



Home of the Tualatin River National Wildlife Refuge

URBAN RENEWAL AGENCY MEETING PACKET

FOR

Tuesday, June 18, 2019

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

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

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

Tuesday, June 18, 2019
(Following the 7:00 pm City Council Meeting)

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

URA BOARD MEETING

1. CALL TO ORDER

2. ROLL CALL

3. CONSENT AGENDA

A. Approval of April 16, 2019 URA Board Meeting Minutes

4. PUBLIC HEARING

**A. 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
(Katie Henry, Finance Director)**

5. ADJOURN

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

Tuesday, April 16, 2019
(Following the 7:00 pm City Council Meeting)

**City of Sherwood City Hall
22560 SW Pine Street
Sherwood, Oregon 97140**

1. **CALL TO ORDER:** Chair Mays called the meeting to order at 8:00 pm.
2. **BOARD PRESENT:** Chair Mays, Vice Chair Tim Rosener, Board Members Kim Young, Renee Brouse, Russell Griffin, and Doug Scott. Board Member Sean Garland via conference call.
3. **STAFF AND LEGAL COUNSEL PRESENT:** City Manager Joe Gall, City Attorney Josh Soper, Community Development Director Julia Hajduk, Public Works Director Craig Sheldon, Finance Director Katie Henry, and City Recorder Sylvia Murphy.

4. **TOPICS:**

A. Discuss RFP for Old School House Property

City Manager Joe Gall explained that the city planned to publish the RFP (request for proposal) for the Old School House property on April 18 but wished to receive input from the URA Board of Directors on the draft RFP (see record, Exhibit A) prior to its publication. Chair Mays enquired if the RFP advertisement would run in the Sherwood Archer. Mr. Gall replied that he had planned to submit it to the Archer and stated that he had also had two 4x8 commercial real estate signs created to be placed on the property. Mr. Gall added that the deadline for the submittal of proposals for the property was May 18. Mr. Griffin asked about the reasoning behind allotting 50 points for "Vision" under Selection Criteria weighting on page 8. Community Development Director Julia Hajduk replied that under "Objectives" on page 5, the city made clear the specifics of what they requested in a comprehensive RFP. Ms. Hajduk clarified that the city had used the framework from a similar RFP in Eugene to model the current Old School House property RFP, as well as modifying previous criteria from the prior RFP for the property. She summarized the outline for the interview panel and commented that the panel would be comprised of herself, City Manager Joe Gall, Planning Manager Erika Palmer, and various outside expert consultants. Ms. Young clarified that the interview panel would be responsible for the ranking of the submitted proposals and would provide a recommendation to the URA Board. Ms. Hajduk replied that was correct and added that the URA Board had the ability to reject the recommendation from the panel. Chair Mays enquired if the recommendation from the interview panel would include a summary report to explain their reasoning. Mr. Gall stated that a summary report would be added to the recommendation submitted to the URA Board. Ms. Young stated she would like to see the scoring report cards the panel had completed for the submitted proposals. Mr. Scott recommended changing the weighting of the criteria of "Timeliness and feasibility" from 40 points to 30 points, and "Consistency with City goals/policies" weight from 30 points to 40 points. Community Development Director Julia Hajduk outlined her idea of supplying the board with the proposal review sheets completed by the interview panel for the board to review.

5. ADJOURN to Executive Session

Chair Mays adjourned the meeting at 8:12 pm to convene to an Executive Session.

URA BOARD EXECUTIVE SESSION – JOINT SESSION WITH THE CITY COUNCIL

1. **CALL TO ORDER:** Chair Mays called the meeting to order at 8:12 pm.
2. **BOARD PRESENT:** Chair Mays, Vice Chair Tim Rosener, Board Members Kim Young, Renee Brouse, Russell Griffin, and Doug Scott. Board Member Sean Garland via conference call.
3. **STAFF AND LEGAL COUNSEL PRESENT:** City Manager Joe Gall, City Attorney Josh Soper, Community Development Director Julia Hajduk, Public Works Director Craig Sheldon, and Finance Director Katie Henry.
4. **TOPICS:**
 - A. **ORS 192.660(2)(e), Real Property Transactions**

5. ADJOURN

Chair Mays adjourned the meeting at 8:46 pm.

