

**URBAN RENEWAL AGENCY BOARD OF DIRECTORS
REGULAR MEETING AGENDA**

Tuesday, June 7, 2005
Following the Regular City Council Meeting

City of Sherwood Police Facility
20495 SW Borchers Road
Sherwood, Oregon

1. CALL TO ORDER

2. ROLL CALL

3. CONSENT AGENDA

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A. Approve minutes from the May 17, 2005 URA Board of Directors meeting (Deputy City Recorder Donna Martin).

4. PUBLIC HEARING

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A. Resolution 2005-007, a resolution adopting the supplemental budget for FY 2004-2005 and making appropriations (Finance Director Chris Robuck).

5. NEW BUSINESS

Page 5

A. Resolution 2005-008, a resolution adopting the FY 2005-2006 budget. (Finance Director Chris Robuck).

B. Resolution 2005-009, a resolution approving indebtedness in the form of an intergovernmental agreement with the City relating to a school building, sports field turf and lighting within the Urban Renewal District.

6. Adjourn

**URBAN RENEWAL AGENCY BOARD OF DIRECTORS
REGULAR MEETING MINUTES**

Tuesday, May 17, 2005

1. CALL TO ORDER: Chair Keith Mays called the meeting to order at 7:51 p.m.

2. ROLL CALL: Chair Mays, Mr. Durrell, Mr. Grant, Mr. Heironimus, Ms. Henderson, Mr. King, and Mr. Luman.

3. CONSENT AGENDA

A. Approve minutes from the April 5, 2005 URA Board of Directors meeting (Deputy City Recorder Donna Martin).

B. Approve minutes from April 20, 2005 Budget Committee meeting (Finance Director Chris Robuck).

C. Approve minutes from April 27, 2005 Budget Committee meeting (Finance Director Chris Robuck)

MOTION: From Mr. Durrell, seconded by Mr. King, to approve the Consent Agenda. UNANIMOUSLY APPROVED BY ALL MEMBERS PRESENT

4. PUBLIC HEARING

A. Approved Budget for FY 2005-2006 (Finance Director Chris Robuck)

Commencement of Hearing

Chair Mays opened the hearing at 7:52 p.m.

Staff Report

This is the opportunity for public comment on the budget approved by the Budget Committee for FY 2005-2006.

Public Testimony

No one came forward to present testimony.

Close of Hearing

Chair Mays closed the hearing at 7:53 p.m.

5. NEW BUSINESS

A. Resolution 2005-005, approving a minor amendment to the Urban Renewal District Boundary (URD Manager Jim Patterson).

MOTION: From Mr. Heironimus, seconded by Mr. Luman, to approve Resolution 2005-005. UNANIMOUSLY APPROVED BY ALL MEMBERS PRESENT

B. Resolution 2005-006, a resolution approving indebtedness of the Agency in the form of an intergovernmental agreement with the City of Sherwood relating to Old Town streets (Finance Director Chris Robuck)

MOTION: From Mr. Durrell, seconded by Mr. Luman, to approve Resolution 2005-006. UNANIMOUSLY APPROVED BY ALL MEMBERS PRESENT

6. ADJOURN: There being no further business, Chair Mays the meeting was adjourned at 7:55 p.m.

Board Meeting Date: 6-7-05

Agenda Item: Public Hearing

TO: Sherwood Urban Renewal Agency Board of Directors
FROM: Chris Robuck, Finance Director
SUBJECT: **URA RESOLUTION 2005-007, ADOPTING THE SUPPLEMENTAL BUDGET AND MAKING APPROPRIATIONS**
ISSUE: Should appropriations for 2004-05 be revised?

BACKGROUND: Oregon budget law requires that actual expenditures not exceed appropriations. Changes to appropriations are brought to the Board as needed, typically in January and June.

FINDINGS: Increased appropriations are needed as detailed in the resolution.

RECOMMENDATIONS: **MOTION TO APPROVE RESOLUTION 2005-007, ADOPTING THE SUPPLEMENTAL BUDGET AND MAKING APPROPRIATIONS**

URA Resolution 2005-007

**A RESOLUTION ADOPTING THE SUPPLEMENTAL BUDGET AND
MAKING APPROPRIATIONS**

WHEREAS, supplemental budgets are required:

- when a government receives revenue it did not plan for in its budget and wishes to spend the extra revenue
- occurrences or conditions which were not known at the time the budget was prepared require changes in financial planning

WHEREAS, the following events have occurred:

- the City of Sherwood resolved in Resolution 2005-025 to sell the Old School to the Urban Renewal Agency;

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

Section 1. Appropriations for the 2004-05 fiscal year are increased in the following amounts:

| | | | | |
|-------------------------|--|---------|----------------|---------|
| <i>URA General Fund</i> | | | | |
| Loan proceeds | | 550,000 | Capital outlay | 550,000 |

Section 2. This Resolution shall be effective upon its approval and adoption.

