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# Columbia County Development Agency Urban Renewal Annual Report

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FY 2015/16

ORS 457.460

Submitted to Columbia County Board of Commissioners

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Reviewed by Jennifer Cuellar-Smith,  
Columbia County Treasurer and Director, Finance and Taxation

January 23, 2017



# Overview of report

The Columbia County Development Agency (Agency) has prepared this Annual Report for the Port Westward Urban Renewal Area pursuant to ORS 457.460. The Annual Report is on file with the Columbia County Board of Commissioners and with the Columbia County Development Agency. The information contained in the Annual Report is available for review at no cost by all interested persons at the office of the Board of County Commissioners located in the Columbia County Courthouse, Room 331, at 230 Strand Street, St. Helens, OR 97051. Copies of the Annual Report and attached budget are available for purchase.

As required by ORS 457.460, this report includes a summary of financial information for the most recently completed fiscal year (2015-16), as well as estimates of financial information for the current fiscal year (2016-17).

## Previous fiscal year, FYE 2016

### Revenues

General Fund revenues for the Columbia County Development Agency (CCDA) totaled \$2,601,203 in FYE 2016. This included \$2,521,041 in tax increment revenue (current and past property tax years combined), \$71,457 from natural resource revenue, and \$8,705 in interest earnings.<sup>1</sup> The CCDA General Fund had a beginning fund balance of \$970,185.

### Expenditures

CCDA General Fund expenditures for FYE 2016 totaled \$2,924,716. These expenditures included \$38,226 on materials and services for economic development, \$756,954 for debt service on behalf of other governments, and \$2,129,536 in special payments, which include transfers to Columbia County for debt service payments and administration of the Agency.<sup>2</sup>

**Table 1. FYE 2016 CCDA General Fund Expenditures**

Expenditures	
Materials and Services	\$ 38,226
Debt Service on behalf of other governments	\$ 756,954
Debt Service - Special Payments	\$ 2,075,139
District Management - Special Payments	\$ 54,397
<b>Total</b>	<b>\$ 2,924,716</b>

Source: CCDA Annual Financial Report, FYE 2016

<sup>1</sup> CCDA Annual Financial Report FYE 2016, page 10.

<sup>2</sup> Ibid

### Impact on taxing districts

The total amount of urban renewal taxes imposed in FYE 2016 was \$2,606,013. This included \$2,312,864 from permanent rate levies and \$293,150 from general obligation bond levies.<sup>3</sup> Note that the amount of taxes imposed, is not the same as the property taxes received by the Agency, due to discounts, delinquencies, and collection of prior year’s taxes.

Tax increment revenue derived from permanent rate levies results in an impact to taxing districts. These are “foregone revenues” that result in decreased property tax collections for the affected taxing districts. Tax increment revenue derived from general obligation bonds does not have the same impact on taxing districts. Instead, the general obligation bond tax rates are adjusted upwards to ensure that the full amount of annual debt service payments can be made. Thus, the foregone revenue associated with general obligation bond tax rates does not have an impact on taxing districts, but instead impacts taxpayers countywide through a slightly higher property tax rate. The impact of the division of taxes is shown in Table 2 below.

**Table 2. CCDA Impact on Taxing Districts, FYE 2016**

Taxing District	Permanent Rate Levy				GO Bond Levy	Total All Levies
	Foregone Revenue to CCDA	Imposed for Taxing District	Total	Foregone Revenue as % of Total	Bonds	Imposed for CCDA
Columbia County	\$ 350,615	\$ 6,157,957	\$ 6,508,573	5%	\$ 65,048	\$ 415,664
Columbia 4H & Extension	\$ 14,301	\$ 252,015	\$ 266,317	5%		\$ 14,301
Col 9-1-1 Comm Distr	\$ 64,126	\$ 1,126,979	\$ 1,191,105	5%		\$ 64,126
Columbia Vector	\$ 31,908	\$ 482,931	\$ 514,839	6%		\$ 31,908
Rainier Cemetary	\$ 17,788	\$ 65,404	\$ 83,192	21%		\$ 17,788
Clatskanie Park & Rec	\$ 87,442	\$ 196,107	\$ 283,549	31%		\$ 87,442
Clatskanie Library	\$ 72,039	\$ 161,443	\$ 233,482	31%		\$ 72,039
Port of St. Helens	\$ 21,936	\$ 334,697	\$ 356,633	6%		\$ 21,936
Columbia SWCD	\$ 24,863	\$ 440,582	\$ 465,445	5%		\$ 24,863
Clatskanie RFPD	\$ 432,146	\$ 912,559	\$ 1,344,705	32%		\$ 432,146
NW Regional ESD	\$ 38,291	\$ 662,746	\$ 701,037	5%		\$ 38,291
Clatskanie 6J School	\$ 1,157,408	\$ 2,078,339	\$ 3,235,747	36%	\$ 228,101	\$ 1,385,509
<b>Total</b>	<b>\$ 2,312,864</b>				<b>\$ 293,150</b>	<b>\$ 2,606,013</b>

Notes:  
 Taxes imposed are net of rate truncation and compression losses.  
 Only shows taxes imposed within Columbia County, though several taxing districts impose taxes in additional counties.  
 Sources: Columbia County Assessor, SAL Tables 4a and 4e, FYE 2016

Note that the Clatskanie 6J School District and NW Regional Education Service District do not experience a direct reduction in funding due to urban renewal. School funding is based on a fixed dollar amount per pupil, determined by the State Legislature. Allocations of funding from the State School Fund offset any local property tax collections to ensure each district across the state receives the same level of funding on a per pupil basis. Thus, any reduction in local

<sup>3</sup> Columbia County Assessor’s SAL 4e, FY 2015/16

property tax revenue due to urban renewal does not have any direct impact on the per pupil funding level for the school district and education service district.

## Current fiscal year, FYE 2017

The Agency's adopted FYE 2017 budget estimates it will receive \$2,407,138<sup>4</sup> in current year property taxes. Estimated annual expenditures from the FYE 2017 CCDA Budget are shown below in Table 3.

**Table 3. FYE 2017 Budgeted Expenditures**

<b>Expenditures</b>	
<b>Port Improvement Debt Service</b>	<b>\$ 756,954</b>
<b>Contingency</b>	<b>\$ 490,197</b>
<b>Special Payments</b>	
Transfer to General Fund Admin Costs	\$ 60,000
Transfer to Road Fund Staffing	\$ 20,000
Co. Road Improvement Debt Service	\$ 775,139
Extra Debt Service	\$ 750,000
<b>Subtotal</b>	<b>\$ 1,605,139</b>
<b>Materials and Services</b>	
Property and Liability Insurance	\$ 1,233
Consulting Services	\$ 52,767
Supplies	\$ -
<b>Subtotal</b>	<b>\$ 54,000</b>
<b>Total</b>	<b>\$ 2,906,291</b>

Source: Columbia County Development Agency Adopted Budget, FY 16/17

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<sup>4</sup> Columbia County Development Agency Adopted Budget FY 16/17