

Madras Urban Renewal Agency

2020-2022 Biennial Budget



MADRAS
URBAN RENEWAL AGENCY

2020-22 Biennial Budget
Proposed

Budget Committee

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Madras Urban Renewal Agency
2020-22 Proposed Biennial Budget
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Budget Calendar

April 7, 2020
5:30 PM

Budget Committee Meeting
Council Chambers
125 SW E St., Madras, OR 97741

May 5, 2020
7:00 PM

2nd Budget Committee Meeting (if needed)
Council Chambers
125 SW E St., Madras, OR 97741

June 10, 2020
5:30 PM

Budget Hearing & Adoption
Council Chambers
125 SW E St., Madras, OR 97741

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Madras Urban Renewal Agency Budget Message 2020-22 Biennium

Dear Madras Redevelopment Commission Board and Budget Committee Members:

The Madras Redevelopment Commission has approved a record number of façade and renovation projects over the last two fiscal years as well as a couple major new construction projects with Loves Travel Center and Dollar General. Moving into the 2020-22 biennium we are seeing a dramatic economic impact on the horizon from the Coronavirus Pandemic. The extent is still unknown.

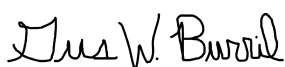
The Commercial and Housing Urban Renewal Districts are in a good position to respond. The Commercial District is about halfway through its investments of a maximum indebtedness of \$14 million, and the Housing District is just starting with its maximum indebtedness of \$39 million. The following investments will help in the economic recovery effort:

- The Commercial District is planning an initial economic stimulus package (spring 2020) including assistance for restaurants and support of multiple renovation grant/loan projects. There will be ongoing evaluation of additional needs for a potential phase 2 stimulus package in 2020-22 as new information is gathered.
- Since January 2020 the Housing District has approved three housing development agreements and a fourth is in discussion. This will provide much needed housing by adding 144 single family dwellings and 120 apartment units in the beginning phases.

The Urban Renewal Plans for each district are the guide for decision making by the Madras Redevelopment Commission. Each plan was carefully put together through stakeholder outreach including community and developer input. This budget is designed to move forward in achieving the goals set by the Urban Renewal Plans by removing blight, incentivizing new development, improving business activity, providing housing on vacant land, and promoting Madras' overall economic health.

There is significant work ahead to partner with the business and development community. I am happy to report to you that the Urban Renewal Districts are ready to answer the call for help and to strategically invest.

Sincerely,



Gus Burriel

Madras City Administrator/Budget Officer

MADRAS URBAN RENEWAL AGENCY HISTORY

The City of Madras has two (2) Urban Renewal Districts: 1) Madras Urban Renewal Commercial District; and 2) Housing Urban Renewal District. An overview of each District's history is provided below.

Madras Urban Renewal District (Commercial):

Madras Urban Renewal Plan was adopted by the City of Madras City Council on August 13, 2002 via City Ordinance No. 700, which also established the Madras Urban Renewal District (MURD). The purpose of the Madras Urban Renewal Plan is to:

1. Eliminate blighted condition;
2. Reverse physical and economic decline;
3. Establish a maximum indebtedness of \$14 million;
4. Identify financing methods to eliminate blight and improve economic conditions.

In 2002 the Madras City Council passed Ordinance No. 709 which created the Madras Redevelopment Commission and transferred its Urban Renewal Authority to the Madras Redevelopment Commission (MRC) to increase public involvement in the Urban Renewal Program, pursuant to Oregon Revised Statutes (ORS) 457.055. Later, on February 3, 2016, the MRC approved the Urban Renewal Action Plan. This Plan updated the MRC's earlier Urban Revitalization Action Plan and seeks to target investments within the District that will create a competitive advantage for Madras that will:

- Generate tax increment
- Support development on underutilized and vacant sites
- Catalyze additional development throughout the District
- Increase the tax base long term

The District is located primarily along the Highway 97 commercial corridor that extends between Lee Street in the north and Hall Street in the south. Property taxes are imposed on the increases in property values on the assessed value within the District. The District receives property taxes (tax increment) to fund projects that are consistent with the District's Urban Renewal Plan.

Housing Urban Renewal District:

In December of 2018 the City of Madras completed a Housing Action Plan that identified housing needs for all housing types and income levels. The Housing Action Plan recommended specific actions to address these housing needs. One of the recommended actions was evaluating the opportunities for a new or expanded urban renewal area to support development of housing. The City completed a Feasibility Study in June of 2019. Later, on November 12, 2019 the City Council approved the Housing Urban Renewal District (HURD) Report and Plan, and Ordinance No. 935¹. The HURD is estimated to last 30 years, resulting in 30 years of tax increment collections. The City estimates that 965 new housing units will be constructed within the Plan Area over the estimated 30-year time frame of the HURD. The maximum amount of indebtedness (amount of

¹ Ordinance No. 936 amended Ordinance No. 935.

dollars spent for projects, programs and administration) that may be issued for the Plan is \$39,100,000.

The goals of the HURD Plan represent its basic intents and purposes. Accompanying the goals are objectives, which generally describe how the MRC intends to achieve each goal. The goals and objectives will be based on economic feasibility and at the discretion of the MRC.

A. Housing Development

To increase the supply of all housing types in the City of Madras.

Objectives:

1. Provide financial incentives for the development of housing in the City of Madras.
2. Provide infrastructure improvements to support the development of housing in Madras.

B. Infrastructure

To provide necessary infrastructure improvements to support housing development in the City of Madras.

Objectives:

1. Provide infrastructure improvements.
2. Assist in the financing of infrastructure improvements to be made by a developer/builder/property owner.
3. Assist in the provision of infrastructure improvements by providing other incentives to a developer/builder/property owner.

C. Public Safety

Coordinate with Jefferson County Fire District #1 to provide public safety in the urban renewal area.

Objectives:

1. Provide funding for capital improvements to the Jefferson County Fire District #1.

ORS 457.460 requires urban renewal agencies to provide a summary of their finances for public information. Additional reporting for the MRC includes the adoption of its annual budget and its annual independent audit.

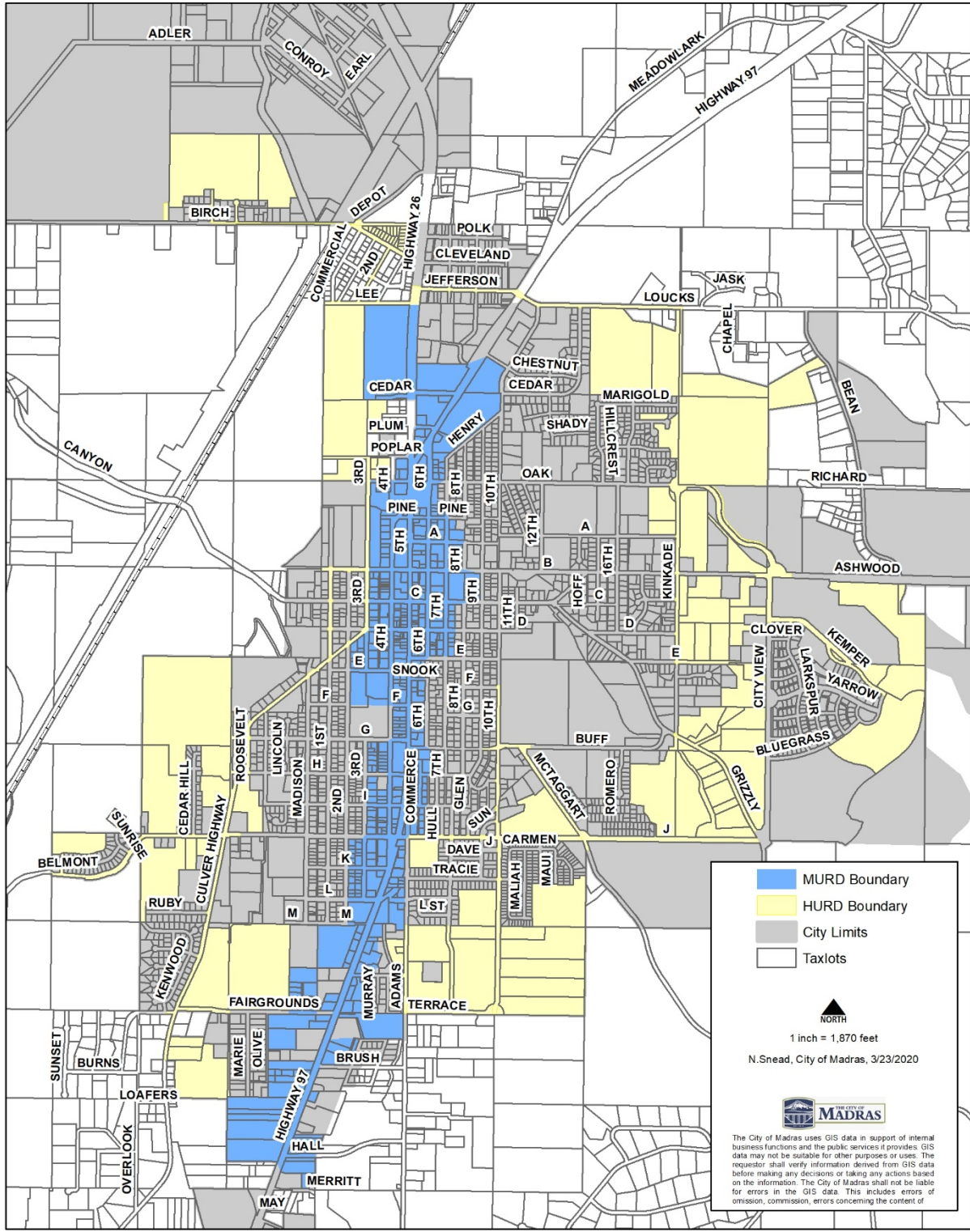
Copies of the City of Madras Urban Renewal Plans, Reports and related documents can be found on the Madras website. <https://www.ci.madras.or.us/bc-mrc>

