



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, July 22, 2013

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 June 10, 2013 Regular Meeting Minutes
- VI. ACTION ITEMS
 - A. Approval of the City of The Dalles' Fraud Policy
 - B. Request from Rapoza to Extend Purchase Deadline for Phase I of Granada Block Redevelopment Project for 120 Days
- VII. ADJOURNMENT

MINUTES

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

REGULAR MEETING

OF

JUNE 10, 2013

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, Administrative Fellow Garrett Chrostek, Finance Director Kate Mast

CALL TO ORDER

The meeting was called to order by Chair Lawrence at 8:13 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 Spatz to approve the agenda as presented. The motion carried unanimously.

MINUTES (Continued)
Urban Renewal Agency
June 10, 2013
Page 2

AUDIENCE PARTICIPATION

None.

APPROVAL OF MINUTES

It was moved by Spatz and seconded by McGlothlin to approve the minutes of April 22, 2013 regular meeting. The motion carried unanimously.

PUBLIC HEARINGS

Public Hearing to Receive Testimony Regarding Proposed 2013-14 Fiscal Year Budget

Chair Lawrence reviewed the procedure to be followed for the hearing.

Finance Director Mast reviewed the staff report.

Testimony

No testimony was presented. The public hearing was closed.

Resolution No. 13-001 Adopting the Fiscal Year 2013-14 Budget for the Columbia Gateway Urban Renewal Agency, Making Allocations and Certifying a Request for Maximum Tax Revenue to the County Assessor

It was moved by McGlothlin and seconded by Wood to adopt Resolution No. 13-001 adopting the fiscal year 2013-14 budget for the Columbia Gateway Urban Renewal Agency, making allocations and certifying a request for maximum tax revenue to the County Assessor. The motion carried unanimously.

ACTION ITEMS

Approval of Modifications to the Interest Buy Down Program

Administrative Fellow Chrostek reviewed the staff report. He said the purpose of the proposed changes were to make the program more equitable and transparent. Chrostek reviewed the proposed changes, noting the Advisory Committee had recommended they all be approved. The proposed changes were: 1) maximum interest rate eligibility; 2) mandatory interest rate shopping;

3) cap on the maximum total value of the loan subsidy; 4) Agency option of buying points on the loan; 5) obligatory refinancing; 6) limit on the life of the loan of ten years or life of the agency, whichever is shorter; and 7) lowering the threshold for Agency approval.

It was moved by Dick and seconded by Miller to approve the modifications to the Interest Buy Down Program as recommended by staff and the Urban Renewal Advisory Committee. The motion carried unanimously.

OTHER BUSINESS

Chair Lawrence thanked the City Manager for providing the Granada Block Redevelopment checklist and asked that it be provided to the Agency members and the media. He said it was a great tool. City Manager Young thanked Administrative Fellow Garrett Chrostek, who developed the document.

ADJOURNMENT

Being no further business, the meeting adjourned at 8:45 p.m.

Submitted by/
Julie Krueger, MMC
City Clerk

SIGNED:

Stephen E. Lawrence, Chair

ATTEST:

Julie Krueger, MMC, City Clerk



COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

AGENDA STAFF REPORT

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #

TO: Agency Chair and Board Members

FROM: Kate Mast, Finance Director

THRU: Nolan K. Young, City Manager

A handwritten signature in blue ink, appearing to read 'ny' or 'nyoung', is written over the 'THRU:' line.

DATE: July 9, 2013

ISSUE: Resolution No 13-002 Adopting the Use of the City of The Dalles Fraud Policy as Set forth by City Resolution No. 13-023, including any Future Amendments to Those Policies Adopted by the City Council.

BACKGROUND: The City Council adopted Resolution No. 13-023 (see attached) adopting a Fraud Policy for the City of The Dalles at their meeting on July 8, 2013. The Auditors have recommended that each entity adopt a Fraud Policy to provide information regarding the steps needed to report any suspected fraud. In the interests of maintaining consistency and efficiency in the management and operations of both the City and the Urban Renewal Agency, the Urban Renewal Agency may adopt the same policies that have been adopted by the City. This has been done in the past with other policies, such as the Financial Policies.

BUDGET IMPLICATIONS: None.

ALTERNATIVES:

- A. **Staff Recommendation:** Move to adopt Resolution No. 13-023 Adopting the Use of the City of The Dalles Fraud Policy as Set forth by City Resolution No. 13-023, Including any Future Amendments to Those Policies Adopted by the City Council.
- B. The Board could choose to adopt their own Fraud Policy for the Urban Renewal Agency.
- C. The Board could choose to not adopt any Fraud Policy.

