



Carlton Urban Renewal

Adopted Budget FY20



Budget Committee Members

Mayor and Council

Member

Brian Rake	Mayor
Shirley Ward-Mullen	Council President
Carey Rhoads	Councilor
Amy Wilder	Councilor
Scott Carl	Councilor
Linda Watkins	Councilor
Kathy Rich	Councilor

Budget Committee Citizens

Member

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Sandy Schultz	Member
Joe Moore	Member
Sara Meyer	Member
Randy Stapilus	Member
David Sam Hill	Member
David Wejroch	Member

Staff

Dennis Durham	City Manager
Christy Martinez	Director of Administrative Services
Kevin Martinez	Chief of Police
Bryan Burnham	Director of Public Works



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May 13, 2019

Members of the Urban Renewal Budget Committee,

Please find attached the City of Carlton Urban Renewal proposed budget for Fiscal Year 2020. The purpose of the budget message is to summarize the next fiscal year's budget proposal and to advise the Carlton Urban Renewal Agency (CURA) and Budget Committee of the District's state of fiscal affairs. The budget document is important for a number of reasons, but primarily because it serves as the financial plan to fund the CURA's priorities.

The Carlton City Council passed Ordinance #680 on June 8, 2009, establishing the Carlton Urban Renewal Agency. The Agency is a separate legal entity, with the City Council serving as the Urban Renewal Agency Board of Directors. The City Council appointed the members of the City of Carlton Budget Committee as the CURA Budget Committee. The City Manager and Director of Administrative Services serve as the staff administrators for the Carlton Urban Renewal Program.

This FY20 budget reflects the 11th year the Agency will receive property tax revenue from the district. The revenue is derived from increasing property value or new construction within the district. In 2009, the Yamhill County Assessor set the value of the frozen tax base of the district at \$18,785,600. Currently, the total assessed value of the district is \$27,529,768, which represents an \$8,744,168 increase in increment value since 2009 and \$704,221 over the prior year.

The FY20 budget anticipates an 8% increase in assessed value, which will generate approximately \$127,031 in tax increment revenue for the FY20 budget year. This estimate includes the assumption that 6% of total property taxes levied will not be collected.

The Urban Renewal District was created as a financial tool to address the lack of funding available to support Carlton's aging downtown commercial business district. During the past five years, the CURA financially contributed to downtown projects including the new water transmission line, Monroe Street upgrade, the pool house replacement project, and a few other smaller projects. During the next five years, the CURA will continue to invest in the UR district including the Main Street water and sewer projects, undergrounding overhead utilities on Main Street, bicycle and pedestrian improvements, and other public improvements.

As is typical with new urban renewal programs, the District's first five years of revenue growth was slow. Increases in assessed valuations above the frozen base are typically small in the short-term and increase during the second five-year period. The acceleration began to change during FY16 and will continue through FY20.

THE FY20 PROPOSED BUDGET

The FY20 budget will continue to focus on completing the five-year work plan and related funding categories for designated programs such as imminent capital projects, façade improvements, small business development, and property acquisition. The proposed budget includes:

Wastewater System Improvements - Main Street - Related to the ODOT reconstruction of Main Street, this project will replace sanitary sewer facilities within the ODOT project area. The CURA, Capital Improvement Fund (CIF)-Sewer, Sewer System Development Charges (SDCs), and the Sewer Fund are all eligible to finance the \$950,000 project cost. Project design will begin in FY20 with construction anticipated in FY21 (CIF Project 3001).

ODOT Yamhill & Pine Clay Pipe Replacement

ODOT is considering a pavement preservation project of Highway 47 within the city limits of Carlton. The project has been scoped but not yet approved through ODOT. Upon approval, there are several clay sanitary sewer pipes in Highway 47 that will need to be replaced. Replacing clay pipes in the sanitary sewer collection system will decrease inflow/infiltration into the sanitary system and prevent sinkholes and pipe collapse (CIF Project 3002).

Pedestrian Improvements

The City's pedestrian facilities throughout town are dilapidated or missing causing safety concerns, stormwater management issues, and a general negative appearance. Designated a top priority by the City Council, the City has developed a policy and action plan to upgrade City pedestrian facilities in town. Although the City is targeting grant applications for improvements identified in the 2009 Transportation System Plan, many local sidewalks have deteriorated to the point of being impassible (CIF Project 4001).

Underground Overhead Utilities on Main Street - Related to the ODOT reconstruction of Main Street, this project will remove, relocate, and underground overhead utilities on Main Street between Pine and Yamhill Streets. It is undecided whether this project will be funded by the City or utility providers (through cost reimbursement provisions of state law).

Meadow Lake Transmission Line (MLTL) IFA Loan Repayment - FY19 marked the first year of debt service for principal and interest on the MLTL Transmission Line Project IFA loan. Debt service payments will continue in FY20.

Dennis Durham, City Manager
Christy Martinez, Budget Officer

Urban Renewal Revenue and Requirements

Resources	Actual	Actual	Adopted	Estimate	Proposed	Approved	Adopted
	2016-17	2017-18	2019-20	2018-19	2019-20	2019-20	2019-20
Beginning Fund Balance	40,321	90,924	165,042	172,758	126,366	126,366	126,366
Total Revenues	106,111	122,531	129,500	132,878	132,431	132,431	132,431
Total Resources	\$146,432	\$213,455	\$294,542	\$305,636	\$258,797	\$258,797	\$258,797
Requirements							
Material and Services	4,554	3,915	9,500	4,270	7,500	7,500	7,500
Capital Outlay	50,954	36,782	204,452	175,000	186,297	186,297	186,297
Transfers	0	0	15,590	0	0	0	0
Debt Service	0	0	65,000	0	65,000	65,000	65,000
Contingency	0	0	0	0	0	0	0
Total Requirements	\$55,508	\$40,697	\$294,542	\$179,270	\$258,797	\$258,797	\$258,797
Over/Under (+/-)	90,924	172,758	0	126,366	0	0	0
Ending Fund Balance	\$90,924	\$172,758	\$0	\$126,366	\$0	\$0	\$0

Carlton Urban Renewal Area

Legend

- City Limits
- Taxlots_2008
- Urban Renewal Area Boundary
- Urban Renewal Area Boundary
- Taxlots

