

EUGENE URBAN RENEWAL AGENCY

AGENDA ITEM SUMMARY



Action: Adoption of Resolution 1060 Adopting a Supplemental Budget;
Making Appropriations for the Urban Renewal Agency
for the Fiscal Year Beginning July 1, 2010 and Ending June 30, 2011

Meeting Date: June 27, 2011
Department: Central Services
www.eugene-or.gov

Agenda Item Number: 5
Staff Contact: Pavel Gubanikhin
Contact Telephone Number: (541) 682-5512

ISSUE STATEMENT

The Urban Renewal Agency Board is required to take action on this item. Urban Renewal Agency Board approval of the second Supplemental Budget for FY11 is requested. Oregon Local Budget Law (ORS 294.480) allows for supplemental budgets for "an occurrence...which had not been ascertained at the time of the preparation of a budget for the current year...". This Supplemental Budget consists of \$3,400,000 in proposed changes to the FY11 Budget. A description of the proposed transaction is provided in Attachment A. This supplemental budget does not authorize any increased property tax levy.

BACKGROUND

Supplemental Budgets recognize new revenue and authorize other unanticipated changes in legal appropriations during a fiscal year. An Urban Renewal Agency Board public hearing on this supplemental budget resolution was held on June 20, 2011.

The Urban Renewal Agency Board adopted resolution 1059 in April of 2011 authorizing issuance of Urban Renewal Bonds to: (1) make a portion of the \$8 million pledge to Lane Community College (LCC) for the Downtown Campus project and (2) refinance the Parking Bonds to achieve interest rate savings. The FY11 budget anticipated issuance of up to \$4.5 million to fund the LCC project, but did not anticipate the Parking Bonds refinancing. The supplemental budget request increases the amount of bonds issued and the intergovernmental payment to the City's parking fund to account for the refinancing. In addition, the bank that purchased the Urban Renewal Bonds did not require a debt service reserve as security for the financing, so funds set aside in the FY11 budget for a reserve were used instead to reduce the total amount of borrowing needed to accomplish the projects.

RELATED CITY POLICIES

This transaction conforms to the City's Financial Management Goals and Policies.

AGENCY OPTIONS

Particular requests requiring more information or discussion may be removed from the supplemental budget and delayed for action in a future supplemental budget. In certain cases, there may be a financial

or legal impact to delaying budget approval. The Agency Board may also adopt amended appropriation amounts or funding sources for specific requests in the supplemental budget.

AGENCY DIRECTOR'S RECOMMENDATION

The Agency Director recommends approval of the attached resolution adopting this supplemental budget.

SUGGESTED MOTION

Move to adopt Resolution 1060 adopting the FY11 June Supplemental Budget; making appropriations for the Urban Renewal Agency for the Fiscal Year beginning July 1, 2010 and ending June 30, 2011.

ATTACHMENTS

- A. Transaction Summary
- B. Resolution

FOR MORE INFORMATION

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	FY11 Adopted	FY11 SB1 Action	FY11 June SB Action	FY11 Revised
I. RESOURCES				
BEGINNING WORKING CAPITAL	4,718,491	(119,431)	0	4,599,060
CHANGE TO WORKING CAPITAL				
REVENUE				
Taxes	1,920,000	0	0	1,920,000
Miscellaneous	25,000	0	0	25,000
Fiscal Transactions	4,500,000	0	3,400,000	a 7,900,000
Total Revenue	6,445,000	0	3,400,000	9,845,000
TOTAL RESOURCES	11,163,491	(119,431)	3,400,000	14,444,060
II. REQUIREMENTS				
Non-Departmental				
Debt Service	150,000	0	0	150,000
Interfund Transfers	1,030,000	0	0	1,030,000
Intergovernmental Expend.	8,740,000	0	4,521,000	a 13,261,000
Reserve	1,000,000	0	(1,000,000)	a 0
Balance Available	243,491	(119,431)	(121,000)	a 3,060
Total Non-Departmental	11,163,491	(119,431)	3,400,000	14,444,060
TOTAL REQUIREMENTS	11,163,491	(119,431)	3,400,000	14,444,060

812 Urban Renewal Agency Downtown Debt Service

- a) Recognize Urban Renewal Agency bond revenues in the amount of \$3,400,000, reduce Debt Service Reserve by \$1,000,000, reduce Balance Available by \$121,000, and increase intergovernmental expenditures for parking garage bond refinancing by \$4,521,000. This action is necessary in order to account for refinancing of the parking garage bonds in order to reduce interest costs.

**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET;
MAKING APPROPRIATIONS FOR THE URBAN RENEWAL AGENCY
OF THE CITY OF EUGENE
FOR THE FISCAL YEAR BEGINNING **JULY 1, 2010**,
AND ENDING **JUNE 30, 2011****

The Urban Renewal Agency of the City of Eugene finds that adopting the Supplemental Budget and making appropriations is necessary under ORS 294.480.

NOW THEREFORE,

BE IT RESOLVED BY THE URBAN RENEWAL AGENCY OF THE CITY OF EUGENE as follows:

Section 1.

That the Supplemental Budget for the Urban Renewal Agency of the City of Eugene, Oregon, for the fiscal year beginning **July 1, 2010**, and ending **June 30, 2011**, as set forth in attached Exhibit "A" is hereby adopted.

Section 2.

The supplemental amounts for the fiscal year beginning **July 1, 2010**, and ending **June 30, 2011**, and for the purposes shown in attached Exhibit "A" are hereby appropriated.

Section 3.

That this Supplemental Budget is prepared in accordance with ORS 294.480(1)(a), which authorizes the formulation of a supplemental budget resulting from "An occurrence or condition which had not been ascertained at the time of the preparation of a budget for the current year or current budget period which requires a change in financial planning." This Supplemental Budget was published in accordance with ORS 294.480(4).

Section 4.

This resolution complies with ORS 294.480(5), and does not authorize an increase in the levy of property taxes above the amount published in the Annual Budget publication.

The foregoing resolution adopted this **27th day of June, 2011**.

Director

EXHIBIT "A"

In dollars

URBAN RENEWAL AGENCY DOWNTOWN DEBT SERVICE FUND

Non-Departmental	
* Reserves	(1,000,000)
* Balance Available	(121,000)
Intergovernmental Expenditures	4,521,000
Total Non-Departmental	<u>3,400,000</u>
TOTAL URA DOWNTOWN DEBT SERVICE FUND	<u>3,400,000</u>
TOTAL REQUIREMENTS - ALL FUNDS	<u>3,400,000</u>

* Reserves and Balance Available amounts are not appropriated for spending and are shown for information purposes only.