



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, July 11, 2016
Immediately Following City Council Meeting

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES
 - A. Approval of May 23, 2016 Regular Meeting Minutes
5. ACTION ITEMS
 - A. Recommend City Council approval of General Ordinance No. 16-1346 Revising the Structure of Urban Renewal Agency
6. EXECUTIVE SESSION
 - A. Recess to Executive Session in Accordance ORS 192.660 (2) (e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions.
 - B. Reconvene to Open Session
7. ADJOURNMENT

Prepared by:
Izetta Grossman
City Clerk

MINUTES

Columbia Gateway Urban Renewal Agency
City Hall Council Chambers
Monday, July 11, 2016
Immediately Following City Council Meeting

PRESIDING: Chair Steve Lawrence

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

AGENCY ABSENT: Tim McGlothlin

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

CALL TO ORDER

The meeting was called to order by Chair Lawrence at 5:48 p.m.

ROLL CALL

Roll call was conducted by City Clerk Izetta Grossman; McGlothlin absent.

APPROVAL OF AGENDA

It was moved by Elliott and seconded by Miller to approve the agenda as amended. The motion carried unanimously, McGlothlin absent.

APPROVAL OF MINUTES

It was moved by Miller and second by Elliott to approve the May 23, 2016 Regular Meeting Minutes. The motion carried unanimously, McGlothlin absent.

ACTION ITEMS

Recommend City Council Approval of General Ordinance No. 16-1346 Revising the Structure of the Urban Renewal Agency

City Attorney Parker reviewed the staff report.

Chair Lawrence asked if there would be an opportunity for the community to make comments. City Attorney Parker said if Council so desired they could allow comments.

City Manager Krueger said the ordinance could be on the agenda under Public Hearing, making it clear that the audience could speak.

It was the consensus of the Board to allow public input when the ordinance came before the Council in September.

It was moved by Brown and seconded by Spatz to recommend to the City Council that the City Council approve and adopt General Ordinance No. 16-1346 as proposed. The motion carried unanimously, McGlothlin absent.

EXECUTIVE SESSION

Chair Lawrence recessed to Executive Session in accordance with ORS.192.660 (2) (e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions.

Reconvene to Open Session at 6:20 p.m.

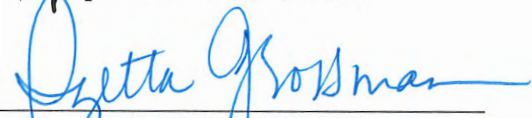
It was moved by Brown and seconded by Elliott to not have formal appraisals done of the Granada Block Properties. The motion carried unanimously, McGlothlin absent.

ADJOURNMENT

Having no further business the meeting was adjourned at 6:23 p.m.

Submitted by:
Izetta Grossman
City Clerk

SIGNED: 
Stephen Lawrence, Chair

ATTEST: 
Izetta Grossman, City Clerk

MINUTES

Columbia Gateway Urban Renewal Agency
City Hall Council Chambers
Monday, May 23, 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. Finance Director Kate
Mast

CALL TO ORDER

The meeting was called to order by Chair Lawrence at 6:24 p.m.

ROLL CALL

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

APPROVAL OF AGENDA

Chair Lawrence added Action Item 5-A Request for Amendments to Land Sale Contract and Loan Agreement for Sunshine Mill Property.

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

APPROVAL OF MINUTES

It was moved by Miller and second by McGlothlin to approve the April 25, 2016 Regular Meeting Minutes. The motion carried unanimously.

ACTION ITEMS

Request for Amendments to Land Sale Contract and Loan Agreement for Sunshine Mill Property

City Attorney Parker reviewed the staff report.

Chair Lawrence asked if the terms of default carried into the new amendment.

Parker said it could be clarified.

Chair Lawrence said he had toured the vineyard and found it to be well run, first class operation. He said Sunshine Mill had a temporary cash flow issue, and that it should be made clear that payment was expected on the payment plan.

It was moved by Spatz and seconded by McGlothlin to approve the revised payment plan for the installment payment due May 15, 2016 in the amount of \$100,000 proposed by Discover Development LLC, dba Sunshine Mill, and authorize the execution of the Fourth Amendment to the Loan Agreement and the Second Amendment to the Land Sale Contract for the Sunshine Mill Property, with the additional interest option and clarifying default clause carrying through to the Fourth Amendment. The motion carried unanimously.

