



City of Forest Grove Urban Renewal Agency 2022-23 Adopted Budget





FY 2022-23 Budget Message
Urban Renewal Agency of the City of Forest Grove

To: The Budget Committee and the Residents of Forest Grove

It is my pleasure to present the seventh budget for the Urban Renewal Agency of the City of Forest Grove. The Urban Renewal Agency (URA) is overseen by a board of directors made up of the Mayor and the six city councilors. The URA is charged with increasing taxable assessed value through urban revitalization within the URA area for the future benefit of City services such as police, fire, parks, and library.

The URA was established in July 2014 and includes the Forest Grove Town Center and the Pacific Avenue/19th Avenue corridor to just past the Quince Street/Pacific Avenue intersection, or about 6% of the total area of the City. The principal revenue for the URA is the property tax increment increase between the property tax when the Agency was established and the property tax today.

The FY 2022-23 Proposed Budget for the Forest Grove URA is \$1,179,043, a 15% increase from the FY 2021-22 Budget of \$1,022,287. The reason for the increase is the increasing property tax revenues as development is happening within the URA boundary.

Major proposed expenditures include: 1) an increase in governmental services of \$54,855 that will fund 30% of the City's Economic Development Program that has previously been fully funded by the City's electric utility; 2) an increase in the Storefront Improvement Program of \$20,000 to \$40,000 to help fund multiple store front projects; and 3) the undesignated projects line item, where the accumulated unallocated funds for the URA are located, is increasing by \$91,801 to \$680,297.

The main focus of the URA for this coming year continues to be working with a developer who is planning on constructing an approximate 20,000 square-foot grocery store on the corner of "B" Street and Pacific Avenue. The developer is in the final stages of design. The URA will negotiate a Disposition and Development Agreement that will outline all financial, construction, and property disposition terms and conditions prior to construction of the project. That agreement requires URA Board approval.

The festival street concept design is nearly complete and the City has applied for Federal funds for the project. Funds were allocated so the ongoing art, storefront improvement, and parklet programs can continue in FY 2022-23.

Respectfully submitted,

Jesse VanderZanden, Executive Director

850 URBAN RENEWAL AGENCY

URA RESOURCES		2019-20	2020-21	2021-22	2022-23	2022-23	2022-23
		Actual	Actual	Adopted	Proposed	Approved	Adopted
PROPERTY TAXES							
4000	Property Taxes	418,895	501,701	560,000	560,000	560,000	560,000
4020	Prior Years Property Taxes	6,110	4,454	5,000	7,100	7,100	7,100
TOTAL PROPERTY TAXES		425,005	506,155	565,000	567,100	567,100	567,100
INTERGOVERNMENTAL REVENUE							
4123	CARES Reimb. - Washington County	127,519	0	0	0	0	0
TOTAL INTERGOVERNMENTAL REVENUE							
MISCELLANEOUS REVENUE							
4700	Sale of Property	0	0	0	0	0	0
4700	Interest	9,015	5,585	3,500	2,000	2,000	2,000
4716	Proceeds from Debt Issuance	0	0	0	0	0	0
TOTAL MISCELLANEOUS REVENUE		9,015	5,585	3,500	2,000	2,000	2,000
FUND BALANCE AVAILABLE							
4900	Fund Bal Avail For Approp.	346,190	382,667	453,787	609,943	609,943	609,943
TOTAL URA RESOURCES		907,729	894,407	1,022,287	1,179,043	1,179,043	1,179,043
URA EXPENDITURES							
		2019-20	2020-21	2021-22	2022-23	2022-23	2022-23
		Actual	Actual	Adopted	Proposed	Proposed	Proposed
MATERIALS & SERVICES							
6125	Public Information	563	357	0	600	600	600
6135	Memberships	0	0	250	250	250	250
6200	Intergovernmental Services	9,727	10,126	33,850	88,705	88,705	88,705
6295	Attorney Services	0	635	12,500	10,000	10,000	10,000
6305	Professional Services	0	54,743	25,000	15,000	15,000	15,000
6325	Financial Services, Auditing, Invest	3,350	2,300	3,500	5,500	5,500	5,500
6425	Storefront Improvement Grants	40,229	0	20,000	40,000	40,000	40,000
6426	Public Art and Other Projects	8,000	32,389	20,000	20,000	20,000	20,000
6430	Undesignated Projects	0	0	588,496	680,297	680,297	680,297
6900	Emergency Assistance	127,519	0	0	0	0	0
TOTAL MATERIALS & SERVICES		189,388	100,550	703,596	860,352	860,352	860,352
DEBT SERVICE							
8014	Principal	294,421	282,988	288,648	294,421	294,421	294,421
8114	Interest	41,252	35,703	30,043	24,270	24,270	24,270
TOTAL DEBT SERVICE		335,673	318,691	318,691	318,691	318,691	318,691
UNAPP FUND BALANCE							
8450	Unapp Fund Balance	0	0	0	0	0	0
TOTAL URA EXPENDITURES		525,061	419,241	1,022,287	1,179,043	1,179,043	1,179,043