

COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD

July 16, 2024

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 – June 18, 2024
6. PUBLIC COMMENT – During this portion of the meeting, anyone may speak on any Urban Renewal subject. Five minutes per person will be allowed.
7. ACTION ITEMS:
  - A. Columbia Gateway Urban Renewal Plan Update: Recommendation to Council
  - B. Endorsement of 2024 Transportation Growth Management application
  - C. Tony's Site Redevelopment Options
8. BOARD MEMBER COMMENTS / QUESTIONS
9. STAFF COMMENTS / PROJECT UPDATES
10. ADJOURNMENT

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Meeting conducted in a room in compliance with ADA standards.

Prepared by/  
Paula Webb, Secretary  
Community Development Department

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**MINUTES**

**COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD MEETING**

June 18, 2024

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:** Staci Coburn, Walter Denstedt, Scott Hege, Kristen Lillvik, and Timothy McGlothlin
- BOARD ABSENT:** Dan Richardson, Marcus Swift and Ben Wring
- STAFF PRESENT:** Director and Urban Renewal Manager Joshua Chandler, Economic Development Officer Dan Spatz, City Attorney Jonathan Kara, Special Projects Coordinator Ann Moorhead, and 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**

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

**APPROVAL OF MINUTES**

It was moved by Lillvik and seconded by Coburn to approve the minutes of May 21, 2024 as submitted. The motion carried 9/0; Coburn, Denstedt, Hege, Lillvik, Long, and McGlothlin voting in favor, none opposed, Richardson, Swift and Wring absent.

**PUBLIC COMMENT**

*Richard Wolfe, 4752 Simonelli Road, The Dalles*

Mr. Wolfe asked if anyone knew why there are sunken lots adjacent to E. First Street. Board Member Denstedt replied much of the town had fill dirt deposited. The area without fill is the original elevation.

Mr. Wolfe believes he found a ship's portal accessed by a tunnel near the intersection of E. 1<sup>st</sup> and Court Streets. Underneath the road and railroad basalt, rock was used.

Mr. Wolfe stated the retaining walls were constructed incorrectly. The blacktop parking lots are cisterns. The Dalles has a 14-inch record for rainfall, and over two feet for snow. The people that build the shipyard were not amateurs; they were smarter than the water.

Mr. Wolfe does not believe the expense presented to the community 16 years ago from the California engineering company is correct; the price is too much. He believes the retaining walls do not need to be replaced, but the sidewalk needs to be lifted four to six inches.

David & Kristen Benko, 200 E. 3<sup>rd</sup> Street, The Dalles

In September of last year, Mr. Benko attended the 50<sup>th</sup> Annual National Carousel Convention. It gave him a great appreciation of carousels. Mr. and Mrs. Benko are very interested in the Tony's site [401-407 E. 2<sup>nd</sup> Street] as a potential location for the Jantzen Beach Carousel.

Mrs. Benko stated the National Neon Sign Museum Board of Directors recently voted to hire Kevin Brown from C2K Architecture, Inc., a Portland firm. Mr. Brown will start on the design and engineering phase for the pavilion. Mrs. Benko shared examples of other pavilions well suited for The Dalles.

The Benkos suggested the Tony's property as a potential site, stating it will be a huge economic benefit to the City, visible from the highway, and an educational benefit to students for STEM classes and other course work. The Benkos would prefer a square, open glass structure.

Mr. Benko stated the Tony's site is 20 feet deeper and wider than the parking lot adjacent to the Museum. The carousel would be a very tight fit in the parking lot. He hopes to have two floors, the first for the carousel, and the second for a community space.

The National Neon Sign Museum is a non-profit. The Board of Directors consists of Chris Zukin, Travis Nelson, Connie Tomasian, Gary Raines, and David and Kristen Benko. The Board of Directors and Advisory Board looked extensively at architects. They unanimously agreed on Kevin Grant. Mr. Grant is very affordable and excited about the project.

## **DISCUSSION ITEMS**

### Columbia Gateway Urban Renewal District Fiscal Analysis

EDO Spatz presented the staff report.

EDO Spatz stated the Maximum Indebtedness (MI) is the cumulative authorization to expend over the 30-year history of the Agency. That amount is \$29 million, most of which has been expended. There is formal debt and contract debt. We are discussing contract debt.

Staff is not asking for a decision or direction at tonight's meeting, but wanted to update the Board on remaining MI, since staff have revised this figure significantly over the past year in working with urban renewal consultants. The amount is much less than we believed it to be a year ago. Remaining funds are between \$1.2 and \$2.2 million. As we go into the First Street discussion, scope alternatives will be provided. Staff is developing a list of priority Incentive Program (IP) projects; it should be possible to balance some of these. The hope is to be able to tackle First Street and some IP projects.

### First Street Reconstruction Options and Cost Analysis

Director Chandler introduced Paul Schmidtke of KPFF, project manager for the First Street project.

Mr. Schmidtke noted “construction administration” is the term used for someone to monitor construction activities. Director Chandler added it would be more cost effective to have City Staff monitor construction.

Depending on scope, cost estimates now range between \$5 million and \$7.06 million.

Mr. Schmidtke stated the cost estimate alternatives could save \$250,000, but the project will still need civil engineering, archeological, structural and geotechnical, and construction administration services. These services would occur at specific times, rather than day-to-day.

The \$250,000 remaining design fees are budgeted for remaining work with right-of-way (ROW) access, archeological, and rail coordination as well as some design.

ODOT Rail approved a permit for the crossing. Other rail coordination involves securing permission from Union Pacific Railroad (UPRR) to perform construction by the rail. A portion of First Street abuts the rail ROW and would require a temporary construction easement (TCE) for Alternatives 1 through 4 in order to install the wrought iron fence and curb along the north side of First Street.

Director Chandler stated less coordination with the railroad is required if work is limited to the western half of the project area. On First Street between Washington and Laughlin Streets, greater coordination with UPRR is required. UPRR’s ROW extends from Washington Street to Laughlin Street. The City’s ROW is in portions of the railroad track, and portions of railroad are located in the City’s ROW. Staff attempted a land swap with UPRR, but conversations did not progress. UPRR requirements will not allow a land swap within 20 feet of railroad ROW. If the Board chooses to limit scope to the western half, this isn’t an issue.

Staff suggested several scope alternatives could be viable, including and excluding paver tiles, tree grates, and wrought iron fencing. All the Alternatives will be discussed with public works staff. Unless the full scope is chosen, we have moved away from the original intent of the project. This would call into question the original intent of the project as identified in the Urban Renewal plan, which referenced First Street “streetscaping.” This is an obligation of a 2009 Full Faith and Credit bond the city secured, primarily for urban renewal projects.

Engineering is complete for replacement of the existing retaining walls; the parking lot has not been engineered.

The Board expressed concern that a lack of planning now might create later problems. For instance, First Street apparently contains a water pipe, still in use, dating from the 1870s. The First Street project provides an opportunity to replace this with a modern, larger diameter pipe that would support later residential development along First street.

Chair Long reminded the Board that Urban Renewal is the topic of this discussion, not maintenance of First Street. This discussion is closely tied with the Board’s decision on the amount of funding invested in other projects and other Board priorities.

The Board returned to the discussion of replacing the water pipe.

Chair Long stated the water pipe is a City responsibility, not Urban Renewal’s, especially given funding constraints facing the Agency. She noted there could be other funding sources for infrastructure.

Board Member Denstedt agreed. The pipe should be completed prior to the streetscape to keep future maintenance costs down and provide better fire protection capacity.

The Board asked if funds saved from value engineering could then be used for applications.

Director Chandler replied, yes. Alternative 3 looks at the full scope of the project with more affordable options.

Mr. Schmidtke noted that all alternatives include replacement of the water line, adding irrigation for the trees and storm drainage.

Board Member Coburn requested confirmation that with a half project, the water line (installed in 1874) would be replaced.

Director Chandler replied, yes. Comparing a full project to a half project, much of the work is on the surface. The full project connects a sidewalk along the First Street parking lots over to Laughlin Street. A half project would connect the sidewalk to Washington Street.

Board Member Denstedt preferred Alternative 5 with a 12-inch water line.

Board Member Hege said the information was very confusing. The full project is \$5.8 million; the half project is \$5 million. The picture shows half the area, but it is certainly not half the cost.

EDO Spatz noted the expensive section of the project is from Union Street to Washington Street. A large part of the Urban Renewal commitment needs to be made in this area. The other half costs proportionately less because it does not require replacement retaining walls.

Board Member Hege said from his perspective, it is still confusing. He thought the full project makes sense for the City, maybe. He agreed with Chair Long that it should not be an urban renewal project, but rather should be a public works infrastructure project.

Board Member Coburn agreed with Chair Long and Board Member Hege. The original plan looks much more like an Urban Renewal project. This feels like a safety need versus an Urban Renewal need. It feels more out of urban renewal scope than in scope.

EDO Spatz replied the Agency has inherited decisions made years ago, which fundamentally changed project scope on several occasions. First Street started as a completely different project. Removing the Washington Street Plaza, in his opinion, cut out the heart of the project and turned it into what we now have.

Board Member Coburn referred to a comment from EDO Spatz that stated the first few blocks are the Agency's commitment. Where does it say that it is Urban Renewal's responsibility?

EDO Spatz replied the 2009 Plan specifically references streetscaping; there is a difference between streetscaping and infrastructure. First, Second, Third and Fourth Streets were all noted as bonded encumbrances. Technically, it is a City bond, not Urban Renewal, but most of that City bond went to Urban Renewal projects. In that sense, Urban Renewal is on the hook to repay the City obligation, which was \$13 million in 2009. The remaining debt is \$4.3 million.

Union to Washington Street is the safety issue, the most expensive part. That section has hollow sidewalks, the need for pilings, and associated engineering. The eastern part is flatter, without retaining walls. It is a lesser part of the cost.

Board Member Lillvik stated last month there was a question asking what this project would look like, from an Urban Renewal standpoint, if the City were to pick up other costs. She was unable to locate these alternatives in the materials. She asked if the Board would be able to weigh in on some of the items more appropriate for Urban Renewal, as opposed to infrastructure. When might that be available?

Director Chandler replied Alternative 4 (Attachment 1) specifically looks at what is considered streetscaping (everything above ground), which is included in the Urban Renewal Plan. That

alternative is a total cost of approximately \$7 million. Of the \$7 million, \$5.2 million is classified as streetscaping.

Board Member Lillvik stated with Alternative 4, the City cost is \$1.79 million. Will this be discussed further, or are the funds then committed to this project if Alternative 4 is chosen?

Director Chandler replied, any of the alternatives will return to the City for discussion. The \$1.79 million is not committed to this project. The City would have to move funds, perhaps from other planned projects in the Capital Improvement Plan. The sentiment is this may be considered a City project, but for years the City fully intended that the Agency pay for this project. It is not in, or planned for, the public works Capital Improvement Plan.

Board Member Lillvik asked if she was correct in saying Alternative 4 would be the compromise solution, where no one is happy, but it might be the best route through.

Chair Long and Director Chandler both replied, no.

Chair Long stated even with a half project, Alternative 5 does not show any potential City contribution. Yet, we are discussing hollowed out sidewalks and the safety issue. That is a concern.

Chair Long noted that with the first Google data center back on the tax rolls, the City will have access to Strategic Investment Program (SIP) dollars that are not yet committed. The Board includes three City and one County representatives; these individuals wear two hats: one for urban renewal, and one for their other jurisdiction. On this Board we are in charge, we are responsible to the people for Urban Renewal dollars. We need to consider carefully which hat we are wearing, and avoid confusion, while we serve two masters at the same time.

Board Member Hege had one more comment. When looked at the full project, the Urban Renewal cost was \$5.8 million. The lowest alternative is \$5 million, the lion's share of our remaining funds. Whatever alternative is chosen, the reality is we will be committing most of the money to finishing First Street, regardless of the alternative. He said it was time to move on.

Chair Long agreed. The Agency received a somewhat artificial timeline on First Street. First Street is still going to be there, still owned by the City, and the City can do it later if they like. Chair Long invited audience comment.

Clair Draper, no address given

Ms. Draper is looking forward to development at the Tony's site. If the Agency went forward with First Street, would there be funding available for the Tony's site?

Chair Long replied it depends on what alternative is chosen for First Street. There is not much money left, and we still have our Incentive Program.

Michael Leash, no address given

Mr. Leash said Board Member Hege made a good point in regards to the cost of the project. Is it a City project or Urban Renewal project? The degradation of the sidewalks and retaining walls on First Street, especially from Union to Court, is a 70-year old problem. Urban Renewal has not been around that long. Do they own tremendous degradation of infrastructure the Agency is not responsible for? The retaining wall is failing. If it fails, it is immediately a million dollar project for the City. The City needs to be involved in budgeting these projects. Urban Renewal should pay for pavers, benches, trees and grates, not infrastructure. He supported upgrading First Street with a 12-inch pipe and have the City replace the pipe.

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Richard Wolfe, 4752 Simonelli Road, The Dalles

Mr. Wolfe asked where the pipe is located. Mr. Schmidtke replied the survey shows it on the northern half of First Street, within the pavement.

Mr. Wolfe said there could be an option to run the pipe in the park [Lewis & Clark Festival Park]. He does not understand the cost projection, questioning the need to replace the road surface and retaining wall.

Chair Long replied that the board has confidence in staff and engineering representation.

Director Chandler noted that KPFF's representatives on this project are based in Portland and have extensive experience with First Street. Staff are confident of the engineering estimates.

Tony's Site Public Survey and Redevelopment Options

EDO Spatz presented the staff report.

Board Member Lillvik said it is interesting contemplating the Federal Street project and the ability to deliver the Federal Street project in addition to potential development at Tony's in conjunction with the First Street project.

Board Member Hege said this was great information. When he thought about the Tony's building as a site, he broke it into two different categories. One is non-revenue, non-tax base, and publicly funded. The majority of responses are in that category. If we go that direction, how will we pay for it? Sometimes more importantly, how will we maintain it? Whatever you build, you need the resources to keep it in a good condition, a gem in the community.

Board Member Hege is still interested in asking the public sector what they would do with it. We could put some parameters around it, and provide them with this information, but at the end of the day, unless we pay for it, we cannot determine what it will be.

Chair Long replied we now know that we do not have money. This was unknown at the beginning of the process, but we have control over what happens to the property. Including maybe nothing for a while if the right thing does not come along. Downtown property does not come up often; it is something to consider.

Now that we have some feedback, is it appropriate to prepare a Request for Concept to see the response while the Agency is still here and can make a decision? Even without funding, we still have input to control the impact of downtown development, both economically and aesthetically.

Board Member McGlothlin said he had not considered the prospect of having the carousel. If you had the carousel, a green space, plus some type of transportation hub/tourism in that location, when you have events like Cherry Festival you would work around that space. We should encourage and enhance what we have. This is an opportunity for a long-range vision of what we could have downtown.

Board Member Denstedt said if the Tony's site is for sale, the carousel will not be located there. His impression was that the Benko's want a donation of the land.

Mrs. Benko stated they are not asking for a donation, just expressing an interest in the property.

Board Member Denstedt suggested selling the lot for as much as possible. We have a commitment made years ago. He does not think it's something we can back out of, so most of our money will go to First Street. If we can somehow get the carousel there, we can specify the end use.

Board Member Coburn was pleased with the survey responses. Many suggestions could be combined. The challenge lies with how much we have to spend.

