



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY  
CITY OF THE DALLES

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AGENDA

Columbia Gateway Urban Renewal Agency  
City Hall Council Chambers  
313 Court Street, The Dalles, Oregon

*Meeting Conducted in a Handicap Accessible Room*

Monday, February 22, 2016  
Immediately Following City Council Meeting

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES
  - A. Approval of January 4, 2016 Work Session Minutes
  - B. Approval of January 11, 2016 Regular Meeting Minute
5. ACTION ITEMS
  - A. Declare Surplus and Allow Sale of Lane Flooring at Recreation
  - B. Approve Façade Grant for Freebridge Brewery
  - C. Approve Façade Grant for Craig's Building
  - D. Consider Granada Theatre Proposal
  - E. Approve Purchase of Tony's Building
6. ADJOURNMENT

Prepared by:  
Izetta Grossman  
City Clerk

**MINUTES**

COLUMBIA GATEWAY URBAN RENEWAL AGENCY  
REGULAR MEETING  
January 11, 2016

CITY COUNCIL CHAMBERS  
313 COURT STREET  
THE DALLES, OREGON

**PRESIDING:** Chair Steve Lawrence

**COUNCIL PRESENT:** Dan Spatz, Tim McGlothlin, Linda Miller, Russ Brown, Taner Elliott

**AGENCY ABSENT:** None

**STAFF PRESENT:** Interim City Manager Julie Krueger, Recording Secretary Izetta Grossman, Project Coordinator Daniel Hunter, City Attorney Gene Parker

**CALL TO ORDER**

The meeting was called to order by Chair Lawrence at 7:28 p.m.

**ROLL CALL**

Roll call was conducted by Recording Secretary Izetta Grossman; all members present.

**APPROVAL OF AGENDA**

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

**AUDIENCE PARTICIPATION**

None.

**APPROVAL OF MINUTES**

It was moved by Miller and seconded by Spatz to approve the minutes of the November 9 and November 23, 2015 Regular meeting minutes as submitted. The motion carried unanimously.

**ACTION ITEMS**

Approval of Grant for Installation of a Fire Suppression System at 313 West Fourth Street

Project Coordinator Hunter reviewed the staff report.

Hunter noted that while Amendment #10 provided for fire suppression assistance it omitted a program that fire suppression would fall under. He said this omission needed to be rectified.

In response to a question Victor Johnson said that it was the mixed use of the property that triggered the need for fire suppression.

City Attorney Parker said that the project did fall under “opportunity” grants.

It was moved by McGlothlin and seconded by Spatz to approve grant funds not to exceed \$20,000 for the installation of a fire suppression system at 313 West Fourth Street The Dalles, Oregon. The motion carried unanimously.

**ADJOURNMENT**

Being no further business, the meeting adjourned at 7:32 p.m.

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Submitted by/  
Izetta Grossman  
Recording Secretary

SIGNED:

\_\_\_\_\_  
Stephen E. Lawrence, Chair

ATTEST:

\_\_\_\_\_  
Izetta Grossman, Recording Secretary

## MINUTES

COLUMBIA GATEWAY URBAN RENEWAL AGENCY  
JOINT WORK SESSION WITH URBAN RENEWAL ADVISORY COMMITTEE  
January 4, 2016

CITY COUNCIL CHAMBERS  
313 COURT STREET  
THE DALLES, OREGON

**PRESIDING:** Chair Steve Lawrence

**AGENCY PRESENT:** Dan Spatz, Tim McGlothlin, Linda Miller, Russ Brown, Taner Elliott

**COMMITTEE PRESENT:** Gary Grossman, Greg Weast, Atha Lincoln, John Nelson, Jennifer Dewey, Steve Kramer, John Willer

**STAFF PRESENT:** Interim City Manager Julie Krueger, Recording Secretary Izetta Grossman, Project Coordinator Daniel Hunter, Public Works Director Dave Anderson, Finance Director Kate Mast, Business Development Director Gary Rains

### CALL TO ORDER

The meeting was called to order by Chair Lawrence at 5:31 p.m.

### ROLL CALL

Roll call was conducted by Recording Secretary Izetta Grossman; Phil Lewis absent.

### DISCUSSION REGARDING URBAN RENEWAL PROJECTS

After discussion it was determined that to best proceed with planning for the Urban Renewal Agency staff would: schedule a meeting with Elaine Howard to provide more information to the group on Urban Renewal; research legality and options to present regarding different structures for the Urban Renewal Agency/Committee; review whether the Urban Renewal projects (once defined) will align with the City's goals and Comprehensive Plan; and research what total indebtedness is for the Urban Renewal Agency.

There was also discussion on having a bond attorney speak to the group at another time to assist the Agency in understanding Bonds.

**RECESS INTO AGENCY MEETING**

Work Session concluded at 6:55 p.m. Agency Board continued meeting for discussion of Exclusive Negotiation Agreement with Tokola Properties, Inc..

**EXCLUSIVE NEGOTIATION AGREEMENT**

Project Coordinator Daniel Hunter and Business Development Director Gary Rains reviewed the staff report.

Rains identified the next five steps as:

1. Sign the Exclusive Negotiation Agreement
2. Complete the Appraisal of Future Value (estimated cost of \$7,000). He said this appraisal would give answers needed to complete the Pre-determination letter for BOLI.
3. Send Pre-determination letter to BOLI.
4. Finalize Disposition and Development Agreement with developer.
5. Complete purchase of property (City purchases; Urban Renewal pays City back)

Rains said the purchase price of the Tony's building is \$450,000, this included two tax lots. He also said that a City/Urban Renewal contribution of over \$750,000 would trigger BOLI regulations. Rains said the target construction date is 2017.

It was moved by Miller and seconded by Elliott to approve that the Agency Manager proceed with an Exclusive Negotiating Agreement between the Agency and Tokola Properties and Design for the purpose of completing a mixed-use development in downtown The Dalles; and that the Urban Renewal Agency take the actions necessary to purchase the property for that development. The motion carried unanimously.

Being no further business, the meeting adjourned at 7:30 p.m.

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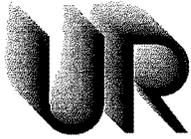
Submitted by/  
Izetta Grossman  
Recording Secretary

SIGNED:

\_\_\_\_\_  
Stephen E. Lawrence, Chair

ATTEST:

\_\_\_\_\_  
Izetta Grossman, Recording Secretary



IMPROVING OUR COMMUNITY

**COLUMBIA GATEWAY URBAN RENEWAL AGENCY**  
**CITY OF THE DALLES**

**AGENDA STAFF REPORT**

**URBAN RENEWAL AGENCY**

**MEETING DATE:** February 22, 2016

**TO:** Urban Renewal Agency

**FROM:** Julie Krueger, Urban Renewal Administrator

**ISSUE:** Declare Bowling Lane Flooring at Recreation Surplus Property

**BACKGROUND:** Interest has been expressed to purchase some of the flooring from the bowling lanes at the Recreation Building. We would allow a purchase, but need to first declare the lanes as surplus property. There are 80 sections of flooring, that we propose to sell for \$5.00 each.

**AGENCY ALTERNATIVES**

1. Staff Recommendation: *Move to declare 80 sections of bowling lane flooring as surplus property, and offer for sale at \$5.00 each.*
2. Declare a different number of sections as surplus and authorize sale.
3. Declare 80 sections as surplus and authorize sale with a different dollar value.
4. Decline to declare 80 sections of bowling lane flooring as surplus property.



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY  
CITY OF THE DALLES

**AGENDA STAFF REPORT**

**URBAN RENEWAL AGENCY**

<b>MEETING DATE</b>	<b>AGENDA LOCATION</b>	<b>AGENDA REPORT #</b>
February 22, 2016	Action Item # 5-B	

**TO:** Urban Renewal Agency

**FROM:** Daniel Hunter, Project Coordinator

**DATE:** February 10, 2016

**ISSUE:** Property Rehabilitation Façade Improvement Application Freebridge Brewery

**BACKGROUND:** On December 18, 2015 staff received an application from Freebridge Brewing under the Urban Renewal Property Rehabilitation Program. The grant request is for a \$7,925 Grant, for which the applicant will provide \$3,963 in matching funds. The match provided is half of the requested grant. This meets the match requirement under Tier 1. The Façade Improvement Project will replace the steel overhead doors with full tempered glass panel overhead doors. This will allow passersby to view the unique interior of the building as well as provide additional light to the interior.

