



City of Florence
A City in Motion

Florence Urban Renewal Agency (FURA) Regular Meeting

Florence City Hall
250 Hwy 101
Florence, OR 97439
541-997-3437
www.ci.florence.or.us

- Meeting materials including information on each agenda item are published at least 24 hours prior to the meeting, and can be found on the City of Florence website at www.ci.florence.or.us/urbanrenewal.
- Items distributed during the meeting and meeting minutes are posted to the City's website at www.ci.florence.or.us/urbanrenewal as soon as practicable after the meeting.
- To be notified of Urban Renewal meetings via email, please visit online at www.ci.florence.or.us/newsletters/subscriptions.

June 30, 2020

AGENDA

5:30 p.m.

FURA Directors:
Vice-Chair Mike Webb
Ron Caputo

Chairperson, Bill Meyer
John Scott
Vacant

Joe Henry
Carmela West

Ron Preisler
Woody Woodbury

With 48-hour prior notice, an interpreter and/or TDY: 541-997-3437, can be provided for the hearing impaired.
Meeting is wheelchair accessible.

Proceedings are shown live and for rebroadcast on Cable Channel 191 and online at www.ci.florence.or.us/citymanager/public-meetings-live and will be available after the meeting on the City's Vimeo Site.

COVID-19 UPDATE

Due to federal and state restrictions on public gatherings, the Florence Urban Renewal Agency meetings shall be held via videoconference. Members of the public can listen and view the meeting through the 'GoToWebinar' platform at the following link:

<https://attendee.gotowebinar.com/register/540039910216811115>

Meetings are also shown live on Cable Channel 191 and online at and shown live on Cable Channel 191 and online at <https://www.ci.florence.or.us/citymanager/public-meetings-live>.

In person attendance is not allowed at Florence Urban Renewal Agency meetings.

In accordance with Oregon Governor's Office Executive Order No. 20-16, to protect safety and ensure social distancing, members of the public will not be allowed to attend the FURA meeting.

Citizens wishing to express their views may do so in one of the ways shown at the end of this agenda.

CALL TO ORDER – ROLL CALL

5:30 p.m.

1. APPROVAL OF AGENDA

Bill Meyer
Chairperson

2. PUBLIC COMMENTS

This is an opportunity for members of the audience to bring to the Agency's attention any item not otherwise listed on the Agenda. Comments will be limited to three (3) minutes per person, with a maximum time of 15 minutes for all items. Speakers may not yield their time to others.

Bill Meyer
Chairperson

ACTION ITEMS

3. TEMPORARY COVID-19 PUBLIC MEETING PROCEDURES

Review and consider approval of updates to the temporary COVID-19 public meeting procedures to allow for additional verbal public comments during Urban Renewal meetings.

Kelli Weese
City Recorder

4. APPROVAL OF MINUTES

Consider approval of the Florence Urban Renewal Agency meeting minutes of January 22, 2020, February 26, 2020, and May 27, 2020.

Megan Messmer
AIC City Manager

5. AUDITED FINANCIAL STATEMENTS

Receive fiscal year 2018-2019 audited financial statements.

Megan Messmer
AIC City Manager

6. RESOLUTION DECLARING TAX INCREMENT

Consider adoption of **Resolution No. 1, Series 2020**, a resolution authorizing levy of property taxes for the agency.

Anne Baker
Admin. Services

REPORTS, PRESENTATIONS & UPDATES

7. REVISION FLORENCE UPDATE Staff will provide an update on ReVision Florence.	Megan Messmer <i>Project Manager</i>
8. QUINCE STREET MARKETING UPDATE Staff will provide an update on Quince Street marketing.	Kelli Weese <i>City Recorder</i>
9. CITY MANAGER REPORT	Megan Messmer <i>AIC City Manager</i>

UPDATED PUBLIC MEETINGS PROCEDURES – COVID-19

Given executive orders from Governor Brown concerning COVID-19 and social distancing requirements, the City of Florence and the Florence Urban Renewal Agency has established temporary procedures for public meetings in order to protect our volunteers, public and staff.

Florence Urban Renewal meetings shall not allow for verbal public comments on any item other than a mandatory public hearing. Citizens wishing to express their views to the Florence Urban Renewal Agency Board may do so by submitting written communications in one of the following ways:

1. Submit written comments via email to Administrative Assistant at lindsey.white@ci.florence.or.us.
2. Mail written comments to Florence City Hall, Attn: FURA, 250 Hwy 101, Florence, OR 97439
3. Drop off written comments to the City of Florence drop box located at Florence City Hall (250 Hwy 101) to the right of the main entrance.

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Agency

From: Kelli Weese, City Recorder / Economic Development Coordinator

Date: June 30, 2020

At their June 22, 2020 City Council Special Meeting, the Florence City Council adopted updated Temporary COVID-19 Public Meeting procedures with amendments that seek to increase public participation in City public meetings given the technology capabilities recently implemented and the need to move to a longer term solution for public meeting protocols during the COVID-19 emergency recovery.

At the June 30, 2020 Florence Urban Renewal Agency meeting, the agency may consider updating their COVID-19 public meeting procedures to be in line with the policies updated by the City of Florence. Included in your meeting materials are the proposed updated meeting procedures showing proposed changes in underline / strikeout format. Substantive proposed amendments to the Temporary COVID-19 public meeting procedures include....

- Allowing for additional meetings as necessary to meet the needs of the adopted work plan and budget
- Allowing for presentations and ceremonial items as appropriate
- Allowing for public comments on all types of agenda items including...
 - Items not on the agenda (general public comments)
 - Public Hearing Items
 - Action Items

Items Attached:

- Temporary COVID-19 Public Meeting procedures



Florence Urban Renewal Agency

Temporary COVID-19 Public Meeting Procedures

Given executive orders from Governor Brown concerning COVID-19 and social and / or physical distancing requirements, the Florence Urban Renewal Agency has established temporary updated procedures for public meetings in order to protect our volunteers, public and staff.

The new updated public meeting procedures, as outlined below, shall become effective when approved by the Agency, and shall remain in effect until action to discontinue use is completed by the agency. Where applicable, these procedures shall supersede any prior meeting procedures including the Florence Urban Renewal Agency Bylaws.

COVID-19 Public Meeting Procedures

1. Meetings to be Held: When possible, only agency meetings that are deemed mandatory based on timelines established in state law, City of Florence ordinance, the Agency's adopted work plan, and / or adopted budget shall be held. All other meetings or agenda items shall be postponed.

Mandatory Meeting Requirements: In order to comply with social and / or physical distancing recommendations, the public will not be allowed to attend public meetings in person. In order to continue to provide an opportunity for public viewing / participation, all public meetings required to be held shall conform to the following updated requirements.

2. Live Streaming: All mandatory Agency meetings shall be streamed live on Cable Channel 191 and online through a link available on the Agency's website. For access to this link, visit the meetings website through the website calendar located online at www.ci.florence.or.us/calendar.
3. Meeting Materials: All meeting materials shall be provided to the public in advance of the meeting via the following schedule:
 - a. The agenda and majority of meeting materials, including presentation materials, if available at the time of issuance, shall be distributed to members of the public body and the public at least 3 days in advance of the meeting date through the Agency's email distribution lists. To subscribe to the email distribution list, visit the Agency's website at www.ci.florence.or.us/newsletter/subscriptions. Printed copies of materials may also be requested in advance of the meeting, subject to the City's Public Records Request policies.

- b. Any additional materials received after the initial meeting materials are distributed, including any written public comments received, shall be distributed to members of the agency one hour prior to the meeting's start time, and shall be posted on the meeting website.
 - c. Any additional materials to be distributed after this time shall be verbally identified, placed into the record, and distributed to the agency at the meeting as technology and circumstances allow.
4. Public Body Participation: All members of the agency shall participate in the meeting through live streaming and conference call or other videoconference tools, unless they can show reason why they cannot meaningfully participate in this manner. Members of the public body that do not wish to participate in the meeting through virtual means shall request the ability to participate in the meeting in person in consultation with the public body's presiding officer and the City Manager's Office. To ensure the meeting is understandable, during the meeting, all speakers shall identify themselves prior to speaking, and shall do so prior to making or seconding motions. In addition, all votes shall occur via roll call vote.
5. Meeting Management: Meeting management tasks including identifying speakers, clarifying decisions, and managing conference call / video conferencing lines shall be delegated to the City Manager's Office or other applicable staff.
6. Agenda Updates & Public Participation:
- a. General Agenda Notes: All agendas shall be updated to delineate the new public meeting procedures in this policy and shall note that members of the public shall not attend meetings.
 - b. Presentations, Proclamations & Ceremonial Items: The public meeting may include presentations, proclamations, or ceremonial items as technology and circumstances allow and as dictated in the body's rules of procedure. Parties presenting items to the public body may be asked to submit information in writing, pre-recorded video, or through verbal testimony via teleconference mechanisms.
 - c. Public Comment on Items not on the Agenda: Meetings shall allow for general public comments, in both verbal and written form, in the manner designated in the public body's rules of procedure. Written testimony submitted at least two hours prior to the meeting start time will be provided to the agency in advance of the meeting.
 - d. Public Hearing Items: Public Hearings shall be held according to the requirements of state law, or City of Florence Code. Should a public hearing be required, the following methods for public comment shall be adhered to:
 - i. Written Testimony: Written testimony submitted at least two hours prior to the meeting start time will be provided to the public body in advance of the meeting. Testimony can be provided in the manner dictated for the agency.
 - ii. Video / Teleconference participation: Interested parties shall be able to participate via the technology platform available at the time of the meeting including video and/or teleconference tools.. Parties interested in participating in this manner shall contact the City Manager's Office or other applicable staff at least one hour prior to the meeting start time with their name, address, and phone number they will be calling from.

e. Action Items:

Consent Agenda: In order to expedite business, mandatory agency meetings shall establish a consent agenda for action items that can be approved by a single motion and vote. Wherever possible and appropriate, as determined by the presiding officer, action items shall be moved to the consent agenda. Any item on the consent agenda may be removed for separate consideration by any member of the agency.

- i. Public Comments on Action Items: The Agency shall provide for public comments on action items in both verbal and written form, in the manner designated in the agency's rules of procedure. Written comments submitted at least two hours prior to the meeting start time will be provided to the public body in advance of the meeting. Comments can be provided in the manner dictated for each individual public body.

- f. Report Items: Report items may be included in the meeting materials for informational purposes, but shall not incur a presentation. However, the agency may ask questions on report items included in materials as appropriate.

For questions on this policy, specific requirements for the agency, how to observe or participate in a public meeting, how to submit public comments, or other questions, please contact the City Manager's Office at 541-997-3437, or via email to lindsey.white@ci.florence.or.us.

This document is supplemented by agenda packet materials, meeting materials distributed and electronic audio / video recordings of the meeting and may be reviewed upon request to the City Recorder.

**Florence Urban Renewal Agency Meeting
Florence City Hall
250 Hwy 101
Final Action Minutes
January 22, 2020**

CALL TO ORDER - ROLL CALL

Meeting called to order at 5:30 p.m.

Directors Present: Chairperson Bill Meyer and Directors Mike Webb, John Scott, Joe Henry, Ron Caputo, Ron Preisler, Patricia Riley, Carmela West and Woody Woodbury.

Directors Absent:

Staff Present: City Manager Erin Reynolds, City Project Manager Megan Messmer, City Recorder / Economic Development Coordinator Kelli Weese and Administrative Assistant Lindsey White

1. APPROVAL OF AGENDA

Start Time: 5:31 p.m.
Action: Approve agenda as presented
-Unanimous consent-

2. PUBLIC COMMENT

This is an opportunity for members of the audience to bring to the Council's attention any item not otherwise listed on the Agenda. Comments will be limited to three (3) minutes per person, with a maximum time of 15 minutes for all items. Speakers may not yield their time to others.

Start Time: 5:31 p.m.
Comments: None

ACTION ITEMS

3. PROPOSED FURA DEVELOPMENT ASSISTANCE PROGRAM

Provide direction to staff on the proposed establishment of a FURA Development Assistance Program for recommendations to be brought back to the FURA Board at the February meeting.

Start Time: 5:32 p.m.
Handouts: Staff Presentation and memo
Discussion: The Florence Urban Renewal Agency discussed...

- Unallocated funds
- Development Assistance Program funding
- Development Assistance Program requirements
- Program origination
- Previous Development Assistance Program FURA offered
- Financial analysis

Directors: Meyer, Caputo, West, Preisler, Riley, Woodbury, Webb, Scott

Action: Approval given to staff for recommendations to be brought back to the FURA Board at the February meeting on the proposed establishment of a FURA Development Assistance Program.

Vote: Unanimous

4. QUINCE STREET DEVELOPMENT MARKETING

Review and discuss status of Quince Street property marketing and consider approval of marketing process, draft timeline and consider establishing a Selection Advisory Committee.

Start Time: 5:50 p.m.
Handouts: Staff Presentation
Discussion: The Florence Urban Renewal Agency discussed...

- Recruitment process
- Cost of recruitment professional

Directors: Riley, Caputo, Henry

Action: Part 1) Authorize Staff to prepare and implement a Request for Expressions of Interest (RFEI) process, in order to seek qualified developers of the Quince Street property with the following action steps...

1. Hire Recruitment Professional (within staff purchasing authority) to review RFEI and provide marketing assistance
2. Develop and actively market RFEI document for development submittals
3. Perform two step review of submittals received via...
 - Selection Advisory Committee, then
 - Florence Urban Renewal Agency Board

Part 2) Establish a Selection Advisory Committee of 3-4 members of the Florence Urban Renewal Agency board to...

1. Review the REFI document and provide staff feedback
2. Provide Preliminary review of submittals received and prepare recommendations for FURA board

Move to dissolve the ad-hoc steering committee and move to appoint Mike Webb, Joe Henry, John Scott, and Bill Meyer to the Selection Advisory Committee.

Motion: Director Webb
Second: Director Scott
Vote: Unanimous –

REPORTS, PRESENTATIONS & UPDATES

5. REVISION FLORENCE UPDATE

Staff will provide an update on the ReVision Florence construction and discuss next steps for the project.

Start Time: 6:17 p.m.
Handouts: Staff Presentation
Discussion: The Agency discussed...

6. CITY MANAGER REPORT

Start Time: 6:28 p.m.

Discussion: The Agency discussed...

- 2020 State of the City Address and City Expo Invitation
- Term expirations
- Farewell/appreciation of service to Pat Riley
- February City Council meeting
- Bridge step project update
- Upcoming meetings and events

Meeting adjourned at 6:30 p.m.

ATTEST:

Bill Meyer, Chairperson

Kelli Weese, City Recorder

This document is supplemented by agenda packet materials, meeting materials distributed and electronic audio / video recordings of the meeting and may be reviewed upon request to the City Recorder.

**Florence Urban Renewal Agency Meeting
Florence City Hall
250 Hwy 101
Final Action Minutes
February 26, 2020**

CALL TO ORDER - ROLL CALL

Meeting called to order at 5:30 p.m.

