



City of Florence
A City in Motion

Florence Urban Renewal Agency (FURA) Regular Meeting

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

- Meeting materials including information on each agenda item are published at least 24 hours prior to the meeting, and can be found 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.

November 20, 2019

AGENDA

5:30 p.m.

FURA Directors:
Vice-Chair Mike Webb
Ron Caputo

Chairperson, Bill Meyer
John Scott
Patricia Riley

Joe Henry
Carmela West

Ron Preisler
Vacant

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

Bill Meyer
Chairperson

2. PUBLIC COMMENTS

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

Bill Meyer
Chairperson

ACTION ITEMS

3. QUINCE STREET DEVELOPMENT STRATEGY

Review and consider staff's recommendation on the strategy for marketing the Quince Street property development.

Erin Reynolds
City Manager

4. 2019-20 FURA MEETING CALENDAR

Review and consider approval of the 2019-20 FURA meeting calendar.

Erin Reynolds
City Manager

REPORTS, PRESENTATIONS & UPDATES

5. REVISION FLORENCE UPDATE

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

Megan Messmer
Project Manager

6. QUARTERLY FINANCIAL REPORT

Review quarterly financial report for the Florence Urban Renewal Agency.

Anne Baker
Admin. Services

7. CITY MANAGER REPORT

Erin Reynolds
City Manager

URBAN RENEWAL CALENDAR

All meetings are held at the Florence City Hall (250 Hwy 101, Florence Oregon) unless otherwise indicated

| Date | Time | Description |
|---------------------------------------|-----------|---------------------------------------|
| December 16, 2019 <i>Tentative</i> | 5:30 p.m. | Florence Urban Renewal Agency Meeting |
| January 22, 2019 | 5:30 p.m. | Florence Urban Renewal Agency Meeting |

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Agency

From: FURA Quince Project Staff Team

(Erin Reynolds - City Manager, Kelli Weese - City Recorder / Economic Development Coordinator, Megan Messmer - City Projects Manager, and Sarah Moehrke - Community & Economic Development Assistant)

Date: November 20, 2019

Florence City staff have met with the Florence Urban Renewal Agency Quince Street Ad-Hoc Steering Committee on October 9th and November 13th, 2019. These meetings provided staff guidance in the preparation of the proposed development strategy brief for the Quince Street property (Attachment 1). This proposal includes a summary of...

- The development **goals** for the site – i.e. staff's recommendation for the type of development for the site
- The **development requirements** for proposals – i.e. staff's recommendation on the criteria to be used to review proposals
- The **objectives** for the development – i.e. Why the development goals were chosen and the end objectives the agency will look to achieve
- The **potential steps** to completion detailing the necessary steps to market the property, negotiate terms and sales agreement, and stage the property.
- An overview of necessary measures to **coordinate** with the City of Florence on the development

At the November 20th Florence Urban Renewal Agency meeting the agency will review, provide feedback and potentially approve staff's proposal for development and marketing for the site.

ITEMS ATTACHED

- Proposed Strategy for Development of the Quince Street Site – November 20, 2019

PROPOSED STRATEGY FOR DEVELOPMENT OF THE QUINCE STREET SITE

November 20, 2019

Development Goals and Objectives

Goal: Attract 90+ room hotel or other similar sized lodging facility, with a preference for 100+ room facilities as the anchor development for the site, with opportunities for the following ancillary developments....

- **Ancillary Goals:** Mixed-Use Development including but not limited to:
 - Food/Beverage use(s) complimentary to the lodging use including but not limited to restaurant, brewery, coffee, quick service, or other similar development
 - Other residential facilities or mixed-use with particular focus on efforts to promote higher-density workforce housing, including but not limited to....
 - Townhomes,
 - Condominiums,
 - Cottage Cluster Housing,
 - Live-Above mixed-use units
- **** Note:** Although the above are listed as the agency's development goals for the site, the intention would be to consider all proposals for development opportunities. In addition, although the primary goal is to achieve viable lodging facility proposal as the anchor business for the site, the agency will have the opportunity to select either more than one proposal and/or a proposal different than a lodging facility, should it be warranted and/or the uses be compatible.
- **Development Requirements:**
 - All development proposals must be for-profit enterprises subject to property tax,
 - Development proposals must be financially viable and include pro forma showing funding sources and use of funds for acquisition and development of the site,
 - Development proposals must include demonstrated ability of the team in successful development, operations and economic performance of projects of comparable type, size, scale and complexity.

