

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

**Tuesday, March 2, 2021
5:30 pm
City of Sherwood City Hall
22560 SW Pine Street
Sherwood, Oregon 97140**

1. **CALL TO ORDER:** Vice Chair Rosener called the meeting to order at 5:30 pm.
2. **BOARD PRESENT:** Vice Chair Tim Rosener, Board Members Kim Young, Sean Garland, and Doug Scott. Board Members Renee Brouse and Russell Griffin were absent. Chair Keith Mays arrived at 6:00 pm.
3. **STAFF AND LEGAL COUNSEL PRESENT:** City Attorney Josh Soper, Community Development Director Julia Hajduk, Economic Development Manager Bruce Coleman, and IT Director Brad Crawford.

OTHERS PRESENT: Elaine Howard with Elaine Howard Consulting and Nick Popenuk with Tiberius Solutions.

4. CONSENT AGENDA

A. Approval of October 6, 2020 URA Board Meeting Minutes

The Board did not address the consent agenda. Approval of the minutes will be considered at a future meeting.

5. NEW BUSINESS

A. URA Resolution 2021-001, directing staff to begin the formal public review process of adoption of an Urban Renewal Plan

Community Development Director Julia Hajduk explained that the City was working on developing a new URA, titled "2021 URA." Consultant Elaine Howard presented the "City of Sherwood Urban Renewal Agency" PowerPoint presentation (see record, Exhibit A). Ms. Howard explained that the role of an Urban Renewal Agency was specified by ORS 457 and stated that the agency's role was to review a draft plan and report and publish their findings for formal public review. She explained the formal public review process included the Sherwood Planning Commission, consulting and conferring with the taxing districts, going to Washington County for two actions, public input, getting the taxing districts consideration on the Public Building project, City-wide notice, City consideration of the Public Building Project, and City consideration of the Ordinance for adoption. She provided an overview of the completed public review on page 4 of the presentation and explained that TVF&R had requested that the Plan be limited to a maximum length of 30 years. She reviewed a map of the proposed URA boundary on page 5 of the presentation and explained that the red lines represented the ROW that would be needed for the future installation of Sherwood Broadband. She recapped the project list on page 6 and stated that she had updated the financial projections which allowed more money to be allocated to the projects. She explained that under the ORS

statute, it was required that no city that had under 50,000 people may have a URA that exceeded 25% of the total acreage and 25% of the total assessed value. Ms. Howard stated that Council had recently adopted an amendment to the existing URA plan to reduce the acreage so that the remaining area was 174 acres and the new URA was approximately 585 acres, making the total URA acreage 759 or 24.2% of the total acreage. She reported that the existing URA was set to terminate after fiscal year 2023, which would free up acreage to either add to this URA or create a new URA. She reviewed the maximum indebtedness and explained that she had recalculated the growth scenario using a 7% assessed valued growth, which increased the maximum indebtedness. She reported that by recalculating the maximum indebtedness, it pushed the URA into a statutory restriction on maximum indebtedness in ORS 457. She explained that per the statute, there were restrictions based on the assessed value of the URA as certified by the assessor. She explained that the City did not have that information yet because you could not certify and assess value until an area was created. To rectify this, consultant Nick Popenuk suggested that they say that the maximum indebtedness would be the lower of either the amount that was calculated (\$166,600,000) or the statutory provision. She explained that with the City's permission, she and Mr. Popenuk consulted with an Urban Renewal attorney to review that proposal. She reported that the attorney determined that by using very specific language, it was possible to execute Mr. Popenuk's suggestion. She reported that once the assessor certified the assessed value of the area, they would be able to run the computation that was in the statute and decide which of the two numbers the City could use as the total assessed value. She explained if the assessed value was lower than the \$166.6 million, they will go with the lower number, which would be done through a minor amendment to the plan. Ms. Howard stated that with a 7% growth rate over a 30-year timeframe, project capacity would total \$88,900,000 in 2020 dollars and reviewed the yearly funding capacities on page 9 of the presentation. She reported that the new URA would have the requirement of concurrence on a public building project, a statute that was added in 2019. She explained that the Public Works Facility relocation project was defined as a "public building," and that statute required concurrence from three of the four taxing districts who forgo the most revenue. She reported that these taxing districts were Washington County, the Sherwood School District, the City of Sherwood, and TVF&R. Ms. Howard explained that briefing meetings were scheduled with all affected taxing districts and expected dates for the taxing districts to consider the information presented to them. She explained that if the City did not get the required approval from the taxing districts, the Public Works Facility relocation project could not be included in the URA Plan. Ms. Howard reported that additional approval was needed from the County on the plan itself because there was unincorporated properties within the boundary of the new URA, and commented she did not believe there would be any issues getting approval from the County for this issue. She explained that in the future, if the City completed a substantial amendment, the County's approval would only be needed if there were properties that had not yet been annexed.

