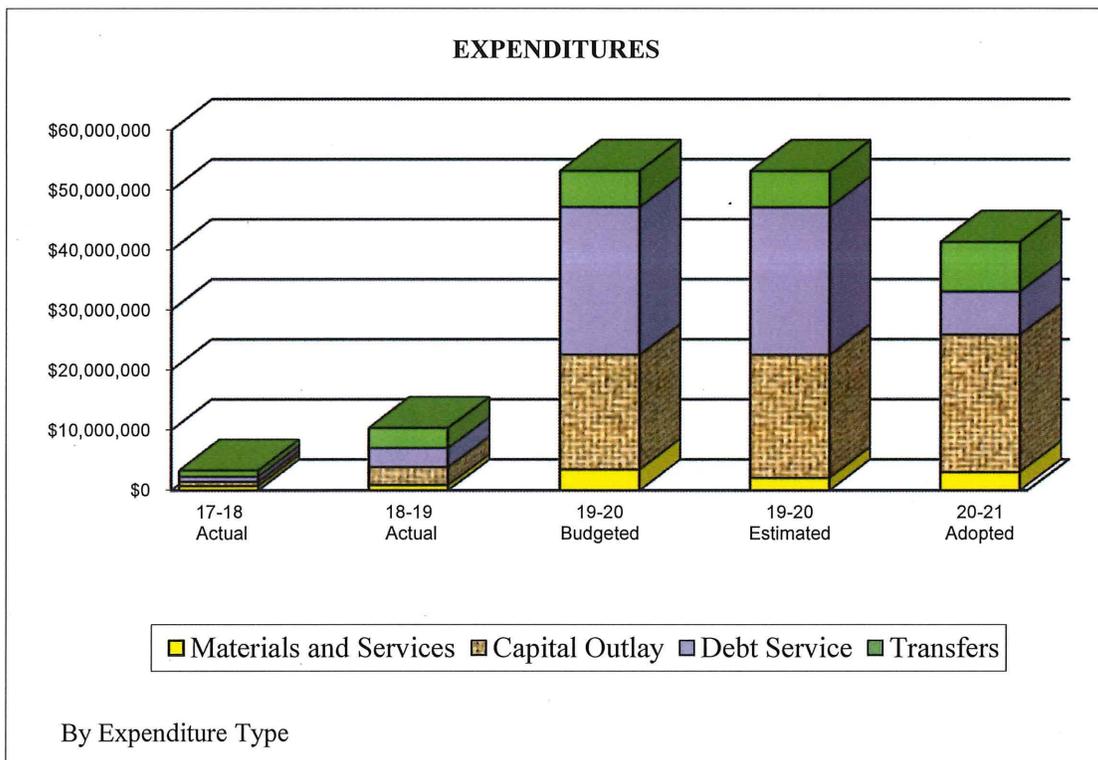
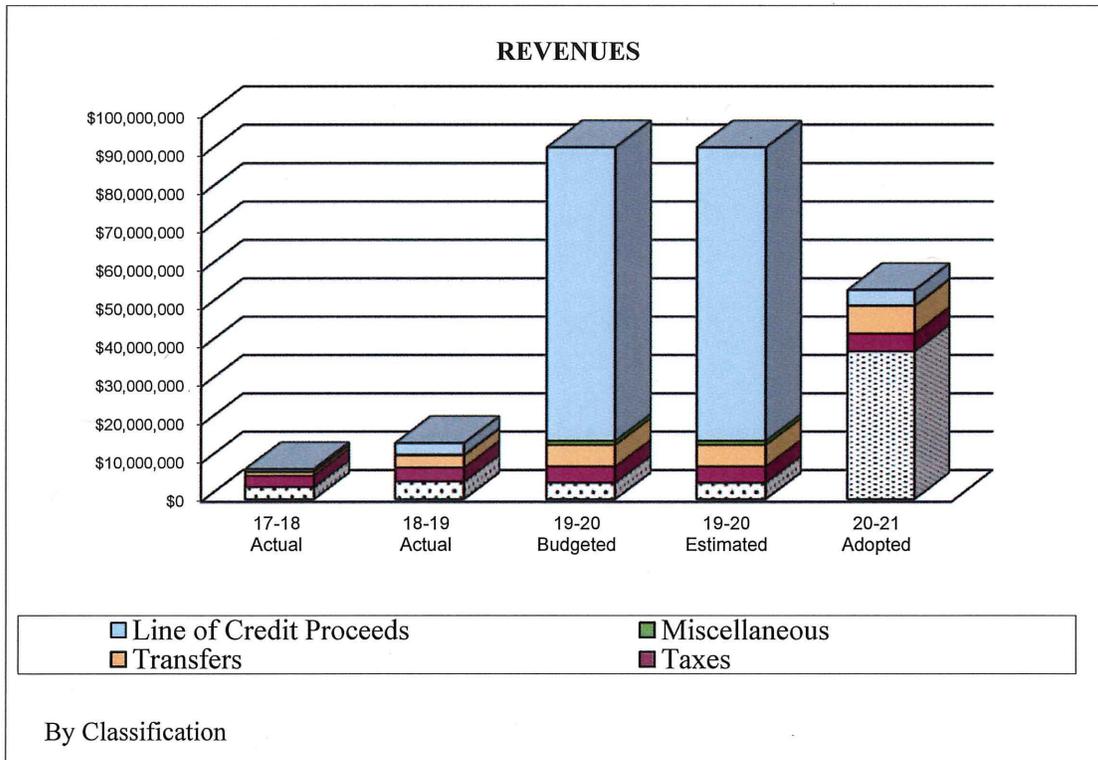


