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URBAN RENEWAL AGENCY MEETING AGENDA

MONDAY, JUNE 12, 2017

**Community Auditorium
1915 Main Street
Forest Grove, OR 97116**

7:00 PM – Urban Renewal Agency Meeting

PETER B. TRUAX, DIRECTOR BOARD CHAIR

Thomas L. Johnston, Vice Chair
Timothy A. Rippe
Ronald C. Thompson

Elena Uhing
Matthew J. Vandehey
Malynda H. Wenzl

All meetings of the Urban Renewal Agency Board are open to the public and all persons are permitted to attend any meeting except as otherwise provided by ORS 192. The public may address the Urban Renewal Agency Board as follows:

➔ **Public Hearings** – Public hearings are held on each matter required by state law or City policy. Anyone wishing to testify should sign in for any Public Hearing prior to the meeting. The presiding officer will review the complete hearing instructions prior to testimony. The presiding officer will call the individual or group by the name given on the sign in form. When addressing the Board, please use the witness table (center front of the room). Each person should speak clearly into the microphone and must state his or her name and give an address for the record. All testimony is electronically recorded. In the interest of time, Public Hearing testimony is limited to three minutes unless the presiding officer grants an extension. Written or oral testimony is heard prior to any Board action.

➔ **Citizen Communications** – Anyone wishing to address the Board on an issue not on the agenda should sign in for Citizen Communications prior to the meeting. The presiding officer will call the individual or group by the name given on the sign in form. When addressing the Board, please use the witness table (center front of the room). Each person should speak clearly into the microphone and must state his or her name and give an address for the record. All testimony is electronically recorded. In the interest of time, Citizen Communications is limited to two minutes unless the presiding officer grants an extension.

The public may not address items on the agenda unless the item is a public hearing. Routinely, members of the public speak during Citizen Communications and Public Hearings. If you have questions about the agenda or have an issue that you would like to address to the Urban Renewal Agency Board, please contact the City Recorder, aruggles@forestgrove-or.gov, 503-992-3235.

All meetings are handicap accessible. Assistive Listening Devices (ALD) or qualified sign language interpreters are available for persons with impaired hearing or speech. For any special accommodations, please contact the City Recorder, aruggles@forestgrove-or.gov, 503-992-3235, at least 48 hours prior to the meeting.

7:00

1. **URBAN RENEWAL AGENCY MEETING:** Roll Call
2. **CITIZEN COMMUNICATIONS:** Anyone wishing to speak to Urban Renewal Agency Board on an item not on the agenda may be heard at this time. *Please sign-in before the meeting on the Citizen Communications form posted in the foyer.* In the interest of time, please limit comments to two minutes. Thank you.
3. **CONSENT AGENDA:**
 - A. *Approve Urban Renewal Agency Regular Meeting Minutes of February 13, 2017.*
4. **ADDITIONS/DELETIONS:**
5. **PRESENTATIONS:** None
6. **PUBLIC HEARING AND URA RESOLUTION NO. 2017-02 OF THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND DECLARING THE TAX INCREMENT FOR FISCAL YEAR COMMENCING JULY 1, 2017, AND ENDING JUNE 30, 2018**
7. **ADJOURNMENT:**

7:10

Paul Downey, Administrative
Services Director
Jesse VanderZanden, City Manager

Minutes are unofficial until approved by the Urban Renewal Agency.

1. CALLED TO ORDER AND ROLL CALL:

Peter Truax, Urban Renewal Agency (URA) Director Chair, called the regular URA meeting to order at 9:12 p.m.

ROLL CALL: URA DIRECTORS PRESENT: Thomas Johnston, Vice-Chair; Timothy Rippe; Ronald Thompson; Elena Uhing; Matthew Vandehey; Malynda Wenzl; and Mayor Peter Truax, Chair.

STAFF PRESENT: Jesse VanderZanden, Executive Director; Paul Downey, Administrative Services Director; Jon Holan, Community Development Director; Dan Riordan, Senior Planner; and Anna Ruggles, City Recorder.

2. CITIZEN COMMUNICATIONS: None.

3. CONSENT AGENDA:

- A. Approve Urban Renewal Agency Regular Meeting Minutes of November 14, 2016.

