



STAFF REPORT

Meeting Type: Urban Renewal Board Meeting
Meeting Date: May 18, 2026
From: Tyler Deems, Executive Director
Subject: Resolution 2026-15: Declaring the Intention to Collect Urban Renewal Tax Increment

DECISION TO BE MADE:

To set the tax increment to collect property tax revenue for the upcoming fiscal year for the Sandy Urban Renewal Agency.

PURPOSE / OBJECTIVE:

Set the tax increment for the Sandy Urban Renewal Agency to impose taxes for Fiscal Year 2026-27.

BACKGROUND / CONTEXT:

In June 2025, the Sandy Urban Renewal Agency (SURA) Board adopted the biennial budget and appropriations for the Agency. As you will likely recall, SURA must share a portion of the property tax collection with the other taxing districts due to “revenue sharing” requirements.

ORS 457 allows for agencies to collect 100% of the division of taxes until the annual taxes assessed are greater than 10% of the original maximum indebtedness. Once the 10% threshold is reached, the Agency must then share a portion of the tax with all the other taxing districts. In SURA’s case, the 10% threshold would have been triggered once annual taxes imposed reached \$500,000. Because the initial maximum indebtedness was so low, the other taxing agencies agreed to use the revised maximum indebtedness of \$18 million as the baseline instead of \$5 million. As such, revenue sharing would not be triggered until the year following the first year that the annual taxes imposed exceeds \$1.8 million. Once revenue sharing is triggered, 25% of the anticipated annual increment above \$1.8 million is allocated to the Agency, with the remaining 75% shared among the other taxing districts. This threshold was met and revenue sharing began in FY23.

KEY CONSIDERATIONS / ANALYSIS:

The District should adopt a total tax increment value of \$122,537,285, which will generate approximately \$2,020,000 in imposed taxes for fiscal year 2026-27. This increment will change annually depending on growth within the district, as well as the assessed value of properties within the district.

BUDGET IMPACT:

This is already reflected in the biennial SURA budget for BN 2025-27.

RECOMMENDATION:

Staff recommends that the Board adopt Resolution 2026-15.

SUGGESTED MOTION LANGUAGE:

"I move to adopt Resolution 2026-15, a resolution setting the incremental assessed value for the Sandy Urban Renewal Agency."

LIST OF ATTACHMENTS / EXHIBITS:

- Resolution 2026-15