Objectives:

- Increase property values & transient room tax revenue to support future housing / economic development projects,
- Support the Florence Events Center to allow it to be more marketable to out of area events,
- Support the development of the Siuslaw Estuary Trail and compatible recreational uses within the estuary,
- Increase walkability of the area in conjunction to its vicinity to Old Town, and
- Create / supplement the need for housing in the Florence area.

Potential Steps to Completion

*** Note: These tasks are presented in a linear format, however many of the tasks will occur simultaneously to accommodate the needed development timelines.*

Marketing the Property

- Recruit for and Hire Commercial Recruitment Professional
 - a. Seek quotes for economic development recruitment professional(s) / commercial real estate firm to review staff's preparation of a request for proposals and market request to potential development opportunities.
- Prepare Request for Development Proposals
 - a. Prepare request for development proposals seeking submissions from developers interested in the opportunity.
- Receive & Review Development Proposals
 - a. FURA board review received proposals (either as a body or through delegation to staff / ad-hoc body) and prepare land negotiation terms

Negotiate Terms and Sales Agreement

Once one or more development proposals are received that meet the Agency's goals, the Florence Urban Renewal Agency would work to negotiate a property sales agreement with required deliverables for the development potentially to include...

- Timeline for development completion
- \$ of investment
- Number of jobs

Staff proposes to work with commercial real estate firm / economic development recruitment professional(s) to determine viable metrics for negotiation to include within the property sales agreement.

Staging the property

- Tree Thinning to Maximize Viewshed
- Lot Line Adjustment to accommodate Estuary Trail

Coordination with City

The Florence Urban Renewal Agency will need to coordinate with the City of Florence throughout this project due to the City of Florence Estuary Trail project and any potential opportunities to provide additional incentives within the City's abilities. Staff intends to provide reports to both the Florence Urban Renewal Agency and the City Council throughout the process to ensure adequate communication between each entity.

January

| M | Tu | W | Th | F | Sa/Su |
|--------------------------------------|----|--------------------|----|----|---------|
| | | 1 | 2 | 3 | 4 & 5 |
| 6 | 7 | 8 | 9 | 10 | 11 & 12 |
| 13 | 14 | 15 | 16 | 17 | 18 & 19 |
| 20 Martin Luther King Jr. Holiday | 21 | 22 FURA Meeting | 23 | 24 | 25 & 26 |
| 27 | 28 | 29 | 30 | 31 | 1 & 2 |

February

| M | Tu | W | Th | F | Sa/Su |
|-------------------------------|----|--------------------|----|----|---------|
| 3 | 4 | 5 | 6 | 7 | 8 & 9 |
| 10 | 11 | 12 | 13 | 14 | 15 & 16 |
| 17 President's Day Holiday | 18 | 19 | 20 | 21 | 22 & 23 |
| 24 | 25 | 26 FURA Meeting | 27 | 28 | 29 & 1 |
| | | | | | |

March

| M | Tu | W | Th | F | Sa/Su |
|--------------|----|-------------------------------------|----|----|---------|
| 2 | 3 | 4 | 5 | 6 | 7 & 8 |
| 9 | 10 | 11 | 12 | 13 | 14 & 15 |
| 16 | 17 | 18 | 19 | 20 | 21 & 22 |
| | | ICMA West Coast Regional Conference | | | |
| 23 | 24 | 25 | 26 | 27 | 28 & 29 |
| | | FURA Meeting - Tentative | | | |
| Spring Break | | | | | |
| 30 | 31 | | | | |

April

| M | Tu | W | Th | F | Sa/Su |
|----|----|--------------|----|----|---------|
| | | 1 | 2 | 3 | 4 & 5 |
| 6 | 7 | 8 | 9 | 10 | 11 & 12 |
| 13 | 14 | 15 | 16 | 17 | 18 & 19 |
| 20 | 21 | 22 | 23 | 24 | 25 & 26 |
| | | FURA Meeting | | | |
| 27 | 28 | 29 | 30 | | |

