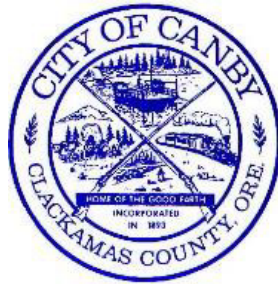


City of Canby Urban Renewal Agency Adopted Annual Budget

For the Fiscal Year
July 1, 2024 - June 30, 2025



BOARD OF COMMISSIONERS

Traci Hensley, Commission Chair

Brian Hodson, Commission Vice Chair

James Davis, Commissioner

Herman Maldonado, Commissioner

Jason Padden, Commissioner

Scott Sasse, Commissioner

Daniel Stearns, Commissioner

BUDGET COMMITTEE

Elizabeth Chapin

Burt DeGraw

Jack Pendleton

Daro Powlison

David Tate

Kim Wiegand

Lee Wiegand

CITY STAFF

Eileen Stein, *Urban Renewal Agency Director*

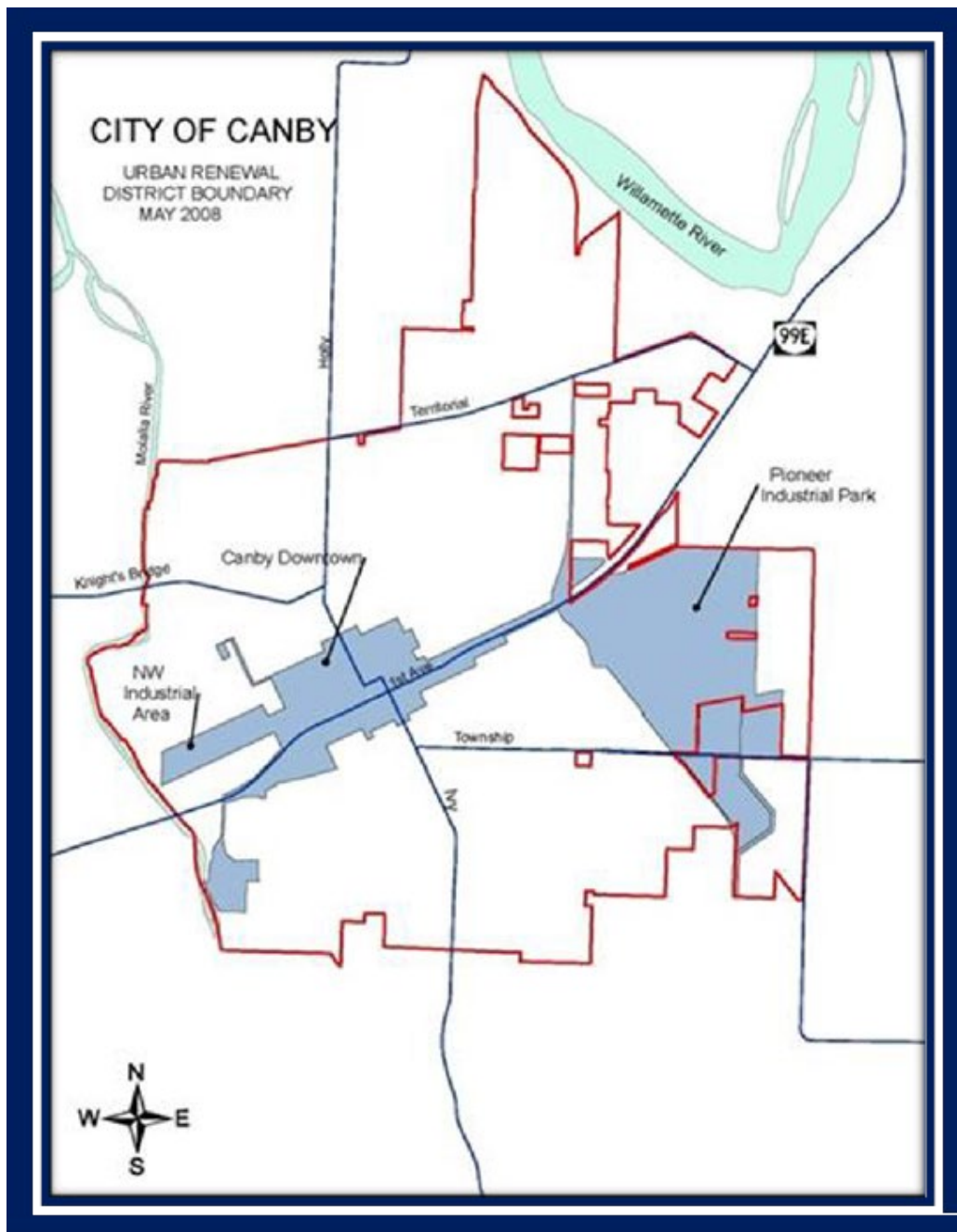
Scott Schlag, *Finance Director*

www.canbyoregon.gov

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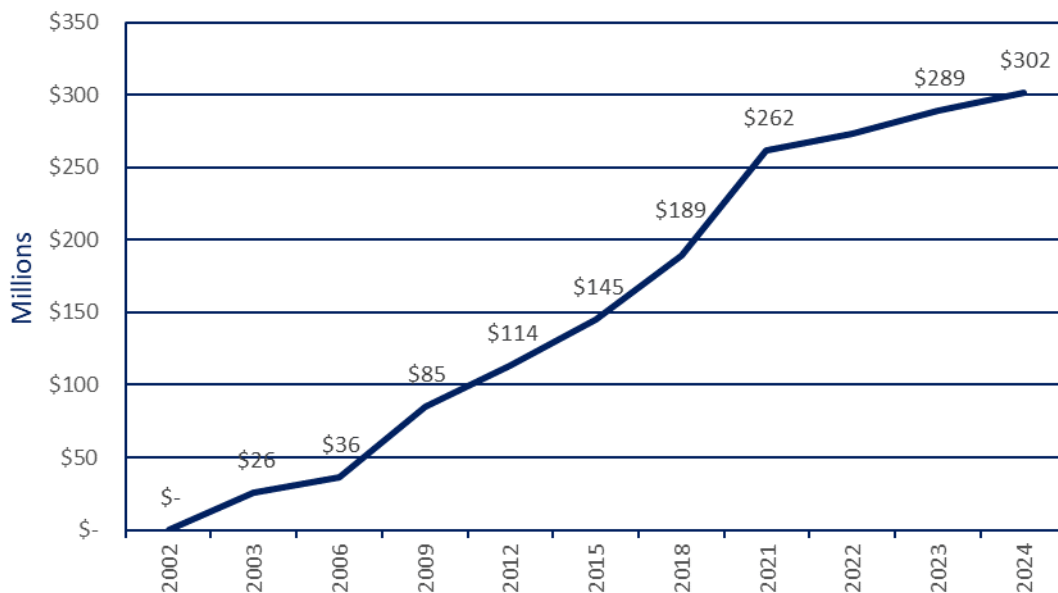
About the District

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 16, 2024

Fiscal Year 2024-2025 District Administrator's Budget Message

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

It is my pleasure to present the proposed Urban Renewal Agency budget for Fiscal Year 2024-2025, in the amount of \$7,829,636.

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. Transfers from the URA Debt Service Fund to the URA General Fund pay for the projects and expenditures captured there.

FY 2024-2025 Highlights

Consistent with prior years, economic development activities supporting the downtown Canby business community are budgeted to continue. Staff costs will be transferred to the General Fund when the URA closes to enable the full revenue supporting these activities to be realized.

