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
What is Urban Renewal?

- Program to address blighting influences in specifically designated areas
- One of a few Economic Development tools
- Used throughout Oregon over 100
- Provides Financing Mechanism to Implement City Plans:
  - Uses increases in Property Taxes to Fund Projects in Area
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

- "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

<table>
<thead>
<tr>
<th></th>
<th>With Urban Renewal</th>
<th>Without Urban Renewal</th>
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</thead>
<tbody>
<tr>
<td>ESD Linn-Btn Linc</td>
<td>13.46</td>
<td>$ 15.82</td>
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<tr>
<td>LBCC</td>
<td>22.16</td>
<td>$ 24.52</td>
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<td>GAPS #8J</td>
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<td>$ 204.77</td>
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<tr>
<td>Education Total</td>
<td>$ 238.03</td>
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<td>Linn County</td>
<td>55.8</td>
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<td>Linn County Loc OP</td>
<td>83.37</td>
<td>$ 85.73</td>
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<td>Linn County Loc OP II</td>
<td>6.14</td>
<td>$ 8.50</td>
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<tr>
<td>Albnay City</td>
<td>282.43</td>
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<td>Albany City Loc OP</td>
<td>30.93</td>
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<td>4H Extension District</td>
<td>2.28</td>
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<td>Albany Revit Urban Renewal</td>
<td>28.35</td>
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<td>General Govt Total</td>
<td>$ 489.30</td>
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<td>LBCC Bnd</td>
<td>7.92</td>
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<td>GAPS #8J Bnd 2</td>
<td>70.79</td>
<td>$ 73.15</td>
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<td>Albany City Bnd</td>
<td>18.72</td>
<td>$ 21.08</td>
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<tr>
<td>Bonds Total</td>
<td>$ 97.43</td>
<td>$ 104.52</td>
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</table>

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

<table>
<thead>
<tr>
<th>Yr Ending</th>
<th>Total</th>
<th>Linn Co.</th>
<th>LBL ESD</th>
<th>LBCC</th>
<th>GAPS/State of Oregon*</th>
<th>GAPS Bond</th>
<th>City of Albany</th>
<th>4-H</th>
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</thead>
<tbody>
<tr>
<td>2003</td>
<td>$369,704.48</td>
<td>$69,591.50</td>
<td>$6,786.63</td>
<td>$15,425.37</td>
<td>$104,097.15</td>
<td>$7,836.79</td>
<td>$165,967.04</td>
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<td>2004</td>
<td>$415,631.50</td>
<td>$76,887.89</td>
<td>$7,360.41</td>
<td>$16,304.27</td>
<td>$110,967.59</td>
<td>$8,236.77</td>
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<td>2005</td>
<td>$590,873.67</td>
<td>$112,269.26</td>
<td>$10,310.46</td>
<td>$23,198.65</td>
<td>$156,298.63</td>
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<td>2006</td>
<td>$713,213.20</td>
<td>$134,362.33</td>
<td>$12,658.78</td>
<td>$28,356.49</td>
<td>$190,391.37</td>
<td>$13,924.89</td>
<td>$333,519.34</td>
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<tr>
<td>2007</td>
<td>$872,072.33</td>
<td>$167,579.71</td>
<td>$15,437.52</td>
<td>$34,395.66</td>
<td>$233,466.15</td>
<td>$15,167.22</td>
<td>$406,026.07</td>
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<td>2008</td>
<td>$1,156,390.63</td>
<td>$219,616.76</td>
<td>$18,674.89</td>
<td>$41,372.77</td>
<td>$284,153.30</td>
<td>$97,686.79</td>
<td>$494,886.12</td>
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<tr>
<td>2009</td>
<td>$1,350,815.18</td>
<td>$251,877.63</td>
<td>$21,887.06</td>
<td>$48,940.25</td>
<td>$333,469.08</td>
<td>$117,620.52</td>
<td>$577,000.64</td>
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<tr>
<td>2010</td>
<td>$1,688,763.71</td>
<td>$320,518.49</td>
<td>$27,223.59</td>
<td>$60,705.47</td>
<td>$410,857.18</td>
<td>$147,382.87</td>
<td>$717,692.51</td>
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<tr>
<td>2011</td>
<td>$1,877,057.47</td>
<td>$356,330.10</td>
<td>$34,359.83</td>
<td>$66,365.77</td>
<td>$454,573.18</td>
<td>$161,726.24</td>
<td>$798,679.89</td>
<td>$5,022.46</td>
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<tr>
<td>2012</td>
<td>$2,007,949.10</td>
<td>$422,942.53</td>
<td>$32,018.52</td>
<td>$71,721.48</td>
<td>$485,080.34</td>
<td>$169,698.07</td>
<td>$821,292.81</td>
<td>$5,195.85</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>$11,042,471.27</strong></td>
<td><strong>$2,131,976.20</strong></td>
<td><strong>$186,717.69</strong></td>
<td><strong>$406,786.18</strong></td>
<td><strong>$2,763,353.97</strong></td>
<td><strong>$751,953.25</strong></td>
<td><strong>$4,787,082.07</strong></td>
<td><strong>$14,601.91</strong></td>
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</table>

* 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 $791,953.25

  **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

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<tr>
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<th>4-H</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of Total Revenue</td>
<td>1.32%</td>
<td>0.73%</td>
<td>0.76%</td>
<td>2.30%</td>
<td>3.15%</td>
<td>1.28%</td>
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<tr>
<td>Revenue Forgone to CARA</td>
<td>$422,943</td>
<td>$32,019</td>
<td>$71,721</td>
<td>$654,778</td>
<td>$421,292</td>
<td>$5,195</td>
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<tr>
<td>Total Revenue</td>
<td>$32,067,489</td>
<td>$4,367,267</td>
<td>$9,458,587</td>
<td>$28,455,686</td>
<td>$25,102,880</td>
<td>$406,064</td>
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</table>
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

- Residential: 41%
- Mixed Use: 32%
- Commercial: 23%
- Industrial: 4%
Attract New Private Investment to the Area

CARA Private Projects:
% Public and Private Funds

Public funds: $10,205,543
Private funds: $74,456,192

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
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-font 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
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 non-motorized pedestrian corridor
  - Connects downtown to center with retail and waterfront
- Wayfinding
Additional Results
Impact on Public Safety

Change in Average Number of Police Calls Per Year in 8 Blighted, CARA Funded Projects

- Pre CARA investment
- Post CARA investment
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

- 130+ new jobs
- 274 new housing units
- $70M of private investment leveraged
- 82 historic preservation projects
- 46% AV Increase
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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President-Elect, Association of Redevelopment Agencies

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