COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD

April 15, 2025
5:30 p.m.

City Hall Council Chambers
313 Court Street, The Dalles, Oregon

Via Zoom
https://us06web.zoom.us/j/86259459367?pwd=Z0Nnd3E4bkxBUVhXQkRKTkJCdEJ6QT09
Meeting ID: **862 5945 9367** Passcode: **292293**
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Contact the City Clerk at (541) 296-5481 ext. 1119, or amell@ci.the-dalles.or.us.

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. ELECTION OF CHAIR AND SECRETARY
6. APPROVAL OF MINUTES – April 16, 2024
7. BUDGET OFFICER'S MESSAGE, FISCAL YEAR 2025-26
8. BUDGET PRESENTATION / DELIBERATIONS
   A. Budget Committee Discussion
   B. Public Comment
9. SET FUTURE MEETINGS (If necessary)
10. APPROVAL OF BUDGET
11. ADJOURNMENT

Meeting conducted in a room in compliance with ADA standards.

Prepared by/
Paula Webb, Secretary
Community Development Department

MINUTES

COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD MEETING
April 16, 2024
5:30 p.m.

City Hall Council Chambers
313 Court Street, The Dalles, Oregon 97058
Via Zoom / Livestream via City Website

PRESIDING: Donna Lawrence

BOARD PRESENT: Staci Coburn, Cody Cornett, Mike Courtney, Sandy Haechrel, Scott Hege, Donna Lawrence, Leanne Lewis, Darcy Long, Dean Myerson, Dan Richardson, Jeffrey Schulkers (arrived at 5:47 p.m.)

BOARD ABSENT: Walter Denstedt, Forust Ercole, Kristen Lillvik, Tim McGlothlin

STAFF PRESENT: Director and Urban Renewal Manager Joshua Chandler, Economic Development Officer Dan Spatz, Finance Director Angie Wilson, City Attorney Jonathan Kara, Secretary Paula Webb

CALL TO ORDER

The meeting was called to order by Chair Long at 5:40 p.m.

PLEDGE OF ALLEGIANCE

Chair Long led the Pledge of Allegiance.

ELECTION OF OFFICERS

Board Member Courtney nominated Leanne Lewis for Secretary. Board Member Cornett seconded the nomination. There were no other nominations. The nomination carried 11/0; Coburn, Cornett, Courtney, Haechrel, Hege, Lawrence, Lewis, Long, Myerson, and Richardson voting in favor, none opposed, Denstedt, Ercole, Lillvik, McGlothlin and Schulkers absent.

Board Member Courtney nominated Donna Lawrence for Chair. Board Member Hege seconded the nomination. There were no other nominations. The nomination carried 11/0; Coburn, Cornett, Courtney, Haechrel, Hege, Lawrence, Lewis, Long, Myerson, and Richardson voting in favor, none opposed, Denstedt, Ercole, Lillvik, McGlothlin and Schulkers absent.

BUDGET OFFICER'S MESSAGE, FISCAL YEAR 2024-2025, BUDGET PRESENTATION and DELIBERATIONS

Director Chandler introduced Finance Director Angie Wilson and Economic Development Officer (EDO) Dan Spatz. He outlined the evening's agenda, including a budget message, an overview of urban renewal, fund discussions, accomplishments, and major issues.

Chandler noted revised budget documents sent earlier due to reallocation of funds: the Blue Building project was withdrawn, and its budget shifted to the Incentive Program, while additional funds were allocated to the First Street project to address rising costs. Staff will amend the narrative in the budget packet to reflect these changes.

He provided an overview of Urban Renewal, emphasizing its mission to eliminate blight, attract private investments, and preserve historic values. Chandler highlighted the financing mechanism under Oregon law, which dedicates future property tax growth to redevelopment projects, later returning the increased taxable value to general tax rolls after debt retirement.

Chandler explained the Columbia Gateway Urban Renewal Plan, adopted in 1990, outlining 14 goals for guiding redevelopment. Staff is currently engaged in strategic planning, with a substantial amendment to the plan forthcoming. The Agency Board is composed of nine members: three city councilors, two citizens, and four members from various taxing districts.

He detailed the Agency's two funds: the Debt Services Fund, for tax increment revenue and debt repayment, and the Capital Projects Fund, for administration and project implementation. The estimated beginning balance for FY 24-25 is $5,966,550, with projected revenues estimated at $1,765,528 from property taxes and interest income. Staffing and external contracts, including financial consultants and urban renewal special counsel, are budgeted at $173,030.

In response to Board Member Courtney's inquiry, Director Chandler clarified that costs are billed as incurred, tracked through the City's timesheet system to account for urban renewal hours worked.

Director Chandler reported the Agency's outstanding debt obligations as of July 1, 2024, were approximately $3,470,000. This amount reflects the remaining balance of a $10,205,000 bond issued in 2009. If payments follow the established schedule, the balance will be fully paid by June 30, 2029.

Director Chandler explained that the "new undetermined projects" line item was eliminated in the modified budget, with its funds reallocated to "opportunity-driven projects." These two categories have historically served the same purpose: funding projects as opportunities arise. Consolidating them into one account represents a minor adjustment and streamlining of funds.

Director Chandler then highlighted key goals, accomplishments, and unresolved issues for the Agency over the next five years:

- First Street project: Fund and provide input for the engineering services agreement to bring the project to construction readiness, with completion expected in the next fiscal year.
- Tony's Site Development: Overseeing development of the property and encouraging community input via a QR-code survey displayed on the fence banner.
- Urban Renewal Incentive Program: Continuing promotion of the Incentive Program.
- 213 East Second Street Property: Sale of the final Agency-owned storefront. Once finished, ownership will be fully transferred to the developer.

Director Chandler summarized accomplishments from the previous fiscal year:

- Oversaw the demolition and hazardous material abatement of the Tony's Building.

- Advanced the strategic planning effort for the agency to guide future investments and activities.
- Committed nearly $1.6 million to support the development of the Basalt Commons project.
- Assisted in funding and redevelopment of a parking lot at East Third and Jefferson Streets in partnership with the City.

He also outlined major unresolved issues:

- Prioritizing final capital projects for the district, to be finalized during the May 21 meeting.
- Maximizing grant and partnership opportunities to meet the Plan's goals.
- Overseeing the completion of both the Basalt Commons project and the First Street project.

Director Chandler reported on early feedback for the Tony's site survey, noting that 11 responses had been received since the banner went up the previous day. The survey will remain open until June 7 to gather community input before structuring the Request for Expressions of Interest (RFEI) for the property.

Director Chandler provided an overview of the debt services fund. This fund is used strictly for repayment of debt obligations that fund Agency projects. The agency budgets for an additional payment to cover the next fiscal year's obligations, due to the fact the capital projects fund has no ending fund balance or contingency. This approach ensures the upcoming payment is secured before property tax revenue is received. After the next fiscal year's payment, only four payments will remain before the debt is fully repaid.

Board Member Courtney asked if proposed undedicated expenditures could be reallocated to the debt service fund.

Finance Director Wilson replied if the district sunsets before 2028-29, paying off the debt early could be feasible, provided sufficient funds remain for completing necessary projects, particularly the First Street project.

Board Member Courtney noted the budget includes over $1 million allocated to "what-if" expenditure line items, suggesting these funds could potentially be redirected toward early debt repayment. Director Chandler clarified that the "what-if" funds, originally allocated to opportunity-driven projects, are likely to be used for the First Street project, although the final cost for that project is still uncertain. The funds, while not officially earmarked for First Street, are expected to largely support it. The decision to not specify the allocation was due to the lack of a definitive cost estimate for First Street at this time.

Director Chandler added the goal of this meeting was to solidify the agenda. Specific projects to be undertaken over the next years, whether new or ongoing, will be finalized by the Agency at the May 21 meeting.

Chair Lawrence stated there was a category for the First Street project, and suggested the funds be placed there. In response, Director Chandler stated there is a line item for capital projects by the city, specifically a Fund 18 transfer for the estimated costs of the First Street project. This includes $162,530 to cover the final year of an existing engineering services agreement with KPFF Engineering.

Board Member Hege expressed concerns, stating the Board has not thoroughly discussed whether the First Street project is the most critical or beneficial use of funds. He raised questions about the project's overall value, noting the need to evaluate its impact compared to other potential projects. Hege emphasized that with rising costs, the Board must consider whether continuing with the project is the best course of action.

Director Chandler replied, in his opinion, abandoning the First Street project would be a significant waste of funds already invested. However, it is ultimately the Board's decision to determine the Agency's project priorities. He confirmed that the discussion and finalization of the list of projects will occur in upcoming meetings.

In response to Board Member Courtney's inquiry, Director Chandler replied the estimated cost for designing and engineering the First Street project was approximately $1.6 million. He noted the impact of inflation on the project's cost and reiterated that the $1.6 million figure represents the most recent estimate he has reviewed.

Director Chandler transitioned to discussing the capital projects fund. He explained that these revisions, distributed the previous Wednesday, accounted for recent developments concerning the Blue Building and the First Street project.

Key Changes Discussed:

- Blue Building Project Reallocation
  Chandler shared that $271,382 previously allocated to this project was returned to the Incentive Program, the original source of the funding. The line item for the Blue Building was removed, and the funds were reallocated to the Incentive Program.
- First Street Project
  The $500,000 previously designated for "new, undetermined projects" was eliminated due to recent Board discussions. These funds were redirected into the Opportunity Driven Projects category to provide flexibility for the Agency to decide their use.

Highlighted Projects:

- Incentive Program
  Launched in August 2022, this program supports building and property improvements within the district to enhance efficiency and development. It replaced older urban renewal programs such as the Property Rehabilitation Grant. The revised budget includes $1,021,382 for potential incentive projects.
- Basalt Commons Project
  Last year, the Board committed nearly $1.6 million to this mixed-use development, covering system development charges and other costs via the Incentive Program and a development funding agreement. This project includes a five-story, 100+ unit complex on the former Griffith Motors site.
- Parking Lot at Third and Jefferson Streets
  The Agency, in partnership with the City, has been developing a new parking lot under an intergovernmental agreement.

In response to Board Member Wring’s clarification question, Director Chandler confirmed that in the revised budget, the line items for the Blue Building and Incentive Program Funding were combined under one line item, totaling $1,021,382.

As for the new, undetermined projects previously allocated $500,000, Chandler explained that these funds were rolled into the Opportunity Driven Projects category in the updated budget. This reallocation aligns with the agency's discussions about ensuring flexibility for potential projects.

Director Chandler highlighted notable changes between last fiscal year's budget and the current budget, focusing on shifts in line items:

- Urban Renewal Consultants: This budget was decreased, as Economic Development Officer (EDO) Dan Spatz has been dedicating more time to urban renewal, reducing the need for external consulting services.
- Buildings and Grounds: This line also saw a decrease, with parking lot projects expected to be completed by June 30.
- Capital Projects by City: While there was an initial decrease in this line item, a slight increase was made for new priorities. Notable changes include:
    - The First Street engineering design contract remains in this budget.
    - The transfer of the Agency's commitment for the Mill Creek Greenway project was completed and is no longer part of this budget.
    - Funds were added for the development of the new parking lot at Third and Jefferson Streets.
- Tony's Building: Last fiscal year's budget included $750,000 for this project, but it has been removed now that the site has been cleared for redevelopment.
- First Street Project: Additional funding was allocated in this year's budget to the Opportunity Driven Projects line item. If funds are ultimately used for the First Street project after final cost determination, a transfer will be made to the city's Fund 18 to cover those expenses.

Board Member Myerson asked, "Do you find yourself needing to turn down a lot of good projects just because the funds aren't there?"