Attest:

Sylvia Murphy, MMC, Agency Recorder

Keith Mays, Chair

Agenda Item: Public Hearing

TO: Sherwood Urban Renewal Agency Board of Directors

FROM: Katie Henry, Finance Director
through: Joseph Gall, ICMA-CM, Agency Manager

SUBJECT: 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

Issue:

Shall the Board adopt the FY2019-20 URA Budget as approved by the URA Budget Committee?

Background:

On May 23, 2019, the URA Budget Committee received the budget message, heard public comment, and approved the proposed budget. The final steps of the annual budget process are for the URA Board to hold a public hearing and then adopt the FY2019-20 budget.

Financial Impacts:

All financial impacts of this resolution have been considered by the Budget Committee and are included in the approved budget that is being presented for adoption. There are no additional financial impacts.

Recommendation:

Staff respectfully recommends approving 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.



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 18th 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:

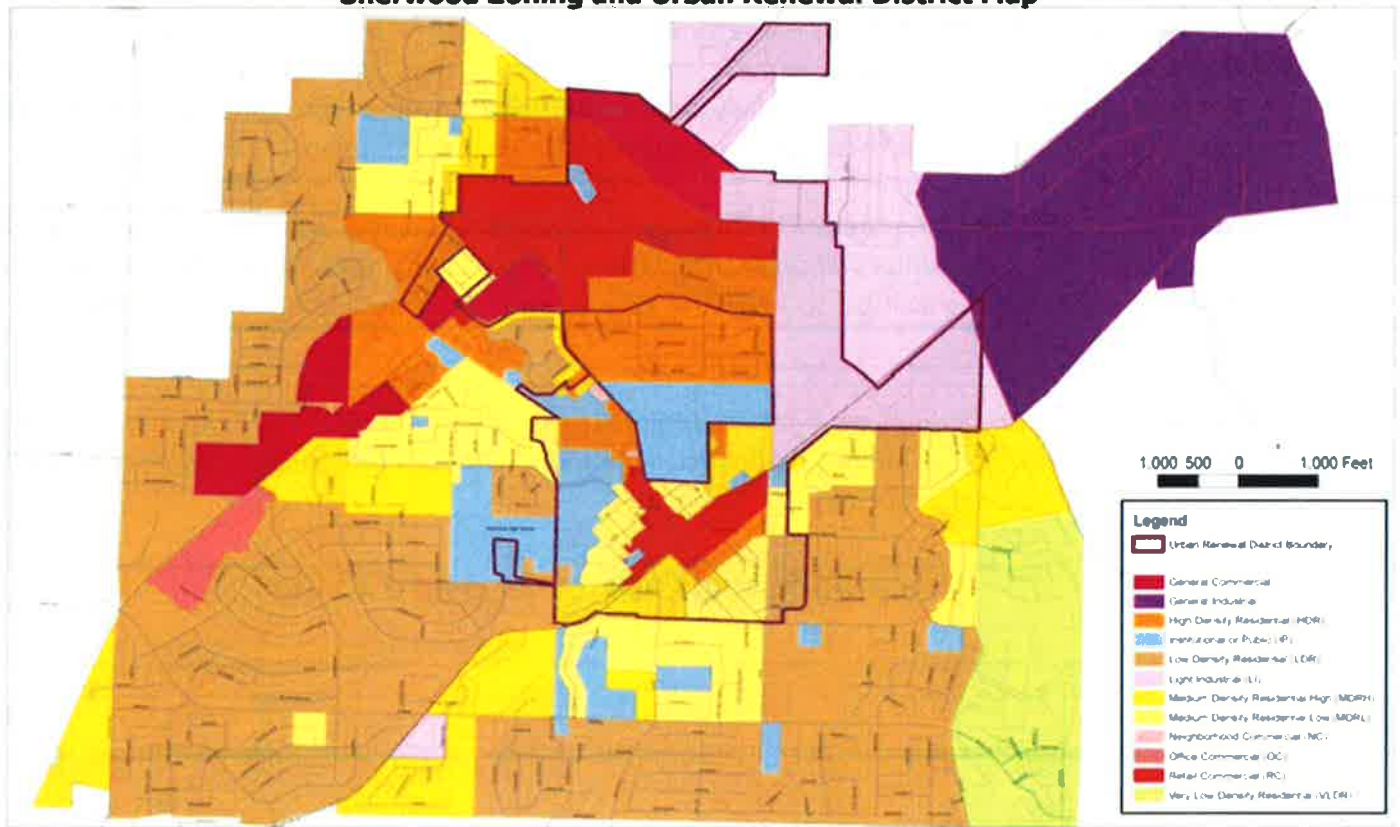
Meerta Meyer, *Chair*
Paul Mayer, *Vice Chair*
Susan Claus
Matt Kaufman
Tyrone Stammers
Kady Strode
Nancy Taylor

