

**CANBY URBAN RENEWAL AGENCY
SPECIAL MEETING MINUTES
June 20, 2018**

PRESIDING: Chair Tim Dale.

COMMISSIONERS PRESENT: Tyler Smith, Greg Parker, Traci Hensley, Brian Hodson, Tracie Heidt, and Sarah Spoon.

STAFF PRESENT: Rick Robinson, Urban Renewal Director; Joseph Lindsay, City Attorney; Julie Blums, Finance Director; Renate Mengelberg, Economic Development Director; and Kim Scheafer, City Recorder.

OTHERS PRESENT: Shawn Varwig and Carol Rosen.

CALL TO ORDER: Chair Dale called the Special Meeting to order at 6:34 p.m. in the Council Chambers.

CITIZEN INPUT: None.

Rick Robinson, Urban Renewal Director, gave an update on the Dahlia project.

CONSENT AGENDA: **Commissioner Hodson moved to adopt the minutes of the May 2, 2018 URA Special Meeting. Motion was seconded by Commissioner Hensley and passed 7-0.

PUBLIC HEARING: 2018-2019 FY Budget as Approved by the Urban Renewal Budget Committee –

Chair Dale read the public hearing statement.

Mr. Robinson gave an overview of the program areas that would be the focus of the next fiscal year. The Urban Renewal Budget was reviewed and approved by the Budget Committee. They had the opportunity to pay off an existing debt of \$1.3 million. The proposed budget included funding for the debt obligation. The capital projects for the next fiscal year would be subject to the funds available after meeting the annual debt obligations and the one-time payment to retire debt. There would be funding for the development of an arch over N Grant Street between the railroad tracks and NW 1st Avenue to help draw people to downtown. All of the capital projects included in the budget had been carried over from the previous fiscal year. The major projects included contributions to the Canby Fire Department, completion of the Civic Block project, continuation of the Façade Improvement Program, and completion of the downtown quiet zone. The total debt service was \$3.278 million and the transfer from the Debt Service Fund to the Urban Renewal General Fund was \$1.519 million. The transfer from the Urban Renewal General Fund to the City General Fund was \$526,399.

Julie Blums, Finance Director, said the proposed budget went before the Budget Committee on May 10. One change was made, to put \$50,000 into Contingency and

reduce the Façade Improvement Program line item. A public hearing was held, and the budget was approved that night.

Chair Dale opened the public hearing at 6:44 p.m.

Proponents: None.

Opponents: None.

Chair Dale closed the public hearing at 6:44 p.m.

Commissioner Hodson said each budget process had become progressively smoother and more detailed for them to make better decisions. Paying off some of the debt was a big step for the Agency in achieving their goals.

Commissioner Smith commended staff for the clarity in the budget which made it easier to analyze and avoided unknowns and controversy.

Chair Dale said the Agency would review the debt picture and retirement of the District when they discussed the annual report.

RESOLUTIONS & ORDINANCES: URR 18-001 – **Commissioner Hensley moved to adopt URR 18-001, A RESOLUTION ADOPTING THE URBAN RENEWAL DISTRICT BUDGET FOR THE 2018-2019 FISCAL YEAR. Motion was seconded by Commissioner Heidt and passed 7-0.****

NEW BUSINESS: Urban Renewal District Biennial Report – Renate Mengelberg, Economic Development Director, said the annual reports had been created for seven years to celebrate the good work that the Urban Renewal District did, to explain to the public what they did, and to document the purpose of the District and financial information. The District was created in 1999 and included 573 acres. She discussed some of the accomplishments since its creation, such as the Civic building, the Dahlia project, redevelopment opportunities for the former Library building, securing a grant from ODOT for the quiet zone, partnering with Wilderness International for maintenance of Community Park, purchasing a new fire truck and emergency medical unit for the Fire District along with some remodeling at the Fire Station, completion of the Sequoia Parkway Bridge in 2014, construction of Hazel Dell Way and 4th Avenue, completion of the First Avenue streetscape improvements in 2012, and completion of the new Police Department in 2012. The Industrial Park had attracted almost \$78 million of investment. There were 11 companies in the park that created 800 new jobs. The District also invested in public art including four sculptures on First Avenue and a mural on the Civic building as well as in a number of transportation projects, most in the Industrial Park. In Downtown, they had been supporting the Main Street program since 2010. They also invested in entry signs, improvements to Wait Park, various public/private partnerships, and Façade Improvement Program where over 20 projects had been done.

Ms. Blums gave a financial summary of the District. The maximum indebtedness was a little over \$51 million. They had brought in \$2.7 million in unreserved revenues which did not go against the indebtedness. There was \$9.2 million left in the maximum

indebtedness for future projects. The incremental assessed value had increased significantly, 530% over 14 years. Revenue had increased from \$451,000 to \$2.7 million in 2017. She explained if the entire debt schedule was paid off as it was set, all of the debt would be paid off in 2036. However, she projected that the debt could be paid off by 2027. She discussed the impact of the District on other taxing entities, and the total as of the end of 2017 was a little over \$24 million that had been foregone by other agencies. She reviewed the financial history of the District. The 17 year total from property taxes was just under \$24 million. They received \$34 million in debt proceeds, and \$1.3 million from LID payments. The interest rebate for the RRA loan was \$385,000 and the District received \$1.6 million in grants. There was \$2 million in the unreserved fund. At the end of 2017, the ending fund balance was \$1.8 million, and she projected the ending fund balance for 2018 to be \$2.3 million. She also discussed cash flow projections and gave a summary of assessed value. The increase in value was \$162 million and without the District, the increase would have been only \$43 million.

Mr. Robinson pointed out that the School District and City operations had been the most directly impacted by the District. However, the School District had not been adversely impacted due to State funding they received. If they looked at where they would have been if the District had not been formed and the improvements they were able to accomplish through the District, they were dollars ahead because they more than doubled what they would have been. He thought they were in a good position to finish the District, pay off the debt, and to move forward with an industrial development structure that could serve the community for years to come.

Commissioner Hodson would like to see the entry gateway signs lit in the future. Mr. Robinson said that could be added to the list.

Chair Dale said the key to a successful District was to improve the area beyond what it would have been otherwise, and he thought that had been accomplished.

Action Review:

- 1. Approved the Consent Agenda.**
- 2. Adopted URR 18-001.**

Chair Dale adjourned the Special Meeting at 7:15 p.m.

Kimberly Scheafer, MMC
City Recorder

Tim Dale
Chair