Capital Projects

The FY 2024-2025 recommended capital projects are detailed below. The completion of these projects will be subject to fund availability after meeting our annual debt obligation. Funding will be entirely from tax increment generated within the Urban Renewal District – no additional debt financing is proposed. The projects include:

- Continuation of beautification and marketing projects.
- Continuation of funding to support the Façade Improvement Program for FY2024-2025.
- Repair of downtown alleyways.

This proposed budget represents the current goals and plans of the Urban Renewal Agency.

Respectfully Submitted,

Eileen Stein
Urban Renewal Agency Director

District-Wide Budget Summary

	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Proposed	FY2025 Approved	FY2025 Adopted
Beginning Fund Balance	\$ 2,883,689	\$ 1,045,318	\$ 170,027	\$ 1,027,404	\$ 1,027,404	\$ 1,027,404
Revenue						
Property Taxes	4,332,491	4,637,705	4,797,538	5,000,232	5,000,232	5,000,232
LID Revenue	-	17,125	-	-	-	-
Miscellaneous	200	93,707	-	-	-	-
Interest	21,190	103,839	101,750	122,000	2,000	122,000
Transfers In & Other Sources	1,638,868	935,638	1,015,000	1,680,000	1,680,000	1,680,000
Total URA Resources	<u>\$ 8,876,438</u>	<u>\$ 6,833,332</u>	<u>\$ 6,084,315</u>	<u>\$ 7,829,636</u>	<u>\$ 7,709,636</u>	<u>\$ 7,829,636</u>
URA General Fund						
Materials & Services	404,787	356,978	435,000	435,000	435,000	435,000
Capital Outlay	1,236,556	537,614	565,000	1,247,000	1,212,000	1,212,000
URA Debt Service Fund						
Debt Service	4,550,281	3,845,284	4,017,149	4,012,358	4,012,358	4,012,358
Not-Allocated						
Transfers Out	1,638,868	935,638	1,015,000	1,680,000	1,680,000	1,680,000
Operating Contingency	-	-	16,750	-	35,000	35,000
Reserved for Future Expense	1,045,947	1,157,818	35,416	455,278	335,278	455,278
Total URA Requirements	<u>\$ 8,876,438</u>	<u>\$ 6,833,332</u>	<u>\$ 6,084,315</u>	<u>\$ 7,829,636</u>	<u>\$ 7,709,636</u>	<u>\$ 7,829,636</u>

General Fund Budget

URBAN RENEWAL GENERAL FUND	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Proposed	FY2025 Approved	FY2025 Adopted
RESOURCES						
REVENUE						
Miscellaneous-Income	200	93,707	-	-	-	-
Interest Revenue	2,904	943	1,750	2,000	2,000	2,000
OP Transfer In from UR Debt	1,638,868	935,638	1,015,000	1,680,000	1,680,000	1,680,000
Total URA GF Revenue	1,641,972	1,030,287	1,016,750	1,682,000	1,682,000	1,682,000
TOTAL URA GF RESOURCES	1,641,972	1,030,287	1,016,750	1,682,000	1,682,000	1,682,000
REQUIREMENTS FOR URBAN RENEWAL						
MATERIALS & SERVICES						
Mat & Svc Contract	8,726	6,978	10,000	10,000	10,000	10,000
Due to Economic Development	396,061	350,000	425,000	425,000	425,000	425,000
Total URA GF Materials & Services	404,787	356,978	435,000	435,000	435,000	435,000
CAPITAL OUTLAY						
Beautification & Marketing	1,990	637	25,000	25,000	25,000	25,000
Facade Improvement Program	14,659	37,657	75,000	75,000	40,000	40,000
URD Projects	-	-	-	-	1,147,000	1,147,000
Grant St Arch	17,805	11,890	-	-	-	-
Wait and Community Park	27,885	342,901	415,000	-	-	-
Railroad Quiet Zone	1,173,986	111,385	-	-	-	-
Mural Program	-	-	50,000	-	-	-
HWY 99 Logging Bridge	231	33,143	-	562,000	-	-
Downtown Alleyways	-	-	-	585,000	-	-
Total URA GF Capital Outlay	1,236,556	537,614	565,000	1,247,000	1,212,000	1,212,000
OPERATING CONTINGENCY	-	-	16,750	-	35,000	35,000
RESERVED FOR FUTURE EXPENDITURE	629	135,695	-	-	-	-
ENDING FUND BALANCE (prior year's)	-	-	-	-	-	-
TOTAL URA GF REQUIREMENTS	1,641,972	1,030,287	1,016,750	1,682,000	1,682,000	1,682,000

