



SANDY URBAN RENEWAL BOARD MEETING

Monday, June 02, 2025 at 6:30 PM
Sandy City Hall and via Zoom

AGENDA

TO ATTEND THE MEETING IN-PERSON:

Come to Sandy City Hall (lower parking lot entrance) - 39250 Pioneer Blvd., Sandy, OR 97055

TO ATTEND THE MEETING ONLINE VIA ZOOM:

Please use this link: <https://us02web.zoom.us/j/84650539919>

Or by phone: (253) 215-8782; Meeting ID: 84650539919

ROLL CALL

APPROVAL OF MINUTES

1. [Approval of Minutes: September 3, 2024](#)

NEW BUSINESS

2. [PUBLIC HEARING: Budget Adoption - SURA BN 2025-27](#)
 - Resolution 2025-20

ADJOURN

Americans with Disabilities Act Notice: Please contact Sandy City Hall, 39250 Pioneer Blvd. Sandy, OR 97055 (Phone: 503-668-5533) at least 48 hours prior to the scheduled meeting time if you need an accommodation to observe and/or participate in this meeting.



SANDY URBAN RENEWAL BOARD MEETING

Tuesday, September 03, 2024 at 6:00 PM
Sandy City Hall and via Zoom

MINUTES

ROLL CALL

PRESENT

Chair Stan Pulliam
Board Member Chris Mayton
Board Member Laurie Smallwood
Board Member Rich Sheldon
Board Member Kathleen Walker
Board Member Don Hokanson

ABSENT

Board Member Khrys Jones

APPROVAL OF MINUTES

1. Approval of Minutes

MOTION: Approve the August 5, 2024 minutes

Motion made by Board Member Sheldon, Seconded by Board Member Hokanson.

Voting Yea: Chair Pulliam, Board Member Mayton, Board Member Smallwood, Board Member Sheldon, Board Member Walker, Board Member Hokanson

MOTION CARRIED: 6-0

NEW BUSINESS

2. Grandma's House Childcare Tenant Improvement (Project #24-001 TI)

The Development Services Director summarized the staff report and delivered a slide presentation, both of which were included in the meeting packet.

Board discussion ensued on the following issues:

- State requirements for playgrounds at childcare facilities, and the extent to which the business may have previously received a waiver
- The business' plans to make additional improvements to the front yard of the property

- Clarification on the length of the property lease
- Clarification on the number of children the business can accommodate
- Discussion on the need to install additional fencing to separate younger from older children
- Discussion of a recent state inspection that prompted the effort to improve the playground
- Summary of the business' previous locations and the reasons for previous relocations
- Discussion of the business' growth over time
- Discussion as to why the business model alone cannot support the cost of playground improvement
- Concern that the grant would not create additional childcare capacity; suggestion that playground improvement should be the responsibility of the business
- Concern about continuing to spend urban renewal funds without strategic direction
- Suggestion that it is important to support existing childcare businesses
- Suggestion that the business would have been awarded a grant for the playground had they applied when their first relocated to the present property
- Comparisons between this circumstance and the covered structures program
- Emphasis on the urgency of developing an urban renewal strategic plan, and on the need for staff to ensure that it happens soon

MOTION: Approve the tenant improvement grant for Grandma's House Childcare

Motion made by Board Member Walker, Seconded by Board Member Smallwood.

Voting Yea: Board Member Mayton, Board Member Smallwood, Board Member Sheldon, Board Member Walker, Board Member Hokanson

Voting Nay: Chair Pulliam

MOTION CARRIED: 5-1

3. Mt. Hood Cigar Company Façade Grant (Project #23-003 FAC)

The Development Services Director summarized the staff report and delivered a slide presentation, both of which were included in the meeting packet.

