

**EXPLANATION OF THE URBAN RENEWAL DIVISION OF TAX RATE  
FOR THE RAINIER WATERFRONT URBAN RENEWAL PLAN**

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Many taxpayers in the City of Rainier have an assessment listed for REDCO under the General Government category of their property tax statement even though they may not actually be located within the Urban Renewal Plan Area.

Beginning in 2002, due to an Oregon Supreme Court Ruling, the determination was made that Urban Renewal must be categorized as general government subject to the Measure 5 limitation that the total consolidated general government tax rate must not exceed \$10 per \$1,000 Measure 5 Assessed Value. Because urban renewal generates revenue on the excess value of the plan area from all taxing district levies within the plan area regardless of the category, the division of tax amount calculated for urban renewal must now appear under the general government category.

Whether the urban renewal assessment shows up on a tax statement or not is determined by both the districts within the Urban Renewal Plan Area **and** the municipality that activated the Urban Renewal Agency. This is called the **shared property**. For the Rainier Waterfront Plan Area, Rainier is the municipality that activated the Agency, so the entire city and any property within the Plan Area that lies outside the city limits becomes the shared property.

Following is a detail of how the Rainier Waterfront Urban Renewal Revenue was generated for the 2005-06 tax bills:

First, a **division of tax amount** was calculated by multiplying the tax rate for each taxing district levy in a tax code area by the excess value used in that tax code area and summing the product for all tax code areas in the plan area. (The REDCO Special Levy is not included in the calculation as it is an authorized amount over the division of tax limit that is levied by the agency.) Table 1 shows the taxing districts within each tax code area. Table 2 shows the Excess Value for each tax code area. Table 3 shows the division of tax amount calculation.

Table 1. District Tax Rates for Rainier Waterfront Urban Renewal Tax Code Areas

District	Tax Code Area		
	03-91	03-95	03-99
Columbia County	1.7398	1.7398	1.7398
Columbia 4H & Ext.	0.0571	0.0571	0.0571
Col 9-1-1 Comm Distr	0.5454	0.5454	0.5454
Columbia Vector	0.1279	0.1279	0.1279
Rainier Cemetery	0.0709	0.0709	0.0709

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REDCO Special Levy	0.8048	0.8048	0.8048
Port of St Helens	0.0886	0.0886	0.0886
Rainier City	5.2045	N/A	5.2045
Columbia River Fire	2.9731	2.9731	2.9731
NW Regional ESD	0.1538	0.1538	0.1538
Rainier 13 School	5.4360	5.4360	5.4360
<b>Total Consolidated Tax Rate</b>	<b>17.2019</b>	<b>11.9974</b>	<b>17.2019</b>

Rainier Waterfront Urban Renewal Plan has a limit as to the amount of revenue they can collect by division of tax. This amount is \$300,000. The first year the plan area exceeded this amount was in 2004. For 2005-06, the estimated revenue based on the excess value would be \$355,758. the additional \$55,758 is returned to the districts taxable value as 'unused excess value'. Only the value needed to calculate revenue totaling \$300,000 is used. Once calculated, the amount may be slightly less than \$300,000 due to truncation.

Table 2. Excess Value in Rainier Waterfront Urban Renewal Plan Area

Tax Code Area	Assessed Value	Frozen Value	Unused Excess	Used Excess
03-91	18,324,170	10,391,694	1,243,183	6,689,293
03-95	5,286,890	1,937,766	524,847	2,824,277
03-99	13,469,610	1,992,070	1,798,755	9,678,785

Table 3. Division of Tax Amount - Rainier Waterfront Urban Renewal Plan Area  
(Used Excess Value x District Levy Rate For Each Tax Code Area)

		Tax Code Area			
		03-91	03-95	03-99	Total
Used Excess Value:		6,689,293	2,824,277	9,678,785	19,192,355
District	Rate				
Columbia County	1.7398	11,638.03	4,913.67	16,839.15	33,390.85
Columbia 4H & Ext.	0.0571	381.95	161.26	552.65	1,095.86
Col 9-1-1 Comm Distr	0.5454	3,648.34	1,540.36	5,278.80	10,467.50
Columbia Vector	0.1279	855.56	361.22	1,237.91	2,454.69
Rainier Cemetery	0.0709	474.27	200.24	686.22	1,360.73
REDCO Special Levy	0.8048	N/A	N/A	N/A	N/A
Port of St Helens	0.0886	592.67	250.23	857.54	1,700.44
Rainier City	5.2045	34,814.42	N/A	50,373.23	85,187.65
Columbia River Fire	2.9731	19,887.93	8,396.85	28,775.99	57,060.77
NW Regional ESD	0.1538	1,028.81	434.37	1,488.59	2,951.77
Rainier 13 School	5.4360	36,362.99	15,352.76	52,613.87	104,329.62
<b>Total UR Revenue:</b>		<b>109,684.97</b>	<b>31,610.96</b>	<b>158,703.95</b>	<b>299,999.88</b>

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Second, the **division of tax rate** was determined for each taxing district levy within the consolidated billing tax rate for an urban renewal plan. The rate was calculated by dividing the **division of tax amount** by the taxable assessed value of any **shared property** for that district.

Table 4. Division of Tax Rate Calculation for REDCO UR

<b>District</b>	<b>Div of Tax Amt</b>	<b>Shared Prop. AV</b>	<b>Div of Tax Rate</b>
Columbia County	33,390.85	106,669,350	0.3130
Columbia 4H & Ext.	1,095.86	106,669,350	0.0102
Col 9-1-1 Comm Distr	10,467.50	106,669,350	0.0980
Columbia Vector	2,454.69	106,669,350	0.0230
Rainier Cemetery	1,360.73	106,669,350	0.0127
REDCO Special Levy	0.00	106,669,350	0.0000
Port of St Helens	1,700.44	106,669,350	0.0159
Rainier City	85,187.65	101,375,160	0.8403
Columbia River Fire	57,060.77	106,373,800	0.5364
NW Regional ESD	2,951.77	106,669,350	0.0276
Rainier 13 School	104,329.62	106,669,350	0.9780

Finally, the districts' levy rates were reduced by the amount of the urban renewal division of tax rate for the shared property.

Table 5. Division of Tax Rates for Districts Revenue and Urban Renewal Revenue

<b>District</b>	<b>Total Levy Rate</b>	<b>Urban Renewal Div of Tax Rate</b>	<b>District Rate Adjusted by UR</b>
Columbia County	1.7398	0.3130	1.4268
Columbia 4H & Ext.	0.0571	0.0102	0.0469
Col 9-1-1 Comm Distr	0.5454	0.0980	0.4474
Columbia Vector	0.1279	0.0230	0.1049
Rainier Cemetery	0.0709	0.0127	0.0582
REDCO Special Levy	0.8048	0.0000	0.8048
Port of St Helens	0.0886	0.0159	0.0727
Rainier City	5.2045	0.8403	4.3642
Columbia River Fire	2.9731	0.5364	2.4367
NW Regional ESD	0.1538	0.0276	0.1262
Rainier 13 School	5.4360	0.9780	4.4580