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

RESOLUTION NO. 13-002

**A RESOLUTION ADOPTING THE USE OF THE CITY OF THE DALLES
FRAUD POLICY AS SET FORTH BY CITY RESOLUTION NO. 13-023,
INCLUDING ANY FUTURE AMENDMENTS TO THOSE POLICIES
ADOPTED BY THE CITY COUNCIL**

WHEREAS, the Columbia Gateway Urban Renewal Agency is committed to the highest standards of moral and ethical behavior; and

WHEREAS, consistency and efficiency is desired in the management and operations of both the City of The Dalles and the Columbia Gateway Urban Renewal Agency; and

WHEREAS, this consistency and efficiency can be obtained by using the same Fraud Policy for the Agency as is used for the City;

**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 adopts the Fraud Policy as set forth by the City’s Resolution No. 13-023.

Section 2. Changes to the City’s Resolution No. 13-023 will automatically be approved by the Columbia Gateway Urban Renewal Agency, unless the Agency is specifically excluded by an amendment to those policies adopted by the City Council.

Section 3. This Resolution shall be effective upon adoption by the Board.

PASSED AND ADOPTED THIS 8th DAY OF JULY, 2013

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

AND APPROVED BY THE CHAIR THIS 8th DAY OF JULY, 2013

SIGNED:

ATTEST:

Stephen E. Lawrence, Chair

Julie Krueger, MMC, City Clerk

RESOLUTION NO. 13-023

**A RESOLUTION ADOPTING A FRAUD POLICY
FOR THE CITY OF THE DALLES**

WHEREAS, the City of The Dalles is committed to the highest standards of moral and ethical behavior; and

WHEREAS, the City wishes to establish responsibilities and procedures for reporting, investigating and resolving suspected acts of fraud, theft, waste, abuse and ethical misconduct;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS
FOLLOWS:**

Section 1. The City Council hereby adopts the Fraud Policy shown as Exhibit A to this Resolution. This policy supersedes any prior policies adopted by the City Council which concern the same subject matter addressed by the Fraud Policy set forth in Exhibit A.

Section 2. The City Council hereby approves the creation of an Anti-Fraud Committee composed of the City Manager, City Attorney, City Clerk, and a Council Member. If the offices of any of these Committee members are suspected of fraudulent activity, that position will be replaced by an uninvolved Department Manager or Council Member until the issue is resolved.

Section 2. The City Council hereby authorizes the City Manager to develop, approve and change Administrative Policies as needed that reflect procedures and directives that support or clarify the Fraud Policy as approved by the City Council.

Section 3. This Resolution shall be effective upon adoption.

PASSED AND ADOPTED THIS 8th DAY OF JULY, 2013

Voting Yes, Councilors: Wood, McGlothlin, Dick, Miller, Spatz

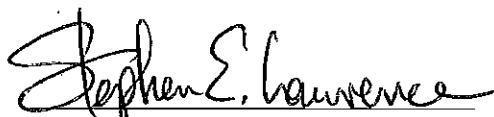
Voting No, Councilors: None

Absent, Councilors: None


Abstaining, Councilors: None

AND APPROVED BY THE MAYOR THIS 8th DAY OF JULY, 2013

SIGNED:


Stephen E. Lawrence, Mayor

ATTEST:


Julie Krueger, MMC, City Clerk

City of The Dalles Fraud Policy

Exhibit A to Resolution No. 13-023

Section 1. Purpose

The City of The Dalles (City) is committed to the highest standards of moral and ethical behavior by employees, including management, elected officials, and volunteers, to strengthen the public's trust in the integrity of our municipal government. This policy establishes responsibilities and procedures for reporting, investigating and resolving suspected acts of fraud, theft, waste, abuse and ethical misconduct. It will provide a structure that will encourage the reporting of any suspicions of violations of this policy and will insure that employees are able to discuss their concerns in a secure and confidential environment.

Section 2. Scope

This policy is applicable to all City employees, elected officials, and volunteers who have a relationship with the City.

Section 3. Definitions of Fraud

A. **Fraud:** An intentional illegal use of City assets by any act including, but not limited to, theft, embezzlement or misrepresentation. Fraud is designed to obtain a benefit or advantage or cause some benefit that is due to be denied. Examples include, but are not limited to:

- Forgery or alteration of a check, document, or account belonging to the City;
- Misappropriation¹ of City funds, securities, supplies, or property;
- Unauthorized personal use of City equipment and supplies;
- Personal use of City credit cards or procurement cards (PCard);
- Profiteering as a result of insider knowledge;
- Theft of cash, checks, property, credit cards, or procurement cards;
- Falsifying records such as timecards, expense reports or official documents;
- Willful destruction of City property;
- Employee with access to confidential information who sells this information for personal gain;
- Accepting or seeking anything of material value from contractors, vendors, or persons providing services/materials to the City or City job applicants.

