

City of Coos Bay Urban Renewal Agency

Annual Financial Impact Report
For the fiscal year ending
June 30, 2010



Urban Renewal Agency Board

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Introduction

The following annual financial impact report for the City of Coos Bay Urban Renewal Agency (URA) includes a summary statement which reflects actual financial information for fiscal year 2009/2010 for the two urban renewal districts located within the city. The information provided in the report complies with Oregon Revised Statutes (ORS) 457.460, and is in addition to the Urban Renewal Budget which was adopted after a public hearing on June 1, 2010.

Urban renewal agencies can receive property taxes in two ways. "Option 1" The agency is entitled to the amount of property taxes that are imposed on the increase in property values (taxable assessed values) within the urban renewal district since the urban renewal plan was adopted. This process is called the "division of tax" process. "Option 2" Urban renewal plans adopted prior to December 6, 1996 also have the option of receiving funds from a Special Urban Renewal Levy (citywide) on property within the City of Coos Bay. Both the Downtown District and the Empire District can receive both of these sources. Since the establishment of the districts, the URA has chosen "Option 1".

Purpose of Urban Renewal

The intent of urban renewal is to improve specific areas of the city that are poorly developed or underdeveloped, eliminate blighting conditions and improve conditions to encourage economic development. The Coos Bay Urban Renewal Agency has successfully used urban renewal funds to improve the infrastructure, waterfront, and core area of the city. Property values have been increased and the livability of the community greatly enhanced.

A few of the major projects include the Newmark Widening project, Empire Streetscape, Historic Hollering Place Wayside, and construction of the Visitor Information Center. The projects not only improved the community, but were also an economic stimulus for the local workforce. Programs such as awning replacement, façade improvement, and business grants enhanced commercial properties and provided assistance to business owners. Urban renewal provides the city with an essential and viable economic development tool otherwise not available to municipalities.

How Urban Renewal Generates Revenue

ORS 457 requires that urban renewal property taxes be used to pay debt services on bonds and notes issued to fund projects in the urban renewal districts. The City of Coos Bay collects urban renewal property taxes to make debt service payments on long-term urban renewal bonds and short-term urban renewal bonds (known as "du jour" bonds). The URA receives the net proceeds of these debt obligations, after issuance costs and required reserves, to use on eligible projects and program within the designated urban renewal districts.

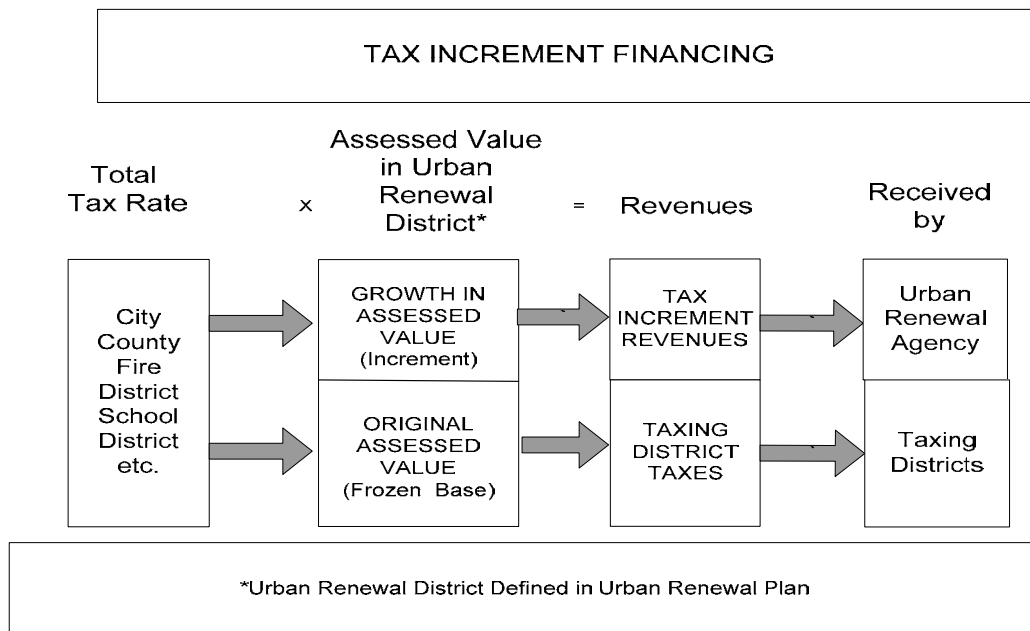
All tax increment revenue is placed by the city's budget officer into restricted debt funds to finance projects only in the urban renewal areas. Each urban renewal district has a plan which

provides information on the area including the legal boundaries, goals and objectives, definitions, project activities, and expiration dates. A report for each urban renewal plan provides more details on the condition of the area, maximum indebtedness, and fiscal impacts.

Urban Renewal Taxes Imposed

By incurring debt to pay for public improvements within an urban renewal plan area it is expected that property values will increase due to private investments that would not otherwise occur. This new value is called “increment” or “excess value”. The property taxes from this increase in value go to the urban renewal agency to pay off the debt. Revenue generated in this manner is referred to as “tax increment financing” or “division of tax revenue”. If there is no increase in assessed value, the urban renewal agency does not collect any revenue. Local taxing districts, such as the county, city, school district, and others, continue to receive the property taxes from the assessed value the district had before the plan area was formed. This value is called the “frozen base”.

Like the frozen base, a taxing district’s operating property tax revenue (its permanent rate) from the plan area is also frozen since its permanent rate cannot change. The district could still realize an increase in property taxes from outside the plan area. For fixed dollar local option levies and bonded debt levies there is no impact on the district since the tax rate will be increased to raise the same amount of money. Once the plan area’s debt is paid off and the plan area is dissolved, taxing districts start receiving property taxes from the excess value.



