

AGENDA

COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD

June 20, 2023

5:30 p.m.

City Hall Council Chambers

313 Court Street, The Dalles, Oregon

Via Zoom

<https://us06web.zoom.us/j/86259459367?pwd=Z0Nnd3E4bkxBUVhXQkRkTkJCdEJ6QT09>

Meeting ID: **862 5945 9367** Passcode: **292293**

Dial: 1-669-900-6833 or 1-253-215-8782

1. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. APPROVAL OF MINUTES – May 16, 2023
6. PUBLIC COMMENT – During this portion of the meeting, anyone may speak on any subject that does not later appear on the agenda. Five minutes per person will be allowed.
7. CONTRACT REVIEW BOARD ACTIONS
 - A. Contract No. CGURA 2023-01 Hazardous Materials Abatement and Demolition: Tony’s Building Property
8. ACTION ITEM
 - A. Intergovernmental Agreement for Mill Creek Greenway Segment Two
9. PRESENTATION
 - A. Urban Renewal Overview
10. STAFF COMMENTS / PROJECT UPDATES
11. BOARD MEMBER COMMENTS / QUESTIONS

12. ADJOURNMENT

Meeting conducted in a room in compliance with ADA standards.

Prepared by/
Paula Webb, Secretary
Community Development Department

MINUTES

COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD MEETING

May 16, 2023

5:30 p.m.

City Hall Council Chambers
313 Court Street, The Dalles, Oregon 97058
Via Zoom / Livestream via City Website

PRESIDING: Tim McGlothlin, Vice Chair

BOARD PRESENT: Staci Coburn, Scott Hege, Tim McGlothlin, Dave Peters, Dan Richardson, and Shanon Saldivar, two positions vacant

BOARD ABSENT: Darcy Long

STAFF PRESENT: Director and Urban Renewal Manager Joshua Chandler, City Attorney Jonathan Kara, Finance Director Angie Wilson, Secretary Paula Webb

CALL TO ORDER

The meeting was called to order by Vice Chair McGlothlin at 5:35 p.m.

PLEDGE OF ALLEGIANCE

Board Member Richardson led the Pledge of Allegiance.

APPROVAL OF AGENDA

Vice Chair McGlothlin stated Item 8 would be deleted [the correct number for deletion was 7.B.]. City Attorney Kara noted Item 7.B. was mislabeled and should be a public hearing.

It was moved by Hege and seconded by Richardson to approve the agenda as revised. The motion carried 6/0; Coburn, Hege, McGlothlin, Peters, Richardson, and Saldivar voting in favor, none opposed, Long and Peters absent, two positions vacant.

APPROVAL OF MINUTES

It was moved by Hege and seconded by Coburn to approve the minutes of April 18, 2023 as submitted. The motion carried 6/0; Coburn, Hege, McGlothlin, Peters, Richardson, and Saldivar voting in favor, none opposed, Long and Peters absent, two positions vacant.

PUBLIC COMMENT

None.

Director Chandler stated Agenda Item 7.A. should be relabeled as 8.A.; the first Action Item will be 7.B. The Item 7.A. will be reviewed following the Action Item.

ACTION ITEM

Consideration of Urban Renewal funding of Freebridge Brewing located at 710 E. 2nd Street

Director Chandler presented the staff report.

Discussion:

- Once an applicant has reached the \$50,000 limit, they can no longer apply.
- The Agency's agreement is with the property owner, not the tenant.
- This project did not calculate a return on investment (ROI) for the creation of jobs. The additional jobs are a huge benefit with this project. The Tokola project calculated the return of investment provided by tenants, but not job creation.
- The development agreement will include timelines and provisions to ensure projects are completed.

Steve Light, 5152 Fifteenmile Road, The Dalles

Mr. Light stated he agreed with Board Members Hege and Richardson regarding the intrinsic benefits of this level of investment that cannot be quantified in an ROI in the course of 16 years. He added there is an element that goes beyond a static calculation of ROI. He understood the need for a process to quantify the return on funding. Not necessarily in the form of tax dollars, but maybe qualified by what the project brings to the community.

