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**Florence Urban Renewal Agency Meeting
Florence City Hall
250 Hwy 101
Final Action Minutes
June 19, 2024**

CALL TO ORDER - ROLL CALL

Meeting called to order at 5:30 p.m.

Directors Present: Chairperson Mike Webb, Vice-Chair Dave Braley, Directors Bill Meyer, Rob Ward, Sally Wantz, Ron Moore, and Susy Lacer.
(in person and via videoconference)

Directors Absent: Director Graham Ross. Director Ken Henderson arrived at 5:42 p.m. Director Bill Meyer left at 6:53 p.m.

Staff Present: City Manager Erin Reynolds, City Recorder Lindsey White, Assistant City Manager Megan Messmer, and Economic Development and Communication Analyst Chantelle Meyer.

Guests Present: Elaine Howard Consulting, LLC Consultant Elaine Howard.

1. APPROVAL OF THE AGENDA

Start Time: 5:31 p.m.
Action: Approval of the June 19, 2024 meeting agenda as presented.
Motion: Director Moore
Second: Director Wanz
– Unanimous Consent–

2. PUBLIC COMMENT

This is an opportunity for members of the audience to bring to the Council's attention any item not otherwise listed on the Agenda. Comments will be limited to three (3) minutes per person, with a maximum time of 15 minutes for all items. Speakers may not yield their time to others.

Start Time: 5:32 p.m.

Discussion: No speaker's cards or written comments received.

ACTION ITEMS

3. APPROVAL OF THE MINUTES

Consider approval of the Florence Urban Renewal Agency meeting minutes of May 22, 2024.

Start Time: 5:39 p.m.

Action: Approval of May 22, 2024 FURA meeting minutes as amended.

Motion: Director Ward

Second: Director Wantz

Roll Call Vote: Director Lacer – “Aye”
Director Meyer – “Aye”
Director Ward – “Aye”
Director Wantz – “Aye”
Director Henderson – “Aye”
Director Moore – “Aye”
Director Braley – “Aye”
Chairperson Webb – “Aye”
– Unanimous Consent–

REPORTS & UPDATES

4. URBAN RENEWAL AGENCY PLAN REVIEW AND FINANCIAL ANALYSIS

Elaine Howard from Elaine Howard Consulting, LLC will give an urban renewal basics presentation and provide an overview of the Urban Renewal Agency Plan to prepare for the future of the Agency.

Start Time: 5:43 p.m.

Discussion: Consultant Howard presented the consultant presentation.

Handouts: Presentation

Discussion: The Florence Urban Renewal Agency discussed...

- No discussion.

Start Time: 6:18 p.m.

Discussion: ACM Messmer presented the staff presentation.

Handouts: Staff presentation

Discussion: The Florence Urban Renewal Agency discussed...

- No discussion.

Start Time: 6:29 p.m.
Discussion: Consultant Howard continued presenting the consultant presentation.

Discussion: The Florence Urban Renewal Agency discussed...

- Director Braley – Why wouldn't the maximum indebtedness increase in proportion to the cost of living?
- *Consultant Howard – Let me talk about the new plans that we write. When writing a new plan, we do a projection over those twenty or twenty-five years. We then discount the maximum indebtedness amounts. Giving an example of one community I'm working with, their maximum indebtedness will be about forty-nine million dollars. The amount they can allocate in today's dollars is about thirty million. When we identify the projects and the amount of money we are identifying in today's dollars, anticipating what they will cost over time, and that will equal the maximum in debts.*
- Director Braley – Understanding the twenty-two and one half million dollars maximum indebtedness, that is discounted?
- *Consultant Howard – That isn't the non-discounted amount; that is your total amount.*
- *CM Reynolds – The basic answer is the way the state law is set up. The number doesn't get changed unless you do a plan amendment.*
- Director Braley – Even though you know the cost of items doubled for a project, you are still within that limit, unless you do a plan amendment.
- *Consultant Howard – Right. What agencies end up doing is reducing their list of projects that they are going to undertake. That's where we are now. We will know how much money you have left and we will know what the projects are, and we will have a better idea of what those will cost.*
- Director Moore – Do we know the percentage of the city value and the percentage of the acreages already incurred in the Urban Renewal Agency? The City has expanded since 2006, are we maxed out then and are we maxed out now if we wanted to make an amendment?
- *CM Reynolds – That will be part of the analysis. Today is the kickoff of the project. These are good questions to write down.*
- *ACM Messmer – At the time the Plan was created, the total of all the acreage was 10.14% of city acreage.*
- Director Moore – In the four Urban Renewal Agency boundaries, a large portion of that is owned by the Port of Siuslaw. We get no taxing benefit from Port of Siuslaw property. Neither will we get any taxing benefit from the Homes for Good project at the ballfield if it is a non-profit. So, we have given up a good chunk of our acreage for no potential tax benefit. Whereas the Port of Siuslaw deducted from the acreage that went into our boundary.

