

AGENDA

COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD

December 19, 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
 - A. October 17, 2023
 - B. November 21, 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. ACTION ITEM:
 - A. Intergovernmental Development Agreement: City of The Dalles / Columbia Gateway Urban Renewal Agency – Parking Lot Development, 600 and 608 East 3rd Street
8. DISCUSSION ITEM:
 - A. Urban Renewal Plan Review: Affirmation or modification of Columbia Gateway Urban Renewal Agency Goals and Objectives
9. BOARD MEMBER COMMENTS / QUESTIONS
10. STAFF COMMENTS / PROJECT UPDATES
11. 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
October 17, 2023
5:30 p.m.

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

- PRESIDING:** Darcy Long, Chair
- BOARD PRESENT:** Scott Baker, Staci Coburn, Walter Denstedt, Tim McGlothlin, Dan Richardson, and Shanon Saldivar
- BOARD ABSENT:** Scott Hege and Ben Wring
- STAFF PRESENT:** Director and Urban Renewal Manager Joshua Chandler, Economic Development Officer Dan Spatz, City Attorney Jonathan Kara, Secretary Paula Webb

CALL TO ORDER

The meeting was called to order by Chair Long at 5:32 p.m.

PLEDGE OF ALLEGIANCE

Chair Long led the Pledge of Allegiance.

APPROVAL OF AGENDA

Chair Long noted the Executive Session should be struck from the agenda.

It was moved by Coburn and seconded by Baker to approve the agenda as amended. The motion carried 7/0; Baker, Coburn, Denstedt, Long, McGlothlin, Richardson, Saldivar and voting in favor, none opposed, Hege and Wring absent.

APPROVAL OF MINUTES

It was moved by Richardson and seconded by McGlothlin to approve the minutes of September 19, 2023 as submitted. The motion carried 9/0; Baker, Coburn, Denstedt, Hege, Long, McGlothlin, Richardson, Saldivar and Wring voting in favor, none opposed.

PUBLIC COMMENT

None.

DISCUSSION ITEM

Tony's Building – Request for Proposals (RFP) Board Guidance

Economic Development Officer (EDO) Spatz presented the staff report.

EDO Spatz requested the level of specificity the Board may or may not wish to include in the RFP. As an example, he referred to requests for a Federal Street Plaza. Should some level of coordination with the Federal Street Plaza be included in the RFP?

Based on the Board's comments tonight, a draft should be available in November and ideally publish toward the end of December.

Chair Long requested a brief overview of the RFP suggestions. She added her preference was to move forward as quickly as possible.

EDO Spatz provided a summary:

- The Board may choose to require specific uses of the property, such as upper story residential, street level retail, a restaurant, green building requirements and other energy efficiency measures, community spaces or other elements.
- Respondents could be required to describe how their proposed development would make efficient use of the City-owned parking lot between the property and E. 1st Street and how redevelopment would align with the 1st Street project reconstruction.
- There may be an opportunity to integrate the property redevelopment into the concept of a Federal Street Plaza. As envisioned, this would be a public area encompassing the former Transit Center, which currently supports the Wasco County Veterans Service Office. As an aside, it is Spatz's understanding the Veterans Service Office will move to the former Greater Oregon Behavioral Health, Inc. (GOBHI) building acquired by Wasco County. This section of Federal Street could be redesigned with emphasis on pedestrian access, trees, green spaces, and perhaps a water feature.
- The Board could establish a vision for how the property's redevelopment would complement the Federal Street Plaza concept.
- The RFP could require non-programmatic elements, such as preferred development experience, project feasibility analysis and business model, identification of construction delivery method, qualifications of architectural design and construction team members, construction performance bond, description of property ownership, management plans, demonstration of successful past projects or expertise in urban residential developments.

Chair Long invited comment from the attendees.

Rod Runyon, 2019 W. Scenic Drive, The Dalles

Mr. Runyon is in favor of a plaza, but not green space. He felt green space would encourage camping and accelerate existing problems with the houseless. His preference was cement until the problem is resolved.

Mr. Runyon said Julie Krueger, former City Manager, invited the museum to move upstairs in City Hall. The new City Manager, Matthew Klebes, later moved the museum downstairs. The smaller space is inhibiting storage. City Manager Klebes approached both Mr. Runyon and Ms. Maxwell, stating the Transit Center might be an ideal space for the museum if the Veterans Service Office relocates.

Mr. Runyon said the Mid-Columbia Veterans Memorial Committee and the Museum Board are in favor of the idea, stating it would be an asset to the community.

Jean Maxwell, Director, Columbia Gorge Veterans Museum, 909 W. 11th Street, The Dalles

Ms. Maxwell appreciated the welcome from the City. The current space is quite small; operating in the space is difficult. The museum primarily consists of memorabilia from veterans within the five county area. She is moving the library into the Transit Center space now, and would like to move the remaining inventory as well.

Randy Cole, 816 E. 20th Street, The Dalles

Mr. Cole sat on The Dalles Traffic Safety Committee for four years. In his view, 12 parking spots were taken away from downtown customers. We have a City ordinance that states business owners and employees are not to park in front of their businesses or on the City streets. That ordinance is often violated, he said, asking if the Tony's property is further developed, where are they going to park? Six parking spaces were removed from the MCMC finance building, leaving only two spaces on E. 2nd Street.

