

**City Center Development Agency
City of Tigard**

Fiscal Year 2009 – 2010

CITY CENTER DEVELOPMENT AGENCY BUDGET COMMITTEE

| | |
|--------------------------|-------------------|
| Jason Snider | Craig Dirksen |
| Rick Parker | Gretchen Buehner |
| John Bailey | Sydney Webb |
| Dena Struck | Marland Henderson |
| Cameron James | Nick Wilson |
| Dan Goodrich (Alternate) | |

CITY CENTER DEVELOPMENT AGENCY BOARD

Craig Dirksen, Chair

| | |
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| Nick Wilson | Marland Henderson |

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Craig Prosser

COMMUNITY DEVELOPMENT DIRECTOR

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SENIOR PLANNER for DOWNTOWN

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CITY CENTER DEVELOPMENT AGENCY

City of Tigard

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Tigard, OR 97223

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Cover Graphic from Tigard Downtown Future Vision by Tigard Community Development and University of Oregon

FY 2009-2010 BUDGET TRANSMITTAL

Citizens of Tigard,

I am pleased to present to you the third annual budget for Tigard's City Center Development Agency (CCDA). I proposed this budget to the CCDA Budget Committee in April of 2009. The Budget Committee (made up of five citizens of Tigard and the five members of the City Council, plus an alternate citizen member) reviewed the proposed budget in May and recommended it to CCDA Board (made up of the five members of the City Council) for adoption. The CCDA Board adopted this budget on June 9, 2009.

The City Center Development Agency is charged with the revitalization of Downtown and implementation of the Urban Renewal Plan which was approved by voters in May of 2006. Community expectations for revitalizing Downtown are high; however the ability to fulfill this vision is, at present, constrained. The source for the Agency's revitalization efforts is the property taxes collected on the growth in assessed value in the urban renewal district since its establishment. While it was expected that property tax receipts would not be significant in the first few years, due to the limited private investment in the Downtown up to now, incremental growth has been even lower than projected.

However, progress is being made on projects that will ultimately benefit the Downtown. Tri-Met's WES Commuter Rail service commenced in February of 2009, improving Downtown Tigard's connection to the region and presenting an opportunity for redevelopment around the new station. The Burnham Street reconstruction project will start this year. Design work for reconstructing the southern portion of Main Street as a green street will also begin and a Downtown Circulation Plan will be completed. A Design Future Vision was completed in January of 2009 that showed how the district could evolve over the next fifty years. Other projects that are currently, or soon to be, underway include the Transit Center redevelopment study; the 99W/Greenburg and 99W/Hall intersection improvements; the Community Partners for Affordable Housing Senior Housing Project; the Fanno Creek Re-meander project; new Land Use and Design regulations; and an enhanced pedestrian crossing to the Tigard Public Library. There is also the future prospect of light rail in the 99W Corridor. The Downtown has also captured the imagination of the region and is held up as an innovative example of the potential to create a livable and prosperous suburban downtown. The Agency is fortunate to have an engaged and committed citizen advisory body, the City Center Advisory Commission (CCAC), which has made recommendations on many critical issues.

Staff and material support for Downtown Urban Renewal will continue to be derived from the City's General Fund. This fiscal year the funds intended for projects and activities that will directly enhance the economic development prospects of Downtown, and the consequent future growth of tax increment revenues are assigned to the City Center Development Agency budget. This is necessary to properly account for expenditures that can ultimately be paid back to the General Fund by tax increment growth.

The adopted Agency budget for Fiscal Year 2009-2010 consists of two funds: the Urban Renewal Capital Projects Fund and the Debt Service Fund. The Urban Renewal Capital Projects Fund is supported by loans from the City of Tigard, (which will be repaid with interest.) This fiscal year the Agency will direct this fund to invest in professional services and other projects designed to promote private investment that will increase the increment. The focus of these services will be fostering opportunities for redevelopment and/or renovation of properties. Examples of such programs include environmental assessments of Brownfields, development opportunity studies, and storefront improvement grants.

