



City of Florence
A City in Motion

Florence Urban Renewal Agency (FURA) Regular Meeting

In Person & Videoconference
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 of 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.

March 22, 2023

AGENDA

5:30 p.m.

FURA Directors:

Vice-Chair Mike Webb
Graham Ross

Chairperson, Bill Meyer

Ron Caputo
Dave Braley

Rob Ward
Ken Henderson

Sally Wantz
Ron Moore

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

Meeting is wheelchair accessible.

Proceedings will be available after the meeting on the City's Vimeo Site.

The Florence Urban Renewal Agency meeting will be held in person at Florence City Hall.

In addition, members of the public can listen and view the meeting through the 'GoToWebinar' platform at the following link: <https://attendee.gotowebinar.com/register/3284727646083476056>

Citizens wishing to express their views may submit comments in writing or verbally. For more information, please see the end of this agenda.

CALL TO ORDER – ROLL CALL

5:30 p.m.

1. **NEW MEMBER INTRODUCTION- RON MOORE**
2. **APPROVAL OF AGENDA**
3. **PUBLIC COMMENT**

Bill Meyer
Chairperson

This is an opportunity for members of the public to bring to the Florence Urban Renewal Agency's attention any item not otherwise listed on the agenda. Please see the end of this agenda for methods to provide comments on items that are not on the agenda.

ACTION ITEMS

Please see the end of this agenda for methods to provide comments on action items.

4. **ELECT CHAIRPERSON & VICE-CHAIRPERSON**

FURA Board

5. **APPROVAL OF MINUTES**

Consider approval of the Florence Urban Renewal Agency meeting minutes of January 18, 2023.

Lindsey White
City Recorder

6. **2023-2025 WORK PLAN ADOPTION**

Review the 2023-2025 work plan status and consider adoption.

Megan Messmer
Assistant
City Manager

REPORTS & UPDATES

7. **AUDITED FINANCIAL STATEMENTS**

A. MERINA & CO AUDITOR PRESENTATION

Merina & CO Auditor Presentation on the Audited Financial Statements for Fiscal Year 2022.

Anne Baker
Admin. Services

B. AUDITED FINANCIAL STATEMENTS

Receive fiscal year 2022 audited financial statements.

8. QUARTERLY FINANCIAL REPORT

Review the December 31, 2022 quarterly financial report for the Florence Urban Renewal Agency.

Lezlea Purcell
Finance Manager

9. ANNUAL REPORT FOR THE FISCAL YEAR ENDING JUNE 30, 2022

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

Erin Reynolds
City Manager

10. CITY MANAGER REPORT

Erin Reynolds
City Manager

PUBLIC MEETINGS PROCEDURES

Expressing Views to the Agency: Citizens wishing to express their views to the Florence Urban Renewal Agency may do so in both written and verbal formats.

1. Written Testimony: Citizens wishing to express their views to the Florence Urban Renewal Agency are encouraged to submit written testimony in one of the following ways:
 - a. Submit written comments via email to City Recorder at Lindsey.white@ci.florence.or.us;
 - b. Mail written comments to Florence City Hall, Attn: FURA, 250 Hwy 101, Florence, OR 97439
 - c. Drop off written comments at Florence City Hall (250 Hwy 101) during regular office hours (Monday through Friday (8 a.m. – 12 p.m., 1 p.m. – 4 p.m.) or at the City of Florence drop box located at Florence City Hall to the right of the main entrance.
- ** Note:** Written comments received at least 2 hours prior to the meeting (March 22, 2023 at 3:30 p.m.) will be distributed to the Florence Urban Renewal Agency, posted to the City of Florence website, and made part of the record.
2. Verbal Testimony: Citizens wishing to express their views to the Florence Urban Renewal Agency may participate in the meeting at Florence City Hall or via GotoWebinar. To do so, please complete a speaker's card online at <https://www.ci.florence.or.us/urbanrenewal/request-address-fura-speakers-card> at least 1 hour prior to the meeting (March 22, 2023 at 4:30 p.m.). City staff will then contact the speaker to let them know the process to participate in the meeting.
 - a. Public Comments on items not on the agenda: General public comments (on items not on the FURA agenda) will be allowed at each Florence Urban Renewal Agency meeting during the public comment agenda item. Comments will be limited to three (3) minutes per person, with a maximum of 15 minutes for all items. In practicality, this means no more than five individuals will be allowed to comment verbally. There is no limit on written public comments.
 - b. Public Hearing Testimony: Testimony on public hearing items will be allowed when a public hearing is held. Verbal comments will be allowed on public hearing items after staff has given their report and have allowed time for initial Agency questions. In general (with some exceptions for Land Use hearings), comments are limited to five minutes per person with no limit on the number of speakers.
 - c. Public Comments on Action Items: Public Comments will be allowed on each action item on the Florence Urban Renewal Agency agenda. Verbal comments will be allowed on action items after staff has given their report and have allowed time for initial Agency questions. Comments will be limited to three (3) minutes per person, with a maximum of 15 minutes for all comments on each action item. In practicality, this means no more than five (5) individuals will be allowed to comment verbally. There is no limit on written public comments.

For more information on the City of Florence's Public Meeting Policies, visit the City of Florence website at <https://www.ci.florence.or.us/council/rules-procedure>.

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 18, 2023**

CALL TO ORDER - ROLL CALL

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

Directors Present: Chairperson Bill Meyer, Directors Mike Webb, Rob Ward,
(In person and via Sally Wantz, Graham Ross, Dave Braley, and Ken
Videoconference) Henderson.

Directors Absent: Ron Caputo

Staff Present: City Manager Erin Reynolds, Assistant City Manager Megan
Messmer, City Recorder Lindsey White, Planning Director
Wendy Farley-Campbell, Finance Manager Lezlea Purcell and
Economic Development and Communication Analyst
Chantelle Meyer.

1. APPROVAL OF AGENDA

Start Time: 5:30 p.m.

Discussion: Approval of the January 18, 2023 meeting 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.

Commenter 1: Mr. Ron Moore – Florence, OR

Handout: Speaker's Card and Written Comments

Discussion: Mr. Moore discussed...

- Vacancy on FURA Board.
- Interest in Quince Street project update.

ACTION ITEMS

3. APPROVAL OF MINUTES

Consider approval of the Florence Urban Renewal Agency meeting minutes of November 16, 2022.

Start Time: 5:36 p.m.

Handouts: Staff Presentation

Discussion: No Discussion

Action: Approval of the Florence Urban Renewal Agency meeting minutes of November 16, 2022.

Motion: Director Meyer

Second: Director Henderson

Vote: Motion passes 7-0

4. 2021-2023 WORK PLAN STATUS AND 2023-2025 WORK PLAN PROPOSAL

Review the 2021-2023 Work Plan status and provide staff direction needed to develop the 2023-2025 Work Plan.

Start Time: 5:36 p.m.

Handouts: Staff Presentation

Discussion: The Florence Urban Renewal Agency discussed...

- Question on catalyst sites and concepts: do proposals match what current code allows?
- Does code need to be amended?
- Timeline for Comp Plan changes if code changes.
- City liability on Lotus site?
- Process to establish Ad-Hoc Committee to review catalyst sites and barriers to development.
- Providing input on marketing information for Lotus site.
- Encouraging development of old ball-field site.

Comments: All Directors present.

REPORTS & UPDATES

5. QUARTERLY FINANCIAL REPORT

Review the September 30, 2022 quarterly financial report for the Florence Urban Renewal Agency.

Start Time: 5:35 p.m.
Handouts: Staff Presentation
Discussion: No discussion.