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The division of tax process results in some property taxes that may have been received by the taxing districts that levy property taxes with the urban renewal area being paid to the Urban Renewal Agency of Coos Bay. The taxing districts forego a share of property tax income during the life of an urban renewal plan so the Urban Renewal Agency can carry out activities that increase property values in the long-term. Table 1 (Downtown District) and Table 2 (Empire District) show the budgeted revenues and expenditures for fiscal year 2010/2011 next to the actual (audited) revenues and expenditures for fiscal year 2009/2010. Table 3 shows the overlapping districts' foregone taxes for the Downtown and the Empire Districts.

Table 1

	FYE 10/11	FYE 09/10
Downtown District	budgeted	audited
Bond Fund (54)		
Revenue		
Transfer from DT Spec Revenue Fund	2,199,322	678,280
Expenditures		-
Debt Service	2,199,322	678,280
Ending Balance	-	-
Special Revenue Fund (51)		
Revenue		
Beginning Balance	2,000,000	1,990,980
Tax Increment, Current & Prior Years	900,312	913,377
Interest	7,000	16,991
Expenditures		
Urban Renewal Projects	707,990	-
Transfer to Downtown Bond Fund	2,199,322	678,280
Transfer to Downtown Bond Reserve	-	140,200
Ending Balance	-	2,102,868
Capital Projects Fund (57)		
Revenue		
Beginning Balance	1,100,000	2,263,297
Interest	12,000	25,356
Bond Proceeds	1,500,000	1,402,000
Grants	1,583,000	-
Expenditures		
Contractual	40,000	20,000
Agency Management	195,034	172,391
Urban Renewal Projects	3,959,966	1,830,104
Ending Balance	-	1,668,158

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Table 1 continued

	FYE 10/11	FYE 09/10
Downtown District	budgeted	audited
Downtown Program Fund (56)		
Revenue		
Beginning Balance	19,000	14,784
Interest	75	133
Lease Revenue	6,000	6,000
Expenditures	-	-
Urban Renewal Projects	25,075	
Ending Balance	-	20,917
Downtown Bond Reserve Fund (60)		
Revenue		
Beginning Balance	665,720	525,520
Transfer from Downtown Special Revenue	-	140,200
Expenditures	-	-
Reserve for Future Expenditures	665,720	-
Ending Balance	-	665,720

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Table 2

	FYE 10/11	FYE 09/10
Empire District	budgeted	audited
Bond Fund (55)		
Revenue		
Transfer fr Empire Spec Revenue Fund	1,034,711	739,711
Expenditures		
Debt Service	1,034,711	739,711
Special Revenue Fund (52)		
Ending Balance	-	-
Revenue		
Beginning Balance	840,000	1,112,153
Tax Increment, Current & Prior Years	512,957	515,695
Interest	4,000	8,426
Expenditures		
Urban Renewal Projects	322,246	
Transfer to Empire Bond Fund	1,034,711	739,711
Ending Balance	-	896,563
Capital Projects Fund (58)		
Revenue		
Beginning Balance	100,000	10,077
Interest	600	1,101
Bond Proceeds	795,000	500,000
Expenditures		
Contractual	7,520	12,475
Agency Management	39,947	56,360
Urban Renewal Projects	848,133	122,737
Ending Balance	-	319,606
Program Fund (53)		
Revenue		
Beginning Balance	425,000	423,456
Interest	1,400	3,264
Expenditures	-	-
Ending Balance	426,400	426,720
Bond Reserve Fund (53)		
Revenue		
Beginning Balance	239,711	239,711
Reserve for Future Expenditures	239,711	-
Ending Balance		239,711

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In fiscal year 2002/2003 the Oregon Supreme Court issued an opinion concerning urban renewal division of tax. The ruling resulted in the establishment of a rate to calculate the division of tax. The urban renewal rate has caused other taxing authorities' rates to be adjusted to a new effective rate which also includes the urban renewal rate. This new effective rate for all taxing authorities applies to the assessed value above the frozen base amount within an urban renewal district.

Table 3

Overlapping District's Foregone Taxes Fiscal Year 2009/2010				
		Downtown District	Empire District	
Shared Value		911,287,095		
Plan Area Current Value		113,150,522	59,390,559	
Plan Area Frozen Value		50,671,009	23,772,166	
Plan Area Excess Value		62,479,513	35,618,393	
Overlapping Taxing Districts	Permanent Rates	Downtown District	Empire District	Foregone Taxes
4H	0.0888	5,467	3,098	8,565
Library	0.7789	45,472	25,880	71,352
Coos County	1.0799	67,434	38,455	105,889
ESD	0.4432	27,611	15,765	43,376
Airport	0.24	14,944	8,674	23,618
CB Schools	4.5276	282,858	161,203	444,061
SWOCC	0.7017	43,832	24,968	68,800
Port of CB	0.6119	38,182	21,779	59,961
City of CB	6.3643	<u>397,588</u>	<u>226,633</u>	<u>624,221</u>
Total Foregone Taxes		923,388	526,455	1,449,843

Previously, taxing authorities could not share in urban renewal assessed value above the frozen base. The effect of this method of calculating division of tax is a larger base for taxing authorities called a shared area value to collect their revenues. Table 3 shows the foregone division of tax collections which are based on each overlapping taxing districts' permanent rate adjusted to the effective rate.

City of Coos Bay's Urban Renewal Areas

The Coos Bay City Council serves as the Coos Bay Urban Renewal Agency Board. The president, vice-president and secretary for the URA are elected by the board following the general election. The Coos Bay Urban Renewal Agency has two districts: the Downtown District and the Empire District. Urban renewal funding provides sustainable livability for Coos Bay through projects and programs that play a major role in revitalizing the city.

Past Coos Bay urban renewal district.

An earlier urban renewal district was established in 1968 and located in the central downtown business core. The district's projects included elimination of traffic on Central Avenue from Highway 101 to Fourth Street and the creation of a pedestrian mall, undergrounding of many utilities within the district, property acquisition to create parking lots and remove blighted structures, and canopied walkways to connect parking lots and other district areas with the pedestrian mall. The projects were completed in the early 1970s and the district ceased tax increment revenue financing in 1984. The district ended in 1989.

