



CITY OF OREGON CITY

URBAN RENEWAL COMMISSION

AGENDA

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, June 07, 2023 at 5:30 PM

Ways to participate in this public meeting:

- *Attend in person, location listed above*
- *Register to provide electronic testimony (email recorderteam@orccity.org or call 503-496-1509 by 3:00 PM on the day of the meeting to register)*
- *Email recorderteam@orccity.org (deadline to submit written testimony via email is 3:00 PM on the day of the meeting)*
- *Mail to City of Oregon City, Attn: City Recorder, P.O. Box 3040, Oregon City, OR 97045*

EXECUTIVE SESSION OF THE URBAN RENEWAL COMMISSION:

The Executive Session will begin at 5:30 PM and conclude prior to the Urban Renewal Commission meeting at approximately 6:00 PM.

1. *- Pursuant to ORS 192.660(2)(e): to conduct deliberations with persons designated by the governing body to negotiate real property transactions.*

CALL TO ORDER

ROLL CALL

CITIZEN COMMENTS

DISCUSSION ITEM

- [1.](#) Minutes of the March 1, 2023 Urban Renewal Commission Meeting
- [2.](#) Minutes of the February 1, 2023 Urban Renewal Commission Meeting
- [3.](#) Minutes of the January 18, 2023 Urban Renewal Commission Meeting
- [4.](#) Minutes of the April 10, 2018 Urban Renewal Commission Meeting

PUBLIC HEARING

- [5.](#) Resolution No. UR 23-01, Adopting the Urban Renewal Budget, Making Appropriations and Declaring Tax Increment for the 2023-2025 Biennium

COMMUNICATIONS**ADJOURNMENT**

PUBLIC COMMENT GUIDELINES

Complete a Comment Card prior to the meeting and submit it to the City Recorder. When the Mayor/Chair calls your name, proceed to the speaker table, and state your name and city of residence into the microphone. Each speaker is given three (3) minutes to speak. To assist in tracking your speaking time, refer to the timer on the table.

As a general practice, the City Commission does not engage in discussion with those making comments.

Electronic presentations are permitted but shall be delivered to the City Recorder 48 hours in advance of the meeting.

ADA NOTICE

The location is ADA accessible. Hearing devices may be requested from the City Recorder prior to the meeting. Individuals requiring other assistance must make their request known 48 hours preceding the meeting by contacting the City Recorder's Office at 503-657-0891.

Agenda Posted at City Hall, Pioneer Community Center, Library, City Website.

Video Streaming & Broadcasts: The meeting is streamed live on the Oregon City's website at www.orcity.org and available on demand following the meeting. The meeting can be viewed on Willamette Falls Television channel 28 for Oregon City area residents as a rebroadcast. Please contact WPMC at 503-650-0275 for a programming schedule.



CITY OF OREGON CITY

URBAN RENEWAL COMMISSION

DRAFT MINUTES

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, March 01, 2023 at 6:15 PM

CALL TO ORDER

Chair Mitchell convened the meeting at 6:16 PM.

ROLL CALL

PRESENT: 6 - Commissioner Frank O'Donnell, Commissioner Adam Marl, Commissioner Rocky Smith, Commissioner Denyse McGriff, Commissioner Doug Neeley, Chair Mike Mitchell

ABESNT: 1 - Commissioner Shawn Cross

STAFFERS: 4 - City Manager Tony Konkol, City Recorder Jakob Wiley, Finance Director Matt Zook, Economic Development Manager James Graham

CITIZEN COMMENTS

There were no citizen comments.

DISCUSSION ITEM

1. Urban Renewal Budget Committee Appointments

Tony Konkol, City Manager, presented for the Urban Renewal Commission's (URC) approval, a list of citizens to participate in the Urban Renewal Commission Budget Committee.