In FY 2018-19, the MRC implemented a new fund structure, the original fund structure of UR District budget consisted of two funds: 701 - MRC General Fund and 702 - MRC Reinvestment Fund. The new fund structure, adopted in 2019 includes three new funds in an effort to 1) more clearly tie the budget document to the UR Plan; and 2) increase the ability to clearly track resources and calculate maximum indebtedness. The changes to the MRC's fund structure are consistent with the advice of Bond Counsel and experts in Urban Renewal finance


Fund Structure Realignment


	Description	Benefit
Agency (MURA) General Fund	700 - Madras Urban Renewal	Agency-wide expenditures not specific to individual districts
Commercial District	703 - Commercial Property Tax and Debt Service Fund	Property tax revenue and debt payments only
	704 - Commercial Project Fund	Debt proceeds and non-property tax revenues, as well as all project expenses for the District (excluding loans to private business)
	705 - Commercial Revolving Loan Fund	All land sales and business loan repayment revenues, as well as business loan distribution expenditures
Housing District	707 - Housing Property Tax and Debt Service Fund	Property tax revenue and debt payments only
	708 - Housing Project Fund	Debt proceeds and non-property tax revenues, as well as all project expenses for the District (excluding loans to private business)

Madras Urban Renewal Districts



MURD Boundary
 HURD Boundary
 City Limits
 Taxlots


 NORTH
 1 inch = 1,870 feet
 N.Snead, City of Madras, 3/23/2020


 THE CITY OF MADRAS

The City of Madras uses GIS data in support of internal business functions and the public services it provides. GIS data may not be suitable for other purposes or uses. The requestor shall verify information derived from GIS data before making any decisions or taking any actions based on the information. The City of Madras shall not be liable for errors in the GIS data. This includes errors of omission, commission, errors concerning the context of

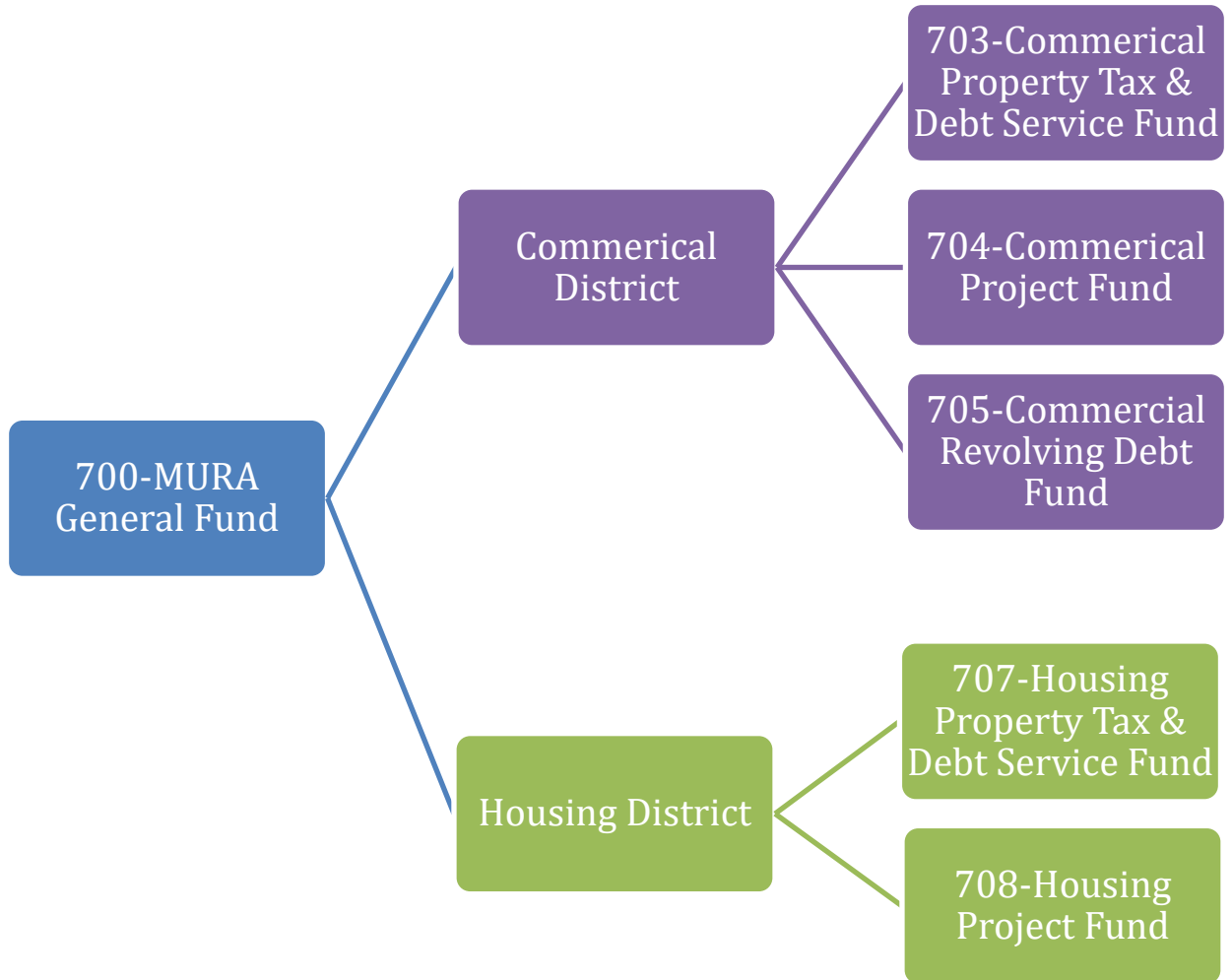
THE BUDGET PROCESS

A budget is defined by Oregon State Law (Oregon Revised Statutes, Chapter 294), as a financial plan containing estimates of revenues and expenditures for a given period or purpose, such as the fiscal year. The Agency is required to budget all funds and for each fund to have a balanced budget.

The State of Oregon defines balanced budgets as one in which total resources, including beginning resources, current resources and debt proceeds, equal total requirements, including current year expenditures, capital outlay, transfers, debt service, and any other requirements such as debt service reserves. Budgeting is critical to urban renewal agencies because it requires local governments to evaluate plans and establish priorities in relation to available financial resources.

The Madras Urban Renewal Agency prepares and adopts its biennial budget in accordance with the city charter, Oregon Local Budget Law (ORS 294.305-294.555, and 294.565), and Resolution No. MRC 2020-04. The budget is presented by fund and district categories. The city administrator has responsibility for management of the overall agency budget and maintaining budgetary control at the approved appropriation level. Finance and the respective operating department directors perform ongoing review and monitoring of revenues and expenditures. The Budget Committee consists of an 11-member commission combined with at large members, in which the votes of all members are equal. The first review of the budget occurs when the budget is presented to the committee. At that time the budget is made publicly available, and the committee begins their review. The committee may approve the proposed budget intact, or change part or all of it prior to final approval. After notices and publications are filed according to local budget law, the budget is forwarded to the commission for formal adoption prior to June 30. Budget amendments may be made during the fiscal year through adoption of a supplemental budget. This process is similar to the regular budget including the use of public hearings but excluding the Budget Committee.

FUND ORGANIZATION



700- GENERAL FUND

The General Fund of the Urban Renewal Agency was created in February 2020, after the Housing Urban Renewal District was established in order to manage all shared costs of the two districts.

For the 2020-2022 Biennium, \$20,000 will be charged each to the MURA General Fund from the Commercial District Project Fund and Housing District Project Fund for the purposes of combined expenditures related to the annual audit, providing training for the commissioners and office supplies.

Because this is the first year with a combined Agency General Fund, contingency of \$10,500 is budgeted for expenditures that are expected to occur but are unknown at this time. If the contingency is not needed, the charges to the related project funds will be reduced.

