

# ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2023

**2022/2023 Dallas Development Commission**

This report fulfills the requirements, prescribed in ORS.457.460, for the filing of an annual report detailing the financial activity of an urban renewal area established in Oregon.



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# Annual Report for Fiscal Year Ending June 30, 2023

## DALLAS DEVELOPMENT COMMISSION

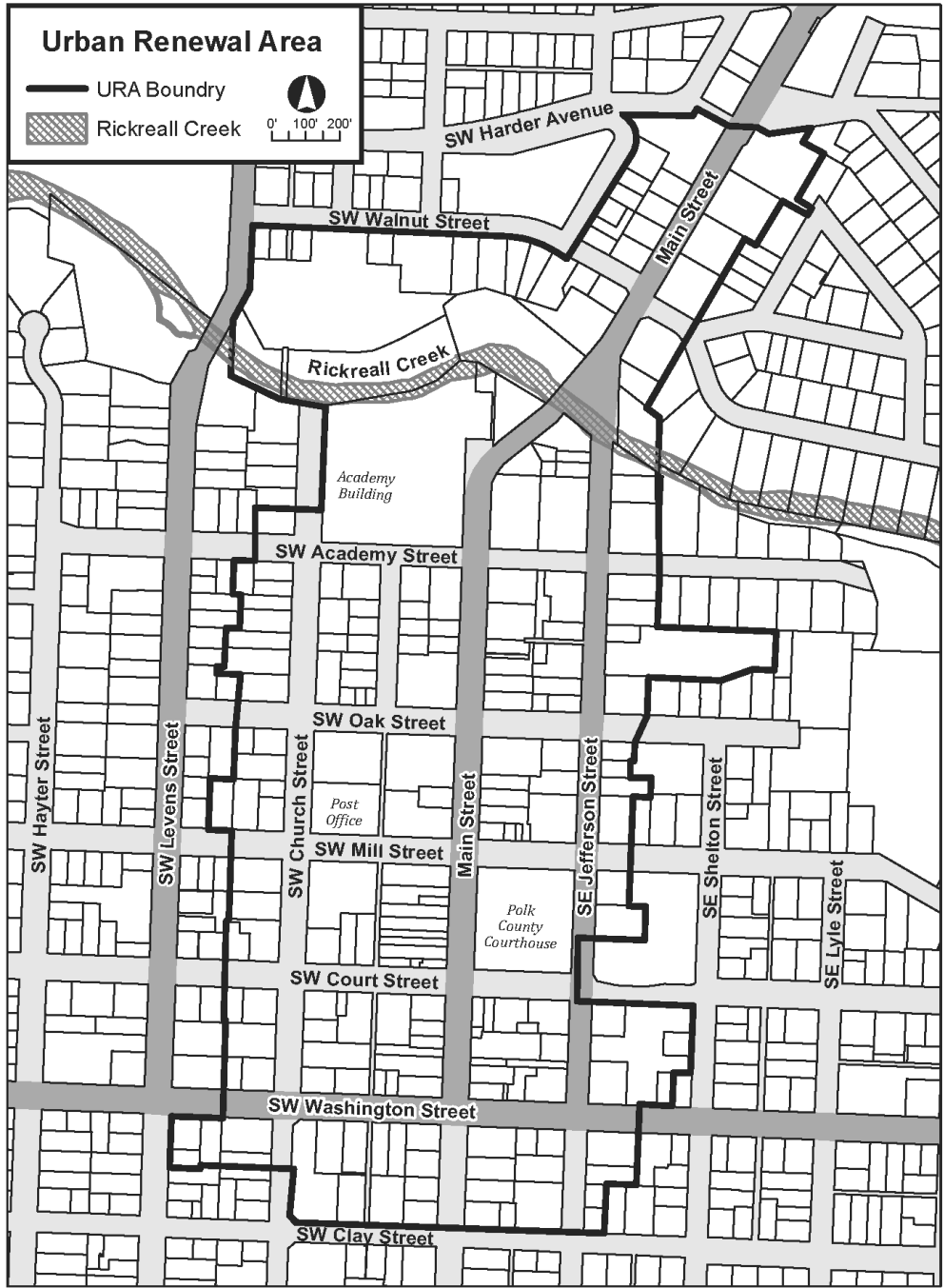
### 1.0 Urban Renewal Areas Background

Dallas has two urban renewal districts, the Dallas Downtown Urban Renewal Area (Downtown Area), and the South Dallas Urban Renewal District (South Area). This Report will cover both districts.

### 2.0 Downtown Urban Renewal Area

The Dallas Urban Renewal Plan (Plan) was adopted by the the City of Dallas in 2004. The maximum indebtedness established in the Plan is \$9,044,929. The maximum indebtedness is the total amount of funds that can be spent on projects, programs, and administration in the urban renewal area over the life of the urban renewal plan. The boundary is shown in Exhibit 1.

Exhibit 1. Downtown Area Boundary



Source: Downtown Dallas Urban Renewal Plan

## 2.1 Downtown Area Goals

The Downtown Area's guiding document is the Plan which list a series of goals and objectives to guide activities in the Dallas Area. Goals listed in the Plan are as follows:

### **GOAL 1: PROMOTE DEVELOPMENT OF A UNIFIED AND COHESIVE DOWNTOWN**

*Connect and unify the various parts of the Area so that it functions as a cohesive district.*

### **GOAL 2: PROMOTE A MIX OF RETAIL, COMMERCIAL AND RESIDENTIAL USES ORIENTED TO PEDESTRIANS**

*Promote development of a mix of service, office, and residential uses that benefit from and enhance the Area's pedestrian-oriented environment.*

