

NOTICE OF PUBLIC MEETING

ARA BUDGET COMMITTEE MEETING

City Hall Council Chambers

Tuesday, May 15, 2012

6:30 p.m.

Immediately preceding the City of Albany Budget Committee Meeting

AGENDA

1. CALL TO ORDER
2. ADOPTION OF MINUTES
 - a. May 17, 2011, ARA Budget Committee Meeting
 - b. April 18, 2012, ARA Budget Committee Meeting
3. SCHEDULED BUSINESS
 - a. Business from the Public
 - b. Proposed ARA FY 2012-2013 Budget deliberation
4. APPROVAL OF RESOLUTION
5. BUSINESS FROM THE COMMITTEE
6. ADJOURNMENT

The location of the meeting/hearing is accessible to the disabled. If you have a disability that requires accommodation to attend or participate in the meeting/hearing, advance notice is requested by notifying the City Manager/Human Resources Office at 917-7501.

ALBANY REVITALIZATION AREA
BUDGET COMMITTEE MEETING
City Hall Council Chambers
Tuesday, May 17, 2011
6:30 p.m.

MINUTES

ROLL CALL

PRESENT: Mayor Sharon Konopa and Councilors Jeff Christman, Floyd Collins, Dick Olsen, Ralph Reid Jr., Bessie Johnson, and Bill Coburn; and Budget Committee Members Susan Folden, Raymond Lusk, Wendy Kirbey, Colleen Keller, Bruce Peters, and Steve Terjeson.

Budget Committee Member Michael Thomson arrived at 6:34 p.m.

ABSENT: None.

CALL TO ORDER

Chair Susan Folden called the meeting to order at 6:30 p.m.

ELECTION OF OFFICERS

Folden called for nominations for the Albany Revitalization Agency (ARA) Budget Committee Board.

Budget Committee Member Raymond Lusk moved to nominate Folden for Chair. Councilor Bill Coburn seconded the motion and it passed 13-0.

Budget Committee Member Bessie Johnson moved to nominate Councilor Jeff Christman for Vice Chair. Councilor Floyd Collins seconded the motion and it passed 13-0.

Collins moved to nominate Budget Committee Member Colleen Keller for Secretary. Johnson seconded the motion and it passed 13-0.

ADOPTION OF MINUTES

Coburn moved to adopt the May 18, 2010, ARA Budget Committee Meeting minutes. Councilor Ralph Reid seconded the motion and it passed 13-0.

SCHEDULED BUSINESS

Business from the Public

There was no business from the public.

Proposed ARA Fiscal Year (FY) 2011-2012 Budget Review

City Manager Wes Hare explained that the urban renewal district collects taxes based on the increased value of properties in the district from the time it was formed in 2001. There has been about \$100 million increase over that time. The ARA focuses resources on projects that are in the district in an effort to build up assessed values over time. At the expiration of the urban renewal district, Albany will have a more robust base and a more prosperous community. Urban renewal has been working well in Albany because we are seeing investment here that would not have otherwise happened. Examples are the Wheelhouse, Jefferson Lofts, Calapooia Brewery, and

ARA Budget Committee

May 17, 2011

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creating jobs at Viper NW and Hydration Technologies. There is a list of the various projects and their stages of completion in the ARA Budget document.

Budget Committee Member Michael Thomson arrived at 6:34 p.m.

Folden noted that there is a retail refinement plan in the works with a completion date of 2012 or maybe this summer. She asked, is there more to do before we start funding projects again? Hare said that Crandal Arandula, a consultant out of Portland, did the first draft. Urban Renewal Manager Kate Porsche said they should be done in June or July and the project will be complete. It will be possible to fund projects during this next FY.

BUSINESS FROM THE COMMITTEE

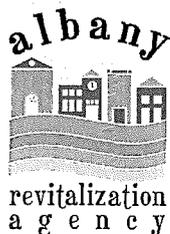
Coburn moved to approve the ARA Budget and Reid seconded it. The motion passed 14-0 and was designated Resolution No. B-2011-1.

ADJOURNMENT

There being no other business, the meeting was adjourned at 6:38 p.m.

Respectfully submitted by,

Mary A. Dibble, MMC
Deputy City Clerk



CITY OF ALBANY
ARA Budget Committee with the CARA Advisory Board
City Hall Willamette Room, 333 Broadalbin Street SW
Wednesday, April 18, 2012

MINUTES

ROLL CALL

ARA Budget Committee Members present: Jeff Christman, Bill Coburn, Floyd Collins, Sharon Konopa, Ray Kopczynski, Dick Olsen, Colleen Keller, Wendy Kirbey, Dick Conolly, Neil Michael, Michael Thomson, and Susan Folden

ARA Budget Committee Members absent: Will Summers and Bessie Johnson

CARA Advisory Board Members present: Rich Catlin, Kate Foster, Loyd Henion, Gordon Kirbey, Chuck Leland, Cordell Post, and Mark Spence

Staff present: City Manager Wes Hare, City Attorney Jim Delapoer, Finance Director Stewart Taylor, City Recorder Betty Langwell, Urban Renewal Manager Kate Porsche, and Administrative Assistant Teresa Nix

CALL TO ORDER

Chair Susan Folden called the meeting to order at 5:15 p.m.