The application and match meet the program guidelines. On January 27, 2016 the applicant’s request was reviewed by the Historic Landmarks Commission and received unanimous approval.

There are sufficient funds to grant this application as well as those we know are either coming or approved and not yet expended.

Due to the timing of meetings and a desire to get you this information, the results of the Advisory Committee recommendations were not known at the time this report was sent out. We will send out that information on February 17.

**AGENCY ALTERNATIVES**

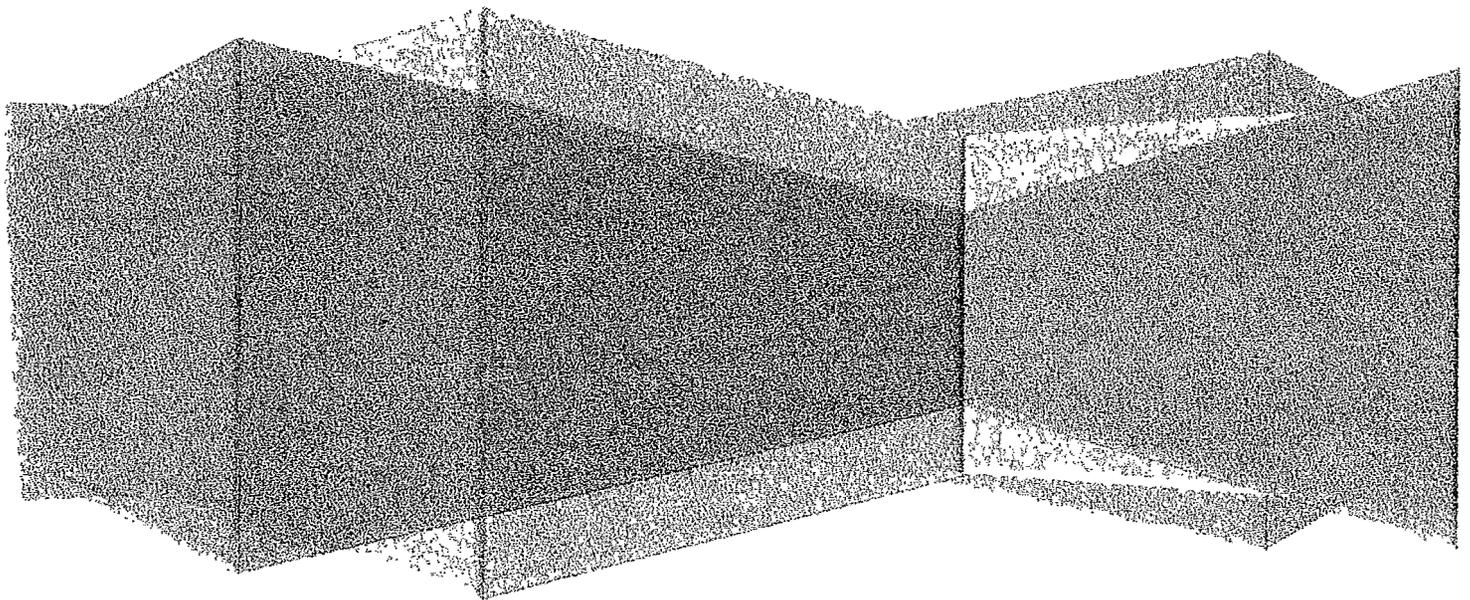
1. Staff Recommendation: *Move to approve the request for Façade Improvement Grant funds to The Mint in an amount not to exceed \$7,925.*
2. Delay the request and request further information be provided.
3. Deny the request.

APPLICATION

# THE DALLES

## URBAN RENEWAL AGENCY

PROPERTY REHABILITATION  
GRANT AND LOAN PROGRAMS



The Dalles Urban Renewal Agency  
Property Rehabilitation Grant and Loan Programs  
-APPLICATION-

Application Date: 12/17/2015

Application Number: \_\_\_\_\_

**PROGRAM APPLYING TO** (Check One)

- Historic Design and Restoration Program
- Redevelopment of Unused & Underused Property Program
  - Loan Interest Subsidy Program
  - Demolition Loan Program
- Civic Improvements Grant Program
- Façade Improvement Grant Program
  - Residential Structure

**APPLICANT INFORMATION**

Applicant Name: 15 Mile Ventures, LLC

Contact Person: Steve Light

Mailing Address: 

PO Box 873 The Dalles, OR 97058
---------------------------------------

Applicant is: Owner  Leaser

Phone Number: 541-480-9642 Email: steve@freebridgebrewing.com

Federal Tax ID or Social Security Number: \_\_\_\_\_  
(Loan & Interest Subsidy Only)

Bank of account and contact:  
(Loan & Subsidy Only) 

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Name of Business: Freebridge Brewing

Business Mailing Address: 

710 East Second St The Dalles, OR 97058
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The Dalles Urban Renewal Agency  
Property Rehabilitation Grant and Loan Programs  
-APPLICATION-

Name of Principle: Steve Light

Site Address

710 East Second St  
The Dalles, OR 97058

Legal Description

The Mint Building

**HISTORIC PROPERTY (STAFF USE) YES  NO**  (If yes, requires HLC approval)

**PROJECT INFORMATION**

Building Age: 147 yrs Building Square Footage: 12,000

Building Current Use: Mixed office, residence & microbrewery

Building Planned Use: Mixed office, residence & microbrewery

Project Description Outline:

This project will replace two Second Street frontage steel overhead garage doors with full tempered glass panel overhead garage doors. This would not only improve the look of the building, but will also allow pedestrians full view of the unique interior of the building, the brewery works, as well as improve the brewery customers experience. This will contribute to the streetscape of the downtown and increase its perception as a vibrant place to be.

The Dalles Urban Renewal Agency  
Property Rehabilitation Grant and Loan Programs  
-APPLICATION-

**PROPOSED SOURCES OF FUNDING (loans)**

<u>Source</u>	<u>Amount</u>	<u>Rate</u>	<u>Term</u>	<u>Match</u>
Urban Renewal Loan	\$ _____			
Equity (applicant)	\$ _____			
_____ Bank	\$ _____	_____ %	_____	

**PROPOSED SOURCES OF FUNDING (grants)**

Urban Renewal Grant	\$ <u>7,925</u>			
Applicant Match	\$ <u>3,963</u>			
Other Source _____	\$ _____	_____ %	_____	<input type="checkbox"/>
Other Source _____	\$ _____	_____ %	_____	<input type="checkbox"/>
Other Source _____	\$ _____	_____ %	_____	<input type="checkbox"/>
Total	\$ <u>11,888</u>			

(Must equal total expected costs)

**Facade Grant Matching Funds:**

- : Request \$20,000 or less (50% match)
- : Over \$20,000 (100% match)

**NOTE:** To determine what tier your grant match is in and what your match will need to be, divide your total project costs by three (3); that amount is your match in tier one, unless the balance remaining is higher than \$20,000. If that request amount is higher than \$20,000 your grant will be tier two. To determine that divide the total project cost by two (2), this amount is your grant request and your match.

**EXAMPLE:** Suppose your total project cost is \$22,170. Divide that by three (3) gives you \$7,390, this is your required match. The remaining balance is \$14,780. This is your grant request, since it is \$20,000 or less. Your grant is in tier one. (\$7,390 is 50% of \$14,780)

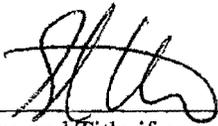
**EXAMPLE:** Suppose your total project cost is \$45,650. Divide that by three (3) gives you \$15,216.66, and the remainder is \$30,433.34 which is greater than \$20,000. Your grant is tier 2. Divide the total project cost by two (2); \$22,825 this is the amount of your grant and your required match.

The Dalles Urban Renewal Agency  
Property Rehabilitation Grant and Loan Programs  
-APPLICATION-

Applicant hereby certifies that all information contained above and in exhibits attached hereto are true and complete to the best knowledge and belief of the applicant and are submitted for the purpose of allowing the full review by The Dalles Urban Renewal Agency and its agents for the purpose of obtaining the financial assistance requested in this application.

