



ANNUAL REPORT FOR FISCAL YEAR ENDING JUNE 30, 2022

2021/2022

Sherwood Urban Renewal Agency

This report fulfills the requirements, prescribed in ORS 457.460, for the filing of an annual report detailing the financial activity of an urban renewal area established in Oregon.

Annual Report for Fiscal Year Ending June 30, 2022 Sherwood Urban Renewal Agency

Urban Renewal Area Background

The first Sherwood Urban Renewal Plan ("Plan") was adopted by the the City of Sherwood on August 29, 2000 and amended in 2012.

The 2021 Sherwood Urban Renewal Plan was adopted by the City of Sherwood on May 18, 2021 by ordinance No. 2021-0005. It will start taking division of tax revenues in FY 2022/2023.

This Annual Report covers both of the Sherwood urban renewal plans.

The frozen base assessed value ("Frozen Base") of the Year 2000 Sherwood Urban Renewal Area ("Area") indicated on the FY 2021/2022 SAL 4e from the Washington County Assessor is \$58,914,988. The FY 2021/2022 total assessed value is \$268,037,431. The excess value, or the value on which taxes could be paid to the urban renewal agency in FY 2021/2022 is \$209,122,443.

The Sherwood Urban Renewal Agency is a separate legal and financial entity, governed by the members of the the City of Sherwood City Council.

YEAR 2000 URBAN RENEWAL GOALS

A. Promote Private Development

Goal: To promote private development, redevelopment, and rehabilitation in both Old Town and Six Corners to help create jobs, tax revenues, and self-sustaining, vital, and vibrant commercial districts.

Objectives:

1. Enhance the environment for development and investment through improvements to streets, streetscapes, parks, and public buildings and spaces.
2. Assist property owners in rehabilitating buildings so they can accommodate more intensive and dynamic commercial activity.
3. Help create economic vitality by creating activities and encouraging uses that bring a significant number of potential shoppers and investors to each district.
4. Develop a strategy to make sports tournaments a contributor to economic revitalization of Old Town.
 - a. Construct recreational facilities that attract sports tournaments to Sherwood.
 - b. Develop a business strategy that encourages sports clubs to use recreational facilities for sports tournaments.

B. Rehabilitate Building Stock

Goal: To upgrade the stock of existing structures in Old Town Sherwood which contribute to its small-town character, but which are run down or do not meet current Code requirements.

Objectives:

1. Improve the appearance of existing building in order to enhance the overall

aesthetics of Old Town.

2. Help in improving the safety of older buildings in regard to seismic stability, fire safety, building code compliance and accessibility to persons with disabilities.
3. Redevelop building and areas that are inconsistent with the goals and objectives of this plan in manners that benefit the entire economic development effort and the property owners.

C. Improvements to Streets, Streetscapes, and Open Spaces

Goal: To improve existing streets and construct missing street links to improve connectivity within both districts, to improve and enhance public open spaces as in integral part of each district, and to enhance livability.

Objectives:

1. Enhance streetscapes by installing street lighting, street furniture, banners, planters and other amenities.
2. Reconstruct existing roadways and sidewalks where need and in a manner meeting the urban design recommendations of this Plan.
3. Construct new streets to provide connectivity and encourage private investment.
4. Improve the N. Sherwood Boulevard corridor connecting Old Town and Six Corners with visual amenities such as decorative lighting, landscaping, and removal of overhead wiring
5. Improve pedestrian and bicycle access to and through both Old Town and Six Corners.
6. Create pedestrian plazas within Old Town that are attractive areas for residents and employees, that stimulate economic activity, and that enhance livability.
7. Improve access both visually and for pedestrians to Stella Olson Park.

D. Utility Improvements

Goal: Improve and repair utilities to allow efficient development of the two areas.

Objectives:

1. Construct or reconstruct utilities (including water, sewer, and storm sewer) as necessary to encourage and permit development of private properties and public amenities.
2. Create a backbone system for high-speed data transmission throughout Old Town to help encourage development of professional office space and other high employment businesses.

E. Parking

Goal: Develop convenient, attractive parking facilities close to shopping, entertainment, and business destinations.

