

**Albany
Revitalization
Area
(ARA)**

**2008 - 2009
ADOPTED BUDGET**

2008-2009 ADOPTED BUDGET

BUDGET COMMITTEE

ARA Agency

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**ALBANY REVITALIZATION AREA (ARA)
URBAN RENEWAL DISTRICT
Fiscal Year 2008-2009 BUDGET MESSAGE**

Honorable Chairperson, Budget Committee members, and citizens of Albany, I am pleased to present the budget for the ARA for Fiscal Year 2008-2009 in the amount of \$5,312,200.

During the current fiscal year, much has been accomplished, including creation of the new Oak Creek Urban Renewal Area (OCRA) and a series of Central Albany Revitalization Area (CARA) initiatives. OCRA was formed August 22, 2007; so this is its first year with a budget. CARA continued to make progress toward achieving the goals of its plan by funding various projects through its grant and loan programs.

A total of \$2,423,230 was allocated to projects under the Grant/Loan Program for development and building renovation projects including:

Habitat for Humanity	\$ 62,385
Hydration Technologies	162,270
JC Penny	747,700
Johnson/Buzzsaw/Wheelhouse	642,000
Lanham	14,000
Manley	148,000
Manley – Elevator	165,000
Manley/Flinn	152,000
Marshall/Washington St. Apartments	20,400
Olivetti – Phase III (Broadalbin)	158,475
Phillips/Sears Building	151,000

Many of these projects are already underway. Their high levels of visibility in the downtown core and along the waterfront seem to be having a positive effect and are acting as a catalyst for change.

Looking forward, there are seven loans currently on the books with Willamette Community Bank. The earliest payment will be in October 2008, and that revenue has been included in this year's CARA budget. Below is a chart of the scheduled loan payments to CARA:

CARA Loan Repayment Schedule

As of April 18, 2008

Borrower/Principal Amount/ First Payment Date	Calendar Year											
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	
Will. Comm. Bank (\$200,000) 10/15/2008	34,906	34,906	34,906	34,906	34,906	34,906	34,906					
Swoboda Phase I (\$82,500) 1/25/2010			85,800									
Swoboda Phase II (\$42,500) 1/19/2012					14,365	14,365	14,365	14,365	14,365			
Manley (\$122,000) 11/06/2011				41,236	41,236	41,236	41,236	41,236				
Smith (\$250,000) 10/15/2012					84,891	84,891	84,891	84,891	84,891			
Manley (\$148,000) 2/12/2014								50,255	50,255	50,255	50,255	50,255
Total Anticipated Loan Payments	34,906	34,906	120,706	76,142	175,398	175,398	225,653	190,747	149,511	50,255	50,255	

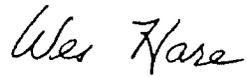
A portion of the project funds shown in the FY2008-2009 budget has already been earmarked to fund different projects. These projects were approved by the ARA during FY2007-2008. The remaining balance will be available to fund projects as the Agency sees fit.

In the FY2008-2009 budget, it is assumed that the ARA will fund projects and draw against the \$2,281,000 line of credit that was put into place in the FY2007-2008 budget year.

Kate Porsche has continued to serve in her role as Urban Renewal Coordinator. She is responsible for the day-to-day activities of both urban renewal districts including budget tracking, project management, committee support, 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 Ironworks building, rehabilitation of numerous downtown buildings, and site cleanup underway on the Edgewater Village project. 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, and we look forward to the Oak Creek Revitalization Area to begin its important work.

Respectfully submitted,

A handwritten signature in cursive script that reads "Wes Hare".

Wes Hare, City Manager

DEPARTMENT THEMES AND GOALS

Albany Revitalization Agency

Responsible Manager/Title: Dick Ebbert, Economic Development Director

Great Neighborhoods

Eliminate blighting influences found in the areas of Central Albany and Oak Creek, implement goals and objectives of the City of Albany Comprehensive Plan, and implement development strategies and objectives for CARA and OCRA 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.

Providing an enriching environment and livable neighborhoods.

Safe City

Eliminate 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)
(290-16-1102)**

Responsible Manager/Title: Dick Ebbert, Economic Development Director

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.

