



IMPROVING OUR COMMUNITY

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, June 16, 2020

5:30 p.m.

CALL TO ORDER

Chair Grossman called the meeting to order at 5:33 p.m.

Chair Grossman welcomed Diana Bailey to the Board as the representative for Mid-Columbia Fire and Rescue.

ROLL CALL

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

Absent:

Staff Present: Urban Renewal Manager Steve Harris, Finance Director Angie Wilson and Secretary Paula Webb

APPROVAL OF AGENDA

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

APPROVAL OF MINUTES

It was moved by Kramer and seconded by Long-Curtiss to approve the minutes of the May 12, 2020 Budget Meeting and the May 19, 2020 regular session as presented.

Board Member Miller referred to the Granada Theatre vote of the May 19, 2020 meeting. She stated her impression for requiring receipts was for work on the façade grant, not the entire project. If she understood it was for all of it, she would have made a “no” vote. The Granada Theatre is a wonderful venue in our community.

Board Member Fredrick agreed with Miller, stating requiring receipts for the whole thing was not necessary.

The motion passed 9/0; Coburn, Bailey, Baker, Fredrick, Grossman, Kramer, Long-Curtiss, McGlothlin and Miller in favor, none opposed.

PUBLIC COMMENT

None.

PUBLIC HEARING

Adoption of FY 2020-21 URA Budget

Chair Grossman read the rules of a public hearing.

Manager Harris presented the staff report. He noted Finance Director Wilson had revised the budget at direction of the Board.

Chair Grossman closed the public hearing at 5:44 p.m.

Board Member Bailey noted the beginning balance had a significant increase, while the loan principal payment was quite a decrease. Finance Director Wilson stated a loan was paid off, and planned expenditures were not spent. That money was a roll over to the next year.

RESOLUTION

Resolution No. 20-002 – Adopting the 2020-21 Fiscal Year Budget for the Columbia Gateway Urban Renewal Agency

It was moved by Miller and seconded by Coburn to adopt Resolution No. 20-002 adopting the fiscal year 2020-2021 budget for the Columbia Gateway Urban Renewal Agency, making allocations, and certifying a request for maximum tax revenue to the County Assessor. The motion passed 9/0; Coburn, Bailey, Baker, Fredrick, Grossman, Kramer, Long-Curtiss, McGlothlin and Miller in favor, none opposed.

ACTION ITEMS

Consideration of Third Addendum to the Recreation Building Disposition and Development Agreement, 213-219 E. Second Street

Manager Harris presented the staff report.

It was moved by Long-Curtiss and seconded by Fredrick to approve the Third Addendum to the Disposition and Development Agreement for the redevelopment of real property known as the Recreation Building and to authorize the Chair to execute said addendum. The motion passed 8/0; Coburn, Baker, Fredrick, Grossman, Kramer, Long-Curtiss, McGlothlin and Miller in favor, none opposed, Bailey abstained.

INFORMATION ITEMS

Expanded Use of Outdoor Spaces for COVID-19 Business Relief and Pedestrian Activity

Manager Harris presented the staff report.

Board Member Long-Curtiss noted some expenses are reimbursable from the State, but that changes all the time. She urged the Board to use caution and to ensure Urban Renewal would be eligible for reimbursement.

Board Member Kramer asked if the Board had authorized staff to work on this. He said it appeared to be a City project, and wondered where Urban Renewal dollars were authorized to be spent.

Harris replied this was brought to the Board as an information item. This program will be presented to the City Council by the City Manager. This is provided as an opportunity for the Board to participate, based on the Board's decision.

Kramer then asked, "Are we paying staff to work on this out of Agency funds?"

Harris replied a portion of staff salaries are Agency expenses.

Vice Chair Baker said his understanding was that staff was working on this on behalf of the City. He suggested different language would clarify staff's role: "Staff, in their capacity as the Community Development Department, is working on this and may, in the future, make a request of Urban Renewal to contribute."

TD Fitness Hub, LLC proposal for Tony's Building, 401-407 E. Second Street

Brian Casady, 732 E. 19th Street, The Dalles

Mr. Casady provided an update on the Tony's Building, Exhibit 1.

