



**McMinnville Urban Renewal Agency Meeting Agenda
Tuesday, February 22, 2022
7:00 p.m. (Following Regular City Council Meeting)**

Welcome! Civic Hall will be closed to the public. Until improvements of COVID cases in Yamhill County improve meetings will be held via Zoom and live broadcast ONLY.

The public is strongly encouraged to relay concerns and comments to the Council in one of three ways:

- *Email at any time up to 12 p.m. the day of the meeting to Claudia.Cisneros@mcminvilleoregon.gov;*
- *If appearing via telephone only please sign up prior to the meeting by emailing the City Recorder at Claudia.Cisneros@mcminvilleoregon.gov as the chat function is not available when calling in zoom;*
- *Join the zoom meeting; send a chat directly to City Recorder, Claudia Cisneros, to request to speak and use the raise hand feature in zoom to request to speak, once your turn is up we will announce your name and unmute your mic. You will need to provide your First and Last name, Address, contact information (email or phone) to the City Recorder. You do not need to state your address for the record when called to speak.*

You can live broadcast the City Council Meeting on cable channels Xfinity 11 and 331, Frontier 29 or webstream here:

www.mcm11.org/live

URA MEETING:

You may join online via Zoom Meeting:

<https://mcminvilleoregon.zoom.us/j/84592600180?pwd=eTNZZ2NKV2pDek5lYlRdUl1SjJlZz09>

Zoom ID: 845 9260 0180

Zoom Password: 430974

Or you can call in and listen via zoom: 1-253- 215- 8782

ID: 845 9260 0180

1. CALL TO ORDER

2. RESOLUTION

- Consider **Resolution No. 2022-02**: A Resolution of the McMinnville Urban Renewal Board authorizing the McMinnville City Manager or designee to enter into and manage a Development Agreement with Pebble Dentistry for a grant of \$25,000 for the development of the Pebble Dentistry offices at 915 NE Lafayette Avenue and its associated public improvements.
- Consider **Resolution No. 2022-03**: A Resolution of the McMinnville Urban Renewal Board authorizing the McMinnville City Manager or designee to enter into and manage a Development Agreement with Kevin Kump and Sarita Springer for a grant of \$15,000 for the development of the Boutique Retreat at 910 NE Alpine Avenue and its associated public improvements.



3. ADJOURNMENT

Kent Taylor Civic Hall is accessible to persons with disabilities. A request for an interpreter for the hearing impaired or for other accommodations for persons with disabilities should be made at least 48 hours before the meeting to the City Recorder (503) 435-5702. For TTY services, please dial 711.

STAFF REPORT

DATE: February 22, 2022
TO: McMinnville Urban Renewal Board Members
FROM: Heather Richards, Planning Director
SUBJECT: Resolution No. 2022-02, Approving a Development Grant for Pebble Dentistry at 915 NE Lafayette Avenue.

STRATEGIC PRIORITY & GOAL:

 <p>ECONOMIC PROSPERITY Provide economic opportunity for all residents through sustainable growth across a balanced array of traditional and innovative industry sectors.</p>	 <p>GROWTH & DEVELOPMENT CHARACTER Guide growth & development strategically, responsibly & responsibly to enhance our unique character.</p>
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Report in Brief:

This is the consideration of Resolution No. 2022-02, approving a \$25,000 grant from the McMinnville Urban Renewal Agency’s property assistance program for the development project at 915 NE Lafayette Avenue, commonly known as Pebble Dentistry.

The Pebble Dentistry project is a \$1.2 million new construction project, which includes approximately \$200,000 of public improvements associated with the development of 9th Ave along the frontage of the parcel and improvements on Lafayette Avenue.

Background:

On January 24, 2017, the McMinnville Urban Renewal Board approved Resolution 2017-03, authorizing the McMinnville Urban Renewal Advisory Committee (MURAC) to implement a Development Loan/Grant program to encourage new construction or significant property rehabilitation, business vitality and job creation in the McMinnville Urban Renewal District as part of the Development Assistance Program described in the adopted McMinnville Urban Renewal Plan.

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. All development loans and grants over \$5000 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.

The purpose of the Development Loan and Grant program is to 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 in the McMinnville Urban Renewal Plan which are outlined below.

Qualifying projects must satisfy ALL of the following conditions, which this project does:

- ✓ Be located within the boundaries of the McMinnville Urban Renewal District. Please see attached map.
- ✓ Be 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. (Leverage will be 98 dollars of private investment for 1 dollar of urban renewal financing.)
- ✓ Address two or more of the following urban renewal strategy goals:
 - ✓ **ECONOMY: Encourage the economic growth of the Area as the commercial, cultural, civic, and craft industry center for McMinnville.**
 - ✓ **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.
- 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.
- HISTORIC PRESERVATION: Enhance sites and structures of historical, cultural and/or architectural significance.**
- ✓ **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.

Checklist Items for the Application

Since this will not be a loan, and the project has already received design review approval, landscape plan approval, public improvements approval and building permits, the following were requested as additional information for the grant application review.

<p>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.</p>	<p>Provided, not included in packet.</p>
<p>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.</p>	<p>Provided, not included in packet.</p>
<p>Construction Plans: Copy of plans submitted for building department approval.</p>	<p>Provided. Executed building permit.</p>
<p>Construction Bid including draft construction contract.</p>	<p>Bid provided. Contract not provided.</p>

The project is proposed for a vacant lot at the corner of Lafayette Avenue and 9th Avenue. 9th Avenue is an unimproved local connector street that will need to be improved to city standards along the frontage of the subject site. Lafayette Avenue will also need to be improved to city standards as well.