The Urban Renewal Agency of the City of Madras
2020-22 Biennial Budget Worksheet

700 - MURA General Fund

GL Codes	Description	2017-2018	2018-2019	2019-2020		2020-2022		
		Actuals	Actuals	Adopted	Yr End Proj.	Proposed	Approved	Adopted
	Beginning Fund Balance							
700-010-310-0101	Beginning Fund Balance					-	-	-
	Total Beginning Fund Balance	-	-	-	-	-	-	-
	Shared Revenues							
700-700-380-8101	Interest Revenue					-	-	-
	Total Shared Revenues	-	-	-	-	-	-	-
	Charges for Services							
700-700-350-9704	704-Commercial Project Fund		-			20,000	20,000	20,000
700-700-350-9708	708-Housing Project Fund		-			20,000	20,000	20,000
	Total Charges for Services	-	-	-	-	40,000	40,000	40,000
	Total Revenues	-	-	-	-	40,000	40,000	40,000
	Materials & Services							
700-700-520-2206	Bank Service Fess					2,500	2,500	2,500
700-700-520-2503	Professional Services					-	-	-
700-700-520-2102	Legal Services					-	-	-
700-700-520-1003	Audit					11,000	11,000	11,000
700-700-520-2203	Meetings, Travel & Training					12,000	12,000	12,000
700-700-520-2401	Office Supplies					6,500	6,500	6,500
	Total Materials & Services	-	-	-	-	32,000	32,000	32,000
	Contingency							
700-700-590-1010	Contingency					8,000	8,000	8,000
	Total Contingency	-	-	-	-	8,000	8,000	8,000
	Ending Balance							
700-700-595-1010	Ending Balance	-	-	-	-	-	-	-
	Total Ending Balance	-	-	-	-	-	-	-
	Total Expenditures	-	-	-	-	40,000	40,000	40,000
	Total Revenues	-	-	-	-	40,000	40,000	40,000
	Total Expenditures	-	-	-	-	40,000	40,000	40,000

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MADRAS URBAN RENEWAL COMMERCIAL DISTRICT

Budget Summary

This budget was developed in a manner consistent with the plans and policies established by the Madras Redevelopment Commission (MRC). The 2020-22 biennial budget is \$1,932,790. This proposed budget seeks to accomplish the following general goals and objectives:

Goals:

1. Invest in commercial projects in accordance with the Madras Urban Renewal District (MURD) 2016 Urban Renewal Action Plan that seek to increase future TIF/property tax revenues and catalyze projects in the Downtown area.

Objectives:

1. Allocate resources to fund property owner, business, and housing developer financial assistance programs.
2. Fund contractual obligations with Love's Travel Center and Dollar General that incentivized new commercial development within the MURD in 2020.
3. Fund other commercial and residential development opportunities that are not known at this time.
4. Fulfill the bond, line of credit, and du jour debt obligations for the District.

Prior Year Achievements

In FY 2019-20 the MRC made several strategic investments to incentivize new development, storefront renovations, and consultant services to more effectively invest MRC resources in the MURD. The following projects were completed and/or funded in FY 2019-20:

Building Improvement Program Projects:

In FY 2019-20 the MRC re-branded the former Façade Improvement Program into the Building Improvement Program, based on the recommendations provided in the 2019 Revitalization Toolkit. The MRC provided funding for building improvements for the following projects:

1. Detail Plus: \$55,500 (\$41,625 grant and \$13,875 loan)
2. The Stagg: \$145,464 (\$72,732 grant and \$72,732 loan)

New Development Assistance:

At the time of this publication, the MRC anticipates to make these payments prior to June 30, 2020. First, the MRC will provide the first of five \$70,000 payments to the Love's Travel Center and Country Stores, Inc. who will invest \$7,500,000 to construct a new travel center and make needed highway, street, and other infrastructure improvements. The MRC will also pay \$180,000 to the Simon CRE SDL V, LLC (Dollar General) for the construction of a new discount retail store and needed highway, street, and other infrastructure improvements.

Design Assistance Program:

In FY 2019-20 the MRC created the Design Assistance Program for the MURD that provides \$2,500 of architectural design services for property owners interested in building façade renovations. Table 1 (below) identifies the Design Assistance grants funded in FY 2019-20. Design Assistance grants are an indicator of future Building Improvement funding requests by property owners within the

Commercial District. Accordingly, the 2020-22 biennial budget reflects projected Building Improvement grant and loan funding requests included in Table 1 as follows:

Table 1. FY 2019-20 Design Assistance Grant Awards.

Project	Status
Reynoso Food Cart at 5 th and D	Complete, Construction Commenced
Alan Povis/Metro PCS at 4 th and D	Complete, Preparing for MRC Funding Request
Great Earth at 4 th and D	Complete, Finalizing Project Scope & Preparing for MRC Funding Request
Bargain Hunters at 5 th and D	Complete, Finalizing Project Scope & Preparing for MRC Funding Request
Hassannia Property at 5th & D	Complete, Finalizing Project Scope & Preparing for MRC Funding Request
I.O.O.F./State Farm Insurance	In Progress
Wild Winds Station	In Progress
	In Progress
Courthouse Square at 2 nd and E	In Progress
OK Barbershop	In Progress
MadTown Fitness at 5 th and B	In Progress

Other Accomplishments:

In FY 2019-20 the MRC provided \$10,000 in matching funds to the City of Madras Public Works Department for continued repairs of sidewalks on 4th and 5th Streets between the North-and-South Y intersections. Additionally, the MRC provided \$40,000 to the City of Madras for the Safe Routes to Schools infrastructure improvements on B Street. This funding from the MRC allowed the City of Madras to leverage over \$500,000 of State funding to repair a portion of B Street for collective benefits.

In FY 2019-20 the MRC invested in LED decorative tree lights for the trees along 4th and 5th Streets between the North-and-South Y intersections at an estimated cost of \$45,000 (materials and labor). The tree lights will illuminate the trees throughout the year, instead of only during the winter season. The City did receive a \$15,000 grant from the Energy Trust of Oregon to incentivize the installation of LED lights on the trees. The MRC will maintain the tree lights by funding repairs and labor at an estimated annual cost of \$5,000-\$10,000.

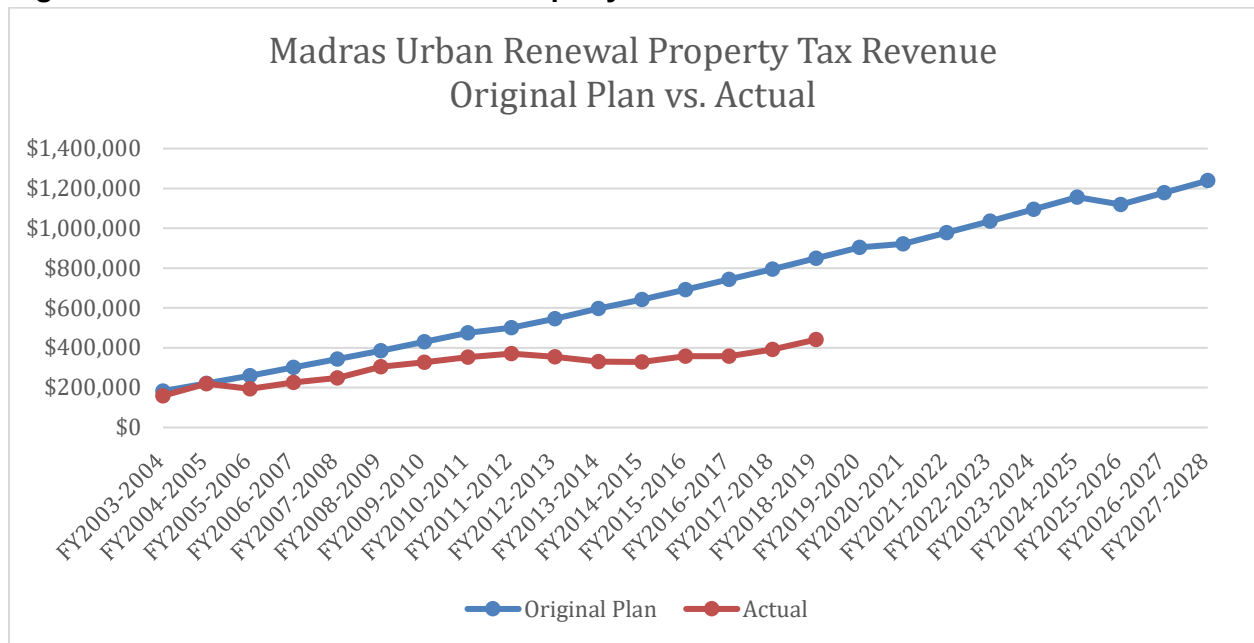
703 – COMMERCIAL PROPERTY TAX AND DEBT SERVICE FUND

Overview

The Commercial Property Tax and Debt Service Fund tracks only property tax revenues, which is referred to as Tax Increment Financing (TIF), and formal debt payments. This creates a clear mechanism for tracking the UR District’s borrowing capacity. The collection of TIF funds are the primary driver of how much money the District can borrow to implement its UR Plan.

The District has collected \$5,003,990 in TIF revenues since it was formed in 2003 (see Figure 1 below). For Biennium 2020-22, the District projects that it will collect \$1,016,725 in TIF revenue. Best practices for Urban Renewal Districts indicate that TIF funds should only be used for principal and interest payments related to debt.

Figure 1. Historical Urban Renewal Property Tax Revenue.