Board Member Long-Curtiss said she was completely shocked by the report.

Vice Chair Baker thanked Mr. Casady for the presentation and his due diligence.

EXECUTIVE SESSION

Pursuant to Item IX. A. of the Urban Renewal Agency Board Agenda dated June 16, 2020, which cites ORS 192.660(2)(e), the Board adjourned to Executive Session at 6:23 p.m.

Chair Grossman reconvened the Open Session at 7:04 p.m.

Chair Grossman stated requests presented in Executive Session were declined. He then opened discussion.

Vice Chair Baker stated there were many unknowns entering into this project, both for the developer and the Agency. The property was originally purchased with the intent to demolish the structure; the due diligence in that equation was different than in rehabilitation. RFPs were written for the property "as is" in hopes an agreement could be reached. The scope of the project has changed to such a degree that it does not feel right to continue on without opening up to potential other bidders or consider demolition it that is in the community's best interest. Baker would consider future discussion and consideration of other options.

Board Member Kramer agreed the Agency needs to explore other options.

Vice Chair Baker stated if the developer was content to live with the terms of the original agreement, Baker was content to continue with the original terms.

Board Member Coburn added the Board's appreciation and recognition of the amount of effort the Casady family contributed and their interest in the building. Coburn said there had been a lot of work and family involvement that was appreciated as well.

Chair Grossman stated there was nothing that would prevent Mr. Casady from looking at everything again. As the Agency discusses and moves forward with the next step, there may still be a potential for participation.

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

Blue Building, 205 Washington Street, Anthony Zilka

Vice Chair Baker invited discussion.

Board Member Fredrick stated he was not interested in changing the agreement in place for the Blue Building. Board Members Coburn and Miller agreed with Fredrick.

It was moved by Fredrick and seconded by Miller to reject any offer to renegotiate the agreement on the Blue Building.

Board Member Long-Curtiss clarified a yes vote to the motion would preclude any future alterations to the agreement. Vice Chair Baker agreed and suggested the motion be specific.

Board Member Fredrick revised his motion to reject the two specific motions from Mr. Zilka. The motion passed 9/0; Coburn, Bailey, Baker, Fredrick, Grossman, Kramer, Long-Curtiss, McGlothlin and Miller in favor, none opposed.

Manager Harris requested clarification – the motion was for the revised purchase offer and purchase of the parking lot. Baker replied the two offers presented were rejected but the motion does not preclude future offers.

BOARD MEMBERS COMMENTS OR QUESTIONS

Manager Harris stated the next scheduled meeting is for July 21, 2020. There is one item on the agenda dealing with the Granada Theatre. In discussions with the Gomez' relating to the motion presented by the Board at the last meeting, they would like to present additional material to the Board. Based on earlier conversation at tonight's meeting, perhaps a reconsideration of the Board's motion from May 19, 2020.

Manager Harris stated he submitted his resignation to the City Manager. Recruitment is under way now.

Board Member Kramer asked if the Agency had been paid [for the Granada Theatre property]. Harris replied the final payment has been satisfied.

Kramer then asked if we would reconsider the motion or decision. Harris replied the terms of the DDA included a list of improvements. The DDA stated Mr. Gomez was to make annual progress reports to the Agency. With the final report due in April 2020, the Agency would review the status of those improvements. If acceptable, that would close out the purchase of the property, and the deed and title changed to finalize the transaction.

Board Member Kramer said he saw a list in one of the packets not too long ago, then asked if it was the final. Harris replied that was the final list of improvements. The Board's action was to see receipts for the improvements and make an inspection.

Chair Grossman stated there was no inspection; the report process stipulated there would be supporting evidence in the reports.

Board Member Long-Curtiss said the point was to close it out, as the Board would for any project, with verification from staff the work was completed.

Chair Grossman said the DDA was not as clear as it should be. He thought part of the issue for the Gomez' was they submitted their progress reports without supporting documentation; no point

was made of the missing documentation until the final report. Grossman said he would be satisfied with the inspection. He said some requirements in the DDA should not have been included.

