

City of Coos Bay Urban Renewal Agency

Annual Financial Impact Report
2016-2017



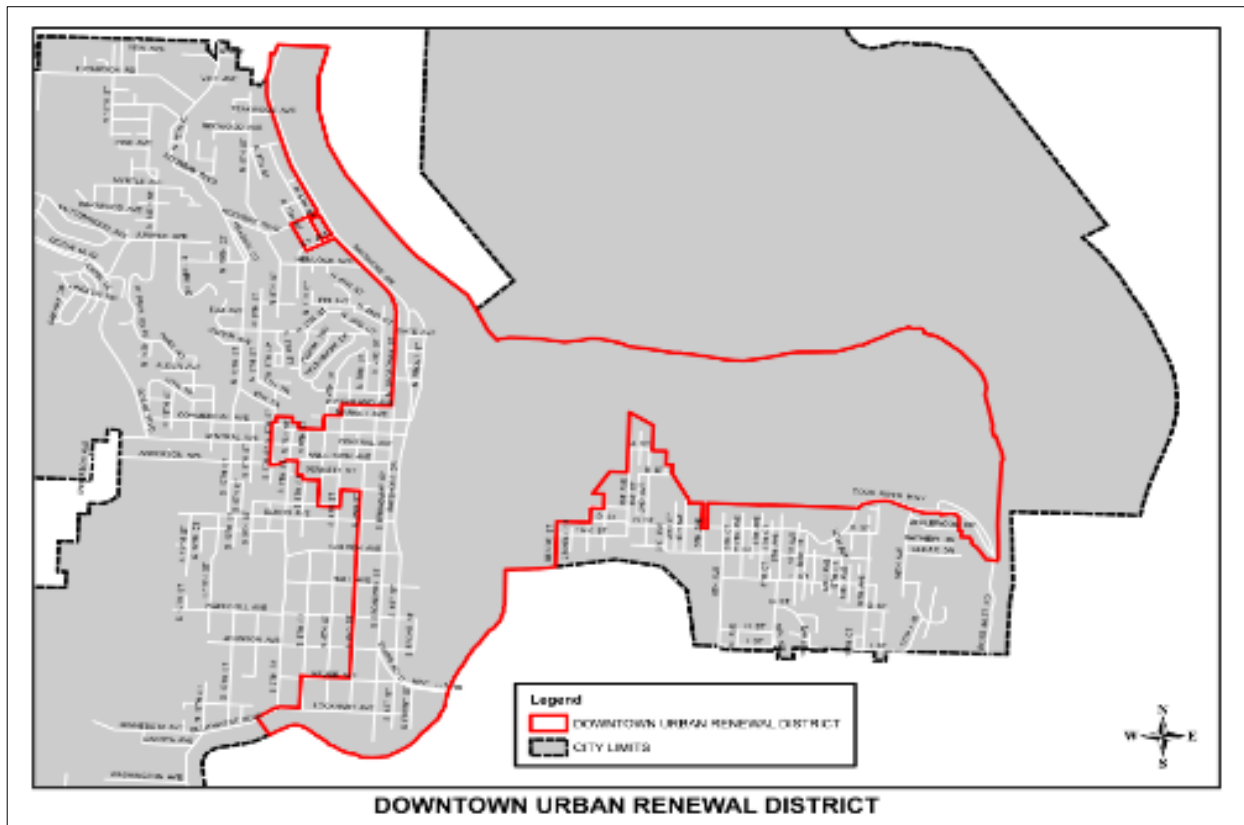
City of Coos Bay's Urban Renewal Districts

The City of Coos Bay established the Downtown Urban Renewal District in 1988 and the Empire Urban Renewal District in 1995. The Urban Renewal Agency is comprised of the City Council; and through annual goal setting and the budget process, it is determined what projects will be funded. Urban renewal funds benefit Coos Bay through the projects and programs that play a major role in revitalizing and curing blight within the Urban Renewal areas.

Downtown Urban Renewal District

The Downtown Urban Renewal District consists of 1,298.3 acres. The district (as shown below) begins at the north city limits, and it 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 it 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 it extend to the south city limits along Coalbank Slough.

The Urban Renewal Plan classifies potential urban renewal projects in three general, broad categories: Waterfront Development, Core Area Revitalization (Downtown), and Streets and Infrastructure. The objective of the proposed projects is to encourage public/private investment, eliminate existing blight, and respond to the business needs of the community. The Urban Renewal Agency began formulating a revised Downtown Urban Renewal Plan during the 15/16 FY. The Plan update was completed in October of 2017. Since this annual report covers through June 30, 2017, that update will be more fully described in the 17/18 FY Annual Report.



