

City of Sherwood, Oregon Urban Renewal District

22560 SW Pine Street
Sherwood, OR 97140

Proposed Budget

2011-2012



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Board President
Board Member
Board Member
Board Member
Board Member
Board Member

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District Administrator
Finance Director/Budget Officer

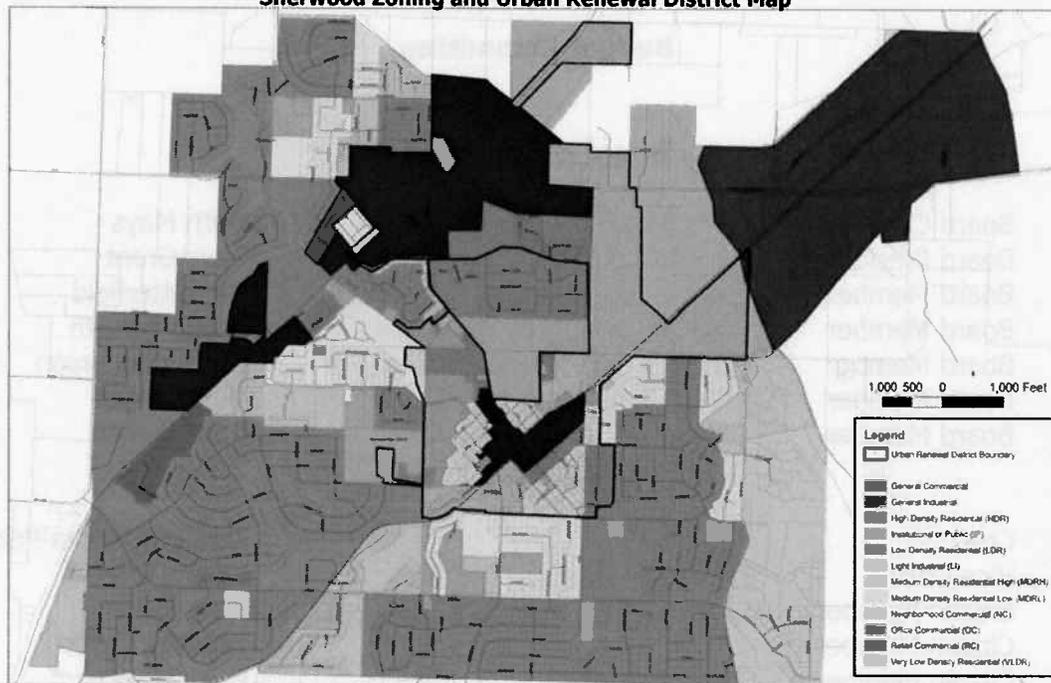
Jim Patterson
Craig Gibbons

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Sherwood Zoning and Urban Renewal District Map



Budget Message for FY 2011-12

The City of Sherwood Urban Renewal Agency (URA) is a legally 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 occur with NEW development generate incremental tax revenue. This tax increment is then used to repay the URA debt and implement the URA plan.

Urban Renewal Tax Collections are not an additional tax, and do not take revenue away from other taxing districts. Urban Renewal Tax Collections are used to initiate development that would not be financially feasible without infrastructure improvements made possible by urban renewal financing.

2010-11 Accomplishments

- Façade Grants totaling \$37,863 for Let's Make Music and Bella Via.
- Oregon Infrastructure Financing Authority Cannery Loan was approved.
- Cannery PUD was approved and construction has commenced.
- The non-profit, Businesses of Old Town Sherwood (BOOTS) was formed and a Resource Assistance for Rural Environments (RARE) intern was in position for 10 months, successfully promoting Old Town through events and marketing.
- Completed two Small Business Workshop series in the fall and spring.

2011-2012 Goals, Strategies, Values and Activities

Goal: *The City of Sherwood will promote responsible Economic Development which benefits the community*

Strategies:

Support existing businesses and recruit additional businesses that provide local family wage jobs.

Activities

- Coordinate Cannery Redevelopment
- Promote Sherwood through Business Oregon, Regional Partners, and OEDA involvement
- Promote Oregon Prospector listing of commercial and industrial sites
- Assist with BOOTS efforts in the implementation of the Old Town Marketing Plan
- Strategize with PCC and the Chamber to provide additional business training

Performance Measures

- Complete Cannery Project streets, infrastructure, and Plaza construction
- Track number of recruitment proposals
- Track business retention visits
- Track number of properties listed

- Increase in number of businesses in Old Town
- Hold additional Small Business Workshops in the Fall and Spring

Develop the infrastructure and services necessary to support economic development in Sherwood.

