



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES

**Columbia Gateway Urban Renewal Agency Advisory Committee
Meeting Minutes**

Tuesday, September 17, 2013

5:30 p.m.

City Hall Council Chambers

313 Court Street

The Dalles, OR 97058

Conducted in a handicap accessible room.

CALL TO ORDER

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

ROLL CALL

Members Present: Gary Grossman, Mike Zingg, Robin Miles, Steve Kramer, Linda Miller

Members Absent: Greg Weast, Jennifer Botts, Chris Zukin, Dick Elkins

Staff Present: City Manager Nolan Young, Administrative Secretary Carole Trautman

Also Present: MCEDD Loan Fund Manager Eric Nerdin

PLEDGE OF ALLEGIANCE

Vice Chair Grossman led the group in the Pledge of Allegiance.

APPROVAL OF AGENDA

It was moved by Kramer and seconded by Zingg to approve the agenda as submitted. The motion carried unanimously; Weast, Botts, Zukin and Elkins were absent.

APPROVAL OF MINUTES

July 16, 2013 – It was moved by Miles and seconded by Miller to approve the minutes as submitted. The motion carried unanimously; Weast, Botts, Zukin and Elkins were absent.

PUBLIC COMMENT

None.

ACTION ITEMS – Urban Renewal Grant Applications

A. United Church of Christ Congregational, 111 E. 5th Street, The Dalles, Oregon

MCEDD Loan Manager Nerdin presented the staff report. Staff's recommendation was to move to recommend approval of a \$26,857 urban renewal grant to the applicant for replacing 25 windows to the structure, conditional upon the project being approved and permitted by all applicable agencies, including the Historic Landmarks Commission.

Zingg asked when the urban renewal funds would be replenished. City Manager Young stated he anticipated \$50,000-100,000 would be available July 1, 2014. Young said there would be approximately \$5,000 remaining if both applications were approved, and some other urban renewal funds were re-budgeted for next fiscal year which would bring this year's remaining balance to approximately \$10,000. Zingg asked Young and Nerdin if they knew of other upcoming projects. Neither Young nor Nerdin knew of any at this time. Young also pointed out the urban renewal "immediate opportunity" line item funds could be recommended for use on future projects. There was also \$49,000 available in the beginning fund balance that could be made available through a supplemental budget process, Young advised.

Miller asked if churches paid property taxes, because she noted 5 points were awarded under item #2B, "Property values and tax base," on the staff report scoring sheet. After further discussion, Nerdin stated the scoring total should be changed from 20 points to 15 points. In the interest of preserving Urban Renewal Agency (Agency) funds, Nerdin said another option would be to recommend the alternate approval of half of the requested amount. City Manager Young stated another alternative would be to delay one of the projects until the next review in January of 2014.

Miller asked if the applicant was seeking other grants. UCCC representative Gene Parker stated he was not aware of any other grant requests submitted by UCCC.

It was moved by Kramer and seconded by Zingg to recommend approval of a \$26,857.00 urban renewal grant to United Church of Christ Congregational to be used for replacing 25 windows in the building located at 111 E. 5th Street, The Dalles, Oregon. The recommended approval would also be conditional upon this project being approved and permitted by all applicable agencies and entities, including, but not limited to, the Historic Landmarks Commission. The motion carried unanimously; Weast, Botts, Zukin and Elkins were absent.

B. Wonderworks Children's Museum of the Gorge, 206 Madison Street, The Dalles, Oregon

MCEDD Loan Manager Nerdin highlighted the staff report. He emphasized that the parking lot project needed to be completed before the applicants could occupy the building. Staff's recommendation was to move to recommend approval of the \$24,225.00 urban renewal grant to Wonderworks Children Museum, contingent upon Wonderworks providing documentation of additional funds equaling or exceeding \$32,200, the amount needed to complete the parking lot building portion of Phase 2.

Miles noted that the date on the bottom of Page 2 of the application should change from "2013" to "2014."

Zingg stated he supported the project, but he had a concern about having a limited URA fund balance for future applicants if funds were spent on a project that could potentially not be completed if match funds were not obtained. Nerdin pointed out that Wonderworks had \$40,000 in outside pending grants

submitted, and the balance needed to complete the entire project was \$68,720. He said Wonderworks had a history of success in obtaining grants. It would assist Wonderworks in obtaining match funds if the URA grant was awarded. City Manager Young suggested another option of setting a timeline for the match fund; and if the match was not obtained, the applicant could go before the committee again.

