GRESHAM
REDEVELOPMENT COMMISSION

CITY OF
GRESHAM
OREGON

ADOPTED BUDGET

FISCAL YEAR
2017/18

ROCKWOOD-
WEST GRESHAM
URBAN RENEWAL AREA

CITY OF
GRESHAM
GOING BEYOND

GRESHAM
REDEVELOPMENT COMMISSION

Adopted Budget for Fiscal Year 2017/18

for the

Rockwood-West Gresham Urban Renewal Area

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BUDGET MESSAGE

FISCAL YEAR 2017/18

Urban renewal is a public funding mechanism for capital projects and programs that stimulate private investment, create jobs, and revitalize the condition of the community. The Rockwood-West Gresham Urban Renewal Area (URA) is the first urban renewal area in the City of Gresham (City). The 1,200-acre URA was established through a citywide vote in November 2003 and is governed by the 20-year Rockwood-West Gresham Renewal Plan (Renewal Plan).

The Fiscal Year (FY) 2017/18 budget supports the Gresham Redevelopment Commission (GRDC) goals and objectives and is consistent with the Renewal Plan. The budget for the URA describes the planned appropriations and supports the adopted GRDC 2017 Work Plan and the FY 2017/18 - 2021/22 Urban Renewal Capital Improvement Program. Because the GRDC contracts with the City to carry out projects and programs on its behalf, operational revenue and expenditures are summarized in the City's budget under Funds 290, 390, and 450.

FY 2016/17 Highlights
Highlights of the significant project and program accomplishments of FY 2016/17 to date are provided below.

<u>Rockwood Rising Catalyst Site</u>

- Entered into Memorandum of Understanding (MOU) with RKm Development, Inc., the private development partner selected for the Rockwood Rising project. The MOU allowed for design work to begin on the project.
- Approved Schematic Design for the Rockwood Rising project and directed the Executive Director to issue Notice to Proceed on Design Development.
- Design is nearing completion and is to receive final design approval in June, with building permits anticipated in summer.
- A Land Development Agreement with RKm is being negotiated and will replace the MOU sometime prior to the start of construction.
- Continued the work of the Racial & Ethnic Approaches to Community Health (REACH) grant in partnership with Ecumenical Ministries of Oregon, Urban League of Portland, and Multnomah County Health Department, to support food access initiatives in Rockwood, which is funding tenant recruitment for the food marketplace, community engagement, and grant applications for additional funding. This work resulted in contracting with Community Liaisons to hold multicultural conversations about Rockwood Rising. Urban Renewal staff won the 2017 Public Health Heroes award from the Multnomah County Health Department for this work.
- The Walk, Talk, and Eat community event in October 2016 provided opportunities for community members to describe what kinds of places, amenities, and services are needed in the Rockwood area; diagramming the "community space" in the Rockwood Rising project; and food product sampling from prospective food tenants in the project. Event was internally coordinated with the Active Transportation Plan led by Urban Design and Planning. Over 80 participants engaged and 50+ comments submitted with project recommendations.

- Held an International Food Fair and Tempeh Celebration on March 31 and April 1 in partnership with the Centers for Disease Control and Prevention, Multnomah County Health Department, and Rockwood Community Development Corporation. The two-day event was dedicated to honoring the region's rich diversity, while stimulating food-related job creation. Nearly 150 participants came to learn about Tempeh as a nutritional source of protein and about cultural diplomacy around food economy, and to eat a variety of food offerings from 10 food-oriented businesses. There was opportunity on day two to complete a survey on the Rockwood Rising project design and programming. A total of 53 participants completed the survey.
- Tenant recruitment established a contact list of businesses interested in the project. Approximately 30 tenant applications received and an interested prospective tenant list with 100+ contacts established.
- Outreach at numerous community events and to several community and faith-based organizations, including several churches, the Rockwood Neighborhood Association, East County Caring Community, Home Forward, Latino Network, Immigrant and Refugee Welcome Center, Multnomah County Community Action Network, Slavic Family Radio, and Rotary Club of Gresham.
- Brought interim programming to the Rockwood Community Office (RCO) building on the Catalyst Site. In February, MetroEast Community Media (MECM) began providing their "Rockwood Digital Inclusion and Youth" (Rockwood DIY) programming in the 484 SE 187th Ave. suite. This free programming is focused on teaching at-risk youth, the elderly, low income families, diverse cultures, immigrants, and non-native English speakers the basics of computer usage. Those who complete the 5-week course receive a free computer.
- Met with over a dozen lenders and New Market Tax Credit investors to solicit interest in providing capital to the project. Financing commitments are close to being finalized.

Stark Street

- Open School opened their doors and began admitting student in the fall of 2016.
- Completed the sale of a portion of the former Drake's 7 Dees Garden Center and Landscaping site to Boys and Girls Clubs of Portland Metropolitan Area, and helped with planning, design and permitting requirements to obtain a building permit for the project. Construction of their new 29,860-square-foot Club is currently underway, with their doors to be open this September.
- Negotiating a Purchase and Sale Agreement to sell the third and final parcel on the former Drake's 7 Dees site to a local social service agency with a mission very much in line with both Open School and Boys and Girls Club.

Economic Development Grants

- Grant awards totaling $196,031 are anticipated to leverage $9,360,219 in private investment.

Other Successes

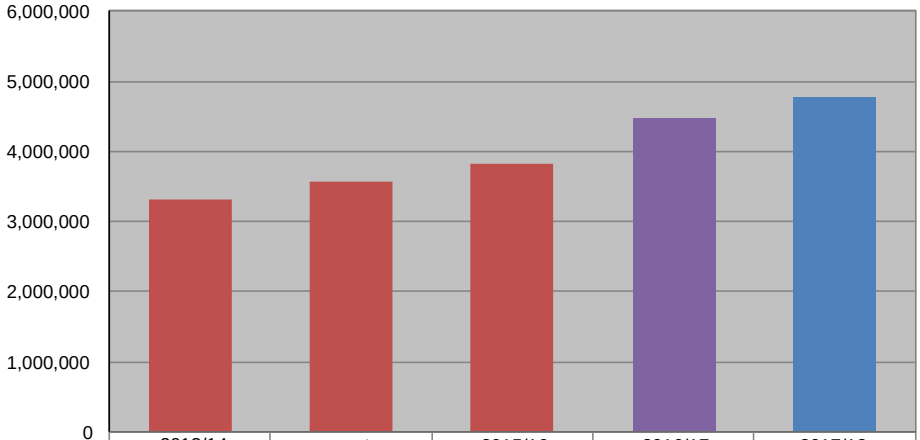
- Purchased two adjacent parcels at 18801 and 18901 E. Burnside St. Purchase of these properties will ensure quality redevelopment in the Rockwood Town Center and compliment redevelopment of the adjacent Rockwood Rising Catalyst Site, as well as contribute to the long-term vitality of the Rockwood neighborhood.

- Entered into a three-year lease of 18901 E. Burnside Street with Rockwood Community Development Corporation (CDC). The lease allows the CDC to continue to operate the Sunrise Center on the property.
- Completed work with Moody's to develop the GRDC's second bond rating. Based on a successful rating of A3, the GRDC will be able to issue its own debt for the second time. This debt will be purchased by the City as an investment, resulting in favorable terms for both parties.

Revenue Trends
Urban renewal tax resources repay debt issued for capital projects and programs in the URA.

(Chart A)

Rockwood-West Gresham Urban Renewal Area
Property Tax Revenues



	2013/14	2014/15	2015/16	2016/17	2017/18
County Certified Property Taxes (Curr & Del)	0	0	0	4,459,584	0
Actual Property Taxes (Current & Del)	3,318,592	3,571,531	3,821,910	0	0
Projected Property Taxes (Curr & Delinquent)	0	0	0	0	4,781,801

The past few years have exhibited a steady improvement in URA resources. Actual revenues between FY 2013/14 and the expected resources for FY 2017/18 show an increase of 44.1 percent.

The current tax revenue forecast for FY 2017/18 is $4.8 million, which reflects a 15.9 percent increase over the FY 2016/17 budget. The forecast for FY 2016/17 has been increased over the budgeted amount, primarily to reflect early arriving assessed value (AV) growth from construction activity that originally was expected to affect FY 2017/18 resources. FY 2017/18 revenues are still expected increase 7.2 percent over the updated current year's revenue forecast.

With the lingering effects of the Great Recession now behind us, AV, and therefore tax resources, have steadily improved. AV grew annually from less than one half a percent in FY 2011/12 to over six percent in FY 2016/17. While this trend cannot be guaranteed to continue, near term prospects appear favorable.

Ongoing, the economic growth pattern, while not expected to be as robust as pre-recession trends, has reached a "new normal." Percentage growth in the range of 2.5 to 3.0 is assumed to now be the ordinary pattern of growth, based on typical AV increases for existing properties, plus modest new development. In addition, occasional large scale developments in the URA should spike this overall trend. Periodic substantial construction adding new AV to the URA, in addition to normal AV growth, accounts for the average annual nine percent growth over the last five years. Tax revenue growth is higher when significant capital intensive investments are adding to the ordinary AV growth in the URA.

Overall, the 20-year tax increment revenue is expected to be significantly less than originally forecast. This outcome is due to a number of factors, including the effect and lengthy recovery period of the Great Recession of 2008.

Fiscal Year 2017/18 Budget

The budget consists of two funds: a Capital Projects Fund (Fund 950) for investment in capital projects and programs, and a Debt Service Fund (Fund 951) that accounts for tax revenues and repayment of debt.

