



CITY OF MCMINNVILLE
PLANNING DEPARTMENT
231 NE FIFTH STREET
MCMINNVILLE, OR 97128
503-434-7311

www.mcminnvilleoregon.gov

MCMINNVILLE URBAN RENEWAL ADVISORY COMMITTEE
Community Development Center, 231 NE 5th Street
Wednesday, December 7, 2016
4:00 PM

COMMITTEE MEMBERS

Walt Gowell
Chair

Kyle Faulk

Ed Gormley

Kelly McDonald

Cassie Sollars

Wendy Stassens

Marilyn Worrix

Kem Carr
Ex-Officio

Scott Hill
Ex-Officio

Rebecca Quandt
Ex-Officio

ITEM

CALL TO ORDER / INTRODUCTIONS

ACTION ITEMS

Façade Improvement Grants

- Payment Approval – 313 – 325 NE 3rd Street (*Exhibit 1*)

DISCUSSION ITEMS

Alpine Avenue Update (*Exhibit 2*)

Loan and Grant Program (*Exhibit 3*)

3rd Street Improvement Project (*Exhibit 4*)

CITIZEN COMMENTS

COMMITTEE MEMBER COMMENTS

STAFF COMMENTS

ADJOURN

NEXT MEETING: January 4, 2016

*Please note that these documents are also available on the City's website www.mcminnvilleoregon.gov; click on Government, click on Boards and Commissions, click on McMinnville Urban Renewal Advisory Committee. You may also request a copy from the Planning Department at the Community Development Center, 231 NE 5th Street, 503-434-7311.



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EXHIBIT 1 - STAFF REPORT

DATE: December 7, 2016
TO: McMinnville Urban Renewal Advisory Committee Members
FROM: Heather Richards, Planning Director
SUBJECT: Façade Improvement Grant – 313 – 325 NE 3rd Street

Report in Brief:

This is the consideration of a façade improvement grant payment for 2nd floor windows of the Grand Ballroom at 313-325 NE 3rd Street.

Background:

The applicant originally applied for the façade improvement grant on July 26, 2016. It was considered and approved at the August 3, 2016 McMinnville Urban Renewal Advisory Committee (MURAC) meeting. The request was for \$2500 for a \$9500 total project.

Discussion:

The applicant has submitted their invoice, proof of payment and pictures of the work completed.

Fiscal Impact:

\$2500 from the Façade Improvement Grant project.

Action / Recommended Motion:

"I move to approve payment of \$2500 to TKLD Properties LLC for the façade improvement grant at 313-325 NE 3rd Street."

Attachments
Original Application
Pictures of Improvement
Proof of Payment
Conditions of Approval



McMinnville Urban Renewal Agency
c/o Planning Department
231 NE Fifth Street • McMinnville, OR 97128
(503) 434-7311 Office • (503) 474-4955 Fax
www.ci.mcminnville.or.us

Office Use Only:
File No. FIG 4-16
Date Received 7/26/16
Received by SP

Façade Improvement Grant Application

Applicant Information

Applicant is: Property Owner Contract Buyer Option Holder Agent Other _____

Applicant Name TKHD Properties LLC Phone 503-539-9102

Contact Name Dudley Slater Phone _____
(If different than above)

Address 309 NE 3rd St. Suite A

City, State, Zip McMinnville, OR 97128

Contact Email dudley.slater@integra.net

Property Owner Information (same as above)

Property Owner Name _____ Phone _____
(If different than above)

Contact Name _____ Phone _____

Address _____

City, State, Zip _____

Contact Email _____

Site Location and Description

(If metes and bounds description, indicate on separate sheet)

Business Name Campbell Building / Grand Ballroom Building

Property Address 313-325 NE 3rd St.

Assessor Map No. R4 421 - BC - 06500

Project Information

Estimated Project Start Date: 8/15/16 Estimated Project Completion Date: 8/30/16

Grant Amount Requested (no more than \$2,500): \$ 2,500-
 Applicant Matching Funds: \$ 7,000-
 Total Project Costs: \$ 9,500-

Note: The total grant amount requested should equal or exceed the matching funds total.

Project Budget

Attach documentation for costs such as contractor's bids or detailed estimate for materials and labor costs. (Attach additional sheets as needed)

Contractor bid provided via text message

Labor	Materials	Purpose (i.e. painting, awning, repair)	Estimated Cost
	Beam, Moisture	2nd floor window trim, framing for 13th room windows	\$ 3,000-
	Wood, paint	replace dry rot & paint	\$ 2,500-
Contractor crew			\$ 4,000-
			\$
			\$
			\$
			\$
			\$
Total Project Costs:			\$ 9,500-

Description of Project/Use of Funds

Describe below all proposed improvements included in your project to include a summary of the building's current condition, areas to be improved and how, as well as any proposed materials or colors. Please enclose pictures, drawings, as necessary to help describe the work. (Attach additional sheets as needed)

The wood trim and framing around the second floor Ballroom windows has dry-rot and needs to be replaced. This project will fund the materials and labor to complete the job. This is necessary to restore this historic building and its facade to original condition.

In addition to this completed application, the applicant must provide the following:

- Digital photographs of the existing building façade.
- Photos, plans, and/or sketches of the proposed improvements
- Quotes, fee proposal, and any other information that supports the proposed budget.

I agree to comply with the guidelines and standards of the McMinnville Urban Renewal Agency's Façade Improvement Grant Program and I understand that this is a voluntary program, under which the City has the right to approve or deny any project or proposal or portions thereof.


Applicant Signature

Dudley Slater
Print Name

7/21/16
Date

Owner (if different) Signature

Print Name

Date

Antinio Cruz

Construction/ Restoration Bid

Property: Campbell Building/ Grand Ballroom Building

Project: Replace dry-rot and paint around the second floor windows

Total Cost: \$9,500

Cost components:

- Boom/ hoist rental \$3,000
- Materials \$2,500
- Labor \$4,000

Total Cost \$9,500

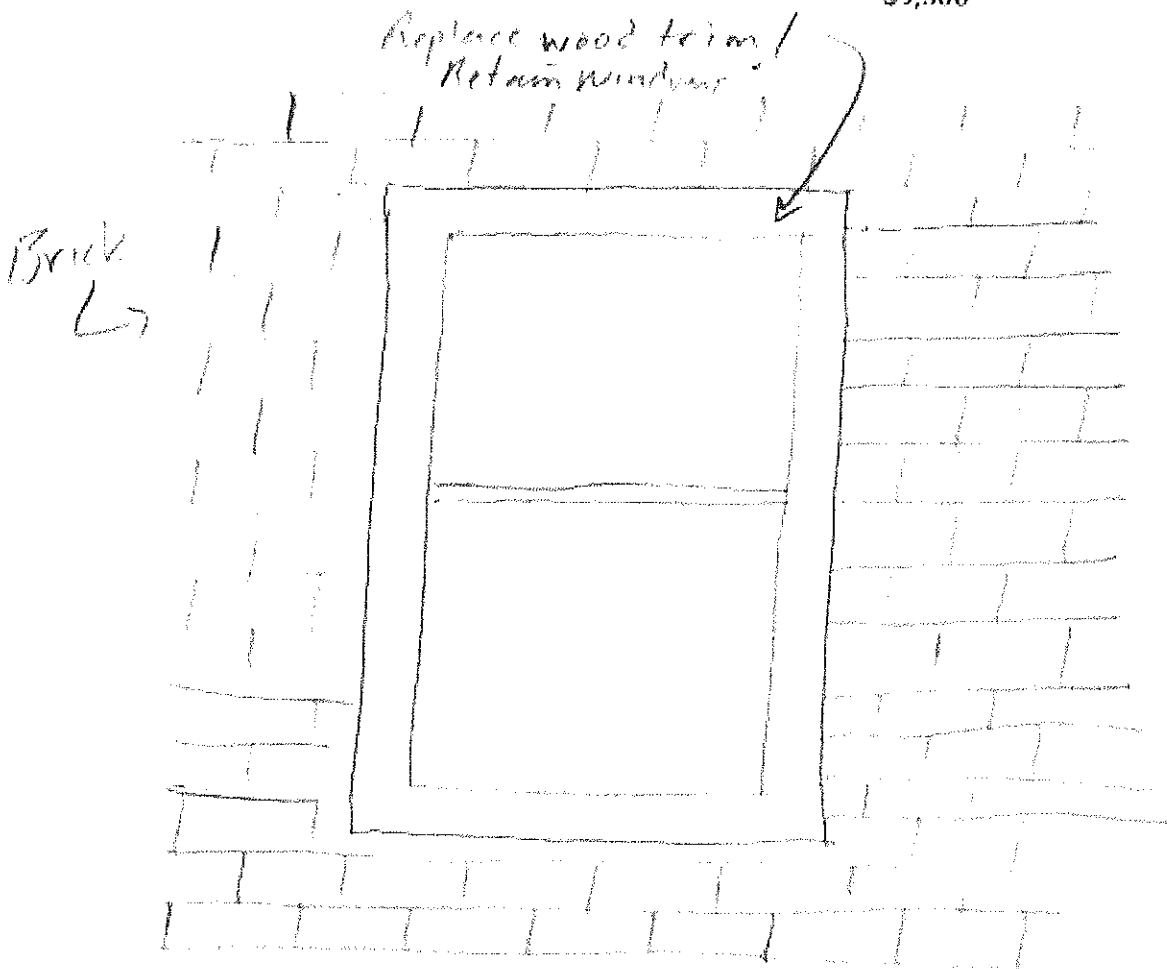
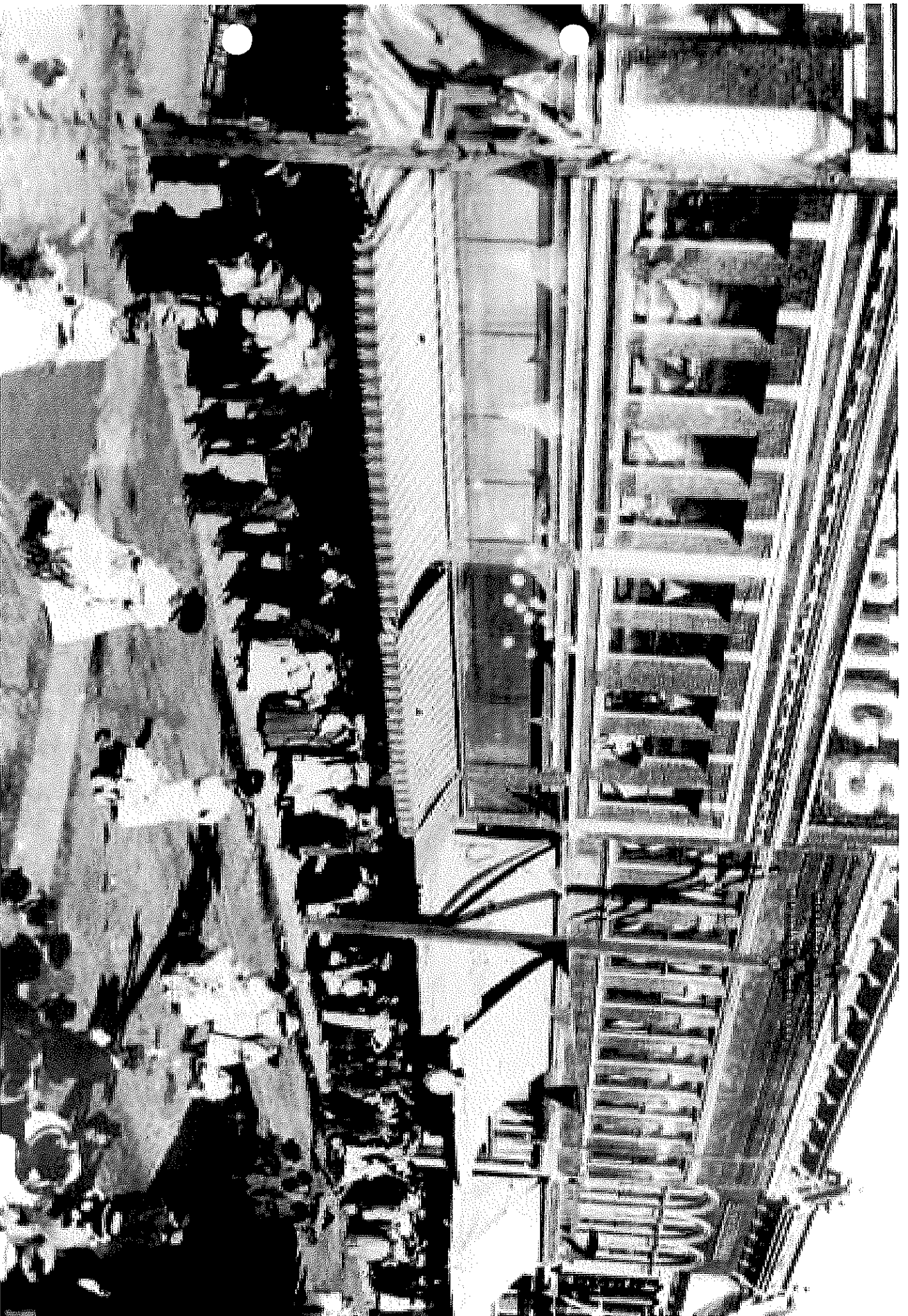


Photo taken in 2015.





