

Dundee Urban Renewal Agency
Board Meeting Agenda
June 15, 2021



8:00 pm* Meeting Teleconferenced

Via Zoom Mobile App:

<https://us02web.zoom.us/j/83180069101>

Phone: 1-301-715-8592

Meeting ID: 831 8006 9101

***Or immediately following City Council meeting**

- 1. Call to Order**
- 2. Public Comment:** Speakers will be allowed up to 5 minutes to speak after being recognized by the Chair.
- 3. Approval of Minutes:**
 - 3.1 DURA Meeting October 20, 2020**
 - 3.2 DURA Meeting November 17, 2020**
- 4. FY 2021-22 Budget Hearing**
- 5. Resolution No. 2021-06, Adopt FY 2021-22 Budget**
- 6. Agency Member Concerns**
- 7. Adjourn**

The meeting location is accessible to persons with disabilities. A request for an interpreter for the hearing impaired, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting to Rob Daykin, Executive Director at 503-538-3922.

DUNDEE URBAN RENEWAL AGENCY AGENDA REPORT

To: Chair Russ and Board Members
From: Rob Daykin, Executive Director
Date: June 15, 2020
Re: FY 2021-22 Budget Hearing

Attached is the Notice of Budget Hearing that was published pursuant to Oregon Local Budget Law in the Newberg Graphic. Also, Resolution No. 2021-06 was prepared to adopt the budget as recommended by the Budget Committee. The Budget Hearing will be conducted as follows:

1. Chair Russ Opens the Budget Hearing
2. Comments are Received
3. Chair Russ Closes the Budget Hearing
4. Board Deliberates
5. Board Adopts Resolution No. 2021-06

NOTICE OF BUDGET HEARING

A public meeting of the Dundee Urban Renewal Agency will be held on June 15, 2021 at 8:00 p.m. via video conference due to COVID-19 social distancing requirements. The purpose of this meeting is to discuss the budget for the fiscal year beginning July 1, 2021 as approved by the Dundee Urban Renewal Agency Budget Committee. Any person may listen to and/or participate during the meeting by calling 1-301-715-8592, or using the Zoom mobile app: <https://us02web.zoom.us/j/83180069101>. The Meeting ID is: 831 8006 9101. A summary of the budget is presented below. A copy of the budget may be inspected or obtained at Dundee City Hall, 620 SW 5th Street, between the hours of 8:30 a.m. and 5:00 p.m. or online at www.DundeeCity.org. This budget is for an annual budget period. This budget was prepared on a basis of accounting that is the same as the preceding year.

Contact: Rob Daykin, Executive Director Telephone: (503) 538-3922 Email: rob.daykin@dundeecity.org

FINANCIAL SUMMARY - RESOURCES			
TOTAL OF ALL FUNDS	Actual Amount 2019-2020	Adopted Budget This Year 2020-2021	Approved Budget Next Year 2021-2022
Beginning Fund Balance/Net Working Capital	17,190	48,500	55,400
Federal, State and All Other Grants			
Revenue from Bonds and Other Debt			
Interfund Transfers			
All Other Resources Except Division of Tax & Special Levy	1,307	1,600	700
Revenue from Division of Tax	98,097	120,600	179,200
Revenue from Special Levy			
Total Resources	116,594	170,700	235,300

FINANCIAL SUMMARY - REQUIREMENTS BY OBJECT CLASSIFICATION			
Personnel Services			
Materials and Services	4,307	16,500	14,600
Capital Outlay			
Debt Service	62,148	153,000	220,000
Interfund Transfers			
Contingencies			
All Other Expenditures and Requirements			
Unappropriated Ending Fund Balance	50,139	1,200	700
Total Requirements	116,594	170,700	235,300

FINANCIAL SUMMARY-REQUIREMENTS AND FULL-TIME EQUIVALENT EMPLOYEES (FTE) BY ORGANIZATIONAL UNIT OR PROGRAM			
Urban Renewal Plan	66,455	169,500	234,600
FTE	0	0	0
Total Requirements	66,455	169,500	234,600
Total FTE	0	0	0

STATEMENT OF CHANGES IN ACTIVITIES and SOURCES OF FINANCING

Outstanding debt represents two loans from the City of Dundee to the Dundee Urban Renewal Agency for the installation of conduit and vaults to accommodate future undergrounding of overhead electrical, telecom and cable utilities on Highway 99W.

