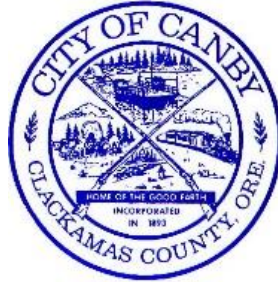


City of Canby Urban Renewal Agency Adopted Annual Budget

For the Fiscal Year

July 1, 2019 - June 30, 2020



BOARD OF COMMISSIONERS:

Tim Dale, *Commission Chair*

Brian Hodson, *Commission Vice Chair*

Tracie Heidt, *Commissioner*

Traci Hensley, *Commissioner*

Greg Parker, *Commissioner*

Sarah Spoon, *Commissioner*

Shawn Varwig, *Commissioner*

BUDGET COMMITTEE:

Michelle Hensley

Andrea McCracken

Jason Padden

Bob Patterson

Jack Pendleton

Jennifer Trundy

Edward Warnock

CITY STAFF:

Rick Robinson, *URA Administrator*

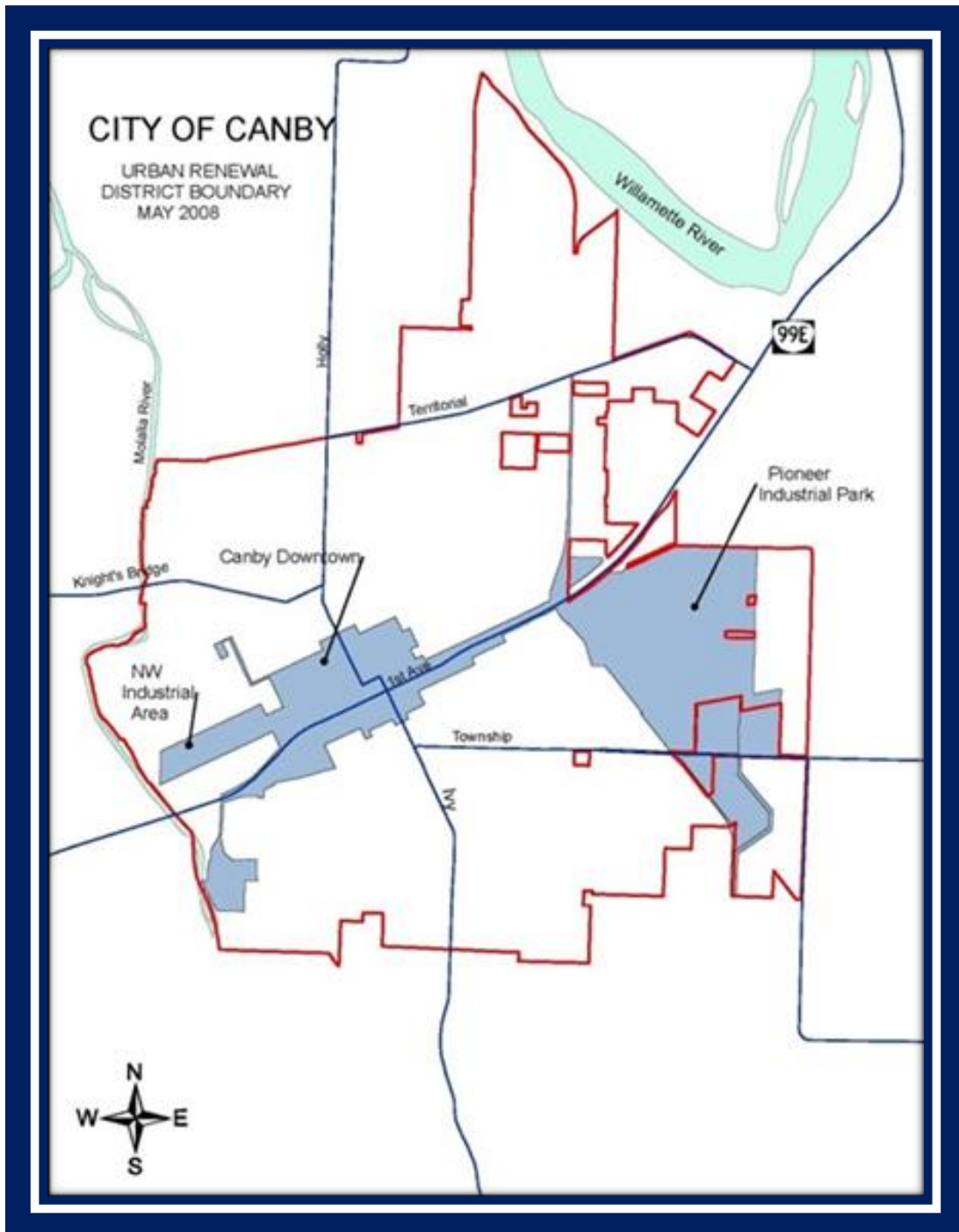
Julie Blums, *Finance Director*

www.canbyoregon.gov

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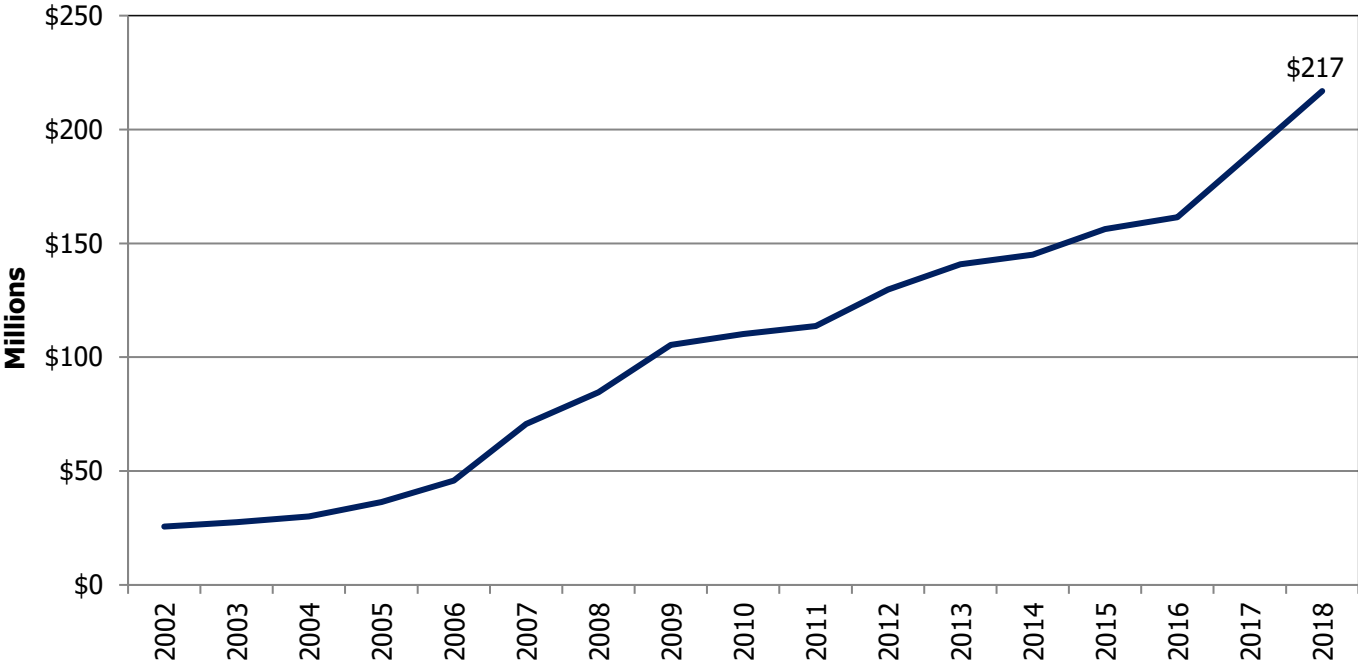
About the District

The City of Canby Urban Renewal Agency (URA) is a separate entity from the City. The Canby City Council serves as the Board of Commissioners for the URA and is financially accountable for its operations. In accordance with Oregon budget law, the URA prepares its own budget, and the Board of Commissioners approves its annual appropriations.

