



**ALBANY REVITALIZATION AGENCY**

**BIENNIUM 2023-25**

**ADOPTED BUDGET**



## BUDGET MESSAGE

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When the Central Albany Revitalization Area (CARA) tax increment financing district (TIF) was established in 2001, twenty-two years ago, I was serving as a pilot on active duty. At the time, policymakers anticipated that the district would sunset in 2025. Since then, the ARA and staff worked on the 52 projects identified through community input. The great recession and other challenges slowed progress towards project completion, but staff, working with the advisory board, refocused efforts on completing as many projects as possible with remaining spending authority, and to realign spending authority with projected timelines for the work of the TIF district.

TIF districts have proven to be a unique and vital tool for incentivizing the private sector to revitalize underused and/or otherwise blighted portions of a community. While TIF districts can be extremely effective and helpful, they are not meant to last forever; rather, they should be viewed as a tool to create momentum - momentum that carries the district well into the future. At their sunset, the community is left with improved infrastructure, decreased vacancy, increased housing density, new private investment, and new private development opportunities that did not exist before. Furthermore, the cost of forgone property tax revenue to overlying taxing districts is returned with a significant increase over the established taxable value of the district at its creation, while never directly increasing the tax bill of taxpayers.

## BUDGET MESSAGE

The focus of the last budget, for the 2021-23 biennium, was “partner and build.” As we approach this next budget, the focus is “build”. Following direction established by the ARA board in 2019, the district is moving full steam ahead towards two primary goals:

1. The Waterfront Project (includes 13 projects from the original project list that have not yet been completed), and
2. Large scale private redevelopment projects., such as the redevelopment of the Wells Fargo property, as well as other interest in the downtown area because of the Waterfront Project.

Public engagement, planning, and design phases of the Waterfront Project have been completed. After years of staff work on this project, our consultant team has delivered design plans that incorporate thousands of public inputs, three public open houses, and multiple adopted city plans. Construction has now begun and is well underway. Significant public infrastructure upgrades associated with the Waterfront Project include roads, parks, parks equipment, and a stage. Water Avenue improvements are being completed in concert with much needed and long planned water line replacements to capture economies of scale and reduce public inconvenience. The Waterfront Project will create a lasting asset for the community, visitors, and new private investment that will pay dividends for many years into the future.

In 2023-25 and into the future, the ARA board will continue to oversee the payoff of debt associated with these projects, and staff will continue to support business recruitment and expansion efforts in the Central Albany Revitalization Area. Future development efforts in other parts of Albany may be helped by the use of TIF, but as a reminder, the use of this tool will require the affirmative vote of Albany citizens.



Peter Troedsson  
City Manager



# ARA Fund

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The ARA Fund is used to account for revenues and expenditures associated with administrative overhead and the associated redevelopment work of the Albany Revitalization Agency (ARA).

## Revenues

Revenues for these operations are predominantly from Tax increment finance (TIF). The ARA is authorized to collect tax increment as a certified Tax Increment District in the state of Oregon. Established in 2001, a portion of taxable value within the district is redirected from other overlaying taxing districts to the ARA for use in redevelopment activities and the staff time required for those activities. The ARA is also authorized to generate loan revenue against future TIF income.

Additional nominal revenue comes from loan and bank interest earnings.

## Expenses

Expenses are primarily for redevelopment activities and partnerships. The agency seeks partnerships that can accomplish the goals and objectives of the TIF district. Additional expenditures are typically captured by public infrastructure improvements within the district and administrative costs. All expenditures are outlined in the original TIF district 2001 plan.

The ARA itself has no staff but has an agreement with the City to use its Economic Development staff to accomplish the work of the agency. As such, an annual transfer from the CARA budget to the Economic Development Budget covers personnel costs.

## Opportunities/Challenges

The ARA fund and its associated work is at a very exciting time in its genesis. The primary opportunity at hand is to complete the majority of originally envisioned projects and eventually sunset the district, returning forgone tax revenue to the overlaying taxing districts. Construction is currently underway on the Waterfront project, marking the final major project for the district, and the culmination of decades of planning, staff time, volunteers and development partners to complete as many of the priorities and projects envisioned and the inception of the CARA district.



