



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, April 25, 2016
Immediately Following City Council Meeting

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES
 - A. Approval of April 4, 2016 Joint Work Session Minutes
 - B. Approval of March 28, 2016 Regular Meeting Minutes
5. ACTION ITEMS
 - A. Granada Block Proposals
6. ADJOURNMENT

Prepared by:
Izetta Grossman
City Clerk

MINUTES

Columbia Gateway Urban Renewal Agency
City Hall Council Chambers
Monday, April 25, 2016
Immediately Following City Council Meeting

PRESIDING: Chair Steve Lawrence

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

COUNCIL ABSENT: None

STAFF PRESENT: City Manager Julie Krueger, City Clerk Izetta Grossman,
Project Coordinator Daniel Hunter

CALL TO ORDER

The meeting was called to order by Chair Lawrence at 7:00 p.m.

ROLL CALL

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

APPROVAL OF AGENDA

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

APPROVAL OF MINUTES

It was moved by Miller and second by Brown to approve the April 4, 2016 Joint Work Session Minutes and the March 28, 2016 Regular Meeting Minutes. The motion carried unanimously.

ACTION ITEMS

Granada Block Proposals

Project Coordinator Hunter reviewed the staff report.

Chair Lawrence said the recommendation was from the Advisory Committee, and the City Attorney had said the rules were such the Agency Board could accept one of the proposals or reject all.

Chair Lawrence asked how the conditions would be set for the sale of the property. Hunter said that would happen at a later meeting.

Brown said at the Work Session it was decided to change the makeup of the Board. He said he would prefer to let that new Board make the decision.

City Manager Krueger said it could take a couple of months to prepare the ordinance. She said she would like a decision on the Request For Proposals (RFP) tonight.

Chair Lawrence said the Board could just decide on rejecting the RFP's.

Chair Lawrence invited the Attorney for the Granada Block Hotel Development group to speak. Brad Timmons said he was very new to the project, but he knew that both the developer and the Agency had put a lot of time and money into the project. He asked that while considering what to do next that the Agency negotiate with his client to see if a DDA could be reached. He asked that the project be kept alive.

Spatz said that Timmons served on the Board of the Gorge Community Foundation, of which he was the Executive Director. He said there was a potential conflict of interest, but there was no financial gain for him and he would participate in deliberations.

Spatz read a statement into the record (attached).

In response to a question Hunter said Timmons was referring to negotiation of a DDA, the City Attorney was referring to negotiating the RFP.

Chair Lawrence said an RFQ would require conditions. He said the Board didn't know what to ask for in an RFQ.

Spatz said the theatre historically didn't work as a stand-alone.

City Manager Krueger said that until the new board was established the current Board had an obligation to make decisions and run the business of the Agency.

Hunter reminded the Board that they had the authority to decide who purchased the properties.

It was moved by Spatz and seconded by Brown to reject all proposals and issue a Request for Qualifications (RFQ) for a hotel/conference center including all three buildings, the Granada, Recreation and Blue Building.

Hunter clarified that the properties included 11 tax lots.

Elliott asked for a timeline for the RFQ.

Spatz said staff would need to take time to create the RFQ. He said it should not preclude reorganization of the Agency Board.

Chair Lawrence said limiting the request for use of all three properties would foreclose others from making a success of the Theatre.

The motion failed. Brown and Spatz voting yes; Miller, Elliott, Lawrence, McGlothlin voting no.

Elliott asked if approving the staff recommendation would mean selling the properties together or separately. Hunter said that would be negotiated.

McGlothlin asked who would be negotiating.

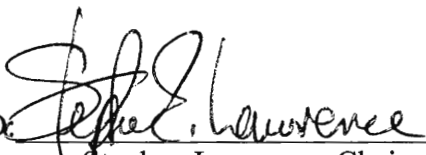
Lawrence said staff would be negotiating.