Board Member Fredrick asked if receipts were required on any other closed out properties. Grossman said he would have to look at prior DDAs but his guess was it was included in some of them.

Board Member Miller said in seven years on the Board, she did not recall ever requesting receipts for work done on projects. Grossman replied it did not say receipts, it said supporting documentation for the reports and what was spent. That wasn't submitted and we didn't call them on it.

Vice Chair Baker said staff is charged with making sure people do what they say they will do. If we give façade grants, I trust our staff to make sure the money we give is spent appropriately for its intended purpose. As a Board, I don't want to look at every receipt, but I want to have staff look after the interest of the Agency. Grossman said it adds to his point that an inspection should have been done.

Coburn stated at the May 19 meeting it was asked if staff had reviewed what was completed. It was her intention to keep them moving along to ensure the property was released as quickly as possible. It was just to make sure the necessary work had been done, and have staff verify it was done.

Chair Grossman said this is tentatively on the July agenda, it would be addressed at that time. Vice Chair Baker said it would be in the Board's best interest to set aside time next month to discuss long range strategic thinking. As we welcome a new Manager, we can put our best foot forward and present ourselves as the high functioning, goal oriented, clear vision group we are. Board Member Fredrick agreed with Baker, and hoped the Board could create a clear plan for the future.

Vice Chair Baker asked the Board to come forward with an idea of one project the Board could focus energy and staff on and get a win.

Chair Grossman said John Day has been using Urban Renewal dollars very creatively for housing issues.

Manager Harris reminded the Board the budget adopted this evening includes work items, programs, plans, and long range items. There was no discussion on any of that narrative at the Budget Committee meeting or at tonight's public hearing. He suggested the adopted budget was a good place to start.

At the financial workshop in February, there was Board discussion on direction for future projects. The consensus at that time was to focus more on infrastructure rather than public/private partnerships and real estate.

Board Member McGlothlin said he was in favor of that direction, less real estate and more infrastructure.

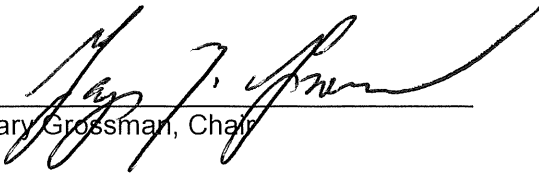
Board Member Kramer said budgets are a road map that can be changed at any time. This organization has had some rocky road; we have new members and need to revitalize and move forward. We need to do that together through team building and networking.

Chair Grossman said he appreciated the Board. This group has worked well together over the past year and is at the exciting part, able to look at good things to do moving forward.

ADJOURNMENT

Chair Grossman adjourned the meeting at 6:41 p.m.

