



**Budget Message
Talent Urban Renewal Agency
FY 2021/2022**

I am pleased to present the FY 2021-22 Annual Proposed Budget for the Talent Urban Renewal Agency.

Background

The Talent Urban Renewal Agency (TURA) is a separate municipal corporation from the City of Talent, responsible for administering and implementing the urban renewal plan in Talent's Urban Renewal District. The Urban Renewal Agency of the City of Talent's Board of Directors is governed by the Mayor and City Council. The Executive Director serves as the Agency manager of the Urban Renewal Agency.

The proposed 2021-22 TURA annual budget has been prepared pursuant to Oregon Local Budget Law and presents the recommendations of the Agency's Budget Officer and Executive Director. The Urban Renewal District is financially sound with sustainable resources needed to undertake future economic development and infrastructure projects that benefit the entire City.

Urban renewal agencies are different from taxing districts in that they do not have permanent rates, and they raise revenue primarily through Tax Increment Financing (TIF). When an urban renewal plan is created, the value of the property within its boundaries is locked in time or frozen. The agency then raises revenue in subsequent years from any value growth above the frozen amount. This value growth is referred to as the increment. The tax rate used to calculate taxes imposed for the Urban Renewal Plan is the consolidated tax rate for the taxing districts within the geographic boundaries of the Plan. These urban renewal taxes, referred to as "tax off the increment", are calculated as the consolidated tax rate times the value of the increment.

The purpose of the Talent Urban Renewal Agency is to administer the statutory tax increment revenues for funding of the goals and objectives of the Talent Urban Renewal Plan through designated projects within the Urban Renewal District. The Talent Urban Renewal Agency, composed of the Mayor and City Councilors, began operating under the Oregon Urban Renewal Laws and the adopted Talent Urban Renewal Plan on March 20, 1991. On March 26, 1998, the Talent Urban Renewal Agency completed its first substantial amendment, setting a debt limit of \$17,127,276. Today, the Urban Renewal Agency continues to work on economic development and programs to carry out the goals and objectives of the Talent Urban Renewal Plan.

Funds

The Urban Renewal District has two separate funds; **the Urban Renewal Debt Service Fund**, which accounts for tax increment revenue and repayment of debt obligations issued to fund Agency projects, and **the Capital Projects Fund**, where administration and project implementation are accounted for.

FY 2021-22 Accomplishments

The Agency has been extremely successful over the years from transforming the dusty gravel roads to enhancing the transportation avenues, parks and community projects. The Agency identity has been recognized by the League of Oregon Cities as one of the most successful urban renewal districts across the entire State of Oregon.

The last budget year was a strong year for the Urban Renewal Agency of the City of Talent. At the beginning of the fiscal year, the Urban Renewal Agency launched a new website that created brand awareness surrounding the Agency and its ongoing projects and programs. The Agency's Board of Directors spearheaded this effort to raise brand awareness and foster greater public outreach surrounding ongoing Agency projects and business -- and continue to foster greater community engagement in the Agency's public meetings.



Más información en español

The Urban Renewal Agency of the City of Talent (TURA) has partnered with the Phoenix-Talent School District to develop a transitional housing site to assist the families displaced by the Almeda Fire. In the Phoenix-Talent School District, families of 696 students lost their homes from the fire. The Talent Public Arts Committee (TPAC) is seeking mural art submissions from students within

In addition, during the last budget year, the Agency's Board of Directors hosted its first charatte with the Urban Land Institute along with regional partners and funders to discuss the importance of affordable and workforce housing for the Talent Community. This Charette paved the path forward to fostering greater awareness of the Agency and the Gateway Site that will pay dividends when looking for permanent housing partners on the site in the long range. In addition, the Agency has developed stronger relationships with media outlets by publishing regular press releases and hosting events such as the Affordable Housing Charette and, more recently, Gateway Transitional to Permanent Housing Town Hall. Within the last budget year, the Agency has also contracted with a public relations consultant to establish a stronger brand image for the Agency and develop clear and concise outreach in Spanish and English to educate the community in understanding the previous success and ongoing projects of the Urban Renewal Agency.



Following the Almeda Fire, the leadership of the Urban Renewal Agency of the City of Talent quickly pivoted and approved staff to design and obtained approval for the first-site transitional housing families displaced by the Almeda Fire from the City of Talent. This community-led project has attracted grant funding and the attention of state leadership in Salem. For instance, just last month, Governor Kate Brown visited Talent to learn more about

the Gateway transitional to permanent housing project and understand how innovative solutions, such as these, could help pave the way for long-term housing while helping those displaced by the Fire.

Today, staff continues diligently working with the Board of Directors in finalizing the Gateway site to provide housing for the displaced families within the Phoenix-Talent School District, who have yet to find permanent housing following the Almeda Fire. According to estimates from the school district, Over 696 students of the Phoenix-Talent School District lost their homes. These families have not only been displaced by the fire -- but they have also lost their home and community. The strategic plan to develop transitional to permanent housing on the Gateway

site, led by the Agency's Board of Directors, provides the opportunity to relocate the students and their families back into the Talent community that they call home.



