

CITY OF McMinnville
MINUTES OF REGULAR MEETING
of the McMinnville Urban Renewal Agency
Held at the Kent L. Taylor Civic Hall on Gormley Plaza
McMinnville, Oregon

Tuesday, January 14, 2020 at 6:00 p.m.

Presiding: Scott Hill, Mayor

Recording Secretary: Claudia Cisneros

Councilors:	<u>Present</u>	<u>Excused Absence</u>
	Adam Garvin	Remy Drabkin
	Zack Geary	
	Sal Peralta	
	Wendy Stassens	
	Kellie Menke, Council President	

Also present were Attorney Walt Gowell, City Manager Jeff Towery, Police Chief Matt Scales, Planning Director Heather Richards, Interim City Recorder Rebecca Holmes, Information Technology Director Scott Burke, Finance Director Jennifer Cuellar, and members of the News Media –Jerry Eichten, McMinnville Community Media.

1. CALL TO ORDER: Mayor Hill called the meeting to order at 6:00 p.m.
2. PRESENTATION: MCMINNVILLE URBAN RENEWAL ADVISORY COMMITTEE ANNUAL REPORT UPDATE

Planning Director Heather Richards stated this is the annual update brought in January as it is also the same time frame the committee publishes an annual report per Oregon Regulations. Described the five topics that would be discussed during tonight's update. The Advisory committee is a fairly standard process for many communities, a group of stakeholders with a purpose of making recommendation to City Council with decision making power delegated to them by Council. Pertaining to Policy, Budget and implementation of the Urban Renewal Project and Programs identified in the Urban Renewal Plan. This Committee is comprised of 9 members representing stakeholders in the district and citizens at large in the community. Mentioned which members have termed out and which new members will be replacing them. The Plan was adopted in 2013, with 13 projects in the plan and a \$30 million dollar maximum indebtedness associated with it and is a 25 year plan. Discussed the plans project as shown below which are meant to be specific project to revitalize the area. The plan also defines how much money can be spent on the projects as well as the time frame anticipated to be implemented.

PLAN PROJECTS

PROJECT	UR AMOUNT	TIMEFRAME	STATUS
5 th Street	\$1,200,000	2023-2024	2017 – TSBO
1 st /2 nd Streets	\$1,000,000	2025-2030	2018 - Partial, TSBO
Downtown Signals	\$700,000	2017-2026	2017 - Partial, TSBO
2 nd Street	\$1,100,000	2037-2039	2017 - Partial, TSBO
Alpine Avenue	\$5,300,000	2016-2032	2017 - \$2.2 MM (7 th –11 th)
3 rd Street Streetscape	\$2,325,000	2016-2022	2019 - \$30,000
Adams/Baker	\$600,000	2021-2024	
Lafayette Avenue	\$1,500,000	2034-2038	
Public Parking	\$1,000,000	2025, 2032-2035	2018 - Utilization Study
Public Infrastructure	\$590,000	2038-2039	
Property Acquisition	\$450,000	As Needed	On-Going
Development Assist Programs	\$940,000	Incremental	On-Going
Debt Service / Administration			
• Financing Fees	\$218,895	As Needed	On-Going
• Administration	\$1,229,996	Annual	On-Going
• Reimbursement of UR Plan	\$50,000	2017-18	2017 - 2020

Four of the top projects are partially or fully completed with the transportation system bond. These projects at this time have been shifted to the side. They have been focusing on the Development Assistant Programs as a means to start generating tax base in the district fairly quickly to increase the increment and be able to fund public improvement projects. The Alpine Avenue was the first public improvement project and is half-way completed. Spent a little over \$2 million of the \$5million allocated to this project. The next big public improvement project is the 3rd street streetscape project with an allocation of \$2.3 million. Also looking into parking in the downtown area as it's a need for this area. Presented the five year financial forecast to help understand timing in cash flow and ability to bond in the district. Looking at the forecast think they are able to go out for a bond in the year 2021/2022 for the next big public improvement project, which would be the 3rd street streetscape. In December she updates McMinnville Urban Renewal Advisory Committee (MURAC) where they are at in terms of financials and wanted to share this with Council as well. The District is yielding more in property tax revenue than originally forecasted. At the same time administrative costs have also increased other than projected which is for materials and services that are not related to projects. They have also placed a lot more money into the Property Assistant Plan than originally planned. This was originally a small grant program to do some small aesthetic improvements in the downtown area. But beefed it up to be a public partner to make some private projects happen to increase the tax base. This has been successful. One thing they want to watch for is the fund balance which is a little less than originally projected to go out for bond in 2021/2022. They do expect some big projects to come on the tax rolls for the next year and tax receipts received this year are higher than expected so are in an exponential forecast for revenue so should catch them back up.

