

PENDLETON DEVELOPMENT COMMISSION

URBAN RENEWAL DISTRICT

PROPOSED BUDGET



2024-2025

**PENDLETON DEVELOPMENT COMMISSION
URBAN RENEWAL DISTRICT
PROPOSED BUDGET
FY 24-25**

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Pendleton Urban Renewal Commission

2021-2025 GOALS

Goal: Improve streets throughout the urban renewal district with street reconstruction.

Goal: Improve downtown parking by improving downtown parking amenities.

Goal: Maximize the restoration of unused or underutilized upper stories in historic downtown buildings.

Goal: Plan to develop a downtown riverfront gathering place.

**PENDLETON DEVELOPMENT COMMISSION
URBAN RENEWAL DISTRICT
PROPOSED BUDGET
FY24-25**

2024-25 BUDGET COMMITTEE

Sally Brandsen

Linda Neuman

Mark Browning

Vincent Papol

Steve Campbell

Dale Primmer

Patrick Fisher

Lonnie Read

Joseph Hull

Rita Rosenberg

Carole Innes

Addison Schulberg

Dave Krumbein

Dick Smiley

Kevin Martin

John Thomas

McKennon McDonald

John Turner

EXECUTIVE DIRECTOR

Robb Corbett

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PENDLETON URBAN RENEWAL
Pendleton Development Commission
500 SW Dorion Avenue, Pendleton, OR 97801-2090

Demand for grants from Pendleton Urban Renewal has increased steadily. This was demonstrated when the grants program for building restorations and remodels was restarted in January, 2024. The grants program had been on hold for a year and a half, since May, 2022. But when the program restarted, eight building owners submitted grant applications for significant building projects.

During the pause in the grants program, the PDC Advisory Committee had made a number of changes in the application process, which the Pendleton Development Commission (PDC) approved. One was to make applications available quarterly, beginning in early January. Another was a new scoring system for the grants. The grants application process became competitive. Of the eight applications submitted in early January, only three were approved.

For the grants application quarter that began April 1, 2024, one application was received and approved.

Such projects can take up to three years to complete, meaning that the urban renewal program will be managing these new grant projects possibly into 2027. In the meantime, it may be providing more grants for projects. However, the property tax revenue that powers Pendleton Urban Renewal amounts to just over \$1 million annually, increasing by an average of 3% to 6% annually. With its current bank debt of \$9 million, which, beginning in December, 2024, the PDC will be repaying for 20 years at \$741,000 per year, there will be a limit on the number of new grants it will be able to approve in any given year.

Pendleton Urban Renewal has always kept a strong focus on the development of downtown Pendleton. In addition to the cost of building grants and bank financing, the PDC has also committed \$100,000 annually for two years to the Pendleton Downtown Association (PDA), beginning in 2024. In signed agreements, the PDA and the PDC enumerated a number of activities and results expected as a result of a close partnership between the two organizations, all focused on an economically growing and culturally vibrant downtown.

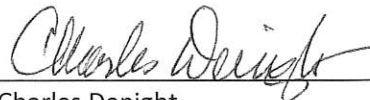
One achievement of Pendleton Urban Renewal over the past five years, 2020 to 2024, was to reconstruct and pave some of the most deteriorated streets in the urban renewal district. During that period the PDC spent \$6.7 million dollars on this improvement. While there are many streets still in dire need of upgrades, this effort on the part of Pendleton Urban Renewal significantly reduced the backlog of streets in distress.

The urban renewal program's newest project, the *Path to Success* business plan competition, continues to attract the city's budding entrepreneurs. Over the three years of *Path to Success*, beginning in 2022, some 89 entrepreneurs have applied for the popular business startup and expansion encouragement. With four prizes of \$20,000 each, the winners can start or expand their businesses, knowing that they have the full support of the City. During the two years following the acceptance of a prize, a business will meet regularly with the PDC Jump Start Committee, which oversees *Path to Success*. There they receive guidance intended to help them succeed.

Pendleton Urban Renewal will continue to focus on the original four goals of the Pendleton Downtown Riverfront Plan, including economic development, connecting downtown to the Umatilla River and enhancing the downtown cultural, business, entertainment and residential experience for Pendleton's residents and visitors.