Changes to the budget were, in part, due to the fire/life/safety assessment. To obtain permits, Mr. Light must install a substantial fire suppression system in the 14,000 sq. ft. building built in the late 1800s. The roof membrane is failing and the parapet surrounding the original structure is severely degraded, requiring significant restoration and repair.

Main Street offers a Revitalization Program that Mr. Light will apply for in January of 2024, a \$220,000 matching grant.

Mr. Light stated he has cash to fund a portion of this project, and the Mint has a line of credit at 6.5% that will cover the remaining part. A tentative agreement states when Mr. Light purchases the building, funds spent to advance this project will be passed to Mr. Light.

Tim Schectel, 3511 Sandlin Road, The Dalles

Mr. Schectel stated less funding would set the project back, and possibly be a deal breaker; he is constrained by interest rates.

Board Member Hege offered his assistance in working through the process with the County.

Board Member Richardson stated the Mint is a historic building. Urban Renewal incentives are to act as an accelerant to redevelopment. We would be wise to include that in our calculations along with the ROI and jobs.

Board Member Hege noted the budget had changed and added he appreciated the staff recommendation. Hege said this was a great project; he supports it, and would like to help at some level. He is not supportive of helping at the level the applicants requested. He added resolving the budget would be helpful.

Vice Chair McGlothlin requested a motion. Board Member Hege suggested the motion be postponed until the applicants refined their budget and worked out their issues. He invited the

applicants to return with a defined request. Board consensus was to return to this item at a later date.

PUBLIC HEARING

Adoption of the Fiscal Year 2023/24 Budget for the Columbia Gateway Urban Renewal Agency

Vice Chair McGlothlin read the rules of a public hearing. He then asked if any Board Member had ex parte contact, conflict of interest, or bias which would prevent an impartial decision. Hearing none, he opened the public hearing at 6:40 p.m.

Finance Director Wilson presented the staff report. Director Wilson recommended approval of the proposed FY 2023/2024 budget.

There was no public testimony in favor or opposition.

The public hearing closed at 6:44 p.m.

RESOLUTION

Resolution No. 23-003 – A Resolution Adopting the Fiscal Year 2023/2024 Budget for the Columbia Gateway Urban Renewal Agency, Making Allocations, and Certifying a Request for Maximum Tax Revenue to the County Assessor

It was moved by Hege and seconded by Coburn to adopt Resolution No. 23-003 – A resolution adopting the fiscal year 2023/2024 budget for the Columbia Gateway Urban Renewal Agency, making allocations, and certifying a request for maximum tax revenue to the County Assessor.

There was no discussion.

The motion carried 6/0; Coburn, Hege, McGlothlin, Peters, Richardson, and Saldivar voting in favor, none opposed, Long and Peters absent, two positions vacant.

STAFF COMMENTS / PROJECT UPDATES

Incentive Program Updates

Guidelines and applications in both English and Spanish have been uploaded to the City website.

Payments for completed projects will be finalized. The Soda Works building was demolished. The former Tijuana Taqueria now has a parking lot that meets requirements.

Tony's Building

Bid closing for demolition was held today. Staff will review bids and make the award at the next meeting. Two bids were received.

Vice Chair McGlothlin inquired about recent development on E. 2nd Street [2718 E. 2nd Street]. Director Chandler replied one business is an HVAC satellite office, the other is a Family Fun Center.

BOARD MEMBER COMMENTS / QUESTIONS

None.

EXECUTIVE SESSION

Pursuant to Item 11 of the Urban Renewal Agency Board Agenda dated May 16, 2023, which cites ORS 192.660(2)(f) to consider information or records that are exempt by law from public inspection, the Board recessed to Executive Session at 6:51 p.m.

RECONVENE TO OPEN SESSION

Vice Chair McGlothlin reconvened the Open Session at 6:57 p.m.

No decision.

ADJOURNMENT

Being no further business, the meeting adjourned at 7:30 p.m.

Meeting conducted in a room in compliance with ADA standards.

Submitted by/
Paula Webb, Secretary
Community Development Department

SIGNED: _____
Darcy Long, Chair

ATTEST: _____
Paula Webb, Secretary
Community Development Department



AGENDA STAFF REPORT
AGENDA LOCATION: 7. A.

