

URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE

URA RESOLUTION NO. 2022-02

**RESOLUTION OF THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY
ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND DECLARING
THE TAX INCREMENT FOR FISCAL YEAR COMMENCING
JULY 1, 2022, AND ENDING JUNE 30, 2023**

WHEREAS, the Budget Committee of the City of Forest Grove Urban Renewal Agency has approved a budget and the collection of the tax increment for the Urban Renewal Agency for the fiscal year commencing July 1, 2022, pursuant to the provisions of the Oregon Local Budget Law; and

WHEREAS, staff has not proposed any change to the Budget approved by the Budget Committee, and

WHEREAS, a hearing has been held before the Urban Renewal Agency Board of Directors as required by law, and

WHEREAS, it appears to the Board that the Budget approved by the Budget Committee and the tax increment set by the Budget Committee should be adopted.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY AS FOLLOWS:

Section 1: That the City of Forest Grove Urban Renewal Agency Board hereby adopts the FY 2022-23 Budget in the total amount of \$1,179,043. The Budget is on file with City Recorder's Office.

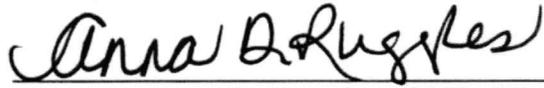
Section 2: That the amounts shown below are hereby appropriated for the fiscal year beginning July 1, 2022, and for the purposes hereby appropriated as follows:

| | |
|------------------------|--------------------|
| <u>General Fund</u> | |
| Materials and Services | \$860,352 |
| Debt Service | <u>318,691</u> |
| Total Appropriations | <u>\$1,179,043</u> |

Section 3: That the City of Forest Grove Urban Renewal Agency certifies to the Washington County Assessor's Office a request for the Forest Grove Urban Renewal Plan Area for the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457.

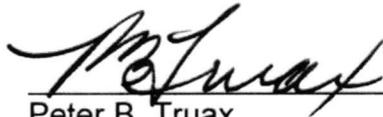
Section 4: This resolution is effective immediately upon its enactment by the Urban Renewal Agency Board.

PRESENTED AND PASSED this 27th day of June, 2022.



Attested: Anna D. Ruggles, CMC, City Recorder

APPROVED by the Urban Renewal Agency of the City of Forest Grove at a regular meeting on this 27th day of June, 2022, and filed with the Forest Grove City Recorder this date.



Peter B. Truax
Urban Renewal Agency Board Chair



| | |
|--------------------------------|--------------|
| <i>CITY RECORDER USE ONLY:</i> | |
| AGENDA ITEM #: | F. 1. |
| MEETING DATE: | 06/27/2022 |
| FINAL ACTION: | RESO 2022-02 |

URBAN RENEWAL AGENCY STAFF REPORT

TO: *Urban Renewal Agency Board of Directors*

FROM: *Jesse VanderZanden, Executive Director*

MEETING DATE: *June 27, 2022*

PROJECT TEAM: *Paul Downey, Assistant City Manager/Finance Director*

SUBJECT TITLE: *Adoption of FY 2022-23 URA Budget and Levying of Property Taxes*

ACTION REQUESTED:

| | | | | | | |
|--------------------------|--------------------------|--------------------------|-------------------------------------|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| | Ordinance | Order | X | Resolution | Motion | Informational |

X all that apply

ISSUE STATEMENT: The Forest Grove Urban Renewal Budget Committee approved the Proposed FY 2022-23 Budget of \$1,179,043 on May 24, 2022, and declared the tax increment to be collected. The Urban Renewal Agency (URA) Board now needs to adopt the FY 2022-23 Approved Budget, make the appropriations that set the legal expenditure level, and declare the tax increment to be collected for FY 2022-23. Staff has prepared a resolution that includes all three actions for the Board’s consideration.

BACKGROUND: The principal revenues that will be available in FY 2022-23 are the taxes collected on the incremental increase in the assessed value of the URA. The Budget includes funds to pay principal and interest to the City’s Capital Project Fund for debt for the land purchase and the loan for development costs. Staff has not proposed any changes to the Budget approved by the URA Budget Committee.

FISCAL IMPACT: The projected property taxes on the increase in incremental assessed value for the URA will be sufficient to repay the debt service and operating costs of the URA. Proposed projects include continuing storefront improvement grants, parklet pilot projects, and public art in the downtown area. The majority of the expenditures are budgeted in “Undesignated Projects” to give the Board flexibility for potentially providing assistance to projects such as the proposed grocery store at the corner of Pacific Avenue and “B” Street.

STAFF RECOMMENDATION: Staff recommends the Urban Renewal Agency Board of Directors approve the attached resolution to adopt the FY 2022-23 Budget, set the legal appropriations for FY 2022-23, and declare the tax increment for FY 2022-23.

ATTACHMENT(s): Resolution of The City of Forest Grove Urban Renewal Agency Adopting the Budget, Making Appropriations, and Declaring the Tax Increment for Fiscal Year Commencing July 1, 2022, And Ending June 30, 2023.

