

COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD

July 15, 2025

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**

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Contact the City Clerk at (541) 296-5481 ext. 1119, or amell@ci.the-dalles.or.us.

1. EXECUTIVE SESSION

A. In accordance with ORS 192.660(2)(e), the Agency Board will meet in executive session to conduct deliberations with persons designated by the governing body to negotiate real property transactions. Estimated timeline for deliberations is 30 to 45 minutes. The Open Session will convene at or before 6:15 p.m.

B. Convene Open Session

2. CALL TO ORDER

3. ROLL CALL

4. PLEDGE OF ALLEGIANCE

5. APPROVAL OF AGENDA

6. ELECTION OF OFFICERS

7. APPROVAL OF MINUTES – May 20, 2025

8. PUBLIC COMMENT – During this portion of the meeting, anyone may speak on any urban renewal subject. Five minutes per person will be allowed.

9. ACTION ITEM:

A. Resolution No. 25-004, a resolution accepting real property and authorizing the Agency Manager to execute a Dedication Agreement with the City of The Dalles for the Federal Street Plaza Project

B. First Amendment to the Incentive Program Grant Agreement with TD3rd, LLC for the Basalt Commons project (523 East 3rd Street)

- C. Reimbursement Request for Pre-Agreement Expenses: The Dalles Mint, LLC, 710 East 2nd Street
- D. Endorsement of 2025 Transportation Growth Management application
- E. First Amendment to the Incentive Program Grant Agreement (Phase II) with Giamei Properties for the American Legion Hall building (201 East 2nd Street).

10. BOARD MEMBER COMMENTS / QUESTIONS

11. STAFF COMMENTS / PROJECT UPDATES

12. ADJOURNMENT

Meeting conducted in a room in compliance with ADA standards.

Prepared by/
Crystal Sayre, Administrative Assistant
Community Development Department

MINUTES

COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD MEETING

May 20, 2025

5:30 p.m.

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

PRESIDING: Dan Richardson, Vice Chair

BOARD PRESENT: Staci Coburn, Scott Hege, (arrived at 6:40 p.m.), Darcy Long (joined via Zoom at 6:38 p.m. and left at 6:43 p.m.), Timothy McGlothlin, and Ben Wring

BOARD ABSENT: Walter Denstedt, Kristen Lillvik, and Marcus Swift

STAFF PRESENT: Director and Urban Renewal Manager Joshua Chandler, Economic Development Officer (EDO) Jacob Anderson, City Attorney Jonathan Kara, City Recorder Amie Ell, Administrative Assistant Crystal Sayre

CALL TO ORDER

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

PLEDGE OF ALLEGIANCE

Board Member McGlothlin led the Pledge of Allegiance.

APPROVAL OF AGENDA

Due to the absence of a quorum at the start of the meeting, approval of the agenda was postponed until later in the meeting.

Upon Chair Long's arrival at 6:38 p.m., establishing a quorum, a motion was made to approve the agenda. It was moved by Coburn and seconded by Wring to approve the agenda as prepared. The motion carried 5/0; Coburn, Long, McGlothlin, Richardson and Wring voting in favor, none opposed, Denstedt, Hege, Lillvik, and Swift absent.

APPROVAL OF MINUTES

Due to the absence of a quorum at the start of the meeting, approval of the minutes was postponed until later in the meeting.

Upon Chair Long's arrival at 6:38 p.m., establishing a quorum, a motion was made to approve the agenda. It was moved by Wring and seconded by McGlothlin to approve the minutes of March 18, 2025, as submitted. The motion carried 5/0; Coburn, Long, McGlothlin, Richardson and Wring voting in favor, none opposed, Denstedt, Hege, Lillvik, and Swift absent.

PRESENTATIONS

Mint Building, 710 East 2nd Street, The Dalles

Timothy Schechtel opened the presentation with a historical overview of the Mint Building redevelopment, including archival images dating back to its original 1860s stone masonry (Attachment 1). He detailed work completed since 2005, emphasizing milestones such as the cellar excavation, water and sewer infrastructure upgrades, grease trap installation, new loading dock, fire suppression boring through existing masonry, and repaving of the alleyway. The project also included a major investment in structural reinforcement, such as dry pack overlays to level century-old concrete floors and new commercial-grade kitchen infrastructure.

Steve Light, owner of Freebridge Brewing, contextualized the project within the brewery's long-term growth plans. He highlighted how updated building code requirements necessitated a fire suppression system due to adjacent use classifications, significantly increasing project cost. Mr. Light described the financial strain from delayed Urban Renewal funding, noting that construction had to proceed under emergency conditions in 2024 despite the funding freeze. He emphasized the project's public benefit, including expanded kitchen space, new seating, job creation, and ROI for the community. Mr. Light requested the Board to acknowledge the unique circumstances and support conditional reimbursement for eligible remaining work. The proposal was later discussed under Action Item 9. C., Incentive Program Grant Request: *Mint Building* (Redevelopment Phase II), 710 East 2nd Street.

Craig's Building, 323 East 2nd Street, The Dalles

Ellen Fortin introduced the project team and the redevelopment concept for the Craig Building, located at Second and Federal Streets. David Brown, building owner, provided background on his ties to The Dalles (Attachment 2), his agricultural and wine industry experience, and his vision to support downtown revitalization through wine-centric tourism. He referenced the success of communities such as McMinnville and Dundee and emphasized the potential to create a vibrant hub that could serve as a gateway to wine country, aligning with broader community and urban renewal goals.

Mr. Brown stated that the Craig Building could be transformed into a central gathering space – similar to Red Hills Market in Dundee or Oakville Grocery in Napa – with a mix of retail, food, and hospitality offerings. He emphasized his longstanding collaboration with architects Ellen Fortin and Jim Green, whose design and project management capabilities he highlighted.

Ms. Fortin shared architectural concepts and precedent imagery illustrating the evolution of the building's façade, opportunities to open the building to the street, and ideas for activating the adjacent Federal Plaza. She stressed the importance of shade, pedestrian comfort, and consistent design standards to create a successful and vibrant urban space. She also expressed interest in reusing the existing mural and aligning with the City's design direction for downtown.

Shem Harding outlined the results of the team's due diligence, including structural, mechanical, and environmental assessments. The building was found to be in generally good condition with modern infrastructure in place.

Mr. Harding described a phased redevelopment approach:

Short-Term Goals: Activate the ground floor with temporary uses such as pop-up retail or event space, timed with the completion of the adjacent Federal Plaza.

Mid-Term Goals: Establish a permanent market, café, or deli; initiate residential use on the second floor.

Long-Term Vision: Full buildout including restaurant space, lodging, event space, and residential apartments—potentially creating up to 30 permanent jobs.

The team is exploring grant opportunities, including the Diamonds in the Rough program through Oregon Heritage, and expressed interest in Urban Renewal support.

Board Member McGlothlin praised the vision and potential impact on downtown vitality and expressed support for increased upper-story residential uses and downtown walkability.

Board Member Wring emphasized the importance of upper-level housing and aligning with City Council goals related to housing and downtown activation.

Board Member Coburn commended the clear presentation and vision, and inquired about potential job creation, which Brown estimated at approximately 30 employees upon full buildout.

EDO Anderson asked for feedback from the Board regarding Urban Renewal priorities—whether the focus should be on activating the first-floor retail space or prioritizing second-story residential development. Vice Chair Richardson requested that staff circulate the question to the full Board for input, recognizing that only a portion of the Board was present.

Board Members generally supported aligning redevelopment with the timeline of the Federal Plaza project, emphasizing coordination to avoid redundant investments and to maximize impact. The applicants expressed a desire to collaborate with the City and Urban Renewal Agency on plaza design to ensure integrated and complementary development.

Mr. Brown and Ms. Fortin thanked the Board for their time and expressed interest in continued partnership. Staff committed to sharing the presentation materials with the full Board and initiating follow-up discussions as appropriate.

PUBLIC COMMENT

None.

PUBLIC HEARING

Adoption of the Fiscal Year 2025/26 Budget for the Columbia Gateway Urban Renewal Agency

Vice Chair Richardson read the rules governing a public hearing. He then opened the public hearing at 6:43 p.m.

Urban Renewal Manager Chandler reported that the budget had been reviewed and approved by the Urban Renewal Budget Committee on April 16, 2025. Staff recommended adoption with no changes.

No public testimony was received.

It was moved by Board Member McGlothlin and seconded by Board Member Hege to adopt Resolution No. 25-002 adopting the Fiscal Year 2025/26 budget and certifying a request for maximum tax revenue to the county assessor. The motion carried 5/0; Coburn, Hege, McGlothlin, Richardson and Wring voting in favor, none opposed, Denstedt, Lillvik, Long, and Swift absent.

Vice Chair Richardson closed the public hearing at 6:45 p.m.

ACTION ITEMS

Resolution No. 25-003, a Resolution Amending the Columbia Gateway Urban Renewal Agency Incentive Program Guidelines

(EDO Anderson presented Resolution No. 25-003, proposing updates to the Urban Renewal Incentive Program Guidelines. He explained that although the Board previously reached consensus on several amendments, staff and legal counsel recommended formal adoption by resolution for clarity and consistency. In addition to the changes previously discussed, Anderson noted the inclusion of:

- A requirement for a public benefit statement for projects exceeding \$100,000, as a middle ground in lieu of a formal ROI analysis;
- A conflict of interest provision, added to enhance transparency;
- Clarification that Development Funding Agreements (DFAs) are distinct from the general incentive program, with standalone guidelines to be developed.

Anderson confirmed the changes were based on transcripts and past Board discussions. He also thanked former EDO Dan Spatz for assisting during the transition.

Vice Chair Richardson invited comments or questions. No additional input was received from the Board or public. Former EDO Dan Spatz, attending as a member of the public, expressed support for Anderson and the proposed changes.

It was moved by Wring and seconded by Coburn to adopt Resolution No. 25-003, amending the Urban Renewal Incentive Program Guidelines, effective May 21, 2025, as presented. The motion carried 5/0; Coburn, Hege, McGlothlin, Richardson and Wring voting in favor, none opposed, Denstedt, Lillvik, Long and Swift absent.

Incentive Program Grant Request: *Mint Building* (Redevelopment Phase II), 710 East 2nd Street

Vice Chair Richardson invited the applicants, Mr. Schechtel and Mr. Light, to return to the meeting for deliberation on their grant request for Phase II of the Mint Building redevelopment.

EDO Anderson provided a detailed staff report outlining the complexities of the request. While the applicant originally requested \$300,000, they acknowledged a prior \$50,000 award and revised the request to \$250,000. However, much of the work is already underway or completed, which renders it ineligible for reimbursement under the current Urban Renewal Incentive Program (URIP) guidelines. The staff recommendation was to offer conditional approval for eligible future expenses only, with a not-to-exceed amount of \$250,000, contingent on submission of required documentation including a public benefit statement, construction schedule, title report, confirmation of matching funds, and itemized bids for remaining work. Anderson emphasized that staff would verify project status through a site visit before executing any agreement.

Mr. Schechtel provided context regarding project delays and financial hardship due to uncertain funding availability. He emphasized the urgent need to move forward and reiterated willingness to comply with staff's verification process.

City Attorney Jonathan Kara confirmed that the URIP guidelines—both past and newly adopted—prohibit retroactive payments for work completed prior to a grant agreement. He clarified that while the Board could legally consider such funding under a Development Funding Agreement (DFA), doing so through the URIP would be inconsistent with Oregon Revised

Statutes (ORS 457.170(6)) and could create audit and legal risks. Any retroactive funding consideration would need to be handled separately through a DFA process.

The Board then discussed whether to direct staff to explore the legality of retroactive payments through a DFA. Although several Board members expressed skepticism about setting precedent, they agreed that further legal research was warranted. Staff was directed to consult legal counsel and return with findings on whether retroactive reimbursements could lawfully be pursued via a development funding agreement, without yet initiating DFA negotiations.

Board Member McGlothlin moved to approve the grant request, with the Staff recommended conditions, and authorize execution of a grant agreement; Board Member Coburn seconded. The motion carried 5/0; Coburn, Hege, McGlothlin, Richardson and Wring voting in favor, none opposed, Denstedt, Lillvik, Long and Swift absent.

DISCUSSION ITEMS

First Street Project and Basalt Commons Discussion

Urban Renewal Manager Chandler provided an update on the First Street project. Renderings are currently in development by Walker Macy, the design firm that also worked on the Federal Street Plaza, with a goal of presenting a visual update to the Board in July. Chandler noted that visual materials will improve public messaging compared to traditional engineered plans.

The archaeological report has been submitted to the State Historic Preservation Office (SHPO) and is under review. A mitigation plan will be required due to the anticipated adverse effect on the historical character of First Street. A site visit with SHPO is expected in June to review proposed mitigation measures in advance.

Additionally, the First Street parking lots are scheduled to be repaved during the first week of June. Construction will be monitored by an on-site archaeologist due to the site's archaeological sensitivity. Notices will be sent to all property owners within 300 feet, and City road crews will conduct direct outreach to adjacent businesses along Second Street.

In response to questions from Board Member Coburn, Chandler confirmed that the new parking lot near the Basalt Commons site is part of a City -- Urban Renewal partnership. However, development of the lot has been delayed to avoid potential damage from its use as a construction laydown area during the Basalt Commons project.

Vice Chair Richardson asked about progress on the Basalt Commons project. Chandler stated that building permit reviews are underway by both the City and Wasco County. He noted that an update from the developer is anticipated at the June Board meeting, either in person or in writing, pending final confirmation.

BOARD MEMBER COMMENTS / QUESTIONS

Board Member McGlothlin expressed strong support for the Craig Building vision, praising its focus on walkability, wine tourism, and adaptive reuse. He emphasized the importance of creating public gathering places and ensuring adequate residential parking.

Board Member Wring highlighted the City Council's ongoing prioritization of downtown residential housing.

Board Member Coburn thanked the presenters and noted the long-overdue recognition of the Craig Building's potential.

Vice Chair Richardson encouraged continued transparency and communication as the Board helps guide transformational investments in the downtown core.

ADJOURNMENT

Being no further business, the meeting adjourned at 8:25 p.m.

Meeting conducted in a room in compliance with ADA standards.

Submitted by/
Crystal Sayre, Administrative Assistant
Community Development Department

