

COLUMBIA GATEWAY URBAN RENEWAL AGENCY BOARD

May 20, 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. CALL TO ORDER
2. ROLL CALL
3. PLEDGE OF ALLEGIANCE
4. APPROVAL OF AGENDA
5. APPROVAL OF MINUTES – March 18, 2025
6. PRESENTATIONS
 - A. Mint Building, 710 East 2nd Street
 - B. Craig's Building, 323 East 2nd Street
7. PUBLIC COMMENT – During this portion of the meeting, anyone may speak on any urban renewal subject. Five minutes per person will be allowed.
8. PUBLIC HEARING
 - A. Adoption of the Fiscal Year 2025/26 Budget for the Columbia Gateway Urban Renewal Agency
9. ACTION ITEM:
 - A. Resolution No. 25-002 – A Resolution Adopting the Fiscal Year 2025/2026 Budget for the Columbia Gateway Urban Renewal Agency, Making Allocations, and Certifying a Request for Maximum Tax Revenue to the County Assessor
 - B. Resolution No. 25-003, a Resolution Amending the Columbia Gateway Urban Renewal Agency Incentive Program Guidelines.
 - C. Incentive Program Grant Request: *Mint Building* (Redevelopment Phase II), 710 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

March 18, 2025

5:30 p.m.

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

PRESIDING: Darcy Long, Chair

BOARD PRESENT: Staci Coburn, Walter Denstedt, Scott Hege, Kristen Lillvik (arrived at 5:32 p.m.), Timothy McGlothlin, Marcus Swift and Ben Wring

BOARD ABSENT: Dan Richardson

STAFF PRESENT: Director and Urban Renewal Manager Joshua Chandler, Economic Development Officer Dan Spatz, City Attorney Jonathan Kara, Planning Technician Paula Webb

CALL TO ORDER

The meeting was called to order by Chair Long at 5:31 p.m.

PLEDGE OF ALLEGIANCE

Chair Long led the Pledge of Allegiance.

APPROVAL OF AGENDA

It was moved by Coburn and seconded by Wring to approve the agenda as prepared. The motion carried 8/0; Coburn, Denstedt, Hege, Lillvik, Long, McGlothlin, Swift, and Wring voting in favor, none opposed, Richardson absent.

APPROVAL OF MINUTES

It was moved by Wring and seconded by Coburn to approve the minutes of February 18, 2025, as submitted. The motion carried 7/0; Coburn, Denstedt, Hege, Lillvik, Long, McGlothlin, and Wring voting in favor, none opposed, Swift abstained, Richardson absent.

PRESENTATION

Sunshine Mill Winery Hotel and Retreat Center Proposal

Natasha Skov, representing the Sunshine Mill and the Martin family, provided a factual overview of the history and redevelopment plans for the Sunshine Mill property. The project began in 2004 when the family submitted a proposal to purchase and rehabilitate the former Wasco Milling Company site. Due to the recession and high demolition costs, the family retained and restored the existing structures. Initial efforts included converting a portion of the ground floor

into an office, production facility and tasting room, leading to the launch of wine production under the Copa Di Vino label in 2009 and a public tasting room in 2010. In subsequent years, operations expanded to include the adjacent Wasco Warehouse for shipping and receiving, public art projects supported by Urban Renewal loans, and full repayment of approximately \$900,000 in loans with interest.

Over a 15-year period, the Sunshine Mill generated more than \$100 million in revenue and created up to 127 jobs, with a reported 98% of employees hired locally. The business spent over \$15 million with local contractors and suppliers. The project also enabled the City to secure \$4 million in federal infrastructure grants for the Brewery Grade roundabout and cruise ship dock, contingent on job creation commitments. Additionally, the site underwent a ten-year environmental cleanup process, including the decommissioning of oil wells.

The current proposal includes the development of the Sunshine Mill Winery, Hotel, and Retreat Center. Planned features include 80 hotel rooms located in the silos and mill building, a rooftop restaurant, observation deck, spa, sports courts, meeting and event spaces, wine education facilities, expanded retail and artisan markets. Structural assessments and digital modeling conducted by Miller Engineering determined the buildings were suitable for redevelopment. The family is requesting a \$250,000 grant from the Urban Renewal Agency to complete architectural and engineering designs. The overall project cost is estimated at \$30 million, with anticipated spending focused on local labor and materials. The projected return on investment for the public grant is expected within six months of the hotel's opening, with 30,000 annual visitors estimated.

Chris Kraus of Saddle Peak Hotel Advisors conducted a feasibility study, confirming strong demand for upscale lodging in The Dalles. His analysis accounted for tourism trends, competitive lodging supply, and the regional market. He concluded the site was suitable for a four-star or boutique hotel offering, citing the property's location and unique structure as competitive advantages. The Martins requested open communication with the Urban Renewal Agency, alignment on planning goals, and future consideration for gap financing and tax credits. They also extended an invitation for the Agency to tour the site and view the design context firsthand.

Board Members posed questions about silo integrity, financial risks, workforce sustainability, and marketability. Ms. Skov and Mr. Martin addressed these in detail, expressing confidence in the project's feasibility and community value.

Chair Long emphasized the Board's preference to allocate Urban Renewal funds closer to construction and permitting stages but affirmed interest in working with the applicants.

PUBLIC COMMENT

Eric Gleason, 704 Case Street, The Dalles

Mr. Gleason urged the Board to reconsider the current scope of the First Street project, suggesting it be expanded to reconnect with the Sunshine Mill at the east end of town. He recommended involving engineers, stakeholders, and the community to develop a more comprehensive, long-term plan that better supports the area's redevelopment and overall connectivity.

ACTION ITEM

Property Rehabilitation Program – Proposed Modifications

Project Category Consolidation: The Board approved combining the commercial and mixed-use project categories into a single funding category under the Urban Renewal Property Rehabilitation Incentive Program. This unified category will initially be subject to a \$200,000 funding cap per project, with the potential to increase the cap to \$300,000 based on program performance and project-specific justification. This consolidation simplifies the application process and broadens access to available funds.

Revised Matching Fund Requirements: To ensure greater private investment leverage, the Board agreed to raise the minimum private match requirement to 50 percent for most applicants. However, for housing-specific projects, a more favorable 60/40 match is allowed, with the Urban Renewal Agency covering up to 60 percent of the project cost. This adjustment encourages private-sector commitment while supporting critical housing development.

Match Source Limitations: Applicants will no longer be permitted to use City of The Dalles general funds or other municipal funding as part of their match contribution. However, other public funds—such as grants from state or federal sources – will continue to be accepted as eligible match funding. This change ensures the Agency’s funds are leveraged with external investment rather than redirected City resources.

Eligible Project Types and Entities: The Board expanded program eligibility to include nonprofit organizations, allowing greater flexibility in project sponsorship and increasing the potential for community benefit. In addition, the Board agreed to consider property tax abatements on a case-by-case basis rather than as a blanket offering, allowing the Agency to tailor incentives to the unique conditions and benefits of each project.

Fire Suppression Systems: Revisions to the program now allow Urban Renewal funds to be used toward fire sprinkler system installation in both commercial and residential rehabilitation projects. The program will reimburse up to 75 percent of the cost of installing these life safety systems, reinforcing the Agency’s commitment to code compliance and public safety.

Roof Repair and Replacement: Roof-related expenses will be eligible for reimbursement up to 50 percent of total project costs, with a cap of \$25,000 per structure. This cap applies only to properties acquired within the last five years, focusing the incentive on recently purchased structures likely undergoing substantial rehabilitation. A proposal to raise the cap to \$50,000 was discussed but did not receive sufficient support to pass.

Asbestos Flooring Removal: The Board approved funding eligibility for the removal of asbestos-containing flooring, recognizing it as a public health and safety hazard. This addition aligns the program with hazardous materials best practices and provides important financial relief for property owners addressing legacy issues in older buildings.

Large Projects and Development Funding Agreements (DFAs): For projects exceeding \$300,000 in requested funding, applicants will be required to enter into a Development Funding Agreement. These agreements must include a return-on-investment (ROI) analysis, a \$1,000 non-refundable application fee, and a provision requiring construction to begin within 12 months of approval. Liquidated damages clauses will be included in DFAs to ensure project performance, with terms negotiated individually.

System Development Charge (SDC) Assistance: The Board reaffirmed support for continued SDC assistance, maintaining the existing provision of up to \$10,000 per new residential unit.

This support aims to offset development-related infrastructure costs and encourage infill housing within the Urban Renewal Area.

Implementation and Next Steps: The Board authorized staff to revise program guidelines and update application forms to reflect the approved changes. No formal motion was necessary, as the Board reached consensus on all modifications, which was sufficient to direct staff to proceed.

First Street Project Discussion

Funding and Public Engagement: The Board discussed the ongoing First Street redevelopment project in response to public comments from Board Member Richardson and Eric Gleason. Staff confirmed that all funding agreements between the City and the Urban Renewal Agency related to the project would be brought back to the Board for review and approval. The Board emphasized the need for meaningful public engagement prior to finalizing the project plan and expressed support for hosting a public open house or similar outreach event to gather community feedback and share updated visual materials.

Historic Preservation Coordination: Staff noted that coordination is underway with the State Historic Preservation Office (SHPO) and local archaeologists due to the project's location within a historically significant area. Preservation elements have already been incorporated into the preliminary design. The Board expressed support for proceeding with the project while remaining flexible and responsive to any additional mitigation measures that may arise through the review process.

DISCUSSION ITEMS

Discussion on Public Match Limits: Board Members debated whether to cap public match sources at 75 percent of project costs. Board Member Swift and others argued against the cap, favoring maximum leverage of external funds.

Use of Other City Programs as Match: EDO Spatz mentioned the 50/50 Sidewalk Repair Program – and Board consensus is to restrict City funds as match sources while still allowing applicants to use those funds independently.

Sprinkler System Funding: EDO Spatz proposed expanding eligibility for Urban Renewal funding to cover commercial sprinkler systems—whether new, existing, or unused—up to 75% of total renovation costs. He noted these systems typically cost over \$90,000 and identified restaurants and event spaces as key beneficiaries. Board Member Wring supported the proposal but raised the need to clarify that upper-story residential units in mixed-use buildings should also be eligible, as fire suppression costs often deter housing development downtown. Director Chandler agreed such clarification could be included in the guidelines. Wring further emphasized that although the building code may not always require sprinklers due to cost considerations, the Board could choose to fund them to promote safety and revitalization. Consensus was reached to include both commercial and residential applications for sprinkler system funding in the updated program guidelines.

Roof Repair and Replacement Funding: EDO Spatz recommended allowing funding for roof repair or replacement under limited conditions: it must be part of a larger renovation, the property must have been acquired within the past five years, and the Agency contribution would be capped at \$25,000 per structure. The goal is to preserve aging or historic buildings by

leveraging additional resources. Councilor Richardson had suggested increasing the cap to \$50,000. Board Member Wring and Chair Long expressed support for the five-year ownership condition and agreed the increased cap could be appropriate. Long noted that lack of maintenance by long-term owners often leads to deterioration and supported measures that encourage timely investment.

Flooring and Asbestos Abatement: Economic Development Officer Spatz introduced a proposal to allow Urban Renewal funding for the removal of asbestos flooring, specifically older 4x4 tiles commonly found in downtown buildings. He noted that current guidelines prohibit flooring expenses, but in cases involving asbestos, removal is preferable to covering, which is often the only current option. He added that the Oregon DEQ may offer support through the Brownfield Program, but funding is uncertain due to federal constraints. The proposed change would allow the Agency to serve as a financial backstop in such cases. Board Member Lillvik asked why flooring had been excluded originally. Spatz explained that items like flooring, faucets, and electrical outlets were excluded because they are not considered permanent improvements and may be replaced over time, diminishing the long-term value of the investment.

Lillvik further inquired whether asbestos removal could contribute to assessed property value. Director Chandler and Board Member Wring clarified that it would not increase property value and had been excluded for the same reason as other non-permanent improvements. However, Wring emphasized that asbestos removal is more of a hazardous materials (hazmat) issue than an aesthetic upgrade and supported making an exception for it. Consensus emerged to treat asbestos flooring removal as a public safety and environmental concern, rather than a typical interior upgrade.

Brownfield Program and Funding Thresholds: EDO Spatz reminded the Board of a new \$500,000 Brownfield Assessment Grant, separate from abatement funding, which remains accessible through Oregon DEQ and Business Oregon. Staff discretion for incentive program awards will remain capped at \$50,000, with larger amounts requiring Board approval.

Return on Investment and Development Funding Agreements (DFAs): Spatz proposed removing ROI projections from standard Incentive Program (IP) applications. For funding requests over \$300,000, a formal DFA would be required, including a contracted appraisal and ROI calculation. Staff recommended a \$1,000 non-refundable administrative fee to initiate DFA requests, with a potential cost-sharing arrangement with the County Assessor's Office. Board consensus supported setting the fee at \$1,000.

System Development Charges (SDCs): The Agency will continue providing up to \$10,000 per new residential unit toward SDCs, in addition to other funding programs.

Timelines for DFA Projects: Spatz proposed that DFA-funded projects be required to begin construction within one year of Board approval and complete work on a schedule specified in the agreement. Board Members Wring and Lillvik supported this approach, noting that timelines should be realistic and allow for seasonal flexibility. Chair Long and Director Chandler emphasized including a project schedule and allowing Board discretion to grant extensions if needed.

Liquidated Damages: Spatz proposed incorporating a liquidated damages clause in DFAs to incentivize timely project completion. City Attorney Kara explained that such clauses are

standard in public construction contracts and can be tied to specific milestones such as design submittal or certificate of occupancy. Board consensus supported the inclusion of a customizable clause within each DFA.

Program Administration and Next Steps: Staff will revise the IP application form and post updated materials online. A Notice of Funding Availability will be issued annually. Applications must be submitted 45 days prior to the intended Board review. Funding decisions will depend on available budget capacity and timing. Chair Long and Director Chandler confirmed that consensus from the Board was sufficient to implement changes without a formal vote.

BOARD MEMBER COMMENTS / QUESTIONS

Chair Long shared a written comment submitted by Board Member Richardson requesting that the First Street project be reviewed and approved by the Board, with opportunity for public input. Director Chandler confirmed that Board review would be required for a funding transfer and clarified the implications of reopening project design.

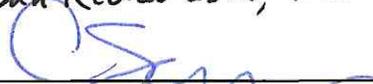
ADJOURNMENT

Being no further business, the meeting adjourned at 7:28 p.m.

Meeting conducted in a room in compliance with ADA standards.

