



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES

Columbia Gateway Urban Renewal Advisory Committee Minutes

Tuesday, September 21, 2004

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 5:38 p.m.

ROLL CALL

Administrative Secretary Denise Ball conducted roll call.

Present members: Dan Ericksen, Randy Carter, Jack Evans, Dick Elkins, Nikki Lesich and Ken Farner

Absent members: Chris Zukin

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

PLEDGE OF ALLEGIANCE

Ericksen lead the group in the Pledge of Allegiance.

APPROVAL OF AGENDA ITEMS

Ericksen asked if there were any changes or additions to the agenda. Durow asked that the D.E.A. Report on TGM Project Work be discussed before the action items. Lesich moved to approve the agenda as amended and Carter seconded. The motion carried unanimously with Zukin absent.

APPROVAL OF MINUTES

Chair Ericksen asked if there were any corrections or additions needed for the minutes of May 25, 2004. There were none. Evans moved to approve the minutes as submitted and

Farner seconded the motion. The motion passed with Evans, Farner, Elkins, Lesich, and Carter voting for, Ericksen abstaining, and Zukin absent.

PUBLIC COMMENT

None.

DISCUSSION

John Stutesman and Jim Seely, of David Evans and Associates, presented preliminary plans for the TGM project. This project will include First Street design, the Downtown Parking Plan, and an update to the Transportation System Plan.

John Stutesman said this will be a very public process and the Urban Renewal Advisory Committee will be asked for suggestions, input, and directions. There will also be a stakeholders group selected from The Dalles. Wednesday, September 29th will be the first public meeting on this project.

Jim Seely presented drawings of First Street and proposed improvements. Seely said one of the challenges is the railroad and 36 trains per day. The Board viewed pictures of buffer walls that could be placed along the side of the railroad tracks. Seely also discussed the proposed pedestrian underpass at Washington.

ACTION/RECOMMENDATION

A. Wasco Warehouse Milling Property RFP: Director Durow presented the Staff Report. Durow told the Committee that he had received no Request for Proposals on the project but at least one of the prospective bidders did show positive interest and is still trying to put a proposal together. The Staff Report proposes four options for the property: 1. Drop the project; 2. Request a six-month extension on the Purchase Option agreement; 3. Purchase the property; and 4. Assign the purchase option to a developer. Durow said he believes the property owner would be agreeable to extending the purchase option. The project will hinge upon the creation of at least 40 basic employment jobs of which retail employment doesn't count.

Durow stated that without the street work being done the development of the project couldn't happen. Urban Renewal will have to make a significant contribution to the street work. The additional funding for the street work would be available only if the 40 basic employment jobs are created. Durow said the street cost estimate is \$2.3 million. It is possible to reduce this cost \$448,519 by removing elements of the street upgrade.

Durow next explained the design options provided to the Committee in a booklet. This gives a full explanation of just how the property can be developed.

Farner asked how much time was allowed for a response from prospective bidders for the initial RFP. Durow said they had approximately two months. Farner asked if this experience is telling us that the property is not economically developable or is it telling us that the preliminary schemes put together just don't work.

Durow said neither. City Manager Young said the developers need a little more time to find the right anchor tenant. Young feels the additional 6-month option may provide that necessary time. Young said the decision is whether to spend \$13,500 to hopefully save the original \$27,000.

Committee members and Staff discussed the purchase option presented in the Staff Report.

Ericksen summarized the discussion by re-stating that Options 1 and 4 can be eliminated. Option 3 would require a large expenditure that isn't necessary at this time. This leaves Option 2 as the preferred direction.

Discussion: Is an additional six months enough time to allow for development proposals? Committee members agreed that Staff should request at least one additional extension option.

Farner moved to recommend that the Urban Renewal Agency direct Staff to exercise the six-month purchase option agreement for \$13,500, request an additional six-month extension, and market the redevelopment project through an appropriate process to select an interested developer. Evans seconded the motion and it carried unanimously, Zukin absent.

B. Property Rehab. Grant and Loan Program - American Legion Post 19 Grant

Request: Consultant Steve Schafroth presented the Staff Report. Schafroth informed the Committee that this is the only application received for the grant period ending July 31, 2004. The American Legion Post 19 is requesting \$84,961.24 to replace their roof and roof drainage system and to repair and restore the brickwork above the roofline. Staff recommendation is to approve the request minus the \$6,000 for sheet-metal work on the façade, which can wait. The brickwork needs to be done before the roof replacement because the roof flashes to the brickwork. Schafroth asked if the Committee had any questions.

Carter asked about the possibility of structural repairs on the roof and additional costs.

Schafroth felt the applicant could better answer that question and Ericksen asked for proponent testimony.

