by this reference; and

WHEREAS, the Plan and the Report were forwarded to the City of Pendleton Planning Commission for recommendation and the Planning Commission considered the Plan and Report on June 26, 2003 and recommended that the Council adopt the Plan; and

WHEREAS, the Plan and the Report were forwarded on July 7, 2003 to the governing body of each taxing district affected by the Plan, and the Commission has thereafter consulted and conferred with said districts; and

WHEREAS, on June 26, 2003 the Commission met with the Board of Commissioners of Umatilla County to review the Plan, including proposed maximum indebtedness for the Plan; and

WHEREAS, the City Council received a letter dated July 15, 2003 from the Umatilla County Board of Commissioners indicating their concern about having adequate resources for implementing the tax increment financing element of the Plan; and

WHEREAS, the City Council and County Board of Commissioners have reached an agreement whereby the City will assist the County in obtaining adequate resources for implementing the tax increment financing; and

WHEREAS, on July 17, 2003 the City caused notice of the hearing to be held before the City Council on the Plan for the Pendleton Downtown Riverfront Urban Renewal Area, including the required statements of ORS 457.120(3), to be mailed to water customers within the City of Pendleton. and



WHEREAS, on July 15, 2003 the City Council held a public hearing to review and consider the Plan, the Report, the recommendation of the Planning Commission, and the public testimony received on that date, and does by this Ordinance desire to approve the Plan; and

WHEREAS, the City Council hereby determines and finds that the Plan complies with all requirements of ORS Chapter 457 and the specific criteria of 457.095(1) through (7), in that, based on the information provided in the Report, the Recommendation of the Planning Commission and the public testimony before the City Council:

1. The area designated in the Plan as the Area meets the statutory definition of "blight", as defined by ORS 457.010(1) and is eligible for inclusion within the Plan because of conditions described in the Report, including the underdevelopment of property within the Area, the lack of adequate parking and streetscape improvements, the inadequacy of access to the Umitilla Riverfront and the lack or inadequacy of public facilities.
2. The rehabilitation and redevelopment described in the Plan to be undertaken by the Commission is necessary to protect the public health, safety and welfare of the City because absent the completion of urban renewal projects, the Area will fail to contribute its fair share of property tax revenues to support City services and will fail develop and/or redevelop according the goals of the City's Comprehensive Plan.
3. The Plan conforms to the Pendleton Comprehensive Plan and provides an outline for accomplishing the projects described in the Plan, as more fully described in the Plan;
4. No residential displacement will occur as a result of the acquisition and disposition of land and redevelopment activities proposed in the Plan;
5. The acquisition of real property provided for in the Plan is necessary for the redevelopment of the Area, for development of public facilities in the Area and for the development of adequate streets and utilities, as more fully described in Section II of the Report.
6. Adoption and carrying out the Plan is economically sound and feasible in that eligible projects and activities will be funded by urban renewal tax revenues derived from a division of taxes pursuant to section 1c, Article IX of the Oregon Constitution and ORS 457.440 and other available funding as more fully described in Section VIII of the Report; and
7. The City shall assume and complete any activities prescribed it by the Plan.



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**NOW THEREFORE, THE COUNCIL OF THE CITY OF PENDLETON
HEREBY ORDAINS THAT:**

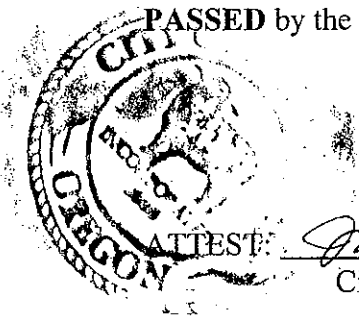
Section 1: The Pendleton Downtown Riverfront Urban Renewal Plan is hereby approved and adopted, based upon review and consideration by the City Council of the Report, the recommendations of the Planning Commission, each of which is hereby accepted, and the public testimony in the record.

Section 2: The City Recorder shall forward forthwith to the Commission a copy of this Ordinance.

Section 3: The Commission shall thereafter cause a copy of the Plan to be recorded in the Records of Umatilla County, Oregon.

Section 4: The City Recorder, in accordance with ORS 457.115, shall publish notice of the adoption of the Ordinance approving the Plan, including the provisions of ORS 457.135, in the Eastern Oregonian no later than four days following adoption of this Ordinance.

PASSED by the City Council and approved by the Mayor on this 5th day of August, 2003



APPROVED: Robert E. Ramig
Mayor

ATTEST: Judi A. Zoske
City Recorder

Approved as to Form: Peter H. Wells
Peter H. Wells, City Attorney

PLAN

Pendleton Downtown Riverfront Urban Renewal Plan

PENDLETON DOWNTOWN RIVERFRONT
URBAN RENEWAL PLAN

July 7, 2003

Tashman Johnson LLC
Seder Architects, PC
Jeannette M. Launer, Attorney

ADOPTED AUGUST 5, 2003 BY ORDINANCE NO. 3687

EXHIBIT "A"

Pendleton Downtown Riverfront Urban Renewal Plan

PARTICIPANTS

The Pendleton Downtown Riverfront Urban Renewal Plan was prepared with the active participation of the Urban Renewal Plan Advisory Committee. Committee members included:

George Corey
Ron Hughes,
Marjorie Iburg
David King
Phil Kline
Jerry Lewis
Ron Stevenson
Mike Stratton
Garry Zollman

City of Pendleton staff that participated were Planning Director Richard Ullian and Secretary Nicole Nokes

Pendleton Downtown Riverfront Urban Renewal Plan

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Pendleton Downtown Riverfront Urban Renewal Plan

I. INTRODUCTION

The Pendleton Downtown Riverfront Urban Renewal Plan (the "Plan") is intended to promote the vitality of downtown and the Umatilla riverfront as the cultural and tourism center of the Pendleton community. The Plan will provide for improvements to tourist and cultural facilities, riverfront access and development, downtown parking, street and utility improvements, and will promote housing downtown. It will also assist property owners in the rehabilitation, development or redevelopment of their properties.

The Plan was developed with the guidance of the Urban Renewal Plan Advisory Committee, a group of Pendleton residents, business and property owners. The planning process included meeting with representatives of the taxing districts that levy taxes within the Pendleton Downtown Riverfront Urban Renewal Area (the "Area") including Umatilla County, Blue Mountain Community College and the Pendleton School District, to review and discuss the proposed urban renewal plan. On June 26, 2003, the City of Pendleton Planning Commission held a public hearing on the proposed plan and recommended its approval by the City Council. On July 15, 2003 the City of Pendleton City Council held a public hearing on the proposed plan, notice of which was provided to each individual household within the city of Pendleton. On August 5, 2003, the Council approved Ordinance # 3687, adopting the Plan.

The Plan is accompanied by the Report on the Pendleton Downtown Riverfront Urban Renewal Plan (the "Report"). The Report provides information on conditions within the Area, a projection of urban renewal revenues, the estimated costs and timing of projects to be undertaken, an analysis of how the tax increment financing of the Plan (see Chapter IX) is projected to affect taxing districts and other material relating to the Plan.

The Plan will be administered by the Pendleton Development Commission ("Commission"), which is the designated urban renewal agency of the City of Pendleton. The Commission will provide for public involvement in administration of the Plan.

II. GOALS AND OBJECTIVES

The goals of the Plan represent its basic purposes. The objectives for each goal generally show how the goals are to be achieved. The urban renewal projects called for in Chapter IV of the Plan are the specific means of meeting the objectives.

Goal 1: Increase The Vitality Of Pendleton's Downtown.

Strengthen downtown's role as the retail, service, office, tourist and cultural heart of the Pendleton community. Promote new housing opportunities downtown.

Objectives:

1A: Promote rehabilitation and restoration of historic and cultural structures in the downtown core.

1B: Increase downtown's attraction to Pendleton residents and visitors.

Pendleton Downtown Riverfront Urban Renewal Plan

1C: Rehabilitate and/or redevelop the commercial and residential areas bordering the downtown core.

1D: Improve downtown cultural facilities and promote construction of new cultural attractions.

Goal 2: Connect Downtown Pendleton To The Umatilla Riverfront.

Increase access opportunities to the river from downtown and promote new housing and commercial development on riverfront properties.

Objectives:

2A: Promote development of land adjacent to the riverfront walk for uses that take best advantage of riverfront location.

2B: Improve access to the riverfront from throughout downtown.

2C: Create additional ways of enjoying the riverfront.

Goal 3: Improve Downtown Pendleton As A Convention And Tourism Destination.

Enhance the city's identity and facilities to attract tourist and convention business to visit and stay in downtown Pendleton.

Objectives:

3A: Strengthen the entrances to downtown from the I-84 freeway and Hwy 30.

3B: Improve downtown tourist and convention facilities.

3C: Increase parking, and provide streetscape and pedestrian amenities to enhance downtown businesses.

Goal 4: Develop A Range Of Housing Opportunities For A Mixed Use Downtown.

Encourage new downtown housing alternatives that support or are complimentary to retail, service, office and tourist commercial uses.

Objectives:

4A: Promote attached single-family housing and multi family housing alternatives.

4B: Promote housing in combination with commercial uses downtown.

4C: Promote the rehabilitation of existing housing units in the downtown area.

III. MAP AND LEGAL DESCRIPTION OF URBAN RENEWAL AREA

Figure 1. illustrates the boundaries of the Pendleton Downtown Riverfront Urban Renewal Area. Exhibit A contains a legal description of the boundaries. Information provided in the Report shows that the area contains less than 25% of the assessed value and less than 25 % of the acreage of the City of Pendleton.

IV. URBAN RENEWAL PROJECTS

This section describes the projects and programs called for in the Plan to achieve the Plan's goals and objectives.

A. Outline of Major Project Activities

The major project activities authorized by the Plan are:

- Development of public improvements to streetscapes, streets, utilities, parks and public parking facilities.
- Provision of financial and technical assistance to property and business owners for development that achieves the Plans goals and objectives;
- Acquisition of land where necessary for public improvements (see Chapter VII); and
- Relocation of residents or businesses occupying land acquired for public facilities (See Chapter VIII.)

B. Urban Renewal Projects

The urban renewal projects to be undertaken are described below. The general location of several of these projects is shown in Figure 2. The nature and location of the projects shown will be refined during project planning and design, and Figure 2. is not intended to show specific, final project locations. Exhibit b to the Plan contains the overall urban design vision of the Area that formed the basis for the selection of urban renewal projects.

1. Public Improvements

Public improvements authorized under the plan include developing, replacing and/or upgrading streets and utilities, sidewalks and streetscape, parks, gathering places and open spaces, and public parking facilities. As shown in the Report, urban renewal funds will be combined with existing and other future sources of funding to finance project costs.

Specific public improvement projects to be undertaken under the Plan include:

a) Main Street Improvements

Main Street is the historic and traditional major retail street in downtown Pendleton. The most heavily traveled streets in the Area are the east-west arterials, Court and Dorion Avenues. Because of this situation Main Street has the capacity for substantial improvements to the pedestrian

Pendleton Downtown Riverfront Urban Renewal Plan

environment, as well as for improved vehicular access to Main Street businesses.