Mr. Cole is in favor of the plaza, but is concerned the opportunity to enjoy the area would be diminished by a lack of parking. Will that be a deterrent for development of a restaurant or residences?

Chair Long replied parking considerations will be added to the RFP. She added Director Chandler recently worked on a project to update the parking lots along E. 1st Street. The prohibitions against employees and business owners parking downtown are complaint driven.

Board Member Denstedt's concern was inhibiting firefighters' access to the area. He felt the plaza was not important. He asked why this was brought to the Board, rather than the City.

Chair Long replied it was brought up at Urban Renewal because the Tony's site and Federal Street are adjacent; the plans for both may come together. The City will make the final decision, but the Board will have some input for development plans.

Director Chandler added the last design for the E. 1st Street will include balusters that drop down or can be removed manually to provide access to the alley and structures.

Richard Wolfe, 4752 Simonelli Rd, The Dalles

Mr. Wolfe said the plaza would be a gateway to parking on E. 1st Street. He said there is a cross ventilation problem with the Veterans Services building. A fence made of chain link and boards has become a sleeping area; Mr. Wolfe suggested additional lighting. Mr. Wolfe read from his email dated October 16, 2023, Attachment 1.

Chair Long thanked Mr. Wolfe for his thoughtful suggestions.

Mary Hanlon, 315 E. 10th Street, The Dalles

Ms. Hanlon has been working since 2017 on a 108-unit housing development. A housing development project at the Tony's site would be extremely risky and challenging to her project, she said. She requested the timing be staggered to allow construction of her project prior to release of the RFP to avoid adding an unknown amount of additional units at the same time.

Ms. Hanlon contacted Johnson Economics, a market analysis group, about potential impacts. She learned that adding more units would slow the absorption, cut the pricing in rents, and soften the market. The goal of our public/private partnership is to fight to make this first project work and demonstrate there is demand for more. If we are successful, other projects will follow.

Chair Long provided context, saying Ms. Hanlon reached out to City Manager Klebes and Chair Long to make us aware of these issues. Chair Long said it was not a consequence she had personally thought of when considering the RFP.

Director Chandler said the RFP provides an opportunity to consider the housing element. If it does include housing, we would need to take into consideration the impacts additional housing may have on other proposed projects.

Chair Long noted the Housing Needs Analysis (HNA) includes only residential zones; the downtown was not included. Director Chandler added the HNA methodology looked specifically at residentially zoned property. If housing were a part of the HNA, additional review or study of the downtown area is necessary.

Ms. Hanlon stated the timing of the RFP would directly affect her timing. Board Member Richardson asked what would be ideal timing. Ms. Hanlon replied she could have plans six to nine months from now, but the interest rates have to come down closer to six before beginning. Construction would then take 18 months. Board Member Richardson asked if that was a two-year timeframe after interest rates reached 6 percent. Ms. Hanlon agreed.

Board Member Denstedt asked what type of development would enhance her project. Ms. Hanlon replied any development that would bring people downtown.

Board Member Coburn asked if there was a difference in considering low-income housing versus regular housing. Ms. Hanlon replied that would affect her project differently.

Director Chandler noted an additional 14 comments were received in support of the Federal Street Plaza. Another aspect of the RFP could consider how the proposal incorporates the Federal Street Plaza design.

Director Chandler asked the Board for the main points of the RFP, types of uses specifically, they would like to see.

Board Member Richardson was personally inclined to see a broad approach to the RFP, rather than determine the ideal private use of the property. He would like to see a range of options. Richardson strongly supports a plaza, but was not inclined to have a public space constructed with a profit motive. Parking and timing are two things to consider, but thought the community is parking wealthy at this time. He approved of thoughtfully donating 12 parking spaces to a greater and more vibrant public use.

Board Member Baker stated the Tokola project was held up for many reasons, but not small among those was archeology, potential tanks, and prevailing wage. At that time, land banking was a consideration. If Basalt Commons [Ms. Hanlon's project] comes in, the Tony's property becomes much more valuable. The Agency needs to sell that property for a profit. He would like to consider the option to put it all into some low intensity plaza with shovel ready property downtown. Once Basalt Commons is established, the Agency may better imagine the property. Baker thought waiting to take action was worthy of consideration.

Board Member Coburn agreed with Board Member Baker. The Agency has worked hard on the Hanlon project; construction of more than 100 units is no small feat. Coburn urged the Board to consider what other uses are available. One of the comments referenced a space in Walla Walla for the Federal Street Plaza comparison. Coburn encouraged the Board to look at Indian Creek Plaza in Caldwell, Idaho. Most of a block was leveled and hardscaped for use year-round in a community much like The Dalles.

Board Member Coburn realized her suggestion may not bring tax revenue, but felt it would help other businesses thrive, bring in tax revenue, and maybe fill some vacant spots. It is often mentioned that the view of The Dalles from I-84 is unattractive. Anything we can do to clean up E. 1st Street, or adjacent to E. 1st Street, with lights and activity would attract people and potentially more revenue.

