
Urban Renewal Agency

of the City of Coos Bay, Oregon



Annual Urban Renewal Report
Fiscal Year Ended June 30, 2022

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Introduction

As required by ORS 457.460, an urban renewal agency must prepare a statement for the governing body and citizens. This statement, or report, must include a financial recap of the preceding year, the budget for the current fiscal year, and an analysis of the impact of carrying out the urban renewal plan on each of the overlapping governmental units within the urban renewal area.

The following report is meant to meet that requirement, as well as, expand upon the minimum requirement and provide the reader more detailed information about the Urban Renewal Agency of the City of Coos Bay and its activities during the period July 1, 2021 through June 30, 2022 (FY22).

Urban Renewal Concept

Tax increment financing is used in areas where private development has stagnated or is not feasible without public sector investment and partnership. Public investment through urban renewal is one way to change those conditions. The types of urban renewal activities undertaken generally include land assembly and development of infrastructure and public amenities, as well as façade improvement grants. As the result of publicly funded efforts, investment becomes feasible for private developers. Developments consistent with the City’s urban renewal plan then gain forward momentum and stagnated areas become renewed.

Tax Increment Financing

Urban renewal, as a mechanism to jump-start area growth and improvement, starts with a point-in-time freeze of the assessed value within the designated urban renewal area. As the improvements and growth happen, the assessed property values within the urban renewal area increase above that frozen base, creating “incremental revenue” which is entirely distributed to the urban renewal agency. Urban renewal agencies use debt to fund the improvement projects as part of their plan. This debt, either through standard bank/financing options or through Du Jour financing (a short “daily” internal loan), is then repaid from the incremental tax revenue. As the urban renewal agency sunsets, this incremental value is then distributed, along with the frozen base revenue, to the overlapping government units.

The creation of an urban renewal agency does not result in assessment of an additional tax. Instead, during the Agency’s lifespan, overlapping taxing districts “forego” a portion of their permanent rate. Once the urban renewal area is terminated, the taxing jurisdictions receive their full permanent rate of taxes, plus the incremental tax revenues generated by the urban renewal area improvements. The School District and Education Service District are funded through the State School Fund on a per pupil allocation. There is no *direct* impact of urban renewal on their funding. The State School Fund is funded through property tax allocations, but also through other state resources.