Director Chandler added that when we started down the path of demolition, it was immediately going into a Request for Proposal (RFP); inviting a private developer to see what could be on the property. We can still dream big without necessarily being the Agency that funds the development.

EDO Spatz spoke in response to Board Member Coburn's comment. He said an RFP would identify some major elements, put it out there, and see what type of response is provided. We have received some informal ideas of the value of the Tony's site. EDO Spatz cautioned that we are not sitting on a gold mine. It is a valuable downtown site, but it will not eliminate our current financial struggle. If we could come back with a draft RFP that attempts to capture the flavor of some of these comments, he does not see it being an either/or proposition. In combination with the Federal Street Plaza, we could do something creative that would create an activity hub. Maybe the carousel is part of that, maybe not.

Chair Long asked if it would be more of a request for concepts. We talked about that before. The RFP could require more on the part of the Applicant. We do not want to exclude good ideas.

EDO Spatz replied, a Request for Expressions of Interest.

Special Projects Coordinator Ann Moorhead enjoyed reading through the survey responses. Moving forward with a Request for Interest is a way of showing the community we are considering community feedback as much as possible. It is a matter of maintaining trust with the community after requesting their input.

Board Member Coburn asked if a thank you to the community is appropriate. Ms. Moorhead felt it ultimately comes down to the community seeing that their words have had an impact. Without maintaining trust, she felt that effort would quickly diminish.

Board Member Denstedt felt the problem with his statement to just sell it would be sending the message that we received your input, but we are not going to use your input. If we put out the RFP, it acknowledges their input. We now need someone to step up and give us the best offer, not necessarily the most money, but the best offer within the parameters of that input.

Board Member McGlothlin said he drove by the Tony's site and the wall of the old Bonanza store was painted. What an improvement. He asked who painted the building.

Director Chandler replied we had it done.

Board Member McGlothlin said when you dream big, big things happen. Involvement gets things done. Dream big.

#### Columbia Gateway Urban Renewal Plan Revision

EDO Spatz presented the staff report. He noted the Agenda packet included the Plan goals and objectives.

He then noted distinction between formal debt and contract debt, and referred to the description provided by Nick Popenuk of Tiberius Solutions:

*The issue is that the legal term "maximum indebtedness" has a specific meaning that is not intuitive. By law, TIF funds can only be used to pay for "debt." Maximum indebtedness is a cumulative limit on the amount of debt that a URA has ever incurred.*



*Those two things combined result in maximum indebtedness functioning as a limit on funding for projects for URAs. Because it is a measure of cumulative debt incurred, paying off old debt does not free up more maximum indebtedness capacity. And, paying for projects on a cash basis (rather than taking out formal loans) does not allow you to avoid counting those projects as informal "debt" for the purposes of maximum indebtedness (because legally all expenditures of TIF have to go towards debt service). Instead, these cash expenditures are designated as "contract indebtedness" which is a legal way of saying they are debt to comply with State law, even though no logical person would ever think of it as debt.*

The idea that in expanding MI you are not necessarily increasing formal debt, you are expanding the capacity to expend TIF that you would otherwise be able to collect.

In keeping with the idea of best practices, we are defining several projects and adding them to the Plan: Basalt Commons, First Street Streetscape and the Tony's site redevelopment.

Three things are fundamental changes to the 2009 Plan: rearrangement of 2009 projects by category, revised Goals and Objectives, and three projects added to the Projects list.

EDO Spatz requested the Board review the Plan in the coming weeks. Please send any comments, changes or corrections to EDO Spatz.

EDO Spatz would like to present the final draft of the Urban Renewal revision at the July 16 meeting. Since there are changes to the Goals and Objectives, the Plan will be presented to The Dalles City Council for recommendation.

EDO Spatz asked, if the Board felt comfortable with it, consensus allowing Staff to prepare a resolution for consideration at the July 16 Board meeting. That resolution would recommend to The Dalles City Council approval of the Urban Renewal Plan revisions for adoption through special ordinance. Again, that would be subject to the Board's approval of the final draft.

Board Member McGlothlin was in favor of moving forward.

Chair Long verified the Board had time to respond to the draft. EDO Spatz requested responses by July 5, 2024.

### **BOARD MEMBER COMMENTS / QUESTIONS**

Board Member Hege said the information lays out the difficult steps going forward. There are no easy decisions.

Board Member Hege referred to a map mentioned at the last meeting. The map will include all the projects completed by Urban Renewal. What is the status of the map?

EDO Spatz replied Staff will forward the link to the map.

Board Member Coburn requested a copy of the spreadsheet. Staff will provide the spreadsheet.

Director Chandler requested direction for First Street. Chair Long heard that Urban Renewal is interested in funding things typically Urban Renewal, not infrastructure. We are placing priority on helping other projects. First Street no longer feels like a priority. The Board is looking at a bare bones, minimum contribution to First Street, allowing good work to continue with remaining funds. The Board agreed.

Board Member Coburn was in favor of including the value engineering where possible. Board Member McGlothlin's addition was to leverage every dollar we have.

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Board Member Hege was curious about the commitment. What commitment does Urban Renewal have to the First Street project?

Board Member Denstedt said if there is some way to get funds for the infrastructure, more Urban Renewal funds could be spent on projects more appropriate to Urban Renewal. He did not think streetscaping should be developed on crumbling foundations.

**STAFF COMMENTS / PROJECT UPDATES**

Director Chandler updated the Board on the First Street parking lots. Staff budgeted to resurface and stripe the lots. Use of heavy-duty equipment on deteriorating asphalt resulted in ripped up paving. A quote was secured from Public Works with the intent to begin in July.

In an abundance of caution, Director Chandler contacted the State Historic Preservation Office (SHPO) because the area is in the old Chinatown, an archeological zone. Both the project archeologist and Eric Gleason, owner of the Chinese Building, felt resurfacing the parking lot would be no problem. SHPO requested additional information; their determination was received on June 14, 2024. Artifacts were previously found near the surface. The lots are not currently in use. Director Chandler will move forward on opening the lots as soon as possible.

EDO Spatz was notified by EPA of a \$500,000 grant to renew the Brownfield Program. The draft work plan was submitted last week; it is now under review by the EPA. We anticipate starting the grant October 1.

**ADJOURNMENT**

Being no further business, the meeting adjourned at 7:52 p.m.

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*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



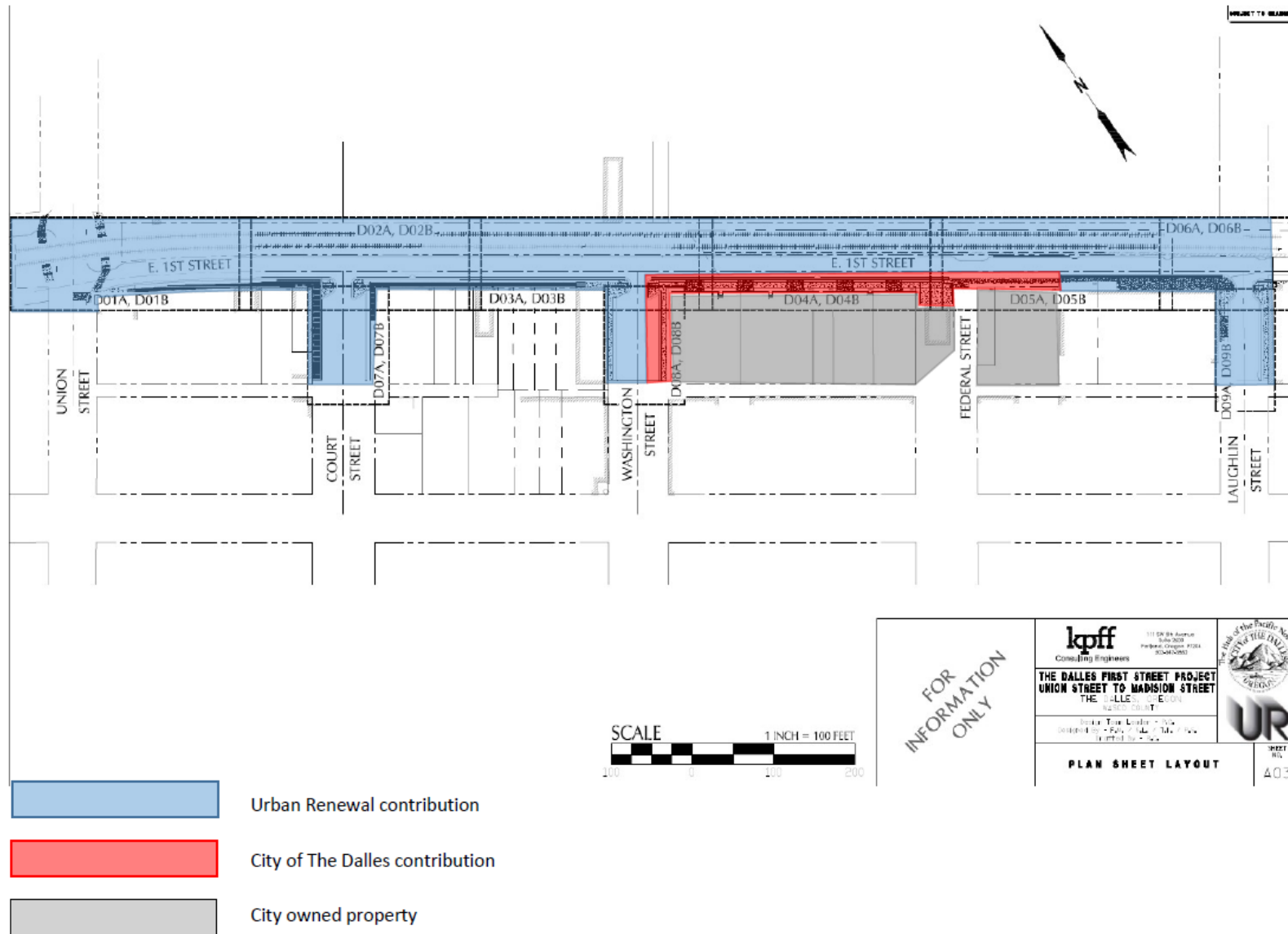
City of The Dalles  
 First Street Project - Concept Cost Estimate Alternatives 1 - 7  
 6/14/2024

Alternative	Description	Total Cost	UR Cost *	City Cost	SDC Cost
1	Full Project - City Frontage & Upsize Waterline from 8" to 12"	\$ 7,060,000	\$ 5,800,000	\$ 590,000	\$ 670,000
2	Full Project - City Pays for City Frontage Work	\$ 6,990,000	\$ 6,400,000	\$ 590,000	\$ -
3	Full Project - Value Engineering**	\$ 6,200,000	\$ 6,200,000	\$ -	\$ -
4	Full Project - Above Ground (UR) / Below Ground (City)	\$ 6,990,000	\$ 5,200,000	\$ 1,790,000	\$ -
5	Half Project - Union to Washington	\$ 5,000,000	\$ 5,000,000	\$ -	\$ -
6	Half Project - Union to Washington w/ sidewalk to & in Laughlin	\$ 5,900,000	\$ 5,310,000	\$ 590,000	\$ -
7	Half Project - Union to Washington w/ sidewalk at Laughlin	\$ 5,200,000	\$ 5,200,000	\$ -	\$ -

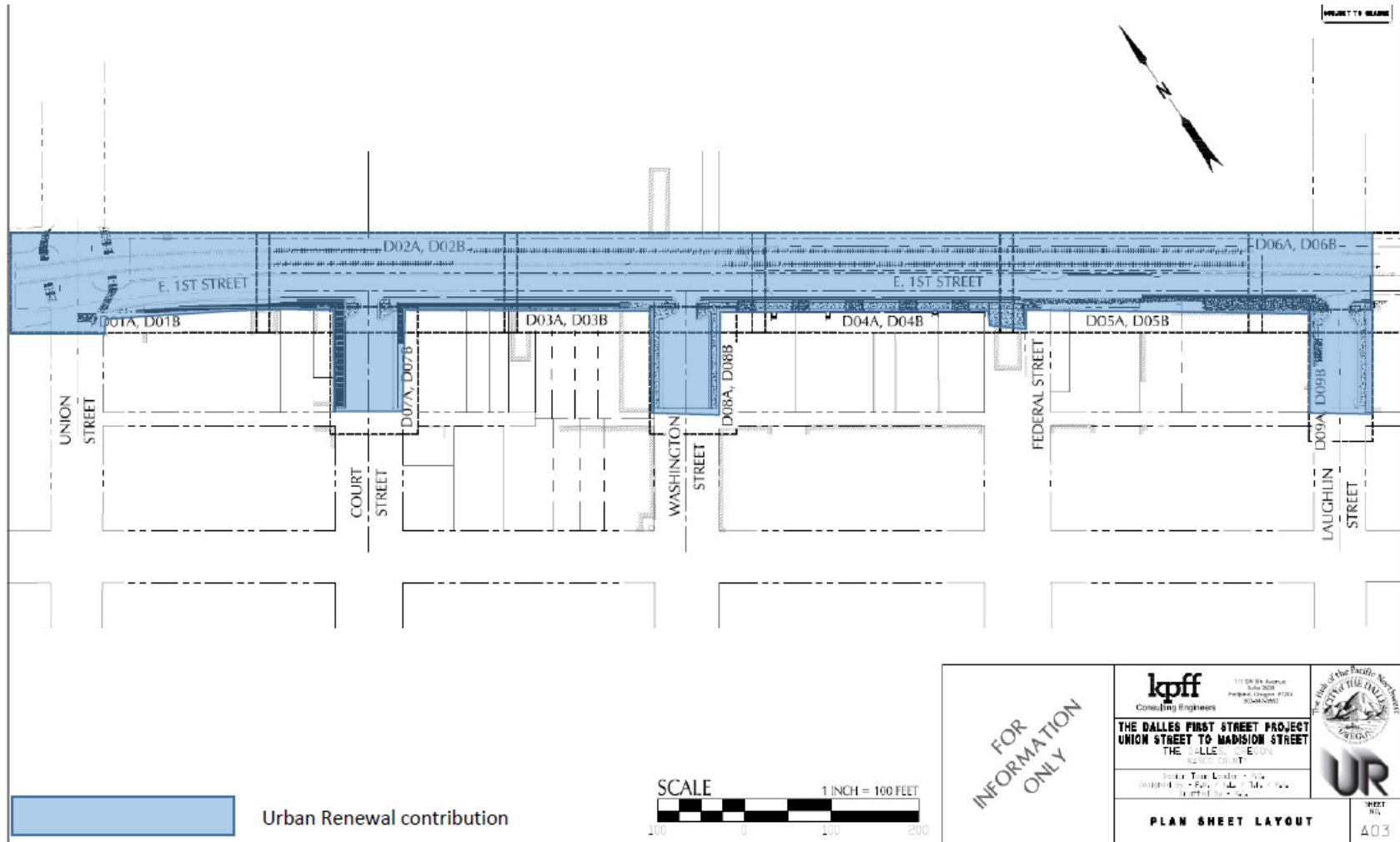
Notes

- \* Estimated Fees included in cost: 250K remaining Design Fees, 500K CA (Could be shared with City), 80k for R/W acquisition, 75k for Archeological Testing
- \*\* Value Engineering includes the reduction of the following: Pavers to Concrete (100k-150k reduction), Removal of Tree Grates (100k-125k Reduction), Removal of Soil Cells (120k-150k Reduction), Adjustment from Wrought Iron Fence to a more economical fencing (200k-225k Reduction).
- All Contingency calculated at 10% of the Total Construction Cost

