



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

AGENDA
COLUMBIA GATEWAY
URBAN RENEWAL ADVISORY COMMITTEE

Conducted in a Handicap Accessible Meeting Room

Meeting

Tuesday, September 16, 2014

5:30 pm

City Hall Council Chambers

313 Court Street

The Dalles, Oregon

- I. CALL TO ORDER
- II. ROLL CALL
- III. PLEDGE OF ALLEGIANCE
- IV. APPROVAL OF AGENDA
- V. APPROVAL OF MINUTES – August 19, 2014
- VI. PUBLIC COMMENT (for items not on the agenda)
- VII. ACTION ITEM – Grant Application for United Church of Christ Congregational - Phase II Project
- VIII. ACTION ITEM – Recommendation Concerning a Memorandum of Understanding Regarding Services Provided by The Dalles Main Street Organization for the Agency's Property Rehabilitation Grant and Loan Programs
- IX. ACTION ITEM – Recommendation Concerning an Amendment to the Loan Agreement between the Agency and Discover Development LLC
- X. ONGOING URBAN RENEWAL PROJECTS UPDATE
 - A. Granada Block Redevelopment Project
- XI. FUTURE MEETING – October 21, 2014
- XII. ADJOURNMENT

**Columbia Gateway Urban Renewal Agency Advisory Committee
Meeting Minutes
Tuesday, August 19, 2014
5:30 PM**

City Hall Council Chambers
313 Court Street
The Dalles, OR 97058

Conducted in a handicap accessible room.

CALL TO ORDER

Vice Chair Grossman called the meeting to order at 5:27 PM. He welcomed new Committee member, Atha Lincoln.

ROLL CALL

Members Present: Gary Grossman, Jennifer Botts, Atha Lincoln, Robin Miles, Linda Miller, John Nelson, Greg Weast

Members Absent: Steve Kramer*

Staff Present: City Manager Nolan Young, Administrative Secretary Carole Trautman

Others Present: Main Street Director Matthew Klebes; Economic Development Specialist Dan Durow

PLEDGE OF ALLEGIANCE

Grossman led the group in the Pledge of Allegiance.

APPOINTMENT OF URBAN RENEWAL ADVISORY COMMITTEE CHAIRMAN

Grossman thanked former Chair Zukin for his years of service on the Committee. Weast nominated Vice Chair Grossman for the Urban Renewal Advisory Committee (URAC) Chair position, Botts seconded. Nominations were closed. The Committee voted unanimously to appoint Grossman as URAC Chairman; Kramer absent.

Nelson nominated Jennifer Botts for the URAC Vice Chair position, Weast seconded. Nominations were closed. The Committee voted unanimously to appoint Botts as URAC Vice Chair; Kramer absent.

*Kramer joined the meeting at 5:29 PM.

APPROVAL OF AGENDA

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

APPROVAL OF MINUTES

Botts called for a correction to the minutes for the time the meeting was called to order (Agenda Item 1). The minutes indicated 5:01 PM. It was moved by Nelson and seconded by Botts to approve the July 15, 2014 minutes as amended. The motion carried unanimously.

PUBLIC COMMENT

None

ACTION ITEM – Recommendation Concerning an Amendment to the Independent Order of Odd Fellows Urban Renewal Grant

Main Street Director Matthew Klebes presented a project grant update for the façade restoration project to the Independent Order of Odd Fellows (IOOF) Building. He also presented a revised scope of work plan as indicated in the staff report and indicated he was seeking approval of the revised work plan.

It was moved by Weast and seconded by Kramer to recommend to the Agency approval of the revised scope of work plan for the IOOF façade restoration project. The motion carried unanimously.

ACTION ITEM – Elks’ Building Redevelopment Proposal, Request for Marketing Study Assistance

Economic Development Specialist Dan Durow highlighted the staff report. He noted the attachment to the staff report that outlined specific marketing study information previously requested by the Committee. He re-emphasized the fact that the marketing study could have benefits to the Columbia Gateway Urban Renewal Agency (Agency) even if this particular business proposal did not move forward to completion. Staff recommended funding some portion of the marketing study and had no recommendations for any other studies or the process at this time. Staff would then work with the Benkos on the process and assist in determining what role the Agency would play, and bring that back to the URAC.

Grossman commented that other businesses and agencies have been involved in this type of a study, and he encouraged the Benkos to seek out their input on marketing studies in this community.

Steve Burdick, ICON board member, stated he had been in discussions with Durow and MCEDD and planned on entering into future discussions with such agencies as the Discovery Center, Fort Dalles, Museum—a whole spectrum of people, then bring it all together in the study. He stated the Benkos had not specifically selected a marketing study consultant yet. Mr. Burdick said any tourism-related business could benefit from the study, maybe not that specific structure, but possibly other properties within the downtown area.

Botts said she was unsure why someone would want to “re-invent the wheel” with another marketing study when so many have been done in the past. Weast said he could understand why applicants would want their own study, and he asked who would ultimately own the study. City Manager Young suggested that the Committee make a recommendation that if funds were provided, the Agency would have ownership of the information. He said the intent would be to help other projects in the community. Mr. Burdick stated that an action on the part of the Agency to financially assist in the funding of the study would show to the community the Agency’s willingness to assist in economic development.

Botts felt it would be good to discuss profit versus non-profit on the proposal before a decision was made; Grossman encouraged Benkos to talk to other businesses and agencies; and Miller said she felt it was a good idea for prospective business developers to have some of their own money into a project. Miles asked if the venture would bring tax dollars to the Fire District. City Manager Young said not until the Agency was discontinued. Botts said there was no return on non-profit entities. Young encouraged the Committee members to look beyond the scope of this specific project and determine if it would have an overall positive impact on the economic development of the entire community.

It was moved by Weast and seconded by Botts to recommend to the Agency funding 50% (\$5,000) of the marketing study cost for the Elks Building. The motion carried unanimously.

Mr. Burdick stated he thought they would have a consultant secured within four to six weeks. Grossman asked the Benkos for a status report for the October meeting if the Agency approved the Committee’s recommendation.

ONGOING URBAN RENEWAL PROJECTS UPDATE

A. Granada Block Redevelopment Project – Michael Leash

- Developers received an update letter from Hilton dated July 24 stating they are still on board for the Hilton brand hotel.
- Developers changed EB5 companies, and there has been more significant progress made in the past 30-40 days than in the last year. They have received a first draft term sheet for seven million dollars. They are closing the gap for equity needed.
- On the debt side, they are working with two companies, Private Capital Partners and Premier Capital Associates. Premier is working on a term sheet for nine million dollars. Leash said he feels like he is aligned with the right companies.
- Projecting over 150 new job positions.
- Working on an agreement with Martin Hospitality as potential hotel operators and equity partners.

B. Non-Profit Property Owner Rehabilitation Grants No new report.

C. Other Projects

- Thompson Pool Project – Karl Cozad, interim N. Wasco Parks and Recreation Director, stated it was good to be back in the area. He emphasized that the Urban Renewal money that was recently granted would not be used unless it was needed.
- They hope to sign with a general contractor soon, and the project completion date is still Memorial Day 2015.

City Manager Young introduced Daniel Hunter, the City's new Administrative Fellow. He will be assisting on Urban Renewal projects, downtown projects, and other projects such as the Bicycle Master Plan update.

Young also introduced Matthew Klebes as the new Executive Director of the Main Street program. Klebes will be the advocate for the UR property rehabilitation loans. Klebes reported that he and the Oregon State Main Street Coordinator worked together to bring some University of Oregon architectural graduates to town who, in turn, met with a couple of downtown property owners to discuss potential façade designs for their buildings. The graduates will provide some renderings with the possibility of eventually bringing them back to the URAC for funding considerations.

City Manager Young advised the Committee of some activities regarding the Mill project. The Mill has a number of additional phases they are pursuing, and as they have been in this process, they are concerned about the additional expansion of the development and meeting the deadlines for the loan and property purchase. Staff is negotiating with them and looking at the Mill's financial information. When the information is gathered, and they can identify additional alternatives, they will bring it to the Committee.

FUTURE MEETING – September 16, 2014

ADJOURNMENT

Vice Chair Grossman adjourned the meeting at 6:18 PM.

