

NOTICE OF PUBLIC MEETING

ALBANY REVITALIZATION AGENCY

City Hall Council Chambers

Tuesday, June 9, 2015

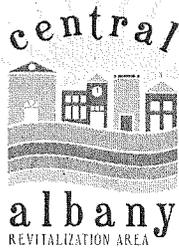
Immediately following the CARA Advisory Board meeting

AGENDA

1. CALL TO ORDER (Chair Floyd Collins)
2. ROLL CALL
3. APPROVAL OF MINUTES
➤ March 18, 2015. [Page 2]
Action: _____
4. SCHEDULED BUSINESS
 - a. Business from the Public
 - b. Public Hearing
 - 1) Adopting the budget for Fiscal Year 2015-2016. [Pages 3-11]
Action: _____ ARA RES. NO. _____
 - c. Staff updates and issues. [Verbal] (Porsche)
Action: _____
5. BUSINESS FROM THE AGENCY
6. NEXT MEETING DATE: *Wednesday, July 15, 2015*
7. ADJOURNMENT

City of Albany Web site: www.cityofalbany.net

The location of the meeting/hearing is accessible to the disabled. If you have a disability that requires accommodation, advance notice is requested by notifying the City Manager's Office at 541-917-7508, 541-704-2307, or 541-917-7519.



APPROVED: Draft

CITY OF ALBANY
Albany Revitalization Agency
City Hall Council Chambers, 333 Broadalbin Street SW
Wednesday, March 18, 2015

MINUTES

Advisory Board Members present: Floyd Collins, Bessie Johnson, Rick Kellum, Sharon Konopa, Ray Kopczynski, Dick Olsen

Advisory Board Members absent: Bill Coburn (excused)

CALL TO ORDER

Chair Floyd Collins called the meeting to order at 7:02 p.m.

APPROVAL OF MINUTES

November 12, 2014, & February 18, 2015

MOTION: Ray Kopczynski moved to approve the minutes as presented. Rich Kellum seconded the motion, and it passed 6-0.

SCHEDULED BUSINESS

Business from the Public

There was none.

BUSINESS FROM THE AGENCY

There was no additional business from the Agency.

NEXT MEETING DATE

Wednesday, April 15, 2015

ADJOURNMENT

Hearing no further business, Chair Collins adjourned the meeting at 7:04 p.m.

Submitted by,

Reviewed by,

Teresa Nix
Administrative Assistant

Kate Porsche
Economic Development & Urban Renewal Director

ARA RESOLUTION NO. _____

A RESOLUTION ADOPTING THE ALBANY REVITALIZATION AGENCY (ARA) BUDGET FOR FISCAL YEAR 2015-2016.

WHEREAS the ARA Budget Committee held a public meeting on the proposed Fiscal Year 2015-2016 ARA Budget on May 7, 2015; and

WHEREAS the ARA Budget Committee approved the Fiscal Year 2015-2016 ARA Budget on May 7, 2015, with the passage of Resolution No. ARA B 2015; and

WHEREAS the ARA held a public hearing to receive any additional input on the approved Fiscal Year 2015-2016 ARA Budget on June 9, 2015;

NOW THEREFORE BE IT RESOLVED that the Albany Revitalization Agency hereby adopts the Fiscal Year 2015-2016 Budget in the amount of \$8,457,500.

BE IT FURTHER RESOLVED that the amounts for the fiscal year beginning July 1, 2015, and for the purposes shown below are hereby appropriated as follows:

ALBANY REVITALIZATION AGENCY

CARA Urban Renewal Area	\$7,002,500
Transfer Out	1,455,000; and

BE IT FURTHER RESOLVED that the ARA 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.

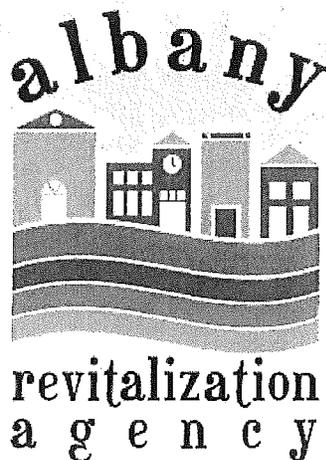
DATED AND EFFECTIVE THIS 9TH DAY OF JUNE 2015.