Debt Service Fund Budget

URBAN RENEWAL DEBT SERVICE FUND	FY2022 Actual	FY2023 Actual	FY2024 Budget	FY2025 Proposed	FY2025 Approved	FY2025 Adopted
RESOURCES						
BEGINNING URA DEBT SERVICE FUND BALANCE	2,883,689	1,045,318	170,027	1,027,404	1,027,404	1,027,404
REVENUE						
Tax Increment	4,276,469	4,589,104	4,752,538	4,952,232	4,952,232	4,952,232
Tax Increment - Prior	56,022	48,601	45,000	48,000	48,000	48,000
LID Walnut St Princ	-	7,099	-	-	-	-
Interest Revenues	18,286	102,897	100,000	120,000	-	120,000
LID Walnut St Int.	-	10,026	-	-	-	-
Total URA Debt Service Revenue	4,350,778	4,757,727	4,897,538	5,120,232	5,000,232	5,120,232
TOTAL URA DEBT SERVICE RESOURCES	7,234,467	5,803,044	5,067,565	6,147,636	6,027,636	6,147,636
REQUIREMENTS FOR URBAN RENEWAL DEBT SERVICE						
DEBT SERVICE						
Debt Pay-2021 Bond Principal	3,310,000	3,655,000	3,740,000	3,820,000	3,820,000	3,820,000
Debt Pay-2012 Bond Principal	675,000	-	-	-	-	-
Debt Pay-2012 Bond Int	177,706	(164,206)	-	-	-	-
Debt Pay-2021 Bond Int	387,575	354,490	277,149	192,358	192,358	192,358
Total URA Debt Service	4,550,281	3,845,284	4,017,149	4,012,358	4,012,358	4,012,358
TRANSFERS OUT & OTHER USES						
OP Transfer to UR General	1,638,868	935,638	1,015,000	1,680,000	1,680,000	1,680,000
Total URA Debt Service Transfers Out	1,638,868	935,638	1,015,000	1,680,000	1,680,000	1,680,000
RESERVED FOR FUTURE EXPENDITURE	-	-	35,416	455,278	335,278	455,278
ENDING FUND BALANCE (prior year's)	1,045,318	1,022,123	-	-	-	-
TOTAL URA DEBT SERVICE REQUIREMENTS	7,234,467	5,803,044	5,067,565	6,147,636	6,027,636	6,147,636

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 for the second time since 2018. In 2018 the City's rating went from an A1 to Aa3, and on June 7, 2021 Moody's increased the bond rating from Aa3 to Aa2. The current rating action affects approximately \$19 million in rated full faith and credit debt outstanding. The upgrade to Aa2 is driven by the city's strengthened reserves and liquidity, with consecutive years of strong financial performance supported by conservative fiscal management and stable revenue. The upgrade also reflects continued strong growth of the city's moderately sized tax base and improving socioeconomic indicators.

