

**PENDLETON DEVELOPMENT COMMISSION
URBAN RENEWAL DISTRICT**

ADOPTED BUDGET



2010-2011

**PENDLETON DEVELOPMENT COMMISSION
URBAN RENEWAL DISTRICT
ADOPTED BUDGET
FY 10-11**

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**PENDLETON DEVELOPMENT COMMISSION
URBAN RENEWAL DISTRICT
ADOPTED BUDGET
FY 10-11**

2010-11 BUDGET COMMITTEE

Steven Bjerke

Dave Krumbein

John Boston

Becky Marks

Bryan Branstetter

Kricket Nicholson

John Brenne

Justin Pearce

Dan Ceniga

Lonnie Read

Jayne Clarke

Mike Short

Bill Dawson

Neal Simpson

Roger Harwerth

Steve Taylor

Phillip Houk

David Weaver

EXECUTIVE DIRECTOR

Larry Lehman

**Pendleton Urban Renewal Commission
2009 – 2011 PRIORITIES**

Finish Court and Dorion Streetscapes

- *Riverfront Park (Court Street)*
- *Increased handicap-accessibility*

Continue Second-Story Access and Development

Continue Façade Restoration

Riverfront Housing Commercial

- *Riverfront Walkway development, condominium development and social squares*
- *Form Riverfront District Committee*

Golden Triangle

- *Acquire properties*
- *Potential development*
- *Hotel at Convention Center*

Gateways and Signage

- *Improvements*
- *Gateway arts*
- *City-wide identity signage*
- *Gateway beautification projects and funding*

Cultural Facilities

Infrastructure



PENDLETON URBAN RENEWAL DISTRICT

Pendleton Development Commission

500 S.W. Dorion Avenue • Pendleton, OR 97801-2090

Telephone 541-966-0201

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April 19, 2010

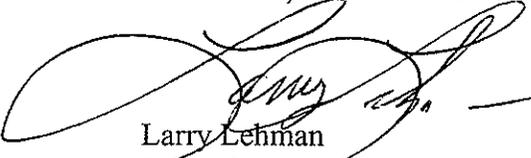
Pendleton Development Commission Budget Committee:

The Pendleton Development Commission has been very aggressive in its first few years of operations. In order to kick start the development within the District, the District borrowed \$600,000 the first fiscal year. Revenue was strong enough to pay the interest on this amount. The District then borrowed \$1.4 million and capitalized the \$2 million debt in January 2008, at 6.6% for 10 years. The District, through the FY 2010/2011, will have borrowed an additional \$2,125,000. To date, \$1.6 million has either been expended or obligated. The large items are the Riverfront Park and the Court/Dorion project, totaling \$900,000.

This budget continues the programs approved by the Commission and budgets the amounts asked for by the Façade, Jump Start, and Riverfront Quarter Committees. The budget also provides funds for the way finding and demolition programs. It will bring the entire amount borrowed up to \$4,125,000. The projected revenues and reserve will be amortizing this amount.

The rate of growth within the District has slowed considerably. The good news is the assessed values have not decreased. For FY 07/08 the rate of growth was 7.5%. For FY 08/09 the rate of growth was 4.4%. In the current year (FY 09/10) that percentage decreased to 2.3%. The FY 2010/2011 budget assumes a 3% growth in assessed value.

If this budget is approved as presented, and the recommendation is for your approval, at the end of this fiscal year, if all budgeted funds are expended, the District would only have annual funds adequate to amortize the debt service. The amount of time before new commitments on projects and programs can be funded depends on the growth rate. If it were at 3%, then it would be three fiscal years before operations would resume.


Larry Lehman
Executive Director/Budget Officer

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PENDLETON DEVELOPMENT COMMISSION
URBAN RENEWAL DISTRICT
Budget Calendar Fiscal 2011

- 03/01 FY 2011 budget forms and financial reports distributed.
- 03/15 Meeting with the Executive Director.
- 04/1** Send notices of first budget committee meeting to paper.
- 04/21* Publish notice of first budget committee meeting. (Not less than 5 days before meeting nor more than 30 days.)
- 04/21 Begin printing budget.
- 04/23 Preliminary Budget completed.
- 04/27* Publish second notice of hearing before the Development Commission (not less than 5 days nor more than 30 days).
- 05/11 Budget Committee meeting.
- 05/25** Send budget summaries and notice of Development Commission hearing to paper.
- 06/01 Publish notice of hearing before the Development Commission. (Not less than 5 days and not more than 30 days.) Publish Budget summaries and all other required State of Oregon Department of Revenue forms.
- 06/15 Budget Hearing before the Development Commission.
- 06/15 Budget proposed for adoption at this time.
- 07/01 Budget and proper state budget forms submitted to County Assessor.

* Publishing dates

** Newspaper deadline dates

PENDLETON DEVELOPMENT COMMISSION

RESOLUTION # 10-001

BE IT RESOLVED;

Section 1. Adopt the Budget. That the Urban Renewal District Budget as approved by the Budget Committee and as presented to the Board of Directors of the Pendleton Development Commission at their meeting of June 15, 2010 is adopted in the amount of \$2,086,200 as the budget for fiscal year 2009-2010.