Directors Present: Chairperson Bill Meyer and Directors Mike Webb, John Scott, Joe Henry, Ron Caputo, Mark Tilton, Carmela West, Ron Preisler and Woody Woodbury.

Directors Absent: None

Staff Present: City Manager Erin Reynolds, City Project Manager Megan Messmer, City Recorder / Economic Development Coordinator Kelli Weese and Community and Economic Development Assistant Sarah Moehrke.

1. INTRODUCE NEW MEMBER-MARK TILTON

Start Time: 5:30 p.m.

Discussion: Introduced new FURA Director Mark Tilton

2. APPROVAL OF AGENDA

Start Time: 5:32 p.m.

Action: Move Policy Training from agenda item 6 to agenda item 9
– Unanimous Consent–

3. PUBLIC COMMENT

This is an opportunity for members of the audience to bring to the Council's attention any item not otherwise listed on the Agenda. Comments will be limited to three (3) minutes per person, with a maximum time of 15 minutes for all items. Speakers may not yield their time to others.

Start Time: 5:35 p.m.

Comments: None

ACTION ITEMS

4. DEVELOPMENT PROGRAM APPROVAL

Consider approval on the Redevelopment Assistance Grant Program and the updates to the Predevelopment Assistance Grant Program.

Start Time: 5:36 p.m.
Handouts: Staff Presentation and One Page Overview Flier
Discussion: The Florence Urban Renewal Agency discussed...

- Grant funds for building fixtures.
- Potential conflict of interest.
- Grant requirement of a 20% match
- Clarification on pre-existing grant program.
- Potential long-term debt borrowing
- Clarification of funds remaining after program

Directors: Preisler, Meyer, Caputo, Webb

Action: Approval of the Redevelopment Assistance Grant Program and the updates to the Predevelopment Assistance Grant Program. Once approved, staff will update the FURA website with the information and inform any interested parties that have contacted the City previously.

Motion: Director Webb
Second: Director Scott
Vote: Unanimous

5. REVISION FLORENCE GATEWAY MONUMENTS

Review and consider the results of the Gateway Monuments construction bids, hear a staff report, and provide staff direction.

Start Time: 6:00 p.m.
Handouts: Staff Presentation
Discussion: The Florence Urban Renewal Agency discussed...

- Original engineering and bids
- Obtain new bids due to changing scope of the project
- Anticipated completion date

Directors: Henry, Caputo, Scott, Preisler

Action: 1) Accept the negotiated bid and authorize the City Manager to enter into a contract with Specialty Metal Fabricators LLC in the amount of \$375,000 for the construction of the two gateway monuments at Maple Street.

2) Authorize the City Manager to enter into Amendment 5 with Murraysmith for construction administration, engineering, and inspection for \$57,000, which will result in a net change to the contract of approximately \$34,000.

Motion: Director Scott
Second: Director Webb
Vote: Unanimous

REPORTS, PRESENTATIONS & UPDATES

6. QUINCE STREET DEVELOPMENT

- A. **MARKETING UPDATE:** Report on Quince Street RFEI, Selection Advisory Committee Update, Recruitment professionals and process.
- B. **TREE/VEGATATION APPROVAL:** Consider next steps for tree/vegetation sight vision clearance.

Start Time: 6:13 p.m.
Handouts: Staff Presentation
Discussion: The Agency discussed...

- Status of the old football field site
- Delimiting process
- Brush Removal
- Invasive weed issue
- Gorse presence on the property

Directors: Caputo, Meyer, Tilton, Scott, Caputo

7. REVISION FLORENCE UPDATE

Staff will provide an update on the ReVision Florence construction and discuss next steps for the project.

Start Time: 6:33 p.m.
Discussion: The Agency discussed...

- Landscaping on Quince Street to replace monument
- Estimated date for striping

Directors: Preisler, Caputo

8. CITY MANAGER REPORT

Start Time: 6:36 p.m.
Discussion: The Agency discussed...

- Appreciation for full board
- Sign and return notice of training form

9. POLICY TRAINING

Start Time: 6:39 p.m.
Discussion: The Agency discussed...

- ReVision Florence status
- Method of repaving
- Timeline for scheduling steering committee
- Upcoming meetings and events

Meeting adjourned at 7:09 p.m.

ATTEST:

Bill Meyer, Chairperson

Kelli Weese, City Recorder

This document is supplemented by agenda packet materials, meeting materials distributed and electronic audio / video recordings of the meeting and may be reviewed upon request to the City Recorder.

**Florence Urban Renewal Agency Meeting
Florence City Hall
250 Hwy 101
Final Action Minutes
May 27, 2020**

CALL TO ORDER - ROLL CALL

Meeting called to order at 10:01 a.m.

Directors Present: Chairperson Bill Meyer and Directors John Scott, Joe Henry, Carmela West, Ron Preisler and Woody Woodbury.

Directors Absent: Mike Webb, Ron Caputo

Staff Present: City Manager Erin Reynolds, City Project Manager Megan Messmer, City Recorder / Economic Development Coordinator Kelli Weese, Administrative Services Director Anne Baker and Administrative Assistant to the City Manager's Office Lindsey White.

1. MARK TILTON RESIGNATION

Start Time: 10:04 a.m.

Discussion: Resignation of FURA Director Mark Tilton

2. APPROVAL OF AGENDA

Start Time: 10:05 a.m.

Action: Approve meeting agenda
– Unanimous Consent– Webb and Caputo absent

3. PUBLIC COMMENT

This is an opportunity for members of the audience to bring to the board's attention any item not otherwise listed on the Agenda. Comments will be limited to three (3) minutes per person, with a maximum time of 15 minutes for all items. Speakers may not yield their time to others.

Start Time: 10:06 p.m.

Comments: None

ACTION ITEMS

4. TEMPORARY COVID-19 PUBLIC MEETING PROCEEDURES

Review and consider adopting temporary COVID-19 Public Meeting Procedures.

Start Time: 10:08 a.m.
Handouts: Staff Presentation and Temporary COVID-19 Public meeting procedures memo
Discussion: The Florence Urban Renewal Agency discussed...

Action: Adopt the temporary COVID-19 Public Meeting Procedures as presented.
Motion: Director Meyer
Second: Director Henry
Vote: Unanimous- Webb and Caputo absent

5. APPROVAL OF MINUTES

Consider approval of the Florence Urban Renewal Agency meeting minutes of August 28, 2019, September 18, 2019, and November 20, 2019.

Start Time: 10:15 a.m.
Handouts: Staff Presentation
Discussion: The Florence Urban Renewal Agency discussed...

Action: Approval of the Florence Urban Renewal Agency meeting minutes of August 28, 2019, September 18, 2019, and November 20, 2019.

Motion: Director Scott
Second: Director West
Vote: Unanimous – Webb and Caputo absent

REPORTS, PRESENTATIONS & UPDATES

6. REVISION FLORENCE UPDATE

Staff will provide an update on ReVision Florence, including the ODOT construction and the gateway monuments.

Start Time: 10:18 p.m.
Handouts: Staff Presentation
Discussion: The Agency discussed...

7. QUINCE STREET MARKETING UPDATE

Staff will provide an update on Quince Street marketing.

Start Time: 10:23 a.m.
Discussion: The Agency discussed...

8. QUARTERLY FINANCIAL REPORT

Start Time: 10:30 a.m.
Discussion: The Agency discussed...

- General Fund expenditures

Directors: Preisler

9. CITY MANAGER REPORT

Start Time: 10:38 a.m.
Discussion: The Agency discussed...

- June 24th meeting time change
- New meeting platform “Gotowebinar”
- 2020 Meeting minutes
- Meeting with consultants June 12th
- CM maternity leave beginning June 12th
- AIC Megan Messmer
- Upcoming meetings and events

Meeting adjourned at 10:46 p.m.

ATTEST:

Bill Meyer, Chairperson

Kelli Weese, City Recorder

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Board

From: Anne Baker, Administrative Services Director

Date: June 30, 2020

Re: Fiscal year 2018-19 Audited Financial Statements

Background and Information:

Isler CPA audited the Agency's financial statements for the year ending June 30, 2019. The opinion of Isler CPA is that the Agency's financial statements "present fairly" (or a clean opinion) the position of the Agency as of June 30, 2019.

Anne will give a short presentation noting highlights of the statements.

Fiscal Impact: None.

Attachments:

Fiscal Year 2018-19 Audited Financial Statements

FLORENCE URBAN RENEWAL AGENCY
(A Component Unit of the City of Florence, Oregon)

Annual Financial Report

Year Ended June 30, 2019

FLORENCE URBAN RENEWAL AGENCY

Fiscal Year Ended June 30, 2019

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INTRODUCTORY SECTION

FLORENCE URBAN RENEWAL AGENCY
(A Component Unit of the City of Florence, Oregon)

June 30, 2019

BOARD OF DIRECTORS

	<u>Term Expires December 31,</u>
Joshua Greene, Chair, City of Florence Council Member	2020
John Scott, Vice-Chair	2020
Joe Henry, City of Florence Mayor	2020
Ron Priesler, City of Florence Council Member	2020
Ron Caputo	2020
Mike Webb	2019
Patricia Riley	2020
William Meyer	2022
Dave Braley	2019

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Florence Urban Renewal Agency
Florence, Oregon

1976 Garden Ave.
Eugene, OR 97403
541.342.5161
www.islercpa.com

We have audited the accompanying financial statements of the governmental activities and each major fund of the Florence Urban Renewal Agency (the Agency), a component unit of the City of Florence, Oregon, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund as of June 30, 2019, the respective changes in financial position, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the management discussion and analysis because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Agency's basic financial statements. The introductory section and other supplemental information are presented for purposes of additional analysis and are not required parts of the basic financial statements.

The other supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the other supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Report on Other Legal and Regulatory Requirements

In accordance with the Minimum Standards of Audits of Oregon Municipal Corporations, we have issued our report dated on May 18, 2020 our consideration of the Agency's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

Isler CPA



by Paul Nielson, CPA, a member of the firm
Eugene, Oregon
May 18, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS FLORENCE URBAN RENEWAL AGENCY

Fiscal Year Ended June 30, 2019

This Management Discussion and Analysis (MD&A) is presented to facilitate financial analysis and provide an overview of the financial activities of the Florence Urban Renewal Agency (the Agency) for the fiscal year ended June 30, 2019. Information in the MD&A is based on currently known facts, decisions and conditions. Please read it in conjunction with the basic financial statements and the accompanying notes to those financial statements.

FINANCIAL HIGHLIGHTS

- The Agency's assets totaled \$3,703,523 at June 30, 2019, and consisted mainly of cash and cash equivalents of \$3,586,125.
- The Agency's liabilities totaled \$6,767,208.00 at June 30, 2019, consisting mainly of long-term debt of \$6,643,405.00. Net position (assets minus liabilities) is a negative \$3,063,685.00 at June 30, 2019.
- The deficit decreased by \$508,308.00 to fund Agency projects.
- As of the end of the current fiscal year, the Agency's two funds reported a combined fund balance of \$3,573,617 a increase of \$3,156,899
- Revenues for the fiscal year ended June 30, 2019, totaled \$3,880,691 and consisted mainly of intergovernmental revenues of \$3,346,221 .

FINANCIAL STATEMENTS

The Agency's basic financial statements are presented using the integrated approach as prescribed by GASB Statement No. 34. The basic financial statements are comprised of three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements

The Agency has combined the government-wide and fund financial statements using a columnar format that reconciles individual line items of fund financial data to government-wide data in a separate column.

The basic financial statements present financial information about the Agency as a whole and about its activities. Following the basic financial statements are the budgetary comparison schedule for the debt service fund and the report by the independent certified public accountants, as required by statute.

Government-wide Financial Statements

The government-wide financial statements are comprised of the Statement of Net Position and the Statement of Activities and are designed to present the financial information of the Agency in a manner similar to a private-sector business (i.e. from the economic resources measurement focus using the accrual basis of accounting).

The Statement of Net Position includes all assets of the Agency (including capital assets, if any) as well as all liabilities (including long-term debt). Net position is the difference between assets and liabilities, which is one way to measure the Agency's financial health, or financial position.

However, the Agency, as required by Oregon Revised Statutes, is required to borrow funds to complete its plan program and activities, and due to its organization structure does not retain ownership of capital assets, instead deeding them to other governments, including the City of Florence. Lastly, the Agency's plan includes a "maximum indebtedness" amount that it cannot exceed to complete its projects and programs. These factors result in the Agency's negative net position, which is anticipated to continue to increase as the Agency borrows additional funds, within the Agency's capacity to repay debt with property taxes that increase due to the increased property value within the Agency's boundary.

The Statement of Activities presents information showing how the Agency's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to change occurs, regardless of the timing of related cash flow. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes).

Fund Financial Statements

Funds are used to segregate resources for specific activities or objectives. The Agency has two governmental funds: the General Fund and the Debt Service Fund.

The Governmental Funds' statements emphasize current available financial resources rather than change in net position. They are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

Notes to the Basic Financial Statements

The notes provide information that is essential for a full understanding of the data presented in the government-wide and fund financial statements (the basic financial statements). Information such as significant accounting policies and detail of certain assets and liabilities are included in the notes that should be read in conjunction with the basic financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statements of Net Position

The Agency's liabilities exceeded assets by \$3,063,685.00 million at June 30, 2019. The largest portions of its net position are debt payable and cash equivalents. A condensed version of the Statement of Net Position follows:

	<u>2019</u>	<u>2018</u>
Assets		
Cash and cash equivalents	\$ 3,586,125	\$ 454,432
Property taxes receivable	17,398	24,834
Accounts receivable	<u>100,000</u>	<u>-</u>
Total assets	<u>3,703,523</u>	<u>479,266</u>
Liabilities		
Note payable	6,643,405	3,987,440
Other liabilities	<u>123,803</u>	<u>63,819</u>
Total liabilities	<u>6,767,208</u>	<u>4,051,259</u>
Net Position		
Restricted for debt service	279,574	279,574
Unrestricted	<u>(3,343,259)</u>	<u>(3,851,567)</u>
Total net position	<u><u>\$(3,063,685)</u></u>	<u><u>\$(3,571,993)</u></u>

At the end of the current fiscal year, the Agency reports a negative balance in unrestricted net position of \$(3,063.69). Net position decreased by \$508,308.00 as the Agency borrowed additional dollars and completed project design for the ReVision Florence project. Long-term debt increased by \$2,655,965,000 as the Agency completed its draw down of its credit facility with the City and borrowed an additional \$500,000 on an interim basis from the City pending a long-term debt issue in fiscal year 2019. The Agency made its scheduled debt payments to the City.

The note payable to the City is a long-term obligation, which will be paid with property taxes received in the future.

