

## HRA Meeting Agenda October 25, 2022

6:30 PM

Immediately following the City Council Meeting

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Chair Person: Robert Duncan  
Vice Chair Person: Mike Caughey  
Members: Kimberly Downey, Robert Boese, Adam Keaton, Randy Klemm, and Charlotte Thomas  
Meeting Location: Harrisburg Municipal Center Located at 354 Smith St

### **PUBLIC NOTICES:**

1. *This meeting is open to the public and will be tape-recorded.*
2. *Copies of the Staff Reports or other written documents relating to each item on the agenda are on file in the office of the City Recorder and are available for public inspection.*
3. *The City Hall Council Chambers are handicapped accessible. Persons with disabilities wishing accommodations, including assisted listening devices and sign language assistance are requested to contact City Hall at 541-995-6655, at least 48 hours prior to the meeting date. If a meeting is held with less than 48 hours' notice, reasonable effort shall be made to have an interpreter present. The requirement for an interpreter does not apply to an emergency meeting. ORS 192.630(5)*
4. *Persons contacting the City for information requiring accessibility for deaf, hard of hearing, or speech-impaired persons, can use TTY 711; call 1-800-735-1232, or for Spanish voice TTY, call 1-800-735-3896.*
5. *The City of Harrisburg does not discriminate against individuals with disabilities and is an equal opportunity provider.*
6. *Masks are not required at this time. The City does ask that anyone running a fever, having an active cough or other respiratory issues, not to attend this meeting.*
7. *For information regarding items of discussion on this agenda, please contact City Recorder Lori Ross, at 541-995-6655*

**CALL TO ORDER AND ROLL CALL BY CHAIR PERSON ROBERT DUNCAN**

**CONCERNED CITIZEN(S) IN THE AUDIENCE.** (Please limit presentation to two minutes per issue.)

**APPROVAL OF MINUTES**

- 1. MOTION TO APPROVE THE MINUTES FROM THE AUGUST 9, 2022, HRA MEETING**

**NEW BUSINESS**

- 2. THE MATTER OF REVIEWING INFORMATION IN RELATION TO REVENUE SHARING REQUIREMENTS**

**STAFF REPORT:**

Exhibit A: Memo from Elaine Howard & Nick Popenuk from  
Tiberius Solutions LLC

Exhibit B: Ord No. 930 (HRA Plan Document)

**ACTION: REVIEW THE INFORMATION PROVIDED BY ELAINE HOWARD CONSULTING, LLC AND DISCUSS NEXT STEPS- TBD**

- 3. THE MATTER OF APPROVING THE HARRISBURG REDEVELOPMENT AGENCY 4TH QUARTER 2021/2022 EXPENSE REPORT**

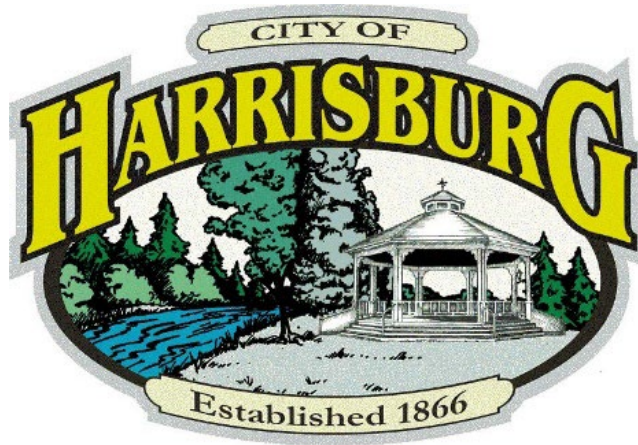
**STAFF REPORT:**

Exhibit A: 4th Quarter HRA Expense Report Ending June 30, 2022

**ACTION: MOTION TO APPROVE THE HRA 4TH QUARTER 2021/2022 EXPENSE REPORT**

**OTHER**

**ADJOURN**



HRA Board Meeting Minutes  
August 09, 2022

Chairperson: Robert Duncan, Presiding  
 Vice Chairperson: Mike Caughey, Present  
 Members Present: Kimberly Downey, Robert Boese, Adam Keaton, Randy Klemm and Charlotte Thomas  
 Staff Present: City Administrator Michele Eldridge, Public Work Director Chuck Scholz, Finance Officer/Deputy City Recorder Cathy Nelson and City Recorder/ Municipal Court Clerk Lori Ross  
 Meeting Location: Harrisburg Municipal Center Located at 354 Smith St

**CALL TO ORDER AND ROLL CALL BY CHAIRPERSON ROBERT DUNCAN** at the hour of 7:24pm.

**CONCERNED CITIZEN(S) IN THE AUDIENCE.** All present were there for items on the agenda

**APPROVAL OF MINUTES**

- Downey motioned to approve the minutes from the June 14, 2022, and the June 28, 2022, HRA Board Meeting. The motion was seconded by Caughey and passed by unanimous vote of HRA Board Members- Caughey, Downey, Boese, Keaton, Klemm, and Thomas.

**THE MATTER OF APPROVING THE FINDINGS IN RELATION TO SOLE SOURCE PROCUREMENT, AND THE PERSONAL SERVICES WITH ELAINE HOWARD CONSULTING, LLC, AND AUTHORIZING THE EXECUTIVE DIRECTOR TO SIGN THE AGREEMENT**

**STAFF REPORT:** Eldridge explained to the HRA Board that Elaine Howard, of Elaine Howard Consulting, LLC, had another meeting to attend to and her replacement for this meeting has COVID. Due to this, the next item on the agenda will be moved to the next meeting, however, the Board can still approve this agreement. Eldridge stated that she spoke with City Attorney, Jim Brewer, and because of Public Contracting Laws, the City would need to follow the sole source procurement process. Eldridge thinks there are lots of reasons to use her services as she has worked with the City since 2013 as our consultant on Substantial Agreements No. 4 and No. 5. If the City went with a new consultant, we would need to provide the information that she is already in possession of and she still uses the same subcontractor as before, Tiberius Solutions, which

August 09, 2022

provides the financial analysis. Eldridge pointed out the agreement as shown in Exhibit A and noted there were a couple changes made which included removing sections no longer in use and extending the terms of the agreement to June 30, 2023. Eldridge pointed out the Budget Proposal on page 20 of the agenda which shows the breakdown of the charges for the Substantial Amendment. Eldridge stated that because portions of the Water Bond Project are outside City limits, we will have to work with the County, which could cause delays. Eldridge stated the City has already gone through the Conditional Use Permit with the County, and she doesn't foresee any problems.

- Mayor Duncan commented that this is about \$7,000 cheaper than expected. Eldridge replied there is \$7,000 more projected due to the legal description being done by Branch Engineering for changing the boundaries and some expenses for the Linn County Assessors. The total cost, she explained, would be \$28,000 to \$35,000.
- Caughey commented that this will only give us a portion of the cost and asked where we are going to get the rest. Eldridge replied that we have the American Rescue Plan Act (ARPA) funds, and we also have reserve accounts for water and sewer. Caughey asked if this comes through, are we going to be able to go forward? Eldridge commented that we will try to use City funding as much as we can.
- Boese commented that he hopes this will be enough and we don't end up short.
- Downey commented that we have worked with Howard before and feels that we meet the criteria, and we can use the funding if we need to.
  - **Downey motioned to approve the findings in relation to sole source procurement as allowed in ORS 279B.075, the Personal Services Agreement with Elaine Howard Consulting, LLC, and to authorize the executive director to sign the agreement. The motion was seconded by Klemm and passed by unanimous vote of HRA Board Members-Caughey, Downey, Boese, Keaton, Klemm, and Thomas.**

**THE MATTER OF A PRESENTATION & BRIEFING FROM ELAINE HOWARD CONSULTING, LLC, IN RELATION TO STARTING WHAT WOULD BE HARRISBURG REDEVELOPMENT AGENCY SUBSTANTIAL AMENDMENT NO.6**

**STAFF REPORT:** Due to illness, this item has been moved to the next HRA Board Meeting to be held on August 23, 2022.

**OTHERS:** None.

**ADJOURN:** With no further discussion, the HRA Board Meeting closed at the hour of 7:40pm.

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**CHAIRPERSON**

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**CITY RECORDER**

Agenda Bill  
**Harrisburg Redevelopment Agency Board**  
Harrisburg, Oregon

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**THE MATTER OF REVIEWING INFORMATION IN RELATION TO REVENUE SHARING REQUIREMENTS**

**STAFF REPORT:**

Exhibit A: Memo from Elaine Howard & Nick Popenuk from  
Tiberius Solutions LLC

Exhibit B: Ord No. 930 (HRA Plan Document)

**ACTION: REVIEW THE INFORMATION PROVIDED BY ELAINE HOWARD CONSULTING, LLC, AND DISCUSS NEXT STEPS - TBD.**

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**THIS AGENDA BILL IS DESTINED FOR:** Work Session Agenda – October 25, 2022

<b>BUDGET IMPACT</b>		
COST	BUDGETED?	SOURCE OF FUNDS
\$258,778	Yes	HRA Capital Outlay – Infrastructure Construction

**STAFF RECOMMENDATION:**

**Staff recommend the HRA Board listen to the presentation from Elaine Howard and Staff and determine next steps to completing Revenue Sharing Requirements for the Harrisburg Redevelopment Agency.**

**BACKGROUND INFORMATION:**

Staff and the HRA Consultants have been meeting in preparation to meet the initial requirements for Substantial Amendment No. 6. In the first week of October, as Nick Popenuk from Tiberius Solutions was working through the financials for this process, he discovered that the HRA has been doing well enough, that we have already met the assessed value growth that was projected to start in 2024, and in fact, have been doing so since 2018.

As pointed out in the Revenue Sharing Memo (**Exhibit A**), going through Amendments No. 4 and 5, subjected the HRA plan to revenue sharing requirements. The original projection in 2015 anticipated that we would reach the level requiring revenue sharing in 2024. This is shown in the HRA plan (**Exhibit B**) that was adopted in 2015; however, it was neither highlighted (it was buried in page 45 and page 52 of the plan) nor included in the narrative.

There are two levels of revenue sharing. The first is that once property tax revenues reached 10% in tax revenues (\$297,767) of the original plan Maximum Indebtedness (\$2,977,674), it would trigger the revenue sharing to the other taxing districts affected by

the urban renewal agency. That tax level was reached in 2018, therefore, payments should have started in 2019. A second threshold is reached once tax revenues reach 12.5% (\$372,209) of the original tax indebtedness figure. The HRA just met that threshold in 2021, and therefore will be paying out at the capped revenue sharing figure of \$372,209 from this point onwards.

The HRA Board will want to take care of the back payments to the other taxing districts ASAP; Staff wants there to be transparency in any financial transactions occurring in the HRA district. City Staff are already making changes to the future budgets and accounting practices to ensure proper accounting for revenue sharing occurs from this point forward. Those funds will be paid from our tax receipts in the future, and since they are allocated to a specific program, the auditor will determine which budget classification the expenses should be included in. We are adjusting our Annual Reports, as well as the UR-50 tax reporting forms. As recommended by our consultants, Staff has obtained the advice of our attorney, who will be at this meeting for the Executive Session following the HRA meeting.

Staff proposes that we craft a careful letter providing this information to the other taxing districts. We will be paying the revenue sharing going forward, but we can ask if those taxing districts might be willing to consider waiving the back revenue sharing funds, based on what we are using those funds for. The letter will also start the informational process of notifying the other agencies that the City is pursuing Substantial Amendment No. 6, and the reason why we are doing so. Staff expects that some of the taxing districts will wish to have full payment of the money owed.

The City also reached out to the Linn County Tax Assessor last week, who might also have specific requirements in relation to how these funds are paid and addressed. Unfortunately, the tax assessor’s office is mailing out property tax statements this week, and therefore may not provide information in time to be included with this agenda. Staff will provide more information at the meeting itself, if we aren’t able to meet with the tax assessment department prior to the agenda being completed.

The HRA Board should, by motion, **direct the Executive Director, and HRA Consultant to compose the letter to send out to the other taxing districts as discussed** above. The letter will be reviewed by the City Attorney prior to being sent. If the HRA Board should choose any other actions, they can include that in the motion or otherwise direct the Executive Director accordingly.

REVIEW AND APPROVAL:



10/17/2022

Michele Eldridge  
Executive Director

Date

## MEMO

TO: Michele Eldridge

FROM: Elaine Howard

CC: Nick Popenuk, Tiberius Solutions LLC

RE: Revenue Sharing

DATE: October 12, 2023

Revenue Sharing was enacted in 2009 as part of the statutory changes to ORS 457. It is described in ORS 457.470. Your existing plan was not subject to revenue sharing as it was adopted prior to 2009. However, the substantial amendments in 2015 which increased the maximum indebtedness made the Plan subject to revenue sharing provisions. This was shown identified with staff in the Amendment in 2015, but not specifically called out in the narrative in the Report. At the time the Report was written revenue sharing was expected to commence in FYE 2024.

However, the assessed value growth in the Area has grown faster than projected and revenue sharing targets were reached in FYE 2018, to commence in FYE 2019. The table below shows the amounts that should have been shared by filling out the UR 50 form to show the revenue sharing provisions.

Taxing District	Rate Type	FYE 2019	FYE 2020	FYE 2021	FYE 2022	Total	% of Total
Linn County	Permanent	\$ 1,885	\$ 4,216	\$ 8,977	\$ 11,171	\$ 26,250	10%
City of Harrisburg	Permanent	\$ 4,710	\$ 10,536	\$ 22,432	\$ 27,914	\$ 65,592	25%
City of Harrisburg	Bond1	\$ 501	\$ 1,055	\$ 2,368	\$ 2,687	\$ 6,611	3%
Harrisburg RFD	Permanent	\$ 1,672	\$ 3,741	\$ 7,964	\$ 9,911	\$ 23,288	9%
4H Extension District	Permanent	\$ 104	\$ 232	\$ 493	\$ 614	\$ 1,443	1%
ESD Linn-Benton-Lincoln	Permanent	\$ 451	\$ 1,009	\$ 2,149	\$ 2,674	\$ 6,284	2%
Lane Community College	Permanent	\$ 916	\$ 2,050	\$ 4,364	\$ 5,430	\$ 12,760	5%
Harrisburg SD #7	Permanent	\$ 6,890	\$ 15,411	\$ 32,814	\$ 40,832	\$ 95,947	37%
Harrisburg SD #7	Bond2	\$ 1,136	\$ 3,508	\$ 7,057	\$ 8,904	\$ 20,606	8%
<b>Total</b>		<b>\$ 18,266</b>	<b>\$ 41,758</b>	<b>\$ 88,619</b>	<b>\$ 110,138</b>	<b>\$ 258,781</b>	<b>100%</b>

Source: Tiberius Solutions LLC

Nick Popenuk's e mail of 10/4/2022 noted the following facts:

- Mandatory "revenue sharing" (aka "underlevy") is required by ORS 457 for some urban renewal plans, including older plans that were substantially amended to increase their maximum indebtedness after 2010.

- Amendment #4 (and #5) to the Harrisburg URA increased the maximum indebtedness and thus made the Plan subject to revenue sharing.
- The amount of revenue sharing is based off of prior year collections of TIF relative to the original maximum indebtedness of the Plan.
- The original maximum indebtedness for the Harrisburg plan is extremely low (one of the lowest I've ever seen), and thus the revenue sharing thresholds for Harrisburg are also very low.
- The first threshold for revenue sharing is 10% of the original maximum indebtedness (\$297,767 in annual TIF), which the URA received for the first time in FYE 2018. In all subsequent years, the URA should have been subject to sharing a portion of the annual TIF revenue, but this did not occur.
- Our analysis shows the URA should have shared \$258,781 with overlapping taxing districts during this time period.
- The second threshold for revenue sharing occurs when the URA receives TIF equal to 12.5% of the original maximum indebtedness (\$372,209). This first occurred in FYE 2021, and thus would apply in FYE 2022 and beyond. After this point in time, the URA's annual TIF revenue should be limited to \$372,209 each year, with all additional TIF revenue being shared with overlapping taxing districts.
- There is a bit of a catch-22, where the URA would not yet have hit the 12.5% threshold if it had been following the 10% revenue sharing threshold. TIF collections for the URA would have been reduced in the past several years, and we would not expect the URA to hit the 12.5% threshold until FYE 2031 under this scenario.
- ORS 457 does not clearly assign responsibility to any party for paying attention to these revenue sharing thresholds. The system that evolved in response to ORS 457 requires cities to track this themselves and self-report to the Assessor each year the amount of revenue sharing that is supposed to occur. This is a bad system and has led to several jurisdictions unknowingly violating revenue sharing provisions, or miscalculating the amount of revenue that should be collected.
- The City Attorney will likely need to advise the City on how to proceed moving forward. The City will need to begin revenue sharing in FYE 2024 (though there is no clear answer on whether that calculation should be based on the amount of revenue the URA actually received last year, or the amount that would have been received had the URA been correctly following the revenue sharing formulas).
- The County Assessor will likely need to be notified of the error in past years.
- Because the URA is subject to revenue sharing moving forward, it will significantly reduce the financial capacity of the URA in future years.
- The amount of annual TIF revenue still appears to be more than adequate to cover existing, outstanding debt service payments.
- The revenue sharing requirements only affect TIF revenue and does not affect program income, so it should have no impact on the URA's plan to spend program income on future projects.
- It is possible for the URA to exempt itself from revenue sharing (or reduce the amount of revenue shared), if the URA receives written concurrence from the affected taxing districts.



