



URA RESOLUTION 2017-004

ADOPTING THE FY2017-18 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 25, 2017; 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 FY2017-18 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 2017-18 in the sum of \$5,345,460 now on file at City Hall, and attached as Exhibit A.

Section 2: Making Appropriations. The amounts for the fiscal year beginning July 1, 2017 and for the purposes shown below are hereby appropriated as follows:

	URA Operations Fund
Operations Department	525,623
Debt Service	2,840,244
Contingency	187,487
Total Appropriated	3,553,354
Unappropriated Reserved Balance	1,792,106
Total Budget	\$5,345,460

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 \$3,900,042 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 20th day of June 2017.


Krisanna Clark, Board Chair

Attest:


Sylvia Murphy, MMC, Agency Recorder

City of Sherwood Urban Renewal Agency Annual Budget

For the Fiscal Year

July 1, 2017 - June 30, 2018



BOARD OF DIRECTORS:

Krisanna Clark, *Board Chair*
Jennifer Harris, *Board President*
Sally Robinson, *Board Member*
Jennifer Kuiper, *Board Member*
Dan King, *Board Member*
Kim Young, *Board Member*
Sean Garland, *Board Member*

BUDGET COMMITTEE:

Andy McConnell, *Chair*
Meerta Meyer, *Vice Chair*
Susan Claus
Andy Jensen
Kurt Studer
Paul Mayer
Amy Kutzkey

CITY STAFF:

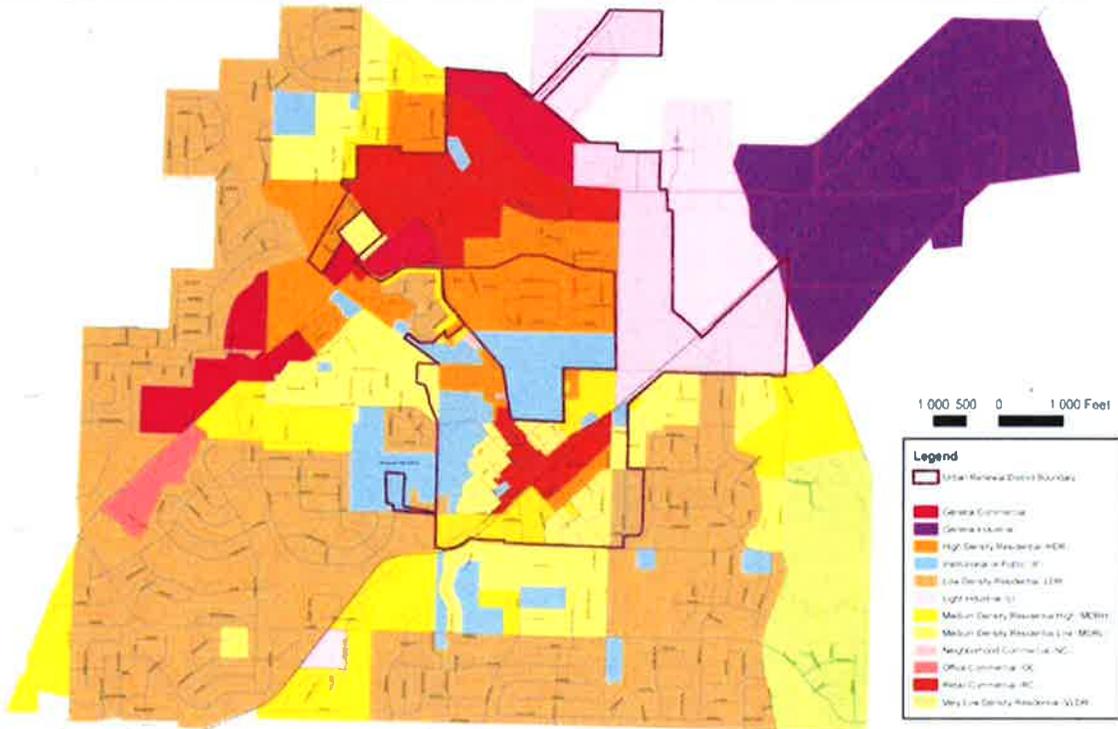
Joseph Gall, *City Manager*
Tom Pessemier, *Assistant City Manager*
Katie Henry, *Finance Director*

www.sherwoodoregon.gov

Table of Contents

- 1 About the District
- 2 Budget Message
- 3 Operations Budget
- 4 Capital Budget
- 5 Long Term Debt

