



*Home of the Tualatin River National Wildlife Refuge*

# **URBAN RENEWAL AGENCY MEETING PACKET**

**FOR**

**Tuesday, April 21, 2009**

**Sherwood City Hall  
22560 SW Pine Street  
Sherwood, Oregon**

**URA Board of Directors Meeting**  
(Following the City Council Meeting at 7:00pm)

**SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS  
MEETING AGENDA**

**Tuesday, April 21, 2009**  
Following the City Council Meeting

City of Sherwood City Hall  
22560 SW Pine Street  
Sherwood, Oregon

**REGULAR URA MEETING**

**1. CALL TO ORDER**

**2. ROLL CALL**

**3. CONSENT AGENDA**

- A. Approval of February 17, 2009 URA Board Meeting Minutes**
- B. URA Resolution 2009-003 Appointing Bob Silverforb to SURPAC**

**4. NEW BUSINESS**

- A. URA Resolution 2009-004 of the Urban Renewal Agency of the City of Sherwood for a Loan to Lucas Development from the URA Financial Assistance Program**

**5. STAFF REPORTS**

**6. ADJOURN**

**SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS  
MEETING MINUTES  
February 17, 2009**

**URA REGULAR BOARD MEETING:**

1. **CALL TO ORDER:** Chair Keith Mays called the meeting to order at 9:50pm.
2. **BOARD PRESENT:** Chair Keith Mays, Board members Dave Heironimus, Linda Henderson, Lee Weislogel, Del Clark and Robyn Folsom. Dave Grant was absent.
3. **STAFF PRESENT:** City Manager Jim Patterson, Police Chief Jeff Groth, Economic Development Manager Tom Nelson, Community Development Director Tom Pessemier, Public Works Director Craig Sheldon, Community Services Director Kristen Switzer and District Recorder Sylvia Murphy.
4. **OTHERS PRESENT:** City Attorney Chris Crean.

Chair Keith Mays addressed the Consent Agenda and asked for a motion.

5. **CONSENT AGENDA:**

**A. Approval of February 3, 2009 URA Board Meeting Minutes**

**MOTION: BOARD MEMBER DAVE HEIRONIMUS MOVED TO ADOPT THE CONSENT AGENDA, SECONDED BY MR. LEE WEISLOGEL, ALL PRESENT MEMBERS VOTED IN FAVOR.**

Chair Keith Mays addressed the next agenda item.

6. **BUSINESS CARRIED FORWARD:**

**A. URA Resolution 2009-001 approving a Sherwood Chamber Recovery Plan**

Tom Nelson, Economic Development Manager came forward as well as Chamber President Stephanie Adams. Tom Nelson stated this resolution was continued from the previous URA Board meeting. Tom informed the Board he included additional information to the staff report to address questions brought forward by the Board. Tom stated Chamber Board members are present this evening if the URA Board wishes to ask questions of the Chamber. Tom informed the Board that the Chamber is asking for \$10,000 and stated SURPAC has requested the recommendation be brought to the URA Board, the funds would be paid as \$5000 now and \$5000 in May. Tom stated he is also asking for further guidance in assisting the Chamber in their economic recovery and said several months ago before this request came forward he was leaning towards trying to assist the Chamber with bringing in a consultant to help them with strategic planning and hopes we can provide assistance with this as well.

Chair Mays stated there was a meeting of the Chamber membership since the last URA Board meeting and Chair Mays asked Stephanie Adams to report on how the meeting went.

Stephanie stated the meeting held at the Tri County Gun Club went very well with 42 members in attendance and some non-members. A lot of questions were asked and concerns were voiced.

Chair Mays stated he read the minutes from that meeting and asked Stephanie if the request for support is the same today as it was prior to their meeting.

Stephanie replied at this point they are in a better situation than they were a month ago and believes they need more time to look at everything. Their biggest hurdle at this time is interviewing for an event planner to take over and help plan Cruis'in, and she is expecting to receive a bid from them tomorrow. Stephanie stated she believes they are going to request money upfront to fund their services and this is the only thing that concerns her as she doesn't know if they will be able to fund this. She would like to take a few weeks and look everything over and does not want the Board to make a decision tonight.

