



SILVERTON URBAN RENEWAL AGENCY MEETING

Monday, May 20, 2024 – 8:00 p.m. or upon conclusion of City Council Meeting

Council Chambers – 421 South Water Street and Zoom

Americans with Disabilities Act – The Silverton Urban Renewal Agency intends to comply with the A.D.A. The meeting location is accessible to individuals needing special accommodations such as a sign language interpreter, headphones, or other special accommodations for the hearing impaired. To participate, please contact the City at 503-874-2216 at least 48 hours prior to the meeting.

A copy of the full packet is available on the City's website at www.silverton.or.us/agendacenter. In accordance with House Bill 2560 and City of Silverton Resolution 22-06, the meeting will be held in a hybrid format: in person, and electronically using the Zoom web conference platform. Please submit written comments to publiccomment@silverton.or.us by 3:00 p.m. on Monday, May 20, 2024. Comments received will be shared with Silverton Urban Renewal Agency and included in the record. If you wish to participate through the Zoom web conference platform, see meeting information below.

Zoom meeting link:

<https://us02web.zoom.us/j/86079890912>

Or Telephone:

1 253 215 8782 US (Tacoma)

Webinar ID: 860 7989 0912

AGENDA

- I. OPENING CEREMONIES-** Call to Order and Roll Call
- II. APPROVAL OF MINUTES-** April 1, 2024, Silverton Urban Renewal Agency Meeting Minutes.
- III. PUBLIC COMMENT –** This is a business meeting of the Silverton Urban Renewal Agency (URA). The Silverton Urban Renewal Agency values and welcomes public input. Please address the Agency as whole and not individual Members. Do not address staff or members of the audience. Agency action on items brought up in public comment is limited by the Oregon Open Meeting Law. The URA may direct staff to study the matter and reschedule for further consideration at a later date. Items on the agenda will not be heard or discussed during public comment but will be accepted at that place on the Agenda. Individuals are limited to three (3) minutes.
- IV. ITEM**
 - 4.1 Resolution 24-01 Authorizing Signers on Urban Renewal Agency Bank Accounts – Kathleen Zaragoza, Finance Director
 - 4.2 Urban Renewal Agency Projects Update – Jason Gottgetreu, Community Development Director

V. BOARD COMMUNICATIONS

VI. ADJOURNMENT

SILVERTON URBAN RENEWAL AGENCY MEETING MINUTES
Monday, April 1, 2024, | 6:30 p.m.

Council Chambers 421 South Water St.

I. OPENING CEREMONIES – Call to Order and Roll Call (Pledge of Allegiance will be done during City Council Meeting).

Chair Freilinger called the meeting to order at 6:30 pm. The Silverton Urban Renewal Board and staff were present both in person and through the virtual meeting platform Zoom. Chair Freilinger explained this meeting was being held in a hybrid format, pursuant to City of Silverton Resolution 22-06, adopted March 7, 2022.

Present	Absent	
<u> X </u>	<u> </u>	Chair Jason Freilinger
<u> X </u>	<u> </u>	Elvi Cuellar Sutton
<u> X </u>	<u> </u>	Jess Miller
<u> X </u>	<u> </u>	April Newton
<u> X </u>	<u> </u>	Eric Hammond
<u> X </u>	<u> </u>	Marie Traeger
<u> X </u>	<u> </u>	Matt Gaitan

STAFF PRESENT:

Agency Director Cory Misley, Community Development Director Jason Gottgetreu, Silverton Police Captain Todd Engstrom, Public Works Director, Travis Sperle, and Human Resource Manager Tammy Shaver.

II. APPROVAL OF MINUTES

A motion was made by Member Sutton and seconded by Member Newton to approve the March 4, 2024, Silverton Urban Renewal Agency Meeting Minutes. No discussion. Motion passed.

III. PUBLIC COMMENT

Anna Munson, Candidate for Marion County Clerk, spoke briefly, introducing herself and talking about the importance of clarity, transparency, and understanding in elections. She is available if anyone has questions and is willing to share her experience and perspective.

