



Home of the Tualatin River National Wildlife Refuge

URBAN RENEWAL AGENCY MEETING PACKET

FOR

Tuesday, December 20, 2016

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

URA Board of Directors Regular Meeting
(Following the City Council meeting)

URA Board of Directors Executive Session
(Pursuant to ORS 192.660 (2)(e), Real Property Transactions)

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

Tuesday, December 20, 2016
(Following the 7:00 pm City Council Meeting)

**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

- Chair: AMC
Ms. Flynn
Ms. Henderson
Ms. Kasper
Mr. Robinson
Mr. King
Ms. Brown*
- A. Adoption of September 20, 2016 URA Board Meeting Minutes**
 - B. Adoption of October 18, 2016 URA Board Meeting Minutes**

4. PUBLIC HEARINGS

- A. URA Resolution 2016-004 Authorizing the URA Manager to sell property owned by the Sherwood Urban Renewal Agency; cannery subdivision lot 1**
(Tom Pessemier, Assistant City Manager)
- B. URA Resolution 2016-005 Authorizing the URA Manager to sell property owned by the Sherwood Urban Renewal Agency; cannery subdivision lot 3**
(Tom Pessemier, Assistant City Manager)
- C. URA Resolution 2016-006 Authorizing the URA Manager to sell property owned by the Sherwood Urban Renewal Agency; cannery subdivision lot 4**
(Tom Pessemier, Assistant City Manager)

5. ADJOURN to EXECUTIVE SESSION

EXECUTIVE SESSION

1. Topics

- A. Real Property Transactions, pursuant to ORS 192.660 (2)(e)**
(Tom Pessemier, Assistant City Manager)

2. ADJOURN

SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING MINUTES
Tuesday, September 20, 2016
22560 SW Pine Street, Sherwood, Oregon 97140

REGULAR SESSION

1. **CALL TO ORDER:** Chair Clark called the meeting to order at 8:40 pm.
2. **BOARD PRESENT:** Chair Krisanna Clark, Jennifer Harris, Jennifer Kuiper, Linda Henderson, Renee Brouse, Dan King and Sally Robinson.
3. **STAFF PRESENT:** City Manager Joe Gall, Assistant City Manager Tom Pessemier, City Attorney Josh Soper, Community Development Director Julia Hajduk, Finance Director Katie Henry, City Engineer Bob Galati, Civil Engineer Jason Waters and Agency Recorder Sylvia Murphy.
4. **CONSENT AGENDA**

A. Adoption of June 21, 2016 URA Board Meeting Minutes

MOTION: FROM RENEE BROUSE TO ADOPT THE CONSENT AGENDA, SECONDED BY DAN KING. MOTION PASSED 7:0, ALL MEMBERS VOTED IN FAVOR.

Chair Clark addressed the next agenda item.

5. NEW BUSINESS

A. URA Resolution 2016-003 Authorizing the Urban Renewal Agency (URA) District Manager to award a construction contract for the Downtown Intersection Monument Removal Project

Assistant City Manager Tom Pessemier provided a brief history and stated the monuments were installed in 2005 with the original streetscape project. He said since this time there have been a lot of comments relative to their danger or perceived hazard to pedestrians. He said in May of 2015 the URA Board and Budget Committee authorized the Urban Renewal Agency to hire a designer to look at removal of the monuments. He said we tried to get the project done before spring and before City events started, but it resulted in a delay to allow for events and festivals to occur.

Tom said one of things that was unique about the project conversation was we were going to do this as a design-build rather than a design-bid-build, which means we will put more emphasis on the contractor taking responsibility for the work as well as staff and making sure they were performing. He said therefore we did not spend as much money on the design effort upfront. He said we are seeing this reflected in the bidding process that was recently done where we have a very conservative design and we have some fairly high costs that are in excess of the engineers estimate as well as what we originally budgeted for the project. He said we also know there are many opportunities as we move through the construction project to cut some of those costs. He provided an example and said in the bid there is a bid to replace all the poles that are currently in

place and said staff feels we can possibly save the poles but until they are dug up and removed we won't know this for certain. He said there will be a lot of hand-holding of the contractor, more than normal as we move forward.

Tom recapped the financials and said we had an engineer's estimate of about \$237,000 and Brown Contracting Inc. came in with the alternate which was 36 bollards at \$259,000, slightly over the engineers estimate, and this was also over what we budgeted for. He said we had three projects for the URA this year, the parking lot, the removal of the monuments and finishing the lease space and other things at the Center for the Arts. He said we budgeted \$250,000 for the removal of the monuments. He explained we also have the alternates on the bollards for a reason, because we don't believe we will use all 36 and may scale this back.

He said with this, although we are slightly over budget, we feel we will be able to manage the budget as we move forward and recommended moving forward. He said if we come in where this is expected as we move forward with the other projects specifically the parking lot project, we are probably going to have to come back and talk about whether we need to authorize more money out of contingency in the urban renewal agency to move that project forward. He said staff is prepared to move forward and is available to answer questions.

Ms. Robinson asked what the second bid that came in was. Tom replied the second bid was from C & M Construction and with the alternates they were at \$276,000, about \$39,000 over the engineers estimate.

Ms. Kuiper asked if staff wrote the bid facts and provided them to the contractors to bid on. Jason Waters replied yes, they were posted online and advertised in the Daily Journal of Commerce. He stated the consultant put them together and confirmed they were part of the RFP. He said it was a competitive formal bidding process.