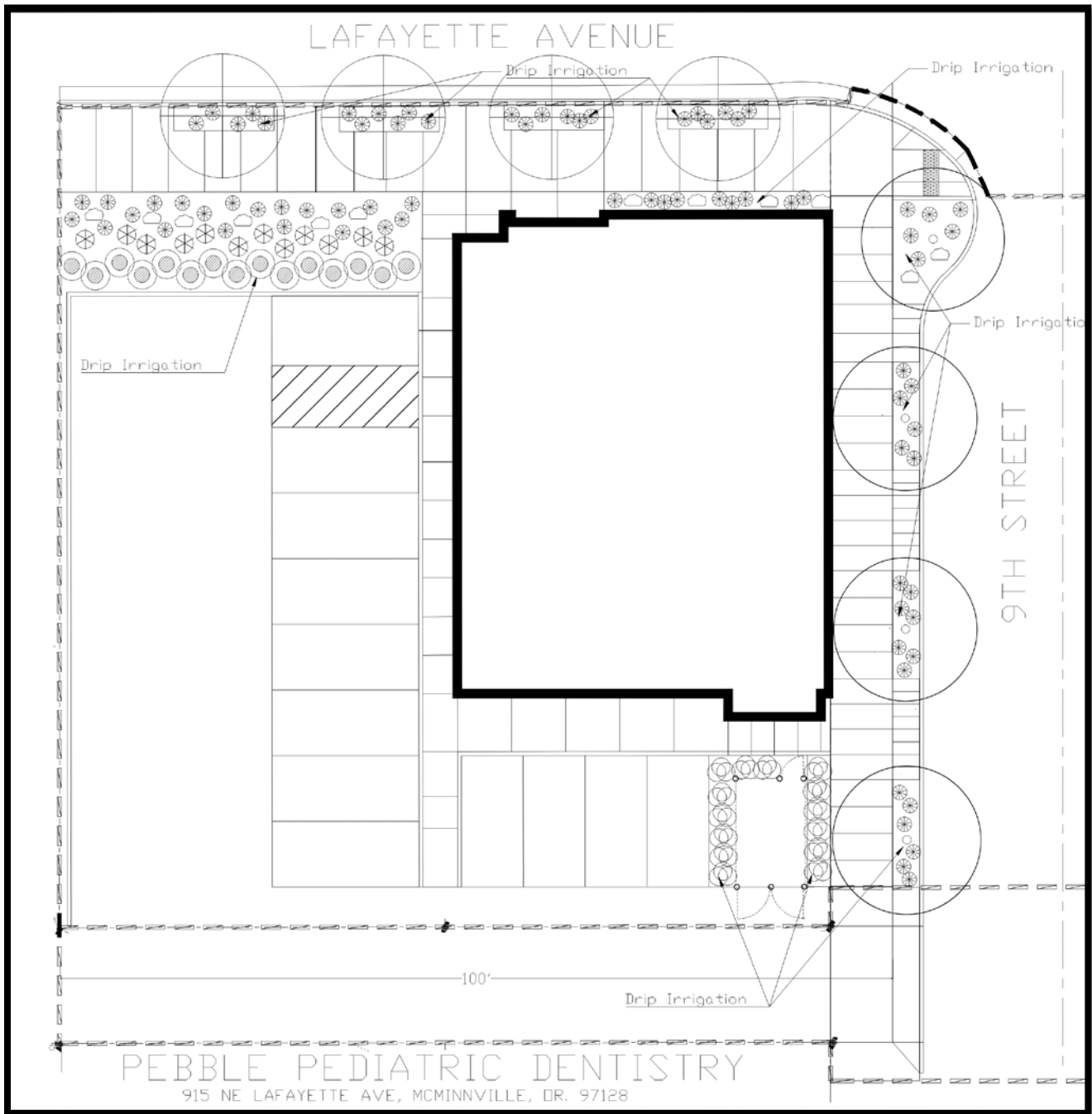
Vicinity Map:



Proposed Schematic:



Proposed Site Plan:



Discussion:

The McMinnville Urban Renewal Advisory Committee discussed this request at their meeting on Wednesday, February 2, 2022. After some consideration, they elected to recommend the approval of a \$25,000 grant for the project for the following reasons:

- New construction and tax base of \$1,200,000 on a prominent vacant lot.
- New job creation of approximately 25 people.
- Private investment of over \$200,000 in public improvements on Alpine Avenue and Lafayette Avenue.

Attachments:

- Pebble Dentistry Application
- URA Resolution No. 2022-02

Fiscal Impact:

Total fiscal impact is \$25,000 from the Property Assistance Program which currently has \$100,000 budgeted in this fiscal year.

Action / Recommended Motion:

The McMinnville Urban Renewal Advisory Committee recommends approval of the proposed grant.

“I move to approve Resolution No. 2022-02, authorizing the McMinnville City Manager to enter into a Development Agreement with Pebble Dentistry for a \$25,000 grant to be used towards the costs of the public improvements associated with the development project.”



**CITY OF MCMINNVILLE
PLANNING DEPARTMENT**
231 NE FIFTH STREET
MCMINNVILLE, OR 97128

503-434-7311
www.mcminnvilleoregon.gov

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.

Loans are available up to 20% of construction costs, cannot exceed \$100,000 and are subject to funding availability.

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.
- Be 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.

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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 and 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 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.

3. Owner of Property (If not applicant)

Name: Sarah Post and Blake Lundstrom

Address: 3039 NW Elizabeth, McMinnville, OR 97128

Phone: 971-237-1613, 541-948-1216

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

The pediatric dental office will be 2,986sq feet of new modern style construction. It will have eight dental operatories to see children. Our project includes our building, 2/3 development of 9th Street and re-development of Lafayette Ave sidewalk. Our office will offer off street parking with a parking lot behind the building. Our project will be a great asset to the district and community.

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.

This project will be entirely new construction and will have a single tenant - the dental practice. The dental practice will not move in until the building is done being constructed.

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

Our project is fully compliant with the requests and design requirements of the Granary District and the NW Gateway District design standards.

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.

Our building is located in the NE Gateway Planned Development Overlay District. It has been over two years working with the city to make sure that our building is fully compliant with the district requirements and requests. We submitted and were approved by the NE Gateway Review Committee on Aug18, 2021.