Duly passed by the Urban Renewal Agency Board of Directors this 7th day of June 2005.

Dennis M. Durrell, Board Vice-Chair

ATTEST:

C.L. Wiley, District Recorder

Council Meeting Date: 6-7-05

Agenda Item: New business

TO: Urban Renewal Agency Board of Directors

FROM: Chris Robuck, Finance Director

SUBJECT: **URA RESOLUTION 2005-008, ADOPTION OF 2005-06 BUDGET**

ISSUE: Adoption of the 2005-06 budget

BACKGROUND: In April, the Budget Committee received the budget message, heard public comment, and approved the budget as proposed. On May 17, the Board held a public hearing on the approved budget. No significant changes in the estimated resources or uses in the budget have occurred since the hearing date. We are now at the final step of the process, budget adoption.

RECOMMENDATIONS: MOTION TO APPROVE RESOLUTION 2005-008

URA Resolution 2005-008

A RESOLUTION ADOPTING THE 2005-2006 BUDGET OF THE CITY OF SHERWOOD URBAN RENEWAL AGENCY, MAKING APPROPRIATIONS, IMPOSING AND CATEGORIZING TAXES, AND AUTHORIZING THE DISTRICT 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 April 27, 2005; and

WHEREAS, in accordance with State law, the Urban Renewal Agency Board of Directors has held a public hearing on the budget as approved and recommended 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 RESOLVES AS FOLLOWS:

Section 1: Adoption of the 2005-06 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 2005-06 in the sum of \$1,457,509, now on file at City Hall.

Section 2: Making Appropriations. The amounts for the fiscal year beginning July 1, 2005 and for the purposes shown below are hereby appropriated as follows:

| | |
|------------------------|------------------|
| Materials and Services | 55,000 |
| Debt Service | 1,201,884 |
| Reimbursements | 92,064 |
| Contingency | 108,561 |
| Total | 1,457,509 |

Notes: Reimbursements are to the City of Sherwood for expenditures incurred on behalf of the URA

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 the maximum amount of revenue 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 7th day of June 2005.

Dennis M. Durrell, Board Vice-Chair

Attest:

C. L. Wiley, District Recorder

Board Meeting Date: 6-7-05

Agenda Item: New Business

TO: Urban Renewal Agency Board of Directors

FROM: Chris Robuck, Finance Director

SUBJECT: URA RESOLUTION 2005-009

ISSUE: Should the funds be borrowed for Sunset Park construction and URA projects?

BACKGROUND: Loans have been planned as follows:

| Purpose | Payment Source | Amount | Reference |
|--|------------------------|--------------------|--------------|
| Sunset Park construction | Parks Improvement SDCs | \$2,300,000 | |
| Buy Old School from City | URA tax revenue | 550,000 | Res 2005-024 |
| High School artificial turf & Middle School field lights | URA tax revenue | 280,000 | Res 2005-024 |
| <i>Total</i> | | <i>\$3,130,000</i> | |

FINDINGS: Bank of America will finalize terms on June 1 and staff will provide them at the Council meeting on June 7 (the May 31 due date for meeting packets precludes providing that information here).

| Purpose | Amount | Rate | Term | Prepayment |
|--|--------------------|------|------|------------|
| City – Sunset Park construction (tax-exempt) | \$2,300,000 | | | |
| URA – Old School (taxable) | 550,000 | | | |
| URA – sports fields (tax-exempt) | 280,000 | | | |
| <i>Total</i> | <i>\$3,130,000</i> | | | |

The interest rates will be reviewed by the City's financial advisor.

RECOMMENDATION: MOTION TO APPROVE URA RESOLUTION 2005-009

URA Resolution 2005-009

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF SHERWOOD, OREGON APPROVING INDEBTEDNESS OF THE AGENCY IN THE FORM OF ONE OR MORE INTERGOVERNMENTAL AGREEMENTS WITH THE CITY OF SHERWOOD RELATING TO A SCHOOL BUILDING, SPORTS FIELD TURF AND LIGHTING WITHIN THE DISTRICT

WHEREAS, the Urban Renewal Agency of the City of Sherwood (the "Agency") is authorized by ORS Chapter 457 to incur indebtedness to carry out its urban renewal plan, and by ORS Chapter 190 to enter into intergovernmental agreements; and,

WHEREAS, the Agency's urban renewal plan lists acquiring real property from the City of Sherwood and sports field turf at the High School and field lighting at the Middle School (the "Project") as an urban renewal project; and,

WHEREAS, the City of Sherwood is proposing to borrow \$830,000 to pay for costs of the Project; and,

WHEREAS, the Agency is willing to pay tax increment revenues to the City in amounts the City requires to pay the City's borrowing for the Project; now, therefore, it is hereby

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

Section 1. Intergovernmental Agreement Authorized.

