



Home of the Tualatin River National Wildlife Refuge

URBAN RENEWAL AGENCY MEETING PACKET

FOR

Tuesday, December 15, 2015

**Sherwood City Hall
22560 SW Pine Street
Sherwood, Oregon**

URA Board of Directors Regular Meeting

5:00 pm

(before the City Council Work Session)

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

Tuesday, December 15, 2015

5:00 pm

City of Sherwood City Hall

22560 SW Pine Street

Sherwood, Oregon

URA BOARD REGULAR MEETING

1. CALL TO ORDER

2. ROLL CALL

3. CONSENT AGENDA

A. Approval of July 7, 2015 URA Board Meeting Minutes

B. Approval of December 1, 2015 URA Board Meeting Minutes

4. NEW BUSINESS

**A. URA Resolution 2015-006 a resolution of the Urban Renewal Agency of the City of Sherwood, directing the Agency Manager to sign the termination of amended and restated purchase and sale agreement and related agreements
(Tom Pessemier, Assistant City Manager)**

5. STAFF REPORT

6. ADJOURN

**SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING MINUTES
Tuesday, July 7, 2015
22560 SW Pine Street, Sherwood, Oregon 97140**

REGULAR SESSION

1. **CALL TO ORDER:** Chair Krisanna Clark called the meeting to order at 9:47 pm.
2. **BOARD PRESENT:** Chair Clark, Sally Robinson, Dan King, Renee Brouse and Jennifer Kuiper. Jennifer Harris and Linda Henderson were absent.
3. **STAFF AND LEGAL COUNSEL PRESENT:** City Manager Joe Gall, Assistant City Manager Tom Pessemier and Agency Recorder Sylvia Murphy. City Attorney Chris Crean.

Chair Clark addressed the consent agenda and asked for a motion.

4. CONSENT AGENDA:

A. Approval of June 16, 2015 URA Board Meeting Minutes

MOTION: FROM DAN KING TO APPROVE THE CONSENT AGENDA, SECONDED BY SALLY ROBINSON, MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (JENNIFER HARRIS AND LINDA HENDERSON WERE ABSENT).

Chair Clark addressed the next agenda item.

5. PRESENTATIONS:

A. Cannery Leasing and Purchasing Update

Assistant City Manager Tom Pessemier provided the Board with history and information relative to the cannery. He said in 2007 the URA put out a request for proposal for the development of the cannery site, specifically all the property on the other side of the tracks from Washington Street all the way to public works. He said the property was purchased by the City and transferred to the URA and the URA was primarily tasked with making sure that the property developed. He said there were several goals established for the property, including medium density mixed use development for residential commercial, a development that was likely to stimulate new investment development in Sherwood Old Town and surrounding areas, a development that contributed to a small town feel with unified architectural characteristics, and a development that was complementary to the investments the City made on the opposite side of the tracks. He said through a competitive process Capstone was determined to be the most responsive to the request for proposal and the URA entered into three agreements with Capstone with the primary agreement being the purchase and sale agreement which laid out the different responsibilities for each party that needed to be done in order to get the property sold and into development. He said the purchase and sale agreement outlined the responsibilities for both sides and the URA has done all of our commitments as noted in the agreement. He said some of the public infrastructure we did include urban street improvements on the plaza as well as all the way

to Highland Street. He said public improvements to allow for development were: additional paved parking areas, the plaza and water feature as well as the Center for the Arts. He said the URA has invested well over \$8 million dollars in that project in order to get it to the point of where it could develop.

He said the development to be completed by Capstone was broken up into phases, with lot 1, which is the lot in front of the Center for the Arts, to be a 4000 square foot single story commercial building. Lot 3 which is the lot across from the leasing space for the Center for the Arts, which was to be developed as approximately a two story, 8000 square foot building. Lot 4 which is the lot next to the plaza was to be developed as a 14,000 square feet, two story brick building and the west and east residential phases were to be about 100 units of apartments. He said the agreement also set purchase prices for lots 5 through 8, which is about an acre, and wasn't specifically identified as to what it was going to be except for, it's a very large parcel, the largest parcel that is available in old town.

