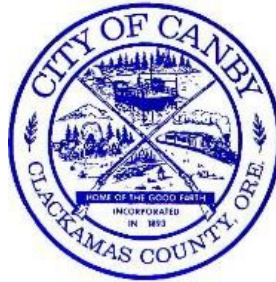


# City of Canby Urban Renewal Agency Adopted Annual Budget

For the Fiscal Year  
July 1, 2025 - June 30, 2026



## BOARD OF COMMISSIONERS

Traci Hensley, Commission Chair

Brian Hodson, Commission Vice Chair

Paul Waterman, Commissioner

Daniel Stearns, Commissioner

James Davis, Commissioner

Jason Padden, Commissioner

Herman Maldonado, Commissioner

## BUDGET COMMITTEE

David Tate

Jack Pendleton

Elizabeth Chapin

Kim Wiegand

Lee Wiegand

Shawn Varwig

(Vacant)

## CITY STAFF

Eileen Stein, *Urban Renewal Agency Director*

Scott Schlag, *Finance Director*

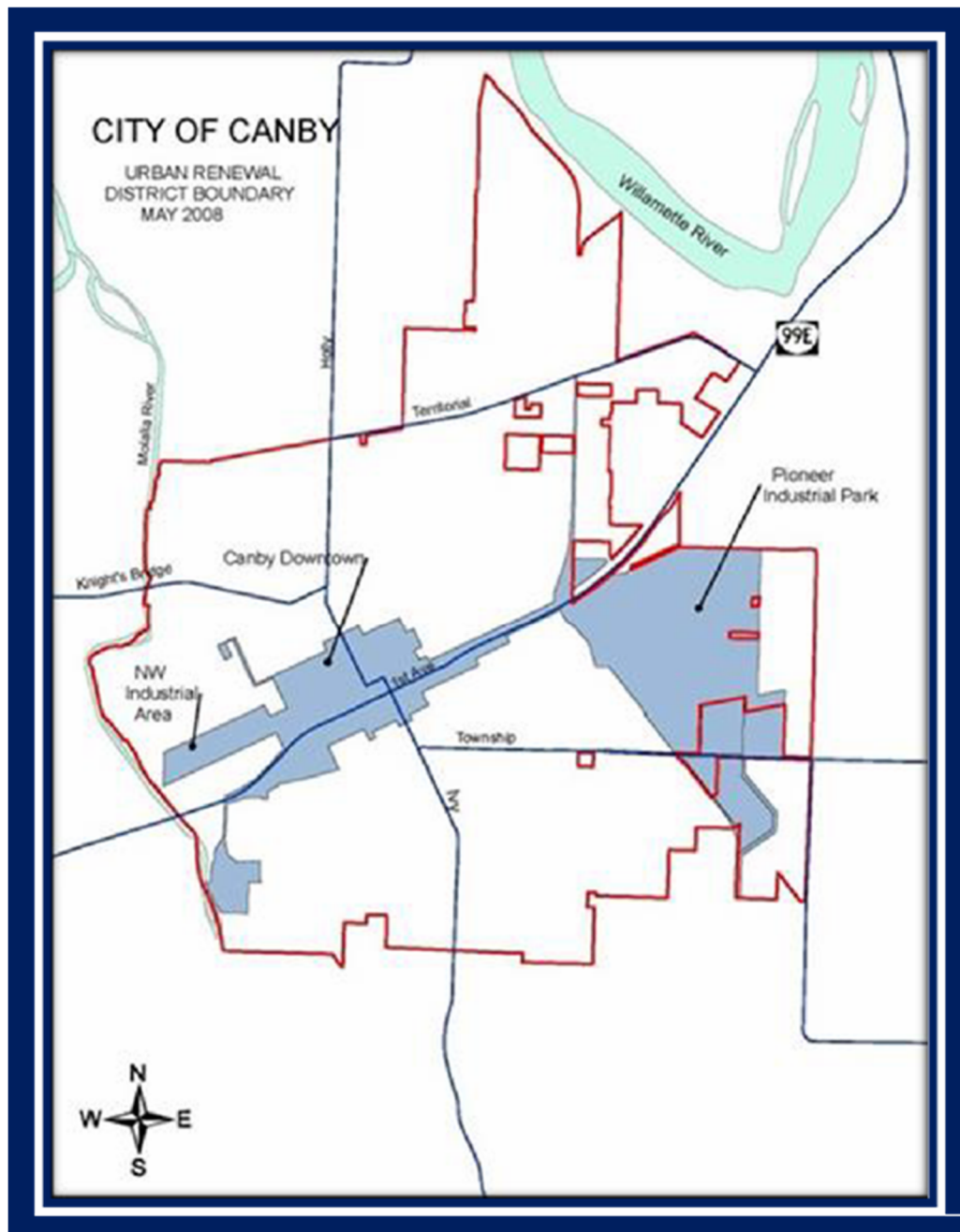
[www.canbyoregon.gov](http://www.canbyoregon.gov)