MEETING DATE: June 20, 2023

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Joshua Chandler
Community Development Director / Urban Renewal Manager

ISSUE: Contract No. CGURA2023-01 – Tony’s Building Property: Hazardous Materials Abatement and Demolition

BACKGROUND

The property located at 401-407 E. 2nd Street, known locally as the “Tony’s Building,” was purchased by the Urban Renewal Agency in 2016 with the hope of redeveloping and revitalizing a portion of the downtown core of The Dalles. In that time, the Agency considered multiple development agreements; one to demolish and erect a multi-story mixed-use development and another for the reuse of the space for a fitness center. However, neither plan was executed. Throughout the course of each proposal, multiple inspections and studies were conducted which revealed the high cost to repair and reuse the existing buildings, as well as a significant amount of hazardous material on and within the buildings. At the February 2021 Agency Board meeting, the Board directed staff to pursue the demolition and hazardous material abatement process for the property to make way for a development-ready site in downtown.

During an extended period of research and preparation, the Agency received assistance through the City of The Dalles Brownfield Revitalization program to conduct a Phase 1 Environmental Assessment, an Analysis of Brownfield Cleanup Alternatives, as well as removal of an underground storage tank located beneath an abutting sidewalk on Federal Street. In addition, the Agency commissioned an overall engineering report of the current building conditions and basic estimate for the cost of demolition. This information was used to prepare an Invitation to Bid for the work, which was published March 31, 2023.

On April 18, 2023, the Agency conducted a mandatory pre-bid meeting at the subject property for all interested contractors. Ten contractors from around the region attended this meeting.

The bid opening for the project was held on May 18, 2023 at 2:00 p.m. By that time, the Agency received three bids. The bids received were as follows:

	<u>Bid Total</u>
1. Willamette Construction Service, dba GDSI	\$510,510.00
2. Konell Construction and Demolition Corp.	\$422,355.00
3. <i>Environmental Resources, Inc.</i>	\$280,000.00*

**cost did not include demolition or backfill services*

Following bid opening, staff reviewed bids received for completeness as described in the Invitation to Bid and ORS 279C.375(3)(a)(b). As stated, the Agency may award an item, groups of items, or the entire bid, if such award is in the public interest.

The lowest total bid was received by *Environmental Resources Inc.*; however, its bid only covered asbestos abatement services and did not include demolition or backfill services.

After reviewing all responsive bids, Agency staff determined *Konell Construction and Demolition Corp.* was the lowest bidder and recommends awarding Contract No. CGURA2023-01 to it in an amount not to exceed \$422,355.00. Note: *Environmental Resources Inc.*'s \$280,000 bid for asbestos abatement services was about \$72,000 more than *Konell Construction and Demolition Corp.*'s bid for the same services.

BUDGET IMPLICATIONS

The Agency budgeted \$750,000.00 for this project in FY 23/24; therefore, having sufficient funds to complete the work. Additional costs associated with post-demolition archeological work and soil sampling will be incurred at a later date.

The Agency was also awarded up to \$60,000 from the Oregon Business Development Department's Brownfields Redevelopment Fund, which will offset the overall project cost.

BOARD ALTERNATIVES

1. ***Staff Recommendation: Move to Authorize the Agency Manager to enter into Contract No. CGURA2023-01 with Konell Construction and Demolition Corp. for Tony's Building Property: Hazardous Materials Abatement and Demolition in an amount not to exceed \$422,355.***
2. Reject all bids and direct staff to re-advertise a modified work scope.



AGENDA STAFF REPORT
AGENDA LOCATION: 9. A.

