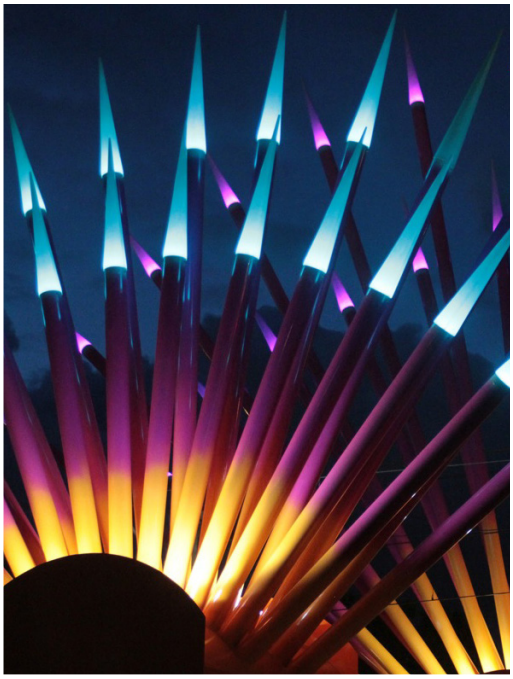
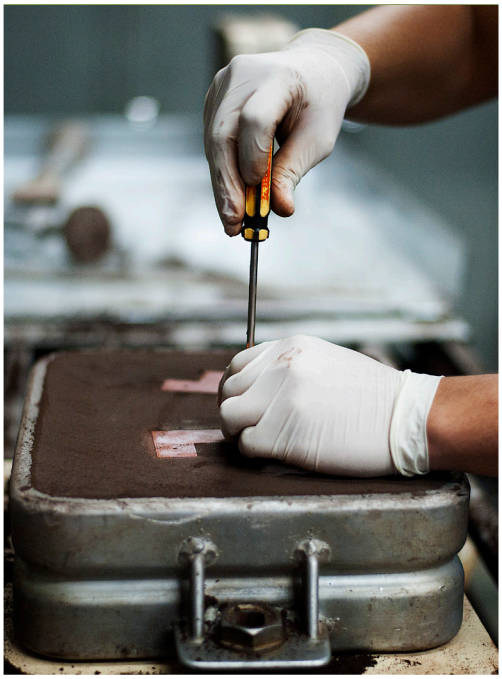
GRESHAM
REDEVELOPMENT COMMISSION

CITY OF
GRESHAM
OREGON

ADOPTED BUDGET

FISCAL YEAR
2016/17





ROCKWOOD-WEST GRESHAM URBAN RENEWAL AREA

GRESHAM
REDEVELOPMENT COMMISSION

Adopted Budget for Fiscal Year 2016/17

for the

Rockwood-West Gresham Urban Renewal Area

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TABLE OF CONTENTS

Budget Message Fiscal Year 2016/17 1

Fiscal Year 2016/17 Property Tax Projection 7

Budget Development Process 9

Gresham Redevelopment Commission Work Plan 11

Rockwood-West Gresham Urban Renewal Area Map 12

ADOPTED BUDGET FISCAL YEAR 2016/17

Fiscal Year 2016/17 Budget Summary 13

Resources and Requirements - All Funds 14

Resources and Requirements - Fund 950: Rockwood UR Capital Projects Fund 15

Resources and Requirements – Fund 951: Rockwood UR Debt Service Fund 18

CAPITAL IMPROVEMENT PROGRAM FISCAL YEARS 2016/17 TO 2020/21: URBAN RENEWAL FUNDED PROJECTS

Funded Projects Overview and Highlights 22

Urban Renewal Expenditure Graph by Fiscal Year 23

Urban Renewal Funded Summary 24

Urban Renewal Funded Summary by Resource 25

Urban Renewal Funded Resource Detail 26

Funded Project UR1043: Catalyst Site 27

Funded Project UR1047: Sandy Boulevard Street Improvements 28

Funded Project UR1053: Stark Street Property Redevelopment 29

Carryover Projects 30

Carryover Projects Summary 31

BUDGET MESSAGE

FISCAL YEAR 2016/17

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) 2016/17 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 2016 Work Plan and the FY 2016/17 - 2020/21 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 2015/16 Highlights
Highlights of significant project and program accomplishments of FY 2015/16 are provided below.

<u>Catalyst Site</u>

- Held several forums on starting a small business in Rockwood with multiple partners. Developed a list of approximately 60 interested parties looking to start or expand small businesses on the site;
- Continued tenant recruitment for the project, with positive feedback and several applications from prospective tenants;
- Issued a Request for Expressions of Interest (RFEI) for development of the site. Received three strong submittals from qualified developers: selected RKm Development to partner with the GRDC to build the project;
- Negotiated a Memorandum of Understanding with the developer to begin design work on the project, and are in the process of negotiating a binding development agreement;
- 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;
- Met with over a dozen lenders and New Market Tax Credit investors to solicit interest in providing capital to the project;
- Presented project to a variety of community groups, including Rockwood Neighborhood Association, Wilkes East Neighborhood Association, Gresham Area Chamber of Commerce, East Metro Economic Alliance, Rockwood Business Coalition, the Gresham Planning & Design Commissions, and others;
- Completed design and entitlements for renovation of the Rockwood Community Office building.

Stark Street

- Completed the sale of a portion of the former Drake's 7 Dees Garden Center & Landscaping site to Open Meadow Alternative Schools, Inc., an alternative school serving youth in grades 7-12, which will build a new 22,000-square-foot school in conjunction with Boys & Girls Clubs of Portland Metropolitan Area: site is currently under construction;
- Continued coordination with Boys & Girls Clubs on their portion of the site: groundbreaking expected early summer 2016;
- Negotiated right-of-way agreement with Open Meadow to build new Oak Street right-of-way through the project: street is scheduled to start construction in April;
- Held discussions and hosted site tours with several parties interested in acquiring the remaining parcel.

Economic Development Grants

- $124,185 in grants leveraged $5,068,174 in private investment.

Other Successes

- Awarded an acquisition loan of $400,000 to Rockwood Community Development Corporation to help them acquire the former Black Cat Cantina site (now known as the Sunrise Center): also participated in three lender open houses that resulted in Rockwood CDC obtaining a $1 million loan from M Bank for the balance of the acquisition costs;
- Hosted the first full season of the Rockwood Farmers' Market and the My Street Grocery mobile trolley on the Catalyst Site;
- Completed work with Moody's to develop the GRDC's first bond rating. Based on a successful rating of A2, the GRDC was able to issue its own debt for the first time. This debt was purchased by the City as an investment, resulting in favorable terms for both parties.

Revenue Trends

Urban renewal tax revenue repays debt for new capital projects and programs in the URA. Overall, tax increment revenue has been significantly less than anticipated to date in the URA. This shortfall is due to the effects of the Great Recession, and what is starting to be suspected as the "new normal" economic growth pattern.