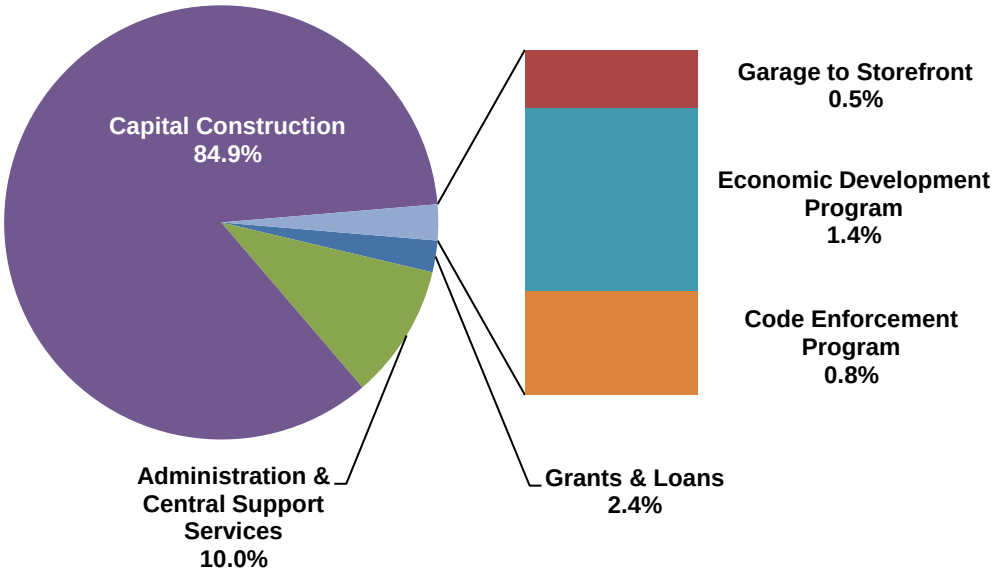
$12.15 million in resources are available for the Capital Projects Fund and approximately $12.30 million is available for the Debt Service Fund.

Fund 950: Rockwood UR Capital Project Fund

The Capital Projects Fund accounts for expenditures related to managing, designing, and constructing URA projects. All Urban Renewal expenditures, except for debt service, flow through Fund 950. These costs include construction projects, Urban Renewal grants, loans, debt refinancing, and administrative costs.

(Chart B)

City of Gresham
Rockwood-West Gresham Urban Renewal
UR Funded Capital Program & Public Services
Fiscal Year 2017/18



Total resources for Fund 950 are approximately $12.15 million. The resources consist of approximately $10.9 million in loan proceeds from GRDC-issued debt, $1.2 million in estimated beginning fund balance carried forward from FY 2016/17, and $48,000 in minor revenues.

Expenditures for City contractual services are $2.25 million. Expenditures for capital construction projects are $9.35 million.

A contingency of $500,000 is also included in this fund. An anticipated ending balance of $48,000 is expected. Total fund requirements are approximately $12.15 million.

Capital Improvements
Individual GRDC projects are budgeted and accounted for in the City's Budget, and Capital Improvement Program (CIP). The City's CIP program is a 5-year forecasted estimate for all major capital projects requiring the expenditure of public funds over and above routine operating expenses. URA construction activity appears in Fund 390: City UR Capital Improvement Fund. The CIP is updated annually to ensure that projects are aligned with community priorities and available resources. The updating process engages stakeholders in setting priorities and ensures that the GRDC is transparent and accountable in the delivery of those projects.

The FY 2017/18 capital expenditures in the City UR Capital Improvement Fund are approximately $14.5 million. This figure includes unfinished projects brought over (carryover) from the current FY and re-budgeted in FY 2017/18. URA funding totals approximately $9.4 million, with the Catalyst Site being the lion's share of URA-funded projects. Major funding also includes a grant of $3.2 million, and $1.7 million in Transportation resources for Sandy Boulevard Improvements. Remaining funding is directed to the Stark Street Property and Sunrise Site redevelopment projects.

Grant Programs
The Urban Renewal program awards grants to provide direct incentives to support investment in the URA. New Industries and Predevelopment Services grants have been effective tools for promoting private investment in the industrial area, and for creating new jobs. Grant funding to support industrial and commercial development remains a high priority for generating future tax revenues.

The budget includes $260,000 in funding for new grant awards and $295,531 carried over from FY 2016/17 to pay for awarded grant projects not yet completed.

City Contractual Services
City contractual expenses are approximately $2.25 million. Staff support supplied by the City consists of three full-time employees and two limited-term employees. The industrial grant programs are allocated $555,531, as described above. The garage to storefront program is budgeted at $50,000, which is the same amount as previous years.

<u>Fund 951: Rockwood UR Debt Service Fund</u>
The Debt Service Fund accounts for the URA property tax revenue. Urban renewal statutes dictate property tax resources be limited to debt repayment. The GRDC finances all expenses through debt, as required by State law.

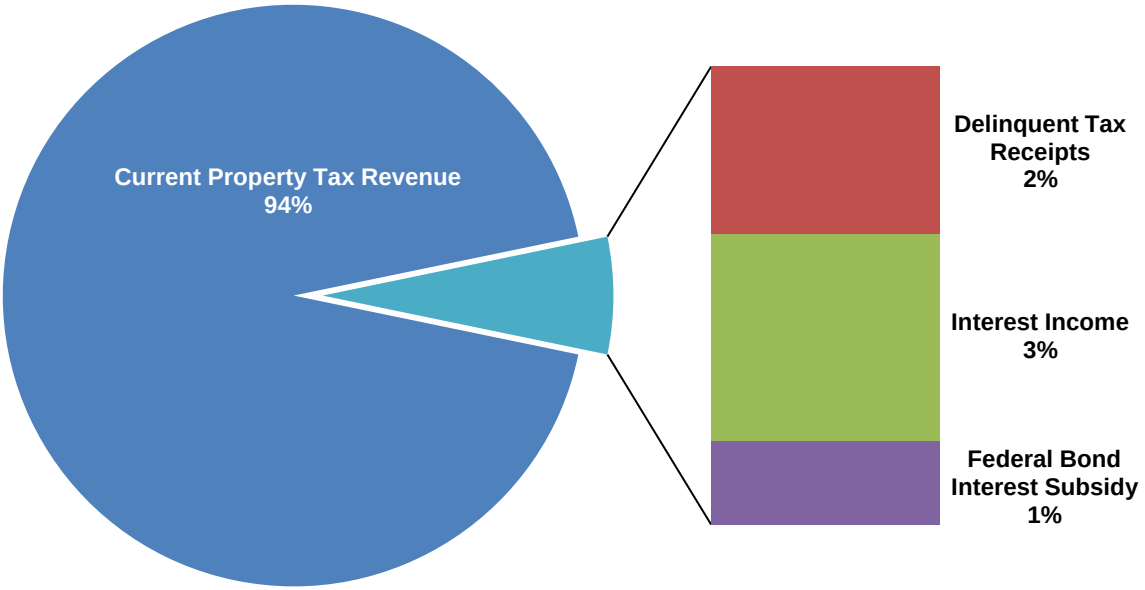
Over the life of the URA, the GRDC has used a mix of short- and long-term debt to cover expenses. Total resources in this fund are $12.3 million. The budget anticipates approximately $4.8 million in property

tax revenues, a federal bond interest subsidy of approximately $60,000, and interest income of just under $150,000, with approximately $7.3 million in beginning fund balance.

Expenditures from this fund pay the principal, interest, and debt issuance costs. The GRDC issued bonded installment debt in FY 2009/10 and again in FY 2014/15, with a current annual installment debt service of approximately $3.7 million. The installment debt is equal to approximately 75 percent of current resources. Repayment of $3.25 million in short-term contract debt, if issued, is also included.

(Chart C)

Rockwood-West Gresham Urban Renewal
Debt Service Resources
Fiscal Year 2017/18



The GRDC currently arranges financing through the City. The GRDC issues, and the City purchases, revolving Urban Renewal Tax Increment Revenue Notes, which are repaid with URA tax revenues. This arrangement is mutually beneficial to both parties.

$5.3 million in unappropriated ending fund balance is reserved for future debt payments. Total fund requirements are $12.3 million.

Budget Document
As required by State law, the FY 2017/18 budget is balanced, meaning the projected resources are sufficient to meet allocated expenditures. Please note the six columns of data: 2017/18 Commission Proposed, 2017/18 Commission Approved, 2017/18 Commission Adopted, 2016/17 Budget, and two prior FYs of audited data, also required by law.

Relationship between the Gresham Redevelopment Commission and the City of Gresham
The GRDC oversees the URA. The URA is a distinct legal entity that is separate from the municipality of the City of Gresham. On February 26, 2004, the GRDC bylaws were adopted and officers were elected.

The bylaws state that the GRDC is composed of the Gresham City Council. The URA is administered through an intergovernmental agreement with the City of Gresham.

Conclusion

The budget presents a spending plan for FY 2017/18 that reflects the goals and priorities of the Renewal Plan. I would like to acknowledge and thank all involved for their efforts in developing this budget.