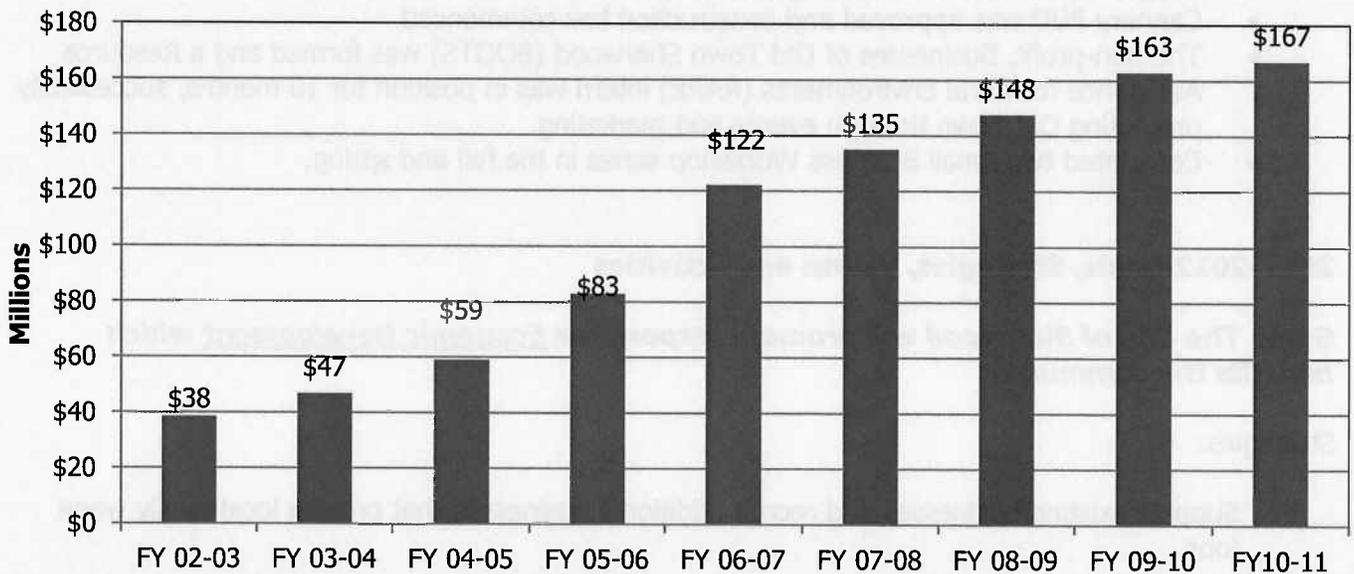
Activities

- Implement an infrastructure Financing Plan for the Urban Renewal District
- Develop URA Plan expansion options to include new employment lands

Performance Measures

- Financing plan complete
- URA plan options complete and ready for consideration
- Increase in assessed value of properties in the district
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Urban Renewal District Incremental Assessed Value