Campbell Building is located in the middle section of this block. Photo taken in 1911





Invoice

887729

SOLD TO TKLD Properties LLC		SHIP TO	
ADDRESS 309 NE 3rd St Suite A		ADDRESS	
CITY, STATE, ZIP McMinnville, Or 97128		CITY, STATE, ZIP	
CUSTOMER ORDER NO.	SOLD BY	TERMS	F.O.B.
			DATE 9-28-16

ORDERED	SHIPPED	DESCRIPTION	PRICE	UNIT	AMOUNT
		Final Pay for finishing up replacing window trim, rotted wood, painting, and metal trim that was rotted			4,750 —
		Extra work: Fixing metal trim that was rotted			275 —
		PAID Tosa A. Jones CRK			
		Total			5,025

A-5840 T-46706/46721

01-11

Invoice

887728

SOLD TO TKLD Properties LLC		SHIP TO	
ADDRESS 309 NE 3rd St Suite A		ADDRESS	
CITY, STATE, ZIP McMinnville, OR 97128		CITY, STATE, ZIP	
CUSTOMER ORDER NO.	SOLD BY	TERMS	F.O.B.
			DATE 8-31-16

ORDERED	SHIPPED	DESCRIPTION	PRICE	UNIT	AMOUNT
		Down Payment for replacing the window trim at the McMinnville Grand Ballroom			4,750 —
		Total			4,750 —

A-5840 T-46706/46721

01-11

Antonio Cruz
P.O. Box 872 Amity, OR 97101
(503)302-1765 (Cell)

Page No. 1 of 1

PROPOSAL

PROPOSAL SUBMITTED TO TKLD Properties LLC		TODAY'S DATE 8-31-16	DATE OF PLANS/PAGE #'S
PHONE NUMBER (971) 241 1226	FAX NUMBER	JOB NAME Trim Replacement	
ADDRESS, CITY, STATE, ZIP 309 NE 3rd St McMinnville, Or 97128		JOB LOCATION McMinnville Grand Ballroom	

Project to include: Rental cost for the boom, removing and replacing all existing wood trim on 11 windows, replace all rotten wood, painting the trim, cleaning and disposing off all trash. Materials we will use: Hamlock for the window trim and cedar around the bricks. This proposal includes labor and material cost.

I would like a down payment of 4,750 dollars, and 4,750 dollars when the project is finished and the customer is happy.

In case of extra work having to be done, the end total will have an extra cost added in.

We propose hereby to furnish material and labor – complete in accordance with above specifications for the sum of:
Nine Thousand Five Hundred dollars (\$ 9,500)

Payment as follows: Materials, Labor

All material is guaranteed to be as specified. All work to be completed in a substantial workmanlike manner according to specifications submitted, per standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance. If either party commences legal action to enforce its rights pursuant to this agreement, the prevailing party in said legal action shall be entitled to recover its reasonable attorney's fees and costs of litigation relating to said legal action, as determined by a court of competent jurisdiction.

Authorized Signature Jose Antonio Cruz

ACCEPTANCE OF PROPOSAL The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature _____

Signature _____

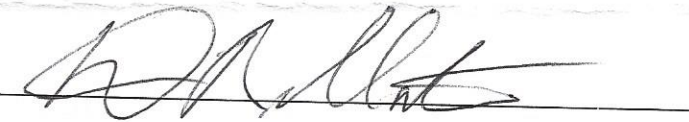
Date of Acceptance _____

FAÇADE IMPROVEMENT GRANT
Conditions of Approval
313 – 325 NE 3rd Street

As a condition of this grant award, the applicant (“Grantee”) agrees to the following:

1. Grantee reaffirms that all information provided in its Façade Grant Application is correct and accurate.
2. Grantee has read and agrees to abide by the provisions and requirements of the City of McMinnville Urban Renewal Agency Façade Grant Program.
3. All work performed by Grantee will be consistent with the approval by the McMinnville Urban Renewal Advisory Committee (MURAC). If Grantee desires to make any changes in the project, Grantee will obtain approval from the MURAC before implementing such changes. Grantee understands that the MURAC is not required to approve any changes.
4. Grantee agrees to complete the improvements no later than June 30, 2017 and understands that failure to complete the improvements within such period will result in forfeiture of the grant.
5. Grantee understands that the grant will be paid to Grantee only upon completion of the work, submission of all dated statements or invoices to the MURAC, and approval by the MURAC of the completed work.
6. Grantee will notify the MURAC immediately if Grantee’s interest in the subject property changes in any way. This Agreement is not assignable by Grantee without prior written approval of the MURAC, which will not be unreasonably withheld.
7. Grantee will provide appropriate “before” and “after” photographs of the project site and/or building to the MURAC. The Grantee hereby grants to the MURAC and McMinnville Urban Renewal Agency (MURA) the right to use pictures, renderings, or descriptions of the work for any and all promotional purposes desired by the MURAC or MURA.

8. HOLD HARMLESS. Applicant shall indemnify and hold the MURAC harmless from and against any and all claims, demands, suits actions or judgments, and all expenses (including attorney's fees incurred by the MURAC), arising from or in any way related to the proposed project.
9. ATTORNEY FEES. If a dispute arises in connection with this agreement, the prevailing party in such dispute shall be entitled to receive reasonable attorney fees and costs from the other party.



Applicant Signature

8/11/16

Date



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EXHIBIT 2 - STAFF REPORT

DATE: December 7, 2016
TO: McMinnville Urban Renewal Advisory Committee Members
FROM: Heather Richards, Planning Director
SUBJECT: Alpine Avenue Update

Report in Brief:

The Alpine Avenue project bids were approximately \$1,000,000 over budget. The design team is value engineering the project by looking for material reductions that do not impact the overall function and aesthetics of the project. Below is a draft new timeframe for the bidding process.

Tentative Revised Schedule for Contract Award:

Revised Plans/Specs to the City	Week of December 26, 2016
Advertise for Bids	Week of January 2, 2017
Pre-Bid Meeting	Week of January 23, 2017
Bid Opening	Week of January 30, 2017
City Council Bid Award	February 14, 2017

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EXHIBIT 3 - STAFF REPORT

DATE: December 7, 2016
TO: McMinnville Urban Renewal Advisory Committee Members
FROM: Heather Richards, Planning Director
SUBJECT: Loan and Grant Program

Report in Brief:

This is a discussion regarding expanding the McMinnville Urban Renewal Agency's "Planning and Development Assistance Programs" project in the McMinnville Urban Renewal Plan to assist businesses and new development projects in the urban renewal district.