6. CITY MANAGER REPORT

Start Time: 6:35 p.m.
Discussion: The Florence Urban Renewal Agency discussed...

- Resignation of Director Craig Zolezzi.
- Recruitments for Florence Urban Renewal Agency, Transportation Committee, and Budget Committee.
- Quince Street Project Update.
- Timeline and progress for Quince Street project.

Meeting adjourned at 6:47 p.m.

ATTEST:

Mike Webb, Vice-Chairperson

Lindsey White, City Recorder

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Agency Board
From: Megan Messmer, Assistant City Manager
Date: March 22, 2023

RE: 2023-2025 Work Plan Adoption

Discussion

In November 2022, staff provided a presentation on the status of the current work plan items. A link to that presentation is provided at the end of this memo for reference. On January 18th, the FURA Board discussed the proposed work plan for FY2023-25, including both staff recommendation and Board direction.

Staff have compiled the 2023-25 Work Plan for consideration of adoption by the FURA Board based on that direction. The Work Plan includes the following sections:

- FURA Strategy Outreach and Updates
- Development and Redevelopment Opportunities
- Grant Programs
- ReVision Florence
- Amenities
- Old Town Parking Assessment

Items of note that have been changed or moved since January 18th include the first section, FURA Strategy Outreach and Updates. This has been revised from the previous items surrounding code based on the discussion of the Board in January. In addition, the item relating to sign code has been moved to Development and Redevelopment Opportunities.

The updated Work Plan will guide the development of the FY2023-25 Biennial Budget. That budget will be reviewed in upcoming Budget Committee and Board meetings. New items in the Work Plan will be incorporated into that budget if approved, and work would commence on those items during the upcoming biennium.

The full proposed Work Plan is attached.

Recommendation

Staff recommends that the FURA Board adopt the 2023-25 Work Plan as presented.

Alternatives

- Adopt the 2023-25 Work Plan as presented.
- Adopt the 2023-25 Work Plan with edits.
- Direct staff to make additional edits and bring back the 2023-25 Work Plan for consideration at the April meeting.

Attached: 2023-2025 FURA Work Plan

Presentation: [11.16.22 Work Plan Review Presentation](#)
 [1.18.23 Work Plan Discussion Presentation](#)

FURA WORK PLAN

The following are focus areas and projects approved for inclusion in the biennial work plan by the Florence Urban Renewal Agency (FURA) Board at the **XXX XX, 2023**, FURA regular meeting. These items do include several carryover and ongoing items that were present in the previous biennium work plan.

FURA Strategy Outreach and Updates

☐ Community Outreach & Redevelopment Goals

- ⇒ Conduct community outreach on redevelopment opportunities and development regulations, in coordination with the City, to provide community input on desires for the areas.
- ⇒ Development of recommendations for the City based on community outreach if necessary.

☐ FURA Investment Strategy

- ⇒ Review and update the 2016 FURA Investment Strategy based on changes in the market, current conditions, land-use updates, and community goals.
- ⇒ Evaluate potential barriers for redevelopment within the District and develop recommendations to the City for updates to the development regulations if necessary.

Development and Redevelopment Opportunities

☐ Quince Street Property—Phase 1: Hotel Property

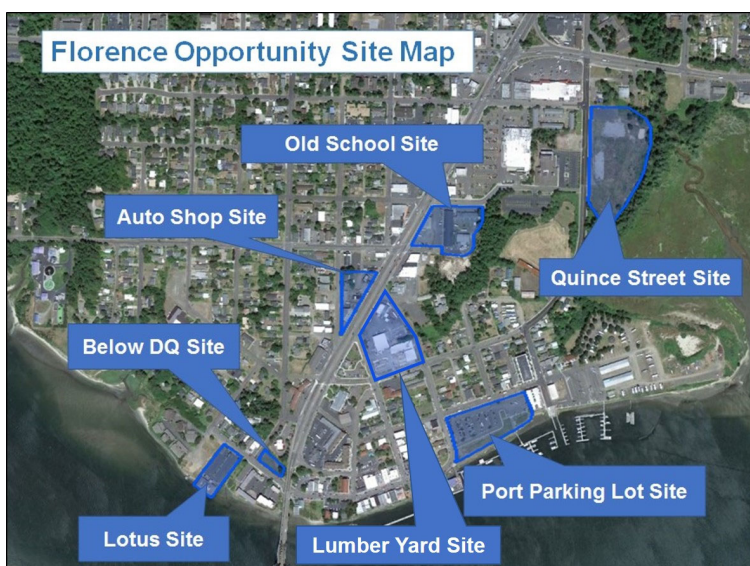
- ⇒ Continue to work with Braun Hospitality to execute the approved terms of the DDA for the hotel development.

☐ Quince Street Property—Phase 2: North Property

- ⇒ Determine goals for development of the north end of the Quince Street property.
- ⇒ Develop the marketing and development strategy for the north Quince Street lot to attract a developer(s) to meet the goals of the Board.

☐ Catalyst Sites and Other Opportunities

- ⇒ Continued to look for opportunities to market and encourage redevelopment of the catalyst sites and other properties within the FURA district.



- ⇒ Provide marketing assistance to catalyst sites on what is possible for redevelopment. Engage FURA/City partner agencies working on economic development to assist.
- ⇒ Support the efforts of Homes for Good to develop needed housing on the old ballfield sites along Quince Street.
- ⇒ Review and consider initiation of a sign code review by the City related to the limitations within the District, specifically in Old Town Area C.

FURA WORK PLAN

Grant Programs

- ❑ Façade Preservation and Rehabilitation Program – Staff proposes the development of a program for each fiscal year based on budget availability.
- ❑ Continued encouragement and support of efforts for redevelopment of areas within the District:
 - ⇒ Predevelopment Grant Program – Proposed continuation of the program as an ongoing program with review of applications as they are received and based on funding availability.
 - ⇒ Redevelopment Assistance Grant Program – Proposed continuation of the program as an ongoing program with review of applications as they are received and based on funding availability.

ReVision Florence

- ❑ Art Exposed – Work with the Public Art Program to install pieces on the constructed plinths to add to the Art Exposed Program rotating gallery.
- ❑ Pedestrian Scale Lighting Arms – All street lights in the corridor were fabricated with the ability to add the pedestrian scale light arms as funding becomes available. This item is a carryover item.
- ❑ Quince Street Gateway – The gateway monument at Quince Street was removed due to cost. The ideas for this gateway have also evolved as the Quince Street property was purchased and potential need to incorporate lodging and other directional wayfinding on that gateway.

Amenities

- ❑ Siuslaw Estuary Trail – Continue to support the City as the Siuslaw Estuary Trail is constructed.
- ❑ Gallagher Park Expansion – Support the City's efforts in converting the old Public Works facility to the expansion of Gallagher Park.
- ❑ Old Town Amenities – Support the City's efforts to improve Old Town amenities including restrooms at the west end of Bay Street, wayfinding signage, open space, and open space improvements.

Old Town Parking Assessment

- ❑ Continue to work with the City on the Transportation Systems Plan update and support the review of the Old Town transportation network, includes the flow of traffic and parking throughout.



