



MEMORANDUM

Date: May 29, 2019

To: Jon R. Ruiz, Agency Director

From: Expenditure Review Panel

Subject: FY18 Report of the Expenditure Review Panel for the Downtown Urban Renewal Plan

It is our pleasure to present the eighth annual report of the Expenditure Review Panel (ERP) for the Downtown Urban Renewal Plan (Plan). The report covers FY18 which addresses projects from both the 2010 and 2016 Plan Amendments. Our review is in response to the Citizen Participation section 900 of the Plan:

The Agency shall convene not less than once each year a committee of such persons to prepare a report to the Director on a) the activities of the Agency for the previous fiscal year, and b) whether the Agency's expenditure of tax increment dollars was limited to the projects authorized by the Plan and the associated administrative costs authorized by the Plan.

City Council formed our five-member panel in January 2012. For the FY18 report, we met on April 11 and received considerable information about Downtown Urban Renewal projects and spending. We received and reviewed copies of the Plan and the Annual Financial Report with respect to Urban Renewal Agency activity through June 30, 2018 (FY18) that was reviewed by the external auditor.

Based on the information we received and our subsequent study and discussions, **we unanimously conclude that downtown urban renewal tax increment funds were used for the authorized purposes and in compliance with the limitations and restrictions outlined in the Plan.** Attached is the detailed report prepared at our request and with our approval by staff on the FY18 expenditures.

We found the following progress:

- ✓ The Agency made the final debt service payments related to the **LCC** project and the **Broadway Place Garages**, two tremendous additions to downtown. This repayment is an important accomplishment.
- ✓ The Agency's debt service payment on the **Broadway Place Garages** freed up funds for downtown public safety for the final year, coinciding with paying off the debt. The importance of public safety investment in downtown cannot be emphasized enough.
- ✓ **High-speed fiber** progress has already resulted in clear successes. The high-speed fiber network downtown has attracted multiple tech companies to the area, adding over 100 jobs, and benefitting agencies outside of downtown such as Eugene 4J and Springfield School District. We look forward to realizing the complete economic and technological impacts of fiber downtown once the network is complete.
- ✓ We anticipate that the **Park Blocks/Open Space** improvements taking part as the Town Square project will contribute greatly to the rejuvenation of downtown's core. We look forward to the public engagement and design portion of this project to be completed this fall.
- ✓ We anticipate that the **1059 Willamette Redevelopment** project will contribute greatly to the rejuvenation of downtown. No funds were spent on this project in FY18. We would like to see this projects develop and have a better understanding of the future uses for this building.
- ✓ The **Farmers' Market** \$500,000 improvement funds from the 2010 Plan Amendment were be carried over into FY18. We are excited to hear that the Butterfly Lot land was purchased and will be included in the FY19 ERP report. We look forward to improvements in the Farmers' Market and Park Blocks area as part of the Town Square project.
- ✓ The Agency spent under budget for **project delivery administration**. This includes personnel, legal, and materials/supplies costs associated with implementation of the projects listed above.

We appreciate the support received from City staff, including detailed information and facilitation provided by Urban Development Analyst Allie Camp. In addition, Urban Development Manager Will Dowdy, Economic Development Manager Anne Fifield, Senior Financial Analyst Maurizio Bottalico, Business Programs Coordinator Angelin Singh, and Economic Prosperity Programs Manager Amanda Nobel Flannery assisted us.

With the 2016 amendment to the Downtown Urban Renewal Plan, four important projects are eligible for funding. The ERP sees Urban Renewal as a valuable tool that can be expanded downtown or used in other parts of the city. Downtown has improved, but the importance and urgency of carrying out these projects are necessary to sustain and build off of this improvement.

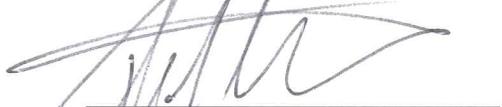
Please feel free to contact any of us for additional information.



Claire Barnum



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FY18 Report to the Expenditure Review Panel

Background information and implementation update for the Downtown Urban Renewal Plan



Prepared by:

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April 2019

INTRODUCTION

Staff prepared this report at the request of the Expenditure Review Panel (ERP). The purpose is to give background information on the projects approved by the Urban Renewal Agency Board in both the 2010 Plan Amendment and the 2016 Plan Amendment. This report summarizes the expenditures of the Downtown Urban Renewal District between July 1, 2017 and June 30, 2018 (FY18).

Key Terms

Agency – Urban Renewal Agency, the Board of which is comprised of the City Council.

Butterfly Parking Lot – The property on the northwest corner of 8th Avenue and Oak Street that is in use as a two-level parking structure. The southern half is owned by the Agency. The northern half is owned by the City. Future plans are for the site to be the new City Hall and Farmers’ Market.

Eugene Fiber Implementation Plan – The plan to extend the municipal high-speed fiber network to downtown buildings and establish the high-speed connection between local and regional internet exchanges.

ERP – Expenditure Review Panel for the Downtown Urban Renewal District.

High-Speed Fiber – The portion of the Eugene Fiber Implementation Plan that is located within the Plan Area and that benefits the Plan Area.

Maximum Indebtedness – The amount of tax increment dollars the Agency can spend over the life of the Plan. Although this sounds like a debt limit, it is really a spending limit required by Oregon Revised Statutes. The Downtown District’s limit was set in 1998 at \$33 million (most of which was spent on the library), increased by \$13.6 million in 2010, and by \$19.4 million in 2016.

1059 Willamette Redevelopment – The 45,000 square foot building at 1059 Willamette Street owned by Lane Community College and vacated in January 2013 when the new LCC Downtown Campus opened at 10th Avenue and Olive Street. Referred to as “Old LCC Building” in the Plan.

Old LCC Building – See “1059 Willamette Redevelopment.”

Plan – Downtown Urban Renewal Plan.

Plan Area – The property included in the Downtown Urban Renewal District and shown on the cover of this report. The Plan Area description is in the Plan, section 300 and the map is Exhibit A to the Plan.

Plan Estimate – Table 6, from the Report created in February 2010 as part of the 2010 Plan Amendment process, shows what was estimated to be spent from FY10 through FY18 (July 1, 2009 to June 30, 2018). Table 7, from the Report created in 2016 as part of the 2016 Plan Amendment process, shows what is estimated to be spent from FY17 through FY27 (July 1, 2016 to June 30, 2027).

Projects – The urban renewal projects that are listed in Section 600 of the Plan, as amended by the 2016 Amendment.

Report – Downtown Urban Renewal District Report to the 2010 Plan Amendment and the Report to the 2016 Plan Amendment.

Tax Increment – The source of funds. When an urban renewal district is first created, the assessed value within

the district boundaries is established as the “frozen base.” In theory, urban renewal efforts will lead to increases in the value of the district above the base amount. That increase is called the “incremental” or “excess” value. Overlapping jurisdictions (City, County, schools) continue to receive property taxes on the frozen base while the urban renewal agency receives property taxes related to the incremental value. This is called the “division of tax” method of raising revenue in an urban renewal district.

Tax Increment Financing – A method of financing urban renewal projects as authorized by ORS Chapter 457.

Willamette to Willamette Initiative – The collection of projects focusing on infrastructure and activity along 8th Avenue between the Willamette River and Willamette Street.

ERP Mission

The ERP was added in the 2010 Plan Amendment and carried forward in the 2016 Plan Amendment to annually assess whether tax increment funds were spent on projects authorized by the Plan and to prepare an annual report for the City Manager.

Budget Funds

The Downtown District operates three funds: the URA Downtown Debt Service Fund, the URA Downtown Capital Projects Fund, and the URA Downtown General Fund.

- **URA Downtown General Fund (Fund 817):** This fund receives revenue from Downtown Loans repayments (principal and interest on outstanding loans), property sales and leases, interest on cash balances, and interfund transfers from the Downtown Debt Service Fund. These revenues are used to:
 - Provide funding for Downtown Loans for property improvements in the district boundaries;
 - Reimburse the City’s General Fund for district management costs;
 - Pay other operating costs, including property management expenses and consultant costs; and
 - Pay for the Fiber project with payments to EWEB who does the capital improvements.

- **URA Downtown Debt Service Fund (Fund 812):** This fund receives all of the Downtown District tax increment revenues and uses those resources to:
 - Provide funding for the principal and interest payments on the Agency’s outstanding debt;
 - Provide funding (through interfund transfers) to the Downtown General Fund for district management costs and other operating expenses; and
 - Provide funding (through interfund transfers) to the Downtown Capital Projects Fund for specific capital improvements.

- **URA Downtown Capital Projects Fund (Fund 813):** This fund accounts for specific, approved capital projects in the Downtown District. The Downtown Capital Projects Fund receives funding via interfund transfer from the Downtown Debt Service Fund.

Downtown Loans

The Agency operates a revolving loan fund for building improvements within the Plan area. All dollars loaned must come from program revenue in the loan fund and not from tax increment funds. No new loans were made in FY18.

Other Urban Renewal Oversight

Oversight starts with the City Council upon district creation.

- The Council, acting as the Agency Board, oversees implementation of the urban renewal plan, and reviews and approves projects and budgets.
- The City's Budget Committee includes the Agency's budget in their annual review and recommendation to the Council.
- The Loan Advisory Committee reviews the Downtown Loans applications.
- For the federal funds used for the Beam project, the federal Department of Housing and Urban Development (HUD) has very specific requirements to be followed, with auditors that look over the HUD funds.
- Bond Counsel/investors review Agency legal and financial records to ensure that any debt issuance by the Agency is legal, valid, and binding.
- The City's external auditor, Isler & Co., also audits the Agency's financial results. This consists of a variety of activities over several months to review the financial statements prepared by City financial reporting staff. The result of the audit is that the auditor provides an opinion on the financial statements. The opinion states whether the financial report is presented fairly, in all material respects, in conformance with generally accepted accounting principles.



Expenditure Review Methodology

Staff compiled information for this report to assist the ERP in reviewing tax increment spending during FY18. The information is organized by project and includes background language from the 2010 Plan and Report, the 2016 Plan and Report, as well as excerpts from the Annual Financial Report and the projected resources and requirements developed during the plan amendment process (Plan Estimate). Where actual expenditures differ significantly from the planned expenditures, an explanation is noted.

❖ 2010 Plan Amendment Projects

❖ **Improvements for the Lane County Farmers' Market** **pg. 6**

❖ **Broadway Place Garages & Public Safety Improvements** **pg. 7**

❖ **Lane Community College New Downtown Campus** **pg. 15**

❖ 2016 Plan Amendment Projects

❖ **High-Speed Fiber** **pg. 23**

❖ **1059 Willamette Redevelopment** **pg. 27**

❖ **Park Blocks & Open Space Improvements** **pg. 29**

❖ **Improvements for the Lane County Farmers' Market** **pg. 32**

❖ **Project Delivery Administration** **pg. 35**

❖ **Spending Limit Information** **pg. 41**

2010 PLAN AMENDMENT PROJECTS



- Improvements for the Lane County Farmers' Market
- Broadway Place Garages & Public Safety Improvements
- Lane Community College New Downtown Campus

Improvements for the Lane County Farmers' Market



In the 2010 Plan Amendment, the Agency Board approved expenditure of funds on infrastructure improvements to the Park Blocks in order to make that location more attractive and functional for the Farmers' Market. Specifically, the Plan called for spending up to \$500,000. This project was expanded in the 2016 Plan Amendment. (See page 32 for more information.)

Broadway Place Garages & Public Safety Improvements

For the 2010 Plan Amendment, the Agency Board approved expenditure of funds to pay City obligations issued to finance the Broadway Place Garages, or to issue Agency obligations to refinance the City obligations. The Agency investment is in exchange for the City a) continuing to make the garages available for businesses and residents downtown and b) enhancing public safety in the Plan Area. Specifically, the 2010



Plan called for spending no more than \$4.9 million of tax increment funds to make the principal payments on the debt.¹ The initial concept was to make annual payments on the City’s existing debt starting in FY11. The Agency made the principal and interest payments for FY11 and then refinanced the debt to attain a lower interest rate. In May 2011, the Agency issued \$4.4 million in private placement bonds for the refinance.

The Broadway Place mixed-use project includes 170 apartment units, ground floor commercial space, and 740 structured parking spaces. (See Attachment 1 for excerpts from the Plan and Report related to this project. Information about public safety is in Attachment 2.)

Expenditure Summary

| Plan Estimate for FY18 | FY18 Budget² | FY18 Expenditures |
|-------------------------------|--------------------------------|--------------------------|
| \$839,000 | \$175,840 | \$175,558 |

When the Plan was amended in 2010, the estimated FY18 expenditure for this project was \$839,000 for the City’s existing debt service payment. The Agency paid off the refinanced debt completely in FY18. (Additional expenditure detail is in Attachment 3 in the Plan Estimate and excerpts from the Annual Financial Report)

Funding Sources

Urban renewal was the only source of funds for the FY18 expenditure. In years prior, the Agency and City contributed to the project:

- The Agency assembled the land (two half-blocks);
- The Agency contributed \$2.5 million to the parking structure construction costs; and
- The City sold development rights for the housing and commercial space to be constructed.

