

MINUTES
NEWBERG CENTENNIAL REDEVELOPMENT COMMISSION
FINANCE COMMITTEE

7:00 AM

Almond Tree Restaurant

January 23, 1984

Members Present:

Bruce Breitling
Quentin Probst
Alan Halstead

Others Present:

Clay Moorhead, Executive Secretary
Rick Faus, NCRC Attorney
Stan Bunn

The meeting was called to order by Bruce Breitling who introduced the topic of discussion which was to review once again the request by Stan Bunn relating to a rehabilitation loan application. Specifically, Mr. Bunn has indicated that the cost for completing the project as initially proposed will be approximately \$26,000 rather than the \$15,000 figure initially identified within the application. It was noted by Mr. Bunn that the cost differences were due to upgrading the materials used for rehabilitating the rear of the building as well as remodeling the reception area, together with additional carpeting, painting, wall repair, built in shelving and a contingency fee. The Committee reviewed the cost breakdown for each of the construction items proposed by Mr. Bunn. Through the review of Mr. Bunn's request the Committee also addressed the following items:

- A. Mr. Bunn requested that four draw-down disbursements be allowed during construction upon completion of certain specific tasks. After reviewing this, the Committee determined that the request was reasonable provided that the last draw-down not be dispursed until all rehabilitation work has been completed and that the draw-downs shall be equal to or less than the disbursements provided by the participating lender. The Committee noted that the loan funds could not be dispursed under these arrangements unless the entire Commission agreed to the alternative arrangements.
- B. Mr. Bunn requested that a lot book search report be provided to the Redevelopment Commission as an alternative to title insurance. The Committee discussed this matter and determined that, in order to authorize alternatives to title insurance, specific criteria must be outlined as to when the Agency would and would not accept alternatives. It was agreed that individual exceptions should not be made relating to this requirement unless specific criteria are addressed. The loan program as currently authorized by the Commission requires, under Section 280, Subsection 16, that title insurance coverage be provided to the Commission. The Committee again noted that in order to deviate from the standard currently identified within the loan regulations, specific criteria must be identified and approved by a resolution of the Agency in advance of making any exception.

- C. Mr. Bunn questioned whether any remaining contingency fees could be used to repay the loan principle of both the participating lender and the Redevelopment Commission. Members of the Committee responded by indicating that, if there are equal draw-downs on the loan amount, then any contingency fees that might be remaining would also be equal; however, in no instance could the Redevelopment Agency support more than 50% of the projects loan costs.

Motion: Probst-Breitling to recommend approval of the increase in the loan request from \$15,000 to \$26,000, half of which would be supported from Redevelopment funds. Motion carried 2-0 with Alan Halstead abstaining as he was named as a possible sub-contractor on the project.

There being no further business, the meeting was then adjourned.