Motion made by Commissioner McGriff, seconded by Commissioner Smith, to approve the four nominees presented as members of the Urban Renewal Commission Budget Committee. The motion passed by the following vote:

Yea: 6 - Commissioner O'Donnell, Commissioner Marl, Commissioner Smith, Commissioner McGriff, Commissioner Neeley, Commissioner Mitchell

COMMUNICATIONS

Tony Konkol, City Manager, introduced Matt Zook, Finance Director, who presented the Oregon City and Urban Renewal Agency Biennial Budget Calendar, and discussed pertinent upcoming dates within it. Mr. Zook proposed alterations in the URC schedule in light of the upcoming election on May 16, 2023, which would determine whether the URC receives permission to take on debt for Urban Renewal projects. The date of releasing the URC budget was changed to May 17, the day after the election. The date of the first URC meeting after the release of the budget was changed to May 25, 2023, with an additional meeting scheduled for June 2, 2023 if required. The date for the URC's budget meeting was changed to June 13, 2023, in order to give the Urban Renewal Budget Committee time to approve the URC budget, while also providing opportunities for the City to complete the publication notices required by law. If needed, a follow-up budget meeting was tentatively scheduled for June 28, 2023.

Mr. Zook also explained that the City's Budget 101 meeting for both Budget Committees had been rescheduled to March 20, 2023, due to weather conditions on the date it was originally scheduled.

Commissioner McGriff requested that the times of the meetings be specified on the Budget Calendar.

Commissioner Marl proposed that URC members form a Political Action Committee (PAC) in support of the Urban Renewal ballot measure in May. When asked for legal advice on this matter, Bill Kabeiseman, City Attorney, stated that the Commissioners were allowed to be involved in political processes, but City Staff were not. He pointed out that if the Commission wished to form a PAC, it would be necessary to arrange matters carefully so that City Staff were not obliged to participate in political activities. Commissioner Neeley asked for clarification regarding whether it would be appropriate for the Commissioners to form a PAC as individuals, rather than as the Commission itself. Mr. Kabeiseman advised that forming a PAC as individuals was permissible, but that having the URC itself act as a PAC was probably inadvisable. There was consensus that any proposed PAC ought not to represent the URC as a body.

Motion made by Commissioner Neeley, seconded by Commissioner O'Donnell, that Mr. Kabeiseman and City Staff refrain from researching the possibility of the Urban Renewal Commission forming a Political Action Committee. The motion passed by the following vote:

Yea: 5 - Commissioner O'Donnell, Commissioner Marl, Commissioner Smith, Commissioner McGriff, Commissioner Neeley

Nay: 1 - Commissioner Mitchell

ADJOURNMENT

Chair Mitchell adjourned the meeting at 6:34 PM.

Respectfully submitted,

Jakob S. Wiley, City Recorder



CITY OF OREGON CITY

URBAN RENEWAL COMMISSION

DRAFT MINUTES

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, February 01, 2023 at 6:00 PM

CALL TO ORDER

Chair Mike Mitchell called the meeting to order at 6:01 PM.

ROLL CALL

PRESENT: 7 - Commissioner Doug Neeley, Commissioner Frank O'Donnell, Commissioner Rocky Smith, Commissioner Denyse McGriff, Commissioner Adam Marl, Commissioner Shawn Cross, Commissioner Mike Mitchell

STAFFERS: 10 - City Manager Tony Konkol, City Recorder Jakob Wiley, Economic Development Manager James Graham, Finance Director Matt Zook, Human Resources Director Patrick Foiles, Public Works Director John Lewis, Parks and Recreation Director Kendall Reid, Communications Manager Jarrod Lyman, Assistant City Recorder Angelique Nomie, IT Director Mike Dobaj

CITIZEN COMMENTS

Paul Edgar, resident of Oregon City, encouraged the Urban Renewal Commission (URC) to consider proactively addressing the homelessness crisis by dedicating Urban Renewal property to the creation of shelters and services for the unhoused population. He discussed the success of the Veterans' Village of the Veterans Advisory Council of Clackamas County, and said that creating long-term solutions including shelter and counseling would save lives.

DISCUSSION ITEM

1. Urban Renewal Agency Ballot Measure and Explanatory Statement to Approve Borrowing of Funds to Implement Urban Renewal Projects

Tony Konkol, City Manager, presented the latest version of the proposed ballot measure to authorize the borrowing of up to \$44 million to implement projects that have been identified in the Urban Renewal Plan. William K. Kabeiseman, City Attorney, presented issues raised regarding the ballot measure in a letter from Jesse Buss, representing John and Joan Williams. This letter included a request to replace a reference to "borrowing" with the term "bonded indebtedness," citing greater accuracy. Mr. Kabeiseman suggested that the term "borrowing" was more accessible to voters. Commissioner O'Donnell suggested that changing the terms might preclude potential future litigation, but that, on the other hand, the term "bonded indebtedness" could restrict the types of borrowing available to the URC.