Tom said to date Capstone has only developed the high density residential apartments on the south east corner of the site and has not done anything else. He said Section 1.3 of our purchased and sale agreement requires Capstone to diligently market and pursue financing for the remaining phases of the project after they closed on the high density apartments, which was over 2 1/2 years ago. He said staff believes Capstone has not made an effort to try and market the property or pursue financing. He said we had a great response for the Center for the Arts lease proposal and we are having a hard time understanding why the property isn't getting any attention relative to trying to do something with it.

Tom said Section 1.3 states if the seller, *(which is the URA) reasonably determines that the purchaser, (Capstone) is not diligently marketing and or pursuing financing for the remaining phases, seller may exercise the right to terminate the agreement at any time.* He said if we decide to terminate the agreement then they have 30 days to cure any breach, so they would certainly have an opportunity to cure a breach, but given this has been going on for a long period of time, it's going to be difficult for them to do. He said we have talked to Capstone about marketing and what we have heard from them is that they are thinking about doing some sort of passive marketing effort, which is basically putting out a flyer and sending it to brokers. He said in his last conversation with someone at Capstone they were talking about potentially making office spaces where the land and a portion of the building were sold separately, which is essentially condo'izing office space. He said that was never a part of the vision for old town or anything that happens to go in over there. He said we have some fairly serious concerns relative to what we think is a critical asset and a critical part of redevelopment of old town.

Tom said at this point, staff is recommending that a notice be sent to Capstone notifying them that we are terminating the agreement and giving them 30 days to cure the breach. He said before staff sends this, we wanted to inform the Board and get your comments.

Ms. Kuiper said we had a work session or some discussion earlier, and asked what was the last conversation Tom had with Capstone and when was it, relative to this issue of not marketing. Tom replied he has not had a direct conversation about not actively marketing, he said he has had the conversation with them about what they planned to do for marketing. He said he believes the last significant conversation with them was probably September or October of last year. He said they have also sent us some other pieces of information over time showing what they are thinking of doing. He said these were conversations with the direct principles. He said he has also had conversations with their people at the cannery plaza. He said we haven't had the best relationship with Capstone over the last six months. Ms. Kuiper asked if this letter would be a notice to give them 30 days to address it.

Tom said it would be a notice for them to decide to cure the breach and get serious about getting an active marketing plan to our satisfaction.

Mr. King stated this is a legal requirement for us.

Ms. Robinson stated she wanted to make a correction for the record and said you stated that they have the right to cure and that is what the contract says. Tom replied that is what the agreements say. She said that is not necessarily my position on that matter, because she thinks they have so far neglected the issue over so much time that they couldn't possibly in 30 days remedy their default. She said we had this discussion during an executive session and said she thinks the direction was to Mr. Crean's colleague to send them a notice that we believe they are in default and we don't think there is any way they can cure. She asked, did that not happen?

Tom replied this conversation is public conversation to have that conversation, obviously what happened in executive session happened in executive session and he thinks that it is Chris's colleague's opinion that if we want to send a letter with the type of information relative to telling them they need to terminate the agreement, giving them 30 days to cure, this is something we need to have a conversation publically about. He said, this is what we are trying to do today, we are prepared to send that letter tonight if that is the desire of the URA Board, however it needs to be something that has been thought about and talked about in a public setting so that it is clear that it has the weight of the URA Board.

Chair Clark stated she thinks that staff has given us a lot of good information and said she feels it's appropriate to send a letter at this time and notify them as instructed. Chair Clark stated the following motion.

MOTION: FROM CHAIR CLARK THAT A LETTER GO OUT AS RECOMMENDED BY OUR STAFF, TOM PESSEMIER.

Prior to a second being received, Ms. Kuiper asked with 30 days to correct? Chair Clark replied yes and Tom stated it is our legal counsel's opinion that we still need to provide the 30 days as noticed in the agreement, although we do agree that it will be very difficult for them to cure this.

Chair Clark replied this is the way she understood the letter to read.

MOTION SECONDED BY DAN KING, MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (JENNIFER HARRIS AND LINDA HENDERSON WERE ABSENT).

Chair Clark addressed the next agenda item.

