



*Home of the Tualatin River National Wildlife Refuge*

# **URBAN RENEWAL AGENCY MEETING PACKET**

**FOR**

**Tuesday, February 3, 2026**

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

**URA Board of Directors Meeting**  
(Following the 7:00 pm City Council Regular Meeting)

This meeting will be live streamed at  
<https://www.youtube.com/user/CityofSherwood>

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

**Tuesday, February 3, 2026  
(Following the 7:00 pm City Council Meeting)**

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

This meeting will be live streamed at  
<https://www.youtube.com/user/CityofSherwood>

**URA BOARD MEETING**

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. CONSENT AGENDA**

- A. Approval of June 24, 2025 URA Board Meeting Minutes** (Sylvia Murphy, Agency Recorder)
- B. Approval of November 4, 2025 URA Board Meeting Minutes** (Sylvia Murphy, Agency Recorder)
- C. URA Resolution 2026-001, Adopting a Plan of Action for Control Deficiencies**  
(David Bodway, Finance Director)

**4. CITIZEN COMMENTS**

**5. ADJOURN**

**SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS  
MEETING MINUTES  
Tuesday, June 24, 2025**

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

**URA BOARD MEETING**

1. **CALL TO ORDER:** Vice Chair Kim Young called the meeting to order at 6:22 pm.
2. **BOARD PRESENT:** Vice Chair Kim Young, Board members Keith Mays, Taylor Giles, Chair Tim Rosener (remote), and Doug Scott (remote). Board members Dan Standke and Renee Brouse were absent.
3. **STAFF AND LEGAL COUNSEL PRESENT:** City Manager Craig Sheldon, Assistant City Manager Kristen Switzer, Interim City Attorney Sebastian Tapia, Interim Public Works Director Rich Sattler, IT Director Brad Crawford, Police Chief Ty Hanlon, Finance Director David Bodway, Community Development Director Eric Rutledge and City Recorder Sylvia Murphy.

Vice Chair Young addressed the consent agenda and asked for a motion.

**4. CONSENT AGENDA:**

**A. Approval of May 20, 2025 URA Board Meeting Minutes**

**MOTION: FROM TAYLOR GILES TO APPROVE THE CONSENT AGENDA, SECONDED BY KEITH MAYS. MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. BOARD MEMBERS STANDKE AND BROUSE WERE ABSENT.**

Vice Chair Young addressed the next agenda item.

**5. CITIZEN COMMENTS**

No comments were received. Vice Chair Young addressed the next agenda item, and the City Recorder read the public hearing statement.

**6. PUBLIC HEARING**

**A. URA Resolution 2025-005, Adopting the BY2025-27 budget of the City of Sherwood 2021 Urban Renewal Agency for the Biennial Budget Period July 1, 2025 to June 30, 2027, making appropriations, imposing and categorizing taxes, and authorizing the Agency Manager to take such action necessary to carry out the adopted budget**

Finance Director David Bodway presented the staff report and stated on June 5, 2025 the budget committee received the budget message and held a public hearing and approved the proposed biennial

budget. He stated this was the final step, for the URA board to hold a public hearing and adopt the biennial budget. David offered to answer Board questions, with none heard, Vice Chair Young opened the public hearing. With no testimony received, the public hearing was closed. With no board comments or questions, the following motion was stated:

**MOTION: FROM KEITH MAYS TO APPROVE URA RESOLUTION 2025-005, ADOPTING THE BY2025-27 BUDGET OF THE CITY OF SHERWOOD 2021 URBAN RENEWAL AGENCY FOR THE BIENNIAL BUDGET PERIOD JULY 1, 2025 TO JUNE 30, 2027, MAKING APPROPRIATIONS, IMPOSING AND CATEGORIZING TAXES, AND AUTHORIZING THE AGENCY MANAGER TO TAKE SUCH ACTION NECESSARY TO CARRY OUT THE ADOPTED BUDGET. SECONDED BY TAYLOR GILES. MOTION PASSED 5:0, ALL PRESENT MEMBERS VOTED IN FAVOR. BOARD MEMBERS STANDKE AND BROUSE WERE ABSENT.**

Vice Chair Young adjourned the meeting at 6:27 pm.