STRATEGIES/ACTIONS

Strategic Plan Theme	Target Date	Status	Strategies/Actions
Budget Year 2007-2008			
Healthy Economy	09/07	In Progress	<ul style="list-style-type: none"> • Develop renovation project with Olivetti's for Old Towne Café.
	12/07	In Progress	<ul style="list-style-type: none"> • Assist owners of Flinn/Ames Buildings in the multimillion dollar interior/exterior renovation of both buildings.
	01/08	Completed	<ul style="list-style-type: none"> • Partner with Viper NW on construction of new building on Jackson Street SE.
	06/08	In Progress	<ul style="list-style-type: none"> • Develop partnership with Scott Lepman for development of Willamette Seed site.
	06/08	In Progress	<ul style="list-style-type: none"> • Partner with Linn Benton Housing Authority on elderly housing project at former Ice House site.
	06/08	In Progress	<ul style="list-style-type: none"> • Assist owner of Labor Temple building and adjoining vacant lot with remodel and new construction.
	06/08	Completed	<ul style="list-style-type: none"> • Continue the partnership with Iron Works project: <ul style="list-style-type: none"> Phase I – joint marketing program Phase II – office building Phase III – townhouse construction Phase IV – apartment building
	06/08	Completed	<ul style="list-style-type: none"> • Continue funding source pursuit for Carousel project.
	06/08	Completed	<ul style="list-style-type: none"> • Complete partnership with owners of projects begun in 2007: <ul style="list-style-type: none"> Smith/Labor Temple townhomes LBHA at /Former Ice House site Olivetti/Cusick Bank Building Manley/Flinn & Ames Buildings Johnson/Old Buzzsaw site
	06/08	Completed	<ul style="list-style-type: none"> • Fund Small Grant Subcommittee requests
Budget Year 2008-2009			
Healthy Economy	10/08		<ul style="list-style-type: none"> • Continue partnership with RCM Homes for their \$27 million project.
	12/08		
	03/09		
	06/09		
	02/10		
	08/08 & 04/09		
	07/11		



2008-2009 Budget

	<u>05-06</u> Actual	<u>06-07</u> Actual	<u>07-08</u> BUDGET	<u>08-09</u> Proposed	<u>08-09</u> Approved	<u>08-09</u> Adopted	% Change
290 – Albany Revitalization Agency							
16 - Economic Development							
1102 CARA - Urban Renewal Agency							
REVENUES							
General Revenues							
Property Taxes - Current	0	815,481	73,000	0	0	0	-100.00%
Property Taxes - Delinquent	0	20,330	20,000	20,000	20,000	20,000	0.00%
Long-Term Debt Sale Proceeds	0	0	2,982,000	0	0	0	-100.00%
Loan Proceeds	0	730,000	1,916,100	2,281,000	2,281,000	2,281,000	19.04%
Loan Repayment-Principal	0	0	0	24,400	24,400	24,400	0.00%
Loan Repayment-Interest	0	0	0	10,500	10,500	10,500	0.00%
Interest	0	60,398	60,000	75,000	75,000	75,000	25.00%
Total General Revenues	0	1,626,210	5,051,100	2,410,900	2,410,900	2,410,900	-52.27%
Beginning Balance							
Beginning Balance	0	1,168,098	793,600	875,000	875,000	875,000	10.26%
Total Beginning Balance	0	1,168,098	793,600	875,000	875,000	875,000	10.26%
TOTAL REVENUES	0	2,794,308	5,844,700	3,285,900	3,285,900	3,285,900	-43.78%
EXPENDITURES							
Materials & Services							
Audit Service	0	500	2,500	2,500	2,500	2,500	0.00%
Bond Sale Expense	0	8,677	35,000	0	0	0	-100.00%
Contractual Services	0	18,186	52,400	10,000	10,000	10,000	-80.92%
Administrative Costs	0	339	1,500	1,500	1,500	1,500	0.00%
Advertising & Publications	0	0	1,500	1,500	1,500	1,500	0.00%
Duplication & Fax	0	0	1,700	1,700	1,700	1,700	0.00%
Materials & Supplies	0	1,180	3,000	3,000	3,000	3,000	0.00%
Meetings & Conferences	0	0	2,500	1,800	1,800	1,800	-28.00%
Memberships & Dues	0	0	0	700	700	700	0.00%
Personal Auto Reimbursement	0	0	0	500	500	500	0.00%
Postage & Shipping	0	0	0	100	100	100	0.00%
Professional Publications	0	0	0	300	300	300	0.00%
Building Revitalization Grant Program	0	0	25,000	50,000	50,000	50,000	100.00%
Architectural Assistance	0	3,243	0	0	0	0	0.00%
CARA AA: Dortinacq	0	0	12,000	9,000	9,000	9,000	-25.00%
CARA AA: Crandall	0	0	10,000	5,000	5,000	5,000	-50.00%
CARA DvP: Delude	0	8,177	120,000	0	0	0	-100.00%
CARA DvP: Lepman	0	0	759,000	0	0	0	-100.00%
CARA DvP: LB Housing Auth.	0	0	135,000	0	0	0	-100.00%
CARA DvP: Brass Ring	0	0	300,000	0	0	0	-100.00%
CARA DvP: Manley Ph II (Tx)	0	0	317,000	0	0	0	-100.00%
CARA DvP: Johnson (Tx)	0	0	442,000	0	0	0	-100.00%
CARA DvP: Hydration Technologies	0	0	162,300	0	0	0	-100.00%
CARA DvP: Habitat for Humanity	0	0	62,400	0	0	0	-100.00%
CARA Grant: Manley 50%	0	86,997	33,100	0	0	0	-100.00%
CARA Grant: Nieland (50%), awning	0	0	1,000	0	0	0	-100.00%
CARA Grant: Jordan (50%)	0	60,000	0	0	0	0	0.00%
CARA Grant: Jordan, sprinkler	0	48,192	0	0	0	0	0.00%
CARA Grant: Ironworks, marketing	0	14,005	6,000	0	0	0	-100.00%
CARA Grant: Ironworks R.T. SDC's	0	14,185	30,100	0	0	0	-100.00%
CARA Grant: Mitchell 50%	0	1,099	0	0	0	0	0.00%
CARA Grant: Olivetti (50%)	0	0	41,100	0	0	0	-100.00%
CARA Grant: Ironworks Rent	0	0	180,000	0	0	0	-100.00%
CARA Grant: Swoboda Ph II	0	2,838	17,500	0	0	0	-100.00%



