



ALBANY REVITALIZATION AGENCY

BIENNIUM 2021-23

ADOPTED BUDGET





BUDGET MESSAGE



When the Central Albany Revitalization Area (CARA) tax increment financing district (TIF) was established in 2001, policymakers anticipated that the district would sunset in 2025. The years in between would be spent working on the 52 projects identified through community input. The great recession and other challenges slowed progress toward project completion. However, in working with the advisory board, staff were able to refocus efforts to complete as many projects as possible with remaining spending authority and to realign spending authority with projected timelines for the work of the TIF district.

A TIF district has in many cases, proven to be a unique and vital tool for partnering with the private sector on major projects, as well as incentivizing the private sector to revitalize underused and or otherwise blighted portions of a community. While TIF districts can be extremely effective and helpful, they are not meant to last forever; rather they should be viewed as a tool to create momentum that lasts well beyond their presence. At their sunset, the community is left with improved infrastructure, decreased vacancy rates, increased housing density, new private investment, and new private development opportunity that did not exist prior to the TIF district. Furthermore, the cost of forgone property tax revenue to all overlaying taxing districts while the tax rate is frozen is returned with a significant increase over the established taxable value of the district at its creation, while never increasing the tax bill of taxpayers directly.

As we approach the 2021-23 biennium, the focus of the budget is “partner and build.” Following the direction of the CARA Advisory Board provided in 2019, the district is moving full steam ahead toward two primary goals:

1. The Waterfront Project (includes 13 projects from the original 2001 project list that have not yet been completed), and
2. Two large redevelopment partnerships in the St. Francis/Rhodes block and downtown former Wells Fargo building.

BUDGET MESSAGE

The Waterfront project is well underway. After more than a year of direct staff work on this project, our consultant team is set to deliver 60 percent design plans that encompass hundreds of unique public inputs, three public open houses, multiple adopted City of Albany plan documents, and years of planning. Construction will begin as early as summer 2022 and as such, we have moved a significant amount of money from reserves to capital projects. Likewise, reserves that have been building in anticipation of use on larger redevelopment partnerships for key properties within the CARA district have been reallocated in the partnership expenditure line item.

The 2021-23 biennium will be a memorable one for Albany. The Waterfront Project alone will create a lasting asset for the community, visitors, and new private investment that will pay dividends for many years into the future.

A handwritten signature in blue ink, appearing to read "Peter Troedsson".

Peter Troedsson
City Manager



ALBANY REVITALIZATION AGENCY FUND

The Albany Revitalization Agency Fund is used to account for revenues and expenditures associated with administrative overhead and the related redevelopment work of the Albany Revitalization Agency (ARA).

Resources

Revenues for these operations are predominantly from tax increment financing (TIF). The ARA is authorized to collect tax increment on behalf of CARA, a certified tax increment district in the state of Oregon. Established in 2001, a portion of taxable value within the district is redirected from other overlying taxing districts to the ARA for use in redevelopment activities and the staff time required for those activities. The ARA is also authorized to generate loan revenue against future TIF income.

Additional nominal revenue comes from loan and bank interest earnings.

Requirements

Expenses are primarily for redevelopment activities and partnerships. The agency seeks partnerships that can accomplish the goals and objectives of the TIF district. Additional expenditures are typically captured by public infrastructure improvements within the district and by administrative costs. All expenditures are outlined in the original TIF district 2001 plan.

The ARA itself has no staff but has an agreement with the City to use its economic development staff to accomplish the work of the agency. As such, an annual transfer from the ARA budget to the economic development budget covers personnel costs.

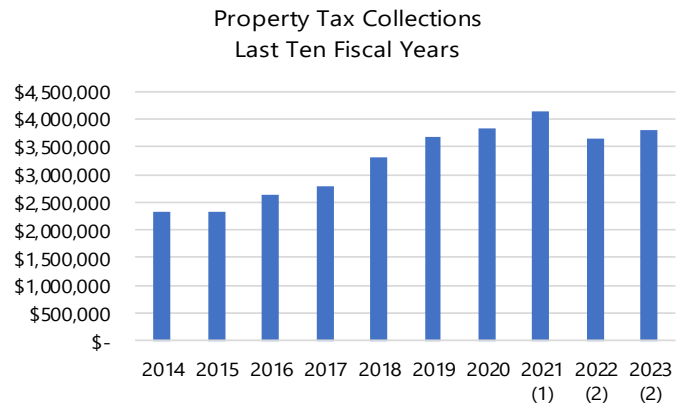
Opportunities/Challenges

The ARA Fund and its associated work is at a very exciting time in its lifespan. The primary opportunity at hand is to complete the majority of originally envisioned projects and eventually sunset the district, returning tax revenue to the overlying taxing districts.

