



City of Central Point
Development Commission
Meeting

Members: Hank Williams
Allen Broderick
Bruce Dinger
Tanea Browning
Mike Quilty
Brandon Thueson
Rick Samuelson
Staff Liaison: Chris Clayton

Thursday, January 14, 2016
6:00 P.M.

Central Point
Council Chambers
140 S. 3rd Street
Central Point, Oregon

Meeting time, date, or location may be subject to change. Please contact the City Recorder at 541-423-1026 for additional information.

- I. MEETING CALLED TO ORDER – 6:00 p.m.**
- II. ROLL CALL**
- III. APPROVAL OF MINUTES**
- IV. DISCUSSION ITEMS**
 - A. Jackson County Fire District 3 Letter dated September 18, 2015
 - B. Update, East Pine Street Streetscape Engineering Project
- V. BUSINESS**
 - A. Consideration of Resolution No. 2016-01 accepting the FY14-15 Annual Financial Report.
- VI. ADJOURNEMENT**

**CITY OF CENTRAL POINT
Development Commission Minutes
November 12, 2015**

I. REGULAR MEETING CALLED TO ORDER

Chair, Mayor Hank Williams called the meeting to order at 6:00 p.m.

II. ROLL CALL: Chair: Mayor Hank Williams

Commission Members: Bruce Dingler, Rick Samuelson, Brandon Thueson, Tanea Browning and Mike Quilty were present. Allen Broderick was excused.

City Manager Chris Clayton; Community Development Director Tom Humphrey; Police Chief Kris Allison; Planning Manager Don Burt; Information Technology Director Jason Richmond; Finance Director Bev Adams; and City Recorder Deanna Casey were also present.

III. APPROVAL OF MINUTES

A. Approval of August 13, 2015 Development Commission Minutes.

Mike Quilty moved to approve the minutes as presented. Tanea seconded. Roll Call: Mayor Williams, yes; Bruce Dingler, yes; Rick Samuelson, abstain; Brandon Thueson, yes; and Mike Quilty, yes. Motion approved.

IV. DISCUSSION ITEMS

A. Certified Tax Increment Revenue, FY 15-16

Planning Manager Don Burt explained the committed obligations for the city. The Tax Increment came in lower than projected but we don't foresee any problems. The Commission has two options; they can reduce expenditures, or they can borrow funds equivalent to the reduction in revenue.

If the Commission wishes to reduce expenditures the most obvious cost reduction would be to postpone the East Pine Street Engineering project which is approximately \$315,000. Other expenses in the budget could be reduced, but not in an amount sufficient to cover the projected revenue reduction.

The Commission could borrow \$100,000 from the City which is within the authority of the Commission. It is anticipated that the loan would be short-term (1 to 2 years) to be paid back with a larger loan of approximately \$2,000,000 which will primarily be used to construct the first phase of the East Pine Streetscape project in 2016/2017.

He explained there has not been any action on the Façade Improvement Program. They have had several businesses ask about it, but no one has applied. If there is an application it would come before the Commission before any action is taken.

Staff recommends proceeding with budget as approved, with a line of credit or short term loan from the City. The consensus was to continue as planned with the current projects.

B. East Pine Street Streetscape Project, Engineering Plans

Mr. Burt explained that the Fiscal Year 2015-2016 Budget includes funding for the preparation of engineered plans for the East Pine Streetscape and Signalization Improvements. The estimated cost for preparation of the engineered plans is \$315,000. The objective is to complete the engineered plans, including a phasing option this year, and to commence construction of the first phase late next year.

As mentioned earlier in the meeting in order to complete the engineered plans it will be necessary for the Commission to borrow additional funds to cover the cost of the project. The purpose of this agenda item is to confirm the direction that the Commission wishes to proceed. He explained that the City would need to prepare a Request for Qualifications and notices. After reviewing them the Commission would approve a selection, then borrow the funds and award the contract.

There was discussion regarding the qualifications and the plans that would be required. The final design would have phases so that they could be done as the budget allows.

Finance Director Bev Adams stated that the City had a larger carry over this year than expected. The Development Commission could take out a loan from the city. We could have a Study Session to explain the different financing options for the projects the Commission plans to do.

Staff recommends moving forward with this project. The recommendation would be to start the first phase in the vicinity of the Post Office so we could get the pedestrian light installed. There was discussion of trees along the sidewalks. We have to be careful where located and the tree species so the roots don't push up the sidewalks or street as they grow.

The Commission indicated that staff should move forward and get RFQ's.

Mr. Burt stated that the first payment to Walgreens is due in January.

VI. ADJOURNMENT

Brandon Thueson moved to adjourn, Rick Samuelson seconded, all said "aye" and the meeting was adjourned at 6:28 p.m.

