



ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2024

2023/2024

Sherwood Urban Renewal Agency

This report fulfills the requirements, prescribed in ORS 457.460, for the filing of an annual report detailing the financial activity of an urban renewal area established in Oregon.

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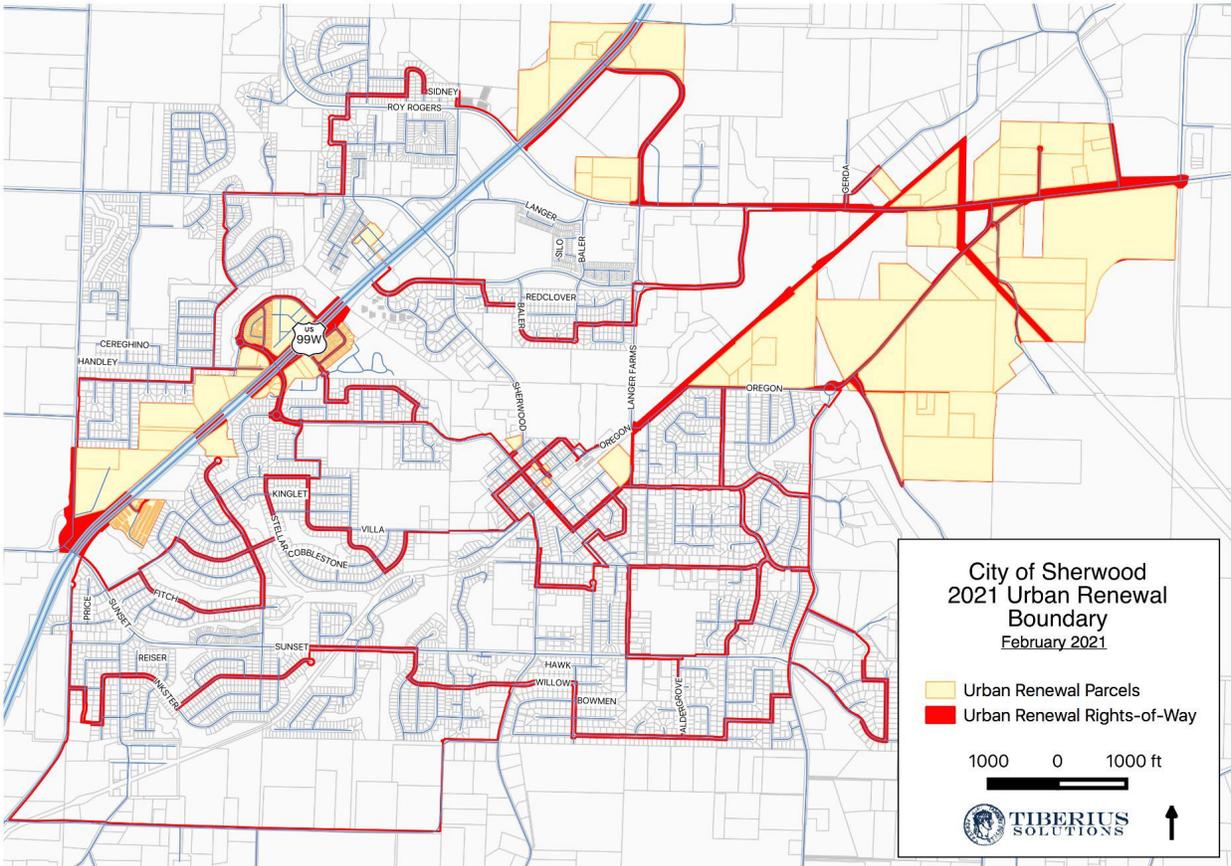
Annual Report for Fiscal Year Ending June 30, 2024

SHERWOOD URBAN RENEWAL AGENCY

1.0 2021 Urban Renewal Area

The 2021 Sherwood Urban Renewal Area (2021 Area) was adopted on May 8, 2021 by ordinance No. 2021-0005, and consists of approximately 584 total acres. The boundary is shown in Exhibit 1.

Exhibit 1. 2021 Sherwood Urban Renewal Area Boundary



1.1 2021 Area Goals

The goals of the 2021 Sherwood Urban Renewal Plan are listed below. The urban renewal plan is an implementation tool to enable the city to undertake projects for which there are no other funding sources or are limited funding sources.

