



Home of the Tualatin River National Wildlife Refuge

## URA RESOLUTION 2020-002

### **ADOPTING THE FY2020-21 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 28, 2020; and

**WHEREAS**, in accordance with State law, on June 16, 2020, 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 FY2020-21 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 FY2020-21 in the sum of \$3,445,965 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, 2020 and for the purposes shown below are hereby appropriated as follows:

	URA Operations Fund
Operations Department	126,625
Debt Service	2,359,400
Contingency	<u>140,475</u>
TOTAL APPROPRIATED	2,626,500
Unappropriated Reserved Balance	<u>819,465</u>
Total Budget	\$3,445,965

**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 \$2,950,000 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 16<sup>th</sup> of June 2020.**

  
\_\_\_\_\_  
Keith Mays, Chair

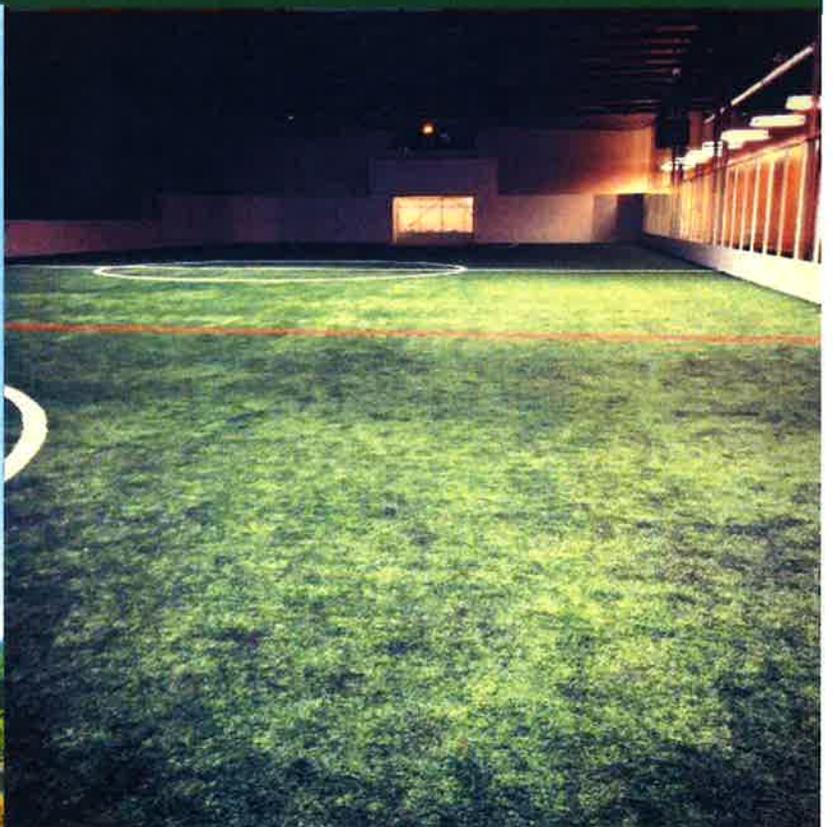
Attest:

  
\_\_\_\_\_  
Sylvia Murphy, MMC, Agency Recorder



# CITY OF SHERWOOD

2020-2021 URBAN RENEWAL APPROVED BUDGET



# City of Sherwood Urban Renewal Agency Annual Budget

For the Fiscal Year  
July 1, 2020 - June 30, 2021

## **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:**

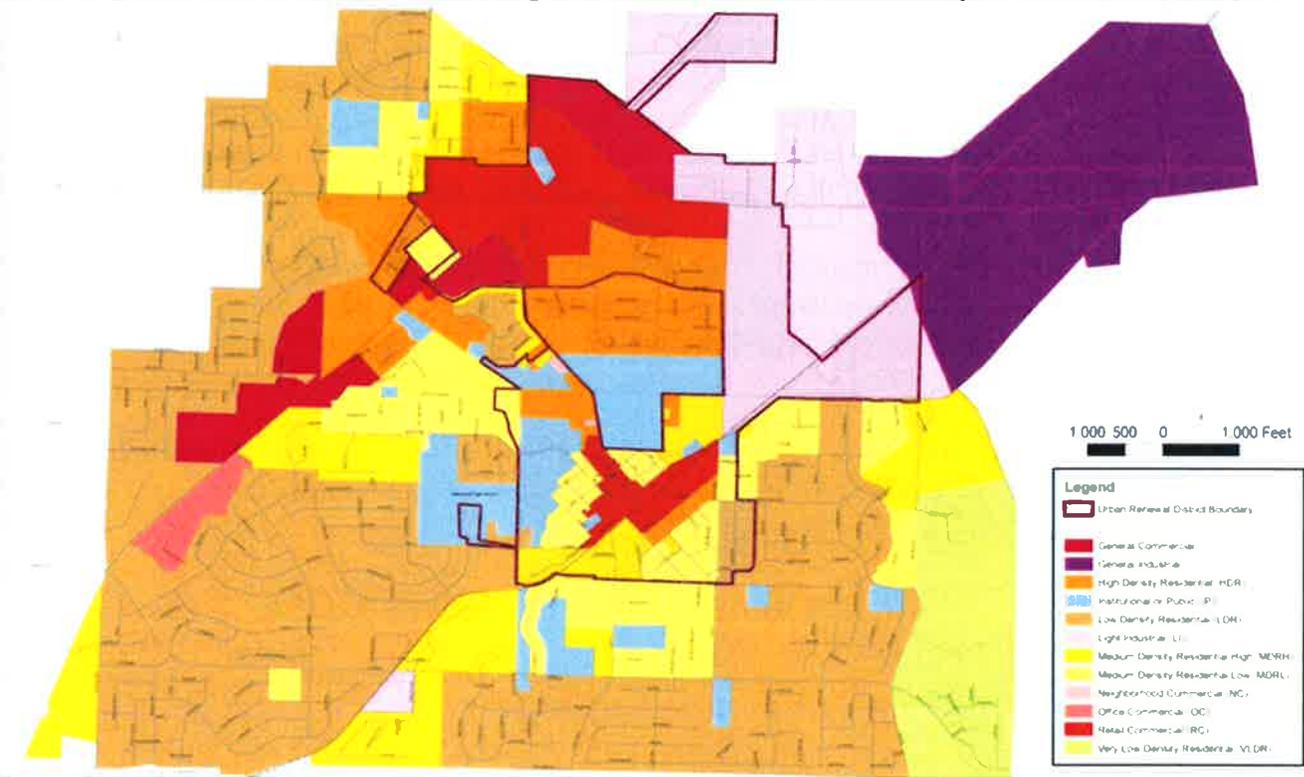
Nancy Taylor, *Chair*  
Lana Painter, *Vice Chair*  
Brian Fairbanks  
Matt Kaufman  
Paul Mayer  
Thomas Sherwood  
Kady Strode

## **CITY STAFF:**

Joseph Gall, *City Manager/URA Manager*  
David Bodway, *Finance Director*

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Sherwood Zoning and Urban Renewal District Map



About the Agency

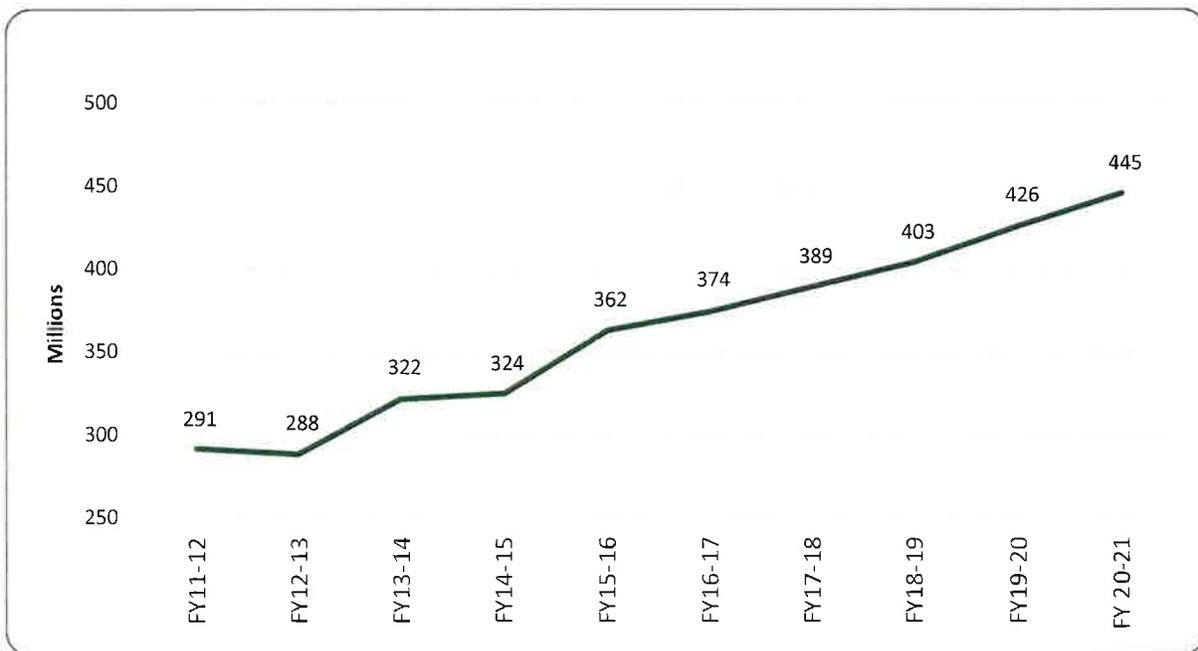
The Urban Renewal Agency (URA) is a separate entity from the City of Sherwood. The Sherwood City Council serves as the Board of Directors for the URA and is financially accountable for its operations. In accordance with Oregon budget law, the URA prepares its own budget, and the Board of Directors approves 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 has been 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 projected to close in FY2022-23.