Objectives:

1. Construct public parking to support Old Town businesses and activities.
2. Provide separate areas for employee parking so close-in parking can be available for customers.

F. Public Facilities

Goal: Maintain, remodel, and construct public facilities, including the existing City Hall, Library, the Old School, the Hite House, Old City Hall, and a potential library expansion or relocation, to strengthen and reinforce Old Town as the historic center of Sherwood and to serve as an anchor for the Old Town's economy.

Objectives:

1. Evaluate the appropriateness of each public building for its current role and identify any alternatives for that role.
2. Determine appropriate uses supportive of the goals and objectives of this plan for each public building not currently being used in its ultimate use.

G. Cultural Arts

Goal: Develop a strategy to make cultural arts a contributor to Sherwood's culture and economy focusing efforts on Old Town.

Objectives:

1. Develop a cultural arts strategy based on both public and private investment and on-going operations.
2. Evaluate the need for additional performing arts venues and activities including the Stella Olson Park Amphitheater, the Old School, and potentially a new theater, and program for the provision of those facilities.

FINANCIAL REPORTING

Pursuant to ORS 457.460, a detailed accounting of the financial activity related to urban renewal areas is required to be reported on an annual basis. The following financial information meets the requirements of this statute.

Money Received FY 2021/22 - Year 2000 Plan

In FY 2021/2022, the Sherwood Urban Renewal Agency received \$3,513,597 from division of taxes including permanent rate levies and general obligation bonds for the Year 2000 Plan.¹ The detailed receipts of the Year 2000 Plan are shown in Table 1.

Table 1. Money Received During FY 2021/2022

| Revenues | FY 2022/23 |
|-------------------------|--------------|
| Division of Taxes | \$ 3,513,597 |
| Interest on Investments | \$ 18,374 |
| TOTAL: | \$ 3,531,971 |

Source: Unaudited Urban Renewal Agency of the City of Sherwood Annual Financial Report Year Ended June 30, 2022 p13

Money Expended FY 2021/22

Expenditures in FY 2021/2022 on urban renewal activities are shown in Table 2.

Table 2. Expenditures During FY 2021/2022

| Expenditures | FY 2022/22 |
|---------------------|--------------|
| Urban Redevelopment | \$ 86,377 |
| Debt Service | \$ 991,387 |
| TOTAL: | \$ 1,077,763 |

Source: Unaudited Urban Renewal Agency of the City of Sherwood Annual Financial Report Year Ended June 30, 2022 p13

Estimated Revenues

The estimated tax revenues from the FY 2022/23 adopted Sherwood Urban Renewal Agency budget are \$1,503,800 for the Year 2000 Plan.

¹ Urban Renewal Agency of the City of Sherwood Annual Financial Report Year Ended June 30, 2022 p.13

Proposed Budget for FY 2022/23 – Year 2000 Plan

A compiled budget listing the money to be received due to urban renewal, money to be spent, and what projects/expenses the money will fund is shown in Table 3 below.

Table 3. Budget FY 2022/23 - Year 2000 Plan

| Resources | Adopted Budget Value |
|---------------------------|----------------------|
| Beginning Fund Balance | \$ 3,556,238 |
| Division of Taxes | \$ 1,503,800 |
| Fines, Interest and Other | \$ 18,000 |
| TOTAL: | \$ 5,078,038 |
| Requirements | Adopted Budget Value |
| Personal Services | \$ 180,359 |
| Materials and Services | \$ 81,863 |
| Debt Service principal | \$ 4,040,777 |
| Debt Service interest | \$ 337,120 |
| Contingency | \$ 76,090 |
| Reserve for Future Years | \$ 361,829 |
| TOTAL: | \$ 5,078,038 |

Source: The City of Sherwood FY 2022/23 2000 Sherwood Urban Renewal Plan Adopted Budget 2000, pg. 4

Impact on Taxing Districts - Year 2000 Plan

The revenues foregone by local taxing districts due to Year 2000 Sherwood Urban Renewal Plan are shown in Table 4. This information is from the Washington County Assessor records, SAL Table 4e. The revenue from General Obligation Bonds is also shown. The Agency expects to cease division of tax collections by June 30, 2023.²