Ms. Kuiper asked about the light posts currently on the monuments and said staff indicated they could potentially be saved? Tom confirmed. She asked if the poles go through the concrete surface.

Jason replied the poles go all the way through and the difficulty is the monument is not a completely subsurface foundation, the monument itself the portion that is above the ground serves as a prevention of the overturning moment. He said there isn't a full foundation and this was the issue that, if we replaced the much larger lights with a prefabbed foundation it is much wider than the skinnier lights that we are proposing to put in. He said the foundation is only 12 inches square which will allow us to fit it in between conduit and it gives us more room for error. He said he is about 30% sure we can salvage the old lights. He said this is the most conservative design and this is why the contingency is very low and there is plenty of opportunity for valuing engineering including Sherwood Broadband which in the bid we are planning on splicing and cutting over, but the contractor thinks they may be able to just get rid of the foundation and lower it without disconnecting the fiber, which would be another opportunity for cost savings.

Ms. Harris asked if the Board will see a design of what it might look like. Tom replied if she goes to the corner of Washington and Railroad she will see what the design is. He said it will be very

similar to what has been done at other intersections where we moved forward and have gone without having monuments at intersections where they were originally planned for as we did the Downtown Streetscapes Phase II.

Chair Clark said so they will match the rest of the City. Jason replied one will have a light and the other side will have nothing. He gave an example of the intersection in front of the flower shop.

Ms. Kuiper asked if the ornamental pieces that are on top of the monuments will be kept. Jason replied they will be salvaged but doesn't know where they will be placed.

Tom said one thing that hasn't been included in the design or construction yet is the wayfinding signs as well as the poster board signs. He said we realized due to the dimensions and locations that they are fairly difficult to deal with. He said he is not saying that we will not look at putting them back, but thinks we want to remove some of the monuments and look at options. He said one option we have talked about is moving them back about 8 feet and putting them on double-sided poles that has the wayfinding sign on one side and the poster board on the other side. He said it will move the poster cabinet further away, but we don't want to just recreate the same problem. He said we will take a conservative approach to putting those back and we will have future conversations with the Board as to how they will look. He said there will be a period of time where these features will not be there and staff will be working on addressing the signage.

Ms. Harris shared a personal story regarding going out for a bid on a construction project and asked if the weather or time of year plays a role in the bid amount. Tom replied yes and said this is something that we talk about as well and said it is challenging when you deal with the bidding environment. He elaborated on holidays, bidding season, time of year, construction market and economy, and other things that affect bids. He said you never know and feels with this bid, we are 9.5% over the engineer's estimate he suggested moving forward.

Ms. Henderson said this was not an expected expense for the URA budget and asked what fell off the list or got cut so we could allocate \$280,000. Tom said he did not have the full list but has gone through project priorities that the URA Board has and right now we have certain projects that were originally in the URA plan that are not going to get done, for example Oregon Street for \$6.5 million.

Mr. Kuiper asked about the \$50,000 work on the alley way. Tom replied, right now the last projections we are showing having \$450,000 left in the URA budget, the maximum indebtedness that we could spend. He said we have not allocated that money to projects yet because we wanted to make sure the Center for the Arts was completed as well as finishing the other projects. He said at that point we would have a conversation and part of that conversation is the sale of assets. He said these funds can grow and we are currently conducting appraisals on five different properties owned by the URA. He said we have a tentative URA meeting to discuss the assets and priority list on October 20. He said discussing which projects won't get completed will occur when we go over the entire list.

Ms. Henderson referred to the \$450,000 and Tom said this would be below the maximum indebtedness cap. He clarified, once we do this project we would still have \$450,000 to do other projects, plus what we sell in assets.

Mr. King asked about the timing of the monument construction and Jason replied he believes this can be better answered when we do the value engineering with Brown Contracting. Tom added we anticipate information in the next 4-6 weeks. Jason informed the Board that staff is looking to know the lead time on the lights as the light that was specked-out is a very popular parking lot light and the lead time has increased to 6-8 weeks. He said the project is a top priority for the fall construction season and he would like to get it completed before Thanksgiving.

Tom commented regarding the construction site being very limited in size and said we will be having public outreach meeting and ensuring we are coordinating as we move forward to ensure businesses, pedestrian and drivers can travel unimpeded as much as we possibly can.

Chair Clark clarified for the public and stated the monuments were installed and what we have found is that they have become a pedestrian hazard and a safety issue and this is why we are addressing them before we have a fatality or incident.

Ms. Harris asked if any of the lights will be LED or solar lights. Tom replied he did not know if LED was an option for these lights and said one of the things with lights and PGE, is PGE either owns them and maintains them or they are the City's responsibility and these are the City's responsibility because they are a non-standard PGE light. Jason offered to look into it and said we would make every attempt to upgrade to an LED or energy efficient light.

With no other questions, the following motion was stated.

MOTION: FROM LINDA HENDERSON TO ADOPT URA RESOLUTION 2016-003, SECONDED BY JENNIFER HARRIS. MOTION PASSED 7:0, ALL MEMBERS VOTED IN FAVOR.

6. ADJOURN

With no further business, Chair Clark adjourned at 9:02 pm.