Statements of Activities

The Agency's Statements of Activities for fiscal year ended June 30, 2019 and June 30, 2018, follows:

Amounts in thousands	<u>2019</u>	<u>2018</u>
Revenues		
General Revenues:		
Intergovernmental	\$ 3,346,221	\$ -
Property taxes	511,737	427,055
Miscellaneous	<u>22,733</u>	<u>18,517</u>
	3,880,691	445,572
Expenses		
Economic development	3,285,838	1,933,253
Interest expense	<u>86,545</u>	<u>121,272</u>
Total expenses	<u>3,372,383</u>	<u>2,054,525</u>
Increase (decrease) in net position	508,308	(1,608,953)
Net position, beginning of the year	<u>(3,571,993)</u>	<u>(1,963,040)</u>
Net position, end of the year	<u><u>\$(3,063,685)</u></u>	<u><u>\$(3,571,993)</u></u>

The Agency's primary source of revenue to repay debt obligations is property taxes. The Agency's economic development program is funded with debt proceeds. The cost of the Agency's economic development activities totaled \$3,285,838.00 for the year, an increase of \$1,352,585.00 over the prior fiscal year.

Financial Analysis of the Government's Funds

As noted earlier, the Agency uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the Agency's governmental funds is to provide information on near-term inflows, outflows and balances of expendable resources. Such information is useful in assessing the Agency's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Agency's governmental funds reported combined ending fund balances of \$3,573,617 an increase of \$3,156,899 . The reduction is consistent with the budget.

The General Fund is the chief operating fund of the Agency. At the end of the current fiscal year, the fund balance of the General Fund was \$3,920,260, an increase of \$3,783,116 during the current fiscal year. The Debt Service Fund realized a reduction in fund balance of \$626,217 during the year, with an ending fund balance of \$(346,643).

DEBT ADMINISTRATION

As of June 30, 2019 the Agency had a long-term note payable to the City of Florence in the amount of \$6,643,405 an increase of \$2,655,965.00 from 2018.

For more detailed information on the Agency's long-term debt, refer to accompanying notes to the financial statements.

ECONOMIC FACTORS

The Agency continues to be an important partner in economic development within the City of Florence, providing necessary infrastructure improvements and other gap funding to support continued economic expansion within the Agency's boundaries. As property values within the boundaries increase property tax revenue increases as well, which results in additional debt capacity for the Agency to secure additional fund to complete more projects. Property taxes are used to pay debt service on loans issued to fund projects and improvements.

Agency expenditures are targeted to address in the Florence Downtown Preservation and Renewal Plan adopted on August 14, 2006. The mission of the Agency is to preserve and revitalize the Downtown Area as the primary cultural, tourist, commercial and community core to serve all of Florence regions citizens and visitors by encouraging continuing growth, development and enhancement consistent with Florence's small-town ambiance and character.

BUDGET

In preparing the budget for the 2017-19 biennium, the Agency's first biennial budget, City management presented two-year spending in addition to a six year financial plan for consideration and approval by the Agency's Budget Committee and Agency Board of Directors. The budget included updated assumptions for inflation and adjustments to property tax projections for the two-year period. Additionally, updated project costs for the Revision Florence project, secured funding and debt necessary to complete projects were included.

The local economy shows signs of recovery, with additional real estate development, and increased tourism. Increases to property valuation continue to lag expectations on a City-wide basis, with valuations in the urban renewal area showing a different and encouraging trend. Revenue forecasts have been adjusted accordingly.

Annual inflation is projected to remain in the 1.5 percent to 3.0 percent range, while local population growth is projected to remain below 1.0 percent annually. Development activity is projected to trend upward with the potential for several projects to seek development approval during the next two year period.

Financial Contact

The Agency's financial statements are designed to present users (citizens, taxpayers, customers, investors and creditors) with a general overview of the Agency's finances and to demonstrate the Agency's accountability. If you have questions about the report or need additional financial information, please contact the City's Finance Department at info@ci.florence.or.us.

BASIC FINANCIAL STATEMENTS

FLORENCE URBAN RENEWAL AGENCY

Governmental Funds Balance Sheet / Statement of Net Position

June 30, 2019

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS					
Cash and cash equivalents	\$ 3,586,125	\$ -	\$ 3,586,125	\$ -	\$ 3,586,125
Property taxes receivable	-	17,398	17,398	-	17,398
Accounts receivable	100,000	-	100,000	-	100,000
Due from other funds	<u>348,129</u>	<u>-</u>	<u>348,129</u>	<u>(348,129)</u>	<u>-</u>
Total assets	<u>\$ 4,034,254</u>	<u>\$ 17,398</u>	<u>\$ 4,051,652</u>	<u>(348,129)</u>	<u>\$ 3,703,523</u>
LIABILITIES					
Accounts payable and accrued expenses	\$ 13,994	\$ -	\$ 13,994	\$ -	\$ 13,994
Due to other governmental fund	-	348,129	348,129	(348,129)	-
Unearned revenue	-	-	-	100,000	100,000
Accrued interest payable	-	-	-	9,809	9,809
Long-term debt:					
Due within one year	-	-	-	242,130	242,130
Due in more than one year	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,401,275</u>	<u>6,401,275</u>
Total liabilities	<u>13,994</u>	<u>348,129</u>	<u>362,123</u>	<u>6,405,085</u>	<u>6,767,208</u>
DEFERRED INFLOWS OF RESOURCES					
Property taxes	-	15,912	15,912	(15,912)	-
Deferred revenue	<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>(100,000)</u>	<u>-</u>
FUND BALANCES / NET POSITION					
Fund balances:					
Unassigned	<u>3,920,260</u>	<u>(346,643)</u>	<u>3,573,617</u>	<u>(3,573,617)</u>	
Total fund balances	<u>3,920,260</u>	<u>(346,643)</u>	<u>3,573,617</u>	<u>(3,573,617)</u>	
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,034,254</u>	<u>\$ 17,398</u>	<u>\$ 4,051,652</u>		
Net position:					
Restricted for debt service				279,574	279,574
Unrestricted				<u>(3,343,259)</u>	<u>(3,343,259)</u>
Total net position				<u>\$ (3,063,685)</u>	<u>\$ (3,063,685)</u>

Adjustment to unavailable revenue is because the focus of governmental funds is on short-term financing. Some assets, such as receivables, will not be available to pay for current-period expenditures. Receivables are offset by unavailable revenue in the governmental funds, and thus are not included in the fund balance. Receivables are not offset in the Statement of Net Position.

Adjustment to accrued interest payable and long-term debt are due to long-term liabilities applicable to the Agency's governmental activities that are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.

FLORENCE URBAN RENEWAL AGENCY

Statement of Governmental Fund Revenues, Expenditures, and Changes in
Fund Balance / Statement of Activities

For the Year Ended June 30, 2019

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
GENERAL REVENUES					
Intergovernmental	\$ 3,096,221	\$ -	\$ 3,096,221	\$ 250,000	\$ 3,346,221
Property taxes	-	520,012	520,012	(8,275)	511,737
Interest earnings	<u>22,733</u>	-	<u>22,733</u>	-	<u>22,733</u>
Total revenues	<u>3,118,954</u>	<u>520,012</u>	<u>3,638,966</u>	<u>(8,275)</u>	<u>3,880,691</u>
URBAN RENEWAL EXPENDITURES/ EXPENSES					
Economic development	3,285,838	-	3,285,838	-	3,285,838
Debt service:					
Principal payments	-	1,044,035	1,044,035	(1,044,035)	-
Interest expense	-	<u>102,194</u>	<u>102,194</u>	<u>(15,649)</u>	<u>86,545</u>
Total expenditures/expenses	<u>3,285,838</u>	<u>1,146,229</u>	<u>4,432,067</u>	<u>(1,059,684)</u>	<u>3,372,383</u>
Excess (deficiency) of revenues over (under) expenditures / expenses	(166,884)	(626,217)	(793,101)	1,051,409	508,308
OTHER FINANCING SOURCES/(USES)					
Transfers in from City of Florence	250,000	-	250,000	(250,000)	-
Loan proceeds	<u>3,700,000</u>	-	<u>3,700,000</u>	<u>(3,700,000)</u>	-
Total other financing sources	<u>3,950,000</u>	-	<u>3,950,000</u>	<u>(3,950,000)</u>	-
Change in fund balance/net position	3,783,116	(626,217)	3,156,899	(2,898,591)	508,308
Fund balance / net position:					
Beginning of year	<u>137,144</u>	<u>279,574</u>	<u>416,718</u>	<u>(3,988,711)</u>	<u>(3,571,993)</u>
End of year	<u>\$ 3,920,260</u>	<u>\$ (346,643)</u>	<u>\$ 3,573,617</u>	<u>\$ (6,887,302)</u>	<u>\$ (3,063,685)</u>

Adjustment to property tax revenue for the change in unavailable revenues reported on the Statement of Activities that do not provide current financial resources are not reported as revenues in the governmental fund.

Adjustment to interest expense and debt service principal payments is due to long-term liabilities applicable to the Agency's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.

Adjustment to loan proceeds is because the focus of governmental funds is on short-term financing, an increase in outstanding debt is recognized as an inflow of resources as it is available to pay for current-period expenditures. Additions to long-term debt are not included on the Statement of Activities; they are recognized in the long-term debt balance on the Statement of Net Position.

FLORENCE URBAN RENEWAL AGENCY

GENERAL FUND

Statement of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

For the Year Ended June 30, 2019

	Budget		1st Year Actual FY 2017-18	2nd Year Actual FY 2018-19	Total	Variance with Budget
	Original	Final				
Revenues:						
Intergovernmental	\$ 2,750,000	\$ 2,750,000	\$ -	\$ 3,096,221	\$ 3,096,221	\$ 346,221
Earnings and contributions	<u>1,000</u>	<u>1,000</u>	<u>13,609</u>	<u>22,733</u>	<u>36,342</u>	<u>35,342</u>
Total revenues	<u>2,751,000</u>	<u>2,751,000</u>	<u>13,609</u>	<u>3,118,954</u>	<u>3,132,563</u>	<u>381,563</u>
Expenditures:						
Materials and services	1,391,200	1,391,200	208,755	200,265	409,020	982,180
Capital outlay	6,269,000	6,269,000	1,724,498	3,085,573	4,810,071	1,458,929
Contingency	<u>156,284</u>	<u>156,284</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>156,284</u>
Total expenditures	<u>7,816,484</u>	<u>7,816,484</u>	<u>1,933,253</u>	<u>3,285,838</u>	<u>5,219,091</u>	<u>2,597,393</u>
Excess (deficiency) of revenues over (under) expenditures	(5,065,484)	(5,065,484)	(1,919,644)	(166,884)	(2,086,528)	2,978,956
Other financing sources:						
Transfers in	250,000	250,000	-	250,000	250,000	-
Loan proceeds	<u>3,900,000</u>	<u>3,900,000</u>	<u>1,100,012</u>	<u>3,700,000</u>	<u>4,800,012</u>	<u>900,012</u>
Total other financing sources	<u>4,150,000</u>	<u>4,150,000</u>	<u>1,100,012</u>	<u>3,950,000</u>	<u>5,050,012</u>	<u>900,012</u>
Net change in fund balance	(915,484)	(915,484)	(819,632)	3,783,116	2,963,484	3,878,968
Fund balance:						
Beginning of year	<u>915,484</u>	<u>915,484</u>	<u>956,776</u>	<u>137,144</u>	<u>956,776</u>	<u>(778,340)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 137,144</u>	<u>\$ 3,920,260</u>	<u>\$ 3,920,260</u>	<u>\$ 3,920,260</u>

See accompanying notes to financial statements.

FLORENCE URBAN RENEWAL AGENCY

Notes to Financial Statements

June 30, 2019

Note I - Summary of significant accounting policies

A. Organization

Florence Urban Renewal Agency (the Agency) was organized in 2006 under the provisions of ORS Chapter 457 as the urban renewal agency in the City of Florence, Oregon ("City"), responsible for implementing various public improvement programs as identified in the City Center Revitalization Plan. The Agency's Board of Directors is appointed by the City of Florence City Council.

The "tax increment financing" method is being used to provide funds for the Agency. Under this method, a base year value within the urban renewal area is established (2007, in this case). Any increase in the assessed value over that base year cannot be used by the assessor to compute tax rates for local taxing bodies. The assessor computes the tax rate on the base year value of the area, then applies that rate to the increase in assessed value. The tax on the increased value can be used by the Agency only to pay indebtedness incurred to finance the urban renewal projects.

The Agency's financial statements include all activities and organizations with which the Agency exercises authoritative appointment of governing authority or where financial dependency on the Agency exists. The Agency has no potential component units but, as determined under generally accepted accounting principles, is considered to be a component unit of the City, and, as such, is included in the basic financial statements of the City for the year ended June 30, 2019, copies of which can be obtained from the Finance Department of the City of Florence.

B. Measurement focus, basis of accounting, and financial presentation

The Statement of Net Position and Governmental Funds Balance Sheet and the Statement of Activities and Governmental Fund Revenues, Expenditures, and Changes in Fund Balances display information about the Agency, including all of its financial activities. The Agency's activities are financed primarily through property taxes and intergovernmental revenue.

The basic financial statements listed in the table of contents provide information about the Agency's funds. These funds account for the general administration of the Agency's urban renewal areas and for the acquisition and rehabilitation of property within the designated urban renewal areas. The financial statements are initially (left-most columns) reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

Property tax and assessments receivable are recognized at the time property owners are assessed for property improvements. Property tax and assessments receivable expected to be collected within sixty days following the year end are considered measurable and available and are recognized as revenue. All other revenue items are considered to measurable and available only when cash is received by the Agency.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

FLORENCE URBAN RENEWAL AGENCY

Notes to Financial Statements

June 30, 2019

Note I - Summary of significant accounting policies (continued)

B. Measurement focus, basis of accounting, and financial presentation (continued)

The government reports the following major governmental funds:

- The *General Fund* is the Agency's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in the debt service fund.
- The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

On the same basic financial statements as listed in the table of contents, the balances are reported (right-most columns) using the economic resources measurement focus and the accrual basis of accounting using an "adjustments" column. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Nonexchange transactions, in which the Agency receives value without giving equal value in exchange, include property taxes. On the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year in which the taxes are levied.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in the statement of Net Assets and Statement of Activities to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. The Agency has elected not to apply FASB guidance issued subsequent to November 30, 1989.

As a general rule, the effect of interfund activity has been eliminated from the basic financial statements.

C. Use of estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses/expenditures during the reporting period. Actual results may differ from those estimates.

D. Assets, liabilities, deferred inflows of resources, and net position or fund balance

1. Cash and cash equivalents

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Property taxes receivable

Real and personal property taxes are assessed and become a lien against the property as of July 1 each year, and are payable in three installments on November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding are considered delinquent on May 16. Management has determined that an allowance for uncollectible accounts is not required for property taxes.

3. Capital assets

The Agency does not have any capital assets. Once a capital project is completed it is transferred to the City.

