



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, January 21, 2020

5:30 p.m.

CALL TO ORDER

Chair Grossman called the meeting to order at 5:29 p.m.

ROLL CALL

Present: Scott Baker, Staci Coburn, Bob Delaney, Gary Grossman, Darcy Long-Curtiss, Tim McGlothlin and Linda Miller

Absent: John Fredrick and Steve Kramer

Staff Present: Urban Renewal Manager Steve Harris and City Attorney Gene Parker

PLEDGE OF ALLEGIANCE

Chair Grossman led the Pledge of Allegiance.

APPROVAL OF AGENDA

It was moved by Long-Curtiss and seconded by Delaney to approve the agenda as written. The motion passed 7/0; Baker, Coburn, Delaney, Grossman, Long-Curtiss, McGlothlin and Miller in favor, none opposed, Fredrick and Kramer absent.

APPROVAL OF MINUTES

It was moved by Miller and seconded by Coburn to approve the minutes of November 19, 2019, as written. The motion passed 7/0; Baker, Coburn, Delaney, Grossman, Long-Curtiss, McGlothlin and Miller in favor, none opposed, Fredrick and Kramer absent.

PUBLIC COMMENT

None.

EXECUTIVE SESSION

Chair Grossman read the rules for Executive Session. Grossman asked the Board if there was any objection to Mayor Rich Mays attending Executive Session. There were no objections.

Pursuant to Item VI. A. of the Urban Renewal Agency Board Agenda dated January 21, 2020, which cites ORS 192.660(2)(h), the Board adjourned to Executive Session at 5:34 p.m.

Commissioner Kramer joined the meeting at 5:37 p.m.

Chair Grossman reconvened the Open Session at 5:48 p.m.

Board Member McGlothlin moved to accept the compromised settlement offer from CIS as provided for in their letter of January 14, 2020, on the condition of a policy release for damage incurred to the Agency-owned property known as the Recreation Building, and authorize staff to execute Release of All Claims with CIS. The motion was seconded by Kramer and passed 8/0; Baker, Coburn, Delaney, Grossman, Kramer, Long-Curtiss, McGlothlin and Miller in favor, none opposed, Fredrick absent.

ACTION ITEMS

First Addendum for the Disposition and Development Agreement for the Recreation Building, 213-215 E. Second Street

Director Harris presented the staff report.

Grossman invited discussion. McGlothlin asked how to minimize the amount of time the street and sidewalk are closed.

Todd Carpenter, 216 E. Fifth Street, The Dalles

Carpenter said it would be great if Buildings 2 and 3 [215 and 219 E. Second Street] were released to him in order to complete development. Architectural plans were prepared for those buildings, but he is reluctant to go forward without a contract or ownership of the buildings.

Carpenter contacted Tenneson Engineering regarding the sidewalk. Carpenter believed the barriers in front of 215 and 219 E. Second Street could be removed to allow more access adjacent to the Granada Theatre.

McGlothlin asked what barriers prevented the release of Buildings 2 and 3. Harris replied a structural engineer's analysis was required. CityCounty Insurance Services (the City's insurer) wanted the sidewalk to remain closed until the analysis was completed.

Carpenter restated his reluctance to proceed without a contract. Harris replied the original agreement said ownership would transfer to Carpenter after all installment payments and improvements were complete.

Carla McQuade, 216 E. Fifth Street, The Dalles

McQuade stated their willingness to hire an architect and move forward as long as they had a good contract. Carpenter said putting more money into the project without an agreed upon contract was tough for them.

In response to Kramer's inquiry, Carpenter replied there were no issues with County permits.

Baker asked if Tenneson Engineering had provided Carpenter with a date certain to complete. Carpenter replied he contacted Tenneson Engineering on January 8, 2020, but had not received a response.

Delaney asked why Carpenter could not move forward on the existing Disposition and Development Agreement (DDA). Carpenter replied there was an agreement, but no contract he could perform on. He said he would lose the money invested if an agreement on the contract was not reached.

Attorney Parker stated the addendum included negotiating a revised scope of the project which included a designation of the buildings; there would be an amendment to clarify that within the DDA.

Carpenter expressed concern with the timeline. Long-Curtiss replied the revised DDA could probably be completed within 30 days once an agreement was reached.

McGlothlin asked when the revised DDA could be completed. Parker replied ideally by the next meeting.

Delaney said he would like the matter handled expeditiously; the Board agreed.

Kramer asked if there would be a decision by both parties for the February meeting. Parker said that was the goal.

It was moved by Long-Curtiss to authorize the execution of the First Addendum to the Disposition and Development Agreement between the Columbia Gateway Urban Renewal Agency and Mr. Todd Carpenter and Ms. Carla McQuade for property known as the Recreation Building located at 213-215 E. Second Street. The motion was seconded by McGlothlin.

Kramer said for discussion purposes he wanted the February date in the motion. Baker asked if the lack of the engineering report would make the February meeting date impossible.

The motion passed 8/0; Baker, Coburn, Delaney, Grossman, Kramer, Long-Curtiss, McGlothlin and Miller in favor, none opposed, Fredrick absent.

Long-Curtiss, for discussion purposes, stated she would rather see accommodations other than a change in the purchase price to reach an agreement. The public sees the purchase price but is not always aware of additional items that arose due to the structural damage.

McGlothlin, Grossman and Baker agreed that was an excellent point.

