



**URA RESOLUTION 2019-002**

**ADOPTING THE FY2019-20 BUDGET OF THE CITY OF SHERWOOD URBAN RENEWAL AGENCY,  
MAKING APPROPRIATIONS, IMPOSING AND CATEGORIZING TAXES, AND  
AUTHORIZING THE AGENCY MANAGER TO TAKE SUCH ACTION NECESSARY TO  
CARRY OUT THE ADOPTED BUDGET**

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

**WHEREAS**, the Budget Committee approved and recommended a balanced budget to the Urban Renewal Agency Board of Directors on May 23, 2019; and

**WHEREAS**, in accordance with State law, on June 18, 2019, the Urban Renewal Agency Board of Directors 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 SHERWOOD URBAN RENEWAL AGENCY BOARD RESOLVES AS FOLLOWS:**

**Section 1. Adoption of the FY2019-20 Budget.** The Board of Directors of the Urban Renewal Agency of the City of Sherwood, Oregon hereby adopts the budget for the City of Sherwood Urban Renewal Agency for fiscal year 2019-20 in the sum of \$6,640,279 now on file at City Hall, and attached hereto as Exhibit A.

**Section 2. Making Appropriations.** The amounts for the fiscal year beginning July 1, 2019 and for the purposes shown below are hereby appropriated as follows:

	URA Operations Fund
Operations Department	151,717
Debt Service	5,706,188
Contingency	<u>170,845</u>
TOTAL APPROPRIATED	6,028,750
Unappropriated Reserved Balance	<u>611,530</u>
Total Budget	\$6,640,279

**Section 3.** **Imposing and Categorizing Taxes.** The Board of Directors of the Urban Renewal Agency of the City of Sherwood hereby resolves to certify to the county assessor a request for the Urban Renewal District Old Town Plan Area in the amount of \$3,500,000 that may be raised by dividing the taxes under Section 1c, Article IX of the Oregon Constitution and ORS Chapter 457.

**Section 4:** **Agency Manager Authorization.** The Urban Renewal Agency Manager is hereby authorized to take such action as is necessary to carry out the adopted budget.

**Section 5:** **Effective Date.** This Resolution shall be effective upon its approval and adoption.

**Duly passed by the Urban Renewal Agency Board this 18<sup>th</sup> of June, 2019.**

  
Keith Mays, Chair

Attest:

  
Sylvia Murphy, MMC, Agency Recorder

# City of Sherwood Urban Renewal Agency Annual Budget

For the Fiscal Year  
July 1, 2019 - June 30, 2020



## **BOARD OF DIRECTORS:**

Keith Mays, *Board Chair*  
Tim Rosener, *Board President*  
Renee Brouse, *Board Member*  
Sean Garland, *Board Member*  
Russell Griffin, *Board Member*  
Doug Scott, *Board Member*  
Kim Young, *Board Member*

## **BUDGET COMMITTEE:**

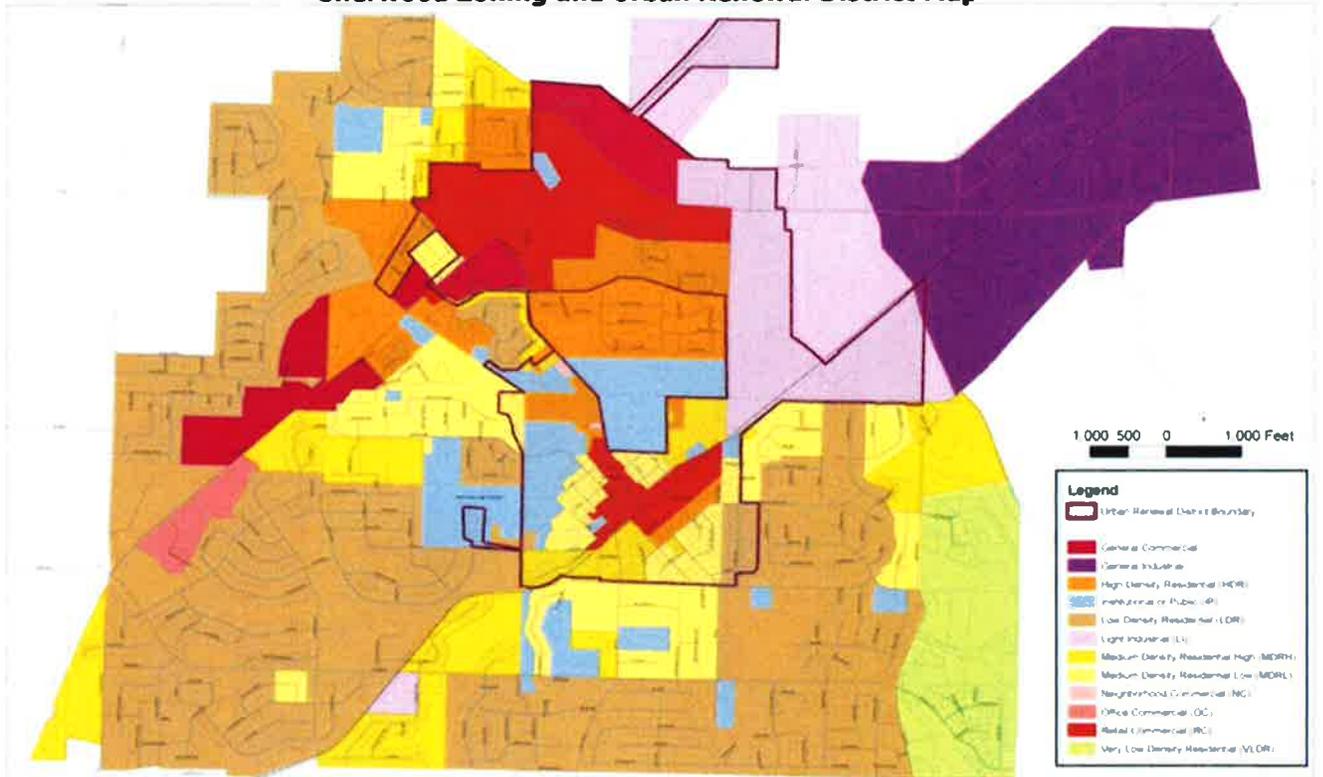
Meerta Meyer, *Chair*  
Paul Mayer, *Vice Chair*  
Susan Claus  
Matt Kaufman  
Tyrone Stammers  
Kady Strode  
Nancy Taylor