MEETING DATE: June 20, 2023

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Joshua Chandler
Community Development Director / Urban Renewal Manager

ISSUE: Intergovernmental Agreement for Mill Creek Greenway
Segment Two – Urban Renewal Funding

BACKGROUND

In order to achieve the goals and objectives laid out in the Urban Renewal Plan, the Agency established a list of adopted projects and activities that may be undertaken by the Agency, or caused to be undertaken by others, subject to the availability of appropriate funding. One of these projects, further described in Section 600 (I) of the Plan, is the Mill Creek Greenway Property Development, consisting of a paved pedestrian/bicycle path along Mill Creek to be utilized for recreation and as a connector for pedestrian and bicycle travel in the City. A complete description of this project is below:

A main feature of the Mill Creek Trail/Greenway, primarily the section between W. 2nd Street and West 8th Place, will be the construction of the 10 foot wide paved pedestrian bicycle trail, to be utilized for recreation and as a connector for pedestrian and bicycle travel in the City. An additional pedestrian bridge over Mill Creek will be constructed as part of connecting the trail to a terminus with the West 8th Place cul-de-sac. A connection is also proposed from W. 2nd Street via a pedestrian/bicycle signaled crosswalk or other approved method of passage, then continuing along property between the Union Pacific Railroad right-of-way, Urness Motors (Assessor Map No. 1N 13E 3BB Tax Lots 900 & 1000), and the United States Postal Service properties (Assessor Map No. 1N 13E 3BB Tax Lots 700 & 800) to Union Street, with the trail ultimately connecting to the Riverfront Trail. Construction of the Mill Creek Trail Greenway is anticipated to be done in phases.

Anticipated expenses include, but are not limited to, engineering and design for the Mill Creek Trail/Greenway, consultant review of the compatibility of the location of the

proposed trail with existing and planned improvements for the Thompson Park property owned by the Northern Wasco County Parks & Recreation District, landscaping, lighting, irrigation, trash receptacles, toilets, benches, interpretive and trail signage, creek overlooks, a native plant garden, picnic area, and sculpture.

This pathway is included in the City of The Dalles Transportation System Plan in 2017, as well as the Northern Wasco County Parks and Recreation District (District) Master Plan in 2019. A major portion of this project, Segment Two, is located entirely within Thompson Park, a District facility, along Mill Creek between W. 2nd and W. 6th Streets. Following the adoption of the Master Plan, the District began to explore funding assistance for the project. This resulted in pursuing the Oregon Community Paths (OCP) grant program, administered by the Oregon Department of Transportation, which included a combination of federal and state funds. The District entered into a contract with ODOT for the OCP grant in early 2022 for a total Project cost estimate of \$2,925,558. As required by the grant, the District must provide a 10.27% match of the total cost, or approximately \$300,000.

During the October 2020 Agency Board meeting, a representative from the District requested Agency funds to assist with this match request, in addition to its own contribution of \$10,000. The Agency Board unanimously moved to commit up to \$300,000 for this project with the understanding the District would administer the grant, as well as contribute to the overall match as discussed. The \$300,000 commitment was budgeted in both the FY 22/23 and FY 23/24 budgets.

On April 18, 2023, ODOT formally requested the District transfer the total match amount of \$300,352.10. Prior to the disbursement of funds, Agency staff drafted an Intergovernmental Agreement (IGA) between the Agency and District for the amount not to exceed \$290,352.10, accounting for the previously mentioned commitment in addition to the \$10,000 contribution from the District.

BUDGET IMPLICATIONS

The Agency budgeted \$300,000.00 for this project in the FY 23/24 budget, therefore, having sufficient funds to complete the work.

BOARD ALTERNATIVES

1. ***Staff Recommendation: Move to Authorize the Agency Manager to enter into an Intergovernmental Agreement for Mill Creek Greenway Segment Two between the Columbia Gateway Urban Renewal Agency and the Northern Wasco County Parks and Recreation District in an amount not to exceed \$290,352.10.***
2. Move to decline authorization of the Intergovernmental Agreement and direct staff accordingly.

Attachments

- **Attachment A** – Intergovernmental Agreement for Mill Creek Greenway: Segment Two

**INTERGOVERNMENTAL AGREEMENT FOR
MILL CREEK GREENWAY SEGMENT TWO FUNDING**

This INTERGOVERNMENTAL AGREEMENT FOR MILL CREEK GREENWAY SEGMENT TWO FUNDING (**IGA**) is entered between the Columbia Gateway Urban Renewal Agency (**Agency**), an urban renewal agency duly formed and operating under the provisions of ORS Chapter 457, and Northern Wasco County Parks and Recreation District (**District**), a park and recreation district duly formed and operating under the provisions of ORS Chapter 266.