Applicant hereby consents to disclosure of information herein and the attachments as may be deemed necessary by MCEDD and its agents for such review and investigation.

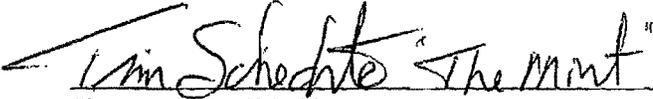
I Steve Light have read and understood the guidelines of The Dalles Urban Renewal Agency Property Rehabilitation Grant and Loan Programs and agree to abide by its conditions.



Signature and Title if appropriate

12/17/15

Date



Signature and Title if appropriate

Date

Signature and Title if appropriate

Date

Signature and Title if appropriate

Date

The Following Items Are Required Before A Loan Is Approved Or Grant Project Can Begin:

A. Loans and Grants

1. Certificate of approval from agency (if required).
2. Letter of approval from Historic Landmarks Commission (if required).
3. A summary of the project outlining the work to be done.
4. Complete plans and specifications.
5. Costs estimates or bids from a licensed contractor.
6. Evidence that building permits or any other required permits are in place.
7. Preliminary commitment of any other funds to be used in the project.

B. Loans Only

1. Amount of loan requested and proposed terms being requested.
2. Bank's loan application and any other information the bank requires, such as current financial statements, including balance sheets and income statements.

For Applicants Under The Civil Improvements Grant Program:

The grants will be awarded semi-annually on a competitive basis and based on the selection criteria in your narrative and attach it to this application form. The deadlines for applications are July 31 and January 31 of each year.



**PERFORMANCE BUILDING PRODUCTS, INC.**  
**555 NE HEMLOCK AVE., SUITE 108**  
**REDMOND, OR 97756**

**ESTIMATE**

DATE	#
11/24/2015	5798

**GARAGE DOORS & OPENERS - WINDOWS & ENTRY DOORS**

<b>NAME/ADDRESS</b>
Free Bridge Brewing Steve Light The Dalles, OR

<b>TERMS</b>	<b>REP</b>	<b>PROJECT</b>
50% Down	Bill	

ITEM	DESCRIPTION	QUANTITY	COST	TOTAL
903 - 12 X 14 - Clopay	Clopay Model 903 Garage Doors 12.02 X 14.01 - Aluminum Full View - Clear Anodized - tempered & Insulated glass - 2" Track & Hardware	1	5,652.00	5,652.00
Labor Charge	Using existing track for swap - Prep for new panels - Ladders used brewing tanks on the floor	1	180.00	180.00
Material Charge	Bumper Springs Set	1	160.00	160.00
Remove / Haul Charge	Remove & Haul - Existing Garage Door	1	250.00	250.00
903 - 12.02 - 9.03 - Clopay	12.02 X 9.03 - Aluminum Full View - Clear Anodized tempered & Insulated glass - 2" Track & Hardware	1	5,236.00	5,236.00
Material Charge	High Lift Track 72" with break away.		0.00	0.00
Chain Hoist - Reduced	Commercial Chain Hoist - Gear Reduced 3:1 - Mounted Right Side	1	0.00	0.00
Material Charge	Bumper Springs Set	1	160.00	160.00
Remove / Haul Charge	Remove & Haul - Existing Garage Door	1	250.00	250.00
	Customer to supply scissor lift for garage door install			
	Note: 1- Installed price includes track on the 12 X 9 - using existing track for the 12 X 14 2- If you have any questions feel free to call or e-mail Bill			
Thank You For The Opportunity To Bid Your Project			<b>TOTAL</b>	<b>\$11,888.00</b>

Materials Guaranteed As Specified - Estimate May Be Withdrawn After 30 Days - Prices Subject To Change Without Customer Notice Prior To Acceptance - Order Changes After Acceptance Only Upon Written Request & Are Subject To Additional Charges - Installation To Be Completed According To Manufacturer Specifications, Unless Otherwise Specified (if Applicable)

SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

Acceptance: By Signing This Document You Acknowledge That The Prices, Specifications, & Conditions Above Are Satisfactory, Accurate, & Hereby Accepted. You Authorize PBP, Inc. To Perform The Work As Specified. You Agree To Make Full Payment According To The Terms Outlined Above.

Disclaimer: PBP, Inc. Assumes No Responsibility For Caulking And/Or Flashing Products Not Installed By Us (I.E. Caulk, Flashing, Moisture Barrier). This Includes But Is Not Limited To Jambs, Siding, Masonry, Added Trim, Feature Boards, Or Any Other Product Or Material Not Supplied & Installed By Us.

PHONE #: 541-316-2179

FAX #: 541-548-0955

CCB #: 108290



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY  
CITY OF THE DALLES

**AGENDA STAFF REPORT**

**URBAN RENEWAL AGENCY**

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
February 22, 2016	Action Item #5-C	

**TO:** Urban Renewal Agency

**FROM:** Daniel Hunter, Project Coordinator

**DATE:** February 10, 2016

**ISSUE:** Urban Renewal Property Rehabilitation Façade Improvement Application by Jim Craig

**BACKGROUND:** On February 1, 2016 staff received an application from Main Street on behalf of Jim Craig for a grant under the Urban Renewal Property Rehabilitation Program.

The grant request is for a \$39,906 Grant, for which the applicant will provide \$40,000 in matching funds. The match provided is equal to or greater than the requested grant. This meets the match requirement under Tier 2. The Façade Improvement Project will remove the deteriorating awnings; rehabilitate the original fascia tiles; install new metal window sill caps; and restore the brick and window trim. This will return the building to very near its original design.

The application and match meet the program guidelines. On January 27, 2016 the applicant's request was reviewed by the Historic Landmarks Commission and received unanimous approval.

Due to the timing of meetings and a desire to get you this information, the results of the Advisory Committee recommendations were not known at the time this report was sent out. We will send out that information on February 17.

## **BUDGET IMPLICATIONS**

This fiscal year there was \$200,000 budgeted for new Property Rehabilitation Projects. Thus far, the Agency has approved \$38,234 in grants for façade improvement; and \$16,250 for Civic Improvement Grant. If the Freebridge Brewing and Craig's Office supply building façade grants are both approved, the total granted this budget cycle will be \$102,315 of \$200,000 budgeted.

## **ALTERNATIVES**

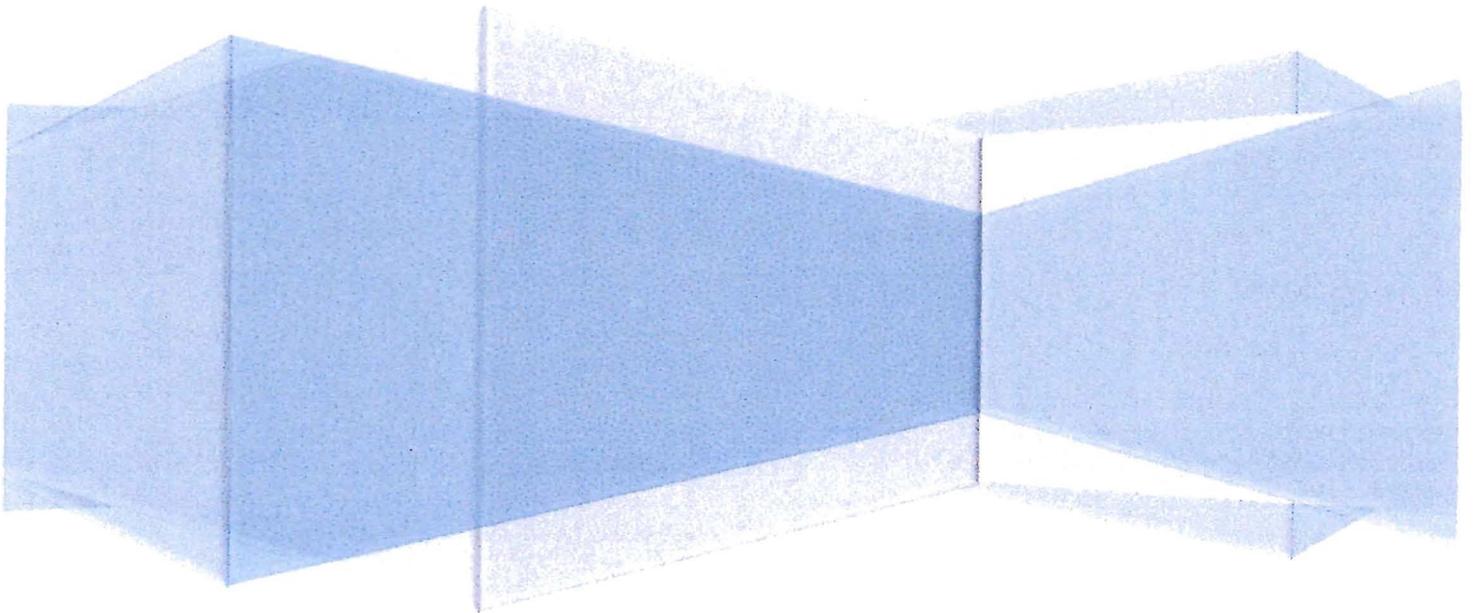
1. *Move to approve the grant funds to Jim Craig in an amount not to exceed \$39,906*
2. Move to request a reduced scope.
3. Deny the request for a recommendation.

