

MAY 26, 2020
BUDGET COMMITTEE OF THE CITY OF SCAPPOOSE URBAN RENEWAL
AGENCY

COUNCIL CHAMBERS

Call to Order

Mayor Burge called the Budget Committee of the City of Scappoose Urban Renewal Agency meeting to order.

Roll Call

Budget Committee members

Present

Scott Burge
Michelle Brown
Josh Poling
Brandon Lesowske
Patrick Kessi
Pete McHugh

Remote

Teresa Keller
Rita Bernhard
Sandie Wiggs
Ty Bailey
Chris Vitron
Annette Pixley
Megan Greisen
Joel Haugen

Staff

Present

City Manager Michael Sykes
Assistant City Manager Alexandra Rains
Police Chief Norm Miller
Finance Administrator Jill Herr
City Recorder Susan Reeves
City Planner Laurie Oliver
Public Works Director Dave Sukau
Building Official Don VanDomelen
Treatment Plant Supervisor Darryl Sykes
Treatment Plant Supervisor Kevin Turner
Utility Supervisor Doug Nassimbene

Receive Budget Message

May 26, 2020

Dear Urban Renewal Agency Chair, Vice Chair and Agency Members:

It is my pleasure to submit the proposed 2020-2021 Budget for the Scappoose Urban Renewal District for your consideration. The District is newly established, having become effective in December of 2019, and this is the first Budget ever prepared.

City Staff's efforts to establish the District, at the direction of Scappoose City Council, began in earnest in 2018 with the hiring of ECONorthwest and Tiberius Solutions, LLC to complete an urban renewal feasibility study to evaluate the benefits and drawbacks of using urban renewal as a tool to invest in infrastructure and other needed community projects in the City's industrial areas and downtown commercial core. After review of the feasibility study by the City Council, a team of ECONorthwest, Tiberius Solutions, LLC and Elaine Howard Consulting, LLC was hired to complete the Scappoose Urban Renewal Plan and Report Accompanying the Plan (Report).

As part of the preparation of the Plan and Report, a Technical Advisory Committee (TAC) was formed to review the boundary, projects and financial components of the urban renewal plan and report. The TAC met three times and provided direct input into the preparation of the Plan and Report. The City Council was briefed and provided input in March and May of 2019 and again when the formation of the Agency came before them for action in June of 2019.

An urban renewal survey was posted to the City website and copies were distributed with City utility bills in the early months of 2019. The survey solicited feedback on community goals for the downtown and industrial areas of the city, asked where the town center is or should be, and what improvements and investments could make the space more like a town center moving forward. Over 160 responses were received. The City's urban renewal consultant team asked similar questions and solicited feedback during their presentation and break out session at the City's Annual Town Meeting on March 2nd, 2019. They focused on educating the community on the basics of urban renewal and gathering feedback on goals and priorities. All information gathered during these two processes was then shared with the TAC and City Council in order to help inform their selection of projects for inclusion in the urban renewal plan.

During the same time period as the preparation of the Plan and Report, Zimmer Gunsul Frasca (ZGF) worked with staff and the community to prepare urban design concepts to be incorporated in future planning within the potential urban renewal area. These concepts were shared with the TAC and City Council.

Once the Plan and Report were complete, they were presented during a briefing to the Columbia County Commission on August 28, 2019 and reviewed by the Scappoose Planning Commission at their meeting on September 12, 2019, during which they recommended adoption by City Council. Following these meetings, City Staff observed the required noticing requirements and brought the Plan and Report before City Council for a first reading on October 21, 2019 and then for a final vote to approve on November 19, 2019 by a non-emergency Ordinance.

