

**URBAN RENEWAL AGENCY BOARD MEETING MINUTES
MARCH 9, 2015**

0:00 **DATE COUNCIL CHAMBERS, CITY HALL, CITY OF WOODBURN, COUNTY OF MARION, STATE OF OREGON, MARCH 9, 2015**

CONVENED The meeting convened at 6:31 p.m. with Chair Figley presiding.

ROLL CALL

Chair Figley	Present
Member Schaub	Present
Member Lonergan	Present
Member Carney	Present
Member Morris	Present
Member Ellsworth	Present
Member Alonso Leon	Present

Staff Present: City Administrator Derickson, City Attorney Shields, Police Chief Russell, Public Works Director Scott, Assistant City Administrator Row, Economic and Development Director Hendryx, Urban Renewal Manager Stowers, Communications Coordinator Horton, City Recorder Pierson

0:00 **CONSENT AGENDA**

- A. Urban Renewal Agency minutes of February 9, 2015
- B. Downtown Advisory Review Subcommittee minutes of October 30, 2014
- C. Amendments to URG 2014-18 405 N. First Street & URG 2014-19 425-445 N. First Street (Chay Properties, LLC)

Lonergan/Ellsworth... adopt the Consent Agenda. The motion passed unanimously.

0:02 **URG 2015-01 199 N. FRONT STREET (FIVES)**

Urban Renewal Manager Stowers provided a staff report. **Lonergan/Morris...** approve an interior Urban Renewal grant from Nora Fives (Applicant) in the amount of \$1,400. The motion passed unanimously.

0:05 **URG 2015-02 330 N. SECOND STREET (CORNWELL)**

Urban Renewal Manager Stowers provided a staff report. **Morris/Alonso Leon...** approve an interior Urban Renewal grant from Robert and Joanna Cornwell (Applicants) in the amount of \$4,200. The motion passed unanimously.

0:07 **URG 2015-03 390 N. SECOND STREET (CORNWELL)**

Urban Renewal Manager Stowers provided a staff report. **Lonergan/Ellsworth...** approve an interior Urban Renewal grant from Robert and Joanna Cornwell (Applicants) in the amount of \$5,000. The motion passed unanimously.

0:08 **URG 2015-04 247 N. FRONT STREET (CRUZ)**

Urban Renewal Manager Stowers provided a staff report. **Alonso Leon/Ellsworth...** approve an interior Urban Renewal grant for M. Carmen Cruz (Applicant) in the amount of \$5,000. The motion passed unanimously.

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0:12 **URG 2015-05 432 N. PACIFIC HWY (WILLIAMSON)**
Urban Renewal Manager Stowers provided a staff report. **Morris/Schaub**... approve the Urban Renewal Exterior Grant application from Kenneth and Christina Williamson (Applicants) for up to \$5,900. The motion passed unanimously.

0:15 **URG 2015-06 225 W. HAYES STREET (CHAY PROPERTIES, LLC)**
Urban Renewal Manager Stowers provided a staff report. Member Lonergan stated that he has concerns about putting money into this property. Member Carney concurred. **Lonergan/Morris**...refer the application for URG 2015-06 225 W. Hayes Street back to DARS to get more in depth information on the structural integrity of the building. The motion passed unanimously.

0:29 **ADJOURNMENT**
Morris/Ellsworth... meeting be adjourned. The motion passed unanimously. The meeting adjourned at 6:59 p.m.

APPROVED _____
KATHRYN FIGLEY, CHAIR

ATTEST _____
Heather Pierson, City Recorder
City of Woodburn, Oregon



Agenda Item

March 23, 2015

To: Urban Renewal Agency Board

From: Jim Hendryx, Economic and Development Services Director;
Robyn Stowers, Urban Renewal Manager

Subject: **Association Building Feasibility Review Committee Recommendation**

RECOMMENDATION:

Via a simple motion, it is recommended that the Urban Renewal Agency reject all Association Building proposals consistent with the direction of the Association Building Feasibility Review Committee (Committee).

On February 19, 2015 the Committee made a final recommendation to the Agency to reject all three proposals for the acquisition and development of the Association Building. After completing a due diligence process, it was determined that the Urban Renewal Fund could not accomplish any of the proposed projects within the Fund’s current financial capability.

BACKGROUND:

Built in 1891, the Association Building, located at 347 N. Front Street, is an iconic structure of historic and cultural significance to the Woodburn community. The City of Woodburn acquired ownership of the building in 2000 after the 1993 Scotts Mill earthquake had left the building a public safety hazard. The City invested \$850,000 to stabilize the structure.

In May 2013, the City contracted with Constructive Form Architecture and Design, LLC, to complete a feasibility report to determine the best uses for the Association Building. Completed in January 2014, the report provided information on building conditions, market analysis, community support, and construction cost estimates to assist in the development for the property.

Using the feasibility report as a foundation, the Agency issued a Request for Proposals (RFP) for the acquisition and redevelopment of the Association Building. As part of the RFP process, Mayor Kathy Figley nominated community members

Agenda Item Review: City Administrator ___x___ City Attorney ___x___ Finance ___x___

to participate in the Association Building Feasibility Review Committee to review proposals and make recommendations to the Agency.

The City received three proposals. The first was from Williamson County Investment Corporation, a development company based out of Austin, Texas, who proposed to develop the property for a brewery. Secondly, Mid Valley Community Church, a Woodburn-based religious organization, proposed to use the property as a community/event/education center; and Foxtron Development, a local real estate development company founded by Joonees and Annette Chay, proposed to develop the property as a café, market and business incubator space.

On November 4, 2014, the Committee recommended to pursue further evaluation of Williamson County Investment Corporation's brewery/distillery for its economic impact and minimal City financial commitment, and Mid Valley Community Church's community center for its community impact.

A background investigation of Williamson County revealed the company submitted six RFPs to develop properties in six different states in the last year and was not selected to develop any. Online research also revealed that the properties listed as development experience in the submitted proposal had been sold more than ten years ago.

On December 5, 2014, the City sent a formal letter to Williamson County requesting proof of financial capability to complete the project as envisioned. In response, Williamson County proposed to fully finance the project without the assistance of any financial institution and did not provide proof of financial capability. Williamson County explained, "WCIC is a privately held corporation and as such, there has been no need for certified financials or Certified GAAP financials. This request could be accomplished after several months and thousands of dollars due to the layers of CPA's."

At the conclusion of the Committee's due diligence process, it was determined that the Urban renewal Fund could not successfully fund any of the proposals within the Fund's existing financial capability.