

MINUTES

NEWBERG CENTENNIAL REDEVELOPMENT COMMISSION
FINANCE COMMITTEE

12:00 Noon

Sage Restaurant, Newberg OR

March 31, 1983

Members Present: Bruce Breitling
Art Moffat
Alan Halstead
Quentin Probst
LeRoy Benham
Clay Moorhead, Executive Secretary

Others Present: Mr. & Mrs. Jules Drabkin
Michael Fagan
Mark Flolo

The chairman of the finance committee, Bruce Breitling, opened the meeting and initiated a discussion relating to an investor rehab loan program. Mr. Breitling indicated that the Portland Development Commission (PDC) does operate this type of program in Portland. He indicated that he contacted Bruce Wakefield of PDC for details. Mr. Wakefield indicated that there is no limit on the amount borrowed from the Portland Development Commission for housing rehabilitation but that PDC is now considering a limit on a rehab per unit basis. Currently, up to \$50,000 may be loaned from PDC on commercial developments. The balance of the financing necessary to rehab a particular project must be obtained by the developer through an independent bank at the going rate. PDC usually loans their money at approximately 3%, which is used to leverage down the interest rate of money from the standard commercial bank.

The committee discussed the ceiling limits of the PDC program. Some members of the committee questioned whether \$50,000 was appropriate to make rehab projects feasible in Newberg. Mr. Breitling indicated that a study could be made to determine the approximate costs of potential rehabilitation projects within the First Street area before the committee could make a recommendation to NCRC on participation ceiling limits. A range indicating high and low figures could be produced to help in identifying these ceiling limits. It was commented by the committee that the developer should participate by providing financing of not less than 50% of the total project cost through a private lender. The general market could dictate whether a specific project was economically feasible by having the bank make a determination on financing the private participation portion of the loan.

Mr. Moffat indicated that, in looking at total project costs, the Commission should also consider the applicable off site improvement costs. He indicated that the Commission may have to consider a short term note to help finance a pilot project. Mr. Benham indicated that it is feasible to borrow from the bank and use incremental dollars for repayment. The actual viability of this

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proposal should be organized by the finance committee and presented back to the Redevelopment Commission. Mr. Moffat indicated that all new construction in the uptown area should incorporate the turn of the century theme.

Mr. Breitling stated that he will get together with staff to make an initial determination as to the feasibility of a short term loan to be repaid through increment for presentation back to the committee.

The meeting was then adjourned.

NEWBERG CENTENNIAL REDEVELOPMENT AGENCY

NEWSLETTER

MARCH 10, 1983

REDEVELOPMENT AGENCY CHOOSES TURN OF THE CENTURY THEME.

On March 9, 1983 the Redevelopment Agency met and took action on a number of items. One action was to adopt a turn of the century theme for the redeveloped area. The area that would be affected by the theme would be west of River Street from Sheridan to Fourth Street. During the next 60 days the Redevelopment staff will prepare various architectural ideas or parameters as options for the Redevelopment Agency to review. The meeting will be advertised and all ideas and input are welcome from the public.

Another question that will be discussed by the Redevelopment Agency is how to assure that all new buildings comply with the theme. As many of you already know the City adopted last year a design review ordinance for all new commercial and industrial property within the City limits. The Redevelopment Agency went on record at their March 9, 1983 meeting to work diligently in an effort to not create another layer of red tape for developers. It is conceivable that the Redevelopment Agency will act as the design review board for all new buildings in the redevelopment area rather than the current design review board.

LET'S GET GOING.

A significant motion was passed unanimously at the last Redevelopment meeting. The motion was to pursue a visible demonstration project centrally located on First Street with interim financing. The Newberg Centennial Redevelopment commission will receive approximately \$100,000 the first year. Unfortunately that money will not be received until almost the end of 1983. Many people are asking when redevelopment will actually start and what will happen. With the wave of enthusiasm toward the theme idea and the rejuvenation of the uptown area we would all like to see something sooner than 1984. Through the motion mentioned above the Redevelopment Agency will pursue some financing in the next few months and begin a project hopefully by summer.

The project committee will be looking at various alternatives for the important first project of the Redevelopment Agency. The project committee consists of Art Moffat, Rick Rementeria and Elvern Hall.

ALL AMERICA CITY AWARD.

Described as the Academy Award for cities, the All America City Award is presented each year to a very small handful of communities throughout the United States. The Redevelopment Agency asked that the City Manager bring the idea up at the next City Council meeting and discuss the formation of a committee to work on the application for either 1984 or 1985.

NEXT REDEVELOPMENT MEETING.

The Newberg Centennial Redevelopment Commission will meet again on Wednesday, April 13, 1983. Redevelopment will affect all who read this newsletter. If you have an idea, suggestion or comment talk to one of the Redevelopment Directors or City Staff.

DIRECTORS:

LeRoy Benham, Chairman
Alan Halstead, Vice-Chairman
Bruce Breitling
Elvern Hall
Art Moffat
Quentin Probst
Rick Rementeria

STAFF MEMBERS:

Michael Warren, Executive Director
Clay Moorhead, Executive Secretary
Arvilla Page, Finance Officer