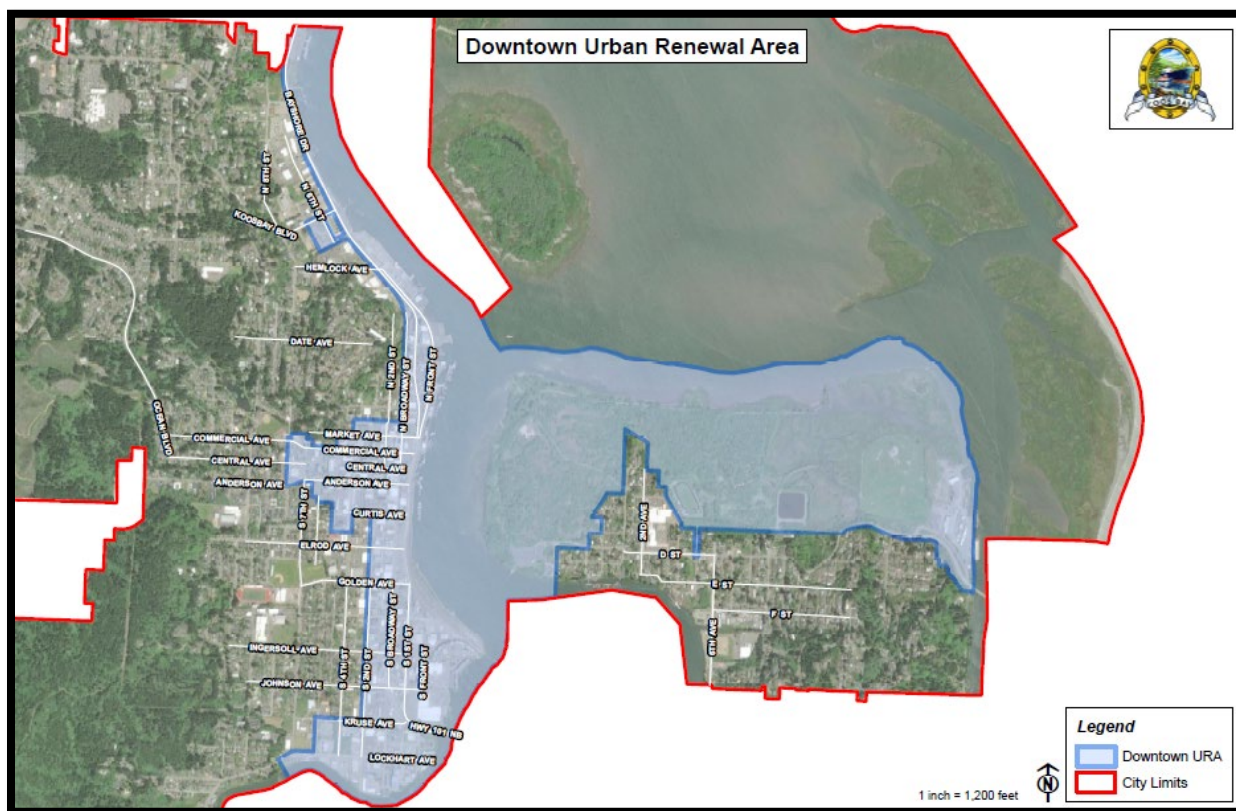
Urban Renewal Area Background

The City of Coos Bay established the Downtown Urban Renewal District in 1988 and the Empire Urban Renewal District in 1995. The Coos Bay Urban Renewal Agency Board (Agency) is comprised of the City Council; and through bi-annual goal setting and the budget process, it is determined what projects will be funded. Urban renewal funds benefit Coos Bay through the projects and programs that play a major role in revitalizing and curing blight within the urban renewal areas.

Urban Renewal Districts

Downtown District

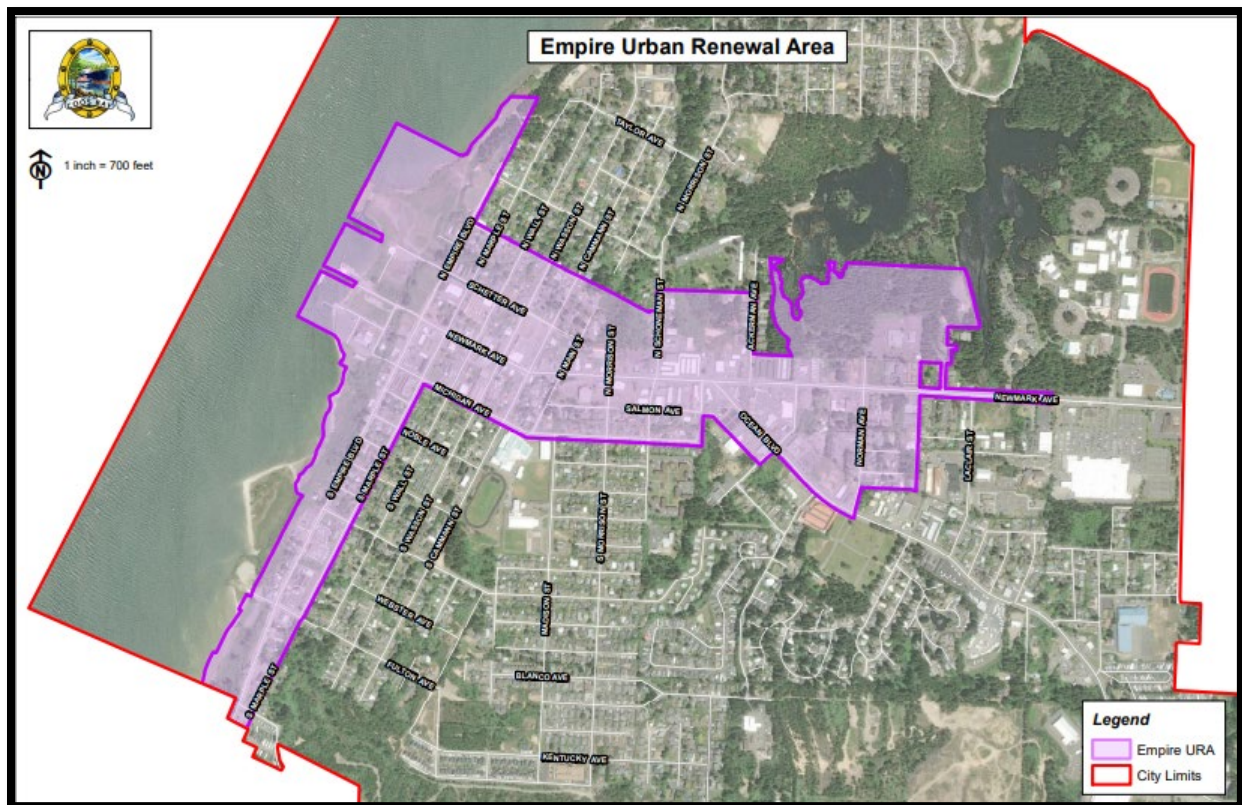
The Downtown Urban Renewal District (Downtown District) consists of 1,298.3 acres. The Downtown District (as shown below) begins at the north city limits, and runs between the navigation channel and Highway 101 south and southeast toward the City's core area. The Downtown District's boundaries proceed south until they come nearly in line with the industrial property located in Eastside. The eastern boundary then turns east to include the industrial-commercial lands in the Eastside area. The westerly boundary proceeds west to include the downtown core area which was a part of the first Urban Renewal Plan, and includes several blocks of transportation corridor immediately west of the core area. The eastern and western urban renewal area boundaries begin to come together in the southern portion of the City, and extend to the south city limits along Coalbank Slough.



