

RESOLUTION NO. 2025 - 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 Alpine Hospitality LLC for the Piquette Hotel project at 1066 NE Alpine Avenue.

RECITALS:

Whereas, the City of McMinnville created an Urban Renewal Area in its downtown core and NE Gateway Area in 2013; and

Whereas, the Purpose of this plan was to assist in implementing the goals of the McMinnville Comprehensive Plan, the Third Street Streetscape Plan, and other planning documents, to help stimulate the economy, create a unique identity and sense of place, and to support local downtown businesses and development of the downtown and the NE Gateway area; and

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 identity 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 that achieves per Resolution No. 2017.03; and

Whereas, Alpine Hospitality LLC applied for \$100,000 from this Development Loan and Grant program to help build a new 17-room boutique hotel on Alpine Avenue in the NE Gateway District, with total project costs of approximately \$6,200,000. The request for \$100,000 is approximately 1.8% of the total hard construction costs of the project; 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; and

Whereas, the McMinnville Urban Renewal Advisory Committee reviewed the application and voted to recommend to the McMinnville Urban Renewal Board a five-year forgivable loan of \$100,000 at their meeting on April 2, 2025.

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

1. That the investment of \$100,000 plus interest (Local Government Investment Pool plus 1%) is approved for the Alpine Hospitality LLC Piquette Hotel project. The

interest rate to be determined at the time that the Development Agreement is signed and will be locked at that rate for the life of the loan.

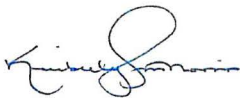
2. That the investment will be in the form of a Five-Year Forgivable Loan depending upon meeting specific milestones of construction and hotel operations for each qualifying year, and that the loan will be forgiven in an equal number of installments of each year. Performance will be defined within the Development Agreement but will be focused on successful construction of the project in a timely manner and successful operation of the hotel for the life of the loan.
3. That the Agency will secure a personal guarantee from one of the members of the Alpine Hospitality LLC to pay back the loan if the project is deemed non-performing.
4. That the loan will be recorded on the deed of the property.
5. That the loan plus interest will be paid back to the Agency in full if the building is sold within five years of the disbursement of the loan.
6. That the Agency will disburse the loan through an intergovernmental agreement with the City of McMinnville in installments of \$20,000 plus interest determined by the Local Government Investment Pool rate plus 1% over a period of five years, with the first payment due prior to the certificate of occupancy being issued in FY 2025/2026. The interest rate to be determined at the time that the Development Agreement is signed and will be locked at that rate for the life of the loan. Future annual payments will be disbursed on July 1 of each fiscal year – 2026/27, 2027/28, 2028/29 and 2029/30, with the adoption of the City of McMinnville and the McMinnville Urban Renewal Agency budget.
7. 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.
8. This Resolution will take effect immediately upon passage.

Adopted by the Board Members of the McMinnville Urban Renewal Agency at a regular meeting held the 22nd day of April, 2025 by the following votes:

Ayes: Cunningham, Tucholsky, Chenoweth, Payne, Geary, Peralta

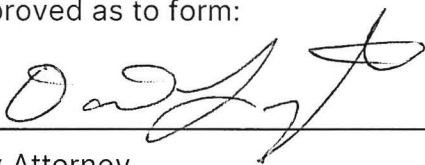
Nays: _____

Approved this 22nd day of April, 2025.



MAYOR

Approved as to form:



City Attorney

Attest:



City Recorder