Urban renewal agencies are designed to borrow money and make expenditure for economic and community development projects included in the Urban Renewal Plan. When the Canby Urban Renewal Plan was adopted in 1999 property values were frozen. The taxes collected on that frozen value continues to flow to the taxing authorities (City, County, Schools, Fire, etc.). The taxes collected on increased property values that occur with NEW development generate incremental tax revenue. This tax increment is then used to repay the URA debt and implement the URA plan.

Urban Renewal Tax Collections are not an additional tax. Urban Renewal Tax Collections are used to initiate development that would not be financially feasible without infrastructure improvements made possible by urban renewal financing.

Urban Renewal District Incremental Assessed Value



May 9, 2019

Fiscal Year 2019-20 District Administrator's Budget Message

The Honorable Chair, Urban Renewal Board, and Members of the Budget Committee

It is a privilege to provide you with the proposed Urban Renewal Agency budget for Fiscal Year 2019-20.

The URA General Fund budget accounts for Agency administration costs, economic development activities within the Urban Renewal Area, construction projects, and property purchases. All of the projects funded through the Urban Renewal Agency are transferred to City ownership upon completion.

The URA Debt Service Fund budget accounts for property tax revenue and the annual payments on outstanding debt. Funds are transferred from this fund to the URA General Fund to fund the projects and expenditures captured there.

FY2019-20 Proposed Budget

- Consistent with prior years, economic development activities supporting the downtown Canby community are budgeted to continue.
- Similarly, Canby's involvement in regional economic development partnerships is also budgeted to continue.

Capital Projects

The FY2019-20 recommended capital projects are detailed below. The completion of these projects will be subject to funds availability after meeting our annual debt obligation. Funding will be entirely from tax increment generated within the Urban Renewal District – no debt financing is proposed. The projects include:

- Carry forward of contributions to the Canby Fire Department capital projects.
- Continuation of contribution to complete the downtown Quiet zone – including funding to support engineering and construction activities at the intersection of Elm Street and OR99E and the construction of medians at N Ivy, N Grant, and N Elm Streets.
- Continuation of funding to support the Façade Improvement Program for FY2019-20.
- Continuation of funding for the engineering, design and construction of a gateway arch to Downtown Canby on N Grant Street between N 1st Avenue and the Railroad tracks.
- Installation of a stop light at the intersection of Hazel Dell Avenue and Sequoia Parkway (at the east entrance to the Fred Meyers Shopping Center).
- Renovations to the old Library building.

I am looking forward to an active year of Agency progress and achievement.