MOTION: Director Uhing moved, seconded by Director Rippe, to approve the Consent Agenda as presented. **MOTION CARRIED 7-0 by voice vote.**

4. ADDITIONS/DELETIONS: None.

5. PRESENTATIONS:

5. A. Urban Renewal Agency (URA) Plan Recap:

Riordan, Holan and Downey highlighted a map showing the boundaries of the urban renewal plan for the Town Center and Pacific Avenue/19th Avenue Corridor from the Town Center to just east of the Quince Street/Pacific Avenue intersection, which was adopted in 2014, noting the plan goals improve local investments, promote redevelopment of sites along the Pacific Avenue Corridor, and provides redevelopment project assistance and matching grant fund opportunities. Riordan and Holan presented a PowerPoint presentation highlighting the following URA 2016 accomplishments:

- Payback to City on purchase of Times-Litho property

- Tokola Properties (Jesse Quinn) Mixed-Use Development (ground breaking in December, 2016)
- Town Center Storefront Revitalization Grant Program (project funding to begin July, 2017)

Downey presented a presentation highlighting the URA revenues and expenditures, noting the URA's cash balance will be very limited unless additional development in the urban renewal area increases the taxable value of property. Downey noted constrained revenue limits possible allocations to the Storefront Revitalization Program to \$10,000 in FY2017 and FY2018 and \$5,000 in FY2019 and FY2020, noting the URA will repay the loan from the City by 2026, which will have revenue for other urban renewal project priorities beginning in 2027. In addition, Riordan and Holan reported there is a high level of interest from property owners and developers for development project assistance, noting policy discussion is needed to establish expectations for longer-term funding priorities and responding to inquiries. In conclusion of the above-noted presentation, Riordan and Holan outlined possible non-urban renewal alternatives for project assistance, i.e., Metro, state and federal funding and tax credits.

6. URA RESOLUTION NO. 2017-01 AUTHORIZING THE TRANSFER OF APPROPRIATIONS WITHIN FOREST GROVE URBAN RENEWAL AGENCY FOR FISCAL YEAR 2016-17

Staff Report:

Downey presented the above-noted URA resolution authorizing to transfer appropriations of \$66,139 within the URA fund for FY 2016-17, noting as the Jesse Quinn (Tokola Properties) Mixed-Use Development project was being finalized, the Water System Development Charges (SDC) increased by \$66,139 based on a design change in the amount and size of water meters. Downey reported to facilitate the timely issuance of building permits, Jesse Quinn, LLC, requested increasing the SDC amount by \$66,139 and decreasing the public improvement payment by \$66,139. In conclusion of the above-noted staff report, Downey advised staff is recommending Council approve the proposed resolution, attached as Exhibit A, noting there is no fiscal impact as Jesse Quinn will reimburse the \$66,139 and the total assistance approved in the Disposition and Development Agreement will remain unchanged at \$962,561.

Before proceeding with Board discussion, Chair Truax asked for a motion to adopt URA Resolution No. 2017-01.

VanderZanden read URA Resolution No. 2017-01 by title.

MOTION: Director Rippe moved, seconded by Director Vandehey, to adopt URA

Resolution No. 2017-01 Authorizing the Transfer of Appropriations (\$66,139) within Forest Grove Urban Renewal Agency for Fiscal Year 2016-17.

Board of Directors Discussion:

Hearing no questions from the Board, Director Chair Truax asked for a roll call vote on the above motion.

ROLL CALL VOTE: AYES: Councilors Johnston, Rippe, Thompson, Uhing, Vandehey, Wenzl, and Mayor Truax. NOES: None. MOTION CARRIED 7-0.

7. ADJOURNMENT:

Director Chair Truax adjourned the URA regular meeting at 9:32 p.m.

Respectfully submitted,

Anna D. Ruggles, CMC, City Recorder

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<i>CITY RECORDER USE ONLY:</i>	
AGENDA ITEM #:	
MEETING DATE:	
FINAL ACTION:	

URBAN RENEWAL AGENCY STAFF REPORT

TO: *Urban Renewal Agency Board of Directors*

FROM: *Jesse VanderZanden, Executive Director*

MEETING DATE: *June 12, 2017*

PROJECT TEAM: *Paul Downey, Administrative Services Director*

SUBJECT TITLE: *Adoption of FY 2017-18 URA Budget and Property Taxes*

ACTION REQUESTED: Ordinance Order Resolution Motion Informational

X all that apply

ISSUE STATEMENT: The Forest Grove Urban Renewal Budget Committee approved on May 11, 2017, the Proposed FY 2017-18 Budget of \$198,736 and declared the tax increment to be collected. The Urban Renewal Agency (URA) Board now needs to adopt the FY 2017-18 Approved Budget, make the appropriations that set the legal expenditure level, and declare the tax increment to be collected for FY 2017-18. Staff has prepared a resolution that includes all three actions for the Board's consideration.

BACKGROUND: This is the third operating budget for the URA. The principal revenues that will be available in FY 2017-18 are the taxes collected on the incremental increase in the assessed value of the URA. The Budget includes funds to pay interest to the City's Capital Project Fund for debt for the land purchase and the loan for development costs. Staff has not proposed any changes to the Budget approved by the URA Budget Committee. The Budget also contains \$20,000 in funding for storefront improvement grants in the Town Center area.