Next, Mr. Kabeiseman presented a second item discussed in the Williamses' letter: they took issue with the lack of reference to interest charges involved with the URC's borrowing. Mr. Kabeiseman suggested that since interest charges are standard with any type of borrowing, it was not necessary to specifically mention them in the ballot measure. Finally, he discussed issues the Williamses raised with the ballot measure summary. They objected to the fact that the summary's first sentence described not what the measure would do, but what it would not do – i.e., it would not create new taxes. Mr. Kabeiseman suggested that this statement was important for voters in the context of how this type of ballot measure is generally understood. He also observed that a previous ballot measure, regarding water, had successfully

passed while using similar language.

Mr. and Mrs. Williams also criticized the second paragraph of the measure, suggesting that it was improper advocacy of URC plan items. They also suggested that the measure allows for pre-approval of refinancing at time of initial bonded indebtedness, and that this is not allowed for in Section 59 of the City Charter. Mr. Kabeiseman opined that the ballot measure was not engaging in advocacy, but merely quoting the URC Plan. He also stated that allowing for refinancing is necessary for saving money and that, in his opinion, it was not in fact forbidden in Section 59. The Williamses' letter also objected to the lack of details about the terms of the URC's borrowing, and Mr. Kabeiseman explained that because the borrowing, if approved, would not occur until months in the future, there was no way to offer details about the borrowing terms at this time.

Next, Mr. Kabeiseman discussed objections to the explanatory statement brought up in the Williamses' letter, which included repetitions of the items objected to above. Mr. Kabeiseman suggested that the URC might take the Williamses' advice regarding changing wording to reference "bonded indebtedness" in this section to align better with language in the City Charter. Finally, the Williamses objected to language in the ballot measure saying that the \$44 million would be repaid by tax revenues collected within the Plan area; they considered this language misleading. Mr. Kabeiseman said that the language was accurate.

Commissioner McGriff asked if the URC would be offering a response to the Williamses' letter. Mr. Kabeiseman said that, in light of the deadline for submitting the proposed ballot measure (February 24, 2023), there would be limited time to adjust its language, so it might be preferable to move forward with the ballot measure as-is unless the Commissioners felt that the Williamses' letter raised significant issues. Jakob Wiley, City Recorder, clarified that February 24, 2023 is the deadline for the Ballot Measure's final language, but the deadline to submit it to the County is March 16, 2023.

Commissioner Cross advised the Commission to approve the Ballot Measure without changes. Commissioner O'Donnell expressed mixed feelings about changing the Ballot Measure, expressing the benefit of avoiding litigation. Commissioner McGriff suggested that the URC approve the Measure at the present meeting but allow for the City Manager and City Attorney to make future clarifications in the text. Commissioners Neeley and Marl opined that altering the Measure's language would not preclude litigation. Commissioner Marl supported approving the Measure at the present meeting, adding that the Measure's current statement about not adding new taxes was consistent with language in other measures from his legislative fiscal office experience.

Motion made by Commissioner McGriff, seconded by Commissioner Cross, to approve the Urban Renewal Agency Ballot Measure and Explanatory Statement to Approve Borrowing of Funds to Implement Urban Renewal Projects Submitted in Resolution 23-03. The motion passed by the following vote:

Yea: 5 – Commissioner Neeley, Commissioner McGriff, Commissioner Marl, Commissioner Cross, Commissioner Mitchell

Abstain: 2 – Commissioner Smith, Commissioner O'Donnell

2. Professional Service Contract with Piper Sandler & Co. Relating to the Pursuit of Borrowing Funds for Urban Renewal Projects

Mr. Konkol presented a Professional Service Contract to hire Piper, Sandler & Co. as Financial Consultant for assistance in obtaining borrowed funds for Urban Renewal Projects. Commissioner Mitchell clarified that this decision would have no financial impact until a bond is issued. Commissioner McGriff asked if it would be accurate to describe the proposed role of Piper, Sandler and Co. as "underwriters," and Mr. Konkol clarified that was correct. Matt Zook, Finance Director, added that the firm would function both as underwriter and placement agent, meaning they would be able to negotiate with banks as well as with the open bar market.