Respectfully submitted,

Josh Fuhrer
GRDC Executive Director

Rockwood-West Gresham Urban Renewal Area
Fiscal Year 2017/18 Property Tax Projection

2016/17 Tax Assessed Value Base and Growth

	AMOUNT	EXPLANATION
URA Frozen Base TAV	$ 437,507,294	
URA Incremental TAV Current Fiscal Year: 2016/17	$ 294,416,648	
URA Total Taxable Assessed Value as of 2016/17	**$ 731,923,942**	**From Multnomah County Tax Assessor**

Projected Growth in Tax Assessed Value

URA Incremental TAV 2016/17	$ 294,416,648	
Normal Growth in TAV	$ 12,365,127	Estimated at 1.70%
Estimated New Development TAV	$ 7,579,966	Based on an estimate for known projects from Permit Records
Projected Incremental TAV 2017/18	**$ 314,361,741**	

2017/18 Tax Assessed Value Base and Growth

URA Frozen Base TAV	$ 437,507,294	
Projected Incremental TAV 2017/18	$ 314,361,741	
URA Total Estimated Taxable Assessed Value as of 2017/18	**$ 751,869,035**	**Forecast**

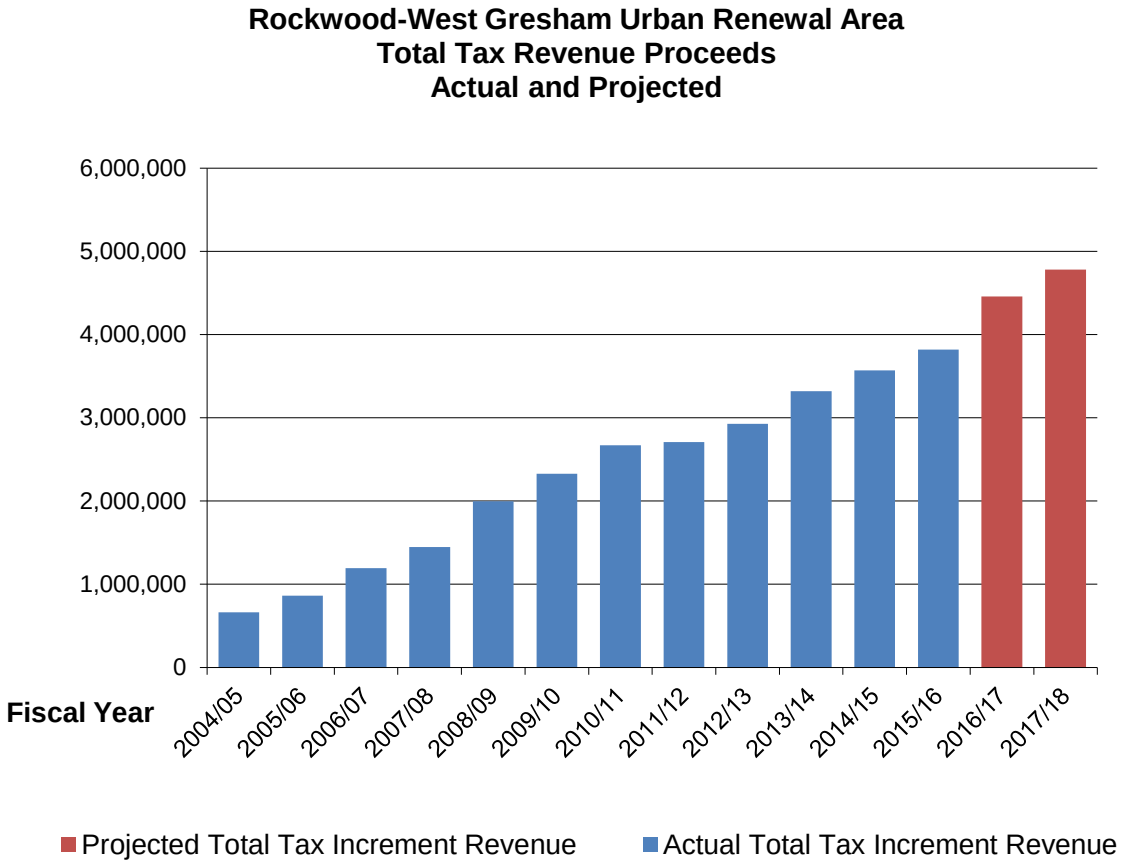
Projected URA Tax Revenue

Projected URA Tax Rate	$ 15.68	
Calculated URA Tax (before Adjustments)	$ 4,929,506	
Less: Discounts and Delinquencies	$ (266,193)	Uncollected taxes estimated as a Percent of Tax
Plus: Delinquent Collections and Penalties	$ 118,488	A projection based on a percent of the average actual collections, plus interest penalty
Projected URA Tax Revenue 2017/18	**$ 4,781,801**	

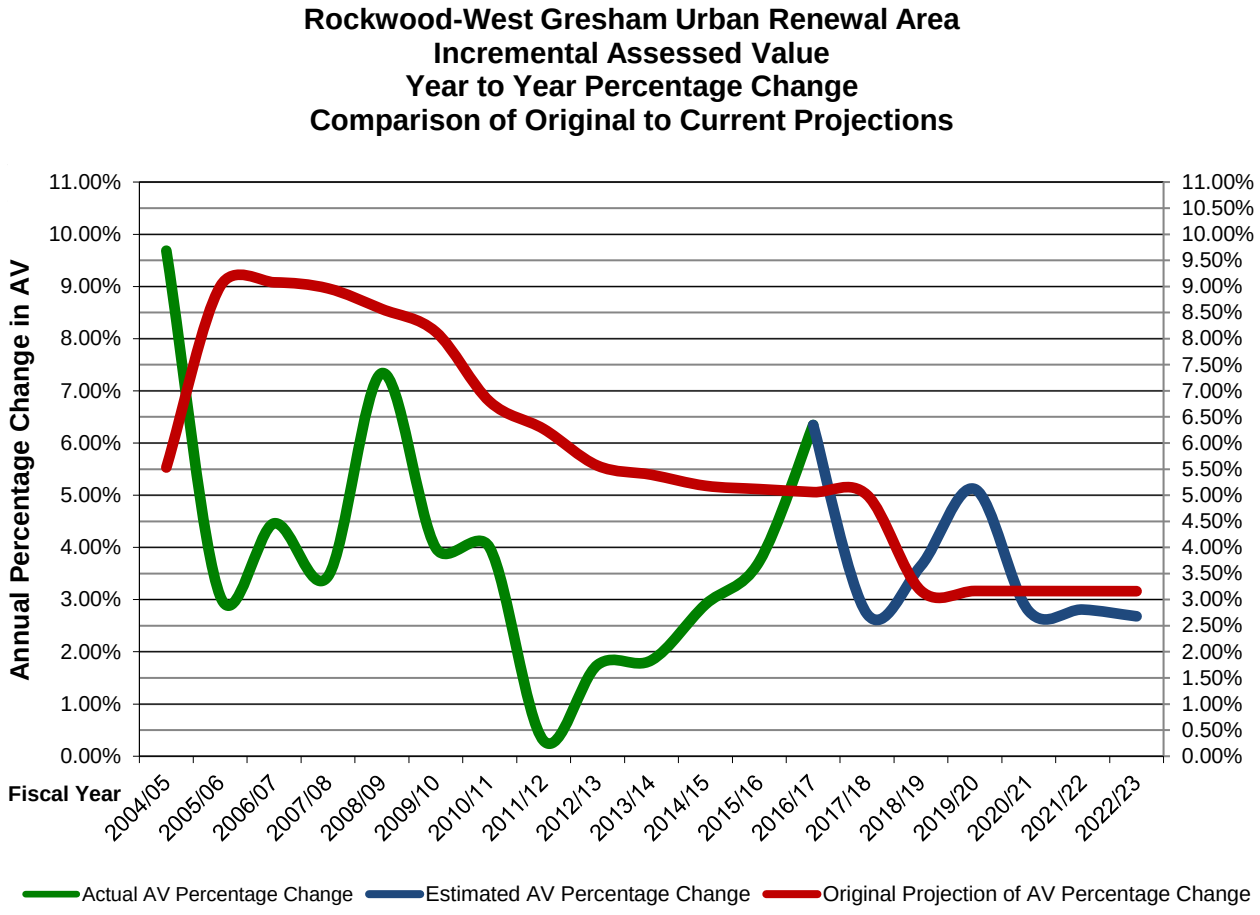
Legend

URA = Rockwood-West Gresham Urban Renewal Area

TAV = URAs Taxable Assessed Value



The noticeable uptick in development activity in the Rockwood-West Gresham URA that kicked off in fiscal year (FY) 2014/15 continues. Current FY and FY 2017/18 resources are expected to maintain an upward trend of real growth from both an increase in assessed value of existing properties, and new development activity coming on the rolls. Tax proceeds languished starting in FY 2010/11, due to flattening and declining assessed values in combination with little development-related assessed value growth. FYs 2012/13 and 2013/14 also had little growth from development activity, but as the chart shows, had real revenue growth. In FY 2012/13, this was due to a change in assessment method for certain industrial property, which resulted in increased tax collections. In FY 2013/14, the creation of the Multnomah Library District resulted in an increased tax rate for the URA, also resulting in an increase in tax resources. Starting in FY 2014/15, and each year since, additional resources from new construction and reinvestments have materialized. This trend is expected to continue through FY 2017/18, as demonstrated on the chart above. Early projections indicate activity in FY 2018/19 will likely continue an upward trend.



