

EUGENE URBAN RENEWAL AGENCY

AGENDA ITEM SUMMARY



Public Hearing and Action: Resolution Adopting a Supplemental Budget; Making Appropriations for the Urban Renewal Agency of the City of Eugene for the Fiscal Year Beginning July 1, 2008 and Ending June 30, 2009

Meeting Date: March 9, 2009
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 4
Staff Contact: Kitty Murdoch
Contact Telephone Number: 682-5860

ISSUE STATEMENT

Urban Renewal Agency (URA) approval of the second Supplemental Budget for FY09 is requested in order to carry out the sale of the 10th Avenue and Charnelton Street development site. Oregon Local Budget Law (ORS 294.480) allows for supplemental budgets for "an occurrence...which had not been ascertained at the time of the preparation of a budget for the current year..." Supplemental Budget #2 consists of \$940,000 in proposed changes to the FY09 Budget. A brief description of the proposed transactions is provided in Attachment A. This supplemental budget does not authorize any increased property tax levy.

BACKGROUND

On October 22, 2008, the URA reviewed the proposed financing plan for the 10th Avenue and Charnelton Street site and agreed "to direct the Agency Director to enter into a Purchase and Sale Agreement for the sale and development of the 10th & Charnelton development site" by WG Development. The transactions included in the URA supplemental budget will appropriate \$440,000 towards the payment of permit fees, attorney fees, contractual services, closing fees and other costs associated with acquisition of the property. In addition, the supplemental budget will recognize \$500,000 of proceeds from sale of the property to WG and appropriate those funds in the commercial revitalization loan program.

Timing

Expenditure authority is needed to carry out Agency direction prior to the sale of the property to WG, which is expected to occur by March 31, 2009, under the Purchase and Sale Agreement authorized by the Agency in October.

RELATED CITY POLICIES

These transactions conform to the City of Eugene's Financial Management Goals and Policies, are responsive to adopted Growth Management policies, and carry out the Downtown Initiative Council Goal.

AGENCY OPTIONS

Particular requests requiring more information or discussion may be removed from the supplemental budget and delayed for action in a future supplemental budget. In certain cases there may be a financial or legal impact to delaying budget approval. The Agency may also adopt amended appropriation amounts or funding sources for specific requests in the supplemental budget.

If the appropriation of \$440,000 of funds for payment of permit fees, attorney fees, contractual services, closing fees and other costs associated with acquisition of the property is not approved by the Agency, the property sale will not be able to be completed as envisioned in the Purchase and Sale Agreement.

AGENCY DIRECTOR'S RECOMMENDATION

Approve the attached resolution adopting the Supplemental Budget.

SUGGESTED MOTION

Move to approve a resolution adopting a Supplemental Budget; making appropriations for the Urban Renewal Agency for the Fiscal Year beginning July 1, 2008 and ending June 30, 2009.

ATTACHMENTS

- A. Transaction Summary
- B. Resolution

FOR MORE INFORMATION

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Transaction Summary

817 Urban Renewal Agency Downtown General Fund

	FY09 Adopted	FY09 SB1 Action	FY09 SB2 Action	FY09 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	2,223,783	(156,973)	0	2,066,810
CHANGE TO WORKING CAPITAL				
REVENUE				
Intergovernmental	6,700,000	608,190	0	7,308,190
Charges for Services	2,000	0	0	2,000
Miscellaneous	79,000	0	500,000 a	579,000
Interfund Transfers	332,000	0	440,000 b	772,000
Fiscal Transactions	55,000	0	0	55,000
Total Revenue	7,168,000	608,190	940,000	8,716,190
TOTAL RESOURCES	9,391,783	451,217	940,000	10,783,000
II. REQUIREMENTS				
Department Operating				
Planning and Development	532,000	0	440,000 b	972,000
Total Department Operating	532,000	0	440,000	972,000
Non-Departmental				
Misc. Fiscal Transactions	8,809,783	451,217	500,000 a	9,761,000
Balance Available	50,000	0	0	50,000
Total Non-Departmental	8,859,783	451,217	500,000	9,811,000
TOTAL REQUIREMENTS	9,391,783	451,217	940,000	10,783,000

817 Urban Renewal Agency Downtown General Fund

- a) Recognize \$500,000 in revenue from the sale of real property at 10th Avenue and Charnelton Street site and appropriate the same amount for commercial revitalization loans.
- b) Recognize \$440,000 transfer from the URA Downtown Debt Service Fund and appropriate the same amount for payment of permit fees, attorney fees, contractual services, closing fees and other costs related to the redevelopment of 10th Avenue and Charnelton Street site as authorized by the URA on October 22, 2008.

