



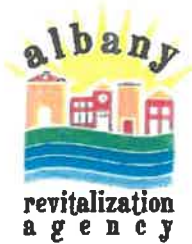
ALBANY REVITALIZATION AGENCY (ARA) BUDGET COMMITTEE MEETING AGENDA

Tuesday, May 21, 2019
6:30 p.m.
Council Chambers, City Hall
333 Broadalbin Street SW

1. CALL TO ORDER – Chair Folden
2. ROLL CALL
3. ELECTION OF OFFICERS)
 - a. Chair
 - b. Vice Chair
 - c. Secretary
4. PUBLIC COMMENT
 - a. Budget comments received
 - b. Audience comments
5. ADOPTION OF MINUTES
 - a. May 10, 2018, ARA Budget Committee Meeting minutes
6. BUDGET MESSAGE
7. BUDGET REVIEW
8. OTHER BUSINESS
9. NEXT MEETING DATE: (tentative, if needed) May 23, 2019

The location of this meeting is accessible to the disabled. If you have a disability that requires accommodation, please notify the City Manager's Office in advance of the meeting: cmadmin@cityofalbany.net | 541-791-0206 or 541-917-7519.





APPROVED: DRAFT

CITY OF ALBANY
Albany Revitalization Agency Budget Committee Meeting
City Hall Council Chambers
333 Broadalbin Street SW
May 10, 2018
6:30 p.m.

MINUTES

CALL TO ORDER

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

ROLL CALL

PRESENT: Albany Revitalization Agency (ARA) Budget Committee Members Sue Folden, Terry Virnig, Colleen Keller, Mitch Langjahr, Scott Pierson, and Michael Thomson; Mayor Sharon Konopa; and Councilors Rich Kellum, Bill Coburn, Bessie Johnson, Ray Kopczynski, and Dick Olsen

ABSENT: Budget Committee Member Will Summers and Councilor Mike Sykes were excused.

ELECTION OF OFFICERS

- a. Chair
- b. Vice Chair
- c. Secretary

MOTION: Councilor Ray Kopczynski moved to re-elect Sue Folden as Chair, Colleen Keller as Vice-Chair, and Michael Thomson as Secretary. Mayor Sharon Konopa seconded the motion, which passed 12-0.

Public comment

There were no public comments.

Adoption of Minutes

- a. April 27, 2017, ARA Budget Committee Meeting minutes
- b. May 4, 2017, ARA Budget Committee Meeting minutes

MOTION: Kopczynski moved to approve the minutes as presented. Member Terry Virnig seconded the motion and it passed 12-0.

Scheduled Business

6:33 p.m.

City Manager Peter Troedsson introduced Economic Development Manager Seth Sherry. Troedsson said there is a misprint in the second line of the first page of the budget; the number \$3.4 million should be \$10.29 million. He said the CARA has made significant progress toward goals this year, and he looks forward to helping citizens understand the benefits of completing the new streetscape.

Sherry mentioned several projects completed this year with the help of urban renewal funds, including the carousel, the new fire and police stations, and the downtown streetscape. His main goal this year is project prioritization and planning. He would like to get the public's help to re-rank priorities. He showed several PowerPoint slides (see agenda file). For all public/private partnerships, five private dollars have been invested in the urban renewal district for every public dollar.

Albany Revitalization Agency Budget Committee

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May 10, 2018

That's a good ratio.

Deputy City Manager/CIO Jorge Salinas said the only remaining capital project is the downtown streetscape. Capital reserve for new projects is \$2.6 million. The CARA is paying debt service on one bond.

Kopczynski said re-prioritizing is not a fun process, and he's concerned that the CARA will go through another hiatus. We need to get money borrowed so we can do projects and prepare to sunset the CARA. Budget Committee Member Michael Thomson agreed. He said after 17 years, the CARA hasn't spent even half of its indebtedness. Councilor Rich Kellum said before the CARA can borrow, it has to have the money to pay in, which means it must have private projects. The CARA is diverting money from its intended use by being slow to do projects. Discussion followed about the rate of spending and the total maximum indebtedness.

Salinas said Sherry has a plan to move ahead, and shares the sense of urgency Kellum described.

Approval of Resolution

Kopczynski moved to approve the resolution approving the 2018-2019 ARA Proposed Budget. Budget Committee Member Coleen Keller seconded the motion, which passed 11-1, with Kellum voting no. The resolution was designated ARA Resolution No. B2018-1.

