

To: SEDA Budget Committee; Nancy Newton, City Manager
From: Allie Camp, Economic Development Manager, City Manager’s Office
Date: March 10, 2025

The Springfield Economic Development Agency (SEDA) is the Urban Renewal Agency for the City of Springfield, Oregon. SEDA oversees both the Glenwood Urban Renewal Plan area, established January 1, 2005, after voter approval and City Council and Lane County adoption, and the Downtown Urban Renewal Plan area, established January 1, 2008, also under voter approval and following adoption by City Council.

Urban Renewal Plan Area Specifics

	<i>Downtown District</i>	<i>Glenwood District</i>
Plan Area Size:	618 acres	417 acres
Urban Renewal Plan Area Established:	2008	2005
Frozen Taxable Value Base at Time of Establishment:	\$124,231,412	\$106,986,910
FY24 Annual Increment (Actuals):	\$1,928,758	\$1,529,059
FY25 Current Annual Increment (Amended):	\$1,950,000	\$1,500,000
FY26 Forecasted Annual Increment (Proposed):	\$1,950,000	\$1,500,000
Maximum Indebtedness Allowed:	\$43,010,000	\$32,860,000
Maximum Indebtedness Spent to Date:	\$10,159,161	\$17,366,089

An Overview of Urban Renewal as a Tool

Urban Renewal is a debt financing tool for communities seeking to invest in strategies to redevelop underperforming or market-depressed regions, defined as ‘blighted’. It is also called Tax Increment Financing (TIF). TIF is intended to redirect incremental tax revenues generated above the frozen base, frozen at the time of plan adoption, (Figure 1), into early, catalytic projects likely requiring substantial borrowing, and necessitating dedicated debt service repayment revenues. TIF funds must then be reinvested into the Plan area from which they were collected, and on initiatives which directly support the goals and projects identified with the adopted plan.

While TIF is a valuable tool, it comes with parameters both in plan specific debt limits and activities. Each area’s Plan limits the

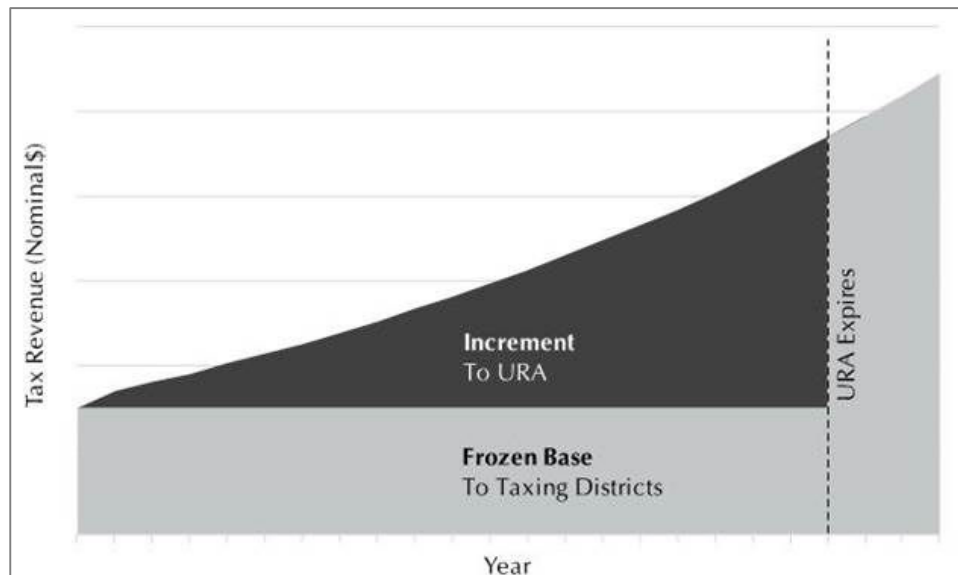


Figure 1: Tax Increment Financing; Tiberius Solutions, 2019

amount of debt which can be incurred. TIF expenditures must be primarily focused on project-specific or 'built' assets which directly benefit redevelopment to contribute to increasing the taxable base. TIF may be used to fund the administration of the Urban Renewal area and related projects. TIF funds are one of the many tools available to assist in delivering public and private projects which are an investment in the vision for the City.

FY2026 Agency Budget Summary



This fiscal year's SEDA budget proposes investments focused on driving taxable development in Downtown and Glenwood. Both Urban Renewal Districts are delivering substantial tax increment due to investments since each District's establishment. The Downtown District is outperforming its expected tax increment accrual. This allows SEDA to think about strategic investments, such

as increasing Springfield's housing stock, planning for mixed use, walkable centers of commerce and activity, supporting private investments, and the long-term goal of connecting the community to the Willamette River.

The below sections highlight key accomplishments in FY25, and initiatives proposed for FY26. With the focus of the work being project-based, the budget reflects the necessary pre-development investments in land use and entitlement work, legal consulting, and property management.