Board Member McGlothlin said the Board should consider:

- Sufficient parking
- Add to our tax base
- A positive benefit to our community
- Support the goals and mission statement of the Urban Renewal Agency

Board Member McGlothlin stated the Board should avoid any action that would hamper Ms. Hanlon's development. In addition, The Dalles is situated as a resource for a conference center, with many attractive features. A conference center would be a primary way to develop our community.

Board Member Richardson felt the Board was amenable to taking some time to imagine the space without an RFP. Is there a temporary, beneficial use?

EDO Spatz said an RFP could be a limiting factor. Another route is a Request for Expressions of Interest – a different way of inviting ideas.

Board Member McGlothlin added that every year Cherry Fest grows. What a great place for a multi-use area for a farmer's market, a parking area, or an opportunity for Cherry Fest to expand. We should consider options for a multi-use space.

Chair Long said she was happy with the discussion, and felt there was consensus for staff. Director Chandler agreed. Even with an RFP, it will take time to develop the space. Using the land in the meantime, rather than leaving a vacant space, is something to consider. He added a new fence will be installed around the property to reduce vagrancy on the property. In the event open space is desired, staff should consider the location of openings in the fence.

Board Member Richardson requested staff reach out to the Indian Creek Plaza and other communities with a town square, to discover the benefits and/or shortcomings, and any additional features that were later desirable.

Chair Long felt positive about how the public and the Board together. We have a totally different vision. Her goal has been to create positive energy downtown. Coming into this process, she thought an empty space was not positive energy. Now that we have all imagined it and shared our thoughts, she could see this as a good thing for downtown.

Board Member Baker said the property could be managed without a fence. We can have open space downtown with time and space restrictions; there are other ways to inhibit camping.

Urban Renewal Plan Update and Agency Strategic Planning – Introduction

EDO Spatz presented the staff report. Staff's proposal is an in-depth look at where we were, where we are, and where we are going.

EDO Spatz stated strategic planning will occur at regularly scheduled meetings; no additional meetings will be scheduled.

Director Chandler added this is strategic planning for the Agency as a whole. When the Agency sunsets in 2029, the Agency could effectively go away. Can we continue to have an Agency? Urban renewal agencies around the state are seeing successes that are not defined by one boundary or geographical area. Some cities have multiple urban renewal districts. An agency lives on able to sunset one district, then start a new district. Is that something the Columbia Gateway Urban Renewal Agency would like to see? There are other areas in town that would benefit from urban renewal investment. An important question for the Board is whether or not they would like to see this Agency continue. It is a very powerful funding tool. The update to the plan has been discussed for a while. This economic analysis will show taxpayers and taxing districts how this investment was spent.

Chair Long stated the timing was good; in one month we have the City Council goal setting. One of the topics will cover the strategic investment funding (SIF). If some of that is set aside for infrastructure, should the Agency focus less on infrastructure and more on other goals? Also, will City Council want to continue on with the Agency in other districts? Board Member Richardson said these are also considerations for taxing districts.

Board Member Denstedt stated the Fire District almost unanimously wants the Agency to sunset. Initially, the Fire District was in greater need of the funding. They would like to determine the impact of sun setting the Agency. Denstedt would like to see the Civic Auditorium finished.

Board Member Baker said the update was ambitious, but necessary. If unable to review this update at regularly scheduled meetings, we would be better served to schedule work sessions. Urban renewal is an incredible tool when used properly, he said. Baker is in favor of unfreezing the tax increment and forming a new urban renewal district. The Agency can still exist, but we can unfreeze the tax increment and get some relief for our smaller districts that disproportionately carry the weight of urban renewal. If we do not have a robust plan, we should consider paying off our debt early and sunset the Agency.

Board Member Saldivar left the meeting at 7:09 p.m.

STAFF COMMENTS / PROJECT UPDATES

EDO Spatz said the State Historic Preservation Office (SHPO) toured three downtown buildings. SHPO is one potential source of funding in conjunction with The Dalles Main Street, and perhaps in conjunction with Urban Renewal, for renovation of older buildings downtown and increasing the tax value of privately owned structures. One of the structures received a \$200,000 Main Street grant.

Tony's Update

Director Chandler said demolition is underway on the Tony's building. Konell Construction began by removing the wall adjacent to the next building. After visiting the site, the owner of Konell Construction chose to salvage portions of the building. Chandler expects the building removal to be complete within 1-1/2 weeks. An archeology team will begin mid-November. The resulting cavity will be backfilled.

1st Street Update

Since signing the new scope of work, KPFF (the engineers) are sharing weekly updates with Director Chandler. In about a month, 95% plans will be available for review. Construction should begin in 2025.

BOARD MEMBER COMMENTS / QUESTIONS

Board Member Richardson said Board Member Wring advised he was unable to attend this meeting.

Board Member Baker commended both EDO Spatz and Director Chandler for their efforts. Baker said he sees a lot of energy and forward motion from staff. It's nice to see fresh eyes on urban renewal and contemplating the heavy lift of an updated plan, he said.

ADJOURNMENT

Being no further business, the meeting adjourned at 7:15 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

Paula Webb

Subject: FW: Federal St Plaza Ideas for Urban Renewal

From: Richard Wolfe <mrdoright1234@gmail.com>

Sent: Monday, October 16, 2023 6:26 PM

To: Amie Ell <amell@ci.the-dalles.or.us>

Subject: Federal St Plaza Ideas for Urban Renewal

WARNING: Email from external source. Links and attachments could pose security risks. Investigate sender and think before you click.

