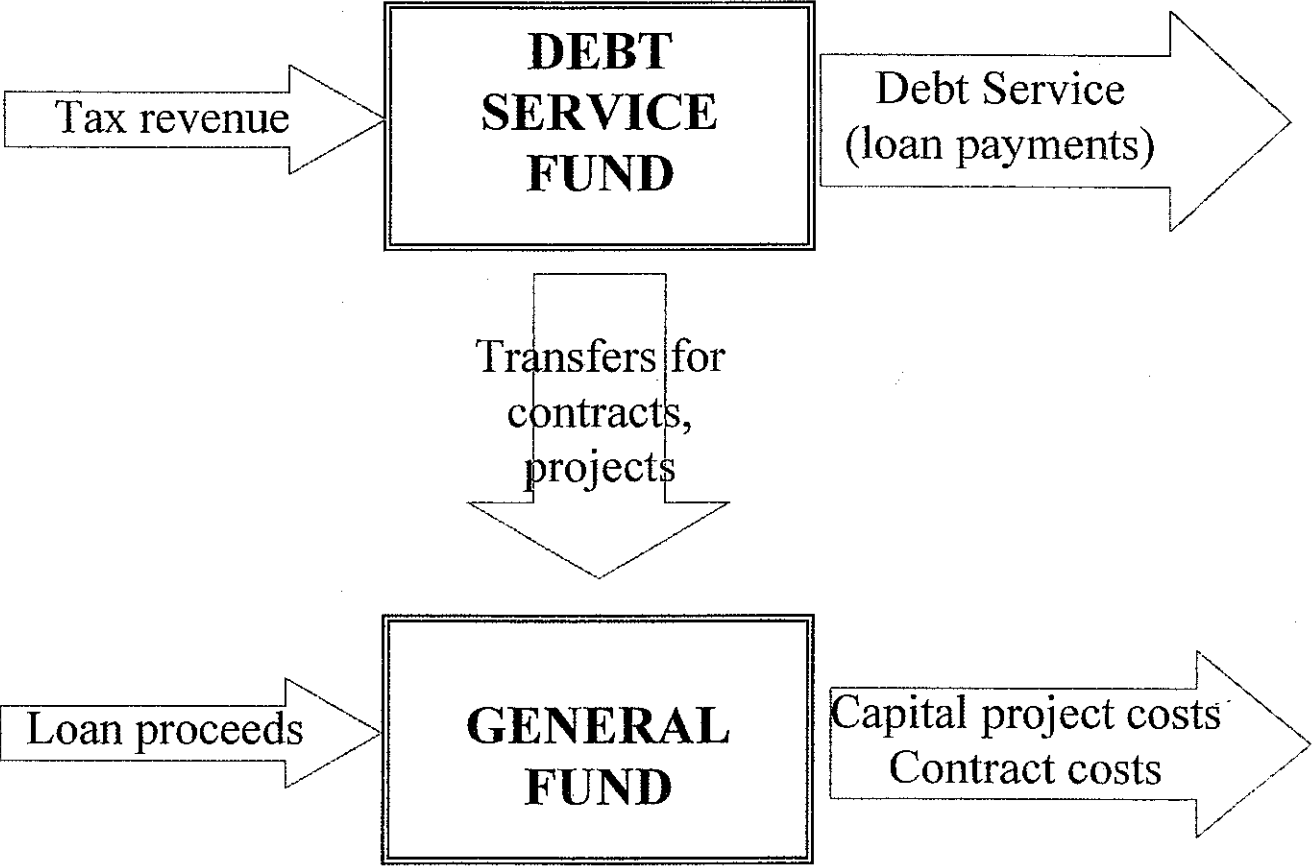


Canby Urban Renewal Agency

2009-2010

Proposed Budget



Canby Urban Renewal Agency

City Administrator's Budget Message for Fiscal Year 2009-2010

To the Urban Renewal Budget Committee:

Following is the proposed budget for the Canby Urban Renewal Agency for the 2009-2010 Fiscal Year. The proposed budget is balanced, as required by state law. Projected revenues (for both funds) include \$2,646,000 in cash carryover from FY 2008-2009, \$1,448,909 from property taxes and interest, and \$1,100,000 in loan proceeds. Expenditures include \$269,661 for personnel, \$3,552,171 for projects, materials & services, and contingency, and \$963,433 in debt service.

Background

Urban Renewal funds are considered enterprise funds and are separated from all other City funds for all accounting purposes. The budget development process mirrors the City's, but the Agency Budget Committee is a separate entity from the City's Budget Committee, although the membership is similar (the Agency's Budget Committee has one additional member). Agency budgeting and Budget Committee deliberations are subject to all the same laws regarding open meetings, auditing standards, and fund accounting as is the City's budget.