The Downtown Urban Renewal Plan classifies potential urban renewal projects in three general, broad categories: Waterfront Development, Core Area Revitalization (Downtown), and Streets and Infrastructure. The objective of the proposed projects is to encourage public/private investment, eliminate existing blight, and respond to the business needs of the community. The Agency began formulating a revised Downtown Urban Renewal Plan during the FY15/16. The Plan update was completed in October of 2017.

Empire District

The Empire Urban Renewal District (Empire District) consists of 303.31 acres. The Empire District (as shown below) borders the Empire Bayfront parcels adjacent to Empire Boulevard from Wisconsin Avenue north to the shoreline. At the intersection of Empire Boulevard and Newmark Avenue, east on either side of Newmark Avenue to the intersection with Ocean Boulevard, east to the property line between Norman Avenue and LaClair Street, and encompassing thirty (30) acres within John Topits Park. The Empire District is shown below.



The objectives of the Empire Urban Renewal Plan (Empire Plan) are to improve the function, condition, and appearance of the urban renewal area, and eliminate existing blight. Project categories for the Empire Plan are: Waterfront Development, Empire Boulevard and Bayfront Improvements, and Improve Primary Commercial Area.

The Empire Plan was updated in October 2018, adding street improvements within the District. Acknowledging that there are few other funding tools for those improvements, the Agency determined an increase to the maximum indebtedness to allow for additional funds for street improvements was warranted and allowed for urban renewal funds to be used to construct streets in this District, freeing up other funds better repurposed elsewhere. With this plan update, the maximum indebtedness was increased to \$18,890,011.

An additional amendment to the Empire Plan during was completed in August 2021, including a project addition of site development for the new Library facility to be located in John Topits Park which required this additional park acreage (nearly 30 acres) to be added to the plan, bringing the total Empire Plan acreage to 303.31. This amendment also increases the maximum indebtedness to \$29,000,000, extending the life of the plan through 2040.

Prominent Downtown District Projects

Coos Bay Downtown Association

The Coos Bay Downtown Association (CBDA) is an independent, non-profit organization which is part of the national Main Street Program, which leverages community assets to generate investment, create jobs, and foster the rehabilitation of downtown areas and Main Streets. As part of this program, CBDA is supported by a Board of Directors, Main Street Manager, and four Committees: Promotions, Organization, Design, and Economic Development. CBDA works closely with its members, downtown businesses, and local organizations to strengthen existing business, to expand opportunities for new businesses, and to plan events and activities that improve the quality of life in downtown Coos Bay. The annual support for the current reporting year was \$40,000.

The Downtown District provides an annual payment to the CBDA to assist with funding for work related to the Main Street Program. Under this program, the CBDA successfully organizes and operates procurement of flower baskets for downtown corridor, Downtown Farmer’s Market, Maritime Legacy Days, Blackberry Arts Festival, Fun Festival, Shop Small Saturday, Truck-or-Treat Halloween events/promotion, kickoff of the Holly Jolly Christmas season. During the prior reporting period, CBDA was awarded a grant which allowed them to purchase and install some bicycle racks in the downtown area. These racks were specially designed by the Marshfield High School Metal Shop and intended to coordinate and further enhance the cement structure already in place, depicting the running legs of Steve Prefontaine. Below is a photo of the bike racks located at the Visitor Information Center.



4th Street Reconstruction and Pedestrian Safety Improvements

The 4th Street Reconstruction and Pedestrian Safety Improvements project was completed in December 2021. The capital road project included a complete reconstruction of the road bed and driving surface, new sidewalks, bump outs at the intersections, new traffic signals at the intersections of 4th Street at Commercial Avenue and 4th Street at Anderson Avenue, improved pedestrian crossings at Central Avenue and in between Curtis and Bennett Avenues. Shown following are, photos of construction in progress and completed project.