Submitted by/
Crystal Sayre, Administrative Assistant
Community Development Department

SIGNED: 
~~Darcy Long, Chair~~
Dan Richardson, Vice-Chair

ATTEST: 
Crystal Sayre, Administrative Assistant
Community Development Department

Urban Renewal Incentive Program APPLICATION



Property address: 710 E Second St

Incentive requested: Commercial Project Mixed Use Project New Residential Project
(check all that apply)

Applicant

Timothy Schechtel

Contact person and title

541-806-6722

Phone number(s)

3511 Sandlin Rd

Mailing address

The Dalles

City

The Dalles Mint LLC

Business name

tim.schechtel@gmail.com

Email Address

OR

State

20

Years in Business / Years in The Dalles

97058

ZIP Code

20

Website URL

Are you current on business taxes? Y N

In which state are your incorporation &/or organization documents filed: Oregon

Ownership status: I own the property
 I own the property with others

I am purchasing the property*
 I lease the property*

* Owner Authorization form required (attached)

Property Owner

(Required if different than Applicant.)

Owner name / contact

Owner business (if applicable)

Phone number(s)

Email Address

Mailing address

City

State

ZIP Code

Do you expect property owner to be the same at time of project completion? Y N

Application Submittal

Minimum Requirements

To be eligible for Program funds, the following minimum requirements must be met:

- (1) The subject real property (**Property**) must be located within the Area;
- (2) Applicant must be the Property's current owner or must obtain the owner's prior written consent on the Application;
- (3) Applicant must not be delinquent on any City accounts (e.g., utility accounts) and real property taxes concerning the Property must be paid in full at the time of Application submission and all fund disbursements. If the Applicant is not the Property's current owner, both the Applicant and owner must not be delinquent on any City accounts and be current on their real property taxes;
- (4) The Property must not be subject to any tax abatements reducing its assessed market value (including, without limitation, tax credits, property-related subsidies, or any other tax exemption); provided, however, the Property may receive tax abatement or subsidies from The Dalles Vertical Housing Development Zone without impacting its eligibility under this Program;
- (5) The project for which Program funds are sought must be an Eligible Project meeting and seeking to advance Plan goals and objectives; and
- (6) Applicant must timely apply for Program funds on Agency's then-current Program application and in such manner as the Agency Manager (**Administrator**) may then prescribe.

Attachments

Separately attach the following documents:

- All relevant plans and specifications;
- Current photographs of the Property and adjacent buildings;
- Project schedule;
- Information concerning the Property, including ownership information and legal description;
- Title report to determine the extent of any existing liens or other encumbrances impacting the Property;
- Current property tax information for the Property; and
- All other information and/or documentation the Administrator deems necessary or appropriate to enable Agency to review the application and determine eligibility for the Program funds.

Public Information Notice

All documents and information contained in documents submitted by an Applicant to this Program are public records subject to the Agency's disclosure pursuant to the Oregon Public Records Law (ORS 192.311 *et seq.*) except such portions the Agency deems exempt from disclosure pursuant to ORS 192.345, 192.355, and other Oregon statutes or federal law. An Applicant may request the Agency consider portions of the Application *confidential* by submitting an analysis of the applicability of ORS 192.355(4) to the City Attorney prior to submission of this Application or any documents or information.

Property and Project Description

Property Description

Briefly describe the current use(s) and condition of the Property. This may include utility information, existing improvements, business uses and names of current commercial/industrial tenants, and number of current residential units.

Project Narrative and Schedule

Briefly describe the proposed project and schedule of project completion. This may include business(es) committed to occupying the new/improved area, a description of the current development phase, estimated construction start/end dates, and type of work already completed.

Eligible Projects

Please choose all that apply.

- Development of new residential units.
- Restoration, reuse, or upgrades to historically listed buildings, including adapting historic or culturally significant existing buildings in the Area to new uses. Such improvements must first receive Historic Landmarks Commission approval prior to Application submission.
- Temperature or ventilation system upgrades (e.g., HVAC); however, *like-for-like* replacements are ineligible.

- Interior and exterior infrastructure upgrades (e.g., plumbing, mechanical, electrical, sidewalk, drive-approaches, etc.).
- Parking lot improvements.
- Permanent improvements for upper floors of existing Area buildings to make the space usable (if not currently in use).
- Demolition in conjunction with redevelopment of blighted properties.
- Safety and accessibility improvements (e.g., ADA access improvements, elevator installation, architectural lighting, seismic reinforcement systems, etc.).
- Fire suppression systems for new or reused spaces; however, fire suppression systems for existing uses are ineligible.
- Façade improvements, including: (i) restoration of masonry, brickwork, and/or wood and metal cladding; (ii) installation of new or replacement of existing replacement and/or repair of architectural features; (iii) installation of new or replacement of existing awnings; (iv) installation of new or replacement of existing exterior lighting; (v) installation of new or replacement of existing gutters and downspouts; (vi) installation of new or replacement of existing windows; (vii) entranceway modification and/or implementation of safety features; (viii) structural support for façade only; (ix) new construction for façade treatments; (x) painting of exterior walls when repairs to siding are made or part of new construction of the façade; and/or (xi) construction and installation of bike racks.
- Design or engineering work leading to permanent and physical improvements.
- Other permanent improvements and redevelopment aligned with Area and Agency goals as approved by the Administrator or Agency Board (as applicable), unless listed as an Ineligible Project.

Ineligible Projects

The following projects are not eligible for Incentive Program funding.

- Projects completed prior to grant funding award.
- Projects on land exempt from property taxes or otherwise by an Applicant or owner exempt from property taxes (e.g., non-profit organizations).
- General cleaning.
- Maintenance and *like-for-like* replacements.
- Roof repairs or replacements.
- Fire suppression systems for existing uses.
- Real property acquisition.
- Equipment acquisition
- Financing costs or debt and other similar operating expenses.
- Flooring.
- Interior electrical and plumbing fixtures.
- Paint and painting.
- Landscaping.
- Security system upgrades.
- Other non-permanent improvements or redevelopment not aligned with Area and Agency goals as denied by the Administrator or Agency Board (as applicable).

Funding

Amount of Requested Incentive Grant Funding

Commercial Grant Request	\$ 300,000.00
Mixed Use Grant Request	\$
Residential Grant Request	\$

Anticipated Financing

Grant funds will be committed prior to commencement of work but will not be disbursed until the Applicant provides proof of payment for the completed improvements (the Grant Agreement will have anticipated reimbursement schedule). Additionally, the Incentive Grant Program requires matching funds: Commercial Grant Applicants must fund at least 50% of total eligible project costs, Mixed Use Grants 30% of total eligible costs, and Residential Grants require the full project to be funded (through public and private sources) to take advantage of the SDC buydown. How will the improvements be financed?

- Bank / Credit Union Loan (name of lender): First Interstate Bank
- Other grant from City of The Dalles (list source, amount): URA Incentive 50/50 \$50K
- Other Grant (list all grant sources): _____

- Other public funding (list source, amount, and whether secured/timing to secure): _____
- Other Urban Renewal Funding
- Private loan
- Equity Business Savings Personal Savings Gift Friend
- Other: _____

Eligibility of Proposed Project | Public Funding

Has the Property received other public funding or grants in the past five years? Is the Applicant or owner pursuing any other funding from City of The Dalles to carry out work on this property? Include details on source and amounts received or being pursued and note date of any public approvals.

Certification by Applicant

(Please initial and sign.)

APPLICANT AFFIRMATION

By initialing each below, the Applicant affirms the following statements in the event the Applicant is awarded any funding or credits under this Program for the Project:

TS I understand I will enter into a contractual Grant Agreement with the Agency and a lien equal to the value of any awarded funds disbursed or credits applied will be assessed against the Property for fifteen (15) years from the date of Project completion. I further understand and commit to reimbursing the Agency the value of any awarded funds if the Property receives any Abatements in during the 15-year period other than abatements or subsidies through The Dalles Vertical Housing Zone.

TS If I am awarded any Grants for a Commercial Project or Mixed-Use Project, I understand I am required to invest at least fifty percent (50%) of the improvement costs for Commercial Projects and at least thirty percent (30%) for Mixed-Use Projects.

 I understand any funding or credits may only be used for costs incurred (1) after award and (2) after the Agency executes the Grant Agreement. I further understand any costs incurred prior to award or the Agency's execution of the Grant Agreement are ineligible for reimbursement.

TS I understand all awarded funds or credits must be applied toward permanent and physical improvements or design or engineering work leading to permanent and physical improvements.

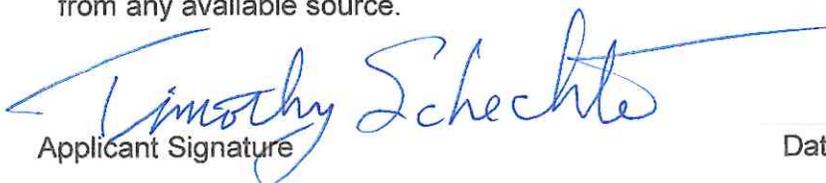
TS I understand the Project complies with The Dalles Municipal Code, the City's Land Use and Development Ordinance (including zoning and design standards), and historic review. I further understand I must secure all required land use approvals prior to submitting this Application.

TS I understand the Property is current with its property taxes and agree the Property owner is expressly responsible for all taxes associated with any award.

TS I authorize the Agency to request a title report on the Property subject to City Attorney review, and I understand the Agency may deny any awarded funding based on the title report and/or the number of liens assessed against the Property.

APPLICANT CONTACT CERTIFICATION

I, Timothy Schechtel, the Applicant Contact, certify I am authorized to sign on behalf of the Applicant. I understand the Agency must approve the proposed Project by executing a Grant Agreement before I am eligible for any reimbursements. Certain changes or modifications to the Project may be required by the Agency prior to its final approval. A Letter of Commitment will not be issued before the Agency receives the necessary bids, proposals, and documentation for the approved work. Any work commenced before the Agency issues a Letter of Commitment is not eligible for reimbursement. If approved for award, I hereby authorize the Agency to use before-and-after images or photographs of the Property and Project, both in print and online. I certify all information in this Application, and all information furnished in support of this Application, is true and complete to the best of my knowledge. The Agency may verify any of the information contained in or supporting this Application from any available source.


Applicant Signature

Date

05/06/2025

Proposal for Columbia Gateway Urban Renewal Agency (CGURA) Grant Funding

Previous property conditions.

The property at 710 East Second Street is a historic landmark which, as of 2+ years ago, was mixed use in nature with an occupied 2- bedroom second floor residential unit, 4 occupied first and second floor office spaces, cellular switch including rooftop signal array, 2000 square foot brewery production space, and a 1000 square foot public house (pub) including a 300 square foot commercial kitchen. Past (and indeed current) tenants included FLI Landscape, Strategic Financial Planning, and US Cellular with the "anchor" occupant being Freebridge Brewing. Project presentations were made at that time to (CGURA) for funding to enhance/update the building and property with the major beneficiary being Freebridge Brewing (FB). Unfortunately, despite enthusiasm expressed by numerous CGURA board members, City of The Dalles and Wasco County officials over the past several years, funding never became available due to ongoing projects, prior financial obligations/commitments and/or lack of available capital.

Current property conditions.

In light of the need to increase traffic to the Dalles downtown area which in turn, benefits all businesses and the City (taxes, employment, etc.), the property owners undertook their proposed project with the intent of creating;

1. A modern 900 sq. ft. commercial kitchen attachment,
2. A 300 sq. ft. "prep kitchen",
3. 400 sq. ft. of additional Pub seating,
4. Improved "alley access" to the shipping and receiving dock as well as emergency exiting pathways for Pub patron's safety,
5. Significant upgrades to the electrical network, gas line integrity, and wastewater/sewage infrastructure to include a 200-gallon grease interceptor,
6. An additional ADA restroom and mop closet.

Unexpectedly, it was discovered at the time of permitting for the above projects was the need for installation of a comprehensive sprinkler system throughout much of the building (approx. 14,000 sq. ft.) with the water main under 2nd Street being tapped and brought into the building. This expansive project was completed by Wyatt Fire with recent inspection and approval providing a marked improvement in safety to both merchants and patrons of "The Dalles Mint" building alike.

As noted above, Freebridge Brewing (FB) has been the most prominent benefactor of the project. Yet, more than 90% of the proposed project involved upgrades to the physical building. This project will now allow FB to expand current operations as well as realize new revenue streams which will not only generate greater county tax revenues but create more livable wage jobs in the community. Their expansion of services is scheduled to begin immediately and is aided by the "commercial kitchen" addition which includes the installation of an expansive exhaust hood with self-contained fire suppression, concrete floor repair and the installation of significantly upgraded kitchen equipment that FB had already purchased.

The building will also require a new roof to protect the service line and assets in the very near future. The existing roof, on the "Mint Building" proper, has outlived its original life expectancy by nearly two decades. This will need to be removed and replaced with a modern, mechanically attached and insulated, PVC membrane with a 50-year life span. Along with the roof replacement, the existing parapet will need significant restoration. To maintain the new roof's integrity, this restoration of the parapet will need to occur in conjunction with the PVC membrane installation. This parapet restoration

project estimate could easily exceed \$400K. For this, The Dalles Mint, LLC will be evaluating additional options for capital sources.

Tax Burden Impact.

The Dalles Mint, LLC had a Wasco County tax assessment of \$11,705.05 for the year 2022. With these “now completed” building improvements the estimated tax increase will reflect an approximate 15-20% increase for 2025 or a total of \$15,000+. The additional equipment investment by Freebridge Brewing will increase their Wasco County Personal Property taxes from \$4748 for 2024 to an estimated \$6,897 for 2025 reflecting an increase of 32%. While the 15-year expected ROI may fall short of the agency’s goals, the infrastructure upgrades that significantly improve this iconic building will serve for the next 50 or more years.

Source and Use of Funds.

The funding for this project, in the absence of the Columbia Gateway Urban Renewal Agency’s participation, has come entirely in the form of cash savings and increased leveraging of the building ownership through private banks and agencies. To date, no increase in revenues paid to The Dalles Mint, LLC has been requested of any tenant beyond yearly, customary “cost of living” increases.

Funding Request.

The Dalles Mint, LLC and Freebridge Brewing are seeking a “one-time” 50+% matching fund award from Columbia Gateway Urban Renewal Agency’s grant program. While understanding that work has already been completed, most, if not all, of these proposed upgrades would have met the eligibility requirements for the agency’s grant funding parameters. Had work been delayed until funding possibilities thru CGURA been made available (as it is believed to be now), benefits of this project to the community would have correspondingly been delayed for another 2-3 years. We strongly feel that this investment in this historic building’s infrastructure is a quantifiable and valuable use of county taxpayer’s money and adds significant value to the historic downtown business district of our community here in The Dalles.

Budget Narrative.