Director Chandler replied, "In recent weeks, we've paused funding on a couple of projects to refine costs, particularly for the First Street project, in case the agency moves forward with it. We are working to reduce costs and plan to move forward with incentive program projects."

Board Member Cornett asked for clarification on the First Street project, stating everyone knows what the Basalt Commons project will be, and the Third Street parking lot will be a parking lot. Could you clarify what the First Street project is envisioned to be, as it stands now, since it has evolved over time?

Director Chandler explained the First Street project involves a full reconstruction of the infrastructure from Union Street to Laughlin Street. While streetscaping will be visible on the surface – featuring striped parking, a bike lane, street trees, lighting, and benches – the critical work lies beneath. The current infrastructure is failing, and sidewalks in the area are sinking and in need of repair.

Originally, the project included plans for a pedestrian underpass at Washington Street that would run beneath the railroad and freeway, connecting to the Riverfront Trail. However, due to significant cost escalations, this aspect was set aside. Escalating costs have caused the project to start and stop multiple times over the years.

Board Member Haechrel stated, "The property rehabilitation budget was $2,765,000, and only $86,000 has been spent. Why?"

Director Chandler replied the goal of budgeting for urban renewal, especially for property rehabilitation, is to ensure funds are available when a project arises. Development is unpredictable in its timing. For example, the Basalt Commons project has been in discussion for over five years, yet is only now progressing. Current high interest rates are making development more challenging, but having funds available ensures we can support a project when the timing aligns. This approach prioritizes readiness over immediate expenditure. Remaining funds carry over into the new budget.

DELIBERATIONS

Finance Director Wilson said this is the time for anyone to propose changes to the budget – whether to remove a project, add a new one, or share their input. This is the opportunity for everyone to voice opinions.

Board Member Wring said since we have paused the Incentive Program funding, is our only financial commitment to First Street the remainder of the KPFF contract? Director Chandler replied that was correct.

Chair Lawrence asked if there were any bonds involved with the Agency. Director Wilson replied there is a bond-funded loan from the City of The Dalles. The Urban Renewal Agency was lent the money from the City and repays it annually.

Chair Lawrence asked why some of the extra money, if a project was removed, could not be allocated toward paying off the bond. She inquired if there was interest on the bond. Director Wilson confirmed that there was interest on the bond.

Chair Lawrence then suggested that paying off the bond could save money for taxpayers, the Agency, and the districts from which funds are drawn.

Board Member Lewis asked if there were any other loans. Director Chandler replied, not that he was aware of now.

Chair Lawrence requested the payoff amount of the bond. Director Wilson replied the interest portion would be over $350,000. Board Member Lewis stated it is $2.8 million to pay off, not including the interest.

Board Member Myerson observed that urban renewal operates with a mission, and while paying off its debt early could save taxpayers money, it might limit the Agency’s ability to achieve its intended objectives. Myerson stated that the decision hinges on whether the potential use of funds aligns with fulfilling the mission. If a project is deemed valuable in advancing the mission, the Agency should proceed as planned; otherwise, early debt repayment might be a better option.

Chair Lawrence clarified that her intention was not to redirect all the funds. She noted that funds were already allocated to priority categories, given the Agency's planned sunset in 2029, part of its mission is to reach that endpoint effectively. Chair Lawrence suggested that paying down the loan could expedite that process.

Board Member Myerson acknowledged that paying down the loan would expedite reaching the dissolution point but cautioned that it might come at the cost of completing valuable projects for the City.

Board Member Lewis asked, “What are the projects?”

EDO Spatz outlined the current process of identifying and refining potential urban renewal projects. He explained that on May 21, the focus would be on developing a specific "menu" of projects, ideally with preliminary budgets attached. This approach aims to move away from relying on vague opportunities and instead actively engage with building owners to create actionable plans.

The First Street reconstruction is a definite priority on this list. Additional proposed projects include downtown revitalization efforts such as creating upper-story residential units and other improvements aligned with the Agency’s goals.

EDO Spatz emphasized the importance of revisiting and updating the 2009 Urban Renewal Plan, which contains outdated or completed projects, to reflect the current mission and remaining timeline. This Plan overhaul will involve a substantial amendment, requiring City Council approval.

With Urban Renewal set to conclude in 2029, Spatz highlighted the urgency of finalizing what can realistically be achieved within the remaining time and funding capacity. He pointed out that First Street's exact costs were still being determined but would significantly impact the planning process.

In reflecting on the program’s history, Spatz noted the numerous impactful projects completed over the past 30 years, including the cruise ship dock, Second Street improvements, the maritime terminal, and the underpass. Looking forward, the goal is to strategically select and complete remaining high-impact projects to maximize the visible benefits to the community before the program ends.

Board Member Cornett expressed agreement, emphasizing that the Agency's mission is to proactively offer financial support to property owners. He highlighted the importance of approaching owners with available funds, asking how the Agency can assist them in leveraging these resources. With the program nearing its conclusion and the debt repayment almost complete, Cornett argued that the remaining funds should not simply be directed toward paying off the debt. Instead, they should be used to support downtown businesses and other opportunities within the urban renewal district.

Board Member Cornett also pointed out that discussing debt repayment may be premature without a full understanding of the loan terms. Questions remain regarding prepayment penalties and whether early repayment is even an option.

Board Member Lewis stated if the interest in less than 3%, “Why would you pay it off? If it is 5% plus, it makes sense to pay something off.”

Board Member Wring added that paying off the loan early would prevent the Agency from accepting revenue funds for new projects, as it would effectively end the loan's term. This would also terminate the tax increment financing, which relies on an outstanding loan to justify collecting revenues from property taxes and their increases.

Chair Lawrence requested further explanation.

Board Member Wring clarified the mechanics of tax increment financing (TIF), explaining that the City, through a bond measure or ordinance, allocated funds to the Agency. The repayment of that loan is sourced from the increased revenue generated by property tax values. As property values rise, the additional revenue is directed toward repaying the loan. This process relies on a predictive formula to estimate the increase in property tax revenue, ideally starting with conservative projections to avoid repayment issues. Wring emphasized that Agency investments, such as improvements to downtown buildings, increase property values. When these properties return to the tax rolls, the City benefits from higher property tax revenues. A portion of those revenues is allocated back to the Agency to repay the bond debt.

EDO Spatz added that a fiscal analysis revealed the Agency would collect sufficient TIF revenues to repay the loan by 2026. State law prohibits expending TIF beyond that point, meaning the agency must cease TIF expenditures once the loan is fully repaid.

Chair Lawrence expressed concerns about the "opportunity-driven projects" category on the project list, stating that its open-ended nature does not align with the goal of closing out the Agency. Lawrence emphasized the importance of focusing on a clear path toward the agency's conclusion, noting that leaving room for new, undefined projects appears counterproductive to that goal.

Chair Lawrence stressed the need to be fiscally responsible to taxpayers in The Dalles, highlighting that ending the Agency earlier would benefit other districts by freeing up tax revenues.

EDO Spatz clarified that the "opportunity-driven projects" category aligns with the broader goal of property rehabilitation, a fundamental element of the Urban Renewal Plan. He emphasized that property rehabilitation serves as a guiding principle and encompasses various projects aimed at revitalizing older buildings and putting them back into productive use.

Spatz noted that while the term might seem open-ended, its focus remains targeted. The incentive program operates under this umbrella, ensuring that the agency prioritizes efforts to improve and repurpose older properties within the urban renewal district, rather than leaving the category overly broad.

Chair Lawrence expressed concern that the "opportunity-driven projects" category could extend the Agency beyond the planned 2029 sunset. This category leaves an open window for ongoing projects.

EDO Spatz stated the district would terminate in 2029. Board Member Courtney stated that was supposed to happen at the end of 25 years, but was extended. EDO Spatz replied there is no movement to extend the district again.

Board Member Richardson stated the discussion had strayed from the topic, emphasizing the need for a strategic conversation about the future direction of urban renewal. He clarified that the Agency was not in a position to close down immediately, as that would not be proper or legal at this stage. He acknowledged that the Board was appointed to hear a variety of arguments, including those for specific projects, and that any proposals to close the Agency early should be presented to the Board for discussion, not solely decided by the Budget Committee.

Director Chandler clarified that the term “opportunity-driven projects” was not a new addition, but had been part of the original plan, replacing the category of “undetermined projects.” He explained that while some projects, like First Street, had been ongoing for many years, the decision was made to keep funding in this category to allow for flexibility in completing projects like First Street. With a contract for engineering already in place and significant investment in staff time, Chandler emphasized that the $2.7 million allocated for opportunity-driven projects was intended to ensure that funding was available if additional costs arose for First Street, which could require up to $2.5 million more to complete. The final cost of the First Street project was still to be determined.

Board Member Wring explained that the “opportunity-driven projects” line item was crucial for supporting smaller, often historically significant, building projects in the downtown area. He highlighted the challenges of maintaining or renovating older buildings, particularly when it comes to expensive requirements like replacing windows. This line item helps offset some of those costs, making projects more financially viable for business owners, even though it does not fully fund them. The application process for these funds is robust and ensures proper oversight. He clarified that this funding is not for new, large-scale projects, but for smaller, identified needs within the community, especially when current financial conditions, like high interest rates, make it difficult for small businesses to take on such projects alone.

APPROVAL OF BUDGET

It was moved by Myerson and seconded by Hege to approve the budget as presented. The motion passed 11/0; Coburn, Cornett, Courtney, Haechrel, Hege, Lawrence, Lewis, Long, Myerson, Richardson and Schulkers in favor, none opposed, Denstedt, Ercole, Lillvik and McGlothlin absent.

ADJOURNMENT

Chair Lawrence adjourned the meeting at 6:39 p.m.

Meeting conducted in a room in compliance with ADA standards.