Improvements to Main Street include pedestrian improvements at intersections and mid block using special paving materials and other design features to give a greater sense of the importance of pedestrian crossings. This will encourage increased pedestrian shopping activity. Improvements will also include, where appropriate, street furniture, landscaping and an entryway feature at the base of the South Hill. This entryway feature on South Hill may be matched with a similar feature on North Hill, developed by the City on city park land outside the Area. The two entryway features would physically define the central part of Pendleton and create a visual presence seen from I-84.

Improvements also include development and modification of existing public spaces adjacent to Main Street, where private or quasi-public landscaped areas are not hospitable to pedestrian use.

b) Riverfront Improvements

Improvements to the Umatilla Riverfront are intended to improve access to the river and create visual and functional links between the river and the downtown. Such improvements include developing the street rights-of-way north of Court Avenue that dead-end at the river as attractive river access points.

Improvements also include widening portions of the south bank of the river adjacent to the Riverfront Parkway and developing these areas to allow direct access to the river. Such areas will contain materials that will tolerate occasional seasonal flooding and be designed to not impede the flow of floodwaters. The removal of portions of the solid dike and replacement with removable flood control panels to improve river visibility are to be investigated and implemented if feasible. The planning and design of any improvement to the river banks that affects the flow of the river in any way will be coordinated with the Confederated Tribes of the Umatilla Indian Reservation.

Improvements will be made to the River Parkway to encourage even greater use of this amenity. These may include additional pedestrian furniture, widening of selected areas and installation of landscaping materials.

c) New Off-Street Public Parking Facilities

Parking improvements include development of properties to be determined as public parking facilities. Such facilities will be located to provide easy access to Main Street and other downtown retail/commercial, and could be screened and minimized by existing and new buildings. Initially surface

Pendleton Downtown Riverfront Urban Renewal Plan

parking lots will be sufficient to serve the Area. Over time, parking structures would be required to meet parking demands.

d) Street and Utility Improvements

Unimproved and under improved streets and sidewalks in the Area will be improved and provided with proper storm drainage. Development of new local streets to improve access to and circulation within the extreme eastern and western parts of the Area are also authorized.

e) Parks, Plazas and Open Spaces

In addition to small public spaces on Main Street, public improvements under the Plan will include developing smaller urban parks and open spaces throughout the Area. Such areas are important amenities for intensified residential and commercial uses.

2. Assistance to Property Owners/Lessees for Rehabilitation, Redevelopment or Development

The Plan authorizes assistance to property and/or business owners, in making capital improvements to property within the Area which support the goals of the Plan. Specific programs and rules and regulations for their administration will be developed to ensure that urban renewal funds are used properly and for the agreed upon purposes. The adoption and amendment of such programs, rules and regulations shall not be considered changes to the Plan.

Programs may include the following:

- Loans and/or grants for property rehabilitation and development, redevelopment and other improvements. Property to be improved may be residential or commercial. Loans may be at or below market rates, and assistance can include direct loans or guarantees of loans made by third parties.
- Technical assistance, in the form of site studies, market studies, feasibility analyses, engineering and design and other activities directly related to development of property in the Area. Examples of such technical assistance include structural analysis of downtown buildings to promote rehab and use of upper stories and preparation of building prototypes that would be most suitable for development adjacent to the river.

3. Cultural Facilities

Because such uses are key to the vitality of the downtown, the Plan authorizes participation in the development and improvement of such facilities as the Vert Auditorium, the Umatilla County Museum and the Pendleton Round Up and Happy Canyon Hall of Fame. The participation in the development of cultural facilities as a project shall be proportional to the

Pendleton Downtown Riverfront Urban Renewal Plan

benefits of the facility to the Area. Anticipated benefits to the Area include increased downtown activity that stimulates commercial and residential development.

Before allocating tax increment funds to the improvements described in this paragraph 3, the Commission shall effect a minor amendment to the Plan by resolution, making findings of proportionality and benefits to the Area consistent with this paragraph.

V. RELATIONSHIP TO LOCAL OBJECTIVES

The *City of Pendleton Comprehensive Plan* was adopted in 1983 and has been periodically updated. The Plan provides policies and programs for guiding land use in the City. The *City of Pendleton Zoning Ordinance* was also adopted in 1983 and has been periodically revised. The Zoning Code governs the use of all land in the City. The Pendleton Downtown Riverfront Urban Renewal Plan must be in compliance with the City's Comprehensive Plan and Zoning Code. The following lists plan policies and zone intent that are consistent with the stated goals of this Plan. Most of the Area is within the City's central commercial and service commercial zoning districts, with a lesser amount in the medium and high-density residential districts. The guiding policy direction for the Area is found in the commercial district.

Comprehensive Plan Policies:

1. It shall be the policy of the City of Pendleton to: a) give the highest priority when feasible in all decisions to living things over any man-made item; b) preserve and use the Umatilla River and its tributaries as a corridor for natural amenities; c) encourage all property owners to landscape their property and install trees as set forth herein; and d) encourage all business to provide landscaping within and around all off-street parking areas. (CP-6)

Response: Much of the area outside of the commercial core are lacking in landscaping and other pedestrian amenities that are a key component to attracting new business, tourists and pedestrian traffic to the area. It is City policy to require street trees and other streetscape improvements adjoining businesses and the river. It is also the intent of this Plan to create a consistent look and feel for the downtown, partly achieved by landscaping, street trees and other pedestrian amenities. An attractive and comfortable downtown and riverfront that draws tourists and residents alike is an important objective of the Plan.

2. It shall be the policy of the City to encourage landscaping and to maintain it within a total development plan of the downtown area of the central commercial zone. (CP-6)

Pendleton Downtown Riverfront Urban Renewal Plan

Response: As mentioned above, landscaping plays an important part in creating an aesthetic, comfortable and consistent look and feel to the Area, an important aspect for attracting business, residents, tourists and pedestrians who will help to revitalize the Area. The above policy to landscape the downtown core coincides with this Plan's objective to increase the appeal of downtown to Pendleton visitors and residents.

3. The City of Pendleton recognizes that tourism is an economic factor in the well being of the community, and shall encourage tourist activities, informational signage, and convenient travel accommodations through the development of alternative tourist activities that enhance the character of the area and embody its heritage and will provide stability in tourist trade. (CP-10)

Response: A Plan goal consistent with the above policy is to focus improvements in downtown Pendleton that will contribute to a more dynamic convention and tourism destination. Plan objectives to meet this goal include visually strengthening the entrances to downtown and improving connections to the river. Projects that add aesthetic appeal to streets and buildings will enhance the tourist experience. Plan goals also promote improving existing tourist and convention facilities and services, as well as developing new tourist services. The Oregon Trail, the Pendleton Round Up, historic downtown and the numerous cultural attractions in the Area provide an excellent foundation on which to build an increasingly important tourist business for Pendleton.

4. It shall be the policy of the City to provide an attractive setting where people can work, recreate and live. (CP-12)

Response: In order to meet the Plan goal to increase the vitality of downtown Pendleton, there are many specific objectives and projects related to creating an attractive environment for residents and tourists to work, recreate and live. These implementation measures include planting more street trees and increasing streetscape amenities, upgrading public utilities, improving riverfront access, landscaping and pedestrian amenities, encouraging historic and other building renovations, strengthening entrances to downtown from I-84 and Highway 30 and promoting new and attractive housing alternatives in the Area.

5. It shall be the policy of the City of Pendleton to encourage the establishment of a community cultural and convention center to serve as a multi-purpose facility which meets the needs of citizens for recreation and leisure time activities and of cultural group gathering activities, easily accessible and centrally located within the city. (CP-16)

Pendleton Downtown Riverfront Urban Renewal Plan

Response: Although the City has met its goal to build a convention center, the Plan proposes to improve and enhance tourist and convention facilities in order to strengthen the economic impact of tourism to the area, as well as to provide more diverse recreation and cultural activities to Pendleton residents. Some of the important existing cultural facilities are in need of improvements to make them more attractive and viable. There are also opportunities for development of new cultural attractions to compliment existing cultural attractions in the area.

6. It shall be the policy of the City of Pendleton to: A. Participate with Umatilla County in the establishment of a City-County Landmarks Commission, beginning no later than the fall of 1990, to review proposed alterations of existing historic resources and consider inclusion of newly inventoried sites in the Comprehensive Plan. (CP-18)

Response: The City has met its goal for creating the Historic Landmarks Commission. Essential to an effective Commission are requests to renovate or improve historic buildings. It is a goal of this Plan to increase the vitality of downtown by rehabilitating commercial and residential buildings in the Area. A development loan or grant program offered to property owners in the Area will help to spur private investment in historic building improvements.

7. It shall be the policy of the City to provide the downtown area with the essential elements of a Park (such as benches and picnic areas). (CP-26)

Response: Much of the downtown and riverfront areas are lacking in pedestrian amenities such as benches, picnic areas, lighting and landscaping. Consistent with the above policy, it is a goal of the Plan to provide locations and opportunities for small public spaces on Main Street and in other locations that would compliment larger tourist venues such as the Round-Up/Happy Valley Hall of Fame and the Umatilla County Museum.

8. It is the policy of the City of Pendleton to: B. encourage in the Commercial areas of the City, proposals for conversion to Residential use or development of upper story floor space in existing or new commercial structures subject to appropriate controls to protect all residents and users of the area. (CP-55)

Response: Complimentary to the above policy, it is a goal of the Plan to increase the vitality of Pendleton's downtown by increasing its attraction as a place to live. By promoting the restoration of historic buildings, the Plan encourages renovation of upper floors for residential use. The Plan promotes private development loans or grants for building renovation or for new buildings. The Plan also promotes residential redevelopment of underutilized or vacant parcels

Pendleton Downtown Riverfront Urban Renewal Plan

in the Area, especially those ideally located adjacent to the Umatilla River, or in the historic core near essential commercial services.

9. It shall be the policy of the City of Pendleton to provide appropriate controls to ensure adequate off-street parking is provided at all businesses except those in the core area. (CP-66)

Response: Essential to the goals of increasing the vitality of downtown and attracting more business, tourists and residents, is the need to improve the public parking facilities in the Area. The provision of adequate parking in convenient locations is crucial to serve business, cultural activities and resident parking needs. A balanced program to assure adequate parking in the downtown core will entail coordination between property owners and public agencies whereby optimal public parking locations can be identified and funded through the Plan and other identified funding sources.

10. It shall be the policy of the City of Pendleton within the downtown area to: A. Provide adequate public off-street parking through a collective participation of all business/activities within a designated off-street parking improvement district. The City of Pendleton shall encourage the continuation and expansion of an off-street parking improvement district under the provisions of the applicable laws of the State of Oregon and the authority vested in the City by provisions of its charter. It shall be the policy of the City of Pendleton to acquire properties for permanent off-street parking facilities as they become available, rather than to force relocation of existing business operations through acquisitions of properties for purposes of off-street parking. The City of Pendleton shall administer the off-street parking improvement district in such a manner that the district will be self-supporting. (CP-68)

Response: As stated above, this Plan and the improvement projects address the needs described in the above city policy to provide for adequate public parking in the Area.

11. It shall be the policy to develop pathways along the Umatilla River with access from existing streets and with the addition of a pedestrian bridge. (CP-70)

Response: Consistent with the above policy, the Plan proposes improvement projects that enhance the existing multi-purpose pathway along the Umatilla River. The projects include adding benches and other gathering areas, adding landscaping and other amenities, increasing the number of pedestrian access points and improving visibility of the river from the core. The river is an important natural asset that can be better connected to the variety of cultural, historical, residential, service and entertainment assets of the Area.