The current tax revenue forecast for FY 2016/17 is $4.1 million, which is an increase over the current year's revenue forecast of approximately eight percent. The assessed value of the area should grow approximately three percent. These percentages are in the range of an ordinary pattern of growth, positively affecting the urban renewal tax collections.

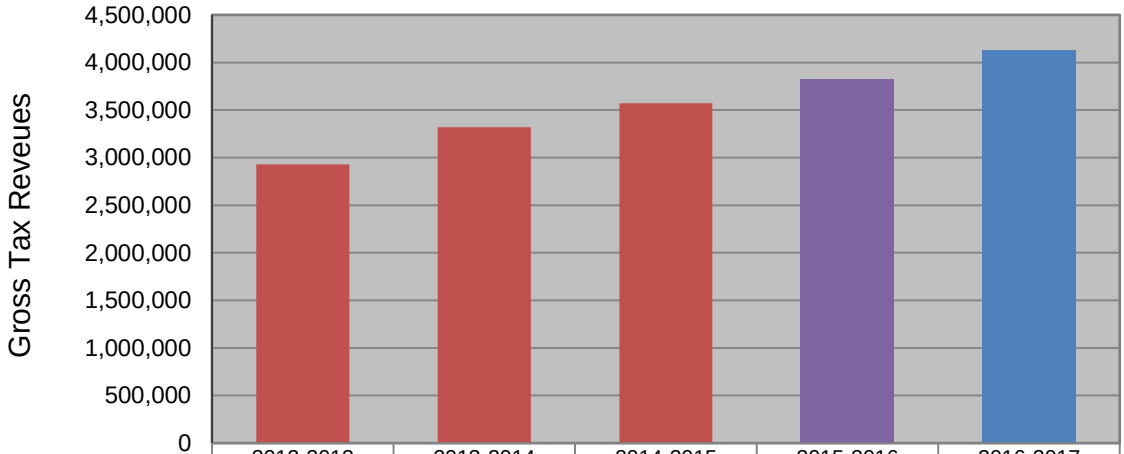
Projected new construction adding assessed value to the URA in FY 2015/16, in addition to normal assessed value growth, accounts for this level of collections. Expected tax revenue growth is higher when significant new capital-intensive investments are adding to the ordinary assessed value growth in the URA.

Barring the unexpected, taxable value should continue to expand by around three percent a year into the future. This projection contrasts with the robust growth originally projected for the URA. While we

could certainly point to continued fallout from the Great Recession or more localized economic factors as the reason, this economic growth pattern is widespread and might be considered the new normal.

(Chart A)

Rockwood-West Gresham Urban Renewal Area
Property Tax Revenues



	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
County Certified Property Taxes (Current & Delinquent)	0	0	0	3,826,138	0
Actual Property Taxes	2,929,171	3,318,592	3,571,531	0	0
Projected Property Taxes	0	0	0	0	4,126,914

Therefore, the growth of new taxable assessed value in the URA remains relatively constrained in comparison to the previous decade.

Fiscal Year 2016/17 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. $10.4 million in resources are available for the Capital Projects Fund and approximately $13.4 million is available for the Debt Service Fund.

<u>Fund 950: Rockwood UR Capital Project Fund</u>

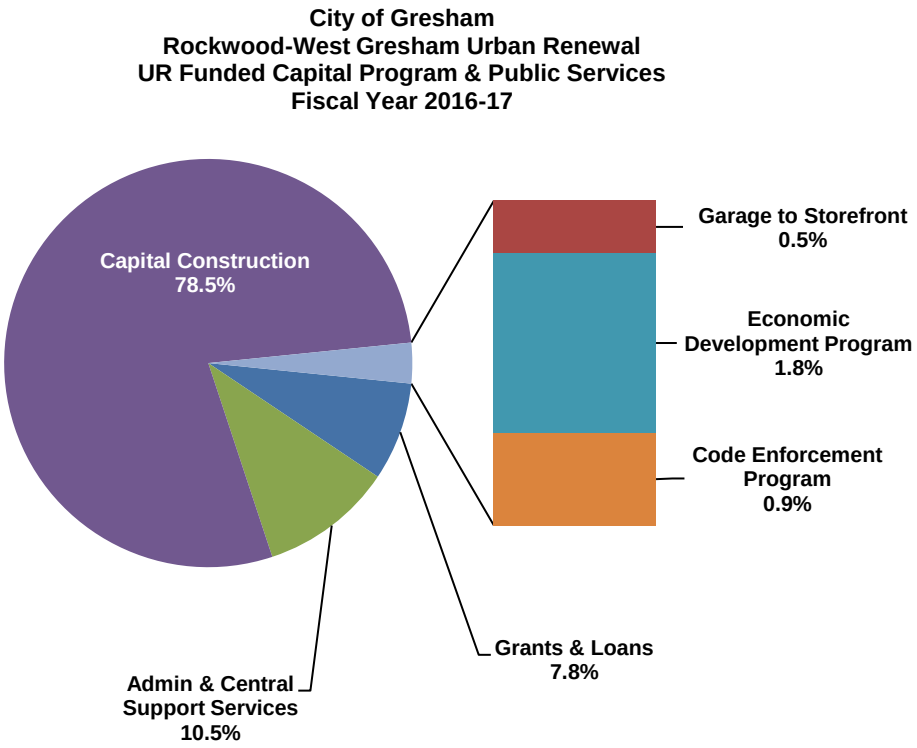
The Capital Projects Fund accounts for expenditures related to managing, designing, and constructing URA projects. All Urban Renewal expenditures except for debt service flow through Fund 950, including construction projects in the Capital Improvement Program, Urban Renewal grants, loans, debt refinancing,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

Total resources for Fund 950 are approximately $10.4 million. The resources consist of approximately $4.5 million in loan proceeds from GRDC issued debt, $5.8 million in estimated beginning fund balance carried forward from FY 2015/16, and $74,000 in minor revenues.

Expenditures for City contractual services are $2.3 million, expenditures for capital construction projects are $7.6 million.

A contingency of $500,000 is also included in this fund. An anticipated ending balance of $74,000 is expected. Total fund requirements are approximately $10.4 million.

(Chart B)



Capital Improvements

The Renewal Plan calls for capital projects within the URA to be included in the City's Capital Improvement Program (CIP). The CIP is a 5-year forecasted estimate that identifies major projects requiring the expenditure of public funds over and above routine operating expenses. 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 2016/17 capital projects in the City's CIP expenditures are approximately $11.4 million. This figure includes unfinished projects brought over (carryover) from the current FY to FY 2016/17. URA funded projects total approximately $7.6 million, with the Catalyst Site being the lion's share of URA funded projects. The other resources totaling approximately $3.8 million, primarily from a grant for Sandy Boulevard Improvements, comprise the remaining resources for construction 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.