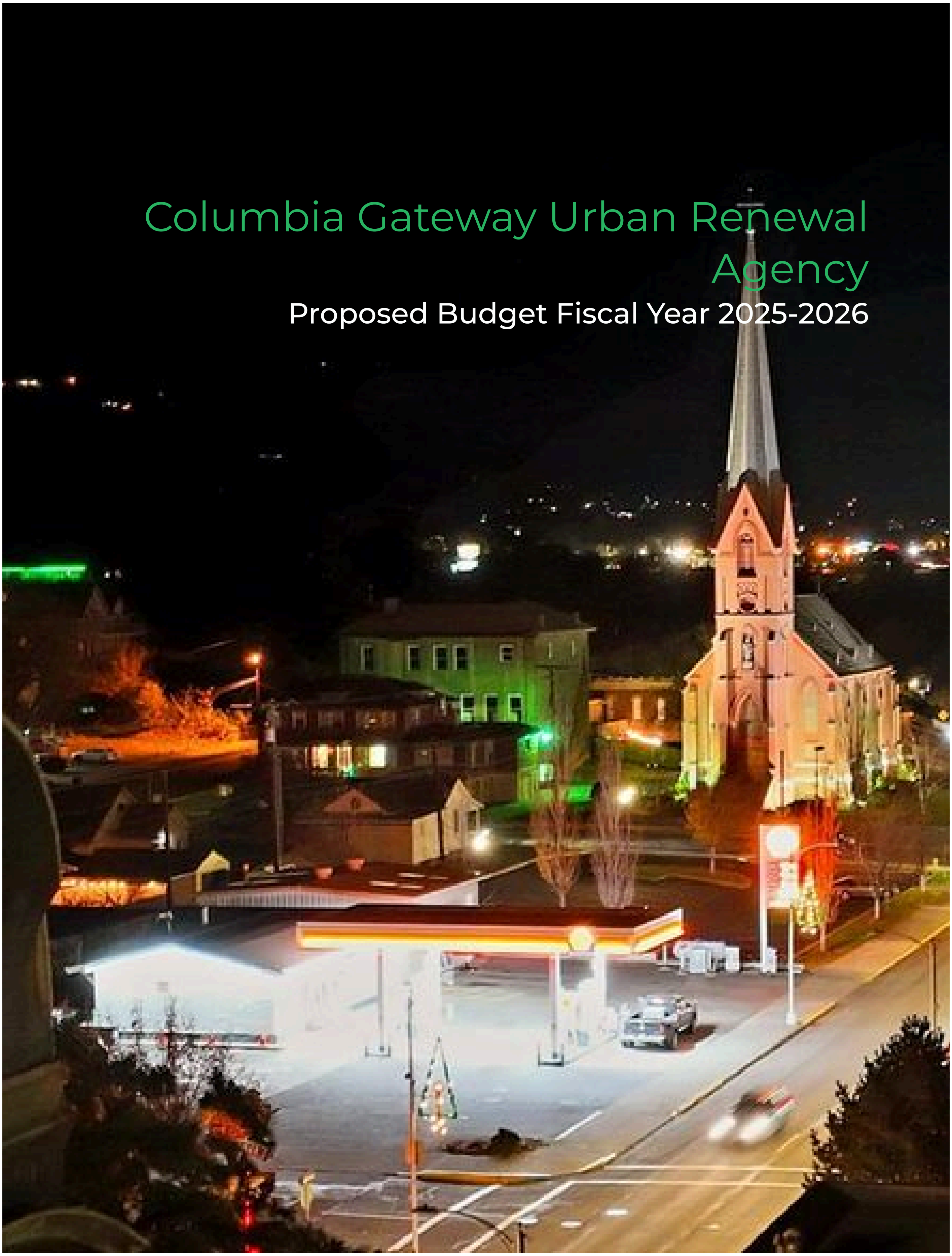
Submitted by/
Paula Webb, Secretary
Community Development Department

SIGNED: ______________________________
Donna Lawrence, Chair

ATTEST: ______________________________
Paula Webb, Secretary
Community Development Department

Columbia Gateway Urban Renewal Agency

Proposed Budget Fiscal Year 2025-2026



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Fiscal Year 2025-2026

<u>PROPOSED BUDGET</u>

for the

COLUMBIA GATEWAY
URBAN RENEWAL AGENCY

City of The Dalles, Oregon

Columbia Gateway Urban Renewal Agency

Fiscal Year 2025-2026

PROPOSED BUDGET

Joshua Chandler

Urban Renewal Manager

and

Urban Renewal Budget Officer

Urban Renewal Agency

Marcus Swift • Tim McGlothlin

Scott Hege • Dan Richardson

Walter Denstedt • Darcy Long

Staci Coburn • Ben Wring

Kristen Lillvik

Urban Renewal Budget Committee

Bob Wood • Dean Myerson

Cody Cornett• Donna Lawrence

Sandy Haechrel • Mike Courtney

Jeffrey Schulkers • Forust Ercole

Jennifer Jacquard

Department Managers

City Attorney	Jonathan Kara
Finance Director	Angie Wilson
Economic Development Officer	Dan Spatz

Improving our Community

Columbia Gateway Urban Renewal Agency

City of The Dalles

Dear Urban Renewal Budget Committee:

The Columbia Gateway Urban Renewal District ("District") is set to retire in 2029, closing the chapter on a nearly 40-year program. These last few years will be exciting. It is imperative we focus on our mission to remove blight and depreciating property values by enhancing District properties, thus encouraging private sector investment in the City.

The Agency and District were established in 1990. In FY 24/25, Agency staff concluded a comprehensive historical/financial analysis and strategic planning overview of the District, culminating in the first Substantial Amendment since 2009. This expanded the Agency's spending authority ("Maximum Indebtedness") providing capacity for priority projects to be completed prior to District termination in 2029. This work highlighted past projects and investments, identified new projects, updated Agency goals, and provided Agency direction for the coming years. Agency staff managed and administered the following key projects, which will continue in FY 25/26:

Property Rehabilitation Program. This grant program offers funding to building and property owners looking to improve properties within the District. Since its launch in 2022, the Agency's Incentive Program has committed over $1.2 million to these rehabilitation projects.

Tony's Building. Agency staff issued a Request for Expressions of Interest in 2024, inviting development concepts for the Tony's site at 401-407 E. Second Street following building demolition in 2023. In 2025, the Agency anticipates an agreement leading to site redevelopment.

First Street Project. The Dalles City Council's approval of the 2024 Substantial Amendment assured the Agency of sufficient resources to complete reconstruction and streetscaping of First Street from Union to Laughlin streets. This follows a 2023 engineering services agreement between the City and KPFF Consulting Engineers. The Agency will provide financial assistance for the project through funding transfer to the City. The City will contribute through in-kind staff assistance.

Basalt Commons. In 2023, the Agency committed approximately $1.7 million for the Basalt Commons project at 523 E. Third Street, on the site of a former auto dealership. This project will exemplify the Agency's commitment to fostering much needed housing to the community, in addition to removing blight and contributing significant returns to the tax rolls. Construction is anticipated in 2025.

Following is the adopted budget for the Agency for the 2025/2026 Fiscal Year. The adopted budget is balanced, as required by state law.

Respectfully submitted,

Joshua Chandler
Urban Renewal Manager / Urban Renewal Budget Officer

URBAN RENEWAL AGENCY

MISSION

The Mission of the Urban Renewal Agency is to eliminate blight and depreciating property values within the Agency's jurisdiction and in the process, attract aesthetically pleasing, job producing private investments that will stabilize or increase property values and protect the Area's historic places and values.

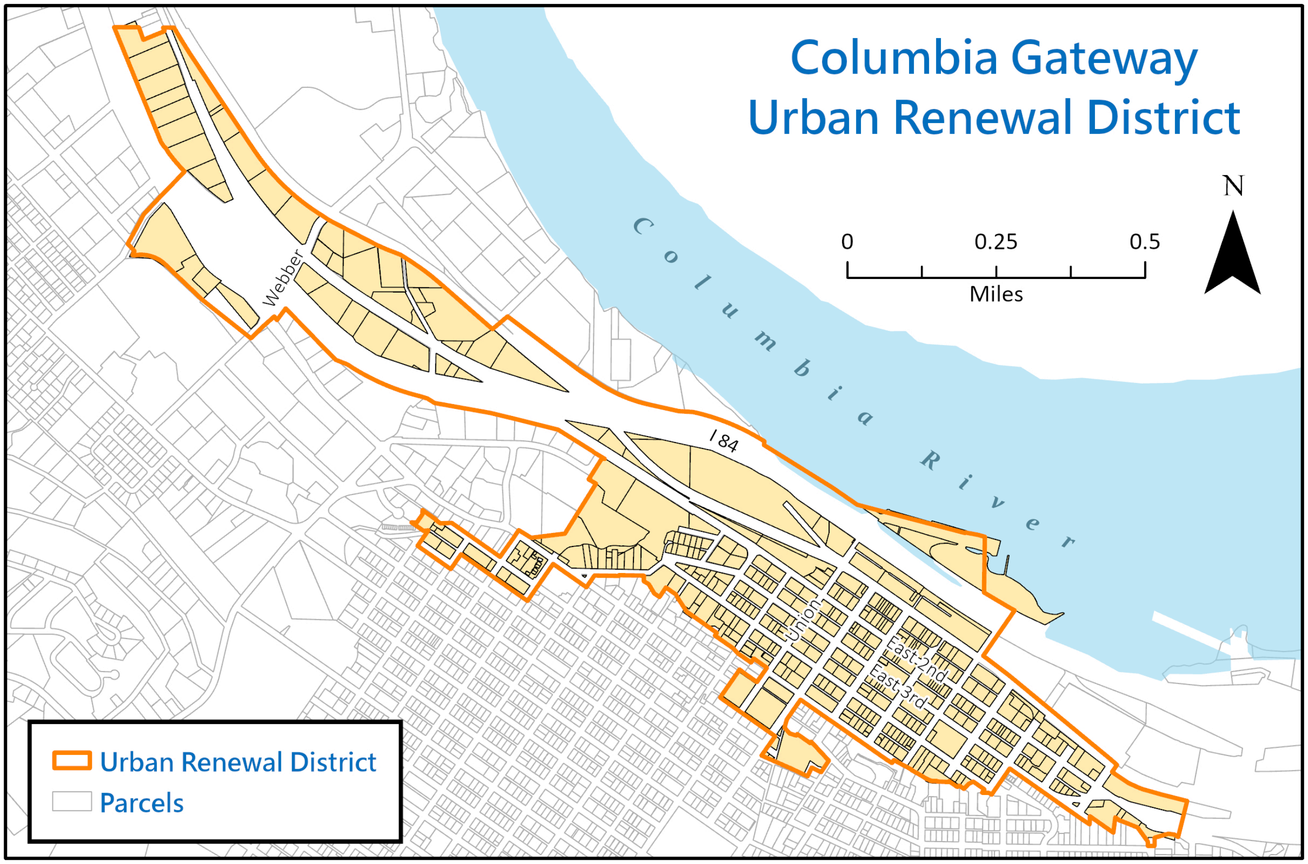
DESCRIPTION

Urban Renewal is a financing program authorized under Oregon Revised Statute 457 that directs property taxes to facilitate economic growth in designated areas. This mechanism ("Tax Increment Financing") is implemented locally and dedicates tax revenues beyond a base amount to pay for redevelopment projects. Redevelopment often generates new taxable value that might not have existed without public investment, generating revenue to repay debt incurred for urban renewal projects. The new taxable value is released to the general tax rolls when the debt is retired, benefitting all affected tax districts. Urban renewal is not an additional tax; instead, it diverts tax revenue that would otherwise be collected by the taxing districts. Urban renewal investments are limited by spending authority granted by a governing body. This is called "Maximum Indebtedness" or MI. This budget is designed to reflect annual revenue and expenditure; it does not reflect MI, which is tracked over multiple years. It is nevertheless important to distinguish MI from revenue, since MI rather than total revenue determines urban renewal's long-term investment capacity.

Locally, Columbia Gateway Urban Renewal Agency ("Agency") administers TIF revenues for Columbia Gateway/Downtown Urban Renewal Plan ("Plan") through designated projects and programs within the Urban Renewal Plan District ("District"). The Plan was adopted on August 23, 1990 (Ordinance No. 90-113) and includes seven goals. The Plan is intended to foster public and private improvements, and further the objectives of the City's Comprehensive Land Use Plan, including Goal 9 Economic Development.

The Agency Board ("Board") is composed of nine members: Three City Councilors, two citizens, and one member from each of the governing boards: Mid-Columbia Fire and Rescue, North Wasco County Parks & Recreation, Port of The Dalles, and Wasco County. The Community Development Director manages the Agency, with the Economic Development Officer providing direct support.

The District, as amended, consists of 323.7 acres within the City of The Dalles, Oregon. The District was established in 1990, amended in 1993 to reduce its size, and amended further in 1998, also to reduce its size. A substantial amendment of the Plan was adopted in 2009 to increase the size of the District and MI allowed under the Plan. A second and final substantial amendment in 2024 increased the Agency's MI. State law precludes any additional substantial amendments for the current District, which will terminate in 2029 upon debt retirement.



FUNDS

The Agency 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 *Urban Renewal Capital Projects Fund*, which accounts for administration and project implementation.