The Canby Urban Renewal Agency is the Mayor and six members of the Council. The Agency has also established an Advisory Committee that focuses on projects and policy recommendations. The proposed budget includes projects reviewed by the Advisory Committee plus certain projects prioritized for inclusion by the Urban Renewal Agency.

Under Oregon Urban Renewal Law, financing of projects, administration, and activities of the Agency must be funded through debt, consisting of long-term and short-term debt from internal or external sources.

Funds

The Urban Renewal District has two separate funds, as required by law. Tax increment revenues, cash carryover, and debt payments are accounted for in the Debt Service Fund. The Urban Renewal General Fund receives revenues from debt and expends those funds on projects, administration contracts, and contracts for other services and supplies.

The Agency contracts with the City to provide most required materials and services. In addition, the Agency at times contracts with outside experts, including financial consultants, engineers, and an attorney specializing in Urban Renewal law. Total contract costs for all of these functions are projected at \$508,342.

Revenues

Collectible tax increment revenue is estimated at \$1,419,909 in FY 2009-2010, up approximately 10% from 2008-2009 actual revenues. Continued growth in Agency tax revenues can be attributed to strong growth in commercial and industrial projects within the district.

Expenditures

Agency expenses for Materials and Services include legal counsel, general Urban Renewal project consultants, staff training, and will include the following

- \$115,000 Materials and Services Contracts
- \$150,000 Main Street Project. The Agency has approved developing a Main Street Approach™ to focus on revitalizing the downtown area. This program will include hiring a Main Street Coordinator, organizing focus committees, developing a business recruitment plan, managing events and promoting façade and sign projects. *Council Goal #2...Following the Canby Downtown Master Plan, continue revitalization efforts by creating a Main Street Program.*

Agency Capital expenses will include three major infrastructure projects this year as well as ongoing economic development projects including:

- \$890,000 for continuation of the NE 2nd Avenue/Parking Lot Improvement which will be completed in October 2009. This is a partnership project with Cinemagic Theatres in developing an 8-plex movie theater. The Agency is investing \$1,750,000 for a new downtown 154-space public parking lot and redevelopment of NE 2nd Avenue from Ivy north approximately two blocks. The Agency determined that a movie theater located in the downtown would capture over \$2 million estimated loss in ticket sales and service business that citizens spend outside of Canby each year. *Council Goal #2 ..Continue current economic development programs. Council Goal #5 Maintain, plan for and upgrade the City's public infrastructure systems, including.....streets, sidewalks, storm drainage... Council. Council Goal #4... Continue to seek opportunities for utilizing URD resources towards progress of the Downtown Master Plan, commercial/industrial plans...These may include Urban Renewal Agency sponsored projects and/or public/private partnership developments...*
- \$1,100,000 for the Walnut Street extension in the Canby Pioneer Industrial Park. The proposed street extension will begin at Sequoia Parkway and go to First Avenue, providing critical transportation to available industrial parcels. The property owners along the proposed routed of the new Walnut Street are currently forming an LID to reimburse the city for this project. The Agency will enter into a Memorandum of Understanding with the property owners which will outline the financial responsibilities of all parties. *Council Goal #2 ..In the CPIP, work with property owners along South Walnut Street to create a Local Improvement District (LID) to fund extension of Walnut Street north from Sequoia Parkway, providing infrastructure to additional properties and allowing continued growth and marketing of the CPIP. Council Goal #5 Maintain, plan for and upgrade the City's public infrastructure systems, including.....streets, sidewalks, storm drainage... Council. Council Goal #4... Continue to seek opportunities for utilizing URD resources towards progress...commercial/industrial plans...These may include Urban Renewal Agency sponsored projects and/or public/private partnership developments...*
- \$600,000 for URD Projects. Following the guidelines of the adopted Canby Downtown Master Plan, the next area of focus for redevelopment efforts will be NW First Avenue. The Agency has determined that this area is critical to improve streets and traffic flow, especially at the intersection of NW First and Ivy, secure long-term parking goals, and create a more visual attractor to the historic downtown core from Highway 99E. *Council Goal #2...Following the Canby Downtown Master Plan, continue revitalization efforts... and working with planning staff on a NW 1st Avenue/Railroad Parking Lot Concept Plan. Council Goal #5 Maintain, plan for and upgrade the City's public infrastructure systems, including.....streets, sidewalks, storm drainage... Council Goal #4... Continue to seek opportunities for utilizing URD resources towards progress of the*