The now established annual upward trend of assessed value (AV) growth (green line: recent years) is a welcome change from the trend following the Great Recession of 2008. It compared favorably to the AV change occurring before the Great Recession (green line: prior to fiscal year (FY) 2008/09). However, without evidence in the form of building permits, it should not be assumed this growth pattern will continue. As shown in the graphic above, actual AV percentage change peaks and valleys from year to year (green line: FYs 2005 to 2008). Explosive growth is fueled by episodes of capital spending, productivity improvements, and infusions of private and public debt. The “new normal” average percentage trend for economic growth is thought to be lower than pre-recession times. Currently, there is promising, but not extensive, large-scale development activity in the near horizon. The current assumption is routine growth in the neighborhood of 2.5 to 3.0 percent (blue line). The Catalyst Site is expected to start to generate AV around the turn of the decade, which explains the spike in the AV percentage at that time (blue line: FY 2019/20). The red line demonstrates the assumption of the original forecast for AV growth. Due in part to the Great Recession, at this point in the life cycle of the URA, it should be assumed that the full financial potential originally forecast will not be reached by FY 2022/23.

BUDGET DEVELOPMENT PROCESS

Key steps related to the Gresham Redevelopment Commission budget development process are described below.

Process Design – *July/August*

- Review and evaluate prior year's process
- Establish outline of process for the upcoming year

Fund Evaluation and Financial Forecasting – *September/October*

- Review year-end close information
- Evaluate financial status of Urban Renewal
- Develop revenue forecasts for Urban Renewal funding

Develop Budget Proposal – *November/December/January*

- Urban Renewal staff completes their estimates of next year's operating costs
- Budget proposal supports adopted Gresham Redevelopment Commission Work Plan
- Budget proposal adjusted based on revenue forecast and other funding constraints
- Capital Improvement Program (CIP) projects for the Rockwood-West Gresham Urban Renewal Area are developed based on the goals set forth in the Rockwood-West Gresham Renewal Plan approved by Gresham voters in November 2003

Balance Funds and Finalize Proposed Budget – *March/April*

- CIP reviewed by City of Gresham Planning Commission, Gresham Redevelopment Commission Advisory Committee, and Gresham Redevelopment Commission
- Proposed budget prepared
- First year of 5-year CIP is incorporated into annual budget

Gresham Redevelopment Commission Budget Committee Deliberates on Proposed Budget – *April/May*

- Budget Committee composed of the seven-member Gresham City Council serving as the Gresham Redevelopment Commission, and seven members of the Gresham Redevelopment Commission Advisory Committee who reside in Gresham
- Budget Committee meets one evening to consider and approve proposed budget
- Public invited to attend meeting and provide comment on proposed budget
- Budget Committee may make revisions to proposed budget
- Budget Committee reviews the first year of the 5-year CIP
- Budget Committee approves budget, which may include revisions

Gresham Redevelopment Commission Recommends 5-Year CIP to the Gresham City Council – *May*

- Proposed CIP projects for the Rockwood-West Gresham Urban Renewal Area (URA) are included in the City of Gresham's 5-year CIP
- Gresham Redevelopment Commission recommends proposed 5-year CIP to Gresham City Council

CIP Adoption – *May/June*

- Gresham City Council public hearing and enactment reading for final adoption of 5-year CIP

Budget Adoption – *June*

- Gresham Redevelopment Commission holds public hearing to receive public comment on approved budget prior to their deliberations and adoption of budget
- Commission may choose to revise the budget within statutory restrictions prior to adoption

Budget Implementation – *July*

- All local governments in Oregon begin their fiscal year on July 1
- Budget is implemented as adopted

Budget Amendments - *During fiscal year, as needed*

- Amendments may occur if authorized by action of the Gresham Redevelopment Commission or, depending on the requested amendment, by action of the Gresham City Council, as dictated by Oregon budget law
- Supplemental budget is required to spend unanticipated revenues or to create a transfer between funds
- Adjustments may require a public hearing, authorization by the Gresham Redevelopment Commission and/or authorization by the Gresham City Council, as dictated by Oregon budget law

GRESHAM REDEVELOPMENT COMMISSION WORK PLAN

Since calendar year 2010, the Gresham Redevelopment Commission (GRDC) has adopted a Work Plan that identifies projects to be completed in the Rockwood-West Gresham Urban Renewal Area during the calendar year. The projects in the Work Plan support the goals identified in the Rockwood-West Gresham Renewal Plan approved by Gresham voters on November 4, 2003.

2017 WORK PLAN PROJECT SUMMARY

Urban Redevelopment: Catalyst Site

This project will continue the GRDC's efforts to redevelop the former Fred Meyer site at Southeast 187th Avenue and Stark Street. This project has two distinct components:

- Identify and engage potential partners, tenants, financial tools, and community stakeholders to initiate new development on both the vacant portion of the former Fred Meyer site, as well as the former Rockwood Community Office Building formerly occupied by Gresham Police, consistent with direction from the GRDC. This effort will support the Urban Renewal Charter by focusing on jobs creation, supporting local businesses and entrepreneurs, and increasing food access for local residents.

- Engage with community groups, stakeholders, and the general public in a dialogue about the Project at a deeper level than is typical for City projects. Strategies include partnering with leaders in the faith community, multiple communities of color, and underrepresented populations to gain their feedback and support regarding the project, to ensure that the Project is designed and built to meet the needs of local residents from all backgrounds.

The complete 2017 GRDC Work Plan, along with project updates and related information is available on the City of Gresham website (www.GreshamOregon.gov) in the Urban Renewal Department section, Gresham Redevelopment Commission sub-section.

Rockwood-West Gresham Urban Renewal Area

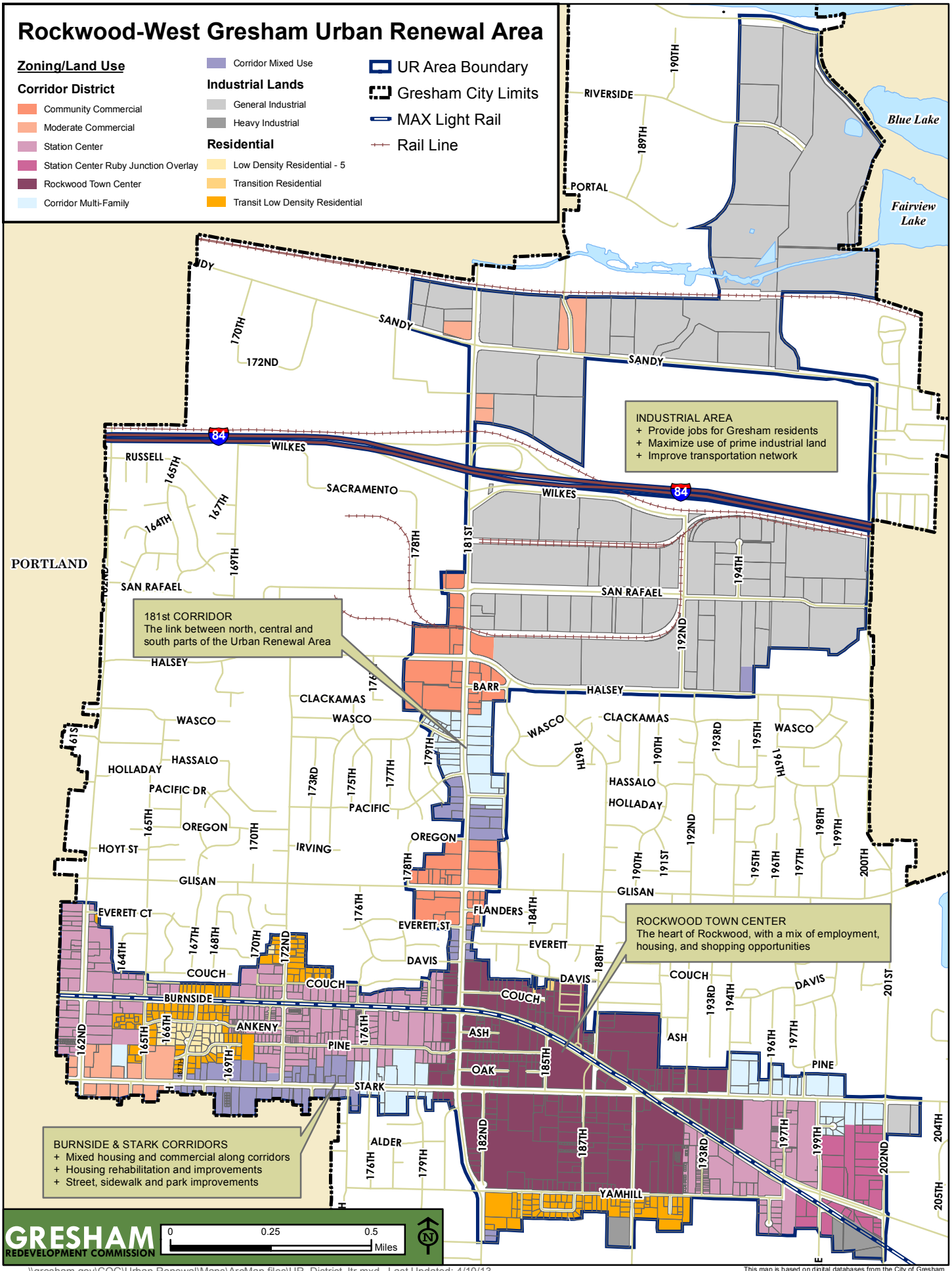
Zoning/Land Use

Corridor District
- Community Commercial
- Moderate Commercial
- Station Center
- Station Center Ruby Junction Overlay
- Rockwood Town Center
- Corridor Multi-Family
- Corridor Mixed Use

Industrial Lands
- General Industrial
- Heavy Industrial

Residential
- Low Density Residential - 5
- Transition Residential
- Transit Low Density Residential

- UR Area Boundary
- Gresham City Limits
- MAX Light Rail
- Rail Line



\\gresham.gov\COG\Urban Renewal\Maps\ArcMap files\UR_District_ltr.mxd Last Updated: 4/10/13

This map is based on digital databases from the City of Gresham. There are no warranties, expressed or implied.