Florence Urban Renewal Agency
Annual Financial Report
Fiscal Year Ended June 30, 2022

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

Annual Financial Report
Year Ended June 30, 2022

Florence Urban Renewal Agency
Annual Financial Report
Year Ended June 30, 2022

TABLE OF CONTENTS

PAGE

INTRODUCTORY SECTION

Board of Directors and Principal Appointed Officers.....	i
--	---

FINANCIAL SECTION

Independent Auditor's Report.....	1
Management's Discussion and Analysis.....	4
Basic Financial Statements.....	8
Government-Wide Financial Statements:	
Statement of Net Position.....	9
Statement of Activities.....	10
Fund Financial Statements.....	11
Governmental Funds:	
Balance Sheet.....	12
Statement of Revenues, Expenditures, and Change in Fund Balance.....	13
Reconciliation of the Statement of Revenues, Expenditures, and Changes	
Fund Balance of Governmental Funds to the Statement of Activities.....	14
Schedule of Revenues, Expenditures, and Changes in Fund Balances –	
Budget and Actual:	
General Fund.....	15
Notes to the Financial Statements.....	16

AUDIT COMMENTS AND DISCLOSURES

Independent Auditor's Report as Required by <i>Oregon State Regulation</i>	23
--	----

THIS PAGE INTENTIONALLY LEFT BLANK

INTRODUCTORY SECTION

Florence Urban Renewal Agency
(A Component Unit of the City of Florence, Oregon)

**Board of Directors
And
Principal Appointed Officers of the Agency
June 30, 2022**

	<u>BOARD OF DIRECTORS</u>	<u>TERM EXPIRATION</u>
Bill Meyer	Chairperson	May 31, 2023
Mike Webb	Vice-Chairperson	May 31, 2026
Joe Henry	Board Member	Mayoral Term
Craig Zolezzi	Board Member	May 31, 2026
Ron Caputo	Board Member	May 31, 2024
Woody Woodbury	Board Member	May 31, 2024
Dave Braley	Board Member	May 31, 2024
Graham Ross	Board Member	May 31, 2026
Ken Henderson	Board Member	May 31, 2023

ADMINISTRATIVE OFFICIALS

Erin Reynolds	City of Florence City Manager
Anne Baker	City of Florence Administrative Services Director

MAILING ADDRESS

250 Hwy. 101
Florence, Oregon 97439

THIS PAGE INTENTIONALLY LEFT BLANK

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Agency Officials
Florence Urban Renewal Agency
Florence, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and the major fund of the Florence Urban Renewal Agency, a component unit of City of Florence, Oregon, as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the Florence Urban Renewal Agency's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Florence Urban Renewal Agency, as of June 30, 2022, and the respective changes in financial position and the respective budgetary comparison statements for the General Fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Florence Urban Renewal Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Florence Urban Renewal Agency's 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, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Florence Urban Renewal Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 Florence Urban Renewal Agency's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Florence Urban Renewal Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who 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 information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Reports on Other Legal and Regulatory Requirements

Other Reporting Required by Oregon Minimum Standards

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have also issued our report dated February 10, 2023, on our consideration of the Florence Urban Renewal 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.



For Merina+Co
Tualatin, Oregon
February 10, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS FLORENCE URBAN RENEWAL AGENCY

Fiscal Year Ended June 30, 2022

This Management Discussion and Analysis (MD&A) is presented to facilitate financial analysis and provide an overview of the Florence Urban Renewal Agency (the Agency) for the fiscal year ended June 30, 2022. 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 \$716,820 at June 30, 2022, and consisted mainly of cash and cash equivalents of \$693,146.
- The Agency's liabilities totaled \$5,866,226 at June 30, 2022, consisting mainly of long-term debt of \$5,805,972, net position (assets minus liabilities) is a negative \$5,149,406 at June 30, 2022.
- The deficit decreased by \$264,833 with the payment on debt principal.
- Revenues for the fiscal year ended June 30, 2022, totaled \$856,878 and consisted of \$618,499 in property taxes and interest of \$3,392.

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 one governmental fund: the General 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 \$5,149,406 million at June 30, 2022. The largest portions of its net position are debt payable and cash equivalents. A condensed version of the Statement of Net Position follows:

	<u>2022</u>	<u>2021</u>
Assets		
Cash and cash equivalents	\$ 693,146	\$ 912,766
Property taxes receivable	23,674	19,533
Accounts receivable	-	979
Total assets	<u>715,629</u>	<u>933,278</u>
Liabilities		
Note payable	5,805,972	6,083,135
Other liabilities	<u>60,254</u>	<u>264,382</u>
Total liabilities	<u>6,347,517</u>	<u>6,347,517</u>
Net Position		
Restricted for debt service	468,454	468,455
Unrestricted	<u>(5,617,860)</u>	<u>(5,882,694)</u>
Total net position	<u><u>\$ (5,149,406)</u></u>	<u><u>\$ (5,414,239)</u></u>

At the end of the current fiscal year, the Agency reports a negative balance in unrestricted net position of \$(5,149,406). Net position increased by \$264,833 as the Agency paid its debt obligations.

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, 2022 and June 30, 2021, follows:

	<u>2022</u>	<u>2021</u>
Revenues		
Intergovernmental	\$ 234,987	\$ 200,000
Property taxes	618,499	568,639
Miscellaneous	<u>3,392</u>	<u>5,546</u>
Total revenues	856,878	774,185
Expenses		
Economic development	402,474	1,749,874
Interest expense	<u>189,571</u>	<u>205,559</u>
Total expenses	<u>592,045</u>	<u>1,955,433</u>
Increase (decrease) in net position	264,833	(1,181,248)
Net position, beginning of the year	(5,414,239)	(4,232,991)
Net position, end of the year	<u>\$ (5,149,406)</u>	<u>\$ (5,414,239)</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 \$402,474 for the year, a decrease of \$1,347,400 over the prior fiscal year with the completion of the ReVision Florence project.

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 general fund reported an ending fund balance of \$676,244 a decrease of \$15,774. The reduction is consistent with the budget. The General Fund is the chief operating fund of the Agency.

DEBT ADMINISTRATION

As of June 30, 2022 the Agency had a long-term note payable to the City of Florence in the amount of \$5,805,972 a decrease of \$277,163 from 2021. 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 2021-23 biennium, 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 has increased over the last 12 months and is projected to remain in the 6.0 percent to 8.0 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.

THIS PAGE INTENTIONALLY LEFT BLANK

Basic Financial Statements

The basic financial statements include interrelated sets of financial statements as required by the GASB. The sets of statements include:

- Government-Wide Financial Statements
- Fund Financial Statements
 - Governmental Funds

In addition, the notes to the basic financial statements are included to provide information that is essential to a user's understanding of the basic financial statements.

Florence Urban Renewal Agency
The Urban Renewal Agency of the City of Florence, Oregon
(a component unit of the City)
Statement of Net Position
June 30, 2022

	Governmental Activities
ASSETS:	
Cash and cash equivalents	\$ 693,146
Property taxes receivable	<u>23,674</u>
Total assets	<u><u>\$ 716,820</u></u>
LIABILITIES:	
Current liabilities:	
Accounts payable	\$ 20,442
Interest payable	39,812
Current portion of long-term debt	<u>285,842</u>
Total current liabilities	<u>346,096</u>
Noncurrent liabilities:	
Noncurrent portion of long-term debt	<u>5,520,130</u>
Total liabilities	<u>5,866,226</u>
NET POSITION:	
Restricted for:	
Debt service	468,454
Unrestricted	<u>(5,617,860)</u>
Total net position	<u>(5,149,406)</u>
Total liabilities and net position	<u><u>\$ 716,820</u></u>

The accompanying notes are an integral part of these financial statements

Florence Urban Renewal Agency
Statement of Activities
For the Year Ended June 30, 2022

		<u>Program Revenues</u>	Net Revenue (Expenses) and Change in Net Position
	<u>Expenses</u>	<u>Operating Grants and Contributions</u>	
EXPENSES:			
Economic development	\$ 402,474	\$ 234,987	\$ (167,487)
Interest on long-term debt	189,571	-	(189,571)
Total activities	<u>\$ 592,045</u>	<u>\$ 234,987</u>	<u>(357,058)</u>
GENERAL REVENUES:			
Property taxes			618,499
Other revenues			<u>3,392</u>
Total general revenues			<u>621,891</u>
Change in net position			264,833
NET POSITION, BEGINNING			<u>(5,414,239)</u>
NET POSITION, ENDING			<u>\$ (5,149,406)</u>

The accompanying notes are an integral part of these financial statements

Fund Financial Statements

Major Governmental Funds

General Fund

This fund accounts for property taxes collected for public improvements, acquisitions and to attract economic and redevelopment in Florence.