**ORDINANCE 930****AN ORDINANCE MAKING CERTAIN DETERMINATIONS AND FINDINGS  
RELATING TO AND APPROVING THE FIFTH AMENDMENT  
(SUBSTANTIAL) TO THE HARRISBURG URBAN RENEWAL PLAN**

**WHEREAS**, the City Council of the City of Harrisburg approved the Harrisburg Urban Renewal Plan by adoption of Ordinance No.626 on December 23, 1992, which Plan has thereafter been amended four times. The Harrisburg Urban Renewal Plan, as amended through the Fourth Amendment is referred to herein as the “Plan”; and

**WHEREAS**, the Urban Renewal Agency of the City of Harrisburg (“Agency”), as the duly authorized and acting urban renewal agency of the City of Harrisburg, Oregon, is proposing to change the Plan to increase the maximum indebtedness that may be incurred under the Plan, to add property to the Plan area, to modify the amendments section of the Plan and generally update the Plan and to add projects in the Plan (the “Amendment”). Such changes are proposed so that the original objectives in the Plan may be fully accomplished and the urban renewal projects called for in the Plan, as amended, may be completed; and

**WHEREAS**, under the terms of Section 1000 (Future Amendments) of the Plan and under state law an amendment increasing the maximum indebtedness of the Plan is a Substantial Amendment and requires the notice, hearing, and approval procedures required by ORS 457.095, and special notice as provided in ORS 457.120; and

**WHEREAS**, the Agency, pursuant to the requirements of ORS Chapter 457, has prepared the Amendment which is attached to this Ordinance as Exhibit A, and incorporated herein by this reference; and

**WHEREAS**, the Agency has caused the preparation of a Report accompanying the Amendment as required by ORS 457.085(3) (“Report”), which Report dated April 8, 2015 is attached to this Ordinance as Exhibit B and incorporated herein by this reference; and

**WHEREAS**, the Amendment increases the maximum indebtedness of the Plan to \$8,177,674; and

**WHEREAS**, the Amendment and the Report were forwarded on January 23, 2015 to the governing body of each taxing district affected by the Amendment, and the Agency has thereafter consulted and conferred with said districts; and

**WHEREAS**, the maximum indebtedness increase is within a threshold that requires approval of taxing jurisdictions representing 75% of the permanent rate levy and those taxing districts have adopted resolutions of approval as shown in Exhibit D; and

**WHEREAS**, the Amendment and the Report were forwarded to the City of Harrisburg Planning Commission for recommendation, the Planning Commission considered the Amendment and

Report on February 17, 2015 and voted that the Plan with the Amendment conformed with the Harrisburg Comprehensive Plan; and

**WHEREAS**, on February 24, 2015 Agency representatives met with the Board of Commissioners of Linn County to review the Amendment, including the proposed change in the maximum indebtedness for the Plan; and

**WHEREAS**, the City Council has received a written recommendation from the Harrisburg Fire and Rescue and the City Council rejects this recommendation while noting that as part of this Amendment, any future amendment to the Plan will require Harrisburg Fire and Rescue approval; and

**WHEREAS**, the City Council has not received written recommendations from any other governing bodies of the affected taxing districts other than approvals from jurisdictions comprising 75% of the permanent tax rate; and

**WHEREAS**, on March 31, 2015 the City caused notice of the hearing to be held before the City Council on the Amendment, including the required statements of ORS 457.120(3), to be mailed to all water and sewer customers; and

**WHEREAS**, on April 8, 2015 the City Council held a public hearing to review and consider the Amendment, the Report, the Planning Commission Recommendation, and to receive public testimony; and

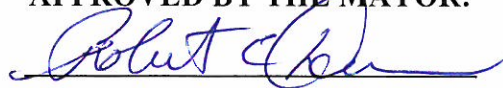
**WHEREAS**, after consideration of the record presented through this date, the City Council does by this Ordinance desire to approve the Amendment.

**NOW THEREFORE, THE COUNCIL OF THE CITY OF HARRISBURG HEREBY ORDAINS THAT:**

**Section 1.** The Amendment complies with all requirements of ORS Chapter 457 and the specific criteria of 457.095(1) through (7), in that, based on the information provided in the Report, the Planning Commission Recommendation and the public testimony before the City Council:

- 1. The process for the adoption of the Amendment, has been conducted in accordance with the provisions of Chapter 457 of the Oregon Revised Statutes;
- 2. The area designated in the Plan as the Harrisburg Urban Renewal Area (“Area”) is blighted, as defined by ORS 457.010(1) and continues to be eligible for inclusion within the Plan because of conditions described in the Report in the Section “Existing Physical, Social, and Economic Conditions and Impacts on Municipal Services”, including the underdevelopment of property within the Area (ORS 457.010(1)(g) and (h));

**APPROVED BY THE MAYOR:**



**EFFECTIVE DATE:**

MAY 8, 2015

**ATTEST:**   
CITY RECORDER

- Attachments: Exhibit A – Harrisburg Urban Renewal Plan Fifth Amendment  
Exhibit B – Report on the Harrisburg Urban Renewal Plan Fifth Amendment  
Exhibit C – Harrisburg Planning Commission Report and Recommendation  
Exhibit D – Taxing Jurisdictions Approvals

3. The rehabilitation and redevelopment described in the Amendment to be undertaken by the Agency is necessary to protect the public health, safety or welfare of the City because absent the completion of urban renewal projects, the Area will fail to contribute its fair share of property tax revenues to support City services and will fail to develop and/or redevelop according the goals of the City’s Comprehensive Plan;

4. The Amendment conforms to the Harrisburg Comprehensive Plan and provides an outline for accomplishing the projects described in the Plan, as more fully described in the Plan as amended by this Amendment and in the Planning Commission Recommendation;

5. No residential displacement will occur as a result of the acquisition and disposition of land and redevelopment activities proposed in the Amendment and therefore the Amendment does not include provisions to house displaced persons;

6. Acquisition of the property identified as 15S04W16AA tax lot 04703 is anticipated in this Amendment and is necessary to complete the development of a library and community center.

7. Adoption and carrying out the Plan, as amended by this Amendment is economically sound and feasible in that eligible projects and activities will be funded by urban renewal tax revenues derived from a division of taxes pursuant to section 1c, Article IX of the Oregon Constitution and ORS 457.440 and other available funding as more fully described in the Section “Financial Analysis of the Plan” of the Report;

8. The City shall assume and complete any activities prescribed it by the Plan; and

9. The Agency consulted and conferred with affected overlapping taxing districts prior to the Plan being forwarded to the City Council.

**Section 4:** The Fifth Amendment to the Harrisburg Urban Renewal Plan is hereby approved based upon review and consideration by the City Council of the Plan and Report, and the Planning Commission Recommendations, each of which is hereby accepted, and the public testimony in the record.

**Section 5:** The City Administrator shall forward forthwith to the Agency a copy of this Ordinance.

**Section 6:** The Agency shall thereafter cause a copy of the Amendment to be recorded in the Records of Linn County, Oregon.

**Section 7:** The City Administrator, in accordance with ORS 457.115, shall publish notice of the adoption of the Ordinance approving the Amendment, including the provisions of ORS 457.135, in the Register Guard no later than four days following adoption of this Ordinance.

**Adopted by the City Council of the City of Harrisburg this 8<sup>th</sup> day of April 2015.**

EXHIBIT A - HARRISBURG URBAN RENEWAL PLAN FIFTH AMENDMENT

Amendment No.5 Harrisburg Urban Renewal Plan

The following changes are made to the Harrisburg Urban Renewal Plan. Deletions are shown in ~~crossout~~ and additions are shown in *italics*.

**SECTION 100 - INTRODUCTION**

*Amendment five, adopted 4-8-2015, added property to the urban renewal area, increased the maximum indebtedness to \$8,177,674, added projects to the project list, and modified the amendments section of the Plan.*

**SECTION 300 - BOUNDARY DESCRIPTION**

This section is updated to include the properties to be added in the 2015 amendment.

*Harrisburg Urban Renewal Plan  
Harrisburg, Oregon  
April, 2015*

*Commencing at the Southwest corner of Block 14 in Schooling's Addition to the Town of Harrisburg, in Linn County, Oregon;*

- *Thence South 550.0 feet and West 60.0 feet to the Northwest corner of those lands described in that deed recorded in Book 328, Page 419, Linn County Deed Records, and the Point of Beginning;*
- *Thence South along the West line of said lands, continuing along the West line of Parcel 2 of Partition Plat No. 2000-28, Linn County Plat Records, 700 feet, more or less, to a point on the westerly extension of the southerly margin of Sommerville Avenue;*
- *Thence East along said southerly margin, 1,172 feet, more or less, to the East right-of-way of the Burlington Northern - Santa Fe Railroad;*
- *Thence South along said East right-of-way 1,280 feet, more or less;*
- *Thence East 470 feet, more or less, to the East right-of-way of the Union Pacific Railroad;*
- *Thence along said East right-of-way North 0°06' West 190 feet, more or less., to the Southwest corner of Parcel 1 of Partition Plat No. 2007-10, Linn County Plat Records;*
- *Thence along the South line of said Parcel 1 the following seven courses: (1) along on a 70.0 foot radius curve to the right (the long chord of which bears North 45°12'28" East 98.77 feet) a distance of 109.64 feet;*
- *(2) Thence South 89°55'20" East 97.31 feet;*

- (3) Thence along a 50.0 foot radius curve to the left (the long chord of which bears North 53°24'05" East 59.73 feet) a distance of 64.01 feet;
- (4) Thence North 16°43'31" East 128.82 feet;
- (5) Thence North 67°57'49" East 72.60 feet;
- (6) Thence North 29°14'55" East 123.90 feet;
- (7) Thence South 89°17'15" East 179.16 feet to the Southwest corner of Parcel 2 of said Partition Plat No. 2007-10;
- Thence along the South line of said Parcel 2 South 89°17'15" East 515.59 feet to the center of Market Road 2 (known as Coburg to Harrisburg Road);
- Thence North 10°48'40" West 1,247.53 feet along the center of Market Road to a point on the easterly extension of the South line of Partition Plat No. 2000-50, Linn County Plat Records;
- Thence along said South line, South 89°56'43" West 905 feet, more or less, to the West right-of-way of the Union Pacific Railroad;
- Thence along said West line, North 0°06' West 490 feet, more or less;
- Thence West 400 feet, more or less;
- Thence North 230 feet, more or less, to the center of LaSalle Street;
- Thence along said center of LaSalle Street, West 45 feet, more or less, to the East right-of-way of the Burlington Northern - Santa Fe Railroad;
- Thence along said East right-of-way of the Burlington Northern - Santa Fe Railroad, South 230 feet, more or less;
- Thence West 500 feet, more or less, to the East right-of-way of Pacific Highway (U.S. 99E);
- Thence Northerly along the East right-of-way of said Pacific Highway 1,740 feet, more or less, to the North margin of the alleyway in Block 7, City of Harrisburg, Linn County Plat Records;
- Thence East 300 feet, more or less, to the West right-of-way of the Burlington Northern - Santa Fe Railroad;

- *Thence North 162 feet, more or less, to the North right-of-way of Smith Street;*
- *Thence East 514 feet, more or less, to the West right-of-way of the Union Pacific Railroad;*
- *Thence Northerly along the West right-of-way of the Union Pacific Railroad 560 feet, more or less, to the North right-of-way of Territorial Street;*
- *Thence West 35 feet, more or less, along the North right-of-way of Territorial Street;*
- *Thence Northerly 145 feet, more or less;*
- *Thence 25.2 feet East to the West right-of-way of the Union Pacific Railroad;*
- *Thence Northeasterly along the West right-of-way of the Union Pacific Railroad 1,390 feet, more or less, to the Northeast corner of those lands in deed reference MF1107-0806, Linn County Deed Records;*
- *Thence along the North line of said lands, South 89°28' West 470 feet, more or less, to the East right-of-way of the Pacific Highway (U.S. 99E);*
- *Thence along said East right-of-way, South 42°05' West 280 feet, more or less, to the East right-of-way of the Burlington Northern - Santa Fe Railroad and the Northwest corner of Partition Plat No. 2008-07, Linn County Plat Records;*
- *Thence along the North line of said Partition Plat, South 89°52'44" East 122.09 feet, more or less, to the East line of Section 9, Township 15 South, Range 4 West, of the Willamette Meridian;*
- *Thence along said East line of Section 9, South 1,321 feet, more or less, to the South right-of-way of Territorial Street;*
- *Thence along said South right-of-way, West 180 feet, more or less, to the East right-of-way of the Burlington Northern - Santa Fe Railroad;*
- *Thence along the East right-of-way of the Burlington Northern - Santa Fe Railroad, South 355 feet, more or less;*
- *Thence West 176.19 feet to the Northwest corner of those lands described in that deed recorded as Instrument No. 2014-6675, Linn County Deed Records;*
- *Thence North 100 feet to the Northeast corner of those lands described in that deed recorded as Instrument No. 2014-6677, Linn County Deed Records;*

- *Thence West 100 feet, more or less, to the Southwest corner of those lands described in deed reference MF0895-042, Linn County Deed Records;*
- *Thence along the West line of said lands, North 320 feet, more or less, to the North right-of-way of Territorial Street;*
- *Thence East 46 feet, more or less, to the Southeast corner of Parcel 3, Partition Plat No. 2006-61, Linn County Plat Records;*
- *Thence along the East line of said Parcel 3, North 0°31'48" West 250 feet, more or less;*
- *Thence West 128 feet, more or less, to the East right-of-way of Pacific Highway (U.S. 99E);*
- *Thence North 430 feet, more or less, to the intersection of the West right-of-way of Pacific Highway and the East right-of-way of Market Road No.2 (known as Peoria Road);*
- *Thence North and Northwesterly along the East right-of-way of Peoria Road 2,685 feet, more or less, to the Southwest corner of Parcel 1, Partition Plat No. 2003-56, Linn County Plat Records;*
- *Then along the South line of said Parcel 1, North 89°27'30" East 1,171.43 feet, more or less, to the West right-of-way of the Burlington Northern - Santa Fe Railroad;*
- *Thence along said West right-of-way, North 1°00'15" East 1,511.32 feet, more or less, to the Northeast corner of Parcel 2 of said Partition Plat;*
- *Thence along the North line of said Parcel 2, West 1,440 feet, more or less, to the Northwest Corner of the Perry Hyde D.L.C. No. 51;*
- *Thence along the West line of said D.L.C. No. 51, South 500 feet, more or less, to the East right-of-way of Peoria Road;*
- *Thence South 12°57' East 450 feet, more or less, along the East right-of-way of Peoria Road to the Northwest corner of said Parcel 1, Partition Plat No. 2003-56;*
- *Thence West 60 feet, more or less, to the East-Northeast corner of Parcel 3, Partition Plat No. 2003-56, being a point on the West right-of-way of Peoria Road;*
- *Thence Southeast and South along said West right-of-way of Peoria Road 4,055 feet, more or less, to the South right-of-way of Territorial Street;*



- *Thence West 100.5 feet to the Northwest corner of Lot 2, Block 3, McCully's Addition, Linn County Plat Records;*
- *Thence along the West line of said Lot 2, South 115.15 feet to the Northwest corner of Lot 11, Block 3, McCully's Addition;*
- *Thence along the North line of said Lot 11, East 20 feet to the Northeast corner of those lands described in that deed recorded in Book 391, Page 183, Linn County Deed Records;*
- *Thence along the East line of said lands, South 160.15 feet to the South right-of-way of Monroe Street;*
- *Thence along said South right-of-way of Monroe Street, West 20 feet, more or less, to the Northwest corner of Lot 2, Block 4, McCully's Addition;*
- *Thence along the West line of said Lot 2, South 114.85 feet to the South side of the alleyway in said Block 4, McCully's Addition;*
- *Thence along the South side of said alleyway and continuing along the South side of the alleyway in Block 1, McCully's Addition, West 652 feet, more or less, to the West right-of-way of First Street;*
- *Thence along said West right-of-way, North 467 feet, more or less, to the North right-of-way of Territorial Street;*
- *Thence along said North right-of-way, East 127 feet, more or less, to the Southwest corner of those lands described in that deed recorded as Instrument No. 2011-10225, Linn County Deed Records;*
- *Thence along the West line of said lands, North 100 feet, more or less, to the Northwest corner of said lands, being a point on the westerly extension of the South line of the alleyway in Block 1, Perry Hyde's Addition, Linn County Plat Records;*
- *Thence along said westerly extension, West 250 feet, more or less, to a point of 100 feet West of the ordinary high water line of the East bank of the Willamette River;*
- *Thence Southerly 1,230 feet, more or less, along a line 100 feet West of said ordinary high water line of the East bank of the Willamette River to a point on the Westerly projection of the North right-of-way of Macy Street;*
- *Thence East 130 feet, more or less, to the Southeast corner of Lot 8, of an unnumbered block lying between First Street and the Willamette River, City of Harrisburg, being a point on the West right-of-way of First Street;*

- *Thence along said West right-of-way, North 215 feet, more or less, to a point on the South right-of-way of Moore Street;*
- *Thence along said South right-of-way, East 390 feet, more or less, to the Northeast corner of Block 2, City of Harrisburg, being a point on the West right-of-way of Second Street;*
- *Thence along said West right-of-way, South 275 feet, more or less, to the Northeast corner of Block 3, City of Harrisburg, being a point on the South right-of-way of Macy Street;*
- *Thence along said South right-of-way, East 360 feet, more or less, to the Northeast corner of Block 4, City of Harrisburg, being a point on the West right-of-way of Pacific Highway (U.S. 99E);*
- *Thence South and Southwesterly along the West right-of-way of the Pacific Highway (U.S. 99E) 1,505 feet, more or less, to the West right-of-way of Second Street at the intersection with Pacific Highway;*
- *Thence South 248 feet more or less to the Northeast corner of said lands described in that deed recorded in Book 328, Page 419, Linn County Deed Records;*
- *Thence along the North line of said lands, West 360 feet, more or less, to the Point of Beginning.*

**SECTION 400 – RELATIONSHIP TO LOCAL OBJECTIVES**

**Exhibit 3. Planning Commission Report and Findings 2015 adds to this section on relationship to local objectives.**

**SECTION 600 - OUTLINE OF DEVELOPMENT**

**D. Property Acquisition**

**1. Property to be acquired for Public Use**

*Property to be acquired includes tax lot 04703 as specified in Table 1.*

**Table 1. Properties to be acquired for Public Use**

Tax Map	Tax Lot
---------	---------

15 4W 16 D            200 (partial, approximately 3 acres)  
15S04W16AA        04703

E. Property Disposition and Redevelopment

~~The Agency proposes to commence disposition of property within two (2) years from the date of approval of this plan, and to complete disposition within eight (8) years from such approval.~~

*4. Public Facilities including a public library/community center.*

**SECTION 1000 - FUTURE AMENDMENTS**

~~Where, in the judgment of the Renewal Agency, the proposed modification will substantially change the Plan, the modification must be approved by the City Council in the same manner as the original plan. Notice of hearing on such amendments will be given in accordance with the applicable provisions of ORS 457.~~

A. Council Approved Changes

Council approved changes to the Plan shall be approved by resolution of the City Council and include the following:

1. *Extending the date after which no bond and is indebtedness shall be issued with respect to the plan. Or any project undertaken or to be undertaken under the urban renewal plan. This date is contained in Section 1100 of this Plan.*
2. *Improvements or activities which represent a change in the purpose and objectives of this plan, and which cost more than \$250,000. The \$250,000 amount will be adjusted annually from 1993 according to the construction cost index.*
3. *Acquisition of property for private development.*
4. *Acquisition of property for improvements listed in section 700 A and B of this Plan, including right-of-way and utility improvements, if such acquisition will result in the displacement and relocation of a resident or business.*

B. Substantial Changes

~~2. Extending the date after which no bond and is indebtedness shall be issued with respect to the plan. Or any project undertaken or to be undertaken under the urban renewal plan. This date is contained in Section 1100 of this Plan.~~

- ~~3. Improvements or activities which represent a change in the purpose and objectives of this plan, and which cost more than \$250,000. The \$250,000 amount will be adjusted annually from 1993 according to the construction cost index.~~
  - ~~4. Acquisition of property for private development.~~
  - ~~5. Acquisition of property for improvements listed in section 700 A and B of this Plan, including right of way and utility improvements, if such acquisition will result in the displacement and relocation of a resident or business.~~
  - ~~6. If this plan subs subsequently is changed to include a maximum amount of bonded indebtedness, changes to the maximum amount of bonded indebtedness will be considered a substantial change to the Plan.~~
- 2. *Any increase to the maximum indebtedness of the Plan.*
  - 3. *Taxing jurisdictions representing 95% of the permanent rate levy, and in any case including the Harrisburg Rural Fire Department, must approve any future amendment extending the term of the district beyond the 22 years (FYE 2036), or increasing the maximum indebtedness from \$8,177,674.*

**SECTION 1100 - PUBLIC BUIDING SERVES AND BENEFITS**

*The future library/community center serves and benefits the Area by providing library and meeting space to the citizens of Harrisburg. The ability to meet in the downtown core will bring additional visitors to the commercial core, helping to support those businesses. The facility will also help maintain the sense of community by providing a place to meet and a home for the library.*

- Exhibit 1 Map - Boundary Replaced in its Entirety**
- Exhibit 3 Planning Commission Findings 2015**
- Exhibit 4a Location of Proposed Public Improvements**

**SECTION 1300 - CITIZEN PARTICIPATION**

*Amendment 5 was developed under the guidance of an advisory committee which met to review the existing plan and to discuss potential future projects. The amendment was also reviewed by the Harrisburg Planning Commission which held a public hearing on the amendment on 2-17-15 and found the amendment conformed to the Harrisburg Comprehensive Plan. The Harrisburg City Council held a public hearing on this*

amendment on 4-8-15. Additional notice on City Council adoption of the amendment was provided, as required by ORS 457.120.

