



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES

AGENDA
COLUMBIA GATEWAY
URBAN RENEWAL ADVISORY COMMITTEE

Conducted in a Handicap Accessible Meeting Room

Tuesday, June 21, 2005
5:30pm
City Hall Council Chambers
313 Court St.
The Dalles, OR

- I. Call to Order
- II. Roll Call
- III. Pledge of Allegiance
- IV. Approval of Agenda
- V. Approval of Minutes of: May 31, 2005
- VI. Public Comment
- VII. Action Items:
 - A. Wasco Lodge Remaining Grant Funds
- VIII. Next Meeting Date: July 19, 2005
- IX. Adjourn



Columbia Gateway Urban Renewal Advisory Committee Minutes

**Tuesday, May 31, 2005
Special Meeting**

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

Conducted in a handicap accessible room.

CALL TO ORDER

Chair Dan Ericksen called the meeting to order at 5:35 p.m.

ROLL CALL

Administrative Secretary Denise Ball conducted roll call.

Present members: Dan Ericksen, Nikki Lesich, Chris Zukin, and Jack Evans

Absent members: Ken Farner, Dick Elkins, and Randy Carter

Staff present: Nolan Young, City Manager, Dan Durow, Community Development Director, and Denise Ball, Administrative Secretary

PLEDGE OF ALLEGIANCE

Ericksen lead the group in the Pledge of Allegiance.

APPROVAL OF AGENDA ITEMS

Zukin moved to approve the agenda and Lesich seconded. The motion carried unanimously, Farner, Elkins, and Carter absent.

APPROVAL OF MINUTES

Chair Ericksen asked if there were any corrections or additions needed for the minutes of April 26, 2005. There were none. Zukin moved to approve the minutes as submitted and Evans seconded the motion. The motion passed unanimously, Farner, Elkins, and Carter absent.

PUBLIC COMMENT

None.

ACTION/RECOMMENDATION

Chair Ericksen asked Director Durow to present the Staff Report.

Durow first thanked the Committee members present for making the extra effort to attend this special meeting of the Advisory Committee. Time is of the essence in approving the proposal for the flour mill property.

Durow explained the plain language proposal and the history of the request for proposals on this property. Durow asked the Committee if they had any questions.

There were no questions of Staff so Durow turned the presentation over to developer James Martin, Quenett Winery, The Dalles.

Mr. Martin first thanked everyone attending the meeting for his or her support. Martin explained that his company, Quenett Winery, would be the anchor tenant for the proposed development. He explained that the property has a lot of issues. However, he believes this is a project that can be successful if given the time. Martin talked about the Oregon and Washington wine industries. Martin said his goal is to create a landmark winery at the eastern gateway to downtown The Dalles. Artisans and food producers will also be located at the site. The tourist center is a possible tenant also.

Mr. Martin next introduced his architect from Seattle, Joe Johnson, who has been working on the design for the site. Mr. Johnson gave a Power Point presentation of the proposed development. First, the grain silos will be demolished. Second, the remaining warehouse building will be demolished, leaving the shared wall and arches from the two original warehouses. Third, access and parking lots are laid out. Fourth, remodel of the existing mill building. Fifth, placement of three smaller new buildings for mixed use. Truck unloading will take place at the Taylor Street end of the property. The barrel room would be underground allowing parking on top of it.

Martin finished the presentation by telling the Committee and audience why he is choosing to salvage the mill building rather than demolish it. Martin feels keeping the building, or as much as possible, keeps the development in touch with the history of The Dalles. Martin sees this property as the gateway to The Dalles for the next 100 years. Martin is requesting an 18-month purchase option to put the project together as a phased development. Martin asked the Committee if they had any questions.

Lesich asked if Martin had a time-line for the development. Lesich asked if the Committee would be updated monthly or quarterly. Durow said they are still trying to come up with a way to measure progress. A report would be made either quarterly or every six months to the Agency from which performance could be judged. Durow went on to say that Martin was the first, and only, developer to present a proposal, which is a "first come, first served" basis. Giving him 18 months, at faith, to put his package together, is acceptable at Staff level. Should another developer appear, with a bag of cash and willing to pay for the street improvement, Staff might

approach Martin to judge his ability to proceed with the purchase option. Durow pointed out that 18 months is not a long time for a developer to wait.

Evans asked what ODOT needs for the funding to come through on the road improvements.

Durow said the development has to create 30 new qualifying jobs. Retail jobs do not qualify. Martin and the City are also looking for funding for the road improvements from other sources.

