



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES

MINUTES

COLUMBIA GATEWAY URBAN RENEWAL AGENCY BUDGET COMMITTEE

Meeting Conducted in a Room in Compliance with ADA Standards

Tuesday, April 19, 2017

5:30 pm

City Hall Council Chambers

313 Court Street

The Dalles, Oregon

I. CALL TO ORDER

The meeting was called to order at 5:30 p.m. by Urban Renewal Manager Steve Harris.

II. ROLL CALL

Present: Daniel Bonham, Matt Herriges, Solea Kabakov, Corliss Marsh, Richard Mays, Leon Surber, Staci Coburn, Taner Elliott, John Fredrick, Steven Howard, Steve Kramer, Darcy Long-Curtiss, Linda Miller, and Chuck Raleigh (arrived at 5:32 p.m.)

Absent: Scott Baker, and John Willer

Staff Present: Urban Renewal Manager and Budget Officer Steve Harris, City Attorney Gene Parker, Finance Director Angie Wilson, Human Resources Director Daniel Hunter, and Assistant to the City Manager Matthew Klebes

III. ELECTION OF OFFICERS

Manager Harris opened nominations for election of Chair and Secretary. Committee Member Elliott motioned to elect Richard Mays as Chair. Committee Member Miller seconded the motion; the motion passed unanimously.

Chair Mays opened nominations for Secretary. Committee Member Kramer motioned to elect Linda Miller as Secretary. The motion was seconded by Committee Member Elliott; the motion passed unanimously.

IV. BUDGET OFFICER'S MESSAGE

Manager Harris reviewed items presented in the Budget Officer's Message, Fiscal Year 2017-2018, Exhibit 1.

Committee Member Howard asked for a definition of "debt servicing." Manager Harris replied that it was repayment of a bond issued in 2009.

V. BUDGET PRESENTATION / DELIBERATIONS

Finance Director Wilson reviewed the overview summary of the proposed FY2017-2018 budget.

Manager Harris reviewed the goals and projects for the coming year presented in the Proposed Budget.

Finance Director Wilson explained the debt service fund in more detail. Wilson stated a one year reserve payment is maintained to continue payments on interest and principal. The interest rate on the bond ranges from two to five percent. The current bond (originated in 2009) restructured an earlier bond and provided reserves for Urban Renewal projects and future debt.

Further clarifications follow:

- The bond was issued for a variety of projects. The City acquired the bond; proceeds were divided between the City and Urban Renewal. Payments are made by each entity for those projects.
- The bond is paid from revenue generated by property taxes.
- The beginning balance on the budget worksheet is the anticipated amount available at the beginning of the year. This amount can be affected by differences in revenues received and expenditures higher or lower than anticipated.
- The Administrative Services budget figure is based historically on services provided to Urban Renewal.
- Currently, Urban Renewal does not have a consultant. This amount is budgeted to allow for an anticipated need.
- The SAL Report is provided by the County Assessor and shows the assessed value and expected revenue for every taxing district.
- The Urban Renewal boundary encompasses the area from the East side at the roundabout, the downtown to 5th Street and portions of 6th Street, the property on the North side of I-84 and continues along West 2nd Street in the industrial area on both sides of I-84.
- Budget items for utilities (water, power, natural gas) are inclusive for the Recreation, Granada Theatre, Blue Building and Tony's. Utilities for the Granada Theatre have been transferred to the new owners.
- Committee Member Elliott asked if Urban Renewal loans or grants had previously been offered as "one time only," stating that some applicants had received multiple grants in the past. Director Hunter replied no. Hunter further stated that to his knowledge, applicants had received multiple grants only for individual projects such as façade improvement or fire suppression.

Chair Mays invited public comments.

Dan Richardson
3515 Crest Court
The Dalles, OR 97058

Mr. Richardson presented a letter written by Bruce Lumper (Exhibit 2). Richardson stated a number of residents expressed interest in a spur trail development along Mill Creek. Previously, Urban Renewal granted \$94,500 for engineering costs contingent on a written maintenance agreement with the NWC Parks and Recreation. Currently, no agreement has been reached; discussions are continuing. Richardson requested the line item be brought forward for the next fiscal year. That line item is in the proposed FY 2017/18 budget.

Committee Member Elliott stated he would like to see this topic presented at an Urban Renewal Agency Board meeting to obtain more detailed information.

The Mill Creek Trail would start at the Northern Wasco County Aquatic Center, West 2nd Street, and continue up to the Senior Center, West 9th Street.

Committee Member Bonham inquired if it was the belief of the Urban Renewal Agency Board that the \$51 million contribution from the private sector would have happened without the Urban Renewal expenditures of \$18 million. He further questioned if the proposed budget was the best use of Urban Renewal funds. Bonham expressed his desire to see an identity for The Dalles with unification and purpose for our vision and our investment.