FLORENCE URBAN RENEWAL AGENCY

Notes to Financial Statements

June 30, 2019

Note I - Summary of significant accounting policies (continued)

4. Fund balance

In the fund financial statements, the fund balance for governmental funds is reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The fund balance classifications are:

Nonspendable - resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for sale.

Restricted - constraints placed on the use of resources are either: (a) externally imposed by creditors (such as through debt covenants), grants, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed - the Board passes an ordinance that places specific constraints on how the resources may be used. The Board can modify or rescind the ordinance at any time through passage of an additional ordinance.

Assigned - resources that are constrained by the Agency's intent to use them for a specific purpose, but are neither restricted nor committed. Intent is expressed when the board approves which resources should be "reserved" during the adoption of the annual budget.

Unassigned - resources that have not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

When both restricted and unrestricted resources are available for use, it is the Agency's policy to use restricted resources first, followed by committed, assigned, and unassigned fund balance.

E. Budget

The Agency implemented biannual budgeting effective July 1, 2017 for the biennium ending June 30, 2019. Appropriations are for the biannual period. Appropriations reported in the supplemental budget schedules report the amount for the biennial period. Appropriations lapse at the end of the biennial period.

A budget is prepared in the early winter preceding the fiscal year the budget will be used. The Agency is required to budget for all funds. The budget committee, with public input, deliberates and approves the budget for transmittal to the Board of Directors in early spring. After public notices and a hearing, the final budget is adopted, appropriations made, and a tax levy declared no later than June 30.

The Board of Directors resolution adopting the budget and authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriation. Appropriations lapse as of year-end.

Expenditures cannot legally exceed appropriations except in the case of grants which could not be estimated at the time of budget adoption. Supplemental appropriations and appropriation transfers may occur with notice and Board of Directors action.

Note II - Detailed notes on all funds

A. Cash and cash equivalents

Custodial Credit Risk. This is the risk that in the event of a bank failure, the Agency's deposits may not be returned to it. The Agency does not have a formal policy for custodial credit risk, but follows the requirements of ORS 295. The Agency's cash is covered by federal depository insurance and by the Public Funds Collateralization Program (PFCP) of the State of Oregon. The PFCP is a shared liability structure for participating bank depositories. Barring any exceptions, a bank depository is required to pledge collateral valued at least 10% of their quarter-end public fund deposits if they are well capitalized, 25% of their quarter-end public fund deposits if they are adequately capitalized or 110% of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110% by the Office of State Treasurer. In the event of bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities. At June 30, 2019, the Agency's deposits were insured by federal depository insurance or collateralized under the PFCP.

FLORENCE URBAN RENEWAL AGENCY

Notes to Financial Statements

June 30, 2019

Note II - Detailed notes on all funds (continued)

B. Long-term Debt

In August 2015 the Agency received a loan from the City of Florence. The loan is payable in annual installments with a variable interest rate of 3.25% to 7.25%, maturing on September 1, 2035. Loan activity and balances for the year ended June 30, 2019 was as follows:

	<u>Beginning of year</u>	<u>Additions</u>	<u>Payments</u>	<u>End of year</u>	<u>Current portion</u>
City of Florence Loan	\$ 3,987,440	\$ 3,700,000	\$ (1,044,035)	\$ 6,643,405	\$ 242,130

Annual debt service requirements to maturity for the City of Florence Loan at year end are as follows:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 242,130	\$ 121,382
2021	274,185	196,464
2022	282,690	187,959
2023	291,460	179,189
2024	300,503	170,146
2025 - 2029	1,648,328	704,917
2030 - 2034	1,920,602	409,598
2035 - 2039	1,578,475	107,049
2040	<u>105,032</u>	<u>2,100</u>
Total	<u>\$ 6,643,405</u>	<u>\$ 2,078,804</u>

The loan covenant for FURA's debt to the City includes a requirement for FURA to levy property taxes sufficient to provide debt coverage of no less than 1.25. In addition to paying scheduled debt service subject to the loan covenant, during fiscal year 2019, FURA used existing resources in its Debt Services Fund to pay an overnight loan of \$900,000 made by the City to FURA. Excluding this one-time payment, FURA's debt service subject to the debt covenant is \$242,130. FURA levied the maximum levy amount allowed, which resulted in a levy of \$505,903. FURA received property tax revenue of \$520,012, which provides a debt coverage ratio of 2.15.

Note III- Other information

A. Risk management

The Agency is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There has been no significant reduction in insurance coverage from the prior year and settled claims have not reached the level of commercial coverage in any of the past three fiscal years.

SUPPLEMENTAL INFORMATION

FLORENCE URBAN RENEWAL AGENCY
DEBT SERVICE FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended June 30, 2019

	<u>Original</u>	<u>Final</u>	<u>1st Year Actual FY 2017-18</u>	<u>2nd Year Actual FY 2018-19</u>	<u>Total</u>	<u>Variance with Budget</u>
Revenues:						
Property taxes	\$ 815,400	\$ 815,400	\$ 439,591	\$ 520,012	\$ 959,603	\$ 144,203
Earnings and contributions	9,000	9,000	4,908	-	4,908	(4,092)
Total revenues	<u>824,400</u>	<u>824,400</u>	<u>444,499</u>	<u>520,012</u>	<u>964,511</u>	<u>140,111</u>
Expenditures:						
Debt Service						
Principal	885,500	885,500	339,864	1,044,035	1,383,899	(498,399)
Interest expense	331,700	331,700	106,366	102,194	208,560	123,140
Contingency	<u>387,390</u>	<u>387,390</u>	-	-	-	<u>387,390</u>
Total expenditures	<u>1,604,590</u>	<u>1,604,590</u>	<u>446,230</u>	<u>1,146,229</u>	<u>1,158,360</u>	<u>458,361</u>
Net change in fund balance	(780,190)	(780,190)	(1,731)	(626,217)	(627,948)	152,242
Fund Balance:						
Beginning of year	<u>780,190</u>	<u>780,190</u>	<u>281,305</u>	<u>279,574</u>	<u>281,305</u>	<u>(500,616)</u>
End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 279,574</u>	<u>\$ (346,643)</u>	<u>\$ (346,643)</u>	<u>\$ (346,643)</u>

COMPLIANCE SECTION



INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

To the Board of Directors
Florence Urban Renewal Agency
Florence, Oregon

1976 Garden Ave.
Eugene, OR 97403
541.342.5161
www.islercpa.com

We have audited the basic financial statements of Florence Urban Renewal Agency (the "Agency"), as of and for the year ended June 30, 2019, and have issued our report thereon dated May 18, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the Minimum Standards for Auditors of Oregon Municipal Corporations, prescribed by the Secretary of State. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Compliance

As part of obtaining reasonable assurance about whether the Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

- **Deposit of public funds with financial institutions (ORS Chapter 295)**
- **Indebtedness limitations, restrictions and repayment**
- **Budgets legally required (ORS Chapter 294)**
- **Insurance and fidelity bonds in force or required by law**
- **Programs funded from outside sources**
- **Authorized investment of surplus funds (ORS Chapter 294)**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C)**

In connection with our testing nothing came to our attention that caused us to believe the Agency was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

OAR 162-10-0230 Internal Control

In planning and performing our audit, we considered the Agency's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Agency's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We identified a deficiency in internal control over financial reporting that we consider to be a material weaknesses, as described in the AU Section 325 written communication.

This report is intended solely for the information and use of the board of directors and management of the Agency and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



By, Paul Nielson member of the firm
Eugene, Oregon
May 18, 2020

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Board

From: Anne Baker, Administrative Services Director

Date: June 30, 2020

Re: Resolution Declaring Tax Increment

Background and Information:

Every year an urban renewal agency must declare the amount of revenue it wishes to receive from division of tax. The governing body of the urban renewal agency must pass a resolution declaring that they wish to receive 100 percent of division of tax or the amount of increment they wish to receive.

On May 22, 2019, the Agency adopted the 2019-21 biennial budget, which was developed based on receiving 100 percent of increment for both years of the biennium.

Fiscal Impact: \$530,500 has been budgeted and expected to be received for the 2020-21 fiscal year.

Attachments:

Resolution No. 1, Series 2020

Resolution No. 1, Series 2020
RESOLUTION DECLARING TAX INCREMENT

1. The Budget Officer prepared the proposed budget for the Florence Urban Renewal Agency for the 2019-21 biennium commencing July 1, 2019.
2. The proposed budget was adopted by the Florence Urban Renewal Agency Board on May 22, 2019.
3. Oregon Budget Law requires the Agency declare that they wish to receive the division of tax.

Based on these findings,

1. BE IT RESOLVED that the Board of Directors of the Florence Urban Renewal Agency hereby certifies to the County Assessor to levy the maximum amount of revenue that may be raised by dividing the taxes under Section 1e, Article IX, of the Oregon Constitution and ORS Chapter 457 for the fiscal year beginning July 1, 2020 for the Florence Urban Renewal Agency Plan Area.

The above resolution statement was approved and declared adopted on the 30th day of June 2020.

Bill Meyer, Chairperson

Attest:

Kelli Weese, City Recorder

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Agency

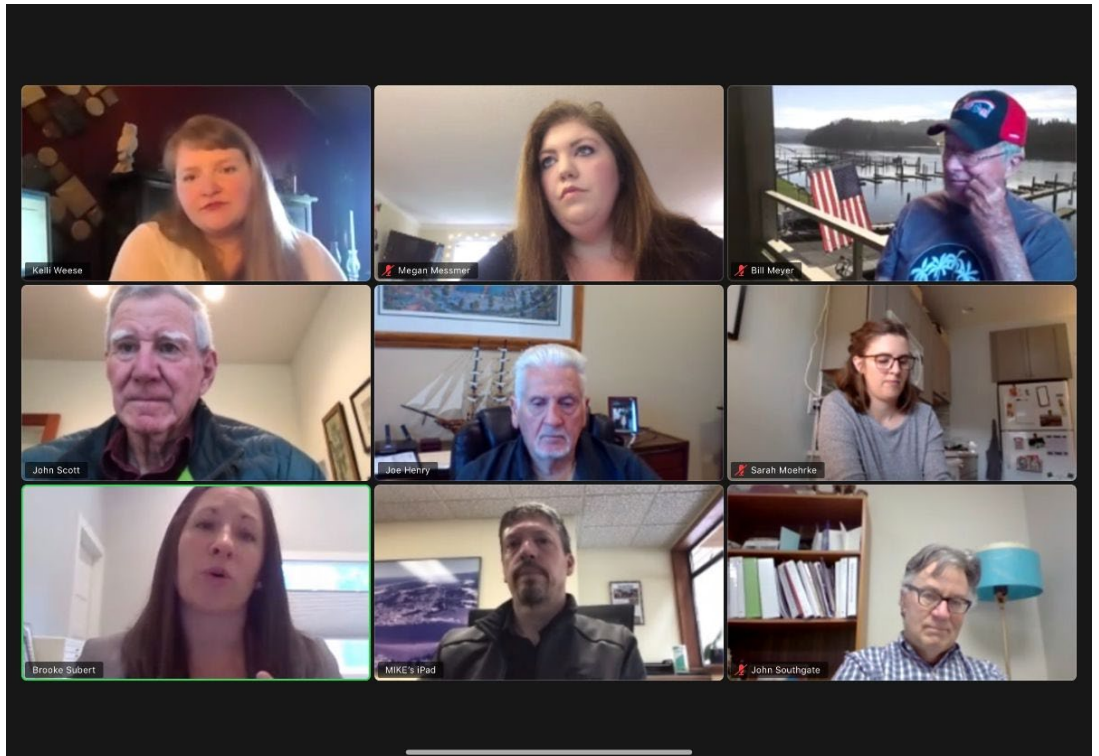
From: Kelli Weese, City Recorder / Economic Development Coordinator

Date: June 30, 2020

Marketing the Property:

On June 12th, the Quince Street property staff team and the Quince Street Selection Advisory Committee (made up of four members of the Florence Urban Renewal Agency including Chairperson Bill Meyer, Vice-Chairperson Mike Webb, and Directors Joe Henry and John Scott), met with our professional development team of John Southgate and Brooke Seubert. During the meeting, the team discussed the work completed thus far in the preliminary marketing of the Quince Street property.

Mr. Southgate and Ms. Seubert discussed their interactions with potential development teams for the site and their general enthusiasm for moving forward with marketing the project. Prime discussion points for their conversation with potential developers was the COVID-19 crisis and it's implications for commercial real estate in the future. These conversations led to an understanding of the market forces affecting the Oregon Coast during the recovery from the COVID-19 crisis.



In looking at the potential implications of a COVID-19 caused recession, prime consideration is looking at the past implications of recessions on the Florence economy. During the 2008 recession, Florence's tourism sector was able to maintain a relatively steady course compared to other tourism related localities. The local tourism sector of the Oregon Coast generally fairs well during these economic downturns since people are more likely to spend their vacation time and money travelling to the Oregon Coast instead of potentially some more expensive trips. Particularly given COVID-19's need for social distancing, it is expected that localities with strong outdoor activities will be a focus of the tourism economy in the near future.

Next Steps:


Given the generally positive feedback received from potential developers, the Florence Urban Renewal Agency will be releasing the full Request for Expressions of interest document on July 1st, with a preliminary closing date of August 14th. Enclosed in the meeting materials, is the final Quince Street Request for Expressions of Interest document that will be published.

Items Attached:

- Quince Street Request for Expressions of Interest

Items Available for Reference:

- **November 20, 2019 Florence Urban Renewal Agency Meeting Materials**
(Approval of Strategy for Development of the Quince Street Site)
 - <https://www.ci.florence.or.us/urbanrenewal/florence-urban-renewal-agency-meeting-29>
- **January 22, 2020 Florence Urban Renewal Agency Meeting Materials**
(Approval of Tentative Marketing Process and Establishment of Selection Advisory Committee)
 - <https://www.ci.florence.or.us/urbanrenewal/florence-urban-renewal-agency-meeting-30>
- **February 26, 2020 Florence Urban Renewal Agency Meeting Materials**
(Report on Selection of Professional Development Team)
 - <https://www.ci.florence.or.us/urbanrenewal/florence-urban-renewal-agency-meeting-31>
- **May 27, 2020 Florence Urban Renewal Agency Meeting Materials**
(Report on Status of Project since COVID-19)
 - <https://www.ci.florence.or.us/urbanrenewal/florence-urban-renewal-agency-meeting-32>



Request for Expressions of Interest

for

Redevelopment Site

in

Florence, Oregon

Issued July 1, 2020

by

Florence Urban Renewal Agency

DEADLINE FOR FIRST REVIEW:

Friday, August 14, 2020

at 12:00 p.m.

FURA

**FLORENCE URBAN
RENEWAL AGENCY**

OREGON



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Welcome to Florence!

We hope you love it here as much as we do.