Background:

The McMinnville City Council and McMinnville Urban Renewal Agency (Agency) adopted the McMinnville Urban Renewal Plan (Plan) on July 23, 2013. The Plan identifies 13 projects to finance with tax increment funds collected in the identified district. One of these projects is entitled, "Planning and Development Assistance Programs".

This project will establish and manage a package of low interest loan and/or small grant programs for business and residents to improve their property's appearance and condition, consistent with the goals and objectives of this plan (e.g. storefront and tenant improvement programs, signage, historic preservation, seismic upgrades, and financial and technical assistance). (McMinnville Urban Renewal Plan, page 13).

Currently the Agency offers a Façade Improvement Grant under this project objective. However, the façade improvement grant is for small exterior improvements and the Agency has the opportunity to consider additional loans and grants that will serve the objectives of this plan and project by helping to fund seismic upgrades, and provide financial and technical assistance.

Some standard programs that are utilized state-wide urban renewal programs include:

Free Design Assistance Program: The Agency pays for "X" hours of design assistance to help ensure that the project is achieving the intention and objective of the Plan.

Development Loan/Grant Program: The Agency will consider applications for up to "X" dollars or percent of a project that is considered beneficial to the district and the community.

Special Interest Loans and Grants: If there are targeted types of projects that the Agency would like to achieve, it can create special interest loans and grants that support those projects. Some examples are housing, restaurants, mixed-use, etc.

Attachments

Free Design Assistance Draft Application
Development Loan/Grant Draft Application
Draft Grant Agreement

Since the Agency has not targeted specific types of projects at this point in its planning horizon staff recommends the consideration of a Free Design Assistance program to help with the façade improvement program and a Redevelopment Loan and Grant program for redevelopment, expansion and new construction projects that are deemed beneficial to the district and achieve the objectives of the Plan.

Discussion:

Free Design Assistance: Up to 10 hours or \$1000 of Free Design Assistance from a pre-qualified list of vendors to help with development and redevelopment projects. Require an application fee that can be applied to the match requirement for a grant or loan to ensure that the applicant is serious about their project. (See draft Free Design Assistance application). Free Design Assistance applications can be administratively approved.

Development Loan/Grant Program: Up to 20% of the overall project costs and not to exceed \$100,000, that can be independently negotiated with each project and is discretionary relative to whether or not it is a loan or grant depending upon the amount of value that the project brings to the district, both in terms of taxable improvement and jobs, as well as community value. (See draft application). All development loans and grants over \$2500 must be approved by the Agency after review and recommendation by the McMinnville Urban Renewal Advisory Committee. All development loans and grants must be accompanied by a development agreement.

Clawback Provision: All Agency grants should have a contract that institutes a clawback provision in case the property is sold within five years so that the property owner does not benefit from the equity of the Agency investment. (See draft contract).

Fiscal Impact:

The Plan budgets \$940,000 to this project over the lifetime of the Plan.

Action / Recommended Motion:

No motion at this time. Direct staff to refine program and applications as desired.



**McMinnville Urban Renewal Agency
Free Design Assistance Program**

Date: _____

Application Fee: \$150.00*

APPLICANT INFORMATION:

Applicant's Name: _____

Property Address: _____

Mailing Address: _____

Telephone Number: _____ Cell Number: _____

E-mail: _____ Fax: _____

Proof of Ownership: Please provide proof of ownership or fill out the hold harmless agreement providing written authorization from the property owner to proceed with the project.

Taxes: Have all taxes levied on the building and property described in this application been paid to date?

Yes No If no, please attach explanation.

BUILDING INFORMATION:

Year Built: _____ Historic Name(s): _____

Briefly describe what you want to do: _____

DESIGN INFORMATION:

Architect/Design Firm: _____ Phone: _____

Address: _____

E-mail: _____ Fax: _____

- ❖ *The program offers ten (10) free hours of architectural/conceptual/design services – one assignment per property.*
- ❖ *Upon request, the City can provide a list of pre-approved architectural firms.*
- ❖ *Application fee can be used towards the required match for a grant project.*

Please note: Document still needs legal review.



McMinnville Urban Renewal Agency

Free Design Assistance Program

HOLD HARMLESS AGREEMENT

AND

OWNER AUTHORIZATION FOR TENANT TO CARRY OUT FAÇADE IMPROVEMENT AND/OR REHABILITATION PROJECT

I, _____ hereby authorize _____ to carry out improvements as specified in the accompanying Façade Improvement Grant Application, on my property located at _____, which is within the City of McMinnville’s Urban Renewal District.

I also agree to hold harmless the City of McMinnville in the event of property damage or physical injury as a result of working on the aforementioned project.

Property Owner

Date

Notary

Return To:
Heather Richards
Planning Director
City of McMinnville
231 NE 5th Street
McMinnville, OR 97128
Phone: (503) 434-7311
Fax: (503) 434-4955
E-mail: heather.richards@mcminnvilleoregon.gov

Please note: Document still needs legal review.



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**MCMINNVILLE URBAN RENEWAL AGENCY
DEVELOPMENT LOAN/GRANT PROGRAM
PROGRAM SUMMARY AND APPLICATION**

Purpose:

Provide an ongoing source of gap financing for new construction or substantial rehabilitation projects that provide an immediate increase in assessed value and support additional goals identified in the McMinnville Urban Renewal Plan.

Qualifying Projects:

Qualifying projects must satisfy ALL of the following conditions:

- Be located within the boundaries of the McMinnville Urban Renewal District. Please see attached map.
- New construction or substantial rehabilitation projects that increase assessed value and create jobs.
- Comply with all federal, state and city codes.
- Leverage at least four dollars of private investment for each dollar of urban renewal financing.
- Address two or more of the following urban renewal strategy goals:
 1. **ECONOMY:** Encourage the economic growth of the Area as the commercial, cultural, civic, and craft industry center for McMinnville.
 2. **ENCOURAGE A UNIQUE DISTRICT IDENTITY:** One intent of the Plan is to enhance the physical appearance of the district, create a pedestrian environment that encourages the development and redevelopment of active uses such as shopping and entertainment, and support commercial, civic, and craft industrial business activity.

DOWNTOWN COMMERCIAL CORE

The downtown commercial core should be a regional destination as well as the commercial center for the citizens of McMinnville. Its identity should enhance and preserve the qualities of the downtown, including its historic heritage, that make it an economically healthy, attractive, and unique environment for people to live, work, shop, and socialize.