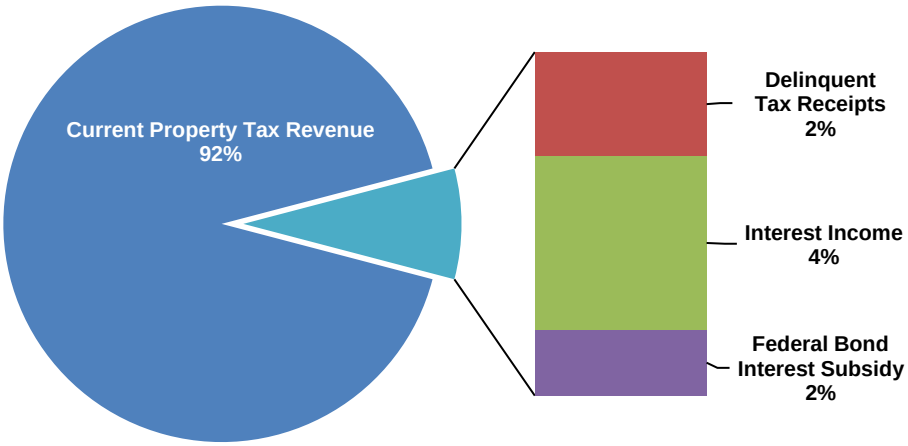
The budget includes funding for grant expenditures, including funds carried over to pay for awarded grant projects not yet complete from previous years.

City Contractual Services
City contractual expenses are approximately $2.3 million. A limited-term position to address support needs related to increased project activity is included in the budget. $800,000 is allocated for grants, garage to storefront, and the re-appropriation of an acquisition loan of $400,000 to the Rockwood CDC.

Fund 951: Rockwood UR Debt Service Fund
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. The GRDC uses a mix of short and long-term debt to cover expenses.

(Chart C)

Rockwood-West Gresham Urban Renewal Area
Debt Service Resources
Fiscal Year 2016-17



The GRDC contracts with the City to obtain favorable loan terms. The city either guarantees GRDC debt to investors in the bond markets, or purchases GRDC debt instruments as city investments.

Expenditures from this fund pay the principal, interest, and debt issuance costs. Repayment of short-term contract debt of $2.7 million is included in the budget. Installment debt is about $3.7 million, equal to approximately 89% of tax and federal interest subsidy resources.

Total resources in this fund are $13.4 million. The budget anticipates approximately $4.1 million in property tax revenues, a federal bond interest subsidy of $68,600, and $180,500 in interest income with approximately $9.0 million in beginning fund balance.

In FY 2016/17, the GRDC will issue short and medium term financing to fund select construction projects and operating expenses. If issued, the City of Gresham will purchase these debt instruments for investment purposes. No installment debt is proposed to be issued in FY 2016/17.

The GRDC issued installment debt in FY 2009/10, and again in FY 2014/15, with a current annual installment debt service of approximately $3.7 million.

$6.9 million in unappropriated ending fund balance is reserved for future debt payments. Total fund requirements are $13.4 million.

Budget Document
As required by State law, the FY 2016/17 budget is balanced, meaning the projected resources are sufficient to meet allocated expenditures. Please note the six columns of data: 2016/17 Commission Proposed, 2016/17 Commission Approved, 2016/17 Commission Adopted, 2015/16 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 2016/17 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 2016/17 Property Tax Projection

2015/16 Tax Assessed Value Base and Growth

	AMOUNT	EXPLANATION
URA Frozen Base TAV	$ 437,507,294	
URA Incremental TAV Current Fiscal Year 2015/16	$ 250,742,002	
URA Total Taxable Assessed Value as of 2015/16	**$ 688,249,296**	**From Multnomah County Tax Assessor**

Projected Growth in Tax Assessed Value

URA Incremental TAV 2015/16	$ 250,742,002	
Normal Growth in TAV 2016/17	$ 10,077,045	Estimated at 2.85%
Estimated New Development TAV 2016/17	$ 9,549,539	Based on an estimate for known projects from Permit Records
Projected Incremental TAV 2016/17	**$ 270,368,586**	

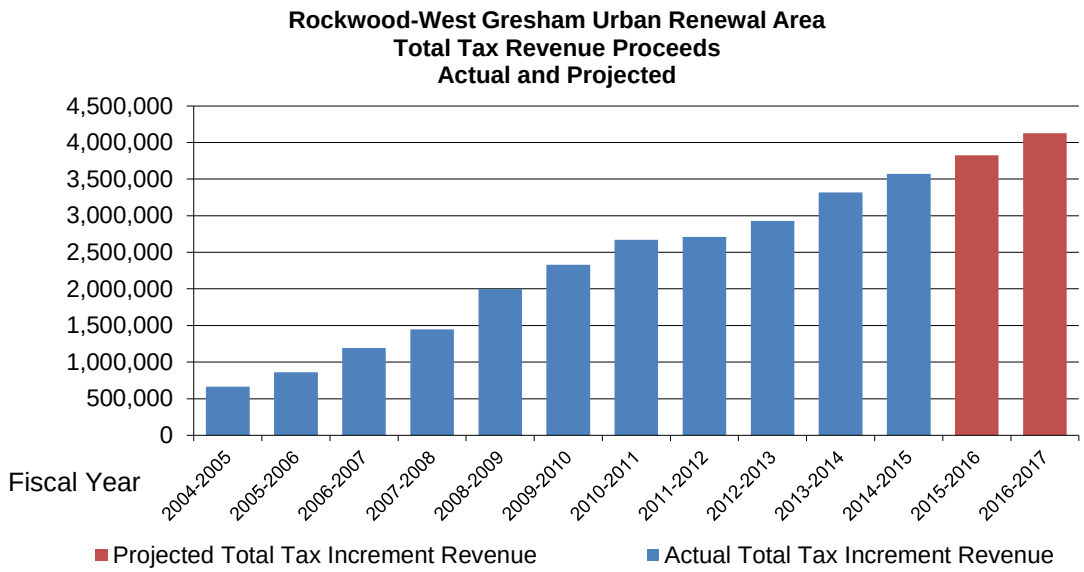
2016/17 Tax Assessed Value Base and Growth

URA Frozen Base TAV	$ 437,507,294	
Projected Incremental TAV 2016/17	$ 270,368,586	
URA Total Estimated Taxable Assessed Value as of 2016/17	**$ 707,875,880**	**Forecast**