CITY OF ALBANY, OREGON  
BIENNIUM 2023-2025

FUND SUMMARY

FUND: CARA

Description	2018-19 Actual	2019-21 Actual	2021-23 Adopted	2021-23 Revised	2023-25 Proposed	2023-25 Approved	2023-25 Adopted
<b>RESOURCES</b>							
BEGINNING BALANCE	\$ (1,756,298)	\$ 7,303,760	\$ 6,770,000	\$ 6,770,000	\$ 25,700,000	\$ 25,700,000	\$ 25,700,000
PROPERTY TAXES	3,674,040	8,062,159	7,450,000	7,450,000	10,100,000	10,100,000	10,100,000
INTERGOVERNMENTAL	1,200	-	2,400	2,400	-	-	-
OTHER RESOURCES	1,181,915	158,692	143,500	143,500	362,300	362,300	362,300
PROCEEDS FROM DEBT ISSUANCE	8,400,000	-	-	-	-	-	-
INVESTMENT EARNINGS	201,005	281,830	50,000	50,000	50,000	50,000	50,000
<b>TOTAL RESOURCES</b>	<b>\$ 11,713,682</b>	<b>\$ 15,806,441</b>	<b>\$ 14,415,900</b>	<b>\$ 14,415,900</b>	<b>\$ 36,212,300</b>	<b>\$ 36,212,300</b>	<b>\$ 36,212,300</b>
<b>REQUIREMENTS</b>							
CARA	\$ 4,178,322	\$ 3,978,258	\$ 13,920,000	\$ 13,920,000	\$ 35,617,500	\$ 35,617,500	\$ 35,617,500
TRANSFERS OUT	-	511,400	495,900	495,900	594,800	594,800	594,800
SPECIAL PAYMENTS	231,600	-	-	-	-	-	-
	<b>\$ 4,409,922</b>	<b>\$ 4,489,658</b>	<b>\$ 14,415,900</b>	<b>\$ 14,415,900</b>	<b>\$ 36,212,300</b>	<b>\$ 36,212,300</b>	<b>\$ 36,212,300</b>
<b>RESOURCES LESS REQUIREMENTS</b>	<b>\$ 7,303,760</b>	<b>\$ 11,316,783</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**CITY OF ALBANY, OREGON**  
**BIENNIUM 2023-2025**

LINE ITEM SUMMARY  
 DEPARTMENT: COMMUNITY DEVELOPMENT  
 PROGRAM: 29015065 - CARA

Account Number	Description	2018-19 Actual*	2019-21 Actual*	2021-23 Adopted	2021-23 Revised	2023-25 Adopted
<b>RESOURCES</b>						
29015065-400500	PROPERTY TAXES - CURRENT	\$ 3,565,597	\$ 7,928,715	\$ 7,350,000	\$ 7,350,000	\$ 10,000,000
29015065-400510	PROPERTY TAXES - DELINQUENT	108,443	133,444	100,000	100,000	100,000
29015065-428325	SETTLEMENT PROCEEDS	1,200	-	2,400	2,400	-
29015065-430255	PROPERTY MANAGEMENT	11,820	-	-	-	-
29015065-469015	MISCELLANEOUS REVENUE	671,362	26,278	-	-	-
29015065-469100	SALE OF LAND/BUILDING	375,000	-	-	-	-
29015065-470000	LOAN PROCEEDS	8,400,000	-	-	-	-
29015065-470010	LOAN REPAYMENT-PRINCIPAL	129,106	113,231	137,400	137,400	331,800
29015065-470015	LOAN REPAYMENT-INTEREST	6,447	19,182	6,100	6,100	30,500
29015065-480100	INTEREST	201,005	317,963	50,000	50,000	50,000
29015065-480900	INTEREST: FAIR MARKET VALUE	-	(36,133)	-	-	-
29015065-499050	BEGINNING BALANCE	(1,756,298)	7,303,760	6,770,000	6,770,000	25,700,000
<b>TOTAL RESOURCES</b>		<b>\$ 11,713,682</b>	<b>\$ 15,806,440</b>	<b>\$ 14,415,900</b>	<b>\$ 14,415,900</b>	<b>\$ 36,212,300</b>