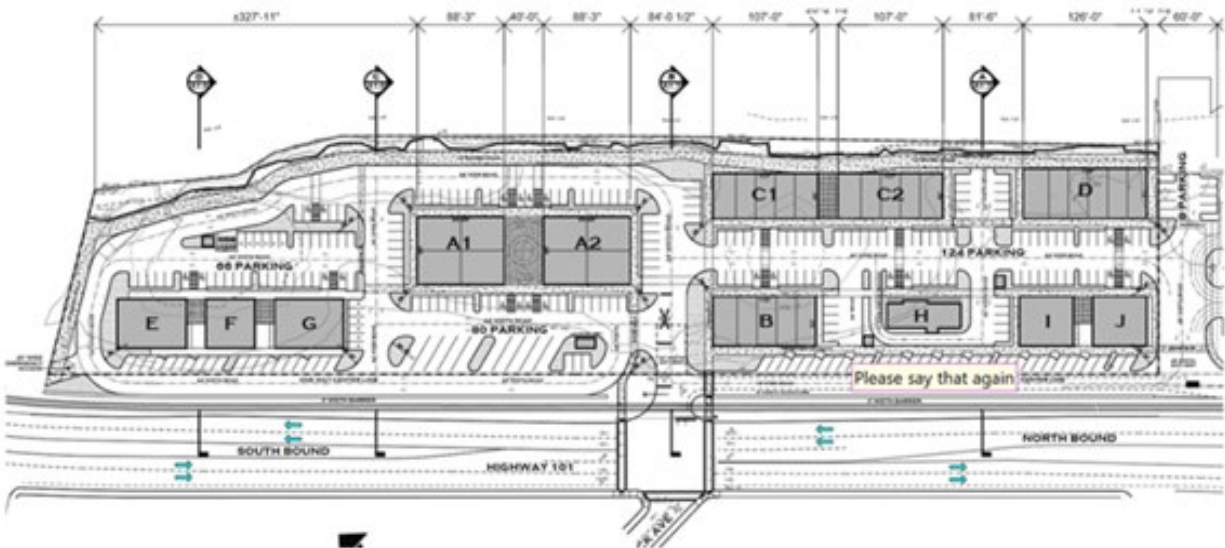


Coos Bay Village

This project, located along the North Bayshore Drive waterfront between Ivy Street and Coos History Museum, and locally known as the Central Dock property, continued during FY22. The project will be comprised of multiple retail, restaurant and office buildings, pedestrian plazas, public boardwalk, off-street parking, landscaping, installation of a lighted intersection at Hemlock Avenue and related infrastructure. The Agency agreed to provide financial support of up to \$2,460,000 towards the installation of the lighted intersection at Hemlock Avenue, which also include railroad crossing safety improvements. An aerial shot of the Central Dock property is shown below prior to commencement of work.



The following plans are representative of the community's goals for the waterfront area noted in the 2017 Front Street Action Plan and other City waterfront visioning documents in years past. The Coos Bay Planning Commission approved the below site plan in December 2018. The projects will be phased, with full buildout shown in the rendering below:



Most of the proposed buildings have been constructed, along with completed necessary improvements to the rail crossing and the Hemlock Ave / Bayshore Blvd intersection. This development has made a significant impact to the waterfront and Front Street area.



The concrete boardwalk along the waterfront is a great addition to the development which will extend for the full length of the development, and in the current reporting period was connect to the boardwalk installed at the Coos History Museum with Downtown URA support.



Revitalization of core business district – Front Street

As part of the Front Street Master Plan, the Agency has begun efforts to bring new life to the business district along the waterfront which includes the Coos Bay Village development. A continuation of that energy proceeds into Front Street and can be seen through improvement grants awarded in previous years to businesses on Front Street. As this revitalization occurs, an obstacle to its continuation arose, how to accommodate additional traffic and provide necessary places for parking. To overcome this challenge, the Agency acquired a property on Front Street which had been left to disrepair. The warehouse property had also been used for equipment storage, resulting in soil seepage of environmental hazards. Following the acquisition process, the Agency worked with the Department of Environmental Quality to develop a remediation plan that would allow the re-use of the property. Once approved, the Agency began the necessary remediation work can begin which will allow the Agency to transform the property into a green parking lot. During the current reporting period, the warehouse on the lot was removed and construction is anticipated to begin in FYE24 (Fall 2023). The following pictures show the property progress.



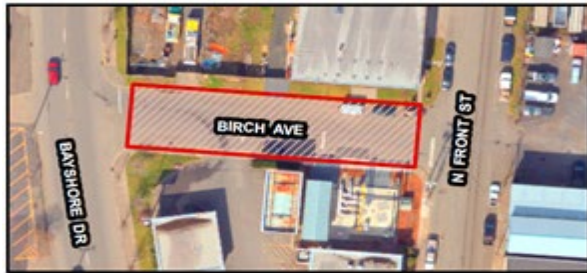


Library Roof replacement

During FY22, the Library Roof was replaced after determination that repairs could not be made and continued roof deterioration was causing further structural damage, as well as subjecting the library collection to exposure and preventing public use of several library spaces due to safety concerns. As most are aware, the Coos Bay Public Library is the most used city service (besides wastewater treatment), and ensuring public access to this much needed community facility was imperative, with full support of the Agency Board. Work continues on future library site identification, along with identification of financing and funding options.