Urban Redevelopment Agency

- Tax Increment Fund
- Capital Projects
- Program and Activities
- Debt Service

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2020-21 BUDGET

URBAN REDEVELOPMENT AGENCY (BURA)
ADOPTED FY 2020-21



CITY OF BEAVERTON, OREGON
FISCAL YEAR 2020-21 BUDGET

**BEAVERTON URBAN REDEVELOPMENT AGENCY (BURA) TAX INCREMENT FUND
SUMMARY OF REVENUES AND EXPENDITURES
AND OTHER FINANCING SOURCES & USES**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Budgeted</u>	<u>FY 2019-20 Estimated</u>	<u>FY 2020-21 Adopted</u>
Revenues:					
Taxes	\$3,050,549	\$3,674,735	\$4,224,820	\$4,226,820	\$4,699,351
Interest on investments	62,707	114,307	140,000	0	0
Bond/Financing Proceeds	0	0	0	0	0
Miscellaneous	48,607	99,558	4,500	4,500	4,500
Sub Total Revenues	<u>\$3,161,863</u>	<u>\$3,888,600</u>	<u>\$4,369,320</u>	<u>\$4,231,320</u>	<u>\$4,703,851</u>
Expenditures:					
Materials & services	\$701,319	\$856,588	\$0	\$0	\$0
Capital outlay					
Sub Total Expenditures	<u>\$701,319</u>	<u>\$856,588</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Revenues Over/Under Expenditures	\$2,460,544	\$3,032,012	\$4,369,320	\$4,231,320	\$4,703,851
Other financing sources (uses):					
Transfers in	\$0	\$0	\$0	\$0	\$0
Transfers out	(990,436)	(3,329,914)	(5,635,984)	(5,635,984)	(7,166,248)
Total Other Financing Sources (Uses):	<u>(\$990,436)</u>	<u>(\$3,329,914)</u>	<u>(\$5,635,984)</u>	<u>(\$5,635,984)</u>	<u>(\$7,166,248)</u>
Net Change in Fund Balance	\$1,470,108	(\$297,902)	(\$1,266,664)	(\$1,404,664)	(\$2,462,397)
Fund Balance/Working Capital Beginning of Year	<u>3,135,920</u>	<u>4,606,028</u>	<u>4,308,126</u>	<u>4,308,126</u>	<u>2,903,462</u>
Fund Balance (Contingency)/Working Capital End of Year	<u>\$4,606,028</u>	<u>\$4,308,126</u>	<u>\$3,041,462</u>	<u>\$2,903,462</u>	<u>\$441,065</u>

This fund accounts for the receipt of tax increment revenues and then transfers its resources to the Debt Service Fund.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2020-21 BUDGET