Dated:

Chair Mayor Hank Williams

ATTEST:

City Recorder



STAFF REPORT

January 14, 2016

AGENDA ITEM: V-A

Discussion, Jackson County Fire District 3 Letter dated September 18, 2015

STAFF SOURCE:

Don Burt, Planning Manager

BACKGROUND:

Back in September 2015 the Fire Chief for Fire District No. 3 submitted a letter to the Board of Directors regarding the relationship between the Development Commission and Fire District No. 3.

The point of the letter has to do with funding options for the Urban Renewal Plan's project 14, Fire Safety (approximately \$1.5 M). A consideration posed by the Fire District is whether or not to establish an agreement between the Fire District and the Development Commission that addresses scheduling and funding for Project 14, or; at the Fire District's recommendation, abandon Project 14 allowing the Development Commission to focus on projects that will improve the economic viability of the area, thus generating more tax increment revenue sooner. In the last paragraph of the letter the Fire District staff is recommending that the Fire District not request funding for Project 14 in the next 15 years and that in exchange the Development Commission will consider terminating the urban renewal agency 5 to 10 years early.

On January 7, 2016 City staff will meet with the Fire Chief to discuss the Fire District's proposal in advance of the Development Commission meeting.

At the January 14th meeting this item will be introduced. Because of the scope and complexity of the request it is unlikely that any decisions will be made other than general direction and further discussion. Presently, staff has not analyzed the financial implications of the proposal.

EXHIBITS/ATTACHMENTS:

Attachment "A" – Jackson County Fire District No. 3 Letter dated September 18, 2015

ACTION:

Discussion

RECOMMENDATION:

Discussion and direction

Jackson County Fire District 3

8383 Agate Road
White City, OR 97503-1075
(541) 826-7100 (Office)
(541) 826-4566 (Fax)
www.jcfd3.com



TO: Board of Directors
From: Dan Petersen, Fire Chief
Date: September 18, 2015
Re: District use of Urban Renewal Funds – Action Item 1.1

*Discuss Agenda Item
with Dan.*

An Urban Renewal Agency is designed to provide an avenue to reduce or eliminate blight in a specific area, therefore increasing the economic viability of a community. The funding for these programs is derived from freezing the assessed values of the defined area and transferring all increases in value to the urban renewal agency for all taxing districts inside the zone. Taxing districts lose any increase in assessed value for the duration of the plan, typically 25 years.

On April 14, 2011 the City of Central Point declared that blighted areas exist within the City, and that there is a need for an urban renewal agency to address the blighting conditions. The City Council created the Central Point Development Commission and appointed the City Council as the Directors. The Urban Renewal Plan is known as "*The Downtown & East Pine Street Corridor Revitalization Plan*".

Governing bodies are required to consult and confer with each taxing district prior to presenting a plan for approval. The recommendations of a taxing district shall be accepted, rejected or modified by the governing body. The City of Central Point projected that the Fire District could lose \$2,467,331 over the life of the plan if no improvements were made in the area, however, based on the anticipated growth from the urban renewal projects, the Fire District could lose as much as \$9,021,359.

The Fire District was engaged with the City Council and the Development Commission during this process. The Fire District gave the City Council support for the formation of the urban renewal agency. This support was based on the proposed plan increasing the value of the area by \$6,554,028 over the normal anticipated growth of downtown Central Point.

During the development of the plan the Fire District proposed including a project that would reduce the negative financial impact of the Urban Renewal District on the Fire District by providing for reimbursement toward capital expenses. On October 20, 2011 the Board of Directors for the Fire District formalized a request for the urban renewal

agency to fund a portion of two fire engines, one truck, and one fire station for a total cost of \$1,460,576. The Development Commission accepted this recommendation and added a project called Fire Safety (Project #14) in the plan to pay for new fire equipment to service the growth within the urban renewal area. The specifics of this funding would be defined through written agreements regarding the timing and implementation of this project.

The Fire District has maintained its involvement with the Development Commission since its inception and has continually considered what would be best for the Fire District. During our strategic planning process we identified Action Item 1.1 to reaffirm or discontinue the use of urban renewal funds by December 2015.

The key question to evaluate is whether to establish an agreement with the Development Commission on Project #14 in the urban renewal plan or to recommend that the Development Commission focus their efforts only on those projects that increase the economic viability of the area.

The funding of fire apparatus and fire stations would do little to increase economic viability, however, if you consider that the transfer of Fire District revenue as a “loan” to the City then the purchase of capital equipment and stations can be justified.

If the Fire District desires to focus the City of Central Point’s efforts with the urban renewal plan strictly to projects that increase economic viability, then we should consider cancelling any funding requests for Fire District expenses. If the City completes the most effective projects and terminates the urban renewal agency early the Fire District should see a greater return on investment than collecting the estimated \$1.5 million in reimbursements. If projects are added to the plan that begin to stray from the primary goal of increasing economic viability then the Fire District may feel it necessary to have further discussions with the City and the Development Commission.