### **GOAL 3: ENHANCE THE PEDESTRIAN ENVIRONMENT ON STREETS, IN PUBLIC PARKS AND GREENSPACES, AND OTHER PUBLIC GATHERING SPACES**

*Create an environment that is safe and attractive for pedestrians, whether as part of a streetscape system or within the public parks and recreation system.*

### **GOAL 4: PROMOTE HIGH QUALITY DESIGN AND DEVELOPMENT COMPATIBLE WITH THE HISTORIC ARCHITECTURAL THEME OF DALLAS' CENTRAL BUSINESS DISTRICT**

*Promote high quality design and materials that enhance the architectural integrity and character of downtown's historic CBD.*

### **GOAL 5: INCREASE EMPLOYMENT AND BUSINESS ACTIVITY IN THE DOWNTOWN**

*Increase employment and attract a broader range of commercial, office and professional businesses to the Area.*

The entire Dallas Urban Renewal Plan and Report can be found on Dallas Development Commission's website, <https://www.dallasor.gov/ecd/page/urban-renewal>.

## 2.2 Frozen Base

The frozen base assessed value ("Frozen Base") of the Urban Renewal Area is \$25,137,464. The FY 2022/2023 total assessed value is \$45,641,477. The excess value, or the value on which taxes are paid to the Dallas Development Commission ("DDC") in FY 2022/2023 is \$20,504,013<sup>1</sup>.

## 2.3 Maximum Indebtedness

The maximum indebtedness authorized initially for the Area is \$9,044,929. The amount of indebtedness remaining for the Plan Area as of FY 2022/2023 is \$5,860,106. The amount incurred in FY 2022/2023 was \$236,071.<sup>2</sup>

## 2.4 Financial Reporting - Downtown Area

Pursuant to ORS 457.460, a detailed accounting of the financial activity related to urban renewal areas is required to be reported on an annual basis. The following financial information meets the requirements of the statute.