ELECTION OF OFFICERS

Folden called for nominations for the Albany Revitalization Agency (ARA) Budget Committee officers.

MOTION: Wendy Kirbey moved to nominate Susan Folden for Chair, Jeff Christman for Vice Chair, and Colleen Keller for Secretary. Neil Michael seconded the motion, and it passed 12-0.

APPROVAL OF MINUTES

April 20, 2011 and May 17, 2011

MOTION: Floyd Collins moved to adopt the April 20, 2011, and May 17, 2011, minutes as presented. Christman seconded the motion, and it passed 12-0.

SCHEDULED BUSINESS

Business from the Public

Stella Reimers said that she came here to say what a good job the CARA Advisory Board is doing. She owns property in downtown Albany, and she has seen a lot over the years. Prior to the urban renewal district, the downtown was really blighted with panhandlers and drug addicts sleeping in garbage cans and using doorways as bathrooms. CARA came in and cleaned it up, and now people can walk downtown without being panhandled or feeling threatened. She hopes that CARA will stay strong and continue with what it is doing.

Proposed FY 2012-2013 Central Albany Revitalization Area (CARA) Budget Review

City Manager Wes Hare said that urban renewal is an economic development tool that has been commonly used throughout the United States for at least the last 50 years. Oregon has more than 100 urban renewal districts, including three in Lebanon. The

urban renewal funding tool is called tax increment financing (TIF). The theory is that you take the increment in tax dollars beyond the frozen base and apply those funds to the blighted area to pull the area up so it can become economically productive and, over the long-term, make bigger contributions to other services. There are many good examples where this has worked well, and we have seen success in Albany. A feature unique to Oregon state law is that communities with urban renewal areas receive greater state assistance which amounts to about \$600,000 a year in Albany. If the City chose not to have an urban renewal area, that money would go back to the state.

Hare presented the ARA Budget of \$6,765,900 for the Fiscal Year 2012-2013.

City Attorney Jim Delapoer said that the ARA Budget Committee will receive input from citizens on May 15 and will then deliberate with the benefit of that input. The purpose of tonight's meeting is to receive the budget and ask questions of staff.

Urban Renewal Manager Kate Porsche distributed and reviewed a summary of Program 1112 CARA Debt Service revenues and expenditures, and Program 1102 CARA Projects revenues and expenditures [see agenda file].

Sharon Konopa asked that staff update the ARA Budget Committee on action taken at the Albany Revitalization Agency (ARA) meeting that was held just before this meeting. Porsche said that the ARA decided to put on hold all public projects that have not yet gotten underway as well as private projects for which there are no resolutions until we build the budget for FY2013-14. Loyd Henion commented that he thinks this is a mistake and that he would have liked the CARA Advisory Board to have some discussion before the ARA made this decision.

Delapoer said that the decision of the ARA to not spend money does not constrain the ARA Budget Committee in its role to authorize spending. If the ARA made a decision which reversed the decision made tonight, it would not be able to spend money that was not authorized without going through a supplemental process.

Mark Spence asked about the costs associated with holding but not accessing the Line of Credit (LOC). Porsche said the amount of the LOC that has not been accessed is \$3 million; the fee to hold those funds is about one-half of one percent. The proposed budget assumes that the LOC will be drawn down and converted to a bond but that is a policy decision to be made on the night of the hearing. Brief discussion followed. Porsche clarified that a resolution would still be needed to draw down the LOC even if that amount is in the budget. Having it in the budget gives the authority if the decision makers decide to draw it down.

Finance Director Stewart Taylor reviewed Oregon Budget Laws as they relate to the ability to amend an approved budget. He said that, in order for a supplemental budget to be considered, it must be for a purpose that could not have been reasonably anticipated at the time the budget was put together.

BUSINESS FROM THE COMMITTEE

There was no business from the Committee.

NEXT MEETING

The next meeting date of the ARA Budget Committee is Tuesday, May 15, 2012, 6:30 p.m.

ADJOURNMENT

Hearing no further business, Chair Folden adjourned the meeting at 6:08 p.m.

Respectfully submitted by,

Reviewed by,

Teresa Nix
Administrative Assistant

Kate Porsche
Urban Renewal Manager

RESOLUTION NO. _____

A RESOLUTION APPROVING THE ALBANY REVITALIZATION AREA (ARA) BUDGET FOR FISCAL YEAR 2012-2013 BY THE ARA BUDGET COMMITTEE AND RECOMMENDING TO THE ARA AGENCY CERTIFICATION TO LINN AND BENTON COUNTIES.