Respectfully Submitted,



Rick Robinson
Agency Director

General Fund Budget

FY16-17 Actual	FY17-18 Actual	FY18-19 Budget	URBAN RENEWAL GENERAL FUND	2019-20 Proposed	2019-20 Approved	2019-20 Adopted
RESOURCES						
2,164,645	1,434,018	738,829	BEGINNING URA GENERAL FUND BALANCE	-	-	-
REVENUE						
74,321	10,725	-	URD Grants	137,951	137,951	137,951
213	153	-	Miscellaneous-Income	-	-	-
13,859	29,778	10,000	Interest Revenue	10,000	10,000	10,000
566,825	-	1,518,796	OP Transfer In from UR Debt	3,573,408	3,573,408	3,573,408
10,252	-	-	Revolving Loan Income	-	-	-
1,100	-	-	Community Plaza Proj Donations	-	-	-
1,284,967	-	-	Transfer from Library	-	-	-
-	1,200,000	-	Sale of Property	-	-	-
1,951,538	1,240,656	1,528,796	Total URA GF Revenue	3,721,359	3,721,359	3,721,359
4,116,183	2,674,674	2,267,625	TOTAL URA GF RESOURCES	3,721,359	3,721,359	3,721,359
REQUIREMENTS FOR URBAN RENEWAL						
MATERIALS & SERVICES						
85,725	25,204	23,651	Mat & Svc Contract	30,000	30,000	30,000
4,955	75,180	-	Closing Costs	-	-	-
547,205	513,374	526,399	Due to Economic Development	369,816	369,816	369,816
317,996	182,969	422,665	Fire Dept Capital Projects	471,543	471,543	471,543
-	23,500	23,500	RARE Program	-	-	-
-	4,448	25,000	Beautification & Marketing	25,000	25,000	25,000
12,716	50,706	25,000	Facade Improvement Program	75,000	75,000	75,000
1,701	-	3,000	Redevelopment Grant Program	-	-	-
25,072	572,978	620,459	Canby Civic Block Redevelopment	-	-	-
995,370	1,448,360	1,669,674	Total URA GF Materials & Services	971,359	971,359	971,359
CAPITAL OUTLAY						
5,159	1,833	50,000	URD Projects	50,000	50,000	50,000
-	-	287,951	Railroad Quiet Zone	500,000	500,000	500,000
-	-	-	Signal at Sequoia & Hazeldell	450,000	450,000	450,000
-	-	-	Contr. to Industrial Park/99E Connection	1,000,000	1,000,000	1,000,000
-	-	175,000	Grant St Arch	235,000	235,000	235,000
-	-	30,000	Old Library Renovation	500,000	500,000	500,000
17,275	-	5,000	Wait and Community Park	15,000	15,000	15,000
1,664,362	217,712	-	Library/Civic Building Project	-	-	-
1,686,795	219,545	547,951	Total URA GF Capital Outlay	2,750,000	2,750,000	2,750,000
-	-	50,000	OPERATING CONTINGENCY	-	-	-
-	-	-	RESERVED FOR FUTURE EXPENDITURE	-	-	-
1,434,018	1,006,769	-	ENDING FUND BALANCE (prior year's)	-	-	-
4,116,183	2,674,674	2,267,625	TOTAL URA GF REQUIREMENTS	3,721,359	3,721,359	3,721,359