Road and Sidewalk Improvement Projects

With additional funds available from the 2020A bond, the Agency continued the design process for several road improvement projects in the Front Street area, between Hwy 101 and Front Street at: Alder Avenue, Birch Avenue, Cedar Avenue and Date Street. With final designs, the Alder Avenue road improvement project was completed, while others will be completed in future years in coordination with other area projects.



In addition to the street projects above, several sidewalk improvement projects were undertaken in the downtown area, starting in the previous fiscal year. One of the most significant improvements was the sidewalk adjacent to the Coos Art Museum which included hand rails and ADA improvements and finalized in FY22:



Eastside Boat Ramp

The city of Coos Bay was awarded two grants, from Oregon State Marine Board and Oregon Department of Fish and Wildlife to replace the dock floats at both the Eastside and Empire Boat Ramps. The two grants combined nearly covered the costs associated with replacement of the dock floats, with the balance funding by the Downtown URA and Empire URA. Below are photos of the Eastside Boat Ramp facility:



Community Art

The Downtown District helped to support community art projects that provide both area beautification and encouragement for revitalization with the revamping on one mural and install of a new mural at the north entrance of Coos Bay (photo follows).



Prominent Empire District Projects

Street Improvement projects

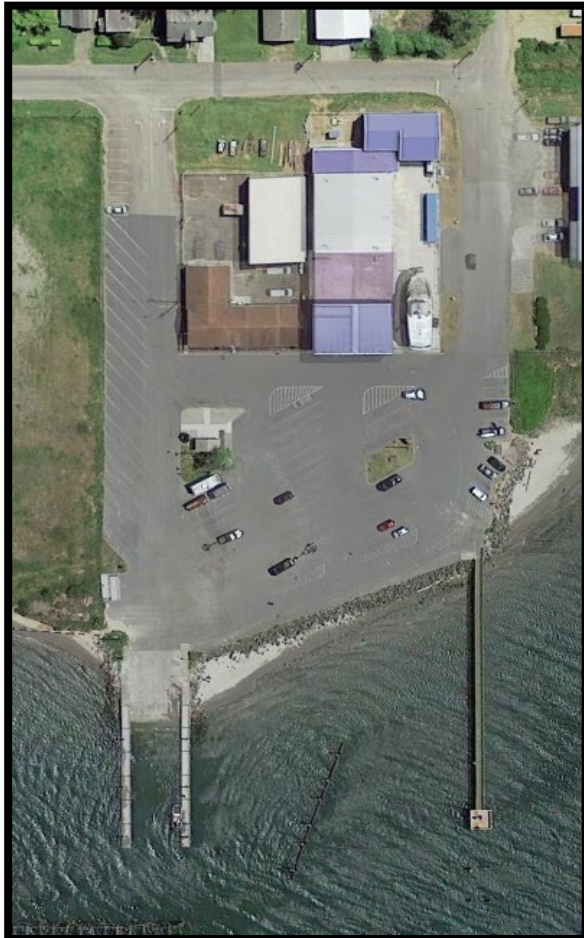
Two street rehabilitation projects were completed in the Empire District in FY22: North Wasson between Newmark and Schetter Avenues, and Michigan Street between Empire Boulevard and Cammann Street.

Roundabout – Corner of Newmark Ave & Empire Blvd

Work continues to complete the design of the roundabout, as well as demolition of the building on the acquired corner lot, with construction potentially to begin in next several years, as grant funding is obtained.

