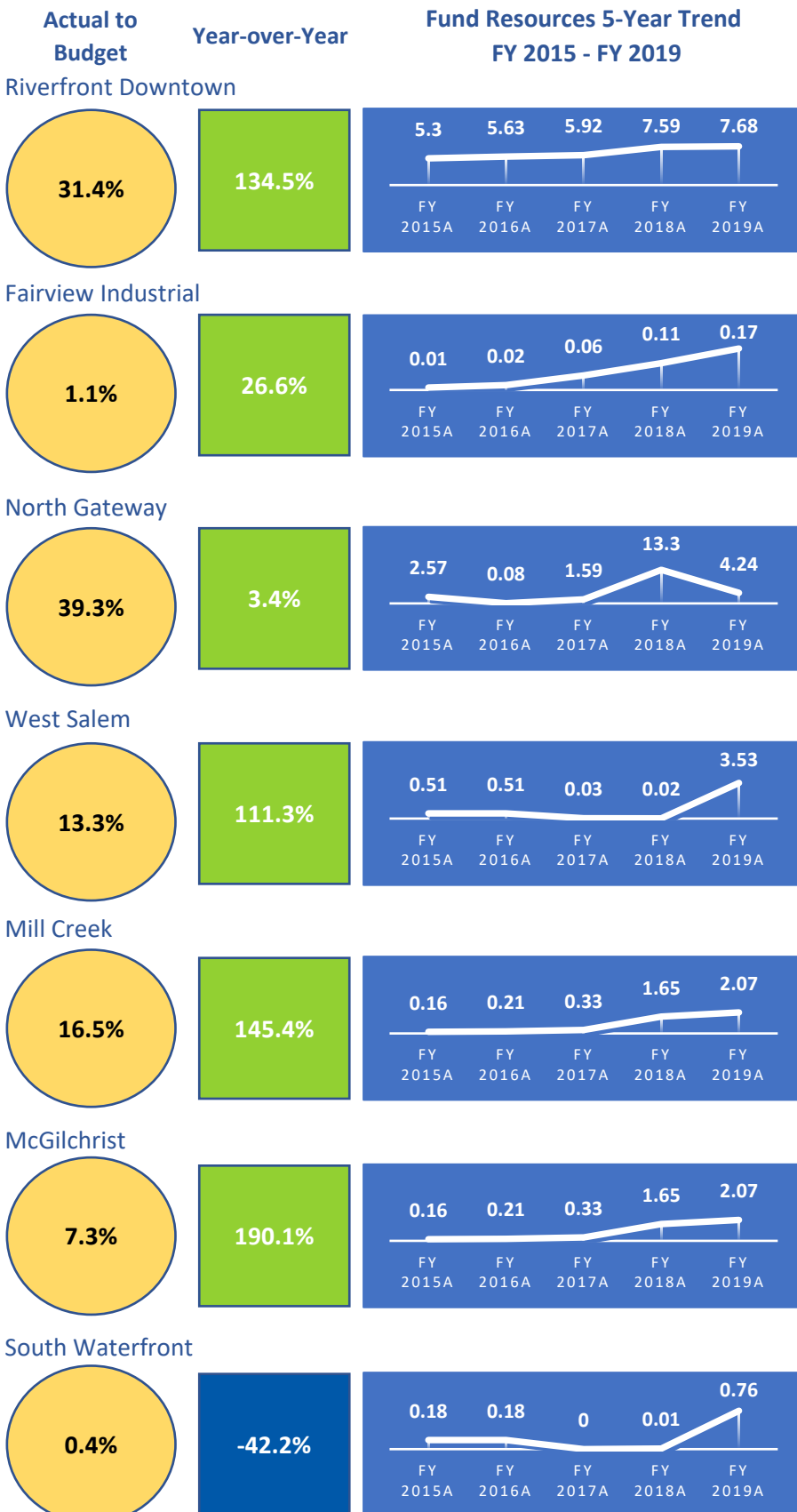


# URBAN RENEWAL AGENCY FINANCIAL SUMMARY YEAR END / FY 2019

## Capital Improvements Fund (values in millions)



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.

