

ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30TH, 2018

2017/2018

Talent Urban Renewal Agency

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



CITY OF TALENT

Annual Report for Fiscal Year Ending June 30th, 2018

TALENT URBAN RENEWAL AGENCY

URBAN RENEWAL AREA BACKGROUND

The Talent Urban Renewal Plan (Plan) was adopted by the the City of Talent on 1991. The maximum indebtedness established in 1991 for the Talent Urban Renewal Plan is \$17,127,276. The maximum indebtedness is the total amount of funds that can be spent on projects, programs, and administration in the urban renewal area over the life of the urban renewal plan.

The frozen base assessed value of the Urban Renewal Area is \$8,359,724 (“Frozen Base”). The FY 2017/2018 total assessed value is \$75,869,017. The excess value, or the value on which taxes are paid to the urban renewal agency in FY 2017/2018 is \$67,509,293.¹

The Talent Urban Renewal Agency (“TURA”) was established by the City of Talent in 1991 as a long-term investment strategy to fund and construct capital improvement projects in the Talent Urban Renewal Area (“Area”).

TURA is a separate legal and financial entity, governed by the members of the the City of Talent City Council.

Oregon state law allows cities to create urban renewal districts in size not to exceed twenty-five percent (25%) of the total assessed property value within the city limits. The base value of the Urban Renewal Area when established in 2005 was \$8,359,724 (“Frozen Base”), and does not exceed this limit.

Urban Renewal Goals

TURA’s guiding document is the Plan and Report, which lists a series of goals and objectives to guide activities in the urban renewal area. Goals listed in the Plan are as follows:

- A. To enhance opportunities for residential, civic, cultural, and business property to be developed, redeveloped, improved, rehabilitated and conserved in ways which will ensure the vitality of the Area.
- B. To encourage the retention, expansion and development of diversified businesses that will produce jobs for the people of Talent and Jackson County; and
- C. Increase property values so that the Area will contribute its fair share to the costs of public services provided by the City, County, Schools and other Taxing Districts.
- D. To be responsive to the needs and the concerns of all people of Talent in the details of amending and implementing this Urban Renewal Plan;

¹Jackson County Assessor Tax FY 2017/2018 Table 4e

- E. To encourage the maximum amount of public involvement, citizen participation in the formation and communication with other taxing districts in the implementation of the Urban Renewal Plan.
- F. To assist property and business owners in the rehabilitation, development or redevelopment of their buildings, property and/or leased space.
- G. To improve to City standards the Area's public streets, bicycle and pedestrian ways and utilities.
- H. To provide park facilities designed to serve the recreational needs of all age levels of Talent population;
- I. To provide streetscape improvements in areas of maximum pedestrian concentration;
- J. To provide adequate off-street parking for the convenience of people who drive to the Area;
- K. To improve the public transportation capability of the Area, including bus and rail transit.
- L. To leverage the Agency's financial resources to the maximum extent possible with other public and private investments and other public and private funding sources.

The entire Talent Urban Renewal Plan and Report can be found on Talent Urban Renewal Agency's website, <http://www.cityoftalent.org/CCBIndex.asp?CCBID=11>.

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

In FY 2017/2018, the Talent Urban Renewal Agency received \$1,507,307 from division of taxes.² The detailed earnings of the Talent Urban Renewal Agency can be seen in Table 1.

Table 1. Money Received During FY 2017/2018

Receipt Category	2017/2018 Amount
Division of Taxes	1,507,307
Interest	21,353
Miscellaneous & Reimbursements	11,661
Proceeds on Short Term Borrowing	200,000
TOTAL:	\$1,740,321

Source: Talent Urban Renewal Agency Financial Statement FYE 2018, Excel workbook GW – CR&D Tab

Money Expended

Revenue received through urban renewal and spent on urban renewal activities is shown in Table 2.

Table 2. Expenditures During FY 2017/2018

Expenditure Category	2017/2018 Amount
Materials & Services	177,878
Capital Outlay	729,474
Debt Service	707,686
TOTAL:	\$1,615,038

Source: Talent Urban Renewal Agency Financial Statement FYE 2018, Excel workbook GW – CR&D Tab

Estimated Revenues

The estimated tax revenues from the FY 2018/19 adopted Talent Urban Renewal Agency budget are \$1,524,400.³

² Talent Urban Renewal Agency Audited Financial Statement FYE 2018, Excel workbook GW – CR&D Tab

³ The City of Talent FY 2018/19 Urban Renewal Budget

Proposed Budget for Current Fiscal Year, FY 2018/19

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 is shown in Table 3 below.

Table 3. Budget FY 2018/19 Urban Renewal Fund

Budget Category (Expenditures)	2018/19 Amount
Capital Projects Fund	
Materials and Services	179,500
Capital Outlay	220,000
Unallocated Funds	1,360,414
TOTAL:	\$1,759,914
Debt Service Fund	
Debt Service	976,650
Transfer out for Contract Obligations	984,914
TOTAL:	\$1,961,564

Budget Category (Revenues)	2018/19 Amount
Capital Projects Fund	
Fund Balance - Committed	715,000
Donations/Grants/Reimbursements	60,000
Transfer in for Contract Obligations	984,914
TOTAL:	\$1,759,914
Debt Service Fund	
Fund Balance - Committed	437,164
Division of Taxes	1,524,400
TOTAL:	\$1,961,564

Source: The City of Talent FY 2018/19 Urban Renewal Budget

Impact on Taxing Districts

The revenues foregone by local taxing districts due to urban renewal are shown in Table 4. This information is from Jackson County Assessor records, Table 4a and 4e and is after losses of \$21,784.70 to compression.

Urban renewal agencies do not create an additional tax. Instead, during the Agency's lifespan, overlapping taxing districts "forego" a portion of their permanent rate. Once the urban renewal area is terminated, the taxing jurisdictions receive the full permanent rate of taxes. The School District and Education Service District are funded through the State School Fund on a per pupil allocation. There is no *direct* impact of urban renewal on their funding. The State School Fund is funded through property tax allocations, but also through other state resources.

Table 4. Impact on Taxing Districts FY 2017/2018

Taxing Jurisdiction	Impact	Percent of Total Permanent Rate Levy
Jackson County	\$132,853	0.33%
4-H Extension Service District	\$2,696	0.33%
Vector Control	\$2,812	0.33%
Education Service District	\$23,266	0.34%
Rogue Community College	\$33,858	0.34%
Rogue Valley Transit District	\$11,710	0.44%
Jackson Soil & Water Conservation	\$3,274	0.33%
Jackson County Library District	\$34,359	0.33%
City of Talent	\$213,590	20.71%
Phoenix/Talent School District 4	\$280,382	3.25%
Jackson County RFPD #5	\$211,338	4.11%

Source: FY 2017/2018 Sal 4a and 4e from Jackson County Assessor