Goal 1: PUBLIC INVOLVEMENT

Encourage meaningful involvement by citizens, interested parties, and affected agencies throughout the life of the Area to ensure that it reflects the community's values and priorities.

Goal 2: ECONOMY

Create conditions that are attractive to the growth of existing business and attract new businesses to Sherwood to create new higher-wage jobs. Expand the tax base so that the Area will contribute its fair share to the costs of public services provided and protect and maintain Sherwood's quality of life.

Goal 3: TRANSPORTATION INFRASTRUCTURE

Construct the transportation network that provides the basis for attracting new employment center development projects which will increase the tax base and help create new jobs and an improved housing/jobs balance in the Area. Provide a supportive transportation network to the land use plan that provides opportunities for transportation choices and the use of alternative modes serving all neighborhoods and businesses. Develop complementary infrastructure for bicycles and pedestrian facilities to provide a diverse range of transportation choices for city residents.

Goal 4: UTILITY INFRASTRUCTURE

Provide public services and facilities to meet the present and future needs of the Area.

Goal 5: DEVELOPER ASSISTANCE AND INCENTIVES

Facilitate development and redevelopment on sites in the Area, stimulating growth and providing new employment opportunities, additional mixed use and commercial growth and increased tax base in the Area.

The full 2021 Area Plan can be found at <https://www.sherwoodoregon.gov/ura/page/urban-renewal-agency-annual-reports>

1.2 Frozen Base

The frozen base assessed value (“Frozen Base”) of the 2021 Area is \$197,862,377 The FY 2023/2024 total assessed value is \$287,633,613. The excess value, or the value on which taxes was paid to the urban renewal agency in FY 2023/2024 was \$90,742,907¹. The frozen base amount reflects differently to the different taxing districts as there are unincorporated properties within the boundary. Also, in FY 2023/2024 code area 8851 did not report any value, although it had \$819,294 of value the previous year.

Exhibit 2. Assessed Value Information

Frozen Base Assessed Value	197,862,377
Excess Assessed Value	90,742,907
Total Assessed Value	\$287,633,613

Source: Washington County Assessor FY 2023/24 Sal 4e

1.3 Maximum Indebtedness

The initial maximum indebtedness for the 2021 Area is \$162,008,773². The maximum indebtedness incurred in FY 2023/2024 is \$9,929,542 including interest earnings on direct tax increment revenues. The remaining maximum indebtedness is \$145,065,247.³ Maximum Indebtedness is the total spending authority of tax increment funds including expenditures on projects, programs and administration of the urban renewal area. It does not include debt service payments.

Exhibit 3. Maximum Indebtedness Accounting

Total Maximum Indebtedness Expended	
Maximum Indebtedness	\$162,008,773
Maximum Indebtedness Expended through June 2024*	\$18,490,804
Less program revenue	(1,547,278)
Total Maximum Indebtedness Expended	\$16,943,526
Remaining Maximum Indebtedness	\$145,065,247

*see Ord 2021-005 Source: City of Sherwood Finance Director MI Spreadsheet

¹ Washington County SAL Table 4e FY 2023/24

² The initial MI of \$166,600,000 was reduced to \$162,008,773 to comply with statutory restrictions.

³ Finance Director MI worksheet

1.4 Financial Reporting - 2021 Area

Pursuant to ORS 457.460, a detailed accounting of the financial activity related to urban renewal areas is required to be reported on an annual basis. The following financial information responds to the requirements of the statute. This is unaudited information. If the final audit is different from these numbers, this Annual Report will be updated.

1.4.1 Fiscal Year 2023/2024

1.4.1.1 Money Received – 2021 Area

In FY 2023/2024, the Sherwood Urban Renewal Agency received \$1,099,950 from division of taxes for the 2021 Area. The detailed earnings of the Sherwood Urban Renewal Agency for the 2021 Area General Fund and Capital Fund can be seen in Exhibit 4.

Exhibit 4. Money Received During FY 2023/2024

	General Fund	Capital Fund	Totals
Division of Taxes	1,099,950		1,099,950
Intergovernmental	9,375		9,375
Interest on Investments	50,203	904,861	955,064
TOTAL:	\$1,159,528	\$904,861	\$2,064,389

Source: Sherwood Urban Renewal Agency Unaudited Financial Statement, FYE 2024 p 24,25

1.4.1.2 Money Expended – 2021 Area

Revenue received through urban renewal and spent on urban renewal activities for the 2021 Area's General Fund and Capital Fund is shown in Exhibit 5.

