

# ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30TH, 2015

2014/2015

Hermiston Urban Renewal Agency

This report fulfills the requirement, 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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## HERMISTON URBAN RENEWAL AGENCY

### Hermiston Urban Renewal Agency History

The Hermiston Urban Renewal Agency was formed by the City of Hermiston in 2013. The agency board is made up of the Mayor and City Council.

The urban renewal plan adopted on August 26, 2013 establishes the purpose of the urban renewal district as follows:

- Revitalize the City Center by alleviating conditions of blight and underinvestment
- Create public improvements including open space, community meeting space, and street improvements
- Encourage new public and private investment
- Increase the taxable value of property in the city
- Improve the utilization of land within specific areas of the community

The maximum indebtedness established for the Hermiston Urban Renewal Agency is \$4,000,000. This amount is the total amount of funds which can be spent on projects, programs, and administration in the urban renewal district over the life of the urban renewal plan. As of June 30<sup>th</sup>, 2015, \$9,435.15 had been spent on projects and \$898.02 had been spent on administration.

A full copy of the Hermiston Urban Renewal Plan and Report may be found on the City of Hermiston website located at: <http://hermiston.or.us/ura>

### Projects

Two façade grants were funded in the 2014/2015 fiscal year.

- Grant for siding improvements at 125 SW 3<sup>rd</sup> Street
  - Project cost: \$11,361.92 Grant award: \$4,544.77
- Grant for roof improvements at 662 E Main Street
  - Project cost: \$2,957.38 Grant award: \$591.48

Preliminary engineering and design work for the festival street and gateway arch projects began in the 2014/2015 fiscal year. This engineering work was paid out of the façade grant fund for the year and totaled \$4,298.90.

Administrative costs included attorney assistance in preparing by-laws and agreements between the city and agency for staff services and financial services. Many of these administrative costs are one-time expenditures which are not repeated on an annual basis.

- Total cost of administrative expenditures was \$898.02.

### 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 conforms to the requirements of this statute.

### Money Received

In FY 2014/2015 the Umatilla County Assessor calculated that the Hermiston Urban Renewal Agency would receive \$17,900 from the division of taxes. The actual tax revenue received was \$16,761.26, a smaller amount due to underpayments and delinquencies.

The City of Hermiston prepared an interagency loan of \$50,000 to help stimulate façade grants within the urban renewal area. This money was also received by the agency during the 2014/2015 fiscal year.

### Money Expended

Revenues received through tax collection and interagency loan were expended as shown in the table below.

Item	Urban Renewal General Fund
Beginning Fund Balance	\$0.00
Façade Grant Outlay	\$9,435.15
Administrative Outlay	\$898.02
Ending Fund Balance	\$60,726.99

### Estimated Revenues

The estimated revenues for the 2015/2016 fiscal year are \$15,000 from current tax revenues.

### Proposed Budget for 2015/2016 Fiscal Year

A budget listed the revenues to be received due to urban renewal tax increment collection, money to be spent, and what projects/expenses the money will fund is shown in the table below.

Item	2015/2016 Urban Renewal General Fund
<b>Resources</b>	
General Taxes	\$15,000
Delinquent Taxes	\$0.00

Cash Forward	\$60,000
<i>Total Resources</i>	\$75,000
<b>Expenditures</b>	
Façade Grants	\$57,000
Festival Street	\$15,000
Audit and Other	\$3,000
<i>Total Expenditures</i>	\$75,000

### Impact on Taxing Districts

The revenues forgone by local taxing districts due to urban renewal are shown in the table below. This information is from the Umatilla County Department of Assessment and Taxation. The numbers are after truncation and compression losses.

Urban renewal agencies do not create an additional tax. Instead during the agency's lifespan, overlapping taxing districts forgo a portion of their permanent rate. Once the urban renewal agency is terminated, the taxing jurisdictions receive the full permanent rate of taxes.

Taxing District	Revenue Forgone 2014/2015	Total Taxes Received 2014/2015	% of Total Taxes to UR
Umatilla County	\$2,917.76	\$14,002,713.51	0.02%
City of Hermiston	\$6,241.16	\$5,028,671.45	0.1%
School District #8 Hermiston	\$5,011.93	\$9,072,749.73	0.05%
Intermountain ESD	\$629.08	\$2,804,959.09	0.02%
BMCC	\$674.60	\$3,012,272.73	0.02%
Port of Umatilla	\$157.27	\$756,501.01	0.02%
Fire District 4 Hermiston	\$1,229.18	\$2,266,525.72	0.05%
County Radio District	\$173.82	\$769,871.18	0.02%
Cemetery District 8 Hermiston	\$91.05	\$169,148.80	0.05%
W Umatilla Mosquito Control	\$206.93	\$510,928.27	0.04%
<b>Total</b>	\$17,332.78		