The Agency is hereby authorized to enter into one or more intergovernmental agreements that obligate the Agency to pay to the City debt service on a loan for costs of the Project in an aggregate principal amount not to exceed \$830,000 (collectively, the "Intergovernmental Agreements"). The Intergovernmental Agreements shall be in substantially the form attached to this Resolution as Exhibit A, but with such changes as the City Manager or the City Finance Director may approve.

Section 2. Security.

The Intergovernmental Agreements shall constitute an indebtedness of the Agency, and shall be secured by a pledge of the Agency's tax increment revenues as provided in the Intergovernmental Agreements.

Duly passed by the Urban Renewal Agency Board of Directors this 7th day of June, 2005.

Dennis M. Durrell, Board Vice-Chair

ATTEST:

C.L. Wiley, District Recorder

**Intergovernmental Agreement
to Make Loan Payments**

by and between the

Urban Renewal Agency of the City of Sherwood, Oregon

and the

City of Sherwood, Oregon

Dated as of June 8, 2005

| | |
|--|----------|
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**Intergovernmental Agreement
to Make Loan Payments**

This Intergovernmental Agreement to Make Loan Payments is dated as of June 8, 2005, and is entered into by and between the Urban Renewal Agency of the City of Sherwood, Oregon, (the "Agency") and the City of Sherwood, Oregon (the "City"). The parties hereby agree as follows:

Section 1. Definitions and Recitals.

(1) Definitions.

Unless the context clearly requires otherwise, capitalized terms used in this Intergovernmental Agreement which are defined in this Section Section 1(1) shall have the following meanings:

"Bank" means Bank of America, N.A., its successors and its assigns.

"Financing Agreement" means the Financing Agreement and related notes between the City and the Bank in the principal amount of \$3,130,000, \$830,000 of which is related to the Project, which is dated as of June 8, 2005.

"Loan Payments" means the principal and interest payments the City is required to make to the Bank under the Financing Agreement that are allocable to financing the Project.

"Project" means the acquisition of real property at 120 N.W. 3rd Street from the City and acquisition and installation of sports field turf at the High School and sports field lighting at the Middle School.

"Tax Increment Revenues" means all revenues which the Agency collects under the provisions of Article IX, Section 1c of the Oregon Constitution and ORS Chapter 457.

(2) Recitals.

(A) The City has entered into the Financing Agreement to finance costs of the Project and additional City projects.

(B) The Project is properly described as an urban renewal project in the Agency's urban renewal plan.

(C) The Agency is authorized to spend Tax Increment Revenues to pay for the costs of the Project.

(D) The Project will assist the Agency in carrying out its urban renewal plan.

Section 2. The Loan Payments.

(1) The Loan Payments.

The Agency hereby agrees to pay to the City not less than one business day prior to the dates on which the City is required to pay the Loan Payments to the Bank amounts that are equal to the Loan Payments that are allocable to the Project, in a maximum principal amount of \$830,000. The amounts and dates of the Loan Payments that are allocable to the Project are shown in Exhibit A.

(2) Security for the Obligation of the Agency to Pay the Loan Payments.

The Agency hereby pledges its Tax Increment Revenues to pay the amounts described in Section 2.1 of this Intergovernmental Agreement, and this Intergovernmental Agreement shall constitute an indebtedness of the Agency. The pledge of the Tax Increment Revenues shall be superior to all other pledges or commitments of Tax Increment Revenues that the Agency makes, unless the City agrees in writing to subordinate its claim against the Tax Increment Revenues. That pledge is on a parity with the pledge relating to a loan of \$5,845,708 from the State of Oregon Economic and Community Development Department (the "State Loan"), with the pledge of the Agency in an intergovernmental agreement between the City and the Agency which is dated May 21, 2003 and secures a loan of \$2,435,000 (the "First Intergovernmental Agreement"), and with the pledge of the Agency in an intergovernmental agreement between the City and Agency which is dated January 28, 2004 and amended on February 1, 2005 and secures a loan of \$350,000 (the "Second Intergovernmental Agreement").

Section 3. Tax Covenant

The Agency covenants to comply with the applicable provisions of the Internal Revenue Code of 1986, as amended, (the "Code") so that interest on the portion of the Financing Agreement that is allocable to the tax-exempt portion of the Project is excludable from gross income under the Code. All covenants of the Agency relating to the excludability of interest that are contained in the closing documents for the Financing Agreement are hereby incorporated by reference.

Section 4. Miscellaneous

(1) Binding Effect.