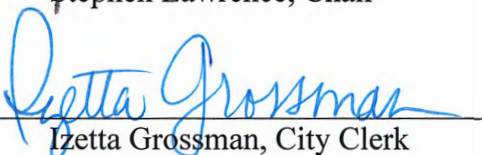
It was moved by McGlothlin and seconded by Miller to reject all proposals in response to the RFP for the Granada Block Properties and sell the properties with conditions on redevelopment. The motion carried with Miller, Elliott, Lawrence and McGlothlin in favor; Brown and Spatz opposed.

ADJOURNMENT

Having no further business the meeting was adjourned at 7:40 pm.

Respectfully submitted:
Izetta Grossman
City Clerk

SIGNED: 
Stephen Lawrence, Chair

ATTEST: 
Izetta Grossman, City Clerk

MINUTES

Joint Work Session of the Columbia Gateway Urban Renewal Agency
and Urban Renewal Advisory Committee
City Hall Council Chambers
Monday, April 4, 2016
5:30 p.m.

PRESIDING: Chair Steve Lawrence

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

ADVISORY COMMITTEE: John Nelson, Gary Grossman, Greg Weast, Phil Lewis,
Jennifer Dewey, John Willer, Steve Kramer

ABSENT: Atha Lincoln

STAFF PRESENT: City Manager Julie Krueger, City Clerk Izetta Grossman,
Project Coordinator Daniel Hunter

CALL TO ORDER

The meeting was called to order by Chair Lawrence at 5:30 p.m.

ROLL CALL

Roll call was conducted by City Clerk Izetta Grossman; Advisory Committee Member Lincoln absent.

APPROVAL OF AGENDA

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

REVIEW AND DISCUSSION OF STRUCTURE AND PROJECTS

Chair Lawrence suggested the work session use three main questions to guide the discussion.

1. Who should govern Urban Renewal?

2. Should the Urban Renewal Plan be amended to include infrastructure?
3. What projects should be on the list going forward?

Chair Lawrence said the forum for public input should be addressed and asked if anyone had other questions to guide the discussion.

Weast said the plan read like infrastructure was included.

Project Coordinator Hunter said infrastructure wasn't removed from the plan, it just wasn't stated as a project focus. He said the emphasis had been changed to blight and buildings.

Brown said Public Works doesn't have the funds to support projects, streets and utilities needed to be included in the plan.

Spatz said project related infrastructure made sense, but not general infrastructure maintenance.

City Manager Krueger said Urban Renewal Funds were never meant for maintenance of infrastructure, but could be used for infrastructure improvements when connected to an Urban Renewal project such as was done on the Second Street Streetscape project.

Nelson said the Third Place Design had included some infrastructure.

It was the consensus that there was no need to amend the plan, just to be aware of opportunities to include infrastructure in projects.

Governance

Brown said it felt like the Agency Board was at the end of the information pipeline, and too much information was lost in the process. He said it was helpful to hear the presentations and understand how conclusions were made.

Miller agreed that information was disjointed. She said as someone who sits in both meetings, sometimes Advisory talks to the presenter and the Board doesn't get that interaction.

Weast said when Urban Renewal started it was made up of Council and lay people. He said perhaps a select number of Council and others.

Spatz said the taxing districts should be represented.

Dewey said business people needed to be represented.

Spatz suggested 3 Council members; 3 Chamber board members; 2 Citizens; 2 County Commissioners; and 1 each from School District, Parks and Rec, Mid Columbia Fire and Rescue, and the Library.

It was the consensus that 8 or 9 members would be best.

Willer said it would not be legitimate to have a quorum of any entity.

Chair Lawrence said returning to one committee would not leave a higher board to go appeal to.

Grossman said the taxing districts should get the full information in order to give input. He said getting the information would encourage participation. He said one board with the right communication could work.

Grossman said if there were two groups, the same presentations needed to be made to both groups. He said the process should go back to staff making recommendations. He said there is value in the process beginning with staff.

Krueger said the process of adding a member of each group to the initial review was designed to assist in information getting to both groups. She said it didn't work as well as she had hoped.

Miller said Council acting as the Agency should be allowed to attend executive sessions.

