



CITY OF PHILOMATH

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Urban Renewal Agency

BUDGET COMMITTEE

**Philomath City Hall
980 Applegate Street
May 15, 2019
6:00 PM**

- 1. ROLL CALL**
- 2. MINUTES** – April 17, 2019
- 3. VISITORS/PUBLIC COMMENTS**
- 4. FINAL DISCUSSION**
- 5. MOTION TO ADOPT BUDGET AND PROPERTY TAX COLLECTION**
- 6. ADJOURN**

**PHILOMATH URBAN RENEWAL AGENCY
BUDGET COMMITTEE MINUTES
April 17, 2019**

City Council President David Low called the meeting of the Urban Renewal Agency Budget Committee to order at 6:00 p.m. on Wednesday, April 17, 2019, in the City Hall Council Chambers, 980 Applegate Street, Philomath.

1. ROLL CALL

Present:

City Council Members: Mayor Eric Niemann (via teleconference), City Councilors Marion Dark, Doug Edmonds, Chas Jones, David Low, and Terry Weiss.

Citizen Members: Catherine Biscoe, Margie Brown, Ruth Causey, Noelle Cummings, Robert Glathar, Matthew Lehman, and Brian Noakes.

Staff: Chris Workman, City Manager; Joan Swanson, Finance Director; Ken Rueben, Chief of Police; Kevin Fear, Public Works Director; Ruth Post, City Recorder, David Gurski, Police Sargent, and Garry Black, Public Works Operations Supervisor.

Absent: City Councilor Matthew Thomas.

2. ELECTION OF CHAIR

MOTION: Councilor Low moved, Mr. Noakes second, to appoint Doug Edmonds as 2019 Urban Renewal Agency Budget Committee Chair. Motion APPROVED 13-0 (Yes: Biscoe, Brown, Causey Cummings, Dark, Edmonds, Glathar, Jones, Lehman, Low, Niemann, Noakes, and Weiss; No: None).

3. MINUTES

MOTION: Councilor Low moved, Councilor Jones second to approve the minutes of May 16, 2018 as presented. Motion APPROVED 13-0 (Yes: Biscoe, Brown, Causey, Cummings, Dark, Edmonds, Glathar, Jones, Lehman, Low, Niemann, Noakes, and Weiss; No: None).

4. VISITORS/PUBLIC COMMENTS

None.

5. BUDGET MESSAGE

Mr. Workman read the budget message as included in the proposed budget document.

6. REVIEW BUDGET

Ms. Swanson reviewed the anticipated revenues and placeholder expenses for the Downtown Streetscapes Project engineering should the Oregon Department of Transportation (ODOT) decide to proceed with rehabilitating the highway pavement through downtown. Mr. Workman explained the placeholder expense for possible acquisition of property should any property become available that fit the guidelines of the Urban Renewal Plan projects list. Mr. Fear explained the right-of-way issue with the railroad at North 12th Street and the project associated with it. Ms. Swanson noted that a

property acquisition to address parking downtown would be an example of a project that would meet the Urban Renewal Plan requirements.

Ms. Swanson explained what the Urban Renewal District is, that it is its own separate taxing agency, and that funds are completely separate from City funds. She explained that appropriations that are not spent are carried over to the next year and will be until ODOT has their part of the Downtown Streetscapes project ready to go.

Ms. Swanson provided a brief explanation of the tax increment financing used for Urban Renewal Districts. Mr. Workman explained that ODOT's share of the project has always been to repave the downtown section of the highway and the City's project is to upgrade the sidewalks and street amenities. He provided an update on ODOT's timeline and the new energy being shown by ODOT staff. He explained the partnership with ODOT to complete the project and that earliest the project could move forward would be next summer.

There was discussion about the coordination with the Cascades West Council of Governments Area Commission on Transportation and the extent of the paving project. Mayor Niemann noted the deterioration of the highway pavement due to truck traffic. Councilor Weiss questioned if any matching grant monies have been sought. Mr. Workman described grants that have been reviewed and applied for, particularly federal dollars, and ODOT options for other dollars. Councilor Weiss stated arguments could be made that this is a corridor to the Coast and suggested use of a professional grant writer.

Ms. Biscoe questioned what would happen if ODOT never allocates money for their project. Mr. Workman explained the elements of the Downtown Streetscapes project would be re-prioritized by the stakeholders group so it could be completed with, or without, ODOT's involvement. Ms. Swanson explained the Downtown Streetscapes project will be completed with the dollars Urban Renewal Agency (URA) has available irrespective of ODOT.

Mr. Glathar questioned the difference between the 2017-18 ending balance and the 2018-19 balance forward. Ms. Swanson explained the 2017-18 is actual and the 2018-19 is the adopted budget from last year that was based on the estimated 2017-18 ending balance.

Mr. Workman explained the makeup of the URA Board are the same as the Philomath City Council. He also provided a description of those who make up the stakeholders group.

Mr. Glathar had questions about whether system development charges could be used towards URA projects. Mr. Workman explained how SDC's can be used in conjunction with URA projects if the projects meet both City SDC methodology requirements and are also in listed as projects in the URA Plan. Ms. Swanson explained that the water line project is located within the Urban Renewal Area and meets the project list requirements.

Councilor Weiss questioned how changes can be made to the project list. Ms. Swanson explained the URA has a maximum \$14 million indebtedness limit, of which approximately \$10 million has already been expended over the years and the remaining

\$4 million earmarked for the Downtown Streetscapes, bringing the URA close to its life expectancy for projects.

Mr. Workman noted that the Urban Renewal Plan and Area map are available on the City's website.

This completed review of the 2019-2020 Philomath Urban Renewal Agency budget. The next meeting of the Urban Renewal Agency Budget Committee is scheduled for May 15, 2019, at 6:00 p.m. for approval and forwarding to the Urban Renewal Agency Board for adoption.

7. **ADJOURNMENT:**

There being no further business, Chair Edmonds adjourned the meeting at 6:37 p.m.

SIGNED: Doug Edmonds, 2019 Chair

ATTEST: Ruth Post, MMC, City Recorder

DRAFT

**PHILOMATH URBAN RENEWAL AGENCY
MEMO TO BUDGET COMMITTEE**

RE: ADOPTION OF 2019-20 BUDGET

ACTION REQUESTED: Adopt Budget

INITIATED BY: Joan Swanson, Budget Officer

I. BACKGROUND:

II. LEGAL CONSIDERATION:

III. RECOMMENDATION:

Recommend adoption.

III. SUGGESTED MOTION:

I move the Budget Committee approve the 2019-20 budget for the Philomath Urban Renewal Agency as presented. Furthermore, I move the Budget Committee approve the collection of the maximum allowed from Division of Taxes using Taxing Option 1 with no special levy.