WHEREAS, the Fiscal Year 2012-2013 ARA Budget consists of funding and expenditures for the Central Albany Revitalization Area (CARA); and

WHEREAS, the ARA Budget Committee conducted a public meeting on April 18, 2012 and May 15, 2012, after proper notice and opportunity for the public to comment.

NOW THEREFORE BE IT RESOLVED that the Albany Revitalization Area Budget Committee hereby approves the FY 2012-2013 Budget in the amount of \$6,765,900.

BE IT FURTHER RESOLVED that the amounts for the fiscal year beginning July 1, 2012, and for the purposes shown below are hereby appropriated as follows:

CARA Urban Renewal Area	\$ 4,981,500
CARA Debt Service	<u>1,784,400</u>
Total	\$6,765,900

BE IT FURTHER RESOLVED that the ARA Budget Committee hereby recommends to the ARA Agency certification to the County Assessors (Linn and Benton Counties) a request for the ARA 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 15TH DAY OF MAY 2012.

ARA Budget Committee Chair

ATTEST:

ARA Budget Committee Secretary

**Albany
Revitalization
Agency
(ARA)**

2012-2013

PROPOSED BUDGET

2012-2013 PROPOSED BUDGET

BUDGET COMMITTEE

ARA Agency

Floyd Collins, Agency Chair
Bill Coburn
Jeff Christman
Bessie Johnson
Ray Kopczynski
Sharon Konopa
Dick Olsen

Lay Members

Susan Folden, Budget Chair
Dick Conolly
Colleen Keller
Wendy Kirbey
Neil Michael
Will Summers
Michael Thomson

Administrative Staff

Wes Hare, City Manager
Stewart Taylor, Finance Director
Kate Porsche, Urban Renewal Manager
Anne Baker, Senior Accountant
Mary Dibble, Deputy City Clerk
Mike Murzynsky, Senior Accountant

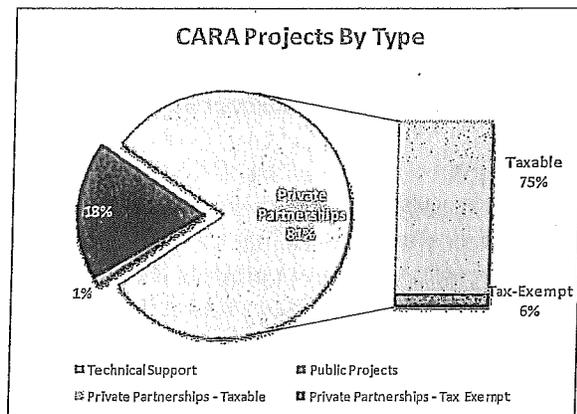
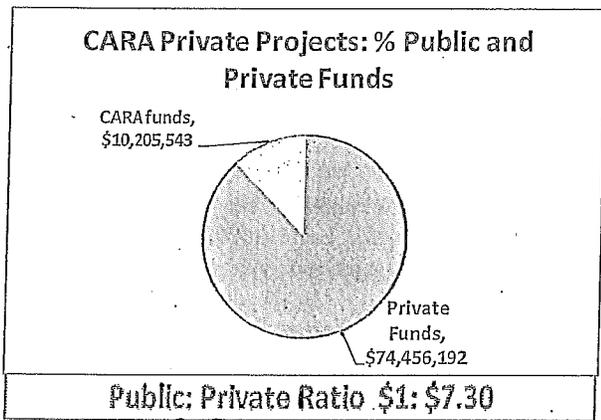
**ALBANY REVITALIZATION AREA (ARA)
URBAN RENEWAL DISTRICT
Fiscal Year 2012-2013 BUDGET MESSAGE**

Honorable Chairperson, Budget Committee members, and citizens of Albany, I am pleased to present the ARA budget of \$6,765,900 for the Fiscal Year (FY) 2012-2013.

During the current fiscal year, the Central Albany Revitalization Area (CARA) has continued to make progress toward achieving the goals of its plan by funding various projects through its grant and loan programs.

A total of \$2.5M was allocated to projects under the Grant/Loan Program for development and building renovation projects including the small grants program, a refinance of the Labor Temple Apartments, public projects related to the Retail Refinement Program including design for the Lyon Street Exit Ramp and Monteith Riverpark expansion, funding for parking lot resurfacing, and Wayfinding signage for downtown. Private Partnerships funded include the Jensen Museum, the Olivetti's storefront rehabilitation on First Avenue, a partnership with Innovative Housing for 54 units of workforce housing at the site of the blighted mobile home park as well as partnerships with the American Legion and United Steel Workers.