Manager Harris replied that the community and the Agency would need to decide whether a project was of benefit to the community, and was it worthwhile to use those funds to meet a need and serve as a catalyst for further private development.

Chair Mays asked if the Board would decline a project if a determination was made that the project could be successful without assistance. Manager Harris replied that if a project was considered feasible without Urban Renewal assistance, Staff would recommend the project be denied.

Committee Member Elliott stated his concern with the Sunshine Mill returning to the Board regarding a renegotiation of their loan. Elliott asked at what point we come to a collaboration regarding a time frame for an extension, or if an extension is even possible.

Committee consensus was that this topic be added to a future Urban Renewal Agency Board agenda for consideration.

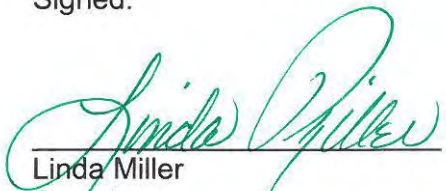
Committee Member Kramer made a motion to recommend the approval of the 2017/18 budget. Committee Member Fredrick seconded the motion; the motion passed unanimously.

VI. ADJOURNMENT

Committee Member Fredrick adjourned the meeting at 6:44 p.m.

Respectfully Submitted
Paula Webb, Planning Secretary

Signed:


Linda Miller
Secretary



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES**Agency Budget Officer's Message
for
Fiscal Year 2017-2018**

To the Urban Renewal Budget Committee:

Following is the proposed budget for the Columbia Gateway Urban Renewal Agency for the 2017-2018 Fiscal Year. The proposed budget is balanced, as required by state law.

Background

The purpose of the Columbia Gateway Urban Renewal Agency ("Agency") is to administer the statutory tax increment revenues for funding of the goals and objectives of the Columbia Gateway/Downtown Urban Renewal Plan ("Plan") through designated projects and programs within the Urban Renewal Plan Area. The Agency, composed of the Mayor and City Councilors, began operating under the Oregon Urban Renewal Laws and the adopted Columbia Gateway/Downtown Urban Renewal Plan on August 23, 1990 (Ordinance No. 90-113).

The Plan, as amended governs the 318.12 acre Urban Renewal Plan Area ("Area") of the City of The Dalles, Oregon. The Area was established in 1990, amended in 1993 to reduce its size, and amended further in 1998, also to reduce its size. A substantial amendment of the Plan was adopted in 2009 to increase the size of the Area and the maximum indebtedness allowed under the Plan.

The MISSION of the urban renewal agency is to eliminate blight and depreciating property values within the Agency's jurisdiction and in the process, attract aesthetically pleasing, job producing private investments that will stabilize or increase property values and protect the Area's historic places and values. To accomplish its MISSION the Agency has adopted fourteen goals and objectives which provide the overall guidance in developing and implementing an urban renewal program.

Funds

The Urban Renewal Agency has two separate funds; *the Urban Renewal Debt Service Fund* which accounts for tax increment revenue and repayment of debt

obligations issued to fund Agency projects, and the ***Urban Renewal Capital Projects Fund***, where administration and project implementation are accounted for.

The Agency contracts with the City to provide staff to administer programs and required materials and services. In addition, the Agency at times contracts with outside experts, including financial consultants, engineers, and an attorney specializing in urban renewal law. Total contract costs for these functions are budgeted to be \$284,749 in the Capital Projects Fund.

Total debt obligations outstanding for the Agency as of July 1, 2017 are approximately \$7,190,000. This is the remaining balance of a \$10,205,000 Bond that was issued in 2009 by the City and Agency. If paid in accordance with debt payment schedule as issued, the outstanding debt will be paid in full on June 30, 2029. However the City Council and previous Agency Board have set a goal to repay this Bond in full by June 30, 2025, four years ahead of the obligation. Pursuant to terms of the issuance additional payments could not be made for the first ten years of the debt. Therefore the Agency will be required to make prepayments totaling \$4,010,714 (principal and interest) between June 1, 2019 and July 30, 2025. The Agency Board can modify the prepayment commitment if conditions warrant.

Debt service payments totaling \$1,605,376 for FY2017-18 are budgeted in the Debt Services Fund.

Projects and Programs

Engineering Services: \$152,620 is budgeted to pay for one half the engineering costs for previously identified projects: Washington Street/1st Street streetscape project, Granada Block, downtown parking structure and the Mill Creek Trail.

Property Rehabilitation: \$593,185 is budgeted for approved property rehabilitation projects; \$200,000 of this amount is accounted for in the Property Rehabilitation Grant and Loan Program. The remaining \$393,185 represents previously approved grant and loan awards (Canton Wok, Granada Block, Lemke Building, Craig Office Building and the Chamber of Commerce building) and pending applications.