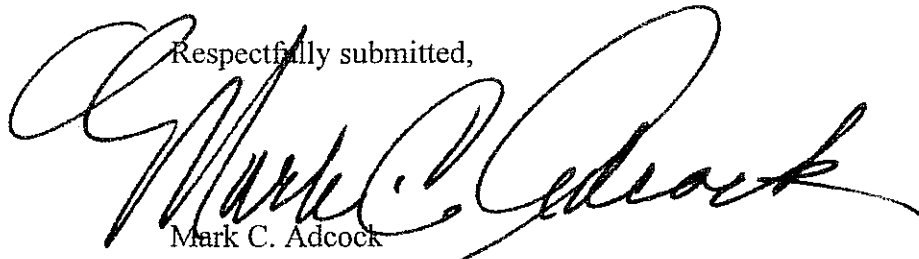
Downtown Master Plan, commercial/industrial plans...These may include Urban Renewal Agency sponsored projects and/or public/private partnership developments...

- \$190,000 for Gateway Projects. The Agency has approved \$145,170 for a Welcome Sign Replacement program for seven signs, two of which have deteriorated and collapsed. This is Phase II of this project. Phase I was a design project in partnership with the Canby Area Chamber of Commerce. Other funds will be used to landscape existing signs and to create new signage such as a downtown kiosk. Welcome signs act as a community identifier as well as, directional assistance. The signs will promote Canby, The Garden Spot as an attraction to community, visitors, and business. **Council Goal #2** ...Continue current economic development programs. **Council Goal #4**... Continue to seek opportunities for utilizing URD resources towards progress of the Downtown Master Plan, commercial/industrial plans...
- \$193,000 to continue current economic development projects. The funds include \$50,000 for additional redevelopment grants and feasibility studies including a hotel lodging feasibility study and partnering with the library for a library facilities feasibility study; \$75,000 for a continuation of the Façade Improvement Program, \$48,000 in Marketing & Business Development Fund ;\$20,000 for a Sign Grant Program as a second phase to the Canby Sign Code Project. **Council Goal #2** ..Continue current economic development programs including redevelopment grants, façade improvement grants/loans...Design and produce marketing packets for new business and industrial leads **Council Goal #4**... Continue to seek opportunities for utilizing URD resources towards progress of the Downtown Master Plan, commercial/industrial plans, and the City's facilities needs. These may include Urban Renewal Agency sponsored projects and/or public/private partnership developments such as a library facility.
- \$100,000 to fund an ongoing System Development Charge Reimbursement program. Last year, the Agency presented \$11,200 to Bowco Industries for locating in the Canby Pioneer Industrial Park and maintaining jobs for two years. This program is the only incentive program Canby offers. **Council Goal #2** ...Continue current economic development programs including...SDC job-creation incentives... **Council Goal #4**... Continue to seek opportunities for utilizing URD resources towards progress of the ... commercial/industrial plans...

Conclusion

The Urban Renewal District is fully capable of funding the projects and expenses described above. The Agency has substantial cash reserves which can be used for additional projects if prioritized for spending by the Agency and its advisory committee. City staff is ready to answer any questions you may have about this budget or activities funded by the Agency.