FORM OR-LB-1

NOTICE OF BUDGET HEARING

A public meeting of the Forest Grove City Council will be held on **June 27, 2022 at 7:00 p.m.** at the Community Auditorium, 1915 Main Street, Forest Grove, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2022, as approved by the City of Forest Grove Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at City Hall, 1924 Council Street, Forest Grove, Oregon, between the hours of 9:00 a.m. and 5:00 p.m. or online at www.forestgrove-or.gov. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

Contact: Paul Downey, Assistant City Manager/Finance Director Telephone: 503-992-3220 Email: pdowney@forestgrove-or.gov

| FINANCIAL SUMMARY - RESOURCES | | | |
|---|----------------------------------|---|--|
| TOTAL OF ALL FUNDS | Actual Amount 2020-21 | Adopted Budget This Year 2021-22 | Approved Budget Next Year 2022-23 |
| Beginning Fund Balance/Net Working Capital | 66,709,785 | 70,221,645 | 80,960,645 |
| Fees, Licenses, Permits, Fines, Assessments & Other Service Charges | 40,379,348 | 37,959,825 | 42,137,205 |
| Federal, State & all Other Grants, Gifts, Allocations & Donations | 6,718,950 | 13,616,843 | 11,341,583 |
| Revenue from Bonds and Other Debt | 0 | 0 | 0 |
| Interfund Transfers / Internal Service Reimbursements | 4,111,878 | 8,401,362 | 6,167,785 |
| All Other Resources Except Current Year Property Taxes | 6,489,412 | 3,487,935 | 3,063,432 |
| Current Year Property Taxes Estimated to be Received | 9,742,976 | 10,303,960 | 10,771,540 |
| Total Resources | 134,152,349 | 143,991,570 | 154,442,190 |

| FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION | | | |
|---|--------------------|--------------------|--------------------|
| Personnel Services | 24,371,801 | 25,735,147 | 27,019,826 |
| Materials and Services | 26,181,220 | 28,550,962 | 31,179,689 |
| Capital Outlay | 8,233,691 | 36,260,578 | 44,458,584 |
| Debt Service | 798,060 | 1,002,413 | 856,313 |
| Interfund Transfers | 2,238,513 | 6,429,675 | 3,926,846 |
| Contingencies | 0 | 4,487,266 | 4,604,318 |
| Special Payments | 0 | 0 | 0 |
| Unappropriated Ending Balance and Reserved for Future Expenditure | 72,329,064 | 41,525,529 | 42,396,614 |
| Total Requirements | 134,152,349 | 143,991,570 | 154,442,190 |

| FINANCIAL SUMMARY - REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM * | | | |
|--|--------------------|--------------------|--------------------|
| Name of Organizational Unit or Program FTE for that unit or program | | | |
| Name Administration | 14,304,868 | 15,641,647 | 17,386,523 |
| FTE | 31.05 | 31.55 | 35.575 |
| Name Public Safety | 12,793,959 | 14,199,574 | 14,993,123 |
| FTE | 61.00 | 62.00 | 63.000 |
| Name Community Services | 3,547,008 | 3,912,909 | 5,975,673 |
| FTE | 31.05 | 31.55 | 30.920 |
| Name Public Works | 67,924,634 | 75,568,257 | 81,328,832 |
| FTE | 29.64 | 29.64 | 28.700 |
| Name Light & Power | 27,401,039 | 24,982,580 | 27,028,268 |
| FTE | 23.66 | 23.66 | 23.800 |
| Name | | | |
| FTE | | | |
| Name | | | |
| FTE | | | |
| Not Allocated to Organizational Unit or Program | 8,180,841 | 9,686,603 | 7,729,771 |
| FTE | 0 | 0 | 0 |
| Total Requirements | 134,152,349 | 143,991,570 | 154,442,190 |
| Total FTE | 176.40 | 178.40 | 181.995 |

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

The Approved FY 2022-23 Budget is increasing by approximately \$19.2 million due to the funding from the American Rescue Plan, increased SDC collection from development, increases in property taxes, interfund transfers to pay for a new office building and City Hall remodel being paid for by internal funding, and higher beginning fund balances due to several capital projects and equipment purchases being delayed. Major capital projects for the coming year include completing the construction of a new Development Services Annex /City Hall Remodel, reconstruction of a portion of 26th Avenue, and participation in the construction of a roundabout at the intersection of Martin Road and Highway 47. These projects are being carried-over from the current fiscal year. For more detailed information, please go to the FY 2022-23 Proposed Budget document for the City of Forest Grove on the City's website a www.forestgrove-or.gov.

| PROPERTY TAX LEVIES | | | |
|--|---|---|--|
| | Rate or Amount Imposed 2020-21 | Rate or Amount Imposed This Year 2021-22 | Rate or Amount Approved Next Year 2022-23 |
| Permanent Rate Levy (rate limit \$3.955 per \$1,000) | 3.9554 | 3.9554 | 3.9554 |

| | | | |
|-----------------------------------|-----|-----|-----|
| Local Option Levy | 1.6 | 1.6 | 1.6 |
| Levy For General Obligation Bonds | | | |

| STATEMENT OF INDEBTEDNESS | | |
|----------------------------------|--|--|
| LONG TERM DEBT | Estimated Debt Outstanding on July 1. | Estimated Debt Authorized, But Not Incurred on July 1 |
| General Obligation Bonds | | |
| Other Bonds | | |
| Other Borrowings | \$3,678,291 | |
| Total | \$3,678,291 | |

150-504-064 (Rev. 11-19-21)