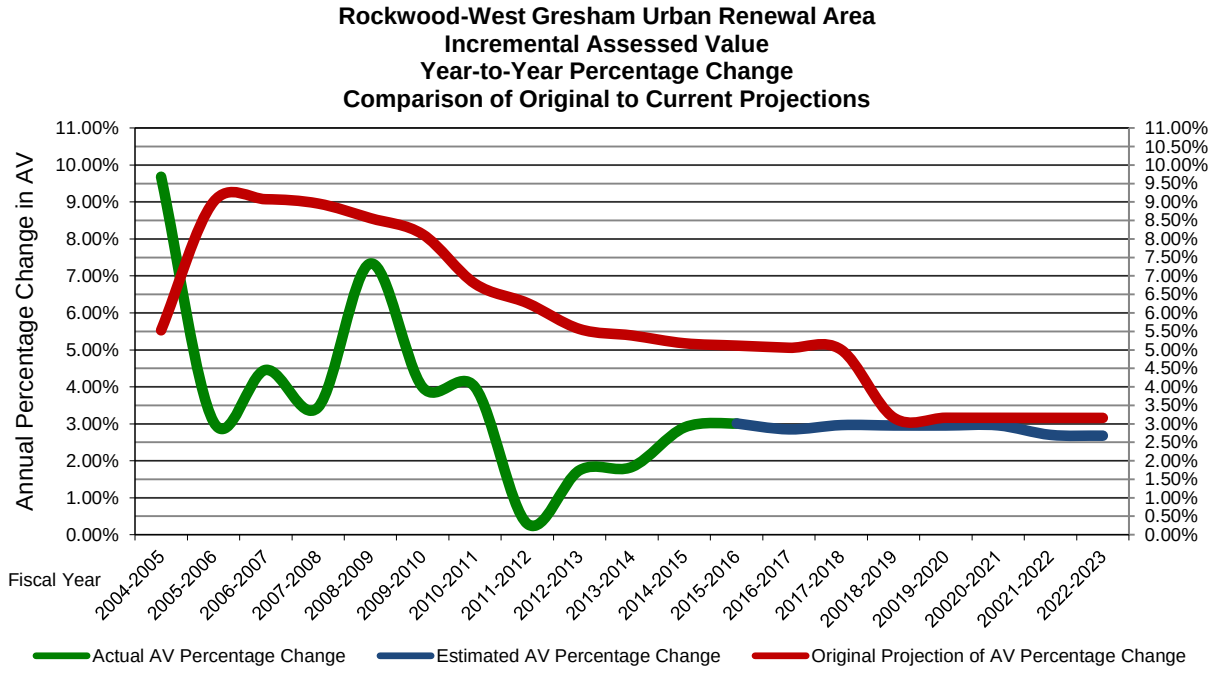
Projected URA Tax Revenue

Projected URA Tax Rate	$ 15.75	
Calculated URA Tax (before Adjustments)	$ 4,256,980	
Less: Discounts and Delinquencies	$ (238,391)	Uncollected taxes estimated as a Percent of Tax
Plus: Delinquent Collections and Penalties	$ 108,324	A projection based on a percent of the average actual collections, plus interest penalty
Projected URA Tax Revenue 2016/17	**$ 4,126,914**	

Legend
URA = Rockwood-West Gresham Urban Renewal Area
TAV = URAs Taxable Assessed Value



The noticeable uptick in development activity in the Rockwood-West Gresham Urban Renewal Area (URA) that kicked off in fiscal year 2014/15 continues. Fiscal year 2015/16 and 2016/17 resources are expected to maintain an upward trend from fiscal year 2014/15 of real growth from both an increase in assessed value of existing and new properties coming on the rolls. Tax proceeds languished starting in fiscal year 2010/11, due to flattening and declining assessed values in combination with little new property assessed value growth. Fiscal years 2012/13 and 2013/14 would have shown a similarly reduced activity level except for the effects of a change in assessment method for certain industrial property, which had a positive effect in fiscal year 2012/13, and the creation of the Multnomah County Library District, which resulted in an increased tax rate for the URA for fiscal year 2013/14. These economic stagnations were caused by the aftereffects of the Great Recession, which lingered stubbornly in the URA area. In the current fiscal year 2015/16, additional resources from new construction have materialized. This trend is expected to continue through fiscal year 2016/17, as demonstrated on the chart above. Early projections indicate activity in fiscal year 2017/18 likely will continue this trend.



The developing new trend of assessed value growth of around three percent (see blue line above) might be interpreted as continued stagnation when compared to the assessed value changes occurring before the Great Recession (see green line above). However, an alternative hypothesis is the explosive growth before the Great Recession might have been fueled by capital spending, productivity improvements, and infusions of private and public debt. This “new normal” trend in economic growth might be an indication of economic growth without these economic boosters.

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*

- 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.

2016 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 2016 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

