



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES

AGENDA

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

Meeting Conducted in a Handicap Accessible Room

Monday, March 14, 2016
Immediately Following City Council Meeting

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES
 - A. Approval of February 22, 2016 Regular Meeting Minutes
5. ACTION ITEMS
 - A. Approve Resolution No. 16-001 Authorizing Transfers of Budgeted Funds Between Categories of the Columbia Gateway Urban Renewal Agency Fund 200 Budget for the Fiscal Year Ending June 30, 2016.
6. ADJOURNMENT

Prepared by:
Izetta Grossman
City Clerk

MINUTES

Columbia Gateway Urban Renewal Agency
Regular Meeting
February 22, 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: City Manager Julie Krueger, City Clerk Izetta Grossman, Project Coordinator Daniel Hunter, City Attorney Gene Parker, Business Development Director Gary Rains, Police Chief Jay Waterbury

CALL TO ORDER

The meeting was called to order by Chair Lawrence at 7:40 p.m.

ROLL CALL

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

APPROVAL OF AGENDA

Chair Lawrence removed Item 5 D Granada Theatre Proposals from the agenda. It was moved by Spatz and seconded by Miller to approve the agenda as amended. The motion carried unanimously.

APPROVAL OF MINUTES

It was moved by Elliott and seconded by Brown to approve the minutes of the January 4, 2016 Work Session, and the January 11, 2016 Regular Meeting as submitted. The motion carried unanimously.

ACTION ITEMS

Declare Surplus and Allow Sale of Lane Flooring at Recreation

City Manager Krueger reviewed the staff report.

It was moved by Brown and seconded by McGlothlin to declare 80 sections of bowling lane flooring as surplus property, and offer it for sale at \$5.00 per section. The motion carried unanimously.

Approve Façade Grant for Freebridge Brewery

Project Coordinator Hunter reviewed the staff report.

It was moved by Brown and seconded by Spatz to approve the Façade Grant for the Mint building (Freebridge Brewery) in an amount not to exceed \$7923. The motion carried unanimously.

Approve Façade Grant for Craig's Building

Project Coordinator Hunter reviewed the staff report.

It was moved by Elliott and seconded by Spatz to table the item until after Item E. The motion carried unanimously.

Approve Purchase of Tony's Building

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

Mayor Lawrence asked if the BOLI requirement was a maximum contribution of \$750,000 from the Agency. Rains said there are many options being considered as "Public Contribution" to the project. He said Tokola had done a number of this type of project and their performance typically includes 15% "Public Contribution". He said there are many areas of participation: relocation of the utilities; SDC's; the city parking lot and alley vacation for example. He said it had been determined it was best for the Agency to purchase the Tony's Building. Rains said the negotiations will determine the details of the public participation. He said the developers were here last week and are ready to move forward on the project quickly.

Spatz said he was concerned about purchasing the property without knowing what the terms of the agreement would be. He said he likes the project, and wanted to be sure the Agency could honor its commitments.

Lawrence reminded the Board that the option to purchase expired the end of February.

In response to a question City Attorney Parker said there were things that had to be in place before a letter could be written to BOLI for their approval. He said it was a bit of a chicken and egg process.

Spatz asked if the Housing Authority could be involved to meet some of the public commitment.

Lawrence said the project had been reviewed in September, these were 11th hour concerns. He said Tokola was a solid organization that had put their Forest Grove project on hold to start this one. He said they wanted to start demolition in August.

Brown agreed the project was the best brought to the agency in a while. He said his concern was the financial viability of the Agency.

Elliott asked if there was information Lawrence had that would be helpful to the rest of the agency.

Hunter reminded the Board that they had previously decided to purchase the property; this decision was to determine if Urban Renewal would fund the purchase.

In response to questions City Manager Krueger said “public commitment” could include items such as SDC’s, demolition, utility relocates.

Hunter asked if participation by the Housing Authority would diminish property taxes. Joel Madsen from the Housing Authority said it depended on the type of involvement.

Rains said the developer is committed to attainable housing and he believed they would accept housing vouchers. Rains said the property owners are anticipating the close on the property next week.

Spatz said he would be more comfortable if there were more details on paper.

Krueger said the appraisal was expected back on March 3, and that would give a base figure to work with.

Lawrence reminded the Board of the memo from the City Attorney on restructuring Urban Renewal.

Krueger asked if extending the option to purchase a month would give enough time to gather information for the Board.

Rains said it would have a snowball effect, pushing back all the timelines.

Brown said he wanted assurances that the financial status of the Urban Renewal Agency would be addressed.

Hunter said the Agency was funded with tax increment of \$1.3 - \$1.4 million annually. He said approximately \$800,000 of those funds went to bond payment, the remaining funds and any left over from the prior year was what funded projects. He said any project could be suspended. He said the Agency was bonded through 2026, and anticipated \$150,000 from the Sunshine Mill in the current fiscal year and \$300,000 in the next.

Miller said this project fits the Urban Renewal project, and Tokola projects are well done projects.

McGlothlin said the risk sounds manageable and the company was strong.

Hunter said they had negotiated a lower price for the building \$420,000; due to the asbestos found that would require more expensive demolition.