Robb Corbett
Executive Director
Pendleton Development Commission



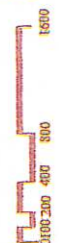
Charles Denight
Associate Director
Pendleton Development Commission



Figure 1: Pendleton Downtown Riverfront Urban Renewal Boundary

Tashman Johnson, LLC

Seder Architects pc



CITY OF PENDLETON-PLANNING DEPARTMENT
 EXHIBIT "A"
 URBAN RENEWAL AREA BOUNDARY .MAP
 REVISED BY RESOLUTION NO. 2182
 NOVEMBER 4, 2003

PENDLETON DEVELOPMENT COMMISSION
URBAN RENEWAL DISTRICT
Budget Calendar Fiscal 2025

- 03/22 FY 2025 budget forms and financial reports distributed.
- 04/08 Meeting with the Executive Director.
- 04/18* Send notices of first budget committee meeting to paper.
- 05/01 Preliminary Budget completed.
- 05/01 Begin printing budget.
- 05/04* Publish notice of first budget committee meeting. (Not less than 5 days before meeting nor more than 30 days.) Website notice 10 days before meeting.
- 05/14 Budget Committee meeting.
- 05/24** Send budget summaries and notice of Development Commission hearing to paper.
- 06/04 Publish notice of hearing before the Development Commission. (Not less than 5 days and not more than 30 days.) Publish Budget summaries and all other required State of Oregon Department of Revenue forms.
- 06/18 Budget Hearing before the Development Commission.
- 06/18 Budget proposed for adoption at this time.
- 07/01 Budget and proper state budget forms submitted to County Assessor.

* Publishing dates

** Newspaper deadline dates

**PENDLETON DEVELOPMENT COMMISSION
 URBAN RENEWAL DISTRICT
 DEBT SERVICE FUND
 RESOURCE SUMMARY**

Description of Revenue Sources

The Debt Service Fund is one of two budgets maintained for Pendleton Urban Renewal. Urban Renewal operates by borrowing money to pay its expenses. Then it uses collected property taxes to repay the debt. The debt expenses and payments are covered in the Debt Service Fund.

The Pendleton Development Commission oversees the Pendleton Urban Renewal Program, which provides funding within the Pendleton Downtown/Riverfront Urban Renewal District. The PDC is a separate legal entity from the City of Pendleton. Pendleton Urban Renewal began in 2003. Each year the taxes collected on properties within the District above the 2003-2004 level go to the Urban Renewal Program.

FY25 Projections of Revenues

The beginning fund balance consists of reserves from the current fiscal year. Taxes are based on FY23-24 current tax receipts estimation with a 3% increase from estimated receipts in FY24.

| Actual FY22 | Actual FY23 | Budget FY24 | RESOURCES | Proposed Budget FY25 | Approved Budget FY25 | Adopted Budget FY25 |
|------------------------|------------------------|------------------------|-----------------------------|-------------------------------------|-------------------------------------|------------------------------------|
| \$152,288 | \$14,313 | \$740,000 | BEGINNING WORKING CAPITAL | \$366,000 | | |
| 1,018,484 | 1,100,198 | 1,215,000 | TAXES | 1,086,000 | | |
| | | | MISCELLANEOUS REVENUES | | | |
| 0 | 0 | 0 | Loan Proceeds | 0 | | |
| 392 | 31,703 | 8,000 | Interest | 8,000 | | |
| 392 | 31,703 | 8,000 | Total Charges for Services | 8,000 | 0 | 0 |
| 0 | 0 | 0 | TRSFYR FROM OPERATING FUND | 0 | 0 | 0 |
| \$1,171,164 | \$1,146,214 | \$1,963,000 | TOTAL FUND RESOURCES | \$1,460,000 | \$0 | \$0 |

**PENDLETON DEVELOPMENT COMMISSION
URBAN RENEWAL DISTRICT
DEBT SERVICE FUND
EXPENDITURE SUMMARY**

Description of Current Services

The Debt Service Fund is one of two budgets maintained for Pendleton Urban Renewal. Urban Renewal operates by borrowing money to pay its expenses. Then it uses collected property taxes to repay the debt. The debt expenses and payments are covered in the Debt Service Fund budget.

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FY25 Proposed Budget

Reimbursement to the City includes \$118,220 for the Associate Director's salary and direct supplies and the balance is for City reimbursement for personnel, materials, audit, bookkeeping, payroll and other services provided to support the Urban Renewal Agency. Debt payments are for a credit line loan with a local institution. The PDC may fund some projects from the TIF income (Tax Increment Financing) as budgeted below.