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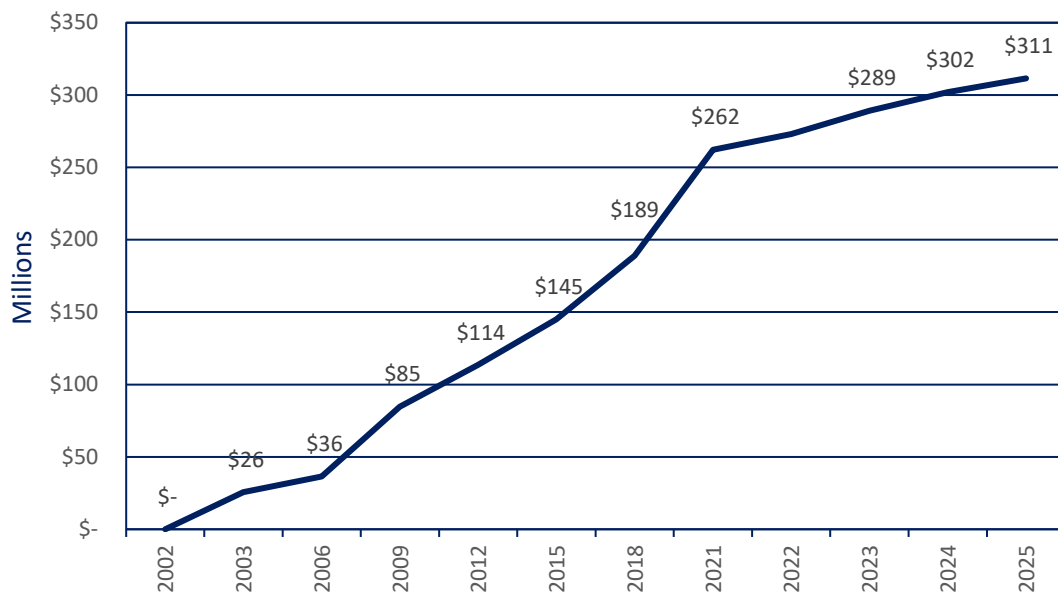
### About the District

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 19, 2025**

**Fiscal Year 2025-2026 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 2026, in the amount of \$7,861,487.

The URA General Fund budget accounts for Agency administration costs, economic development activities within the Urban Renewal Area, construction projects, and property purchases. All 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.

**FY2026 Proposed Budget**

- The final payment of debt in the amount of \$3,910,000, plus interest, will be made marking the beginning of the closure/inactive status of the Urban Renewal Agency.
- The URA Budget for FY 2025 continues funding transfers to the City's General Fund, supporting economic development initiatives. This transfer ensures that the City's strategic General Fund reserve remains at 20%, aligning with the goal of preventing layoffs in the General Fund during FY 2025.

**Capital Projects**

The recommended FY2026 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 FY2025-2026.
- Logging Bridge Path.
- NW 2<sup>nd</sup> Ave. & Fir to Ivy street, sidewalk, and ADA ramp improvements.

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

	FY2023 Actual	FY2024 Actual	FY2025 Budget	FY2026 Proposed	FY2026 Approved	FY2026 Adopted
<b>Beginning Fund Balance</b>	\$ 1,045,947	\$ 1,158,448	\$ 1,027,404	\$ 1,094,505	\$ 1,094,505	\$ 1,094,505
<b>Revenue</b>						
Property Taxes	4,637,705	4,924,121	5,000,232	5,129,497	5,129,497	5,129,497
LID Revenue	17,125	-	-	-	-	-
Miscellaneous	93,707	58,520	-	-	-	-
Interest	103,839	147,475	122,000	115,000	115,000	115,000
Transfers In & Other Sources	935,638	1,015,000	1,680,000	1,522,485	1,522,485	1,522,485
<b>Total URA Resources</b>	<u>\$ 6,833,961</u>	<u>\$ 7,303,564</u>	<u>\$ 7,829,636</u>	<u>\$ 7,861,487</u>	<u>\$ 7,861,487</u>	<u>\$ 7,861,487</u>
<b>URA General Fund</b>						
Materials & Services	6,978	9,442	10,000	10,000	10,000	10,000
Capital Outlay	504,471	572,543	1,212,000	1,892,817	1,892,817	1,892,817
Transfers Out	383,141	425,000	425,000	425,000	425,000	425,000
<b>URA Debt Service Fund</b>						
Debt Service	3,845,284	4,017,842	4,012,358	4,011,185	4,011,185	4,011,185
<b>Not-Allocated</b>						
Transfers Out	935,638	1,015,000	1,680,000	1,522,485	1,522,485	1,522,485
Operating Contingency	-	-	35,000	-	-	-
Reserved for Future Expense	1,158,450	1,263,737	455,278	-	-	-
<b>Total URA Requirements</b>	<u>\$ 6,833,962</u>	<u>\$ 7,303,564</u>	<u>\$ 7,829,636</u>	<u>\$ 7,861,487</u>	<u>\$ 7,861,487</u>	<u>\$ 7,861,487</u>