Dewey cautioned against one person appointing the new Agency Board, it could leave the impression the board was stacked.

Hunter said most appointments to committees begin with recommendations from staff, and then the Council concurs with the Mayor's appointments.

Krueger said the guidelines would be spelled out in a new ordinance if that was the decision.

She said the Taxing Districts most impacted were the ones on the Advisory Committee.

Grossman said having the districts most impacted was part of the process. He said the Fire Department needed to be aware of projects and had a unique perspective of needs for the overall good of the community.

Chair Lawrence said it was important to note that the governing body could decide to give part of the tax increment back to the taxing districts.

Grossman said the debt obligation had to be met before any funds could be returned to the taxing districts.

Chair Lawrence said there were three choices for the type of structure going forward. He said Council could act as the Agency Board, continue with two groups, or one mixed group.

Miller agreed with Brown that one board made sense. Willer said he agreed, with only one or two Councilors and under a total of 10 members, preferably an odd number.

City Manager Krueger suggested 3 Councilors (or 2 Councilors plus Mayor), 1 each from the County, Mid Columbia Fire and Rescue, Parks and Recreation, Port of The Dalles and 2 citizens, creating a nine member board.

Nelson asked what happened, the system used to work.

Grossman said with the changes in staff the information became fragmented. He said communication needed to be reset, with staff as the conduit for information.

Chair Lawrence said with the Planning Director retiring hiring an expert in Urban Renewal and Planning would be key.

Grossman said he would recommend more of a Community Development Department.

Kramer asked wasn't the Council ultimately responsible, and if the Agency dissolved the City had to pay the debt.

Chair Lawrence said the tax increment would continue until debt was paid in full. He said it was confusing if the Agency was responsible for their part of the 2009 City FFCO loan that was split with the Agency.

Elliott asked if it was necessary to change with structure of the Board if a new planning director would be hired.

Krueger said from an efficiency stand point one board would be best.

Dewey said one board would need taxing district representation and business people.

Grossman said there were districts that weren't interested in how the funds were spent.

Chief Palmer of Mid-Columbia Fire and Rescue said the advisory committee was formed as a result of a political fight. Chair Lawrence said that resulted in mediation.

Chair Lawrence asked if the group wanted to get taxing district and public input.

Grossman said the taxing districts covered the community.

Willer said a public hearing would happen with a new ordinance.

Krueger reviewed the Spatz's recommendation of 2 Council members, 3 citizens (businesses within the district), and 1 each from County, Mid-Columbia Fire and Rescue, Parks and Recreation, Port of The Dalles.

Krueger said the City would advertise for the citizen positions. Dewey said sending something the mail to the businesses in the District would be helpful.

Brown retired from the meeting at 6:44 p.m.

Elliott clarified that the citizen representation would be businesses within the district.

It was the consensus to have staff draft an ordinance creating one board.

Projects

It would be the consensus that projects should be a question for the new governing board.

Chair Lawrence said it could take staff a month to return to the Agency with an ordinance.

Spatz asked about the status of the Granada Block RFP's.

City Manager Krueger said staff was gathering additional information and will bring the Advisory recommendation to the Agency.

ADJOURNMENT

Having no further business the meeting was adjourned at 6:53 pm.

Respectfully submitted:
Izetta Grossman
City Clerk

SIGNED: _____
Stephen Lawrence, Chair

ATTEST: _____
Izetta Grossman, City Clerk

MINUTES

Columbia Gateway Urban Renewal Agency
City Hall Council Chambers
Monday, March 28, 2016
Immediately Following City Council Meeting

PRESIDING: Chair Steve Lawrence

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

COUNCIL ABSENT: None

STAFF PRESENT: City Manager Julie Krueger, City Clerk Izetta Grossman,
Project Coordinator Daniel Hunter, Police Chief Jay
Waterbury

CALL TO ORDER

The meeting was called to order by Chair Lawrence at 7:21 p.m.

