

**Philomath Urban Renewal Agency  
Annual Budget  
Fiscal Year 2019-20**

**TABLE OF CONTENTS**

	<b><u>Page</u></b>
Budget Message	80
Information About the Urban Renewal Agency Budget	81
◆ General Fund	82-83

**Philomath Urban Renewal Agency  
Fiscal Year 2019-20  
BUDGET MESSAGE**

Dear Budget Committee and Citizens of Philomath:

This document contains the proposed budget for operating the City of Philomath Urban Renewal Agency for fiscal year 2019-2020.

The Urban Renewal Agency is budgeted to collect \$577,800 in property taxes this fiscal year and \$80,000 in interest. The majority of this money is to be spent on the Downtown Safety and Streetscapes Project. This project includes ODOT reconstructing the road surface and the Urban Renewal Agency paying to widen sidewalks, narrow crosswalks and add pedestrian amenities such as benches, trash receptacles and decorative lighting to downtown.

The City continues to rely on its contracted engineer for this project, Murray, Smith & Associates, and ODOT to finalize the engineering. Once complete, the City will likely have to reduce the scope of this project in order to proceed toward final design and construction.

This City is also budgeting money for potential acquisition of property within the urban renewal area, should the opportunity arise this year.

Special thanks to the Budget Committee for the important role that you have taken on in reviewing these budget documents. We welcome and look forward to your feedback.

Respectfully submitted,

---

Chris Workman, City Manager

---

Joan Swanson, Budget Officer

## **INFORMATION ABOUT the URBAN RENEWAL AGENCY**

In 1990 the City formed an Urban Renewal Agency to provide improvements to blighted areas of the City through the use of tax increment financing. Under the plan, assessments on property within the Urban Renewal District were computed at the January 1, 1991 level.

Declining assessments on properties in the Renewal District interfered with revenue expectations, and it was not until 1993-94 that there was an increase in total assessed value on which to collect revenue for the district.

In 1998 Measure 50 required the District to set a maximum indebtedness. The amount that would be necessary to complete the plan projects was set at \$4.3 million. In 2009 the final projects for the original District were completed.

In 2010 the Urban Renewal District was expanded to include the west end of Applegate Street from just west of 7<sup>th</sup> Street to 15<sup>th</sup> Street. The maximum indebtedness was increased to \$14.3 million. Inclusion of this property will allow the City and District to move forward with improvements designed to benefit the downtown business district and new west entrance to the City via Applegate Street.

