



City of Florence
A City in Motion

Florence Urban Renewal Agency (FURA) Regular Meeting

Florence Events Center
715 Quince Street
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 contact City Recorder Kelli Weese at kelli.weese@ci.florence.or.us.

March 28, 2018

AGENDA

5:30 p.m.

FURA Directors:
Vice-Chair John Scott
Ron Caputo

Chairperson, Joshua Greene
Joe Henry
Patricia Riley

Ron Preisler
Mike Webb

Dave Braley
Bill Meyer

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

CALL TO ORDER – ROLL CALL

5:30 p.m.

1. APPROVAL OF AGENDA

Joshua Greene
Chairperson

2. PUBLIC COMMENTS

This is an opportunity for members of the audience to bring to the Budget Committee and 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.

Joshua Greene
Chairperson

ACTION ITEM

3. REVISION FLORENCE ODOT IGA AMENDMENT

Consider authorizing the City Manager to sign an amendment to the Intergovernmental Agreements with the Oregon Department of Transportation (ODOT) and the Florence Urban Renewal Agency (FURA) for ReVision Florence.

Megan Messmer
City Project Manager

4. REVISION FLORENCE DESIGN / ENGINEERING CONTRACT AMENDMENT #3

Consider authorizing the City Manager to sign Contract Amendment #3 with Murraysmith in the amount of \$213,030 for final design, engineering, and construction phase support services for ReVision Florence.

Megan Messmer
City Project Manager

REPORTS, PRESENTATIONS & UPDATES

5. FINANCIAL FORECAST AND REVISION FLORENCE FUNDING

Review and consider updates to the long range financial forecast and overall ReVision Florence project funding.

Andy Parks
Finance Director

6. CITY MANAGER REPORT

Erin Reynolds
City Manager

URBAN RENEWAL CALENDAR

All meetings are held at the Florence Events Center (715 Quince St., Florence Oregon) unless otherwise indicated

Date	Time	Description
April 25, 2018	5:30 p.m.	Florence Urban Renewal Agency Meeting
May 23, 2018	5:30 p.m.	Florence Urban Renewal Agency Meeting
June 27, 2018	5:30 p.m.	Florence Urban Renewal Agency Meeting

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Board
From: Megan Messmer, City Project Manager
Date: March 20, 2018

ReVision Florence ODOT IGA Amendment

On June 28, 2017, the FURA Board authorized the City Manager to sign an Intergovernmental Agreement (IGA) with ODOT for the ReVision Florence Streetscape Project. On July 10, 2017, the City Council authorized the City Manager to sign the contract on behalf of the City.

The IGA outlines the working relationship between the FURA, the City, and ODOT. The City applied for State Transportation Improvement Program (STIP) funding for a portion of the ReVision Project. This funding was approved and is classified within the STIP as Multimodal Transportation Enhancement Program (MTEP) funding. Since the MTEP funding is Federalized funding, there are very prescribed requirements that are attached to that funding. This agreement allows us to acquire a project number for this funding and for ODOT to begin billing the project number for their review work.

When we first made the ask to the LaneACT, we understood that this was a multi-million-dollar project and that an ask for the full amount was not reasonable. The City made an ask of \$1,000,000 to support the project, which included \$750,000 in STIP funding and a cash match of \$250,000 from FURA. Through that process, ODOT utilized the conceptual estimates for the project at the cost of \$6,000,000. The original IGA included that amount and was approved as part of the STIP package by the Oregon Transportation Commission (OTC). In early 2018, ODOT presented the revised project estimate to the OTC for approval. Based on the OTC approval of the project, we need to amend the original IGA to include the current project estimated costs.

The main provisions outlined in Contract Amendment 31893-01 are as follows:

- **Funding Authorization:** The Amendment updates the project cost to \$7,020,000, which includes the 90% design estimate of \$6,980,000 plus the \$40,000 in the ODOT contracts for design and right of way review. It also outlines the \$1,692,520.33 in federal funds and \$857,875.67 in state funds for a total of \$2,550,396.
- **Americans with Disabilities Act Compliance:** Amendment 1 defines the compliance with ADA standards in maintaining the sidewalks during and after construction.
- **Federal-Aid Agreement:** Adds the Federal-Aid Agreement as an attachment for the City and FURA to fill out ensuring compliance with the Federal Funding Accountability and Transparency Act.
- **Special Provisions:** Amendment 1 adds the following items to the Special Provisions portion of the contract.