Board discussion ensued on the following issues:

- The origin of the door images provided in the application
- Previous instances in which roll-up doors were allowed under the City's design regulations
- Concern about smoking near an entryway, with respect to state law
- Note that the City previously approved the building's deck with the understanding that it would be used for smoking
- Concern that the property owner may have different long-term plans for the building
- Discussion as to whether the west façade of the building is visible from a right-of-way
- Suggestion that the proposed grant project is inconsistent with the goals of the grant program

MOTION: Deny the façade grant for Mt. Hood Cigar Company

Motion made by Board Member Hokanson, Seconded by Board Member Mayton.

Voting Yea: Chair Pulliam, Board Member Mayton, Board Member Smallwood, Board Member Sheldon, Board Member Walker, Board Member Hokanson

MOTION CARRIED: 6-0

ADJOURN

DRAFT



STAFF REPORT

Item # 2.

Meeting Type: Urban Renewal Board
Meeting Date: June 2, 2025
From: Tyler Deems, City Manager
Subject: PUBLIC HEARING: Budget Adoption - SURA BN 2025-27

DECISION TO BE MADE:

Whether to adopt the Sandy Urban Renewal Agency BN 2025-27 budget, as approved by the Budget Committee

BACKGROUND / CONTEXT:

The Sandy Urban Renewal Agency (SURA) operates on a two-year budget, as allowed by Oregon's Local Budget Law. The two-year period is made up of two fiscal years, running from July 1 through June 30. The City Manager is the budget officer and is responsible for the development and management of the overall budget, as well as presenting the budget message to the Budget Committee. SURA Executive Director Tyler Deems presented the budget message and the proposed budget on [May 12, 2025](#). After Budget Committee deliberations, the proposed budget was approved as proposed.

KEY CONSIDERATIONS / ANALYSIS:

Once the Budget Committee approves the budget, the SURA Board must hold a public hearing before officially adopting the budget. The public hearing should be held prior to making any motions on the following resolution. A summary of the resolution is included below:

- The Board needs to adopt a resolution adopting the budget, making appropriations, and selecting the tax increment needed. **Resolution 2025-20** fulfills this purpose. This resolution outlines the total budget, appropriations by object classification, and the tax increment. The Board is holding its public hearing for this purpose at this meeting (June 2, 2025).

BUDGET IMPACT:

All resources and requirements related to this resolution have been accounted for in the BN 25-27 budget.

RECOMMENDATION:

Approve Resolution No. 2025-20

SUGGESTED MOTION LANGUAGE:

"I move to approve Resolution No. 2025-20"

LIST OF ATTACHMENTS / EXHIBITS:

- BN 2025-27 Budget Committee Approved Budget - SURA
- Resolution 2025-20



SANDY URBAN RENEWAL AGENCY

APPROVED BUDGET

BN 2025 - 2027

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Sandy Urban Renewal Agency Budget

Overview

The Sandy Urban Renewal Agency (SURA) was established by the City of Sandy in 1998. The Agency Board is comprised of the Sandy City Council. The Sandy Urban Renewal Plan was adopted by the City of Sandy in 1998.

The general objectives of the plan are to:

1. Improve the vitality of Sandy's downtown core.
2. Make productive use of land in the urban renewal area.
3. Create opportunities for new development within the renewal area.
4. Enhance public safety in the renewal area.
5. Provide new public amenities and open spaces in the renewal area.
6. Make improvements to infrastructure in the renewal area.
7. Implement the goals and objectives of Sandy's Comprehensive Plan.

The Sandy Urban Renewal Plan (Plan) has been amended five times since 1998. The amendments increased maximum indebtedness and added projects to the original plan.

Urban renewal projects and activities are funded by tax increment financing. When the Plan was adopted, the assessed value of the urban renewal area at the time of adoption became the "frozen base." Whatever property tax revenue overlapping jurisdictions receive from the frozen base is the same amount they will receive annually until the urban renewal district is terminated. As property values increase above the frozen base in the district, the urban renewal district receives that increase as the tax increment. The increment is used to pay back the capital improvement costs, usually through bonds, to complete the projects in the plan. When the district expires and the bonds are fully paid off, the taxing districts benefit from the increased assessed values that the urban renewal district provided.