The Dalles Mint, LLC has had this proposed project in “the works” since 2017/18. The additional infrastructure improvements have now created new leasable space and a greatly improved functionality of the building. The kitchen and plumbing infrastructure improvements, as well as nearly 400 square feet of additional seating, will allow Freebridge Brewing to realize annual revenue gains in the pub of more than 50%, production brewery revenue gains exceeding 25%, and will require the immediate addition of 6 taproom/ kitchen staff members as well as 2 additional staff in brewery sales and production. Nearly all of the contractors utilized were from The Dalles and/or the greater Columbia Gorge region, as outlined in the supporting documentation. Steve Light, owner of Freebridge Brewing, and Tim Schechtel of The Dalles Mint, LLC have been overseeing the project and will be available should additional questions arise.

Thank you in advance for your consideration,

Ritchie N. Stevens

Member- The Dalles Mint, LLC

**EXHIBIT A
LEGAL DESCRIPTION**

PARCEL I:

All of Lot 4, and the Easterly 44.5 feet of Lot 3, Block 19, LAUGHLIN'S ADDITION TO DALLES CITY, Wasco County, Oregon.

Also the right to use for ingress and egress to grain elevator, the present steps and doorway leading thereto. The Northerly 2 feet of width of said steps and doorway lie within the Southwest portion of said Lot 3.

PARCEL II:

All of that portion of Lots 9 and 10, Block 19, LAUGHLIN'S ADDITION TO DALLES CITY lying underneath and supporting certain buildings, the northernmost portion of which building are constructed on Lots 2, 3 and 4, Block 19, Laughlin's Addition to Dalles City and on the alley lying between said Lots 9 and 10 and Lots 2, 3 and 4 (which buildings were described in a Special Warranty Deed dated the 18th day of November, 1958 and made between Cargill, Incorporation and Vernon H. Crawford as a feed mill, warehouse and cafe building).

TOGETHER WITH a perpetual easement over the following parcel of land in the County of Wasco and State of Oregon known and described as follows, to-wit: All that portion of Lots 9, 10 and the East four point eight feet of Lot 11, Block 19, Laughlin's Addition to Dalles City, lying, Northerly of a line drawn parallel to and two feet to the North of the northernmost edge of the existing railroad spur tract, said easement being for the purpose of ingress and egress and transporting goods of every kind by motor vehicle or otherwise, all in City of The Dalles, Wasco County, Oregon.

The Mint Renovation 2025 Completion Costs and URA Grant Request 05/013/25

CAP IMPROV to 12/31/23	\$103,739.00
CAP IMPROV 2024	\$276,045.00
CAP IMPROV 2025	\$160,534.00
Total input to date	\$540,318.00
Completion Budget \$114,000.00	\$114,000.00
Revised Project Cost	\$654,318.00
URA Grant Request 2025	\$250,000.00
URA Grant Received 2024	\$50,000.00
Total Grant	\$300,000.00
Total Grant is 45.85% of project	

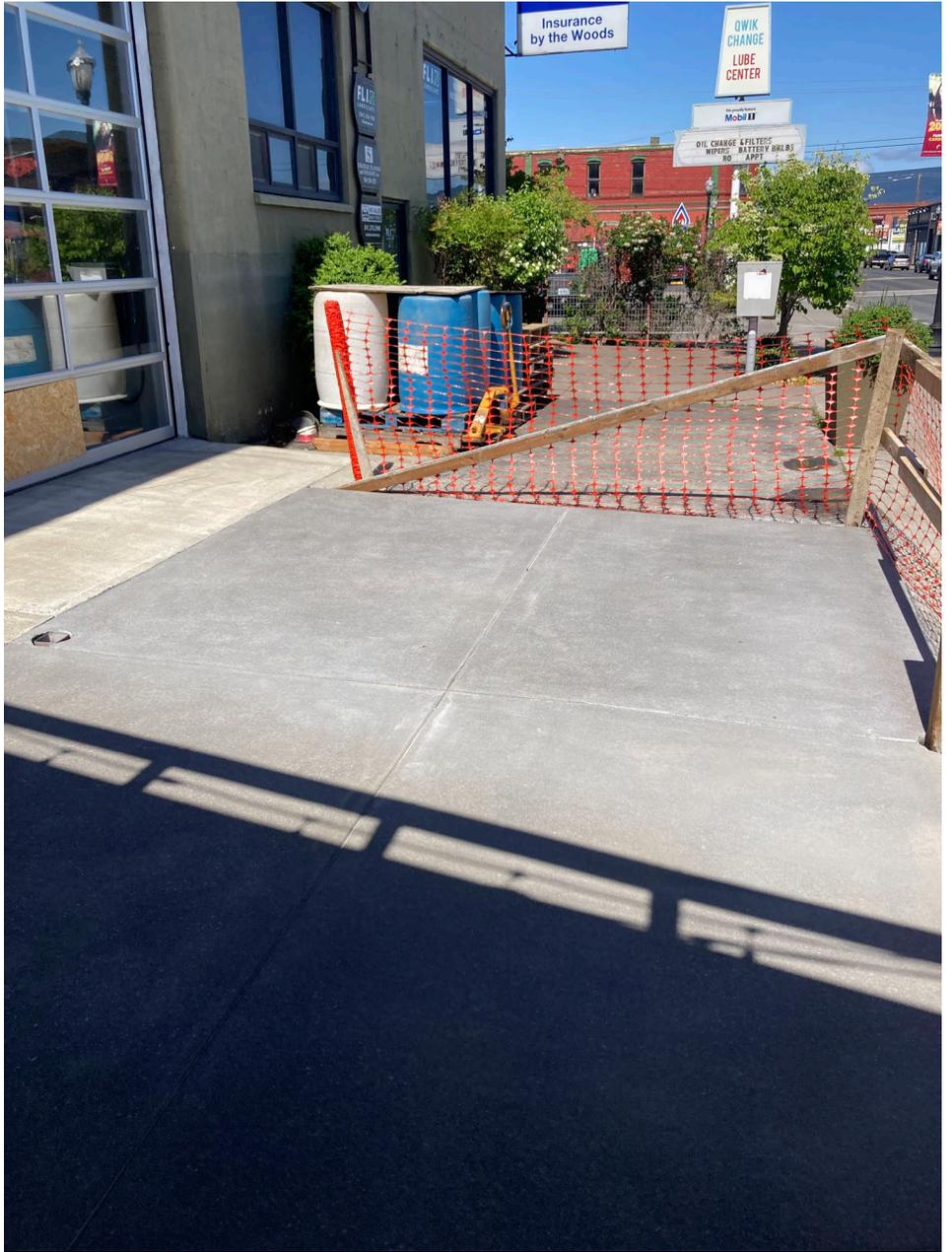
Completion Costs\ Estimates		Provided By
Interior Carpentry		
partitions walls and door framing	\$9,500.00	Mike Guisher
doors, installations and trims	\$2,900.00	Mike Guisher
door hardware	\$400.00	Mike Guisher
rebuild stairs and railings	\$4,500.00	Mike Guisher
 Exterior Work		
Excavation and grading 2nd St. Patios	\$9,000.00	Craig Triechel
Patio replacment 500sqft	\$12,000.00	HD Dynamics
 Steel work dock and Cellar Entrance		
exit doorways,	\$20,400.00	Dalles Iron Wks
exit stairways,		Dalles Iron Wks
hand rails, dock and exits		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	Devco
loft bathroom fixtures installation	\$2,500.00	Devco
floor drains	\$800.00	Devco
finish plumbing	\$1,100.00	Devco
 Concrete Floor Repairs, capping		
exit hallway concrete restoration	\$11,000.00	Sammy Alvarez
concrete epoxy materials	\$2,500.00	Sammy Alvarez
floor grinding machine with vacuum	\$1,500.00	Sherwin Williams
	\$1,000.00	Sunbelt rentals
 Electrical		
equipment conections	\$700.00	Mellow electric

exit hall lights and plugs	\$800.00	Mellow electric
island equipment circuits	\$2,500.00	Mellow electric
electical finish install	\$1,200.00	Mellow electric
exit signs 3	\$500.00	Mellow electric
Exterior Glazing		
Remove, install, seal, and trim out 6 exterior windows	\$3,300.00	Mike Guisher
Core drilling floor drains	\$500.00	estimated
Drywall	\$5,500.00	Brigham drywall
Misc.		
Wall surfacing FRP kitchen	\$1,400.00	Mike Guischer
quartz counter tops	\$2,500.00	Gorge Granite
Design and Specifications	\$11,000.00	TS Design
Total Projected Completion Costs:	\$114,000.00	







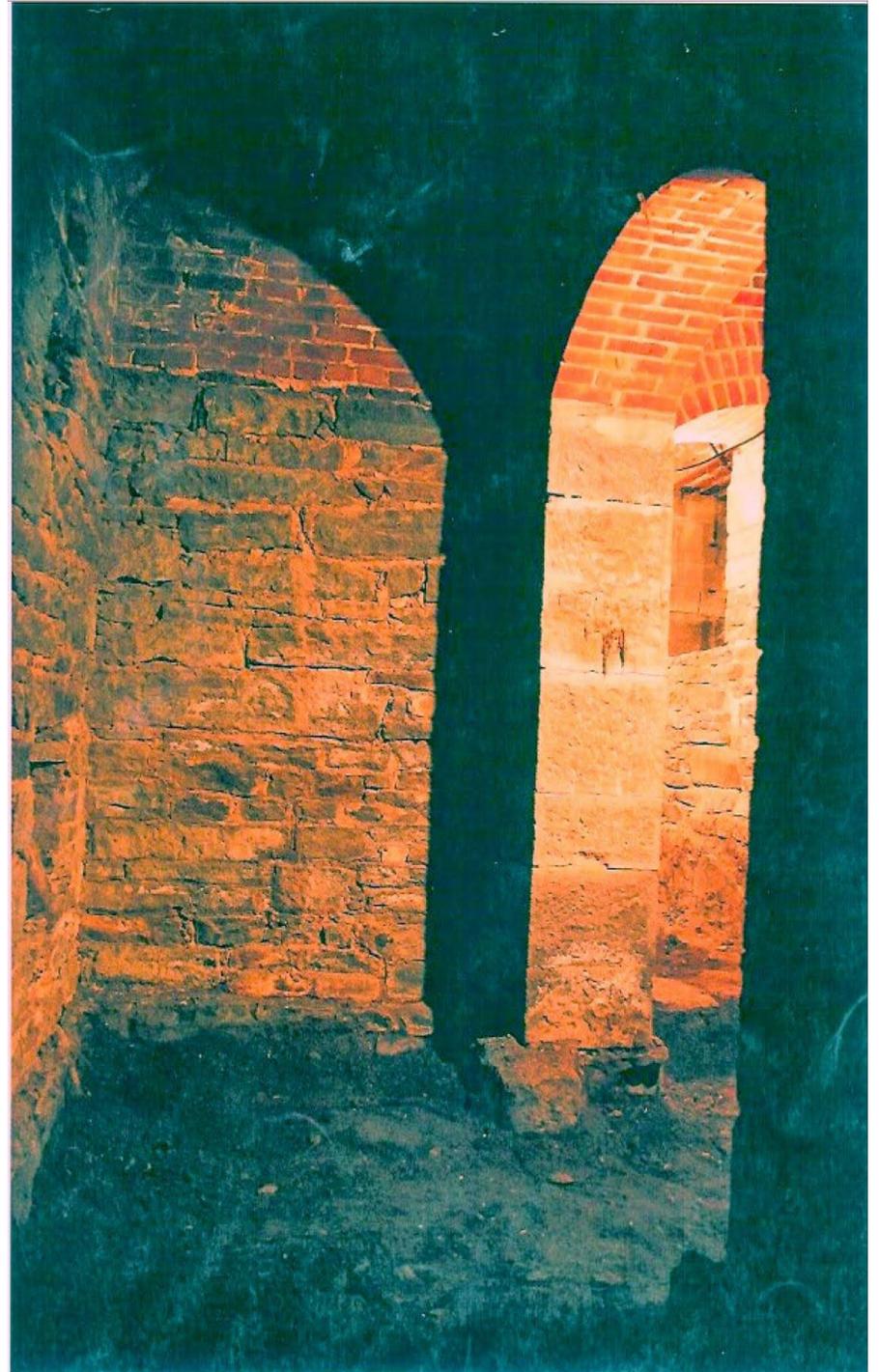




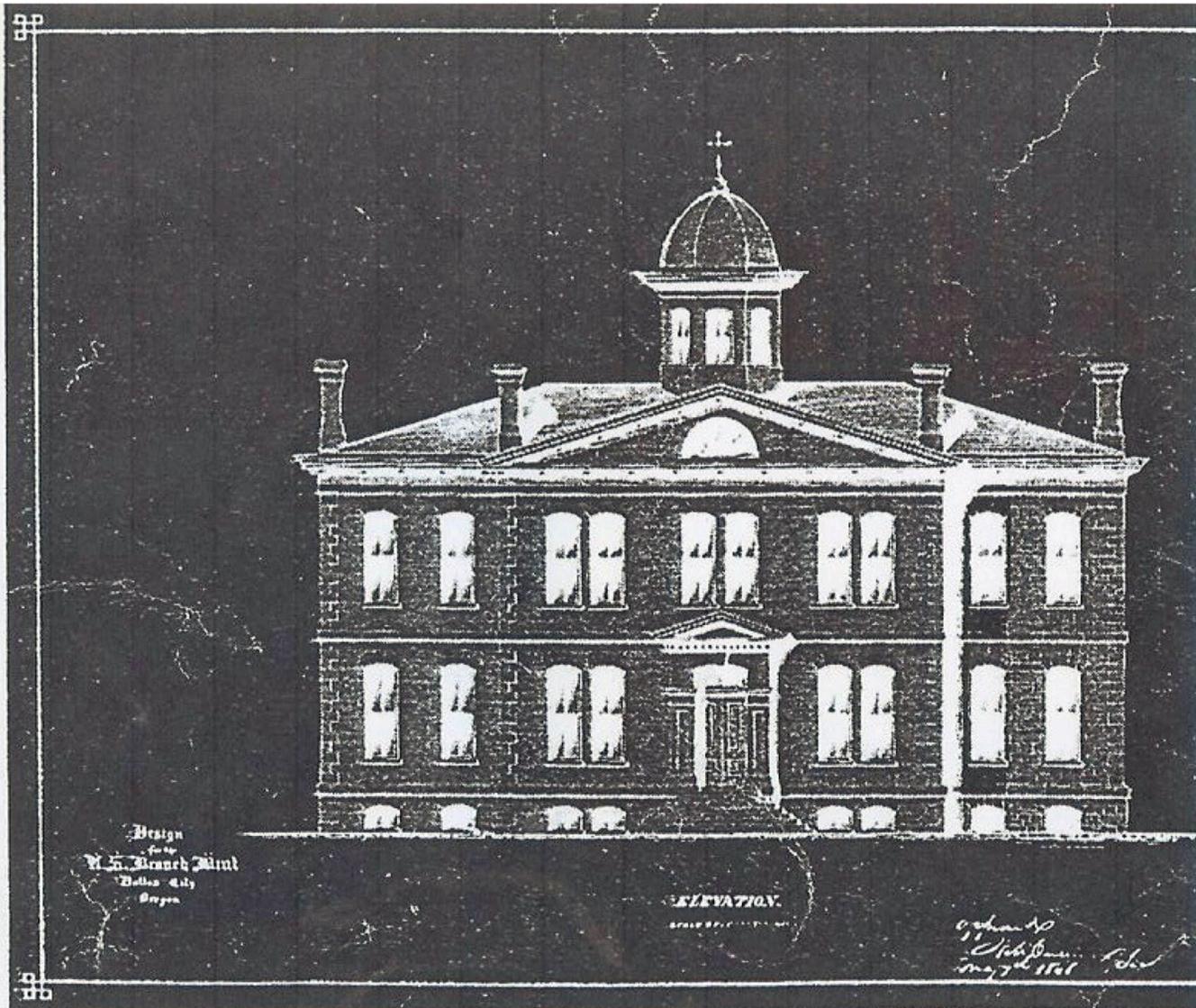




Agenda Item 6.A
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URAB Agenda Packet
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This artists rendering shows how the front of the U.S. branch mint at Dallas would have looked if fully completed to plan. Today the stone building, flat-topped and without its dome or second floor, is privately owned and has an addition to its front now.