It was moved by Miller to recommend approval of the \$24,225.00 urban renewal grant to Wonderworks Children's Museum, with a timeline of January 30, 2014 for the grant, contingent upon Wonderworks providing documentation of additional funds equaling or exceeding \$32,200. The urban renewal grant would be used towards building a parking lot for the building located at 206 Madison Street, The Dalles, Oregon.

City Manager Young clarified that the intent of the motion was if the matching funds were not met within the timeline, the application would be brought back to the committee for review. Miller confirmed that was correct.

Kramer seconded the motion. The motion carried unanimously; Weast, Botts, Zukin and Elkins were absent.

ONGOING URBAN RENEWAL PROJECTS

City Manager Young gave the following updates:

- Other Urban Renewal Grants – Young highlighted his memorandum on the financial status of other URA grants (copy attached).
- The Granada Block Redevelopment – The City decided to start with the design work on the parking structure, then the Request for Proposals (RFP), then award a construction contract. The RFP was divided into three phases: Phase 1- the preliminary design, to be completed before December 31, 2013. This strategy was put in place so that the City would only have funds expended on the preliminary design prior to the developers' deadline date mentioned above. The preliminary design could be utilized if a contingency plan was put into place. Phase 2- the final design, completion date to be mid-year or early summer. Phase 3- construction.

Seven proposals were received, and a selection committee was formed. The committee hoped to present to the Agency on October 14, 2013.

Zingg asked how much money was budgeted for Phase 1. City Manager Young said the budget was not broken down by phases. He explained that state law changed the process on architect selection, and the City would not know the price until the architectural firm was selected.

Zingg said he wondered if the community would want to spend urban renewal funds if the project did not go forward. City Manager Young said the plan all along was that the site would be developed, and any design work done for that site would be used. He said that was why the preliminary design work would be completed first. Zingg asked if other locations could be considered for the parking structure, should the hotel site not go forward. Young stated that the purpose of the parking structure had, from the beginning, been site specific; and it would be unacceptable to have the site undeveloped. If the current developer, Rapoza, did not come through, the parking structure project would stop until another developer was secured for that site, Young stated.

Miller asked what a good cost estimate would be for the preliminary design. City Manager Young said typically the full design expenses would be approximately 15 percent of the cost of the entire project. The preliminary design would be half that cost, approximately 5 to 7 percent of the total project cost (4.8 million dollars). The estimated cost for Phase 1 would be approximately \$350,000, Young reported.

Miller asked if the Agency had received any information to date on Rapoza's progress. Young stated he did not have a status report on their progress.

Vice Chair Grossman asked if the preliminary design would make the undeveloped site more attractive for other potential developers, if needed. City Manager Young said the farther along the design work was completed, the stronger the cost estimates would be. One reason to push the timeline on the design, Young said, was to give Rapoza good numbers to assist them with their efforts. Young said he would get a progress update from Rapoza. Mike Zingg said he would not support spending \$350,000 if the developers did not come through, and would it be better to wait until the developers met the deadline before spending Agency funds. Young reiterated he would talk to the developers. Vice Chair Grossman stated there seemed to be an imbalance with the City spending \$350,000 to assist the developers in arriving at their dollar figures when their progress disclosure to the City had been minimal.

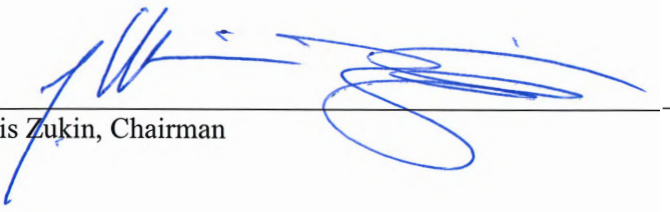
In regards to spending \$350,000 up front on the project, City Manager Young explained that the nature of urban renewal was to put money up front to remove as many unknowns as possible for a developer. The Agency had done that in this case with the archaeological studies and environmental studies. The parking structure was a different timeline because the City hoped to have the design work in place to coordinate with the other construction projects in that area.

Zingg asked for clarification that the Agency would not contract with an architectural firm until after the Agency knew the developers could come through. City Manager Young said staff could not make the decision on signing a contract with an architectural firm because the decision called for a public hearing. He would make certain the concerns of the committee would be heard at the public meeting. Young said he could not agree that they would not proceed without having a firm commitment from Rapoza.

Zingg asked if the architectural contract would come back to the URAC. Young said he was unsure of the timeline, but in any case it would be good to bring it back to the committee.

Vice Chair Grossman adjourned the meeting at 6:37 p.m.

Respectfully submitted by Administrative Secretary Carole Trautman.



Chris Zukin, Chairman