## **CITY STAFF:**

Joseph Gall, *City Manager*  
Katie Henry, *Finance Director*

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**Sherwood Zoning and Urban Renewal District Map**



About the District

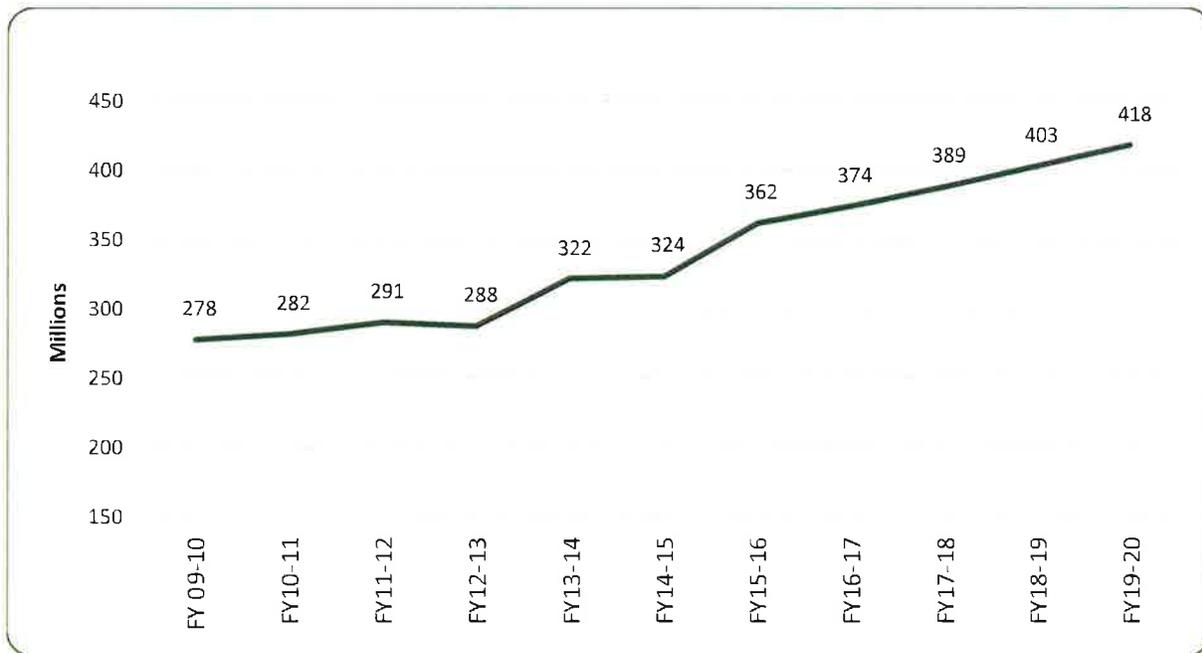
The City of Sherwood Urban Renewal Agency (URA) is a separate entity from the City. The Sherwood City Council serves as the Board of Directors for the URA and is financially accountable for its operations. In accordance with Oregon budget law, the URA prepares its own budget, and the Board of Directors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

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

In 2012 the URA plan was amended. The Maximum Indebtedness was increased and starting in 2014 a portion of the NEW tax revenue will be shared with the other taxing authorities. The net effect of the additional shared revenue will be to keep the district open for one additional year. The District is expected to close in 2022.

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

Urban Renewal District Assessed Value



**Budget Message**

It is my privilege to provide you, the citizens of the City of Sherwood, with the proposed Urban Renewal Agency (URA) budget for Fiscal Year 2019-20.

