

**URBAN RENEWAL AGENCY BOARD MEETING MINUTES  
MAY 12, 2014**

0:00 **DATE COUNCIL CHAMBERS, CITY HALL, CITY OF WOODBURN, COUNTY OF MARION, STATE OF OREGON, MAY 12, 2014**

**CONVENED** The meeting convened at 6:30 p.m. with Member McCallum presiding.

**ROLL CALL**

Chair	Figley	Absent
Member	Cox	Present
Member	Loneragan	Absent
Member	McCallum	Present
Member	Morris	Present
Member	Ellsworth	Present
Member	Alonso Leon	Present

**Staff Present:** City Administrator Derickson, City Attorney Shields, Economic and Development Director Hendryx, Public Works Director Scott, Community Services Director Row, Communications Coordinator Horton, Executive Legal Assistant Veliz, City Recorder Pierson

0:00 **CONSENT AGENDA**

A. Urban Renewal Agency minutes of April 14, 2014.  
**Cox/Ellsworth...** adopt the Consent Agenda. The motion passed unanimously.

0:01 **A RESOLUTION EXPANDING THE BOUNDARIES FOR THE URBAN RENEWAL GRANT AND LOAN PROGRAM AS SPECIFIED HEREIN** Cox introduced Urban

**Renewal Resolution 2014-01.** Economic and Development Director Hendryx provided a staff report. On roll call vote for final passage, the bill passed unanimously.

0:06 **URBAN RENEWAL GRANT 2014-03 145 ARTHUR STREET (MASONIC LODGE)**

Economic and Development Director Hendryx provided a staff report. City Administrator Derickson stated that he belongs to the Masonic Lodge and he has no potential or actual conflict of interest and stands to gain in no way from this. He added that he did not participate in preparation of this grant application Member Morris declared a conflict of interest and stated that he will not vote on this matter. **Cox/McCallum ...** approve the Urban Renewal Interior Grant application from Woodburn Masonic Trustees, Inc., for an interior grant up to \$5,000. The motion passed unanimously with Member Morris not voting.

0:10 **URG 2014-11 345 N 2ND STREET (INSUREPRO)** Economic and Development Director

Hendryx provided a staff report. **Cox/Ellsworth...** approve two Urban Renewal grants from InsurePro Services; an exterior grant for up to \$4,100 and an interior grant up to \$250. The motion passed unanimously.

0:12 **URG 2014-12 315 N PACIFIC HWY (ARCTIC CIRCLE)** Economic and Development

Director Hendryx provided a staff report. **Cox/Alonso Leon...** approve an Urban Renewal grant application from Larry Jolly for an interior grant for up to \$1,250. The

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motion passed unanimously.

0:16 **ADJOURNMENT**

**Morris/Cox...** meeting be adjourned. The motion passed unanimously.  
The meeting adjourned at 6:46 p.m.

APPROVED \_\_\_\_\_  
KATHRYN FIGLEY, CHAIR

ATTEST \_\_\_\_\_  
Heather Pierson, City Recorder  
City of Woodburn, Oregon



# Agenda Item

June 9, 2014

TO: Woodburn Urban Renewal Agency Chair and Board through City Administrator

FROM: Sarah Head, Budget and Finance Analyst

SUBJECT: **Woodburn Urban Renewal Agency FY 2014-2015 Budget**

## **RECOMMENDATION:**

The Urban Renewal Agency Board consider testimony during the public hearing and adopt the attached resolution setting the City of Woodburn Urban Renewal Agency budget for the fiscal year 2014-2015.

## **BACKGROUND:**

On May 10, 2014 the Woodburn Urban Renewal Agency Budget Committee approved the proposed Woodburn Urban Renewal Agency 2014-2015 Budget and approved its forwarding to the Board of the Woodburn Renewal Agency for a hearing as required by State of Oregon Budget Law. Notice of the hearing, including a summary of the approved budget was published on May 21, 2014 in the Woodburn Independent.

## **DISCUSSION:**

Under Oregon Budget Law the Urban Renewal Agency Board may modify the Budget Committee's approved Budget by an amount not to exceed 10% of the Approved Budget.

The Finance Department is proposing adoption of the budget as approved by the Budget Committee.

## **FINANCIAL IMPACT:**

The resolution adopts the fiscal year 2014-2015 annual budget of \$2,088,000.

