

RESOLUTION NO. 2020- 01

A Resolution of the McMinnville Urban Renewal Board authorizing the McMinnville City Manager or designee to enter into and manage a Development Agreement with Type A Press dba the Bindery Event Space for the historic rehabilitation of a historic warehouse at 610 NE Fourth Street into an active meeting, event and conference center facility.

RECITALS:

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.

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.

As part of the Property Assistance Program, the McMinnville Urban Renewal Board authorized the development of a Development Loan and Grant program.

Type A Press dba the Bindery Event Space applied for \$41,000 from this Development Loan and Grant program to help rehabilitate a historic warehouse at 610 NE Fourth Street into a new downtown event center, with total project costs of approximately \$205,211. The request for \$41,000 is approximately 20% of the total hard construction costs of the project.

The McMinnville Urban Renewal Advisory Committee reviewed the request at their meeting on Wednesday, January 8, 2020, and voted unanimously to recommend that the McMinnville Urban Renewal Agency fund the project with a \$41,000 loan.

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 the McMinnville Urban Renewal Agency feels that an investment of \$41,000 in this project is a valuable investment for the Agency and the community of McMinnville helping to leverage urban renewal funds for significant historic rehabilitation of a warehouse into an event space in the downtown area, revitalizing a blighted area, creating jobs, tax base for public services and an economic generator for other businesses in the area.

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 loan of \$41,000 with a payback period of ten years and an interest rate of 2.25% is approved for the Bindery Event Center project. Funds should only be used for approved capital costs. The first two years of the loan period will be an interest only payment period. If the loan is paid in its entirety within five years, 10% of the remaining portion of the loan at the time of payoff will be forgiven. Payments will be made semi-annually on December 31 and June 30 of each year.
2. That the Agency will secure a personal guarantee from one of the members of the Type A Press dba The Bindery Event Space to pay back the loan if the business becomes non-performing.
3. That the loan will be recorded on the deed of the property.
4. 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.
5. That the loan is dependent upon successful underwriting review per the program's criteria.
6. 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.
7. This Resolution will take effect immediately upon passage.

Adopted by the Board of the McMinnville Urban Renewal Agency at a regular meeting

held the 14th day of January, 2020 by the following votes:

~~Drabkin~~, Stassens, Peralta, Menke, Geary, Garvin
Ayes: _____

Nays: _____

Approved this 14th day of January, 2020.



CHAIR OF THE URBAN RENEWAL BOARD

Approved as to form:



CITY ATTORNEY