Public Comment –

Tim Schectel, owner of Erin Glenn Winery, The Dalles, spoke in favor of the proposal. Schectel said there is a tremendous potential for the grape and wine industry in this area.

Craig Lupold, owner of the Maryhill Winery, spoke in favor of the proposal. Visiting wineries is becoming popular in this area. He went to add that having the sales and the channels to market already developed put Mr. Martin well ahead of the curve.

Deliberation –

Chair Ericksen said MCEDD has been spending a lot of time trying to get the local wineries together and work on marketing them. Ericksen said he thinks this is a great concept and use for the property.

Zukin agreed that it is a great concept and use for the property. His concern is the termination clause in the contract and coming up with some performance measure.

Durow said the City is looking at going on faith for 18 months much like Cereal Foods did with the City.

Ericksen said that sounds like the cleanest way to put the deal together and gives the developer assurance that they have the 18 months to work with. The site has sat there for too long and 18 months is not a lot of time to allow a developer to move forward.

Zukin asked if the new entity would be responsible for the costs associated with the site: sewer, water, garbage, electricity, maintenance, insurance, and any other costs.

Durow said there would be no property taxes during this purchase option period as long as the optionee makes no particular use of the property. The purchase option document will specify that there will be no use of the property.

Lesich asked if the other developers who had shown an interest in the property were local or outside the area. Durow said they were outside the area.

Lesich moved to recommend that the Urban Renewal Agency approve the purchase option and the lease agreement with Quenett Winery, aka TGE, LLC and Discovery Development, LLC for an 18 month period and there will be opportunities for the Agency to terminate that purchase

option prior to the end of the 18 month period if it be in the interest of the Agency to do so and upon a determination that the optionee is not making satisfactory progress.

Zukin said he understood that the second portion of the motion was not going to be a requirement.

The motion died for lack of a second.

Zukin moved to recommend that the Urban Renewal Agency negotiate a purchase option and lease agreement with Quenett Winery, aka TGE, LLC and Discovery Development, LLC for an 18-month period and that the optionee will pay the expenses of the property as part of the lease option agreement. Evans seconded the motion and it carried unanimously, Carter, Elkins, and Farner absent.

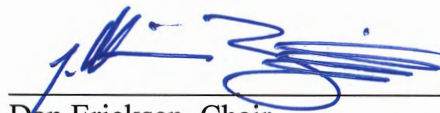
FUTURE MEETINGS

The next scheduled meeting is June 21, 2005. Chair Ericksen said he would not be available for that meeting.

ADJOURNMENT

The meeting was adjourned at 6:40 P.M.

Respectfully submitted by Denise Ball, Administrative Secretary.



Dan Ericksen, Chair
Chris Zukin, acting chair

AGENDA STAFF REPORT


URBAN RENEWAL ADVISORY COMMITTEE

AGENDA ITEM NO.

DATE: May 26, 2005

TO: Urban Renewal Advisory Committee

FROM: Steve Schafroth, Urban Renewal Contract Consultant

THRU: Nolan Young, City Manager
Dan Durow, Urban Renewal Manager 

ISSUE: Property Rehabilitation Grant Amendment request and recommendation to the Agency Board.

BACKGROUND: In March 2004 the Urban Renewal Agency approved a grant in the amount of \$62,000.00 under Civic Improvements Grant Program of the Property Rehabilitation Grant & Loan Program to the Wasco Lodge # 15 A.F. & A.M. (Masonic Lodge). The purpose of the project is for preservation of the building that they own and occupy at 105 West 3rd Street. This historically significant building was built originally as the 2nd Wasco County Courthouse. This portion of the rehabilitation included re-roofing and electrical upgrades which were urgently needed to protect this historic resource. The project costs for this stage of the rehabilitation were estimated at \$103,370.

As could be expected with an old building, until getting into the work it was not certain what the actual costs would end up being. In this case the roof work went over the estimate of \$38,370 by \$7,096 making the actual cost \$45,466. On the other hand, the electrical work which they were more afraid might really surprised them came in at \$30,748.37 under the budget estimate of \$65,000 with an actual cost of \$34,251.63. The actual cost of the overall project nets out at \$23,652.37 under budget. The Urban Renewal share of that is \$14,274.67 in UR funds that were obligated but not spent. There is one item of additional electrical work that was not yet done that will cost about \$850 that still needs to be accomplished.

REQUEST: In the original grant application, the Lodge indicated that the building needed renovation in several areas, including Brick re-pointing, Clock tower renovation, energy efficiency upgrade and ADA accessibility and interior work, but that the roof and electrical were the highest priority. The Lodge is now requesting that since the project

came in under budget, that the remaining committed Urban Renewal and matching Lodge funds be used on the next highest priority items.