Section 2. Declaration of Tax Increments. That the Board of Directors of the Pendleton Development Commission hereby resolves to certify to the Umatilla County Assessor a request for the Pendleton Downtown Riverfront 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 3. Make Appropriations. That the Board of Directors makes appropriations for the purposes shown below for the fiscal year 2010-2011:

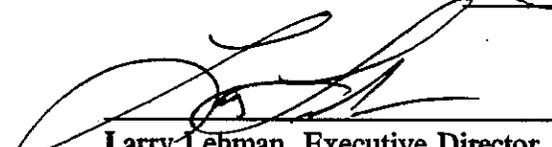
	<u>Appropriation</u>
<u>URBAN RENEWAL DISTRICT DEBT SERVICE FUND</u>	
Materials & Services	\$ 55,000
Debt Service	<u>368,120</u>
TOTAL URBAN RENEWAL DISTRICT DEBT SERVICE FUND	<u>\$ 423,120</u>
 <u>URBAN RENEWAL DISTRICT OPERATING FUND</u>	
Materials & Services	\$ 805,410
Capital Outlay	290,000
Transfers Out	75,195
Contingency	<u>20,395</u>
TOTAL URBAN RENEWAL DISTRICT OPERATING FUND	<u>\$ 1,191,000</u>

THIS resolution is effective on July 1, 2010.

PASSED by the Board of Directors and approved by the Chairman this 15th day of June, 2010.


Steve Taylor, Chairman

Attested to:


Larry Lehman, Executive Director

Approved as to form:

Peter H. Wells, Attorney

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PENDLETON DEVELOPMENT COMMISSION
URBAN RENEWAL AGENCY

BUDGET COMMITTEE RESOLUTION

BE IT RESOLVED that the Budget Committee for the Pendleton Development Commission Urban Renewal Agency hereby approves the request to the Umatilla County Assessor for the Pendleton Downtown Riverfront Urban Renewal 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.

PASSED by vote of the Budget Committee and Approved by the Chairman May 11, 2010.

APPROVED: Bill Down
Chairman

ATTEST: Jayne A. Clarke
Budget Committee Secretary

APPROVED AS TO FORM: Peter H. Wells
Peter H. Wells, City Attorney

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**PENDLETON DEVELOPMENT COMMISSION
 URBAN RENEWAL DISTRICT
 DEBT SERVICE FUND
 RESOURCE SUMMARY**

Description of Revenue Sources

The Urban Renewal District (referred to as the Pendleton Downtown/Riverfront Urban Renewal District) URA is a separate district than the City of Pendleton. The Pendleton City Council also serve as the board members of the Pendleton Development Commission. Property taxes within the District are frozen at the level for 2003-2004 tax year. Any increase in taxes on properties within the District goes to the District.

FY11 Projections of Revenues

The beginning fund balance consists mostly of the debt reserve. The taxes are based on a three percent increase in assessed value for the URA district. It is anticipated that revenues for the next two to three years will be adequate to cover debt service but not sufficient for additional borrowing. Staff will work towards obtaining a grant or grants to provide assistance to the programs of the Agency.

Actual FY08	Actual FY09	Budget FY10	RESOURCES	Proposed Budget FY11	Approved Budget FY11	Adopted Budget FY11
\$0	\$0	\$485,950	BEGINNING WORKING CAPITAL	\$407,000	\$407,000	\$407,000
0	279,191	347,000	TAXES	382,000	382,000	382,000
			MISCELLANEOUS REVENUES			
0	0	0	Grants	25,000	25,000	25,000
0	5,772	10,000	Interest	6,005	6,005	6,005
0	5,772	10,000	Total Charges for Services	31,005	31,005	31,005
0	226,500	0	TRSFRR FROM OPERATING FUND	75,195	75,195	75,195
\$0	\$511,463	\$842,950	TOTAL FUND RESOURCES	\$895,200	\$895,200	\$895,200

**PENDLETON DEVELOPMENT COMMISSION
 URBAN RENEWAL DISTRICT
 DEBT SERVICE FUND
 EXPENDITURE SUMMARY**

Description of Current Services

The Urban Renewal District (referred to as the Pendleton Downtown/Riverfront Urban Renewal District) is a separate district than the City of Pendleton. The Pendleton City Council also serve as the board members of the Pendleton Development Commission. The Debt Service receives tax dollars and uses the tax dollars to pay the Urban Renewal Agency's debt.

FY11 Proposed Budget

As the Debt Service Fund, tax dollars are received and only used to pay debt. The payments to the City of Pendleton for are for management and audit services. This budget includes \$35,000 for a contract employee if \$25,000 from grant sources can be obtained.

This budget includes payments for principal & interest on a fixed rate \$2 million loan and interest only on a line of credit. The reserve consists of one year's payment on the fixed rate loan and half the estimated reserve for the second loan.

