

ATTACHMENT A

City of St. Helens Urban Renewal Agency Adopted Budget FY 2018-2019



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Jenny Dimsho	Agency Secretary
Matt Brown	Agency Finance Director

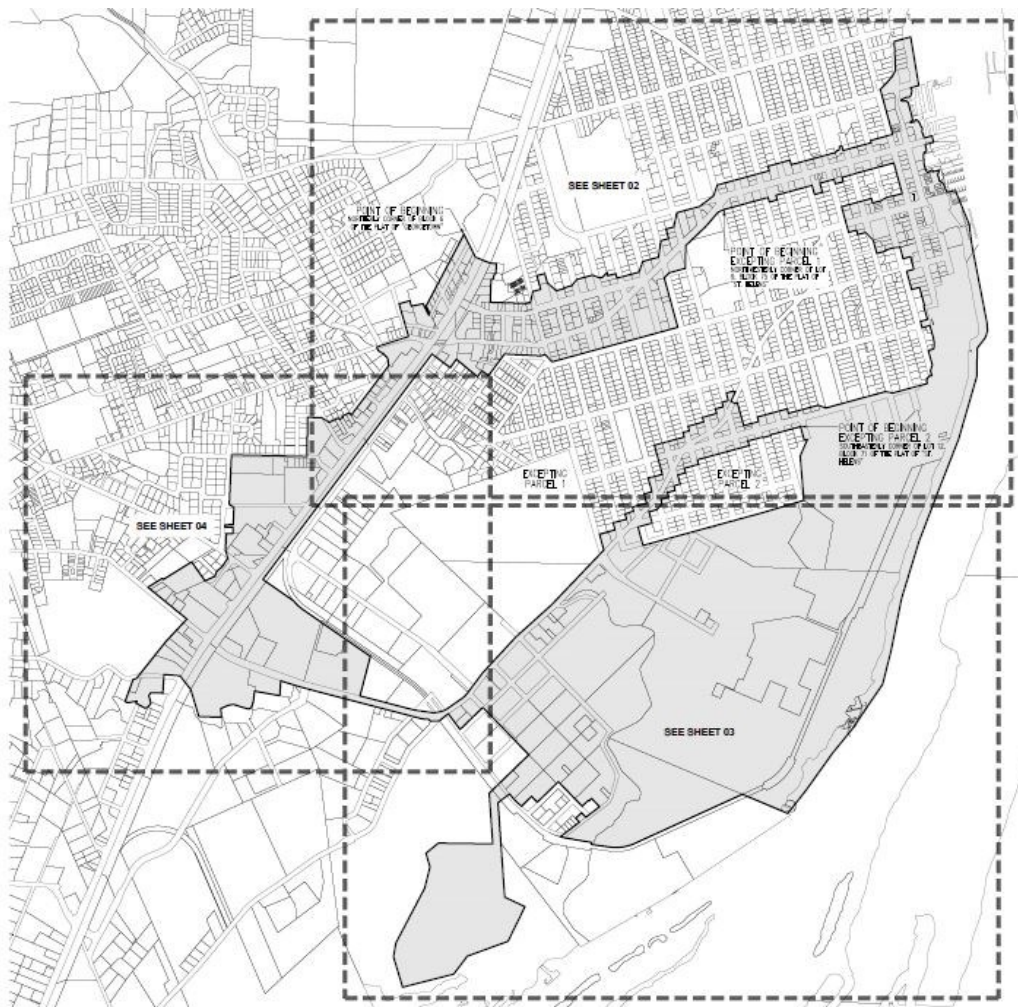
ABOUT THE AGENCY

The City of St. Helens Urban Renewal Agency (URA) is a separate entity from the City. The City of St. Helens City Council serves as the Board of Directors for the URA and is financially accountable for its operations. In accordance with Oregon budget law, the URA prepares its own budget, and the Board of Directors approves its annual appropriations.