The Agency contracts with the City to provide staff to administer programs and provide required materials and services. In addition, the Agency at times contracts with outside experts, including financial consultants, engineers, and an attorney specializing in urban renewal law. Total contract costs for these functions are budgeted to be $166,555 in the Capital Projects Fund.

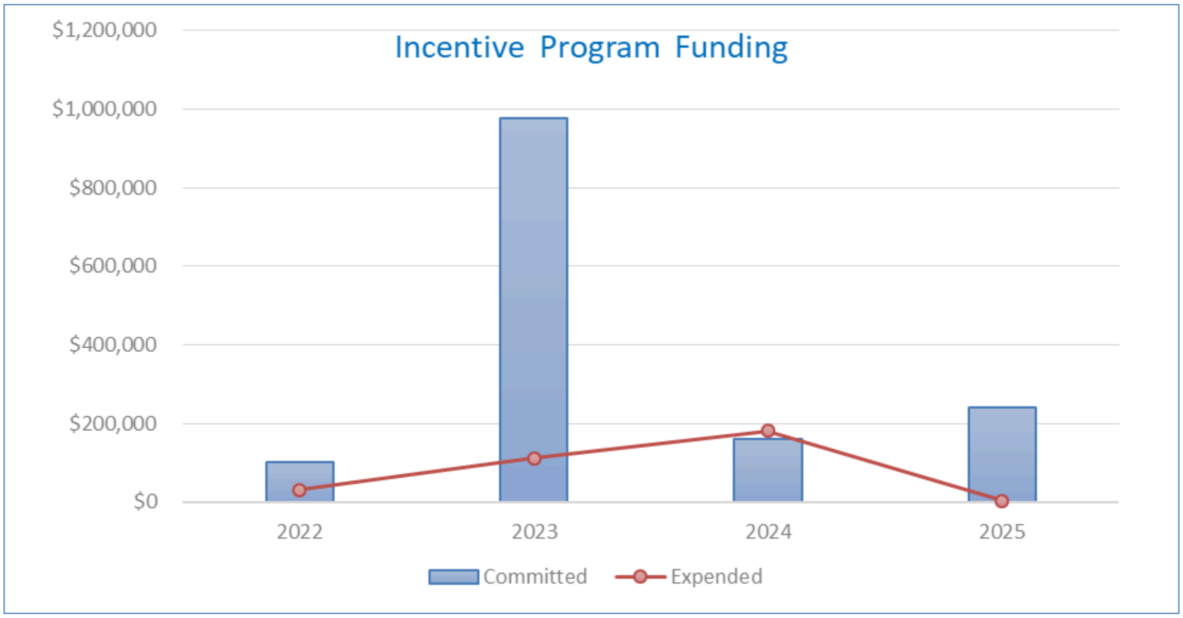
Total outstanding debt obligations for the Agency as of July 1, 2025 are approximately $2,840,000. This is the remaining balance of a $10,205,000 Bond issued in 2009 by the City and Agency. If paid in accordance with the debt payment schedule as issued, the outstanding debt will be paid in full on June 30, 2029.

Debt service payments totaling $802,000 for FY2025-26 are budgeted in the **Debt Services Fund**.

PROPERTY REHABILITATION PROGRAMS

Incentive Program. The Urban Renewal Incentive Program launched in August 2022 to provide funding for building and property owners seeking to improve and develop properties within the District. Since 2022, over $315,000 has been awarded for various capital improvements in the District. Multiple eligible projects of varying scale are being considered in the District; $1,600,000 is budgeted for this program (excluding the Basalt Commons project listed below).

The graph below shows Incentive Program funding since its launch in fall 2022, including both committed and expended funds.



Development Funding Agreements. This was established in 2023 for the Basalt Commons development and may be considered for future projects of significant scale, beyond the scope of the Incentive Program.

Property Rehabilitation Grant. The remaining $13,000 represents previously approved interest loan subsidy awards for the Gayer Building, 300 E. Second Street.

PROJECTS

First Street Project. The Dalles City Council's approval of the 2024 Substantial Amendment ensures adequate resources for the reconstruction and streetscaping of First Street from Union to Laughlin Streets. This follows a 2023 design agreement with KPFF Consulting Engineers. The Agency will provide financial support, while the City will contribute in-kind staff assistance. The total estimated project cost for 2025 is $7 million, with approximately $3.8 million already secured in Fund 18 by both the Agency and City. The remaining $3.2 million has been budgeted by the Agency for FY 25/26 and will be transferred into Fund 18.

Basalt Commons. In 2023, the Board committed funds for the development of a transformative five-story, mixed-use, 100+ unit apartment complex located at 523 East Third Street. Board assistance included a maximum of $1,000,000 through the Incentive Program to cover all System Development Charges, and $730,000 through a separate Development Funding Agreement for other costs. The total commitment of $1,730,000 is budgeted for FY25/26.

Parking Lot Development: East Third and Jefferson Streets. In 2023, the Board entered into an Intergovernmental Development Agreement with the City for the construction of a new public parking lot located at 600/608 East Third Street. Both the City and Agency will split the costs of acquisition and development of the project. The total Agency contribution for the project is $484,658 and will be transferred into Fund 18 for FY25/26.

GOALS AND FOCUS FY 2026

- Invest Agency funding in at least two private sector downtown projects.
- Continue financing the adopted Plan through the debt instrument (Cooperation Agreement) with the City, the bonded debt service, and the collection of property taxes.
- Continue funding administrative and technical services provided to the Agency by the City.
- Continue to fund and provide input for the engineering services agreement of the First Street Project, and prepare for construction of the project in 2025-26.
- Oversee the development of the “Tony’s Building” property.
- Continue to promote the Urban Renewal Incentive Program to developers who need financial support for redeveloping blighted and underused properties in the District.
- Collect payments and track progress on outstanding loans for the Gayer Building and Commodore II Building.

ACCOMPLISHMENTS IN FY 2025

- Sold the third and final Agency-owned storefront of the original “Recreation Building,” located at 213 E. Second Street to private developer, following completion of the proposed indoor/outdoor venue storefront concept.
- Issued a Request for Expressions of Interest on the “Tony’s Building” property, generating three responses.
- Secured City Council approval of a substantial amendment to the Plan, extending the Agency’s spending authority by approximately $6.1 million. This allows expenditure of TIF revenues collected annually between 2026 and 2029, when the District terminates. This assures funding for First Street reconstruction and new Incentive Program projects between 2025 and 2029.
- Identified multiple private projects for Agency investment leading up to 2029.
- Established a tracking mechanism to calculate the impact of multi-year expenditures on Maximum Indebtedness.
- Committed matching grant funds to the City for the development of the Federal Street Plaza.

MAJOR ISSUES TO BE RESOLVED IN THE NEXT 5 YEARS

- Continue to use Urban Renewal funds wisely to leverage new investment within the District boundaries.
- Promote redevelopment by awarding grants and/or loans for redevelopment that will raise property values, remove blight, and improve prosperity within the District.
- Prioritize completion of final capital projects for the Agency.
- Maximize leveraging opportunities for grants and partnerships to meet Plan goals.
- Oversee the completion of the Basalt Commons project.
- Oversee the completion of the First Street Project.
- Assess the need for the creation of future Urban Renewal Districts within the City.

TABLE I - FY 2025-26 Programs & Projects

BUDGET ITEMS	PROJECTS	AMOUNT
Property Rehabilitation		**$3,143,000**
	° Basalt Commons – Incentive Program Funding	$1,000,000
	° Basalt Commons – Development Funding Agreement	$730,000
	° Property Rehabilitation Grant Funding	$1,400,000
	(Incentive Program and Development Funding Agreements)	
	° Interest Subsides: Gayer Building	$13,000
Capital Projects		**$3,834,718**
	° First Street Project – Engineering Services	$60,000
	° Parking Lot redevelopment (3rd/Jefferson)	$484,658
	° First Street Project Construction (Fund 18 Transfer)	$3,200,000
	° Federal Street Plaza Grant Funding Commitment	$150,000

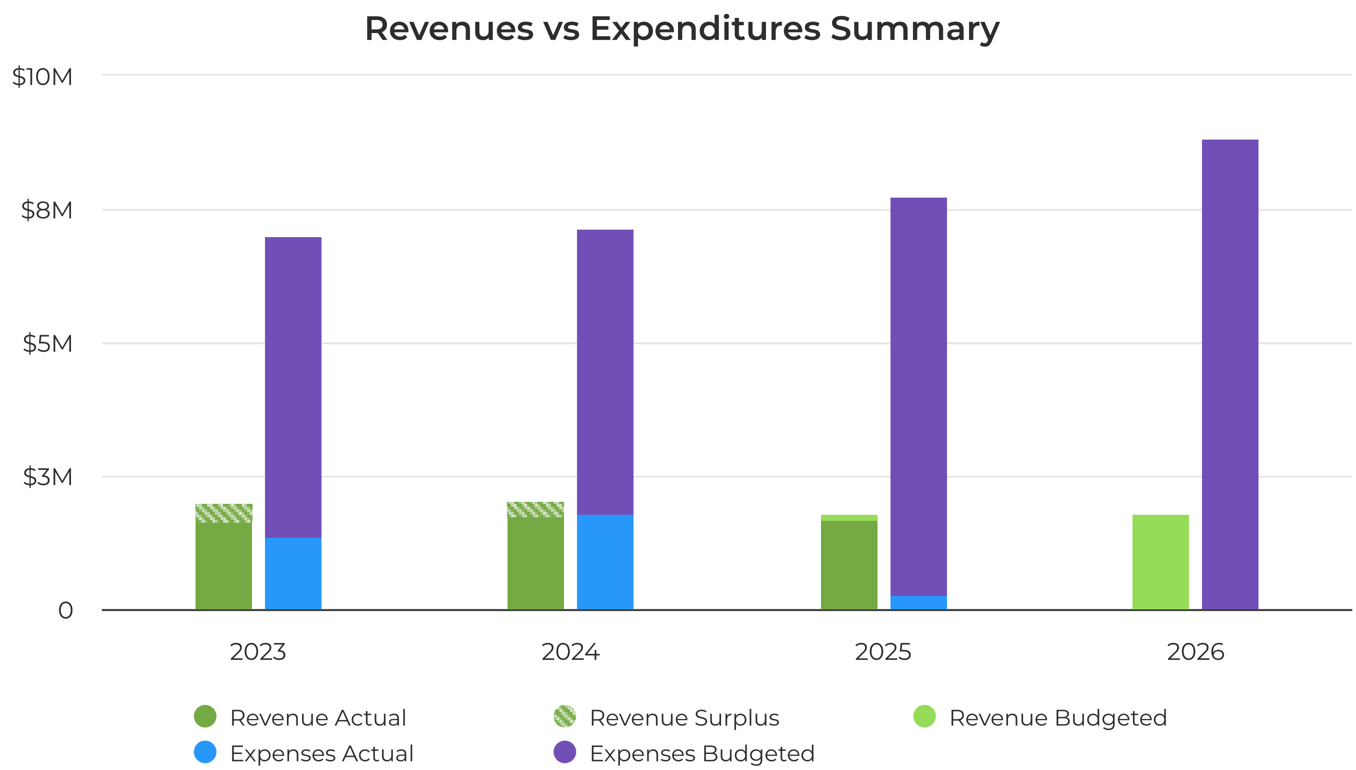
Overview Summary

Financial Resources

The Columbia Gateway Urban Renewal Agency financial resources consist of Beginning Working Capital, Revenues, and Other Financing Sources. The FY 2025-2026 beginning balance of the combined funds is $7,040,789. Revenues consist of property taxes and interest income, and the combined total is $1,810,252.