Sherwood Zoning and Urban Renewal District Map



About the District

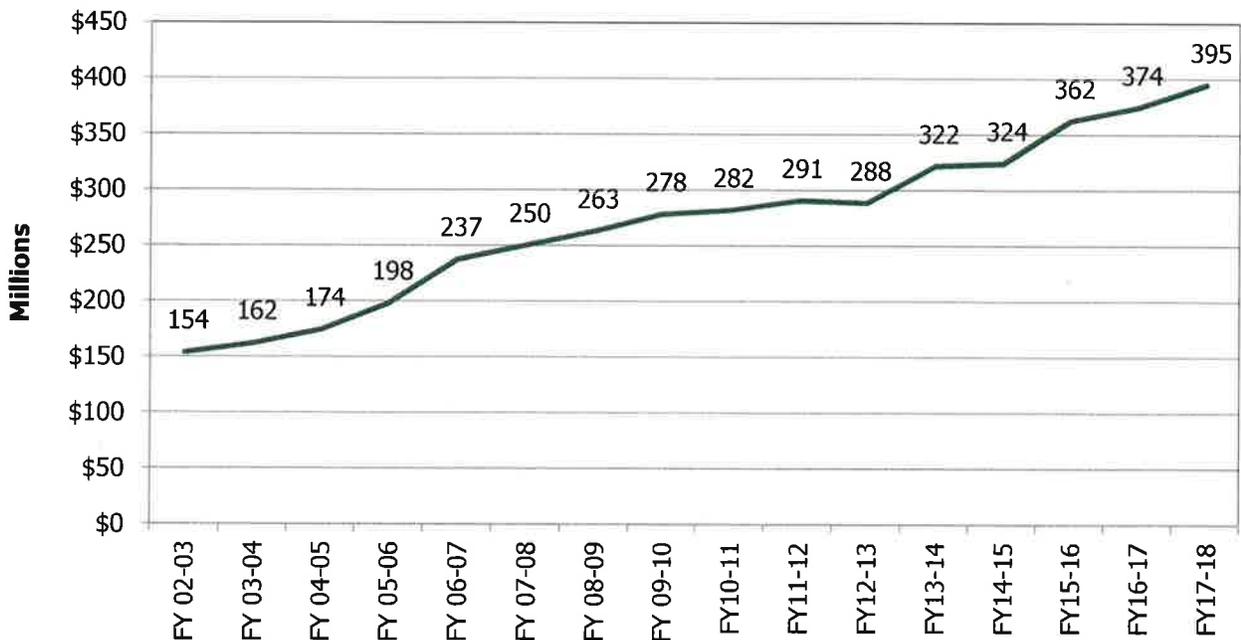
The City of Sherwood Urban Renewal Agency (URA) is a separate entity from the City. The Sherwood City Council serves as the Board of Directors for the URA and is financially accountable for its operations. In accordance with Oregon budget law, the URA prepares its own budget, and the Board of Directors 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 typically 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 2022.

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 the proposed Urban Renewal Agency budget for Fiscal Year 17-18.

The Agency budget consists of one fund which covers both operations and capital projects. The operations for the Agency includes administration costs and economic development activities within the Urban Renewal Area. The capital portion of the budget is for construction projects and property purchases. All of the projects funded through URA capital are transferred to City ownership on completion or at the end of the district.

The Agency operates under guidance from the Agency Board of Directors.

FY17-18 Proposed Budget

The FY17-18 operations 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 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 out of operations.

The FY17-18 Capital Projects budget primarily includes appropriations to:

- Construct a parking lot on the 1st Street properties acquired by the URA in 2014
- Design and prepare for construction of Sanitary Sewer line to serve Sherwood Blvd. property and Marjorie Stewart Center in the future.

These will be the last two capital projects funded by the Urban Renewal Agency unless there is additional revenue from the sale of properties owned by the URA.

The Agency proposes to eliminate the successful façade grant program this year as the district winds down and the Maximum Indebtedness is coming close to being reached.

The Agency will spend this year finishing construction activities, preparing to sell property, and preparing to place the Agency in a position to run with little effort until the URA debt is paid off in 2021-2022 depending on tax increment revenue. We are looking forward to an active year of Agency progress and achievement.

