



WELCOME TO
THE CITY OF ALBANY
TOWN HALL





**Central Albany Revitalization Area:
*A Ten-Year Review***

Kate Porsche, City of Albany

Tonight's Presentation

- ▶ Urban Renewal Overview
- ▶ Mechanism of Urban Renewal
 - ▶ Tax Increment Financing
- ▶ Cost of Urban Renewal
- ▶ Urban Renewal in Albany
- ▶ Results of CARA's First 10 Years
 - ▶ & Goals of the Urban Renewal Plan
- ▶ Additional Results
- ▶ Conclusions & Looking Forward
 - ▶ CARA Over the Next Five Years



Urban Renewal Overview

Tax Increment Financing

Albany's Use of Urban Renewal

- ▶ Albany Redevelopment Agency (1970's and 80's)
- ▶ Oak Creek Urban Renewal Area (Closed)
- ▶ Central Albany Revitalization Area (CARA) 2001



Mechanism of Urban Renewal

Tax Increment Financing

Tax Increment

Measure to determine Frozen Base

Increase in Assessed Value flows to URD

TAX INCREMENT

TOTAL
TAX
RATE

“FROZEN BASE”

Revenues Continue to flow to taxing districts

- County
- City
- School District
- Community College

POST-TIF
REVENUE
All bonds
paid off
and
increment
returned to
tax rolls

Property Tax Bills

- ▶ Add all increases in Assessed Value in Area
- ▶ Distribute Amount to all Property Tax Bills in City
- ▶ Does Not Increase Tax Bills

	With Urban Renewal	Without Urban Renewal
ESD Linn-Btn Linc	13.46	\$ 15.82
LBCC	22.16	\$ 24.52
GAPS #8J	202.41	\$ 204.77
Education Total:	\$ 238.03	\$ 245.12
Linn County	55.8	\$ 58.16
Linn County Loc OP	83.37	\$ 85.73
Linn County Loc OP II	6.14	\$ 8.50
Albany City	282.43	\$ 284.79
Albany City Loc OP	30.93	\$ 33.29
4H Extension District	2.28	\$ 4.64
Albany Revit Urban Renewal	28.35	\$ -
General Govt Total:	\$ 489.30	\$ 475.13
LBCC Bnd	7.92	\$ 10.28
GAPS #8J Bnd 2	70.79	\$ 73.15
Albany City Bnd	18.72	\$ 21.08
Bonds Total:	\$ 97.43	\$ 104.52
Grand Total:	\$ 824.76	\$ 824.76

Cost of Urban Renewal

Impacts on Taxing Jurisdictions

- ▶ Continue Receiving Taxes on Frozen Base
- ▶ Forego taxes on growth in Area
- ▶ “But For Urban Renewal”
- ▶ Local Options Impact
- ▶ Increased Tax Revenues After UR



Cost of UR – Revenue Forgone

Taxing District Revenue Forgone By Year

Yr Ending	Total	Taxing District						
		Linn Co.	LBL ESD	LBCC	GAPS/State of Oregon*	GAPS Bond	City of Albany	4-H
2003	\$ 369,704.48	\$ 69,591.50	\$ 6,786.63	\$ 15,425.37	\$ 104,097.15	\$ 7,836.79	\$ 165,967.04	\$ -
2004	\$ 415,631.50	\$ 76,887.89	\$ 7,360.41	\$ 16,304.27	\$ 110,967.59	\$ 8,236.77	\$ 195,874.56	\$ -
2005	\$ 590,873.67	\$ 112,269.26	\$ 10,310.46	\$ 23,198.65	\$ 156,298.63	\$ 12,653.08	\$ 276,143.59	\$ -
2006	\$ 713,213.20	\$ 134,362.33	\$ 12,658.78	\$ 28,356.49	\$ 190,391.37	\$ 13,924.89	\$ 333,519.34	\$ -
2007	\$ 872,072.33	\$ 167,579.71	\$ 15,437.52	\$ 34,395.66	\$ 233,466.15	\$ 15,167.22	\$ 406,026.07	\$ -
2008	\$ 1,156,390.63	\$ 219,616.76	\$ 18,674.89	\$ 41,372.77	\$ 284,153.30	\$ 97,686.79	\$ 494,886.12	\$ -
2009	\$ 1,350,815.18	\$ 251,877.63	\$ 21,887.06	\$ 48,940.25	\$ 333,469.08	\$ 117,640.52	\$ 577,000.64	\$ -
2010	\$ 1,688,763.71	\$ 320,518.49	\$ 27,223.59	\$ 60,705.47	\$ 410,857.18	\$ 147,382.87	\$ 717,692.51	\$ 4,383.60
2011	\$ 1,877,057.47	\$ 356,330.10	\$ 34,359.83	\$ 66,365.77	\$ 454,573.18	\$ 161,726.24	\$ 798,679.89	\$ 5,022.46
2012	\$ 2,007,949.10	\$ 422,942.53	\$ 32,018.52	\$ 71,721.48	\$ 485,080.34	\$ 169,698.07	\$ 821,292.31	\$ 5,195.85
	\$ 11,042,471.27	\$ 2,131,976.20	\$ 186,717.69	\$ 406,786.18	\$ 2,763,353.97	\$ 751,953.25	\$ 4,787,082.07	\$ 14,601.91