Please send to Urban Renewal persons for tomorrow's meeting.

- Chain-link gated Lane, Park a dog.
- Permanent 3 pm shade structure.
- Water fountain.
- Outlet power source locations.
- Brightly lit / Or option for Flood lighting. Concrete pour over existing road and they live in sidewalk.
- Concrete pour over existing road and existing sidewalk, with a stamped none skid surface.
- Wind break study.
- Platform stage for Music, Events, Shade and Traffic Break.
- Train station/Train noise Attraction.
- Water Snow Ice And Water Runoff Study.
- No chain link in Plaza area.
- Low maintenance study.
- Security study.
- No food trucks.
- Bus Stop.
- Be a destination attraction.
- Bigger flag pole.
- A Name

Thank you, sincerely, Rick Wolfe

MINUTES

COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD MEETING

November 21, 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, Walter Denstedt, Scott Hege, Darcy Long (joined at 5:54 p.m.), Dan Richardson, Shanon Saldivar, Marcus Swift and Ben Wring
- BOARD ABSENT:** Scott Hege, Dan Richardson, and Shanon Saldivar
- STAFF PRESENT:** Director and Urban Renewal Manager Joshua Chandler, Economic Development Officer Dan Spatz, City Attorney Jonathan Kara, Secretary Paula Webb

CALL TO ORDER

The meeting was called to order by Vice Chair McGlothlin at 5:38 p.m.

PLEDGE OF ALLEGIANCE

Vice Chair McGlothlin led the Pledge of Allegiance.

APPROVAL OF AGENDA

Approval of the October 17, 2023 minutes were struck from the agenda.

It was moved by Coburn and seconded by Denstedt to approve the agenda as amended. The motion carried 9/0; Baker, Coburn, Denstedt, Hege, Long, McGlothlin, Richardson, Saldivar and Wring voting in favor, none opposed.

PUBLIC COMMENT

Richard Wolfe, 4752 Simonelli Road, The Dalles

Mr. Wolfe stated he had collected glulams and approximately 36,000 bricks from the Tony's demolition site. He is hoping to find a use for them in the community.

ACTION ITEMS

Urban Renewal Plan Work Session and Board Guidance

Economic Development Officer (EDO) Spatz presented the staff report. He directed the Board's attention to the following items for discussion:

- Has the Urban Renewal Agency achieved its purpose? What problems was it designed to address?
- Have those problems been resolved?
- Do goals and objectives still reflect guidance of the Agency Board?

EDO Spatz explained the types of amendments:

- Minor amendments – Minor changes to the Urban Renewal Plan can add or drop projects, clarify language, and change project scope as long as those changes do not alter the Plan's goals and objectives. Minor amendments can be approved by the Board.
- Major/Substantial amendments – Substantial amendments expand the district boundaries, change goals and objectives, increase the maximum indebtedness. These amendments can be proposed by the Board, but require City Council approval.
- City Council approved amendments – City council can make Substantial Amendments on its own, without URB recommendation.

EDO Spatz reviewed past amendments.

Chair Long arrived at 5:54 p.m.

Steve Lawrence, 2017 View Court, The Dalles

Mr. Lawrence shared an update on the Civic Auditorium restoration. The remaining tasks include an update to the sound and lighting for the theater and balcony. Other than that, everything is complete. Urban Renewal provided approximately \$1.3 million over time.

EDO Spatz continued review of the amendments.

Board Member McGlothlin asked if brownfield projects and urban development are integrated or separate funding. EDO Spatz replied they have separate funding sources. EDO Spatz is the manager for the Brownfield Program, an EPA funded project. The original grant was received three years ago for \$600,000 and is almost fully expended; a separate proposal for \$500,000 was submitted two weeks ago. The Columbia Economic District just received a \$1 million grant for use over five counties. This could result in two different funding sources.

Board Member McGlothlin asked if the demolition of a structure at 800 E. 2nd Street was a brownfield project. EDO Spatz replied yes, along with Urban Renewal.

EDO Spatz is planning a detailed study of accomplishments.

EDO Spatz noted that earlier in the Agency, one goal was, *"To make strategic investment of funds and engage in various urban renewal activities which increase the value of properties within the district."* Is that the sole criterion – increasing tax values? Should we also look at other leveraged funds, or broader social benefits? Now the focus is on return on investment (ROI) and taxes. While not inappropriate, should it be one of many, one of several, or the sole?

EDO Spatz continued with the goals, stating there was greater interest in urban renewal in the early decade. The danger now is that we forget what was accomplished.

EDO Spatz would like to secure a heavily revised Plan by March, 2024.

Board Member McGlothlin asked if the financial audit was complete. EDO Spatz replied it will be completed in December.

Board Member Denstedt stated the Fire District does not look favorably at Urban Renewal. Funding restrictions, noting the challenge of affording competitive wages for medical personnel.

EDO Spatz replied the fiscal impact, in terms of increased tax value due to Urban Renewal, is a key point of the planned summary report. Also, what has been the increase in value, and is that relative to investments made? What differences have occurred in district boundaries through time?