**SECTION 1400 - ~~ESTABLISHMENT OF MAXIMUM DEBT~~ MAXIMUM INDEBTEDNESS**

The maximum amount of indebtedness that may be issued or incurred under this urban renewal plan is ~~\$3,627,674.~~ \$8,177,674.

**Exhibit 1 Map - Boundary Replaced in its Entirety**

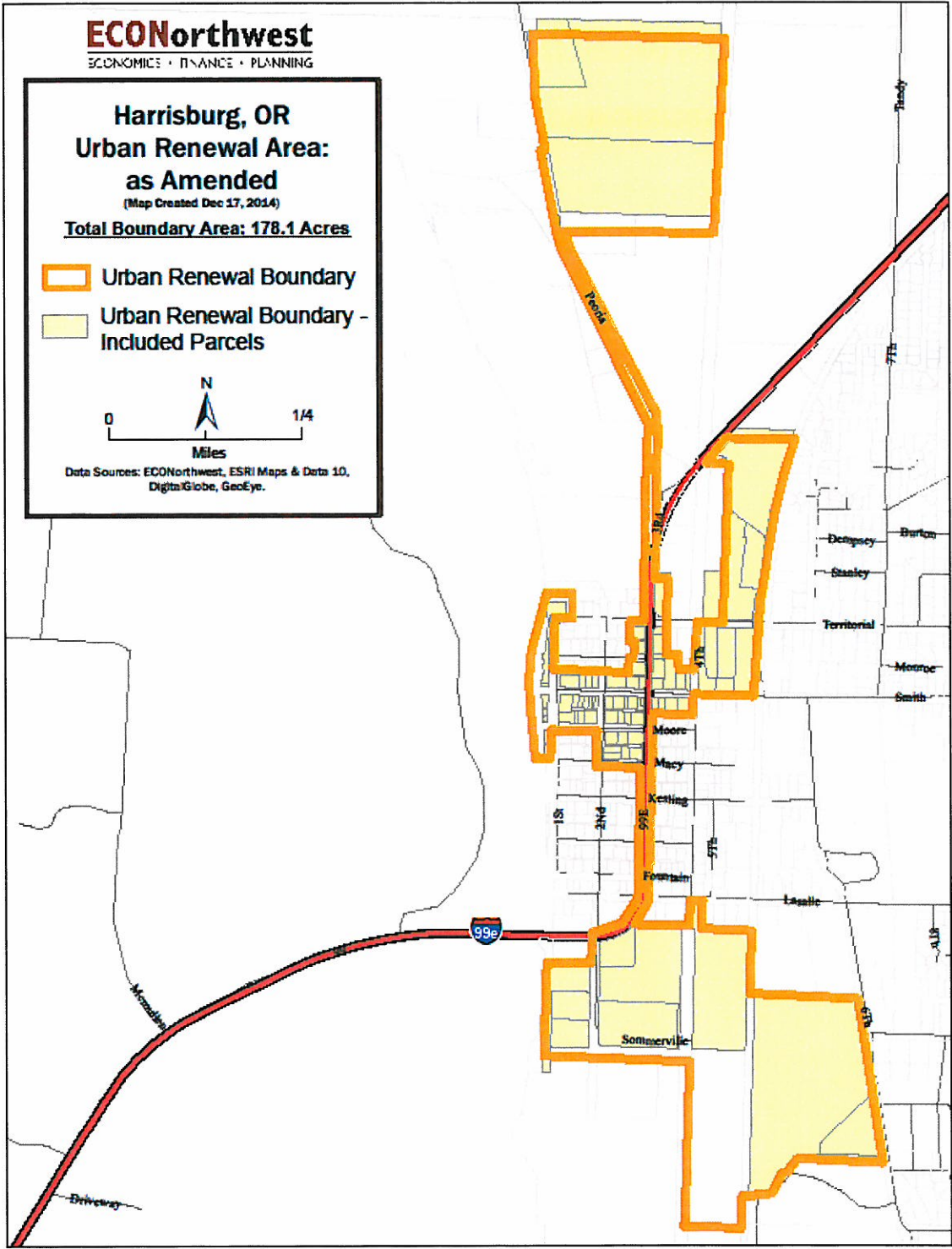
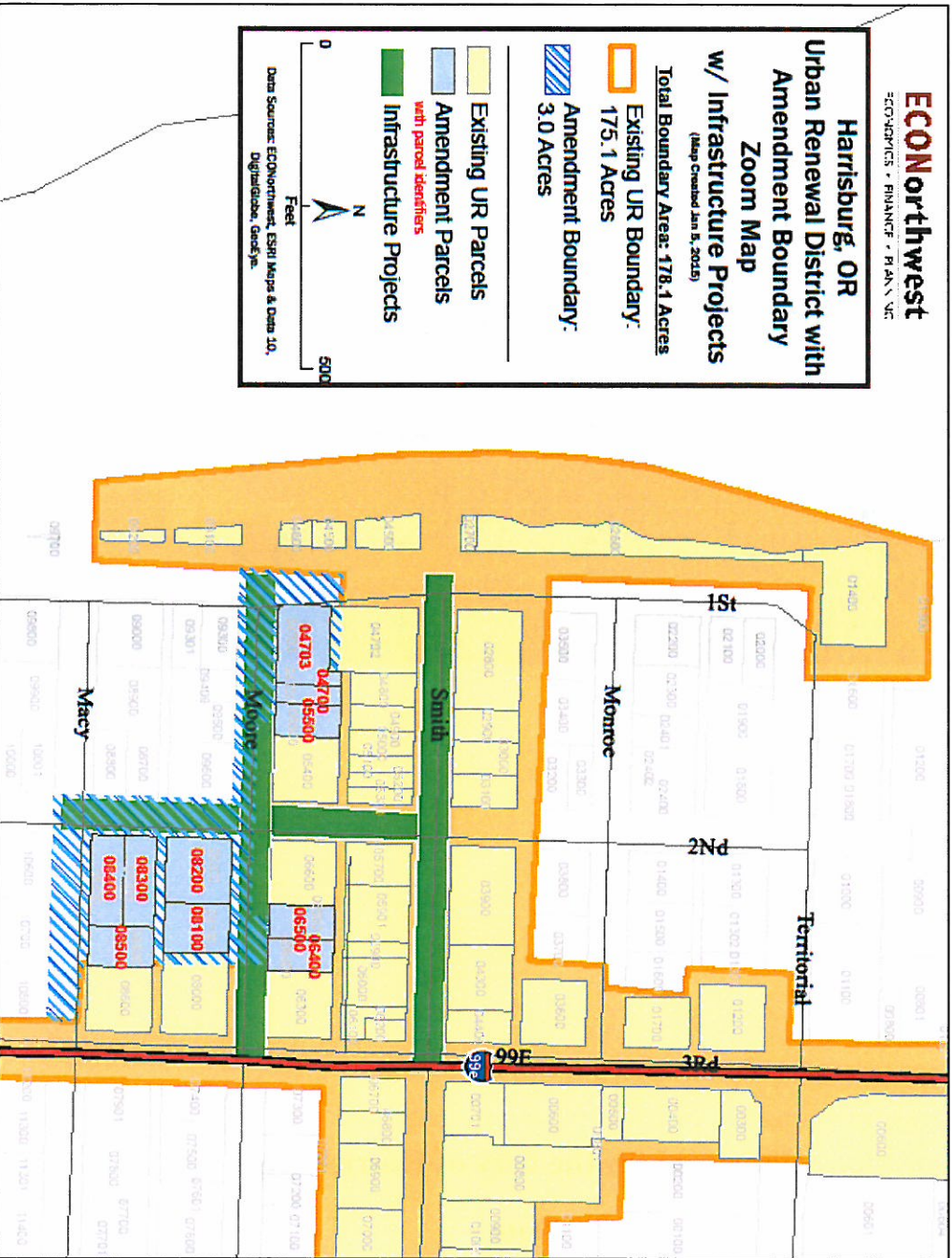


Exhibit 4a - Location of Proposed Public Improvements (adds information on street and streetscape improvements in the downtown core to Exhibit 4 of the original Plan)



# REPORT ACCOMPANYING HARRISBURG URBAN RENEWAL PLAN AMENDMENT NO. 5



Prepared for the City of Harrisburg

Date



**Harrisburg Urban Renewal Area**

**Elaine Howard Consulting, LLC**

Elaine Howard

**ECONorthwest**

Nick Popunek, Rob Wyman

**Jeannette Launer, Legal Counsel**

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## INTRODUCTION

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The Report on the Amendment to the Harrisburg Urban Renewal Plan (Report) contains background information and project details pertaining to the Harrisburg Urban Renewal Plan Amendment (Amendment). The Report is not a legal part of the Harrisburg Urban Renewal Plan (Plan), but is intended to provide public information and a basis for the findings made by the City Council as part of its approval of the Amendment to the Plan.

The Report provides the information required in ORS 457.085(3). The format of the Report is based on this statute. The Report documents not only the proposed project in the Plan, but also documents the existing conditions in the Harrisburg Urban Renewal Area (Area). The existing conditions of the existing area come from the 2014 substantial amendment, Amendment 4.

The Harrisburg Urban Renewal Plan was established in December of 1992, and had an existing initial maximum indebtedness of \$2,977,674. In 2014, the maximum indebtedness was increased by \$650,000. To date, there have been four amendments, with the most recent being passed in 2014. These amendments are summarized below:

Amendment 1: Established Maximum Indebtedness of \$2,977,674.

Amendment 2: Authorized expenditures on Public Facilities.

Amendment 3: Authorized acquisition of property

Amendment 4: Increased Maximum Indebtedness to \$3,627,674.

The amendment this Report addresses, the 5<sup>th</sup> Amendment to the Harrisburg Urban Renewal Plan – seeks to raise the Maximum Indebtedness (MI) of the Plan by \$4,550,000, bringing the total MI to be incurred to \$8,177,674. It also adds parcels and specifies new projects. This is considered a substantial amendment as it is an increase to the maximum indebtedness and an increase in acreage over 1% of the existing acreage, and, therefore, will require a City Council vote on a non-emergency ordinance.



Figure 2 - Amendment Area

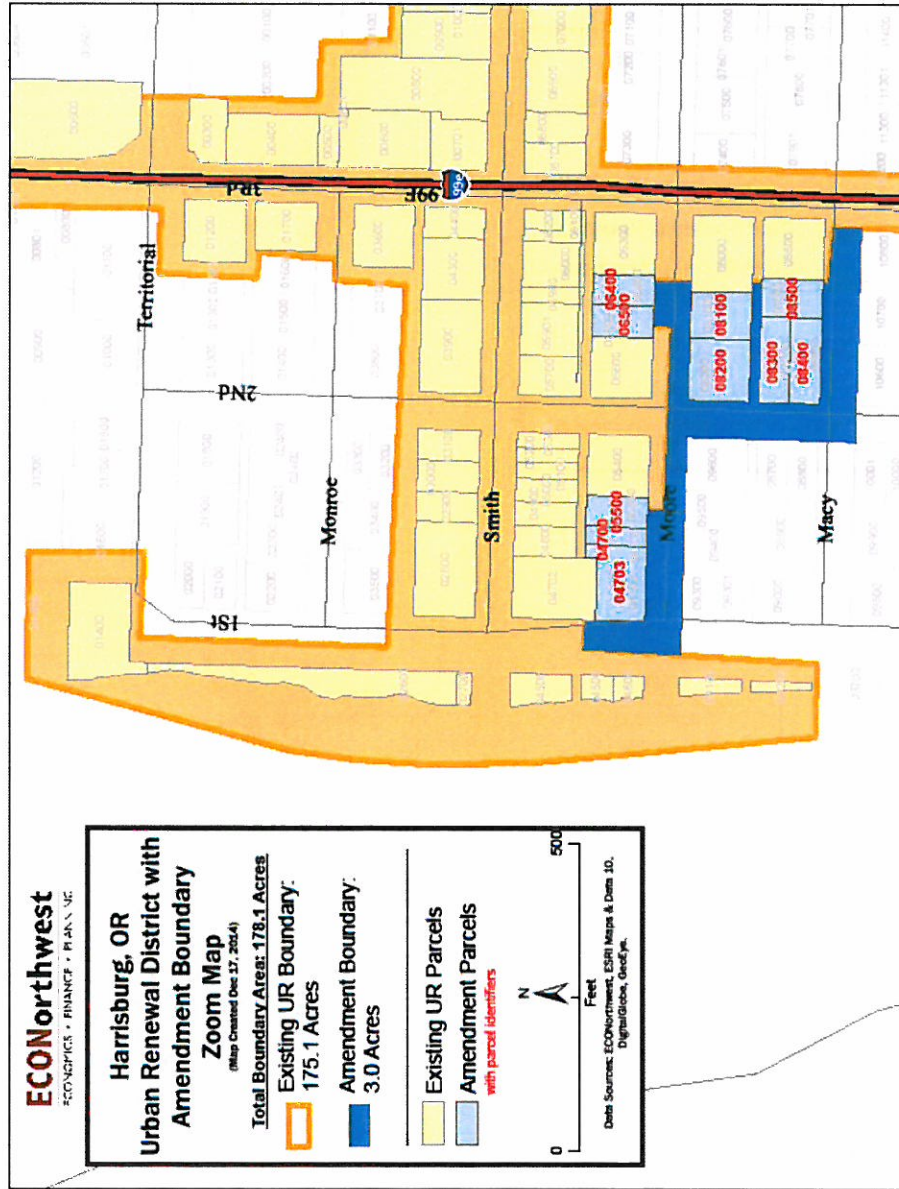
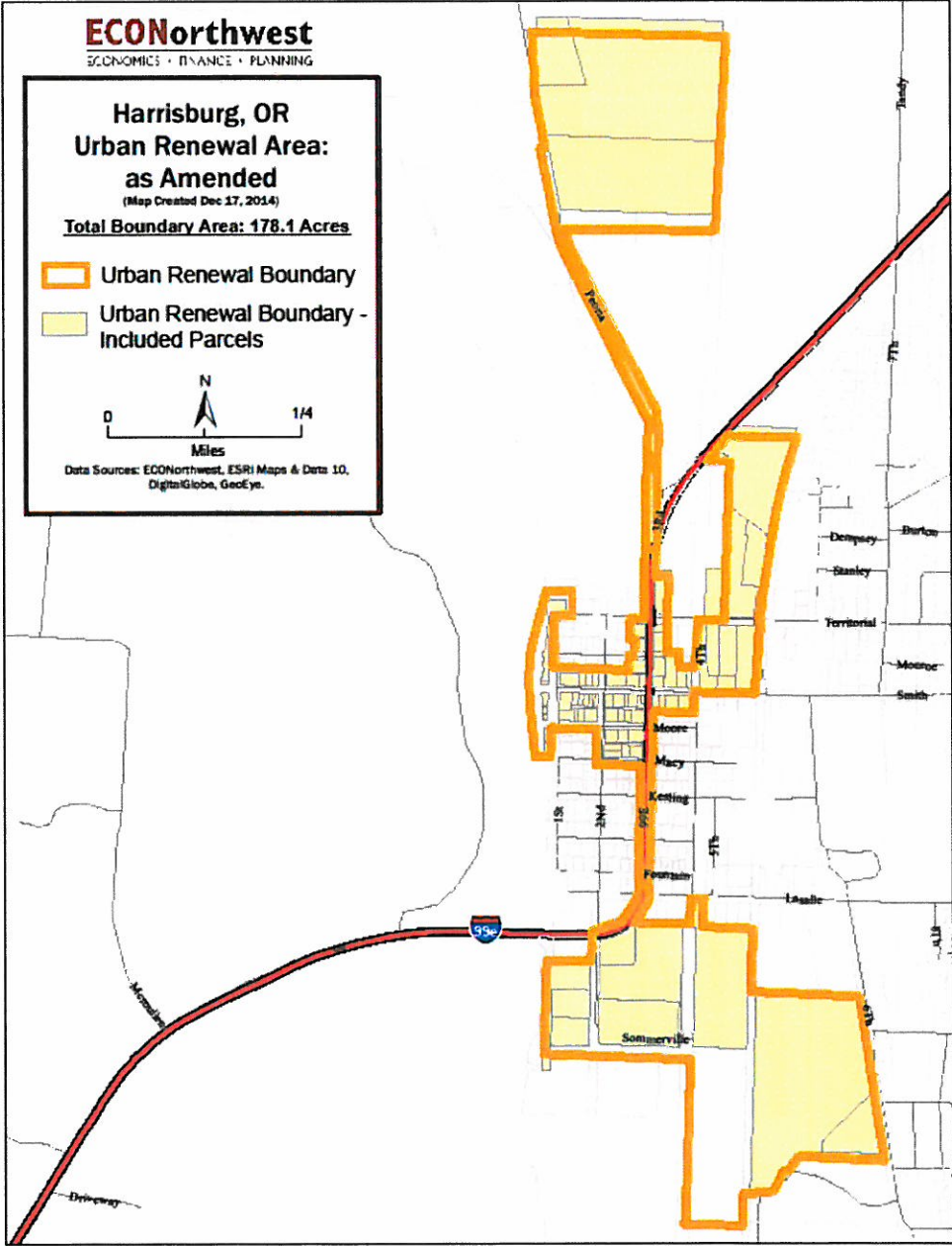


Figure 3 - Area As Amended



## EXISTING PHYSICAL, SOCIAL, AND ECONOMIC CONDITIONS AND IMPACTS ON MUNICIPAL SERVICES

This section of the Report describes existing conditions within the Harrisburg Urban Renewal Area (Area), and documents the occurrence of “blighted areas”, as defined by ORS 457.010(1).