Pendleton Downtown Riverfront Urban Renewal Plan

12. It shall be the policy of the City of Pendleton to develop and maintain a bicycle system in conjunction with the existing arterial and collector street routes. (CP-70)

Response: The Plan promotes the development of an improved bicycle and pedestrian connection between the Convention Center and the downtown, consistent with current city policy to develop and maintain a bicycle system. The proposed improvement will provide a safe and comfortable transportation alternative in the Area for residents and tourists alike.

13. It shall be the policy of the City of Pendleton to foster the development of the City center to include a downtown park, benches, water fountains, public restrooms, trees, landscaping and separation of pedestrians from vehicular modes of traffic. (CP-81)

Response: In order to increase the vitality and attractiveness of Pendleton's downtown, the Plan calls for numerous streetscape improvement projects consistent with the above policy. The addition of benches, landscaping, street trees, lighting, utilities, sidewalk extensions and other improvements will also help to separate and protect the pedestrian from vehicular modes of traffic. For instance, extended corner sidewalks and mid-block pedestrian crossings on Main Street are projects that will emphasize the importance of the pedestrian.

14. The City of Pendleton recognizes that citizens walk to meet their various needs and it is in the public interest to provide for the safety of all pedestrians. Therefore, it shall be the policy of the city: A. to require the installation of sidewalks on both sides of all arterial, collector and minor streets where improved or upgraded except when topography dictates that the abutting property would not benefit by its installation as approved by the City Council; B. to encourage the installation of sidewalks in those areas presently void of them; C. encourage development of diversity of walking paths in all recreation designated areas. (CP-85)

Response: Many streets in the Area are lacking in sidewalks. It is the intent of the Plan to provide a program to address these conditions in order to assure safe pedestrian connections between destinations and to encourage walking for recreation or as an alternative mode of travel.

15. It shall be the policy of the City of Pendleton to encourage the development of near-in vacant lands which utilize existing City services and extension of those extendible at minimum cost...(CP-75)

Pendleton Downtown Riverfront Urban Renewal Plan

Response: An important objective of the Plan consistent with the above city policy is to promote the development of vacant and underutilized properties in the Area for new residential, tourist or business use in order to revitalize the area and to take advantage of proximity to the Umatilla River, the downtown core and commercial services. In addition, redevelopment and new development of land in the Area can efficiently connect to existing public utilities, as well as provide needed upgrades to deficient streets, sewer, water, and storm drainage facilities.

• **Pendleton Transportation System Plan Policies**

In addition to the policies of the Comprehensive Plan addressed above, there are transportation policies that were developed in the City's Transportation System Plan, 1996 and made a part of the City Comprehensive Plan. The following transportation policies are consistent with the goals and objectives of this Plan:

16. It will be the policy of the City of Pendleton to implement the requirements of the Oregon Transportation Rule to create a more transit, bicycle and pedestrian friendly environment. (G-1)

Response: Consistent with the above policy, it is the intent of the goals and objectives of the Plan to create a more pedestrian and bicycle friendly environment in the downtown and riverfront area. This will be accomplished by improvement projects that provide sidewalks where lacking and needed, that widen sidewalks at intersections to improve the separation and safety between pedestrians and vehicles, that provide pedestrian amenities such as lighting, landscaping and benches to attract pedestrians, and that add bicycle paths that safely connect key tourist and commercial destinations with the downtown and riverfront.

17. It will be the policy of the City of Pendleton to provide a well-connected street system; to encourage pedestrian connections between business and residential areas; and to consolidate commercial and industrial vehicular access ways where feasible. (G-1)

Response: As discussed above, it is the intent of the Plan to be consistent with the above City policy to provide a well-connected street system that encourages pedestrian connections between businesses and residential areas in the Area. Proposed projects include the addition of sidewalks where lacking, enhancement of the riverfront trail, and added pedestrian amenities on existing sidewalks in the Area.

Pendleton Downtown Riverfront Urban Renewal Plan

VI. PROPOSED LAND USES

Land uses in the Area are governed by the City of Pendleton Zoning Ordinance #3250. The Zoning Ordinance establishes Land Use Districts that govern the allowed uses (included outright permitted uses and conditional uses) and contains specific development standards.

Currently, land within the Area is within the Medium and High Density Residential Zones, the Central Commercial and Service Commercial Zones, and a small portion in the Light Industrial Zone. The purposes of these districts are described in the Pendleton Zoning Ordinance as follows:

A. Medium Density Residential (R-2) District

“To provide for land areas to be used predominantly for dwellings of varying types within a moderate density range, together with related uses.” Residential development in this zone ranges in density from five to 18 units per acre.

B. High Density Residential (R-3) District

“To provide for residential units, at increased densities, offering varying forms of urban living. In judging the suitability of areas for high density development, it should be determined that:

- The development has good access to arterial streets, shopping facilities, schools, and major employment centers in order to provide maximum convenience for residents of the area;
- Traffic generated by the high density development will not be required to travel through areas of lesser density en route to principal community facilities;
- The development can be provided with municipal services at a level adequate to meet the demand for concentrated service.”

Residential development in this zone ranges in density from 11 to 35 units per acre.

C. Central Commercial (C-1) District

“To provide for land areas and uses that preserve and enhance the City’s core area, within which occur the greatest concentration of retail and business activity.”

Residential development is also permitted in this district, at a density of up to 80 units per acre.

D. Service Commercial (C-3) District

“To provide area for retail and service uses that are accessible to the entire community.”

Pendleton Downtown Riverfront Urban Renewal Plan

E. Light Industrial (M-1) District

“To provide, enhance and protect areas to accommodate a wide range of manufacturing and allied uses that need generally flat topography and easy access to arterials and inter modal shipping facilities.”

It should be noted that a very small portion of the urban renewal area is zoned M-1, typically isolated as small “spot zones.”

VII. PROPERTY ACQUISITION AND DISPOSITION

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses or other rights to use. Prior to property acquisition by all legal means, including use of eminent domain, a Minor Amendment to the Plan identifying the property to be acquired shall be required.

A. Property Acquisition for Public Improvements

Property may be acquired for public improvement projects authorized in the Plan by all legal means, including use of eminent domain. Good faith negotiations for such acquisition must occur prior to institution of eminent domain procedures.

Procedures for property acquisition requiring eminent domain shall conform to all statutory requirements that ensure that property owners’ rights are fully respected.

B. Property Acquisition for Private Redevelopment

Property may be acquired for resale or lease for private development by all legal means, including use of eminent domain. Property purchased by the Commission under the Plan shall be purchased at fair market value. Property owners may sell or otherwise convey property to the Commission at less than fair market value if such terms are agreeable to the Commission and the property seller.

C. Disposition of Land for Private Redevelopment

Land sold or leased by the Commission for private redevelopment shall be sold or leased at its fair re-use value, which is the value at which the Commission determines such land should be made available in order that it may be used for the purposes specified in the Plan.

Where land is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the urban renewal plan and to begin the building of their improvements within a period of time that the Commission determines is reasonable.

Pendleton Downtown Riverfront Urban Renewal Plan

VIII. RELOCATION METHODS

Where property is acquired under the Plan and the acquisition is through or under the threat of eminent domain, residential or commercial occupants of such property shall be offered relocation assistance as required under applicable state law. Prior to such acquisition, the Commission shall adopt rules and regulations as necessary for the administration of relocation assistance.

IX. TAX INCREMENT FINANCING OF PLAN

Tax increment financing consists of using annual tax increment revenues to make payments on loans, usually in the form of tax increment bonds. The proceeds of the bonds are used to finance the urban renewal projects authorized in the Plan. Bonds may be both long-term and short-term.

Tax increment revenues equal most of the annual property taxes imposed on the cumulative *increase* in assessed value within an urban renewal area over the total assessed value at the time an urban renewal plan is adopted. (Under current law, the property taxes for general obligation ("GO") bonds and local option levies approved after October 6, 2001 are not part of the tax increment revenues.)

A. General Description of the Proposed Financing Methods

The Plan will be financed using a combination of revenue sources. These include:

- Tax increment revenues;
- Advances, loans, grants and any other form of financial assistance from the Federal, State or local governments or other public body;
- Loans, grants, dedications or other contributions from private developers and property owners; and
- Any other source, public or private.

Revenues obtained by the Commission will be used to pay or repay costs, expenses, advancements and indebtedness incurred in planning or undertaking project activities or otherwise exercising any of the powers granted by ORS Chapter 457 in connection with the implementation of this Plan.

B. Tax Increment Financing and Maximum Indebtedness

The Plan may be financed, in whole or in part, by tax increment revenues allocated to the Commission as provided in ORS Chapter 457. The ad valorem taxes, if any, levied by a taxing district in which all or a portion of the Area is located, shall be divided as provided in section 1c, Article IX of the Oregon Constitution, and ORS 457.440. Amounts collected pursuant to ORS 457.440 shall be deposited into the unsegregated tax collections account and distributed to

Pendleton Downtown Riverfront Urban Renewal Plan

the Commission based upon the distribution schedule established under ORS 311.390.

The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$33,500,000.00. This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness.

C. Prior Indebtedness

Any indebtedness permitted by law and incurred by the Commission or the City of Pendleton in connection with the preparation of this Plan or prior planning efforts related to this Plan may be repaid from tax increment revenues from the Area when and if such funds are available.

X. DURATION OF PLAN

No projects may be commenced and no new indebtedness may be incurred after twenty years from the effective date of the Plan. Tax increment revenues may continue to be collected beyond this date, until it is found that deposits in the Commission's debt service fund are sufficient to fully pay principal and interest on indebtedness issued during the twenty years following the effective date of the Plan, either through direct payment of the indebtedness or by payment of principal and interest on bonds or notes issued to finance the indebtedness.

XI. FUTURE AMENDMENTS TO PLAN

The Plan may be amended as described in this section.

A. Substantial Amendments

Substantial Amendments are solely amendments:

- Adding land to the urban renewal area, except for an addition of land that totals not more than one percent of the existing area of the urban renewal area; or
- Increasing the maximum amount of indebtedness that can be issued or incurred under the plan.

Substantial Amendments shall require the same notice, hearing and approval procedure required of the original Plan, including public involvement, consultation with taxing districts, presentation to the Planning Commission and adoption by the City Council by non-emergency ordinance after a hearing notice of which is provided to individual households within the City of Pendleton.

Pendleton Downtown Riverfront Urban Renewal Plan

B. Council-Approved Amendments

Council-Approved Amendments consist solely of the following amendments:

- Material changes to the goals and objectives of the Plan.
- Addition or expansion of a project, which adds a cost in 2003 dollars of more than \$500,000 and which is materially different from projects previously authorized in the Plan.
-
- Extending the duration of the Plan as stated in Section X.

Council-approved amendments require approval by the Commission by resolution and by the City Council, which may approve the amendment by resolution.

C. Minor Amendments

Minor Amendments are amendments that are not Substantial Amendments or Council-Approved amendments. They shall be adopted by the Commission by resolution.

D. Amendments to the City of Pendleton Comprehensive Plan, Ancillary Documents and the City's Zoning Ordinance

Amendments to the City of Pendleton Comprehensive Plan, Ancillary Documents and the City's Zoning Ordinance that affect the Plan and/or the Area shall be incorporated within the Plan without any action required by the Commission or the City Council.

