



SCAPPOOSE *Oregon*

MONDAY, JUNE 17, 2024, 6:30 PM
URBAN RENEWAL AGENCY MEETING AGENDA
COUNCIL CHAMBERS
33568 EAST COLUMBIA AVENUE
SCAPPOOSE, OREGON 97056

ITEM AGENDA TOPIC	Action
Call to Order	
Roll Call	
Approval of the Agenda	
Public Comment – Items not on the agenda Please sign a speaker request form and turn it in to the City Recorder along with any written testimony.	
<u>New Business</u>	
1. Election of Chair and Vice Chair	
2. Consideration of the Fiscal Year 2024-2025 Budget Resolution No. URA 2-2024: Hold a Public Hearing on the proposed Approval budget for the Fiscal Year 2024-2025, Making Appropriations, Imposing the Tax, and Categorizing the Tax. Finance Administrator Carol Almer	Public Hearing/Approval
3. Res No. URA 3-2024: A Resolution of the Scappoose Urban Renewal Agency dedicating \$500,000 per year for eight fiscal years starting in fiscal year 2026/2027 to repay a portion of the debt for the Wastewater Treatment improvements Public Works Director Dave Sukau	Approval
Adjournment	

This meeting will be conducted in an ADA accessible room. If special accommodations are needed, please contact City Recorder, Susan Reeves at (503) 543-7146, ext. 224 in advance.

TTY 1-503-378-5938

CITY OF SCAPPOOSE

Council Action & Status Report

Date Submitted: 6/11/2024

Agenda Date Requested: 6/17/2024

To: Mayor and City Council

From: Carol Almer, Finance Administrator

Subject: 2024-25 Budget approval with requested modifications

TYPE OF ACTION REQUESTED:

☐ Resolution

☐ Ordinance

☐ Formal Action

☒ Report Only

ISSUE: There were a number of changes requested for the budget document at the Budget Committee meeting in May. This report documents the changes made to the final budget document. Any changes to values made were done to match the Resources and Expenditures provided on the Fund/Department summary sheet.

ANALYSIS: The following changes were made to the budget document.

Page	Change description
	Corrected spelling of Marisa Jacobs name in Regular and URA budgets
17	Corrected spelling of personnel in budget message
39	City Wide Interest and working capital changes (charts also corrected) Corrected so charter match document,
43	Change COLA to 3% for FY 24-25
44/45	Corrected personnel totals to match department reports (ie page 54 but confirmed all others). That sheet had incorrect numbers on it.
51	Corrected Estimated total to \$4,513,706 on detail sheet. Values were not modified, just totaled incorrectly.
54	Corrected budget numbers at the top of the page for Administration budget.
54	Added separate line for Attorneys budget for 2024-25 57,600 plus 160,000 equals 217,600

Request for Council Action

58	Added separate line for Attorneys budget for 2024-25 54,000 plus 56,400 equals 110,400
63	Added separate line for Attorneys budget for 2024-25 12,000 plus 28,700 equals 40,700
66	Added separate line for Attorneys budget for 2024-25 106,272 plus 28,000 equals 134,272
69	Added separate line for Attorneys budget for 2024-25 67,300 plus 161,400 equals 228,700
82	Added separate line for Attorneys budget for 2024-25 7,000 plus 174,000 equals 181,000
86	Added separate line for Attorneys budget for 2024-25 12,000 plus 21,050 equals 33,050
93	Added separate line for Attorneys budget for 2024-25 12,000 plus 64,750 equals 76,750
99	Corrected total expenditures to 1,215,,700 to match p 98
104	Added note to Pool Fund that the funds will be transferred to Parks Reserve and fund will be eliminated. Got approval from auditor.
110	Added separate line for Attorneys budget for 2024-25 24,000 plus 236,850 equals 260,850
114	Removed decimals (truncated) from budget 23-24 debt numbers
117	Added separate line for Attorneys budget for 2024-25 24,000 plus 221,010 equals 245,010
URA Page 4	Budget message dollar change
URA Page 9	Added new map of Keys Reservoir property as an additional page.
	Renumbered pages after the map.

FISCAL IMPACT: No budget values were modified so there is no fiscal impact.

Request for Council Action

RESOLUTION NO. URA 2-2024

ADOPTING THE CITY OF SCAPPOOSE URBAN RENEWAL BUDGET, MAKING APPROPRIATIONS, DECLARING THE AD VALOREM TAX LEVY, AND CLASSIFYING THE LEVY AS PROVIDED BY ORS 310.060(2) FOR FISCAL YEAR 2024-2025

WHEREAS, the Budget Committee of the Urban Renewal District of the City of Scappoose, Oregon, has approved a proposed budget for the fiscal year commencing July 1, 2024; and

WHEREAS, at a meeting of the Scappoose Urban Renewal District held on June 17, 2024, a public hearing on said approved budget was duly held after the giving of notice thereof as provided by statutes, proof of which is on file in the Office of the City Recorder of the City;

ADOPTING THE BUDGET

BE IT RESOLVED that the Scappoose Urban Renewal District, following a Public Hearing on June 17, 2024, hereby adopts the budget for fiscal year 2024-2025 in the total of \$1,811,194 now on file at the office of the City Manager, City Hall, 33568 East Columbia Avenue, Scappoose OR 97056.

MAKING APPROPRIATIONS

BE IT RESOLVED that the amounts for the fiscal year beginning July 1, 2024 and for the purposes shown below are hereby appropriated:

Urban Renewal District General Fund

Administration	\$ 87,404
Business & property owner incentives	\$ 107,292
Water and Wastewater Improvements	\$1,500,000
Contingency	\$ 116,498
Total Appropriations	\$1,811,194

DECLARING TAX INCREMENT

BE IT RESOLVED that the Urban Renewal District of the City of Scappoose hereby resolves to certify to the County Assessor for the Scappoose Urban Renewal District Plan Area a request for the maximum amount of Revenue that may be raised by dividing the taxes under section 1c, Article IX, of the Oregon Constitution.

PASSED AND ADOPTED by the Scappoose City Council and signed by me, and the City Recorder, in authentication of its passage this ____ day of June, 2024.

CITY OF SCAPPOOSE, OREGON

Chair Joseph A. Backus

Attest:

City Recorder Susan M. Reeves, MMC



SCAPPOOSE

Oregon

Small Town, Big Community

DRAFT

Urban Renewal District

Fiscal Year 2024-2025

Annual Budget



CITY OF SCAPPOOSE
2024-2025 Annual Budget
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Budget Committee Members

<u>Member</u>	<u>Term Expires</u>
Mayor Joe Backus	December 2024
Director Tyler Miller	December 2024
Director Jeannet Santiago	December 2026
Director Kim Holmes	December 2026
Director Marisa Jacobs	December 2024
Director Ty Bailey	December 2024
Director Andrew Lafrenz	December 2026
Rita Bernhard	December 2024
Michelle Brown	December 2026
Teresa Keller	December 2024
Chris Vitron	December 2025
Sandie Wiggs	December 2025
Beth Rajski	December 2026
<u>Budget Officer</u>	
Larry Lehman	

Administered by:
City of Scappoose
33568 E Columbia Avenue
Scappoose OR 97056
www.scappoose.gov

2024-2025 Urban Renewal District Budget Message



May 13, 2024

I am pleased to serve as the Budget Officer for the Scappoose Urban Renewal budget.

The Urban Renewal budget includes 1.6 million towards the new 3-million-dollar Keys Reservoir project. This contribution to the reservoir projects saves the Scappoose residence from a 5 to 16 percent increase in water rates. It also contributes to the goal of the Urban Renewal to improve the infrastructure needed for future development. It is anticipated the District will contribute another \$500,000 to \$600,000 in next fiscal year budget to provide 21% of the cost of this project. The 21% is based on the percentage of land in the City boundary that is within the Urban Renewal District.

Funding the Keys Reservoir does not change the limit of total Urban Renewal funding from the maximum of \$37 million.

It continues the business incentives program to assist existing businesses to improve or expand their operation.