The Scappoose Urban Renewal Plan Area consists of approximately 475.8 acres (418.87 acres of land in parcels and 56.93 acres of public rights-of-way) and it is anticipated that the Plan will take 30 years of tax increment collections to implement. The Goals of the Plan, which represent its basic intents and purposes and are reflected in all of the projects identified for implementation, are as follows:

1. Goal 1. Improve Transportation, water, wastewater, and stormwater infrastructure to

support job growth

2. Promote the emergence of a vibrant town center as a civic and cultural hub for Scappoose that is connected to surrounding neighborhoods and employment areas
3. Encourage redevelopment and infill in the town center
4. Support the growth and retention of local businesses

Given the recent establishment of the District, the 2020-2021 Budget reflects that there are not yet enough funds to undertake the Water, Wastewater, Transportation and Business/Property Owner Incentives Projects identified in the Plan and Report. The District will incur some minor Administrative costs by engaging an Urban Renewal Consultant and an Auditor to review the District's Budget, however, most of the funds received will be placed in appropriate reserves to accumulate over the next several years until they can be used for specific projects.

In summary, the Scappoose Urban Renewal District was recently established following a very lengthy, public process and spending during the 2020-2021 Budget year will be confined to Administration while the funds necessary to complete future projects identified in the Plan and Report begin to accumulate. Although the District may be off to a gradual start, the long-term benefits of increased investment in the City's Water, Wastewater and Transportation infrastructure and the local Business Community, will be well worth the wait.

Respectfully submitted,
Michael Sykes
Budget Officer
City of Scappoose

*****end of Budget Message*****

Budget Deliberations

Urban Renewal Agency General Fund

Assistant City Manager Alexandra Rains explained the budget message covered the process that we went through. She explained Jill made sure to include in the budget for this year a considerable amount of information on the background and the plan itself just so the Budget Committee Members could familiarize themselves with it.

Assistant City Manager Alexandra Rains went over the Urban Renewal Agency General Fund. Purpose: The Urban Renewal General Fund consists of revenue collected from property taxes and interest income. Vision for the year: To ensure the Urban Renewal District operates efficiently and in accordance with applicable City, State, and Federal laws. Revenue: The Urban Renewal General Fund is the general operating fund of the Agency. It is used to account for all financial resources except those required to be accounted for in another fund. Principal sources of revenue are tax increment revenues. The Urban Renewal General Fund accounts for the resources of the whole Agency, which was established in 2019 and this will be the first year that it will receive Tax Increment Financing revenues. The budget is calculated using the formula outlined in Oregon Revised Statutes. Collections from the current year's tax increment revenues

for the Agency are projected to be 24,597. Columbia County collects all property taxes and distributes collections for the City's certified tax dollars back to the City. Interest income for the year is estimated at \$500. The City places the vast majority of its funds in the state local government investment pool. Total amount of revenue for the Urban Renewal Agency General Fund is projected to be \$25,097. Expenditures: Within the General Fund, the City expects to expend \$21,609. These expenditures are budgeted into the following departments: Administration \$16,609, and Transfers \$5,000 and Contingency \$3,488.

City Manager Sykes explained there is a high probability that we won't spend all the money that is budgeted in these line items.

Council President Kessi asked if Elaine Howard was on an hourly contract?

Assistant City Manager Alexandra Rains replied she is on a not to exceed contract of \$5,000 and she charges hourly up to that and there is probably not much of a chance that we are even going to spend the \$5,000 and that is for the whole year.

Councilor Haugen moved, and Council President Kessi seconded the motion to approve the 2020/2021 Urban Renewal Agency Budget. Motion passed (14-0). Scott Burge, aye; Ty Bailey, aye; Teresa Keller, aye; Michelle Brown, aye; Rita Bernhard, aye; Josh Poling, aye; Sandie Wiggs, aye; Brandon Lesowske, aye; Patrick Kessi, aye; Chris Vitron, aye; Pete McHugh, aye; Annette Pixley, aye; Megan Greisen, aye and Joel Haugen, aye.

Calendar Check ~ next meeting May 27 and May 28 (if needed)

No more meetings are needed.

Adjournment of Urban Renewal Agency Budget Committee meeting

Meeting adjourned at 7:10 p.m.


Chair Scott Burge

Attest:


City Recorder Susan M. Reeves, MMC