Many of these projects are already underway, and these partnerships continue to leverage significant public funds. The graph below illustrates the ratio of public to private dollars. Additionally, the majority of CARA projects, over the life of the urban renewal district, have been private partnerships—the bulk of which are taxable projects (see graph CARA Projects by Type).



The CARA Advisory Board, in an effort to ensure that their funds are flowing to projects that will drive change, completed work on the Retail Refinement study with the firm Crandall Arambula. The Board looks to use the information from the study to help guide the creation of a stronger policy framework for CARA's decision making. Additionally, the Board plans to hold an open house and ten-year retrospective on CARA.

Looking forward, there are seven loans that CARA is holding. This coming fiscal year, four payments are scheduled to be received — one from Mr. Yamamoto, one from Mr. Ward, and two from Mr. Swoboda; these items have been included in this year's CARA budget. Below is a chart of the scheduled upcoming loan payments to CARA:

CARA Loan Income

As of March 25, 2012

Borrower (Original Loan Amount) - Due Date	Fiscal Year					
	2012 2013	2013 2014	2014 2015	2015 2016	2016 2017	2017 2018
Swoboda Ph. I (\$104,280) - 4/30/2017	\$ 23,046	\$ 23,046	\$ 23,046	\$ 23,046	\$ 23,046	
Swoboda Ph. II (\$42,500) - 1/19/2012	\$ 14,365	\$ 14,365	\$ 14,365	\$ 14,365		
Manley (\$74,000) - 2/12/2014		\$ 16,661	\$ 16,661	\$ 16,661	\$ 16,661	\$ 16,661
Yamamoto No Interest Loan (\$97,500) - 3/13/2016				\$ 97,500		
Yamamoto Property Acquisition Loan (\$112,500) - 3/13/2010	\$ 7,194	\$ 7,194	\$ 7,194	\$ 100,727		
Ward/Albany Redevelopment (\$120,000) - 5/10/14		\$ 120,000				
Ward/Albany Redevelopment (\$235,000) - 11/10/14	\$ 26,856	\$ 26,856	\$ 26,856			
Total Anticipated Loan Payments	\$ 71,460	\$ 208,121	\$ 88,121	\$ 252,298	\$ 39,706	\$ 16,661

A portion of the project funds shown in the FY 2012-2013 budget have already been earmarked to fund different projects. These projects were approved by the ARA during FY 2011-2012. The remaining balance will be available to fund projects as the Agency sees fit.

In the FY 2012-2013 budget, it is assumed that the ARA will fund projects and draw against the remaining balance of \$5,000,000 line of credit that was put into place FY 2009-2010. This line of credit will be converted to a bond prior to December 31, 2012.

Kate Porsche has continued to serve in her role as Urban Renewal Manager. She is responsible for the day-to-day activities of the urban renewal district including budget tracking, project management, committee support, marketing, contract negotiation, and administrative functions.

Interest and public visibility of the CARA projects and activities have increased significantly with the completion of construction on various projects including the Broadalbin Promenade, Flinn Building offices, and Conn Huston Building, as well as the Oregon Main Street Award given to CARA for the Promenade project. All of these projects have helped fuel the economy of Central Albany. We look to the new fiscal year to carefully consider future projects, leveraging private funding, borrowing capacity, and creative ways to partner with other community organizations including the Main Street organization and Historic Albany Recovery Plan in the advancement of Central Albany.

Respectfully submitted,



Wes Hare, City Manager

DEPARTMENT THEMES AND GOALS

Albany Revitalization Agency
Responsible Manager/Title: Wes Hare, City Manager

Great Neighborhoods

Reduce blight in Central Albany, implement goals and objectives of the City of Albany Comprehensive Plan, and implement development strategies and objectives for CARA by:

- Providing financial incentives and tools for partnerships with residents and businesses to enhance vitality and livability of the community including:
 - viable and vibrant downtown core
 - the preservation and enhancement of the historic districts
- Attracting new private investment to the area.

Safe City

Reduce blight by:

- Providing a safe and convenient transportation network that encourages pedestrian and bicycle access to and within the town center.
- Creating a readily identifiable core that is unique and vibrant with a mixture of entertainment, housing, specialty shops, offices, and other commercial uses.
- Upgrading or restoring water, sewer, and specific roadway systems.
- Rehabilitating blighted properties.

Healthy Economy

Provide financial incentives and tools that support partnerships between government agencies, local businesses, and residents to enhance the value and diversity of Albany's economy by:

- Retaining and enhancing the value of existing private investment and public investment in the area.
- Creating a readily identifiable core that is unique and vibrant with a mixture of entertainment, housing, specialty shops, offices, and other commercial uses.
- Leveraging urban renewal funds to become a catalyst for redevelopment in the targeted areas.