Rockwood-West Gresham Urban Renewal Adopted Budget
FY 2017/18

	FY 2017/18 Appropriations
Rockwood UR Capital Proj. Fund	
Urban Renewal District	11,598,921
Contingency	500,000
Total Rockwood UR Capital Proj. Fund Appropriation	*12,098,921*
Unappropriated	47,979
Total Rockwood UR Capital Proj. Fund Requirements	**12,146,900**
Rockwood UR Debt Service Fund	
Debt Service	6,984,300
Total Rockwood UR Debt Service Fund Appropriation	*6,984,300*
Unappropriated	5,309,700
Total Rockwood UR Debt Service Fund Requirements	**12,294,000**
FY 2017/18 Budget in Aggregate:	**24,440,900**

Resources and Requirements All Funds

	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Comm. Proposed	2017/18 Comm. Approved	2017/18 Comm. Adopted
Resources						
Taxes	3,571,531	3,821,910	4,127,000	4,781,900	4,781,900	4,781,900
Intergovernmental Revenue	86,058	77,878	68,600	59,400	59,400	59,400
Charges for Services	58,292	29,460	59,500	30,600	30,600	30,600
Interest Income	101,526	209,255	194,700	163,500	163,500	163,500
Miscellaneous Income	0	325,000	0	0	0	0
Other Resources	12,957,842	0	4,511,000	10,871,700	10,871,700	10,871,700
Beginning Balance	7,757,485	13,754,156	14,882,850	8,533,800	8,533,800	8,533,800
Total Resources	24,532,734	18,217,659	23,843,650	24,440,900	24,440,900	24,440,900
Requirements						
Urban Renewal District	8,809,567	1,427,715	9,872,500	11,598,921	11,598,921	11,598,921
Total Operations	8,809,567	1,427,715	9,872,500	11,598,921	11,598,921	11,598,921
Contingency	0	0	500,000	500,000	500,000	500,000
Debt Service	1,969,011	3,613,866	6,431,200	6,984,300	6,984,300	6,984,300
Unappropriated	13,754,156	13,176,078	7,039,950	5,357,679	5,357,679	5,357,679
Total Non-operating	15,723,167	16,789,944	13,971,150	12,841,979	12,841,979	12,841,979
Total Requirements	24,532,734	18,217,659	23,843,650	24,440,900	24,440,900	24,440,900

Resources and Requirements By Fund

Resources	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Commission Proposed	2017/18 Commission Approved	2017/18 Commission Adopted
950 Rockwood UR Capital Proj. Fund						
Charges for Services	58,292	29,460	59,500	30,600	30,600	30,600
Interest Income	8,422	70,205	14,200	17,300	17,300	17,300
Miscellaneous Income	0	325,000	0	0	0	0
Loan Proceeds	12,957,842	0	4,511,000	10,871,700	10,871,700	10,871,700
Beginning Balance	955,842	5,170,831	5,861,650	1,227,300	1,227,300	1,227,300
Total Rockwood UR Capital Proj. Fund	13,980,398	5,595,496	10,446,350	12,146,900	12,146,900	12,146,900

Requirements						
Urban Renewal District	8,809,567	1,427,715	9,872,500	11,598,921	11,598,921	11,598,921
Total	8,809,567	1,427,715	9,872,500	11,598,921	11,598,921	11,598,921
Contingency	0	0	500,000	500,000	500,000	500,000
Unappropriated	5,170,831	4,167,781	73,850	47,979	47,979	47,979
Total	5,170,831	4,167,781	573,850	547,979	547,979	547,979
Total Rockwood UR Capital Proj. Fund	13,980,398	5,595,496	10,446,350	12,146,900	12,146,900	12,146,900

Resources

	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Commission Proposed	2017/18 Commission Approved	2017/18 Commission Adopted
FUND: Rockwood UR Capital Proj. Fund						
Charges for Services						
Miscellaneous	58,292	29,460	59,500	30,600	30,600	30,600
TOTAL Charges for Services	58,292	29,460	59,500	30,600	30,600	30,600
Miscellaneous Income						
Investment Interest	8,422	70,205	14,200	17,300	17,300	17,300
Sale of Fixed Assets	0	325,000	0	0	0	0
TOTAL Miscellaneous Income	8,422	395,205	14,200	17,300	17,300	17,300
Other Resources						
Loan Proceeds	12,957,842	0	0	0	0	0
Taxable - Line of Credit	0	0	2,276,100	2,244,900	2,244,900	2,244,900
Tax Exempt-Line of Credit	0	0	2,234,900	8,626,800	8,626,800	8,626,800
Beginning Balance	955,842	5,170,831	5,861,650	1,227,300	1,227,300	1,227,300
TOTAL Other Resources	13,913,684	5,170,831	10,372,650	12,099,000	12,099,000	12,099,000
Total Rockwood UR Capital Proj.	13,980,398	5,595,496	10,446,350	12,146,900	12,146,900	12,146,900

Requirements

	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Commission Proposed	2017/18 Commission Approved	2017/18 Commission Adopted
Fund: Rockwood UR Capital Proj. Fund						
OPERATIONS						
Prof and Tech Services						
City contractual services	822,000	1,100,000	2,275,900	2,244,821	2,244,821	2,244,821
City Construction Service	354,000	327,715	7,596,600	9,354,100	9,354,100	9,354,100
City Debt Refinancing	7,633,567	0	0	0	0	0
Total Prof and Tech Services	8,809,567	1,427,715	9,872,500	11,598,921	11,598,921	11,598,921
Unappropriated						
Unappropriated	5,170,831	4,167,781	73,850	47,979	47,979	47,979
Total Unappropriated	5,170,831	4,167,781	73,850	47,979	47,979	47,979
Contingency						
Contingency	0	0	500,000	500,000	500,000	500,000
Total Contingency	0	0	500,000	500,000	500,000	500,000
Total Rockwood UR Capital Proj.	13,980,398	5,595,496	10,446,350	12,146,900	12,146,900	12,146,900

Resources and Requirements By Fund

Resources	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Commission Proposed	2017/18 Commission Approved	2017/18 Commission Adopted
951 Rockwood UR Debt Service Fund						
Taxes	3,571,531	3,821,910	4,127,000	4,781,900	4,781,900	4,781,900
Intergovernmental Revenue	86,058	77,878	68,600	59,400	59,400	59,400
Interest Income	93,104	139,050	180,500	146,200	146,200	146,200
Beginning Balance	6,801,643	8,583,325	9,021,200	7,306,500	7,306,500	7,306,500
Total Rockwood UR Debt Service Fund	10,552,336	12,622,163	13,397,300	12,294,000	12,294,000	12,294,000

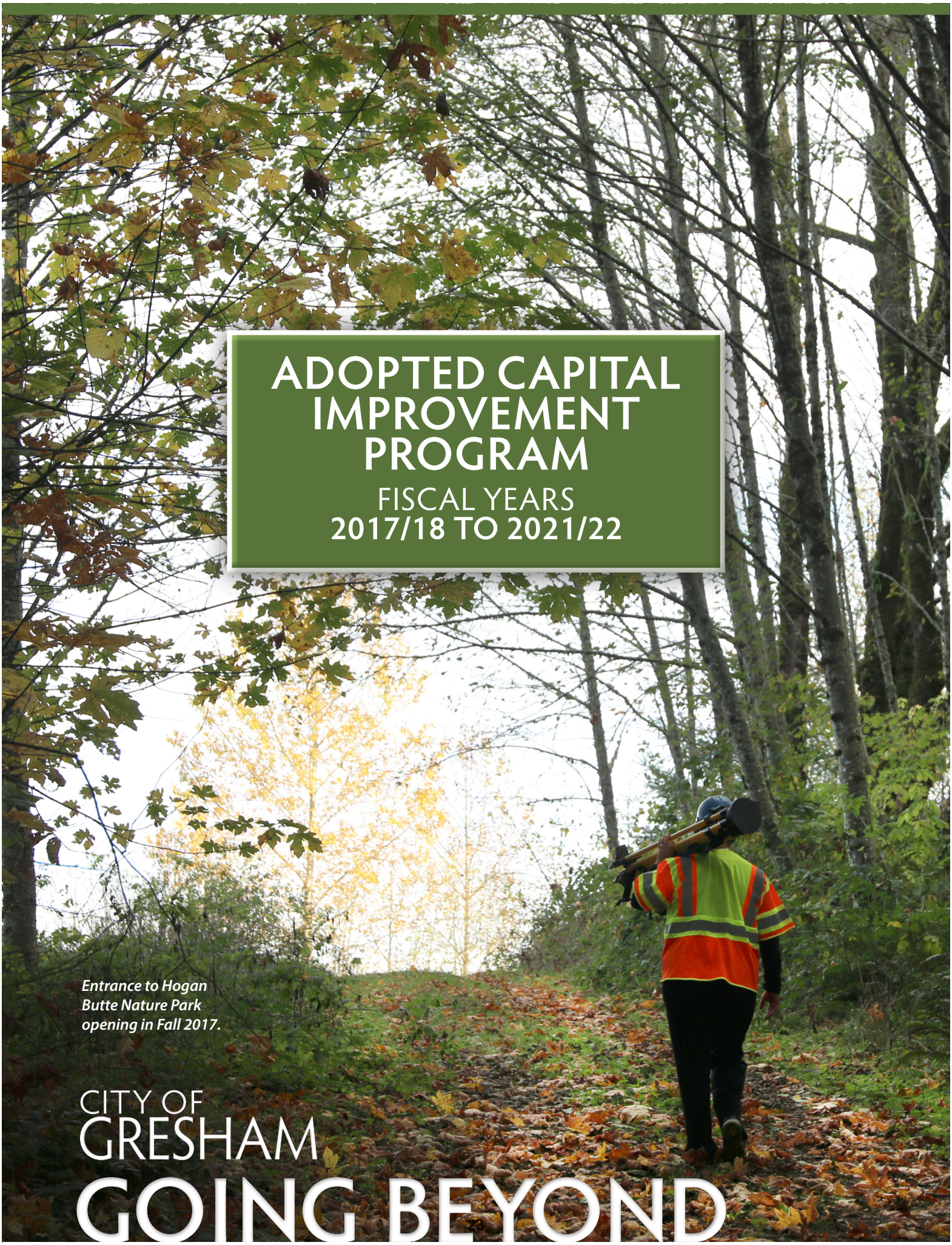
Requirements						
Debt Service	1,969,011	3,613,866	6,431,200	6,984,300	6,984,300	6,984,300
Unappropriated	8,583,325	9,008,297	6,966,100	5,309,700	5,309,700	5,309,700
Total	10,552,336	12,622,163	13,397,300	12,294,000	12,294,000	12,294,000
Total Rockwood UR Debt Service Fund	10,552,336	12,622,163	13,397,300	12,294,000	12,294,000	12,294,000