The plan identifies the limit on the total debt that will be incurred by the urban renewal agency to complete the projects. The maximum indebtedness established in 2015 for the Sandy Urban Renewal Plan is \$67,000,000. 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.

Urban Renewal Plan Activities and Projects

The plan includes projects and activities that address blight and deterioration in the Sandy Urban Renewal Area.

- A. Public Improvements
 - a. Traffic Signalization
 - b. Public Parking Facilities
 - c. Public Open Spaces
 - d. Street, Curb, and Sidewalk Improvements
 - e. Fire Protection Improvements
 - f. Streetscape and Civic Area Projects
 - g. Street Lighting
 - h. Placing Utilities Underground

Sandy Urban Renewal Agency Budget

- i. Pedestrian, Bike, and Transit Connectivity
- j. Aquatic/Recreation Center
- k. 362nd Extension North of Highway 26
- l. City Hall
- B. Preservation, Rehabilitation, Development and Redevelopment
- C. Property Acquisition and Disposition
- D. Design Plans
- E. Plan Administration

BN 2025-27 Highlights

The urban renewal agency is estimating to receive \$3,800,000 in property taxes in the proposed biennium. This tax increment is used to fund the active projects and activities in the urban renewal plan through debt financing and tax increment excess.

The proposed projects in the next biennium include the Meinig Park project, additional improvements to the former Cedar Ridge Middle School site, and the façade and tenant improvement grant programs.

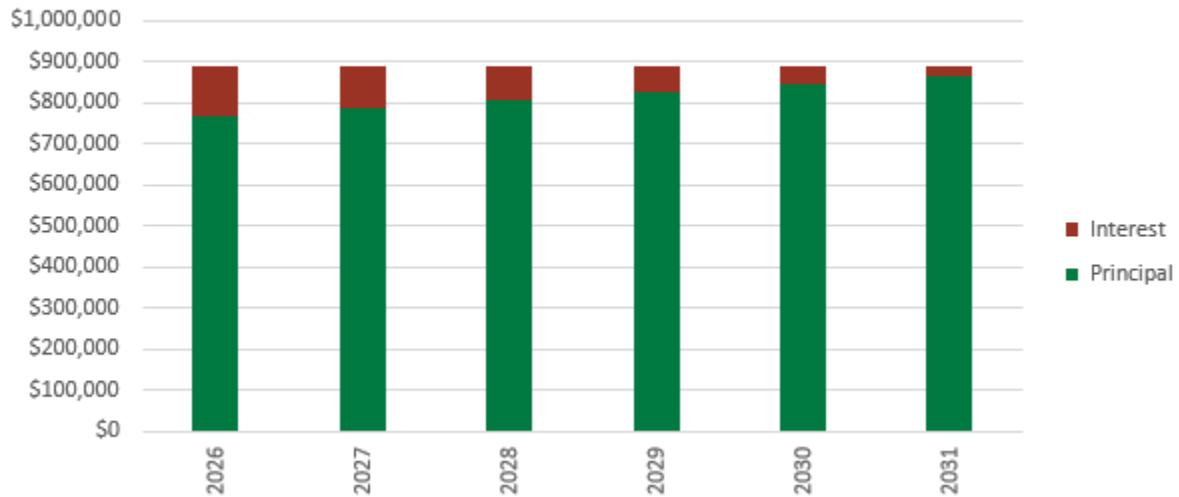
Major Projects/Programs	BN 25-27 Approved
Meinig Park Reinvestment	800,000
Community Campus	200,000
Grant Programs	400,000

The budget also includes staff expenses for administering the plan and managing the projects.

Debt Service Summary

The Urban Renewal Fund transfers funds to the City of Sandy's Full Faith & Credit fund to pay debt service on bonds issued for urban renewal projects. The outstanding bonds include the 2017 bond issue for the purchase of the Cedar Ridge property, fire station improvements, and Cedar Park development.

