



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES

AGENDA

COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD

Tuesday, September 15, 2020

5:30 p.m.

VIA ZOOM

Join Zoom Meeting

<https://zoom.us/j/96132758381?pwd=OFdGQ0w0R2dtK2xEVFJBbFRTNWRPQT09>

Meeting ID: **961 3275 8381** Passcode: **280693**

Dial by your location: 1-253-215-8782 or 1-669-900-6833

- I. CALL TO ORDER
- II. ROLL CALL
- III. APPROVAL OF AGENDA
- IV. APPROVAL OF MINUTES – July 21, 2020
- V. PUBLIC COMMENT
- VI. PRESENTATION
First Street/Riverfront Connection Project – KPFF Consulting Engineers
- VII. ACTION ITEM
Consideration of ENA Extension with TD Fitness Hub, LLC for the Redevelopment of the Tony's Department Store Building, 401-407 E. Second Street
- VIII. DISCUSSION
 - A. Urban Renewal Plan Projects
 - B. Mill Creek Greenway Grant Opportunity
- IX. STAFF COMMENTS
Next Regular Meeting Date – October 20, 2020
- X. BOARD MEMBER COMMENTS OR QUESTIONS

XI. EXECUTIVE SESSION

A. Recess 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.

B. Reconvene to Open Session:

Join Zoom Meeting

<https://zoom.us/j/99490218011?pwd=SFVZGw5K29rb2oxSFB0OE9QL3UxZz09>

Meeting ID: **994 9021 8011** Passcode: **639808**

Dial by your location: 1-253-215-8782 or 1-669-900-6833

C. Decision following Executive Session

XI. ADJOURN



COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

MINUTES
COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD

Meeting Conducted in a Room in Compliance with ADA Standards

Tuesday, July 21, 2020
5:30 p.m.

CALL TO ORDER

Chair Grossman called the meeting to order at 5:30 p.m.

ROLL CALL

Present: Diana Bailey, Scott Baker, Staci Coburn, John Fredrick, Gary Grossman, Steve Kramer, Darcy Long-Curtiss, Linda Miller and Tim McGlothlin

Absent:

Staff Present: Urban Renewal Manager Steve Harris, Senior Planner Dawn Marie Hert and Secretary Paula Webb

APPROVAL OF AGENDA

The agenda was amended to include Roll Call and the Mill Creek Update.

It was moved by Baker and seconded by McGlothlin to approve the agenda as amended. The motion passed 9/0; Bailey, Baker, Coburn, Fredrick, Grossman, Kramer, Long-Curtiss, McGlothlin and Miller in favor, none opposed.

APPROVAL OF MINUTES

It was moved by Miller and seconded by Baker to approve the minutes of June 16, 2020 as presented. The motion passed 9/0; Bailey, Baker, Coburn, Fredrick, Grossman, Kramer, Long-Curtiss, McGlothlin and Miller in favor, none opposed.

ACTION ITEM

Granada Theatre Disposition and Development Agreement – Satisfaction of Terms, 221 E. Second Street

Chair Grossman stated two Board Members were unclear about the earlier vote [May 19, 2020 decision to accept the terms of the DDA were satisfied upon receipt of supporting documentation for expenditures].

In order to confirm the terms of the DDA were satisfied, a walk-through was performed by Gary Grossman, Scott Baker, Senior Planner Dawn Hert, and Development Inspector Jim Schwinof.

Board Member Long-Curtiss clarified her motion was intended to secure confirmation the DDA was satisfactorily completed.

Board Member Coburn stated her intent was not to check every dollar amount, but generally confirm expectations were met.

Senior Planner Hert stated the walk-through covered the list submitted in Exhibit D (attached). Hert summarized repairs and improvements to the Granada Theatre.

- Marquee is in need of minor work. Mr. Gomez will contact David Benko regarding repairs.
- The café awning will be installed simultaneously with work on HVAC system.
- Lobby work is complete; fire doors will be installed with grant funds.
- Roof is in good shape.
- Basement was cleaned approximately three years ago. The swamp cooler and gas heaters will be removed when the HVAC system is installed.
- New curtains will be installed soon.
- Lights, video and sound were demonstrated.

Hert stated she was satisfied the requirements of Exhibit D were met.

Chair Grossman stated there was substantial conformance with the requirements of the DDA. Vice Chair Baker had nothing to add.

Board Member McGlothlin concluded the terms of the agreement were met.

It was moved by McGlothlin and seconded by Fredrick that conditions of the DDA were satisfied.

Board Member Miller stated she was satisfied that the terms were met.

Board Member Long-Curtiss referred to Hert's summary which stated some items were incomplete, including the fire doors. Decisions made for this DDA set a precedent. Long-Curtiss asked if the Board was requiring that all conditions of the DDA, a legal document, be met, or are we saying just substantially met.

Board discussion included:

- Does the Board require all conditions of the DDA be fully met, or substantially met?
- Was any other Urban Renewal project held to this scrutiny?
- The Board needs to do a better job on DDAs going forward.
- Does this Agency need to exist with special districts or be under City control?
- Mistakes of the past do not justify future mistakes. The Board has a fiduciary responsibility to the Agency.

Board Member Fredrick stated the fire doors were inspected by the Fire Marshall and met code. If not, the Granada Theatre could not host events.

