



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES

AGENDA

Columbia Gateway Urban Renewal Agency

City Council Chamber

313 Court Street, The Dalles, Oregon

Meeting Conducted in a Handicap Accessible Room

Monday, February 9, 2015

Immediately Following the City Council Meeting

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF AGENDA
- IV. AUDIENCE PARTICIPATION

During this portion of the meeting, anyone may speak on any subject which does not later appear on the agenda. Five minutes per person will be allowed. If a response is requested, the speaker will be referred to the City Manager for further action. The issue may appear on a future meeting agenda for Agency Board consideration.

- V. APPROVAL OF MINUTES
 - A. Approval of December 8, 2014 Regular Meeting Minutes

- VI. ACTION ITEMS
 - A. Approval of Minor Amendment #14 to Urban Renewal Plan, to Add Thompson Park Pool as a Project

- VII. EXECUTIVE SESSION
 - A. Recess to Executive Session in Accordance With ORS 192.660 (2) (e) to Conduct Deliberations With Persons Designated by the Governing Body to Negotiate Real Property Transactions
 - B. Reconvene to Open Session



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VIII. DECISIONS FOLLOWING EXECUTIVE SESSION

IX. ADJOURNMENT

MINUTES

COLUMBIA GATEWAY URBAN RENEWAL AGENCY
REGULAR MEETING
OF
DECEMBER 8, 2014

CITY COUNCIL CHAMBER
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Chair Steve Lawrence

AGENCY PRESENT: Bill Dick, Carolyn Wood, Dan Spatz, Tim McGlothlin, Linda Miller

AGENCY ABSENT: None

STAFF PRESENT: City Manager Nolan Young, City Attorney Gene Parker, City Clerk Julie Krueger

CALL TO ORDER

The meeting was called to order by Chair Lawrence at 6:40 p.m.

ROLL CALL

Roll call was conducted by City Clerk Krueger; all members present.

APPROVAL OF AGENDA

It was moved by Wood and seconded by Miller to approve the agenda as presented. The motion carried unanimously.

AUDIENCE PARTICIPATION

None.

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APPROVAL OF MINUTES

It was moved by Dick and seconded by Wood to approve the November 24, 2014 regular meeting minutes. The motion carried unanimously.

ACTION ITEMS

Approval of Amendments to DDA With Rapoza for Granada Block Redevelopment Project

City Manager Young reviewed the staff report, noting the recommendation of the Urban Renewal Advisory Committee, which was different from what staff had recommended to them, and noted the proposed time line in the form of Attachment A.

Michael Leash addressed the Agency, saying significant progress had been made in the past year. He said the term sheet with the EB5 company for \$7 million was nearly completed; he had met with an architect to assess the Granada Theater and get as-built drawings for the fire system, doors and windows.

Spatz questioned the change in the franchise application from March 31 to April 30, 2015. He said in the small group meetings, Rapoza had agreed with the March 31 deadline.

Mr. Leash said that during the small group meetings, he had not mentioned that Rapoza would also have to pay a \$75,000 application fee for the EB5 funding process. He said added to the \$75,000 franchise application fee, his out of pocket expenses were substantial. Leash said this came up at the Advisory Committee meeting and they allowed an additional month to make the franchise application.

Chair Lawrence said the franchise application continued to be delayed. He asked if Rapoza was uncomfortable making application for the hotel franchise. Jens Von Gierke said the priority was completing the capital structure, then they would apply for the franchise.

Chair Lawrence said he had been asked to present a letter from form Advisory Committee member Mike Zingg, which he read aloud. The letter was in opposition to another time extension for the project.

Following discussion, Spatz said he wanted the project to continue, but he didn't support the recommendation of the Advisory Committee because it didn't reflect the terms discussed between the staff group and Rapoza.

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Leash said the recommendation did show their commitment to the project, with \$150,000 in their own money being spent in the next few months. He said he had personally maintained the buildings during this arrangement and intended to continue doing so.

Chair Lawrence expressed concern regarding continued extensions because it tied up the property and no one else could even discuss a proposal for the properties.