IV. DISCUSSION

4.1 Urban Renewal Agency 101 Presentation – Elaine Howard

Elaine Howard, of Elaine Howard Consulting LLC, provided an overview or “crash course” on Urban Renewal Agencies, explaining Urban Renewal is an economic development tool, a unique financing tool, used to address “blighting” influences in specific areas, and functions on increases in property tax revenues in those specific areas.

Howard began by talking about property taxes. She said in Oregon, we pay our property taxes, and the revenue goes to the county assessor’s office where it gets distributed to the various taxing districts. She explained property taxes increase in Oregon for two reasons. 1) there is a three percent (3%) assessed value increase allowed annually. She clarified this is not to be confused with the real market value (RMV) which tends to increase more than three percent (3%). 2) if there is a substantial improvement to our property or new construction the assessor will re-value and reassess the property and the increase is not limited to three percent (3%).

When a city forms an Urban Renewal Area, the assessor takes the property within that Urban Renewal Area, identifies the total assessed value, and creates a frozen base assessed value just for the land within that area. The frozen base assessed value does not mean the taxes are frozen, it means the tax revenue is segregated. Any increase in value of the frozen base during the time it is in the Urban Renewal District, the three percent (3%) appreciation, goes to the Urban Renewal Agency.

Howard explained Urban Renewal provides many opportunities for redevelopment in cities that do not have sufficient funds. Typically, city general funds lack the ability to contribute to these opportunities, but Urban Renewal provides a funding source to bridge that gap.

Howard provided a map of several cities who have Urban Renewal, some of these cities include, Canby, Molalla, and Woodburn. Stayton is considering Urban Renewal.

Howard explained a precondition to Urban Renewal is blight. To clarify, Howard provided the definition of blight in the context of Urban Renewal. Blight is defined by state statute with specific criteria. Blight refers to the following: underdevelopment or underutilization of property; poor condition of buildings; and inadequacy of infrastructure including streets and utilities. She continued saying not every parcel in an Urban Renewal Area must be blighted, there simply must be blighting conditions within the area you want to improve to add vitality to your community.

She then described how an Urban Renewal Area functions. It needs an annual budget, and an income source, which is from the yearly property tax collections based on growth within the boundary. Second, it has expenses. They are the projects, programs, and administration. Third and final, it has a spending limit. It is capped by a maximum indebtedness (MI), which is established at the time you adopt the Urban Renewal Plan and lasts for the duration of the Urban Renewal area. MI is the total amount of money that can be spent over the life of the district on projects, programs, and administration. Once the MI has been reached, the Urban Renewal Agency (URA) can no longer receive funds from the assessor unless it is to pay off debt that was secured and is part of the maximum indebtedness. Once the long-term debt is paid, the Urban Renewal Area terminates. The Agency may still exist if there is another revenue stream.

How does Urban Renewal Financing work? Howard explained stating it is not a new tax nor is it an increased property tax. It uses the increases already built into property taxes. Urban Renewal is a line item on everyone's tax bill. The Assessor uses the following steps to distribute Urban Renewal Taxes, collection, calculation, and distribution. Calculation determines the Tax Increment Financing (TIF) to be collected. Distribution of the TIF citywide to property taxpayers. Collection of property tax revenues. When an Urban Renewal District ends, property taxes do not go down, the line item reverts back into the other taxing districts.

The impacts of Urban Renewal are always on the taxing districts. Urban Renewal diverts funds that would go to other property tax districts. The Urban Renewal Agency is required to do an annual report each year and hopefully, this encourages taxing districts to interact, ask questions and follow what the URA is doing. Schools are not directly impacted by Urban Renewal.

Howard discussed the limitations of Urban Renewal by the State for a city the size of Silverton. No more than twenty-five percent (25%) of the city's acreage can be in an Urban Renewal area and no more than twenty-five percent (25%) of the assessed value of the city. Once you have an area you cannot increase it by more than twenty percent (20%) of the original plan acreage. Maximum indebtedness (MI) may only be increased by a substantial amendment to the plan or going through the entire process of an Urban Renewal Plan again. The Agency does not have authority, but the city council has the authority to increase the MI to a limit of no more than twenty percent (20%) of the original MI indexed by inflation every year. To increase over twenty percent (20%), seventy-five percent (75%) of the taxing districts must concur through the adoption of a resolution.