Staff recommends the Fire District not request funding in the first 15 years of the urban renewal plan and instead recommend to the Development Commission that they complete the critical projects and consider terminating the urban renewal agency five to ten years early. If the urban renewal plan begins straying from its focus the Fire District could revisit the idea of requesting funds for our capital needs based on Project #14 in the urban renewal plan.



STAFF REPORT

STAFF REPORT

January 14, 2016

AGENDA ITEM: V-B

Consideration of Resolution Accepting the Annual Financial Report for Fiscal Year 2015-16.

STAFF SOURCE:

Don Burt, Planning Manager

BACKGROUND:

Oregon Revised Statute (ORS) 457.460 Financial Report Required for Agency establishes that all urban renewal agencies prepare an annual financial report for the preceding and current fiscal year. Per ORS 457.460 the annual financial report is required to contain five (5) elements, including an analysis of the impact, if any, of carrying out the urban renewal plan on the tax collections for the preceding year for all affected tax districts. When completed a notice shall be published acknowledging that the Financial Report (Report) has been prepared and available to interested parties. The deadline for filing the Financial Report is January 31st of each year.

As noted in the attached Report tax increment revenue collections have been increasing, but are still negligible when placed in the context of property tax collections by all affected taxing districts. The overall impact on affected taxing districts for FY14-15 amounted to \$0.0013 per dollar of property tax revenue (Table 5) collected by affected taxing districts. The most significantly impacted taxing district is the City of Central Point at approximately \$0.0069 per dollar of property tax revenue collected, followed by the School District and the Fire District at approximately \$0.0033 and \$0.0020 per dollar of property tax collected.

EXHIBITS/ATTACHMENTS:

Attachment "A" – Central Point Development Commission Annual Financial Report, Fiscal Year 2015-16.

Attachment "B" – Resolution No. 2016-01.

ACTION:

Consider resolution accepting the Annual Financial Report for Fiscal Year 2015-16.

RECOMMENDATION:

Adopt Resolution No. 2016-01 accepting the Annual Financial Report for Fiscal Year 2015-16.

City of Central Point Downtown & East Pine Street Corridor Revitalization Plan Annual Fiscal Report for FY2015-16

January 14, 2016

SUMMARY

This fiscal report is for FY15-16 and has been prepared per ORS 457.460. The purpose of this report is to address the costs and fiscal impacts on other affected taxing districts of carrying out the City of Central Point Downtown & East Pine Street Corridor Revitalization Plan (Urban Renewal Plan). The source of information used in this report is from the Jackson County Assessor's Office (Summary of Assessment & Levies, Tables 4a-4e dated October 2, 2014), and the Urban Renewal Plan's budget (FY14-15 and FY15-16).

FY2013-14 was the first fiscal year that the Urban Renewal Plan was eligible to collect tax increment revenue. The amount collected was very small at \$6,194. For FY14-15 the amount collected increased to **\$119,074**. The impact of the Urban Renewal Plan's tax increment revenue on the property tax collections of the affected taxing districts remains very minimal. For FY14-15 the average fiscal impact was less than \$0.0013 per tax dollar received by the affected taxing districts (See Table 5, Tax Revenues Received). Overall the fiscal impact ranged between \$0.0004 per dollar received in property tax revenue to approximately \$0.0069 per dollar received in property tax revenue (City of Central Point).

REPORT REQUIREMENTS

In accordance with ORS 457.460 there are five (5) requirements that the financial report must address:

- 1. The amount of money received during the preceding fiscal year under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460.***

Table 1 identifies the amounts and sources of monies received by the Central Point Development Commission (Commission) during FY14-15. The total amount of money available to the Urban Renewal Plan was \$254,096.

Table 1. MONEY RECEIVED, FY14-15

Source Description	Amount
Beginning Fund Balance	\$ 134,038
Tax Increment Revenue, FY14-15	\$ 119,074
Tax Increment Revenue, Prior Years	\$ 94
Interest	\$ 890
Indebtedness	\$ -
Total Amount Received	\$ 254,096

2. *The purpose and amounts for which any money received under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460 were expended during the preceding fiscal year.*

Table 2 identifies the actual expenditures and purpose of expenditures by the Commission for the preceding fiscal year (FY14-15).

Table 2. PURPOSE AND AMOUNTS OF MONEY SPENT, FY14-15

Expenditure Description	Amount
Personal Services	\$ -
Materials and Services	\$ 1,265
Capital Outlay	\$ 108,314
Debt Service	\$ 2,500
Contingency	\$ -
Total Expenditures	\$ 112,080

3. *An estimate of the moneys to be received during the current fiscal year under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460.*

Table 3 identifies the monies to be received and their source. For fiscal year 2015-16 it was estimated that the Commission would begin the year with a \$125,150 beginning cash balance¹. Total tax increment revenues budgeted to be received was \$287,800. Moneys planned to be received totaled \$414,300.

