



**Kent Taylor Civic Hall  
200 NE Second Street  
McMinnville, OR 97128**

**McMinnville Urban Renewal Agency Meeting Agenda  
Tuesday, November 14, 2017**

**7:30 p.m.**

1. CALL TO ORDER
2. CONSENT AGENDA:
  - a. CONSIDER MINUTES OF THE SEPTEMBER 27, 2016, DECEMBER 13, 2016, MAY 9, 2017, JANUARY 24, 2017, JULY 11, 2017, URBAN RENEWAL AGENCY MEETINGS.
3. ADJOURNMENT

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CITY OF McMinnville  
MINUTES OF THE URBAN RENEWAL AGENCY MEETING  
Held at the Kent L. Taylor Civic Hall on Gormley Plaza  
McMinnville, Oregon

Tuesday, September 27, 2016, at 8:51 p.m.

Presiding: Rick Olson, Chair

Recording: Rose Lorenzen

Councilors:	<u>Present</u>	<u>Excused Absence</u>
	Kevin Jeffries	Remy Drabkin
	Kellie Menke	Scott Hill
	Alan Ruden	
	Larry Yoder	

Also present were City Manager Martha Meeker, Attorney Walt Gowell, Community Development Director Mike Bisset, Fire Chief Leipfert, Police Chief Matt Scales, and Finance Director Marcia Baragary.

CALL TO ORDER: Chair Olson called the meeting to order at 8:51 p.m.

1. RESOLUTION

- a. **Resolution No. 2016-06:** Authorizing indebtedness for capital projects described in the Urban Renewal Plan.

Finance Director Baragary explained that the best option for financing was for the City to borrow \$2.2 million for the Alpine Avenue project. The City would then loan the money to the Urban Renewal Agency. The Agreement was reviewed by the Bond Counsel.

Board Member Ruden MOVED to adopt Resolution No. 2016-06 authorizing indebtedness for capital projects described in the Urban Renewal Plan.; SECONDED by Board Member Yoder. Motion PASSED unanimously.

Board Member Jeffries thanked Chair Olson for everything he has done as this was Chair Olson's last meeting.

2. ADJOURNMENT: Chair Hill adjourned the meeting at 8:53 p.m.

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Melissa Grace, City Recorder

CITY OF McMinnville  
MINUTES OF THE URBAN RENEWAL AGENCY MEETING  
Held at the Kent L. Taylor Civic Hall on Gormley Plaza  
McMinnville, Oregon

Tuesday, December 13, 2016, at 9:15 p.m.

Presiding: Kevin Jeffries, Acting Chair  
Scott Hill, Chair

Recording: Melissa Grace, City Recorder

Councilors:	<u>Present</u>	<u>Excused Absence</u>
	Remy Drabkin	
	Scott Hill	
	Kevin Jeffries	
	Kellie Menke	
	Alan Ruden	
	Larry Yoder	

Also present were Interim City Manager Candace Haines, City Attorney David Koch, Community Development Director Mike Bisset, Planning Director Heather Richards, Library Director Jenny Berg, Information Technology Director Scott Burke, Councilor-elect Adam Garvin, and a member of the news media, Tom Henderson of the *News Register*.

CALL TO ORDER: Acting Chair Jeffries called the meeting to order at 9:15 p.m.

Acting Chair Jeffries stated that the Chair position was never officially vacated when former Chair Olson resigned. He asked for a motion recognizing that the Chair position has been vacated.

Board Member Menke MOVED to recognize the Chair position as vacated;  
SECONDED by Board Member Ruden. Motion PASSED unanimously.

1. APPOINTMENT OF CHAIR

Board Member Yoder MOVED to appoint Scott Hill as Chair; SECONDED by Board Member Menke. Motion PASSED unanimously.

## 2. RESOLUTIONS

- a. **Resolution No. 2016-07:** A Resolution of the McMinnville Urban Renewal Board authorizing the McMinnville City Manager or designee to enter into and manage a Personal Services Contract for a parking study with Rick Williams Consulting.

