

# ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30TH, 2019

2018/2019

Jacksonville 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.



# Annual Report for Fiscal Year Ending June 30th, 2019

## JACKSONVILLE URBAN RENEWAL AGENCY

### URBAN RENEWAL AREA BACKGROUND

The Jacksonville Urban Renewal Plan (Plan) was adopted by the the City of Jacksonville on November 12, 2002.

The frozen base assessed value (“Frozen Base”) of the Jacksonville Urban Renewal Area (“Area”) is \$37,371,452. The FY 2018/2019 total assessed value is \$81,380,093. The excess value, or the value on which taxes are paid to the Jacksonville Urban Renewal Agency (“JURA”) in FY 2018/2019 is \$44,008,641.<sup>1</sup>

The Area was established by the City as a long-term investment strategy to fund and construct capital improvement projects in the Area. The Area is approximately 163 acres, or 13.77% of the city’s 1,184 acres.

JURA is a separate legal and financial entity, governed by the members of the the City of Jacksonville City Council.

### Urban Renewal Goals

JURA’s guiding document is the Jacksonville Urban Renewal Plan, which lists a series of goals and objectives to guide activities in the Area. Goals listed in the Plan are as follows:

- A. To analyze and resolve the problems created by existing blighted conditions so that historic features can be preserved and so that unused and underused properties can be placed in productive condition and utilized at their highest and best use.
- B. To enhance opportunities for residential, civic, cultural, business and tourist-related property to be preserved, stabilized, developed, redeveloped, improved, rehabilitated and conserved in ways which will:
  1. Conserve historically significant places and properties;
  2. Insure a more attractive, functional and economically viable city;
  3. Encourage the expansion and development of businesses that will produce jobs for the people of Jacksonville and Jackson County; and
  4. Increase property values so that the Area will contribute its fair share to the costs of public services, provided by the City, County, Schools, Vector Control, and Transit

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<sup>1</sup> Jackson County Assessor Tax FY 2018/2019 Table 4e

Districts.

- C. Be responsive to the needs and the concerns of the people of the City of Jacksonville and Jackson County in the details of preparing and implementing the Urban Renewal Plan;
- D. To encourage public involvement and citizens participation in the formation and implementation of the Urban Renewal Plan by:
  - 1. Meeting with the administrations and boards of the six affected taxing bodies to explain the long-term benefits of the Urban Renewal program and its relationship to their fiscal concerns,
  - 2. Explaining and discussing the details of the Urban Renewal process:
    - a. To the public at town hall type gatherings;
    - b. To invite special interest groups, public bodies and the general public to Agency meetings;
    - c. Circulating periodic newsletters;
    - d. Cooperating with the print and electronic news media by being available to discuss the Urban Renewal Plan and process, and
  - 3. Being available to discuss the details of the Urban Renewal Plan with service, professional, and fraternal organizations.
  - 4. Appointing an advisory committee representing varying particular interest in the community and ensuring a balance of representation of business interests and general public interests.
- E. To construct, install or replace publicly owned facilities and utilities such as water, storm drains, and sanitary sewers where existing facilities are in adequate, undersized or otherwise substandard;
- F. To rehabilitate historic features and create positive linkages among the primary sectors of the Urban Renewal Area—i.e. the Historic Core, the Cottage Industrial area, the Cemetery, the area around the north of the Cemetery Knoll, Middle Street, the 5<sup>th</sup> Street Commercial area, and the Gateway area to the north;
- G. To reduce constriction of storm drainage flows in the Urban Renewal Area;
- H. To minimize detrimental impacts to improve the safety, visual appearance, capacity and traffic flow of streets and pedestrian facilities within the Urban Renewal Area;
- I. To cooperate with property owners in the rehabilitation of their buildings and property;
- J. To consolidate City service facilities into a centralized location in order to improve efficiency and upgrade the quality of services;
- K. To provide adequate disaster and emergency protection for the Urban Renewal Area; and to leverage the Agency's financial resources to the maximum extent possible.

The entire Jacksonville Urban Renewal Plan and Report can be found on Jacksonville Urban Renewal Agency's website, <http://www.jacksonvilleor.us>.

## 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.

### Money Received

In FY 2018/2019, the JURA received \$429,830 from division of taxes.<sup>2</sup> The detailed earnings of the JURA can be seen in Table 1.

**Table 1. Money Received During FY 2018/2019**

Receipt Category	2018/2019 Amount
Division of Taxes	429,830
Investment Income	21,013
Debt Proceeds	1,500,000
TOTAL:	\$1,950,843

Source: Jacksonville Urban Renewal Agency Financial Statement FYE 2019, pg. 5

### Money Expended

Revenue received through urban renewal and spent on urban renewal activities is shown in Table 2.

**Table 2. Expenditures During FY 2018/2019**

Expenditure Category	2018/2019 Amount
Materials and Services	31,054
Debt Service	133,898
Debt Issuance Costs	23,300
TOTAL:	\$188,252

Source: Jacksonville Urban Renewal Agency Financial Statement FYE 2019, pg. 5

### Estimated Revenues

The estimated tax revenues from the FY 2019/2020 adopted JURA budget are \$413,000.<sup>3</sup>

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<sup>2</sup> Jacksonville Urban Renewal Agency Financial Statement FYE 2019, pg. 5

<sup>3</sup> Jacksonville Urban Renewal Agency FY 2019/2020 Budget, pg. URB1-1 – URB2-2

## Proposed Budget for Current Fiscal Year, FY 2019/2020

A compiled budget listing the money to be received due to urban renewal, money to be spent, and what projects/expenses the money will fund is shown in Table 3 below.

**Table 3. Budget FY 2019/2020 Urban Renewal Fund**

<b>Budget Category (Expenditures)</b>	<b>2019/2020 Amount</b>
Materials and Services	32,054
Debt Service	1,868,984
Unappropriated Ending Fund Balance	440,062
<b>TOTAL:</b>	<b>\$2,341,100</b>

<b>Budget Category (Revenues)</b>	<b>2019/2020 Amount</b>
Division of Taxes	413,000
Cash on Hand	1,920,600
Interest	7,500
<b>TOTAL:</b>	<b>\$2,341,100</b>

Source: Jacksonville Urban Renewal Agency FY 2019/2020 Budget, pg. URB1-1 – URB2-2

## Impact on Taxing Districts

The revenues foregone by local taxing districts due to urban renewal are shown in Table 4. This information is from Jackson County Assessor records, Table 4a and 4e and is after losses of \$0.13 to compression.

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 Medford School District 549C and 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 4. Impact on Taxing Districts FY 2018/2019**

Taxing Jurisdiction	Impact	Percent of Total Permanent Rate Levy
Jackson County	\$88,446	0.21%
4-H Extension Service District	\$1,799	0.21%
Vector Control	\$1,846	0.21%
Education Service District	\$15,502	0.21%
Rogue Community College	\$22,561	0.21%
Rogue Valley Transit District	\$7,797	0.28%
Jackson Soil & Water Conservation	\$2,168	0.21%
Jackson County Library District	\$22,884	0.21%
City of Jacksonville	\$81,018	9.54%
Medford School District 549C	\$194,148	0.50%

Source: FY 2018/2019 Sal 4a and 4e from Jackson County Assessor

## Maximum Indebtedness

The maximum indebtedness authorized for the Area was \$6,000,000. 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 amount of indebtedness remaining for the Plan Area is \$1,130,202.