STATEMENT OF INDEBTEDNESS		
LONG TERM DEBT	Estimated Debt Outstanding July 1	Estimated Debt Authorized, But Not Incurred on July 1
General Obligation Bonds	\$0	
Other Bonds	\$0	
Other Borrowings	\$249,427	
Total	\$249,427	\$0

URA RESOLUTION NO. 2021-06

**A RESOLUTION OF THE DUNDEE URBAN RENEWAL AGENCY ADOPTING
THE BUDGET FOR FY 2021-2022.**

THE DUNDEE URBAN RENEWAL AGENCY RESOLVES AS FOLLOWS:

Section 1. Be it resolved that the Board of Directors of the Dundee Urban Renewal Agency hereby adopts the budget for fiscal year 2021-2022 in the total amount of \$235,300 now on file at the Agency office, 620 SW 5th Street, Dundee, Oregon.

Section 2. Be it resolved that the amounts for the fiscal year beginning July 1, 2021 and for the purposes shown below are hereby appropriated:

URBAN RENEWAL FUND		
Materials & Services	\$ 14,600	
Debt Service	<u>220,000</u>	\$234,600
Unappropriated Ending Fund Balance		<u>700</u>
Total Budget		\$235,300

Section 3. Be it resolved that the Board of Directors of the Dundee Urban Renewal Agency hereby resolves to certify to the county assessor a request for the Dundee Urban Renewal Plan Area for the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457.

PASSED this 15th day of June 2021.

Approved:

Dave Russ, Chair

Attest:

Rob Daykin, Executive Director

Dundee Urban Renewal Agency Board Meeting Minutes October 20, 2020

Call to Order

Chair Russ called the meeting to order at 8:28 P.M. Present Via ZOOM: Chair David Russ; Kristen Svicarovich, Ted Crawford, Jeannette Adlong, Patrick Kelly, Tim Weaver and Storr Nelson. Staff Members: Rob Daykin, City Administrator; Greg Reid, City Engineer; Patrick Davenport, City Planner; and Melissa Lemen, Administrative Assistant.

Public Attendance

Casey Creighton, Chehalem Park & Recreation District (CPRD); Saj Jivanjee; and Doug Rux, Newberg Community Development Director (8:45 pm).

Public Comment

None.

Approval of Minutes

A **motion** was made and seconded to approve the Dundee Urban Renewal Agency meeting minutes from September 1, 2020. **The motion** passed unanimously.

Urban Renewal Stakeholder Committee Request

Chair Russ voiced appreciation of the interest in forming a committee for stakeholders for improvements on Ninth Street; he discussed the importance of stakeholder involvement to get the whole project working well. C.A. Daykin briefly reviewed information contained in his agenda report. He discussed that though the City already started engineering review for reconstructing Ninth Street from Alder Street to the highway, this project was put on hold so that the engineer could work on the highway project and water relocates, projects which are still being addressed. It was noted that if the Agency wishes to expedite the concept plan and calculation of construction estimates, then hiring additional engineering services may be a good option to facilitate this process. C.E. Reid discussed his belief that it will likely be 4-6 weeks before he will be able to provide preliminary estimates for the Ninth Street improvements; it will be a few more weeks until he is through working on the present water projects. C.E. Reid pointed out that seeking additional engineering could potentially take even longer given the procurement process, scoping, and the time required to bring them up to speed with the project. He suggested that what is really needed is more direction regarding the Ninth Street improvements. Discussion ensued. Chair Russ discussed that Council would need consulted regarding the improvements, though suggested that perhaps the Agency could urge Council to consider allowing C.E. Reid to move forward on his preliminary median plan as a basis to begin the stakeholder process. Discussion ensued. C.A. Daykin discussed that once the costs are known, there would be a basis for seeking a loan from the State Infrastructure Bank, which would provide a good base for financing the project. He pointed out that there would be elements of the project that the City would not be able to finance through that State loan, specifically the undergrounding of overhead utilities, so other strategies for financing would need to be considered. C.A. Daykin discussed that the overall concept was that a Local Improvement District (LID) would be formed; the financing would be handled by the State, the repayment would be from property assessments as well as contributions from urban renewal. He explained that if Council is still interested in that concept, that path can still be taken; stakeholders would not be needed until the point of discussions about how much will be paid by urban renewal, how much will be paid by property assessment and what will be the methodology of property assessments.

