

# ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30<sup>TH</sup>, 2022

2021-2022

North Gateway 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 30<sup>th</sup>, 2022

## LEBANON URBAN RENEWAL AGENCY

### URBAN RENEWAL AREA BACKGROUND

The North Gateway Urban Renewal Plan (Plan) within the Lebanon Urban Renewal Agency (LURA) was adopted by the the City of Lebanon in 2008. The maximum indebtedness established in 2008 for the North Gateway Urban Renewal Plan is \$15,700,000. 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 frozen base assessed value of the Plan Area is \$8,365,939 (“Frozen Base”). The FY 2021-2022 total assessed value is \$67,792,494. The excess value, or the value on which taxes are paid to the urban renewal agency in FY 2021-2022 is \$59,426,555.<sup>1</sup>

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

The Area is comprised of five main sub districts:

- The vacant land directly west of Lebanon Samaritan Health Services (known as the Reeves property) where a medical school campus was proposed by Samaritan Health Services
- The vacant land north of Reeves Parkway which is zoned mixed use and where future housing development and a planned industrial condominium will occur
- An existing residential neighborhood mostly west of Highway 20
- Property east of the existing residential neighborhood which is in public use.
- A small strip of commercial use along Highway 20 as it turns into N Main Street

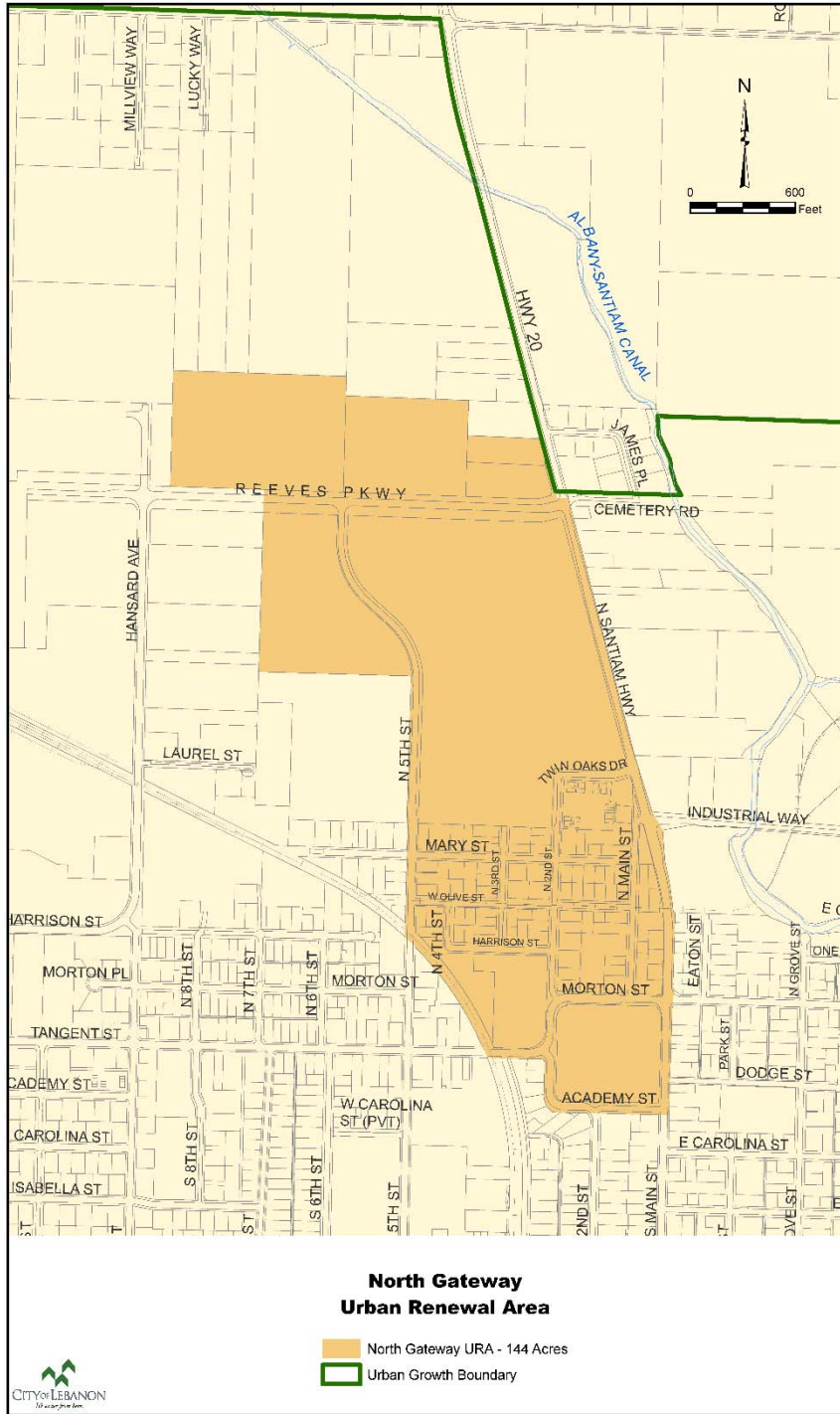
Oregon state law allows cities to create urban renewal districts in size not to exceed twenty-five percent (25%) of the total assessed property value and 25% of total acreage within the city limits. Lebanon has four urban renewal districts, totaling 10.58% of the total assessed value and 24% of their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