### Physical Conditions

There are approximately 175.1 acres in the Area. Ten additional tax lots totaling 1.53 acres are being added to the area, plus additional 1.47 acres of right-of-way for a total of approximately 3 new acres. This property is shown in Figure 2. The post amendment acreage will be 178.1 acres.

### Land Use

According to the Linn County Assessor’s Office, the Area as amended, shown in Figure 3, contains 76 parcels, and consists of 129.2 acres in parcels and 48.90 acres of right-of-way, for a total size of 178.1 acres.

An analysis of 2014 property classification data from the Linn County Assessment and Taxation database was used to determine the land use designation of parcels in the Area. Within the Area, the largest use of land is Industrial (49% of total acreage). Following this is vacant land at thirty seven percent (37%) of the Area.

**Table 1 - Existing Land Use of Area**

Land Use	Acres		Parcels	
	Number	Percent	Number	Percent
Commercial	16.3	12.6%	36	52.2%
Vacant	47.3	36.6%	9	13.0%
Single-family residential	1.8	1.4%	9	13.0%
Industrial	63.8	49.4%	13	18.8%
<b>Total</b>	<b>129.2</b>	<b>100.0%</b>	<b>69</b>	<b>100.0%</b>

*Source: Linn County Assessor’s data*

### Zoning and Comprehensive Plan Designations

All ten new parcels are zoned C1 Commercial and have a Commercial comprehensive plan designation.

*Street and Sidewalk Conditions*

There are sections of road and sidewalk that do not adequately serve the community. These sections need to be upgraded to provide a safe and appealing transportation network that will encourage efficient pedestrian and vehicular travel and make the Area an attractive location for business owners. Some of the streets in the downtown core that require improvements are listed below, as identified by the Harrisburg City Engineer. The conditions of these streets indicate the Area is blighted per ORS 457.010(1)(e).

**The following streets need to be resurfaced:**

- Smith Street from 1<sup>st</sup> to 3<sup>rd</sup> Street
- 2<sup>nd</sup> Street from Smith Street to Moore Street
- Moore Street from 3<sup>rd</sup> Street to 2<sup>nd</sup> Street
- Territorial Street between Burlington Northern Santa Fe (BNSF) railroad tracks and Southern Pacific Railroad (SPRR) tracks
- Monroe Street, 100 feet west of 3<sup>rd</sup> Street
- Smith Street from 3<sup>rd</sup> Street to SPRR
- Macy Street, 100 feet west of 3<sup>rd</sup> Street

**The following streets have inadequate or deficient sidewalks:**

- Smith Street from 1<sup>st</sup> Street to 3<sup>rd</sup> Street
- 2<sup>nd</sup> Street from Smith Street to Moore Street
- Moore Street from 3<sup>rd</sup> to 1<sup>st</sup> Street
- Territorial Street, 100 feet west of 3<sup>rd</sup> Street
- Territorial Street between BNSF railroad tracks and SPRR tracks
- Monroe Street, 100 feet west of 3<sup>rd</sup> Street
- Smith Street from 3<sup>rd</sup> Street to SPRR
- Macy Street, 100 feet west of 3<sup>rd</sup> Street
- 4<sup>th</sup> Street north from Smith Street approximately 200 feet
- East side of 3<sup>rd</sup> Street from S. 2<sup>nd</sup> Street to LaSalle Street
- 1<sup>st</sup> Street from Smith Street to Territorial Street



*Storm water*

The Harrisburg City Engineer has identified the following deficiencies in storm water lines in the Area. The conditions of the storm water lines indicate the Area is blighted per ORS 457.010(1)(e).

Deficiencies:

- Smith Street from 1<sup>st</sup> Street to 3<sup>rd</sup> Street
- 2<sup>nd</sup> Street from Smith Street to Moore Street
- Moore Street from 3<sup>rd</sup> Street to 1<sup>st</sup> Street
- Territorial Street 100 feet west of 3<sup>rd</sup> Street
- Territorial Street between BNSF railroad tracks and SPRR tracks
- Monroe Street, 100 feet west of 3<sup>rd</sup> Street
- Smith Street from 3<sup>rd</sup> Street to SPRR
- Macy Street, 100 feet west of 3<sup>rd</sup> Street
- 3<sup>rd</sup> Street from S. 2<sup>nd</sup> Street to Territorial Street

*Sanitary Sewer*

The Harrisburg City Engineer has identified the following deficiencies in sanitary sewer lines in the Area. The conditions of the sanitary sewer lines indicate the Area is blighted per ORS 457.010(1)(e).

Deficiencies:

- Territorial Street 100 feet west of 3<sup>rd</sup> Street
- Territorial Street between BNSF railroad tracks and SPRR tracks
- East to West -Between BNSF and SPRR rails in-line with Stanley Lane
- Smith Street from 3<sup>rd</sup> Street to SPRR

*Water*

The Harrisburg City Engineer has identified the following deficiencies in water lines in the Area. The conditions of the water lines indicate the Area is blighted per ORS 457.010(1)(e).

- Smith Street from 1<sup>st</sup> Street to 3<sup>rd</sup> Street
- 2<sup>nd</sup> Street from Smith Street to Moore Street
- Moore Street from 3<sup>rd</sup> Street to 1<sup>st</sup> Street
- Territorial Street 100 feet west of 3<sup>rd</sup> Street

- Territorial between BNSF railroad tracks and SPRR tracks
- Monroe Street, 100 feet west of 3<sup>rd</sup> Street
- Smith Street from 3<sup>rd</sup> Street to SPRR
- Macy Street, 100 feet west of 3<sup>rd</sup> Street

**Social Conditions**

Approximately one percent of the Area is zoned for residential uses. There are very few residents within the urban renewal area, accounting for only 9 parcels. None of the new parcels are zoned for residential use, however, two have existing residential uses according to the county assessor records.

**Economic Conditions**

*Taxable Value of Property Within the Area*

The frozen base is estimated at \$4,267,235, including an additional \$665,970 from this Amendment. This number may actually be a bit lower, as the assessor shows assessed value for three properties that are owned by the city and on which they pay no taxes. The assessor will determine this number upon completion of this amendment. The FY 2014/15 excess value of the Harrisburg Urban Renewal Area is \$18,533,725.<sup>1</sup> The total assessed value of the City of Harrisburg is \$191,406,992, a 4.9% increase over the prior year.<sup>2</sup> The total assessed value in the area prior to the amendment is \$22,134,990. The estimated assessed value after amendment is \$22,800,960.

*Building to Land Value Ratio*

An analysis of property values can be used to evaluate the economic condition of real estate investments in a given area. The relationship of a property’s improvement value (the value of buildings and other improvements to the property) to its land value is generally an accurate indicator of the condition of real estate investments. This relationship is referred to as the “Improvement to Land Ratio”, or “I:L.” The values used are real market values. In urban renewal areas, the I:L may be used to measure the intensity of development or the extent to which an area has achieved its short- and long-term development objectives. A healthy condition of real estate investment in the Area would be 2:1 or more.

Table 2, below, “I:L Ratio of Parcels in the Area”, shows the improvement to land ratios for the new properties within the Area. Approximately 28% of the new

<sup>1</sup> Excess value is the “incremental value” over the frozen base in an urban renewal area

<sup>2</sup> Data from Linn County Assessor’s 2014/15 tax roll summary

acreage in the Area is vacant, so has no improvement value. (one of these parcels has the land use classification by the assessor of residential improved, however, it shows no improvement value). None of the acreage meets the I:L ratio of 2.0. The I:L ratios for improved properties in the Area are very low. This indicates conditions of blight per ORS 457.010(1)(g)and (h).

**Table 2 - I:L Ratio of New Parcels in the Area**

I:L ratio	Parcels	Acres	% of Total Acres
No Improvements	3	0.43	28.10%
<1	5	0.73	47.71%
<2	2	0.37	24.18%
Total	10	1.53	100.00%

*Source: raw data from Linn County Assessor*

### **Impact on Municipal Services**

The fiscal impact of tax increment financing on taxing districts that levy taxes within the Area (affected taxing districts) is described in the Section on Impact of Tax Increment Financing of this Report. This subsection discusses the fiscal impacts resulting from potential increases in demand for municipal services.

The projects being considered for future use of urban renewal are transportation projects, façade improvements, and a library/community center. The use of urban renewal funding for these projects allows the city to construct the improvements for the second block of Smith Street, Moore Street from 1<sup>st</sup> to 3<sup>rd</sup> Street, Macy Street from 2<sup>nd</sup> to 3<sup>rd</sup> Street and 2<sup>nd</sup> Street from Macy Street to Smith Street. It also allows the city to tap a different funding source than the City of Harrisburg’s general funds to make these improvements.

It is anticipated that these improvements will catalyze development on the adjacent undeveloped and underdeveloped parcels. This development will require city services, but may also generate systems development charges and revenues from the use of utilities in the Area. As the development will be new construction, it will be up to current building code, and will aid in any fire-protection needs.

These impacts will be countered by providing major transportation funding for vital connections to Harrisburg and major parcels of undeveloped and underdeveloped land. This land will provide future jobs to the Harrisburg area, and future increased tax base for all taxing jurisdictions. The future addition of a library/community center will provide much needed community space. Storefront assistance will improve the business climate in the Area.

## REASONS FOR SELECTION OF EACH URBAN RENEWAL AREA IN THE PLAN

The reason for selecting the area is to cure blight within the Area.

## THE RELATIONSHIP BETWEEN URBAN RENEWAL PROJECTS AND THE EXISTING CONDITIONS IN THE URBAN RENEWAL AREA

The projects identified for the Area are shown below.

- The reconstruction of Smith Street including utility upgrades and sidewalk improvements. This includes water service line replacements, sidewalks, ADA approaches, a trenched loop waterline, storm drain main line, catch basins, asphalt paving, light poles and tree boxes. This project also includes a Smith Street and Highway 99 Crossing. A portion of this project was included in the prior amendment. This includes the other street section.

*Existing Conditions: Smith Street is presently in a deteriorated state. Both the roadway and the sidewalks are deficient. The utilities under Smith Street are also deficient. There are limited and inconsistent light fixtures attached to utility poles and sporadic street trees.*

- The reconstruction of Moore Street from 1<sup>st</sup> Street to 3<sup>rd</sup> Street including utility upgrades and sidewalk improvements. This includes water service line replacements, sidewalks, ADA approaches, storm drain main line, catch basins, asphalt paving, light poles and tree boxes.

*Existing Conditions: Moore Street is presently in a deteriorated state. Both the roadway and the sidewalks are deficient. The utilities under Moore Street are also deficient. There are limited and inconsistent light fixtures attached to utility poles and sporadic street trees.*

- The reconstruction of Macy Street from 2<sup>nd</sup> to 3<sup>rd</sup> Street including water line upgrades, ADA approaches, storm drain main line upgrades, catch basins, asphalt paving, light poles and sidewalk improvements.

*Existing Conditions: Macy Street is presently in a deteriorated state. Both the roadway and the sidewalks are deficient. The utilities under Macy Street are also deficient. There are limited and inconsistent light fixtures attached to utility poles and sporadic street trees.*

- The reconstruction of 2<sup>nd</sup> Street from Macy Street to Smith Street including water line upgrades, storm drain main line upgrades, catch basins, asphalt paving, light poles and sidewalk improvements.

*Existing Conditions: 2<sup>nd</sup> Street is presently in a deteriorated state. Both the roadway and the sidewalks are deficient. The utilities under 2<sup>nd</sup> Street are also deficient. There are limited and inconsistent light fixtures attached to utility poles and sporadic street trees.*

- Development of a community center including land acquisition for the purchase of property abutting city hall.

*Existing Conditions: this property is currently vacant and underdeveloped.*

- Storefront loans are an existing project in the urban renewal plan.

## THE ESTIMATED TOTAL COST OF EACH PROJECT AND THE SOURCES OF MONEYS TO PAY SUCH COSTS

---

The estimated project funding is shown in the table below. These numbers are in constant (present year) dollars. The source of money is expected to be tax increment financing.

**Table 3 - Estimated Project Costs**

Project	Cost
Street Projects and Infrastructure	\$3,169,646
Building Façade Program	\$500,000
Land Acquisition	\$150,000
Community Center	\$325,000
Administration	\$192,900
Financing Fees	\$54,293
Total	\$4,391,839

## THE ANTICIPATED COMPLETION DATE FOR EACH PROJECT

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The project completion dates are identified in the Table 4b below. These project completion dates may be adjusted during the annual budgeting process.

## AMOUNT OF INCREASED MAXIMUM INDEBTEDNESS ALLOWED

ORS 457.220(4)(a) and (b) state that an urban renewal plan’s indebtedness may be increased, but is limited to the aggregate of all amendments under this subsection, and may not exceed 20% of the plan’s initial maximum indebtedness, as adjusted by the index used in the plan to compute future costs of projects that will be financed under the plan. The computation for the Harrisburg Urban Renewal Plan is shown below. The initial maximum indebtedness was \$2,977,674. The adjustment factor in the Plan was 5% as identified in Section 400. Financial Analysis of Plan, A. ESTIMATED PROJECT COST AND REVENUE SOURCES, page 12 of the report on the Plan. Therefore, the Plan’s maximum indebtedness may be increased by \$1,742,094. The 2014 amendment, Amendment 4, increased maximum indebtedness by \$650,000. The increase proposed in this amendment exceeds that amount allowed by statute and will therefore require taxing jurisdiction approval. This approval requires approval from jurisdictions making up 75% of the permanent rate levy.

**Table 4 - Potential Maximum Indebtedness Increase per Year of Operation**

Year	Maximum Indebtedness	Adjustment Factor	Year	Maximum Indebtedness	
		5%	2003	\$5,092,833	
1992	\$2,977,674		2004	\$5,347,475	
1993	\$3,126,558		2005	\$5,614,848	
1994	\$3,282,886		2006	\$5,895,591	
1995	\$3,447,030		2007	\$6,190,370	
1996	\$3,619,381		2008	\$6,499,889	
1997	\$3,800,350		2009	\$6,824,883	
1998	\$3,990,368		2010	\$7,166,128	
1999	\$4,189,886		2011	\$7,524,434	
2000	\$4,399,381		2012	\$7,900,656	
2001	\$4,619,350		2013	\$8,295,688	
2002	\$4,850,317		2014	\$8,710,473	\$1,742,094.56

**THE ESTIMATED AMOUNT OF TAX INCREMENT REVENUES REQUIRED AND THE ANTICIPATED YEAR IN WHICH INDEBTEDNESS WILL BE RETIRED**

Table 5a shows the tax increment revenues and their allocation to loan repayments, reimbursements, and debt service. The increased maximum indebtedness extends the urban renewal area by an estimated 22 years from 2014 to FYE 2036. (This is the estimate of the full term to reach maximum indebtedness.) The projects, shown in table 5b, are inflated by 3% annually starting in FY 2015/16. The following tables shows maximum indebtedness (MI) being reached in FY 2035-36.

**Table 5a - Tax Increment Revenues and Allocations to Debt Service**

	Total	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
<b>DEBT SERVICE FUND</b>												
<b>Resources</b>												
Beginning Fund Balance		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TIF for URA	\$ 8,244,772	\$ 237,402	\$ 250,483	\$ 261,743	\$ 273,429	\$ 285,553	\$ 270,754	\$ 283,326	\$ 296,398	\$ 309,989	\$ 304,354	\$ 308,025
<b>Total Resources</b>	\$ 8,244,772	\$ 237,402	\$ 250,483	\$ 261,743	\$ 273,429	\$ 285,553	\$ 270,754	\$ 283,326	\$ 296,398	\$ 309,989	\$ 304,354	\$ 308,025
<b>Expenditures</b>												
Debt Service												
Outstanding Debt												
New Debt - FYE 2017	\$ (224,841)	\$ (106,294)	\$ (118,547)									
New Debt - FYE 2023				\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)
New Debt - FYE 2028										\$ (38,438)	\$ (38,438)	\$ (38,438)
<b>Total Debt Service</b>	\$ (224,841)	\$ (106,294)	\$ (118,547)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (192,960)	\$ (192,960)	\$ (192,960)

Source: ECONorthern



**Table 5a - Tax Incremental Revenues and Allocations to Debt Service, continued**

	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
<b>DEBT SERVICE FUND</b>											
<b>Resources</b>											
Beginning Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TIF for URA	\$ 311,842	\$ 315,810	\$ 319,937	\$ 324,226	\$ 328,685	\$ 333,322	\$ 338,143	\$ 343,155	\$ 348,366	\$ 353,785	\$ 359,418
<b>Total Resources</b>	<b>\$ 311,842</b>	<b>\$ 315,810</b>	<b>\$ 319,937</b>	<b>\$ 324,226</b>	<b>\$ 328,685</b>	<b>\$ 333,322</b>	<b>\$ 338,143</b>	<b>\$ 343,155</b>	<b>\$ 348,366</b>	<b>\$ 353,785</b>	<b>\$ 359,418</b>
<b>Expenditures</b>											
<b>Debt Service</b>											
<b>Outstanding Debt</b>											
New Debt - FYE 2017	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)	\$ (154,522)
New Debt - FYE 2023	\$ (38,438)	\$ (38,438)	\$ (38,438)	\$ (38,438)	\$ (38,438)	\$ (38,438)	\$ (38,438)	\$ (38,438)	\$ (38,438)	\$ (38,438)	\$ (38,438)
New Debt - FYE 2028	\$ (192,960)	\$ (192,960)	\$ (231,398)	\$ (231,398)	\$ (231,398)	\$ (231,398)	\$ (231,398)	\$ (231,398)	\$ (231,398)	\$ (231,398)	\$ (231,398)
<b>Total Debt Service</b>	<b>\$ (192,960)</b>	<b>\$ (192,960)</b>	<b>\$ (231,398)</b>	<b>\$ (231,398)</b>	<b>\$ (231,398)</b>	<b>\$ (231,398)</b>	<b>\$ (231,398)</b>	<b>\$ (231,398)</b>	<b>\$ (231,398)</b>	<b>\$ (231,398)</b>	<b>\$ (231,398)</b>
Coverage Ratio	1.62	1.64	1.38	1.40	1.42	1.44	1.46	1.48	1.51	1.53	1.55
<b>Transfer to D/S Reserve Fund</b>											
	\$ (118,882)	\$ (122,850)	\$ (88,539)	\$ (92,828)	\$ (97,287)	\$ (101,924)	\$ (106,745)	\$ (111,757)	\$ (116,968)	\$ (122,387)	\$ (128,020)
<b>Total Expenditures</b>	<b>\$ (311,842)</b>	<b>\$ (315,810)</b>	<b>\$ (319,937)</b>	<b>\$ (324,226)</b>	<b>\$ (328,685)</b>	<b>\$ (333,322)</b>	<b>\$ (338,143)</b>	<b>\$ (343,155)</b>	<b>\$ (348,366)</b>	<b>\$ (353,785)</b>	<b>\$ (359,418)</b>