FY 2009-2010 BUDGET TRANSMITTAL

The Debt Service Fund reflects the revenues anticipated to be generated by the growth in the assessed value of the urban renewal district. In FY 2009-10 we expect the increment to be \$177,004. The Fund contains a balance of \$159,862 collected in FY 2007-08 and FY 2008-09, including interest. Under state law, these revenues may only be used for the repayment of indebtedness. Since the first loan was made in FY 2008-09 and repayment does not start for two years, in FY 2010-11, there are no budgeted loan repayments in the proposed 2009-10 Budget. Under the Intergovernmental Agreement (IGA) between the City Center Development Agency and the City of Tigard, loans from Tigard to the CCDA are repaid in ten equal payments on the principle starting ten years after the loan; however, interest payments start in the second year after the loan. The CCDA can choose to repay loans earlier.

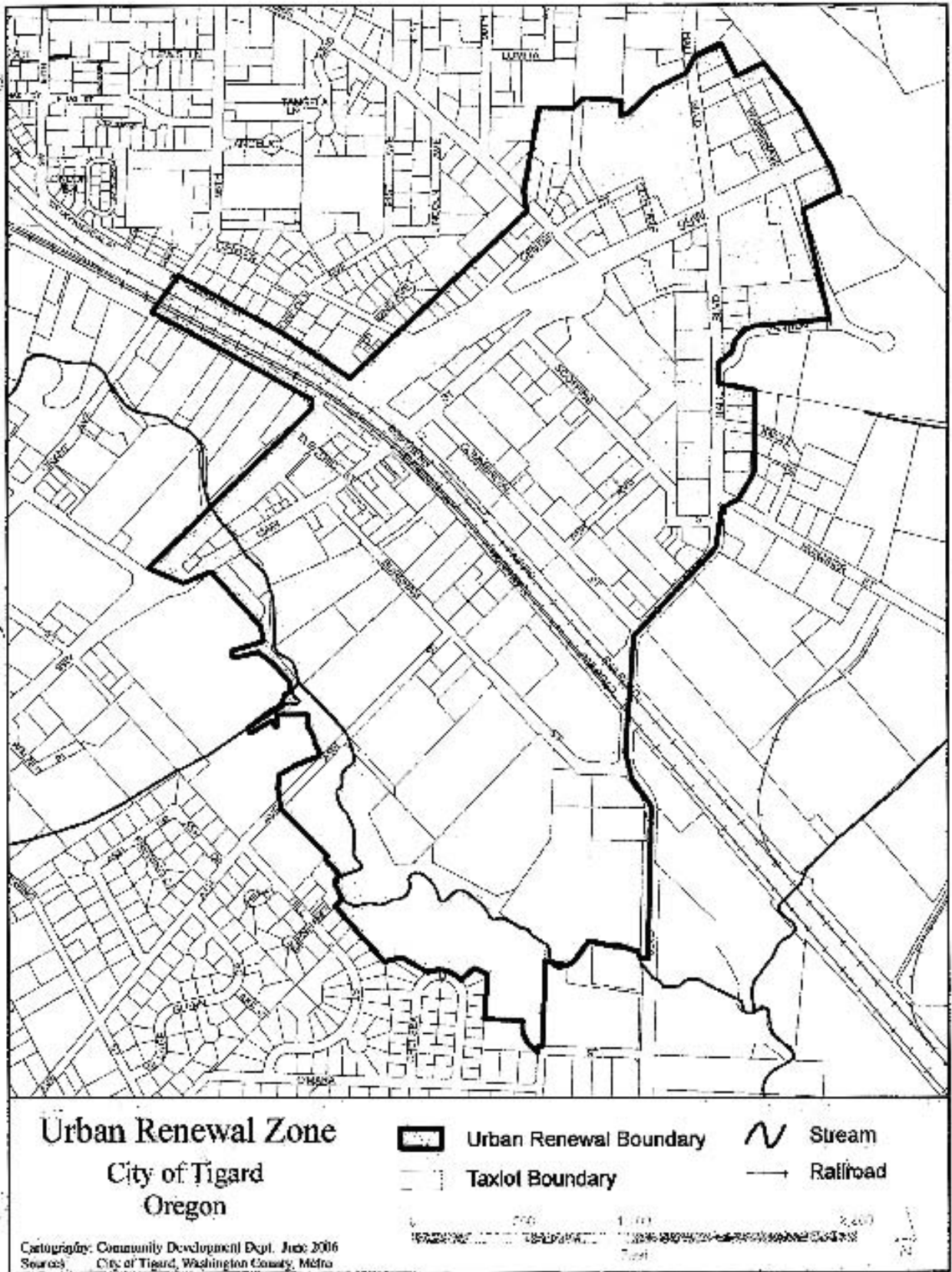
The objective of the City Center Development Agency is to engage stakeholders and foster economic development in the Downtown. Despite the economic downturn, property and business owners will be engaged to plan for the future, and set up partnerships that can be acted upon when the economy improves. I am optimistic that this year's budget will take the Urban Renewal District out of its formative stages to where revitalization projects actually take place.