With regard to the stakeholders and the improvements along Ninth Street, Svicarovich pointed out that there are several property owners and those property owners might all be at different stages in their development plans; she felt there should be some synergy around the timing for the owners of the two largest property frontages along Ninth Street. C.A. Daykin discussed that while it would be nice if both property owners were in a position of knowing how they would like to develop their property, Wine Legacy Partners do have their property for sale and would likely not be as interested. Discussion ensued regarding the complexities of moving forward without having a better understanding of the potential development in the area and property owners that are ready to develop their properties. Nelson reviewed the struggles seen with the Riverside area with regard to timing, interest, etc. C.A. Daykin discussed the importance of knowing whether there will be a median and whether it will make sense for the prospective developers. Chair Russ suggested the C.E. Reid could provide a modular design to gain a better understanding of what the preliminary costs would be; this would allow the City to sit at the table as a stakeholder regardless of whether the Committee is full or not. Crawford pointed out that a preliminary cost estimate for infrastructure would likely make the Wine Legacy property more appealing to potential buyers. C.A. Daykin reviewed the typical development process and explained that there will need to be development agreement which provides specific targets and timelines if City resources are being committed. Discussion ensued. Nelson voiced support of obtaining a cost estimated from C.E. Reid even though it may not be close to the final design; it would at least provide a good start. C.E. Reid explained that he believes some of the developers are challenged right now just knowing what the City is expecting; just the City putting together the cost estimate will provide them with something to work with. He explained that he has spoken with a couple of the developers in the area who are expanding their property ownership and will be ready to move forward; they are also hopeful that the economy will turn to help them as well.

Chair Russ voiced appreciation that Saj Jivanjee has brought his request to their attention and asked if he would like to provide any additional comment. Jivanjee discussed that he has done many urban design projects in the United States and offered his suggestions on how to begin the process with the stakeholder. He discussed that Mike Henry, HBH Consulting Engineers, had indicated to him that there are funds available through the State of Oregon that would allow the City to pay for all of the engineering and planning. Jivanjee discussed his willingness to partner with the City. He provided a lengthy discussion about projects he is working on as well as described a partition on his Ninth Street property and a nearby road which will need to be added as included in the TSP. Chair Russ clarified that the present discussion involves how the Agency will move forward to form a Stakeholder Committee; the Committee would discuss all of the property development details. Jivanjee pointed out that he has been here for two years and working with the Committee; he is eager to move forward. He discussed some of the details contained in his letter, a copy of which is included in the meeting agenda packet. Jivanjee provided a lengthy discussion about some of the issues which concern him and also suggested that the TSP needs reviewed. Chair Russ briefly discussed the complexity of the governmental process and Jivanjee expressed frustration and pointed out that he has experience working with local government. Jivanjee continued to express his frustration and was told by Chair Russ that this type of behavior would not be tolerated during the meeting. Chair Russ asked the Zoom meeting administrator to mute Jivanjee's participation in order to continue conducting the meeting. Svicarovich offered a point of clarification between the Dundee Urban Renewal Advisory Committee meeting being conducted tonight and the formation of an Urban Renewal Stakeholder Committee as she felt there may be some confusion. She discussed that the Stakeholder Committee would be formed following the development of a cost estimate.

Jivanjee requested to speak and was invited to do so as long as he stayed on topic. Jivanjee again referenced his email and discussed items of concern, including his outlined three critical issues to be determined for private developers to invest in the discussed area (page 1 of his email). Chair Russ reviewed previous discussion from tonight's meeting pertaining to potential funding sources as well as the complex process involved moving forward.