¹ Interest expense does not count toward the spending limit (maximum indebtedness).

² The budget in Attachment 3 for the Debt Services fund indicates \$314,000 for FY18. This number is split 56/44 between the Broadway Place Garages and the Lane Community College Downtown Campus.

Downtown Urban Renewal Plan (June 25, 2010)

Goal 1. b & c. Improve the function, condition, and appearance of the Plan Area through b) funding of critical parking assets and c) improved safety for visitors to locations and business within the Plan Area. (This project also contributes to Goals 2-4.)

Objective 2. The Broadway Place Garages remain available and in good condition to support other development and redevelopment in downtown and, at the same time, to enable improvements to public safety downtown.

Section 600 B. PUBLIC PARKING AND PUBLIC TRANSPORTATION FACILITIES: *Broadway Place Garages & Public Safety Improvements* – Former Section 600 A.6 of the Plan authorized the Agency to participate in funding the acquisition and construction and enhancement of public parking and public transportation facilities within the renewal area. Prior to the 2010 Amendment, the Agency provided approximately \$2.5 million of assistance for the construction of the Broadway Place Garages. After the effective date of the 2010 Amendment, the Agency will not use tax increment funds to initiate any public parking or transportation facilities funding except the funding for the Broadway Place Garages described in the next paragraph.

After the 2010 Amendment, the Agency may spend up to \$4.9 million of tax increment funds to pay the principal of City obligations issued to finance those garages, or of Agency obligations that are issued to refinance the City obligations, plus associated interest, premium and other costs, but only if the City agrees to a) continue to make the garages available for businesses and residents downtown and b) enhance public safety in the Plan Area.

The proposed funding for the Broadway Place Garages serve and benefit the Plan Area because: (1) The Broadway Place Garages provide an essential public parking facility that directly serves the business, customer, and resident parking needs in the Plan Area, thereby supporting continued redevelopment in the Plan Area; (2) The Plan Area is a parking exempt zone, and the Broadway Place Garages relieve property owners in the Plan Area from the requirement to provide imbedded parking in new and redeveloped properties; and (3) The additional funding will allow the Broadway Place Garages to continue to provide these services to the Plan Area.

Downtown Urban Renewal District Report (June 25, 2010)

Chapter 5 item 2). The Plan Area is parking exempt, which means that property owners are not required to provide parking. Yet parking availability is critical to the economic success of downtown. As such, the Agency has participated in several projects to provide structured parking opportunities within the Plan Area. One such project was the Broadway Place Garages. Continued provision of Broadway Place parking will support LCC's new downtown campus project and other redevelopment along West Broadway, such as Lord Leebrick's property. Given City budgetary issues, continued operation and stability of the Broadway Place Garages will be enhanced by the Agency making payments on the debt for the garages. It would also make it possible for the parking fund to provide financial support for increased safety services.

Background: The Agency assembled the two half-blocks that were used to develop the Broadway Place mixed-use project. Agency funds in the amount of \$2.5 million were contributed to the parking structure construction costs. The City sold development rights for housing to be constructed on top of the parking structures. The Broadway Place mixed-use project includes 170 apartment units, ground floor commercial space, and 740 structured parking spaces. It is a major anchor for the west-end of downtown and a popular residential destination with very low vacancy rates. Availability of parking was a contributing factor to Enterprise Rent-A-Car locating downtown and employing 300 people.

Chapter 6. The Agency will support the Broadway Place Garages by making the annual debt payments (both principal and interest), which will secure the financial stability of the garages, enhance safety services, and relieve the struggling Parking Fund within the City of Eugene. The support will take place starting in FY2010/2011.



PROTECT.SERVE.CARE.

MEMORANDUM

Date: March 18, 2019
To: Expenditure Review Panel
From: Eugene Police Department

Subject: FY18 Report on EPD's Tasks regarding the Downtown 12 Point Plan

In 2010, the Downtown Safety Task Team identified four main themes that contribute to problems in the downtown area.

1. Lack of Accountability and/or consequences for actions
2. Illegal and unpleasant behaviors occurring in the area
3. Lack of cohesive and coordinated planning, and
4. Aspects of the physical space and environment

A number of strategies were recommended to the City of Eugene's executive management team for each of the main categories detailing the description of a specific problem, specific actions to be taken, related issues/goals, tools for implementations, measurements of outcome, and estimated cost.

This brief report covers actions taken by EPD from July 2017 through June 2018. During this reporting period, the Downtown Team was supervised by Sgt. Julie Smith under the command of Captain Sam Kamkar. For FY18, \$838,350 was transferred from the parking fund to the Eugene Police Department to enhance public safety in the Downtown Urban Renewal District. For this priority, the Eugene Police Department made reductions in other areas in order to contribute additional funds to these efforts; that amount equated to \$1,175,331 for FY18. The total FY18 dollars expended on EPD's downtown team was \$1,992,756. This a 9.4% increase over FY17.

- 1. Lack of accountability/consequences** – size of police staffing for downtown and hours of police presence in the downtown area, community expectations and misconceptions about criminal behavior, youth behaviors, regional issue of lack of jail beds as a sanction for criminal activity.
 - Prior to January of 2017, the staffing schedule for officers assigned to the downtown team did not provide seven days of coverage leaving downtown void of police presence on Sundays. It was also noted that downtown could benefit from additional patrol presence during daylight hours when most businesses were open. EPD embarked on a new staffing plan which went into effect starting January of 2017. The new staffing plan allowed EPD to expand its limited resources from six days a week coverage to seven days along with an emphasis on day-time and swing-shift patrols. In order to provide police services for late nights, EPD had to rely on hiring officers on overtime. This staffing plan is currently under review. Absent additional staffing of two additional dedicated officers, the team may be forced to reduce its 7-day a week coverage.
 - In order to address the concerns with night time staffing, overtime has been scheduled from June 1 to November 1. The overtime covered staffing of police officers for all programmed events.

Additionally overtime was scheduled to cover every alternating Friday night, Saturday night, as well as every Tuesday night, and all First Friday Art Walk Events.

- Data demonstrated that Tuesday nights had an unexplainable but consistent uptick in youth related crimes and calls, which informs our decision to deploy overtime officers at that time.
 - TEU and Safer Schools Resource Team were deployed from June – September 1 to enhance the police presence downtown. This strategy was used to deter unruly behavior while making downtown feel safer.
 - 5 Downtown Ambassadors were added as a walking information resource. Downtown Ambassadors are not funded with Urban Renewal dollars.
 - Contract security company (ASI) was added to patrol downtown during the evening hours in area and thoroughfares between parking structures and downtown core (\$36,000). This was another strategy to add an additional layer of presence downtown so visitors experienced a safer downtown.
 - EPD updated all Letters of Trespass with property owners and ensured proper posting was in place; consequently, the officers are now able to contact trespassers without needing to contact building owners. In addition to this effort, the downtown officers proactively met with businesses on a regular basis as part of a “meet and greet initiative” that was put in place in early 2016.
 - EPD continues to partner with business downtown through CEPTD as well as staffing discussions to explain the new ordinances (Smoking restrictions, dog ordinance, vending ordinances) and talk through concerns with the understanding of criminal trespass. This dialogue enhances the customer service received and the outlines the expectations for the police and the business owners.
 - The downtown team communicated on a regular basis with the various entities charged with providing security in downtown.
 - The Parole & Probation officers (P&P) are now working out of the downtown substation. P&P has leased an office space.
 - The downtown team is striving to foster regular presence of the Juvenile Probation Officers. In 2018, the downtown team met regularly with the Juvenile Probation Supervisor to work through strategies to address the underlying needs of the problem juvenile offenders.
 - The downtown team took an active role in sustaining the Community Court (CC) which was established in September of 2016. A member of the downtown team provides security for the Community Court on Fridays. The downtown sergeant provides administrative support to the CC’s CORE team. The cost of these services is currently covered through a federal grant by the Eugene Municipal Court (\$55,818).
 - In the first half of FY17, the downtown officers actively worked with bars and restaurants as well as their security staff to curb disorderly behavior relating to alcohol consumption.
 - In FY18, the downtown officers and sergeants continue to meet with bar owners to address concerns through CEPTD, and data received from OLCC through their compliance check operations. De-escalation classes are being scheduled through our prevention unit.
 - Downtown officers and staff have worked with the local bars on recommendations through CEPTED and de-escalation techniques.
 - A dedicated Court Liaison Officer and Bailiff staffing have been added to reduce the time Downtown officers were providing services away from their primary assignment (like Jail arraignment security, prisoner transport, fingerprinting, and the like.)
 - Two Community Service Officer “A” level positions were added to increase the report-taking capacity of Downtown officers, and to enhance their ability to transport property and evidence without leaving their assigned area.
2. **Illegal and unpleasant behavior** – illegal, predatory, aggressive or simply unpleasant behaviors to be around. Mental illness, alcohol, and drug dependency and use and misbehavior by young adults and youth combined with too few people downtown who exhibit positive and lawful behaviors.

- In FY 2016 two Parole and Probation officers joined the downtown team. They are physically housed in the same office and work in partnership with the downtown team to monitor clients in the downtown core.
- In April 2016 the Community Outreach Response team (CORT) was created. This is a collaboration between EPD, CAHOOTS, and White Bird. This team focuses on the highest utilizers of services in our community. The team works to address the client's underlying needs to reduce recidivism. The CORT portion of the CAHOOTS contract is \$43,290 for 12 months of services. This is an unfunded liability to the downtown team.
- Springfield jail beds usage was refocused through a new contract to hold chronic offenders pre-trial. These beds are used for chronic offenders who fail to participate in CORT or Community Court. In order to secure the new jail contract, the downtown team's help was needed to partner with the Springfield Police Department's correction staff to provide limited security at the Eugene Municipal Court. This is an unfunded liability to the downtown team.
- The downtown team worked closely with the City Attorney on two ordinances: 1. the pilot Dog Ban ordinance, 2) the vending ordinance. Through the updated vending ordinance, the City now has proper protocol in place for persons to obtain a permit prior to vending. FY18 the Smoking Restriction Ordinance was passed. (It was implemented in the end of August of 2018.)
- Deployment and coordination with the Crime Prevention Unit to regularly have EPD information tent/ booth at 10th and Olive and Kesey Square

3. Lack of Cohesive/Coordinated Plan – including resources such as staff, facilities, treatment and funds to provide resources. Incomplete communication between agencies and unwillingness to step outside immediate assignments plus the sharing of information, scheduling, and joint projects.

- Developing and cohesive, collaborative approach to providing security umbrella has been an ongoing effort. The downtown team continues to host the monthly downtown security group meeting.
- OLCC agents partnered with the downtown officers in monitoring bars.
- At the recommendation of the downtown team, the downtown bars created their own social media page (Facebook page) to share information regarding problem patrons. This has proven to be effective in dealing with chronic offenders.
- In January of 2017, the downtown operations team was established with the purpose of creating short term solutions to reducing crime and the fear of crime in downtown. This team included members from across the City who work together to program healthy events in downtown among deploying a number of other short term strategies.
- Because of the CORT and Community Court, many of the social services providers focused their attention to the downtown core area and have been working more collaboratively.
- As mentioned above in item 2 dedicated CAHOOTS services to the CORT was expanded from 5 hours a week to 10 hours a week (total expense \$43,290).
- Radios were re-purposed from our fleet and deployed to our contract and private security partners (ASI, LTD, Downtown Ambassadors, Downtown Guides). This helped a coordinated effort to operate under the same objectives and guidelines. All partners shared basic information with each other.
- Youth Mentorship program. 6 at-risk youth were hired as temporary paid interns who worked with facilities and Cultural services to maintain downtown operations (watered flowerbeds, set up events, painting, etc..)

4. Aspects of physical Space/Environment – the size of downtown, empty store fronts, poor lighting in some areas combined with dark doorways for hiding and illegal activities, the cluster of services and resources for people who are homeless or wish to identify with a homeless – lawless culture.

- At the request of the downtown team, Facilities placed additional lighting in the Park Blocks and some parking structures.