SIGNED: _____

Dan Richardson, Vice Chair

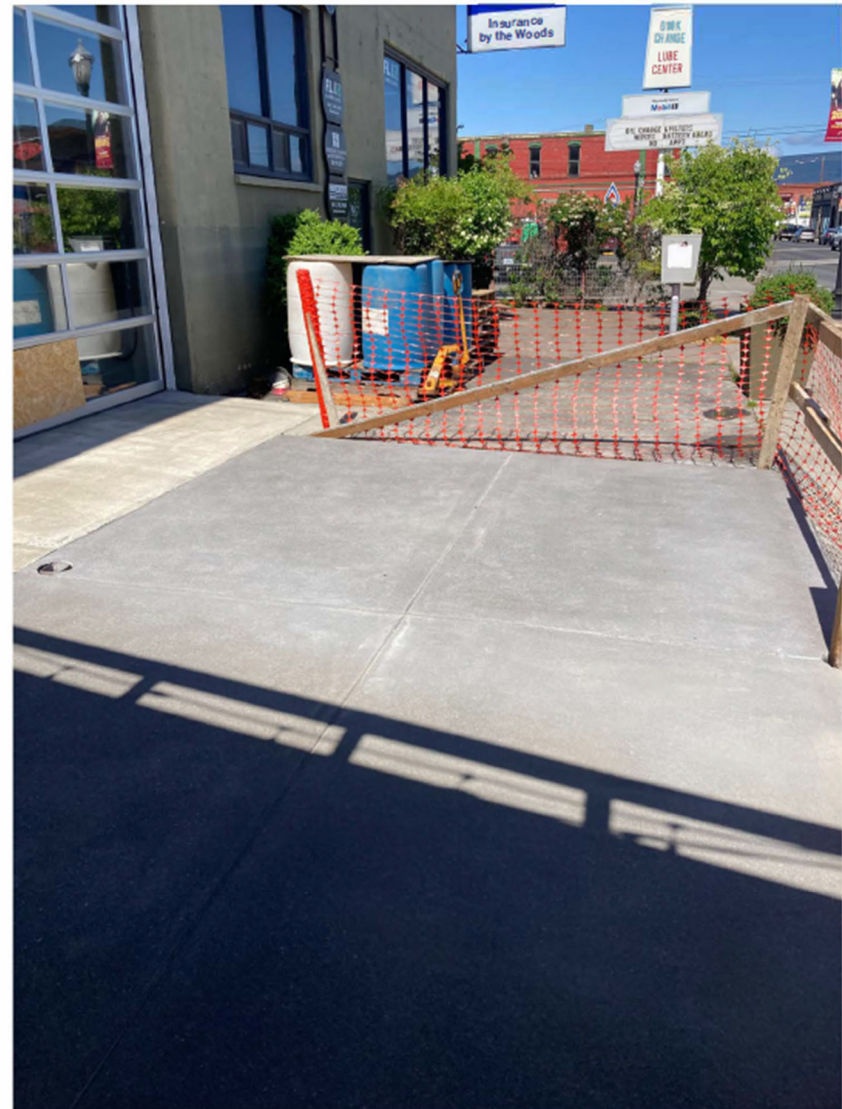
ATTEST: _____

Crystal Sayre, Administrative Assistant
Community Development Department



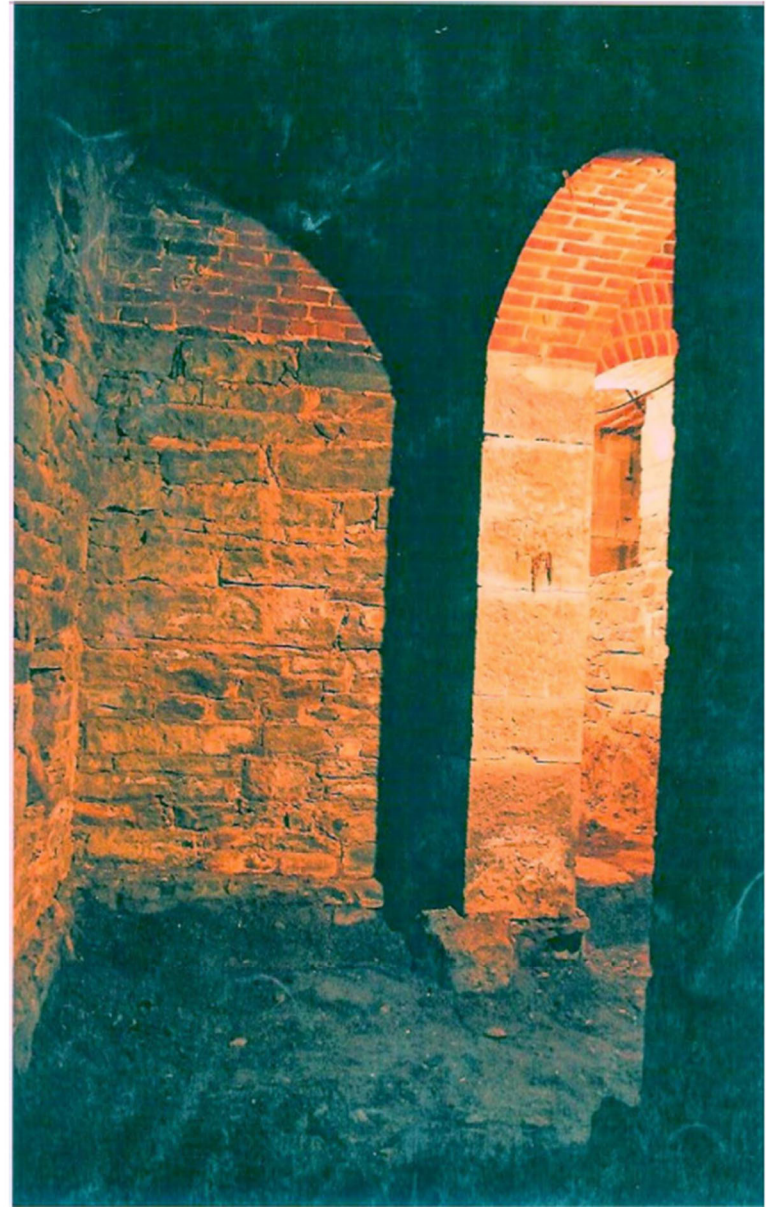


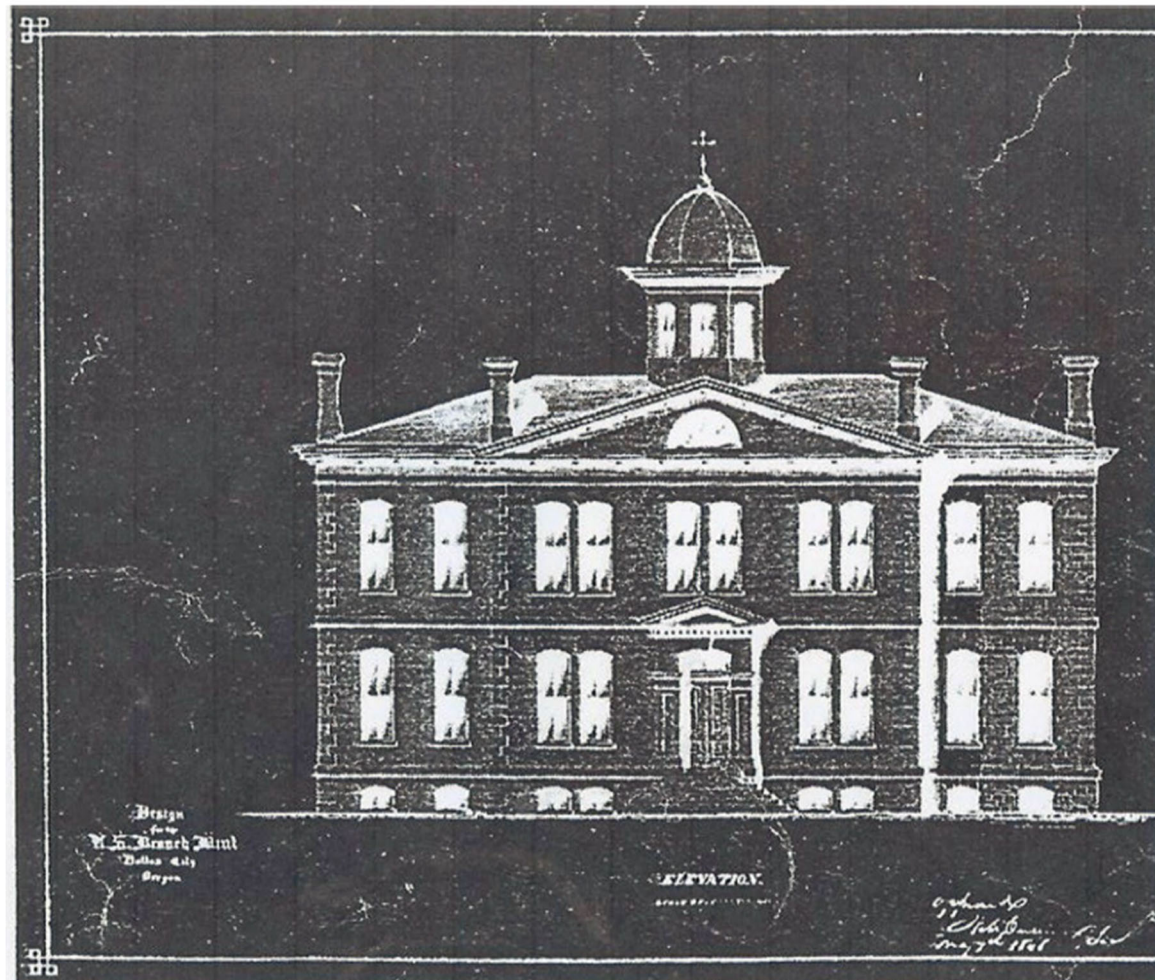




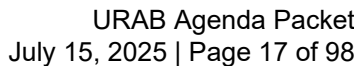






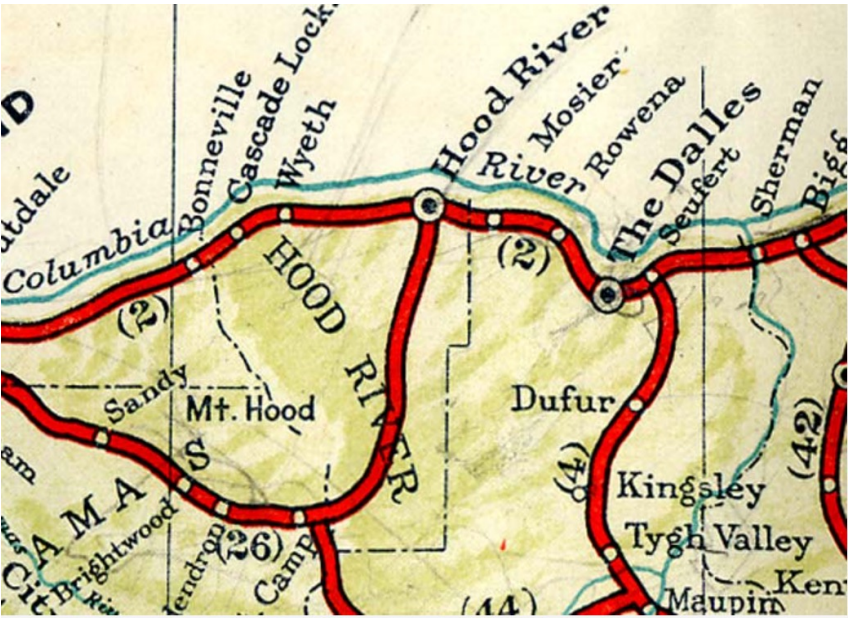


This artists rendering shows how the front of the U.S. branch mint at Dallas would have looked if fully completed to plan. Today the stone building, flat-topped and without its dome or second floor, is privately owned and has an addition to its front now.



+ **Craig Building**
The Dalles Oregon

The Dalles:
Gateway to the Columbia Gorge



Craig Building team:
David Brown, Owner
Emily Sipe, Project Manager for Owner
Ellen Fortin,
Ellen Fortin Design + Architecture - Design Architect
Shem Harding,
DECA Architecture – Architect of Record



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+ **Craig Building**
The Dalles Oregon

Connection to The Dalles



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+ **Craig Building**
The Dalles Oregon



Connection to The Dalles



Mitchell Lewis & Staver: Water Solutions Since 1882

- Our 14 branches serve over 1,700 accounts across the Western U.S., supporting more than 10,000 farms, homes, and businesses with critical water system solutions
- Our expansive pump and water system sales + service span across agriculture, municipal, and industrial sectors
- We enjoy strong, long-standing partnerships with global leaders in water technology such as Pentair and Xylem
- Our engineered systems division develops custom pump solutions for complex, high-demand applications



Mitchell Wine Group: Independent Wine & Spirits Importer and Distributer

- We serve hundreds of accounts across Oregon, including major retailers like Costco, Whole Foods, and New Seasons
- Our mission of continued successful wine product acquisitions, strengthens our portfolio diversity and supplier relationships
- We represent distinguished producers of domestic and international wine and iconic industry brands, such as Riedel
- Our premium wine sales, strategic brand curation + market focus, have allowed us to achieve double-digit growth
- With Mitchell Spirits, we now offer full-service brokerage for craft spirits with OLCC compliance



Threemile Vineyard: Distinctive Estate Vineyard in the Columbia Valley AVA

- We are home to 18 distinct varietals, including those rarely grown in Oregon, such as Albariño and Mencía
- Our harvest of 120 tons of premium wine grapes in the most recent year, focused on quality and sustainability
- Our certified organic farming practices, paired with precision viticulture, optimize vineyard health and fruit expression
- We are developing a proprietary private label wine, with distribution planned in the coming year

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+ **Craig Building**
The Dalles Oregon



The Craig Building
Past and Present



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Storefront
Precedents



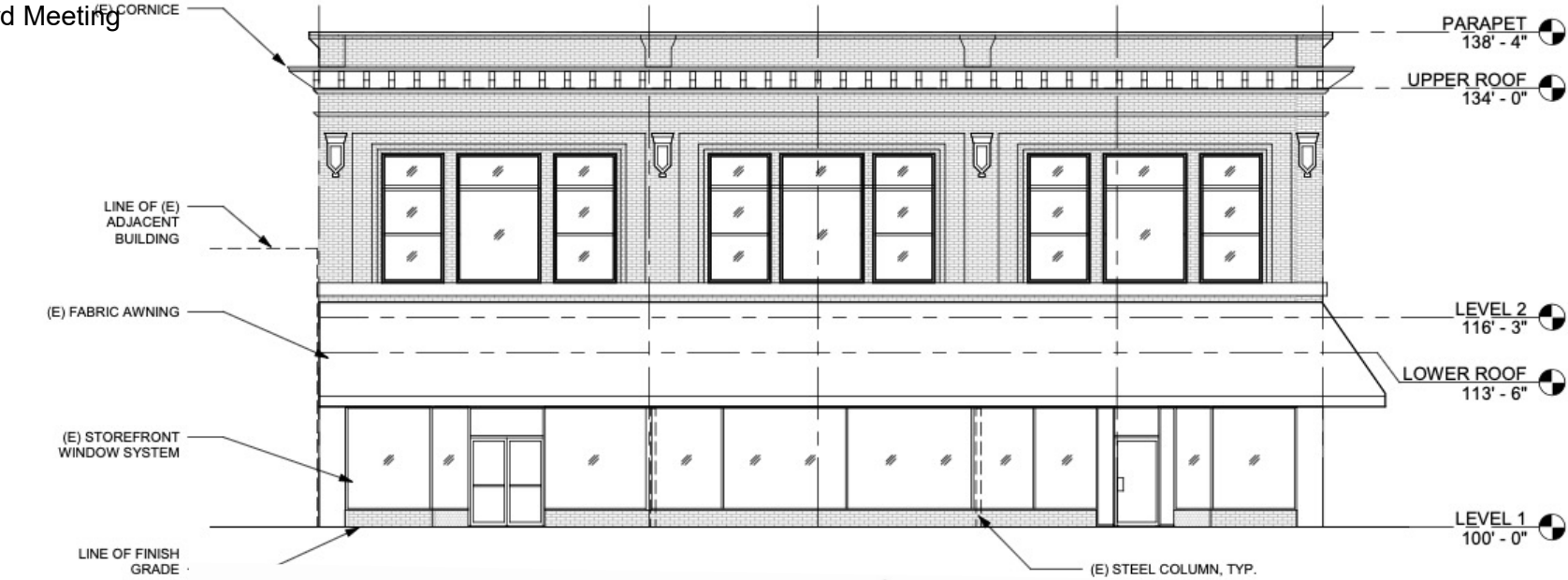
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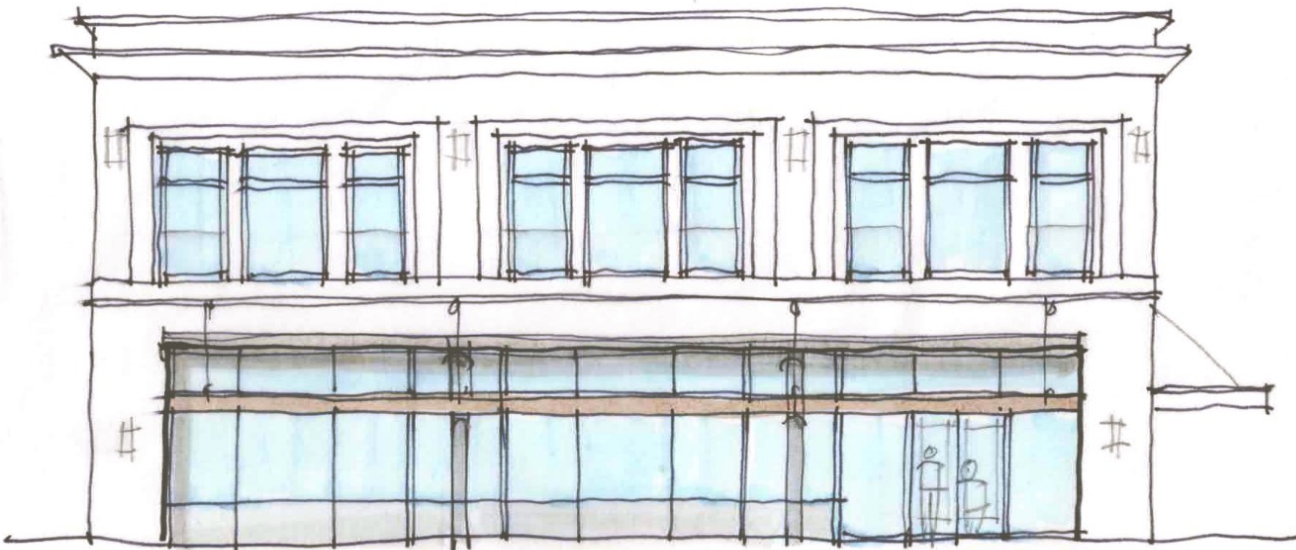


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① ELEVATION - SOUTH
1/8" = 1'-0"



2nd Street Elevation Studies

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2nd Street View

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Federal Street Plaza and the Craig Building



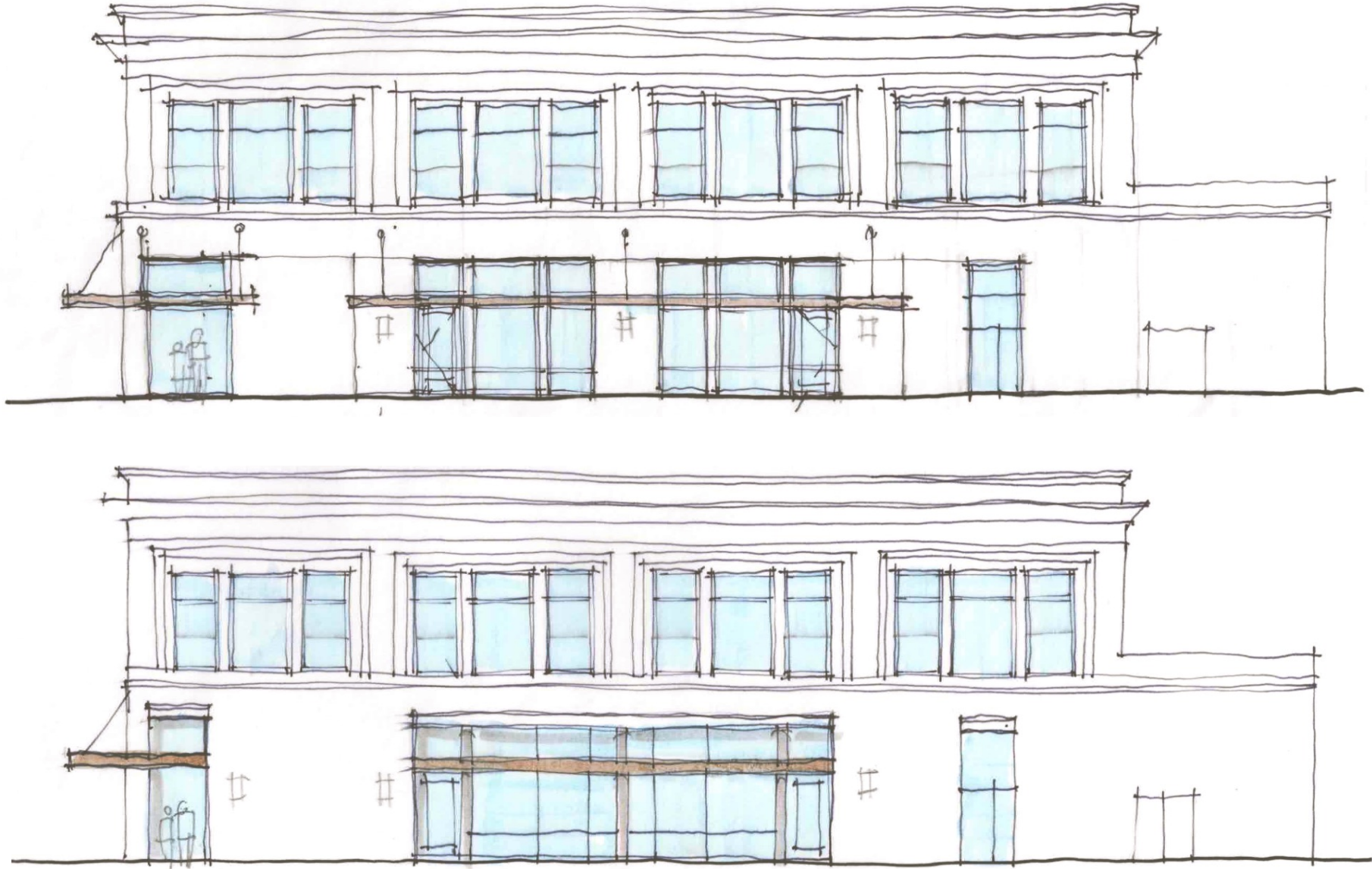
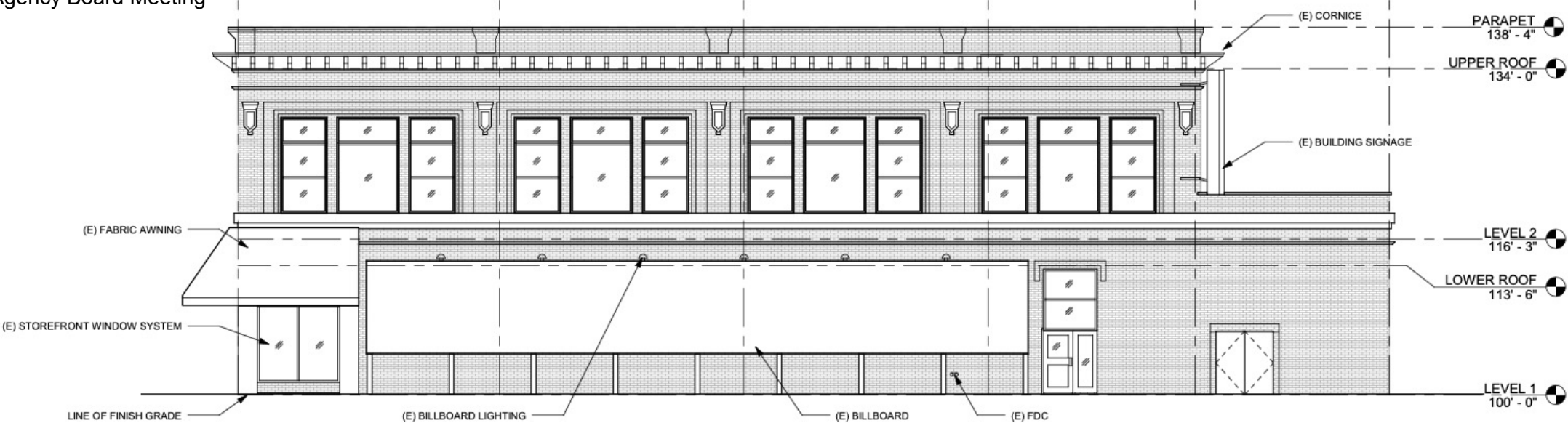
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Federal Street Plaza Elevation Studies

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+ **Craig Building**
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Federal Street Plaza
Precedent Character



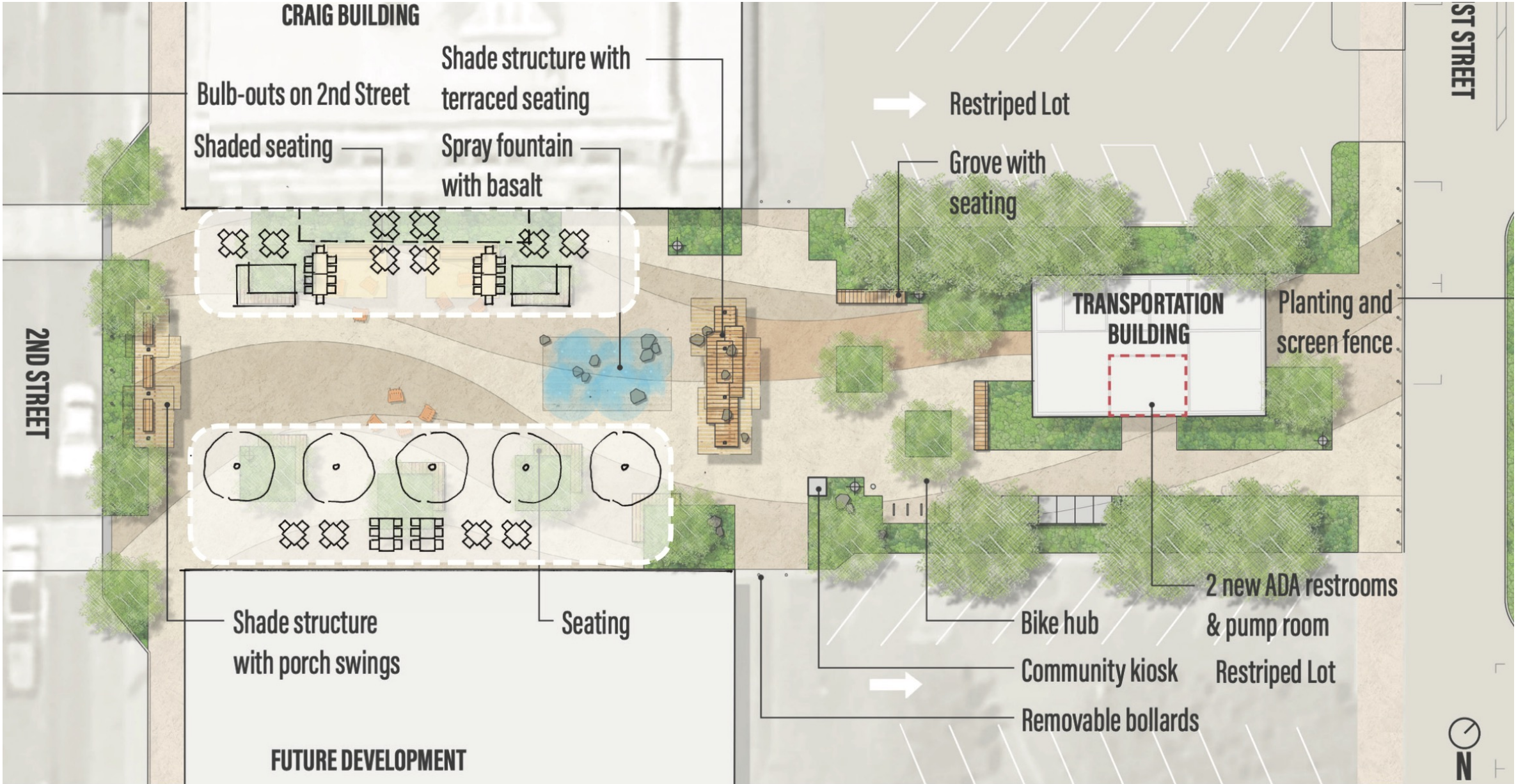
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Federal Street Plaza Concept Plan

