

ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30TH, 2025

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.



Banks Urban Renewal Agency

Marsha Kirk, Chair
Pearcia Bogroff
April Cannon
Peter Edison
Stephanie Jones
Marilyn McCalister
Niki Walters

URBAN RENEWAL AREA BACKGROUND

The Banks Urban Renewal Plan (Plan) was adopted by the City of Banks in 2017. The Banks Urban Renewal Agency (Agency) administers the Plan. The Agency is a separate legal and financial entity, governed by the members of the City of Banks City Council.

The maximum indebtedness established in 2017 for the Banks Urban Renewal 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 frozen base assessed value (“Frozen Base”) of the Urban Renewal Area is \$18,196,276. The FY 2024/25 total assessed value is \$24,105,443, a reduction from the prior year due to the closing of the Hampton Lumber Mill. The excess value, or the value on which taxes were paid to Agency in FY 2024/25 was \$6,434,829.

Table 1. Assessed Value Information

Current Assessed Value FY 2024/25	\$24,105,443
Frozen Base	\$18,196,276
Increment	\$6,434,829

Source: Washington County FY 2024/25 SAL 4e

Urban Renewal Goals¹

Goal 1: District Identity

Increase the vitality of Banks’ downtown. Strengthen the downtown’s role as the service, tourist and cultural heart of the Bank’s community.

- a) Recognize and build on the three “districts” of Banks, those being Southtown, Mid-town, and the Traditional/Historic Downtown.
- b) Install new streetscapes and upgrades, providing uniformity to the three districts on Main Street, but also being specific to and with differences in each.
- c) Create a new public multi-use plaza as a community and visitor focus, preferably connecting to Main Street to the west side of the city.

Goal 2: Economy

Improve downtown Banks as a destination. Enhance the city’s identity and facilities to attract businesses to downtown Banks.

- a) Improve efficiency of parking, and provide streetscape and pedestrian and bicycle amenities to enhance downtown business.
- b) Provide programs for improvement of properties through storefront loans, redevelopment assistance, and business assistance.

Goal 3: Recreation

Provide facilities and parks/public spaces to support the citizens of banks, tourism trade, downtown, and businesses.

¹ These goals were updated in FY 2025/2026. The updates will be noted in next year’s Annual Report as this Annual report reflects information from FY 2024/25.

- a) Create a new public multi-use plaza as a community and visitor focus, preferably connecting to Main Street and the west side of the city.
- b) Develop further trails and support areas, creating additional trailhead opportunities.

Goal 4: Transportation

Improve transportation network to standards that will facilitate effective traffic flow and provide for increased pedestrian and bicyclist safety.

- a) Repave as necessary, provide crosswalks, bulb-outs.
- b) Underground utility lines on Main Street.
- c) Install traffic safety measures such as traffic circles.
- d) Install features on Commerce Street to improve and encourage use of bike trail facilities.
- e) Implement Banks' parking plan to encourage visits to downtown businesses and trailheads.

Goal 5: Public Safety

Coordinate with the Banks Fire District to provide public safety in the urban renewal area.

- a) Provide funding for capital improvements to the Banks Fire District.

The entire Banks Urban Renewal Plan and Report can be found on Banks Urban Renewal Agency's website, <https://www.cityofbanks.org>.

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 meets the requirements of this statute.

Previous Fiscal Year, FY 2024/25

Money Received

In FY 2024/25, the Agency received \$67,810 from division of taxes. The detailed earnings of the Agency is shown in Table 2. There is no compression impacting these tax receipts.

Table 2. Money Received During FY 2024/25

Revenue Category	FY 2024/25
Property Taxes	67,810
Grant: Ford Family Retail Study	12,745
Other Revenue (Interest)	12,347
TOTAL:	\$92,902

Source: Banks Urban Renewal Agency Report in Lieu of Audit FY 2024/25

Money Expended

Revenue received through urban renewal and spent on urban renewal activities is shown in Table 3. The projects completed in the Area were two façade projects: Banks Hardware and Banks Billiard.

Table 3. Expenditures During FY 2024/25

Expenditure Category	FY 2024/25
Material and Services	65,525
Capital Outlay	45,110
TOTAL:	\$110,635

Source: Banks Urban Renewal Agency Report in Lieu of Audit FY 2024/25

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, Tables 4a and 4e. These numbers are higher than actual taxes received due to delinquencies in payments from taxpayers.

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 2024/25

Taxing Jurisdiction	Impact
Washington County	14,463
Banks School District	32,265
SWC Tualatin	562
Port of Portland	443
Banks RFPD	6,956
City of Banks	12,660
Portland Community College	1,806
NW Regional Education Service District	988
TOTAL:	\$70,143

Source: FY 2024/25 Sal 4a and 4e from Washington County Assessor

Fiscal Year, FY 2025/26

Estimated Revenues

The estimated tax revenues from the FY 2025/26 adopted Banks Urban Renewal Agency budget are \$68,500. Since the adoption of the budget, the Agency received information that the tax increment revenues would be less. This is a reduction from the prior year as the Hampton Lumber Mill closing has reduced the assessed value in the Area.

Proposed Budget for FY 2025/26

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 5.

Table 5. Budget FY 2025/26 Urban Renewal Fund

Budget Category (Revenues)	FY 2025/26
Beginning Fund Balance	232,290
Division of Tax	68,500
Grants	12,745
Other resources	7,500
Bonds/Other	1,467,500
Total Revenues	\$1,788,535
Budget Category (Expenditures)	FY 2025/26
Materials & Services	121,616
Capital Outlay	1,586,919
Unappropriated Balance	80,000
TOTAL:	\$1,788,535

Source: City of Banks FY 2025/26 Urban Renewal Budget

Maximum Indebtedness

The maximum indebtedness authorized initially for the Area was \$30,000,000. The amount of maximum indebtedness remaining for the Plan Area is \$29,727,390. The amount of maximum indebtedness used in FY 2024/25 was \$110,635. Maximum indebtedness is the expenditures on projects, programs and administration of the urban renewal area. Once the grant from the Ford Family Foundation is spent in the future, those expenditures will not count against the maximum indebtedness as they are not tax increment revenue.

Table 6. Maximum Indebtedness Tracking

Fiscal Year End	Maximum Indebtedness	Annual Expended	Remaining
Maximum Indebtedness	\$30,000,000		
2019		\$140	\$29,999,860
2020		\$635	\$29,992,263
2021		\$7,597	\$29,984,666
2022		\$2,075	\$29,982,591
2023		\$2,305	\$29,980,286
2024		\$142,261	\$29,838,025
2025		\$110,635	\$29,727,390

Source: Calculated by Elaine Howard Consulting, LLC.

Notes: The amount of MI used was taken from the Report in Lieu of Audit expenditures and interest earned on tax increment.