



Columbia County Development Agency Columbia County, Oregon Adopted Budget

For the Fiscal Year 2020-2021
Beginning July 1, 2020



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COLUMBIA COUNTY

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**COLUMBIA COUNTY DEVELOPMENT AGENCY FOR
COLUMBIA COUNTY, OREGON Wednesday, June 24, 2020
10:30 AM – 230 Strand Street, St. Helens, OR. 97051**

COLUMBIA COUNTY DEVELOPMENT AGENCY CCDA AGENDA

1. **Call meeting to order:**
2. **Approve minutes of:**
May 20, 2020 CCDA meeting
June 16, 2020 Budget hearing
3. **Public comment (3 min. limit)**
4. **Other business as necessary:**
 - A. Resolution No. 1-2020 In the Matter of Adopting the Budget for the Columbia County Development Agency for Fiscal Year 2020-2021 and the Schedule of Appropriations
. [Resolution 1-2020 CCDA Budget FY21.docx \(1\).pdf](#)
 - B. Taxing district outreach date
5. **Executive session:**
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DATE: May 4, 2020
TO: Columbia County Development Agency Budget Committee
FROM: Henry Heimuller, Budget Officer
SUBJECT: FYE 2021 BUDGET MESSAGE

Dear Members of the Columbia County Development Agency, Citizen Members of the Budget Committee, and Citizens of Columbia County:

It is my pleasure, as the Budget Officer for the Columbia County Development Agency (“Agency”), to present in accordance with Oregon Budget Law, our FY 2020-2021 budget for consideration by the Columbia County Development Agency Budget Committee.

The Agency is an urban renewal agency for Columbia County, which has the authority to administer the Port Westward Urban Renewal Plan. The Agency receives property tax increment, which may be used to pay debt incurred by the Agency administering the Urban Renewal Plan. This is the 17th budget year for this agency.

The Agency experienced growth in ending fund balance for the fifth consecutive year. With a growing fund balance, and forecast for stable property tax revenue, the Agency finds itself in a position to pursue strategies for paying off the remaining debt, while minimizing the fiscal impacts to affected taxing districts.

The Agency plans to accomplish these results by paying off all outstanding indebtedness in FYE 2021 and terminating the collection of property tax increment revenue in future years. This strategy is contingent upon the Agency negotiating a reimbursement agreement with the Port of Columbia County. A reimbursement agreement is key to protect affected taxing districts from the risk of a costly and unnecessary use of taxing district resources to pay for debt service expenses that would otherwise have been paid for by the private-sector in future years. This approach is discussed in further detail in the Budget Narrative section of this document.

Pursuant to Oregon Budget Law, the Budget Detail Report shows the historical data of actual expenditures and resources for the two preceding years and the adopted budget for the current fiscal year ending June 30, 2020 on the left side of the Description column. My recommendations are listed on the right side under the column entitled “FYE 2021 Proposed.” Your action will appear under the column entitled “FYE 2021 Approved,” and the final appropriation will appear under the column entitled “FYE 2021 Adopted.”

Respectfully submitted,

Henry Heimuller

Henry Heimuller
Budget Office

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Budget Narrative

The Columbia County Development Agency is the urban renewal Agency for Columbia County, which has the authority to administer the Port Westward Urban Renewal Plan. The Agency receives property tax increment revenues, which may be used to pay debt incurred by the Agency for infrastructure development of the Port Westward Urban Renewal Area (URA).

FYE 2020 Accomplishments

Increased ending fund balance. The ending fund balance for the Agency is estimated to be \$6,733,585 at the conclusion of FYE 2020. This is an increase of 48 percent (equal to \$2,180,826) over the prior year ending balance (\$4,552,759). This increase in ending fund balance is due to continued growth in annual property tax increment revenues for the Agency, without initiating new projects or incurring new debt. Assessed value in the Area increased from \$408.8 million in FYE 2019 to \$436.8 million in FYE 2020, resulting in 9.6% growth in property tax increment revenue. The increased ending fund balance provides greater flexibility for the Agency in future years to accomplish its goals while minimizing the impact to affected taxing districts.