812 Urban Renewal Agency Downtown Debt Service

	FY09 Adopted	FY09 SB1 Action	FY09 SB2 Action	FY09 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	5,596,744	782,762	0	6,379,506
CHANGE TO WORKING CAPITAL				
REVENUE				
Taxes	1,925,000	0	0	1,925,000
Miscellaneous	219,000	0	0	219,000
Total Revenue	2,144,000	0	0	2,144,000
TOTAL RESOURCES	7,740,744	782,762	0	8,523,506
II. REQUIREMENTS				
Non-Departmental				
Interfund Transfers	332,000	0	440,000 a	772,000
Intergovernmental Expend.	2,437,500	0	0	2,437,500
Reserve	2,500,000	0	0	2,500,000
Balance Available	2,471,244	782,762	(440,000) a	2,814,006
Total Non-Departmental	7,740,744	782,762	0	8,523,506
TOTAL REQUIREMENTS	7,740,744	782,762	0	8,523,506

812 Urban Renewal Agency Downtown Debt Service

- a) Reduce Balance Available by \$440,000 and appropriate funds for an interfund transfer to the URA Downtown General Fund to cover permit fees, attorney fees, contractual services, closing costs and other expenditures associated with redevelopment of the 10th Avenue and Charnelton Street site.

Resolution Number 1051

**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET;
MAKING APPROPRIATIONS FOR THE URBAN RENEWAL AGENCY
OF THE CITY OF EUGENE
FOR THE FISCAL YEAR BEGINNING JULY 1, 2008,
AND ENDING JUNE 30, 2009**

The Urban Renewal Agency of the City of Eugene finds that adopting the Supplemental Budget and making appropriations is necessary under ORS 294.480.

NOW THEREFORE,

BE IT RESOLVED BY THE URBAN RENEWAL AGENCY OF THE CITY OF EUGENE as follows:

Section 1.

That the Supplemental Budget for the Urban Renewal Agency of the City of Eugene, Oregon, for the fiscal year beginning July 1, 2008, and ending June 30, 2009, as set forth in attached Exhibit "A" is hereby adopted.

Section 2.

The supplemental amounts for the fiscal year beginning July 1, 2008, and ending June 30, 2009, and for the purposes shown in attached Exhibit "A" are hereby appropriated.

Section 3.

That this Supplemental Budget is prepared in accordance with ORS 294.480(1)(a), which authorizes the formulation of a supplemental budget resulting from "An occurrence or condition which had not been ascertained at the time of the preparation of a budget for the current year or current budget period which requires a change in financial planning." This Supplemental Budget was published in accordance with ORS 294.480(4).

Section 4.

This resolution complies with ORS 294.480(5), and does not authorize an increase in the levy of property taxes above the amount published in the Annual Budget publication.

The foregoing resolution adopted this 9th day of March, 2009.


Director

EXHIBIT "A"

In dollars

URBAN RENEWAL AGENCY DOWNTOWN GENERAL FUND

Departmental Operating	
Planning and Development	440,000
Total Departmental Operating	<u>440,000</u>
Non-Departmental	
Miscellaneous Fiscal Transactions	500,000
Total Non-Departmental	<u>500,000</u>
TOTAL URA DOWNTOWN GENERAL FUND	<u>940,000</u>

URBAN RENEWAL AGENCY DOWNTOWN DEBT SERVICE FUND

Non-Departmental	
Interfund Transfer	440,000
* Balance Available	(440,000)
Total Non-Departmental	<u>0</u>
TOTAL URA DOWNTOWN DEBT SERVICE FUND	<u>0</u>

TOTAL REQUIREMENTS - ALL FUNDS 940,000

* Reserves and Balance Available amounts are not appropriated for spending and are shown for information purposes only.