



City of Sandy

Agenda

Sandy Urban Renewal Board Meeting

Meeting Date: Monday, June 7, 2021

Meeting Time: 8:00 PM

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1. MEETING FORMAT NOTICE

The Urban Renewal Board will conduct this meeting electronically using the Zoom video conference platform. Members of the public may listen, view, and/or participate in this meeting using Zoom. Using Zoom is free of charge. See the instructions below:

- To login to the electronic meeting online using your computer, click this link: <https://us02web.zoom.us/j/89695582180>
- If you would rather access the meeting via telephone, dial (253) 215-8782. When prompted, enter the following meeting number: 896 9558 2180
- If you do not have access to a computer or telephone and would like to take part in the meeting, please contact City Hall by Friday June 4th and arrangements will be made to facilitate your participation.

2. ROLL CALL

3. APPROVAL OF MINUTES

3.1. Approval of Minutes

[Sandy Urban Renewal Board - 19 Apr 2021 - Minutes - Pdf](#)

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4. NEW BUSINESS

4.1. PUBLIC HEARING: 2021-23 Budget Adoption - Sandy Urban Renewal Agency

Resolution 2021-13

[BN 21-23 Budget Adoption - SURA - Pdf](#)

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5. ADJOURN



MINUTES
Sandy Urban Renewal Board Meeting
Monday, April 19, 2021 6:00 PM

BOARD PRESENT: Carl Exner, Councilor, Jeremy Pietzold, Council President, Laurie Smallwood, Councilor, Stan Pulliam, Mayor, Don Hokanson, Councilor, Kathleen Walker, Councilor, Richard Sheldon, Councilor, and Phil Schneider, Fire Chief

BOARD ABSENT: Khrys Jones, Chamber Director

STAFF PRESENT: Mike Walker, Public Works Director, Jeff Aprati, City Recorder, Jordan Wheeler, City Manager, Kelly O'Neill, Development Services Director, Tyler Deems, Deputy City Manager / Finance Director, Ernie Roberts, Police Chief, and Emily Meharg, Senior Planner

MEDIA PRESENT:

1. Meeting Format Note

The Urban Renewal Board conducted this meeting electronically using the Zoom video conference platform. A video recording of the meeting is available on the City's YouTube channel: https://www.youtube.com/channel/UCbYEclgC6VW_mv2UJGyYfg

2. Roll Call

3. Approval of Minutes

3.1. SURA Minutes - March 8, 2021

Moved by Richard Sheldon, seconded by Kathleen Walker

Approve the March 8, 2021 minutes.

CARRIED. 8-0

Ayes: Carl Exner, Jeremy Pietzold, Laurie Smallwood, Stan Pulliam, Don Hokanson, Kathleen Walker, Richard Sheldon, and Phil Schneider

Absent: Khrys Jones

4. Work Session

4.1. Urban Renewal Work Session

Staff Report - 0413

Elaine Howard, with Elaine Howard Consulting, LLC, delivered an 'urban renewal 101' presentation; an overview of the functionality and requirements of urban renewal areas, and of the Sandy Urban Renewal Plan in particular. She also discussed the upcoming plan review process, which will include completing a tax increment financing (TIF) forecast and financial plan, reviewing and prioritizing projects, and developing an implementation strategy. The slides presented were included in the agenda packet.

Members of the Urban Renewal Board discussed the following topics during and following the presentation:

- Specifics of TIF financing, including how it affects taxpayers and public agencies
- Which public agencies are affected by Sandy's urban renewal district
- Timing and phasing of the plan review process, including the possibility of big-picture downtown visioning, and possible inclusion of input from other groups
- Possibility of purchasing historic buildings in the city
- Urban renewal successes in Redmond
- Restrictions on use of funds
- Questions regarding arbitrage
- Possibility of imposing deed restrictions

5. **Adjourn**



Mayor, Stan Pulliam



City Recorder, Jeff Aprati



Staff Report

Meeting Date: June 7, 2021

From Tyler Deems, Deputy City Manager / Finance Director

SUBJECT: BN 21-23 Budget Adoption - SURA

BACKGROUND:

The Sandy Urban Renewal Agency (SURA) operates on a two year budget, as allowed by Oregon's Local Budget Law. The two year period is made up of two fiscal years, running from July 1 through June 30. The City Manager is the budget officer, and is responsible for the creation and delivery of the overall budget, as well as the budget message. SURA Executive Director Jordan Wheeler presented the budget message and the proposed budget on May 10, 2021. After deliberations from the budget committee, the proposed budget was approved with no changes. Once the budget committee has approved the budget, the SURA board then must hold a public hearing before adopting the budget. Staff suggests holding a public hearing now to receive comments from the public, prior to making any motions on the following resolutions. Information on the resolution can be found below:

Resolution 2021-13: Adopting the Biennium 2021-23 Budget and Making Appropriations: To formally adopt the BN 21-23 budget, the SURA board must adopt a resolution adopting the budget and making appropriations (attached). This resolutions outlines the total budget and appropriations by object classification.

