



MINUTES

Budget Committee Meeting

6:00 PM - Thursday, May 11, 2023

PRESENT: Councilor Chris Mayton, Council President Laurie Smallwood, Councilor Richard Sheldon, Councilor Kathleen Walker, Councilor Carl Exner, Councilor Don Hokanson, Mayor Stan Pulliam, Budget Committee Chair Linda Malone, Budget Committee Member Jan Lee, Budget Committee Member Noah Myhrum, Budget Committee Member Jeremy Pietzold, Budget Committee Member Timothy Huber, Budget Committee Member Greg Becker, and Fire Chief Phil Schneider

ABSENT: Chamber Director Khrys Jones

1. ROLL CALL

2. APPROVAL OF MINUTES

2.1. May 4, 2023 minutes

Stan Pulliam made a motion Approve the minutes **Budget Committee Member Jan Lee seconded the motion. CARRIED. unanimously.**

Ayes: Chris Mayton, Laurie Smallwood, Richard Sheldon, Kathleen Walker, Carl Exner, Don Hokanson, Stan Pulliam, Linda Malone, Budget Committee Member Jan Lee, Budget Committee Member Noah Myhrum, Budget Committee Member Jeremy Pietzold, Timothy Huber, and Greg Becker

3. SANDY URBAN RENEWAL AGENCY BIENNIUM 2023-2025 PROPOSED BUDGET

3.1. Public Comment

Scott Minton: representing the Skaters of Sandy organization, they have been engaged with the Community Campus Park development throughout the process. Skating has evolved in recent years, and now involves people of all ages. He is pleased with the groundswell of support for completing both Phases 1 and 2 of the park at this time. Amenities should be available for users of all skill levels. The park will provide economic benefits through tourism, becoming a regional destination.

3.2. Sandy Urban Renewal Agency Biennium 2023-2025 Budget

The **City Manager** provided an overview of the proposed budget, and delivered presentation slides that are attached to these minutes.

Committee discussion ensued on the following issues:

- The Sandy Fire District was entitled to 10% of the maximum indebtedness of the urban renewal district at its inception. Some of these funds have been allocated since, including for construction of the new fire station.
- Timing of further allocations to the Fire District is subject to the discretion of the Board
- Possible impacts of the new IGA with Clackamas Fire; possibilities related to Fire District representation on the Board
- References to the Agency's bond capacity, the \$4 million in contingency, and the \$1.4 million being rolled forward after grant programs and overhead costs
- New development in the 362nd / Bell area and future increases in taxable value
- Changes in salary allocations in the fund
- Discussion of the need for urban renewal specific goal setting, and possible walking tours, urban design planning, and strategic partnerships with developers

Committee Member Hokanson suggested allocating sufficient funds to accomplish both Phases 1 and 2 of the Community Campus Park Development Project, proposing \$1 million in urban renewal funds and \$500,000 from the City of Sandy budget.

Committee discussion ensued on the following issues:

- \$1.5 million in total for the project is still likely short of final costs, but the City can find opportunities to secure additional grant funding and/or value engineer the project
- Staff have been able to mitigate the previously reported shortfall in the Phase 1 cost estimates
- Delaying Phase 2 will result in cost increases in the future
- Opportunities exist to leverage grants and engage the skater community
- The City needs to work expeditiously to develop facilities for outdoor sports
- It is vital to ensure that the City is able to adequately maintain the new park improvements

Stan Pulliam made a motion Allocate \$1 million for Phase 2 of the Community Campus Park Development Project. **Budget Committee Member Jan Lee seconded the motion. DEFEATED. 6-7 (opposed: Chris Mayton, Richard Sheldon, Kathleen Walker, Linda Malone, Budget Committee Member Noah Myhrum, Budget Committee Member Jeremy Pietzold, and Greg Becker).**

Ayes: Carl Exner, Don Hokanson, Stan Pulliam, Budget Committee Member Jan Lee, Timothy Huber, and Phil Schneider

Nays: Chris Mayton, Richard Sheldon, Kathleen Walker, Linda Malone, Budget Committee Member Noah Myhrum,