Pendleton Downtown Riverfront Urban Renewal Boundary Legal Description

Commencing at the South 1/16 corner of the SW 1/4 of Section 1 T2N R32E, W.M.

Thence Northerly along the North-South centerline of said SW 1/4 a distance of 45.00 feet more-or-less to a point on the Northerly right-of-way of the Oregon-Washington Railroad And Navigation Company right-of-way, said point being the true point of beginning;

Thence Westerly along said Northerly right-of-way to its intersection with the Easterly boundary of Lot 5 Block 132 Reservation Addition to the City Of Pendleton;

Thence continuing Westerly along said Northerly right-of-way a distance of 78.3 feet;

Thence Northerly along a line parallel to the Easterly boundary of Lots 5, 4, and 3, Block 132, said Reservation Addition to its intersection with the Southerly right-of-way of the old Union Pacific Railroad;

Thence Northeasterly along said Southerly right-of-way to a point which lies 154.94 feet Southwesterly of its intersection with the Westerly right-of-way of SE 16th Street when measured along said Southerly right-of-way;

Thence Northwesterly along a line at right angles to said Southerly right-of-way a distance of 82.17 feet;

Thence North 33°18'52" West to a point on the Northerly right-of-way of said old Union Pacific Railroad, said point lies 239.68 feet from the Westerly right-of-way of SE 16th Street when measured along said Northerly right-of-way;

Thence continuing North 33°18'52" West a distance of 51.40 feet;

Thence South 74° 51'19" West a distance of 91.73 feet to a point on the Southerly right-of-way of the old Northern Pacific Railroad;

Thence Northwesterly along a line at right angles to said Southerly right-of-way a distance of 75.00 feet to a point on the Northerly right-of-way of said old Northern Pacific Railroad;

Thence Southwesterly along said Northerly right-of-way to its intersection with the Easterly right-of-way of SE 12th Street;

Thence Southerly along said Easterly right-of-way to its intersection with the Northerly right-of-way of SE Court Place;

Thence Easterly along said Northerly right-of-way to its intersection with the Northerly right-of-way of the Oregon-Washington Railroad And Navigation Company right-of-way;

Thence Southwesterly along said Northerly Railroad right-of-way to its intersection with the Westerly right-of-way of SE 6th Street;

Thence Northwesterly along said Westerly right-of-way to its intersection with the Southerly right-of-way of SE Dorion Avenue;

Thence Southwesterly along said Southerly right-of-way to its intersection with the Easterly right-of-way SE 4th Street;

Thence Southeasterly along said Easterly right-of-way to its intersection with the Northerly right-of-way of the Oregon-Washington Railroad And Navigation Company right-of-way;

Thence Southwesterly along said Northerly Railroad right-of-way to its intersection with the Easterly right-of-way of SE 3rd Street;

Thence Southeasterly along said Easterly right-of-way to its intersection with the Southwest corner of Lot 11 Block 177 Reservation Addition to the City of Pendleton;

Thence Southwesterly along a line following the Southerly boundary of Lots 4, and 11 Block 178, Lots 4, and 11 Block 179 to a point on the Easterly right-of-way of SE 1st Street;

Thence Southeasterly along said Easterly right-of-way to its intersection with the Southerly right-of-way of SE Isaac Avenue;

Thence Southwesterly along the Southerly right-of-way of SE and SW Isaac Avenue to its intersection with Westerly right-of-way of SW 1st Street;

Thence Northwesterly along said Westerly right-of-way to its intersection with the Northerly right-of-way of SW Hailey Avenue;

Thence Northeasterly along said Northerly right-of-way to its intersection with the Southeast corner of Lot 8 Block 181 said Reservation addition;

Thence Northwesterly along a line, said line being along the Easterly boundary of Lots 8, 9, 10, 11, 12, 13, and 14 Block 181 and the Northwesterly extension thereof to a point which lies 180.00 feet Southeasterly of the Southerly right-of-way of SW Frazer Avenue when measured along a line parallel to the Westerly right-of-way of South Main Street;

Thence Southwesterly along a line parallel to and 180.00 feet Southeasterly of the Southerly right-of-way of SW Frazer Avenue to its intersection with the Oregon-Washington Railroad And Navigation Company Northerly right-of-way;

Thence Southwesterly and Westerly along said Oregon-Washington Railroad And Navigation Company right-of-way to its intersection with the Southerly right-of-way of SW Court Place;

Thence Northeasterly along said Southerly right-of-way to its intersection with Westerly right-of-way of old highway 30 (Westgate);

Thence Westerly and Northwesterly along said Westerly right-of-way to its intersection of the center of the Umatilla River;

Thence Easterly along the center of the Umatilla River to a point on the North-South centerline of the SW 1/4 of Section 1 T2N R32E, W.M.;

Thence South along said North-South centerline to the true point of beginning.

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URBAN DESIGN VISION

PENDLETON DOWNTOWN URBAN DESIGN CONCEPT:

In order to identify individual downtown improvement projects, an ***overall urban design/planning concept*** is important for downtown Pendleton and the Urban Renewal District. Such a concept then informs individual projects, assuring that they contribute to a larger shared vision. Working closely with the Pendleton Urban Renewal Task Force and from previous studies and documents, a strong but flexible urban design concept was generated for Downtown Pendleton.

The Pendleton Downtown Urban Design Concept is rooted in the following:

- Further strengthening Main Street as the primary retail street and core of downtown.
- Further extending and strengthening streetscape improvements on all major downtown streets and major access streets to downtown.
- Strengthening both the connection to and quality development along, the Umatilla River in the downtown area.
- Creating gateways into downtown Pendleton at major vehicular entry points.
- Increasing the perceived attraction and vitality of downtown and Pendleton from major viewpoints and view corridors...in particular, the I-84 Freeway.
- Restoring and improving downtown building facades.
- Renovating and adaptively re-using existing downtown buildings, including vacant and underutilized upper floors.
- Strengthening and upgrading neighborhoods adjacent to downtown and within the urban renewal boundary.
- Building on the history of Pendleton and the positive public image of the city from such factors as the Pendleton Roundup, The Oregon Trail, Pendleton Underground, Pendleton Woolen Mills, agriculture, the historic "Old West", etc.

The downtown concept also recognizes existing public and private open space, existing landmark buildings and significant structures, defining natural features and the scale and density of existing development. Existing conditions creating special opportunities are also considered.

DOWNTOWN URBAN RENEWAL PREFERRED AND POTENTIAL PROJECTS:

During the planning process, the following projects were identified as being desired and potential projects utilizing urban renewal district funding and supporting the Pendleton Downtown Urban Design Concept. The projects have not thus far been prioritized, nor costed. Actual project authority is described in the Plan and the following descriptions are only intended to offer guidance in future project design.

1. ***Main Street Streetscape and Urban Open Space Improvements:*** Main Street in Pendleton both anchors the downtown retail/commercial core of Pendleton and provides the major north/south vehicular connection running perpendicular to the predominant east-west transportation grid. Main Street differentiates itself from all other streets in Pendleton in a variety of ways, including a) larger block size, b) more building density, and c) more developed existing streetscape elements.

Main Street from Frazer to the river is almost totally lined with buildings, many of them multi-story. Thus, opportunities for usable urban open space, whether in the public right of way or connecting to it, are particularly valuable along Main Street.

We recommend further strengthening of streetscapes on Main Street through intersection pedestrian improvements, more formalized and defined mid-block crossings, and additional streetscape furnishings such as benches, receptacles, planters, etc. Further study could also be given, in connection to #10 below, to the possibilities for developing angled parking on one or even both sides of Main Street. Development of such could occur without changing the existing curb lines, but would require reduction of the four existing travel lanes to three or two. Tradeoffs between increased parking and auto and truck travel and movements would need to be carefully analyzed.

In addition to Main Street streetscape improvements, we recommend the development of urban open space plaza areas with pedestrian amenities at the Bank of America Building and on the opposite corner of Dorian on the south side of the vacated building. Cowboy Park on Main and Court could also be further improved with additional pedestrian amenities. In all cases, unification of elements could tie these spaces into the continuous streetscapes on Main and thus would further add to the ambiance of Main Street and downtown. The alleyway south of the Bank of America Building would also provide great value as a pleasant pedestrian connection from parking to Main Street if existing mechanical equipment and barricades could be removed and streetscape and landscape treatments added.

Additional plaques and other historic commemorations can further strengthen both Main Street and the rich historic perception of Pendleton to visitors and citizens alike. Former locations of the Oregon Trail where it crossed Main Street and elsewhere in the downtown would add to this perception, as would other location, event and building commemorating plaques.

2. ***Other streetscape improvements on downtown streets and major access streets:*** A less dense but nevertheless, effective use of the same and similar streetscape elements from Main Street are recommended for Frazer, Emigrant, Dorian and Court, connecting these major east-west downtown access and connectors strongly to the rest of the community, the freeway, and landmarks such as the Pendleton Roundup Grounds, Pendleton Woolen Mills, City Hall and the Library, the Courthouse, etc. Adjacent to Main Street, SW and SE First, Second and Third Avenues are recommended to also receive streetscape improvements.
3. ***Railroad area development project(s) on Main Street:*** Further feasibility study and potentially, negotiations are recommended for acquisition of portions of railroad and other properties on south Main Street. The goal of such would be to further extend the building density levels and thus, the urban fabric of Main Street to Goodwin Avenue at the base of

South Hill. Building structure possibilities along this portion of Main Street include two or three story mixed commercial/office and/or commercial residential structures, small galleries, more museum and interpretive space, etc.

This area of South Main, in combination with the existing Museum/Depot and railroad, has tremendous potential to strongly anchor the south edge of downtown with buildings, streetscapes and active urban uses.

4. ***Downtown Gateways:*** The arrival of Main Street into downtown Pendleton from North Hill is dramatic and strong, passing across the Umatilla River by bridge. This entrance is anchored by historic and quality structures of the Arts Center, the church and two fine structures immediately south of the river. Thus, a strong gateway to downtown is already present in this location.

Other major downtown entries can be also strengthened as gateways and united around a theme or themes. A suggestion is continuing the use of art and even statuary in center islands in streets such as Main Street at South Hill (Goodwin). These islands, as well as being a potential break in long and straight streets, thus also identify and strengthen downtown as a distinct area. Such islands can also have the effect of calming traffic.

Where it is determined that such islands may not be feasible or make sense (probably due to high traffic), pedestrian bulb-outs with art or treatments similar to islands can also create the same "gateway" effect.

5. ***Facade Improvement Program:*** Downtown Pendleton is blessed with a large and in many cases, continuous standing stock of historic and other quality building structures. This is particularly true on Main Street north of Frazer. Many of these existing historic structures are in need of improvements, upgrades, renovations and "de-modernizations" to restore former character. Along with streetscape improvements, such facade improvements can further strengthen the urban fabric of Downtown Pendleton. In certain other cases, more modern buildings can better contribute to the urban fabric by "urbanizing" certain features and aspects of their facades.

We suggest that taller buildings be encouraged to have distinctive treatments and larger signage on upper facades facing the freeway, as an overall attractant to downtown for visitors.