3702 East Burnside Street
Portland, Oregon 97214
fortin@ellenfortinarchitect.com
503.709.6262

+ Craig Building – Columbia Gateway Urban Renewal Narrative for May 20th Meeting:
May 6, 2025

To: Columbia Gateway Urban Renewal Agency (CGURA) representatives
From: Ellen Fortin, Ellen Fortin Design + Architecture and Shem Harding DECA Architecture
Project Team: David Brown, Owner; Emily Sipe, Project Manager for Owner, Ellen Fortin, EFD+A and Shem Harding DECA Architecture

We are providing the following narrative as an introduction to our project and plan to elaborate with presentation including imagery, preliminary budget and schedule for the May 20th meeting.



Connection to the Dalles:

David Brown, the owner of the Craig building, is a 2nd generation Oregonian and Oregon State University graduate. He has developed a deep connection to agriculture and stewardship of the land in connection with his work growing a longstanding agricultural supply business – Mitchell Lewis & Staver. As an outgrowth of that interest, came a connection to the food + wine industry. David started Mitchell Wine Group as an Oregon wine distributor and importer in 2004, purchasing and renovating a SE Portland building for the wine group and wine + food events. In 2018, David Brown acquired 300 acres above The Dalles and started 3 Mile Vineyard. As The Dalles became a nexus for his travels to the winery, David acquired the Craig Building in The Dalles in 2021, with the desire to be a part of the community as it develops as an agritourism, recreation, food + wine destination.

The Craig Building Property current status:

The Craig Building is located at 323 E 2nd St in The Dalles, and was built in 1910 as the Edward C. Pease Department Store after a previous building on the site was damaged in the fire of 1891. Pease was an important public figure in The Dalles history, and many of the building's historic features are intact, making it an important contributing structure to the Historic District.

The building is approximately 15,300 sf over two floors, plus a basement of 2,800 sf. Although much of the exterior is in excellent condition, the ground floor storefront at 2nd St has been altered from its historic condition. Much of the building structure is unreinforced masonry (URM). Although the building has been fairly well cared for, plumbing, electrical and mechanical systems will require some upgrades to become habitable for tenants. The roof is new, and the building is equipped with fire sprinklers and an alarm system. Overall, the building has mostly been well preserved but many elements are in need of replacement or upgrades.

The Craig Building has architectural and historical significance as part of the Dalles Commercial Historic District, which is a strategic part of its value that we plan to honor. To date our team has produced full existing documentation of the building. We have done strategic construction demolition work, in order to identify critical maintenance needs and in preparation for future renovation. Currently it has one longstanding tenant, Adam's Design Center, which occupies 3700 SF of the ground floor.



Our Vision of the Craig Building:

The Craig Building is uniquely situated to be a focal location along 2nd Street and contribute to the vitality of the new Federal Plaza planned to be built directly east of our building and across the plaza from the former Tony's site. We see a strategic value in a mix of activities in the building so that it is active in both the day and night. Potential uses under consideration for the first floor include a food + wine shop, restaurant with bar and seasonal outdoor dining on 2nd St and Federal Plaza. The possible uses envisioned for the second floor are 1-3 living units along 2nd Street and a community 'Living Room' event space to host meetings for potential groups such as the Gorge Winegrowers Association, a Gorge Wine tour hub as well as other community and business needs.

Strategy for Building Renovation over time:

Envisioning a full building renovation and asset preservation of the Craig Building in this economic climate is challenging for any owner. We are a 'results driven' team, and believe that the best approach for success is an incremental process with targeted goals that we can achieve. We appreciate the CGURA's investment in urban renewal via the Incentive Program grants, and your consideration of the Craig Building for the program.

These preliminary projects are incremental steps to a full vision of the building.

- 2nd Street Façade restoration and improvements with new entry and windows
- Building infrastructure upgrades: mechanical, electrical and plumbing
- Federal Plaza façade upgrade, new window / door openings, connection to the Federal Plaza
- Interior upgrades for 1st floor tenant acquisition
- Interior upgrades for 2nd floor housing unit development and tenant acquisition

May 21st CGURA Craig Building Visual Presentation:

History:

- Our team and background
- History of the Craig Building, photos of the existing building and plans
- Vision and Program for the Craig Building
- Strategy for renovation over time

Proposed Design:

- Precedent Images for design guidance on the building and impact on Federal Plaza
- Proposed Elevations / Exterior Improvements
- Federal Plaza relationship and interface with Plaza design
- Renderings of preliminary proposed project

Proposed incremental construction projects:

- Preliminary construction project scope of work and budget and preliminary timeline



AGENDA STAFF REPORT
AGENDA LOCATION: 8. A.

MEETING DATE: Tuesday, May 20, 2025

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Joshua Chandler
Columbia Gateway Urban Renewal Manager

ISSUE: Public Hearing on Columbia Gateway Urban Renewal District Approved Budget for FY25/26 as Required by Oregon Budget Law, and Consideration of Resolution No. 25-002 Adopting the FY25/26 Budget for the Columbia Gateway Urban Renewal Agency, Making Allocations, and Certifying a Request for Maximum Tax Revenue to the County Assessor.

BACKGROUND

On April 16, 2025, the Columbia Gateway Urban Renewal Agency Budget Committee (**Committee**) reviewed the proposed FY 2025–26 budget and voted to recommend it to the Columbia Gateway Urban Renewal Agency Board (**Board**). The Board is scheduled to hold the required public hearing on May 20, 2025, and will consider a resolution to adopt the budget during that meeting.

BUDGET IMPLICATIONS

At this time, staff does not recommend any changes to the budget as proposed by the Committee. If staff identifies any necessary revisions prior to adoption, those will be presented during the public hearing.

If the Board determines that changes are necessary, Oregon Budget Law allows a governing body to modify a fund approved by the Committee by up to \$5,000 or 10% of the fund’s operating portion, whichever is greater. The operating portion includes Personnel Services, Materials and Services, and Capital Outlay, but excludes Interfund Transfers, Contingency, and Unappropriated Ending Fund Balance. If the proposed changes exceed these limits, an additional public hearing must be held.

BOARD ALTERNATIVES

1. **Staff recommendation:** *Move to Adopt Resolution No. 25-002 Adopting the Fiscal Year 2025-2026 Budget for the Columbia Gateway Urban Renewal Agency, Making Allocations, and Certifying a Request for Maximum Tax Revenue to the County Assessor.*
2. Make changes to the approved budget, subject to the limitations and requirements described above, and adopt the budget as amended.

Attachments:

- **Attachment 1** – FY 25/26 Columbia Gateway Urban Renewal District Approved Budget
- **Attachment 2** – Notice of Budget Hearing: May 20, 2025

Columbia Gateway Urban Renewal Agency Approved Budget Fiscal Year 2025-2026

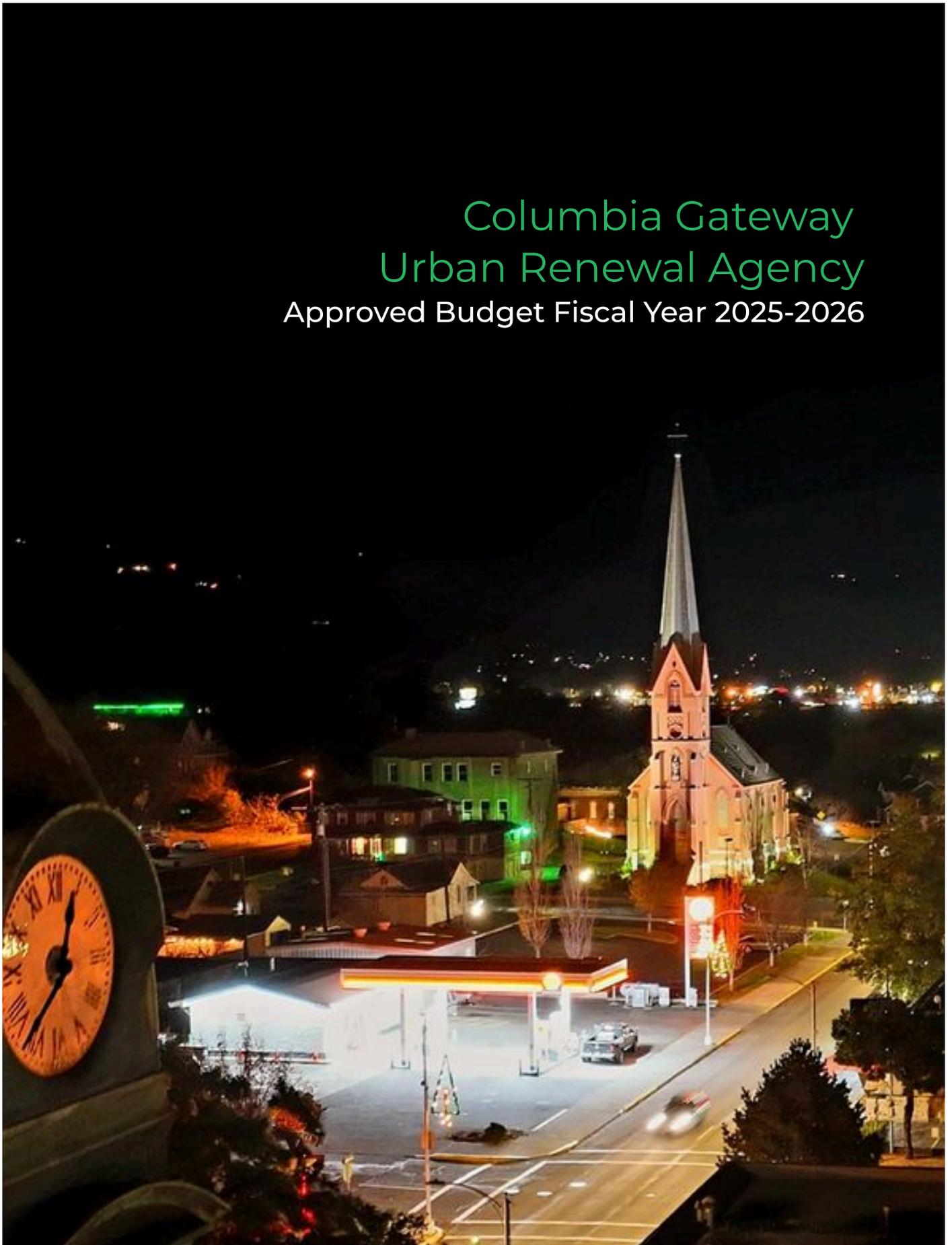


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Approved Budget - All Funds

Comprehensive Fund Summary - All Funds

Comprehensive Fund Summary

Category	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
Beginning Fund Balance	\$5,496,369	\$6,134,687	\$6,377,594	\$7,040,789	\$7,040,789
Revenues					
MISCELLANEOUS	\$2,568	\$5,016	\$2,200	\$2,200	\$2,200
INTEREST ON INVESTMENTS	\$189,441	\$316,522	\$104,500	\$114,500	\$114,500
GRANTS	-	\$60,000	-	-	-
URA PROPERTY TAXES	\$1,674,338	\$1,670,281	\$1,658,828	\$1,693,552	\$1,693,552
PROCEEDS FROM SALE OF PROPERTY	\$128,709	-	\$27,825	-	-
Total Revenues	\$1,995,056	\$2,051,819	\$1,793,353	\$1,810,252	\$1,810,252
Expenditures					
MATERIALS AND SERVICES	\$263,648	\$493,075	\$2,806,035	\$3,320,205	\$3,320,205
CAPITAL OUTLAY	\$290,352	\$515,412	\$3,349,943	\$3,924,836	\$3,924,836
DEBT SERVICE	\$802,738	\$800,425	\$1,603,925	\$1,606,000	\$1,606,000
Total Expenditures	\$1,356,738	\$1,808,912	\$7,759,903	\$8,851,041	\$8,851,041
Total Revenues Less Expenditures	\$638,318	\$242,906	-\$5,966,550	-\$7,040,789	-\$7,040,789
Ending Fund Balance	\$6,134,687	\$6,377,593	\$411,044	-	-

Revenues by Revenue Object - All Funds

Revenues by Revenue Object

Category	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
INTEREST REVENUES	\$189,441	\$316,522	\$104,500	\$114,500	\$114,500
OTHER MISC REVENUES	\$2,568	\$5,016	\$2,200	\$2,200	\$2,200
PROPERTY TAX CURRENT	\$1,641,117	\$1,604,913	\$1,620,628	\$1,662,752	\$1,662,752
PROPERTY TAX PRIOR YEAR	\$28,630	\$60,501	\$35,000	\$28,000	\$28,000
UNSEGREGATED TAX INTEREST	\$4,590	\$4,866	\$3,200	\$2,800	\$2,800
STATE GRANT	-	\$60,000	-	-	-
LOAN PRINCIPAL REPAYMENT	\$122,044	-	\$25,000	-	-
LOAN INTEREST REPAYMENT	\$6,665	-	\$2,825	-	-
Total Revenues	\$1,995,056	\$2,051,819	\$1,793,353	\$1,810,252	\$1,810,252