Planning Director Richards explained that the contract is to evaluate current and future public parking capacity issues through conducting a utilization study in the Third Street area as well as the Northeast Gateway District. Rick Williams Consulting would be looking at parking in both areas on a weekday and a weekend to see how parking is currently being utilized. She explained that they will also examine capacity issues and opportunities. Ms. Richards stated that Rick Williams Consulting would provide an off-street parking inventory and make recommendations on where to invest for future public parking inventory. The McMinnville Renewal Advisory Committee (MURAC) recommends the parking utilization study be conducted by Rick Williams Consulting. Ms. Richards stated that the contract is for a not-to-exceed amount of \$34,984.00. The study would be funded through the Urban Renewal Budget.

Discussion ensued regarding the need for the project and the amount of funds available to be spent on the off-street parking project.

Board Member Ruden MOVED to adopt Resolution No. 2016-07 authorizing the McMinnville City Manager or designee to enter into and manage a Personal Services Contract for a parking study with Rick Williams Consulting; SECONDED by Board Member Yoder. Motion PASSED unanimously.

- b. **Resolution No. 2016-08:** A Resolution of the McMinnville Urban Renewal Board re-appointing members to the McMinnville Urban Renewal Advisory Committee.

Planning Director Richards stated that there are three members whose terms are expiring December 31<sup>st</sup>: Kyle Faulk, Walt Gowell, and Kelly McDonald. She added that all three members would like to be re-appointed.

Board Member Menke MOVED to adopt Resolution No. 2016-08 re-appointing members to the McMinnville Urban Renewal Advisory Committee; SECONDED by Board Member Ruden. Motion PASSED unanimously.

3. ADJOURNMENT: Chair Hill adjourned the meeting at 9:21 p.m.

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Melissa Grace, City Recorder

CITY OF McMinnville  
MINUTES OF THE URBAN RENEWAL AGENCY  
of the McMinnville City Council  
Held at the Kent L. Taylor Civic Hall on Gormley Plaza  
McMinnville, Oregon

Tuesday, May 9, 2017 at 9:29 p.m.

Presiding: Scott A. Hill, Chair

Recording: Melissa Grace, City Recorder

Board Members:	<u>Present</u>	<u>Excused Absence</u>
	Adam Garvin	Remy Drabkin
	Kevin Jeffries	Wendy Stassens
	Kellie Menke, Council President	
	Alan Ruden	

Also present were City Manager Jeff Towery, City Attorney David Koch, Finance Director Marcia Baragary, Planning Director Heather Richards, Community Development Director Mike Bisset, and Walt Gowell (Chair of the McMinnville Urban Renewal Advisory Committee).

1. CALL TO ORDER: Chair Hill called the Urban Renewal Agency Board meeting to order at 9:29 p.m. and welcomed all in attendance.
2. **Resolution No. 2017-05:** A Resolution of the McMinnville Urban Renewal Board authorizing the McMinnville City Manager or designee to enter into and manage a Development Agreement with Odd Fellows Building LLC for the Atticus Hotel Project.

Planning Director Richards explained the Atticus Hotel Project as follows:

- It's located on the corner of 4<sup>th</sup> and Ford.
- It will be a 23,000 square foot, 36 luxury room boutique hotel.
- The Budget is currently \$8,297,985.00.
- It is anticipated to create 50 + full-time jobs.
- The Annual Economic Development impact is expected to be \$4,000,000.
- The applicant is Odd Fellows LLC.

She continued by explaining that in order to qualify for the funds the project must:

- Be located within the Urban Renewal District (which it is).
- Be new Construction or substantial rehabilitation that increases the assessed value and create jobs (which is the overall goal of the Urban Renewal Program).
- Must comply with all federal, state, and city codes (project does).
- Must leverage at least four dollars of private investment for each dollar of urban renewal financing (this particular request leverages \$99 per dollar).
- Must address two or more urban renewal strategy goals.

Ms. Richards reviewed the Urban Renewal Plan Goals related to economy which is to encourage the economic growth of the Urban Renewal Area as the commercial, cultural, civic, and craft industry center for McMinnville. The four related objectives are:

1. Support development of the Area by assisting in the financing and provision of transportation and public infrastructure improvements.
2. Assist existing businesses and support the creation of new business and employment opportunities in the Area.
3. Work with property owners to promote the development and redevelopment of properties within the Area. Develop programs and incentives that encourage economic development in the area.
4. Partner with private and public entities to leverage public investment and generate private investment.

She noted that the Atticus Hotel project achieves the second, third and fourth objectives and the economic growth goal.

