

SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS
MEETING MINUTES
Tuesday, April 19, 2016
22560 SW Pine Street, Sherwood, Oregon 97140

WORK SESSION

1. **CALL TO ORDER:** Chair Clark called the work session to order at 9:05 pm.
2. **BOARD PRESENT:** Chair Krisanna Clark, Jennifer Kuiper, Jennifer Harris, Renee Brouse and Dan King. Sally Robinson and Linda Henderson were absent.
3. **STAFF PRESENT:** Assistant City Manager Tom Pessemier, City Attorney Josh Soper and Agency Recorder Sylvia Murphy.
4. **TOPIC:**

A. Monument Removal Project update and Urban Renewal Financial update

Assistant City Manager Tom Pessemier said the Board previously asked staff to look into the monuments and see what could be done. He said staff has looked at the 12 monuments and had engineers do an evaluation of what level of effort it would take to take the monuments out. He said they have come back with a project estimated cost of about \$250,000. He said what drives the cost up, especially on the tall poles, is the way the monument actually lowers the center of gravity of the base/foundation to hold the pole, if you take the monument off, the base is not sufficient to hold the pole. He said basically you would have to go back to a standard pole footing. He said some of the monuments also have utility equipment, such as for broadband and we would need to put in new vaults. He said not all the monuments have equipment and some can just be taken away. He said there are probably 4 or 5 monuments that have any significant utilities, about 6 vaults.

Tom explained this estimate is a rough estimate and said they have not done any detailed work and we are not having them do the detail design. He said we will put out the specifications and will have the contractor do a lot of the design because it's not that complicated. He explained the estimate of \$250,000 was to remove, replace, engineer and bid the entire project. He said this may increase, but this is the number staff is working with for now.

Tom provided the Board with a handout, URA Financial Results as of March 2016 (see record, Exhibit A). He said he wanted to show the Board how this project decision impacts the URA. He explained Chart 1 shows the total maximum indebtedness of \$45,133,469 and today we have spent \$44,816,260.

He said Chart 2 indicates committed open projects and explained staff put this together so they could ensure they were not over expending projects as they were progressing.

He said he added 2 new projects to the list, the Downtown Streetscape Monument Replacement for \$250,000 and Redevelop Public Land into a Parking Lot for \$225,000.

Tom referred to Chart 3 and said this breaks things down to show the bottom number, Uncommitted Maximum Indebtedness (MI) of \$534,039. He said we cannot ever go over the maximum indebtedness.

He explained the figures and said we also get to add back in the sale of property. He said if the URA buys a property and then sells it that money is available, it doesn't count against our maximum indebtedness because it's being repurposed. He referred to an item on the list, Add Program Revenue for \$828,642 and said this is mostly from the sale of the cannery row apartments and from the sale of the two properties sold to the school district. Discussion followed

Tom said according to these projections, we will have about \$534,000 to do our projects without the sale of other properties, such as properties at the cannery or the Robin Hood property or 3rd street property. He said we would have more money to do projects or we could use it to decrease the debt. He said there is nothing that states you have to spend this money.

A question was asked as to when the debt will be paid off. Tom stated we are doing an analysis of that because of the funding for this year and we are still guessing it will be 2021-2022. He said the URA Board will exist until it's paid off, but the activities being done will diminish the projects. He said he will be working on trying to sell property and this will be the biggest task to figure out which properties to sell. He said the Board may decide that they have spent enough and decide to pay off the debt.

Tom explained more information will follow on when we are actually going to pay off the debt but he would expect the activity of the URA to stop before that and then we will just be collecting tax revenue. He said we would pay off the debt as we go if we could, but we can't, he said they, our bond is put together as such that we have to pay it and we can make a lump sum payment at the end to pay it off.

Tom stated we have the money to do this project and said there were a couple of projects that are getting bumped off this list at least for now, they are the Alley Improvements between 1st and 2nd Streets and Sidewalk Improvements in old town, outside of this area and more into the residential areas. He said he believes these can happen with the sale of properties, but would not want to commit doing those in the next budget year if this project (monuments) is the Board's priority. He asked the Board if this project is their priority for \$250,000 and asked for a general head nod so staff can move forward with it in the budget and getting the engineering documents. Comments were received that it's a safety issue and no objections were received regarding moving forward with the project.

5. ADJOURN:

Chair Clark adjourned at 9:15 pm.

Submitted by:

Sylvia Murphy, MMC, Agency Recorder

Krisanna Clark, Chair