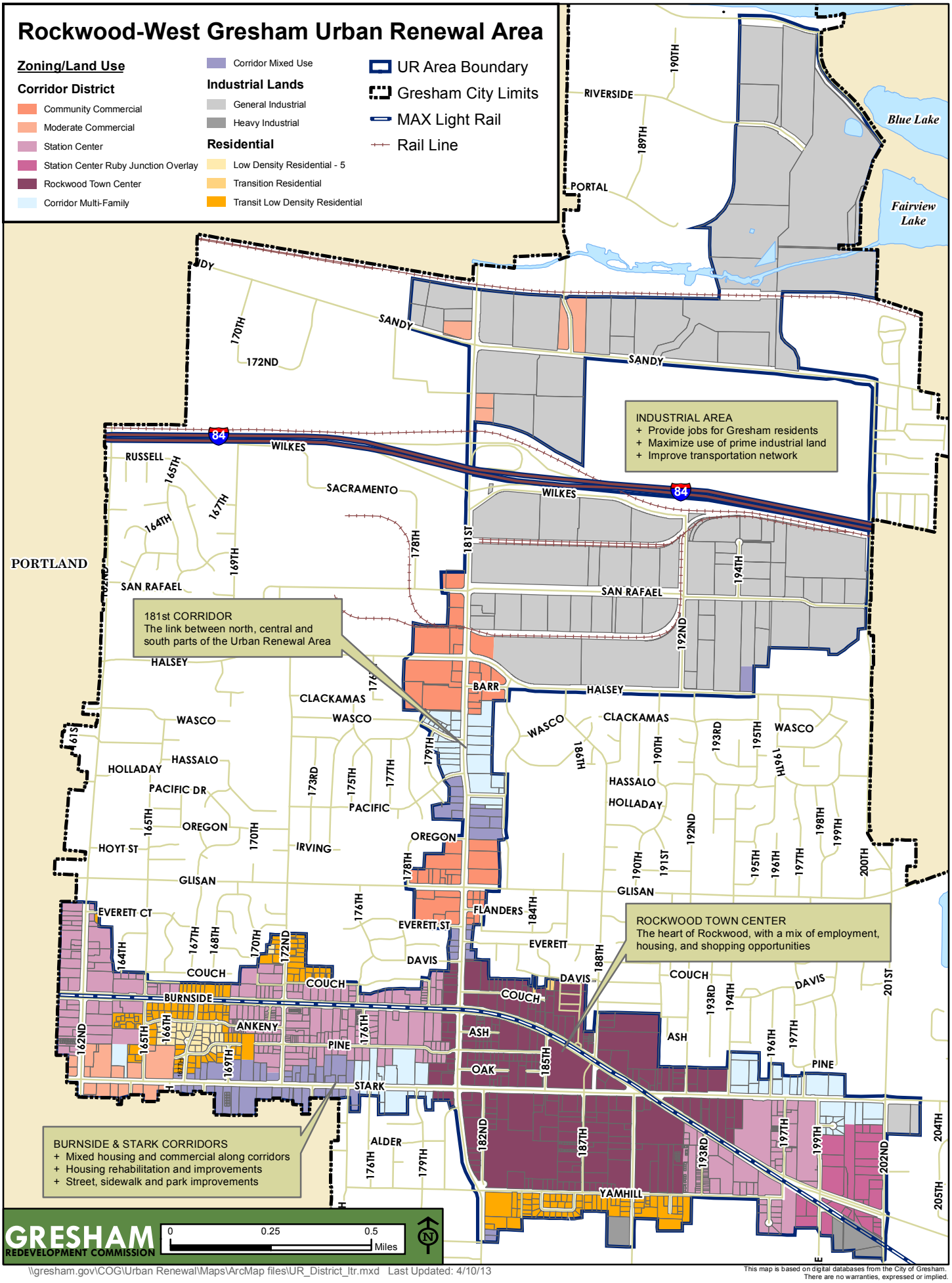
Zoning/Land Use

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 REDEVELOPMENT COMMISSION

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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 2016/17

	FY 2016/17 Appropriations
Rockwood UR Capital Proj. Fund	
Urban Renewal District	9,872,500
Contingency	500,000
Total Rockwood UR Capital Proj. Fund Appropriation	*10,372,500*
Unappropriated	73,850
Total Rockwood UR Capital Proj. Fund Requirements	**10,446,350**
Rockwood UR Debt Service Fund	
Debt Service	6,431,200
Total Rockwood UR Debt Service Fund Appropriation	*6,431,200*
Unappropriated	6,966,100
Total Rockwood UR Debt Service Fund Requirements	**13,397,300**
FY 2016/17 Budget in Aggregate:	**23,843,650**

Resources and Requirements All Funds

	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Comm. Proposed	2016/17 Comm. Approved	2016/17 Comm. Adopted
Resources						
Taxes	3,318,592	3,571,531	4,019,700	4,127,000	4,127,000	4,127,000
Intergovernmental Revenue	94,471	86,058	77,500	68,600	68,600	68,600
Charges for Services	47,821	58,292	33,400	59,500	59,500	59,500
Interest Income	81,426	101,526	188,500	194,700	194,700	194,700
Miscellaneous Income	0	0	0	0	0	0
Other Resources	4,683,500	12,957,842	6,963,630	4,511,000	4,511,000	4,511,000
Beginning Balance	8,083,210	7,757,485	9,425,700	14,882,850	14,882,850	14,882,850
Total Resources	16,309,020	24,532,734	20,708,430	23,843,650	23,843,650	23,843,650
Requirements						
Urban Renewal District	5,252,000	8,809,567	6,963,630	9,872,500	9,872,500	9,872,500
Total Operations	5,252,000	8,809,567	6,963,630	9,872,500	9,872,500	9,872,500
Contingency	0	0	250,000	500,000	500,000	500,000
Debt Service	3,299,535	1,969,011	8,172,200	6,431,200	6,431,200	6,431,200
Unappropriated	7,757,485	13,754,156	5,322,600	7,039,950	7,039,950	7,039,950
Total Non-operating	11,057,020	15,723,167	13,744,800	13,971,150	13,971,150	13,971,150
Total Requirements	16,309,020	24,532,734	20,708,430	23,843,650	23,843,650	23,843,650

Resources and Requirements By Fund

Resources	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Commission Proposed	2016/17 Commission Approved	2016/17 Commission Adopted
950 Rockwood UR Capital Proj. Fund						
Charges for Services	47,821	58,292	33,400	59,500	59,500	59,500
Interest Income	3,298	8,422	20,200	14,200	14,200	14,200
Loan Proceeds	4,683,500	12,957,842	6,963,630	4,511,000	4,511,000	4,511,000
Beginning Balance	1,473,223	955,842	1,011,900	5,861,650	5,861,650	5,861,650
Total Rockwood UR Capital Proj. Fund	6,207,842	13,980,398	8,029,130	10,446,350	10,446,350	10,446,350

Requirements						
Urban Renewal District	5,252,000	8,809,567	6,963,630	9,872,500	9,872,500	9,872,500
Total	5,252,000	8,809,567	6,963,630	9,872,500	9,872,500	9,872,500
Contingency	0	0	250,000	500,000	500,000	500,000
Unappropriated	955,842	5,170,831	815,500	73,850	73,850	73,850
Total	955,842	5,170,831	1,065,500	573,850	573,850	573,850
Total Rockwood UR Capital Proj. Fund	6,207,842	13,980,398	8,029,130	10,446,350	10,446,350	10,446,350

Resources

	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Commission Proposed	2016/17 Commission Approved	2016/17 Commission Adopted
FUND: Rockwood UR Capital Proj. Fund						
Charges for Services						
Miscellaneous	47,821	58,292	33,400	59,500	59,500	59,500
TOTAL Charges for Services	47,821	58,292	33,400	59,500	59,500	59,500
Miscellaneous Income						
Investment Interest	3,298	8,422	20,200	14,200	14,200	14,200
TOTAL Miscellaneous Income	3,298	8,422	20,200	14,200	14,200	14,200
Other Resources						
Loan Proceeds	0	12,957,842	0	0	0	0
Taxable - Line of Credit	1,043,500	0	1,717,630	2,276,100	2,276,100	2,276,100
Tax Exempt-Line of Credit	3,640,000	0	5,246,000	2,234,900	2,234,900	2,234,900
Beginning Balance	1,473,223	955,842	1,011,900	5,861,650	5,861,650	5,861,650
TOTAL Other Resources	6,156,723	13,913,684	7,975,530	10,372,650	10,372,650	10,372,650
Total Rockwood UR Capital Proj.	6,207,842	13,980,398	8,029,130	10,446,350	10,446,350	10,446,350

Requirements

	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Commission Proposed	2016/17 Commission Approved	2016/17 Commission Adopted
Fund: Rockwood UR Capital Proj. Fund						
OPERATIONS						
Prof and Tech Services						
City contractual services	881,000	822,000	1,717,630	2,275,900	2,275,900	2,275,900
City Construction Service	4,371,000	354,000	5,246,000	7,596,600	7,596,600	7,596,600
City Debt Refinancing	0	7,633,567	0	0	0	0
Total Prof and Tech Services	5,252,000	8,809,567	6,963,630	9,872,500	9,872,500	9,872,500
Unappropriated						
Unappropriated	955,842	5,170,831	815,500	73,850	73,850	73,850
Total Unappropriated	955,842	5,170,831	815,500	73,850	73,850	73,850
Contingency						
Contingency	0	0	250,000	500,000	500,000	500,000
Total Contingency	0	0	250,000	500,000	500,000	500,000
Total Rockwood UR Capital Proj.	6,207,842	13,980,398	8,029,130	10,446,350	10,446,350	10,446,350