¹ Misappropriation: To illegally use public funds or assets, which have been set aside for a specific purpose, for personal gain.

B. **Waste:** The expenditure or allocation of resources significantly in excess of need.

Examples include, but are not limited to:

- Unauthorized use or misuse of City facilities, equipment or vehicles;
- Falsifying time worked or leave taken on a timesheet;
- Retaining ineligible dependents on health care coverage;
- Unnecessary incurring of costs as a result of inefficient or negligent practices, systems or controls.

C. **Abuse of Position:** Use of employment or official position with the City to obtain personal gain or benefit from the City to which one is not entitled. Examples of *abuse of position* include, but are not limited to:

- Obtaining a benefit or service from the City which one does not qualify;
- Providing a benefit or service to someone for which they do not qualify;
- Unauthorized reductions in fees and fines;
- Suspending or terminating enforcement action based on a personal relationship;
- Bid-fixing.

D. **Ethical Misconduct:** Individuals, who conduct their official duties in a manner which is not impartial, use their position for personal gain, or fail to properly disclose an actual or potential conflict of interest. Examples include, but are not limited to:

- Authorizing contracts in violation of municipal purchasing laws;
- Failure to disclose an actual or potential conflict of interest;
- Accepting gifts prohibited by Oregon ethics laws.

E. **Job Application Fraud:** Individuals, who knowingly provide false information on job applications.

Section 4. Policy

Through all levels of management, the City is responsible for the prevention and detection of fraud, misappropriation of City funds, or any other conduct which is deemed inappropriate pursuant to this or other City policies. It is the City's intent to fully investigate any suspected acts of fraud, theft, abuse, waste or unethical behavior, in an impartial manner regardless of the suspected wrong-doer's length of service, position, title or relationship to the City.

Any violation of this policy that is detected or suspected by City employees, elected officials, volunteers, or others who have a business relationship with the City, must be reported immediately to the City Manager or the Anti-Fraud Committee outlined in the Responsibilities and Procedures

section of this policy. The Anti-Fraud Committee will determine who will investigate the suspected fraudulent activity in accordance with this policy.

Any employee found to have violated this policy will be subject to disciplinary action up to and including dismissal and/or prosecution by the appropriate authorities. Elected officials, volunteers and others having a business relationship with the City may be subject to sanctions or prosecution by the appropriate authorities.

The City intends to pursue every reasonable legal remedy when a violation has occurred and to obtain recovery of any losses from the offender, including when appropriate, notifications of bonding company, court ordered restitution, or other available remedies.

Section 5. Anti-Fraud Committee

The City's Anti-Fraud Committee will be comprised of the City Manager, a Council Member, the City Clerk, and the City Attorney. The Committee will appoint the investigator and oversee and coordinate all actions taken during the course of the investigation. The investigator will have unlimited and unrestricted access to all relevant City files at all times in order to facilitate investigative work as permitted by City policy and state and federal law. All investigations conducted by the Committee are considered part of the audit process and the working papers will be kept confidential in accordance with state statutes and administrative rules regarding public records laws.

Great care must be taken in the investigation of suspected fraudulent activity to avoid mistaken accusations or alerting suspected individuals that an investigation is under way, or making any statement which could provide a basis for a suit for false accusation or other offenses.

In cases where the suspected fraudulent activity involves the offices of any of the members of the Anti-Fraud Committee, the position(s) involved will be replaced on the Committee by another Department Manager or Council Member who is not involved in the suspected fraudulent activity. The reformed Committee will then determine the investigation process and assign an investigator.

The Committee members who have been replaced on the Anti-Fraud Committee due to their offices being investigated may or may not be apprised of the investigation and updated on progress as is deemed appropriate by the Anti-Fraud Committee.

The Anti-Fraud Committee does not pronounce or implement disciplinary action as a result of their investigations (see Section 7. Disciplinary Action).

Section 6. Responsibilities and Procedures

Management and Employees: Managers, supervisors, and administrators at all levels are responsible for maintaining a system of internal controls which prevent, deter, or detect fraud, theft, waste, abuse, and/or unethical or dishonest behavior. Managers, supervisors, and administrators are also expected and required to recognize risks and potential exposures that may be inherent within their areas of responsibility, to be alert to any indication of irregularity or potential violation of this policy, and to know and follow the requirements set forth in this policy.

Each employee is required to report any suspected or detected violation of this policy, fraud, theft, waste, abuse or other unethical or dishonest conduct. An employee may choose to report immediately the suspicion and/or detection to their department manager, who in turn must immediately report the information to the City Manager or the Anti-Fraud Committee. If the employee is not comfortable reporting directly to their department manager, the employee may immediately report their suspicion directly to the City Manager or any member of the Anti-Fraud Committee. Suspected fraudulent activity² and/or violations of this policy involving the City Manager's Office must be reported to the Anti-Fraud Committee immediately.