We recommend funding of a matching monies or other program to assist private owners in upgrading and renovating existing building facades in the Urban Renewal District.

6. ***Umatilla Riverfront Urban Park and Riverfront Trail Improvements:*** The Umatilla River, along with the hills on either side, are the main natural features defining Pendleton, including downtown. However, due to the potential for flooding and the resulting levee, downtown is very separated from the river at street level.

The levee has already been used to great advantage with the bike/running/walking path on top. We recommend additional pedestrian amenities and improvements such as additional benches, streetlights, etc. to further strengthen the Riverfront trail on the levee.

Further, we recommend a special project to unite downtown Pendleton and the Umatilla River. In a specific and bounded area centered on Byers and SW First, we suggest vacating Byers, removing the levee, and creating a near river-level park or plaza....or combination of the two. Such a feature would unite the river and downtown without the barrier of the levee and as such, be a very special gathering and community place. Detailed park design could include special events and performances centered on downtown and the river. During non-event times, such a park/plaza would create multi-use low-slope area on and viewing/accessing the river.

Such a park would necessarily need to be barricaded off from the downtown and all buildings during periods of high rain and flood threats. There are various steel and other floodgate barriers that can be used to cordon off river level parklands during these periods, essentially continuing the top-of-levee elevation across the park and sealing off downtown from the river.

Much more feasibility and detailed study and design would be required for implementation of a river-level park or plaza.

7. ***Umatilla Riverfront Development Projects:*** There are excellent development and redevelopment opportunities in many areas along the Umatilla River in and near downtown Pendleton. We recommend that a riverfront "district" be established to guide such future development. Private and public/private partnerships could potentially produce such projects as riverfront and river-viewing housing. Mixed use buildings with street level commercial/retail and either office space or residential space with river views above are another good opportunity, particularly in the narrow land area along Court Street west of SW First. Additional arts and culture facilities could also benefit from river frontage and special district support. Such districting and support could also assist in existing structure renovations and adaptive re-uses along the river.
8. ***Building Renovation and Adaptive Re-use Projects:*** The plentiful supply of historic and other serviceable but underutilized structures in the urban renewal area of Pendleton strongly recommends for programs and partnerships to encourage building renovations and adaptive re-uses. Such efforts can but do not necessarily need to tie into a façade renovation program or efforts.

Multi-story buildings in downtown Pendleton could potentially contain the same uses as indicated above...housing or office space on upper floors with retail/commercial space on street levels. Other uses such as hotel, cultural and others are also possible in such renovation/adaptive re-use projects. Public/private partnerships can be used to realize such efforts when not sufficiently enticing to private enterprise.

9. ***Downtown Public parking program:*** A cohesive and organized downtown parking program could benefit all downtown businesses and uses.

A professional parking study would identify a series of steps to be taken to analyze existing public and private parking and to make recommendations for steps to take to increase parking supply as needed, to better identify and sign public parking, discourage employee parking where customer parking is of more benefit, etc.

- 10. Possible Transportation System Improvements:** We recommend additional study be given to the possibilities and ramifications of rerouting the major downtown vehicular access from South Hill and the freeway from Main Street onto SE Third and/or SW Fourth. This could both alleviate some through-traffic on Main Street, and better circulate vehicles onto other downtown streets, as Main would no longer be the straight and continuous north-south connection between the hills through downtown, but would instead be a portion of a more varied connection with a number of route options. In these scenarios, Main Street potentially could be dead-ended at the base of South Hill or as high up the hill as Isaac Street.
- 11. Inner neighborhood upgrades:** Downtown Pendleton is mostly surrounded by residential and mixed use neighborhoods with much potential for additional attractiveness and livability. Some areas are well maintained and with fine historic homes and structures. Other areas, within the present urban renewal boundary and beyond, would greatly benefit from funded programs to encourage property maintenance and upgrades.
- 12. Other Possible Projects:** Any number of other possible projects in the Pendleton Urban Renewal area could be considered if and as the need and opportunities become apparent. Several potential projects that are presently outside the urban renewal boundary but that could very much contribute to downtown revitalization and livability include the potential of a north-bank river level trail system. Another potential project would be a viewing and interpretive center/area on North Hill. We suggest and have confirmed that such a facility, located in the existing Vincent Park, would be on axis with and serve as a focal point of Main Street. Further, it would be visible and could be a landmark from the freeway and could serve as a further enticement for potential visitors to leave the freeway and come to and through downtown. Good views of the City, countryside and Blue Mountains are also available from this site.

REPORT

REPORT ON
PENDLETON DOWNTOWN RIVERFRONT URBAN RENEWAL PLAN

REPORT ON

PENDLETON DOWNTOWN RIVERFRONT
URBAN RENEWAL PLAN

July 7, 2003

EXHIBIT "B"

REPORT ON
PENDLETON DOWNTOWN RIVERFRONT URBAN RENEWAL PLAN

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**REPORT ON PROPOSED
PENDLETON DOWNTOWN RIVERFRONT URBAN RENEWAL PLAN**

I. INTRODUCTION

The following Urban Renewal Report (the "Report") contains information in support of the Pendleton Urban Renewal Plan ("Plan"). This document is not a legal part of the Plan but is intended to provide public information and a basis for the findings made by the City Council as part of its approval.

The Report provides the information required in ORS 457.085(3) (2001). The format of the Report is based on this statute.

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

This section of the Report describes existing conditions within the Pendleton Downtown Riverfront Urban Renewal Area ("Area"), documenting the occurrence of "blighted areas" as defined by ORS 457.010(1).

A. Physical Conditions

1. Land Use and Zoning

The Area consists of 287 acres of land with a mix of uses. The Area constitutes 5.1% of the City's total land area of 5,632 acres. The Area is bound by the Umatilla River to the north and the Union Pacific Railroad delineates its southern boundary. Major commercial corridors running east-west through the Area include Byers Avenue, Court Avenue, Dorion Avenue and Emigrant Avenue. Main Street is the Area's primary north-south commercial corridor. It bisects the Area and divides the downtown commercial core into southeast and southwest sections.

One of the Area's greatest assets, as alluded to above, is its potential to serve as a major intermodal transportation center. In addition to being served by Union Pacific Railroad, a Class I line-haul freight railroad with connections to Portland and Boise, the Area is within close proximity of Interstate 84 (I-84) as well as state Highway 30. The Eastern Oregon Regional Airport offers commuter service between Pendleton, Portland and Seattle. To capitalize on its locational advantages and increase its capacity as an intermodal transportation center, it will be necessary to maintain, upgrade and expand upon existing transportation infrastructure.

A diversity of land uses is represented throughout the proposed Area. As illustrated in Table 1, "Primary Land Use (2002-03)", a total of 908 individual parcels is located in the Area.

**REPORT ON PROPOSED
PENDLETON DOWNTOWN RIVERFRONT URBAN RENEWAL PLAN**

Table 1: Primary Land Use (2002-03)			
Primary Land Use	Number of Parcels	Acres	% of Total
Residential	463	79.66	37.0%
Commercial	274	48.47	22.5%
Industrial	4	1.61	0.7%
Multi-family	7	1.18	0.5%
Miscellaneous	39	13.33	6.2%
Exempt	121	70.94	33.0%
TOTAL	908	215.20	100.0%
Source: Umatilla County, OR 2002-03 Parcel Database			

Residential and tax exempt uses are predominant, with 37.0 percent of the Area (79.66 acres) in residential use and 33 percent in exempt use. A large 17.5-acre parcel under the ownership of the City of Pendleton constitutes a significant share of the Area's exempt lands. The new Pendleton Convention Center, the Pendleton Round-up grounds and a public park are located on the site. Although commercial uses not as well represented as residential and tax exempt uses, they constitute 22.5 percent (48.47 acres) of the Area's total acreage. Industrial and multi-family uses are very limited and account for less than 2 percent of the Area's total acreage.

Vacant land constitutes just 5.1 percent (4.11 acres) of the total acres in residential use, 11.4 percent (8.11) of exempt uses and 8.7 percent (4.21 acres) of the Area's commercial lands. Since there is a limited amount of vacant residential land, residential development is likely to consist primarily of new infill development and the rehabilitation of existing, older homes. Similarly, the rehabilitation of historic commercial buildings and the demolition of deteriorated structures to accommodate new construction will increase the vitality of the downtown commercial core.

Table 2, "Zoning Districts (2002-03)," shows the number of parcels and acres in each of the zoning districts represented in the Area. As highlighted in the table, most of the Area (89.8%) is contained within districts zoned for commercial and residential use.

While 42.4 percent of the Area is zoned Central Commercial (C-1), 35.1 percent is zoned Medium Density Residential (R-2). Based on permitted uses, building design and development guidelines outlined in the City's Zoning Ordinance, it is clear that one of the City's long term objectives for the Area is to promote high density, mixed-use development that will accommodate projected housing and employment growth. A relatively small share of the Area (9.3%) is located within the City's Light Industrial (M-1) zone. This suggest that the City intends to limit the presence of firms that specialize in manufacturing, wholesale distribution, transportation services and other industrial uses that might not be compatible with adjacent residential and commercial districts.

**REPORT ON PROPOSED
PENDLETON DOWNTOWN RIVERFRONT URBAN RENEWAL PLAN**

Table 2: Zoning Districts (2002-03)			
Zoning District	Number of Parcels	Acres	% of Total
Residential Zones			
Medium Density Residential (R-2)	353	75.45	35.1%
High Density Residential (R-3)	49	8.13	3.8%
<i>SUBTOTAL</i>	402	83.59	38.8%
Commercial Zones			
Central Commercial (C-1)	359	91.21	42.4%
Tourist Commercial (C-2)	2	0.26	0.1%
Service Commercial (C-2)	104	18.25	8.5%
<i>SUBTOTAL</i>	465	109.72	51.0%
Industrial Zones			
Light Industrial (M-1)	38	20.02	9.3%
<i>SUBTOTAL</i>	38	20.02	9.3%
Mixed Zones			
Light Industrial (M-1) and Medium Density Residential (R-2)	3	1.87	0.9%
<i>SUBTOTAL</i>	3	1.87	0.9%
TOTAL	908	215.20	100.0%
Source: Umatilla County, OR 2002-03 Parcel Database			

Per the City of Pendleton Zoning Ordinance, the intent of the zoning districts listed above is as follows:

Medium Density Residential Zone (R-2)

The Medium Density Residential Zone (R-2) promotes residential development and a diversity of housing types within a moderate density range. Condominiums, duplexes, townhouses, single family dwellings, manufactured homes, residential homes and facilities and multi-family developments of less than 15 dwelling units per acre are permitted. City Parks and neighborhood commercial development are allowed and encouraged. In the R-2 zone, residential development must comply with the 5 to 18 dwelling units per acres density requirement. Depending on the existing ground slope, minimum lot sizes will vary from 5,000 to 7,000 square feet. A 20 foot minimum front yard setback, and 5 foot minimum side and rear yard setbacks are generally required. The lot coverage allowable for roofed structures on residential lots is 40% and building heights in the R-2 zone shall not exceed 40 feet or 3 stories.