Resources

	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Commission Proposed	2017/18 Commission Approved	2017/18 Commission Adopted
FUND: Rockwood UR Debt Service Fund						
Taxes						
Current	3,482,326	3,733,963	4,018,600	4,663,400	4,663,400	4,663,400
Delinquent	86,663	85,691	107,900	118,000	118,000	118,000
Interest	310	688	500	500	500	500
Tax Title Land Sales	2,232	1,568	0	0	0	0
TOTAL Taxes	3,571,531	3,821,910	4,127,000	4,781,900	4,781,900	4,781,900
Intergovernmental Revenue						
Federal interest subsidy	86,058	77,878	68,600	59,400	59,400	59,400
TOTAL Intergovernmental Revenue	86,058	77,878	68,600	59,400	59,400	59,400
Miscellaneous Income						
Investment Interest	93,104	139,050	180,500	146,200	146,200	146,200
TOTAL Miscellaneous Income	93,104	139,050	180,500	146,200	146,200	146,200
Other Resources						
Beginning Balance	6,801,643	8,583,325	9,021,200	7,306,500	7,306,500	7,306,500
TOTAL Other Resources	6,801,643	8,583,325	9,021,200	7,306,500	7,306,500	7,306,500
Total Rockwood UR Debt Service	10,552,336	12,622,163	13,397,300	12,294,000	12,294,000	12,294,000

Requirements

	2014/15 Actual	2015/16 Actual	2016/17 Budget	2017/18 Commission Proposed	2017/18 Commission Approved	2017/18 Commission Adopted
Fund: Rockwood UR Debt Service Fund						
OPERATIONS						
Contracts						
Principal	0	1,411,701	2,500,000	3,000,000	3,000,000	3,000,000
Interest	33,000	509,729	178,700	250,000	250,000	250,000
Total Contracts	33,000	1,921,430	2,678,700	3,250,000	3,250,000	3,250,000
Bonds						
Principal	1,262,068	1,158,845	2,811,800	2,915,900	2,915,900	2,915,900
Interest	673,943	533,291	929,700	816,400	816,400	816,400
Paying Agent/Registar Fee	0	300	0	0	0	0
Sale Costs/Loan Fees	0	0	11,000	2,000	2,000	2,000
Total Bonds	1,936,011	1,692,436	3,752,500	3,734,300	3,734,300	3,734,300
Unappropriated						
Unappropriated	8,583,325	9,008,297	6,966,100	5,309,700	5,309,700	5,309,700
Total Unappropriated	8,583,325	9,008,297	6,966,100	5,309,700	5,309,700	5,309,700
Total Rockwood UR Debt Service	10,552,336	12,622,163	13,397,300	12,294,000	12,294,000	12,294,000



ADOPTED CAPITAL IMPROVEMENT PROGRAM

FISCAL YEARS 2017/18 TO 2021/22

Entrance to Hogan Butte Nature Park opening in Fall 2017.

CITY OF GRESHAM

GOING BEYOND

Funded Projects

Overview

The 1,211-acre Rockwood-West Gresham Urban Renewal Area (URA) was established by city-wide vote in November 2003. The Rockwood-West Gresham Renewal Plan is a 20-year plan aimed at improving public infrastructure, attracting private investment, adding quality jobs, housing and services to the area. The Gresham Redevelopment Commission (GRDC) is made up of members of Gresham's City council and serves as the final decision-making body. A citizen advisory committee also reviews proposed projects and policies and makes recommendations to the GRDC.

The following capital improvement projects implement the goals of the Rockwood-West Gresham Renewal Plan. To carry out the capital projects the GRDC entered into an agreement with the City of Gresham. Thus, the URA projects are included in the City's CIP and are subject to the same review process as all other City CIP projects.

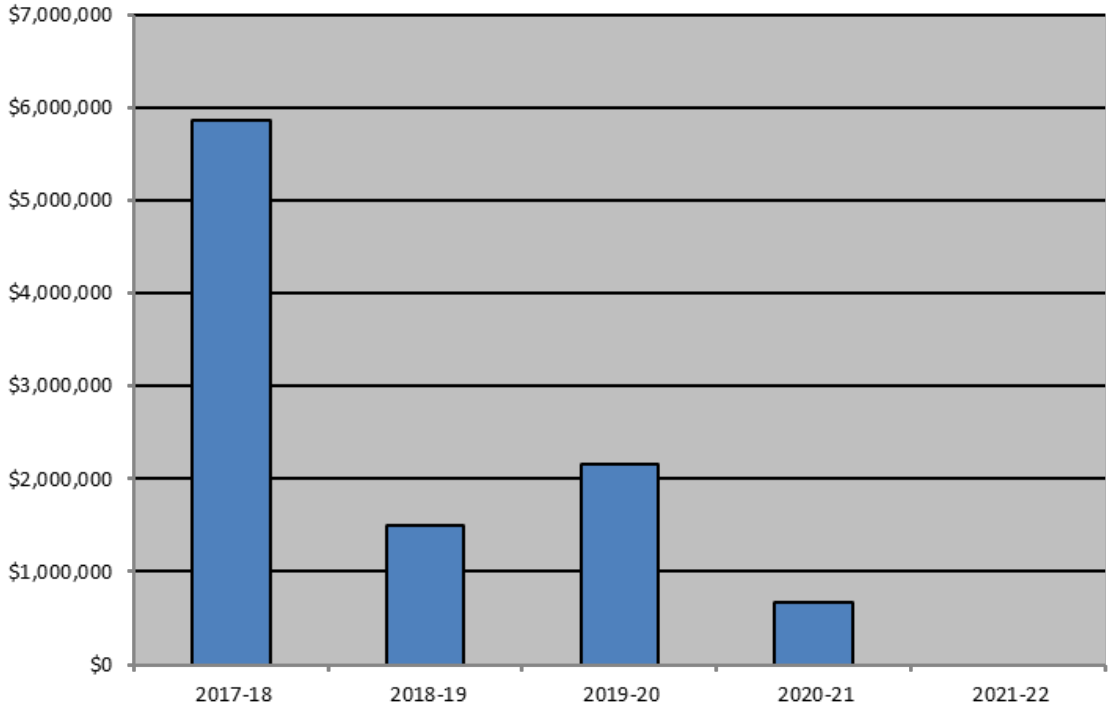
Highlights

Funded capital improvement projects in FY 2017/18 include:

1. Complete Rockwood Rising project design for 18535 SE Stark Street and begin construction. Efforts related to community engagement and tenant recruitment will continue (UR1043).
2. Leverage grant funding to improve and upgrade Sandy Boulevard, a major arterial in the industrial area (UR1047).
3. The GRDC facilitated development of a new Boys and Girls Club and Open School East campus at 16519 SE Stark Street. Negotiations with a third community partner to develop the remaining parcel on the site will continue (UR1053).

4. Maintain 18801 and 18901 E. Burnside Street properties until redevelopment can occur in a manner that will complement redevelopment of the adjacent Rockwood Rising Catalyst Site and ensure quality redevelopment in the Rockwood Town Center. This will contribute to the long-term vitality of the Rockwood Neighborhood (UR1054).