Urban Renewal Agencies capture a portion of the tax base from growth to make investments to revitalize and improve economic and community development projects included in the Urban Renewal Plan. When the St. Helens Urban Renewal Plan was adopted in 2017, property values within the district boundary were frozen. The taxes collected on that frozen value continue to flow to the taxing authorities (City, County, Schools, Fire, etc.). Any growth and appreciation amount over the frozen base funds the Urban Renewal Agency and Urban Renewal Plan.

Urban Renewal Tax Collections are not an additional tax, rather it is a division of the existing taxes where the greater portion is directed towards funding projects within the Urban Renewal boundary. Urban Renewal Tax Collections are used to initiate development that would not be financially feasible without infrastructure improvements made possible by urban renewal financing.

The diagram below shows the URA Boundary that was approved in 2017. The adopted Urban Renewal Plan is available on the City's website at www.ci.st-helens.or.us under the Planning Department.



FY 2018-2019 BUDGET MESSAGE

It is my pleasure to present to the URA Budget Committee and URA Board the first URA Budget to begin collecting the tax increment in FY 2018-2019. This first year's budget is truly about starting the process of collecting and not necessarily about spending those funds right away.

You will see in the budget document that 100% of the funds are placed in a Contingency account within the URA expenses. There are a couple different reasons for this. The first is that the URA is not 100% sure what amount will be collected through the tax increment in FY 2018-2019. Through specific studies and estimates from the County Tax Assessor we have an estimated amount for the first year, which is shown in the Property Tax Revenue line item. However with the current development within the URA Boundary and ongoing economic changes in the community, the amount collected for FY 2018-2019 may change slightly by the time collection begins.

As far as expenses for the URA in the first year, we do not anticipate to reimburse the City of St. Helens for current URA expenses in the first year. The City of St. Helens can request reimbursement of certain expenses from previous years that were related to the URA, however at this time, City staff is recommending that it wait until at least year 2 to seek any reimbursement of URA expenses from previous years. These certain expenses can include URA planning fees and professional services along with a percentage of staff time that was used to create the URA. These expenses are easily tracked in our financial system if the City chooses to seek reimbursement at any time in the future from the URA.

No URA specific projects are expected to begin in FY 2018-2019, however ongoing planning and tax collection that will begin this year will help assist in the upcoming borrowing/lending amounts that the URA anticipates taking out to begin projects that are identified in the adopted Urban Renewal Agency plan. This plan and project list is available on the City's website at www.ci.st-helens.or.us and located on the Planning Department's web page.

The City recently applied to the 2018 US DOT BUILD Program (Formally TIGER), for funding significant transportation infrastructure on the Waterfront Redevelopment site. This is the first opportunity for the City's URA to leverage federal funding by using URA funds as a portion of the City's local match. The City will be notified by December 2018, and if successful, the earliest that the URA would obligate funds for this project will be FY 2020-2021.

City Staff is excited and looking forward to the Agency's progress and achievements that will be coming within the next several years.

Respectfully submitted,

Matt Brown
Finance Director

FY 2018-2019 BUDGET

RESOURCES	2015-16 Actual	2016-17 Actual	2017-18 Budget	2018-19 Proposed	2018-19 Approved	2018-19 Adopted
LOCAL TAXES						
801-000-031001 Property Tax - Current	-	-	-	190,931	190,931	190,931
801-000-031002 Property Tax - Previous	-	-	-	-	-	-
TOTAL CHARGES FOR SERVICES	-	-	-	190,931	190,931	190,931
TOTAL RESOURCES	-	-	-	190,931	190,931	190,931

EXPENDITURES	2015-16 Actual	2016-17 Actual	2017-18 Budget	2018-19 Proposed	2018-19 Approved	2018-19 Adopted
CONTINGENCY						
801-000-058001 Contingency	-	-	-	190,931	190,931	190,931
TOTAL EXPENDITURES	-	-	-	190,931	190,931	190,931