This Intergovernmental Agreement shall inure to the benefit of and shall be binding upon the Agency and the City and their respective successors and assigns.

(2) Severability.

In the event any provisions of this Intergovernmental Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

(3) Amendments.

This Intergovernmental Agreement may be amended only by a writing signed by both parties.

(4) Execution in Counterparts.

This Intergovernmental Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute the same instrument.

(5) Applicable Law.

This Intergovernmental Agreement shall be governed by and construed in accordance with the laws of the State of Oregon. Any action regarding this Intergovernmental Agreement or the transactions contemplated hereby shall be brought in an appropriate court of the State of Oregon in Washington County, Oregon.

(6) Rules of Construction.

References to section numbers in documents which do not specify the document in which the section is located shall be construed as references to section numbers in this Intergovernmental Agreement.

(7) Headings.

The headings, titles and table of contents in this Intergovernmental Agreement are provided for convenience and shall not affect the meaning, construction or effect of this Intergovernmental Agreement.

IN WITNESS WHEREOF, the Agency and the City have executed this Intergovernmental Agreement as of the date indicated above.

**Urban Renewal Agency of the City of Sherwood,
Oregon**

City Manager

City of Sherwood, Oregon

Chris Robuck, City Finance Director

EXHIBIT A

LOAN PAYMENT SCHEDULE

Tax-Exempt Portion

The following is the portion of the debt service schedule on the \$280,000 of principal from the City of Sherwood, Financing Agreement with Bank of America, N.A. that is dated June 8, 2005 that is allocable to the tax-exempt portion of the Project. Interest, calculated on a 30/360 day basis, is payable semi-annually on June 1 and December 1, commencing December 1, 2005.

| <u>Date</u> (June 1) | <u>Principal</u> <u>Payment (\$)</u> | <u>Interest Rate (%)</u> |
|-------------------------|---|--------------------------|
|-------------------------|---|--------------------------|

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Taxable Portion

The following is the portion of the debt service schedule on the \$550,000 of principal from the City of Sherwood, Financing Agreement with Bank of America, N.A. that is dated June 8, 2005 that is allocable to the taxable portion of the Project. Interest, calculated on a 30/360 day basis, is payable semi-annually on June 1 and December 1, commencing December 1, 2005.

| <u>Date</u> (June 1) | <u>Principal</u> <u>Payment (\$)</u> | <u>Interest Rate (%)</u> |
|-------------------------|---|--------------------------|
|-------------------------|---|--------------------------|

Approved Minutes

**URBAN RENEWAL AGENCY BOARD OF DIRECTORS
REGULAR MEETING MINUTES**

Tuesday, June 7, 2005

1. CALL TO ORDER: Vice-Chair Dennis Durrell called the meeting to order at 8:15 p.m.

2. ROLL CALL: Mr. Durrell, Mr. Heironimus, Ms. Henderson, Mr. King, and Mr. Luman. Chair Keith Mays and Mr. Grant were absent.

3. CONSENT AGENDA

A. Approve minutes from the May 17, 2005 URA Board of Directors meeting (Deputy City Recorder Donna Martin).

MOTION: From Mr. Heironimus, seconded by Mr. Durrell, to approve the Consent Agenda. UNANIMOUSLY APPROVED BY ALL MEMBERS PRESENT

4. PUBLIC HEARING

A. Resolution 2005-007, a resolution adopting the supplemental budget for FY 2004-2005 (Finance Director Chris Robuck)

Commencement of Hearing

Vice-Chair Durrell opened the hearing at 8:17 p.m.

Staff Report

This is the opportunity for public comment on the supplemental budget for FY 2004-2005.

Public Testimony

No one came forward to present testimony.

Close of Hearing

Vice-Chair Durrell closed the hearing at 8:18 p.m.

MOTION: From Mr. Luman, seconded by Mr. Durrell to adopt Resolution 2005-007. UNANIMOUSLY PASSED BY ALL MEMBERS PRESENT

5. NEW BUSINESS

A. Resolution 2005-008, a resolution adopting the FY 2005-2006 budget (Finance Director Chris Robuck).

MOTION: From Mr. Heironimus, seconded by Ms. Henderson, to approve Resolution 2005-008. UNANIMOUSLY APPROVED BY ALL MEMBERS PRESENT

B. Resolution 2005-009, a resolution approving indebtedness in the form of an intergovernmental agreement with the City of Sherwood relating to a school building, sports field turf and lighting within the Urban Renewal District (Finance Director Chris Robuck)

MOTION: From Mr. Heironimus, seconded by Mr. King, to approve Resolution 2005-009. UNANIMOUSLY APPROVED BY ALL MEMBERS PRESENT

6. ADJOURN: There being no further business the meeting was adjourned at 8:19 p.m.