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High Density Residential Zone (R-3)

The purpose of the High Density Residential Zone (R-3) is to accommodate projected population growth and housing demand by providing for residential units at increased densities. To provide maximum convenience for area areas and reduce commutes though lower density areas, proximity to employment centers, shopping, and major arterial streets is critical. In the R-3 zone, residential development must comply with the 11 to 35 dwelling units per acres density requirement. Minimum lot sizes will vary from 5,000 to 8,000 square feet. As with the R-2 zone, a 20 foot minimum front yard setback, and 5 foot minimum side and rear yard setback is required under most circumstances. The lot coverage allowable for roofed structures on residential lots is 45% and building heights in the R-3 zone shall not exceed 50 feet or 5 stories.

Central Commercial Zone (C-1)

The intent of the Central Commercial Zone (C-1) it to preserve and enhance the City's commercial and retail core. To this end, the zone allows for a broad range of business types, including financial, law, insurance and real estate offices, business and personal services, communication facilities, health services, general retail and other uses identified in Table 3. While housing development is permitted, it shall not exceed more than 160 dwelling units per acres. For all commercial zoning districts, there is no minimum lot size or maximum lot coverage. Yards will not be required in commercial zones except when a property lies within 60 feet of a residential zone. There is no maximum allowable height for buildings in the C-1 zone.

Tourist Commercial Zone (C-2)

To encourage tourism and accommodate the needs of travelers, he Tourist Commercial zone (C-2) was established to provide areas suitable fort motels, restaurants, service stations, and other related uses. Uses permitted outright include: eating and drinking establishments, hotels, motels and other lodging, service stations, tourist information centers and dwellings for caretakers or managers. Conditional uses may include auto repair facilities, services and garages, transit facilities and transportation and utility services. The maximum allowable height for buildings in the C-2 zone is 50 feet or 5 stories.

Service Commercial Zone (C-3)

To provide areas for retail and service uses that are convenient to the entire community, the Service Commercial Zone (C-3) was created. A variety of businesses are permitted outright. These include but are not limited to general retail, health services, business and personal services, financial, law, insurance and real estate offices as well as eating establishments and food stores. Housing

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development of fewer than eighty (80) dwelling units per acres is also permitted. The maximum allowable height for buildings in the C-3 zone is 50 feet or 5 stories.

Light Industrial Zone (M-1)

The purpose of the Light Industrial Zone (M-1) is to accommodate a broad range of manufacturing and related uses that generally require flat topography and easy access to major arterials and intermodal shipping facilities. Some of the uses permitted outright in the M-1 zone are: air transportation facilities, automobile and vehicle dealers, repairs, services and service stations, business services, communications facilities, transportation facilities and services, and a variety of light industrial uses. Other outright and conditional uses are listed in Table 3. With the exception of dwellings for caretakers or managers, residential development is not permitted. Minimum lot sizes for industrial zones vary from a half acre (0.5) to five acres (5.0) with no maximum lot coverage regulations in place.

Since the list of permitted uses in the City's commercial and industrial districts is extensive, distinguishing among uses that may and may not be allowed presents a challenge. To facilitate a clear understanding of uses that are permitted in each district, Table 3, "Permitted Uses in Commercial and Industrial Planning Zones) offers a detailed description of uses permitted outright and on a conditional basis in the City's commercial and industrial districts.

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Table 3: Permitted Uses in Commercial and Industrial Planning Zones				Permitted Use* (Outright or Conditional)
Planning Zone				
C-1	C-2	C-3	M-1	
O		O		Business Services
O		O	O	Personal Services
O		O	C	Commercial Amusement and Recreation
O		C	O	Communication Facilities
O,C		O,C		Dwelling, multi-family, or residential facilities*
O	O	O	C	Eating Establishments
O	O	C	C	Drinking Establishments
O		O		Financial, Law, Insurance, and Real Estate Offices
O		O		General Retail
O		C	C	Government, public or semi-public use or structure*
O		O		Health Services
O				Hotels, Boarding and Rooming Houses
O		C		Membership Organizations
O				Parking Area and garage, public or private
O		O		Transit Facilities
C		C	O	Auto/Vehicle dealers, repairs, services
O	O	C	O	Service Stations
C			O	Building Materials, retail
C				Church
C				City Park
C		O	O	Contractors
C	O		C	Dwelling, caretaker or manager only
C		C		Educational Services
C		C		Hospitals
C		C		Museums, Art Galleries, Zoos
C		C	C	Social Service Organizations
C	O	C	O	Transportation Services
			O	Transportation Facilities
	O	C	C	Hotels, Motels, other lodging
	O			Tourist Information Center
	C			Utility Services
			C	Utilities
		O		Food Stores
		C		Mobile Home Parks
		C		Printing and Publishing
		C		Railroad Facilities
		C		Warehousing, motor freight
			O	Air Transportation Facilities
			C	Light Industrial
				Heavy Industrial
			O	Repair Services
			O	Wholesaling (SIC Groups 50, 51)
			O	Solid Waste Transfer Stations
			C	Fuel and Ice Dealers
			C	Junk Yard, wrecking yard
			C	Mining
			C	Petroleum Pipeline Facilities
			C	Sanitary landfills, solid waste disposal or treatment
			C	Transportation Equipment
			C	Veterinary and Horticultural Services

Source: Umatilla County, OR 2002-03 Parcel Database

*See Zoning Ordinance for more details on permitted uses. Residential development focuses on high density, mixed-use projects.

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2. Infrastructure

a. Transportation

The 1996 Pendleton Transportation System Plan (TSP) identifies short-term and long-term transportation needs in the City of Pendleton. Improvements to existing roadways and the construction of new roadways as well as pedestrian, bicycle and intersection improvements are top needs in the Area. In particular there is a need to increase the capacity of surface streets and State highways and establish safe pedestrian and bicycle routes to connect new residential and commercial developments.

Surface street and intersection improvements along Emigrant and Frazer are needed to smooth the flow of traffic in the commercial core and provide more convenient access to major transportation routes, including U.S. 395 and I-84.

The Plan identifies the need for intersection improvements at Highway 11 and SE 10th Avenue as well as pedestrian improvements to major transportation corridors such as Court, Dorion, Emigrant and Frazer Avenues, and SE 10th Street. Other short-term needs include bicycle improvements to Emigrant Avenue, South Main Street, SE Byers Avenue, U.S. 30 and Highway 11.

Long term needs for the Area include pedestrian improvements along Main Street, SE 10th Street and SE 3rd, 6th and 8th Streets. Roadway upgrades along SE 10th Street and Hailey Avenue and traffic signal improvements at the intersection of Highway 11 and U.S. 30 are also given high priority.

In addition to the TSP, citizens identified the lack of public off street parking in the core area parking district as a constraint to future development. While current parking supply appears to be sufficient, intensification of development and business activity within this district will require additional public parking facilities.

b. Parks and Open Space

The Umatilla River Parkway is a 2.5 mile bicycle and pedestrian path that runs along the south bank of the Umatilla River between Westgate and Se 8th Street. Currently, connectivity between the Parkway and the commercial core is limited because the Area lacks a safe and convenient public access route. To alleviate safety concerns and make the Parkway more accessible to users, the City plans to construct an underpass so that bicycle and pedestrian traffic can flow under Main Street and avoid street level traffic

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Inspection of the Area reveals that there is a lack of park and public space facilities. The core area lacks usable and attractive public spaces, and some landscaped areas provided on private property adjacent to Main Street are not conducive to pedestrian circulation.

B. Social Conditions

To provide an accurate analysis and comparison of social conditions within the Pendleton Urban Renewal Area and the City of Pendleton, a summary of key demographic data and trends extracted from the 1990 and 2000 U.S. Census and is included in this section. To study population and housing characteristics of persons residing in the Urban Renewal Area, block group data was used.

Analysis of the Pendleton Urban Renewal Area in 1990 and 2000 is based on the following Umatilla County, Oregon census block groups:

- 2506 – BG 2, 3
- 2507 – BG 2

1. Population and Housing

According to the Bureau of Census, the total population of the City of Pendleton was reported at 16,354 persons in 2000, up 8.1% from 15,126 persons in 1990. In 2000, Pendleton's population was divided fairly evenly between the sexes, with 8,728 males (53.4%) and 7,626 females (43.4%).

Urban Renewal Area Specific: An estimated 2,389 persons, or 14.6% of the City of Pendleton's total population, resided in the Pendleton Urban Renewal Area in 2000. Table 5 below, "Population by Age and Sex (2000)," shows the age and sex distribution of residents in the Urban Renewal Area as compared to the city as a whole. Similar to citywide totals, males and females in the area were evenly distributed at 1,280 (53.6%) and 1,109 (46.4%) respectively.

Population by Age and Sex	Pendelton	Pendelton URA	URA % of Pendelton Total
Total:	16,354	2,389	14.6%
Male:	8,728	1,280	14.7%
Under 18 years	1,985	247	12.4%
18 years and over	6,743	1,033	15.3%
Female:	7,626	1,109	14.5%
Under 18 years	1,854	239	12.9%
18 years and over	5,772	870	15.1%

Source: Census 2000, SF 1 - 100 Percent Data

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In 2000, 5,964 households with an average household size of 2.39 were reported for the City and an estimated 1,020 households (17.1% of the citywide total) with an average household size of 2.12 for the Urban Renewal Area. As presented in Table 6, "Change in Occupancy Status, Pendleton 1990 to 2000," a total of 6,341 housing units were reported for the City in 2000, up 167 units (2.7%) from 1990. In addition to growth in total housing units, the number of occupied units increased 4% between 1990 and 2000 and attributed to a significant rise in the City's owner occupancy rate (8.4%). This surge in homeownership is reflected in the City's renter occupancy rate, which decreased 1.2%. By 2000, 57.1% of occupied housing units were owner occupied and 42.9% were renter occupied.

	1990	2000	Change	% Change
Total housing units	6,174	6,341	167	2.7%
Occupied units	5,714	5,945	231	4.0%
owners	3,131	3,394	263	8.4%
renters	2,583	2,551	-32	-1.2%
Vacant units	460	396	-64	-13.9%
% Owner occupied	54.8	57.1	2.3	N/A
% Renter occupied	45.2	42.9	-2.3	N/A

Source: 1990 and 2000 Census, SF 3 - Sample Data

Urban Renewal Area Specific: At 2.12 persons per household, in 2000 the average household size in the Urban Renewal Area was slightly lower than the citywide average of 2.39. As shown in Table 7, "Change in Occupancy Status, Pendleton URA 1990 to 2000," in sharp contrast to the City's 2.7% net increase in housing units, the Urban Renewal Area experienced a net loss of 121 housing units (-9.5%) between 1990 and 2000.