Albany Revitalization Agency Chair

ATTEST:

City of Albany City Clerk

Albany Revitalization Agency (ARA)



2015-16

APPROVED BUDGET

**2015-2016
ARA APPROVED BUDGET**

BUDGET COMMITTEE

ARA Agency

Floyd Collins, Agency Chair
Bill Coburn
Rich Kellum
Bessie Johnson
Ray Kopczynski
Sharon Konopa
Dick Olsen

Lay Members

Susan Folden, Budget Chair
Jeff Christman
Dick Conolly
Colleen Keller
Scott Pierson
Will Summers
Michael Thomson

Administrative Staff

Wes Hare, City Manager
Stewart Taylor, Finance Director
Kate Porsche, Economic Development and Urban Renewal
Director
Anne Baker, Senior Accountant
Jeanna Yeager, Senior Accountant
Mary Dibble, City Clerk

**ALBANY REVITALIZATION AREA (ARA)
URBAN RENEWAL DISTRICT
Fiscal Year 2015-2016 BUDGET MESSAGE**

Honorable Chairperson, Budget Committee members, and citizens of Albany, I am pleased to present the Albany Revitalization Area (ARA) Proposed Budget of \$8,457,500 for Fiscal Year (FY) 2015-2016.

Urban renewal is one of the most utilized economic development tools in Oregon but is also controversial and misunderstood. Tax increment financing and urban renewal districts are governed by complex rules and are often described in arcane terms. The concept of urban renewal, however, is relatively simple.

Most people understand the idea of taking a portion of their current salary and investing it somewhere to build a retirement income. This “deferred compensation” just means that money a family could use to pay current bills or to buy new things is instead put into some form of investment that is expected to yield benefits years in the future. Urban renewal is similar in that it takes a small portion of the appreciated value of property in a given area and invests it in projects that are expected to increase the overall value of the district over time, eliminate blight, and stimulate investment. Oregon’s experience with urban renewal suggests that this strategy has been generally successful around the state, and Albany’s district has shown similar results.

The Central Albany Revitalization Area (CARA) is the one urban renewal district in place in the city of Albany. It is overseen by the Albany Revitalization Agency. In place since 2001, the CARA District has worked to meet the community goals and objectives of eliminating blighting influences, revitalizing Central Albany through attracting new private investment, and enhancing the existing private and public investments in the area.

During the last fiscal year, the CARA Advisory Board has implemented their new slate of new public/private funding programs paired with a potential borrowing to strategically invest in a public infrastructure project(s).

At the core of the policy are the overarching goals and projects listed in the Urban Renewal Plan, which include:

- Provide a safe and convenient transportation network that encourages pedestrian and bicycle access to and within the town center.
- Preserve the historic districts, historic resources, and existing housing in the area.
- Create a readily identifiable core that is unique and vibrant with a mixture of entertainment, housing, specialty shops, offices, and other commercial uses.
- Increase residential density in the area.
- Encourage the development of new forms of housing and home ownership.
- Enhance and protect the community and environmental values of waterway corridors in the area.
- Provide an enriching environment and livable neighborhoods.

New public/private partnership programs include: Architectural Assistance Grant, Small Grants, Storefront Revitalization Grant, and Loan Program for Focus Area.

Additionally, strategic investment in key public infrastructure projects is a traditional role for urban renewal funds—the investment in these projects is meant to remove barriers for development or spur the economy so that blight is removed and private investment will follow.

The CARA Advisory Board received public input regarding prioritization of public projects at their open house in October. Feedback from citizens indicated three top-tier priorities: Downtown Streetscape, Water Avenue Streetscape, and improvements to the Dave Clark Path. Work is underway now on the design and a plan for downtown streetscape work and refinement of the Water Avenue Streetscape. Additionally, in coordination with the Albany Police Department, CARA is considering new lighting of the Dave Clark path to create a safer, more usable public space.

