



URA RESOLUTION 2014-006

ADOPTING THE FY2014-15 BUDGET OF THE CITY OF SHERWOOD URBAN RENEWAL AGENCY, MAKING APPROPRIATIONS, IMPOSING AND CATEGORIZING TAXES, AND AUTHORIZING THE AGENCY MANAGER TO TAKE SUCH ACTION NECESSARY TO CARRY OUT THE ADOPTED BUDGET

WHEREAS, the Urban Renewal Agency Budget Committee has reviewed and acted on the proposed Urban Renewal Agency budget; and

WHEREAS, the Budget Committee has approved and recommended a balanced budget to the Urban Renewal Agency Board of Directors on May 17, 2014; and

WHEREAS, in accordance with State law, the Urban Renewal Agency Board of Directors held a public hearing on the budget as approved by the Budget Committee; and

WHEREAS, the Urban Renewal Agency Board of Directors desires to adopt the approved budget and carry out the programs identified in the budget;

NOW THEREFORE THE URBAN RENEWAL AGENCY BOARD OF DIRECTORS RESOLVES AS FOLLOWS:

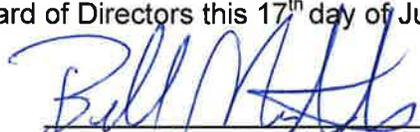
Section 1: Adoption of the 2014-15 Budget. The Urban Renewal Agency Board of Directors of the City of Sherwood, Oregon hereby adopts the budget for the City of Sherwood Urban Renewal Agency for fiscal year 2014-15 in the sum of \$11,164,832, now on file at City Hall and attached as Exhibit A.

Section 2: Making Appropriations. The amounts for the fiscal year beginning July 1, 2014 and for the purposes shown below are hereby appropriated as follows:

	URA Operations Fund	URA Capital Fund
Personal Services	34,357	125,080
Materials and Services	73,501	89,761
Capital Outlay	0	3,786,262
Debt Service	1,585,240	0
Transfers Out	4,000,000	0
Contingency	180,177	0
Reserved for Future Years	1,272,734	17,720
Total	7,146,009	4,018,823

Section 3: Imposing and Categorizing Taxes: Be it resolved that the Urban Renewal Agency Board of Directors of the City of Sherwood hereby resolves to certify to the county assessor a request for the Urban Renewal District Old Town Plan Area for \$3,534.760 that may be raised by dividing the taxes under Section 1c, Article IX of the Oregon Constitution and ORS Chapter 457.

Duly adopted by the Urban Renewal Agency Board of Directors this 17th day of June 2014.



Bill Middleton, Board Chair

Attest:



Sylvia Murphy, MMC, Agency Recorder

City of Sherwood, Oregon Urban Renewal District

22560 SW Pine Street
Sherwood, OR 97140

Approved Budget

2014-2015



Budget Committee

Board of Directors

Board Chair
Board President
Board Member
Board Member
Board Member
Board Member
Board Member

Bill Middleton
Linda Henderson
Bill Butterfield
Krisanna Clark
Robyn Folsom
Dave Grant
Matt Langer

Citizens

Chair
Vice Chair
Citizen Member
Citizen Member
Citizen Member
Citizen Member
Citizen Member

Timothy Carkin
Lynette Waller
Andy McConnell
Steve Munsterman
Kimberly Rocha-Pearson
Neil Shannon
Brian Stecher