6. NEW BUSINESS:

A. URA Resolution 2015-005 authorizing an Intergovernmental Agreement for services between the Sherwood Urban Renewal Agency and the City of Sherwood

Tom Pessemier stated this is a companion resolution to the resolution adopted this evening by the City Council. He said this is an agreement to deal with the timing issues relative to the transfer of the operations and financial and contracting issues going on at the facility as part of it being finished and the rest of it needs to be finished for the retail portion. He said this is the URA's approval of the actions taken by the City Council earlier.

Chair Clark asked for Board questions, with none received the following motion was stated.

MOTION: FROM JENNIFER KUIPER TO ADOPT URA RESOLUTION 2015-005, SECONDED BY DAN KING, MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (JENNIFER HARRIS AND LINDA HENDERSON WERE ABSENT).

Chair Clark addressed the next agenda item.

7. STAFF REPORT:

Tom reported that staff has been collecting proposals for the lease space and currently we have proposals for 10,000 square feet from people that want to lease space and we only have 3000 square feet to lease. He said this is exciting and a good thing. He said we made it clear in the IGA that the City will be doing that, as far as contract negotiations. He said we will be meeting on the 14th as a committee to hopefully make some final selections and move forward with lease negotiations.

8. ADJOURN:

Chair Clark asked for a motion to adjourn.

MOTION: FROM JENNIFER KUIPER TO ADJOURN, SECONDED BY DAN KING, MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (JENNIFER HARRIS AND LINDA HENDERSON WERE ABSENT).

Chair Clark adjourned at 10:05 pm.

Submitted by:

Sylvia Murphy, MMC, Agency Recorder

Krisanna Clark, Chair

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

Tuesday, December 1, 2015

22560 SW Pine Street, Sherwood, Oregon 97140

EXECUTIVE SESSION

1. **CALL TO ORDER:** Chair Clark called the Executive Session to order at 8:57 pm.
2. **BOARD PRESENT:** Chair Clark, Jennifer Kuiper, Jennifer Harris, Dan King, Renee Brouse and Linda Henderson. Sally Robinson via conference call.
3. **STAFF AND LEGAL COUNSEL PRESENT:** City Manager Joe Gall, Assistant City Manager Tom Pessemier, City Attorney Josh Soper and City Recorder Sylvia Murphy.
4. **TOPIC:**
 - A. Real Property Transactions and Exempt Public Records, Pursuant to ORS 192.660 (2)(e) and (f).

5. **ADJOURN:**

Chair Clark adjourned at 9:22 pm.

Submitted by:

Sylvia Murphy, MMC, Agency Recorder

Krisanna Clark, Chair

TO: Sherwood Urban Renewal Agency Board of Directors

FROM: Tom Pessemier, Assistant City Manager
through: Josh Soper, City Attorney; Joseph Gall, ICMA-CM, URA Administrator/City Manager

SUBJECT: URA Resolution 2015-006 of the Urban Renewal Agency of the City of Sherwood, directing the Agency Manger to sign the Termination of Amended and Restated Purchase and Sale Agreement and Related Agreements

Issue:

Should the URA Board adopt a resolution directing the Agency Manager to sign the Termination of Amended and Restated Purchase and Sale Agreement and Related Agreements?

Background:

In 2000, the Urban Renewal Plan addressed development within the Urban Renewal District including the cannery property. In 2005, the purchase of the Cannery Property was added to the plan and Leland Consultants prepared the Sherwood Cannery Development Strategy. In 2007, the URA prepared a Request for Proposal (RFP) to select a development partner to develop the Cannery consistent with the Development Strategy. In 2008, Capstone Partners was selected as the development partner and entered into a memorandum of understanding (MOU) with the Urban Renewal Agency. In late 2008, the Urban Renewal Agency and Capstone entered into three agreements to document the roles and responsibilities of the URA and Capstone. The three agreements were the Purchase and Sale Agreement, the Site Development Agreement and the Development Services Agreement. The Purchase and Sale agreement determined how the transfer of property was to occur and the obligations and conditions for the Seller (URA) and Purchaser (Capstone).

In late 2009, the timelines for the project became more evident and market conditions had changed significantly so the URA and Capstone decided together to amended the agreements.

In 2012, it became apparent that additional adjustment to the agreements for responsibilities and terms were necessary due to the deep and ongoing national economic downturn. All three agreements were restated and amended to their present condition.