Source: ECONorthwest

Table 5b – Project Fund

PROJECT FUND	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
<b>Resources</b>											
Beginning Balance	\$ 234,181	\$ 290,560	\$ 377,549	\$ 78,458	\$ 163,857	\$ 260,807	\$ 342,343	\$ 435,759	\$ 541,714	\$ 510,452	\$ 583,998
Pay-as-you-go (Transfer from D/S Reserve Fund)	\$ 131,108	\$ 131,936	\$ 107,221	\$ 118,907	\$ 131,031	\$ 116,232	\$ 128,804	\$ 141,876	\$ 117,029	\$ 111,394	\$ 115,065
Bond/Loan Proceeds		\$ -	\$ 2,100,000						\$ 500,000		
Interest Earnings	\$ 1,171	\$ 1,453	\$ 1,888	\$ 392	\$ 819	\$ 1,304	\$ 1,712	\$ 2,179	\$ 2,709	\$ 2,552	\$ 2,920
<b>Total Resources</b>	<b>\$ 366,460</b>	<b>\$ 423,949</b>	<b>\$ 2,586,658</b>	<b>\$ 197,757</b>	<b>\$ 295,707</b>	<b>\$ 378,343</b>	<b>\$ 472,859</b>	<b>\$ 579,814</b>	<b>\$ 1,161,452</b>	<b>\$ 624,398</b>	<b>\$ 701,983</b>
<b>Expenditures (nominal \$)</b>											
Street Projects & Infrastructure Improvements			\$ 2,418,500								
Building Façade Grant Program	\$ 25,000	\$ 25,800	\$ 26,500	\$ 27,300	\$ 28,100	\$ 29,000	\$ 29,900	\$ 30,700	\$ 31,700	\$ 32,600	\$ 33,600
Land Acquisition -- Comm Center / Library									\$ 190,000		
Community Center / Library Construction									\$ 411,700		
Administration	\$ 50,900	\$ 20,600	\$ 21,200	\$ 6,600	\$ 6,800	\$ 7,000	\$ 7,200	\$ 7,400	\$ 7,600	\$ 7,800	\$ 8,100
Financing Fees	\$ -	\$ -	\$ 42,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ 75,900</b>	<b>\$ 46,400</b>	<b>\$ 2,508,200</b>	<b>\$ 33,900</b>	<b>\$ 34,900</b>	<b>\$ 36,000</b>	<b>\$ 37,100</b>	<b>\$ 38,100</b>	<b>\$ 651,000</b>	<b>\$ 40,400</b>	<b>\$ 41,700</b>
<b>Ending Fund Balance</b>	<b>\$ 290,560</b>	<b>\$ 377,549</b>	<b>\$ 78,458</b>	<b>\$ 163,857</b>	<b>\$ 260,807</b>	<b>\$ 342,343</b>	<b>\$ 435,759</b>	<b>\$ 541,714</b>	<b>\$ 510,452</b>	<b>\$ 583,998</b>	<b>\$ 660,283</b>

Source: ECONorthwest.

Table 5b – Project Fund, continued

PROJECT FUND	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36
<b>Resources</b>											
Beginning Balance	\$ 660,283	\$ 739,566	\$ 821,915	\$ 52,063	\$ 98,251	\$ 147,729	\$ 156,715	\$ 106,299	\$ 54,030	\$ -	\$ -
Pay-as-you-go (Transfer from D/S Reserve Fund)	\$ 118,882	\$ 122,850	\$ 88,539	\$ 92,828	\$ 97,287	\$ 57,948	\$ -	\$ -	\$ -	\$ -	\$ -
Bond/Loan Proceeds			\$ 500,000								
Interest Earnings	\$ 3,301	\$ 3,698	\$ 4,110	\$ 260	\$ 491	\$ 739	\$ 784	\$ 531	\$ 270	\$ -	\$ -
<b>Total Resources</b>	<b>\$ 782,466</b>	<b>\$ 866,115</b>	<b>\$ 1,414,563</b>	<b>\$ 145,151</b>	<b>\$ 196,029</b>	<b>\$ 206,415</b>	<b>\$ 157,499</b>	<b>\$ 106,830</b>	<b>\$ 54,300</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenditures (nominal \$)</b>											
Street Projects & Infrastructure Improvements			\$ 1,307,000								
Building Façade Grant Program	\$ 34,600	\$ 35,600	\$ 36,700	\$ 37,800	\$ 39,000	\$ 40,100	\$ 41,300	\$ 42,600	\$ 43,800		
Land Acquisition -- Comm Center / Library											
Community Center / Library Construction											
Administration	\$ 8,300	\$ 8,600	\$ 8,800	\$ 9,100	\$ 9,300	\$ 9,600	\$ 9,900	\$ 10,200	\$ 10,500		
Financing Fees	\$ -	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Expenditures</b>	<b>\$ 42,900</b>	<b>\$ 44,200</b>	<b>\$ 1,362,500</b>	<b>\$ 46,900</b>	<b>\$ 48,300</b>	<b>\$ 49,700</b>	<b>\$ 51,200</b>	<b>\$ 52,800</b>	<b>\$ 54,300</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Ending Fund Balance</b>	<b>\$ 739,566</b>	<b>\$ 821,915</b>	<b>\$ 52,063</b>	<b>\$ 98,251</b>	<b>\$ 147,729</b>	<b>\$ 156,715</b>	<b>\$ 106,299</b>	<b>\$ 54,030</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Source: ECONorthwest.

## FINANCIAL ANALYSIS OF THE PLAN

The estimated tax increment revenues through FYE 2036, as shown above, are based on projections of the assessed value of development within the Area and the total tax rate that will apply in the Area. The assumptions include growth rates of 4%.

Table 6 shows the projected incremental assessed value, projected tax rates that would produce tax increment revenues, and the annual tax increment revenues (not adjusted for under-collection, penalties, and interest). These projections of increment are the basis for the projections in Tables 5a and 5b. The tax rate varies due to impacts from General Obligation (GO) Bond rates.

**Table 6 - Projected Incremental Assessed Value, Tax Rates, and Tax Increment Revenues**

FYE	Assessed Value	Frozen Base	Excess Value	Tax Rate	TIF
2015	\$ 22,134,990	\$ 3,601,265	\$ 18,533,725	12.8092	\$ 237,402
2016	\$ 23,020,390	\$ 3,601,265	\$ 19,419,125	12.8988	\$ 250,483
2017	\$ 24,619,377	\$ 4,253,352	\$ 20,366,025	12.8519	\$ 261,743
2018	\$ 25,604,153	\$ 4,253,352	\$ 21,350,801	12.8065	\$ 273,429
2019	\$ 26,628,320	\$ 4,253,352	\$ 22,374,968	12.7622	\$ 285,553
2020	\$ 27,693,454	\$ 4,253,352	\$ 23,440,102	11.5509	\$ 270,754
2021	\$ 28,801,192	\$ 4,253,352	\$ 24,547,840	11.5418	\$ 283,326
2022	\$ 29,953,240	\$ 4,253,352	\$ 25,699,888	11.5330	\$ 296,398
2023	\$ 31,151,369	\$ 4,253,352	\$ 26,898,017	11.5246	\$ 309,989
2024	\$ 32,397,424	\$ 4,253,352	\$ 28,144,072	11.5162	\$ 324,114
2025	\$ 33,693,321	\$ 4,253,352	\$ 29,439,969	11.5082	\$ 338,800
2026	\$ 35,041,055	\$ 4,253,352	\$ 30,787,703	11.5003	\$ 354,068
2027	\$ 36,442,697	\$ 4,253,352	\$ 32,189,345	11.4926	\$ 369,940
2028	\$ 37,900,404	\$ 4,253,352	\$ 33,647,052	11.4853	\$ 386,445
2029	\$ 39,416,420	\$ 4,253,352	\$ 35,163,068	11.4780	\$ 403,602
2030	\$ 40,993,076	\$ 4,253,352	\$ 36,739,724	11.4709	\$ 421,438
2031	\$ 42,632,798	\$ 4,253,352	\$ 38,379,446	11.4642	\$ 439,988
2032	\$ 44,338,110	\$ 4,253,352	\$ 40,084,758	11.4575	\$ 459,271
2033	\$ 46,111,634	\$ 4,253,352	\$ 41,858,282	11.4510	\$ 479,319
2034	\$ 47,956,100	\$ 4,253,352	\$ 43,702,748	11.4446	\$ 500,161
2035	\$ 49,874,344	\$ 4,253,352	\$ 45,620,992	11.4386	\$ 521,838
2036	\$ 51,869,317	\$ 4,253,352	\$ 47,615,965	11.4326	\$ 544,372

Source: ECONorthwest

## IMPACT OF THE TAX INCREMENT FINANCING

This section describes the impact of tax increment financing of the new maximum indebtedness, both until and after the indebtedness is repaid, upon all entities levying taxes upon property in the urban renewal area.

Due to legislation enacted in 2009, revenue sharing commences when an urban renewal area has a substantial amendment that meets certain statutory targets. This Area is projected to begin revenue sharing in FY 2023/24, as shown in Table 7.

**Table 7 - Revenue Sharing Projections**

FYE	TIF		
	Total TIF	for URA	Shared
2014	\$236,411	\$236,411	\$0
2015	\$237,402	\$237,402	\$0
2016	\$250,483	\$250,483	\$0
2017	\$261,743	\$261,743	\$0
2018	\$273,429	\$273,429	\$0
2019	\$285,553	\$285,553	\$0
2020	\$270,754	\$270,754	\$0
2021	\$283,326	\$283,326	\$0
2022	\$296,398	\$296,398	\$0
2023	\$309,989	\$309,989	\$0
2024	\$324,114	\$304,354	\$19,760
2025	\$338,800	\$308,025	\$30,775
2026	\$354,068	\$311,842	\$42,226
2027	\$369,940	\$315,810	\$54,130
2028	\$386,445	\$319,937	\$66,509
2029	\$403,602	\$324,226	\$79,376
2030	\$421,438	\$328,685	\$92,753
2031	\$439,988	\$333,322	\$106,666
2032	\$459,271	\$338,143	\$121,128
2033	\$479,319	\$343,155	\$136,164
2034	\$500,161	\$348,366	\$151,796
2035	\$521,838	\$353,785	\$168,053
2036	\$544,372	\$359,418	\$184,954
Total	\$10,434,656	\$6,994,555	\$3,440,101

Source: ECONorthwest

The impact of tax increment financing on overlapping taxing districts consists primarily of the property tax revenues foregone on permanent rate levies as applied to the growth in assessed value in the Area. These projections are for impacts estimated through FYE 2036, and are shown in Table 8, below. The total amounts are different from the total tax increment generation table as this table reflects only the permanent rate levies. The impacts of bonds are made up by slightly increased bond rates to the tax payer.

Table 9 shows the potential impact after this amendment ends.

The Harrisburg School District and the Education Service District are not *directly* affected by the tax increment financing, but the amounts of their taxes divided for the urban renewal plan are shown in the tables. Under current school funding law, property tax revenues are combined with State School Fund revenues to achieve per-student funding targets. Under this system, property taxes foregone because of the use of Tax Increment Financing are replaced, as determined by a funding formula at the State level with State School Fund revenues.

Table 8 shows the projected impacts to permanent rate levies of taxing districts as a result of this Amendment.

**Table 8 - Projected Impact on Taxing District Permanent Rate Levies for New Maximum Indebtedness**

FYE	Linn County	City of Harrisburg	Harrisburg Fire District	4H Extension	SUBTOTAL	ESD Linn-Benton-Lincoln	Lane Community College	Harrisburg SD	SUBTOTAL	TOTAL
2015	23,605	58,999	20,941	963	104,508	5,651	11,474	86,278	103,403	207,911
2016	24,732	61,818	21,941	1,009	109,500	5,921	12,023	90,400	108,344	217,844
2017	25,938	64,833	23,012	1,059	114,842	6,210	12,608	94,808	113,626	228,468
2018	27,193	67,969	24,125	1,110	120,397	6,510	13,218	99,393	119,121	239,518
2019	28,497	71,230	25,282	1,163	126,172	6,822	13,853	104,160	124,835	251,007
2020	29,854	74,621	26,485	1,219	132,179	7,147	14,512	109,118	130,777	262,956
2021	31,264	78,148	27,737	1,277	138,426	7,484	15,198	114,275	136,957	275,383
2022	32,732	81,817	29,038	1,337	144,924	7,836	15,911	119,638	143,385	288,309
2023	34,257	85,632	30,392	1,399	151,680	8,201	16,652	125,216	150,069	301,749
2024	33,659	84,137	29,862	1,375	149,033	8,058	16,362	123,029	147,449	296,482
2025	34,089	85,212	30,243	1,392	150,936	8,161	16,571	124,600	149,332	300,268
2026	34,535	86,328	30,638	1,410	152,911	8,268	16,787	126,231	151,286	304,197
2027	34,998	87,485	31,049	1,429	154,961	8,378	17,012	127,922	153,312	308,273
2028	35,478	88,685	31,475	1,449	157,087	8,493	17,246	129,676	155,415	312,502
2029	35,976	89,932	31,917	1,469	159,294	8,612	17,488	131,498	157,598	316,892
2030	36,493	91,225	32,375	1,490	161,583	8,736	17,739	133,389	159,864	321,447
2031	37,030	92,568	32,852	1,512	163,962	8,865	18,000	135,351	162,216	326,178
2032	37,587	93,962	33,346	1,535	166,430	8,999	18,272	137,389	164,660	331,090
2033	38,167	95,409	33,860	1,558	168,994	9,137	18,553	139,503	167,193	336,187
2034	38,767	96,912	34,393	1,583	171,655	9,281	18,845	141,700	169,826	341,481
2035	39,392	98,472	34,947	1,608	174,419	9,430	19,148	143,981	172,559	346,978
2036	40,039	100,093	35,522	1,635	177,289	9,585	19,464	146,350	175,399	352,688
<b>Total</b>	<b>734,282</b>	<b>1,835,487</b>	<b>651,432</b>	<b>29,981</b>	<b>3,251,182</b>	<b>175,785</b>	<b>356,936</b>	<b>2,683,905</b>	<b>3,216,626</b>	<b>6,467,808</b>

Source: ECONorthwest

Table 9 shows the projected increased revenue to the taxing jurisdictions at the end of the Urban Renewal Area. These projections are for FYE 2037 and include permanent rates.

**Table 9 - Additional Revenues Obtained After Termination of Tax Increment Financing**

Jurisdiction	Tax Rate	Annual Tax Revenue		
		From Frozen Base	From Expiration of URA	Total
Linn County	\$ 1.2736	\$ 5,417	\$ 63,286	\$ 68,703
City of Harrisburg	\$ 3.1875	\$ 13,558	\$ 158,206	\$ 171,764
Harrisburg RFD	\$ 1.1299	\$ 4,806	\$ 56,146	\$ 60,952
4H Extension District	\$ 0.0520	\$ 221	\$ 2,584	\$ 2,805
Linn Benton Lincoln ESD	\$ 0.3049	\$ 1,297	\$ 15,151	\$ 16,448
Lane Community College	\$ 0.6191	\$ 2,633	\$ 30,764	\$ 33,397
Harrisburg School District	\$ 4.6552	\$ 19,800	\$ 231,320	\$ 251,120
<b>Total</b>	<b>\$ 11.4307</b>	<b>\$ 48,619</b>	<b>\$ 567,806</b>	<b>\$ 616,425</b>

Source: ECONorthwest



## COMPLIANCE WITH STATUTORY LIMITS ON ASSESSED VALUE AND SIZE OF URBAN RENEWAL AREA

There is one existing urban renewal area in the City of Harrisburg. State law limits the percentage of both a municipality’s total assessed value and the total land area that can be contained in an urban renewal area at the time of its establishment to 25% for municipalities under 50,000 in population. As noted below, the frozen base, including all real, personal, personal manufactured, and utility properties in the Urban Renewal Area, is estimated to be \$4,267,235. The total assessed value of the City of Harrisburg less excess value of the urban renewal area is \$172,873,267. This is 2.47% of the total assessed value, well below the 25% maximum. The Area has approximately 178.1 acres, including right of way, and the City of Harrisburg has 916.8 acres; therefore 19.43% of the City’s acreage is in an urban renewal area, below the 25% state limit. <sup>3</sup>

**Table 10 - Urban Renewal Area Conformance with Assessed Value and Area Limits**

Urban Renewal Area	Assessed Value	Acres
Harrisburg Urban Renewal Area Frozen Base	\$4,267,235	
Harrisburg Urban Renewal Area Acreage		178.1
Total Acreage, City of Harrisburg		916.8
Total Assessed Value City of Harrisburg *	\$172,873,267	
Percent of Harrisburg Assessed Value in Urban Renewal Area		2.47%
Percent of Harrisburg Acreage in Urban Renewal		19.43%

Source: City of Harrisburg, Linn County Assessor

\*Less Incremental Assessed Value in Urban Renewal Areas

<sup>3</sup> The prior amendment stated more acreage. This estimate was from old data. However, with the capability of GIS, we were able to accurately state the acreage of the area for this amendment.

## RELOCATION REPORT

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There is no relocation anticipated due to this amendment.

EXHIBIT C - HARRISBURG PLANNING COMMISSION REPORT AND RECOMMENDATION

To: Harrisburg Planning Commission  
From: Brian Latta, City Administrator  
Re: Harrisburg Substantial Amendment, Amendment No. 5  
Date: February 17, 2015

**I. PURPOSE**

This is a Harrisburg Urban Renewal Plan Amendment (Amendment) to the Urban Renewal Plan (Plan) to increase the financial capacity of the Plan (maximum indebtedness<sup>1</sup>), to add projects and to add property area. The amendment will also make a change to the amendment section of the plan, and other “clean-up” changes to the plan. Because it is increasing the maximum indebtedness, it is termed a substantial amendment.