Budget Committee Member Jeremy Pietzold, and Greg Becker

Absent: Laurie Smallwood and Khrys Jones

Chris Mayton made a motion Allocate \$1.5 million for Phase 2 of the Community Campus Park Development Project. **Budget Committee Member Noah Myhrum seconded the motion. CARRIED. 9-3 (opposed: Carl Exner, Stan Pulliam, and Timothy Huber).**

Ayes: Chris Mayton, Richard Sheldon, Kathleen Walker, Don Hokanson, Linda Malone, Budget Committee Member Jan Lee, Budget Committee Member Noah Myhrum, Budget Committee Member Jeremy Pietzold, and Greg Becker

Nays: Carl Exner, Stan Pulliam, and Timothy Huber

Absent: Laurie Smallwood, Khrys Jones, and Phil Schneider

Don Hokanson made a motion Approve the 2023-2025 Sandy Urban Renewal Agency budget, as amended **Kathleen Walker seconded the motion. CARRIED. unanimously.**

Ayes: Chris Mayton, Richard Sheldon, Kathleen Walker, Carl Exner, Don Hokanson, Linda Malone, Budget Committee Member Jan Lee, Budget Committee Member Noah Myhrum, Budget Committee Member Jeremy Pietzold, Timothy Huber, and Greg Becker

Abstained: Stan Pulliam

Absent: Laurie Smallwood, Khrys Jones, and Phil Schneider

[SURA BN 23-25 Presentation](#)

4. CITY OF SANDY BIENNIUM 2023-2025 PROPOSED BUDGET

4.1. Public Comment

(none)

4.2. City of Sandy Biennium 2023-2025 Budget

Committee Member Hokanson made a motion, which was distributed to the Committee in written form (the document is attached to these minutes). The motion was to approve the City's 2023-2025 budget, with a number of modifications to allocate \$959,000 in remaining unallocated funds.

The Committee engaged in discussion of **Committee Member Hokanson's** motion, and made several amendments (detailed below).

Discussion related to the following topics:

- Suggestion that the \$500,000 listed in the motion document as being allocated to the Parks Capital Fund should instead be allocated to contingency within the Mayor and Council budget.
- Suggestion that more money should be directed toward paying off debt.
- Suggestion that the mural maintenance allocation should be increased to \$15,000
- Discussion of the insurance payment reduction in the Aquatic/Recreation Center Fund
- Clarification that the \$50,000 listed for the SandyNet plan is in addition to staff work
- Clarification related to the library outreach vehicle and collaboration with the Meals on Wheels program
- Clarification regarding Winterfest business lighting program possibilities
- Clarification regarding miscellaneous revenue within the Telecommunications Fund

Committee Member Sheldon suggested modifying Committee Member Hokanson's motion to increase the allocation for mural maintenance by \$10,000, and decrease the allocation for Winterfest business lighting by \$10,000. After a show of hands, the Chair determined that the Committee **agreed** with this suggestion.

Committee Member Pietzold suggested modifying Committee Member Hokanson's motion to divert \$311,000 from the allocation to the Parks Capital Fund, to be used to pay off Police and SandyNet interfund loans. After a show of hands, the Chair determined that the Committee **did not agree** with this suggestion.

Chris Mayton made a motion Modify Committee Member Hokanson's motion to eliminate the \$500,000 allocation to the Parks Capital Fund; instead allocating \$500,000 to contingency within the Mayor and Council Budget **Don Hokanson seconded the motion. CARRIED. 12-1 (opposed: Timothy Huber).**

Ayes: Chris Mayton, Laurie Smallwood, Richard Sheldon, Kathleen Walker, Carl Exner, Don Hokanson, Stan Pulliam, Linda Malone, Budget Committee Member Jan Lee, Budget Committee Member Noah Myhrum, Budget Committee Member Jeremy Pietzold, and Greg Becker

Nays: Timothy Huber

Don Hokanson made a motion (Hokanson's main motion as amended): approve the proposed Biennium Budget as included in the staff report dated 4/20/2023, with the reallocation modifications listed in writing (attached to these minutes), as amended. **Stan Pulliam seconded the motion. CARRIED. 12-1 (opposed: Greg Becker).**

Ayes: Chris Mayton, Laurie Smallwood, Richard Sheldon, Kathleen Walker, Carl Exner, Don Hokanson, Stan Pulliam, Linda Malone, Budget Committee Member Jan Lee, Budget Committee Member Noah Myhrum,