Expenditures by Expense Object - All Funds

Expenditures by Expense Object

Category	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
CONTRACTUAL SERVICES	\$4,427	\$2,063	\$2,100	\$5,205	\$5,205
AUDITING SERVICES	\$5,180	\$20,350	\$5,130	\$15,550	\$15,550
FOOD & LODGING	-	-	\$1,000	\$1,000	\$1,000
TRAINING AND CONFERENCES	-	\$120	\$500	\$700	\$700
MEMBERSHIPS/DUES/SUBSCRIP	\$939	\$1,067	\$1,250	\$1,300	\$1,300
OFFICE SUPPLIES	\$464	\$649	\$200	\$200	\$200
POSTAGE	\$182	\$238	\$500	\$500	\$500
ADVERTISING	-	-	\$500	\$500	\$500
LEGAL NOTICES	\$871	\$615	\$500	\$500	\$500
PROPERTY TAXES	\$1,921	\$1,937	\$2,100	\$1,950	\$1,950
RESERVE FOR FUTURE DEBT	-	-	\$802,000	\$804,000	\$804,000
CONTRACT ADMIN SERVICES	\$112,860	\$160,498	\$140,000	\$120,000	\$120,000
URBAN RENEWAL CONSULT	\$30,403	\$24,083	\$25,800	\$25,800	\$25,800
PROPERTY REHABILITATION	\$95,007	\$265,434	\$2,618,455	\$3,143,000	\$3,143,000
ELECTRIC	\$884	\$344	-	-	-
BUILDINGS & GROUNDS	\$9,112	\$12,329	\$5,000	\$1,000	\$1,000
PROPERTY/LIABILITY INS	\$1,398	\$3,349	\$1,800	\$1,800	\$1,800
PRINTING	-	-	\$1,200	\$1,200	\$1,200
CAPITAL PROJECTS BY CITY	\$290,352	-	\$648,335	\$3,894,658	\$3,894,658
CAPITAL PROJECTS BY UR	-	\$515,412	\$2,701,608	\$30,178	\$30,178
LOAN PRINCIPAL	\$575,000	\$600,000	\$630,000	\$660,000	\$660,000
LOAN INTEREST	\$227,738	\$200,425	\$171,925	\$142,000	\$142,000
Total Expenditures	\$1,356,738	\$1,808,912	\$7,759,903	\$8,851,041	\$8,851,041

Expenditures by Department

Category	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
DEBT SERVICE	\$802,738	\$800,425	\$1,603,925	\$1,606,000	\$1,606,000
URBAN RENEWAL	\$554,000	\$1,008,487	\$6,155,978	\$7,245,041	\$7,245,041
Total Expenditures	\$1,356,738	\$1,808,912	\$7,759,903	\$8,851,041	\$8,851,041

Expenditures by Expense Type - All Funds

Expenditures by Expense Type

Category	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
MATERIALS AND SERVICES	\$263,648	\$493,075	\$2,806,035	\$3,320,205	\$3,320,205
CAPITAL OUTLAY	\$290,352	\$515,412	\$3,349,943	\$3,924,836	\$3,924,836
DEBT SERVICE	\$802,738	\$800,425	\$1,603,925	\$1,606,000	\$1,606,000
Total Expenditures	\$1,356,738	\$1,808,912	\$7,759,903	\$8,851,041	\$8,851,041

Urban Renewal Agency Fund

Comprehensive Fund Summary

Category	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
Beginning Fund Balance	\$4,696,632	\$5,331,949	\$5,575,669	\$6,238,789	\$6,238,789
Revenues					
MISCELLANEOUS	\$2,568	\$5,016	\$2,200	\$2,200	\$2,200
INTEREST ON INVESTMENTS	\$184,641	\$311,622	\$100,000	\$110,000	\$110,000
GRANTS	-	\$60,000	-	-	-
URA PROPERTY TAXES	\$873,400	\$875,569	\$861,328	\$894,052	\$894,052
PROCEEDS FROM SALE OF PROPERTY	\$128,709	-	\$27,825	-	-
Total Revenues	\$1,189,318	\$1,252,207	\$991,353	\$1,006,252	\$1,006,252
Expenditures					
MATERIALS AND SERVICES	\$263,648	\$493,075	\$2,806,035	\$3,320,205	\$3,320,205
CAPITAL OUTLAY	\$290,352	\$515,412	\$3,349,943	\$3,924,836	\$3,924,836
Total Expenditures	\$554,000	\$1,008,487	\$6,155,978	\$7,245,041	\$7,245,041
Total Revenues Less Expenditures	\$635,318	\$243,719	-\$5,164,625	-\$6,238,789	-\$6,238,789
Ending Fund Balance	\$5,331,949	\$5,575,668	\$411,044	-	-

Revenues by Revenue Source

Revenues by Revenue Source

Category	Account ID	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
MISCELLANEOUS						
OTHER MISC REVENUES	200-0000-369.00-00	\$2,568	\$5,016	\$2,200	\$2,200	\$2,200
Total MISCELLANEOUS		\$2,568	\$5,016	\$2,200	\$2,200	\$2,200
INTEREST ON INVESTMENTS						
INTEREST REVENUES	200-0000-361.00-00	\$184,641	\$311,622	\$100,000	\$110,000	\$110,000
Only Receives Revenue AFTER All Budgeted Interest Revenue is Received in Fund 210	200-0000-361.00-00	-	-	-	\$110,000	\$110,000
Total INTEREST ON INVESTMENTS		\$184,641	\$311,622	\$100,000	\$110,000	\$110,000
GRANTS						
STATE GRANT	200-0000-	-	\$60,000	-	-	-

Category	Account ID	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
	334.90-00					
Total GRANTS		-	\$60,000	-	-	-
URA PROPERTY TAXES						
PROPERTY TAX - CURRENT	200-0000-311.10-00	\$840,179	\$810,201	\$823,128	\$863,252	\$863,252
PROPERTY TAX - PRIOR YEAR	200-0000-311.15-00	\$28,630	\$60,501	\$35,000	\$28,000	\$28,000
Average of Prior Years	200-0000-311.15-00	-	-	-	\$28,000	\$28,000
UNSEGREGATED TAX INTEREST	200-0000-311.19-00	\$4,590	\$4,866	\$3,200	\$2,800	\$2,800
Total URA PROPERTY TAXES		\$873,400	\$875,569	\$861,328	\$894,052	\$894,052
PROCEEDS FROM SALE OF PROPERTY						
LOAN PRINCIPAL REPAYMENT	200-0000-373.10-00	\$122,044	-	\$25,000	-	-
LOAN INTEREST REPAYMENT	200-0000-373.20-00	\$6,665	-	\$2,825	-	-
Total PROCEEDS FROM SALE OF PROPERTY		\$128,709	-	\$27,825	-	-
Total Revenues		\$1,189,318	\$1,252,207	\$991,353	\$1,006,252	\$1,006,252

Expenditures by Expense Object

Expenditures by Expense Object

Category	Account ID	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
CONTRACTUAL SERVICES						
CONTRACTUAL SERVICES	200-6700-000.31-10	\$4,427	\$2,063	\$2,100	\$5,205	\$5,205
1/6 Share Of GIS Support To Wasco County \$2,000 (See Planning Budget Worksheets)	200-6700-000.31-10	-	-	-	\$2,205	\$2,205
Branding	200-6700-000.31-10	-	-	-	\$3,000	\$3,000

Category	Account ID	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
Total CONTRACTUAL SERVICES		\$4,427	\$2,063	\$2,100	\$5,205	\$5,205
AUDITING SERVICES						
AUDITING SERVICES	200-6700-000.32-10	\$5,180	\$20,350	\$5,130	\$15,550	\$15,550
Annual Audit	200-6700-000.32-10	-	-	-	\$15,170	\$15,170
Add Secretary of State Filing Fee - \$380	200-6700-000.32-10	-	-	-	\$380	\$380
Total AUDITING SERVICES		\$5,180	\$20,350	\$5,130	\$15,550	\$15,550
FOOD & LODGING						
TRAVEL FOOD & LODGING	200-6700-000.58-10	-	-	\$1,000	\$1,000	\$1,000
NW Economic Games	200-6700-000.58-10	-	-	-	\$1,000	\$1,000
Total FOOD & LODGING		-	-	\$1,000	\$1,000	\$1,000
TRAINING AND CONFERENCES						
TRAINING AND CONFERENCES	200-6700-000.58-50	-	\$120	\$500	\$700	\$700
NW Economic Games Conference	200-6700-000.58-50	-	-	-	\$700	\$700
Total TRAINING AND CONFERENCES		-	\$120	\$500	\$700	\$700
MEMBERSHIPS/DUES/SUBSCRIP						
MEMBERSHIPS/DUES/SUBSCRIP	200-6700-000.58-70	\$939	\$1,067	\$1,250	\$1,300	\$1,300
League Of Oregon Cities	200-6700-000.58-70	-	-	-	\$1,300	\$1,300
Total MEMBERSHIPS/DUES/SUBSCRIP		\$939	\$1,067	\$1,250	\$1,300	\$1,300
OFFICE SUPPLIES						
OFFICE SUPPLIES	200-6700-000.60-10	\$464	\$649	\$200	\$200	\$200

Category	Account ID	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
Total OFFICE SUPPLIES		\$464	\$649	\$200	\$200	\$200
POSTAGE						
POSTAGE	200-6700-000.53-20	\$182	\$238	\$500	\$500	\$500
Total POSTAGE		\$182	\$238	\$500	\$500	\$500
ADVERTISING						
ADVERTISING	200-6700-000.54-00	-	-	\$500	\$500	\$500
Total ADVERTISING		-	-	\$500	\$500	\$500
LEGAL NOTICES						
LEGAL NOTICES	200-6700-000.53-40	\$871	\$615	\$500	\$500	\$500
Total LEGAL NOTICES		\$871	\$615	\$500	\$500	\$500
PROPERTY TAXES						
PROPERTY TAXES	200-6700-000.46-10	\$1,921	\$1,937	\$2,100	\$1,950	\$1,950
Commodore II Parking, Other Leased URA Properties; Estimated 3% Increase in FY23/24	200-6700-000.46-10	-	-	-	\$1,950	\$1,950
Total PROPERTY TAXES		\$1,921	\$1,937	\$2,100	\$1,950	\$1,950
CONTRACT ADMIN SERVICES						
CONTRACT ADMIN SERVICES	200-6700-000.31-15	\$112,860	\$160,498	\$140,000	\$120,000	\$120,000
FY25/26 - Wages + Benefits For City Staff: CDD Director, City Attorney, EDO, Support Staff	200-6700-000.31-15	-	-	-	\$120,000	\$120,000
Total CONTRACT ADMIN SERVICES		\$112,860	\$160,498	\$140,000	\$120,000	\$120,000
URBAN RENEWAL CONSULT						

Category	Account ID	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
URBAN RENEWAL CONSULT	200-6700-000.32-60	\$30,403	\$24,083	\$25,800	\$25,800	\$25,800
UR Annual Report	200-6700-000.32-60	-	-	-	\$800	\$800
Legal Consultant	200-6700-000.32-60	-	-	-	\$25,000	\$25,000
Total URBAN RENEWAL CONSULT		\$30,403	\$24,083	\$25,800	\$25,800	\$25,800
PROPERTY REHABILITATION						
PROPERTY REHABILITATION	200-6700-000.39-10	\$95,007	\$265,434	\$2,618,455	\$3,143,000	\$3,143,000
Gayer Building	200-6700-000.39-10	-	-	-	\$13,000	\$13,000
Basalt Commons - Development Funding Agreement	200-6700-000.39-10	-	-	-	\$730,000	\$730,000
Basalt Commons - Incentive Program Funding	200-6700-000.39-10	-	-	-	\$1,000,000	\$1,000,000
Grants (Incentive Program and Development Funding Agreements)	200-6700-000.39-10	-	-	-	\$1,400,000	\$1,400,000
Total PROPERTY REHABILITATION		\$95,007	\$265,434	\$2,618,455	\$3,143,000	\$3,143,000
ELECTRIC						
ELECTRIC	200-6700-000.41-40	\$884	\$344	-	-	-
Total ELECTRIC		\$884	\$344	-	-	-
BUILDINGS & GROUNDS						
BUILDINGS & GROUNDS	200-6700-000.43-10	\$9,112	\$12,329	\$5,000	\$1,000	\$1,000

Category	Account ID	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
Miscellaneous Repair And Evaluation On Agency - Owned	200-6700-000.43-10	-	-	-	\$1,000	\$1,000
Total BUILDINGS & GROUNDS		\$9,112	\$12,329	\$5,000	\$1,000	\$1,000
PROPERTY/LIABILITY INS						
PROPERTY/LIABILITY INS	200-6700-000.52-10	\$1,398	\$3,349	\$1,800	\$1,800	\$1,800
Tony's Building	200-6700-000.52-10	-	-	-	\$1,800	\$1,800
Total PROPERTY/LIABILITY INS		\$1,398	\$3,349	\$1,800	\$1,800	\$1,800
PRINTING						
PRINTING	200-6700-000.55-00	-	-	\$1,200	\$1,200	\$1,200
Total PRINTING		-	-	\$1,200	\$1,200	\$1,200
CAPITAL PROJECTS BY CITY						
CAPITAL PROJECTS BY CITY	200-6700-000.75-10	\$290,352	-	\$648,335	\$3,894,658	\$3,894,658
Fund 18 Transfer For Estimated Costs: First Street Project	200-6700-000.75-10	-	-	-	\$60,000	\$60,000
Fund 18 Transfer: Parking Lot Redevelopment (3rd/Jefferson)	200-6700-000.75-10	-	-	-	\$484,658	\$484,658
Fund 18 Transfer: First Street Construction	200-6700-000.75-10	-	-	-	\$3,200,000	\$3,200,000
Fund 18 Transfer: Federal Street Plaza Match	200-6700-000.75-10	-	-	-	\$150,000	\$150,000
Total CAPITAL PROJECTS BY CITY		\$290,352	-	\$648,335	\$3,894,658	\$3,894,658
CAPITAL PROJECTS BY UR						
CAPITAL PROJECTS BY UR	200-6700-000.75-20	-	\$515,412	\$2,701,608	\$30,178	\$30,178

Category	Account ID	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
Opportunity Driven Projects	200-6700-000.75-20	-	-	-	\$30,178	\$30,178
Total CAPITAL PROJECTS BY UR		-	\$515,412	\$2,701,608	\$30,178	\$30,178
Total Expenditures		\$554,000	\$1,008,487	\$6,155,978	\$7,245,041	\$7,245,041