<b>REQUIREMENTS</b>						
29015065-600005	AUDIT SERVICE	\$ 3,905	\$ 28,881	\$ 8,400	\$ 8,400	\$ 8,900
29015065-600115	INSURANCE & BONDS	819	-	30,600	30,600	8,500
29015065-600400	CONTRACTUAL SERVICES	36,060	28,901	40,000	40,000	50,000
29015065-600500	PROPERTY ACQUISITION COSTS	-	12,000	-	-	-
29015065-602635	CAPITAL PROJECTS PREP	13,902	633,049	40,000	40,000	55,000
29015065-602640	CARA EVENTS	475	50	2,000	2,000	4,000
29015065-610000	ADMINISTRATIVE COSTS	1,401	2,023	3,000	3,000	3,000
29015065-610005	ADVERTISING & PUBLICATIONS	2,262	2,583	1,400	1,400	2,000
29015065-610100	DUPLICATION & FAX	1,240	2,486	3,000	3,000	1,600
29015065-610130	EDUCATION & TRAINING	-	-	3,000	3,000	3,000
29015065-610170	FILING & RECORDING	-	385	-	-	-
29015065-610405	MATERIALS & SUPPLIES	483	2,300	6,700	6,700	6,000
29015065-610420	MEETINGS & CONFERENCES	1,031	698	4,000	4,000	5,400
29015065-610425	MEMBERSHIPS & DUES	150	150	1,000	1,000	1,000
29015065-610525	PERSONAL AUTO REIMBURSEMENT	-	1,302	2,400	2,400	2,400
29015065-610540	POSTAGE & SHIPPING	-	4	200	200	200
29015065-630000	ELECTRICITY	2,518	9,777	26,700	26,700	-
29015065-630001	ELECTRICITY - EV CHARGING STN	-	-	-	-	2,100
29015065-630015	FIRE LINE	-	208	600	600	-
29015065-630400	WATER SERVICE	399	2,993	2,400	2,400	-
29015065-630405	SEWER SERVICE CHARGES	36	305	2,400	2,400	-
29015065-630410	STORMWATER SERVICE CHARGES	64	581	1,200	1,200	1,100
29015065-630415	CITY SERVICES FEE CHARGES	65,300	104,973	-	-	1,800
29015065-660200	CS: CENTRAL SERVICE	-	-	29,300	29,300	62,300
29015065-660210	CS: FINANCE	-	-	59,800	59,800	130,600
29015065-660211	CS: CITY MANAGER'S OFFICE	-	-	101,700	101,700	176,400
29015065-660212	CS: MAYOR & COUNCIL	-	-	11,600	11,600	17,600
29015065-660225	CS: EMERGENCY MGMT/SAFETY	-	-	12,800	12,800	21,200
29015065-670000	MISCELLANEOUS EXPENDITURES	37,488	1,844	-	-	-
29015065-670030	BUILDING REVITALIZATION GRANT	20,000	10,000	-	-	-
29015065-670520	PROPERTY TAXES	15,359	-	48,600	48,600	-
29015065-670695	PACIFIC POWER GRANT EXPENSE	-	21,065	-	-	-
29015065-670700	PARTNERSHIPS	-	-	6,000,000	6,000,000	1,500,000
29015065-680000	CARA: ARCHITECTURAL ASSISTANCE	7,000	-	-	-	-
29015065-680300	CARA: SMALL GRANTS	10,208	15,000	-	-	-
29015065-682200	CARA LOAN: NATURAL SPRINKLES	4,985	-	-	-	-
29015065-690260	RESERVE: INFRASTRUCTURE PROJ	889,721	-	-	-	-
29015065-690520	RESERVE: PARTNERSHIPS	10,000	-	-	-	-
29015065-700055	CAPITAL PROJECTS	1,500,333	713,369	4,838,800	4,838,800	1,000,000
29015065-700073	CARA: EDGEWATER VILLAGE ST IMP	356,395	1,347	-	-	-
29015065-700080	CARA: ELLSWORTH & 6TH SIGNAL	53,466	913	-	-	-
29015065-700085	CARA: WAYFINDING SIGNAGE	-	17,547	-	-	-
29015065-700102	CARA: WATERFRONT PROJECT	-	76,040	-	-	18,000,000
29015065-900060	RESERVE: CAPITAL PROJECTS	-	-	-	-	9,877,800
29015065-911000	TO: GENERAL FUND	50,000	100,000	-	-	-
29015065-912110	TO: ECONOMIC DEVELOPMENT FUND	181,600	411,400	495,900	495,900	594,800
29015065-920005	BOND PRINCIPAL: 2007A CARA(BQ)	383,000	823,000	823,000	823,000	-
29015065-920020	BOND PRINCIPAL: 2022 ARA	-	-	-	-	2,592,300
29015065-930005	BOND INTEREST: 2007A CARA (BQ)	79,386	102,612	103,300	103,300	-
29015065-930020	BOND INTEREST: 2022 ARA	-	-	-	-	721,300
29015065-940000	LOAN PRINCIPAL	596,170	-	976,300	976,300	-



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**DEPARTMENT: COMMUNITY DEVELOPMENT**  
**PROGRAM: 29015065 - CARA**

<b>Account Number</b>	<b>Description</b>	<b>2018-19 Actual*</b>	<b>2019-21 Actual*</b>	<b>2021-23 Adopted</b>	<b>2021-23 Revised</b>	<b>2023-25 Adopted</b>
29015065-940025	IFA LOAN PRINCIPAL	-	976,166	-	-	1,079,700
29015065-950000	LOAN INTEREST	84,766	-	385,800	385,800	-
29015065-950025	IFA LOAN INTEREST	-	385,706	-	-	282,300
29015065-980000	RESERVE: DEBT SERVICE	-	-	350,000	350,000	-
<b>TOTAL REQUIREMENTS</b>		<b>\$ 4,409,922</b>	<b>\$ 4,489,657</b>	<b>\$ 14,415,900</b>	<b>\$ 14,415,900</b>	<b>\$ 36,212,300</b>
<b>RESOURCES LESS REQUIREMENTS</b>		<b>\$ 7,303,760</b>	<b>\$ 11,316,783</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\*FY 2019 and part of FY 2020 were recorded in program 29011015.