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+ **Craig Building**
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Federal Street Plaza View from 2nd Street

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Federal Street Plaza View

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Building Infrastructure upgrades

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1st Floor Uses + Activities



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2nd Floor Uses + Activities



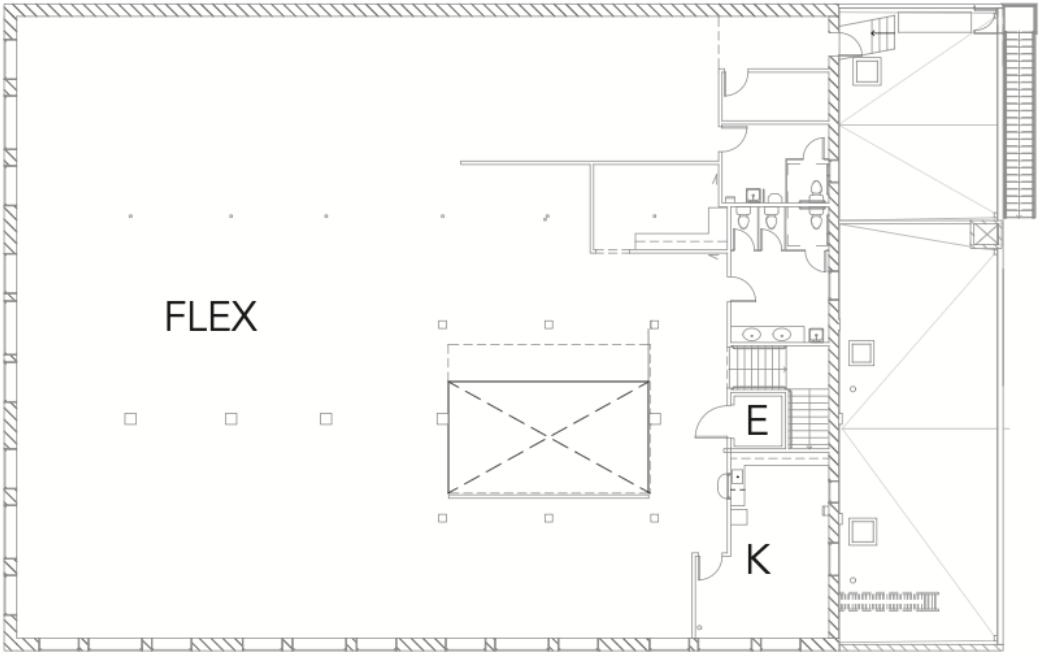
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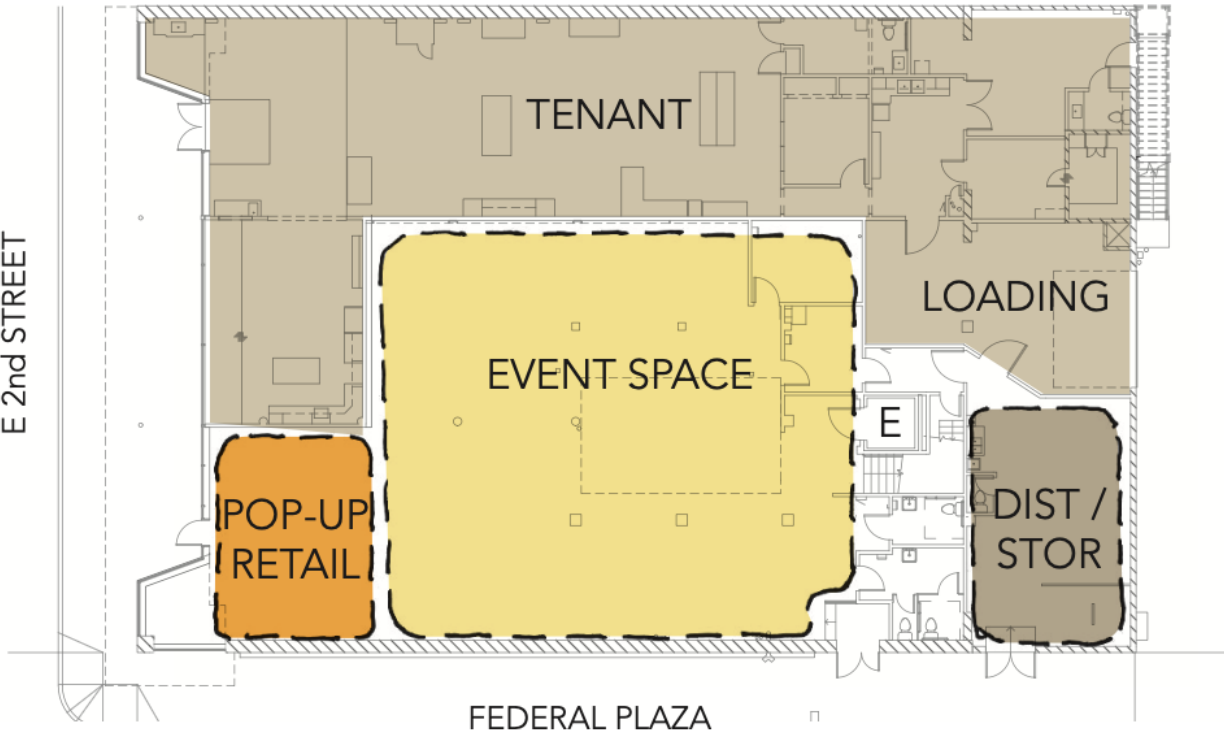
LEVEL 2



NEAR-TERM 2025-26

- + Activate ground level
- + Support plaza
- + Winery support & distribution
- + Events / pop-up retail

GROUND LEVEL



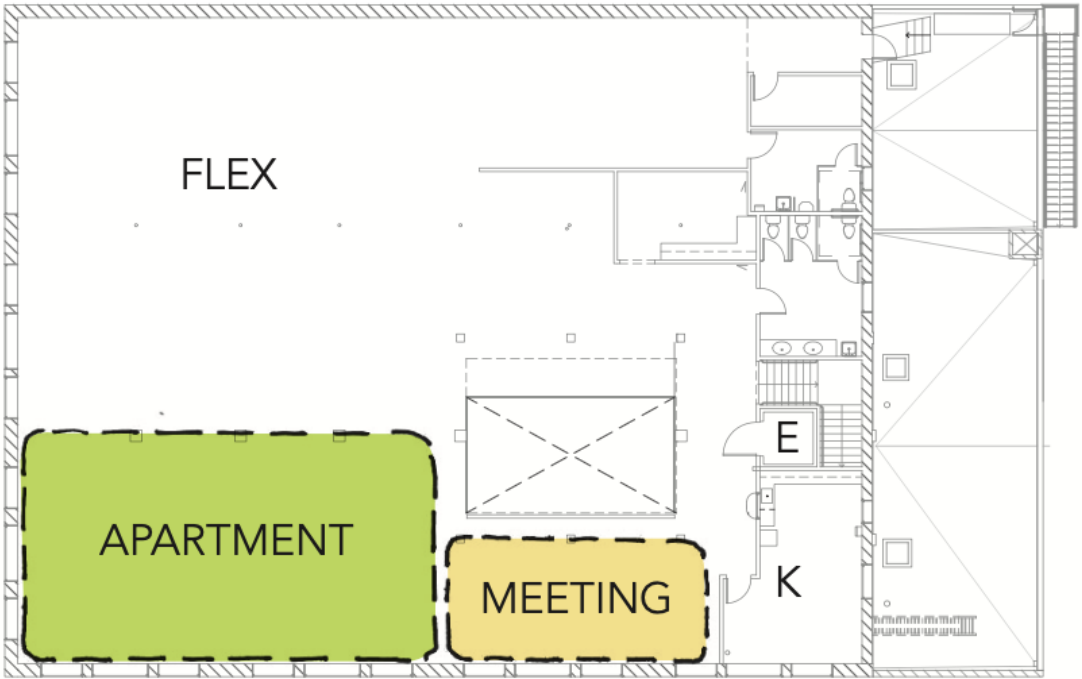
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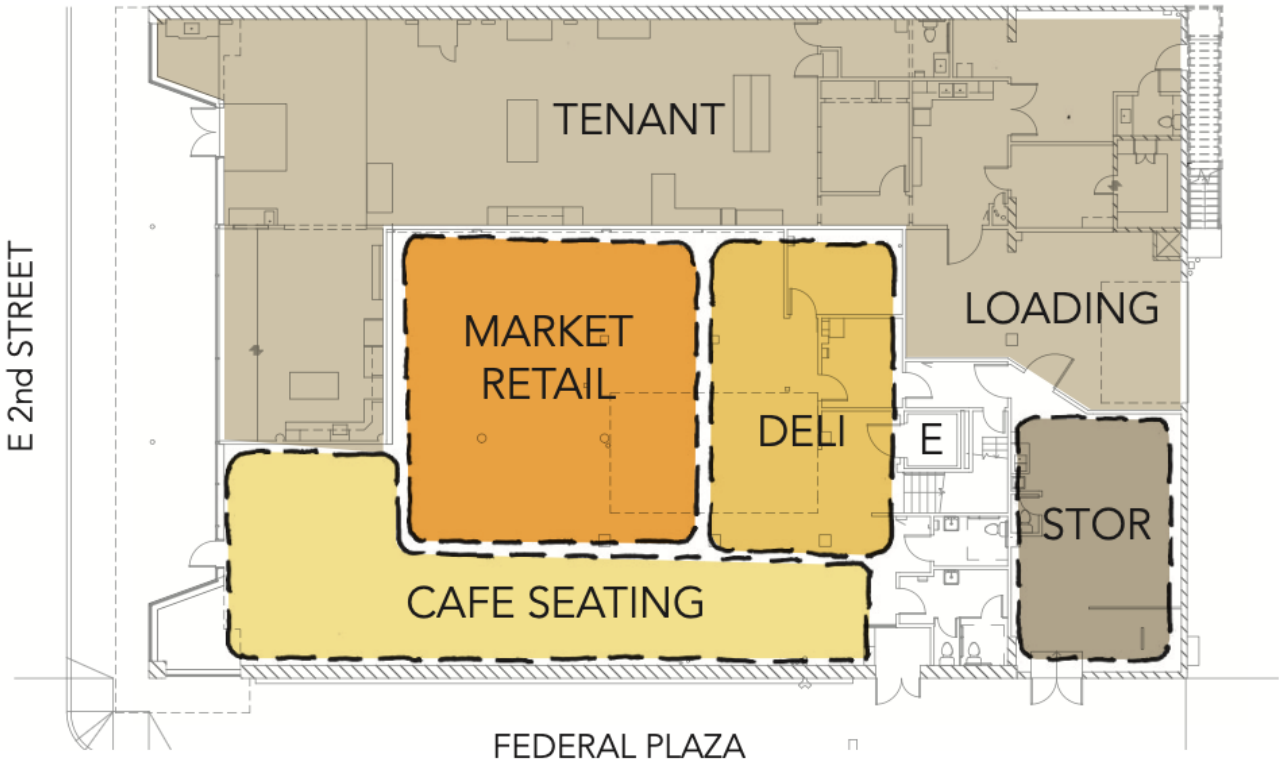
LEVEL 2



MID-TERM 2027-28

- + Cafe and seating
- + Market grocery retail
- + Limited residential
- + Meeting & education space
- + Storage & support

GROUND LEVEL

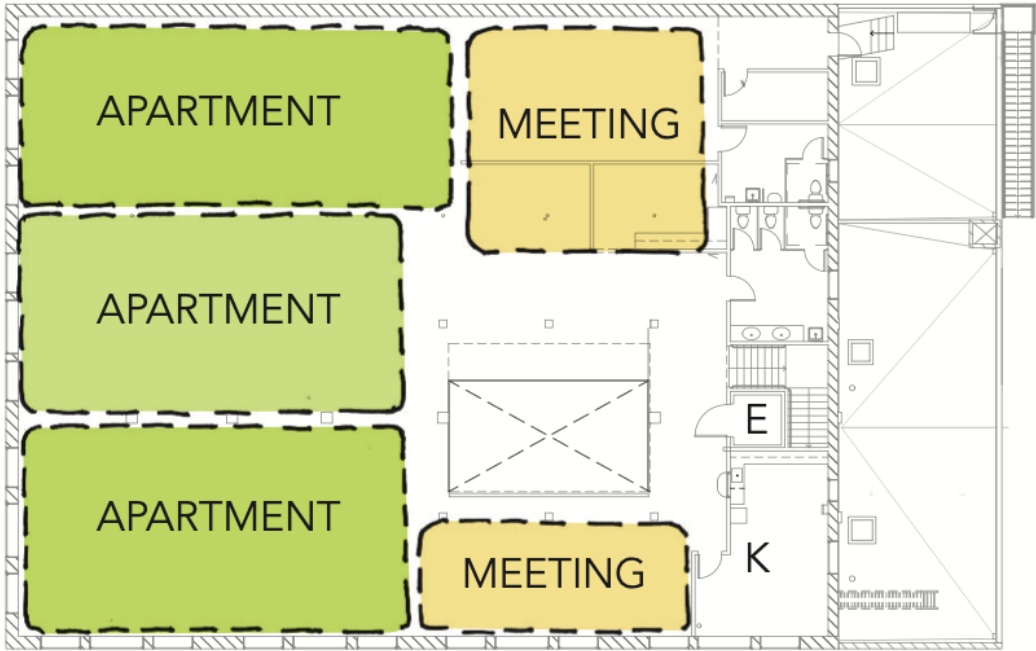


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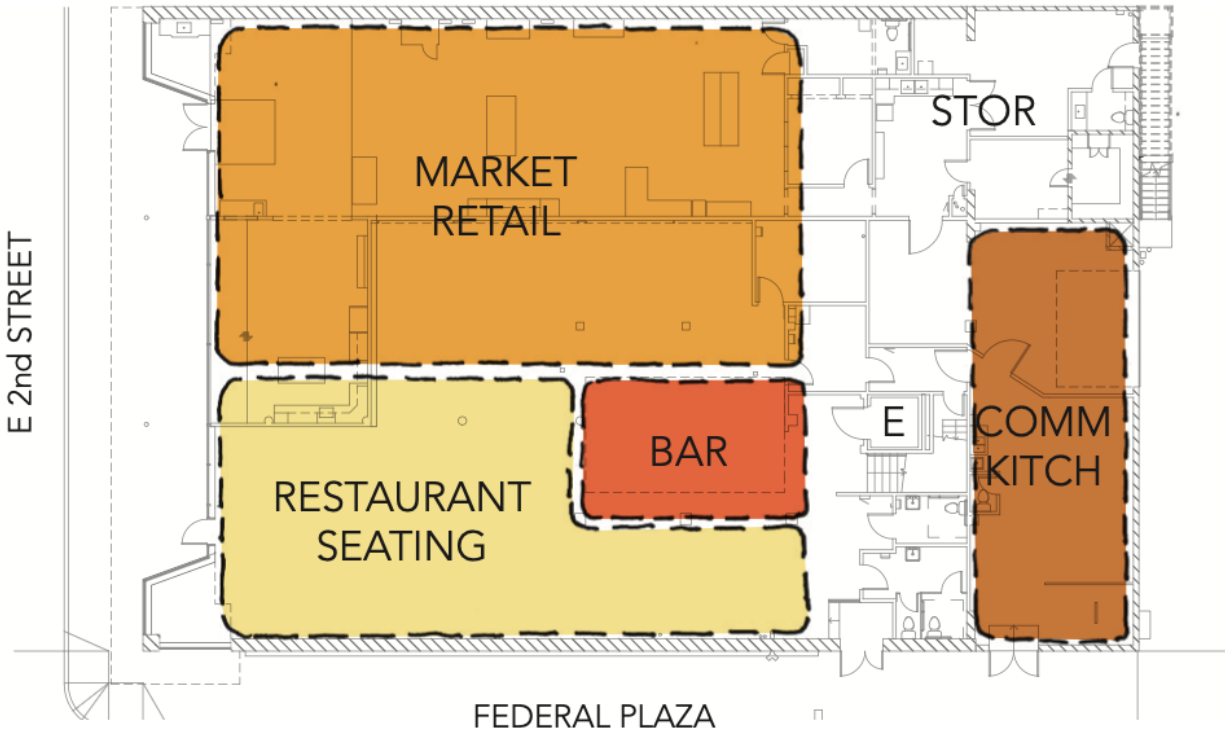


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LEVEL 2



GROUND LEVEL



LONG-TERM 2028-29

- + Full market & food service
- + Full-time residential
- + Winery support, education, events, hosting visitors
- + Full bar and nighttime activity
- + Host conferences, community events

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CRAIG BUILDING IMPROVEMENTS PLAN

Schedule	Project	Cost	Funding	Activity
NEAR-TERM 2025 - 26	2nd Street Facade Ground floor windows Transoms, steel headers, lighting	315,000	Owner UR Grant OHCS Diamonds	Wine events Wine distribution & storage
NEAR-TERM 2026	Federal Facade New window and door openings Seismic strengthening of wall line	572,000	Owner UR Grant OHCS Main St	Wine events Pop-up wine retail
MID-TERM 2027	Core & shell upgrades 1st floor tenant shell, piping, MEP up-grades, new exit stair, (1) apt.	1,088,000	Owner UR Grant	Pop-up wine retail Host visiting winemakers Residential use in building
MID-TERM 2028	Market / Cafe Create space and infrastructure for retail / market / cafe	330,000	Tenant	Food service Lunch & take-out, evening service Market retail
LONG-TERM 2028 - 29	Dwelling Units Compete all 3 upper floor apartments	920,000	UR Grant	Full-time building residents Host wine industry partners Host winery visitors
LONG-TERM 2029	Restaurant, bar & comm kitchen Day and night food service with full dinner menu and bar	596,000		Day and night activation Host conferences, comm. events Full utilization of building

3,821,000 (w / escalation)

Proposed Improvement Plan

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COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

AGENDA STAFF REPORT
AGENDA LOCATION: 9.A

MEETING DATE: July 15, 2025

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Joshua Chandler, Agency Manager

ISSUE: Adopting Resolution No. 25-004, a resolution accepting real property and authorizing the Agency Manager to execute a Dedication Agreement with the City of The Dalles for the Federal Street Plaza Project

BACKGROUND:

At its June 9, 2025, regular meeting, the City Council of the City of The Dalles (**City**) adopted Special Ordinance No. 25-606 to vacate a portion of public right-of-way on Federal Street between East 1st Street and East 2nd Street (**Area**) for purposes of the City's Federal Street Plaza Project (**Project**).

The Area is currently open to the public as a thoroughfare for transportation purposes. When cities vacate public rights-of-way, title to the areas of vacated land generally become vested in the abutting property owners by operation of Oregon law (i.e., automatically).

The City's vacation process is governed by ORS 271.005 to 271.540 and The Dalles Municipal Code Chapter 11.16 (*Street Vacations*)—both of those authorities allow the City to impose conditions on its vacations. Here, Section 1(G) of the Special Ordinance provides the City preconditioned its vacation of the Area on the abutting property owners' rededication to the City of their respective portions of the vacated lands. The Agency is one of three property owners abutting Area (along with 2FB, LLC, and the City itself).