The motion passed 8/0; Bailey, Baker, Coburn, Fredrick, Grossman, Kramer, McGlothlin and Miller in favor, Long-Curtiss opposed.

DISCUSSION

Mill Creek Greenway Project Update

Vice Chair Baker provided an update on the Mill Creek Greenway Project.

The Mill Creek Greenway has been on the Urban Renewal project list since 1990. Segment 1 connects the Riverfront Trail to W. Second Street. Segment 2 connects W. Second Street to W. Sixth Street.

Segment 2 was addressed first due to strong stand alone value and Park District ownership. Although the most expensive and challenging section to construct, this segment will add momentum to bring the Greenway to fruition.

In response to questions, Baker replied the project will cost \$2.5 million before value engineering. A new grant opportunity funded by a tax on bicycle sales will open for projects this fall. The grant requires a 10 percent match.

Segment 2 will be less than one mile. The serpentine trail will be ADA accessible.

Future Agency Activities, Plans and Programs

Chair Grossman stated this was a new Agency with new opportunities for future decisions. He then invited discussion.

Board Member Fredrick stated the Agency should get out of the business of buying buildings for rehabilitation.

Vice Chair Baker responded, stating if the Tokola project came to fruition, it would have been a fantastic win for the City. Agreements should be written so that the purchase of the building is contingent on project completion. Agreements can be crafted to protect the Agency, get a real return on investment, and raise the value of downtown.

Board Member Miller said it was difficult to make decisions when the condition of the City after the pandemic is unknown.

Vice Chair Baker agreed with Miller. He referred to earlier discussion regarding the view of the Agency in the community and the need for a win. Baker said it would be a benefit to the Agency to focus on the First Street Streetscape project. The Board needs an overall vision of this project. If we are committed and going forth, it would be a great project on which to focus the Board's energy. If it's decided the project no longer has value, take the loss and pay the money back.

Baker said this is a large project that deserves more attention than it has been given.

Board Member Long-Curtiss said the First Street Streetscape project is her number one concern. The project does a lot for businesses, downtown residential, and makes downtown more welcoming. She would like more focus on projects that add value downtown. She would like the contributing tax districts to have an increased tax base after the Agency sunsets.

Chair Grossman suggested the Board schedule a meeting to review the First Street Streetscape project. The request to extend the ENA for The Dalles Fitness Hub was scheduled for the August meeting. He said that would be a timely discussion along with the First Street project.

Board Member Bailey suggested the Agency look at all incomplete projects and prioritize where the Board wanted to go as a group. There are enough incomplete projects; the Board should focus on what can be completed.

Chair Grossman directed Staff to provide the entire project list in order to review goals and projects for this year. The Board agreed.

Vice Chair Baker asked if the KPFF deliverable was due on a certain date, suggesting the Board may want to wait and meet when the deliverable is in hand. Manager Harris replied the City is currently at the 75% plan review stage. The ODOT review is due in mid-August. The City will then go to 90-95%, ready to return in the fall with completion of plans and authorization to go to bid. That date is still six to eight months out.

Vice Chair Baker said he would like to see what has been accomplished, what the Board is working on, and what is next. He then said this project was not urgent.

Chair Grossman said the extension of the ENA for The Dalles Fitness Hub was on the August agenda. There would be no contrary decision on that if moved to September, unless the delay was problematic. Manager Harris replied he would check with the City Attorney to see if it could be administratively extended 30 days.

Board consensus was to cancel the August meeting.

Board Member Kramer shared his concerns regarding the governance of the Agency. He said there are three Council members on this Board and the Mayor is sitting in. Four of the six presiding members of the City Council are participating in this. This list is an inherited list that we're all trying to save face on. Kramer said he had not pushed this hard enough, but is this the right governance for this organization?

Kramer urged the Board to consider this as they move forward. He believed this belonged with the City Council and not special districts. Kramer said if he was the lone wolf on this, he would retract all and move forward with the group.

Board Member Bailey requested clarification. In response, Kramer said the Agency has a fine partnership with the City, but for projects that require an infrastructure partnership a third party has to be brought in. He felt it easier if the City Council made these decisions; it would remove one step from the process and make it easier for the Agency to move on with projects.

Bailey then asked how he would address the oversight of tax dollars spent in the urban district versus the fire district. How would you justify that?

Kramer replied, "Like we did before, with an advisory group. I think that's a checks and balance for government. Right now we, as special districts, have total control over all of this, which I think is a little bit backwards. Because the City Council is ultimately responsible for this, how are the nine of us responsible individually as districts?" He then said there were questions that need to be answered.

Bailey replied she was part of the previous Advisory, and this has evolved since then. She needed to know the history of why that happened and what the feelings were. She felt at times she did not have input as an advisor. She appreciated Kramer being open and making his comments.

Chair Grossman stated this was a thinking point for various agencies. The Advisory Committee was not a perfect world because City Council changed what the Advisory Committee did quite often and the agencies felt they did not have a voice. The structure that exists now is that attempt for a broader voice in decision making, maybe at some loss to connection with the City. We also have, at any point, our own choice to make in terms of the management of the UR Agency as far as staff is concerned. Any of these things can be a discussion point, and something valuable to think through. Has this been a good experience, a mixed experience? Grossman said he has enjoyed his return to the Agency Board because there are more decisions made, and felt they had a strong decision making body in this Agency Board. Grossman said he understood Kramer's frustration.