Mr. Heironimus asked if the event planner was charging a flat fee and what was the bid. Stephanie stated it is a flat fee and she hasn't received the bid yet.

Chair Mays stated he is thrilled with the turnout at the Chamber Board meeting and the positive feedback that was received and stated the URA Board supports continuing this business to their next meeting in two weeks.

Chair Mays asked for Board member questions.

Mr. Weislogel asked "I see in your assets, you listed a Washington Mutual CD, what is the maturity date on this?" Stephanie replied it has been depleted.

Ms. Folsom replied so this is not an updated balance sheet. Stephanie replied no.

Tom replied this is what was submitted at the SURPAC meeting a month ago.

Ms. Folsom asked why is it necessary to have all these accounts at three different banks. Stephanie replied, she did not know why and they now have 1 checking account and they have one other account with very little funds and they plan on closing this account.

Mr. Heironimus asked if they have a proposed budget for the rest of this year. Stephanie replied they are working on it. Mr. Heironimus asked if it would be available in two weeks and Stephanie replied perhaps and they could be very close to having it.

Ms. Folsom asked what is the hope for hiring the event planner? Is it that they would continue the size and scope of Cruis'in, but you don't think the staff person you currently have could manage this. Stephanie replied, no and our intent is to hopefully increase revenue and make the event bigger and better and hopefully add more value to the event and believes with the volunteer base currently in place, they don't have the time to put it all together as this is one of their biggest money makers besides memberships.

Ms. Folsom asked so currently you have one staff person in the office. Stephanie replied yes. Ms. Folsom thanked Stephanie for all they are doing and volunteering their time.

Ms. Henderson asked if they will have updated financials in two weeks. Stephanie replied yes.

Mr. Weislogel asked and you'll have more on the business advocacy dimension. Stephanie replied, yes, we hope to develop this.

Chair Mays thanked Stephanie and the Board members for staying for the late meeting and carrying the load of the Chamber.

Chair Mays stated with the Boards support, he moves to:

**MOTION: CONTINUE URA RESOLUTION 2009-001 TO THE MARCH 3, 2009 BOARD MEETING, SECONDED BY MR. HEIRONIMUS, ALL MEMBERS PRESENT VOTED IN FAVOR.**

Tom Nelson asked in regards to bringing in a consultant, it's a timely issue to retain him and make travel arrangements and clarified the Boards comments of moving in this direction.

Chair Mays stated he is supportive of this and would defer too Jim' (City Manager Patterson) discretion and stated he has the authority in the City and the district.

Mr. Heironimus asked now verses next month. Tom Nelson replied the consultant is asking to come next week to do some reconnaissance and again in March to meet with the Board, somewhere around March 11-13 as it takes planning.

Mr. Weislogel commented, the sooner the better? Tom replied if we are going to help them go in a new direction we need to have someone working on it right now.

Ms. Folsom stated, what she is hearing is the Chamber would likely not be able to cover the cost of the event planner and would probably need us to step in and do this to make it happen, is this correct. Stephanie replied for the event planner. Ms. Folsom asked could this be paid back out of the Cruis'in money.

*District Recorder note: The District Recorder was unable to determine the reply from the meeting audio tape.*

Ms. Henderson asked what's the cost of the consultant? Tom replied a \$1500 consultant fee plus travel. Ms. Henderson replied for each time he comes? Tom replied, no. His first trip is on his own time and \$1500 for the 2 ½ days he'll be here. Is there a reason we are hiring that consultant? Tom replied because he has 30 years of experience in working with Chambers. Ms. Henderson confirmed he is from out of state, Tom replied yes.

Chair Mays stated again unless there is an objection he would defer this to Tom Nelson or to the City Manager.

City Manager Patterson commented regardless of the Chamber's financial situation had they been flush with cash verses in the position that they are in, the training in and of itself is valuable moving forward for a new Chamber and he will talk with Tom Nelson about this and appreciates the Chair allowing the flexibility to make that decision and believes it's a wise investment. Mr. Patterson informed the Board that he also attended the Chamber meeting at the gun club and he believes we need to honor the efforts of the volunteers.

Chair Mays addressed the next agenda item.

- 7. **STAFF REPORTS:** No reports were given.
- 8. **ADJOURNED:** Chair Keith Mays adjourned the URA Board meeting at 10:05pm.