Motion made by Commissioner Cross, seconded by Commissioner Neeley, to approve the Professional Service Contract with Piper Sandler & Co. Relating to the Pursuit of Borrowing Funds for Urban Renewal Projects. The motion passed by the following vote:

Yea: 7 – Commissioner Neeley, Commissioner O'Donnell, Commissioner Smith, Commissioner McGriff, Commissioner Marl, Commissioner Cross, Commissioner Mitchell

3. Urban Renewal Commission Discussion of Urban Renewal Agency Owned Properties and Considering Potential Projects

Mr. Konkol invited discussion about what processes the URC would like to adopt when considering projects and developments on Urban Renewal properties. He reviewed the proposal evaluation process as outlined in the 11th Amendment of the Urban Renewal Plan, and invited suggestions for adding more details to this process. Commissioner O'Donnell suggested that the URC should consider allowing unsolicited proposals from developers. Commissioner Mitchell agreed with Commissioner O'Donnell, adding that it made sense to consider unsolicited proposals now that a URC Plan is in place. Commissioner McGriff expressed reluctance to allow unsolicited proposals, suggesting that the URC needs to provide clear guidance for proposals. Commissioner Marl said that, because proposals would be coming to Economic Development Manager James Graham and his team, there was already a filter in place for unsolicited proposals. There was consensus that Staff were in a strong position to evaluate proposals.

Mr. Konkol asked the Commission to discuss whether they would prefer Staff to issue specific, formal guidelines for proposals, rather than waiting for developers to initiate proposals. He also asked if the URC would like to pursue projects immediately, or wait until the election in May, when the results of the URC Bond measure would be known. Commissioner Cross suggested that the URC was not prepared for formal FRP processes but suggested that it could be useful to hear unsolicited proposals. Commissioner Neeley advised encouraging proposals for downtown development.

Motion made by Commissioner O'Donnell, seconded by Commissioner McGriff, to allow City Staff to entertain and review unsolicited project proposals for City-owned and Urban Renewal properties, and to present approved proposals to the Urban Renewal Commission. The motion passed by the following vote:

Yea: 7 – Commissioner Neeley, Commissioner O'Donnell, Commissioner Smith, Commissioner McGriff, Commissioner Marl, Commissioner Cross, Commissioner Mitchell

COMMUNICATIONS

There were no additional communications.

ADJOURNMENT

Chair Mike Mitchell adjourned the meeting at 6:58 PM.

Respectfully submitted,

Jakob S. Wiley, City Recorder



CITY OF OREGON CITY

URBAN RENEWAL COMMISSION

DRAFT MINUTES

Commission Chambers, Libke Public Safety Facility, 1234 Linn Ave, Oregon City
Wednesday, January 18, 2023 at 6:00 PM

CALL TO ORDER

Chair Mike Mitchell called the meeting to order at 6:01 PM.

ROLL CALL

PRESENT: 4 - Commissioner Rocky Smith, Commissioner Doug Neeley, Commissioner Frank O'Donnell, Chair Mike Mitchell

EXCUSED: 3 - Commissioner Denyse McGriff, Commissioner Adam Marl, Vice Chair Shawn Cross

STAFFERS: 9 - City Manager Tony Konkol, City Recorder Jakob Wiley, Economic Development Manager James Graham, Finance Director Matt Zook, Human Resources Director Patrick Foiles, Assistant City Recorder Angelique Nomie, Community Development Director Aquilla Hurd-Ravich, Parks and Recreation Director Kendall Reid, IT Director Michael Dobaj

CITIZEN COMMENTS

There were no citizen comments on items outside the agenda.

DISCUSSION ITEM

2. Urban Renewal Agency Ballot Measure Explanatory Statement to Authorize Borrowing of Funds to Implement Urban Renewal Projects

Tony Konkol, City Manager, presented a draft of the Explanatory Statement to accompany the Urban Renewal Agency Ballot Measure to Authorize Borrowing of Funds to Implement Urban Renewal Projects. He requested that the Commissioners review the draft and suggest edits, in order that it might be presented to the Bond Council. The changes were needed by mid-February.

William Gifford, resident of Oregon City, suggested that the term "authorize" be replaced by the word "approve" in the entire body of the document.

Commissioner Mitchell pointed out a transposed word typographical error in the Statement's final two sentences. He also suggested replacing the word "allow" with the word "approve" in these final sentences. He suggested removal of the redundant second use of the word "visitor" in the first page's final paragraph.