Board Member Kramer thanked Chair Grossman. Kramer then said, "If we're going to have representation for all, then we've got three City Council members sitting and we have only one from the Fire District. I think we're a little lopsided there."

Board Member Miller stated she was on the Advisory Committee. She said, "More times than not, when the Advisory Committee made a recommendation to City Council, it was negated." Miller said she suggested this Board to provide more inclusion with the Districts. We can change

the number of City representatives on the Board. She thought the Board now provided a voice for the Districts.

STAFF COMMENTS

Manager Harris stated his only comment was regarding the August 18 meeting; he will follow up with the City Attorney regarding extension of the ENA.

BOARD MEMBERS COMMENTS OR QUESTIONS

None.

ADJOURNMENT

Chair Grossman adjourned the meeting at 6:26 p.m.

Chair Grossman thanked Manager Harris for his dedicated service to the City.

Vice Chair Baker provided a link to the YouTube video for the Mill Creek Greenway:
<https://youtu.be/7gQW2gWHG48>

Respectfully Submitted
Paula Webb, Community Development Secretary

Gary Grossman, Chair

EXHIBIT D

Granada Theatre Budget:

Charles Gomez, Debra Liddell

Topic: Cost breakdown to open theatre doors to public

Exterior presentation upgrades include:

- 1) Window repair and/or replacement(s), box office tile, plaster repairs and painting, address dome issues, freshen up marquee, side wall art designs. \$7,000
- 2) Ice-Cream parlor/retail sales store front prep. Floor and wall coverings, old-fashioned ceiling restoration, sales area and back room storage attention. \$2,500

Café:

- 3) Over-all restoration, floor/walls, seating areas, counter and back bar. \$4,500
- 4) Store front windows and transom windows restoration. \$2,500
- 5) Awning. \$3,500
- 6) Historic presentations and art work. \$1,500
- 7) Health Dept. code conformity. \$3,000

Lobby:

- 8) Over-all restoration & period correct updates and artwork. Lobby needs to be most appealing to guests arriving. \$3,500
- 9) Bar area. \$2,500

Exits:

- 10) All reworked to be fully functional and panic bars installed where needed. This includes entertainers' load-in alley entrance. \$500

Roof:

- 11) Inspection and addressing of any and all issues. \$4,000

Basement:

- 12) Thoroughly cleaned out, disinfected and washed down. \$750

Theatre proper:

- 13) Massive cleaning, floors/walls/ceiling/seats. Curtains to be thoroughly cleaned, if possible, or replaced (this includes grand curtain and wing legs). \$4,500
- 14) Repainting of entire theatre interior. Not that this is totally necessary due to the extensive cleaning but may also need a 'refreshing' for presentation. \$9,500

Mechanical:

- 15) Restrooms, repaired to fully functioning, and fixtures replaced where needed. \$3,500
- 16) Heating and A/C fully inspected, cleaned and serviced. \$7,500
- 17) Electrical service, upgrades and fully separated legs installed, one dedicated to audio, and one for lighting. \$8,500

Production:

- 18) Install state of the art audio, capable of meeting or exceeding all national audio performer contract rider demands. \$90,000
- 19) Install modern theatre lighting, front of house, specials and upstage. Four color washes with specials. \$15,000
- 20) Video presentation projection and screen. Power-point, DVD and movies. \$6,500

Entertainment:

It has always been our philosophy to, "Announce One's Prescience with Authority!" So the grand re-opening of the Granada will have to be grand indeed. After all is 'Grand' found in the very name of the Theatre?

GRANADA

First year operating entertainment budget is slated at \$125,000. This will cover all up-front booking costs which we pay in advance to receive a producer's discount.

As far as we know, we are the only producers that present this 'creative advance down payment to help reduce overhead and booking costs. Cost break down budget:

Total restoration estimate = \$305,750.00

*This does not include purchase price.

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COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

AGENDA STAFF REPORT
AGENDA LOCATION: VI.

DATE: September 15, 2020

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Alice Cannon, Interim Urban Renewal Manager

ISSUE: **Presentation – First Street / Riverfront Connection Project**

BACKGROUND

Representatives from engineering and design firms KPFF Consulting Engineers and GreenWorks will give an update and provide information about this project.

This is informational only. No action is requested from the Board at the September 15, 2020 meeting.



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

AGENDA STAFF REPORT
AGENDA LOCATION: VII.

DATE: September 15, 2020

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Alice Cannon, Interim Urban Renewal Manager

ISSUE: **Extension of Exclusive Negotiating Agreement with TD Fitness Hub, LLC for the Purchase and Redevelopment of Property Located at 401-407 East 2nd Street, Tax Lots 12N 13E 3BD, 2200 & 2300**

BACKGROUND

On February 9, 2020, the Agency entered into an Exclusive Negotiating Agreement (ENA) with TD Fitness Hub, LLC (represented by Brian Casady) for the purchase and redevelopment of the property known as the Tony's Department Store building. (See attached ENA.)

Paragraph two of the ENA established an initial term of 180-days, with the option that the Agreement may be extended for two 120-day renewal terms upon the approval of the Agency Board. The Developer has indicated that they wish to continue negotiations to purchase and redevelop the property.

If the Agency authorizes extension of the ENA, staff recommends that the renewal term date be effective as of August 9, 2020.