Urban Renewal Agency - Debt Service Fund

Comprehensive Fund Summary

Category	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
Beginning Fund Balance	\$799,737.89	\$802,738.00	\$801,925.00	\$802,000.00	\$802,000.00
Revenues					
INTEREST ON INVESTMENTS	\$4,800.00	\$4,900.00	\$4,500.00	\$4,500.00	\$4,500.00
URA PROPERTY TAXES	\$800,938.00	\$794,712.00	\$797,500.00	\$799,500.00	\$799,500.00
Total Revenues	\$805,738.00	\$799,612.00	\$802,000.00	\$804,000.00	\$804,000.00
Expenditures					
DEBT SERVICE	\$802,738.00	\$800,425.00	\$1,603,925.00	\$1,606,000.00	\$1,606,000.00
Total Expenditures	\$802,738.00	\$800,425.00	\$1,603,925.00	\$1,606,000.00	\$1,606,000.00
Total Revenues Less Expenditures	\$3,000.00	-\$813.00	-\$801,925.00	-\$802,000.00	-\$802,000.00
Ending Fund Balance	\$802,737.89	\$801,925.00	-	-	-

Revenues by Revenue Source

Revenues by Revenue Source

Category	Account ID	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
INTEREST ON INVESTMENTS						
INTEREST REVENUES	210-0000-361.00-00	\$4,800	\$4,900	\$4,500	\$4,500	\$4,500
Total INTEREST ON INVESTMENTS		\$4,800	\$4,900	\$4,500	\$4,500	\$4,500
URA PROPERTY TAXES						
PROPERTY TAX - CURRENT	210-0000-311.10-00	\$800,938	\$794,712	\$797,500	\$799,500	\$799,500
Total URA PROPERTY TAXES		\$800,938	\$794,712	\$797,500	\$799,500	\$799,500
Total Revenues		\$805,738	\$799,612	\$802,000	\$804,000	\$804,000

Expenditures by Expense Object

Category	Account ID	FY22-23 ACTUAL	FY23-24 ACTUAL	FY24-25 ADOPTED BUDGET	FY25-26 PROPOSED BUDGET	FY25-26 APPROVED BUDGET
RESERVE FOR FUTURE DEBT						
RESERVE FOR FUTURE DEBT	210-6600-000.79-80	-	-	\$802,000	\$804,000	\$804,000
Total RESERVE FOR FUTURE DEBT		-	-	\$802,000	\$804,000	\$804,000
LOAN PRINCIPAL						
LOAN PRINCIPAL	210-6600-000.79-30	\$575,000	\$600,000	\$630,000	\$660,000	\$660,000
Total LOAN PRINCIPAL		\$575,000	\$600,000	\$630,000	\$660,000	\$660,000
LOAN INTEREST						
LOAN INTEREST	210-6600-000.79-40	\$227,738	\$200,425	\$171,925	\$142,000	\$142,000
Total LOAN INTEREST		\$227,738	\$200,425	\$171,925	\$142,000	\$142,000
Total Expenditures		\$802,738	\$800,425	\$1,603,925	\$1,606,000	\$1,606,000

FORM UR-1

NOTICE OF BUDGET HEARING

A public meeting of the Columbia Gateway Urban Renewal Agency will be held on May 20, 2025 at 5:30 PM in the City Council chambers at City Hall, 313 Court Street, The Dalles, Oregon. If you would like to make a written comment, it is due to jchandler@ci.the-dalles.or.us by May 16, 2025 by 5:00 p.m. Public comment can be made during the meeting via zoom or in person.

Urban Renewal Agency Board – Recurring Meeting
<https://us06web.zoom.us/j/86259459367?pwd=Z0Nnd3E4bkxBUVhXQkRkTkJCdEJ6QT09>
 Meeting ID: 862 5945 9367 Passcode: 92293
 Dial: 1-669-900-6833 or 1-253-215-8782

The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2025 as approved by the Columbia Gateway Urban Renewal Agency Budget Committee. A summary of the budget is presented below. A copy of the budget may be inspected or obtained on or after May 6, 2025, online www.ci.the-dalles.or.us. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as used the preceding year.

Contact: Joshua Chandler, CGURA Manager Telephone: 541-296-5481 Email: jchandler@ci.the-dalles.or.us

FINANCIAL SUMMARY - RESOURCES

TOTAL OF ALL FUNDS	Actual Amount 2023-2024	Adopted Budget This Year 2024-2025	Approved Budget Next Year 2025-2026
Beginning Fund Balance/Net Working Capital	6,134,687	5,966,550	7,040,789
Beginning Fund Balance/Net Working Capital	60,000	0	0
Revenue from Bonds and Other Debt	0	0	0
Interfund Transfers	0	0	0
All Other Resources Except Division of Tax & Special Levy	321,538	134,525	116,700
Revenue from Division of Tax	1,670,281	1,658,828	1,693,552
Revenue from Special Levy	0	0	0
Total Resources	8,186,506	7,759,903	8,851,041

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION

Personnel Services	0	0	0
Materials and Services	493,075	2,806,035	3,318,505
Capital Outlay	515,412	3,349,943	3,926,536
Debt Service	800,425	1,603,925	1,606,000
Interfund Transfers	0	0	0
Contingency	0	0	0
All Other Expenditures and Requirements	0	0	0
Unappropriated Ending Fund Balance	6,377,593	0	0
Total Requirements	8,186,506	7,759,903	8,851,041

FINANCIAL SUMMARY - REQUIREMENTS BY ORGANIZATIONAL UNIT OR PROGRAM

Columbia Gateway Urban Renewal Operations	8,186,506	7,759,903	8,851,041
FTE	0	0	0
Total Requirements	8,186,506	7,759,903	8,851,041
Total FTE	0	0	0

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING

The primary mission of the Columbia Gateway Urban Renewal Agency, through its Cooperation Agreement with the City of The Dalles, is the mitigation or removal of blight, thereby enhancing the value of public and private properties. Property rehabilitation is accomplished primarily by providing matching monies to enhance property within the Urban Renewal District. Revenues consist of property taxes, interest income, and sale of surplus properties. Property taxes are first used for debt service. Administrative services, finance and legal services are purchased from the City of The Dalles. Major projects funded in this budget include First Street reconstruction, Basalt Commons Development Funding Agreement and various Incentive Program projects, such as renovation of the historic Oaks Hotel.

STATEMENT OF INDEBTEDNESS

LONG TERM DEBT	Estimated Debt Outstanding July 1, 2025	Estimated Debt Authorized, But Not Incurred on July 1
Other Borrowings	\$2,840,000	\$0
Total	\$2,840,000	\$0

RESOLUTION NO. 25-002

A RESOLUTION ADOPTING THE FISCAL YEAR 2025-2026 BUDGET FOR THE COLUMBIA GATEWAY URBAN RENEWAL AGENCY, MAKING ALLOCATIONS, AND CERTIFYING A REQUEST FOR MAXIMUM TAX REVENUE TO THE COUNTY ASSESSOR.

WHEREAS, the Urban Renewal Budget Committee, on April 15, 2025, solicited public comment on the proposed budget and approved a balanced budget for FY25/26; and

WHEREAS, in accordance with State Law, the Urban Renewal Agency Board held a Public Hearing on the approved budget on May 20, 2025; and

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

Section 1. Adoption of the Budget for FY 25/26

The Board of Directors of the Columbia Gateway Urban Renewal Agency hereby adopts the budget for Fiscal Year 2025-2026 in the total of **\$8,851,041**, now on file in the office of the City Finance Director.

The amounts for the Fiscal Year beginning July 1, 2025, and for the purposes shown below, are hereby appropriated:

Capital Projects Fund (200)	
Columbia Gateway Urban Renewal Operations	\$ 7,245,041
Debt Service Fund (210)	
Debt Service	\$ 1,606,000
Total Appropriations, All Funds	<u>\$ 8,851,041</u>

Section 2. Certifying County Assessor.

The Board of Directors of the Columbia Gateway Urban Renewal Agency resolves to certify to the County Assessor, for the Columbia Gateway Downtown Plan Area, a request for the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article XI, of the Oregon Constitution and ORS Chapter 457.

PASSED AND ADOPTED THIS 20TH DAY OF MAY, 2025,

Voting Yes Board Members: CORBEN, HEGE, MCGLOTHLIN, RICHARDSON, WRING

Voting No Board Members: NONE

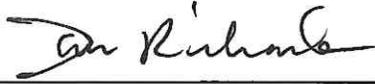
Abstaining Board Members: NONE

Absent Board Members: LONG, DENSTEDT, LILVIK

AND APPROVED BY THE CHAIR OF THE BOARD THIS 20TH DAY OF MAY, 2025.

SIGNED:

ATTEST:



~~Barry Long, Chair~~

Dan Richardson, vice-chair



~~Paula Webb, CDD Secretary~~

CRYSTAL SAYRE, ADMIN ASSISTANT



AGENDA STAFF REPORT
AGENDA LOCATION: 9. B.

MEETING DATE: May 20, 2025

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Jacob Anderson
Economic Development Officer

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

BACKGROUND

Since its adoption in 2022, the Urban Renewal Incentive Program (**Program**) has been used to support private investment, redevelopment, and capital improvements within the Columbia Gateway/Downtown Urban Renewal Area (**Area**). The Program was most recently amended in April 2023.

Following continued implementation and project engagement throughout 2024, staff identified several areas within the Program Guidelines that would benefit from clarification, restructuring, and policy refinement. In early 2025, Agency staff began working with the Board and legal counsel to revise the Guidelines to improve program delivery, maintain consistency with Agency goals, and ensure long-term accountability.

While the overall intent and structure of the Program remain intact, the attached Guidelines reflect a more streamlined format, clearer eligibility criteria, updated funding and review processes, and a revised administrative framework. The changes are intended to make the Program more responsive to current development activity and easier to manage for both staff and applicants.

A summary of key changes to the Guidelines has been provided as Attachment B to this staff report.

A redlined version is not included due to the scope of the reorganization.

BOARD ALTERNATIVES

1. **Staff Recommendation:** *Move to adopt URA Resolution No. 25-003, a resolution amending the Urban Renewal Incentive Program Guidelines, effective May 21, 2025, as presented.*
2. Make modifications then move to adopt URA Resolution No. 25-003, a resolution amending the Urban Renewal Incentive Program Guidelines, effective May 21, 2025, as modified.
3. Decline formal action and provide staff additional direction.

Attachments

- **Attachment 1** – Proposed Urban Renewal Incentive Program Guidelines
- **Attachment 2** – Summary of Key Changes

Urban Renewal Incentive Program GUIDELINES



The Columbia Gateway Urban Renewal Incentive Program (**Program**) was created to provide funding for building and property owners for the purposes of improving, rehabilitating, and/or developing eligible properties located within the Gateway/Downtown Urban Renewal Area (**Area**). The Agency aims to incent redevelopment of unused and underused land and buildings to meet the goals of the Columbia Gateway/Downtown Urban Renewal Plan (**Plan**), including investments that increase property values, place underused properties into productive condition, remove blight, and bring new opportunities for business and residential growth to the area.

Program Overview

The Incentive Program includes two funding tools based to support redevelopment in the Gateway/Downtown Urban Renewal Area:

1. Commercial Redevelopment Grant

Grants of up to **\$300,000** are available to support eligible *commercial* and *mixed-use* Projects:

- *Commercial Projects* require a **50% match** (50% Agency share, 50% Recipient share).
- *Mixed-use Projects* (i.e., Projects that include the addition of at least one new residential unit) require a **40% match** (60% Agency share, 40% Recipient share).

2. Residential System Development Charge (SDC) Surety

To further incent needed residential development within the Area, the Program offers an SDC surety of up to **\$10,000 per new residential unit**.

- The Agency will contribute towards an eligible development's SDCs imposed by local agencies by paying those agencies directly on a Recipient's behalf.
- Payments will be issued upon an issuance of a building permit for the Project and the Agency's confirmation the Recipient has secured full Project funding.
- The surety is limited to actual SDCs imposed or \$10,000 per new residential unit (whichever less).
- This funding tool is available both **independently** and in conjunction with a **Commercial Redevelopment Grant**.

Minimum Requirements

To be eligible for Program support:

1. the subject real property (**Property**) must be located within the Area;
2. the Applicant must be the Property's current owner or must obtain the owner's prior written consent on the Application;
3. the Applicant must not be delinquent on any City of The Dalles (**City**) accounts (e.g., utility accounts, liens, etc.) and the Property's property taxes must be paid in full at the time of Application submission and all fund disbursements. If the Applicant is not the Property's current owner, both the Applicant and the owner must not be delinquent on any City accounts and be current on all of their property taxes for all owned properties in Wasco County;
4. the Property must not be subject to any tax abatements reducing its assessed market value (including tax credits, property-related subsidies, or any other tax exemption); provided, however, the Property may receive tax abatement or subsidies from The Dalles Vertical Housing Development Zone or any other abatement specifically authorized by the Agency Board without impacting its eligibility under this Program;
5. the Project must be an *Eligible Project* meeting and seeking to advance Plan goals and objectives; and
6. the Applicant must timely apply for Program support on the Agency's current Program Application and in such manner as the Agency Manager (**Administrator**) may prescribe.

Eligibility

To be an **Eligible Project** under this Program, a Project must tend to an Agency priority by involving:

- development of new residential units;
- restoration, reuse, or upgrades to historically listed buildings, including adapting historic or culturally significant existing buildings in the Area to new uses. *Note:* Such improvements must first receive Historic Landmarks Commission approval prior to Application submission;
- temperature or ventilation system upgrades as part of a larger Project (e.g., HVAC); provided, however, *like-for-like* replacements are ineligible;
- interior and exterior infrastructure upgrades (e.g., plumbing, mechanical, electrical, sidewalk, drive-approaches, etc.);
- parking lot improvements;
- permanent improvements for upper floors of existing Area buildings to make the space usable (if not currently in use);
- demolition in conjunction with redevelopment of blighted properties;

- safety and accessibility improvements (e.g., ADA access improvements, elevator installation, architectural lighting, seismic reinforcement systems, etc.);
- fire suppression systems included as part of a larger renovation Project. *Note:* Such systems may account for up to 75% of total Project cost;
- roof repairs or replacements as part of a larger renovation Project. *Note:* Up to \$25,000 per structure;
- flooring removal where required for hazardous material (e.g., asbestos) abatement purposes;
- façade improvements, as follows: exterior storefront or other façade improvements on a building primarily used for commercial purposes located in the Area for which an Applicant requests funds, including: (i) restoration of masonry, brickwork, and/or wood and metal cladding; (ii) installation of new or replacement of existing replacement and/or repair of architectural features; (iii) installation of new or replacement of existing awnings; (iv) installation of new or replacement of existing exterior lighting; (v) installation of new or replacement of existing gutters and downspouts; (vi) installation of new or replacement of existing windows; (vii) entranceway modification and/or implementation of safety features; (viii) structural support for façade only; (ix) new construction for façade treatments; (x) painting of exterior walls when repairs to siding are made or part of new construction of the façade; and/or (xi) construction and installation of bike racks;
- design or engineering work. *Note:* Only if the Applicant demonstrates full Project funding and commitment to construct at the time of Grant approval; and
- other permanent improvements and redevelopment aligned with Area and Agency goals, as approved by the Administrator or Agency Board (as applicable), unless listed as an *Ineligible Project*.