Annual Debt Service - Urban Renewal Agency



Schedule of Future Principal & Interest Payments Due

Fiscal Year Ended	Principal	Interest	Total
June 30, 2026	768,256	119,561	887,817
June 30, 2027	787,001	100,815	887,816
June 30, 2028	806,204	81,613	887,817
June 30, 2029	825,875	61,941	887,816
June 30, 2030	846,027	41,790	887,817
June 30, 2031	866,670	21,147	887,817
Total	4,900,033	426,867	5,326,900

Urban Renewal Fund

Fund Overview

The Urban Renewal Fund accounts for all business that is carried out by the Sandy Urban Renewal Agency (SURA). The Agency was created in 1998 and is in place to complete improvements in the downtown and commercial areas of the city. The SURA Board consists of all the members of the City Council.

2023-25 Accomplishments & Highlights

- Demolished derelict buildings on the old Cedar Ridge Middle School site.
- Developed Cedar Park to create a new skate park, pump track, and jump line.
- Purchase parking lot in downtown to provide additional public parking.
- Updated tax increment financing projections and the overall financial plan for the District.

Goals

- Continue to provide economic support for businesses within the District via grant programs and incentives.
- Work with the SURA Board to develop a prioritized project plan.

Staffing

	19-21	21-23	23-25	25-27
Total FTE	1.13	1.22	1.05	0.55

Budget Summary & Detail

	BN 19-21 Actual	BN 21-23 Actual	BN 23-25 Budget	BN 25-27 Proposed	BN 25-27 Approved
Beginning Balance	5,311,254	6,230,022	7,350,898	3,202,507	3,202,507
Property Taxes	3,690,549	3,845,112	3,900,000	3,800,000	3,800,000
Interest	163,430	234,443	75,000	200,000	200,000
Miscellaneous	69,214	536,827	55,000	5,000	5,000
Total Resources	9,234,448	10,846,404	11,380,898	7,207,507	7,207,507
Personnel Services	262,567	333,472	349,100	264,600	264,600
Materials & Services	157,278	321,599	553,500	705,500	705,500
Capital Outlay	807,141	694,269	6,100,000	1,000,000	1,000,000
Debt Service	-	-	-	-	-
Transfers	1,793,538	1,824,196	1,829,197	1,861,187	1,861,187
Contingency	-	-	2,549,101	3,376,220	3,376,220
Total Requirements	3,020,524	3,173,537	11,380,898	7,207,507	7,207,507

BN 2025-27 Budget Notes

- Personnel Services reflects the allocation of City of Sandy FTE who aid in the execution of the SURA plan.
- Capital Outlay includes \$200,000 in improvements to the former Cedar Ridge Middle School site (overflow parking and potential for dining options) and \$800,000 for Meinig Park reinvestment.
- Transfers account for all debt service payments which are paid via the Full Faith & Credit Fund.