**BEAVERTON URBAN REDEVELOPMENT AGENCY (BURA) CAPITAL PROJECT FUND
SUMMARY OF REVENUES AND EXPENDITURES
AND OTHER FINANCING SOURCES & USES**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Budgeted</u>	<u>FY 2019-20 Estimated</u>	<u>FY 2020-21 Adopted</u>
Revenues:					
Bond/financing proceeds	\$726,289	\$3,001,332	\$53,356,934	\$53,356,934	\$0
Miscellaneous	0	404	750,000	0	0
Sub Total Revenues	<u>\$726,289</u>	<u>\$3,001,736</u>	<u>\$54,106,934</u>	<u>\$53,356,934</u>	<u>\$0</u>
Expenditures:					
Materials & services	\$0	\$0	\$0	\$0	\$0
Capital outlay	726,289	3,001,736	19,106,934	20,443,460	22,900,000
Sub Total Expenditures	<u>\$726,289</u>	<u>\$3,001,736</u>	<u>\$19,106,934</u>	<u>\$20,443,460</u>	<u>\$22,900,000</u>
Revenues Over/Under Expenditures	\$0	\$0	\$35,000,000	\$32,913,474	(\$22,900,000)
Other financing sources (uses):					
Transfers in	\$0	\$0	\$0	\$0	\$0
Transfers out	0	0	0	0	0
Total Other Financing Sources (Uses):	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Net Change in Fund Balance	\$0	\$0	\$35,000,000	\$32,913,474	(\$22,900,000)
Fund Balance/Working Capital Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>32,913,474</u>
Fund Balance (Contingency)/Working Capital End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$35,000,000</u>	<u>\$32,913,474</u>	<u>\$10,013,474</u>

This fund accounts for the construction of public facilities within the Urban Renewal District. Funding for the projects is provided through the 2020 Special Revenue Bond Issue Series 2020B Taxable which provided for \$55 Million in Bond Proceeds of which \$19 million was to repay the existing line of credit and day light one-day loans from the City's General Fund. For FY 2019-20, this fund is classified as a major fund.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2020-21 BUDGET

**BEAVERTON URBAN REDEVELOPMENT AGENCY (BURA) PROGRAM & ACTIVITIES FUND
SUMMARY OF REVENUES AND EXPENDITURES
AND OTHER FINANCING SOURCES & USES**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Budgeted</u>	<u>FY 2019-20 Estimated</u>	<u>FY 2020-21 Adopted</u>
Revenues:					
Bond/financing proceeds	\$0	\$0	\$4,117,150	\$4,117,150	\$4,000,000
Interest on investments	0	0	0	91,200	85,400
Miscellaneous	0	0	195,100	947,100	48,000
Sub Total Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$4,312,250</u>	<u>\$5,155,450</u>	<u>\$4,133,400</u>
Expenditures:					
Materials & services		0	3,436,799	2,073,286	3,013,650
Capital outlay		0	0	0	0
Sub Total Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$3,436,799</u>	<u>\$2,073,286</u>	<u>\$3,013,650</u>
Revenues Over/Under Expenditures	\$0	\$0	\$875,451	\$3,082,164	\$1,119,750
Other financing sources (uses):					
Transfers in	\$0	\$0	\$0	\$0	\$0
Transfers out	0	0	(373,972)	(367,100)	(1,097,956)
Total Other Financing Sources (Uses):	<u>\$0</u>	<u>\$0</u>	<u>(\$373,972)</u>	<u>(\$367,100)</u>	<u>(\$1,097,956)</u>
Net Change in Fund Balance	\$0	\$0	\$501,479	\$2,715,064	\$21,794
Fund Balance/Working Capital Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2,715,064</u>
Fund Balance (Contingency)/Working Capital End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$501,479</u>	<u>\$2,715,064</u>	<u>\$2,736,858</u>

This fund accounts for the BURA's administration and operations and is funded by daylight one-day loans from the City of Beaverton.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2020-21 BUDGET

**BEAVERTON URBAN REDEVELOPMENT AGENCY (BURA) DEBT SERVICE FUND
SUMMARY OF REVENUES AND EXPENDITURES
AND OTHER FINANCING SOURCES & USES**