They have determined that brick work on the North and East sides of the building are most important and could be accomplished with the remaining amount in the budget. Though not included in the original approved budget because they did not think there would be enough funds to do this work, it is important to the restoration of this historic building. The estimates for the brick work by D & R Masonry broken down by sides of the building are attached.

The approved and proposed revised budgets are as follows:

Project Costs:

<u>Cost Item</u>	<u>Approved Costs</u>	<u>Actual to date</u>	<u>Proposed Budget</u>
Roof Repairs	\$38,370.00	\$45,466.00	\$45,466.00
Electrical Re-wiring	65,000.00	34,251.63	35,101.63
Brick Work	0.00	0.00	22,814.00
Total costs	\$103,370.00	\$79,717.63	\$103,381.63

Sources of Funding:

<u>Source</u>	<u>Approved Budget</u>	<u>Actual to date</u>	<u>Proposed Budget</u>
Equity (Lodge)	\$41,370.00	\$31,992.30	\$41,381.63
Urban Renewal Grant	62,000.00	47,725.33	62,000.00
Total sources	\$103,370.00	\$79,717.63	\$103,381.63

The Lodge has indicated that it would be seeking funding in the very near future to accomplish the rest of the needed brick work and other restoration.

BUDGET IMPLICATIONS: Because these funds were previously committed, approval of the use of these funds would have no impact on the Urban Renewal Agency budget. If the funds are not used for this request, the unused \$14,274.67 could be made available for other projects under the Property Rehabilitation Grant and Loan Program. However, at this time there are no unfunded projects or pending applications. Additional funds for this program will become available in the next fiscal year's budget.

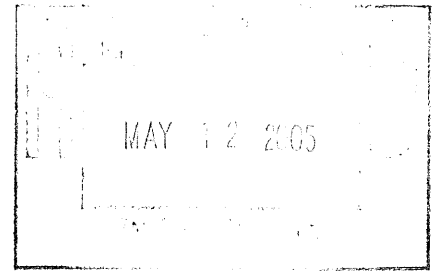
RECOMMENDATION:

Staff recommends that the Urban Renewal Advisory Committee recommend that the Urban Renewal Agency approve the request.

ALTERNATIVES:

Alternative 1: Recommend that the Urban Renewal Agency decline the request and the unused portion of committed funds be retained for other projects.

Columbia Gateway Urban Renewal Agency
313 Court Street
The Dalles, Oregon 97058



Please accept my apologies for the tardiness of these bids and purposals. The contractor was busy on projects in Portland, thus delaying his bid. Mr. Ray Elkin of D & R Masonry Restoration, inc. , 10005 East Burnside Street, Portland, Oregon 97214, has prepared bids for five sections of the exterior of the Masonic Lodge building. I have enclosed all five sections for your review and information.

The remaining funds from the Urban Renewal grant and the Lodge Building reserves will allow us to contract for sections 3 & 4, which are the North and East sides of the building. Repair of the North wall is the most critical as we believe the possibility of loose bricks falling to be a very real danger to the public. The East wall was chosen because the size and scope of the project would fit our budget as well as improve the side used and viewed most by the public. The other three sections are also important to preserve the structure and beauty of the building but due to our current limited funds this will have to wait until our resources are replenished or other grants are obtained.

Mr. Elkins is currently restoring parts of the American Legion building. He worked on the Commodore apartments restoration and he said The Dalles City Hall is in line for some of his handy work. I believe he is an honest and capable contractor who will do a good job for the Lodge.

If I have omitted any information you desire please call me at 296-9191(work) or 296-5754(home).

Thank you for your consideration and assistance in helping us preserve this historic structure. We hope this makes the building more appealing for use by the public.

Sincerely,

Wallace W. Wolf Jr.
Chr. Trustee Committee



D&R MASONRY RESTORATION, INC.

10005 E. BURNSIDE STREET
PORTLAND, OR 97216

CCB#99196 (WA) DRMASRI006BS

Phone (503)257-7965

www.drmasonry.com

Fax (503)253-3006

April 29, 2005

Photographic Appendix

Wallace Wolf
541-296-5754
Smith Chapel & Lodge
105 ^{west} East 3rd Street
The Dalles, OR 97058

D&R Masonry Restoration, Inc. Proposes to furnish all materials and perform all labor necessary to complete the following scopes of work listed on the following pages. If you have any questions, do not hesitate to call.

