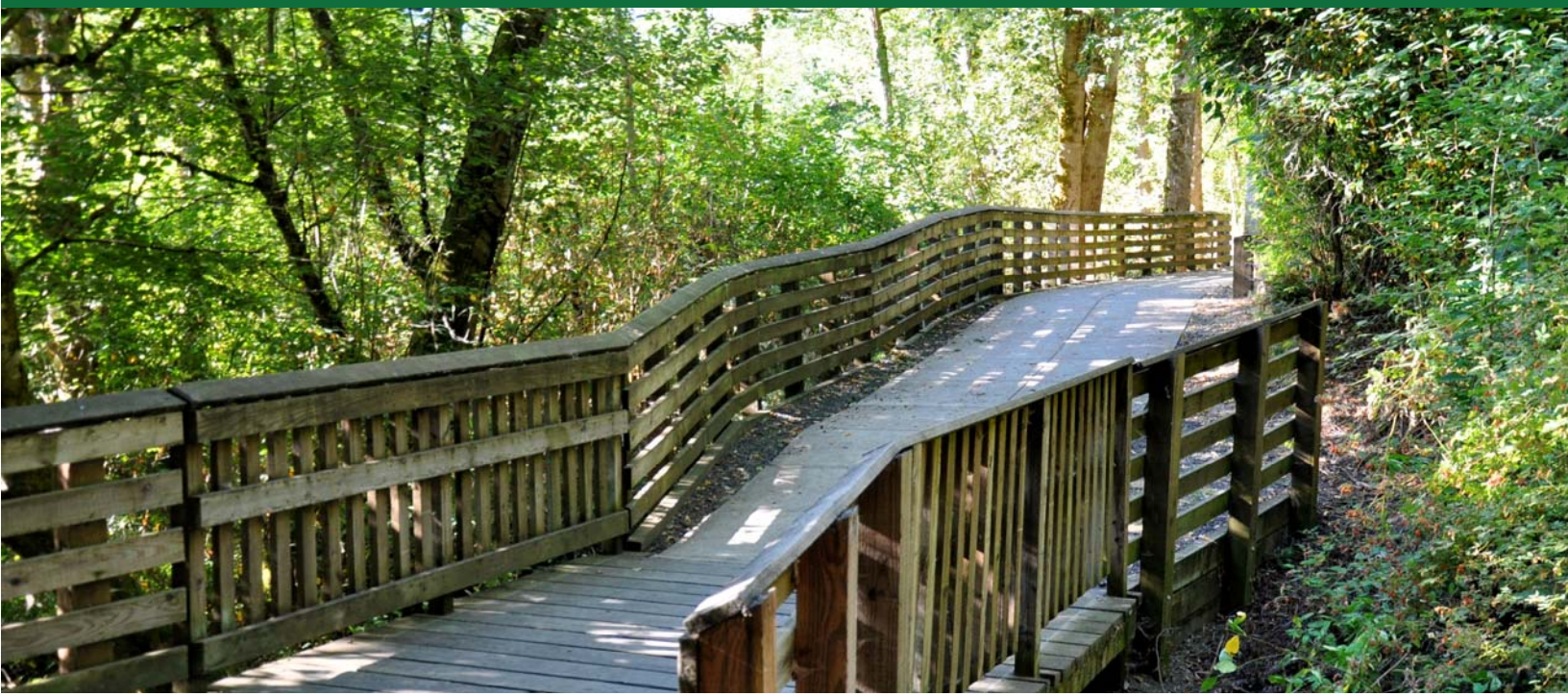




# CITY OF SHERWOOD

FY 2022-2023 URBAN RENEWAL ADOPTED BUDGET





# City of Sherwood Urban Renewal Agency Annual Budget

For the Fiscal Year  
July 1, 2022 - June 30, 2023

## **BOARD OF DIRECTORS:**

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

## **BUDGET COMMITTEE:**

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

## **CITY STAFF:**

Keith D. Campbell, *City Manager/URA Manager*  
David Bodway, *Finance Director*

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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.

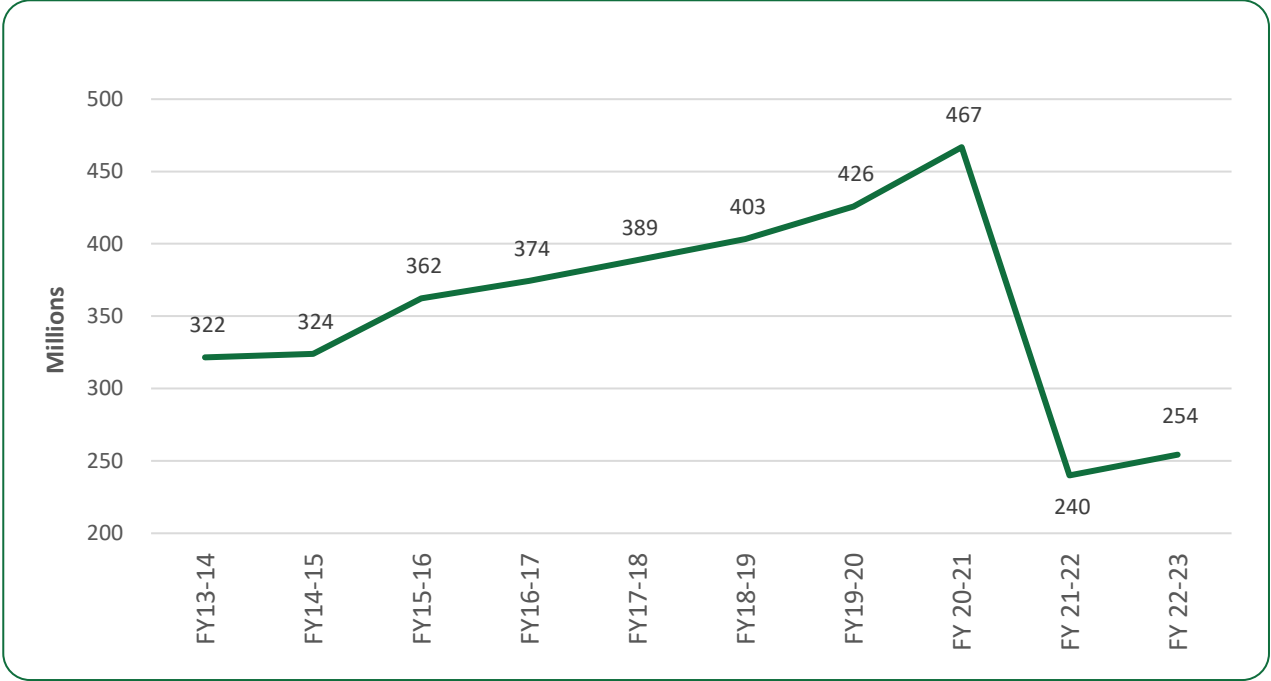
Urban renewal agencies are designed to borrow money and make expenditure for economic and community development projects included in the Urban Renewal Plan. When the Sherwood Urban Renewal Plan was adopted in 2000, property values were frozen. The taxes collected on that frozen value continues to flow 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.