Florence is a community with an estimated population of 8,850 people within the City limits and a regional population of approximately 17,000. It is set at the halfway point of the 363-mile Oregon Coast. Florence is nestled in the peninsula formed by the Siuslaw River, amidst a chain of freshwater lakes. Within the Siuslaw National Forest, Florence is the northern entry to the Oregon Dunes National Recreation Area. Known for its natural beauty and rich history, Florence is now a bustling community that attracts close to one million visitors each year.

Established in 2007, the Florence Urban Renewal Agency's vision is to revitalize the Downtown area as the primary cultural, tourist, commercial, and community core to serve all of Florence's citizens and visitors, while encouraging continuing growth, development, and enhancement consistent with Florence's small-town ambiance and character.

As the chairperson of the Florence Urban Renewal Agency, I am proud to be leading the project to revitalize and develop the Quince Street property offered in this Request for Expressions of Interest. We know that this project will serve as a cornerstone of the Florence Urban Renewal Area and the community as a whole.

Bill Meyer, Chairperson
Florence Urban Renewal Agency (FURA)



Introduction

The Florence Urban Renewal Agency seeks expressions of interest from creative, experienced development teams to redevelop a 13.4-acre site located within the City of Florence, owned by the Florence Urban Renewal Agency. *(For a quick overview of the site, please view the 1 ½ minute site video at <https://vimeo.com/340742193>.)*

The Agency seeks expressions of interest to develop the property in a manner that provides Florence with anchor businesses that inspire additional growth and development. We are looking for developers with the talent and expertise to take advantage of the unique location and visibility of the site. Business partners are sought who will deliver a development that will draw visitors and residents to the Florence region and to inspire pride among Florence citizens. In short, the Agency is seeking developers who want to make an investment in an up-and-coming City along the Oregon Coast.

Incorporated in 1893, Florence is a scenic seaside community at the confluence of the Siuslaw River and the Pacific Ocean. The City is located along the Pacific Coast Scenic Byway (Highway 101), only one-hour west of Eugene, and is served by a marina and boasts its own airport.

Florence is a dynamic city that strives to live up to its tagline of 'A City in Motion.' Over the past few years, the City has completed over 10 million dollars in capital improvements, including streetscape improvements to Florence's Highway 101 and 126 corridors known as ReVision Florence, utility extensions along Highway 126 and Highway 101, improvements to the City's recreation amenities, and many other improvements.



The City has grown at a modest pace since 2000, an average of 0.8% annually, to a population of 8,850 (as of July 1, 2019). The regional population base that depends on Florence as their regional service center is approximately 17,000. With tourism, population numbers can swell to 40,000 or more with many tourists to the City's hotels and campgrounds and many more daytime visitors.

Only three hours from Portland, an hour from Eugene, and only minutes away from the Oregon Dunes National Recreation Area, Florence is a popular tourist destination. Home

to a Historic Old Town district, Florence developed from its roots as a charming 1900s fishing village built along the Siuslaw River. The district offers lovely scenery, unique shopping, and a variety of high-quality dining experiences. Quaint-but-never-commercial shops, breathtaking galleries, and a picturesque marina are blended with lovely parks along the river, where you can sip a cup of coffee or have a cool drink at riverside tables.

Along the Siuslaw waterfront, the Port of Siuslaw has built a boardwalk bordering its updated and expanded

marina providing up-to-date amenities for commercial and recreational users. The Siuslaw River Bridge, which connects Highway 101, across the Siuslaw River, is visible from much of Old Town. The iconic Siuslaw River Bridge, designed by Conde B. McCullough, was completed in March of 1936 as part of the Coast Bridge Project. In March of 2019, the Oregon Department of Transportation completed a three-year major refurbishment of the Bridge that included seismic upgrades and cathodic protection.



The Florence area is rich with outdoor pursuits. Beaches, parks, hiking trails, lakes, and creeks are found throughout this premier coastal community. The City has two golf courses, the world's first ever sand board park, and is located minutes away from the Oregon Dunes National Recreation Area. Within the Siuslaw National Forest, the dunes are the largest coastal sand dunes in North America.

COVID-19 and Florence:

The Florence Urban Renewal Agency acknowledges the implications of the COVID-19 crisis on the hotel and tourism industries and understand the implications of the pandemic on this important industry for the Oregon Coast. The recently released visitor economic impact numbers ([Oregon Travel Impacts Dean Runyan Report](#)) how that the travel and tourism industry in Western Lane County generated \$146.1 million in 2019, a 2.2% increase over the previous year. Over the last decade, travel and tourism sector jobs increased by 2.7% on average annually, with wages increasing 6.5% annually. Up until mid-March of 2020, Western Lane County was on track for a tenth consecutive year of growth in hotel revenues County wide, which was up 5.19%.

Since the State of Oregon's Stay Home, Save Lives executive order began in March, the City of Florence has taken strides to implement recovery initiatives to support its local businesses, particularly those who cater to travel and tourism businesses. Florence, through its partnership with Travel Lane County and the Florence Area Chamber of Commerce, has seen its web research numbers increase since April 2020, as customers consider and plan their upcoming post COVID-19 trips. Thus, the Florence Urban Renewal Agency and the City of Florence anticipates tourism markets to rebound, particularly those looking for safe places to travel and explore in their backyards, and we anticipate a strong market for additional hotel rooms over the development timeline of the Quince Street opportunity.

Recreational & Cultural Opportunities

The Florence Area is popular as a diverse and rich playground destination, where green forests meet the ocean's edge. Florence is situated amid the Oregon Dunes and Siltcoos Recreation Areas, and close to major Oregon Coast attractions, such as the Sea Lion Caves, Heceta Head Lighthouse, Oregon Coast Aquarium, casinos, and outlet malls.



Florence's location provides convenient access to a number of popular state parks and recreational areas, including the Oregon Dunes National Recreation Area, Neptune State Park, Devils Elbow State Park, Washburne State Park, and Honeyman State Park.

Fishing:

Florence fishing is year-round, with the Pacific Ocean, Siuslaw River, 17 freshwater lakes, and 75 creeks ringing the area. Some of the best trout and bass fishing in the state can be found in the area's

freshwater lakes. Salmon, trout, shad, large-mouth bass, catfish, perch, sturgeon, blueback, and steelhead pack the waters of the Siuslaw.

Florence's coastal proximity also makes it a perfect jumping-off point for deep-sea fishing adventures, where one can charter a fishing vessel in town and voyage to some of the best deep-sea fishing spots on the mighty Pacific. Seasonal Coho salmon, Chinook, halibut, and surf perch are caught by the thousands every year off the coast. Bottom fishing is also popular throughout the year.

Crabbing and clamming is also popular activities for all, and require much less skill and knowledge. Both options are widely available in the Florence region along the Pacific Coastal beaches.

Water Sports:

The Florence area has many outstanding opportunities for watersports, including:

Swimming and Boating Areas: The Florence area boasts 75 creeks and rivers into the Pacific Ocean in approximately 30 miles of beach-covered coastline. Several lakes are ideal places to bring families, such as Cleawox Lake and Buck Lake, where the sand dunes cascade right into the water.



Scuba Diving: Scuba Diving is common off the south jetty dock, the north jetty fish ladder, or into the opening of the Siuslaw River. Woahink Lake provides an underwater park. Outlets in Florence can supply any gear needed.

Wind Surfing: Florence offers many wind surfing opportunities, with its many fresh water lakes and the Siuslaw River. The lakes offer a calm, safe space for beginners to learn, while those with experience are often seen during the summer on the South Jetty jumping waves and impressing all those on land.

Golf:

Florence is home to two 18-hole golf courses, while also being relatively close to the world-famous Bandon Dunes Golf Resort in Bandon, Oregon.



Florence Golf Links (formally Sandpines Golf Links) was designed by Rees Jones and features wooded holes, evoking comparisons to Pinehurst and links holes reminiscent of the Monterey Peninsula, with the “crescendo” played around the great central lake. Florence Golf Links was voted “Best New Public Course in America” by Golf Digest in 1993, voted #1 in Golf Digest’s 1996/1997 “America’s Top Affordable Courses,” and voted one of the “Top 5 Courses to Play in Oregon” in 1996.

Ocean Dunes Golf Links was design by William G. Robinson, with a par of 70 and a slope of 124. Ocean Dunes offers links style pot bunkers, a double green, sand dunes, beach grass, and beautiful views. Complete with a clubhouse with snack bar, 18 fun and exciting holes, carts available for rental, and a vista of dunes, mountains and forests, Ocean Dunes Golf Links makes a perfect site for family and company gatherings.

Oregon Dunes National Recreation Area:

Forty-plus miles of the central Oregon coast, stretching from Florence south to Coos Bay, are home to the Oregon Dunes National Recreation Area. Here, sand dunes hundreds of feet high provide a habitat for forests, river, wetlands, and wildlife. Recreational opportunities abound for hikers, nature-lovers, photographers, and off-road vehicle enthusiasts. The National Recreation Area includes numerous campgrounds, hiking trails, boat launch sites, and picnicking areas. Outlets in Florence are available to rent Off-Road Vehicles and sandboards, as well as give tours of the dunes.



Historic Old Town:

Historic Old Town Florence is located on the waterfront below Highway 101's Siuslaw River Bridge. Bay Street runs the length of Historic Old Town Florence and offers glimpses into the past with historic buildings, open spaces, and friendly faces. This hidden gem is a popular place to spend time exploring art galleries, antique stores, gift and specialty shops, wine tasting, and the many unique local restaurants serving regional food and wines. Florence's Old Town is also



the hub for the local arts community, finding home to over 8 different art galleries, including Backstreet Gallery, a local artist co-op, and Florence's Regional Art Alliance, which hosts monthly art classes for adults and youth, as well as art shows for local and regional artists. Old Town is also home to a significant collection of public art, including Art Exposed, an outdoor rotating public art gallery where the pieces sold benefit the public art collection.



Heceta Head Lighthouse:

North of Florence lies the Heceta Head Lighthouse. Managed by Oregon State Parks, this Heceta Head Lighthouse is surrounded by trails that lead beyond the lighthouse and the lighthouse-keeper's house to a series of paths that provide spectacular views of both the rugged seacoast and its wild inhabitants. Heceta Head Lighthouse is famous for being one of the most photographed lighthouses in the United States.

Sea Lion Caves:

Located 11 miles north of Florence, Sea Lion Caves is the world's largest sea cave. Formation of the cavern began about 25 million years ago. It now soars to the height of a 12-story building and stretches the length of a football field. Care is taken not to disturb the natural habitat of the wild animals that dwell there. Sea lions gather in this natural amphitheater, usually during the fall and winter. In spring and summer, they breed and have their young on rock ledges just outside of the cave.

Florence Municipal Airport:

The Florence Municipal Airport (FAA LID: 6S2) is located at 2001 Airport Way and situated right in the heart of Florence. The Airport features a 3,000-foot paved and lighted runway and self-serve fuel which is available 24 hours, 7 days a week. A courtesy car and bicycles are available for pilots who fly in and want to explore Florence .



Florence Events Center:

The Florence Events Center is a 21,000 sq. ft. conference and performance center owned and operated by the City of Florence. The facility accommodates everything from a simple board meeting to a Broadway-style theatre production.

The Florence Events Center space includes:

- a full commercial kitchen including on-site catering,
- a 455-seat theater,
- 6,000 sq. ft. of meeting space covering 5 flat floor rooms with moveable walls and multiple configurations.



In 2019, the property held 399 events over 255 days covering multiple festivals, conferences, and twelve overnight events. The overnight events hosted in 2019 over 5,000 people. In 2018, the property held 427 events over 280 days.



In 2016, the City of Florence purchased the property directly to the north of the Florence Events Center with the eventual plans to expand the center to allow for more conference and meeting space.

More information can be found at the Florence Events Center website: <https://www.eventcenter.org/>

Examples of Events Held in 2019 at the Florence Events Center:

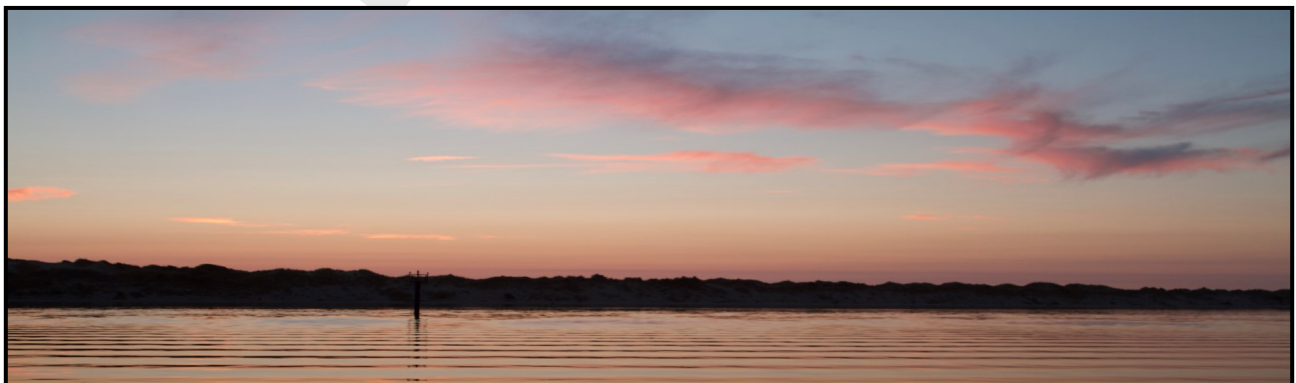
- ◆ Winter Music Festival
1,413 Attendees
- ◆ Home & Garden Show
2,350 Attendees
- ◆ FlorenceFest (Regional Wine, Art, and Jazz Show)
687 Attendees
- ◆ Florence Festival of Books
302 Attendees



Property Information

(For a visual overview of the site, please view the 1 ½ minute site video at <https://vimeo.com/340742193>)

Owner	Florence Urban Renewal Agency
Location Brief	<p>Located at the entrance to Florence along Highway 126, near the corner of Highway 101 and Quince Street. The property consists of two tax lots</p> <ul style="list-style-type: none"> • Taxlot 18-12-26-33-00900 • Taxlot 18-12-26-33-00901
Size	<p>Total Site = 584,134 square feet (13.41 acres)</p> <ul style="list-style-type: none"> • TL 901 - 276,600 sq footage – 6.35 acres • TL 900 – 307,534 sq foot – 7.06 acres
Zoning Brief	<p>Base zoning (both taxlots) = Old Town Area C.</p> <ul style="list-style-type: none"> • The base zoning district is intended for mixed uses which provide a range of housing and hospitality options around the Florence Events Center that take advantage of the surrounding natural features and views of the river. • The majority of TL 900 and the eastern fringe of TL 901 (Approximately 336,598 sq. ft. or 7.73 acres) is within the Natural Resource Conservation Shoreland Management Unit designating the need for additional review (<i>generally Type II staff approval</i>) to ensure the use will not adversely affect the aesthetic and biological characteristics of the area and that waters are protected from pollution. • The eastern, estuarine portion (below mean high-tide – approximately 59,719 sq. ft. or 1.37 acres) is zoned Natural Estuary and set aside for protection of significant fish and wildlife habitats with limited to no development ability. <p>For more information on zoning, check out the zoning property information memo at:</p>



Description:

The parcel is vacant and the former site of the Siuslaw Middle School facility, which was deconstructed in 2008. At that time, the site received design review approval for a 120-unit time share resort project applied for by Wyndham Vacation Ownership (Resolution PC 08 15 DR 04). The Wyndham design rendering from 2008 is pictured to the right.