Section 3 of the Special Ordinance authorizes the City Manager to execute a Dedication Agreement with the Agency for its rededication of the vacated portion of the Area that attached to the Tony's Building site here (i.e., the half of Federal Street abutting the Tony's Building site). In exchange for the City's development of the Project, the Dedication Agreement requires the Agency Manager to execute a deed that rededicates that half of Federal Street back to the City for purposes of the Project. The City would be responsible for all recording and mapping costs associated with the rededication.

The attached Resolution accepts the vacated land and authorizes the Agency Manager to

execute both the Dedication Agreement and the Dedication Deed to rededicate the land back to the City in support of its development of the Project.

PROJECT BENEFITS:

The Project is a priority public improvement identified in the 2024 Substantial Amendment to the Columbia Gateway Urban Renewal Plan. The Project will transform an underutilized segment of right-of-way into a dynamic, pedestrian-oriented plaza designed to support year-round activity in the downtown core. Planned amenities include a water feature, green space, public seating, a bicycle hub, and enhanced pedestrian connectivity between East 1st and 2nd Streets. The Plaza also complements the Urban Renewal Agency's ongoing efforts to redevelop the adjacent Tony's site, a key reinvestment area.

To help advance design and construction, the City is seeking \$1 million in grant funding through the Oregon Parks and Recreation Department. In support of this effort, the Urban Renewal Agency adopted Resolution 25-001 in February 2025, authorizing a \$150,000 contribution toward the grant's required local match. This funding commitment reflects the Agency's strong support for the Project and strengthens the City's ability to leverage additional state and federal resources.

Vacation of the Federal Street right-of-way is a critical step toward assembling the unified site necessary for plaza development and long-term public use. Through the rededication process established by Special Ordinance No. 25-606, the City ensures the land will remain in public ownership and be improved as a lasting community asset.

BUDGET IMPLICATIONS: None. The City will be responsible for all recording and mapping costs associated with the rededication.

BOARD ALTERNATIVES:

1. **Staff Recommendation:** *Move to adopt Resolution No. 25-004, as presented.*
2. Make modifications to then move to adopt Resolution No. 25-004, as amended.
3. Decline formal action and direct Staff accordingly.

Attachments:

- **Attachment 1** – URA Resolution No. 25-004
- **Attachment 2** – Special Ordinance No. 25-606

RESOLUTION NO. 25-004

**A RESOLUTION ACCEPTING REAL PROPERTY AND
AUTHORIZING THE AGENCY MANAGER TO
EXECUTE A DEDICATION AGREEMENT WITH THE
CITY OF THE DALLES FOR THE
FEDERAL STREET PLAZA PROJECT**

WHEREAS, at its June 9, 2025, regular meeting, the City Council of the City of The Dalles (**City**) adopted Special Ordinance No. 25-606 to vacate a portion of public right-of-way on Federal Street between East 1st Street and East 2nd Street (**Area**) for purposes of the City's Federal Street Plaza Project (**Project**);

WHEREAS, Section 1(G) of the Special Ordinance provides the City preconditioned its vacation of the Area on the abutting property owners' rededication to the City of their respective portions of the vacated lands;

WHEREAS, the Agency owns that certain lot (**Parcel**) abutting the Area, addressed 401 East 2nd Street in The Dalles, Oregon, depicted in **Assessor's Map No. 1N 13E 3BD as Tax Lot 2300**, and legally described, to wit:

Lot 12, Block 5, LAUGHLIN'S ADDITION TO DALLES CITY, in the City of The Dalles, County of Wasco and State of Oregon.

WHEREAS, title to the easterly one-half of the Area (**Portion**) vests in the Agency through its ownership of the Parcel consistent with ORS 271.140;

WHEREAS, Section 3 of the Special Ordinance contemplates execution of a Dedication Agreement (along with a Dedication Deed) with the City and requiring the Agency to rededicate the Portion back to the City in support of its development of the Project; and

WHEREAS, the Agency Board intends this Resolution to support the City's development of the Project consistent with ORS Chapter 457 and the Agency's Urban Renewal Plan.

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

1. Real Property Accepted. The Agency Board of the Columbia Gateway Urban Renewal Agency hereby accepts the Portion legally described in the *Dedication Agreement* and *Dedication Deed* attached to and made part of this Resolution as its **Exhibit 1**.
2. Agency Manager Authorized. The Agency Manager of the Columbia Gateway Urban Renewal Agency is hereby authorized to execute the *Dedication Agreement* and *Dedication Deed* attached to and made part of this Resolution as its **Exhibit 1**.

Continues on next page.

3. Effective Date. This Resolution shall be effective upon its adoption.

PASSED AND ADOPTED THIS 15TH DAY OF JULY, 2025,

Voting Yes	Board Members:	_____
Voting No	Board Members:	_____
Abstaining	Board Members:	_____
Absent	Board Members:	_____

AND APPROVED BY THE BOARD CHAIR THIS 15TH DAY OF JULY, 2025.

Dan Richardson, Board Chair

ATTEST:

Joshua Chandler, Agency Manager

SPECIAL ORDINANCE NO. 25-606

**A SPECIAL ORDINANCE VACATING A PORTION OF PUBLIC RIGHT-OF-WAY,
REDEDICATING, AND ACCEPTING THE REDEDICATION OF REAL PROPERTY ON
FEDERAL STREET BETWEEN EAST 1ST STREET AND EAST 2ND STREET
FOR THE FEDERAL STREET PLAZA PROJECT**

WHEREAS, in 2022, the City Council adopted The Dalles Vision Action Plan 2040, which prioritizes providing recreation and open space to the community of The Dalles, and the City expressed its intent to explore establishing such an open space in its downtown core on Federal Street between East 1st Street and East 2nd Street (**Plaza**);

WHEREAS, in recognition of that priority, and at its September 9, 2024, regular meeting, the City Council adopted Resolution No. 24-020, a resolution establishing an ad-hoc committee for the Plaza (**Project**);

WHEREAS, the City expects the Project to enhance the community's economic vitality by boosting downtown vibrancy, improving core public spaces, and supporting the revitalization of nearby historic properties by serving as a central gathering hub for community events and cultural activities, fostering a stronger sense of community, and celebrating our local heritage;

WHEREAS, the Plaza comprises public rights-of-way and that certain City-owned lot (**Lot**) created by and legally described in the vacation authorized by Special Ordinance No. 89-371 and recorded in the Wasco County Official Records as Document No. 1991-3750;

WHEREAS, TDMC 11.16.020 authorizes the City Council to initiate a vacation proceeding upon its own motion and, at its March 24, 2025, regular meeting, the City Council adopted a motion to initiate a vacation proceeding for the Plaza's public rights-of-way to support the Project (**Vacation**);

WHEREAS, upon that motion's adoption, the Vacation was referred to the City's site team review for its recommendation to the City Council and, at its June 9, 2025, regular meeting, the City Council held a duly noticed public hearing to consider the Vacation and where testimony and other evidence was submitted and entered into the hearing record, including a Staff Report stating findings of fact, conclusions of law, and Staff's Recommendation;

WHEREAS, the City Council deliberated on the matter and—based on the Staff Report and its attachments, the evidence presented at that hearing, and all other components of the hearing record, all of which are incorporated herein by reference—the City Council voted to approve the Vacation as detailed in and formalized by this Special Ordinance;

WHEREAS, a consequence of the Vacation is the vesting of title to the vacated portions of the Plaza in its abutting property owners—the Columbia Gateway Urban Renewal Agency, 2FB LLC (together, **Owners**), and the City—who collectively also own a majority of the area affected by the Vacation;

WHEREAS, the Owners support the City's use and ownership of the Plaza for the Project

and intend to dedicate and transfer to the City title to their respective portions of the public rights-of-way vacated by this Special Ordinance for the City's prosecution of the Project; and

WHEREAS, the City intends to accept those dedications of real property as herein described for the Project and in support of the public health, safety, and welfare.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF THE DALLES
ORDAINS AS FOLLOWS:**

Section 1 Vacation Approved. Consistent with the provisions of TDMC Chapter 11.16 (*Street Vacations*), the City Council hereby incorporates this Special Ordinance's recitals herein, approves the Vacation, and adopts the findings of facts and conclusions of law set forth in the Vacation's Staff Report attached to and made part of this Special Ordinance as its **Exhibit B**. The vacated lands are depicted and legally described in the document attached to and made part of this Special Ordinance as its **Exhibit A**. Title to the vacated lands shall vest in accordance with ORS 271.140. Further, and specifically:

- A. *Hearing Duly Noticed*. The City Council hereby finds the public hearing required by TDMC 11.16.030 was duly noticed consistent with the provisions of ORS 271.110(1) and (2).
- B. *No Objections*. The City Council hereby finds the Owners have not objected to the Vacation in writing prior to the public hearing.
- C. *No Conflict with Laws*. The City Council hereby finds the Vacation does not conflict with the City's Comprehensive Plan or any provision of The Dalles Municipal Code.
- D. *No Public Interest Prejudice*. The City Council hereby finds the public interest will not be prejudiced by the Vacation.
- E. *Owners' Consent*. The City Council hereby finds the Owners have consented to the Vacation.
- F. *No Damages Owed*. The City Council hereby finds and determines the Vacation will not substantially diminish the market value of the Owners' properties and no damages are owed.
- G. *Conditional Vacation*. As authorized by TDMC 11.16.030(B)(3), the City Council hereby preconditions this Special Ordinance's approval of the Vacation on the Owners' rededication to the City of their respective portions of the vacated lands consistent with Sections 3 through 5.

Section 2 Ordinance to be Filed. The City Council hereby finds the City Clerk has filed in the Office of the City Clerk a certificate showing all City liens and all taxes have been paid on the vacated lands. The City Clerk shall file a certified copy of this Special Ordinance with the Wasco County Clerk, Wasco County Assessor, and Wasco County Surveyor. The City shall be responsible for paying the costs of preparing,

filing, and recording this Special Ordinance and any associated mapping fees imposed by Wasco County.

Section 3 Dedication Agreements Authorized. The City Council hereby authorizes the City Manager to execute those certain *Dedication Agreements* with the Columbia Gateway Urban Renewal Agency, an urban renewal agency duly formed and operating under the provisions of ORS Chapter 457, and 2FB LLC, an Oregon limited liability company, attached to and made part of this Special Ordinance as its **Exhibits C and D**, respectively.

Section 4 Dedication Deeds Authorized. The City Council hereby authorizes the City Manager to execute those certain *Dedication Deeds* from the Columbia Gateway Urban Renewal Agency and 2FB LLC, attached to and made part of this Special Ordinance as its **Exhibits E and F**, respectively.

Section 5 Dedications Accepted. The City of The Dalles hereby accepts the Columbia Gateway Urban Renewal Agency's and 2FB LLC's dedications of their respective portions of the vacated lands, legally described in the *Dedication Deeds* referenced in Section 4, consistent with the *Dedication Agreements* referenced in Section 3.

Section 6 Lot Dedicated and Accepted. The City Manager shall execute that certain *Dedication Deed* to the City of The Dalles attached to and made part of this Special Ordinance as its **Exhibit G** for the Lot, legally described therein. The City of The Dalles hereby accepts the dedication of the Lot for the Project.

Section 7 Effective Date. This Special Ordinance shall be effective 30 days after adoption.

PASSED AND ADOPTED THIS 9TH DAY OF JUNE, 2025,

Voting Yes Councilors: McGlothlin, Randall, Runyon, Wring
Voting No Councilors: _____
Abstaining Councilors: _____
Absent Councilors: Richardson

AND APPROVED BY THE MAYOR THIS 9TH DAY OF JUNE, 2025.

Thursday May 5

Richard A. Mays, Mayor

ATTEST:


Amie Ell, City Clerk

EXHIBIT A
SPECIAL ORDINANCE NO. 25-606

CITY OF THE DALLES
*Legal Description and Depiction
of Vacated Lands*

A tract of land located in Federal Street, plat of “Laughlin’s Addition to Dalles City” in the Laughlin Donation Land Claim and in the Northwest One-Quarter of Section 3, Township 1 North, Range 13 East, Willamette Meridian, City of The Dalles, Wasco County, Oregon, and being more particularly described as follows:

All that portion of said Federal Street that is bounded on the north by the southerly right-of-way line of First Street and bounded on the south by the centerline of the alley running through Blocks 2 and 5 of said “Laughlin’s Addition”.

EXCEPTING THEREFROM that portion of Federal Street vacated by Special Ordinance No. 89-371, recorded as Document No. 1991-3570, Wasco County Deed Records.

The above-described tract of land contains 4,828 square feet, more or less.

TOGETHER WITH the portion of said Federal Street that is bounded on the north by the centerline of the alley running through Blocks 2 and 5 of said “Laughlin’s Addition”, bounded on the east by the centerline of said Federal Street, bounded on the south by the northerly right-of-way line of Second Street, and bounded on the west by the east line of Block 2 of said plat.

The above-described tract of land contains 4,892 square feet, more or less.

TOGETHER WITH the portion of Federal Street that is bounded on the north by the centerline of the alley running through Blocks 2 and 5 of said “Laughlin’s Addition”, bounded on the west by the centerline of said Federal Street, bounded on the south by the northerly right-of-way line of Second Street, and bounded on the east by the west line of Block 5 of said plat.

The above-described tract of land contains 4,892 square feet, more or less.



CITY of THE DALLES
313 COURT STREET
THE DALLES, OREGON 97058

(541) 296-5481
FAX (541) 296-6906

AGENDA STAFF REPORT

AGENDA LOCATION: Item #10C

MEETING DATE: June 9, 2025

TO: Honorable Mayor and City Council

FROM: Joshua Chandler, Community Development Director

ISSUE: Adopting Special Ordinance No. 25-606, a special ordinance vacating a portion of public right-of-way, rededicating, and accepting the rededication of real property on Federal Street between East 1st Street and East 2nd Street for the Federal Street Plaza Project

BACKGROUND: In 2022, the City Council adopted *The Dalles Vision Action Plan 2040*, a long-range strategy to guide the City's growth and enhance livability. One of the Plan's top priorities is expanding recreational opportunities and open spaces, including the creation of a vibrant, publicly accessible gathering place in the downtown core—consistent with that vision, the City identified Federal Street, between East 1st and East 2nd Streets, as a potential site for a new downtown plaza (**Plaza**).

To initiate this planning process, the City Council adopted Resolution No. 24-020 on September 9, 2024, establishing an ad-hoc committee to advance the Plaza project (**Project**). The Plaza has been envisioned as both a public open space and a strategic investment to increase downtown vibrancy, support economic development, and aid in revitalizing nearby historic structures. As a central hub, it is intended to host cultural events, community activities, and public celebrations, further strengthening civic identity and honoring local heritage.

The proposed Plaza site includes a City-owned lot (created by the partial vacation of Federal Street authorized by Special Ordinance No. 89-371), along with the adjoining public rights-of-way (**ROW**) along Federal Street. To unify the site under the City's ownership and use for the Project, the City Council voted at its March 24, 2025, regular meeting to initiate a street vacation (**Vacation**).

Following the City Council's initiation of the vacation procedure outlined in TDMC Chapter 11.16 (*Street Vacations*), the Vacation was reviewed through the City's internal

Site Team process for feasibility and conformance with applicable planning policies. The Public Works Department raised no objections to the Project but advised that multiple easements may be required to accommodate existing public and franchise utilities within the vacated area.

As a result of the Vacation, Oregon law operates to vest title to the vacated ROW in the respective abutting property owners—the Columbia Gateway Urban Renewal Agency (CGURA), 2FB LLC (collectively, the **Owners**), and the City. Together, the City and the Owners hold a majority of the affected area and the Owners have expressed support for the Plaza’s development and long-term use as a public space. To that end, the Owners intend to dedicate and transfer their respective portions of the vacated ROW to the City, ensuring unified public ownership and stewardship as the Project advances through planning, design, and implementation.

Once the Vacation is recorded, City staff will initiate all related land use actions, including replatting of Vacation-created lots and a Site Plan Review. The establishment of any required utility easements will be completed as part of the replatting process.

On May 14, 2025, the City Manager’s Office, acting as the Applicant on behalf of the City, submitted all required documentation connected with the Vacation, copies of which are attached to and made part of this Staff Report.

NOTIFICATION: Pursuant to TDMC 11.16.010(E) and ORS 271.110(1) and (2), a notice of public hearing was published in the Columbia Gorge News on May 21 and 28, 2025, more than 14 days prior to tonight’s City Council meeting. On May 22, 2025, the City posted a copy of the notice in two conspicuous places in the proposed vacation area, consistent with the noticing requirements of TDMC 11.16.010(E) and ORS 271.110(1) and (2). Notice of the public hearing was sent to all local news media and posted on the City’s website on May 30, 2025.

COMMENTS RECEIVED: No comments received as of the date this Staff Report was published.

REVIEW CRITERIA:

City of The Dalles Municipal Code, Title 11 Planning

Section 11.16.030 Hearing and Decision

- 1. [I]f the vacation proceedings were initiated by motion of the City Council, a finding that owners of a majority of the area affected by the vacation have not objected in writing prior to the hearing.*

FINDING #1: The Vacation was initiated by motion of the City Council at its regular meeting on March 24, 2025. No written objections from any affected property owners of a majority of the area affected by the Vacation (i.e., CGURA, 2FB LLC, and the City) were received prior to the public hearing. The Owners have expressed support for the City’s development and long-term use of the Plaza site as a public gathering space. To further advance the Project, the Owners intend to dedicate and convey their respective portions of the vacated ROW as a condition of this Special Ordinance. **Criterion met.**

2. *Notice has been duly given;*

FINDING #2: Pursuant to TDMC 11.16.010(E) and ORS 271.110(1) and (2), a notice of public hearing was published in the Columbia Gorge News on May 21 and 28, 2025, more than 14 days prior to the June 9, 2025 City Council meeting. On May 22, 2025, the City posted a copy of the notice in two conspicuous places in the proposed vacation area, consistent with the noticing requirements of TDMC 11.16.010(E) and ORS 271.110(1) and (2). Notice of the public hearing was sent to all local news media and posted on the City’s website on May 30, 2025.

Criterion met.

3. *The proposed vacation does not conflict with the City’s comprehensive plan;*

FINDING #3: The proposed Plaza and associated Vacation are consistent with *The Dalles Comprehensive Plan* and support key goals related to recreation, economic development, and transportation. Under Goal #8 (*Recreational Needs*), the Project helps achieve the City’s objective to develop and maintain a balance of open spaces that improve livability within the Urban Growth Boundary. It will transform public ROW and City-owned land into an accessible community gathering space consistent with policies encouraging the reuse of underdeveloped parkland and the inclusion of ADA-compliant design features.

The Project also supports Goal #9 (*Economic Development*) by encouraging reinvestment in the Central Business District and aligning with the Columbia Gateway Urban Renewal Plan by enhancing the downtown streetscape, create space for public events, and improve the experience of workers, shoppers, and visitors. Under Goal #12 (*Transportation*), the Project contributes to a more walkable and connected urban core by creating a safe pedestrian-oriented space that encourages non-vehicular travel and creates a connection to the forthcoming First Street Project, Mill Creek Greenway, and existing Riverfront Trail.

Criterion met.

4. *The public interest will not be prejudiced by the vacation of the public way;*

FINDING #4: The public interest will not be prejudiced by the Vacation of the public ROW for the creation of the Plaza—to the contrary, the Vacation facilitates a project that will enhance community access and benefit by transforming the public ROW into a vibrant publicly owned gathering space. The Owners support the Project and intend to dedicate and transfer their portions of the vacated ROW to the City to ensure continued public ownership and stewardship.

All existing utility lines within the vacated area will remain in place and the Project will establish adequate easements to guarantee continued access for maintenance and service. The Vacation will not disrupt essential connectivity, public access, or utilities. Rather, it will improve the downtown environment by providing a safe, accessible, and attractive space for public events and social interaction. **Criterion met.**

5. *[A]ll abutting property owners have consented to the vacation, or[,] if the evidence shows the vacation will substantially diminish the market value of the abutting owner’s property, the City Council has made provision for paying damages.*

FINDING #5: See Finding #1. **Criterion met.**

BUDGET IMPLICATIONS: Budget implications associated with the adoption of this Special Ordinance approving the Vacation include title, surveying, mapping, and recording fees in an amount not exceeding \$15,000. All City costs contemplated by this Special Ordinance will be funded by the General Fund through the Legal Department's budget. Sufficient budgetary resources have been allocated to facilitate this Special Ordinance's adoption.

