

## RESOLUTION NO. 2025 – 03

A Resolution of the McMinnville Urban Renewal Board authorizing the McMinnville City Manager or designee to enter into and manage a Memorandum of Understanding with Palindrome Properties Group LLC to negotiate the redevelopment of the property at 904 NE 10<sup>th</sup> Avenue and 836 NE Alpine Avenue (Tax Lots R4421BA 03800 and R4421BA 03850).

### 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 NE Gateway District 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**, the subject site was identified in the City's adopted NE Gateway District Plan as a catalytic opportunity site for incentivizing the revitalization and redevelopment of the NE Gateway District; and

**Whereas**, the subject site became available for purchase when the existing industrial business and property owner of the site indicated their interest to shut down the business and surplus the site; and

**Whereas**, in order to achieve the goals of the McMinnville Downtown Urban Renewal Plan and NE Gateway District Plan, the Agency entered into an agreement with the City of McMinnville to purchase the properties at 904 NE 10<sup>th</sup> Avenue and 836 NE Alpine Avenue and reposition the industrial property for a mixed-use commercial and residential development; and

**Whereas**, the Agency's intent is to choose a development team to purchase and develop the property into a mixed-use commercial and residential project per the NE Gateway District Plan and NE Gateway Overlay District; and

**Whereas**, to choose the best team for McMinnville and meeting the adopted goals of the City of McMinnville and McMinnville Urban Renewal Agency, the Agency developed a two-phase procurement process based on a qualifications based system (RFQ); and

**Whereas**, the first phase of the RFQ focused on qualifications and experience, and the Agency received 8 proposals that were evaluated and scored, and three semi-finalists were chosen to participate in the second phase of the RFQ; and

**Whereas**, the second phase of the RFQ focused on community engagement, responsiveness to the community's goals for the district, and project concepts; and

**Whereas**, the subcommittee unanimously chose Palindrome Properties Group LLC per their proposal received on February 14, 2025, as the number one candidate to redevelop the property and shared their recommendation with the McMinnville Urban Renewal Advisory Committee (MURAC) on April 2, 2025; and

**Whereas**, MURAC reviewed the sub-committee's recommendation and voted to recommend that the McMinnville Urban Renewal Agency enter into a Memorandum of Understanding with Palindrome Properties Group LLC to negotiate a development agreement for the property per Palindrome's proposal received on February 14, 2025, with the following concerns that should be addressed during the development agreement negotiations:

- Parking – The proposal does not have enough parking to meet the city's regulations of required off-street parking.
- Viability – Ensure that there are contractual mechanisms to protect the URA from non-performance with claw-back provisions
- Consider the financial impact to overlapping taxing districts in terms of the sunset of the district (debt beyond sunset, tax credit beyond sunset)
- Consider positive fiscal impact to the Urban Renewal District, City, County, Community, and overlapping taxing districts.
- Community Engagement – maintain feedback loop throughout the project
- Purchase and Sale of the Property – there needs to be a fair return to the community.
- MULTE – negotiate a payment in lieu of taxes

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

1. The McMinnville City Manager or designee is authorized to enter into a Memorandum of Understanding to negotiate a Development Agreement with Palindrome Properties Group LLC, for the redevelopment of the properties at 904 NE 10<sup>th</sup> Avenue and 836 NE Alpine Avenue on behalf of the McMinnville Urban Renewal Agency.


2. The Memorandum of Understanding should establish a framework for future cooperation and negotiation of a Development Agreement for the redevelopment of the property that will promote the goals of both the Urban Renewal Agency and the Development Team.
3. The resulting Development Agreement will be brought back to the Urban Renewal Agency for final decision-making and action.
4. 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 13<sup>th</sup> day of May, 2025 by the following votes:

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

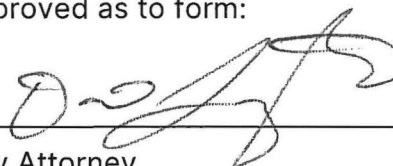
Nays: \_\_\_\_\_

Approved this 13<sup>th</sup> day of May, 2025.




\_\_\_\_\_  
MAYOR

Approved as to form:

  
\_\_\_\_\_  
City Attorney

Attest:

  
\_\_\_\_\_  
City Recorder