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<sup>1</sup> Polk County FY 2022-2023 SAL 4e

<sup>2</sup> Dallas Development Commission MI tracker spreadsheet

## 2.4.1 Fiscal Year 2022/2023

### 2.4.1.1 Money Received - Downtown Area

In FY 2022/2023, the Dallas Urban Renewal Agency received \$231,132 from division of taxes for the Downtown Area. The detailed earnings of the Dallas Urban Renewal Agency can be seen in Exhibit 2. Exhibits 2 and 3 represent unaudited figures as the audit was not completed by the time this Annual Report was due, January 31, 2024.

#### *Exhibit 2. Money Received During FY 2022/2023*

Item	Amount
Division of Taxes	231,132
Interest	18,514
Miscellaneous	19,743
TOTAL:	\$269,389

Source: Unaudited Dallas Urban Renewal Agency Financial Statement, FYE 2023 pg. 82

### 2.4.1.2 Money Expended – Downtown Area

Revenue received through urban renewal and spent on urban renewal activities is shown in Exhibit 3.

#### *Exhibit 3. Expenditures During FY 2022/2023*

Item	Amount
Personnel Services	16,542
Materials and Services,	63,309
Capital Outlay	9,923
TOTAL:	\$89,774
Other expenditures	
Transfers out	\$146,297
TOTAL:	\$236,071

Source: Unaudited Dallas Urban Renewal Agency Financial Statement, FYE 2023 pg. 82

## 2.4.2 Fiscal Year 2023/2024

### 2.4.1 Estimated Revenues - Downtown Area

The estimated tax revenues from the FY 2023/2024 adopted Dallas Urban Renewal Agency budget for the Downtown Area are \$235,000 from current year property tax revenues.

## 2.4.2 Proposed Budget for Fiscal Year 2023/2024 - Downtown Area

A compiled budget listing the money to be received due to urban renewal, money to be spent, and what projects/expenses the money will fund is shown in Exhibit 4 and Exhibit 5.

### *Exhibit 4. Budget FY 2023/2024 Downtown Area Fund Revenue*

<b>Item</b>	<b>Approved Budget Value</b>
Division of Taxes Current Year	235,000
Division of Taxes Prior Year Delinquent	3,000
Interest	10,000
Misc.	20,000
<b>TOTAL:</b>	<b>268,000</b>
Beginning Fund Balance	300,000
<b>TOTAL RESOURCES</b>	<b>\$568,000</b>

Source: City of Dallas FY 2023/2024 Urban Renewal Budget, pg. 99

### *Exhibit 5. Budget FY 2023/2024 Downtown Area Fund Expenditures*

<b>Expenditures</b>	<b>Approved Budget Value</b>
Personnel Services	9,000
Materials and Services,	49,450
Capital Outlay	115,000
Tranfers	148,915
Reserves	148,915
Contingencies	96,720
<b>TOTAL:</b>	<b>\$568,000</b>

Source: City of Dallas FY 2023/2024 Urban Renewal Budget, pg. 99

## 2.5 Projects

In FY22-23, the Dallas Downtown Urban Renewal Agency experienced little activity compared to previous years due to lack of cash flow due to the priority of paying down outstanding debt. However, the following projects were completed:

- Eleven Minor Improvement Grant projects, totaling \$8,375
- Three Building Improvement Grant projects, totaling \$52,558
- The completion of the Historic Interpretive Sign. This project installed two double-sided and one single-sided historic interpretive signs in downtown Dallas with a ribbon-cutting held in March 2023