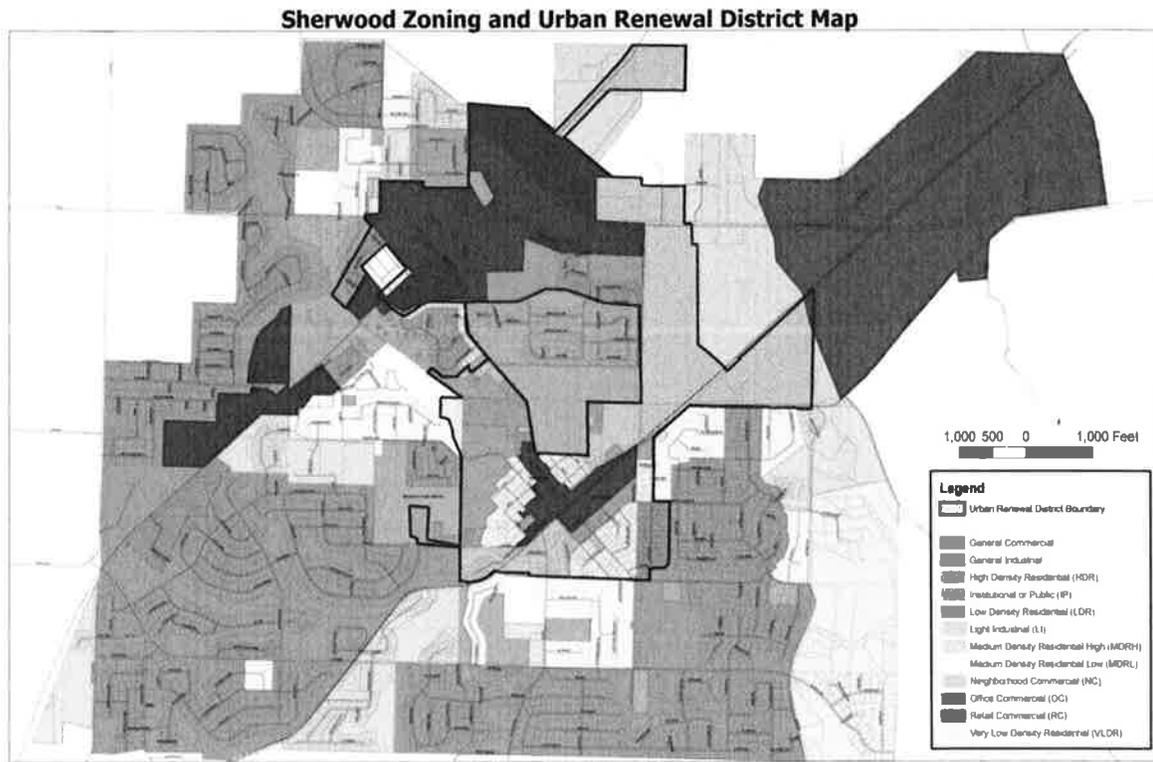
District Administrator
Finance Director/Budget Officer

Joe Gall
Julie Blums

www.sherwoodoregon.gov

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About the District

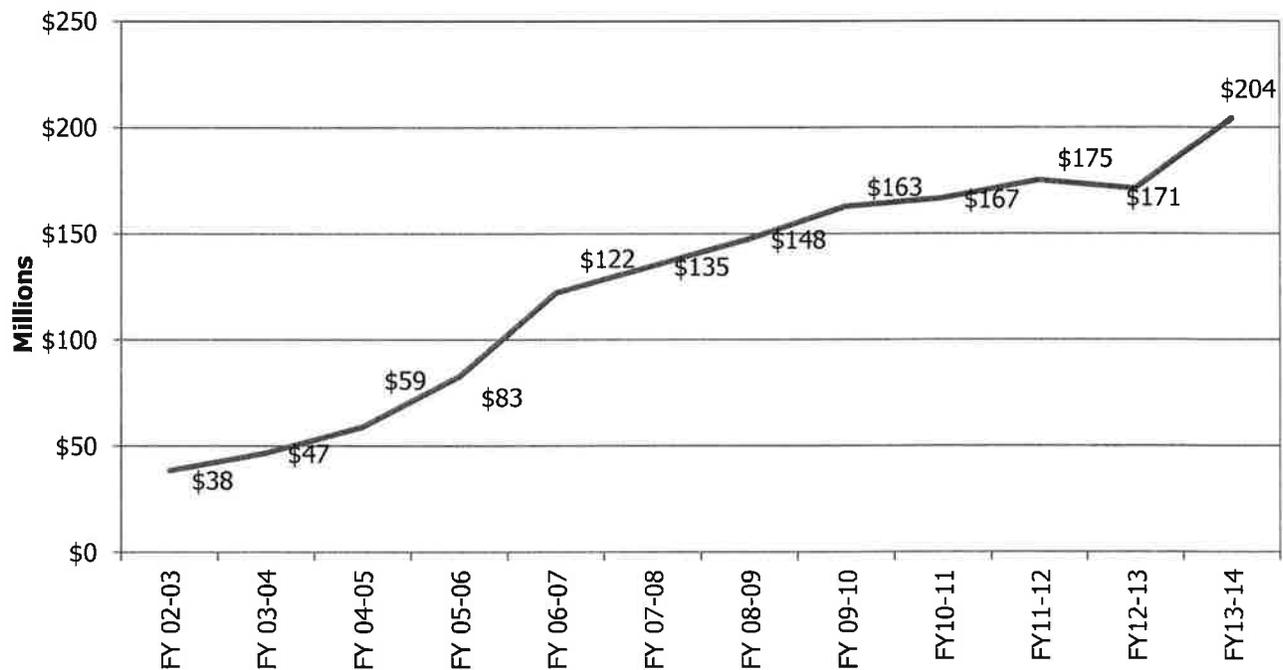
The City of Sherwood Urban Renewal Agency (URA) is a separate entity from the City. The Sherwood City Council serves as the Board of Directors for the URA and is financially accountable for its operations. In accordance with Oregon budget law, the URA prepares its own budget, and the Board of Directors approves its annual appropriations.