Urban Renewal Expenditure Graph by Fiscal Year



Urban Renewal Funded Summary								
Project	Project Name	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Total
UR1004	Property Acquisition Fund	2,167,718	0	0	0	0	0	2,167,718
UR1043	Catalyst Site	4,222,480	4,275,000	1,500,000	1,150,000	675,000	0	11,822,480
UR1047	Sandy Boulevard Improvements	4,412,449	1,517,941	0	0	0	0	5,930,390
UR1053	Stark Street Property Redevelopment	186,692	12,000	0	0	0	0	198,692
UR1054	Sunrise Site	0	50,000	0	1,000,000	0	0	1,050,000
Grand Total		**10,989,339**	**5,854,941**	**1,500,000**	**2,150,000**	**675,000**	**0**	**21,169,280**

Urban Renewal Funded Summary by Resource							
Description	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**2021-22**	**Total**
Debt-SDC	231,500	1,517,941	0	0	0	0	1,749,441
Grant	3,215,949	0	0	0	0	0	3,215,949
SDC	184,767	0	0	0	0	0	184,767
Streetlight	50,000	0	0	0	0	0	50,000
Urban Renewal	7,307,123	4,337,000	1,500,000	2,150,000	675,000	0	15,969,123
Grand Total	**10,989,339**	**5,854,941**	**1,500,000**	**2,150,000**	**675,000**	**0**	**21,169,280**

Urban Renewal Funded Resource Detail

Project	Project Name	Description	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Total
UR1004	**Property Acquisition Fund**	Urban Renewal	2,167,718	0	0	0	0	0	2,167,718
UR1004 Total			**2,167,718**	**0**	**0**	**0**	**0**	**0**	**2,167,718**
UR1043	**Catalyst Site**	Urban Renewal	4,222,480	4,275,000	1,500,000	1,150,000	675,000	0	11,822,480
UR1043 Total			**4,222,480**	**4,275,000**	**1,500,000**	**1,150,000**	**675,000**	**0**	**11,822,480**
UR1047	**Sandy Boulevard Improvements**	Debt-SDC	171,500	1,517,941	0	0	0	0	1,689,441
		Grant	3,215,949	0	0	0	0	0	3,215,949
		SDC	175,000	0	0	0	0	0	175,000
		Streetlight	50,000	0	0	0	0	0	50,000
		Urban Renewal	800,000	0	0	0	0	0	800,000
UR1047 Total			**4,412,449**	**1,517,941**	**0**	**0**	**0**	**0**	**5,930,390**
UR1053	**Stark Street Property Redevelopment**	Debt-SDC	60,000	0	0	0	0	0	60,000
		SDC	9,767	0	0	0	0	0	9,767
		Urban Renewal	116,925	12,000	0	0	0	0	128,925
UR1053 Total			**186,692**	**12,000**	**0**	**0**	**0**	**0**	**198,692**
UR1054	**Sunrise Site**	Urban Renewal	0	50,000	0	1,000,000	0	0	1,050,000
UR1054 Total			**0**	**50,000**	**0**	**1,000,000**	**0**	**0**	**1,050,000**
Grand Total			**10,989,339**	**5,854,941**	**1,500,000**	**2,150,000**	**675,000**	**0**	**21,169,280**

FUNDED PROJECT
Urban Renewal

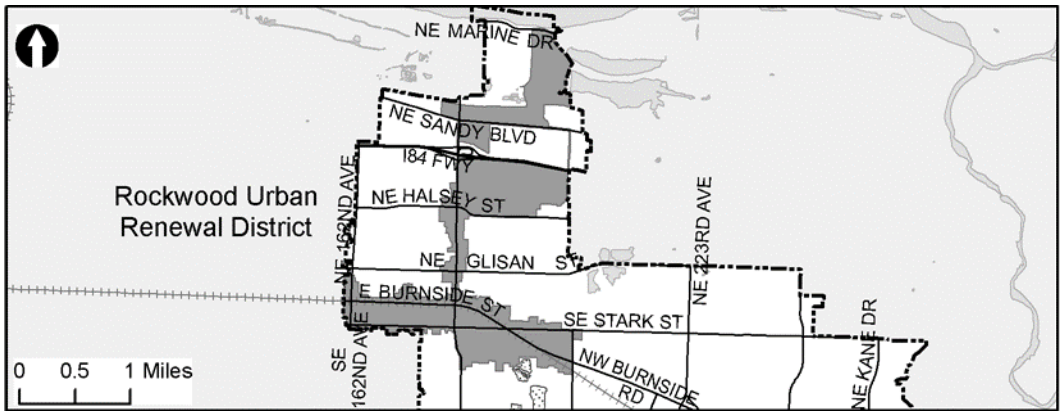
UR1004: Property Acquisition Fund

Description: The Property Acquisition Fund was created to better position the Gresham Redevelopment Commission to respond to development opportunities within the Urban Renewal Area (URA). Its purpose is to provide a financial means for the Gresham Redevelopment Commission to implement the Rockwood West Gresham Renewal Plan Goals.

Justification: This project will help renew and revitalize the Rockwood/West Gresham Urban Renewal Area, making it more appealing to private investment.

Type of project: Property Acquisition.

Partners: Typical partners will be from the private sector interested in selling property or teaming on a development project.



Estimated Dollars:

Funds	Description	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Resources	Urban Renewal	2,167,718	0	0	0	0	0	2,167,718
Resources Total		**2,167,718**	**0**	**0**	**0**	**0**	**0**	**2,167,718**
Expenses	Construction	50,000	0	0	0	0	0	50,000
	Property Acq	2,117,718	0	0	0	0	0	2,117,718
Expenses Total		**2,167,718**	**0**	**0**	**0**	**0**	**0**	**2,167,718**

FUNDED PROJECT
Urban Renewal

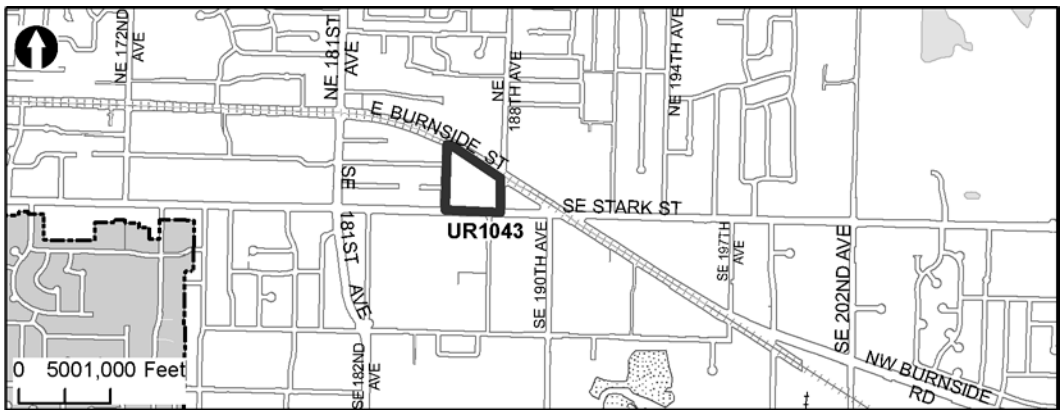
UR1043: Catalyst Site

Description: Located in the heart of the Rockwood Town Center, the Gresham Redevelopment Commission purchased this 6.5 acre site for redevelopment. Formerly the home of Rockwood Fred Meyer, the site is now called the Catalyst Site. This project will cover capital costs associated with site redevelopment.

Justification: This project will help renew and revitalize the Rockwood Town Center, making it more appealing to private investment.

Type of project: Construction and renovation of facilities and supporting utilities.

Partners: Private development.



Estimated Dollars:

Funds	Description	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Resources	Urban Renewal	4,222,480	4,275,000	1,500,000	1,150,000	675,000	0	11,822,480
Resources Total		**4,222,480**	**4,275,000**	**1,500,000**	**1,150,000**	**675,000**	**0**	**11,822,480**
Expenses	Design/Const Admin	457,761	132,500	150,000	215,000	67,500	0	1,022,761
	Construction	3,641,734	4,017,985	1,306,311	901,505	587,840	0	10,455,375
	Admin (3%)	122,985	124,515	43,689	33,495	19,660	0	344,344
Expenses Total		**4,222,480**	**4,275,000**	**1,500,000**	**1,150,000**	**675,000**	**0**	**11,822,480**

FUNDED PROJECT
Urban Renewal

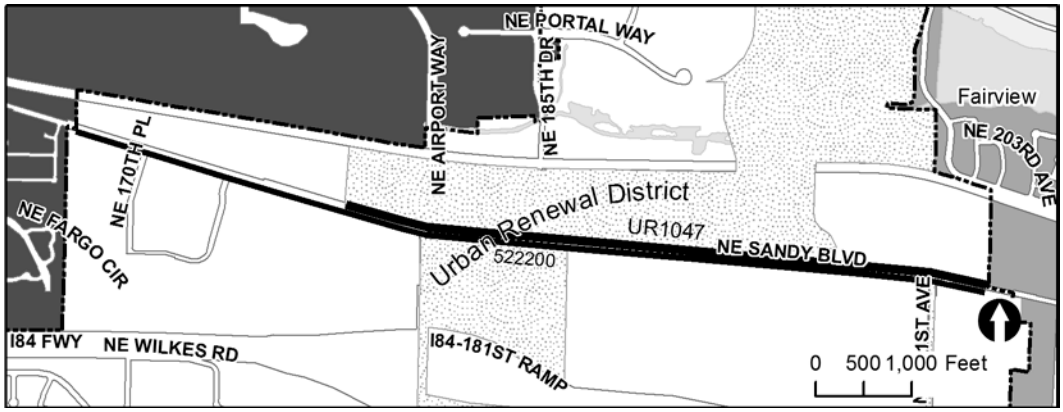
UR1047: Sandy Boulevard Street Improvements

Description: Sandy Boulevard is a major arterial through prime industrial land in the urban renewal area. To improve the function of the street network through the area, the project will update the road to current arterial standards. New and upgraded traffic signals may also be included. This project includes a grant from ODOT. SDC's are transportation and stormwater.