STAFF COMMENTS / PROJECT UPDATES

Director Chandler stated he intends to waive the conflict of interest on behalf of the Agency for the City’s Attorney’s review and dual representation of the City/Agency IGA coming up for the E. 3rd Street parking lot. This item will go before City Council on Monday [November 27, 2023]. This is an agreement for the new parking lot. The City Attorney will be representing both the City and the Agency. Board Members had no concerns.

Tony’s Building – Director Chandler stated the demolition crew is finished. An archeology team was at the site last week; their report will follow. The Agency is in the process of receiving grant funding; the Brownfields Program funds, through Business Oregon, will assist in the clean-up of the Tony’s site. After the holiday, the demolition crew will return and begin backfilling the site.

Incentive Program – EDO Spatz listed some active commercial grants:

- 315 Federal Street, formerly The Dalles Chronicle, will become a grocery store. The store will contain a commercial kitchen and other businesses.
- The Foley, 106 E. 4th Street. A center, front column is held in place by a large strap. Repair is an Urban Renewal project.
- Recreation Building, 213 E. 2nd Street. Stucco is now on the building and on track for a March conclusion followed by transfer of the property.
- Sunshine Mill, 901 E. 2nd Street. An agreement is in the works for interior improvements: electrical, heating, lighting on east side, and an additional door.

Mint Building, 710 E. 2nd Street. Conversations continue with the three parties involved. Progress is hampered by the cost of a sprinkler system.

BOARD MEMBER COMMENTS / QUESTIONS

None.

ADJOURNMENT

Being no further business, the meeting adjourned at 6:35 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



COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

AGENDA STAFF REPORT
AGENDA LOCATION: 7.A.

MEETING DATE: Tuesday, December 19, 2023

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Joshua Chandler
Community Development Director

ISSUE: *Intergovernmental Development Agreement: City of The Dalles / Columbia Gateway Urban Renewal Agency – Parking Lot Development, 600 and 608 East 3rd Street.*

BACKGROUND

The Dalles is preparing for the acquisition, development, and revitalization of several substantial properties in the downtown core, including Wasco County’s administrative relocations into the GOBHI building (401 East 3rd Street), a new grocery at 315 Federal Street, the multi-story mixed-use Basalt Commons development (523 East 3rd Street), and Tony’s Building site redevelopment (401 East 2nd Street). One consideration relating to those developments is their impact on downtown parking demand.

Current data shows an adequate supply of on-street free parking, but these and other developments downtown are likely to create added parking off-street demand. Goal F of the Columbia Gateway Urban Renewal Plan anticipates this issue:

“To provide an adequate amount of properly located and designed off-street parking, including disabled parking, in the downtown area, including a plan and program to effectively pay for, manage and maintain such parking.”

City staff recently identified two adjoining parcels under common ownership, within a few blocks of all the developments listed above, available for the City to acquire, located at 600 and 608 East 3rd Street. If developed, these parcels would create an additional 23 public parking spots with 1 ADA space. Staff included a rendering of the proposed parking lot over those parcels attached to and made part of this staff report (Attachment 1).

The location of these parcels complements public parking lots in the downtown core. The City currently owns a parking lot across the street from *Old St. Peter’s Landmark*, commonly referred to as the *Arco Lot* (providing **westside public parking**), the East 1st Street parking lots between Washington and Laughlin Streets (providing **north/central public parking**),

and a parking lot adjacent to the roundabout (providing **eastside public parking**). Practically, the roundabout parking lot is not readily accessible for downtown residents, employees, and customers, and is often used as a park-and-ride facility. The East 3rd Street location would be more central to the downtown core and should better meet **eastside public parking** needs.

Agency staff have previously briefed the Board on a proposed partnership with the City to acquire and develop off-street parking on East 3rd Street. The Agency and City would evenly share acquisition and development costs.

Acquisition

Those two parcels were most recently purchased in May 2023 for \$350,000.00 and \$105,000.00. City staff engaged the current owner and negotiated an agreement to acquire both parcels for **\$484,163.79** (with prices of \$371,493.89 and \$112,669.90, respectively). The negotiated price reflects a **6.6%** increase from the May 2023 combined purchase price.

A Phase I Environmental Site Assessment of the parcels dated May 11, 2023, by Columbia West Engineering, Inc., found no evidence of hazardous materials.

Development

Staff estimate a cost of **\$485,151.02** to develop both parcels into the proposed parking lot. Some of the proposed scope of work would be completed in-house by City staff and the remainder performed by City contractors. The scope of work also includes street frontage landscaping. Disposition of unique commercial signage bordering the property may incur additional costs with the potential preservation and/or relocation and reinstallation. At the November 27, 2023, City Council meeting, City staff recommended acquisition of these parcels and Council approved the request. Following that decision, Agency staff crafted an Intergovernmental Development Agreement (**IDA**), (Attachment 2) in alignment with Urban Renewal Goal F noted above. The proposed IDA indicates the City and Agency agree to each contribute 50% of the total acquisition and public parking development costs.