Fiscal Year Ending June 30,	Governmental Activities		Total Governmental Activities
	Bonds - URA	Interest	
2025	3,820,000	192,358	4,012,358
2026	3,910,000	99,184	4,009,184
Total	<u>\$ 7,730,000</u>	<u>\$ 291,542</u>	<u>\$ 8,021,542</u>

	Original Amount	6/30/2024 Balance	Reductions	6/30/2025 Balance
URA Governmental Activities				
Bonds URA:				
2021 Refunding of 2010, 2011, & 2012 (0.92%)	18,435,000	7,730,000	3,820,000	3,910,000
2021 Premium	995,165	604,649	269,613	335,036
Total URA Activities		<u>\$ 8,334,649</u>	<u>\$ 202,452</u>	<u>\$ 4,245,036</u>

Required Notices and Filings

Notice of Budget Committee Meeting

Notice of URD Budget Committee Meeting

A public meeting of the Budget Committee of the Canby Urban Renewal District, Clackamas County, State of Oregon, to discuss the budget for the fiscal year July 1, 2024 to June 30, 2025, will be held at City of Canby Civic Center, 222 NE 2nd Avenue, Canby, Oregon, 97013 on May 23, 2024 at 6:00 pm.

The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget. Public comment will be heard for the URA budget at the meeting on May 23, 2024 at 6:00 pm.

Any person may provide comment in written form, in person, or virtually. Written comments must be received by 4:30 pm on May 22, 2024. If you wish to speak virtually, please contact the City Recorder at benhamm@canbyoregon.gov or call 503-266-0720 by 4:30 pm on May 23, 2024 with your name and contact information. Once your information is received you will be sent instructions on how to speak virtually.

A copy of the budget document may be inspected or obtained on or after May 10, 2024 on the city's website at www.canbyoregon.gov.

Notice of Budget Committee Meetings

A public meeting of the Budget Committee and of the Canby Urban Renewal District of the City of Canby, Clackamas County, State of Oregon, to discuss the budget for the fiscal year July 1, 2024 to June 30, 2025, will be held at City of Canby Civic Center, 222 NE 2nd Avenue, Canby, Oregon, 97013 on May 30, 2024 at 6:00 pm. This meeting will be held in addition to the May 23, 2024 meetings.

The purpose of the meeting is to receive the budget message and to receive comment from the public on the budget. Public comment will be heard at the first meeting on May 30, 2024.

Any person may provide comment in written form, in person, or virtually. Written comments must be received by 4:30 pm on May 30, 2024. If you wish to speak virtually, please contact the City Recorder at benhamm@canbyoregon.gov or call 503-266-0720 by 4:30 pm on May 30, 2024 with your name and contact information. Once your information is received you will be sent instructions on how to speak virtually.

A copy of the budget document may be inspected or obtained on or after May 10, 2024 on the city's website at www.canbyoregon.gov.

Notice of Budget Hearing

FORM UR-1

NOTICE OF BUDGET HEARING

FY2025

A public meeting of the Canby Urban Renewal Agency will be held on May 30, 2024 at 7:00 p.m and can be viewed on CTV Channel 5 or at <https://www.youtube.com/user/CityofCanby>. Any person may provide comment in written form, virtually or in person. For instructions on how to provide comments virtually, please contact the Deputy City Recorder at bissetm@canbyoregon.gov or call 503-592-6922 by 4:30 pm on May 30th. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2024, as approved by the Canby Urban Renewal Budget Committee. A summary of the budget is presented below. A copy of the budget can be found on the City's website at www.canbyoregon.gov. This budget is for an annual budget period and this budget was prepared on a basis of accounting that is the same as the preceding year.

Contact: Scott Schlag, Finance Director

Telephone: 503-266-0725

Email: schlags@canbyoregon.gov

FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount FY2023	Adopted Budget FY 2024	Approved Budget Next Year FY2025
Beginning Fund Balance/Net Working Capital	1,045,318	170,027	1,027,404
Federal, State and All Other Grants	0	0	0
Revenue from Bonds and Other Debt	0	0	0
Interfund Transfers	935,638	700,000	1,680,000
All Other Resources Except Division of Tax & Special Levy	214,671	101,750	2,000
Revenue from Division of Tax	4,637,705	4,797,538	5,000,232
Revenue from Special Levy	0	0	0
Total Resources	6,833,332	5,769,315	7,709,636