NORTHEAST GATEWAY

The Northeast Gateway area should be a unique destination that reflects the authenticity of historic and current uses within the area – a place where things are crafted, experienced, and enjoyed, and a place where you can live, work, and play.

3. **HOUSING:** Promote development of affordable, quality housing in the Area. Promote a residential development pattern that is land intensive and energy efficient, provides for an urban level of public and private services, and allows unique and innovative development techniques to

be employed in residential designs.

4. **HISTORIC PRESERVATION:** Enhance sites and structures of historical, cultural and/or architectural significance.
5. **DEVELOPMENT AND REDEVELOPMENT:** Pursue development and redevelopment opportunities that will add economic, civic, craft industry, and cultural opportunities for the citizens of McMinnville, economically strengthen the Area, and attract visitors to the Area.

Ineligible Projects: The following types of projects are not eligible for the loan program.

- Minor maintenance or aesthetic improvement projects not associated with larger rehabilitation work
- Tenant improvement projects not associated with larger rehabilitation work that otherwise would qualify the project.
- Residential projects unless they are 4 units or more, or mixed-use projects.
- Projects that will dislocate existing residents or businesses
- Land or building acquisition loans

Key Terms: (These can be applied at the discretion of the McMinnville Urban Renewal Board)

- Interest rate of Wall Street Journal Prime rate at time of issuance of loan commitment or as determined to be in the by the City and the Urban Renewal Board at its sole discretion.
- Except when deemed by the Urban Renewal Board to be both necessary for the success of the project and in the best interest of the City and the Urban Renewal District, loan cannot exceed 20% of construction costs.
- Borrowing entity must have 10% equity in project.
- Interest only payments during construction.
- Draw down loan (i.e. interest accrues only on portion drawn).
- Pay-in commensurate with construction progress or as negotiated.
- Loan will be secured by lien on real estate,
- Personal guaranty required,
- 15-year term starting at earlier of completion of construction or final draw

Conditions and Considerations:

1. All projects are to be approved by the McMinnville Urban Renewal Board, following a recommendation to approve, approve with conditions, or deny by the McMinnville Urban Renewal Advisory Committee (MURAC) Review Subcommittee. The project must be found to meet the program criteria and underwriting criteria **and** to be in the best interest of the City and the Urban Renewal Agency.
2. If the Property is located within the Downtown Design Overlay District, the City and its designated committees/commissions and/or the McMinnville Downtown Association Design Review Subcommittee will review the plans for conformance with the Design Overlay District Standards.
3. Loan decisions, underwriting standards, loan terms and collateral requirements will be entirely at the discretion of the City. The project must be feasible, have an acceptable prospect of repayment.
4. The City of McMinnville will lien the property for the value of the loan. The City of McMinnville may request a title report on the property, which will be subject to attorney review at the discretion of the City Manager. In addition to the lien, property owners must sign a promissory note and guaranty for the repayment of the funds. The Urban Renewal Agency may deny of any loan based on the Title Report or the number of liens upon the property.
5. All loans made under this program are subject to availability of program funds. Once the loan is repaid, the lien will be released from holding.
6. All projects shall comply with the City of McMinnville Development and Building Code, including the historic preservation provisions if applicable.



**CITY OF MCMINNVILLE URBAN RENEWAL BOARD
DEVELOPMENT LOAN/GRANT PROGRAM
INTAKE FORM**

1. Applicant

Name: _____

Address: _____

Wk. Phone: _____ Hm. Phone: _____ Cell Phone: _____

Legal Form: Sole Proprietorship Partnership Corporation
Profit Non-Profit

Social Security Number/Tax ID Number: _____

2. Property to be Developed or Redeveloped

Address: _____

Tax Map / Lot Number: _____

Property name (if any): _____

3. Owner of Property (If not applicant)

Name: _____

Address: _____

Phone: _____

4. Development Program (if new construction)—Summarize proposed development including square footage by proposed occupancy, proposed site improvements, other key project components.

5. Substantial Rehabilitation Program (if adaptive reuse) Describe all major building systems to be rehabilitated or replaced and proposed occupancy. If existing tenants will be effected describe plans to minimize impacts on tenants during construction.

6. Historic Resources- Describe if building or property has any historic resources and plans to comply with requirements associated with historic resources.

7. Design Review Consistency— Describe if building is located within the Downtown Design Overlay Zone and plans to ensure building meets requirements for this district.

8. Budgeted Project Costs:

Property acquisition:

Demolition (if any):

Environmental Remediation (if any):

Hard Construction Costs:

Third Party Consultant Fees:

Fees Paid to Any Related Party*:

Financing Fees (application fees, origination fees):

Construction Period Interest and Carrying Costs:

Other (please specify):

Total Project Costs: _____

*Including Developer Fees and any financing or consulting Fees to be paid to a party with an identity of interest with applicant or property owner.

9. Proposed Sources:

Existing land or building value (if property owned by applicant):

Other owner equity (should be 10% of project costs minimum):

Tax credit equity (i.e. New Market, Historic, or Low Income Housing Tax Credits):

Conventional Loans:

Subsidized Loans:

Redevelopment Opportunity Fund Loans:

Other sources:

Total Sources: _____

10. Team Members:

General Contractor (if selected)

Firm: _____

Primary Contact: _____

Address: _____

Phone: _____ Cell Phone: _____ Email: _____

Legal Form: Sole Proprietorship Partnership Corporation
Profit Non-Profit

Tax ID Number: _____

CCB# _____

Is there an identity of interest with Applicant or Property Owner? _____

Property Manager/Operator (if selected)

Address: _____

Phone: _____ Cell Phone: _____ Email: _____

Legal Form: Sole Proprietorship Partnership Corporation
Profit Non-Profit

Tax ID Number: _____

Is there an identity of interest with Applicant or Property Owner? _____

Primary Lender (if identified)

Bank: _____

Primary Contact: _____

Address: _____

Phone: _____ Email: _____

Tax ID Number: _____

Secondary Lender (if identified)

Bank: _____

Primary Contact: _____

Address: _____

Phone: _____ Email: _____

Tax ID Number: _____

CERTIFICATION BY APPLICANT

The applicant certifies that all information provided in this application is true and complete to the best of the applicant’s knowledge and belief. If the applicant is not the owner of the property to be rehabilitated, or if the applicant is an organization rather than an individual, the applicant certifies that he/she has the authority to sign and enter into an agreement to perform the proposed work on the building. Evidence of this authority must be attached.

