

Carlton Urban Renewal Agency Adopted Budget FY 2018-2019





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Budget Committee Members

Mayor and Council Members

Mayor



Kathie Oriet

Council Members



Scott Carl
Council President



Scott Chitwood



Gwen Jernstedt



Shirley Ward-Mullen



Carey Rhoads



Amy Wilder

Budget Committee Citizen Members

Member

Joe Moore
Sandy Schultz
Dean Catherman
Sara Meyer
Randy Stapilus
David Sam Hill
Pat Swanick

Term

1/1/16 – 12/31/2018
1/1/16 – 12/31/2018
1/1/17 – 12/31/2019
1/1/17 – 12/31/2019
1/1/17 – 12/31/2019
1/1/18 – 12/31/2020
1/1/18 – 12/31/2020

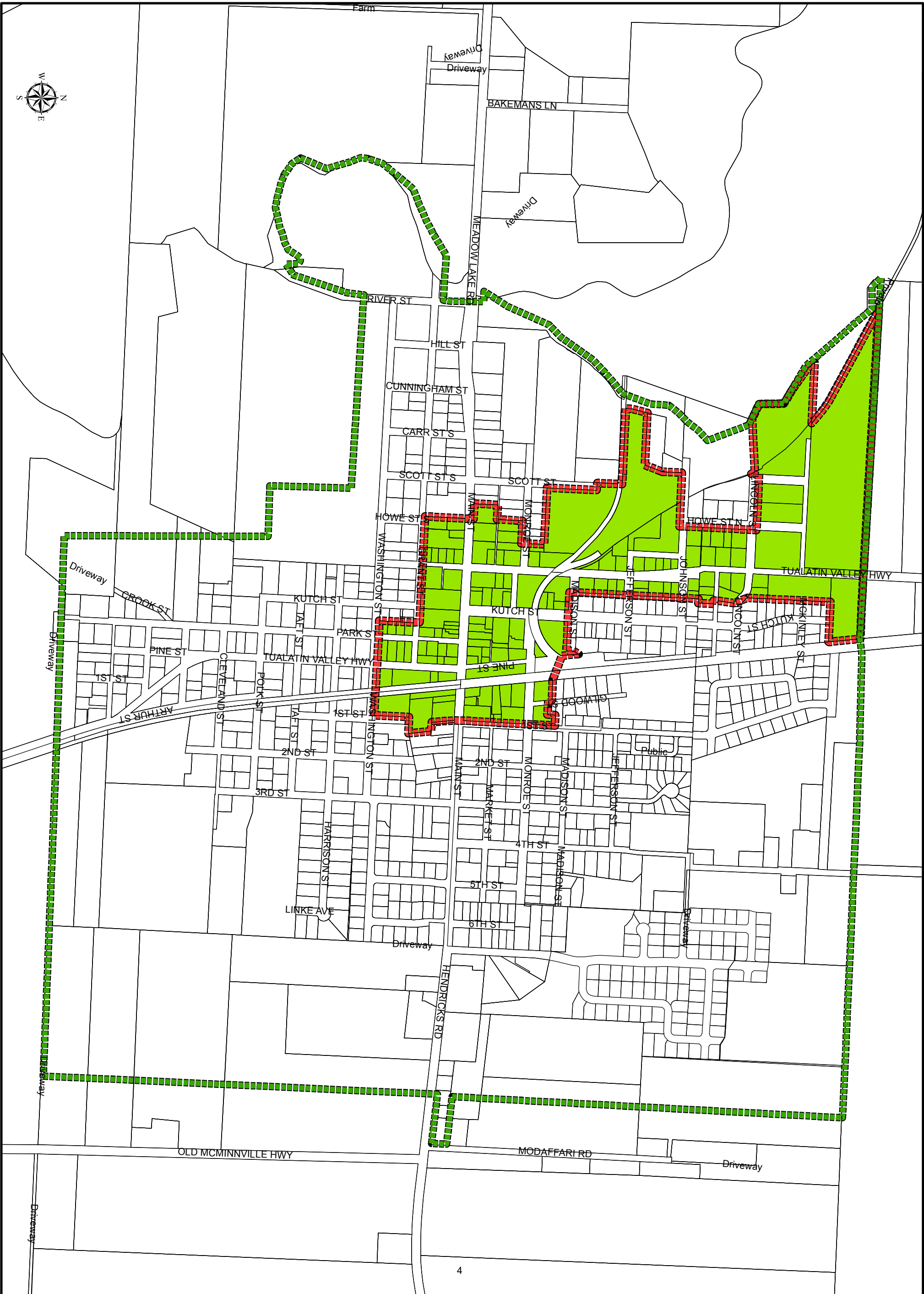
Staff

Chad Olsen	City Manager
Christy Martinez	Finance Director
Kevin Martinez	Chief of Police
Bryan Burnham	Director of Public Works
Jennifer Nelson	City Recorder