The property taxes are to be first received in the Debt Service Fund as required by the bond document. If there are revenues from property taxes remaining after debt service requirements have been met, then and only then are the remaining monies received in the Capital Projects Fund. We are anticipating this will happen in the budget for FY 2025-2026.

Proposed Budget

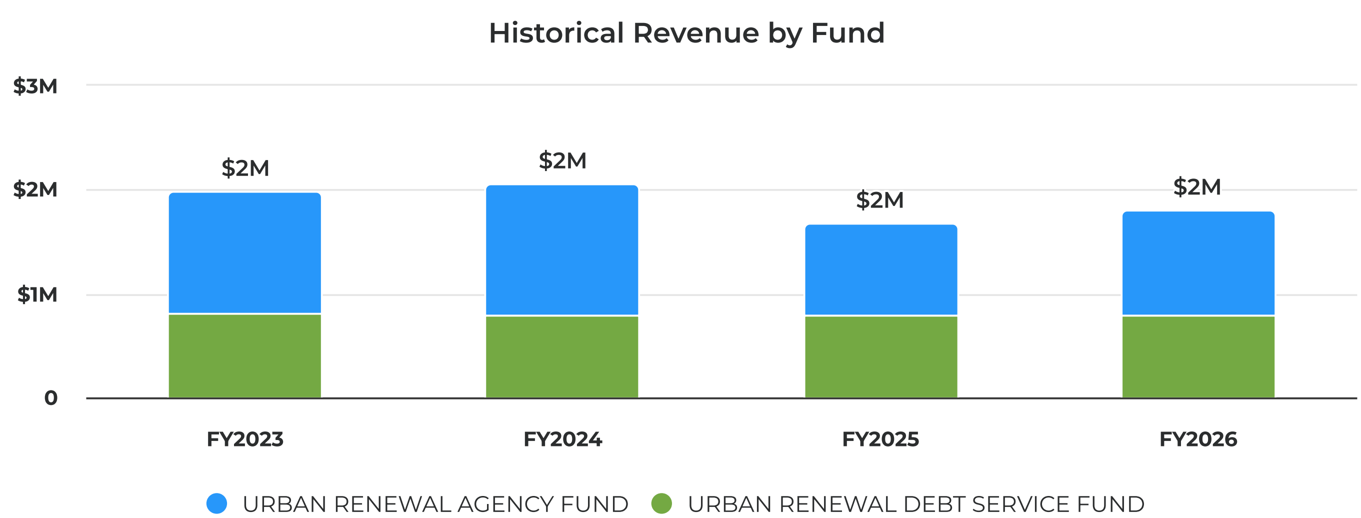


Comprehensive Fund Summary

Comprehensive Fund Summary

Category	FY 2025 Actual	FY 2025 Budget	FY 2026 Budgeted
Beginning Fund Balance	**$6,377,594.00**	**$6,377,594.00**	**-**
Revenues			
MISCELLANEOUS	$2,075.49	$2,200.00	$2,200.00
INTEREST ON INVESTMENTS	$188,326.34	$104,500.00	$114,500.00
URA PROPERTY TAXES	$1,458,391.26	$1,658,828.00	$1,693,552.00
PROCEEDS FROM SALE OF PROPERTY	$25,000.00	$27,825.00	-
Total Revenues	**$1,673,793.09**	**$1,793,353.00**	**$1,810,252.00**
Expenditures			
MATERIALS AND SERVICES	$171,365.31	$2,806,035.00	$3,318,505.00
CAPITAL OUTLAY	-	$3,349,943.00	$3,926,536.00
DEBT SERVICE	$101,444.00	$1,603,925.00	$1,606,000.00
Total Expenditures	**$272,809.31**	**$7,759,903.00**	**$8,851,041.00**
Total Revenues Less Expenditures	**$1,400,983.78**	**-$5,966,550.00**	**-$7,040,789.00**
Ending Fund Balance	**$7,778,577.78**	**$411,044.00**	**-**

Revenues by Fund



Revenues by Revenue Object

Revenues by Revenue Object

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Budgeted
INTEREST REVENUES	$189,441	$316,522	$104,500	$114,500
OTHER MISC REVENUES	$2,568	$5,016	$2,200	$2,200
PROPERTY TAX CURRENT	$1,641,117	$1,604,913	$1,620,628	$1,662,752
PROPERTY TAX PRIOR YEAR	$28,630	$60,501	$35,000	$28,000
UNSEGREGATED TAX INTEREST	$4,590	$4,866	$3,200	$2,800
STATE GRANT	-	$60,000	-	-
LOAN PRINCIPAL REPAYMENT	$122,044	-	$25,000	-
LOAN INTEREST REPAYMENT	$6,665	-	$2,825	-
Total Revenues	**$1,995,056**	**$2,051,819**	**$1,793,353**	**$1,810,252**

Expenditures by Expense Object

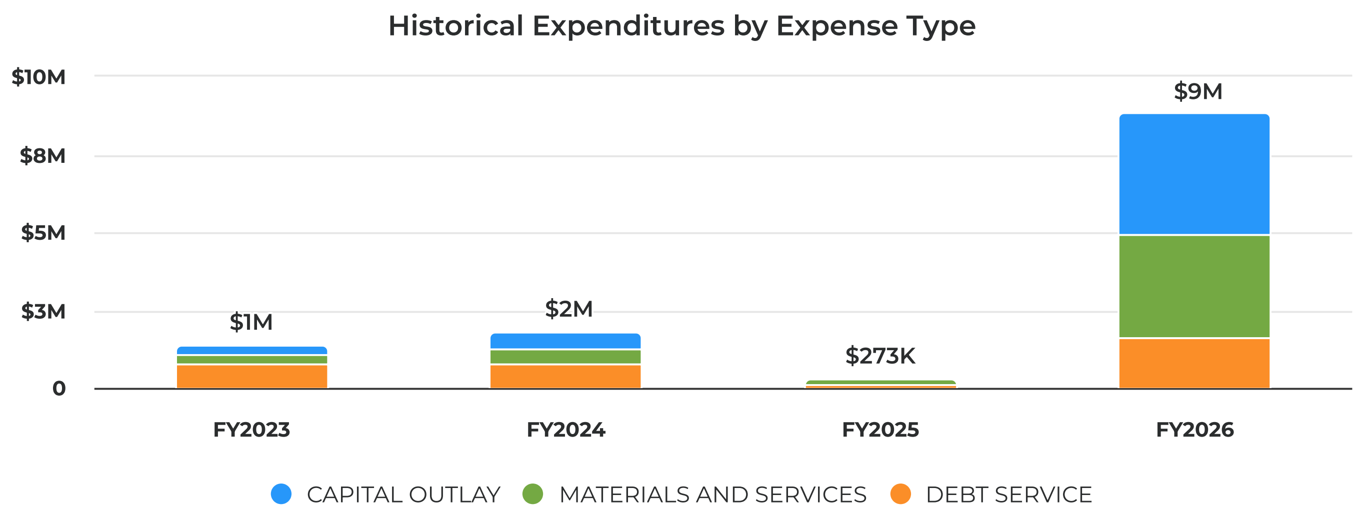
Expenditures by Expense Object

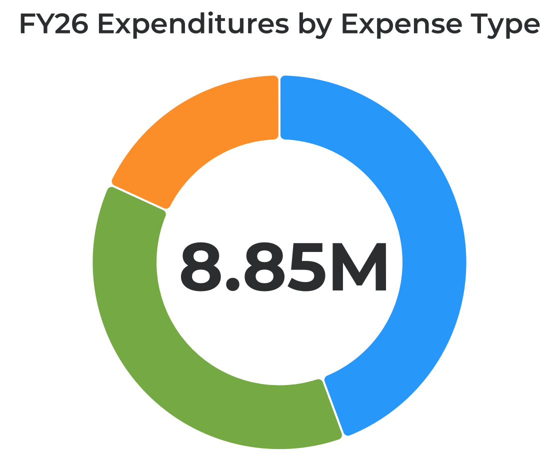
Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Budgeted
CONTRACTUAL SERVICES	$4,427	$2,063	$2,100	$5,205
AUDITING SERVICES	$5,180	$20,350	$5,130	$15,550
FOOD & LODGING	-	-	$1,000	-
TRAINING AND CONFERENCES	-	$120	$500	-
MEMBERSHIPS/DUES/SUBSCRIP	$939	$1,067	$1,250	$1,300
OFFICE SUPPLIES	$464	$649	$200	$200
POSTAGE	$182	$238	$500	$500
ADVERTISING	-	-	$500	$500
LEGAL NOTICES	$871	$615	$500	$500
PROPERTY TAXES	$1,921	$1,937	$2,100	$1,950
RESERVE FOR FUTURE DEBT	-	-	$802,000	$804,000
CONTRACT ADMIN SERVICES	$112,860	$160,498	$140,000	$120,000
URBAN RENEWAL CONSULT	$30,403	$24,083	$25,800	$25,800
PROPERTY REHABILITATION	$95,007	$265,434	$2,618,455	$3,143,000
ELECTRIC	$884	$344	-	-
BUILDINGS & GROUNDS	$9,112	$12,329	$5,000	$1,000
PROPERTY/LIABILITY INS	$1,398	$3,349	$1,800	$1,800
PRINTING	-	-	$1,200	$1,200
CAPITAL PROJECTS BY CITY	$290,352	-	$648,335	$3,894,658
CAPITAL PROJECTS BY UR	-	$515,412	$2,701,608	$31,878
LOAN PRINCIPAL	$575,000	$600,000	$630,000	$660,000
LOAN INTEREST	$227,738	$200,425	$171,925	$142,000
Total Expenditures	**$1,356,738**	**$1,808,912**	**$7,759,903**	**$8,851,041**

Expenditures by Department

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Budgeted
DEBT SERVICE	$802,738	$800,425	$1,603,925	$1,606,000
URBAN RENEWAL	$554,000	$1,008,487	$6,155,978	$7,245,041
Total Expenditures	**$1,356,738**	**$1,808,912**	**$7,759,903**	**$8,851,041**

Expenditures by Expense Type





CAPITAL OUTLAY	**$3,926,536**	44.36%
MATERIALS AND SERVICES	**$3,318,505**	37.49%
DEBT SERVICE	**$1,606,000**	18.14%

Expenditures by Expense Type

Category	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Budgeted
MATERIALS AND SERVICES	$263,648	$493,075	$2,806,035	$3,318,505
CAPITAL OUTLAY	$290,352	$515,412	$3,349,943	$3,926,536
DEBT SERVICE	$802,738	$800,425	$1,603,925	$1,606,000
Total Expenditures	**$1,356,738**	**$1,808,912**	**$7,759,903**	**$8,851,041**