The employee reporting suspected violations of this policy and/or fraudulent activity may choose to identify themselves or to remain anonymous. The identity of an employee or complainant who reports suspected fraudulent activity will be protected to the fullest extent possible, but the City cannot guarantee confidentiality. It is the City's intent to protect an employee who discloses information of suspected fraudulent activity from retaliatory actions by other individuals in accordance with Oregon Statutes, Section 659A.200-203 (Whistleblower's Act), which prohibits adverse personnel actions against an employee for disclosing this information. Retaliation against an employee or other person who reports a detected or suspected violation of this policy is strictly prohibited. Any employee who retaliates against a person for reporting a detected or suspected violation of this policy will be subject to discipline up to and including termination of employment.

In all cases, the reporting employee must provide enough detail about the activity to aid in the investigation. All employees, which include management employees, will cooperate with the Anti-Fraud Committee and investigators and will not by any means personally investigate the suspected fraud, or contact the suspected individual in an effort to determine facts or demand restitution.

All employees shall cooperate with the investigative processes of the Committee and law enforcement agencies including prosecution of offenders. All participants in a fraud investigation will keep details and results of the investigation confidential. All inquiries from suspected individuals and their legal representatives must be directed to the City Manager, his/her designee, or the City Clerk. Proper response to such an inquiry is, "I am not at liberty to discuss this matter."

Great care must be taken in the investigation of suspected fraudulent activity to avoid mistaken accusations or alerting suspected individuals that an investigation is under way, or making any statement which could provide a basis for a suit for false accusation or other offenses.

The Committee will evaluate the extent of any potential criminal activity. If any potential prosecutable criminal activity exists, the Police Department or other appropriate law enforcement agency will be notified and will conduct the investigation. The Committee will assist with the investigation if law enforcement requests such assistance. In every case, the City will cooperate fully with the investigating and prosecuting authorities. If no potentially prosecutable criminal activity exists, the Anti-Fraud Committee will appoint an appropriate person to conduct the investigation with the assistance of other appropriate City officials.

² Fraudulent activity for the purpose of this policy encompasses fraud, theft, waste, and abuse, unethical and all other dishonest conduct.

If fraudulent activity is detected or reasonably suspected of the City Manager or City Attorney, the City Clerk will apprise the Mayor and Council of the investigation and update them on progress as is deemed appropriate.

The City Manager, his/her designee, or the City Clerk, as appropriate, may notify the Mayor and Council of a reported allegation of fraudulent activity upon the start of the investigation to the extent practical. The Mayor and Council will be apprised of the progress of the investigation as deemed appropriate by the Anti-Fraud Committee. At the conclusion of the investigation, a confidential report will be issued and distributed to the Mayor, City Council, City Manager, and City Attorney. After their review, a copy of the report will be provided to the appropriate department head and the Finance Director, unless either of those positions were the subject of the investigation.

Section 7. Disciplinary Action

If a suspected or detected violation of this policy is substantiated by an investigation, the City Manager will take the appropriate action in conformance with City and departmental personnel policies and procedures, and union contracts if applicable. If the investigation involved the City Manager, City Attorney or Municipal Judge, then the City Council will take the appropriate action in conformance with City and departmental personnel policies and procedures. Violations of the City's Fraud Policy will result in disciplinary actions up to and including immediate dismissal. Examples of violations of this policy, which can lead to disciplinary action up to and including dismissal, include but are not limited to an employee who:

- Commits an act of fraud, theft, abuse, waste or other unethical behavior as defined by this policy;
- Suspects, discovers or has knowledge of fraudulent activity that violates or potentially violates this policy and fails to report the information as required by this policy; or
- Intentionally reports false or misleading information of fraudulent activity; or
- Retaliates against or penalizes any individual for reporting or cooperating in the investigation or prosecution of fraudulent activity.

Section 8. Distribution

All City employees, volunteers and elected officials will be given a copy of this policy. All newly hired employees and appointed volunteers will be provided a copy as part of orientation and required to provide a written acknowledgement upon receipt of the policy which be retained by the City Clerk/General Services Department.

Section 9. Administration

The City Manager is responsible for the administration, revision, interpretation and application of this policy. The policy will be reviewed and revised as needed.

ACKNOWLEDGEMENT OF RECEIPT OF CITY OF THE DALLES FRAUD POLICY

I hereby acknowledge the receipt of a copy of the **City of The Dalles Fraud Policy**. I agree to read and familiarize myself with the contents and I understand I will be responsible for adhering to this Policy. I agree to abide by the City's rules and procedures as outlined in this Policy.