Budget Committee Member Jeremy Pietzold, and
Timothy Huber

Nays: Greg Becker

Kathleen Walker made a motion Approve the City's property tax rate of \$4.1152 per \$1,000 of assessed value **Don Hokanson seconded the motion. CARRIED. 12-1 (opposed: Greg Becker).**

Ayes: Chris Mayton, Laurie Smallwood, Richard Sheldon,
Kathleen Walker, Carl Exner, Don Hokanson, Stan
Pulliam, Linda Malone, Budget Committee Member Jan
Lee, Budget Committee Member Noah Myhrum,
Budget Committee Member Jeremy Pietzold, and
Timothy Huber

Nays: Greg Becker

[Hokanson motion to approve the 2023-2025 Biennium Budget](#)

4.3. Approval of Property Tax Rate

5. **ADJOURN**



Sandy Urban Renewal Agency 2023-25 Proposed Budget

SURA Budget Committee | May 11, 2023


Agenda

- Sandy Urban Renewal Agency Budget
- Proposed Projects
- Financial Projections
- Deliberation and Approval

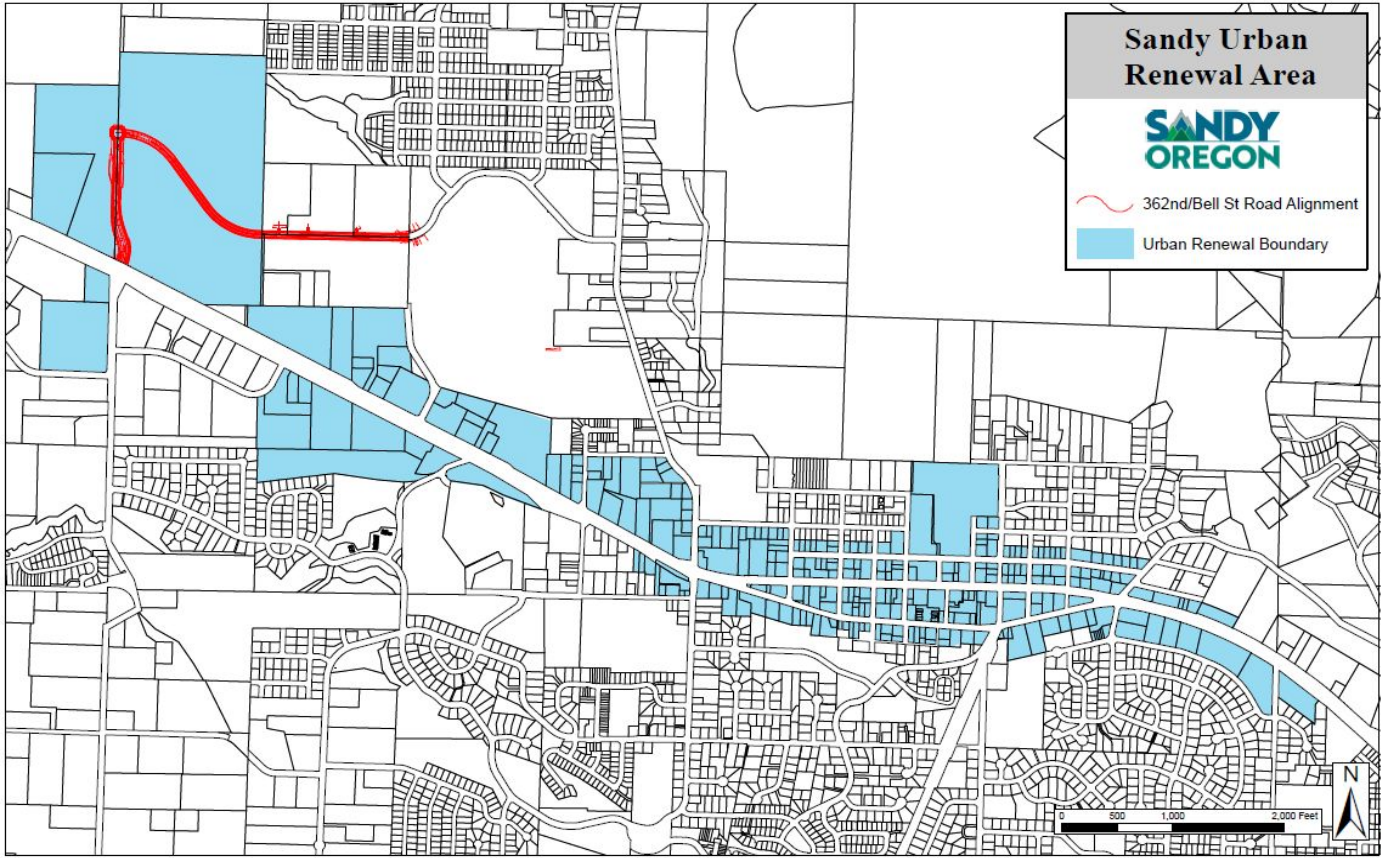


Sandy Urban Renewal Area

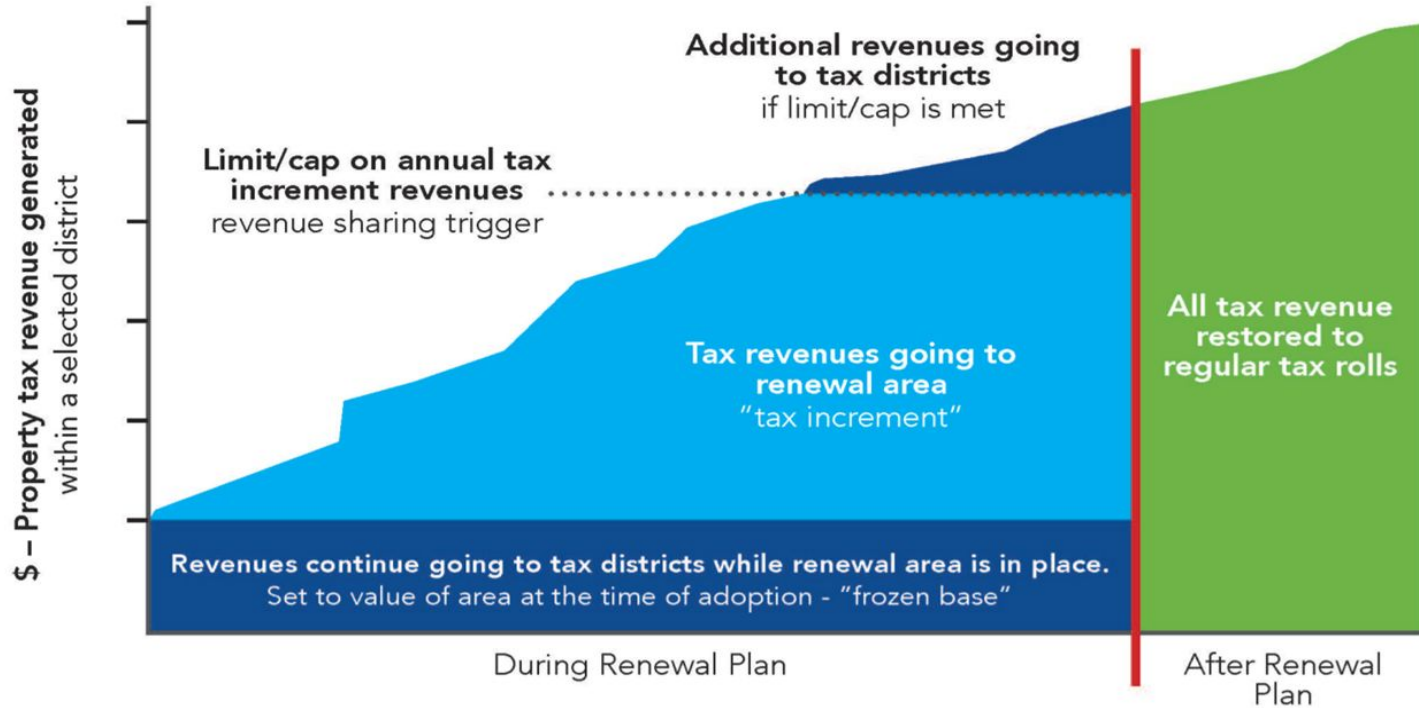


 362nd/Bell St Road Alignment

 Urban Renewal Boundary



Visualizing Tax Increment Financing



Budget Summary

	BN 17-19	BN 19-21	BN 21-23	BN 23-25
	Actual	Actual	Budget	Proposed
Beginning Balance	8,277,280	5,311,254	6,259,987	7,350,898
Property Taxes	3,370,952	3,690,549	4,000,000	3,900,000
Interest	242,774	163,430	100,000	75,000
Miscellaneous	-	69,214	-	55,000
Total Resources	11,891,007	9,234,448	10,359,987	11,380,898
Personnel Services	103,048	262,567	297,000	349,100