¹ The FY14-15 Beginning Fund Balance was estimated and not based on actual expenditures.

Table 3. MONEY PLANNED TO BE RECEIVED, FY15-16

Source Description	Amount
Beginning Fund Balance	\$ 125,150
Tax Increment Revenue, FY14-15	\$ 287,800
Tax Increment Revenue, Prior Years	\$ 150
Interest	\$ 1,200
Indebtedness	\$ -
Total Amount Planned to be Received	\$ 414,300

4. *A budget setting forth the purpose and estimated amounts for which the moneys which have been or will be received under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460 are to be expended during the current fiscal year.*

Table 4 identifies the budget and purpose of expenditures by the Commission for the current fiscal year (FY15-16).

Table 4. PURPOSE AND AMOUNTS PLANNED TO BE SPENT, FY15-16

Expenditure Description	Amount
Personal Services	\$ 18,000
Materials and Services	\$ 18,900
Capital Outlay	\$ 360,000
Debt Service	\$ 7,400
Contingency	\$ 10,000
Total Expenditures	\$ 414,300

5. *An analysis of the impact, if any, of carrying out the urban renewal plan on the tax collections for the preceding year for all taxing districts included under ORS 457.430.*

Within the City of Central Point there are a total of eleven (11) affected taxing districts with a FY14-15 combined tax rate of \$17.0321/\$1,000 of assessed value. The Urban Renewal's base value was set in FY2012-13 at \$139,787,170. The FY14-15 incremental value for the Urban Renewal Plan District was \$772,850. During FY14-15 the impact of implementation of the Urban Renewal Plan on the affected taxing districts is illustrated in Table 5, both in terms of property tax dollars diverted and a percentage of total property tax dollars collected for each taxing district. As illustrated in Table 5 the impact of the Urban Renewal Plan's tax increment for FY14-15 collections was (\$119,168). The most significantly impacted taxing district is the City of Central Point at approximately \$0.0069 per dollar of

ATTACHMENT "A"

property tax revenue collected, followed by the School District and the Fire District at approximately \$0.0033 and \$0.0020 per dollar of property tax collected.

Table 5. TAX REVENUES RECEIVED FY14-15 BY AFFECTED TAXING DISTRICTS

Tax District	Affected Taxing Districts Property Taxes to be Received	Property Taxes Diverted to Urban Renewal	Percentage of Toal Property Taxes Diverted to Urban Renewal
1 City of Central Point	\$ 4,820,942	\$ 33,323	0.69%
2 Jackson County	\$ 38,390,967	\$ 16,313	0.04%
3 Fire District No. 3	\$ 11,909,282	\$ 23,259	0.20%
4 RVTD	\$ 2,332,956	\$ 1,310	0.06%
5 Vector Control	\$ 747,674	\$ 313	0.04%
6 Water Conservation	\$ 871,936	\$ 370	0.04%
7 Jackson County Library	\$ 9,063,985	\$ 5,196	0.06%
8 4-H Ag Extension	\$ 871,936	\$ 370	0.04%
TOTAL LOCAL GOVERNMENT	\$ 69,009,678	\$ 80,454	0.12%
9 School District No. 6	\$ 12,703,999	42,379.96	0.33%
10 RCC	\$ 10,811,879	3814.8748	0.04%
11 ESD	\$ 5,099,390	2619.1734	0.05%
TOTAL SCHOOLS	\$ 28,615,268	48,814.01	0.17%
GRAND TOTAL PERMANENT	\$ 97,624,946	129,267.94	0.13%

ATTACHMENT “B”

**RESOLUTION NO. 2016-01
A RESOLUTION OF THE CENTRAL POINT DEVELOPMENT COMMISSION ACCEPTING
THE ANNUAL REPORT FOR THE DOWNTOWN AND EAST PINE STREET CORRIDOR
PLAN FOR FISCAL YEAR 2015-16**

WHEREAS, the Development Commission has reviewed the Annual Report for the Downtown and East Pine Street Corridor Plan (Annual Report); and

WHEREAS, the Annual Report has been prepared in accordance with ORS 457.460.

NOW, THEREFORE, BE IT RESOLVED that the City of Central Point Development Commission by Resolution No. 2016-01 hereby accepts the Annual Report per attached Exhibit “A” and directs the Urban Renewal Director to file the Annual Report with the City Council of the City of Central Point and properly publish notice of availability per ORS 457.460(2).

PASSED by the Development Commission and signed by me in authentication of its passage this 14th day of January 2016.

Hank Williams, Chair

ATTEST:

City Representative