

ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30TH, 2022

2021-2022

Cheadle Lake Urban Renewal District

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

LEBANON URBAN RENEWAL AGENCY

URBAN RENEWAL AREA BACKGROUND

The Cheadle Lake Urban Renewal Plan (Plan) within the Lebanon Urban Renewal Agency (LURA) was adopted by the the City of Lebanon in 2000. The maximum indebtedness established in 2000 for the Plan is \$18,500,000. 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 Cheadle Lake Urban Renewal Plan is projected to be in operation until July 2036.¹

The frozen base assessed value of the Plan Area is \$23,436,198 ("Frozen Base"). The FY 2021-2022 total assessed value was \$52,687,650. The excess value, or the value on which taxes are paid to the urban renewal agency in FY 2021-2022 was \$29,251,452.²

The Lebanon Urban Renewal Agency is a separate legal and financial entity, governed by the members of the the City of Lebanon City Council.

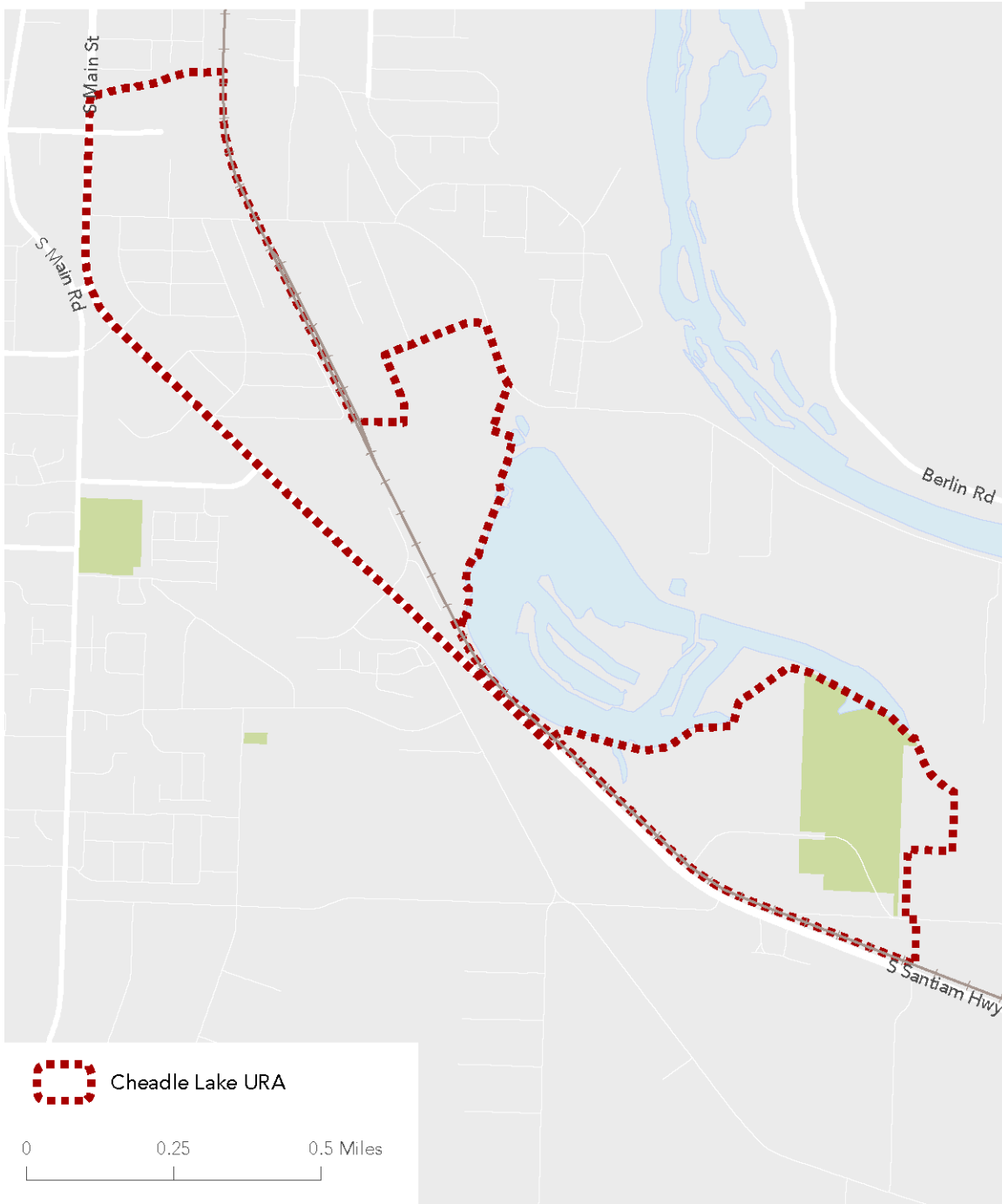
Oregon state law allows cities to create urban renewal districts in size not to exceed twenty-five percent (25%) of the total assessed property value and 25% of total acreage within the city limits. Lebanon has five urban renewal districts, totaling 10.58% of the total assessed value and 24% of their city acreage, not exceeding the 25% limitations.