Materials & Services	79,332	157,278	154,600	553,500
Capital Outlay	4,601,967	807,141	3,550,000	4,600,000
Debt Service	117,994	-	-	-
Transfers	1,676,539	1,793,538	1,824,197	1,829,197
Contingency	-	-	4,534,190	4,049,101
Total Requirements	6,578,880	3,020,524	10,359,987	11,380,898



Budget Highlights

- \$3 million Community Campus Park Improvements
- \$1.5 million for Cedar Ridge derelict buildings demo and site preparation
- \$400,000 grants and incentive programs
- \$150,000 in professional/contract services
- Work with Board on goals and prioritizing projects for the Plan







Phase 1

MASTER PLAN

The master plan design for the Sandy Community Campus park recalls the fluid forms of the Sandy River and surrounding hillsides. The curving paths with woodland plantings bring visitors from to a central gathering space perched above the park that then descends into an open grass area. Vehicular access to the parking lot is from both Mairig Avenue and Scenic Street with a vehicular drop-off adjacent to the central plaza. The plaza hosts a shelter, a restroom facility, picnic tables and benches, all with views to the forest beyond. From the plaza, there is a connection to a sinuous walk that connects to other park elements including a play area nestled in the wooded hillside, a skate park at the bottom of a sloped grass seating area and a pump track.

As part of the development of the Community Campus Park, future phases may include expansion of the skate park, a jump-line bike course, an additional shelter, and pathways.