- Construction Document Format – Requirements to produce the construction documents in a format acceptable to the State.
- Agency will obtain services of an engineer to oversee drawings, submittal reviews, design modifications, and provide consultation and support during construction.
- Cost of ODOT review changed from \$20,000 to \$25,000 (which is included in the (\$40,000 mentioned above).
- Expands that City and FURA responsible for maintenance of sidewalks, plantings, irrigation, rain gardens, bulb outs, pedestrian activated flashing beacon system, sidewalk and street furniture, at its own expense and with its own forces.
- States that undergrounding will be performed as a non-participating piece of the project managed by ODOT. They will provide time for undergrounding to occur but it will not pass through ODOT and will be funded directly by FURA.

Fiscal Impact

FURA remains the responsible agency for developing the funding package for ReVision Florence. The IGA amendment updates the project costs to the current engineers estimates plus the costs for ODOT's review during the design phase. There is an increase of \$5,000 for ODOT design review included in the amendment, bringing the total for design and right of way review to \$40,000.

The total project estimate at 90% design is at \$7,020,000. The IGA with ODOT allows for a construction contract to be awarded up to 10% over the engineers estimate. The 10% applies to construction costs and would result in an approximate total project cost of \$7,400,000.

Below is the breakdown of funding sources for the current estimate compared to the 10% construction contract allowance.

Entity	90% Estimate	90% Estimate + 10% Construction Increase
FURA/City of Florence	\$ 3,270,000	\$ 3,650,000
State of Oregon/Federal	2,550,000	2,550,000
Lane County	1,200,000	1,200,000
Total Funding	\$ 7,020,000	\$ 7,400,000

Ongoing maintenance of the streetscape elements is the responsibility of the City. This includes maintenance of the landscaping, maintenance and repairs to the sidewalks when needed, and maintenance and billings associated with the street lights. This has been included in the adopted 2017-2019 Biennium Budget, as well as the financial forecast, at \$100,000 annually.

FURA Board Action

Staff recommends that the FURA Board authorize the City Manager to finalize negotiations with ODOT on Amendment 1 to the ReVision Florence IGA with ODOT (MCA 031893-01) as outlined above.

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Board
From: Megan Messmer, City Project Manager
Date: March 22, 2018

ReVision Florence Contract Amendment #3

In June 2017, The Florence Urban Renewal Agency (FURA) Board approved ReVision Florence Contract Amendment #2 with Murraysmith (formerly Murry Smith and Associates) to proceed with the final design for ReVision Florence. At the March 28, 2018, FURA meeting, the FURA Board will consider approval of Amendment #3 to the contract with Murraysmith.

Contract Amendment #3 adjusts the scope and fee to support construction engineering support services and required additional final design engineering services. General construction phase services include attending meetings, site visits, consultation during construction, preparing changes to the design, and reviewing submittals and shop drawings.

Additional design effort is required to provide an eBids Handoff Package and Construction Survey Handoff Package, as required by ODOT. The original scope assumed that these packages would not be required.

Additional design effort was required to finalize the Gateway Monument design. The original scope and budget was based on a solid concrete obelisk. The current design, based on input from FURA and the City, is a more complex combination of cast-in-place concrete, pre-cast concrete panels, and steel framing, as well as architectural and internal lighting elements.

Additional coordination with ODOT has also been required to complete Letter of Public Interest Findings (LPIFs) and unique special provisions for utility undergrounding, gateway monument and streetscaping beyond what was anticipated. The total accumulated fee for ReVision Florence is outlined below.

The items that Murraysmith has performed beyond the original line item allocations in the approved contract, have been funded through contingency line items that were determined not to be needed. They were still performed within the approved contract amount. This amendment will update the individual line item tasks to account for the added work.

In reviewing the amendment request, City staff has requested a rough estimate for the final design. The official estimate will be submitted to ODOT on March 30th, but in order to recommend a contract amendment to the FURA Board, we needed to see where we were at financially. Please note that these estimates for 100% design may change with the 100% design that is submitted to ODOT. The chart below outlines the 90% estimate compared to the preliminary 100% estimate. It also demonstrates the 10% buffer added on to the 100% estimate to accommodate for the potential for ODOT to award a contract up to 10% above the construction estimate.