The Harrisburg Planning Commission is being asked to make a recommendation to the City Council regarding the Council’s consideration and adoption of the Amendment. The statute governing urban renewal does not precisely stipulate the role of the Planning Commission, but the generally accepted practice is that the focus of the Planning Commission’s review is the conformance of the Plan with the Harrisburg Comprehensive Plan. This action does not require a public hearing, and the Planning Commission is not being asked to approve the Plan, but rather make a recommendation to the Harrisburg City Council.

**II. BACKGROUND**

The Harrisburg Urban Renewal Plan was adopted on June, 1998 and has been amended four times. The present amendment will increase the maximum indebtedness by \$4,550,000 from \$3,627,674 to \$8,177,674.

Throughout the summer, an advisory committee has been meeting with our consultant to review the status of the urban renewal plan and determine whether the plan should be amended. At the last meeting, the advisory committee recommended a substantial amendment to the plan to increase the maximum indebtedness, to add projects, add area, and to make other changes as necessary. The level of maximum indebtedness

<sup>1</sup> Maximum indebtedness is the limit on an urban renewal plan dictating how much can be spent on projects and programs throughout the life of the plan. In accordance with state law, every urban renewal district has a maximum indebtedness

increase recommended by the committee exceeds the amount that the City Council can approve on their own. It must also be approved by 75% of the taxing jurisdictions who contribute to the permanent rate levy. The committee also recommended that a section be added to the urban renewal plan that requires that any future increase in length of the plan past the estimated time frame of this Amendment, FYE 2036, or increase in maximum indebtedness must be approved by taxing jurisdictions representing 75% of the permanent rate levy, and in any case including the Harrisburg Fire District.

The projects which are being added to the Plan through the current amendment are the reconstruction of Smith Street, Macy Street, Moore Street and 2<sup>nd</sup> Street. The intent is to improve the transportation network within the Harrisburg Urban Renewal Area (Area), allowing for greater pedestrian, bicycle and automobile access, presenting a better image of Harrisburg, and helping to create an environment for the development of underutilized parcels in the Area. The other project being added is the development of a library/community center. This will provide Harrisburg citizens with a more functional library and improved community meeting spaces. The proposed location, near city hall, will help provide life to the retail core of Harrisburg, supporting the existing businesses and intended to provide opportunity for the creation of new businesses.

One of the changes made by the 2009 Oregon legislature was instituting revenue sharing with impacted taxing jurisdictions. This revenue sharing clause is applied to existing urban renewal plans when actions are taken that result in an increase in the maximum indebtedness of these existing plans. Revenue sharing is instituted at certain specified trigger points as specific in ORS 457.470. One of the other outcomes of an increase of maximum indebtedness is the loss of the right to issue the special levy.

The financial projections, being completed by ECONorthwest, project that the Harrisburg Urban Renewal Area (Area) will begin revenue sharing in 2024 as a result of this amendment. This amendment will extend the life of the urban renewal area by approximately 22 years from this year.

The process of adopting a substantial amendment to the Plan consists of the following steps:

- Preparation of an Amendment, including the opportunity for citizen involvement. (An advisory committee has been involved in the decision making and there will be two public hearing, one before the planning commission and one before the city council.
- Forwarding a copy of the Amendment and the Report to the governing body of each taxing district.

- Urban Renewal Agency review of the Amendment and accompanying Report and recommendation to forward the Amendment to City Council for adoption. (January 14, 2015)
- Review and recommendation by the Planning Commission. (The Harrisburg Planning Commission review is scheduled for February 17, 2015.)
- Notice to all citizens of Harrisburg of a hearing before the City Council. (Notice will be provided by mailing to all water and sewer customers in the City.)
- Hearing by City Council and adoption of the Amendment and accompanying Report by a non-emergency ordinance. The hearing and date set for vote by City Council is scheduled for April 8, 2015. The ordinance must be a non-emergency ordinance, which means that the ordinance does not take effect until 30 days after its approval and during that period of time may be referred to Harrisburg voters if a sufficient number of signatures are obtained on a referral petition.
- Presentation to the Linn County Commission.

**III. FINDINGS ON CONFORMANCE WITH HARRISBURG LOCAL PLANS**

As part of the consideration of a substantial amendment to the Plan, an exhibit will be added to the Plan to address conformance to the comprehensive plan. ORS 457.085 requires that an urban renewal plan relate to definite local objectives. This section reviews the Harrisburg Comprehensive Plan.

**A. CITY OF HARRISBURG COMPREHENSIVE PLAN**

The goals of City of Harrisburg Comprehensive Plan document which relate to this plan amendment are shown below. The numbering of the goals and policies is consistent with the numbering in the comprehensive plan. The way the urban renewal plan amendment conforms to these components is shown in *italics*.

**GOAL 9: ECONOMICS**

**GOALS:**

Diversify the economic base of the community. Encourage the growth of existing employers and attract new employers to Harrisburg that complement the existing business community. Promote the health of its economy by encouraging economic development that is compatible with the City’s infrastructure, service provision capabilities, environment and the community’s standards for quality of life.

Implement the strategies in the Harrisburg Downtown Business Development and Marketing Plan. Support the maintenance and enhancement of the Harrisburg Historic District. Encourage the development and redevelopment of the commercial downtown core as an alternative to commercial sprawl. Provide for tourism related employment as an important part of the economic diversification effort.

**POLICIES:**

- 2. Plan and make public investments to meet the future demands of industrial, commercial and residential growth in Harrisburg.
- 4. Encourage tourism activities through the promotion of recreational /historic sites and tourist related businesses.
- 5. Encourage start up and growth of small to medium sized businesses providing family wage jobs.
- 6. Encourage investment in the Downtown Commercial Core, and support project activities in the Historic District.
- 7. Plan appealing people friendly streetscapes that make shopping downtown an enjoyable experience and accommodate public gathering for both residents and visitors.
- 8. Encourage cooperation between public and private sectors to support economic growth.

*The projects being added to the Plan include the reconstruction of Smith Street, Macy Street Moore Street and 2<sup>nd</sup> Street. This transportation network is vital to the downtown commercial core. The reconstruction of the streets will encourage investment in the area, will provide appealing streetscapes that make visits to downtown an enjoyable experience. It will encourage cooperation between public and private sectors as the public investment should help stimulate private investment.*

**GOAL 11: PUBLIC FACILITIES AND SERVICES**

**GOALS:** To plan and develop a timely, orderly, and efficient arrangement of public facilities and services to serve as a framework for urban development.

**POLICIES:**

- 1. Encourage the development of public and private facilities that meet the community’s economic, social, cultural, health, and educational needs.
- 4. Public facilities and services shall be provided to permit the development of an adequate housing supply.
- 6. Future Street shall be planned in a manner that will ensure city water mains can be looped so that adequate water pressure can be provided in all parts of the city.

*The projects being added to the plan include looped water systems, and a library and community center that will help facilitate social cultural health and educational needs of the community. Excellent recreational and library facilities help promote housing development.*

**GOAL 12: TRANSPORTATION**

**GOALS:**

To provide and encourage a safe, convenient and economic transportation system

**POLICIES:**

- 1. Encourage transportation services for senior citizens and other transportation disadvantaged.
- 2. Encourage the development of a system of sidewalks and bike paths linking major areas of the City.

*The projects being added to the Plan include the reconstruction of Smith Street, Macy Street Moore Street and 2<sup>nd</sup> Street. This transportation network is vital to the downtown commercial core. The reconstruction of the streets will encourage investment in the area, will provide appealing streetscapes including new sidewalks that make visits to the downtown an enjoyable experience. It will eliminate potentially hazardous situations and facilitate pedestrian access to the downtown commercial district.*

**GOAL 13: ENERGY CONSERVATION**

**GOALS:**

To conserve energy in existing and proposed community development

**POLICIES:**

- 6. Encourage renewal and conservation of existing neighborhoods and buildings. Promote mixed use zoning areas that provide for close relationships among developments for living, working, shopping and recreation. Encourage infilling of passed over vacant land.

*The projects being added to the Plan include the reconstruction of Smith Street, Macy Street Moore Street and 2<sup>nd</sup> Street. This transportation network is vital to the downtown commercial core. The reconstruction of the streets will encourage investment in the area, will provide appealing streetscapes that make visits to downtown an enjoyable experience. It will encourage cooperation between public and private sectors as the public investment should help stimulate private investment.*

**GOAL 14: URBANIZATION**

**GOALS:**

To encourage development in areas already served by major public facilities before extending services to areas not served.

*The projects being added to the Plan include the reconstruction of Smith Street, Macy Street Moore Street and 2<sup>nd</sup> Street. This transportation network is vital to the downtown commercial core. The reconstruction of the streets will encourage investment in the area, will provide appealing streetscapes that make visits to downtown an enjoyable experience. It will encourage cooperation between public and private sectors as the public investment should help stimulate private investment, thereby reducing the pressure to develop outside of the urban area.*

**PLANNING COMMISSION RECOMMENDATION AND VOTE**

Staff recommends that the Planning Commission Review and discuss the Substantial Amendment to the Harrisburg Urban Renewal Plan and recommend:

“The Harrisburg Planning Commission finds that Amendment 5 to the Harrisburg Urban Renewal Plan conforms to the Harrisburg Comprehensive Plan.”

Attachments:

- A. Harrisburg Urban Renewal Plan Amendment No. 5
- B. Report on the Harrisburg Urban Renewal Plan Amendment No. 5



**Attachment A Harrisburg Urban Renewal Plan Amendment**

The following changes are made to the Harrisburg Urban Renewal Plan. Deletions are show how n in ~~crossout~~ and additions are shown in *italics*.

**SECTION 100 - INTRODUCTION**

*Amendment five, adopted \_\_\_\_\_, added property to the urban renewal area, increased the maximum indebtedness, and added projects to the project list.*

**SECTION 300 - BOUNDARY DESCRIPTION**

This section is updated to include the properties to be added in the 2015 amendment.

***(insert new legal here)***

**SECTION 400 – RELATIONSHIP T LOCAL OBJECTIVES**

**Exhibit 3. Planning Commission Report and Findings adds to this section on relationship to local objectives.**

**SECTION 600 - OUTLINE OF DEVELOPMENT**

**D. Property Acquisition**

- 1. Property to be acquired for Public Use

*Property to be acquired includes tax lot 04703.*

**Table 1. Properties to be acquired for Public Use**

Tax Map	Tax Lot
15 4W 16 D	200 (partial, approximately 3 acres)
15S04W16AA	04703

**E. Property Disposition and Redevelopment**

~~The Agency proposes to commence disposition of property within two (2) years from the date of approval of this plan, and to complete disposition within eight (8) years from such approval.~~

- 4. *Public Facilities including a public library/community center.*

**SECTION 1000 - FUTURE AMENDMENTS**

~~Where, in the judgment of the Renewal Agency, the proposed modification will substantially change the Plan, the modification must be approved by the City Council in the same manner as the original plan. Notice of hearing on such amendments will be given in accordance with the applicable provisions of ORS 457.~~

**A. Council Approved Changes**

Council approved changes to the Plan shall be approved by resolution of the City Council and include the following:

1. *Extending the date after which no bond and is indebtedness shall be issued with respect to the plan. Or any project undertaken or to be undertaken under the urban renewal plan. This date is contained in Section 1100 of this Plan.*
2. *Improvements or activities which represent a change in the purpose and objectives of this plan, and which cost more than \$250,000. The \$250,000 amount will be adjusted annually from 1993 according to the construction cost index.*
3. *Acquisition of property for private development.*
4. *Acquisition of property for improvements listed in section 700 A and B of this Plan, including right-of-way and utility improvements, if such acquisition will result in the displacement and relocation of a resident or business.*

**B. Substantial Changes**

- ~~2. *Extending the date after which no bond and is indebtedness shall be issued with respect to the plan. Or any project undertaken or to be undertaken under the urban renewal plan. This date is contained in Section 1100 of this Plan.*~~
- ~~3. *Improvements or activities which represent a change in the purpose and objectives of this plan, and which cost more than \$250,000. The \$250,000 amount will be adjusted annually from 1993 according to the construction cost index.*~~
- ~~4. *Acquisition of property for private development.*~~
- ~~5. *Acquisition of property for improvements listed in section 700 A and B of this Plan, including right of way and utility improvements, if such acquisition will result in the displacement and relocation of a resident or business.*~~
- ~~6. *If this plan subs subsequently is changed to include a maximum amount of bonded indebtedness, changes to the maximum amount of bonded indebtedness will be considered a substantial change to the Plan.*~~
2. *Any increase to the maximum indebtedness of the Plan.*
3. *Taxing jurisdictions representing 95% of the permanent rate levy, and in any case including the Harrisburg Rural Fire Department, must approve any future amendment extending the term of the district beyond the 22 years (FYE 2036), or increasing the maximum indebtedness from \$8,177,674.*

**SECTION 1100 - PUBLIC BUIDING SERVES AND BENEFITS**

*The future library/community center serves and benefits the Area by providing library and meeting space to the citizens of Harrisburg. The ability to meet in the downtown core will bring additional visitors to the commercial core, helping to support those businesses. The facility will*

*also help maintain the sense of community by providing a place to meet and a home for the library.*

- Exhibit 1 Map - Boundary Replaced in its Entirety**
- Exhibit 2 Location of Proposed Public Improvements**
- Exhibit 3 Planning Commission Findings 2014**

**SECTION 1300 - CITIZEN PARTICIPATION**

*Amendment 5 was developed under the guidance of an advisory committee which met to review the existing plan and to discuss potential future projects. The amendment was also reviewed by the Harrisburg Planning Commission which held a public hearing on the amendment on February 17, 2015 and found the amendment conformed to the Harrisburg Comprehensive Plan. The Harrisburg City Council held a public hearing on this amendment on April 8, 2015. Additional notice on City Council adoption of the amendment was provided, as required by ORS 457.120.*

**SECTION 1400 - ~~ESTABLISHMENT OF MAXIMUM DEBT~~ MAXIMUM INDEBTEDNESS**

The maximum amount of indebtedness that may be issued or incurred under this urban renewal plan is ~~\$3,627,674~~ \$8,177,674 (*eight million one hundred seventy seven thousand six hundred seventy four dollars*).

Exhibit 1 Map - Boundary Replaced in its Entirety

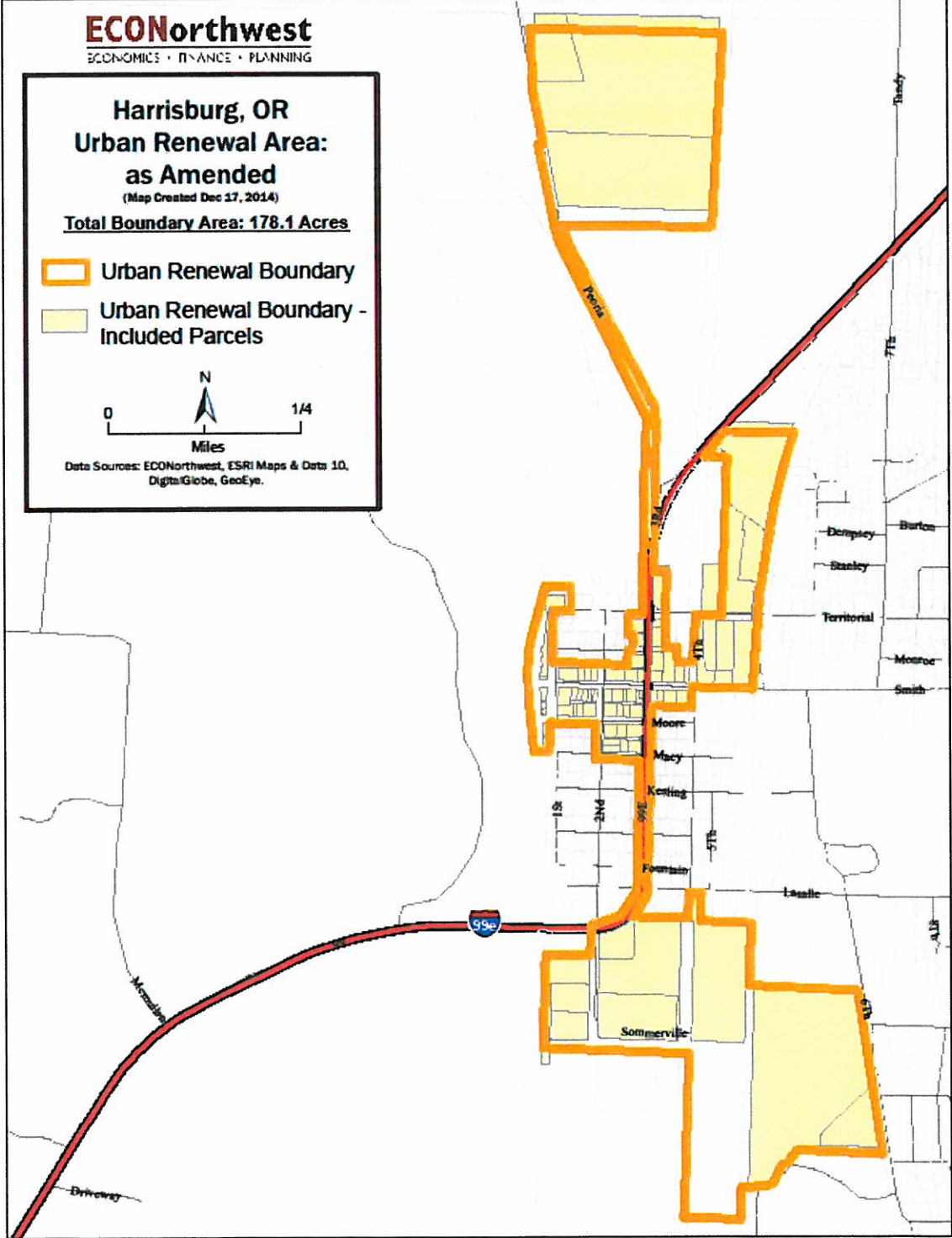
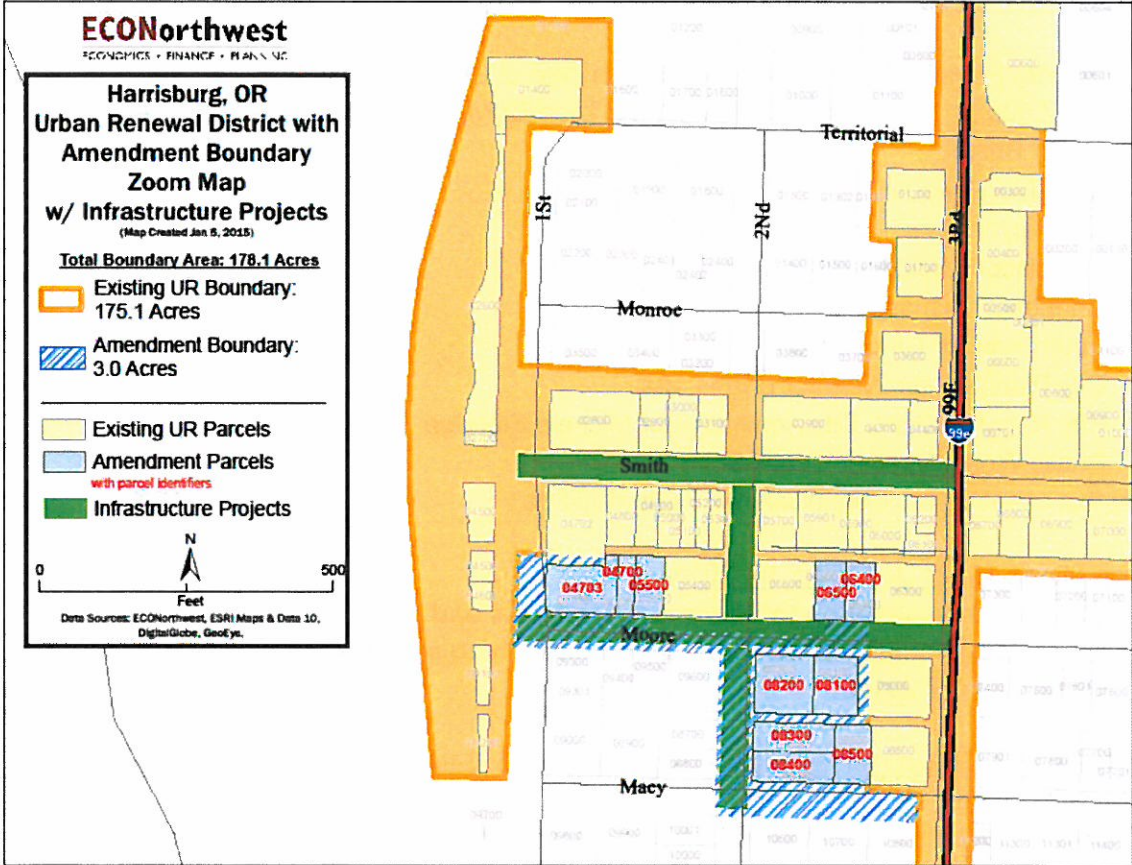
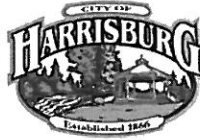