Examples of **Ineligible Projects** (i.e., Projects or expenses that will *not* be supported by this Program) include:

- projects that have already started or been completed prior to grant award;
- general cleaning, maintenance, repairs, and replacement;
- real property acquisition;
- fire suppression systems for existing unchanged uses;
- flooring removal not associated with hazardous material (e.g., asbestos) abatement;
- flooring installation
- equipment purchases (e.g. appliances, furniture, etc.);
- financing costs, interest payments, or general operating expenses;

- interior electrical and plumbing fixtures;
- standalone painting Projects, unless part of qualified façade improvements;
- landscaping, unless tied to building function as part of permanent site improvements;
- security system installation or upgrades; and
- other temporary, removable, or non-permanent improvements not aligned with Area and Agency goals, as determined by the Administrator or Agency Board (as applicable).

Application and Approval Process

All Applicants are encouraged to contact Agency Staff to discuss Project overview, assess eligibility, and funding availability. The general Application and review process comprises:

Step 1. Application Submission. Complete and submit an Application (available on the Agency's webpage). Each Application must include:

- (a) Application date and the Applicant's name, address, contact information, and signature of the Applicant's authorized representative;
- (b) Project narrative, plans, and specifications;
- (c) Project schedule;
- (d) Project budget, including identification of the amount of funds requested and the purpose(s) for which the funds will be used. The Project budget must detail the revenues and expenses for the total cost of the proposed Project, including both requested funds and other revenue sources (i.e., non-program funds) and include quotes for Eligible Expenses. The budget must not include costs incurred prior to Application submission and/or costs for the Application's preparation, development, and/or submittal;
- (e) information concerning the Property, including ownership information and legal description;
- (f) title report to determine the extent of any existing liens or other encumbrances impacting the Property;
- (g) certification the Applicant will comply with the provisions of these Guidelines and all other documents relating to the Program (**Program Documents**) and will, promptly after notification of an award of Program funds, execute and deliver the Program Documents to the Agency in form and substance acceptable to Agency;
- (h) for all Projects seeking \$100,000 or greater in Program support, a *Public Benefit Statement*;
- (i) current property tax information for the Property; and

- (j) all other information and/or documentation the Administrator deems necessary or appropriate to enable Agency to review the Application and determine eligibility for Program support.

Step 2. Preliminary Review. Each Application will be reviewed by the Administrator in order of receipt. The Administrator will complete a preliminary review of each Application and conduct whatever investigation the Administrator deems necessary or appropriate to determine whether the Application is complete, the statements made therein are true and accurate, and compliance with these Guidelines. If, after a preliminary review, the Administrator determines the Application does not include all required documentation and/or information, the Administrator will return the Application and notice the Applicant in writing of the deficiencies. Subject to the terms and conditions contained in these Guidelines, if the Administrator determines the Application is complete, the Administrator will either (i) review the Application in accordance with **Step 3(a)** or (ii) submit the Application to the Agency Board for review and evaluation (along with the Administrator's recommendation) in accordance with **Step 3(b)**.

Step 3. Review Type.

- (a) Small Projects – Administrator Review. Applications deemed complete by the Administrator and requesting **\$50,000.00 or less** will be reviewed and evaluated by the Administrator. The Administrator will determine whether to approve the Application and award Program funds or deny the Application. The Administrator may approve, approve with conditions, or deny an Application. Notwithstanding anything contained in these Guidelines to the contrary, the Administrator may not award Program funds in an amount exceeding \$50,000.00 under any Application. When an Applicant's or Project's cumulative total Program support exceeds \$50,000, all subsequent support requires Agency Board approval.
- (b) Large Projects – Agency Board Review. Applications deemed complete by the Administrator and requesting **more than \$50,000.00** will be reviewed and evaluated by the Agency Board. The Agency Board will determine whether to approve the Application and award Program funds or deny the Application. The Agency Board may request additional documentation and/or information to render a decision on any Application. The Agency Board may approve, approve with conditions, or deny an Application.

Step 4. Evaluation. Applications (and the amount of funds provided) will be evaluated based on criteria established by the Administrator or Agency Board from time to time, including the following:

- (a) Eligible Expenses. Each Application will identify the specific expenses for which Program funds are sought and will be used. Priority may be given to certain types of expenses, including requests for Program funds to assist with land use fees, building permit fees, material and supply expenses, and such other fees, costs, and expenses concerning Project development and construction.
- (b) Housing. For purposes of *Commercial* and *Mixed-Use* Projects, the Agency may consider the type of housing to be constructed, including whether there exists a shortage of certain types of housing (e.g., multi-family housing, etc.) within the Area, the percentage of units contained within the subject Project to be offered as affordable, or whether the Project addresses Agency's housing needs as identified in Agency's or City's housing needs analysis or then-current housing goals.

- (c) Applicant and Project History. The Agency may consider whether the Applicant or Project has previously received Program support and the Applicant's compliance with or Project's conformance to the provisions of these Guidelines.
- (d) Public Participation. The Agency may review certain Applications in a public Agency Board meeting. The Agency may provide weight to the public's recommendations concerning any Application or Project.
- (e) Funding Priorities. The Agency may provide preference to Projects addressing more than one Agency priority (See **Eligible Projects**).

Step 5. Decision. The Administrator or Agency Board (as the case may be) will issue a letter to the Applicant noticing them of their Application review determination. If an Application is denied (in whole or in part), the letter will identify the basis for that denial. In connection with the Administrator's or Agency Board's Application review process, the Administrator and Agency Board will act reasonably, in compliance with all applicable federal, state, and local laws, regulations, and ordinances, and in a manner the Administrator and Agency Board reasonably believe in Agency's best interests. The decision of the Administrator and Agency Board on any given Application will neither set any precedent nor bind future decisions of the Agency.

Funding

1. **Annual Appropriation.** Available Program funds will be determined and subject to appropriation each fiscal year by resolution of the Agency Board. The amount of financial assistance available to the Program may be increased or decreased at any time by Agency Board resolution. The Agency Board may limit or elect not to provide funding for the Program in any fiscal year. If Program fund requests exceed available Program funding, the Administrator and/or Agency Board will determine Program participation based on what the Administrator and/or Agency Board determines to be in Agency's best interests. Financial assistance under the Program will be based on availability of funds at the time of Application submission and, if applicable, any subsequent fiscal year(s). Notwithstanding anything contained in these Guidelines to the contrary, Agency is not be obligated to provide Program funding if sufficient funding is not then available. The Agency may prioritize Applications when total requests exceed Program funding availability.
2. **Grant Funding.** Subject to the provisions of these Guidelines, Agency may grant Program funds to an Applicant for an Eligible Project in an amount requested in the Applicant's Application. Program funds must be used for Eligible Expenses concerning Eligible Projects and for no other purposes. Notwithstanding anything contained in these Guidelines to the contrary, Agency may grant less than the fund amount requested in the subject Application if Agency deems necessary or appropriate. Agency may condition any grant award on, among other things Agency deems necessary or appropriate, the Applicant contributing matching funds or resources toward the Eligible Project.
3. **Grant Disbursements.** Notwithstanding anything contained in these Guidelines to the contrary, grant funds will be disbursed for Eligible Expenses incurred for Eligible Projects: (i) after the award is granted and approved by the Administrator or Agency Board, as applicable and (ii) all Program Documents identified in these Guidelines are fully executed in form and content acceptable to Agency. Grant funds may be disbursed on a reimbursement basis in one lump sum or

installments. The Recipient is responsible for timely submitting to Agency actual receipts and verification of the Recipient's Eligible Expenses.

Recipients receiving Program support may request the Agency consider a disbursement prior to Project completion to cover a portion of Recipient's mandatory or cost-prohibitive down-payment or up-front costs relating to the Project's approved construction expenses (**Necessary Funds**). Recipients must attach an executed agreement between Recipient and their contractor certifying and justifying why Necessary Funds are required before contractor's necessary performance, in which case the Agency, in its sole discretion, may elect to (a) provide a disbursement covering up to one-half of Recipient's Necessary Funds and (b) conditioning that disbursement on Recipient's execution of any appropriate Security Documents (i.e., trust deeds or liens) to protect the Agency's investment and ensure public resources are secured to the maximum extent feasible.

4. **Matching Fund Requirements.** Public funding from state, federal, or non-City local sources may count toward the Program's matching fund requirements if no more than **80%** of the total Project cost is derived from public funds. City of The Dalles funding sources may not be used toward meeting the match requirement. In addition to all other eligibility requirements and/or conditions identified under these Guidelines, an Applicant must demonstrate the ability to meet fund-matching requirements to be eligible for Program funds:
 - *Commercial Projects* require a **50% match** (50% Agency share, 50% Recipient share)
 - *Mixed-use Projects* (i.e., Projects that include the addition of at least one new housing unit) require a **40% match** (60% Agency share, 40% Recipient share)
5. **Funding Limits per Property.** Notwithstanding any other provision of these Guidelines, no Property is eligible to receive more than \$300,000 in Program support—Projects requesting support beyond that amount must coordinate entering a *Development Funding Agreement* with the Agency by contacting the Administrator to discuss eligibility, Project requirements, and additional Application procedures.

Program Participation Requirements

1. **Investment Readiness.** Agency may request a title report on the Property subject to City Attorney review. Agency may deny Grant funding based on the title report and/or the number of liens on the property. Grant recipients are required to complete a Form W-9 as a vendor of the City/Agency and are fully responsible for all taxes associated with the Grant.
2. **Restriction Period.** As a condition to receiving Program funds, Projects must continue to satisfy the eligibility requirements contained in these Guidelines, including continuing to be an Eligible Project for a period of 15 years, commencing on the date the final disbursement of Program funds occurs (**Restricted Period**).
3. **Program Documents.** In addition to any other conditions identified under these Guidelines, an Applicant must enter into and sign all then-applicable Program Documents as a condition to receiving any Program funds. Program Documents will contain terms and conditions acceptable to Agency, including: (i) disbursement procedures; (ii) conditions to disbursement of Program funds; (iii) timeframe within which funds must be expended; and (iv) Security Documents, including restrictive covenants and conditions (including deed restrictions) Agency determines necessary or appropriate to ensure the continued eligibility of the Eligible Project in accordance with these

Guidelines. Program Documents will contain terms and conditions Agency determines necessary or appropriate. The Recipient must timely pay and perform all Recipient obligations under the Program Documents.

4. **Security.** If Agency deems necessary or appropriate, a Recipient's obligations to Agency under the Program Documents may be secured and/or evidenced by such trust deeds, security agreements, assignments, Uniform Commercial Code financing statements, certificates of title, subordination agreements, guaranties, and all other documents and/or instruments Agency may request and/or require from time to time (in form and substance acceptable to Agency) to grant, preserve, protect, perfect, and ensure the Recipient's performance of its obligations under the Program Documents (**Security Documents**).
5. **Certification.** During the Restricted Period, the Recipient will maintain such documentation and information necessary to demonstrate the subject Project satisfies and continues to satisfy the eligibility requirements identified under these Guidelines. For all Projects, the Recipient will certify to Agency, in form and content satisfactory to Agency, the Project meets the eligibility requirements upon transfer, including any sale, conveyance, exchange, gift, lease (excepting a tenant lease in the ordinary course), encumbrance, and/or foreclosure of an encumbrance, regardless of whether occurring voluntarily or involuntarily, by operation of law, or because of any act or occurrence of the Project and on or before January 1 of each year during the Restricted Period.
6. **Property Tax Abatement and/or Credit Restriction.** Except in the case of certain developments abated or subsidized by The Dalles Vertical Housing Development Zone or otherwise as expressly authorized by the Agency Board, Projects pursuing Program funding upon real property subject to any tax abatements reducing its assessed market value (including, without limitation, tax credits, property-related subsidies, or any other tax exemption) are ineligible to receive Program funds, including Projects pursuing Low Income Housing Tax Credits and/or abatements relating to non-profit or other tax-exempt status occupancy. For all other types of Projects, properties funded with Program funds may not also receive such tax abatements reducing their assessed market value for the duration of the Restricted Period, and such receipt will result in immediate disqualification and repayment under these Guidelines.
7. **Project Completion and Final Report.** Recipient will complete (or cause to be completed) the Eligible Project expeditiously and in a timely and good workmanlike manner. The Eligible Project will be completed in compliance with all applicable federal, state, and local laws, regulations, and ordinances. Within 30 days after Project completion, the Recipient will provide a final report, in form and content acceptable to Agency, identifying Project expenditures, outcomes, and such other information requested by Agency to verify compliance with these Guidelines.