The Budget Committee also made one budget note for the Board to consider - to provide funding to complete an economic analysis, allocating the cost between SURA and the City.

BUDGETARY IMPACT:

None. All resources and requirements related to these resolutions has been accounted for in the BN 21-23 budget.

RECOMMENDATION:

Approve Resolution No. 2021-13.

SUGGESTED MOTION:

"I make a motion to approve Resolution No. 2021-13, a resolution adopting the biennium 2021-23 budget and making appropriations."

SANDY URBAN RENEWAL AGENCY PROPOSED BUDGET BN 2021 - 2023



As approved by the Budget Committee on May 10, 2021

2021-2023 Proposed Budget

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Sandy Urban Renewal Agency Budget

Overview

The Sandy Urban Renewal Agency (SURA) was established by the City of Sandy in 1998. The Agency Board is comprised of the Sandy City Council and a representative of the Sandy Fire District and Sandy Chamber of Commerce. The Sandy Urban Renewal Plan was adopted by the City of Sandy in 1998.

The general objectives of the plan are to:

1. Improve the vitality of Sandy's downtown core.
2. Make productive use of land in the urban renewal area.
3. Create opportunities for new development within the renewal area.
4. Enhance public safety in the renewal area.
5. Provide new public amenities and open spaces in the renewal area.
6. Make improvements to infrastructure in the renewal area.
7. Implement the goals and objectives of Sandy's Comprehensive Plan.

The Sandy Urban Renewal Plan (Plan) has been amended five times since 1998. The amendments increased maximum indebtedness and added projects to the original plan.

Urban renewal projects and activities are funded by tax increment financing. When the Plan was adopted, the assessed value of the urban renewal area at the time of adoption became the "frozen base." Whatever property tax revenue overlapping jurisdictions receive from the frozen base is the same amount they will receive annually until the urban renewal district is terminated. As property values increase above the frozen base in the district, the urban renewal district receives that increase as the tax increment. The increment is used to pay back the capital improvement costs, usually through bonds, to complete the projects in the plan. When the district expires and the bonds are fully paid off, the taxing districts benefit from the increased assessed values that the urban renewal district provided.

The plan identifies the limit on the total debt that will be incurred by the urban renewal agency to complete the projects. The maximum indebtedness established in 2015 for the Sandy Urban Renewal Plan is \$67,000,000. The maximum indebtedness is the total amount of funds that can be spent on projects, programs, and administration in the urban renewal area over the life of the urban renewal plan.

Urban Renewal Plan Activities and Projects

The plan includes projects and activities that address blight and deterioration in the Sandy Urban Renewal Area.

- A. Public Improvements
 - a. Traffic Signalization
 - b. Public Parking Facilities
 - c. Public Open Spaces
 - d. Street, Curb, and Sidewalk Improvements
 - e. Fire Protection Improvements
 - f. Streetscape and Civic Area Projects
 - g. Street Lighting

Sandy Urban Renewal Agency Budget

- h. Placing Utilities Underground
- i. Pedestrian, Bike, and Transit Connectivity
- j. Aquatic/Recreation Center
- k. 362nd Extension North of Highway 26
- l. City Hall
- B. Preservation, Rehabilitation, Development and Redevelopment
- C. Property Acquisition and Disposition
- D. Design Plans
- E. Plan Administration

BN 2021-2023 Highlights

The urban renewal agency is estimating to receive \$4,000,000 in property taxes in the proposed biennium. This tax increment is used to fund the active projects and activities in the urban renewal plan through debt financing and tax increment excess.

The proposed projects in the next biennium include the Sandy Community Campus, the façade and tenant improvement matching grant programs, and setting aside a small amount for streetscape and beautification projects in the urban renewal area.