Statistics and Other Fund Information

Property Tax Collections

Year Ending June 30,	Property Tax Collections	Percentage Increase
2014	\$ 2,341,071	N/A
2015	2,340,742	-0.01%
2016	2,618,269	11.86%
2017	2,785,691	6.39%
2018	3,314,251	18.97%
2019	3,674,039	10.86%
2020	3,819,792	3.97%
2021 (1)	4,127,556	8.06%
2022 (2)	3,650,000	-11.57%
2023 (2)	3,800,000	4.11%



- (1) Fiscal year not closed at the time of reporting and numbers are considered estimations.
- (2) Budgeted numbers for Fiscal years 2022 and 2023.

Summary of Debt Service

2007 CARA Series A Tax-Exempt

In October 2007, the Agency issued Urban Renewal Tax Increment bonds in the amount of \$4,687,000 to finance authorized projects in the renewal area. Debt service requirements are payable from tax increment revenues. The interest rates range from 4.85% to 6.25% for the 15-year bonds, and final maturity is June 15, 2022. The balance outstanding at June 30, 2020, is \$863,000. Annual debt service requirements to maturity for the urban renewal bonds are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 442,000	\$ 21,437	\$ 463,437
Total	\$ 442,000	\$ 21,437	\$ 463,437

ALBANY REVITALIZATION AGENCY FUND

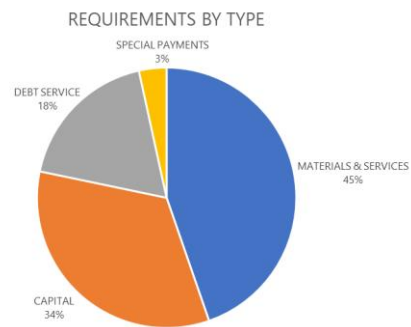
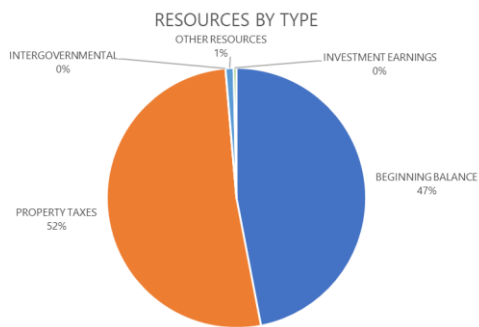
Oregon Infrastructure Authority (IFA) Streetscape Loan

In October 2016, the Agency approved through resolution a \$8,400,000 loan from the Oregon Infrastructure Authority (IFA) for the financing of projects in the Central Albany Revitalization Area. The interest rate is 2.55 percent and payment is made from the transfer of ARA incremental tax receipts. Final maturity is December 1, 2032. The balance outstanding at June 30, 2020 is \$7,321,892. In the event of default, the IFA may declare all payments immediately due and payable. Annual debt service requirements to maturity are as follows:

Year Ending June 30,	Principal	Interest	Total
2022	\$ 506,831	\$ 174,105	\$ 680,936
2023	519,755	161,181	680,936
2024	533,009	147,927	680,936
2025	546,600	134,336	680,936
2026	560,539	120,397	680,936
2027-2031	3,024,530	380,152	3,404,682
2032-2036	1,136,400	41,332	1,177,732
Total	\$ 6,827,664	\$ 1,159,430	\$ 7,987,094