- The downtown team worked closely with Cultural Services to double the amount of programmed positive activities focusing on spring and summer.
- The downtown operations team programmed power washing of the main corridors in downtown.
- Planting areas were created by adding collages of raised flower beds. The planting areas were decorated by metal bollards for protection and to define the Areas.
- The downtown team worked with the City Attorney's office and modified the Street Vendor ordinance and established a permit process in cooperation with the Saturday Market (see illegal and unpleasant behavior).

| Task Team Priority Strategies | |
|--|---|
| ILLEGAL AND UNPLEASANT BEHAVIOR | |
| 1. | More parole and probation officer downtown –have a downtown office. More exclusions (Downtown Police Safety Zone). |
| 2. | Find housing answers for the homeless who are chronic offenders (especially people with mental illness/alcoholism). |
| 3. | Enforcement must have teeth behind it. Clear options must be presented (jail, wet housing, other programs, etc.). Need more jail space! Removing people from the street especially chronic offenders and leaders sends a message to others and will have an impact on those who remain. |
| 5. | Security issues must be funded by a broader base – including owners of vacant buildings. |
| 6. | Encourage and train people on the street to respect their own community to change their negative behaviors. |
| 9. | More assistance for the mentally ill, jail beds are not effective |
| PHYSICAL SPACE/ENVIRONMENT | |
| 1. | Improve lighting downtown. Holiday lights on all of Broadway year round. |
| 5. | Improve cleanliness of downtown (power washing, increase # of garbage cans). |
| COORDINATED PLAN | |
| 1. | Develop a cohesive, collaborative approach to providing a security umbrella for downtown Eugene. Get security into problem solving, not only reporting. Rewrite contracts with security firms to include sidewalks and include some measurable outcomes. Overlay of police officers on downtown map; identify services of each security provider. Extend authority for citation to security and/or guides. Security providers should perhaps be housed together in one accessible storefront. |
| 4. | Use of electronic mailing/Yahoo to create a real-time communication system to identify who has been excluded from a bar/restaurant. |
| 6. | Direct human service funds and/or put people sentenced in Muni Court to work in the downtown area. |
| 8. | Increase CAHOOTS hours/van. |
| 15. | Provide opportunity for youth to be part of the solution. |
| LACK OF ACCOUNTABILITY/CONSEQUENCES | |
| 1. | Rotating patrol with more EPD officers assigned to downtown, especially during night time. |
| 3. | Create downtown work crews through court sentences. Give option of volunteering to work in lieu of fines. Use Sherriff work crews downtown. |

Plan Estimate

Report Exhibit D: Projected Revenues and Expenditures for the Plan Area, Table 6

| | FY10 | FY11 | FY12 | FY13 | FY14 | FY15 | FY16 | FY17 | FY18 | Totals FY11-18 |
|--|-------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Resources | | | | | | | | | | |
| Property Taxes | 1,730,000 | 1,920,000 | 1,960,000 | 2,070,000 | 2,120,000 | 2,110,000 | 2,140,000 | 2,170,000 | - | 14,490,000 |
| Debt Issued | - | 4,250,000 | - | - | - | - | - | - | - | 4,250,000 |
| DRLP Loan Repayments | 80,000 | 190,000 | 190,000 | 190,000 | 190,000 | 190,000 | 190,000 | 190,000 | 190,000 | 1,520,000 |
| BEDI Grant/108 Loan for Beam | 6,700,000 | - | - | - | - | - | - | - | - | - |
| Interest Earnings | 130,000 | 41,000 | 23,000 | 33,000 | 32,000 | 41,000 | 51,000 | 71,000 | 81,000 | 373,000 |
| Beginning Working Capital | 8,002,351 | 4,546,000 | 1,037,000 | 1,005,000 | 1,056,000 | 1,424,000 | 1,818,000 | 2,237,000 | 2,690,000 | 4,546,000 |
| Total Resources | 16,642,351 | 10,947,000 | 3,210,000 | 3,298,000 | 3,398,000 | 3,765,000 | 4,199,000 | 4,668,000 | 2,961,000 | 25,179,000 |
| Requirements | | | | | | | | | | |
| Tax Increment Expenditures - Under Existing Plan | | | | | | | | | | |
| Administration - Existing Cap | 530,000 | 330,000 | | | | | | | | 330,000 |
| Downtown Safety Initiative | 100,000 | | | | | | | | | - |
| Library & Miscellaneous | 2,608,343 | | | | | | | | | - |
| Totals Existing Plan | 3,238,343 | 330,000 | - | - | - | - | - | - | - | 330,000 |
| Tax Increment Expenditures - Under New Plan | | | | | | | | | | |
| Administration - New Cap | - | 8,000,000 | 355,000 | 360,000 | 55,000 | 60,000 | 65,000 | 70,000 | 75,000 | 1,040,000 |
| LCC project | - | 500,000 | - | - | - | - | - | - | - | 8,000,000 |
| Farmers Market improvements | - | 150,000 | 900,000 | 900,000 | 900,000 | 900,000 | 900,000 | 900,000 | - | 5,550,000 |
| Debt Service & Issuance Costs | - | 740,000 | 760,000 | 772,000 | 784,000 | 797,000 | 807,000 | 818,000 | 839,000 | 6,317,000 |
| Intergov'l Exps - Parking Debt | - | 9,390,000 | 2,015,000 | 2,032,000 | 1,739,000 | 1,757,000 | 1,772,000 | 1,788,000 | 914,000 | 21,407,000 |
| Totals New Plan | - | 9,390,000 | 2,015,000 | 2,032,000 | 1,739,000 | 1,757,000 | 1,772,000 | 1,788,000 | 914,000 | 21,407,000 |
| Non-Tax Increment Expenditures | | | | | | | | | | |
| DRLP Loans Granted | 2,360,000 | 190,000 | 190,000 | 210,000 | 235,000 | 190,000 | 190,000 | 190,000 | 190,000 | 1,585,000 |
| Beam Project | 6,500,000 | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 12,098,343 | 9,910,000 | 2,205,000 | 2,242,000 | 1,974,000 | 1,947,000 | 1,962,000 | 1,978,000 | 1,104,000 | 23,322,000 |
| Debt Service Reserve | - | 900,000 | 900,000 | 900,000 | 900,000 | 900,000 | 900,000 | 900,000 | - | - |
| Other Reserves | 4,546,008 | 137,000 | 105,000 | 156,000 | 524,000 | 918,000 | 1,337,000 | 1,790,000 | 1,857,000 | 1,857,000 |
| Total Reserves | 4,546,008 | 1,037,000 | 1,005,000 | 1,056,000 | 1,424,000 | 1,818,000 | 2,237,000 | 2,690,000 | 1,857,000 | 1,857,000 |
| Total Requirements | 16,644,351 | 10,947,000 | 3,210,000 | 3,298,000 | 3,398,000 | 3,765,000 | 4,199,000 | 4,668,000 | 2,961,000 | 25,179,000 |
| <p>Notes: Administration includes project legal and professional services, and project administration. Admin increase in MI for plan amendment is for years FY12-FY18 only.</p> <p>Final year of tax increment collections would be adjusted downward based on amount needed to completely fund maximum indebtedness.</p> <p>Total expenditures double-count a portion of the LCC project that's funded with debt, because total expenditures include both the payment to LCC and the repayment of debt issued to fund a portion of the LCC project.</p> | | | | | | | | | | |

Annual Financial Report Excerpt

Urban Renewal Agency of the City of Eugene, Oregon

Debt Service Fund - where tax increment goes when first collected

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2018

(amounts in dollars)

| | <u>Actual</u> | | | GAAP basis |
|--------------------------------------|--------------------|-------------------------|-------------------|------------------|
| | <u>Budget</u> | <u>Budget basis</u> | <u>Adjustment</u> | |
| <u>Revenues</u> | | | | |
| Taxes | 2,185,000 | 2,259,639 | 0 | 2,259,639 |
| Miscellaneous | 410,000 | 41,933 | (9,216) | 32,717 |
| Total revenues | 2,595,000 | 2,301,572 | (9,216) | 2,292,356 |
| <u>Expenditures</u> | | | | |
| Debt service | 314,000 | 313,496 | 0 | 313,496 |
| Capital outlay | 0 | 0 | 0 | 0 |
| Total expenditures | 314,000 | 313,496 | 0 | 313,496 |
| Excess of revenues over expenditures | 2,281,000 | 1,988,076 | (9,216) | 1,978,860 |
| <u>Other financing uses</u> | | | | |
| Proceeds of debt issuance | 0 | 0 | 0 | 0 |
| Transfers in | 0 | 0 | 0 | 0 |
| Transfers out | (2,966,904) | (742,716) | 0 | (742,716) |
| Total other financing uses | (2,966,904) | (742,716) | 0 | (742,716) |
| Net change in fund balance | (685,904) | 1,245,360 | (9,216) | 1,236,144 |
| Fund balance, July 1, 2017 | 1,593,411 | 1,593,411 | (3,707) | 1,589,704 |
| Fund balance, June 30, 2018 | 907,507 | 2,838,771 | (12,923) | 2,825,848 |

| | |
|-----------|------------|
| \$175,558 | BP Garages |
| \$137,938 | LCC |
| \$313,496 | |

Lane Community College New Downtown Campus

For the 2010 Plan Amendment, the Agency Board approved expenditure of funds to support Lane Community College’s development of a new Downtown Campus at 10th and Charnelton, across from the library. Specifically, the Plan called for a grant of \$8 million to be funded from cash-on-hand plus issuance of debt. The new Downtown Campus is a 90,000 square foot, \$35 million education building and a \$20 million, 75,000 square foot student housing facility. The student housing is five floors to accommodate 256 students. Both buildings are LEED certified. Students moved in during September 2012, while the education building was being finished, and the first classes in the new building began in January 2013. (See Attachment 1 for excerpts from the Plan and Report related to this project.)



In May 2011, the Agency issued \$3.5 million in private placement bonds to be combined with cash-on-hand. (The debt amount was less than expected because the bank did not require a debt service reserve account; the Agency was able to use the funds set aside for that reserve to lower the borrowing amount.) Also in FY11, the Agency signed an intergovernmental agreement with LCC and disbursed the \$8 million urban renewal grant.

Expenditure Summary

| Plan Estimate for FY18 | FY18 Budget³ | FY18 Expenditures |
|-------------------------------|--------------------------------|--------------------------|
| \$0 | \$138,160 | \$137,938 |

When the Plan was amended in 2010, the Plan estimate anticipated the forecasted debt would be paid off in FY17. The actual borrowing that the Agency issued in FY11 was paid off in FY18. (Additional expenditure detail is in Attachment 2 in the Plan Estimate and excerpts from the Annual Financial Report)

³ The budget in Attachment 2 for the Debt Services fund indicates \$314,000 for FY18. This number is split 56/44 between the Broadway Place Garages and the Lane Community College Downtown Campus.

Downtown Urban Renewal Plan *(June 25, 2010)*

Goal 1.d. Improve the function, condition, and appearance of the Plan Area through redevelopment of the excavated vacant lot at the 10th and Charnelton Site. (This project also contributes to Goals 2-4.)

Objective 3. LCC is able to redevelop the 10th and Charnelton Site with a campus that will bring thousands of people into the Plan Area.

Section 600 C. The Agency may spend up to \$8 million of tax increment funds, plus associated interest, premium and other costs, to assist LCC in the development of a new downtown building for its programs at the 10th and Charnelton Site. Upon agreement by LCC and the City, the project may include a public plaza or open space area at the site and potentially a downtown public safety station. The Agency already has approved the sale of this site to LCC.

LCC is proposing to build a new 80,000 square foot, mixed-use, state-of-the-art downtown education facility. The education building is targeted for LEED Platinum certification. LCC is also considering the construction of approximately 200 beds of student housing on the 10th & Charnelton Site. The new, highly-sustainable education building is expected to be a teaching tool for LCC's nationally recognized Energy Management program and to become a model for sustainable development. The new education facility will secure LCC's presence downtown for several decades and will be a major activity generator for downtown. The Agency may provide assistance with project related costs for the new education facility and housing, including construction hard and soft costs, site improvements, infrastructure, open space, green building features, art, and other project related cost.

The LCC New Downtown Campus will serve and benefit the Plan Area because: (1) Existing education programs and new programs to be included in the new building will draw thousands of students and visitors to the Plan Area each year; (2) New housing residents will generate more activity in the Plan Area; and (3) This landmark building, coupled with the activity it generates, will become a major anchor that will support adjacent retail and services in the Plan Area, enhance the perception of safety by introducing high volumes of new pedestrian traffic in the Plan Area, and attract new investments in the Plan Area.

Downtown Urban Renewal District Report *(June 25, 2010)*

Chapter 5 Item 3). The Agency owns the 10th and Charnelton Site bounded by Charnelton Street on the west, 10th Avenue on the south, and Olive Street on the east. The site is significantly underutilized in its present configuration – a quarter block of surface parking and a quarter block remnant from demolition of the former Sears department store.

LCC approached the Agency regarding acquisition of the property for a new downtown facility. On March 10, 2010, the Agency Board authorized the Agency Director to enter into an agreement with LCC to sell the property at no cost (or \$1.00). LCC has provided educational services from downtown for over 30 years at 1059 Willamette Street. The current facility no longer meets the needs of the college, and LCC intends to build and own a new, mixed-use building from which to offer educational and other services in downtown Eugene. The extensive hours of operation will create both daytime and evening activity at a key intersection of downtown. Economic opportunities for current and future downtown businesses will be created as students, employees, and visitors support restaurants, retail, services and cultural venues. In addition to Energy Management, Business Development, continuing education, and a variety of other classes, the multi-use facility will include space for tenants and other community uses, possibly a public safety station. Student housing could also be incorporated as part of the redevelopment plan.