## General Fund Budget

URBAN RENEWAL GENERAL FUND	FY2023 Actual	FY2024 Actual	FY2025 Budget	FY2026 Proposed	FY2026 Approved	FY2026 Adopted
<b>RESOURCES</b>						
BEGINNING URA GENERAL FUND BALANCE	628	136,325	-	790,332	790,332	790,332
<b>REVENUE</b>						
Miscellaneous-Income	93,707	58,520	-	-	-	-
Interest Revenue	943	4,347	2,000	15,000	15,000	15,000
<b>Total URA GF Revenue</b>	<b>94,650</b>	<b>62,866</b>	<b>2,000</b>	<b>15,000</b>	<b>15,000</b>	<b>15,000</b>
<b>TRANSFERS IN &amp; OTHER USES</b>						
OP Transfer In from UR Debt	935,638	1,015,000	1,680,000	1,522,485	1,522,485	1,522,485
<b>Total URA GF Transfers Out</b>	<b>935,638</b>	<b>1,015,000</b>	<b>1,680,000</b>	<b>1,522,485</b>	<b>1,522,485</b>	<b>1,522,485</b>
<b>TOTAL URA GF RESOURCES</b>	<b>1,030,916</b>	<b>1,214,191</b>	<b>1,682,000</b>	<b>2,327,817</b>	<b>2,327,817</b>	<b>2,327,817</b>
<b>REQUIREMENTS FOR URBAN RENEWAL</b>						
<b>MATERIALS &amp; SERVICES</b>						
Mat & Svc Contract	6,978	9,442	10,000	10,000	10,000	10,000
<b>Total URA GF Materials &amp; Services</b>	<b>6,978</b>	<b>9,442</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>	<b>10,000</b>
<b>CAPITAL OUTLAY</b>						
Beautification & Marketing	637	10,064	25,000	25,000	25,000	25,000
Facade Improvement Program	37,657	-	40,000	40,000	50,000	50,000
URD Projects	-	-	1,147,000	1,827,817	1,817,817	1,817,817
Grant St Arch	11,890	-	-	-	-	-
Wait and Community Park	342,901	512,929	-	-	-	-
Railroad Quiet Zone	111,385	49,550	-	-	-	-
<b>Total URA GF Capital Outlay</b>	<b>504,471</b>	<b>572,543</b>	<b>1,212,000</b>	<b>1,892,817</b>	<b>1,892,817</b>	<b>1,892,817</b>
<b>TRANSFERS OUT &amp; OTHER USES</b>						
Due to Economic Development	383,141	425,000	425,000	425,000	425,000	425,000
<b>Total URA GF Transfers Out</b>	<b>383,141</b>	<b>425,000</b>	<b>425,000</b>	<b>425,000</b>	<b>425,000</b>	<b>425,000</b>
<b>OPERATING CONTINGENCY</b>	<b>-</b>	<b>-</b>	<b>35,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>RESERVED FOR FUTURE EXPENDITURE</b>	<b>136,325</b>	<b>207,206</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ENDING FUND BALANCE (prior year's)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL URA GF REQUIREMENTS</b>	<b>1,030,916</b>	<b>1,214,191</b>	<b>1,682,000</b>	<b>2,327,817</b>	<b>2,327,817</b>	<b>2,327,817</b>