8. Budgeted Project Costs:

Property acquisition:	\$
Demolition (if any): Removal of 2 oak trees	\$ 1800
Environmental Remediation (if any):	\$ 0
Hard Construction Costs:	\$ 1,094,760.00
Third Party Consultant Fees:	\$ 0
Fees Paid to Any Related Party*: architects	\$ 48,400
Financing Fees (application fees, origination fees):	\$ 12,560
Construction Period Interest and Carrying Costs:	\$ 14,650
Other (please specify): <u>civil engineering</u>	12,800
Other (please specify): _____	
Other (please specify): _____	\$
TOTAL PROJECT COSTS:	\$ 1,184,970

*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):	\$ 185,000
Other owner equity (should be 10% of project costs minimum):	\$ 145,870
Tax credit equity (i.e. New Market, Historic, or Low Income Housing Tax Credits):	\$
Conventional Loans:	\$ 1,232,063.00
Subsidized Loans:	\$
Redevelopment Opportunity Fund Loans:	\$
Other sources (please specify): _____	\$
Other sources (please specify): _____	\$
Other sources (please specify): _____	\$
TOTAL PROJECT COSTS:	\$ 1,562,933.00

10. Team Members:

General Contractor (if selected)

Firm: White Oak Construction

Primary Contact: Peter Shanks

Address: 2455 River Rd S, Salem, OR 97302

Phone: 503-588-3081 Cell Phone: _____ Email: petershanks@whiteoakconstruction.net

Legal Form: Sole Proprietorship Partnership Corporation
Profit Non-Profit

Tax ID Number: _____

CCB# 111431

Is there an identity of interest with Applicant or Property Owner? NO

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: First Federal

Primary Contact: Tony Journey

Address: 118 NE 3rd St, McMinnville, OR 97128

Phone: 503-472-6171 Email: tjourney@fistfedweb.com

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: 1/8/22

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

Checklist Items 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 may require the following items. Please meet with the Planning Director to determine what will be required.

- **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.

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 for Closing

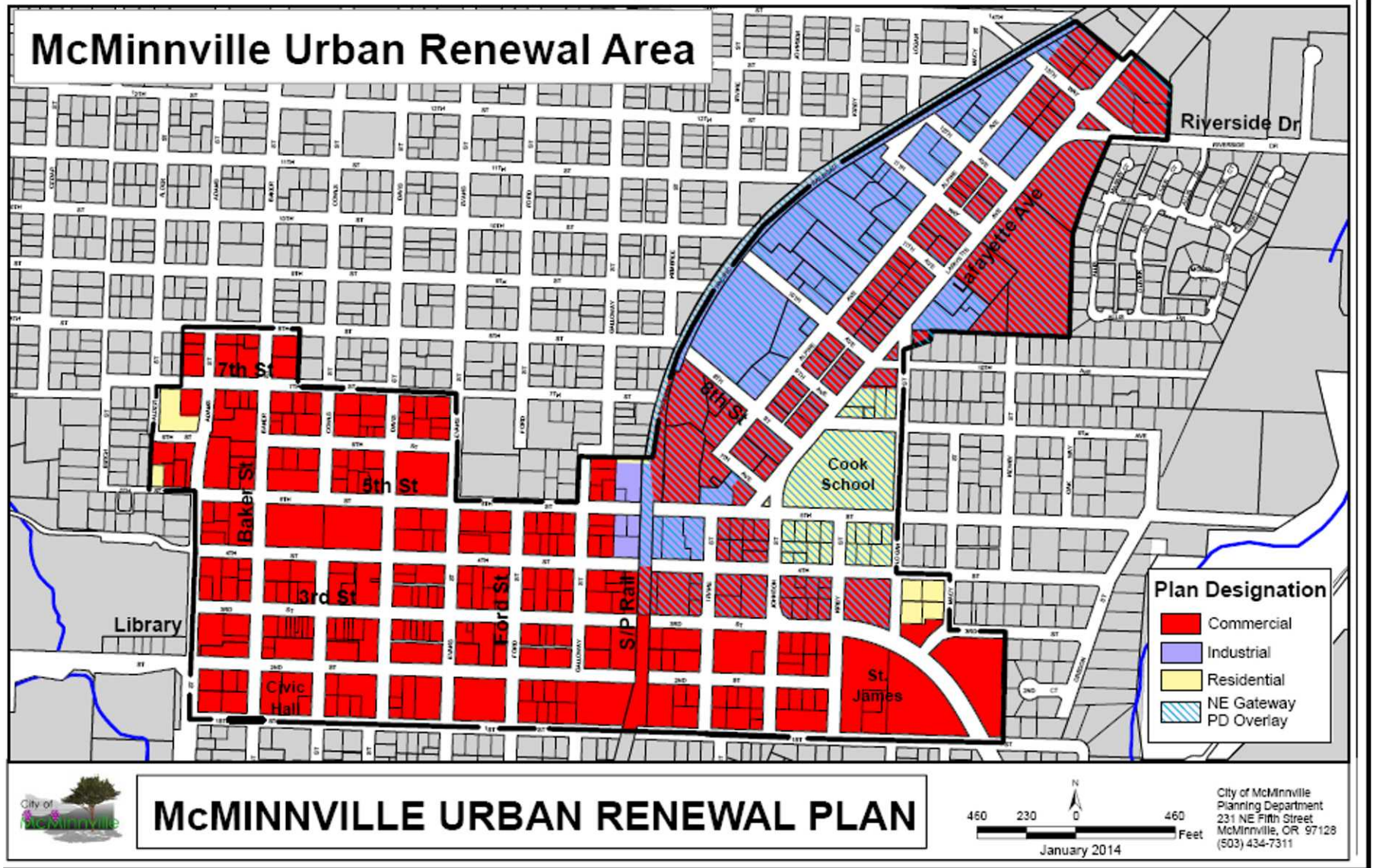
Prior to closing the City will at minimum require the following items:

- **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 Development 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.