PARK AMENITIES

- 1 SKATE PARK EXPANSION 7,000 SF
- 2 JUMP LINE
- 3 SOFT SURFACE TRAIL
- 4 PICNIC SHELTER
- 5 CITY OF SANDY PROPERTY PARK CONNECTION



Phase 2

Funding Capacity Projections

- Maximum Indebtedness Remaining
- Assumptions
- Financial Projections



Fund Projection Assumptions

1. Completion of existing active capital projects and existing bond funds: Community Campus Park Improvements, Cedar Ridge Demo/Site Preparation in BN 23-25
2. \$200,000 per year (\$400,000 per biennium) for grant and incentive programs
3. Administrative Costs + a budget for contracts, studies
4. Account for \$1.4 million remaining for Fire District



Maximum Indebtedness

\$67 million

\$39.2 million
remaining

Urban Renewal Financial Analysis

Maximum Indebtedness: \$67,000,000

Entire Agency (fiscal year)		Fire District (10% of total)	
2000	25,424	2000	-
2001	81,430	2001	-
2002	287,539	2002	-
2003	98,228	2003	-
2004	312,350	2004	93,966
2005	170,178	2005	96,000
2006	341,316	2006	79,000
2007	944,701	2007	101,766
2008	3,366,060	2008	86,386
2009	649,759	2009	36,561
2010	1,849,430	2010	192,436
2011	2,546,530	2011	41,541
2012	974,177	2012	79,304
2013	195,105	2013	-
2014	255,619	2014	-
2015	259,051	2015	-
2016	429,443	2016	268,391
2017	4,090,184	2017	1,169,163
2018	4,281,480	2018	2,977,078
2019	522,640	2019	76,700
2020	489,538	2020	-
2021	755,352	2021	-
2022	632,503	2022	-