BUDGET IMPLICATIONS

Per the proposed IDA, the acquisition and development costs would be split between the City and Agency, resulting in a total Agency obligation of \$484,657.40 funded through the Urban Renewal Capital Projects Fund; the approved budget for that fund in fiscal year 2023-24 is \$2,583,382. There are sufficient Agency funds available for this and other projects within the fund.

Below is a summary of the **acquisition and development costs**:

- Purchase price of 600 East 3rd Street is **\$371,493.89**
- Purchase price of 608 East 3rd Street is **\$112,669.90**
- Estimated public parking development cost is **\$485,151.02**
- Total estimated acquisition and project development cost is **\$969,314.81**
- Total Agency contribution (per proposed IDA): **\$484,657.40**.

TAX IMPLICATIONS

In 2023, the parcels' combined property tax totaled **\$3,849.80**. While this acquisition would result in reduced tax revenue, the proposed project is related to the redevelopment of several properties expected to significantly increase tax revenue (in addition to their contributions to the overall revitalization of the downtown).

BOARD ALTERNATIVES

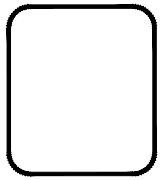
1. **Staff Recommendation:** *Move to authorize the Agency Manager to execute an Intergovernmental Development Agreement with the City of The Dalles as presented.*
2. Move to decline authorization of the Intergovernmental Agreement and direct staff accordingly.

Attachments:

- Attachment 1: Parking lot rendering
- Attachment 2: Intergovernmental Development Agreement



NO.	DATE	REVISIONS



CITY OF THE DALLES
 PUBLIC WORKS DEPARTMENT
 1215 West First Street
 The Dalles, Oregon 97058
 (541) 296-5401

A CONCEPTUAL PLAN FOR:
PARKING LOT
 THE DALLES, OREGON

NAME	MHB
DATE	06-15-2023
SCALE	1"=20'
CHECKED	
SHEET	C3.1
OF	SHEETS
JOB NO.	

INTERGOVERNMENTAL DEVELOPMENT AGREEMENT

This INTERGOVERNMENTAL DEVELOPMENT AGREEMENT (**Agreement**) is entered by and between the *City of The Dalles*, an Oregon municipal corporation (**City**) and the *Columbia Gateway Urban Renewal Agency*, an urban renewal agency duly formed and operating under the provisions of ORS Chapter 457 (**Agency**), concerning the allocation of costs relating to the acquisition and development of real property located within the City's corporate limits and the Agency's urban renewal district.

WHEREAS, ORS 190.007 provides intergovernmental cooperation is a matter of statewide concern in support of the interests of furthering economy and efficiency in local government;

WHEREAS, ORS 190.010 authorizes the Parties to enter this Agreement;

WHEREAS, the City acquired those certain real properties (**Parcels**) addressed **600 and 608 East 3rd Street** in The Dalles, Oregon, depicted in Assessor's Map No. 1N 13E 3 BD as Tax Lot 8900 and Assessor's Map No. 1N 13E 3 DB as Tax Lot 1600, and legally described, to wit:

LOTS 1, 2, AND 3, BLOCK 13, LAUGHLIN'S ADDITION TO DALLES CITY,
IN CITY OF THE DALLES, COUNTY OF WASCO AND STATE OF OREGON.

WHEREAS, Agency Goal F indicates the Agency's intent to provide an adequate amount of properly located and designated off-street parking, including disabled parking, in the downtown area;

WHEREAS, the City intends on developing the Parcels for public parking purposes to support multiple potential developments and redevelopments in its downtown core (**Project**) and the Agency desires to support the Project consistent with its urban renewal plan; and

WHEREAS, the Parties intend this Agreement to quantify and qualify their respective rights and responsibilities associated with 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. **Project Costs**. The Parties agree to evenly split the Project's total cost, estimated to be **\$969,314.81 (Estimated Cost)** as provided herein.
 - a. **Total Cost**. The Parties agree the Project's total cost comprises the sum of the Parcels' actual acquisition costs and the Project's actual development costs (**Total Cost**).
 - (1) **Acquisition Costs**. The Parties agree the City's actual cost expended to acquire the Parcels is **\$484,163.79**.