WHEREAS, ORS 190.003 designates both Agency and District as units of local government and ORS 190.010 provides units of local government may enter written agreements with any other unit of local government for the performance of any or all functions and activities a party to the agreement has authority to perform;

WHEREAS, on January 31, 2022, District entered that certain Grant Agreement (Misc. Contracts and Agreements No. 35236, **Grant Agreement**) with the Oregon Department of Transportation (**ODOT**), a copy of which is attached to and made part of this IGA as **Exhibit A**;

WHEREAS, Section 1 of the Grant Agreement provides ODOT agreed to deliver to District the Mill Creek Greenway Project, including construction of approximately 1,850 feet of fully accessible, paved, and 10-foot-wide urban path along Mill Creek Greenway between West 2nd Street and West 6th Street (**Project**);

WHEREAS, the Project is listed in Section 0600(l) of Agency's *Urban Renewal Plan* as a public improvement project deemed by Agency as necessary to eliminate blighted conditions and influences, stabilize or increase depreciating property values, create an attractive area for the stabilization, expansion, rehabilitation or redevelopment of existing businesses, industries, and housing, create a physical, visual, and economic environment to attract new job-producing development in Agency's urban renewal district, and to further the objectives of the *Urban Renewal Plan*;

WHEREAS, at its October 20, 2020, regular meeting, the Agency Board considered then approved funding support for the Project up to \$300,000 based on the understanding District would administer the grant, deliver the Project, and contribute \$10,000 of its own funds;

WHEREAS, on April 18, 2023, ODOT sent District a letter referring to the Grant Agreement and requesting District fund \$300,352.10 as its contribution to the Project, a copy of which is attached to and made part of this IGA as **Exhibit B**; and

WHEREAS, the Parties intend this IGA to formalize and qualify the Agency's funding support for the Project.

NOW, THEREFORE, in consideration of both the provisions set forth herein and other good and valuable consideration, the receipt and sufficiency of which is here acknowledged, the Parties agree:

1. Term. This IGA's term commences on the date of its execution and expires naturally at Project completion unless sooner terminated as provided herein.
2. Payment. Agency agrees to make a payment (**Payment**) to District of *two hundred ninety thousand three hundred fifty-two dollars and ten cents* (**\$290,352.10**) by check

- payable to **Northern Wasco County Parks and Recreation District** within ten (10) days of this IGA's mutual execution.
3. **Refund.** The Parties agree their ultimate objective is the Project's delivery and agree to reasonably act in furtherance of their objective in all events. District agrees Agency's Payment is exclusively preconditioned upon District's delivery of the completed Project; if any of the following occur, Agency reserves the right to request reimbursement and District agrees to refund Agency a portion of the Payment upon Agency's request as follows:
 - (a) if the Project is completed under budget and ODOT returns the remaining match to District, then District agrees to refund the Agency 96.7% of those returned funds;
 - (b) if the Grant Agreement expires or is sooner terminated prior to the Project's full completion, then District agrees to refund the Agency the entire Payment; provided, however, the Parties agree District's refund obligation will be prorated based on the degree of Project completion (as reasonably determined by Agency) at the time the Grant Agreement expires or is sooner terminated; or
 - (c) if the Project is not completed by June 30, 2029, then District agrees to refund the Agency the entire Payment prorated based on the degree of Project completion (as reasonably determined by the Agency) as of that date; provided, however, if the Agency Board determines District is reasonably and diligently pursuing the Project towards completion, the Agency Board may unilaterally extend the time allowed for District's delivery of the Project to no later than June 30, 2033.
 4. **Status Updates.** Upon Agency's request, and no more frequently than every six (6) months during this IGA's term, District agrees to provide Agency with a Project status update so as to keep Agency timely informed and apprised of its investment to the Project and how its Payment has been disbursed. District further agrees to provide Agency a final written report identifying Project expenditures, outcomes, and any other relevant information reasonably helpful to the Agency Board, as determined by the Agency Manager. The Parties agree District's Project status updates may either be in the form of a presentation to the Agency Board or a letter from District's Executive Director to the Agency Manager.
 5. **Grant Agreement Notice.** District agrees to provide Agency notice of any amendment to or expiration or termination of the Grant Agreement within ten (10) days of any such amendment, expiration, or termination.
 6. **Successors and Assigns.** The Parties agree Agency is anticipated to reach its maximum indebtedness in 2029 and may, pursuant to ORS Chapter 457, transfer its authorities to any other body authorized to exercise those powers under ORS 457.045; accordingly, if Agency terminates pursuant to ORS 457.075, the Parties expressly agree Agency's rights and benefits under this IGA shall transfer to such other authorized body by operation of law. The Parties agree all provisions of this IGA are binding upon and inure to the benefit of the Parties and their respective successors and assigns.