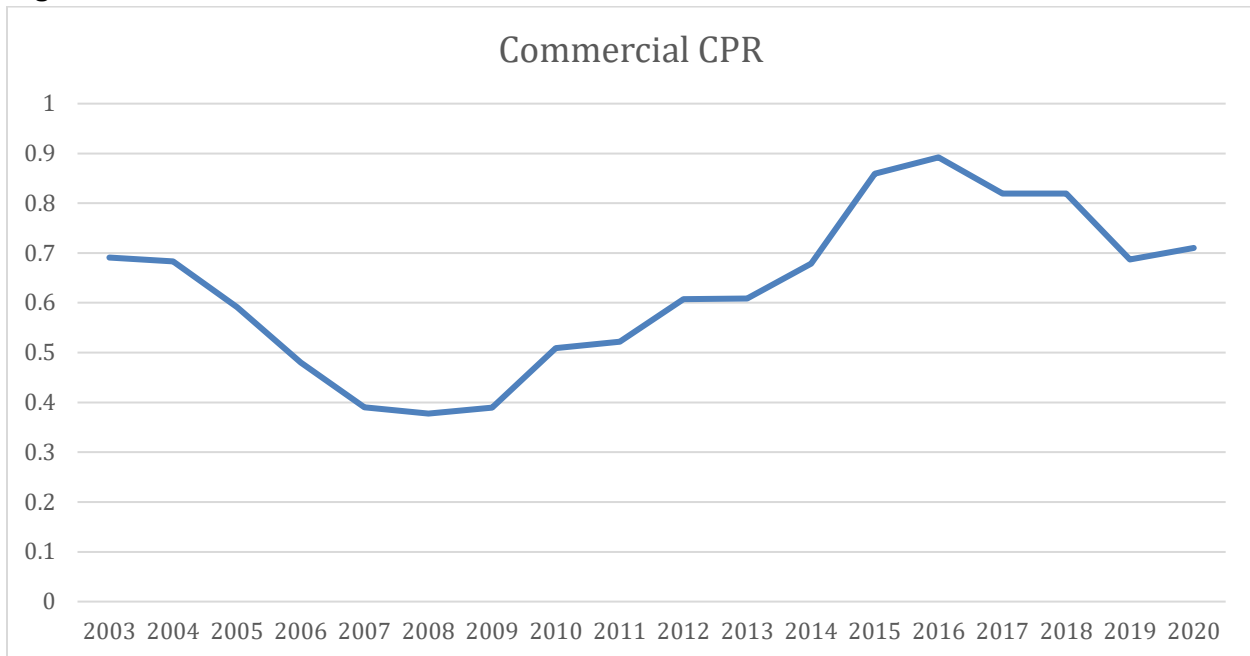


Original estimates for Madras Urban Renewal TIF revenue are more than actual receipts by a large margin. Early TIF project investments did not meet original plan projections creating a gap between anticipated and actual TIF revenues received. Future investments in the Urban Renewal District will be heavily weighted towards projects that will increase TIF revenues received by the District. In this way, the return on investment to the taxpayers and surrounding community will have significant economic improvements.

Each year, the Jefferson County Assessor calculates the ratio of aggregate real market value (RMV) to aggregate assessed value (AV) for all existing properties in the County by property class. This ratio is the Changed Property Ratio (CPR) and is applied to the RMV of each new development. This determines the initial AV of each new development, which is then added to the County tax roll. A high CPR means that the AV of new construction is very close to the corresponding RMV.

Conversely, a low CPR means that the AV of new construction will be lower than the corresponding RMV. During the years when the Madras URA was experiencing heavy development, the CPR for commercial properties was very low (below 40% from 2007 to 2009). Development projects with large RMVs that occurred during this time resulted in relatively little AV coming on the County tax roll, resulting in less growth in TIF revenue than anticipated.

Figure 2. Historical Commercial CPR



Goals and Objectives for the 2020-22 Biennial Budget

- Collect Property Taxes (TIF) and service debt for the District.
- Maximize du jour borrowing to minimize interest costs for the District.
- Ending Fund Balance is approximately \$130,000 per year to make Debt Service obligations prior to the receipt of property tax revenue.

Revenues

The Commercial Debt Service Fund is projected to start the 2020-22 biennium with a Beginning Fund Balance of \$196,356. It is forecasted that the Commercial Property Tax and Debt Service Fund will collect \$1,016,725 in Property Taxes over the biennium which translates into seven consecutive years of property tax revenue increases.

Expenditures

Expenditures for the Commercial Debt Service Fund are related only to Debt Service. It is projected that in the 2020-22 biennium the Commercial Debt Service Fund is expected to pay \$70,000 in interest payments for the MRC’s Line of Credit, \$372,000 in principal and interest payments associated with the Series 2017B Bond² and a du jour loan payment of \$800,00 from the City of

² The 2012B Bond was retired with proceeds from the 2017B Bond.

Madras (du jour debt will be explained below in Fund 704). In FY 2020-22 biennium the Commercial Debt Service Fund will have \$1,409,487 in total Revenues and Expenditures, creating a balanced biennial budget. There will be an Ending Balance of \$149,487 at the end of the FY 2020-22 biennium.

**The Urban Renewal Agency of the City of Madras
Commercial District
2020-22 Biennial Budget Worksheet**

703 - Commerical Property Tax and Debt Service Fund

GL Codes	Description	2017-2018		2018-2019		2019-2020		2020-2022		
		Actuals	Actuals	Adopted	Yr End Proj.	Proposed	Approved	Adopted		
Beginning Fund Balance										
703-010-301-0101	Beginning Fund Balance	-	-	131,272	164,437	196,356	196,356	196,356		
	Total Beginning Fund Balance	-	-	131,272	164,437	196,356	196,356	196,356		
Property Taxes										
703-703-310-1101	Current Property Taxes	-	432,000	440,092	465,092	1,002,725	1,002,725	1,002,725		
703-703-310-1201	Prior Property Taxes	-	9,243	6,500	13,000	14,000	14,000	14,000		
	Total Property Taxes	-	441,243	446,592	478,092	1,016,725	1,016,725	1,016,725		
Use of Money & Property										
703-703-380-8101	Interest on Investments	-	7,276	1,000	27	50	50	50		
	Total Use of Money & Property	-	7,276	1,000	27	50	50	50		
Transfers In										
703-703-390-4117	MRC - General Fund	-	159,530	-	-	-	-	-		
	Total Transfers In	-	159,530	-	-	-	-	-		
	Total Revenues	-	608,048	578,864	642,556	1,213,131	1,213,131	1,213,131		
Debt Service										
703-703-570-7310	City of Madras du jour Loan	-	223,425	231,050	231,050	600,000	600,000	600,000		
703-703-570-7311	Line of Credit - Principal	-	30,000	-	20,000	20,000	20,000	20,000		
703-703-570-7312	Line of Credit - Interest	-	12,012	36,000	15,600	70,000	70,000	70,000		
703-703-570-7418	Series 2012B Bond Principal-City of Madras	-	110,000	115,000	115,000	-	-	-		
703-703-570-7419	Series 2012B Bond Interest-City of Madras	-	7,875	4,250	4,250	-	-	-		
703-703-570-7421	Series 2017B - Interest	-	60,300	60,300	60,300	120,000	120,000	120,000		
703-703-570-7422	Series 2017B - Principal	-	-	-	-	245,000	245,000	245,000		
	Total Debt Service	-	443,612	446,600	446,200	1,055,000	1,055,000	1,055,000		
Ending Balance										
703-703-595-1010	Ending Balance	-	164,437	132,264	196,356	158,131	158,131	158,131		
	Total Ending Balance	-	164,437	132,264	196,356	158,131	158,131	158,131		
	Total Expenditures	-	608,048	578,864	642,556	1,213,131	1,213,131	1,213,131		
	Total Revenues	-	608,048	578,864	642,556	1,213,131	1,213,131	1,213,131		
	Total Expenditures	-	608,048	578,864	642,556	1,213,131	1,213,131	1,213,131		

704 – COMMERCIAL PROJECT FUND

Overview

The purpose of this Fund is to provide financial assistance to remove blight by funding improvements to infrastructure, parks, and new or redevelopment on properties within the MURD. The 2003 Urban Renewal Plan, 2016 Urban Renewal Action Plan, and 2018 Revitalization Toolkit provide the broad policy framework and specific actions to accomplish the goal of removing blight and revitalization within the District as identified in the 2003 Urban Renewal Plan.

Goals and Objectives for the 2020-22 Biennial Budget

- Utilize line of credit and du jour loan to fund expenditures within the Fund.
- Provide funding to allow infrastructure to be improved.
- Provide funding to assist property owners renovate buildings to increase sales per square foot.
- Provide funding to assist development of vacant and underutilized properties to increase the tax increment for the District.

Revenue

The MRC Project Fund includes revenues from debt proceeds, including the Line of Credit and du jour debt from the City of Madras. To follow best practices with guidance provided by Bond Counsel and UR finance consultant and because of an in-depth analysis of the District's finances, it was determined that du jour debt was needed to be used as a tool to finance the District. TIF revenues may be used to pay principal and interest debt payments. It is lawful and appropriate to use TIF revenues for administrative expenses. Best practices combine these two objectives through a one-day (du Jour) loan from the City of Madras to the Project Fund. TIF revenues from Fund 703 – MRC TIF Fund will pay the one-day loan back to the City of Madras.

In the 2020-22 biennium it is projected that the Commercial Project Fund is projected to have \$25,669 in Beginning Fund Balance. The Fund will have \$2,800,000 in revenues by utilizing line of credit and a du jour loan proceeds throughout the biennium to fund the expenditures within the Fund.