Completed fire district improvements. The adopted Port Westward Urban Renewal Plan identifies “Fire and Life Safety Facility Improvements” as one of the planned projects to receive urban renewal funding. These improvements are also the subject of an Intergovernmental Agreement (IGA) between the Agency and the Clatskanie Rural Fire Protection District, signed on June 23, 2004.

The Plan includes a non-binding estimate of the total costs of fire and life safety improvements to be \$565,000. Furthermore, the IGA establishes a process for the CRFPD to request these funds for the reimbursement of actual expenditures, and limits the total amount of that reimbursement to no more than \$565,000.

In prior fiscal years, the Agency has made expenditures to the CRFPD for reimbursement of fire and life safety expenditures totaling \$162,647.62, leaving a balance of up to \$402,352.38 for FYE 2020. In FYE 2019 the CRFPD Board approved the purchase of a new fire engine to serve Port Westward, and requested reimbursement from the Agency for this purchase. In FYE 2020, the Agency reimbursed the Fire District for a portion of the fire engine cost, equal to \$402,352.38, the full amount remaining under the IGA. This concludes the Agency’s obligation to the Fire District under the IGA.

FYE 2021 Highlights and Significant Changes

Opportunities to reduce fiscal impacts on affected taxing districts. Future property tax revenues are anticipated to exceed scheduled expenditures for the Agency in FYE 2021 and all subsequent years. This provides the Agency with options for reducing its fiscal impacts on affected taxing districts. The Agency could make early principal payments on outstanding debt, reduce annual property tax collections through a process known as “underlevy”, or pursue a

combination of both approaches. In FYE 2020, the Agency began outreach efforts to affected taxing districts regarding the preferred approach for repaying Agency debt and terminating property tax increment collection for the Port Westward URA. These outreach efforts are expected to continue in FYE 2021.

Early principal payments for outstanding indebtedness. The Agency has two outstanding debt service obligations related to the water system and rail system improvements. Both loans were provided by the State of Oregon to the Port of Columbia County, with the Agency pledging property tax increment revenue as a possible source of repayment in addition to any revenues received by the Port by users of the infrastructure.

The Agency plans to make early principal payments on both of these loans, sufficient to fully repay both loans in FYE 2021. These early loan payments however, are contingent upon the Agency successfully negotiating a reimbursement agreement with the Port of Columbia County. When these systems were originally financed by the Port, it was with the intention that private users, not the taxing districts or the Agency, repay the debt through user fees. The Agency's role was intended to provide a back-stop source of funds if user fees were insufficient to make annual payments.

Paying off the debt early without a reimbursement agreement in place could result in a costly use of taxing district resources to pay for debt service expenses that would have otherwise been paid for by the private-sector in future years. Thus, the Agency has proposed a reimbursement agreement with the Port of Columbia County. Through such an agreement, any payments from users of the water and rail infrastructure made after the agreement that would have otherwise been used to pay debt service, would instead be reimbursed to all affected taxing districts. Under this approach, affected taxing districts would benefit regardless of whether or not there are future users of the water system.

Without such a reimbursement agreement in place, the Agency may decide through consultation with affected taxing districts that the most financially responsible course of action is to continue making future debt service payments as scheduled.

Reduced property tax increment revenue through underlevy. If the Agency were to impose the maximum allowed amount of property tax increment in FYE 2021, it would result in additional resources for the Agency beyond what is necessary to cover budgeted expenditures for FYE 2021, including repayment of all outstanding indebtedness. Thus, the Agency plans to reduce the amount of property tax increment imposed in FYE 2021.

Reducing annual property tax collections can be done on an annual basis in coordination with the Office of the County Assessor through a process known as underlevying. While the Agency is forecast to have authority to impose \$3,532,763 of property tax increment revenue in FYE 2021, the Agency plans to only impose \$2,600,000 of property tax increment revenue. This will reduce the Agency's annual impact on affected taxing districts by over \$900,000 in FYE 2021.

Termination of property tax increment authority. After paying off all outstanding debt in FYE 2021, the Agency would be in a position to terminate its authority for imposing property tax increment in future years. This would result in an estimated annual increase to affected taxing districts of over \$3 million per year. As noted earlier, this approach for early repayment of outstanding debt is contingent upon successful negotiation of a reimbursement agreement with the Port of Columbia County, in order to secure the best possible financial impact to affected taxing districts.