Respectfully submitted,



Craig Prosser
Executive Director

FY 2009-2010 URBAN RENEWAL BOUNDARY MAP



FY 2009-2010 CITY CENTER DEVELOPMENT AGENCY FACTS

District Formation Date..... May 2006

District Size (acres) 193.71

District Tax Lot Area (acres):..... 144.14

District Right-of-Way Area (acres)49.57

Base Assessed Value \$69,207,378

Assessed Value (2009) \$78,530,005

Annual taxes levied (projected 2010)..... \$177,004

Maximum Debt Limit:..... \$22,000,000

Debt Issued:..... \$0

Remaining Debt Limit..... \$22,000,000

URBAN RENEWAL CAPITAL PROJECTS FUND SUMMARY

| | Description | Actuals | | Revised | Proposed | Approved | Adopted |
|---|---------------------------|------------|------------|------------------|------------------|------------------|------------------|
| | | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2009-10 | 2009-10 |
| Resources | | | | | | | |
| 3000 | Beginning Fund Balance | \$0 | \$0 | \$0 | \$27,967 | \$27,967 | \$27,967 |
| Total Fund Balance & Reserves | | \$0 | \$0 | \$0 | \$27,967 | \$27,967 | \$27,967 |
| Property Taxes | | | | | | | |
| Total Property Taxes | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Grants | | | | | | | |
| Total Grants | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Interagency Revenues | | | | | | | |
| 4250 | Intergovernmental Revenue | \$0 | \$0 | \$379,269 | \$150,000 | 150,000 | 150,000 |
| Total Interagency Revenues | | \$0 | \$0 | \$379,269 | \$150,000 | \$150,000 | \$150,000 |
| Fees & Charges | | | | | | | |
| Total Fees & Charges | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Fines & Forfeitures | | | | | | | |
| Total Fines & Forfeitures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Franchise Fees | | | | | | | |
| Total Franchise Fees | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Interest and Rental Earnings | | | | | | | |
| Total Interest and Rental Earnings | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Bond and Note Proceeds | | | | | | | |
| Total Bond and Note Proceeds | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Revenues | | | | | | | |
| Total Other Revenues | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Fund Transfers | | | | | | | |
| Total Fund Transfers | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL RESOURCES | | \$0 | \$0 | \$379,269 | \$177,967 | \$177,967 | \$177,967 |
| Requirements | | | | | | | |
| Program Expenditures | | | | | | | |
| Total Program Expenditures | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Loans | | | | | | | |
| | Loan to CCDA | | | | | | |
| Total Loans | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Capital Improvement Program | | | | | | | |
| Total Capital Improvement Program | | \$0 | \$0 | \$379,269 | \$177,967 | \$177,967 | \$177,967 |
| Transfers Out | | | | | | | |
| Total Transfers to Other Funds | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Contingency | | | | | | | |
| Total Contingency | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Budget | | \$0 | \$0 | \$379,269 | \$177,967 | \$177,967 | \$177,967 |
| | Ending Fund Balance | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Requirements | | \$0 | \$0 | \$379,269 | \$177,967 | \$177,967 | \$177,967 |