Consultant Nick Popenuk reviewed the taxing district impacts for general government on page 13 of the presentation and explained that they forecasted a 3% appreciation for the short term. He stated that urban renewal did not increase anyone's taxes and explained there would be an impact on the taxing districts and that money generated from the URA would be a catalyst for ongoing development over several decades. He stated that over the 30-year period, the total impact to the City would be \$3 million. He reviewed the taxing district impacts for education taxing districts on page 14 of the presentation and explained that the Sherwood School District was not directly impacted like the other educational taxing districts. He explained that due to the State's school funding approach, which equalized funding for all districts across the State, if any local school district's revenues increased or decreased for any reason, including urban renewal, the State took those figures into consideration when making allocations. He stated that over the 30-year period, the total impact to educational taxing districts would be \$184 million and was the same projected total of TIF

revenue (tax increment financing) for the URA. Mr. Scott commented that he did not like the layout of pages 13 and 14 because it made it look like there was a loss of revenue each year, when in reality it was a loss of incremental revenue. Mr. Popenuk clarified that the tables showed foregone revenues and they would continue to receive the same amount of money from the area that they were already generating. Ms. Howard offered to add additional explanation to the presentation regarding the impacts to the taxing districts to clarify that the districts would not be losing money. Ms. Howard recapped timelines and next steps on pages 15-16 of the presentation.

Vice Chair Rosener explained that TVF&R's previous concerns regarding the URA were that some districts had extended URAs that had not reached their full value, which resulted in more years that TVF&R did not get the TIF revenue back, and commented he would never be in favor of extending a URA. Mr. Scott asked what "consider vote" for the various taxing districts meant on page 15? Ms. Howard explained that she would have a prepared sample resolution to adopt, and the districts would consider adopting that resolution at that meeting. Community Development Director Hajduk clarified that the only taxing district that was required to vote, was Washington County because of the portion of the URA that was outside of the City limits, the other districts were for the Public Works Facility project. If the other districts did not concur on the Public Works Facility project, the project could not be included in the URA Plan, but the Plan could still be approved by the County. Chair Mays commented that if the Public Works Facility project was not approved initially, the project could be added later by way of an amendment. Ms. Young commented that she agreed with Vice Chair Rosener and did not see any reason to extend a URA, and stated that honoring TVF&R's request was reasonable. Chair Mays stated that if TVF&R was supportive of the URA Plan, then he was agreeable to the term limit. Ms. Hajduk asked if concurrence would be needed again if the URA Board added the Public Works Facility project back into the URA Plan by way of a resolution at a later date? Ms. Howard replied that concurrence would be needed, per the State statute. Chair Mays clarified that he would be agreeable to the 30-year term limit if there were no changes to the project list. Ms. Howard suggested that the duration provision only be added to the plan when it went to the City Council. The board members signaled their agreement. Chair Mays asked if any public comment had been received on the proposed resolution? Vice Chair Rosener replied that no comments had been received.

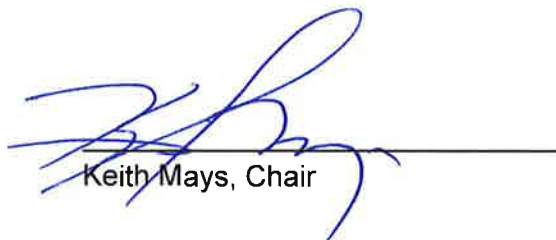
MOTION: FROM CHAIR MAYS TO APPROVE URA RESOLUTION 2021-001, DIRECTING STAFF TO BEGIN THE FORMAL PUBLIC REVIEW PROCESS OF ADOPTION OF AN URBAN RENEWAL PLAN. SECONDED BY KIM YOUNG. MOTION PASSED 5:0. ALL PRESENT MEMBERS VOTED IN FAVOR. BOARD MEMBERS RENEE BROUSE AND RUSSELL GRIFFIN WERE ABSENT.

6. ADJOURN

Chair Mays adjourned the meeting at 6:15 pm.

Attest:


Sylvia Murphy, MMC, Agency Recorder


Keith Mays, Chair