

CITY OF MYRTLE CREEK

URBAN RENEWAL AGENCY



ANNUAL REPORT

for FISCAL YEAR ENDING

JUNE 30th, 2020

This report fulfills the requirement, prescribed in ORS.457.460, for the filing of an annual report detailing the financial activity of an urban renewal area established in Oregon.

—Prepared by The City of Myrtle Creek Finance Department

207 NW Pleasant Street
PO Box 940
Myrtle Creek, OR 97457
Phone: 541-863-3171



10/10/10

Annual Report for Fiscal Year

Ending June 30th, 2020

Myrtle Creek Urban Renewal Agency

HISTORY

The City of Myrtle Creek Urban Renewal Plan (Plan) was adopted and approved by Ordinance 819 on August 21, 2018, and amended by Ordinance 821 on November 20, 2018. The URA "maximum indebtedness", as defined by statute is \$8,059,393. There are 103 acres designated in the Myrtle Creek Urban Renewal Area.

The Myrtle Creek Urban Renewal Agency was formed to redevelop underutilized and blighted areas in downtown Myrtle Creek and the South Main Street area. While a separate and distinct agency was formed according to Oregon statute, the governing board consists of the same group of people as the Myrtle Creek City Council. This is common among URAs throughout Oregon. The agency and its activities are funded by tax increment financing.

The Plan was developed under the guidance of the Myrtle Creek City Council, City staff and Elaine Howard Consulting LLC. This committee met three times during the course of the planning process and also participated in two public workshops. All meetings were open to the public for discussion and comment. The committee will continue to meet regularly to develop recommendations to the Urban Renewal Agency on the implementation of the plan when funds begin to be received.

GOALS

When developing the URA Plan and Report, the Committee formulated a series of Goals and Objectives to guide activities funded by or related to the URA. The Goals and Objectives are listed in the Plan and are reiterated here:

Goal A: Development and redevelopment of properties within the area.

Goal B: Downtown improvements such as streetscape, façade improvement and improved parking

Goal C: Plan Administration

MAXIMUM INDEBTEDNESS

Table 1—Maximum Indebtedness Calculations

Maximum Indebtedness (MI)	
Total Maximum Indebtedness	\$8,059,393
MI Expended through June 2019	0
Remaining MI	\$8,059,393

Source: City of Myrtle Creek Finance Department 2019

FINANCIAL REPORTING

Pursuant to ORS 457.460, a detailed accounting of the financial activity related to urban renewal areas is required to be reported on an annual basis. The following financial information responds to the requirements of this statute.

Money Received

ORS 457.460 (A)

The statute states, "the amount of money received during the preceding fiscal year under ORS 457.20 to 457.460 and from indebtedness incurred under ORS 467.420 to 457.460" must be reported.

Table 2 — Revenues 2019-2020

Item	Urban Renewal General Fund
Net Working Capital	0
Tax Increment Revenue	194,055.19
Investment Interest	152.02
Total	\$194,207.21

Money Expended

ORS 457.460 (B)

The statute states, "The purposes and amounts for which money received under ORS 457.020 to 457.460 and from indebtedness incurred under 457.420 to 457.460 were expended during the preceding fiscal year" must be reported. This means any money received through urban renewal and spent on urban renewal activities, and this information is shown in Table 2, below.

Table 3 — Expenditures During FY 2019-2020

Item	Urban Renewal General Fund
Operating Supplies	676.44
Capital Outlay	2,550.00
Debt Service	0
Total	\$3,226.44

Estimated Revenues

ORS 457.460 (C)

The statute states, "An estimate of moneys to be received during the current fiscal year under ORS 457.420 to 457.460 and from indebtedness incurred under ORS 457.420 to 457.460" must be reported. This means an estimate of all income to be gained from urban renewal in the upcoming year.

The estimated tax revenues for FY 2020-21 are \$98,535.

Proposed Budget for Current Fiscal Year

ORS 457.460 (D)

The statute states, "A budget setting forth the purposes and estimated amounts for which the moneys which have been or will be received under ORS 457.420 to 457.460 and from indebtedness incurred under 457.420 to 457.460 are to be expended during the current fiscal year" must be reported. This means a compiled budget listing the money to be received due to urban renewal, money to be spent, and what projects/expenses the money will fund. This information is shown in Table 4.

Table 4 — Proposed Budget for FY 2020-21

	FY 2020-21 OPERATIONS
RESOURCES	
Beginning Fund Balance	186,146
Transfers In	0
Taxes Collected	98,535
Interest Income	200
Total Resources	\$284,881
EXPENDITURES	
Operating Supplies	5,000
Contractual Services	10,000
Capital Outlay	269,881
Total Requirements	\$284,881

Impact on Taxing Districts

ORS 457.460 (E)

The statute states, "An analysis of the impact, if any, of carrying out the urban renewal plan on the tax collections for the preceding year for all taxing districts included under ORS 457.430" must be shown. This means showing how much money local taxing districts (e.g. county, schools, community college, 4H) forego due to urban renewal.

Table 5 — Impact on Taxing Districts FY 2019-20

Taxing District	Revenue Forgone Permanent Rate
Douglas County	23,005.10
City of Myrtle Creek	134,598.31
4H Extension Service	1,238.23
ED Douglas*	10,948.60
South Umpqua 19 School District*	97,386.09
Umpqua Community College	9,406.24
TOTAL	\$276,582.57

The South Umpqua 19 School District and the Douglas Education Service District (ED Douglas) are not directly affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the charts. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone because of the use of Tax Increment Financing are replaced, as determined by a funding formula at the State level with State School Fund revenues.