Submitted by:

Approved:

\_\_\_\_\_  
Sylvia Murphy, District Recorder

\_\_\_\_\_  
Keith S. Mays, Chairman



**URA RESOLUTION 2009-003**

**A RESOLUTION APPOINTING BOB SILVERFORB TO SHERWOOD URBAN RENEWAL PLANNING ADVISORY COMMITTEE (SURPAC)**

**WHEREAS**, Mr. Bob Silverforb has requested appointment to SURPAC; and

**WHEREAS**, Board Chair Cam Durrell and Council Liaison Del Clark have recommended the appointment of Mr. Silverforb.

**NOW, THEREFORE, THE URA BOARD OF DIRECTORS RESOLVES AS FOLLOWS:**

Section 1. Bob Silverforb is hereby appointed to SURPAC for a two year term ending March 31, 2011.

Duly passed by the URA Board of Directors this 21st day of April 2009

\_\_\_\_\_  
Keith S. Mays, Board Chairman

ATTEST:

\_\_\_\_\_  
Sylvia Murphy, District Recorder

**To:** Sherwood Urban Renewal Agency Board of Directors

**From:** Tom Nelson, Economic Development Manager

**Date:** April 21, 2009

**SUBJECT: Financial Assistance Program Request – Habibi’s Restaurant / Lucas Development**

**Issue**

Should the URA provide Financial Assistance through its recently adopted Financial Assistance Program to assist Habibi’s Restaurant / Lucas Development?

**Background**

At its February 3, 2009 URA Board Meeting, the board approved a Financial Assistance Program that would assist developers in gaining occupancy for their tenants. Lucas Development has approached the URA to gain assistance in completing its project for Habibi’s Restaurant. (Request is attached)

As directed by the URA Board, this request was taken to SURPAC and at its last meeting on March 18, 2009, received unanimous support. The terms of the requested award is attached.

**Recommendation:** Staff recommends that the URA Board adopt the attached resolution authorizing the Urban Renewal Manager to execute the necessary documents to provide the requested financial assistance to Lucas Development for the completion of occupancy for Habibi’s Restaurant.

**Actions Needed:** Adopt URA Resolution 2009-004.



**URA RESOLUTION 2009-004**

**A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF SHERWOOD FOR A LOAN TO LUCAS DEVELOPMENT FROM THE URA FINANCIAL ASSISTANCE PROGRAM**

**WHEREAS**, the Urban Renewal Agency of the City of Sherwood ("Agency"), as the duly designated Urban Renewal Agency for the City of Sherwood, Oregon ("City"), is undertaking to carry out The Sherwood Urban Renewal Plan ("Plan") which Plan was approved by the City Council of the City ("Council") on August 29, 2000 by Ordinance No. 2000-1098; and

**WHEREAS**, the Plan's goals and objectives include the elimination of blighting influences and the promotion of private development found in the Renewal Area, as defined in the Plan; and

**WHEREAS**, Section 501 of the Plan states that *"Redevelopment through new construction may be achieved by public or private property owners, with or without financial assistance by the Renewal Agency. To encourage redevelopment through new construction, the Renewal Agency is authorized to set guidelines, establish loan programs and provide below-market interest rate and market rate loans and provide such other forms of financial assistance to property owners and those desiring to acquire and redevelop property, as it may deem appropriate in order to achieve the objectives of this Plan"*; and

**WHEREAS**, In the current economic climate, some developments are being delayed due to a tightening of necessary capital, as well as a downturn in tenant demand; and

**WHEREAS**, the City and URA will benefit when developments are completed and placed on the tax rolls;

**WHEREAS**, the URA established a Financial Assistance Program for this purpose on February 3, 2009;

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE SHERWOOD URBAN RENEWAL AGENCY:**

Section 1. The Agency authorizes the Urban Renewal Manager to execute the necessary documents to provide the requested financial assistance to Lucas Development for the completion of occupancy for Habibi's Restaurant.

Section 2. This Resolution shall be effective from and after its adoption by the Agency Board.