C.A. Daykin pointed out that Doug Rux has now joined the meeting. C.A. Daykin explained that though there are some major property owners who are key players on the Ninth Street Improvement Project (from the highway to Alder Street), there are also a lot of participants who are property owners (not necessarily developers), which is why the City is looking at this as a potentially underlying LID as a means to use property assessments to be one of the components in paying back the loans to complete this project. C.A. Daykin explained that because it would be an LID, the onus is on the City to design the project, conduct a hearing, provide a methodology for the assessment of costs, and ask the City Council to agree to this once they conduct a hearing with the property owners and then move forward with its construction. He discussed that in this case, the project will be a hybrid including specific infusion of urban renewal dollars along with development agreements with specific named developers. C.A. Daykin pointed out that this is only the second year in which urban renewal funds have come into the City. He explained that this begins at a very low pace and as development grows and the assessed value grows, then more and more revenues are generated. He discussed that in the interim the Agency has taken out three or four loans to the City of Dundee to assist with various projects along Highway 99W, including sewer line extensions, water line extensions and conduits for future undergrounding of overhead utilities.

Doug Rux reviewed the limited amount of DURA activity since fall of 2017 when some priorities were established by the Committee. He discussed that presently DURA has been more focused on the Highway 99W utility undergrounding component, though if the Committee desired to relook at the Ninth Street component of that this could potentially be done. Rux explained that first conducting a review of DURA's income stream would be necessary; the first allotment of tax increment revenue was received in fiscal year 2018-2019 and there are already commitments of approximately \$325,000-\$350,000 for undergrounding utilities on Highway 99W. Rux recalled previous Committee conversation about whether the Ninth Street project would reflect the same updates as the Highway 99W project or be something different. He supported that property owner feedback regarding the desired improvements would also be a helpful component. Discussion ensued about the different methods of gathering public input for a project of this nature. Rux discussed that another component of such a project is always looking at urban renewal as a way to leverage development. He pointed out that Dundee's plan identifies projects that would help assist in bringing new development investment into the City and into the urban renewal agency as a whole. Rux recalled prior Agency discussion about projects they could participate in on a monetary basis, including some proportional share of a project or a project in its entirety. Rux explained that a development agreement may be necessary for the project on Ninth Street; discussion ensued regarding this process.

Jivanjee pointed out that he has known Rux for over twenty years, reviewed his educational background, and explained that he is willing to participate as a person to facilitate things based on his knowledge. He again reviewed that there are State funds available to assist with this type of development. Jivanjee pointed out that he has self-interest as well as the interest of the City of Dundee in mind; he is invested in it in order to improve the overall community. Lengthy discussion ensued. Chair Russ voiced appreciation of Jivanjee's willingness to participate and acknowledged his vast knowledge as well as his investment and efforts. Chair Russ then explained that during this business meeting he would like to stay on topic and focus on business and making decisions.

Nelson inquired about preliminary cost estimates for some planned improvements along Ninth Street. He asked Rux if once received, the plan moving forward would be to form a Stakeholder Committee to discuss and fund this type of project. Nelson inquired about whether this seems like a reasonable approach to which Rux affirmed. Nelson voiced support of DURA concentrating on this moving forward; once the cost estimate is received then additional information will be able to be provided, likely in approximately 4-6 weeks. Jivanjee again offered that he has engineering resources as well as explained that there are public funds available to pay for these services which the City can apply for. Chair Russ

voiced appreciation of Jivanjee's input though stressed the importance of maintaining a business meeting atmosphere at DURA meetings. C.A. Daykin offered to reach out to Jivanjee tomorrow to follow up and continue discussion.

Weaver pointed out that moving forward in this manner will require a huge reorganization of City Staff priorities. He discussed the heavy workload that City Staff already has and explained that reprioritizing may take several weeks if it is able to be accomplished. Weaver stressed the importance of working together to accomplish what they can as it is possible.

Agency Member Concerns

None.

The Dundee Urban Renewal Agency meeting was adjourned at 9:07 pm.