With these changes, there was consensus that the Explanatory Statement could be passed on to the Bond Council.

Commissioner Mitchell asked whether citizens had the opportunity to challenge the Explanatory Statement. Bill Kabeiseman, City Attorney, replied that though citizens could challenge the ballot measure, there was not a right to challenge the Explanatory Statement specifically.

Mr. Gifford suggested that the Statement's description of attracting visitors "both day and night" was unnecessary, and that the Statement could simply mention attracting visitors. Mr. Konkol explained that this language was derived from the Urban Renewal Plan's emphasis on expanding the business and activity hours downtown.

3. Minutes of the December 21, 2022 Urban Renewal Commission Meeting
4. Minutes of the January 4, 2023 Urban Renewal Commission Meeting

Motion made by Commissioner Smith, seconded by Commissioner Neeley, to approve the Minutes of the December 21, 2022 and January 4, 2023 Urban Renewal Commission Meetings. The motion passed by the following vote:

Yea: 4 - Commissioner Smith, Commissioner Neeley, Commissioner O'Donnell, Commissioner Mitchell

COMMUNICATIONS

5. Financial Report for the Fiscal Year Ended June 30, 2022

Tony Konkol, City Manager, explained that each year, the City invites a qualified municipal audit firm to audit the annual financial report. He presented the financial report and the results of the past year's audit. The financial report returned a clean audit.

Commissioner Mitchell reported that he had asked Mr. Konkol to include a discussion of accepting unsolicited URC proposals in the agenda of the next URC meeting.

ADJOURNMENT

Chair Mike Mitchell adjourned the meeting at 6:18 PM.

Respectfully submitted,

Jakob S. Wiley, City Recorder



City of Oregon City

625 Center Street
Oregon City, OR 97045
503-657-0891

Item #4.

Meeting Minutes

Urban Renewal Commission

Tuesday, April 10, 2018

5:30 PM

Commission Chambers

Work Session

1. Convene Urban Renewal Work Session and Roll Call

Chair Mengelberg called the meeting to order at 5:35 PM.

Present: 5 - Brian Shaw, Dan Holladay, Renate Mengelberg, Nancy Ide and Frank O'Donnell

Absent: 2 - Stephen VanHaverbeke and Mike Mitchell

Staffers: 7 - Tony Konkol, Kattie Riggs, Eric Underwood, Wyatt Parno, John Lewis, Laura Terway and Phil Lewis

2. Discussion Items

2a. Presentation Regarding Environmental Restoration and Mitigation Banking from RestorCap

Tony Konkol, City Manager, introduced the topic and speaker Robert Marinai from RestorCap.

Robert Marinai, General Manager of RestorCap, gave a background on and discussed federal and state regulations for mitigation banking credits. He explained what conservation banking was, banking benefits for stakeholders, three credit banking pillars, financial obligations, planning/approvals/permitting, scientific/technical requirements, and how to get credit for conservation banking. He showed examples of locations where conservation banking could take place including the Clackamette Cove area.

The Commission asked clarifying questions.

David Mooney of Hudson Holdings discussed how this would help move his project in the City forward.

Mr. Marinai explained how the credits could be banked and sold for the Clackamette Cove project.

3. Manager's Report

Laura Terway, Community Development Director, gave an update on the relocation of the Community Development Department offices.

John Lewis, Public Works Director, announced the ODOT open house on congestion pricing for I-205 and I-5 on April 12. There was also an online open house that was

open through April 19.

4. Adjournment

Chair Mengelberg adjourned the meeting at 6:23 PM.

Respectfully submitted,

Kattie Riggs, City Recorder



CITY OF OREGON CITY

Staff Report

625 Center Street
Oregon City, OR 97045
503-657-0891

To: Urban Renewal Commission
From: Finance Director Matt Zook

Agenda Date: 6/7/2023

SUBJECT:

Resolution No. UR 23-01, Adopting the Urban Renewal Budget, Making Appropriations and Declaring Tax Increment for the 2023-2025 Biennium

STAFF RECOMMENDATION:

Move to adopt Resolution No. UR 23-01, A Resolution Adopting the Urban Renewal Budget, Making Appropriations and Declaring Tax Increment for the 2023-2025 Biennium.