CITY STAFF:

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

- 1 About the District
- 2 Budget Message
- 3 Operations Budget
- 4 Debt Service

Sherwood Zoning and Urban Renewal District Map



About the District

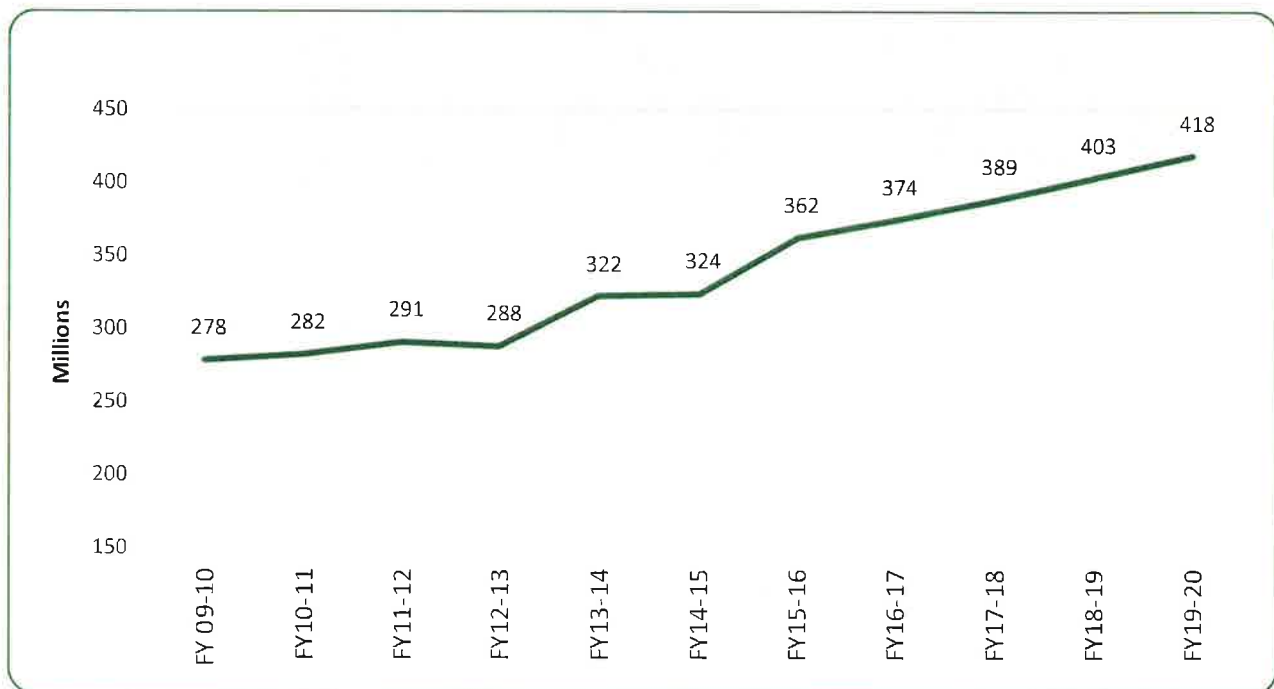
The City of Sherwood Urban Renewal Agency (URA) is a separate entity from the City. The Sherwood City Council serves as the Board of Directors for the URA and is financially accountable for its operations. In accordance with Oregon budget law, the URA prepares its own budget, and the Board of Directors 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	RESOURCES			
			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	-	-	
5,129,099	5,606,988	6,002,897	Total resources	6,640,279	6,640,279	
			REQUIREMENTS			
			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	Total requirements	\$ 6,640,279	\$ 6,640,279	
\$ 5,129,099	\$ 5,606,989	6,002,897				
1.0	1.0	0.5	FTE	0.5	0.5	