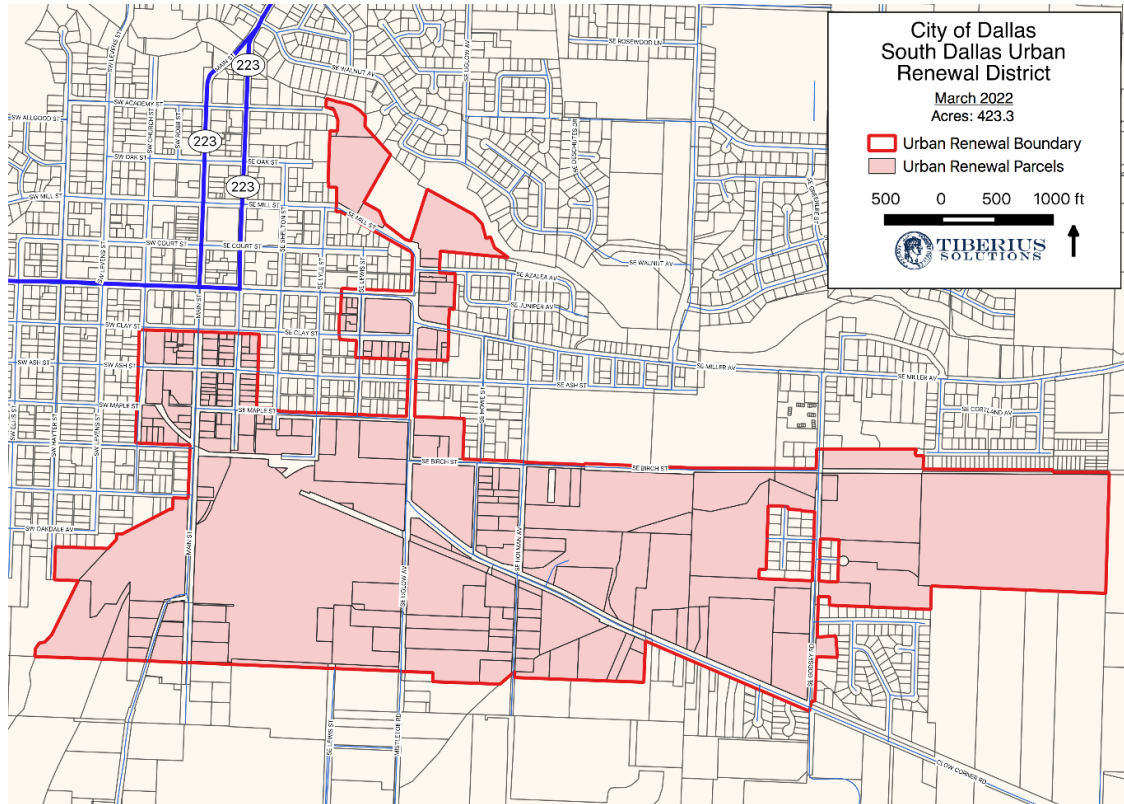




### 3.0 South Urban Renewal Area

The South Area was adopted on August 15, 2022, consists of approximately 423.3 total acres: 374 acres of land in tax lots and 49.3 acres of public rights-of-way. The boundary is shown in Exhibit 6.

*Exhibit 6. South Area Boundary*



### 3.1 South Area Goals

The goals of the South Dallas Urban Renewal Plan are listed below. The urban renewal plan is an implementation tool to enable the city to undertake projects for which there are no other funding sources or are limited funding sources.

- A. Provide tax base diversification by facilitating new and larger commercial and industrial development opportunities
- A. Assist job-creating development with appropriate incentives and partnerships
- B. Add additional commercial zoning to address deficit in commercially-zoned land
- C. Facilitate development of the former Mill Site and other undeveloped or underdeveloped industrial land in south Dallas
- D. Create new employment and commerce opportunities for Dallas residents; encourage more residents to work and shop locally as opposed to commuting to Salem
- E. Improve the infrastructure (transportation, water, wastewater, storm drainage) in the area
- F. Improve the visual appeal of the area to attract more investment

- G. Leverage private-sector capital through creative partnerships
- H. Protect and enhance the environment, notably the Ash Creek corridor

The full South Area Plan can be found at <https://www.dallasor.gov/e.cd/page/urban-renewal>.

### 3.2 Frozen Base

The frozen base assessed value (“Frozen Base”) of the South Area is \$58,939,918. The FY 2023/2024 total assessed value is \$65,447,507. The excess value, or the value on which taxes will be paid to the urban renewal agency in FY 2023/2024 is \$6,507,589<sup>3</sup>.