Property Rehabilitation Grant and Loan Programs: \$200,000 is available to fund the loan and grant programs for eligible properties. The Agency administers the following programs: façade improvement grants, fire system suppression grants, civic improvements grants, historic design and restoration grants, and redevelopment of unused and underused property loans. To date, these programs have assisted 35 businesses and properties.

Civic Auditorium Restoration: \$300,000 has been budgeted to assist in the interior restoration of the Civic Auditorium. The funds were approved in FY2014-15 and have been included in preceding Agency budgets. Construction has recently begun and will carryover into FY2017-18.

Opportunity Driven Projects: \$1,020,068 is budgeted and will be available to fund high priority projects identified in the Plan.

Fund 018 Projects: \$689,904 is budgeted in Fund 018 for anticipated future capital projects. These projects include property rehabilitation grants and loans, and the West Gateway and 1st Street streetscape improvements. Fund 018 is used as a repository until such time as there are sufficient funds to undertake an identified capital project.

Conclusion

The Urban Renewal District is fully capable of funding the projects and expenses described above.

April 18, 2017

Budget Committee
Columbia Gateway Urban Renewal Agency
c/o Steve Harris, AICP, Urban Renewal Manager
313 Court St.
The Dalles, OR 97058

RE: Support for Funding of Proposed Mill Creek Trail, Phase I
Engineering Final Design
Proposed Budget: Table III, FY 2017-18 Projects, Page 6
Capitol Projects Fund, Expenditures, Materials & Services,
Item 200-6700-000.34-10, Pages 8 & 12

Dear Members of the Budget Committee;

Approximately one year ago, the Budget Committee of the Columbia Gateway Urban Renewal Agency unanimously agreed to include in the FY 2016-17 budget, \$94,500 for the final engineering design work on the proposed Mill Creek Trail, Phase I. The use of these funds, however, was subject to the securing of a written acknowledgement from the Northern Wasco County Parks & Recreation District's (NWCP&R) Board of Directors that the maintenance funding for the proposed trail had been secured.

At that time, it was thought that the securing of this maintenance funding would be completed by either late fall of 2016 or the spring of 2017. While much progress has been made in that direction, this piece of important work is still to be completed.

Therefore, the proponents of the proposed Mill Creek Trail are fully supportive of transferring this estimated engineering funding forward to the FY 2017-18 Proposed Budget. Then, once the maintenance funding has been secured and approved, we will be able to proceed to the engineering work component of the trail.

During the past year I have worked diligently, and closely, with the NWCP&R District, the Riverfront Trail Board, and The Dalles Watershed Council to establish an estimated amount for the annual maintenance funding of the proposed trail. This has turned out to be a lengthy process, but one that has evolved into an unexpected opportunity, and that is to utilize the Wasco County Youth Services Program for this work (both juvenile and adult work crews with a full-time supervisor and NWCP&R guidance). It turns out that these services can be provided at a very reasonable cost by Wasco County - currently estimated at approximately \$15,000 for year one (which would include both a restoration and maintenance component), and then approximately \$6,500 per year thereafter.

The piece of work that is now left for us to complete is the securing of the annual funding commitment for this maintenance work. We may be so fortunate as to have this commitment in place by the end of this fiscal year. Nonetheless, when that work is completed, we will then need the resources to go forth with the engineering design work, and having those resources available will allow the project to continue forward without a significant gap.

I might add that recent meetings with Matthew Klebes, Assistant to the City Manager, and Steve Harris, the City Planning Director, have brought to the forefront the important issue of designing the Mill Creek Greenway area for more than just a trail, but also to incorporate an overall design for this, essentially, linear parkway bisecting the City of The Dalles. This overall design could include restoration, stream improvements, viewing areas, artwork, benches, lighting, etc.

Having the engineering design funding in place at Urban Renewal will support us in going after the additional grant funding needed to cover that more comprehensive greenway design.

Also, the City's recent decision to include the proposed Mill Creek Trail, Phase I, as a High Priority in their adopted Transportation System Plan Update will also help support the securing of grant funding for additional greenway design work as well as the funding for actual landscaping, restoration and trail construction work when we get to that point.

I want to thank you for your past support of the proposed Mill Creek Trail and encourage your continuing support. This trail, once constructed, will be a fine addition to the walking/biking component of our City of The Dalles Transportation System.

Sincerely,



Bruce Lumper
Vice-President, Riverfront Trail Board
Co-Chair, The Dalles Watershed Council

cc: Dan Durow, President, Riverfront Trail Board
Abbie Forrest, Coordinator, Wasco County Watershed Councils
Scott Baker, Director, Northern Wasco County Parks & Recreation District
Molly Rogers, Director, Wasco County Youth Authority