Sincerely,

Ray Elkins
Estimator

Wash wall
with hot
water, seal,
spot point
20% of the
mortar
joints



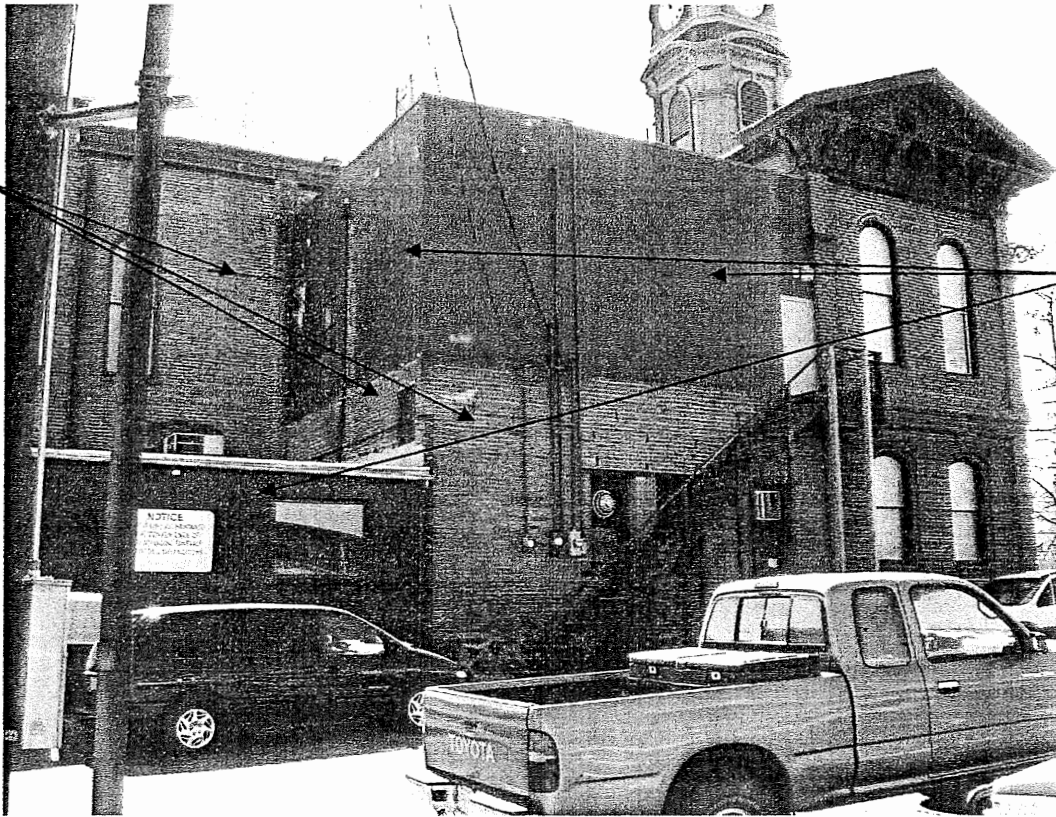
Photo #1:
West Elevation.

Scope of work:

- * Provide lifts and scaffold as needed
- * Wash walls with hot water to remove biological growth from the masonry
- * Grind out approx. 20% of the mortar joints
- * Repair wash cap as needed to shed water away from the brick
- * Tuckpoint (remoratr) approx. 20% of the mortar joints with the correct sand, cement, lime mix (color to match as close as possible)
- * Wash areas that where tuckpointed
- * Seal masonry with a clear breathable sealer
- * Clean mess up and Haul away

\$13,499.25

Spot point
20%, Clean
with hot
water, seal



Clean, prep
and coat
wall with a
exterior
masonry
coating

Photo #2:

West Elevation continued from previous page.

Scope of Work:

- * Provide lifts and scaffold as needed to perform the work above
- * Pressure wash walls where coated
- * Prep areas where loose paint is
- * Apply two coats of Elastomeric Coating at 20 mills thick
- * Clean mess up and haul away