COUNCIL ALTERNATIVES:

1. **Staff Recommendation:** *Move to adopt Special Ordinance No. 25-606, which approves the Petition for Public Right-of-Way Vacation Application No. 77-25 to vacate a portion of public right-of-way, rededicating, and accepting the rededication of real property on Federal Street between East 1st Street and East 2nd Street for the Federal Street Plaza Project, based upon the findings of fact and conclusions of law set forth in the Agenda Staff Report, by title only, as presented.*
2. Make modifications to then move to adopt Special Ordinance No. 25-606, as amended.
3. Decline formal action and provide Staff additional direction.

DEDICATION AGREEMENT

This DEDICATION AGREEMENT (**Agreement**) is entered by the City of The Dalles, an Oregon municipal corporation (**City**) and Columbia Gateway Urban Renewal Agency, an urban renewal agency duly formed and operating pursuant to the provisions of ORS Chapter 457 (**Owner**) for Owner's dedication of real property to the City for the City's proposed Federal Street Plaza Project (**Project**).

WHEREAS, in 2022, the City Council adopted The Dalles Vision Action Plan 2040, which prioritizes providing recreation and open space to the community of The Dalles, and the City expressed its intent to explore establishing such an open space in its downtown core on Federal Street between East 1st Street and East 2nd Street (**Area**);

WHEREAS, the City expects the Project to enhance the community's economic vitality by boosting downtown vibrancy, improving core public spaces, and supporting the revitalization of nearby historic properties by serving as a central gathering hub for community events and cultural activities, fostering a stronger sense of community, and celebrating its local heritage;

WHEREAS, Owner owns that certain lot (**Parcel**) abutting the Area, addressed 401 East 2nd Street in The Dalles, Oregon, depicted in **Assessor's Map No. 1N 13E 3BD as Tax Lot 2300**, and legally described, to wit:

Lot 12, Block 5, LAUGHLIN'S ADDITION TO DALLES CITY, in the City of The Dalles, County of Wasco and State of Oregon.

WHEREAS, at its June 9, 2025, meeting, the City Council adopted Special Ordinance No. 25-606 (**Special Ordinance**) to vacate the Area consistent with the provisions of the Special Ordinance;

WHEREAS, as a consequence of that vacation, the City understands title to the easterly one-half of the Area (**Dedicated Land**) vests by operation of law to the Parcel, legally described in that certain *Dedication Deed* attached to and made part of the Special Ordinance as its **Exhibit E**;

WHEREAS, Section 1(G) of the Special Ordinance preconditions that vacation on Owner's rededication of the Dedicated Land;

WHEREAS, Owner understands the significant community and economic benefits associated with the Project have the potential to commensurately increase the Parcel's market value and approves rededicating the Dedicated Land to the City in furtherance of the Project; and

WHEREAS, the City desires to accept that rededication consistent with the terms of this Agreement.

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

A. Owner's Duties.

1. Dedication Deed. Owner agrees to convey title to and transfer ownership of the Dedicated Land to the City by delivering to the City Attorney's Office a fully executed *Dedication Deed*, an unexecuted copy of which is attached to and made part of the Special Ordinance as its **Exhibit E**, by July 31, 2025.
2. Taxes. Owner agrees to pay all assessed property taxes owed for the Dedicated Land (if any) by the date listed in Section A(1).

B. City's Duties.

1. Project Completion. The City agrees part of Owner's material consideration for entering this Agreement includes the Project's full completion; accordingly, the City agrees (at its sole expense) to use commercially reasonable efforts to fully complete or cause to be completed construction of the Project substantially consistent with the City Council's final approved designs (subject to excuses from performance associated with impossibility, impracticability, and unforeseeable factors or events beyond the City's reasonable control). The Parties agree Owner has no and will not have any control over the Project's development.
2. Diligent Pursuit. The City agrees to diligently pursue Project completion and to notify Owner as soon as possible if it has a reasonable basis to believe the Project will be delayed or not be completed consistent with the timelines approved by the City Council.
3. Recording Cost. The City (at its sole expense) agrees to record the executed Dedication Deed described by Section A(1) in the Wasco County Official Records.
4. Mapping Costs. The City (at its sole expense) agrees to cover any mapping costs owed Wasco County to reflect the provisions of this Agreement.

C. General Provisions.

1. Modification. The Parties agree this Agreement may only be amended by written amendment duly executed by them.
2. Integration. The Parties agree this Agreement represents their full and final agreement and supersedes all prior or contemporaneous negotiations and agreements between them on its substance.
3. Severability and Governing Law. The Parties agree any provision of this Agreement deemed unenforceable is severed from this Agreement and the other provisions remain in force. The Parties agree this Agreement is governed by and intended to be construed in accordance with the laws of the State of Oregon and any disputes connected with this Agreement will be heard in the Circuit Court of the State of Oregon for Wasco County.



4. Counterparts. The Parties agree this Agreement may be executed in one or more counterparts, each of which is an original and all of which constitute only one agreement between them.
5. Notices. Unless contradicted by specific provision of this Agreement or otherwise required by applicable law, all notices contemplated or required by this Agreement shall be deemed delivered two (2) days after deposit in the United States certified or registered mail, postage prepaid, and addressed:

To the City: City Manager
City of The Dalles
313 Court Street
The Dalles, OR 97058

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

IN WITNESS WHEREOF, the Parties duly execute this **DEDICATION AGREEMENT** this ____ day of _____, 2025.

CITY OF THE DALLES

OWNER

Matthew B. Klebes, City Manager

Joshua Chandler, Agency Manager

ATTEST:

Amie Ell, City Clerk



DEDICATION AGREEMENT

This DEDICATION AGREEMENT (**Agreement**) is entered by the City of The Dalles, an Oregon municipal corporation (**City**) and 2FB LLC, an Oregon limited liability company (**Owner**) for Owner's dedication of real property to the City for the City's proposed Federal Street Plaza Project (**Project**).

WHEREAS, in 2022, the City Council adopted The Dalles Vision Action Plan 2040, which prioritizes providing recreation and open space to the community of The Dalles, and the City expressed its intent to explore establishing such an open space in its downtown core on Federal Street between East 1st Street and East 2nd Street (**Area**);

WHEREAS, the City expects the Project to enhance the community's economic vitality by boosting downtown vibrancy, improving core public spaces, and supporting the revitalization of nearby historic properties by serving as a central gathering hub for community events and cultural activities, fostering a stronger sense of community, and celebrating its local heritage;

WHEREAS, Owner owns that certain lot (**Parcel**) abutting the Area, addressed 319 East 2nd Street in The Dalles, Oregon, depicted in **Assessor's Map No. 1N 13E 3BD as Tax Lot 2400**, and legally described, to wit:

Lot 7, and 27 feet and 6.5 inches off the East side of Lot 8, in Block 2, of BIGELOW'S AND LAUGHLIN'S ADDITION TO DALLES CITY, in City of The Dalles, County of Wasco and State of Oregon, being more particularly described as follows:

Commencing at the Southeast corner of said Lot 7; thence running westerly along the North line of Second Street in said city, 77 feet 6.5 inches; thence northerly at right angles to the North line of Second Street 120 feet to the alley running easterly and westerly through said Block 2; thence easterly along the South line of said alley 77 feet 6.5 inches to Federal Street, thence southerly along the westerly line of Federal Street, 120 feet to the place of beginning.

WHEREAS, at its June 9, 2025, meeting, the City Council adopted Special Ordinance No. 25-606 (**Special Ordinance**) to vacate the Area consistent with the provisions of the Special Ordinance;

WHEREAS, as a consequence of that vacation, the City understands title to the westerly one-half of the Area (**Dedicated Land**) vests by operation of law to the Parcel, legally described in that certain *Dedication Deed* attached to and made part of the Special Ordinance as its **Exhibit F**;

WHEREAS, Section 1(G) of the Special Ordinance preconditions that vacation on Owner's rededication of the Dedicated Land;

WHEREAS, Owner understands the significant community and economic benefits associated with the Project have the potential to commensurately increase the Parcel's market value and approves rededicating the Dedicated Land to the City in furtherance of the Project; and

WHEREAS, the City desires to accept that rededication consistent with the terms of this Agreement.

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

A. Owner's Duties.

1. Dedication Deed. Owner agrees to convey title to and transfer ownership of the Dedicated Land to the City by delivering to the City Attorney's Office a fully executed *Dedication Deed*, an unexecuted copy of which is attached to and made part of the Special Ordinance as its **Exhibit F**, by July 31, 2025.
2. Taxes. Owner agrees to pay all assessed property taxes owed for the Dedicated Land (if any) by the date listed in Section A(1).

B. City's Duties.

1. Project Completion. The City agrees part of Owner's material consideration for entering this Agreement includes the Project's full completion; accordingly, the City agrees (at its sole expense) to use commercially reasonable efforts to fully complete or cause to be completed construction of the Project substantially consistent with the City Council's final approved designs (subject to excuses from performance associated with impossibility, impracticability, and unforeseeable factors or events beyond the City's reasonable control). The Parties agree Owner has no and will not have any control over the Project's development.
2. Diligent Pursuit. The City agrees to diligently pursue Project completion and to notify Owner as soon as possible if it has a reasonable basis to believe the Project will be delayed or not be completed consistent with the timelines approved by the City Council.
3. Recording Cost. The City (at its sole expense) agrees to record the executed Dedication Deed described by Section A(1) in the Wasco County Official Records.
4. Mapping Costs. The City (at its sole expense) agrees to cover any mapping costs owed Wasco County to reflect the provisions of this Agreement.

C. General Provisions.

1. Modification. The Parties agree this Agreement may only be amended by written amendment duly executed by them.
2. Integration. The Parties agree this Agreement represents their full and final agreement and supersedes all prior or contemporaneous negotiations and agreements between them on its substance.
3. Severability and Governing Law. The Parties agree any provision of this Agreement deemed unenforceable is severed from this Agreement and the other provisions remain in force. The Parties agree this Agreement is governed by and intended to be construed in accordance with the laws of the State of Oregon and any disputes



connected with this Agreement will be heard in the Circuit Court of the State of Oregon for Wasco County.

4. Counterparts. The Parties agree this Agreement may be executed in one or more counterparts, each of which is an original and all of which constitute only one agreement between them.
5. Notices. Unless contradicted by specific provision of this Agreement or otherwise required by applicable law, all notices contemplated or required by this Agreement shall be deemed delivered two (2) days after deposit in the United States certified or registered mail, postage prepaid, and addressed:

To the City: City Manager
City of The Dalles
313 Court Street
The Dalles, OR 97058

To Owner: 2FB LLC
1100 SW 6th Avenue, Suite 1600
Portland, OR 97204

IN WITNESS WHEREOF, the Parties duly execute this **DEDICATION AGREEMENT** this ____ day of _____, 2025.

CITY OF THE DALLES

OWNER

Matthew B. Klebes, City Manager

2FB LLC, by its managing member
David Brown

ATTEST:

Amie Ell, City Clerk

Approved as to form:

Jonathan M. Kara, City Attorney



After recording return to:

City Clerk
City of The Dalles
313 Court Street
The Dalles, OR 97058

**Until a change is requested,
send all tax statements to:**

City Clerk
City of The Dalles
313 Court Street
The Dalles, OR 97058

DEDICATION DEED

Grantor: **Columbia Gateway Urban Renewal Agency**, *an urban renewal agency duly formed and operating pursuant to the provisions of ORS Chapter 457*
313 Court Street
The Dalles, OR 97058

Grantee: **City of The Dalles**, *a municipal corporation of the State of Oregon*
313 Court Street
The Dalles, OR 97058

KNOW ALL BY THESE PRESENTS, Columbia Gateway Urban Renewal Agency (**Grantor**) does hereby dedicate, grant, and convey unto the Public through the City of The Dalles (**Grantee**), its successors in interest and assigns, for use as a public plaza or park all the following real property (**Property**) in the County of Wasco, State of Oregon, free of all encumbrances other than encumbrances of record, and bounded and described, to wit:

A tract of land located in Federal Street in the plat of "Laughlin's Addition to Dalles City" in the Laughlin Donation Land Claim and in the Northwest One-Quarter of Section 3, Township 1 North, Range 13 East, Willamette Meridian, City of The Dalles, Wasco County, Oregon, and being more particularly described as follows:

The portion of Federal Street that is bounded on the north by the centerline of the alley running through Blocks 2 and 5 of said "Laughlin's Addition", bounded on the west by the centerline of said Federal Street, bounded on the south by the northerly right-of-way line of Second Street, and bounded on the east by the west line of Block 5 of said plat.

The above-described tract of land contains 4,892 square feet, more or less.

The Property is further depicted and is specifically labeled in the diagram attached to and made part of this DEDICATION DEED as **Figure 1**.

The **true consideration** of this conveyance is ***other consideration given*** (all of which Grantor hereby acknowledges receipt of) consistent with the provisions of Special Ordinance No. 25-606.

Grantee shall have the right to improve, encumber, and otherwise do all acts necessary or convenient to facilitate a public plaza or park of its design upon the Property and, in addition thereto, shall have the right to place or to permit others to place sidewalks, sewers, utilities, cables, pipes, electrical transmission wire, communications equipment, and such other

improvements and facilities as Grantee deems necessary or convenient upon, above, or below the surface of the Property.

TO HAVE AND TO HOLD, the above described and granted Property unto Grantee, its successors in interest, and assigns forever.

Grantor hereby covenants to and with Grantee, its successors in interest, and assigns: Grantor is lawfully seized in fee simple of the above-named Property, free from all undisclosed encumbrances (no exceptions), and Grantor, its successors in interest, and assigns, shall warrant and forever defend the said Property against the lawful claims and demands of all persons claiming by, through, or under Grantor.

In construing this instrument and where the text so requires, the singular includes the plural and all grammatical changes shall be implied to make the provisions hereof apply equally to corporations and individuals.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Signature page follows.

IN WITNESS WHEREOF, Grantor has executed this **DEDICATION DEED** this _____ day of _____, 2025. The person(s) whose name(s) is/are subscribed to this instrument acknowledge they executed the instrument in their legally authorized capacity, and by their signature on the instrument, the person or the entity upon behalf of which the person acted executed the instrument.

GRANTOR

Columbia Gateway Urban Renewal
Agency, by its Agency Manager
Joshua Chandler

STATE OF OREGON)
) ss
COUNTY OF WASCO)

This instrument was acknowledged before me this ____ day of _____, 2025, by Agency Manager Joshua Chandler as their free and voluntary act.

Notary Public for Oregon _____
My Commission Expires: _____

Accepted on behalf of **GRANTEE** pursuant to the provisions of **Special Ordinance No. 25-606** (adopted by the City Council of the City of The Dalles on June 9, 2025) this ____ day of July, 2025.

CITY OF THE DALLES

Matthew B. Klebes, City Manager

ATTEST:

Amie Ell, City Clerk

STATE OF OREGON)
) ss
COUNTY OF WASCO)

This instrument was acknowledged before me this ____ day of July, 2025, by City Manager Matthew B. Klebes and City Clerk Amie Ell as their free and voluntary act.

Notary Public for Oregon _____
My Commission Expires: _____



AKS ENGINEERING & FORESTRY
3775 Crates Way, The Dalles, OR 97058
P: (541) 296-9177

AKS Job #12183

EXHIBIT A

Vacation of Portion of Federal Street to Columbia Gorge Urban Renewal Agency

A tract of land located in Federal Street in the plat of “Laughlin’s Addition to Dalles City” in the Laughlin Donation Land Claim and in the Northwest One-Quarter of Section 3, Township 1 North, Range 13 East, Willamette Meridian, City of The Dalles, Wasco County, Oregon, and being more particularly described as follows:

The portion of Federal Street that is bounded on the north by the centerline of the alley running through Blocks 2 and 5 of said “Laughlin’s Addition”, bounded on the west by the centerline of said Federal Street, and bounded on the south by the northerly right-of-way line of Second Street and bounded on the east by the west line of Block 5 of said plat.

The above described tract of land contains 4,892 square feet, more or less.

5/23/2025

REVIEW COPY

REGISTERED
PROFESSIONAL
LAND SURVEYOR

A handwritten signature in black ink, appearing to read 'Beseda', written over a horizontal line.

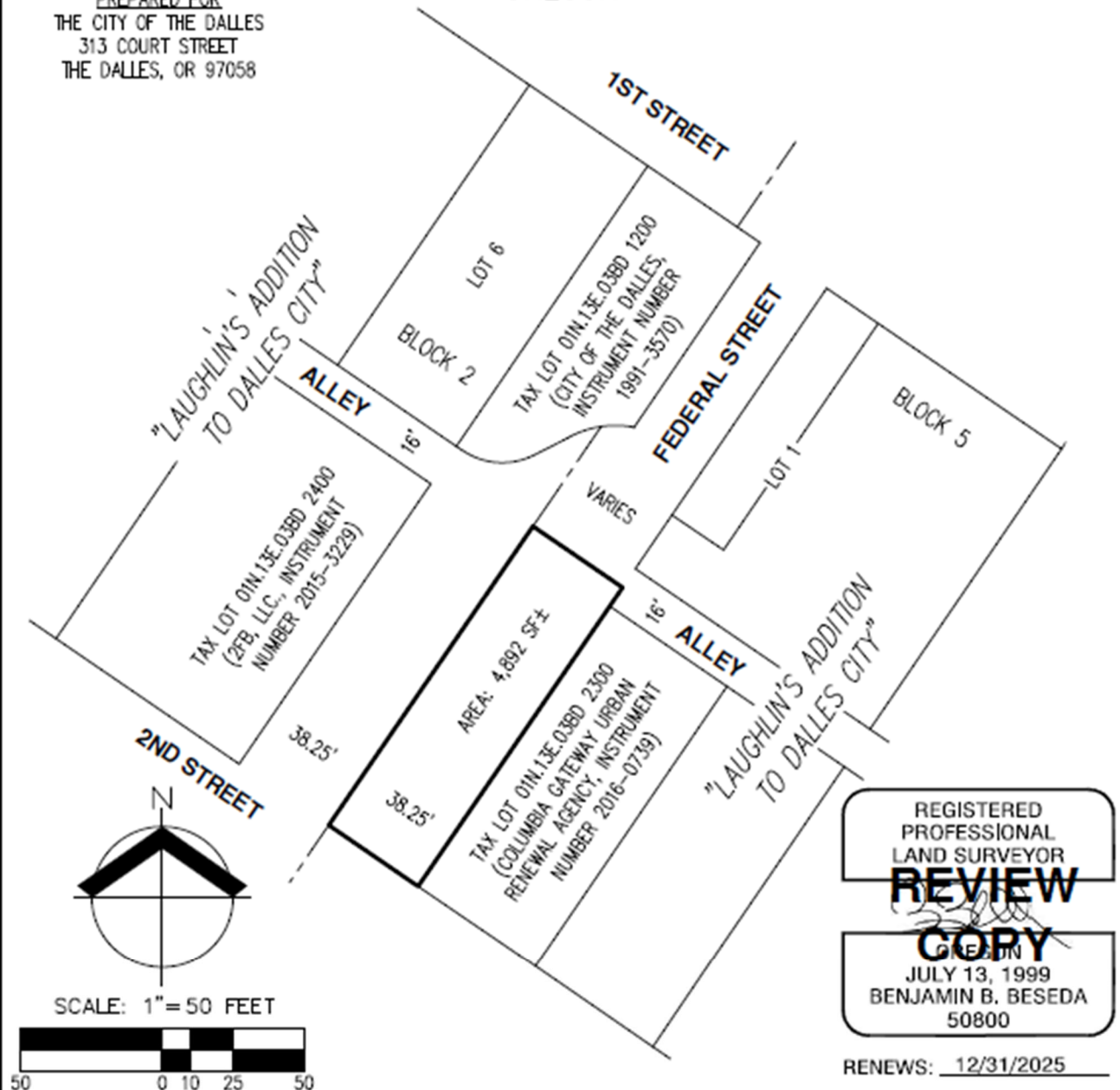
OREGON
JULY 13, 1999
BENJAMIN B. BESEDA
50800

RENEWS: 12/31/2025

FIGURE 1 TO DEDICATION DEED – COLUMBIA GATEWAY URBAN RENEWAL AGENCY

A PORTION OF FEDERAL STREET LOCATED IN THE NORTHWEST
1/4 OF SECTION 3, TOWNSHIP 1 NORTH, RANGE 13 EAST,
WILLAMETTE MERIDIAN, CITY OF THE DALLES, WASCO COUNTY,
OREGON

PREPARED FOR
THE CITY OF THE DALLES
313 COURT STREET
THE DALLES, OR 97058



REGISTERED
PROFESSIONAL
LAND SURVEYOR

REVIEW

COPY

JULY 13, 1999
BENJAMIN B. BESEDA
50800

RENEWS: 12/31/2025

TENNESON ENGINEERING | AN AKS COMPANY
3775 CRATES WAY
THE DALLES, OR 97058
541.296.9177 WWW.AKS-ENG.COM



PORTION OF FEDERAL STREET
TO BE VACATED TO TAX LOT
01N.13E.03BD 2300

DATE: 5/23/2025

DRWN: CDC CHKO: BBB

AKS JOB: 12183 EXHIBIT B

After recording return to:

City Clerk
City of The Dalles
313 Court Street
The Dalles, OR 97058

**Until a change is requested,
send all tax statements to:**

City Clerk
City of The Dalles
313 Court Street
The Dalles, OR 97058

DEDICATION DEED

Grantor: **2FB LLC, an Oregon limited liability company**
1100 SW 6th Avenue, Suite 1600
Portland, OR 97204

Grantee: **City of The Dalles, a municipal corporation of the State of Oregon**
313 Court Street
The Dalles, OR 97058

KNOW ALL BY THESE PRESENTS, 2FB LLC (**Grantor**) does hereby dedicate, grant, and convey unto the Public through the City of The Dalles (**Grantee**), its successors in interest and assigns, for use as a public plaza or park all the following real property (**Property**) in the County of Wasco, State of Oregon, free of all encumbrances other than encumbrances of record, and bounded and described, to wit:

A tract of land located in Federal Street in the plat of "Laughlin's Addition to Dalles City" in the Laughlin Donation Land Claim and in the Northwest One-Quarter of Section 3, Township 1 North, Range 13 East, Willamette Meridian, City of The Dalles, Wasco County, Oregon, and being more particularly described as follows:

The portion of said Federal Street that is bounded on the north by the centerline of the alley running through Blocks 2 and 5 of said "Laughlin's Addition", bounded on the east by the centerline of said Federal Street, bounded on the south by the northerly right-of-way line of Second Street, and bounded on the west by the east line of Block 2 of said plat.