Justification: Attract new capital intensive industrial development to the urban renewal area.

Type of Project: Construction of facilities and utilities for growth.

Partners: City of Gresham Department of Environmental Services & future industrial development.



Estimated Dollars:

Funds	Description	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Resources	Debt-SDC	171,500	1,517,941	0	0	0	0	1,689,441
	Grant	3,215,949	0	0	0	0	0	3,215,949
	SDC	175,000	0	0	0	0	0	175,000
	Streetlight	50,000	0	0	0	0	0	50,000
	Urban Renewal	800,000	0	0	0	0	0	800,000
Resources Total		**4,412,449**	**1,517,941**	**0**	**0**	**0**	**0**	**5,930,390**
Expenses	Design/Const Admin	273,352	500,000	0	0	0	0	773,352
	Construction	3,597,217	131,527	0	0	0	0	3,728,744
	Property Acq	0	700,000	0	0	0	0	700,000
	Admin (14%)	541,880	186,414	0	0	0	0	728,294
Expenses Total		**4,412,449**	**1,517,941**	**0**	**0**	**0**	**0**	**5,930,390**

FUNDED PROJECT
Urban Renewal

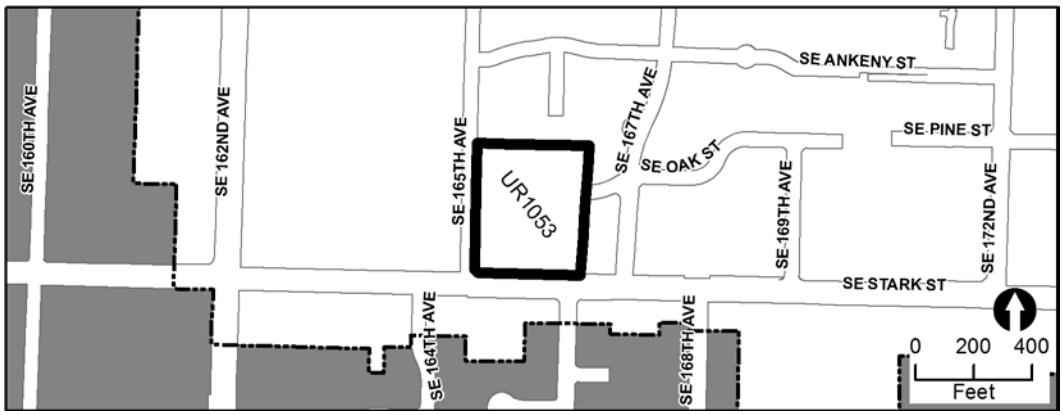
UR1053: Stark Street Property Redevelopment

Description: The Gresham Redevelopment Commission purchased this 3.8 acre site to accommodate the proposed Rockwood Boys and Girls Club (BGC) and Open Meadow School (OMS). Together, BGC and OMS occupy approximately 75% of the property, and the remainder will be redeveloped by the Commission at a later date. Current improvements extend SE Oak Street from SE 165th to the existing "dead-end" just west of SE 167th using Green Street elements including pavement widening, storm treatment features, sidewalk and lighting. SDC is stormwater.

Justification: This project allows Boys and Girls Club and Open Meadow School to bring expanded youth services to Rockwood, as well as help renew and revitalize the Stark Street corridor, enhancing property values and attracting additional private investment. The extension of SE Oak Street is needed to enhance mobility and connectivity, to assure capacity and accessibility and to provide for a safe and efficient transportation system. This project supports the development of the property at the northeast corner of Stark & 165th.

Type of project: Construction and renovation of facilities and supporting public infrastructure.

Partner: Boys and Girls Club of Portland Metropolitan Area, Open Meadow School, other private development



Estimated Dollars:

Funds	Description	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Resources	Debt-SDC	60,000	0	0	0	0	0	60,000
	SDC	9,767	0	0	0	0	0	9,767
	Urban Renewal	116,925	12,000	0	0	0	0	128,925
Resources Total		**186,692**	**12,000**	**0**	**0**	**0**	**0**	**198,692**
Expenses	Design/Const Admin	10,000	0	0	0	0	0	10,000
	Construction	153,765	10,526	0	0	0	0	164,291
	Admin (14%)	22,927	1,474	0	0	0	0	24,401
Expenses Total		**186,692**	**12,000**	**0**	**0**	**0**	**0**	**198,692**

FUNDED PROJECT
Urban Renewal

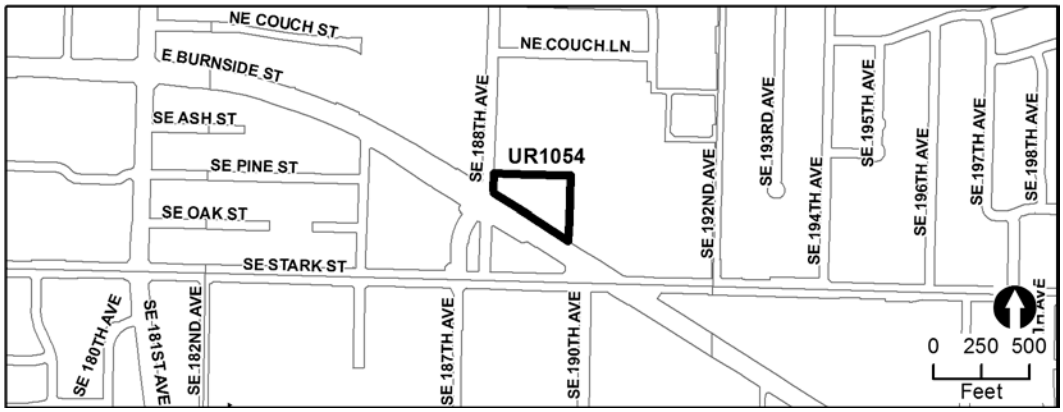
UR1054: Sunrise Site

Description: This project will cover capital costs associated with site redevelopment, including on-going maintenance prior to redevelopment. In September 2016, the Gresham Redevelopment Commission purchased the 0.59-acre Asia Kitchen Chinese Restaurant property at 18801 E. Burnside St. and the adjacent 1.40-acre Sunrise Community Center parcel at 18901 E. Burnside St. The purchase will ensure quality redevelopment in a manner consistent with the goals of the Rockwood-West Gresham Renewal Plan and the Commission, as well as complement redevelopment of the Commission's adjacent Rockwood Rising Catalyst Site. The parcels are located to the northeast of the Rockwood Rising Catalyst Site and immediately east of the Rockwood/E. 188th Ave. MAX light rail station and together, they constitute one of the largest sites in the Rockwood Town Center.

Justification: This project will complement the adjacent Rockwood Rising Catalyst Site and help renew and revitalize the Rockwood Town Center, making it more appealing to private investment.

Type of project: Construction and renovation of facilities and supporting utilities.

Partner: Private development.



Estimated Dollars:

Funds	Description	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	Total
Resources	Urban Renewal	0	50,000	0	1,000,000	0	0	1,050,000
Resources Total		**0**	**50,000**	**0**	**1,000,000**	**0**	**0**	**1,050,000**
Expenses	Design/Const Admin	0	0	0	0	0	0	0
	Construction	0	43,860	0	1,000,000	0	0	1,043,860
	Admin (3%)	0	6,140	0	0	0	0	6,140
Expenses Total		**0**	**50,000**	**0**	**1,000,000**	**0**	**0**	**1,050,000**

Carryover Projects

Budgets for the Capital Improvement Program (CIP) projects are based on construction schedules put in place the previous fall. By spring, it is sometimes necessary to adjust the schedule for projects if they have been delayed by weather or other factors. Projects within the CIP that have not been completed by March are included in a listing of carryovers to be rebudgeted for the following fiscal year. This ensures that appropriations are available during the busy summer construction period. The appropriations are adjusted again in late summer, once the year-end accounting is complete, to eliminate unnecessary carryovers.

Listings of the requested CIP projects to be carried over to the 2017/18 fiscal year are included in the following tables. The total amount requested is $44,437,671. Totals by fund are as follows:

Wastewater Collection & Treatment Plant	$ 9,241,651
Water	8,779,046
Transportation	10,730,761
Footpaths & Bikeways	1,968,373
Parks, Trails & Open Space	861,392
Stormwater	4,194,873
Urban Renewal	8,661,575
Total	$ 44,437,671

CARRYOVER PROJECTS SUMMARY
Urban Renewal

		Project Budget Consists of			Project Funding Consists of				
Project	Project Name	Carryover from FY16/17	New FY17/18	Total Project Budget for FY17/18	Grant	Urban Renewal	Streetlight	SDC	Debt-SDC
UR1043	Catalyst Site	4,126,902	4,275,000	8,401,902	0	8,401,902	0	0	0
UR1047	Sandy Boulevard Improvements	4,384,764	1,517,941	5,902,705	3,191,331	800,000	50,000	175,000	1,686,374
UR1053	Stark Street Property Redevelopment	149,909	12,000	161,909	0	101,909	0	0	60,000
UR1054	Sunrise Site	0	50,000	50,000	0	50,000	0	0	0
Grand Total		**8,661,575**	**5,854,941**	**14,516,516**	**3,191,331**	**9,353,811**	**50,000**	**175,000**	**1,746,374**
		=			=				
	Total Budget for FY17/18	**14,516,516**			**14,516,516**				