Debt Service Fund Budget

FY16-17 Actual	FY17-18 Actual	FY18-19 Budget	URBAN RENEWAL DEBT SERVICE FUND	2019-20 Proposed	2019-20 Approved	2019-20 Adopted
RESOURCES						
181,573	423,261	1,585,400	BEGINNING URA DEBT SERVICE FUND BALANCE	2,502,565	2,502,565	2,502,565
REVENUE						
2,622,644	2,939,212	3,100,000	Tax Increment	3,500,000	3,500,000	3,500,000
56,024	50,010	60,000	Tax Increment - Prior	50,000	50,000	50,000
37,899	29,277	49,790	LID Walnut St Princ	51,356	51,356	51,356
10,482	15,322	11,623	LID Hazel Dell Way Princ	-	-	-
5,797	23,154	8,000	Interest Revenues	30,000	30,000	30,000
9,242	12,651	4,100	LID Walnut St Int.	10,891	10,891	10,891
1,490	769	350	LID Hazel Dell Way-Interest	-	-	-
53,692	51,437	51,000	Bond Interest Rebate (ARRA)	49,000	49,000	49,000
2,797,272	3,121,832	3,284,863	Total URA Debt Service Revenue	3,691,247	3,691,247	3,691,247
2,978,845	3,545,093	4,870,263	TOTAL URA DEBT SERVICE RESOURCES	6,193,812	6,193,812	6,193,812
REQUIREMENTS FOR URBAN RENEWAL DEBT SERVICE						
DEBT SERVICE						
85,161	90,768	1,287,881	Debt Pmts-Sequoia St 5 & 6	97,095	97,095	97,095
42,883	45,027	136,894	Debt Pay-Walnut St	-	-	-
30,000	45,000	115,000	Debt Pay-Police Building	120,000	120,000	120,000
105,000	110,000	110,000	Debt Pay-1st Ave Redev	115,000	115,000	115,000
650,000	645,000	605,000	Debt Pay-2012 Bond Principal	620,000	620,000	620,000
68,014	64,608	66,000	Debt Pay-Sequoia 5 & 6 Int	57,093	57,093	57,093
11,240	9,096	7,500	Debt Pay-Walnut St Int	-	-	-
425,238	424,548	423,355	Debt Pay-Police Building Int	418,755	418,755	418,755
128,159	122,381	116,469	Debt Pay-1st Ave Redev Int	110,422	110,422	110,422
443,063	425,638	409,888	Debt Pay-2012 Bond Int	390,513	390,513	390,513
1,988,758	1,982,066	3,277,987	Total URA Debt Service	1,928,878	1,928,878	1,928,878
TRANSFERS OUT & OTHER USES						
566,825	-	1,518,796	OP Transfer to UR General	3,573,408	3,573,408	3,573,408
566,825	-	1,518,796	Total URA Debt Service Transfers Out	3,573,408	3,573,408	3,573,408
-	-	73,480	RESERVED FOR FUTURE EXPENDITURE	691,526	691,526	691,526
423,261	1,563,028	-	ENDING FUND BALANCE (prior year's)	-	-	-
2,978,845	3,545,093	4,870,263	TOTAL URA DEBT SERVICE REQUIREMENTS	6,193,812	6,193,812	6,193,812

Long-Term Debt

Moody’s Investors Service has upgraded the City of Canby, Oregon’s long-term issuer rating and outstanding full faith and credit obligations to Aa3 from A1. The rating action affects approximately \$22.1 million in rated full faith and credit debt outstanding. The upgrade to Aa3 reflects the city’s recovered tax base and improved financial position through consecutive years of structurally-balanced operations. Total debt liabilities of the city are below-average relative to similarly-rated peers and will continue to amortize given no additional near-term debt financing plans.

Governmental Activities					
Fiscal Year Ending June 30,	Bonds - URA	URA Loans	Total Principal	Interest	Total Governmental Activities
2020	900,960	98,048	999,008	976,782	1,975,790
2021	930,960	103,818	1,034,778	939,232	1,974,010
2022	970,960	104,532	1,075,492	896,427	1,971,919
2023	1,005,960	110,461	1,116,421	850,460	1,966,881
2024	1,045,960	116,437	1,162,397	802,398	1,964,795
2025-2029	6,019,800	672,723	6,692,523	3,195,943	9,888,466
2030-2034	8,191,412	-	8,191,412	1,610,071	9,801,483
2035-2036	2,896,525	-	2,896,525	168,588	3,065,113
Total	<u>\$ 21,962,537</u>	<u>\$ 1,206,019</u>	<u>\$ 23,168,556</u>	<u>\$ 9,439,900</u>	<u>\$ 32,608,456</u>

	Original Amount	6/30/2019 Balance	Reductions	6/30/2020 Balance
URA Governmental Activities				
Bonds URA:				
2010 1st Ave Redevelopment (3.75-7%)	2,500,000	1,675,000	115,000	1,560,000
2010 Bond Discount		(26,508)	(2,208)	(24,300)
2011 Police Facility (2-5%)	9,000,000	8,700,000	120,000	8,580,000
2011 Bond Discount		(16,150)	(950)	(15,200)
2012 Civic Bldg & Sequoia Pkwy (3-4%)	14,050,000	10,845,000	620,000	10,225,000
2012 Premium		785,195	49,118	736,077
Long-term Loans URA:				
2009 Township Rd, Berg & Sequoia Pkwy (3-5.25%)	1,981,047	1,196,482	97,095	1,099,387
2009 Premium		9,537	953	8,584
Total URA Activities		<u>\$ 23,168,556</u>	<u>\$ 999,008</u>	<u>\$ 22,169,548</u>