The above-described tract of land contains 4,892 square feet, more or less.

The Property is further depicted and is specifically labeled in the diagram attached to and made part of this DEDICATION DEED as **Figure 2**.

The **true consideration** of this conveyance is ***other consideration given*** (all of which Grantor hereby acknowledges receipt of) consistent with the provisions of Special Ordinance No. 25-606.

Grantee shall have the right to improve, encumber, and otherwise do all acts necessary or convenient to facilitate a public plaza or park of its design upon the Property and, in addition thereto, shall have the right to place or to permit others to place sidewalks, sewers, utilities, cables, pipes, electrical transmission wire, communications equipment, and such other

improvements and facilities as Grantee deems necessary or convenient upon, above, or below the surface of the Property.

TO HAVE AND TO HOLD, the above described and granted Property unto Grantee, its successors in interest, and assigns forever.

Grantor hereby covenants to and with Grantee, its successors in interest, and assigns: Grantor is lawfully seized in fee simple of the above-named Property, free from all undisclosed encumbrances (no exceptions), and Grantor, its successors in interest, and assigns, shall warrant and forever defend the said Property against the lawful claims and demands of all persons claiming by, through, or under Grantor.

In construing this instrument and where the text so requires, the singular includes the plural and all grammatical changes shall be implied to make the provisions hereof apply equally to corporations and individuals.

BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON TRANSFERRING FEE TITLE SHOULD INQUIRE ABOUT THE PERSON'S RIGHTS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010. THIS INSTRUMENT DOES NOT ALLOW USE OF THE PROPERTY DESCRIBED IN THIS INSTRUMENT IN VIOLATION OF APPLICABLE LAND USE LAWS AND REGULATIONS. BEFORE SIGNING OR ACCEPTING THIS INSTRUMENT, THE PERSON ACQUIRING FEE TITLE TO THE PROPERTY SHOULD CHECK WITH THE APPROPRIATE CITY OR COUNTY PLANNING DEPARTMENT TO VERIFY THAT THE UNIT OF LAND BEING TRANSFERRED IS A LAWFULLY ESTABLISHED LOT OR PARCEL, AS DEFINED IN ORS 92.010 OR 215.010, TO VERIFY THE APPROVED USES OF THE LOT OR PARCEL, TO DETERMINE ANY LIMITS ON LAWSUITS AGAINST FARMING OR FOREST PRACTICES, AS DEFINED IN ORS 30.930, AND TO INQUIRE ABOUT THE RIGHTS OF NEIGHBORING PROPERTY OWNERS, IF ANY, UNDER ORS 195.300, 195.301 AND 195.305 TO 195.336 AND SECTIONS 5 TO 11, CHAPTER 424, OREGON LAWS 2007, SECTIONS 2 TO 9 AND 17, CHAPTER 855, OREGON LAWS 2009, AND SECTIONS 2 TO 7, CHAPTER 8, OREGON LAWS 2010.

Signature page follows.

IN WITNESS WHEREOF, Grantor has executed this **DEDICATION DEED** this ____ day of _____, 2025. The person(s) whose name(s) is/are subscribed to this instrument acknowledge they executed the instrument in their legally authorized capacity, and by their signature on the instrument, the person or the entity upon behalf of which the person acted executed the instrument.

GRANTOR

2FB LLC, by its managing member
David Brown

STATE OF OREGON)
) **ss**
COUNTY OF _____)

This instrument was acknowledged before me this ____ day of _____, 2025, by David Brown for 2FB LLC as their free and voluntary act.

Notary Public for Oregon _____
My Commission Expires: _____

Accepted on behalf of **GRANTEE** pursuant to the provisions of **Special Ordinance No. 25-606** (adopted by the City Council of the City of The Dalles on June 9, 2025) this ____ day of July, 2025.

CITY OF THE DALLES

Matthew B. Klebes, City Manager

ATTEST:

Amie Ell, City Clerk

STATE OF OREGON)
) **ss**
COUNTY OF WASCO)

This instrument was acknowledged before me this ____ day of _____, 2025, by City Manager Matthew B. Klebes and City Clerk Amie Ell as their free and voluntary act.

Notary Public for Oregon _____
My Commission Expires: _____



AKS ENGINEERING & FORESTRY
3775 Crates Way, The Dalles, OR 97058
P: (541) 296-9177

AKS Job #12183

EXHIBIT A

Vacation of Portion of Federal Street to 2FB LLC

A tract of land located in Federal Street in the plat of “Laughlin’s Addition to Dalles City” in the Laughlin Donation Land Claim and in the Northwest One-Quarter of Section 3, Township 1 North, Range 13 East, Willamette Meridian, City of The Dalles, Wasco County, Oregon, and being more particularly described as follows:

The portion of said Federal Street that is bounded on the north by the centerline of the alley running through Blocks 2 and 5 of said “Laughlin’s Addition”, bounded on the east by the centerline of said Federal Street, bounded on the south by the northerly right-of-way line of Second Street, and bounded on the west by the east line of Block 2 of said plat.

The above described tract of land contains 4,892 square feet, more or less.

5/23/2025

REVIEW COPY

REGISTERED
PROFESSIONAL
LAND SURVEYOR

A handwritten signature in black ink, appearing to read 'Beseda', written over a horizontal line.

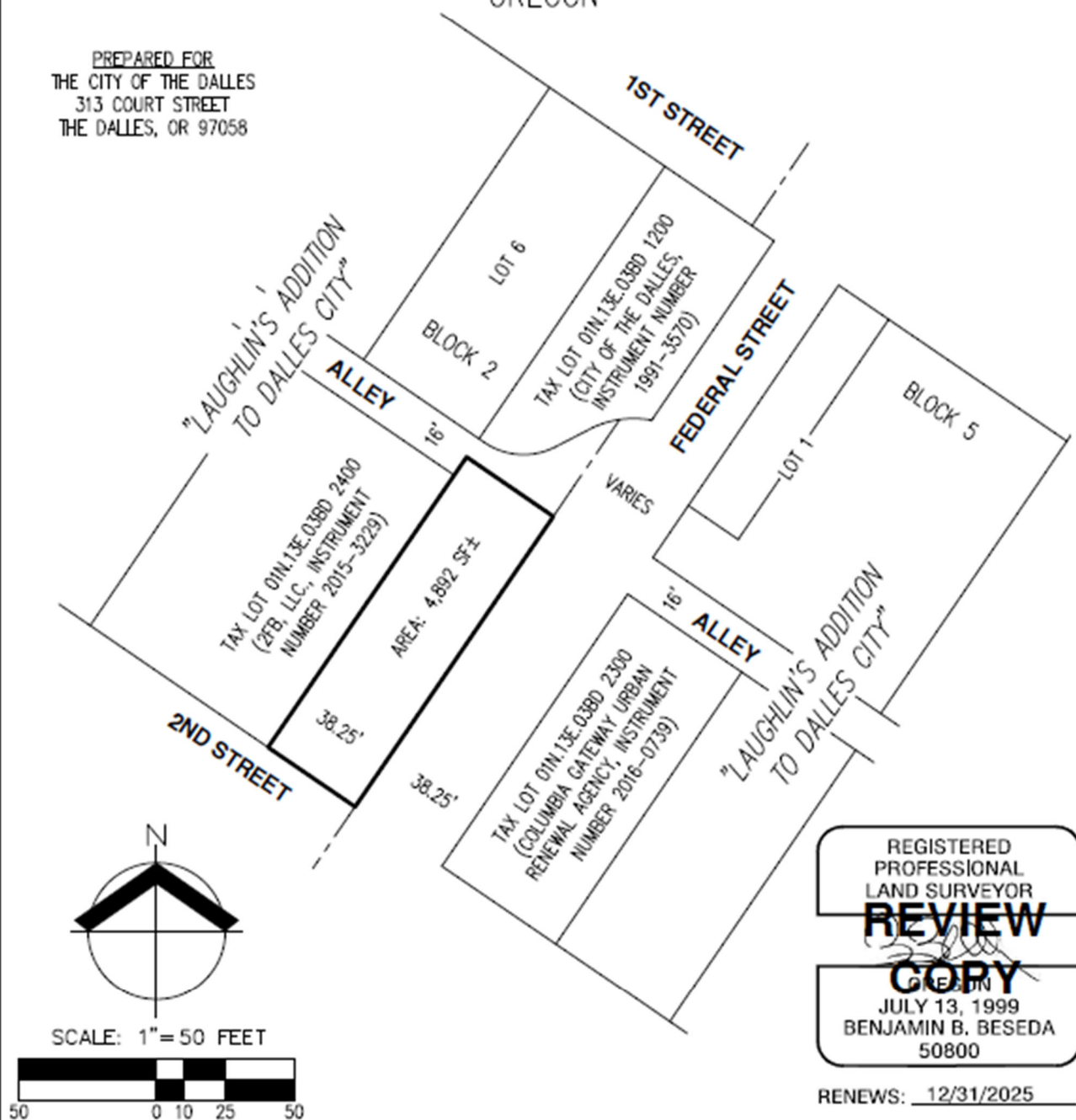
OREGON
JULY 13, 1999
BENJAMIN B. BESEDA
50800

RENEWS: 12/31/2025

FIGURE 1 TO DEDICATION DEED – 2FB, LLC

A PORTION OF FEDERAL STREET LOCATED IN THE NORTHWEST
1/4 OF SECTION 3, TOWNSHIP 1 NORTH, RANGE 13 EAST,
WILLAMETTE MERIDIAN, CITY OF THE DALLES, WASCO COUNTY,
OREGON

PREPARED FOR
THE CITY OF THE DALLES
313 COURT STREET
THE DALLES, OR 97058



TENNESON ENGINEERING | AN AKS COMPANY
3775 CRATES WAY
THE DALLES, OR 97058
541.296.9177 WWW.AKS-ENG.COM



PORTION OF FEDERAL STREET
TO BE VACATED TO TAX LOT
01N.13E.03BD 2400

DATE: 5/23/2025
DRWN: CDC CHKD: BBB
AKS JOB: 12183 EXHIBIT
B

After recording return to:

City Clerk
City of The Dalles
313 Court Street
The Dalles, OR 97058

**Until a change is requested,
send all tax statements to:**

City Clerk
City of The Dalles
313 Court Street
The Dalles, OR 97058

DEDICATION DEED

Grantor: **City of The Dalles**, *a municipal corporation of the State of Oregon*
313 Court Street
The Dalles, OR 97058

Grantee: **City of The Dalles**, *a municipal corporation of the State of Oregon*
313 Court Street
The Dalles, OR 97058

KNOW ALL BY THESE PRESENTS, the City of The Dalles (**Grantor**) does hereby dedicate, grant, and convey unto the Public through the City of The Dalles (**Grantee**), its successors in interest and assigns, for use as a public plaza or park all the following real property (**Property**) in the County of Wasco, State of Oregon, free of all encumbrances other than encumbrances of record, and bounded and described, to wit:

A tract of land located in Federal Street in the plat of "Laughlin's Addition to Dalles City" in the Laughlin Donation Land Claim and in the Northwest One-Quarter of Section 3, Township 1 North, Range 13 East, Willamette Meridian, City of The Dalles, Wasco County, Oregon, and being more particularly described as follows:

All that portion of said Federal Street that is bounded on the north by the southerly right-of-way line of First Street and bounded on the south by the centerline of the alley running through Blocks 2 and 5 of said "Laughlin's Addition".

The Property is further depicted and is specifically labeled in the diagram attached to and made part of this DEDICATION DEED as **Figure 1**.

Grantee shall have the right to improve, encumber, and otherwise do all acts necessary or convenient to facilitate a public plaza or park of its design upon the Property and, in addition thereto, shall have the right to place or to permit others to place sidewalks, sewers, utilities, cables, pipes, electrical transmission wire, communications equipment, and such other improvements and facilities as Grantee deems necessary or convenient upon, above, or below the surface of the Property.

The **true consideration** of this conveyance is ***other consideration given*** (all of which Grantor hereby acknowledges receipt of) consistent with the provisions of Special Ordinance No. 25-606.

TO HAVE AND TO HOLD, the above described and granted Property unto Grantee, its successors in interest, and assigns forever.

Grantor hereby covenants to and with Grantee, its successors in interest, and assigns: Grantor is lawfully seized in fee simple of the above-named Property, free from all undisclosed encumbrances (no exceptions), and Grantor, its successors in interest, and assigns, shall warrant and forever defend the said Property against the lawful claims and demands of all persons claiming by, through, or under Grantor.

In construing this instrument and where the text so requires, the singular includes the plural and all grammatical changes shall be implied to make the provisions hereof apply equally to corporations and individuals.

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Signature page follows.

IN WITNESS WHEREOF, Grantor has executed this **DEDICATION DEED** this ____ day of July, 2025. The person(s) whose name(s) is/are subscribed to this instrument acknowledge they executed the instrument in their legally authorized capacity, and by their signature on the instrument, the person or the entity upon behalf of which the person acted executed the instrument.

GRANTOR

Matthew B. Klebes, City Manager

ATTEST:

Amie Ell, City Clerk

Accepted on behalf of **GRANTEE** pursuant to the provisions of **Special Ordinance No. 25-606** (adopted by the City Council of the City of The Dalles on June 9, 2025) this ____ day of July, 2025.

CITY OF THE DALLES

Matthew B. Klebes, City Manager

ATTEST:

Amie Ell, City Clerk

STATE OF OREGON)
) ss
COUNTY OF WASCO)

This instrument was acknowledged before me this ____ day of July, 2025, by City Manager Matthew B. Klebes and City Clerk Amie Ell as their free and voluntary act.

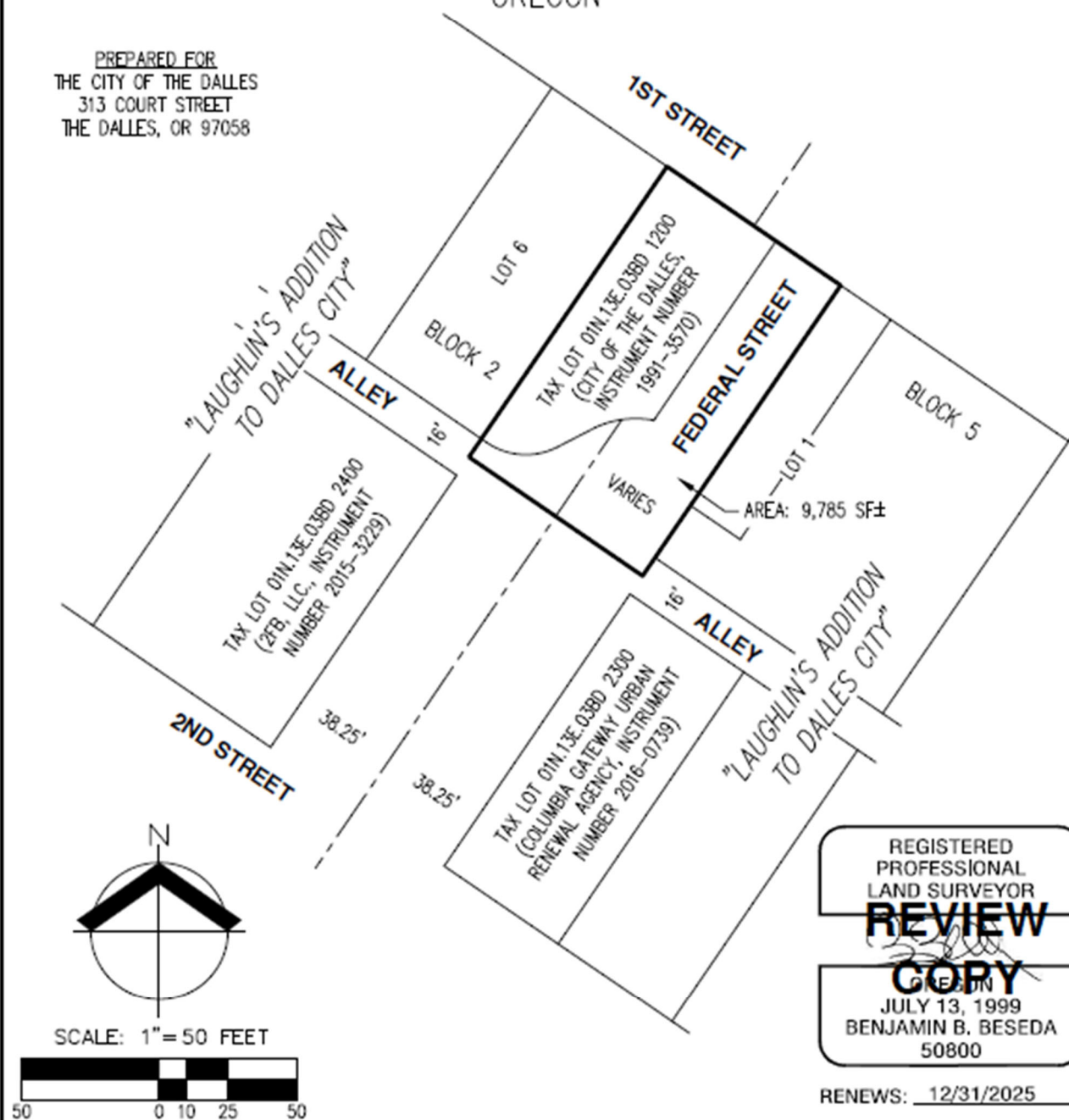
Notary Public for Oregon _____

My Commission Expires: _____

FIGURE 1 TO DEDICATION DEED – CITY OF THE DALLES

A PORTION OF FEDERAL STREET LOCATED IN THE NORTHWEST
1/4 OF SECTION 3, TOWNSHIP 1 NORTH, RANGE 13 EAST,
WILLAMETTE MERIDIAN, CITY OF THE DALLES, WASCO COUNTY,
OREGON

PREPARED FOR
THE CITY OF THE DALLES
313 COURT STREET
THE DALLES, OR 97058



TENNESON ENGINEERING | AN AKS COMPANY
3775 CRATES WAY
THE DALLES, OR 97058
541.296.9177 WWW.AKS-ENG.COM



PORTION OF FEDERAL STREET
TO BE DEDICATED TO THE CITY
OF THE DALLES

DATE: 5/23/2025
DRWN: CDC CHKD: BBB
AKS JOB: 12183
EXHIBIT: B



COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

AGENDA STAFF REPORT

AGENDA LOCATION: 9. B.

MEETING DATE: July 15, 2025

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Joshua Chandler, Agency Manager

ISSUE: First Amendment to the Incentive Program Grant Agreement with TD3rd, LLC for the *Basalt Commons* project (523 East 3rd Street)

BACKGROUND

On August 18, 2023, the Columbia Gateway Urban Renewal Agency (**Agency**) entered into two funding agreements with TD3rd, LLC (Hanlon Development, LLC) (**Developer**) to support the Basalt Commons redevelopment project (**Project**) located at 523 East 3rd Street. The Project site is currently occupied by the former Griffith Motors auto sales and repair facility (previously Thomas Motors) and is used only for storage. The Developer proposes to demolish the existing structure and replace it with a new five-story, mixed-use commercial and residential complex. At that time, the Project was estimated at \$26–29 million and included the construction of 108 residential dwelling units, 9,350 square feet of ground-floor commercial space, and 32 on-site parking spaces.