- (2) **Development Costs**. The Parties agree a reasonable estimated cost for the City's development of the Project is **\$485,151.02**, broken down as indicated in the City's preliminary scope of work and cost estimate attached to and made part of this Agreement as its **Exhibit A**. The Parties also agree the Project's actual development costs will be confirmed by the City through its delivery to Agency of an invoice outlining the City's actual development costs following the City's completion of the Project. The City agrees to reasonably provide any available supporting documentation establishing its actual development costs upon Agency's written request.
2. **Funding and Reimbursement**. The City agrees to fund the Parcels' acquisition and perform the Project's development. The Agency agrees to reimburse the City fifty (50%) percent of the Total Cost within 14 days of Agency's receipt of the City's invoice indicated in Subsection 1(a)(2); provided, however, the Parties agree Agency's contribution will not exceed one hundred and ten (110%) percent of the Estimated Cost without additional Agency approval.
 3. **Mutual Indemnity**. In accordance with the Oregon Tort Claims Act and the Oregon Constitution, each Party agrees to indemnify, defend, and hold harmless the other Party (including its officers, agents, and employees) against all liability, loss, and costs arising from actions, suits, claims, or demands for their acts or omissions in the performance of this Agreement; provided, however, in no event shall either Party indemnify, defend, or hold harmless the other Party for that Party's sole negligence.
 4. **Term**. This Agreement commences upon its mutual execution and expires naturally two (2) years from that date, unless sooner modified or terminated pursuant to Section 5.
 5. **Modification and Termination**. The Parties agree this Agreement may be modified or terminated at any time by their mutual written amendment or termination.
 6. **Integration**. The Parties agree this Agreement represents the full and final agreement between them and supersedes all prior or contemporaneous agreements or discussions between them on its substance.
 7. **Severability and Governing Law**. The Parties agree any provision of this Agreement deemed unenforceable is severed from this Agreement and the other provisions remain in force. The Parties agree this Agreement is governed by and intended to be construed in accordance with the laws of the State of Oregon and any disputes connected with this Agreement will be heard in the Circuit Court of the State of Oregon for Wasco County.
 8. **Successors and Assigns**. Notwithstanding any other provision of this Agreement, the Parties agree no Party may assign or transfer an interest or duty under this Agreement without the other Parties' written consent and any attempted assignment or delegation without such express permission is void; provided, however, 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 Agreement shall transfer to such other authorized body by operation of law. The Parties agree all

provisions of this Agreement are binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

- 9. **Counterparts.** The Parties agree this Agreement may be executed in one or more counterparts, each of which is an original and all of which constitute only one agreement between them.
- 10. **Notices.** The Parties agree all notices required or permitted to be given under this Agreement will be deemed given and received two (2) days after an email is sent or a letter is deposited in the United States Mail, certified or registered form, postage prepaid, return receipt requested, and addressed:

To City: City Manager
 City of The Dalles
 313 Court Street
 The Dalles, OR 97058
mklebes@ci.the-dalles.or.us

To Agency: Agency Manager
 Columbia Gateway Urban Renewal Agency
 313 Court Street
 The Dalles, OR 97058
jchandler@ci.the-dalles.or.us

IN WITNESS WHEREOF, the Parties duly execute this **INTERGOVERNMENTAL DEVELOPMENT AGREEMENT** this ____ day of _____, 202__.

CITY OF THE DALLES

**COLUMBIA GATEWAY
URBAN RENEWAL AGENCY**

Matthew B. Klebes, City Manager

Joshua Chandler, Agency Manager

ATTEST:

Amie Ell, City Clerk



AGENDA STAFF REPORT

AGENDA LOCATION: 8.A.

MEETING DATE: Tuesday, December 19, 2023

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Dan Spatz
Economic Development Officer

ISSUE: *Urban Renewal Plan Review: Affirmation or modification of Columbia Gateway Urban Renewal Agency Goals and Objectives*

BACKGROUND:

On March 21, 2023, Urban Renewal Agency (**Agency**) Staff proposed a revision of the Columbia Gateway Urban Renewal Plan (**Plan**). This would include statistical and financial reporting, review of projects, reevaluation of goals and other aspects of the Plan. This would represent the first comprehensive review since a Substantial Amendment in 2009. The current Plan lists several projects, which have long since been completed; other listed projects may or may not still be considered relevant. Oregon statute requires that all urban renewal projects be included within an adopted plan.

At the October 17, 2023, Agency Board meeting, Staff reviewed a proposed schedule of monthly Board work sessions to accomplish this work. Board concurred with this approach. The November session focused on Agency history and accomplishments, with a brief recap of goals and objectives. There was not time at that meeting for in-depth consideration. Also, since the Agency's annual audit was not completed, we did not yet have confirmation of the Agency's remaining fiscal capacity (Maximum Indebtedness projected for 2029).

Revision of the Plan will include a comprehensive report to be released late winter 2024; this will help the Agency review overall effectiveness of the Columbia Gateway Urban Renewal District since its inception in 1990. As part of this effort, Staff is asking Board members to review the Agency's historic goals and objectives for continued relevance. It is possible to add, delete or modify goals and objectives through approval of The Dalles City Council. Staff's request to Agency Board members is to either reaffirm goals and objectives as they currently stand, or recommend to City Council the addition, deletion or modification of these goals and objectives. (At minimum, Staff recommends updating outdated terminology.)

The Agency's mission statement, goals and objectives were attached to the November Agency Board agenda packet and are reproduced below.

In preparation for the December 2023 meeting, Staff invited Board members' comment on several questions pertaining to these goals and objectives. As of Friday, December 8, Staff had received responses from only three of the nine Board members. Although these responses were in relatively broad agreement, Staff decided it would be premature to summarize those comments for this report, given the need for participation by all board members. Instead, Staff requests that the December 19 Board meeting be used to elicit guidance from each Board member on these questions:

- **Has the Urban Renewal Agency achieved its purpose? What problems was it designed to address?** (Mission statement in attached Word document)
- **Have those problems been resolved?**
- **Do goals and objectives still reflect guidance of the Agency Board?**
- **How may the Agency most efficiently invest remaining fiscal capacity prior to termination of the District in 2029?**
- **Should the District terminate in 2029?**
- **Should the Agency continue beyond the District's termination, if this occurs?**
- **If so, what future projects should the Agency identify? What are the city's highest needs today that the Agency can help address?**
- **Should one or more new districts be considered if the Agency were to continue?**

Staff will summarize all comments received at the December 19 Board meeting, together with comments already submitted, and include as an agenda item at the first Agency Board meeting in the New Year, which will be held on January 30, 2024. Staff will be asking for a Board decision at that time on whether to maintain, modify, add or delete any of the goals and objectives. This will set the stage for the identification of specific projects the Board wishes Staff to focus on in the remaining years leading to Maximum Indebtedness in 2029. Staff will schedule discussion and action items on those projects beginning with the February 2024 Agency meeting.