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Agenda Item Review: City Administrator \_\_\_x\_\_\_ City Attorney \_\_\_x\_\_\_ Finance \_\_\_x\_\_\_

**WOODBURN URBAN RENEWAL AGENCY RESOLUTION NO. 2014-02**

**A RESOLUTION ADOPTING THE CITY OF WOODBURN URBAN RENEWAL BUDGET FOR THE FISCAL YEAR 2014-2015**

**WHEREAS**, the Woodburn Urban Renewal Agency Budget Committee met and approved the Proposed Budget on May 10, 2014; and

**WHEREAS**, the Notice of Budget Hearing and Financial Summary were published in the *Woodburn Independent* on May 21, 2014 as required by ORS 294.416; and

**WHEREAS**, a public hearing was held on June 9, 2014; **NOW, THEREFORE**

**THE WOODBURN URBAN RENEWAL AGENCY RESOLVES AS FOLLOWS:**

**Section 1.** The Woodburn Urban Renewal Agency Board adopts the budget for the fiscal year 2014-15 in the sum of \$2,088,000. A copy of the budget document is now on file at City Hall, 270 Montgomery Street, Woodburn, Oregon.

**Section 2.** The amounts for the fiscal year beginning July 1, 2014 and for the purposes shown below are hereby appropriated as follows:

**General Fund**

Personnel Services	\$ 131,064
Materials & Services	309,500
Capital Outlay	1,300,000
Debt Service	227,732
Contingencies & Reserve	<u>119,704</u>
Total	\$ 2,088,000

**Section 3.** Using Option One, that the Woodburn Urban Renewal Agency Board of the Woodburn Urban Renewal Agency hereby resolves to certify to the county assessor for the City of Woodburn Urban Renewal Agency Plan Area a request for the maximum amount of revenue that may be raised by dividing the taxes under section 1c, Article X1, of the Oregon Constitution, and none of the amount to be raised through the imposition of a special levy.

Approved as to Form: \_\_\_\_\_  
City Attorney Date

APPROVED: \_\_\_\_\_  
Kathryn Figley, Chair

Passed by the Agency \_\_\_\_\_  
Submitted to the Chair \_\_\_\_\_  
Approved by the Chair \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Heather Pierson, City Recorder  
City of Woodburn, Oregon



## *Agenda Item*

June 9, 2014

TO: Urban Renewal Agency Board

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

SUBJECT: **Small Renovation Grant and Large Renovation Grant Programs**

### **RECOMMENDATION:**

In consultation with the Downtown Advisory Review Subcommittee, it is recommended that the Woodburn Urban Renewal Agency Board amend the Downtown Grant and Loan Program to allow large renovation matching grants up to \$50,000 for building renovations.

### **BACKGROUND:**

In February 2011, the Urban Renewal Agency Board adopted the Urban Renewal Grant and Loan Program to aid business and property owners with the rehabilitation and renovation of residential and commercial properties within the district. The program is designed to provide matching funds for exterior (\$10,000) and interior (\$5,000) improvements to properties located in the Urban Renewal Grant and Loan district. The program also provides loan funds (\$25,000) to further these same improvements.

The popularity of the program has resulted in two expansions of the district boundary. The first expansion was approved in July, 2013 to include the properties along Young Street and the Young/Highway 99E intersection. The second expansion was approved in May, 2014, to include Commercial Office properties on the west side of N. 2<sup>nd</sup> Street.

The Agency has awarded over 32 grants and leveraged approximately \$204,446 of public funding to generate over of \$370,042 of private investment. Popular renovation projects include roofs, paint, windows, HVAC systems, flooring and lighting.

**DISCUSSION:**

General decline in economic conditions resulted in decades of disinvestment in downtown properties and severe conditions of blight. For many of these properties, the extent and cost to renovate the building would not be feasible without public assistance from programs like the Urban Renewal Grant and Loan Program.

The Urban Renewal Grant and Loan Program plays a crucial role in maintaining the structural integrity of buildings in the Urban Renewal Grant and Loan District. A third of Urban Renewal grants have been awarded to replace roofs on commercial properties. Although these renovations are essential to preventing further conditions of blight, they lack the visual impact to promote greater investment in the Urban Renewal area.

Increasing the grant to \$50,000 will assist business and properties owners to go beyond basic building maintenance to complete large renovation projects that could have a significant impact downtown.

Several large renovation projects have been identified through Woodburn's Urban Renewal Design and Development Services as potential catalysts to revitalize downtown. The program provides up to \$3,000 for architectural design renderings to property owners in the Downtown Development and Conservation District (DDCD). The following examples illustrate properties that could benefit from expanding the grant program. Each of these properties requires substantial investment in order to proceed.