David Russ, Chair

Rob Daykin, Executive Director

Dundee Urban Renewal Agency

Board Meeting Minutes

November 17, 2020

Call to Order

Chair Russ called the meeting to order at 7:53 P.M. Present Via ZOOM: Chair David Russ; Kristen Svicarovich, Ted Crawford, Jeannette Adlong, Patrick Kelly, Tim Weaver and Storr Nelson. Staff Members: Rob Daykin, City Administrator; Bill Monahan, City Attorney; Greg Reid, City Engineer; Patrick Davenport, City Planner; and Melissa Lemen, Administrative Assistant.

Public Attendance

Attendance Via ZOOM: Mark Shipman, Attorney at Law, Saalfeld Griggs, P.C., 250 Church Street SE, Suite 200, Salem, OR 97301; and Chris Ramsey.

Public Comment

None.

Approval of Minutes

Due to technical difficulties, the minutes from October 20, 2020 were not available at the meeting.

Jivanjee Partition

C.A. Daykin explained that Attorney Mark Shipman is present tonight representing Wine Country Legacy Partners, as well as Chris Ramsey representing the property owner. C.A. Daykin reviewed his meeting agenda report in detail with the Agency, and discussed the complexities associated with the requirements of the Dundee Development Code. C.A. Daykin suggested that if urban renewal were willing to take on some role in the financial aspect of the partition process and were to form an agreement with the City to meet those same obligations, this agreement may be sufficient to not require the property owners to complete the work on their own. C. Atty Bill Monahan explained that he and C.A. Daykin have discussed the requirements contained in the Code that places responsibility on the property owner to complete the engineer's estimate and make the deposit; the property also appears to have a lot of responsibility for road improvements and future improvements as well. C. Atty Monahan discussed that it is he and C.A. Daykin's interpretation that through a developer agreement (or some other agreement) between the Urban Renewal Agency (URA), the City and the property owner, the URA could potentially decide to participate by contributing urban renewal funds to pay for a portion of the improvements. Additionally, he explained that the expectation long-term would be that the property would enter into a non-remonstrance agreement stating that it would participate in a Local Improvement District (LID) at the appropriate time when the City is ready to make the improvement to the entire frontage that is necessary.

Chair Russ inquired about whether it would be lawful for the City to take a lien on the property in the amount that it would cost for the improvements that could be relieved at the time when the work was completed in lieu of the deposit requirement. C. Atty Monahan discussed his belief that the language is pretty specific asking for a deposit or some other funding mechanism; he felt it would be more appropriate to place a more secure means of financing through a development agreement. Discussion ensued. Chair Russ pointed out that with a lien option there would be no costs other than the recording fees and the drafting of the documents for the City to place a lien on the property; this would then bind the property owner to completing the work in the future. The lien could then be removed when appropriate. C.A. Daykin explained that this method was previously used prior to the 2015 update to the Transportation System Plan (TSP) where these code amendments created the deposit requirement. Discussion ensued and C.A. Daykin explained that the idea would be to try to substitute another financial

obligation with the three parties to replace the owner requirement to provide those funds initially. Chair Russ shared his belief that at this time DURA doesn't really have those funds available though C.A. Daykin explained that future revenue sources could be dedicated for this purpose. C. Atty Monahan provided additional discussion. C.A. Daykin explained that the question being posed tonight is whether it is appropriate for urban renewal to try to encourage this development to take place in some manner, which urban renewal would likely do in the future for the Ninth Street improvements anyway. Ted Crawford discussed that property tax revenue is also based on equipment which C.A. Daykin confirmed; if the new property owners added some kind of production this would provide more urban renewal dollars in the future. Discussion ensued and additional questions addressed; C.A. Daykin explained that once a concept is decided upon the details could be worked through with the City Attorney.

Storr Nelson inquired about what the outcome would be if the City switched focus from the Ninth Street project and the urban renewal district closed prior to the completion of the Ninth Street, though a somewhat unlikely scenario. C.A. Daykin explained that the urban renewal district would close if the Agency decided to close it; urban renewal would be required to meet their obligations. Chair Russ voiced support of City involvement with no support from DURA in this instance. Additional discussion ensued.