This public process complements the previously completed work on the Retail Refinement study with the firm Crandall Arambula. Funding was established for the high-priority projects from that plan, including the Wayfinding signage package for downtown (final design is underway), parking lot resurfacing in two downtown lots (now complete), and design work for the Monteith Riverpark Expansion project. Initial review of the potential slip-lane on Lyon Street at First Avenue is complete, but this project is a no-go due to ODOT limitations at the intersection.

With the new funding programs back on line, the Board has begun to hear requests for a small number of loans and grants. Additionally, larger projects, such as Edgewater Village, Woodland Square, and completion of the design work on the Albany Carousel and Museum building, continue to move forward. Woodland Square is nearly complete, and the first five homes at Edgewater Village are under construction now—both pivotal projects for the area.

In review of the current fiscal year, the only bonds on the books are the 2007 Tax-Exempt Bonds (Series A). The payments transitioned from interest only to interest and principal payments this year.

A portion of the project funds shown in the FY2015-2016 budget has already been earmarked to fund different projects. These projects were approved by the ARA during previous years. The remaining balance, seen in the "Reserve: CARA Projects" line item, will be available to fund projects as the Agency sees fit.

Budget authority for a new loan in the amount of \$3,030,000 was included in the FY2013-2014 and FY2014-2015 budgets, but the loan was never taken. This loan amount is included in the FY2015-2016 budget. Best practices statewide and policy discussions so far indicate these funds would be used for public infrastructure projects, as borrowing for infrastructure work means a better interest rate on the loan and is a typical structure that lenders are used to. It should be noted, though, that the decision to complete a new borrowing, as well as its use, is a decision for the CARA Advisory Board, and ultimately, the ARA.

Kate Porsche serves in her role as Economic Development and Urban Renewal Director. She has worked to balance the new duties as Economic Development Director while continuing her responsibilities related to the day-to-day activities of the urban renewal district including budget tracking, project management, committee support, marketing, contract negotiation, and administrative functions. The new UR Coordinator Position approved in the 2014-2015 budget was put on hold and has been delete from the proposed budget.

We look to the new fiscal year to carefully consider future projects, how to best leverage private funding, borrowing capacity, and creative ways to partner with other community organizations in the advancement of Central Albany.

Respectfully submitted,



Wes Hare, City Manager

DEPARTMENT THEMES AND GOALS

Albany Revitalization Agency

Responsible Manager/Title: Kate Porsche, Economic Development and Urban Renewal Director

Great Neighborhoods

Reduce blight in Central Albany, achieve goals and objectives of the CARA and City of Albany Comprehensive Plans, 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

Make Albany an attractive community by promoting investment and eliminating blight and increasing public safety.

Provide a safe and convenient transportation network that encourages pedestrian and bicycle access to and within the town center.

Create a readily identifiable core that is unique and vibrant with a mixture of entertainment, housing, specialty shops, offices, and other commercial uses.

Upgrade or restore water, sewer, and specific roadway systems.

Rehabilitate blighted properties to reduce property code violations, substandard housing conditions, and inadequate infrastructure.

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.
- Leveraging urban renewal funds and economic development funds to become a catalyst for redevelopment throughout the city.

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: ALBANY REVITALIZATION AREA (290-11-1102)

Responsible Manager/Title: Kate Porsche, Economic Development and Urban Renewal Director