Over the last two years, the Project's proposed unit count has increased to 116 units despite no change to the Developer's original funding request. Although the overall project cost has also risen to approximately \$31 million, the Developer is not requesting any additional funding from the Agency at this time.

The Agency Board approved the following two funding agreements:

1. **Incentive Program Grant Agreement (IPGA)** – Authorizing up to \$1,000,000 to pay residential System Development Charges (**SDCs**) on behalf of the Developer. The funds will be paid directly to the City of The Dalles and the Northern Wasco County Parks and Recreation District upon issuance of building permits. The award was originally calculated based on 108 residential dwelling units proposed as part of the development.

The Program does not award funds directly to the Developer; instead, the Agency commits funds to pay eligible SDCs directly to partner agencies. The Program

imposes fixed caps for Commercial (\$50,000) and Mixed-Use (\$150,000) grants, but New Residential Project Grants are not subject to a funding ceiling, provided the per-unit cap is not exceeded.

Given the annual adjustments to SDC rates, the Board approved a not-to-exceed amount of \$1,000,000 to provide administrative flexibility and ensure proportionality. Any unutilized funds will be retained by the Agency, and the total SDC payment obligation will be adjusted based on the final number of units constructed.

2. **Development Finance Agreement (DFA)** – Authorizing a \$730,000 direct equity contribution to support project feasibility. The contribution was intended to help address a financing gap caused by elevated interest rates, construction inflation, and general risk associated with a major infill project in the downtown core.

At the time of approval, the Developer estimated that construction would begin in Summer 2024 and be completed by Spring 2026. The IPGA and DFA were structured around that timeline with an original deadline of two years following agreement execution (August 18, 2025).

Request for Extension

The Developer is requesting an extension of the IPGA, which is currently set to expire next month on August 18, 2025. The extension is needed to provide additional time to finalize construction financing and prepare the Project for permit-ready status.

In its request letter, the Developer explains that after more than 18 months of active outreach to over 140 potential lenders, it has secured a lender willing to issue a term sheet with financing terms suitable for the Project. That term sheet requires a signature by July 15, 2025. Simultaneously, the Developer represented that it is in final discussions with private investors to close the remaining equity gap, which the Developer estimates it is expecting by the end of this month.

If the Agency grants the extension, the Developer indicates its next steps will include completing lender due diligence, obtaining a formal loan commitment, finalizing loan documentation, and completing building permit review with Wasco County Building Codes. Based on typical timelines for institutional lending and construction preparation, the Developer anticipates beginning demolition and construction by the end of 2025.

This request comes after sustained Project progress despite a difficult lending climate marked by a sharp rise in interest rates (from 3.5% to over 6.4%) and increased construction costs—those market conditions required significant revisions to the original building design and financing approach. The Developer expresses it has already invested \$2 million in Project predevelopment activities, including architectural redesigns, engineering work, and land use review and appeal process.

The Developer affirms its continued commitment to the Project and emphasized the critical importance of maintaining the Agency's \$1.73 million investment to ensure construction moves forward.

The requested extension does not involve any increase to the previously authorized funding amounts. The Developer's extension request letter, updated Project timeline, and letter from lender are included as Attachments A, B, and C (respectively).

Progress to Date

In addition to the more than \$2 million the Developer indicates it has expended on predevelopment activities, the Project has secured two separate land use approvals: (1) an

increased building height through a Conditional Use Permit and (2) another for site development through a Site Plan Review. Both approvals were appealed (the former to the City Council and the latter to the Planning Commission) but each appeal was denied by the respective review body thus affirming the approval of both land use decisions—as noted in the Applicant’s request letter, those unanticipated appeals appear to have introduced additional costs and uncertainty to the process.

In May 2025, the Developer submitted a building permit application to the City for review of the proposed development. City staff have since provided comments and the Developer’s team is actively working to address the remaining items. Once those revisions are complete, City staff will proceed with final review and are expected to issue permit approval in the coming weeks. In addition, the Developer was approved in April 2025 for the demolition of the existing structure.

As required under the IPGA, the Developer must submit documentation confirming adequate project funding (or a valid construction loan commitment) and evidence that demolition has either begun or that a demolition contract has been executed prior to the City formally issuing the building permit. Upon issuance, the Agency will make direct payments to the City and the Parks District in an amount not to exceed \$1,000,000 and based on actual verified SDC costs.

Staff Recommendation

The Developer has requested a 6-month extension to the IPGA. Upon review, Staff recommends extending the IPGA through February 18, 2026, to coincide with the regularly scheduled Agency Board meeting. This date accounts for holiday schedules, office closures, and reduced staff availability during the final weeks of the year, while also aligning with the Board’s February 2026 regular meeting.

If the Board approves an extension, Staff also recommends an amendment to the IPGA to have the Developer provide the Agency with monthly written updates throughout the extension period to help ensure the Board remains informed on Project progress and any emerging issues as the work continues. A copy of the proposed First Amendment is attached here as Attachment 4.

BUDGET IMPLICATIONS

The Urban Renewal Incentive Program launched in August 2022 and is accounted through the Urban Renewal Capital Projects Fund; the approved budget for that fund in fiscal year 2025-26 is \$3,143,000, which includes specific funding for both Basalt Commons funding agreements. Sufficient funds are available for this and other projects.

BOARD ALTERNATIVES

1. ***Staff recommendation: Move to authorize the Agency Manager to enter a First Amendment to the Incentive Program Grant Agreement with TD3rd, LLC, as presented.***
2. Make modifications to then move to authorize the Agency Manager to enter a First Amendments to the Incentive Program Grant Agreement with TD3rd, LLC, as amended.
3. Decline formal action and direct Staff accordingly.

Attachments:

- **Attachment 1** – Developer’s Extension Request Letter, dated July 8, 2025
- **Attachment 2** – Updated Project Timeline
- **Attachment 3** – Formal Lender Statement - Riverview Bank, dated July 1, 2025
- **Attachment 4** – First Amendment to Incentive Program Grant Agreement



Mary Hanlon
Hanlon Development
101 W 2nd Street, #2049
The Dalles, OR 97058
(503) 539-2880

July 8, 2025

Urban Renewal Agency
City of The Dalles
313 Court Street
The Dalles, Oregon 97058

Subject: Request for Extension- Basalt Commons

Dear Commissioners:

This will constitute TD3rd, LLC's request for a six-month extension related to the Urban Renewal Agency's commitment of funds for the construction of Basalt Commons. The two agreements that we have signed with the URA, the Development Funding and Incentive Programs, are set to expire on August 18, 2025. In view of this deadline, we would like to explain the basis for this request.

We currently are in possession of a lender's Term Sheet which requires a signature by July 15, 2025. This Term Sheet is the first agreement that we have received that is close to the construction funding needed to proceed. In addition, we are in discussion with potential investors about the additional financing needed for the gap between the equity that we have currently identified and the amount of the construction loan. We should have confirmation of this gap financing by early next month. In summary, we are very close to obtaining the full amount of the required construction financing and we should have commitments for all funds needed by the end of next month. Consequently, the URA extension is of the utmost importance.

As you are aware, this approximately \$31.2 million Basalt Commons project will include 116 housing units that are desperately needed in what has been documented as a severe housing crisis in The Dalles. Housing prices have soared, employers regularly state that they cannot hire people because they cannot find adequate housing, seniors cannot downsize, and more people are being forced to commute to The Dalles to work rather than living and working in town. Basalt Commons will not only address this housing need but it will also revitalize the historic downtown. This new construction will provide the downtown core with new life in a site which has been empty for over a decade. It will play a vital role in revitalizing both the health of the downtown area, local businesses and will contribute significantly to the town's tax base.

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Next Steps.

If the URA approves this critical extension request, the lender can then begin its due diligence review including an appraisal of the proposed income and expenses, as well bank-initiated updates of the environmental conditions. Once that due diligence process is satisfactorily completed, the lender will take the loan request to its loan committee and, assuming all goes well, the lender will issue a loan commitment letter. After we receive that commitment letter, we will proceed to loan document preparation and signature. That process, from term sheet through loan agreement execution, takes approximately three months if there are no delays.

Once the construction loan is approved, we will proceed with the county plan review. Following plan approval, the existing building will be demolished and we will request the issuance of a permit. Simultaneously with the county review process, the general contractor, R&H Construction, will rebid the project and sign contracts with its subcontractors for all needed construction. This process will take approximately two to three months. If all goes well, no delays, we anticipate being able to request the issuance of a permit and the start of construction by the end of the year. We will, of course, attempt to expedite all components of this process to move up the construction start date. We do not control the bank's funding process or the permit timing so we consider these dates and timelines as "best estimates." Nonetheless, attached for your review is a construction schedule which provides the best estimates for the work outlined above.

History of the Project.

As you know, we have spoken to more than 140 lenders over the last year and a half. After our initial conversations with the URA about an investment in this project, interest rates increased from 3.5% to 6.4%, where they remain today. That 3% interest rate increase made financing extremely challenging – for many projects impossible - and has required that we work even harder to make the financing for this project work.

In addition to interest rates, construction costs continue to increase. The burden of costs and interest rates has made this a very challenging undertaking. Due to these factors, banks have dramatically tightened and become even more conservative in their underwriting requirements, further complicating the process. Despite these challenges, we have tirelessly pursued financing and have found one bank ready to underwrite this loan for The Dalles.

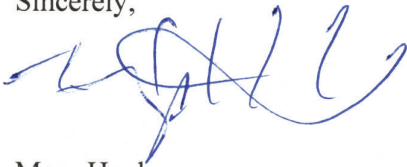
After URA approval, due to the changes in the market, we made modifications to the building plans to provide enough units to help cover the additional costs. A number of other factors have required adjustments to our initial architectural and engineering plans (at considerable expense by these professionals) but these changes have allowed us to move forward.

We have spent the last two years working our way through costly and time-consuming land use review as well as participation in public appeal meetings. Despite the challenges, we were able to work with the URA and the Planning Commission to achieve the desired height (a modest increase of a few feet) and land use approvals.

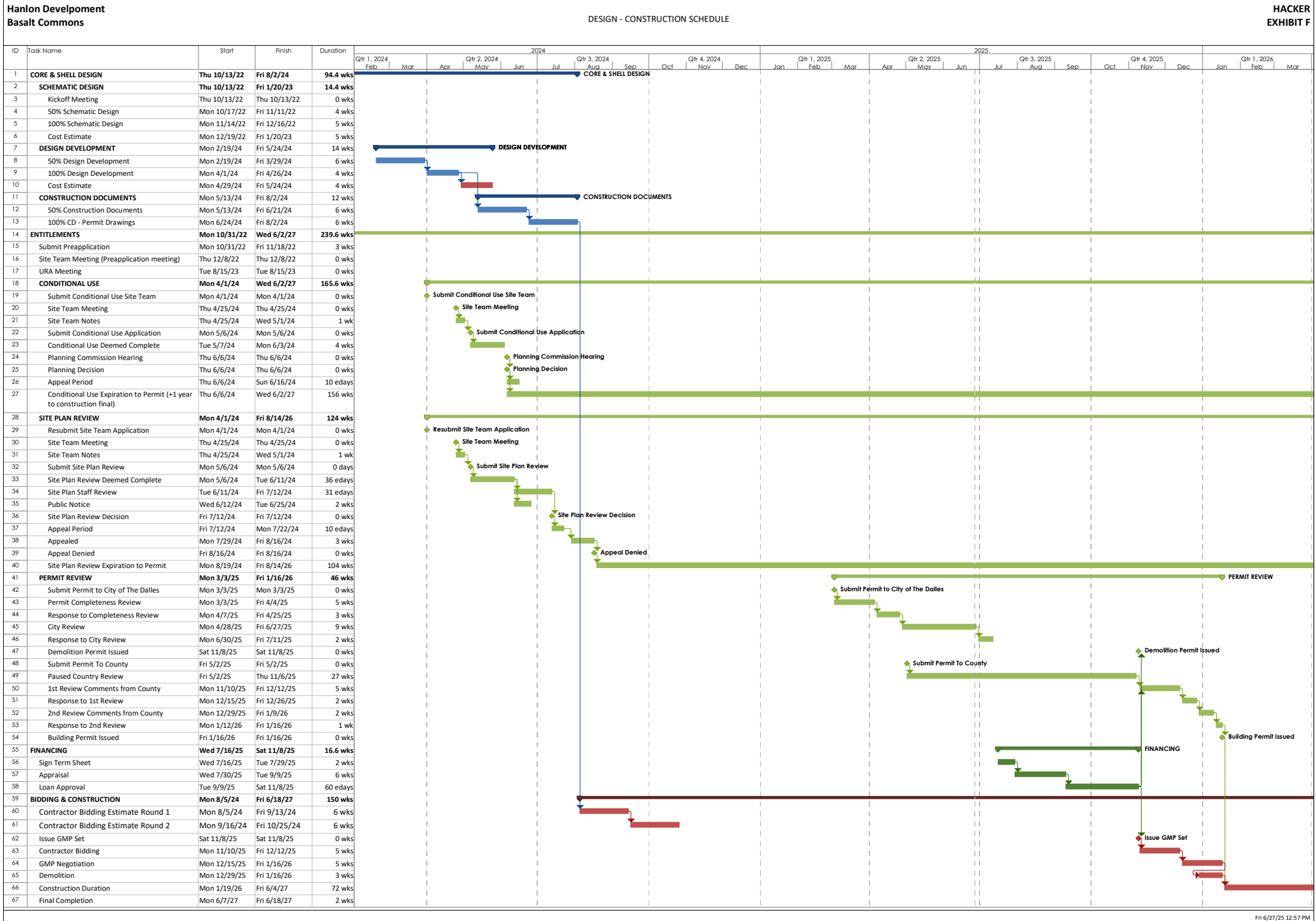
To date, TD3rd, LLC has spent over \$2 million in predevelopment expenses in the pursuit of a new construction housing development in The Dalles. This commitment is as unusual as the effort it has taken to get this far. We are in the final stretch of seeing shovels in the dirt to start construction. We request your continued participation and support in the pursuit of providing this much needed housing and the beginning of the revitalization of the core downtown area in The Dalles. Although the timing will be tight if there are any unforeseeable delays, we believe a six-month extension should take us to the process of breaking ground on this much needed development.

Thank you in advance for your consideration and continuing support.

Sincerely,



Mary Hanlon



Fri 6/27/25 12:57 PM



July 1, 2025

To Whom it May Concern:

Riverview Bank has received and reviewed preliminary information presented by TD3rd, LLC requesting construction and term financing for their project known as Basalt Commons located in The Dalles, Oregon. We appreciate the opportunity to assist TD3rd, LLC with financing and have issued a term sheet which we expect to be accepted in the immediate future.

Riverview's consideration of financing is subject to the fulfillment of a number of usual and customary conditions including, but not limited to Riverview's normal credit approval process, Riverview's in-depth investigation of the credit and financial status of the Borrower and all guarantors and a review of the proposed collateral, the results of which are deemed satisfactory by Riverview, in its sole discretion.

We look forward to partnering with TD3rd, LLC on this project.

Please do not hesitate to contact me should you have any questions.

Sincerely,

Lashell Carrick

Lashell Carrick

Vice President, Commercial Relationship Manager

360-831-7671 | lashellcarrick@riverviewbank.com

FIRST AMENDMENT TO INCENTIVE PROGRAM GRANT AGREEMENT

This FIRST AMENDMENT TO INCENTIVE PROGRAM GRANT AGREEMENT (**First Amendment**) is entered by the Columbia Gateway Urban Renewal Agency, an Oregon urban renewal agency duly formed and operating under the provisions of ORS Chapter 457 (Agency), and TD3rd, LLC, an Oregon limited liability company (**Grantee**).

WHEREAS, on August 18, 2023, the Agency and Grantee entered that certain Incentive Program Grant Agreement concerning the redevelopment project at 523 East 3rd Street, The Dalles, Oregon (**Agreement**);

WHEREAS, *Other Conditions* Section M of the Agreement provides the Agreement may be modified by a written instrument duly executed by the Parties; and

WHEREAS, the Parties intend this First Amendment to amend the Agreement to enlarge Grantee's time for development and ensure additional reporting to the Agency.

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

Section 1. The text of *Terms and Conditions* Section 3 shall be revised to read:

3. TERM: The Parties agree this Agreement is effective when mutually executed (**Effective Date**). Except as detailed elsewhere in this Agreement, the Parties agree its provisions expire without Agency's Payment if the Building Permit for the Project is not issued by February 18, 2026, unless the expiration of this Agreement is extended by Agency at its sole discretion.

Section 2. The text of *Terms and Conditions* Section 4 shall be revised to read:

4. PROJECT COMPLETION AND REPORTING: Grantee agrees to complete or cause to be completed the Project expeditiously, in a timely and good and professional manner, and in compliance with all applicable law. Grantee agrees to provide Agency with a final report, in form and content acceptable to Agency, identifying total expenditures, outcomes, and such other information reasonably requested by Agency to verify compliance with the Program within thirty (30) days from Project completion; provided, however, Agency agrees to not request information Grantee could not reasonably be expected to be able to provide without engaging outside consultants or professionals. Grantee further agrees to provide the Agency at least monthly written reports (delivered via email to the Agency Manager by the first Tuesday of each month) on Project predevelopment status until construction commences, which report shall include Grantee's updates on how it has diligently pursued Project construction.

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Section 3. No Other Changes. Except as modified by this First Amendment, the Parties agree all other provisions, terms, and conditions of the Agreement remain in full force and effect.

DATED this _____ of July, 2025.

AGENCY

Joshua Chandler
Agency Manager

GRANTEE

Mary Hanlon, Trustee of the Mary Hanlon
Trust dated May 14, 2020, Sole Member of
Hanlon Development, LLC, Manager



AGENDA STAFF REPORT

AGENDA LOCATION: 9.C.

MEETING DATE: July 15, 2025

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Joshua Chandler, Agency Manager

ISSUE: Reimbursement Request for Pre-Agreement Expenses: The Dalles Mint, LLC, 710 East 2nd Street

BACKGROUND

On May 6, 2025, The Dalles Mint, LLC applied for \$300,000 through the Urban Renewal Agency's Incentive Program for continued renovations at 710 East 2nd Street, including tenant improvements, building upgrades, and system work. The request included reimbursement for substantial work completed prior to any executed agreement.

At the May 2025 Board meeting, Staff recommended denial of reimbursement for prior work, consistent with Program Guidelines, and proposed limiting funding to documented, eligible, future expenses. The Board conditionally approved up to \$250,000, directing Staff to work with the Applicant on a compliant scope. Despite this, the Applicant continued seeking reimbursement for previously incurred costs.

Process to Date

The Applicant first submitted a request in April 2023, originally categorized as "Mixed-Use." Because the project did not create new housing units, it was reclassified as "Commercial," with a \$50,000 cap. The Applicant later pursued a larger grant based on public benefit, which Staff evaluated using a conservative ROI model. A full \$206,640 award would yield a 52-year ROI—well beyond the Agency's typical 16-year benchmark. Staff instead recommended a \$115,000 total award (\$65,000 via agreement + \$50,000 Incentive Program grant), covering ~28% of the project cost.

The Board expressed support for project goals (historic preservation, job creation), but deferred action pending a more refined proposal. Staff confirmed that Program funds remained available and reserved through FY2029.

In 2024, the Agency paused Incentive Program awards due to maximum indebtedness (MI) limits. A \$6.1 million MI increase was adopted in December 2024 to restore Program capacity. In April 2024, the Applicant received a \$50,000 grant for eligible work. However, in May 2025,

the Applicant requested reimbursement of \$250,000 for previously incurred expenses, citing hardships caused by the Program pause.

Policy Considerations

Program Guidelines clearly state that costs incurred prior to execution of an agreement are ineligible. The Applicant acknowledged this policy in previous submissions. No agreement exists for the current reimbursement request, and Staff has not verified the scope, timing, or public benefit of the completed work.

Reimbursement in this context:

- seems to undermine Agency and Program integrity and public accountability;
- opens the door for other members of the public to believe they would be also be eligible for their own retroactive funding from the Agency;
- limits the Agency's ability to condition support on performance; and
- could complicate eligibility for future Program awards.

The City Attorney confirmed that the Agency is prohibited from reimbursing expenses under the Program but that the Agency has the authority to enter a separate funding agreement beyond the scope of the Program (i.e., a *Development Funding Agreement* like the Agency entered for the Basalt Commons development). However, the City Attorney also advises the Board distinguishes the Basalt Commons development from this request because—most notably—this request seeks reimbursement for expenses that have *already been incurred* without Agency approval or oversight while the Basalt Commons agreement is for Agency-approved costs that have *not yet been incurred*.