Table 4. Impact on Taxing Districts FY 2021/2022 Year 2000 Plan

| Taxing Jurisdiction | Foregone Revenue | Bonds |
|----------------------------|------------------|------------|
| Washington County | \$ 470,003 | \$ 13,974 |
| SWC Tualatin | \$ 17,235 | |
| Sherwood School District | \$ 1,006,151 | \$ 777,671 |
| Port of Portland | \$ 14,440 | |
| Metro | \$ 20,019 | \$ 78,914 |
| TVFR | \$ 318,790 | \$ 29,341 |
| Portland Community College | \$ 58,925 | \$ 79,421 |
| City of Sherwood | \$ 689,400 | |
| NW Regional ESD | \$ 32,141 | |

Source: FY 2021/2022 SAL 4e from Washington County Assessor, starting on row 22138

Urban renewal agencies do not create an additional tax. Instead, during the Area's lifespan, overlapping taxing districts "forego" a portion of their permanent rate. Once the urban renewal area is terminated, the taxing jurisdictions receive the full permanent rate of taxes. The Sherwood School District and NW Regional Education

² Sherwood Urban Renewal Agency MI tracker worksheet 2022

Service District are funded through the State School Fund on a per pupil allocation. The impact on these two districts is indirect as the direct impact is on the State School Fund. The State School Fund is funded through property tax allocations, but also through other state resources.

Maximum Indebtedness - Year 2000 Plan

The maximum indebtedness (MI) for the Year 2000 Sherwood Urban Renewal Plan is \$45,133,469. 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. The remaining amount of MI is \$312,741.

Table 5. Maximum Indebtedness Accounting – Year 2000 Plan

| | |
|--|----------------|
| MI Expended through January 2012* | \$ 33,195,402 |
| MI Expended Feb 2012 through June 2019 | \$ 12,681,653 |
| Less program revenue | \$ (1,056,327) |
| Total MI Expended | \$ 44,820,728 |
| Remaining MI | \$ 312,741 |

Source: City of Sherwood

Year 2021 Sherwood Urban Renewal Plan Goals

Goal 1: PUBLIC INVOLVEMENT

Encourage meaningful involvement by citizens, interested parties, and affected agencies throughout the life of the Area to ensure that it reflects the community's values and priorities.

Objectives:

1. Convene an urban renewal advisory committee comprised of taxing districts and other stakeholders to provide guidance on the preparation of the urban renewal plan.
2. Invite public comment at all Agency meetings.
3. Complete the Urban Renewal Annual Report and send it to all impacted taxing districts as required by ORS 457.460.

Goal 2: ECONOMY

Create conditions that are attractive to the growth of existing business and attract new businesses to Sherwood to create new higher-wage jobs. Expand the tax base so that the Area will contribute its fair share to the costs of public services provided and protect and maintain Sherwood's quality of life.

Objectives:

1. Build water, sewer, stormwater and other infrastructure to accommodate growth in the Area.
2. Assist in the construction and improvement of transportation infrastructure to support existing development and allow for future development.
3. Facilitate re-development of the existing Public Works site and other improvements in Old Town to spur re-development.
4. Facilitate clean-up of the Tannery site for future redevelopment in the Area. Work pro-actively to contact and attract commercial and industrial developers to the Area to facilitate new job creation and a more diversified tax base.
5. Actively contact and market sites in the Area to encourage and assist existing business to expand and to attract new companies to locate in the Area.
6. Work closely with property owners to facilitate consolidation and development of sites to be ready for new employment development projects.

Goal 3: TRANSPORTATION INFRASTRUCTURE

Construct the transportation network that provides the basis for attracting new employment center development projects which will increase the tax base and help create new jobs and an improved housing/jobs balance in the Area. Provide a supportive transportation network to the land use plan that provides opportunities for transportation choices and the use of alternative modes serving all neighborhoods and businesses. Develop complementary infrastructure for bicycles and pedestrian facilities to provide a diverse range of transportation choices for city residents.