Urban renewal agencies are designed to borrow money and make expenditure for economic and community development projects included in the Urban Renewal Plan. When the Sherwood Urban Renewal Plan was adopted in 2000, property values were frozen. The taxes collected on that frozen value continues to flow to the taxing authorities (City, County, Schools, TVF&R, etc.). The taxes collected on increased property values that occur with NEW development generate incremental tax revenue. This tax increment is then used to repay the URA debt and implement the URA plan.

In 2012 the URA plan was amended. The Maximum Indebtedness was increased and starting in 2014 a portion of the NEW tax revenue will be shared with the other taxing authorities. The net effect of the additional shared revenue will be to keep the district open for one additional year. The District is expected to close in 2021.

Urban Renewal Tax Collections are not an additional tax. Urban Renewal Tax Collections are used to initiate development that would not be financially feasible without infrastructure improvements made possible by urban renewal financing.

Urban Renewal District Incremental Assessed Value



Budget Message

It is my privilege to provide you, the citizens of the City of Sherwood, with my proposed Urban Renewal Agency budget for Fiscal Year 14-15.

The Agency budget consists of two funds: a General Operating Fund and a Capital Projects Fund. The Operating Fund is used to account for Agency administration costs and economic development activities within the Urban Renewal Area. The Capital Projects Fund is used to account for construction projects and property purchases. All of the projects funded through the URA Capital Projects Fund are transferred to City ownership on completion.

The Agency operates under guidance from the Sherwood Urban Renewal Plan Advisory Committee (SURPAC), and is governed by the Agency Board of Directors.

FY14-15 Proposed Budget

The FY14-15 Operations Fund budget is largely a status quo budget but there are some additional expenses as we maintain and prepare to divest of assets in future years. Economic development activities which support for Old Town Sherwood and City involvement in regional economic development partnerships are budgeted to continue. Debt service payments account for the majority of the expenditures in this fund.

The FY14-15 Capital Projects Fund budget primarily includes appropriations to finish construction of the Sherwood Community Center. Funding for this project will come from tax increment revenue and loans.

This promises to be an exciting year for the Agency. Projects that have lived in the imaginations of elected officials, Old Town merchants, and Sherwood citizens for years will be completed and the agency will begin to wind down construction projects. I am looking forward to an active year of Agency progress and community achievement.



Urban Renewal Operations

2014-2015 Goals, Strategies, Values and Activities

Goal: *The City of Sherwood will promote responsible Economic Development which benefits the community*

Strategies:

Support existing businesses and recruit additional businesses that provide local family wage jobs.

