

# WHERE DOES DOWNTOWN URBAN RENEWAL MONEY COME FROM?

Urban Renewal is a federally recognized program, adopted by states and cities who wants to improve property values in a currently blighted area of town. The purpose of Urban Renewal is to increase property values, and thus increase property tax income to the government.

To form an Urban Renewal district the city must identify a boundary around a blighted area they wish to improve. In the case of Downtown Urban Renewal, the district is bounded by Ferry Street, Church Street, Market Street, to the middle of the Willamette River. Once the district boundaries are drawn, the city must maintain a current UR plan to show how funds will be invested each year. The budget is voted in by a majority at city council in late June each year. The City's new fiscal year starts July 1 of each year.

UR funds have few restrictions on how they can be spent, and any unspent funds can be rolled over into future years. All funds must be invested within the district boundary and they cannot be used for maintenance. Each year downtown about \$7 million dollars of new funds come into the UR fund from the increase of property value (and thus taxes) within the district. So the best investments should be improvement to privately owned property in downtown as the best, and fastest method of increasing tax income to the city.

## Urban Renewal Agency FY 2021 Fund No. 265 Riverfront Downtown Capital Improvements

### Riverfront Downtown URA Resources

Resource Type	Budget FY 2018	Actual FY 2018	Budget FY 2019	Actual FY 2019	Budget FY 2020	Mgr Rec FY 2021	BC Rec FY 2021	Adopted FY 2021	Difference from FY 2020	% Chg from FY 2020
Internal and Intergovernmental	\$ -	\$ 289,220	\$ -	\$ 294,210	\$ 300,090	\$ -			\$ (300,090)	-100.0%
Loan Principal / Interest	48,950	49,723	48,950	51,410	49,720	25,000			(24,720)	-49.7%
Bond Proceeds	-	-	-	-	-	8,700,000			8,700,000	-
Du Jour Financing	6,500,000	6,500,000	7,000,000	7,000,000	7,500,000	6,000,000			(1,500,000)	-20.0%
All Other Revenues	339,220	142,688	354,210	336,487	75,000	605,090			530,090	706.8%
Interfund Transfer	613,000	613,000	-	-	-	-			-	-
Beginning Working Capital	9,310,630	10,794,409	16,017,080	15,250,230	17,253,000	6,189,660			(11,063,340)	-64.1%
<b>Total Resources</b>	<b>\$ 16,811,800</b>	<b>\$ 18,389,040</b>	<b>\$ 23,420,240</b>	<b>\$ 22,932,337</b>	<b>\$ 25,177,810</b>	<b>\$ 21,519,750</b>			<b>\$ (3,658,060)</b>	<b>-14.5%</b>