Exclusive Negotiating Agreement with TD Fitness Hub, LLC, for the Purchase and Redevelopment of Property Located at 401-407 E. Second Street

Director Harris presented the staff report.

Grossman invited discussion.

Long-Curtiss requested clarification on what constituted "delivered" in the phrase: "If the DDA is not executed and delivered prior to..." Parker replied it was an excess formality and could be stricken.

Miller referred to the staff report which stated, "The ENA also acknowledges that TD Fitness Hub, LLC may request future Agency financial assistance with the cost of building repairs..." and asked if the applicant knew of any repairs.

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

Casady said they had not started their due diligence. His understanding was the ENA should be signed first. Environmental studies indicated a possible underground tank on Federal Street, asbestos, lead paint, and lead based ink.

It was moved by Coburn and seconded by Kramer to authorize the Chair to enter into an Exclusive Negotiating Agreement with TD Fitness Hub, LLC, for the purpose of negotiating the purchase and redevelopment of property located at 401-407 E. Second Street (2N 13E 3 BD, tax lots 2200 and 2300). The motion passed 8/0; Baker, Coburn, Delaney, Grossman, Kramer, Long-Curtiss, McGlothlin and Miller in favor, none opposed, Fredrick absent.

Urban Renewal Agency Annual Reports FY2018-19

Finance Director Angie Wilson was unavailable. Director Harris presented the staff report.

It was moved by Long-Curtiss and seconded by Miller to approve and forward to City Council the Urban Renewal Financial Report for FY2018-19. The motion passed 8/0; Baker, Coburn,

Delaney, Grossman, Kramer, Long-Curtiss, McGlothlin and Miller in favor, none opposed, Fredrick absent.

Agency Financial Workshop Discussion Topics

Director Harris presented the staff report.

Chair Grossman invited discussion.

Kramer did not want to limit the Board to the four questions included in the staff report; he felt the discussion would be broad.

Mayor Mays asked if annual tax increment collections would include a trend analysis over the years the Agency had been in existence. Harris replied it was included in the reports.

Mayor Mays also asked if it was implied that part of the tax increment could be given to the taxing bodies and part of the tax increment could be used to pay off the debt. Harris replied if the levy rate was reduced, the remainder would stay with the taxing district. Staff would need to check for any limitations on the 2008-09 bond which established the taxing rates.

Harris said the February 27 workshop will contribute to the budget committee meeting scheduled for mid-April.

Baker said he will be unable to attend the February 27 workshop and offered the following comments: Taxing districts have a data center on the horizon. The Enterprise Zone is set to expire and will direct more monies to the taxing districts. Baker would like to consider some type of relief for these districts. Perhaps pause, under collect, and provide a breather for the taxing districts. Once the Enterprise Zone ends, backfill the funds and resume again.

Baker said when considering the list of Urban Renewal projects, it has been a long time since the Agency has had a major win. It would be great to pick one project and spend all the Staff time and Board energy on completing and pushing the project through.

Baker said as part of the financial status, he would like to see all the money expended since 1999 and which percentage of those projects had triggered a re-assessment of property taxes. He would like to know how Urban Renewal is rated. Is the bulk of the money spent on public improvement projects that do not trigger a re-assessment, or are we spending more on projects that trigger re-assessment and lead to a return on investment. It is outlined in our Plan that a project requirement is to trigger a property tax increase.

Long-Curtiss agreed with Baker's comments, and said there should be a discussion regarding the tightening of qualifications for projects in order to be more intentional and show outcomes for the money.

Long-Curtiss said she had reservations about having the meeting without representatives from one of the tax districts that contributes a large percentage of the budget.

Harris reminded the Board that in the Urban Renewal Budget Book there is a table that provides some of the statistics requested. Since the Agency's inception, Urban Renewal expenditures were \$19,300,000, City contributions \$364,000, property owner and developer contributions \$53,195,000, federal grants \$9,200,000, state grants \$5,200,000, and local grants just over \$300,000. A total of over 87.5 million dollars of monies have come in and been re-invested through the Agency. That is not an assessed value, but shows there has been an interest and some successes over the years for the Agency.

Baker said the key point was a lot of those projects involving private money did not trigger a re-assessment. Although it is wonderful economic development, it does not trigger the re-assessment raising the property value on those properties.

STAFF COMMENTS

Director Harris said Sunshine Mill repaid their loan.

Harris asked if the Board would like to hold the next scheduled meeting, February 18, 2020, in addition to the workshop scheduled February 27, 2020. Chair Grossman suggested all the business, including Election of Officers, be conducted at the February 27 meeting.

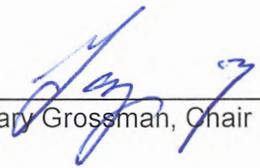
BOARD MEMBERS COMMENTS OR QUESTIONS

Long-Curtiss said two years ago during the legislative short session she was invited to present a request for funding for the First Street Streetscape project. We were offered \$1 million to finish the project, but the City was unable to meet the conditions the legislature requested. Since we are approaching the short session again, Long-Curtiss proposed the Board authorize the Chair and Staff to work with Representative Bonham to again seek additional funding for the Streetscape Project. Board consensus was in agreement.

ADJOURNMENT

Chair Grossman adjourned the meeting at 6:56 p.m.

Respectfully Submitted
Paula Webb, Community Development Secretary



Gary Grossman, Chair