Ms. Richards explained the Atticus Hotel project also achieves the Urban Renewal Plan Goal of encouraging a unique district identity noting that the project design fits within the historic physical identity of the downtown area. The third goal the Atticus Hotel project achieves is the development and redevelopment goal related to pursuing development and redevelopment opportunities that add economic, civic, craft industry, and cultural opportunities for the citizens of McMinnville, economically strengthening the Urban Renewal Area and attracting visitors to the Urban Renewal Area.

Ms. Richards stated that the McMinnville Urban Renewal Advisory Committee (MURAC) reviewed the request and recommend:

- A five year forgivable loan - \$100,000 plus interest.
- Forgiven proportionately over five years based upon performance metrics – construction and operations.
- Loan paid back for non-performance.
- Personal Guarantee for loan at the time of signing.
- Payback in full if sold in five years.

The basis for the recommendation is that it:

- Meets the objectives of the McMinnville Urban Renewal Plan.
- It will create 50 + jobs.
- Creates a \$4,000,000 annual economic multiplier for the community.
- The request is only 1.2% of total project costs.
- The need relates to the limitations of SBA Loan. The SBA Loan cannot pay for the build-out of the restaurant in the hotel.

Planning Director Richards reviewed the financial forecast.

She noted that this is a new construction project, new investment, and will generate a tax base.

Ms. Richards stated that the proposal is for the agency to enter into a five-year payment plan with the City for \$100,000 plus interest. The first payment would be due prior to occupancy with is expected in the Fiscal Year 2017-2018 year.

MURAC Chair Gowell shared that they received detailed information from the applicant and staff. He stated that they attempt to generate four dollars for every dollar. This project leverages \$99 for every dollar. He felt it was a terrific proposal. He stated that the loan has performance measures. He felt this was important to ensure that the Urban Renewal dollars achieve the intended result. Mr. Gowell stated that it is unusual to have local developers.

City Manager Towery shared that this is a unique project that he has not seen in his career.

Discussion ensued regarding timing of the request for the project. Ms. Richards stated that they officially applied for the loan on March 17<sup>th</sup>.

Discussion ensued regarding the need of the developer for the loan.

Board Member Ruden asked about the response if there is another similar project request. Ms. Richards responded that all projects would be vetted through the same process.

City Manager Towery discussed the importance of supporting and incentivizing of early projects. He noted that this project fits the criteria and is in alignment with the program.

Erin Stephenson, Jeb Bladine, Rob Stephenson, and Brian Shea of Odd Fellows LLC were present. Ms. Stephenson stated that three years ago they began Third Street Flats. She has stated that there is an unmet need in the area for full service lodging and amenities.

Ms. Stephenson shared that they have been working with R & H Construction. She explained what \$100,000 means to the project and stated that there is a real need for the loan.

Discussion ensued regarding the landscaping and parking.

Chair Hill stated that the Board has received a letter a letter from Mark Davis. He addressed six areas of concern. The Mayor noted that many of these concerns were addressed during the meeting.

JW Millegan, 624 NE Second, said that he is testifying against a gift of \$100,000 of taxpayer money free of charge to the Atticus Hotel. He stated that he is not against Urban Renewal or the proposed hotel project. He suggested that a non-forgivable loan was given instead. He stated that the Urban Renewal Committee cannot give away money. He said that the program is set up to give money as a bridge loan. He stated that this was a grant disguised as a loan to a for-profit entity. He said that he requested records from the City and that the City is refusing to release any financial pro-formas, appraisal or market analysis of the project. He stated that when giving away taxpayer money, transparency in financing and accounting is standard. He expressed his concerns with the preferential treatment. He stated that there is a conflict of interest as the owners of the News Register are 25% owners. He felt that the project should be done in the light of day or not at all.

He felt that the project is ineligible in the program. He noted that funds have to be available for this. He stated that there is no money available for this. He stated that there are other needs downtown and listed examples.

Board Member Ruden commented on his support of the project and stated that it is a remarkable project that goes along with the renewal of McMinnville.

Chair Hill shared his thoughts on the use of Urban Renewal Agency funds and the criteria. He discussed the amount of Transient Lodging Taxes that will be gained from the project.

Board Member Ruden shared that he is completely satisfied with the disclosure and transparency that has taken place. He feels that the process has been conducted with integrity and meets the criteria.

Board Member Ruden MOVED to adopt Resolution No. 2017-05 A Resolution of the McMinnville Urban Renewal Board authorizing the McMinnville City Manager or designee to enter into and manage a Development Agreement with Odd Fellows Building LLC for the Atticus Hotel Project. ; SECONDED by Board Member Garvin. Motion PASSED unanimously.