Item	90% Estimate	Prelim 100% Estimate	10% Buffer
Design & Engineering	954,203	1,167,533	1,167,533
ROW Admin	493,090	493,090	493,090
ROW Acquisition	283,567	246,750	246,750
ODOT Review	15,000	15,000	15,000
Total ROW	791,657	754,840	754,840
Reimbursable Utilities	260,000	-	-
Utility Undergrounding	280,000	296,250	325,875
Total Utility Undergrounding	540,000	296,250	325,875
General Conditions	-	9,600	10,560
Temporary Features & Appurtenances	303,980	266,093	292,702
Roadwork	195,400	195,400	214,940
Drainage & Sewer	304,175	350,250	385,275
Structures	214,050	259,050	284,955
Bases	74,000	78,000	85,800
Wearing Surfaces	913,563	893,613	982,974
Perm. Traffic Control & Illumination	879,286	889,512	978,463
ROW Development & Control	390,943	383,706	422,077
Water Supply System	120,000	198,000	217,800
Mobilization	367,540	381,947	420,142
Sub-Total Construction	3,762,937	3,905,171	4,295,688
ODOT Construction Engineering	485,152	525,178	577,695
Power Service Connection	-	10,000	11,000
Steel Escalation	7,277	7,277	8,005
Contingencies	453,537	236,694	260,363
ODOT Review	25,000	25,000	25,000
Sub-Total Construction Related Costs	970,966	804,148	882,063
Total Construction Costs	4,733,903	4,709,319	5,177,751
Total Project Costs (Not Finalized)	7,019,763	6,927,942	7,425,999

As we have mentioned prior, the contingency line item will be reduced by either distributing those funds elsewhere or eliminating them. At 90% design we were calculating contingency at 10% of construction or approximately \$450,000. In the preliminary 100% estimate, they have reduced it to 5% or \$237,000. It will further be reduced down to 3.5% when they submit the final design to ODOT. Note, the 10% buffer column calculates the contingency at 5%. If it were to be reduced to the 3.5%, the contingency line item would be \$182,254 and the total project costs would be \$7,347,890, which is within the \$7.4 million.

After further work in coordinating the utility undergrounding, reimbursable utility costs, estimated at \$260,000 in October, have been zeroed out. The work done directly by the utilities will be at their own expense. The undergrounding work done by the Contractor is included within the total construction costs but is shown in the table under Utility Undergrounding.

Originally, we had assumed that the City/FURA would need to reimburse the utilities for furnishing the materials; however, ODOT required that the Contractor both furnishes and installs the materials in order to ensure compliance with the Federal Buy America requirements. Also, the previous estimates did not fully take into account any credit for what the utilities would have had to relocate to accommodate the project if we were not undergrounding. Per PUC guidance, the work that the utilities will be doing (installing conductor wire, cable, and transformers and wrecking out the old poles and wires) is what they would have had to do anyways and should not be reimbursed.

With Right of Way Acquisition nearly complete, we have included the new estimated in the table of \$247,000, which is pending finalization of the last settlement offer. That includes the estimated title insurance and associated costs. That is approximately \$37,000 less than estimated.

Amendment #3 includes additional tasks during design, as well as the construction phase services. The construction support work is on an as needed basis and will really depend on how often ODOT and the City has questions or requests Murraysmith's support. Amendment #3 tasks are broken down as follows:

Additional Tasks

Project Management	\$ 13,353
Geotechnical & Structural Services	19,250
Landscape Architecture	7,480
Plans, Specifications, & Estimate	41,084
<u>Construction Phase Services</u>	<u>150,278</u>
Total Additional Tasks	231,345
<u>Less Unused Contingency Tasks</u>	<u>18,316</u>
Total All Tasks Amendment #3	\$ 213,030

The total proposed Murraysmith contract is as follows:

Original Contract (30% DAP)	\$ 422,047
Amendment 1 (60% & ROW)	759,149
Amendment 2 (Final Design)	266,097
<u>Amendment 3 (Construction Engineering)</u>	<u>213,030</u>
Total Murraysmith Contract	\$ 1,660,623

The project estimate table on page 2 includes the total proposed Murraysmith contract amount, with Amendment #3. The table breaks down design and engineering separate from right of way administration, but both items are within the contract with Murraysmith as outlined above by contract and amendment.