Activities

- Coordinate Community Center construction
- Divest of some assets owned by the Urban Renewal Agency
- Promote Sherwood through Economic Development Organizations
- Promote Greater Portland Inc. efforts to promote economic development in the Portland region.
- Review existing Economic Development Strategy with SURPAC and generate activity plan
- Develop communication tools with local businesses

Performance Measures

- Complete Community Center construction
- Place important Industrial properties on Greater Portland Inc. website for regional exposure
- Work with existing and new businesses to develop business opportunities in Old Town

Urban Renewal Operations Budget

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Projected	2014-15 Proposed	2014-15 Approved	2014-15 Adopted
SOURCES							
Beginning fund balance	\$ 2,056,165	\$ 1,857,026	\$ 3,728,269	\$ 3,778,239	\$ 3,542,474	\$ 3,542,474	
Revenue							
Taxes	3,225,997	3,143,480	3,354,100	3,661,700	3,585,535	3,585,535	
Charges for services	-	30	-	-	-	-	
Fines, interest and other	17,857	17,417	12,000	22,000	18,000	18,000	
Total revenue	3,243,854	3,160,926	3,366,100	3,683,700	3,603,535	3,603,535	
Other sources							
Sale of fixed assets	-	533,489	160,000	160,000	-	-	
Issuance of long-term debt	-	5,619,298	-	-	-	-	
Total other sources	-	6,152,788	160,000	160,000	-	-	
Total sources	5,300,019	11,170,740	7,254,369	7,621,939	7,146,009	7,146,009	
USES							
Expenditures							
Personal services							
Salaries and wages	89,061	43,698	54,337	35,522	24,115	24,115	
Payroll taxes	7,777	3,621	4,728	2,809	2,175	2,175	
Benefits	21,256	15,798	20,415	10,840	8,067	8,067	
Total personal services	118,094	63,117	79,480	49,171	34,357	34,357	
Materials and services							
Professional & technical	58,161	63,778	63,200	30,000	15,000	15,000	
Facility and equipment	10,053	4,941	14,800	10,000	2,000	2,000	
Other purchased services	9,281	6,797	27,795	25,586	8,602	8,602	
Supplies	-	782	1,000	200	400	400	
Community activities	2,249	12,953	30,000	30,000	30,000	30,000	
Minor equipment	-	1,570	-	-	-	-	
Other materials & services	55,684	27,785	45,829	24,599	17,500	17,500	
Total materials & services	135,428	118,606	182,624	120,385	73,502	73,502	
Capital outlay							
Total capital outlay	-	-	-	-	-	-	
Debt service							
Principal	2,258,271	6,147,912	931,517	931,517	968,378	968,378	
Interest	674,522	916,533	652,818	652,818	616,862	616,862	
Issuance costs	-	106,273	-	-	-	-	
Total debt service	2,932,794	7,170,718	1,584,335	1,584,335	1,585,240	1,585,240	
Total expenditures	3,186,315	7,352,441	1,846,439	1,753,891	1,693,099	1,693,099	
Other uses							
Transfers out	256,678	40,059	3,371,126	2,325,574	4,000,000	4,000,000	
Ending Fund Balance	1,857,026	3,778,239	-	-	-	-	
Contingency	-	-	2,036,804	3,542,474	180,177	180,177	
Reserved for Future Years	-	-	-	-	1,272,734	1,272,734	
Total uses	5,300,019	11,170,740	7,254,369	7,621,939	7,146,009	7,146,009	
FTE	0.8	0.5	0.5	0.3	0.2	0.2	

Urban Renewal Capital Projects

Community Center Construction: An element of the Cannery Square project is the redevelopment of the former Machine Works building site. It will be redeveloped into retail and community center space. Construction will start in FY14 and continue in FY15. The project is expected to be completed in late 2014.

Maintenance of the building and grounds will be performed by the Public Works department. Operation plans for this building are still being determined but expenses are expected to be greater than revenue. Unless grant funding sources are secured there will be expenditures in excess of revenue in the general fund for the operation of the building.

