



**Budget Message
Talent Urban Renewal Agency
FY 2022/2023**

I am pleased to present the FY 2022-23 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 2022-23 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. 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 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. The Agency no longer collects incremental tax revenue and must rely on previous collections to continue to carry out Agency activities, unlike other urban renewal areas within the Rogue Valley that are still collecting incremental tax revenue.



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. The Debt Service Fund was closed out at the end of the FY 2019-2020 budget year.

Agency 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 League of Oregon Cities has recognized the Agency as one of the most successful urban renewal districts across the entire State of Oregon. The Agency has exceeded its original maximum indebtedness and increased the tax valuation above the anticipated original indebtedness for the City of Talent, as prepared in 1991. Today, the Talent Urban Renewal Area has ceased taking any division of taxes from the Assessor -- but continues to carry out its mission. The Urban Renewal Agency of the City of Talent has many investments into infrastructure and improvements throughout the plan area.

Since the Alameda fire devastated Talent's downtown corridor and destroyed many properties within the Urban Renewal Plan area, the Agency has worked to build stronger, long-term relationships with community members, businesses, and local, state, and regional partners. These relationships are crucial to Talent's long-term recovery and the future growth of Talent's tax base and economy.

Key FY 2022-23 Budget Considerations

In preparing the FY 2022-2023, Agency staff solicited input from the Board of Directors to understand key priorities and projects for the upcoming budget cycle. Remember, the Agency is currently not receiving tax revenue and has to rely on its remaining funds to carry out its activities within the Talent Community.

Within the previous budget year, the Agency became a member of the Oregon Main Street Network. The Oregon Main Street Network aims to help communities work on revitalizing and improving downtowns across the State of Oregon. This unique privilege will provide the Agency with innovative resources and support for the Talent Community's long-term recovery. Oregon Main Street generally hosts a yearly event where members are invited to a conference to learn more about the program and innovative activities across the State and Nation. Agency staff has

budgeted 5,000 to help fund travel and training to this conference for Board Members and Agency personnel.

The Agency continues to apply for numerous grant opportunities to help provide funding resources for the Talent Community's short and long-term recovery. As such, the proposed budget has funds set aside to help the Agency continue to apply for grants funds as Talent works to rebuild and recover within the work plan area. Following the Almeda Fire and concurrent termination of tax revenue receipts, the Agency has identified grant funding to help it achieve its Board of Directors' priorities and goals. However, the Agency does not have future long-term sustainability if it must rely exclusively on grant or partner funding to achieve its aims and objectives on behalf of the Talent Community.

Within the ongoing success of the Agency's transitional housing project on the Gateway Site that now homes many displaced residents, Agency staff has budgeted \$100,000 within the future year to help facilitate the transitional process for the Gateway project that would help transition the project into permanent housing. The Agency Board of Directors has also expressed interest in reserving funds for land acquisition within the work plan area. As businesses and residents work to recover from the Almeda Fire, some are finding significant rebuilding gaps within realizing their projects. With close collaboration with property owners, the Agency could potentially use \$500,000 of future funds to help acquire properties and provide exits to property owners while furthering the underlying aims and objectives of the work plan. The Agency has been working closely with ZCS Engineering on the Wagner Street alignment that is planned to go through the Talent Irrigation District. This possible future alignment will help continue to move forward the long-envisioned connectivity within the downtown corridor for Talent.

As part of the upcoming budget year, Agency staff has also closely coordinated with City Staff to identify key infrastructure funding priorities and has set aside \$20,000 for the Town Hall Renovation project and \$250,000 for West Valley View Improvements. In addition to these specific projects, Agency staff has budgeted \$100,000 for grant programs, which would provide enough funding to continue current grant programs and explore launching future programs that could help carry out the Board of Directors' aims and objectives. Lastly, the Agency staff has set-aside reserve funding for its ultra-low interest, payment deferred loan with Oregon Housing and Community Services that directly helped install infrastructure on the Gateway Site.

Conclusion

This year's budget carefully manages the Agency's limited funds and ensures the Agency continues to meet its goals and objectives. However, additional tax revenue will be necessary



for the Agency to maintain and sustain its current pace of activities and projects on behalf of the Talent Community.

