

**MONMOUTH
URBAN RENEWAL AGENCY**

URBAN RENEWAL DISTRICT

**2019-2020
ANNUAL BUDGET
PROPOSED**

Budget Committee

Citizens

**Dan Crews
Steve Deptula
Rich Graham
George Jeffery
Mark Lane
Thomas Perry
Nan Willis**

Agency Board

**Cecelia Koontz, Mayor
Roxanne Beltz
Jon Carey
Christopher Lopez
Laurel Sharmer
Byron Shinkle
Darin Silbernagel**



MONMOUTH URBAN RENEWAL DISTRICT

Staff

**Scott McClure, Executive Director
Janet Chenard, Finance Director**

Budget Message

**To the Honorable Chair, Members of the Urban Renewal Agency,
Citizen Members of the Budget Committee, and Citizens of
Monmouth:**

It is my privilege to present a summary of the Urban Renewal District annual budget for Fiscal Year 2019-2020, beginning July 1, 2019, according to the provisions of Oregon budget law (ORS 294.305 - 294.520). The FY 2019-2020 proposed urban renewal budget totals \$908,810, with planned expenditures and operating contingencies balanced to total projected resources available.

The foundation of the Urban Renewal Program is the Urban Renewal Plan, which was adopted during the formation of the Urban Renewal District. Prior work has identified a variety of valuable urban renewal projects.

Two funds have been used to manage the Urban Renewal program in the past. The Urban Renewal Fund records property tax incremental revenue, other financing proceeds, and project/administrative/debt expenditures. A Debt Service Fund was previously established for debt payments, but will be discontinued effective FY 19-20, since a separate debt fund is only required in the case of General Obligation Bonds, and the transfers needed to maintain this Fund for tracking an interfund loan add undue complexity and budget redundancy.

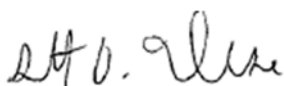
The program begins with an estimated working capital of \$567,170. It is estimated that the district will generate tax revenue of around \$326,640 in FY 2019-2020.

With the completion of the Main St. Park Amphitheater and the Warren and Main St. Sidewalk Improvements in recent years, the current focus of the urban renewal program is covering the Interfund Loan from the City's Power & Light Fund used for the Amphitheater project. Debt payments now utilize roughly 17% of annual revenue.

Funds are included in this budget for Façade grants and other minor expenditures as needed. The miscellaneous projects account is currently holding approximately \$200,000 in funds for the City's share of the Highway 99 reconstruction project (landscaping) as well as an additional amount for projects not yet identified.

With Urban Renewal Districts, success breeds more funds to implement the goals of the Urban Renewal Plan. The planning that went into the formation of the district and ongoing successes is expected to enhance the availability of funds for district projects in the future.

Respectfully submitted,



Scott D. McClure
City Manager
Urban Renewal Budget Officer

April 24, 2019

URBAN RENEWAL FUND

MISSION STATEMENT/PROFILE

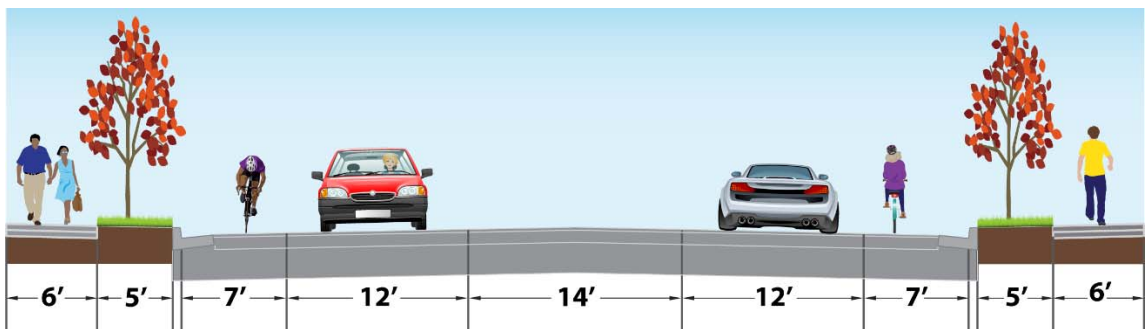
In December of 2005, the City of Monmouth established an Urban Renewal District for the purpose of encouraging and assisting with development of core areas of downtown, Highway 99 and the s-curves. The Urban Renewal Agency has the authority to obtain financing to provide full or partial funding to projects that will help encourage development and growth in the Monmouth area. The Urban Renewal District will receive incremental property taxes as its primary source of resources used to meet its debt obligations. As development occurs, the available tax resources will increase and will allow for additional development. This Fund will be used to accumulate the revenues and expenditures related to projects funded by the Urban Renewal District. The Monmouth Urban Renewal District authority is set to expire in 2028.