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L I N E #	HISTORICAL DATA			FTE 2019/2020	L I N E #	RESOURCE/REQUIREMENT DESCRIPTION PROPOSED	FTE 2020/2021	Budget for next Year 2020-2021			L I N E #
	Actual		Adopted					2020-2021	2020-2021	2020-2021	
	Second Preceding Year 06/30/18	First Preceding Year 06/30/19	Budget This Year 06/30/20					Proposed by Budget Officer	Approved by Budget Committee	Adopted by Governing Body	
						COLUMBIA COUNTY DEVELOPMENT AGENCY					
1					1						1
2	2,691,926	3,041,108	2,986,970		2	818-481.00-310.00-000-00	11	2,600,000	2,600,000	2,600,000	2
3	97,334	152,223	64,665		3	818-481.00-310.10-000-00	11	65,000	65,000	65,000	3
4	26,484	80,602	10,500		4	818-481.00-330.00-000-00		60,000	60,000	60,000	4
5	43,510	161,655	10,000		5	818-481.00-324.40-000-00		50,000	50,000	50,000	5
6	1,112,215	1,959,502	4,252,369		6	818-481.00-399.04-000-00		6,733,000	6,733,000	6,733,000	6
7	3,971,469	5,395,091	7,324,504		7	TOTAL RESOURCES	10	9,508,000	9,508,000	9,508,000	7
8	-	-	63,000		8	818-481.00-490.00-305-06		75,000	75,000	75,000	8
9	61,062	64,276	59,781		9	818-481.00-490.00-305-27		75,000	75,000	75,000	9
10	1,264	1,264	1,500		10	818-481.00-490.00-310-00		1,500	1,500	1,500	10
11	1,294	1,087	1,000		11	818-481.00-490.00-500-00		1,000	1,000	1,000	11
12	63,620	66,627	125,281		12	TOTAL MATERIALS & SERVICES	2	152,500	152,500	152,500	12
13	756,954	756,954	756,954		13	818-481.00-490.00-801-00		756,954	756,954	756,954	13
14	398,381	-	5,540,269		14	818-481.00-490.00-801-01		6,288,000	6,288,000	6,288,000	14
15	-	-	-		15	818-481.00-490.00-801-02		2,062,000	2,062,000	2,062,000	15
16	775,139	-	402,000		16	818-481.00-490.00-807-00		-	-	-	16
17	1,930,474	756,954	6,699,223		17	TOTAL DEBT SERVICE	4	9,106,954	9,106,954	9,106,954	17
18	-	-	-		18	818-481.00-490.00-880-00		248,546	248,546	248,546	18
19	-	-	-		19	TOTAL CONTINGENCIES	6	248,546	248,546	248,546	19
20	-	-	500,000		20	818-481.00-490.00-900-00		-	-	-	20
21	-	-	500,000		21	TOTAL UNAPPROPRIATED	7	-	-	-	21
22	17,872	18,750	-		22	818-481.00-490.00-953-00		-	-	-	22
23	17,872	18,750	-		23	TOTAL SPECIAL PAYMENTS	8	-	-	-	23
24	2,011,967	842,331	7,324,504		24	TOTAL REQUIREMENTS	9	9,508,000	9,508,000	9,508,000	24
25	1,959,502	4,552,759	-		25	CONTRIBUTION TO/(FROM) FUND		-	-	-	25
26					26						26
27					27	FUND 818 SUMMARIES					27
28					28						28
29	3,971,469	5,395,091	7,324,504		29	TOTAL FUND 818 RESOURCES		9,508,000	9,508,000	9,508,000	29
30	2,011,967	842,331	7,324,504		30	TOTAL FUND 818 REQUIREMENTS		9,508,000	9,508,000	9,508,000	30
31	1,959,502	4,552,759	-		31	TOTAL CONTRIBUTION TO/(FROM) FUND		-	-	-	31
32					32						32
33					33	Fund 818 Summary					33
34	-	-	-		34	1. Total Personal Services.....		-	-	-	34
35	63,620	66,627	125,281		35	2. Total Materials and Services.....		152,500	152,500	152,500	35
36	-	-	-		36	3. Total Capital Outlay.....		-	-	-	36
37	1,930,474	756,954	6,699,223		37	4. Total Debt Service.....		9,106,954	9,106,954	9,106,954	37
38	-	-	-		38	5. Total Transfers.....		-	-	-	38
39	-	-	-		39	6. Total Contingencies.....		248,546	248,546	248,546	39
40	-	-	500,000		40	7. Total Special Payments.....		-	-	-	40
41	17,872	18,750	-		41	8. Total Unappropriated / Reserved for Future Expenditure.....		-	-	-	41
42	2,011,967	842,331	7,324,504		42	9. Total Requirements.....		9,508,000	9,508,000	9,508,000	42
43					43						43
44	1,182,209	2,201,760	4,272,869		44	10. Total Resources Except Property Taxes.....		6,843,000	6,843,000	6,843,000	44
45	2,789,260	3,193,331	3,051,635		45	11. Property Taxes Estimated to Be Received.....		2,665,000	2,665,000	2,665,000	45
46	3,971,469	5,395,091	7,324,504		46	12. Total Resources (add lines 10 and 11).....		9,508,000	9,508,000	9,508,000	46
47	1,959,502	4,552,759	-		47			-	-	-	47

