



URBAN RENEWAL AGENCY

Monday, June 26, 2023

Community Auditorium, 1915 Main Street

Zoom Meeting Instructions Below

Zoom Webinar:

Link: <https://us06web.zoom.us/j/88678100136?pwd=UEZrYVFidFICSZWZVRnpINmN6eGtDz09>

Meeting ID: **886 7810 0136**

Passcode: **062623**

TVCTV Livestream: <https://reflect-tvctv.cablecast.tv/CablecastPublicSite/?site=6>

Malynda Wenzl, Director Board Chair

Donna Gustafson, Director Board President
Michael Marshall, Director
Karen Martinez, Director

Timothy A. Rippe, Director
Elena Uhing, Director
Mariana Valenzuela, Director

URBAN RENEWAL AGENCY REGULAR MEETING

- A. 8:45 **Call to Order**
- B. **Public Comment:** Anyone wishing to speak to the City Council on an item not on the agenda or on the agenda and not scheduled for a public hearing may be heard. Please limit comments to two (2) minutes. All testimony is electronically recorded. Written comments may be submitted by 3:00 p.m. on the day of the meeting to CityCouncilors@forestgrove-or.gov. **Zoom Attendees:** Please use the "Raise Hand" option to be called on for public comment.
- C. **Consent Agenda:** Items under the Consent Agenda are considered routine and will be adopted with a single motion, without separate discussion. Board members who wish to remove an item from the Consent Agenda may do so prior to the motion to approve the item(s). Any item(s) removed from the Consent Agenda will be discussed and acted upon following the approval of the remaining Consent Agenda item(s).
 - 1. URA01-23-2023 Approve Urban Renewal Agency Regular Meeting Minutes.
- D. **Additions/Deletions**
- E. **Presentations:** The Board will hold questions until the end. A two-minute reminder will be given to conclude remarks.
- F. **Public Hearings, Resolutions**

- 1. Public Hearing

URA RESOLUTION NO. 2023-01 ADOPTING CITY OF FOREST GROVE URBAN RENEWAL AGENCY BUDGET, MAKING APPROPRIATIONS, AND DECLARING

**THE TAX INCREMENT FOR FISCAL YEAR COMMENCING JULY 1, 2023, AND
ENDING JUNE 30, 2024**

Staff: Paul Downey, Assistant City Manager/Finance Director

G. 9:00 Adjournment

Americans with Disabilities Act (ADA) Notice: *The City of Forest Grove will make reasonable accommodations for participation in the meeting. Requests for assistance can be made by contacting the City Recorder's Office, 503-992-3235, aruggles@forestgrove-or.gov, at least 48-hours in advance of the meeting.*



**Urban Renewal Agency Work Session Minutes
Status and Update**

**Monday, January 23, 2023
Community Auditorium and Zoom**

Minutes are unofficial until approved by the Urban Renewal Agency.

1. CALLED TO ORDER AND ROLL CALL:

Malynda Wenzl, Urban Renewal Agency (URA) Director Chair, called the URA work session to order at 8:00 p.m. The meeting was held in a “hybrid” format allowing the public to attend both virtually and in-person in the Community Auditorium. Members of the public could observe the meeting **LIVE** on **Zoom Webinar** or on television on Tualatin Valley Community Television (TVCTV) Government Access Programming.

1. **ROLL CALL: URA DIRECTORS PRESENT:** Donna Gustafson, Director Vice Chair (via Zoom); Timothy Rippe (via Zoom); Michael Marshall; Mariana Valenzuela; Elena Uhing (via Zoom); Karen Martinez; Malynda Wenzl, Director Chair. **URA DIRECTORS ABSENT:** None.
2. **STAFF PRESENT:** Jesse VanderZanden, City Manager; Paul Downey, Assistant City Manager/Finance Director; and Dan Riordan, Senior Planner.

2. WORK SESSION: STATUS AND UPDATE

Downey and Riordan facilitated the work session and presented a PowerPoint presentation, noting the purpose of the work session was to provide an overview of the City’s Urban Renewal program, including goals and objectives included in the City’s urban renewal plan; provide an update on current Urban Renewal projects, and to establish context for the upcoming FY 2023-24 budget process. The URA program started in 2013, and is scheduled to end in 2033, unless the Board votes to extend it. As part of this program, the City must be in debt, and bond debt counts. The maximum indebtedness is \$15 million. The program will pay for some City expenses, such as a portion of staff’s time spent on these projects.

Downey provided an update on Site B, noting URA entered into an Exclusive Negotiating Agreement (ENA), but the ENA expired, and the developer was no longer able to enter into a Disposition and Development Agreement (DDA). Though the developer had a design for the site and possibly even some construction documents completed, recent increases in interest rates increased monthly costs to the point where the project was no longer feasible. Downey presented the following Site B options for the Board to consider:

- Hold the property until more favorable development conditions.

Urban Renewal Agency Work Session Meeting Minutes
January 23, 2023
Zoom Webinar Community Auditorium
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- Re-issue an RFP with the same vision.
 - Issue an RFP with a revised vision.
 - Appraise and sell the property.

URA Board Discussion:

Director Chair Wenzl opened the floor for discussion on Site B options. The Board favored holding on to the site for more favorable development conditions, with the possibility of creating a new vision for the site receiving support. The new vision should include a boutique hotel downtown in addition to retail shops and the grocery store.