These agreements end in 2018 and it has become apparent that the Old Town economy will not recover sufficiently by that point to make purchase of the properties as envisioned in 2008. While the development strategy still has significant merit, the Urban Renewal Agency would be best served to take the intervening time while the market continues to recover to revisit the strategy and find ways for the property to be developed in the future.

Capstone Partners and the Sherwood URA have met and both have determined that the best approach for these properties is to terminate the existing agreements so new efforts can begin.

Financial Impacts:

The Urban Renewal Agency will receive \$10,000 for out of pocket third party costs associated with this project. There are not any other financial impacts at this time.

Recommendation:

Staff respectfully recommends adoption of URA Resolution 2015-006 a resolution of the Urban Renewal Agency of the City of Sherwood, directing the Agency Manager to sign the termination of amended and restated purchase and sale agreement and related agreements.



URA RESOLUTION 2015-006

**A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF SHERWOOD,
DIRECTING THE AGENCY MANAGER TO SIGN THE TERMINATION OF AMENDED AND
RESTATED PURCHASE AND SALE AGREEMENT AND RELATED AGREEMENTS**

WHEREAS, the Urban Renewal Agency of the City of Sherwood ("Agency"), as the duly designated Urban Renewal Agency for the City of Sherwood, Oregon ("City"), is undertaking to carry out The Sherwood Urban Renewal Plan ("Plan") as amended, which Plan was originally approved by the City Council of the City ("Council") on August 29, 2000 by Ordinance No. 2000-1098; and

WHEREAS, the real property known as the Old Cannery site consists of approximately 6.06 acres of real property intersected by Pine Street with frontage along Willamette Street and bordered on the north by the Union Pacific railroad right of way. The legal description of said land is set forth on the Sherwood Cannery Square Plat No. 2011-089523, Washington County, Oregon plat records; and

WHEREAS, the Agency approved a Memorandum of Understanding on April 15, 2008 with Capstone Partners, LLC to purchase and develop said property; and

WHEREAS, the Agency approved a Purchase and Sale Agreement and related agreements with Capstone Partners, LLC to purchase and develop said property on August 19, 2008; and

WHEREAS, the Purchase and Sale Agreement and related agreements were modified with the last revision being Restated and Amended Agreements dated in September 2012.

WHEREAS, changes in timing, responsibilities and market conditions have determined that all of the above agreements are no longer in the best interest of Capstone Partners or the Urban Renewal Agency; and

WHEREAS, both Capstone Partners and the Urban Renewal Agency met to discuss a termination agreement and both parties agree with the terms of the Termination Agreement attached as Exhibit A.

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

Section 1. The Agency directs the Agency Manager to sign the Termination of Amended and Restated Purchase and Sale Agreement and Related Agreements with Capstone Partners, LLC, in a form substantially akin to that attached as Exhibit A.

Section 2. This Resolution shall be effective upon its approval and adoption by the Agency Board.

Duly passed by the Urban Renewal Agency Board this 15th day of December, 2015.

Krisanna Clark, Chair

Attest:

Sylvia Murphy, MMC, Agency Recorder

TERMINATION OF AMENDED AND RESTATED PURCHASE AND SALE AGREEMENT AND
RELATED AGREEMENTS

THIS TERMINATION OF AMENDED AND RESTATED PURCHASE AND SALE AGREEMENT AND RELATED AGREEMENTS ("Agreement") is made as of December __, 2015 ("Effective Date"), by and among City of Sherwood Urban Renewal Agency ("Seller"), and Capstone Partners LLC ("Purchaser").

Recitals

A. Seller and Purchaser executed that certain Amended and Restated Purchase Agreement dated September 21, 2012, as amended (the "Restated PSA"). All defined terms as used in this Agreement shall have the same meanings as set forth in the Restated PSA.

B. Seller and Purchaser also executed that certain Amended and Restated Development Services Agreement dated September 24, 2012, as amended, and that certain Amended and Restated Site Development Agreement dated September 24, 2012, as amended (collectively with the Restated PSA, the "Terminated Agreements").