Sincerely,

A handwritten signature in blue ink, appearing to read "Larry Lehman", is written over a horizontal line.

Larry Lehman, Interim City Manager

Urban Renewal Agency Overview

I. INTRODUCTION

The Scappoose Urban Renewal Plan (“Plan”) was developed for the Scappoose City Council (“City Council”) with input from a Technical Advisory Committee (“TAC”) that was formed for this purpose. Pursuant to the Scappoose City Charter, this Plan went into effect upon adoption by the City Council in December 2019.

A. PLAN OVERVIEW

The City of Scappoose hired ECONorthwest and Tiberius Solutions, LLC in 2018 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 Plan and Report Accompanying the Scappoose Urban Renewal Plan (“Report”).

As part of the preparation of the Plan and Report, a 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 Scappoose Urban Renewal Agency (“Agency”) came before them for action in June of 2019.

An urban renewal survey was posted to the city website and received over 160 responses. A Town Hall was held in March 2019. This information was shared with both the TAC and the City Council.

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.

The Scappoose Urban Renewal Plan Area (“Plan Area”), shown in Figure 1, consists of approximately 475.8 total acres: 418.87 acres of land in parcels and 56.93 acres of public rights-of-way. It is anticipated that the Plan will take 30 years of tax increment collections to implement. The maximum amount of indebtedness (amount of TIF for projects and programs) that may be issued for the Plan is \$37,000,000.

Goals for this Plan are intended to guide TIF investment in the Plan Area over the life of the Plan. The project category descriptions and list of projects are intended to aid future decision makers when considering how best to expend funds generated by TIF. The Plan is to be administered by the Agency. Substantial amendments to the Plan must be approved by City Council as outlined in Section VII. All amendments to the Plan are to be listed numerically on the front page of the Plan and then incorporated into the Plan document and noted by footnote with an amendment number and adoption date.

The Plan contains the information required to meet the standards of ORS 457.085(2).

(2) An urban renewal plan proposed by an urban renewal agency shall include all of the following:

- (a) A description of each urban renewal project to be undertaken.
- (b) An outline for the development, redevelopment, improvements, land acquisition, demolition and removal of structures, clearance, rehabilitation or conservation of the urban renewal areas of the plan.
- (c) A map and legal description of the urban renewal areas of the plan.
- (d) An explanation of its relationship to definite local objectives regarding appropriate land uses and improved traffic, public transportation, public utilities, telecommunications utilities, recreational and community facilities and other public improvements.
- (e) An indication of proposed land uses, maximum densities and building requirements for each urban renewal area.

- (f) A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area of the plan.
- (g) An indication of which real property may be acquired and the anticipated disposition of said real property, whether by retention, resale, lease or other legal use, together with an estimated time schedule for such acquisition and disposition.
- (h) If the plan provides for a division of ad valorem taxes under ORS 457.420 to 457.460, the maximum amount of indebtedness that can be issued or incurred under the plan.
- (i) A description of what types of possible future amendments to the plan are substantial amendments and require the same notice, hearing and approval procedure required of the original plan under ORS 457.095 as provided in ORS 457.220, including but not limited to amendments:
 - (A) Adding land to the urban renewal area, except for an addition of land that totals not more than one percent of the existing area of the urban renewal area.
 - (B) Increasing the maximum amount of indebtedness that can be issued or incurred under the plan.
- (j) For a project which includes a public building, an explanation of how the building serves or benefits the urban renewal area.

The relationship between the sections of the Plan and the ORS 457.085 requirements is shown in Table 1. The specific reference in the table below is the section of this Plan that primarily addresses the statutory reference. There may be other sections of the Plan that also address the statute.

Table 1 - Statutory References

Statutory Requirement	Plan Section
ORS 457.085(2)(a)	V, VI
ORS 457.085(2)(b)	V, VI
ORS 457.085(2)(c)	XIII
ORS 457.085(2)(d)	XI
ORS 457.085(2)(e)	XI
ORS 457.085(2)(f)	IX
ORS 457.085(2)(g)	VIII
ORS 457.085(2)(h)	III
ORS 457.085(2)(i)	VII
ORS 457.085(2)(j)	Not applicable

B. URBAN RENEWAL OVERVIEW

Urban renewal allows for the use of tax increment financing, a financing source that is unique to urban renewal, to fund its projects. Tax increment revenues, the amount of property taxes generated by the increase in total assessed values in the urban renewal area from the time the urban renewal area is first established, are used to repay borrowed funds. The borrowed funds are used to pay for urban renewal projects and cannot exceed the maximum indebtedness amount set by the urban renewal plan.

The purpose of urban renewal is to improve specific areas of a city that are poorly developed or underdeveloped, called blighted areas in ORS 457. These areas can have old or deteriorated buildings, public spaces that need improvements, streets and utilities in poor condition, a complete lack of streets and utilities altogether, or other obstacles to development. In general, urban renewal projects can include construction or improvement of streets, utilities, and other public facilities; assistance for rehabilitation or redevelopment of property; acquisition and re-sale of property (site assembly) from willing sellers; and improvements to public spaces. The Plan Area meets the definition of blight due to its infrastructure deficiencies and underdeveloped properties. These blighted conditions are specifically cited in the ordinance adopting the Plan and described in detail in the accompanying Report.

The Report accompanying the Plan contains the information required by ORS 457.085, including:

- (3) An urban renewal plan shall be accompanied by a report which shall contain:
 - (a) A description of physical, social and economic conditions in the urban renewal areas of the plan and the expected impact, including the fiscal impact, of the plan in light of added services or increased population;
 - (b) Reasons for selection of each urban renewal area in the plan;
 - (c) The relationship between each project to be undertaken under the plan and the existing conditions in the urban renewal area;
 - (d) The estimated total cost of each project and the sources of moneys to pay such costs;
 - (e) The anticipated completion date for each project;
 - (f) The estimated amount of money required in each urban renewal area under ORS 457.420 to 457.460 and the anticipated year in which indebtedness will be retired or otherwise provided for under ORS 457.420 to 457.460;
 - (g) A financial analysis of the plan with sufficient information to determine feasibility;
 - (h) A fiscal impact statement that estimates the impact of the tax increment financing, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area; and
 - (i) A relocation report which shall include:
 - (A) An analysis of existing residents or businesses required to relocate permanently or temporarily as a result of agency actions under ORS 457.170;
 - (B) A description of the methods to be used for the temporary or permanent relocation of persons living in, and businesses situated in, the urban renewal area in accordance with ORS 35.500 to 35.530; and
 - (C) An enumeration, by cost range, of the existing housing units in the urban renewal areas of the plan to be destroyed or altered and new units to be added.