The Downtown Public Library, immediately across 10th Avenue, is a community asset that will benefit greatly from development on the Agency owned site, especially the development proposed by LCC. The Agency invested significantly in the Library. The Downtown Eugene Public Library project was built and equipped for just over \$36 million. About half of that amount came from City debt obligations that were issued in 2000 through a partnership with the Agency. The payments on the debt of about \$2.5 million per year came from the Agency. Beginning in 1993, the Agency purchased the

land on which the library was built for \$875,000. The City borrowed \$18.5 million which was to be repaid from tax increment dollars from the Agency. The Agency also contributed additional cash to the project, with a total of about \$25 million of the \$36 million project coming from Agency, representing nearly 70 percent of the capital cost for the new Library. The remaining 30 percent came from a combination of sources, including \$5 million raised by the Eugene Public Library Foundation's Capital Campaign, sale of assets, and proceeds from a local option property tax levy of \$1.9 million.

Chapter 6. The Agency will consider the terms for an agreement between the Agency and LCC. The specific activities to be undertaken will be defined by the Agency, set out in the agreement with LCC, and may include integration of a public safety station and/or open space within the development project. LCC currently has \$17.5 million in other funds to contribute to the project. LCC is undergoing a feasibility analysis that will provide a detailed cost estimate for the project. The total project cost is expected to significantly exceed the \$17.5 million that has been secured to date. Construction is anticipated to start in early 2011, for completion no later than 2013.

Plan Estimate

Report Exhibit D: Projected Revenues and Expenditures for the Plan Area, Table 6

| Resources | FY10 | FY11 | FY12 | FY13 | FY14 | FY15 | FY16 | FY17 | FY18 | Totals FY11-18 |
|--|-------------------|-------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|
| Property Taxes | 1,730,000 | 1,920,000 | 1,960,000 | 2,070,000 | 2,120,000 | 2,110,000 | 2,140,000 | 2,170,000 | - | 14,490,000 |
| Debt Issued | - | 4,250,000 | - | - | - | - | - | - | - | 4,250,000 |
| DRLP Loan Repayments | 80,000 | 190,000 | 190,000 | 190,000 | 190,000 | 190,000 | 190,000 | 190,000 | 190,000 | 1,520,000 |
| BED Grant/108 Loan for Beam | 6,700,000 | - | - | - | - | - | - | - | - | - |
| Interest Earnings | 130,000 | 41,000 | 23,000 | 33,000 | 32,000 | 41,000 | 51,000 | 71,000 | 81,000 | 373,000 |
| Beginning Working Capital | 8,002,351 | 4,546,000 | 1,037,000 | 1,005,000 | 1,056,000 | 1,424,000 | 1,818,000 | 2,237,000 | 2,690,000 | 4,546,000 |
| Total Resources | 16,642,351 | 10,947,000 | 3,210,000 | 3,298,000 | 3,398,000 | 3,765,000 | 4,199,000 | 4,668,000 | 2,961,000 | 25,179,000 |
| Requirements | | | | | | | | | | |
| <u>Tax Increment Expenditures - Under Existing Plan</u> | | | | | | | | | | |
| Administration - Existing Cap | 530,000 | 330,000 | | | | | | | | 330,000 |
| Downtown Safety Initiative | 100,000 | | | | | | | | | - |
| Library & Miscellaneous | 2,608,343 | | | | | | | | | - |
| Totals Existing Plan | 3,238,343 | 330,000 | - | - | - | - | - | - | - | 330,000 |
| <u>Tax Increment Expenditures - Under New Plan</u> | | | | | | | | | | |
| Administration - New Cap | | | 355,000 | 360,000 | 55,000 | 60,000 | 65,000 | 70,000 | 75,000 | 1,040,000 |
| LCC project | - | 8,000,000 | - | - | - | - | - | - | - | 8,000,000 |
| Farmers Market Improvements | | 500,000 | - | - | - | - | - | - | - | 500,000 |
| Debt Service & Issuance Costs | - | 150,000 | 900,000 | 900,000 | 900,000 | 900,000 | 900,000 | 900,000 | - | 5,550,000 |
| Interg'l Exps - Parking Debt | - | 740,000 | 760,000 | 772,000 | 784,000 | 797,000 | 807,000 | 818,000 | 839,000 | 6,317,000 |
| Totals New Plan | - | 9,390,000 | 2,015,000 | 2,032,000 | 1,739,000 | 1,757,000 | 1,772,000 | 1,788,000 | 914,000 | 21,407,000 |
| <u>Non-Tax Increment Expenditures</u> | | | | | | | | | | |
| DRLP Loans Granted | 2,360,000 | 190,000 | 190,000 | 210,000 | 235,000 | 190,000 | 190,000 | 190,000 | 190,000 | 1,585,000 |
| Beam Project | 6,500,000 | - | - | - | - | - | - | - | - | - |
| Total Expenditures | 12,098,343 | 9,910,000 | 2,205,000 | 2,242,000 | 1,974,000 | 1,947,000 | 1,962,000 | 1,978,000 | 1,104,000 | 23,322,000 |
| Debt Service Reserve | - | 900,000 | 900,000 | 900,000 | 900,000 | 900,000 | 900,000 | 900,000 | - | - |
| Other Reserves | 4,546,008 | 137,000 | 105,000 | 156,000 | 524,000 | 918,000 | 1,337,000 | 1,790,000 | 1,857,000 | 1,857,000 |
| Total Reserves | 4,546,008 | 1,037,000 | 1,005,000 | 1,056,000 | 1,424,000 | 1,818,000 | 2,237,000 | 2,690,000 | 1,857,000 | 1,857,000 |
| Total Requirements | 16,644,351 | 10,947,000 | 3,210,000 | 3,298,000 | 3,398,000 | 3,765,000 | 4,199,000 | 4,668,000 | 2,961,000 | 25,179,000 |
| <p>Notes: Administration includes project legal and professional services, and project administration. Admin increase in MI for plan amendment is for years FY12-FY18 only. Final year of tax increment collections would be adjusted downward based on amount needed to completely fund maximum indebtedness. Total expenditures double-count a portion of the LCC project that's funded with debt, because total expenditures include both the payment to LCC and the repayment of debt issued to fund a portion of the LCC project.</p> | | | | | | | | | | |

Annual Financial Report Excerpt

Urban Renewal Agency of the City of Eugene, Oregon

Debt Service Fund - where tax increment goes when first collected

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2018

(amounts in dollars)

| | <i>Actual</i> | | | GAAP basis |
|--------------------------------------|--------------------|------------------|-----------------|------------------|
| | Budget | Budget basis | Adjustment | |
| <u>Revenues</u> | | | | |
| Taxes | 2,185,000 | 2,259,639 | 0 | 2,259,639 |
| Miscellaneous | 410,000 | 41,933 | (9,216) | 32,717 |
| Total revenues | 2,595,000 | 2,301,572 | (9,216) | 2,292,356 |
| <u>Expenditures</u> | | | | |
| Debt service | 314,000 | 313,496 | 0 | 313,496 |
| Capital outlay | 0 | 0 | 0 | 0 |
| Total expenditures | 314,000 | 313,496 | 0 | 313,496 |
| Excess of revenues over expenditures | 2,281,000 | 1,988,076 | (9,216) | 1,978,860 |
| <u>Other financing uses</u> | | | | |
| Proceeds of debt issuance | 0 | 0 | 0 | 0 |
| Transfers in | 0 | 0 | 0 | 0 |
| Transfers out | (2,966,904) | (742,716) | 0 | (742,716) |
| Total other financing uses | (2,966,904) | (742,716) | 0 | (742,716) |
| Net change in fund balance | (685,904) | 1,245,360 | (9,216) | 1,236,144 |
| Fund balance, July 1, 2017 | 1,593,411 | 1,593,411 | (3,707) | 1,589,704 |
| Fund balance, June 30, 2018 | 907,507 | 2,838,771 | (12,923) | 2,825,848 |

| | |
|-----------|------------|
| \$137,938 | LCC |
| \$175,558 | BP Garages |
| \$313,496 | |

2016 PLAN AMENDMENT PROJECTS



- High-Speed Fiber
- 1059 Willamette Redevelopment
- Park Blocks & Open Space Improvements
- Improvements for the Lane County Farmers' Market

INTRODUCTION

The 2016 Plan Amendment was approved on June 13, 2016. The amendment expanded on a previously approved project and authorizes several new projects. The previously approved project is the improvements to the Lane County Farmers' Market which was expanded to include improvements to parks and plazas throughout the Plan Area, including improvements to the Park Blocks for overall community use, to support the continued use for the Saturday Market, and to assist in the development of an improved permanent Farmers' Market in the Plan Area. The new projects are High-Speed Fiber for the implementation costs that benefit the Plan Area and 1059 Willamette Redevelopment of the now vacant school building.

At the time of the 2016 Plan Amendment three of the projects were broadly defined in scope and funding, with an identified community engagement process prior to approving Urban Renewal funds for these projects. The diagram below outlines the approval process for the projects (except Fiber.)



When the Plan Estimate was completed in June 2016, it was assumed that all \$15.2 million of project spending would be spent in the first year knowing that actual project timing would likely differ. Other activities would need to occur before projects could move forward, such as public engagement, design engineering, property negotiations, and Agency Board approvals. (See Plan Estimate on page 22. Because all \$15.2 million of project spending was allocated in FY17, the Plan Estimate does not have estimates for individual fiscal years. Project spending carries over from the previous fiscal year until projects are complete.

Report Exhibit E: Table 7 – Projected Revenues and Expenditures for the Plan Area (Part 1)

| <u>Resources</u> | <u>FY16</u> | <u>FY17</u> | <u>FY18</u> | <u>FY19</u> | <u>FY20</u> | <u>FY21</u> | <u>FY22</u> |
|--|--------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Property Taxes | 2,000,000 | 2,075,000 | 2,140,000 | 2,220,000 | 2,300,000 | 2,340,000 | 2,420,000 |
| Debt Issued | - | 15,500,000 | - | - | - | - | - |
| DRLP Loan Repayments | 316,786 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Interest Earnings | 25,224 | 33,000 | 24,000 | 28,000 | 31,000 | 36,000 | 42,000 |
| Beginning Working Capital | 3,513,109 | 3,475,805 | 1,112,875 | 1,306,035 | 1,497,035 | 1,751,035 | 2,025,035 |
| Total Resources | \$5,855,119 | \$21,583,805 | \$3,776,875 | \$4,054,035 | \$4,328,035 | \$4,627,035 | \$4,987,035 |
| <div style="border: 1px solid black; padding: 5px; margin: 10px 0;"> This \$15.2M was estimated for the four projects as follows: Farmers' Market \$4M Park Blocks & Open Space \$5.2M High-Speed Fiber \$3M 1059 Willamette Redevelopment \$3M </div> | | | | | | | |
| Requirements | | | | | | | |
| Tax Increment Expenditures - Existing Plan | | | | | | | |
| Administration ¹ - Existing Cap | 129,714 | 179,032 | - | - | - | - | - |
| Downtown Lighting | - | 15,972 | - | - | - | - | - |
| Farmers Market Improvements | - | 500,000 | - | - | - | - | - |
| Debt Service & Issuance Costs | 2,249,600 | 1,348,000 | - | - | - | - | - |
| Totals Existing Plan | 2,379,314 | 2,043,004 | - | - | - | - | - |
| Tax Increment Expenditures - New Plan | | | | | | | |
| Administration ¹ - New Cap | - | 500,000 | 543,000 | 566,000 | 589,000 | 613,000 | 163,000 |
| Approved Projects ² | - | (15,200,000) | - | - | - | - | - |
| Debt Service & Issuance Costs | - | 300,000 | 1,489,000 | 1,493,000 | 1,490,000 | 1,491,000 | 2,489,000 |
| Totals New Plan | - | 16,000,000 | 2,032,000 | 2,059,000 | 2,079,000 | 2,104,000 | 2,652,000 |
| Non-Tax Increment Expenditures | | | | | | | |
| DRLP Loans Granted ³ | - | 2,427,926 | 438,840 | 498,000 | 498,000 | 498,000 | 577,000 |
| Total Expenditures | 2,379,314 | 20,470,930 | 2,470,840 | 2,557,000 | 2,577,000 | 2,602,000 | 3,229,000 |
| Debt Service Reserve ⁴ | - | - | 1,150,000 | 1,350,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Other Reserves | 3,475,805 | 1,112,875 | 156,035 | 147,035 | 251,035 | 525,035 | 258,035 |
| Total Reserves | 3,475,805 | 1,112,875 | 1,306,035 | 1,497,035 | 1,751,035 | 2,025,035 | 1,758,035 |
| Total Requirements | \$5,855,119 | \$21,583,805 | \$3,776,875 | \$4,054,035 | \$4,328,035 | \$4,627,035 | \$4,987,035 |

Notes:

- Administration includes project legal and professional services, and project administration.
- All projects are shown as occurring in FY17 but actual project timing will likely differ. Other activities will need to occur before projects can move forward, such as public engagement, design engineering, property negotiations, and Agency Board approvals.
- All available non-tax increment resources are budgeted for loans in each year, but actual loan activity may differ.
- There may be a potential lender requirement for debt service reserve.