Map of McMinnville Urban Renewal Area with Zoning and Comprehensive Plan Designations





FINAL BUDGET SUMMARY

Project:	Pebble Dental Office	Estimate No.:	1.1
Tenant:		Date:	7.2.21
Location:	915 NE Lafayette	Estimator:	ps
Architect:	Architecteer - Bruce Kenny	GSF:	2,982
		GSF of Site:	11,000

Summary by Division	Total
Div. #1 General Conditions	
Onsite Supervision	\$ 34,138
Project management	\$ 16,483
General field labor	\$ 9,090
Temp Office and Facilities	\$ 1,061
Equipment and tools	\$ 7,272
Temp lighting, electrical, etc	\$ 4,141
Protection/Clean-up/Site logistics	\$ 4,242
Div. #2 Demolition	N/A \$ -
Div. #3 Concrete	\$ 31,815
Div. #4 Masonry	Excluded \$ -
Div. #5 Steel	N/A \$ -
Div. #6 Carpentry	\$ 141,400
Div. #7 Thermal/Exterior Skin	\$ 134,830
Div. #8 Doors/Windows	\$ 77,468
Div. #9 Interior Finishes	\$ 105,995
Div. #10 Accessories	\$ 2,581
Div. #12 Window Coverings	Excluded \$ -
Div. #14 Elevator	N/A \$ -
Div. #21 Fire sprinkler	N/A \$ -
Div. #22 Plumbing	\$ 88,072
Div. #23 Mechanical	\$ 53,025
Div. #26 Electrical	\$ 107,424
Div. #31,32 Sitework/ Earthwork	\$ 192,838
Subtotal	\$ 1,011,875



FINAL BUDGET SUMMARY

Project:	Pebble Dental Office	Estimate No.:	1.1
Tenant:		Date:	7.2.21
Location:	915 NE Lafayette	Estimator:	ps
Architect:	Architecteer - Bruce Kenny	GSF:	2,982
		GSF of Site:	11,000

Architect/Consultants allowance		\$	-
Building permit allowance	See Alternates	\$	-
Contractor OH		\$	40,475
Contractor Fee		\$	31,571
General Liability Insurance		\$	10,839
*Grand Total		\$	1,094,760

*See attached proposal for alternates, qualifications and exclusions

Alt 1 - 6% Contingency	ADDER:	\$	65,686
Alt 2 - Building permit allowance	ADDER:	\$	50,000
Alt 3 - Low Voltage allowance	ADDER:	\$	10,000



Building Permit

Commercial Structural

Permit Number: 569-21-000880-STR

IVR Number: 569046164726

Web Address: www.mcminnvilleoregon.gov

Email Address: cdc.building@mcminnvilleoregon.gov

Permit Issued: December 16, 2021

Application Date: August 12, 2021

Project: Pebble Dental Office

TYPE OF WORK

Structural Specialty Code Edition: 2019

Category of Construction: Commercial

Type of Work: New

Submitted Job Value: \$750,000.00

Description of Work: New Commercial Dental Office (Pebble Dental Office)

JOB SITE INFORMATION

Worksite Address

915 NE LAFAYETTE AVE
MCMINNVILLE, OR 97128

Parcel

R4421BA02700

Owner:

Post Dental Group LLC

Address:

915 NE Lafayette Ave
MCMINNVILLE, OR 97128

LICENSED PROFESSIONAL INFORMATION

Business Name

WHITE OAK CONSTRUCTION INC -
Primary

License

CCB

License Number

111431

Phone

503-588-3081

PENDING INSPECTIONS

Inspection

1999 Final Building

Inspection Group

Struct Com

Inspection Status

Pending

SCHEDULING INSPECTIONS

Various inspections are minimally required on each project and often dependent on the scope of work. Contact the issuing jurisdiction indicated on the permit to determine required inspections for this project.

Schedule or track inspections at www.buildingpermits.oregon.gov

Call or text the word "schedule" to 1-888-299-2821 use IVR number: 569046164726

Schedule using the Oregon ePermitting Inspection App, search "epermitting" in the app store

Permits expire if work is not started within 180 Days of issuance or if work is suspended for 180 Days or longer depending on the issuing agency's policy.

All provisions of laws and ordinances governing this type of work will be complied with whether specified herein or not. Granting of a permit does not presume to give authority to violate or cancel the provisions of any other state or local law regulating construction or the performance of construction.

ATTENTION: Oregon law requires you to follow rules adopted by the Oregon Utility Notification Center. Those rules are set forth in OAR 952-001-0010 through OAR 952-001-0090. You may obtain copies of the rules by calling the Center at (503) 232-1987.

All persons or entities performing work under this permit are required to be licensed unless exempted by ORS 701.010 (Structural/Mechanical), ORS 479.540 (Electrical), and ORS 693.010-020 (Plumbing).

PERMIT FEES

Fee Description	Quantity	Fee Amount
SDC - Sanitary Sewer - enter # of dwelling units	4.88	\$17,309.36
Trans - Net New Trips - Enter # of NNT	9.18	\$24,721.74
Structural building permit fee		\$3,265.36
Structural plan review fee		\$2,122.48
State of Oregon Surcharge - Bldg (12% of applicable fees)		\$391.84
BPR Commercial / Industrial building permit review - value > \$500,000	1	\$708.00
Sidewalk - 200 to 299 feet	1	\$15.00
Total Fees:		\$48,533.78

Note: This may not include all the fees required for this project.

VALUATION INFORMATION

Construction Type	Occupancy Type	Unit Amount	Unit	Unit Cost	Job Value
VB	B Business	2,982.00	Sq Ft	\$144.35	\$430,451.70
Total Job Value:					\$430,451.70

ADDITIONAL INFORMATION/CONDITIONS OF APPROVAL FOR PLANNING

Date Applied: 11/04/2021

Comments: Revisions Needed. See 11/4/2021 Planning Division Review Notes uploaded to Documents for revisions needed, additional information needed, and additional notes.

ADDITIONAL INFORMATION/CONDITIONS OF APPROVAL FOR PUBLIC WORKS

Date Applied: 11/03/2021

Comments:

- Applicant shall submit complete Civil plans to the Engineering Department for review and approval for the Public Improvements to NE 9th Avenue.
- Applicant shall enter into a Construction Permit Agreement with the City and pay associated fees for the Public Improvements to NE 9th Avenue. Contact Jeff Gooden (503) 434-7312 for details.
- Public Improvements to NE 9th Avenue shall be complete and approved by the City Engineering Department prior to any Building Certificate of Occupancy (temp or final).
- Applicant shall submit to the Engineering Department a legal description and exhibit for the dedication of 8ft of additional Right-of-Way on Lafayette Avenue. City will prepare the dedication documents for recording by Yamhill County, applicant will pay applicable recording fees.
- Recorded documents must be received by the Engineering Department prior to any Certificate of Occupancy (temp or final).