Applicant Signature: _____ Date: _____

Return Application To:
Planning Director
City of McMinnville
231 NE 5th Street
McMinnville, OR 97128

Checklist Items Required for Underwriting Approval

Underwriting Review:

Prior to committing Urban Renewal Funds to a project, the Urban Renewal Agency will make a determination as to whether the project adequately supports urban renewal goals, is feasible, poses an acceptable risk to the agency and is in the best interest of the City and the Agency. In order to make this determination, the Agency will require the following items:

- **Market Analysis:** A third party market analysis prepared to prevailing professional standards identifying at minimum: demand for product, primary market, competitors, achievable rents/room rates/ticket prices, and anticipated capture rate. (This requirement may be waived for public projects.)
- **Appraisal:** A third party appraisal prepared to current Uniform Standards of Professional Appraisal Practice (USPAP) standards identifying land and stabilized improvement value, expected operating income, expected operating expenses, and expected net operating income. Appraisal should include consideration of cost, sales comparable, and income approaches to determination of value.
- **Financial Proforma:** Developer's financial proforma identifying sources and uses, monthly cash flow during construction period, and annual cash flow waterfall from start of start of construction through year 20 of stabilized operations.
- **Environmental Analysis:** Phase I ESA meeting current ASTM standards completed in past 180 days and reflecting current site conditions. The cost of mitigating any identified environmental risks must be specifically addressed in the financial analysis and construction contract.
- **Development Team History:** Narrative history and schedule of experience developing projects for similar uses and scope. Primary applicant should provide a schedule of any commercial real estate projects currently owned including occupancy and debt service coverage ratios. Executive officers of applicant must authorize a personal background check.
- **Development Team Financial Capacity:** Equity source must provide certified financial statement, schedule of real estate owned, and verification of account balances to demonstrate capacity to fund required equity contribution as well as potential cost overruns.
- **Property Management Experience History:** Proposed property manager must be identified and have successful track record of operating similar facilities. Please provide a narrative history of company and schedule of properties under management including occupancy and current debt service coverage ratios.
- **Preliminary Property Management/Operator Agreement-** Agreement should specify services provided by Manager as well as fee schedule.
- **Construction Plans:** Copy of plans submitted for building department approval.
- **Physical Condition Needs Assessment:** For all adaptive reuse projects, a PCNA Report shall be prepared which shall identify the condition of all building systems and include a schedule of anticipated capital repairs for a 20-year period.
- **General Contractor Experience History:** The general contractor must demonstrate a track record of successfully completing similar projects and the capacity to complete the proposed project. The contractor shall provide a history of completed projects from the last 5 years with references and a financial statement indicating sufficient capitalization to complete the project. In cases where there is a related party interest between the General Contractor and the Developer, the Agency will require a separate third party construction cost review.
- **Construction Bid** including draft construction contract.
- ***Third Party Construction Cost Review.** Review of plans and construction costs to be engaged by City. City may agree to utilize reviewer engaged by primary lender.
- **Financing commitments:** Executed commitments from other lenders indicating the amount, interest rate

(or interest rate index), term and special conditions are required.

- **Development Team Financial Capacity:** Equity source must provide certified financial statement, schedule of real estate owned, and verification of account balances to demonstrate capacity to fund required equity contribution as well as potential cost overruns.

The City reserves the right to engage its own reports or analyses to verify or clarify information provided by Applicant or consultants engaged by the applicant.

Checklist Items Required for Closing

Prior to closing the City will at minimum require the following items.:

- **Executed Construction Contract and General Conditions:** An executed fixed price contract and general conditions in a form acceptable to the Urban Renewal Agency (preferably AIA Form 101-1997) with construction schedule consistent with financial projections required as a condition for closing.
- **Final Construction Drawings approved by Building Department**
- **Building permit**
- **Final financial projections from project**
- **Executed financing commitments from all sources (including equity) from all sources consistent with financial projections**
- **Personal guaranty to repay loan from Applicant**
- **Executed operating/management agreement between developer and proposed operator/property manager with management fees consistent with financial projections.**
- **Executed Redevelopment Opportunity Fund Loan Agreement and related documents.**
- **Other documents as required by the specific nature of the project**

Construction Period Review

During the construction period, City or its Construction Management Consultant will participate in all construction progress and draw request meetings. Draw requests will be approved upon confirmation that work being paid for is complete and built as per approved plans.

**CONTRACT BETWEEN THE CITY OF MCMINNVILLE'S
URBAN RENEWAL AGENCY BOARD**

And

{Applicant – Name, Business Name and Property Address}

**FOR THE USE OF
DOWNTOWN URBAN RENEWAL FUNDS**

THIS AGREEMENT, entered on **{Date}** by and between the **City of McMinnville's Urban Renewal Agency Board (AGENCY)** and, **{Applicant – Name, Business Name and Property Address}**

WHEREAS, the AGENCY has established a Downtown McMinnville Property Loan and Grant Program to encourage property and business owners to improve the exteriors of their buildings as a means of upgrading the physical characteristics of the property subject to the AGENCY's authority and to improve the value of buildings by preserving the thriving historic character of the downtown; and

WHEREAS, the AGENCY has determined that this program serves the best interest of the public, and has elected to utilize urban renewal funds as the funding source for the Downtown McMinnville Property Assistance Program; and

WHEREAS, the Applicant is the tenant authorized by the owner to carry out improvements at **{Address}**, which is within the Urban Renewal District, and has submitted an application (which is incorporated into this agreement) and has requested approximately **{Amount of Award}** in grant funds from the AGENCY; and

WHEREAS, the AGENCY has determined that Applicant has meet all of the conditions necessary for the requested funds;

NOW, THEREFORE, it is agreed between the AGENCY and Applicant that:

I. SCOPE OF SERVICE

A. Activities

Applicant agrees to participate in the Downtown Urban Renewal Agency's Downtown Loan and Grant Program and the AGENCY agrees to provide Loan and Grants as set forth in this Contract. Under this program, Applicant agrees that it will preserve, rehabilitate, restore or reconstruct the primary façades of their approved commercial property under the guidance of the AGENCY's staff and the McMinnville Historic Landmarks Committee as applicable. Upon satisfactory completion of the pre-approved project, Applicant will receive a grant reimbursement up to a maximum of **{Amount of Award}** through the Façade

Please note: Document still needs legal review.

Improvement Grant Funds per the decision of the AGENCY on **{Date}**.

B. Scope of Work

This contract pertains to a small improvement project at **{Address}** as presented in the application dated **{Date}** and approved by the McMinnville Urban Renewal Advisory Committee. Any reimbursement expenses must pertain entirely to this pre-approved scope of work.