Resources and Requirements By Fund

Resources	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Commission Proposed	2016/17 Commission Approved	2016/17 Commission Adopted
951 Rockwood UR Debt Service Fund						
Taxes	3,318,592	3,571,531	4,019,700	4,127,000	4,127,000	4,127,000
Intergovernmental Revenue	94,471	86,058	77,500	68,600	68,600	68,600
Interest Income	78,128	93,104	168,300	180,500	180,500	180,500
Beginning Balance	6,609,987	6,801,643	8,413,800	9,021,200	9,021,200	9,021,200
Total Rockwood UR Debt Service Fund	10,101,178	10,552,336	12,679,300	13,397,300	13,397,300	13,397,300

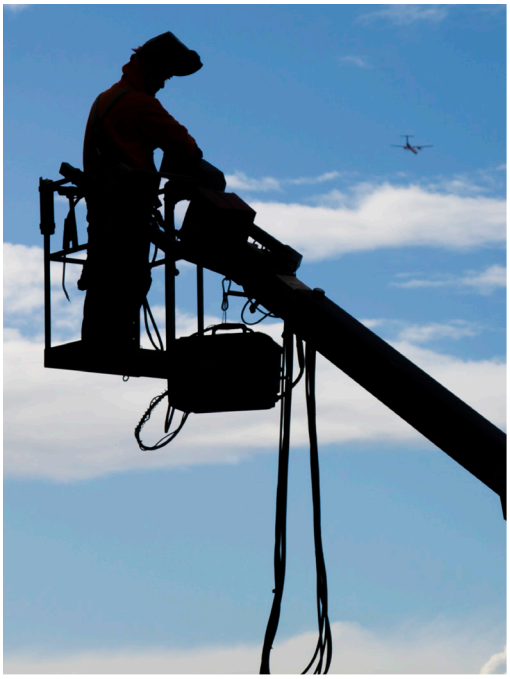
Requirements						
Debt Service	3,299,535	1,969,011	8,172,200	6,431,200	6,431,200	6,431,200
Unappropriated	6,801,643	8,583,325	4,507,100	6,966,100	6,966,100	6,966,100
Total	10,101,178	10,552,336	12,679,300	13,397,300	13,397,300	13,397,300
Total Rockwood UR Debt Service Fund	10,101,178	10,552,336	12,679,300	13,397,300	13,397,300	13,397,300

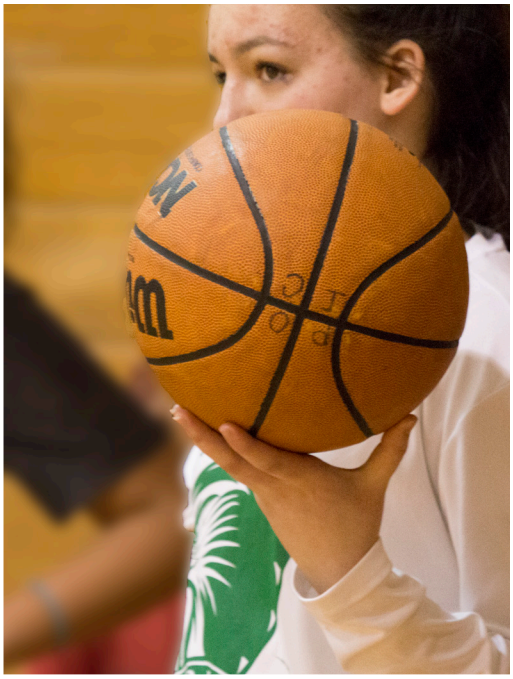
Resources

	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Commission Proposed	2016/17 Commission Approved	2016/17 Commission Adopted
FUND: Rockwood UR Debt Service Fund						
Taxes						
Current	3,229,069	3,482,326	3,899,100	4,018,600	4,018,600	4,018,600
Delinquent	85,296	86,663	120,100	107,900	107,900	107,900
Interest	551	310	500	500	500	500
Tax Title Land Sales	3,676	2,232	0	0	0	0
TOTAL Taxes	3,318,592	3,571,531	4,019,700	4,127,000	4,127,000	4,127,000
Intergovernmental Revenue						
Federal interest subsidy	94,471	86,058	77,500	68,600	68,600	68,600
TOTAL Intergovernmental Revenue	94,471	86,058	77,500	68,600	68,600	68,600
Miscellaneous Income						
Investment Interest	78,128	93,104	168,300	180,500	180,500	180,500
TOTAL Miscellaneous Income	78,128	93,104	168,300	180,500	180,500	180,500
Other Resources						
Beginning Balance	6,609,987	6,801,643	8,413,800	9,021,200	9,021,200	9,021,200
TOTAL Other Resources	6,609,987	6,801,643	8,413,800	9,021,200	9,021,200	9,021,200
Total Rockwood UR Debt Service	10,101,178	10,552,336	12,679,300	13,397,300	13,397,300	13,397,300

Requirements

	2013/14 Actual	2014/15 Actual	2015/16 Budget	2016/17 Commission Proposed	2016/17 Commission Approved	2016/17 Commission Adopted
Fund: Rockwood UR Debt Service Fund						
OPERATIONS						
Contracts						
Principal	1,300,000	0	4,500,000	2,500,000	2,500,000	2,500,000
Interest	52,672	33,000	136,400	178,700	178,700	178,700
Total Contracts	1,352,672	33,000	4,636,400	2,678,700	2,678,700	2,678,700
Bonds						
Principal	1,208,887	1,262,068	2,557,700	2,811,800	2,811,800	2,811,800
Interest	737,976	673,943	978,100	929,700	929,700	929,700
Sale Costs/Loan Fees	0	0	0	11,000	11,000	11,000
Total Bonds	1,946,863	1,936,011	3,535,800	3,752,500	3,752,500	3,752,500
Unappropriated						
Unappropriated	6,801,643	8,583,325	4,507,100	6,966,100	6,966,100	6,966,100
Total Unappropriated	6,801,643	8,583,325	4,507,100	6,966,100	6,966,100	6,966,100
Total Rockwood UR Debt Service	10,101,178	10,552,336	12,679,300	13,397,300	13,397,300	13,397,300





ADOPTED CAPITAL IMPROVEMENT PROGRAM

FISCAL YEARS 2016/17 TO 2020/21

CITY OF GRESHAM

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.

