



CITY COUNCIL MEETING

Monday, January 13, 2025
Community Auditorium, 1915 Main Street

Malynda Wenzl, Chair

Angel Falconer, Director
Donna Gustafson, Director
Michael Marshall, Director

Karen Martinez, Director
Brian Schimmel, Director
Mariana Valenzuela, Director

[TVCTV Livestream](#)

[Zoom Webinar](#) Meeting ID: 850 7572 2488 Passcode: 97116

Americans with Disabilities Act (ADA) Notice: The City is committed to providing equal access to public meetings. Requests for accommodation can be submitted to the City Recorder at least 48 hours before the meeting at: mwoods@forestgrove-or.gov or 503-992-3235

A. 9:20 Call to Order

1. Roll Call

B. Public Comment Time provided for anyone wishing to speak to the Board on an item not on the agenda or on the agenda but not scheduled for a public hearing. Comments are limited to 2 minutes unless additional time is granted by the Presiding Officer. The public comment period shall not exceed 30 minutes unless a majority of Board present vote to extend the time. Zoom attendees may use the "Raise Hand" option to be called on.

C. Consent Agenda Items under the Consent Agenda are considered routine and will be adopted with a single motion, without separate discussion. Committee members who wish to remove an item from the Consent Agenda may do so prior to the motion. Any item(s) removed will be discussed and acted upon following the approval of the remaining item(s).

D. Additions/Deletions

E. Presentations The Board will hold questions until the end of each presentation. A two-minute reminder will be given to the presenter to conclude remarks.

F. Public Hearings, Resolutions

1. 9:25 **URA RESOLUTION 2025-01 AUTHORIZING THE APPROPRIATION OF PROCEEDS FROM THE SALE OF REVENUE BONDS FOR THE FOREST GROVE URBAN RENEWAL AGENCY (URA) FOR FISCAL YEAR 2024-25**
Staff: Paul Downey, Assistant City Manager/Finance Director

G. 9:30 Adjournment



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CITY RECORDER USE ONLY:

AGENDA ITEM #: _____

MEETING DATE: _____

FINAL ACTION: _____

CITY COUNCIL STAFF REPORT

TO: *Urban Renewal Agency (URA) Board of Directors*

FROM: *Jesse VanderZanden, City Manager*

MEETING DATE: *January 13, 2025*

PROJECT TEAM: *Paul Downey, Assistant City Manager/Finance Director*

SUBJECT TITLE: *Budget Appropriation for URA Debt Issuance Proceeds*

ACTION REQUESTED:

☐	☐	☐	☒	☐	☐	☐	☐
	Ordinance	Order	X	Resolution		Motion	Informational

X all that apply

ISSUE STATEMENT: The Forest Grove Urban Renewal Agency (URA) issued \$4,250,000 in revenue bond debt on December 18, 2024. The URA Board now needs to appropriate the expenditure of the debt proceeds in accordance with Oregon Budget Law. Staff have prepared a resolution authorizing the expenditure of the debt proceeds for Board consideration. A supplemental budget process is not required under ORS 298.334(4) which allows the appropriation of proceeds for the sale of revenue bonds by resolution without a supplemental budget process.

BACKGROUND: Debt of \$4,250,000 was issued on December 18, 2024, for a period of ten years at an interest rate of 5.98% with annual principal and interest payment of approximately \$578,000. The first interest payment of \$124,958 is due in June 2025 with subsequent principal and interest payments due in June of each year until 6/30/2035. Current property taxes being collected by the URA are sufficient to cover the annual debt service payment. The debt is secured solely by tax increment revenues of the URA area.

After issuance costs are paid, the URA will receive \$4,196,000 for projects. The URA is looking at purchasing two properties in the downtown area and has signed Purchase Sale Agreements for both properties. One property will be \$2,100,000 plus closing and due diligence costs. The other property will be \$1,327,000 plus closing and due diligence costs. Total projected costs to purchase both properties are estimated at \$3.8 million which will leave some debt proceeds for other activities. The URA will need to budget for these expenditures.

STAFF RECOMMENDATION: Staff recommends the URA Board approve the attached resolution appropriating the expenditure of the debt proceeds.

ATTACHMENT: URA Resolution 2025-01 Authorizing the Appropriation of Proceeds from the Sale of Revenue Bonds for the Forest Grove Urban Renewal Agency for the Fiscal Year 2024-25.

URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE, OREGON
URA RESOLUTION NO. 2025-01

**RESOLUTION AUTHORIZING THE APPROPRIATION OF PROCEEDS FROM
THE SALE OF REVENUE BONDS FOR THE FOREST GROVE URBAN
RENEWAL AGENCY (URA) FOR FISCAL YEAR 2024-25**

WHEREAS, the URA has issued revenue bonds backed by URA property taxes in the amount of \$4,250,000; and

WHEREAS, the proceeds from the debt issuance will be used to pay for the issuance of debt and for projects within the URA area including the purchase of property; and

WHEREAS, the issuance of this debt was not anticipated at the time the URA's Fiscal Year 2024-45 Budget was prepared and the expenditure of funds from the revenue bond proceeds needs to be appropriated; and

WHEREAS, this budget is allowed under ORS 294.338(4) and no supplemental budget process or public hearing is required for this budget appropriation.

NOW, THEREFORE, BE IT RESOLVED BY THE URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE AS FOLLOWS:

Section 1. In the Forest Grove URA: 1) Proceeds from Debt Issuance (revenue account number 8508500 4716) is increased by \$4,250,000; and 2) appropriations for Debt Issuance Costs (materials and services expenditure line item 8508500 6328) is increased by \$54,000; and 3) appropriations for Land Purchase Program (materials and services expenditure line item 8508500 6428) is increased by \$4,071,042; and 4) Interest – FG Urban renewal (debt services expenditure line item 8508500 8114) is increased by \$124,958.

Section 2. Total URA appropriations are increased by \$4,250,000 to \$5,752,210. URA Program appropriations are increased to \$5,627,252 and Debt Service appropriations are increased to \$124,958.

Section 3. This resolution is effective immediately upon its enactment by the Urban Renewal Agency of the City of Forest Grove.

PRESENTED AND PASSED this 13th day of January, 2025.

Jesse VanderZanden, Executive Director
Urban Renewal Executive Director

APPROVED by the Urban Renewal Agency of the City of Forest Grove at a regular meeting thereof this 13th day of January 2025, and filed with the Forest Grove City Recorder this date.

Malynda H. Wenzl
Urban Renewal Agency Chair