{Describe the scope of work}

C. Special Contingencies:

Property Lien:

Property owner consents to the City of McMinnville placing a lien on the above referenced property in the amount of the grant project. The lien will be released five (5) years after project completion.

Contingency for Funds Payback:

Applicant agrees to refund to the AGENCY the full amount of the grants under this contract if the building is sold or the property is significantly modified (as determined by the AGENCY) within five (5) years of project completion.

Tax Implications:

The AGENCY has not made any representations regarding the tax consequences of grant proceeds. Applicant shall determine the tax consequences of the grant proceeds with their tax advisor.

D. Ineligible Expenses

The AGENCY will not reimburse Applicant for any costs incurred outside of the approved scope of work as described in Paragraph 1.B of this contract.

E. Performance Monitoring

The AGENCY will monitor the performance of Applicant against goals and performance standards required by AGENCY policy and the approved scope of work. Substandard performance as determined by the AGENCY will constitute non-compliance with this Agreement. If action to correct such substandard performance is not taken by Applicant within a reasonable period of time after being notified in writing by the AGENCY, contract suspension or termination procedures will be initiated.

II. TIME OF PERFORMANCE

Work on the project outlined in Paragraph I.B is expected *to commence no later than {Date}, and be completed by {Date}*. Applicant will communicate with Urban Renewal Agency staff via a letter at least two weeks prior to the deadline if a contract extension is needed. This letter should include the reasons for the extension, new project completion date, what elements of the project have been completed and what elements of the project still need to be completed.

III. BUDGET:

The total project budget is \$*{Total Project Budget}*. The Agency will pay up to 50% of the actual cost with a 50% match requirement from the applicant as per the McMinnville Façade Improvement Grant program. The Agency contribution is currently estimated at approximately *{Amount of Award}*.

The AGENCY may require a more detailed budget breakdown than the one contained herein, and Applicant shall provide such supplementary budget information in a timely fashion in the form and content prescribed by the AGENCY. Any amendments to this budget must be approved in writing by the AGENCY and Applicant

IV. PAYMENT

A. Maximum Amount:

The total amount to be paid by the AGENCY (for grants and loans) under this agreement shall not exceed *{Amount of Award}*

B. Process for Payment:

This contract will serve as a reimbursement for work performed and paid for by the Applicant and approved by the Urban Renewal Agency staff. (Applicant will not be reimbursed for any work performed prior to application review and funding approval by the AGENCY.) Upon completion of the project, the applicant will submit a letter requesting reimbursement accompanied by copies of the invoices incurred marked paid in full to the Urban Renewal Agency staff. Staff will then review the invoices and the work completed for compliance with the approved scope of work. After the McMinnville Urban Renewal Advisory Committee has approved and signed off on the reimbursement request, a reimbursement to the Applicant will be disbursed.

Please note: Document still needs legal review.

V. **NOTICES**

Communication and details concerning this contract shall be directed to the following contract representatives:

AGENCY

*Heather Richards
City of McMinnville
Planning Director
231 NE 5th Street
McMinnville, OR 97128
Heather.Richards@mcminnvilleoregon.gov*

APPLICANT'S NAME:

{Name}
{Address}
{Address}
{Town, State, Zip Code}
{Email}

VI. **GENERAL CONDITIONS**

A. **Contractual Relationship**

Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating or establishing a contractual relationship of any sort between the parties. Applicant shall at all times be responsible its improvements, obligations to contractors and subcontractors, employees, and to comply with all land use requirements.

B. **Hold Harmless**

Applicant shall hold harmless, defend and indemnify the AGENCY from any and all claims, actions, suits, charges and judgments whatsoever that arise out of Applicant's performance or nonperformance of the services or subject matter called for in this Agreement.

C. **Insurance & Bonding**

Applicant shall carry sufficient insurance coverage to protect contract assets from loss due to theft, fraud and/or undue physical damage.

D. **Grantor Recognition**

Applicant shall insure recognition of the role of the AGENCY in providing services through this contract. All activities, facilities and items utilized pursuant to this contract shall be prominently labeled as to funding source.

E. **Amendments**

Please note: Document still needs legal review.

The AGENCY and Applicant may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, signed by a duly authorized representative of both organizations, and approved by the AGENCY'S governing body. Such amendments shall not invalidate this Agreement, nor relieve or release the AGENCY or Applicant from its obligations under this Agreement.

This Agreement shall be subject to all federal, state or local governmental statutes, guidelines, and policies, including amendments made after execution of this Agreement. If any change in such code or regulation results in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, the parties shall agree to such modification or the Agreement shall be terminated.

F. Suspension of Termination

The AGENCY may suspend or terminate the Agreement, in whole or in part, if Applicant materially fails to comply with any term of the Agreement, or with any of the rules, regulations or provisions referred to herein. In addition, the AGENCY may declare Applicant ineligible for any further participation in AGENCY contracts, in addition to other remedies as provided by law. In the event there is probable cause to believe Applicant is in noncompliance with any applicable rules or regulations, the AGENCY may withhold up to one hundred (100) percent of any outstanding contract funds until such time as the AGENCY determines that Applicant is in compliance with this Contract.

If this Agreement is suspended or terminated, Applicant shall immediately pay back the AGENCY the total disbursements received to date under this contract. If not paid within 24 hours of termination, all amounts due shall bear interest at 18% per annum. In any proceeding to recover funds owing under this section, the AGENCY or the City of McMinnville shall be entitled to recover its costs and attorney fees.

G. Successors and Assigns

This agreement shall be binding on the parties' successors and assigns.

VII. SEVERABILITY

If any provision of this Agreement is held invalid, the remainder of the Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this contract as of the date first

Please note: Document still needs legal review.

written above.

AGENCY

APPLICANT

City Manager

{Applicant Name}

DRAFT

Please note: Document still needs legal review.

Attachment A: Conditions of Approval.

**FAÇADE IMPROVEMENT GRANT
Conditions of Approval
Address**

As a condition of this grant award, the applicant (“Grantee”) agrees to the following:

1. Grantee reaffirms that all information provided in its Façade Grant Application is correct and accurate.
2. Grantee has read and agrees to abide by the provisions and requirements of the City of McMinnville Urban Renewal Agency Façade Grant Program.
3. All work performed by Grantee will be consistent with the approval by the McMinnville Urban Renewal Advisory Committee (MURAC). If Grantee desires to make any changes in the project, Grantee will obtain approval from the MURAC before implementing such changes. Grantee understands that the MURAC is not required to approve any changes.
4. Grantee understands that the grant will be paid to Grantee only upon completion of the work, submission of all dated statements or invoices to the MURAC, and approval by the MURAC of the completed work.
5. Grantee will notify the MURAC immediately if Grantee’s interest in the subject property changes in any way. This Agreement is not assignable by Grantee without prior written approval of the MURAC, which will not be unreasonably withheld.
6. Grantee will provide appropriate “before” and “after” photographs of the project site and/or building to the MURAC. The Grantee hereby grants to the MURAC and McMinnville Urban Renewal Agency (MURA) the right to use pictures, renderings, or descriptions of the work for any and all promotional purposes desired by the MURAC or MURA.