High-Speed Fiber

The Agency and its partners— City of Eugene, EWEB, Lane Council of Governments (LCOG), and the Technology Association of Oregon (TAO)—are constructing EUGNet, a municipally owned, broadband network to serve the downtown. The EUGNet network will be owned by EWEB; private Internet Service Providers (ISPs) will lease the fiber strands and provide service to individual businesses within the service area. Any qualified ISP will be able to lease the fiber—it is an open-access network. The network benefits the Downtown Urban Renewal District because the high-speeds and competitive market will attract new



investments and grow

employment. In addition, the network includes centrally located infrastructure that benefits agencies beyond downtown. For example, in 2017 Eugene School District 4J increased their telecommunications service speeds by a factor of 10, and reduce their costs by half.



The majority of the construction of the network is within the Plan Area and by Downtown Urban Renewal. The Plan identifies up to \$3 million for Fiber. (See Attachment 1 for excerpts from the Plan and Report related to this project.)

Expenditure Summary

| Plan Estimate ⁴ | FY18 Budget | FY18 Expenditures |
|----------------------------|-------------|-------------------|
| \$3 Million | \$2,303,920 | \$388,890 |

The Agency spent \$388,890 in FY18 to complete the engineering plan for the fiber network, to construct connections to 26 buildings, and to purchase and implement the ‘Middle Mile.’ This is a large, inter-regional connection from Eugene to both Portland and San Jose, California which ensures that our local network has adequate connection capacity to large regional internet exchanges. Fiber is not a capital expense for the Downtown District. The funds spent on the project are payments to EWEB for project engineering and consulting and are accounted for in the Downtown general fund. (See Attachment 2 for excerpts from the Annual Financial Report.)

Funding Sources

For the fiber project, Urban Renewal funds leveraged additional funds from the City in FY18 of \$279,462 from Riverfront Urban Renewal and Telecom funds. In subsequent years, additional sources will include a federal grant and private party contributions.

Next Steps

The project is set for completion in 2019.

⁴ All \$15.2 million of project spending was included in the Plan Estimate for FY17, \$3M of which was the Fiber estimate. This estimate will carry over from the previous fiscal year until the project is complete.

Downtown Urban Renewal Plan – 2016 Amendment (June 13, 2016)

Goal 1.c., 3, &4. Improve the function, condition, and appearance of the Plan Area through construction of critical utility high-speed fiber. Strengthen the economic conditions of the Plan Area, and enhance downtown’s role as the regional economic, governmental, and cultural center and a central location for public and private development and investment.

Objective 1. High-speed fiber can increase internet speed at lower costs, increase the competitiveness of the existing technology sector which will result in more related jobs, reduced costs and increased telecommunications for government and education centers downtown, residential buildings, and affordable housing projects.

Section 600 B. The Agency may assist with the Eugene Fiber Implementation Plan to extend the municipal high-speed fiber network to downtown buildings and to establish the high-speed connection between local and regional internet exchanges for costs attributable to the Plan Area using tax increment funds not to exceed \$3 million.

Downtown Urban Renewal District Report

Chapter 5 item 2). The 2013 City of Eugene Broadband Strategic Plan identified the development of a downtown fiber network as a strategic goal. After completion of the Strategic Plan, City staff worked with LCOG and EWEB on a successful pilot project, to test the feasibility of implementing a municipally owned downtown network. The City, EWEB, and LCOG identified a workable method to connect buildings by running fiber optics cables through existing electrical conduit. The Plan Area has high-speed fiber in several buildings as a result of the pilot project that was completed in 2016. The remainder of the Plan Area has limited telecommunications service and access to internet service providers.

In addition, internet service providers in Eugene experience a constrained supply of access to the regional internet exchange points resulting in slower connection speeds and higher costs relative to larger cities. Constructing telecommunications infrastructure would provide a publicly owned and/or operated connection from a local internet connection point to large, regional internet exchanges that could lower the telecommunications operating costs for the City, other public agencies, school districts, and internet service providers.

Constructing a municipally owned fiber network will serve and benefit the Plan Area because: (1) existing and new businesses benefiting from the high-speed and competitive market will grow employment and attract new investments to the Plan Area; (2) residents will have an added benefit for living within the Plan Area; and (3) public agencies within the Plan Area will have reduced costs and increased telecommunications speed, including the City, Lane Community College, Lane County, and LCOG. The 4J and Bethel school districts (outside the Plan Area) will also benefit.

As the number of businesses and opportunities for investment increases, existing businesses and development will also benefit, including restaurants, retail and housing, leading to improved conditions and higher values within the Plan Area. Increased technological opportunities in the Plan Area can also invite new investment, potentially increasing property values and in turn, property taxes, reducing blighted conditions including depreciation ratios.

Chapter 6. The Agency will spend between \$1.5 million and \$3 million on the implementation of fiber in the Plan Area. Federal grants, private party contributions, and other City contributions are anticipated.

Urban Renewal Agency of the City of Eugene, Oregon

Debt Service Fund - where tax increment goes when first collected

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2018

(amounts in dollars)

| | <i>Actual</i> | | Adjustment | GAAP basis |
|--------------------------------------|--------------------|------------------|-----------------|------------------|
| | Budget | Budget basis | | |
| <u>Revenues</u> | | | | |
| Taxes | 2,185,000 | 2,259,639 | 0 | 2,259,639 |
| Miscellaneous | 410,000 | 41,933 | (9,216) | 32,717 |
| Total revenues | 2,595,000 | 2,301,572 | (9,216) | 2,292,356 |
| <u>Expenditures</u> | | | | |
| Debt service | 314,000 | 313,496 | 0 | 313,496 |
| Capital outlay | 0 | 0 | 0 | 0 |
| Total expenditures | 314,000 | 313,496 | 0 | 313,496 |
| Excess of revenues over expenditures | 2,281,000 | 1,988,076 | (9,216) | 1,978,860 |
| <u>Other financing uses</u> | | | | |
| Proceeds of debt issuance | 0 | 0 | 0 | 0 |
| Transfers in | 0 | 0 | 0 | 0 |
| Transfers out | (2,966,904) | (742,716) | 0 | (742,716) |
| Total other financing uses | (2,966,904) | (742,716) | 0 | (742,716) |
| Net change in fund balance | (685,904) | 1,245,360 | (9,216) | 1,236,144 |
| Fund balance, July 1, 2017 | 1,593,411 | 1,593,411 | (3,707) | 1,589,704 |
| Fund balance, June 30, 2018 | 907,507 | 2,838,771 | (12,923) | 2,825,848 |

Tax increment funds transferred to the Agency's General fund (817) for high speed fiber and project delivery administration

Attachment 2
Additional Expenditure Detail
High-Speed Fiber

Urban Renewal Agency of the City of Eugene, Oregon

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2018

(amounts in dollars)

| | <i>Actual</i> | | Adjustment | GAAP basis |
|--|------------------|------------------|------------------|------------------|
| | Budget | Budget basis | | |
| Revenues | | | | |
| Taxes | 0 | 0 | 0 | 0 |
| Repayment of revolving loans | 0 | 0 | 242,181 | 242,181 |
| Intergovernmental | 0 | 106,774 | 0 | 106,774 |
| Charges for services | 0 | 54,065 | 0 | 54,065 |
| Miscellaneous | 75,000 | 60,696 | (9,565) | 51,131 |
| Total revenues | 75,000 | 221,535 | 232,616 | 454,151 |
| Expenditures | | | | |
| Urban renewal redevelopment-Admin, Legal & Fiber | 3,097,204 | 644,137 | 0 | 644,137 |
| Debt service | 0 | 0 | 0 | 0 |
| Special payments | 2,423,881 | 0 | 0 | 0 |
| Capital outlay | 0 | 0 | 0 | 0 |
| Total expenditures | 5,521,085 | 644,137 | 0 | 644,137 |
| Excess of revenues over expenditures | (5,446,085) | (422,602) | 232,616 | (189,986) |
| Other financing uses | | | | |
| Principal payments received | 450,000 | 242,181 | (242,181) | 0 |
| Transfers in from Debt Service Fund | 2,966,904 | 742,716 | 0 | 742,716 |
| Transfers out | 0 | 0 | 0 | 0 |
| Total other financing uses | 3,416,904 | 984,897 | (242,181) | 742,716 |
| Net change in fund balance | (2,029,181) | 562,295 | 232,616 | 552,730 |
| Fund balance, July 1, 2017 | 2,103,181 | 2,103,181 | (3,119) | 2,100,062 |
| Fund balance, June 30, 2018 | 74,000 | 2,665,476 | 229,497 | 2,652,792 |

| | |
|------------------|---------------------------------|
| Actuals for: | |
| \$255,247 | Project Delivery Administration |
| \$388,890 | Fiber |
| <u>\$644,137</u> | |

* The "Transfers in" amount of \$742,716 was more than the actual amount spent of \$644,137 due to the under transfer that occurred in FY17. FY17 spending on Fiber included \$345,483 of tax increment funds transferred to General Fund (817) from Debt Service Fund (812) and \$98,579 of non-tax increment funds. The non-tax increment funds were replenished in FY18 as part of the transfer for that year.

1059 Willamette Redevelopment

The 66,000-square foot Lane Community College Building was vacated in January 2013 when the new LCC Downtown Campus opened on 10th Avenue and Olive Street. The Plan identifies up to \$6 million in tax increment funds that could be used to transform the building from a blighted use to a contribution to downtown vitality. Redeveloping the building will benefit the downtown and community by improving the physical appearance of the building and supporting the vitality of the downtown streetscape, and creating a dynamic public space to stimulate additional public and private investment in the surrounding area. (See Attachment 1 for excerpts from the Plan and Report related to this project.)



In FY18, the City contracted with PNW Economics to conduct a financial feasibility study for viable and beneficial uses of the property as an innovation hub. The study indicated that the costs to retrofit the building and operate a non-profit would be substantial. This information provided the City and its partners with a better understanding of the operational and financial underpinnings of comparable facilities in other communities.

Expenditure Summary

| Plan Estimate^{5,6} | FY18 Budget | FY18 Expenditures |
|------------------------------------|--------------------|--------------------------|
| \$3 Million | \$0 | \$0 |

No funding decisions have been made by City Council on this project; no funds were spent in FY18. The financial feasibility consulting work completed by PNW Economics is included in FY18 Project Delivery Administration. (See page 35.)

Funding Sources

No funding decisions have been made by any of the entities currently involved.

Next Steps

The City is still assessing the building and its potential uses with LCC. Next steps include hiring a consultant to perform an historic evaluation of the building.

⁵ Of the \$15.2 million of project spending included in the Plan Estimate for FY17, \$3M was for this project. This estimate will carry over from the previous fiscal year until the project is complete.

⁶ The Plan identifies the possibility of spending up to \$6 million.

Downtown Urban Renewal Plan – 2016 Amendment *(June 13, 2016)*

Goal 1.d, 2, 3, &4. Improve the function, condition, and appearance of the Plan Area through redevelopment of the Old LCC Building into an active use bringing more people into the Plan Area, thereby making the entire Plan Area more attractive for other businesses and removing the blighting influence. As a result, the redevelopment will strengthen the economic conditions of the Plan Area and enhance downtown’s role as a regional economic, governmental, and cultural center and a central location for public and private development and investment.

Objective 3. Redevelopment of the Old LCC Building will transform a large, vacant building adjacent to Lane Transit District into an active use contributing to downtown vitality.

Section 600 C. The Agency may provide up to \$6 million in tax increment funds as part of redevelopment of the Old LCC Building, which may include housing or activities that advance the Regional Prosperity Economic Development Plan (e.g., an innovation center with maker space, wet lab, or art/tech incubator). The building will benefit the Plan Area by increasing public usage of the area and stimulating additional public and private investment. This work would include Lane Community College and could include collaboration with others.

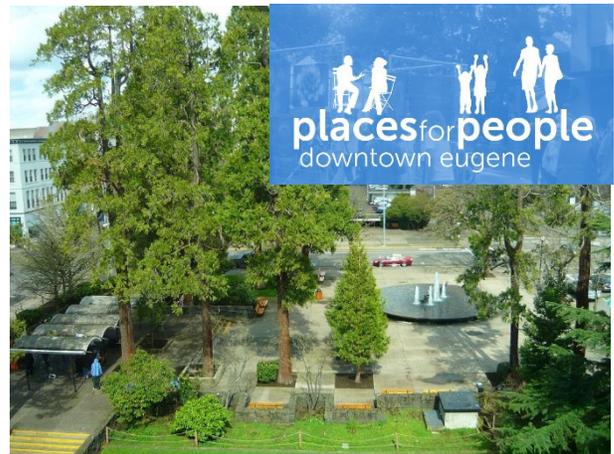
Downtown Urban Renewal District Report

Chapter 5 item 3). The Old LCC Building was vacated in January 2013 when the new Lane Community College Downtown Campus opened on 10th Avenue and Olive Street. At present, the vacant Old LCC Building neither provides space for active uses nor adds to downtown vitality. Redevelopment of this large structure may include housing or activities that advance the Regional Prosperity Economic Development Plan (e.g., an innovation center with maker space, wet lab, or art/tech incubator). An upgraded facility will benefit the Plan Area by improving a blighted building that is currently vacant, increasing the mix of uses in the Plan Area, and stimulating additional public and private investment. Blighted conditions at this property include vacancy, underutilization, decreased property values, and population loss. Redevelopment of this property will help eliminate blight by contributing to reinvestment in the community that can lead to increased property values, through revitalization of a stagnant and underutilized property, and creating an attraction for investors and/or entrepreneurs to reinvest in the Plan Area.