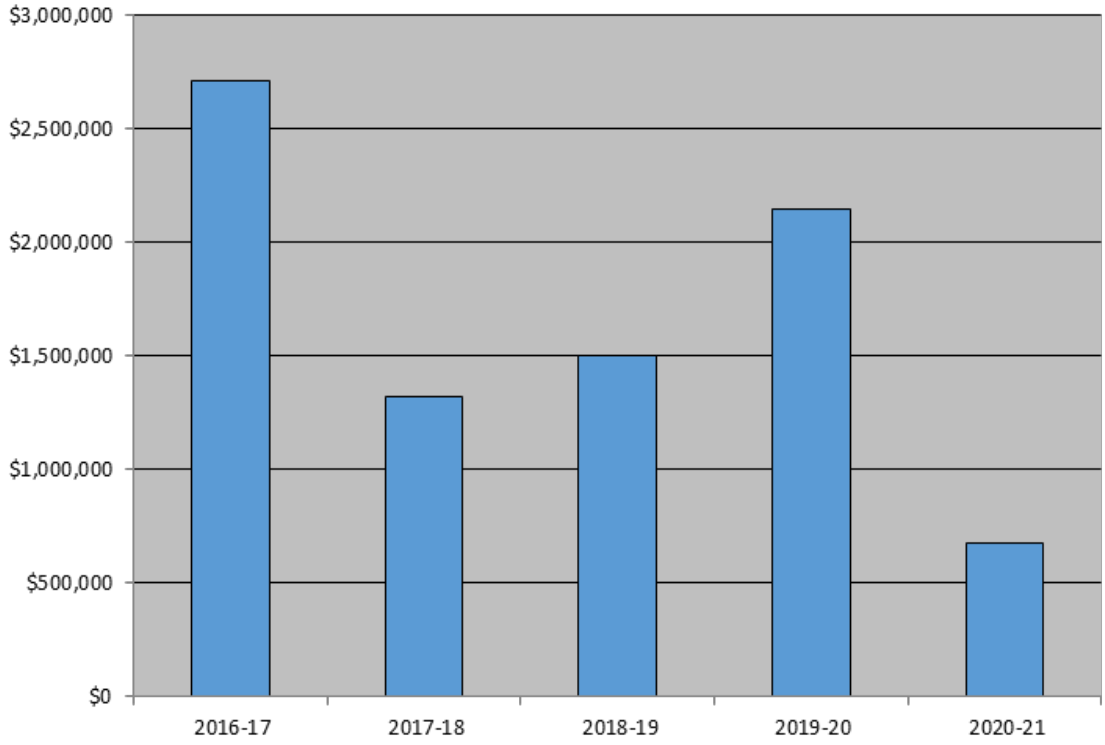
The following capital improvement projects implement the goals of the Rockwood-West Gresham Renewal Plan. To carry out the capital projects the GRDC entered into an agreement with the City of Gresham. This is why the URA projects are included in the City's CIP and are subject to the same review process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

Highlights

Funded capital improvement projects in FY 2016/17 include:

1. Continue to explore options for the development of the GRDC-owned Catalyst Site including the renovation of the GRDC-owned Rockwood Community Office Building (UR1043).
2. Leverage grant funding to improve and upgrade Sandy Boulevard, a major arterial in the industrial area (UR1047).
3. Improvements necessary to facilitate development of the Rockwood Boys and Girls Club and Open Meadow School at 16519 SE Stark Street, and to explore other development options on the remainder of the property (UR1053).

Urban Renewal Expenditure Graph by Fiscal Year



Urban Renewal Funded Summary								
Project	**Project Name**	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**Total**
UR1043	Catalyst Site	3,907,656	2,600,000	1,325,000	1,500,000	2,150,000	675,000	12,157,656
UR1047	Sandy Boulevard Improvements	4,444,000	0	0	0	0	0	4,444,000
UR1053	Stark Street Property Redevelopment	439,087	110,000	0	0	0	0	549,087
Grand Total		**8,790,743**	**2,710,000**	**1,325,000**	**1,500,000**	**2,150,000**	**675,000**	**17,150,743**

Urban Renewal Funded Summary by Resource							
Description	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**	**2020-21**	**Total**
Other	125,000	0	0	0	0	0	125,000
Debt-SDC	175,000	60,000	0	0	0	0	235,000
Grant	3,244,000	0	0	0	0	0	3,244,000
SDC	215,000	0	0	0	0	0	215,000
Streetlight	50,000	0	0	0	0	0	50,000
Urban Renewal	4,981,743	2,650,000	1,325,000	1,500,000	2,150,000	675,000	13,281,743
Grand Total	**8,790,743**	**2,710,000**	**1,325,000**	**1,500,000**	**2,150,000**	**675,000**	**17,150,743**

Urban Renewal Funded Resource Detail

Project	Project Name	Description	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total
UR1043	**Catalyst Site**	Urban Renewal	3,907,656	2,600,000	1,325,000	1,500,000	2,150,000	675,000	12,157,656
UR1043 Total			**3,907,656**	**2,600,000**	**1,325,000**	**1,500,000**	**2,150,000**	**675,000**	**12,157,656**
UR1047	**Sandy Boulevard Improvements**	Debt-SDC	175,000	0	0	0	0	0	175,000
		Grant	3,244,000	0	0	0	0	0	3,244,000
		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			**4,444,000**	**0**	**0**	**0**	**0**	**0**	**4,444,000**
UR1053	**Stark Street Property Redevelopment**	Debt-SDC	0	60,000	0	0	0	0	60,000
		Other	125,000	0	0	0	0	0	125,000
		SDC	40,000	0	0	0	0	0	40,000
		Urban Renewal	274,087	50,000	0	0	0	0	324,087
UR1053 Total			**439,087**	**110,000**	**0**	**0**	**0**	**0**	**549,087**
Grand Total			**8,790,743**	**2,710,000**	**1,325,000**	**1,500,000**	**2,150,000**	**675,000**	**17,150,743**

FUNDED PROJECT
Urban Renewal

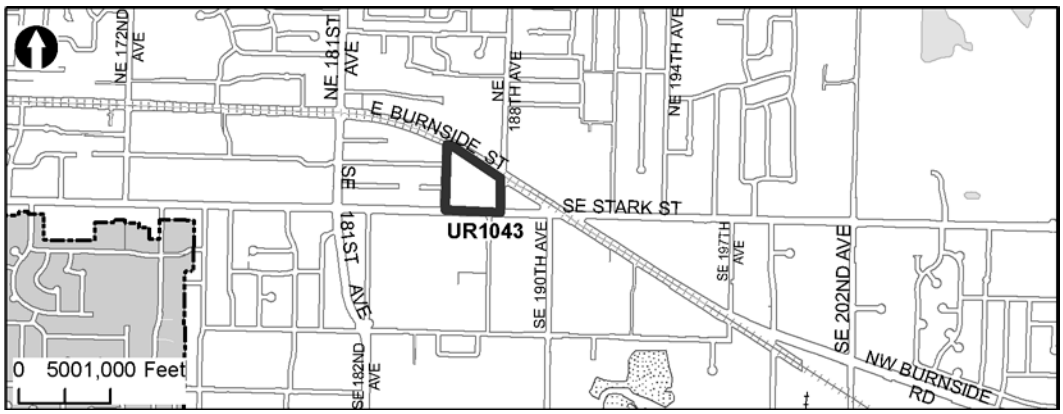
UR1043: Catalyst Site

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	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total
Resources	Urban Renewal	3,907,656	2,600,000	1,325,000	1,500,000	2,150,000	675,000	12,157,656
Resources Total		**3,907,656**	**2,600,000**	**1,325,000**	**1,500,000**	**2,150,000**	**675,000**	**12,157,656**
Expenses	Design/Const Admin	390,700	150,000	132,500	150,000	215,000	67,500	1,105,700
	Construction	3,403,141	2,406,311	1,153,908	1,306,311	1,872,379	587,840	10,729,890
	Admin (3%)	113,815	43,689	38,592	43,689	62,621	19,660	322,066
Expenses Total		**3,907,656**	**2,600,000**	**1,325,000**	**1,500,000**	**2,150,000**	**675,000**	**12,157,656**