* GAPS Funding comes from the state of Oregon, thus these funds would have flowed to the State of Oregon, not GAPS. See breakdown:

GAPS % of State School Budget	1.50%
CARA effect on Permanent Rate	\$ 41,450.31
CARA Effect on GAPS G.O. Bond	\$ 751,953.25
CARA Total Direct effect on GAPS Funding	\$ 793,403.55

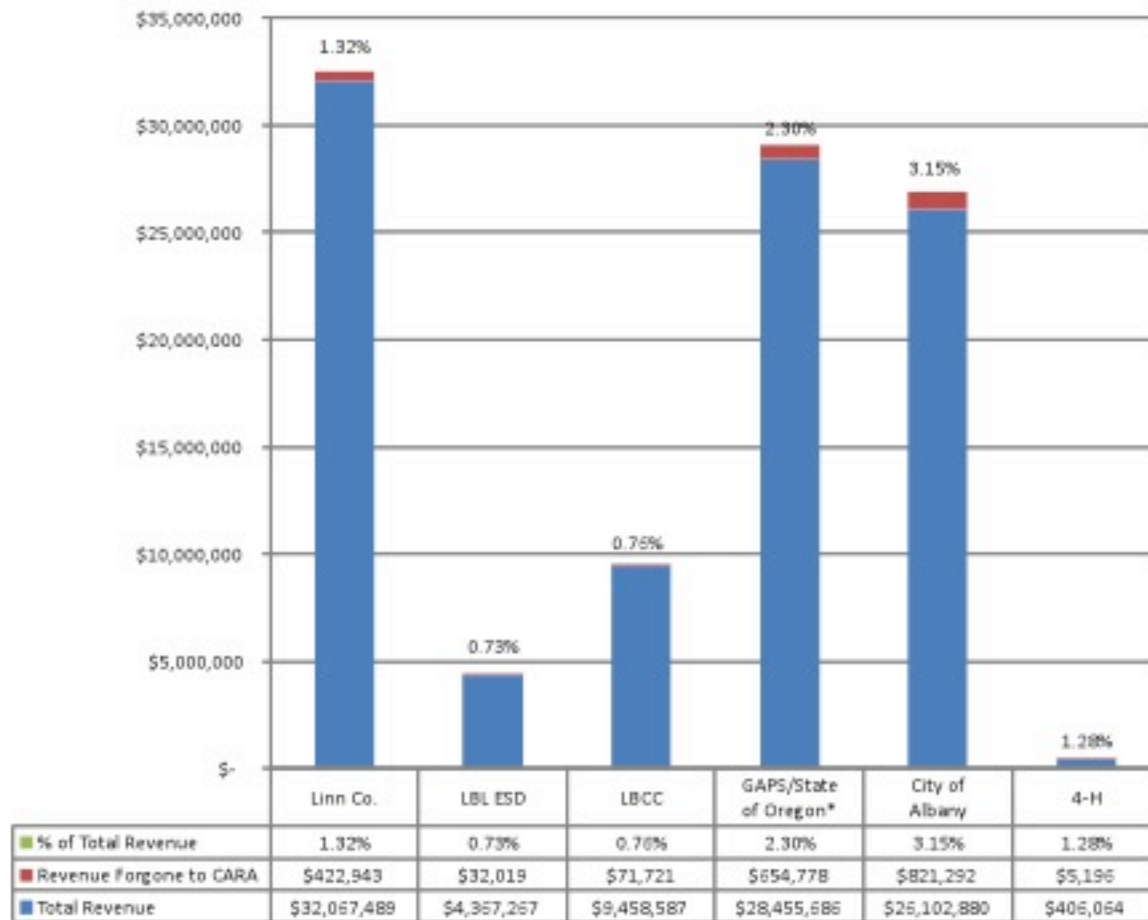
School Funding

- ▶ GAPS Local Option: CARA has taken an average of \$80K per year from GAPS
- ▶ Measure 5 equalized funding & state funding for K-12
- ▶ State backfills amounts diverted for UR on the Permanent Rate
- ▶ In CARA's 10 years
 - ▶ GAPS received \$2.7M of state funding