### 3.3 Maximum Indebtedness

The maximum indebtedness (MI) authorized initially for the South Area is \$41,600,000. No maximum indebtedness has been incurred to date.

### 3.4 Financial Reporting - South Area

Pursuant to ORS 457.460, a detailed accounting of the financial activity related to urban renewal areas is required to be reported on an annual basis. The following financial information meets the requirements of the statute. The South Area did not receive any revenues in FY 2022/2023.

#### 3.4.1 Fiscal Year 2023/2024

##### 3.4.1.1 Estimated Revenues

The estimated tax revenues from the FY 2023/2024 adopted Dallas Urban Renewal Agency for the South Area budget are \$86,140 from property tax revenues.

##### 3.4.1.2 Proposed Budget for Current Fiscal Year, FY 2023/2024

A compiled budget listing the money to be received due to urban renewal, money to be spent, and what projects/expenses the money will fund for the South Area is shown in Exhibit 7 and Exhibit 8 below.

*Exhibit 7. Budget FY 2023/2024 South Area Urban Renewal Fund Revenue*

Item	Approved Budget Value
Division of Taxes Current Year	30,000
Interest	2,000
<b>TOTAL:</b>	<b>\$32,000</b>

Source: City of Dallas FY 2023/2024 Urban Renewal Budget, pg. 102

*Exhibit 8. Budget FY 2023/2024 South Area Urban Renewal Fund Expenditures*

Item	Approved Budget Value
Personnel Services	9,000
Materials and Services	23,000
<b>TOTAL:</b>	<b>\$32,000</b>

Source: City of Dallas FY 2023/2024 Urban Renewal Budget, pg. 102

<sup>3</sup> Polk County SAL 4e FY 2023/24

## 4.0 Impact on Taxing Districts – Downtown Area

The revenues foregone by local taxing districts due to urban renewal are shown in Exhibit 13. This information is from Polk County Assessor records, Table 4e. No bonds or local option levies are impacted by the urban renewal division of taxes.

The South Area has no division of tax impacts for FY 2022/2023. It is expected to begin taking division of tax revenues in FY2023/2024, so will have impacts in the next fiscal year.

Urban renewal agencies do not create an additional tax. Instead, during the Agency’s lifespan, overlapping taxing districts “forego” a portion of their permanent rate. Once the urban renewal area is terminated, the taxing jurisdictions receive the full permanent rate of taxes. The school district and education service district are funded through the State School Fund on a per pupil allocation. There is no *direct* impact of urban renewal on their funding. The State School Fund is funded through property tax allocations, but also through other state resources.

The third column shows the impact of the urban renewal area as a percentage of the taxing district’s permanent rate levy in Polk County. The Chemeketa Community College, Chemeketa Library and the Willamette Education Service District also receive permanent rate levy funds from other counties in addition to Polk County.

*Exhibit 9. Impact on Taxing Districts FY 2022/2023*

<b>Taxing District</b>	<b>Downtown Impact</b>	<b>Permanent Rate Levy in Polk County</b>	<b>Percent of Total Permanent Rate Levy</b>
Polk County	\$35,131	\$12,266,097	0.29%
Chemeketa Community College	\$12,750	\$4,424,060	0.29%
Chemeketa Regional Library	\$1,628	\$582,046	0.28%
Willamette ESD	\$5,968	\$2,096,168	0.28%
Dallas City	\$85,997	\$5,604,760	1.51%
Dallas CD	\$1,085	\$98,402	1.09%
Polk Soil/Water CD	\$950	\$367,679	0.26%
Dallas School District 2	\$93,322	\$9,219,403	1.00%
4-H/M Garden/AG/Forest Ext. District	\$1,492	\$536,447	0.28%
<b>TOTAL:</b>	<b>\$238,323</b>		

Source: FY 2022/2023 Sal 4e from Polk County Assessor