Submitted by:

Sylvia Murphy, MMC, Agency Recorder

Krisanna Clark, Chair

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

Tuesday, October 18, 2016
22560 SW Pine Street, Sherwood, Oregon 97140

WORK SESSION

1. **CALL TO ORDER:** Chair Clark called the work session to order at 8:05 pm.
2. **BOARD PRESENT:** Chair Krisanna Clark, Jennifer Kuiper, Jennifer Harris, Renee Brouse and Dan King. Sally Robinson and Linda Henderson were absent.
3. **STAFF PRESENT:** City Manager Joseph Gall, Assistant City Manager Tom Pessemier, Finance Director Katie Henry, and Agency Recorder Sylvia Murphy.
4. **TOPIC:**

A. Appraisals of URA Old Town Properties

Assistant City Manager Tom Pessemier provided a handout (see record, Exhibit A). Prior to briefing the Board he said staff is looking for answers from the Board as to which properties we want to move forward with and prepare to sell, and are there any conditions on the sale of the properties.

Tom provided the Board with background information and said the URA has acquired property over the last 20 years with the cannery site properties being the largest. He said the URA Board held a work session in March of 2016 to talk about the properties and although decisions were not made the Board indicated they were interested in these 5 properties (see exhibit). He said an appraiser was selected through a competitive process to appraise the properties and those appraisals were recently completed. He said the properties that were appraised were 3 properties at the cannery site, the Robin Hood Theater property and the Old School House property. He said there are four other properties at the cannery site and those were not appraised.

Tom referred to the presentation and discussion occurred regarding the various properties. He identified properties at the cannery site, Lot #1, Lot #2 and Lot #3. He said with Lot #1 in order for it to sell there would need to be some sort of partitioning of the property and said the partitioning was not previously done as it was unsure with our then partner Capstone Partners, how much of the property they wanted.

Tom referred to Lot #2 and said this is at the Center for the Arts and Lot #3 is the property across from the plaza. He said the original plan for the buildings on Lots #1 and #3 were going to be 1-story buildings. He said this was Capstone's vision and believes this makes a lot of sense. He referred to Lot #4 and said this was envisioned to be a 2-story building and this makes sense to him as well. Tom referred to the map in the presentation and explained the vision for the lots.

Tom said the appraisers looked at all of the area and information to ensure they understood that there were not any extraordinary conditions that they needed to be concerned about and to make sure they accounted for things such as infrastructure. Tom recapped the site review list and explained the Land Use entitlements (PUD) for properties at the cannery site.

Tom recapped the Market Analysis, discussion followed. Tom reviewed highest and best use and discussion followed regarding zoning. Tom addressed the comparables and reviewed the maps in the exhibit.

Tom addressed the value of the properties. He said all properties combined if sold would equal \$1.64 million of revenue that could come back into the URA to either feed existing debt or to do additional projects. He said this money does not count against our maximum indebtedness. Tom addressed cannery Lot #1 and the higher price per square foot being significantly higher and said this is because of the contribution of the parking lot and utilities at the site. Tom said he believes this price is a bit high and explained. He said he thinks it would be difficult to get the appraised value of \$200,000.

Tom stated there was interest in cannery lot #1, interest in the Old School House property and the Robin Hood Theater property. Tom asked the Board which properties of the 5 listed they would like to market. He reminded decisions are not made in work session, but asked for a general idea. Discussion followed regarding Lot #1 and the Old School House.

Brief Board discussion followed regarding development standards. Tom asked the Board what conditions they wanted to set on property sales and said he believes they are covered on cannery properties with the PUD that is in place.

Ms. Kuiper asked if the URA could enter into some kind of an agreement with people that want to purchase the very visible properties. Tom referred to the Robin Hood property and said he thinks it would be good to set some conditions. He said before any properties are sold, staff will need to come back to the URA board with a resolution authorizing the sale of properties and believes legislation establishing boundaries would be a good idea. He provided examples. He said he believes if the URA can't get something fairly significant at this location, we should not consider selling it. He said there are deed restrictions that can be put into place.

Ms. Kuiper said this doesn't sound like a partnership. Discussion followed. She asked what is the highest percentage of certainty that we would get through a development of both properties without doing a partnership, and doing something a bit more creative. She asked if we could do an RFP asking for design, something that would provide a greater guarantee that we get what we envision. Tom said this has been done in the past with the cannery, where we put out an RFP and entered into a development agreement. He said this is a failed example. He said this was also done on the Old School House property in 2007 and we received a few proposals which were awful, not meeting the requirements of the RFP. Discussion followed. Tom commented regarding setting conditions in advance and said they can be generic and this would then be followed by putting out an RFP setting out the requirements and asking what they would envision.

City Manager Gall spoke of the three cannery lots and marketing them and said this would be less risky and said he wanted to take advantage of the interest we have received for Lot #1. He said the Robin Hood Theater and the Old School house are key parcels and believes we need time to research.

Ms. Kuiper suggested lots #1, #3 and #4 being offered for sale.

Ms. Harris commented regarding the lack of residential housing in the downtown area and asked why aren't we considering residential. Tom replied they tax down and the PUD took all the housing that was available for all of those properties and moved them into the apartments. He said there isn't housing,

residential options available. He said the City Council could change that but it would be quite a process and we would probably have to rezone a portion of that as something different, probably high density residential in order to get the density. He said the PUD would have to be changed.

Tom referred to lot #4 and lot #5 and discussion followed regarding options for residential. He said if housing was something the Board wanted to do it would be a significant process.

City Manager Gall informed the Board the City recently received an application for the Jim Fisher property for a townhouse development, he said it's a work/live type of development. Discussion followed.

Tom said if the Board was serious about putting residential on lot #4, then we can't market it. Discussion occurred regarding residential/commercial on the Robin Hood Theater property similar to the McCormick building. Examples of McMinnville and Lake Oswego were referenced as cities with residential living and comments were received that they are booming and attract more business. He said the Robin Hood lot under our existing code can have residential as long as the residential is secondary to the commercial use.