Signature

Date

Printed Name

Relationship to the City
(Employee/Volunteer/Elected)



AGENDA STAFF REPORT URBAN RENEWAL AGENCY

MEETING DATE	AGENDA LOCATION	AGENDA REPORT #
June 24, 2013	Action Item	

TO: Urban Renewal Agency Board

FROM: Nolan K. Young, City Manager *nyj*

DATE: July 10, 2013

ISSUE: Request from Rapoza for a 120 day extension of the deadline for exercising the option purchase of Phase I of the Granada Block development, to December 30, 2013

BACKGROUND: Section 2.2 of the agreement for Disposition for Redevelopment of the Granada Block Properties (DDA) addresses an option to purchase Phase I parcels. Section 2.2.1 refers to the exercise of those options. It states *"for the hotel site and the blue building together, the earlier of the date the developer commences construction of the hotel or August 31, 2013. The agency may extend the scheduled closing date for the hotel and blue building for a period of up to 120 days, at the request of the developer, provided that the developer shows to the satisfaction of the agency that sufficient progress is being made to insure that the purchase will be closed within the additional time extension."*

We have received a request from Rapoza to extend the closing for 120 days. Attached find information from Rapoza identifying their progress, including preliminary building elevations and site plans. Representatives from Rapoza and WAVE will be at the Urban Renewal Advisory Committee meeting and the Urban Renewal Agency meeting to discuss the progress and timeline to complete the steps needed to close the purchase on the optional property.

The checklist for the DDA requirements identifies the following items that must be completed prior to the closing of the purchase of the hotel site and blue building.

4.6.2	Developer notify the Agency of Development Team members
2.9.1(a)(7)	City has given all land use approvals for the Phase I Projects and the appeals period has passed.
2.9.2(b)(7)	

NOTE: This project will require a site plan review that takes approximately two months and review of the exterior design and materials for the hotel by the Historic Landmarks Commission for compatibility within the Historic District.

2.8.1	Developer develop and submit a comprehensive redevelopment plan for the Phase 1 Parcels
2.9.1(a)(3)	Developer complete designs of redevelopment project
2.9.1(b)(3)	
2.8.1	4.3
2.9.1(b)(8)	Developer submission of engineering plans
2.9.1(a)(2)	Developer submission of supporting documentation of commitments of the private equity and of private financing sources to complete Phase 1
2.9.1(b)(1)	
2.9.1(a)(4)	Agency obtain any necessary third party easements, including support of alley vacation
2.9.1(b)(6)	
4.4.2(a)	Developer secure permits for demolition of recreation building
2.9.1(a)(6)	Agency obtain and Developer approves cost per space for the required parking in the Public Garage
2.9.1(b)(5)	
3.3.3	
2.9.1(a)(8)	City is ready to issue building permits
2.9.1(b)(9)	
2.9.1(a)(9)	Agency obtains and Developer approves of environmental condition of project site
2.9.1(a)(10)	Agency obtains and Developer approves archaeology costs
2.9.1(b)(11)	
4.4.1	
4.4.3	Agency turnover all reports, designs, plans to developer

URAC CONSIDERATION: The Urban Renewal Advisory Committee will be considering a recommendation on this request at their July 16 meeting. We will forward that recommendation and meeting minutes draft to you prior on July 22.

BUDGET IMPLICATIONS: The 120 day delay should not cause any additional costs to the Agency.

AGENCY BOARD ALTERNATIVES:

1. Staff Recommendation: Grant Rapoza’s request for a 120 day extension.
2. Do not grant the extension at this time and identify action needed to be taken by the Developer before the Agency will reconsider approval of the extension.

The Dalles – Hotel Development

Rapoza Development Group

July 16, 2013

Progress Update

DESIGN/CONSTRUCTION ESTIMATES

- Received revised floor-plan and renderings from CSHQA (May 2013)
- Received construction estimates (ROM), based on May 2013 design, from both Radix and Anderson Construction

HVS HOTEL MARKET STUDY

- Engaged HVS Consulting and Valuation Services to author an independent Hotel Market Study and Financial Projections – commenting the need and demand factors for a Branded Hotel in Downtown. Report finalized May 30, 2013.