- *ACM Messmer – The port properties used for commercial use, such as ICM, Mo’s, and the t-shirt shop, do pay taxes.*
- *Director Moore – How about the campground? That’s a fairly large chunk of acreage.*
- *CM Reynolds – The frozen tax base was taken into consideration, that was the state of the district for the most part, minus the Homes for Good transition. Starting with the acreage question, the Urban Renewal District acreage was only 10 percent of the total city acreage. Yes, we have annexed and things have changed. You are well that the maximum amount allowed. You can go up to 20% or 25% of your acreage. We are well within reason and we have some things to work with if you want to do a plan amendment. We are not assuming that the Urban Renewal Agency needs to make a plan amendment.*
- *CM Reynolds continued – We basically want to know where we are at, how much money is left, how many more projects we have left and identified. We had a robust list, and we have certainly made a dent in it, but we haven’t done them all. You still have a list of projects left to do. We need to identify dollars today and make a forecast for that. If there is something that points to a reasonable recommendation of making a plan amendment, that will come back to you. And we will talk through all the justifications of why that would be necessary. Our contract with Elaine Howard Consulting is only to do that analysis. If it is needed, it would be additional contract services work with Elaine Howard as a professional to do that work.*
- *ACM Messmer – Entering into this work, I would encourage you to read the Plan. On the second page of the Plan is the acreage; and skipping ahead two pages, our percentage of total assessed value, again, needs to be within 25 percent. It was 13.58 percent at the time the Plan was created. So, there is room in both of those. A lot of the questions you are asking about, there is a pretty robust analysis in the Plan, even discussing the improvements that are on the land included within the Urban Renewal District. Looking at the value of the property versus the value of the improvements on the land as a whole, there is a lot of analysis that I would encourage as we move to the next step. When we start having more tangible discussions about an update, edits to the project list, having the background information will be helpful.*
- *Director Moore – Can FURA boundaries be changed if FURA makes an amendment?*
- *Consultant Howard – Changes can be made with limitations. You may not increase by more than 20 percent of original acreage. You can always remove properties as long as your bond, lending agreement does not stipulate that you may not remove properties. You can typically remove any untaxable properties.*

- Director Moore – If we had 13 percent of the acreage of what was available to the City, we could basically add another 2.6 percent of acreage of the City within the Plan. That's 20 percent of 13.
- ACM Messmer – *Acreage was 10 percent.*
- Director Moore - So we could go up to 12 percent. We could expand within those limits to areas where we might find ways to improve the City that qualify under those blight conditions.
- Consultant Howard – *Yes. It would be a substantial amendment. It's almost the same process as doing an entire new plan. I only recommend it if you are doing something really important.*
- Director Moore – Would it be a benefit to rewrite a new plan if there are other projects the City wants to take.
- Consultant Howard – *You have capacity both in your acreage and your assessed value to have a new, different urban renewal area someplace in your city. If there was some need, somewhere else in your city, where you wanted to do urban renewal, you are under that 25 percent. Your Finance Director would want to be involved to say whether your City budget could take the hit of another Urban Renewal Agency because it does take funds away from the City budget and put funds in the Urban Renewal budget.*
- CM Reynolds – *We have talked about how this Urban Renewal Agency came to be. It's part of how the Board is made up with a preference given to overlapping taxing districts. It is quite a thorough process. We have had requests for additional urban renewal agencies in the City that haven't come to fruition. It would be something we could end up talking about or you would be making a recommendation. It would go back to City Council. You, as the Urban Renewal Agency, would not be the ones making a final decision to create another urban renewal agency. It is the City's authority to create urban renewal agencies.*
- CM Reynolds continued – *It ultimately ends up being a community decision because of your overlapping taxing districts such as fire, EMS, school, County, Lane Community College, library, Port of Siuslaw, and Lanes ESD all end up being the ones helping make that decision because you have to obtain their sign off.*
- ACM Messmer – *Slide showing what cities have multiple urban renewal districts with Newport being one of them close to us with urban renewal districts in different parts of the city. That would be different than expanding the boundaries. It would be a completely agency.*
- CM Reynolds – *Each one of those have a different purpose. I know off the top of my head, it's the Nye Beach area, the South Beach area, 101 area, and one at the Port. So, different purposes for each one of those five.*
- Consultant Howard – *Lincoln City has two areas and Bandon has two areas.*