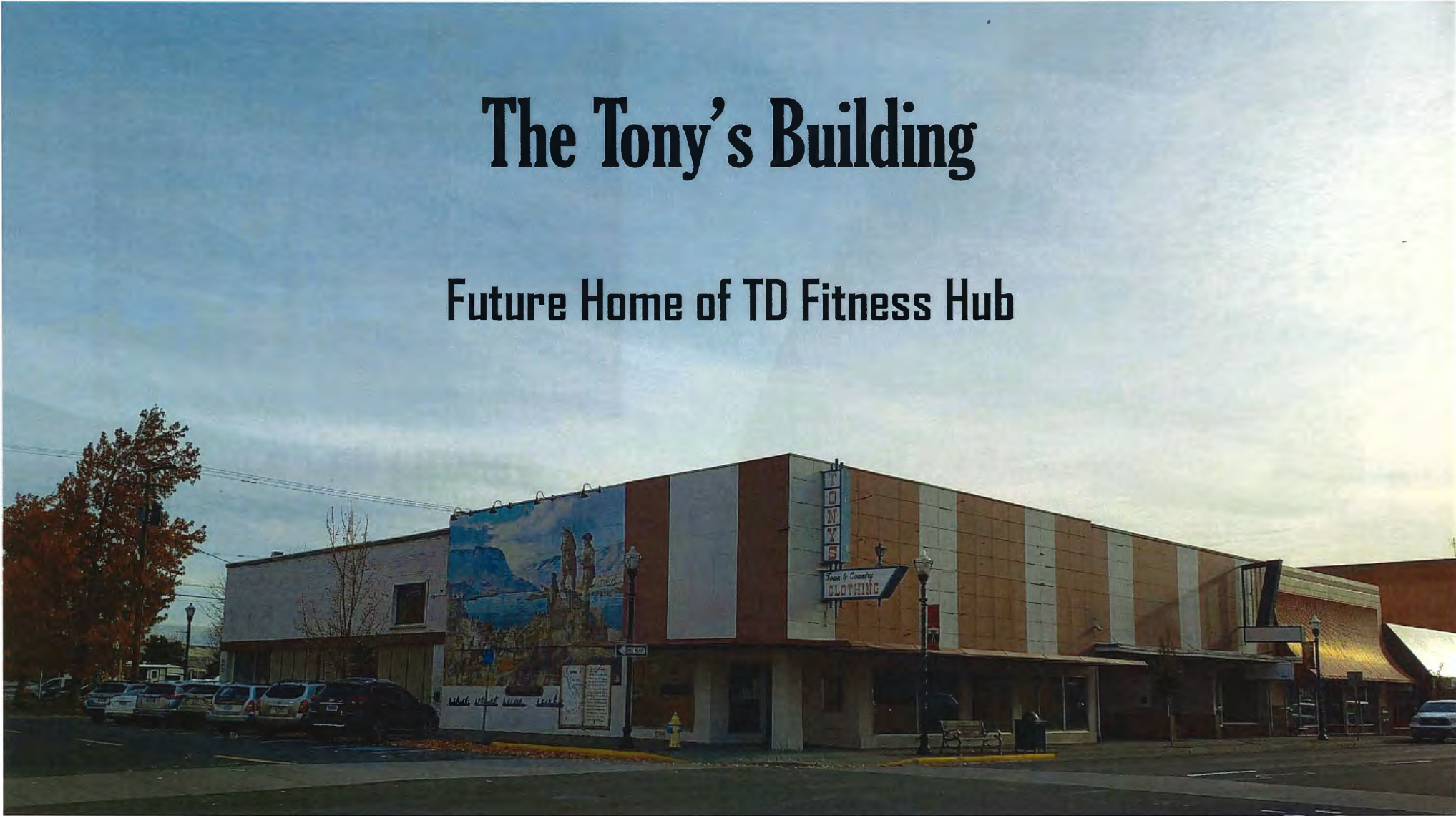
Respectfully Submitted
Paula Webb, Community Development Secretary



Gary Grossman, Chair

The Tony's Building

Future Home of TD Fitness Hub



Envisioning the space!

