



URBAN RENEWAL AGENCY BUDGET COMMITTEE

Thursday, May 29, 2025, at 6:00 PM

MINUTES-APPROVED

Members Present

Mayor Jennifer Massey
Council President Jessica Chilton
Councilor Mark Gundersen
Councilor Russell Hubbard
Councilor Brandon Sundeen

Committee Member Lew Mason
Committee Member Ivan Salas
Chair Steve Toschi

Members Absent:

Committee Member Jennifer Gilbert

Staff Present:

Gloria Butsch, Finance Director - Budget Officer
John Walsh, City Administrator
Jamie Edwards, Accountant III- Budget Comm. Sec.
Jennifer Dimsho, Community Development Project Manager
Joe Hogue, Acting Police Chief

Others:

Jan Zuccarini
Pat Rubino
Catherine Ross
Brady Preheim

Call To Order - 6:00 P.M

Introductions

Introductions were made around the table, starting with the committee members and City staff.

Mayor Massey declared a potential conflict of interest, indicating that her husband is a police officer for the City of St. Helens.

Election Of Budget Chair

Motion: Motion made by Committee Member Lew Mason to nominate Committee Member Steve Toschi as Chair of the Urban Renewal Agency Budget Committee, seconded by Committee Member Ivan Salas.

Voting Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen, Vice Chair Mason, Committee Member Toschi

Approval Of Minutes

1. May 16, 2024, URA Budget Committee Minutes

Motion: Motion made by Councilor Gundersen to approve the URA Budget Committee minutes from May 16, 2024, seconded by Committee Member Mason.

Voting Yea: Mayor Massey, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen, Committee Member Mason, Committee Member Salas, Chair Toschi

URA Budget Message

2. URA BUDGET MESSAGE & PROPOSED BUDGET FY 2026

Finance Director and Budget Officer Gloria Butsch delivered the budget message for the proposed FY 2026 URA Budget.

The budget message noted that FY 2025 was the first year since the agency's formation in which funds were appropriated in categories other than contingency, following eight years of resource accumulation for priority infrastructure projects identified in the adopted St. Helens Urban Renewal Agency Plan.

The proposed FY 2025/2026 budget appropriates \$100,000 in capital outlay to complete the Riverfront District Streets and Utilities Extension Project and fund Phase 1 of the River Block Project, along with \$15,000 in materials and services for an audit. These projects focus on improving key street intersections in the downtown riverfront district, extending utilities to the City's riverfront property, and making improvements along the Columbia River in Columbia View Park.

Project expenditures are financed through an IFA loan and state-administered grants, with some eligible expenditures accounted for in the City's System Development Charge (SDC) funds. As of June 30, 2025, draws from the IFA loan are expected to total \$14,556,856, which represents the full loan balance. The agency's maximum indebtedness is \$62,000,000, as established in the 2017 plan, and the amount of maximum indebtedness used by the agency is expected to reach \$18,104,496 by June 30, 2025. Project expenditures financed through SDCs are not counted against the maximum indebtedness figure.

The budget message also noted that agency TIF revenues for FY 2024 and FY 2025 declined due to the departure of Cascades Tissue. However, the anticipated sale of the former mill site expected to close in June 2025, private investment in the waterfront redevelopment project, and reactivation at the former Armstrong World Industries site were all identified as factors with potential to improve the agency's long-term financial outlook.

Finally, the budget message indicated that the City may seek reimbursement from the agency in the future for prior-year administrative expenses, including planning fees, professional services, and a percentage of staff time related to the agency's creation and administration. However, staff recommended deferring any such reimbursement request until sufficient reserves are accrued to cover upcoming loan payments.

Public Comment On Proposed URA Budget

Chair Toschi opened public comment on URA Proposed Budget after Butsch provided budget message.

Public comment was heard by: Brady Preheim.

- Brady Preheim offered comments expressing two primary concerns. First, he noted that the budget figures might be out of date, observing that the City Council had recently approved a supplemental budget amendment, which he believed brought the total to approximately \$22–23 million. He emphasized this change might not yet be reflected in the current budget, questioning when it would be updated to reflect

this amendment. Second, Brady expressed concern about the Agency's ability to repay the principal on the IFA loan without the tax revenue previously contributed by Cascades Tissue.

Discussion And Approval Of FY 2025/2026 URA Budget

Chair Toschi opened discussion on the Proposed URA Budget for Fiscal year 2026.

Mayor Massey requested a staff response to the public comment regarding the \$22–23 million figure. Community Development Project Manager Jennifer Dimsho clarified that while the City had amended the IFA loan agreement, this amendment accounted for matching funds—including SDC contributions, grants, and other City matching funds—and did not represent an increase in the loan amount itself, which remains at \$14,556,856.

Finance Director Butsch and Project Manager Dimsho addressed the concern about debt service. They confirmed that the agency is not required to begin making payments on the IFA loan until three years following the close of the loan, which is expected to occur in October 2025—placing the first debt service payment approximately three years from that date. They clarified that the first payment will include interest that has been accruing since the first draw on the loan. As long as the agency continues to collect taxes and defers reimbursing the City for administrative expenses, it should be prepared for the upcoming obligations.

Chair Toschi asked if there were plans to spend more URA funds, Finance Director Butsch and City Administrator John Walsh confirmed that the priority is to allow revenues to accrue sufficient to cover the existing debt service before any new projects or borrowing are considered.

Motion: Motion made by Committee Member Ivan Salas to approve the FY2025-2026 Budget for the City of St. Helens Urban Renewal Agency in the amount of \$743,056 and approve that the Agency levy the maximum incremental tax revenue as provided under State law, seconded by Committee Member Lew Mason.

Voting Yea: Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen, Committee Member Mason, Committee Member Salas, Chair Toschi

Voting Abstaining: Mayor Massey

Adjournment at 6:21 p.m.

Respectfully submitted by Jamie Edwards, Accountant III, with assisted transcription by ClerkMinutes.