- Director Braley – If we wanted, for example, to increase the boundaries in one area, move it up a block, is that a substantial amendment?
- *Consultant Howard – Anything over 1 percent of your original acreage is a substantial amendment. Anything under 1 percent is a minor amendment.*
- Director Wantz – Does the land have to be contiguous?
- *Consultant Howard – It does.*
- Director Lacer – Speaking as a representative of one of those overlapping districts, the Library District, once we reach maximum indebtedness, unless this body and/or the City chooses to raise that limit, this Urban Renewal Agency, this district will end.
- *CM Reynolds – Correct. Once the tax debt is paid.*
- *Consultant Howard – Clarifying the differences between the word ‘area’ and ‘agency.’ The agency is a body and the area is where you are spending the money. So, it is the area that ends, not the agency. The agency, especially if you have program income, the agency can stay alive. You can put the agency into dormancy if you don’t have an area.*
- Chairperson Webb – Being curious about the dejur financing being used to pay for daily activities, whether it is counted towards maximum indebtedness.
- *Consultant Howard – It does. Any expenditure of funds on projects, programs, and administration counts against your maximum indebtedness.*
- *ACM Messmer – Doing a calculation, just to put it in perspective, our plan area is 337.6 acres. One percent would be limited at under four acres of additional.*
- Director Ward – On the slide showing cities with multiples districts, do they have a separate FURA Board for each district? Does one Board oversee all?
- *Consultant Howard – One agency administers the different plans.*
- Director Wantz – It’s obviously an expense to the City because they have to administrate both plans.
- *CM Reynolds – The origin of urban renewals in Oregon was really housing authorities. For a long time. We have put a lot of focus on commerce and job creation; what we considered economic development. Now the pendulum is swinging back again towards housing. The number one priority for the State is more housing units.*

CM Reynolds announced Director Graham Ross has resigned from the Florence Urban Renewal Agency Board.

REPORTS & UPDATES

5. CITY MANAGER REPORT

Start Time: 6:55 p.m.

Discussion: CM Reynolds and ACM Messmer discussed...

- Chairperson Web recognized Director's Ross's contributions to the Board.
- Decision made by the City Council on May 9th to fill a vacancy on the FURA Board if there should be a resignation within six to nine months after the interview, to extend an offer to Ron Preisler for first right of refusal.
- Upcoming Urban Renewal meetings and upcoming city events.
- Update on National Community Survey. Encouraging community to take survey. Survey is open to greater Florence area.

Comments: All Directors present.

Start Time: 7:02 p.m.

Discussion: EDCA Meyer discussed...

- Providing an Art Exposed Revision Florence 2024-2026 update.
- Providing information on the Art Exposed walking tour.

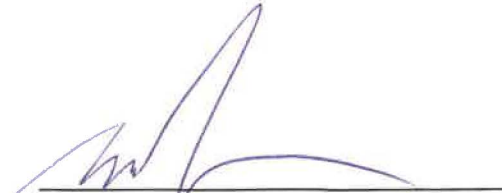
Discussion: The Florence Urban Renewal Agency discussed...

- Comments of appreciation for the streetscape for Revision Florence.
- Eugene posted in the Register Guard about their 'Art Exposed' program.
- Kudos to the Public Arts Committee for their selections on Highway 101.
- If an art piece sells, does it remain in place until 2026? EDCA Meyer – The artist has the option to replace it.

Meeting adjourned at 7:11 p.m.

ATTEST:


Lindsey White, City Recorder


Mike Webb, Chairperson