City Manager Gall confirmed the Board was looking at marketing lots #1 and #3. Tom said they are different enough that they would probably not compete with each other. Discussion followed and Orenco Station was mentioned as an example of what the development could look like.

Tom commented regarding the need to make a decision on the Robin Hood Theater property because we are building the other parking lot and he has told people that the Robin Hood Theater parking lot will be closing. He said the current parking lot is not compliant to the City's code and has not been for a while. He said this will cause a lot of heartburn in the community.

City Manager Gall asked staff if they had what they needed as far as next steps and Tom replied he believes so and said staff needed to come back with ideas on what we want to do with the Old School House property and the Robin Hood Theater lot, and review that with professionals and bring something back to the Board for consideration. He said he believes this would be a separate piece of legislation.

Ms. Kuiper commented regarding the design standards and asked if they were only for the PUD? Tom replied yes. She asked if they comply with the overall design standards. Tom replied yes and said it's more restrictive. She asked if we could have design standards for a particular lot. Tom said you could and said it would be challenging. He said we could put that in the regular code versus Chapter 16 which is the development code. He said we would have to go through a process with notification to DLCD.

Tom confirmed staff would look at marketing lots #1 and #3, no objections from the Board were received.

5. ADJOURN:

Chair Clark adjourned at 8:53 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: Joseph Gall, ICMA-CM, City Manager

SUBJECT: URA Resolution 2016-004 of the Sherwood Urban Renewal Agency authorizing the URA Manager to sell property; Cannery Subdivision Lot 1

Issue

Should the URA Board authorize the URA Manager to sell certain properties?

Background

The URA has acquired properties over the past 15 years and previously SURPAC has evaluated each of the property acquisitions. An Appraisal for the property was conducted in October of 2016 and discussed with the URA Board. Lot 1 of the Cannery PUD was intended to be partitioned from the Center for the Arts creating an approximately 4,250 sf pad. Based on the discussion of the URA Board Lot 1 of the Cannery PUD is recommended to be partitioned and sold as the market allows.

The sale of property is governed by section 505 of the URA Plan.

The recent real estate market has been steadily improving and there has been interest expressed by developers for property in Old Town. The URA Manager will place restrictions on the sale of the properties so that development will occur in a manner that removes blight and maximizes the development of the properties as outlined in the resolution.

Financial Impacts

The sale of property will put monies back into the URA which can be allocated to other projects or to retire debt. These monies if reinvested back into the district will not count against maximum indebtedness.

Recommendation:

Staff respectfully requests URA Board adoption of URA Resolution 2016-004 authorizing the URA Manager to partition and sell properties according to section 505 of the URA Plan.



URA RESOLUTION 2016-004

AUTHORIZING THE URA MANAGER TO SELL PROPERTY OWNED BY THE SHERWOOD URBAN RENEWAL AGENCY; CANNERY SUBDIVISION LOT 1

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") which plan was approved by the City Council ("Council") on August 29, 2000 by Ordinance No. 2000-1098 after a Public Hearing; and

WHEREAS, the Plan allows, under Section 505 for the Agency to sell property and over time the Agency has purchased property that it desires to sell; and

WHEREAS, the Cannery property was subdivided and a Planned Unit Development PUD was approved in 2010; and

WHEREAS, the retail/office properties are located in the Cannery Subdivision as Lot 1 in Exhibit A.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SHERWOOD URBAN RENEWAL AGENCY:

Section 1. The Sherwood Urban Renewal Agency does hereby direct the URA Manager to partition a portion of the property for a 4,250 sf pad site and sell the property noted above in accordance with Section 505 of the URA Plan with the following conditions.

- 1) The building constructed meets the requirement in the Planned Unit Development including the pattern book and has a similar look to the adjacent Center for the Arts building with more glazing and or brick.
- 2) The use of the building is compatible with the Center for the Arts and the partition of property does not significantly impact the regular parking for the Center for the Arts.