BOARD ALTERNATIVES

- 1. Move to extend the ENA with TD Fitness Hub, LLC for the purchase and redevelopment of the property known as the Tony's Department Store building for a period of 120-days, effective August 9, 2020.***
2. Decline to extend the ENA.
3. Other direction as appropriate.

EXCLUSIVE NEGOTIATING AGREEMENT

THIS EXCLUSIVE NEGOTIATING AGREEMENT (the “Agreement”) is made and entered into as of the last date of signature indicated below (the “Effective Date”) by and between the Columbia Gateway Urban Renewal Agency, a municipal corporation (“Agency”), and TD Fitness Hub, LLC, an Oregon limited liability corporation (“TD Fitness Hub”).

RECITALS

- A. On September 27, 2019, the Agency published a Request for Proposals for the purchase and redevelopment of property owned by the Agency. The property consisting of two lots totaling approximately 0.28 acres described as Assessor’s Map No. 12N 13E 3BD Tax Lots 2200 and 2300, located at 401- 407 East 2nd Street in The Dalles, Oregon. The parcels consist of the site commonly known as the Tony’s Department Store building, and are referred to in this Agreement as the “Property”.
- B. On November 19, 2019, the Agency Board reviewed the submitted proposals and selected the proposal submitted by TD Fitness Hub for the purchase and redevelopment of the Property.
- C. TD Fitness Hub’s conceptual proposal to the Agency Board for the redevelopment of the Property, includes a fitness center, which may include such uses as physical therapy, massage or chiropractic care and installation of a commercial kitchen.
- D. This Agreement confirms the basis upon which the Agency, and TD Fitness Hub (the “Parties”) are prepared to negotiate the terms of a Disposition and Development Agreement (“DDA”) and related documents for the redevelopment of the Property, which must be approved by the Urban Renewal Agency.
- E. The terms of this Agreement are as follows:

TERMS

- 1. Good Faith Exclusive Negotiations. Agency, and TD Fitness Hub agree and covenant to negotiate the terms of the DDA and any intervening Memorandum of Understanding (as defined below) in good faith. Agency acknowledges that TD Fitness Hub has expended substantial time and expense, and will continue to expend time and expense, in preparing a more detailed proposal, conducting its due diligence, and refining its development proposal. During the term hereof, Agency agrees that TD Fitness Hub shall have the exclusive right to conduct due diligence and to negotiate with Agency for the rights to develop the Property, and that the Agency will not accept, solicit, pursue or entertain any other offers or other indications of interest with respect to the Property for any development, sale or other transaction.

2. Duration. The term of this Agreement shall be 180 days from the Effective Date. This Agreement may be extended for two 120 day renewal terms upon the approval of the Urban Renewal Board. This Agreement shall automatically terminate upon execution and delivery of the DDA, which shall thereafter, control the rights of the Parties with respect to the Property. The Parties may terminate this Agreement by mutual agreement if latent conditions are discovered on the Property or events occur that would, presently or with the passage of time, prevent the entry into a DDA. Notwithstanding the above, either the Agency or TD Fitness Hub, may at their sole option, terminate this Agreement by notice in writing if any other party makes a material misrepresentation in the course hereof, otherwise fails to act in good faith, or if any party becomes insolvent, or in the terminating party's reasonable estimation, is otherwise unable to perform the obligations of the non-terminating party.
3. Memorandum of Understanding. Tentative agreements on the terms of the DDA may be memorialized in a written Memorandum of Understanding ("MOU"), or series of memoranda, during the Terms of this Agreement. Any such MOUs will provide the continuing framework for final preparation of the DDA.
4. Projected Financial Contributions. TD Fitness Hub does not intend to request that the Agency provide direct financial assistance for the purchase of the Property. The Parties also understand and agree that TD Fitness Hub does intend to consider applying for financial assistance through the Agency's Property Rehabilitation Grant and Loan Program, the Façade Rehabilitation Program, and the Redevelopment of Unused and Underused Property Program to aid in interest subsidies, and that the determination whether TD Fitness Hub receives any financial assistance under these programs is dependent on whether TD Fitness Hub satisfies the criteria for the programs, and the amount of funding which the Agency commits for the various programs, and that the final decision as to the amount of any assistance awarded by the Agency rests with the Agency. The Parties also understand that following inspections of the Property as part of their due diligence, TD Fitness Hub may be requesting the Agency to pay for the costs of certain repairs, or to deduct the costs of those repairs from the total purchase price, and that such request will be the subject of negotiations between the Parties and may be addressed in a MOU or a DDA. The Parties understand and agree that any contribution by the Agency may take the form of waiver of system development charges or building permit fees, or tax abatements, and that the total amount of any public financial participation is subject to negotiation and will be outlined in any agreed upon MOUs and the final DDA.
5. Co-application/Cooperation. Agency and TD Fitness Hub shall be co-applicants on any land use permit application sought in connection with this Agreement or subsequent Memoranda issued during the term hereof. TD Fitness Hub shall bear responsibility for all land use application and permit fees, unless otherwise agreed

to by the Agency as stipulated in an MOU. Agency and TD Fitness Hub shall each promptly provide to the other all information reasonably related to the Property and the Project which may be obtained without material expense, upon written request. Agency and TD Fitness Hub shall cooperate in connection with any applications, permits, approvals or entitlements sought by TDF Fitness Hub from any governmental authorities with respect to the Project, including easements, provided the Agency shall not be required to incur any material cost or liability connection with such applications, permits or approvals.