Business from the Committee

There was none.

ADJOURNMENT

There being no other business, the meeting was adjourned at 6:58 p.m.

Respectfully submitted by,

Allison Liesse
Deputy City Clerk

Reviewed by,

Seth Sherry
Economic Development Manager

ALBANY REVITALIZATION AGENCY (ARA)



Biennium 2019-2021
PROPOSED BUDGET
Revised 05-16-2019

**ALBANY REVITALIZATION AGENCY (ARA)
URBAN RENEWAL DISTRICT
BUDGET BIENNIUM 2019-2021 BUDGET MESSAGE**

Honorable Chairperson, Budget Committee members, and citizens of Albany, I am pleased to present the Albany Revitalization Agency (ARA) Proposed Budget of \$14,415,900 for Budget Biennium 2019-2021.

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

CARA goals include:

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

Urban Renewal Districts are one of the most utilized economic development tools in Oregon. As a tax increment finance tool, urban renewal can be hard to understand; however, the core concept of urban renewal is relatively simple.

Most people understand the idea of taking a portion of their current salary and investing it 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 allocated into some form of investment account that is expected to yield benefits years into 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.

In its seventeen years of existence, there has been approximately \$34 million dollars of public money invested in the CARA district; comprised of over a hundred public private partnerships, workforce housing projects, streetscape beautification, historic building restoration, and strategic property acquisition. As we approach the 2019-2021 budget biennium, there is approximately \$22 million left is spending authority before the CARA district sunsets. Staff has worked with the CARA Advisory Board to prioritize remaining funds for projects that will provide the greatest benefit for not only Central Albany, but the community at large. To that end, at the end of summer 2018, the CARA Advisory Board unanimously voted to discontinue small grant programs in favor of focusing resources on the long hoped for waterfront revitalization. Staff immediately began the process of identifying a consulting firm that can leverage years of community input, produce planning and conceptual design work for Water Avenue and the waterfront, and create buildable plans. Its expected that design work will commence in fall 2019.

Although waterfront revitalization is the primary focus of the CARA district moving forward, the advisory board will still consider strategic revitalization partnerships as they present themselves. Currently, these partnerships have resulted in a 1:6 leverage ratio where for each public dollar invested in a public private partnership, there has been 6 private dollars invested. This is an excellent investment return that we hope continues, and we look to the new budget biennium to carefully consider large impact 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,

A handwritten signature in blue ink, appearing to read "Peter Troedsson", with a long horizontal flourish extending to the right.

Peter Troedsson
City Manager

DEPARTMENT THEMES AND GOALS

Albany Revitalization Agency

Responsible Manager/Title: Seth Sherry, Economic Development Manager

Great Neighborhoods

Reduce blight in Central Albany while focusing on 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 building owners and businesses to enhance vitality and livability of the community including:
 - A viable and vibrant downtown core
 - The preservation and enhancement of the historic districts
- Attracting new private investment to 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.

Safe City

Make Albany an attractive community by promoting investment, reducing blight, and improving public safety.

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

Upgrade or restore water, sewer, and specific roadway systems within the CARA district.

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 and support redevelopment tools that 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 and public investment in the area.

PROGRAM NARRATIVE

ALBANY REVITALIZATION AGENCY: CENTRAL ALBANY REVITALIZATION AREA (290-11015)

Responsible Manager/Title: Seth Sherry, Economic Development Manager

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 including attracting new private investment to the area, increasing residential density, and providing an enriching environment and livable neighborhoods.
- The Albany Revitalization Agency is authorized to access debt to fund projects that meet its goals and objectives. The maximum amount of debt that can be issued or incurred under the plan is \$56,000,000, of which there is approximately \$22,000,000 remaining at the end of FY 2018-2019.
- The Albany Revitalization Agency has issued Urban Renewal Revenue Bonds and maintains responsibility for servicing principal and interest payments on those bonds.
- The Albany Revitalization Agency will maintain the requisite reserve funds to qualify for future Bond issuance.

STRATEGIES/ACTIONS

Strategic Plan Theme	Target Date	Status	Strategies/Actions
Budget Year 2018-2019			
Healthy Economy	10/18	Complete	• CARA remaining project prioritization.
	10/18	Complete	• Grant and loan policy updates.
	06/19	In progress	• Complete partnership with owners of projects started in 2017-2018.
Budget Biennium 2019-2021			
Healthy Economy	09/19		• Identify waterfront corridor design team.
	03/21		• Complete waterfront corridor design plans.
	06/21		• Bid waterfront corridor redevelopment construction.
	06/21		• Complete partnerships with owners of projects started in prior fiscal years.