Total:	23,558,035	Total:	5,298,293
Remaining:	43,441,965	Remaining:	1,401,707

Debt not yet spent: 2,819,352 * Remainder of the 2017 bond

Remaining: 39,220,905



Fund Projection

URBAN RENEWAL AGENCY FUND

16 Year Forecast

	BN23-25							
	Budget	BN25-27	BN27-29	BN29-31	BN31-33	BN33-35	BN35-37	BN37-39
Beginning Balance	7,350,898	4,049,101	5,460,586	5,585,761	7,219,792	10,731,544	14,336,302	18,022,236
Property Tax	3,900,000	4,209,368	4,422,467	4,646,354	4,881,576	5,128,706	5,388,346	5,661,131
Other	130,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Loan Proceeds	-	-	-	-	-	-	-	-
Total Resources	11,380,898	8,278,469	9,903,053	10,252,115	12,121,368	15,880,250	19,744,648	23,703,368
Personnel	349,100	407,793	475,650	554,799	647,117	754,797	880,396	1,026,893
Materials & Services	553,500	574,295	595,838	620,043	647,241	677,800	712,136	750,716
Capital	4,600,000	-	1,400,000	-	-	-	-	-
Transfers / Debt	1,829,197	1,835,794	1,845,804	1,857,481	95,466	111,351	129,880	151,492
Total Requirements	7,331,797	2,817,882	4,317,292	3,032,323	1,389,824	1,543,948	1,722,412	1,929,101

Ending Fund	
Balance	21,774,266

Bottom Line

- Capped on tax increment collections
- \$4 million in contingency available for projects
- There is capacity for additional debt for future projects when they become identified.
- Studying a dedicated Redevelopment Director/Project Manager for managing remaining projects in the plan
- Existing bond is repaid in FY 2031
- Need to account for the \$1.4 million remaining for fire district

Questions?

Project List



Active Projects	Budget/Projected Cost
Public Improvements	
Community Campus Park Improvement	\$3 million
Cedar Ridge Demo and Site Improvements	\$1.5 million
Preservation, Rehabilitation, Development, and Redevelopment	
Facade TI Covered Structures Grants	\$200,000 per year
Smith Building Grants and Incentives	\$90,000 <i>pending development</i>



Potential Projects	Projected Cost
Public Improvements	
Pleasant Street Improvements	\$10.7 million (all phases)
City Hall Expansion/Remodel	\$1 million - \$5 million
Community Campus (Annex Building)	unknown
Heritage Square and City Hall South Parking Lot Repaving	\$150,000
Street Lighting Plan and Enhancements	unknown
Sandy Gateway and HWY 26 Median Improvements	unknown
Public Parking Facilities	unknown
Civic Plaza	unknown

Potential Projects	Projected Cost
Preservation, Rehabilitation, Development, and Redevelopment	
Facade TI Covered Structures Grants	\$200,000 per year
Cedar Ridge Property/Community Campus (Bunker Building)	unknown
Property Acquisition and Disposition	
TBD	Unknown
Design Plans	
362nd Ave Commercial Area Framework Plan	\$100,000
Sandy Style Lighting Plan	TBD



Motion to approve the 2023-2025 Biennium Budget

I move to approve the proposed Biennium Budget as included in the staff report dated 4/20/2023 with the following modifications to allocate the \$959,000 unallocated budget:

Action	Fund/Department	Amount	Purpose
Reduce	General Fund: Aquatic/Recreation Center Fund	-\$36,000	Reduce the insurance for empty/unused buildings
Increase	General Fund: Information Technology Department	\$30,000	Increased cyber resiliency and gap analysis
Increase	General Fund: Recreation	\$15,000	Seed money to establish aquatic programming with integrated transportation
Increase	General Fund: Planning	\$50,000	Zoning map update
Increase	General Fund: Parks, Buildings, and Grounds	\$5,000	Art mural maintenance
Increase	General Fund: Police	\$30,000	Police staffing study
Increase	General Fund: Telecommunications	\$50,000	SandyNet Master Plan
Increase	General Fund: Parks, Buildings, and Grounds	\$100,000	For Winterfest lights and displays, and infrastructure upgrades
Increase	General Fund: Economic Development	\$65,000	Winterfest business lighting in coordination with the overall Winterfest
Increase	General Fund: Sandy Library	\$150,000	Establish a Library Outreach Vehicle and collaborate with the Meals on Wheels and other Senior Services
Increase	Parks Capital Fund	\$500,000	Towards the implementation of Phase 2 amenities for the park at the Community Campus
Total		\$959,000	

In addition to the above modifications, the name of the General Fund: Telecommunications department should be renamed to General Fund: SandyNet department to better identify the department.

