



<i>CITY RECORDER USE ONLY:</i>	
AGENDA ITEM #:	<u>6.</u>
MEETING DATE:	<u>06/22/2020</u>
FINAL ACTION:	<u>URA RESO 2020-05</u>

URBAN RENEWAL AGENCY STAFF REPORT

TO: *Urban Renewal Agency Board of Directors*

FROM: *Jesse VanderZanden, Executive Director*

MEETING DATE: *June 22, 2020*

PROJECT TEAM: *Paul Downey, Administrative Services Director*

SUBJECT TITLE: *Adoption of FY 2020-21 URA Budget and Levying of Property Taxes*

ACTION REQUESTED:

<input type="checkbox"/>	Ordinance	<input type="checkbox"/>	Order	<input checked="" type="checkbox"/>	Resolution	<input type="checkbox"/>	Motion	<input type="checkbox"/>	Informational
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X all that apply

ISSUE STATEMENT: The Forest Grove Urban Renewal Budget Committee approved on June 4, 2020, the Proposed FY 2020-21 Budget of \$778,830 and declared the tax increment to be collected. The Urban Renewal Agency (URA) Board now needs to adopt the FY 2020-21 Approved Budget, make the appropriations that set the legal expenditure level, and declare the tax increment to be collected for FY 2020-21. Staff has prepared a resolution that includes all three actions for the Board’s consideration.

BACKGROUND: This is the fifth operating budget for the URA. The principal revenues that will be available in FY 2020-21 are the taxes collected on the incremental increase in the assessed value of the URA. The Budget includes funds to pay principal and interest to the City’s Capital Project Fund for debt for the land purchase and the loan for development costs. Staff has not proposed any changes to the Budget approved by the URA Budget Committee.

FISCAL IMPACT: The projected property taxes on the increase in incremental assessed value for the URA will be sufficient to repay the debt service and operating costs of the URA. Proposed projects include storefront improvement grants, a parklet pilot project, public art in the downtown area, and a concept study of a festival street on 21st Street. Also included in the budget are funds to evaluate the proposed development on Site B at the corner of Pacific Avenue and “B” Street.

STAFF RECOMMENDATION: Staff recommends the Urban Renewal Agency Board of Directors approve the attached resolution to adopt the FY 2020-21 Budget, set the legal appropriations for FY 2020-21, and declare the tax increment for FY 2020-21.

ATTACHMENT(s): Resolution Of The City Of Forest Grove Urban Renewal Agency Adopting The Budget, Making Appropriations, And Declaring The Tax Increment For Fiscal Year Commencing July 1, 2020, And Ending June 30, 2021

FORM UR-1

NOTICE OF BUDGET HEARING

A public meeting of the Forest Grove Urban Renewal Agency will be held on June 22, 2020, at 9:15 p.m. at the Community Auditorium, 1915 Main Street, Forest Grove, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2020, as approved by the Forest Grove Urban Renewal Agency Budget Committee. The public may attend and observe in the Community Auditorium, 1915 Main Street, as space allows (no more than 25 persons total at one time). However, the public is encouraged to observe the meetings through Tualatin Valley Community Television (TVCTV) Government Access Programming LIVE on [Channel 30](#) or live streamed on MACC TVCTV [YouTube Channel 30](#). Comments may be submitted in writing by 3 pm on June 22, 2020, via email to bmaughan@forestgrove-or.gov or in person if attending the meeting in the Community Auditorium.

A summary of the budget is presented below. A copy of the budget may be inspected or obtained at City Hall, 1924 Council Street, Forest Grove, Oregon, between the hours of 9:00 a.m. and 5:00 p.m. or online at www.forestgrove-or.gov. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as used the preceding year.

Contact: Paul Downey, Director of Administrative Services Telephone: 503-992-3200 Email: pdowney@forestgrove-or.gov

FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Actual Amount 2018-19	Adopted Budget This Year 2019-20	Approved Budget Next Year 2020-21
Beginning Fund Balance/Net Working Capital	190,461	342,814	338,917
Federal, State and All Other Grants			
Revenue from Bonds and Other Debt			
Interfund Transfers			
All Other Resources Except Division of Tax & Special Levy	10,079	11,750	4,950
Revenue from Division of Tax	236,546	320,000	434,963
Revenue from Special Levy			
Total Resources	437,086	674,564	778,830

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

Personnel Services			
Materials and Services	49,644	204,891	460,139
Capital Outlay			
Debt Service	41,252	335,673	318,691
Interfund Transfers			
Contingencies			
All Other Expenditures and Requirements			
Unappropriated Ending Fund Balance	346,190	134,000	
Total Requirements	437,086	674,564	778,830

FINANCIAL SUMMARY-REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *

Name of Organizational Unit or Program	FTE for that unit or program		
FTE			
Non-Departmental / Non-Program	346,190	674,564	778,830
FTE	0	0	0
Total Requirements	346,190	674,564	778,830
Total FTE	0	0	0

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

The FY 2020-21 Approved Budget for the Forest Grove Urban Renewal Agency is \$778,830 and includes funding for storefront improvement grants, festival street concept design, installation of public art, funding for up to two parklets in the central downtown area, funds set aside for other projects that may qualify for urban renewal funding, and debt service payments for the loan from the City for costs related to a significant development in the downtown area.

STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Debt Outstanding July 1	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds		
Other Bonds		
Other Borrowings	\$1,785,122	\$0
Total	\$1,785,122	\$0

* If more space is needed to complete any section of this form, insert lines (rows) on this sheet or add sheets. You may delete unused lines.

URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE

URA RESOLUTION NO. 2020-05

**RESOLUTION OF THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY
ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND DECLARING
THE TAX INCREMENT FOR FISCAL YEAR COMMENCING
JULY 1, 2020, AND ENDING JUNE 30, 2021**

WHEREAS, the Budget Committee of the City of Forest Grove Urban Renewal Agency has approved a budget and the collection of the tax increment for the Urban Renewal Agency for the fiscal year commencing July 1, 2020, pursuant to the provisions of the Oregon Local Budget Law; and

WHEREAS, staff has not proposed any change to the Budget approved by the Budget Committee, and

WHEREAS, a hearing has been held before the Urban Renewal Agency Board of Directors as required by law, and

WHEREAS, it appears to the Board that the Budget approved by the Budget Committee and the tax increment set by the Budget Committee should be adopted.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY AS FOLLOWS:

Section 1: That the City of Forest Grove Urban Renewal Agency Board hereby adopts the FY 2020-21 Budget in the total amount of \$778,830. The Budget is on file with City Recorder's Office.

Section 2: That the amounts shown below are hereby appropriated for the fiscal year beginning July 1, 2020, and for the purposes hereby appropriated as follows:

<u>General Fund</u>	
Materials and Services	\$460,139
Debt Service	<u>318,691</u>
Total Appropriations	<u>\$778,830</u>

Section 3: The City of Forest Grove Urban Renewal Agency certifies to the Washington County Assessor's Office a request for the Forest Grove Urban Renewal Plan Area for the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457.

Section 4: This resolution is effective immediately upon its enactment by the Urban Renewal Agency Board.

PRESENTED AND PASSED this 22nd day of June, 2020.

Jesse VanderZanden
Urban Renewal Agency Executive Director

APPROVED by the Urban Renewal Agency of the City of Forest Grove at a regular meeting on this 22nd day of June, 2020, and filed with the Forest Grove City Recorder this date.

Peter B. Truax
Urban Renewal Agency Board Chair