City of Albany, Oregon
PROGRAM 11015: CARA

Acct #	Description	Actual FY 2017	Actual FY 2018	Year to Date FY 2019	Budget FY 2019	BN 2021			Increase (Decrease)
						Proposed FY 2020	Biennial Budget FY 2021	Total	
General Revenues									
400500	Property Taxes - Current	2,702,592	3,247,705	3,303,584	3,309,500	3,600,000	3,750,000	7,350,000	4,040,500
400510	Property Taxes - Delinquent	83,099	66,546	91,111	50,000	50,000	50,000	100,000	50,000
428325	Settlement Proceeds	25,706	1,200	600	1,200	1,200	1,200	2,400	1,200
430255	Property Management	33,234	33,973	11,820	30,000	-	-	-	(30,000)
469015	Miscellaneous Revenue	4,599	32,573	671,357	-	-	-	-	-
470000	Loan Proceeds	-	-	8,400,000	3,300,000	-	-	-	(3,300,000)
470010	Loan Repayment-Principal	80,828	270,580	64,566	90,000	68,700	68,700	137,400	47,400
470015	Loan Repayment-Interest	2,173	8,167	5,967	4,500	3,400	2,700	6,100	1,600
480100	Interest	34,043	41,156	63,633	5,000	25,000	25,000	50,000	45,000
Total General Revenues		2,966,274	3,701,900	12,612,638	6,790,200	3,748,300	3,897,600	7,645,900	855,700
Beginning Balance									
499050	Beginning Balance	3,062,217	2,390,859	(1,680,777)	3,500,000	6,770,000	7,986,500	6,770,000	3,270,000
Total Beginning Balance		3,062,217	2,390,859	(1,680,777)	3,500,000	6,770,000	7,986,500	6,770,000	3,270,000
TOTAL REVENUES		6,028,491	6,092,759	10,931,861	10,290,200	10,518,300	11,884,100	14,415,900	4,125,700
Materials & Services									
600005	Audit Service	2,950	3,815	1,803	3,500	4,200	4,200	8,400	4,900
600105	Bond Sale Expense	18,018	-	-	-	-	-	-	-
600400	Contractual Services	15,106	16,189	6,621	10,000	10,000	10,000	20,000	10,000
602635	Capital Projects Prep	-	-	-	-	20,000	20,000	40,000	40,000
602640	CARA Events	-	-	100	-	1,000	1,000	2,000	2,000
610000	Administrative Costs	696	775	1,076	-	1,500	1,500	3,000	3,000
610005	Advertising & Publications	3,111	1,841	626	700	700	700	1,400	700
610100	Duplication & Fax	1,496	1,370	635	1,500	1,500	1,500	3,000	1,500
610130	Education & Training	-	1,560	-	-	1,500	1,500	3,000	3,000
610405	Materials & Supplies	269	1,288	208	1,500	1,500	1,500	3,000	1,500
610420	Meetings & Conferences	1	247	336	2,000	2,000	2,000	4,000	2,000
610425	Memberships & Dues	750	150	150	1,000	500	500	1,000	-
610525	Personal Auto Reimbursement	133	127	-	1,200	1,200	1,200	2,400	1,200
610540	Postage & Shipping	-	27	-	100	100	100	200	100
630000	Electricity	-	-	-	-	13,200	13,500	26,700	26,700
630005	Natural Gas	-	-	-	-	-	-	-	-
630015	Fire Line	-	-	-	-	300	300	600	600
630400	Water Service	-	-	-	-	1,200	1,200	2,400	2,400
630405	Sewer Service Charges	-	-	-	-	1,200	1,200	2,400	2,400
630410	Stormwater Service Charges	-	-	-	-	600	600	1,200	1,200
660200	CS: Central Service	150,400	63,100	32,650	65,300	53,800	59,800	113,600	48,300
670000	Miscellaneous Expenditures	-	-	28,477	-	-	-	-	-
670030	Building Revitalization Grant	3,652	10,000	10,000	50,000	-	-	-	(50,000)
670520	Property Taxes	5,704	6,383	6,118	6,600	23,700	24,900	48,600	42,000
670700	Partnerships	-	-	-	-	1,000,000	1,000,000	2,000,000	2,000,000
680000	CARA: Architectural Assistance	-	33,169	-	21,000	-	-	-	(21,000)
680100	CARA: Code Review Angelo Plan	64,405	7,491	-	-	-	-	-	-
680200	CARA: Monteith Park Expansion	18,000	-	-	-	-	-	-	-
680300	CARA: Small Grants	-	1,907	6,281	25,000	-	-	-	(25,000)
680400	CARA: UFOF SCYP	76,515	-	-	-	-	-	-	-
681000	CARA AA: Dortinacq	69,409	10,165	-	-	-	-	-	-
681005	CARA AA: Crandall	-	-	-	-	-	-	-	-
682100	CARA Loan: Mikesell (Century)	183,844	50,000	-	-	-	-	-	-
682200	CARA Loan: Natural Sprinkles	-	45,000	4,985	20,000	-	-	-	(20,000)
682300	CARA Loan: Signs Of Victory	50,000	50,000	-	-	-	-	-	-
682400	CARA Loan: Spurlin	36,312	6,204	-	-	-	-	-	-
683000	CARA FL: 3 Sheets Brewery	-	10,000	-	-	-	-	-	-
683500	CARA FL: Lepman	247,488	17,651	-	33,600	-	-	-	(33,600)
684000	CARA: Grant: Clowser Storefrnt	-	10,000	-	-	-	-	-	-
690260	Reserve: Infrastructure Proj	-	-	736,177	-	2,000,000	2,000,000	2,000,000	2,000,000
690520	Reserve: Partnerships	1,270	-	10,000	1,500,000	1,736,500	1,736,500	1,736,500	236,500
Total Materials & Services		949,529	348,459	846,243	1,743,000	4,876,200	4,883,700	6,023,400	4,280,400

