



City of Carlton



Photo courtesy of Jeff Lorton

Urban Renewal Agency Fiscal Year 2016-17 Annual Budget



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Table of Contents

Table of Contents	1
Budget Committee	3
District Map	4
Budget Message	5 - 6
UR Valuation Information	6
Urban Renewal Revenue and Expenditure Detail	7 - 8



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Budget Committee Members

Mayor and Council Members

Mayor



Kathie Oriet

Council Members



Brian Rake
Council President



Scott Carl



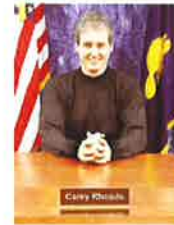
Scott Chitwood



Gwen Jernstedt



Shirley Ward-Mullen



Carey Rhoads

Budget Committee Citizen Members

<u>Member</u>	<u>Appointed</u>	<u>Expires</u>
Dean Catherman	1/1/14	12-31-16
Andy Eldien	1/1/15	12-31-17
Lauri Lewis	1/1/15	12-31-17
Sandi Schultz	1/1/16	12-31-18
Randy Stapilus	1/1/14	12-31-16
Joe Moore	1/1/16	12-31-18
Sara Meyer	1/1/14	12-31-16

Staff

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



To: The Members of the Urban Renewal Budget Committee
From: Chad Olsen, City Manager/Budget Officer
Subject: Budget Message, FY17 Proposed Budget
Date: May 8, 2016

Please find attached the City of Carlton Urban Renewal proposed budget for Fiscal Year 2017. The purpose of the budget message is a summary of 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 for, and administer, the Carlton Urban Renewal Program.

This FY17 budget reflects the 8th 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 \$25,217,325, which represents a \$6,431,725 increase in increment value since 2009 and \$1,985,383 over the prior year.

The FY17 budget anticipates an 8.5% increase in assessed value, which will generate approximately \$104,500 in tax increment revenue for the FY17 budget year. This estimate includes the assumption that 7% of total property taxes levied will not be collected.

The Urban Renewal District was created as a financial tool to address the financial challenges of Carlton's aging downtown commercial business district. The City must address infrastructure problems including a new water transmission line to bring water pressure up to safe fire flow levels, street upgrades, new sidewalks and other public improvements.

As is typical with new UR programs, the District's first five years of revenue growth has been slow. Increases in assessed valuations above the frozen base are typically small in the short-term and increase during the second five year period. This has begun to change during FY16 and will continue to accelerate.



The FY17 Proposed Budget

The FY17 budget will continue 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 completes its contribution to the Pool Development, contributes to the E. Main Street Pedestrian Design Project and reserves \$92,480 for potential projects currently undesignated. If the MLTL IFA loan begins payment then some of these funds will be moved to the debt service category for principal and interest payment.

The Agency contributed a significant portion of its cash reserves in FY16 for the Monroe Street Improvement Project (\$131,138), Upper Wennerberg Park Pool Project (\$150,000 although \$32,500 is anticipate to be paid out in FY17), and its share of the E. Washington paving and stormwater project (\$7,887). The Agency also committed \$1m of its maximum indebtedness to the MLTL Project.

For comments, questions, or concerns, please feel free to contact Chad Olsen, City Manager/Budget Officer at;

191 E. Main Street
 Carlton, OR 97111
chad@ci.carlton.or.us
 503-852-7575

Chad Olsen
 City Manager/Budget Officer

Urban Renewal Agency Valuation Information

	Actual FY12	Actual FY13	Actual FY14	Actual FY15	Actual FY16	Estimate FY17
New Value	\$21,369,523	\$21,860,793	\$22,396,073	\$23,231,952	\$25,217,325	
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)	\$2,583,923	\$3,075,193	\$3,610,473	\$4,446,352	\$6,431,725	
Consolidated Billing Rate per \$1,000 Value	0.3141	0.3580	0.4094	0.4852	0.6627	

Urban Renewal Fund Revenues and Requirements

Resources	Actual 2012-13	Actual 2013-14	Actual 2014-15	Adopted 2015-16	Estimate 2015-16	Proposed 2016-17	Approved 2016-17	Adopted 2016-17
Beginning Fund Balance	64,533	105,387	154,233	212,466	213,599	32,579	32,579	32,579
Total Revenues	42,258	50,530	62,012	64,000	86,825	107,056	107,056	107,056
Total Resources	\$106,791	\$155,917	\$216,245	\$276,466	\$300,424	\$139,635	\$139,635	\$139,635
Requirements								
Personal Services								
Material and Services	1,404	1,684	2,646	17,500	11,320	6,000	6,000	6,000
Capital Outlay			0	258,966	256,525	133,635	133,635	133,635
Transfers								
Debt Service								
Cont./Unapprop.			0					
Total Requirements	\$1,404	\$1,684	\$2,646	\$276,466	\$267,845	\$139,635	\$139,635	\$139,635
Over/Under (+/-)	105,387	154,233	213,599	0	32,579	0	0	0
Ending Fund Balance	\$105,387	\$154,233	\$213,599	\$0	\$32,579	\$0	\$0	\$0