	<u>FY 2017-18 Actual</u>	<u>FY 2018-19 Actual</u>	<u>FY 2019-20 Budgeted</u>	<u>FY 2019-20 Estimated</u>	<u>FY 2020-21 Adopted</u>
Revenues:					
Bond/financing proceeds	0	0	19,000,000	19,000,000	0
Sub Total Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$19,000,000</u>	<u>\$19,000,000</u>	<u>\$0</u>
Expenditures:					
Materials & services					
Capital outlay					
Sub Total Expenditures	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Revenues Over/Under Expenditures	\$0	\$0	\$19,000,000	\$19,000,000	\$0
Other financing sources (uses):					
Transfers in	\$866,104	\$3,165,525	\$5,635,984	\$5,635,984	\$7,166,248
Transfers out	0	0	0	0	0
Debt Service - Principal	(139,815)	(3,165,525)	(24,635,984)	(24,635,984)	(7,166,248)
Debt Service - Interest	(726,289)	0	0	0	0
Debt Service Fees	0	0	0	0	0
Total Other Financing Sources (Uses):	<u>\$0</u>	<u>\$0</u>	<u>(\$19,000,000)</u>	<u>(\$19,000,000)</u>	<u>\$0</u>
Net Change in Fund Balance	\$0	\$0	\$0	\$0	\$0
Fund Balance/Working Capital Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance (Contingency)/Working Capital End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

In prior years, this fund accounts for the debt service on interest payments on the \$19 million line of credit and repayment of day light "one-day" loans from the City's General Fund. In late FY 2019-20, the BURA issued \$55 Million in Special Revenues Bonds Series 2020B Federally Taxable that repaid the \$19 Million line of credit and provided an additional \$35 Million for capital projects and \$1 Million for administration. The BURA Tax Increment Fund provides funding for the debt service payments. Therefore, this fund will usually have a zero fund balance. For FY 2019-20, this fund is classified as a major fund.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2020-21 BUDGET

FUND: 901/902/903/904 BEAVERTON URBAN REDEVELOPMENT AGENCY - BURA	DEPARTMENT: COMMUNITY DEVELOPMENT
DEPARTMENT HEAD: CHERYL TWETE	

Program Goal:

The role of the Beaverton Urban Redevelopment Agency (BURA) is to direct and engage in rehabilitation and redevelopment activities necessary to protect the public, health and welfare of the city, especially the vitality of the city's central business district.

The voter-approved Central Beaverton Urban Renewal Plan's Goals are to:

- I. Inform, communicate, and seek engagement for decision making to reflect community values and priorities
- II. Add value to our city by increasing property values through community investments that contribute to a healthy economy
- III. Support businesses of all sizes in creating and retaining jobs to attract a diverse local workforce
- IV. Promote redevelopment that fits the character of the Beaverton Community Vision
- V. Expand the existing transportation system to promote a safe, interconnected walking, biking, transit, and street network
- VI. Increase housing in the urban renewal district
- VII. Promote development of community, public arts, and culture in the urban renewal district to provide destinations that support a vibrant center for the community

The Beaverton Urban Redevelopment Agency (BURA) budget consists of three funds that are combined in this table to illustrate a comprehensive view of the agency's activities. The three funds are: General Fund, Capital Projects Fund and Debt Service Fund. BURA is considered a blended component unit of the city for financial reporting purposes.

REQUIREMENTS	FY 2017-18 ACTUAL	FY 2018-19 ACTUAL	FY 2019-20 BUDGETED	FY 2020-21 PROPOSED	FY 2020-21 ADOPTED
MATERIALS & SERVICES	701,319	856,588	3,436,799	3,013,650	3,013,650
CAPITAL OUTLAY	726,290	3,001,737	19,106,934	16,900,000	22,900,000
DEBT SERVICE	866,104	3,165,525	24,635,984	7,166,248	7,166,248
TRANSFERS	990,436	3,329,914	6,009,956	7,974,818	8,264,204
CONTINGENCY	0	0	38,542,941	19,480,783	13,191,397
TOTAL	\$3,284,149	\$10,353,764	\$91,732,614	\$54,535,499	\$54,535,499