2008-2009 Budget

	<u>05-06</u> <u>Actual</u>	<u>06-07</u> <u>Actual</u>	<u>07-08</u> <u>BUDGET</u>	<u>08-09</u> <u>Proposed</u>	<u>08-09</u> <u>Approved</u>	<u>08-09</u> <u>Adopted</u>	<u>%</u> <u>Change</u>
290 - Albany Revitalization Agency							
16 - Economic Development							
1102 CARA							
EXPENDITURES							
Materials & Services							
CARA Grant: Manley, sprinkler	0	0	28,800	0	0	0	-100.00%
CARA Grant: Smith (50%)	0	0	120,000	0	0	0	-100.00%
CARA Grant: Olivetti PhII (Tx)	0	0	46,800	0	0	0	-100.00%
CARA Grant: Ironworks Loft (Tx)	0	0	73,000	0	0	0	-100.00%
CARA Grant: Lanham (50%) (Tx)	0	0	14,000	0	0	0	-100.00%
CARA Grant: Marshall (Tx)	0	0	20,400	0	0	0	-100.00%
CARA Grant: Phillips (Tx)	0	0	151,000	0	0	0	-100.00%
CARA Grant: Olivetti Ph III (Tx)	0	0	158,500	0	0	0	-100.00%
CARA Loan: Manley	0	87,053	35,000	0	0	0	-100.00%
CARA Loan: Ironworks (non-SDC/infrast)	0	165,282	45,600	0	0	0	-100.00%
CARA Loan: Swoboda Ph I	0	25,607	0	0	0	0	0.00%
CARA Loan: Swoboda Ph II	0	4,880	37,700	0	0	0	-100.00%
CARA Loan: Smith	0	0	250,000	0	0	0	-100.00%
CARA Loan: Manley Ph II (Tx)	0	0	148,000	0	0	0	-100.00%
Reserve: CARA Projects	0	0	1,821,900	3,082,900	3,082,900	3,082,900	69.21%
Total Materials & Services	0	550,438	5,704,300	3,170,500	3,170,500	3,170,500	-44.42%
Capital							
Streetscape Project	0	2,685	0	0	0	0	0.00%
2nd Avenue Streetscape	0	0	25,000	0	0	0	-100.00%
Total Capital	0	2,685	25,000	0	0	0	-100.00%
Transfers Out							
To Economic Development	0	115,400	115,400	115,400	115,400	115,400	0.00%
Total Transfers Out	0	115,400	115,400	115,400	115,400	115,400	0.00%
Debt Service							
Loan Principal	0	800,186	0	0	0	0	0.00%
Loan Interest	0	69,423	0	0	0	0	0.00%
Total Debt Service	0	869,609	0	0	0	0	0.00%
TOTAL EXPENDITURES	0	1,538,133	5,844,700	3,285,900	3,285,900	3,285,900	-43.78%
1102 - Revenues less Expenditures	0	1,256,175	0	0	0	0	