Exhibit 5. Expenditures During FY 2023/2024

	General Fund	Capital Fund
Urban Redevelopment	296,065	
Capital Outlay		
Debt Service -	871,488	
TOTAL:	\$1,167,553	
Personnel Services		880,130
Materials and Services		1,886,913
Capital Outlay		6,744,218
TOTAL:		\$9,511,261

Source: Sherwood Urban Renewal Agency Unaudited Financial Statement, FYE 2024 p 24,25

1.4.2 Fiscal Year 2024/2025

1.4.2.1 Estimated Revenues 2021 Area

The estimated tax revenues from the FY 2024/2025 adopted Sherwood Urban Renewal Agency for the 2021 Area budget are \$1,266,696 from property tax revenues.

1.4.2.2 Proposed Budget for Current Fiscal Year 2021 Area, FY 2024/2025

A compiled budget listing the money to be received due to urban renewal, money to be spent, and what projects/expenses the money will fund for the 2021 Area Operations Fund is shown in Exhibit 6 and Exhibit 7 below.

Exhibit 6. Budget FY 2024/2025 2021 Area Operations Fund Revenue

Item	Adopted Budget Value
Beginning Fund Balance	504,513
Division of Taxes	1,266,696
Fines, Interest and Other	52,000
TOTAL:	\$1,823,209

Source: City of Sherwood FY 2024/2025 Urban Renewal Budget, p 4

Exhibit 7. Budget FY 2024/2025 2021 Area Operations Fund Expenditures

Item	Adopted Budget Value
Personal Services	441,885
Materials and Services	187,803
Debt Service interest	871,488
Contingency	131,870
Reserved for Future Years	190,163
TOTAL:	\$1,823,209

Source: City of Sherwood FY 2024/2025 Urban Renewal Budget, p 4

A compiled budget listing the money to be received due to urban renewal, money to be spent, and what projects/expenses the money will fund for the 2021 Area Capital Fund is shown in Exhibit 8 and Exhibit 9.

Exhibit 8. Budget FY 2024/2025 2021 Area Capital Fund Revenue

Item	Adopted Budget Value
Beginning Fund Balance	8,887,064
Intergovernmental	4,000,000
Fines, Interest and Other	500,000
Long Term Debt	12,000,000
TOTAL:	\$25,387,064

Source: City of Sherwood FY 2024/2025 Urban Renewal Budget p 5

Exhibit 9. Budget FY 2024/2025 2021 Area Capital Fund Expenditures

Item	Adopted Budget Value
Personal Services	113,019
Materials and Services	201,390
Capital Outlay	23,789,250
Reserved for Future Years	1,283,405
TOTAL:	\$25,387,064

Source: City of Sherwood FY 2024/2025 Urban Renewal Budget p 5

2.0 Impact on Taxing Districts

The permanent rate levy revenues foregone by local taxing districts due to urban renewal are shown in Exhibit 10. This information is from Washington County Assessor records, SAL Table 4e for FY 2023/2024.

The 2021 Area had its first division of tax impacts for FY 2023/2024.

Urban renewal agencies do not create an additional tax. Instead, during the Agency’s lifespan, overlapping taxing districts “forego” a portion of their permanent rate. Once the urban renewal area is terminated, the taxing jurisdictions receive the full permanent rate of taxes. The school district and education service district are funded through the State School Fund on a per pupil allocation. There is no *direct* impact of urban renewal on their funding. The State School Fund is funded through property tax allocations, but also through other state resources.

Exhibit 10. Impact on Taxing Districts FY 2023/2024

Taxing District	2021 Plan Impact
Washington County	203,855
SWC Tualatin	6,492
Sherwood School District	436,536
Port of Portland	6,233
Metro	8,566
Tualatin Valley Fire & Rescue	138,359
Portland Community College	25,449
City of Sherwood	299,068
NW Regional ESD	13,763
TOTAL:	\$1,138,321

Source: FY 2023/2024 Sal 4e from Washington County Assessor