Respectfully submitted,



Mark C. Adcock
City Administrator

CITY OF CANBY
REVENUES

URBAN RENEWAL GENERAL FUND

ACTUAL PRECEEDING YR 2006-2007	ACTUAL PRECEEDING YR 2007-2008	ADOPTED BUDGET YR 2008-2009	DESCRIPTION RESOURCES	BUDGET FOR NEXT YEAR 2009-2010		
				PROPOSED BY OFFICER	APPROVED BY COMMITTEE	ADOPTED BY GOVERNING BODY
			<u>DEBT PROCEEDS</u>			
			DEBT PROCEEDS			
			DEBT PROCEEDS-HAZELDELL WAY			
			DEBT PROCEEDS-SEQUOIA & SE 4TH			
			DEBT PROCEEDS-WAIT PARK STREET			
			DEBT PROCEEDS-POLICE PROPERTY			
			DEBT PROCEEDS-BERG PARKWAY			
			DEBT PROCEEDS-SEQUOIA ST 5			
			DEBT PROCEEDS-SEQUOIA ST 6			
		1,700,000	DEBT PROCEEDS-CINEMA			
		1,500,000	DEBT PROCEEDS-WALNUT ST.	1,100,000	1,100,000	
		3,200,000	TOTAL DEBT PROCEEDS	1,100,000	1,100,000	0
			<u>PROPERTY TAXES</u>			
			GATEWAY GRANT			
			TOTAL PROPERTY TAXES			0
			<u>PROPERTY TAXES</u>			
610,457			LID 2 PROPERTY OWNER REVENUE			
610,457			TOTAL PROPERTY TAXES			0
			<u>MISCELLANEOUS REVENUE</u>			
	1		MISCELLANEOUS-INCOME			
	1		TOTAL MISCELLANEOUS REVENUE			0
			<u>INTEREST REVENUES</u>			
(4,493)	(2,164)		INTEREST REVENUE	14,000	14,000	
(4,493)	(2,164)		TOTAL INTEREST REVENUES	14,000	14,000	0
			<u>OPERATIONAL TRANSFERS IN</u>			
554,400	892,500	919,000	OP TRANSFER IN FROM UR DEBT	1,207,832	1,207,832	
554,400	892,500	919,000	TOTAL OPERATIONAL TRANSFERS IN	1,207,832	1,207,832	0
			<u>CASH CARRYOVER</u>			
		1,650,000	CASH CARRYOVER	1,500,000	1,500,000	
		1,650,000	TOTAL CASH CARRYOVER	1,500,000	1,500,000	0
1,160,364	890,337	5,769,000	TOTAL FUND REVENUE	3,821,832	3,821,832	0
			<u>OTHER:</u>			

CITY OF CANBY
EXPENDITURES

URBAN RENEWAL GENERAL FUND

ACTUAL PRECEEDING YR 2006-2007	ACTUAL PRECEEDING YR 2007-2008	ADOPTED BUDGET YR 2008-2009	DESCRIPTION EXPENDITURES	BUDGET FOR NEXT YEAR 2009-2010		
				PROPOSED BY OFFICER	APPROVED BY COMMITTEE	ADOPTED BY GOVERNING BODY
URD EXPENDITURES						
<u>PERSONAL SERVICES:</u>						
(13)			EMPLOYEE BENEFITS			
(13)			TOTAL PERSONAL SERVICES			0
<u>MATERIAL AND SERVICES:</u>						
154			PROF/TECH SERVICES			
81,781	135,653	221,897	PERSONAL SERVICE CONTRACT	269,661	269,661	
34,780	39,107	112,770	MAT & SVC CONTRACT	115,000	115,000	
1,240			CONTRACT SERVICES			
			MAIN STREET PROJECT	150,000	150,000	
23,000	36,035	74,270	DUE TO CITY	64,171	64,171	
140,935	210,795	408,737	TOTAL MATERIAL AND SERVICES	598,832	598,832	0
<u>CAPITAL OUTLAY:</u>						
1,064			SEQUOIA PARKWAY			
9,513			HAZELDELL WAY PROJECT			
1,727	308,965		SEQUOIA & SE 4TH AVE PROJECT			
			BERG PARKWAY PROJECT			
9,200			CANBY FIRE STATION MOD-GARAGE			
			WAIT PARK STREETS			
800,000	12,750	17,000	RARE PROGRAM			
			POLICE PROPERTY			
	121,749	105,000	TOWNSHIP RD PROJECT			
22,549	791,447	1,120,000	SEQUOIA PHASE 5			
	311,425	300,000	SEQUOIA PHASE 6			
55,679	5,501	38,263	URD PROJECTS	600,000	600,000	
748	621	100,000	SDC INCENTIVE PROGRAM	100,000	100,000	
	51,724	50,000	CANBY CINEMA			
		35,000	BEAUTIFICATION & MARKETING	48,000	48,000	
	8,180	75,000	GATEWAY PROJECTS	190,000	190,000	
	27,389		DES. STNDRDS PROJECT			
	19,825	45,000	SIGN CODE PROJECT	20,000	20,000	
	9,468	75,000	FACADE IMP. PROGRAM	75,000	75,000	
		50,000	REDEVLOP. GRT PROGRAM	50,000	50,000	
	375	1,500,000	WALNUT ST. IMP.	1,060,000	1,060,000	
		1,700,000	NW 2ND & PARKING LOT (CINEMA)	890,000	890,000	
			WALNUT ST IMPROVE-CEMETERY	40,000	40,000	
900,480	1,669,418	5,210,263	TOTAL CAPITAL OUTLAY	3,073,000	3,073,000	0
1,041,402	1,880,213	5,619,000	TOTAL URD EXPENDITURES	3,671,832	3,671,832	0
<u>OTHER:</u>						
		150,000	CONTINGENCY	150,000	150,000	
		150,000	TOTAL OTHER	150,000	150,000	0
1,041,402	1,880,213	5,769,000	TOTAL FUND EXPENDITURES	3,821,832	3,821,832	0