## 7. ADJOURN

Attest:

---

Sylvia Murphy, MMC, Agency Recorder

---

Tim Rosener, Chair

**SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS  
MEETING MINUTES  
Tuesday, November 4, 2025**

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

**URA BOARD WORK SESSION**

1. **CALL TO ORDER:** Chair Tim Rosener called the meeting to order at 7:45 pm.
2. **BOARD PRESENT:** Chair Tim Rosener, Vice Chair Kim Young, Board Members Keith Mays, Dan Standke, Taylor Giles, and Doug Scott (remote). Board member Brouse was absent.
3. **STAFF AND LEGAL COUNSEL PRESENT:** City Manager Craig Sheldon, Assistant City Manager Kristen Switzer, City Attorney Ryan Adams, Community Development Director Eric Rutledge, IT Director Brad Crawford, Economic Development Manager Erik Adair, Public Works Director Rich Sattler, and City Recorder Sylvia Murphy.
4. **TOPICS**

**A. Arts Center Vacant Lot Development Discussion**

Community Development Director Eric Rutledge provided a presentation and discussed Site D, also known as the Cannery Square Planning Unit Development (PUD) West Building (see record, Exhibit A). He said the PUD called for a single-story retail building, but the Urban Renewal Agency (URA) owns the lot and the City Council controls the zoning and legislation. He stated the purpose of the meeting was to get feedback on what the URA Board of Directors wanted to do with the property. He asked if the Board intended to keep the property long term, sell the property, or do a long-term ground lease. He asked what use the Board envisioned and what design would be preferred. Chair Rosener stated the Arts Center would need larger event space over the next 20 years and said the area needed an overall plan before they could discuss specifics on Site D. Member Mays said in the past the topic had come up to put a rendering of a train station on a building, and he would be interested in seeing a rendering. Member Mays said he would support a retail component. Member Scott said he would support more than a one-story building. Discussion followed regarding an outdoor covered space as part of the development on Site D. Chair Rosener stated the Arts Center would benefit from a kitchen. Assistant City Manager Kristen Switzer said she and City Manager Craig Sheldon met with one of the architects who designed the Arts Center to discuss potential expansion and said the original expansion idea was to build out towards Washington Street and that would support a kitchen and restroom. She stated the architect would continue to work on expansion ideas. Member Scott said if the city built a small train station type of building with outdoor space to the Arts Center, he would support keeping the building but if the city built a zero lot line one to three story building, he would support selling and not be in the property management business. Member Giles said he would support a unique building on Site D that has character and charm and keep the building. Member Mays said he would support keeping the lot and building because there may be potential conflict if we don't own that building and the Arts Center. Mr. Rutledge said if the city retained the lot the implementation would be a longer term as opposed to a developer offering. Chair Rosener suggested

looking at what other cities have done to attract boutique hotels and possible incentive programs. Mr. Rutledge said based on the feedback, staff would bring back some alternatives. Chair Rosener suggested closing the street that separates the Arts Center parking lot and make one continuous lot. Ms. Switzer stated the retail space in the Arts Center was designed for potential future expansion and said the space is 3,000 square feet. With no further discussion Chair Rosener adjourned the meeting.

**5. ADJOURN**

Chair Tim Rosener adjourned the meeting at 8:15 pm.

Attest:

\_\_\_\_\_  
Sylvia Murphy, MMC, Agency Recorder

\_\_\_\_\_  
Tim Rosner, Chair

**Agenda Item:** Consent Agenda

**TO:** Sherwood Urban Renewal Agency Board of Directors

**FROM:** David Bodway, Finance Director

**Through:** Craig Sheldon, URA Administrator and Ryan Adams, City Attorney

**SUBJECT:** URA Resolution 2026-001, Adopting a plan of action for control deficiencies

---

**Issue:**

Shall the URA Board of Directors adopt a plan of action regarding the noted control deficiencies?

**Background:**

During the audit of fiscal year 2024-25, the auditors brought up a lack of adequate controls that did not prevent, or detect and correct on a timely basis, \$294,040 of interest revenue being overstated in the URA Capital Projects Fund related to arbitrage liability. On December 3, 2025, the Finance Department received a report from Arbitrage Compliance Specialists stating there is a contingent rebatable arbitrage with respect to the 2021B debt issuance of \$614,347. Of this liability, \$320,307 was recognized in prior year. This was adjusted and corrected before issuance of the financial statements. This resulted in a finding from the auditors of a significant deficiency in internal controls.