Carlton Urban Renewal Area

Legend

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





To: The Members of the Urban Renewal Budget Committee
From: Christy Martinez, Finance Director/Budget Officer
Chad Olsen, City Manager
Subject: Budget Message, FY19 Approved Budget
Date: June 5, 2018

Please find attached the City of Carlton Urban Renewal proposed budget for Fiscal Year 2019. 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 Finance Director serve as the staff administrators for the Carlton Urban Renewal Program.

This FY19 budget reflects the 10th 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 \$26,825,547, which represents an \$8,039,947 increase in increment value since 2009 and \$1,197,834 over the prior year.

The FY19 budget anticipates a 17% increase in assessed value, which will generate approximately \$124,600 in tax increment revenue for the FY19 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 FY19.

The FY19 Proposed Budget

The FY19 budget will continue to focus on completing the 5-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:

- **Highway 47 Bicycle/Pedestrian Improvements: 2018 – 2021 Statewide Transportation Improvement Program (STIP) Key: 18746** - Construct improved intersection alignment, pedestrian crossing, sidewalks and bike lanes from Main Street to West Lincoln Street and possibly south to Grant Street and east to Pine Street, depending on project funding. The project includes a crosswalk at Monroe Street and turning radius improvements at the northwest corner of Main and Yamhill Streets.

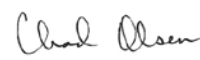
The total project cost is \$2.229m. The Oregon Department of Transportation (ODOT) will fund this through a Transportation Enhancement (TE) grant with a \$115,000 match from the City. Early project phases include design, right-of-way, and permitting beginning in FY19 with construction scheduled in FY21. CURA will contribute \$75,000 to the project cost, and the balance will be provided by Transportation SDCs.

- **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 will finance the \$950,000 project cost. Project design will begin in FY19 with construction anticipated in 2020-21. The CURA will contribute \$400,000, and the Sewer Fund \$300,000 towards this project through an Infrastructure Finance Authority (IFA) loan. Sewer SDCs (\$190,000) and the CIF (\$60,000) will finance the balance of the project.
- **Water Improvements – Main Street** - Related to the ODOT reconstruction of Main Street, this project will replace and repair water facilities within the ODOT project area. Project design and construction is scheduled between 2019 and 2020. The project is anticipated to cost \$100,000. The CURA contribution to the project is \$50,000, and Water SDCs will fund the balance. The use of Water SDCs will require the Water Master Plan – Capital Improvement Plan (CIP) to be updated to include the Main Street water project.
- **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. The placeholder project cost estimate is \$300,000 with engineering and design scheduled to begin in FY19. This project is a 100% CURA funded.
- **Meadow Lake Transmission Line (MLTL) IFA Loan Repayment** - FY19 marks the first year of debt service for principal and interest on the MLTL Transmission Line Project IFA loan. The CURA committed the first \$1m toward this project and FY19 begins the loan’s repayment.
- **Transfer to Capital Improvement Fund (CIF)** – The CIF has an outstanding \$15,590 balance for street improvements related to the Monroe Street Improvement Project. The CURA will transfer this amount to the CIF to resolve the balance.

For comments, questions, or concerns, please feel free to contact Christy Martinez, Finance Director/Budget Officer at;

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 Carlton, OR 97111
cmartinez@ci.carlton.or.us
 503-852-7575

Christy Martinez
 Christy Martinez
 Finance Director/Budget Officer


 Chad Olsen
 City Manager

Urban Renewal Agency Valuation Information

	Actual FY14	Actual FY15	Actual FY16	Actual FY17	Estimate FY18
New Value	\$22,396,073	\$23,231,952	\$25,217,325	\$25,627,713	\$26,825,547
Certified frozen base value of District	\$18,785,600	\$18,785,600	\$18,785,600	\$18,785,600	\$18,785,600
Appreciation from Frozen Base Value (Excess Assessed Value)	\$3,610,473	\$4,446,352	\$6,431,725	\$6,842,113	\$8,039,947
Consolidated Billing Rate per \$1,000 Value	0.4094	0.4852	0.6627	0.7133	0.7738

