

URBAN RENEWAL AGENCY FINANCIAL SUMMARY—Q3 FY 2019

Capital Improvements Fund *(values in millions)*

Resources—5 Year Trend

Expenditures FY 2019

Financial data for Salem’s seven active urban renewal areas is included with this summary report. While the Fairview Urban Renewal Area (URA) has funding available to accomplish projects, tax increment is no longer collected. Of Salem’s URAs, only Riverfront Downtown imposes a special levy.

Year-to-year expenditure variances as illustrated on this page generally relate to the timing and completion of projects within the URA.

This report also includes summary financial information for the Salem Convention Center.

Q3 FY 2019 By the Numbers

Fund 220—Debt

Total Resources—\$22.11M
Total Expenditures—\$16.98M

Fund 265—Capital Improvements

Total Resources—\$53.95M
Total Expenditures—\$13.27M

Fund 345—Convention Center

Total Resources—\$4.16M
Total Expenditures—\$3.32M

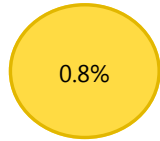
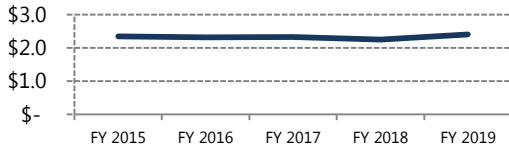
Fund 428—Convention Center Gain / Loss Reserve

Total Resources—\$5.56M
Total Expenditures—\$40,154

Serving the Community

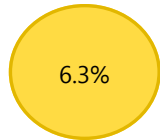
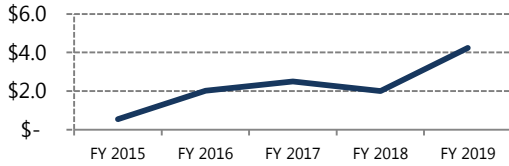
Through Q3, the Urban Renewal Agency funded \$3.47M in grants and loans to help businesses locate and expand in the West Salem, Riverfront Downtown, North

Fairview Industrial



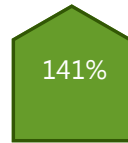
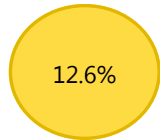
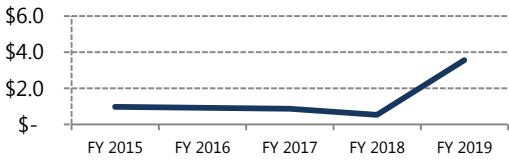
Expenses of \$17,457 in FY 2019 vs \$14,650 in FY 2018

McGilchrist



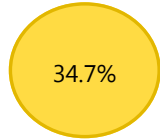
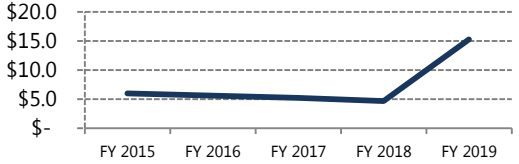
Expenses of \$556,657 in FY 2019 vs \$169,746 in FY 2018

Mill Creek



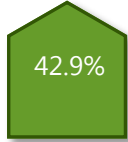
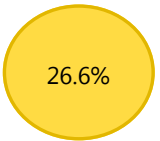
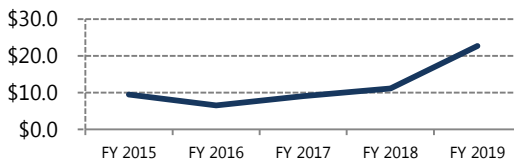
Expenses of \$534,098 in FY 2019 vs \$221,632 in FY 2018

North Gateway



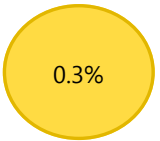
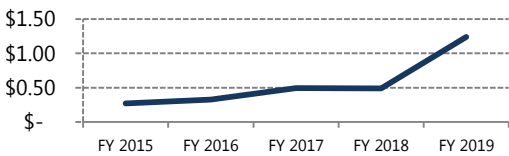
Expenses of \$5.56M in FY 2019 vs \$2.64M in FY 2018

Riverfront Downtown



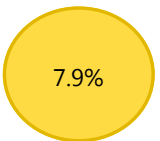
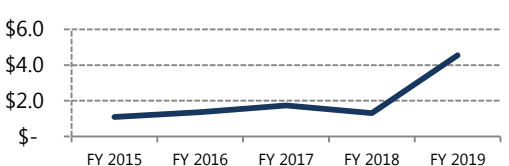
Expenses of \$6.24M in FY 2019 vs \$1.81M in FY 2018