Funding Sources:	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2020-21
Beginning Working Capital	\$3,135,920	\$4,606,028	\$4,308,126	\$38,532,000	\$38,532,000
Property Taxes	3,052,305	3,678,140	4,228,820	4,703,851	4,703,851
Loan from City of Beaverton	726,289	3,001,332	5,395,984	4,000,000	4,000,000
Interfund Transfers	866,105	3,165,525	5,635,984	7,166,248	7,166,248
Line of Credit	0	0	16,078,100	0	0
Bond Sale Proceeds	0	0	55,000,000	0	0
Miscellaneous Revenue	109,559	210,865	1,085,600	133,400	133,400

Program Objectives:

In order to achieve the objectives of the Plan's goals, projects will be undertaken by the BURA, and implementation will proceed in accordance with applicable federal, state (ORS 457), county, and city laws, policies, and procedures. BURA may undertake projects directly or may provide funding for projects undertaken by other public or private parties; BURA may fund these projects in part or in whole. Other funding may be obtained from development partners, federal and state grant funding, or other private or public sources.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2020-21 BUDGET

FUND: 901/902/903/904 BEAVERTON URBAN REDEVELOPMENT AGENCY - BURA	DEPARTMENT: COMMUNITY DEVELOPMENT
DEPARTMENT HEAD: CHERYL TWETE	

Objective #1: Incentive Programs

Financial and technical assistance for property and/or business owners in the District to improve existing structures, investigate barriers to development or rehabilitation, and encourage additional investment in community facilities

- Predevelopment Grant Program
- Storefront Program
- Tenant Improvement Program

Objective #2: Joint Investment

Financial assistance for property and business owners to encourage quality rehabilitation, preservation, development, or redevelopment that supports the goals listed above, including central Beaverton revitalization and job retention/creation

- Affordable Housing
- Predevelopment Assistance
- Development Financing
- Land Acquisition and Management

Objective #3: Community Identity

Improvements to public spaces and right-of-ways to improve attractiveness and create conditions necessary to recruit new businesses and private investment

- Gateways and Wayfinding
- Streetscape Improvements
- Creek Enhancements
- Placemaking & Public Art

Objective #4: Transportation and Infrastructure Improvements

Improvements to public right-of-ways and infrastructure with the intention of decreasing block size; reducing traffic congestion; and increasing connectivity, universal accessibility, safety, parking structures, utility upgrades, and access to multi-modal options to and within the Urban Renewal Area

- Transportation Connectivity
- Sidewalk Infill
- Parking
- Utility Upgrades

Objective #5: Other

- Administrative Overhead
- Professional Services
- Plans and Studies
- Audit Services
- Miscellaneous
- Contingency

Objective #6: Debt Services and Oversight

The bonding agencies that provide the service of selling bonds require funding, as does the Finance Department for financial oversight, and project staff to implement projects. This funding will pay for those necessary services.

- Debt Service Fees
- Debt Service Payments
- Inter-Agency Transfer

Progress on FY 2019-20 Action Plan:

- Managed the previously approved \$19 million Line of Credit and Tax Increment Financing sources for BURA funding opportunities and issued first BURA bond
- Prepared updated forecast and stress test analysis for TIF revenue
- Acquired two strategic properties located within the Beaverdam Road area and one property in Old Town

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2020-21 BUDGET

FUND: 901/902/903/904 BEAVERTON URBAN REDEVELOPMENT AGENCY - BURA	DEPARTMENT: COMMUNITY DEVELOPMENT
DEPARTMENT HEAD: CHERYL TWETE	

- Entered into Exclusive Negotiation Agreements with two development teams for redevelopment of land assemblages in Beaverdam Road area
- Provided gap funding for The Mary Ann, Beaverton’s first affordable housing project funded with Metro Regional Affordable Housing Bond dollars
- Commenced construction on Beaverton Central public parking garage
- Construction has commenced for an approximately 120-room urban, business-class hotel and separate restaurant on the Westgate site
- Disposed of Former Bank of Beaverton Building for renovation and activation
- In partnership with the city’s General Fund, continued funding a Storefront Improvement Program
- Continued funding and expanded the Tenant Improvement Program in support of the City’s Restaurant Strategy
- In partnership with the city’s General Fund, continued funding the Predevelopment Grant Program
- Participated in the Western Avenue roadway project and supported funding of the street design and future improvements
- Initiated redesign of the Annual Report and BURA Five-Year Action Plan
- The City’s first Parking Manager, who is partially funded by BURA, continues to design and implement parking management strategies in the downtown area and for the Beaverton Central public parking garage
- Improved the BURA website
- Participated in City’s Downtown Design Project

