

imagine invest immerse

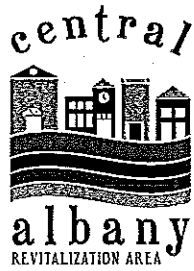
central



albany
REVITALIZATION AREA



CENTRAL ALBANY REVITALIZATION AREA 2007-2008 BUDGET



2007-2008 BUDGET

BUDGET COMMITTEE

CARA Agency

Sharon Konopa, Agency Chair
Dan Bedore
Jeff Christman
Bessie Johnson
Doug Killin
Dick Olsen
Ralph Reid, Jr.

Lay Members

Susan Folden, Budget Committee Chair
Bill Coburn
Wolf Dyner
Doug Killin Colleen Keller
Wendy Kirbey
Doug Moore
Steve Terjeson

Administrative Staff

Wes Hare, City Manager
Stewart Taylor, Finance Director
Dick Ebbert, Economic Development Director
Kate Porsche, Urban Renewal Coordinator
John Stahl, Assistant Finance Director
Betty Langwell, City Clerk

**CENTRAL ALBANY REVITALIZATION AREA (CARA)
URBAN RENEWAL DISTRICT
2007-2008 BUDGET MESSAGE**

Honorable Chairperson, CARA Budget Committee members, and citizens of Albany, I am pleased to present the budget for the CARA Urban Renewal District for Fiscal Year 2007-2008 in the amount of \$5,757,000.

During the current fiscal year, much has been accomplished through a series of CARA initiatives. A total of \$923,700 was allocated to projects under the Grant/Loan Program for development and building renovation projects including a few smaller grants as well as:

- Renovation of the Flinn/Ames Buildings (\$242,000)
- Oregon Furniture Mart, Phase II (\$60,000)
- Upper Floor Redevelopment of Jordan Jewelers (\$110,000)
- Ironworks (new development) (\$440,000)

These projects are all underway; some are almost complete. Their high levels of visibility in the downtown core seem to be having a positive effect and acting as a catalyst for change.

During FY 2006-2007 the CARA Agency approved the addition of an Urban Renewal Coordinator to City staff. Kate Porsche started in October 2006 and has responsibility for day-to-day activities of the urban renewal district including budget tracking, project management, committee oversight, and administrative functions.

Looking forward, there are five loans currently on the books with Willamette Community Bank having the soonest payments beginning in October 2008. Below is a chart of the scheduled loan payments to CARA:

CARA Loan Income Information

Borrower (Original Loan Amount)	2008	2009	2010	2011	2012	2013	2014	2015	2016
Willamette Community Bank (\$200,000)	\$34,906	\$34,906	\$34,906	\$34,906	\$34,906	\$34,906	\$34,906		
Swoboda Phase I (\$82,500)			\$85,800						
Swoboda Phase II (\$42,500)					\$14,365	\$14,365	\$14,365	\$14,365	\$14,365
Mexico (\$27,000)			\$36,992						
Manley (\$122,000)				\$41,236	\$41,236	\$41,236	\$41,236	\$41,236	
Total Anticipated Loan Payments	\$34,906	\$34,906	\$157,698	\$76,142	\$90,507	\$90,507	\$90,507	\$55,601	\$14,365

For the coming budget year, CARA anticipates the following expenses:

Urban Renewal Agency		
>Audit Services	\$ 2,500	
>Bond Sale Expense	35,000	
>Contractual Services	52,400	
>Administrative Costs	1,500	
>Advertising	1,500	
>Duplication & Fax	1,700	
>Materials & Supplies	3,000	
>Meetings & Conferences	2,500	
>Building Revitalization Grant Program	50,000	
>Architectural Services - Crandall	10,000	
>Architectural Services - Dortignacq	12,000	
>Allocated Projects	1,462,800	
>Project Reserve	2,712,700	
>Interfund Transfer	115,400	<u>\$4,713,000</u>
Debt Service		
>Debt Service (current bond)	\$140,000	
>Debt Coverage (reserve)	140,000	
>Debt Service (new LOC)	382,000	
>Debt Coverage (reserve)	382,000	<u>\$1,044,000</u>
Total Budgeted Expenses		<u>\$5,757,000</u>

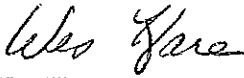
**CARA URBAN RENEWAL DISTRICT
2007-2008 BUDGET MESSAGE**

A portion (\$1,712,800) of the Grant/Loan monies have already been earmarked in Fiscal Year 2007-2008 to fund seven different projects exceeding \$9.5 million of anticipated project costs, and producing a significant tax increment to CARA. These projects were approved by the CARA Agency at its January meeting pending the creation of a Line of Credit (LOC).

CARA is in the process of obtaining a LOC for around \$4.1 million to fund projects that had been allocated in January, as well as potential projects on the horizon. These potential projects include the development of the three large lots on the waterfront, commonly referred to as the "Inland Quick-Freeze" site. CARA has been in active conversations with the developer of this property and is hopeful that they will decide to move forward in 2007-2008. Additionally, there has been interest in a six-story building on the corner of Third Avenue SE and Lyon Street. Staff is in the process of putting out a Request for Proposal for the bank selection process and anticipates closing on the loan no later than July 13, 2007.

