



2012-13 Annual Report & Financial Statement



Letter from Chairwoman Nola Xavier

The Florence Urban Renewal Agency (FURA) has prepared this annual report in accordance with ORS 457.460. It will be available on file for all interested parties and posted on the website at www.ci.florence.or.us. The required information is as follows.

The FURA General Fund **Audited Revenue** for the Fiscal Year ending June 30, 2013 was \$2,059,318.57. The revenue breakdown is: Carryover \$1,803,691.46; Property Tax Current Year \$148,684.86; Property Tax Prior Year \$99,182.88; In Lieu of Taxes \$271.23; Interest – Property Tax \$927.16; Interest – OPB \$6,510.98; and Other \$50.00.

Total FURA General Fund **Expenses** for the year came to \$1,697,110.87. The major expenses were \$1,336,657.11 in Infrastructure Improvement Project Grant Reimbursements; \$310,003.34 as a Transfer Out to Debt Service; \$32,480.00 to the Siuslaw Library for their loan payment; and \$17,970.42 for Materials and Services. FURA continues to operate with a volunteer board and no paid staff. We contract with the City for staff support when needed. The materials and services item includes those services as well as the audit, web site maintenance, membership dues, office supplies, and publishing of legal notices.

The Debt Service Fund **Revenue** had a Carryover of \$251,025.14; Interest Income of \$893.59; and Transfers In from the General Fund of \$310,003.34. The Debt Service **Expenses** were Debt Principle \$175,000.00 and Debt Interest \$135,003.34. The carryover in Revenue of \$251,025.14 is the restricted reserve money market account we are holding against future debt payments. It is accruing interest.

Midway through the year it became apparent that our tax increment was down from expectations. Research showed that property tax values on several large tax paying properties within the FURA district had dropped resulting in the reduction to our tax increment. These adjustments resulted in an approximate \$42,000 reduction in our expected increment.

However, we are happy to report that all three phases of the Infrastructure Improvement Project in Old Town are complete bringing much needed sewer, water, and stormwater upgrades to this area. We saw the completion of the Siuslaw River Bridge Interpretive Center with a ribbon cutting on June 28, 2013. The eight interpretive signs will be installed at the site in the coming year. Eight parking spaces were also added under the bridge giving the area additional parking and providing a wonderful view of the Gothic Arch understructure of the bridge.

The FURA General Fund Adopted Budget for FY2014 is as follows. **Revenue:** Carryover \$285,000; Projected Revenue \$244,400; Total Revenue \$529,400. **Expenses:** Materials & Services \$44,690; Transfer out to Debt Service \$314,500; Contingency \$500; Reserves for Future Projects \$60,000; Unappropriated Ending Fund Balance \$109,710; Total Expenses \$529,400.

Debt Service Fund Revenue for FY2014: Carryover \$251,000; Revenue \$800; Transfer In from General Fund \$314,500; Total Revenue \$566,300. **Debt Service Fund Expenses:** Debt Service Payments \$315,300; Ending Fund Balance \$251,000; Total Expenses \$566,300.

Due to the unexpected decline in the tax increment we experienced, the FURA Board is taking a very conservative approach in planning until we see a stabilized tax base. We have budgeted for FY 2014 to meet current obligations and have not planned any new projects.

Respectfully submitted, Mayor Nola Xavier — Chair Urban Renewal



Siuslaw River Bridge Interpretive Center

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FURA Infrastructure Project Completion Report

After a year of construction, the FURA Infrastructure Improvement Projects have been successfully completed. The projects have greatly improved our water and wastewater capacity within the project area. The addition of a new 16-inch water main from Hwy 126 south along Quince Street to 2nd and Kingwood has tremendously increased our fire flow and domestic water capacity, especially in an area that has great future development potential. New 12-inch water mains from 2nd and Kingwood to Bay Street and then continuing east along Bay Street to Nopal and finally tying back into the 16-inch water line at Nopal and 2nd streets have increased our fire water capacity in Old Town from 900 gallons per minute (gpm) to over 3,500 gpm. Installing new sewer lines on Quince Street, where there were no sewer lines, will allow future development access to municipal wastewater service without impacting the street.



Siuslaw River Bridge Interpretive Center

In 2013, the Siuslaw River Bridge Interpretive Center became a reality and the community celebrated the opening of this highly anticipated wayside.