Florence Urban Renewal Agency
Balance Sheet- Governmental Fund
June 30, 2022

	General Fund	Total Governmental Funds
ASSETS:		
Cash and cash equivalents	\$ 693,146	\$ 693,146
Taxes	23,674	23,674
Total assets	<u>\$ 716,820</u>	<u>\$ 716,820</u>
LIABILITIES:		
Accounts payable	<u>\$ 20,442</u>	<u>\$ 20,442</u>
Total liabilities	<u>20,442</u>	<u>20,442</u>
DEFERRED INFLOWS OF RESOURCES:		
Unavailable revenue - property taxes	<u>20,134</u>	<u>20,134</u>
Total deferred inflows of resources	<u>20,134</u>	<u>20,134</u>
FUND BALANCE:		
Restricted urban renewal improvements	<u>676,244</u>	<u>676,244</u>
Total fund balance	<u>676,244</u>	<u>676,244</u>
Total deferred inflows of resources and fund balance	<u>\$ 716,820</u>	<u>\$ 716,820</u>

Amounts reported in the statement of net position are different because:

Total fund balance	\$ 676,244
Other long-term assets are not available to pay for current-period expenditures and, therefore are deferred inflows in the funds.	
Tax increment revenues - earned but unavailable	20,134
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.	
Long-term debt	(5,805,972)
Interest payable	<u>(39,812)</u>
Net position	<u>\$ (5,149,406)</u>

The accompanying notes are an integral part of these financial statements

Florence Urban Renewal Agency
Statement of Revenues, Expenditures, and Change
In Fund Balance - Governmental Fund
For the Year Ended June 30, 2022

	General Fund	Total Governmental Funds
REVENUES:		
Taxes	\$ 616,775	\$ 616,775
Intergovernmental	234,987	234,987
Miscellaneous	3,392	3,392
	<hr/>	<hr/>
Total revenues	855,154	855,154
	<hr/>	<hr/>
EXPENDITURES:		
Current:		
Economic development	402,474	402,474
Debt service:		
Principal	277,163	277,163
Interest	191,291	191,291
	<hr/>	<hr/>
Total expenditures	870,928	870,928
	<hr/>	<hr/>
Revenues over (under) expenditures	(15,774)	(15,774)
	<hr/>	<hr/>
Net change in fund balance	(15,774)	(15,774)
	<hr/>	<hr/>
FUND BALANCE, BEGINNING	692,018	692,018
	<hr/>	<hr/>
FUND BALANCE, ENDING	<u>\$ 676,244</u>	<u>\$ 676,244</u>

The accompanying notes are an integral part of these financial statements

Florence Urban Renewal Agency
Reconciliation of the Statement of Revenues, Expenditures, and Change in Fund
Balance of Governmental Fund to the Statement of Activities
For the Year Ended June 30, 2022

Amounts reported in the statement of activities are different because:

Net change in fund balance	\$ (15,774)
Some revenue reported in the statement of activities do not provide current financial resources in the governmental funds.	
Property taxes	1,724
Accrued interest payable	1,720
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds but does not have any effect on net position.	<u>277,163</u>
Change in net position	<u><u>\$ 264,833</u></u>

The accompanying notes are an integral part of these financial statements

Florence Urban Renewal Agency
General Fund
Schedule of Revenues, Expenditures, And
Change in Fund Balance - Budget and Actual
For the Year Ended June 30, 2022

	Budget		FY 2021-22	Actual		Variance with Final Budget
	Original	Final		FY 2022-23	Biennium	
REVENUES:						
Taxes	\$ 1,200,000	\$ 1,200,000	\$ 616,775	\$ -	\$ 616,775	\$ (583,225)
Intergovernmental	400,000	400,000	234,987	-	234,987	(165,013)
Miscellaneous	8,000	8,000	3,392	-	3,392	(4,608)
Total revenues	1,608,000	1,608,000	855,154	-	855,154	(752,846)
EXPENDITURES:						
Materials and service	708,100	708,100	245,300	-	245,300	462,800
Capital outlay	515,000	515,000	157,174	-	157,174	357,826
Debt service:						
Principal	563,200	563,200	277,163	-	277,163	286,037
Interest	374,000	374,000	191,291	-	191,291	182,709
Contingency	859,100	859,100	-	-	-	859,100
Total expenditures	3,019,400	3,019,400	870,928	-	870,928	2,148,472
Revenues over (under) expenditures	(1,411,400)	(1,411,400)	(15,774)	-	(15,774)	1,395,626
OTHER FINANCING SOURCES (USES):						
Transfers in	81,000	81,000	-	-	-	(81,000)
Total other financing sources (uses)	81,000	81,000	-	-	-	(81,000)
Net change in fund balance	(1,330,400)	(1,330,400)	(15,774)	-	(15,774)	1,314,626
FUND BALANCE, BEGINNING BUDGETARY BASIS	1,330,400	1,330,400	692,018	-	692,018	(638,382)
FUND BALANCE, ENDING BUDGETARY BASIS	\$ -	\$ -	\$ 676,244	\$ -	\$ 676,244	\$ 676,244

The accompanying notes are an integral part of these financial statements

**Florence Urban Renewal Agency
The Urban Renewal Agency of the City of Florence, Oregon
(a component unit of the City)**

**Notes to the Basic Financial Statements
June 30, 2022**

I. The reporting entity and summary of significant accounting policies

The financial statements of the Florence Urban Renewal Agency (the Agency) have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) and applies the provisions of all applicable Governmental Accounting Standards Board (GASB) Statements.

A. Reporting entity

The Agency is the urban renewal agency of the City of Florence, Oregon (the City) and was organized in 2006 under the provisions of Oregon Revised Statutes, Chapter 457, 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 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, 2021, copies of which can be obtained from the Finance Department of the City of Florence.

B. Agency-wide and fund financial statements

The Agency's financial operations are presented at both the agency-wide and fund financial level. All activities of the Agency are categorized as governmental activities.

Agency-wide financial statements display information about the reporting government as a whole. These statements focus on the sustainability of the Agency as an entity and the change in aggregate financial position resulting from the activities of the fiscal period. These aggregated statements consist of the statement of net position and the statement of activities.

The *Statement of Net Position* presents information on all of the Agency's assets and liabilities, with the difference reported as *net position*.

The *Statement of Activities* demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund financial statements display information at the individual fund level. Each fund is considered to be a separate accounting entity. Funds are classified and summarized as governmental, proprietary, or fiduciary. All of the Agency's funds are classified as governmental fund types.

C. Measurement focus, basis of accounting, and financial statement presentation

Measurement focus is a term used to describe which transactions are recorded within the various financial statements. Basis of accounting refers to when transactions are recorded.

**Florence Urban Renewal Agency
The Urban Renewal Agency of the City of Florence, Oregon
(a component unit of the City)**

**Notes to the Basic Financial Statements (Continued)
June 30, 2022**

The agency-wide financial statements are presented on a full accrual basis of accounting with an *economic resource measurement focus*. An economic resource focus concentrates on the Agency's net position. All transactions and events that affect the total economic resources (net position) during the period are reported. An economic resources measurements focus is inextricably connected with full accrual accounting. Under the full accrual basis of accounting, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash inflows and outflows.