Currently the URA has two active urban renewal districts.

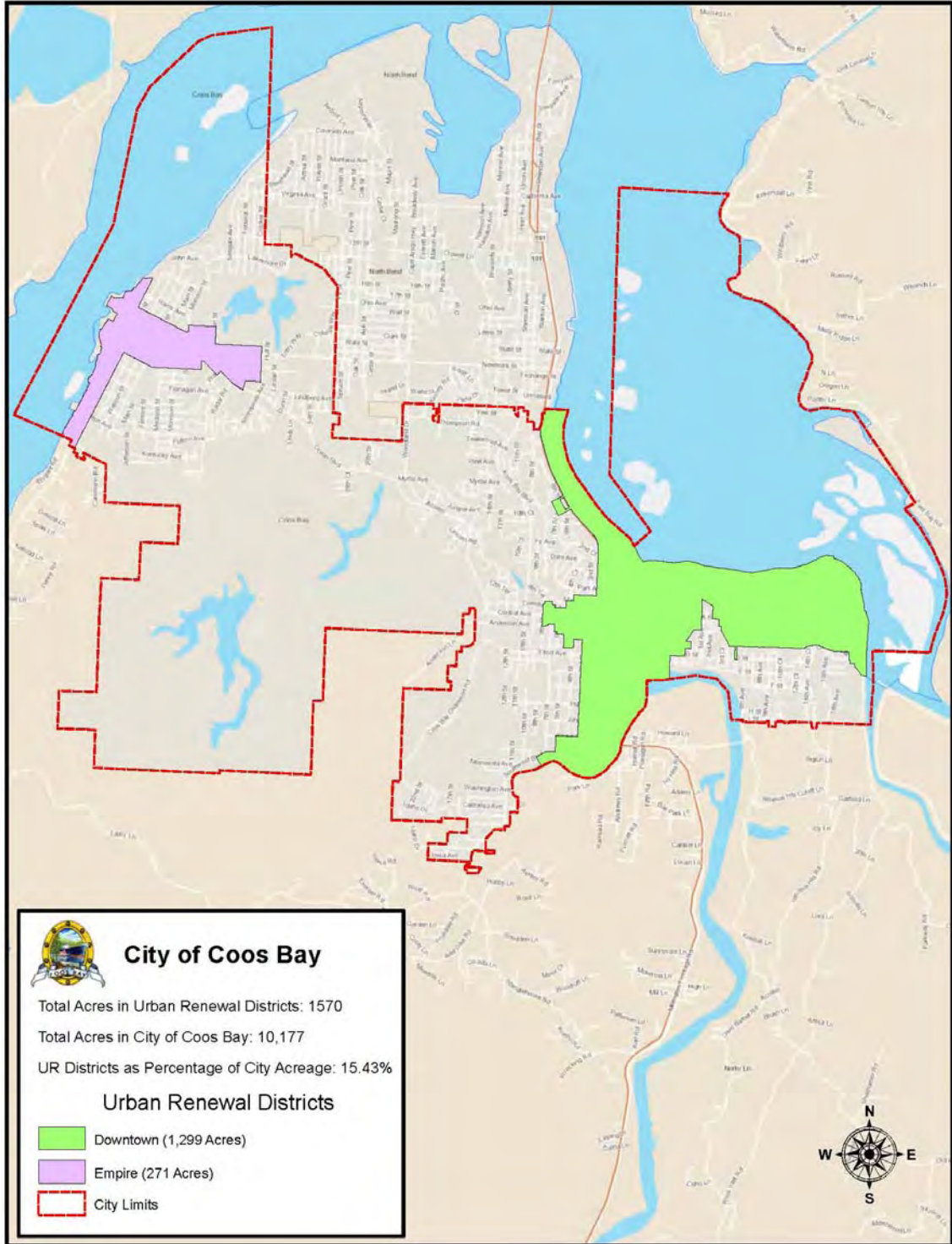
Coos Bay Downtown (established in 1988)

Empire (established in 1995)

The next section presents the following information:

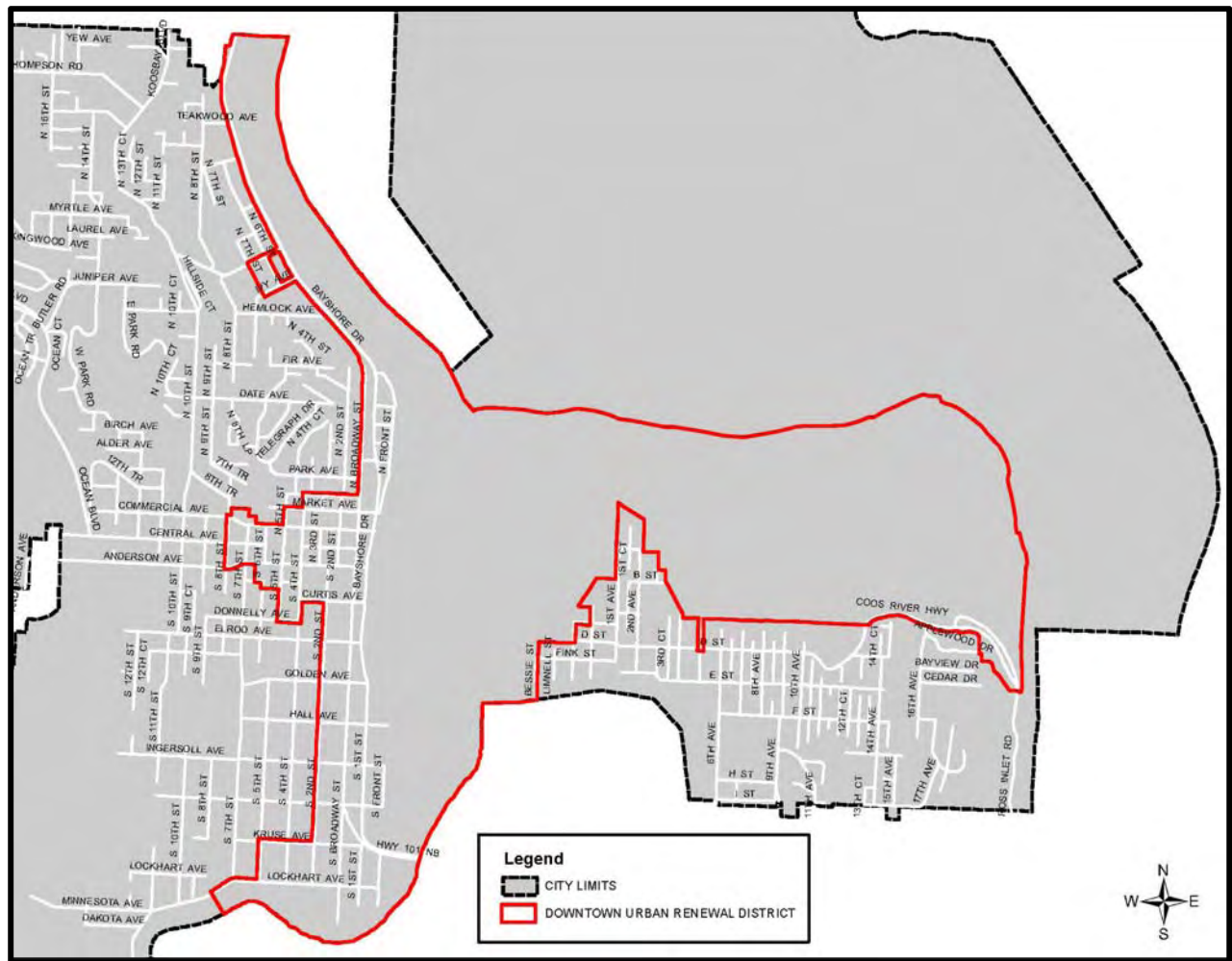
- The City URA Map
- A brief description of each urban renewal district
- A map of each urban renewal district
- URA indebtedness statistics
- The funds received during the preceding fiscal year from indebtedness incurred
- The purposes and amount for which any funds, received and from indebtedness incurred were expended during the preceding fiscal year.
- An estimate of the amount of funds to be received during the current fiscal year and from indebtedness incurred.
- A budget setting forth the purposes and estimated amounts for which the monies which have been received and from indebtedness incurred are to be expended during the current year.

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Downtown Urban Renewal District

The Downtown Urban Renewal District Plan was formed in 1988 and is 1,299 acres in size. The district begins at the north city limits and runs between the navigation channel and Highway 101 south and southeast toward the city's core area. The district's boundaries proceed south until they come nearly in line with the industrial property located in Eastside. The eastern boundary then turns east to include the industrial-commercial lands in the Eastside area. The westerly boundary proceeds west to include the downtown core area which was a part of the first Urban Renewal Plan and also includes several blocks of transportation corridor immediately west of the core area. The eastern and western urban renewal area boundaries begin to come together in the southern portion of the city and extend to the south city limits along Coalbank Slough.



The Downtown Urban Renewal Plan has three principal goals.

1. Develop the city’s waterfront to enhance its potential for recreation, tourism and other commercial activities while preserving its alternate role as a working waterfront which supports the area’s forest products and marine related economy.
2. Revitalize the downtown core area by repair and change to, but not total elimination of, the pedestrian mall and by other activities which promote the effective utilization of this area for a wide variety of purposes while recognizing its changing role away from high traffic, consumer retail activities.
3. Improvement of streets, utilities and other essential infrastructures in areas of the city within the district where they have deteriorated, are non-existent or where modifications are necessary to support and/or encourage the expansion of new commercial and industrial activity.

The Plan classifies potential urban renewal projects in three general, broad categories:

- Waterfront Development
- Core Area Revitalization
- Streets and Infrastructure

DOWNTOWN DISTRICT FISCAL YEAR 2009/2010
Actual (Audited) Revenues and Expenditures

Downtown Bond Fund

There was no beginning balance for fiscal year 2009/2010. Division of taxes funds were transferred from the Downtown Special Revenue Fund to pay debt service of Series 2003A bond for refinanced Downtown urban renewal projects and for Series 2009 bond for the construction of the Visitor Information Center.

Budget	Description	Costs
Beginning Balance		0
Revenue Division of Taxes	Transfer from Downtown Special Revenue Fund	678,280
Expenditure Debt Service	Series 2003A (1-24-2003) refinanced projects	525,520
Debt Service	Series 2009 (8-28-09) Visitor Information Center	152,760
Ending Balance		0

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Downtown Special Revenue Fund

The beginning balance was \$1,990,980. Funds were received for current and delinquent division of taxes and for earned interest. Funds were transferred to the Downtown Bond Fund for Series 2003A and Series 2009 bonds and to the Downtown Bond Reserve Fund as required for Series 2009 Visitor Information Center Loan.

Budget	Description	Costs
Beginning Balance		1,990,980
Revenue		
Division of Taxes	Current Tax Increment Financing	861,364
Division of Taxes	Delinquent Tax Increment Financing	52,013
Interest	Bank Rate Prorated	16,991
Expenditures		
Transfer to Bond Fund	Series 2003A (1-24-2003) refinanced projects	678,280
Transfer to Bond Reserve Fund	Series 2009 (8-28-09) Visitor Information Center	140,200
Ending Balance		2,102,868

Downtown Capital Projects Fund

The beginning balance was \$2,263,297. Funds were received from earned interest and from Series 2009 bond proceeds. Funds were expended for contractual services, agency management, traffic circulation plan, façade grant program, virtual incubator program, city dock upgrades, fiber cabling, Lockhart demolition, Pedway design, Central Dock, seismic retrofit city hall, Visitor Information Center, Egyptian Theatre, various economic development projects, and smaller core revitalization projects (eg. sidewalks/property revitalization).