Square Peg Fitness

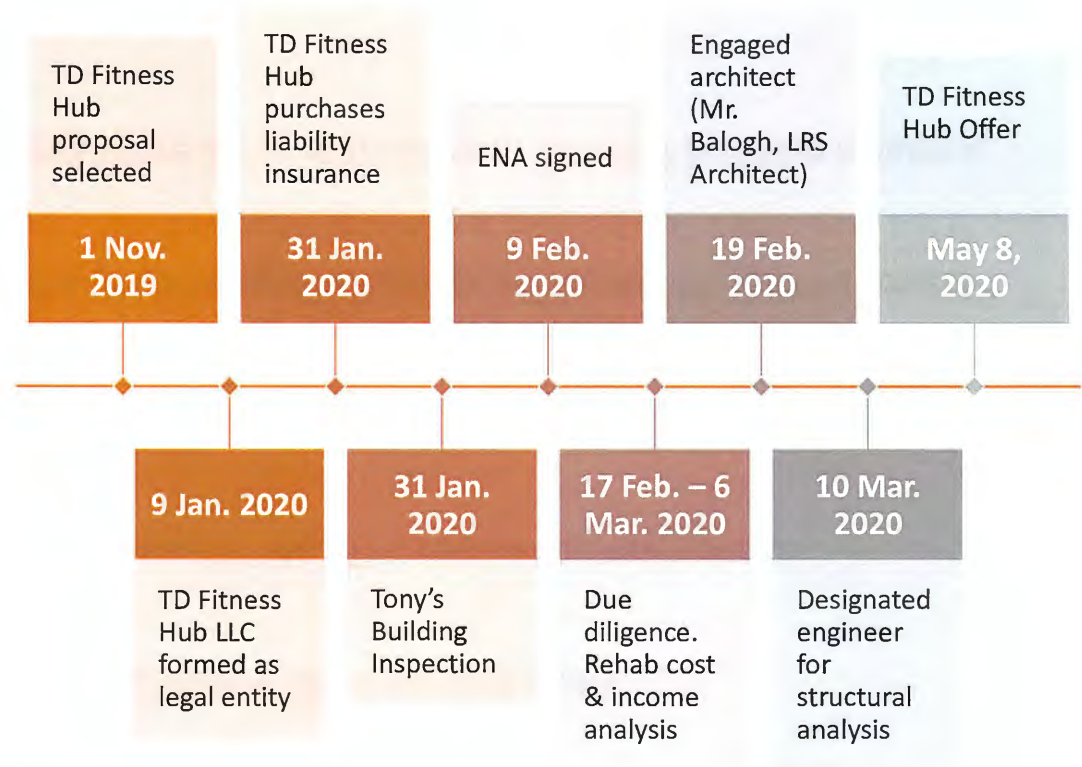




End o' the Trail Ice Cream Parlor



PROJECT TO DATE:



Primary Items of Concern:

- Roof Both roofs leak. Roofers confirm no usable life in existing roofs.
- HVAC Of 5 units, only one has 5-10 years usable life. The remainder are spent.
- Structural Multiple removed/cut structural beams & ties. Crumbling foundation and brickwork.
- Asbestos Most must be removed. Roof and some exterior can possibly remain and be covered.
- Dry rot Structural components carrying entire 2nd St storefront of 403-407 building is rotted.

Repair Cost Estimates:

Tony's Building Repair Costs

One Time Repair Costs for Bld 1			
Roof		\$76,250.00	Brown Roofing
HVAC		\$23,500.00	Oregon Equipment
Brick Repair		\$77,654.00	D&R Masonry
Asbestos Removal		\$151,028.00	Alpha Environmental
Tank Removal		\$9,145.00	3 Kings
Storm Water Repair	Est	\$7,500.00	Grant?
Fire Suppression	Est	\$15,000.00	Cochenauer
Dryrot Repair		\$5,200.00	Doug Jenkins
Electrical		\$2,500.00	Devco
Plumbing		\$13,490.00	
Sheetrock Repair	Est	\$3,500.00	
TOTAL		\$384,767.00	

One Time Repair Costs for Bld 2			
Roof		\$60,620.00	Brown Roofing
HVAC		\$24,500.00	Oregon Equipment
Asbestos		\$17,675.00	Alpha Envirmental
Dryrot Repair		\$52,038.03	Adams
Fire Suppression	Est	\$15,000.00	Grant?
Electrical		\$3,200.00	Doug Jenkins
Plumbing		\$5,370.00	Devoc
Façade Dryrot Replacement		\$147,961.97	Cochenauer/Adams
Sheetrock Repair	Est	\$500.00	
TOTAL		\$326,865.00	

