Warrenton Urban Renewal Workshop

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Background

- Area has significantly overperformed
- TIF revenues over projects allowed for formal debt to be incurred earlier than expected
- MI will essentially be reached by FYE 2020
- From 2020 on Area will no longer complete projects and will only pay debt service

Types of Amendments

- Minor Amendments
  - Project Updates
  - Remove some types of outdated language
- Substantial Amendments
  - Any Maximum Indebtedness Increase

What is being considered

- A general cleanup of the Urban Renewal Plan and Report
  - Adding new projects that have become priorities
  - Removing projects originally in the Plan that are no longer priorities
- A substantial amendment to increase Maximum Indebtedness

Increasing Maximum Indebtedness, How Much?

- There are two levels of Maximum Indebtedness (MI) increase, each requiring different levels of approval from overlapping taxing districts
  - Increase is <= 20% of original MI as adjusted for inflation – no need for taxing district approval
  - Increase is > 20% of original MI as adjusted for inflation – a special kind of taxing district approval called "Concurrence" is required. Concurrence is explained further on the next slide.

Concurrence

- Concurrence is the approval of taxing districts making up 75% of the permanent rate levy, meaning that the higher your permanent rate the more your vote counts for. The chart below shows two ways Warrenton can achieve concurrence in a substantial amendment.

Jurisdiction Name	Rate	Percent of Perm Rate Levy
Clatsop County	1.5338	16.59%
Port of Astoria	0.1256	1.36%
Clatsop 4H & Extension	0.0534	0.58%
Sunset Empire Transportation	0.162	1.75%
Clatsop Care Center	0.1763	1.91%
City of Warrenton	1.6701	18.07%
Warrenton-Hammond School District #	4.5902	49.66%
NW Regional ESD	0.1538	1.66%
Clatsop Community College	0.7785	8.42%
Total	9.2437	100.00%

A combination of either:
School District + City + County
(84.32%)
or
School District + City + Community College
(76.15%)
is enough taxing district approval for concurrence.

The Financials in the MI Decision

FYE 2019 Projects Fund Balances		
Total Resources		$ 1,695,509
Current Projects in Finance Plan		
Total Expenditures		$ (1,216,430)
Remaining Resources (not counted against MI)		$ 350,000
Remaining Resources (counted against MI)		$ 129,079
Remainging MI Authority (2020 and beyond)		$ 378,912
Remaining MI authority and Resources counted against MI		**$ 507,991**
Projects not in Current Finance Plan		
Subtotal Projects not in Finance Plan		$ (1,607,000)
Subtotal net Projects not in Finance Plan and Remaining MI after Expenditures		**$ (1,099,009)**
MI Calculation Numbers		
Original MI	$ 7,134,597	
MI Inflated to current year using National ENR rates	$ 9,687,489	
Allowable MI Increase (20% original MI inflated) without taxing district approval (concurrence)		**$ 1,937,498**
Subtotal Allowable MI Increase and net Projects not in Finance Plan and Remaining MI after Expenditures	$ 838,489	
MI increase capacity within current district timeframe (approximate)		**$ 5,300,000**
Subtotal Net Difference between MI Capacity increase and 20% MI Increase	$ 3,362,502	

Process for Substantial Amendment

Public	• Public Input • Goals and Objectives, Projects, Initial Budgets
Agency	• Agency Reviews and decides whether to send out for public review
County	• Presentation to County
PC	• Planning Commission Review • Conformance with Comprehensive Plan
CC	• City Council Hearing and Vote • Notice to all Citizens

Appendix: ENR Calculations

Year	March National ENR Points	National ENR Point Change	National Inflation Rate	National MI Index
1999	5986.00			
2000	6202.00	216.00	3.61%	
2001	6279.00	77.00	1.24%	
2002	6502.00	223.00	3.55%	
2003	6627.00	125.00	1.92%	
2004	6957.00	330.00	4.98%	
2005	7308.75	351.75	5.06%	
2006	7691.72	382.97	5.24%	
2007	7856.27	164.55	2.14%	$7,134,597
2008	8109.00	252.73	3.22%	$7,364,111
2009	8534.05	425.05	5.24%	$7,750,116
2010	8671.00	136.95	1.60%	$7,874,486
2011	9011.00	340.00	3.92%	$8,183,254
2012	9268.00	257.00	2.85%	$8,416,646
2013	9456.00	188.00	2.03%	$8,587,377
2014	9702.00	246.00	2.60%	$8,810,779
2015	9972.00	270.00	2.78%	$9,055,977
2016	10242.00	270.00	2.71%	$9,301,175
2017	10667.39	425.39	4.15%	$9,687,489

2017 Indexed MI	20% of Indexed MI
$9,687,489	$1,937,498