FINANCING

- Finalized a detailed Investment Memorandum (60 pages) and distributed to and had discussions with a number of potential equity investors, as well during meetings at NYU Hospitality Investment Conference last month. Meetings with interested investors are already scheduled for later in the month.
- Continue to have preliminary conversations with lenders, as well as other sources of capital, including New Market Tax Credits, EB-5 and SBA 504 loans

Design/Construction Update

DESIGN UPDATE

- Continued to work with CSHQA to revise design of Hotel and finalized Conceptual Design phase in May
 - Current Hotel program assumes 4-story Hotel (above a basement level) with 117 guest-rooms spread among Floors 2-4
 - More than 7,600 SF of Meeting and Pre-Function Space
 - Fitness Center with Outdoor Swimming Pool

CONSTRUCTION UPDATE

- Received two Rough Order of Magnitude (ROM) estimates from Radix Construction (Boise) and Anderson Construction (Portland) in May

- ❖ Both of these were critical steps in the process which allowed us to engage HVS to complete their market study and RDG to finalize our Investment Memorandum

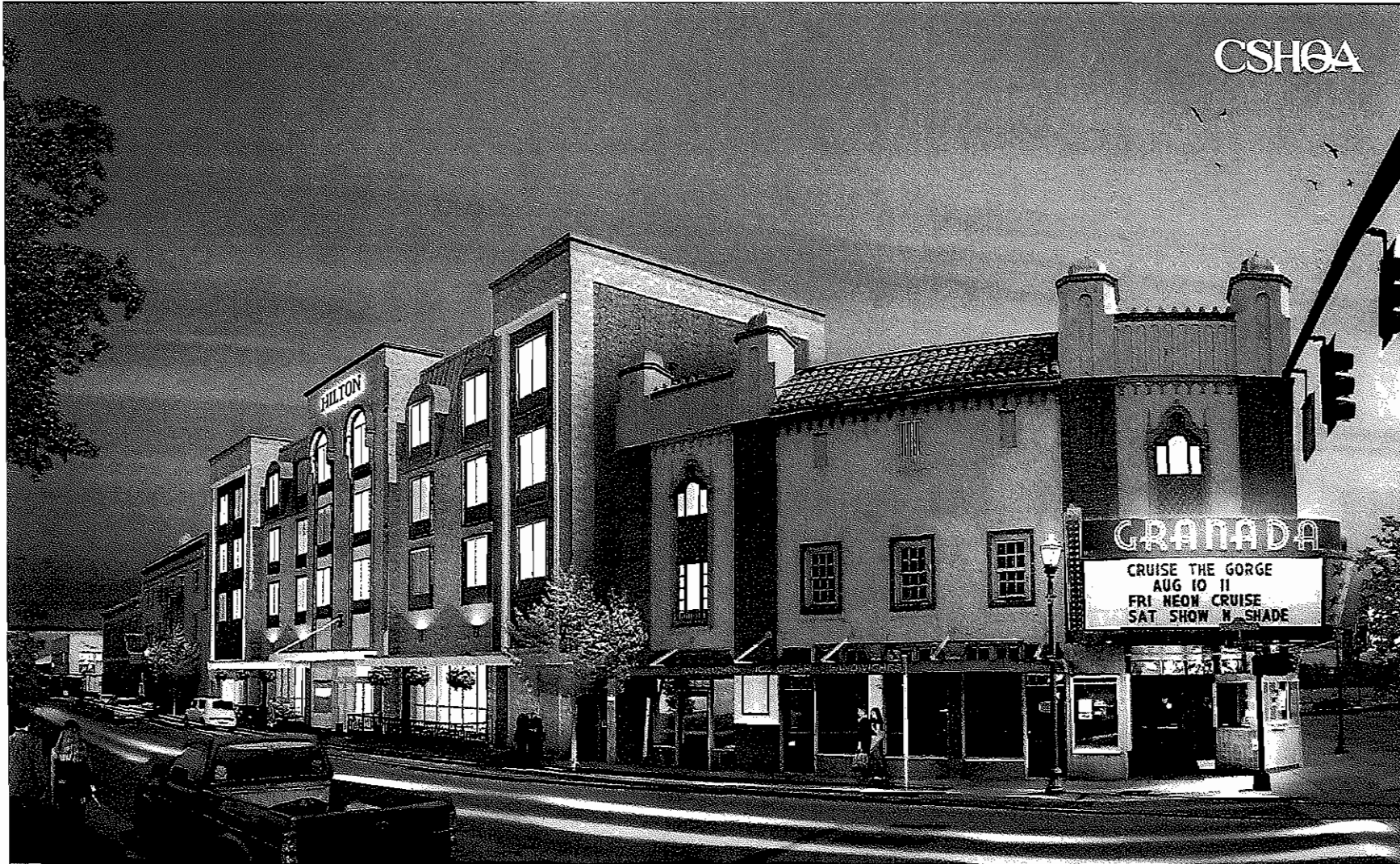
Proposed Hotel Plans and Renderings

Hotel – Conceptual Rendering (2nd Street Perspective)



All information is preliminary and subject to further revision.

