



## ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30<sup>TH</sup>, 2019

### 2018/2019 Gladstone Urban Renewal Agency

*This report fulfills the requirements, prescribed in ORS 457.460, for the filing of an annual report detailing the financial activity of an urban renewal area established in Oregon.*

### Urban Renewal Agency Background

The Gladstone Urban Renewal Agency (the Agency) was organized October 11, 1988 to provide rehabilitation of blighted and deteriorated areas within the Agency's designated urban area (the area).

The frozen base assessed value of the area is \$10,050,413. The FY 2018/2019 total assessed value is \$80,283,611. The excess value, or the value on which taxes could be paid to the Agency in FY 2018/2019 is \$70,233,198.

The Agency is a separate legal and financial entity, governed by the members of the City of Gladstone City Council.

### Financial Reporting

Pursuant to ORS 457.460, a detailed accounting of the financial activity related to urban renewal area is required to be reported on an annual basis. The following information responds to the requirements of this statute.

### Money Received

In FY 2018/2019, the Agency received a total of \$8,125,021 in revenues and transfers from the City of Gladstone, as detailed below:

Table 1.

Revenues	FY 2018/2019
Division of taxes	\$ 967,647
Interest earnings	357,374
Debt issuance	3,800,000
Transfer from City of Gladstone	3,000,000
<b>Total Funding Sources</b>	<b>\$ 8,125,021</b>

Source: Urban Renewal Agency of the City of Gladstone Annual Financial Report Year Ended June 30, 2019 Pg. 9

The transfer received from the City of Gladstone came from the General Fund financing for the City of Gladstone Civic Center.

### Money Expended

Expenditures in FY 2018/2019 on urban renewal activity are shown below:

Table 2.

<b>Expenditures</b>	<b>FY 2018/2019</b>
District operations	\$ 11,346
Debt service	57,125
Transfers to City of Gladstone	2,797,044
<b>Total Expenditures</b>	<b>\$ 2,865,515</b>

Source: Urban Renewal Agency of the City of Gladstone Annual Financial Report Year Ended June 30, 2019 Pg 9

The transfers made to the City of Gladstone are financing the construction of the City of Gladstone Civic Center (completion date of April, 2020) and payment of the General Fund debt service.

### Estimated Revenues

The estimated tax revenues from the 2019-2021 Gladstone Urban Renewal Agency Adopted Biennium Budget for FY 2019/2020 are \$935,000.

### Proposed Budget for Current Fiscal Year, FY 2019/2020

A summarized budget listing the resources to be received, appropriations to be incurred, and transfers to be made to the City of Gladstone for completion of the Gladstone Civic Center and General Fund debt service, are shown below:

Table 3.

<b>Resources</b>	<b>FY 2019/2020</b>
Beginning Fund Balance	\$ 14,756,000
Division of taxes	935,000
Interest earnings	10,000
<b>Total Resources</b>	<b>\$ 15,701,000</b>
<b>Requirements</b>	
Materials and services	\$ 24,500
Debt service	538,741
Transfers out – General Fund	245,343
Transfers out – Civic Center Project	12,766,000
Contingency funds	2,126,416
<b>Total Requirements</b>	<b>\$ 15,701,000</b>

Source: Urban Renewal Agency of the City of Gladstone 2019-2021 Biennium Adopted Budget Pg. 4

### Maximum Indebtedness

The maximum indebtedness for the Gladstone Urban Renewal Plan, adjusted for inflation, is \$23,589,427. The maximum indebtedness is the total amount of funds that can be spent on projects, programs and administration in the urban renewal area over the life of the plan. The remaining amount of maximum indebtedness, as of June 30, 2019, is \$13,369,888.

### Impact on Taxing Districts

The Agency receives revenue by applying property tax rates to the current fiscal year assessed value above the frozen assessed value in FY 19 (\$70,233,198). The revenues forgone by local taxing districts due to urban renewal are shown below.

Table 4.

<b>Taxing Jurisdiction</b>	<b>Foregone Revenue</b>
Clackamas County	\$ 170,337
County Extension & 4-H	3,482
County Library	28,148
County Soil Conservation District	3,482
City of Gladstone	341,449
Clackamas ESD	26,116
Clackamas Community College	39,562
Port of Portland	4,933
Gladstone School District	344,633
Oregon City School District	154
Metro	6,771
Vector Control	387
<b>Total</b>	<b>\$ 969,454</b>

Source: FY 2018/2019 SAL 4e from Clackamas County Assessor



**City of Gladstone Civic Center**