Objectives:

1. Assist in the construction of new and improvement of existing transportation infrastructure to allow for future development and support existing development.
2. Provide pedestrian and bicycle connectivity improvements, increasing safety and access for pedestrians and bicyclists in the Area.
3. Provide adequate parking for the downtown core including but not limited to Festival Plaza parking.

4. Leverage the Agency's financial resources to the maximum extent possible with other public and private investments and other public and private funding sources.

Goal 4: UTILITY INFRASTRUCTURE

Provide public services and facilities to meet the present and future needs of the Area.

Objectives:

1. Build water, sewer, stormwater and other utility infrastructure to accommodate growth in the Area.
2. Install a city-wide broadband network in the Area.
3. Leverage the Agency's financial resources to the maximum extent possible with other public and private investments and other public and private funding sources.

Estimated Revenues - 2021 Sherwood Urban Renewal Plan

The estimated tax revenues from the FY 2022/23 adopted Sherwood Urban Renewal Agency budget for the 2021 Plan are \$480,000.³

Proposed Budget for FY 2022/23 - 2021 Sherwood Urban Renewal Plan

A compiled budget listing the money to be received due to urban renewal, money to be spent, and what projects/expenses the money will fund is shown in Table 6 below.

Table 6. Budget FY 2022/23 - 2021 Sherwood Urban Renewal Plan

| Resources | Operations Fund | Capital Fund |
|---------------------------|-----------------|---------------|
| Beginning Fund Balance | \$ 593,855 | \$ 23,387,706 |
| Division of Taxes | \$ 480,000 | |
| Fines, Interest and Other | \$ 10,000 | \$ 95,000 |
| TOTAL REVENUE: | \$ 490,000 | \$ 23,482,706 |
| TOTAL RESOURCES: | \$ 1,083,855 | |
| Requirements | | |
| Personal Services | \$ 54,169 | \$ 117,875 |
| Materials and Services | \$ 17,615 | \$ 88,732 |
| Capital Outlay | | \$ 13,770,000 |
| Debt Service interest | \$ 871,489 | |
| Contingency | \$ 24,500 | \$ 4,750 |
| Reserve for Future Years | \$ 116,082 | \$ 9,501,349 |
| TOTAL: | \$ 1,083,855 | \$ 23,482,706 |

Source: The City of Sherwood FY 2022/23 2021 Sherwood Urban Renewal Plan Adopted Budget, pg. 4,5

³ Source: the City of Sherwood FY 2022/23 2021 Urban Renewal Plan Budget, pg. 4, 5

The 2021 Sherwood Urban Renewal Plan did not take division of tax revenues in FY 2021/2022 so there was no impact on taxing districts.

Maximum Indebtedness - 2021 Sherwood Urban Renewal Plan

The maximum indebtedness (MI) for the 2021 Sherwood Urban Renewal Plan is \$45,133,469. 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. The remaining amount of MI is \$44,174,010.

Table 7. Maximum Indebtedness Accounting – 2021 Sherwood Urban Renewal Plan

| | |
|-------------------------------|---------------|
| Original Maximum Indebtedness | \$ 45,133,469 |
| Expenses in FYE 2022 | \$ 1,096,133 |
| Less program revenue | \$ (136,674) |
| Total MI Expended in FYE 2022 | \$ 959,459 |
| Remaining MI | \$ 44,174,010 |

2021 Plan URA Projects for FY 2022/2023

The projects to be undertaken in the 2021 Sherwood Urban Renewal Plan are:

- **Robin Hood Plaza:** Develop a plaza at Pine and First that can be used as a public parking lot when not needed for events.
- **Sherwood Broadband:** Sherwood Broadband is a community owned all-fiber network providing broadband service to businesses and residents of Sherwood. The network needs to be expanded to include the ability to provide broadband service in the area.
- **Pedestrian Bridge:** Design and construct a pedestrian bridge across 99W, Elwert and Kruger.
- **Ice Age Drive:** Design Ice Age Drive in the Tonquin Employment Area to provide an east/west collector between Oregon Street and 124th.
- **Public Works Facility:** Design a new public works facility.

The Sherwood Urban Renewal Plans and Reports can be found on City of Sherwood website, <https://www.sherwoodoregon.gov/documents>