APPLICATION

# THE DALLES

## URBAN RENEWAL AGENCY

PROPERTY REHABILITATION  
GRANT AND LOAN PROGRAM



MAY CONTAIN CONFIDENTIAL INFORMATION

The Dalles Urban Renewal Agency  
Property Rehabilitation Grant and Loan Programs  
-APPLICATION-

Application Date: 12/4/15

Application Number: \_\_\_\_\_

**PROGRAM APPLYING TO (Check One)**

- Historic Design and Restoration Program
- Redevelopment of Unused & Underused Property Program
  - Loan Interest Subsidy Program
  - Demolition Loan Program
- Civic Improvements Grant Program
- Façade Improvement Grant Program
  - Residential Structure

**APPLICANT INFORMATION**

Applicant Name: Craig Development

Contact Person: Jim Craig

Mailing Address: 

4337 S Via DeFebrero Green Valley, Arizona 85622
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Applicant is: Owner  Leaser

Phone Number: 541-993-7667 Email: jwc819@gmail.com

Federal Tax ID or Social Security Number: NA 47-4572140  
(Loan & Interest Subsidy Only)

Bank of account and contact: 

NA
----

  
(Loan & Subsidy Only)

Name of Business: Craig Development LLC

Business Mailing Address: 

323 E. 2nd St. The Dalles, OR 97058
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The Dalles Urban Renewal Agency  
Property Rehabilitation Grant and Loan Programs  
-APPLICATION-

Name of Principle: Jim Craig

Site Address

323 E 2nd St.  
The Dalles, OR 97058

Legal Description

1N 13E 3 BD 2400

**HISTORIC PROPERTY (STAFF USE)** YES  NO  (If yes, requires HLC approval)

**PROJECT INFORMATION**

Building Age: 1910 Building Square Footage: 18,000

Building Current Use: Retail/Office

Building Planned Use: Retail/Office

Project Description Outline:

The Craig Building is one of the best historic buildings in Downtown The Dalles. Its Chicago style windows and white brick are an iconic symbol of the past, and when renovated will be the finest example of what is possible for other buildings throughout Downtown.

This facade grant will make possible removal of the dated, torn awning which has covered up much of the front of the building for decades. Behind this awning are large decorative tiles which are broken and missing. You can see them on the corner posted. They are cracked and in need of restoration. They will be replaced with new porcelain tiles to restore the original look. The window sills have pulled away from the building. New metal sill caps will be fabricated and installed. The top four rows of bricks will be prepped, sealed and painted. And finally, the Chicago style windows have original wood sashes and trim. All of the window trim will be renovated, including being scraped, cracks and defects filled, chemically treated, primed and repainted to look original.

The end result of this project will be the restoration of the Craig building to what it looked like as a new building in 1912 when it was the Pease and Mays Mercantile.

This is in addition to the renovation of the entire inside of the building by Craig Development to accommodate two new tenants and a total of 75 employees in Downtown.

The Dalles Urban Renewal Agency  
Property Rehabilitation Grant and Loan Programs  
-APPLICATION-

**EXPECTED PROJECT COSTS**

Cost Item/Source:	Est. Cost
Restoration of historic face - removal of awning, old tiles	\$ 2,423.00
Installation of ceramic tiles, historic facade revealed	\$ 15,323.00
Prep building exterior, restoring brick moldings	\$ 2,569.00
Required Equipment - lift truck, crane, etc.	\$ 2,465.00
Fabrication and installation of metal sill covers	\$ 5,175.00
Restore and paint cornice and windows, restore windows to operation	\$ 17,152.00
Resealing skylight, patching cracks and hole	\$ 3,440.00
Metal caps on peripets, roofing membrane replacement	\$ 31,334.00
<b>Architectural/HLC Fees</b>	<b>\$ 3,886.00</b>
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
Total Expected Cost	<b>\$ 79,906.00</b>

Will there be an anticipated contractor's pre-payment for construction materials prior to the start of the project? YES  NO  If yes, list the estimated dollar amount: \$29,984.00  
(For Civic Improvement or Façade Improvement Grants only)

The Dalles Urban Renewal Agency  
 Property Rehabilitation Grant and Loan Programs  
 -APPLICATION-

**PROPOSED SOURCES OF FUNDING (loans)**

<u>Source</u>	<u>Amount</u>	<u>Rate</u>	<u>Term</u>	<u>Match</u>
Urban Renewal Loan	\$ _____			
Equity (applicant)	\$ _____			
_____ Bank	\$ _____	_____ %	_____	

**PROPOSED SOURCES OF FUNDING (grants)**

Urban Renewal Grant	\$ <u>39,906</u>			
Applicant Match	\$ <u>40,000</u>			
Other Source _____	\$ _____	_____ %	_____	<input type="checkbox"/>
Other Source _____	\$ _____	_____ %	_____	<input type="checkbox"/>
Other Source _____	\$ _____	_____ %	_____	<input type="checkbox"/>
<b>Total</b>	<b>\$ <u>79,906.00</u></b>	<b>(Must equal total expected costs)</b>		

Facade Grant Matching Funds:

- TIER 1: Request \$20,000 or less (50% match)
- TIER 2: Over \$20,000 (100% match)

**NOTE:** To determine what tier your grant match is in and what your match will need to be, divide your total project costs by three (3); that amount is your match in tier one, unless the balance remaining is higher than \$20,000. If that request amount is higher than \$20,000 your grant will be tier two. To determine that divide the total project cost by two (2), this amount is your grant request and your match.

EXAMPLE 1: Suppose your total project cost is \$22,170. Divide that by three (3) gives you \$7,390, this is your required match. The remaining balance is \$14,780. This is your grant request, since it is \$20,000 or less. Your grant is in tier one. (\$7,390 is 50% of \$14,780)

EXAMPLE 2: Suppose your total project cost is \$45,650. Divide that by three (3) gives you \$15,216.66, and the remainder is \$30,433.34 which is greater than \$20,000. Your grant is tier 2. Divide the total project cost by two (2); \$22,825 this is the amount of your grant and your required match.

The Dalles Urban Renewal Agency  
Property Rehabilitation Grant and Loan Programs  
-APPLICATION-

Applicant hereby certifies that all information contained above and in exhibits attached hereto are true and complete to the best knowledge and belief of the applicant and are submitted for the purpose of allowing the full review by The Dalles Urban Renewal Agency and its agents for the purpose of obtaining the financial assistance requested in this application.

Applicant hereby consents to disclosure of information herein and the attachments as may be deemed necessary by MCEDD and its agents for such review and investigation.

I Craig Development have read and understood the guidelines of The Dalles Urban Renewal Agency Property Rehabilitation Grant and Loan Programs and agree to abide by its conditions.