Empire Urban Renewal District

The Empire Urban Renewal District consists of 271.3 acres. The district (as shown below) borders the Empire Bayfront parcels 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, and Improve Primary Commercial Area. The Urban Renewal Agency are planning to complete a revised Empire District Urban Renewal Plan during the 17/18 FY.



Prominent Downtown District Projects Made During Fiscal Year 16/17

Coos Bay Downtown Association

The Coos Bay Downtown Association (CBDA) is an independent, non-profit organization promoting the development of downtown Coos Bay. The Agency contracts with CBDA to implement the Main Street approach and the National Trust for Historic Preservation programs in an effort to improve and revitalize downtown Coos Bay.

CBDA organizes and successfully operates the Downtown Farmer's Market, the Blackberry Arts Festival, Fun Festival, Shop Small Saturday, Trunk-or-Treat Halloween event/promotion, the Holly Jolly Christmas Season kickoff event, and the Music on the Corner events.



Tug Irene Restoration Project

The tug "Irene" was donated to the City in the late 1990's in memory of Curtis Sauce by his wife Margie Sauce. The Irene was Curtis Sauce's first tug, and it was constructed in 1938. Since 2005, it has been prominently displayed on Highway 101 in downtown Coos Bay across from the Holiday Inn Best Western Motel.

Unfortunately, the Irene began showing her age; and she had become blighted. In an effort to restore her, the Agency partnered with the Coos Bay Boat Building Center; and the with the help of one of their members, a shipwright, they made her structurally safe and looking good once again.



Steve Prefontaine Mural

During the 2016-2017 budget year planning, design efforts were undertaken to create a mural depicting and honoring Steve Prefontaine. Selection of the mural design was made by Linda Prefontaine and the Prefontaine Foundation, along with input from the Agency.

Steve Prefontaine started his running career at Marshfield High School in Coos Bay before going on to win seven NCAA championships, and he set numerous records at the University of Oregon. He placed fourth in the 5,000-meter run at the 1972 Olympics in Munich. At the time of his death in May 1975 at age 24, Prefontaine held every American outdoor track record between 2,000 and 10,000 meters.

The mural project was completed in September 2017, and it is pictured below.



Streetscape Project

The Urban Renewal Agency (URA), staff, and consultants (Greenworks) completed the design and necessary engineering for the new City entrance(s) phase of a streetscape plan along Highway 101. The plans include adding landscaping, signs, and other visually attractive elements at the north and south City entrances along Highway 101. Actually, construction began during the FYE2018 budget year; and it should be completed in March 2018.



Coos Art Museum Roof Replacement

The former Coos Bay Post Office was purchased by the Coos Bay Urban Renewal Agency in 1983, and it has been the home of the Coos Art Museum (CAM) since its purchase. The CAM is a vital part of Coos Bay's downtown area.

During the FYE2017 budget year, URA funds were used to replace the entire roof on this historic structure.



Empire District Projects

The Dolphin Theater

The Urban Renewal Agency and staff worked with the Dolphin Players on a façade project for the Dolphin Theater (formerly the home of the Sunset Theatre) with an estimated cost of \$130,000. The project included stucco repair, painting, removing the old canopy, replacing windows, and the most visible improvement being a new marquee. The Players funded about \$19,900 of the total cost while the URA's share came it just over \$111,000. The planning of the project began in the FYE2016 budget year, but it was completed in the FYE2017 budget year.