Exhibit 2 Location of Proposed Public Improvements (adds information on street and streetscape improvements in the downtown core to Exhibit 4 of the original Plan)





## Harrisburg Planning Commission Minutes February 17, 2015

The Harrisburg Planning Commission met on this date at City Hall, located at 120 Smith St. at the hour of 7:00pm. Presiding was Chairperson Todd Culver. Also present were as follows:

- Roger Bristol
- Kent Wullenwaber
- Kurt Kayner
- Francisco Garcia Mendez
- Charlotte Thomas
- Youth Advisor Carol Lynch
- City Planner/Administrator Brian Latta
- City Recorder/Asst. City Administrator Michele Eldridge
- Public Works Director Chuck Scholz

Absent this evening was Commissioner David Smid Jr.

### Approve Minutes from December 16, 2014

- Thomas made a **motion to approve the minutes and was seconded** by Kayner. **The Planning Commission then voted unanimously to approve the minutes from December 16, 2014.**

### Public Hearing & Meeting for Substantial Amendment No. 5 to the Harrisburg Redevelopment Agency (HRA) Plan

**Staff Report:** Latta told the Planning Commission that Elaine Howard, our HRA Consultant, is here with us this evening. She has prepared these documents in conjunction with staff. As you know, we have previously asked for a small Amendment No. 4, which was asking for an additional \$650,000 for one block of Smith St. to be improved. This measure was needed to ensure that the HRA wouldn't go away until we finished Amendment No. 5. We have been working on this project for over a year now. We've had a number of people who worked on a committee which came up with this plan. It extends the life of the current HRA for another 22 years, and increases the maximum indebtedness by \$4,500,000 from \$3,627,674 to \$8,177,674. Of that \$4,500,000, \$3,169,646 goes to street and infrastructure projects. The rest of the increase goes to the building façade program, land acquisition, a community center, administration, and financing fees. As an urban renewal agency, property taxes are frozen at the values for the taxing districts in the jurisdiction, and any increases in property taxes go to the HRA. Therefore, this doesn't impact property owners; the taxes would be the same regardless of this existing agency or not. This change does require 75% of the taxing districts approval. He has contacted all the taxing districts, and we'll know fairly soon whether or not the

amendment will survive. In the meanwhile, one of the steps we need is for the Planning Commission to approve the plan in relation to the Comprehensive Plan.

- Elaine Howard, the City’s HRA Consultant, said that the process for this amendment is the same as the last one. The Amendment and the Projects must be compliant with the Comprehensive Plan. You will make a motion at the end of the meeting stating that. Howard showed the existing urban renewal boundaries, and the addition of properties to that boundary. The committee decided the property would be added, because it wouldn’t make sense to add the boundaries, and not the properties next to the boundary. It’s better not to leave an island of regular property in the middle of an urban renewal district. This will add 3 additional acres to the Urban Renewal boundary. The requirement with the state is that you can’t exceed more than 25% of acreage in the town for the size of the district, nor can you exceed 25% of the total assessed value of the town. The acreage after this proposed amendment will be 19.43%, and the assessed value will be 2.47%; both well within the requirements. The most important projects we have are the total reconstruction of the streets in a core area of downtown. This is a total reconstruction of those streets, down to the underlayment and infrastructure. There is also the development of a community center in the project costs. We are required to do a projection on how to allocate the funds, and the estimated project costs are here. The Urban Renewal Agency has the ability to change those allocations through the annual budgeting process. If they need more funds in any of the project areas, they can shift the funds needed, as long as they stay within the total.
- Garcia-Mendez asked if that means if something happened that was unforeseen, if it would be covered then.
- Howard told him within this amount, yes. To be able to increase the maximum indebtedness, we have to find out how long it will take. The key component is that we didn’t want the HRA to go on forever. We talked about the time frame; and we hit on a 22-year limit. That was calculated with a 4% increase on the value growth projection. The assumption is that the values from the improvements made in the boundaries will increase over time. Right now, it’s a little over 3%.
- Latta added that a few years ago, the growth was 10%. As property owners make improvements it increases the value within the district. The 4% is still conservative; it doesn’t take much for improvements to increase the assessed value.
- Howard added that the growth rate in the state is 7%. She thought it was statewide, rather than being divided out as rural or urban.
- Chairperson Culver asked what the driving factor was on the 22 year time frame that you are recommending.
- Latta noted that the committee was concerned that when we started the HRA 20 years ago, that we said we wouldn’t be doing it again. Then here is the new City Administrator, who wants to extend the time frame of the HRA. It’s a great program, and we haven’t been utilizing to the extent it should have been. The 22-year time frame is based on the amount of indebtedness, and the growth rate of 4%.

Chairperson Culver asked if part of it was the selling point to the other taxing districts, and Latta told him it was. Kayner expressed concerns that we should be going for larger funds. We

have so much that needs to be improved; are the other taxing districts one of the reasons we aren't using it that way? Latta confirmed that was the case. We have the county, fire district, school district, and community colleges, all affected by this change. Kayner worried that we were setting the bar too low; we should take advantage of the opportunity we have here. Latta said that what we've arrived at was a compromise from the committee. We looked at the projects, and dollar amounts, as well as length of time for the HRA after we make these changes. He was optimistic that the other taxing districts will sign off on the amendment.

The Planning Commission asked multiple questions about the district itself, such as the addition of some of the properties off of Moore St. Thomas wanted to know about how much property we were bringing in, and Howard told her about another statutory provision, where a jurisdiction can't add more than 20% to the original boundaries of the HRA. You also can't replace properties in that provision. (You can't pull a property out of the district, in order to add another one in similar size.) Kayner asked if we had a choice in which properties we choose. Howard told him it used to be driving jobs; now it's improving the commercial core, and getting services developed. Kayner said that with the huge expansion of Isovolta, that we should have a huge increase in assessed value. However, Eldridge pointed out the newest building is not in the boundaries of the HRA. Latta noted that Or-Cal is in the boundaries, and they were part of the growth factor. Some of Isovolta will be inside the boundary.

Howard commented that the language that was changed in the amendment section of the HRA was meant to help deal with the anxiety of the taxing districts. They wanted to make sure that in 22 years, if someone wanted to extend the HRA again, that the requirements would be stricter. In this case, the committee decided that instead of 75% of the taxing districts approval, any future amendment that extended indebtedness, acreage, or assessed value, would need to meet 95% of the taxing districts approval. That must include the fire district, because they feel they are the entity most hurt by the HRA. The committee decided that was unanimously fair. It helps them feel that there will be an end to the HRA, unless there is something that is so terrific, that everyone will be on board with it.

Howard then noted that the letters to the taxing districts have gone out, plus the utility bills had language in relation to that. Kayner asked her what kind of language it used; Howard told him it's very explicit, and must be specific language. Chairperson Culver was concerned about what people were thinking about this change, but Latta said that we've heard from virtually nobody about this change. The neighborhood commercial zone generated a couple hundred phone calls in relation. Maybe the citizens understand that this change doesn't really impact them.

Howard then specifically went over the staff report, and the relation of the changes suggested in the amendment to the Comprehensive Plan. The main points are as follows:

- Goal 9: Economics; the whole reason for this amendment is the hope that it will impact our economy in the HRA boundaries.
- Goal 11: Public Facilities and Services; we hope to develop a community center and library, as well as improve water and sewer infrastructure.
- Goal 12: Transportation; the street improvements will help to improve transportation, along with improvement of sidewalks and bike paths.



- Goal 13: Energy Conservation; we are encouraging the community to develop its core area.
- Goal 14: Urbanization; the changes will help encourage development of downtown, which will also lead to investment in the area.

Howard noted that the proposed motion is at the end of the staff report. Kayner asked if City staff were recommending we approve this amendment. Latta said that we have some meaningful projects that will help to leverage the tax dollars directly for our community. We are fixing the infrastructure, and repairing streets, which will entice people downtown. Financial support to the businesses here will increase investment in them. Kayner asked if there was any downside to the amendment, and Howard said that the taxing districts could see it that way, and 75% of them have to approve it. They have veto power over the amendments. Latta added that there are real needs to have these improvements take place. Kayner just wanted to make sure that there wasn't a downside other than taking money away from the taxing districts. Howard told him that Harrisburg has one of the lowest maximum indebtedness amounts she's seen in the state.

- Kayner then **made a motion that the Harrisburg Planning Commission finds that based on the information provided in the staff report, that the HRA Plan Amendment conforms to the Harrisburg Comprehensive Plan and further recommend that the Harrisburg City Council adopt the proposed HRA Plan Amendment. He was seconded by Thomas. The Planning Commission then voted unanimously to approve the findings of the staff report, and that Amendment No. 5 to the HRA conforms to the Harrisburg Comprehensive Plan.**

Election of Officers for 2015

- Bristol **made a motion to appoint Todd Culver as Chairperson, and was seconded by Kayner. The Planning Commission voted 7-1 in favor of appointing Todd Culver as the Planning Commission Chairperson for the 2015 calendar year. (Chairperson Culver was opposed.)**
- Kayner **nominated Charlotte Thomas to be the Vice-Chair of the Planning Commission, and was seconded by Wullenwaber. The Planning Commission then voted 7-0-1 to appoint Charlotte Thomas as the Vice-Chair for the Planning Commission for the 2015 calendar year. (Thomas abstained from the vote.)**

Future Water Town Hall Meeting

- Latta invited the Planning Commission to come to a town hall meeting in which we will discuss the water system. You can either come as a citizen, or as a member of the Planning Commission. We are talking about the aesthetic quality of the water, and mineral content, etc. The meeting will be held at the High School, on the 18<sup>th</sup> of March. Information will be in the upcoming newsletter.
- Chairperson Culver wanted to know what the City wanted to accomplish with this meeting. He could envision a lot of unhappy people at the quality of water we have, and a lot of negative comments.

- Latta said that negative comments are the goal! We want to structure the meeting to find out what the concerns about the water are. We want to map out geographically, where properties are whose owners aren't happy with the water. That will help to know if there are areas in town where there are a lot of certain types of complaints. We will have workshop stations set up, and staff will be there to address aspects of our water system. That will allow them to see how the water system works, and we'll have a water meter station there. We are giving people hands on knowledge on how it all works. We anticipate some griping, but it's not a gripefest...it's an interactive participation to gauge how big the problem is. Is it the same 50 people complaining, or 500? Any kind of fix to our water will require money, so we do want to gauge people's reactions.

Kayner asked if we would be voting on a bond in the future; Latta said that we haven't gotten to that stage yet. Our Public Works Director will work with the engineer on different options and scenarios, so in the future people will have some options to look at. The Planning Commission along with Public Works Director Chuck Scholz also talked about water rights, well water, treatment plants, and the option to have several options available. That way we have the ability to switch between river water, and well water. The Planning Commission talked about the aquifers' the town has. The shallow wells taste great, but don't have enough volume to support a City. All of our wells are 190' to 220' deep. Scholz also talked about the mineral content of the water, and especially, the iron and manganese. It's in the water already, and then we release more as a byproduct of the chlorination process. Our water is safe to drink, but it's not as aesthetically pleasing as other water.

Annexation

- Latta also informed the Planning Commission that we had an annexation a few years ago that was a forced annexation due to county islands of property in the middle of the City. There were several triggers for the annexation to be completed; one was the change of ownership. However, in this case, the property located to the west now has a failed septic system. The County Public Health division has notified them that they can't be granted another septic system, because they are surrounded by the City, and must be attached to the City system.
- Scholz added that the letter was received by them last week, and they have 30 days to respond.

**With no further business to discuss, the Planning Commission adjourned at the hour of 8:04pm.**

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Chairperson

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City Recorder

EXHIBIT D - TAXING DISTRICT APPROVALS

**RESOLUTION NO. 03-1415**  
**LINN BENTON LINCOLN EDUCATION SERVICE DISTRICT**

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WHEREAS, the City of Harrisburg, Oregon is considering a substantial amendment to the Harrisburg Urban Renewal Plan to increase its maximum indebtedness from \$3,627,674 to \$8,177,674 ("Urban Renewal Plan Amendment"), which increase exceeds the statutory limit of 20 percent of the original maximum indebtedness, as adjusted, under statute: and

WHEREAS, the increase in maximum indebtedness of more than 20 percent of the original maximum indebtedness, as adjusted, requires the concurrence of those taxing districts imposing at least 75 percent of the amount of taxes imposed under permanent rate limits in the urban renewal area; and

WHEREAS, Linn Benton Lincoln ESD imposes permanent rate property taxes in the Harrisburg Urban Renewal Area and wishes to indicate its concurrence with the increase in the maximum indebtedness of the Harrisburg Urban Renewal Plan as stated in the Urban Renewal Plan Amendment;

NOW THEREFORE THE BOARD OF LINN BENTON LINCOLN ESD RESOLVES:

1. The Board hereby concurs with the increase in the maximum indebtedness of the Harrisburg Urban Renewal Plan as indicated in the Urban Renewal Plan Amendment, which increase is more than 20 percent of the original maximum indebtedness as adjusted.

The above resolution statements were approved and declared adopted on this 11th day of February, 2015.

  
\_\_\_\_\_  
Frank Bricker, Board Vice-Chair

  
\_\_\_\_\_  
Attest, Mary McKay, Superintendent

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BEFORE THE BOARD OF COUNTY COMMISSIONERS  
FOR LINN COUNTY

IN THE MATTER OF A RESOLUTION  
CONCURRING WITH AN INCREASE OF THE  
MAXIMUM INDEBTEDNESS OF THE  
HARRISBURG URBAN RENEWAL PLAN

RESOLUTION NO. 2015-057  
(Urban Renewal)

WHEREAS, the City of Harrisburg, Oregon is considering a substantial amendment to the Harrisburg Urban Renewal Plan to increase its maximum indebtedness from \$3,627,674 to \$8,177,674 (“Urban Renewal Plan Amendment, attached hereto as Exhibit 1”), which increase exceeds the statutory limit of 20% of the original maximum indebtedness, as adjusted, under statute; and

WHEREAS, the increase in maximum indebtedness of more than 20% of the original maximum indebtedness, as adjusted, requires the concurrence of those taxing districts imposing at least 75 percent of the amount of taxes imposed under permanent rate limits in the urban renewal area; and

WHEREAS, that Linn County imposes permanent rate property taxes in the Harrisburg Urban Renewal Area and wishes to indicate its concurrence with the increase in the maximum indebtedness of the Harrisburg Urban Renewal Plan as stated in the Urban Renewal Plan Amendment; now, therefore, be it

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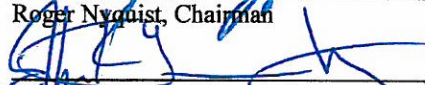
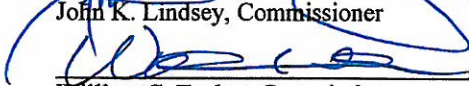


Office of the County Attorney  
for Linn County  
PO Box 100  
Albany OR 97371

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*RESOLVED*, That the Linn County Board of commissioners concurs with the increase in the maximum indebtedness of the Harrisburg Urban Renewal Plan as indicated in the Urban Renewal Plan Amendment, which increase is more than 20% of the original maximum indebtedness as adjusted.