Respectfully submitted by Administrative Secretary Carole Trautman.

Gary Grossman, Vice Chairman



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES
AGENDA STAFF REPORT

URBAN RENEWAL ADVISORY COMMITTEE

Meeting Date: September 16, 2014

DATE: September 5, 2014

TO: Urban Renewal Advisory Committee

FROM: Eric Nerdin, Urban Renewal Contract Consultant
Mid-Columbia Economic Development District, Loan Fund Manager

THRU: Nolan Young, City Manager 
Dan Durow, Economic Development Specialist

ISSUE: Semi-annual Competitive Property Rehabilitation Grant Application Review and Recommendation to the Agency Board

BACKGROUND:

The United Church of Christ Congregational (UCCC) was established in 1859 and owns a historic church building located at 111 E. 5th Street in The Dalles, Oregon. This building was built in 1936 and received a significant addition in 1952-1953. This building has been listed on the National Register of Historic Buildings since 1986. UCCC is a non-profit organization.

UCCC is a 501c3 non-profit organization. As part of UCCC's ongoing efforts to preserve and protect this historic building, plus better utilize the building, a Northern Wasco County Public Utility District (PUD) energy audit was conducted. The PUD did not identify any potential funding sources for UCCC's project during this audit. Through this audit several issues related to preserving and better utilizing the building were discovered, including insufficient insulation and inadequate windows. By making this building more energy efficient, the building is more useable for church members, tenants and for public services.

UCCC has already had the insulating work completed and additional building preservation work done to protect the stained glass in the sanctuary portion of the building.

In October 2013, the Urban Renewal Agency approved a \$26,857 Urban Renewal building rehabilitation grant to assist with the \$33,657.14 project to replace 25 windows in the original portion of the building, including two window replacements meeting Americans with Disabilities Act (ADA) requirements. This was Phase One of a larger project and was complete on time and on budget in June 2014.

The UCCC is applying for a \$44,999.51 Urban Renewal building rehabilitation grant to assist with the \$50,754.51 Phase Two of the project, which includes replacing 40 windows. This amount includes the cost of the replacement windows, installation labor and permits required for this project. The UCCC will pay \$5,755.00 towards Phase Two of this project.

The approved Urban Renewal Agency Administrative Plan in Section C. Civic Improvements Grant Program states:

Grants may be made by the Agency to public, non-profit or civic organizations for projects within the boundaries of the Urban Renewal Area that serve a public purpose by meeting the selection criteria. Grants will be awarded semiannually on a competitive basis and based on the selection criteria. Grant awards are subject to availability of program funds.

APPLICATION:

The application from United Church of Christ Congregational (UCCC) was received on July 31, 2014. This application is for a grant of \$44,999.51 to assist with the replacement of 40 windows in this historic building. This is Phase Two of a larger project. Phase Two has a total cost of \$50,754.51; UCCC is providing the remaining \$5,755.00, which is 11.3% of the Phase Two project cost.

Proposed Phase Two Project Costs

41 window replacements:	\$39,909.51
Permits:	\$ 300.00
Labor and Materials:	<u>\$10,545.00</u>
Total:	\$50,754.51

Proposed Fund Sources

Applicant (UCCC):	\$ 5,755.00
Urban Renewal Grant:	<u>\$44,999.51</u>
Total:	\$50,754.51

The proposed project costs are based on an estimate provided by Gorge Glass & Contracting, Inc. This estimate is attached to the application. This application received approval for compliance to historic design standards at a City of The Dalles Historic Landmarks Commission public hearing on August 27, 2014.

BUDGET IMPLICATIONS:

The Dalles Urban Renewal Agency has \$326,025 available for new property rehabilitation grants and interest rate subsidies. If this \$44,999.51 grant application is approved, the remaining funds available would be \$281,025.49.

RECOMMENDATION:

Staff Recommendation: Move to recommend approval of a \$44,999.51 Urban Renewal grant to United Church of Christ Congregational to be used for replacing 40 windows in the building located at 111 E. 5th Street, The Dalles, Oregon. This recommended approval is also conditional upon this project being approved and permitted by all applicable agencies and entities.

ALTERNATIVE OPTIONS:

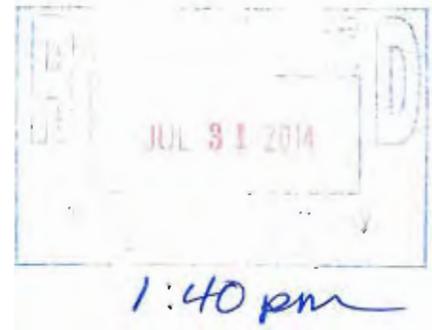
1. Move that the Urban Renewal Agency deny the grant request.
2. Move to recommend approval of a \$43,000 urban renewal grant to United Church of Christ Congregational to be used for replacing 40 windows in the building located at 111 E. 5th Street, The Dalles, Oregon. This is approximately 85% of the total project cost. This would require a \$7,754.51 contribution to the project by UCCC. This option is offered to require higher level of applicant monetary participation in this project. With this option, \$283,025 would remain available for future urban renewal grants and interest subsidy applicants. This alternative option approval is also conditional upon this project being approved and permitted by all applicable agencies and entities. *Note: This option is not preferred by UCCC because the church does not anticipate receiving enough funding to cover this additional \$1,999.51. However, UCCC is willing to accept this option if it is selected and work to find ways to increase its available funding, or possibly delay this project until the additional funding is acquired.*



UNITED CHURCH OF CHRIST CONGREGATIONAL
SERVING THE GORGE SINCE 1859

July 30, 2014

The Dalles Urban Renewal Advisory Board
313 Court Street
The Dalles, Oregon 97058



RE: Grant Application for United Church of Christ Congregational (UCCC)

Dear Advisory Board:

Please accept this application from the United Church of Christ Congregational. We have enclosed the required documents listed below:

- *Application
- *Project outline and proposed timeline
- *A summary of work to be done
- *Photographs of the areas to be replaced
- *Cost estimate from contractor

If this application is approved, we will provide your office with complete plans and specifications as well as all required permits.

Thank you for your consideration of this request.

Regards,

Deborah J. Allen

Pastor, United Church of Christ Congregational
111 East 5th Street * The Dalles, OR 97058
541-296-2909

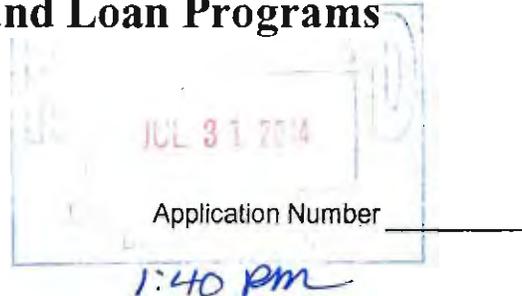
secretary@uccthedalles.org

The Dalles Urban Renewal Agency

Property Rehabilitation Grant and Loan Programs

APPLICATION

Application Date 7.29-2013



GENERAL INFORMATION

Applicant United Congregational Church of Christ

Contact person Rev. Deborah Allen, Pastor

Mailing Address 111 East 5th Street
The Dalles, OR 97058

Property Address 111 East 5th Street
The Dalles, OR 97058

Applicant is: Property owner Business leasing the property

Telephone # 541-296-2909 Fax # 541-296-2909

Federal tax ID # or Social security # EIN # 93-0421468

Bank of account and contact Bank of America, The Dalles, OR
Deidre Baumgartner, Treasurer
541-296-6140

Name of Business _____
(if different than applicant)

Mailing Address _____

N/A

Name of Principal _____

PROJECT INFORMATION

Site address 111 East 5th Street
The Dalles, OR 97058

Legal Description 1N13E3BC6700

Building age 1936 / 1953 Square Footage 7,118 - original
4,594 - addition

Building use Church services, preschool, A.A., Start Smart,
Habitat for Humanity, Boy Scouts of America, and
Other Community non-profits.