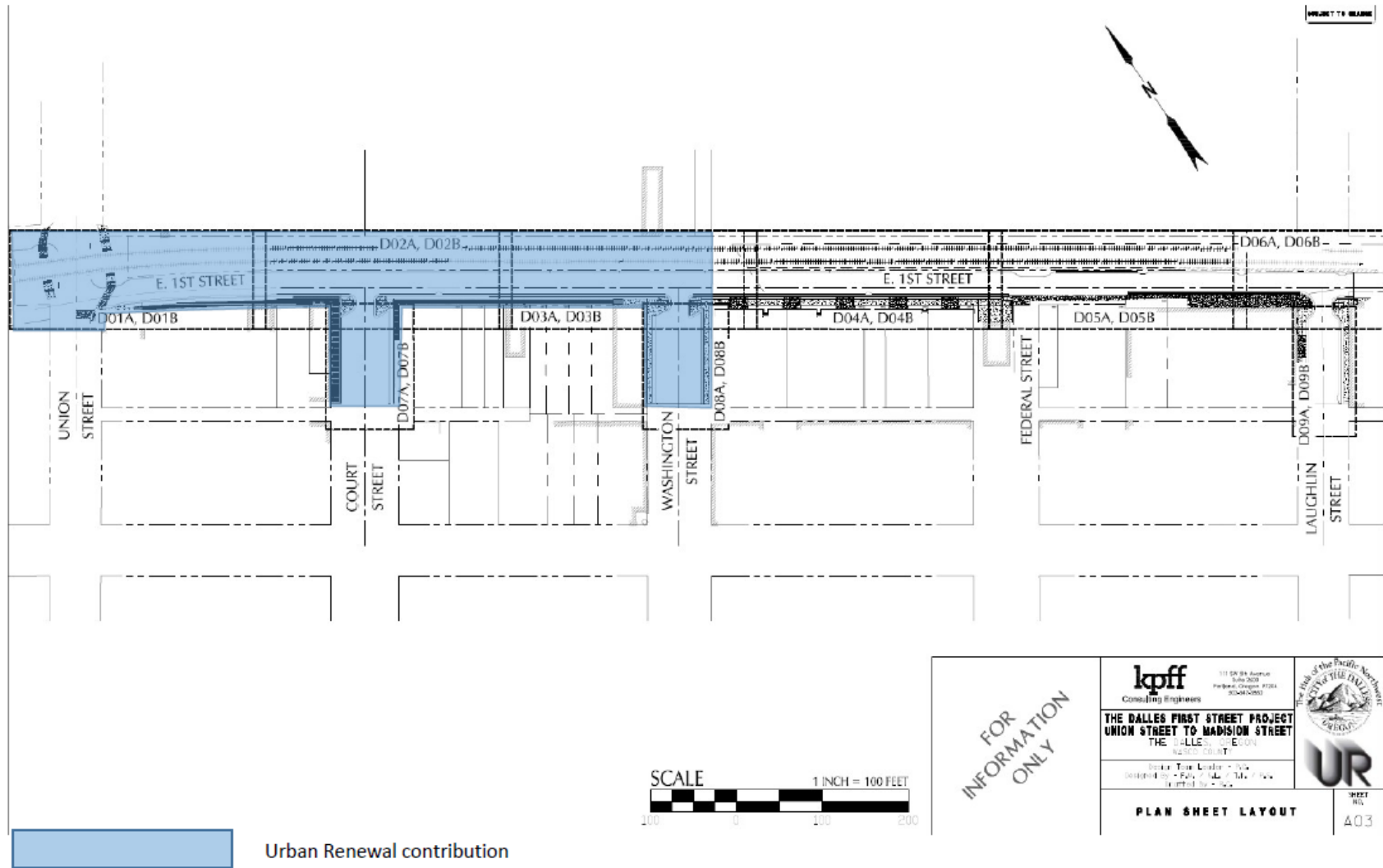
Alternatives 1, 2, and 4



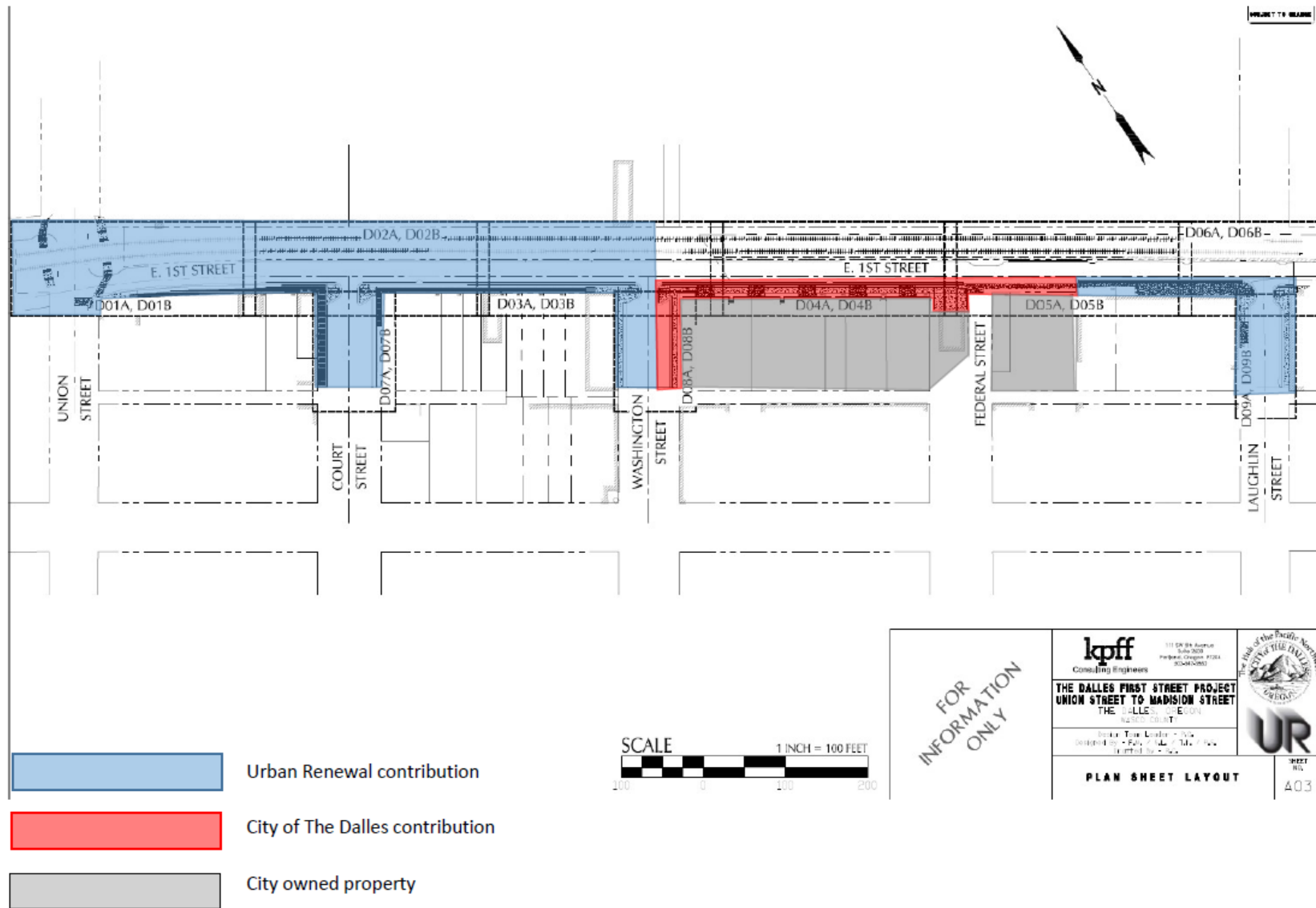
Alternative 3



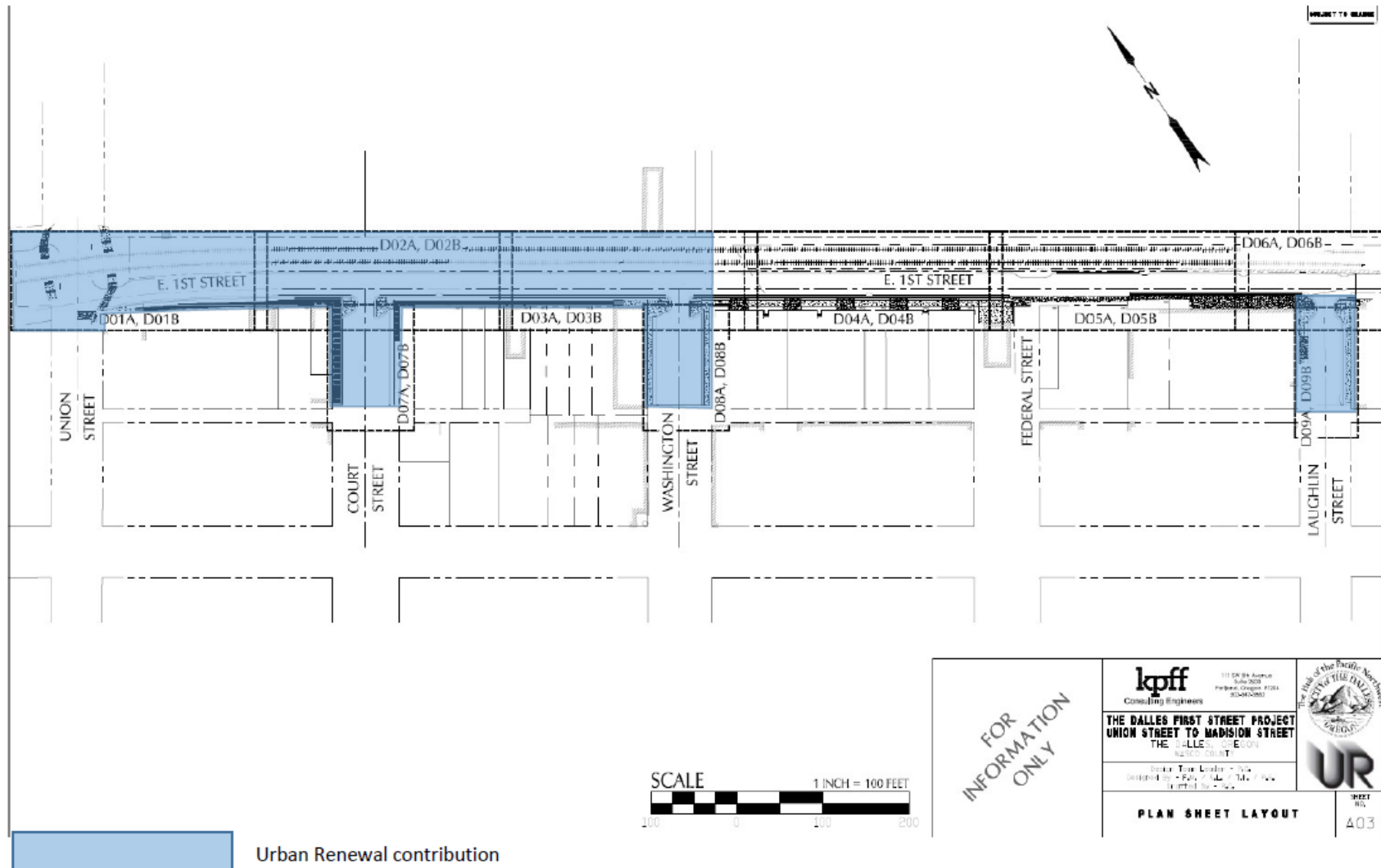
Alternative 5



Alternative 6



Alternative 7



FOR  
 INFORMATION  
 ONLY

 111 SW 8th Avenue Suite 2020 Portland, Oregon 97204 503.441.9833	 THE DALLES URBAN RENEWAL AGENCY THE DALLES, OREGON 97003





## AGENDA STAFF REPORT AGENDA LOCATION: 7.A.

**MEETING DATE:** Tuesday, July 16, 2024

**TO:** Chair and Members of the Urban Renewal Agency Board

**FROM:** Dan Spatz, Economic Development Officer

**ISSUE:** *Columbia Gateway Urban Renewal Plan revision*

### **BACKGROUND**

On March 21, 2023, Urban Renewal Agency (**Agency**) staff proposed a revision of the Columbia Gateway Urban Renewal Plan (**Plan**), which has not been updated since 2009. The current Plan lists several projects which have long since been completed; others have been abandoned or may not be considered relevant. New projects have occurred which are not yet referenced. It is considered best practice for all major projects to be listed. The revision, which will be accomplished through City Council amendment rather than a Minor or Substantial Amendment, is a multi-stage process involving fiscal analysis, review of long-term economic impact, reevaluation of goals, and updated projects list.

At the October 17, 2023, Agency meeting, staff accepted a proposed schedule of monthly Board work sessions to accompany the review. The first of these occurred at the November 2023 session, which focused on Agency history and accomplishments; there was also a brief recap of goals and objectives. In December 2023 and January 2024, the Board reviewed and approved revisions to goals and objectives, which will be included in the revised Plan. At the June 18, 2024 meeting, Board reviewed proposed revisions to the Plan, including modifications described below. Staff invited additional board review and feedback with the goal of presenting a final draft at the July 16, 2024, meeting. Staff has received no additional feedback.

### **Urban Renewal Plan revisions**

Attached to this staff report is a final draft revision of the Plan. A red-lined version was included in the June 18 meeting packet. The version attached to the July 16 packet has changes accepted and comments deleted. Many of the changes are typographical, but there are key new elements:

- **A rearrangement of 2009 projects by category:** Projects completed, postponed, abandoned, new or proposed.

- **Revised Goals and Objectives:** As stated in the current Plan, addition, deletion or modification of goals and objectives also need to be approved by the City Council.
- **Projects:** Several projects have been adopted through Plan amendment since 2009 (some have since been completed, but were never included in the Plan’s primary text). Among the projects now listed are three which have received considerable attention over the past year:
  - Basalt Commons – Approved as a combination Development Funding Agreement and Incentive Program SDC payment project in August 2023.
  - First Street – Identified as a “Streetscape” project in the 2009 Plan, but never completed. It will continue to be referenced under “Streetscape” projects in the revised Plan.
  - Tony’s site redevelopment – Initiated through Agency acquisition in June 2016, but never specifically referenced in the Plan.

In addition, staff have proposed certain modifications to the Plan’s “Property Rehabilitation” program, which was revised in 2023 as the “Incentive Program.” At the May 2024, Board meeting, the Board reviewed staff’s proposed updates to this program. Requirements and other process details are not included in the Plan itself, but rather are updated through the Urban Renewal website. Accordingly, the revised Plan will only carry a brief reference to the program under a new title: “Property Rehabilitation Grants and Agreements.”

Should the Board accept proposed Plan revisions as presented on July 16; a final draft will be presented for recommendation to The Dalles City Council at an upcoming Council meeting. (Council concurrence is required through provision of the Urban Renewal Plan itself.)

**FISCAL IMPLICATIONS:**

While no fiscal impacts directly arise from goals and objectives, there will be significant implications as the Agency identifies projects through which goals and objectives will be implemented. The intent is to provide Agency direction in achieving MI by 2029 and upon doing so terminate the District.

**BOARD ALTERNATIVES:**

1. ***Staff recommendation: Accept revised draft of the Columbia Gateway Urban Renewal Plan and adopt Resolution 24-004 recommending approval of the proposed amendments by The Dalles City Council.***
2. Identify revisions and direct staff to return with new draft at the August 20 meeting.