1. EL PAISANITO

El Paisanito ice cream shop draws thousands of visitors downtown during the summer months. In March, 2014, the property owners invested approximately \$50,000 to expand the shop to the adjoining Elks Lodge. El Paisanito used City services to develop a design for the historic storefront. The estimated cost to complete the project is \$60,000. On May 1<sup>st</sup>, the state awarded the property a \$20,000 Diamond in the Rough grant to renovate the historic façade. However, even with the \$20,000 grant, the renovation project may be too expensive to complete without additional funding. Expanding the grant program will assist the property owners to complete the historic storefront renovation.

2. GREYHOUND STATION

Design renderings of the building that houses the Greyhound station divide the building into small office and retail space. The design concept maximizes building use by providing affordable rental space and public bathrooms. As construction costs are so high, the property owner is hesitant to begin the project. Increasing the grant program may provide enough incentive to assist the owner in moving forward with this project.

3. OLD CITY HALL

Few buildings in Woodburn are as exceptional in size and historic character as the Old City Hall building. Design renderings include offices, meeting spaces and restaurants which will diversify businesses downtown and preserve a piece of Woodburn's history. Substantial investment is required to realize this project. Expanding the grant program would encourage the property owner to move forward on this project.

4. PIX THEATER

The historic PIX movie theater also has the opportunity to spur economic development by attracting many visitors downtown. The PIX generates a lot of community interest in the property and many people have approached the City with aspirations to revitalize the theater. A significant investment is needed to preserve the historic landmark and eliminate conditions of blight downtown. Expanding the grant program may motivate the business owner to make needed improvements or attract a new investor to the property.

The Downtown Advisory Review Subcommittee considered several programs to increase funding to renovate properties located in the Downtown Development and Conservation District. The Large Renovation Grant was developed to be equitable and accessible to applicants, as well as limit the City's financial risk.

The Subcommittee recognizes there is still an existing need for smaller grants and loans and decided that no other changes be made to the original Urban Renewal Grant and Loan program.

**PROGRAM OVERVIEW:**

As noted above, the Grant and Loan Program was established in 2011. Over the past three years, the boundaries have been enlarged and the program modified to best meet the community's needs. The proposed modifications include updated documents, to better streamline and clarify program policies and procedures.

The new program splits the grants and loans into three separate programs; Small Renovation Grants, Building Renovation Loans, and Large Renovation Grants. The following is an overview of the programs:

1. SMALL RENOVATION GRANTS

Property and business owners in the Urban Renewal Grant and Loan District are eligible for up to \$5,000 interior renovation grants and up to \$10,000 in exterior renovation grants. The purpose of the Small Renovation Grant Program is to assist applicants in completing small renovation projects. Renovations are limited to physical improvements to the building. Applicants must achieve a minimum 1:1 leverage ratio of private investment to public investment of urban renewal dollars.

Program requirements and procedures for small renovation grants are consistent with the original program.

2. BUILDING RENOVATION LOANS

Property and business owners in the Urban Renewal Grant and Loan District are eligible for up to \$25,000 in low-interest loans to complete building improvements. The purpose of the Building Renovation Loan Program is to assist applicants in financing renovation projects. Renovations are limited to physical improvements to the building. Applicants may not combine building renovation loans with Urban Renewal grants.

Program requirements and procedures for Building Renovation Loans are consistent with the original program.

### 3. LARGE RENOVATION GRANTS

Property and business owners are eligible for up to \$50,000 to complete large renovation projects in the Downtown Development and Conservation District. Applicants must achieve a minimum 1:1 leverage ratio of private investment to public investment of urban renewal dollars.

The purpose of the Large Renovation Grant Program is to revitalize downtown by funding projects which have a catalytic impact and meet the following Urban Renewal goals:

- **Eliminate conditions of blight**—Address blighted conditions, including underutilized land and/or deteriorated buildings and structures
- **Promote economic development**—Enhance the downtown’s attractiveness as a place to live, work, or seek entertainment
- **Create jobs**— Bring new employers and employment opportunities to the Woodburn community
- **Community benefit** — Create amenities for the Woodburn community
- **Physical impact** - Improve the attractiveness of the property and downtown

The only action today is to approve the resolution amending the grant program to large grants up to \$50,000.

#### **FINANCIAL IMPACT:**

No impact at this time.