Urban Renewal Fund

Account Number	Account Name	BN 19-21 Actual	BN 21-23 Actual	BN 23-25 Budget	BN 25-27 Proposed	BN 25-27 Approved
720-000-401000	Beginning Balance	5,311,254	6,230,022	7,350,898	3,202,507	3,202,507
720-000-410100	Current Year Property Tax	3,632,520	3,772,772	3,850,000	3,750,000	3,750,000
720-000-410200	Prior Year Property Tax	58,029	72,340	50,000	50,000	50,000
720-000-471100	Interest	163,430	234,443	75,000	200,000	200,000
720-000-478000	Miscellaneous Revenue	68,296	442,709	-	-	-
720-000-495350	Loan Payments	919	94,118	55,000	5,000	5,000
Total Resources		9,234,448	10,846,404	11,380,898	7,207,507	7,207,507
720-072-511100	Salaries	178,944	230,045	234,000	170,000	170,000
720-072-511200	Overtime	534	744	-	-	-
720-072-521100	Insurance Benefits	17,039	23,736	26,000	26,000	26,000
720-072-521200	FICA Taxes	14,209	17,376	18,000	13,000	13,000
720-072-521300	PERS	43,556	58,570	66,000	51,000	51,000
720-072-521360	Other Benefits	3,753	83	-	-	-
720-072-521500	Workers' Benefit Fund	101	99	100	100	100
720-072-521600	Unemployment Insurance	186	343	1,000	500	500
720-072-521700	Paid Leave Oregon Tax	-	233	1,000	1,000	1,000
720-072-521800	Workers' Comp Insurance	3,131	876	1,500	1,500	1,500
720-072-521900	Transit Tax	1,114	1,367	1,500	1,500	1,500
720-072-601100	Supplies	686	945	1,000	1,000	1,000
720-072-601200	Postage	1	-	-	-	-
720-072-601300	Printing	-	-	-	-	-
720-072-601400	Copier Charges	-	-	-	-	-
720-072-601500	Public Notices	242	342	500	500	500
720-072-601600	Organizational Fees	1,318	1,807	2,000	4,000	4,000
720-072-605100	Contractual Services	105,031	143,158	100,000	150,000	150,000
720-072-608100	Professional Services	-	175,347	50,000	150,000	150,000
720-072-639000	Grant Programs	-	-	400,000	400,000	400,000
720-072-639619	Program - Emergency Small Business Grants	50,000	-	-	-	-
720-072-716000	Improvements	375	-	-	-	-
720-072-716010	City Hall Improvements	107,743	10,200	100,000	-	-
720-072-722510	Community Center/Aquatic Facility	60,524	28,535	6,000,000	200,000	200,000
720-072-722520	Meinig Park Improvements	-	-	-	800,000	800,000
720-072-731000	Infrastructure	114,118	35,400	-	-	-
720-072-760500	Fire Equipment & Improvements	-	-	-	-	-
720-072-784003	Building Improvement	524,381	620,134	-	-	-
720-072-834100	Bond Interest	-	-	-	-	-
720-072-910110	Transfer to General Fund	17,904	48,563	53,563	85,553	85,553
720-072-910450	Transfer to FFC Fund	1,775,634	1,775,633	1,775,634	1,775,634	1,775,634
720-072-950000	Contingency	-	-	2,549,101	3,376,220	3,376,220
Total Requirements		3,020,524	3,173,537	11,380,898	7,207,507	7,207,507



RESOLUTION NO. 2025-20

A RESOLUTION ADOPTING THE BIENNIUM 2025-27 BUDGET OF THE SANDY URBAN RENEWAL AGENCY AND MAKING APPROPRIATIONS

WHEREAS, the Sandy Urban Renewal Agency (SURA) desires to adopt a budget for the biennial period July 1, 2025 to June 30, 2027, make appropriations, and certify the division of tax revenues.

NOW, THEREFORE, BE IT RESOLVED BY THE SANDY URBAN RENEWAL BOARD:

Section 1: The SURA Board hereby adopts the budget for the biennium 2025-2027 in the sum of \$7,207,507. The budget is now on file at the Finance Department, City Hall, Sandy, OR.

Section 2: The amounts listed below are hereby appropriated for the biennium beginning July 1, 2025 for the purposes stated

URBAN RENEWAL FUND		
	URA Operations	\$7,207,507
	Total Appropriations	\$7,207,507
Total Biennial Budget 2025-27		\$7,207,507

Section 3: The SURA Board hereby certifies to the Clackamas County Assessor the Agency's intention to set the incremental assessed value to \$118,478,543, which will generate approximately \$1,959,000 of taxes imposed.

This resolution is adopted by the Board of the Sandy Urban Renewal Agency this 2nd day of June, 2025.

Kathleen Walker, Board Chair

ATTEST:

Jeffrey Aprati, City Recorder