

Rainier Economic Development
Corporation (REDCO)
Proposed 2026-27 Fiscal Year Budget

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**Rainier Economic Development Corporation (REDCO)
2026-27 Fiscal Year Budget Message**

May 11, 2026

REDCO Budget Committee Members, Citizens of Rainier and All Other Interested Parties,

The following is the proposed budget for the Rainier Economic Development Corporation (REDCO) for the 2026-27 fiscal year.

This proposed budget takes a drastically different approach than the past few have.

It does fulfill the main goal of continuing to pay down the urban renewal agency's debt service.

However, REDCO has historically been used to help fund projects that benefit the community. Examples include financial contributions towards upgrades at the wastewater treatment plant, the boat launch relocation and Riverfront Park.

Cities throughout Oregon and beyond have used urban renewal agencies for decades to help fund infrastructure projects. Many of those cities have thrived as a result. Urban renewal, if done properly, can create tremendous economic and social benefits for the municipalities they are designated to serve.

Like many small towns, Rainier has aging infrastructure that is in desperate need of repair and limited funds. During heavy rain events, the City's wastewater treatment plant becomes inundated with excessive stormwater. That has led to violations and an agreement with the Oregon Department of Environmental Quality.

Under that agreement, the City has agreed to make repairs to its collections system. State funding was obtained during the 2025 legislative session to begin that work. But there is still much more that must be done.

Failure to address the inflow and infiltration into the wastewater system could result in the City having to take out loans to upgrade capacity at the plant, saddling generations of taxpaying residents with debt.

A significant source of inflow and infiltration is the 3,000-foot sewer line that runs from the Rainier School District (RSD) property into the City's system. Root intrusion has left portions of the line porous, enabling stormwater to enter the lines and make its way to the plant.

As such, this proposed budget includes \$250,000 for needed repairs to that sewer line.

This proposal accomplishes many goals, including some that are included in the original Rainier Waterfront Urban Renewal Plan from 1995. One is improving the water quality on the Columbia River. Another is to create separation between the City's stormwater and wastewater.

There are economic benefits as well.

Using urban renewal funds to make infrastructure repairs keeps the taxpaying citizens of Rainier from having to absorb the utility rate increases that would be needed to pay for such projects. By having REDCO fund this project, the RSD will be able to retain 2-3 teaching or up to six nonclassified positions.

The RSD has long been a contributing entity to REDCO. It has also been a longstanding community partner with the City. The City needs to fix its infrastructure, and urban renewal is a tool that has been used by many cities for similar projects.

More importantly, failure to address these infrastructure needs could be catastrophic, not only for the environment, but for the community and its economy over the long-term. This potential solution is offered as a good faith attempt to address all of these concerns, problems and needs.

At Your Service,

W. Scott Jorgensen, Executive MPA
City Administrator and Budget Officer

Rainier Economic Development Council

2026/2027 Budget Calendar

Budget Committee Meeting
May 11, 2026
5 p.m.

April 27, 2026 Publish Notice of Budget Committee Meeting on website

May 1, 2026 Publish Notice of Budget Committee Meeting in newspaper

2nd Budget Committee Meeting
(if necessary)
May 18, 2026
5 p.m.

Publish Budget Hearing and
Financial Summary Notice
May 28, 2026

Budget Hearing
Adopt Budget
Approve Tax Levy
Approve Appropriations
June 8, 2026
5 p.m.