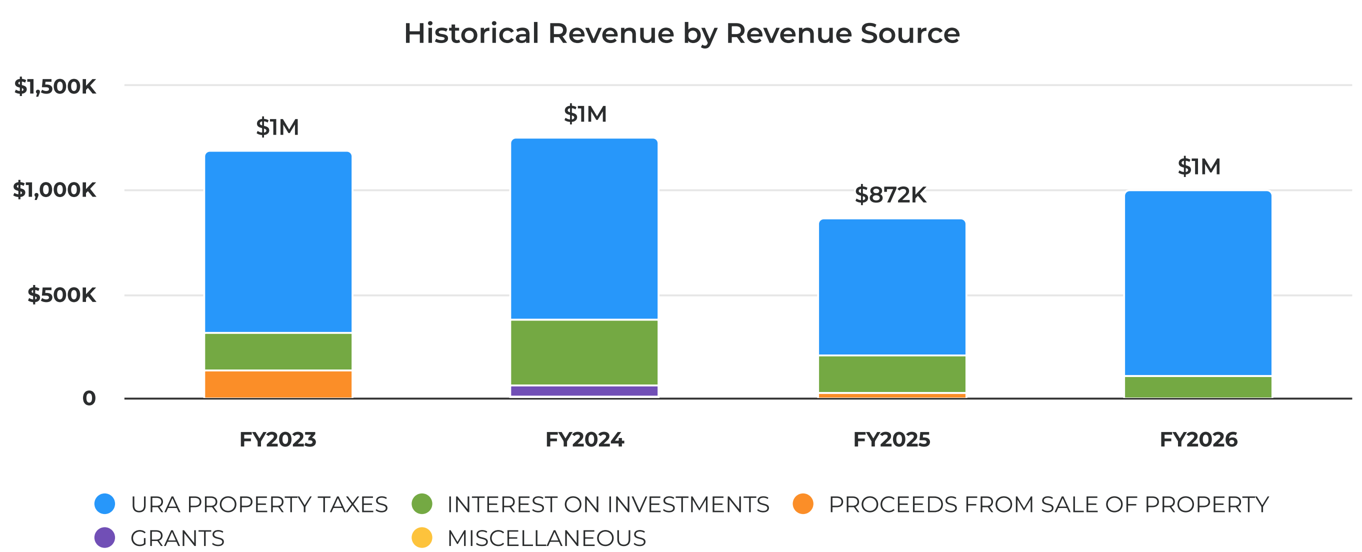
Columbia Gateway Urban Renewal

Urban Renewal Agency Proposed Budget

Comprehensive Fund Summary

Category	FY 2025 Actual	FY 2025 Budget	FY 2026 Budgeted
Beginning Fund Balance	**$5,575,669.00**	**$5,575,669.00**	**-**
Revenues			
MISCELLANEOUS	$2,075.49	$2,200.00	$2,200.00
INTEREST ON INVESTMENTS	$183,826.34	$100,000.00	$110,000.00
URA PROPERTY TAXES	$660,891.26	$861,328.00	$894,052.00
PROCEEDS FROM SALE OF PROPERTY	$25,000.00	$27,825.00	-
Total Revenues	**$871,793.09**	**$991,353.00**	**$1,006,252.00**
Expenditures			
MATERIALS AND SERVICES	$171,365.31	$2,806,035.00	$3,318,505.00
CAPITAL OUTLAY	-	$3,349,943.00	$3,926,536.00
Total Expenditures	**$171,365.31**	**$6,155,978.00**	**$7,245,041.00**
Total Revenues Less Expenditures	**$700,427.78**	**-$5,164,625.00**	**-$6,238,789.00**
Ending Fund Balance	**$6,276,096.78**	**$411,044.00**	**-**

Revenues by Revenue Source



Revenues by Revenue Source

Category	Account ID	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Budgeted
MISCELLANEOUS					
OTHER MISC REVENUES	200-0000-369.00-00	$2,568	$5,016	$2,200	$2,200
Total MISCELLANEOUS		$2,568	$5,016	$2,200	$2,200
INTEREST ON INVESTMENTS					
INTEREST REVENUES	200-0000-361.00-00	$184,641	$311,622	$100,000	$110,000
Only Receives Revenue AFTER All Budgeted Interest Revenue is Received in Fund 210	200-0000-361.00-00	-	-	-	$110,000
Total INTEREST ON INVESTMENTS		$184,641	$311,622	$100,000	$110,000
GRANTS					
STATE GRANT	200-0000-334.90-00	-	$60,000	-	-
Total GRANTS		-	$60,000	-	-
URA PROPERTY TAXES					
PROPERTY TAX - CURRENT	200-0000-311.10-00	$840,179	$810,201	$823,128	$863,252
PROPERTY TAX - PRIOR YEAR	200-0000-311.15-00	$28,630	$60,501	$35,000	$28,000
Average of Prior Years	200-0000-311.15-00	-	-	-	$28,000
UNSEGREGATED TAX INTEREST	200-0000-311.19-00	$4,590	$4,866	$3,200	$2,800
Total URA PROPERTY TAXES		$873,400	$875,569	$861,328	$894,052
PROCEEDS FROM SALE OF PROPERTY					
LOAN PRINCIPAL REPAYMENT	200-0000-373.10-00	$122,044	-	$25,000	-
LOAN INTEREST REPAYMENT	200-0000-373.20-00	$6,665	-	$2,825	-
Total PROCEEDS FROM SALE OF PROPERTY		$128,709	-	$27,825	-
Total Revenues		**$1,189,318**	**$1,252,207**	**$991,353**	**$1,006,252**

Expenditures by Expense Object

Expenditures by Expense Object

Category	Account ID	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Budgeted
CONTRACTUAL SERVICES					
CONTRACTUAL SERVICES	200-6700-000.31-10	$4,427	$2,063	$2,100	$5,205
1/6 Share Of GIS Support To Wasco County $2,000 (See Planning Budget Worksheets)	200-6700-000.31-10	-	-	-	$2,205
Branding	200-6700-000.31-10	-	-	-	$3,000
Total CONTRACTUAL SERVICES		$4,427	$2,063	$2,100	$5,205
AUDITING SERVICES					
AUDITING SERVICES	200-6700-000.32-10	$5,180	$20,350	$5,130	$15,550
Annual Audit	200-6700-000.32-10	-	-	-	$15,170
Add Secretary of State Filing Fee - $380	200-6700-000.32-10	-	-	-	$380
Total AUDITING SERVICES		$5,180	$20,350	$5,130	$15,550
FOOD & LODGING					
FOOD & LODGING	200-6700-000.58-10	-	-	$1,000	-
Total FOOD & LODGING		-	-	$1,000	-
TRAINING AND CONFERENCES					
TRAINING AND CONFERENCES	200-6700-000.58-50	-	$120	$500	-
Total TRAINING AND CONFERENCES		-	$120	$500	-
MEMBERSHIPS/DUES/SUBSCRIP					
MEMBERSHIPS/DUES/SUBSCRIP	200-6700-000.58-70	$939	$1,067	$1,250	$1,300
League Of Oregon Cities	200-6700-000.58-70	-	-	-	$1,300
Total MEMBERSHIPS/DUES/SUBSCRIP		$939	$1,067	$1,250	$1,300
OFFICE SUPPLIES					
OFFICE SUPPLIES	200-6700-000.60-10	$464	$649	$200	$200
Total OFFICE SUPPLIES		$464	$649	$200	$200
POSTAGE					
POSTAGE	200-6700-000.53-20	$182	$238	$500	$500
Total POSTAGE		$182	$238	$500	$500
ADVERTISING					
ADVERTISING	200-6700-000.54-00	-	-	$500	$500

Category	Account ID	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Budgeted
Total ADVERTISING		-	-	$500	$500
LEGAL NOTICES					
LEGAL NOTICES	200-6700-000.53-40	$871	$615	$500	$500
Total LEGAL NOTICES		$871	$615	$500	$500
PROPERTY TAXES					
PROPERTY TAXES	200-6700-000.46-10	$1,921	$1,937	$2,100	$1,950
Commodore II Parking, Other Leased URA Properties; Estimated 3% Increase in FY23/24	200-6700-000.46-10	-	-	-	$1,950
Total PROPERTY TAXES		$1,921	$1,937	$2,100	$1,950
CONTRACT ADMIN SERVICES					
CONTRACT ADMIN SERVICES	200-6700-000.31-15	$112,860	$160,498	$140,000	$120,000
FY25/26 - Wages + Benefits For City Staff: CDD Director, City Attorney, EDO, Support Staff	200-6700-000.31-15	-	-	-	$120,000
Total CONTRACT ADMIN SERVICES		$112,860	$160,498	$140,000	$120,000
URBAN RENEWAL CONSULT					
URBAN RENEWAL CONSULT	200-6700-000.32-60	$30,403	$24,083	$25,800	$25,800
UR Annual Report	200-6700-000.32-60	-	-	-	$800
Legal Consultant	200-6700-000.32-60	-	-	-	$25,000
Total URBAN RENEWAL CONSULT		$30,403	$24,083	$25,800	$25,800
PROPERTY REHABILITATION					
PROPERTY REHABILITATION	200-6700-000.39-10	$95,007	$265,434	$2,618,455	$3,143,000
Gayer Building	200-6700-000.39-10	-	-	-	$13,000
Basalt Commons - Development Funding Agreement	200-6700-000.39-10	-	-	-	$730,000
Basalt Commons - Incentive Program Funding	200-6700-000.39-10	-	-	-	$1,000,000
Grants (Incentive Program and Development Funding Agreements)	200-6700-000.39-10	-	-	-	$1,400,000
Total PROPERTY REHABILITATION		$95,007	$265,434	$2,618,455	$3,143,000
ELECTRIC					
ELECTRIC	200-6700-000.41-40	$884	$344	-	-
Total ELECTRIC		$884	$344	-	-
BUILDINGS & GROUNDS					
BUILDINGS & GROUNDS	200-6700-000.43-10	$9,112	$12,329	$5,000	$1,000

Category	Account ID	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Budgeted
Miscellaneous Repair And Evaluation On Agency - Owned	200-6700-000.43-10	-	-	-	$1,000
Total BUILDINGS & GROUNDS		$9,112	$12,329	$5,000	$1,000
PROPERTY/LIABILITY INS					
PROPERTY/LIABILITY INS	200-6700-000.52-10	$1,398	$3,349	$1,800	$1,800
Tony's Building	200-6700-000.52-10	-	-	-	$1,800
Total PROPERTY/LIABILITY INS		$1,398	$3,349	$1,800	$1,800
PRINTING					
PRINTING	200-6700-000.55-00	-	-	$1,200	$1,200
Total PRINTING		-	-	$1,200	$1,200
CAPITAL PROJECTS BY CITY					
CAPITAL PROJECTS BY CITY	200-6700-000.75-10	$290,352	-	$648,335	$3,894,658
Fund 18 Transfer For Estimated Costs: First Street Project	200-6700-000.75-10	-	-	-	$60,000
Fund 18 Transfer: Parking Lot Redevelopment (3rd/Jefferson)	200-6700-000.75-10	-	-	-	$484,658
Fund 18 Transfer: First Street Construction	200-6700-000.75-10	-	-	-	$3,200,000
Fund 18 Transfer: Federal Street Plaza Match	200-6700-000.75-10	-	-	-	$150,000
Total CAPITAL PROJECTS BY CITY		$290,352	-	$648,335	$3,894,658
CAPITAL PROJECTS BY UR					
CAPITAL PROJECTS BY UR	200-6700-000.75-20	-	$515,412	$2,701,608	$31,878
Opportunity Driven Projects	200-6700-000.75-20	-	-	-	$31,878
Total CAPITAL PROJECTS BY UR		-	$515,412	$2,701,608	$31,878
Total Expenditures		**$554,000**	**$1,008,487**	**$6,155,978**	**$7,245,041**

Urban Renewal Agency

DEBT SERVICE FUND

MISSION

The mission of the Debt Service Fund is to maintain the one-year reserve payment and to continue to make principal and interest payments on the bonded debt.

DESCRIPTION

The requirement of the bond document calls for all property taxes of the Urban Renewal Agency to be received in this fund before any of these financial resources are directed elsewhere. The revenues, along with the working capital amount of this fund, must be present for payment of debt when it is required. All recommended budgets meet this requirement.

2025-2026 Goals, Projects and Highlights

- A continuation of paying for debt created by bonded debt.

2024-2025 Accomplishments/Comments

- Debt payments made.