James W. Craig Owner  
Signature and Title if appropriate

1-5-16  
Date

\_\_\_\_\_  
Signature and Title if appropriate

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature and Title if appropriate

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature and Title if appropriate

\_\_\_\_\_  
Date

The Following Items Are Required Before A Loan Is Approved Or Grant Project Can Begin:

A. Loans and Grants

1. Certificate of approval from agency (if required).
2. Letter of approval from Historic Landmarks Commission (if required).
3. A summary of the project outlining the work to be done.
4. Complete plans and specifications.
5. Costs estimates or bids from a licensed contractor.
6. Evidence that building permits or any other required permits are in place.
7. Preliminary commitment of any other funds to be used in the project.

B. Loans Only

1. Amount of loan requested and proposed terms being requested.
2. Bank's loan application and any other information the bank requires, such as current financial statements, including balance sheets and income statements.

For Applicants Under The Civil Improvements Grant Program:

The grants will be awarded semi-annually on a competitive basis and based on the selection criteria in your narrative and attach it to this application form. The deadlines for applications are July 31 and January 31 of each year.

# CRAIG BUILDING GRANT REQUEST

Craig Development  
January 2016

Metal Cap on Peripets  
and Roof

Prep, Sealing and  
Refinishing Top Brick  
Detail

Resealing Skylight  
and Restoration

Restore Paint on Cornice  
and Historic Chicago  
Style Window Detail

Fabrication and  
Installation  
of Window Sill Covers

Restoration of Brick  
Moldings  
Restoration of Ceramic  
Tiles Under Awning

Removal of Old Awning

New Neon Bldg Sign





**CITY of THE DALLES**

313 COURT STREET  
THE DALLES, OREGON 97068

(541) 286-5481 ext. 1125  
PLANNING DEPARTMENT

HLC# 153-76

**HISTORIC LANDMARKS APPLICATION**

Application is required for modifications and/or alterations to the exterior of certified historic structures and all structures within certified historic districts. Additionally, new construction within established historic districts are also required to appear before the City of The Dalles Historic Landmarks Commission.

Applicant Name	CRAIG DEVELOPMENT - Jim Craig
Address	4337 S VIA DEFEBRERO
Phone	GREEN VALLEY, AZ 85622
Business Name	
Site Address	323 E. SECOND ST.
Phone	(541) 993-7667
Map and Tax Lot	1N 13E BD 2400
Zoning	

Please describe your project goals.

*Historic restoration and use of important 2-story building in downtown The Dalles to accommodate new tenant.*

How will your project affect the appearance of the building and or site?

*Reuse the outside face to look like the building did when new.*

What efforts are being made to maintain the historic character of this structure?

*Every effort. No architectural or others changes are being made. Restoration includes removing the deteriorating awning and restoring/replacing tiles not currently visible.*

What is the current use of this property? Commercial, office and retail

Will the use change as a result of approval of this application? Yes/No No

List any known archeological resources on site.

None

The review criteria for each application are the Secretary of the Interior's Standards. These standards have been adopted by City Ordinance 94-1194 as local review criteria.

**I certify that the above information is correct and submit this application with six (6) copies of a site plan drawn to scale, six (6) copies of detailed, elevation drawings with proposed changes, and six (6) current color photographs (4X6 inch minimum) of the building/structure front.**

Gary Paris, Business Development 1/7/16  
Applicant Director, on behalf of Jim Craig Date

Owner (if not the applicant)

I have reviewed the above application and certify that it is complete and accepted for processing.

Secretary, Historic Landmarks Commission

**FOR OFFICE USE ONLY**

Historical Classification Secondary  
(Primary, Secondary, Historical, Etc.)