The maximum indebtedness established for the District is \$15,700,000. At the conclusion of FY 2021-2022 the Plan had used \$5,976,967 toward the maximum indebtedness. There is \$9,723,033 remaining to be spent.

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<sup>1</sup>Linn County Assessor Tax FY 2021-2022 Table 4e, lines 7-9

North Gateway Urban Renewal Area – Figure 1



## Urban Renewal Goals

The North Gateway Urban Renewal Area's guiding document is 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:

Goal 1: *ECONOMY*

Diversify the economic base in the Lebanon area and strengthen the Area's role as a regional economic center.

Goal 2: *LAND USE*

Ensure an adequate supply of appropriately zoned land to provide for the development of industrial, commercial and mixed uses.

Goal 3: *TRAFFIC AND TRANSPORTATION*

Implement transportation improvements that will increase access to the Area and mitigate traffic impacts.

Goal 4: *PUBLIC UTILITIES*

Ensure that new commercial development is located in areas that can be adequately served by public infrastructure.

Goal 5: *PARKS AND WETLANDS*

Provide recreation opportunities for all citizens. Protect wetland resources within the Area.

Goal 6: *PUBLIC FACILITIES*

Support existing public facilities and add new facilities when feasible.

The entire North Gateway 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 \$921,678 from division of taxes for the North Gateway Urban Renewal Area.<sup>2</sup> The detailed earnings of the Lebanon Urban Renewal Agency for the North Gateway Urban Renewal Area can be seen in Table 1.

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<sup>2</sup> Lebanon Urban Renewal Agency Audited Financial Statement FYE 2022

**Table 1. Money Received During FY 2021-2022**

<b>Receipt Category</b>	<b>2021-2022 Amount</b>
Beginning Balance	\$ 638,263
Division of Taxes	921,678
Interest on Investment	7,044
<b>TOTAL:</b>	<b>\$1,566,985</b>

Source: Lebanon Urban Renewal Agency Financial Statement FYE 2022

## Money Expended

Revenue received through urban renewal and spent on urban renewal activities for the North Gateway Urban Renewal Area is shown in Table 2.

**Table 2. Expenditures During FY 2021-2022**

<b>Expenditure Category</b>	<b>2021-2022 Amount</b>
Materials & Services	\$ 18,061
Debt Service	1,139,923
<b>TOTAL:</b>	<b>\$1,157,984</b>

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 North Gateway Urban Renewal Area are \$932,416.<sup>3</sup>

## 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 for the North Gateway Urban Renewal Area is shown in Table 3 below.

**Table 3. Budget FY 2022-2023 Urban Renewal Fund**

<b>Budget Category (Expenditures)</b>	<b>2022-2023 Amount</b>
Materials & Services	\$ 107,885
Capital Outlay	1,227,211
<b>TOTAL:</b>	<b>\$1,335,096</b>

<sup>3</sup> City of Lebanon FY 2022-2023 Urban Renewal Budget

Budget Category (Revenues)	2022-2023 Amount
Division of Taxes	\$ 932,416
Interest on Investment	0
Other Sources (Beginning Balance)	402,680
<b>TOTAL:</b>	<b>\$1,335,096</b>

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

### Impact on Taxing Districts

The revenues foregone by local taxing districts due to urban renewal are shown in Table 4. This information is from Linn County Assessor records, Table 4e and is after losses of \$139 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	\$ 72,853
Linn Benton ESD	\$ 17,320
LBCC	\$ 28,591
Lebanon Community School District #9	\$ 285,638
City of Lebanon	\$ 293,748
Lebanon RFD	\$ 129,181
Lebanon Aquatic	\$ 13,608
4H Extension District	\$ 3,986
<b>Total Impact on Taxing Districts</b>	<b>\$ 942,384</b>

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