| Actual FY22 | Actual FY23 | Budget FY24 | EXPENDITURE CATEGORIES | Proposed Budget FY25 | Approved Budget FY25 | Adopted Budget FY25 |
|--------------------|------------------|--------------------|--|----------------------------|----------------------------|---------------------------|
| | | | MATERIALS AND SERVICES | | | |
| \$0 | \$0 | \$0 | Other Expenses | \$400,000 | | |
| 23,300 | 216,144 | 198,940 | City Reimbursement of Expense/Personnel | 256,220 | | |
| 23,300 | 216,144 | 198,940 | Total Materials and Services | 656,220 | 0 | 0 |
| 0 | 0 | 1,250,000 | CAPITAL | 0 | | |
| | | | DEBT SERVICE | | | |
| 1,000,000 | 0 | 325,000 | Principal on Banner Bank Loan | 235,000 | | |
| 133,552 | 173,675 | 175,000 | Interest on Banner Bank Loan | 507,000 | | |
| 0 | 0 | 0 | Additional Credit Line Debt | 0 | | |
| 0 | 18,691 | 0 | Other Financing Fees | 0 | | |
| 1,133,552 | 192,366 | 500,000 | Total Debt Service | 742,000 | 0 | 0 |
| 0 | 0 | 14,060 | RESERVE FOR DEBT SERVICE | 61,780 | | |
| \$1,156,852 | \$408,510 | \$1,963,000 | TOTAL DEBT EXPENDITURES | \$1,460,000 | \$0 | \$0 |

**PENDLETON DEVELOPMENT COMMISSION
 URBAN RENEWAL DISTRICT
 OPERATING FUND
 RESOURCE SUMMARY**

Description of Revenue Sources

The Operating Fund budget is one of two budgets maintained for Pendleton Urban Renewal. The Operating Fund budget covers expenses for programs and projects funded through urban renewal. The Operating Fund revenue is primarily from debt. Urban Renewal operates by borrowing money to pay its expenses. Then Urban Renewal repays its debt with collected property taxes.

The Urban Renewal District is a separate district within the City of Pendleton. The members of the Pendleton City Council also serve as the board of the Pendleton Development Commission, with advice from a separate Advisory Committee. The Operating Fund provides for funding from loan proceeds for projects within the Urban Renewal District.

FY25 Projections of Revenues

The Urban Renewal Agency will fund most of its operations with the balance of the credit line loan proceeds for the FY25. Funding is limited and most of the expenses are for previous commitments.

| Actual FY22 | Actual FY23 | Budget FY24 | RESOURCES | Proposed Budget FY25 | Approved Budget FY25 | Adopted Budget FY25 |
|----------------|----------------|----------------|------------------------------|----------------------------|----------------------------|---------------------------|
| \$3,325,851 | \$1,372,308 | \$0 | BEGINNING WORKING CAPITAL | \$806,000 | | |
| | | | MISCELLANEOUS REVENUES | | | |
| 1,000,000 | 1,600,000 | 1,550,000 | Loan Proceeds | 0 | | |
| 88,772 | 119,405 | 25,000 | Jump Start Loan Repayments | 21,000 | | |
| 68,995 | 13,000 | | Donations/Grants | | | |
| 0 | 0 | 0 | Miscellaneous Revenues | 0 | | |
| 12,669 | 2,000 | 3,000 | Interest | 1,000 | | |
| 1,170,436 | 1,734,405 | 1,578,000 | Total Miscellaneous Revenues | 22,000 | 0 | 0 |
| \$4,496,287 | \$3,106,713 | \$1,578,000 | TOTAL FUND RESOURCES | \$828,000 | \$0 | \$0 |

**PENDLETON DEVELOPMENT COMMISSION
 URBAN RENEWAL DISTRICT
 OPERATING FUND
 EXPENDITURE SUMMARY**

Description of Revenue Sources

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FY25 Proposed Budget

This budget continues the current programs. Most of the operating expenses are dedicated to committed projects authorized by the PDC Commission in the prior years.

| Actual FY22 | Actual FY23 | Budget FY24 | RESOURCES | Proposed Budget FY25 | Approved Budget FY25 | Adopted Budget FY25 |
|----------------|----------------|----------------|------------------------------|----------------------------|----------------------------|---------------------------|
| \$3,325,851 | \$1,372,308 | \$0 | BEGINNING WORKING CAPITAL | \$806,000 | | |
| | | | MISCELLANEOUS REVENUES | | | |
| 1,000,000 | 1,600,000 | 1,550,000 | Loan Proceeds | 0 | | |
| 88,772 | 119,405 | 25,000 | Jump Start Loan Repayments | 21,000 | | |
| 68,995 | 13,000 | | Donations/Grants | | | |
| 0 | 0 | 0 | Miscellaneous Revenues | 0 | | |
| 12,669 | 2,000 | 3,000 | Interest | 1,000 | | |
| 1,170,436 | 1,734,405 | 1,578,000 | Total Miscellaneous Revenues | 22,000 | 0 | 0 |
| \$4,496,287 | \$3,106,713 | \$1,578,000 | TOTAL FUND RESOURCES | \$828,000 | \$0 | \$0 |