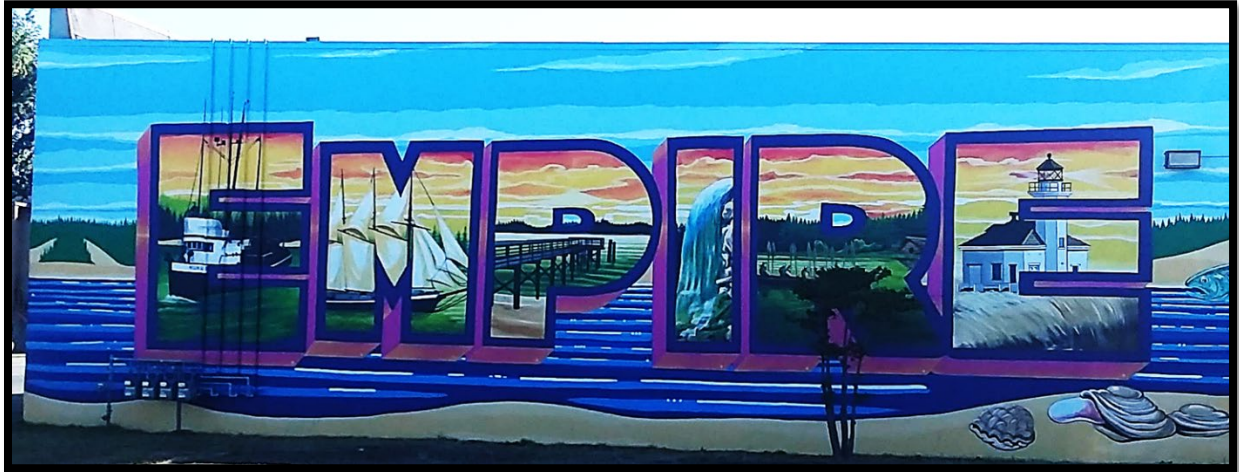
Empire Boat Ramp

The city of Coos Bay was awarded two grants, from Oregon State Marine Board and Oregon Department of Fish and Wildlife to replace the dock floats at both the Eastside and Empire Boat Ramps. The two grants combined nearly covered the costs associated with replacement of the dock floats, with the balance funding by the Downtown URA and Empire URA. Below are photos of the Empire Boat Ramp facility.



Community Art

The Empire District helped to support community art projects that provide both area beautification and encouragement for revitalization with the install of a new mural on the west wall of the Start of Hope building (photo follows).



Future Library Relocation

After amendment to the Empire Plan, effort was undertaken to sell the Ocean Blvd property and refocus library site interest toward John Topits Park. Several community meetings were held to gather public input on the preferred Park siting, with an ultimate site chose, design development has begun to support an overall vision for what the new library facility might look like, as sited in the Park.



Improvement Grant Projects

The Improvement Grant Program, renamed from the Façade Improvement Program, is a grant program designed to provide financial assistance to property owners and tenants of commercial properties and to promote revitalization of Coos Bay's urban renewal districts. Matching grants are typically awarded up to 50% of the project cost from a minimum of \$1,000 to maximum of \$25,000, unless otherwise approved by the Agency. During the fiscal year the following improvement grant projects were awarded and/or completed:

Downtown Urban Renewal District

Building: Tioga

URA Funds: \$264,493

Grant Awarded: September 1, 2020

Address: 275 N. Broadway

Value of Improvements: \$528,985

Project Completed: June 2022

Description: The Tioga building owners applied for an Improvement Program grant to support significant upgrades to the building, sign and parking area. For the exterior, improvements included repair to exterior stucco/concrete (patch/fill cracks), repair/reseal exterior penetrations (windows, doors, vents), primer and paint all exterior surfaces, and install exterior LED cylinder wall and rope lights. Sign repairs were intended to refurbish the sign to its original state, including a return to the original red color. Parking area improvements include installation of black iron fencing around the perimeter of the property with three electronic gates, lighting installation, and reseal and striping of the entire parking surface. Before and in progress pictures are shown below:



Building: Kioski

URA Funds: \$32,250

Grant Awarded: September 1, 2020

Address: 241 N. Broadway

Value of Improvements: \$64,500

Project Completed: Expected Completion FY23

Description: The Koski building owners submitted an Improvement Program grant application to repair exterior stucco/concrete, repair/reseal exterior penetrations (windows, doors, vents), primer and paint all exterior surfaces, and repair front transom windows. The before photo is shown below:



Building: Saw Shop

URA Funds: \$25,000

Grant Awarded: March 2, 2021

Address: 1127 S. Broadway

Value of Improvements: \$58,289

Project Completed: September 2021

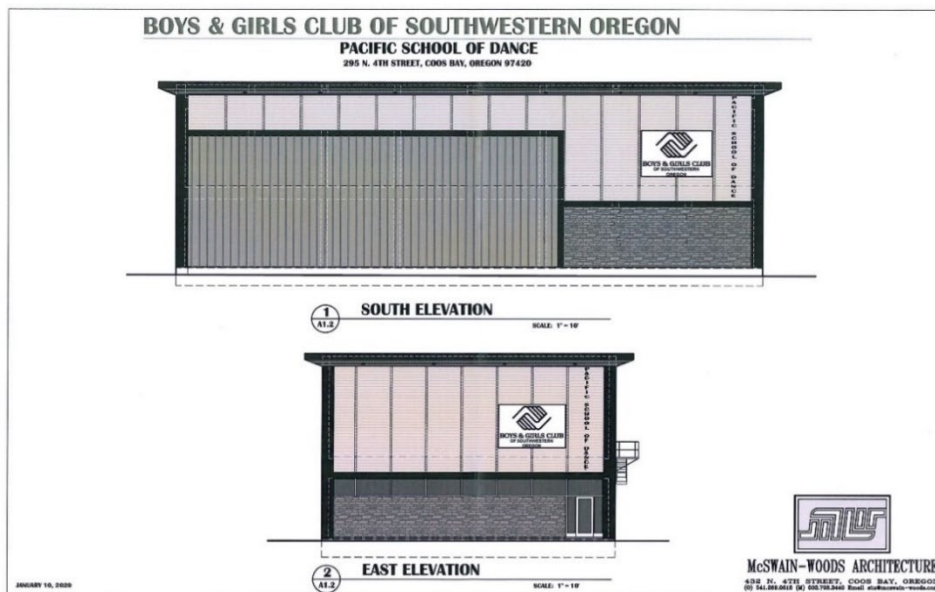
Description: The building owner applied for repairs to the north and east building façade, including repairing water damage, sealing existing concrete, installing vapor wrap on north and east elevations, installing tongue/groove cedar hardi-plank siding, replace five windows and one exterior door, replace exterior lighting, and painting/staining exterior. Before and after photos are shown on the following page.



Building: Boys & Girls Club-Pacific School of Dance
URA Funds: \$50,000 (additional funding)
Grant Awarded: March 2, 2021

Address: 295 N. 4th Street
Value of Improvements: est >\$600,000
Project Completed: October 2021

Description: The Boys & Girls Club applied for an Improvement Program grant for upgrades to the exterior of the building located at 295 N. 4th Street. The building formerly housed the Masonic Lodge and is home to multiple programs that serve Coos Bay children. The improvements include new siding and windows, with the current brick siding removed and replaced with cultured stone. On the west side of the building, the canopy will be reconstructed and ADA parking will be added to the parking lot. Construction was delayed on external improvements funded by the Agency approved façade grant; the applicant elected to begin improvements to the inside of the building while dance classes were canceled due to COVID-19 concerns. The delay to starting the external improvements increased the costs of the project to nearly \$600,000. The applicant requested to be allowed to reduce the scope of the original request to remove some elements and decrease the overall costs of the project. The Agency supported the project, allowing for revision of the original scope by removing the proposed overhang around the top of the entire building, removing the proposed additional windows on the north side, the cultured stone, and some siding design components, as well as providing additional funding to help cover the elevated project costs.



BEFORE PHOTO



AFTER PHOTOS





Buildings: Tower Ford Collision/Body Shop Center **Address:** 385 & 399 South Broadway
URA Funds: \$96,955 **Value of Improvements:** \$193,909
Grant Awarded: April 6, 2021 **Project Completed:** January 2022

Description: Tower Ford submitted an Improvement Program grant application to replace the existing cedar siding on their Collision and Body Shop Centers with metal siding/trim to match previous modifications made to the other buildings on the dealership's campus. Before photo is shown below:

BEFORE PHOTO



AFTER PHOTO



Building: Pro-Diesel Repair LLC
URA Funds: \$30,000
Grant Awarded: June 7, 2022

Address: 225 West Lockhart
Value of Improvements: \$53,705
Project Completed: Expected completion FY23

Description: Pro-Diesel Repair submitted an Improvement Program grant application to replace the windows, entry double doors, cedar siding at the base with black metal above, custom light fixtures and customer lettering to identify the property address.

BEFORE PHOTO



AFTER PHOTO



Building: Pro-Diesel Repair, Inc
URA Funds: \$20,000
Grant Awarded: October 5, 2021

Address: 225 West Lockhart
Value of Improvements: \$59,003
Project Completed: May 2022

Description: Pro-Diesel Repair submitted an Improvement Program grant application to rehabilitate pavement areas surrounding the building.

Empire Urban Renewal District

Building: Tom & Gigs Automotive
URA Funds: \$25,000
Façade Grant Awarded: June 1, 2021

Address: 135 South Schoneman Street
Value of Improvements: \$43,505
Project Completed: Expected Completion FY22

Description: The building located at 135 South Schoneman Street was constructed in 1969. The owners of Tom & Gigs Automotive applied to include replacement of existing awning on north/west elevations, replacement of small window on south elevation, repair/replace the metal siding as needed, weatherization under the newly installed awning, and painting of the entire structure. Before photo shown below:

BEFORE PHOTO



AFTER PHOTO



Financial Reporting

Table 1 – District Assessed Values (below) shows the current value, frozen value and excess value of each district and shows the increased valuation of each district since inception, with both districts more than doubling their areas assessed value over the original frozen value.