The site is currently accessed off of Quince Street directly across from the Florence Events Center. The property overlooks the Siuslaw Estuary and is an approximate 5-minute walk (0.3 miles) from the Port of Siuslaw Marina and Boardwalk, and Florence's Historic Old Town district with its shops and dining opportunities.

The western most parcel (TL 901) is generally free of vegetation, except for the north eastern and southwestern corners. The eastern most parcel (TL 900) contains the portion of the site where the property slopes into the Siuslaw River Estuary. At this point the property becomes thickly wooded, steeply sloping into the Siuslaw estuary.

Zoning Quick Facts:

- Maximum building height is four stories or 55 feet.
- Front setbacks are 15 feet; side and rear setbacks are five feet (zero lot line side spacing is possible).
- No individual, non-residential, single-use structure may have a footprint greater than 15,000 sq. ft.
- Minimum parking requirements are determined by use.
 - For lodging, one space per hotel unit, plus spaces required for ancillary uses
 - More Information can be found in zoning memo at the project website.



Development Concepts:

The Urban Renewal Agency's goal is for the site to be developed for a 90+ room hotel, or other similar sized lodging facility, with a preference for a 100+ room facility. The intent is for the hotel to serve as an anchor for the site, as well as a complement to the Florence Events Center.

In addition to a lodging development, ancillary developments would also be considered for the site, including any of the following mixed-use developments:

- Food / Beverage uses complimentary to the lodging use, including, but not limited to, restaurant, brewery, coffee, quick service, or other similar development.

- Other residential facilities or mixed-use with particular focus on efforts to promote higher-density workforce housing, including, but not limited to:

- ⇒ Townhomes
- ⇒ Condominiums
- ⇒ Cottage Cluster Housing
- ⇒ Live-Above Mixed-Use Units



The uses listed above are the Agency’s development goals for the site, but they will consider all proposals for development opportunities. In addition, although the primary goal is to achieve a viable lodging facility proposal as an anchor business for the site, the Agency will

consider the opportunity to select more than one proposal, or a proposal different than a lodging facility, should it be warranted and/or the uses be compatible. However, all proposed developments should be for-profit enterprises subject to property tax.

Infrastructure:

The Florence Urban Renewal Agency completed a series of infrastructure improvements in 2012 and 2013 that improved water, wastewater, and stormwater management in the area. A 16-inch water main extends from Hwy 126 south along Quince Street to the intersection of 2nd Street and Kingwood Street. A 12-inch water main was extended from the new 16-inch water main to the east side of Quince Street, just north of 6th Street. The 12-inch water main is capable of delivering over 3,500 gallons per minute under fire flow conditions.

Recent projects installed new sanitary sewer line on Quince Street from just north of 6th Street to Harbor Street. A 6-inch sewer service lateral was stubbed to the property at approximately 6th Street. Additionally, an 8-inch sewer line extends across Quince Street within the 8th Street right-of-way that is available to provide service to properties east of Quince Street.



The infrastructure improvements within this area of Quince Street (from Hwy 126 to 2nd and Harbor) included the reconstruction of the street section.

Siuslaw Estuary Trail:

The City is currently in the process of developing the Siuslaw Estuary Trail with the ultimate goal to connect the Boardwalk in Florence’s Historic Old Town to the south end of the Munsel Creek Bike Path along Hwy 126. The City has identified and budgeted funding in the 2019-2021 biennium to complete engineering, design, and construction of the first phase of the Siuslaw Estuary Trail. The

most recent proposed design includes a trail along the estuary with access points from the site. The City is currently in the process of performing survey work along the Siuslaw Estuary Trail to determine the final location for the first phase of the path. When complete, the trail will allow for an off-street option for residents and visitors to the Quince Street property site to traverse into the Old Town area and enjoy the Siuslaw River Estuary.

The Florence Urban Renewal Agency intends to negotiate with the selected team(s) to integrate the design of the Siuslaw Estuary Trail with the proposed site development to ensure a quality amenity for both the site and the community at large.

ReVision Florence Streetscape Improvements:

The Florence Urban Renewal Agency, in partnership with the Oregon Department of Transportation, the City of Florence, and Lane County, are currently completing streetscape improvements to the Highway 101 and Highway 126 corridors known as ReVision Florence. The project extends along Highway 101 between the Siuslaw River Bridge and Highway 126, and east along Highway 126 to Spruce Street. The project includes the following highway beautification and safety elements:

- Sidewalks & Bike Lanes
- Defined Parking
- Landscaping & Plazas
- ADA Improvements
- Street & Pedestrian Lighting
- Undergrounding Utilities
- Visual Clues to Slow Down Traffic
- Repaving Highway 101 from Siuslaw River Bridge to Highway 126 junction

A key component of the ReVision Florence project is the addition of gateway treatments to Florence Old Town. The gateway monument pictured above will be constructed at Maple Street on Highway 101. The gateway will include signage, public art, landscaping, and pedestrian amenities. Construction of this monument is currently underway with completion planned for Summer 2020. A foundation for a monument at Quince Street and Highway 126 has been constructed, but the monument design will be determined later.



Development Offering Overview

Development of the Property:

The property to be developed was acquired in 2018 by the Florence Urban Renewal Agency as an opportunity to gain control of the property and its development opportunities. The goal of ownership and eventual development of the site is to make the property available for development of a 90+ room hotel, or other similar lodging facility, with opportunities for ancillary developments for mixed-use commercial/residential or straight residential developments.

The Florence Urban Renewal Agency seeks to negotiate a sale or ground lease of the property with a party interested in developing the site for that purpose in order to increase property values and transient room tax revenue for the City of Florence and the Florence Urban Renewal Agency, and support the activities of the Florence Events Center.

The property is owned outright by the Agency. A summary of the property, along with observations about the Agency's objectives, are provided beginning on page 11.



Development Offering Overview:

This offering is intended to be flexible. The Florence Urban Renewal Agency is not seeking detailed proposals or architectural plans for the site, although it will not reject any specific proposals that developers or others may seek to put forward. Rather, the Agency seeks expressions of interest from developers, business owners, or others who have a compelling vision for the site, including preliminary thoughts about programming, phasing, and deal structures. The expressions of interest will need to demonstrate the capacity and experience to deliver on that vision.

The Agency's primary objective of this opportunity is to achieve a lodging facility on the site. Should a submittal for a suitable lodging facility be obtained through this request for expressions of interest, the agency would consider other alternative uses for the site including mixed use developments, attractions, residential, retail and / or office. The agency would welcome a variety of options regarding phasing of development where applicable. Submitted responses can be for the entire site, for a specific portion of the site, or for a general desire to work with the agency on development. The Agency also welcomes responses to this Request for Expressions of Interest.

The Florence Urban Renewal Agency and the City of Florence have identified a variety of measures they will consider to assist in the feasibility of the project, depending on the developer's responsiveness to the Agency's objectives (See page 17 for more information) .

As a summary, the Agency seeks teams that can demonstrate the capacity to deliver projects that best fulfill the goals expressed in the selection criteria.

This RFEI sets forth the Agency's intentions for the site, including the selection criteria, selection process, and other information and requirements. Once the Agency has selected preferred teams, the Agency intends to enter into exclusive negotiations with those teams, with the intention of initiating at least the first phase of development for the properties as early as late 2020. Others may require longer periods of due diligence.

The deadline for first review of this RFEI is Friday, August 14, 2020 at 12:00 p.m. PST.

Responses should be addressed to:

Kelli Weese, City Recorder/ Economic Development
Coordinator
250 Hwy 101
Florence, OR 97439
kelli.weese@ci.florence.or.us

Pre Submittal Meeting:

The Urban Renewal Agency Staff will conduct two optional pre-submittal stakeholder meeting / tours on **Friday July 31, 2020 at 9:00 a.m. and 2:00 p.m.**

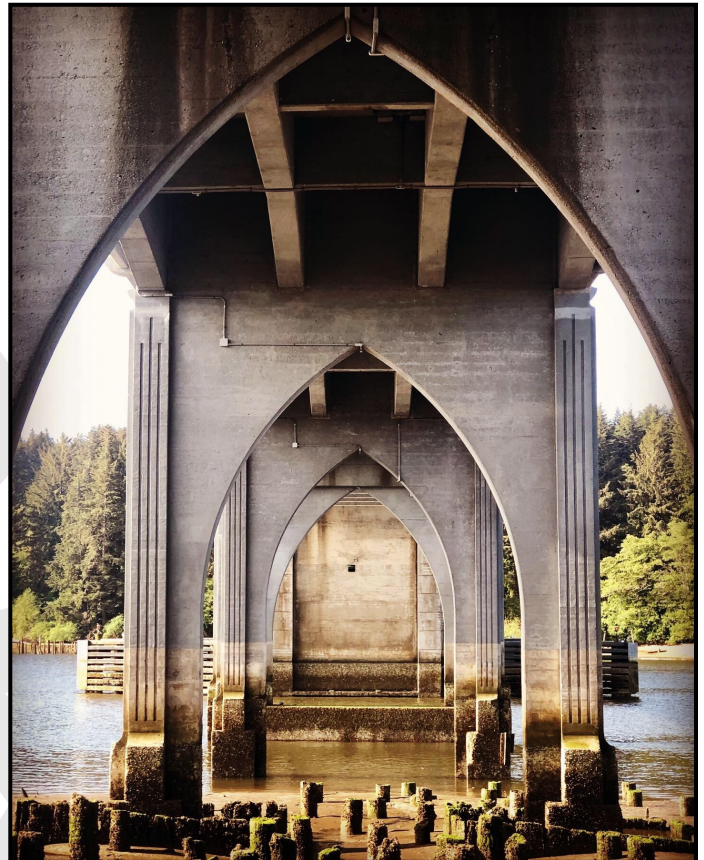
The optional pre-submittal meetings will be followed by a tour of the property. The meeting and tour are not mandatory, but prospective respondents to this RFEI are encouraged to attend.

Due to COVID-19 responses, meetings and tours will meet the requirements of social distancing and wearing of facial masks / shields due at the time of the tour. The meetings and tours will be subject to the requirements in place at the time of the event including potential move to full virtual tours and / or cancellation, should such changes be necessary to meet Oregon Health Authority guidance.

In addition to in person meetings and tours, the afternoon meeting prior to the location tour will be presented virtually on the GotoWebinar meeting platform and recorded for future viewing. The meeting and tour are not mandatory, but prospective respondents to this RFEI are encouraged to attend.

Those who want to participate in the meeting and/or tour should contact Kelli Weese (kelli.weese@ci.florence.or.us) **no later than Friday, July 17, 2020 at 4:00 p.m.**

As a note, if you are planning to attend the tours, we recommend making reservations as soon as possible. July is the busiest season for hotels and vacation rentals, and can be difficult to book. Please visit the Florence Area Chamber of Commerce webpage for recommendations on where to stay: www.florencechamber.com



Deals & Partnerships

Deal Structure Options:

The Florence Urban Renewal Agency is open to a variety of possible deal structures for the project, including those listed below. The following is not intended to be exhaustive, nor is there any priority in the order of ideas listed. Whatever deal structures are negotiated will be memorialized in a binding development agreement.

- Standard Purchase and Sale: The Urban Renewal Agency sells the property to the developer team, either for cash, or seller-financed. Note that, under state law, the Agency may dispose of land for what they determine to be a fair reuse value in their discretion. This value may be set to assure the property is developed or otherwise used to best carry out the purposes and goals specified in its Urban Renewal Plan.
- Ground Lease / Long Term Lease: The Urban Renewal Agency enters into a long-term lease agreement with the developer team. Such lease agreement might include an option-to-purchase.
- Joint Venture: The Urban Renewal Agency may enter into a joint venture with the selected developer team, with the land serving as the Agency's contribution to the joint venture.

Possible Public Assistance:

The Agency anticipates the redevelopment of the site may require a public-private partnership to achieve their goals. While the City of Florence and the Florence Urban Renewal Agency have limited resources available, the following is a preliminary list of possible funding tools they have identified. Please note, there is no definitive commitment to these tools or forms of assistance. However, the City and the Agency are committed to working with the selected developer teams to secure funding necessary to create a development that aligns with their aspirations. The tools may include:



- Land Write-Down: The Urban Renewal Agency may consider offers that include a discounted sale price (or lease payment), as long as the Agency determines, in its sole discretion, that the resulting development satisfies goals set forth in the Urban Renewal Plan or other guiding document as applicable.
- Urban Renewal Economic Toolbox: The site is owned by the Florence Urban Renewal Agency, who will consider a limited use of funds to assist with a project. Urban Renewal funds may be used for a variety of purposes, including pre-development work or technical studies such as environmental, geo-technical, appraisals and preliminary design. The Urban Renewal Agency is open to other ideas for the use of its funds, subject to availability and the proposed use of funds being consistent with the Urban Renewal Plan.

- Assistance with Other Financing Sources: The Urban Renewal Agency may provide letters of support to developer teams seeking other potential financing sources for the project.
- Existing Technical Studies: The City and Urban Renewal Agency shall provide copies of all reports and technical studies in their possession, including environmental, title report, and surveys, as available.
- Enterprise Zone: Enterprise zones are a state authorized incentive under which certain uses are eligible for a 3 or 5 year property tax abatement on new improvements. While the site does not currently fall within the boundaries of an enterprise zone, it is possible that the City of Florence and Lane County could amend the boundaries of its enterprise zone.
- System Development Charge (SDC) Financing or Credits: The City and/or Urban Renewal may consider financing SDCs. This could be paid using developer funds, City or Urban Renewal Agency funds, or a combination of both.
- Assistance in Negotiations: The Urban Renewal Agency may assist the team in negotiating any necessary agreements with other property owners and regulatory agencies as applicable related to use of the property.

In addition to the various forms of financial assistance noted above, the City and the Urban Renewal Agency will consider providing other forms of assistance to the developer team:

- Land Use/ Permitting: The City will work with the selected developer team to make sure the permitting process goes forward efficiently.
- Community Relations: The City will work with the selected developer team to coordinate communications with the community and build community support for the ultimate development of the site.
- Unforeseen Challenges: The City recognizes that once the development process is initiated, unforeseen challenges may arise. The City and the Urban Renewal Agency are committed to quick characterization and resolution of such challenges.