BACKGROUND:

On May 25, 2023, the Urban Renewal Budget Committee reviewed the proposed 2023-2025 Biennial Budget. At the meeting, the Committee approved a total budget in the amount of \$15,927,600 and requested 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.

The total budget amount of \$15,927,600 approved by the Budget Committee contains funding for future projects under the direction of the Urban Renewal Commission. In addition, the budget includes payment for costs to administer the agency, rental expenses and \$64,000 operating contingency for future consideration by the Commission.

Following adoption, documentation will be filed with the Department of Revenue, the Clackamas County Clerk, and the Clackamas County Assessor as required by Oregon Revised Statutes.

OPTIONS:

1. Approve Resolution No. UR 23-01 as is.
2. Deny Resolution No. UR 23-01.
3. Provide edits to Resolution No. UR 23-01.

BUDGET IMPACT:

FY(s): 2023-24 and 2024-25

Funding Source(s): Establishes the 2023-2025 Biennial Budget

RESOLUTION NO. UR 23-01**A RESOLUTION ADOPTING THE BUDGET, MAKING APPROPRIATIONS AND DECLARING TAX INCREMENT FOR THE 2023-2025 BIENNIUM****ADOPTING THE BUDGET**

BE IT RESOLVED that the Oregon City Urban Renewal Commission hereby adopts the 2023-2025 Biennial Budget in the amount of \$15,927,600 now on file at City Hall at 625 Center Street, Oregon City, Oregon.

MAKING APPROPRIATIONS

BE IT FURTHER RESOLVED that the amounts for the budget period beginning July 1, 2023 and ending June 30, 2025, and for the purposes shown below are hereby appropriated:

	Appropriation	Total
URBAN RENEWAL FUND		
Oregon City Urban Renewal Agency	\$ 15,863,600	
Contingency	64,000	
Total Adopted Budget		<u>\$15,927,600</u>

DECLARING TAX INCREMENT

BE IT FURTHER RESOLVED that the Oregon City Urban Renewal Commission hereby resolves to certify to the county assessor a request for the Oregon City Downtown/North End Urban Renewal District 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.

BE IT FURTHER RESOLVED that this resolution shall take effect immediately upon its adoption by the City Commission.

Approved and adopted at a regular meeting of the Urban Renewal Commission held on the 7th day of June 2023.

Michael Mitchell, Chair

Attested to this 7th day of June 2023:

Approved as to legal sufficiency:

Jakob Wiley, City Recorder

City Attorney

**Oregon City Urban Renewal Agency
Approved Biennial Budget
July 1, 2023, through June 30, 2025**

Item #5.

Introduction

The Oregon City Urban Renewal Agency's 2023-2025 Approved Biennial Budget is balanced and has been prepared in accordance with Oregon Budget Law. For the period July 1, 2023, through June 30, 2025, the total budget is \$15,927,600.

The Agency is a separate legal entity from the City of Oregon City that is established under State law. Oregon Revised Statutes Chapter 457.035(1) creates "a public body corporate and politic to be known as the urban renewal agency" for each municipality. The Oregon City Urban Renewal Commission is responsible for providing oversight for the District as specified in the Downtown/North End Urban Renewal Plan, amended in September 2007.

On November 8, 2016, voters approved Measure 3-514, which was intended to limit the use of urban renewal in Oregon City. On July 18, 2017, the Circuit Court determined that the measure is preempted by Oregon Revised Statutes Chapter 457. The Court found that the measure is inconsistent with State law and the Agency's expenditures are not restricted. This decision was appealed to the Oregon Court of Appeals. On November 15, 2022, the Court of Appeals declared that a portion of the measure, specifically part E of Section 59 in the Oregon City Municipal Code is unenforceable as preempted by state law.

The Urban Renewal Commission approved the 11th amendment to the Urban Renewal Plan on December 21, 2022. This amendment updated the project plan to three primary projects, which are the Rossman Landfill, Clackamette Cove, and the Stimson Property, and several secondary projects, including the County Courthouse on Main Street, Improvements to the End of the Oregon Trail Interpretive Center, and downtown railroad Quiet Zone, and development of the vacant 12th and Main Street property.