Project description outline _____

Phase II of II: Window replacement; inclusive of the
original building and the additional building. A. July, 2013,
energy audit performed by the Northern Wasco County PUD,
Confirmed it was evident that replacing these windows were
important to preserving the building; as well as improving
energy efficiency. U.C.C. is contributing \$5,755.00 to this
project grant request

We believe this project supports the following project selection
criteria per your Grant Program: #1(A); #2*(B)(C)(D, ii, iii, iv);
#3; #4; (*although it does not affect #2(B), in increased tax
base, it does increase the value of the property.

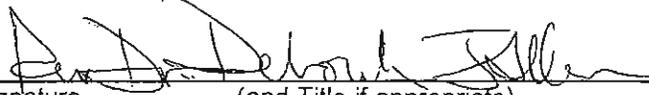
Please include the following with your Application:

1. Project outline
2. Initial concept sketches
3. Proposed timeline
4. Final plans and specifications (prior to final certification)

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.

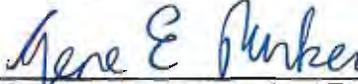
I have read and understand the guidelines of The Dalles Urban Renewal Agency Property Rehabilitation Grant and Loan Programs and agree to abide by its conditions.



Signature (and Title if appropriate)
Rev. Dr. Deborah J. Allen, Pastor

7/31/2014

Date



Signature (and Title if appropriate)
Moderator, U.C.C.C.

7/31/2014

Date

Signature (and Title if appropriate)

Date

Signature (and Title if appropriate)

Date

The following additional items will be required before the loan is approved:

1. Certificate of approval from agency (if required).
2. Letter of approval from Historic Landmarks Commission.
3. A summary of the project outlining the work to be done.
4. Complete plans and specifications.
5. Costs estimates or bids from 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.
8. Amount of loan requested and proposed terms being requested.
9. 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 Civic Improvements Grant Program:

The Grants will be awarded semi-annually on a competitive basis and based on the selection criteria as outlined in the accompanying Application instructions. Be sure to address all of 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.

Project Narrative

Project Outline:

United Congregational Church of Christ (UCCC) was built in 1936. The original part of the building is used for church services and functions as well as space for Boy Scouts of America. The Phase II of the project addresses the addition to the historic building, which has space dedicated to the use of public daycare, Alcoholics Anonymous, Start Smart and Habitat for Humanity.

Recent upgrades to the building have included new signage (7/2013) and brick pointing (7/2012) and completion of Phase I of replacing 25 windows in the original historic portion of the building and has met the historical rules of the City of The Dalles standards (06/2014).

This project will help preserve this historic building as well as make it a more energy-efficient facility for both church and public services.

Phase I: (COMPLETED 06/2014)

Phase One will replace 25 windows in the original historic portion of the building and meet the historical rules by the City of The Dalles standards. The windows age between 1936 to 1957. After the July, 2013, energy audit performed by The Northern Wasco County Public Utility Department, it was evident that replacing these windows were important to preserving the building as well as improving energy efficiency.

Phase 2: (GRANT APPLICATION)

Phase Two addresses the window replacements for the additional building footprint built in 1952-1953 as well as a portion of the historic church building built in 1936. Both buildings were included in the July, 2013, Northern Wasco PUD Energy Audit.

Project Criteria:

Phase 2 of this project will restore the windows dating as old as 1953 to this historic building built in 1936 and the addition built in 1953. It will improve ventilation, function, preserve the building as well as improving energy efficiency.

This project, when completed, will use a local contractor; therefore, keeping both UCCC contributing funds and Urban Renewal funds in our community.

UCCC church has been on the National Register of Historic Building since 1986.

UCCC has contributing funds of \$5,755.00 for this window-replacement project. *We contributed \$6,732.14 on the Phase I grant that was approved; total UCCC contribution has/will be \$12,487.14.* Our membership base is ninety-one (91), who contributes 78% of the annual income. Other revenue sources are from building-use donations. UCCC currently has cash reserves in our Memorial Funds for protection and improvement of this historical structure.

Timeline:

UCCC would like all designated work to be completed by May, 2015. If we receive the grant, work will be scheduled according to the following timeline:

***September, 2014:** Notification of grant award

***October, 2014:** Submit permits and final plans to the Urban Renewal Agency

***October/November:** Work with contractor on seasonal construction timeline for project

***May, 2015:** Project complete

***Depending on the seasonal timeline restraints, the project may be completed earlier.

Gorge Glass & Contracting Inc.

616 East 3rd Street
 The Dalles, OR 97058
 O- 541.296.2074 F-503.907.6646
 ccb# 103940 wa# gorgegc01ljz

Date Estimate #
 7/29/2014 5426

Name / Address Job Site Notes:
 United Church Of Christ Congregational Lyle 541.993.5878
 111 E 5th Street
 The Dalles, OR 97058

Description	Qty	Each	Total
Milgard Brand Windows, Montecito Series, Tan, LoE, Argon, With-out Grids, Energy Star Rated (4) 40" x 88" PW (2) 40" x88" PW/Awning w/ 30" Vent- Phillip's Room (3) 40" x 88" PW- Hallway 129" x 80" (3 Lite PW)- Hyde's Room (4) 129" x 80 1/2" PW/SH/PW- Hyde's Room & Habit Office, Vercouteren's Room Labor to Install windows Subtotal	14	959.88	13,438.32 6,720.00 20,158.32
111 1/4" x 15 1/4" 1/2"OA- PPG500/Clear Tempered- Preacher's Office 13 1/8" x 114 1/2" 1/2"OA PPG500/Clear Tempered- Preacher's Office 15 1/4" x 128 3/8" 1/2"OA PPG500/Clear Tempered- Preacher's Office Labor to Install IGU's in Preacher's Office Subtotal	8 1 1 10	147.56 156.30 193.85 150.00	1,180.48 156.30 193.85 1,500.00 3,030.63
35 1/4" 70 1/4" 3/4"OA Clear/Low E & Argon Tempered- Office Labor to Install IGU's in Office Subtotal	3 3	244.94 125.00	734.82 375.00 1,109.82
Marvin Windows, Tilted Pack Series, White Primed Wood Exterior, Raw Interior, Cottage A, SDL for Grids, Bronze Hardware, Clear Glass (except where noted), LowE 366, Argon, No Screen, 6 degree bevel (4) 21" x 70" DHT- Isabella Grey Room (3) 25" x 70" DHT- Isabella Grey Room (2) 21" x 56 1/2" DHT- Fireside Room (1) 26" x 58 1/2" DHT- Fireside Room (3) 25" x 57 1/2" DHT- Fireside Room Labor to Install Marvin Window, Tilt Pack Series in Isabella Grey Room & the Fireside Room Subtotal	13	1,861.98	24,205.74 1,950.00 26,155.74
Permits	1	300.00	300.00

Subtotal \$50,754.51

Sales Tax (0.0%) \$0.00

Total \$50,754.51

Estimates are good for 30 days.
 Terms: 1/2 down at time of signing the contract.
 Remaining to be paid upon completion of the job.
 Finance charge of 2.5% per month will be applied to the unpaid balance remaining past
 10-days of project completion date.

Signature _____

FIRST
CONGREGATIONAL
CHURCH

GATHERED IN COVENANT
AUGUST 14, 1859

07/30/2014



**FIRST CONGREGATIONAL
CHURCH**
(United Church of Christ)

Since 1839, the Dalles area Congregationalists have occupied four edifices, three of which were destroyed by fire. The present timber Gothic church is a record since 1927. The church is distinguished by Tudor arches, Celtic crosses, corner bell tower, half-indorsed windows, trade and stained-glass windows. The Rev. Thomas Umban, pastor at an earlier congregation, achieved wide recognition in scientific circles for his fossil and other geologic discoveries in the John Day River country.

07/30/2014

**UNITED CHURCH
OF CHRIST**

CONGREGATIONAL
CHURCH SCHOOL

07/30/2014



**UNITED CHURCH OF CHRIST
CONGREGATIONAL**

An Opening & Affirming Congregation

Sunday Worship 10am • www.uccthedalles.org
Rev. Dr. Deborah J. Allen

07/30/2014

BOY SCOUTS OF AMERICA
MID COLUMBIA DISTRICT
Office - Front Door, 2nd Floor
Mail / Messages Here 

START SMART PRE-SCHOOL
 993-4488
A Safe and Caring Learning Environment.