Budget	Description	Costs
Beginning Balance		2,263,297
Revenue		
Interest	Bank Rate Prorated	25,356
Bond Proceeds	Series 2009 (8-28-09) Visitor Information Center	1,402,000
Expenditures		
Contractual Services		20,000
Agency Management		172,391
Traffic Circulation	Core Area Revitalization	64,188
Virtual Incubator Grants	Economic Revitalization	140,089
City Dock	Waterfront Development	14,724
Fiber Cabling	Streets and Infrastructure	26,574
Lockhart Demolition	Core Area Revitalization	13,881

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Pedway	Core Area Revitalization	20,087
Central Dock	Waterfront Development	5,756
Seismic Retrofit City Hall	Core Area Revitalization	9,833
Visitor Information Center	Streets and Infrastructure	1,404,466
Egyptian Theatre	Core Area Revitalization	60,528
Façade Grant Program	Economic Revitalization	19,630
Economic Development Projects (various) e.g. promotion, development	Core Area Revitalization	42,518
Core Revitalization (various); e.g. sidewalks, property revitalization	Core Area Revitalization	7,830
Ending Balance		1,668,158

**Capital Projects Including Approximate Agency Management
 and Contractual Costs**

Project	Objectives	Funding
Traffic Circulation	Core Revitalization	70,936
Façade Program	Economic Revitalization	21,694
Virtual Incubator	Economic Revitalization	154,816
City Dock	Waterfront Development	16,272
Fiber Cabling	Streets and Infrastructure	29,368
Lockhart Demolition	Core Area Revitalization	15,340
Pedway	Core Revitalization	22,199
Central Dock	Waterfront Development	6,361
Seismic Retrofit City Hall	Core Area Revitalization	10,867
Visitors Center	Streets and Infrastructure	1,552,110
Egyptian Theatre	Core Revitalization	66,891
Economic Development	Core Revitalization	46,988
Sidewalks and Property	Core Area Revitalization	8,653
Projects funded by the Downtown Capital Projects Fund		\$2,022,495

Downtown Program Fund

The beginning balance was \$14,783. Revenue funds were received from earned interest and lease payments.

Budget	Description	Costs
Beginning Balance		14,784
Revenue		
Interest	Bank Rate Prorated	133
Lease Rental		6,000
Ending Balance		20,917

Downtown Bond Reserve Fund

The beginning balance was \$525,520. Funds were transferred from the Downtown Special Revenue Fund to establish for a total reserve fund of \$665,720 for bond requirements.

Budget	Description	Costs
Beginning Balance		525,520
Revenue Division of Taxes	Transfer from Downtown Special Revenue Fund	140,200
Ending Balance	Bond Requirement	665,720

DOWNTOWN DISTRICT FISCAL YEAR 2010/2011

Downtown Bond Fund

There was no budgeted beginning balance for fiscal year 2010/2011. Division of taxes funds were budgeted for transfer from the Downtown Special Revenue to pay debt service for Series 2003A bonds, Series 2009 bond of du jour financing Series 2010 (overnight loan to convert tax increment carryover into spendable bond proceeds).

Budget	Description	Costs
Beginning Balance		0
Revenue Division of Taxes	Transfer from Downtown Special Revenue Fund	2,199,322
Expenditures Debt Service	Series 2003A (1-24-2003) refinanced projects	525,520
Debt Service	Series 2009 (8-28-09 Visitor Information Center)	173,802
Debt Service	Series 2010 Du Jour (overnight loan to convert tax increment carryover)	1,500,000
Ending Balance		0

Downtown Special Revenue Fund

The budgeted beginning balance was \$2,000,000. Revenues were budgeted from current and delinquent division of taxes, and interest earnings. Expenditures were budgeted for future urban renewal projects, transfers to the Downtown Bond Fund for Series 2003A bond, for the Series 2009 bond, and for du jour financing Series 2010 (overnight loan to convert tax increment carryover into spendable bond proceeds).

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Budget	Description	Costs
Beginning Balance		2,000,000
Revenue		
Division of Taxes	Current Tax Increment Financing	857,440
Division of Taxes	Delinquent Tax Increment Financing	42,872
Interest	Bank Rate Prorated	7,000
Expenditures		
Urban Renewal Projects	Future Financing (Du Jour)	707,990
Transfer to Bond Fund	Series 2003A (1-24-2003) refinanced projects	525,520
Transfer to Bond Fund	Series 2009 (8-28-09) Visitor Information Center	173,802
Transfer to Bond Fund	Series 2010 Du Jour	1,500,000
Ending Balance		0

Downtown Capital Projects Fund

The budgeted beginning balance was \$1,100,000. Revenues budgeted were interest earnings, Department of Energy Grant, Military Department city seismic retro-fit grant, Energy Trust Grant, and bond proceeds from du jour financing Series 2010. Expenditures budgeted were for contractual services, agency management, traffic circulation plan, Hwy 101 sidewalk project, façade grant program, Lockhart demolition, re-lamping, Library remodel, Pedway design, Central Dock, old fire station demolition, Egyptian Theatre, Art Museum elevator, virtual incubator, Visitor Information Center, seismic retrofit city hall (\$1,500,000 unrealized URA grant to be funded by City Seismic Retro-fit grant), historic land fill, and urban renewal projects.