General Conditions

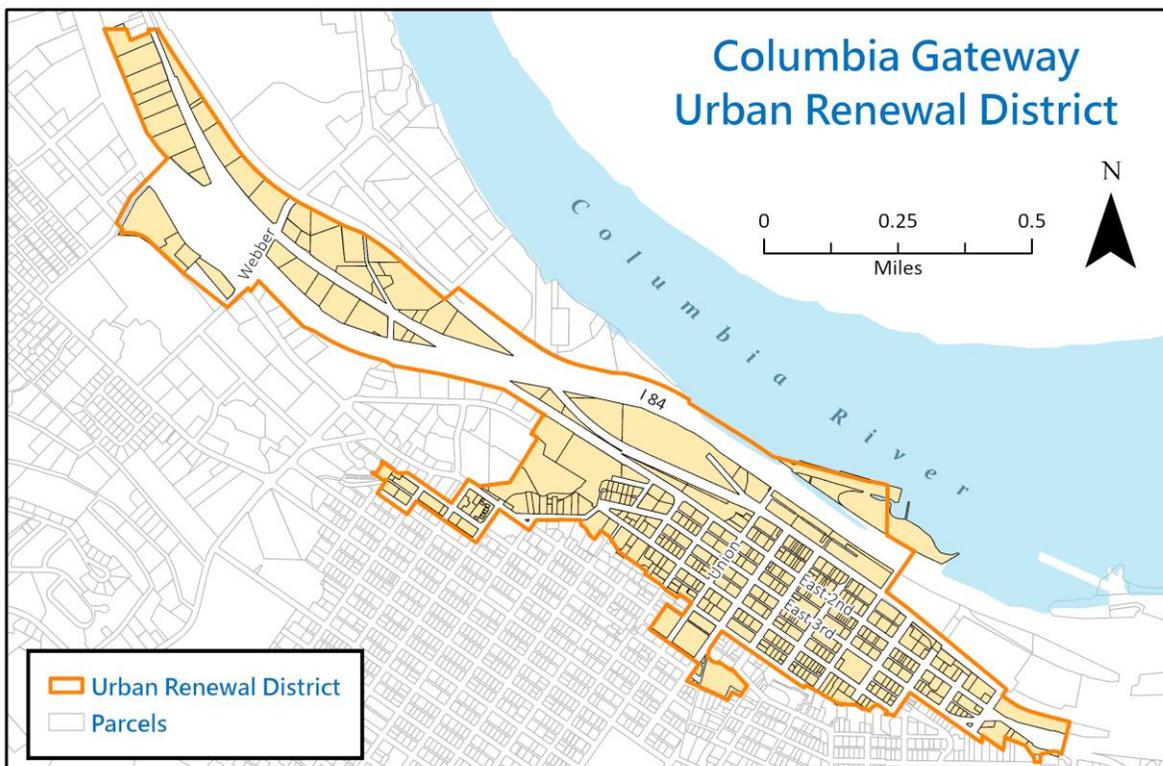
1. **Agency's Commitment.** Agency Staff are committed to facilitating high-quality reinvestments in the Area by providing customer service and partnership with the development community. We welcome inquiries and can offer information and insights on elements of a successful Application.
2. **Conflicts of Interest.** Applicants are required to disclose any actual or potential conflicts of interest their participation in the Program may create with Agency, City, Wasco County, Northern Wasco County Parks and Recreation District, Port of The Dalles, and Mid-Columbia Fire and Rescue District public officials. Such disclosure is required at the time of Application submission or when the conflict arises, whichever earlier.
3. **Required Compliance.** Projects must comply with any related property taxation and assessment laws and regulations and the City's zoning, design standards, land use and development ordinance, historic review (as applicable), and municipal code requirements.
4. **Disqualification.** If, during the Restricted Period, a Project ceases to qualify as an Eligible Project, the Recipient will repay either all or an amortized amount (in the Agency Board's sole discretion) Program funds disbursed to Recipient by Agency immediately upon Agency's demand, plus interest at the statutory interest rate on a judgment from the date of disbursement.
5. **Denial, Repayment, and Appeal.**
 - (a) ***Grounds for Denial.*** Agency may deny an Application for Program funds due to: (i) the Application is incomplete and/or fails to meet the requirements under these Guidelines; (ii) fraud, misrepresentation, and/or false statement(s) contained in the Application, willful withholding of information, and/or incomplete disclosure concerning any matter required to be furnished in connection with the subject Application; (iii) failure to satisfy the eligibility requirements under these Guidelines, including disqualification; (iv) failure to comply with any applicable federal, state, and/or local laws, regulations, and/or ordinances, and/or any agreement with Agency; or (v) any other reason determined by the Administrator or Agency Board as not reasonably in the Agency's interest to support.
 - (b) ***Remedies.*** In addition to any other remedy available to Agency, Agency reserves the right to demand immediate repayment of all Program funds (or any portion thereof) disbursed if the Recipient violates the provisions of these Guidelines and/or any Program Documents. The remedies provided here are not exclusive and will not prevent Agency from exercising any other rights and/or remedies available. Agency will be entitled to collect from any Recipient violating and/or otherwise failing to comply with these Guidelines and/or Program Documents Agency's attorney fees and all other fees, costs, and expenses incurred by Agency to carry out these Guidelines.
6. **Appeal.** Any Applicant may appeal to the Agency the Administrator's decision to deny grant funding if (i) the Application is deemed complete, (ii) the Administrator denies (in whole or in part) the requested grant funds, and (iii) the appeal is filed in writing with the Administrator within 10 days of the denial. The Administrator will submit the appeal to the Agency Board at its then-next regular meeting and the Agency Board will review the Application *de novo* but the Administrator

will present a Staff Report with the basis for the Administrator's denial of the Application. The Agency Board's decision (on appeal or otherwise) is Agency's final decision.

7. **Interpretation.** All pronouns contained in this Resolution and any variations thereof will be deemed to refer to the masculine, feminine, or neutral, singular or plural, as the identity of the parties may require. The singular includes the plural and the plural includes the singular. The word *or* is not exclusive. The words *include*, *includes*, and *including* are not limiting. Any reference to the Plan, these Guidelines, or a particular law, statute, rule, regulation, code, or ordinance includes the law, statute, rule, regulation, code, or ordinance as now in force and hereafter amended. The Plan will control if a conflict between these Guidelines and the Plan occurs.
8. **Amendment, Severability, and Errors.** These Guidelines amend, replace, and supersede all previous iterations of these Guidelines in their entirety, and supersede and replace all ordinances, resolutions, and/or policies in conflict with these Guidelines. The provisions of this Guidelines are severable. If any section, subsection, sentence, clause, and/or portion of these Guidelines is for any reason held invalid, unenforceable, and/or unconstitutional, such invalid, unenforceable, and/or unconstitutional section, subsection, sentence, clause, and/or portion will (i) yield to a construction permitting enforcement to the maximum extent permitted by applicable law and (ii) not affect the validity, enforceability, and/or constitutionality of the remaining portion of these Guidelines. These Guidelines will be in full force and effect from and after its approval and adoption.

Area Map

Only properties within the Columbia Gateway/Downtown Urban Renewal Area are eligible for consideration.



Summary of Key Changes – Urban Renewal Incentive Program

1. Program Structure Updates

- Merged Commercial and Mixed-Use categories into a single Commercial Redevelopment Grant track.
- Introduced two distinct funding tools:
 - - Commercial Redevelopment Grant (up to \$300,000 per property)
 - - Residential SDC Surety (up to \$10,000 per new housing unit)
- Funding tools may be accessed independently or in combination.

2. Matching Fund Requirements

- 50% match required for Commercial-only projects.
- 40% match permitted for Mixed-Use projects that add at least one new housing unit.
- Public funds may count toward the match if no more than 80% of total project cost is from public sources.
- City of The Dalles funds may not be used as match.

3. Funding Caps and DFA Requirement

- \$300,000 cap per property for cumulative Program funding.
- Projects requesting more than \$300,000 must enter into a Development Funding Agreement (DFA) with the Agency.
- DFA process requires coordination with the Administrator and includes:

4. SDC Surety (Residential Incentive)

- SDC support provided as a surety paid directly to local agencies on the applicant's behalf.
- Capped at \$10,000 per new residential unit (or actual SDC cost, whichever is less).
- Payment triggered by:
 - - Building permit issuance, and
 - - Agency verification of full project funding

5. Eligible and Ineligible Uses Clarified

- HVAC, fire suppression, roofing, and flooring are eligible only if part of a broader renovation project.
- Roofing capped at \$25,000 per structure.
- Flooring removal is eligible only when required for hazardous material abatement (e.g., asbestos).
- Flooring installation (new flooring) is now explicitly ineligible, even when tied to other work.
- Design or engineering work is eligible only with demonstrated full project funding and intent to construct.

- Ineligible uses include: maintenance, like-for-like replacements, furniture or equipment, flooring installation, and standalone landscaping or painting (unless part of façade).

6. Application and Review Process

- \$50,000 or less: Administrative approval by the Administrator.
- Over \$50,000: Requires Agency Board approval.
- Cumulative awards over \$50,000: All future applications must be reviewed by the Board.
- Projects over \$100,000 must include a Public Benefit Statement.

7. Funding Disbursement and Security

- Funds disbursed after award and execution of all Program Documents.
- Early disbursements permitted case-by-case for upfront costs if justified, secured, and approved by the Agency.
- Agency may require security instruments (e.g., trust deeds, liens) to protect public funds.

8. Participation Requirements

- 15-year restriction period during which project must maintain eligibility.
- Annual certification required to demonstrate continued compliance.
- Projects receiving tax abatements (except for VHDZ or Board-authorized exceptions) are not eligible and must repay funds if found in violation.
- Final project report required within 30 days of completion.
- Conflicts of Interest. Applicants are required to disclose any actual or potential conflicts of interest submission or when the conflict arises, whichever earlier.

9. Enforcement, Appeal, and Legal Framework

- Agency may deny, reduce, or condition funding based on: incomplete or noncompliant applications, conflicts of interest, or misrepresentation.
- Appeals allowed for Administrator denials if filed within 10 days.
- Repayment with interest required for disqualified or noncompliant projects.
- Full legal framework included for interpretation, severability, and amendment.

RESOLUTION NO. 25-003

**A RESOLUTION AMENDING THE COLUMBIA GATEWAY
URBAN RENEWAL AGENCY INCENTIVE PROGRAM GUIDELINES
(EFFECTIVE May 21, 2025)**

WHEREAS, ORS 457.180 provides the Agency's powers include establishing regulations concerning the repair, rehabilitation, demolition, and removal of buildings and improvements;

WHEREAS, in 2022, the Agency introduced the Urban Renewal Incentive Program (**Program**) to incent redevelopment of the Urban Renewal Area consistent with ORS 457.180 and adopted the Urban Renewal Incentive Program Guidelines (**Guidelines**) to regulate the Program's administration;

WHEREAS, the guidelines were updated by the Agency in Resolution No. 23-002 on April 18, 2023;

WHEREAS, the Guidelines establish the administrative framework for Agency review of applications submitted for projects potentially eligible to receive Program funding and the terms and conditions under which applicants may apply for and receive Program funding for qualified projects; and

WHEREAS, the Agency now desires to amend, replace, and supersede the Guidelines effective upon this Resolution's adoption.

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

1. Amended Guidelines Adopted. The Urban Renewal Incentive Program Guidelines (*Effective May 21, 2025*) attached to and made part of this Resolution as **Exhibit A** are hereby approved and adopted as the Agency's regulations concerning Program funding for the repair, rehabilitation, demolition, and removal of buildings and improvements.
2. Previous Regulations Repealed. All previous or inconsistent Agency regulations concerning Program funding are hereby replaced or repealed.
3. Amendments Applied. The Agency Manager shall apply all changes implemented by Exhibit A to all relevant aspects of the Program and its administration, including the Program's application and form grant agreement.

Continues on next page.

4. Effective Date. This Resolution shall be effective upon adoption.

PASSED AND ADOPTED THIS 20TH DAY OF May, 2025,

Voting Yes Board Members: CORRIEN, HEBE, MCGUTHLIN, RICHARDSON, WELLS
Voting No Board Members: NONE
Abstaining Board Members: NONE
Absent Board Members: LONG, DENDSTEDT, LIUWIK

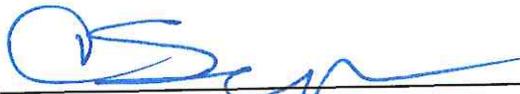
AND APPROVED BY THE CHAIR OF THE BOARD THIS 20TH DAY OF MAY, 2025.

SIGNED:



~~Darcy Long, Chair~~
Dan Richardson, Vice-Chair

ATTEST:



Paula Webb, CDD Secretary
CRYSTAL SAYRE, ADMIN ASSISTANT



AGENDA STAFF REPORT AGENDA LOCATION: 9.A.

MEETING DATE: May 20, 2025

TO: Chair and Members of the Urban Renewal Agency Board

FROM: Jacob Anderson
Economic Development Officer

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

BACKGROUND

The Dalles Mint, LLC (**Applicant**) submitted an application under the Agency's Incentive Program (**Program**) seeking \$300,000 in Program funds to support the continued renovation of its property addressed 710 East 2nd Street and commonly known as the *Mint Building* (**Property**). The proposed work includes interior buildout, tenant improvements, and commercial activation of the Property.

Note: The application (attached to this Staff Report) was submitted on May 6, 2025, which was prior to the Agency Board's adoption of the updated Incentive Program Guidelines (**Guidelines**) at tonight's meeting.

Staff identified some issues for the Agency Board's consideration of this application:

- **Timing of Work:** The application indicates a significant portion of the Applicant's funding request is for reimbursing its costs for work that is already underway or has already been completed. The Guidelines indicate costs for projects that have already started or been completed prior to grant award are ineligible for Program funding.
- **Exceeds Property Cap:** In 2024, the Agency awarded the Applicant \$50,000 from the Program for an earlier phase of eligible expenses on the Property. If the Agency Board fully awards the Applicant's requested Program funds tonight, total Program support for this Property would be \$350,000, which exceeds the newly adopted Guidelines' maximum total award limit of \$300,000 per property.
- **Incomplete Documentation:** The application is missing key items required under the previous Guidelines, including a project schedule, title report, and confirmation of secured match funding.

Due to those issues, Staff does not recommend the Agency award Program funds for this application without additional Agency Board guidance and some conditions for the Applicant to satisfy prior to award. Staff's hesitancy is primarily driven by the application's request for Program support to cover costs that have already been incurred prior award—that practice does not appear consistent with the Guidelines and seems to introduce risk to the Agency's investment under the Program. If the Agency Board would like to consider an exception to its Program's Guidelines for this application, Staff would appreciate specific direction on how to support that consideration for future applications.

If the Agency Board does not decide to grant an exception to its Guidelines for this Application, it can either **(1)** conditionally approve or **(2)** deny the application:

1. Conditional Approval. The Agency Board may condition its approval of the application consistent with the Guidelines to only provide Program support for eligible expenses below the property-specific \$300,000 cap (i.e., up to \$250,000 here). Eligible expenses are listed in the Guidelines and the Program has consistently limited those expenses to those incurred after the Agency and the Applicant enter a grant agreement under the Program. Under this option, Staff would complete a site review and inspection prior to signing the Project Agreement to confirm which expenses are eligible for Program support consistent with the Guidelines. This option would also require the Applicant to submit:
 - a Public Benefit Statement;
 - construction schedule;
 - title report;
 - confirmation of full match funding;
 - a revised funding outline reflecting only future eligible work; and
 - itemized bids for work that has not yet been completed **Note:** For any work already underway but not completed, a separate bid must be provided for only the remaining scope of work and reimbursement will be limited to those documented remaining costs.
2. Full Denial. The Agency Board may fully deny the application due to its noncompliance with core Program criteria, including the ineligibility of previously completed work and the request's excess above the Guidelines' \$300,000 cumulative maximum per property. Under this option, the Agency Board could require the Applicant to submit a new application that meets all of the Guidelines' requirements to avail itself of Program support.

BOARD ALTERNATIVES:

1. **Staff Recommendation: Move to conditionally approve the application and authorize the Agency Manager to execute an Incentive Program Grant Agreement with The Dalles Mint, LLC, consistent with Option 1 and in an amount not to exceed \$250,000, as presented.**
2. Include additional conditions then move to approve the application and authorize the Agency Manager to execute an Incentive Program Grant Agreement with The Dalles Mint, LLC, consistent with Option 1 and in an amount not to exceed \$250,000, as amended.
3. Move to deny The Dalles Mint, LLC's application consistent with Option 2.

4. Grant The Dalles Mint, LLC's application and provide Staff additional direction on how to address future applications that do not meet the Program's Guidelines.

Attachment:

- **Attachment 1** – Urban Renewal Incentive Program Application, 710 East 2nd Street
(included as part of Agenda Item 6.A. of the May 20, 2025 Urban Renewal Agenda Packet)