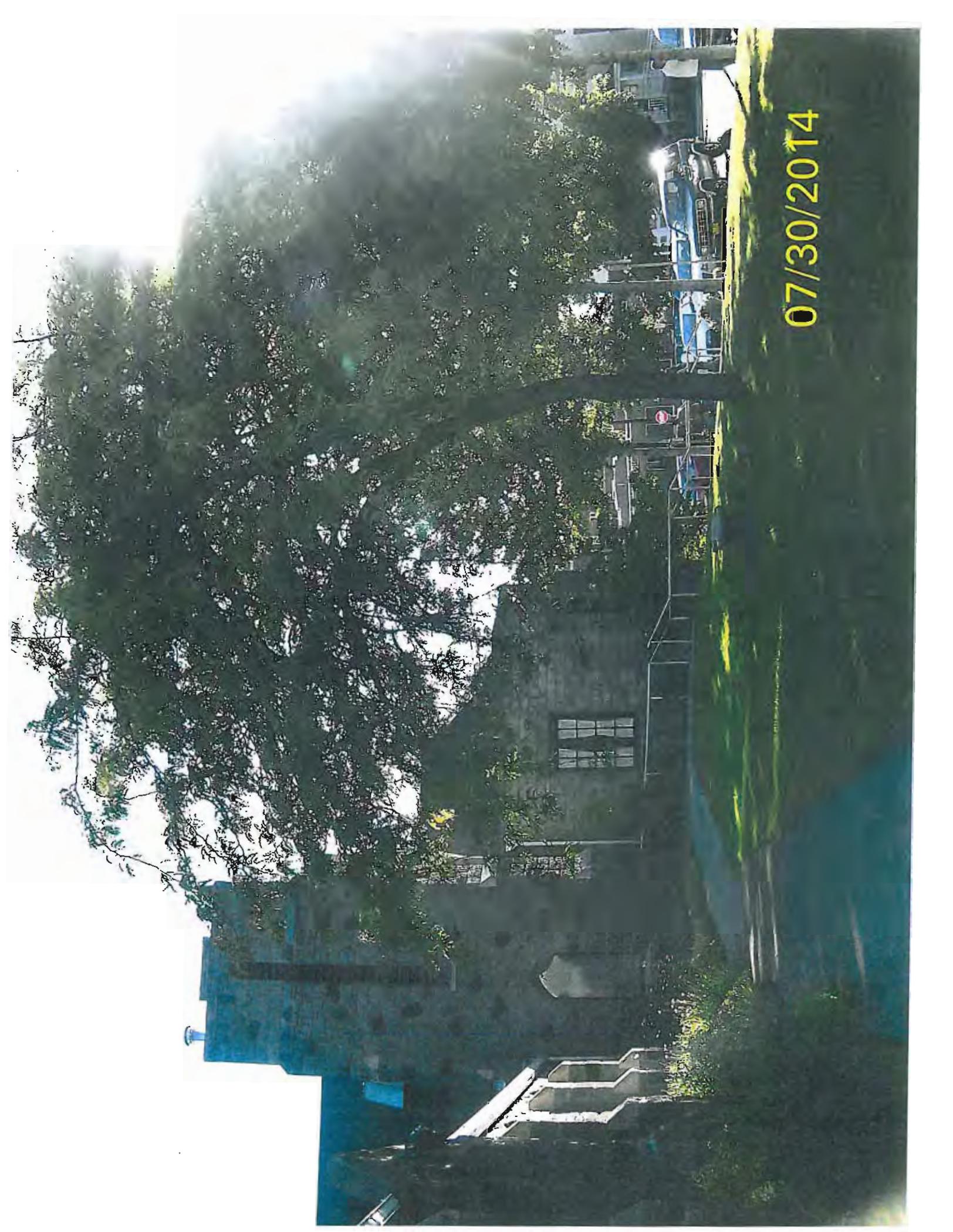
UNITED CHURCH OF CHRIST
CONGREGATIONAL
← Office - Mail / Messages 

 Office open 9 to Noon
Tuesdays and Fridays
Phone # 296-8817
THE DALLES AREA Use Ramp Entrance
North Side of Building
Habitat For Humanity. Mail / Messages Here.

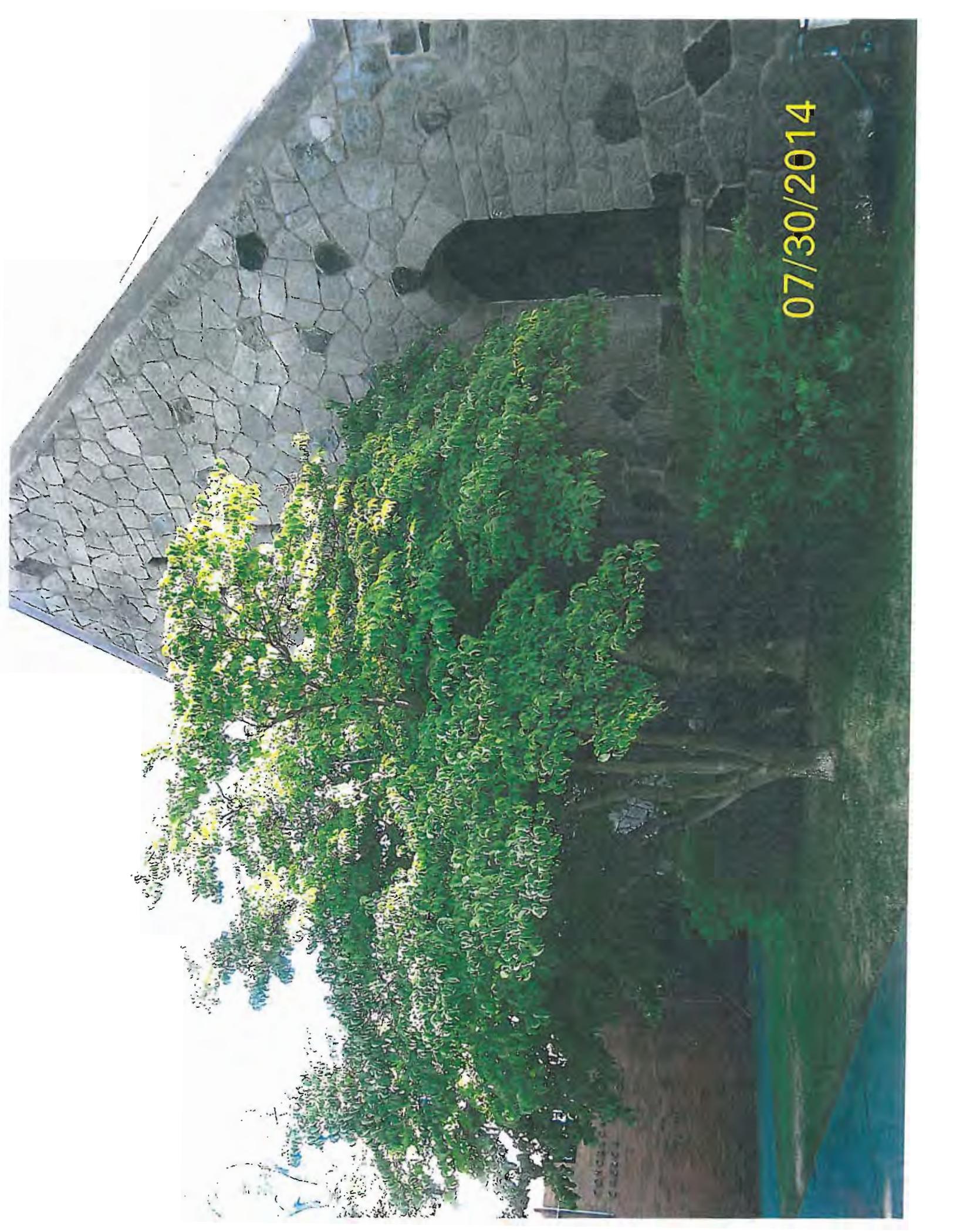
ON AWAKENING
A MEETING OF ALCOHOLICS ANONYMOUS
7:00AM - 8:00AM
MONDAY - FRIDAY
USE RAMP ENTRANCE ON NORTH SIDE OF BUILDING 

No skates or
skateboards
allowed...
for safety's sake!

