IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES

AGENDA STAFF REPORT

URBAN RENEWAL

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
March 23, 2015		

TO: Urban Renewal Agency

FROM: Nolan Young, Urban Renewal Manager

DATE: March 19, 2015

ISSUE: Resolution No. 15-002 Approving Amendment No. 15 to the Urban Renewal Plan, adding the Elks Lodge Building as an Approved Project.

BACKGROUND: We had previously sent you the URAC staff report and resolution. On March 17 the URAC reviewed this resolution. They are recommending that the Urban Renewal Agency Board adopt Resolution No. 15-002.

Included in this staff report are the DRAFT minutes of the March 17 URAC meeting, the top of page two reflects their unanimous recommendation.

AGENCY ALTERNATIVES

1. Concur with the URAC recommendation and move to approve Resolution No. 15-002 Approving Amendment No. 15 to the Urban Renewal Plan, adding the Elks Lodge Building as an Approved Project.

DRAFT

Columbia Gateway Urban Renewal Agency Advisory Committee
Tuesday, March 17, 2015
5:30 PM

City Hall Council Chambers
313 Court Street
The Dalles, OR 97058
Conducted in a handicap accessible room.

CALL TO ORDER
Chair Grossman called the meeting to order at 5:30 PM.

ROLL CALL
Members Present: Gary Grossman, Steve Kramer, John Nelson, Linda Miller, John Willer, Greg Weast

Members Absent: *Atha Lincoln, Jennifer Dewey

Staff Present: Urban Renewal Manager Nolan Young, City Attorney Gene Parker, Administrative Secretary Carole Trautman

*Atha Lincoln joined the meeting at 5:31 PM.

PLEDGE OF ALLEGIANCE
Chair Grossman led the group in the Pledge of Allegiance.

APPROVAL OF AGENDA
Chair Grossman noted item number IV, Election of Committee Vice Chairman, of the agenda should be deleted. It was moved by Weast and seconded by Kramer to approve the agenda as amended. The motion carried unanimously; Dewey was absent.

APPROVAL OF MINUTES
It was moved by Weast and seconded by Miller to approve the February 17, 2015 minutes as submitted. The motion carried unanimously; Dewey absent.

PUBLIC COMMENT
None.

ACTION ITEM – Recommendation to Agency Board Concerning Proposed Resolution No. 15-002, Approving Amendment No. 15 to the Urban Renewal Plan, Adding the Elks Lodge Building as an Approved Project

City Attorney Parker highlighted the staff report. He emphasized that the project could be added to the UR Plan through a minor amendment because the project did not modify the goals and objectives or the basic procedural, planning or engineering principles of the Plan.

Miller commented it was unfortunate that Rob Bearden, Director of Operations of the Portland Art Museum, could not attend the Agency meeting, because his presentation to the Advisory Committee was very impressive.

With no further discussion, it was moved by Weast and seconded by Kramer to recommend that the Urban Renewal Agency approve Resolution No. 15-002, approving Amendment No. 15 to the Urban Renewal Plan, adding the Elks Lodge Building as an approved project. The motion carried unanimously; Dewey was absent.

ACTION ITEM – Recommendation to Agency Board Concerning Proposed Agreement for Elks Lodge Building

City Attorney Parker highlighted the staff report. He explained that the draft Disposition and Development Agreement (DDA) was modeled after the Granada Block Redevelopment Project DDA, only modified. In essence, Parker said, the Agreement outlined what the Agency would expect from the developer, and it would protect the Agency's interests. Parker stated that the building's title report had been reviewed, and no major concerns were found.

Parker also pointed out that the protection of the historic nature of the Elks Building was important, and the developer would be required to comply with the historical process, if needed. Parker said the Agency's purchase was for two parcels—the building and the parking lot; and the assessed value was approximately $262,000.

Nelson asked if Section 4.3 would prohibit the developer from expanding the business use beyond the display of neon signs. Parker said this section did not prohibit other allowed uses other than the display of signs.

Weast asked what would happen if, for instance, after 3 years the museum closed. Parker said the developer would still be the legal owner of the building and would be responsible to maintain the building. Kramer said it was unclear whether the project was considered for-profit or non-profit. Miller said the building was considered a taxable entity, the fundraising foundation and the signs were non-profit. Grossman asked if there was a provision in the DDA prohibiting the developer from reselling the building. Parker said section 6.1 on page 6 stated that the developer would be required to obtain the Agency's consent to resell the building.

It was moved by Weast and seconded by Kramer to recommend that the Urban Renewal Agency approve the proposed Disposition and Development Agreement for the Elks Lodge Building as presented. The motion carried unanimously; Dewey absent.