How it Looked Before the Project

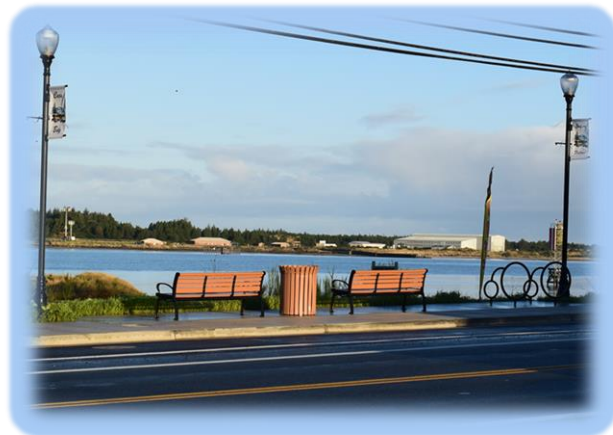


How it Looked After the Project was Completed

Empire Blvd Bicycle/Pedestrian Improvement Project



The Empire Blvd. improvement project stretches from from Newmark Avenue to Wisconsin Avenue in the Empire section of Coos Bay. In March 2012, the Coos Bay Urban Renewal Agency was awarded a Transportation Enhancement grant and a Bicycle Pedestrian grant for the project. The purpose of the project included increasing pedestrian and bicyclist safety through the widening and rehabilitation of South Empire Blvd, installation of bicycle lanes, and installation of sidewalks and lighting on both sides of the street. The project also included the installation of some viewpoints and creation of some on-street parking. Funding for the project will come from the \$3.1 million grant, a \$2.2 million Bicycle/Pedestrian grant awarded by the Oregon Department of Transportation, and \$1,377,396 from the Urban Renewal Agency. Construction began in March 2015, and it was completed in August 2017.



Façade Grant Projects

The Façade Improvement Program is a grant program designed to provide financial assistance to property owners and tenants of commercial properties and to promote the revitalization of Coos Bay's Urban Renewal Districts. Matching grants are typically awarded up to 50% of the project cost from a minimum of \$1,000 to a maximum of \$25,000.

During the 2016-2017 fiscal year, the following façade grant projects were completed:

Downtown Urban Renewal Area

Building: State of Oregon/Work Source Coos

Address: 990 S. 2nd St.

URA Funds: \$25,000

Value of Improvement: \$61,360

Project Completed: September 2017

Description: The building owner added a brick/slate veneer siding, repair/replace metal siding, repair windows on south side of building and replace/repair exterior soffits and lighting.



How it Looked Before the Project



How it Looked After the Project was Completed

Building Name: Northwest Fitness

Address: 217 South Broadway

URA Funds: \$25,000

Value of Improvement: \$69,940

Project Completed: August 2017

Description: Repair and replace (as needed) all of the stucco and trim; paint the east-facing facade; replace all of the windows and exterior doors; and replace the awning.



How it Looked Before the Project



How it Looked After the Project was Completed

Empire Urban Renewal District

Building Name: Empire Mercantile

Address: 640 Newmark Avenue

URA Funds: \$25,000

Value of Improvement: \$75,500

Project Completed: March 2017

Description: Replace deteriorating façade, paint the north, west, and south elevations; and add security lighting on the Wall Street elevation.



How it Looked Before the Project



How it Looked After the Project was Completed

Urban Renewal Taxes Imposed

When Coos Bay formed the Downtown District in 1988, it created an urban renewal boundary; and it determined the assessed value in the district at \$50,671,009. The Empire District was formed in 1995, and its assessed value was determined at \$23,772,166. This assessed value is the "frozen base". As shown in Table 1.1 (Below) the Downtown District is now valued at \$110,190,184 which reflects an excess value of \$59,519,175. The Empire District now has a value of \$73,668,724 which reflects an excess value of \$49,896,558.

Improvements within an urban renewal district increase property values, and this new value is called "increment" or "excess value". The property taxes from the increase in value go to the Urban Renewal Agency. Revenue generated in this manner is referred to as "tax increment financing" or "division of tax revenue".

Overlapping Taxing Districts

Throughout the life of the Urban Renew District, the overlapping taxing districts continue to receive tax revenues from the original assessed value (frozen base). When the district ends, all assessed value will be redistributed back to the taxing districts at the higher assessed value.

Table 1.1 – District Assessed Values

	Downtown District	Empire District
Plan Area Current Value	\$ 110,190,184	\$ 73,668,724
Plan Area Frozen Value	\$ 50,671,009	\$ 23,772,166
Plan Area Excess Value	\$ 59,519,175	\$ 49,896,558

Table 1.2 – Impacts to Taxing Districts

Overlapping Taxing Districts	Permanent Rate	Downtown District	Empire District	Total Foregone Taxes
4 H	0.0888	\$ 5,230	\$ 4,393	\$ 9,624
Library	0.7289	\$ 43,202	\$ 36,194	\$ 79,396
Coos County	1.0799	\$ 64,019	\$ 53,663	\$ 117,682
ESD	0.4432	\$ 26,256	\$ 21,967	\$ 48,224
Airport	0.24	\$ 14,226	\$ 11,925	\$ 26,152
Coos Bay Schools	4.5276	\$ 268,525	\$ 225,113	\$ 493,638
SWOCC	0.7017	\$ 41,529	\$ 34,834	\$ 76,363
Port of Coos Bay	0.6119	\$ 36,298	\$ 30,336	\$ 66,634
City of Coos Bay	6.3643	\$ 377,525	\$ 316,434	\$ 693,959
Total Foregone Taxes		\$ 876,811	\$ 734,860	\$ 1,611,671