Howard then explained the steps needed to adopt a plan or substantial amendment. Then she began talking about the City's Urban Renewal Plan. The City's MI is twelve million, seven hundred thousand dollars (\$12,700,000), remaining at the end of fiscal year 2023, five million, four hundred twenty-six thousand, and eight hundred seventy-seven dollars (\$5,426,877). She brought up the beginning fund balance for fiscal year 2023 was one million eight hundred thousand dollars (\$1,800,000), which a portion of it was allocated for fiscal year 2024. Annual TIF is about nine hundred and thirty thousand dollars (\$930,000). The projected end date, which is when the City would reach maximum indebtedness (MI), was fiscal year (FY) 2024-2025. It has been revised and the projected end date is now FY 2027-2028. Howard reminded the Agency to be thinking about what they want to get done prior to FY 2027-2028.

Agency Director Misley asked if it is possible to and/or is Howard seeing anyone increase the number based on the inflationary change or is it too much effort to change it. Howard responded to Misley saying, she believes the City had an inflation figure in the plan which accounted for some but not all inflation. She likes to see promises kept to other taxing districts and has seen Agencies increase the MI near the end because it is difficult to let go of the revenue stream.

Chair Freilinger said the taxing districts are looking forward to receiving the revenue and he would not want to go down that road.

Member Miller asked if the dollars have to be spent before the sunset of the Agency? Howard said, you can continue to spend the money you have until it is all spent.

Member Hammond asked about her reference to renewal districts owning property. Howard said she has worked with several districts who believe the acquisition of property is the best way to assure development aligns with their vision. To further explain, she said the entity purchases property then puts out a Request for Proposal (RFP) for a specific type of development. They select the developer and let them purchase the property from them. Hammond then asked if the City owns the property in perpetuity or are they obligated to sell it. Howard replied, they typically sell it to the developer. Hammond clarified; the City would have control of the design. Howard said that is correct.

A brief discussion about retaining funds ensued.

Then, Chair Freilinger reminded everyone the URA has purchased land and sold it to the City; the Westfield property, which is where the Senior Center, skate park, and dog park are located and there is a discussion about an affordable housing project there. Howard cautioned them to be careful about where they choose to retain ownership because of potential liability, however, depending on the project she is aware of cities retaining ownership.

Misley, to reiterate, stated the projected end date is the time allowed to bring in revenue to meet the maximum indebtedness (MI). Howard concurred.

Hammond asked if the Agency staffing is traditionally City Council members. Howard said ninety percent (90%) of the Urban Renewal Agencies are staffed by City Council members and sometimes it is City Council plus. She provided examples.

Howard said, the next step is to go over the existing projects and work with staff to assess where each project stands.

The Agency will need to determine what the priorities are from this day forward. Howard complimented staff, saying Gottgetreu provided a spreadsheet saying this level of organization is atypical.

V. BOARD COMMUNICATIONS

Member Hammond referenced the eight (8) original objectives. He went on to say, he tried to figure out where the projects fell into the eight (8) objectives. He articulated he understood over twenty (20) years objectives change and he wanted to grasp where existing projects fall in the original objectives.

Chair Freilinger said most of the projects fall into rehabilitation and redevelopment, saying what we haven't done are the infrastructure projects other than building the New City Hall.

Member Newton wanted to know when talking about funding, why this has only been discussed during URA. Newton was a long-time member of the Budget Committee, and these funds were not brought up in any of those meetings. Freilinger answered her question by stating URA is geographically limited to the Urban Renewal Area.

VI. ADJOURNMENT


Member Sutton made a motion to adjourn, and Chair Freilinger adjourned the meeting at 7:31 p.m.