II. MAXIMUM INDEBTEDNESS

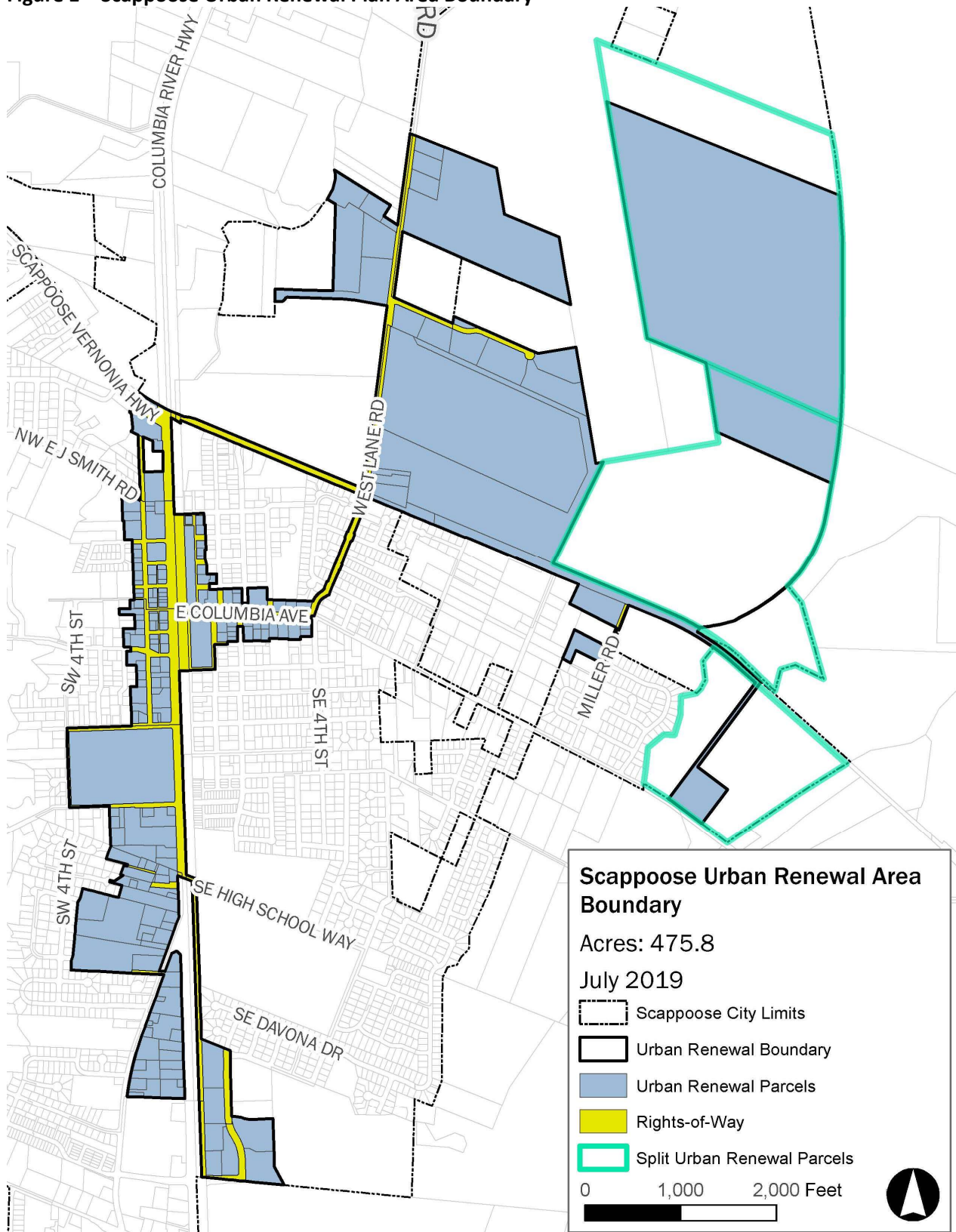
Maximum indebtedness is the total amount of money that can be spent on projects, programs and administration throughout the life of the Plan. The maximum amount of indebtedness that may be issued or incurred under the Plan, based upon good faith estimates of the scope and costs of projects in the Plan and the schedule for their completion is \$37,000,000 (thirty-seven million dollars). This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on bond proceeds.

III. PLAN GOALS

The goals of the Plan represent its basic intents and purposes. The urban renewal projects identified in Sections V and VI of the Plan are the specific means of achieving the goals. The goals will be pursued as economically as is feasible and at the discretion of the Agency.

- Goal 1. Improve transportation, water, wastewater and stormwater infrastructure to support job growth.
- Goal 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.
- Goal 3. Encourage redevelopment and infill in the town center.
- Goal 4. Support the growth and retention of local businesses.

Figure 1 – Scappoose Urban Renewal Plan Area Boundary



Source: ECONorthwest

The Urban Renewal boundry was modified 5/6/2024, Resolution 1-2024 to add the Keys reservoir to the Urban Renewal District. The added area is mapped below. This was a minor amendment to the District with less than 1% of the district added.



Agency Members

In the 2023-2024 budget year the Agency Directors are: Mayor Joe Backus, Tyler Miller, Kim Holmes, Marisa Jacobs, Ty Bailey, Andrew Lafrenz and Jeannet Santiago.

The Agency Board of Directors is responsible for establishing goals and objectives, setting priorities, identifying problems and community needs, setting policies by adopting ordinances and resolutions and approving the Annual District Budget.

Budget Committee

Meets in May in the Council Chambers.

In the 2023-2024 budget year the Agency Budget Committee members are: Joe Backus, Tyler Miller, Ty Bailey, Kim Holmes, Andrew Lafrenz, Marisa Jacobs, Jeannet Santiago, Rita Bernhard, Michelle Brown, Teresa Keller, Beth Rajski, Chris Vitron and Sandie Wiggs.

The Budget Committee consists of Agency Members and an equal number of citizens that are each appointed by the Board of Directors to serve a three-year term.

The budget process usually begins in February, when staff submit their budget requests to the Agency. The Finance Administrator then prepares the base budget, which provides for the minimum level to maintain services. In March, the Agency Manager works with staff to devise a proposed budget. When the Agency Manager is ready to present the budget and the budget message a “Notice of Budget Meeting” is published in the paper. The Agency’s Budget Committee is then assembled to review the proposed budget. When the committee is satisfied with the proposed budget, it is approved and forwarded to the Board of Directors for final adoption.

Urban Renewal Agency Fund Structure and Description

The Agency’s accounts are organized on the basis of funds, each of which is considered a separate entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. The Agency’s budget is prepared using the modified accrual basis of budgeting and accounting. This means revenues are recognized when they become measurable and available expenditures are recognized when liabilities are incurred.

Urban Renewal General Fund – The General Fund is the general operating fund of the Urban Renewal Agency. This fund reports all of the Agency’s activities unless there is a compelling reason to report an activity in some other fund type.

Departments: Administration Department (98-980)
Business & Property Owners Incentives Department (98-981)
Transportation Department (98-982)
Water and Wastewater Improvement Department (98-983)

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Urban Renewal Agency Budget Process Overview

Budget Preparation

The municipal budget process is a challenging opportunity to allocate resources to meet community needs. It is through this annual effort that the budget becomes the single most important policy document produced by the Agency. Preparation of the budget begins in February, with projection of Agency reserves and revenues. At that time, staff are asked to estimate expenditures for the remainder of the current year, and then submit a request for the coming year. The Agency Manager then meets with staff and others to review, revise, and propose a balanced budget for the upcoming fiscal year.

Budget Adoption

The Budget Committee, composed of the Agency Directors and an equal number of citizens, meets publicly to review the budget document as proposed by the Agency Manager. Public hearings are conducted to obtain public comment, and the Agency's Budget Committee reviews the proposed budget and either revises the proposed figures or approves them as presented.

The budget, as approved by the Agency's Budget Committee, is then published in the local newspaper in summary form, and the full document is made available for public inspection at City Hall. Prior to June 30, an advertised public hearing is held before the Agency Board to consider the proposed budget as approved by the Agency's Budget Committee. The Agency Board then discusses any remaining budgetary issues and formally adopts the budget by passage of a resolution.