On May 16, 2023, voters rejected Measure 3-597, which requested the approval for the Urban Renewal Agency to borrow up to \$44 million for projects in the Urban Renewal Plan. The proposed budget presented reflects a status quo budget while recognizing that the Urban Renewal Commission has yet to determine the future of the Urban Renewal Agency after learning the outcome of the election. In spite of this, the responsibility of the Urban Renewal Budget Committee is to review the proposed budget and determine the tax levy, the uses of all resources, and approve the budget. Subsequently, the Urban Renewal Commission has the responsibility to review the approved budget, revise if necessary, and adopt the budget. While the timing of the election in May, the requirement to adopt a budget by June 30, and the publication of mandatory newspaper notices for Budget Committee meetings all complicated the forward process, the Urban Renewal Agency must still meaningfully determine the future. At a minimum, the declaration of the tax increment for the 2023-24 and 2024-25 tax years will determine if the agency continues to collect new revenue (approximately \$3.15 million per year) toward the projects identified above. The second key choice of the Urban Renewal Agency is the use of new tax increment revenue as well as existing funds on hand (\$9.2 million). The future is in the hands of the Urban Renewal Agency.

Budget Highlights

The approved budget is funded by total biennial revenues of \$6.7 million (excluding beginning fund balance), 95% of which are from property taxes. Revenues increased by \$68,000, or 1%, over the previous budget. Tax increment increases are budgeted at 2.0% for each year of the biennium. Other revenue sources include income from property rentals and investment income.

Projected spending for the biennium totals \$15.86 million and is comprised of minimum operating and legal costs as well as capital projects. Finally, the budget includes costs to operate Agency owned rental

**Oregon City Urban Renewal Agency
Approved Biennial Budget
July 1, 2023, through June 30, 2025**

Item #5.

properties. An operating contingency of \$0.64 million is available for appropriation to projects pending the Urban Renewal Commission's review.

The Downtown/North End Urban Renewal Plan includes an established debt limit of \$130.1 million as a maximum for urban renewal investment ("maximum indebtedness").

Respectfully,



Anthony J. Konkol III
Executive Director, OCURA

Oregon City Urban Renewal Agency
Approved Biennial Budget
July 1, 2023, through June 30, 2025

Urban Renewal	2017-2019 Actual	2019-2021 Actual	2021-2023 Amended Budget	2023-2025 Proposed Biennium	2023-2025 Approved Biennium	2023-2025 Adopted Biennium
Resources						
Beginning Fund Balance	\$ 3,399,456	\$ 5,468,808	\$ 3,073,311	\$ 9,230,800	\$ 9,230,800	\$ -
Property Taxes	5,390,098	6,237,989	6,287,500	6,336,800	6,336,800	-
Rental Income	164,347	208,197	221,000	240,000	240,000	-
Interest Income	217,125	181,543	90,000	90,000	90,000	-
Other Income	95,000	126	30,000	30,000	30,000	-
Total Resources	\$ 9,266,026	\$ 12,096,663	\$ 9,701,811	\$ 15,927,600	\$ 15,927,600	\$ -
Requirements						
Agency Administration	\$ -	\$ 440,000	\$ 440,000	\$ 440,000	\$ 440,000	\$ -
Legal & Consultant Services	5,537	176,448	240,000	240,000	240,000	-
Rental Expenses	49,628	64,039	100,000	100,000	100,000	-
Cost Reimbursement	-	867,490	-	-	-	-
Operating Materials and Supplies	7,856	8,947	12,000	14,000	14,000	-
Community Programs and Grants	120,000	-	-	-	-	-
Capital Outlay	395,038	40,450	-	15,069,600	15,069,600	-
Principal and Interest	3,219,159	7,526,578	-	-	-	-
Operating Contingency	-	-	8,909,811	64,000	64,000	-
Unappropriated Fund Balance	5,468,808	2,972,711	-	-	-	-
Total Requirements	\$ 9,266,026	\$ 12,096,663	\$ 9,701,811	\$ 15,927,600	\$ 15,927,600	\$ -

BUDGET HIGHLIGHTS

- ❖ Agency Administration includes minimum staff time/contracts to operate (policy meetings, contract management, investments, debt service, financial audits, impact reports, etc.).
- ❖ Legal & Consultant Services are costs to administer the future projects and support the Commission.
- ❖ Rental Expenses are costs to manage and maintain properties (Amtrak Station, Clackamas Landscape, two houses).
- ❖ Operating Materials and Services are costs for transcription and audit services.
- ❖ Capital Outlay represents the balance of available funds for capital projects as identified in the Urban Renewal Plan.