Structural Concerns

CUT OR REMOVED POSTS/BEAMS/TIE RODS

\$ cost not yet determined

Structural Concerns

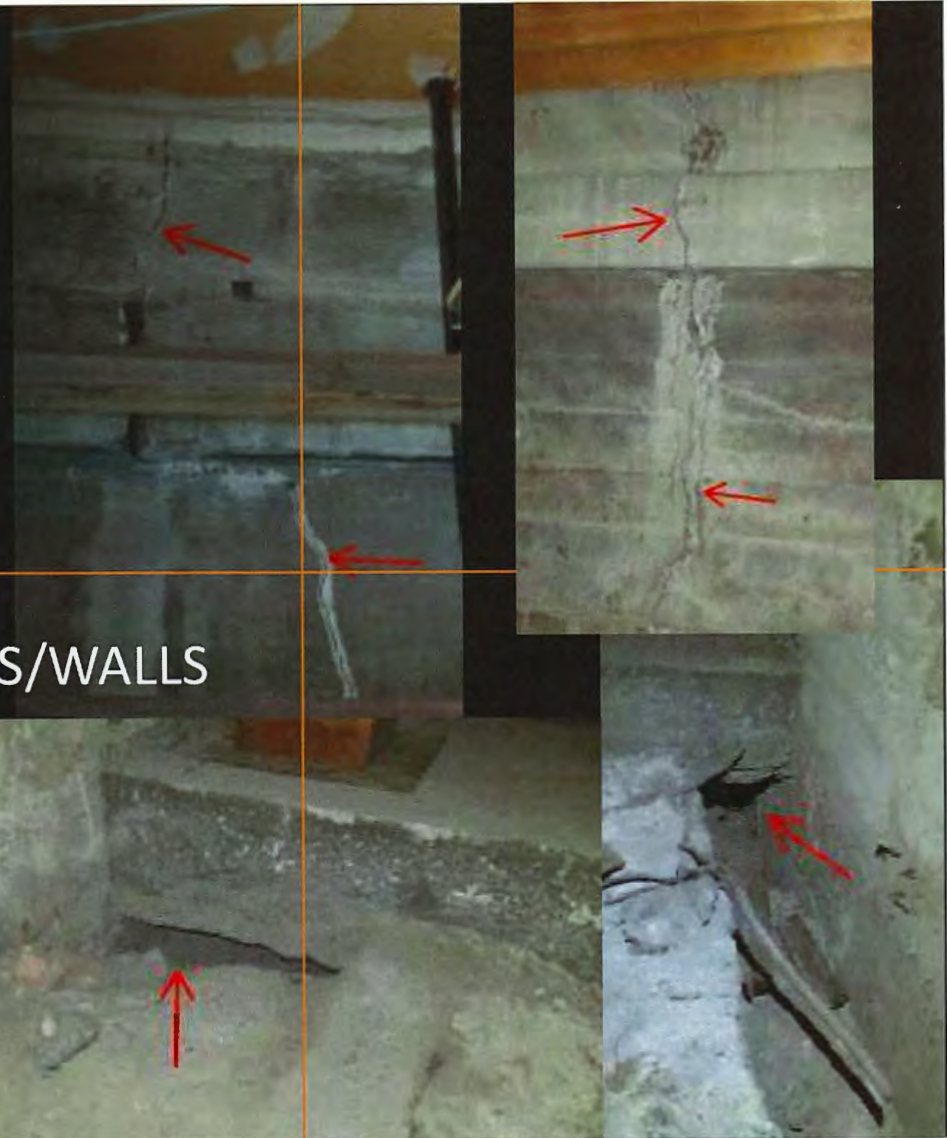
CRUMBLING BASALT FOUNDATION
\$ cost not yet determined