07/30/2014



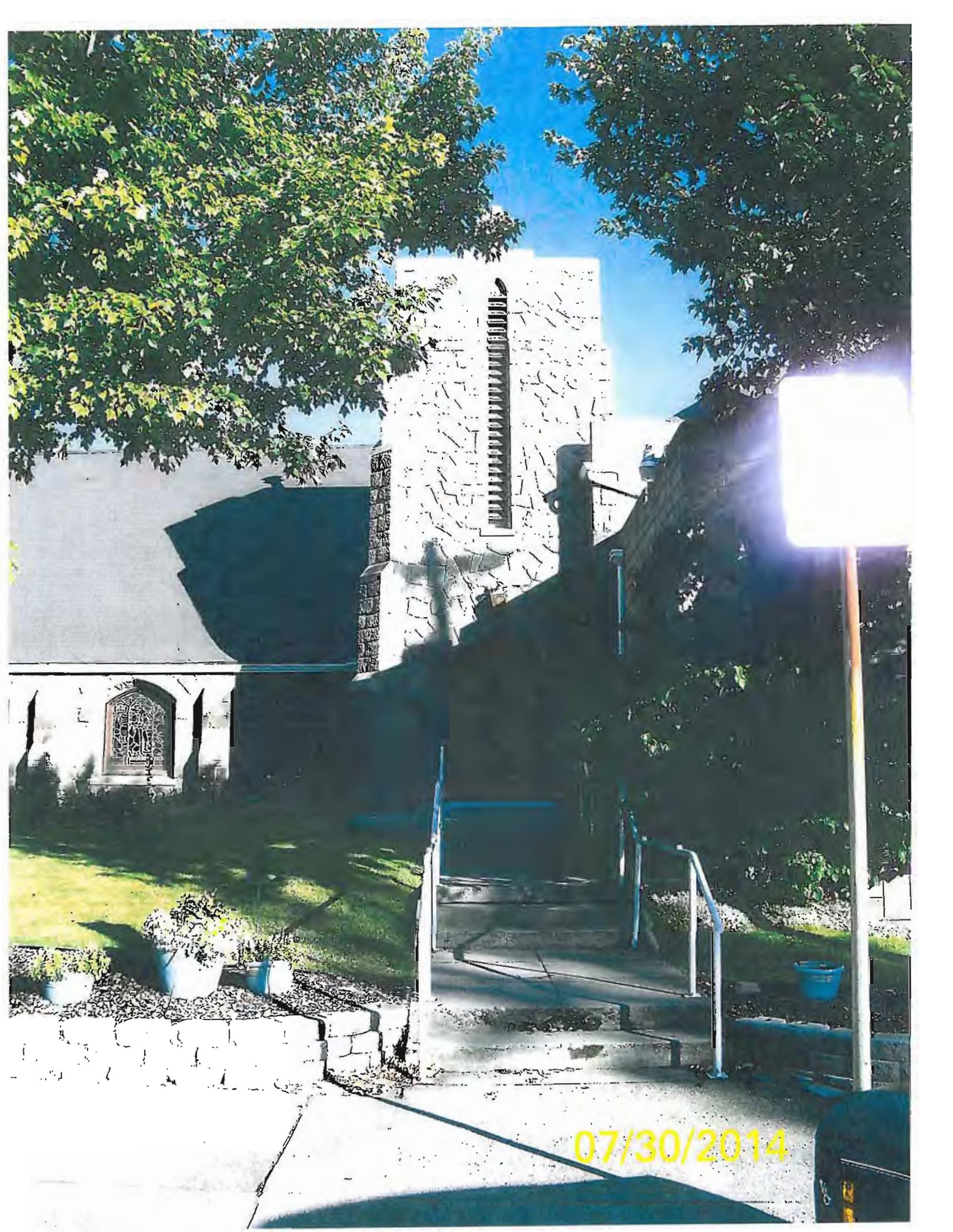
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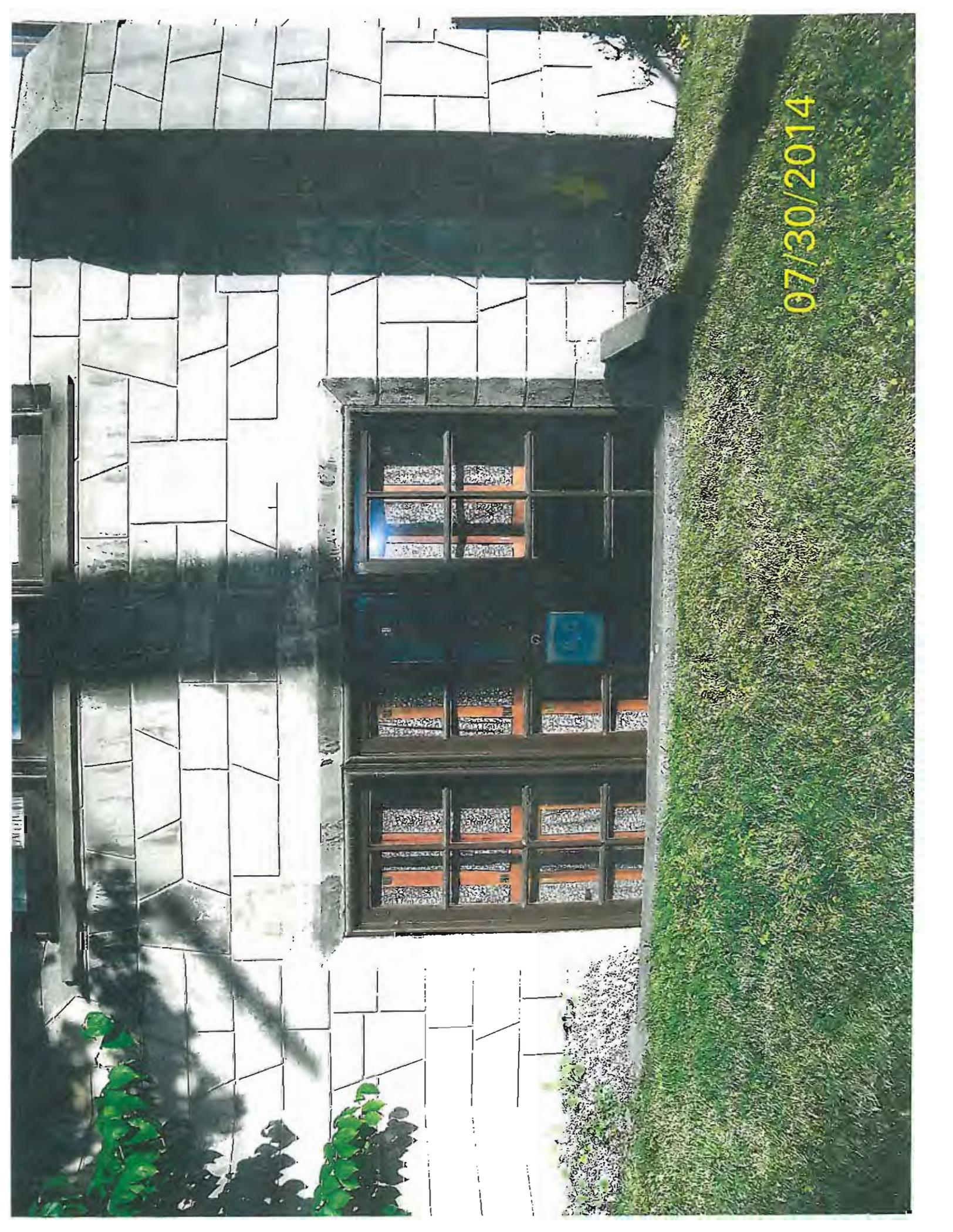
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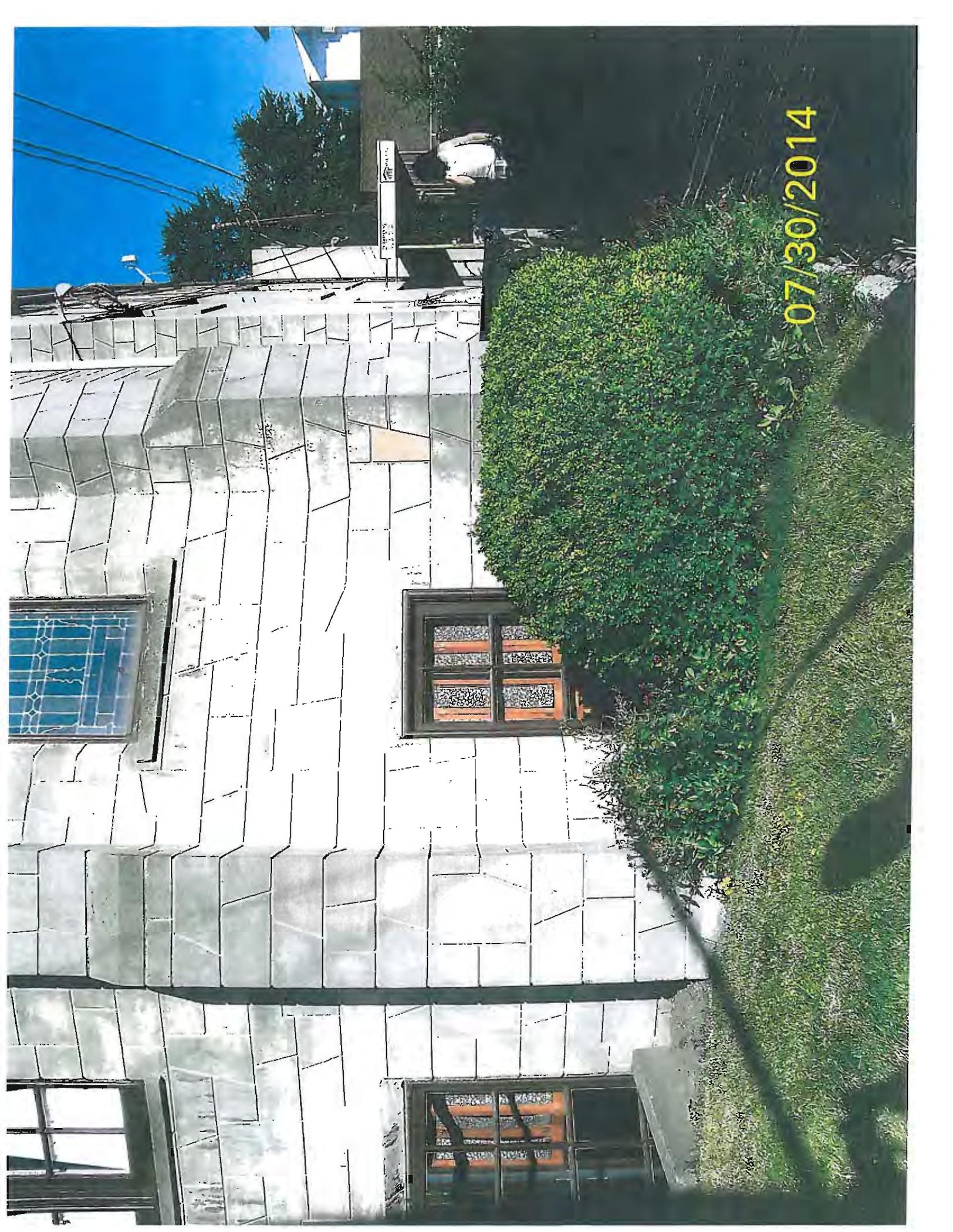
CAUTION
DO NOT PLAY IN OR
ON THIS EQUIPMENT
OR EQUIPMENT FOR
ANY PURPOSE
TODD UNDERWAY