ADJOURNMENT: Chair Hill adjourned the meeting at 10:31 p.m.

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Melissa Grace, City Recorder



CITY OF McMinnville  
MINUTES OF THE URBAN RENEWAL AGENCY  
Held at the Kent L. Taylor Civic Hall on Gormley Plaza  
McMinnville, Oregon

Tuesday, January 24, 2017 at 9:41 p.m.

Presiding: Scott A. Hill, Chair

Recording: Melissa Grace, City Recorder

Board Members:	<u>Present</u>	<u>Excused Absence</u>
	Adam Garvin	Kellie Menke
	Remy Drabkin	Alan Ruden
	Kevin Jeffries	
	Wendy Stassens	

Also present were City Manager Jeff Towery, City Attorney David Koch, Finance Director Marcia Baragary, Planning Director Heather Richards, Community Development Director Mike Bisset, and Walt Gowell (Chair of the McMinnville Urban Renewal Advisory Committee) Kyle Faulk, and Rebecca Quandt (Members of the McMinnville Urban Renewal Advisory Committee)

1. CALL TO ORDER: Chair Hill called the Urban Renewal Agency Board meeting to order at 9:41 p.m. and welcomed all in attendance. He noted that item 2.B. would not be considered and that the financial report would be presented during the presentations.

Planning Director Richards noted that the meeting was posted as a joint meeting with the McMinnville Urban Renewal Advisory Committee; however, several Committee Members were unable to attend so there would not be a quorum of the Committee.

2. PRESENTATIONS

- 2.A. McMinnville Urban Renewal Plan Projects Update: Façade Improvement Grants and Alpine Avenue

Ms. Richards presented an update of the McMinnville Urban Renewal Plan. She stated that there are 13 projects authorized in the Plan with dollar amounts and timeframes assigned to each project. She noted that four projects are currently under way related to the Transportation Bond Project. Ms. Richards stated that there are \$2.2 million bonded for the Alpine Avenue Project. She stated that it is a cost share between Urban Renewal and Transportation Bond. \$5.3 million have been allocated for the Alpine Avenue Plan Project.

Ms. Richards then reviewed the opportunities for development assistance. There is a Façade Improvement Grant which is to improve or restore the historic stock in the

downtown core of the Urban Renewal District. The other opportunity is related to loans to incentivize private development, new construction, and new tax base in the Urban Renewal District. In 2016 four grants were award totaling \$5,282. The total of projects was \$12,557. She noted that \$10,000 are budgeted annually.

## 2. B. McMinnville Urban Renewal Plan: Five Year Strategic Plan

Ms. Richards reviewed upcoming projects:

- 3<sup>rd</sup> Street Streetscape has \$2.32 million allocated and planned for 2016-2022.
- The Development Assistance Program has \$940,000 allocated which is on-going.
- Public parking has \$1,00,000 allocated.

Ms. Richards then reviewed the five year financial forecast. She noted that there is money to do small projects right away; however, there are not significant funds available until 2021.

She shared that the four major initiatives are to look at in the five year strategic plan:

- Administration, Development Assistance - Loans and Grants – Incentivize new projects, jobs, tax base.
- Public Parking – will be conducting Utilization Study – looking at management and strategic new inventory.
- 3<sup>rd</sup> Street Improvement – Scope of Project, Design, Implementation Strategy, Community Engagement – Construction start in 2021 or 2022.

She noted that the 3<sup>rd</sup> Street Improvement project is the next big project. She explained that community engagement would occur at every milestone. The roadmap for the project also includes full representation of community and stakeholders, thoughtful and inclusive design, engineering for future opportunities, Urban design, where the fun is, branding, and preparing businesses for impact. The design and engagement phase is a four year process. MURAC believes that it is time to being this now.

Board Member Drabkin brought up concerns regarding parking that neighbors have in correlation to Alpine Avenue. She stated that many of the employees at local business have their employees park on privately owned properties. She noted that she has concerns about moving forward with a 2.23 million project before addressing the parking issue. She also commented on the difficulty of parking on 3<sup>rd</sup> Street and expressed her concern with seeing parking as the second item in the five year plan highlighting that parking needs to be addressed.