Dick said he believed in the project and suggested the Agency accept the recommendation of the Advisory Committee. He said he didn't think anyone was waiting with any other proposal.

Chair Lawrence confirmed that Rapoza was not working with Bob Naito and also not working with Mid Columbia Medical Center any longer. Leash said that was correct.

City Manager Young reviewed the staff recommendation that had been proposed to the Advisory Committee which had been for a nine month extension, a \$50,000 non-refundable deposit, \$10,000 due on signing the extension and \$40,000 due by December 31, and Rapoza to pay all utility and maintenance costs during the extension period. Young said this proposal included a time line in which tasks must be completed, including submittal of the franchise application by March 31, 2015. Young said staff had proposed that \$25,000 of the non-refundable deposit could be used toward the franchise application.

Chair Lawrence said some of the Advisory Committee members had opposed the extension, including the Chair and the Port representative. Lawrence said the Port was no longer supportive of the project.

Dick said the letter from the Port was more about supporting recommendations of the Advisory groups, than the specific project.

Wood said the biggest hindrance to business development was small government regulations. She said Rapoza showed tremendous passion and dedication to this project and said the Agency should let it run the course. She said a lot of progress had been made and it didn't hurt the Agency to wait.

Lawrence said the Agency did have a fiduciary responsibility and was concerned that other projects could be delayed because of this extension.

McGlothlin said he had not been aware of the group meetings that led to the staff recommendation and said he needed to have time to evaluate the information. He asked that the Advisory Committee members in attendance be allowed to speak to the subject.

Jennifer Botts, 712 East 21st Place, The Dalles, said she was the Vice Chair of the Advisory Committee. She said the Committee did believe Rapoza was committed to the project. She said when the Advisory Committee learned of the additional \$75,000 fee for the EB5 financing, they believed Mr. Leash was putting enough capital into the project. Botts said the Committee believed that Mr. Leash would know if it was time to abandon the project, but that he and the partners were still committed to it.

Robin Miles, Fire District representative to the Advisory Committee, said major progress had occurred over the past several months. She said no one else had expressed an interest in developing a project, but that the Advisory Committee had included a provision for staff to start working on a Request for Proposals so it would be ready to send out immediately if the current extension failed to meet its time lines and goals.

It was moved by Dick and seconded by Wood to amend the DDA with Rapoza to allow a nine month extension with a new required time line as identified in Attachment A, if Rapoza puts down a \$10,000 non-refundable deposit; application for hotel franchise to be made by April 30, 2015 with the \$10,000 being applied toward the application for the franchise; and require that Agency staff proceed with creation of a request for proposal document for redevelopment of the Granada Block, to be issued if Rapoza defaults in the performance of any obligation imposed by the DDA.

Chair Lawrence said he no longer believed they were in a position to succeed and said he didn't support the motion to extend the DDA.

Spatz said he was not comfortable with the Advisory Committee recommendation.

The motion was voted on and failed: Dick and Wood voting in favor; McGlothlin, Miller, Spatz and Lawrence voting in opposition.

It was moved by Spatz and seconded by McGlothlin to allow a nine month extension with a new required time line as identified in Attachment A, if Rapoza puts down a \$50,000, non-refundable deposit; \$10,000 due when the extension is signed and \$40,000 due by December 31, 2014; application for hotel franchise to be made by April 30, 2015, with \$40,000 of the deposit being used to help pay for either the franchise application fee or the EB5 financing fee; and require that Agency staff proceed with creation of a request for proposal document for redevelopment of the Granada Block, to be issued if Rapoza defaults in the performance of any obligation imposed by the DDA. The motion carried; Lawrence and Miller voting no.

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ADJOURNMENT

Being no further business, the meeting adjourned at 7:43 p.m.

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED:

Stephen E. Lawrence, Chair

ATTEST:

Julie Krueger, MMC, City Clerk



CITY of THE DALLES

313 COURT STREET
THE DALLES, OREGON 97058

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AGENDA STAFF REPORT

CITY OF THE DALLES

MEETING DATE:	AGENDA LOCATION:	AGENDA REPORT #
February 9, 2015		

TO: Urban Renewal Agency Board Members

FROM: Gene E. Parker, City Attorney

THRU: Nolan K. Young, City Manager

DATE: January 28, 2015

ISSUE: Resolution No. 15-001, Approving Amendment No. 14 for the Columbia Gateway Urban Renewal Agency Plan to include the Thompson Park Pool as an approved project.