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Fiscal Year 2025-2026 Proposed Budget

Comprehensive Fund Summary

Debt Service Fund Summary

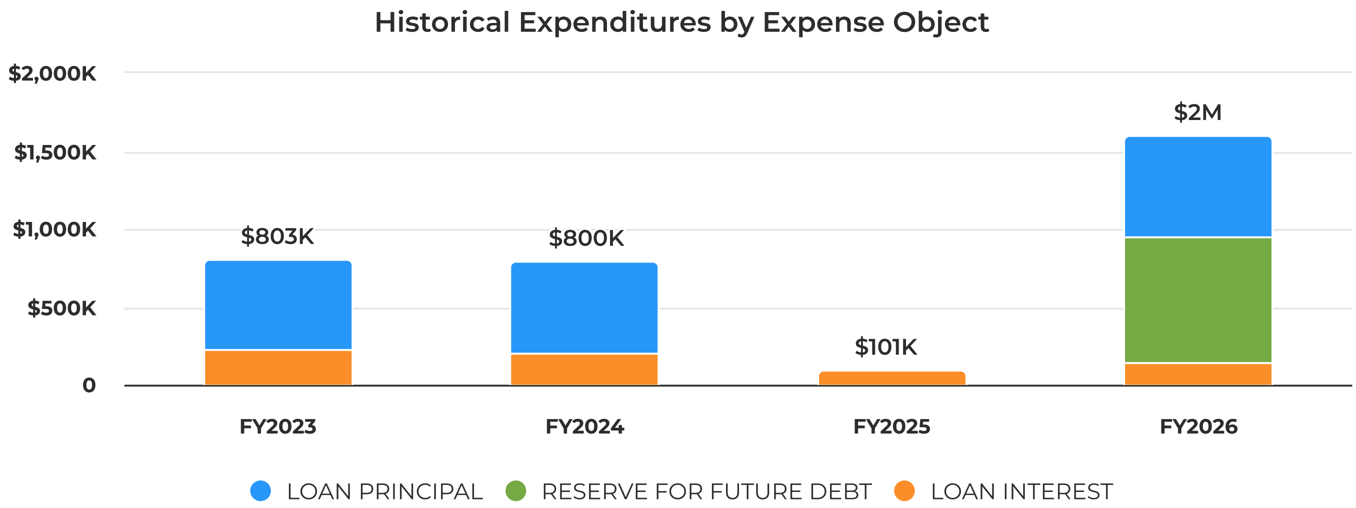
Category	FY 2025 Actual	FY 2025 Budget	FY 2026 Budgeted
Beginning Fund Balance	**$801,925.00**	**$801,925.00**	-
Revenues			
INTEREST ON INVESTMENTS	$4,500.00	$4,500.00	$4,500.00
URA PROPERTY TAXES	$797,500.00	$797,500.00	$799,500.00
Total Revenues	**$802,000.00**	**$802,000.00**	**$804,000.00**
Expenditures			
DEBT SERVICE	$101,444.00	$1,603,925.00	$1,606,000.00
Total Expenditures	**$101,444.00**	**$1,603,925.00**	**$1,606,000.00**
Total Revenues Less Expenditures	**$700,556.00**	**-$801,925.00**	**-$802,000.00**
Ending Fund Balance	**$1,502,481.00**	-	-

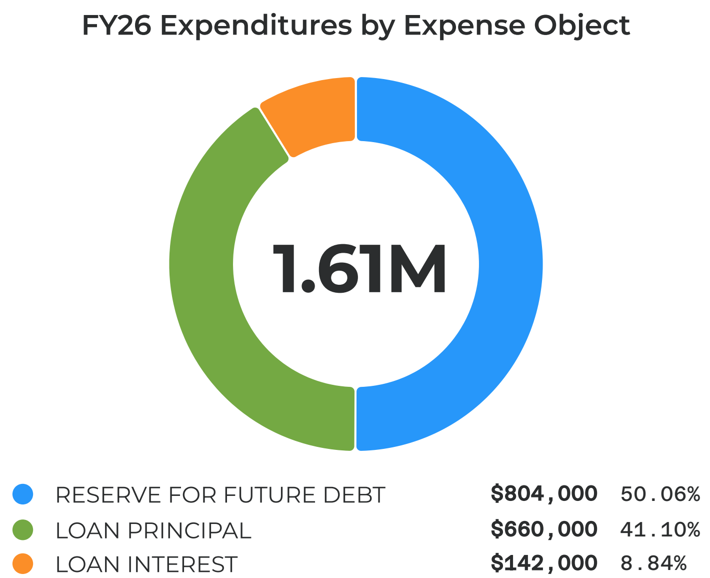
Revenues by Revenue Source

Revenues by Revenue Source

Category	Account ID	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Budgeted
INTEREST ON INVESTMENTS					
INTEREST REVENUES	210-0000-361.00-00	$4,800	$4,900	$4,500	$4,500
Total INTEREST ON INVESTMENTS		$4,800	$4,900	$4,500	$4,500
URA PROPERTY TAXES					
PROPERTY TAX - CURRENT	210-0000-311.10-00	$800,938	$794,712	$797,500	$799,500
Total URA PROPERTY TAXES		$800,938	$794,712	$797,500	$799,500
Total Revenues		**$805,738**	**$799,612**	**$802,000**	**$804,000**

Expenditures by Expense Object





Expenditures by Expense Object

Category	Account ID	FY 2023 Actual	FY 2024 Actual	FY 2025 Budget	FY 2026 Budgeted
RESERVE FOR FUTURE DEBT					
RESERVE FOR FUTURE DEBT	210-6600-000.79-80	-	-	$802,000	$804,000
Total RESERVE FOR FUTURE DEBT		-	-	$802,000	$804,000
LOAN PRINCIPAL					
LOAN PRINCIPAL	210-6600-000.79-30	$575,000	$600,000	$630,000	$660,000
Total LOAN PRINCIPAL		$575,000	$600,000	$630,000	$660,000
LOAN INTEREST					
LOAN INTEREST	210-6600-000.79-40	$227,738	$200,425	$171,925	$142,000
Total LOAN INTEREST		$227,738	$200,425	$171,925	$142,000
Total Expenditures		**$802,738**	**$800,425**	**$1,603,925**	**$1,606,000**

TABLE II

FY 2025-26 BOND DEBT SERVICES – URBAN REWENAL OBLIGATIONS

Fiscal Year	UR Share of Principal	UR Share of Interest	Total UR Share of 2009 FFCO	UR Interest Share – 84.4%
FY09/10	185,000	274,519	459,519	387,834
FY10/11	370,000	431,738	801,738	676,667
FY11/12	380,000	424,338	804,338	678,861
FY12/13	390,000	412,938	802,938	677,680
FY13/14	400,000	401,238	801,238	676,245
FY14/15	415,000	386,238	801,238	676,245
FY15/16	430,000	373,788	803,788	678,397
FY16/17	445,000	356,588	801,588	676,540
FY17/18	465,000	338,788	803,788	678,397
FY18/19	485,000	315,538	800,538	675,654
FY19/20	510,000	291,288	801,288	676,287
FY20/21	535,000	270,888	805,888	680,169
FY21/22	550,000	249,738	799,738	674,979

FY22/23	575,000	227,738	802,738	677,511
FY23/24	600,000	200,425	800,425	675,559
FY24/25	630,000	171,925	801,925	676,825
FY25/26	***660,000***	***142,000***	***802,000***	***676,888***
FY26/27	695,000	109,000	804,000	678,576
FY27/28	725,000	74,250	799,250	674,567
FY28/29	760,000	38,000	798,000	673,512
TOTALS	10,205,000	5,490,963	15,695,963	13,247,393

Glossary

Abatement: A reduction or elimination of a real or personal property tax, motor vehicle excise, a fee, charge, or special assessment imposed by a governmental unit. Granted only on application of the person seeking the abatement and only by the committing governmental unit.

Accounting System: The total structure of records and procedures that identify record, classify, and report information on the financial position and operations of a governmental unit or any of its funds, account groups, and organizational components.

Accrued Interest: The amount of interest that has accumulated on the debt since the date of the last interest payment, and on the sale of a bond, the amount accrued up to but not including the date of delivery (settlement date). (See Interest)

ACFR: Annual Comprehensive Financial Report - A detailed report of an organization's financial activities and performance over the fiscal year.

Amortization: The gradual repayment of an obligation over time and in accordance with a predetermined payment schedule.

Appropriation: A legal authorization from the community's legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Arbitrage: As applied to municipal debt, the investment of tax-exempt bonds or note proceeds in higher yielding, taxable securities. Section 103 of the Internal Revenue Service (IRS) Code restricts this practice and requires (beyond certain limits) that earnings be rebated (paid) to the IRS.

Assessed Valuation: A value assigned to real estate or other property by a government as the basis for levying taxes.

Assets: Items owned by an organization that have economic value, such as cash, investments, property, and equipment.

Audit: An examination of a community's financial systems, procedures, and data by a certified public accountant (independent auditor), and a report on the fairness of financial statements and on local compliance with statutes and regulations. The audit serves as a valuable management tool in evaluating the fiscal performance of a community.

Audit Report: Prepared by an independent auditor, an audit report includes: (a) a statement of the scope of the audit; (b) explanatory comments as to application of auditing procedures; (c) findings and opinions. It is almost always accompanied by a management letter which contains supplementary comments and recommendations.

Available Funds: Balances in the various fund types that represent non-recurring revenue sources. As a matter of sound practice, they are frequently appropriated to meet unforeseen expenses, for capital expenditures or other one-time costs.

Balance Sheet: A statement that discloses the assets, liabilities, reserves and equities of a fund or governmental unit at a specified date.

Betterments (Special Assessments): Whenever a specific area of a community receives benefit from a public improvement (e.g., water, sewer, sidewalk, etc.), special property taxes may be assessed to reimburse the governmental entity for all or part of the costs it incurred. Each parcel receiving benefit from the improvement is assessed for its proportionate share of the cost of such improvements. The proportionate share may be paid in full or the property owner may request that the assessors apportion the betterment over 20 years. Over the life of the betterment, one year's apportionment along with one year's committed interest computed from October 1 to October 1 is added to the tax bill until the betterment has been paid.

Bond: A means to raise money through the issuance of debt. A bond issuer/borrower promises in writing to repay a specified sum of money, alternately referred to as face value, par value or bond principal, to the buyer of the bond on a specified future date (maturity date), together with periodic interest at a specified rate. The term of a bond is always greater than one year. (See Note)

Bond and Interest Record: (Bond Register) – The permanent and complete record maintained by a treasurer for each bond issue. It shows the amount of interest and principal coming due each date and all other pertinent information concerning the bond issue.

Bonds Authorized and Unissued: Balance of a bond authorization not yet sold. Upon completion or abandonment of a project, any remaining balance of authorized and unissued bonds may not be used for other purposes, but must be rescinded by the community's legislative body to be removed from community's books.

Bond Issue: Generally, the sale of a certain number of bonds at one time by a governmental unit.

Bond Rating (Municipal): A credit rating assigned to a municipality to help investors assess the future ability, legal obligation, and willingness of the municipality (bond issuer) to make timely debt service payments. Stated otherwise, a rating helps prospective investors determine the level of risk associated with a given fixed-income investment. Rating agencies, such as Moody's and Standard and Poors, use rating systems, which designate a letter or a combination of letters and numerals where AAA is the highest rating and C1 is a very low rating.