Resource and Requirement Summary

Description	2017-18 Actual	2018-19 Actual	2019-21 Adopted	2019-21 Revised	2021-23 Proposed	2021-23 Approved	2021-23 Adopted
RESOURCES							
BEGINNING BALANCE	\$ 2,390,859	\$ (1,756,298)	\$ 6,770,000	\$ 8,014,700	\$ 6,770,000	\$ 6,770,000	\$ 6,770,000
PROPERTY TAXES	3,314,251	3,674,040	7,450,000	6,205,300	7,450,000	7,450,000	7,450,000
INTERGOVERNMENTAL	1,200	1,200	2,400	2,400	2,400	2,400	2,400
CHARGES FOR SERVICES	33,973	11,820	-	-	-	-	-
OTHER RESOURCES	311,320	9,581,915	143,500	143,500	143,500	143,500	143,500
INVESTMENT EARNINGS	41,156	201,005	50,000	50,000	50,000	50,000	50,000
TOTAL RESOURCES	\$ 6,092,759	\$ 11,713,682	\$ 14,415,900	\$ 14,415,900	\$ 14,415,900	\$ 14,415,900	\$ 14,415,900
REQUIREMENTS							
CARA	\$ 7,589,057	\$ 4,178,322	\$ 13,904,500	\$ 1,930,900	\$ -	\$ -	\$ -
CARA	-	-	-	11,973,600	13,920,000	13,920,000	13,920,000
SPECIAL PAYMENTS	260,000	231,600	511,400	511,400	495,900	495,900	495,900
TOTAL REQUIREMENTS	\$ 7,849,057	\$ 4,409,922	\$ 14,415,900	\$ 14,415,900	\$ 14,415,900	\$ 14,415,900	\$ 14,415,900
RESOURCES LESS REQUIREMENTS	\$ (1,756,298)	\$ 7,303,760	\$ -	\$ -	\$ -	\$ -	\$ -
REQUIREMENTS							
MATERIALS & SERVICES	\$ 348,459	\$ 1,124,806	\$ 6,023,400	\$ 6,714,300	\$ 6,442,800	\$ 6,442,800	\$ 6,442,800
CAPITAL	6,776,919	190,194	4,342,700	3,651,800	4,838,800	4,838,800	4,838,800
DEBT SERVICE	463,679	1,143,322	3,538,400	3,538,400	2,638,400	2,638,400	2,638,400
SPECIAL PAYMENTS	260,000	231,600	511,400	511,400	495,900	495,900	495,900
TOTAL REQUIREMENTS	\$ 7,849,057	\$ 4,409,922	\$ 14,415,900	\$ 14,415,900	\$ 14,415,900	\$ 14,415,900	\$ 14,415,900







ALBANY REVITALIZATION AGENCY

Overview

The Albany Revitalization Agency (ARA) promotes revitalization within the boundaries of an urban renewal district through investment in public infrastructure and public/private partnerships. The agency also establishes activities and funds programs in response to private sector needs while balancing the interests of the community at large.

Strategic Goals & Objectives

Great Neighborhoods:

Reduce blight within Central Albany while focusing on goals and objectives of the Central Albany Revitalization Area (CARA) district and City of Albany Comprehensive Plans, and implement development strategies and objectives for the CARA district 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.

Budget Summary

REQUIREMENTS	2017-18 Actual	2018-19 Actual	2019-21 Adopted	2019-21 Revised	2021-23 Proposed
Materials & Services	\$ 348,459	\$ 1,124,806	\$ 6,023,400	\$ 6,714,300	\$ 6,442,800
Capital Outlay	6,776,919	1,910,194	4,342,700	3,651,800	4,838,800
Debt Service	463,679	1,143,322	3,538,400	3,538,400	2,638,400
Transfers	260,000	231,600	511,400	511,400	495,900
TOTAL REQUIREMENTS	\$ 7,849,057	\$ 4,409,922	\$ 14,415,900	\$ 14,415,900	\$ 14,415,900

Programs:

29011015 CARA*

29015065 CARA

*Programs not budgeted for in biennium 2021-23.



ALBANY REVITALIZATION AGENCY

BIENNIUM 2021 - 2023

PROGRAM SUMMARY

DEPARTMENT: COUNCIL & CITY MANAGER

PROGRAM: 29011015 - CARA

Description	2017-18 Actual	2018-19 Actual	2019-21 Adopted	2019-21 Revised	2021-23 Adopted	Change Inc (Dec)
RESOURCES						
BEGINNING BALANCE	\$ 2,390,859	\$ (1,756,298)	\$ 6,770,000	\$ -	\$ -	\$ -
PROPERTY TAXES	3,314,251	3,674,040	7,450,000	2,080,300	-	(2,080,300)
INTERGOVERNMENTAL	1,200	1,200	2,400	1,200	-	(1,200)
CHARGES FOR SERVICES	33,973	11,820	-	-	-	-
OTHER RESOURCES	311,320	9,581,915	143,500	72,100	-	(72,100)
INVESTMENT EARNINGS	41,156	201,005	50,000	25,000	-	(25,000)
TOTAL RESOURCES	\$ 6,092,759	\$ 11,713,682	\$ 14,415,900	\$ 2,178,600	\$ -	\$ (2,178,600)
REQUIREMENTS						
MATERIALS & SERVICES	\$ 348,459	\$ 1,124,806	\$ 6,023,400	\$ 766,700	\$ -	\$ (766,700)
CAPITAL	6,776,919	1,910,194	4,342,700	19,800	-	(19,800)
DEBT SERVICE	463,679	1,143,322	3,538,400	1,144,400	-	(1,144,400)
SPECIAL PAYMENTS	260,000	231,600	511,400	247,700	-	(247,700)
TOTAL REQUIREMENTS	\$ 7,849,057	\$ 4,409,922	\$ 14,415,900	\$ 2,178,600	\$ -	\$ (2,178,600)
RESOURCES LESS REQUIREMENTS	\$ (1,756,298)	\$ 7,303,760	\$ -	\$ -	\$ -	\$ -