May

| M | Tu | W | Th | F | Sa/Su |
|----------------------------|----|--------------------|----|----|---------|
| | | | | 1 | 2 & 3 |
| 4 | 5 | 6 | 7 | 8 | 9 & 10 |
| 11 | 12 | 13 | 14 | 15 | 16 & 17 |
| 18 | 19 | 20 | 21 | 22 | 23 & 24 |
| 25 Memorial Day Holiday | 26 | 27 FURA Meeting | 28 | 29 | 30 & 31 |

June

| M | Tu | W | Th | F | Sa/Su |
|----|----|--------------------|----|----|---------|
| 1 | 2 | 3 | 4 | 5 | 6 & 7 |
| 8 | 9 | 10 | 11 | 12 | 13 & 14 |
| 15 | 16 | 17 | 18 | 19 | 20 & 21 |
| 22 | 23 | 24 FURA Meeting | 25 | 26 | 27 & 28 |
| 29 | 30 | | | | |

July

| M | Tu | W | Th | F | Sa/Su |
|-------------------------|----|--------------------|----|--|--------------------------------------|
| | | 1 | 2 | 3 Independence Day Holiday Observed | 4 & 5 Independence Day Holiday |
| 6 | 7 | 8 | 9 | 10 | 11 & 12 |
| OCCMA Summer Conference | | | | | |
| 13 | 14 | 15 | 16 | 17 | 18 & 19 |
| 20 | 21 | 22 FURA Meeting | 23 | 24 | 25 & 26 |
| 27 | 28 | 29 | 30 | 31 | 1 & 2 |

August

| M | Tu | W | Th | F | Sa/Su |
|--|----|--------------------|----|----|---------|
| 3 | 4 | 5 | 6 | 7 | 8 & 9 |
| Oregon Mayor's Association Summer Conference - North Bend | | | | | |
| 10 | 11 | 12 | 13 | 14 | 15 & 16 |
| 17 | 18 | 19 | 20 | 21 | 22 & 23 |
| 24 | 25 | 26 FURA Meeting | 27 | 28 | 29 & 30 |
| 31 | | | | | |

September

| M | Tu | W | Th | F | Sa/Su |
|-----------------------|----|--------------------|---|----|---------|
| | 1 | 2 | 3 | 4 | 5 & 6 |
| 7 | 8 | 9 | 10 | 11 | 12 & 13 |
| Labor Day Holiday | | | | | |
| 14 | 15 | 16 | 17 | 18 | 19 & 20 |
| 21 | 22 | 23 FURA Meeting | International City Managers Association | | |
| 28 | 29 | 30 | | | |
| Conference in Toronto | | | | | |

October

| M | Tu | W | Th | F | Sa/Su |
|----|----|--------------------|---|----|---------|
| | | | 1 ICMA | 2 | 3 & 4 |
| 5 | 6 | 7 | 8 | 9 | 10 & 11 |
| 12 | 13 | 14 | League of Oregon Cities Conference in Salem | | |
| 19 | 20 | 21 | 22 | 23 | 24 & 25 |
| 26 | 27 | 28 FURA Meeting | 29 | 30 | 31 & 1 |

November

| M | Tu | W | Th | F | Sa/Su |
|----|----|---|---------------------------------|----|---------|
| 2 | 3 | 4 | 5 | 6 | 7 & 8 |
| 9 | 10 | 11 Veteran's Day Holiday | 12 | 13 | 14 & 15 |
| 16 | 17 | 18 FURA Meeting | 19 | 20 | 21 & 22 |
| 23 | 24 | 25 FURA Meeting (Rescheduled to 11.18) | 26 & 27 Thanksgiving Holiday | | 28 & 29 |
| 30 | | | | | |

December

| M | Tu | W | Th | F | Sa/Su |
|----|----|---|----|--------------------------------|---------|
| | 1 | 2 | 3 | 4 | 5 & 6 |
| 7 | 8 | 9 | 10 | 11 | 12 & 13 |
| 14 | 15 | 16 FURA Meeting | 17 | 18 | 19 & 20 |
| 21 | 22 | 23 FURA Meeting (Rescheduled to 12.16) | 24 | 25 Christmas Day Holiday | 26 & 27 |
| 28 | 29 | 30 | 31 | | |

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Board

From: Anne Baker, Administrative Services Director

Date: November 20, 2019

Re: First Quarter, 2019-2021 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:

Quarter One, 2019-2021 Biennium Financial Report



Florence Urban Renewal Agency

Financial Report

Quarter Ended September 30, 2019

November 20, 2019

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 first quarter of the Biennium ended June, 2021. 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, 2019 – June 30, 2021 biennium. Additionally, we have included reporting on the Agency's debt such as outstanding amounts, debt coverage ratios, maturities, and interest rates.

