

FORM UR-1

NOTICE OF BUDGET HEARING

A meeting of the Urban Renewal Agency of the City of Salem will be held on June 09, 2025 at 6:00 pm in Loucks Auditorium, Salem Public Library, 585 Liberty St. SE. At this meeting, deliberation of the budget for the fiscal year beginning July 1, 2025 as approved by the Urban Renewal Agency Budget Committee will take place. Any person may provide public comment or written testimony regarding the Budget Committee approved budget. A summary of the budget is presented below. A copy of the complete budget can be found on the City's website at <https://www.cityofsalem.net/budget+A1>. This budget was prepared on a basis of accounting that is consistent with the basis of accounting used during the preceding year. Major changes, if any, and their effect on the budget are explained below. This budget is for an annual period. Americans with Disabilities Act accommodations for the June 9, 2025 meeting shall be provided upon request with 24 hours advance notice.

Contact: **Josh Eggleston**

Telephone: **503-588-6130**

Email: **jeggleston@cityofsalem.net**

FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount 2023-24	Adopted Budget This Year 2024-25	Approved Budget Next Year 2025-26
Beginning Fund Balance / Net Working Capital	72,986,573	69,734,860	80,544,550
Federal, State and All Other Grants	4,524,564	1,478,740	0
Revenue from Bonds and Other Debt	18,638,000	17,780,000	13,310,000
Interfund Transfers	904,905	2,835,260	1,422,300
All Other Resources Except Division of Tax and Special Levy	7,817,340	6,851,410	9,744,690
Revenue from Division of Tax	16,830,043	15,924,536	17,702,153
Revenue from Special Levy	3,036,787	3,135,034	3,649,427
Total Resources	124,738,212	117,739,840	126,373,120

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services	0	0	0
Materials and Services	26,740,071	61,269,820	40,119,190
Capital Outlay	162,091	4,976,840	5,482,500
Debt Service	20,934,285	19,992,380	16,771,590
Interfund Transfers	904,905	2,839,350	1,422,300
Contingencies	0	0	0
All Other Expenditures and Requirements	0	0	0
Unappropriated Ending Fund Balance	75,996,860	28,661,450	62,577,540
Total Requirements	124,738,212	117,739,840	126,373,120

FINANCIAL SUMMARY-REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM			
Name of Organizational Unit or Program	There are no full-time equivalent employees associated with Urban Renewal Area budgets.		
Riverfront Downtown Urban Renewal Area	14,414,205	33,218,570	26,573,750
Fairview Industrial Park Urban Renewal Area	127,568	360,740	353,370
North Gateway Urban Renewal Area	5,848,307	21,338,880	15,326,300
West Salem Urban Renewal Area	9,330,067	7,474,680	3,923,020
Mill Creek Industrial Park Urban Renewal Area	3,761,198	9,736,290	2,548,470
McGilchrist Urban Renewal Area	7,268,392	6,624,720	4,968,440
South Waterfront Urban Renewal Area	538,688	1,100,100	738,280
Jory Apartments Urban Renewal Area	924,426	946,020	749,140
Salem Convention Center	6,528,499	8,278,390	8,614,810
Not Allocated to Organizational Unit or Program	75,996,860	28,661,450	62,577,540
Total Requirements	124,738,212	117,739,840	126,373,120
Total FTE	0	0	0

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING

URBAN RENEWAL AGENCY (URA) CHANGES IN ACTIVITY
The majority of URA budgeted expenditure decreases are the result of an effort to better align capital project budgets with anticipated actual expenditures.
Riverfront Downtown URA -- Decreased appropriation for downtown streetscape and removal of appropriation committed to future projects partially offset by an increase to funding for parkade improvements.
Fairview URA -- Includes awarded grants and administration.
North Gateway URA -- Decreased due to removal of appropriation committed to future projects.
West Salem URA -- Decreased funding set aside for construction on Wallace Road and Second Street.
Mill Creek Industrial Park URA -- Decreased appropriation for Turner Road improvement projects.
McGilchrist URA -- Decreased appropriation for 22nd Street realignment and signalization, and McGilchrist Street corridor improvements.
South Waterfront URA -- Increased appropriation for the Pringle Creek Trail project.
Jory Apartments URA -- New tax increment financing district created in FY 2020, providing incentive to developer of affordable housing.
Salem Convention Center -- Increased appropriation due to continued increase in activity at the Convention Center.

URBAN RENEWAL AGENCY (URA) SOURCES OF FINANCING
Beginning Fund Balance / Net Working Capital -- Year-over-year increase for all URAs except for McGilchrist, Riverfront Downtown, and West Salem which incurred significant capital project expenses.
Federal, State, and All Other Grants -- Year-over-year decrease for reduced reimbursement from federal grant in McGilchrist URA.
Revenue from Bonds and Other Debt -- Year-over-year decrease in short-term borrowing.
Interfund Transfers -- Increase of appropriation for program income to the Convention Center Gain / Loss Reserve Fund due to more business activity at the Convention Center.
Revenue from Division of Taxes -- Decrease in McGilchrist, Mill Creek, and Riverfront Downtown revenue but anticipated gains in all other URAs. McGilchrist URA has reached its maximum indebtedness and will no longer be collecting increment.
Revenue from Special Levy -- Decrease in proceeds from special levy as compared to prior year budget.

STATEMENT OF INDEBTEDNESS		
LONG-TERM DEBT	Estimated Debt Outstanding July 1	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$0	\$0
Short Term Borrowings	\$0	\$13,310,000
Other Borrowings	\$8,328,840	\$0
Total	\$8,328,840	\$13,310,000