The auditors also noted certain employee timecards appeared to lack proper review. The finance department has since corrected this finding, but these timecards should have been reviewed and approved by the appropriate manager/supervisor. This resulted in a finding from the auditors of a significant deficiency in internal controls.

According to ORS 297.466 (2) "Upon receipt of an audit report [...] the governing body [...] shall determine the measures it considers necessary to address any deficiencies disclosed in the report. The governing body shall adopt a plan of action to address the deficiencies". This plan of action must be filed with the Secretary of State within 30 days after filing the audit report. The audit report was filed on January 14, 2026.

The Finance Department is immediately implementing internal controls to prevent these deficiencies from happening again.

**Financial Impacts:**

No direct financial impact of this plan of action.

**Recommendation:**

Staff respectfully recommends the URA Boards adoption of URA Resolution 2026-001, Adopting a plan of action for control deficiencies.



## URA RESOLUTION 2026-001

### ADOPTING A PLAN OF ACTION FOR CONTROL DEFICIENCIES

**WHEREAS**, during the audit of the fiscal year 2024-25 financial statements it was determined that \$294,040 of interest revenue was being overstated in the URA Capital Projects Fund related to an arbitrage liability; and

**WHEREAS**, during the audit of the fiscal year 2024-25 financial statements it was determined that certain employee timecards appear to lack proper review; and

**WHEREAS**, it was thereby identified by the auditors as a significant deficiency in internal control; and

**WHEREAS**, ORS 297.466(2) requires the governing body to adopt a plan of action to address these deficiencies,

### **NOW, THEREFORE, THE URBAN RENEWAL AGENCY BOARD RESOLVES AS FOLLOWS:**

**Section 1.** The Plan of Action for the URA, attached hereto as Exhibit A, is hereby approved and adopted.

**Section 2.** This Resolution shall be effective immediately upon its approval and adoption.

\_\_\_\_\_  
Tim Rosener, Chair

Attest:

\_\_\_\_\_  
Sylvia Murphy, MMC, Agency Recorder





City of Sherwood  
22560 SW Pine St.  
Sherwood, OR 97140  
Tel 503-625-5522  
Fax 503-625-5524  
www.sherwoodoregon.gov

**Mayor**  
Tim Rosener

**Council President**  
Kim Young

**Councilors**  
Renee Brouse  
Taylor Giles  
Keith Mays  
Doug Scott  
Dan Standke

**City Manager**  
Craig Sheldon

**Assistant City Manager**  
Kristen Switzer

February 3, 2026

Oregon Secretary of State  
Audits Division  
255 Capitol St. NE, Suite #500  
Salem, OR 97310

Re: Plan of Action for 2021 Urban Renewal Agency of the City of Sherwood Oregon

Sherwood Oregon respectfully submits the following corrective action plan in response to deficiencies reported in our audit of fiscal year ended June 30, 2025. The audit was completed by the independent auditing firm Talbot, Korvola & Warwick, LLC. and reported the deficiencies listed below. The plan of action was adopted by the governing body at their meeting on February 3, 2026, as indicated by signatures below.

The deficiencies are listed below, including the adopted plan of action and timeframe for each.

1. Deficiency #1

- a. Type of deficiency (Significant Deficiency) – “During our audit, it was noted that the Agency’s controls did not prevent, or detect and correct on a timely basis, an overstatement of interest revenue in the Urban Renewal Capital Projects Fund relating to the estimated arbitrage liability. Without adequate controls over arbitrage liabilities, there is a reasonable possibility that a significant misstatement or error would not be prevented, or detected and corrected, on a timely basis.”
- b. Document the plan of action: URA Resolution 2026-001 engage Arbitrage Compliance Specialists earlier and ensure we receive the report before the audit fieldwork begins.
- c. Timeframe for (or date of) implementation: February 4, 2026.

2. Deficiency #2

- a. Type of deficiency (Significant Deficiency) – “During our audit, it was noted that certain employee timecards appear to lack proper review. Without adequate controls over timecards, there is a reasonable possibility that a misstatement or error would not be prevented, or detected and corrected, on a timely basis.”
- b. Document the plan of action: URA Resolution 2026-001 to have the payroll specialist send out reminder emails to any manager/supervisor that has not yet approved their assigned employee’s timecard.
- c. Timeframe for (or date of) implementation: Implemented fall 2025.

---

Tim Rosener, Chair

---

Sylvia Murphy, MMC, Agency Recorder