Urban Renewal Operations Budget

	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Projected	2011-12 Proposed	2011-12 Approved	2011-12 Adopted
SOURCES							
Beginning fund balance	\$ 1,181,140	\$ 2,792,650	\$ 2,877,087	\$ 1,810,913	\$ 2,865,240		
Revenue							
Taxes	2,667,057	3,019,360	2,794,616	2,887,500	3,292,012		
Charges for services	-	42,081	-	-	-		
Fines, interest and other	365,000	45,825	28,000	36,000	36,000		
Total revenue	3,032,057	3,107,267	2,822,616	2,923,500	3,328,012		
Other sources							
Issuance of long-term debt	6,065,000	1,000,000	9,000,000	5,500,000	-		
Total other sources	6,065,000	1,000,000	9,000,000	5,500,000	-		
Total sources	10,278,197	6,899,916	14,699,703	10,234,413	6,193,252		
USES							
Expenditures							
Personal services							
Salaries and wages	96,036	116,886	103,234	124,155	68,496		
Payroll taxes	8,325	9,866	9,666	10,877	6,002		
Benefits	31,261	35,828	31,823	38,622	26,484		
Total personal services	135,621	162,580	144,722	173,654	100,982		
Materials and services							
Professional & technical	161,203	403,938	305,000	115,000	52,000		
Facility and equipment	6,114	6,807	-	6,383	6,500		
Other purchased services	16,327	18,708	18,970	12,552	16,596		
Supplies	5,152	2,576	3,600	800	-		
Community activities	145,000	27,464	121,200	51,200	1,200		
Other materials & services	104,148	83,347	79,728	84,620	78,273		
Total materials & services	437,944	542,840	528,498	270,555	154,569		
Capital outlay							
Land	3,329,000	577,299	350,000	-	-		
Infrastructure	1,480,180	2,172,072	9,000,000	5,161,014	42,000		
Buildings	150,000	-	-	-	-		
Total capital outlay	4,959,180	2,749,370	9,350,000	5,161,014	42,000		
Debt service							
Principal	1,135,166	911,016	940,917	940,917	2,093,342		
Interest	817,636	723,198	823,033	823,033	863,915		
Total debt service	1,952,802	1,634,213	1,763,950	1,763,950	2,957,257		
Total expenditures	7,485,547	5,089,003	11,787,170	7,369,174	3,254,808		
Other uses							
Ending Fund Balance	2,792,650	1,810,913	-	-	-		
Contingency			2,912,533	2,865,240	2,938,443		
Total uses	10,278,197	6,899,916	14,699,703	10,234,413	6,193,252		

In their November/2010 issue, *Forbes* magazine ranked the Portland/Vancouver metro area in the top 10 metropolitan area for business and careers.

Urban Renewal Capital Projects

Sherwood Forest Senior Community: The Sherwood Urban Renewal Agency purchased property adjacent to the Senior Center in 2009 that will facilitate the extension of Cedar Creek trail and allow for the construction of senior affordable housing. The URA, in partnership with a non-profit will donate the necessary property and pre-development to access a HUD-202 grant for the construction of a 30 unit affordable housing complex for senior citizens. The budgeted expenses are for pre-development costs, and will help in providing the necessary match for the HUD-202 grant proposal.

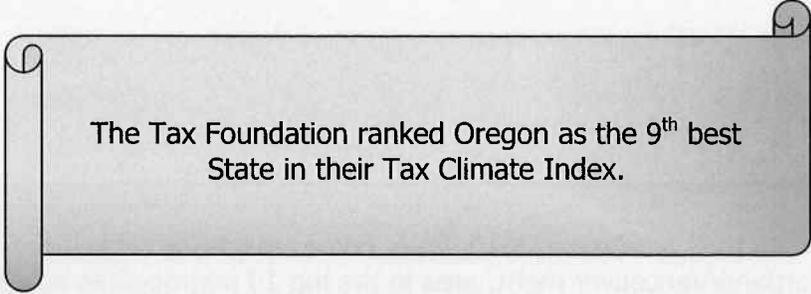
The project, once completed, will be maintained by the non-profit.

Plaza Development: One element of the Cannery Square project is construction of the 13,000 square foot plaza approved by the Planning Commission and City Council. The budgeted expenses are projected to cover the remainder of expenses for this project which should be completed by December/2011. Funding has already been accessed through an \$8.5 million loan from the State of Oregon Infrastructure Finance Authority.

Maintenance of the plaza will be performed by the Public Works department.

Community Center Building Development: Another element of the Cannery Square project is the redevelopment of the Product Manufacturing building which was once the Portland Cannery Company warehouse. This is the only building remaining of a once major industry in Sherwood. It will be redeveloped into retail and community center space already approved by the City Council. Funding has already been accessed through an \$8.5 million loan from the State of Oregon Infrastructure Finance Authority. The project is expected to be completed by late summer of 2012.

Maintenance of the building and grounds will be performed by the Public Works department.



The Tax Foundation ranked Oregon as the 9th best State in their Tax Climate Index.