2018-2019 ACCOMPLISHMENTS

- Continued Façade Program with awards to Petals & Vines and the church that purchased the old police station on Jackson St.
- Funded additional costs related to the sidewalk replacement project started in FY 16-17 on the corner of Main and Warren streets.
- Reduced outstanding debt service through ongoing annual payments on the interfund loan for the Main St. Park Amphitheater.
- Accumulated funds for the City's share of the Highway 99 reconstruction project.

2019-2020 GOALS

- Continue Façade Program.
- Engage in proactive marketing of properties within the Urban Renewal District boundaries.
- Continue making payments for the Monmouth Power & Light interfund loan provided for the Main St. Park Amphitheater.
- Draw down on collected funds for the City's share (landscaping) of the Oregon Department of Transportation (ODOT) Highway 99 reconstruction project.



ODOT conceptual drawing of Highway 99 landscaping plan

RESOURCES 60 URBAN RENEWAL DISTRICT URD RESOURCES ACCOUNT TITLE	HISTORICAL DATA				FY 19-20		
	ACTUAL PRECEDING FY 16-17	ACTUAL PRECEDING FY 17-18	ADOPTED BUDGET FY 18-19	ESTIMATED ACTUAL FY 18-19	PROPOSED	APPROVED	ADOPTED
URD FUND RESOURCES							
<i>WORKING CAPITAL</i>							
NET WORKING CAPITAL - JULY 1	292,986	303,383	389,487	404,187	567,170		
TOTAL WORKING CAPITAL	292,986	303,383	389,487	404,187	567,170		
<i>TAX RESOURCES</i>							
CURRENT YEAR TAXES	258,036	285,582	289,015	311,300	320,640		
PRIOR YEARS TAXES	5,972	6,312	6,000	11,160	6,000		
TOTAL TAX RESOURCES	264,008	291,894	295,015	322,460	326,640		
<i>LOAN RESOURCES</i>							
LOAN/BOND PROCEEDS	-	-	-	-	-		
INCENTIVE LOAN REPAYMENT	-	-	-	-	-		
TOTAL LOAN RESOURCES	0	0	0	0	0		
<i>OTHER RESOURCES</i>							
INTEREST ON INVESTED FUNDS	6,332	11,426	10,000	18,410	15,000		
TRANSFER IN FROM SDC FUNDS	-	-	-	-	-		
MISCELLANEOUS REVENUE	-	5,000	-	-	-		
TOTAL OTHER RESOURCES	6,332	16,426	10,000	18,410	15,000		
TOTAL URD FUND RESOURCES	563,325	611,703	694,502	745,057	908,810		
<i>PERSONNEL SERVICES</i>							
SALARIES AND WAGES	-	-	-	-	-		
STANDBY & OVERTIME	-	-	-	-	-		
FRINGE BENEFITS	-	-	-	-	-		
TOTAL PERSONNEL SERVICES	0	0	0	0	0		
<i>MATERIALS & SERVICES</i>							
PROFESSIONAL SERVICES	154	3,540	3,540	3,540	3,540		
DUES & PUBLICATIONS	564	470	500	500	500		
MISCELLANEOUS	2,657	38	5,000	925	5,000		
FACADE GRANTS	14,216	4,875	30,000	10,000	30,000		
URBAN RENEWAL INCENTIVE	-	-	-	-	-		
TOTAL MATERIALS & SERVICES	17,591	8,924	39,040	14,965	39,040		
<i>CAPITAL EXPENDITURES</i>							
PARK IMPROVEMENTS	-	-	-	-	-		
DOWNTOWN STREETScape	-	-	-	-	-		
MAIN ST PARK AMPHITHEATER	106,935	-	-	-	-		
MISCELLANEOUS PROJECTS	5,528	117,218	300,000	91,250	300,000		
TOTAL CAPITAL EXPENDITURES	112,463	117,218	300,000	91,250	300,000		
DEBT PRINCIPAL (AMPHITHEATER)	-	-	-	-	49,135		
DEBT INTEREST (AMPHITHEATER)	-	-	-	-	7,537		
TOTAL DEBT SERVICE	0	0	0	0	56,672		
<i>TRANSFERS</i>							
TRANSFER TO URD DEBT SVC FUND	114,890	66,374	56,672	56,672	-		
TRANSFER TO STREET FUND	-	-	-	-	-		
TRANSFER OUT - SDC FUNDS	-	-	-	-	-		
TRANSFER - GEN FUND MGMT SUPP	15,000	15,000	15,000	15,000	15,000		
TOTAL TRANSFERS	129,890	81,374	71,672	71,672	15,000		
<i>OTHER EXPENDITURES</i>							
OPERATING CONTINGENCIES	-	-	278,790	-	248,098		
RESERVE - FUTURE EXPENDITURES	-	-	5,000	-	250,000		
TOTAL OTHER EXPENDITURES	0	0	283,790	0	498,098		
TOTAL URD FUND EXPENDITURES	259,943	207,515	694,502	177,887	908,810		