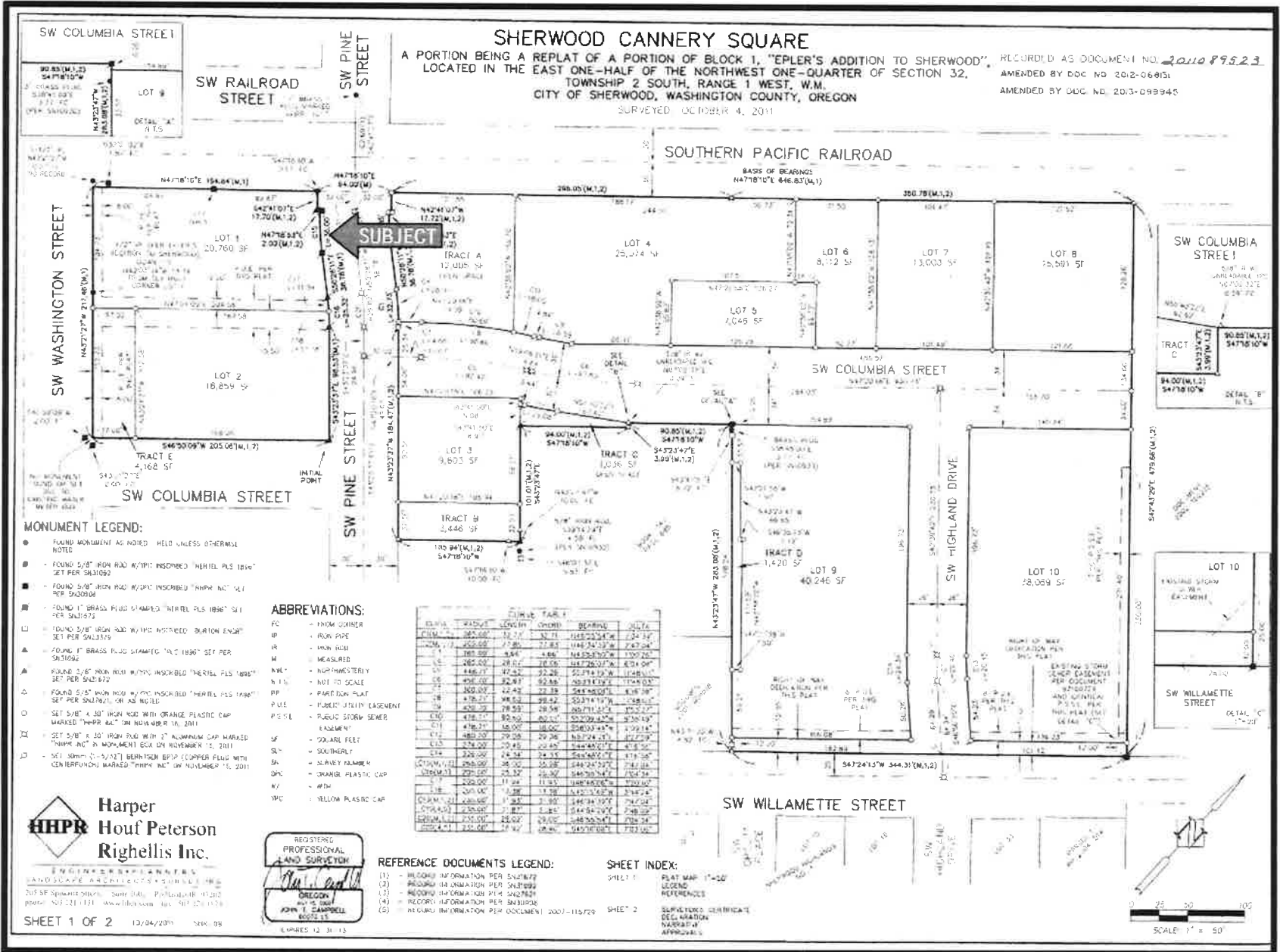
Section 2. This Resolution shall be effective from and after its adoption by the Agency Board.

Duly passed by the Urban Renewal Agency Board this 20th day of December 2016.

Krisanna Clark, Chair

Attest:

Sylvia Murphy, MMC, Agency Recorder



Recorded Plat

TO: Sherwood Urban Renewal Agency Board of Directors

FROM: Tom Pessemier, Assistant City Manager

Through: Joseph Gall, ICMA-CM, City Manager

**SUBJECT: URA Resolution 2016-005 of the Sherwood Urban Renewal Agency
authorizing the URA Manager to sell property; Cannery Subdivision Lot 3**

Issue

Should the URA Board authorize the URA Manager to sell certain properties?

Background

The URA has acquired properties over the past 15 years and previously SURPAC has evaluated each of the property acquisitions. An Appraisal for the property was conducted in October of 2016 and discussed with the URA Board. Based on the discussion of the URA Board Lot 3 of the Cannery PUD is recommended to be sold as the market allows.

The sale of property is governed by section 505 of the URA Plan.

The recent real estate market has been steadily improving and there has been interest expressed by developers for property in Old Town. The URA Manager will place restrictions on the sale of the properties so that development will occur in a manner that removes blight and maximizes the development of the properties as outlined in the resolution.

Financial Impacts

The sale of property will put monies back into the URA which can be allocated to other projects or to retire debt. These monies if reinvested back into the district will not count against maximum indebtedness.

Recommendation:

Staff respectfully requests URA Board adoption of URA Resolution 2016-005 authorizing the URA Manager to partition and sell properties according to section 505 of the URA Plan.



URA RESOLUTION 2016-005

AUTHORIZING THE URA MANAGER TO SELL PROPERTY OWNED BY THE SHERWOOD URBAN RENEWAL AGENCY; CANNERY SUBDIVISION LOT 3

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") which plan was approved by the City Council ("Council") on August 29, 2000 by Ordinance No. 2000-1098 after a Public Hearing; and

WHEREAS, the Plan allows, under Section 505 for the Agency to sell property; and

WHEREAS, over time the Agency has purchased property that it desires to sell; and

WHEREAS, the Cannery property was subdivided and a Planned Unit Development PUD was approved in 2010; and

WHEREAS, the retail/office properties are located in the Cannery Subdivision as Lot 3 in Exhibit A

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SHERWOOD URBAN RENEWAL AGENCY:

Section 1. The Sherwood Urban Renewal Agency does hereby direct the URA Manager to sell the property noted above in accordance with Section 505 of the URA Plan with the following conditions.

- 1) The sale of the property is conditioned such that any building constructed meets the requirement in the Planned Unit Development including the pattern book and has a similar look to the Center for the Arts building across the street.