PROGRAM NARRATIVE

ALBANY REVITALIZATION AGENCY: CARA DEBT SERVICE (290-16-1112)

Responsible Manager/Title: Dick Ebbert, Economic Development Director

FUNCTIONS AND RESPONSIBILITIES

- This activity provides for payment of the principal and interest on a bond sale established in 2007.
- Debt service is made from current property tax revenues.
- Activities are carried in 290-16-1102, CARA Urban Renewal District.

PAYMENT SCHEDULE

Albany Revitalization Agency
Central Albany Revitalization Area
Bonds, Series 2007 (Summary)

Years Ending June 30,	Principal	Interest	Total
2008	\$ 140,000	\$ 168,953	\$ 308,953
2009	219,000	244,680	463,680
2010	233,000	230,992	463,992
2011	247,000	216,430	463,430
2012	262,000	200,992	462,992
2013-2017	1,572,000	745,836	2,317,836
2018-2022	2,014,000	302,252	2,316,252
Totals	\$ 4,687,000	\$ 2,110,135	\$6,797,135

PROGRAM NARRATIVE

ALBANY REVITALIZATION AGENCY: OAK CREEK URBAN RENEWAL AREA (OCRA) (290-16-1113)
Responsible Manager/Title: Dick Ebbert, Economic Development Director

FUNCTIONS AND RESPONSIBILITIES

- Implement goals and objectives of the Oak Creek Urban Renewal Area (OCRA).
 - Upgrade or restore water, sewer, and specific roadway systems.
-

STRATEGIES/ACTIONS

<u>Strategic Plan Theme</u>	<u>Target Date</u>	<u>Status</u>	<u>Strategies/Actions</u>
Budget Year 2008-2009			
Healthy Economy	06/08		<ul style="list-style-type: none">• Pay administration costs for OCRA.

PROGRAM NARRATIVE

ALBANY REVITALIZATION AGENCY: OCRA DEBT SERVICE (290-16-1114)

Responsible Manager/Title: Dick Ebbert, Economic Development Director

FUNCTIONS AND RESPONSIBILITIES

- Debt service payments are made from current property tax revenues as well as income from LID.
- Activities are carried in 290-16-1113, OCRA.



2008-2009 Budget

	<u>05-06</u> <u>Actual</u>	<u>06-07</u> <u>Actual</u>	<u>07-08</u> <u>BUDGET</u>	<u>08-09</u> <u>Proposed</u>	<u>08-09</u> <u>Approved</u>	<u>08-09</u> <u>Adopted</u>	<u>%</u> <u>Change</u>
Grand Total Revenue:	0	2,794,308	8,153,800	5,312,200	5,312,200	5,312,200	-34.85%
Grand Total Expense:	0	1,538,133	8,153,800	5,312,200	5,312,200	5,312,200	-34.85%
Grand Total Balance:	0	1,256,175	0	0	0	0	

AFFIDAVIT OF PUBLICATION

**CITY OF ALBANY
ALBANY REVITALIZATION AGENCY
NOTICE OF BUDGET HEARING**

The City of Albany, Albany Revitalization Agency (ARA) will hold a PUBLIC HEARING on Wednesday, June 18, 2008, immediately following the ARA Advisory Board meeting, which starts at 5:15 p.m. in the City Hall Council Chambers, 333 Broadalbin Street SW, Albany, for the purpose of discussing the budget for the fiscal year beginning July 1, 2008, as approved by the ARA Budget Committee on May 6, 2008. The public is invited to present any written or oral testimony at this time. Written testimony may be addressed to the Finance Director's Office, 333 Broadalbin SW, Albany, OR 97321. A copy of the budget document may be inspected between the hours of 8:00 a.m. and 5:00 p.m. in the City Clerk's Office, 333 Broadalbin SW or at either City Library.