**Attachments:**

- Attachment A: Revised Columbia Gateway Urban Renewal Plan
- Attachment B: Resolution 24-004

# COLUMBIA GATEWAY/DOWNTOWN URBAN RENEWAL AGENCY

*“Improving Our Community”*

**Plan**

DRAFT

Revised and updated: July 16, 2024

## **COLUMBIA GATEWAY/DOWNTOWN PLAN**

An Urban Renewal Plan and Program of the City of The Dalles, OR.

Approved by the Dalles City Council on  
August 23, 1990

By Council Ordinance No. 90-1113

### Amendment 1 – Minor Amendment

Approved by The Dalles Urban Renewal Agency on  
July 23, 1991

By Resolution No. 91-007

### Amendment 2 – Substantial Amendment

Approved by The Dalles City Council on  
March 15, 1993

By Council Ordinance 93-1161

### Amendment 3 – Minor Amendment

Approved by The Dalles Urban Renewal Agency on  
August 27, 1996

By Resolution No. 96-025

### Amendment 4 – Substantial Amendment

Approved by The Dalles City Council on  
June 22, 1998

By Council Ordinance 98-1223

General Ordinance No. 98-1223 was repealed by Referendum Measure No. 33-22  
Adopted by a Vote of the People at the November 3, 1998 General Election

### Amendment 5 – Substantial Amendment

Approved by The Dalles City Council on  
December 14, 1998

By Council Ordinance 98-1229

### Amendment 6 – Substantial Amendment

Approved by The Dalles City Council on  
August 9, 1999

By Council Ordinance 99-1232

### Amendment 7 – Minor Amendment

Approved by The Dalles Urban Renewal Agency on  
May 14, 2001

By Resolution No. 01-040

### Amendment 8 – Minor Amendment

Approved by The Dalles Urban Renewal Agency on  
November 10, 2003

By Resolution No. 03-052

Amendment 9 – Minor Amendment

Approved by The Dalles Urban Renewal Agency on  
January 28, 2008  
By Resolution No. 08-060

Amendment 10 – Substantial Amendment

Approved by The Dalles Urban Renewal Agency on  
June 22, 2009  
By Council Ordinance No. 09-1301

Amendment 11 – Minor Amendment

Approved by The Dalles Urban Renewal Agency on  
April 12, 2010  
By Resolution No. 10-068

Amendment 12 – Minor Amendment

Approved by The Dalles Urban Renewal Agency on  
May 10, 2010  
By Resolution No. 10-069

Amendment 13 – Minor Amendment

Approved by The Dalles Urban Renewal Agency on  
May 12, 2014  
By Resolution No. 14-001

Amendment 14- Minor Amendment

Approved by The Dalles Urban Renewal Agency on  
February 9, 2015  
By Resolution No. 15-001

Amendment 15- Minor Amendment

Approved by The Dalles Urban Renewal Agency on  
March 23, 2015  
By Resolution No. 15-002

Amendment 16- Minor Amendment

Approved by The Dalles Urban Renewal Agency on  
April 17, 2018  
By Resolution No. 18-002

Amendment 17- Minor Amendment

Approved by The Dalles Urban Renewal Agency on  
April 17, 2018  
By Resolution No. 18-002

**PLAN**

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**ATTACHMENTS**

- A. REPORT - Columbia Gateway/Downtown Plan, Adopted Report June 2009
- B. Original projects list (pages 14-19 of ORD 90-1113)
- C. Fourth Amendment projects list

**SECTION 100 - INTRODUCTION**

The Columbia Gateway/Downtown Plan (the “Plan”), as amended, governs the 318.12 acre Columbia Gateway/Downtown Urban Renewal Area (the “Area”) of the City of The Dalles, Oregon. The Area was established in 1990, amended in 1993 to reduce its size, and amended further in 1998, also to reduce its size. A substantial amendment of the Plan was adopted in 2009 to increase the size of the Area and the maximum indebtedness allowed under the Plan. The Area consists of a single geographic area with an amended Maximum Indebtedness of \$29,125,583 (revised 2023).

This Plan consists of two parts: Part 1, Text and Part 2, Exhibits, and has been prepared by the Urban Renewal Agency pursuant to the provisions of Chapter 457 of the Oregon Revised Statutes, the Oregon Constitution and all other applicable state and local laws.

**SECTION 110 - CITY/AGENCY RELATIONSHIP**

The Governing Body (Council) of the City of The Dalles on April 23, 1990, by Ordinance Number 90-1106, declared that blighted areas exist within the City and that there is a need for an urban renewal agency to function within the City. The City Council, by the approval of such Ordinance Number 90—1106, and in accordance with the provisions of ORS 457.045 (2), appointed an Urban Renewal Agency consisting of eleven (11) members. In 1998, the Council adopted ordinance Number 98 – 1228, designating the members of the Council as the Urban Renewal Agency. General Ordinance No. 90-1106 was amended in 1998 by General Ordinance No. 98-1228, which was adopted on December 14, 1998. This ordinance reduced the size of the Urban Renewal Agency to 6 members, including the Mayor and the five City Councilors, and these persons were designated as the Urban Renewal Agency pursuant to ORS 457.045(3). Pursuant to ORS 457.035, the Urban Renewal Agency is a public body corporate and politic. The relationship between the City of The Dalles, an Oregon Municipal Corporation and The Dalles Urban Renewal Agency, a public body corporate and politic, shall be as contemplated by Chapter 457 of the Oregon Revised Statutes. Nothing contained in this Plan, nor the City’s supplying of services or personnel, nor the budgeting requirements of this Plan shall in any way be construed as departing from or disturbing the relationship contemplated by Chapter 457 of the Oregon Revised Statutes.

***Description of the Amendments***

The Urban Renewal Plan has been amended on 16 occasions. The Plan defines criteria for minor and substantial amendments: Minor amendments clarify language, add or drop projects from the plan and change project scope, provided such changes do not alter the plan’s goals and objectives. Substantial amendments expand district boundaries (limited by ORS 457.220) and increase maximum indebtedness. In addition to these changes through time, amendments also periodically shifted Agency governance authority between the City Council and Urban Renewal taxing districts. Following is a summary of all Plan amendments as of April 2024:

**First Amendment (Resolution 91-007):** Minor amendment adopted July 23, 1991, established that no bonded debt should be incurred beyond 2012-13 except through a Substantial Amendment to the Plan.

**Second Amendment (Council Ordinance 93-1161):** The first Substantial Amendment occurred March 15, 1993. This was a response to Oregon voters’ approval of Measure 5 (November 1991 general election) and subsequent enabling legislation in 1992 (HB

2550), which altered the calculation methodology for Tax Increment Financing. An unintended consequence was to create a significant disparity (7X) in tax burden between the two school districts serving The Dalles at that time, The Dalles School District 12 and Chenoweth District 9. The taxation disparity was resolved by removing all urban renewal district acreage from District 9 (deletion of either 32.14 or 71.86 acres – both estimates are referenced in various documentation). Included in the deletion was the western segment of West Second Street corridor (see Attachment B). This amendment also made various other changes to the Plan, including expansion of the Plan's Project list.

**Third Amendment (Resolution 96-925):** Minor amendment clarifying language regarding scope of proposed Projects and other public improvements.

**Fourth Amendment (Council Ordinance 98-1223):** The next Substantial Amendment occurred on June 22, 1998, when the Fourth Amendment established a maximum debt limit to comply with Oregon Constitutional changes approved by voters in 1997 (Measure 50). This amendment also established a table projecting costs of anticipated Urban Renewal Projects. However, the enabling ordinance was repealed through a referendum (Measure 33-22) in the November 1998 general election.

**Fifth Amendment (Council Ordinance 98-1229):** This Substantial Amendment, adopted December 14, 1998, responded to Measure 33-22. City Council adopted two related ordinances that day: Ordinance No. 98-1228, which established the City Council as the Agency Board (**Board**), and Ordinance No. 98-1229, which again reduced the size of the district (see Attachment D, removing 238.04 acres from the original 628.02 acreage). These measures complied with terms of a mediation agreement in October 1998 between the City, Agency, Wasco County, The Dalles Trade Center Association and Committee to Dissolve Urban Renewal.

**Sixth Amendment (Council Ordinance No. 99-1232):** This Substantial Amendment, adopted August 9, 1999, provided context for developments in the preceding year. Concerns leading to mediation reflected a view that Urban Renewal Projects did not contribute significantly to increased tax base. The Sixth Amendment revised the Project list, sought to ensure project compliance with Plan criteria, and reduced the amount of maximum indebtedness to \$14.23 million, a number later increased to \$29.13 million (see Tenth Amendment below). The amendment outlined a new list of Urban Renewal Projects. This list, which replaced the Fourth Amendment project list, together with minor, later changes in project descriptions, constitutes the first 13 projects that have carried forward ever since and provide the basis for projects identified in this plan revision.

**Seventh Amendment (Resolution No. 01-040):** Minor amendment allowed acquisition of a parking lot at First & Court streets to support redevelopment of the *Commodore Building*, adopted May 14, 2001.

**Eighth Amendment (Resolution 03-052):** Minor amendment adding *Wasco Warehouse & Milling Co.* property as an Urban Renewal project, adopted November 10,



2003. (This became Project #14 in the Urban Renewal Plan, now the “Sunshine Mill.” Project is complete.)

**Ninth Amendment (Resolution 08-060):** Minor amendment adding Union Pacific Railroad and Oregon Department of Transportation properties to the *Wasco Warehouse & Milling Co.* redevelopment Project, adopted January 28, 2008.

**Tenth Amendment (Council Ordinance 09-1301):** The last Substantial Amendment to the Plan occurred June 22, 2009. The Tenth Amendment made various textual edits throughout the Plan. Aside from later minor amendments, the primary text carries through to the present day. The Tenth Amendment modified, added and deleted various items in the original Plan, including changes to the processes for property acquisition and land disposition. It modified the *Mill Creek Greenway* project from property acquisition to development, added *East Gateway / Brewery Grade Reconstruction* (this became Project #15 in the Urban Renewal Plan, the Sunshine Mill Roundabout), and *Third Place Street improvements* (Project #16 in the Urban Renewal Plan). Urban Renewal investment in the roundabout leveraged a \$2.4 million federal grant. Significantly, this Substantial Amendment increased Maximum Indebtedness of the Agency from \$14,227,353 to \$29,125,583, and deleted the provision regarding the duration of the District. That last change meant that the Agency does not necessarily sunset at any particular time, but rather when Maximum Indebtedness is achieved. The Tenth Amendment was accompanied by a detailed report and fiscal analysis.

**Eleventh Amendment (Resolution 10-068):** Minor amendment adding The Dalles Skateboard Park to *West Gateway Project #10*, adopted April 12, 2010.

**Twelfth Amendment (Resolution 10-069):** Minor amendment adding redevelopment of properties bordered by Washington and Court streets and First and Second streets (the Granada Block), adopted May 10, 2010, as Project #17.

**Thirteenth Amendment (Resolution 14-001):** Minor amendment adding a new goal of increasing value of properties within the district and enhancing opportunities for non-profit organizations to participate in the property rehabilitation and loan grant fund program. This allowed grants to for-profit, public, non-profit and civic organizations, and was approved May 12, 2014.

**Fourteenth Amendment (Resolution 15-001):** Minor amendment adding *Thompson Park Pool* as Urban Renewal Project #18 (slide, climbing wall, shade or other landscaping), adopted February 9, 2015.

**Fifteenth Amendment (Resolution 15-002):** Minor amendment adding redevelopment of the former *Elks Lodge* as an Urban Renewal Project #19, adopted March 23, 2015.

**Sixteenth Amendment (Resolution 18-002):** Minor amendment revising description of the proposed *Mill Creek Trail Greenway Project*, adopted April 17, 2018.

In addition, the historical record should note for clarification Resolution 23-002, amending the Urban Renewal Incentive Program, adopted on April 18, 2023. This amended an Urban

Renewal program established in August 2022 but did not constitute a minor amendment to the plan itself.

On September 12, 2016, the City Council adopted General Ordinance No. 16-1346, which amended General Ordinance No. 90-1106. This restructured the Agency, removing the City Council as Agency Board and restoring authority to the Board as it exists in 2024, comprising representatives from each affected taxing district (Wasco County, Mid-Columbia Fire & Rescue, Northern Wasco Parks & Recreation, Port of The Dalles; three city councilors; and two citizens at large). The Urban Renewal Advisory Committee was eliminated at that time.

This summary does not attempt to document all of the changes, challenges and progress achieved through the Agency since 1990. Its intent is to offer a historical foundation for the next – and final – phase of the District, and to offer a foundation for decisions leading to the ultimate continuation or discontinuation of the Agency itself

**SECTION 200 - DEFINITIONS**

As used in the construction of this Plan, unless the context requires otherwise, the following definitions shall apply:

- 201. AGENCY means The Dalles Urban Renewal Agency that, in accordance with the provisions of Chapter 457 of the Oregon Revised Statutes, is the Urban Renewal Agency of the City of The Dalles, Wasco County, Oregon.
- 202. AREA means that geographic portion of the City which encompasses the Columbia Gateway/Downtown Area — an urban renewal area conceived pursuant to the provisions of ORS Chapter 457.
- 203. BLIGHTED AREAS means areas that by reason of deterioration, faulty planning, inadequate or improper facilities, deleterious land use or the existence of unsafe structures, or any combination of these factors, are detrimental to the safety, health or welfare of the community. A blighted area is characterized by the existence of one or more of the following conditions:
  - The existence of buildings and structures, used or intended to be used for living, commercial, industrial or other purposes, or any combination of those uses, which are unfit or unsafe to occupy for those purposes because of any one or a combination of the following conditions:
    - Defective design and quality of physical construction;
    - Faulty interior arrangement and exterior spacing;
    - Overcrowding and a high density of population;
    - Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities; or
    - Obsolescence, deterioration, dilapidation, mixed character or shifting of uses;
  - An economic dislocation, deterioration or disuse of property resulting from faulty planning;
  - The division or subdivision and sale of property or lots of irregular form and shape and inadequate size or dimensions for property usefulness and development;

- The layout of property or lots in disregard of contours, drainage and other physical characteristics of the terrain and surrounding conditions;
- The existence of inadequate streets and other rights-of-way, open spaces and utilities;
- The existence of property or lots or other areas which are subject to inundation by water;
- A prevalence of depreciated values, impaired investments, and social and economic maladjustments to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered;
- A growing or total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to the public health, safety and welfare; or
- A loss of population and reduction of proper utilization of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.

204. CITY means the City of The Dalles, Wasco County, Oregon.

205. CITY COUNCIL or COUNCIL means the governing body of the City of The Dalles.

206. COMPREHENSIVE PLAN means the Land Use Plan of the City of The Dalles including all of its policies, procedures and implementing provisions.

207. COUNTY means Wasco County, Oregon.

208. EXHIBIT means an attachment, either narrative or graphic, to this Urban Renewal Plan as set forth in Part 2 of this Plan.

209. ORS means Oregon Revised Statutes (State Law). ORS Chapter

457 is the chapter which regulates the renewal of blighted areas within the State of Oregon.

210. PLAN means the Amended Columbia Gateway/Downtown Plan, an Urban Renewal Plan of the City of The Dalles, Oregon.

211. REDEVELOPER means a party who acquires real property or receives financial assistance from the Urban Renewal Agency for the purposes of developing or redeveloping such property in conformity with the provisions of this Urban Renewal Plan.