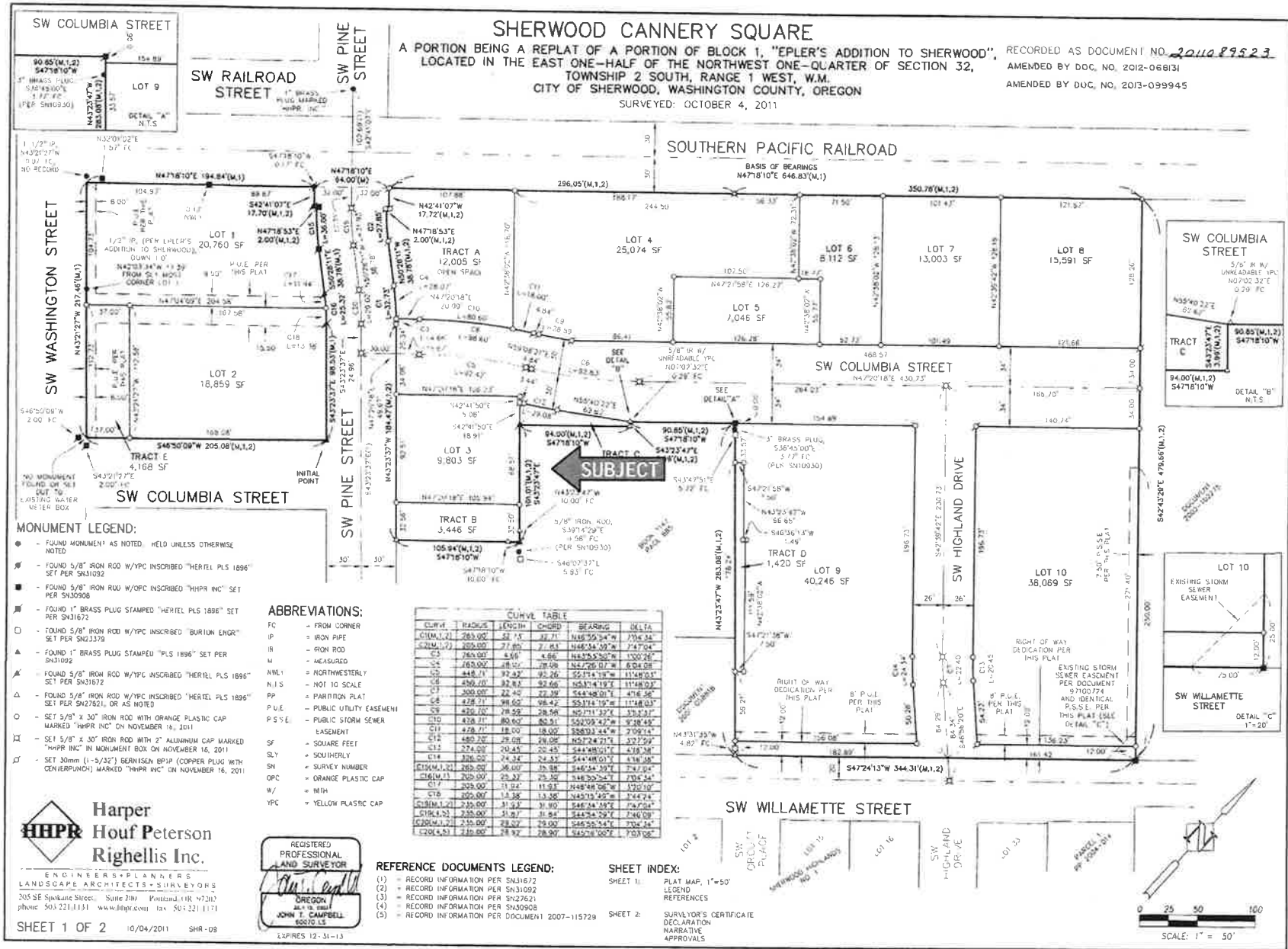
Section 2. This Resolution shall be effective from and after its adoption by the Agency Board.

Duly passed by the Urban Renewal Agency Board this 20th day of December 2016.

Krisanna Clark, Chair

Attest:

Sylvia Murphy, MMC, Agency Recorder



Recorded Plat

TO: Sherwood Urban Renewal Agency Board of Directors

FROM: Tom Pessemier, Assistant City Manager
Through: Joseph Gall, ICMA-CM, City Manager

**SUBJECT: URA Resolution 2016-006 of the Sherwood Urban Renewal Agency
authorizing the URA Manager to sell property; Cannery Subdivision Lot 4**

Issue

Should the URA Board authorize the URA Manager to sell certain properties?

Background

The URA has acquired properties over the past 15 years and previously SURPAC has evaluated each of the property acquisitions. An Appraisal for the property was conducted in October of 2016 and discussed with the URA Board. Based on the discussion of the URA Board Lot 4 of the Cannery PUD is recommended to be sold as the market allows.

The sale of property is governed by section 505 of the URA Plan.

The recent real estate market has been steadily improving and there has been interest expressed by developers for property in Old Town. The URA Manager will place restrictions on the sale of the properties so that development will occur in a manner that removes blight and maximizes the development of the properties as outlined in the resolution.

Financial Impacts

The sale of property will put monies back into the URA which can be allocated to other projects or to retire debt. These monies if reinvested back into the district will not count against maximum indebtedness.

Recommendation:

Staff respectfully requests URA Board adoption of URA Resolution 2016-006 authorizing the URA Manager to partition and sell properties according to section 505 of the URA Plan.