DOWNTOWN DISTRICT FISCAL YEAR 2016/2017
Actual (Audited) Revenues and Expenditures

Revenues

Table 2 represents a summary of the revenues associated with the Downtown District. A detailed account by account summary of revenues can be seen in the Coos Bay Urban Renewal Agency Audit if desired.

Table 2 – Downtown District Revenues

Downtown District	FY 2016/2017
Revenues	
Tax Increment, Current & Prior Years	792,093
Interest	20,374
Receivable from City (Loan Payment)	63,600
Grants	10,000
Total Revenues	\$886,067

Derived from information in the 2016/2017 Urban Renewal Agency Audited Financial Statements, pg. 15-16

Expenditures

Table 3 represents a summary of the expenditures associated with the Downtown District. A detailed account by account summary of expenditures can be seen in the Coos Bay Urban Renewal Agency Audit if desired.

Table 3 – Downtown District Expenditures

Downtown District	FY 2016/2017
Expenditures	
Materials and Services	(327,847)
Capital Outlay	(143,505)
Debt Service	(928,311)
Financing Fees	(7,473)
Total Expenditures	(\$1,407,136)

Derived from information in the 2016/2017 Urban Renewal Agency Audited Financial Statements, pg. 15-16

DOWNTOWN DISTRICT FISCAL YEAR 2017/2018
Budgeted Revenues and Expenditures

Estimated Revenues FY 2017/2018

The Coos Bay Urban Renewal Agency estimates \$819,181 current and prior year’s tax increment revenues for the Downtown District in FY 2017/2018.

Budgeted Revenues and Expenditures

The Coos Bay Urban Renewal Agency dedicates five separate accounts for the Downtown District. The basic purpose of these accounts are as follows, if desired, a more detailed explanation of the accounts is available in the 2017/2018 Urban Renewal Agency Budget Document. The Special Revenue Fund receives the revenues from tax increment financing, the special levy, and any interest earned on the account balance. There is generally a transfer between the Special Revenue Fund and the Bond Fund. The latter of which converts tax increment financing revenues into formal debt (loans, bonds, etc.), and it manages debt service payments. The proceeds of any formal debt are received by the Capital Projects Fund for use on projects and programs in the district. The Special Revenue Fund may also transfer funds to the Bond Reserve Fund if needed. An account by account budget for the Downtown District is shown in Tables 4.1 and 4.2.

Table 4.1 – 2017/2018 Downtown District Budget

Downtown District	FY 17/18
Special Revenue Fund (51)	Adopted
Revenue	Budget
Beginning Balance	354,196
Tax Increment, Current and Prior Years	819,181
Special Levy Option Taxes	279,952
Delinquent Special Levy Option Taxes	21,072
Interest	1,000
Total Revenue	1,475,401
Expenditures	
Transfers to Downtown Bond Fund	(1,284,023)
Contingency	(191,378)
Total Expenditures	(1,475,401)
Ending Balance	0
Bond Fund (54)	
Revenue	
Beginning Balance	0
Transfer from Downtown Special Revenue Fund	1,284,023
Transfer from Downtown Bond Reserve Fund	173,600
Total Revenue	1,457,623
Expenditures	
Principal VIC	(332,000)
Transfer to Capital Projects Fund - Du Jour	(1,079,003)
Interest	(46,620)
Total Expenditures	(1,457,623)
Ending Balance	0

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 Fiscal Year Ending June 30, 2017

Table 4.2 – 2017/2018 Downtown District Budget

Downtown District		FY 17/18
Downtown Program Fund (56)		
Revenue		
Beginning Balance		18,546
Interest		100
Total Revenue		18,646
Expenditures		
Materials and Services		(100)
Capital Outlay		(18,546)
Total Expenditures		(18,646)
Ending Balance		0
Capital Projects Fund (57)		Adopted Budget
Revenue		
Beginning Balance		600,000
Interest		2,000
Receivable from City (Loan Payment)		63,000
Grants		25,000
Bond Proceeds		1,079,003
Total Revenue		1,769,003
Expenditures		
Materials and Services		(445,030)
Capital Outlay		(923,973)
Contingency		(400,000)
Total Expenditures		(1,769,003)
Ending Balance		0
Downtown Bond Reserve Fund (60)		
Revenue		
Beginning Balance		173,600
Transfer from Downtown Special Revenue Fund		0
Total Revenue		173,600
Expenditures		
Transfer to Downtown Bond Fund		(173,600)
Total Expenditures		(173,600)
Ending Balance		0