FY 2020-21 Action Plan:

- Pursue land acquisition for strategic short, medium and long-term projects
- Support affordable housing activities
- Implement and update the Five-Year BURA Action Plan/Annual Report
- Continue to improve the BURA website to be current, navigable and user-friendly for all interested parties
- Complete construction of the Beaverton Central public parking garage
- Initiate development of Downtown Equity Strategy
- Begin design of streetscape improvements within in Old Town and Beaverton Central areas
- Continue planning and implementing parking strategies, including exploring future public parking options
- Continue marketing the Storefront, Tenant Improvement, and Predevelopment Grant Program to strengthening the district’s business and community vitality
- Provide Predevelopment Assistance to district project(s)
- Support place making, public art, gateways and wayfinding within the district
- Participate in utility undergrounding evaluation
- Provide support for transportation connectivity and utility upgrades
- Convene city work group to develop/refine downtown infrastructure plan
- Pursue state and federal funding to accomplish BURA plan goals
- Manage internal staff team to inform and enhance BURA’s short and long-term goals
- In coordination with the city, continue discussing residential and business anti-displacement measures and mitigation that could arise due to urban redevelopment investments
- Coordinate and assist area businesses and property owners with improvements and redevelopment

The following performance measures are from the BURA Annual Report:

Performance Measures:	FY 2017-18 Actual	FY 2018-19 Actual	FY 2019-20 Budgeted/Revised	FY 2020-21 Adopted
Urban Renewal Tax Increment	\$2,747,537	\$3,589,566	\$4,211,820	\$4,684,351
New Housing Units Completed (based on certificate of occupancy)	0	230	0	100
Value of New Construction (based on certificate of occupancy)	\$13 M	\$103.5 M	\$22.9 M	\$50 M

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2020-21 BUDGET

FUND: 901/902/903/904 BEAVERTON URBAN REDEVELOPMENT AGENCY - BURA	DEPARTMENT: COMMUNITY DEVELOPMENT
DEPARTMENT HEAD: CHERYL TWETE	

Summary of Borrowing Against District Debt Limitation

	Bond Line-of-Credit	City Day Light Loan	Total Borrowing
FY 15-16 Actual		\$ 510,000	\$ 510,000
FY 16-17 Actual	2,921,900	183,086	3,104,986
FY 17-18 Actual	-	726,289	726,289
Total Debt Incurred	\$ 2,921,900	1,419,375	4,341,275
Agency Debt Limit			150,000,000
Remaining Amount			145,658,725
% Remaining			97%
FY 18-19 Estimate		3,466,591	3,466,591
FY 19-20 Budget	\$16,078,100	\$1,332,668	\$17,410,768

Changes in Assessed Valuation – Beaverton Central Urban Renewal District

	Total Assessed Valuation - BURA	Year to Year Increase	Percent Change Year to Year	Cumulative Increase (Decrease) over Base Year	Percent Change Over Base Year	Tax Increment Revenue Received	Cumulative Tax Increment Revenue
FY 2011-12 (Base Year)	\$782,261,672						
FY 2012-13	\$788,610,799	\$6,349,127	0.8%	\$6,349,127	0.8%	\$86,881	\$86,881
FY 2013-14	\$800,929,828	\$12,319,029	1.6%	\$18,668,156	2.4%	\$285,134	\$372,015
FY 2014-15	\$833,269,953	\$32,340,125	4.0%	\$51,008,281	6.5%	\$770,852	\$1,142,867
FY 2015-16	\$884,701,194	\$51,431,241	6.2%	\$102,439,522	13.0%	\$1,495,236	\$2,638,103
FY 2016-17	\$921,495,446	\$36,794,252	4.2%	\$139,233,774	17.8%	\$2,025,052	\$4,663,155
FY 2017-18	\$988,802,749	\$67,307,303	7.3%	\$206,541,077	26.4%	\$3,050,549	\$7,713,704
FY 2018-19	\$1,033,399,867	\$44,597,118	4.5%	\$251,138,195	32.0%	\$3,655,371	\$11,175,478
FY 2019-20 budgeted	\$1,071,365,649	37,963,782	3.7%	\$289,103,977	37.6%	\$4,225,820	\$15,401,298
FY 2020-21 estimated	\$1,114,431,548	\$43,068,899	4.1%	\$332,172,976	42.5%	\$4,684,351	\$16,053,426