TURA Executive Director | April 27, 2022

**TALENT URBAN RENEWAL AGENCY
CAPITAL PROJECTS FUND**

Actual FY2019-20	Actual FY2020-21	Adopted FY2021-22		Proposed FY2022-23	Approved FY2022-23	Adopted FY2022-23
REVENUES						
13,176	2,394,512	2,000,000	FUND BALANCE	2,200,000	-	-
-	83,267	-	DELINQUENT PROPERTY TAX & INTEREST	15,000	-	-
27,726	288,500	2,000,000	DONATIONS/GRANTS/REIMBURSEMENTS	250,000	-	-
-	1,215	-	OTHER MISC INCOME	-	-	-
-	-	-	TRANSFER IN FOR CONTRACT OBLIGATIONS	-	-	-
-	-	700,000	SHORT TERM BORROWING	-	-	-
-	-	-	LONG TERM BOND PROCEEDS	-	-	-
-	18,343	9,500	INTEREST INCOME	9,500	-	-
40,902	2,785,837	4,709,500	TOTAL REVENUES & OTHER RESOURCES	2,474,500	-	-
EXPENDITURES						
PERSONNEL SERVICES						
-	-	-	WAGES	-	-	-
-	-	-	PAYROLL TAXES	-	-	-
-	-	-	BENEFITS	-	-	-
-	-	-	TOTAL PERSONNEL SERVICES	-	-	-
MATERIALS & SERVICES						
98,768	93,500	125,000	ADMINISTRATIVE SERVICES	150,000	-	-
4,298	9,209	8,000	SUPPLIES INSURANCE AND OFFICE	12,500	-	-
-	-	-	TRAVEL AND TRAINING	5,000	-	-
8,975	3,750	10,000	AUDITOR	10,000	-	-
-	-	-	ENGINEER	-	-	-
4,261	23,125	25,000	LEGAL	25,000	-	-
1,861	1,875	10,500	MISCELLANEOUS AND CPA	10,500	-	-
-	825	20,000	COMMUNITY ENGAGEMENT	20,000	-	-
-	-	65,000	GRANT CONSULTANT AND ANALYST	65,000	-	-
-	11,340	50,000	UR CONSULTANT AND ANALYST	25,000	-	-
-	-	10,000	MISCELLANEOUS CITY ADMINISTRATIVE	-	-	-
118,163	143,624	323,500	TOTAL MATERIALS & SERVICES	323,000	-	-
CAPITAL OUTLAY						
-	-	-	LAND ACQUISITION	500,000	-	-
-	-	100,000	GRANT PROGRAMS	100,000	-	-
5,000	-	-	REHABILITATION GRANTS	-	-	-
580	1,708	10,000	102 HOME STREET	5,000	-	-
(320)	-	4,000	CAPITAL MAINTENANCE	-	-	-
-	-	-	WEST VALLEY VIEW IMPROVEMENTS	250,000	-	-
-	-	-	TALENT AVENUE & E MAIN STREET IMPROV.	50,000	-	-
27,390	111,242	2,500,000	GATEWAY PROJECT	100,000	-	-
2,637	-	20,000	TOWN HALL RENOVATION MASTER PLAN DEV.	20,000	-	-
-	-	50,000	MISC IMPROVEMENT PROJECTS	-	-	-
35,288	112,950	2,684,000	TOTAL CAPITAL OUTLAY	1,025,000	-	-
DEBT SERVICE						
-	-	20,000	SHORT TERM BORROWING COSTS	-	-	-
-	-	-	SHORT TERM INTEREST	-	-	-
-	-	-	SHORT TERM PRINCIPAL	-	-	-
-	-	-	SHORT TERM BORROWING RESERVE	700,000	-	-
-	-	-	TOTAL DEBT SERVICE	700,000	-	-
UNALLOCATED FUNDS						
-	2,529,263	1,878,300	CONTINGENCY	426,500	-	-
(112,549)	-	-	UNAPPROPRIATED ENDING FUND BALANCE	-	-	-
(112,549)	2,529,263	1,878,300	TOTAL UNALLOCATED FUNDS	426,500	-	-
40,902	2,785,837	4,709,500	Total Capital Projects Revenues	2,474,500	-	-
40,902	2,785,837	4,885,800	Total Capital Projects Expenditures	2,474,500	-	-

**TALENT URBAN RENEWAL AGENCY
DEBT SERVICE FUND**

Actual FY2019-20	Actual FY2020-21	Adopted FY2021-22	REVENUES	Proposed FY2022-23	Approved FY2022-23	Adopted FY2022-23
875,332	-	-	FUND BALANCE - COMMITTED	-	-	-
21,984	-	-	PROPERTY TAX	-	-	-
371	-	-	PROPERTY TAX INTEREST	-	-	-
5,270	-	-	OTHER MISC INCOME	-	-	-
42,761	-	-	INTEREST INCOME	-	-	-
945,718	-	-	TOTAL REVENUES & OTHER RESOURCES	-	-	-

DEBT SERVICE FUND

Actual FY2019-20	Actual FY2020-21	Adopted FY2021-22	EXPENDITURES	Proposed FY2022-23	Approved FY2022-23	Adopted FY2022-23
DEBT SERVICE						
-	-	-	12 BOND PRINCIPAL	-	-	-
-	-	-	12 BOND INTEREST	-	-	-
-	-	-	16 BOND PRINCIPAL (To City of Talent)	-	-	-
-	-	-	16 BOND INTEREST (To City of Talent)	-	-	-
-	-	-	BORROWING COSTS	-	-	-
-	-	-	PRINCIPAL SHORT TERM BORROWING	-	-	-
-	-	-	INTEREST SHORT TERM BORROWING	-	-	-
-	-	-	TRANS OUT FOR CONTRACT OBLIGATIONS	-	-	-
-	-	-	TOTAL DEBT SERVICE	-	-	-
RESERVE						
-	-	-	12 BOND RESERVE	-	-	-
945,718	-	-	RESTRICTED FOR DEBT SERVICE	-	-	-
945,718	-	-	TOTAL DEBT RESERVE BALANCE	-	-	-
945,718	-	-	Total Debt Service Revenues	-	-	-
945,718	-	-	Total Debt Service Expenditures	-	-	-