C. The Restated PSA provided for the ability of Purchaser to purchase certain property from Seller in various phases. Purchaser has purchased only some of the property covered by the Restated PSA (the portions of the property covered by the Restated PSA not purchased by Purchaser as of the date of this Agreement are referred to herein as the "Unpurchased Property") and Purchaser and Seller have agreed to terminate the Terminated Agreements, subject to the terms and conditions set forth below.

NOW, THEREFORE, Purchaser and Seller agree as follows:

1. Termination of Terminated Agreements. As of the date of this Agreement, the Terminated Agreements shall be deemed terminated and all other documents and agreements executed by Purchaser and Seller to the extent that such documents and agreements pertain to the Unpurchased Property are also deemed terminated as of the date of this Agreement with respect to those portions of such documents and agreements that pertain to the Unpurchased Property (the "Provisions of the Related Documents Pertaining to the Unpurchased Property").

2. Payment to Seller. Purchaser agrees to pay Seller ten-thousand dollars (\$10,000) to satisfy Seller's out of pocket third party costs incurred in connection with the transaction of the Restated PSA.

3. Release of Liability. Effective as of the date of this Agreement, Seller and Purchaser shall each be fully and unconditionally released and discharged from their respective obligations arising from or connected with the Terminated Agreements and the Provisions of the Related Documents Pertaining to the Unpurchased Property, except for indemnity obligations and any other provisions of the Terminated Agreements which the Terminated Agreements state will survive their termination. This Agreement shall fully and finally settle all other demands, charges, claims, accounts, or causes of action of any nature, including, without limitation, both known and unknown claims and causes of action with respect to the Terminated Agreements and the Provisions of the Related Documents Pertaining to the Unpurchased Property, and it constitutes a release of Purchaser and Seller with respect to the Terminated Agreements and the Provisions of the Related Documents Pertaining to the Unpurchased Property.

4. Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to recovery from the losing party reasonable attorneys' fees and costs of suit. The prevailing party shall be determined by the court (or arbitrators, if applicable) based upon an assessment of which party's major arguments made or positions taken in the proceedings could fairly be said to have prevailed over the other party's major arguments or positions on major disputed issues in the court's or arbitrator's decision.

5. Successors. This Agreement shall be binding on and inure to the benefit of the parties and their successors.

6. Severability. If any provision of this Agreement shall be invalid or unenforceable, the remaining provisions shall not be affected thereby, and every provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

7. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which, when taken together, shall constitute one and the same instrument.

8. Authority. The individuals signing this Agreement hereby represent that they are authorized to sign and to bind their respective contracting parties, as indicated below, to the terms of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date set forth above.

SELLER:

City of Sherwood Urban Renewal Agency

By: _____
Joseph Gall, District Manager

PURCHASER:

Capstone Partners LLC, an Oregon limited liability company

By: Sapient Advisory Company,
an Oregon corporation

By: _____
Christopher J. Nelson, President

By: Triangle Development Company, Member

By: _____
Jeffrey M. Sackett, President

Approved Minutes

SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING MINUTES
Tuesday, December 15, 2015
22560 SW Pine Street, Sherwood, Oregon 97140

REGULAR SESSION

1. **CALL TO ORDER:** Chair Clark called the meeting to order at 5:09 pm.
2. **BOARD PRESENT:** Chair Krisanna Clark, Jennifer Kuiper, Dan King, and Renee Brouse. Sally Robinson arrived at 5:14 pm. Linda Henderson and Jennifer Harris were absent.
3. **STAFF AND LEGAL COUNSEL PRESENT:** City Manager Joe Gall, Assistant City Manager Tom Pessemier, City Attorney Josh Soper, Administrative Assistant Colleen Resch and Agency Recorder Sylvia Murphy.

Chair Clark addressed the Consent Agenda and asked for a motion.

4. **CONSENT AGENDA:**

- A. **Approval of July 7, 2015 URA Board Meeting Minutes**
- B. **Approval of December 1, 2015 URA Board Meeting Minutes**

MOTION: FROM RENEE BROUSE TO APPROVE THE CONSENT AGENDA, SECONDED BY DAN KING, MOTION PASSED 4:0, ALL PRESENT BOARD MEMBERS VOTED IN FAVOR. (HENDERSON AND HARRIS WERE ABSENT) (SALLY ROBINSON HAD NOT ARRIVED YET).