ALBANY REVITALIZATION AGENCY

BIENNIUM 2021 - 2023

PROGRAM SUMMARY

DEPARTMENT: COMMUNITY DEVELOPMENT

PROGRAM: 29015065 - CARA

Description	2017-18 Actual	2018-19 Actual	2019-21 Adopted	2019-21 Revised	2021-23 Adopted	Change Inc (Dec)
RESOURCES						
BEGINNING BALANCE	\$ -	\$ -	\$ -	\$ 8,014,700	\$ 6,770,000	\$ (1,244,700)
PROPERTY TAXES	-	-	-	4,125,000	7,450,000	3,325,000
INTERGOVERNMENTAL	-	-	-	1,200	2,400	1,200
OTHER RESOURCES	-	-	-	71,400	143,500	72,100
INVESTMENT EARNINGS	-	-	-	25,000	50,000	25,000
TOTAL RESOURCES	\$ -	\$ -	\$ -	\$ 12,237,300	\$ 14,415,900	\$ 2,178,600
REQUIREMENTS						
MATERIALS & SERVICES	\$ -	\$ -	\$ -	\$ 5,947,600	\$ 6,442,800	\$ 495,200
CAPITAL	-	-	-	3,632,000	4,838,800	1,206,800
DEBT SERVICE	-	-	-	2,394,000	2,638,400	244,400
SPECIAL PAYMENTS	-	-	-	263,700	495,900	232,200
TOTAL REQUIREMENTS	\$ -	\$ -	\$ -	\$ 12,237,300	\$ 14,415,900	\$ 2,178,600
RESOURCES LESS REQUIREMENTS	\$ -	\$ -	\$ -	\$ -	\$ -	-

Customer Ad Proof

60000049 City of Albany/City Managers Office

Order Nbr 135905

Publication	AlbanyCorvallis Paper		
Contact	City of Albany/City Managers Office	PO Number	
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Address 2		Order Price	705.36
City St Zip	ALBANY OR 97321	Amount Paid	0.00
Phone	5419177523	Amount Due	705.36
Fax			
Section	Public Notices	Start/End Dates	06/03/2021 - 06/03/2021
SubSection		Insertions	1
Category	990 Public Notice	Size	148
Ad Key	135905-1	Salesperson(s)	09 LEGAL SALESPERSON
Keywords	NOTICE OF PUBLIC HEARING	Taken By	Tracy Holloway
Notes	Liesse, Allison <Allison.Liesse@cityofalbany.net> [Tracy Holloway 6/1/2021 12:40:20 PM] [Tracy Holloway 6/1/2021 1:39:32 PM] [Tracy Holloway 6/1/2021 3:33:51 PM]		

Ad Proof

NOTICE OF BUDGET HEARING

NOTICE IS HEREBY GIVEN that the Albany Revitalization Agency (ARA) will hold a PUBLIC HEARING for the City of Albany, Linn and Benton counties, State of Oregon, for the Biennium 2021-2023 budget at 6:00 p.m. on Wednesday, June 9, 2021. This meeting will be virtual only.

Persons wanting to ask questions and comment on the approved budget and/or provide written materials electronically for the public record must email cityclerk@cityofalbany.net before noon on the day of the meeting, June 9, 2021. Alternatively, written testimony may be addressed to the Finance Director's Office, PO Box 490, Albany, OR 97321, and must be received before noon on the day of the meeting, June 9, 2021, to be included in the record.