The Interpretive Center is an asset for the community that ensures the last piece of open space property on Bay Street will remain preserved and undeveloped. Residents and visitors will be able to enjoy the phenomenal view of our historic bridge and the Siuslaw River for years to come.

With the location of the Interpretive Center at the former Barnett property, the estuary and the Siuslaw Bridge are visible from the viewing platform and winding pathways. Eight additional parking spots were also constructed under the south-side of the Siuslaw Bridge during the project, providing some much needed extra parking in the Old Town area.

Interpretive Signage

Eight interpretive signs are currently being developed by City staff under the direction of the FURA Board to fill the total sign stands located at the Interpretive Center. Those signs will be completed and installed during 2014 and will provide information about the area. The topics for the interpretive signage will include:

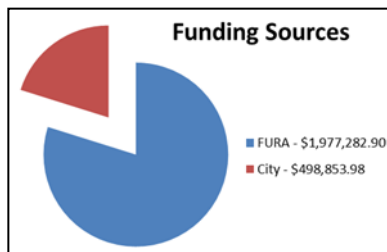
- Bay Street & Old Town History
- Tribal History & Early Settlement Info
- Stormwater & Rain Garden Info
- Siuslaw River Bridge History
- Early Navigation of the Siuslaw River
- History of Fishing, Logging & Cannery Industries along the Siuslaw River



In addition to the large diameter water mains throughout the project and new sewer line on Quince Street, the FURA Infrastructure project included the replacement of 4-inch and 6-inch water lines on Oak Street with a new 8-inch water main; replacement of sewer lines on Oak Street between 1st and 4th streets; new sewer line on 2nd between Oak and Nopal streets; new water master meter for the Port of Siuslaw at 1st and Harbor streets; stormwater improvements at 2nd and Nopal streets; stormwater improvements at Bay and Kingwood streets and stormwater improvements along Nopal between 1st and Bay streets; and the reconstruction and paving of Oak, 2nd and Quince streets.

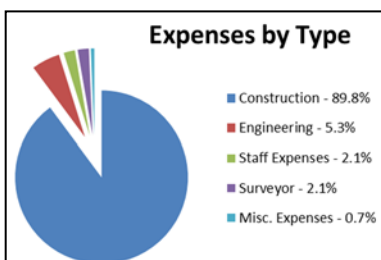
Financial Summary

In total, the costs to design, construct and provide project management/oversight to the infrastructure improvement project was \$2,476,136.88. Out of that total, only \$1,977,282.90 was funded by the Urban Renewal Agency. Primarily, the difference in what the City paid for in construction related expenses and what was reimbursed by the Urban Renewal Agency were costs associated with the installation of the water master meter assembly for the Port of Siuslaw; the sewer and water improvements, along with the street reconstruction, on Oak Street; and the cost differential between a 12-inch and 16-inch water main. The 16-inch water main size is necessary in order to provide additional water capacity to the area west of Hwy 101 outside of the renewal agency's boundary.



We are very pleased to report that 89.8% of the funds used for these projects went towards the actual construction of the project. Outside engineering services, including surveying, represented only 7.4% of the total expenditures for the projects. Typically engineering expenses, including surveying services, depending on the size of the project range between 15-20% of the overall project costs and can be as high as 35% for federal aid (ODOT) projects. Direct City staff expenses were 2.1% of the total project.

Infrastructure upgrade projects such as these can sometimes be a difficult and complicated process. Due to the forward-thinking of the FURA Board of Directors, increased fire flows and water capacity not only makes our community safer but also more attractive to potential development. The FURA Board, City Council and City staff are to be commended for the successful delivery of this multi-million dollar project.



FURA 2012-13 Actuals

GENERAL FUND

REVENUE

| | |
|-------------------------------|------------------------|
| Carryover | \$ 1,803,691.46 |
| Property Tax - Prior Year | 99,182.88 |
| Property Tax - Current Year | 148,684.86 |
| In Lieu of Taxes | 271.23 |
| Interest - Property Taxes | 927.16 |
| Interest - OPB | 6,510.98 |
| Other | 50.00 |
| Transfer-In from Debt Service | 0.00 |
| Total | \$ 2,059,318.57 |