Budget	Description	Costs
Beginning Balance		1,100,000
Revenue		
Interest	Bank Rate Prorated	12,000
Bond Proceed – Du Jour		1,500,000
Dept of Energy Grant		83,000
Military Dept City Seismic Retro-fit Grant	Budget only (City not URA)	1,469,278
Energy Trust Grant		30,722
Expenditures		
Contractual Services		40,000
Agency Management		195,034
Traffic Circulation	Core Area Revitalization	50,000
Virtual Incubator	Economic Revitalization	15,496
City Dock	Waterfront Development	1,734
Lockhart Demolition	Core Area Revitalization	325,000
Seismic Retrofit City Hall	Core Area Revitalization	1,000,000
Visitors Center	Streets and Infrastructure	200,000
Egyptian Theatre	Core Area Revitalization	250,000
Hwy 101 Sidewalk Project	Streets and Infrastructure	50,000
Façade Grant Program	Economic Revitalization	62,000
Re-lamping Project	Economic Revitalization	103,000

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Library Remodel	Core Area Revitalization	35,000
Pedway	Economic Revitalization	3,543
Old Fire Station Demolition	Core Area Revitalization	150,000
Art Museum Elevator	Streets and Infrastructure	55,000
Historic Land Fill	Core Area Revitalization	17,500
Urban Renewal Projects	Core Area Revitalization	141,693
Military Dept City Grant	Budget only (City not URA)	1,500,000
Ending Balance		0

**Capital Projects Including Approximate Agency Management
 and Contractual Costs**

Project	Objectives	Funding
Traffic Circulation	Core Revitalization	54,777
Hwy 101 Sidewalk	Streets and Infrastructure	54,777
Façade Program	Economic Revitalization	67,924
Lockhart Demolition	Core Area Revitalization	356,052
Re-lamping	Core Area Revitalization	112,841
Library Remodel	Streets and Infrastructure	38,344
Pedway	Core Area Revitalization	3,882
Central Dock	Core Area Revitalization	1,900
Fire Station Demolition (old)	Core Area Revitalization	164,332
Egyptian Theatre	Core Area Revitalization	273,886
Virtual Incubator	Economic Revitalization	16,977
Seismic Retrofit City Hall	Streets and Infrastructure	1,095,541
Art Museum	Streets and Infrastructure	60,255
Visitors Center	Streets and Infrastructure	219,109
Historic Land Fill	Core Area Revitalization	19,172
Urban Renewal Projects	Core Area Revitalization	155,231
Projects funded by the Downtown Capital Projects	(Does not include unrealized URA \$1,500,000 seismic grant)	\$2,695,000

Downtown Program Fund

The beginning budgeted balance was \$19,000. Revenues budgeted were from interest earnings and lease payments.

Budget	Description	Costs
Beginning Balance		19,000
Revenue		
Interest	Bank Rate Prorated	75
Lease Rental		6,000
Ending Balance		25,075

Downtown Bond Reserve Fund

The beginning budgeted balance was \$665,720. The bond reserve was budgeted \$525,520 for 2003A debt and \$140,200 for 2009 debt to maintain reserve bond requirement.

Budget	Description	Costs
Beginning Balance		665,720
Ending Balance	Bond Requirement/Reserve	665,720

History Spotlight

Coos Bay Boardwalk



The downtown boardwalk offers a view of the bay, access to the boat dock, interpretive signage on local history, and a place to hold community activities such as hosting tall ships, welcoming Santa, and 4th of July. A floating fish market was added at the dock in 2010.



The project began with a citizen group Bay Area Development Association and was designed by architect Joe Esherick. The boardwalk was constructed in the early 1990s.



Empire Urban Renewal District

The Empire Urban Renewal District was formed in 1995 and is 271.3 acres in size. The district in general borders the bayfront adjacent to Empire Blvd from Wisconsin Avenue north to the shoreline. At the intersection of Empire Blvd and Newmark Avenue, east on either side of Newmark Avenue to the intersection with Ocean Blvd, east to the property line between Norman Avenue and LaClair Street.

The objectives of the plan are to improve the function, condition and appearance of the urban renewal area and eliminate existing blight. Project categories for the Empire Plan are:

- Waterfront Development
- Empire Blvd and Bayfront improvements
- Improve primary commercial area



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The purpose of the Empire Urban Renewal District Plan is to further encourage rehabilitation and redevelopment that is consistent with the Comprehensive Plan and zoning regulations adopted by the City Council. The Plan is intended to guide the provision of infrastructure necessary for the orderly and proper redevelopment of the area. Through implementation of the Plan, economic development will be stimulated by the elimination of blighting conditions, provision of supporting public facilities, and general improvements in the overall appearance, condition, and function of the area.

The overall goal of the Plan is to provide for a more attractive living, working and shopping environment in the Empire District commercial area and along the waterfront. The commercial area which is located on Newmark Avenue between Norman Avenue and Wisconsin Avenue should continue and be revitalized as a general commercial area. The area should be enhanced in order to fulfill a greater role in serving the Empire District residents with a variety of cultural, recreational, and social services.

The Plan calls for the waterfront area to be developed with the focus on enhanced public and private tourist oriented recreational, and commercial uses and activities. Development of the an attractive waterfront will draw attention to the bay and improve the connectivity between the commercial area and the waterfront. The Plan will serve as a catalyst for the revitalization of Empire Boulevard and the adjoining bayfront properties by providing viewpoints, expanded vistas, and day use areas of interest.

EMPIRE DISTRICT FISCAL YEAR 2009/2010
Actual (Audited) Revenues and Expenditures

Empire Bond Fund

There was no beginning balance for fiscal year 2009/2010. Division of taxes funds were transferred from the Downtown Special Revenue Fund to pay debt service of Series 2003A bond for refinancing Empire Urban Renewal Projects and du jour financing for Series 2010 bond (overnight loan to convert tax increment carryover into spendable bond proceeds).

Budget	Description	Costs
Beginning Balance	0	
Revenue		
Division of Taxes	Transfer from Empire Special Revenue Fund	739,711
Expenditure		
Debt Service	Series 2003A (1-24-2003) – refinanced projects	239,711
Debt Service	Series 2010 Du Jour (overnight loan to convert tax increment carryover into spendable bond proceeds)	500,000
Ending Balance		0

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Empire Special Revenue Fund

The beginning balance was \$1,112,153. Revenue received was from current and delinquent division of taxes and earned interest. Funds were transferred to Empire Bond Fund for Series 2003A for refinancing projects and for Series 2010 du jour financing (overnight loan to convert tax increment carryover into spendable bond proceeds).