Selection Criteria, Process & Schedule

Selection Criteria:

The following are the criteria which the Florence Urban Renewal Agency will use to determine which developer team to select for the site. The Agency seeks responses to this RFEI which:



- Set forth a compelling vision that will meet the Agency’s goals of the site while ultimately spurring further redevelopment in Florence with an active, pedestrian-friendly mix of uses, spaces, and structures.
- Demonstrate the developer’s experience in financing and delivering projects similar in scope and quality to what the developer is proposing in response to this RFEI.
- Demonstrate capability of the project to contribute to Florence’s fiscal stability. Responsible use of Urban Renewal Agency funding or other form of financial participation (as applicable). Demonstration of economic feasibility, with minimal public support relative to the scale of the project and to the public/community benefits of the project.



- Serve as a distinct gateway to the City. Demonstrate quality and consider the coastal context, which may include: sustainable design, building elements, and urban design elements such as pedestrian connections through and within sites, public plazas and open spaces, landscape elements, treatments, and arrangement of parking.

Selection Process:

The Florence Urban Renewal Agency has appointed a Selection Advisory Committee to review team qualifications and provide input to the full Agency Board of Directors for potential next steps. Upon this initial review of the responses by the Selection Advisory Committee, the Florence Urban Renewal Agency, may elect to proceed in any of the following or possibly other directions:



- The Selection Advisory Committee, Agency Board, Staff, or its Consultant may solicit additional information or clarifications from respondents.
- The Selection Advisory Committee, Agency Board, Staff, or its consultant may score the responses received.
- The Agency Board may select a 'short list' of teams for a second-round process. This second round may include interviews, a formal Request for Proposals (RFP) process, and/or some other means of selection.
- The Agency Board may select a single team for the site, without going to a second-round process, and negotiate the terms of a transaction with that team.
- The Agency Board may opt to reject any or all responses regarding the property.
- The Agency Board reserves the right to recommend that two or more teams consider forming a partnership, if in the Urban Renewal Agency believes such a partnership would be conducive to achieving their goals for the project.



Note: All responses to this RFEI are public records and may be reviewed by any member of the public (see further information about confidentiality under General Conditions, starting on page 24).

Post-Selection Process:

Upon selection of a team or teams for the site, the Florence Urban Renewal Agency intends to enter into an exclusive negotiating agreement with the team(s), providing for a defined time period during which the parties will attempt to negotiate the deal terms for the transaction. During

this period, the Urban Renewal Agency will work with the selected developer team(s) to refine their approaches, including development program, phasing as applicable, site planning, and building design. This phase will likely include some form of community participation. The Agency anticipates that during this period the program, deal structure, financing, composition of the team, or other components may be modified from what was submitted in response to the RFEI, should a more refined proposal be developed.



During this pre-development phase, the Agency may negotiate with some or all of the selected team(s) a Memorandum of Understanding (MOU) or other agreement as appropriate, setting forth in non-binding terms the financial, programmatic, and other general aspects of the project. Any such MOU will also serve as the basis for the negotiation and execution of any subsequent binding agreement (which may take any of several forms, including a Disposition and Development Agreement, Lease Agreement, a Purchase and Sale Agreement, or another form; this will be determined as a results of the negotiations). The final, binding document(s) will govern the final disposition of the properties, setting for the terms of the transaction.

Any such MOU will include provisions reserving to the Agency the right to terminate negotiations with the selected developer team, if the Agency, at its sole discretion, determines that negotiations during the predevelopment phase are not progressing in a satisfactory manner. Should this occur, the Agency would then either work with another team, or may decide not to pursue the project further.

Timeline:

Wed., July 1	Issuance of RFEI
Friday, July 31	Optional Pre-Submittal Meeting and Tour <i>(see page 16 for more information)</i>
Monday, August 3, 2020 @ 4:00 p.m.	Deadline for Requests for Clarification or Additional Information
Friday, August 14 @ 12:00 p.m.	Deadline for First Review. Responses must be received in City offices by this time.
Week of September 7	Selection Advisory Committee preliminary evaluation of submissions.
September 23	Florence Urban Renewal Agency Board meeting for potential preliminary selection of developer team(s) pending further negotiations.

Submission Requirements:

12 pages (8 ½" by 11") or less, not including background materials (i.e. resumes, references, project examples, etc.)

1. **Cover Letter:** Describe the development team and interest in the project. Identify the primary point of contact for the team. Include a statement indicating that the response is valid for six months after submittal.

2. **Expression of Interest:** Describe your vision for the site including:

- How is it consistent with the Agency's aspirations for the site and the surrounding area, particularly in light of the stated selection criteria (section X), as well as the description of the site's opportunities (Section X).
- What are your preliminary thoughts about program, phasing, design, and deal terms?
- Do you intend to develop the entire property, or only a portion? If only a portion of the site, what do you hope to see on the balance of the site. Discuss how you anticipate coordinating your efforts with other development partners.
- Does your response anticipate (or require) the acquisition of any other properties adjoining the property? If so, please describe your acquisition strategy. Note, that any confidential aspects of this strategy may be attached separately and indicated as 'confidential.'
- What type of specific tenant or type of tenant are you considering?
- Are you aware of any City zoning or other codes that may impede your development concept for the site?

3. Team and Development Experience

- Identify development team members and roles, and describe their qualifications. Provide resumes for key team members.
- Describe the team's experience in the development of high quality, successful projects, preferably projects similar in scope and scale to what you are proposing for the Florence site. What is the team's recent experience with this type of development? It is optional to include photos of recent similar complete projects.
- Describe the team's previous experience working with public sector partners in public-private partnerships.





4. Financial Capacity

- Explain your financial capacity, and share any preliminary thoughts you have about financing approaches for your project ideas. Please discuss, for instance, your likely or possible equity and debt sources. Provide as much information as you wish, such as certified financial statements, credit availability letters, or bank references, to make the case that you have the financing capacity to carry out your proposed project. Any financial documents submitted in response to this RFEI should be placed in a separate envelope and clearly marked 'confidential.' The Agency will maintain the confidentiality of any such information to the extent allowed by law, but please do not submit any information you do not wish to be made public; see also the statement about 'proprietary information' in the general conditions section below.
- Describe any expectations for public financial participation at this stage. The response should include general statements relating to financial participation, assistance with permits, and other potential public funding sources.

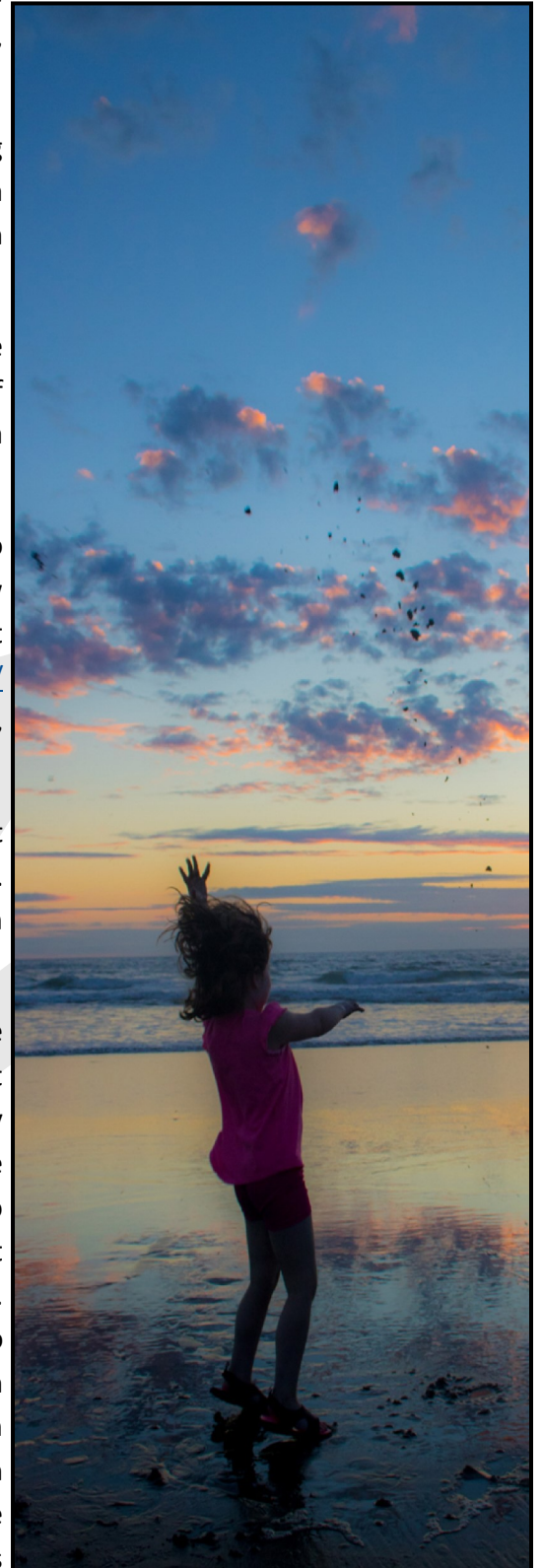
5. Timing: Provide a preliminary estimated time frame to carry out the project(s). If you envision a phased approach, please describe.

6. List of References and Project Examples:

- Teams may submit letters of reference above the specified page limit. Teams are also encouraged to include samples of other projects (preferably relevant to what they are proposing for the Florence project), beyond the specified page limit.
- The Agency does not expect architectural drawings as part of team submittals, but will not refuse such drawings. If drawings are submitted, they should be incorporated into the 8 ½" by 11" format described above. No more than 4 drawings (site plans, floor plans, elevations) will be accepted as part of the submittal, above the specified page limit.

General Conditions

- The Urban Renewal Agency reserves the right, in its sole discretion, to accept or reject all responses to this RFEI, without cause.
- All facts and opinions stated within this RFEI and all supporting documents and data are based on information available from a variety of sources. No representation or warranty is made with respect thereto.
- The Urban Renewal Agency reserves the right, in its sole discretion, to modify the selection process or other aspects of this RFEI, including canceling the RFEI, without selecting a developer or team.
- The Urban Renewal Agency will take reasonable steps to ensure that any modification or clarification or new information related to this RFEI shall be posted on the project website at <https://www.ci.florence.or.us/urbanrenewal/quince-street-request-expressions-interest> by Monday, August 3, 2020 at noon.
- The Urban Renewal Agency reserves the right to request additional information following review of initial submissions. In addition, it may retain consultants to assist in the evaluation of submissions.
- In the interest of a fair and equitable selection process, the City and the Florence Urban Renewal Agency reserve the right to determine the timing, arrangement, and method of any presentation throughout the selection process. Teams are cautioned not to undertake any activities or actions to promote or advertise their expressions of interest except during the Urban Renewal authorized presentations. Developers and their representatives are not permitted to make any direct or indirect (through others) contact with members of the Florence City Council, the Florence Urban Renewal Agency Board, Planning Commission, or Selection Advisory Committee concerning their responses, except in the course of Urban Renewal sponsored presentations. Violations of these rules is grounds for disqualification of the team.



- The Urban Renewal Agency request that developers and members of their team who are considering responding to the RFEI not contact any prospective public agency funding partners.



- Conflicts of Interest. Please disclose any conflicts of interest or potential conflicts of interest that may arise as a result of your company's being selected for this project. Identify and describe fully any family or business relationships which any employees of your company may have or have had with any employee or elected official

of the City of Florence, the Florence Urban Renewal Agency, or any affiliated entities. The proposer and sub-consultants shall identify any group, individual, or organization that they may have worked for, or currently work for, that has had ownership, lease, development, related or similar interest in the City of Florence or the Florence Urban Renewal Agency. Failure to disclose any existing or potential conflicts of interest may disqualify the response from consideration.

- Nondiscrimination. The Florence Urban Renewal Agency notifies all possible proposers that no person shall be excluded from participation in, denied any benefits of, or otherwise discriminated against in connection with the award and performance of any contract on the basis of race, religious creed, color, national origin, ancestry, physical disability, sex, age, ethnicity, or on any other basis prohibited by law.
- Proprietary Information. Only information which in the nature of legitimate trade secrets or non-published financial data may be deemed proprietary or confidential. Any materials within a response identified as such must be clearly marked in the response and will be handled in accordance with the Oregon Public

Records Act, and applicable rules and regulations. Any response marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.



- All submissions shall become the sole and exclusive property of the Florence Urban Renewal Agency. Teams shall not copyright, or cause to be copyrighted, any portion of their submission. Within the bounds of public records laws, the Florence Urban Renewal Agency will maintain

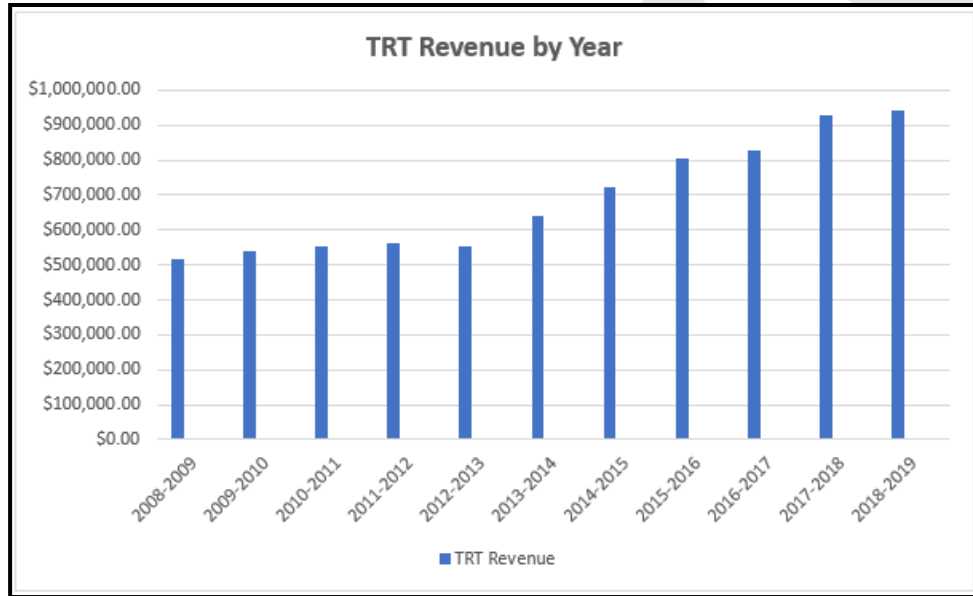
the confidentiality of submissions at least until the preliminary selection of developer teams, and possibly as late as the time at which the Florence Urban Renewal Agency enters into a disposition and development agreement with the developer in question. Any proprietary financial information or other information which developer teams submit will be maintained as confidential as allowed by public records law. Submissions or information that the respondent team would like to remain confidential must be marked confidential.

- The Florence Urban Renewal Agency does not make any representation as to whether or not a project to be developed as a result of this RFEI, or any possible City or Urban Renewal Agency participation therein, is a 'public improvement' project and as such is subject to the prevailing wage requirements of the Oregon Bureau of Labor and Industry.
- News releases by the selected team pertaining to its selection will require prior written approval from the Urban Renewal Agency staff.
- The Urban Renewal Agency reserves the right to verify and investigate the qualifications and financial capacity of any and all members of the proposing teams.
- The Urban Renewal Agency accepts no responsibility or obligation to pay any costs incurred by any party in the preparation or submission or a response or in complying with any subsequent request for information or for participation throughout the evaluation process.