FUNCTIONS AND RESPONSIBILITIES

- Promote revitalization within the boundaries of the Urban Renewal District through investment in public infrastructure and public/private partnerships.
- Establish activities and funding programs in response to private sector needs while balancing the interests of the community at-large.
- Further goals of the CARA Plan include attracting new private investment to the area, increasing residential density, and providing an enriching environment and livable neighborhoods.
- This activity provides for payment of the principal and interest on the bond sale established in 2007 and anticipates a new 2015 bond (2015 Bond). Debt service is paid from current property tax increment revenues.
- The Central Albany Revitalization Area Agency has issued CARA Urban Renewal Revenue Bonds, Series 2007A tax-exempt of \$2,822,000, dated October 15, 2007.
- 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. Principal payments began FY 2014-2015 and increase in 2015-2016.
- This budget creates the spending authority for the 2015 Bond in the anticipated amount of \$3,030,000. Principal and interest payments and a reserve have been estimated and included in this budget. Calculations were based on an estimated interest rate of 4 percent over a 15-year term. A maturity schedule is not attached since this loan has not yet been made.
- The Bond Registrar for the 2007 issue 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 \$282,200 for the Series 2007A bonds. There will be an estimated reserve of \$272,500 required for the new 2015 bond.
- The maximum indebtedness, or maximum amount of debt that can be issued or incurred under the plan, is \$56,000,000, of which there is \$39,890,689 remaining at the end of FY 2013-2014. Collection of tax increment funds for every urban renewal plan is limited by the plan's stated maximum indebtedness.

STRATEGIES/ACTIONS

Strategic Plan Theme	Target Date	Status	Strategies/Actions
Budget Year 2014-2015			
Healthy Economy	12/14	Completed	<ul style="list-style-type: none"> • Hold public open house to solicit feedback on prioritization of public infrastructure projects.
	06/15	Completed	<ul style="list-style-type: none"> • Complete partnership with owners of projects begun in 2013.
Budget Year 2015-2016			
Healthy Economy	12/15		<ul style="list-style-type: none"> • Finalize design and prioritize spending for street projects.
	06/16		<ul style="list-style-type: none"> • Complete partnership with owners of projects begun in 2014.