Expenditures

Expenditures in the Commercial Project Fund for the 2020-22 biennium includes the Materials and Services, Special Payments, Reserve for Future Expenditures, and Contingency categories. The materials and services category for the 2020-22 biennium is projected to total \$201,750 and will allow the District to fulfill basic administrative and professional service needs. Legal and professional services expenditures are largely driven by the need to provide financial assistance to property owners and businesses for projects consistent with the District's Plans. The Commercial Project Fund categorizes expenditures in a manner consistent with State budget law and the UR Plan Categories to ensure consistency and assist with tracking expenditures. The Special Payments category follows these requirements and are separated by the categories identified in the 2003 Urban Renewal Plan (see Table 2 below).

Table 2. Urban Renewal Plan Categories

UR Plan Category	Description	Examples
Public Open Spaces & Parks	Projects that fund parks and preservation of historic buildings in the District	North Y Intersection, Sahalee Park
Streets & Infrastructure	Investments in public infrastructure, including curbs and sidewalks	Replacement of sidewalks in the District
Streetscape, Landscape, Lighting Gateway Projects	Landscape and streetscape, lighting, decorative furniture, benches, and trash receptacles, and gateway projects in the District	Flower pots, North Y Intersection signage
Redevelopment - New Construction Assistance	Assistance for new construction in the District that will add employment to downtown	Inn at Crosskeys, Madras Cinema 5
Redevelopment - Rehabilitation Assistance	Assistance for rehabilitation of existing buildings in the District, including paint grants and façade grant/loan improvements, and rehabilitating building conditions to improve them	Paint grants program, façade improvements program, financial assistance for blight removal
Business and Economic Development Activities	Assistance with redevelopment of properties in the District (public and private) that are underutilized or that represent blighting influences in the area	Redevelopment of Harriman lot and MidOregon Credit Union lot, financial support for public facilities like the Police Station/City Hall
Program Administration	General oversight and administrative/staff support for the District, including management, finance, legal and technology support.	Plan updates, transfer to City of Madras for general oversight/staff support, legal and audit services

Table 3 below provides a summary of the Special Payment Categories, the amount budgeted for each category and the intended expenses associated with each category.

Table 3. Summary of Special Payment Categories.

Special Payment Categories	2020-22 Budget	Overview of Expenditures
Public Open Spaces & Parks Investments	\$ 0	No expenses planned.
Streets & Infrastructure Investments	\$30,000	<ul style="list-style-type: none"> • \$15,000 driveway & sidewalk improvements.
Streetscape, Landscaping, Lighting Gateway Investments	\$320,000	<ul style="list-style-type: none"> • \$10,000 downtown sidewalk repairs • \$50,000 US Hwy. 97/26 Streetscape Design. • \$250,000 US Hwy. 97/26 Streetscape Improvements.
Downtown Flowers	\$55,000	<ul style="list-style-type: none"> • \$55,000 for flowers for flowerpots and hanging baskets and winter plants for flowerpots and winter greens.
Redevelopment – New Construction Assistance (Private & Public)	\$370,000	<ul style="list-style-type: none"> • Funding to assist new development or redevelopment on vacant and underutilized properties.
Redevelopment – Rehabilitation Assistance/Grants	\$1,435,000	<ul style="list-style-type: none"> • Funding for Paint, Window Improvement & Design Assistance, Building Improvement, & Adaptive Reuse grants.
Business & Economic Development Activities (Private & Private)	\$131,000	<ul style="list-style-type: none"> • Two annual payments for the Madras Police Station/City Hall per the Madras City Hall/Civic Plaza Grant Agreement.
Total	\$2,341,000	

Change from Prior Year

The MRC has historically budgeted its properties held for sale on the financial statements. In order to align the budget with financial best practices, the value of the properties held for sale will be on the balance sheet and not on the financial statements. Only the sale of the property or a change in the value will impact the financial statements.

The Urban Renewal Agency of the City of Madras
Commercial District
2020-22 Biennial Budget Worksheet
704 - Commercial Project Fund
Revenues

GL Codes	Description	2017-2018 Actuals	2018-2019 Actuals	2019-2020		2020-2022		
				Adopted	Yr End Proj.	Proposed	Approved	Adopted
	Beginning Fund Balance							
704-010-301-0101	Beginning Fund Balance		-	187,500	217,319	38,169	38,169	38,169
	Total Beginning Fund Balance	-	-	187,500	217,319	38,169	38,169	38,169
	Fair Value Adjustment							
704-704-301-0301	Fair Value Adjustment		(20,500)	-	-	-	-	-
	Total Fair Value Adjustment	-	(20,500)	-	-	-	-	-
	Shared Revenues							
704-704-340-4113	Line of Credit Proceeds		90,000	708,600	500,000	2,200,000	2,200,000	2,200,000
704-704-340-4114	Bond Proceeds		-	-	-	-	-	-
704-704-340-4115	City of Madras du jour Loan		223,425	231,050	231,050	600,000	600,000	600,000
	Total Shared Revenues	-	313,425	939,650	731,050	2,800,000	2,800,000	2,800,000
	Charges for Services							
704-704-350-5401	Miscellaneous Revenue		-	-	-	-	-	-
	Total Charges for Services	-	-	-	-	-	-	-
	Use of Money & Property							
704-704-380-8501	Land Sales		-	-	-	-	-	-
	Total Use of Money & Property	-	-	-	-	-	-	-
	Transfers In							
704-704-390-4117	MURA General Fund	-	207,309	-	-	-	-	-
	Total Transfers In	-	207,309	-	-	-	-	-
	Total Revenues	-	500,234	1,127,150	948,369	2,838,169	2,838,169	2,838,169
	Materials & Services							
704-704-520-1003	Audit		4,350	4,800	4,800	-	-	-
704-704-520-1221	Contract Services		45,000	45,000	45,000	90,000	90,000	90,000
704-704-520-1301	Dues / Membership		1,060	1,500	650	3,000	3,000	3,000
704-704-520-1511	Maintenance of MRC Owned Properties		306	2,000	1,500	4,000	4,000	4,000
704-704-520-1801	Insurance and Surety Bonds		2,437	2,750	2,750	5,750	5,750	5,750
704-704-520-2102	Legal Fees		7,453	10,000	8,000	15,000	15,000	15,000
704-704-520-2203	Meetings, Travel & Training		2,905	3,000	2,000	12,000	12,000	12,000
704-704-520-2206	Bank & Bond Service Fees		2,025	3,000	1,000	500	500	500
704-704-520-2401	Office Supplies		2,345	7,100	1,500	3,000	3,000	3,000
704-704-520-2503	Professional Services		40,473	25,000	25,000	45,000	45,000	45,000
704-704-520-7000	Madras Urban Renewal Agency		-	-	-	20,000	20,000	20,000
	Total Materials & Services	-	108,355	104,150	92,200	198,250	198,250	198,250
	Special Payments							
704-704-545-6300	Public Open Spaces & Parks Investments		31,000	-	-	-	-	-
704-704-545-6310	Streets & Infrastructure Investments		8,103	50,000	40,000	30,000	30,000	30,000
704-704-545-6320	Streetscape, Landscape, Lighting & Gateway Investments		5,000	5,000	30,000	320,000	320,000	320,000
704-704-545-6330	Downtown Flowers		15,020	27,000	27,000	55,000	55,000	55,000
704-704-545-6340	Redevelopment - New Construction Assistance (Private & Public)		4,359	303,000	370,000	370,000	370,000	370,000
704-704-545-6350	Redevelopment - Rehabilitation Assistance/Grants		51,262	300,000	198,000	1,435,000	1,435,000	1,435,000
704-704-545-6360	Business and Economic Development Activities (Private/Public)		65,500	65,500	65,500	131,000	131,000	131,000
	Total Special Payments	-	180,244	750,500	730,500	2,341,000	2,341,000	2,341,000
	Reserve for Future Expenditure							
704-704-580-6001	Redevelopment Properties - (Non-Spendable until Sold)		-	187,500	-	-	-	-
	Total Reserve for Future Expenditure	-	-	187,500	-	-	-	-
	Contingency							
704-704-590-1010	Contingency		-	85,000	-	200,000	200,000	200,000
	Total Contingency	-	-	85,000	-	200,000	200,000	200,000
	Ending Balance							
704-704-595-1010	Ending Balance	-	211,636	-	125,669	98,919	98,919	98,919
	Total Ending Balance	-	211,636	-	125,669	98,919	98,919	98,919
	Total Expenditures	-	500,234	1,127,150	948,369	2,838,169	2,838,169	2,838,169
	Total MRC - General Revenues	-	500,234	1,127,150	948,369	2,838,169	2,838,169	2,838,169
	Total MRC - General Expenses	-	500,234	1,127,150	948,369	2,838,169	2,838,169	2,838,169

705 – COMMERCIAL REVOLVING DEBT LOAN FUND

Overview

The Commercial Revolving Debt Loan Fund is a revolving loan fund. This fund may be recapitalized within the limits of tax-exempt bonds proceeds or by taxable bonds proceeds. Funds can be utilized at the MRC's discretion without affecting the maximum indebtedness only if the revenues are re-circulated funds that have already been accounted for in the MI calculation. When line of credit proceeds are used to fund projects, there is a direct impact to MI. The revenue for this Fund is largely related to the principal and interest payments made by businesses who have Façade Improvement loans within the District, any land sale proceeds and Line of Credit proceeds that will recapitalize the fund as needed. In FY 2019-20, \$175,000 from the MRC's Line of Credit was transferred to service loans to property or business owners.