From: [Sarah Post](#)
To: [Heather Richards](#)
Subject: Re: MURA Grant Application
Date: Sunday, January 9, 2022 3:07:51 PM

This message originated outside of the City of McMinnville.

Hello,

We aren't really looking for loan money. We are just interested in any grant money to help us with all the street development we have to do! We are having to spend around \$200,000 for required development of concrete and streets on Lafayette and 9th St.

Thanks!

Sent from my iPhone

On Jan 9, 2022, at 2:33 PM, Heather Richards
<Heather.Richards@mcminnvilleoregon.gov> wrote:

Hi Sarah,

This email should confirm receipt of your application. I did not see an amount requested on the application form though – can you fill that in for me? This program maximum is \$100,000.

Have a great day!

Heather

<image003.png>

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Heather Richards, PCED
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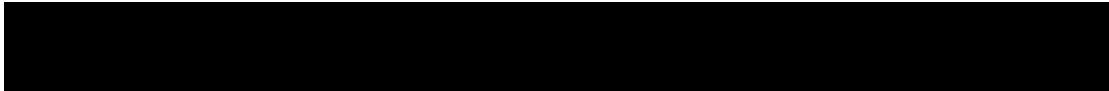
From: Sarah P. Post <sarahpostdmd@gmail.com>
Sent: Saturday, January 8, 2022 7:51 PM
To: Heather Richards <Heather.Richards@mcminnvilleoregon.gov>
Subject: MURA Grant Application

Mimecast Attachment Protection has deemed this file to be safe, but always exercise caution when opening files.

This message originated outside of the City of McMinnville.

Hello,
Attached is my MURA Grant application. I'm not sure exactly what documents you need as the city has pretty much everything already but I've attached most of them that are listed on the application. Please let me know if you need anything else!

Thanks so much,
Sarah



RESOLUTION NO. 2022- 02

A Resolution of the McMinnville Urban Renewal Board authorizing the McMinnville City Manager or designee to enter into and manage a Development Agreement with Pebble Dentistry for a grant of \$25,000 for the development of the Pebble Dentistry offices at 915 NE Lafayette Avenue and its associated public improvements.

RECITALS:

Whereas, some of the McMinnville Urban Renewal Agency's (Agency) goals are to encourage the economic growth of the McMinnville Urban Renewal Area (Area) as the commercial, cultural, civic and craft industry center for McMinnville; to encourage a unique district identify both in the downtown commercial core and the Northeast Gateway area; and 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; and

Whereas, in order to achieve these goals, the Agency developed a Property Assistance Program to encourage new construction and significant redevelopment projects in the Area per Resolution No. 2017-03; and

Whereas, as part of the Property Assistance Program, the McMinnville Urban Renewal Board authorized the development of a Development Loan and Grant program; and

Whereas, Pebble Dentistry applied for up to \$100,000 in grant funds from this Development Loan and Grant program to help with the public improvement costs associated with the new construction of their offices at 915 NE Lafayette Avenue. The total project costs are approximately \$1,200,000 with \$200,000 in public improvement costs required for the development of 9th Avenue along the frontage of the subject property and improvements to Lafayette Avenue along the frontage of the subject property. The request for \$100,000 is approximately 8% of the total hard construction costs of the project; and

Whereas, the McMinnville Urban Renewal Advisory Committee reviewed the request at their meeting on Wednesday, February 2, 2022, and voted unanimously to recommend that the McMinnville Urban Renewal Agency fund the project with a \$25,000 grant (approximately 2% of the overall project costs); and

Whereas, the McMinnville Urban Renewal Board feels that this project achieves the overall goals and objectives of both the McMinnville Comprehensive Plan and the McMinnville Urban Renewal Plan; and

Whereas, and the McMinnville Urban Renewal Agency feels that an investment of \$25,000 in this project is a valuable investment for the Agency and the community of McMinnville helping to leverage urban renewal funds for a new construction project on a prominent block in the NE Gateway District that will create new tax base, jobs and

improve 9th Avenue which is currently an unimproved local connector road in the NE Gateway District; and

Whereas, the McMinnville Urban Renewal Agency has budgeted for this effort as part of the "Planning and Development Assistance Program" identified in the McMinnville Urban Renewal Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE MCMINNVILLE URBAN RENEWAL AGENCY as follows:

1. That a grant of \$25,000 is approved for the Pebble Dentistry construction project.
2. That the grant will be disbursed when the certificate of occupancy for the project is approved.
3. That the grant will need to be paid back to the Agency if the property is sold within ten years, and that the City will put a lien on the property with that stipulation.
4. The McMinnville City Manager or designee is authorized to execute a Development Agreement and such other documents as are necessary to carry out this decision.
5. This Resolution will take effect immediately upon passage.

Adopted by the Board of the McMinnville Urban Renewal Agency at a regular meeting held the 22nd day of February 2022 by the following votes:

Ayes: _____

Nays: _____

Approved this 22nd day of February 2022.

Chair Of The Urban Renewal Board

Approved as to form:

Attest:



City Attorney

City Recorder

STAFF REPORT

DATE: February 22, 2022
TO: McMinnville Urban Renewal Board Members
FROM: Heather Richards, Planning Director
SUBJECT: Resolution No. 2022-03, Approving a Development Grant for Boutique Retreat at 910 NE Alpine Avenue.

STRATEGIC PRIORITY & GOAL:

 <p>ECONOMIC PROSPERITY Provide economic opportunity for all residents through sustainable growth across a balanced array of traditional and innovative industry sectors.</p>	 <p>GROWTH & DEVELOPMENT CHARACTER Guide growth & development strategically, responsibly & responsibly to enhance our unique character.</p>
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Report in Brief:

This is the consideration of Resolution No. 2022-03, approving a \$15,000 grant from the McMinnville Urban Renewal Agency’s property assistance program for the development project at 910 NE Alpine Avenue, commonly known as the Boutique Retreat.

The Boutique Retreat project is a \$1.0 million new construction project, which includes approximately \$200,000 of public improvements associated with the development of 9th Ave along the frontage of the parcel and alleyway improvements on the north side of the parcel between 910 NE Alpine Avenue and 915 NE Lafayette Avenue.