Applicant Signature

Date

Please note: Document still needs legal review.

Attachment B: Application on File

DRAFT

Please note: Document still needs legal review.



CITY OF MCMINNVILLE
PLANNING DEPARTMENT
231 NE FIFTH STREET
MCMINNVILLE, OR 97128
503-434-7311

www.mcminnvilleoregon.gov

EXHIBIT 4 - STAFF REPORT

DATE: December 7, 2016
TO: McMinnville Urban Renewal Advisory Committee Members
FROM: Heather Richards, Planning Director
SUBJECT: 3rd Street Improvement Project Roadmap

Report in Brief:

This is a discussion regarding expanding the McMinnville Urban Renewal Agency's "Planning and Development Assistance Programs" project in the McMinnville Urban Renewal Plan to assist businesses and new development projects in the urban renewal district.

Background:

The McMinnville City Council and McMinnville Urban Renewal Agency (Agency) adopted the McMinnville Urban Renewal Plan (Plan) on July 23, 2013. The Plan identifies 13 projects to finance with tax increment funds collected in the identified district. One of these projects is entitled, "3rd Street Streetscape and District Identity Improvements".

Design and construct streetscape improvements to 3rd Street as identified in the TSP. This project will implement various streetscape and design improvements through the district to establish a high quality and unique aesthetic. Such improvements could include:

- *The undergrounding of overhead utilities,*
- *Gateways and directional signage,*
- *Landscaping and street tree improvements,*
- *Historic street lighting and traffic signal standards,*
- *Additional public use amenities (i.e. benches, bike racks, fountains, restrooms)*
- *Public sidewalks that integrate historic paving patterns and materials,*
- *Drafting and implementation of design standards and guidelines for the district (signage),*
- *Redesign and reconstruction of the US Bank Plaza for public events (should the property owner lease or sell the property to Urban Renewal Board),*
- *Redesign of mid-block crossings,*
- *Redesign/construction of downtown shelters (kiosks), and*
- *Public art.*

The intent of these improvements is to improve the physical appearance of the district and create a pedestrian environment that encourages the development (and redevelopment) of active uses such as shopping, entertainment, commercial, and upper floor housing activity.

----- (McMinnville Urban Renewal Plan, page 10).

Discussion:

The 3rd Street Improvement Project will be a complex project with many different layers: identifying the scope of work, finalizing the design elements, engineering infrastructure improvements, coordinating construction impact on business community and engaging the community in a robust public process with many different milestones.

The roadmap is designed to provide a public check-in and engagement at every step of the way with extensive involvement from the McMinnville Downtown Association, MURAC and the McMinnville City Council.

The whole project will be governed through a Community Advisory Committee representing impacted stakeholders and community members, and supported by city staff and urban renewal staff as technical resources.

Fiscal Impact:

The Plan budgets \$2,325,000 to this project over the lifetime of the Plan.

Action / Recommended Motion:

No motion at this time.

**3rd Street Improvement Project:
Roadmap for Community Dialogue and Project Scope Discussion**



Assumptions:

- Project scope is not yet defined.
- Project start is 2021 or later.
- Effort will be led by an in-house city staff team comprised of planning, engineering and others.

PROJECT COMPONENT	NOTES
INITIAL STEPS: SETTING THE STAGE	6 – 12 Months
Form a Citizen Advisory Committee	Downtown Stakeholders (3 Property, 3 Business) MURAC Members (3) City Council Members (2) Community Stakeholders (one each): <ul style="list-style-type: none"> • Accessibility Community • Youth • Latino Community • 18 – 30 Demographic • 30 – 45 Demographic • 45 – 60 Demographic • 60 Plus Demographic Committee / Commission Liaisons (One Each): <ul style="list-style-type: none"> • Planning Commission • Historic Landmarks Committee • Landscape Review Committee McMinnville Downtown Association <ul style="list-style-type: none"> • Board Member • Staff • Design Committee Member • Economic Committee Member Other (Chamber, Linfield, County)
Review History of Planning	City/URA Staff CAC
SWOT Analysis (Strengths, Weaknesses, Opportunities and Threats)	City/URA Staff CAC Community Forum * Can be combined or have CAC meet first and then Community Forum
Assumptions, Issues and Goals Identification	City/URA Staff CAC Community Forum * Can be combined or have CAC meet first and then Community Forum
Identify Scope of Work <ul style="list-style-type: none"> • Streetscape • Right of Way Improvements • Infrastructure 	City/URA Staff CAC Community Forum City Council/URA

**3rd Street Improvement Project:
Roadmap for Community Dialogue and Project Scope Discussion**



PROJECT COMPONENT	NOTES
ENGINEERING DESIGN DEVELOPMENT	12 Months
Identify ROW / Infrastructure Elements	City/URA Staff CAC
Identify ROW / Infrastructure Options	City/URA Staff CAC
Choose ROW / Infrastructure Options	City/URA Staff CAC Community Forum CAC/MURAC/MDA Joint Meeting
URBAN DESIGN DEVELOPMENT	12 Months
Identify Design Opportunities: Review 2005 Plan Agree Upon Branding Components Discuss any changes/additions	City/URA Staff CAC
Develop Design Options	City/URA Staff CAC
Survey Community Choice	Community Survey and Forums City/URA Staff CAC MDA
Identify Funding Opportunities	City/URA Staff CAC
Choose Final Options	City/URA Staff CAC CAC/MURAC/MDA Joint Meeting CITY COUNCIL/URA
CONSTRUCTION DOCUMENT DEVELOPMENT	18 Months
Design Request for Proposal	City/URA Staff CAC
Selection of Design Team	City/URA Staff CAC City Council/URA
100% Construction Documents	

**3rd Street Improvement Project:
Roadmap for Community Dialogue and Project Scope Discussion**



PROJECT COMPONENT	NOTES
DECIDE ON TIMING AND CONSTRUCTION METHODOLOGY	6 Months
Engage/Prepare downtown business community	City/URA Staff CAC MDA
Public Forum	
City Council	
PROJECT BIDDING (3 Months)	3 Months
Request for Bids	
Contract Award	
CONSTRUCTION (TBD)	TBD
Project Management	City/URA Staff
Business Liaison	MDA