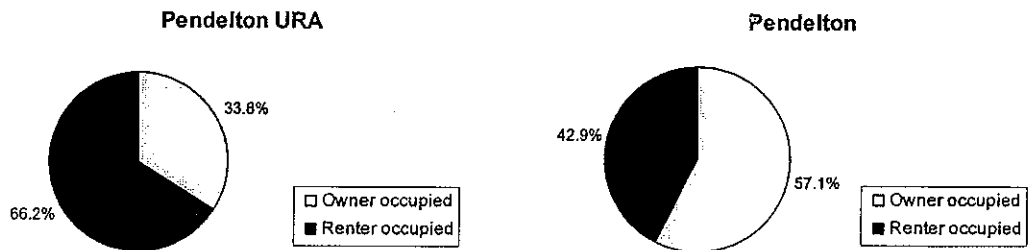
	1990	2000	Change	% Change
Total housing units	1,268	1,147	-121	-9.5%
Occupied units	1,135	1,032	-103	-9.1%
owners	370	349	-21	-5.7%
renters	765	683	-82	-10.7%
Vacant units	133	115	-18	-13.5%
% Owner occupied	32.6	33.8	1.2	
% Renter occupied	67.4	66.2	-1.2	

1990 and 2000 Census, SF 3 - Sample Data

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Corresponding with the marked drop in total housing units, occupied housing units in the Urban Renewal Area decreased by 9.1% between 1990 and 2000. A 5.7% loss of owner occupied units and a 10.7% loss of renter occupied units suggests significant disinvestment in the Area's housing stock. As illustrated in Figure 1, "Tenure (2000)," the Urban Renewal Area has a considerably higher percentage (66.2%) of renter occupied units than the City. This underscores the need for increased opportunities for affordable home ownership for local residents.

Figure 1: Tenure (2000)



Source: Census 2000, SF 3 – Sample Data

As shown in Table 8, "Race Characteristics, Pendleton 2000," the majority of Pendleton's residents are white (89.2%). The City's non-white population is fairly evenly distributed. Among non-whites who affiliated themselves with a single race, American Indian and Alaska Natives and Black or African Americans showed the highest representation at 2.5% and 1.5% respectively.

Race	Pendleton Total	% of Pendleton Total
Total:	16,354	100.0
White alone	14,580	89.2
Black or African American alone	250	1.5
American Indian and Alaska Native alone	412	2.5
Asian alone	154	0.9
Native Hawaiian and Other Pacific Island	10	0.1
Some other race alone	602	3.7
Total non-white alone:	1,428	8.7
Two or more races:	346	2.1
Total non-white:	1,774	10.8

Source: Census 2000, SF 1 - 100 Percent Data

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According to the 1990 Census, an estimated 661 persons, or 4 percent of Pendleton's total population, were of Hispanic or Latino origin. Between 1990 and 2000, the City's Hispanic or Latino population grew 48.4% (320 persons). In 2000, 6% of the total population (981 persons) claimed Hispanic or Latino origin.

Urban Renewal Area Specific: As displayed in Table 9, "Race Characteristics, Pendleton URA 2000," the percent of non-whites living in the Urban Renewal Area (14.9%) exceeds the City's non-white population. Further, while only 14.6% of the City's total population has a primary residence in the Urban Renewal Area, a disproportionately high percentage (20.0%) of the City's total non-white population lives there.

Table 9: Race Characteristics			
Pendleton URA 2000			
Race	Pendleton URA	% of URA Total	% of Pendleton Total
Total:	2,389	100.0%	14.6%
White alone	2,034	85.1%	14.0%
Black or African American alone	17	0.7%	6.8%
American Indian and Alaska Native alone	79	3.3%	19.2%
Asian alone	26	1.1%	16.9%
Native Hawaiian and Other Pacific Island	4	0.2%	40.0%
Some other race alone	154	6.4%	25.6%
Total non-white alone:	280	11.7%	19.6%
Two or more races:	75	3.1%	21.7%
Total non-white:	355	14.9%	20.0%

Source: Census 2000, SF 1 - Sample Data

In 1990, an estimated 226 persons or 9.7% of the Urban Renewal Area's total population reported Hispanic or Latino origin. Between 1990 and 2000, the Area's Hispanic or Latino population increased by 14.6% (33 persons). As shown in Table 10, "Hispanic or Latino Population, Pendleton 2000," the Area's Hispanic or Latino population rose to 259 persons or 10.8% of the Area's total population in 2000. While 14.6% of the City's total population lived in the Urban Renewal Area in 2000, 26.4% of Pendleton's Hispanic or Latino population lived in the Urban Renewal Area. Therefore, a disproportionate share of the City's Latino households resides in the Area.

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Hispanic or Latino	Pendleton Total	Pendleton URA	URA % of Pendleton Total
Total:	16,354	2,389	14.6%
Not Hispanic or Latino:	15,373	2,130	13.9%
Hispanic or Latino:	981	259	26.4%

Source: Census 2000, SF 1 - 100 Percent Data

C. Economic Conditions

1. Taxable Value of Property within Area

Table 15, "RMV and M50 AV by Primary Land Use," shows the distribution of the Area's total real market value and Measure 50 assessed value by the six major land use classifications represented there. The estimated total assessed value, including utility and personal property is \$51,578,402 is 9.1% of the city's total assessed value.

Primary Land Use	Total RMV	% of Total RMV	Total Measure 50 AV	% of Total M50 AV
Residential	\$31,873,420	31.1%	\$21,249,360	43.4%
Commercial	\$36,016,070	35.1%	\$24,813,600	50.7%
Industrial	\$172,180	0.2%	\$94,070	0.2%
Multiple Housing	\$1,514,450	1.5%	\$946,860	1.9%
Miscellaneous	\$3,323,050	3.2%	\$1,878,120	3.8%
Exempt	\$29,662,613	28.9%	\$0.0	0.0%
TOTAL	\$102,561,783	100.0%	\$48,982,010	100.0%

Source: Umatilla County, OR 2002-03 Parcel Database

Table 16, "Measure 50 AV by Zoning and Development and Primary Land Use," offers a more detailed snapshot of existing uses in the Area. Given the predominance of residential and commercial uses in the Area (see Table 1), it is not surprising that most of its current assessed value is retained in improved residential and commercial properties.

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Zoning and Development	Primary Land Use					
	Residential	Commercial	Industrial	Multiple Housing	Miscellaneous	Exempt
No Significance: Vacant		\$673,110	\$49,150			
No Significance: Vacant, Urban Lot	\$85,670					
No Significance: Improved	\$14,690,540	\$23,191,730	\$14,470			
No Significance: Improved (5+ units)				\$321,300		
No Significance: Mobile Home	\$877,550	\$51,450	\$30,450			
No Significance: Mobile Home Park		\$330,040				
Commercial: Improved	\$5,310,500					
Commercial: Improved (5+ units)				\$625,560		
Commercial: Mobile Home	\$37,230					
Commercial: Improvements Only					\$1,367,680	
Industrial: Vacant		\$56,960				
Industrial: Improved	\$147,440	\$510,310				
Industrial: Improvements Only					\$178,660	
No Significance: Centrally Assessed					\$0	
Residential: Unbuildable, Contaminated					\$7,180	
Potential Dividable: Improved					\$0	
Church: Vacant						\$0
Church: Improved						\$0
School: Improved						\$0
City Vacant						\$0
City: Improved						\$0
County: Improved						\$0
State: Vacant						\$0
State: Improved						\$0
Federal: Improved						\$0
Benevolent, Fraternal: Improved						\$0
Total Measure 50 AV	\$21,148,930	\$24,140,490	\$94,070	\$946,860	\$1,553,520	\$0.0

Source: Umatilla County, OR 2002-03 Parcel Database

2. Building to Land Value Ratio

In addition to employment rates, wages and household income (discussed below), the economic condition of real estate investment is reflected in Area property values. The relationship of a property's improvement value (the value of buildings and other improvements to the property) to its land value is, overall, an accurate indicator of the condition of real estate investment. This relationship is referred to as the "Improvement to Land Ratio" or "I:L". In urban renewal areas, the I:L is often used to gauge the intensity of development or the degree to which an area has achieved its highest or best use.

Depending on the zoning of a property, different I:L's indicate the level at which a property can be considered "underdeveloped". For a single family house, which is at the low end of intensity of development, an I:L of 2.0 or under indicates less than optimal development. For a commercial property in a zone that allows intensive development, such as Pendleton's Central Commercial (C-1) zone, an I:L of under 4.0 would indicate underdevelopment in many cases.

Table 4 below, "Average Improvement to Land Ratio by Zoning District," illustrates the average I:L for each of the zoning districts represented in the Area.

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Table 4: Average Improvement to Land Values by Zoning District	
Zoning Districts	Average Improvement to Land Ratio (All Parcels)
Residential Zoning Districts	
Medium Density Residential (R-2)	2.98
High Density Residential (R-3)	1.88
Commercial Zoning Districts	
Central Commercial (C-1)	1.97
Tourist Commercial (C-2)	1.49
Service Commercial (C-2)	3.37
Industrial Zoning District	
Light Industrial (M-1)	1.35
Mixed Zoning Districts	
Light Industrial (M-1) and Medium Density Residential (R-2)	0.00
Source: Umatilla County, OR 2002-03 Parcel Database	

As detailed in the Physical Conditions section, the majority of the Area's total acreage (51 percent) is zoned for commercial use. An average I:L of 1.97 indicates that the Central Commercial (C-1) district—which encompasses 42.4 percent of the Area's total acreage—is significantly underdeveloped. At a broader scale, all of Area's commercial districts have an average I:L of less than 4.0. This suggests that sub-standard development is prevalent throughout the Area's commercial lands.

In addition to the Area's underdeveloped commercial lands, with an average I:L of 1.35, Area properties zoned for Light Industrial (M-1) use are of very low value. Since the M-1 zone permits business activity that on manufacturing, wholesaling and light industrial uses such as communications, transportation and utility facilities and services, enhancing the Area's capacity to retain and attract new employers in these industries will help promote economic stability and job growth.

3. Income and Poverty

The median household income reported for Pendleton in 1999 was \$36,800. Within the Urban Renewal Area, however, the median household income was an estimated 25.3% lower than the citywide median at \$27,490. This helps explain the Urban Renewal Area's substantially lower homeownership rate and indicates a need for enhanced educational and workforce opportunities to bridge employment and income gaps and improve the quality of life of Area residents. Table 11, "Poverty Status in 1999 by Age, Pendleton," reveals that 1,910 persons or 13.3% of the City's residents lived below the poverty level in 1999.

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Table 11: Poverty Status in 1999 by Age		
Pendleton		
Poverty Data	Pendleton Total	% of Pendleton Total
Total Persons*	14,312	100.0
Income in 1999 Below Poverty Level:	1,910	13.3
Under 18 years	640	4.5
18 years and over	1,270	8.9
Income in 1999 At or Above Poverty Level:	12,402	86.7
Under 18 years	3,103	21.7
18 years and over	9,299	65.0
Source: Census 2000, SF 3 - Sample Data		

Urban Renewal Area Specific: At \$27,490, the median household income within the Urban Renewal Area was an estimated 25.3% lower than the citywide median. This helps explain the Area's substantially lower homeownership rate and indicates a need for enhanced educational and workforce opportunities to bridge employment and income gaps and improve the quality of life of residents. At 22.5%, the percentage of persons living below poverty in the Urban Renewal Area was significantly higher than the city as a whole, as shown in Table 12, "Poverty Status in 1999 by Age, Pendleton URA." Moreover, of Pendleton residents living below poverty in 1999, 16.3% had a primary residence in the Urban Renewal Area. This demonstrates that a disproportionately high share of the total number of persons living below poverty in Pendleton in 1999 lived in the Urban Renewal Area.