FURA Board Action

Consider authorizing City Manager Reynolds to sign Contract Amendment #3, with Murraysmith, to finalized design and provide construction phase support services during construction of ReVision Florence in the amount of \$213,030.

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Board
From: Andy Parks, Finance Director
Date: March 22, 2018

Financial Update

Attached is a power point presentation that I will review with the board on March 28. Included in the presentation is an update to project funding for ReVision Florence, updated estimated budget amounts for the 2017-19 biennium, and updated forecasts through fiscal year 2023. Additionally, there is a schedule of anticipated debt service for the ReVision Florence project, and next steps discussed.

Lastly, I have prepared a few slides with graphics to review with you the principles of tax increment.

Florence Urban Renewal Agency Financial Update March 28, 2018

ReVision Florence Funding Package Final

Agency	Project Funding
FURA (Funding to Date)	\$ 950,000
FURA (Existing Resources)	750,000
City (Stormwater)	250,000
LaneACT STIP (FY 18)	750,000
ODOT (Reimbursement Funding)	1,800,000
Lane County – Present value of \$200,000 year – six years	1,100,000
Total Identified Funding	\$ 5,600,000
FURA debt capacity – as of Sept 2017	1,300,000
Additional debt capacity – fulfilled as of Nov 2017	500,000*
Total Project Estimate	\$ 7,400,000



Photo Courtesy of Chantelle Meyers, Siuslaw News



* Additional debt capacity achieved with increase in TAV and resulting tax levy

Fiscal Year 2017-19 Budget

Capital outlay

	Original	Changes	Revised	Comment
ReVision Florence	6,450,000	408,400	6,858,400	\$7.4 million – No change in total - timing
Development projects	500,000	0	500,000	Pending
Public Art	225,000	15,000	240,000	\$250,000 – No change in total - timing
Estuary trail	55,000	0	55,000	Pending
Total capital outlay	\$ 7,230,000	423,400	\$7,653,400	

FURA General Fund

	2016-17 Actual	2017-18 Adopted	2018-19 Adopted	2017-19 Adopted	2017-19 Update
Beginning fund balance	(71,016)	915,484	131,584	915,484	959,985
Current year resources					
Intergovernmental	-	2,900,000	100,000	3,000,000	3,100,000
Miscellaneous	1,800	1,000	-	1,000	32,000
Debt proceeds	1,725,351	3,300,000	600,000	3,900,000	4,150,000
Total current year resources	1,727,151	6,201,000	700,000	6,901,000	7,282,000
Total resources	1,656,135	7,116,484	831,584	7,816,484	8,241,985
Expenditures					
Materials and services	194,573	259,900	170,300	430,200	430,200
Public art	-	170,000	55,000	225,000	240,000
ReVision Florence	501,577	6,000,000	450,000	6,450,000	6,858,400
Development projects	-	500,000	-	500,000	500,000
Estuary trail/land	-	55,000	-	55,000	55,000
Capital outlay	501,577	6,725,000	505,000	7,230,000	7,653,400
Total expenditures	696,150	6,984,900	675,300	7,660,200	8,083,600
Other requirements					
Contingency	-	131,584	156,284	156,284	158,385
Total other requirements	-	131,584	156,284	156,284	158,385
Total expenditures and other requirements	696,150	7,116,484	831,584	7,816,484	8,241,985