PROG 1102: CARA

Acct# Description	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Year to Date	2014 - 2015 Budget	2015 - 2016 APPROVED	% Change
General Revenues						
40050 Property Taxes - Current	298,126.01	2,266,703.03	2,168,254.86	2,584,200	2,274,700	-11.98%
40051 Property Taxes - Delinquent	69,348.64	74,367.86	55,255.28	40,000	40,000	- %
47001 Loan Proceeds	-	-	-	3,030,000	3,030,000	- %
47012 Miscellaneous Revenue	5.00	45.00	10.01	-	-	- %
47019 Loan Principal Revenue	2,002.63	-	-	-	-	- %
47020 Loan Interest Revenue	5,191.00	-	-	-	-	- %
47024 Loan Repayment-Principal	20,806.99	126,867.26	47,346.21	46,700	63,000	34.90%
47025 Loan Repayment-Interest	29,639.69	35,060.42	29,243.80	7,900	5,500	-30.38%
48010 Interest	23,412.38	14,700.76	12,123.08	5,500	5,500	- %
Total General Revenues	448,532.34	2,517,744.33	2,312,233.24	5,714,300	5,418,700	-5.17%
Beginning Balance						
49905 Beginning Balance	1,216,502.00	1,232,391.82	2,737,725.12	2,036,400	3,038,800	49.22%
Total Beginning Balance	1,216,502.00	1,232,391.82	2,737,725.12	2,036,400	3,038,800	49.22%
TOTAL REVENUES	1,665,034.34	3,750,136.15	5,049,958.36	7,750,700	8,457,500	9.12%
Materials & Services						
60016 Audit Service	3,000.00	3,100.00	3,200.00	3,200	3,200	- %
60018 Bond Sale Expense	-	-	-	90,000	90,000	- %
60101 Contractual Services	5,120.00	9,075.21	7,683.50	10,000	10,000	- %
61005 Administrative Costs	525.19	412.87	477.87	500	500	- %
61006 Advertising & Publications	574.66	2,324.68	1,132.98	700	700	- %
61010 Duplication & Fax	685.49	1,534.24	992.15	1,500	1,500	- %
61011 Education & Training	-	-	300.00	500	500	- %
61024 Materials & Supplies	248.88	817.26	278.17	1,500	1,500	- %
61026 Meetings & Conferences	1,171.17	286.49	621.26	2,000	2,000	- %
61027 Memberships & Dues	1,020.00	1,085.00	750.00	1,500	1,500	- %
61030 Personal Auto Reimbursement	1,032.23	875.15	412.14	1,200	1,200	- %
61032 Postage & Shipping	260.43	23.16	3.00	100	100	- %
61034 Professional Publications	227.00	236.50	-	300	300	- %
66010 Central Service Charges	-	-	93,700.00	112,100	154,200	37.56%
67020 Building Revitalization Grant Program	2,580.00	-	5,000.00	50,000	50,000	- %
67026 Grant/Loan Program	(13.00)	-	-	-	-	- %
67055 CARA FL: Carousel Bldg Design	28,290.41	9,446.75	9,005.45	9,100	-	-100.00%
67056 CARA FL: Olivetti (tx)	21,604.71	676.01	-	-	-	- %
67058 CARA FL: IHI (tx)	705,861.31	146,707.10	523,946.59	72,500	-	-100.00%
67060 Novak's FL	-	-	50,607.05	200,000	-	-100.00%
67200 CARA AA: Dortinacq	797.50	15,035.00	3,732.50	7,000	7,000	- %
67201 CARA AA: Crandall	2,490.00	-	1,519.52	5,000	5,000	- %
67207 CARA: Lyon St Exit Concept Design	-	3,465.00	-	-	-	- %
67208 CARA: Monteith Park Expansion	-	-	-	24,000	-	-100.00%
67411 CARA DvP: R3 Development	-	-	44,793.49	-	-	- %
67633 CARA SF Grant: Fortier	-	-	10,000.00	10,000	-	-100.00%
67815 CARA Loan: Siegner (Forgivable)-Tx	150.00	-	-	-	-	- %
69024 Reserve: Infrastructure Projects	-	-	35,900.56	2,929,700	3,030,000	3.42%
69025 Reserve: Partnerships	-	-	14,666.75	2,906,100	3,641,300	25.30%
Total Materials & Services	775,625.98	195,100.42	808,722.98	6,438,500	7,000,500	8.73%
Capital						
75000 CARA: Broadalbin Promenade	(12,675.57)	-	-	-	-	- %
75002 CARA: Wayfinding Signage	-	375.00	-	74,600	-	-100.00%
75003 CARA: Parking Lot Resurfacing	4,588.07	72,774.17	103.72	-	-	- %
75004 CARA: Broadalbin Project Phase II	226.58	-	-	-	-	- %
Total Capital	(7,860.92)	73,149.17	103.72	74,600	-	-100.00%
Transfers Out						
91232 To Economic Development	111,900.00	119,600.00	122,916.54	147,500	166,000	12.54%

PROG 1102: CARA

Acct# Description	2012 - 2013 Actual	2013 - 2014 Actual	2014 - 2015 Year to Date	2014 - 2015 Budget	2015 - 2016 APPROVED	% Change
Total Transfers Out	111,900.00	119,600.00	122,916.54	147,500	166,000	12.54%
Debt Service						
92013 Bond Principal: 2007A CARA (BQ)	-	-	-	126,000	333,000	164.29%
92014 Bond Principal: 2007B CARA (T)	-	485,000.00	-	-	-	- %
93013 Bond Interest: 2007A CARA (BQ)	-	136,867.00	68,433.50	136,900	130,800	-4.46%
93014 Bond Interest: 2007B CARA (T)	-	2,694.44	-	-	-	- %
95000 Reserve: Debt Service	-	-	-	282,200	282,200	- %
95106 Reserve: Future Debt Cost	-	-	-	545,000	545,000	- %
Total Debt Service	-	624,561.44	68,433.50	1,090,100	1,291,000	18.43%
TOTAL EXPENDITURES	879,665.06	1,012,411.03	1,000,176.74	7,750,700	8,457,500	9.12%