6. Due Diligence. TD Fitness Hub may conduct due diligence and inspections of the Property, including such physical, legal, and engineering inspections, tests and investigations as it may deem necessary or desirable, including soils and environmental studies. Such studies and investigations may include, without limitation, zoning, land use, environmental, title, design review, covenants, conditions and restrictions, financing, leasing markets, project feasibility and related matters. The scope and cost of the due diligence and inspections shall be the sole discretion and responsibility of TD Fitness Hub.
7. Indemnity and Insurance. TD Fitness Hub hereby agrees to indemnify, defend and hold the Agency, including the appointed and elected officials, officers, employees and agents, harmless from and against any and all claims for injury to persons or damage to property caused by or resulting from the acts or neglect of TD Fitness Hub or its representatives or consultants on or about the Property. During the term of this Agreement, TD Fitness Hub shall maintain insurance with respect to its activities on or about the Property, naming the Agency as an additional insured, in amounts as follows: (i) commercial general liability insurance with a combined single limit of not less than \$1,000,000 per occurrence and with at least \$2,000,000 aggregate; (ii) automobile liability insurance with combined single limit of not less than \$1,000,000 per occurrence; (iii) employers liability insurance with a limit of not less than \$1,000,000. The Agency and TD Fitness Hub understand and agree that any increase in the aggregate limit for the commercial general liability insurance coverage, or for the provision of excess liability insurance coverage will be negotiated between the parties as part of preparation of any final DDA. The indemnity required under this Section 9 shall survive termination of this Agreement.
8. No Assignment. Neither party shall assign or transfer its interest in this Agreement or the Property until termination of this Agreement or execution and delivery of the DDA.
9. Confidentiality. Agency and TD Fitness Hub agree that all information submitted by TD Fitness Hub during the term hereof is submitted on the condition that the Agency shall keep said information confidential. Agency agrees not to disclose said confidential information provided by TD Fitness Hub, including but not limited to financial statements regarding TD Fitness Hub or the Project, and pro forma information. This nondisclosure agreement shall survive termination of

this Agreement, but shall not apply to the extent any such information is publicly available, has been disclosed by other parties or is required to be disclosed by the Wasco County District Attorney under Oregon public record laws. Agency further agrees that they shall not disclose the terms of this Agreement, the MOUs or the DDA, prior to the termination or expiration of this Agreement, or the execution of the DDA, whichever occurs first, unless disclosure is required by the Wasco County District Attorney under Oregon public records law.

10. Governing Law. This Agreement shall be governed by the laws of the State of Oregon.
11. Time is of the Essence. Time is of the essence of this Agreement.
12. Amendments. This Agreement may be amended only by written agreement of the Parties hereto.
13. Notices. All notices under this Agreement must be in writing and either (i) personally delivered, (ii) delivered by express mail, Federal Express or comparable courier service, or (iii) delivered by certified mail, postage prepaid, return receipt requested, as follows:

To the Agency: Steven Harris, Urban Renewal Manager
313 Court Street
The Dalles, OR 97058

To TD Fitness Hub: TD Fitness Hub, LLC
732 East 19th Street
The Dalles, OR 97058

All notices shall be deemed effective upon receipt. Any party may from time to time change its address for purposes of this Section by notice in writing to the other party.

14. Binding Effect. During the Term hereof and any extensions thereto, the Parties shall negotiate in good faith to complete and execute the definitive DDA upon terms and conditions consistent with this Agreement and the MOUs. No sale agreement or other right, obligation or estate in land shall be created except by delivery of the definitive DDA and all other related and necessary instruments, duly authorized by the Columbia Gateway Urban Renewal Board and all necessary TD Fitness Hub corporate action and executed by authorized representatives of the Parties. If the DDA is not executed and delivered prior to the expiration of the Term and any extensions thereto, or if TD Fitness Hub elects, in its sole discretion, by notice in writing to the Agency not to pursue development of the Project, this Agreement shall terminate and be of no further

force or effect, except Sections 9, 11, and 12, which shall survive termination. If during the course of negotiations it becomes clear that the Parties will not reach an agreement, TD Fitness Hub shall not unreasonably withhold consent to early termination of this Agreement.

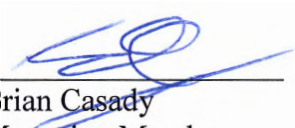
TD FITNESS HUB

COLUMBIA GATEWAY URBAN
RENEWAL AGENCY

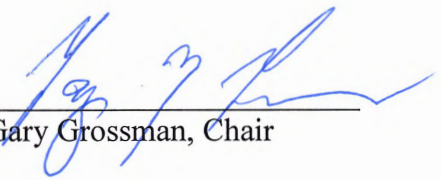
TD Fitness Hub, LLC, An Oregon
limited liability corporation

An Oregon municipal corporation

By:


Brian Casady
Managing Member

By:


Gary Grossman, Chair

Date:

1-27-2020

Date:

2-9-20

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IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES

AGENDA STAFF REPORT

AGENDA LOCATION: VIII. A.