Further, Agency staff has been successful in identifying and obtaining grant funds this year to help the City and community recover from the devastating Alameda Fire. Following the fire, the Agency established a strong relationship with the local People's Bank of Commerce. To the admiration of both Agency staff and the Board of Directors, the employees of People's Bank donated \$38,500 to help fund the design and engineering work to move the transitional to permanent housing project forward -- while paving the way for the long-term improvement and delivery of the community vision on the Gateway Site. This early commitment has been reaffirmed by the People's Bank of Commerce Foundation with a larger commitment of \$250,000 to fund the development of the transitional to permanent housing development on the Gateway Site. In addition to a partnership with People's Bank of Commerce, Agency staff has coordinated closely with state, regional and local partners to capture and champion grant funding for the community, totaling nearly \$3.5 million in the past 6 months.

Key FY 2021-22 Budget Considerations

The Agency is currently working on the Gateway Project Transitional Housing project in downtown Talent, which will represent the district's largest and potentially most transformative project to date. The Gateway Project Master Plan takes a step closer to the community's vision with the main loop road infrastructure getting installed on the project. Agency staff has a proposed budget for the transitional to permanent housing project of \$2,500,000 to fund the general contracting, project management, engineering, inspections and utility connections for the (53) recreational vehicles pads and (3) food cart pods on the Gateway Site.

The agency staff anticipates finalizing grant funding and a deferred low-interest loan to fund the project. Staff anticipates full grant funding in the amount of \$1,250,000 and a short-term interest loan at 1% from OHCS in the amount of \$700,000. Within the FY 21/22 budget, staff also



anticipates receiving another \$750,000 in grant funding for the Agency, on account of the Agency's ongoing success in obtaining grant funding.

In addition to the Agency's strong progress on moving forward the long-term vision for the Gateway Site, Agency staff believe that there has never been a more urgent time to develop a long-range plan to build stronger, long-term infrastructure for the community. Thus, there are additional funds dedicated to an urban renewal consultant to organize and facilitate charrettes with taxing districts, County, affordable housing builders, developers, and regional partners to gather information to inform the structure of the project and to familiarize potential partners with project concept and goals, complete a detailed feasibility study to better understand potential indebtedness of a new plan area, and work with a public relations firm to communicate to all residents to understand the previous success of the Agency and possibility for a new plan area.

Staff has dedicated \$20,000 to the Town Hall Renovation Project. While the Gateway project remains the priority of Agency staff, this budget will, time permitting, allow the Agency to develop more clear steps to outline clear scope of renovation work, detailed project cost figures, and additional funding availability before TURA appropriates full capital funds necessary to complete the renovation project.

The Board has expressed interest in making sure there are funds available for grant programs that will help the Agency foster recovery from the Alameda Fire within its plan area. Among the many grant programs under development, one of the most promising is a collaborative effort with the Talent Urban Forestry Committee to develop a beautification grant program to landscape and help revitalize downtown Talent. The Board has expressed the importance to stand-up programs for the burn area and to budget funds for future grant programs, which could include this beautification grant programs. All these programs provide a catalytic opportunity to rebuild the community and help the community to heal from the fire. As such, staff has budgeted \$100,000 for Agency grant programs, which include, but are not limited to, beautification, signage, market studies, and conceptual design work to assist businesses in Talent. Staff plans to continue to investigate additional grant opportunities and provide recommendations to the Board on improving and expanding the Agency's outdated rehabilitation grant program.

In addition to its ongoing projects for the Talent community, the FY 2021-22 budget proposes a substantial contingency of \$1,682,000.

Conclusion



The Agency still has significant financial capacity to complete its projects and key goals. This year's budget carefully manages the Agency's fund and ensures the Agency continues to meet its goals and objectives.

TURA Executive Director | May 17, 2021

**TALENT URBAN RENEWAL AGENCY
CAPITAL PROJECTS FUND**

Actual FY2018-19	Actual FY2019-20	Adopted FY2020-21		Proposed FY2021-22	Approved FY2021-22	Adopted FY2021-22
REVENUES						
427,405	13,176	2,200,000	FUND BALANCE - COMMITTED	2,000,000	-	-
58,000	27,726	-	DONATIONS/GRANTS/REIMBURSEMENTS	2,000,000	-	-
12,768	-	4,800	OTHER MISC INCOME	-	-	-
-	-	-	TRANSFER IN FOR CONTRACT OBLIGATIONS	-	-	-
-	-	-	SHORT TERM BORROWING	700,000	-	-
-	-	-	LONG TERM BOND PROCEEDS	-	-	-
-	-	9,500	INTEREST INCOME	9,500	-	-
498,173	40,902	2,214,300	TOTAL REVENUES & OTHER RESOURCES	4,709,500	-	-

Actual FY2018-19	Actual FY2019-20	Adopted FY2020-21		Proposed FY2021-22	Approved FY2021-22	Adopted FY2021-22
EXPENDITURES						

PERSONNEL SERVICES						
-	-	-	WAGES	-	-	-
-	-	-	PAYROLL TAXES	-	-	-
-	-	-	BENEFITS	-	-	-
-	-	-	TOTAL PERSONNEL SERVICES	-	-	-