South Waterfront



Expenses of \$4,063 in FY 2019 vs \$6,478 in FY 2018

West Salem



Expenses of \$28,507 in FY 2019 vs \$166,098 in FY 2018

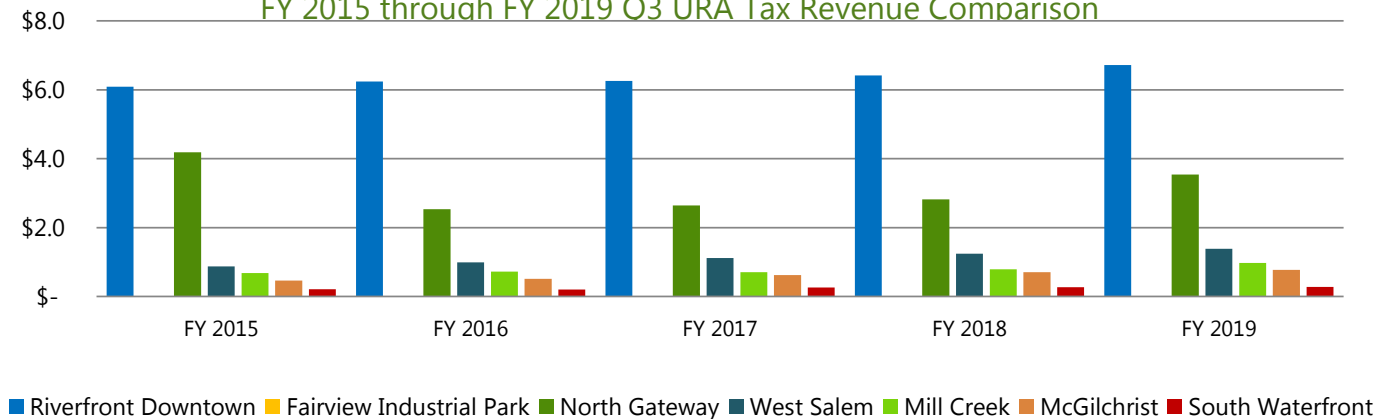
STATUS AT A GLANCE

Urban Renewal Area	Riverfront	Fairview	North	West Salem	Mill Creek	McGilchrist	South
Status	Downtown		Gateway				Waterfront
Maximum Tax Collected	✓		✓	✓	✓	✓	✓
Special Levy Imposed	✓						
Ceased Tax Levy		✓					
Long Term Debt	✓				✓		
Short Term Debt FY 2018	✓		✓		✓	✓	
Debt Retirement	2024	2014	2015	2018			
Remaining Debt Capacity	\$209M		\$3.9M	\$21.2M	\$12.8M	\$5.4M	\$21.4M

The Tax Allocation (Capital) Improvement Fund, with financial data appearing on page 1 of this summary, provides for the use of proceeds from bonds or short-term loans to fund a variety of improvement projects to spur redevelopment in an urban renewal area. A second Urban Renewal Agency fund, the Tax Allocation Bond Debt Fund, provides for the receipt of tax increment revenue, which is derived from an increase in property values during the life of an urban renewal area. The tax increment revenue is used to repay the debt that supports the urban renewal area's redevelopment projects. To collect the tax increment, the urban renewal area must have debt.

The graphics below provide a history of tax increment collections through Q3 for the Urban Renewal Agency. The comparison is both current and prior year taxes. In total through Q3 of FY 2019, the six URAs have realized \$13.65M in current-year receipts and an additional \$463,740 for all prior years, including a longstanding arrearage payment

FY 2015 through FY 2019 Q3 URA Tax Revenue Comparison



FY 2019 Q2 URA Debt Service

FY 2019 debt payments for the Salem Urban Renewal Agency are budgeted at \$17.78M. Of this amount, approximately \$1.23M will be applied to long-term indebtedness in the Riverfront Downtown and Mill Creek URAs. Through Q3, \$424,105 has been spent on this obligation.

The balance of debt service—\$16.56M—represents du jour or short-term borrowings planned for all six tax-collecting URAs. Short-term borrowings create the required indebtedness allowing

Salem Convention Center (SCC) and Gain / Loss Reserve

Resources through FY 2019 Q3 for the SCC Fund were \$4.16M with expenditures of \$3.32M for convention services and food and beverage sales.

Q3 expenditures include a transfer to the Gain / Loss Reserve from Convention Center program income of \$612,683. The budget corrects an issue with the program income being realized in one year and transferred in the next. During the current fiscal year both the FY 2018 and FY 2019 program income transfers are planned, which will provide the appropriate schedule going forward. The FY 2019 transfer will occur at the end of the fiscal year.

The Gain / Loss Reserve opened the fiscal year with beginning working capital in excess of the reserve target at \$4.87M. Interest