Proportion of UR Funds

CARA Funds Percentage of Taxing Districts Total Revenue - 2012

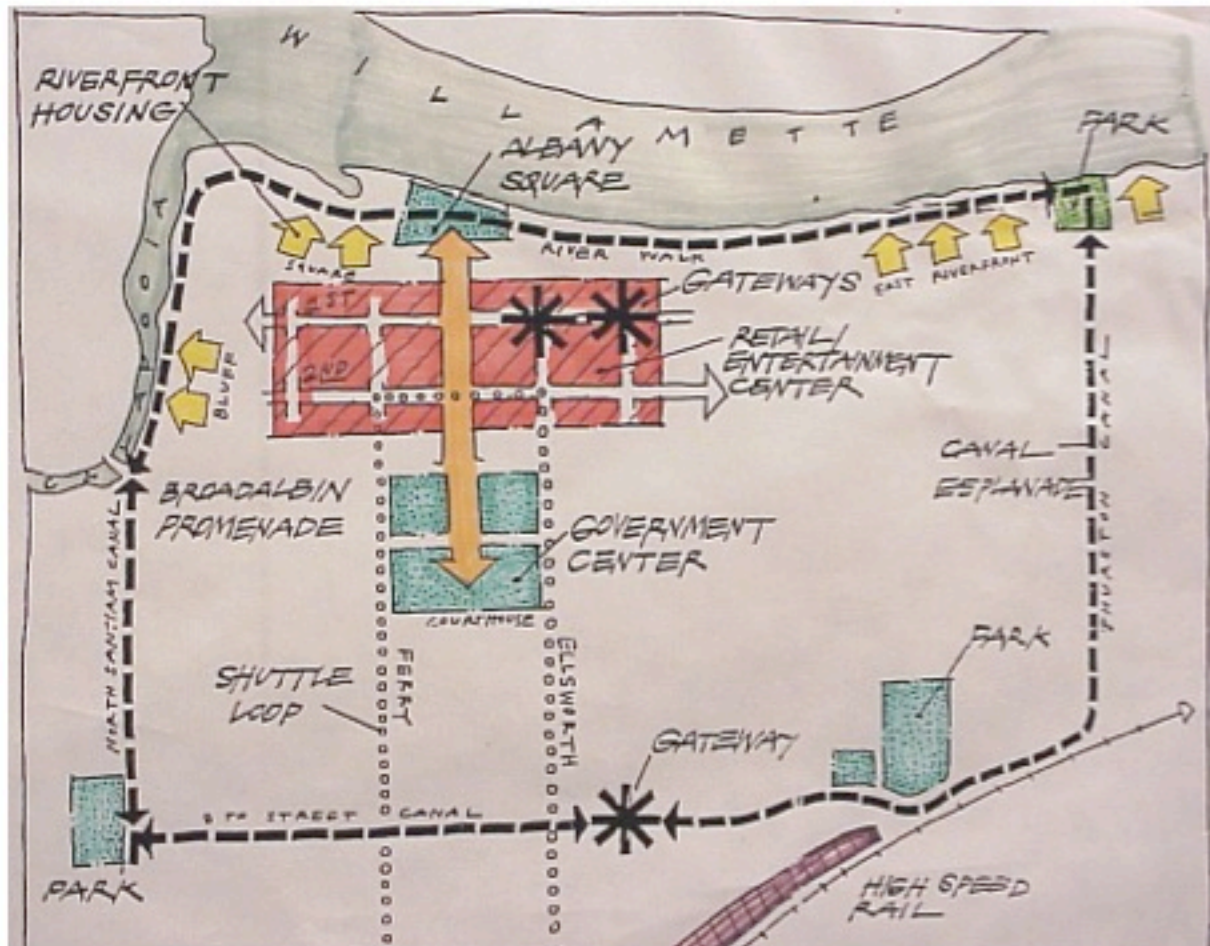


Urban Renewal in Albany

Historic Albany



Town Center Plan

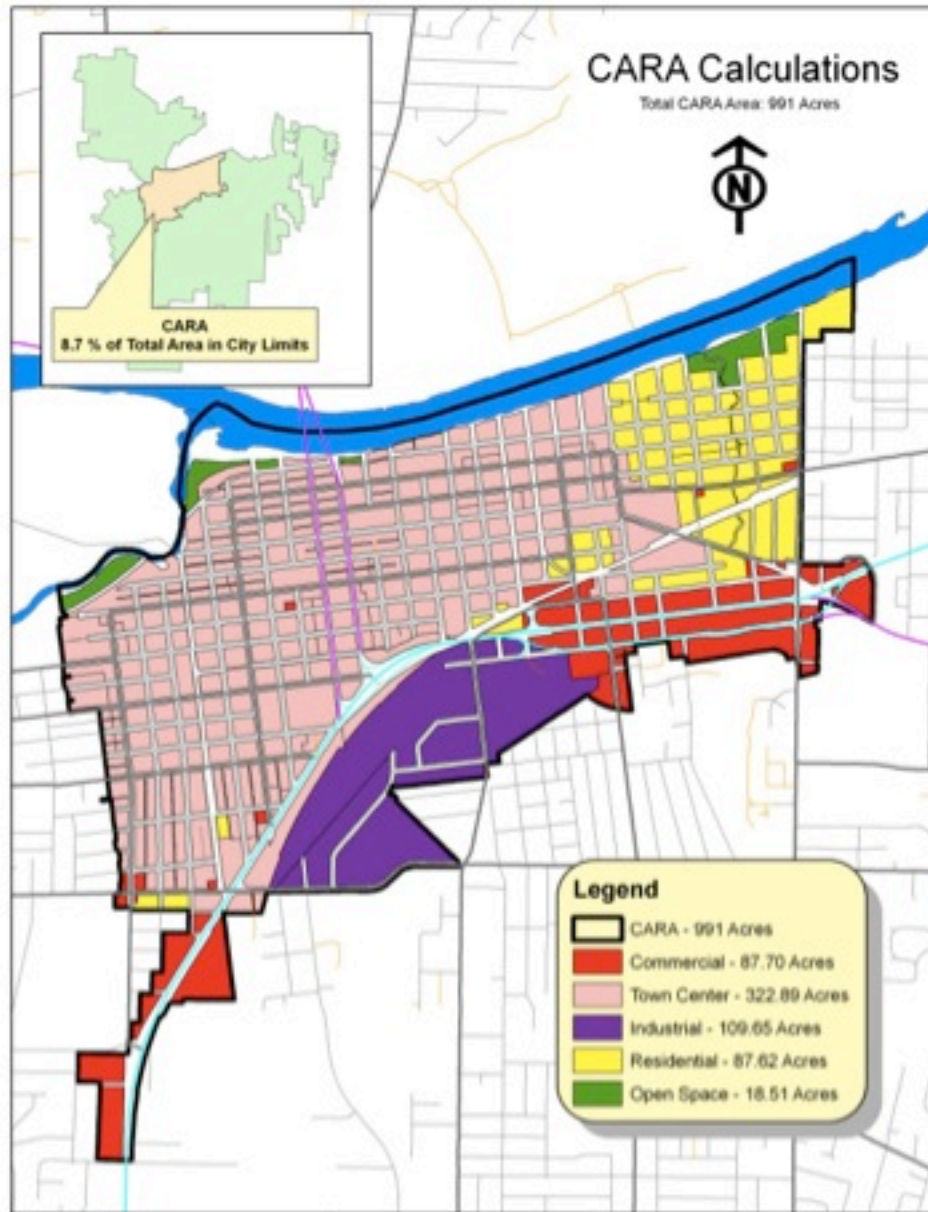


Created through a community-based process - 1995

Capitalized on the inherent qualities of Albany:

- Location at the confluence of 2 rivers
- Unique canal system
- Transportation alternatives
- Historic Downtown

