

MINUTES
Warrenton City Commission
WORK SESSION - June 26, 2018

5:00 p.m.

Warrenton City Hall - Commission Chambers
225 S. Main
Warrenton, Or 97146

Mayor Balensifer called the meeting to order at 5:04 p.m.

Commissioners Present: Mayor Henry Balensifer, Rick Newton, Tom Dyer, Pam Ackley, Mark Baldwin

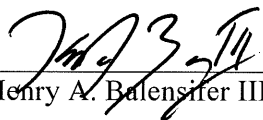
Staff Present: City Manager Linda Engbretson, Public Works Director Collin Stelzig, Community Development Director Kevin Cronin, Finance Director April Clark, Public Works Operations Manager Kyle Sharpsteen, Fire Chief Tim Demers, City Attorney Spencer Parsons, and Deputy City Recorder Dawne Shaw

Scott Vanden Bos, from Elaine Howard Consulting stated their firm was hired by the City in 2017 to review the Urban Renewal Plan. In their review, they noticed the district has significantly over performed in terms of TIF revenues. He stated the over projections allowed for formal debt to be incurred earlier than expected. Mr. Vanden Bos stated maximum indebtedness will essentially be reached by FYE 2020, and from that point on the district will reach a dormant state and will no longer be able to complete projects, and will only collect to pay debt service. He noted there are two types of amendments in urban renewal plans; the first is a minor amendment, which is project updates or updates to fix outdated language. He stated the consulting firm is recommending at least a minor amendment be done, because project priorities have shifted. A minor amendment is a simple process that would take weeks to complete, and would be adopted by resolution. He stated a major amendment would be an increase in indebtedness, which would be needed to fix the issue of becoming dormant after FYE 2020, and would allow the district to still complete projects. An increase in maximum indebtedness is a more complicated process and would require the same process as the initial creation of the urban renewal district, and then adopted by ordinance. He noted this option would take 4-6 months. He explained maximum indebtedness increase, and noted there are two levels of maximum indebtedness increase - up to 20% of the original maximum indebtedness, as adjusted for inflation, without approval of other taxing districts; an increase of over 20% would require special approval called "concurrence." Mr. Vanden Bos explained concurrence as outlined in the packet material. He noted a \$5,300,000 increase with concurrence will still maintain the original sunset date of 2027. Discussion continued. Mr. Vanden Bos explained the process for a substantial amendment and the next steps. He stated with the performance and the conservative nature of a 20 year district, it would make sense to increase the maximum indebtedness.

Discussion continued. Mayor Balensifer asked about the possibility of a boundary adjustment; Mr. Vanden Bos noted anything above a 1% increase of the current boundary is a major amendment, and you can only adjust up to 20% of the original boundary, and brief discussion followed. Mr. Vanden Bos noted some cities have more than one urban renewal district. Mayor Balensifer suggested increasing by \$5,300,000, and then in 10 years begin discussing the creation of a Hammond district, including the marina. Brief discussion continued and there was consensus on concurrence with a \$5,300,000 increase, without extending the sunset date. City Manager Engbretson clarified the agency can start moving forward with minor amendments - language updates and plan cleanup.

There being no further business Mayor Balensifer adjourned the work session 5:41p.m.

APPROVED:


Henry A. Balensifer III, Mayor

ATTEST:


Dawne Shaw, Deputy City Recorder