FURA General Fund

	2016-17 Actual	2017-18 Update	2018-19 Update	2019-20 Update	2020-21 Update	2021-22 Update	2022-23 Update
Beginning fund balance	(71,016)	959,985	2,382,085	158,385	172,585	80,485	181,785
Current year resources							
Intergovernmental	-	(250,000)	-	-	-	-	-
Florence - Stormwater	-	(750,000)	-	-	-	-	-
LandACT	-	(1,800,000)	-	-	-	-	-
ODOT	-	(200,000)	(100,000)	-	-	-	-
Lane County TRT	-	3,000,000	100,000	-	-	-	-
Intergovernmental	-	(3,100)	-	-	-	-	-
Miscellaneous	(1,800)	(16,000)	(16,000)	-	-	-	-
INTEREST INCOME	1,800	16,000	16,000	-	-	-	-
Miscellaneous	(1,725,351)	(400,000)	(3,300,000)	(150,000)	(250,000)	(350,000)	(350,000)
Du jour debt	1,725,351	500,000	3,650,000	150,000	250,000	350,000	350,000
Long-term debt proceeds	1,727,151	3,516,000	3,766,000	150,000	250,000	350,000	350,000
Debt proceeds	1,656,135	4,475,985	6,148,085	308,385	422,585	430,485	531,785
Total current year resources							
Total resources							
Expenditures							
SUPPLIES	3,836	2,000	2,000	2,000	2,000	2,000	2,000
Programs - Design and development as	5,998	15,000	15,000	-	-	-	-
WEBSITE DEVELOPMENT & MAINT	1,500	1,500	1,500	1,500	1,500	1,500	1,500
CONTRACT SERVICES	166,800	196,400	119,300	125,300	131,600	138,200	145,100
CONSULTING SERVICES	5,000	15,000	25,000	-	-	-	-
AUDIT SERVICES	4,800	5,000	5,000	5,000	5,000	5,000	5,000
LEGAL SERVICES	6,244	25,000	2,500	2,000	2,000	2,000	2,000
Materials and services	194,573	259,900	170,300	135,800	142,100	148,700	155,600
ARTWORK	-	26,000	214,000	-	-	-	-
ReVision Florence	501,577	1,780,000	5,078,400	-	-	-	-
Development projects	-	-	500,000	-	100,000	100,000	200,000
Estuary trail/land	-	28,000	27,000	-	-	-	-
Capital outlay	501,577	1,834,000	5,819,400	-	100,000	100,000	200,000
Total expenditures	696,150	2,093,900	5,989,700	135,800	242,100	248,700	355,600
Other requirements							
Contingency	-	-	-	172,585	180,485	181,785	176,185
Total other requirements	-	-	-	172,585	180,485	181,785	176,185
Total expenditures and other requirements	696,150	2,093,900	5,989,700	308,385	422,585	430,485	531,785
Financial Summary							
	2016-17 Actual	2017-18 Update	2018-19 Update	2019-20 Update	2020-21 Update	2021-22 Update	2022-23 Update
Resources over (under) expenditures	1,031,001	1,422,100	(2,223,700)	14,200	7,900	101,300	(5,600)
Beginning fund balance	(71,016)	959,985	2,382,085	158,385	172,585	80,485	181,785
Ending fund balance	959,985	2,382,085	158,385	172,585	180,485	181,785	176,185