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	0	0	0
Materials and Services	356,978	435,000	435,000
Capital Outlay	537,614	250,000	1,247,000
Debt Service	3,845,284	4,017,149	4,012,358
Interfund Transfers	935,638	700,000	1,680,000
Contingencies	0	16,750	0
Special Payments	0	0	0
Unappropriated Ending Balance and Reserved for Future Expenditure	1,157,818	350,416	335,278
Total Requirements	6,833,332	5,769,315	7,709,636

FINANCIAL SUMMARY - REQUIREMENTS BY ORGANIZATIONAL UNIT OR PROGRAM			
Name of Organizational Unit or Program			
FTE for that unit or program			
Urban Renewal	894,592	685,000	1,682,000
FTE	0.00	0.00	0.00
Not Allocated to Organizational Unit	5,938,740	5,084,315	6,027,636
FTE	1.00	2.00	2.00
Total Requirements	6,833,332	5,769,315	7,709,636
Total FTE	0.00	0.00	0.00

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING	
Due to the previous two years minimal investment in capital projects, this year will have an increase of built-up funds to be spent on capital projects for FY2025	

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	\$8,021,542	\$0
Other Borrowings	\$0	\$0
Total	\$8,021,542	\$0

Resolution Adopting the Budget and Imposing the Tax for FY2024-25

Canby Urban Renewal District
Resolution URR 24-003**RESOLUTION ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND IMPOSING AND
CATEGORIZING TAXES FOR THE 2024-2025 FISCAL YEAR**

BE IT RESOLVED that the Board of Directors of the Canby Urban Renewal Agency hereby adopts the budget for fiscal year 2025 in the total of \$7,739,636 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, 2024 and for the purpose shown below are hereby appropriated:

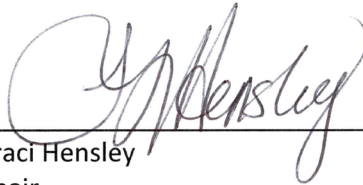
Total APPROPRIATIONS , all Funds	\$7,374,358
Total Unappropriated and Reserve Amounts, All Funds	<u>365,278</u>
TOTAL ADOPTED BUDGET	\$7,739,636

URD General Fund		URD Debt Service Fund	
Urban Renewal	\$ 1,647,000	Debt Service	\$ 4,012,358
		Transfers out	<u>1,680,000</u>
Total	<u>\$ 1,647,000</u>	Total	<u>\$ 5,692,358</u>

RESOLUTION IMPOSING AND CATEGORIZING THE TAX

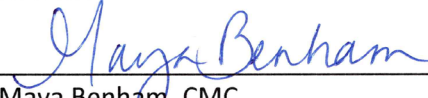
BE IT RESOLVED that the Board of Directors of the Canby Urban Renewal Agency hereby resolves to certify to the county assessor for the Canby Urban Renewal Plan Area a request for the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article XI of the Oregon Constitution 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 2024 and are effective July 1, 2024.



Traci Hensley
Chair

ATTEST:



Maya Benham, CMC
City Recorder

Notice to the Assessor

FORM OR-UR-50

NOTICE TO ASSESSOR

2024-2025

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

☐ Check here if this is an amended form.

Notification

Canby Urban Renewal Agency
(Agency Name) authorizes its 2023-2024 ad valorem tax increment amounts
by plan area for the tax roll of Clackamas County
(County Name)

Scott Schlag
(Contact Person) 503-266-0725
(Telephone Number) 6.25.2024
(Date Submitted)

PO Box 930, Canby OR 97013
(Agency's Mailing Address) schlags@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	\$
	\$	OR	<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		\$

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	
	\$	OR	<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	
	\$	OR	<input type="checkbox"/> Yes	

Part 5: Permanent Rate Plans. [ORS 457.087]

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

Notice to Assessor of Permanent Increase in Frozen Value. Beginning tax year 2021-22, permanently increase frozen value to:

Plan Area Name	New frozen value \$