

ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30TH, 2019

2018/2019

Banks 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.



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BANKS URBAN RENEWAL AGENCY

URBAN RENEWAL AREA BACKGROUND

The Banks Urban Renewal Plan (“Plan”) was adopted by the the City of Banks in 2017. The maximum indebtedness established in 2017 for the Plan is \$30,000,000. 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 Plan is projected to be in operation until 2048.

The frozen base assessed value (“Frozen Base”) of the Banks Urban Renewal Area (“Area”) is \$18,196,276. The FY 2018/2019 total assessed value is \$20,869,218. The excess value, or the value on which taxes are paid to the Banks Urban Renewal Agency (“Agency”) in FY 2018/2019 is \$2,672,942.¹

The Agency was established by the City of Banks in 2017 as a long-term investment strategy to fund and construct capital improvement projects in the Area. The Area is approximately 106 acres, or 23.69% of the 447 acres within the city limits, includes 83 tax lots, and is primarily zoned commercial.

BURA is a separate legal and financial entity, governed by the members of the the City of Banks 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 \$18,196,276 (“Frozen Base”), and does not exceed this limit.

The entire Banks Urban Renewal Plan and Report can be found on the City of Banks’s website, cityofbanks.org.

¹ Washington County Assessor Tax FY 2018/2019 Table 4e

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 2018/2019, the Agency received \$28,216 from division of taxes.² The detailed earnings of the Agency can be seen in Table 1.

Table 1. Money Received During FY 2018/2019

Receipt Category	2018/2019 Amount
Division of Taxes	28,216
Miscellaneous Revenue	467
TOTAL:	\$28,683

Source: City of Banks Urban Renewal Agency Report in Lieu of Audit FY 2018/19

Money Expended

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

Table 2. Expenditures During FY 2018/2019

Expenditure Category	2018/2019 Amount
Materials and Services	140
TOTAL:	\$140

Source: City of Banks Urban Renewal Agency Report in Lieu of Audit FY 2018/19

Estimated Revenues

The estimated tax revenues from the FY 2019/2020 adopted Agency budget are \$25,000.³

² City of Banks Urban Renewal Agency Report in Lieu of Audit FY 2018/19

³ Banks Urban Renewal Agency FY 2019/2020 Budget, pg. 4-5

Proposed Budget for Current Fiscal Year, FY 2019/2020

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 2019/2020 Urban Renewal Fund

Budget Category (Expenditures)	2019/2020 Amount
Materials and Services	1,100
Capital Outlay	52,466
TOTAL:	\$53,566

Budget Category (Revenues)	2019/2020 Amount
Division of Taxes	25,000
Interest Income	100
TOTAL:	\$25,100

Source: Banks Urban Renewal Agency FY 2019/2020 Budget, pg. 4-5

Impact on Taxing Districts

The revenues foregone by local taxing districts due to urban renewal are shown in Table 4. This information is from Washington County Assessor records, Table 4a and 4e.

Urban renewal agencies do not create an additional tax. Instead, during the urban renewal area'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 Banks School District and NW Regional 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 2018/2019

Taxing Jurisdiction	Impact
Washington County	\$6,006
Banks School District	\$13,404
SWC Tualatin	\$184
Port of Portland	\$184
Banks RFPD	\$2,890
City of Banks	\$5,265
Portland Community College	\$749
NW Regional Education Service District	\$407

Source: FY 2018/2019 Sal 4a and 4e from Washington County Assessor

Remaining Maximum Indebtedness

The amount of maximum indebtedness remaining for the Plan Area is \$29,999,860.