Chapter 6. The Agency will spend between \$1 million and \$3 million on the project. The specific project activities to be undertaken by the Agency will be defined by the Agency Board after the “community engagement and approval process” identified in the Plan Section 600 A and set out in an agreement with LCC. A combination of private party or other public agency contributions is anticipated. LCC has not released timing information for when they will be ready to finalize plans and move forward with redevelopment. The Agency would hope to complete the transaction by 2019.

Park Blocks & Open Space Improvements

The Park Blocks, located in the heart of downtown, are the historic Civic Heart of Eugene and a critical component of the region’s identity and economic health. Improving the Park Blocks will help to increase the opportunities for positive activities downtown. The improvement area could include other downtown open spaces: the plaza at the Hult, Kesey Square, the plaza at the Butterfly Lot, and the pedestrian path system in between these places.



The Plan identifies up to \$5.2 million in tax increment funds that could be used for improving public parks, public plazas, restrooms, open spaces, streets, and sidewalks within the Plan Area. A portion of the total funds could be used for infrastructure improvements, design, acquisition, construction, changes to the surrounding streets, and site improvements such as landscaping, lighting, walkways, furniture, and accessibility improvements. Additional funds may be used to achieve the initiatives of connecting public spaces as part of Willamette to Willamette. (See Attachment 1 for excerpts from the Plan and Report related to this project.)

The first step of this project was asking the community about their hopes and vision for our town square, and assessing the needs of our growing downtown neighborhood. Project for Public Spaces (PPS) presented results of that work to Council in February 2017, which will help inform plans to implement the community vision. Throughout the summer of 2017, staff implemented some of PPS “lighter, quicker, cheaper” improvements in the Park Blocks using non-urban renewal funds.

Expenditure Summary

| Plan Estimate⁷ | FY18 Budget | FY18 Expenditures |
|----------------------------------|--------------------|--------------------------|
| \$5.2 Million | \$0 | \$0 |

No funding decisions have been made for this project; no funds were spent in FY18.

Funding Sources

No funding decisions have been made by City Council or the Agency Board.

Next Steps

The concept design and a public involvement process will begin in the 2019 calendar year, building off of the 2016 PPS outreach work. Following this, and estimated for the fall, City Council will review the concept design with the opportunity to move forward with budgeting and capital improvements. (See diagram on page 20 for more details on the process).

⁷ All \$15.2 million of project spending was included in the Plan Estimate for FY17, \$3M of which was for this project. The estimate will carry over from the previous fiscal year until the project is complete.

Downtown Urban Renewal Plan – 2016 Amendment *(June 13, 2016)*

Goal 1.a.&c. Improve the function, condition, and appearance of the Plan Area through infrastructure improvements to parks, plazas, and open space to provide an inviting civic space aligned with the Willamette to Willamette Initiative, and inviting and accessible connections between the parks, plazas and open space; and, benefit the Plan Area and community overall to bring even more community members into the Plan Area and allow for accessibility and connectivity between the public spaces.

Objective 1. Improvements to the Park Blocks provide inviting civic space to benefit the plan area, the overall community, and downtown as the center of the city for the World Track and Field Championships in 2021.

Section 600 A. Former Section 600 A of the Plan authorized the Agency to participate in funding infrastructure improvements to the Park Blocks in order to make that location more attractive and functional for the Farmers' Market. Beginning with the effective date of the 2016 Amendment, the Agency will also be able to use tax increment funds in the Plan Area to help create an improved permanent Farmers' Market (not to exceed an additional \$4 million of such funds), as well as to improve any public parks, public plazas, restrooms, open spaces, streets, and sidewalks within the Plan Area (not to exceed \$5.2 million of such funds). The Agency may spend tax increment funds on infrastructure improvements to these elements that may include the design, acquisition, construction or rehabilitation of public spaces, or parks or public facilities within the Plan Area, including but not limited to shelters, buildings, landscaping, walkways, plazas, accessibility improvements, lighting, furniture, and art. A portion of that total may also be spent on changes to the surrounding streets (e.g. 8th Avenue, Oak Street, and Park Street), reincorporating the site of the Butterfly Parking Lot as part of the historic four corners of the Park Blocks, and connecting the public spaces as part of the Willamette to Willamette Initiative. However, tax revenue funds shall not be used to pay for construction of a new City Hall building, nor to pay for a parking lot on the block bounded by Pearl Street, 8th Avenue, High Street, and 7th Avenue.

Downtown Urban Renewal District Report

Chapter 5 item 1). Improved Parks, Plazas, Farmers' Market, Restrooms, Open Space, and Streets: Improvements to the parks and plazas in the Plan Area benefit the growing community of employees, commercial and cultural uses, visitors, and residents, as well as the community at large with a revitalized, attractive, safe, and economically healthy downtown core. Improvements to the parks and plazas would be undertaken after a robust public engagement effort to determine what changes are most desired and effective to enhance their function during programmed and non-programmed times. The goal of the public engagement effort would be to draw on the experience and expertise of a wide group of community members to clarify the community's commitment to downtown and to develop parks and plazas in alignment with the community's vision for public space in the heart of the city. The City founders understood the importance of public space; the Park Blocks are a living legacy of their forethought and civic spirit. The design, appearance and function of the Park Blocks are a critical component of Eugene's identity and economic health and the long-term location for two beloved organizations, the Saturday Market and the Lane County Farmers' Market. On a direct path to the Willamette River from downtown, the Park Blocks are also a key part of the Willamette to Willamette Initiative.

For the three other public spaces in the Plan Area, Broadway Plaza, the Hult Center Plaza, and the new City Hall plaza, improvements are needed to benefit the public in terms of the safety, health, and welfare of residents through the removal of blighted conditions, improved amenities and attractiveness of these spaces as well as their impact on existing and desired adjacent uses. However, tax revenue funds shall not be used to pay for construction of a new City Hall building, nor to pay for a parking lot on the block bounded by Pearl Street, 8th Avenue, High Street, and 7th Avenue. With the needed improvements in place, these downtown spaces will have the potential to more fully support the emerging downtown neighborhood and to provide an inviting urban open space in the core of the city for the entire community. A focused, strategic investment in the amenities, design, and character of these spaces strengthens the conditions for increased desired uses and development downtown.

The Hult Center is a community asset with an underutilized and awkwardly configured plaza that will benefit from community engagement and subsequent system planning and/or improvements. The Agency assembled the land and donated the property to the City for the Hult Center development. In 1978, voters supported an \$18.5 million General

Obligation bond to finance the Hult Center construction. Since its grand opening in 1982, the Hult Center has been charming audiences with popular performances in the Silva Concert Hall and the Soreng Theater. However the outside of the Hult Center does not create an inviting and safe place for gathering before or after events, and does not provide a positive economic impact for nearby users. The parks and plazas in the Plan Area have the potential to add to the livability and the economic vitality of the entire downtown. As downtown density increases, these areas could provide much needed urban open spaces to support the growing downtown neighborhood, as well as an inviting destination for the entire community. At present, they are little used outside of programmed events, and need improvement to enhance function, accessibility, attractiveness, and identity. Blighted conditions in these areas include barren spaces with broken and deteriorated pedestrian open areas and walkways, lack of amenities such as seating or water and areas that do not meet accessibility standards. The expenditure of urban renewal funds for these parks and plazas will improve or remove blighted conditions, attract positive activity downtown, stimulate economic development, promote downtown revitalization, provide a healthier and safer place for residents to congregate, and enhance the value of the Plan Area as a whole.

Chapter 6. The Agency will spend between \$1 million and \$5.2 million for both the Park Blocks and any Open Space Improvements. The amount to be spent will be based on public engagement results.

Improvements for the Lane County Farmers’ Market

The Lane County Farmers’ Market continues to be a vital source of quality local produce and a cornerstone of downtown activity. The configuration and limitations of the Farmers’ Market’s existing site make it difficult for the market to grow and reach its full potential. This project focuses on possible improvements to the Park Blocks, or another downtown location, in order to create a more attractive and functional venue for a permanent, year-round Farmers’ Market. The Plan carries forward the \$500,000 allocated in the 2010 Plan Amendment and up to an additional \$4 million of tax increment funds for a total of \$4.5 million. These funds may be used for infrastructure improvements, design, acquisition, construction, changes to the surrounding streets, and site improvements such as landscaping, lighting, walkways, furniture, and accessibility improvements. Additionally, funds were used in FY19 to achieve the initiatives of reincorporating the site of the Butterfly Parking Lot as part of the historic four corners of the Park Blocks, and connecting public spaces as part of Willamette to Willamette. (See Attachment 1 for excerpts from the Plan and Report related to this project.)



Expenditure Summary

| Plan Estimate⁸ | FY18 Budget | FY18 Expenditures |
|----------------------------------|--------------------|--------------------------|
| \$4.5 Million | \$500,000 | \$0 |

No funding decisions have been made by City Council on this project other than to purchase the Butterfly Lot. No funds were spent in FY18. The budgeted \$500,000 was carried forward from the 2010 Plan Amendment. (Additional expenditure detail is in Attachment 2 in excerpts from the Annual Financial Report.)

Funding Sources

No funding decisions have been made by the City Council or the Agency Board (other than to purchase the Butterfly Lot).

Next Steps

The Butterfly Lot was purchased in January 2019 following the City of Eugene and Lane County’s Purchase and Sale Agreement signed in 2017 to provide a site for a new County Courthouse on the former City Hall site and provide a site for a new City Hall and Farmers’ Market on the current Butterfly Lot..This project builds on the legacy of the Park Blocks as the original ‘public square’ of Eugene, supporting mutual goals of providing a permanent location for a year-round public Farmers’ Market, and continuing the momentum of downtown revitalization. As a reminder, the Agency Board decided that Urban Renewal funds shall not be used to pay for construction of a new City Hall building. In coordination with the City’s development of City Hall, a portion of the Butterfly Lot property would be improved to make that location more attractive and functional for the Farmers’ Market and accessible, safe, and inviting for the public.

The concept design and a public involvement process will begin in the 2019 calendar year, building off of the 2016 PPS outreach work. Following this, and estimated for the fall, City Council will review the concept design with the opportunity to move forward with capital improvements.(See diagram on page 20 for more details on the process.)

⁸ \$500,000 from the 2010 Plan Amendment was combined with the \$4 million from the 2016 Plan Amendment.

Downtown Urban Renewal Plan – 2016 Amendment (June 13, 2016)

Goal 1.b. Improve the function, condition, and appearance of the Plan Area through assisting in the creation of an improved permanent Farmers' Market that will reinforce cultural, commercial and redevelopment activities downtown and bring thousands of people into the Plan Area to purchase farm fresh produce and other products, including people who otherwise would not travel into the Plan Area;

Objective 1. The Farmers' Market provides inviting civic space to benefit the plan area, the overall community, and downtown as the center of the city for the World Track and Field Championships in 2021.

Section 600 A. Former Section 600 A of the Plan authorized the Agency to participate in funding infrastructure improvements to the Park Blocks in order to make that location more attractive and functional for the Farmers' Market. Beginning with the effective date of the 2016 Amendment, the Agency will also be able to use tax increment funds in the Plan Area to help create an improved permanent Farmers' Market (not to exceed an additional \$4 million of such funds) [total of \$4.5 million], as well as to improve any public parks, public plazas, restrooms, open spaces, streets, and sidewalks within the Plan Area (not to exceed \$5.2 million of such funds). The Agency may spend tax increment funds on infrastructure improvements to these elements that may include the design, acquisition, construction or rehabilitation of public spaces, or parks or public facilities within the Plan Area, including but not limited to shelters, buildings, landscaping, walkways, plazas, accessibility improvements, lighting, furniture, and art. A portion of that total may also be spent on changes to the surrounding streets (e.g. 8th Avenue, Oak Street, and Park Street), reincorporating the site of the Butterfly Parking Lot as part of the historic four corners of the Park Blocks, and connecting the public spaces as part of the Willamette to Willamette Initiative. However, tax revenue funds shall not be used to pay for construction of a new City Hall building, nor to pay for a parking lot on the block bounded by Pearl Street, 8th Avenue, High Street, and 7th.