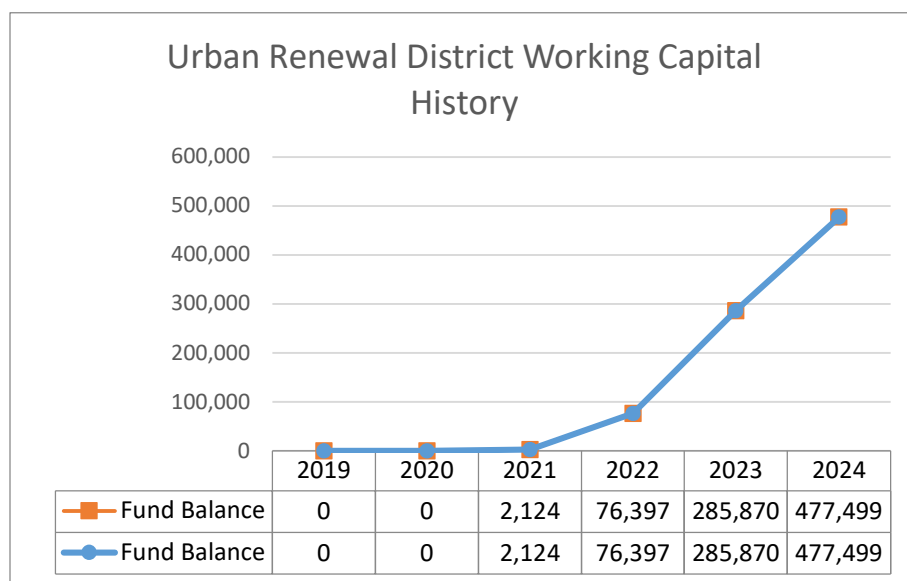
Budget Changes After Adoption

After July 1, when local government is operating within the adopted budget for the current fiscal year, changes in appropriated expenditures are sometimes necessary. Appropriations may have to be decreased or increased. By transferring appropriations, a governing body usually has enough flexibility to carry out the programs prescribed in an adopted budget. There will be times, however, when the adopted budget gives no authority to make certain expenditures or when revenues are received for which the governing body had not anticipated. In these cases, it is possible to use a Supplemental Budget to authorize expenditures or spend additional revenues in a current fiscal year. The Agency Board may adopt a Supplemental Budget at a regular public meeting if the expenditures are less than 10% of the Fund being adjusted. If the expenditures are more than 10% of the Fund, then the Agency Board must publish the proposed action and hold a public hearing.

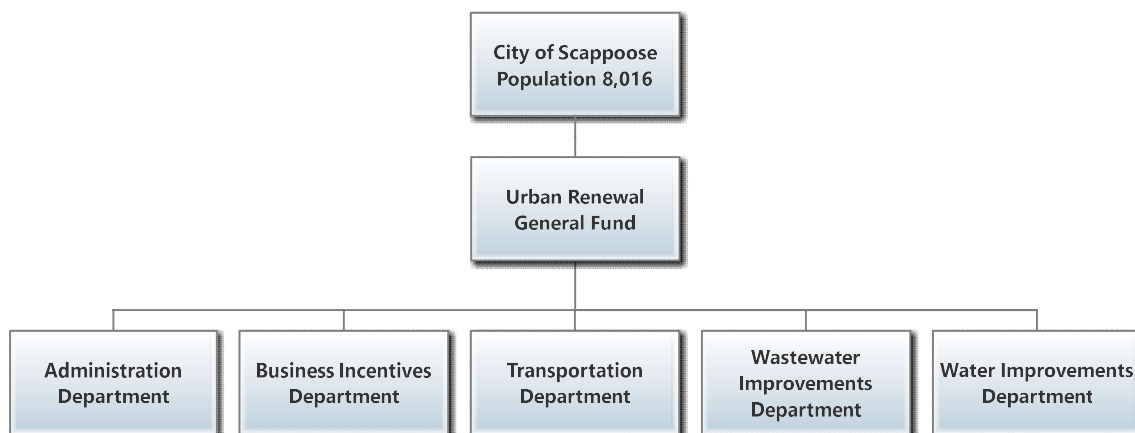
Annual Audit

Oregon Local Budget Law requires cities to have financial records audited annually by a certified independent government auditor. Steve Tuchscherer, CPA, of Umpqua Valley Financial, is our current Auditor. The financial statements of the Agency are prepared in accordance with generally accepted government accounting principles.

Urban Renewal Agency Overview Comparison 23-24 Adopted to 24-25 Budget	Adopted 2023-24	Budget 2024-25	2024 Budget To Adopted 2025
RESOURCES			
Beginning Fund Balance	465,187	1,276,194	274.34%
Property Taxes	236,845	500,000	211.11%
Interest	7,500	35,000	466.67%
Current Revenue	244,345	535,000	218.95%
TOTAL RESOURCES	709,532	1,811,194	255.27%
Administration Dept	97,756	87,404	89.41%
Business Incentives	76,594	107,292	140.08%
Water and Wastewater	184,848	1,500,000	811.48%
Transfers	0	0	
Operating Budget	709,532	1,694,686	211.41%
Contingency	350,334	116,498	33.25%
TOTAL APPROPRIATIONS	709,532	1,811,194	255.27%
TOTAL URBAN RENEWAL BUDGET	709,532	1,811,194	255.27%



URBAN RENEWAL AGENCY GENERAL FUND 98



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.

BUDGET NOTES:

Revenue

The Urban Renewal General Fund is the general operating fund of the District. 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 District, which was established in 2019 and this will be the fourth 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 District are projected to be \$500,000. Columbia County collects all property taxes and distributes collections for the District's certified tax dollars back to the District. The tax revenues expected are not as simple to predict as General Government property tax revenue.

Interest income for the year is estimated at \$35,000. The District places the vast majority of its funds in the state local government investment pool. Total amount of revenue for the Urban Renewal District General Fund is projected to be \$535,000.

Expenditures

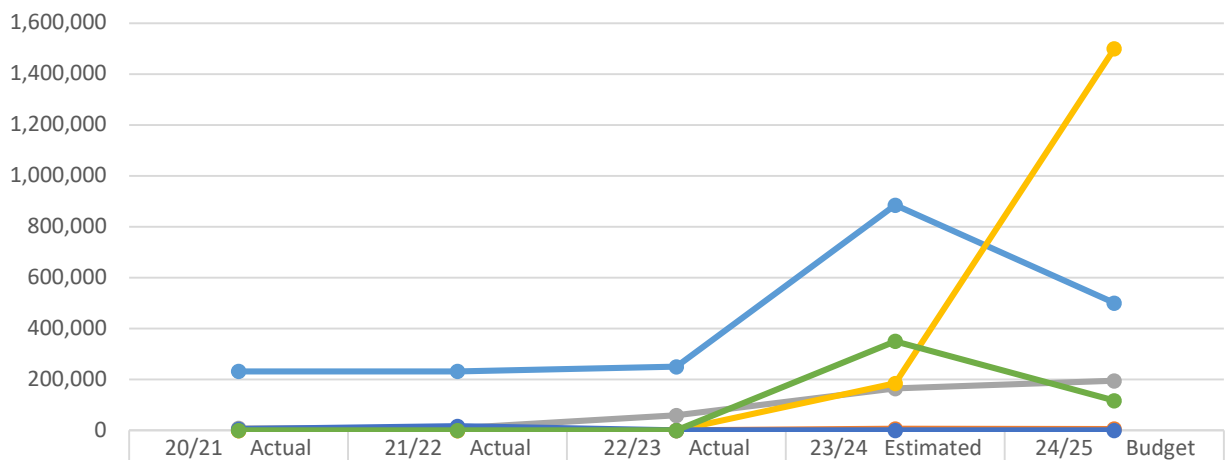
Within the Urban Renewal Fund, the District budgets to expend \$1,694,606. These expenditures are budgeted into the following departments: Administration \$87,404, Business & Property Owners Incentives \$107,292, Water and Wastewater Projects \$1,500,000, and Contingency \$116,498.