Budget: A plan for allocating resources to support particular services, purposes and functions over a specified period of time. (See Performance Budget, Program Budget)

Capital Assets: All real and tangible property used in the operation of government, which is not easily converted into cash, and has an initial useful live extending beyond a single financial reporting period. Capital assets include land and land improvements; infrastructure such as roads, bridges, water and sewer lines; easements; buildings and building improvements; vehicles, machinery and equipment. Communities typically define capital assets in terms of a minimum useful life and a minimum initial cost. (See Fixed Assets)

Capital Budget: An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. Among other information, a capital budget should identify the method of financing each recommended expenditure, i.e., tax levy or rates, and identify those items that were not recommended. (See Capital Assets, Fixed Assets)

Cash: Currency, coin, checks, postal and express money orders and bankers' drafts on hand or on deposit with an official or agent designated as custodian of cash and bank deposits.

Cash Flow: The movement of money into or out of an organization, showing its liquidity and ability to meet financial obligations.

Cash Management: The process of monitoring the ebb and flow of money in an out of municipal accounts to ensure cash availability to pay bills and to facilitate decisions on the need for short- term borrowing and investment of idle cash.

Certificate of Deposit (CD): A bank deposit evidenced by a negotiable or non-negotiable instrument, which provides on its face that the amount of such deposit plus a specified interest payable to a bearer or to any specified person on a certain specified date, at the expiration of a certain specified time, or upon notice in writing.

Classification of Real Property: Assessors are required to classify all real property according to use into one of four classes: residential, open space, commercial, and industrial. Having classified its real properties, local officials are permitted to determine locally, within limitations established by statute and the Commissioner of Revenue, what percentage of the tax burden is to be borne by each class of real property and by personal property owners.

Collective Bargaining: The process of negotiating workers' wages, hours, benefits, working conditions, etc., between an employer and some or all of its employees, who are represented by a recognized labor union, regarding wages, hours and working conditions.

Compliance: Adherence to relevant laws, regulations, and internal policies governing financial reporting and operations.

Consumer Price Index: The statistical measure of changes, if any, in the overall price level of consumer goods and services. The index is often called the "cost-of-living index."

Cost-Benefit Analysis: A decision-making tool that allows a comparison of options based on the level of benefit derived and the cost to achieve the benefit from different alternatives.

Debt Burden: The amount of debt carried by an issuer usually expressed as a measure of value (i.e., debt as a percentage of assessed value, debt per capita, etc.). Sometimes debt burden refers to debt service costs as a percentage of the total annual budget.

Debt Service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Encumbrance: A reservation of funds to cover obligations arising from purchase orders, contracts, or salary commitments that are chargeable to, but not yet paid from, a specific appropriation account.

Enterprise Funds: An enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of total costs of a service that is recovered through user charges and the portion that is subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery — direct, indirect, and capital costs — are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus" or net assets unrestricted generated by the operation of the enterprise rather than closing it out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services.

Equalized Valuations (EQVs): The determination of the full and fair cash value of all property in the community that is subject to local taxation.

Equity: The residual interest in the assets of an organization after deducting liabilities, representing the owners' stake in the business.

Estimated Receipts: A term that typically refers to anticipated local revenues often based on the previous year's receipts and represent funding sources necessary to support a community's annual budget. (See Local Receipts)

Exemptions: A discharge, established by statute, from the obligation to pay all or a portion of a property tax. The exemption is available to particular categories of property or persons upon the timely submission and approval of an application to the assessors. Properties exempt from taxation include hospitals, schools, houses of worship, and cultural institutions. Persons who may qualify for exemptions include disabled veterans, blind individuals, surviving spouses, and seniors.

Expenditure: An outlay of money made by municipalities to provide the programs and services within their approved budget.

Fiduciary Funds: Repository of money held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds. These include pension (and other employee benefit) trust funds, investment trust funds, private- purpose trust funds, and agency funds.

Financial Statements: Reports summarizing an organization's financial activities and position, including the balance sheet, income statement, and cash flow statement.

Fiscal Year: The 12-month period for which an organization plans the use of its funds, typically not the same as the calendar year.

Fixed Assets: Long-lived, assets such as buildings, equipment and land obtained or controlled as a result of past transactions or circumstances.

Fixed Costs: Costs that are legally or contractually mandated such as retirement, FICA/Social Security, insurance, debt service costs or interest on loans.

Float: The difference between the bank balance for a local government's account and its book balance at the end of the day. The primary factor creating float is clearing time on checks and deposits. Delays in receiving deposit and withdrawal information also influence float.

Full Faith and Credit: A pledge of the general taxing powers for the payment of governmental obligations. Bonds carrying such pledges are usually referred to as general obligation or full faith and credit bonds.

Fund: An accounting entity with a self-balancing set of accounts that are segregated for the purpose of carrying on identified activities or attaining certain objectives in accordance with specific regulations, restrictions, or limitations.

Fund Accounting: Organizing financial records into multiple, segregated locations for money. A fund is a distinct entity within the municipal government in which financial resources and activity (assets, liabilities, fund balances, revenues, and expenditures) are accounted for independently in accordance with specific regulations, restrictions or limitations. Examples of funds include the general fund and enterprise funds. Communities whose accounting records are organized according to the Uniform Municipal Accounting System (UMAS) use multiple funds.

GAAP: Generally Accepted Accounting Principles - Standard accounting principles, standards, and procedures that companies use to compile their financial statements.

GASB 34: A major pronouncement of the Governmental Accounting Standards Board that establishes new criteria on the form and content of governmental financial statements. GASB 34 requires a report on overall financial health, not just on individual funds. It requires more complete information on the cost of delivering value estimates on public infrastructure assets, such as bridges, road, sewers, etc. It also requires the presentation of a narrative statement the government's financial performance, trends and prospects for the future.

GASB 45: This is another Governmental Accounting Standards Board major pronouncement that each public entity account for and report other postemployment benefits in its accounting statements. Through actuarial analysis, municipalities must identify the true costs of the OPEB earned by employees over their estimated years of actual service.

General Fund: The fund used to account for most financial resources and activities governed by the normal appropriation process.

General Obligation Bonds: Bonds issued by a municipality for purposes allowed by statute that are backed by the full faith and credit of its taxing authority.

Governing Body: A board, committee, commission, or other executive or policymaking body of a municipality or school district.

Indirect Cost: Costs of a service not reflected in the operating budget of the entity providing the service. An example of an indirect cost of providing water service would be the value of time spent by non-water department employees processing water bills. A determination of these costs is necessary to analyze the total cost of service delivery. The matter of indirect costs arises most often in the context of enterprise funds.

Internal Controls: Policies and procedures implemented by an organization to ensure the reliability of financial reporting and compliance with laws and regulations, aiming to prevent fraud and errors.

Interest: Compensation paid or to be paid for the use of money, including amounts payable at periodic intervals or discounted at the time a loan is made. In the case of municipal bonds, interest payments accrue on a day-to-day basis, but are paid every six months.

Interest Rate: The interest payable, expressed as a percentage of the principal available for use during a specified period of time. It is always expressed in annual terms.

Investments: Securities and real estate held for the production of income in the form of interest, dividends, rentals or lease payments. The term does not include fixed assets used in governmental operations.

Liabilities: Debts or obligations owed by an organization, including loans, accounts payable, and accrued expenses.

Line Item Budget: A budget that separates spending into categories, or greater detail, such as supplies, equipment, maintenance, or salaries, as opposed to a program budget.

Local Aid: Revenue allocated by the state or counties to municipalities and school districts.

Maturity Date: The date that the principal of a bond becomes due and payable in full.

Municipal(s): (As used in the bond trade) "Municipal" refers to any state or subordinate governmental unit. "Municipals" (i.e., municipal bonds) include not only the bonds of all political subdivisions, such as cities, towns, school districts, special districts, counties but also bonds of the state and agencies of the state.

Net Income: The difference between an organization's revenues and expenses, representing its profit or loss for a specific period.

Note: A short-term loan, typically with a maturity date of a year or less.

Objects of Expenditures: A classification of expenditures that is used for coding any department disbursement, such as “personal services,” “expenses,” or “capital outlay.”

Official Statement: A document prepared for potential investors that contains information about a prospective bond or note issue and the issuer. The official statement is typically published with the notice of sale. It is sometimes called an offering circular or prospectus.

Operating Budget: A plan of proposed expenditures for personnel, supplies, and other expenses for the coming fiscal year.

Overlapping Debt: A community's proportionate share of the debt incurred by an overlapping government entity, such as a regional school district, regional transit authority, etc.

Performance Budget: A budget that stresses output both in terms of economy and efficiency.

Principal: The face amount of a bond, exclusive of accrued interest.

Program: A combination of activities to accomplish an end.

Program Budget: A budget that relates expenditures to the programs they fund. The emphasis of a program budget is on output.

Proprietary Funds: Funds used to record the financial transactions of governmental entities when they engage in activities that are intended to recover the cost of providing goods or services to the general public on a user-fee basis.

Purchased Services: The cost of services that are provided by a vendor.

Refunding of Debt: Transaction where one bond issue is redeemed and replaced by a new bond issue under conditions generally more favorable to the issuer.

Reserve Fund: An amount set aside annually within the budget of a town to provide a funding source for extraordinary or unforeseen expenditures.

Revaluation: The assessors of each community are responsible for developing a reasonable and realistic program to achieve the fair cash valuation of property in accordance with constitutional and statutory requirements. The nature and extent of that program will depend on the assessors' analysis and consideration of many factors, including, but not limited to, the status of the existing valuation system, the results of an in-depth sales ratio study, and the accuracy of existing property record information.

Revenues: Inflows of resources or other enhancements of assets of an organization, usually from sales of goods or services.

Revenue Anticipation Note (RAN): A short-term loan issued to be paid off by revenues, such as tax collections and state aid. RANs are full faith and credit obligations.

Revenue Bond: A bond payable from and secured solely by specific revenues and thereby not a full faith and credit obligation.

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

Sale of Real Estate Fund: A fund established to account for the proceeds of the sale of municipal real estate other than proceeds acquired through tax title foreclosure.

Stabilization Fund: A fund designed to accumulate amounts for capital and other future spending purposes, although it may be appropriated for any lawful purpose.

Surplus Revenue: The amount by which cash, accounts receivable, and other assets exceed liabilities and reserves.

Tax Rate: The amount of property tax stated in terms of a unit of the municipal tax base; for example, $14.80 per $1,000 of assessed valuation of taxable real and personal property.

Tax Title Foreclosure: The procedure initiated by a municipality to obtain legal title to real property already in tax title and on which property taxes are overdue.

Trust Fund: In general, a fund for money donated or transferred to a municipality with specific instructions on its use. As custodian of trust funds, the treasurer invests and expends such funds as stipulated by trust agreements, as directed by the commissioners of trust funds or by the community's legislative body. Both principal and interest may be used if the trust is established as an expendable trust. For nonexpendable trust funds, only interest (not principal) may be expended as directed.

Uncollected Funds: Recently deposited checks included in an account's balance but drawn on other banks and not yet credited by the Federal Reserve Bank or local clearinghouse to the bank cashing the checks. (These funds may not be loaned or used as part of the bank’s reserves and they are not available for disbursement.)

Undesignated Fund Balance: Monies in the various government funds as of the end of the fiscal year that are neither encumbered nor reserved, and are therefore available for expenditure once certified as part of free cash.

Unreserved Fund Balance (Surplus Revenue Account): The amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. It is akin to a "stockholders’ equity" account on a corporate balance sheet. It is not, however, available for appropriation in full because a portion of the assets listed as "accounts receivable" may be taxes receivable and uncollected. (See Free Cash)

Valuation (100 Percent): The legal requirement that a community’s assessed value on property must reflect its market, or full and fair cash value.