Goals and Objectives for the 2020-22 Biennial Budget

- Provide capital for loans to property owners or business owners for projects that are consistent with the MURD Plans and Reports.
- Collect payments on loans that have been agreed upon.

Revenues

The Commercial Revolving Debt Loan Fund will start the 2020-22 Biennium with a Beginning Fund Balance of \$569. The Fund will be recapitalized with \$1,275,000 over the biennium from line of credit proceeds. The Fund is also projected to collect \$71,000 in loan payments from borrowers over the biennium. The total Revenue for the Commercial Revolving Loan Debt Loan Fund over the biennium is \$1,349,850.

Expenditures

Expenditures for the Commercial Revolving Debt Loan Fund are largely limited to Loan Distributions (i.e. loans issued to borrowers), Contingency, and Ending Balance. Loan Distributions will total \$1,285,000 over the biennium. There is \$64,919 planned in Contingency and \$500 in Ending Balance.

The Urban Renewal Agency of the City of Madras
Commerical District
2020-22 Biennial Budget Worksheet

705 - Commerical Revolving Loan Fund

GL Codes	Description	2017-2018	2018-2019	2019-2020		2020-2022		
		Actuals	Actuals	Adopted	Yr End Proj.	Proposed	Approved	Adopted
Beginning Fund Balance								
705-010-301-0101	Beginning Fund Balance		807	16,276	106,719	569	569	569
	Total Beginning Fund Balance	-	807	16,276	106,719	569	569	569
Shared Revenues								
705-705-340-4113	Line of Credit		-	175,000	160,000	1,275,000	1,275,000	1,275,000
	Total Charges for Services	-	-	175,000	160,000	1,275,000	1,275,000	1,275,000
Charges for Services								
705-705-350-5401	Miscellaneous Revenue		-	-	-	-	-	-
705-705-370-6202	Late Payment Fee		-	-	-	-	-	-
	Total Charges for Services	-	-	-	-	-	-	-
Use of Money & Property								
705-705-380-8101	Interest on Investments		3,416	1,850	1,850	3,850	3,850	3,850
705-705-380-8501	Land Sales		-	-	-	-	-	-
705-705-380-8507	Loan Repayment		18,200	33,650	32,000	71,000	71,000	71,000
	Total Use of Money & Property	-	21,615	35,500	33,850	74,850	74,850	74,850
Transfers In								
705-705-390-4115	MRC - Reinvestment Fund	-	197,570	-	-	-	-	-
	Total Transfers In	-	197,570	-	-	-	-	-
	Total Revenues	-	219,992	226,776	300,569	1,350,419	1,350,419	1,350,419
Materials & Services								
705-705-520-2206	Bank Service Fees		-	-	-	-	-	-
	Total Materials & Services	-	-	-	-	-	-	-
Special Payments								
705-705-545-6200	Loan Distributions		112,466	200,000	300,000	1,285,000	1,285,000	1,285,000
705-705-545-6210	Public Improvements		-	-	-	-	-	-
	Total Special Payments	-	112,466	200,000	300,000	1,285,000	1,285,000	1,285,000
Contingency								
705-705-590-1010	Contingency		-	20,000	-	64,919	64,919	64,919
	Total Contingency	-	-	20,000	-	64,919	64,919	64,919
Ending Balance								
705-705-595-1010	Ending Balance	-	107,526	6,776	569	500	500	500
	Total Ending Balance	-	107,526	6,776	569	500	500	500
	Total Expenditures	-	219,992	226,776	300,569	1,350,419	1,350,419	1,350,419
	Total Reinvestment Revenues	-	219,992	226,776	300,569	1,350,419	1,350,419	1,350,419
	Total Reinvestment Expenses	-	219,992	226,776	300,569	1,350,419	1,350,419	1,350,419

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MADRAS URBAN RENEWAL HOUSING DISTRICT

Budget Summary

The Urban Renewal Housing District was established in 2019 as part of the City's solution to the shortage within the City. The district encompasses 701.42 acres of land, including public-rights-of-way throughout City limits. It includes vacant and partially vacant residential zoned land.

The district was established with a maximum indebtedness of \$39,100,000 over 30 years, upon which the district would dissolve and the taxing districts would receive the increase in property taxes facilitated by the District.

In order to promote residential development, the district can provide the following incentives/programs:

Developer/Builder/Property Owner Incentives

The district may provide incentives to developers for the development of housing units. This will be completed through a development agreement with the developer/builder/property owner that stipulates the amount and timing of the development and the amount and timing of the incentive. These incentives can be:

- A rebate of a portion of the property taxes paid to the developer over seven years.
- A rebate of a portion of property taxes paid to the developer at Certificate of Occupancy. In this scenario, property taxes over seven years will be estimated and 50% of the value will be paid to the developer.
- An agreement for the Agency to complete infrastructure improvements that are otherwise required as a condition of development approval.
- Any combination of the above.

Infrastructure

The district may complete infrastructure improvements including but not limited to streets, sidewalks, water, sewer, stormwater, and parks projects determined by the district to help facilitate housing development and may complete improvements specified in a development agreement that tie the improvements to specific housing development.

In addition to the programs listed above, the district also includes allocations for administrating the program in accordance with ORS 457.460 as well as a contribution to the Jefferson County fire department to ease the burden of managing growth without the benefit of a tax base increased over the 30-year life of the Housing District.

Below is a detailed breakdown of the estimated costs of the programs included in the district and approved in the plan.

Project Title	Project Cost 2019	Project Cost Year of Expenditure	% Total
Developer Incentives	\$10,469,536	\$19,038,782	49%
<i>Up front Incentives</i>	<i>\$2,207,571</i>	<i>\$3,807,756</i>	
<i>Annual Payments</i>	<i>\$4,085,157</i>	<i>\$7,615,513</i>	
<i>Infrastructure</i>	<i>\$4,176,808</i>	<i>\$7,615,513</i>	
Public Building Project	\$350,705	\$500,000	
Infrastructure/Other Capital Projects	\$8,242,524	\$17,173,158	44%
Administration/Financing fees	\$1,389,924	\$2,320,271	6%
TOTAL:	\$20,452,690	\$39,032,211	100%

707 – HOUSING PROPERTY TAX AND DEBT SERVICE FUND

Overview

The Housing Property Tax and Debt Service Fund accounts for property tax revenues, which are referred to as Tax Increment Financing (TIF), and formal debt payments. This creates a clear mechanism for tracking the UR District's borrowing capacity and maximum indebtedness. The collection of TIF funds are the primary driver for how much money the District can borrow to implement its UR Plan, and are used to leverage borrowing capacity of the district.

While plan estimates recognize \$2,500 of initial property tax receipts in FY 2019-20, it is anticipated that development will occur in the first two years of the District providing sufficient revenues to cover the interest payments on the District's Line of Credit and du jour borrowing through the City of Madras.

The Line of Credit was used in FY 2019-20 to fund all expenditures related to establishing the District, recognizing that it will be a couple of years before 1.) incentives need to be paid to developers, and 2.) property tax revenues are sufficient to cover all costs of borrowing.

Phasing both the development incentives and interest, only debt payments keep anticipated expenditures in line with anticipated revenues.

Goals and Objectives for the 2020-22 Biennial Budget

- Collect property taxes for future debt service

Revenues

The Housing Property Tax and Debt Service Fund is not projected to start the 2020-22 biennium with a Beginning Fund Balance. Property taxes will not be received until certified to the assessor; July 15, 2020. It is forecasted that the Housing Debt Service Fund will collect \$419,000 in Property Taxes over the biennium.

Expenditures

Expenditures for the Housing Property Tax and Debt Service Fund are related only to Debt Service. It is projected that in the 2020-22 biennium the Housing Debt Service Fund will pay principal and interest payments for the districts line of credit and du jour loan payments to the City of Madras.