CAUTION
DO NOT PLAY IN OR
ON THIS EQUIPMENT
OR EQUIPMENT FOR
ANY PURPOSE
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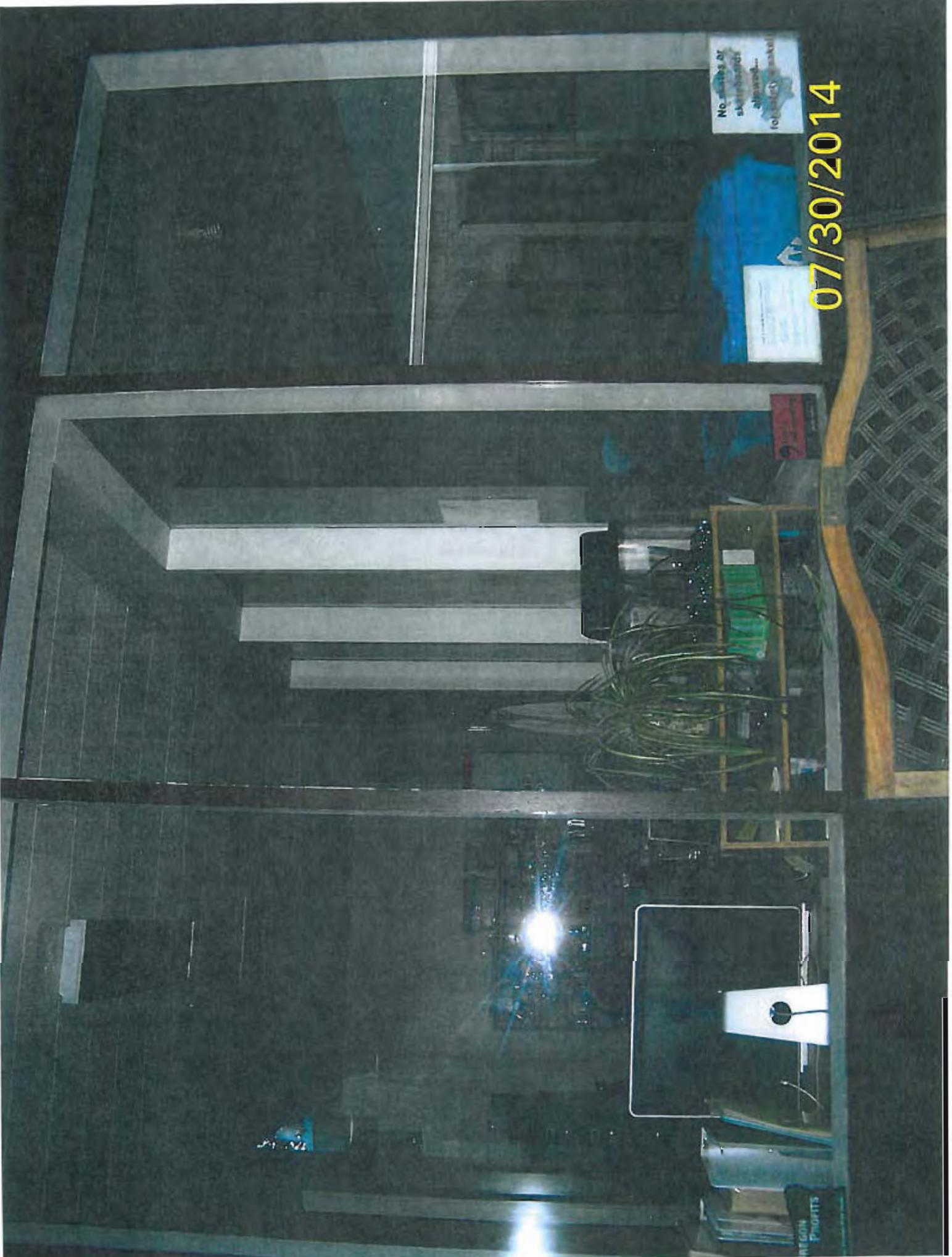
No animals or
sketches
allowed
for safety
reasons