2001: Creation of CARA



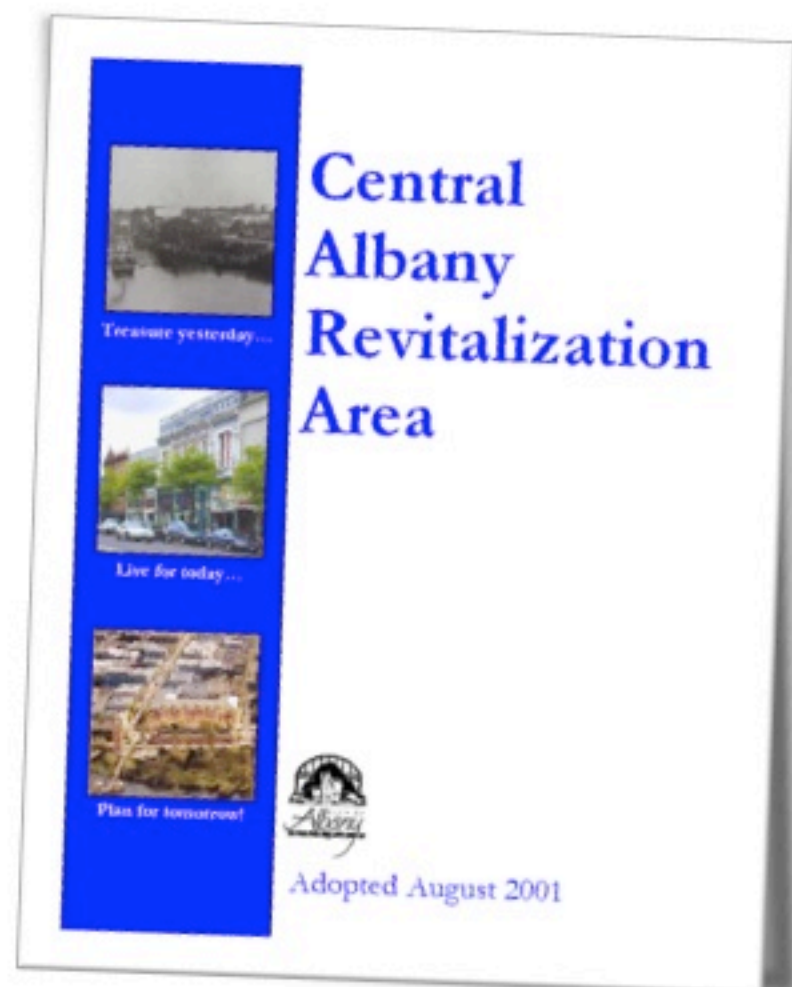
CARA Boundary

Results of CARA's First 10 Years

& Goals of the Urban Renewal Plan

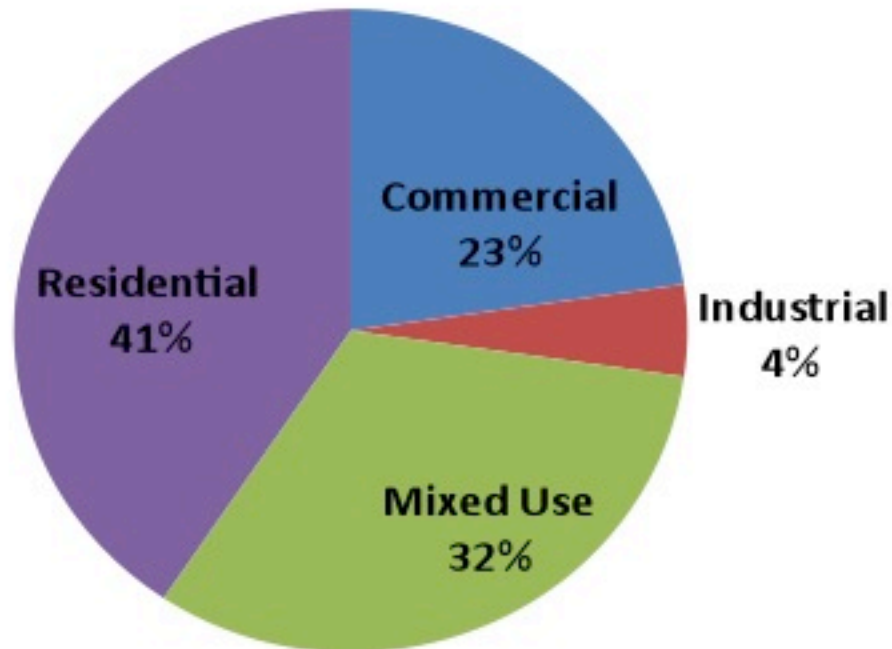
CARA Plan

- ▶ Development Partnerships
- ▶ Infrastructure
- ▶ Public Space Improvements
- ▶ Pedestrian/Bike Connectivity
- ▶ Watershed Health & Education
- ▶ Community Facilities
- ▶ Technical Support



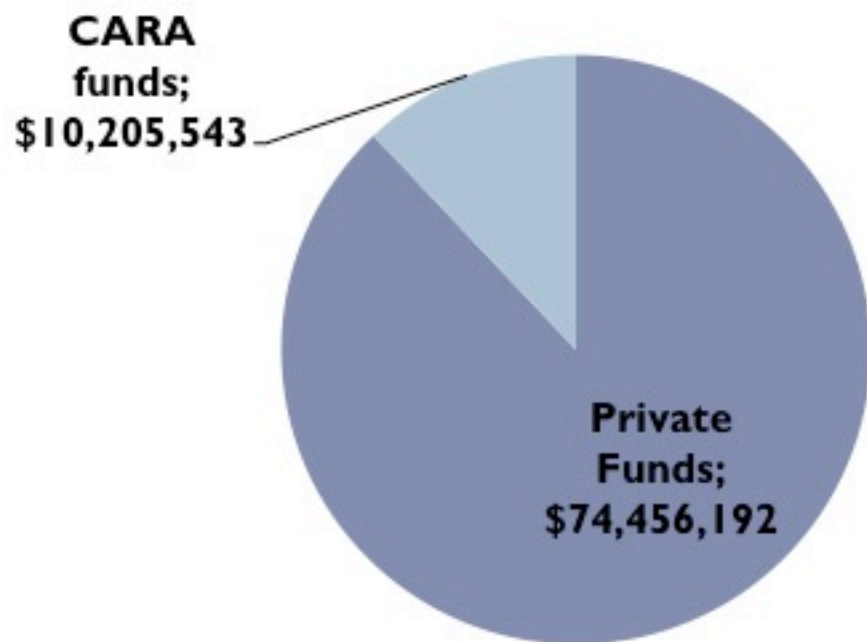
Attract New Private Investment to the Area