Downtown Urban Renewal District Report (June 13, 2016)

Chapter 5 item 1). The Lane County Farmers' Market operates multiple times per week during the spring, summer, and fall on a portion of the Park Blocks on 8th Avenue. The Farmers' Market continues to encounter difficult issues with that location, such as inadequate electrical service, uneven, unpaved, and inaccessible surfaces, and lack of a permanent shelter. Reincorporating the Butterfly Parking Lot into the Park Blocks for the Farmers' Market would re-establish the original Park Blocks and support a cornerstone of downtown activity and one of the most significant public event venues in the city. For the past few years, the Farmers' Market has expressed a need and desire to expand its offerings to maintain financial viability and potentially operate year-round. The Agency will improve the Park Blocks in order to make that location more attractive and functional for the Farmers' Market and accessible, safe, and inviting for the public. If that location is not feasible, the Agency may improve/purchase another location within the Plan Area.

Chapter 6. The Agency will spend between \$1 million and \$4 million [of 2016 Plan Amendment funds] on a permanent home for the Lane County Farmers' Market depending on the land cost and structure type. The outreach for the improvements will begin in FY18.*

*The Farmers' Market projects would also have an additional \$500,000 to add to the total listed in Table 5 from the 2010 Amendment. The resulting estimate for the project would be \$1.5 – 4.5 million.

Annual Financial Report Excerpt

Urban Renewal Agency of the City of Eugene, Oregon

Capital Projects Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2018

(amounts in dollars)

| | <i>Actual</i> | | <u>Adjustment</u> | <u>GAAP</u> <u>basis</u> |
|--------------------------------------|----------------|-------------------------------|-------------------|-----------------------------|
| | <u>Budget</u> | <u>Budget</u> <u>basis</u> | | |
| <u>Revenues</u> | | | | |
| Taxes | 0 | 0 | 0 | 0 |
| Miscellaneous | 5,000 | 7,264 | (1,530) | 5,734 |
| Total revenues | 5,000 | 7,264 | (1,530) | 5,734 |
| <u>Expenditures</u> | | | | |
| Debt service | 0 | 0 | 0 | 0 |
| Capital outlay | 500,000 | 0 | 0 | 0 |
| Total expenditures | 500,000 | 0 | 0 | 0 |
| Excess of revenues over expenditures | (495,000) | 7,264 | (1,530) | 5,734 |
| <u>Other financing uses</u> | | | | |
| Proceeds of debt issuance | 0 | 0 | 0 | 0 |
| Transfers in | 0 | 0 | 0 | 0 |
| Transfers out | 0 | 0 | 0 | 0 |
| Total other financing uses | 0 | 0 | 0 | 0 |
| Net change in fund balance | (495,000) | 7,264 | (1,530) | 5,734 |
| Fund balance, July 1, 2017 | 528,742 | 528,742 | (947) | 527,795 |
| Fund balance, June 30, 2018 | 33,742 | 536,006 | (2,477) | 533,529 |

Project Delivery Administration

Actions for this activity include program administration (project management, financial services, Downtown Loans administration, debt issuance, and administration); legal services; reporting (budgets, financials); preparation of market, feasibility, or other economic studies; preparation of design, architectural, engineering, landscaping architectural, planning, development, or other developmental studies; providing accounting or audit services; providing special rehabilitation, restoration, or renovation feasibility and cost analysis studies; assisting in preparation of the Annual Financial Report required under Section 800 of the Plan; providing property acquisition appraisals; and evaluation of the Plan and the success of its activities. Many of the activities are provided through an intergovernmental contract between the City and the Agency. The Agency may also acquire, rent, or lease office space and office furniture, equipment, and facilities necessary for it to conduct its affairs in the management and implementation of the Plan. (See Attachment 1 for excerpts from the Plan and Report related to this project.)

Expenditure Summary

| Plan Estimate for FY18 | FY18 Budget | FY18 Expenditures | 2016 Spending Authority Remaining |
|-----------------------------------|------------------------|------------------------------|--|
| \$543,000 | \$793,284 | \$255,427 | \$4,014,358 |

When the Plan was amended in 2016, the estimated FY18 expenditure was \$543,000 in project delivery administration. The budget for FY18 was \$793,284 in anticipation of design work for Park Blocks and Open Space, a financial feasibility study for 1059 Willamette, project management, and providing loan program servicing. As several of the projects have experienced different timelines than anticipated, actual FY18 spending was \$255,427, which included legal services (\$2,926), materials/supplies (\$46,616), consultant work on 1059 Willamette (\$5,950), and Personnel (\$199,935). To date actual project delivery expenditures since the 2016 Plan Amendments have provided savings compared to the Plan Estimate. (See Attachment 2 for Plan Estimate and Annual Financial Report excerpts.)

Funding Sources

Urban renewal funds were the only source in FY18.

Downtown Urban Renewal Plan – 2016 Amendment (June 13, 2016)

Section 600 D. Many of the Agency’s project delivery and administrative activities are provided through a contract between the City of Eugene and the Agency dated June 15, 2004.

1. The Agency may retain the services of independent professional people or organizations to provide project delivery administrative or technical services such as:
 - a. Project management;
 - b. Preparation of market, feasibility, or other economic studies;
 - c. Public engagement;
 - d. Preparation of design, architectural, engineering, landscaping architectural, planning, development, or other developmental studies;
 - e. Preparation of property acquisition appraisals;
 - f. Provision of special rehabilitation, restoration, or renovation feasibility and cost analysis studies;
 - g. Provision of legal, debt issuance, accounting or audit services;
 - h. Assistance with preparation of the annual financial report required under Section 800 of this Plan and the financial review required under Section 900 of this Plan; and
 - i. Support ongoing investments within the Plan Area (e.g. potential new businesses, existing businesses with expansion, dealing with safety issues).
2. The Agency may acquire, rent, or lease office space and office furniture, equipment, and facilities necessary for it to conduct its affairs in the management and implementation of this Plan.
3. The Agency may invest its reserve funds in interest-bearing accounts or securities authorized under ORS 294.
4. The Agency may borrow money, accept advances, loans, or grants from any legal source, issue urban renewal bonds and receive tax increment proceeds as provided for in Section 700 of this Plan.

Downtown Urban Renewal District Report (June 13, 2016)

Actions for this activity include program administration (project management, loan administration, support for ongoing investments within the Plan Area, public engagement, financial services, debt issuance and administration); legal services; reporting (budgets, financials); preparation of market, feasibility, or other economic studies; preparation of design, architectural, engineering, landscaping architectural, planning, development, or other developmental studies; providing accounting or audit services; providing special rehabilitation, restoration, or renovation feasibility and cost analysis studies; assisting in preparation of the annual financial reports required under Sections 800 and 900 of the Plan; providing property acquisition appraisals; and evaluation of the plan and the success of its activities. Many of the activities are provided through a contract between the City of Eugene and the Agency dated June 15, 2004. The Agency may also acquire, rent, or lease office space and office furniture, equipment, and facilities necessary to conduct its affairs in the management and implementation of this plan.

Projections for district administration assume that once the projects are complete, district administration expenses will be reduced to a level that will be sufficient to run the loan program, support ongoing investments within the Plan Area, and ensure administration of outstanding debt, budget development, annual review of project activities, and financial report preparation. Specifically, the administration projection summarized in the bullet points below includes staffing for project delivery, ongoing financial administration, and the loan program. Additional items in the projection include legal and consulting fees necessary to protect the City/Agency and complete the Projects, debt issuance cost needed for the Projects, and property management.

- *Project delivery:* 2 FTE; \$0.27 million average per year FY17 thru FY21
- *Loan program administration:* 0.9 FTE; \$0.13 million average per year FY17 thru FY27
- *Legal costs, public engagement, financial administration, overhead & misc.:* \$0.1 million average per year FY17 thru FY27; higher in the early years and a smaller amount for maintenance over time
- *Debt Issuance costs:* \$0.3 million when issued; to be determined

Report Exhibit E: Table 7 – Projected Revenues and Expenditures for the Plan Area (Part 1)

| Resources | FY16 | FY17 | FY18 | FY19 | FY20 | FY21 | FY22 |
|---|--------------------|---------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Property Taxes | 2,000,000 | 2,075,000 | 2,140,000 | 2,220,000 | 2,300,000 | 2,340,000 | 2,420,000 |
| Debt Issued | - | 15,500,000 | - | - | - | - | - |
| DRUP Loan Repayments | 316,786 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Interest Earnings | 25,224 | 33,000 | 24,000 | 28,000 | 31,000 | 36,000 | 42,000 |
| Beginning Working Capital | 3,513,109 | 3,475,805 | 1,112,875 | 1,306,035 | 1,497,035 | 1,751,035 | 2,025,035 |
| Total Resources | \$5,855,119 | \$21,583,805 | \$3,776,875 | \$4,054,035 | \$4,328,035 | \$4,627,035 | \$4,987,035 |
| Requirements | | | | | | | |
| <u>Tax Increment Expenditures - Existing Plan</u> | | | | | | | |
| Administration ¹ - Existing Cap | 129,714 | 179,032 | - | - | - | - | - |
| Downtown Lighting | - | 15,972 | - | - | - | - | - |
| Farmers Market Improvements | - | 500,000 | - | - | - | - | - |
| Debt Service & Issuance Costs | 2,249,600 | 1,348,000 | - | - | - | - | - |
| Totals Existing Plan | 2,379,314 | 2,043,004 | - | - | - | - | - |
| <u>Tax Increment Expenditures - New Plan</u> | | | | | | | |
| Administration ¹ - New Cap | - | 500,000 | 543,000 | 566,000 | 589,000 | 613,000 | 163,000 |
| Approved Projects ² | - | 15,200,000 | - | - | - | - | - |
| Debt Service & Issuance Costs | - | 300,000 | 1,489,000 | 1,493,000 | 1,490,000 | 1,491,000 | 2,489,000 |
| Totals New Plan | - | 16,000,000 | 2,032,000 | 2,059,000 | 2,079,000 | 2,104,000 | 2,652,000 |
| <u>Non-Tax Increment Expenditures</u> | | | | | | | |
| DRUP Loans Granted ³ | - | 2,427,926 | 438,840 | 498,000 | 498,000 | 498,000 | 577,000 |
| Total Expenditures | 2,379,314 | 20,470,930 | 2,470,840 | 2,557,000 | 2,577,000 | 2,602,000 | 3,229,000 |
| Debt Service Reserve ⁴ | - | - | 1,150,000 | 1,350,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Other Reserves | 3,475,805 | 1,112,875 | 156,035 | 147,035 | 251,035 | 525,035 | 258,035 |
| Total Reserves | 3,475,805 | 1,112,875 | 1,306,035 | 1,497,035 | 1,751,035 | 2,025,035 | 1,758,035 |
| Total Requirements | \$5,855,119 | \$21,583,805 | \$3,776,875 | \$4,054,035 | \$4,328,035 | \$4,627,035 | \$4,987,035 |

Notes:

- Administration includes project legal and professional services, and project administration.
- All projects are shown as occurring in FY17 but actual project timing will likely differ. Other activities will need to occur before projects can move forward, such as public engagement, design engineering, property negotiations, and Agency Board approvals.
- All available non-tax increment resources are budgeted for loans in each year, but actual loan activity may differ.
- There may be a potential lender requirement for debt service reserve.

Report Exhibit E: Table 7 – Projected Revenues and Expenditures for the Plan Area (Part 2)

| Resources | Totals | | | | | | |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|---------------------|--|
| | FY23 | FY24 | FY25 | FY26 | FY27 | FY17-27 | |
| Property Taxes | 2,500,000 | 2,590,000 | 2,680,000 | 2,770,000 | 2,870,000 | 26,905,000 | |
| Debt Issued | - | - | - | - | - | 15,500,000 | |
| DRLP Loan Repayments | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 5,500,000 | |
| Interest Earnings | 37,000 | 34,000 | 34,000 | 34,000 | 37,000 | 370,000 | |
| Beginning Working Capital | 1,758,035 | 1,633,035 | 1,591,035 | 1,628,035 | 1,748,035 | 3,475,805 | |
| Total Resources | \$4,795,035 | \$4,757,035 | \$4,805,035 | \$4,932,035 | \$5,155,035 | \$51,750,805 | |
| Requirements | | | | | | | |
| Tax Increment Expenditures - Existing Plan | | | | | | | |
| Administration ¹ - Existing Cap | - | - | - | - | - | 179,032 | |
| Downtown Lighting | - | - | - | - | - | 15,972 | |
| Farmers Market Improvements | - | - | - | - | - | 500,000 | |
| Debt Service & Issuance Costs | - | - | - | - | - | 1,348,000 | |
| Totals Existing Plan | - | - | - | - | - | 2,043,004 | |
| Tax Increment Expenditures - New Plan | | | | | | | |
| Administration ¹ - New Cap | 170,000 | 177,000 | 185,000 | 193,000 | 201,000 | 3,900,000 | |
| Approved Projects ² | - | - | - | - | - | 15,200,000 | |
| Debt Service & Issuance Costs | 2,491,000 | 2,490,000 | 2,492,000 | 2,491,000 | 2,973,000 | 21,689,000 | |
| Totals New Plan | 2,661,000 | 2,667,000 | 2,677,000 | 2,684,000 | 3,174,000 | 40,789,000 | |
| Non-Tax Increment Expenditures | | | | | | | |
| DRLP Loans Granted ³ | 501,000 | 499,000 | 500,000 | 500,000 | 499,000 | 7,436,766 | |
| Total Expenditures | 3,162,000 | 3,166,000 | 3,177,000 | 3,184,000 | 3,673,000 | 50,268,770 | |
| Debt Service Reserve ⁴ | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 | - | - | |
| Other Reserves | 133,035 | 91,035 | 128,035 | 248,035 | 1,482,035 | 1,482,035 | |
| Total Reserves | 1,633,035 | 1,591,035 | 1,628,035 | 1,748,035 | 1,482,035 | 1,482,035 | |
| Total Requirements | \$4,795,035 | \$4,757,035 | \$4,805,035 | \$4,932,035 | \$5,155,035 | \$51,750,805 | |

Notes:

1. Administration includes project legal and professional services, and project administration.
2. All projects are shown as occurring in FY17 but actual project timing will likely differ. Other activities will need to occur before projects can move forward, such as public engagement, design engineering, property negotiations, and Agency Board approvals.
3. All available non-tax increment resources are budgeted for loans in each year, but actual loan activity may differ.
4. There may be a potential lender requirement for debt service reserve.