The Urban Renewal Agency of the City of Madras
Housing District
2020-22 Biennial Budget Worksheet

707 - Housing Property Tax and Debt Service Fund

GL Codes	Description	2017-2018	2018-2019	2019-2020		2020-2022		
		Actuals	Actuals	Adopted	Yr End Proj.	Proposed	Approved	Adopted
	Beginning Fund Balance							
707-010-301-0101	Beginning Fund Balance					-	-	-
	Total Beginning Fund Balance	-	-	-	-	-	-	-
	Property Taxes							
707-707-310-1101	Current Property Taxes					419,000	419,000	419,000
707-707-310-1201	Prior Property Taxes					-	-	-
	Total Property Taxes	-	-	-	-	419,000	419,000	419,000
	Use of Money & Property							
707-707-380-8101	Interest on Investments					-	-	-
	Total Use of Money & Property	-	-	-	-	-	-	-
	Total Revenues	-	-	-	-	419,000	419,000	419,000
	Debt Service							
707-707-570-7310	City of Madras du jour Loan					350,000	350,000	350,000
707-707-570-7311	Line of Credit - Principal					-	-	-
707-707-570-7312	Line of Credit - Interest					40,000	40,000	40,000
	Total Debt Service	-	-	-	-	390,000	390,000	390,000
	Ending Balance							
707-707-595-1010	Ending Balance	-	-	-	-	29,000	29,000	29,000
	Total Ending Balance	-	-	-	-	29,000	29,000	29,000
	Total Expenditures	-	-	-	-	419,000	419,000	419,000
	Total MRC - General Revenues	-	-	-	-	419,000	419,000	419,000
	Total MRC - General Expenses	-	-	-	-	419,000	419,000	419,000

708 – HOUSING PROJECT FUND

Overview

The purpose of this Fund is to provide incentives to developers to construct housing within the district boundary and can come in a variety of ways, whether it be payment at certificate of occupancy, a seven-year payment plan, or the developer or City construction infrastructure. This fund will also allocate the Jefferson County Fire District payment in year 10 of the District in the amount of \$500,000.

Goals and Objectives for the 2020-22 Biennial Budget

- Utilize line of credit and du jour loan to fund expenditures within the Fund.
- Provide funding incentives to developers for payment at certificate of occupancy or 7-year payment plan for homes constructed within the district.

Revenue

In 2020-22 it is projected that the Housing Project Fund will start the biennium with \$8,750 in Beginning Fund Balance. The fund will have \$850,500 in total revenues by utilizing line of credit and du jour loan proceeds throughout the biennium.

Expenditures

Expenditures in the Housing Project Fund for 2020-22 include the Materials and Services, Special Payments, and Contingency categories. The Materials and Services expenses for the 2020-22 biennium are projected to total \$104,463 and the Special Payments are projected to total \$595,000 as payments to developers and capital public infrastructure projects.

The Urban Renewal Agency of the City of Madras
Housing District
2020-22 Biennial Budget Worksheet

708 - Housing Project Fund

GL Codes	Description	2017-2018	2018-2019	2019-2020		2020-2022		
		Actuals	Actuals	Adopted	Yr End Proj.	Proposed	Approved	Adopted
Beginning Fund Balance								
708-010-301-0101	Beginning Fund Balance			-	-	8,750	8,750	8,750
	Total Beginning Fund Balance	-	-	-	-	8,750	8,750	8,750
Shared Revenues								
708-708-340-4113	Line of Credit - FIB			500,000	130,000	500,000	500,000	500,000
708-708-340-4115	City of Madras du jour Loan			-	-	350,000	350,000	350,000
	Total Shared Revenues	-	-	500,000	130,000	850,000	850,000	850,000
	Total Revenues	-	-	500,000	130,000	858,750	858,750	858,750
Materials & Services								
708-708-520-1002	Advertising			-	-	-	-	-
708-708-520-1003	Audit			5,000	5,000	-	-	-
708-708-520-1221	Administration/Contract Services			-	-	64,463	64,463	64,463
708-708-520-2102	Legal Fees			25,000	25,000	10,000	10,000	10,000
708-708-520-2206	Bank Service Fees			1,250	1,250	-	-	-
708-708-520-2401	Office Supplies			-	-	-	-	-
708-708-520-2503	Professional Services			80,000	80,000	10,000	10,000	10,000
708-708-520-7000	Madras Urban Renewal Agency			-	-	20,000	20,000	20,000
	Total Materials & Services	-	-	111,250	111,250	104,463	104,463	104,463
Special Payments								
708-708-545-6200	Dev. Incentives- Up Front Incentives			10,000	10,000	595,000	-	-
708-708-545-6201	Dev. Incentives- Annual Paymts			-	-	-	595,000	595,000
708-708-545-6202	Dev. Incentives- Infrastructure			-	-	-	-	-
708-708-545-6203	Public Bldg Proj. - Pub. Sfty/Fire Dept.			-	-	-	-	-
708-708-545-6204	Infrastructure/Other Capital Projects			-	-	-	-	-
	Total Special Payments	-	-	10,000	10,000	595,000	595,000	595,000
Contingency								
708-708-590-1010	Contingency			378,750	-	150,000	150,000	150,000
	Total Contingency	-	-	378,750	-	150,000	150,000	150,000
Ending Balance								
708-708-595-1010	Ending Balance	-	-	-	8,750	9,287	9,287	9,287
	Total Ending Balance	-	-	-	8,750	9,287	9,287	9,287
	Total Expenditures	-	-	500,000	130,000	858,750	858,750	858,750
	Total Reinvestment Revenues	-	-	500,000	130,000	858,750	858,750	858,750
	Total Reinvestment Expenses	-	-	500,000	130,000	858,750	858,750	858,750

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APPENDIX I

Maximum Indebtedness

MURD

A maximum indebtedness (MI) of \$14 million was established by the Madras City Council when the Urban Renewal District was formed in 2003. As the District borrows and expends funds, the MI is reduced by District expenditures for administration, projects, and formal debt issuances. Expenditures are made from debt proceeds and other non-TIF revenues first and property tax/TIF revenue second. The FY 2018-19 Annual Report for the District, which is required by statute to be finalized by January 30 each year, identified the available maximum indebtedness of \$8,405,321 as of June 30, 2019.

Table 3. MURD Maximum Indebtedness Calculation
Madras Redevelopment Commission
Simplified Maximum Indebtedness Calculation Summary

Cumulative Revenues & Expenditures (2003-2019)
Updated 1/17/2020 pre-Audited Numbers

Program Revenue (excluding property tax and debt proceeds)	
Transfers In	\$ -
Land Sales	\$ 1,182,298.50
MRC Loan Repayment	\$ 447,199.96
Investment Earnings	\$ 5,291.69
Miscellaneous	\$ 17,967.03
TOTAL	\$ 1,652,757.18
<hr/>	
Total Cumulative Expenses	\$ 10,061,721.47
<hr/>	
Non-Debt-Service Expenditures	
Materials and Services	\$ 679,103.36
Personnel	\$ 703,500.00
Projects	\$ 5,864,832.37
Total	\$ 7,247,435.73
<hr/>	
Debt Service Expenditures	\$ 2,814,285.74
<hr/>	
Authorized MI	\$ 14,000,000.00
Cumulative MI Used	\$ 5,594,678.55
Remaining MI	\$ 8,405,321.45

HURD

The maximum indebtedness of the HURD Plan is \$39,100,000. This is the total amount of money that may be spent on projects, programs and administration over the estimated 30 year life of the program. The time frame of urban renewal is not absolute, the proposed urban renewal plan would be constrained by the maximum indebtedness. This amount is the principal of such indebtedness and does not include interest or indebtedness incurred to refund or refinance existing indebtedness or interest earned on debt proceeds.

APPENDIX II
Debt Service Schedules

City of Madras
Amortization Schedule
2020-2022

Madras Redevelopment Commission

Full Faith and Credit
2017 Refunding (LOCAP - Series 2012B)
Zions Bank

Loan Amount	1,770,000
Issue Date	6/1/2017
Maturity Date	6/30/2032
Term	15 years
Interest Rate	3.0% to 4.0%

			703-703-570-7421	703-703-570-7422		704-704-520-2503
Year	Rate	Payment	Interest	Principal	Balance	Trustee Fee
Balance July 1, 2020					1,770,000	
2020-2021	3%	178,500	58,500	120,000	1,650,000	225
2021-2022	3%	179,825	54,825	125,000	1,525,000	225
2022-2023	4%	180,350	50,350	130,000	1,395,000	225
2023-2024	3%	180,725	45,725	135,000	1,260,000	225
2024-2025	4%	180,900	40,900	140,000	1,120,000	225
2025-2026	4%	180,200	35,200	145,000	975,000	225
2026-2027	4%	179,300	29,300	150,000	825,000	225
2027-2028	4%	178,200	23,200	155,000	670,000	225
2028-2029	3%	177,700	17,700	160,000	510,000	225
2029-2030	3%	177,825	12,825	165,000	345,000	225
2030-2031	3%	177,800	7,800	170,000	175,000	225
2031-2032	3%	177,625	2,625	175,000	-	225
Total		2,209,250	439,250	1,770,000	-	2,700

Payments Due Dates:
June - Interest Only
December - Principal & Interest

Budget line item	Description	2020-22 Budget
703-703-570-7421	Interest	120,000
703-703-570-7422	Principal	245,000
704-704-520-2503	Trust Fee	450
Total		365,450

Debt Payments are mirrored with MRC budget from 703-703-570-7421/7422.
MRC transfers to the City prior to the City making each debt service payment

** Confirmed this schedule with amortization debt schedule from BNY Mellon*

APPENDIX III

City Hall/Civic Plaza Grant Agreement, Grant Distribution

City of Madras Amortization Schedule 2020-2021

Police Station/City Hall Grant Agreement

City/MRC

Loan Amount	655,000
Issue Date	5/16/2018
Maturity Date	
Term	10
Interest Rate	0.000%

	704-704-545-6360	
Year	Payment	Balance
2018-2019	65,500	589,500
2019-2020	65,500	524,000
Balance July 1, 2020		524,000
2020-2021	65,500	458,500
2021-2022	65,500	393,000
2022-2023	65,500	327,500
2023-2024	65,500	262,000
2024-2025	65,500	196,500
2025-2026	65,500	131,000
2026-2027	65,500	65,500
2027-2028	65,500	-
Total	655,000	

Budget line item	Description	2020-21 Budget
704-704-545-6360	Transfer	65,500
Total		65,500

APPENDIX VI

Glossary

“**MRC**” means the Madras Urban Renewal Agency which is called the Madras Redevelopment Commission or MRC. The MRC is responsible for administration of the urban renewal plan.