CARA Allocations, Private Projects



Attract New Private Investment to the Area

CARA Private Projects: % Public and Private Funds



**Public:
Private**

Ratio

\$1: \$7.30

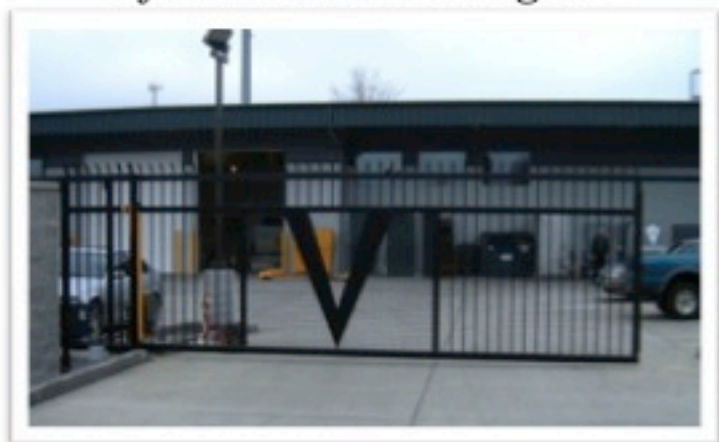
Retain and Enhance the Value of Existing Private Investment and Public Investment in the Area

Economic Development

- ▶ 5 projects - investment of \$510,000
- ▶ Private investment of \$2.1M
- ▶ Creation of 130 new permanent jobs to Albany
- ▶ Ratio: \$1 : \$4.16



Hydration Technologies



Viper NW – Industrial Area



Preserve the Historic Districts, Historic Resources and Existing Housing in the Area

- ▶ 82 historic preservation projects
- ▶ \$4.3M of CARA funds, or 38% of the private projects
- ▶ Leveraged \$13.3M in private funds
- ▶ Ratio of \$1:\$3.08
- ▶ Project types:
 - ▶ Store-front rehabilitation
 - ▶ Exterior work
 - ▶ Significant Interior renovation
 - ▶ Reclamation of unused upper floor spaces



Provide an Enriching Environment and Livable Neighborhoods

- ▶ Removing blight in neighborhoods
 - ▶ Salem Avenue Neighborhood
 - ▶ Public outreach
- ▶ Their goals:
 - ▶ Community Garden
 - ▶ \$20,000 CARA investment
 - ▶ Eliminate blight at mobile home park
 - ▶ \$1.45M CARA Investment
 - ▶ 54 units of workforce housing



Create a Readily Identifiable Core that is Unique and Vibrant with a Mixture of Entertainment, Housing, Specialty Shops, Offices, and Other Commercial Uses

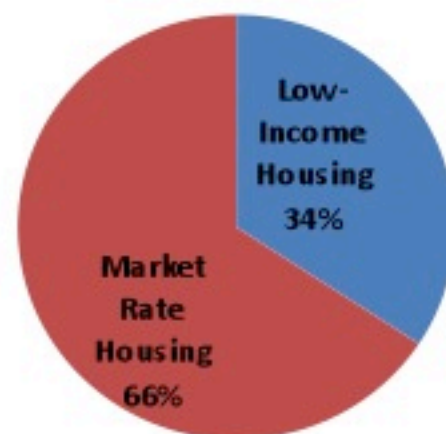
- ▶ **50 small grants**
 - ▶ Assist small businesses
 - ▶ Visible interior and exterior improvements
- ▶ **Commercial Projects overall**
 - ▶ About 25%, or \$2.2 in funding
 - ▶ Leveraging \$9.9 million in private investment
 - ▶ Ratio of \$1: \$3.87 of private funds
 - ▶ Includes small grants (typically funded on a 50-50% basis)



Increase Residential Density

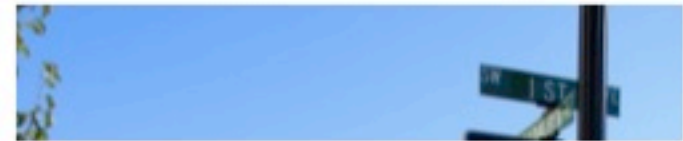
- ▶ 274 new housing units
- ▶ 7 seven are LEED townhomes
- ▶ 9 upper floor apartments, which were previously unused, vacant spaces downtown.
- ▶ Low-income housing a specific goal

**Housing Units Funded
by Type**



Provide a Safe and Convenient Transportation Network that Encourages Pedestrian & Bicycle Access to and within the Town Center