The maximum indebtedness established for the District is \$18,500,000. At the conclusion of FY 2021-2022 the Plan had used \$4,388,101 toward the maximum indebtedness. There is \$14,111,899 remaining to be spent.

¹ Report Accompanying 1st Amendment to Cheadle Lake Urban Renewal Plan, 2017

² Linn County Assessor Tax FY 2021-2022 Table 4e, lines 7-9

Cheadle Lake Urban Renewal Area - Figure 1



Urban Renewal Goals

The Cheadle Lake Urban Renewal Plan's (Plan) guiding documents are the Plan and Report, which lists a series of goals and objectives to guide activities in the urban renewal area. Goals listed in the Plan are as follows:

1. Improve access/egress to the commercial and residential areas south of Airport Road (extended east).
2. Reduce traffic congestion on Highway 20 by developing a new frontage road east of the highway.
3. Extend and improve the streets and provide water, sanitary and storm sewer services to the residential areas between Airport Road and Gilbert Street.
4. Support the development of the Cheadle Lake Area as a regional recreation area by extending utilities and improving access and egress.
5. Construct new water treatment plant in the Area.
6. Add parks to the Area.

The entire Cheadle Lake Urban Renewal Plan and Report can be found on Lebanon Urban Renewal Agency's website, <https://www.lebanonoregon.gov/es/page/urban-renewal-plans-and-other-projects>.

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 Lebanon Urban Renewal Agency received \$477,596 for the Cheadle Lake Urban Renewal Area from division of taxes.³ The detailed earnings of the Cheadle Lake Urban Renewal Area can be seen in Table 1.

Table 1. Money Received During FY 2021-2022

Receipt Category	2021/2022 Amount
Beginning Balance	\$ 156,982
Division of Taxes	477,596
Interest on Investment	3,103
TOTAL:	\$ 637,681

Source: Lebanon Urban Renewal Agency Financial Statement FYE 2022

³ Lebanon Urban Renewal Agency Audited Financial Statement FYE 2022

Money Expended

Revenue received through urban renewal and spent on urban renewal activities in the Cheadle Lake Urban Renewal Area is shown in Table 2.

Table 2. Expenditures During FY 2021-2022

Expenditure Category	2021-2022 Amount
Material and Services	\$ 11,761
Debt Service	351,846
TOTAL:	\$ 363,607

Source: Lebanon Urban Renewal Agency Financial Statement FYE 2022

Estimated Revenues

The estimated tax revenues from the FY 2022-2023 adopted Lebanon Urban Renewal Agency budget for the Cheadle Lake Urban Renewal Area are \$450,000. ⁴

Adopted Budget for Current Fiscal Year, FY 2022-2023

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 2022-2023 Urban Renewal Fund

Budget Category (Expenditures)	2022-2023 Amount
Materials & Services	\$ 7,885
Capital Outlay	348,378
Debt Service	351,848
TOTAL:	\$ 708,111

Budget Category (Revenues)	2022-2023 Amount
Division of Taxes	\$ 450,000
Interest on Investment	1,000
Other Sources	257,111
TOTAL:	\$ 708,111

Source: City of Lebanon FY 2022-2023 Urban Renewal Agency Budget

⁴ City of Lebanon FY 2022-2023 Urban Renewal Agency Budget

Impact on Taxing Districts

The revenues foregone by local taxing districts due to urban renewal in the Cheadle Lake Urban Renewal Area are shown in Table 4. This information is from Linn County Assessor records, Table 4e and is after losses of \$71 to compression.

Urban renewal agencies do not create an additional tax. Instead, during the Agency'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 School District and 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
Linn County	\$ 37,113
Linn Benton ESD	\$ 8,896
LBCC	\$ 14,595
Lebanon Community School District #9	\$ 145,949
City of Lebanon	\$ 116,015
Lebanon RFD	\$ 66,009
Lebanon Aquatic	\$ 6,950
4H Extension District	\$ 1,946
Total Impact on Taxing Districts	\$ 487,654

Source: FY 2021-2022 SAL 4e from Linn County Assessor