File Notice of Property Tax Certification
(File with Assessor)
July 15, 2026

**RAINIER ECONOMIC DEVELOPMENT COUNCIL
2026-27 BUDGET**

GENERAL FUND

GENERAL FUND RESOURCES				
2022/2023	2023/2024	2023/2025	Description	2026/2027
Actual	Actual	Budget		Proposed
490,409	487,382	483,159	Beginning Fund Balance	557,800
40	30	-	Miscellaneous	-
19,737	32,928	23,000	Interest Earnings	20,000
510,186	520,340	506,159	General Fund Resources TOTAL	577,800

GENERAL FUND - REQUIREMENTS				
2022/2023	2023/2024	2023/2025	Description	2026/2027
Actual	Actual	Budget		Proposed
Materials & Services				
22,804	2,200	14,400	Administrative Support	2,200
-	1,041	2,000	Office/ Operating/Misc/It Upgrade	1,800
-	-	600	Membership Dues	-
-	7,150	18,000	Audit Services	7,000
22,804	10,391	35,000	Materials & Services Total	11,000
Capital Outlay				
			RSD Sewer Line Rehabilitation	250,000
			Capital Project Outlay Total	250,000
General Fund Operations Total				261,000
Unallocated Requirements				
-	-	5,900	Contingency	5,000
-	-	5,900	Unallocated Total	5,000
		465,259	Unappr. Ending Fund Balance	311,800
487,382	509,949		Ending Fund Balance - Actual	
510,186	520,340	506,159	TOTAL REQUIREMENTS	577,800

RAINIER ECONOMIC DEVELOPMENT COUNCIL

**2026-27 BUDGET
DEBT SERVICE FUND**

DEBT SERVICE FUND - RESOURCES				
2022/2023	2023/2024	2023/2025		2026/2027
Actual	Actual	Budget	Description	Proposed
188,552	197,096	193,552	Beginning Fund Balance	213,131
283,544	283,398	550,000	County Taxes/Current & Prior	283,000
472,096	480,494	743,552	Debt Service Resources TOTAL	496,131

DEBT SERVICE FUND - REQUIREMENTS				
2022/2023	2023/2024	2023/2025		2026/2027
Actual	Actual	Budget	Description	Proposed
			Debt Service	
219,496	226,081	459,000	USG-Principal	247,100
55,504	48,919	91,100	USG-Interest	28,000
275,000	275,000	550,100	Debt Service Total	275,100
		193,452	Unappr. Ending Fund Balance	221,031
197,096	205,494		Ending Fund Balance - Actual	
472,096	480,494	743,552	TOTAL Debt Service Fund Requirements	496,131

Settlement with United States Gypsum Corp.

Amortization Schedule

Payment Beginning Due Date	Principal	Payment			End Principal
		Principal	Interest	Total	
4/2/2012	4,750,000	1,000,000		1,000,000	3,750,000
12/31/2012	3,750,000	190,856	84,144	275,000	3,559,144
12/31/2013	3,559,144	168,226	106,774	275,000	3,390,918
12/31/2014	3,390,918	173,272	101,728	275,000	3,217,646
12/31/2015	3,217,646	178,471	96,529	275,000	3,039,175
12/31/2016	3,039,175	183,825	91,175	275,000	2,855,350
12/31/2017	2,855,350	189,339	85,661	275,000	2,666,011
12/31/2018	2,666,011	195,020	79,980	275,000	2,470,991
12/31/2019	2,470,991	200,870	74,130	275,000	2,270,121
12/31/2020	2,270,121	206,896	68,104	275,000	2,063,225
12/31/2021	2,063,225	213,103	61,897	275,000	1,850,121
12/31/2022	1,850,121	219,496	55,504	275,000	1,630,625
12/31/2023	1,630,625	226,081	48,919	275,000	1,404,544
12/31/2024	1,404,544	232,864	42,136	275,000	1,171,680
12/31/2025	1,171,680	239,850	35,150	275,000	931,830
12/31/2026	931,830	247,045	27,955	275,000	684,785
12/31/2027	684,785	254,456	20,544	275,000	430,329
12/31/2028	430,329	262,090	12,910	275,000	168,239
12/31/2029	168,239	168,239	5,047	173,286	0
		<u>4,750,000</u>	<u>1,098,286</u>	<u>5,848,286</u>	

Settlement Amount	4,750,000
Initial Payment	<u>1,000,000</u>
Initial Note Amount	<u>3,750,000</u>
Interest Rate	<u>3.0%</u>