Background:

On January 24, 2017, the McMinnville Urban Renewal Board approved Resolution 2017-03, authorizing the McMinnville Urban Renewal Advisory Committee (MURAC) to implement a Development Loan/Grant program to encourage new construction or significant property rehabilitation, business vitality and job creation in the McMinnville Urban Renewal District as part of the Development Assistance Program described in the adopted McMinnville Urban Renewal Plan.

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. All development loans and grants over \$5000 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.

The purpose of the Development Loan and Grant program is to 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 in the McMinnville Urban Renewal Plan which are outlined below.

Qualifying projects must satisfy ALL of the following conditions, which this project does:

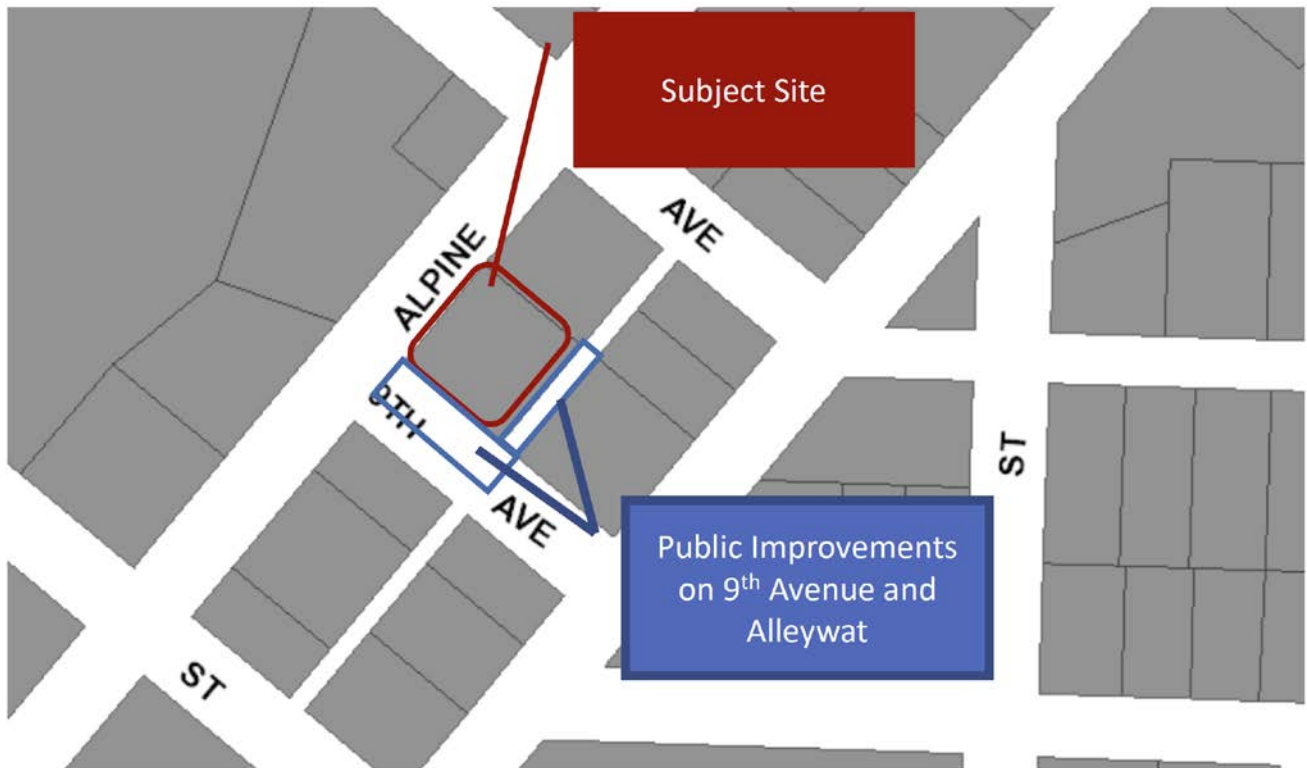
- ✓ Be located within the boundaries of the McMinnville Urban Renewal District. Please see attached map.
- ✓ Be new construction or substantial rehabilitation projects that increase assessed value and create jobs.
- ✓ Comply with all federal, state and city codes.
- ✓ Leverage at least four dollars of private investment for each dollar of urban renewal financing. (Leverage will be 98 dollars of private investment for 1 dollar of urban renewal financing.)
- ✓ Address two or more of the following urban renewal strategy goals:
 - ✓ **ECONOMY: Encourage the economic growth of the Area as the commercial, cultural, civic, and craft industry center for McMinnville.**
 - ✓ **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.
- 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.
- HISTORIC PRESERVATION: Enhance sites and structures of historical, cultural and/or architectural significance.**
- ✓ **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.

This a project that is currently under construction at the corner of 9th Avenue and Alpine Avenue. 9th Avenue is an unimproved local connector street that will need to be improved to city standards along the frontage of the subject site. The alleyway between 910 NE Alpine Avenue and 915 NE Lafayette Avenue will also need to be improved to city standards as well.