Actual FY08	Actual FY09	Budget FY10	EXPENDITURE CATEGORIES	Proposed Budget FY11	Approved Budget FY11	Adopted Budget FY11
			MATERIALS AND SERVICES			
\$0	\$0	\$0	Contracts	\$35,000	\$35,000	\$35,000
0	8,500	5,950	RARE Student Contract	0	0	0
0	15,000	15,000	City Reimbursement of Expense	20,000	20,000	20,000
0	23,500	20,950	Total Personal Services	55,000	55,000	55,000
			DEBT SERVICE			
0	0	146,920	Principal on long term debt	157,000	157,000	157,000
0	0	134,080	Interest on long term debt	123,755	123,755	123,755
0	73,611	90,000	Interest om short term debt	87,365	87,365	87,365
0	0	0	Loan Fees	0	0	0
0	73,611	371,000	Total Materials and Services	368,120	368,120	368,120
0	0	451,000	RESERVE FOR DEBT SERVICE	472,080	472,080	472,080
\$0	\$97,111	\$842,950	TOTAL DEBT EXPENDITURES	\$895,200	\$895,200	\$895,200

**PENDLETON DEVELOPMENT COMMISSION
URBAN RENEWAL DISTRICT
OPERATING FUND
RESOURCE SUMMARY**

Description of Revenue Sources

The Urban Renewal District (referred to as the Pendleton Downtown/Riverfront Urban Renewal District) URA is a separate district than the City of Pendleton. The Pendleton City Council also serves as the board members of the Pendleton Development Commission. The Operating Fund provides for funding from loan proceeds for projects of the Urban Renewal District.

FY11 Projections of Revenues

The Urban Renewal Agency has a line of credit with Banner Bank. During the FY11 year, another \$925,000 is estimated to be drawn against this line of credit.

Actual FY08	Actual FY09	Budget FY10	RESOURCES	Proposed Budget FY11	Approved Budget FY11	Adopted Budget FY11
\$286,538	\$270,643	\$100,000	BEGINNING WORKING CAPITAL	\$262,000	\$262,000	\$262,000
200,269	0	0	TAXES	0	0	0
			CHARGES FOR SERVICES			
9,575	130	0	Building Rental	0	0	0
			MISCELLANEOUS REVENUES			
600,000	800,000	1,300,000	Loan Proceeds	925,000	925,000	925,000
0	0	0	Donations - Jump Start	2,000	2,000	2,000
1,000	350	0	Miscellaneous Revenues	0	0	0
9,697	4,841	1,000	Interest	2,000	2,000	2,000
610,697	805,191	1,301,000	Total Charges for Services	929,000	929,000	929,000
\$1,107,079	\$1,075,964	\$1,401,000	TOTAL FUND RESOURCES	\$1,191,000	\$1,191,000	\$1,191,000

**PENDLETON DEVELOPMENT COMMISSION
URBAN RENEWAL DISTRICT
OPERATING FUND
EXPENDITURE SUMMARY**

Description of Current Services

The Urban Renewal District (referred to as the Pendleton Downtown/Riverfront Urban Renewal District) is a separate district than the City of Pendleton. The Pendleton City Council also serves as the board members of the Pendleton Development Commission. The operating fund provides for funding from loan proceeds for the projects of the Urban Renewal District.

FY11 Proposed Budget

The budget for the Urban Renewal Agency is divided into an operating and a debt service budget. This operating budget reflects the expected expenditures of borrowed funds for this fiscal year.

Actual FY08	Actual FY09	Budget FY10	EXPENDITURE CATEGORIES	Proposed Budget FY11	Approved Budget FY11	Adopted Budget FY11
			MATERIALS AND SERVICES			
\$0	\$100,000	\$0	Second Floor Development - Committed	\$0	\$0	\$0
356,518	100,000	0	Grants - Previously Committed	247,160	247,160	247,160
27,425	5,256		Other Expemse	3,250	3,250	3,250
		50,000	Professional Fees			
	44,437	70,000	Vert Improvements			
			Jump Start	120,000	120,000	120,000
		100,000	Second Floor development	150,000	150,000	150,000
			River Quarter	100,000	100,000	100,000
			Landscaping Grants	35,000	35,000	35,000
		\$0	Signs Gateway	0	0	0
	\$12,000		Storm, Sewer, Water Grants			
	\$280,280	\$200,000	Façade Restoration Opportunities	150,000	150,000	150,000
10,000	0	0	City Reimbursement of Expense	0	0	0
393,943	541,973	420,000	Total Personal Services	805,410	805,410	805,410
391,641	92,762	981,000	CAPITAL OUTLAY	290,000	290,000	290,000
50,852		0	DEBT SERVICE	0	0	0
0	0	0	CONTINGENCY	20,395	20,395	20,395
0	226,500	0	TRANSFER TO DEBT SERVICE FD	75,195	75,195	75,195
\$836,436	\$861,234	\$1,401,000	TOTAL OPERATING EXPENDITURES	\$1,191,000	\$1,191,000	\$1,191,000

Capital Outlay

Demolition of Property	\$50,000
Signs Gateway	\$40,000
Riverfront Parkway	200,000
	<u>\$290,000</u>

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