## Debt Service Fund Budget

URBAN RENEWAL DEBT SERVICE FUND	FY2023 Actual	FY2024 Actual	FY2025 Budget	FY2026 Proposed	FY2026 Approved	FY2026 Adopted
<b>RESOURCES</b>						
<b>BEGINNING URA DEBT SERVICE FUND BALANCE</b>	<b>1,045,318</b>	<b>1,022,123</b>	<b>1,027,404</b>	<b>304,173</b>	<b>304,173</b>	<b>304,173</b>
<b>REVENUE</b>						
Tax Increment	4,589,104	4,859,541	4,952,232	5,081,497	5,081,497	5,081,497
Tax Increment - Prior	48,601	64,580	48,000	48,000	48,000	48,000
LID Walnut St Princ	7,099	-	-	-	-	-
Interest Revenues	102,897	143,129	120,000	100,000	100,000	100,000
LID Walnut St Int.	10,027	-	-	-	-	-
<b>Total URA Debt Service Revenue</b>	<b>4,757,727</b>	<b>5,067,250</b>	<b>5,120,232</b>	<b>5,229,497</b>	<b>5,229,497</b>	<b>5,229,497</b>
<b>TOTAL URA DEBT SERVICE RESOURCES</b>	<b>5,803,045</b>	<b>6,089,373</b>	<b>6,147,636</b>	<b>5,533,670</b>	<b>5,533,670</b>	<b>5,533,670</b>
<b>REQUIREMENTS FOR URBAN RENEWAL DEBT SERVICE</b>						
<b>DEBT SERVICE</b>						
Debt Pay-2021 Bond Principal	3,655,000	3,740,000	3,820,000	3,910,000	3,910,000	3,910,000
Debt Pay-2012 Bond Int	(164,206)	-	-	-	-	-
Debt Pay-2021 Bond Int	354,490	277,842	192,358	101,185	101,185	101,185
<b>Total URA Debt Service</b>	<b>3,845,284</b>	<b>4,017,842</b>	<b>4,012,358</b>	<b>4,011,185</b>	<b>4,011,185</b>	<b>4,011,185</b>
<b>TRANSFERS OUT &amp; OTHER USES</b>						
OP Transfer to UR General	935,638	1,015,000	1,680,000	1,522,485	1,522,485	1,522,485
<b>Total URA Debt Service Transfers Out</b>	<b>935,638</b>	<b>1,015,000</b>	<b>1,680,000</b>	<b>1,522,485</b>	<b>1,522,485</b>	<b>1,522,485</b>
<b>RESERVED FOR FUTURE EXPENDITURE</b>	<b>-</b>	<b>-</b>	<b>455,278</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ENDING FUND BALANCE (prior year's)</b>	<b>1,022,123</b>	<b>1,056,531</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL URA DEBT SERVICE REQUIREMENTS</b>	<b>5,803,045</b>	<b>6,089,373</b>	<b>6,147,636</b>	<b>5,533,670</b>	<b>5,533,670</b>	<b>5,533,670</b>

## 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
	Bonds - URA	Interest	Governmental Activities
2026	<u>\$ 3,910,000</u>	<u>\$ 101,185</u>	<u>\$ 4,011,185</u>

	Original Amount	6/30/2025 Balance	Reductions	6/30/2026 Balance
<b>URA Governmental Activities</b>				
Bonds URA:				
2021 Refunding of 2010, 2011, & 2012 (0.92%)	18,435,000	3,910,000	3,910,000	-
2021 Premium	995,165	335,036	335,036	-
Total URA Activities		<u>\$ 4,245,036</u>	<u>\$ 4,245,036</u>	<u>\$ -</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, 2025 to June 30, 2026, will be held at City of Canby Civic Center, 222 NE 2<sup>nd</sup> Avenue, Canby, Oregon, 97013 on May 15, 2025 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 15, 2025 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 14, 2025. If you wish to speak virtually, please contact the City Recorder at [benhamm@canbyoregon.gov](mailto:benhamm@canbyoregon.gov) or call 503-266-0720 by 4:30 pm on May 15, 2025 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 12, 2025 on the city's website at [www.canbyoregon.gov](http://www.canbyoregon.gov).

## Required Notices and Filings

## FORM UR-1

## NOTICE OF BUDGET HEARING

A public meeting of the Canby Urban Renewal Agency will be held on June 30, 2025 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 [ridgleyt@canbyoregon.gov](mailto:ridgleyt@canbyoregon.gov) or call 503-266-0637 by 4:30 pm on June 30th. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2025, 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](http://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](mailto:schlags@canbyoregon.gov)

FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount 2023-24	Adopted Budget This Year 2024-25	Approved Budget Next Year 2025-26
Beginning Fund Balance/Net Working Capital	1,158,448	1,027,404	1,094,505
Federal, State and All Other Grants	0	0	0
Revenue from Bonds and Other Debt	0	0	0
Interfund Transfers	1,015,000	1,680,000	1,522,485
All Other Resources Except Division of Tax & Special Levy	205,995	122,000	115,000
Revenue from Division of Tax	4,924,121	5,000,232	5,129,497
Revenue from Special Levy	0	0	0
<b>Total Resources</b>	<b>7,303,564</b>	<b>7,829,636</b>	<b>7,861,487</b>