Urban Renewal Fund 98					
Resources	Actual FY 21-22	Actual FY 22-23	Budget FY 23-24	Estimated FY 23-24	Budget FY 24-25
Working capital carryover	\$ 76,397	\$ 283,529	\$ 465,187	\$ 477,499	\$ 1,276,194
Current year resources					
Interest	\$ 1,068	\$ 12,003	\$ 7,500	\$ 29,500	\$ 35,000
Property taxes	229,723	238,092	236,845	856,000	\$ 500,000
Intergovernmental revenue	1,181	5	-	-	-
Loan proceeds					-
Miscellaneous					
Total current year resources	\$ 231,972	\$ 250,100	\$ 244,345	\$ 885,500	\$ 535,000
Total resources	\$ 308,369	\$ 533,629	\$ 709,532	\$ 1,362,999	\$ 1,811,194
Expenditures	Actual FY 21-22	Actual FY 22-23	Budget FY 23-24	Estimated FY 23-24	Proposed Budget FY 24-25
Administration Dept	\$ 8,304	\$ 51,471	\$ 97,756	\$ 86,805	87,404
Business Incentives		7,000	76,594	-	107,292
Transportation			-	-	
Water and Wastewater			184,848		1,500,000
Transfers	16,536	-			-
Contingency			350,334	-	116,498
Total expenditures	\$ 24,840	\$ 58,471	\$ 709,532	\$ 86,805	\$ 1,811,194
Other requirements					
Unappropriated ending fund balance	\$ -	\$ -	\$ -	\$ -	\$ -
Total other requirements	\$ -	\$ -	\$ -	\$ -	\$ -
Ending available working capital	\$ 283,529	\$ 477,499	\$ -	\$ 1,276,194	\$ -

Urban Renewal District Line Item Detail						
Account Number	Description	Actual FY 21-22	Actual FY 22-23	Budget FY 23-24	Estimated FY 23-24	Budget FY 24-25
98-000-001	Taxes Necessary to Balance	226,838	235,064	235,000	850,000	497,000
98-000-002	Delinquent Taxes	2,884	3,028	1,845	6,000	3,000
98-000-003	Interest Earned	1,068	12,003	7,500	29,500	35,000
98-000-670	Natural Gas Royalties	1,181	5	0	0	0
	Total Revenue	231,972	250,100	244,345	885,500	535,000
98-980-131	Associate Planner	0	0	3,390	2,500	3,394

98-980-142	Overtime	0	0	10	10	0
98-980-146	Health Insurance	0	0	576	400	598
98-980-148	Retirement Benefits	0	0	756	640	758
98-980-150	Social Security	0	0	756	200	758
98-980-152	Workers Compensation	0	0	0	5	10
98-980-230	Contractual/Professional	7,981	51,069	86,600	83,000	86,604
98-980-234	Miscellaneous	0	0	0	0	0
98-980-242	Dues/Fees/Subscriptions	66	20	300	50	300
98-980-244	Publications/Notices/Adverti	256	382	500	0	500
	UR Administration	8,304	51,471	92,888	86,805	87,404
98-981-255	Grants or Loans	0	7,000	76,504	0	107,292
	Business Incentives	0	7,000	76,594	0	107,292
98-982-230	Contractual/Professional	0	0	0	0	0
98-982-310	Infrastructure Upgrades	0	0	0	0	0
	UR Transportation	0	0	0	0	0
98-983-230	Contractual/Professional	0	0	0	0	0
98-983-310	Infrastructure Upgrades	0	0	184,848	0	1,500,000
983	UR Water and Wastewater	0	0	184,848	0	1,500,000
98-999-400	Transfer to General Fund	16,536	0	0	0	0
98-999-600	Contingency	0	0	350,334	0	116,498
	Total Expenditures	24,840	58,471	709,532	86,805	1,811,194

Urban Renewal District Fund Expenditure History



URBAN RENEWAL AGENCY ADMINISTRATION DEPARTMENT

PURPOSE:

The Administration Department of the Urban Renewal Agency is staffed by the City of Scappoose, including the City Manager and support staff, via an Intergovernmental Agreement. The responsibilities of the Department include, but are not limited to, day-to-day management of the District, managing contracts, projects and grants, responding to citizen inquiries and complaints, working with other governmental entities, staffing District meetings and ensuring that the goals identified in the Urban Renewal Plan are met over the duration of the District.

VISION FOR THE YEAR:

To ensure the Urban Renewal District operates efficiently and in accordance with applicable City, State, and Federal laws.

COMPLIANCE WITH PLAN GOALS:

Efficient administration of the Urban Renewal District supports the District and all goals identified in the Plan to:

- Improve transportation, water, wastewater, and stormwater infrastructure to support job growth.
- 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.
- Encourage redevelopment and infill in the town center.
- Support the growth and retention of local businesses.

BUDGET NOTES:

Changes to the plan in 2024 added the Keys reservoir infrastructure project to the district and will allow funding that will prevent having to increase utility rates for all residents. Contractual/Professional is budgeted at \$87,404. This amount includes any professional services needed as well as a budgeted transfer to the General Fund to cover administrative costs.

PERSONNEL:

A small percentage of the assistant planner time has been expensed to Urban Renewal in 2025 to properly expense his labor costs.

Urban Renewal Administration	21-22	22-23	23-24	24-25	Minimum Salary	Maximum Salary
Associate Planner	0%	0%	5%	5%	31.73	40.50
TOTAL FTE's	0.00	0.00	0.05	0.05		

Urban Renewal District Line Item Detail						
Account Number	Description	Actual FY 21-22	Actual FY 22-23	Budget FY 23-24	Estimated FY 23-24	Budget FY 24-25
98-000-001	Taxes Necessary to Balance	226,838	235,064	235,000	850,000	497,000
98-000-002	Delinquent Taxes	2,884	3,028	1,845	6,000	3,000
98-000-003	Interest Earned	1,068	12,003	7,500	29,500	35,000
98-000-670	Natural Gas Royalties	1,181	5	0	0	0
	Total Revenue	231,972	250,100	244,345	885,500	535,000
98-980-131	Associate Planner	0	0	3,390	2,500	3,394
98-980-142	Overtime	0	0	10	10	0
98-980-146	Health Insurance	0	0	576	400	598
98-980-148	Retirement Benefits	0	0	756	640	758
98-980-150	Social Security	0	0	756	200	758
98-980-152	Workers Compensation	0	0	0	5	10
98-980-230	Contractual/Professional	7,981	51,069	86,600	83,000	86,604
98-980-234	Miscellaneous	0	0	0	0	0
98-980-242	Dues/Fees/Subscriptions	66	20	300	50	300
98-980-244	Publications/Notices/Adverti	256	382	500	0	500
	UR Administration	8,304	51,471	92,888	86,805	87,404
98-981-255	Grants or Loans	0	7,000	76,504	0	107,292
	Business Incentives	0	7,000	76,594	0	107,292
98-982-230	Contractual/Professional	0	0	0	0	0
98-982-310	Infrastructure Upgrades	0	0	0	0	0
	UR Transportation	0	0	0	0	0
98-983-230	Contractual/Professional	0	0	0	0	0
98-983-310	Infrastructure Upgrades	0	0	184,848	0	1,500,000
983	UR Water and Wastewater	0	0	184,848	0	1,500,000
98-999-400	Transfer to General Fund	16,536	0	0	0	0
98-999-600	Contingency	0	0	350,334	0	116,498
	Total Expenditures	24,840	58,471	709,532	86,805	1,811,194

URBAN RENEWAL AGENCY
BUSINESS INCENTIVES

PURPOSE:

The Business Incentives identified for funding in the Urban Renewal Plan will support businesses by offering storefront improvement and new development grants. This will support the growth and retention of local businesses, encourage infill in the town center and promote the emergence of a vibrant town center.

VISION FOR THE YEAR:

To develop a program to distribute a mix of loans and grants to the local business community for storefront improvements.

COMPLIANCE WITH PLAN GOALS:

By ensuring that Business Incentives are available, the following goals identified in the Plan are being supported:

- 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.
- Encourage redevelopment and infill in the town center.
- Support the growth and retention of local businesses.

BUDGET NOTES:

Urban Renewal grant funds of \$107,292 are available for grants or loans for fiscal year 2024-25. This amount includes funds remaining from the fiscal 2022-24 budget that were not apportioned.

Urban Renewal Agency					
Owner Incentives Department Expenditures	Actual FY 21-22	Actual FY 22-23	Budget FY 23-24	Estimated FY 23-24	Budget FY 24-25
UR OWNER INCENTIVES					
MATERIAL AND SERVICES	0	7,000	76,594	0	107,292
Total expenditures	0	7,000	76,594	0	107,292

Urban Renewal Owner Incentives Line Item						
Detail						
Account	Description	Actual FY 21-22	Actual FY 22-23	Budget FY 23-24	Estimated FY 23-24	Budget FY 24-25
98-981-230	Contractual/Professional	0	0	0	0	0
98-981-255	Grants or Loans	0	7,000	76,594	7000	107,292
	Total Materials & Services	0	7,000	76,594	7,000	107,292
	Total Expenditures	0	7,000	76,594	7,000	107,292

URBAN RENEWAL AGENCY TRANSPORTATION DEPARTMENT

PURPOSE:

The Transportation Projects identified in the Plan include bike route improvements, sidewalks, trails transportation studies, parking projects and enhanced streetscapes. These proposed improvements will increase pedestrian connectivity through out the Urban Renewal Area helping to create a vibrant town center and supporting local businesses through increased foot traffic.