ONGOING URBAN RENEWAL PROJECTS UPDATE

Urban Renewal Manager Young reported on the following UR property rehab projects:

- Civic – Still working on design. Approximately $40,000 remained in the grant fund. Young will provide information on the timeline for the completion of the renovation.
- Wonderworks – The applicant provided proof of matching funds for $32,000. The UR grant totals $24,225.
- Columbia Gorge Real Estate Façade Improvement – City Attorney Parker is working on the agreement documents. Once signed, the business owners can proceed with the project.

Young gave a summary on the City Council's 18-month work plan. Six Urban Renewal projects were listed within the Plan as follows:

- Washington Street Tunnel – Review and re-evaluate the First Street Urban Renewal treatment and Washington Street Railroad Undercrossing project.
- Granada Block Redevelopment – Ensure the plan meets agreement requirements and proceed with redevelopment and associated parking structure, if needed, after UR Board's final acceptance of the redevelopment plan.
- Civic Auditorium – Complete engineering and architectural design and cost analysis for the renovation.
- Lewis and Clark Fountain – Complete the project. Should be completed in time for the July 4 celebration.
- The Elks Lodge Building – Pursue public/private partnership of the Elks Lodge Building redevelopment.
- Gitchell/Waldron Drug Building – Complete a study of the building for options on demolition, stabilization, or rehabilitation. A report on the study will be presented in the future.

Granada Block Redevelopment Project – The Agency provided the $25,000 for the Due Diligence Fee. Michael Leash, Rapoza Representative, stated that Rapoza was working with the EB5 company for the due diligence on Rapoza's budget. The review should be completed by the end of April 2015.

Young reported that Administrative Fellow Daniel Hunter was reviewing the Urban Renewal budget. Young said indications are that the Agency is close to obtaining a balanced budget and should be able to proceed with all projects, including the $200,000 UR property rehabilitation grant funds, without having to obtain a $1,000,000 loan.

FUTURE MEETING – April 21, 2015

ADJOURNMENT
Chair Grossman adjourned the meeting at 6:02 PM.

Respectfully submitted by Administrative Secretary Carole Trautman.

_____
Gary Grossman, Chairman

IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES

AGENDA STAFF REPORT

URBAN RENEWAL

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
March 23, 2015		

TO: Urban Renewal Agency

FROM: Nolan Young, Urban Renewal Manager

DATE: March 19, 2015

ISSUE: Elks Building Disposition and Development Agreement (DDA)

BACKGROUND: On March 9 the Agency Board approved the purchase of the Elks Building for development as a neon sign museum by David Benko. We had previously sent you the URAC staff report and draft DDA. On March 17 the URAC reviewed the DDA for the purpose of transferring ownership to Mr. Benko. They are recommending that the Urban Renewal Agency Board approve the proposed DDA for the Elks Lodge Building.

Included in this staff report are the DRAFT minutes of the March 17 URAC meeting, the bottom of page two reflects their unanimous recommendation.

AGENCY ALTERNATIVES

1. Concur with the URAC recommendation and move to approve the Disposition and Development Agreement for the Elks Lodge building.
2. Amend and then approve the DDA.

DRAFT

Columbia Gateway Urban Renewal Agency Advisory Committee
Tuesday, March 17, 2015
5:30 PM

City Hall Council Chambers
313 Court Street
The Dalles, OR 97058
Conducted in a handicap accessible room.

CALL TO ORDER
Chair Grossman called the meeting to order at 5:30 PM.

ROLL CALL
Members Present: Gary Grossman, Steve Kramer, John Nelson, Linda Miller, John Willer, Greg Weast

Members Absent: *Atha Lincoln, Jennifer Dewey

Staff Present: Urban Renewal Manager Nolan Young, City Attorney Gene Parker, Administrative Secretary Carole Trautman

*Atha Lincoln joined the meeting at 5:31 PM.

PLEDGE OF ALLEGIANCE
Chair Grossman led the group in the Pledge of Allegiance.

APPROVAL OF AGENDA
Chair Grossman noted item number IV, Election of Committee Vice Chairman, of the agenda should be deleted. It was moved by Weast and seconded by Kramer to approve the agenda as amended. The motion carried unanimously; Dewey was absent.

APPROVAL OF MINUTES
It was moved by Weast and seconded by Miller to approve the February 17, 2015 minutes as submitted. The motion carried unanimously; Dewey absent.

PUBLIC COMMENT
None.