MATERIALS & SERVICES						
115,000	98,768	102,000	ADMINISTRATIVE SERVICES	125,000	-	-
8,300	4,298	8,000	SUPPLIES INSURANCE AND OFFICE	8,000	-	-
-	-	-	TRAVEL AND TRAINING	-	-	-
3,730	8,975	6,500	AUDITOR	10,000	-	-
585	-	-	ENGINEER	-	-	-
6,628	4,261	25,000	LEGAL	25,000	-	-
10,235	1,861	10,500	MISCELLANEOUS AND CPA	10,500	-	-
-	-	-	COMMUNITY ENGAGEMENT	20,000	-	-
-	-	-	GRANT CONSULTANT AND ANALYST	65,000	-	-
14,201	-	-	UR CONSULTANT AND ANALYST	50,000	-	-
-	-	10,000	MISCELLANEOUS CITY ADMINISTRATIVE	10,000	-	-
158,680	118,163	162,000	TOTAL MATERIALS & SERVICES	323,500	-	-

CAPITAL OUTLAY						
-	-	-	LAND ACQUISITION	-	-	-
-	-	-	GRANT PROGRAMS	100,000	-	-
20,000	5,000	40,000	REHABILITATION GRANTS	-	-	-
46	580	10,000	102 HOME STREET	10,000	-	-
5,877	(320)	4,000	CAPITAL MAINTENANCE	4,000	-	-
213,231	27,390	100,000	GATEWAY PROJECT	2,500,000	-	-
12,862	-	-	WV PLAZA SIDEWALK INSTALLATION	-	-	-
6,500	2,637	20,000	TOWN HALL RENOVATION MASTER PLAN DEV.	20,000	-	-
45,814	-	-	TOWN HALL AUDIO/VIDEO	-	-	-
6,422	-	-	OLD TOWN/COMMONS PARK AMENITIES	-	-	-
14,651	-	-	MAIN ST./TALENT AVE PEDESTRIAN SAFETY	-	-	-
-	-	-	MISC IMPROVEMENT PROJECTS	50,000	-	-
465	-	-	NATIVE PLANT POLLINATOR GARDEN	-	-	-
325,870	35,288	174,000	TOTAL CAPITAL OUTLAY	2,684,000	-	-

DEBT SERVICE						
-	-	-	SHORT TERM BORROWING COSTS	20,000	-	-
-	-	-	SHORT TERM INTEREST	-	-	-
-	-	-	SHORT TERM PRINCIPAL	-	-	-
-	-	-	TOTAL DEBT SERVICE	20,000	-	-

UNALLOCATED FUNDS						
-	-	1,878,300	CONTINGENCY	1,682,000	-	-
13,623	(112,549)	-	UNAPPROPRIATED ENDING FUND BALANCE	-	-	-
13,623	(112,549)	1,878,300	TOTAL UNALLOCATED FUNDS	1,682,000	-	-

498,173	40,902	2,214,300	Total Capital Projects Revenues	4,709,500	-	-
498,172	40,902	2,214,300	Total Capital Projects Expenditures	4,709,500	-	-

**TALENT URBAN RENEWAL AGENCY
DEBT SERVICE FUND**

Actual FY2018-19	Actual FY2019-20	Adopted FY2020-21		Proposed FY2021-22	Approved FY2021-22	Adopted FY2021-22
REVENUES						
932,718	875,332	-	FUND BALANCE - COMMITTED	-	-	-
1,576,589	21,984	-	PROPERTY TAX	-	-	-
620	371	-	PROPERTY TAX INTEREST	-	-	-
-	5,270	-	OTHER MISC INCOME	-	-	-
37,153	42,761	-	INTEREST INCOME	-	-	-
2,547,080	945,718	-	TOTAL REVENUES & OTHER RESOURCES	-	-	-

DEBT SERVICE FUND

Actual FY2018-19	Actual FY2019-20	Adopted FY2020-21		Proposed FY2021-22	Approved FY2021-22	Adopted FY2021-22
EXPENDITURES						
DEBT SERVICE						
-	-	-	12 BOND PRINCIPAL	-	-	-
-	-	-	12 BOND INTEREST	-	-	-
971,000	-	-	16 BOND PRINCIPAL (To City of Talent)	-	-	-
14,734	-	-	16 BOND INTEREST (To City of Talent)	-	-	-
-	-	-	BORROWING COSTS	-	-	-
-	-	-	PRINCIPAL SHORT TERM BORROWING	-	-	-
-	-	-	INTEREST SHORT TERM BORROWING	-	-	-
-	-	-	TRANS OUT FOR CONTRACT OBLIGATIONS	-	-	-
985,734	-	-	TOTAL DEBT SERVICE	-	-	-
RESERVE						
-	-	-	12 BOND RESERVE	-	-	-
1,561,347	945,718	-	RESTRICTED FOR DEBT SERVICE	-	-	-
1,561,347	945,718	-	TOTAL DEBT RESERVE BALANCE	-	-	-
2,547,080	945,718	-	Total Debt Service Revenues	-	-	-
2,547,080	945,718	-	Total Debt Service Expenditures	-	-	-