Historic Building/Site Historic District: Commercial  Trevitt  Other

Historic Name (if any) Pease Department Store

Year(s) Built 1910-1911

Google Maps 388 Mosier-The Dalles Hwy

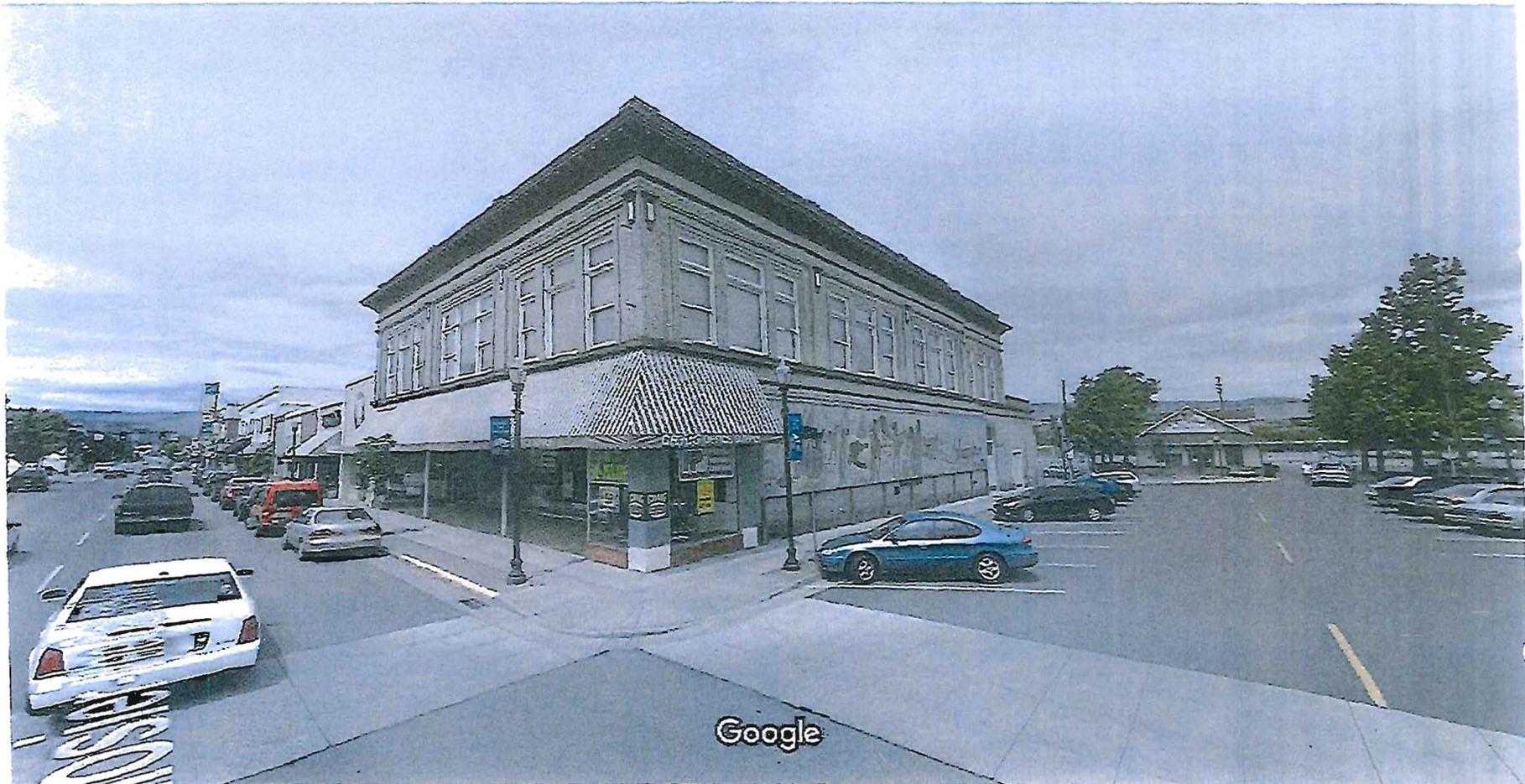


Image capture: May 2012 © 2016 Google

The Dalles, Oregon

Street View - May 2012

Google Maps 326 Mosier-The Dalles Hwy



Image capture: May 2012 © 2016 Google

The Dalles, Oregon  
Street View - May 2012

**CRAIG BUILDING  
GRANT REQUEST**

Craig Development  
January 2016

Metal Cap on Parapets  
and Roof

Prep, Sealing and  
Refinishing Top Brick  
Detail

Resealing Skylight  
and Restoration

Restore Paint on Cornice  
and Historic Chicago  
Style Window Detail

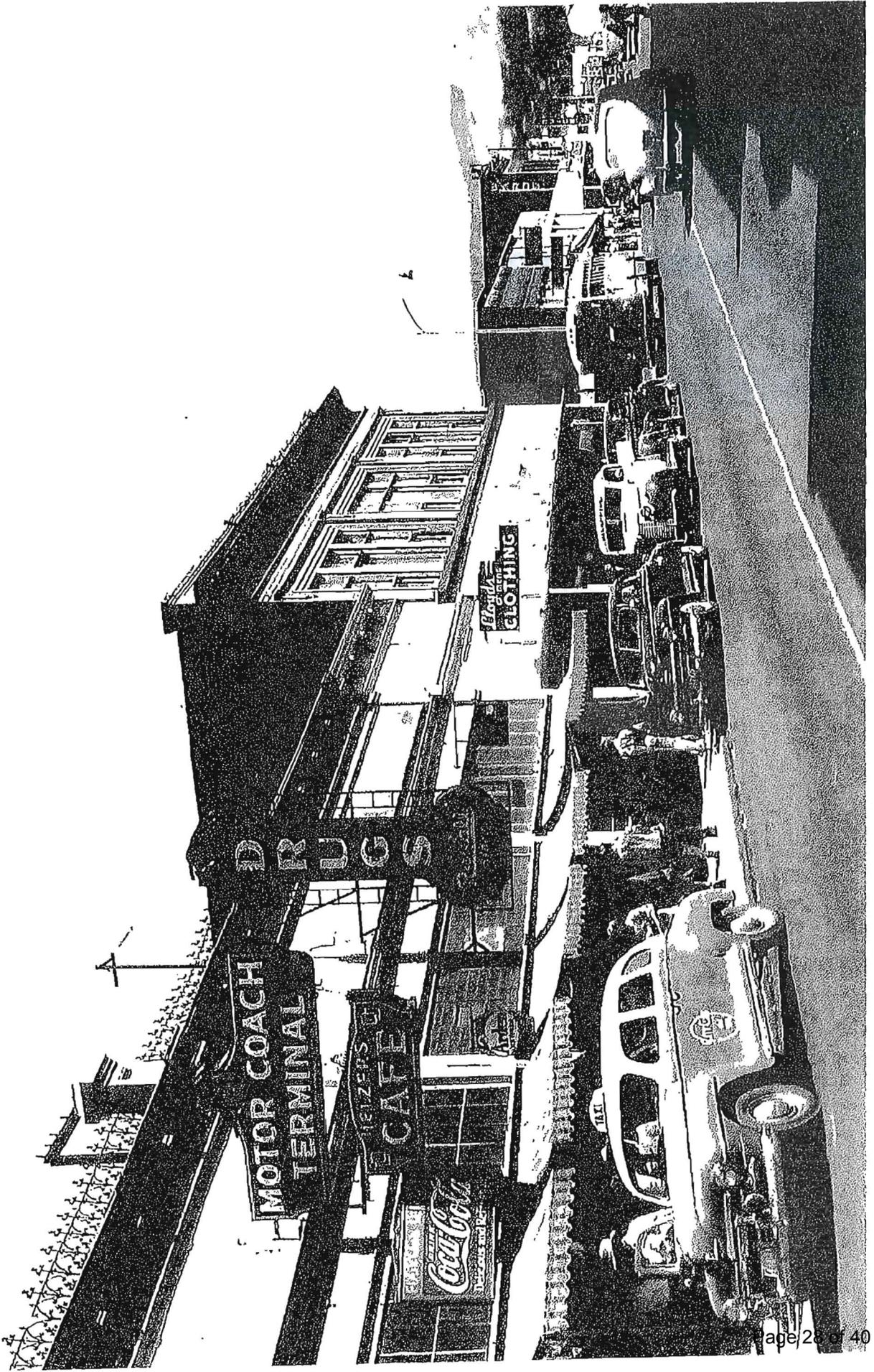
Pabrication and  
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Tiles Under Awning

Removal of Old Awning

New Neon Bldg Sign





United States Department of the Interior  
National Park Service

## National Register of Historic Places Continuation Sheet

Section number 7 Page 111

ALTERATIONS: Major; Extensive alterations to main facade  
STYLE Italianate  
USE: Retail  
PREVIOUS HISTORIC LISTING: None  
CLASSIFICATION: Historic Non-Contributing

PHYSICAL DESCRIPTION: This two-story brick building has stucco as the exterior finish material. The roof is flat and built up. The main (south) elevation has aluminum storefront door and windows. The spandrel is covered with decorative wood paneling.

HISTORICAL DATA: According to the Sanborn Fire Insurance Maps, the building was used for a variety of uses including a grocery and hardware store (1900), and a printing business and offices (1909, 1926).

#91 HISTORIC NAME: Edward C. Pease Department Store  
COMMON NAME: Craig Office Supply  
ADDRESS: 319-321 E. Second Street  
RESOURCE TYPE: Building  
OWNER'S NAME AND ADDRESS:  
Kenneth W. & Helen M. Kortge  
5663 Mill Creek Road  
The Dalles, Oregon 97058  
ASSESSOR'S MAP: IN-13E-3BD BLOCK: 2 LOT: 7, pt. 8 TAX LOT: 2400  
ADDITION: Laughlin's Addition  
YEAR BUILT: 1910-1911  
ALTERATIONS: Ground floor alterations of storefronts with metal, stucco, signing, and exterior lighting.  
STYLE: Classical/ Commercial (originally Italianate)  
USE: Retail  
PREVIOUS HISTORIC LISTING: Oregon Statewide Inventory (1984-85)  
CLASSIFICATION: Secondary

PHYSICAL DESCRIPTION: The Pease Department Store is a two-story brick building, on a corner lot, with a rectangular plan measuring 75'x 120'. The building has a concrete foundation with a basement in the rear half, and a wood frame interior.

The flat roof is behind a low parapet wall. The building has an ornamental sheet metal cornice with acanthus leaf and ornamental scroll modillions, cyma recta crown molding above the dentils, and ornamental

United States Department of the Interior  
National Park Service

## National Register of Historic Places Continuation Sheet

Section number 7 Page 112

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brick patterned walls, window surrounds, and pilasters. The upper floor detailing is crisp and the entire building appears to be in good condition.

The second floor windows are intact examples of the Chicago Style tripartite windows on the principal elevations (south and east elevations). The first floor windows on the Federal Street (east) elevation have been stuccoed in and a mural depicting a Native American scene covers the elevation (painting not painted directly on building, 1993).

The first floor storefronts have been altered by new windows, doors and bulkheads. A corrugated metal awning on the north elevation covers the transoms on the first floor. A brick wall projects above the roof which was apparently used as a sign wall. Original iron clad shutters, an arched door, and a garage door are on the rear elevation.

**HISTORICAL DATA:** The first building at this location was damaged by the fire of 1891, the building was part of the Daniel M. and Joshua W. French properties on Second Street, as the location of their mercantile business. This business was sold to Brooks and McFarland in 1875, later becoming McFarland and French. The French in this case was another brother, Smith French, who came to The Dalles in 1877. This business was the predecessor of the Edward C. Pease Company.

Edward C. Pease, a prominent pioneer merchant of The Dalles, was born in San Francisco (1860). He came to Portland in 1882 during the construction of the railroad and moved to The Dalles in 1884 to work as a clerk for McFarland & French Mercantile Company. In 1891, he became associated with Robert Mays. Pease and May formed a partnership (bought out McFarland & French) until May retired in 1900.

On June 5, 1911, the heirs of Robert Mays deeded the property to Edward Pease and Company. Pease built a large new building on the corner of Federal and First streets and continued his merchandising business. Pease also opened a store in Shaniko, Oregon after the completion of the Columbia Southern Railroad. Pease was a member of The Dalles Chamber of Commerce, a member of the Oregon State Board of Higher Education, and Honorary President of the Wasco Pioneers' Association. He was also instrumental in promoting the construction of the Bonneville Dam on the Columbia River. Pease's wife, Edna Pease Pratt, sold the store and building in 1961 to Kenneth and Helen Kortge.

**STAFF REPORT  
HISTORIC LANDMARKS REVIEW #153-16**

**TO:** The Dalles Historic Landmarks Commission

**FROM:** Dawn Marie Hert, Senior Planner

**HEARING DATE:** January 27, 2016

**ISSUE:** Craig Development is applying for an approval for restoration work to the historic Pease Department Store building. The restoration project will bring the building back to a near original state.