Urban Renewal Capital Budget

	2008-09 Actual	2009-10 Actual	2010-11 Budget	2010-11 Projected	2011-12 Proposed	2011-12 Approved	2011-12 Adopted
SOURCES							
Beginning fund balance	\$ -	\$ -	\$ -	\$ -	\$ -		
Revenue							
Intergovernmental	-	-	-	-	42,000		
Total revenue	-	-	-	-	42,000		
Other sources							
Issuance of long-term debt	-	-	-	-	3,967,941		
Total other sources	-	-	-	-	3,967,941		
Total sources	-	-	-	-	4,009,941		
USES							
Expenditures							
Personal services							
Salaries and wages	-	-	-	-	44,544		
Payroll taxes	-	-	-	-	3,973		
Benefits	-	-	-	-	16,668		
Total personal services	-	-	-	-	65,185		
Materials and services							
Other purchased services	-	-	-	-	456		
Other materials & services	-	-	-	-	50,517		
Total materials & services	-	-	-	-	50,973		
Capital outlay							
Land	-	-	-	-	350,000		
Infrastructure	-	-	-	-	3,543,783		
Total capital outlay	-	-	-	-	3,893,783		
Debt service							
Total debt service	-	-	-	-	-		
Total expenditures	-	-	-	-	4,009,941		
Other uses							
Ending Fund Balance	-	-	-	-			
Contingency							
Total uses	-	-	-	-	4,009,941		

In FY 2010 statewide collection of tax increment for investment by Urban Renewal Districts was over \$212 million.

Debt Service Expenditures to Maturity

City Loans for Sherwood Urban Renewal Agency Projects

	2005 Old		2006		
	2003 Civic Building	2003 OECD	2004 Land Purchase	School & Sports Field	Downtown Streets
Original Amount	\$ 2,435,000	\$ 5,845,708	\$ 350,000	\$ 830,000	\$ 1,800,000
Balance at 6/30/11	580,000	4,254,561	105,000	568,000	1,376,005
Payment Source	URA property taxes				
Paying Fund	Urban Renewal Agency				
Year Ending June 30					
2012	285,000	258,648	35,000	52,000	103,686
2013	295,000	265,197	35,000	53,000	109,358
2014	-	276,836	35,000	57,000	115,338
2015	-	283,614	-	60,000	121,645
2016	-	295,560	-	62,000	128,298
2017	-	307,582	-	66,000	135,313
2018	-	319,738	-	69,000	142,713
2019	-	337,037	-	73,000	150,518
2020	-	349,490	-	76,000	158,739
2021	-	367,107	-	-	167,431
2022	-	379,902	-	-	42,966
2023	-	397,855	-	-	-
2024	-	415,995	-	-	-
2025	-	-	-	-	-
2026	-	-	-	-	-
2027	-	-	-	-	-
2028	-	-	-	-	-
2029	-	-	-	-	-
2030	-	-	-	-	-
2031	-	-	-	-	-
2032	-	-	-	-	-
2033	-	-	-	-	-
2034	-	-	-	-	-
2035	-	-	-	-	-
2036	-	-	-	-	-
	\$ 580,000	\$ 4,254,561	\$ 105,000	\$ 568,000	\$ 1,376,005

Debt Service Expenditures to Maturity

City Loans for Sherwood Urban Renewal Agency Projects

	2006			
	Downtown	2010 Streets	2010 Cannery	Total Debt on
	Streets	& Cannery	2010 Cannery	behalf of URA
Original Amount	\$ 6,400,000	\$ 7,065,000	\$ 8,500,000	\$ 33,225,708
Balance at 6/30/11	5,538,077	6,820,000	1,000,000	20,241,643
				URA property taxes Urban Renewal Agency
Year Ending June 30				
2012	253,008	225,000	-	1,214,354
2013	264,728	235,000	425,000	1,684,296
2014	271,517	245,000	425,000	1,427,705
2015	283,378	260,000	425,000	1,435,652
2016	295,313	275,000	425,000	1,483,187
2017	307,325	285,000	425,000	1,528,237
2018	319,419	300,000	425,000	1,577,888
2019	331,595	315,000	425,000	1,634,169
2020	343,859	335,000	425,000	1,690,108
2021	361,287	350,000	425,000	1,672,846
2022	373,861	370,000	425,000	1,593,751
2023	391,575	385,000	425,000	1,601,453
2024	409,405	400,000	425,000	1,652,424
2025	422,389	420,000	425,000	1,269,414
2026	445,556	440,000	425,000	1,312,582
2027	463,862	460,000	425,000	1,350,889
2028	-	485,000	425,000	912,028
2029	-	505,000	425,000	932,029
2030	-	530,000	425,000	957,030
2031	-	-	425,000	427,031
2032	-	-	425,000	427,032
2033	-	-	-	2,033
2034	-	-	-	-
2035	-	-	-	-
2036	-	-	-	-
	\$ 5,538,077	\$ 6,820,000	\$ 8,500,000	\$ 27,786,138