McGlothlin moved and Miller seconded to approve the purchase of Tony's Building using Urban Renewal Funds. The motion carried, Spatz voting no.

Approve Façade Grant for Craig's Building

Project Coordinator Hunter reviewed the staff report.

Hunter said if it was the desire of the Board, he would talk to Jim Craig about reducing the amount of the request and including a little more detailed cost estimate.

It was the consensus of the Board to have Hunter discuss with the Jim Craig about only including the façade in the request and reducing the amount of the request to \$25,000.

ADJOURNMENT

Being no further business, the meeting adjourned at 8:30 p.m.

Submitted by/
Izetta Grossman
City Clerk

SIGNED:

Stephen E. Lawrence, Chair

ATTEST:

Izetta Grossman, City Clerk



URBAN RENEWAL AGENDA STAFF REPORT

AGENDA LOCATION: Action Item #5-A

MEETING DATE: March 14, 2016

TO: Urban Renewal Board

FROM: Kate Mast, Finance Director

ISSUE: Resolution No. 16-001 Authorizing Transfers of Budgeted Funds Between Categories of the Columbia Gateway Urban Renewal Agency Fund 200 Budget for the Fiscal Year Ending June 30, 2016.

BACKGROUND: The Urban Renewal Agency wishes to purchase the properties at 401 E 2nd Street in The Dalles (01N13E03BD 2300 and 01N13E03BD 2200) to facilitate redevelopment of mixed use in the downtown area. The total cost will be \$423,937. The Urban Renewal Board approved this purchase at their meeting on February 22, 2016.

BUDGET IMPLICATIONS: Some reallocation of budgeted amounts is needed to provide for this purchase. The purchase will be made from the Capital Outlay category, LAND line item.

Within the Capital Outlay category are funds currently budgeted for “Capital Projects by City”, with a current budget of \$1,009,739. \$956,371 of these funds were to be transferred to the City’s Special Grants Fund (018) for the Washington Plaza/Tunnel and the Granada Block projects. However, a major source of these allocations was the sale of the Granada properties and the Sunshine Mill properties (\$843,872.06), which we now know will not happen in this fiscal year. Another \$53,368 is committed to be transferred to the Library Fund for the Children’s Expansion project. This leaves approximately \$112,400. The proposed resolution reallocates \$100,000 of that amount to this purchase.

Also within the Capital Outlay category is the Capital Projects by UR line item, with a budget of \$402,723. \$300,000 of this amount is committed to the restoration of the Civic Auditorium. The other \$102,723 was for “opportunity driven” items. The proposed resolution reallocates \$90,000 of that amount to this purchase.

No formal action is needed to move budgeted funds between line items within the same category.

\$233,937 is needed to complete the funding of this purchase. The Property Rehabilitation line item has a budget of \$430,120, with approximately \$161,000 of that either expended or committed, leaving \$269,120. This resolution proposes to move \$233,937 of that to the Capital Outlay Category for this purchase, leaving \$35,183 for new Property Rehab projects.

COUNCIL ALTERNATIVES:

1. ***Staff recommendation: Move to Adopt Resolution No. 16-001 Authorizing Transfers of Budgeted Funds Between Categories of the Columbia Gateway Urban Renewal Agency Fund 200 Budget for the Fiscal Year Ending June 30, 2016.***
2. Direct Staff to revise funding strategy.
3. Decline.

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

RESOLUTION NO. 16-001

A RESOLUTION AUTHORIZING TRANSFERS OF BUDGETED FUNDS BETWEEN CATEGORIES OF THE COLUMBIA GATEWAY URBAN RENEWAL AGENCY FUND 200 BUDGET FOR THE FISCAL YEAR ENDING JUNE 30, 2016.

WHEREAS, the Urban Renewal Agency wishes to purchase the properties at 401 E 2nd Street in The Dalles (01N13E03BD 2300 and 01N13E03BD 2200); and

WHEREAS, the total amount of this purchase is \$423,937; and

WHEREAS, an additional \$233,937 is needed in the Capital Outlay category to fund this purchase;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COLUMBIA GATEWAY URBAN RENEWAL AGENCY AS FOLLOWS:

Section 1. The Board of Directors hereby authorizes the following transfers of funds between budgeted categories.

<u>FUND OR DEPT.</u>	<u>BUDGETED</u>	<u>RESOURCES NEEDED</u>	<u>REALLOCATED</u>
<u>AGENCY FUND (200)</u>			
transferred from Materials & Services	\$ 624,733	\$ 390,796	- \$ 233,937
transferred to Capital Outlay Category	\$ 1,412,462	\$ 1,646,399	+ \$ 233,937

Section 2. This Resolution shall become effective upon adoption and shall remain in effect until after receipt and acceptance of the FY15/16 audit.

PASSED AND ADOPTED THIS 14th DAY OF MARCH, 2016.

Voting Yes: _____
Voting No: _____
Absent: _____
Abstaining: _____

AND APPROVED BY THE CHAIR THIS 14th DAY OF MARCH, 2016.

SIGNED:

ATTEST:

Stephen E. Lawrence, Chairman of the Board

Izetta Grossman, City Clerk