Required Notices and Filings

Notice of Budget Hearing

FORM UR-1		NOTICE OF BUDGET HEARING		FY2019-20	
<p>A public meeting of the Canby Urban Renewal Agency will be held on June 19, 2019 at 6:00 p.m at the Council Chambers, 222 NE 2nd Avenue, Canby, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2019, as approved by the Canby Urban Renewal Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at City Hall, 222 NE 2nd Ave, Canby, between the hours of 8:00 a.m. and 5:00 p.m., or on the city's website at www.canbyoregon.gov. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.</p>					
Contact: Julie Blums, Finance Director		Telephone: 503-266-0725		Email: blumsj@canbyoregon.gov	
FINANCIAL SUMMARY - RESOURCES					
TOTAL OF ALL FUNDS	Actual Amount 2017-18	Adopted Budget This Year 2018-19	Approved Budget Next Year 2019-20		
Beginning Fund Balance/Net Working Capital	1,857,279	2,324,229	2,352,793		
Federal, State and All Other Grants	10,725	0	137,951		
Revenue from Bonds and Other Debt	0	0	0		
Interfund Transfers	0	1,518,796	3,573,408		
All Other Resources Except Division of Tax & Special Levy	1,362,542	134,863	151,247		
Revenue from Division of Tax	2,989,222	3,160,000	3,550,000		
Revenue from Special Levy	0	0	0		
Total Resources	6,219,768	7,137,888	9,765,399		
FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION					
Personnel Services	0	0	0		
Materials and Services	1,448,360	1,669,674	971,359		
Capital Outlay	219,545	547,951	2,750,000		
Debt Service	1,982,066	3,277,987	1,928,878		
Interfund Transfers	0	1,518,796	3,573,408		
Contingencies	0	50,000	0		
Special Payments	0	0	0		
Unappropriated Ending Balance and Reserved for Future Expenditure	2,569,797	73,480	541,754		
Total Requirements	6,219,768	7,137,888	9,765,399		
FINANCIAL SUMMARY - REQUIREMENTS BY ORGANIZATIONAL UNIT OR PROGRAM					
Name of Organizational Unit or Program					
FTE for that unit or program					
Urban Renewal	1,667,905	2,217,625	3,721,359		
FTE	0.00	0.00	0.00		
Not Allocated to Organizational Unit	4,551,863	4,920,263	6,044,040		
FTE	0.00	0.00	0.00		
Total Requirements	6,219,768	7,137,888	9,765,399		
Total FTE	0.00	0.00	0.00		
STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING					
<p>There are several major projects budgeted for FY19-20; the Railroad Quiet Zone, Grant Street Arch, a signal at Sequoia Parkway & Hazel Dell, renovations to the old library, and a contribution to the Industrial Park/99E connection.</p>					
STATEMENT OF INDEBTEDNESS					
LONG TERM DEBT	Estimated Debt Outstanding on July 1.	Estimated Debt Authorized, But Not Incurred on July 1			
General Obligation Bonds	\$0	\$0			
Other Bonds	\$21,962,537	\$0			
Other Borrowings	\$1,206,019	\$0			
Total	\$23,168,556	\$0			

Resolution Adopting the Budget and Imposing the Tax for FY2019-20

Canby Urban Renewal District

Resolution URR 19-005

RESOLUTION ADOPTING THE BUDGET FOR THE 2019-2020 FISCAL YEAR

BE IT RESOLVED that the Board of Directors of the Canby Urban Renewal Agency hereby adopts the budget for fiscal year 2019-2020 in the total of \$9,765,399 now on file at the City of Canby, 222 NE 2nd Ave. Canby, Oregon.