Attorney Mark Shipman, Saalfeld Griggs, P.C., introduced himself and explained that he is present tonight on behalf of Wine Legacy Partners, the prospective purchaser of Parcel #1. He referenced the map provided in the meeting agenda materials. He discussed that their project initially involves using the facility for storage as a part of Phase 1; Phase 2 would involve some permitted uses that would likely have some light manufacturing or other storage-related uses. Atty Shipman discussed the requirements involved based on the current code. He discussed that their request is to figure out a way to slice the requirements in some manner so that they could get the partition approved and finalized, and then be able to purchase Parcel 1 and put it to beneficial use. Atty Shipman discussed that he has had some great initial conversations with C.A. Daykin and Planner Davenport with respect to the partition application and also with respect to the proposed and future use of the property. Atty Shipman explained that they are simply looking for a way to be able to properly allocate the proportional impact that this partition would have just separating these properties. Discussion ensued. Atty Shipman voiced support of a development agreement; he has used this option with other clients in the past and felt that they do provide security.

Chair Russ pointed out that this issue has come up more than once previously. He recommended that the City Council review the Code language to see if the words "money" or "dollars" are what needs to be required. Chair Russ pointed out that perhaps the City has been encumbered by those terms. C.A. Daykin noted that the most recent two land use applications have seemed to hit a dead end on that issue alone. Chair Russ suggested that if the code language were converted to "lien" instead this may solve some of these issues. C.A. Daykin pointed out that the process to make that change would be 4+ months long.

C.A. Daykin voiced his belief that he consensus of the URA was to not commit to any kind of participation at this time for this project, though Nelson offered clarification that he agrees with Chair Russ and is simply not supportive of an agreement between the City and URA at this time. C.A. Daykin explained that he will follow up with the City Attorney to find out and look at the interpretation of the code requirements; it is not his belief that placing a lien against the property is sufficient by code. C. Atty Monahan explained that he hadn't reviewed the code in that way until this was raised tonight; he would need to review that information to see if the interpretation could be made that a lien would suffice with that language though he is somewhat doubtful. He suggested seeking advice from C. Atty Ramis on this issue.

Crawford voiced that he is less encouraged that the potential new owners have indicated their desire to simply use the building for storage rather than adding new equipment. He suggested that if Atty

Shipman's clients could show they plan to improve the value of the property then the URA would likely be more interested in participating.

Kristen Svcarovich discussed concerns that she has relating to the partition. Regarding the dedication of right-of-way (ROW) that needs to occur on Alder Street, she noted that the corner of the existing building is very close to the existing ROW and she is unsure of whether there is 10 feet available for dedication. Her other concern is with regard to Ninth Street and the proximity of the frontage of Parcel 1 on Ninth Street to that intersection and the number of vehicles. Svcarovich explained that along the Ninth Street frontage there is really just one enormous driveway; if frontage improvements were placed the driveway approaches would become more distinctive and there would be a point where vehicles would enter and exit that lot, making it a lot safer along Ninth Street. She expressed concern about access on Ninth Street from the Parcel #1 partition if freight is being brought in. Svcarovich discussed that Parcel #1 has frontage on both Ninth and Alder Streets; she felt it should be taking access from the lower functional classification roadway (which she believed to be Alder Street) and noted that there wouldn't be access from Ninth Street. Svcarovich explained that these are circulation concerns. She reviewed that this intersection area has proved very difficult in the TSP as far as how it will be approached as well as what the improvements will look like. Svcarovich suggested that if this property were to be developed the City would need to take a look at the access to ensure its safety. C.A. Daykin provided clarification that both Ninth and Alder Streets are collector streets, though Alder Street appears to carry more traffic at this point in time. He explained that all of these concerns would be addressed at which time the improvements would be made. Svcarovich voiced that as someone with a background in land use development, she would not allow a partition to go forward without having a better understanding of access and circulation, though C.A. Daykin affirmed that they would have to show they meet the code requirements. She suggested that if the partition moves forward, having encumbrance on Parcel #2 that a street extension of Linden Lane will occur would be an important step even though it is already included in the TSP. C.A. Daykin noted that the planner could assist in providing this language.

Agency Member Concerns

None.

The Dundee Urban Renewal Agency meeting was adjourned at 8:25 pm.

David Russ, Chair

Rob Daykin, Executive Director