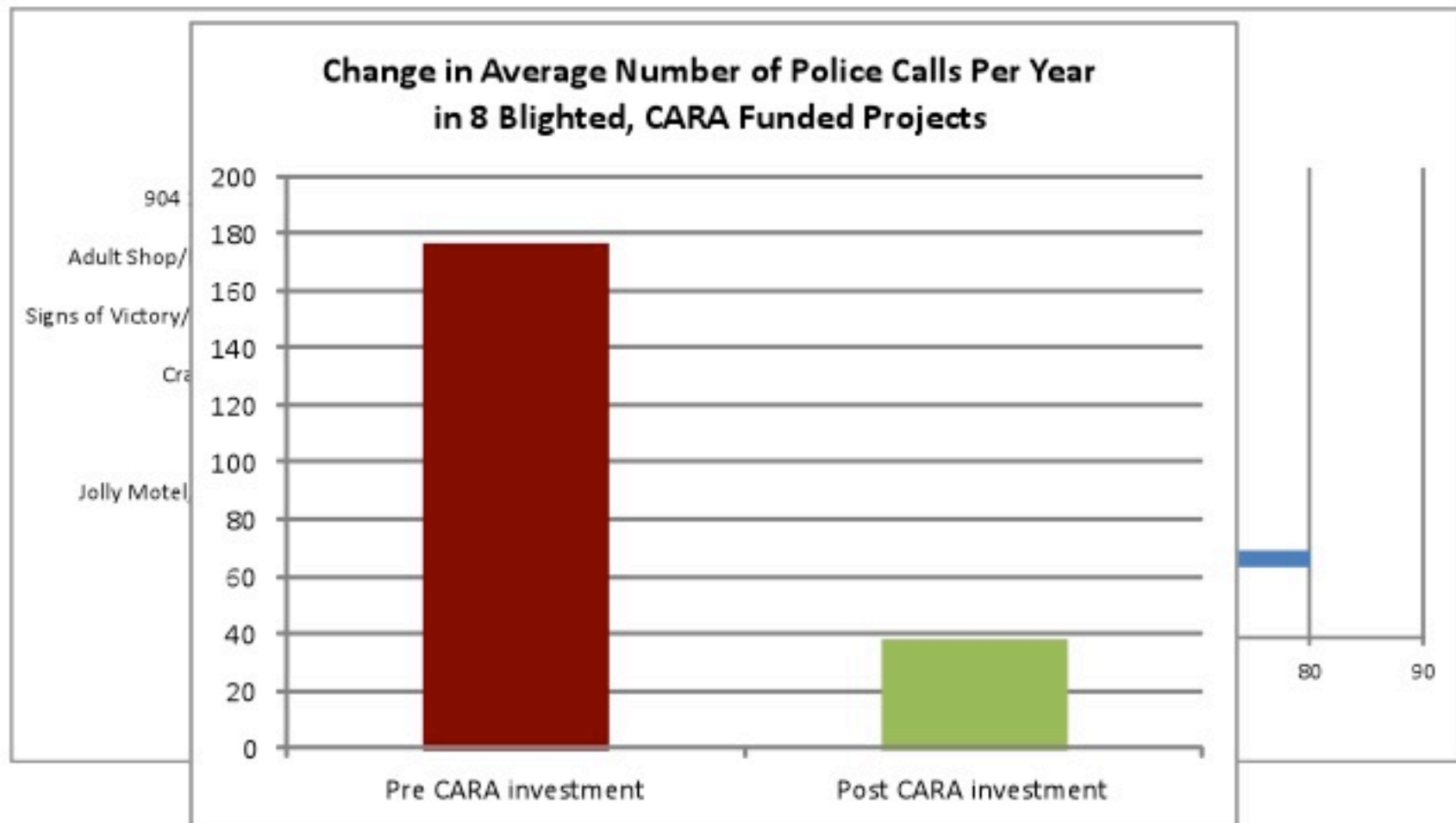
- ▶ First Avenue Streetscape
- ▶ First block of the Broadalbin Promenade
 - ▶ Main north-south pedestrian route
 - ▶ Connects downtown center with waterfront and water park
- ▶ Wayfinding





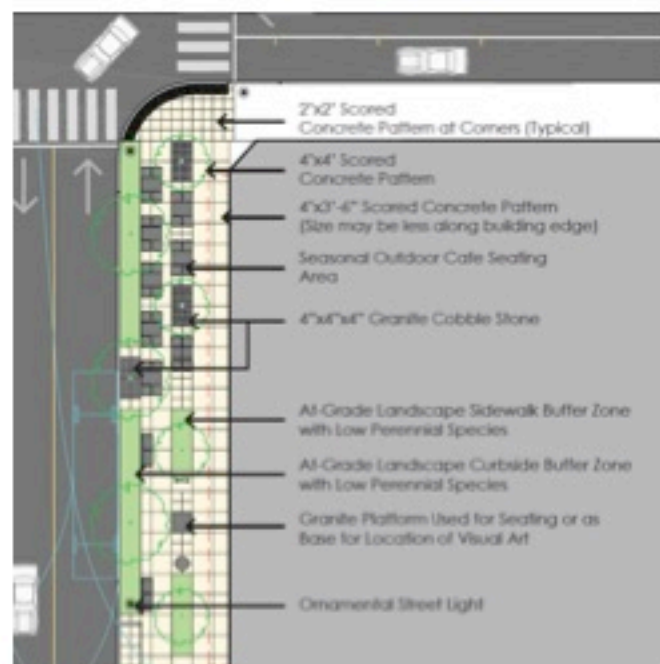
Additional Results

Impact on Public Safety



Transfer Effects of CARA Funding

- ▶ 9 public projects
- ▶ Majority funded projects in the city's Capital Improvement Program
- ▶ Example, first block of promenade
 - ▶ Beatification = 12%, or \$56,000 of the \$457,000 cost
 - ▶ Majority of funds used for public infrastructure
- ▶ CARA's funding eases City funds
 - ▶ Street, sewer, water
- ▶ Using Broadalbin example (funding 88% infrastructure costs)
 - ▶ \$2.2M paid by CARA saved the city's other funds



Ancillary Measurements, Cont.