The fund financial statements are presented on a modified accrual basis of accounting with a *current financial resource measurement focus*. This measurement focus concentrates on the fund's resources available for spending currently or in the near future. Only transactions and events affecting the fund's current financial resources during the period are reported. Similar to the connection between an economic resource measurement focus and full accrual basis of accounting, a current financial resource measurement focus is inseparable from a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available). *Measurable* means the amount of the transaction can be determined and revenues are considered *available* when they are collected within the current period or expected to be collected soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The Agency considers tax increment revenues susceptible to this accrual.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the agency-wide statements, reconciliation is necessary to explain the adjustments needed to transform the fund based financial statements into the agency-wide presentation. This reconciliation is part of the basic financial statements.

GASB Statement No. 34 sets forth criteria for the determination of major funds. For purposes of presentation, both the Florence Urban Renewal Fund is presented as the major fund of the Agency.

Major Governmental Fund:

- *General Fund*

This fund is the Agency's primary operating fund. It accounts for all financial resources of the general government.

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

1. Deposits and investments

Cash and investments, including restricted cash and investments, consist of cash on hand, demand deposits, short-term investments with original maturities of three months or less from the date of acquisition, and the State of Oregon Local Government Investment Pool (LGIP) deposits. Investments in the LGIP are stated at share value, which approximates fair value, and is the value at which the shares can be withdrawn.

The LGIP is administered by the Oregon State Treasury. The LGIP is an open-ended no-load diversified portfolio offered to any agency, political subdivision or public corporation of the State who by law is made

**Florence Urban Renewal Agency
The Urban Renewal Agency of the City of Florence, Oregon
(a component unit of the City)**

**Notes to the Basic Financial Statements (Continued)
June 30, 2022**

the custodian of, or has control of, any public funds. The LGIP is commingled with the State's short-term funds. In seeking to best serve local governments of Oregon, the Oregon Legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment of the LGIP.

The City's investment policy, adopted by the City Council, essentially mirrors the requirements of the Oregon Revised Statutes. Currently, the City's investment portfolio consists of investments in the LGIP.

The Agency's investment policy is the same as the City's and essentially mirrors the Oregon Revised Statutes. Currently, the Agency's investment portfolio primarily includes investments in the State of Oregon Local Government Investment Pool.

2. Receivables and payables

Tax increment revenues (property taxes) are levied on and become a lien against the property on July 1 in the year in which they are due. Collection dates are November 15, February 15, and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Tax increment revenues that are unpaid and outstanding on May 16 are considered delinquent.

In the fund financial statements, tax increment revenues receivable that are collected within 60 days after the end of the fiscal year are considered measurable and available and, therefore are recognized as revenue. Any remaining balance is deferred and recorded as unavailable revenue.

In the agency-wide financial statements, tax increment revenues receivable are recognized as revenue when earned.

3. Capital assets

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

4. Long-term obligations

In the agency-wide financial statements, long-term debt is reported as a liability in the statement of net position. Debt premiums and discounts are amortized over the applicable debt term.

In the fund financial statements, debt premiums and discounts are recognized as period costs in the year of issue. The face amount of debt issued is reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**Florence Urban Renewal Agency
The Urban Renewal Agency of the City of Florence, Oregon
(a component unit of the City)**

**Notes to the Basic Financial Statements (Continued)
June 30, 2022**

5. Net position and fund balance

In the fund financial statements, the funds report restricted fund balances for amounts that are not available for unlimited use because they are legally segregated for a specific purpose. These legal segregations include use limitations, as well as urban renewal tax increment funds legally restricted by applicable state statutes.

In the government-wide statement of net position, equity is referred to as *net position* and is segregated into the following three components: 1) amount invested in capital assets, 2) legally restricted by outside parties for a specific purpose, and 3) unrestricted.

6. Deferred outflows/inflows of resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Agency does not have an item that qualifies for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

E. Use of estimates

The preparation of the 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, deferred outflows of resources, liabilities and deferred inflows of resources, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual amounts could differ from those estimates.

II. Stewardship, compliance, and accountability

The Agency's budget is adopted on a biennial consistent with Oregon Revised Statutes (ORS 294 – Local Budget Law). The process under which the budget is adopted is described in the following paragraphs.

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 Agency is

**Florence Urban Renewal Agency
The Urban Renewal Agency of the City of Florence, Oregon
(a component unit of the City)**

**Notes to the Basic Financial Statements (Continued)
June 30, 2022**

required to prepare a balanced budget for all funds, subject to the budget requirements of state law. The Agency's budget is prepared for each fund on the modified accrual basis of accounting.

The budget document is required to contain specific detailed information for various revenue and expenditure categories. Information on the past two years' actual receipts and expenditures as well as current-year estimates is also included in the budget document.

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 at the end of the biennial period.

The Board may change the budget throughout the year by transferring appropriations between levels of control and by adopting supplemental budgets. Unexpected additional resources may be added to the budget through the use of a supplemental budget. Some supplemental budgets require hearings before the public, publications in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control. Such transfers require approval by the Board.

III. Detailed notes on accounts

A. Cash and investments

Oregon Revised Statutes authorize the Agency to invest primarily in general obligations of the U.S. Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, high-grade corporate indebtedness, and the State of Oregon Local Government Investment Pool.

The Agency participates in the State of Oregon Local Government Investment Pool (LGIP), an open-ended, no-load diversified portfolio created under ORS 294.805 to 294.895 that is not registered with the U.S. Securities and Exchange Commission as an investment company and is not rated. The State Treasurer administers the LGIP with the oversight of the Oregon Investment Council and with the advice of the Oregon Short Term Fund Board. These funds must be invested and managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the fund are further governed by portfolio guidelines issued by the Oregon Short-Term Funds Board, which establish diversification percentages and specify the types and maturities of investments. The Oregon Audits Division of the Secretary of State's Office audits the LGIP annually. The balance in the LGIP at June 30, 2022 was \$693,146.

The agency has no investments subject to custodial risk.

**Florence Urban Renewal Agency
The Urban Renewal Agency of the City of Florence, Oregon
(a component unit of the City)**

**Notes to the Basic Financial Statements (Continued)
June 30, 2022**

B. Receivables

Receivables for the Agency as of the fiscal year ended June 30, 2022 consists of tax increment revenues and miscellaneous receivables and are as follows:

<u>Receivables</u>	
Property taxes	\$ 23,674

C. Long-term obligations

During the fiscal year 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, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
City of Florence Loan	\$ 6,083,135	\$ -	\$ 277,163	\$ 5,805,972	\$ 285,842

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>
2023	\$ 285,842	\$ 182,612
2024	444,579	173,874
2025	304,021	156,483
2026	313,544	146,960
2027	323,367	137,138
2028-2032	1,775,049	527,472
2033-2037	1,948,772	231,041
2038-2042	410,798	17,471
Total	<u>\$ 5,805,972</u>	<u>\$ 1,573,051</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. FURA's debt service subject to the debt covenant is \$468,454. FURA levied the maximum levy amount allowed, which resulted in a levy of \$608,210. FURA received property tax revenue of \$616,775, which provides a debt coverage ratio of 1.31.

