

# ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2022

FY 2021/2022

Fairview Urban Renewal  
Agency

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



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# Annual Report for Fiscal Year Ending June 30, 2022

## FAIRVIEW URBAN RENEWAL AGENCY

### URBAN RENEWAL AREA BACKGROUND AND MAXIMUM INDEBTEDNESS

The Fairview Urban Renewal Plan (Plan) was adopted by the the City of Fairview on November 7, 2018. The maximum indebtedness (MI) established in 2018 for the Fairview Urban Renewal Plan is \$51,000,000. The maximum indebtedness is the total amount of funds that can be spent on projects, programs, and administration in the urban renewal area over the life of the urban renewal plan. The project summary is shown in Exhibit A.

### Urban Renewal Goals

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

#### **A. Economy**

Goal 1. Create conditions that are attractive to the growth of existing businesses and attract new businesses to create new jobs and increase assessed value in the Area.

Objectives:

- a) Establish a Loan to Grant Program to encourage private developments.
- b) Provide Utility System Development Charge Assistance.
- c) Provide incentives to Village Live Work developments.
- d) Pursue and provide for purchase, resale and development or redevelopment of property.

Goal 2. Remove barriers to development and redevelopment by providing needed utility infrastructure improvements in the Area. Spur economic development and job creation from new development created due to infrastructure improvements.

Objectives:

- a) Participate in the funding for upgrading the water system by installing water system Well #10 and rehabilitating Reservoir #1.
- b) Participate in the funding for the construction of the Sandy Boulevard Sewer Trunk Line.

Goal 3. Improve the safety, access and efficiency of the transportation network and create a sense of place in the Area to improve conditions for existing residents and encourage new development in the Area.

Objectives:

- a) Construct pedestrian improvements on NE 223<sup>rd</sup> Avenue
- b) Implement the Main Streets on Halsey Plan.
- c) Undertake street and multimodal improvements that make transportation safe for all modes of travel.
- d) Construct Roundabout features on Haley's Street's major intersections.
- e) Install right-of-way improvements on Halsey Street, NE 223<sup>rd</sup> Avenue, Depot Street, Sandy Boulevard and Fairview Parkway.
- f) Install streetscape and gateway improvements on Fairview Parkway.
- g) Develop a Park and Ride station with a bike hub.
- h) Develop the Trails Next to Rails project.
- i) Provide additional public parking in Fairview Village.
- j) Install public art in the Area.

The entire Fairview Urban Renewal Plan can be found on the City of Fairview website, [www.fairvieworegon.gov](http://www.fairvieworegon.gov).

## FINANCIAL REPORTING

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

### Maximum Indebtedness

The maximum indebtedness (MI) is \$51,000,000. The remaining MI as of FYE 2022 is \$40,733,952. Maximum Indebtedness incurred in FYE 2022 was \$6,024,204.

### Money Received

In FY 2021/2022, \$484,302 was received by the Agency in current year tax revenues and \$1,472 in prior year's tax revenue as shown below in Table 1.

**Table 1. FY 2021/22 Revenues**

Revenues	
Division of Taxes Current Year	\$ 484,302
Division of Taxes Prior	\$ 1,472
Interest	\$ 27,735
Loan Proceeds	\$ 6,024,204
Other Resources	\$ 415
<b>TOTAL:</b>	<b>\$ 6,538,128</b>

Source: City of Fairview email 2/6/2023

### Money Expended

In FY 2021/2022, \$5,493,673 was expended. The expenditures are shown by category below in Table 2.

**Table 2. FY 2021/22 Expenditures**

Expenditures	
Materials and Services	\$ 681,592
Capital Outlay	\$ 3,136,801
Debt Service	\$ 275,280
Land Purchase	\$ 1,400,000
<b>TOTAL:</b>	<b>\$ 5,493,673</b>

Source: City of Fairview email 2/6/2023

## Impact on Taxing Districts

The revenues foregone by local taxing districts due to urban renewal are shown in Table 3. This information is from Multnomah County Assessor records, Table SAL 4e.