VISION FOR THE YEAR:

To ensure that the Transportation Projects identified in the Plan are completed. Funds are not yet available in FY 2024-25 for Transportation Projects.

COMPLIANCE WITH PLAN GOALS:

- Improve transportation, water, wastewater, and stormwater infrastructure to support job growth.
- 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.
- Support the growth and retention of local businesses.

BUDGET NOTES:

No transportation projects will be using URA funding in fiscal year 2024-25.

Urban Renewal Transportation Line Item Detail						
Account	Description	Actual FY 20-21	Actual FY 21-22	Budget FY 22-23	Estimated FY 22-23	Budget FY 23-24
98-982-230	Contractual/Professional	0	0	0	0	0
98-982-244	Publications/Notices/Ads	0	0	0	0	0
	Total Expenditures	0	0	0	0	0

Transportation Project in the Area-project costs will be updated as projects are funded.

Project Category	Project Title	Project Description	Project Cost
Complete sidewalks	SW Maple St.	Complete sidewalk system between US 30 and SW 4th Street	425,780
Complete sidewalks	SW 1st St.	SW Maple Street. to J.P. West Road	408,748
Complete sidewalks	E.M. Watts Rd.	Complete sidewalk system between US 30 and SW 4th Street	289,530
Complete sidewalks	JP West Rd.	Complete sidewalk system between SW 4th Street. and US 30 (north side)	124,895
Complete sidewalks	SW 4th St.	E.M. Watts Road to J.P. West Road	953,746
Complete sidewalks	E.J. Smith Rd.	NW 1st Street to Bella Vista Drive	2,117,543
Complete sidewalks	3rd Street	Elm Street to Columbia Avenue	1,055,933
Complete sidewalks	SE Maple St.	Complete sidewalk system between US 30 and SE 4th Street	692,601
Intersections & Connectivity	SW 1st St. /J.P. West Rd.	Extend southeast curb to better align east and west intersection approaches and provide shorter pedestrian crossing.	22,708
Transportation Studies	W. Columbia Ave.	Study to determine feasibility of converting W. Columbia Avenue to two-way traffic, including signal modification at US 30/Columbia Avenue	56,771
Bike Route Improvements	E.M. Watts Rd.	US 30 to Eggleston Lane/Key Road	1,640,670
Bike Route Improvements	West side of Scappoose	Sign bike route on west side of US 30 between Columbia Avenue and E.M. Watts (cross US 30 as pedestrian at Columbia Avenue) and between E.M. Watts and Old Portland Road. via SW 4th Street	204,374
Bike Route Improvements	West Lane Rd.	E. Columbia Avenue to Crown Zellerbach Road	17,031

Source: Scappoose Transportation Systems Plan

URBAN RENEWAL AGENCY WATER AND WASTEWATER IMPROVEMENTS

PURPOSE:

The Water and Wastewater Improvement projects identified in the Plan include upgrades to the City's Water and Wastewater Treatment Plants and Reservoirs. Additionally, the Plan identifies funds to make loan payments to DEQ for work already completed by the City on the Wastewater Treatment Plant. The Water Reservoir is being added to the plan to allow funds to be spent to upgrade the Reservoir to seismic standards.

VISION FOR THE YEAR:

To ensure that the Water Reservoir can be funded without additional User Fees being assessed. The Keys Reservoir is being added to the plan to have Urban Renewal assist with funding for the reservoir.

COMPLIANCE WITH PLAN GOALS:

By ensuring that the Water and Wastewater Improvement projects are completed as outlined by the Plan.

- Improve transportation, water, wastewater, and stormwater infrastructure to support job growth.
- Support the growth and retention of local businesses.

BUDGET NOTES:

The Urban Renewal plan has budgeted \$1,500,000 for Water infrastructure upgrades. This amount will be applied to the Keys Reservoir.

UR Wastewater Improvements Line Item Detail						
Account	Description	Actual FY 21-22	Actual FY 22-23	Budget FY 23-24	Estimated FY 22-23	Budget FY 24-25
98-983-310	Infrastructure Upgrades	0	0	184,848	0	1,500,000
	Total Capital Outlay	0	0	184,848	0	1,500,000
	Total Expenditures	0	0	184,848	0	1,500,000

No expenditure history exists for this department.

Water and Wastewater Capital Improvement Plan Projects- This plan will be reviewed in Fiscal 2024-25 to identify and modify projects that were not funded utilizing ARPA funds.

URA Water and Wastewater CIP						
PROJECT	AMOUNT	FY 23-24	FY 24-25	FY 25-26	FY 26 & beyond	TOTAL
New aerobic digester to achieve Class B biosolids	2,486,900					
Replacement of pumps, modification of skylights, addition of flow meter, electrical improvements.	536,600					-
UV Disinfection	1,685,900	148,679				148,679
Water System Upgrades		36,169				36,169
Keys Reservoir seismic improvements	1,600,000		1,500,000			2,000,000
						-
Total	3,822,500	184,848	1,500,000	-	-	1,784,848
URA Water and Wastewater Department	3,822,500	184,848	1,500,000	-	-	1,784,848

URBAN RENEWAL NON-DEPARTMENTAL

PURPOSE:

The fund contains transfers out and contingency.

VISION FOR THE YEAR:

To ensure the Urban Renewal District operates efficiently and in accordance with applicable City, State, and Federal laws.

BUDGET NOTES:

The contingency line item has been budgeted at \$252,680.

Urban Renewal Agency					
Non-Departmental Expenditures	Actual FY 21-22	Actual FY 22-23	Budget FY 23-24	Estimated FY 23-24	Budget FY 24-25
NON-DEPARTMENTAL					
CONTINGENCY	0	35,278	355,202	0	116,498
Total expenditures	0	0	355,202	0	116,498

Glossary

Adopted Budget- Proposed budget amended and approved by the Budget Committee becomes the adopted budget after Agency Members takes action on it. The adopted budget becomes effective July 1 and includes all Council adopted changes through the year.

Agency- Scappoose Urban Renewal Agency members. This Agency is responsible for administration of the urban renewal plan.

Amortization- (1) The portion of the cost of a limited-life or intangible asset charged as an expense during a particular period. (2) The reduction of debt by regular payments of principal and interest sufficient to retire the debt by maturity.

Appropriations- Legal authorization granted by the Agency Members to spend public funds.

Approved Budget- The approved budget is that budget recommended by the Agency Budget Committee and is reviewed by the Agency Members prior to adoption.

Annexation- The incorporation of land into an existing city with a resulting change in the boundaries of that city.

Assessed Value- The value set by the County Assessor on real and personal taxable property as a basis for levying taxes.

Assets- Resources having a monetary value and that are owned or held by an entity.

Audit- Conducted by an independent Certified Public Accounting (CPA) Firm, the primary objective of an audit is to determine if the District's Financial Statements present the District's financial position fairly and results of operations are in conformity with generally accepted accounting principles.

Balanced Budget- A budget in which planned expenditures do not exceed projected funds available.

Balanced Sheet- A financial statement reporting the organization's assets, liabilities, and equity activities.

Basis of Accounting- A term used to refer to when revenues, expenditures, expenses, and transfers – and the related assets and liabilities – are recognized in the accounts and reported in the financial statements.

Beginning Working Capital- The beginning working capital is the residual non-restricted funds brought forward from the previous financial year (ending balance).

Blight- Is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting the urban renewal plan.

Bond- A written promise to pay a sum of money, called principle or face value at a future date, called the maturity date, along with periodic interest paid at a specified percentage of principle (interest rate). Bonds are typically used to finance long-term capital improvements.