**PHILOMATH URBAN RENEWAL AGENCY  
FISCAL YEAR 2019-20  
GENERAL FUND**

	ACTUAL EXPENDED 2015-16	ACTUAL EXPENDED 2016-17	ACTUAL EXPENDED 2017-18	ADOPTED BUDGET 2018-19	PROPOSED BUDGET 2019-20	ESTIMATED BUDGET 2020-21	% CHANGE
<b>REVENUE</b>							
23 0 3001 Cash Balance Forward	1,485,472	1,883,977	5,401,220	2,800,000	3,390,000	2,900,000	21%
23 0 3020 Interest on Investments	11,265	46,486	68,610	45,000	80,000	75,000	78%
23 0 3030 Interest on Tax Collections	1,153	1,044	1,233	1,300	1,300	1,300	0%
23 0 3110 Property tax increment	491,082	498,901	546,053	568,000	570,000	592,000	0%
23 0 3115 Prior Year Tax Increment	8,055	7,984	6,412	8,000	7,800	7,900	-3%
23 0 3646 Loan Proceeds	0	3,446,168	0	0	0	0	
23 0 3832 Brownsfield Grant	18,111	0	0	0	0	0	
<b>TOTAL REVENUE</b>	<b>2,015,138</b>	<b>5,884,560</b>	<b>6,023,528</b>	<b>3,422,300</b>	<b>4,049,100</b>	<b>3,576,200</b>	<b>18%</b>
<b>EXPENDITURES</b>							
<b>MATERIALS AND SERVICES</b>							
23 0 5012 Administrative Overhead	11,400	18,156	42,720	42,840	45,480	40,740	6%
23 0 5015 Advertising and Legal Notices	1,624	603	836	1,000	1,000	1,000	0%
23 0 5045 Audit Fees	2,450	2,600	3,710	3,300	4,000	4,500	21%
23 0 5146 Consultant Fee	18,110	0	0	0	0	0	
23 0 5265 Engineering	24,664	13,103	9,289	500,000	500,000	0	0%
23 0 5290 Ethics Commission Fee	32	31	76	80	80	80	0%
23 0 5390 Miscellaneous	3,234	390	0	2,290	1,990	1,930	-13%
23 0 5567 State Filing Fee	40	40	40	40	250	250	100%
Subtotal Materials and Services	<b>61,554</b>	<b>34,923</b>	<b>56,671</b>	<b>549,550</b>	<b>552,800</b>	<b>48,500</b>	<b>1%</b>
<b>CAPITAL OUTLAY</b>							
23 0 6162 Property Acquisition	0	0	0	300,000	300,000	0	0%
23 0 6164 Sewer Projects	32,019	46,445	933,338	0	0	0	
23 0 6169 Water Projects	37,588	230,013	1,794,305	35,000	70,000	0	100%
Subtotal Capital Outlay	<b>69,607</b>	<b>276,458</b>	<b>2,727,643</b>	<b>335,000</b>	<b>370,000</b>	<b>0</b>	<b>10%</b>
<b>DEBT SERVICE</b>							
23 0 7180 Loan Principal	0	90,000	115,000	115,000	120,000	125,000	4%
23 0 7580 Loan Interest	0	36,097	113,188	109,750	106,300	102,700	-3%
23 0 7580 Bond Issuance Costs	0	45,862	0	0	0	0	
Subtotal Capital Outlay	<b>0</b>	<b>171,959</b>	<b>228,188</b>	<b>224,750</b>	<b>226,300</b>	<b>227,700</b>	<b>1%</b>
<b>TOTAL EXPENDITURES</b>	<b>131,161</b>	<b>483,340</b>	<b>3,012,502</b>	<b>1,109,300</b>	<b>1,149,100</b>	<b>276,200</b>	<b>4%</b>
23 0 9500 UNAPPROPRIATED ENDING BAL	0	0	0	2,313,000	2,900,000	3,300,000	25%
Excess Revenues Over Expenditures	1,883,977	5,401,220	3,011,026	0	0	0	

**PHILOMATH URBAN RENEWAL AGENCY  
2019-20 BUDGET NARRATIVE  
GENERAL FUND**

**REVENUE**

Cash Balance Forward	3,390,000	Estimated cash balance at June 30, 2019
Interest on Investments	80,000	Estimated interest income
Interest on Tax Collections	1,300	Interest on tax collections held at Benton County before they are turned over to the City
Current Year Property Tax Increment	570,000	Estimated property tax increment. Increase of 4% over 2018-19. Assume collection rate of 95%
Prior Years Tax Increment	<u>7,800</u>	Collection of prior years tax increment
<b>TOTAL REVENUE</b>	<b><u>4,049,100</u></b>	

**MATERIALS AND SERVICES**

Administrative Overhead	45,480	To reimburse General Fund for cost of staff time and a portion of other administrative costs
Advertising and Legal Notices	1,000	Advertising and legal notices
Audit Fees	4,000	Annual audit of the Urban Renewal Agency
Engineering	500,000	Complete design for downtown safety and streetscape project including street, sidewalk, stormwater and pedestrian amenities
Ethics Commission Fee	80	State mandated charge to support Oregon Government Ethics Commission
Miscellaneous	1,990	Miscellaneous expenses
State Filing Fee	<u>250</u>	Fee required to file Urban Renewal Agency audit
<b>TOTAL MATERIALS AND SERVICES</b>	<b><u>552,800</u></b>	

**CAPITAL OUTLAY**

Property Acquisition	300,000	Available for possible land acquisition
Water Projects	<u>70,000</u>	Abandon waterline on Pioneer Street that runs under a garage. New waterline under the railroad at 13th Street.
<b>TOTAL CAPITAL OUTLAY</b>	<b><u>370,000</u></b>	

**DEBT SERVICE**

Loan Principal	120,000	Principal payment on 2016 Bonds
Loan Interest	<u>106,300</u>	Interest on 2016 Bonds
<b>TOTAL DEBT SERVICE</b>	<b><u>226,300</u></b>	