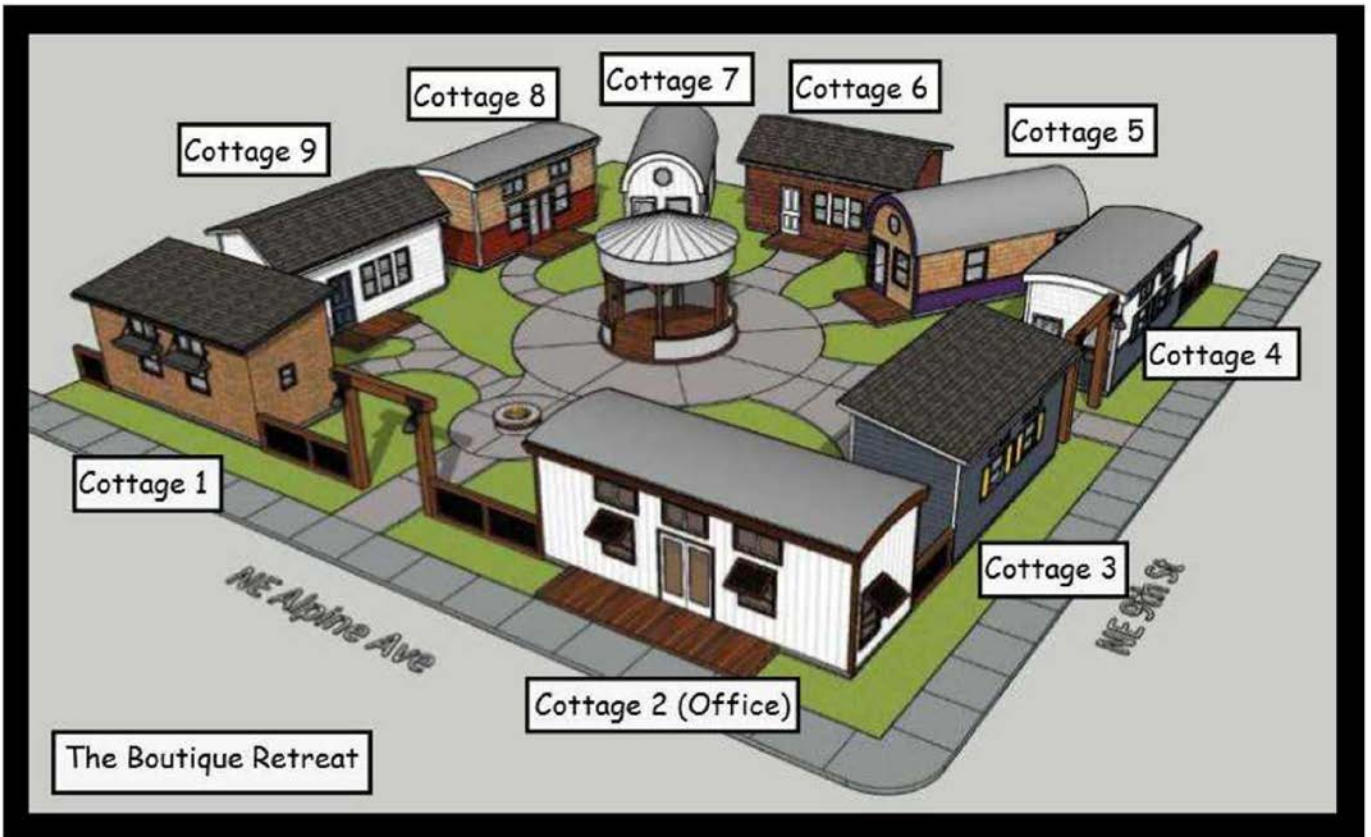
Vicinity Map:



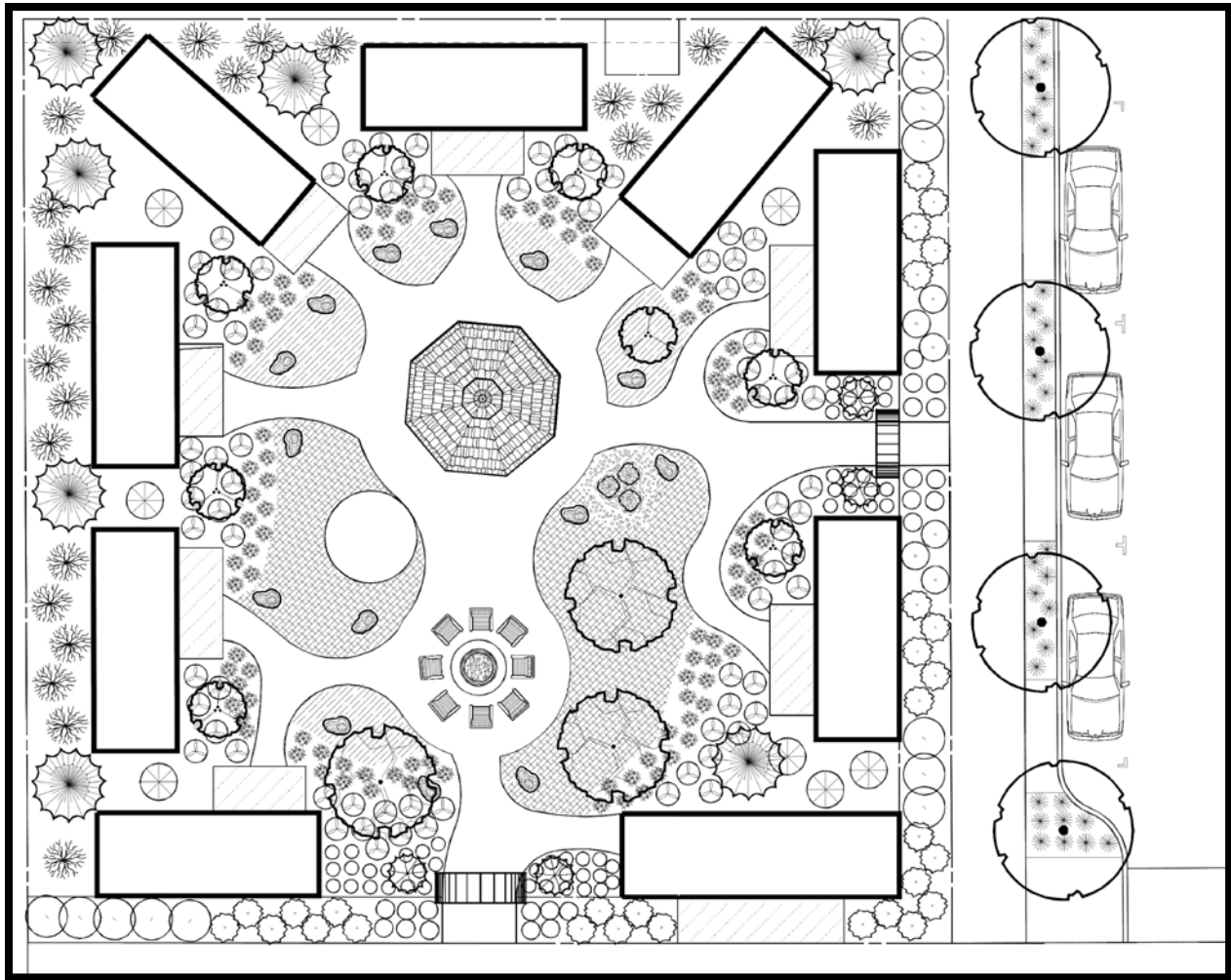
Map Identifying Needed Public Improvements:



Proposed Schematic:



Proposed Site Plan:



The Boutique Retreat has already been through NE Gateway District Design Review, Landscape Plan Review, Building Permits and Public Improvement Review, and is currently under construction.