Interest and public visibility of the CARA projects and activities has increased significantly with the construction underway on the Ironworks project, the Flinn and Ames Buildings, and the completion of Brad Jordan's building. All of these projects have helped fuel the economy of Central Albany. The new fiscal year should be a very busy one for the Central Albany Revitalization Area.

Respectfully submitted,



Wes Hare
City Manager

CARA URBAN RENEWAL AGENCY FUND
REQUIREMENT/STAFFING SUMMARIES

Program Requirements	2004-05	2005-062006-07.....	2007-08.....		
	Actual	Actual	Adopted	Revised	Proposed	Approved	Adopted
CARA - Urban Renewal Agency	\$ 736,958	\$1,651,570	\$1,395,000	\$2,726,900	\$4,713,000	\$4,713,000	\$4,713,000
CARA Debt Service	-	-	-	-	1,044,000	1,044,000	1,044,000
Total Requirements	\$ 736,958	\$1,651,570	\$1,395,000	\$2,726,900	\$5,757,000	\$5,757,000	\$5,757,000

Adopted Requirements by Type	Materials & Services		Capital	Transfers Out	Debt Service	Adopted Budget	% of Fund Budget
	Personnel						
CARA - Urban Renewal Agency	\$ -	\$4,597,600	\$ -	\$ 115,400	\$ -	\$4,713,000	81.87%
CARA Debt Service	-	-	-	-	1,044,000	1,044,000	18.13%
Total Requirements	\$ -	\$4,597,600	\$ -	\$ 115,400	\$1,044,000	\$5,757,000	100.00%
Percent of Fund Budget	-	79.87%	-	2.00%	18.13%	100.00%	

PROGRAM HIGHLIGHTS AND OBJECTIVES

CARA Urban Renewal Agency: CARA Urban Renewal Agency (290-16-1102)
Responsible Manager/Title: Dick Ebbert, Economic Development Director

Initiatives	Target Completion Date	Status	Supports Strategic Plan Theme
• Develop renovation project with Olivetti's for Old Towne Café.	September 2007		A Healthy Economy
• Partner with Viper NW on construction of new building on Jackson Street SE.	January 2008		A Healthy Economy
• Develop partnership with Scott Lepman for development of Willamette Seed site.	June 2008		A Healthy Economy
• Partner with LBHA on elderly housing project at former Ice House site.	June 2008		A Healthy Economy
• Assist owner of Labor Temple building and adjoining vacant lot with remodel and new construction.	June 2008		A Healthy Economy
• Continue the partnership with Iron Works project. Phase I – joint marketing program Phase II – office/apartment complex Phase III – townhouse construction Phase IV – Montgomery office complex construction	June 2008		A Healthy Economy
• Continue funding source pursuit for Carousel Project.	June 2008		A Healthy Economy

PROGRAM BUDGET DATA

CARA Urban Renewal Agency Fund: CARA Debt Service (290-16-1112)

Program Requirements	2004-05	2005-062006-07.....		2007-08	% Change from 2006-07
	Actual	Actual	Adopted Budget	Revised Budget	Adopted Budget	
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -	-
Materials & Services	-	-	-	-	-	-
Capital	-	-	-	-	-	-
Transfers Out	-	-	-	-	-	-
Debt Service	-	-	-	-	1,044,000	-
Contingency	-	-	-	-	-	-
Unappropriated	-	-	-	-	-	-
Total Program Requirements	\$ -	\$ -	\$ -	\$ -	\$1,044,000	-
Program Resources						
Property Taxes - Current	\$ -	\$ -	\$ -	\$ -	\$ 904,000	-
Property Taxes - Delinquent	-	-	-	-	-	-
Beginning Balance	-	-	-	-	140,000	-
Total Program Resources	\$ -	\$ -	\$ -	\$ -	\$1,044,000	-

CARA AGENCY RESOLUTION NO. CARA 2007-13

A RESOLUTION APPROVING THE CENTRAL ALBANY REVITALIZATION AREA (CARA) BUDGET FOR FISCAL YEAR 2007-2008 BY THE CARA AGENCY.

BE IT RESOLVED that the Central Albany Revitalization Area Agency hereby approves the Fiscal Year 2007-2008 budget in the amount of \$ 5,757,000.

BE IT FURTHER RESOLVED that the amounts for the fiscal year beginning July 1, 2007 and for the purposes shown below are hereby appropriated as follows:

CENTRAL ALBANY REVITALIZATION AREA

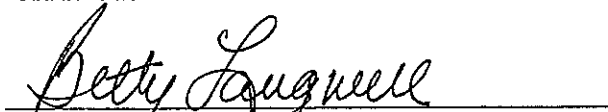
CARA Urban Renewal Agency	\$4,713,000
CARA Debt Service	<u>1,044,000</u>
Total	\$5,757,000

BE IT FURTHER RESOLVED that the CARA Agency hereby approves certification to the County Assessors (Linn and Benton Counties) a request for the CARA Plan Area for the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457.

DATED AND EFFECTIVE THIS 13TH DAY OF JUNE 2007.


CARA Agency Chair

ATTEST:


City of Albany City Clerk