Effective Government

Develop partnerships and projects that leverage redevelopment tools to maximize benefits to Albany residents and businesses through a fair and streamlined process by:

- Conducting business in an efficient and effective manner to maximize funds and achieve desired results.
- Retaining and enhancing the value of existing private investment and public investment in the area.

PROGRAM NARRATIVE

ALBANY REVITALIZATION AGENCY: CENTRAL ALBANY REVITALIZATION AREA (CARA) (290-11-1102)

Responsible Manager/Title: Wes Hare, City Manager

FUNCTIONS AND RESPONSIBILITIES

- Promote revitalization within the boundaries of the Urban Renewal District through a public/private partnership.
- Establish activities in response to private sector needs while balancing the interests of the community at-large.
- Fund small grant requests.

STRATEGIES/ACTIONS

Strategic Plan Theme	Target Date	Status	Strategies/Actions
Budget Year 2011-2012			
Healthy Economy	12/11	In Progress	<ul style="list-style-type: none"> ◦ Complete partnership with owners of projects begun in 2009, 2010, and 2011: <ul style="list-style-type: none"> ◦ Residential historic forgivable loans ◦ Code Compliance blight removal partnership ◦ Manley/Flinn & Ames Buildings ◦ Small Grant recipients ◦ Assist RCM Homes with their \$27 million project for site plan review. ◦ Complete Downtown Retail Refinement project with Crandall Arambula and create policies to aid in decision making.
	12/11	Completed	
	12/11	In Progress	
	06/12	In Progress	
	06/12	In Progress	
	06/12	Completed	
Budget Year 2012-2013			
Healthy Economy	12/12		<ul style="list-style-type: none"> ◦ Complete partnership with owners of projects begun in 2009, 2010, 2011, and 2012: <ul style="list-style-type: none"> ◦ Residential historic forgivable loans ◦ Manley/Flinn & Ames Buildings ◦ Small Grant recipients ◦ Assist RCM Homes with their \$27 million project for site plan review. ◦ Create policies to aid in decision making based on the 2011 Retail Refinement Plan. ◦ Hold open house and ten-year retrospective of CARA. ◦ Further projects identified in the Retail Refinement plan such as the Lyon Street Exit Ramp, potential parking lot site, and Monteith Riverpark expansion.
	12/12		
	06/13		
	06/13		
	06/13		
	06/13		
	06/13		
	06/13		