Hotel – Conceptual Rendering *(2nd Street Perspective)*



All information is preliminary and subject to further revision.

Hotel – Conceptual Rendering *(1st Street Perspective)*



All information is preliminary and subject to further revision.

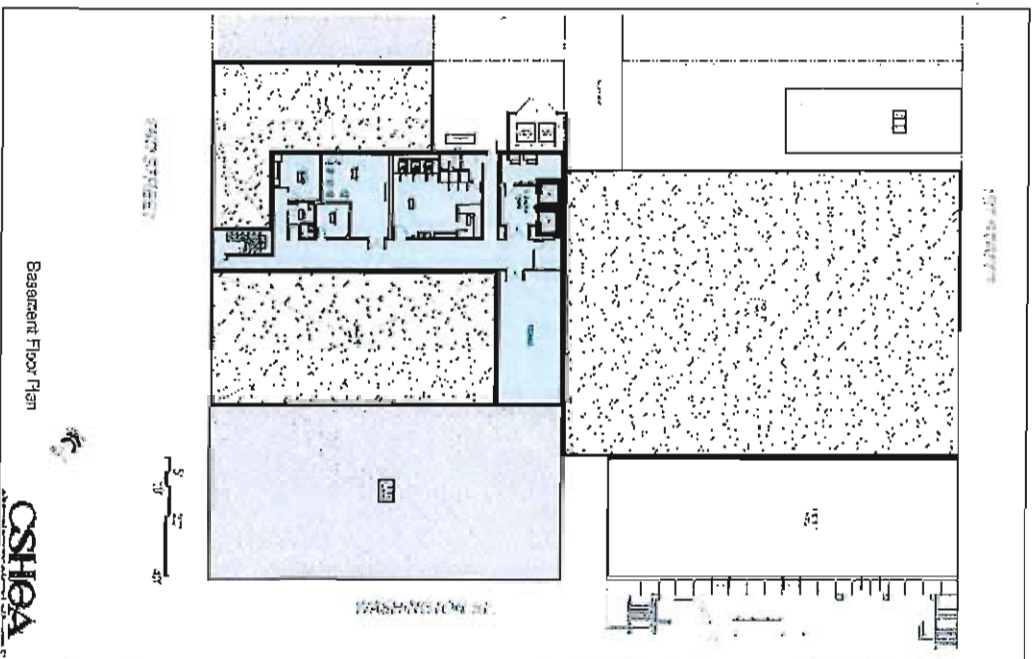
Hotel – Conceptual Rendering *(Washington Street Perspective)*



CSH6A

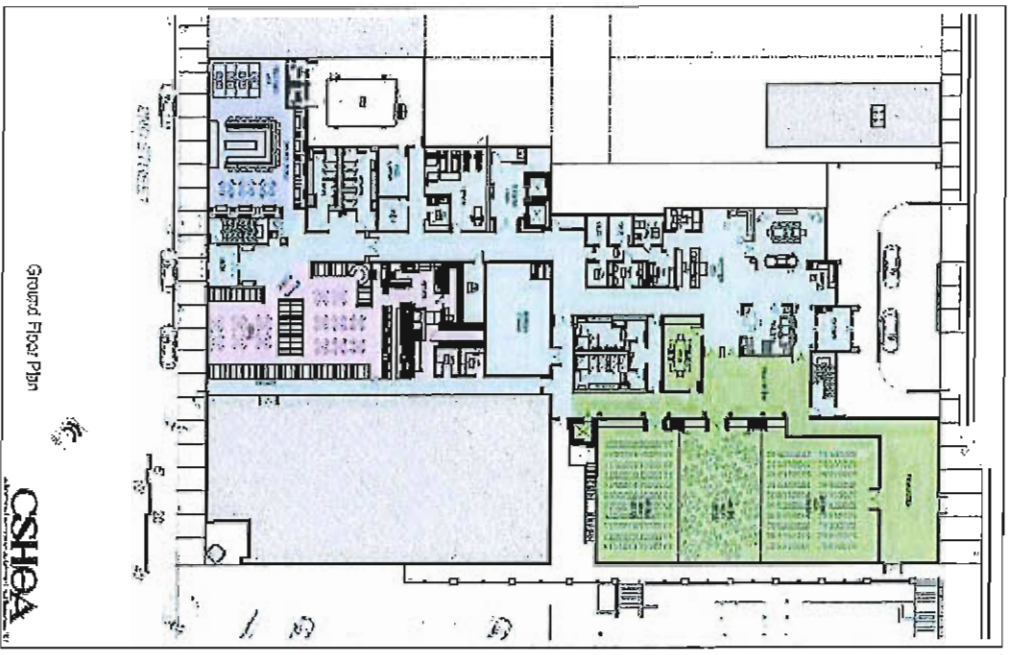
All information is preliminary and subject to further revision.