Due to Governor Brown's Executive Orders limiting public gatherings during the COVID-19 pandemic, this meeting is accessible to the public via phone and video connection. To connect to the meeting: Join Zoom Meeting 1-253-215-8782 (long distance charges may apply) |Meeting ID: 541 917 7500| Passcode: 252269

A copy of the budget document as approved by the ARA budget committee is posted on the City's website at www.cityofalbany.net.

A summary of the budget is presented below. The budget was prepared on a basis of accounting consistent with the basis of accounting used in the preceding year. Major changes, if any, and their effect on the budget are explained below.

FINANCIAL SUMMARY - RESOURCES			
	2018-2019	2019-21	2021-23
	Actual	Adopted	Approved
Property taxes	\$ 3,674,040	\$ 7,450,000	\$ 7,450,000
Intergovernmental	1,200	2,400	2,400
Charges for service	11,820	-	-
Other resources	1,181,915	143,500	143,500
Loan proceeds	8,400,000	-	-
Investment earnings	201,005	50,000	50,000
Total Current Resources	\$ 13,469,980	\$ 7,645,900	\$ 7,645,900
Beginning balance	(1,756,298)	6,770,000	6,770,000
Total Resources	\$ 11,713,682	\$ 14,415,900	\$ 14,415,900

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
	2018-2019	2019-21	2021-23
	Actual	Adopted	Approved
Materials & services	\$ 1,124,806	\$ 6,023,400	\$ 6,442,800
Capital	1,910,194	4,342,700	4,838,800
Debt service	1,143,322	3,538,400	2,638,400
Special payments	231,600	511,400	495,900
Total Requirements	\$ 4,409,922	\$ 14,415,900	\$ 14,415,900

FINANCIAL SUMMARY - REQUIREMENTS BY ORGANIZATIONAL UNIT			
	2018-2019	2019-21	2021-23
	Actual	Adopted*	Approved*
11 - City Manager's Office	\$ 4,409,922	\$ 14,415,900	\$ -
FTE	-	-	-
15 - Community Development	-	-	14,415,900
FTE	-	-	-

* FTE shown in the biennium represents the maximum FTE approved for the biennium

Prominent Changes

This is the second cycle of a biennial budget for the City. Budget amounts represent two years of expenditures. Prominent changes include Community Development Department reorganization.

Total Debt Outstanding

2018 Downtown Streetscape*	\$6,827,664
2007A CARA	442,000
Total	\$7,269,664

A request for the CARA Plan Area for the maximum amount of revenue that may be raised by the division of taxes under section 1c, Article, of the Oregon Constitution and ORS Chapter 457 for each fiscal year of the biennium will be certified to the county assessors.

If you have questions about the meetings or need more information, please contact Jeanna Yeager, City of Albany Finance Director, at jeanna.yeager@cityofalbany.net or (541) 917-7521.

This notice is given in accordance with provisions of the Oregon Revised Statutes 294.438 and is posted on the City's website at www.cityofalbany.net.

DATED THIS 3rd DAY OF JUNE 2021.

Jeanna Yeager
Finance Director

#135905

Publish: 06/03/2021



RESOLUTION NO. 2021- 05

A RESOLUTION ADOPTING THE ALBANY REVITALIZATION AGENCY (ARA) BUDGET FOR BIENNIUM 2021-2023

WHEREAS, the ARA budget committee conducted a public meeting on the proposed BN 2021-2023 ARA budget on May 4, 2021; and

WHEREAS, the ARA budget committee approved the BN 2021-2023 ARA budget on May 4, 2021, with the approval of Resolution No. ARA B2021; and

WHEREAS, the ARA held a public hearing to receive any additional input on the approved BN 2021-23 budget on June 9, 2021.

NOW, THEREFORE, BE IT RESOLVED that the Albany Revitalization Agency hereby adopts the BN 2021-2023 budget in the amount of \$14,415,900; and

BE IT FURTHER RESOLVED that the amounts for the biennium beginning July 1, 2021, and for the purpose shown below are hereby appropriated as follows:

ALBANY REVITALIZATION AGENCY

CARA Urban Renewal Area	\$13,920,000
Special Payments	495,900
Total	\$14,415,900

BE IT FURTHER RESOLVED that the ARA hereby approves certification to the county assessors (Linn and Benton counties) a request for the CARA Plan Area for the maximum amount of revenue that may be raised by the division of taxes under Section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457 for each fiscal year of the biennium.

DATED AND EFFECTIVE THIS 9th DAY OF JUNE 2021.

ARA Chair

ATTEST:

City Clerk