**Duly passed by the Urban Renewal Agency Board this 21st day of April 2009.**

\_\_\_\_\_  
Keith S. Mays, Board Chairman

ATTEST:

\_\_\_\_\_  
Sylvia Murphy, District Recorder



LUCAS DEVELOPMENT COMPANY  
RESIDENTIAL - COMMERCIAL

March 3, 2009

City of Sherwood  
Tom Nelson, Economic Development Manager  
22560 SW Pine Street  
Sherwood, OR 97140

Dear Tom,

We have a signed lease with option to purchase with Mazen Khoury of Habibi Restuarant. Habibi has a current location at 1012 SW Morrison Street in Portland and serves fantastic Syrian-Lebanese food. They make fresh – homemade pita bread daily, great pizza, chicken, lamb, etc at prices families can easily afford. They plan to open a second location in Old Town Sherwood in the Old Town Lofts building. We will have a total of 6 full time and 8 part time employees for Habibi Sherwood.

We have full architectural drawings that have been approved by the Sherwood building department. We have paid the for the Tenant Improvement permit (#CBLD4310), the mechanical permit for the Hood Vent (#MECH4262), and the Fire Suppression (#FIRE4277). We are unable at this time to fund the additional System Development Charges for the restaurant. We previously paid for building and SDC fees for the building and had the space on the ground floor as "General Office" as we did not know who the tenant would be. **The additional SDC fees needed to start the restaurant are \$31,988.45.**

We have a signed construction contract with Evergreen Pacific to do the tenant improvements in the amount of \$95,614 but lack the funding to pay for the additional SDC fees in order to start the construction.

If we are able to secure short term funding from the URA as a six month loan we will be able to immediately start the construction of the tenant improvements needed to open the restaurant. We hereby request your assistance in securing a short term URA loan for Habibi Restaurant.