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BEFORE THE GOVERNING BODY OF THE
COLUMBIA COUNTY DEVELOPMENT AGENCY
FOR COLUMBIA COUNTY, OREGON

In the Matter of the Adoption of the)
Budget for the Columbia County Development)
Agency for Fiscal Year 2020-2021 and) RESOLUTION NO 1-2020
the Schedule of Appropriations)

THIS MATTER having come before the Board of County Commissioners of Columbia County, Oregon, sitting as the governing body of the Columbia County Development Agency on the 24th day of June 2020; and

WHEREAS, the Columbia County Development Agency Budget Committee sitting as budget committee for Columbia County Development Agency approved the budget for the Columbia County Development Agency for fiscal year 2020-2021 on May 13, 2020; and

WHEREAS, the Board of County Commissioners sitting as governing body of the agency has received the budget and made any necessary modifications and the same is now ready for adoption; and

NOW, THEREFORE, IT IS HEREBY RESOLVED that the fiscal year 2020-2021 budget for the Columbia County Development Agency in the total amount of \$9,508,000 be, and hereby is, adopted; and

IT IS FURTHER RESOLVED the amounts for the fiscal year beginning July 1, 2020, and for the purposes shown below for the fiscal year 2020-2021 are hereby appropriated; and

SCHEDULE OF APPROVED APPROPRIATIONS

Materials and Services	\$152,500.00
Debt Service	\$9,106,154.00
Contingency	<u>\$248,546.00</u>
 TOTAL APPROPRIATIONS	 \$9,508,000.00

IT IS FURTHER RESOLVED that the Board of County Commissioners sitting as governing body of the Columbia County Development Agency hereby resolves to certify

Resolution No. 1-2020

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to the county assessor a request for the Port Westward Urban Renewal Plan Area that \$275,000,000 in increment value be used for the purpose of dividing the taxes under section 1c, Article IX of the Oregon Constitution and ORS Chapter 457.

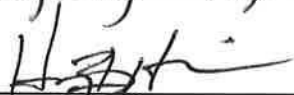
IT IS FURTHER RESOLVED that the Budget Officer certify to the County Clerk of Columbia County, Oregon, the budget for the Columbia County Development Agency and shall file with the Clerk's Office a copy of the budget as finally adopted.

DATED at St. Helens, Oregon this 24th day of June, 2020.