Following are highlights for the quarter related to these goals:

- The General Fund began the quarter with an estimated fund balance of \$2.82 million, which is \$836,200 more than was budgeted. It ended the quarter with a fund balance of \$2.856 million.
- Property tax for the 2019-20 fiscal year was levied in the amount of \$559,631, which is slightly higher than was budgeted.
- Continued construction of the ReVision Florence Streetscape Project.

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

Sincerely,



Erin Reynolds, CPA
City Manager



Anne Baker, CPFO, MAcc
Administrative Services Director

Agency-wide - All Funds

The Agency began the quarter with a combined \$3,573,456 fund balance. During the quarter the Agency received \$530,505 in revenue, had operating expenditures of \$64,200, debt payments of \$108,705, and invested \$30,441 in capital.

The Agency's ending combined fund balance totals \$3.5 million, of which part is due to the remaining portion of the \$3.3 million debt acquired in the last biennium to finance the ReVision Florence project.

Quarter Ended September 30, 2019

Information for the July 1 – September 30, 2019 quarter only

| Fund | Beginning Fund Balance | Revenue | Debt Proceeds | Total Resources | Expenses | Capital Outlay | Debt Service | Total Expenditures | Ending Fund Balance |
|-------------------|---------------------------|---------|------------------|--------------------|----------|-------------------|-----------------|-----------------------|------------------------|
| FURA General | 2,820,261 | 130,166 | - | 2,950,427 | 64,200 | 30,441 | - | 94,641 | 2,855,786 |
| FURA Debt Service | 753,195 | 339 | - | 753,534 | - | - | 108,705 | 108,705 | 644,829 |
| Agency Totals | 3,573,456 | 130,505 | - | 3,703,961 | 64,200 | 30,441 | 108,705 | 203,346 | 3,500,615 |

General Fund

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

The fund operations remained within appropriations for the biennium.

Capital expenditures for the quarter were related to the ReVision Florence project and do not reflect the State's portion of project costs. As invoices are received from the State, these costs will increase along with the revenues associated with these costs.

Overall, the General Fund realized a decrease in fund balance of \$35,525. Fund balance will continue to decline as the ReVision Florence project uses the debt proceeds received last quarter.

| | Quarter Ended September 30, 2019 | | | Biennium-To-Date | | |
|--|-------------------------------------|---------------------|---------------------|-----------------------|---------------------|-----------------------|
| | Budget | Actual | Over(Under) | Budget | Actual | Over(Under) |
| Current resources | | | | | | |
| Taxes | \$ 133,900 | \$ 2,604 | \$ (131,296) | \$ 1,071,500 | \$ 2,604 | \$ (1,068,896) |
| Intergovernmental | 205,000 | 100,000 | (105,000) | 1,639,700 | 100,000 | (1,539,700) |
| Miscellaneous | 2,000 | 27,562 | 25,562 | 16,000 | 27,562 | 11,562 |
| Debt proceeds | 50,000 | - | (50,000) | 400,000 | - | (400,000) |
| Total current resources | \$ 390,900 | \$ 130,166 | \$ (260,734) | \$ 3,127,200 | \$ 130,166 | \$ (2,997,034) |
| Expenditures | | | | | | |
| Materials and Services | 83,800 | 64,200 | (19,600) | 670,100 | 64,200 | (605,900) |
| Capital Purchases | 435,300 | 30,441 | (404,859) | 3,482,500 | 30,441 | (3,452,059) |
| Transfers | 100,000 | - | (100,000) | 800,000 | - | (800,000) |
| Total expenditures | 619,100 | 94,641 | (524,459) | 4,952,600 | 94,641 | (4,857,959) |
| Other requirements | | | | | | |
| Contingency | 19,800 | - | (19,800) | 158,700 | - | (158,700) |
| Total other requirements | 19,800 | - | (19,800) | 158,700 | - | (158,700) |
| Total expenditures and other requirements | 638,900 | 94,641 | (544,259) | 5,111,300 | 94,641 | (5,016,659) |
| Total resources over (under) requirements | \$ (248,000) | \$ 35,525 | \$ 283,525 | \$ (1,984,100) | \$ 35,525 | \$ 2,019,625 |
| Beginning balance | 248,000 | 2,820,261 | 2,572,261 | 1,984,100 | 2,820,261 | 836,161 |
| Ending Balance | \$ - | \$ 2,855,786 | \$ 2,855,786 | \$ - | \$ 2,855,786 | \$ 2,855,786 |