\$3,338.00

Replace
spalled
brick and
relay loose
brick



Wash wall
with hot
water, spot
point wall
approx.
10%

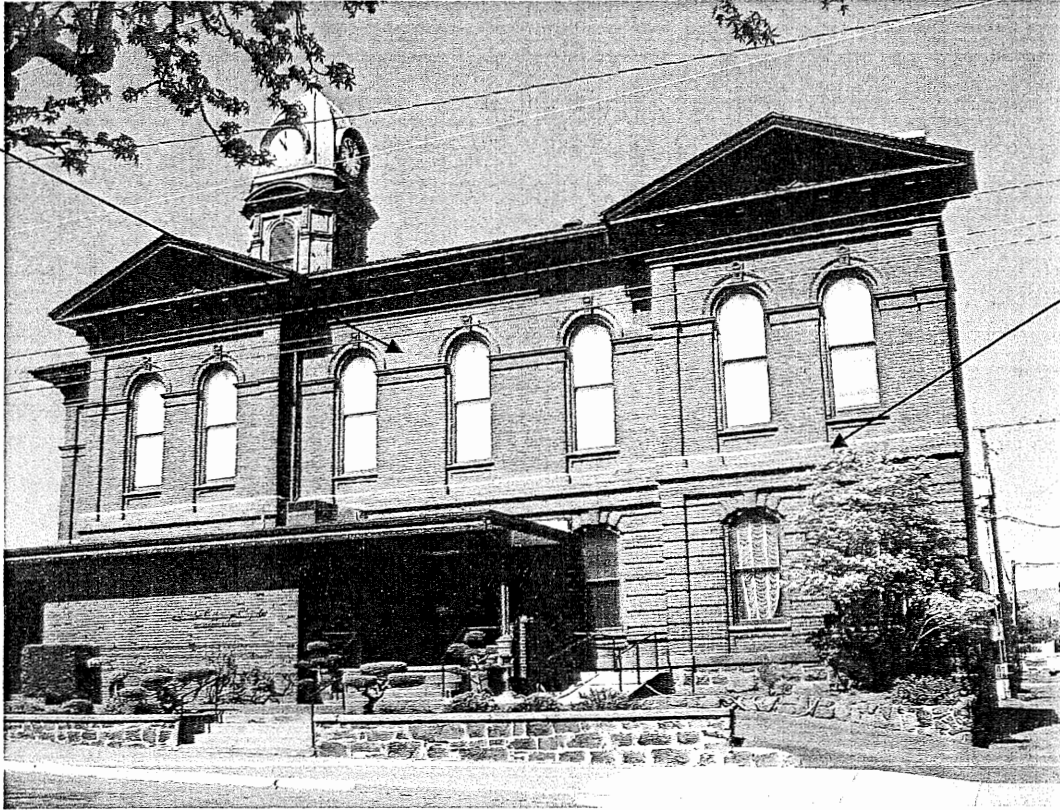
Photo #3:
North Elevation.

Scope of Work:

- * Provide lifts and scaffold as needed
- * Wash walls with hot water to remove biological growth from the masonry
- * Replace approx. 25 brick
- * Grind out the top 8 feet of the wall solid
- * Grind out approx. 10% of the rest of the mortar joints
- * Tuckpoint (remoratr) mortar joints that where ground out with the correct sand, cement, lime mix (color to match as close as possible)
- * Wash areas that where tuckpointed
- * Seal masonry with a clear breathable sealer
- * Clean mess up and Haul away

\$12,205.00

Wash wall
with hot
water, spot
point
approx.
10% and
seal



Repair
wash cap
as needed.

Photo #4:
East Elevation

Scope of Work:

- * Provide lifts and scaffold as needed
- * Wash walls with hot water to remove biological growth from the masonry
- * Grind out approx. 10% of the mortar joints
- * Tuckpoint (remoratr) approx. 10% of the mortar joints with the correct sand, cement, lime mix (color to match as close as possible)
- * Repair wash cap as needed to shed the water away from the wall
- * Wash areas that where tuckpointed
- * Seal masonry with a clear breathable sealer
- * Clean mess up and Haul away

\$10,609.00

Wash wall
with hot
water, spot
point 5%,
and seal



Repair
wash cap
as needed

Photo #5:
South Elevation

Scope of Work:

- * Provide lifts and scaffold as needed
- * Wash walls with hot water to remove biological growth from the masonry
- * Grind out approx. 5% of the mortar joints
- * Tuckpoint (remoratr) approx. 5% of the mortar joints with the correct sand, cement, lime mix (color to match as close as possible)
- * Repair wash cap as needed to shed the water away from the wall
- * Wash areas that where tuckpointed
- * Seal masonry with a clear breathable sealer
- * Clean mess up and Haul away

\$3,548.00

62,000 - WASCO LODGE 200-6700-419.39-10

10/25	Brown Roofing	\$ 22185. ⁰⁰
12/2	Hire	\$ 12,620.25
12/27	Hire	\$ 1,475.01
12/31	Brown Roofing	\$ 5,094.60
		<hr/>
		\$ 41374.86
1-25-05	Hire	6350.47
		<hr/>
		\$ 47725.33

Balance \$14274.67