URBAN RENEWAL DISTRICT
DEBT SERVICE FUND

MISSION STATEMENT/PROFILE

The Debt Service Fund was originally established to account for the collection of revenues and expenditures related to the Monmouth Urban Renewal Agency Urban Renewal District (URD) debt. As debt obligations became due, funds were transferred from the Urban Renewal Fund to meet those obligations. Since a separate fund for debt service is only required when tracking General Obligation or Pension Obligation bond issuance and repayment, it is proposed to close out this separate fund and thereby reduce the complexity of the URD financial management and budgeting. Historical financials will continue to be presented for this Fund until there is no activity in the four years presented for State Budget Law purposes. As such, the debt service payments for FY 19-20 are found now in the Urban Renewal Fund on the previous pages.

In 2012, the URD borrowed \$270,000 from the City of Monmouth’s Power & Light Fund in order to provide funding for the completion of the Downtown Main Street Improvement project. This loan was fully repaid in FY 17-18.

In 2015, the URD borrowed \$500,000 from the City of Monmouth’s Power & Light Fund in order to provide funding for the construction of the Main St. Park Amphitheater. The loan is serviced through this fund until maturity in early FY 25-26 and carries an interest rate of 2.54%. The unpaid principal at July 1, 2019 is \$319,123.

RESOURCES 78 URD DEBT SERVICE URD DEBT SVC RESOURCES ACCOUNT TITLE	HISTORICAL				----- FY 19-20 -----		
	ACTUAL PRECEDING FY 16-17	ACTUAL PRECEDING FY 17-18	ADOPTED BUDGET FY 18-19	ESTIMATED ACTUAL FY 18-19	PROPOSED	APPROVED	ADOPTED
<i>NET WORKING CAPITAL - JULY 1</i>	0	0	0	0	0		
<i>TRANSFER FROM URD FUND</i>	114,890	66,374	56,672	56,672	0		
<i>INTEREST ON INVESTED FUNDS</i>	0	0	0	0	0		
<i>TOTAL DEBT SVC FUND RESOURCES</i>	114,890	66,374	56,672	56,672	0		
<i>DEBT SERVICE</i>							
DEBT PRINCIPAL (STREETSCAPE)	56,998	9,667	-	-	-		
DEBT PRINCIPAL (AMPHITHEATER)	45,534	46,704	47,904	47,904	-		
DEBT INTEREST (STREETSCAPE)	1,220	36	-	-	-		
DEBT INTEREST (AMPHITHEATER)	11,138	9,967	8,768	8,768	-		
CLEARING HOUSE EXPENSE	-	-	-	-	-		
<i>TOTAL DEBT SVC EXPENDITURES</i>	<i>114,890</i>	<i>66,374</i>	<i>56,672</i>	<i>56,672</i>	<i>0</i>		
<i>TOTAL DEBT SVC FUND EXPEND</i>	114,890	66,374	56,672	56,672	0		