BACKGROUND: On June 17, 2004, the Urban Renewal Advisory Committee adopted a motion recommending approval of funding in the amount of \$220,000 for the Northern Wasco County Parks and Recreation District Pool Project alternate features to include a slide, a climbing wall, shade and other enhanced landscaping, pending the receipt of Urban Renewal Funds, and to adopt the Thompson Park Pool Project as part of the Columbia Gateway Urban Renewal Agency Plan through a minor amendment. On July 28, 2014, the Urban Renewal Agency Board voted to accept the Advisory Committee's recommendation by adopting a motion to approve the request in the amount of \$220,000 for the Thompson Park Pool Project alternate features to include a slide, climbing wall, shade and other enhanced landscaping if current project funding is not sufficient to pay for the cost of these projects, pending the adoption of the Thompson Park Pool Project into the Columbia Gateway Urban Renewal Agency Plan by a minor amendment.

Section 1201(E) of the Agency's Urban Renewal Plan provides that a minor amendment to the Plan includes "Changes to the scope, cost or location or projects or addition of projects that do not modify the goals and objectives of the basic procedural, planning or engineering principles of this Plan". Section 1201(E) further provides that a minor

change to the Plan shall be made by adoption of a resolution of the Agency Board.

On January 27, 2015, the Urban Renewal Advisory Committee voted to recommend that the Agency adopt proposed Resolution No. 15-001 approving Minor Amendment No. 14 to include the Thompson Park Pool Project as an approved project for the Columbia Gateway Urban Renewal Plan. The proposed resolution sets forth the reasons why the proposed project is consistent with the applicable criteria in the Urban Renewal Plan, including the goals and objectives set forth in Section 401 of the Plan, and the general criteria which Urban Renewal projects and activities must satisfy, and the applicable specific criteria which the proposed Pool Project satisfies.

BUDGET IMPLICATIONS: The current (Fiscal Year 2014-15) Urban Renewal Budget includes \$258,360 for opportunity driven projects. The sum of \$220,000 leaves \$38,360 for additional projects. There is a potential cash flow issue in that \$911,286 of the budgeted Urban Renewal revenues are from loan repayments and purchase proceeds from the Sunshine Mill Project. Agency staff is confident that through the timing of other projects or the use of short term loans, the Urban Renewal Agency can fund the Pool Project by the Spring of 2015 even if there is a delay in the receipt of other budgeted Urban Renewal revenue sources.

ALTERNATIVES: The Urban Renewal Agency Board move to adopt Resolution No. 15-001, approving Minor Amendment No. 14 to the Columbia Gateway Urban Renewal Plan, adding the Thompson Park Project as an Urban Renewal Project.

RESOLUTION NO. 15-001

A RESOLUTION APPROVING MINOR AMENDMENT NUMBER FOURTEEN (14) TO THE COLUMBIA GATEWAY DOWNTOWN PLAN, ADDING THE THOMPSON PARK POOL PROJECT, AS AN URBAN RENEWAL PROJECT

WHEREAS, Section 1201(E) of the Columbia Gateway Urban Renewal Agency Plan (hereinafter referred to as “Urban Renewal Plan”) provides for minor changes to be adopted to the Urban Renewal Plan which involve the addition of projects that do not modify the goals and objectives or the basic procedural, planning, or engineering principles of the Plan; and

WHEREAS, Section 1201(E) of the Urban Renewal Plan further provides that minor changes to the Agency’s Plan shall be made by a duly adopted, approved resolution of the Agency in which the details of the minor change shall be described; and

WHEREAS, on January 27, 2015, the Urban Renewal Advisory Committee reviewed proposed Resolution No. 15-001, and voted to recommend the Urban Renewal Agency Board approve the proposed minor amendment to the Urban Renewal Plan by adoption of the proposed Resolution; and