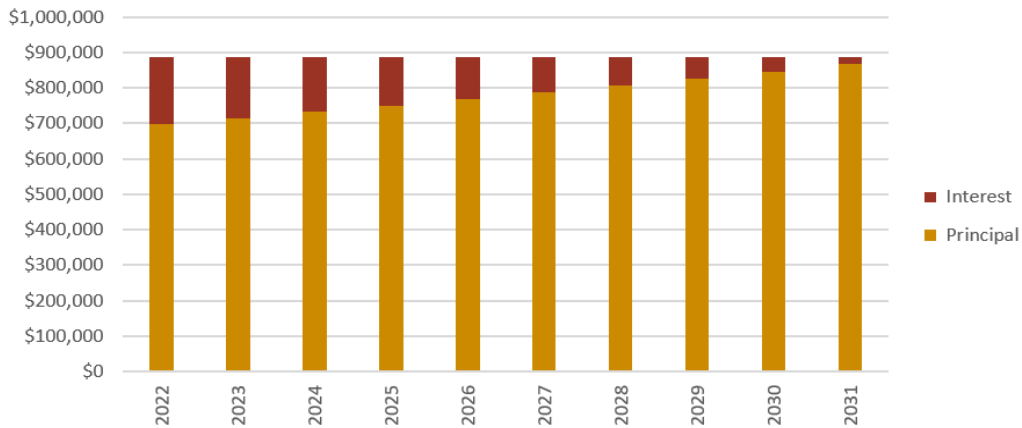
Major Projects/Programs	BN 21-23 Proposed
Sandy Community Campus	3,000,000
Streetscape and Civic Areas	100,000
Façade and Tenant Improvement Program	450,000

The budget also includes staff expenses for administering the plan and managing the projects.

Debt Service Summary

The Urban Renewal Fund transfers funds to the City of Sandy's Full Faith & Credit fund to pay debt service on bonds issued for urban renewal projects. The outstanding bonds include the 2017 bond issue for the purchase of the Cedar Ridge property, fire station improvements, and the community campus.

Annual Debt Service - Urban Renewal Agency



Schedule of Future Principal & Interest Payments Due

Fiscal Year Ended	Principal	Interest	Total
June 30, 2022	697,634	190,183	887,817
June 30, 2023	714,656	173,160	887,816
June 30, 2024	732,094	155,723	887,817
June 30, 2025	749,957	137,860	887,817
June 30, 2026	768,256	119,561	887,817
June 30, 2027	787,001	100,815	887,816
June 30, 2028	806,204	81,613	887,817
June 30, 2029	825,875	61,941	887,816
June 30, 2030	846,027	41,790	887,817
June 30, 2031	866,670	21,147	887,817
Total	7,794,374	1,083,793	8,878,167

Urban Renewal Fund

Fund Overview

The Urban Renewal Fund reflects all business that is carried out by the Sandy Urban Renewal Agency (SURA). The agency was created in 1998 and is in place to complete improvements in the downtown and commercial areas of the city. The SURA Board consists of all the members of the City Council, as well as a member from the Sandy Area Chamber of Commerce and the Sandy Fire District.

2019-21 Accomplishments & Highlights

- Provided grant funding to numerous businesses to improve the façade of their buildings, as well as other infrastructure improvements.
- Developed an outdoor covered patios grant program to provide assistance to businesses in response to the COVID-19 pandemic.

Goals

- Finalize a plan for the Sandy Community Campus and begin implementing phase one.
- Continue to provide economic support for business within the District via grant programs.
- Update tax increment financing projections, financial plan, and work with the SURA Board to develop a prioritized project plan.

Staffing

	15-17	17-19	19-21	21-23
Total FTE	0.62	0.47	1.13	1.22

Budget Summary & Detail

	BN 15-17 Actual	BN 17-19 Actual	BN 19-21 Budget	BN 21-23 Proposed	BN 21-23 Approved
Beginning Balance	1,493,848	8,277,280	5,089,533	6,259,987	6,259,987
Property Taxes	2,999,792	3,370,952	3,620,000	4,000,000	4,000,000
Interest	69,215	242,774	75,000	100,000	100,000
Loan Proceeds	10,000,000	-	-	-	-
Total Resources	14,562,855	11,891,007	8,784,533	10,359,987	10,359,987
Personnel Services	159,545	103,048	247,200	297,000	297,000
Materials & Services	25,151	79,332	162,720	154,600	154,600
Capital Outlay	4,334,930	4,601,967	3,960,000	3,550,000	3,550,000
Debt Service	1,753,445	117,994	-	-	-
Transfers	12,503	1,676,539	1,793,540	1,824,197	1,824,197
Contingency	-	-	2,621,073	4,534,190	4,534,190
Total Requirements	6,285,575	6,578,880	8,784,533	10,359,987	10,359,987

BN 21-23 Budget Notes

- Personnel Services reflects the reallocation of City of Sandy FTE who aide in the execution of the SURA plan.
- Capital Outlay includes various infrastructure and improvement projects (Community Campus and grant programs for business located within the District).
- Transfers account for all debt service payments which are paid via the Full Faith & Credit Fund.