“**Blight**” is defined in ORS 457.010(1)(A-E) and identified in the ordinance adopting an urban renewal plan.

“**Board of Commissioners**” means the Jefferson County Board of Commissioners.

“**City**” means the City of Madras, Oregon.

“**City Council**” or “**Council**” means the Madras City Council.

“**Comprehensive Plan**” means the City of Madras Comprehensive Plan and its implementing ordinances, policies, and standards.

“**County**” means Jefferson County, Oregon.

“**Frozen base**” means the total assessed value including all real, personal, manufactured, and utility values within an urban renewal area at the time of adoption. The county assessor certifies the assessed value after the adoption of an urban renewal plan.

“**HURD**” means the Madras Housing Urban Renewal District.

“**Increment**” means that part of the assessed value of a taxing district attributable to any increase in the assessed value of the property located in an urban renewal area, or portion thereof, over the assessed value specified in the certified statement.

“**Maximum Indebtedness**” means the amount of the principal of indebtedness included in a plan pursuant to ORS 457.190 and does not include indebtedness incurred to refund or refinance existing indebtedness.

“**ORS**” means the Oregon Revised Statutes and specifically Chapter 457, which relates to urban renewal.

“**Plan**” means the Madras Housing Urban Renewal District (HURD) Plan.

“**Plan Area**” means the properties and rights-of-way located with the Madras Urban Renewal Boundary.

“**Planning Commission**” means the Madras Planning Commission.

“**Public building**” as defined by Enrolled HB 2174 Section 12(a) means: (A) A fire station, police station, public library, public hospital, capitol building, school as defined in ORS 339.315, college, university, city hall or the residence of any state official elected by the state at large; (B) The grounds owned by a public body adjacent to a building described in subparagraph (A) of this paragraph; (C) The portion of any other building owned and prepared for occupation or occupied by an agency of the state or a municipal corporation as defined in ORS 297.405; or (D) A public art statue, sculpture, clock tower or bell tower. (b) “Public building” does not mean: (A) Property acquired by an urban renewal agency with the intent to

redevelop or sell the property; (B) Property acquired by an urban renewal agency with the intent to lease the property for a taxable use; Enrolled House Bill 2174 (HB 2174-B) ATTACHMENT A Page 2 | Madras Housing Urban Renewal District Plan Page 2 (C) Transportation infrastructure, including train stations, bus stations and publicly owned parking facilities that support taxable property; (D) Water or wastewater infrastructure facilities, including treatment facilities; (E) Tourism-related facilities as defined in ORS 320.300; or (F) Park and recreation facilities, including sports fields.

“Public building project” as defined by Enrolled HB 2174 Section (13) means an urban renewal project that includes a public building.

“Revenue sharing” means sharing tax increment proceeds as defined in ORS 457.470.

“Tax increment financing (TIF)” means the funds that are associated with the division of taxes accomplished through the adoption of an urban renewal plan.

“Tax increment revenues” means the funds allocated by the assessor to an urban renewal area due to increases in assessed value over the frozen base within the area.

“Urban renewal area” means a blighted area included in an urban renewal plan or an area included in an urban renewal plan under ORS 457.160.

“Urban renewal plan” or “Plan” means a plan, as it exists or is changed or modified from time to time, for one or more urban renewal areas, as provided in ORS 457.085, 457.095, 457.105, 457.115, 457.120, 457.125, 457.135 and 457.220.

“Urban renewal project” or “Project” means any work or undertaking carried out under ORS 457.170 in an urban renewal area.

“Urban renewal report” or “Report” means the official report that accompanies the urban renewal plan pursuant to ORS 457.085(3).

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The Urban Renewal Agency of the City of Madras
2020-22 Biennial Budget Worksheet

CLOSED MRC - General Fund
Revenues

Description	2017-2018	2018-2019	2019-2020		2020-2021		
	Actuals	Actuals	Adopted	Yr End Proj.	Proposed	Approved	Adopted
Beginning Fund Balance							
Beginning Fund Balance	339,911						
Prior Period Adjustment	-						
Total Beginning Fund Balance	339,911	-	-	-			
Source 301							
Source 301	-						
Fair Value Adjustment	-						
Total Source 301	-	-	-	-			
Property Taxes							
Current Property Taxes	380,684						
Prior Property Taxes	10,114						
Total Property Taxes	390,798	-	-	-			
Shared Revenues							
Proceeds from Interfund Loan	-						
Line of Credit Proceeds	30,000						
Bond Proceeds	-						
Transfer in from MRC Reinvestment Fund	-						
Total Shared Revenues	30,000	-	-	-			
Charges for Services							
Miscellaneous Revenue	-						
Total Charges for Services	-	-	-	-			
Use of Money & Property							
Interest on Investments	6,615						
Total Use of Money & Property	6,615	-	-	-			
Total Revenues	767,324	-	-	-			

The Urban Renewal Agency of the City of Madras
2020-22 Biennial Budget Worksheet

CLOSED MRC - General Fund
Expenditures

Description	2017-2018	2018-2019	2019-2020		2020-2021		
	Actuals	Actuals	Adopted	Yr End Proj.	Proposed	Approved	Adopted
Materials & Services							
Advertising	1,562						
Audit	4,150						
Contract Services	45,000						
Dues / Membership	560						
Downtown Flowers	-						
Facility Maintenance	-						
Insurance and Surety Bonds	2,437						
Legal Fees	22,187						
Meetings, Travel & Schools	3,880						
Bank Service Fees	153						
Bond Issuance Costs	-						
Office Supplies	84						
Professional Services	28,815						
Total Materials & Services	108,828	-	-	-			
Capital Outlay							
Building Improvement	-	-	-	-			
Total Capital Outlay	-	-	-	-			
Special Payments							
Grants- Business (TIF and facades)	37,027						
Grants- Infrastructure (Sidewalks)	9,917						
Grants- Police Station/City Hall	75,000						
Grants- Blight Removal	-						
Total Special Payments	121,944	-	-	-			
Class 550							
Commercial Debt Service Fund	-	159,530					
Commercial Project Fund	-	207,309					
Total Class 550	-	366,839	-	-			
Debt Service							
Line of Credit - Principal	-						
Line of Credit - Interest	11,312						
Series 2012B Bond Principal-City of Madras	110,000						
Series 2012B Bond Interest-City of Madras	15,615						
Series 2012B Bond Trust Fee	-						
Series 2017B Bond Refinancing - Interest	59,065						
Bond Fees	-						
Total Debt Service	195,992	-	-	-			
Reserve for Future Expenditure							
Redevelopment Properties - (Non-Spendable until Sold)	-						
Total Reserve for Future Expenditure	-	-	-	-			
Contingency							
Contingency	-						
Total Contingency	-	-	-	-			
Ending Balance							
Ending Balance	340,561	-	-	-			
Total Ending Balance	340,561	-	-	-			
Total Expenditures	767,324	366,839					
Total MRC - General Revenues	767,324	-					
Total MRC - General Expenses	767,324	366,839					

The Urban Renewal Agency of the City of Madras
2020-22 Biennial Budget Worksheet

CLOSED MRC - Reinvestment Fund (Program Income)

Description	2017-2018	2018-2019	2019-2020		2020-2021		
	Actuals	Actuals	Adopted	Yr End Proj.	Proposed	Approved	Adopted
Beginning Fund Balance							
Beginning Fund Balance	219,112						
Total Beginning Fund Balance	219,112	-	-	-			
Charges for Services							
Miscellaneous Revenue	-						
Late Payment Fee	-						
Total Charges for Services	-	-	-	-			
Use of Money & Property							
Interest on Investments	7,152						
Land Sales	-						
Loan Repayment	11,689						
Total Use of Money & Property	18,841	-	-	-			
Total Revenues	237,952	-	-	-			
Materials & Services							
Bank Service Fees	-						
Downtown Flowers	17,244						
Total Materials & Services	17,244	-	-	-			
Interfund Transfers							
MRC - General Fund	-						
Total Interfund Transfers	-	-	-	-			
Special Payments							
Loan Distributions	23,138						
Public Improvements	-						
Total Special Payments	23,138	-	-	-			
Interfund Transfers							
Commercial Revolving Loan Fund	-	197,570					
Total Interfund Transfers	-	197,570	-	-			
Contingency							
Contingency	-						
Total Contingency	-	-	-	-			
Ending Balance							
Ending Balance	197,570	-	-	-			
Total Ending Balance	197,570	-	-	-			
Total Expenditures	237,952	197,570	-	-			
Total Reinvestment Revenues	237,952	-	-	-			
Total Reinvestment Expenses	237,952	197,570	-	-			

Madras Urban Renewal Agency



Administered by:

City of Madras

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Madras Oregon 97741

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