



OFFICE OF COUNTY COUNSEL

PUBLIC SERVICES BUILDING

2051 KAEN ROAD OREGON CITY, OR 97045

June 25, 2015

Board of County Commissioners
Clackamas County

Members of the Board:

Stephen L. Madkour
County Counsel

Kimberley Ybarra
Kathleen Rastetter
Chris Storey
Scott C. Ciecko
Alexander Gordon
Amanda Keller
Nathan K. Boderman
Christina Thacker
Assistants

Adopting a Board Resolution in the matter of the
Library District of Clackamas County Response to the City of Sandy
Request for Consent Regarding Certain Changes to Its
Urban Renewal Plan Area and Authorized Indebtedness

Purpose/Outcome	The purpose of this Board Order is to concur or reject the proposed increase in the maximum indebtedness of the City of Sandy Urban Renewal Plan Area as stated in the Urban Renewal Plan Amendment and concur or reject a modified revenue sharing proposal from the City of Sandy
Dollar Amount and Fiscal Impact	The proposed amendment to the Plan would increase its maximum indebtedness from \$18,500,000 to \$67,000,000, with an estimated pay off of all debt in 2048. This would decrease the amount of funding available to the Library District by an average of approximately \$58,000 per year, for a total of \$1,634,821
Funding Source	The revenue is diverted to urban renewal uses and is not made up from other sources. It will result in a decrease in funds available to support library services provided by the City of Sandy
Safety Impact	The Urban Renewal Plan Amendment includes street improvements that will increase safety for motorists.
Duration	If adopted, the Urban Renewal Plan Amendment will pay off all debt in 2048. The City of Sandy has indicated that they will try to pay debt off earlier if possible.
Previous Board Action/Review	On June 16, the Board of County Commissioners received testimony from staff from the County and City of Sandy regarding the proposed Plan Amendment and approved putting the matter for discussion at their June 25, 2015 Business Meeting
Contact Person	Chris Storey, Assistant County Counsel
Contract No.	n/a at this time

BACKGROUND:

The City of Sandy, Oregon adopted the Sandy Urban Renewal Plan (the "Plan") on December 21, 1998 by Ordinance No. 98-18 (the "Plan") and are now considering a substantial amendment to the Plan to increase its maximum indebtedness from \$18,000,000 to \$67,000,000 ("Urban Renewal Plan Amendment"), which increase

exceeds the statutory limit of 20% of the original maximum indebtedness, as adjusted, under Oregon Revised Statute ("ORS") 457.

The increase in maximum indebtedness of more than 20% of the original maximum indebtedness, as adjusted, requires the concurrence of those taxing districts imposing at least 75 percent of the amount of taxes imposed under permanent rate limits in the urban renewal area. Revenue-sharing can be modified by agreement of those taxing districts imposing at least 75% of the amount of taxes imposed under permanent rate limits in the urban renewal area.

The Library District of Clackamas County ("District") imposes permanent rate property taxes in the Sandy Urban Renewal Area and the Board of County Commissioners as its governing body may concur or reject the maximum indebtedness of the Plan as stated in the Urban Renewal Plan Amendment and modified revenue sharing. All debt is estimated to be paid by fiscal year end (FYE) 2048.

If the Plan changes go forward, the Plan would decrease the amount of funding available to the District by an average of approximately \$58,000 per year, for a total of \$1,634,821. These monies, by agreement, would otherwise be given exclusively to the City of Sandy in support of the provision of library services in their service area. The District represents approximately 2.68% of the underlying permanent levy that may vote on the measure.

Staff has prepared a draft resolution that may be adopted to either concur with or reject the proposal for the Board's consideration.

RECOMMENDATION:

Staff respectfully recommends that the Board of the County Commissioners hold a public discussion with opportunity for public input, and decide to either concur with or reject the City of Sandy's proposal on behalf of the District.

Respectfully submitted,



Chris Storey
Assistant County Counsel

Attachments:
Model Resolution

In the Matter of the Library
District of Clackamas County
Response to the City of
Sandy Request for
Consent Regarding Certain
Changes to Its Urban Renewal Plan
Area and Authorized Indebtedness

RESOLUTION No. ____
Page 1 of 2

WHEREAS, the City of Sandy, Oregon adopted the Sandy Urban Renewal Plan on December 21, 1998 by Ordinance No. 98-18 (the "Plan"); and

WHEREAS, the Sandy Urban Renewal Agency and the City of Sandy are considering a substantial amendment to the Plan to increase its maximum indebtedness from \$18,000,000 to \$67,000,000 ("Urban Renewal Plan Amendment"), which increase exceeds the statutory limit of 20% of the original maximum indebtedness, as adjusted, under Oregon Revised Statute ("ORS") 457; and

WHEREAS, the increase in maximum indebtedness of more than 20% of the original maximum indebtedness, as adjusted, requires the concurrence of those taxing districts imposing at least 75 percent of the amount of taxes imposed under permanent rate limits in the urban renewal area; and

WHEREAS, revenue-sharing can be modified by agreement of those taxing districts imposing at least 75% of the amount of taxes imposed under permanent rate limits in the urban renewal area; and

WHEREAS, the Library District of Clackamas County imposes permanent rate property taxes in the Sandy Urban Renewal Area and wishes to indicate its [concurrence][rejection] with the increase in the maximum indebtedness of the Plan as stated in the Urban Renewal Plan Amendment and wishes to indicate its [concurrence][rejection] with the modified revenue sharing that is estimated to pay off all debt by fiscal year end (FYE) 2048;

NOW, THEREFORE, it is hereby resolved:

1. The Board hereby [concurs with][rejects] the increase in the maximum indebtedness of the Sandy Urban Renewal Plan as indicated in the Urban Renewal Plan Amendment, which increase is more than 20% of the original maximum indebtedness as adjusted.
2. The Board hereby [concurs with][rejects] the modified revenue sharing as projected in the financial model where all debt is estimated to be paid off in FYE 2048 and shown as Exhibit A to this resolution. The Board understands that these are estimates based on projected tax increment revenues and actual payments will depend on actual tax increment revenue amounts.

Dated this 25th day of June, 2015.

In the Matter of the Library
District of Clackamas County
Response to the City of
Sandy Request for
Consent Regarding Certain
Changes to Its Urban Renewal Plan
Area and Authorized Indebtedness

RESOLUTION No. ____
Page 2 of 2

**CLACKAMAS COUNTY BOARD OF COMMISSIONERS as the
Governing Body of the Library District of Clackamas County**

Chair

Recording Secretary