PROG 1102: CARA

Acct# Description	2009 - 2010 Actual	2010 - 2011 Actual	2011 - 2012 Year to Date	2011 - 2012 Budget	2012 - 2013 PROPOSED	% Change
General Revenues						
40050 Property Taxes - Current	1,201,532.44	439,271.48	881,066.40	441,200	882,600	100.05%
40051 Property Taxes - Delinquent	-	33,057.64	39,357.30	47,400	30,000	-36.71%
47001 Loan Proceeds	1,958,800.00	-	-	3,041,200	3,030,000	-0.37%
47012 Miscellaneous Revenue	-	11,650.00	-	-	-	- %
47019 Loan Principal Revenue	-	(0.36)	-	-	-	- %
47020 Loan Interest Revenue	-	5,371.99	-	-	-	- %
47024 Loan Repayment-Principal	190,831.56	-	2,336.71	31,600	33,700	6.65%
47025 Loan Repayment-Interest	11,125.76	-	16,046.69	11,700	37,700	222.22%
48010 Interest	20,145.34	7,687.94	2,901.69	6,000	2,500	-58.33%
Total General Revenues	3,382,435.10	497,038.69	941,708.79	3,579,100	4,016,500	12.22%
Beginning Balance						
49905 Beginning Balance	1,848,177.94	1,405,820.15	842,385.20	652,900	965,000	47.80%
Total Beginning Balance	1,848,177.94	1,405,820.15	842,385.20	652,900	965,000	47.80%
TOTAL REVENUES	5,230,613.04	1,902,858.84	1,784,093.99	4,232,000	4,981,500	17.71%
Materials & Services						
60016 Audit Service	2,500.00	2,900.00	2,900.00	3,000	3,000	- %
60101 Contractual Services	42,685.34	4,639.00	5,887.31	10,000	10,000	- %
61005 Administrative Costs	560.74	336.59	325.19	500	500	- %
61006 Advertising & Publications	554.24	334.48	(14.70)	300	300	- %
61010 Duplication & Fax	1,628.29	1,435.24	920.86	2,000	1,500	-25.00%
61011 Education & Training	67.10	575.00	-	-	-	- %
61024 Materials & Supplies	442.41	1,540.35	369.38	1,500	1,500	- %
61026 Meetings & Conferences	725.89	321.04	612.86	2,000	1,700	-15.00%
61027 Memberships & Dues	558.25	784.02	895.51	900	900	- %
61030 Personal Auto Reimbursement	536.70	1,281.45	804.86	600	900	50.00%
61032 Postage & Shipping	44.47	10.89	19.90	100	100	- %
61034 Professional Publications	227.00	227.00	227.00	300	300	- %
67020 Building Revitalization Grant Program	21,256.30	61,962.38	45,393.00	50,000	50,000	- %
67038 Blight Removal Program	15,848.19	4,416.67	-	-	-	- %
67051 CARA RFL: Eaton	-	24,794.00	-	-	-	- %
67052 CARA RFL: van Rossman	-	3,210.41	-	8,990	-	-100.00%
67055 CARA FL: Carousel Bldg Design	-	-	42,534.85	110,000	-	-100.00%
67056 CARA FL: Olivetti (tx)	-	-	85.00	42,500	-	-100.00%
67057 CARA FL: Poris (tx)	-	-	25,179.19	26,775	-	-100.00%
67058 CARA FL: IHI (tx)	-	-	-	1,450,000	1,450,000	- %
67059 CARA FL: USW (tx)	-	-	-	140,000	140,000	- %
67200 CARA AA: Dortinacq	5,810.00	1,872.50	1,420.00	5,000	5,000	- %
67201 CARA AA: Crandall	3,331.60	4,415.00	3,422.50	5,000	5,000	- %
67202 Retail Refinement - Crandall	-	49,983.00	-	-	-	- %
67203 Carousel Architecture Selection	-	-	5,172.15	5,000	-	-100.00%
67204 Central Parking Strategy	-	-	825.00	3,000	-	-100.00%
67205 Eagles Parking Lot Structure	-	-	2,090.00	3,000	-	-100.00%
67206 CARA AA: 2nd & Baker	-	-	660.00	-	-	- %
67207 CARA: Lyon St Exit Concept Design	-	-	-	20,000	20,000	- %
67208 CARA: Monteith Park Expansion	-	-	-	24,000	24,000	- %
67405 CARA DvP: Johnson (Tx)	173,705.40	331,143.00	-	-	-	- %
67406 CARA DvP: Hydration Technologies	-	107,750.00	-	-	-	- %
67411 CARA DvP: R3 Development	502,840.51	170.00	-	-	-	- %
67412 CARA DvP: Manley Ph III (Taxable)	211,843.67	-	-	-	-	- %
67625 CARA Grant: Throop (50%) (Tx)	9,779.99	-	-	-	-	- %
67626 CARA Grant: M. Brown (50%) (Tx)	70,000.01	-	-	-	-	- %
67627 CARA Grant: Monteith Historical Society	8,488.57	3,511.43	-	-	-	- %
67628 CARA Grant: Papa Murphy's	42,506.00	-	-	-	-	- %
67629 CARA Grant: Brown Ph. (50%)(TX)	-	30,000.00	-	-	-	- %

PROG 1102: CARA

Acct# Description	2009 - 2010 Actual	2010 - 2011 Actual	2011 - 2012 Year to Date	2011 - 2012 Budget	2012 - 2013 PROPOSED	% Change
Materials & Services						
67630 CARA Grant: WOU-Jensen Arctic 50%	-	-	-	50,000	50,000	- %
67631 CARA Grant: USW (tx)	-	-	-	100,000	100,000	- %
67632 CARA Grant: American Legion	-	-	31,572.53	74,000	-	-100.00%
67806 CARA Loan: Manley Ph II (Tx)	35,801.16	87,392.87	24,805.97	118,507	-	-100.00%
67807 CARA Loan: R3 Dev (forgivable)	200,066.00	-	-	-	-	- %
67809 CARA Loan: Yamamoto 100% Forgivable-T	74,704.98	-	-	-	-	- %
67810 CARA Loan: Annunzio Forgivable TX	13,205.77	-	-	-	-	- %
67811 CARA Loan: Yamamoto 100% Proj Loan (T)	94,507.27	2,936.73	-	-	-	- %
67813 CARA Loan: Albany Redev, LLC (Tx)	23,567.89	-	-	16,400	-	-100.00%
67814 CARA Loan: Edgewater Village (F) (Tx)	1,500,000.00	-	-	-	-	- %
67815 CARA Loan: Siegner (Forgivable)-Tx	-	28,150.00	22,800.00	68,897	-	-100.00%
67816 CARA Loan: Lepman Forgivable (Tx)	-	34,097.00	-	-	-	- %
67817 CARA Loan: Poris (Forgivable) Tx	-	18,485.00	10,232.12	17,955	-	-100.00%
67818 CARA Loan: Albany ReDev LLC (Tx)	-	120,000.00	-	-	-	- %
67819 CARA Loan: Albany Redev, LLC(Tx)	-	-	235,150.00	235,000	-	-100.00%
69018 Reserve: CARA Projects	-	37,551.68	-	778,223	2,369,900	204.53%
Total Materials & Services	3,057,793.74	966,226.73	464,290.48	3,373,447	4,234,600	25.53%
Capital						
71000 Jackson St/Water Ave Intersection	170,844.59	23,768.87	(2,650.00)	39,631	-	-100.00%
75000 CARA: Broadalbin Promenade	444,154.56	(33,421.96)	-	74,222	-	-100.00%
75002 CARA: Wayfinding Signage	-	-	-	75,000	75,000	- %
75003 CARA: Parking Lot Resurfacing	-	-	240.64	50,000	50,000	- %
75004 CARA: Broadalbin Project Phase II	-	-	10,149.10	510,000	510,000	- %
Total Capital	614,999.15	(9,653.09)	7,739.74	748,853	635,000	-15.20%
Transfers Out						
91204 To Building Inspection Fund	50,000.00	-	-	-	-	- %
91232 To Economic Development	102,000.00	103,900.00	82,275.03	109,700	111,900	2.01%
Total Transfers Out	152,000.00	103,900.00	82,275.03	109,700	111,900	2.01%
TOTAL EXPENDITURES	3,824,792.89	1,060,473.64	554,305.25	4,232,000	4,981,500	17.71%