Mission statement:

The mission of the urban renewal agency is to eliminate blight and depreciating property values within the agency's jurisdiction and in the process, attract aesthetically pleasing, job-producing private investments that will stabilize or increase property values and protect the area's historic places and values.

Current goals and objectives:

- A. *To make strategic investments of urban renewal funds and engage in various urban renewal activities which activities increase the value of properties within the Urban Renewal District.*
- B. *To make strategic investments of urban renewal funds so that unused and underused properties can be placed in productive condition and utilized in a manner consistent with the City's Comprehensive Plan and implementing ordinances;*

- C. *To participate by means of various urban renewal activities (e.g., land acquisition and disposition, rehabilitation loans, etc.) in specific opportunities for business, civic, residential, cultural, and tourist-related property to be developed, redeveloped, improved, rehabilitated and conserved in ways which will:*
- 1. Encourage the expansion and development of businesses that will produce jobs for the people of The Dalles and Wasco County; or*
 - 2. Increase property values so that the area will contribute its fair share to the costs of public services, provided by the city, county, schools, community college, port and park and recreation district; or*
 - 3. Insure a more attractive, functional and economically viable city; or*
 - 4. Conserve historically significant places and properties;*
- D. *To be responsive to the needs and the concerns of all people of the City of The Dalles in the details of amending and implementing the Urban Renewal Plan using multiple forms of outreach including: town hall meetings, the internet, news releases, and signs on projects; and*
- E. *To encourage the maximum amount of public involvement and citizen participation in the formation and implementation of the Urban Renewal Plan by explaining and discussing the details of the Urban Renewal process:*
- 1. To the public at town hall type gatherings;*
 - 2. To special interest groups, public service organizations, public bodies and the general public by invitation to Agency meetings;*
 - 3. By issuing periodic news releases;*
 - 4. By cooperating with the print and electronic news media by being available to discuss the Urban Renewal Plan and process;*
 - 5. By use of the Internet;*
- F. *To provide an adequate amount of properly located and designed off-street parking, including disabled parking, in the downtown area, including a plan and program to effectively pay for, manage and maintain such parking;*
- G. *To create positive linkages among the two sectors of the Urban Renewal Area - i.e., the Downtown and the West Gateway Area;*
- H. *To cooperate, coordinate and assist in funding with the program to improve access and connections from downtown to the Riverfront and to provide facilities, such as trails and a public dock, to enhance public use of the Riverfront;*
- I. *To improve the visual appearance, capacity, and traffic flow of streets that carry the major share of vehicular and pedestrian traffic in areas where development would otherwise be inhibited;*
- J. *To assist property owners in the rehabilitation of their buildings and property to the extent that it helps implement the intent of redevelopment goals, policies, and standards, especially where rehabilitation may spur additional redevelopment activity;*
- K. *To install and maintain coordinated street furniture, night lighting and landscaping in areas of maximum pedestrian concentration; including alley rights-of-way in the Downtown area;*

- L. *In conjunction with specific urban renewal development or redevelopment projects, supplement existing funding sources to construct, install or replace publicly owned utility systems such as water, storm drains, and sanitary sewers where existing facilities are inadequate, undersized or otherwise substandard; and*
- M. *To leverage the Agency's financial resources to the maximum extent possible with other public and private investments and other public and private funding sources.*
- N. *To install underground utilities in areas of urban renewal projects including alley rights-of-way in the downtown area.*

FISCAL IMPLICATIONS:

Maximum Indebtedness (MI): Agency Staff has received the draft annual audit as well as preliminary analysis of fiscal capacity from Tiberius Solutions. MI tracker and TIF work sheets are under review. Remaining Maximum Indebtedness is estimated at \$6,253,756, subject to concurrence by the Agency Finance Director. This is the approximate investment capacity available to the Agency, with on-going adjustments for tax collection and other revenues.

While no fiscal impacts directly arise from any modification to goals and objectives of the Plan, there will be significant implications as the Agency identifies projects through which goals and objectives will be implemented. The intent in reviewing and, if needed, in modifying goals and objectives is to provide Agency direction in achieving MI by 2029. For instance, the Board could direct Staff to identify a selected number of relatively large investments that would, in combination with existing and anticipated known commitments (Basalt Commons, First Street reconstruction, Federal Street Plaza and other downtown projects now being explored) fully commit MI by 2029. Alternately, the Board could direct Staff to place priority upon opportunities that may arise in the coming four or five years, but which have not yet been identified or even envisioned. ***Staff will be inviting this guidance under the Discussion Items section of the December 19 meeting, followed by consideration of a draft motion at the January 30 Agency meeting.***