MURAC Chair Walt Gowell stated that parking is a challenge that involves satellite parking. He stated that there are alternatives and that he would be disappointed for Council to halt Alpine Avenue Project.

Community Development Director Bisset commented on the parking changes and how they have been working with property owners near the Project and he felt that there was positive consensus from them.

MURAC Chair Gowell noted that MURAC has talked about this at their meetings and is why they have recommended a parking study. The parking study utilization will be conducted in May with results by the end of July.

Ms. Richards stated that the parking discussion is important. She noted that there will likely be an amendment to the plan related to parking as there are not a lot of funds dedicated to public parking.

Board Member Jeffries stated that no plan or study will solve the parking problem. He stated that the City must be committed to solving the parking problem.

The Board thanked Planning Director Richards for her strategic management in the process.

Chair Hill thanked MURAC for their work.

Mr. Gowell commented that the problem used to be too much available parking and vacant buildings.

### 3. RESOLUTIONS

- 3.A. **Resolution No. 2017-01:** A Resolution of the McMinnville Urban Renewal Board authorizing the City Manager or designee to contribute \$8,000 towards the McMinnville Wayfinding Study.

Ms. Richards stated that the \$8,000 would be coming from those other projects in the plan.

Board Member Drabkin MOVED to adopt Resolution No. 2017-05 authorizing the City Manager or designee to contribute \$8,000 towards the McMinnville Wayfinding Study; SECONDED by Board Member Stassens. Motion PASSED unanimously.

- 3.B. **Resolution No. 2017-02:** A Resolution of the McMinnville Urban Renewal Board accepting the Annual Financial Report for the McMinnville Urban Renewal Agency for Fiscal Year Ended June 30th, 2016, per Oregon Revised Statue 457.060.

Chair Hill noted at the beginning of the meeting that Resolution No. 2017-02 would not be considered.

- 3.C. **Resolution No. 2017-03:** A Resolution of the McMinnville Urban Renewal Board approving the development of a Property Development Assistance program to be used in the Urban Renewal Area per the McMinnville Urban Renewal Plan.

Ms. Richards explained that the Resolution authorizes MURAC to move forward with administering a development loan and grant program that achieves the McMinnville Comprehensive Plan and Urban Renewal Plan which will put together a menu list of incentives and tool kits. The Resolution also authorized MURAC to make decisions on grants and loans up to \$5,000 that meet the program's criteria. Any grant or loan over

\$5,000 must be approved by the McMinnville Urban Renewal Board. MURAC has been looking at what has successfully been done in other community. She reviewed the recommendation of a development loan grant program.

Board Member Stassens MOVED to adopt Resolution No. 2017-03 approving the development of a Property Development Assistance program to be used in the Urban Renewal Area per the McMinnville Urban Renewal Plan; SECONDED by Board Member Garvin. Motion PASSED unanimously.

ADJOURNMENT: Chair Hill adjourned the meeting at 10:25 p.m.

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Melissa Grace, City Recorder

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, July 11, 2017 at 10:05 p.m.

Presiding: Scott Hill, Chair

Recording: Melissa Grace, City Recorder

Councilors:	<u>Present</u>	<u>Excused Absence</u>
	Adam Garvin	Remy Drabkin
	Kevin Jeffries	
	Kellie Menke, Council President	
	Alan Ruden	
	Wendy Stassens	

Also present were City Manager Jeff Towery, City Attorney David Koch, Parks and Recreation Director Susan Muir, Planning Director Heather Richards, and Community Development Director Mike Bisset, Information Systems Director Scott Burke, Finance Director Baragary, Tom Henderson and intern Hannah Jones of the News Register, and Dave Adams of KLYC Radio.

AGENDA ITEM

1. CALL TO ORDER: Chair Hill called the meeting to order at 10:05 p.m. and welcomed all in attendance.
2. CONSENT AGENDA: CONSIDER MINUTES OF THE OCTOBER 13, 2015, JUNE 14, 2016, JUNE 28, 2016, AUGUST 9, 2016, APRIL 11, 2017, JUNE 13, 2017, AND JUNE 27, 2017 URBAN RENEWAL AGENCY MEETINGS.

Council President Menke MOVED to approve the consent agenda as presented. SECONDED by Councilor Ruden and PASSED unanimously.

3. ADJOURNMENT: Chair Hill adjourned the Meeting at 10:05 p.m.

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Melissa Grace, City Recorder