RESOLUTION MAKING APPROPRIATIONS

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2019 and for the purpose shown below are hereby appropriated:

Total APPROPRIATIONS, all Funds	\$9,223,645
Total Unappropriated and Reserve Amounts, All Funds	541,754
TOTAL ADOPTED BUDGET	\$9,765,399

<u>URD General Fund</u>		<u>URD Debt Service Fund</u>	
Urban Renewal	\$ 3,721,359	Debt Service	\$ 1,928,878
		Transfers out	3,573,408
Total	\$ 3,721,359	Total	\$ 5,502,286


RESOLUTION IMPOSING AND CATEGORIZING THE TAX

BE IT RESOLVED that the Board of Directors of the Canby Urban Renewal Agency hereby resolves to certify to the county assessor for the Canby Urban Renewal Plan Area a request for the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article XI of the Oregon Constitution and ORS Chapter 457. These taxes are categorized under the General Government Limitation.

The above resolution statements are approved and declared adopted on this 19th day of June 2019 and are effective July 1, 2019.



 Tim Dale
 Chair

ATTEST:

 Rick Robinson
 City Recorder Pro-Tem

Notice to the Assessor

**FORM
UR-50**

NOTICE TO ASSESSOR

2019-2020

Check here if this is an amended form.

- Submit two (2) copies to the county assessor by July 15.

Notification

Canby Urban Renewal Agency (Agency name) authorizes its 2019-20 ad valorem tax increment amounts by plan area for the tax roll of Clackamas County (County name).
 Julie Blums (Contact person) 503-266-0725 (Telephone number) June 30, 2019 (Date submitted)
 PO Box 930, Canby OR 97013 (Agency's mailing address) blumsj@canbyoregon.gov (Contact person's e-mail address)

Yes, the agency has filed an impairment certificate by May 1 with the assessor (ORS 457.445).

Part 1: Option One Plans (Reduced Rate). [ORS 457.435(2)(a)]

Plan Area Name	Increment Value to Use*	100% from Division of Tax	Special Levy Amount**
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes	

Part 2: Option Three Plans (Standard Rate). [ORS 457.435(2)(c)]

Plan Area Name	Increment Value to Use***	100% from Division of Tax***	Special Levy Amount****
	\$ OR		
	\$ OR		
	\$ OR		

Part 3: Other Standard Rate Plans. [ORS 457.445(2)]

Plan Area Name	Increment Value to Use*	100% from Division of Tax*
Canby Urban Renewal District	\$ OR <input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes

Part 4: Other Reduced Rate Plans [ORS 457.445(1)]

Plan Area Name	Increment Value to Use*	100% from Division of Tax*
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes
	\$ OR <input type="checkbox"/> Yes	<input type="checkbox"/> Yes

Notice to Assessor of Permanent Increase in Frozen Value. Beginning tax year 2019-20, permanently increase frozen value to:

Plan Area Name	New frozen value
	\$
	\$

*All Plans except Option Three: Enter amount of Increment Value to Use that is less than 100 percent or check "Yes" to receive 100 percent of division of tax. Do NOT enter an amount of "Increment Value to Use" AND check "Yes."
 **If an Option One plan enters a Special Levy Amount, you MUST check "Yes" and NOT enter an amount of "Increment to Use."
 ***Option Three plans enter EITHER an amount of "Increment Value to Use" to raise less than the amount of division of tax stated in the 1988 ordinance under ORS 457.435(2)(c) OR the "Amount from Division of Tax" stated in the ordinance, NOT both.
 ****If an Option Three plan requests both an amount of "Increment Value to Use" that will raise less than the amount of division of tax stated in the 1988 ordinance and a "Special Levy Amount," the "Special Levy Amount" cannot exceed the amount available when the amount from division of tax stated in the ordinance is subtracted from the plan's Maximum Authority.