Urban Renewal Debt Service

City Loans for Sherwood Urban Renewal Agency Projects					
	2006		2012 City		Total Debt on behalf of URA
	Downtown Streets	2010 Streets & Cannery	2010 Cannery	Hall/Street Refinancing	
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
	\$ 3,868,264	\$ 6,089,379	\$ 2,502,997	\$ 2,312,165	\$ 14,772,805

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



Approved Minutes

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

Tuesday, June 18, 2019
(Following the 7:00 pm City Council Meeting)

**City of Sherwood City Hall
22560 SW Pine Street
Sherwood, Oregon 97140**

1. **CALL TO ORDER:** Chair Mays called the meeting to order at 8:20 pm.
2. **BOARD PRESENT:** Chair Mays, Vice Chair Tim Rosener, Board Members Sean Garland, Kim Young, Renee Brouse, Russell Griffin, and Doug Scott.
3. **STAFF AND LEGAL COUNSEL PRESENT:** City Manager Joe Gall, City Attorney Josh Soper, Community Development Director Julia Hajduk, Public Works Operations Supervisor Rich Sattler, Finance Director Katie Henry, Legal Intern Ashleigh Dougill, Community Services Director Kristen Switzer, and Agency Recorder Sylvia Murphy.

4. **CONSENT AGENDA:**

A. Approval of April 16, 2019 URA Board Meeting Minutes

MOTION: FROM KIM YOUNG TO APPROVE THE CONSENT AGENDA, SECONDED BY RUSSELL GRIFFIN. MOTION PASSED 7:0, ALL MEMBERS VOTED IN FAVOR.

Chair Mays addressed the next agenda item and asked the Agency Recorder to read the public hearing statement.

5. **PUBLIC HEARING:**

A. 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

Finance Director Katie Henry explained that the URA budget had a .5 FTE which accounted for a portion of City Manager Joe Gall and Community Development Director Julia Hajduk's time. She added that a portion of the newly-created Economic Development Manager's time may be included in the URA budget depending on how job duties were allocated. She stated that the majority of expenses were in debt and explained that the city needed to communicate with the lending agency once the budget was approved to get a new amortization schedule. She recapped that the fund balance had lowered significantly and explained that the city was using that money to lower the amount of money they were requesting in taxes. She explained that the resolution before the board was to set the amount the city wished to use of the tax increment. She stated that the amount in the resolution was lower than the maximum amount the city could request and explained that this was because the city was lowering the amount requested so the city could

lower the debt owed. Ms. Henry stated that a cash flow study would be completed every year until the URA was closed in 2022. Chair Mays opened up the floor to received public comment on the proposed resolution. Hearing none, Chair Mays closed the public hearing and asked for discussion or a motion.

MOTION: FROM RENEE BROUSE TO APPROVE 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. SECONDED BY SEAN GARLAND. MOTION PASSED 7:0, ALL MEMBERS VOTED IN FAVOR.

5. ADJOURN

Chair Mays adjourned the meeting at 8:25 pm.

Attest:



Sylvia Murphy, MMC, Agency Recorder



Keith Mays, Chair