Structural Concerns

UNDERMINED AND CRACKED FOOTINGS/WALLS

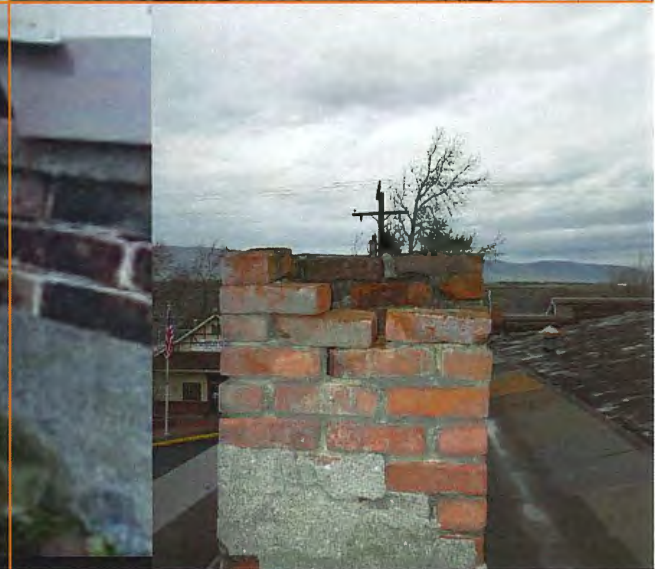
\$ cost not yet determined



Structural Concerns

FAILING BRICKWORK

\$77,654



Structural Concerns

DRY ROT. 401 Building
\$5,200

Structural Concerns

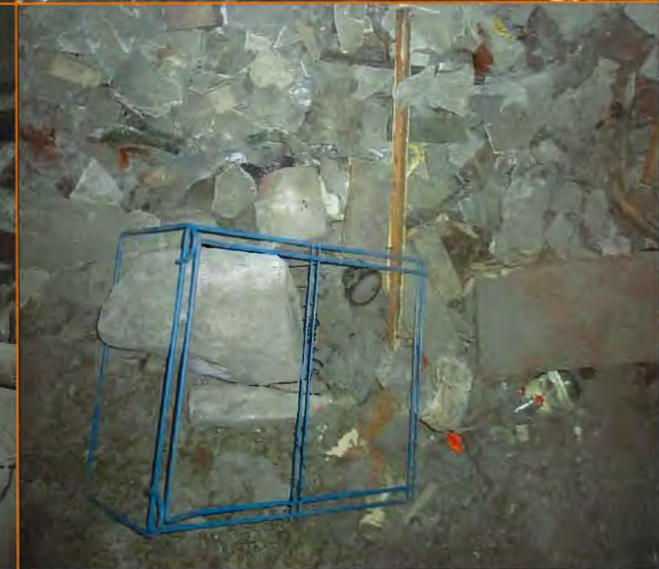
DRY ROT. 403-7 Building

- \$52,038 for removal of rotten members only
- Est. \$147,962 for repair & remodel of storefront



Environmental Concerns

ASBESTOS & LEAD
\$168,703



Environmental Concerns



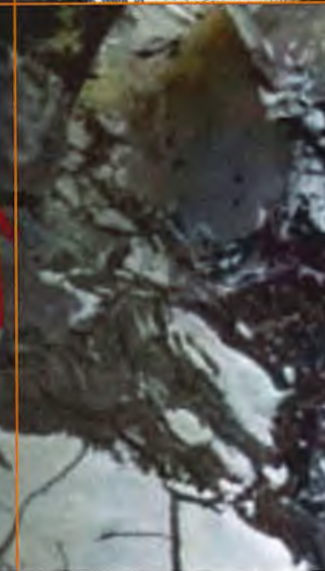
FUEL OIL BOILER AND UNDERGROUND TANK

\$9,145



Safety & Occupancy Concerns

FAILED ROOF. 401 Building
\$76,250



Safety & Occupancy Concern

FAILED ROOF. 403-407 Building
\$60,620



Safety & Occupancy Concerns

Interior roof leak damage. 401 Building
Est. \$3,500



Safety & Occupancy Concerns

Interior roof leak damage. 403-7 Building
\$500



Safety & Occupancy Concerns

Dangerous and Unusable HVAC units

\$48,000



Safety & Occupancy Concerns

Outdated & faulty electrical. 401 Building
\$2,500



Safety & Occupancy Concerns

Outdated & faulty electrical. 401 Building
\$3,500



Safety & Occupancy Concerns

Leaking and outdated plumbing.

\$18,860



Safety & Occupancy Concern

Improper and ineffective rain scuppers
Est \$7,500




TOTAL
REPAIR
COSTS to
bring the
building to a
SAFE
condition

401 Building: \$384,767

403-407 Building: \$326,865

TOTAL: \$711,632*

* This total does not include the undetermined amount for structural repairs that may be needed, pending structural analysis.

A photograph of two young girls standing in front of a building. The girl on the left has long red hair and is smiling. The girl on the right has long brown hair, is wearing a dark baseball cap with a white logo, and is also smiling. They are both holding a large black sign with the words 'THANK YOU!' in white, bold, serif capital letters. The sign is held in front of them, partially obscuring their bodies. The background shows a building with a large, light-colored circular feature on the left and a dark doorway on the right. The lighting suggests it is daytime.

We are excited

**to partner with Columbia Gateway URA to
transform the Tony's Building as a part of
our vibrant and revitalized downtown!**