# CENTRAL POINT DEVELOPMENT COMMISSION

# Proposed Budget

# Fiscal Year 2022-23

# Budget Committee Meeting

# May 16, 2022

# CENTRAL POINT DEVELOPMENT COMMISSION

Central Point Development Commission Members

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Melody Thueson

Kelley Johnson

Taneea Browning

Mike Parsons

Rob Hernandez

Neil Olsen

Citizen Budget Committee Members

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Mike Quilty

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Budget Officer

Chris Clayton, City Manager

Urban Renewal Staff

Chris Clayton, Urban Renewal Manager/ City Manager

Steve Weber, Finance Director

Stephanie Holtey, Planning Director

Matt Samitore, Parks & Public Works Director

# BUDGET MESSAGE

#### To: Chair and Board of Directors Central Point Development Commission;

#### Budget Committee Members;

#### and Citizens of Central Point

## Introduction

In 2013 the Development Commission prioritized projects listed in the Downtown & East Pine Street Corridor Revitalization Plan. One of the projects contained in the plan is the City of Central Point Community Center. To that end, this budget will begin to account for the Development Commission’s participation in the project.

There are three primary actions that necessitate the proposed budget:

1. **Economic Incentive Program ($35,000**). The Commission will continue the façade improvement program
2. **Capital Projects ($1,300,000**). The Commission will partner with the City of Central Point on multiple capital projects; Hamrick/Pine Street Drop Lane ($600,000), design costs for Bear Creek Greenway improvements and the Community Center ($650,000), as well as planning for the transportation system plan impacts of Executive Order 20-04 ($50,000).
3. **Debt Service ($312,920).** Represents the debt service for the East Pine Streetscape borrowing.

## Mission

It is the primary mission of the Central Point Development Commission to eliminate blight and depreciating property values within the urban renewal district. This mission will be accomplished through the strategic implementation of projects and activities that consciously maximize both public and private investments within the Urban Renewal Area, investments that are designed to target, facilitate and strengthen the economic and aesthetic vitality of the urban renewal district as the City’s traditional mixed-use urban core.

## Overall Goal

The basic goal of the Development Commission is to address, through the implementation of the Plan, existing blighted conditions within the urban renewal district so that unused and underused properties can be placed in productive condition and utilized at their highest and best use in accordance with the *City of Central Point Comprehensive Plan*.

## Key Objectives AND ACTIVITIES

Section 1.5.2 of the Plan identifies fourteen (14) goals and objectives to be accomplished by the Plan. Section 1.6 addresses the activities that the Commission may undertake. In July of 2013 the Development Commission prepared the *Central Point Urban Renewal Project Guide* identifying the Development Commission’s top five activities to be undertaken. The activities budgeted for FY 2022-23 are consistent with the Plan’s goals and objectives and the Development Commission’s activities schedule.

## Key Performance Measures

* Increased real property assessed value within the urban renewal district
* Track and manage Return-on-Investment (ROI) ratio between public and private investment dollars within the urban renewal district
* Completion of projects on schedule.

## The Budget

This budget is a financial plan listing all planned expenses and revenues for fiscal year 2022-23. The Development Commission’s budget consists of a single fund; the General Fund. The Budget’s primary source of income is tax increment revenue, including proceeds from tax increment financing.

## GENERAL FUND EXPenses

The Development Commission’s expenses fall into one of four categories: Personal Services, Materials & Services, Capital Projects, and Debt Service. All expenditures are dedicated to implementation of the Plan.

#### Personal Services

Funding for Personal Services has been re-structured this budget year and is now within the Materials and Services category.

#### Materials & Services

The Materials & Services category ($64,000) is comprised of six subcategories, most of which address basic administrative requirements of the Development Commission such as; the costs of legal services, annual audit, materials, contract services, etc.

#### Capital Projects

The Capital Projects Fund accounts for all expenditures ($1,335,000) on projects related to implementation of the fifteen (15) projects listed in the Plan. This includes such activities as design, engineering, and construction costs. Over the course of the next 20 years it is the Commission’s charge to undertake each of these projects, while not exceeding its Maximum Indebtedness limit of $43,177,530.

For FY 2022-23 the Capital Projects Fund includes the following projects:

* Funding for the Economic Development Incentive Program - Façade - $35,000
* Hamrick/Pine Street Drop Lane - $600,000
* Project design costs for Bear Creek Greenway improvements and the Community Center - $650,000
* TPR planning for transportation system plan impacts of Executive Order 20-04

#### Debt Service

The purpose of the Debt Service category is to account for the payment of principal and interest due on Commission debt. In fiscal year 2016-17 the Development Commission received funding for the East Pine Streetscape Project which will incur an annual debt service for FY 2022-23 of $312,920.

## GENERAL FUND RESOURCES

Funding for activities and projects will come from three sources; tax increment revenue, interest, and cash balance forward, for a total of $2,165,865.

#### Tax Increment Revenue

The primary source of urban renewal revenue will be tax increment revenue. For FY 2022-23 it is estimated that the Commission will receive $998,050 in tax increment revenue.

#### INTEREST & PREVIOUSLY LEVIED TAXES

It is estimated that the Development Commission will receive $18,000 in previously levied taxes and $11,000 interest on its cash balance.

#### BALANCE FORWARD

The Commission will begin FY 2022-23 with an estimated beginning cash balance of $1,138,815.

## A BALANCED BUDGET

By Oregon Law the budget is balanced at $2,165,865.