Urban Renewal Fund Revenue

		Actual	Actual	Adopted	Estimate	Proposed	Approved	Adopted
	Resources	2015-16	2016-17	2017-18	2017-18	2018-19	2018-19	2018-19
070-000-300000	Beginning Fund Balance	213,599	40,321	82,144	90,924	165,042	165,042	165,042
	Revenues							
070-000-400400	Interest	1,342	1,760	1,600	2,500	2,500	2,500	2,500
070-000-999991	Prior Years Tax	1,808	2,275	1,500	2,400	2,400	2,400	2,400
070-000-999999	Current Taxes	86,807	102,076	106,300	116,000	124,600	124,600	124,600
	Total Revenues	\$89,957	\$106,111	\$109,400	\$120,900	\$129,500	\$129,500	\$129,500
	Total Resources	\$303,556	\$146,432	\$191,544	\$211,824	\$294,542	\$294,542	\$294,542

Urban Renewal Fund Requirements

	Materials and Services							
070-700-600800	Materials and Supplies	2,860	972	3,500	3,000	3,500	3,500	3,500
070-700-608600	Professional Services	1,831	3,582	4,000	4,000	6,000	6,000	6,000
	Total Material and Services	\$4,691	\$4,554	\$7,500	\$7,000	\$9,500	\$9,500	\$9,500

	Capital Outlay							
070-700-620700	Projects							
	Project Forecasting	0	5,509	0	3,000	0	0	0
	Skate Park	0	0	124,800	0	0	0	0
	E Washington	7,887	0	0	0	0	0	0
	E Main	0	4,720	0	0	0	0	0
	Regional Solutions	0	881	0	0	0	0	0
	Monroe St	132,979	504	0	0	0	0	0
	ODOT Hwy 47 (B/P) Project	0	0	0	0	17,500	17,500	17,500
	Pool	117,500	39,340	0	36,782	0	0	0
	Sewer Improvements-Main St.	0	0	0	0	46,952	46,952	46,952
	Water Improvements-Main St.					50,000	50,000	50,000
	Underground OH Util. Main St.	0	0	0	0	90,000	90,000	90,000
	Total Capital Outlay	\$258,366	\$50,954	\$124,800	\$39,782	\$204,452	\$204,452	\$204,452

	Transfers							
	CIF-Transportation Monroe	\$0	\$0	\$0	\$0	\$15,590	\$15,590	\$15,590
	Total Transfers	\$0	\$0	\$0	\$0	\$15,590	\$15,590	\$15,590

	Debt Service							
	Meadowlake Transmission	\$0	\$0	\$59,244	\$0	\$65,000	\$65,000	\$65,000
	Total Debt Service	\$0	\$0	\$59,244	\$0	\$65,000	\$65,000	\$65,000

	Contingency							
070-700-640000	Operating Contingency	0	0	0	0	0	0	0
	Total Contingency	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Urban Renewal Fund Revenues and Requirements

Resources	Actual 2015-16	Actual 2016-17	Proposed 2017-18	Estimate 2017-18	Proposed 2018-19	Approved 2018-19	Adopted 2018-19
Beginning Fund Balance	213,599	40,321	82,144	90,924	165,042	165,042	165,042
Total Revenues	89,957	106,111	109,400	120,900	129,500	129,500	129,500
Total Resources	\$303,556	\$146,432	\$191,544	\$211,824	\$294,542	\$294,542	\$294,542
Requirements							
Material and Services	4,691	4,554	7,500	7,000	9,500	9,500	9,500
Capital Outlay	258,366	50,954	124,800	39,782	204,452	204,452	204,452
Transfers	0	0	0	0	15,590	15,590	15,590
Debt Service	0	0	59,244	0	65,000	65,000	65,000
Cont./Unapprop.	0	0	0	0	0	0	0
Total Requirements	\$263,057	\$55,508	\$191,544	\$46,782	\$294,542	\$294,542	\$294,542
Over/Under (+/-)	40,499	90,924	0	165,042	0	0	0
Ending Fund Balance	\$40,499	\$90,924	\$0	\$165,042	\$0	\$0	\$0