Current Request and Options

The Applicant seeks reimbursement of \$250,000 for ~\$540,000 in total claimed costs, later revising that amount to ~\$430,000. Staff has not received adequate documentation to verify eligibility or scope. Reimbursement could be considered through a separate funding agreement, outside the Program, similar to the Basalt Commons model.

If the Board wishes to fund the request, Staff would appreciate:

- clarity on how that reimbursement would impact the Applicant's future Program eligibility (i.e., whether \$250,000 reimbursement + \$50,000 prior award precludes another \$250,000 Program grant); and
- if the Board makes an exception here, the Board's direction on and including criteria for handling future cases.

BOARD ALTERNATIVES:

1. ***Staff Recommendation: Move to deny the reimbursement request submitted by The Dalles Mint, LLC, on the basis that the expenses were incurred prior to entering into any agreement with the Agency.***
2. Move to approve partial or full reimbursement and direct Staff to draft an exception policy or process for handling similar future requests.

Attachments:

- **Attachment 1** – Applicant's Reimbursement Request Letter, dated July 2, 2025
- **Attachment 2** – Project Expenditures Incurred to Date (2024-2025)

7/2/25

To: Columbia Gateway Urban Renewal Agency; Urban Renewal Board of Directors
Darcy Long, Chairperson, et al
City of The Dalles, Oregon

Chairperson Long and fellow URA Board Members;

I am writing to you regarding our current application seeking Urban Renewal Incentive Program funding for our major renovation project at the Mint building. Specifically, I'm asking that the board make a one-time exception, given the extenuating circumstances we've faced, and agree to reimburse us for costs already incurred. I will elaborate with details below, but I would argue that making this decision in our favor will fulfill the URA's district mission and will help heal and rebuild local business and community relationships, fostering goodwill within this fractured community.

I am sure you recall that we have been before the board multiple times since early 2023. Steve Light and I brought forward an application for grant funds to assist in a major infrastructure project. Speaking generally, the build out consisted of creating an expansive commercial kitchen and more seating for the pub currently operating there. The decision-making, design, application efforts and building permits all took significantly longer than expected. Building codes required a fire suppression system that we had not expected. This added expense at the outset pushed us way beyond our budget. At the April 2023 board meeting, we decided that we would need to rework the plans and finances and come back. We specifically asked the board if there would be funds available next year. The answer was a unanimous 'yes'. Although disappointed by the unforeseen issues, Steve, my business partner Ritchie Stevens and I agreed we would make a new plan and return.

Throughout the fall and winter, we were in regular contact with Dan Spatz and Josh Chandler to work toward a new start. After completing a code compliance survey and up-to-date designs, we engaged a sprinkler designer and installation contractor. By mid-January 2024, we had updated all the proposals and had chosen as many local contractors as we could to assist us in the renovation efforts. Building codes officials approved our new plans and allowed us to receive a permit, with the stipulation that we would need to produce a contract for the sprinkler system. The contractor then required us to sign on in order to get on their schedule. Near the end of January, we had a permit and contract in place.

In February 2024 Dan Spatz requested a project description/budget and a renewed lease with Freebridge before May. In early March, Ritchie Stevens and I met with Dan to review the budget and next steps. At this meeting, Dan revealed that there were some fiscal issues with URA accounts and said to expect delays in funding new projects. He said efforts had begun to look into the "shortage" of funds. No other information was offered or forthcoming.

At this point, we discussed that we had signed contracts with work scheduled to start. As such, there was no way to withdraw from the contracts, which we'd initiated in good faith, after being given multiple assurances that the funds would be available for us that year. Ultimately, we had no choice but to move forward.

For this reason, we are requesting that an exception be made, to grant us reimbursement funds, up to the full amount allowed under the grant. If past costs are taken into account, it will show that we have put in well above the 50% match required, and there is very clear documentation of the work done since our initial proposal was made, in advance of having an agreement with the urban renewal agency. This one-time exception would acknowledge the agency's role in making funding promises that could not be upheld.

At the last board meeting, we posed a question to the city attorney, who stated that the board has the authority to make a decision to give a one-time exemption if they choose. Additionally, a motion was made for staff to explore making a separate DFA with us, despite staff repeatedly cautioning the board against a "slippery slope" of setting a legal precedent. In the end, the meeting ran long and felt heavily biased against us.

As grateful as we are for this incentive program, the past 2+ years have also been extremely frustrating for us. Each time we've come before the board, it seems that some new stipulation has been added or changed, without us being made aware. Communication has been largely one-sided and we have not ever felt heard. At the same time, I drive down 2nd street and I look around at the numerous empty buildings, businesses which closed or didn't survive COVID. In 2023, there was considerable pushback around "return on investment." Yet has anyone considered the return on investment that would exist in the form of employment, taxes, and turning a building commissioned 175 years ago into a safer, more usable space for business now?

I have been an active business owner in this community for 20+ years, through many ups and downs. Yet I want to stay and enrich this town's economy and appeal. The fact that I chose to set down literal roots here 25 years ago speaks to the entire purpose of Urban Renewal. Even when The Mint was underutilized (prior to our initial investment in 2005, and then between 2011-2016), my partner(s) and I have always maintained a robust community presence. We donated the space now occupied by Freebridge to The Next Door, Inc for their fundraising dinners every year. We've repeatedly donated space, our time and efforts to HAVEN, NWCS21 and Mosier Community School for various fundraisers. We donated low cost office space to Main Street so they could grow. We've donated space to The Dalles Farmers Market, so local farmers could extend their sales season. We've donated cellar space to The Dalles Art Center for performances and to The Dalles Fort Dalles Days. We've held candidate forums to encourage our community to engage in local politics.

If the heart of urban renewal is to stimulate economic development and to incentivize upgrading existing structures for the improvement of downtown, then I posit that our application and plan is a perfect example of this agency's mission. Despite the obstacles, miscommunications and

detours, we're still here. We've persisted, focused on turning our business and personal stakes in this community into something that enhances this town.

If the board makes this one-time exception, given the unforeseen factors that prevented us having an agreement before this, not only does it not set a legal precedent (our situation is unique and well-documented) but it will go a long way towards restoring our faith in this community. We can supply all the receipts and contracts, to answer the other concern that was raised that there is no way to prove the work that was done.

The fragmented nature of this process, where we've never been given a clear outline of consistent expectations, with ever-changing rules and restrictions, or even a clear marker of the amount of time we'd be given in board meetings (when others have not faced the same time constraints), has caused us actual harm. That is not to lay blame, but to emphasize that our reputations with contractors, our relationships with lenders and creditors, our financial status, the amount of time spent, and stress we've endured have all been rooted in this process of delay and back and forth. So I'm asking you to do the right thing for us and our community.

Thank you.

Tim Schechtel

Ritchie Stevens

Project Expenditures as of 07/02/25

Provided by

Exterior work for Loading dock at Southwest entrance		
Utility work Gas	\$2,125.00	NW Naural/Ctin
Excavation and grading	\$9,200.00	Craig Treichel
Truck ramp improvements Asphalt	\$4,214.00	City of The Dalles
Loading dock Concrete deck	\$6,000.00	HD Dynamics/CTin
Concrete	\$985.00	INT concrete
Steel work for stairs and railing	\$22,808.00	Dalles Iron
Misc. demo ,carpentry	\$6,500.00	C Tin
Steel B deck and Conc. materials	\$2,500.00	TS
outdoor lighting and security	\$2,200.00	Hege Electric
Permits building codes	\$450.00	Building Codes
Plumbing Modifications interior and exterior	\$46,300.00	Devco Mechanical
sewer line extension		
water line extension		
grease interceptor device.		
natural gas lines to new equipment		
Backflow testing	\$150.00	Devco Mechanical
Commercial Hood and all equipment	\$36,474.00	Captiveaire
Hood and equipment installation	\$42,750.00	Devco Mechanical
Misc. Forklift ,Fabrication	\$1,676.00	Dalles Iron
Rooftop equipment Flashing	\$2,424.00	Brown roofing
Concrete Floor Repairs and Surface protection	\$21,803.00	Sammy A
Capping concrete mix	\$630.00	Home Depot
Electrical		
all rough wiring and service equipment	\$24,000.00	Hege Electric
all wiring for new equipment and fixtures	\$1,852.00	Mellow electric
Rough in lighting circuits	\$2,500.00	Hege Electric
Bulk Electrical Cable	\$295.00	Platt
Devices and Boxes	\$1,443.00	Platt
Exterior Glazing 6 windows replaced	\$5,851.00	Turn a Lum
Install 6 exterior windows	\$3,300.00	Guischer
Core drilling for new lines	\$6,000.00	Guischer /Ctin
Core drill rental	\$520.00	Discover rent
Concrete cutting	\$4,200.00	HD Dynamics
Carpentry	\$6,000.00	Guischer
Drywall and painting	\$1,300.00	Brigham drywall
Wall surfacing Commercial	\$3,000.00	C Tinsley
Ceiling Insulation	\$677.00	Knez materials
Countertop/inserts	\$2,450.00	Gorgge Granite
Stainless kitchen corner protection rails	\$1,136.00	WW Gainger
Engineering rooftop equipment	\$900.00	Bell design
Design and management	\$11,000.00	TS Design
Fire Life Safety Code Plan Modification	\$8,400.00	Bell Design
Fire Suppression System in new or reused spaces	\$91,160.00	Wyatt Fire
City Main water hot tap	\$4,700.00	Ferguson Waterworks
Street cut,excavation and resurfacing/sidewalk	\$14,500.00	HD Dynamics /Treicle Excavation
City Main street signage	\$1,365.00	Discover Rent

City Main street plates	\$375.00	Peterson Rent
City main piping building	\$6,915.00	Devco/Ctin
City main engineering	\$3,000.00	Bell Design
City main contingency Tool Rental	\$1,885.00	Discover Rent
Tractor/loader Rental	\$678.00	Ace Hardware
Fire alarm system	\$6,500.00	Security Plus
Fire riser Enclosure	\$5,050.00	Gorge Stone & C Tin
	\$430,141.00	

**The Dalles Mint Renovation
Phase 1 Completion
UPDATED 07/02/2025**

Completion Costs\ Estimates

Provided by

Interior Carpentry		
partitions walls and door framing	\$9,500.00	Mike Guisher
doors, installations and trims	\$4,980.00	Mike Guisher
door hardware	\$800.00	Mike Guisher
rebuild stairs and railings	\$4,500.00	Mike Guisher
Excavation and grading 2nd St. Patios	\$9,000.00	Craig Triechel
Patio replacment 500sqft	\$11,250.00	HD Dynamics
Steel work dock	\$12,208.00	Dalles Iron Wks
Stairway at dock		
exit hand rails cellar	\$1,500.00	Dalles Iron Wks
dock covered area	\$3,000.00	Mike Guischer
dock waterproofing	\$500.00	HD Dynamics
Plumbing		
sewer line enclosure / heat trace	\$1,500.00	Mike Guischer
loft bathroom fixtures and install	\$2,500.00	Mike Guischer
floor drains	\$800.00	Devco
finish plumbing	\$1,100.00	Devco
Concrete Floor Repairs, capping	\$11,000.00	Sammy Alvarez

Electrical		
equipment connections	\$700.00	Mellow Electric
exit hall lights and plugs	\$800.00	Mellow Electric
island equipment circuits	\$2,500.00	Mellow Electric
electrical finish install	\$1,200.00	Mellow Electric
illuminated exit signs (4) and installation	\$500.00	Mellow Electric
Exterior Glazing		
Remove, install, seal, and trim out 6 exterior windows	\$0.00	Mike Guisher
Core drilling floor drains	\$500.00	estimated
Drywall	\$6,500.00	Brigham drywall
Wall surfacing FRP kitchen	\$1,400.00	Mike Guischer
quartz countertops/inserts install	\$2,500.00	Gorge Granite
Design and management	\$11,000.00	TS Design
Phase 1 completion estimates	\$101,738.00	



COLUMBIA GATEWAY URBAN RENEWAL AGENCY
CITY OF THE DALLES

AGENDA STAFF REPORT
AGENDA LOCATION: 9.D.

MEETING DATE: July 15, 2025

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Jacob Anderson, Economic Development Officer

ISSUE: Endorsement of 2025 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. In 2024 the City applied for the grant once more and was ultimately unsuccessful. Staff has reviewed and made changes to the application as to be more competitive this cycle.

The City is reapplying for a TGM grant in 2025. The 2024 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 Chenoweth Loop Road, Wasco County's acquisition of property west of Chenoweth Creek for future recreational development, proposed Columbia Gorge Early Learning Center on Irvine Street south of West 10th 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 in 2025.

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 25-013 on March 10, 2025, authorizing staff to submit the TGM proposal, which is due July 31, 2025.

Eastern portions of the West Side planning area are within the 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 and 2024 proposals. 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: None.

BOARD ALTERNATIVES:

1. **Staff recommendation:** *Approve motion to endorse 2025 Transportation Growth Management grant program to Oregon Department of Transportation for the West Side Renaissance Master Plan.*
2. Decline approval.

Attachments:

- **Attachment 1** – The Dalles City Council Resolution 25-013
- **Attachment 2** – Urban Renewal Agency Letter of Support for the 2025 TGM Grant Program

RESOLUTION NO. 25-013
A RESOLUTION AUTHORIZING A REQUEST FOR GRANT FUNDING
ASSISTANCE THROUGH THE OREGON TRANSPORTATION GROWTH
MANAGEMENT (TGM) PROGRAM FOR PREPARATION OF THE WESTSIDE
AREA RENAISSANCE MASTER PLAN

WHEREAS, the City of The Dalles has completed an Employment Buildable Lands Inventory and in 2025 anticipates completion of an Economic Opportunities Analysis, both of which are in compliance with Statewide Planning Goal 9 (Economic Development), and has adopted 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, Employment Buildable Lands Inventory completed in December 2024 and Economic Opportunities Analysis anticipated in 2025, 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 Renaissance Master Plan through the Oregon Transportation Growth Management (TGM) Program to implement the Housing and Residential Land Needs Assessment and Buildable Lands Inventory, Housing Production Strategy, 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 Gorge Regional Transit Strategy and Wasco County Transit Development Plan.

PASSED AND ADOPTED THIS 10TH DAY OF MARCH, 2025

Voting Yes, Councilors: Richardson, Randall, McSithlin, Wring
Voting No, Councilors: _____
Absent, Councilors: _____
Abstaining, Councilors: Enhyon

AND APPROVED BY THE MAYOR THIS 10TH DAY OF MARCH, 2025

SIGNED:

ATTEST:

Richard Mays

Richard Mays, Mayor

Amiel

Amie Ell, City Clerk



IMPROVING OUR COMMUNITY

COLUMBIA GATEWAY URBAN RENEWAL AGENCY

CITY OF THE DALLES

July 15, 2025

Transportation and Growth Management Program
Oregon Department of Transportation and
Oregon Department of Land Conservation and Development
635 Capitol Street NE, Suite 150
Salem, OR 97301

To Whom It May Concern:

On behalf of the Columbia Gateway Urban Renewal Agency, I am writing to express our support for the City of The Dalles' application for Transportation and Growth Management (TGM) funding to develop the West Side Renaissance Master Plan.

Although the eastern portion of the planning area lies within the existing Columbia Gateway Urban Renewal District, the Agency's support is not limited to current boundaries. The West Side was included in the District's original geography and remains central to the long-term development and connectivity of the city. The Agency supported previous TGM proposals in 2019 and 2024, and we reaffirm our support for this 2025 submission.

The West Side is experiencing significant development pressure, with new housing, public facilities, and educational investments underway or planned. Yet the area continues to face systemic infrastructure challenges, disjointed land use patterns, and limited access to safe and efficient transportation options. These conditions reinforce the need for a comprehensive master plan that can guide future investment in a thoughtful, equitable, and implementable way.

The proposed plan will support infill development, multimodal improvements, and integration of recent planning work, including the City's Housing Production Strategy, Buildable Lands Inventory, and forthcoming Economic Opportunities Analysis. It aligns with the goals of the Urban Renewal Agency to promote redevelopment, economic opportunity, and improved quality of life.

We respectfully urge the Transportation and Growth Management Program to fund the City's 2025 proposal. The Agency stands ready to support implementation of the West Side Renaissance Master Plan as a key component of The Dalles' continued growth and revitalization.

Sincerely,

Dan Richardson
Chair
Columbia Gateway Urban Renewal Agency



AGENDA STAFF REPORT

AGENDA LOCATION: 9.E.

MEETING DATE: July 15, 2025

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Jacob Anderson, Economic Development Officer

ISSUE: First Amendment to the Incentive Program Grant Agreement (Phase II) with Giamei Properties for the American Legion Hall building (201 East 2nd Street)

BACKGROUND

On June 25, 2024, the Urban Renewal Agency (**Agency**) approved a second Incentive Program Grant Agreement (Phase II) of \$41,976.20 to Giamei Properties (**Applicant**) to support HVAC and electrical upgrades at the American Legion Hall building located at 201 East 2nd Street. The original agreement included a completion deadline of 180 days and a defined scope of reimbursable work.

Following a request by the grantee, the Agency administratively approved a three-month extension in December 2024, extending the project deadline to March 25, 2025.

Proposal

The Applicant has submitted final documentation showing verified costs that exceed the original grant amount. Staff has reviewed all submitted receipts and confirmed eligibility under the Program.

The proposed First Amendment to the Phase II Grant Agreement increases the maximum reimbursable amount from **\$41,976.20** to **\$49,620.48**. No other changes are proposed.

Justification

- The grantee completed all proposed work within the extended timeline.
- Verified expenditures are eligible under the current Program guidelines.
- Former Economic Development Officer Dan Spatz acknowledged the cost and scope increase via email December 2024 to include insulation.
- The Applicant is only seeking reimbursement on the insulation portion of the increase and not window replacement expenses as they were not officially approved prior to work completion.

- The amendment brings the total grant award in line with actual project investment and remains within Program limits for commercial projects.
- The Incentive program limits for reimbursement on commercial properties increased from \$50,000 to \$300,000 in May of 2025.

BUDGET IMPLICATIONS

This amendment increases the Agency's grant commitment by **\$7,644.28**, raising the Phase II award to **\$49,620.48**. Total grant support to Giamei Properties (Phase I and II combined) is now **\$56,209.84**. The Urban Renewal Incentive Program launched in August 2022 and is accounted through the Urban Renewal Capital Projects Fund; the approved budget for that fund in fiscal year 2025-26 is \$3,143,000. Sufficient funds are available for this and other projects.

BOARD ALTERNATIVES

1. **Staff recommendation:** *Move to authorize the Agency Manager to enter a First Amendment to the Incentive Program Grant Agreement with Giamei Properties, as presented.*
2. Make modifications to then move to authorize the Agency Manager to enter a First Amendments to the Incentive Program Grant Agreement with Giamei Properties, as amended.
3. Decline formal action and direct Staff accordingly.

Attachments:

- **Attachment 1** – First Amendment to Incentive Program Grant Agreement

**FIRST AMENDMENT TO
INCENTIVE PROGRAM GRANT AGREEMENT**

This FIRST AMENDMENT TO INCENTIVE PROGRAM GRANT AGREEMENT (**First Amendment**) is entered by the Columbia Gateway Urban Renewal Agency, an Oregon urban renewal agency duly formed and operating under the provisions of ORS Chapter 457 (**Agency**), and Giamei Properties, an Oregon limited liability company (**Grantee**).

WHEREAS, on June 25, 2024, the Agency and Grantee entered that certain Incentive Program Grant Agreement concerning the redevelopment project at 201 East Second Street, The Dalles, Oregon (**Agreement**);

WHEREAS, Other Conditions Section 19 of the Agreement provides the Agreement may be modified by a written instrument duly executed by the Parties; and

WHEREAS, the Parties intend this First Amendment to amend the Grant Award.

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

1. The text of Terms and Conditions (1) shall be revised to read:

1. **GRANT AWARD**: Agency agrees to contribute funds to be applied toward a portion of the costs of the Project set forth in the Project scope up to **forty-nine thousand, six-hundred twenty dollars (\$49,620.00) (Grant Funds)**. Grantee agrees to use Grant Funds solely for the purposes of construction of the improvements at 201 East Second Street, agrees to contribute the Required Grantee Matching Investment to the Project, and promises to fully perform and complete the Project set forth herein.

2. No Other Changes. Except as modified by this First Amendment, the Parties agree all other provisions, terms, and conditions of the Agreement remain in full force and effect.

DATED this _____ of July, 2025.

AGENCY

GRANTOR

Joshua Chandler
Agency Manager

Lindsey Giamei / Giamei Properties