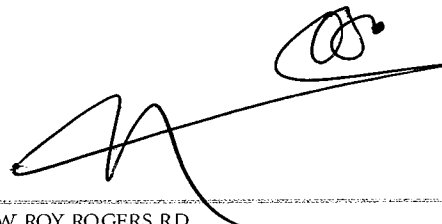
Sincerely,

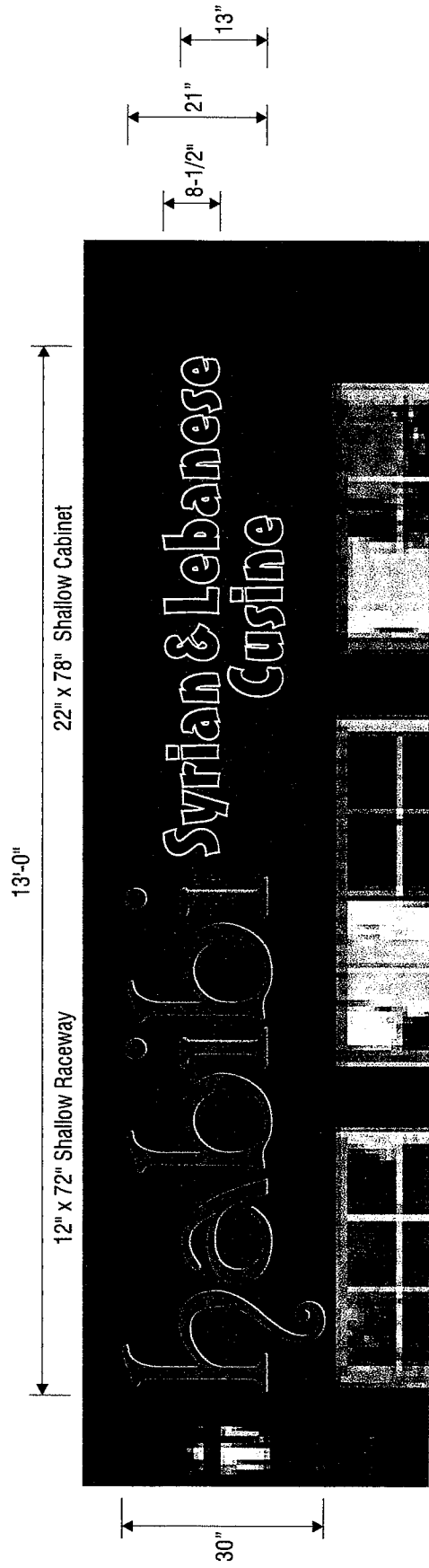


J. Patrick Lucas  
Lucas Development Company, LLC

Mazen Khoury  
Habibi Restaurant

(503) 704-1644  
(503) 274-0628



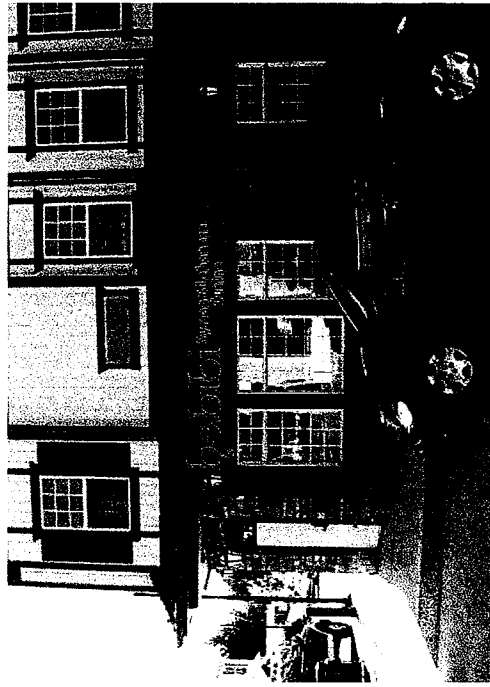


**Single Face Illuminated Channel Letters on Low Profile Raceway Two(2) Sets Required Scale 1/2" = 1'-0"**

Custom Fabricated Aluminum Med Bronze Channel Letters with Green Acrylic faces with bright Gold Trim-Cap Illumination with White LED Mount Letters on Low Profile Aluminum Raceway Painted to Match Stone Wall Surface

**Single Face Low Profile Cabinet with Push Thru Letters**

Custom Fabricated Low Profile Cabinet with Routed Out Letters and LED Lighting - Painted to Match Stone wall surface Push Thru Letters - 1/2" Custom Routed Clear Acrylic - White Edge with Red Letter Graphics



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11909  
 DESIGN NUMBER  
 Habibi Restaurant  
 CUSTOMER NAME  
 11909 Habibi.cdr  
 FILE NAME

1,27.09  
 DATE  
 Larry Azeltine  
 SALESPERSON

David Jones  
 DRAWN BY  
 REVISIONS

Approved with changes noted  
 Approved  
 CUSTOMER SIGNATURE  
 DATE  
 LANDLORD SIGNATURE  
 DATE

Business Name:

**habibi**

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## Financial Assistance Program Request

**Applicant:** Lucas Development Company / Habibi Restaurant

**Address:** 20512 SW Roy Rogers Rd.  
Sherwood, OR 97140

**Amount:** \$31,988.45

**Terms:** No interest and Balance due in 6 months from award date

**Purpose:** To pay system development charges owed to the City of Sherwood necessary for tenant improvements on property known as Old Town Lofts in Washington County, Oregon known as Lots 7, and 8, Block 5 in the Town of Sherwood in the City of Sherwood, County of Washington and State of Oregon.

**Authority:**

The Urban Renewal Plan, Section 501, authorizes the Urban Renewal Agency *“to set guidelines, establish loan programs and provide below-market interest rate and market rate loans and provide such other forms of financial assistance to property owners and those desiring to acquire and redevelop property, as it may deem appropriate in order to achieve the objectives of the Plan.”*

The Urban Renewal Board adopted Resolution 2009-02, approving the Financial Assistance Plan, and requests SURPAC review and recommendation.

**Security:** A Promissory Note and Deed of Trust and Assignment of Rents  
The City Attorney, Heather Martin, has affirmed that sufficient security has been pledged for this loan.

**Approved:** \_\_\_\_\_  
Jim Patterson, Urban Renewal Manager

# Approved Minutes

**SHERWOOD URBAN RENEWAL AGENCY BOARD OF DIRECTORS  
MEETING MINUTES  
April 21, 2009**

**URA REGULAR BOARD MEETING:**

1. **CALL TO ORDER:** Chair Keith Mays called the meeting to order at 10:08pm.
2. **BOARD PRESENT:** Chair Keith Mays, Board members Dave Heironimus, Dave Grant, Linda Henderson, Lee Weislogel, Del Clark and Robyn Folsom.
3. **STAFF PRESENT:** City Manager Jim Patterson, Police Chief Jeff Groth, Community Development Director Tom Pessemier and District Recorder Sylvia Murphy.