FURA Debt Service Fund

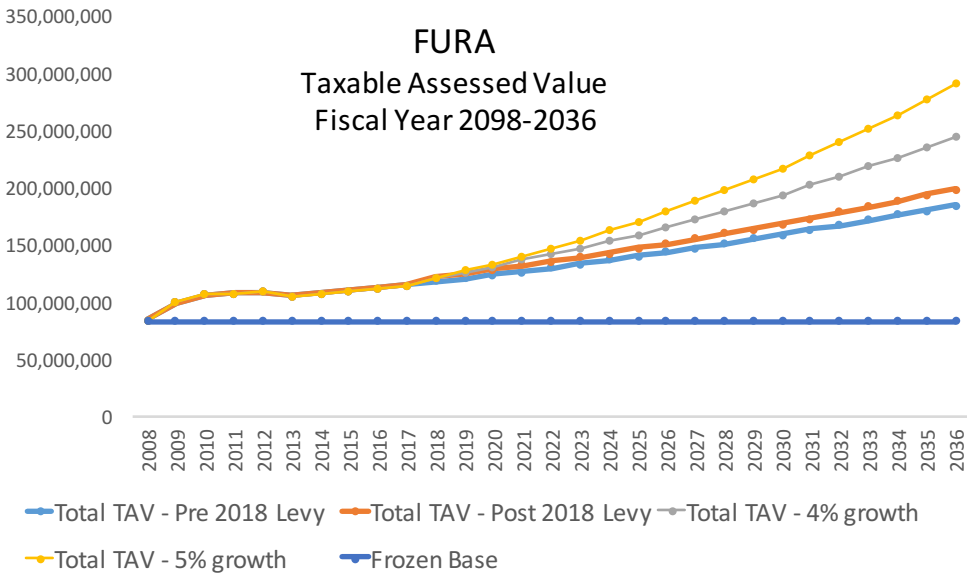
	2016-17 Actual	2017-18 Adopted	2018-19 Adopted	2017-19 Adopted	2017-19 Update
Beginning fund balance	86,636	780,190	695,090	780,190	280,809
Current year resources					
PROPERTY TAX - CURRENT YEAR	(355,783)	(381,900)	(411,400)	(793,300)	(885,000)
PROPERTY TAXES - PRIOR YEAR	(5,045)	(10,600)	(11,500)	(22,100)	(18,500)
Lane County	-	-	-	-	(100,000)
Miscellaneous	1,045	4,000	5,000	9,000	8,000
Total current year resources	361,873	396,500	427,900	824,400	1,011,500
Total resources	448,509	1,176,690	1,122,990	1,604,590	1,292,309
Expenditures					
<i>Debt service</i>					
2015 FFCO - principal	72,696	140,700	144,800	285,500	284,035
2018 FFCO - principal	-	-	-	-	58,500
Du jour - principal	-	200,000	400,000	600,000	450,000
Total principal	72,696	340,700	544,800	885,500	792,535
FFCO 2015 - interest	95,004	104,900	100,800	205,700	208,194
FFCO 2018 - interest	-	36,000	90,000	126,000	125,400
Total interest	95,004	140,900	190,800	331,700	333,594
Debt service	167,700	481,600	735,600	1,217,200	1,126,129
Total expenditures	167,700	481,600	735,600	1,217,200	1,126,129
Other requirements					
Contingency	-	695,090	387,390	387,390	166,180
Total expenditures and other requirements	167,700	1,176,690	1,122,990	1,604,590	1,292,309