**URBAN RENEWAL RESOLUTION NO. 2014-03**

**A RESOLUTION AMENDING THE DOWNTOWN GRANT AND LOAN PROGRAM TO PROVIDE LARGE RENOVATION GRANTS FOR SIGNIFICANT PROJECTS WITHIN THE URBAN RENEWAL DISTRICT AS SPECIFIED HEREIN**

**WHEREAS**, the City adopted the Downtown Development Plan in 1997, which envisioned a series of improvements and actions intended to reinvigorate Woodburn’s historic downtown; and

**WHEREAS**, in 2001 the City created the Woodburn Urban Renewal Agency and adopted the Urban Renewal Plan, which further recognizes the importance of physically improving the appearance of properties within the renewal area; and

**WHEREAS**, in 2010, the Downtown Development Plan Update recognized the need to reinvigorate downtown Woodburn and recommended leveraging urban renewal funds with private funds to create investment through a Downtown Grant and Loan Program; and

**WHEREAS**, in 2011, the Woodburn Urban Renewal Agency adopted a Urban Renewal Grant and Loan Program for a designated area in downtown Woodburn; and

**WHEREAS**, in 2013, the Urban Renewal Agency Board expanded the Grant and Loan Program to properties along Young Street and at the Young Street/ 99E Highway; and

**WHEREAS**, the Urban Renewal Agency Board wants to further leverage private investment in Woodburn’s historic downtown by increasing funding projects which have a significant economic impact on the downtown; **NOW, THEREFORE**,

**THE WOODBURN URBAN RENEWAL AGENCY RESOLVES AS FOLLOWS:**

**Section 1.** The Downtown Grant and Loan Program, established by Urban Renewal Resolution 2011-01, is amended to provide large renovation grants up to \$50,000 for significant projects located in the Downtown Development and Conservation (DDC) Zoning District and subject to the policies and procedures set forth in the attached Exhibit “A”.

Approved as to Form: \_\_\_\_\_  
City Attorney Date

APPROVED: \_\_\_\_\_  
Kathryn Figley, Chair

Passed by the Agency \_\_\_\_\_  
Submitted to the Chair \_\_\_\_\_  
Approved by the Chair \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Heather Pierson, City Recorder  
City of Woodburn, Oregon

## LARGE RENOVATION GRANT POLICIES & PROCEDURES

Large Renovation Grants offer property and business owners the opportunity to complete large renovation projects to commercial and mixed-use properties located in downtown Woodburn. These grants provide a match of the applicant’s private investment in the project to significantly increase the scale and benefit of the improvements. Large Renovation Grants may range between \$10,000 and \$50,000 in matching funds.

### POLICIES

#### Program Eligibility

1. Grants are available for up to \$50,000 for complete renovation projects. Grants subject to availability of funds.
2. Business and property owners are eligible to apply for grants.
3. Properties must be located in the Downtown Development and Conservation District (DDC).
4. Commercial or mixed-use properties only. Residential properties do not qualify for grant.
5. A minimum of 1:1 leverage ratio of private investment to public investment.
6. All work requiring permits must be performed by licensed contractors.
7. All work must commence after project approval, work completed prior to approval is ineligible for funding.
8. Building improvements shall be completed within one year of approval.

#### Project Eligibility

1. Funding may be used for materials and work performed by Applicant’s contractor.
2. Funds are limited to physical improvements to the buildings. Improvements may include, but not limited to, the following:
 

a. ADA accessibility	j. Lighting
b. Awnings/canopies	k. Painting
c. Code deficiencies	l. Permits
d. Cornices	m. Plumbing
e. Electrical	n. Seismic
f. Energy efficient upgrades	o. Storefronts
g. Environmental remediation	p. Re-pointing
h. Gutters	q. Roofing
i. HVAC	r. Windows
3. Applications will be evaluated by the following criteria:
  - a. **Eliminate conditions of blight** — Address blighted conditions including underutilized land and/or deteriorated buildings and structures

- b. **Promote economic development** — Enhance attractiveness as a place to live, work, or seek entertainment
- c. **Create jobs** — Bring new employers and employment opportunities to the Woodburn community
- d. **Community benefit** — Create amenities for the Woodburn community
- e. **Physical impact** — Improve the attractiveness of the property and downtown

## PROCEDURES

### Application Process

1. Applicant must submit a completed application.
2. City will perform a site inspection and take photos of property.
3. The Downtown Advisory Review Subcommittee (DARS) will meet the second Thursday of each month to review applications to make recommendations to the Urban Renewal Agency Board (Agency).
4. The Agency will review applications the fourth Monday of each month.