COLUMBIA COUNTY
DEVELOPMENT AGENCY

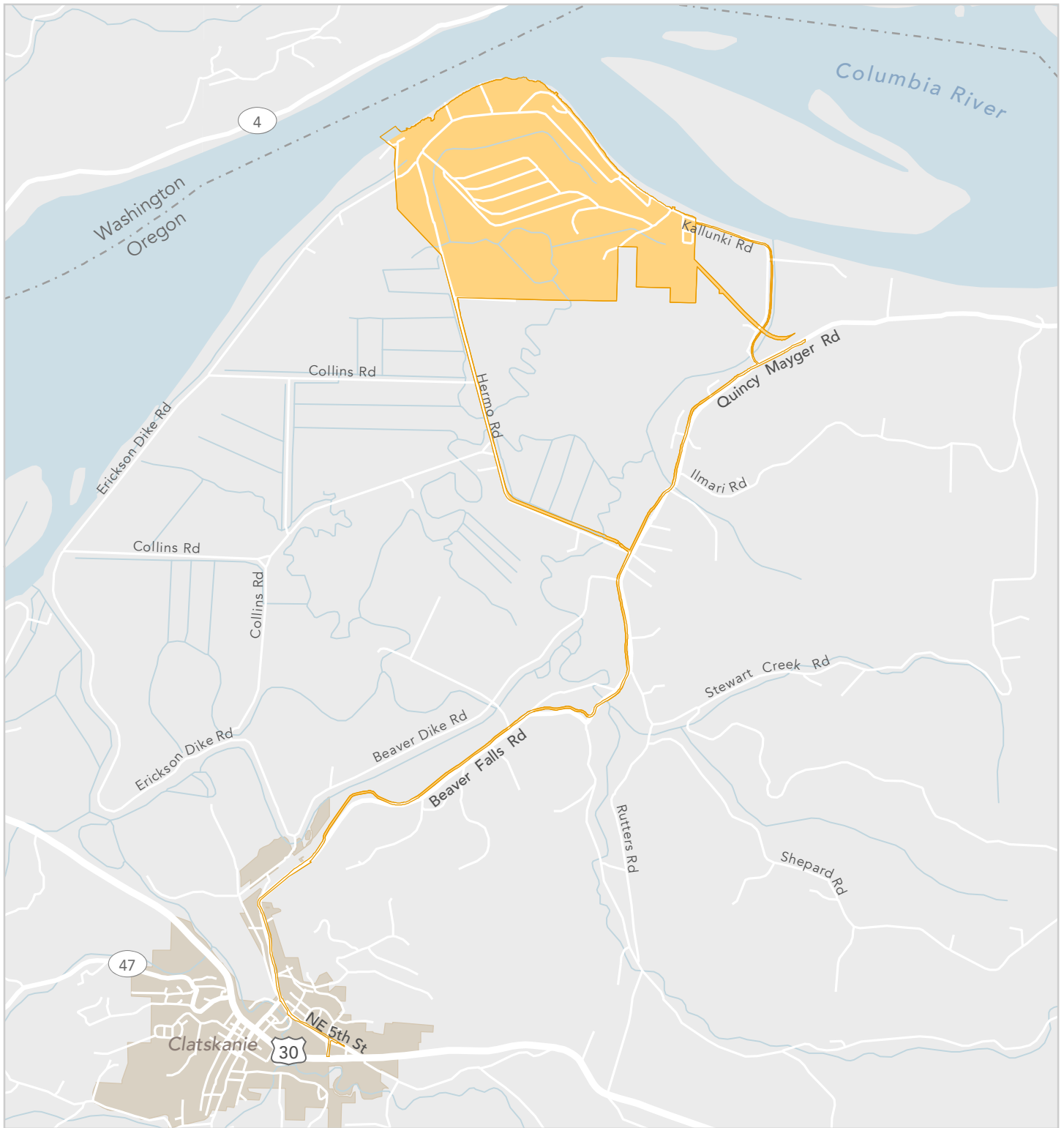
By: 
Alex Tardif, Chair

By: 
Margaret Magruder, Vice-Chair

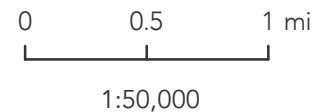
By: 
Henry Heimuller, Secretary-Treasurer

Approved as to form:

By: 
Office of County Counsel



Port Westward Urban Renewal Area



- Port Westward Urban Renewal Area
- Clatskanie City Limits

Data from Columbia County.
Map date: 1/25/2017.