212. STATE means the State of Oregon including its various departments, divisions and agencies.

213. TAX INCREMENT FINANCING means a method of financing indebtedness incurred by The Dalles Urban Renewal Agency in preparing and implementing the Urban Renewal Plan. Such tax increment method is authorized by ORS sections 457.420 through 457.450 and provides that all or a portion of the tax proceeds, if any, realized from an increase in the taxable assessed value of real and personal property within the Columbia Gateway/Downtown Urban Renewal Area above that existing on the County tax roll last equalized prior to the effective date of The Dalles City Council Ordinance approving the Urban Renewal Plan may be paid into a special fund of the Agency. Such special fund, if any, shall be used to pay the principal and interest on indebtedness incurred by the

Agency in financing or refinancing the preparation and implementation of the approved Urban Renewal Plan including the administration of the Agency’s activities.

- 214. TAXING BODY means any authorized entity which levies ad valorem taxes within the boundaries of the Urban Renewal Area.
- 215. U.R. means “urban renewal” as in Urban Renewal Boundary, Urban Renewal Area, Urban Renewal Plan, etc.
- 216. URBAN RENEWAL ADVISORY COMMITTEE means the committee established pursuant to General Ordinance No. 98-1228, whose duties include review of all projects and expenditures for the Agency to ensure compliance with the Agency’s adopted budget and the Plan; making recommendations to the Agency concerning potential projects to be undertaken, public contracts to be awarded, potential plan amendments, and budget needs, policies and procedures for the Agency; and performance of other tasks and duties as requested by the Agency.
- 217. URBAN RENEWAL LAW means Chapter 457 of the Oregon Revised Statutes as same exists on the effective date of this Urban Renewal Plan or as same may be amended from time to time by action of the Oregon Legislature.
- 218. URBAN RENEWAL PLAN means the Amended Plan for the Columbia Gateway/Downtown Area--an Urban Renewal Area of the City of The Dalles, Oregon.

**SECTION 300 - LEGAL BOUNDARY DESCRIPTION**

The legal description of the boundaries of the Urban Renewal Area is set forth in Part 2 of this Plan as follows:

- 301. Amended Exhibit 1 - Narrative Legal Description of Urban Renewal Area.
- 302. Amended Exhibit 2 - Graphic (Map) Description of Urban Renewal Area.

**SECTION 400 - MISSION STATEMENT, GOALS AND OBJECTIVES OF THE DALLES URBAN RENEWAL AGENCY FOR THE COLUMBIA GATEWAY/DOWNTOWN PLAN**

**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.*

**401. Revised - GOALS AND OBJECTIVES**

- A. To foster public participation in all urban renewal activities, including but not limited to strategic planning, through semi-annual in-person and virtual town halls and other civic outreach, and to regularly communicate urban renewal achievements and activities through social and traditional media engagement, signage, website, and public presentations.

- B. To make strategic investments of urban renewal funds and engage in various urban renewal activities which increase the value of properties within the Urban Renewal District so that the area will contribute its fair share to the costs of public services.
- C. To make strategic investments that return unused and underused public and private properties to productive condition, consistent with the City's Comprehensive Plan and implementing ordinances;
- D. To participate through land acquisition and disposition, rehabilitation loans and other activities 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 expand property values, produce jobs for the people of The Dalles and Wasco County; or
  - 2. Ensure a more attractive, functional and economically viable city; or
  - 3. Restore historically significant properties to productive use when such use aligns with Goals A and B above, or
  - 4. Recognize, maintain awareness of and when feasible mitigate the fiscal impact of Urban Renewal on local tax districts, or
  - 5. Expand availability of family-wage housing, including but not limited to vertical downtown housing and multi-family residential housing.
  - 6. Support the development of public spaces downtown.
- E. To expand access and connections from downtown to the Riverfront and to provide facilities that enhance public use of the Riverfront;
- F. To provide an adequate amount of properly located and designed off-street accessible parking in the downtown area;
- G. To improve the visual appearance, capacity, and traffic flow of public streets where such improvements will foster adjacent commercial or residential investment and/or support public services.
- H. 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;
- I. In conjunction with urban renewal projects, leverage other funding sources to install or upgrade public utilities, including but not limited to underground services in downtown alley rights-of-way.
- J. To identify and actively pursue external grant and private resources in order to leverage the Agency's financial resources to the maximum extent possible.

#### 403. RELATIONSHIP OF THE PLAN TO LOCAL OBJECTIVES

This plan is intended to further the objectives of the City's Comprehensive Land Use Plan. Further, this plan is intended to improve land uses, traffic flow, off-street parking, pedestrian amenities, and other public improvements.

404. CONSISTENCY WITH THE CITY’S COMPREHENSIVE PLAN

This plan has been prepared in conformity with the City’s adopted Comprehensive Land Use Plan including its goals, policies, procedures, and implementing provisions.

405. CONSISTENCY WITH ECONOMIC DEVELOPMENT POLICY

The Economic Development Goal of the City’s Comprehensive Land Use Plan (Goal 9) discusses, among other things, the need to:

1. Provide family wage employment opportunities for The Dalles citizens.
2. Diversify the economic base of the community.
3. Increase the tax base needed to provide an adequate level of community services for The Dalles citizens.
4. Encourage the growth of existing employers and attract new employers to The Dalles that complement the existing business community.
5. Implement the objectives and activities of the Columbia Gateway/Downtown Urban Renewal Plan, enhancing opportunities for the improvement and redevelopment of business, civic, cultural, and residential uses in the area.
6. Provide for tourism-related employment as part of the effort to diversity The Dalles’ economy.
7. Provide employment opportunities, environments, and choices, which are a vital part of a high quality of life in The Dalles.
8. Support the maintenance and enhancement of The Dalles commercial historic district.
9. Encourage redevelopment and adaptive reuse of commercial space downtown as an alternative to commercial sprawl.

The Urban Renewal Plan addresses these goals in conformity with the provisions of the Economic Element.

406. COORDINATION WITH THE LANDMARK COMMISSION POLICIES

In the implementation of this Urban Renewal Plan, and in particular with the Rehabilitation Program project, the Urban Renewal Agency shall coordinate their efforts with those of the Historic Landmarks Commission in the Urban Renewal Area in which the Historic Landmarks Commission has review authority.

**SECTION 500 – LAND USE PLAN**

The use and development of all land within the Urban Renewal Area shall conform to the City’s Comprehensive Land Use Plan, the Land Use and Development Ordinance, and any other implementing ordinances of the City.

501. LAND USE DESIGNATIONS

The land use designations of the City’s Comprehensive Plan which affect the Urban Renewal Plan Area are shown on Exhibit 3 of this Plan. Current zoning districts, shown on Exhibit 4 of this Plan are described in full in the City’s Land Use and Development Ordinance (General Ordinance #98-1222) and generally are as follows:

1. Central Business Commercial District, CBC.

The purpose is... “To provide an area for commercial uses, along with civic and certain residential uses, and to provide all basic services and amenities required to keep the downtown area the vital pedestrian-oriented center of the community”. Approximately 33 percent of the Urban Renewal Area is in this zoning district.

2. Industrial District, I.

The purpose is... “To establish areas which provide for a variety of commercial and industrial uses”. Approximately 33 percent of the Urban Renewal Area is in this zoning district.

3. General Commercial District, CG.

The purpose is... “To provide areas for a wide range of retail, wholesale, and service businesses commensurate with the needs of the marketing region. Approximately 4 percent of the Urban Renewal Area is in this zoning district.

4. Commercial/Light Industrial District, CLI.

The purpose is... “To provide an area for commercial uses and certain industrial uses”. Approximately 22 percent of the Urban Renewal Area is in this zoning district.

5. High/Medium Density Residential District, RH.

The purpose is... “To provide areas where single family detached dwellings, single family attached dwellings, duplexes, town houses, condominiums, and multi-family developments may be constructed under various ownership patterns”. Approximately 3 percent of the Urban Renewal Area is in this zoning designation.

6. Parks and Open Space District, P/OS.

The purpose is... “To insure sufficient open space areas throughout the community to safeguard public need for visual and environmental resources and to provide areas for recreational activities”. Approximately 5 percent of the Urban Renewal Area is in this zoning district.

502. The City’s acknowledged Comprehensive Plan and its implementing ordinances, codes, policies, regulations, including The Dalles Riverfront Plan, as they exist on the effective date of this Urban Renewal Plan, or as they may be amended from time to time, are incorporated hereby by reference as if they were included in full.

503. The use, development or redevelopment of all land within the Urban Renewal Area shall comply with the provisions of the City’s Comprehensive Plan, implementing Ordinances, codes, policies, and regulations described in Sections 501 and 502 above, and with all other applicable Federal, State, County and City regulations.

**SECTION 600 – URBAN RENEWAL ACTIVITIES**

In order to achieve the goals and objectives of this plan, the following projects and activities, subject to the availability of appropriate funding, may be undertaken by the Agency or caused to be undertaken by others, in accordance with applicable Federal, State, County, and City laws, policies, and procedures and in compliance with the provisions of this plan and the Cooperation Agreement between the City and Agency.

601. URBAN RENEWAL PROJECTS AND ACTIVITIES

Projects and activities listed under this section as “completed, partially completed, pending or on-going” were recommended by the Urban Renewal Advisory Committee in 2009, based in part on project selection criteria. New projects identified by the Urban Renewal Agency Board as part of this 2024 Plan revision will follow. Selection criteria are as follows:

#### GENERAL CRITERIA

Acceptable projects must comply with all of the following:

- I. Selected projects must address any one, or any combination of, blighted conditions as described in the Columbia Gateway/Downtown Plan.
- II. Selected projects must be consistent with the goals, policies, and designated uses of the City’s Comprehensive Land Use Plan and implementing ordinances.
- III. Selected projects must be consistent with the development policies of the Historic Landmarks Commission in those areas where the Historic Landmarks Commission has review authority.
- IV. Selected projects must, in aggregate, increase property values and tax collections to a level that will produce a reasonable return of the Urban Renewal contribution.

#### SPECIFIC CRITERIA

Acceptable projects must meet any one or any combination, of the following:

- i. Increases the value of the property on which the project is located.
- ii. Increases the property value of the surrounding properties next to the property, or right-of-way, on which the project is located.
- iii. Places unused or underused property in a productive condition.
- iv. Enhances opportunities for business, civic, residential, cultural, and tourist-related property to be developed, redeveloped, improved, rehabilitated, and/or conserved.
- v. Provides adequate amount of properly located off-street parking in the downtown area.
- vi. Promotes riverfront improvements as determined in The Dalles Riverfront Plan.
- vii. Improves the visual appearance, capacity, and traffic flow of streets in areas where development would otherwise be inhibited.
- viii. Assists property owners with the rehabilitation of their buildings and property.
- ix. Enhances storm drainage capacity of streets.
- x. Leverages the Agency’s financial resources to the maximum extent possible with other public and private investments and other public and private funding.
- xi. Encourages investment in the core commercial area.
- xii. Promotes housing opportunities in the Downtown area.



The following projects and activities are hereby deemed 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 that will attract new, job producing development on the area’s vacant land and redevelopment property; and
- Further the objectives of this Urban Renewal Plan as set forth in Section 400.

All public improvements herein proposed shall be complete with all required appurtenances and shall be constructed and implemented in conformance with the approved standards and policies of the City of The Dalles.

With monies available to it, the Urban Renewal Agency may fund in full, in part, a proportionate share, or cause to be funded, the following numbered projects and activities:

**PROJECTS COMPLETED**

- Note: Project descriptions carried over from 2009 Urban Renewal Plan are italicized, followed by status as of April 2024.

**Grain Elevator Demolition**

- *“This project consists of removing the structures and other appurtenances that make up the three major components of the grain elevator; the wooden elevator, concrete storage silos, and metal storage bins. Removing the grain elevator allows for the construction of the Downtown / Riverfront Access project and the new sewer treatment plant.”*
- ✓ The former grain elevator was destroyed in a fire in 1999; Urban Renewal purchased the property and paid for cleanup following the fire, establishing land base for the City’s sewer treatment plant expansion and Lewis & Clark Park. **Status: Complete.**

**Commodore Building Redevelopment**

- *Redevelopment of the Commodore building involves purchase, and total renovation of the building’s interior for an identified use or uses, and restoration of the building’s historic exterior.*
- ✓ Agency purchased the Commodore and leased it to Commodore II Limited Partnership on April 10, 2001. Agreement included an Agency loan of \$282,445. Loan is payable on or before Dec. 31, 2026. **Status: Renovations completed; Agency interest continues until loan is repaid.**

**Civic Auditorium Remodel and Reconstruction**

- *The project involves a total remodel and reconstruction of the entire building including: the Fireside room, ballroom, theater, gym, and basement areas, as well as electrical, plumbing, heating and cooling, and exterior repairs.*
- ✓ The Civic Auditorium was saved from demolition when City of The Dalles conveyed ownership to the Civic Auditorium Historic Preservation Committee in 1990. Major and minor phases of repair and restoration continued for more than 30 years, including Urban Renewal investments and many other sources. The Civic

celebrated its centennial on May 12, 2023. **Status: All major renovations complete.**

#### **Mill Creek Bridge Reconstruction (West Sith Street)**

- *The Mill Creek Bridge reconstruction consists of two phases, the first of which has already been completed. The first phase included improving the four sidewalk approaches to the bridge and related road, drainage, and bank stabilization work. The second phase involves a complete restoration of the bridge in its original historic character including the sidewalks, railings, and light standards and deck.*
- ✓ Reconstruction used a combination of Urban Renewal and City of The Dalles street funds. Completed in the early 2000s, this included deck reconstruction, replacement of the historic parapet and period lighting. **Status: Complete.**

#### **Thompson Park Sidewalk**

- *This is a small project that includes construction of a natural rock retaining wall, sidewalk, and curb. It begins at the drive entrance to the Thompson Park swimming pool and ends at the intersection of West Second Street and Cherry Heights.*
- ✓ Urban Renewal paid for sidewalk along West Second Street west from Mill Creek, adjacent to pool extending to and along Cherry Heights Road, including rock retaining wall. There was no sidewalk previously. **Status: Complete.**

#### **Redevelopment of Wasco Warehouse & Milling Company Property**

- *Redevelopment of the Wasco Warehouse & Milling Company property involves purchase and may include partial renovation and historic preservation for an identified use or uses. Additional land will be acquired from the Oregon Department of Transportation and the Union Pacific Railroad.*
- ✓ This project was completed through acquisition and redevelopment as the Sunshine Mill. Urban Renewal assisted through its loan program, beginning with a loan agreement to Discovery Development LLC in 2009. Loan was paid in full and mortgage satisfied on Jan. 1, 2020. **Status: Complete.**

#### **East Gateway/Brewery Grade Street Reconstruction**

- *The existing streets will be realigned and improved and a roundabout installed to help facilitate a better flow of traffic within the Area.*
- ✓ Brewery Grade roundabout was completed in 2010. This was a \$3.5 million project, combining urban renewal with other public funding sources. Improvements included public parking lot, redesigned access from East Second and East Third streets, and parking upgrades at the former Great Southern Railroad Depot (later Cannon Packer). **Status: Complete.**

#### **Thompson Park Pool Project**

- *The project will allow for additional amenities to the construction of a new pool, which was approved as the result of a bond measure passed by the voters of the Northern Wasco County Parks & Recreation District. The alternate features for the project, which will be visible from I-84 freeway, are designed in part to attract tourists to the City.*
- ✓ Urban Renewal paid for sidewalk along West Second Street west from Mill Creek, adjacent to pool extending to and along Cherry Heights Road, including rock retaining wall. There was no sidewalk previously. **Status: Complete.**

### Redevelopment of the Elks Lodge Building

- *The project anticipates acquisition of the Elks Lodge Building by the Agency, and conveyance of the property to a private developer for creation of a museum for the display of neon signs.*
- ✓ Urban Renewal Agency acquired the building in March 2015 and entered a Development and Disposition Agreement with David and Kirsten Benko on April 3, 2015, with the goal of establishing a museum dedicated to the preservation and display of vintage neon signs. Property title was conveyed in 2015. The National Neon Sign Museum opened in 2018. **Status: Complete.** In 2023 the Benkos and Restore Oregon announced plans to relocate the historic Jantzen Beach Carousel to a parcel adjoining the building. This project is on-going.