Budget- Written report showing the local government's comprehensive financial plan for one fiscal year. It must include a balanced statement of actual revenues and expenditures during each of the last two years, and estimated revenues and expenditures for the upcoming year.

Budget Calendar- The schedule of key dates, which government follows in the presentation and adoption of the budget.

Budget Committee- - A committee required by Oregon Local Budget Law (ORS 294.305). The committee consists of a panel of citizens consisting of the Agency members and equal number of lay members responsible for reviewing the proposed budget, taking public comment and approving the budget.

Budget Document- The compilation of the spending plans for the various funds, along with supporting schedules, tables and charts which, in total, comprises the annual revenue and expenditure plan.

Budget Message- A written explanation of the budget and the District's financial priorities presented to the Agency Budget Committee by the City Manager, which is required by Oregon Local Budget Law, ORS 294.

Budget Officer- Person responsible for the budget document. For the Renewal District of the City of Scappoose, the City Manager serves this role. This designation is required by Oregon Local Budget Law (ORS 294.305).

Budget Phases- The following are the four major phases of the budget process. Each phase corresponds with a different step of the budget process.

Requested: The amount requested by the Department Heads and submitted to the Budget Officer at the start of the budget process.

Proposed: The Budget Officer prepares or supervises the preparation of a proposed budget to present to the budget committee.

Approved: The approved budget is the budget recommended by the Agency's Budget Committee and is reviewed by the Agency Members prior to adoption.

Adopted Budget: The budget as finally adopted by the Agency Members and represents the financial plan of the District.

Budget Resolution- The budget is adopted each year by the Agency Members through passage of a resolution. This budget resolution is the guiding document for compliance with budget law and for any necessary adjustments during the fiscal year.

Budgetary Basis- Budgets are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP); with the following exception that neither depreciation nor amortization is budgeted for in the proprietary funds and bond principal in the enterprise funds is subject to appropriation.

Capital Improvement- Project Expenditures, which result in the acquisition of land, improvements to existing facilities, and construction of streets, sewer, storm drains, and other public facilities.

Capital Lease- Lease of a capital asset. The lease may or may not result in the District's ownership of the item at the end of the lease term.

Capital Outlay- Items which generally have useful life of one or more years, such as machinery, land, furniture, equipment or building.

Capital Projects- An object classification which includes major capital improvement projects generally related to Streets, Water, Wastewater, Storm Water systems, and facilities.

Cash Basis- A basis of accounting under which transactions are recognized only when cash is received or disbursed.

City- The City of Scappoose.

City Council or Council- Means the Scappoose City Council.

COLA- Cost of living. A COLA increases all salaries at all classes and steps by the same percentage.

Comprehensive Plan- Means the City of Scappoose Comprehensive Plan and its implementing ordinances, policies, and standards.

Contingency- An amount appropriated in anticipation that some operating expenditures will become necessary which cannot be foreseen and planned in the budget.

Contracted Services- Services rendered to District activities by private firms, individuals or other government agencies. An example of these services includes engineering, special trades and District attorney services.

County- Columbia County, Oregon.

Debt- An obligation resulting from the borrowing of money or from the purchase of goods and services.

Debt Service- The payment of general long-term debt, consisting of principle and interest payments.

Delinquent Taxes- Taxes remaining unpaid on or after the date to which a penalty for nonpayment is attached. Even though the penalty may be subsequently waived, and a portion of the taxes may be abated or cancelled, the unpaid balances continue to be delinquent taxes until abated, canceled, paid or converted into tax liens.

Department- A major unit of the District which has been assigned overall management responsibility for an operation or a group of related operations which a functional area.

Depreciation- Expiration in the service life of capital assets attributed to wear and tear, deterioration, action of physical elements, inadequacy or obsolescence.

Employee Benefits- Contributions made by a government to meet commitments or obligations for employee-related expenses. Included is the government's share of costs for social security and the various pensions, workers compensation, medical and life insurance plans.

Ending Balance- The residual non-restricted funds that are spendable or available for appropriation at the end of the fiscal year.

Expenditures- The outflow of funds paid for an asset obtained (Requirements) or goods and services obtained regardless of when the expense is actually paid. The term applies to all funds.

Fees- Charges for specific services levied by local government in connection with providing a service, permitting an activity, or imposing a fine or penalty. Major types of fees include business and non-business licenses, fines, and user charges.

Fiscal Management- A government's directive with respect to revenues, spending, reserves, and debt management as they relate to governmental services, programs, and capital investments. Financial policy provides an agreed upon set of principles for the planning and programming of governmental budgets and its funding.

Fiscal Year- A twelve-month period designated as the operating year for accounting and budgeting process in an organization. The Urban Renewal District's fiscal year is July 1 through June 30.

Fixed Assets- Long-lived tangible assets obtained or controlled as a result of past transactions, events or circumstances. Fixed assets include buildings, equipment, improvements other than buildings and land.

Frozen base- The total assessed value including all real, personal, manufactured, and utility values within an urban renewal area at the time of adoption. The county assessor certifies the assessed value after the adoption of an urban renewal plan.

FTE- An abbreviation for Full-Time equivalent employees. Staffing levels are measured in FTE to give consistent comparisons from year to year. A regular full-time employee is 1.0 FTE.

Fund- A fiscal and accounting entity, segregating resources for the purpose of carrying on specific activities in accordance with legal restrictions.

Fund Balance- The excess of a fund's total assets over its total liabilities. A negative fund balance is often referred to as deficit.

Funding- Provides budgetary resources to cover the total cost of a program or project at the time it is undertaken.

GASB- (Governmental Accounting Standards Board) It is the highest source of accounting and financial reporting guidance for state and local governments.

General Fund- Primary operating fund of the District. It exists to account for the resources devoted to finance the services traditionally associated with local government.

Generally Accepted Accounting Principles (GAAP)- Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures.

GIS- Geographic Information Services.

GFOA- Government Finance Officer Association.

GOAL- A statement of direction, purpose or intent, based on the needs of the community, generally to be completed in a specified amount of time.

Governmental Fund Types- Funds used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities – except those accounted for in proprietary funds and fiduciary funds.

Grants- Contributions of cash or other assets from another governmental agency to be used or expended for a specific purpose. **Increment-** The part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

Infrastructure- Public domain capital assets such as roads, bridges, streets, sidewalks and similar assets that are immovable.

Interfund Transfers- Amounts distributed from one fund to finance activities in another fund. Shown as expenditure in the originating fund and revenue in the receiving fund.

Intergovernmental Revenues- Revenues from other governments in the form of loans, grants, entitlements, shared revenues or payments in lieu of taxes.

Internal Service Fund Transfer- An internal service fund is a fund used in governmental accounting to track goods or services shifted between departments on a cost reimbursement basis. This type of fund is used to identify the cost of providing certain goods and services. The Renewal District uses this to transfer money from each fund to cover expenses that would be spread out amongst all departments.

Levy- Gross amount of property taxes imposed on taxable property. The net amount received by a government will be less than the gross levy as a result of delinquent or uncollectable payments or early payment discounts. Budgets are developed on the basis of the projected amount of property taxes received.

Local Budget Law- Oregon Revised Statutes (ORS) dictates local budget practices. ORS Chapter 294 contains Local Budget Law provisions.

Local Government- Any city, county, port, renewal agency, school district, special district, public or quasi-public corporation.

Materials and Services- An object classification which includes contractual and other services, materials and supplies, and other charges.

Maximum Indebtedness- The amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

Miscellaneous Revenue- Includes all revenues not specified such as title fees, copies, tow fees, park reservations, police records, etc.

Mission– Defines the primary purpose of the District.

Municipal Corporation- A political and corporate body established pursuant to state statutes to provide government services and regulations for its inhabitants.

Net Assets- The equity associated with General Governmental less liabilities.

Non-Operating Budget- Part of the budget composed of the following items: Interfund transfers, reserves, contingencies, capital projects, and debt service payments. **Objective-** A target to be accomplished in specific, well-defined and measurable terms, and that is achievable within a specific time frame.