Since this was the first project to get underway with construction in this area, the alleyway improvements and the installation of the street light fixtures was assigned to this project, even though the Boutique Retreat is not utilizing the alleyway for their project.

The owners of the Boutique Retreat were originally awarded a \$10,000 grant for their project in 2019 as part of the NE Gateway District revitalization grant.

On February 2, 2022, the owners of the Boutique Retreat approached the McMinnville Urban Renewal Advisory Committee (MURAC) for some assistance with the unexpected costs associated with the alleyway improvements (\$25,000) and the installation of the street light fixture (\$10,000).

Discussion:

The McMinnville Urban Renewal Advisory Committee discussed this request at their meeting on Wednesday, February 2, 2022. After some consideration, they elected to recommend the approval of a \$15,000 grant for the project for the following reasons:

- New construction and tax base of \$1,000,000 on a prominent vacant lot.
- Private investment of over \$200,000 in public improvements on Alpine Avenue and the public alleyway.
- The alleyway and the light fixture were not originally accounted for in the project budget and were assigned to the Boutique Retreat due to the timing of their construction project.

Attachments:

- URA Resolution No. 2022-03

Fiscal Impact:

Total fiscal impact is \$15,000 from the Property Assistance Program which currently has \$100,000 budgeted in this fiscal year. If Resolution No. 2022-02 and Resolution No. 2022-03 are both approved, the Property Assistance Program will have a remaining budget of \$60,000 to invest in projects this fiscal year.

Action / Recommended Motion:

The McMinnville Urban Renewal Advisory Committee recommends approval of the proposed grant.

“I move to approve Resolution No. 2022-03, authorizing the McMinnville City Manager to enter into a Development Agreement with the Boutique Retreat for a \$15,000 grant to be used towards the costs of the public improvements associated with the development project.”

RESOLUTION NO. 2022- 03

A Resolution of the McMinnville Urban Renewal Board authorizing the McMinnville City Manager or designee to enter into and manage a Development Agreement with Kevin Kump and Sarita Springer for a grant of \$15,000 for the development of the Boutique Retreat at 910 NE Alpine Avenue and its associated public improvements.

RECITALS:

Whereas, some of the McMinnville Urban Renewal Agency's (Agency) goals are to encourage the economic growth of the McMinnville Urban Renewal Area (Area) as the commercial, cultural, civic and craft industry center for McMinnville; to encourage a unique district identify both in the downtown commercial core and the Northeast Gateway area; and 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; and

Whereas, in order to achieve these goals, the Agency developed a Property Assistance Program to encourage new construction and significant redevelopment projects in the Area per Resolution No. 2017-03; and

Whereas, as part of the Property Assistance Program, the McMinnville Urban Renewal Board authorized the development of a Development Loan and Grant program; and

Whereas, Kevin Kump and Sarita Spring of the Boutique Retreat originally applied for a \$10,000 grant as part of the NE Gateway District grant revitalization program on June 6, 2019. The \$10,000 grant was awarded on September 4, 2019. At that time the new construction project budget was approximately \$750,000; and

Whereas, since 2019, Kevin Kump and Sarita Springer have learned that not only were they responsible for the 9th Avenue Street improvements along the frontage of their project, but they were also responsible for the alleyway improvements between their property and the property at 915 NE Lafayette Avenue (Pebble Dentistry) and the on-street light fixture for 9th Avenue as they were the first project to undertake construction and thus was assigned the responsibility; and

Whereas, the additional public improvements added \$150,000 to their overall project costs and they approached the McMinnville Urban Renewal Advisory Committee on February 2, 2022 for some additional grant funds from the Development Loan and Grant program to offset those additional public improvement costs; and

Whereas, the McMinnville Urban Renewal Advisory Committee reviewed the request at their meeting on Wednesday, February 2, 2022, and voted unanimously to recommend that the McMinnville Urban Renewal Agency fund the project with an additional \$15,000 grant from the Development Loan and Grant program for a total of \$25,000 in grants, (approximately 3% of the overall project costs); and

Whereas, the McMinnville Urban Renewal Board feels that this project achieves the overall goals and objectives of both the McMinnville Comprehensive Plan and the McMinnville Urban Renewal Plan; and

Whereas, and the McMinnville Urban Renewal Agency feels that an investment of \$25,000 in this project is a valuable investment for the Agency and the community of McMinnville helping to leverage urban renewal funds for a new construction project on a prominent block in the NE Gateway District that will create new tax base, jobs and improve 9th Avenue which is currently an unimproved local connector road in the NE Gateway District; and

Whereas, the McMinnville Urban Renewal Agency has budgeted for this effort as part of the "Planning and Development Assistance Program" identified in the McMinnville Urban Renewal Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE MCMINNVILLE URBAN RENEWAL AGENCY as follows:

1. That a grant of \$15,000 is approved for the Boutique Retreat construction project to be added to the previous \$10,000 grant approved on September 4, 2019.
2. That the grant will be disbursed when the certificate of occupancy for the project is approved.
3. That the grant will need to be paid back to the Agency if the property is sold within ten years, and that the City will put a lien on the property with that stipulation.
4. The McMinnville City Manager or designee is authorized to execute a Development Agreement and such other documents as are necessary to carry out this decision.
5. This Resolution will take effect immediately upon passage.

Adopted by the Board of the McMinnville Urban Renewal Agency at a regular meeting held the 22nd day of February 2022 by the following votes:

Ayes: _____

Nays: _____

Approved this 22nd day of February 2022.

Chair Of The Urban Renewal Board

Approved as to form:

Attest:

City Attorney

City Recorder