Chair Keith Mays addressed the Consent Agenda and asked for a motion.

4. **CONSENT AGENDA:**

- A. **Approval of February 3, 2009 URA Board Meeting Minutes**
- B. **URA Resolution 2009-003 Appointing Bob Silverforb to SURPAC**

**MOTION: BOARD MEMBER DAVE HEIRONIMUS MOVED TO ADOPT THE CONSENT AGENDA, SECONDED BY MR. LEE WEISLOGEL, ALL PRESENT MEMBERS VOTED IN FAVOR.**

Chair Keith Mays addressed the next agenda item.

5. **NEW BUSINESS:**

- A. **URA Resolution 2009-004 of the Urban Renewal Agency of the City of Sherwood for a Loan to Lucas Development from the URA Financial Assistance Program**

Tom Pessemier Community Development Director came forward filling in for Tom Nelson Economic Development Manager. Tom Pessemier explained the URA recently adopted a Loan Program and the City has received a request for financial assistance from Lucas Development for Habibi Restaurant in the amount of \$31,988.45 to get their business started and pay for transportation system development charges. Tom explained this business will be going into the same building as a previous request for assistance. Tom stated securities would be put in place with the payback due in six months from the time the loan was made and there would be a promissory note that would be signed and a deed of trust.

City Manger Patterson replied this was also presented to SURPAC and it received unanimous support for recommendation.

Chair Mays replied this is the second assistance request in this program and this business is in the same building but in a different area. Tom replied that is correct. Chair Mays stated he has a bit of a concern with it being the second request in the same building and said this should be for an entire building and not parts of. He stated he would be willing to support it knowing it received unanimous support from SURPAC, but going forward he has concerns about repeating this.

Chair Mays stated we are 2-3 months into the first loan and asked if we have received any payments on it. Tom replied he believes the loan is not payable for 6 months.

City Manager Patterson stated it's a loan that is due and payable after 6 months. This request is consistent with the first assistance request that was approved and the information the Board is providing in terms of feedback on whether we want to do this in the future on a piece by piece bases or on a building bases is something we will want to make an adjustment too.

Mr. Clark asked when a building goes through a permit process is there a minimal level of SDC's fees for accessing such that these request that come in are because of a heighten use or a changed use?

Tom Pessemier replied in this particular case that is correct. When the building came in it was not what the tenants would be, there was a level of system development charges that were in place on the building and since it is now a restaurant it will have a higher trip allocation. This dollar amount is to cover that larger trip allocation, so the business can essentially get started as was designed in the loan program.

Ms. Henderson replied she concurs with Chair Mays as this was a \$250,000 program of which one developer has received two loans from. Basically instead of helping 5, 6 or 7 businesses we may only be helping 3 or 4 and maybe he is the first person to respond to the program. Ms. Henderson stated she did not know it was going to work this way.

City Manager Patterson replied the reason the program was put before the Boards consideration, there was discussion about how we were able to assist either developers or business owners to get people into a building where we could get employees to work. In this case I believe there are 6 full time employees and 8 part time employees. As a part of our economic stimulus, I certainly think the decision you made the first go round was appropriate. I know we are promoting this program and understand the concern that has been raised by the Board and staff will address this and I will speak with Tom Nelson about needed changes.

Mr. Grant stated as long as they continue to pay it back, he was ok with loaning the same party the money as long as it was a success in bringing in employment.

City Manager Patterson replied we'll see how it works and we will feel much better when we receive the first payment on the first loan.

Chair Mays asked for other board comments. With none heard he asked for a motion.


**MOTION: MR. DAVE GRANT MOVED TO APPROVE URA RESOLUTION 2009-004, SECONDED BY MR. DAVE HEIRONIMUS. ALL PRESENT MEMBERS VOTED IN FAVOR.**

6. **ADJOURNED:** Chair Keith Mays adjourned the URA Board meeting at 10:15pm.

Submitted by:

  
Sylvia Murphy, District Recorder

Approved:

  
Keith S. Mays, Chairman  
DAVE HEIRONIMUS, BOARD MEMBER