▶ **Visitors to Downtown – Carousel Example**

- ▶ \$300,000 forgivable loan
- ▶ Report 2,000 visitors a month in 2011
- ▶ Oregon Tourism Commission reports overnight visitors in spend \$231 per trip
- ▶ If even a quarter of Carousel visitors stay overnight = \$44,500 per month
 - ▶ Spent in the community for food, entertainment, gas, lodging, or recreation.

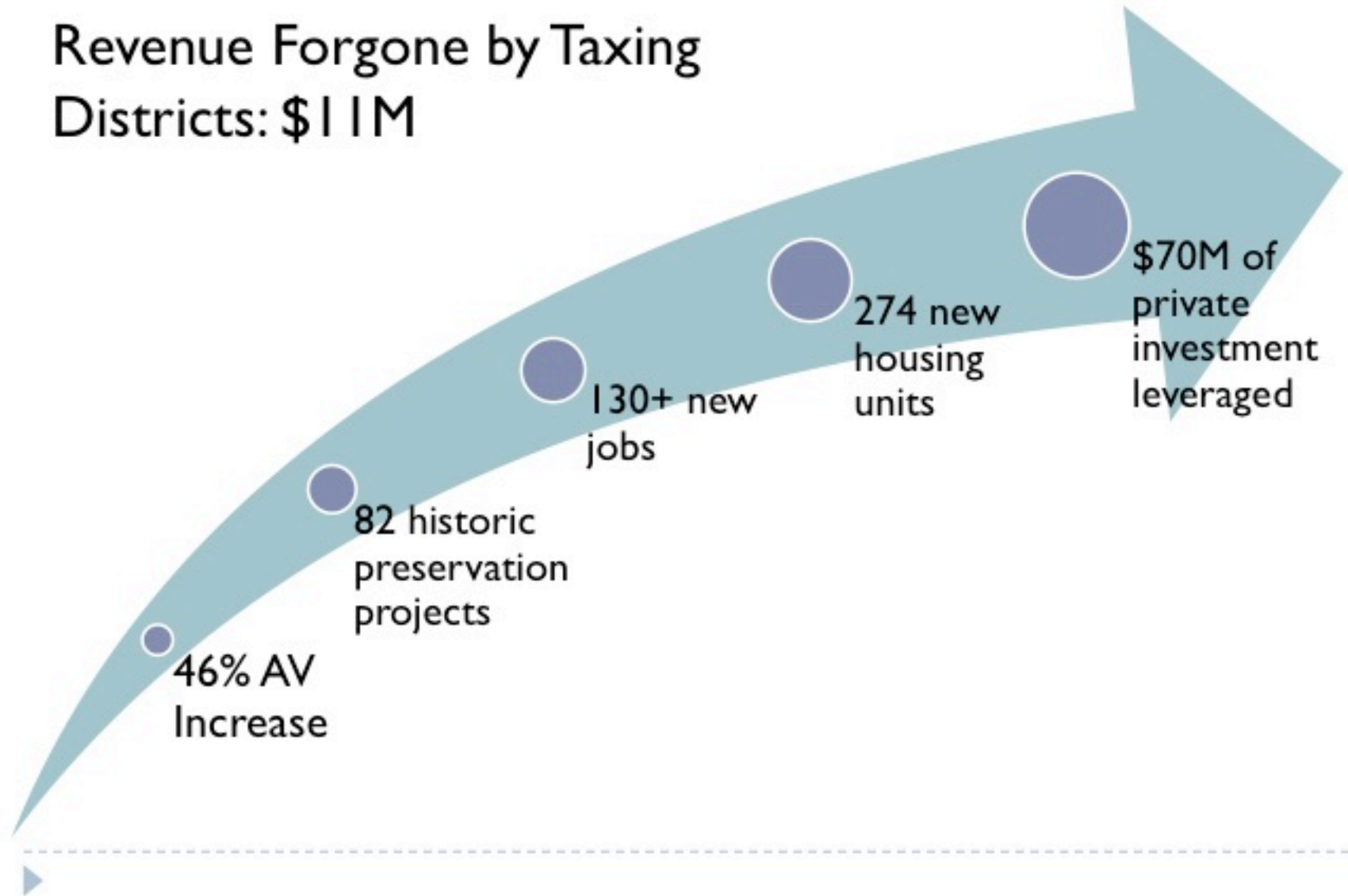


Conclusions & Looking Forward

CARA Over the Next Five Years

CARA by the Numbers: The First 10 Years

Revenue Forgone by Taxing
Districts: \$11M



Looking Forward

Metrics

Stronger
Policy
Framework

Funding of
Projects in
the CARA
Plan

Continued
Public
Involvement
&
Transparency

Thank you.

Kate Porsche, MPP

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