Urban Renewal Capital Budget

	2011-12 Actual	2012-13 Actual	2013-14 Budget	2013-14 Projected	2014-15 Proposed	2014-15 Approved	2014-15 Adopted
SOURCES							
Beginning fund balance	\$1,662,230	\$3,078,268	\$1,209,953	\$508,904	\$18,823	\$18,823	
Revenue							
Charges for services	-	30	-	-	-	-	
Fines, interest and other	13,659	15,886	-	4,683	-	-	
Total revenue	13,659	15,916	-	4,683	-	-	
Other sources							
Transfers in	-	40,059	3,588,126	2,466,198	4,000,000	4,000,000	
Issuance of long-term debt	4,085,972	-	2,601,112	-	-	-	
Total other sources	4,085,972	40,059	6,189,238	2,466,198	4,000,000	4,000,000	
Total sources	5,761,861	3,134,243	7,399,191	2,979,785	4,018,823	4,018,823	
USES							
Expenditures							
Personal services							
Salaries and wages	32,101	72,330	112,304	62,351	85,574	85,574	
Payroll taxes	2,688	5,948	10,213	5,894	8,385	8,385	
Benefits	9,421	28,057	44,701	21,573	31,121	31,121	
Total personal services	44,210	106,335	167,218	89,818	125,080	125,080	
Materials and services							
Professional & technical	17,225	6,528	5,000	5,000	-	-	
Other purchased services	1,537	1,578	974	343	360	360	
Supplies	-	304	-	-	-	-	
Community activities	406	-	-	-	-	-	
Other materials & services	24,882	95,037	99,822	66,902	89,401	89,401	
Total materials & services	44,051	103,447	105,796	72,245	89,761	89,761	
Capital outlay							
Land	-	231,601	-	-	-	-	
Infrastructure	2,588,236	1,980,100	550,000	791,198	-	-	
Buildings	7,097	120,128	5,149,224	2,007,701	3,786,262	3,786,262	
Total capital outlay	2,595,333	2,331,829	5,699,224	2,798,899	3,786,262	3,786,262	
Debt service							
Total debt service	-	-	-	-	-	-	
Total expenditures	2,683,593	2,541,611	5,972,238	2,960,962	4,001,103	4,001,103	
Other uses							
Transfers out	-	83,728	-	-	-	-	
Ending Fund Balance	3,078,268	508,904	-	-	-	-	
Reserved for Future Years	-	-	1,426,953	18,823	17,720	17,720	
Total uses	5,761,861	3,134,243	7,399,191	2,979,785	4,018,823	4,018,823	
FTE	0.4	0.9	0.9	0.7	0.9	0.9	

Debt Service Expenditures to Maturity

City Loans for Sherwood Urban Renewal Agency Projects

	2006 Downtown Streets	2010 Streets & Cannery	2010 Cannery	2012 City Hall/Street Refinancing	Total Debt on behalf of URA
Original Amount	\$ 6,400,000	\$ 7,065,000	\$ 8,500,000	\$ 5,245,000	\$ 27,210,000
Balance at 6/30/14	4,748,824	6,115,000	5,898,888	4,450,000	21,212,712
Paying Fund					
Year Ending June 30					
2015	482,619	553,865	650,000	548,756	2,235,240
2016	483,219	555,605	650,000	550,781	2,239,605
2017	483,419	551,580	650,000	552,356	2,237,355
2018	483,220	552,045	650,000	553,481	2,238,746
2019	482,619	551,745	650,000	554,156	2,238,520
2020	481,619	555,680	650,000	549,456	2,236,755
2021	484,863	553,595	650,000	554,306	2,242,764
2022	482,263	555,768	650,000	430,506	2,118,537
2023	484,088	553,563	650,000	388,806	2,076,457
2024	485,276	550,660	650,000	389,091	2,075,027
2025	480,656	552,060	650,000	-	1,682,716
2026	485,343	552,530	650,000	-	1,687,873
2027	484,156	552,070	650,000	-	1,686,226
2028	-	555,680	650,000	-	1,205,680
2029	-	553,128	650,000	-	1,203,128
2030	-	554,645	650,000	-	1,204,645
2031	-	-	650,000	-	650,000
2032	-	-	650,000	-	650,000
2033	-	-	650,000	-	650,000
2034	-	-	650,000	-	650,000
2035	-	-	-	-	-
	\$ 6,283,360	\$ 8,854,219	\$ 13,000,000	\$ 5,071,695	\$ 28,137,579