URA RESOLUTION 2016-006

AUTHORIZING THE URA MANAGER TO SELL PROPERTY OWNED BY THE SHERWOOD URBAN RENEWAL AGENCY; CANNERY SUBDIVISION LOT 4

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") which plan was approved by the City Council ("Council") on August 29, 2000 by Ordinance No. 2000-1098 after a Public Hearing; and

WHEREAS, the Plan allows, under Section 505 for the Agency to sell property, and over time the Agency has purchased property that it desires to sell; and

WHEREAS, the Cannery property was subdivided and a Planned Unit Development PUD was approved in 2010; and

WHEREAS, the retail/office properties are located in the Cannery Subdivision as Lot 4 in Exhibit A

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SHERWOOD URBAN RENEWAL AGENCY:

Section 1. The Sherwood Urban Renewal Agency does hereby direct the URA Manager to sell the property noted above in accordance with Section 505 of the URA Plan with the following conditions.

- 1) The building constructed is multiple stories, meets the requirement in the Planned Unit Development including the pattern book and has a similar look to the Center for the Arts building across the street with increased ground floor glazing and increased use of brick on the building.
- 2) The use of the building is compatible with the adjacent public plaza.

Section 2. This Resolution shall be effective from and after its adoption by the Agency Board.

Duly passed by the Urban Renewal Agency Board this 20th day of December 2016.

Krisanna Clark, Chair

Attest:

Sylvia Murphy, MMC, Agency Recorder

Approved Minutes

**SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING MINUTES
Tuesday, December 20, 2016
22560 SW Pine Street, Sherwood, Oregon 97140**

REGULAR SESSION

1. **CALL TO ORDER:** Chair Clark called the meeting to order at 8:50 pm.
2. **BOARD PRESENT:** Chair Krisanna Clark, Jennifer Harris, Jennifer Kuiper, Linda Henderson, Renee Brouse, Dan King and Sally Robinson.
3. **STAFF PRESENT:** City Manager Joe Gall, Assistant City Manager Tom Pessemier, City Attorney Josh Soper, Finance Director Katie Henry, and Agency Recorder Sylvia Murphy.
4. **CONSENT AGENDA**
 - A. **Adoption of September 20, 2016 URA Board Meeting Minutes**
 - B. **Adoption of October 18, 2016 URA Board Meeting Minutes**

MOTION: FROM RENEE BROUSE TO ADOPT THE CONSENT AGENDA, SECONDED BY DAN KING. MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. (HARRIS AND HENDERSON NOT PRESENT TO VOTE).

Chair Clark addressed the next agenda item.

5. PUBLIC HEARING

A. URA Resolution 2016-004 Authorizing the URA Manager to sell property owned by the Sherwood Urban Renewal Agency; cannery subdivision lot 1

Assistant City Manager Tom Pessemier stated he would provide one staff report for all the resolutions on the agenda. He said this is a culmination of a process that has been underway for a number of years, starting with SURPAC discussions on URA owned properties and which properties the URA might want to divest itself of, and take those monies and reinvesting to either pay off debt or additional projects the Board may want to do in the future. He said since SURPAC dissolved the URA board has had conversations in work sessions about the properties, the market and ultimately decided to hire an appraiser to appraise five different properties. He said after a recent URA Board meeting, the three properties in the cannery area were the most ideal given the market conditions, to at least begin considering what we could do from a market perspective and ultimately begin selling those properties.

Tom said the three resolutions before the Board tonight are all for the cannery PUD that was done. He said Lot #1 includes the Center for the Arts building. He said the vision there has always been to partition a portion of the property for a pad that is close to Pine Street. He said it's about 4250 square feet. He said URA Resolution 2016-004 is authorizing the URA Manager to partition

that site. He said he also noted some restrictions relative to the sale of the property and explained; the building would be constructed to meet the requirements of the PUD that was approved for the cannery including the pattern book that was adopted by the City Council; that it has a similar look to the adjacent Center for the Arts building with more glazing or brick than is currently on the Center; ensuring that the building is compatible with the Center for the Arts and that the partition does not significantly impact the regular parking for the Center for the Arts. He said these are the conditions that we briefly spoke about and he wanted to apply more formal terms so that as we move forward there is some certainty as to what we would be trying to accomplish in working with a potential purchaser and still retain the character.

B. URA Resolution 2016-005 Authorizing the URA Manager to sell property owned by the Sherwood Urban Renewal Agency; cannery subdivision lot 3

Tom addressed URA Resolution 2016-005 and said this lot is a piece of property that has been envisioned as a one story office/retail that would have a little bit of parking in the back. He said the conditions are; the building meets the requirements of the PUD including the pattern book and has a similar look to the Center for the Arts building, trying to keep the consistent pattern of the plaza and the Center for the Arts.

C. URA Resolution 2016-006 Authorizing the URA Manager to sell property owned by the Sherwood Urban Renewal Agency; cannery subdivision lot 4

Tom addressed URA Resolution 2016-006 and said this lot is bigger and adjacent to the plaza and the restrictions would be; a building that was multiple stories and meets the requirements of the PUD including the pattern book; has a similar look to the Center for the Arts, with increased ground floor glazing, increased use of brick; and the use of the building is compatible with the adjacent public plaza.

Chair Clark addressed URA Resolution 2016-004 and opened a public hearing. With no public testimony received, Chair Clark closed the hearing and asked for Board questions.

Ms. Kuiper asked if there was any interest in the site. Tom responded he has spoken with someone that has interest and said they have an aggressive schedule due to the timing of their lease and said if we move forward we could see something happening this calendar year. She asked if staff had any concerns with the existing PUD development considerations for design that would inhibit aesthetics if it is facing in one direction rather than another? She asked if those existing design standards are going to ensure what gets developed on Lot 1?