ACTION ITEM – Recommendation to Agency Board Concerning Proposed Resolution No. 15-002, Approving Amendment No. 15 to the Urban Renewal Plan, Adding the Elks Lodge Building as an Approved Project

City Attorney Parker highlighted the staff report. He emphasized that the project could be added to the UR Plan through a minor amendment because the project did not modify the goals and objectives or the basic procedural, planning or engineering principles of the Plan.

Miller commented it was unfortunate that Rob Bearden, Director of Operations of the Portland Art Museum, could not attend the Agency meeting, because his presentation to the Advisory Committee was very impressive.

With no further discussion, it was moved by Weast and seconded by Kramer to recommend that the Urban Renewal Agency approve Resolution No. 15-002, approving Amendment No. 15 to the Urban Renewal Plan, adding the Elks Lodge Building as an approved project. The motion carried unanimously; Dewey was absent.

ACTION ITEM – Recommendation to Agency Board Concerning Proposed Agreement for Elks Lodge Building

City Attorney Parker highlighted the staff report. He explained that the draft Disposition and Development Agreement (DDA) was modeled after the Granada Block Redevelopment Project DDA, only modified. In essence, Parker said, the Agreement outlined what the Agency would expect from the developer, and it would protect the Agency's interests. Parker stated that the building's title report had been reviewed, and no major concerns were found.

Parker also pointed out that the protection of the historic nature of the Elks Building was important, and the developer would be required to comply with the historical process, if needed. Parker said the Agency's purchase was for two parcels—the building and the parking lot; and the assessed value was approximately $262,000.

Nelson asked if Section 4.3 would prohibit the developer from expanding the business use beyond the display of neon signs. Parker said this section did not prohibit other allowed uses other than the display of signs.

Weast asked what would happen if, for instance, after 3 years the museum closed. Parker said the developer would still be the legal owner of the building and would be responsible to maintain the building. Kramer said it was unclear whether the project was considered for-profit or non-profit. Miller said the building was considered a taxable entity, the fundraising foundation and the signs were non-profit. Grossman asked if there was a provision in the DDA prohibiting the developer from reselling the building. Parker said section 6.1 on page 6 stated that the developer would be required to obtain the Agency's consent to resell the building.

It was moved by Weast and seconded by Kramer to recommend that the Urban Renewal Agency approve the proposed Disposition and Development Agreement for the Elks Lodge Building as presented. The motion carried unanimously; Dewey absent.

ONGOING URBAN RENEWAL PROJECTS UPDATE

Urban Renewal Manager Young reported on the following UR property rehab projects:

- Civic – Still working on design. Approximately $40,000 remained in the grant fund. Young will provide information on the timeline for the completion of the renovation.
- Wonderworks – The applicant provided proof of matching funds for $32,000. The UR grant totals $24,225.
- Columbia Gorge Real Estate Façade Improvement – City Attorney Parker is working on the agreement documents. Once signed, the business owners can proceed with the project.

Young gave a summary on the City Council's 18-month work plan. Six Urban Renewal projects were listed within the Plan as follows:

- Washington Street Tunnel – Review and re-evaluate the First Street Urban Renewal treatment and Washington Street Railroad Undercrossing project.
- Granada Block Redevelopment – Ensure the plan meets agreement requirements and proceed with redevelopment and associated parking structure, if needed, after UR Board's final acceptance of the redevelopment plan.
- Civic Auditorium – Complete engineering and architectural design and cost analysis for the renovation.
- Lewis and Clark Fountain – Complete the project. Should be completed in time for the July 4 celebration.
- The Elks Lodge Building – Pursue public/private partnership of the Elks Lodge Building redevelopment.
- Gitchell/Waldron Drug Building – Complete a study of the building for options on demolition, stabilization, or rehabilitation. A report on the study will be presented in the future.

Granada Block Redevelopment Project – The Agency provided the $25,000 for the Due Diligence Fee. Michael Leash, Rapoza Representative, stated that Rapoza was working with the EB5 company for the due diligence on Rapoza's budget. The review should be completed by the end of April 2015.

Young reported that Administrative Fellow Daniel Hunter was reviewing the Urban Renewal budget. Young said indications are that the Agency is close to obtaining a balanced budget and should be able to proceed with all projects, including the $200,000 UR property rehabilitation grant funds, without having to obtain a $1,000,000 loan.

FUTURE MEETING – April 21, 2015

ADJOURNMENT
Chair Grossman adjourned the meeting at 6:02 PM.

Respectfully submitted by Administrative Secretary Carole Trautman.

_____
Gary Grossman, Chairman