PUBLIC HEARING

Public Hearing to Receive Testimony Regarding Proposed Fiscal Year 2016-17 Columbia Gateway Urban Renewal Agency Budget

Chair Lawrence opened the public hearing.

Finance Director Mast reviewed the staff report noting the beginning fund balance would be reduced due to the repayment decision that the Agency made regarding repayment of the Sunshine Mill loan.

Hearing no comments Chair Lawrence closed the public hearing.

It was moved by Elliott and seconded by McGlothlin to adopt Resolution No. 16-002 Adopting the 2016-17 Fiscal Year Budget for the Columbia Gateway Urban Renewal Agency, Making Appropriations, and Authorizing Expenditures as amended. The motion carried unanimously.

ADJOURNMENT

Having no further business the meeting was adjourned at 6:39 pm.

Respectfully submitted:
Izetta Grossman
City Clerk

SIGNED: _____
Stephen Lawrence, Chair

ATTEST: _____
Izetta Grossman, City Clerk

Current Payment Schedule

Pmt #	Pmt Date	Beginning Balance	Scheduled Int Pmt	Scheduled Prin Pmt	Ending Balance
1	12/15/2014	600,000.00	2,625.00		600,000.00
2	1/15/2015	600,000.00	2,625.00		600,000.00
3	2/15/2015	600,000.00	2,625.00		600,000.00
4	3/15/2015	600,000.00	2,625.00		600,000.00
5	4/15/2015	600,000.00	2,625.00		600,000.00
6	5/15/2015	600,000.00	2,625.00	150,000.00	450,000.00
7	6/15/2015	450,000.00	1,968.75		450,000.00
8	7/15/2015	450,000.00	1,968.75		450,000.00
9	8/15/2015	450,000.00	1,968.75		450,000.00
10	9/15/2015	450,000.00	1,968.75		450,000.00
11	10/15/2015	450,000.00	1,968.75		450,000.00
12	11/15/2015	450,000.00	1,968.75		450,000.00
13	12/15/2015	450,000.00	1,968.75		450,000.00
14	1/15/2016	450,000.00	1,968.75		450,000.00
15	2/15/2016	450,000.00	1,968.75		450,000.00
16	3/15/2016	450,000.00	1,968.75		450,000.00
17	4/15/2016	450,000.00	1,968.75		450,000.00
18	5/15/2016	450,000.00	1,968.75	100,000.00	350,000.00
19	6/15/2016	350,000.00	1,531.25		350,000.00
20	7/15/2016	350,000.00	1,531.25		350,000.00
21	8/15/2016	350,000.00	1,531.25		350,000.00
22	9/15/2016	350,000.00	1,531.25		350,000.00
23	10/15/2016	350,000.00	1,531.25		350,000.00
24	11/15/2016	350,000.00	1,531.25		350,000.00
25	12/15/2016	350,000.00	1,531.25		350,000.00
26	1/15/2017	350,000.00	1,531.25		350,000.00
27	2/15/2017	350,000.00	1,531.25		350,000.00
28	3/15/2017	350,000.00	1,531.25		350,000.00
29	4/15/2017	350,000.00	1,531.25		350,000.00
30	5/15/2017	350,000.00	1,531.25	350,000.00	-

Proposed Payment Schedule

Pmt #	Pmt Date	Beginning Balance	Scheduled Int Pmt	Scheduled Prin Pmt	Ending Balance
1	12/15/2014	600,000.00	2,625.00		600,000.00
2	1/15/2015	600,000.00	2,625.00		600,000.00
3	2/15/2015	600,000.00	2,625.00		600,000.00
4	3/15/2015	600,000.00	2,625.00		600,000.00
5	4/15/2015	600,000.00	2,625.00		600,000.00
6	5/15/2015	600,000.00	2,625.00	150,000.00	450,000.00
7	6/15/2015	450,000.00	1,968.75		450,000.00
8	7/15/2015	450,000.00	1,968.75		450,000.00
9	8/15/2015	450,000.00	1,968.75		450,000.00
10	9/15/2015	450,000.00	1,968.75		450,000.00
11	10/15/2015	450,000.00	1,968.75		450,000.00
12	11/15/2015	450,000.00	1,968.75		450,000.00
13	12/15/2015	450,000.00	1,968.75		450,000.00
14	1/15/2016	450,000.00	1,968.75		450,000.00
15	2/15/2016	450,000.00	1,968.75		450,000.00
16	3/15/2016	450,000.00	1,968.75		450,000.00
17	4/15/2016	450,000.00	1,968.75		450,000.00
18	5/15/2016	450,000.00	1,968.75	15,000.00	435,000.00
19	6/15/2016	435,000.00	1,903.13	10,000.00	425,000.00
20	7/15/2016	425,000.00	1,859.38	10,000.00	415,000.00
21	8/15/2016	415,000.00	1,815.63	10,000.00	405,000.00
22	9/15/2016	405,000.00	1,771.88	10,000.00	395,000.00
23	10/15/2016	395,000.00	1,728.13	15,000.00	380,000.00
24	11/15/2016	380,000.00	1,662.50	10,000.00	370,000.00
25	12/15/2016	370,000.00	1,618.75	10,000.00	360,000.00
26	1/15/2017	360,000.00	1,575.00	10,000.00	350,000.00
27	2/15/2017	350,000.00	1,531.25		350,000.00
28	3/15/2017	350,000.00	1,531.25		350,000.00
29	4/15/2017	350,000.00	1,531.25		350,000.00
30	5/15/2017	350,000.00	1,531.25	350,000.00	-