For last year's accomplishments and investment was made towards the development assistance program. There were 8 loans/grants awarded which totaled the amount of \$128,200. This yielded about 2 million dollars' worth of projects. This was for the 2018 with a list of the projects and the commitment dollar amount made to each project shown below.

2018 - DEVELOPMENT ASSISTANCE (\$128,200)

PROJECT	LOAN	GRANT
ATTICUS		\$20,000
MAC MARKET	\$90,000	\$5,000
AMCRAFT		\$5,000
ST. RUE – NE GATEWAY		\$4,500
THE BINDERY		\$2,500
ELIZABETH CHAMBERS		\$1,200
TOTAL	\$90,000	\$38,200

In 2019 there was a budgeted \$245,000 for the Development Assistance program. They were aware of other private projects wanting to move forward. Have made a commitment of \$150,000 with these projects being large projects. This will create more energy in the Northeast Gateway District.

2019 - DEVELOPMENT ASSISTANCE (\$245,000)

PROJECT	LOAN	GRANT
ATTICUS		\$20,000
BOTTENS – NE GATEWAY		\$5,000
GRANARY ROW	\$71,000	
THE BINDERY	\$24,450	
HURL – NE GATEWAY		\$10,000
BOUTIQUE RETREAT		\$10,000
DELUXE HOTEL		\$5,000
MECA ART GALLERY		\$5,000
TOTAL: \$150,450	\$95,450	\$55,000

In terms of projects there is a five year strategic plan focusing on five specific projects. Outlining what was budgeted, what was committed thus far and what is remaining for the remainder of the fiscal year shown below.

PROJECT DISCUSSION			
PROJECT	BUDGETED	COMMITTED	REMAINING
DEVELOPMENT ASSISTANCE	\$245,000	\$150,450	\$94,550
THIRD STREET IMPROVEMENT	\$30,000		\$30,000
DISTRICT IDENTITY Rooftop Lights Wayfinding	\$35,000	\$10,000	\$25,000
PUBLIC PARKING Structural Analysis	\$58,000	\$14,000	\$44,000
DOWNTOWN MASTER PLAN	\$25,000		\$25,000
CONTINGENCY			\$90,354

The big project MURAC is working on is the 3rd street improvement project. In the past calendar year they budgeted \$30,000 to get this project started. They've decided to bring the boundary line all the way to City Center Park over by the Library plaza. So far they have reviewed the history of downtown planning, have done existing conditions evaluations, best practices & cases studies from other communities and project charter with vision, goals and objectives. She quickly went over the project Goals and Objectives which are:

1. Reinforce and celebrate McMinnville's Unite and Welcoming Identify
2. Strengthen the Prosperity of Local Businesses
3. Ensure Safety for all users and Connectivity throughout Downtown
4. Choose Durable, Long-Lasting solutions that allow for Efficient Construction and Effective Maintenance
5. Foster a Range of Events for Citizens and Visitors Alike
6. Facilitate a Robust Public Engagement process that engages the entire Community

The other project they have been working this past year is the City Center Housing Strategy. The effort behind this project is to look at how they can incentivize more housing in the City Center. The City Center strategy is on its way and there are four steps to this project:

1. Identifying housing types – what makes sense in the downtown and where
2. Study key issues of example sites – what are the barriers?
3. Test financial feasibility and pilot projects

