

**CANBY URBAN RENEWAL AGENCY
MEETING MINUTES
October 15, 2025**

PRESIDING: Chair Traci Hensley

COMMISSIONERS PRESENT: James Davis, Daniel Stearns, Paul Waterman, Brian Hodson, and Jason Padden (attended virtually).

COMMISSIONERS ABSENT: Herman Maldonado

STAFF PRESENT: Randy Ealy, Interim Agency Director, Teresa Ridgley Deputy City Recorder; Jamie Stickel, Economic Development Director/Communications Specialist; and Jerry Nelzen, Public Works Director.

CALL TO ORDER: Chair Hensley called the meeting to order at 6:01 p.m.

CITIZEN INPUT AND COMMUNITY ANNOUNCEMENTS: None.

NEW BUSINESS:

Discuss Remaining URA Funds and How to Close It –

Randy Ealy, Interim Agency Director, and Jamie Stickel, Economic Development Director/Communications Specialist, spoke to Council about options to close the Urban Renewal Agency (URSA). Ms. Stickel stated both options presented would return the tax increment back to the special taxing districts in the next fiscal year and was seeking consensus on how the Agency would like to close the URA District (either via Ordinance or Resolution). Ms. Stickel mentioned closing the URA District was one of the City Council FY25-FY27 City Council goals of promoting financial stability by finalizing the transition of the current Urban Renewal District Expenses. In doing so, it will require the City to make a final Urban Renewal District debt payment by June 1, 2026. The city would notify the Clackamas County Tax Assessor in February 2026 of the intention to issue final debt payment. In turn, Clackamas County would disburse remaining funds to all taxing jurisdictions. Special Taxing Districts would begin to receive their share of the property tax revenue in FY2027 with the issuance of the funds in October or November 2026.

Options for closing the agency via Resolution or Ordinance were presented. Closing via Resolution, the Urban Renewal Plan would be terminated; the City could keep the agency but render it inactive; allowing for a new plan/district to opened easier in the future if needed; and special taxing districts will receive the full property tax revenue. Closing via Ordinance the Urban Renewal Agency is terminated; any need for a new plan/district would require starting from scratch; and special taxing districts will receive the full property tax revenue. Estimated amounts for each taxing district were shared.

Commissioner Davis asked if it is closed by Resolution, will the current Urban Renewal boundaries be mandated if it were to be opened again. Ms. Stickel stated Emily Guimont, City Attorney, stated it would be inactive and would require a new plan if it was made active again. Commissioner Davis stated he would be in favor of closing via Ordinance because it provides more citizen input into the new plan. He mentioned legislation was coming requiring public vote for Urban Renewal Districts. Chair Hensley also was in favor by closing by Ordinance.

Commissioner Stearns asked the process of each option for either reopening or starting from scratch. Mr. Ealy responded if Urban Renewal Districts were required to be voter-approved, he would need to track legislation to determine that. He mentioned creating a new Urban Renewal District required a lot more work which would involve hiring consultants and creating an Urban Renewal plan. The difference between creating a new Urban Renewal District and reviving the dormant one is one step. Councilor Stearns was in favor of closing by Ordinance.

Council Padden mentioned speaking to those who were involved in creating the original Urban Renewal District, and they explained it was a huge undertaking. He stated it is much more work to create a new plan than to just reactivate a dormant committee. He stated the steps that would be involved are community involvement, landowner involvement, creating a whole new board, studies and other paperwork, as well as more time and money. He stated it was important to him to close it and keep our word to let it go so the tax money can go back to the taxing authorities. He leaned toward closing it via Resolution. Ms. Stickel mentioned that social media had changed how we perform community outreach; and even if there's no voter approval required, we'd want the community outreach to be sure the plan matched the will of the community.

Councilor Waterman asked for clarification on property taxes for special districts if there was a new Urban Renewal District formed. Mayor Hodson responded the special taxing districts would have a frozen base and would not receive increases (3% or new development) as long as the URD is enacted.

Vice Chair Hodson asked what the value increase was in the URD. Ms. Stickel responded it is \$234,000,000. He mentioned having to absorb approximately \$500,000 in employee salaries and benefits that would have to be absorbed into the General Fund Budget with the closing of the URD. He also inquired about doing a project-by-project URD in the future providing more flexibility opposed to opening a new URD every time.

Chair Hensley mentioned a point in regard to Ordinance vs. Resolution, the vast change in the community in the last 20 years since the URD was established, the robust communication required, as well as local improvement districts. She mentioned the need for education on other alternatives to Urban Renewal.

Commissioner Davis mentioned the need for legal advice on keeping the current URD boundaries or whether new boundaries could be made. He also mentioned we won't know the URD boundaries until the Comprehensive Plan was completed. More information was needed to move forward and include public input as well as hearing from the special taxing districts.

The deadline for making a decision was February so the County could make the last payment to all the taxing districts.

The Agency decided to return with more answers to questions asked this evening in order to effectively decide how to close the URD.

Walnut Street Roadway Easement - Randy Ealy, Interim Agency Director, stated the City was about ten percent finished on the project. The budget was about \$22,000,000 coming from several funding sources, including ARPA money, which needed to be spent by December 31, 2026. After working with staff, the County, and our engineers, a Land Use Compatibility Statement that approved four 1200C and sewer permits. The Urban Renewal Agency needed to sign the easement which would be on the agenda for the next URA meeting. All landowners had

signed their easements. DKS Engineering had submitted a permit application, and we should know by November 4, 2025, for the signal at the intersection. Ideally the project would be completed by Spring of next year.

Jamie Stickel, Economic Development Director, stated a right-of-way easement and a permanent roadway easement was still needed. Also, there was a request to waive the appraisal of the land of the property purchased in 2019. The easements were the only pieces left to be handled by the Urban Renewal Agency. The rest would be handled by City Council.

Chair Hensley asked if there would be an IGA or if the Agency sold the property to the city since the Agency would end in June 2026. Ms. Stickel responded she would need to check.

Councilor Padden asked about the process of the project being only ten percent finished since it started in 2018.

Jerry Nelzen, Public Works Director, responded the biggest challenge was getting the sewer under the train tracks. He also mentioned a lot of time was trying to get the signal connection resolved with ODOT, which required an IGA and funds to see if we could get an access permit. Those items were completed. DKS Engineering was trying to get the plans finalized with ODOT. He mentioned the design was 80% complete, and the signal and sewer were at 100%. Construction was ready to go once the City received the 74 feet of Urban Renewal property, the IGA was approved with the County, and City Council builds a city road outside the city limits.

Councilor Padden also mentioned other projects to be completed before the Agency was closed. Ms. Stickel responded the logging bridge pathway should be finished in a month. Fir Street Request for Proposals went out to the top three on-call engineers and closed on October 20, 2025. Then the project could be brought back to the Agency for approval.

Chair Hensley asked what the final projects would look like if those projects extended beyond the closing of the Agency.

ADJOURN: Chair Hensley adjourned the meeting at 6:56 p.m.



Maya Benham, CMC
City Recorder



Traci Hensley
Chair

Assisted with Preparation of the Minutes – Teresa Ridgley