Budget	Description	Costs
Beginning Balance		1,112,153
Revenue		
Division of Taxes	Current Tax Increment Financing	490,165
Division of Taxes	Delinquent Tax Increment Financing	25,530
Interest	Bank Rate Prorated	8,426
Expenditure		
Transfer to Bond Fund	Series 2003A (1-24-2003) refinanced projects	239,711
Transfer to Bond Fund	Series 2010 Du Jour	500,000
Ending Balance		896,563

Empire Capital Projects Fund

The beginning balance was \$10,077. Revenue received was from earned interest and from bond proceeds. Expenditures included contractual services, agency management, Hollering Place Project, façade grant program, economic development projects, Boat Building Center project, Empire boat ramp restroom, and virtual incubator program.

Budget	Description	Costs
Beginning Balance		10,077
Revenue		
Interest	Bank Rate Prorated	1,101
Bond Proceeds	Series 2010 Du Jour	500,000
Expenditure		
Contractual Services		12,475
Agency Management		56,360
Hollering Place Project	Waterfront Development	18,472
Façade Program	Economic Revitalization	9,730
Economic Development Projects	Core Area Revitalization	10,176
Boat Building Project	Core Area Revitalization	41,513
Empire Boat Ramp Restroom	Streets and Infrastructure	17,253
Virtual Incubator	Economic Revitalization	25,593
Ending Balance		319,606

**Capital Projects Including Approximate Agency Management
 and Contractual Costs**

Project	Objectives	Funding
Hollering Place	Waterfront Development	28,832
Façade Program	Economic Revitalization	15,187
Economic Development	Core Revitalization	15,883
Boat Building Project	Core Revitalization	64,795
Boat Ramp Restroom	Streets & Infrastructure	26,929
Virtual Incubator Program	Economic Revitalization	39,946
Projects funded by the Empire Capital Projects Fund		\$191,572

Empire Program Fund

The beginning balance was \$423,456. Revenues were from earned interest.

Budget	Description	Costs
Beginning Balance		423,456
Revenue Interest	Bank Rate Prorated	3,264
Ending Balance		426,720

Empire Bond Reserve Fund

The beginning and ending balances were \$239,711. The reserve fund is required for the bond.

Budget	Description	Costs
Beginning Balance		239,711
Ending Balance	Bond Requirement	239,711

EMPIRE DISTRICT FISCAL YEAR 2010/2011

Empire Bond Fund

There were no budgeted beginning and ending balances. Revenues were budgeted from division of taxes and funds were transferred from the Empire Special Revenue Fund to pay debt service for Series 2003A bonds and Series 2010 du jour financing (overnight loan to convert tax increment carryover into spendable bond proceeds).

Budget	Description	Costs
Beginning Balance		0
Revenue		
Division of Taxes	Transfer from Empire Special Revenue Fund	1,034,711
Expenditures		
Debt Service	Series 2003A (1-24-2003) refinanced projects	239,711
Debt Service	Series 2010 Du Jour (overnight loan to convert tax increment carryover into spendable bond proceeds)	795,000
Ending Balance		0

Empire Special Revenue Fund

The beginning budgeted balance was \$840,000. Revenues were budgeted from current and delinquent division of taxes, and interest earnings. Funds were budgeted in urban renewal projects for future use and a budgeted transfer to Empire Bond Fund for Series 2003A bond and for Series 2010 du jour financing (overnight loan to convert tax increment carryover into spendable bond proceeds).

Budget	Description	Costs
Beginning Balance		840,000
Revenue		
Division of Taxes	Current Tax Increment Financing	487,340
Division of Taxes	Delinquent Tax Increment Financing	25,617
Interest	Bank Rate Prorated	4,000
Expenditures		
Urban Renewal Projects	Future Financing (Du Jour)	322,246
Transfer to Bond Fund	Series 2003A (1-24-2003) refinanced projects	239,711
Transfer to Bond Fund	Series 2010 Du Jour	795,000
Ending Balance		0

City of Coos Bay Urban Renewal Agency
 Annual Financial Impact Report
 For fiscal Year Ending
 June 30, 2010

Empire Capital Projects Fund

The beginning budgeted balance was \$100,000. Revenue was from interest earnings and Series 2010 du jour bond proceeds. Budgeted expenditures are for contractual services, agency management, Hollering Place Wayside, Newmark widening, Hollering Place, façade grant program, Empire Blvd sidewalk, Boat Building Center project, virtual incubator program and West Newmark traffic study, and urban renewal projects to be determined.

Budget	Description	Costs
Beginning Balance		100,000
Revenue		
Interest	Bank Rate Prorated	600
Bond Proceeds	Series 2010 Du Jour	795,000
Expenditures		
Contractual Services		7,520
Agency Management		39,947
Hollering Place Wayside	Waterfront Development	100,000
Hollering Place Project	Waterfront Development	20,000
Newmark Widening	Streets and Infrastructure	5,000
Façade Grant Program	Economic Revitalization	75,000
Boat Building Project	Core Area Revitalization	100,000
Empire Blvd Sidewalks	Streets and Infrastructure	312,276
West Newmark Traffic	Core Area Revitalization	38,534
Virtual Incubator	Economic Revitalization	2,324
Urban Renewal Projects	To be determined	194,999
Ending Balance		0

**Capital Projects Including Approximate Agency Management
and Contractual Costs**

Project	Objectives	Funding
Hollering Place Wayside	Waterfront Development	105,597
Newmark widening	Economic Revitalization	5,280
Hollering Place	Waterfront Development	21,119
Façade Grants	Economic Revitalization	79,197
Empire Blvd. sidewalk	Streets & Infrastructure	329,753
Boat Building Center	Economic Revitalization	105,597
Urban Renewal projects to be determined		205,912
Virtual Incubator	Economic Revitalization	2,454
West Newmark Traffic	Streets and Infrastructure	40,691
Projects funded by the Empire Capital Projects		\$895,600

Empire Program Fund

The beginning budgeted balance was \$425,000. Revenue was from interest earnings.