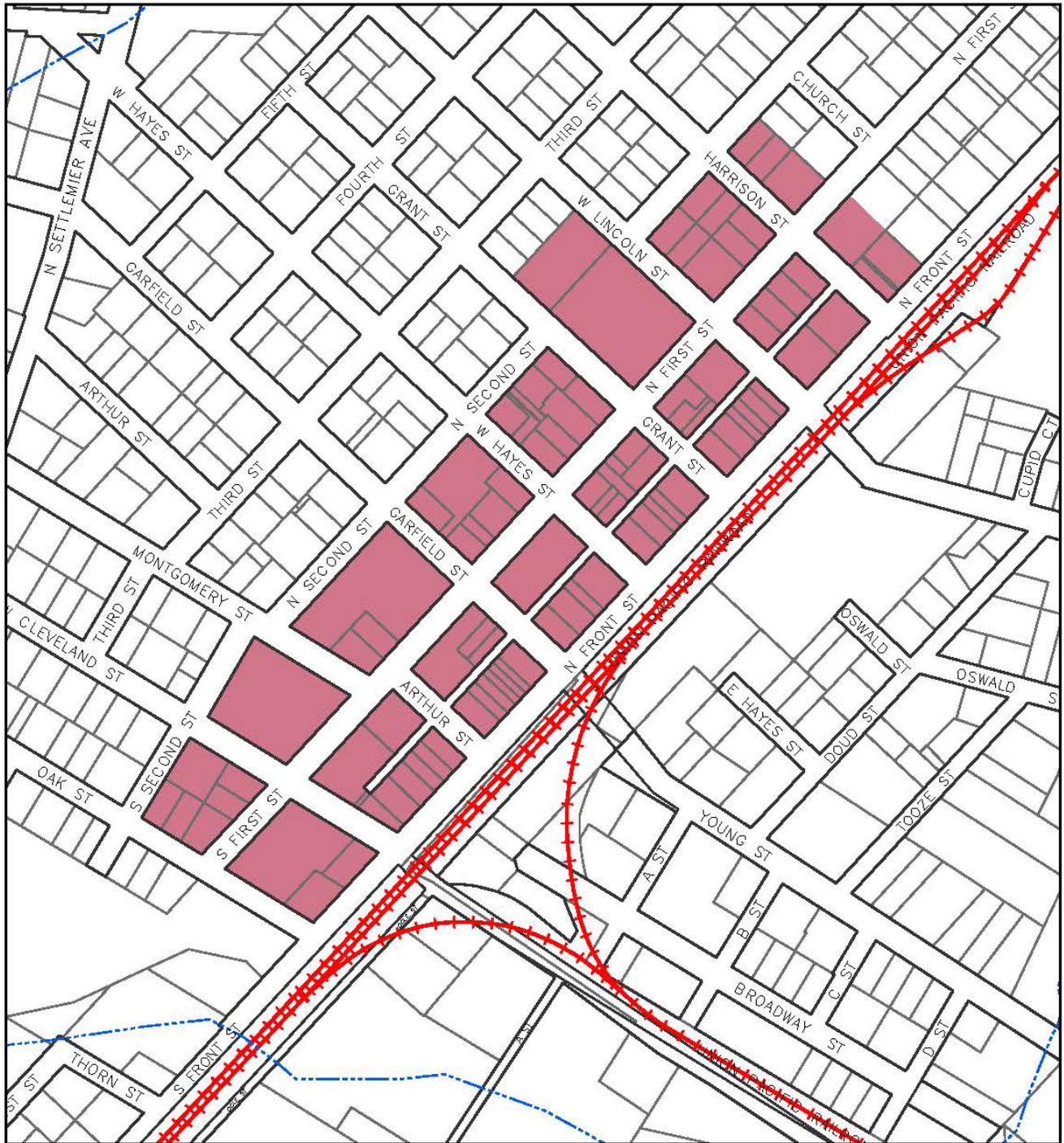
### Reimbursement Process

1. Upon approval by the Agency, the Applicant shall sign a Grant Agreement.
2. Upon conclusion of the project, the Applicant shall schedule a City inspection and sign a Completed Work Statement.
3. Invoices and a W-9 must be submitted for reimbursement. No grant money will be disbursed until the project is completed and approved by the Agency.

## SIX MONTH EXTENSIONS & PROJECT CREDIT

1. The Agency may grant one six month extension per grant. The Applicant must submit a written request for the extension and provide justification for the Agency's consideration.
2. Applicants may receive credit on past eligible renovations made without grant funding. Credit may be applied as leverage ratio for new building renovations. Applicant must submit a written request to DARS with a current application.

# Downtown Development and Conservation District

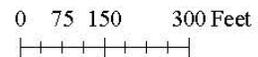


**Legend**

- Streams
- Railroad
- Assessor Taxlots
- Downtown Development and Conservation District

Disclaimer: This map is a graphic representation, using the most current information available. However, it should not be considered accurate for scaling.

City of Woodburn



Public Works Department  
GIS/Engineering Division

Plot Date: February 18, 2014