ODOT- Refers to the Oregon Department of Transportation.

Operating Budget- Plans of current expenditures and the proposed means of financing them. The annual operating budget is the primary means by which most of the financing, acquisition, spending and service delivery activities of a government are controlled.

Operating Revenue- Funds that the governmental receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings and grant revenues. Operating revenues are used to pay for day-to-day services.

Ordinance- A formal legislative enactment by the governing body of a municipality. If it is not in conflict with any higher form of law, such as a state statute or a constitutional provision, it represents the full force and effect of the law within the boundaries of the municipality to which it applies.

ORS- Oregon Revised Statutes, laws of the State of Oregon.

Outstanding Debt- The balances due at any given time resulting from the borrowing of money or from the purchase of goods and services.

Personnel Services- The object classification for costs associated with employees, including salaries, overtime and fringe benefit costs.

Plan- The Scappoose Urban Renewal Plan.

Plan Area- The properties and rights-of-way located with the Scappoose Urban Renewal Boundary.

Planning Commission- The Scappoose Planning Commission.

Program- A group of related activities to accomplish a major service or function for which the District is responsible.

Projection- A forecast of the revenue or expenditure as appropriated, to be recognized during the current fiscal period.

Property Tax- Based according to assessed value of property and is used as the source of monies to support various funds.

Proposed Budget- Combines the operating, non-operating, and reserve estimates prepared by the City Manager, then presented to the community and the District Budget Committee for their review, approval, and recommendation to Agency Members.

Real Market Value- The estimated value of property if sold.

Requested Budget- The amount requested by the Department Heads and submitted to the City Manager at the start of the budget process.

Requirements- Total expenditures and unappropriated fund balance.

Resolution- A formal order of a governing body; lower legal status than an ordinance.

Resources- Total funds available which include the estimated balances on hand at the beginning of the fiscal year plus all revenues anticipated being collected during the year.

Restricted Revenue- Financial resources that are subject to some level of restriction based on statutory, legislative or council action.

Revenue- Monies received during the year to finance District services, such as property taxes, franchise fees, license and fees, charges for services, revenue from other governmental agencies, fines and forfeitures, and transfers.

Revenue Sharing- The sharing tax increment proceeds as defined in ORS 457.470.

Special Assessments- A way to finance a local improvement which allows property owners to pay the District back over time. Special Assessments may be bonded through a special bond or financed internally by the District.

Supplemental Budget- Appropriations established to meet the needs not anticipated at the time the budget was proposed.

Taxes- Compulsory charges levied by a government for the purpose of financing services performed for the common benefit.

Tax Base- Oregon law allows cities within the State, with voter approval, to establish a dollar amount of property tax that may be levied on property within the city. Once established, a tax base may be increased by 6% each year without further voter approval. Any increase beyond the statutory 6% limit must be approved by voters.

Tax increment financing (TIF)- The funds that are associated with the division of taxes accomplished through the adoption of an urban renewal plan.

Tax increment revenues- The funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the area.

Tax Levy- The total amount of property taxes needed by the District to meet requirements.

Tax Rate- A percentage applied to all taxable property to raise general revenues. It is derived by dividing the total tax levy by the taxable met property valuation.

Tax Revenue- Includes property taxes, hotel and motel tax, and state shared revenues.

Transfers- An amount distributed from one fund to financial activities in another fund. It is shown as an expenditure in the originating fund and a revenue in the receiving fund.

Unappropriated Fund Balance- An amount set aside to be used as cash carryover for the next fiscal year's budget. This amount cannot be used under any circumstances in the current fiscal year except under very specific conditions which are set out in State law.

Unrestricted Revenue- Revenue that may be used for any legitimate District purpose. Please refer to "restricted revenue".

UGB- Urban Growth Boundary, an officially adopted and mapped line that separates an urban area from surrounding open lands. All cities in Oregon are required to have a 20-year supply of land for housing and employment in their Urban Growth Boundary.

Urban renewal area- The blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.160.

Urban renewal plan or Plan- The plan, as it exists or is changed or modified from time to time, for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

Urban renewal project or Project- Any work or undertaking carried out under ORS 457.170 in an urban renewal area.

Urban renewal report or Report- The official report that accompanies the urban renewal plan pursuant to ORS 457.085(3).

Working Capital- The amount carried over from year to year. It is based on the difference between estimated revenues to be received and the estimated expenditures.

June 17, 2024

To: Mayor and Council

From: Interim City Manager Larry Lehman
Dave Sukau, Public Works Director
Carol Almer, Finance Director

The Urban Renewal Agency took a courageous and important step when approving 2.1 million toward the Keys Reservoir. This is truly the purpose of Urban Renewal and saves your rate payers a considerable amount. You have the golden opportunity to do it again.

The base line for revenue for the Urban Renewal Agency is \$500,000. This will increase by 3% per year and then increase with any development within the district.

The improvements to the wastewater treatment plant (WWTP) are the largest public undertaking we believe the City has ever undertaken. It is much more than just improvements; it is very close to constructing a new treatment plant.

The City is approved for a loan from the State DEQ and has been advised to apply for an amount that we are sure will cover the costs. They stated it is easier to have it approved now and use what you need than to go back and have the loan increased. Their interest rate is 1.88% + .5 for administration/loan fee for a total interest rate of 2.38%.

The City intends to seek a loan of \$20 million. The bids we have are for 16.3 million and then there are engineering, inspection and other costs that will need to be covered. The process is we would draw down the funds as needed and then start repayments six months after the end of the project. It is expected the first payment will be due by mid-2027. Interest is charged only on the borrowed funds and from the time they are borrowed. If all the 20 million is borrowed and paid back over 30 years the annual payment would be approximately \$970,000 per year. If the Urban Renewal Agency approves Resolution # URA 2-2024 allocating \$500,000 for 8 fiscal years for a total of \$4 million, starting in Fiscal year 2026/2027 the debt service can be handled by adding \$470,000 from wwtp revenues. As development occurs in the city Wastewater System Development Charges are collected and can be used to pay down this debt. There are no prepayment penalties. The approved current rate structure which calls for a 7% increase the next 2 fiscal years, will cover this amount without the need for further rate increase to fund this project until at least 2035. It also leaves some funds in the UR District for minor projects and for

smaller improvements in the Wastewater system. The city has set up a system whereas the sewer rates are set each year to adjust for inflation in the operation of the system.

Approval of this resolution will be used by the City to guarantee repayment of the DEQ loan and keep the Council from needing to increase sewer rates for this project.

Resolution No. URA 3-2024

A Resolution of the Scappoose Urban Renewal Agency dedicating \$500,000 per year for eight fiscal years starting in fiscal year 2026/2027 to repay a portion of the debt for the Wastewater Treatment improvements.

Whereas, the area of the Urban Renewal District comprises 21% of the property within the city limit; and

Whereas, development within the Urban Renewal District would not occur without adequate wastewater treatment; and

Whereas, the future job creation for the community is expected to occur with development within the Urban Renewal District.

Therefore, the Board of Directors of the District pledge to provide 21% of the costs of the WWTP improvements, expected to be approximately 20 million dollars to provide these funds at the rate of \$500,000 effective fiscal year 2026/2027 and continue for eight fiscal years.

PASSED AND ADOPTED by the Urban Renewal Agency and signed by me, and the Chair, in authentication of its passage this ____ day of ____, 2024.

CITY OF SCAPPOOSE, OREGON

Chair Joseph A. Backus

Attest:

City Recorder Susan M Reeves, MMC

Current budget in the wastewater utility

Projected revenue 24/25	3,007,530
Personnel	1,301,197
M & S	727,440
Current debt	17,692
Transfers	101,488
Revenue over operating expense	859,713

Needed, in fiscal year 27/28 and after \$470,000 for repayment of 20 million loan. This allows \$389,000 for other projects per year, based on increase in rates equal to operating inflation. The next two years has a 7% increase which will boost this amount.

Please no, repeat no funds, of the city should be used for this project. Only the borrowed funds. This keeps local funds for contingency or other future projects.