WHEREAS, the Urban Renewal Agency Board conducted a meeting on February 9, 2015, to consider the proposed Minor Amendment Number Fourteen (14) to the Urban Renewal Plan;

NOW, THEREFORE, THE COLUMBIA GATEWAY URBAN RENEWAL AGENCY RESOLVES AS FOLLOWS:

Section 1. Minor Amendment Authorized. Pursuant to Section 1201(E) of the Agency’s Urban Renewal Plan, the Agency authorizes a minor amendment to the Plan to be prepared in accordance with Section 1201 of the Urban Renewal Plan. The change shall consist of adding as an approved project the Thompson Park Pool Project (“Project”). The Project may include funding for the construction of alternate Project features including a slide, a climbing wall, shade, and other enhanced landscaping features. The change to the Urban Renewal Plan shall be assigned an appropriate exhibit number and be placed in the appendix of the Urban Renewal Plan. The Agency finds and concludes that the proposed addition of the Project qualifies as a minor change under Section 1201 of the Plan, as the project is consistent with the goals and objectives of the Urban Renewal Plan, and does not modify the basic procedural, planning or engineering principles of the Urban Renewal Plan, for the following reasons:

- A. The proposed redevelopment project is consistent with the following goals and objectives set forth in Section 401 of the Urban Renewal Plan:
1. It will allow the Agency to participate by means of providing funding in specific opportunities for business, civic, and tourist-related properties to be developed, redeveloped, improved, rehabilitated, and conserved in ways which will:
 - a. Insure a more attractive, functional, and economically viable city.
- B. The addition of the Project satisfies the four following general criteria set forth in Section 601 of the Urban Renewal Plan:
1. The proposed project addresses the following blighted conditions as described in the Urban Renewal Plan:
 - a. The current pool located upon the Thompson Park property is in a condition such that the pool could not continue to be used for the purpose of a public swimming pool, and the current pool is scheduled to be demolished and replaced with a new pool, which was approved as the result of a bond measure passed by the voters of the Northern Wasco County Parks & Recreation District. Replacement of the existing pool will remove a blighted condition created by the existing pool which has fallen into a state of significant disrepair.
 2. The proposed Project will allow for construction of a new pool which will provide recreational opportunities for the local public. The alternate features for the Project, which will be visible from the I-84 freeway, are designed in part to attract tourists to the City. The proposed project is consistent with Economic Development Goal 5 of Goal #9 of the City's Comprehensive Plan concerning economic development, which is to implement the objectives and activities of the Columbia Gateway/Downtown Urban Renewal Plan, enhancing opportunities for the improvement and redevelopment of business, civic, cultural, and residential uses in the area; and consistent with Policy 10 of Goal #9 which is to encourage tourism-related services as an element in the diversification of the community's economy.
 3. Concerning the criteria regarding consistency with the development policies of the Historic Landmarks Commission, this criteria is not applicable to the Project.

4. The alternate features for the Project which are proposed for funding will generate economic and tourist activity within the community, which will in the aggregate, increase property values and tax collections to a level which will produce a reasonable return of the Urban Renewal contribution.
- C. The proposed project satisfies the following specific criteria set forth in Section 601 of the Urban Renewal Plan:
1. The project will increase the value of the properties within the identified block.
 2. The project will enhance opportunities for the provision of tourist-related services, as well as providing recreational opportunities for the local public.
 3. The project will enhance development of the adjacent West Gateway area, and facilitate development of a positive linkage between the West Gateway area and the Downtown.

Section 2. Effective Date. This Resolution shall be effective as of February 9, 2015.

PASSED AND ADOPTED THIS 9TH DAY OF FEBRUARY, 2015.

Voting Yes, Agency Member: _____
 Voting No, Agency Member _____
 Absent, Agency Member: _____
 Abstaining, Agency Member: _____

AND APPROVED BY THE CHAIR THIS 9TH DAY OF FEBRUARY, 2015.

 Stephen E. Lawrence, Chair

Attest:

 Julie Krueger, MMC, City Clerk