07/30/2014

RESEARCH
PROJECTS

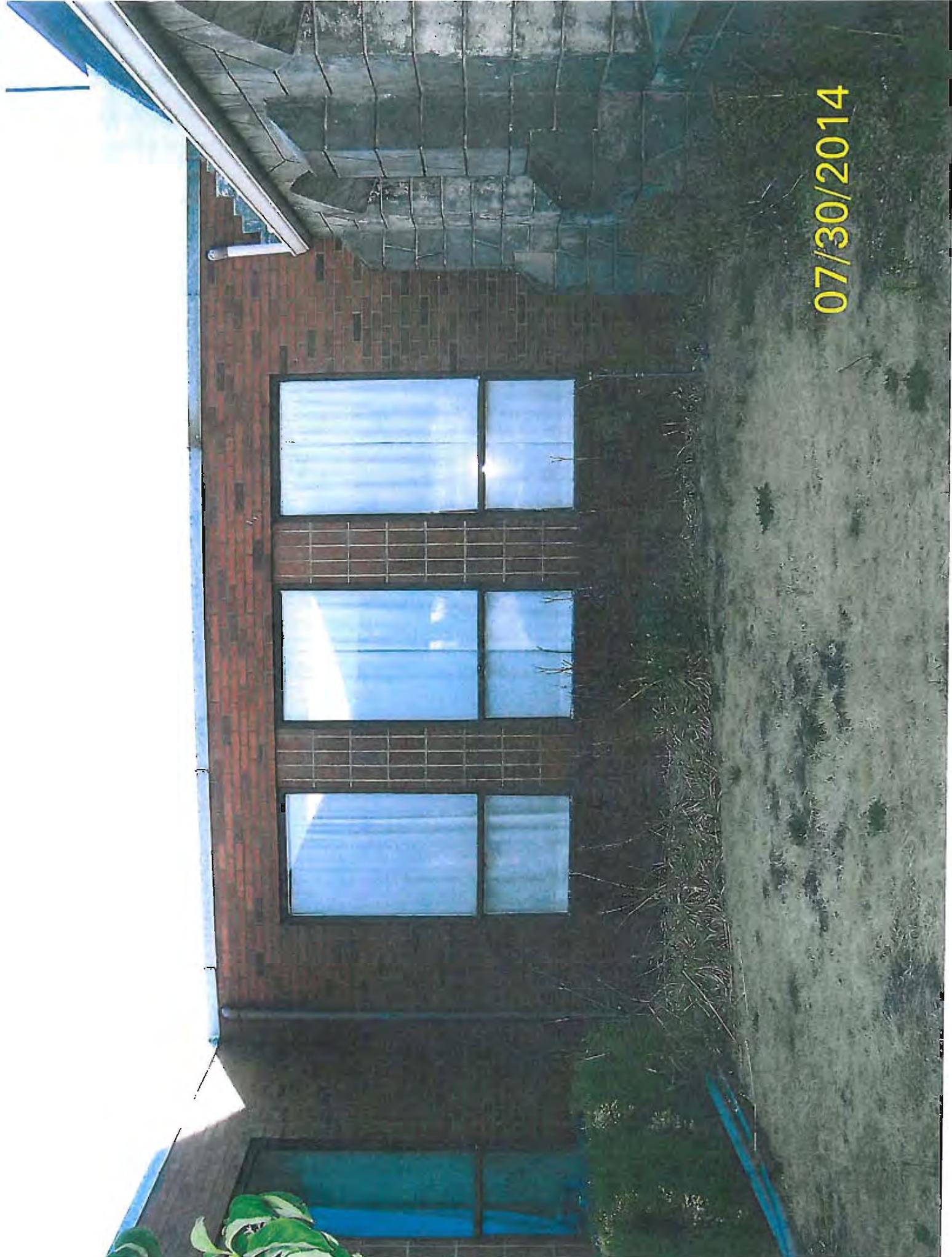
RESEARCH
PROJECTS

RESEARCH
PROJECTS



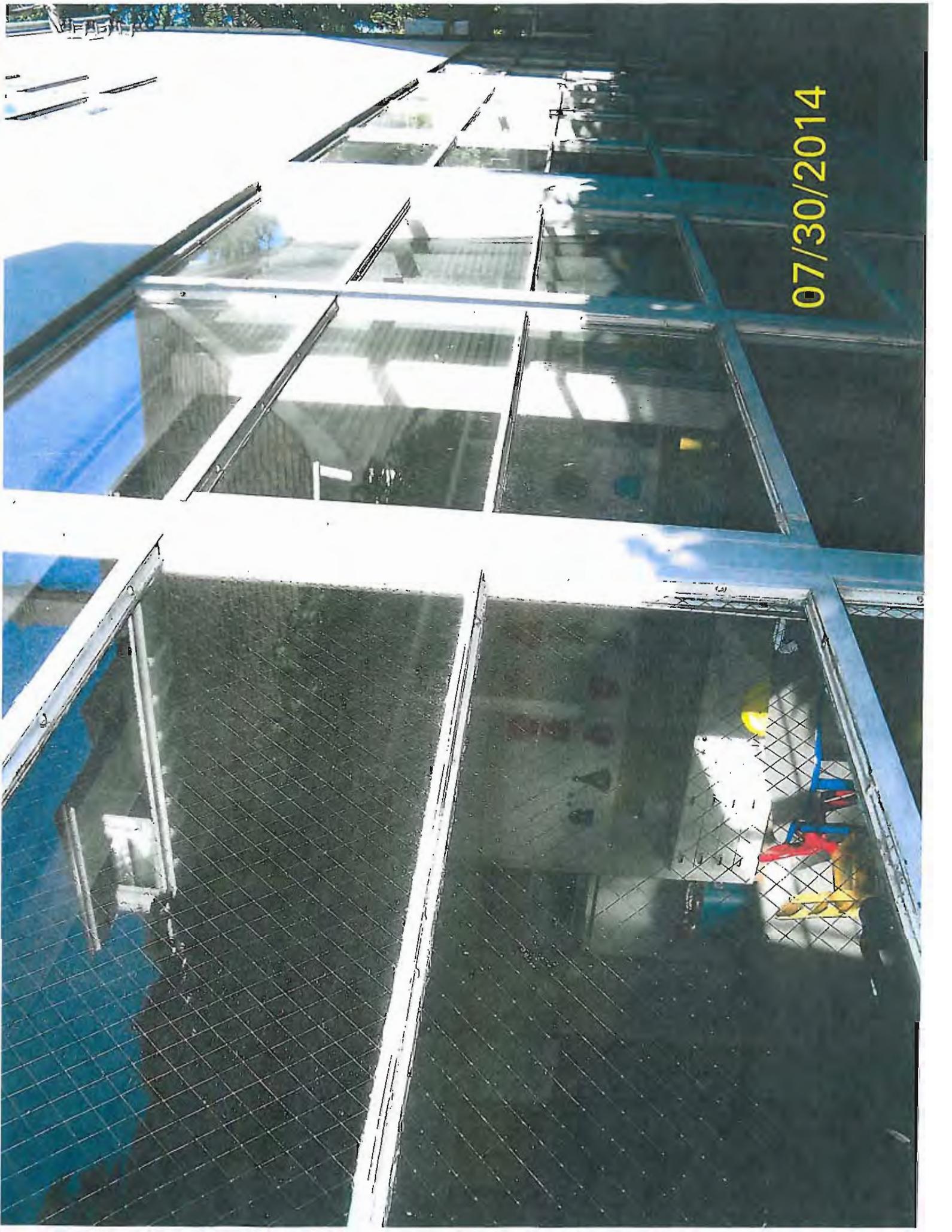


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IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES

AGENDA STAFF REPORT

URBAN RENEWAL ADVISORY COMMITTEE

Meeting Date: September 16, 2014

DATE: September 8, 2014

TO: Urban Renewal Advisory Committee

FROM: Nolan Young, Urban Renewal Manager *NY*

ISSUE: Memorandum of Understanding (MOU) with The Dalles Main Street Program for the Purpose of Providing Services in Conjunction with the Agency's Property Rehabilitation Grant and Loan Fund Programs

Background: Over the course of the last several months the Urban Renewal Agency has made major revisions to its Property Rehabilitation Program. The most recent change was to include for profit businesses in the exterior rehabilitation grant program.

With these additional tools available to help property owners improve the appearance of their businesses the Agency Board, with the recommendation of the Advisory Committee, included two items in the fiscal year 2014-15 budget.

- An additional \$200,000 for the property rehabilitation program, and
- \$10,000 to contract with The Dalles Main Street Program for the purpose of providing services in conjunction with the Agency's Property Rehabilitation Grant and Loan Fund Program.