PROGRAM NARRATIVE

ALBANY REVITALIZATION AGENCY: CARA DEBT SERVICE (290-11-1112)

Responsible Manager/Title: Wes Hare, City Manager

FUNCTIONS AND RESPONSIBILITIES

- The Central Albany Revitalization Area Agency has issued CARA Urban Renewal Revenue Bonds, Series 2007A tax-exempt of \$2,822,000; and Series 2007B taxable of \$1,865,000; dated October 15, 2007. In 2010, CARA issued a new Line of Credit (LOC) in the amount of \$5,000,000.
- This activity provides for payment of the principal and interest on the bond sale established in 2007 and the LOC established in 2010.
- This activity anticipates the conversion of the 2010 LOC into a bond (2012 Bond). It accounts for estimated costs related to the 2012 Bond including \$90,000 in bond sale expenses and a \$400,000 reserve.
- Debt service is paid from current property tax revenues.
- The Series 2007A tax-exempt bonds are payable semiannually on June 15 and December 15. The interest rate is 4.85 percent. The maturity date is June 15, 2022.
- The Series 2007B taxable bonds are payable semiannually on June 15 and December 15. The interest rate is 6.25 percent. The maturity date is June 15, 2015.
- The 2010 note is a LOC which matures December 31, 2012. The interest rate is variable and interest-only payments are all that are required until its conversion to a bond. In the attached maturity schedule, payments have been estimated assuming the full \$5 million has been drawn down and an interest rate of 5.0 percent.
- The Bond Registrar for the 2007 and 2010 issues is Bank of America N. A., Portland, Oregon. The Bond Counsel is Orrick, Herrington & Sutcliffe LLP. The Financial Advisor is Regional Financial Advisors, Inc., Portland, Oregon.
- A reserve is required in the amount of \$464,000 for the 2007 bonds. There is no reserve requirement for the 2010 LOC, but there will be an estimated reserve of \$400,000 required for the new 2012 bond.
- A 2009 change to ORS 457.450(2) provides that the division of taxes will not stop until the agency has collected enough tax increment revenues to pay its maximum indebtedness. This change means that urban renewal agencies no longer have to do annual "du jour" bonds to make sure their indebtedness is more than the tax increment revenues it has on hand. Agencies may use their tax increment revenues to pay for other forms of contractual indebtedness.

MATURITY SCHEDULE

CARA Combined Debt Service			
FY Ending	Annual Principal	Annual Interest	Total Debt Service
2013	\$ 449,000	\$ 381,284	\$ 830,284
2014	\$ 296,000	\$ 167,180	\$ 463,180 *
2015	\$ 315,000	\$ 148,680	\$ 463,680
2016	\$ 333,000	\$ 130,756	\$ 463,756
2017	\$ 349,000	\$ 114,606	\$ 463,606
2018	\$ 366,000	\$ 97,679	\$ 463,679
2019	\$ 383,000	\$ 79,928	\$ 462,928
2020	\$ 402,000	\$ 61,353	\$ 463,353
2021	\$ 421,000	\$ 41,856	\$ 462,856
2022	\$ 442,000	\$ 21,437	\$ 463,437