FUNDED PROJECT
Urban Renewal

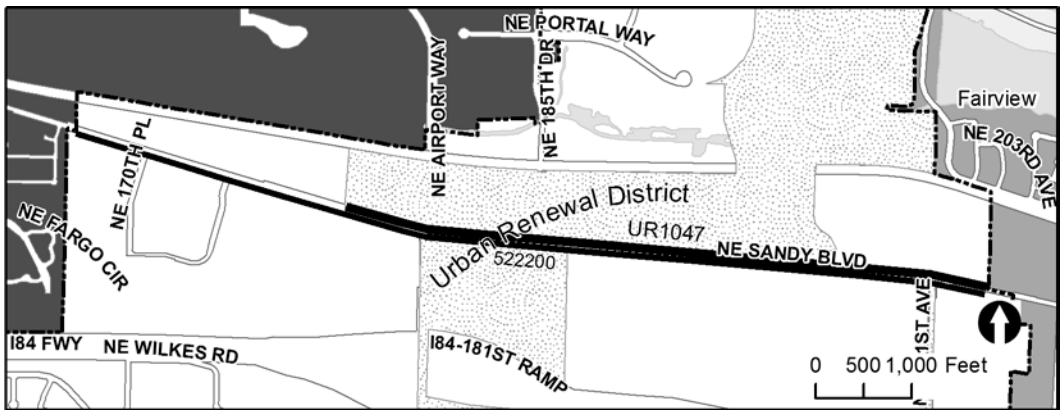
UR1047: Sandy Boulevard Street Improvements

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	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total
Resources	Debt-SDC	175,000	0	0	0	0	0	175,000
	Grant	3,244,000	0	0	0	0	0	3,244,000
	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		**4,444,000**	**0**	**0**	**0**	**0**	**0**	**4,444,000**
Expenses	Design/Const Admin	711,695	0	0	0	0	0	711,695
	Construction	3,597,217	0	0	0	0	0	3,597,217
	Admin (14%)	135,088	0	0	0	0	0	135,088
Expenses Total		**4,444,000**	**0**	**0**	**0**	**0**	**0**	**4,444,000**

FUNDED PROJECT
Urban Renewal

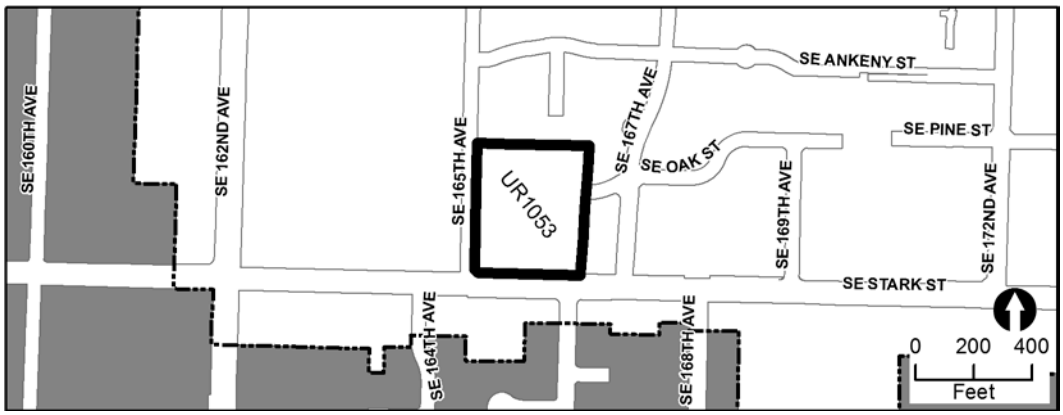
UR1053: Stark Street Property Redevelopment

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 are expected to occupy approximately 75% of the property, and the remainder will be redeveloped by the Commission at a later date. Current planned improvements will 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. Potential additional investment from private development may increase the scope of improvements. SDC is stormwater.

Justification: This project will allow 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	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	Total
Resources	Other	125,000	0	0	0	0	0	125,000
	Debt-SDC	0	60,000	0	0	0	0	60,000
	SDC	40,000	0	0	0	0	0	40,000
	Urban Renewal	274,087	50,000	0	0	0	0	324,087
Resources Total		**439,087**	**110,000**	**0**	**0**	**0**	**0**	**549,087**
Expenses	Design/Const Admin	46,164	10,000	0	0	0	0	56,164
	Construction	339,000	86,491	0	0	0	0	425,491
	Admin (14%)	53,923	13,509	0	0	0	0	67,432
Expenses Total		**439,087**	**110,000**	**0**	**0**	**0**	**0**	**549,087**

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 2016/17 fiscal year are included in the following tables. The total amount requested is $40,883,171. Totals by fund are as follows:

Wastewater Collection & Treatment Plant	$ 9,885,340
Water	3,868,037
Transportation	9,518,558
Footpaths & Bikeways	1,395,083
Parks, Trails & Open Space	1,092,658
Stormwater	6,411,924
* Urban Renewal	8,711,571
Total	$ 40,883,171

CARRYOVER PROJECTS SUMMARY
Urban Renewal

		Project Budget Consists of			Project Funding Consists of					
Project	Project Name	Carryover from FY15/16	New FY16/17	Total Project Budget for FY16/17	Grant	Urban Renewal	Streetlight	SDC	Debt-SDC	Other
UR1043	Catalyst Site	3,872,463	2,600,000	6,472,463	0	6,472,463	0	0	0	0
UR1047	Sandy Boulevard Improvements	4,443,755	0	4,443,755	3,244,000	800,000	50,000	175,000	174,755	0
UR1053	Stark Street Property Redevelopment	395,353	110,000	505,353	0	324,087	0	40,000	60,000	81,266
Grand Total		**8,711,571**	**2,710,000**	**11,421,571**	**3,244,000**	**7,596,550**	**50,000**	**215,000**	**234,755**	**81,266**
		=			=					
	Total Budget for FY16/17	**11,421,571**			**11,421,571**					

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