

ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2020

FY 2020-2021

Albany Revitalization Agency

This report fulfills the requirements, prescribed in ORS.457.460, for the filing of an annual report detailing the financial activity of an urban renewal area established in Oregon.



Annual Report for Fiscal Year Ending June 30, 2020

ALBANY REVITALIZATION AGENCY

URBAN RENEWAL AREA BACKGROUND

The City of Albany created the Central Albany Revitalization Area (CARA) in 2001. The purpose of the CARA was to assist in implementing the recommendations and projects in the Town Center Plan that had been approved six years earlier in 1995. The Town Center Plan was based on the recommendations of a community-based Central Albany Land Use and Transportation Study (CALUTS) and focused on strategies to "reenergize the Central Albany area by respecting existing historic fabric, taking advantage of the several unique water features found in Central Albany, improving the pedestrian environment along key connections to and within commercial areas, and providing a mix of housing opportunities."¹

The Goals and Objectives of the CARA are:

CARA Goal & Objectives: The purpose of this CARA Plan is to eliminate blighting influences found in the CARA, to implement goals and objectives of the City of Albany Comprehensive Plan, and to implement development strategies and objectives for the CARA. The goal and objectives for the CARA have been defined as follows:

CARA Goal: To revitalize the Central Albany Revitalization Area by implementing the Town Center Plan developed through the Central Albany Land Use & Transportation Study (CALUTS) using a citizen-driven process.

CARA Key Objectives:

- Attract new private investment to the area.
- Retain and enhance the value of existing private investment and public investment in the area.

CARA Additional Objectives:

- Provide a safe and convenient transportation network that encourages pedestrian & bicycle access to and within the town center.
- Preserve the Historic Districts, historic resources, and existing housing in the area.
- Create a readily identifiable core that is unique and vibrant with a mixture of entertainment, housing, specialty shops, offices, and other commercial uses.
- Increase residential density in the area.

¹ Urban Renewal Plan for the Central Albany Revitalization Area (CARA), page 1.

- Encourage the development of new forms of housing and home ownership.
- Enhance and protect the community and environmental values of waterway corridors in the area.
- Provide an enriching environment and livable neighborhoods.

A full copy of both the Central Albany Urban Renewal Plan and Report are available by contacting Seth Sherry, Economic Development Manager, via email at Seth.Sherry@cityofalbany.net.

The maximum indebtedness established in 2001 for the Albany Urban Renewal Plan is \$56,000,000. The maximum indebtedness is the total amount of funds that can be spent on projects, programs, and administration in the urban renewal area over the life of the urban renewal plan.

The remaining maximum indebtedness of the urban renewal area at the end of FYE 2020 is \$21,482,666.

FINANCIAL REPORTING

Pursuant to ORS 457.460, a detailed accounting of the financial activity related to urban renewal areas is required to be reported on an annual basis. The following financial information responds to the requirements of this statute.

Money Received

In FY 2019-2020, the Albany Revitalization Agency received \$3,838,047 from division of taxes.² The detailed earnings of the Albany Revitalization Agency can be seen in Table 1.

Table 1. Money Received During FY 2019-2020

Receipt Category	2019-2020 Amount
Division of Taxes	\$3,838,047
Miscellaneous Revenue	\$29,673
Unrestricted Investment Earnings	\$293,317
TOTAL:	\$4,161,037

Source: Albany Revitalization Agency Annual Financial Report for the Fiscal Year Ended June 30, 2020 pg. 15

Money Expended

Revenue received through urban renewal and spent on urban renewal activities is shown in Table

2. Table 2. Expenditures During FY 2019-2020

Expenditure Category	2019-2020 Amount
General Government	\$374,670
Assets Acquired	\$659,596
Interest Expense	\$253,926
TOTAL:	\$1,288,192

Source: Albany Revitalization Agency Annual Financial Report for the Fiscal Year Ended June 30, 2020 pg. 15

Estimated Revenues

The estimated tax revenues from the FY 2019-2021 adopted Albany Revitalization Agency budget are \$7,450,000.³

² Albany Revitalization Agency Annual Financial Report for the Fiscal Year Ended June 30, 2020, pg. 15 ³ Albany Revitalization Agency Biennium 2019-2021 Adopted Budget, pg. 5

Adopted Budget for Current Fiscal Year, FY 2019-2021

A compiled budget listing the money to be received due to urban renewal, money to be spent, and what projects/expenses the money will fund is shown in Table 3 below.

Table 3. Budget FY 2019-2021 Urban Renewal Fund

Budget Category (Expenditures)	2019-2020 Amount	2020-2021 Amount	Total
Materials and Services*	\$ 4,876,200	\$ 4,883,700	\$ 6,023,400
Capital*	\$ 3,000,000	\$ 4,342,700	\$ 4,342,700
Transfers Out	\$ 247,700	\$ 263,700	\$ 511,400
Debt Service	\$ 2,394,400	\$ 2,394,000	\$ 3,538,400
TOTAL:	\$10,518,300	\$11,884,100	\$ 14,415,900

*Note that these categories include several million dollars in reserve accounts.

Budget Category (Revenues)	2019-2021 Amount	2020-2021 Amount	Total
Division of Taxes	\$3,650,000	\$3,800,000	\$7,450,000
Loan Repayment-Principle	\$68,700	\$68,700	\$137,400
Loan Repayment- Interest	\$3,400	\$2,700	\$6,100
Interest	\$25,000	\$25,000	\$50,000
Beginning Balance	\$6,770,000	\$7,986,500	\$6,770,000
Settlement Proceeds	\$1,200	\$1,200	\$2,400
TOTAL:	\$10,518,300	\$11,884,100	\$ 14,415,900

Source: Albany Revitalization Agency Biennium 2019-2021 Adopted Budget, pg. 5

Impact on Taxing Districts

The revenues foregone by local taxing districts due to urban renewal are shown in Table 4. This information is from Linn and Benton County Assessor records, Table 4a and 4e and is after losses of \$5,282.21 to compression.

Urban renewal agencies do not create an additional tax. Instead, during the Agency's lifespan, overlapping taxing districts "forego" a portion of their permanent rate. Once the urban renewal area is terminated, the taxing jurisdictions receive the full permanent rate of taxes. The School District and Education Service District are funded through the State School Fund on a per pupil allocation. There is no *direct* impact of urban renewal on their funding. The State School Fund is funded through property tax allocations, but also through other state resources.

Table 4. Impact on Taxing Districts FY 2019-2020

Taxing Jurisdiction	Impact	Percent of Total Permanent Rate Levy
Linn County Taxing Districts		
Linn County	\$303,494.53	2.3%
Linn Benton ESD	\$72,656.63	0.9%
Linn Benton Community College	\$119,601.05	1.3%
Greater Albany Public School	\$1,092,708.98	3.9%
City of Albany	\$1,524,716.85	5.5%
4H Extension District	\$16,680.77	2.3%

Source: FY 2019-2020 Sal 4a and 4e from Linn and Benton County Assessor