Urban Renewal Fund

Account Number	Account Name	BN 15-17 Actual	BN 17-19 Actual	BN 19-21 Budget	BN 21-23 Proposed	BN 21-23 Approved
720-000-401000	Beginning Balance	1,493,848	8,277,280	5,089,533	6,259,987	6,259,987
720-000-410100	Current Year Property Tax	2,945,679	3,281,729	3,570,000	3,950,000	3,950,000
720-000-410200	Prior Year Property Tax	54,113	89,223	50,000	50,000	50,000
720-000-471100	Interest	69,215	242,774	75,000	100,000	100,000
720-000-495400	Loan Proceeds	10,000,000	-	-	-	-
Total Resources		14,562,855	11,891,007	8,784,533	10,359,987	10,359,987
720-072-511100	Salaries	110,591	74,480	171,000	224,000	224,000
720-072-511200	Overtime	48	293	-	-	-
720-072-521100	Insurance Benefits	12,797	3,394	17,000	23,000	23,000
720-072-521200	FICA Taxes	8,447	5,682	13,000	17,000	17,000
720-072-521300	PERS	22,181	14,300	41,000	29,000	29,000
720-072-521360	Other Benefits	3,072	3,533	3,000	-	-
720-072-521400	UR Life Insurance	64	-	-	-	-
720-072-521500	Workers' Benefit Fund	34	47	100	250	250
720-072-521600	Unemployment Insurance	109	75	100	250	250
720-072-521800	Workers' Comp Insurance	1,584	797	1,000	2,000	2,000
720-072-521900	Transit Tax	618	449	1,000	1,500	1,500
720-072-601100	Supplies	952	689	1,000	1,000	1,000
720-072-601200	Postage	-	429	600	250	250
720-072-601300	Printing	-	120	200	250	250
720-072-601400	Copier Charges	13	5	20	100	100
720-072-601500	Public Notices	93	330	300	1,000	1,000
720-072-601600	Organizational Fees	475	570	600	2,000	2,000
720-072-605100	Contractual Services	-	75,190	160,000	100,000	100,000
720-072-608100	Professional Services	23,618	2,000	-	50,000	50,000
720-072-716000	Improvements	606,396	1,005	-	-	-
720-072-716010	City Hall Improvements	-	185,435	400,000	-	-
720-072-722510	Community Center/Aquatic Facility	2,201,228	1,116,149	3,000,000	3,000,000	3,000,000
720-072-731000	Infrastructure	-	62,086	200,000	100,000	100,000
720-072-760500	Fire Equipment & Improvements	1,437,554	3,053,778	-	-	-
720-072-784003	Building Improvement	89,753	183,513	360,000	450,000	450,000
720-072-812100	Loan Principal	540,355	-	-	-	-
720-072-812200	Interfund Loan Principal	140,000	-	-	-	-
720-072-814100	Bond Principal	875,194	-	-	-	-
720-072-830001	Interfund Loan Interest	4,400	-	-	-	-
720-072-832903	Loan Interest	59,644	-	-	-	-
720-072-834100	Bond Interest	70,852	117,994	-	-	-
720-072-870000	Paying Agent Fees	63,000	-	-	-	-
720-072-910110	Transfer to General Fund	12,503	18,899	17,906	48,563	48,563
720-072-910450	Transfer to FFC Fund	-	1,657,640	1,775,634	1,775,634	1,775,634
720-072-950000	Contingency	-	-	2,621,073	4,534,190	4,534,190
Total Requirements		6,285,575	6,578,880	8,784,533	10,359,987	10,359,987



NO. 2021-13

A Resolution Adopting the Biennium 2021-23 Budget of the Sandy Urban Renewal Agency and Making Appropriations

Whereas, the Sandy Urban Renewal Agency (SURA) desires to adopt a budget for the biennial period July 1, 2021 to June 30, 2023, make appropriations, and certify the division of tax revenues.

NOW, THEREFORE, BE IT RESOLVED by the Board of the Sandy Urban Renewal Agency that:

Section 1. The SURA Board hereby adopts the budget for the biennium 2021 - 2023 in the sum of \$10,359,987. The budget is now on file at the Finance Department, City Hall, Sandy, OR.

Section 2. The amounts listed below are hereby appropriated for the biennium beginning July 1, 2021 for the purposes stated.

URBAN RENEWAL FUND

Personnel	\$	297,000
Services		
Materials & Services		154,600
Capital Outlay		3,550,000
Transfers Out		1,824,197
Contingency		4,534,190
Total Appropriations		\$10,359,987

Total Biennial Budget 2021-23 \$10,359,987

Section 3. The SURA Board hereby certifies to the Clackamas County Assessor a request for the maximum amount of revenue that may be raised by dividing taxes under Section 1C, Article IX, of the Oregon Constitution and ORS Chapter 457.

This resolution is adopted by the Common Council of the City of Sandy and approved by the Mayor this 07 day of June 2021

#2021-13

Stan Pulliam, Mayor

ATTEST:

Jeff Aprati, City Recorder

#2021-13