7. Indemnity. District agrees to defend, indemnify, and hold Agency (including its officials, employees, and agents) harmless from and against any and all claims, injuries, damages, losses, or expenses, alleged or proven to be caused in whole or in part by District's (including its officials', employees', and agents') acts or omissions in the performance of this IGA. The Parties agree this section survives this IGA's expiration or sooner termination.
8. General Provisions.
- (a) Merger. This IGA contains the Parties' entire understanding and intent and supersedes all prior negotiations, representations, or other written or oral agreements on this matter. The Parties agree this IGA may be modified by a written instrument duly executed by the Parties at any time.
- (b) Independent Contractor. The Parties agree District is, at all times, acting and performing as an independent contractor in its performance of this IGA and nothing contained in this IGA creates, is intended to create, or will be construed to create an association, partnership, joint venture, agent-principal relationship, or employer-employee relationship between the Parties. District agrees not to act, be deemed to be acting, or purport to act as Agency's employee, agent, or representative, for any purpose.
- (c) Third-Party Beneficiaries. The Parties agree they are the only parties to this IGA and are the only parties entitled to enforce its terms. Nothing in this IGA gives, is intended to give, or will be construed to give or provide any benefit or right, whether directly or otherwise, to any third-party.
- (d) Representations and Warranties. The Parties each represent and warrant they each have the power and authority necessary to enter and perform this IGA and this IGA (when executed and delivered) is a valid and binding obligation of each Party.
- (e) Dispute Resolution. The Parties agree any claim, action, suit, or proceeding (**Claim**) between them and arising from or relating to this IGA will be submitted to binding arbitration and not to litigation, all construed in accordance with the laws of the State of Oregon. The Parties further agree the arbitrator's decision will be final and binding and a judgement may be entered thereon. The Party submitting any Claim to arbitration agrees to notify the other Party, and the Parties agree to select an arbitrator within thirty (30) days of such notice. The Parties agree the prevailing party is entitled to recover, in addition to any costs or disbursements, the sum as the arbitrator may adjudge as reasonable attorney fees.
- (f) Compliance with Law. District agrees to comply with all federal, Oregon, and local laws connected with its use of public funds pursuant to this IGA.
- (g) Severability. If any provision of this IGA is declared unenforceable or in conflict with any law, the Parties agree the validity of the remaining provisions will not be impacted and their rights will be construed and enforced as if this IGA did not contain that particular invalid provision.

- (h) Waiver. The Parties agree any Party’s failure to enforce any provision of this IGA does not constitute that Party’s waiver of that or any other provision.
- (i) Notices. All notices required or permitted to be given under this IGA shall be deemed given and received two (2) days after deposit in the United States Mail, certified or registered form, postage prepaid, return receipt requested, and addressed:

To Agency: Agency Manager
 Columbia Gateway Urban Renewal Agency
 313 Court Street
 The Dalles, OR 97058

To District: Executive Director
 Northern Wasco County Parks and Recreation District
 602 West 2nd Street
 The Dalles, OR 97058

IN WITNESS WHEREOF, the Parties duly execute this **INTERGOVERNMENTAL AGREEMENT FOR MILL CREEK GREENWAY SEGMENT TWO FUNDING** this ____ day of _____, 2023.

AGENCY

DISTRICT

 Joshua Chandler, Agency Manager

 Scott Baker, Executive Director

Approved as to form:

Approved as to form:

 Jonathan M. Kara, City Attorney

 Andrew J. Myers, Attorney for District