Proponents: David Deurwaarder, 305 S. Mary B Road, Wamic, OR 97063, said he would try to fill in for Dean Crofton whose father had just passed away. Mr. Crofton has been in charge of this project from the beginning. Deurwaarder said Mr. Crofton and Brown Roofing feel the bid will cover the necessary work.

Lesich asked if the American Legion was looking for other grants to leverage the requested Urban Renewal grant.

Deurwaarder said they have been looking into other funding. The first is the Kingsman Foundation located in Milwaukie, OR. They have expressed an interest in the building. A second possibility for a grant is the Margaret Petite Foundation.

Ericksen asked if Post 19 had any cash available to contribute to the project and Deurwaarder said they have some available that has been put aside for catastrophic events.

Lesich asked what the American Legion had planned for capital improvements and protection of their investment prior to an Urban Renewal grant. Deurwaarder said they planned to request grants from other places.

Lesich asked how urgent the roof repair is and Deurwaarder said it leaks every winter. Schafroth said he had spoke with Mr. Crofton and Brown Roofing and both indicated that the roof is in very bad shape and has been for a long time. Patching only slows the leaks down.

Lesich asked if the building was open to the public or membership based. Deurwaarder said Congress requires members only and that is how they are chartered; only members and their guests can be in the building. Lesich asked if within the last five years the building has been considered for sale. Deurwaarder said there had been discussion about selling the building by a few of the members but that is not a consideration now.

Lesich asked Schafroth why he gave 100% of the points on item 4 of the scoring sheet then asked him to convince her that the applicant is financially able to complete the project and maintain the property. Schafroth replied that the grant funding will repair the roof and the applicant also has \$2,000 to \$5,000± in the bank, which can maintain the building and roof repair. Schafroth said he does not look at the applicant's financial records but trusts what they tell him.

Elkins asked how many members utilize the building. Deurwaarder said there are over 300 members, not including the Ladies Auxiliary or the Sons of the American Legion. These are not all active members. Deurwaarder said that whenever the American Legion has a special function such as dinner and dancing the building is packed.

Evans asked about the possibility of fixing up the second floor and leasing it out. Deurwaarder said that is a possibility. Evans said the building does not serve a significant portion of the community and having the second floor accessible to the public could be beneficial. The American Legion does pay taxes to the City. Several members are working to increase membership.

Farner asked if Urban Renewal could commit to a match and have the Legion look for other funding first.

Ericksen said the standards for the grant have already been established. If this proposal meets the criteria the Committee needs to tell the applicant yes or no, and not leave the applicant in no mans land.

Committee and Staff had a brief discussion on the scoring criteria.

Lesich said she wants to see some form of leverage before committing Urban Renewal funds. Deurwaarder said receiving only half the funding would not allow the project to move along. Lesich asked Deurwaarder if anytime in the application process Staff had advised or encouraged him to seek out additional grants or funding and he said he isn't sure if he will receive any additional grants.

Elkins asked if the American Legion would come back to the Agency and request additional funds for future projects and Deurwaarder said not necessarily but it could be a possibility.

Young said the proposal has two elements in it. One is the roof, which contributes to the long-term viability of the structure. Young said he feels there is urgency with this roof repair. Young said he is not sure of the brick repair, however, and asked if someone could explain.

Schafroth replied that the brick has to be repaired because the roof has to be flashed to it. They would have to tear up part of the roof to restore the brick if it is not done prior to the roof repair. It technically is one project.

Young believes that Urban Renewal has an interest in making sure building do not become blighted. The match is not a requirement but scoring criteria. One message the Board may want to send to future applicants is to tell them to try and bring as much match as possible with the application.

Durow added that he had several conversations with the applicant, Dean Crofton, and additional resources were discussed. Mr. Crofton said the Legion had what it had. Durow stated that Staff always discusses resources and possible matching funds with applicants.

Ericksen suggested that the application might need to stress the importance of matching funds as well as adding criteria regarding preventing a loss of value by preserving the building.

Carter said he is still concerned that the project could be subject to serious cost overruns due to the possibility of unknown structural damage. If this would happen the applicant does not appear to have sufficient funds in reserve and the Agency will fund only the amount of the proposal.

Schafroth said he has spoken with Brown Roofing at length and they do not expect additional costs.

Ericksen said it would be good to inform the contractor that the Urban Renewal funds are a fixed amount. The contractor would have to make arrangements with the property owner regarding additional costs. Ericksen said he would entertain a motion.

Lesich moved to recommend the Urban Renewal Agency approve partial funding of the request subject to the applicant obtaining the balance of the project funding from another source. Farner seconded the motion for the purpose of discussion.