DATE: September 15, 2020

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Alice Cannon, Interim Urban Renewal Manager

ISSUE: **Columbia Gateway/Downtown Plan Project and Activities - Status**

BACKGROUND

At the meeting of July 21, 2020, the Agency requested that a status update of the Urban Renewal Plan projects and activities be placed on a future meeting agenda. The attached draft list provides a status of projects and activities.

DISCUSSION

The Columbia Gateway/Downtown Plan and Report was approved by the City Council on August 23, 1990 (Ordinance No. 90-1113), and has been amended, both Minor and Substantial, several times since the original approval. The most recent amendment (Minor Amendment No. 16, approved April 17, 2018), incorporated language pertaining to the Northern Wasco County Park and Recreation District's Mill Creek Trailway project. The last Substantial Amendment (Amendment No. 10) was approved on June 22, 2009. This amendment included plan area boundary revisions as well as a financial analysis of the plan and a detailed examination of identified Agency projects.

As stated in the Urban Renewal Plan document, the Mission of the Agency:

“..... is to eliminate blight and depreciating property values within the Agency's jurisdiction and in the process, attracts aesthetically pleasing, job producing private investments that will stabilize or increase property values and protects the area's historic places and values.”

Attached to this agenda report is the program narrative found in Agency's adopted FY2020-21 budget. The narrative presents program accomplishments/comments from FY2019-20; goals, projects and highlights for FY2020-21; and major issues to be resolved in the next five years.

The current budget year work program includes the following task:

- Following evaluation of the Urban Renewal Plan's programs and projects, submit to Agency for review and action.

Identified as major issues to be resolved in the next five years are two items relevant to this discussion topic:

- Adopt Agency financial plan, including analysis of new bond issuance to implement Urban Renewal Plan goals and objectives.
- Review and update as necessary the Urban Renewal Plan, including goals, objectives, strategies and identified public infrastructure improvements.

BOARD ALTERNATIVES

Information only.

Attachments

- Urban Plan Projects & Activities, as amended
- FY20-21 Agency Program Narrative

Columbia Gateway Urban Renewal Agency Project List – 09.15.20

Project Name	Project Description	Completed	Year Completed	Amount Spent	Comments
Downtown Streetscape Improvements	<p>The location of the Downtown Streetscape Improvements project may include all areas designated on the City's official Zoning map as "Central Business Commercial" and includes 1st, 2nd, 3rd, and 4th Streets and connecting side streets. Streetscape improvements may include:</p> <p>Removal of existing curbs, gutters, sidewalks, street lighting, hollow sidewalks, street grades, and other associated elements. Construction of curbs and gutters, decorative concrete sidewalks and paving stones, period street lights, street trees, irrigation systems, plazas, signs, drinking fountains, benches, planting areas, special crosswalk treatment, and other associated elements. This would include the ability to install Opticom GPS Systems and to upgrade the water system in the area.</p>	2 nd St and portions of connecting streets improvements completed.		<p>1st St/Riverfront Connection Project partially funded w/Federal earmark funds (\$1.566 mil).</p> <p>+/- \$400,000 Federal funds have been used</p> <p>Remaining funding from 2008/09 bond proceeds.</p> <p>1st St/Riverfront Connection Project dates from 2006/07</p>	<p>1st St project placed on hold in late 2015 and restarted in late 2018. Scope amended in 2019 to delete added elements (see below).</p> <p>3rd St project placed on hold due to lack of support for LID.</p> <p>No action on 4th St improvements.</p>
Downtown / Riverfront Access	The Downtown / Riverfront Access project links the Downtown area to the Columbia Riverfront via a non-vehicular pathway. It includes development of a trailhead and parking lot, access tunnels under the railroad, First Street and the I-84 freeway, a commercial marine terminal dock near the site of the old pier, a twelve-foot wide trail with	<p>Partially.</p> <p>Union St/ I-84 U/C, Riverfront Trail, commercial dock completed.</p>			Bike/ped RR/I-84 tunnels, Washington St Plaza deleted from 1 st St project scope.

Columbia Gateway Urban Renewal Agency Project List – 09.15.20

Project Name	Project Description	Completed	Year Completed	Amount Spent	Comments
	associated landscaping elements between the trailhead and dock, and a plaza on Washington Street.				
Grain Elevator Demolition	This project consists of removing the structures and other appurtenances that make up the three major components of the grain elevator; the wooden elevator, concrete storage silos, and metal storage bins. Removing the grain elevator allows for the construction of the Downtown / Riverfront Access project and the new sewer treatment plant.	N/A		N/A	Structure destroyed by fire
Commodore Building Redevelopment	Redevelopment of the Commodore building involves purchase, and total renovation of the building's interior for an identified use or uses, and restoration of the building's historic exterior. (Project numbers 4, 5, and 6 may be combined into one project depending on timing and on how various decisions are made.)	Yes		\$282,445 URA loan due 12/26 Annual 1% interest only payments	ground and upper floor commercial tenants, affordable rental units
Penney's Block Redevelopment	Redevelopment of this Downtown core block may include the demolition of the existing Penney's building and reconstruction of a new commercial building and off-street parking on the same site.	No		N/A	New property owner (2019).
Downtown Parking Structure and Surface Lots	Increase in demand for easy parking in the Downtown area will require the construction of a multi-level parking structure. Estimates are for 150 parking spaces to help accommodate	Partially Public surface lots developed on 1 st			Parking structure added to 1 st St project scope, later deleted.