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

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

**FY19-20 Proposed Budget**

The proposed FY2019-20 budget consists of personal services, allocated overhead, and a few miscellaneous expenses needed to administer the URA in preparation of its closure in the near future. Economic development activities which support Old Town Sherwood and City involvement in regional economic development partnerships are budgeted so that the URA can continue to provide some assistance for parking management studies and solutions. Debt service payments, including a lump sum amount of \$2.8 million to pay off the 2006 Downtown Streets loan, account for the majority of the expenditures.

The FY2019-20 Capital Projects budget does not have any appropriations this year and no additional large projects are on the horizon.

The Agency will spend this year focusing on Old Town economic development activities, considering the possible sale of property and preparing to place the Agency in a position to run with little effort until the URA debt is paid off in FY2022-23 depending on tax increment revenue. We are looking forward to an active year of Agency progress and achievement.

Respectfully Submitted,



Joseph Gall  
URA Manager

Operations

2016-17 Actual	2017-18 Actual	2018-19 Budget		2019-20 Proposed	2019-20 Approved	2019-20 Adopted
\$ 1,384,041	\$ 1,792,891	\$ 2,070,697	<b>RESOURCES</b>			
			Beginning fund balance	\$ 3,223,382	\$ 3,223,382	
			Revenue			
3,723,058	3,776,565	3,902,200	Taxes	3,351,897	3,351,897	
22,000	34,532	30,000	Fines, interest and other	65,000	65,000	
3,745,058	3,811,097	3,932,200	Total revenue	3,416,897	3,416,897	
			Other sources			
-	3,000	-	Transfers in	-	-	
-	3,000	-	Total other sources	-	-	
<b>5,129,099</b>	<b>5,606,988</b>	<b>6,002,897</b>	<b>Total resources</b>	<b>6,640,279</b>	<b>6,640,279</b>	
			<b>REQUIREMENTS</b>			
			Expenditures			
			Personal services			
95,101	100,446	68,164	Salaries and wages	71,397	71,397	
7,941	8,381	5,496	Payroll taxes	5,445	5,445	
37,652	38,255	30,127	Benefits	34,546	34,546	
140,694	147,082	103,787	Total personal services	111,388	111,388	
			Materials and services			
251,153	12,325	21,500	Professional & technical	-	-	
7	-	-	Facility and equipment	-	-	
7,172	8,716	7,950	Other purchased services	2,645	2,645	
145	513	-	Supplies	-	-	
1,390	6	-	Community activities	-	-	
-	-	2,000	Other materials & services	-	-	
66,392	71,620	34,996	Cost Allocation	37,684	37,684	
326,258	93,179	66,446	Total materials & services	40,329	40,329	
			Capital outlay			
30,402	391,345	-	Infrastructure	-	-	
-	-	20,000	Other improvements	-	-	
30,402	391,345	20,000	Total capital outlay	-	-	
497,355	631,606	190,233	Total expenditures	151,717	151,717	
			Debt service			
2,180,846	2,245,610	2,310,910	Principal	5,244,695	5,244,695	
658,008	594,634	529,109	Interest	461,493	461,493	
2,838,854	2,840,245	2,840,019	Total debt service	5,706,188	5,706,188	
			Ending Fund Balance	-	-	
1,792,891	2,135,138	-	Contingency	170,845	170,845	
-	-	196,610	Reserved for Future Years	611,530	611,530	
-	-	2,776,035	<b>Total requirements</b>	<b>\$ 6,640,279</b>	<b>\$ 6,640,279</b>	
<b>\$ 5,129,099</b>	<b>\$ 5,606,989</b>	<b>6,002,897</b>				
1.0	1.0	0.5	FTE	0.5	0.5	

Urban Renewal Debt Service

<b>City Loans for Sherwood Urban Renewal Agency Projects</b>					
	<b>2006</b>			<b>2012 City</b>	
	<b>Downtown Streets</b>	<b>2010 Streets &amp; Cannery</b>	<b>2010 Cannery</b>	<b>Hall/Street Refinancing</b>	<b>Total Debt on behalf of URA</b>
Original Amount	\$ 6,400,000	\$ 7,065,000	\$ 8,500,000	\$ 5,245,000	\$ 27,210,000
Balance at 6/30/19	3,211,794	4,680,000	2,429,861	2,175,000	12,496,655
Payment Source	Tax Increment				
Paying Fund	URA Operations				
Year Ending June 30					
2020	481,619	555,680	1,251,498	549,456	2,838,253
2021	484,863	553,595	1,251,499	554,306	2,844,263
2022	482,263	555,768	-	430,506	1,468,537
2023	484,088	553,563	-	388,806	1,426,457
2024	485,276	550,660	-	389,091	1,425,027
2025-2029	1,450,155	2,765,468	-	-	4,215,623
2030-2034	-	554,645	-	-	554,645
	<b>\$ 3,868,264</b>	<b>\$ 6,089,379</b>	<b>\$ 2,502,997</b>	<b>\$ 2,312,165</b>	<b>\$ 14,772,805</b>

Above is the current debt service schedule. Advance payoff of the 2006 Downtown Streets loan will decrease the total amount by around \$500,000.