Respectfully submitted by:

/s/Tammy Shaver, Human Resource Manager

DRAFT

**SILVERTON URBAN RENEWAL AGENCY STAFF REPORT
TO THE HONORABLE BOARD OF DIRECTORS**

	Agenda Item No.:	Topic:
	4.1	Resolution No. 24-01 - Authorizing signers on Silverton Urban Renewal Agency Bank Accounts
	Agenda Type:	
	Consent	
	Meeting Date:	
	May 20, 2024	
Prepared by:	Reviewed by:	Approved by:
Sheena Lucht	Kathleen Zaragoza	Cory Misley

Recommendation:

Adopt Resolution No. 24-01 authorizing signers on Silverton Urban Renewal Agency bank accounts.

Background:

The City of Silverton is required to change bank signers as our Police Chief, Jim Anglemier has retired effective May 17, 2024, and the Captain, Todd Engstrom has taken over the position.

Once the resolution is adopted, the signers will also need to complete the required documents with Citizens Bank to finalize who has been approved to sign. This will provide continuation of ongoing Agency operations regarding banking transactions.

Budget Impact	Fiscal Year	Funding Source
None	2023-2024	N/A

Attachments:

1. Resolution No. 24-01

SILVERTON URBAN RENEWAL AGENCY
RESOLUTION
24-01

**A RESOLUTION OF THE SILVERTON URBAN RENEWAL AGENCY (SURA) BOARD
AUTHORIZING SIGNERS ON CITY BANK ACCOUNTS**

WHEREAS, it is now necessary to change authorized signers on the Silverton Urban Renewal Agency bank accounts with the following banks due to the change in the Police Chief position; and

WHEREAS, Resolution No. 24-01, a resolution currently authorizing signatures on SURA bank accounts shall be repealed.

NOW THEREFORE, BE IT RESOLVED BY THE SILVERTON URBAN RENEWAL AGENCY, AS FOLLOWS:

Section 1: That the following persons are authorized signers and whose signatures appear above the respective authorized offices as follows:

CITIZENS BANK

Jason Freilinger, Chairman

Elvi Cuellar Sutton, Board President

Cory Mисley, Agency Director

Kathleen Zaragoza, Deputy City Manager/Finance Director

Todd Engstrom, Police Chief

Sheena Lucht, Assistant Finance Director
(ACH TRANSACTIONS ONLY)

Sarah Crofts, Accounting Manager
(ACH TRANSACTIONS ONLY)

OREGON STATE TREASURY ACCOUNT:
Local Government Investment Pool

Cory Misley, Agency Director

Kathleen Zaragoza, Deputy City Manager/Finance Director

Sheena Lucht, Assistant Finance Director
(ACH TRANSACTIONS ONLY)

Sarah Crofts, Accounting Manager
(ACH TRANSACTIONS ONLY)

Section 2: Resolution No. 23-05 is hereby repealed.

Section 3: That this resolution is and shall be effective beginning May 20, 2024.

Resolution adopted by the Silverton Urban Renewal Agency, this 20th day of May 2024.

Jason Freiling, Chairman

ATTEST

Cory Misley, Agency Director

City of Silverton
Community Development Department
 306 South Water Street
 Silverton, OR 97381
 (503) 874-2212
Jgottgetreu@silverton.or.us



MEMO

DATE: May 10, 2024
FROM: Jason Gottgetreu, Community Development Director
TO: Silverton Urban Renewal Agency
RE: Urban Renewal Projects Update

The Urban Renewal Plan established a maximum indebtedness of \$12,700,000. The local goals and objectives of the plan are to:

1. Assist private development
2. Improve streets, improve and enhance public open spaces and improve livability
3. Create Gateways into the city within renewal district boundaries
4. Improve & repair utilities to allow efficient and aesthetic redevelopment of area
5. Enhance transportation linkages and opportunities between the renewal district and outlying areas and attractions such as Silver Falls and Oregon Garden
6. Maintain, remodel, and construct public parks and open spaces, public facilities, and public safety facilities, to maintain and enhance safety in the renewal area, and to increase public utilization of the renewal area.
7. Assist in promoting a program of arts within the renewal district
8. Improve access to Silver Creek

The Plan has a list of potential projects by category that has been periodically updated over the course of the Plan. Currently, the list is as follows:

Urban Renewal	Total	Spent	Unspent	% Spent
Streetscape, Streets and curbs	\$2,401,575	\$697,442	\$1,704,133	29%
Rehabilitation and Conservation	\$960,630	\$946,820	\$13,810	99%
Redevelopment Through New Construction	\$1,056,693	\$1,047,429	\$9,264	99%
Undergrounding of Utilities	\$1,440,945	\$0	\$1,440,945	0%
Parks & Open Space	\$1,921,260	\$1,845,276	\$75,984	96%
Public Buildings and Facilities	\$2,401,575	\$2,401,575	\$0	100%
Pedestrian & Bike improvements	\$960,630	\$4,395	\$956,235	0%
Gateway Projects	\$576,378	\$37,695	\$538,683	7%
Public Utilities	\$500,000	\$14,857	\$485,143	3%
Administration	\$480,314	\$30,000	\$450,314	6%
Totals	\$12,700,000	\$7,025,489	\$5,674,511	55%

The Agency is looking to update the project list as we near the total Maximum Indebtedness (MI) to focus the remaining funds on high priority projects. The proposed updated project list below allocates the remaining unspent funds (\$5,674,511). This is meant to show the proposed use of the remaining funds absent the already spent funds for clarity. The total combined funds assuming the proposed changes are incorporated in the final table.

The projects would include the Main Street project, which would include streetscape elements such as new sidewalks, curbs, gutters, public utility improvements, possibly undergrounding overhead utilities, etc. The total cost of the project is not yet known, and unspent funds on the Main Street project could go toward additional streetscape enhancements in the Downtown.

The Parks line item is updated to include funds for the park that is identified to be south of the new City Hall, on the north side of Park Street.

The Pedestrian and Bike Improvements now also includes Transportation are anticipated to be used on yet to be identified safety projects.

The Gateway line item was revised to also include Downtown Beautification to add flexibility in where gateway enhancements could be located.

The administration line item would be utilized to reimburse the City the cost of the fund administration (forecasted \$30,000 for the next 5 years for City staff compensation), as well as \$100,000 to manage agency assets, such as looking at potentially facilitating additional lodging options to locate in Silverton, supporting consultants, and miscellaneous grants, etc.

Urban Renewal	Total Proposed	Spent	Unspent	% Spent
Streetscape and Infrastructure				
Main Street	\$2,174,511	\$0	\$2,174,511	0%
Rehabilitation and Conservation				
		\$0	\$0	100%
Redevelopment Through New Construction				
		\$0	\$0	100%
Undergrounding of Utilities				
		\$0	\$0	100%
Parks & Open Space				
Downtown Plaza Park Street	\$1,500,000	\$0	\$1,500,000	0%
Public Buildings and Facilities				
		\$0	\$0	100%
Pedestrian, Bike, & Transportation Improvements				
Safety Improvements	\$1,500,000	\$0	\$1,500,000	0%
Gateway and Downtown Beautification Projects				
	\$250,000	\$0	\$250,000	100%
Public Utilities				
		\$0	\$0	100%
Administration				
Manage Agency Assests	\$250,000	\$0	\$250,000	0%
Totals	\$5,674,511	\$0	\$5,674,511	0%

The below table combines the proposed changes with the existing spent funds table.

Urban Renewal	Total	Spent	Unspent	% Spent
Streetscape and Infrastructure	\$2,871,953	\$697,442	\$2,174,511	24%
Rehabilitation and Conservation	\$946,820	\$946,820	\$0	100%
Redevelopment Through New Construction	\$1,047,429	\$1,047,429	\$0	100%
Undergrounding of Utilities	\$0	\$0	\$0	100%
Parks & Open Space	\$3,345,276	\$1,845,276	\$1,500,000	55%
Public Buildings and Facilities	\$2,401,575	\$2,401,575	\$0	100%
Pedestrian, Bike, & Transportation Improvements	\$1,504,395	\$4,395	\$1,500,000	100%
Gateway and Downtown Beautification Projects	\$287,695	\$37,695	\$250,000	13%
Public Utilities	\$14,857	\$14,857	\$0	100%
Administration	\$280,000	\$30,000	\$250,000	11%
Totals	\$12,700,000	\$7,025,489	\$5,674,511	55%