EXPENSES

| | |
|----------------------------------|------------------------|
| Materials & Services | \$ 17,970.42 |
| Siuslaw Library | 32,480.00 |
| Infrastructure Improvement Grant | 1,336,657.11 |
| Transfer — Out to Debt Service | 310,003.34 |
| Total | \$ 1,697,110.87 |

DEBT SERVICE FUND

REVENUE

| | |
|-----------------------|----------------------|
| Carryover | \$ 251,025.14 |
| Interest Income | 893.59 |
| Transfer-In from FURA | 310,003.34 |
| Total | \$ 561,922.07 |

DEBT SERVICE

| | |
|--------------------------|----------------------|
| Debt Payment — Principal | \$ 175,000.00 |
| Debt Payment — Interest | 135,003.34 |
| Total | \$ 310,003.34 |

FURA 2013-14 Adopted Budget

GENERAL FUND

REVENUE

| | |
|------------------------------------|----------------------|
| Carryover | \$ 285,000.00 |
| Projected Revenue | 244,400.00 |
| Transfer-In from Debt Service Fund | 0.00 |
| Total | \$ 529,400.00 |

EXPENSES

| | |
|------------------------------------|----------------------|
| Materials & Services | \$ 44,690.00 |
| Transfer-out to Debt Service Fund | 314,500.00 |
| Contingency | 500.00 |
| Reserve for Future Projects | 60,000.00 |
| Unappropriated Ending Fund Balance | 109,710.00 |
| Total | \$ 529,400.00 |

DEBT SERVICE FUND

REVENUE

| | |
|--------------------------------|----------------------|
| Carryover | \$ 251,000.00 |
| Projected Revenue | 800.00 |
| Transfer-In from Urban Renewal | 314,500.00 |
| Total | \$ 566,300.00 |

DEBT SERVICE

| | |
|-------------------------------|----------------------|
| Debt Service | \$ 315,300.00 |
| Transfer-out to Urban Renewal | 0.00 |
| Ending Fund Balance | 251,000.00 |
| Total | \$ 566,300.00 |

2012-13 Tax Increment Received by Special Districts

The purpose of the Florence Urban Renewal Plan is to provide incentives for new development that will create increased property values, new jobs, and economic growth opportunities in Florence.

Under the provisions of Ballot Measure 50, an urban renewal plan will have some impact on future property tax revenues for general government taxing bodies, however the Agency believes that our renewal efforts will increase overall property values in Florence, and therefore produce additional revenue for all taxing bodies.

Below is a breakdown of the impact the urban renewal plan had on the tax collection on the special districts for fiscal years 2011-12 and 2012-13:

| Special District | 2011-12 | 2012-13 |
|---------------------------------|----------------------|----------------------|
| Siuslaw Valley Fire & Rescue | \$ 21,984.40 | \$ 19,299.51 |
| Lane County | 35,109.42 | 30,174.01 |
| Lane Community College | 15,585.95 | 13,492.44 |
| Lane ESD | 5,578.13 | 4,824.57 |
| City of Florence | 72,269.61 | 62,637.65 |
| Siuslaw School District 97J | 121,078.26 | 104,423.33 |
| Siuslaw Public Library District | 12,960.95 | 11,202.82 |
| Port of Siuslaw | 3,691.41 | 3,189.12 |
| Western Lane Ambulance District | 8,039.07 | 6,950.65 |
| Total | \$ 296,297.20 | \$ 256,194.10 |

FURA Board of Directors

The Urban Renewal Board has ten members, four representing special districts, two members representing the Florence community, one Lane County representative, two city councilors, and the mayor. The Current members are:

| <u>Member</u> | <u>Term Expires</u> | <u>Member</u> | <u>Term Expires</u> |
|--|----------------------------|---|----------------------------|
| Nola Xavier Mayor, Chair of the Urban Renewal Agency | | Woody Woodbury Community Member | 2014 |
| Mike Webb Western Lane Ambulance, Vice-Chair | 2013 | Joshua Greene Councilor | 2015 |
| Sue Roberts Councilor | 2014 | Dave Braley Community Member | 2016 |
| Ian Jarman Siuslaw Library Board | 2014 | Ron Caputo Port of Siuslaw | 2017 |
| John Scott Siuslaw Valley Fire District | 2014 | Open Lane County Representative | |

The term of office for members of the Board of Directors, with the exception of the Mayor, is three years with the term expiration on January 31st.

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www.ci.florence.or.us/urbanrenewal