### Downtown Parking Structure and Surface Parking Lots

- *Increase in demand for easy parking in the Downtown area will require the construction of a multi-level parking structure. Estimates are for 150 parking spaces to help accommodate the additional demand. Smaller surface lots in the core area may be located on a temporary basis or permanently constructed.*
- ✓ Initial plans called for acquisition and demolition of the former Penny's Store on Second between Court and Washington, with construction of a multi-level parking structure on that site and the adjoining parking lot. This project was later abandoned. Focus instead was on construction of smaller, surface parking lots near St. Peter's Landmark, Sunshine Mill Roundabout and (in 2024) East Third. All of these have been completed or are pending completion. No further surface parking lots are proposed. **Status: Complete.**

### Redevelopment of Armory Property / Public Works site

- *This project includes the redevelopment of the commercial property on the south side of West Sixth Street from Webber to Walnut. The current City Public Works office and yard would be relocated to another site.*
- ✓ Requiring nearly three decades of effort, this project concluded with construction of Ft. Dalles Readiness Center on the Columbia Gorge Community College campus in 2014 – a \$19.4 million project. The college leased part of its campus to the Oregon Military Department. This allowed demolition of the former armory (a 1940s-circa Quonset hut at West Sixth & Webber Streets) by Urban Renewal and enabled Wasco County to regain site control at that location. A separate, nearby project was the Urban Renewal-funded demolition of the former City of The Dalles Public Works building on West Sixth Street. Public Works relocated to West First Street, making way for an automotive dealership on West Sixth Street, representing a significant private investment on property formerly owned by Wasco County. Commercial property redevelopment resides with Wasco County as property owner. **Status: Complete.**

### Projects partially completed, pending or on-going

- Note: Most of these projects have changed in scope significantly since 2009. While some major elements have been completed, such as the maritime terminal and Union Street undercrossing, the original visions may still be considered works in progress.

### **Downtown Streetscape Improvements**

- *The location of the Downtown Streetscape Improvements project may include all areas designated on the City’s official Zoning map as “Central Business Commercial” and includes 1st, 2nd, 3rd, and 4th Streets and connecting side streets. Streetscape improvements may include: Removal of existing curbs, gutters, sidewalks, street lighting, hollow sidewalks, street grades, and other associated elements. Construction of curbs and gutters, decorative concrete sidewalks and paving stones, period street lights, street trees, irrigation systems, plazas, signs, drinking fountains, benches, planting areas, special crosswalk treatment, and other associated elements. This would include the ability to install Opticom GPS Systems and to upgrade the water system in the area.*
  - ✓ Second Street downtown was redeveloped in 2002 using a combination of Urban Renewal and City of The Dalles street funds. Opticom GPS was not installed downtown. Third Street redevelopment was scheduled for 2007-08 but postponed amid an economic downturn, then never resumed. First Street has received priority because of failing sidewalks between Union and Washington, the need for separated traffic/pedestrian passage east of Washington, and inadequate infrastructure overall. Architecture and engineering is at 95% completion as of April 2024. City of The Dalles has allocated \$3.8 million (Fund 18) in preparation for this project. However, cost escalation has resulted in a significant budget gap from original estimates. Research is under way to resolve this urgent challenge. **Status: One major element completed**

### **Downtown / Riverfront Access**

- *The Downtown / Riverfront Access project links the Downtown area to the Columbia Riverfront via a non-vehicular pathway. It includes development of a trailhead and parking lot, access tunnels under the railroad, First Street and the I-84 freeway, a commercial marine terminal dock near the site of the old pier, a twelve-foot wide trail with associated landscaping elements between the trailhead and dock, and a plaza on Washington Street.*
  - ✓ Access including “boat dock near the old pier” was accomplished through construction of the Union Street portal in 2003, Maritime Terminal (Cruise Ship Dock) in 2012 and Lewis & Clark Park with associated vehicle parking. The undercrossing alone was a \$6 million project. Urban Renewal funding leveraged at least \$2.25 million in state and federal funds. Washington Street plaza, railroad and I-84 under-crossings were envisioned but later cancelled. There is significant potential for additional riverfront development within the current urban renewal district boundaries and west along West First Street and Bargeway Road. **Status: Two major elements completed**

### **Mill Creek Greenway Property Development**

- *A main feature of the Mill Creek Trail/Greenway, primarily the section between 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 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.*

- ✓ Ongoing partnership with Northern Wasco County Parks and Agency. Urban Renewal Agency in 2023 transferred \$300,000 to the parks district for an elevated boardwalk the District plans as part of this Project. There are no immediate plans for the linkage across West Second Street to Riverfront Trail near Mill Creek, although public partners recognize the need for this connection. Urban Renewal bought and demolished older structures prior to transferring property to Parks District. **Status: Pending**

### **West Gateway Project**

- *West Second Street from Lincoln Street to western boundary of Urban Renewal; street and property redevelopment, redesign and reconstruction. Amended April 12, 2020, by Resolution No. 10-068 adding Skateboard Park. The Gateway project is a large project that includes redesign and reconstruction of sections of I-84, West Second, and Webber Streets, and property redevelopment and realignment to provide for better access and redevelopment opportunities. The urban renewal portion of the project is focused on West Second Street and associated properties.*
  - ✓ Skateboard park was completed, including a \$100,000 commitment from Urban Renewal. Limited intersection improvement occurred at Cherry Heights and West Second Street intersection. The urban renewal district includes multiple parcels along West Second Street west of Webber Street, extending to and including tax lot BC900. Webber Street undercrossing and realignment of West Second Street north of Interstate 84 were part of a proposed transportation improvement project in 2011 (estimated cost \$3.7 million) but later postponed. **Status: Incomplete.**

### **Third Place Street Improvements**

- *The 3rd Place improvements include street, utilities, curbs, sidewalks, lighting, landscaping, and associated improvements.*
  - ✓ This project would correct a tight curve on West Third Place just south of the West Fourth Street intersection. **Status: Indefinitely postponed.**

### **Redevelopment of properties located within the block bordered by Washington and Court Streets, and First and Second Streets.**

- *The project may include the acquisition of the Granada Theater for possible use as a fine arts community center through a development and disposition agreement.*
  - ✓ This became the Granada Block redevelopment. The Agency acquired the Granada Theatre, former Washington Hotel/Model Laundry (“Blue Building”) and Recreation parcels on Second Street, and conducted alley vacations preparatory to development of a downtown hotel and associated conference center. This plan

was later discarded and the individual properties sold through Development and Disposition Agreements. All are fully or partially occupied as of April 2024. The Granada Theatre, constructed in 1929, operates in its original function as a movie theatre. The Washington Hotel houses limited retail and is the subject of a pending agreement for retail/residential development with the Agency, approved by the board in February 2024. Two of the three individual Recreation parcels have been redeveloped and sold; the third is scheduled for completion by June 2024, with a DDA amendment approved in February 2024 to expire in October 2024. **Status: Major elements completed.**

### Property Rehabilitation Grants and Agreements

- This is on-going, having current form (2023-24) as the Incentive Program and, for larger projects, Development Funding Agreements.
- *This program has three areas that are designed to further the objectives of the Urban Renewal program and address the many individual projects on private and public property identified throughout the amendment process that meet the project selection criteria. The three program areas include:*
  - a. *Land Assemblage: The Agency may assist in land assemblage to allow for private development of City and/or privately owned property.*
  - b. *Historic Design and Restoration: The Agency may provide architectural and engineering design services for existing or new buildings in the National Historic Districts for restoration or compatible design work. The Agency may also provide low interest loans for the portion of the construction work necessary to meet the historic compatibility requirements.*
  - c. *Redevelopment of Unused and Underused Land and Buildings and other Civic Improvements: The Agency may provide grants and low interest loans for business, civic, residential, cultural, and tourist-related property to be developed, redeveloped, improved, rehabilitated, and/or conserved. Grants shall be made to for-profit, public, non-profit, and civic organizations. Projects must meet the project selection criteria in order to be eligible to receive a grant. These grant and loans may include sprinkler systems for existing and new structures.*
    - *The Agency may establish a below market interest rate loan program for the redevelopment of properties within the urban renewal area. Prior to making any loans, the Agency shall prepare and adopt a comprehensive rehabilitation loan plan that sets forth:*
      - *Criteria for eligibility;*
        - *Interest rates and terms for various loans;*
        - *Procedures for recycling the funds as loan obligations are paid;*
        - *Procedures for delinquent loan payments or defaults;*
        - *Procedures and conditions for which deferred payment loans may be offered;*
        - *Procedures for administering and servicing the loan program; and*
        - *Such procedures and conditions the Agency deems necessary.*
- ✓ The property rehabilitation grant and loan fund program has been applied on numerous occasions and provides the basis for its current variation, adopted in 2023, the Urban Renewal Incentive Program. Earlier projects (as of 2009-10) included renovation and repairs to the Wasco Milling Co. Warehouse (Sunshine Mill), Columbia River Bank building, Sigman's Flowers Building, Gayer's Building,

Granada Theatre, Civic Auditorium, The Dalles Art Center, Masonic Lodge/Second Courthouse (Clock Tower Ales), American Legion, Old St. Peter’s Landmark, IOOF Lodge façade, Craig’s Office Building, Hilco gas station demolition, Creek View townhouse demolition, and Mill Creek Greenway land donation.

- ✓ Another project, which has yet to conclude, is the Tony’s Town & Country building redevelopment, which began under Programs A (Land Assemblage) and C (Redevelopment) with acquisition of the structure. After concluding the Tony’s building could not be salvaged, the Agency had the structure demolished in 2023 for later redevelopment.
- ✓ The loan program is discontinued.

**Status: Modified and ongoing**

**NEW PROJECTS:**

- Basalt Commons: A mixed-use commercial and residential development at 523 East 3<sup>rd</sup> Street. Developer will demolish existing structure (a former auto dealer) and replace it with a five-story commercial and residential complex. This \$26 million to \$29 million project contemplates constructing 108 residential dwelling units comprising 40 studio units, 48 one-bedroom units, and 20 two-bedroom units. In addition, the Project is designed to accommodate 9,350 SF of ground-floor commercial space and 32 on-site parking spaces.
- Tony’s Town & Country building acquisition, demolition and site rehabilitation.
- First Street reconstruction is identified above under “Streetscape Improvements.”

**602. ACQUISITION OF REAL PROPERTY**

The Plan authorizes the acquisition and disposition of property as described in this section. Property includes any and all interests in property, including fee simple ownership, lease, easements, licenses or other rights to use. Eminent domain would only be used if necessary for the acquisition of land for public improvements and after the Agency has taken all steps required by law to attempt to acquire the land by voluntary agreement with the property owner.

**A. Property Acquisition for Public Improvements**

The Agency may acquire any property within the Area necessary for the public improvement projects undertaken pursuant to the Plan by all legal means. The Agency action approving an acquisition will specify the need for the acquisition in relation to the public improvement undertaken.

**B. Property Acquisition – From Willing Sellers**

The Plan authorizes Agency acquisition of any interest in property within the Area that the Agency finds is necessary to support private redevelopment pursuant to the Plan, but, except as noted below, only in those cases where the property owner wishes to convey such interest to the Agency. The Agency action approving an acquisition will specify the need for the acquisition to support private redevelopment. The Plan does not authorize the Agency to use the power of eminent domain to acquire property other

than in the case described in Section 602.A. above which allows the acquisition of land for public improvements using the power of eminent domain.

**C. Land Disposition**

The Agency will dispose of property acquired for a public improvement project by conveyance to the appropriate public agency responsible for construction and/or maintenance of the public improvement. The Agency may retain such property during construction of the public improvement. The schedule for disposition of land for a public improvement project will be determined based on the timing of the construction of the public improvement.

The Agency may dispose of property acquired under Subsection B of this Section 602 by conveying any interest in the property. The schedule for disposition of land acquired under Subsection B of this Section 602 will be determined by the Agency when the Agency determines the acquisition is necessary pursuant to Section 602.B above. These determinations may be made by Resolution of the Agency.

Property shall be conveyed at fair reuse value. Fair reuse value is the value, whether expressed in terms of rental or capital price, at which the Urban Renewal Agency in its discretion determines such land should be made available so it may be developed, redeveloped, cleared, conserved or rehabilitated for the purposes specified in such plan. Because fair reuse value reflects limitations on use of the property to those purposes specified in the Plan, the value may be lower than the property's fair market value.

Where land is sold or leased, the purchaser or lessee must agree to use the land for the purposes designated in the Plan and to begin and complete the building of its improvements within a period of time that the Agency determines is reasonable.

**605. RELOCATION ACTIVITIES**

If in the implementation of this Plan, persons or businesses should be displaced by action of the Agency, the Agency shall provide assistance to such persons or businesses to be displaced. Such displaces will be contacted to determine their individual relocation needs. They will be provided information on available space and will be given assistance in moving. All relocation activities will be undertaken and relocation payments made in accordance with the requirements of ORS 35.500 – 35.530. Payments made to persons displaced from dwellings will be assured that they will have available to them habitable, safe, and sanitary dwellings at costs or rents within their financial reach. Payment for moving expense will be made to occupants displaced.

Prior to the Agency acquiring any property which will cause households, businesses, industries, offices or other occupants to be displaced, the Agency will prepare, adopt, and maintain a Relocation Policy. Such policy will be available to interested parties at the Agency's office and will set forth the relocation program and procedures, including eligibility for and amounts of relocation payments, services available and other relevant matters.

**606. PROPERTY DISPOSITION AND REDEVELOPER OBLIGATIONS**

- **PROPERTY DISPOSITION.** The Agency is authorized to dispose of, sell, lease, exchange, subdivide, transfer, assign, pledge, or encumber by mortgage, deed of trust, or otherwise any interest in property which has been acquired by them in accordance with the provisions of this Plan and with the terms and conditions set forth in a



Disposition and Development Agreement or other legal instrument as determined by the Agency.