City of Albany, Oregon
PROGRAM 11015: CARA

Acct #	Description	Actual FY 2017	Actual FY 2018	Year to Date FY 2019	Budget FY 2019	BN 2021			Increase (Decrease)
						Proposed Biennial Budget			
						FY 2020	FY 2021	Total	
Capital									
700060	CARA: Carousel Project	305,550	33,950	-	-	-	-	-	-
700065	CARA: Dave Clark Path Lights	2,574	-	-	-	-	-	-	-
700070	CARA: Edgewater Village St Imp	315,580	-	-	-	-	-	-	-
700073	CARA: Ellsworth & 6th Signal	2,383	58,834	141,705	-	-	-	-	-
700080	CARA Streetscape Project	1,334,875	6,557,869	53,466	3,300,000	-	-	-	(3,300,000)
700085	CARA: Wayfinding Signage	3,860	126,266	-	-	-	-	-	-
900060	Reserve: Capital Projects	-	-	-	2,670,600	3,000,000	4,342,700	4,342,700	1,672,100
Total Capital		1,964,822	6,776,919	195,171	5,970,600	3,000,000	4,342,700	4,342,700	(1,627,900)
Transfers Out									
911000	To: General Fund	50,000	50,000	25,000	50,000	50,000	50,000	100,000	50,000
912110	To: Economic Development Fund	209,900	210,000	90,800	181,600	197,700	213,700	411,400	229,800
Total Transfers Out		259,900	260,000	115,800	231,600	247,700	263,700	511,400	279,800
Debt Service									
920005	Bond Principal: 2007A CARA(BQ)	349,000	366,000	-	383,000	402,000	421,000	823,000	440,000
930005	Bond Interest: 2007A CARA (BQ)	114,381	97,679	39,422	80,000	61,400	41,900	103,300	23,300
940000	Loan Principal	-	-	596,170	470,000	482,000	494,300	976,300	506,300
940025	IFA Loan Principal	-	-	-	-	-	-	-	-
950000	Loan Interest	-	-	84,766	205,000	199,000	186,800	385,800	180,800
950025	IFA Loan Interest	-	-	-	-	-	-	-	-
980000	Reserve: Debt Service	-	-	-	320,000	350,000	350,000	350,000	30,000
980015	Reserve: Future Debt Cost	-	-	-	887,000	900,000	900,000	900,000	13,000
Total Debt Service		463,381	463,679	720,358	2,345,000	2,394,400	2,394,000	3,538,400	1,193,400
TOTAL EXPENDITURES		3,637,632	7,849,057	1,877,572	10,290,200	10,518,300	11,884,100	14,415,900	4,125,700