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

AGENDA STAFF REPORT

AGENDA LOCATION: Action Item #5-A

MEETING DATE: July 11, 2016

TO: Urban Renewal Agency Board

FROM: Gene Parker, City Attorney

ISSUE: Recommendation to City Council concerning approval of General Ordinance No. 16-1346 revising the structure of the Urban Renewal Agency Board

BACKGROUND: On December 14, 1998, the City Council adopted General Ordinance No. 98-1228 which created a change in the structure of the board exercising the powers of the Columbia Gateway Urban Renewal Agency, by establishing the City Council as the Agency's governing body, and creating a citizen's advisory committee consisting of representatives of local taxing districts and the public at large. Following a joint work session of the Agency Board and the Urban Renewal Advisory Committee, it was the consensus of the Agency Board members and the Advisory Committee that the structure of the Board exercising the Agency's powers be revised to establish one board, and to dissolve the Urban Renewal Advisory Committee.

Enclosed with this staff report is a copy of a draft of General Ordinance No. 16-1346. The ordinance proposes to vest the powers of the Urban Renewal Agency in a nine-person board. The board would include three City Councilors, two members of the general public representing businesses located within the boundaries of the Urban Renewal District, and representatives of Wasco County, the Mid-Columbia Fire and Rescue District, the Northern Wasco County Parks and Recreation District, and the Port of The Dalles.

Section 3 sets for the process for appointment of the members of the proposed board. The Mayor would appoint the three Council members and two public members, subject to the Council's approval. The four listed governing bodies would appoint a representative

to serve on the agency board.

Section 6 contains the provisions for the terms of the public members, City Councilors, and representatives of the designated government bodies. The initial term of the public members would be staggered so that one member would be initially appointed to a one year term, and the other member would be appointed to a two year term. After the expiration of the initial term for a public member, they could be appointed for a three year term or a new public member could be appointed. The terms of a council member, or a representative of a public body who is a member of the public body would be concurrent with the term of office which the Council member or public official holds at the time of appointment. For a representative of one of the four designated government bodies who is a not a member of the public body, they would be appointed for a three year term.

Section 7 sets forth provisions concerning the membership of the Budget Committee. The nine members of the new board would serve on the Budget Committee. Oregon budget law would require that an equal number of citizen electors would need to be appointed to the Budget Committee. If the Agency could not find nine citizens who would be willing to serve on the Agency Budget Committee, then the Budget Committee would consist of the members of the Agency board, and those citizens willing to serve on the Budget Committee. If no citizens are willing to serve on the Budget Committee for the Agency, the Agency Board members would serve as the Budget Committee for the Agency.

Section 8 provides that the administration, management, and direction of the Agency would be the responsibility of the proposed new Agency Board.

BUDGET IMPLICATIONS: None.

BOARD ALTERNATIVES:

1. Staff recommendation: *Move to recommend to the City Council that the City Council approve and adopt General Ordinance No. 16-1346 as proposed.*
2. Identify any provisions which the Agency believes should be revised, and move to recommend to the City Council that it approve and adopt General Ordinance No. 16-1346 as revised.
3. Move to recommend to the City Council that they not adopt General Ordinance No. 16-1346.