BOARD OF COUNTY COMMISSIONERS  
FOR LINN COUNTY

	AYE	NO
 Roger Nyquist, Chairman	X	
 John K. Lindsey, Commissioner	X	
 William C. Tucker, Commissioner	X	

APPROVED AS TO CONTENT:

  
Ralph E. Wyatt  
Linn County Administrator

APPROVED AS TO FORM:

  
Eugene J. Karandy II  
County Attorney for Linn County



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for Linn County  
PO Box 100  
Alban OR 97321

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BEFORE THE BOARD OF COMMISSIONERS  
FOR THE 4-H AND EXTENSION SERVICE DISTRICT

IN THE MATTER OF A RESOLUTION  
CONCURRING WITH AN INCREASE OF THE  
MAXIMUM INDEBTEDNESS OF THE  
HARRISBURG URBAN RENEWAL PLAN

RESOLUTION NO. 2015-056  
(Urban Renewal)

WHEREAS, the City of Harrisburg, Oregon is considering a substantial amendment to the Harrisburg Urban Renewal Plan to increase its maximum indebtedness from \$3,627,674 to \$8,177,674 (“Urban Renewal Plan Amendment, attached hereto as Exhibit 1”), which increase exceeds the statutory limit of 20% of the original maximum indebtedness, as adjusted, under statute; and

WHEREAS, the increase in maximum indebtedness of more than 20% of the original maximum indebtedness, as adjusted, requires the concurrence of those taxing districts imposing at least 75 percent of the amount of taxes imposed under permanent rate limits in the urban renewal area; and

WHEREAS, the 4-H Extension Service District imposes permanent rate property taxes in the Harrisburg Urban Renewal Area and wishes to indicate its concurrence with the increase in the maximum indebtedness of the Harrisburg Urban Renewal Plan as stated in the Urban Renewal Plan Amendment; now, therefore, be it

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Office of the County Attorney  
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PO Box 100  
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Harrisburg School District No. 7

P.O. Box 208  
Harrisburg, OR 97446  
Regular Board Meeting  
March 9, 2015

PRESENT: Chairman Anthony Knox, Wayne Swango, Terry Crabb, Randy Klemm, Superintendent Brian Wolf, Business Manager Pam Strutz, Recording Secretary Michele Pelkey  
Absent: Shelly Watson

1. **CALL TO ORDER:** Chairman Knox called the meeting to order at 6:35 p.m.
2. **EXECUTIVE SESSION:** per ORS 192.660(2)(a) to consider the employment of a public officer, employee, staff member or individual agent;
3. **OPEN SESSION:** Chairman Knox declared the meeting to be in open session at 7:09 p.m.
4. **APPROVAL OF AGENDA:** Wayne Swango made the following motion, seconded by Randy Klemm, approved unanimously by the Board: *approve the agenda as presented.*
5. **APPROVAL OF CONSENT AGENDA:** The Consent Agenda was amended to add Pam Strutz to Item 5K. Randy Klemm made the following motion, seconded by Wayne Swango, approved unanimously by the Board: *approve the consent agenda as amended.*
  - A. MINUTES OF THE REGULAR BOARD MEETING OF FEBRUARY 9, 2015
  - B. MINUTES OF THE SPECIAL BOARD MEETINGS OF FEBRUARY 9-13, 2015
  - C. MINUTES OF THE SPECIAL BOARD MEETING OF FEBRUARY 17, 2015
  - D. MINUTES OF THE SPECIAL BOARD MEETING OF FEBRUARY 23, 2015
  - E. BILLS REPORT
  - F. 2015-2016 SCHOOL YEAR CALENDAR ADOPTION
  - G. REQUEST FOR FAMILY LEAVE: *Brittany Bowers*, HES Teacher
  - H. RESIGNATIONS: *Jennifer Erlandson*, HES 4th Grade Teacher, *Kathryn Sprague*, Kitchen Server
  - I. APPROVE FOR HIRE: *Larry Isom*, Assistant Baseball Coach; *Suzan Jackson*, HES Custodian
  - J. ONE YEAR CONTRACT EXTENSION FOR CONTRACTED LICENSED STAFF AS LISTED ON THE CONTRACT RENEWAL DOCUMENT IN THE BOARD PACKETS
  - K. ONE YEAR CONTRACT RENEWAL FOR SUPERVISORS TOM DENTEL, ALEX ALLEN, DEBRA LEVINSON AND PAM STRUTZ
  - L. THREE YEAR RENEWALS FOR PRINCIPALS DARCI STULLER, STEVE ATKINSON AND CAROL O'CONNOR
  - M. ONE YEAR CONTRACT RENEWAL FOR PROBATIONARY LICENSED STAFF AS LISTED ON THE CONTRACT RENEWAL DOCUMENT IN THE BOARD PACKETS
  - N. ADOPT BARGAINING GOALS.
6. **WELCOME AND RECOGNITION OF VISITORS AND DELEGATIONS**
  - A. STUDENTS OF THE MONTH: FEBRUARY STUDENTS OF THE MONTH recipients were James Upshaw from Harrisburg Elementary School, Jordan Lang from Harrisburg Middle School, and Andrew Swensen from Harrisburg High School.
  - B. HHS LEADERSHIP REPORT: Boaz Kelson and Savannah Aceves showed a video from the recent talent show that their group had hosted. They reported that the talent show was a success. Savannah also shared that the annual Beach Night was a lot of fun. Leadership has continued their reading program where they visit the first grade classrooms and read to them. They are also looking for more ideas to help around town on Green Day. Thank you, Leadership for all that you do!
  - C. FOREIGN EXCHANGE STUDENT REPORT: Magdalena Ilic from Norway presented an



informative report about her home country.

**7. PUBLIC COMMENT ON AGENDA ITEMS:**

There were no questions or comments.

**8. POLICY ISSUES**

A. AMEND JOB DESCRIPTION: Kitchen Supervisor. Pam Strutz asked the Board to make one more change on the job description. Wayne Swango moved, seconded by Randy Klemm, approved unanimously by the Board: **approve the job description as amended.**

**9. BUSINESS MANAGER'S REPORT:**

A. FINANCIAL REPORT: Pam Strutz presented the year to date expenditures. She reported that overall, the budget is in okay shape, and the percentage that has been spent thus far this year is right where it should be. She pointed out the areas that she is keeping a close eye on. She is not recommending any transfers from the contingency fund at this time. She reported that building maintenance is \$18,000 over budget. She also reported that she is seeing the effects from the OSAA league changes. Randy Klemm asked about how the additional wear and tear on the buses would affect next year's budget. Pam Strutz answered that in two years, there is more scheduled maintenance for all of the buses. She also reported that the breezeway at the high school is structurally sound at this time. Pam stated that she would like to have Tom Dentel, Maintenance Supervisor, report at a future board meeting about projects that need to be done on campus. Pam passed out a report on the outlook for the ADM for the 2015-2016 school year. She also said that the district is leaning towards having 3 full time kindergarten classes as opposed to 2 full time classes and 1 half time class. She reported that the estimated increase in revenue for the 2015-2016 school year is approximately \$126,377.00 but that projected costs are rising as well.

B. SUBSTITUTE TEACHER SHORTAGE: Pam Strutz presented a report regarding our recent shortage of substitute teachers. She said that absences amongst staff members is up slightly from the 2013-2014 school year. She said the primary problem is that we are short of substitutes. However, we have expanded our pool of substitutes by inviting substitutes from the Linn Benton Lincoln ESD to come and sign up to substitute here.

**10. SUPERINTENDENT'S REPORT**

A. STAFFING AND VOLUNTEER'S REPORT: Fingerprinting Clearance: Pamela Ramos and Montana Knox; Cleared through Criminal History Background Check for volunteer service: Eleonor Luther;

B. URBAN RENEWAL PLAN: Superintendent Wolf reported that last month Brian Latta had presented the Urban Renewal Plan and that at that time, the Board had wanted to consider it for a month. Terry Crabb reported that if the Board approves the Urban Renewal Plan, the state allocated money would either come directly into the town of Harrisburg or, if it isn't approved, then the money would stay with the state and be shared amongst schools throughout the state of Oregon. He said that if approved, the money would be used for improving the infrastructure of the City of Harrisburg. Anthony Knox said that he would prefer that the money from the plan be used as a loan. Brian Latta said that the loan grant has not been finalized. He said the money could be used as loans at low interest rates. Randy Klemm asked when the city was going to make decisions about the money if the plan is approved. Brian reported that discussions would take place monthly regarding how the money would be allocated. Terry Crabb pointed out that the projects have been listed and prioritized. Anthony Knox moved, seconded by Terry Crabb: **approve the Urban Renewal Plan as presented.** Wayne Swango opposed. Motion carried 3:1.

C. CHEERLEADING ADVISOR STIPEND: Superintendent Wolf explained that Jennifer Winsted has been volunteering as cheerleading squad coach and doing an excellent job. Tony Koontz reported that cheerleading used to be supported by the Booster Club, and then came under the sports program. It had gradually fallen into disarray prior to Jennifer getting involved several years ago.

He said the club has been on an upswing since Jennifer has been leading it. Tony also stated that the club has been fundraising to support itself. He recommended that cheer be brought back under athletics. He would like to see a small budget as well as a stipend for Jennifer Winsted. Jennifer passed out a program overview to each Board member. She reported that the girls are held to the same academic and behavioral standards as other student-athletes. She said the girls have worked very hard to be in this program. They begin practice at 6 a.m. to be able to have gym time. She reported that there are 26 girls on the team at this time, 15 full-time, and 11 who also play other sports. Tony also reported that there are 7 students who signed up for cross country last year. He said it is difficult to justify funding cross country with the low numbers. Tim Cheek spoke to the Board, and reported that he didn't know why the numbers were down in cross country, especially with Harrisburg being so close to Eugene, aka Track Town, USA. He spoke of the personal gains that many students have made over the years. He pointed out that the team is a very diverse group. Tim said that he was willing to give up his salary if the school district would continue to pay for buses and uniforms. Tony recommended that the stipend go to Jennifer even though he didn't want to see Tim lose his salary. Randy Klemm asked if the cheerleaders would be charged a sports fee. Tony said yes. Pam reported that the stipend for Cheer falls under the level C pay scale, and the stipend would be \$1550. She said that the cross country coach falls under a level B pay scale, and with zero years' experience, the stipend begins at \$1550. Terry Crabb asked if cheer were to become a sport, would the school be required to use buses to take the team to events. He was told yes. Randy Klemm pointed out that transporting 25 students to events could be a significant cost. Steve Atkinson said that charging community members and students to ride a rooter bus could help solve that problem. Wayne Swango motioned, seconded by Randy Klemm, approved unanimously by the Board: **allow cheer to become an athletic sport.**

D. PROMISE OF OREGON RESOLUTION: An OSBA representative had asked Superintendent Wolf to ask the Board if they would formally support a resolution promoting the Promise of Oregon, a campaign aimed at targeting the legislature to convince them of the need for more money for schools. Randy Klemm asked what the benefit of the resolution would be for our school.

Superintendent Wolf reported that our school name would be added to a list which would be taken to the legislature to help make the case for increased school funding. No motion was made.

E. LEAVE REQUEST: Superintendent Wolf requested that he be able to use his vacation leave from April 21 through April 26. Anthony Knox moved, seconded by Wayne Swango, approved unanimously by the Board: **approve Superintendent Wolf's request for vacation time.**

F. ROSES:

- **Oregon School Activities Association (OSAA)**-for their generous donation of
  - A box containing 20 pairs of Nike and Adidas Shoes
  - A box containing 60 items of assorted Nike and Adidas clothing to be shared with deserving HHS students. The apparel was made available to us on a first come-first served basis and we were fortunate to have received it. Thanks also to HHS AD Tony Koontz for facilitating this kindhearted contribution.

- **Harrisburg Online School (HOP) Coordinator Lisa Borchers**-who recently received the following kudos from Linn County Juvenile Department Probation Officer Holly Borba:
 

"Superintendent Wolf, I would just like to take a moment to bring to your attention what an amazing job Lisa Borchers does. She is very dedicated to her job as well as the students she works with. She is very easy to work with, easy to get a hold of and does all she can, and then some, to make the best plan for her students to be successful!!! I appreciate the work she has done with my clients and fellow Probation Officer Carter has often mentioned how helpful she has been for several of his clients as well. People often complain about others' work but it is not often that people take the time to acknowledge a job well done!!! I feel it is extremely important to bring this to your attention

due to the GREAT JOB she has done!!! Thanks for your time and I hope you appreciate her work as much as we do!!"

- **HHS Students Josie Woods and Gavin Ross-** who were commended last week by HSD school board member Terry Crabb for their volunteer Eagle Athletics coaching work. "Eagle Athletics was short one coach for 3rd/4th girls basketball this year and I asked Josie if she would be interested in doing it. She said yes immediately and Gavin became her assistant. They did a tremendous job of teaching the girls fundamentals, but, more importantly, they were great role models. They interacted extremely well with the girls and made it fun. They both volunteered numerous hours at practices and games without any compensation. They are shining examples of how to give back to the elementary students and the community."
- **HES Reading and Math Specialist Paula Tereault-**for founding the Harrisburg Reading Warriors Book Club. Recently, I was graciously invited to speak to the Warriors at their February 19th regular monthly meeting. I was favorably impressed with the students' passion for reading and with the sophistication of their reading preferences. I also appreciated their sincere and courteous interest in learning more about my own personal reading pursuits. Paula has done a fantastic job of fostering a true love for books amongst her merry band of Reading Warriors.
- **HSD District Office Staff Pam Strutz, Megan Collett and Michele Pelkey-**for their exceptional performance this year as a brand, spanking new District Office team. These three ladies have not only survived their baptism under fire, they have thrived in it. Pam, Megan and Michele have provided outstanding service to the patrons of this district in a professional, kind and courteous manner. To paraphrase former British Prime Minister Winston Churchill, "Never in the field of 'Human Resources' has so much been owed by so many to so few." It is reassuring to know that I will be leaving the new superintendent next year in such capable hands.

**ADJOURN:** Anthony Knox motioned to adjourn the meeting at 8:48 p.m.

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Anthony Knox, Board Chairman

\_\_\_\_\_  
Michele Pelkey, Recording Secretary

## RESOLUTION 1101

**A RESOLUTION APPROVING THE INCREASE IN MAXIMUM INDEBTEDNESS FOR  
SUBSTANTIAL AMENDMENT NO. 5 TO THE HARRISBURG REDEVELOPMENT  
AGENCY PLAN**

WHEREAS, the Harrisburg Redevelopment Agency in Harrisburg, Oregon is considering a substantial amendment to the Harrisburg Urban Renewal Plan to increase its maximum indebtedness from \$3,627,674 to \$8,177,674 ("Urban Renewal Plan Amendment"), which increase exceeds the statutory limit of 20% of the original maximum indebtedness, as adjusted, under statute; and


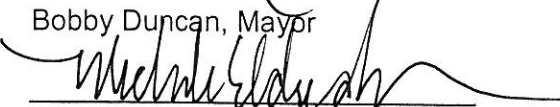
WHEREAS, the increase in maximum indebtedness of more than 20% of the original maximum indebtedness, as adjusted, requires the concurrence of those taxing districts imposing at least 75 percent of the amount of taxes imposed under permanent rate limits in the urban renewal area; and

WHEREAS, the City of Harrisburg imposes permanent rate property taxes in the Harrisburg Urban Renewal Area and wishes to indicate its concurrence with the increase in the maximum indebtedness of the Harrisburg Urban Renewal Plan as stated in the Urban Renewal Plan Amendment;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF HARRISBURG  
RESOLVES:

1. The City Council hereby concurs with the increase in the maximum indebtedness of the Harrisburg Urban Renewal Plan as indicated in the Urban Renewal Plan Amendment, which increase is more than 20% of the original maximum indebtedness as adjusted.

Adopted by the City Council of the City of Harrisburg, Oregon, and made effective the 8th day of April, 2015.

  
Bobby Duncan, Mayor  
  
City Recorder

Agenda Bill  
**Harrisburg Redevelopment Agency Board**  
Harrisburg, Oregon

**THE MATTER OF APPROVING THE HARRISBURG REDEVELOPMENT AGENCY  
4TH QUARTER 2021/2022 EXPENSE REPORT**

**STAFF REPORT:**

Exhibit A: 4th Quarter HRA Expense Report Ending June  
30, 2022

**ACTION: MOTION TO APPROVE THE HRA 4TH QUARTER 2021/2022  
EXPENSE REPORT.**

**THIS AGENDA BILL IS DESTINED FOR:** Regular Agenda – October 25, 2022

BUDGET IMPACT		
COST	BUDGETED?	SOURCE OF FUNDS
N/A	N/A	N/A

**STAFF RECOMMENDATION:**

**Staff recommend the HRA Board reviews and approves the HRA 4th Quarter 2021/2022 Expense Report.**

**BACKGROUND INFORMATION:**

The HRA’s Finance Officer has prepared the 4<sup>th</sup> Quarter 2021/2022 Expense Report for review by the HRA Board. The report shows all revenues and expenditures for the 4<sup>th</sup> quarter for fiscal year 2021-2022 and all revenues and expenditures for the entire 2021-2022 Budget Year. We have currently received \$430,447, which is 179.91% of the budgeted Property Taxes. The values of the properties in the HRA district have increased at a rate not expected. We have almost earned 73% of the budgeted funds from our investment in LGIP. The shortfall is due to plunging interest rates during the last 18 months. We have only spent 6.86% of the funds budgeted for Capital Outlay. The remaining funds will carry over into the next budgeting cycle in the Beginning Fund Balance. The HRA Board should review the document and raise any questions or concerns they may have to the HRA staff. **Be aware that these numbers could change after fiscal year 2021-2022 is audited due to any auditor adjustments or reclassifications.**

**REVIEW AND APPROVAL:**

*Cathy Nelson*                      10/17/2022  
Cathy Nelson                      Date  
Finance Officer

**EXPENDITURES WITH COMPARISON TO BUDGET  
FOR THE 3 MONTHS ENDING June 30, 2022**

**HRA GENERAL FUND**

**REVENUES (RESOURCES)**

OBJECT CLASSIFICATION (DESCRIPTION)	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PERCENTAGE
BEGINNING FUND BALANCE	1,790,757.00	1,790,757.00	1,394,200.00	396,557.00	128.44%
TAXES	16,386.27	430,447.53	239,260.00	191,187.53	179.91%
INVESTMENT REVENUE	3,743.32	10,923.56	15,000.00	(4,076.44)	72.82%
MISCELLANEOUS REVENUE	3,000.00	84,631.15	95,160.00	(10,528.85)	88.94%
<b>TOTAL FUND REVENUE</b>	<b>1,813,886.59</b>	<b>2,316,759.24</b>	<b>1,743,620.00</b>	<b>573,139.24</b>	<b>132.87%</b>

**EXPENDITURES (REQUIREMENTS)**

OBJECT CLASSIFICATION (DESCRIPTION)	PERIOD ACTUAL	YTD ACTUAL	BUDGET	REMAINING	PERCENTAGE
MATERIALS & SERVICE	135.10	15,958.70	28,450.00	12,491.30	56.09%
CAPITAL OUTLAY	400.00	93,376.24	1,361,120.00	1,267,743.76	6.86%
SPECIAL PAYMENTS	0.00	101,440.21	134,000.00	32,559.79	75.70%
DEBT SERVICES	170,359.22	220,005.44	220,050.00	44.56	99.98%
<b>TOTAL FUND EXPENDITURES</b>	<b>170,894.32</b>	<b>430,780.59</b>	<b>1,743,620.00</b>	<b>1,312,839.41</b>	<b>24.71%</b>
<b>NET REVENUES OVER EXPENDITURES</b>	<b>1,642,992.27</b>	<b>1,885,978.65</b>	<b>0.00</b>		