*2010 LOC will be converted to bond - payments not shown

CARA - TAX EXEMPT 2007 BOND - Series A
SEMI-ANNUAL DEBT SERVICE

DATE	PRINCIPAL	COUPON	INTEREST	TOTAL	Annual Total Debt Service
12/15/2012	-	0.00%	68,433.50	68,433.50	-
06/15/2013	-	0.00%	68,433.50	68,433.50	136,867.00
12/15/2013	-	0.00%	68,433.50	68,433.50	-
06/15/2014	-	0.00%	68,433.50	68,433.50	136,867.00
12/15/2014	-	0.00%	68,433.50	68,433.50	-
06/15/2015	126,000.00	4.85%	68,433.50	194,433.50	262,867.00
12/15/2015	-	0.00%	65,378.00	65,378.00	-
06/15/2016	333,000.00	4.85%	65,378.00	398,378.00	463,756.00
12/15/2016	-	0.00%	57,302.75	57,302.75	-
06/15/2017	349,000.00	4.85%	57,302.75	406,302.75	463,605.50
12/15/2017	-	0.00%	48,839.50	48,839.50	-
06/15/2018	366,000.00	4.85%	48,839.50	414,839.50	463,679.00
12/15/2018	-	0.00%	39,964.00	39,964.00	-
06/15/2019	383,000.00	4.85%	39,964.00	422,964.00	462,928.00
12/15/2019	-	0.00%	30,676.25	30,676.25	-
06/15/2020	402,000.00	4.85%	30,676.25	432,676.25	463,352.50
12/15/2020	-	0.00%	20,927.75	20,927.75	-
06/15/2021	421,000.00	4.85%	20,927.75	441,927.75	462,855.50
12/15/2021	-	0.00%	10,718.50	10,718.50	-
06/15/2022	442,000.00	4.85%	10,718.50	452,718.50	463,437.00

CARA - TAXABLE 2007 BOND - Series B
SEMI-ANNUAL DEBT SERVICE

DATE	PRINCIPAL	COUPON	INTEREST	TOTAL Payment	Annual Total Debt Service
12/15/2012	-	0.00%	23,875.00	23,875.00	-
06/15/2013	279,000.00	6.25%	23,875.00	302,875.00	326,750.00
12/15/2013	-	0.00%	15,156.25	15,156.25	-
06/15/2014	296,000.00	6.25%	15,156.25	311,156.25	326,312.50
12/15/2014	-	0.00%	5,906.25	5,906.25	-
06/15/2015	189,000.00	6.25%	5,906.25	194,906.25	200,812.50

CARA - 2010 LINE OF CREDIT*
QUARTERLY DEBT SERVICE

FY Ending	DATE	PRINCIPAL	RATE**	INTEREST	TOTAL	Annual Total Debt Service
2013	09/01/2012	-	5.00%	\$ 83,333	\$ 83,333	\$ -
	12/01/2012	-	5.00%	\$ 83,333	\$ 83,333	
	06/01/2013	\$ 170,000.00		\$ 30,000.00	\$ 200,000.00	\$ 366,667

* Line of credit will be converted to a bond once drawn down—one payment of \$400,000 in anticipated and shown above.

**Libor Rate has been estimated at 5.0% for this purpose

PROG 1112: CARA Debt Service

Acct# Description	2009 - 2010 Actual	2010 - 2011 Actual	2011 - 2012 Year to Date	2011 - 2012 Budget	2012 - 2013 PROPOSED	% Change
General Revenues						
40050 Property Taxes - Current	371,919.98	1,308,332.03	898,447.00	1,300,100	817,400	-37.13%
40051 Property Taxes - Delinquent	42,322.69	18,253.10	-	-	-	- %
48010 Interest	21,116.64	6,373.87	4,610.28	3,000	3,000	- %
Total General Revenues	435,359.31	1,332,959.00	903,057.28	1,303,100	820,400	-37.04%
Beginning Balance						
49905 Beginning Balance	50,688.38	8,801.13	824,042.35	464,000	964,000	107.76%
Total Beginning Balance	50,688.38	8,801.13	824,042.35	464,000	964,000	107.76%
TOTAL REVENUES	486,047.69	1,341,760.13	1,727,099.63	1,767,100	1,784,400	0.98%
Materials & Services						
60018 Bond Sale Expense	-	-	-	90,000	90,000	- %
Total Materials & Services	-	-	-	90,000	90,000	- %
Debt Service						
92014 Bond Principal: 2007B CARA (T)	233,000.00	247,000.00	-	262,000	279,000	6.49%
92015 Bond Principal: 2012 CARA	-	-	-	-	170,000	- %
93013 Bond Interest: 2007A CARA (BQ)	136,867.00	136,867.00	68,433.50	136,900	136,900	- %
93014 Bond Interest: 2007B CARA (T)	94,125.00	79,562.50	32,062.50	64,200	47,800	-25.55%
93015 Bond Interest: 2012 CARA	-	-	-	-	30,000	- %
94600 ARA Line of Credit Interest	13,254.56	54,288.28	26,817.90	250,000	166,700	-33.32%
95000 Reserve: Debt Service	-	-	-	964,000	864,000	-10.37%
Total Debt Service	477,246.56	517,717.78	127,313.90	1,677,100	1,694,400	1.03%
TOTAL EXPENDITURES	477,246.56	517,717.78	127,313.90	1,767,100	1,784,400	0.98%