Table 12: Poverty Status in 1999 by Age			
Pendleton URA			
Poverty Data	Pendleton URA	% of URA Total	% of Pendleton Total
Total Persons*	2,338	100.0	16.3
Income in 1999 Below Poverty Level:	526	22.5	27.5
Under 18 years	135	5.8	21.1
18 years and over	391	16.7	30.8
Income in 1999 At or Above Poverty Level:	1,812	77.5	14.6
Under 18 years	475	20.3	15.3
18 years and over	1,337	57.2	14.4
Source: Census 2000, SF 3 - Sample Data			

4. Employment

Of Pendleton's total population 16 years and over, only 57.5% were in the labor force in 2000. The unemployment rate for persons in the civilian labor force was relatively low at 3.9%, as illustrated in Table 13, "Employment Status, Persons 16 years and over, Pendleton 2000." However, 2000 Census data does not accurately reflect the impact of the economic downturn that has increased unemployment at

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the national level in the past couple of years. Oregon has experienced the highest unemployment rate in the nation since the downturn began and it is likely that Pendleton's current unemployment rate is higher than the 3.9% reported in 2000.

Table 13: Employment Status, Persons 16 years and over		
Pendleton 2000		
Employment Status	Pendleton	% of Total
Persons, 16 years and over	12,885	100.00
In labor force:	7,412	57.5
Armed Forces	10	0.01
Civilian labor force	7,402	99.9
Employed	6,901	93.1
Unemployed	501	3.9
Not in labor force	5,473	42.5
Source: Census 2000, SF 3 - Sample Data		

Urban Renewal Area Specific: In 2000, 1,205 persons or 60.6% of the Urban Renewal Area's population 16 years and over was in the labor force—slightly higher than the City's labor force participation rate. Of the 10 Pendleton residents employed in the armed forces, all lived in the Urban Renewal Area. Finally, at 10%, the Area's Civilian labor force unemployment rate is more than double the 3.9% unemployment rate reported citywide.

Table 14: Employment Status, Persons 16 years and over			
Pendleton URA 2000			
Employment Status	Pendleton URA	% of URA Total	% of Pendleton Total
Persons, 16 years and over	1,990	100.0	15.4
In labor force:	1,205	60.6	16.3
Armed forces	10	0.08	100.0
Civilian labor force	1,195	99.2	16.1
Employed	1,074	89.1	15.6
Unemployed	121	0.10	24.2
Not in labor force	785	39.4	14.3
Source: Census 2000, SF 3 - Sample Data			

D. Fiscal 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 VII of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

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Because the Area is a relatively small part of most of the taxing districts that levy taxes within the Area (e.g. Umatilla County, Blue Mountain Community College) the demand for services provided by these districts will be relatively unaffected by the Plan. The successful implementation of the Plan will result in an increase in demand for some services provided by the City and the Pendleton School District, and the Area is a larger part of these jurisdictions. Improving the condition of buildings within the Area will likely lessen the demand for fire protection services. As public spaces are expanded and improved, maintenance costs for these facilities will increase.

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

There is one urban renewal area in the Plan and it was selected to improve and prevent the future occurrence of blighted areas as defined in ORS 457.010(1).

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

This section describes the relationship between the urban renewal projects called for in the Plan and conditions described in section I of this Report.

Main Street improvements address the inadequate streetscape and pedestrian circulation features of this critical commercial street.

Riverfront improvements address the lack of connectivity to the Umatilla River and the Riverfront Parkway and the limited uses accommodated by the existing Riverfront Parkway.

New Off-Street Public Parking Facilities address the inadequate public parking facilities to support new development and intensification of business activity.

Street and utility improvements address the deficiencies found within the Area in the TSP.

Parks, plazas and open spaces address the lack of such facilities in the Area in general and especially in the core area.

Assistance to property owners/lessees for rehabilitation, redevelopment or development addresses the underdevelopment of property in terms of its zoning and highest and best use.

Participation in the development and improvement of cultural facilities will help promote broader use of the Area and thereby address the underdevelopment of property.

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

The costs of the urban renewal projects authorized in the Plan and the sources of moneys to pay such costs are shown in Table 15. Bond proceeds are the par amounts of tax increment bonds, and the amounts shown are within the Maximum Indebtedness of the Plan as described in subsection IX. B. of the Plan.

A. Revenues

Tax increment revenues are based on the projections of incremental assessed value and applicable property tax rate shown in Table 16.

Long term tax increment bonding capacity is based on projected interest rates of 5.00% per annum and coverage requirements of 1.3 (annual tax increment revenues must exceed debt service by 1.3 times), with terms varying from 15 years to 10 years.

Loan repayment projections are projected assuming 75% of the amount projected for loans and grants is the form of loans. Repayment amounts are based on a 10 year term, and 5% interest.

Grants and contributions to projects from other public agencies are not shown as revenues, but are anticipated to assist in expanding the scope or advancing the timing of the urban renewal projects.

B. Project Costs

Project costs are based on order of magnitude estimates by the consultant of the urban renewal share of the costs of projects authorized in the Plan. Total costs of projects may exceed these costs where other sources of funding are obtained to expand the scope or advance the timing of the development of the urban renewal projects.

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Table 15: Project Costs and Revenues

Revenues	
Bond Proceeds	
Long Term	25,444,985
Short Term	8,045,000
Loan Repayments	2,423,354
Interest	820,834
Total Revenues	36,449,651
Expenditures	
Administration	840,785
Debt Issuance Costs	1,573,865
Public Improvements	0
Main Street Improvements	2,960,000
Riverfront Improvements	4,390,000
Off-Street Public Parking Facilities	5,650,000
Street and Utility Improvements	7,100,000
Parks, Plazas and Open Spaces	5,750,000
Cultural Facilities	2,600,000
Assistance to Property Owners/Lessees	2,745,000
Contingency	2,840,000
Total Expenditures	36,449,651

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Table 16: Projected Tax Incremental Revenues

FY Ending June 30	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Appreciation %	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%
Assessed Value, New Dev't	3,937,500	4,035,938	6,000,000	6,150,000	7,000,000	7,175,000	7,538,234	7,354,375	7,538,234	7,726,690	7,919,857	8,117,854	6,500,000
Growth % After 2023													
Total Assessed Value	51,578,402	56,805,362	62,261,434	69,817,970	77,713,419	86,656,254	95,997,661	105,751,977	115,934,011	126,559,052	137,642,885	149,201,811	159,431,857
Certified ("Frozen") Base Value	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402
Incremental Assessed Value	0	5,226,960	10,683,032	18,239,567	26,135,017	35,077,852	44,419,259	54,173,575	64,355,609	74,980,649	86,064,483	97,623,409	107,853,455
Tax Rate	18.5000	18.5000	18.5000	18.5000	18.5000	18.5000	18.5000	18.5000	18.5000	18.5000	18.5000	18.5000	18.5000
Annual Tax Incremental Revenues		96,699	197,636	337,432	483,498	648,940	821,756	1,002,211	1,190,579	1,387,142	1,592,193	1,806,033	1,995,289

FY Ending June 30	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Appreciation %	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	2.50%	4%	4%	4%	4%	4%	4%
Assessed Value, New Dev't	5,000,000	5,125,000	3,500,000	3,587,500	3,677,188	3,500,000	3,587,500						
Growth % After 2023													
Total Assessed Value	168,417,653	177,753,095	185,696,922	193,926,845	202,452,204	211,013,509	219,876,346	228,671,400	237,818,256	247,330,986	257,224,226	267,513,195	278,213,723
Certified ("Frozen") Base Value	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402	51,578,402
Incremental Assessed Value	116,839,251	126,174,692	134,118,520	142,348,443	150,873,801	159,435,106	168,297,944	177,092,998	186,239,854	195,752,584	205,645,824	215,934,793	226,635,320
Tax Rate	18.5000	18.5000	18.5000	18.5000	18.5000	18.5000	18.5000	17.0000	17.0000	17.0000	17.0000	17.0000	17.0000
Annual Tax Incremental Revenues	2,161,526	2,334,232	2,481,193	2,633,446	2,791,165	2,949,549	3,113,512	3,010,581	3,166,078	3,327,794	3,495,979	3,670,891	3,852,800

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V: THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

Most projects undertaken will be ongoing over the life of the Plan, but will not be developed continuously during that period. The anticipated ultimate completion dates of the projects authorized by the Plan are shown in Table 17.

Table 17: Project Completion Dates

Project	Completion Date
Main Street Improvements	2023
Riverfront Improvements	2023
Off-Street Public Parking Facilities	2023
Street and Utility Improvements	2023
Parks, Plazas and Open Spaces	2023
Cultural Facilities	2016
Assistance to Property Owners/Lessees	2019

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

The estimated amount of tax increment revenues required to retire the \$33.5 million in indebtedness is \$50,548,155. It is anticipated that all indebtedness will be retired in FY 2028/2029.

VII: FINANCIAL ANALYSIS OF THE PLAN

The total revenues projected for the Plan as described in section III of this Report are sufficient to pay for the estimated costs of the urban renewal projects and other costs incurred in implementation of the Plan, also shown in section III of this Report.

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

Until indebtedness is repaid under the Plan taxing districts that levy taxes within the Area ("affected taxing districts") will forego some property tax revenues from the incremental assessed value. Property tax levies that will forego revenues are primarily permanent rate levies, because the one local option levy – by the Pendleton School District – will expire in FY 2004/2005 and any renewed levy will not be affected by tax increment financing.

Revenues foregone are projected based on the anticipated amount of growth that would occur *without* the Plan. Growth that occurs as a result of Plan activities would not otherwise occur and

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would therefore generate property tax revenues. During the first five years, a range of 90% to 50% of the new development with urban renewal is projected to occur without urban renewal. After that, the proportion of new development without urban renewal is 40%.

The total and average annual projected amounts, in current dollars, of property tax revenues foregone through FY 2029 are shown in Table 18 below.

Table 18: Property Tax Revenues Foregone

Revenues Foregone in 2003\$	Total	Annual Average
Umatilla County Permanent	4,100,704	164,028
City of Pendleton Permanent	9,473,057	378,922
Port of Umatilla	221,664	8,867
Umatilla Library Dist	530,322	21,213
ESD Permanent*	811,326	32,453
Blue Mt. Ed District Permanent	952,188	38,088
SD #16 Permanent *	6,414,705	256,588
SD #16 Local Option	3,388	136

*The total revenues of the ESD and SD #16 are not affected

After the termination of tax increment financing, the taxing districts will receive property tax revenues on all of the incremental assessed value. The impact of a successful urban renewal plan will be the revenues received on growth that would not have occurred but for urban renewal. For this analysis, growth in total assessed value in the Area from FY 2030-2039 is projected to increase 1% (4% rather than 3%) because of urban renewal. The projected difference in growth from FY 2005 – 2029 with and without urban renewal was discussed above.

Table 19 below shows the ten year total and annual average in 2003\$ of the additional revenues received by taxing districts in the period FY 2030 – 2039.

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Table 19: Additional Revenues Received FY 2030 – 2039

	Total	Annual Average
Umatilla County Permanent	3,368,769	336,877
City of Pendleton Permanent	7,782,211	778,221
Port of Umatilla	182,099	18,210
Umatilla Library Dist	435,665	43,566
ESD Permanent	666,513	66,651
Blue Mt. Ed District Permanent	782,232	78,223
SD #16 Permanent	5,269,744	526,974

IX. RELOCATION REPORT

The Plan does not identify any property for acquisition by eminent domain, which would necessitate providing relocation assistance. If property is so identified by means of an amendment to the Plan, a relocation report will be prepared and relocation assistance offered in conformance with state law.