In 2020 the URA boundary was amended by reducing the Plan area. The remaining boundary of the Plan is judged to be sufficient to provide for the tax increment revenues necessary to make debt service payments. The Agency 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 2022-23 (FY2022-23).

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.

**FY2022-23 Proposed Budget**

The proposed FY2022-23 budget consists of personal services, allocated overhead, and material and services expenses needed to continue to administer the URA in preparation of its closure. Debt service payments account for 94% of the proposed expenditures.

The proposed FY2022-23 Capital Projects budget does not have any appropriations this year as the Agency is beginning the process of wrapping up operations. As previously mentioned, the Agency is projected to close in FY2022-23.

The Agency will continue to focus on, considering the potential sale of property and preparing the URA to wrap up operations by paying off the URA debt in FY2022-23, depending on tax increment revenue. We are looking forward to the ultimate closure of this successful Urban Renewal Agency in the near future.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read 'Keith D. Campbell', with a stylized flourish at the end.

Keith D. Campbell  
URA Manager

## Operations

2019-20 Actual	2020-21 Actual	2021-22 Budget		2022-23 Proposed	2022-23 Approved	2022-23 Adopted
<b>RESOURCES</b>						
\$ 3,063,122	\$ 700,918	\$ 1,127,198	Beginning fund balance	\$ 3,556,238	\$ 3,556,238	\$ 3,556,238
3,405,268	2,847,474	2,631,100	Revenue			
53,863	9,217	11,200	Taxes	1,503,800	1,503,800	1,503,800
3,459,131	2,856,691	2,642,300	Fines, interest and other	18,000	18,000	18,000
			Total revenue	1,521,800	1,521,800	1,521,800
<b>6,522,253</b>	<b>3,557,609</b>	<b>3,769,498</b>	<b>Total resources</b>	<b>5,078,038</b>	<b>5,078,038</b>	<b>5,078,038</b>
<b>REQUIREMENTS</b>						
			Expenditures			
			Personal services			
37,203	32,719	76,399	Salaries and wages	114,137	114,137	114,137
2,946	2,618	5,435	Payroll taxes	9,990	9,990	9,990
19,553	14,136	29,865	Benefits	56,232	56,232	56,232
59,703	49,473	111,699	Total personal services	180,359	180,359	180,359
			Materials and services			
650	7,302	3,325	Professional & technical	25,000	25,000	25,000
2,823	2,679	5,775	Other purchased services	6,000	6,000	6,000
-	27	-	Supplies	-	-	-
21,920	16,529	63,573	Cost Allocation	50,863	50,863	50,863
25,393	26,535	72,673	Total materials & services	81,863	81,863	81,863
85,096	76,009	184,372	Total expenditures	262,222	262,222	262,222
			Debt service			
5,244,695	2,086,959	775,000	Principal	4,040,777	4,040,777	4,040,777
491,544	267,440	211,274	Interest	337,120	337,120	337,120
5,736,239	2,354,400	986,274	Total debt service	4,377,897	4,377,897	4,377,897
700,919	1,127,198	-	Ending Fund Balance	-	-	-
-	-	132,115	Contingency	76,090	76,090	76,090
-	-	2,466,738	Reserved for Future Years	361,829	361,829	361,829
<b>\$ 6,522,253</b>	<b>\$ 3,557,609</b>	<b>\$ 3,769,498</b>	<b>Total requirements</b>	<b>\$ 5,078,038</b>	<b>\$ 5,078,038</b>	<b>\$ 5,078,038</b>

## Urban Renewal Debt Service

City Loans for Sherwood Urban Renewal Agency Projects			
	2010 Streets & Cannery	2012 City Hall/Street Refinancing	Total Debt on behalf of URA
Original Amount	\$ 7,065,000	\$ 5,245,000	\$ 27,210,000
Balance at 6/30/22	3,625,000	760,000	4,385,000
Payment Source	Tax Increment		
Paying Fund	URA Operations		
Year Ending June 30			
2023	553,563	388,806	942,369
2024	550,660	389,091	939,751
2025	552,060	-	552,060
2026	552,530	-	552,530
2027	552,070	-	552,070
2028-2030	1,663,453	-	1,663,453
	<u>\$ 4,424,336</u>	<u>\$ 777,897</u>	<u>\$ 5,202,233</u>

Above is the current debt service schedule.



Photo by Jenny Swanson