Debt Service Fund

This fund accounts for the Agency's debt payments. Current debt issues of the Agency are listed in detail in the Debt Summary.

The Agency secured \$3.3 million dollars to finance the ReVision Florence project. \$3,150,000 is a 20-year, non-taxable loan with principal and interest payments starting in the 2019-2021 biennium. The remaining \$150,000 is a five-year taxable loan with interest-only payments until the loan matures in its fifth year.

Debt principal and interest payments in the first quarter of the 2019-2021 biennium totaled \$108,705.

| | Quarter Ended September 30, 2019 | | | Biennium-To-Date | | |
|--|-------------------------------------|---------------------|---------------------|-------------------|---------------------|---------------------|
| | Budget | Actual | Over(Under) | Budget | Actual | Over(Under) |
| Current resources | | | | | | |
| Taxes | \$ - | \$ 339 | \$ 339 | \$ - | \$ 339 | \$ 339 |
| Transfers in | 100,000 | - | (100,000) | 800,000 | - | (800,000) |
| Total current resources | \$ 100,000 | \$ 339 | \$ (99,661) | \$ 800,000 | \$ 339 | \$ (799,661) |
| Expenditures | | | | | | |
| Debt service | 90,400 | 108,705 | 18,305 | 722,800 | 108,705 | (614,095) |
| Total expenditures | 90,400 | 108,705 | 18,305 | 722,800 | 108,705 | (614,095) |
| Other requirements | | | | | | |
| Contingency | 10,000 | - | (10,000) | 80,600 | - | (80,600) |
| Total other requirements | 10,000 | - | (10,000) | 80,600 | - | (80,600) |
| Total expenditures and other requirements | 100,400 | 108,705 | 8,305 | 803,400 | 108,705 | (694,695) |
| Total resources over (under) requirements | \$ (400) | \$ (108,366) | \$ (107,966) | \$ (3,400) | \$ (108,366) | \$ (104,966) |
| Beginning balance | 400 | 753,195 | 752,795 | 3,400 | 753,195 | 749,795 |
| Ending Balance | \$ - | \$ 644,829 | \$ 644,829 | \$ - | \$ 644,829 | \$ 644,829 |

Debt Summary

The following schedule provides information related to the Agency's outstanding debt during the 2019-2021 biennium through fiscal year 2025. The schedule includes:

- Debt issue
- Original amount of the loan
- The annual principal payment in fiscal year 2020
- Interest rate
- Maturity of the obligation
- Outstanding principal balance as of June 30, by fiscal year through 2025

| Description | Original Amount | Annual Payment FY 2020 | Interest Rate | Maturity | Outstanding balance fiscal year ending June 30, | | | | | |
|--------------------------------|------------------|------------------------|---------------|----------|---|------------------|------------------|------------------|------------------|------------------|
| | | | | | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 |
| Existing Obligations | | | | | | | | | | |
| FFCO 2016 - FURA | 3,700,000 | 71,350 | 2.92% | 2036 | 3,195,338 | 3,042,591 | 2,885,288 | 2,723,295 | 2,556,683 | 2,384,888 |
| FFCO Banner - 20 yr Tax Exempt | 3,150,000 | 219,340 | 3.50% | 2040 | 3,038,381 | 2,922,877 | 2,803,355 | 2,679,673 | 2,551,688 | 2,419,249 |
| FFCO Banner - 5 yr Taxable | 150,000 | 5,543 | 5.30% | 2024 | 150,000 | 150,000 | 150,000 | 150,000 | - | - |
| Total Agency Debt | 7,000,000 | 296,233 | | | 6,383,719 | 6,115,468 | 5,838,643 | 5,552,968 | 5,108,371 | 4,804,137 |