- REDEVELOPER'S OBLIGATION. Any redeveloper and his/her successors or assigns within the Urban Renewal Area, in addition to the other controls and obligations stipulated and required of the Redeveloper by the provisions of this Plan, shall also be obligated by the following requirements:
  - The Redeveloper shall obtain necessary approvals of proposed developments from all Federal, State and/or local agencies that may have jurisdiction on properties and facilities to be developed or redeveloped within the Urban Renewal Area;
  - The Redeveloper shall develop or redevelop such property in accordance with the land use provisions and other requirements specified in this Plan;
  - The Redeveloper shall submit all plans and specifications for construction of improvements on the land to the Agency or such of its agents as the Agency may designate for review prior to distribution to appropriate reviewing bodies as required by the City;
  - The Redeveloper shall commence and complete the development of such property for the use provided in this Plan within a reasonable period of time as determined by the Agency;
  - The Redeveloper shall not effect or execute any agreement, lease, conveyance, or other instrument whereby the real property or a part thereof is restricted upon the basis of age, race, color, religion, sex, marital status, or national origin in the sale, lease or occupancy thereof;
  - The Redeveloper shall accept all conditions and agreements as may be required by the Agency. In return for receiving assistance from the Agency, if any, the Agency may require the redeveloper to execute a development agreement acceptable to the Agency as a condition of the Agency providing assistance.
  - The Redeveloper shall maintain property under his/her ownership within the Area in a clean, neat and safe condition.

#### 607 - OWNER PARTICIPATION

Property owners within the Urban Renewal Area proposing to improve their properties and receiving financial and/or technical assistance from the Agency shall do so in accordance with all applicable provisions of this Plan and with all applicable codes, ordinances, policies, plans and procedures of the City.

#### 608. ADMINISTRATIVE ACTIVITIES AND SERVICES TO THE AGENCY

- The Agency may hire its own staff or it may obtain its administrative support staff from the City of The Dalles; and the City may provide the personnel necessary to staff the Urban Renewal Agency on such financial terms and conditions as the Agency and the City may from time to time agree in writing. In the event the Agency elects to use City personnel in all or part of its staffing, the Agency will evaluate and make recommendations to the City regarding their personnel support needs. The costs of Agency staffing recommendations shall be included in the annual budget proposal of the Agency.

- Further, the Agency may retain and budget for the services of independent professionals, firms, or organizations to provide technical services such as, but not limited to:
  - Legal Counsel and Bond Counsel;
  - Preparation of market, feasibility or other economic studies or plans;
  - Preparation of design, architectural, engineering, landscape architectural, planning, redevelopment, or other developmental feasibility studies;
  - Preparation of construction contract documents for Agency's improvement activities by appropriately licensed professionals;
  - Providing accounting or audit services;
  - Providing special rehabilitation, restoration or renovation feasibility and cost analysis studies or plans;
  - Assisting in -preparation of the annual financial report required under Section 800 of this Plan;
  - Property acquisition and disposition appraisals;
  - Licensed real estate professionals for real property acquisition, disposition or negotiation services;
  - Bond issuance and renewal financing consultants.
- The Agency may prepare and adopt design standards, themes, guidelines and implementation procedures that would be applied in various sectors of the Urban Renewal Area as the Agency deems appropriate to:
  - Assure architectural continuity and compatibility in new or remodeled buildings that are located in areas in which buildings with unique and distinctive historical or architectural character exists;
  - Advance the role of The Dalles Riverfront Plan as a unique element of visual and civic value to the City and to the properties that abut the River. As such, promote the development and redevelopment of these abutting properties so as to advance and protect these values; and
  - Assure that the developments on the large vacant lands within the Urban Renewal Area will have a design consistency and will advance the objectives of this Urban Renewal Plan.
- The Agency may acquire, rent or lease office space within the Urban Renewal Area and may purchase, rent or lease office furniture, equipment and facilities necessary for it to conduct its affairs in the management and implementation of this Plan.
- The Agency may invest its reserve funds in interest— bearing accounts or securities consistent with the provisions of City, State and Federal law.

- To implement this Plan, the Agency may borrow money, accept advances, loans or grants from any legal source, issue urban renewal bonds (also known as tax allocation bonds, governmental bonds, qualified redevelopment bonds and tax increment bonds), and receive tax increment proceeds as provided for in Section 700 of this Plan. Regardless of the form of borrowing of funds, the approval of such borrowing shall comply with the provisions of the Agency’s adopted by-laws and all applicable legal requirements.
- Without limiting any other provision, power or authorization of this Plan, the Agency shall have all of the powers and responsibilities allowed under the provisions of ORS Chapter 457.

**SECTION 700 - FINANCING OF URBAN RENEWAL INDEBTEDNESS**

The Urban Renewal Agency may borrow money and accept advances, loans, grants and any other legal form of financial assistance from the Federal Government, the State, City, County, or other public body, or from any legal sources, public or private, for the purposes of undertaking and carrying out this Plan, or may otherwise obtain financing as authorized by ORS Chapter 457.

**701. TAX INCREMENT FINANCING AND MAXIMUM INDEBTEDNESS**

The projects may be financed, in whole or in part, by tax increment financing as provided in Article IX Section 9(1)(c) of the Oregon Constitution and ORS 457.420 through 457.450.

The maximum amount of indebtedness that may be issued or incurred under the Plan, as amended in 2009, was \$29,125,583. Maximum remaining indebtedness from this and prior bonded obligation is calculated at \$1.98 million (April 2024). Remaining debt obligation, to City of The Dalles (incurred through 2009 Full Faith and Credit Obligation by the City, primarily on behalf of Urban Renewal projects) is \$4.3 million. TIF collections necessary to conclude this obligation are required through 2026, upon which time TIF collection may cease (state law precludes expenditure of TIF revenue beyond that point) and full taxable value of the district return to the tax districts. MI is projected to be reached in 2029, at which time the District shall terminate unless the Agency or City Council determines otherwise or debt payment scheduled is accelerated to conclude in 2026.

**702. PRIOR INDEBTEDNESS**

Any indebtedness permitted by law and incurred by the Agency, or the City of The Dalles in connection with preplanning for this Urban Renewal Plan may be repaid from Agency funds when and if such funds are available.

**703. ANNUAL BUDGET**

The Agency shall adopt and use a fiscal year ending June 30 accounting period. Each year, by July 1, the Agency shall adopt a budget in conformance with the provisions of ORS 294 and ORS 457.460 which shall describe its sources of revenue, proposed expenditures and activities.

The Agency shall submit its proposed budget to the Urban Renewal Agency’s Budget Committee for its review and approval, and the Agency shall not undertake any activities nor expend any funds except as provided in the approved budget.

**SECTION 800 - ANNUAL FINANCIAL STATEMENT REQUIRED**

**801. REQUIRED FINANCIAL STATEMENT**

The Agency shall conform to all statutory requirements for reporting financial information.

**802. STATEMENT FILED AND PUBLISHED**

The statement required by Subsection 801 shall be filed with the City Council and notice shall be published in the "Columbia Gorge News", a newspaper of general circulation in the City, that the statement has been prepared and is on file with the City and with the Urban Renewal Agency and the information contained in the statement is available to all interested persons.

**SECTION 900 - CITIZEN PARTICIPATION**

The activities and projects identified in this Plan, the development of subsequent plans, procedures, activities and regulations, and the adoption of amendments to this Plan shall be undertaken with the participation of citizens, owners and tenants as individuals and organizations who reside within or who have financial interest within the Urban Renewal Area and with the general citizens of the City.

**SECTION 1000 - NON-DISCRIMINATION**

In the preparation, adoption and implementation of this Plan, no public official or private party shall take any action or cause any persons, group or organization to be discriminated against on the basis of age, race, color, religion, sex, marital status, family status or national origin.

**SECTION 1100 - RECORDING OF PLAN**

A copy of the City Council's Non-Emergency Ordinance approving this Plan or amendments to this Plan under ORS 457.095 shall be sent by the Council to the Urban Renewal Agency. Following receipt of such Ordinance, this Plan or such amendments shall be recorded by the Agency with the Recording Officer, Wasco County.

**SECTION 1200 – PROCEDURES FOR CHANGES OR AMENDMENTS IN THE APPROVED URBAN RENEWAL PLAN**

The Plan will be reviewed and analyzed periodically and will continue to evolve during the course of project execution and ongoing planning. The Plan may be changed, clarified, modified or amended as future conditions may warrant. Where, in the judgment of the Agency the proposed modification will substantially change the Plan, the modification must be duly approved by the City Council in the same manner as the original Plan and in accordance with the requirements of State and local law. The provisions of ORS 457.085 and ORS 457.220 and of Section 1203 of this Plan shall apply.

The various types of Plan changes, clarifications, modifications or amendments and the official actions that shall be taken prior to their implementation are as follows:

**1201 - MINOR CHANGES**

Minor changes shall not modify the goals and objectives of the Plan or any of its provisions. Such minor changes may include:

- Clarification of language or the State Legislature's changes in ORS Chapter and Section references.
- Clarification of written or graphic Exhibits to this Plan.
- Modification in this location of project improvements authorized by this Plan, resulting from detailed architectural, engineering or planning analysis.
- The identification of property to be acquired as provided for in this Plan.
- Changes to the scope, cost or location or projects or addition of projects that do not modify the goals and objectives or the basic procedural, planning or engineering principles of this Plan.

Such minor changes, if any, shall be made only by a duly approved resolution of the Agency in which the details of the minor change shall be described.

#### 1202 - AMENDMENT TO THE CITY'S COMPREHENSIVE PLAN OR TO ANY OF ITS IMPLEMENTING ORDINANCES

From time to time during the implementation of this Urban Renewal Plan, the Planning Commission and the City Council of the City of The Dalles may approve amendments or modifications to the City's Comprehensive Plan or to codes, policies, procedures or ordinances which are established to implement such Comprehensive Plan. Further, the City Council may from time to time amend or approve new Building, Health Safety and other Codes that affect the implementation of this Urban Renewal Plan.

Where such amendments, modifications or approvals have been officially adopted by the City Council, such amendments, modifications or approvals – which affect the provisions of this Urban Renewal Plan – shall, by reference become a part of the Plan as if such amendments, modifications or approvals were herein stated in full.

The City Council shall forward to the Agency copies of such Council actions as are herein above described, and the Agency shall prepare and approve a resolution recognizing that such City Council amendments, modifications or approvals are to be considered as minor changes to this Urban Renewal Plan as provided in Section 1201 above.

#### 1203 - COUNCIL APPROVED AMENDMENTS

Changes to the Plan that are not minor changes as described in Section 1202 or substantial changes as described in Section 1204 shall be approved by the City Council in the manner described in ORS 457.085(4), (5) and (6) except that the additional notice provisions of ORS 457.120 shall not apply. Council approved amendments include any change in any provision of this Plan which would modify the goals and objectives or the basic procedural, planning or engineering principles of this Plan.

#### 1204 - SUBSTANTIAL CHANGES

Substantial changes, if any, shall be approved by the City Council in the same manner as the Council's approval of the original plan and in compliance with the provisions of ORS 457.095 and ORS 457.220.

Substantial changes shall include the following:

- An increase in the maximum amount of indebtedness that may be issued or incurred under this Plan as set forth in Section 701 of this Plan; and

- Adding land to the urban renewal area that totals more than one percent of the existing area of the urban renewal area.

SECTION 1300 –VALIDITY OF APPROVED URBAN RENEWAL PLAN

Should a court of competent jurisdiction find any word, clause, sentence, section or part of this Plan to be invalid, the remaining words, clauses, sentences or parts shall be unaffected by such finding and shall remain in force and effect.

DRAFT

**RESOLUTION NO. 24-004**

**A RESOLUTION UPDATING THE  
COLUMBIA GATEWAY URBAN RENEWAL AGENCY PLAN**

**WHEREAS**, the Columbia Gateway Urban Renewal Agency (**Agency**) and District of the same name were activated by The Dalles City Council on April 23, 1990, through General Ordinance 90-1106;

**WHEREAS**, Oregon urban renewal practices, processes, and other requirements are governed by ORS Chapter 457;

**WHEREAS**, one of those other requirements is the development and periodic updating of an Urban Renewal Plan;

**WHEREAS**, the Columbia Gateway Urban Renewal Plan (**Plan**) was last updated in 2009;

**WHEREAS**, accepted best practice in urban renewal throughout the state is to identify new major projects within the text of the urban renewal plan and to periodically update the status of earlier projects;

**WHEREAS**, the Board finds it necessary to identify major urban renewal projects undertaken since the 2009 update, including the Tony’s site redevelopment, Basalt Commons commercial-residential project, and First Street reconstruction;

**WHEREAS**, the Agency has approved certain minor modifications to the Plan’s goals and objectives;

**WHEREAS**, as governed by the Plan itself, any changes to the Plan’s goals and objectives require concurrence by The Dalles City Council;

**WHEREAS**, Agency staff have prepared a revision to the 2009 Plan incorporating text updates described above;

**WHEREAS**, the Board has reviewed and accepted these changes and intends this Resolution to memorialize that acceptance.

**NOW, THEREFORE, THE URBAN RENEWAL AGENCY BOARD RESOLVES AS FOLLOWS:**

1. Recommendation. The Columbia Gateway Urban Renewal Agency recommends the proposed *Columbia Gateway Urban Renewal Plan*, attached to and made part of this Resolution as Exhibit “**A**”, be approved and forwarded to City Council for its review and adoption.
2. Effective Date. This Resolution shall be effective upon adoption.

**PASSED AND ADOPTED THIS 16<sup>TH</sup> DAY OF JULY, 2024,**

Voting **Yes** Board Members: \_\_\_\_\_

Voting **No** Board Members: \_\_\_\_\_

**Abstaining** Board Members: \_\_\_\_\_

**Absent** Board Members: \_\_\_\_\_

**AND APPROVED BY THE CHAIR OF THE BOARD THIS 16<sup>TH</sup> DAY OF JULY, 2024.**

SIGNED:

ATTEST:

\_\_\_\_\_  
Darcy Long, Chair

\_\_\_\_\_  
Paula Webb, CDD Secretary





IMPROVING OUR COMMUNITY

**COLUMBIA GATEWAY URBAN RENEWAL AGENCY**  
**CITY OF THE DALLES**

**AGENDA STAFF REPORT**  
**AGENDA LOCATION: 7.B.**

**MEETING DATE:** Tuesday, July 16, 2024

**TO:** Chair and Members of the Urban Renewal Agency Board

**FROM:** Dan Spatz, Economic Development Officer

**ISSUE:** *Tony's Site Re-development Options*

**BACKGROUND**

The Tony's Building site, located at 401-407 E. 2<sup>nd</sup> Street, consists of two 0.14-acre tax parcels zoned Central Business Commercial (CBC-2). Tony's Town & Country Clothing occupied the Site from approximately 1968 until 2016. The Columbia Gateway Urban Renewal Agency (Agency) acquired the Tony's Building in June 2016 for \$420,000 in order to redevelop the existing structure. This did not prove economically feasible. In February 2021, the Agency Board (Board) directed staff to pursue demolition and hazardous material abatement. Demolition, which brought total Agency investment in the Tony's site to approximately \$888,495, was completed in November 2023 under terms of a Public Improvement Agreement with Konell Construction and Demolition Corp., approved by the Board on June 20, 2023. The site is now leveled and fenced for security. With Agency permission to The Dalles Area Chamber of Commerce, the site hosted a Cherry Festival activity in April 2024.

At the October 2023 Agency Board meeting, staff requested Board guidance in identifying elements of a Request for Proposals (**RFP**) to redevelop the former Tony's site for such possible uses as upper story residential, street-level retail, a restaurant or community space.

Responding in part to concerns expressed by the developer of Basalt Commons, which will be funded in part by the Agency, the Board directed staff to postpone RFP issuance at that time. (Concern centered on the risk of new downtown housing competing with the Basalt Commons project). Staff presented other options at the January 30, 2024, Board meeting including: a modified RFP, Request for Expressions of Interest (**RFEI**), parcel sale, parking lot, land bank, and an extension of the Federal Street Plaza. Board directed staff to conduct additional research, including a survey inviting the public to suggest ideas for site redevelopment. With expertise provided by Special Projects Coordinator Ann Moorhead, staff developed an on-line survey linked to a QR code posted on the Tony's site security fence.