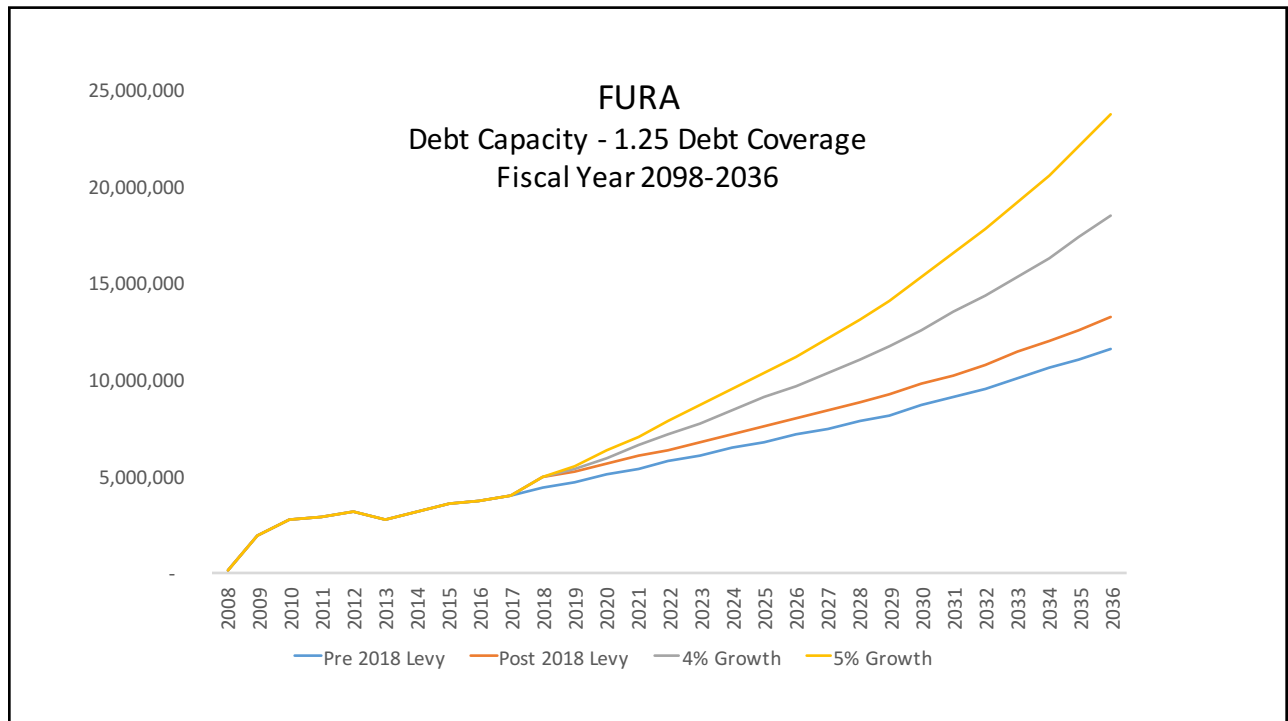
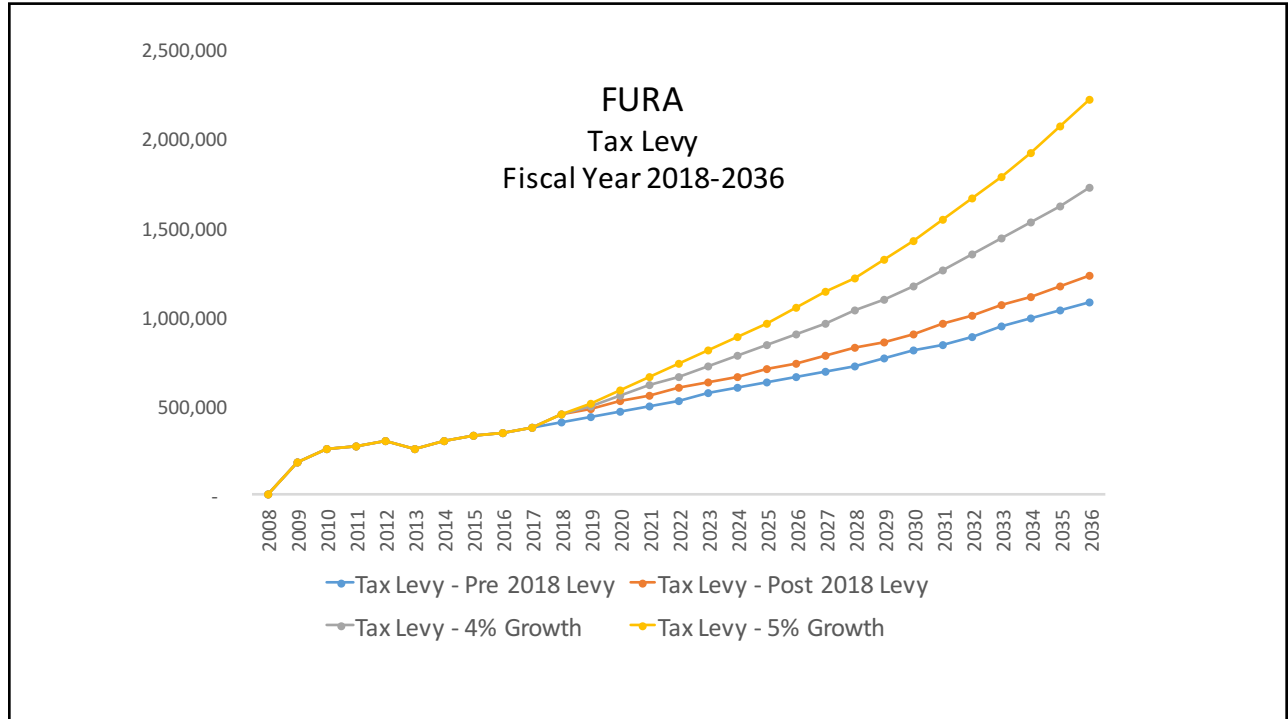
Next Steps

- Complete design and bid estimate for ReVision Florence Project
- Prepare and secure debt commitment
- Bid project
- Award project
- Complete financing
- Build project

Questions

Review of Tax Increment Principles





Outcomes with TAV Increasing at Higher Rates

- Increased relative investment of capital project
- Urban Renewal District closed sooner
- Taxes returned to overlapping districts sooner
- Increased amount of taxes for overlapping districts
- Return on investment for all districts increased