The Albany Revitalization Agency functions to promote revitalization within the boundaries of two urban renewal districts, Central Albany Revitalization Area and Oak Creek Urban Renewal Area. A summary of the appropriations budget is presented below.

ALBANY REVITALIZATION AGENCY

CARA Urban Renewal Area	\$3,285,900
CARA Debt Service	1,586,200
OCRA Urban Renewal Area	40,100
OCRA Debt Service	400,000
Total	\$5,312,200

The ARA Budget Committee approved 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.

Stewart Taylor
Budget Officer

Publish: June 13, 2008

#2733368

State of Oregon

SS)

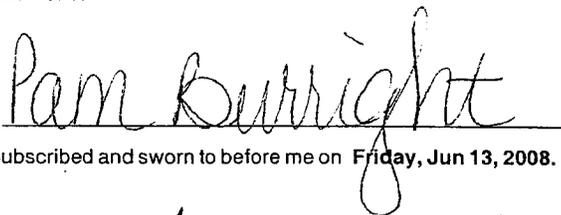
County of Linn

I, Pam M. Burreight, being first duly sworn deposes and says, that I am the Legal Clerk of the Democrat-Herald, a newspaper of general circulation, as defined by section 193.010 O.R.S., published at Albany, OR, in the aforesaid county and state: that the advertisement number 2733368, for the account number 60000049 described as CITY OF ALBANY ALBANY REVITALIZATIO, a copy is hereto Annexed, was published in the entire issue of sold newspaper.

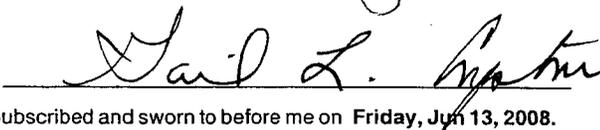
Start Date: 06-13-08

Stop Date: 06-13-08

Insertions: 1



Subscribed and sworn to before me on Friday, Jun 13, 2008.



Subscribed and sworn to before me on Friday, Jun 13, 2008.



ARA AGENCY RESOLUTION NO. 2008-15

A RESOLUTION APPROVING THE ALBANY REVITALIZATION AREA (ARA) BUDGET FOR FISCAL YEAR 2008-2009 BY THE ARA AGENCY.

WHEREAS the ARA Budget Committee received public input on the proposed Fiscal Year 2008-2009 ARA Budget on May 6, 2008; and

WHEREAS the ARA Budget Committee approved the Fiscal Year 2008-2009 ARA Budget on May 6, 2008 with the passage of Resolution No. ARA B-2008; and

WHEREAS the ARA Agency held a public hearing to receive additional input on the approved Fiscal Year 2008-2009 ARA Budget on June 18, 2008.

NOW THEREFORE BE IT RESOLVED that the Albany Revitalization Area Agency hereby adopts the Fiscal Year 2008-2009 budget in the amount of \$ 5,312,200.

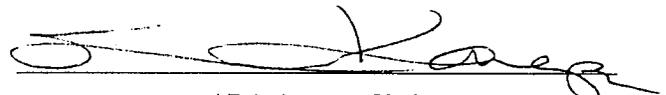
BE IT FURTHER RESOLVED that the amounts for the fiscal year beginning July 1, 2008 and for the purposes shown below are hereby appropriated as follows:

ALBANY REVITALIZATION AREA

ARA Urban Renewal Area	\$3,285,900
CARA Debt Service	1,586,200
OCRA Urban Renewal Area	40,100
OCRA Debt Service	<u>400,000</u>
Total	\$5,312,200

BE IT FURTHER RESOLVED that the ARA Agency hereby approves 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 18TH DAY OF JUNE 2008.



ARA Agency Chair

ATTEST:



Betty Louque
City of Albany City Clerk