CITY OF CANBY
REVENUES

URBAN RENEWAL DEBT SVC. FUND

ACTUAL PRECEEDING YR 2006-2007	ACTUAL PRECEEDING YR 2007-2008	ADOPTED BUDGET YR 2008-2009	DESCRIPTION RESOURCES	BUDGET FOR NEXT YEAR 2009-2010		
				PROPOSED BY OFFICER	APPROVED BY COMMITTEE	ADOPTED BY GOVERNING BODY
			<u>PROPERTY TAXES</u>			
750,681	1,147,808	1,060,000	TAX INCREMENT	1,419,909	1,419,909	
750,681	1,147,808	1,060,000	TOTAL PROPERTY TAXES	1,419,909	1,419,909	0
			<u>PROPERTY TAXES</u>			
			LID HAZEL DELL WAY PRINC			
			TOTAL PROPERTY TAXES			0
			<u>INTEREST REVENUES</u>			
44,993	41,948	28,000	INTEREST REVENUES	15,000	15,000	
			LID HAZEL DELL WAY-INTEREST			
44,993	41,948	28,000	TOTAL INTEREST REVENUES	15,000	15,000	0
			<u>CASH CARRYOVER</u>			
		750,000	CASH CARRYOVER	1,146,000	1,146,000	
		750,000	TOTAL CASH CARRYOVER	1,146,000	1,146,000	0
795,673	1,189,757	1,838,000	TOTAL FUND REVENUE	2,580,909	2,580,909	0
			<u>OTHER:</u>			

CITY OF CANBY
EXPENDITURES

URBAN RENEWAL DEBT SVC. FUND

ACTUAL PRECEEDING YR 2006-2007	ACTUAL PRECEEDING YR 2007-2008	ADOPTED BUDGET YR 2008-2009	DESCRIPTION EXPENDITURES	BUDGET FOR NEXT YEAR 2009-2010		
				PROPOSED BY OFFICER	APPROVED BY COMMITTEE	ADOPTED BY GOVERNING BODY
URBAN RENEWAL DEBT EXPENDITURE						
<u>DEBT:</u>						
			DEBT PAYMENTS			
			DEBT PAYMENTS-CITY CANBY			
		333,876	DEBT PAYMENT-MISC PROJECTS			
			DEBT PAYMENT-THEATER			
			DEBT PAYMENT-BECK/CUTSFORTH			
5,151	5,134		DEBT SCIF 2ND/AVE/WAIT PRK			
50,377	50,388	50,400	DEBT PAYMENTS-SEQUOIA PKWY	55,412	55,412	
38,399	38,597	41,459	DEBT PAYMENTS-HAZELDELL WAY	41,679	41,679	
34,052	34,228	36,766	DEBT PAYMENTS-SEQ & SE 4TH	36,960	36,960	
		88,000	DEBT PMTS-SEQUOIA ST 5 & 6	69,587	69,587	
		44,000	DEBT PMTS-SEQUOIA ST 6			
			DEBT PAYMENTS-POLICE PROPERTY			
		12,000	DEBT PAYMENTS-BERG PARKWAY			
			DEBT PAYMENTSWAIT PARK STREETS			
		200,000	DEBT PAY-NW 2ND/LOT (CINEMA)	525,000	525,000	
48,069	46,558	45,046	DEBT PAY-SEQUOIA PKWY INT	43,534	43,534	
38,108	36,956	35,750	DEBT PAYMTS-HAZELDELL INTEREST	34,454	34,454	
33,794	32,772	31,703	DEBT PAY-SEQUOIA & SE 4TH INT	30,554	30,554	
			DEBT PAY-SEQUOIA 5 & 6 INT	60,683	60,683	
			DEBT PAY-NW2ND/LOT INT (CINEMA)	65,570	65,570	
			LOAN PAYMENT RESERVE	218,144	218,144	
			SERIES 2008 BOND RESERVE	191,500	191,500	
247,950	244,633	919,000	TOTAL DEBT	1,373,077	1,373,077	0
<u>TRANSFERS:</u>						
554,400	892,500	919,000	OP TRANSFER TO UR GENERAL	1,207,832	1,207,832	
554,400	892,500	919,000	TOTAL TRANSFERS	1,207,832	1,207,832	0
802,350	1,137,133	1,838,000	TAL URBAN RENEWAL DEBT EXPENDITU	2,580,909	2,580,909	0
<u>OTHER:</u>						
			TOTAL OTHER			0
802,350	1,137,133	1,838,000	TOTAL FUND EXPENDITURES	2,580,909	2,580,909	0