Respectfully Submitted,

Tom Pessemier
Assistant City Manager

Operations

2014-15 Actual	2015-16 Actual (restated)	2016-17 Budget
\$ 3,653,402	\$ 1,619,260	\$ 1,337,538
3,474,465	1,714,544	3,922,015
15,110	21,687	18,000
3,489,575	1,736,231	3,940,015
182,065	-	50,000
182,065	-	50,000
7,325,041	3,355,491	5,327,553
39,529	70,042	86,742
3,843	6,235	7,739
13,313	27,532	33,263
56,684	103,809	127,744
13,477	5,533	20,000
5,237	1,450	2,000
5,731	4,720	7,550
-	4	100
28,923	10,066	15,000
-	2,400	3,000
22,288	56,833	56,804
75,656	81,007	104,454
-	26,748	565,711
-	40,521	-
-	67,269	565,711
132,340	252,085	797,909
968,378	1,010,313	2,180,846
616,863	709,053	658,008
1,585,241	1,719,366	2,838,854
3,988,201	-	-
3,988,201	-	-
1,619,260	1,384,041	-
-	-	197,001
-	-	1,493,789
\$ 7,325,041	\$ 3,355,491	5,327,553

0.3

0.7

-

RESOURCES

Beginning fund balance
Revenue
Taxes
Fines, interest and other
Total revenue
Other sources
Sale of fixed assets
Total other sources

Total resources

REQUIREMENTS

Expenditures
Personal services
Salaries and wages
Payroll taxes
Benefits
Total personal services
Materials and services
Professional & technical
Facility and equipment
Other purchased services
Supplies
Community activities
Other materials & services
Cost Allocation
Total materials & services
Capital outlay
Infrastructure
Buildings
Total capital outlay
Total expenditures
Debt service
Principal
Interest
Total debt service
Other uses
Transfers out
Total other uses

Ending Fund Balance
Contingency
Reserved for Future Years
Total requirements

2017-18 Proposed	2017-18 Approved	2017-18 Adopted
\$ 1,595,720	\$ 1,595,720	
3,731,740	3,731,740	
18,000	18,000	
3,749,740	3,749,740	
-	-	
-	-	
5,345,460	5,345,460	
76,743	76,743	
6,631	6,631	
31,718	31,718	
115,092	115,092	
15,000	15,000	
-	-	
7,650	7,650	
-	-	
-	-	
2,000	2,000	
45,881	45,881	
70,531	70,531	
340,000	340,000	
-	-	
340,000	340,000	
525,623	525,623	
2,245,610	2,245,610	
594,634	594,634	
2,840,244	2,840,244	
-	-	
-	-	
-	-	
-	-	
187,487	187,487	
1,792,106	1,792,106	
\$ 5,345,460	\$ 5,345,460	

-

-

Capital

The URA Capital Fund was closed at the end of FY14-15 and all URA activity is now recorded in the Operations Fund. This page is shown for historical purposes only.

	2014-15 Actual
RESOURCES	
Beginning fund balance	\$ (4,116)
Revenue	
Intergovernmental	16,900
Fines, interest and other	-
Total revenue	<u>16,900</u>
Other sources	
Transfers in	3,988,201
Total other sources	<u>3,988,201</u>
Total resources	<u>4,000,985</u>
REQUIREMENTS	
Expenditures	
Personal services	
Salaries and wages	65,213
Payroll taxes	5,648
Benefits	25,271
Total personal services	<u>96,132</u>
Materials and services	
Professional & technical	393
Other purchased services	2,837
Other materials & services	72,604
Total materials & services	<u>75,834</u>
Capital outlay	
Land	144,235
Buildings	3,684,784
Total capital outlay	<u>3,829,019</u>
Total expenditures	<u>4,000,985</u>
Ending Fund Balance	-
Total requirements	<u>\$ 4,000,985</u>
FTE	0.7

Urban Renewal Debt Service

City Loans for Sherwood Urban Renewal Agency Projects					
	2006			2012 City	Total Debt on behalf of URA
	Downtown Streets	2010 Streets & Cannery	2010 Cannery	Hall/Street Refinancing	
Original Amount	\$ 6,400,000	\$ 7,065,000	\$ 5,898,888	\$ 5,245,000	\$ 24,608,888
Balance at 6/30/17	3,862,808	4,765,367	5,295,000	3,130,000	17,053,175
Payment Source	Tax Increment				
Paying Fund	URA Operations				
Year Ending June 30					
2018	483,220	552,045	1,251,498	553,481	2,840,244
2019	482,619	551,745	1,251,499	554,156	2,840,019
2020	481,619	555,680	1,251,498	549,456	2,838,253
2021	484,863	553,595	1,251,499	554,306	2,844,263
2022	482,263	555,768	-	430,506	1,468,537
2023-2027	2,419,519	2,760,883	-	777,897	5,958,299
2028-2032	-	1,663,453	-	-	1,663,453
2033-2037	-	-	-	-	-
	\$ 4,834,103	\$ 7,193,169	\$ 5,005,994	\$ 3,419,802	\$ 20,453,068