FISCAL IMPACT: The projected property taxes on the increase in incremental assessed value for the URA will be sufficient to repay the interest for the loans for the property purchase and development costs. Funds available for other URA projects will depend upon the amount of taxes generated above the debt repayments.

STAFF RECOMMENDATION: Staff recommends the Urban Renewal Agency Board of Directors approve the attached resolution to adopt the FY 2017-18 Budget, set the legal appropriations for FY 2017-18, and declare the tax increment for FY 2017-18.

ATTACHMENT(s): Resolution

FORM UR-1

NOTICE OF BUDGET HEARING

A public meeting of the Forest Grove Urban Renewal Agency will be held on June 12, 2017, at 7:00 pm at the Community Auditorium, 1915 Main Street, Forest Grove, Oregon. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2017, as approved by the Forest Grove Urban Renewal Agency Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at City Hall, 1924 Council Street, Forest Grove, Oregon, between the hours of 9:00 a.m. and 5:00 p.m. or online at www.forestgrove-or.gov. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as was used the preceding year.

Contact: Paul Downey, Director of Administrative Services

Telephone: 503-992-3200

Email: pdowney@forestgrove-or.gov

FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount 2015-16	Adopted Budget This Year 2016-17	Approved Budget Next Year 2017-18
Beginning Fund Balance/Net Working Capital		5,924	77,847
Federal, State and All Other Grants			
Revenue from Bonds and Other Debt	1,100,000	965,000	
Interfund Transfers			
All Other Resources Except Division of Tax & Special Levy	130	50	3,100
Revenue from Division of Tax	27,079	75,231	117,789
Revenue from Special Levy			
Total Resources	1,127,209	1,046,205	198,736

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services			
Materials and Services	1,105,050	786,227	157,484
Capital Outlay		203,084	
Debt Service		52,365	41,252
Interfund Transfers	13,750		
Contingencies			
All Other Expenditures and Requirements			
Unappropriated Ending Fund Balance	8,409	4,529	
Total Requirements	1,127,209	1,046,205	198,736

FINANCIAL SUMMARY-REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM *			
Name of Organizational Unit or Program			
FTE for that unit or program			
FTE			
Non-Departmental / Non-Program	1,127,209	1,046,205	198,736
FTE	0	0	0
Total Requirements	1,127,209	1,046,205	198,736
Total FTE	0	0	0

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

The Proposed FY 2017-18 Budget is significantly reduced from FY 2016-17 due to the completion of paying incentives for a large, mixed-used development that is under construction with completion expected by the end of calendar year 2017. The FY 2017-18 Proposed Budget contains funding for limited storefront improvements. The URA will have to build additional tax increment revenue before funding any additional large projects.

STATEMENT OF INDEBTEDNESS		
LONG TERM DEBT	Estimated Debt Outstanding July 1	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds		
Other Bonds		
Other Borrowings	\$2,065,000	\$0
Total	\$2,065,000	\$0



URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE

URA RESOLUTION NO. 2017-02

**RESOLUTION OF THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY
ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND DECLARING
THE TAX INCREMENT FOR FISCAL YEAR COMMENCING JULY 1, 2017,
AND ENDING JUNE 30, 2018**

WHEREAS, the Budget Committee of the City of Forest Grove Urban Renewal Agency has approved a budget and the collection of the tax increment for the Urban Renewal Agency for the fiscal year commencing July 1, 2017, pursuant to the provisions of the Oregon Local Budget Law; and

WHEREAS, staff has not proposed any change to the Budget approved by the Budget Committee, and

WHEREAS, a hearing has been held before the Urban Renewal Agency Board of Directors as required by law, and

WHEREAS, it appears to the Board that the Budget approved by the Budget Committee and the tax increment set by the Budget Committee should be adopted.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY AS FOLLOWS:

Section 1. That the City of Forest Grove Urban Renewal Agency Board hereby adopts the FY 2017-18 Budget in the total amount of \$198,736. The Budget is on file with City Recorder's Office.

Section 2. That the amounts shown below are hereby appropriated for the fiscal year beginning July 1, 2017, and for the purposes hereby appropriated as follows:

<u>General Fund</u>	
Materials and Services	\$157,484
Debt Service	<u>41,252</u>
Total Appropriations	<u>\$198,736</u>

Section 3. The City of Forest Grove Urban Renewal Agency certifies to the Washington County Assessor's Office a request for the Forest Grove Urban Renewal Plan Area for the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article IX, of the Oregon Constitution.

Section 4. This resolution is effective immediately upon its enactment by the Urban Renewal Agency Board.

PRESENTED AND PASSED this 12th day of June, 2017.

M. Jesse VanderZanden
Urban Renewal Agency Executive Director

APPROVED by the Chairman this 12th day of June, 2017.

Peter B. Truax
Urban Renewal Agency Chair