**SYNOPSIS:**

APPLICANT	Craig Development
PROPERTY OWNER	Craig Development
LOCATION	323 East 2 <sup>nd</sup> Street
ZONING	"CBC" – Central Business Commercial
EXISTING USE	Retail & Office
SURROUNDING USE	Commercial
HISTORIC STATUS	Secondary Significant- The Dalles Commercial Historic District.

**NOTIFICATION:** Published advertisement in local newspaper; notification to property owners within 100 feet, SHPO.

**RECOMMENDATION:** Approval, with conditions, based on the following findings of fact.

**BACKGROUND:** The Edward C. Pease Department Store building was built in 1910-11. Over the years minor alterations have included installation of an awning and storefronts being altered. Craig Development is making a request for grant monies from the Urban Renewal Agency to assist in the restoration of this prominent corner building in our historic downtown.

The restoration project will include removal of the old awning and installation of a historically appropriate awning; restoration of brick moldings and ceramic tiles under the awning; fabrication and installation of window sill covers; restoration of paint on cornice and historic Chicago style window detail; restoration and resealing of the skylight in the roof; prep, sealing and refinishing the detail on the top of the building above the cornice; and installation of metal cap on the parapets and roof.

**ANALYSIS:** The Historic Landmarks Commission is responsible for conducting hearings dealing with proposed alterations to historic buildings. City of The Dalles General Ordinance 94-1194 as well as General Ordinance 96-1207 establishing design guidelines for Historic Resources will serve as a tool to help the Commission make these decisions.

The purpose of the Historic Landmarks Commission, the Historic Ordinance and the review criteria are to:

- *Protect historic and cultural resources from destruction, inappropriate alteration, and incompatible adjacent development;*
- *Stabilize and improve property values in historic districts and citywide;*
- *Enhance the city's attractiveness to visitors and residents, and stimulate business, industry and tourism;*
- *Educate The Dalles' citizens and visitors concerning the city's heritage;*
- *Preserve the historic housing stock of The Dalles;*
- *Comply with The Dalles comprehensive Plan.*

**A. CITY OF THE DALLES GENERAL ORDINANCE 94-1194—AN ORDINANCE RELATING TO HISTORIC RESOURCES WITHIN THE CITY OF THE DALLES.**

Section 7, Subsection A. Review Criteria:

“Secretary’s Standards. Commission decisions shall be based on the Secretary of the Interior’s Guidelines for the Treatment of Historic Properties.” The following are pertinent standards from the “Guide”.

1. *“A property shall be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces, and spatial relationships”.*

**FINDING A-1:** This site has been used as retail and offices for many years. This application does not propose any use change or changes to the existing building. Criterion met.

2. *“The historic character of a property shall be retained and preserved. The removal of historic materials or alterations to features and spaces that characterize a property shall be avoided.”*

**FINDING-A2:** The applicant has submitted plans that include restoration of many of the elements on the façade of this historic building, including the installation of a new awning. The restoration and alterations proposed to the site are consistent with the historic design guidelines in General Ordinance 96-1207 and the historic photos provided by the applicant. The applicant does not propose to remove any historic features from this building, unless they are beyond repair. The historic character of this property will be retained. Criterion met.

3. *“Each property shall be recognized as a physical record of its time, place, and use. Changes that create a false sense of historical development, such as adding conjectural features or architectural elements from other buildings, shall not be undertaken.”*

**FINDING-A3:** This property is recognized as a physical record of its time and no changes either conjectural or otherwise are proposed. Criterion met.

4. *“Changes to a property that have acquired historic significance in their own right shall be retained and preserved.”*

**FINDING-A4:** There are no plans to remove any features that have acquired historic significance. No changes are requested that impact the historic significance of the Pease Department Store building. Criterion met.

5. *“Distinctive features, finishes, and construction techniques or examples of craftsmanship that characterize a property shall be preserved.”*

**FINDING-A5:** All distinctive features finishes and construction techniques are being preserved. No alterations are requested that will impact the historic features of the building or site. Criterion met.

6. *“Deteriorating historical features shall be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature shall match the old in design, color, texture, and other visual qualities and, where possible, materials. Replacement of missing features shall be substantiated by documentary and physical evidence.”*

**FINDING-A6:** As stated earlier, the applicant is proposing to repair as much as possible. The applicant does not propose to remove any historic features from this building, unless they are beyond repair. These repairs and restoration plan will help bring the original exterior back to its 1910-11 appearance.

7. *“Chemical or physical treatments, such as sandblasting, that cause damage to historic materials shall not be used. The surface cleaning of structures, if appropriate, shall be undertaken using the gentlest means possible.”*

**FINDING-A7:** No chemical or physical treatments have been proposed. Therefore, this criterion does not apply.

8. *“Significant archaeological resources affected by a project shall be protected and preserved. If such resources must be disturbed, mitigation measures shall be undertaken.”*

**FINDING-A8:** No archaeological resources are expected to be affected by this proposal as there are no plans for excavation. Criterion does not apply.

9. *“New additions, exterior alterations, or related new construction shall not destroy historic materials that characterize the property. The new work shall be differentiated from the old and shall be compatible with the massing, size, scale, and architectural features to protect the historic integrity of the property and its environment.”*

**FINDING-A9:** This application does not propose any new exterior alterations for the existing building. Therefore, this criterion does not apply.

10. *“New additions and adjacent or related new construction shall be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.”*

**FINDING-A10:** No additions or new construction is proposed for the existing structure. Criterion does not apply.

**B. CITY OF THE DALLES GENERAL ORDINANCE 96-1207—AN ORDINANCE AMENDING SECTION 10(A) OF GENERAL ORDINANCE 94-1194, ESTABLISHING DESIGN GUIDELINES FOR HISTORIC RESOURCES.**

**Page 10 -MATERIALS**

*The sense of cohesiveness and continuity of The Dalles' commercial area derives in part from the consistent use of building materials in building facades. New construction and rehabilitation should use appropriate materials that provide scale making a more pedestrian friendly environment.*

**GUIDELINES:**

- a. For building renovations, original materials should be restored wherever possible.*
- b. When materials need to be replaced for restoration they should be compatible in quality, color, texture, finish and dimension to the original materials (see page 2, Secretary of the Interior's Standards for Rehabilitation).*
- c. New construction should use materials compatible with the historic buildings in quality, color, texture, finish and dimension. Predominant materials of the commercial historic district are:  
brick; stone; cast iron; glazed terra cotta; cement plaster (stucco)*
- d. The use of wood for windows is recommended.*
- e. The use of reflective and smoked glass is prohibited.*
- f. Whenever possible, the natural color of the materials should be retained.*
- g. An ordinance prohibiting the painting of brick, unless it is damaged or has already been sandblasted, should be adopted.*
- h. Sandblasting of brick is prohibited as it severely damages the brick.*
- i. When painting a building the following color scheme is recommended:  
darkest-window sash; medium-building; lightest-trim, detail*

**FINDING B-2:** The requests being made by the applicant for rehabilitation will need to meet the historic design guidelines. When repairing the main facade and windows the historic color scheme will need to be followed and materials will need to meet the recommended materials.

**CONCLUSIONS:** The proposed repairs to the front façade of the Pease Department Store Building is necessary in order to keep the historic building in operation and continue to serve the community for many more years. In all respects this application meets the standards of the Secretary of the Interior and the City of The Dalles General Ordinance No.94-1194, as well as General Ordinance No. 96-1207, with the following conditions:

**Recommended Conditions of Approval:**

- 1. Work will be completed in substantial conformance to the drawings and proposals as submitted and reviewed.
- 2. Prior to construction, the applicant will need to submit for approval to the City Planning Department. Once approved, the applicant will need to submit for a structural permit from the local Mid-Columbia Building Codes Services.
- 3. Final paint colors on the refurbished windows and awning will need to meet the historic design guidelines and be approved by the Planning Director.