Accomplishments – FY2025

- ✓ **Glenwood Riverfront Master Planning** – The Master Planning team from Rowell Brokaw Architects and Walker Macy Landscape Architects continue to refine the initial concept for the area and move the land use work forward. SEDA has submitted for annexation of the 21-acre area. The consultant team has started preparing the remaining scope of land use amendments and master planning work through 2025, and the first half of 2026.
- ✓ **Completion of the Residential Relocation in the Glenwood Master Plan Area** – In February 2024, the SEDA Board moved to begin the Federal relocation process with Universal Field Services for eight households in the Glenwood Master Plan Area. By September, all families were either permanently or temporarily relocated, and by the end of January 2025, all families have been relocated into safe, sanitary, and secure replacement housing. Two of the eight families moved into home ownership upon relocation.

- ✓ **Partial Repayment of the SEDA SDC Program** – Upon the SEDA Board’s review and restructuring of the System Development Charges (SDC) program, the first payment to the City from SEDA for SDCs charged in the Downtown Urban Renewal District was budgeted for and made in FY25.
- ✓ **Demolition in Glenwood** – In November 2024, eleven structures and outbuildings were demolished from the Glenwood Master Plan area as a measure to maintain safety and security at the property. Community members traveling through Glenwood can now see directly to the Willamette River from Franklin Boulevard.
- ✓ **Acquisition of Two Key Development Properties in Downtown** – The SEDA Board moved to acquire 702 ‘A’ Street, the historic Buick dealership, and its adjacent parking lot at 751 ‘B’ Street, to increase the development options for the former site of the proposed Blue McKenzie development. The SEDA Board also moved to acquire 437 Main Street, the former site of U.S. Bank, to plan for a future development aligning with the Urban Renewal Plan. Both properties closed in September 2024.
- ✓ **Contracting for Professional Property Management Services in Downtown and Glenwood** – In May 2024, the City approved a contract with Campbell Commercial Real Estate for management services of City, SEDA Downtown, and SEDA Glenwood properties. This contract has allowed for advertising for sale and lease properties, and faster response times for property needs. This contract with Campbell Commercial Real Estate is fulfilled through FY2027.

Initiatives – FY2026

- **Continue the Glenwood Riverfront Master Planning and Legal Work** – The Master Planning consultant team has started preparing the remaining scope of land use amendments and master planning work through 2025, and the first half of 2026. Negotiations with property owners, partners, and utilities will occur in FY26 to inform the eventual phasing of the site. With all negotiations will come informed and thorough contracting, agreements, and legal review.
- **Begin Implementation of a Downtown Property Strategy** – The SEDA Board’s 2025 property acquisitions were strategic and significant. The Board has identified 437 Main Street as a priority site to move to redevelopment. The site is a full city block, very visible, and serves as a connection between Main Street and South ‘A’ Street.
- **Define a Dispositioning Plan for 765 ‘A’ Street, the Memorial Building** – The Downtown Urban Renewal Plan identifies that properties are required to have a dispositioning plan five years after acquisition, and that plan needs to be enacted ten years after acquisition. The Memorial Building is SEDA’s only property without a future determined, and the Board has expressed interest in potential development outcomes. Staff will develop options for the Board’s direction.
- **Develop Processes for the SEDA Board** – Private development interest in Downtown continues to grow. A strategy SEDA can employ to help grow the tax base is to support financing requests from private projects. Establishing a process for making requests of SEDA for funds can be helpful so requests are properly vetted, equally considered, and discussions can move swiftly.

Future Year Considerations – FY2027 → FY2029

- ✦ **Delivering the Glenwood Master Plan Area Project** – With the land use and entitlement work underway, the concept for the area continues to be refined. To assure the project continues to make progress beyond this phase, coordination for the next steps of approvals, engineering, infrastructure, agreements, and future land use work has begun.

- ✦ **Supporting Downtown Private Property Investments** – Private property owners have expressed interest in making substantial investments downtown for commercial, housing, hospitality, and industrial expansion. These projects are anticipated to utilize the SDC payment program and may request additional partnership from SEDA.
- ✦ **Serving Employment Land Along Franklin-McVay Boulevard** – Franklin-225 South is in the preliminary phase of design. Priority industrial-employment sites located along this corridor will remain a focus of recruitment in coordination with the property owner. Substantial infrastructure needs are anticipated with design work beginning along the Franklin-225 South corridor, including reconciliation of City owned properties and other necessary road improvements.
- ✦ **Dispositioning Development Sites Downtown** – SEDA has strategically acquired for redevelopment, offered for lease, and offered for sale, its properties Downtown. The future uses and shapes of these properties will solidify in the next three years.

With the budget emphasis on new development, SEDA's efforts not only fuel the future needs of the community in terms of building new assets, but they also serve to bolster the success of the two Urban Renewal Districts tax increment performance while contributing to the skills and trades for some of the most fruitful sectors present in our community's employment portfolio.