Columbia Gateway Urban Renewal Agency Project List – 09.15.20

Project Name	Project Description	Completed	Year Completed	Amount Spent	Comments
	the additional demand. Smaller surface lots in the core area may be located on a temporary basis or permanently constructed.	St, from Washington to Federal Sts.			
Civic Auditorium Remodel and Reconstruction	The project involves a total remodel and reconstruction of the entire building including: the Fireside room, ballroom, theater, gym, and basement areas, as well as electrical, plumbing, heating and cooling, and exterior repairs.	Yes – URA funded improvements	2019 final year of URA financial assistance	\$300,000 URA grant (2015/16) Total URA investment +/- \$1 million	Final interior work underway
Mill Creek Bridge Reconstruction (W. Sixth St.)	The Mill Creek Bridge reconstruction consists of two phases, the first of which has already been completed. The first phase included improving the four sidewalk approaches to the bridge and related road, drainage, and bank stabilization work. The second phase involves a complete restoration of the bridge in its original historic character including the sidewalks, railings, and light standards and deck.	Yes Phases 1 and 2 completed			
Mill Creek Greenway Property Development	The existing, paved Mill Creek Greenway Trail will be extended from its present terminus at the limited access bridge, under the 6 th Street Bridge and then to connect to 2 nd Street. An additional pedestrian bridge over Mill Creek will connect the trail with the property on the west end of the Trail. A main feature of the greenway is a twelve foot wide paved pedestrian / bike trail. Other park and	Partially. Design/engineering underway. 2008 URA accepted land donation for trail alignment	Trail design/engineering work to be completed 2020	\$7,425 in FY10-11 for prelim engineering \$94,500 Budgeted in FY18-19 and 19-20 design/engineering 2008 URA loaned \$30,000 to	URA funding assistance for design/engineering work – Parks District – lead agency

Columbia Gateway Urban Renewal Agency Project List – 09.15.20

Project Name	Project Description	Completed	Year Completed	Amount Spent	Comments
	greenway amenities may also be included such as landscaping, lighting, and irrigation.			property owner for clean up work	
Gateway Project. West 2 nd Street from Lincoln Street to western boundary of Urban Renewal, street and property redevelopment, redesign and reconstruction. Amended April 12, 2010 by Resolution No. 10-068 adding Skateboard Park	The Gateway project is a large project that includes redesign and reconstruction of sections of I- 84, West Second, and Webber Streets, and property redevelopment and realignment to provide for better access and redevelopment opportunities. The urban renewal portion of the project is focused on West Second Street and associated properties.	Partially. Skateboard Park completed. West Gateway concept design completed.			
Redevelopment of Armory Property / Public Works Site	This project includes the redevelopment of the commercial property on the south side of West Sixth Street from Webber to Walnut. The current City Public Works office and yard would be relocated to another site.	Partially. City Public Works Office/yard relocated to West 1 st St.			No new commercial development on site. Wasco Co ownership
Thompson Park Sidewalk	This is a small project that includes construction of a natural rock retaining wall, sidewalk, and curb. It begins at the drive entrance to the Thompson Park swimming pool and ends at the intersection of West Second Street and Cherry Heights.	Yes			

Columbia Gateway Urban Renewal Agency Project List – 09.15.20

Project Name	Project Description	Completed	Year Completed	Amount Spent	Comments
Property Rehabilitation Grant and Loan Fund Program	This program has three areas that are designed to further the objectives of the Urban Renewal program and address the many individual projects on private and public property identified throughout the amendment process that meet the project selection criteria. The three program areas include:	Ongoing		Budgeted amts for loan/grant programs FY15/16 - \$703,138 FY16/17 - \$426,360 FY17/18 - \$593,185 FY18/19 \$153,685 FY19/20 – \$97,170	Funding amts vary with budget year. \$3,000 no match grants for arch/eng services
	1. Land Assemblage The Agency may assist in land assemblage to allow for private development of City and/or privately owned property.	Yes			No new efforts to acquire property
	2. Historic Design and Restoration The Agency may provide architectural and engineering design services for existing or new buildings in the National Historic Districts for restoration or compatible design work. The Agency may also provide low interest loans for the portion of the construction work necessary to meet the historic compatibility requirements.	Ongoing		.	\$3,000 no match grants for arch/eng services
	3. Redevelopment of Unused and Underused Land and Buildings and other Civic Improvements	Ongoing			

Columbia Gateway Urban Renewal Agency Project List – 09.15.20

Project Name	Project Description	Completed	Year Completed	Amount Spent	Comments
	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. Grants shall be made to for-profit, public, non-profit, and civic organizations.				
Redevelopment of Wasco Warehouse and Milling Company Property	Redevelopment of the Wasco Warehouse & Milling Company property involves purchase and may include partial renovation and historic preservation for an identified use or uses. Additional land will be acquired from the Oregon Department of Transportation and the Union Pacific Railroad.	Yes	2020 Discover Development paid off URA loan \$249,000	\$600,000 2009 loan \$80,000 2011 grant \$100,000 2010 loan	URA bought and sold to Discover Development (dba Sunshine Mill). URA provided loans and grants for property rehab
East Gateway/ Brewery Grade Street Reconstruction	The existing streets will be realigned and improved and a roundabout installed to help facilitate a better flow of traffic within the Area.	Yes			
Third Place Street Improvements	The 3 rd Place street improvements include street, utilities, curbs, sidewalks, lighting, landscaping, and associated improvements.	Partially. Design completed.	2011	\$39,255 engineer services contract	No construction
Redevelopment of Properties located within the block bordered by Washington and Court Streets, and 1 st and 2 nd Streets	The project may include the acquisition of the Granada Theater for possible use as a fine arts community center through a development and disposition agreement.	Partially Recreation Bldg Granada Theater Blue Bldg and parking lots purchased in 2010.	Rec Bldg sold – 2019 Granada Theatre sold – 2017 Blue Bldg sold - 2019	Recreation Bldg - \$475,316 + \$22,879 expenses Granada Theatre - \$365,406 + \$70,139 expenses	Planned hotel/mtg center did not materialize. Properties have been sold to individual private parties for rehab.