**Florence Urban Renewal Agency
The Urban Renewal Agency of the City of Florence, Oregon
(a component unit of the City)**

**Notes to the Basic Financial Statements (Continued)
June 30, 2022**

IV. 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; natural disasters; and injuries to employees. The Agency is covered for comprehensive liability, property, auto liability and physical damage, employer's liability, and workers' compensation insurance through City County Insurance Services (CIS), a public entity risk pool. The pooling agreement does not permit the pool to make additional assessments to its members in the event of unanticipated losses.

B. Related party transactions

The City provides services for the Agency, including administrative functions, in accordance with an intergovernmental agreement.

THIS PAGE INTENTIONALLY LEFT BLANK

AUDIT COMMENTS AND DISCLOSURES

**INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL
REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH *OREGON STATE REGULATION***

The Agency Officials
Florence Urban Renewal Agency
Florence, Oregon

We have audited the basic financial statements of the Florence Urban Renewal Agency, a component unit of City of Florence, Oregon, as of and for the year ended June 30, 2022 and have issued our report thereon dated February 10, 2023. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the provisions of the *Minimum Standards of Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State.

Compliance

As part of obtaining reasonable assurance about whether the Florence Urban Renewal Agency's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the provisions of Oregon Revised Statutes (ORS) as specified in the Oregon Administrative Rules 162-10-0000 through 162-10-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*, as set forth below, noncompliance with which could have a direct and material effect on the financial statements. 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 consider necessary to address the required comments and disclosures which included, but were not limited to, the following:

- Deposits of public funds with financial institutions (ORS Chapter 295).
- Indebtedness limitations, restrictions, and repayments.
- Budgets legally required (ORS Chapter 294).
- Insurance and fidelity bonds in force or required by law.
- Programs funded from outside sources.
- Highway revenues used for public highways, roads, and streets. The Florence Urban Renewal Agency does not receive highway funds.
- Authorized investment of surplus funds. (ORS Chapter 294).
- Public contracts and purchasing (ORS Chapters 279A, 279B, and 279C).
- Accountability for collecting or receiving money by elected officials. The Florence Urban Renewal Agency does not have any elected officials collecting or receiving money.

In connection with our testing, nothing came to our attention that caused us to believe the Florence Urban Renewal Agency was not in substantial compliance with certain provisions of laws, regulations, contracts, and grant

agreements, including the provisions of Oregon Revised Statutes as specified in the Oregon Administrative Rules 162-10-0000 through 162-10-0330 of the *Minimum Standards for Audits of Oregon Municipal Corporations*.

Report On Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Florence Urban Renewal Agency's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Florence Urban Renewal Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Florence Urban Renewal Agency's internal control.

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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Minimum Standards of Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State, in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



For Merina+Co
Tualatin, Oregon
February 10, 2023

February 10, 2023

To the Agency Officials
Florence Urban Renewal Agency
Florence, OR

We have audited the financial statements of the governmental activities and the major fund of the Florence Urban Renewal Agency, a component unit of City of Florence, Oregon for the year ended June 30, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 16, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Florence Urban Renewal Agency are described in Note I. to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2022.

We noted no transactions entered into by the Florence Urban Renewal Agency during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The Florence Urban Renewal Agency's financial statements do not have accounting estimates.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of Long-Term Obligations in Note III.C to the financial statements summarizes the changes in debt for the year ended June 30, 2022.

The financial statement disclosures are neutral, consistent, and clear.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant unusual transactions were identified during the audit.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No misstatements were noted during the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Circumstances that Affect the Form and Content of the Auditor's Report

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. No circumstances exist that would affect the form and content of our auditor's report.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated February 10, 2023.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Florence Urban Renewal Agency's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Florence Urban Renewal Agency's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding 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 did not audit the management's discussion and analysis and do not express an opinion or provide any assurance on this information.

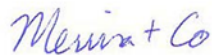
We were not engaged to report on the introductory section, which accompany the financial statements but is not RSI. Such information has not been subjected to the auditing procedures applied I the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Restriction on Use

This information is intended solely for the use of the Agency Officials and management of the Florence Urban Renewal Agency and is not intended to be, and should not be, used by anyone other than these specified parties.

If you should have any questions or comments, we would be pleased to discuss this report with you at your convenience.

Respectfully,



Merina+Co
Tualatin, Oregon
Focused on Your Wants and Understanding Your Needs

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Board

From: Lezlea Purcell, Finance Manager

Date: March 22, 2023

Re: Sixth Quarter Period, 2021-2023 Biennium Financial Report

Background and Information:

In an effort to improve financial management reporting to the Florence Urban Renewal Board, citizens, and other interested individuals we have prepared the attached quarterly report.

Fiscal Impact: Staff time to prepare.

Attachments:

Sixth Quarter Period, 2021-2023 Biennium Financial Report for period ending December 31, 2022.



Florence Urban Renewal Agency

Financial Report

Quarter Ended December 31, 2022

February 22, 2023

Members of the Florence Urban Renewal Agency (Agency), Citizens of Florence, and other interested individuals,

We are pleased to report on activities and progress we have made on Agency goals on behalf of the Florence Urban Renewal Agency (FURA) for the sixth quarter of the Biennium ended December 31, 2022. The report includes comparisons of actual to budgeted amounts, current period resources and expenditures, the ending fund balance for the FURA General and Debt Service Funds, and narrative explaining results and highlights for the quarter. The financial information presented is unaudited and any significant adjustments are noted.

Please note that the budgeted amounts presented reflect the Agency's budget for the July 1, 2021 – June 30, 2023 biennium. Additionally, we have included reporting on the Agency's debt such as outstanding amounts, debt coverage ratios, maturities, and interest rates.

As of December 31, 2022, the Agency collected \$704,200 in property taxes. Tax bills are issued by Lane County mid to late October. The first collection date is November 15th. We monitor collection rates to ensure future budget estimates are on track.

Operations:

- The Agency Board and Project Team Staff finalized the Quince Street Hotel Development and Disposition Agreement (DDA).
- The Quince Street property was officially divided into three parcels with the south west lot included in the DDA.
- The Hotel Developer successfully obtained the BOLI exempt status.
- The Agency Board and Project Team Staff began reviewing the status of the FURA work plan items in preparation for the work plan update.
- The Predevelopment Services Grant was extended through March 31, 2023 for P & B Holman.
- The Agency Board and Project Team Staff met with P & B Holman representatives for a project status update and processed a grant reimbursement payment.

Notable Items:

- The General Fund began the quarter with an estimated fund balance of \$500,479. It ended the quarter with a fund balance of \$1,008,113.
- Debt payments were made as scheduled.

If you have any questions, please let Erin or I know.

Sincerely,



Erin Reynolds
City Manager



Lezlea Purcell
Finance Manager

General Fund

The Agency's general fund accounts for all the Agency's operations, including debt service. Revenue sources for the fund include intergovernmental payments from Lane County, interest income, and debt proceeds.

The fund operations remain within appropriations for the biennium.

Capital expenditures for the quarter were related to a traffic analysis report performed by Kittelson & Associates and survey work done by Wobbe & Assoc. for the Quince Street Hotel project.

Property tax collections are in line with budgeted expectations for the biennium. The levied amount is \$65,000 over what was budgeted.

Expenditures are below budget for the biennium and scheduled debt payments were paid timely. The increase in fund balance is attributed to the property tax collection date during the quarter.