Annual Financial Report Excerpts

Urban Renewal Agency of the City of Eugene, Oregon

Debt Service Fund - where tax increment goes when first collected

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2018

(amounts in dollars)

| | <u>Actual</u> | | | <u>GAAP basis</u> |
|--------------------------------------|--------------------|---------------------|-------------------|-------------------|
| | <u>Budget</u> | <u>Budget basis</u> | <u>Adjustment</u> | |
| <u>Revenues</u> | | | | |
| Taxes | 2,185,000 | 2,259,639 | 0 | 2,259,639 |
| Miscellaneous | 410,000 | 41,933 | (9,216) | 32,717 |
| Total revenues | 2,595,000 | 2,301,572 | (9,216) | 2,292,356 |
| <u>Expenditures</u> | | | | |
| Debt service | 314,000 | 313,496 | 0 | 313,496 |
| Capital outlay | 0 | 0 | 0 | 0 |
| Total expenditures | 314,000 | 313,496 | 0 | 313,496 |
| Excess of revenues over expenditures | 2,281,000 | 1,988,076 | (9,216) | 1,978,860 |
| <u>Other financing uses</u> | | | | |
| Proceeds of debt issuance | 0 | 0 | 0 | 0 |
| Transfers in | 0 | 0 | 0 | 0 |
| Transfers out | (2,966,904) | (742,716) | 0 | (742,716) |
| Total other financing uses | (2,966,904) | (742,716) | 0 | (742,716) |
| Net change in fund balance | (685,904) | 1,245,360 | (9,216) | 1,236,144 |
| Fund balance, July 1, 2017 | 1,593,411 | 1,593,411 | (3,707) | 1,589,704 |
| Fund balance, June 30, 2018 | 907,507 | 2,838,771 | (12,923) | 2,825,848 |

| | |
|-----------|---|
| \$249,267 | Project Delivery |
| \$388,890 | Fiber |
| \$5,950 | 1059 Willamette Consultant |
| \$98,579 | To replenish FY17 non-tax increment (see footnote 10, page 42) |
| <hr/> | |
| \$742,716 | |

Attachment 2
Additional Expenditure Detail
Project Delivery Administration

Urban Renewal Agency of the City of Eugene, Oregon

General Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the fiscal year ended June 30, 2018

(amounts in dollars)

| | <i>Actual</i> | | Adjustment | GAAP basis |
|--|------------------|------------------|------------------|------------------|
| | Budget | Budget basis | | |
| <u>Revenues</u> | | | | |
| Taxes | 0 | 0 | 0 | 0 |
| Repayment of revolving loans | 0 | 0 | 242,181 | 242,181 |
| Intergovernmental | 0 | 106,774 | 0 | 106,774 |
| Charges for services | 0 | 54,065 | 0 | 54,065 |
| Miscellaneous | 75,000 | 60,696 | (9,565) | 51,131 |
| Total revenues | 75,000 | 221,535 | 232,616 | 454,151 |
| <u>Expenditures</u> | | | | |
| Urban renewal redevelopment-Admin, Legal & Fiber | 3,097,204 | 644,137 | 0 | 644,137 |
| Debt service | 0 | 0 | 0 | 0 |
| Special payments | 2,423,881 | 0 | 0 | 0 |
| Capital outlay | 0 | 0 | 0 | 0 |
| Total expenditures | 5,521,085 | 644,137 | 0 | 644,137 |
| Excess of revenues over expenditures | (5,446,085) | (422,602) | 232,616 | (189,986) |
| <u>Other financing uses</u> | | | | |
| Principal payments received | 450,000 | 242,181 | (242,181) | 0 |
| Transfers in from Debt Service Fund | 2,966,904 | *742,716 | 0 | 742,716 |
| Transfers out | 0 | 0 | 0 | 0 |
| Total other financing uses | 3,416,904 | 984,897 | (242,181) | 742,716 |
| Net change in fund balance | (2,029,181) | 562,295 | 232,616 | 552,730 |
| Fund balance, July 1, 2017 | 2,103,181 | 2,103,181 | (3,119) | 2,100,062 |
| Fund balance, June 30, 2018 | 74,000 | 2,665,476 | 229,497 | 2,652,792 |

| | |
|-------------|----------------------------|
| \$300,000 | Design Consultant |
| \$443,284 | Project Delivery |
| \$2,303,920 | Fiber |
| \$50,000 | 1059 Willamette Consultant |

| | |
|-----------|----------------------------|
| \$0 | Design Consultant |
| \$249,267 | Project Delivery |
| \$388,890 | Fiber |
| \$5,950 | 1059 Willamette Consultant |

* The "Transfers in" amount of \$742,716 was more than the actual amount spent of \$644,137 due to the under transfer that occurred in FY17. FY17 spending on Fiber included \$345,483 of tax increment funds transferred to General Fund (817) from Debt Service Fund (812) and \$98,579 of non-tax increment funds. The non-tax increment funds were replenished in FY18 as part of the transfer for that year.

Spending Limit Information

Oregon Revised Statutes require each urban renewal district that receives property taxes include a “maximum indebtedness” limit in their urban renewal plan. Maximum indebtedness is a required spending cap for all property tax expenditures over a period of time. Maximum indebtedness is not a legal debt limit, it is more like a spending limit.

Adopting a maximum indebtedness figure does not authorize or obligate the Agency to spend money or enter into debt. Within the maximum indebtedness limitation, the Agency Board has the ability to fund projects over time, either with cash or by issuing debt.

Certain expenditures are included in the maximum indebtedness calculation and certain expenditures are excluded. For instance, cash payments for projects and administrative expenses are included in the calculation, but expenditures made from sources other than tax increment revenues are not included in the spending limit, such as Downtown Loans program funds. In addition, interest on debt is not included in maximum indebtedness, nor is the refinancing of existing indebtedness. The specific limitations of the maximum indebtedness amount are spelled out in the Plan.

The 2016 Amendment increased the maximum indebtedness amount by \$19.4 million, to a total of \$66 million. The maximum indebtedness limit established by section 1400 does not apply to or limit:

1. The obligation of the Agency to pay interest on indebtedness issued or incurred under the Plan;
2. Any indebtedness issued to refund indebtedness issued or incurred under the Plan, to the extent that the refunding indebtedness does not exceed the principal amount of the refunded indebtedness, plus the amount of the refunding indebtedness that is used to pay costs of the refunding;
3. Funds to repay indebtedness existing on the date of the 1998 Amendment; and
4. Expenditures made from funds other than tax increment funds, such as loans made from the Downtown Revitalization Loan Program.

The spending limit information for each approved project follows.

Broadway Place Garages & Public Safety Improvements (2010)

| Spending Limit Authorized by Plan⁹ | Spending Limit Remaining | Notes/Timing |
|--|---------------------------------|--|
| \$4.9 Million in principal | \$90,000 | \$420,000 spent in FY11 d/s payment \$4.39 Million FY11 refinance |

The Agency made the City’s principal and interest payments for FY11 and then refinanced the debt to attain a lower interest rate. In May 2011, the Agency issued \$4.39 million in private placement bonds for the refinance. Subsequent annual debt service payments are not counted against the spending limit.

Lane Community College New Downtown Campus (2010)

| Spending Limit Authorized by Plan | Spending Limit Remaining | Notes/Timing |
|--|---------------------------------|---------------------|
| \$8 Million | \$0 | Spent in FY11 |

In May 2011, the Agency signed an intergovernmental agreement with LCC and disbursed the \$8 million urban renewal grant. The Agency issued \$3.5 million in private placement bonds to be combined with cash-on-hand. Subsequent annual debt service payments are not counted against the spending limit.

⁹ Interest expense does not count toward the spending limit.

Improvements for the Lane County Farmers' Market (2010 & 2016)

| Spending Limit Authorized by Plan | Spending Limit Remaining | Notes/Timing |
|--|---------------------------------|----------------------------------|
| \$4.5 Million | \$4.5 Million | See page 32 for more information |

Park Blocks and Open Space Improvements (2016)

| Spending Limit Authorized by Plan | Spending Limit Remaining | Notes/Timing |
|--|---------------------------------|---------------------|
| \$5.2 Million | \$5.2 Million | \$0 in FY17 & FY18 |

High-Speed Fiber (2016)

| Spending Limit Authorized by Plan | Spending Limit Remaining | Notes/Timing¹⁰ |
|--|---------------------------------|--|
| \$3 Million | \$2,167,048 | \$444,062 in FY17 \$388,890 in FY18 |

1059 Willamette Redevelopment (2016)

| Spending Limit Authorized by Plan¹¹ | Spending Limit Remaining | Notes/Timing |
|---|---------------------------------|---------------------|
| \$3 Million | \$3 Million | \$0 in FY17 & FY18 |

Project Delivery Administration

| Spending Limit Authorized Under <u>1998</u> Plan Amendment | Spending Limit Remaining | Notes/Timing |
|---|---------------------------------|---|
| \$860,000 | \$0 | \$472,044 in FY10 \$246,411 in FY11 \$141,545 in FY12 |

When the Plan was amended in 2010, there was some authorization remaining under the spending limit set in 1998. In the 2010 Plan Estimate, the amounts for project delivery administration to be counted against the 1998 spending limit were noted. Actual expenditures of tax increment against that amount in FY10 and FY11 totaled \$718,455,

¹⁰ FY17 spending on Fiber included \$345,483 of tax increment funds transferred to General Fund (817) from Debt Service Fund (812) and \$98,579 of non-tax increment funds. The non-tax increment funds were replenished in FY18 as part of the transfer for that year.

¹¹ The Plan identifies the possibility of spending up to \$6 million of tax increment funds on the 1059 Willamette Redevelopment.

which left \$141,545 remaining under the 1998 limit to be spent in future years. The remaining 1998 limit was exhausted with part of the FY12 project delivery administration expenditures.

| Spending Limit Authorized Under <u>2010</u> Plan Amendment | Spending Limit Remaining | Notes/Timing ¹² |
|---|-----------------------------|--|
| \$1,190,000 | \$0 | \$27,851 in FY11 \$89,364 in FY12 \$253,304 in FY13 \$155,893 in FY14 \$98,285 in FY15 \$126,000 in FY16 \$369,698 in FY17 \$69,605 in FY18 |

The 2010 Plan Amendment authorized an additional \$1,190,000 for project delivery administration. Under this authorization, \$27,851 was spent in FY11 for bond issuance costs; \$89,364 in FY12; \$253,304 in FY13; \$155,893 in FY14; \$98,285 in FY15; \$126,000 in FY16; \$369,698 in FY17; and \$69,605 in FY18. The FY17 amount includes \$139,308 for public engagement for the Park Blocks and Open Space project through Project for Public Spaces and \$12,274 to replenish non-tax increment funds spent in FY15 and FY16.

| Spending Limit Authorized Under <u>2016</u> Plan Amendment | Spending Limit Remaining | Notes/Timing |
|---|-----------------------------|-------------------|
| \$4.2 Million | \$4,014,178 | \$185,822 in FY18 |

The 2016 Plan Amendment authorized an additional \$4.2M for Project Delivery Administration. Under this authorization, \$185,822 was spent in FY18.

Existing Activities

| Spending Limit Authorized Under <u>1998</u> Plan Amendment | Spending Limit Remaining | Notes/Timing |
|---|-----------------------------|--|
| \$100,000 lighting | \$0 | \$24,640 spent in FY12 \$34,388 spent in FY13 \$22,460 spent in FY14 \$2,540 spent in FY15 \$0 spent in FY16 \$15,972 spent in FY17 |

¹² The amounts listed reflect the amount of tax increment transferred to the General Fund (817) from the Debt Service Fund (812). In FY11 and FY12, the amount spent included some non-tax increment funds that were eligible for the use of tax increment funds. The non-tax increment funds were replenished in FY13 as part of the transfer for that year. In FY15 and FY16, the amount spent included some non-tax increment funds on costs that were eligible for the use of tax increment funds. The non-tax increment funds were replenished in FY17.