Tom replied he believes so and said the pattern book as well as the Old Town requirements on the cannery side speak to reinforcing corners, a fair amount of glazing or glass on the building and said it should be something that is compatible and comparable.

Ms. Harris asked, assuming what goes in this location, they will have their own parking and would not be cannibalizing on what is already there? Tom replied, no, there would not be any room for additional parking. He said this was always envisioned, and when we were working with Capstone Development the parking was always a question, and one of the features that we realized is that

the parking for events will differ. He said the businesses would probably be more daytime operational types of businesses. He said Capstone wanted to purchase a portion of the parking lot and actually purchased parking spots, and said he did not know if this is what we would do and this is why the specific provision was noted, so that it did not negatively impact the Center for the Arts parking. He said Capstone was willing to pay for that and were willing to compensate the URA for some of the work that was done and we tracked that project separately to ensure we could recover those capital costs. He said this obviously is not going to happen and the parking will be shared. He said there is also on-street parking and parking along the back. He said there will be a site plan that they will have to go through and this is something that will be heard by the planning commission to make sure they meet the requirements. He informed the Board that the site plan was done for that site as it was one that was considered originally.

Ms. Harris stated, we did not have a tenant for the other space either? Tom replied, no, but they were all considered in the parking calculations. She said they have already considered a full service restaurant, the Center and that the 14 parking spot in the street are good? Tom replied, essentially.

Ms. Henderson asked what is the maximum height requirement for that building? Tom replied, on this side of the tracks it's three stories, 40 feet. He said we are planning for a one-story building.

Ms. Kuiper referred to Tom indicating "planning" and asked if this is codified. Tom replied he did not specify that it is a one-story building, but it would not make sense to do more. Ms. Kuiper commented regarding aesthetics and referred to the Center for the Arts being a two-story building.

Ms. Harris stated they did not want a building that is two-stories.

Ms. Henderson asked if staff envisioned the building being perpendicular to the Center? Tom replied yes. She confirmed longer and along Pine Street, Tom replied yes.

Mayor Clark asked for other questions, with none heard, she asked for a motion.

MOTION: FROM LINDA HENDERSON TO ADOPT URA RESOLUTION 2016-004, SECONDED BY RENEE BROUSE. MOTION PASSED 7:0, ALL MEMBERS VOTED IN FAVOR.

Chair Clark stated since staff has provided a staff report for all three resolutions, she addressed **URA Resolution 2016-005 authorizing the URA Manager to sell property owned by the Sherwood Urban Renewal Agency; cannery subdivision lot 3.**

Chair Clark opened the public hearing. With no testimony received, she closed the public hearing and asked for a motion.

MOTION: FROM LINDA HENDERSON TO ADOPT URA RESOLUTION 2016-005, SECONDED BY DAN KING. MOTION PASSED 7:0, ALL MEMBERS VOTED IN FAVOR.

Chair Clark addressed **URA Resolution 2016-006 authorizing the URA Manager to sell property owned by the Sherwood Urban Renewal Agency; cannery subdivision lot 4**

Chair Clark opened the public hearing, with no testimony received, she closed the public hearing.

Ms. Kuiper referred to the cannery square and the water feature and asked if a building gets constructed here with a back that is just facing the water feature, would that be considered legally as a compatible use, because the way it's written in the code. She further clarified a building not being of a compatible use. Tom replied from a planning commission perspective and given the fact that it is in Old Town and there is zero requirements, the planning commission as long as it meets PUD standards and reinforces the corner, has glazing and other things, it would certainly meet code requirement. He said he specifically put in the conditions that the use of the building is compatible with the adjacent public plaza, so this would be something the URA Manager would be looking at as they are working with the sale and would try to make the sale contingent on certain things, such that we would make sure that it would be, because we would have to go above and beyond what the planning commission could require, just based on the Old Town standards and the PUD.

Ms. Kuiper clarified and said it would be contingent upon a sale, staff would be looking at the plans to see if in fact that is something we want to sell. Tom replied we would probably condition the sale to make sure they did provide us plans.

Ms. Harris commented regarding compatible being subjective and gave examples. Tom replied it is subjective and that is why you have a URA Manager that you trust they are thinking about those things and not having something that will negatively impact the plaza.

Chair Clark asked for other Board questions or comments, with none received she asked for a motion.

MOTION: FROM MS. HARRIS TO ADOPT URA RESOLUTION 2016-006, SECONDED BY MS. ROBINSON. MOTION PASSED 7:0, ALL MEMBERS VOTED IN FAVOR.

6. ADJOURN

With no further business, Chair Clark adjourned to a URA Executive Session at 9:15 pm.

EXECUTIVE SESSION

- 1. CALL TO ORDER:** Chair Clark called the Executive Session to order at 9:20 pm.
- 2. BOARD PRESENT:** Chair Krisanna Clark, Jennifer Kuiper, Jennifer Harris, Linda Henderson, Renee Brouse, and Dan King. Sally Robinson was absent.
- 3. STAFF PRESENT:** City Manager Joe Gall and Assistant City Manager Tom Pessemier.
- 4. TOPIC:**
 - A. Real Property Transactions, Pursuant to ORS 192.660 (2)(e).**

5. ADJOURN:

Chair Clark adjourned at 10:10 pm.

Attest:



Sylvia Murphy, MMC, Agency Recorder



Krisanna Clark, Chair