GENERAL ORDINANCE NO. 16-1346

AN ORDINANCE AMENDING CERTAIN PROVISIONS OF GENERAL ORDINANCE NO. 90-1106, CHANGING THE STRUCTURE OF THE BOARD EXERCISING THE URBAN RENEWAL AGENCY'S POWERS

WHEREAS, on December 14, 1998, the City Council adopted General Ordinance No. 98-1228 which created a change in the structure of the board exercising the powers of the Columbia Gateway Urban Renewal Agency, by establishing the City Council as the Agency's governing body, and creating a citizen's advisory committee consisting of representatives of local taxing districts and the public at large; and

WHEREAS, following a joint work session of the Columbia Gateway Urban Renewal Agency Board and the Urban Renewal Advisory Committee, it was the consensus of the members of the Agency Board and the Urban Renewal Advisory Committee that the structure of the Board exercising the Urban Renewal Agency's powers should be revised to establish one board, and to dissolve the Urban Renewal Advisory Committee; and

WHEREAS, the City Council desires to proceed with implementing the change in the structure of the Agency's Board, as recommended during the joint work session of the Urban Renewal Agency Board and the Urban Renewal Advisory Committee;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF DALLES ORDAINS AS FOLLOWS:

Section 1. Section 3 of General Ordinance No. 90-1106 shall be amended to read as follows:

Section 3. The City Council further declares, pursuant to ORS 457.045(2), that all of the rights, powers, duties, privileges and immunities granted to, and vested in, an Urban Renewal Agency by the laws of the State of Oregon shall be exercised by and vested in the Urban Renewal Agency of the City of The Dalles, Oregon, which Agency Board shall be composed of three City Councilors, two members of the general public representing businesses located within the boundaries of the Urban Renewal District, and representatives of Wasco County, the Mid-Columbia Fire and Rescue District, the Northern Wasco County Parks and Recreation District, and the Port of The Dalles.

Section 2. Sections 5, 6, 7, 8, 9, and 10 of General Ordinance No. 90-1106 shall be deleted, and replaced with new Sections 5 and 6, which shall read as follows:

Section 5. Membership and appointment. The Urban Renewal Agency Board shall consist of nine members. Three of the members shall be City Councilors, who shall be appointed by the Mayor, subject to City Council approval. Two of the members shall

be members of the general public representing businesses located within the Urban Renewal District, appointed by the Mayor, subject to City Council approval. The other four members shall represent Wasco County, the Mid-Columbia Fire and Rescue District, the Northern Wasco County Parks and Recreation District, and the Port of The Dalles. Each of these four governmental agencies shall appoint a representative to serve upon the Agency Board.

Section 6. Terms.

- A. Public members. The terms of office of a public member shall be three years (except for the terms of initial appointment) commencing upon the date of appointment occurring during the year of appointment, or until a successor is appointed and qualified. For the initial appointments, the terms of office shall be staggered so that the terms of the two public members do not expire in the same year; i.e., one member shall be appointed to a one year term, and another member shall be appointed to a two-year term. At the expiration of the term of any public member of the Agency Board, the Mayor shall appoint a new member, or reappoint a member for a term of three years. A vacancy in a position of a public member of the Agency Board shall be filled by appointment by the Mayor to serve the unexpired term. No person shall hold appointment as a public member of the Agency Board for more than two full consecutive terms, but any person may be appointed again after an interval of one year.
- B. City Councilors. The term of office of each member of the Urban Renewal Agency Board that is a member of the City Council shall be concurrent with that member's individual term of office, commencing with the date of appointment to the Urban Renewal Agency Board.
- C. Representatives of Designated Government Bodies. For the members representing one of the four designated governing bodies, the term of appointment shall be as follows: in the case of a representative who is not a member of the appointing governing body, the term of appointment shall be three years from the date of appointment, and shall continue until the term expires, or until a successor is qualified and appointed to take their place; in the case of a representative who is a member of the appointing governing body, the term of appointment shall be concurrent with the member's individual term of office which the member holds at the time of appointment, and shall continue until that term of office expires, or a successor is qualified and appointed to take their place.

Section 3. Section 11, Budget Committee Membership, of General Ordinance No. 90-1106 shall be renumbered Section 7, and be amended to read as follows:

Section 7. Budget Committee Membership. The members of the Urban Renewal Agency Board shall also serve on the Budget Committee for the Urban Renewal Agency.