URBAN RENWAL DEBT SERVICE FUND SUMMARY

| | | Description | Actuals | | Revised | Proposed | Approved | Adopted |
|---|------|------------------------|------------|-----------------|-----------------|------------------|------------------|------------------|
| | | | 2006-07 | 2007-08 | 2008-09 | 2009-10 | 2009-10 | 2009-10 |
| Resources | | | | | | | | |
| | | | \$0 | \$0 | \$39,662 | \$159,979 | \$159,979 | \$159,979 |
| Total Fund Balance & Reserves | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Property Taxes | | | | | | | | |
| | 4000 | Current Property Taxes | \$0 | \$38,469 | \$41,000 | \$177,004 | \$177,004 | \$177,004 |
| Total Property Taxes | | | \$0 | \$38,469 | \$41,000 | \$177,004 | \$177,004 | \$177,004 |
| Grants | | | | | | | | |
| Total Grants | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Interagency Revenues | | | | | | | | |
| Total Interagency Revenues | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Fees & Charges | | | | | | | | |
| Total Fees & Charges | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Fines & Forfeitures | | | | | | | | |
| Total Fines & Forfeitures | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Franchise Fees | | | | | | | | |
| Total Franchise Fees | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Interest and Rental Earnings | | | | | | | | |
| | 4700 | Interest Earnings | \$0 | \$1,193 | \$3,000 | \$718 | \$718 | \$718 |
| Total Interest and Rental Earnings | | | \$0 | \$1,193 | \$3,000 | \$718 | \$718 | \$718 |
| Bond and Note Proceeds | | | | | | | | |
| Total Bond and Note Proceeds | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Revenues | | | | | | | | |
| Total Other Revenues | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Fund Transfers | | | | | | | | |
| Total Fund Transfers | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| TOTAL RESOURCES | | | \$0 | \$39,662 | \$83,662 | \$337,701 | \$337,701 | \$337,701 |
| Requirements | | | | | | | | |
| Program Expenditures | | | | | | | | |
| Total Program Expenditures | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Loans | | | | | | | | |
| Total Loans | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Capital Improvement Program | | | | | | | | |
| Total Capital Improvement Program | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Transfers Out | | | | | | | | |
| Total Transfers to Other Funds | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Contingency | | | | | | | | |
| Total Contingency | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Total Budget | | | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| | | Ending Fund Balance | \$0 | \$39,662 | \$83,662 | \$337,701 | \$337,701 | \$337,701 |
| Total Requirements | | | \$0 | \$39,662 | \$83,662 | \$337,701 | \$337,701 | \$337,701 |

FY 2009-10 URBAN RENEWAL PROJECTS

Storefront Improvement Program- \$40,000

To enhance the commercial atmosphere on Main Street, a storefront improvement program will be developed. The budget includes funding for a pilot program that could be expanded in future fiscal years. The budget will pay for technical assistance from professional architects as well as cash grants to property or business owners who wish to improve their commercial building's facades. Program standards (to be developed) will establish the criteria for projects, the number of projects to be funded, and the required match from the participant.

Environmental Assessment - \$15,000

Funds will be available for initial environmental assessments of potential Brownfield properties that are candidates for redevelopment.

Redevelopment/Marketing/Real Estate Studies and Assistance- \$95,000

This project consists of funding professional services (in real estate development and economics, architecture, and other needed specialists) to foster the opportunities for the redevelopment and/or renovation of properties. The goal is to increase the tax increment revenues in the urban renewal district. A major program will be development opportunity studies to provide business and property owners the technical assistance and resources to assess the feasibility of redeveloping properties in the urban renewal district. Eligible pre-development activities include architectural, planning, and engineering studies, and real estate market and financial analysis. This fund will also pay for the printing of planning and promotional materials for the Downtown

Carryover Projects- \$27,967

Two projects started in Fiscal Year 2008-9, the Downtown Circulation Plan and the Tigard Transit Center Redevelopment Feasibility Study, will be completed in the new fiscal year.

Total: \$177,967