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

**Table 3. Impacts on Permanent Rate Levy FY 2021/21**

<b>Taxing Jurisdiction</b>	<b>Permanent Rate Levy</b>
Port of Portland	\$ 2,384
City of Fairview	\$ 122,886
Metro	\$ 3,355
E. Multnomah Soil and Water	\$ 3,443
Multnomah County	\$ 152,901
Multnomah County Library	\$ 42,904
Multnomah Education Service District	\$ 16,067
Mt. Hood Community College	\$ 17,303
Reynolds School District	\$ 157,139
<b>TOTAL:</b>	<b>\$ 518,382</b>

Source: Multnomah County Assessor’s FY 2021/22 SAL 4e Report

## Estimated Revenues

The estimated total revenues for FY 2022/23 are \$4,131,276, including \$685,309 in current year property tax revenue and \$2,000 in prior year's tax revenues. There is a beginning fund balance of \$2,637,967. The budgeted revenues are shown in Table 4. The budgeted expenses are shown in Table 5.

## Adopted Budget for Fiscal Year, FY 2022/23

**Table 4. Budget FY 2022/23 Urban Renewal Fund**

<b>Revenues</b>	
Beginning Fund Balance	\$ 2,637,967
Division of Taxes Current Year	\$ 685,309
Division of Taxes Prior	\$ 2,000
Other Resources	\$ 806,000
<b>TOTAL:</b>	<b>\$ 4,131,276</b>

Source: Fairview Urban Renewal Agency Adopted Budget FY 2022/23

**Table 4. Budget FY 2022/23 Urban Renewal Fund**

<b>Expenditures</b>	
Materials and Services	\$ 1,531,121
Capital Outlay	\$ 1,885,000
Debt Service	\$ 687,709
Contingencies	\$ 27,446
<b>TOTAL:</b>	<b>\$ 4,131,276</b>

Source: Fairview Urban Renewal Agency Adopted Budget FY 2022/23

## **Exhibit A**

### **FAIRVIEW URBAN RENEWAL AGENCY**

#### **ANNUAL SUMMARY OF PROJECT ACTIVITY**

#### **Fiscal Year Ending June 30, 2022**

This report provides a narrative summary of the activities the Fairview Urban Renewal Agency (URA) was involved in during the fiscal year that completed June 30, 2022. The report is organized by the three project areas identified in Section VI of the Fairview Urban Renewal Area Plan on pages eight and nine.

- A. Incentives and Assistance to Private Development.
- Development Grants: One grant agreement for \$65,000 was signed during the year. \$28,004 was expended during the fiscal year.
  - Utility System Development Charges (SDC) Assistance: The agency expended \$56,413 for SDC assistance for one industrial development with an estimate tax base increase, over the next couple of years of \$15,098.
- B. Public Infrastructure:
- Roundabout at the Intersection of Fairview Parkway and Halsey Streets: The URA paid \$19,495 for contractual work to get these two projects into the City's Transportation System Plan.
  - Intersection of Halsey and NE 223rd Avenue: URA completed redesign of this intersection, and the roadway on NE 223<sup>rd</sup> from Halsey to Sandy last Fiscal Year. \$22,595 of those costs carried over into this fiscal year. The next step will be to pursue funding for the construction.
  - NE 223<sup>rd</sup> Ave. Railroad Undercrossing North of Sandy Boulevard: The URA is financing the design and construction of this bicycle and pedestrian safety project. Design has been completed. Construction should take place in the next one to two years. \$9,760 was spent on permit work this Fiscal Year
- C. Economic Development:
- Purchase, Lease and Resale of Property for Development or redevelopment:
    - Heart of Fairview Initiative: The City completed the purchase of a 5.1 acre parcel located on the Northeast corner of Halsey and Village Streets. \$250,000 in earnest money was paid on this property in FY 2020-21. The remaining \$1.4 million in purchase price was paid August 2021. In June of 2022 the City selected a developer to partner with on the development of this property. We hope to negotiate and implement a Disposition and Development Agreement in FY 2022- 23.
    - Fairview Food Plaza: Construction of this 16 space food cart pod was completed and open on June 2022. It is located on property leased by the City on the southeast corner of Halsey Street and NE 223 Avenue. The public art for the project is the World's tallest fork.
    - Fairview Creek Re-development: The URA has hired a consulting team to develop a redevelopment plan for this property located next to Marilyn's Park on NE 223. The Property owner and City will be considering partnering on a Residential/Commercial Project that may include use of a portion of Marilyn's Park.