Citizens who are electors and willing to serve on the Budget Committee shall be appointed by the Mayor, subject to confirmation by the City Council, to serve three year terms in accordance with the provisions of Oregon local budget law, with the terms to be staggered so that, as near as practicable, one-third of the terms of the appointive members end each year; provided further that in the case of an appointment of a citizen which was necessitated by the increase in the membership of the governing body of the Urban Renewal Agency, those additional appointive members of the Budget Committee shall be appointed for such terms so that they, together with members previously appointed to the Budget Committee, will be divided into three equal or approximately equal groups as to the length of the terms.

Section 4. Section 12, Administration of Agency, of General Ordinance No. 90-1106 shall be renumbered Section 8, and be amended to read as follows:

Section 8. Administration of Agency. The actual administration, management, and direction of the Columbia Gateway Urban Renewal Agency shall be the responsibility of the Urban Renewal Agency Board.

PASSED AND ADOPTED THIS 12TH DAY OF SEPTEMBER, 2016

Voting Yes, Councilor: _____
Voting No, Councilor: _____
Absent, Councilor: _____
Abstaining, Councilor: _____

AND APPROVED BY THE MAYOR THIS 12TH DAY OF SEPTEMBER, 2016.

Stephen E. Lawrence, Mayor

Attest:

Izetta Grossman, City Clerk



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

AGENDA STAFF REPORT

AGENDA LOCATION:

MEETING DATE: July 11, 2016

TO: Urban Renewal Agency Board of Directors

FROM: Kate Mast, Finance Director

**ISSUE: Preliminary Letter from Merina & Company,
Regarding the FY15/16 Annual Audit**

Included in your Urban Renewal Board Packet is a letter from Merina & Company, who will be conducting our annual audit again this year. The Auditors are required by professional standards to provide certain information to the governing bodies regarding their responsibilities while conducting the audit.

Please read the attached letter carefully and if you have any questions, let me know. Other than that, no action is required regarding this letter.

After June 30, 2016, you will also receive a letter from me, asking if you are a related party to any Urban Renewal transactions, and if you have any areas of concern that you would like the Auditors to know about before they conduct the audit field work in August. You will be asked to return those letters, with your comments, directly to the Auditors in the self-addressed envelope that will be included with that letter.

May 5, 2016

To the Board of Directors
Columbia Gateway Urban Renewal Agency

We are engaged to audit the financial statements of the governmental activities and each major fund of the Columbia Gateway Urban Renewal Agency, a component unit of the City of The Dalles, for the year ended June 30, 2016. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated May 5, 2016, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our responsibility is to plan and perform the audit to obtain reasonable, but not absolute, assurance that the financial statements are free from material misstatement. Our audit of the financial statements does not relieve you or management of your responsibilities.

Generally accepted accounting principles provide for certain required supplementary information (RSI), which includes the management's discussion and analysis, to supplement the basic financial statements. Our responsibility with respect to the items listed above, and which supplements the basic financial statements, is to apply certain limited procedures in accordance with generally accepted auditing standards. However, this RSI will not be audited and, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance, we will not express an opinion or provide any assurance on the RSI.

We have been engaged to report on supplemental information, such as budgetary comparison schedules, which accompany the financial statements. Our responsibility for this supplementary information, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole and to report on whether the supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

We have not been engaged to report on the officials of the agency, which accompany the financial statements but are not RSI. Our responsibility with respect to this other information in documents containing the audited financial statements and auditor's report does not extend beyond the financial information identified in the report. We have no responsibility for determining whether this other information is properly stated. This other information will not be audited and we will not express an opinion or provide any assurance on it.

As part of our audit, we will consider the internal control of the Columbia Gateway Urban Renewal Agency. Such considerations will be solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control. We are responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures specifically to identify such matters.

We gave significant consideration to our assistance with the preparation of the financial statements, which may reasonably be thought to bear on independence, in reaching the conclusion that independence has not been impaired.

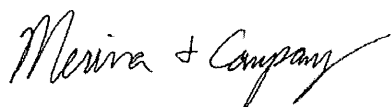
Planned Scope and Timing of the Audit

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Material misstatements may result from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. We will generally communicate our significant findings at the conclusion of the audit. However, some matters could be communicated sooner, particularly if significant difficulties are encountered during the audit where assistance is needed to overcome the difficulties or if the difficulties may lead to a modified opinion. We will also communicate any internal control related matters that are required to be communicated under professional standards.

This information is intended solely for the use of the Board of Directors and management of the Columbia Gateway Urban Renewal Agency and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Merina & Company".

Merina & Company, LLP
Certified Public Accountants and Consultants