Main Street's Executive Director Matthew Klebes has already been working on promoting this program and assisting businesses with their applications for funding. The attached memorandum of understanding would formalize the agreement.

BUDGET IMPACT: Once this agreement is fully executed, the Urban Renewal Agency would provide the sum of \$10,000 to The Dalles Main Street in one lump sum for services to be provided to the Agency during fiscal year 2014-15.

ALTERNATIVES:

1. Recommend that the Urban Renewal Agency Board approve the MOU with The Dalles Main Street program for the purpose of providing services in conjunction with the Agency's Property Rehabilitation Grant and Loan Program as presented and authorize signing.
2. Postpone this item to allow for additional work.
3. Decline to recommend signature of this MOU.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding (hereinafter referred to as "MOU"), is entered into this ____ day of _____, 2014, by and between the Columbia Gateway Urban Renewal Agency, an Oregon municipal corporation, hereinafter referred to as "Agency", and The Dalles Main Street Program, an Oregon domestic nonprofit corporation, hereinafter referred to as "Main Street", for the purpose of providing services in conjunction with the Agency's Property Rehabilitation Grant and Loan Fund Program

WHEREAS, the Agency's Plan includes establishment of a property rehabilitation grant and loan fund program, under which the Agency may provide grants and low interest loans for business, civic, residential, cultural, and tourist-related property to be developed, redeveloped, improved, rehabilitated, and/or conserved; and

WHEREAS, the Agency's Plan also provides that grants shall be made to public, non-profit, for profit, and civic organizations, when uses of the property serve a public purpose; and

WHEREAS, the Agency included additional funds in the 2014-2015 budget for the property rehabilitation grant and loan program, with the objective of encouraging local businesses and property owners to take advantage of the program to develop or redevelop their property; and

WHEREAS, the Agency and Main Street desire to maintain and enhance a healthy, vibrant downtown commercial district which functions as the economic, social and cultural center of the community; and

WHEREAS, Main Street has the resources to provide assistance to applicants seeking to apply for assistance under the Agency's property rehabilitation grant and loan program;

NOW, THEREFORE, in consideration of the provisions set forth herein, it is mutually agreed as follows:

1. Main Street Duties. Main Street agrees to provide the appropriate resources to assist local businesses and property owners interested in applying for financial assistance pursuant to the Agency's property rehabilitation grant and loan program. Such assistance shall include, but not be limited to, assisting the applicant with the process of submitting an application for funding, including working with Agency staff members during the process of seeking potential sources of financing for the application, including identification of potential sources of grant or loan funding, and representing the applicant in meetings before the Agency Urban Renewal Advisory Committee and the Agency Board.

2. Agency Responsibilities. Agency has agreed to pay Main Street \$10,000 in one lump sum payment upon execution of this MOU for the services to be provided for the Agency during the 2014-2015 fiscal year.
3. Indemnification. To the maximum extent permitted by law, the parties shall hold and save each other, their officers, agents and employees, harmless and shall defend and indemnify each other from claims, damages, losses, and expenses, including attorney fees, which arise out of the action or inaction of the parties, their agents, officials or employees in the performance of this MOU.
4. Term of Agreement and Termination. Agency and Main Street acknowledge that it is their mutual intent that this MOU be renewed upon an annual basis, subject to the Agency budgeting funds in the following fiscal year and subject to the Agency and Main Street mutually agreeing that Main Street shall continue to provide the services as described in paragraph 1 of this MOU. In the event that either the Agency or Main Street desires to terminate this MOU, either party can terminate this MOU upon providing thirty (30) days written notice to the other party. In the event the Agency determines as part of its annual budget process that it will not allocate funds to pay for the services of Main Street for any succeeding fiscal year, this MOU shall be automatically terminated as of June 30th of the prior fiscal year during which Main Street provided services for the Agency.

COLUMBIA GATEWAY
URBAN RENEWAL AGENCY

THE DALLES MAIN STREET
PROGRAM

Nolan K. Young, Urban Renewal
Manager

Matthew Klebes, Executive Director

Date

Date



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

AGENDA STAFF REPORT

URBAN RENEWAL ADVISORY COMMITTEE

Meeting Date: September 16, 2014

DATE: September 10, 2014

TO: Urban Renewal Advisory Committee

FROM: Gene E. Parker, City Attorney

THRU: Nolan Young, Urban Renewal Manager *NY*

ISSUE: Recommendation to Urban Renewal Agency Board to approve an amendment to the Loan Agreement for the Sunshine Mill Property, between the Urban Renewal Agency and Discover Development LLC, extending the due date for payment of the loan from October 12, 2014 until December 12, 2014.

BACKGROUND: Discover Development, LLC (Discover Development) currently has a loan agreement with the Urban Renewal Agency in the amount of \$600,000 for improvements to the Sunshine Mill property. Discover Development is currently paying monthly interest payments at the rate of 4.25% per annum, and has a balloon loan payment for the principal balance which is due on October 12, 2014.

On May 13, 2014, a letter was sent to James Martin, the principal member of Discover Development, requesting an opportunity for Agency staff members to review certain financial books and records for Discover Development. This request was prompted in part by a concern expressed by Mr. Martin as to whether Discover Development would have the capital resources to be able to make the balloon payment for the loan obligations which are due on October 12, 2014.

Following the issuance of the May 13, 2014 letter, the City Attorney, City Manager, and the Mayor met with Mr. Martin and other representatives of Discover Development. During these meetings, Mr. Martin and the other representatives of Discover Development indicated they would be approaching the Urban Renewal Agency with a request that the Agency consider granting an extension of time for Discover Development to repay the loan obligation and to make the property payment purchase which is scheduled for May 15, 2015. Mr. Martin and the representatives of Discover Development were advised that, before the Agency staff members could be prepared to present any proposal for an extension of time to make the balloon loan payment and the land sale purchase payment, the Agency would need to have the opportunity to review detailed financial information related to Discover Development.

To facilitate the review of the detailed financial information for Discover Development, Agency staff and Mr. Martin agreed to conduct what is commonly referred to as “an agreed upon procedures” process. Under this process, Sidney Rowe, an accountant from the firm of Rowe & Deming, who provides accounting services for Discover Development, will perform a series of “agreed-upon procedures”, which have been specified by the Agency. The procedures are designed to develop information and analysis related to the Agency’s loan and land sale agreements with Discover Development, answer questions related to the ownership and capitalization for Discover Development and certain related entities, and provide documentation of the projected financial condition as related to the possible extension of the Agency’s loan agreement and land sale agreement for the Sunshine Mill property.

The engagement letter for Mr. Rowe’s services includes a projected date of September 22, 2014 for provision of the information under the agreed upon procedures process. With the balloon loan payment due on October 12, 2014, any discussion concerning a possible request to consider an extension of the loan payment obligation would have to occur before the Advisory Committee during this meeting, and before the Agency Board during its regularly scheduled meeting on September 22, 2014. The Advisory Committee cannot be in a position to make any recommendation to the Agency Board concerning any request for an extension of the loan payment obligation without Agency staff having received the detailed financial information to be provided under the agreed upon procedures process and preparing a report for the Advisory Committee, including an analysis of the financial information provided, and a discussion of potential alternatives for the Advisory Committee.

In order to allow Agency staff to have sufficient time to review the detailed financial information to be received under the agreed upon procedures process, staff is recommending that the Advisory Committee recommend to the Agency Board that the Agency and Discover Development enter into an amendment to the Loan Agreement, which will extend the due date of the balloon loan payment from October 12, 2014 to December 12, 2014.

BUDGET IMPLICATIONS: The engagement letter provides that the fees for Mr. Rowe’s services will range from \$5,000 to \$7,000. The Agency will pay for these services from the contractual services line item in the Agency’s budget.

RECOMMENDATION:

- A. **Staff recommendation.** The Advisory Committee move to recommend the Agency Board approve an amendment to the October 12, 2009 Loan Agreement with Discover Development LLC, to extend the due date for the balloon loan payment from October 12, 2014 to December 12, 2014.
- B. The Advisory Committee could move to recommend the Agency Board not consider an amendment extending the due date for the balloon loan payment.