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	0	0	0
Materials and Services	9,442	10,000	10,000
Capital Outlay	572,543	1,212,000	1,892,817
Debt Service	4,017,842	4,012,358	4,011,185
Interfund Transfers	1,440,000	2,105,000	1,947,485
Contingencies	0	35,000	0
All Other Expenditures and Requirements	0	0	0
Unappropriated Ending Fund Balance	1,263,737	455,278	0
<b>Total Requirements</b>	<b>7,303,564</b>	<b>7,829,636</b>	<b>7,861,487</b>

FINANCIAL SUMMARY-REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *			
<b>Name of Organizational Unit or Program</b>			
<b>FTE for that unit or program</b>			
Urban Renewal	1,214,191	1,682,000	2,327,817
FTE	0	0	0
Not Allocated to Organizational Unit or Program	6,089,373	6,147,636	5,533,670
FTE	0	0	0
<b>Total Requirements</b>	<b>7,303,564</b>	<b>7,829,636</b>	<b>7,861,487</b>
<b>Total FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *
FY26 marks the final year for the urban renewal district debt obligation payment. Once the final payment has been made, the urban renewal district intends to close and no longer seek tax increment funding revenues for FY27. Capital projects that are budgeted to be completed in FY26 are the logging bridge path, NW 2nd Ave. & Fir to Ivy Street, sidewalk, and ADA ramp improvements. Additionally, the continuation of city beautification and marketing projects, as well as continuation of fund support for facade improvements into FY26.

STATEMENT OF INDEBTEDNESS		
LONG TERM DEBT	Estimated Debt Outstanding July 1	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$0	\$0
Other Bonds	\$4,011,185	\$0
Other Borrowings	\$0	\$0
<b>Total</b>	<b>\$4,011,185</b>	<b>0</b>

## Resolution Adopting the Budget and Imposing the Tax for FY2025-26

Canby Urban Renewal District  
Resolution URR 25-003**RESOLUTION ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND IMPOSING AND  
CATEGORIZING TAXES FOR THE 2025-2026 FISCAL YEAR**

**BE IT RESOLVED** that the Board of Directors of the Canby Urban Renewal Agency hereby adopts the budget for fiscal year 2026 in the total of \$7,861,487 now on file at the City of Canby, 222 NE 2<sup>nd</sup> Avenue, Canby, Oregon.

**RESOLUTION MAKING APPROPRIATIONS**

**BE IT RESOLVED** that the amounts for the fiscal year beginning July 1, 2025, and for the purpose shown below are hereby appropriated:

Total <b>APPROPRIATIONS</b> , all Funds	<b>\$7,861,487</b>
Total Unappropriated and Reserve Amounts, All Funds	<u>0</u>
<b>TOTAL ADOPTED BUDGET</b>	<b>\$7,861,487</b>

<b>URD General Fund</b>		<b>URD Debt Service Fund</b>	
Urban Renewal	\$ 1,902,817	Debt Service	\$ 4,011,185
Transfers Out	<u>425,000</u>	Transfers out	<u>1,522,485</u>
Total	\$ 2,327,817	Total	\$ 5,533,670

**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 30th day of June, 2025, and are effective July 1, 2025.

  
Traci Hensley  
Chair

ATTEST:

  
Teresa Ridgley  
Deputy City Recorder

URR 25-003

Page 1 of 1

## Notice to Assessor

FORM  
OR-UR-50NOTICE TO ASSESSOR  
Oregon Department of Revenue

2025-2026

☐ Check here if this is  
an amended form.

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

## Notification

Canby Urban Renewal Agency \_\_\_\_\_ authorizes its 2025 - 26 ad valorem tax increment amounts

(Agency name)  
by plan area for the tax roll of Clackamas County \_\_\_\_\_ (County name)Scott Schlag \_\_\_\_\_ 503-266-0725 \_\_\_\_\_ 7/11/2025  
(Contact person) (Telephone number) (Date submitted)PO Box 930, Canby OR 97013 \_\_\_\_\_ schlag@canbyoregon.gov  
(Agency's mailing address) (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	

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

## Part 4: Other Reduced Rate Plans. [ORS 457.445(6)]

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	

## Part 5: Permanent Rate Plans. [ORS 457.445(7)]

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	

## Notice to Assessor of Permanent Increase in Frozen Value. Beginning tax year 2025-26, 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 1998 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 1998 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.