

ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2020

2019/20

Talent Urban Renewal Agency

This report fulfills the requirements, prescribed in ORS.457.460, for the filing of an annual report detailing the financial activity of an urban renewal area established in Oregon.



CITY OF TALENT

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Annual Report for Fiscal Year Ending June 30, 2020

TALENT URBAN RENEWAL AGENCY

URBAN RENEWAL AREA BACKGROUND

The Talent Urban Renewal Plan (Plan) was adopted by the the City of Talent on 1991. The maximum indebtedness established in 1991 for the Talent Urban Renewal Plan is \$17,127,276. The maximum indebtedness is the total amount of funds that can be spent on projects, programs, and administration in the urban renewal area over the life of the urban renewal plan.

The frozen base assessed value of the Urban Renewal Area is \$8,359,724 (“Frozen Base”). The FY 2019/2020 total assessed value is \$81,254,324. The excess value, or the value on which taxes are paid to the urban renewal agency in FY 2019/2020 is \$60,914,324. ¹

The Talent Urban Renewal Agency (“TURA”) was established by the City of Talent in 1991 as a long-term investment strategy to fund and construct capital improvement projects in the Talent Urban Renewal Area (“Area”).

TURA is a separate legal and financial entity, governed by the members of the the City of Talent City Council.

Oregon state law allows cities to create urban renewal districts in size not to exceed twenty-five percent (25%) of the total assessed property value within the city limits. The base value of the Urban Renewal Area when established in 2005 was \$8,359,724 (“Frozen Base”), and does not exceed this limit.

Urban Renewal Goals

TURA’s guiding document is the Plan and Report, which lists a series of goals and objectives to guide activities in the urban renewal area. Goals listed in the Plan are as follows:

- A. To enhance opportunities for residential, civic, cultural, and business property to be developed, redeveloped, improved, rehabilitated and conserved in ways which will ensure the vitality of the Area.
- B. To encourage the retention, expansion and development of diversified businesses that will produce jobs for the people of Talent and Jackson County; and
- C. Increase property values so that the Area will contribute its fair share to the costs of public services provided by the City, County, Schools and other Taxing Districts.
- D. To be responsive to the needs and the concerns of all people of Talent in the details of amending and implementing this Urban Renewal Plan;

¹Jackson County Assessor Tax FY 2019/2020 Table 4e

- E. To encourage the maximum amount of public involvement, citizen participation in the formation and communication with other taxing districts in the implementation of the Urban Renewal Plan.
- F. To assist property and business owners in the rehabilitation, development or redevelopment of their buildings, property and/or leased space.
- G. To improve to City standards the Area's public streets, bicycle and pedestrian ways and utilities.
- H. To provide park facilities designed to serve the recreational needs of all age levels of Talent population;
- I. To provide streetscape improvements in areas of maximum pedestrian concentration;
- J. To provide adequate off-street parking for the convenience of people who drive to the Area;
- K. To improve the public transportation capability of the Area, including bus and rail transit.
- L. To leverage the Agency's financial resources to the maximum extent possible with other public and private investments and other public and private funding sources.

The entire Talent Urban Renewal Plan and Report can be found on Talent Urban Renewal Agency's website, <http://www.cityoftalent.org/CCBIndex.asp?CCBID=11>.

FINANCIAL REPORTING

Pursuant to ORS 457.460, a detailed accounting of the financial activity related to urban renewal areas is required to be reported on an annual basis. The following financial information responds to the requirements of this statute.

Money Received

In FY 2019/2020, the Talent Urban Renewal Agency received \$897,687 from division of taxes.² The detailed earnings of the Talent Urban Renewal Agency can be seen in Table 1.

Table 1. Money Received During FY 2019/20

Receipt Category	Capital Projects Fund	Debt Service Fund	Total
Division of Taxes		897,687	897,687
Interest		48,031	48,031
Miscellaneous & Reimbursements	27,726		27,726
TOTAL:	\$27,7261	\$945,718	\$973,444

Source: Talent Urban Renewal Agency Financial Report FYE 2020

Money Expended

Revenue received through urban renewal and spent on urban renewal activities is shown in Table 2.

Table 2. Expenditures During FY 2019/20

Expenditure Category	Capital Projects Fund	Debt Service Fund	Total
Materials & Services	118,089		118,089
Capital Outlay	35,362		35,362
Debt Service			
TOTAL:	\$153,451		\$153,451

Source: Talent Urban Renewal Agency Financial Report FYE 2020

Estimated Revenues

There are no tax revenues as the urban renewal area has reached its maximum indebtedness and is no longer taking division of taxes.

² Talent Urban Renewal Agency Financial Report FYE 2020

Proposed Budget for Current Fiscal Year, FY 2020/21

A compiled budget listing the money to be received due to urban renewal, money to be spent, and what projects/expenses the money will fund is shown in Table 3 below. The Debt Service Fund is no longer in operation as the urban renewal area has reached its maximum indebtedness, has paid off the debt and is no longer taking division of taxes.

Table 3. Budget FY 2020/21 Urban Renewal Fund

Receipt Category	Capital Projects Fund
Fund Balance	2,200,000
Miscellaneous Income	4,800
Interest Income	9,500
TOTAL:	\$2,214,300
Expenditure Category	Capital Projects Fund
Materials & Services	162,000
Capital Outlay	174,000
Total Unallocated Funds	1,878,300
TOTAL:	\$2,214,300

Source: The City of Talent FY 2020/2021 Urban Renewal Budget

Impact on Taxing Districts

The revenues foregone by local taxing districts due to urban renewal are shown in Table 4. This information is from Jackson County Assessor records, Table 4a and 4e and is after losses of \$927 to compression.

Urban renewal agencies do not create an additional tax. Instead, during the Agency's lifespan, overlapping taxing districts "forego" a portion of their permanent rate. Once the urban renewal area is terminated, the taxing jurisdictions receive the full permanent rate of taxes. The Phoenix/Talent School District and Education Service District are funded through the State School Fund on a per pupil allocation. There is no *direct* impact of urban renewal on their funding. The State School Fund is funded through property tax allocations, but also through other state resources.

Table 4. Impact on Taxing Districts FY 2019/2020

Taxing Jurisdiction	Impact
Jackson County	\$122,294
4-H Extension Service District	\$2,495
Vector Control	\$2,581
Education Service District	\$21,422
Rogue Community College	\$31,186
Rogue Valley Transit District	\$10,754
Jackson Soil & Water Conservation	\$3,011
Jackson County Library District	\$31,617
City of Talent	\$196,625
Phoenix/Talent School District 4	\$258,137
Jackson County RFPD #5	\$194,546

Source: FY 2019/2020 Sal 4e from Jackson County Assessor

Maximum Indebtedness

The Talent Urban Renewal Area has ceased taking any division of taxes from the Assessor. All taxing districts saw their revenues increase in FY 2020/2021. The increase for each taxing district due to the cessation of taking division of taxes from the assessor is approximately the numbers in Table 4.