### FY 2019 By the Numbers

#### Fund 220—Debt

Total Resources—\$22.76M  
Total Expenditures—\$17.27M

#### Fund 265—Capital Improvements

Total Resources—\$55.14M  
Total Expenditures—\$15.64M

#### Fund 345—Convention Center

Total Resources—\$6.03M  
Total Expenditures—\$5.80M

#### Fund 428—Convention Center Gain / Loss Reserve

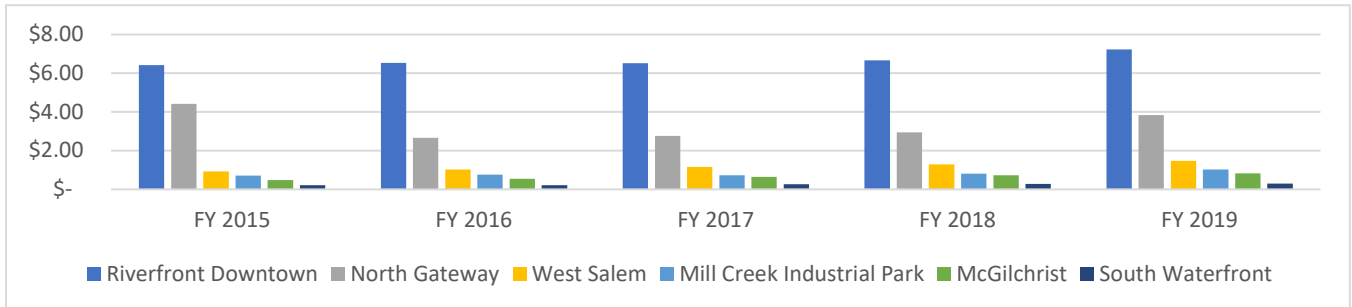
Total Resources—\$6.48M  
Total Expenditures—\$264,462

## STATUS AT A GLANCE

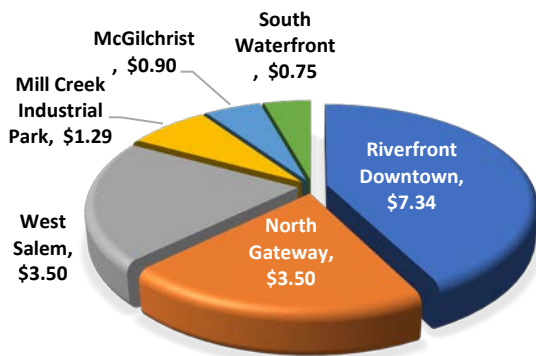
Urban Renewal Area Status	Riverfront Downtown	Fairview	North Gateway	West Salem	Mill Creek	McGilchrist	South Waterfront
Maximum Tax Collected	✓		✓	✓	✓	✓	✓
Special Levy Imposed	✓						
Ceased Tax Levy		✓					
Long Term Debt	✓				✓		
Short Term Debt FY 2019	✓		✓	✓	✓	✓	✓
Debt Retirement	2024	2014	2015	2018			

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. And to collect the tax increment, the urban renewal area must have debt. The graphics below provide a five year history of tax increment collections in Salem's urban renewal areas and the debt repayment for FY 2019.

FY 2015 through FY 2019 URA Tax Revenue Comparison (in millions)



### FY 2019 URA Debt Service Payments *In Millions*



FY 2019 debt payments for the Salem Urban Renewal Agency totaled \$17.27 million. Of this amount, approximately \$1,226,280 was used for repayment of long-term indebtedness.

The balance of debt service was paid on short-term borrowings in the four URAs represented in the above chart—Riverfront Downtown, McGilchrist, Mill Creek, and North Gateway. Short-term borrowings create the required indebtedness allowing tax increment revenue to be available for improvement projects.

### Salem Convention Center (SCC) and Gain / Loss Reserve

Resources through FY 2019 for the SCC Fund were \$6.03 million with expenditures of \$5.80 million for convention services and food and beverage sales and the annual transfer to the Gain / Loss Reserve.

The annual transfer to the reserve from Convention Center program income has grown significantly over the past several years. In FY 2014, the transfer was \$274,831. By contrast, the supplement to the reserve in FY 2019 equaled \$1,500,000, an increase of 445.8 percent.

The Gain / Loss Reserve opened the fiscal year with beginning working capital in excess of the reserve target at \$4.87 million. With revenues of \$1.61 million and SCC project expenses of \$264,461 funded by the reserve, working capital increased by almost \$1.35 million by year end.