Budget	Description	Costs
Beginning Balance		425,000
Revenue		
Interest	Bank Rate Prorated	1,400
Ending Balance		426,400

Empire Bond Reserve Fund

The beginning budgeted balance was \$239,711. The Agency established a reserve fund as required by Series 2003A debt service.

Budget	Description	Costs
Beginning Balance		239,711
Ending Balance	Bond Requirement	239,711

History Spotlight

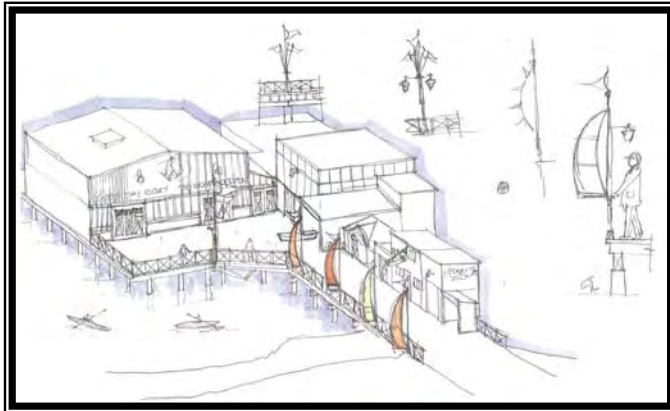


Newmark Widening Project
 2002-2004

The groundbreaking ceremony for the Newmark Widening Project was held May 7, 2003. At the shovel are Councilors Anna Marie Larsen, Cindi Miller, and Jon Eck. In the back row beginning at the left are Terry Knowlton (Laskey-Clifton), City Manager Bill Grile, Mike Dozio (Laskey-Clifton), and Jim McDonald (The Dyer Partnership).

The project widened Newmark Avenue from the college to the Y in Empire and added traffic signals and sidewalks. A portion of the project was funded with \$2,376,197 in urban renewal funds.

PROJECTS



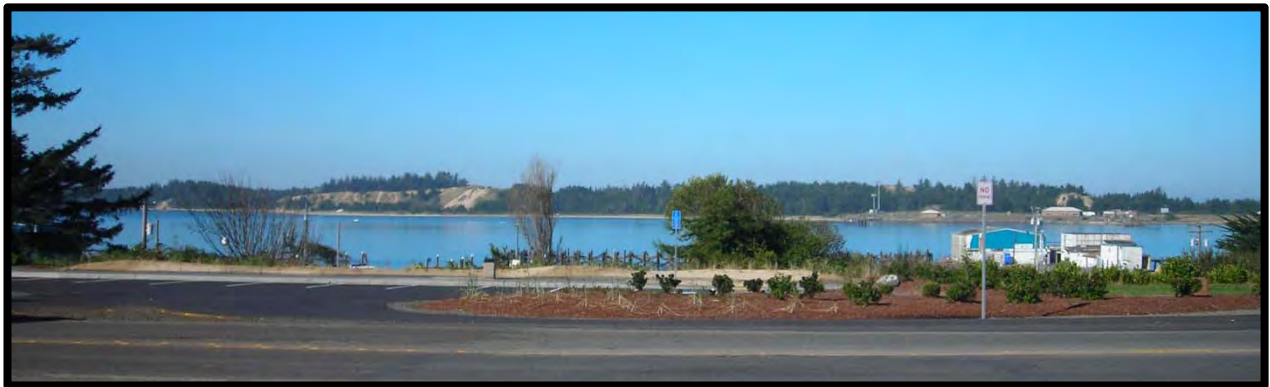
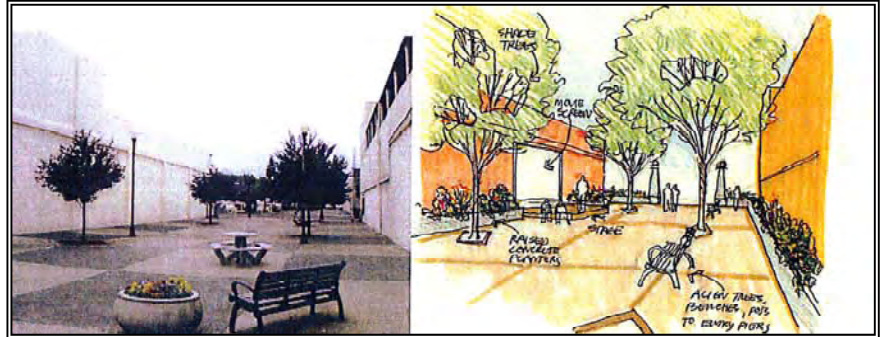
Boat Building Center
100 Newmark Avenue
2009/2010

Hollering Place Master Plan
2008/2009



Visitor Information and Economic
Development Center
50 Central Avenue
2009/2010

Pedway Design Concept
255 South Broadway
2009/2010



Historic Hollering Place Wayside
112 South Empire Blvd
2010/2011

FAÇADE IMPROVEMENT PROGRAM

The façade improvement program was implemented November 2006 and has made a remarkable difference in the appearance and livability of the city. The façade improvement program is a grant program designed to provide financial assistance to property owners and tenants of commercial properties to promote the revitalization of Coos Bay's urban renewal districts. Matching grants may be awarded up to 50% of the project cost from a minimum of \$1,000 to a maximum of \$5,000 for tenants and a maximum of \$25,000 for building owners.

Eligible improvements include restoration of masonry, brickwork or wood and metal cladding, replacement or repair of architectural features, replacement or repair of awning(s), structural support for façade only, new construction for façade treatments only, installation or repair of exterior lighting, gutters and downspouts, painting of exterior walls, and window repair/replacement, entranceway modification. Since 2006 a total of \$198,000 grants have been awarded in the Downtown District and \$130,000 in the Empire District.

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Star of Hope
657 Newmark Avenue
January 2010



South Coast Office Supply
199 North Broadway
April 2007



Hall Building
320 Central Avenue
May 2008