Director Uhing reminded the Board of discussion at the retreat to approach Washington County and Metro about redefining density for smaller communities so that those communities could receive affordable housing funds.

VanderZanden noted if Staff heard of any interest from a developer about the property, he would schedule a work session.

The URA Board took no formal action nor made any formal decisions during the work session.

3. ADJOURNMENT:

Director Chair Wenzl adjourned the URA work session meeting at 8:36 p.m.



CITY RECORDER USE ONLY:

AGENDA ITEM #: URA F. 1.
URA
MEETING DATE: 06/26/2023
URA RESO
FINAL ACTION: 2023-01

URBAN RENEWAL AGENCY STAFF REPORT

TO: *Urban Renewal Agency Board of Directors*

FROM: *Jesse VanderZanden, Executive Director*

MEETING DATE: *June 26, 2023*

PROJECT TEAM: *Paul Downey, Assistant City Manager/Finance Director*

SUBJECT TITLE: *Adoption of FY 2023-24 URA Budget and Levying of Property Taxes*

ACTION REQUESTED:

	Ordinance		Order	X	Resolution		Motion		Informational
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X all that apply

ISSUE STATEMENT: The Forest Grove Urban Renewal Budget Committee approved on May 16, 2023, the Proposed FY 2023-24 Budget of \$1,511,154 and declared the tax increment to be collected. The Urban Renewal Agency (URA) Board now needs to adopt the FY 2023-24 Approved Budget, make the appropriations that set the legal expenditure level, and declare the tax increment to be collected for FY 2023-24. Staff has prepared a resolution that includes all three actions for the Board's consideration.

BACKGROUND: The principal revenues that will be available in FY 2023-24 are the taxes collected on the incremental increase in the assessed value of the URA. The Budget includes funds to pay the remaining principal and interest to the City's Capital Project Fund for debt for the land purchase and the loan for development costs. That debt will then be paid and the URA can plan on how to move forward without having that debt. Staff has not proposed any changes to the Budget approved by the URA Budget Committee.

FISCAL IMPACT: The projected property taxes on the increase in incremental assessed value for the URA will be sufficient to repay the entire debt service and operating costs of the URA. Proposed projects include continuing storefront improvement grants in the downtown area. The majority of the Materials and Services expenditures are budgeted in "Undesignated Projects" to give the Board flexibility for potentially providing assistance to projects that may be proposed.

STAFF RECOMMENDATION: Staff recommends the Urban Renewal Agency Board of Directors approve the attached resolution to adopt the FY 2023-24 Budget, set the legal appropriations for FY 2023-24, and declare the tax increment for FY 2023-24.

ATTACHMENT(s): 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, 2023, and Ending June 30, 2024

URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE

URA RESOLUTION NO. 2023-01

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, 2023, AND ENDING JUNE 30, 2024

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, 2023, 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 2023-24 Budget in the total amount of \$1,511,154. 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, 2023, and for the purposes hereby appropriated as follows:

<u>General Fund</u>	
URA Program	\$573,706
Debt Service	<u>937,448</u>
Total Appropriations	<u>\$1,511,154</u>

Section 3: That 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 and ORS Chapter 457.

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

PRESENTED AND PASSED this 26th day of June, 2023.

Attested: Anna D. Ruggles, City Recorder

APPROVED by the Urban Renewal Agency of the City of Forest Grove at a regular meeting on this 26th day of June, 2023, and filed with the Forest Grove City Recorder this date.

Malynda H. Wenzl
Urban Renewal Agency Board Chair

FORM UR-1

NOTICE OF BUDGET HEARING

A public meeting of the Forest Grove Urban Renewal Agency will be held on June 26, 2023 at 6:50 p.m. 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, 2023 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 the preceding year.

Contact: Paul Downey, Assistant City Manager/Finance Director Telephone: 503-992-3220 Email: pdowney@forestgrove-or.gov

FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Actual Amount 2021-22	Adopted Budget This Year 2022-23	Approved Budget Next Year 2023-24
Beginning Fund Balance/Net Working Capital	475,165	609,943	815,414
Federal, State and All Other Grants			
Revenue from Bonds and Other Debt			
Interfund Transfers			
All Other Resources Except Division of Tax & Special Levy	8,145	9,100	13,500
Revenue from Division of Tax	527,837	560,000	682,240
Revenue from Special Levy			
Total Resources	1,011,147	1,179,043	1,511,154

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

Personnel Services			
Materials and Services	69,756	860,352	573,706
Capital Outlay			
Debt Service	318,691	318,691	937,448
Interfund Transfers			
Contingencies			
All Other Expenditures and Requirements			
Unappropriated Ending Fund Balance	622,700		
Total Requirements	1,011,147	1,179,043	1,511,154

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			
Not Allocated to Organizational Unit or Program			
FTE			
Total Requirements	0	0	0
Total FTE	0	0	0

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING *

The URA will be looking for another development project for its property located at the ipate on design efforts for a festival street in the downtown area.

The URA is budgeting to pay off a interfund loan in FY 2023-24 to free up cash flow and give the URA more flexibility to participate in potential projects in future years.

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	\$919,065	
Total	\$919,065	

* If more space is needed to complete any section of this form, insert lines (rows) on this sheet or add sheets. You may delete unused lines.