Floor Plan – Basement



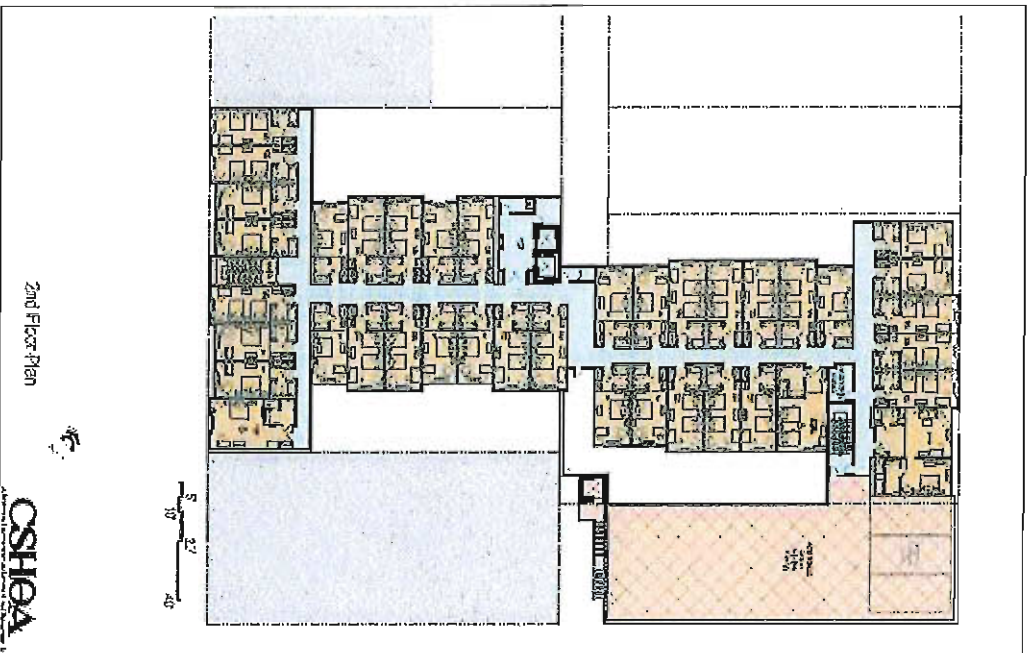
All information is preliminary and subject to further revision.

Floor Plan – Ground/1st Floor



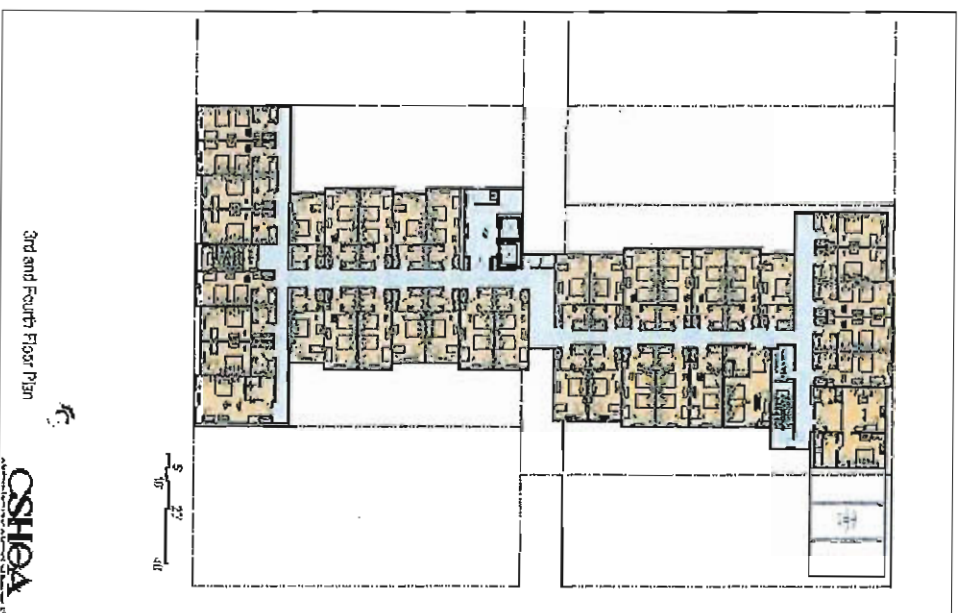
All information is preliminary and subject to further revision.

Floor Plan – 2nd Floor



All information is preliminary and subject to further revision.

Floor Plan – 3rd/4th Floor



All information is preliminary and subject to further revision.