Chair Clark addressed the next agenda item.

5. **NEW BUSINESS:**

- A. **URA Resolution 2015-006 A Resolution of the Urban Renewal Agency of the City of Sherwood, directing the Agency Manager to sign the termination of amended and restated purchase and sale agreement and related agreements**

Assistant City Manager Tom Pessemier stated the cannery properties were purchased many years ago and we developed a plan to try and develop the properties, and went out for a Request for Proposal and Capstone Partners was selected. He said most of this process occurred in 2008 and shortly after the agreements were signed, there were changes in the economy, and changes were made to the agreements, the last changes occurring in 2012. He said there are three primary agreements that formed the relationship and the hope was Capstone would do the private portion and the City would do the public portion of the project. He said we included all the public pieces and there were private pieces, specifically related to the sale of property and development and the other properties, and these did not get done over time. He said a primary part we put into the Restated and Amended Agreement was a requirement that they were actively marketing and seeking financing for the purchase of those properties. He said we have seen that there has not been much of a marketing effort and staff has had

conversations with Capstone, and we both believe the best thing for the properties at this point is to terminate those agreements so we can work on figuring out what we want to do and meet the plan requirements that are in place.

Tom said staff has been able to work cooperatively with Capstone and they had other thoughts and ideas they thought might work relative to marketing, but after we spoke with other brokers, it did not seem to fit in old town or what we were trying to accomplish. Tom referred to exhibit A to the URA Resolution, a termination agreement to all three agreements. He said staff requested \$10,000 from Capstone to cover some of our out of pocket costs relative to a provision in the agreement and they agreed.

Chair Clark asked for questions from the Board, with none received she asked for a motion.

Record Note: Board Member Robinson arrived at 5:14 pm.

MOTION: FROM DAN KING TO ADOPT URA RESOLUTION 2015-006, SECONDED BY JENNIFER KUIPER. MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (LINDA HENDERSON AND JENNIFER HARRIS WERE ABSENT).

6. STAFF REPORT:

Tom reported on Sherwood Main Street and stated the Urban Renewal Agency has supported the Main Street Program in the past and at one time had a ½ time position we paid for. He said they have been making it on their own for the last few years and from his perspective and Board Member Dan King who has been attending their board meetings, they seem to be headed in a good direction. He said staff has seen efforts in their meeting participation and memberships. He said we looked at how we can help them from an organizational and financial perspective. He said staff members Maggie Chappen at the Arts Center and Adrienne the Library Manager have been working to helping support Sherwood Main Street. He said there is in-kind City support that has been helpful to them. He said they have been talking about their fixed operating costs for a year, about \$1400 and they have about \$1000 worth of printing and marketing costs. He said within the last two years, its been their board members that contributed cash and this has been their only income and have been operating on \$2000-\$3000 per year.

He said when staff put together the budget for last year we were hoping to get a RARE participant and sought a grant for this, but did not get it. He said we budgeted \$22,000 for that participant to work for a full year and we committed to Main Street, as part of that as they helped our application, to have about 25% of that person's time, this being about \$5000 worth of value to give to them in personnel time.

He said we have been talking about giving them about 50% of this to cover their fixed operating costs for a year as well as marketing, this being just for 2016. He said we want Main Street to move forward and find their own funding sources to meet the desired goal of 1/3 from fundraising, 1/3 from membership, 1/3 from public support. He said we are thinking that if we support them for one year of covering their fixed operating costs, then they can go find ways to earn funds. He said it is 12.5% of what we budgeted for the URA for the RARE participant.

City Manager Gall said his only concern is there is not an expectation that this is an annual support. He said they have done very well and the members are very committed to old town and doing good things.

Tom added it also helps the urban renewal agency to build businesses. He clarified the funding was actually \$2400, \$1400 for fixed costs and \$1000 for advertising and promotion.

The Board members indicated support of the financial support for Sherwood Main Street and Tom indicated staff would move forward.

With no other business, Chair Clark adjourned.

7. ADJOURN:

Chair Clark adjourned at 5:20 pm.

Submitted by:


Sylvia Murphy, MMC, Agency Recorder


Krisanna Clark, Chair