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 2020-21 (FY2020-21).

The Agency budget consists of one fund which covers both operations and capital. The operations for the Agency include 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 direction from the Agency Board of Directors.

**FY2020-21 Proposed Budget**

The proposed FY2020-21 budget consists of personal services, allocated overhead, and a few miscellaneous expenses needed to continue 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 within the district. Debt service payments account for 95% of the proposed expenditures.

The proposed FY2020-21 Capital Projects budget does not have any appropriations this year and no additional large projects are on the horizon.

The Agency will continue to focus 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 the ultimate closure of this successful urban renewal district in the near future.

Respectfully Submitted,



Joseph Gall  
URA Manager

Operations

2017-18 Actual	2018-19 Actual	2019-20 Budget		2020-21 Proposed	2020-21 Approved	2020-21 Adopted
			<b>RESOURCES</b>			
\$ 1,792,891	\$ 2,135,138	\$ 3,223,382	Beginning fund balance	\$ 636,465	\$ 636,465	
			Revenue			
3,776,565	3,785,946	3,351,897	Taxes	2,800,000	2,800,000	
34,532	73,107	65,000	Fines, interest and other	9,500	9,500	
3,811,097	3,859,052	3,416,897	Total revenue	2,809,500	2,809,500	
			Other sources			
3,000	-	-	Transfers in	-	-	
3,000	-	-	Total other sources	-	-	
<b>5,606,988</b>	<b>5,994,190</b>	<b>6,640,279</b>	<b>Total resources</b>	<b>3,445,965</b>	<b>3,445,965</b>	
			<b>REQUIREMENTS</b>			
			Expenditures			
			Personal services			
100,446	36,988	71,397	Salaries and wages	59,713	59,713	
8,381	3,581	5,445	Payroll taxes	4,951	4,951	
38,255	16,175	34,546	Benefits	27,318	27,318	
147,082	56,744	111,388	Total personal services	91,982	91,982	
			Materials and services			
12,325	7,332	-	Professional & technical	675	675	
8,716	6,579	2,645	Other purchased services	4,550	4,550	
513	-	-	Supplies	-	-	
6	-	-	Community activities	-	-	
71,620	20,395	37,684	Cost Allocation	29,418	29,418	
93,179	34,304	40,329	Total materials & services	34,643	34,643	
			Capital outlay			
391,345	-	-	Infrastructure	-	-	
391,345	-	-	Total capital outlay	-	-	
631,606	91,050	151,717	Total expenditures	126,625	126,625	
			Debt service			
2,245,610	2,310,910	5,244,695	Principal	2,091,960	2,091,960	
594,634	529,109	461,493	Interest	267,440	267,440	
2,840,245	2,840,019	5,706,188	Total debt service	2,359,400	2,359,400	
			Ending Fund Balance	-	-	
2,135,138	3,063,123	-	Contingency	140,475	140,475	
-	-	170,845	Reserved for Future Years	819,465	819,465	
-	-	611,530	<b>Total requirements</b>	<b>\$ 3,445,965</b>	<b>\$ 3,445,965</b>	
<b>\$ 5,606,988</b>	<b>\$ 5,994,190</b>	<b>6,640,279</b>				

Urban Renewal Debt Service

<b>City Loans for Sherwood Urban Renewal Agency Projects</b>				
	<b>2010 Streets &amp; Cannery</b>		<b>2012 City Hall/Street Refinancing</b>	<b>Total Debt on behalf of URA</b>
Original Amount	\$ 7,065,000	\$ 8,500,000	\$ 5,245,000	\$ 27,210,000
Balance at 6/30/20	4,345,000	1,226,960	1,680,000	7,251,960
Payment Source Paying Fund	Tax Increment URA Operations			
Year Ending June 30				
2021	553,595	1,251,499	554,306	2,359,400
2022	555,768	-	430,506	986,274
2023	553,563	-	388,806	942,369
2024	550,660	-	389,091	939,751
2025	552,060	-	-	552,060
2026-2030	2,768,053	-	-	2,768,053
	<u>\$ 5,533,699</u>	<u>\$ 1,251,499</u>	<u>\$ 1,762,709</u>	<u>\$ 8,547,907</u>

Above is the current debt service schedule.