Summary of Maximum Indebtedness

The Port Westward Urban Renewal Plan includes a maximum indebtedness of \$34,000,000, which functions as a maximum limit on the cumulative amount of indebtedness that the CCDA can incur over the life of the Port Westward URA. Note that expenditures of revenues other than tax increment (Non-TIF Resources) do not count against the maximum indebtedness limit. The table below shows the amount of indebtedness that has been used through the end of FYE 2019, based on the CCDA's annual financial reports.

Summary of Maximum Indebtedness through FYE 2019

Authorized Maximum Indebtedness	\$ 34,000,000.00
Formal Indebtedness	
Rail Loan	\$ 3,000,000.00
Road Loan	\$ 5,894,818.00
Water Loan	\$ 8,095,122.00
Subtotal	\$ 16,989,940.00
Contract Indebtedness	
Other Expenditures	\$ 1,933,047.32
Less Non-TIF Resources	\$ (388,450.07)
Subtotal	\$ 1,544,597.25
Total Indebtedness	\$ 18,534,537.25
Remaining Maximum Indebtedness	\$ 15,465,462.75

Future Schedule of Long-Term Liabilities

Property tax increment revenue from the Port Westward URA has been pledged as a potential source of repayment for two outstanding long-term loans from the State of Oregon to Columbia County and the Port of Saint Helens. The future scheduled debt service payments for these loans are shown below.

Summary – All loans

FYE	Water	Rail	Total
2021	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2022	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2023	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2024	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2025	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2026	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2027	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2028	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2029	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2030	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2031	\$ 756,954.45	\$ 230,017.86	\$ 986,972.31
2032	\$ 756,954.40	\$ 230,017.86	\$ 986,972.26
2033	\$ -	\$ 25,990.47	\$ 25,990.47
Total	\$ 9,083,453.35	\$ 2,786,204.79	\$ 11,869,658.14

Port of Saint Helens – Water Loan

Port Water Loan			
FYE	Principal	Interest	Total
2021	\$ 421,500.56	\$ 335,453.89	\$ 756,954.45
2022	\$ 442,575.59	\$ 314,378.86	\$ 756,954.45
2023	\$ 464,704.37	\$ 292,250.08	\$ 756,954.45
2024	\$ 487,939.59	\$ 269,014.86	\$ 756,954.45
2025	\$ 512,336.57	\$ 244,617.88	\$ 756,954.45
2026	\$ 537,953.40	\$ 219,001.05	\$ 756,954.45
2027	\$ 564,851.07	\$ 192,103.38	\$ 756,954.45
2028	\$ 593,093.62	\$ 163,860.83	\$ 756,954.45
2029	\$ 622,748.30	\$ 134,206.15	\$ 756,954.45
2030	\$ 653,885.72	\$ 103,068.73	\$ 756,954.45
2031	\$ 686,580.00	\$ 70,374.45	\$ 756,954.45
2032	\$ 720,908.95	\$ 36,045.45	\$ 756,954.40
2033	\$ -	\$ -	\$ -
Total	\$ 6,709,077.74	\$ 2,374,375.61	\$ 9,083,453.35

Port of Saint Helens – Rail Loan

Port Rail Loan			
FYE	Principal	Interest	Total
2021	\$ 116,340.80	\$ 113,677.06	\$ 230,017.86
2022	\$ 123,076.93	\$ 106,940.93	\$ 230,017.86
2023	\$ 130,203.08	\$ 99,814.78	\$ 230,017.86
2024	\$ 137,741.84	\$ 92,276.02	\$ 230,017.86
2025	\$ 145,717.09	\$ 84,300.77	\$ 230,017.86
2026	\$ 154,154.11	\$ 75,863.75	\$ 230,017.86
2027	\$ 163,079.64	\$ 66,938.22	\$ 230,017.86
2028	\$ 172,521.95	\$ 57,495.91	\$ 230,017.86
2029	\$ 182,510.97	\$ 47,506.89	\$ 230,017.86
2030	\$ 193,078.35	\$ 36,939.51	\$ 230,017.86
2031	\$ 204,257.59	\$ 25,760.27	\$ 230,017.86
2032	\$ 216,084.10	\$ 13,933.76	\$ 230,017.86
2033	\$ 24,567.98	\$ 1,422.49	\$ 25,990.47
Total	\$ 1,963,334.43	\$ 822,870.36	\$ 2,786,204.79