Table 1 - District Assessed Values

Urban Renewal Area	Current Value	Frozen Value	Excess Value
Downtown	142,156,232	50,671,009	91,485,223
Empire	82,382,980	23,772,166	58,610,814
Total	224,539,212	74,443,175	150,096,037

Source: Coos County Assessor, Table 4e, 2021/22 Summary Assessment & Tax Roll

Table 2 – Impact on Over-lapping Taxing Districts (below) shows the amount of property tax revenue foregone by the overlapping taxing districts, as these revenues are considered urban renewal area revenues.

Taxing Jurisdiction	Impact-Downtown	Impact-Empire	Total Impact
Coos County 4H/Extension	8,000	5,169	13,169
Coos County Library Services	66,341	42,463	108,804
Coos County	98,342	63,018	161,360
City of Coos Bay	580,082	371,583	951,665
South Coast ESD	40,371	25,847	66,218
Coos Bay School District #9	412,692	264,379	677,071
SW Oregon Community College	63,879	40,863	104,742
Port of Coos Bay	55,756	35,694	91,450
Coos County Airport	21,785	13,908	35,693
Total	1,347,248	862,924	2,210,172

Source: Coos County Assessor, Table 4e, 2021/2022 Summary Assessment & Tax Roll

Table 3 – Money Received and Money Expended (below) shows the amount of revenue received by each district and the expenditures paid by each district.

Category	Downtown	Empire	Total
Revenues			
Division of Taxes	1,867,888	873,132	2,741,020
Interest on Investments	(18,736)	(10,545)	(29,281)
Grants	2,000	-	2,000
Debt Proceeds	4,923,196	819,386	5,742,582
Miscellaneous	12,808	105	12,913
Total	6,787,156	1,682,078	8,469,234
Expenditures			
Materials & Services	1,009,037	473,604	1,482,641
Capital Outlay	1,603,142	808,838	2,411,980
Debt Service	786,622	516,949	1,303,571
Total	3,398,801	1,799,391	5,198,192

Source: Urban Renewal Agency Audited Financial Statements FY 2021-2022

Table 4 – Proposed Budget for FYE 2022-23 (below) shows the current fiscal year budget for each district, including estimated tax revenues to be received by each district.

DOWNTOWN DISTRICT	Special Revenue Fund	Capital Projects Fund	Bond Fund	Total
Resources				
Beginning Balance	-	2,875,000	930,000	3,805,000
Division of Taxes	1,345,000	-	-	1,345,000
Special Levy	505,000	-	-	505,000
Interest	1,000	7,500	-	8,500
Grants	-	-	-	-
Debt Proceeds	-	1,778,935	-	1,778,935
Transfers	-	-	1,851,000	1,851,000
Miscellaneous	-	-	-	-
Total	1,851,000	4,661,435	2,781,000	9,293,435
Expenditures				
Materials & Services	-	802,288	-	802,288
Capital Outlay	-	3,859,147	-	3,859,147
Debt Service	-	-	1,981,000	1,981,000
Transfers	1,851,000	-	-	1,851,000
Reserved for Future Expenditure	-	-	800,000	800,000
Total	1,851,000	4,661,435	2,781,000	9,293,435

Source: Urban Renewal Agency Adopted Budget FY 2022-23

EMPIRE DISTRICT	Special Revenue Fund	Capital Projects Fund	Bond Fund	Total
Resources				
Beginning Balance	-	2,500,000	529,000	3,029,000
Division of Taxes	875,000	-	-	875,000
Interest	750	10,000	-	10,750
Debt Proceeds	-	378,429	-	378,429
Transfers	-	-	875,750	875,750
Total	875,750	2,888,429	1,404,750	5,168,929
Expenditures				
Materials & Services	-	464,536	-	464,536
Capital Outlay	-	2,423,893	-	2,423,893
Debt Service	-	-	892,650	892,650
Transfers	875,750	-	-	875,750
Reserved for Future Expenditure	-	-	512,100	512,100
Total	875,750	2,888,429	1,404,750	5,168,929

Source: Urban Renewal Agency Adopted Budget FY 2021-22

Table 5 – Maximum Indebtedness (below) shows each district’s maximum indebtedness (MI), any changes to the approved MI, MI used and MI still available for projects.

	Downtown	Empire	Total
Original Plan Maximum Indebtedness	45,055,764	12,550,011	57,605,775
Increase *	-	16,449,989	16,449,989
Maximum Indebtedness limit	45,055,764	29,000,000	74,055,764
Maximum Indebtedness used to date	(23,383,127)	(13,208,665)	(36,591,792)
Maximum Indebtedness remaining	21,672,637	15,791,335	37,463,972
* Increased by Ordinance #502 & 543			

Source: URA financial records