Discussion: Lesich said she does not have a dollar amount in mind. Ericksen said an appropriate amount would need to be established. Lesich said she would like to see some sort of offering to leverage the Urban Renewal grant. Ericksen next asked what would be the time limit that those funds would be held in reserve. Lesich asked for Staff input.

Durow replied that he is not aware of any pending grant requests for the second period. The monies remaining, if this grant is awarded, would be sufficient for interest buy down requests. The grant money would be in the budget until June 30, 2005 and could be carried over longer if need be.

Young suggested an alternative establishing an amount that would be available to the American Legion automatically when they raise a set amount of match before January 31, 2005. If the American Legion has not met the match requirement, they would be eligible to reapply for the second grant period with whatever match they may have been able to obtain. The Committee could reassess the application at that time.

Ericksen said that would mean the project would not be able to start until sometime after winter. Schafroth said the applicant was hoping to get the roof repaired before the wet weather began.

Elkins said he has a little problem with having the meetings cancelled when this could have been taken care of in August. Durow explained that the application deadline is July 31, 2005. The written procedure says the application(s) will be evaluated in August; a Staff Report prepared and presented the Committee in September. That recommendation goes to the Agency in October. Young told Elkins that Staff did not drag their feet but just followed the approved policy.

Carter said it appears the roof is in very poor shape and making the applicant wait is not what he supports.

Ericksen said this is a first come first serve process. Saving the money for something unknown that may come in the future is not what the fund is for. Ericksen said it is worthy to save a 100 year-old building with a leaking roof. The applicant is not competing with any other project at this time. The applicant has scored similarly with previous grant applicants.

Evans agreed that the building needs to be preserved and also that blight needs to be prevented. Evans said the second floor windows are painted over and look bad. The roof improvement will not be visible from the outside. Evans would like the American Legion to commit to restoring the exterior windows and call that the match.

Lesich withdrew her motion but said she had not changed her mind. Farner withdrew his second.

Carter moved to recommend to the Urban Renewal Agency that they approve the grant request less the \$6,000 for sheet metal work, which can be done in association with the repair and restoration of the cornices and façade in a later date. This \$78, 961.24 is the complete commitment of the Urban Renewal Agency for this project.

The motion carried with Ericksen, Farner, Carter, and Elkins voting for, Lesich and Evans voting against, and Zukin absent.

The Committee members would like to see changes in the application regarding match and financial responsibility.

DISCUSSION

Awarded Grants Status Report –

1. The Dalles Art Association: Tom Coats spoke for the Art Association to update the Committee on the project status. Coats said their contractor showed on the grant application that he was donating several thousand dollars, making it appear he was doing the job on the cheap. This would show as match, Coats said and probably made Ms. Lesich happy. Coats said there is a lesson to be learned about that. This contractor has let the job languish and languish and only in the past few days has he shown activity. Coats said the deadline is fast approaching on the two Urban Renewal grants and he is doubtful the projects can be completed. Coats would like to know that an extension might be available if the contractor fails to perform as he committed to.

Ericksen said he would not have a problem granting an extension and the rest of the Committee agreed. Ericksen said this contractor is also two months overdue on a project for the County in Tygh Valley.

2. The Masonic Lodge – Durow said the roof work would be starting on Monday, September 27th.

Citizen Committee/Code Enforcement-

Before Lesich began her presentation, Evans said the Commodore parking lot looks disgusting. The weeds are out of control. Durow said he would contact Terry Cook because he is responsible for the upkeep of the parking lot.

Lesich gave the Committee and Staff a preview of her presentation that is on the City Council agenda for September 27th. Lesich said a citizen group has worked through the month of August to identify properties primarily on the east side of town that have weeds, junk, abandoned vehicles. The police have towed away a lot of vehicles and Young noted that the City exceeded its towing budget by \$1000 last month. Lesich went on to say the sunken barge and seventeen truck tires are still present along the riverbank in the Port area. Along West First Street from the Union Street Underpass Lesich pointed out that Brace Brothers has allowed Boat Boys to move onto their property and it is a horrible mess and is visible from the Street and the River. In closing, Lesich said the Christmas decorations should be removed from the Granada and asked Durow to contact someone.

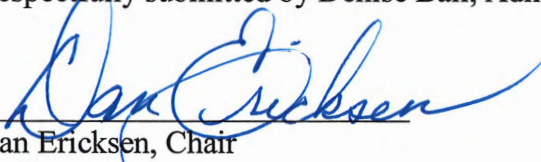
FUTURE MEETINGS

The next regular meeting is scheduled for October 19, 2004, at 5:30 P.M.

ADJOURNMENT

The meeting was adjourned at 8:45 P.M.

Respectfully submitted by Denise Ball, Administrative Secretary.



Dan Ericksen

Dan Ericksen, Chair