**CITY of THE DALLES**

313 COURT STREET  
THE DALLES, OREGON 97058

(541) 296-5481 ext. 1125  
Planning Department

**HISTORIC LANDMARKS RESOLUTION NO. 143-16**

**Adopting The Dalles Historic Landmarks Commission Application #153-16 of Craig Development.** This application is for a Historic Landmarks Commission hearing to gain approval to restore and update exterior of building. Project includes removal of old awning, window restoration, brick molding and ceramic tile restoration, and installation of a new neon building sign. The property is located at 323 E. 2<sup>nd</sup> Street, The Dalles, Oregon and is further described as IN 13E 3 BD 2400. Property is zoned “CBC” – Central Business Commercial, in The Dalles Commercial Historic District.

**I. RECITALS:**

- A. The Historic Landmarks Commission of the City of The Dalles has, on January 27, 2016, conducted a public hearing to consider the above request.
- B. A Staff report was presented, stating findings of fact and conclusions of law.
- C. Staff Report #153-16 and the minutes of the January 27, 2016 hearing, upon approval, provide the basis for this resolution and are herein attached by reference.

**II. RESOLUTION:** Now, therefore, be it **FOUND, DETERMINED, and ORDERED** by the Historic Landmarks Commission of the City of The Dalles as follows:

- A. In all respects as set forth in Recitals, Part “I” of this resolution.
- B. Historic Landmarks Review #153-16 – applicant Craig Development, is *approved* with the following conditions:
  - 1. Work will be completed in substantial conformance to the drawings and proposals as submitted and reviewed.
  - 2. Prior to construction, the applicant will need to submit for approval to the City Planning Department. Once approved, the applicant will need to submit for a structural permit from the local Mid-Columbia Building Codes Services.
  - 3. Final paint colors on the refurbished windows and awning will need to meet the historic design guidelines and be approved by the Planning Director.

**III. APPEALS, COMPLIANCE AND PENALTIES:**

- A. Any party of record may appeal a decision of the Historic Landmarks Commission to

the City Council for review. Appeals must be made in accordance to Section 9(a) of the Historic Landmarks Ordinance No. 1194, and must be filed with the City Clerk within ten (10) days of the date of mailing of this Order.

- B. Failure to exercise this approval within the time line set either by Order or by Ordinance will invalidate this permit.

ADOPTED THIS 27TH DAY JANUARY, 2016.

\_\_\_\_\_  
Eric Gleason, Chairman  
Historic Landmarks Commission

I, Dawn Marie Hert, Senior Planner & Historic Landmarks Secretary for the Planning Department of the City of the Dalles, hereby certify that the foregoing Order was adopted at the meeting of the City Historic Landmarks Commission, held on January 27, 2016.

AYES:

NAYS: None

ABSENT: None

ABSTAIN: None

ATTEST:

\_\_\_\_\_  
Dawn Marie Hert, Senior Planner & Historic Landmarks Commission Secretary  
City of The Dalles Planning Department



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY  
CITY OF THE DALLES

**AGENDA STAFF REPORT**

URBAN RENEWAL AGENCY

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
February 22, 2016	Action Item #5-D	

**TO:** Urban Renewal Agency

**FROM:** Daniel Hunter, Project Coordinator

**DATE:** February 10, 2016

**ISSUE:** Granada Block Development

**BACKGROUND:** As you will recall, we advertised a Request for Proposals on the Granada Block Properties in October of 2015. That request received substantial interest and resulted in three proposals being received. According to that request we established a review committee to review the proposals received and make a recommendation to the Urban Renewal Advisory Committee. The review committee was made up of Agency Chairman Steve Lawrence, Advisory Committee Vice-Chair Greg Weast, City Business Development Director Gary Rains, City Project Coordinator Daniel Hunter, and City Attorney Gene Parker. City Manager, Julie Krueger also attended the meetings and provided input.

Each of you should have received a CD with all of the proposals on it. The three proposals are: A Proposal from Charles Gomez Debra Liddell of Watseka, Illinois; a proposal from Eric Gleason; and a proposal from Granada Block Property Redevelopment (GBPR). Each proposal was scored according to the criteria in the RFP. The scores from each member of the review committee were then totaled. The maximum possible score was 150 from each reviewer for a total of 750. The total score received by each proposer is provided here.

Granada Block Property Redevelopment: 444 points

Gomez-Liddell: 276 points

Gleason: 118 points

Since our initial meeting, Gary Rains spoke with GBPR and Daniel Hunter spoke with Charles Gomez to see if they would be interested in splitting the project. They both responded favorably. What this means is that Charles Gomez would focus on the Granada Theatre and GBPR would focus on the Recreation and other properties.

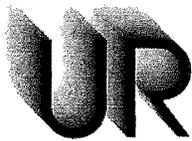
Given the information provided in the GBPR Proposal, we determined that upfront monies for the purchase of the property needed to be identified. Gary Rains will continue to work with them to achieve that end. Our expectation is that we will bring that proposal back to you with more information on the financials at a later date.

After review the proposal from Charles Gomez, it is our recommendation that the Urban Renewal Advisory Committee recommend to the Agency Board proceed with negotiations and purchase agreement with Charles Gomez and Debra Liddell. The general terms we would seek are: purchase of the property for the sum the Agency purchased it for, and the terms of that purchase. A time-line for the theatre to be operational and self-sustaining, with a reversionary clause back to the Agency should the proposer fail to meet those obligations.

Due to the timing of meetings and the desire to get this information to you, the result of the Advisory Committee is not known at the time this report is being sent out. We will send you that information on February 17.

#### **AGENCY ALTERNATIVES**

1. **Recommendation: *Move to authorize the Agency Manager, to enter negotiations for the purchase and refurbishment of the Granada Theatre with Charles Gomez and Debra Liddell.***
2. Move to reject of all proposals and advertise a modified Request for Proposals.
3. Request further information



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY  
CITY OF THE DALLES

AGENDA STAFF REPORT

URBAN RENEWAL AGENCY

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
February 22, 2016	Action Item #5-E	

**TO:** Urban Renewal Agency

**FROM:** Daniel Hunter, Project Coordinator

**DATE:** February 10, 2016

**ISSUE:** Purchase Option on Tony’s Building

**BACKGROUND:** As you will recall, at the Advisory Committee meeting December 14, 2015 staff presented a report to you requesting recommendation to proceed with negotiations and the purchase of real property. That recommendation was approved and subsequently was approved by the Agency Board on January 4, 2016.

The intention described in those reports was for The City of The Dalles to loan the Agency the money for the purchase. The Agency would then pay the City back over 5 years at 4% interest. The details of where the funds would come from to pay these funds back would likely come through a reduction in the amount budgeted to Property Rehabilitation.

At the City Council meeting February 8, 2016 some City Council members expressed concern for this approach. They instructed staff to look at available Urban Renewal Funds and come up with an alternative.

Having reviewed the Urban Renewal Budget and available funds, staff is providing you with an alternative. Within the Property Rehabilitation Program funds are available when combined with additional beginning fund balance funds not previously budgeted. We have accounted for all known applications through the property rehabilitation program.

This includes applicants that Main Street is currently working with who have not received approval thus far. It also includes unexpended liabilities for grants provided, that have not been expended yet.

This plan would preclude any further Property Rehabilitation projects this budget cycle and could affect those next budget cycle by reduction in next year's beginning fund balance.

The Agency realized a larger beginning fund balance than anticipated in this budget. There remains \$166,000 of previously unallocated funds in that fund.

This would be added to the remaining balance of the Property Rehabilitation line item of \$262,098 and funds from the Urban Renewal fund for Capital Projects by Urban Renewal of \$90,113.

Additional Beginning Fund Balance	\$166,000
Capital Projects By Urban Renewal	\$90,113
Property Rehabilitation	\$262,098
Total	\$518,211

The purchase price of the property is \$450,000 and the projected closing date is February 24, 2016.

Due to the timing of meetings and the desire to get this information to you, the result of the Advisory Committee is not known at the time this report is being sent out. We will send you this information on February 17.

**AGENCY ALTERNATIVES**

- 1. Recommendation: Move to approve, the purchase of the property for the development of a mixed-use development by Tokola Development, using Urban Renewal Funds.***
2. Move to approve previous recommendation using loan from the City of The Dalles.
3. Move to request further investigation and postpone the purchase of the property.