	Quarter Ended December 31, 2022			Biennium-To-Date		
	Budget	Actual	Over(Under)	Budget	Actual	Over(Under)
Current resources						
Taxes	\$ 150,000	\$ 704,226	\$ 554,226	\$ 1,200,000	\$ 1,327,949	\$ 127,949
Intergovernmental	50,000	-	(50,000)	400,000	333,740	(66,260)
Earnings & Contributions	1,000	3,549	2,549	8,000	9,326	1,326
Debt proceeds	-	-	-	-	-	-
Total current resources	\$ 211,100	\$ 707,775	\$ 496,675	\$ 1,689,000	\$ 1,671,015	\$ (17,985)
Expenditures						
Personnel Services	-	-	-	-	-	-
Materials and Services	88,500	47,994	(40,506)	708,100	343,648	(364,452)
Capital Purchases	64,400	29,032	(35,368)	515,000	197,479	(317,521)
Debt service	117,200	123,115	5,915	937,200	813,793	(123,407)
Total expenditures	270,100	200,141	(69,959)	2,160,300	1,354,920	(805,380)
Other requirements						
Contingency	107,400	-	(107,400)	859,100	-	(859,100)
Total other requirements	107,400	-	(107,400)	859,100	-	(859,100)
Total expenditures and other requirements	377,500	200,141	(177,359)	3,019,400	1,354,920	(1,664,480)
Total resources over (under) requirements						
Beginning balance	166,400	500,479	334,079	1,330,400	692,018	(638,382)
Ending Balance	\$ -	\$ 1,008,113	\$ 1,008,113	\$ -	\$ 1,008,113	\$ 1,008,113

Debt Summary

The following schedule provides information related to the Agency's outstanding debt during the 2021-2023 biennium through fiscal year 2027. The schedule includes:

- Debt Issue
- Original loan amount
- Annual principal payment for the current fiscal year
- Interest rate
- Maturity of the debt issue
- Outstanding principal balance as of June 30 for the current fiscal year and five years following

		Annual								
	Original	Payment	Interest		Outstanding balance fiscal year ending June 30,					
Description	Amount	FY 2023	Rate	Maturity	2023	2024	2025	2026	2027	2028
Existing Obligations										
FFCO 2016 - FURA	3,700,000	246,229	2.92%	2036	2,723,294	2,556,683	2,384,888	2,207,970	2,025,775	
Banner Bank - 20 yr Tax Exempt	3,150,000	214,274	3.30%	2039	2,647,065	2,519,096	2,386,870	2,250,245	2,109,073	1,963,204
Banner Bank - 5 yr Taxable	150,000	7,950	5.30%	2024	150,000	-	-	-	-	-
Total City Debt	7,000,000	468,453			5,520,359	5,075,779	4,771,758	4,458,215	4,134,848	1,963,204
Population	assumes 1% annual increase				9,600	9,696	9,793	9,891	9,990	10,090
Debt per capita					575	523	487	451	414	195

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Board

From: Anne Baker, Administrative Services Director

Date: March 22, 2023

Re: Fiscal Year 2021-22 Annual Report

Background and Information:

In accordance with Oregon Revised Statute (ORS) 457, Oregon urban renewal agencies must submit an annual report no later than January 31st of each year. This report is required to address the following:

- The amount of moneys received for the report fiscal year (ORS 457.420 to ORS 457.470) and from indebtedness incurred (ORS 457.420 to ORS 457.470)
- The purposes and amounts for which any moneys received and from indebtedness under ORS 457.420 to 457.470) were expended during the report fiscal year
- An estimate of moneys to be received during the current fiscal year and from indebtedness
- A budget setting forth the purposes and estimated amounts for which the moneys have been or will be received under ORS 457.420 to 457.470 and from indebtedness incurred are to be expended during the current fiscal year
- The maximum indebtedness for the Agency, including the amount of indebtedness incurred through the end of the report fiscal year
- An analysis of the impact of carrying out the urban renewal plan on the tax collections for the report fiscal year for all taxing districts included under ORS 457.430

The statement is required to be filed with the governing body and a notice published two successive weeks in a publication of general circulation. The Board's acceptance of this report tonight constitutes its filing with the Agency. The notice of the Report's availability will be published in the Siuslaw News on March 24th and 31st.

Fiscal Impact: The Annual Report is an important financial accountability function and is required by the Oregon Revised Statutes (ORS's). Cost is limited to the staff time taken to prepare.

Attachments:

2021-22 Annual Report

ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2022

FLORENCE URBAN RENEWAL AGENCY

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

Annual Report for Fiscal Year Ending June 30th, 2022

FLORENCE URBAN RENEWAL AGENCY

URBAN RENEWAL AREA BACKGROUND

The Florence Downtown Preservation and Renewal Plan ("Plan") was adopted by the City of Florence in 2006 by Ordinance No. 7 Series 2006. The maximum indebtedness established in 2006 for the Plan is \$22,545,000. The maximum indebtedness is the total amount of funds that can be spent on projects, programs, and administration in the urban renewal area over the life of the urban renewal plan. The Plan is projected to be in operation until FY 2026/27. The boundary, shown in Figure 1, consists of approximately 337.56 total acres consisting of:

Florence Renewal Plan	
Acres by Zoning Class	
ACRES	DISTRICT
7.98	Single-Family Residential
24.23	Main Street "B"
54.94	Main Street
6.60	Commercial
18.35	Multi-Family Residential
17.95	Waterfront/Marine District
3.40	Highway District
30.11	Old Town District
41.54	Old Town District "A"
8.84	Restricted Residential
91.14	Water Area
337.56	TOTAL

The frozen base assessed value ("Frozen Base") of the Florence Urban Renewal Area ("Area") is \$82,903,810. The FY 2020/2021 total assessed value is \$133,524,591. The excess value, or the value which taxes are paid to the Florence Urban Renewal Agency ("Agency") in FY 2021/2022 is \$55,354,336.¹

The goal of the plan is to:

Revitalize the downtown area as the primary cultural, tourist, commercial, and community core to serve all of Florence's citizens and visitors utilizing the following objectives:

OBJECTIVE 1:

To develop a unified downtown consisting of the neighborhoods and commercial districts on both sides of Highway 101, south of Highway 126 and 9th Street, east of Kingwood Avenue, and west of the Port property along the Siuslaw River estuary

OBJECTIVE 2:

To revitalize deteriorating sections of the downtown area

OBJECTIVE 3:

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 one of Florence's special places

OBJECTIVE 4:

To provide safe, convenient and attractive choices for people to walk, bike and drive throughout the downtown. Such connections should tie together downtown attractions such as the Florence Events Center, Old Town, the Boardwalk, the Downtown Green, the Post Office, parks, lodging establishments and retail businesses.

OBJECTIVE 5:

To facilitate public/private partnerships to carry out the plan

OBJECTIVE 6:

To achieve a balanced transportation/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

OBJECTIVE 7:

To develop safe, convenient and attractive public parking areas to accommodate visitors and residents accessing the downtown from Highway 101 and adjacent neighborhoods

OBJECTIVE 8:

To ensure that the transportation objectives of the downtown plan are consistent with the Transportation System Plan (TSP), the Oregon Highway Plan, and ODOT's adopted plans for Highway 101 and Highway 126

OBJECTIVE 9:

To identify suggested transportation improvements needed to facilitate redevelopment of the downtown area consistent with land use and retail market strategies

OBJECTIVE 10:

To encourage mixed-use development that enables citizens to live, work, shop, and recreate all within easy walking distance with the downtown area

OBJECTIVE 11:

To improve access to and visibility of Old Town from Highway 101

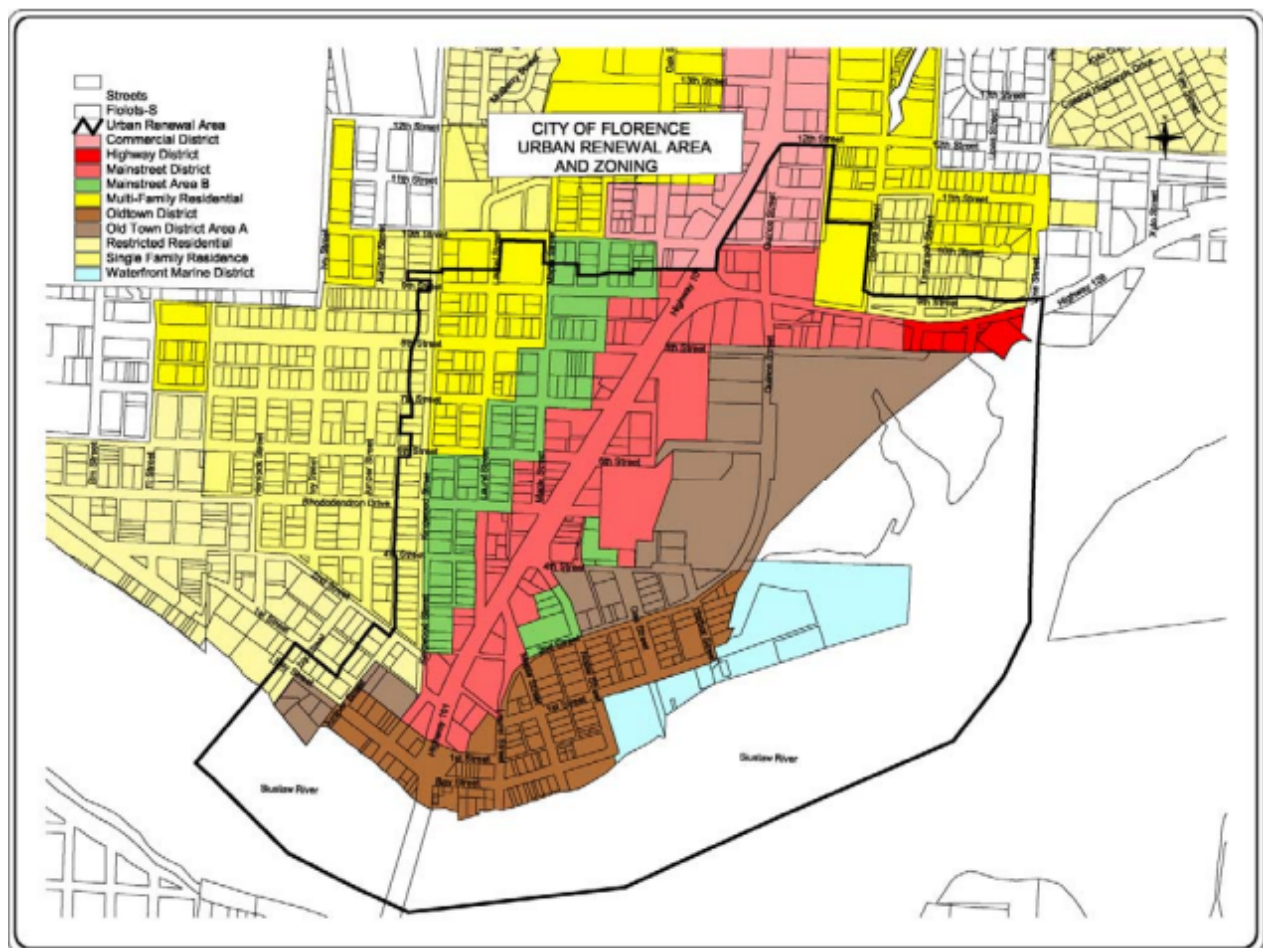
¹ Lane County Tax Assessor

The Florence Urban Renewal Agency is a separate legal and financial entity, governed by the Florence Urban Renewal Agency Board of Directors.

Oregon state law allows cities to create urban renewal districts in size not to exceed twenty-five percent(25%) of the total assessed property value within the city limits. The Urban Renewal Area does not exceed these limits.

The entire Florence Urban Renewal Plan and Report can be found on the City of Florence's website, <https://www.ci.florence.or.us/urbanrenewal/history-urban-renewal-agency>

Figure 1 - Boundary



FINANCIAL REPORTING

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

Money Received

In FY 2021/2022, the Agency received \$637,272 from division of taxes.² The detailed earnings of the Agency can be seen in Table 1. The beginning balance was \$2,035,733.

Table 1. Money Received During FY 2021/2022

Receipt Category	2021/2022 Amount
Property Taxes	\$616,775
Intergovernmental	234,987
Interest	3,392
TOTAL:	\$855,154

Source: City of Florence Urban Renewal Agency Audit FY 2021/22

Money Expended

Revenue received through urban renewal and spent on urban renewal activities is shown in Table 2.

Table 2. Expenditures During FY 2021/2022

Expenditure Category	2021/2022 Amount
Materials & services	\$245,300
Capital outlay	157,174
Transfers to City of Florence	468,454
TOTAL:	\$870,928

Source: City of Florence Urban Renewal Agency Audit FY 2021/22

Estimated Revenues

The estimated tax revenues from the FY 2021/2023 adopted Agency biennial budget are \$1,200,000.³

² City of Florence Urban Renewal Agency Audit FY 2020/2021

³ Florence Urban Renewal Agency FY 2020/2021 Biennial Budget

Proposed Budget for Current Fiscal Biennium, 2021/2023

A compiled budget listing the money to be received due to urban renewal, money to be spent, and what projects/expenses the money will fund is shown in Table 3 below.

Table 3. Budget FY 2021/2022 Urban Renewal General Fund

Budget Category (Requirements)	2021/2023 Amount
Materials & services	\$708,100
Capital Outlay	515,000
Debt Service	937,200
Contingency	859,100
TOTAL:	\$3,019,400

Budget Category (Resources)	2021/2023 Amount
Beginning Balance	\$1,330,400
Current Resources	
Property Tax	1,200,000
Intergovernmental	400,000
Interest Income	8,000
TOTAL CURRENT REVENUES:	1,689,000
TOTAL RESOURCES:	\$3,019,400

Source: Florence Urban Renewal Agency 2021/2023 Biennial Budget

Description	Adopted 2021-23 Biennial Budget
Siuslaw Estuary Trail Contribution	55,000
Quince Street Development	200,000
Pedestrian Light Arms	120,000
Laurel Street Plaza	40,000
Quince Street Gateway	100,000
TOTAL CAPITAL EXPENDITURES:	\$515,000

Impact on Taxing Districts

The revenues foregone by local taxing districts due to urban renewal are shown in Table 4. This information is from Lane County Assessor records, Table 4e.

Urban renewal agencies do not create an additional tax. Instead, during the urban renewal area's lifespan, overlapping taxing districts "forego" a portion of their permanent rate. Once the urban renewal area is terminated, the taxing jurisdictions receive the full permanent rate of taxes. The Siuslaw School District and Lane Education Service District are funded through the State School Fund on a per pupil allocation. There is no *direct* impact of urban renewal on their funding. The State School Fund is funded through property tax allocations, but also through other state resources.

Table 4. Impact on Taxing Districts FY 2021/2022

Taxing Jurisdiction	Impact
Lane County	\$70,813
Lane Community College	\$34,243
Lane ESD	\$12,301
City of Florence	\$158,359
Siuslaw School District 97J	\$215,431
Siuslaw Public Library District	\$28,480
Port of Siuslaw	\$8,090
Western Lane Ambulance District	\$17,620
Siuslaw Valley Fire & Rescue	\$85,248

Source: FY 2021/2022 Sal 4e from Lane County Assessor

Remaining Maximum Indebtedness

The amount of maximum indebtedness remaining for the Plan Area as of June 30, 2022 is \$16,739,000.