Deadline for public comment was June 6. As of that date, the website had received 248 responses. The Board reviewed these results at the June 18, 2024, meeting. At that time there was general Board support for a concerted effort by staff to gauge potential developer interest in the site and generate ideas for further exploration. This could take the form of a Request for Proposals, where developers are expected to invest considerable resources in preparing submissions (for instance, architectural and engineering plans); a Request for Qualifications (**RFQ**), where the Agency has a very clear idea of the intended development and wishes to identify firms qualified to conduct the work; or an RFEI, which would invite high-level concepts that would provide the Agency with ideas for subsequent development.

Most of the board's comments favored the RFEI approach.

A published RFEI would describe the site history, current status, and broader factors that could influence development (the city's historic legacy, Columbia River access, tourism, climate, etc.). Consideration would be given in any of these options to address any concerns with pending downtown residential development, either with Basalt Commons or other downtown projects.

It is important to recognize public feedback secured through the recent survey. The survey generated many thoughtful, detailed suggestions that could help guide development ideas.

Staff have summarized these below, together with related observations and recommendations for consideration in a draft RFEI:

- **Public gathering space:** The survey indicated strong support for some form of community open space, plaza or green space. Three response categories (greenspace, family-oriented space and public gathering or event space) represented different aspects of this same theme, so when taken together represented by far the most popular option. In this regard, it is important to note City and Agency plans to develop the adjoining block of Federal Street between First and Second streets as a public plaza, incorporating the former Transit Center. (As a point of interest, one recommendation from the 2022 Wasco County Transit Development Plan is to upgrade the downtown transit stop into a Transit Center, which was the original purpose of this facility when Amtrak served the Oregon side of the Columbia River.)
  - Prospective developers be made aware of Federal Street as an adjoining design element that might complement any public uses of the Tony's site.
  - Private development could incorporate a public space.
- **Residential development:** This category generated nearly as much support as community event space. Ironically, the opportunity to create new upper-story residential was one of the factors that led the Agency to acquire the Tony's building in 2016.
  - Residential development at the second or third-story levels would not preclude public access to the ground level.
- **Commercial space (restaurant or market):** A third popular response category was commercial or retail use, with dining opportunities mentioned several times.
  - Such use would complement upper story residential as well as ground level public gathering space.
  - Staff propose that "market" not be a specific reference, given the recent opening of a new downtown market nearby.
- **Parking:** The survey generated many references to parking, often as ancillary to other uses. There were several requests to dedicate the entire Tony's lot to surface parking.

- Staff proposes that parking is not the highest and best use for this parcel, given other parking opportunities downtown. Moreover, a dedicated parking lot would run counter to other uses identified through the survey and described above.
- In addition, ongoing work of a comprehensive Downtown Parking Assessment, facilitated by City Staff and Rick Williams Consulting along with a project specific Advisory Committee, concludes that Downtown The Dalles has an adequate supply of parking both on and off-street to meet the current needs of regular visitors, customers, employees, and downtown residents.
- *Agency Staff does not recommend parking lot development for the Tony's site.*
- **Other responses:** Most of the other responses fell into the same broad categories as above, but with greater specificity (i.e.: stage, gazebo, family-oriented, public art, food courts, etc.). One suggestion, which came in the form of a letter to the Urban Renewal Board on July 10, 2024, as well as included in the survey and presented at the June 18 Board meeting, was from the Neon Sign Museum. The owners, David and Kirsten Benko, propose locating the Jantzen Beach Carousel on the Tony's site, rather than the location currently planned adjacent to the museum on East Third Street. The Benkos' letter is attached to this report for reference (Attachment A).
- **Building vs. no building:** Nearly 45 percent of the survey responses argued against a new building on the Tony's site; slightly more than 30 percent suggested that new construction be considered. Overall, the distinction between a building vs. no building on the site is the main focus of the discussion this evening, as this decision will help guide the development of an RFEI, or RFP, and consideration of the other responses listed above.
  - Should the Agency decide against any new building on the Tony's site, it would obviate the need for private sector outreach; thus, no RFEI. The Agency would instead issue an RFP for consideration of urban design, landscape architecture, and/or engineering design firms. Once the cost of project development was determined, it would still leave unanswered the question of project funding: Development of Federal Street Plaza, by itself, is beyond Urban Renewal's current fiscal capacity, and is located entirely within the Federal Street right-of-way, not the Tony's site itself. The Agency would need to obtain other sources of funding, beyond those currently available within Maximum Indebtedness, to develop the Tony's site for any public use.
  - Proximity to the proposed Federal Street Plaza, which survey respondents may or may not have been taking into account, should be considered as the Agency explores development options.
  - Staff proposes that the highest and best use for the Tony's site include some form of new private sector construction that would take into account demonstrated interest in retaining public access and open space. These do not need to be contradictory goals, but rather can be accomplished in tandem so long as Federal Street Plaza is recognized as an adjoining public resource. Private development would return tax value to the District while not precluding public access and some level of open space.

In addition to the survey responses and Agency's thoughts on development ideas for the Tony's site, is consideration of the Agency's 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.*

The demolition and hazardous material abatement of the former Tony's building accomplished at least one aspect of this Mission Statement by *eliminating blight*, but redevelopment of the site should consider another aspect of this statement in the attraction of *job producing private investments that will stabilize or increase property values*. Overall, a return on investment has been the focus of past and present Agency Boards, and the decision for redevelopment of the site should consider this when determining an option for the site. Whether this increase in property values is a direct impact (private development) of the site itself or an indirect impact (public spaces) of the District as a whole, the goal continues to be an Agency priority.

With the many great responses and ideas from the community during the survey process, Staff will also seek guidance at the July 16 meeting on what the Agency does not want to see at the site. For example, does the Agency concur with Staff's recommendation to exclude parking as an option? Undesired options may be just as important as those preferred options when determining the next steps forward.

It will be especially important to consider that a majority of survey results favored public open space at the Tony's site. As explained above, staff believe retention of public space on the site does not necessarily preclude private sector development, but rather can be included as a requirement of an RFP or even an RFEI. Staff requests the Board's guidance on this point.

### **PROJECT BENEFITS**

Redevelopment of the Tony's Building property will return the site to a productive use, potentially generating a return on Agency investment and long-term revenue for Urban Renewal taxing districts, or otherwise contributing to downtown vibrancy.

### **BOARD ALTERNATIVES**

1. ***Staff recommendation: Direct staff to prepare a Request for Expressions of Interest for review and approval at an upcoming Board meeting.***
2. Direct staff to prepare a Request for Proposals for review and approval at an upcoming Board meeting.
3. Postpone re-development of the Tony's site.
4. Other direction as provided to staff.

### **Attachments:**

- Attachment A: Letter from Neon Sign Museum



PO Box 2007  
The Dalles, OR 97058  
(541) 370-2242

Josh Chandler  
The City of The Dalles, Urban Renewal Agency  
313 Court Street  
The Dalles, OR 97058  
[jchandler@ci.the-dalles.or.us](mailto:jchandler@ci.the-dalles.or.us)

July 10, 2024

Dear Urban Renewal Agency,

Thank you for taking the time to review our conceptual suggestion for the Tony’s property during your last committee meeting in June. We appreciate having this opportunity to express interest in this property and collaboration with Urban Renewal and The City of The Dalles.

During this meeting, it was stated, that Urban Renewal would be releasing a link or portal in order that interested individuals could submit an expression of interest for the property. The National Neon Sign Museum is interested in submitting more detailed information that would help you understand our vision for the carousel and surrounding community. Our goal is to create a venue that meets a community need and will boost economic development for everyone in The Dalles.

Please let us know how to access this portal, so that we can proceed with our submission. We have hired Kevin Grant of C2K Architectural Agency out of Portland, OR. We will have the renderings ready for review at the end of August 2024. The museum has begun the design process, and we look forward to sharing our developments with the Urban Renewal Agency and The City of The Dalles.

Sincerely,

David A. Benko  
Executive Director



**AGENDA STAFF REPORT**  
**AGENDA LOCATION: 7.C.**

**MEETING DATE:** Tuesday July 16, 2024

**TO:** Chair and Members of the Urban Renewal Agency Board

**FROM:** Dan Spatz, Economic Development Officer

**ISSUE:** *Endorsement of Transportation Growth Management application*

**BACKGROUND**

Transportation Growth Management (**TGM**) is a competitive statewide grant program managed jointly by Oregon Department of Transportation (**ODOT**) and Department of Land Conservation and Development (**DLCD**). Funding supports public projects that integrate elements of transportation and land use planning.

In 2019, the City of The Dalles submitted and subsequently was awarded a TGM grant to develop a West Side master plan, recognizing substandard pedestrian and bicycle access, inadequate housing stock, and inefficient transportation connections between the port industrial area north of Interstate 84 and residential/commercial areas south of Interstate 84. The City subsequently returned this grant during a period of staff transition, over concern there would not be sufficient staff capacity to manage the grant.

The City is reapplying for a TGM grant in 2024. The initial grant received strong support from state reviewers; West Side conditions that prompted the original request are largely unchanged from 2019, and new developments bring additional urgency to a master planning effort. Examples include proposed public housing on Chenowith Loop Road, Wasco County's acquisition of property west of Chenowith Creek for future recreational development, proposed Columbia Gorge Early Learning Center on Irvine Street south of West 10<sup>th</sup> Street, and plans by North Wasco County School District to relocate the high school.

In addition, the master plan will recognize and incorporate guidance from planning initiatives completed or in process since 2019. These include the 2023 Housing and Residential Land Needs Assessment and Buildable Lands Inventory, 2024 Housing Production Strategy, and Economic Opportunities Analysis and Employment Buildable Lands Inventory, anticipated for completion by December 2024.

The City's TGM request for 2024 is titled The Dalles West Side Renaissance Master Plan.

This master plan will help integrate land use and transportation planning across western The Dalles, an historically under-served, under-represented, multi-cultural area within a federal Opportunity Zone and Qualifying Census Tract. Study area is approximately 2,500 acres, characterized by older residential, commercial, industrial and institutional structures; sub-standard housing; inadequate infrastructure; scarce greenspaces; few sidewalks; poor wayfinding and inefficient development. Goals are to reduce barriers to a broad range of housing types and prices; identify in-fill strategies; increase accessibility through pedestrian and bicycling corridors, public transit and safe routes to school; plan for anticipated educational, recreational, child care, and climate resiliency center initiatives; and improve connectivity between neighborhoods, shopping and public facilities.

The Dalles City Council adopted Resolution 24-015 on June 24, 2024, authorizing staff to submit the TGM proposal, which is due July 31, 2024. As of the date of this staff report, City staff has received letters of support from The Dalles Area Chamber of Commerce, Northern Wasco Parks & Recreation District, One Community Health, Mid-Columbia Community Action, Mid-Columbia Fire & Rescue, North Wasco County School District, Columbia Gorge Community College, Port of The Dalles and Columbia Gorge Education Service District. Letters from Mid-Columbia Economic Development District, Wasco County and Mid-Columbia Housing Authority are pending. Several of these entities will be represented on the TGM Technical Advisory Committee.

Eastern portions of the West Side planning area are within Columbia Gateway Urban Renewal District (**District**). Should the Columbia Gateway Urban Renewal Agency (**Agency**) continue beyond termination of the current District in 2029, it is also possible that the West Side could become a new urban renewal district; the West Side was part of the District as originally drawn. The Agency supported the 2019 proposal. For reasons described above, staff requests that the Agency Board likewise indicate its support for a 2024 submission in order for staff to note this in the grant narrative.

#### **FISCAL IMPLICATIONS:**

There are no fiscal implications to the Agency in receiving and managing a TGM grant.

#### **BOARD ALTERNATIVES:**

1. ***Staff recommendation: Approve motion to endorse 2024 Transportation Growth Management funding request to Oregon Department of Transportation for the West Side Renaissance Master Plan.***
2. *Decline approval.*
3. *Other direction to staff.*

#### **Attachments:**

- Attachment A – The Dalles City Council Resolution 24-015.

**RESOLUTION NO. 24-015**  
**A RESOLUTION AUTHORIZING A REQUEST FOR GRANT FUNDING ASSISTANCE THROUGH THE OREGON TRANSPORTATION GROWTH MANAGEMENT (TGM) PROGRAM FOR PREPARATION OF THE WESTSIDE AREA MASTER PLAN**

**WHEREAS**, the City of The Dalles has completed, and anticipates adopting in 2024, an Economic Opportunities Analysis and Employment Buildable Lands Inventory in compliance with Statewide Planning Goal 9 (Economic Development), and has completed several reports in compliance with Statewide Planning Goal 10 (Housing) and Goal 12 (Transportation), with results that are critical to the continued success and development of the community; and

**WHEREAS**, in 2023 Mid-Columbia Economic Development District completed its Gorge Regional Transit Strategy in coordination with Oregon and Washington transportation departments and local service providers, which is designed to foster a regionally coordinated, integrated public transportation system; and

**WHEREAS**, Wasco County completed its Transit Development Plan (LINK Public Transit) in 2022, funded in part by a Transportation Growth Management grant, to evaluate service improvement alternatives over a 20-year plan horizon; and

**WHEREAS**, the Oregon Department of Transportation and the Department of Land Conservation and Development provide grant funding assistance through the Transportation and Growth Management Program; and

**WHEREAS**, the City of The Dalles is supportive of the principals of the Transportation Growth Management Program; and

**WHEREAS**, the City of The Dalles desires to participate in this program to the greatest extent possible as a means of implementing the 2023 Housing and Residential Land Needs Assessment and Buildable Lands Inventory, 2024 Housing Production Strategy, 2017 Transportation System Plan, and Economic Opportunities Analysis and Employment Buildable Lands Inventory anticipated by December 2024, while also serving as a responsible community partner in coordinating these efforts with the 2023 Gorge Regional Transit Strategy and 2022 Wasco County Transit Development Plan; and

**WHEREAS**, the City of The Dalles has available local resources to fulfill its share of obligations related to this request should it be awarded,

**NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL AS FOLLOWS:**

Section 1: The City Council authorizes Staff to request grant funding assistance for preparation of the Westside Area Master Plan through the Oregon Transportation Growth Management (TGM) Program to implement the 2023 Housing and Residential Land Needs Assessment and Buildable Lands Inventory, 2024 Housing Production Strategy, 2017



Transportation System Plan, and Economic Opportunities Analysis and Employment Buildable Lands Inventory, while also serving as a responsible community partner in coordinating these efforts with the 2023 Gorge Regional Transit Strategy and 2022 Wasco County Transit Development Plan.

**PASSED AND ADOPTED THIS 24<sup>TH</sup> DAY OF JUNE, 2024**

Voting Yes, Councilors: Randall, Long, McGlothlin, Bunyon

Voting No, Councilors: \_\_\_\_\_

Absent, Councilors: Richardson

Abstaining, Councilors: \_\_\_\_\_

**AND APPROVED BY THE COUNCIL PRESIDENT THIS 24TH DAY OF JUNE, 2024**

SIGNED:

ATTEST:

  
 \_\_\_\_\_  
 Timothy McGlothlin, Council President

  
 \_\_\_\_\_  
 Amie Ell, City Clerk