**EMPIRE DISTRICT FISCAL YEAR 2016/2017
Actual (Audited) Revenues and Expenditures**

Revenues

Table 5 represents a summary of the revenues associated with the Empire District. A detailed account by account summary of revenues can be seen in the Coos Bay Urban Renewal Agency Audit if desired.

Table 5 – Empire District Revenues

Empire District	FY 2016/2017
Revenues	
Tax Increment, Current & Prior Years	660,701
Interest	14,726
Miscellaneous	150
Total Revenues	\$675,577

Derived from information in the 2016/2017 Urban Renewal Agency Audited Financial Statements, pg. 15-16

Expenditures

Table 6 represents a summary of the expenditures associated with the Empire District. A detailed account by account summary of expenditures can be seen in the Coos Bay Urban Renewal Agency Audit if desired.

Table 6 – Empire District Expenditures

Empire District	FY 2016/2017
Expenditures	
Materials and Services	(406,173)
Capital Outlay	(235,957)
Financing Fees	(7,268)
Total Expenditures	(\$649,398)

Derived from information in the 2016/2017 Urban Renewal Agency Audited Financial Statements, pg. 15-16

EMPIRE DISTRICT FISCAL YEAR 2017/2018
Budgeted Revenues and Expenditures

Estimated Revenues FY 2017/2018

The Coos Bay Urban Renewal Agency estimates \$663,070 current and prior years' tax increment revenues for the Empire District in FY 2017/2018.

Budgeted Revenues and Expenditures

The Coos Bay Urban Renewal Agency dedicates five separate accounts for the Empire District. The basic purpose of these accounts is as follows; and if desired, a more detailed explanation of the accounts is available in the 2017/2018 Urban Renewal Agency Budget Document. The Special Revenue Fund receives the revenues from tax increment financing, and the special levy and any interest earned on the account balance. There is generally a transfer between the Special Revenue Fund and the Bond Fund, the latter of which converts tax increment financing revenues into formal debt (loans, bonds, etc.) and manages debt service payments. The proceeds of any formal debt are received by the Capital Projects Fund for use on projects and programs in the district. The Special Revenue Fund may also transfer funds to the Bond Reserve Fund if needed. An account by account budget for the Empire District is shown in Tables 6.1 and 6.2.

Table 6.1 – 2017/2018 Empire District Budget

Empire District	FY 17/18
Special Revenue Fund (52)	Adopted Budget
Revenue	
Beginning Balance	300,000
Tax Increment, Current & Prior Years	663,070
Interest	1,000
Total Revenue	964,070
Expenditures	
Transfer to Empire Bond Fund	(800,000)
Contingency	(164,070)
Total Expenditures	(964,070)
Ending Balance	0
Program Fund (53)	
Revenue	
Beginning Balance	445,000
Interest	1,000
Total Revenue	446,000
Expenditures	
Materials and services	(196,000)
Transfer to Empire Capital Projects Fund	(250,000)
Total Expenditures	(446,000)
Ending Balance	0

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Bond Fund (55)	
Revenue	
Beginning Balance	0
Transfer from Empire Special Revenue Fund	800,000
Total Revenue	800,000
Expenditures	
Debt Service	(800,000)
Total Expenditures	(800,000)
Ending Balance	0

Table 6.2 – 2017/2018 Empire District Budget

Empire District Capital Projects Fund (58)	FY 17/18 Adopted Budget
Revenue	
Beginning Balance	100,000
Interest	1,000
Miscellaneous	0
Transfer from Empire Program Fund	250,000
Bond Proceeds	784,000
Total Revenue	1,135,000
Expenditures	
Materials and Services	(430,044)
Capital Outlay	(629,956)
Contingency	(75,000)
Total Expenditures	(1,135,000)
Ending Balance	0

Urban Renewal Agency Board

Stephanie Kramer, Chair
Philip Marler, Vice-Chair
Drew Farmer, Secretary
Joe Benetti
Lucinda DiNovo
Jennifer Groth
Stephanie Kilmer

Agency Manager
Rodger Craddock

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