4. Action plan

They are towards the end of this process and will be bringing out to the public fairly soon. Additionally, they have done some sensitivity testing which is understanding what's in the code to incentives housing and also a barrier to housing. What they have learned is our parking standards is a barrier to housing in the downtown area. They are working toward an action plan which has four goals to it:

1. Remove barriers to desired housing in city center – things that need to be in or removed from code for regulatory reasons.
2. Provide incentives and support to desired development – are there programs that can be created to incentive projects is there a role that Urban Renewal can play.
3. Improve street character, connections, and walkability – Are there reasons people are not locating downtown due to the amenities and their demographics.
4. Align enforcement and programming efforts with City's housing goals – Continue to regulate short-term rentals and the impact to the downtown area.

Another project scheduled for this fiscal year but has not been started is the rooftop lights project. This has been put off as McMinnville Downtown Association (MDA) was working through transitional discussion and wanted to do this in partnership with them. Wayfinding project was revisited this month they had originally invested in it and the committee elected not to move forward. This project has been on hiatus and looking for a leader to step up and move this project it forward as it's a big project. Talking about connections how to get people from Third Street to the Northeast gateway district in a safely pedestrian way. Also looking into public parking, have budgeted \$58,000 for this. Did a utilization study and it was determined the public garage was not being utilized and should invest in making it more attractive for people to use. Worked through some of enforcements issues that were occurring there and now working on a structural analysis. They are working with a consultant firm that will make a structural analysis on the garage. Based on the results of this analysis they will use some of the funds to make more improvements.

There are funds set aside to do a downtown mater plan which is part of the Five Strategic Plan and were hoping to get it under way in 20202 but waiting for MDA is ready to participate as their partnership is very important in this project. The five year plan was established in 2018 and focuses on its downtown plan and its housing/office development in this area. There is also a lot of talk about the connection between Third Street and the city center park as it currently has a lot of barriers for people to safely crossing.

Mayor opened the dais for questions/comments related to the presentation.

Councilor Garvin asked for clarification if the rooftop lighting is designated to compliment the tree lighting, so would the tree lighting stay? Planning Director Richards state yes, she had worked with Rebecca on the lighting program for the downtown area. This was a three part program consisting of buying the lights instead of leasing them and to keep the lights up year round. The communities' response was positive. Then adding lights to the sequoia tree and the final part to this program was the rooftop lighting. The rooftop lighting is more complicated as it's on private property when installing.

Councilor Garvin asked if the business community/property owners are in support of this?

Ms. Richards said for the most part they were but they would need to do survey each property owner and have them sign a contract with the city before they can install the lights.

Mayor Hill stated Councilor Stassens, Council President Menke and he are regularly involved in MURAC meetings.

3. RESOLUTION

3.a. Consider **Resolution 2020-01**, A Resolution to Enter Into and Manage a Development Agreement with the Bindery Event Space, 610 NE Fourth Street for the Historic Rehabilitation of a Historic Warehouse.

Planning Director Richards introduced the project and stated Chelsea, the owner of the project is present for questions. This project has been in discussion with MURAC for a while and excited to bring forward. The project comes from the development assistance program authorized in the Urban Renewal Plan and \$940,000 is authorized. This project will hit all three loans in the plan. This is a historic rehab of a warehouse to an event center the budget for this is \$205,000. She read the qualifications for the project to qualify for the funds. This project also achieves four of the qualification goals. MURAC recommends a \$41,000 loan which is the maximum amount they can get.

Mayor Hill asked for any questions from Council.

Councilor Stassens asked for clarification on original motion to approved \$24,000 is part of the requested \$41,000?

Ms. Richards stated that was correct that it is not adding to but part of it and there have been no funds dispersed for their project.

Councilor Stassens MOVED to adopt 2020-01, A Resolution to Enter Into and Manage a Development Agreement with the Bindery Event Space, 610 NE Fourth Street for the Historic Rehabilitation of a Historic Warehouse; SECONDED by Council President Menke. Motion PASSED unanimously 5-0.

4. ADJOURNMENT: Mayor Hill adjourned the Urban Renewal Agency Meeting at 6:31 p.m.



Claudia Cisneros, Recording Secretary