Columbia Gateway Urban Renewal Agency Project List – 09.15.20

Project Name	Project Description	Completed	Year Completed	Amount Spent	Comments
				Blue Bldg - \$380,000 + \$8,280 expenses.	
Thompson Park Pool Project	The project will allow for additional amenities to the construction of a new pool, which was approved as the result of a bond measure passed by the voters of the Northern Wasco County Parks & Recreation District. The alternate features for the project, which will be visible from I- 84 freeway, are designed in part to attract tourists to the City.	Yes			
Redevelopment of the Elks Lodge Building	The project anticipates acquisition of the Elks Lodge Building by the Agency, and conveyance of the property to a private developer for creation of a museum for the display of neon signs.	Yes	2015 URA purchased property 2016 property conveyed to new owner	\$245,000	Property conveyed to new owner (\$1), opened National Neon Sign Museum in 2017

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**Columbia Gorge Urban Renewal Agency
Fiscal Year 2020-2021
Adopted Budget**

Agency:	Urban Renewal Agency
Fund:	Capital Projects Fund (200)
Program:	Other (419)

Mission

By and through the Cooperation Agreement with the City of The Dalles, the primary mission of the Urban Renewal Agency Capital Project Fund is the enhancement of public and private properties, increasing the likelihood of investments in the City, and increasing property values in the District. In many cases, the Urban Renewal monies will be used as matching monies, along with grants and private monies, enhancing property within the Urban Renewal District through the removal of blight. The administration of this program is also expensed in this fund, covering all aspects of money management and planning.

Description

The requirement of the Urban Renewal Agency is the creation of accounting funds being collected and the dispensing of monies covering the operation of the Agency. The Capital Projects fund covers all accounting of revenues and expenses in response to the above requirements. All administrative and capital outlay debt is paid from this fund.

2020-21 Goals, Projects and Highlights

- Continue the financing of the adopted Plan of the Urban Renewal Agency through the debt instrument (Cooperation Agreement) with the City of The Dalles, the bonded debt service, and the collection of property taxes.
- Continued funding of administrative and engineering services provided to the Agency by the City of The Dalles.
- Continue to work with the new owners of the Recreation Building and the Blue Building (201 Washington Street) in the redevelopment of the properties.
- Following completion of construction documents for the First Street/Riverfront Connection Project, seek authorization from the Agency to proceed with the bidding and construction phases.
- Continue working with TD Fitness Hub, LLC on the redevelopment of the Tony's Building property through satisfaction of Disposition and Development Agreement terms.

**Columbia Gorge Urban Renewal Agency
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Adopted Budget**

- Adopt a downtown visioning strategic plan, implementing the vision statements from 2019 downtown visioning exercise.
- Adopt strategy for the future disposition of the Agency-owned East First Street properties.
- Complete feasibility study, including identification of potential funding sources, for the undergrounding of utilities in the downtown area.
- Following completion of Federal Street public plaza design process, seek authorization to proceed with preparation of construction documents and construction.
- Following evaluation of the urban renewal plan's programs and projects, submit to Agency for review and action.

2019-20 Accomplishments/Comments

- Entered into an Exclusive Negotiating Agreement with TD Fitness Hub, LLC for the redevelopment of the Tony's Building property.
- Exclusive Negotiating Agreement with Hanlon Development for the redevelopment of property located at 542 East Third Street terminated following Agency denial of extension.
- Completed a controlled demolition on the Recreation Building roof, following it's partial collapse in summer 2019. Negotiated settlement with CIS insurance to offset loss and demolition costs.
- Amended Disposition and Development Agreement with buyers of Recreation Building to accommodate modifications to purchase agreement and redevelopment schedule resulting from partial collapse of building roof.
- Undertook and completed a state grant-funded downtown visioning exercise, which following a public process resulted in a series vision statements to guide public and private investment in the downtown.
- Amended ODOT/City agreement and project description for First Street/Riverfront Connection Project, updated estimated construction cost estimates and project schedule.

**Columbia Gorge Urban Renewal Agency
Fiscal Year 2020-2021
Adopted Budget**

Major Issues to be Resolved in the Next 5 Years

- Maximize opportunities for grants, partnerships, and matching grants for designed projects.
- Adopt downtown parking management plan, including possible construction of a parking structure.
- Adopt Agency financial plan, including analysis of new bond issuance to implement Urban Renewal Plan goals and objectives.
- Review and update as necessary the Urban Renewal Plan, including goals, objectives, strategies and identified public infrastructure improvements.