Performance Outcomes and Program Trends:

BURA revenue continues to exceed projections, which will positively impact the number of projects BURA is able to accomplish in the next several years. New construction within the district continues and doesn't appear to be slowing.

Debt Service Fund (904)

In June 2020, BURA's 2017 Line of Credit was refunded and the City through an agreement with BURA issue \$55 million of Special Revenue Bonds which will be backed by the pledge of ROW fees and the annual debt payable by the BURA Agency as through a transfer from the BURA Tax Increment Fund 901 to the BURA Debt Service Fund 904. Here are the following details of the 2020 \$55 million debt issuance:

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2020-21 BUDGET

FUND: 901/902/903/904 BEAVERTON URBAN REDEVELOPMENT AGENCY - BURA	DEPARTMENT: COMMUNITY DEVELOPMENT
DEPARTMENT HEAD: CHERYL TWETE	

Series 2020B Federally Taxable

The Special Revenue Bonds Series 2020B were issued in June 2020, with a true interest cost rate of 2.9201% in an original amount of \$55 Million which was used as follows:

1. \$19 Million to repay the line of credit.
2. \$34 Million deposited into the BURA Capital Projects Fund for current and future BURA Capital Projects.
3. \$1 Million deposited into the BURA Program and Activities fund for the cost of issuance and to fund grant funds for capital improvements on properties within the agency district.

The annual debt service payment is funded by a transfer from the BURA Tax Increment Fund 901. The following table represents the annual debt service on the \$55 Million bond issue over a 30 year period.

<u>FISCAL YEAR</u>	<u>INTEREST</u>	<u>PRINCIPAL</u>	<u>TOTAL</u>
2020-21	\$1,353,938	\$1,410,000	\$2,763,938
2021-22	1,409,213	1,355,000	2,764,213
2022-23	1,396,490	1,365,000	2,761,490
2023-24	1,381,652	1,380,000	2,761,652
2024-25	1,364,168	1,400,000	2,764,168
2025-26	1,345,030	1,415,000	2,760,030
2026-27	1,321,739	1,440,000	2,761,739
2027-28	1,296,596	1,465,000	2,761,596
2028-29	1,267,648	1,495,000	2,762,648
2029-30	1,236,612	1,525,000	2,761,612
2030-31	1,203,428	1,560,000	2,763,428
2031-32	1,167,922	1,595,000	2,762,922
2032-33	1,130,025	1,630,000	2,760,025
2033-34	1,089,666	1,670,000	2,759,666
2034-35	1,047,482	1,715,000	2,762,482
2035-36	1,003,304	1,760,000	2,763,304
2036-37	956,260	1,805,000	2,761,206
2037-38	907,002	1,855,000	2,762,002
2038-39	855,507	1,905,000	2,760,507
2039-40	800,090	1,960,000	2,760,090
2040-41	743,074	2,020,000	2,763,074
2041-42	680,272	2,080,000	2,760,272
2042-43	615,605	2,145,000	2,760,605
2043-44	548,917	2,215,000	2,763,917
2044-45	480,052	2,280,000	2,760,052
2045-46	409,167	2,350,000	2,759,167
2046-47	332,581	2,430,000	2,762,581
2047-48	253,387	2,510,000	2,763,387
2048-49	171,586	2,590,000	2,761,586
2049-50	87,178	2,675,000	2,762,178
	<u>\$27,855,539</u>	<u>\$55,000,000</u>	<u>\$26,551,773</u>