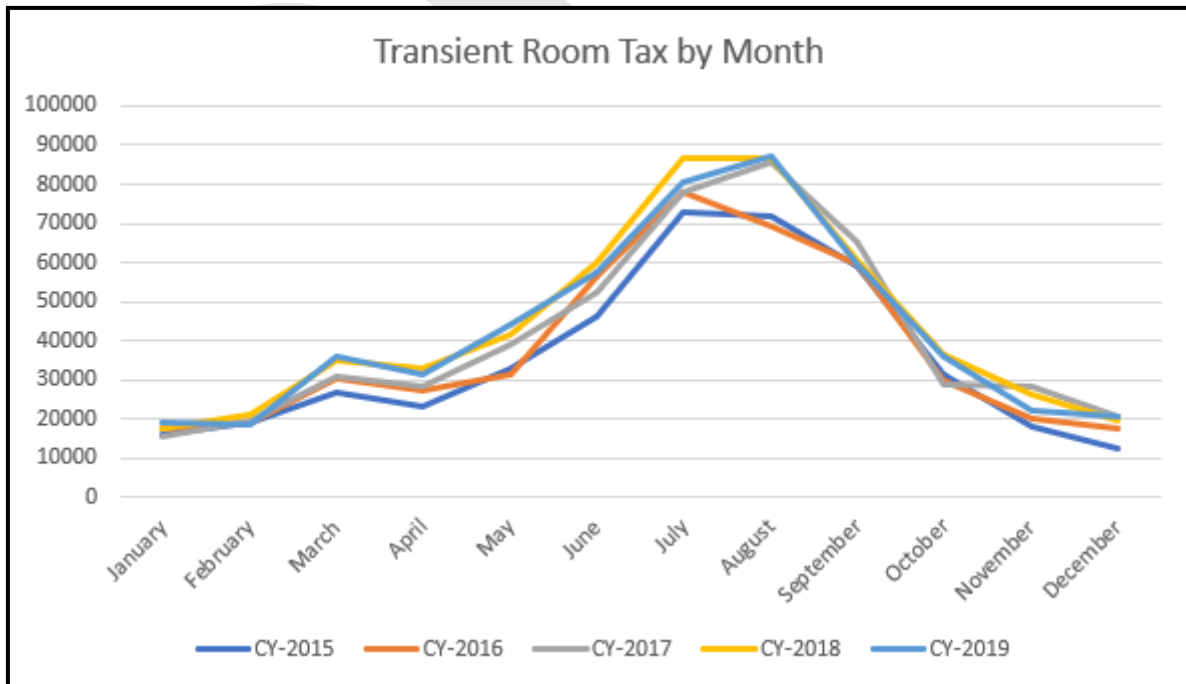


Economic Snapshot

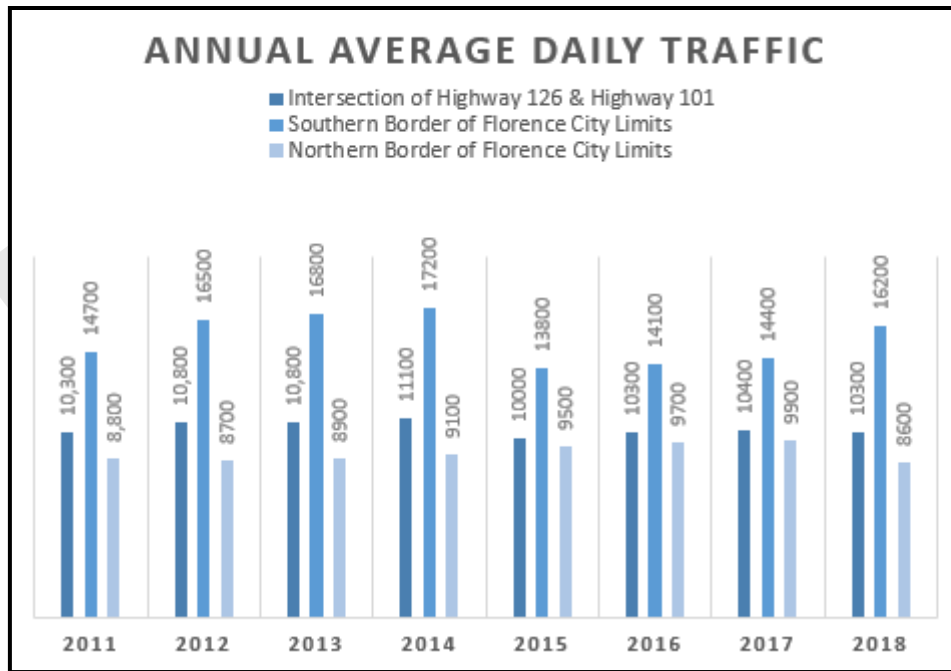
Florence is perfectly placed between the gorgeous rugged central coast of Oregon, a string of freshwater lakes perfect for fishing and recreating, and the nationally preserved Oregon dunes, known for the extreme adventure sports, as well as their peaceful nature. Because of this, we continue to attract guests from around the state, region, and globe. Since the Great Recession, our Transient Room Tax numbers have continuously risen, showing an almost 30% increase between the 2014-2015 season and the 2018-2019 season.



Though economic activity continues to be seasonal in Florence, these numbers also show significant growth in the winter season, showing an almost 70% increase in TRT revenue between December 2015 and December 2019.



Florence is defined by Highway 101, the scenic Pacific Coast Highway, which delivers a tremendous amount of traffic and exposure to Florence’s businesses. However, our most successful businesses are those adept at pulling people off of Highway 101 and into their front door. Our “main street” is Bay Street, which runs east to west along the Siuslaw River, featuring locally-owned shops, delicious restaurants and beautiful parks and view points of the historic Siuslaw River Bridge.



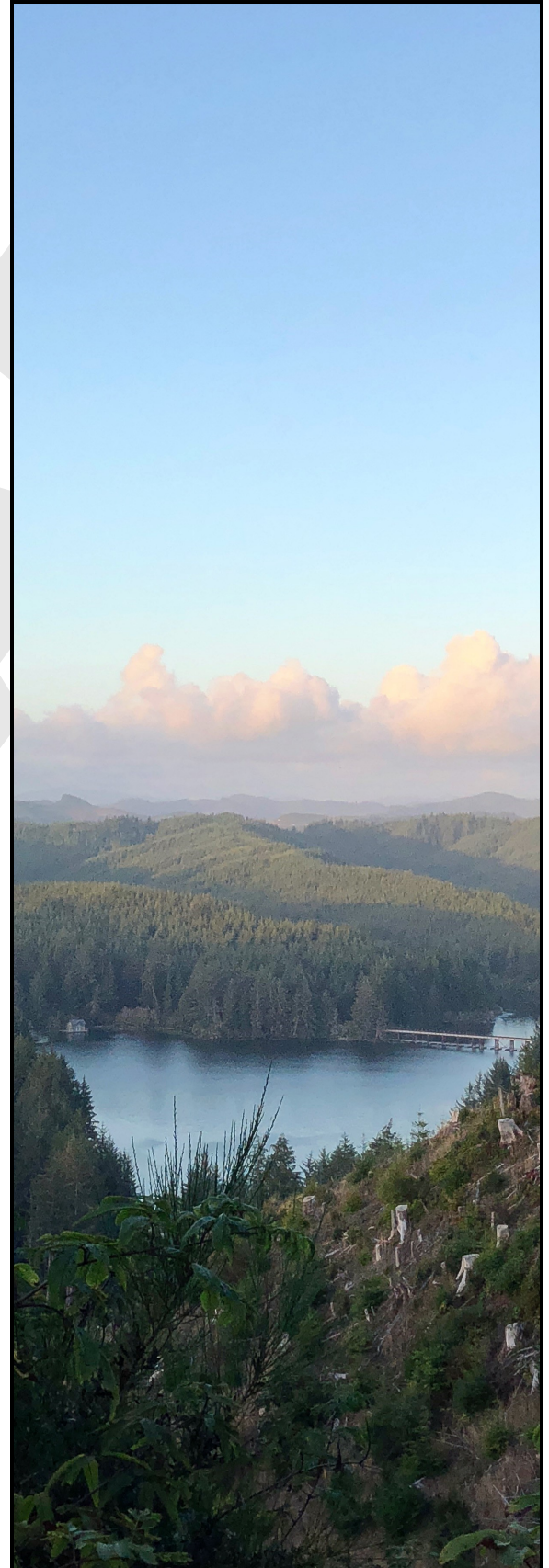
Vehicular traffic along Highway 101 has been documented by Oregon Department of Transportation (ODOT) throughout the years and has showed a steady stream of cars. Though they do not document on a monthly basis, the averages in three different locations in Florence (Southern & Northern border of Florence City limits, as well as the Highway 101 and Highway 126 (Florence-Eugene Highway) stays relatively consistent over the 9 years of data that is available.

In the recent years, Oregon DOT has invested significant funds over the past ten years to ensure that Highway 101 and Highway 126 continue to be as safe as possible. These investments include widening the shoulder lanes, installing guard rails, adding additional passing lanes, restriping the highway, and repaving certain sections of the Florence– Eugene Highway.

Demographics, Housing & Employment Facts, Schools and Transportation

The following information is derived primarily from the Florence Housing & Economic Opportunity Project, completed in November 2018. The assessment can be viewed in its entirety at: <https://www.ci.florence.or.us/planning/housing-and-economic-opportunities-project-completed-nov-2018>

- **POPULATION:** The City of Florence currently has a population of 8,850 within its City limits, and functions as a regional service center for approximately 17,000 people that live within 20 miles of the City. Since 2000, the population in the City of Florence has increased by 19.5%, up from 7,263 residents in 2000 to 8,680 in 2016 (0.4% annual average growth rate). Population within the Florence Urban Growth Boundary is projected to grow from 10,486 to 12,554 over the next 20 years (0.9% average annual growth rate).
- **HOTELS/ MOTELS:** The estimated average annual occupancy rate for hotels is 70% (varying over the seasons). As tourism increases along the Oregon Coast so too will demand for overnight accommodations. An analysis of the lodging market within Florence indicates that the market is currently served by 13 ‘competitive’ lodging establishments including 4 full-service hotels and 9 limited-service facilities. The lodging demand analysis indicates that over the next 20 years there will be demand for approximately 570 new hotel/motel rooms in Florence.
- **MEDIAN FAMILY INCOME:** Median household income in Florence is \$33,950, partially due to the high share of retirees combined with a service-oriented economy.
- **HOME SALES VALUE:** According to Zillow.com, the median home value in Florence is \$276,460. Florence home values have gone up 9.1% over the past year and Zillow predicts they will rise 7% within the next year. The median list price per square foot in Florence is \$241.





- **HOUSING SUPPLY:** There is a total of 5,266 dwelling units – with a demand for 1,600 new dwellings over the next 20 years, with a mix of owner-occupied, renter-occupied, and short-term rental units.
 - ⇒ 56% Single-Family Detached
 - ⇒ 22% Mobile Home / Other
 - ⇒ 13% Multi-Family (5+ Units)
 - ⇒ 9% Townhomes / Plexes
- **EMPLOYMENT:** Major employers in Florence include:
 - ⇒ Peace Harbor Hospital: 400-500
 - ⇒ Three Rivers Casino: 300-400
 - ⇒ Fred Meyer: 200-300
 - ⇒ Safeway: 100-150
 - ⇒ Siuslaw Elementary: 50-100
 - ⇒ R&R King Logging: 50-100
 - ⇒ Regency Florence: 50-100
 - ⇒ Spruce Point: 50-100
 - ⇒ City of Florence: 60-75
- **SCHOOLS:** Several institutions serve the educational needs and interests of western Lane County. The Siuslaw School District operates the elementary, middle, and high schools in Florence. A satellite of Lane Community College (LCC) provides comprehensive, accessible, learning-centered educational opportunities for the Florence community. LCC Florence also offers an extensive lifelong learning program, offering a variety of enrichment classes, professional development classes.
- **TRANSPORTATION:** Highway 101 is the backbone of Florence’s transportation system, intersecting with Highway 126, which runs into Florence after 60 picturesque miles from Eugene. There is regular bus service around Florence, through the Rhody Express, and busses connecting Florence and Yachats, and Florence to Eugene. The closest commercial airport to Florence is Eugene’s airport, Mahlon Sweet Field, which is the second largest airport in Oregon. It has direct flights to 12 airports around the County including Seattle–Tacoma, Phoenix, San Francisco, and Chicago.

About Urban Renewal



In August 2006 Florence City Council adopted an ordinance approving the Florence Downtown Preservation Plan and Florence voters approved the formation of the Florence Urban Renewal Agency (FURA) district through the adoption of the Florence Downtown Preservation and Renewal Plan. The FURA district encompasses properties along Highway 101 generally south of Highway 126, east of Kingwood Street, and inland of the Siuslaw river. To fund projects within the Plan, FURA uses property tax increment financing, repaid with dedicated property taxes.

Urban Renewal focuses on projects, such as construction and repair of public infrastructure, including parks, streets, and other public facilities; facilitation of public-private partnerships to revitalize and preserve downtown properties; promotion of mixed-use development; and rehabilitation of the waterfront for public and commercial uses.

The Florence Downtown Preservation and Renewal Plan seeks to achieve the following objectives:

- To develop a unified Downtown Area consisting of the neighborhoods and commercial districts on both sides of Highway 101, generally south of Highway 126 and 9th Street, east of Kingwood Street and inland from the Siuslaw River Bridge to the Siuslaw River Estuary.
- To enhance the Downtown Area through the promotion of mixed-use development, pedestrian and bicycle accessibility, provision of useful public space, and attractive site and architectural design to create a special place that enables citizens to live, work, shop, and recreate all within easy walking distance.
- To achieve a balanced transportation and land use solution for Highway 101 that maintains its historic function as both the coast's primary transportation route and as the center of Florence's Downtown, and ensuring that the transportation objectives of the Transportation System Plan (TSP), the Oregon Highway Plan, and ODOT's adopted plans for Highways 101 and 126 are consistent with the Downtown Plan.



- To develop safe, convenient, and attractive public parking areas to accommodate residents and visitors that connects with a system of walking, biking, and driving options throughout the Downtown Area.

- To improve access to, and visibility of, Old Town and the waterfront from Highway 101.

- To re-establish a mixed use, retail core along Highway 101 in the Downtown Area, featuring streetscapes and buildings that support the 'main street' character and reflect a unified retail theme with coordinated architectural and voluntary merchandising guidelines.



- To facilitate public/private partnerships to revitalize deteriorating sections of the Downtown Area and adjoining waterfront.

- To restore, revitalize, and preserve waterfront spaces for public access and water dependent recreational, commercial, and industrial uses, which directly benefit the economy of the Florence area.