ROLL CALL

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

APPROVAL OF AGENDA

Chair Lawrence removed Item #5-B from the agenda.

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

APPROVAL OF MINUTES

It was moved by Elliott and second by Miller to approve the March 14, 2016 Regular Meeting Minutes. The motion carried unanimously.

ACTION ITEMS

Approval of Façade Grant for Craig's Office Building

Project Coordinator Hunter reviewed the staff report.

It was moved by Miller and seconded by Brown to approve the Façade Grant for Craig's Office Building in the amount not to exceed \$23,755. The motion carried unanimously.

ADJOURNMENT

Having no further business the meeting was adjourned at 7:24 pm.

Respectfully submitted:

Izetta Grossman

City Clerk

SIGNED: _____
Stephen Lawrence, Chair

ATTEST: _____
Izetta Grossman, City Clerk



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

AGENDA STAFF REPORT

AGENDA LOCATION: Action Item #5-A

Meeting Date: April 25, 2016

TO: Urban Renewal Agency

FROM: Daniel Hunter, Project Coordinator

ISSUE: Granada Block Development

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

In addition to our review and recommendation process, the City Manager reviewed the RFP and consulted with legal experts to clarify the Agency's discretion regarding proposals.

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

The total score received by each proposer is as follows:

Granada Block Property Redevelopment: 444 points

Gomez-Liddell: 276 points

Gleason: 118 points

Since our initial meeting, Gary Rains spoke with GBPR, and Daniel Hunter spoke with Charles Gomez to see if they would be interested in splitting the project. They both responded favorably. On February 16, 2016 staff presented a recommendation from the Review Committee to the Urban Renewal Advisory Committee to recommend negotiations with Gomez and Liddell for the redevelopment and operation of the Granada Theatre alone. The Advisory Committee, at that meeting, rejected the recommendation of the Review Committee and requested staff make a request of Gomez and Liddell for a new proposal on just the Theatre. After conferring with the City Attorney, staff determined we could not take that approach unless we published another RFP and allowed others to propose.

At the Urban Renewal Advisory Committee meeting March 15, 2016 staff presented a new recommendation from the Review Committee to the Advisory Committee. That recommendation was to reject all proposals and sell the Granada Block Properties with conditions on redevelopment. The Advisory Committee voted to recommend to the Agency Board that all proposals received in response to the Granada Block Property RFP be rejected, and that the properties be sold with conditions. The vote was seven in favor of the recommendation, two opposed. Those voting against were Nelson and Lincoln.

This issue was removed from the March 28 Agency meeting agenda because staff understood that an attorney representing Mr. Leash had a conversation with the City Attorney regarding possible litigation if a contract was not awarded. The City Manager has made two telephone calls to the attorney and left messages, but the calls were not returned so this could not be confirmed.

Section 1.6, General Conditions, of the Request for Proposals specifically states that the Agency reserves the right in its sole discretion to accept or reject all responses to the RFP without cause. We believe this condition allows the Agency to move forward with acting on the recommendation of the Urban Renewal Advisory Committee to reject the bids.

AGENCY ALTERNATIVES

1. ***Recommendation: Move to reject all proposals received in response to the RFP for Granada Block Properties and sell the properties with conditions on redevelopment.***
2. Move to approve the proposal of Granada Block Property Redevelopment, LLC. This is not recommended as the proposal includes funding that requires separate entities holding equity in the property that would exclude other funding accounted for in the same proposal; equity ownership is required by to receive the Hilton franchise and no funding was proposed to purchase the property.

3. Move to approve the proposal of Gomez and Liddell. This is not recommended as the proposer has little experience in property development. The proposal was on all properties which reduced the capital available for the Granada Theatre renovation; and the proposal did not have sufficient funds to purchase the property.
4. Move to approve the proposal of Eric Gleason. This is not recommended as the proposal would provide little economic stimulus; the proposal did little to improve property values of the Granada Block; the cost estimates of the proposal were not in line with known development requirements; and the proposal would not comply with current building codes.
5. Make an alternate motion.