

DUNDEE URBAN RENEWAL AGENCY MEETING

Board Meeting Agenda

Dundee Fire Station Community Room
801 N. Highway 99W
Dundee, OR 97115

TELECONFERENCED MEETING OPEN TO THE PUBLIC IN-PERSON OR VIA ZOOM

Join Zoom Meeting:

<https://us02web.zoom.us/j/89213186788>

Or Via Phone: +1-301-715-8592

Meeting ID: 892 1318 6788

April 18, 2023

8:30 PM*

- 1. Call to Order**
- 2. Public Comment:** Speakers will be allowed up to 3 minutes to speak after being recognized by the Chair.
- 3. Approval of Minutes: February 21, 2023 and March 21, 2023**
- 4. Review of Grant Contract: Olive Branch**
- 5. Agency Member Concerns**

*Or immediately following City Council meeting.

Dundee Urban Renewal Agency Board Meeting Minutes February 21, 2023

Call to Order

Chair David Russ called the meeting to order at 9:05 P.M.

Attendance

Agency Member Attendance:

Chair David Russ; Agency Members: Jeannette Adlong; David Ford; Tim Weaver; and David Hinson.

Absent: Storr Nelson and Bruce Starr.

Staff Attendance: Steve Dahl, City Administrator; Matthew Kahl, City Attorney; and Melissa Lemen, Administrative Assistant.

Public Attendance

Mary Gregoire, The Olive Branch Motel, 1226 N. Highway 99W.

Public Comments

None.

Approval of Minutes

A **motion** was made and seconded to approve the Dundee Urban Renewal Agency minutes from January 17, 2023. **The motion** passed unanimously.

Urban Renewal Study

This item will be discussed at a future meeting.

Urban Renewal Expansion

This item will be discussed at a future meeting.

Executive Session: Review of Grant Request

The Dundee Urban Renewal Agency entered into Executive Session at 9:07 P.M. in accordance with ORS 192.600 (2)(f) to consider information or records that are exempt by law from public inspection. The executive session ended at 9:25 P.M.

Review of Grant Request

Committee members discussed consideration of a grant request for The Olive Branch Motel. **A motion** was made by Chair Russ to approve a \$100,000 grant request for The Olive Branch Motel. Mary Gregoire addressed Council questions. She explained that though they haven't yet received all of their project estimates back, she estimates they will spend approximately \$150,000 for façade improvements and \$50,000 for infrastructure. Ford seconded **the motion**. Discussion ensued regarding the grant amount. Weaver pointed out that costs are continuing to rise and asked the Committee to consider modifying the motion to grant \$125,000 for the project. He discussed that the project will really improve the property at this location in Dundee which will be nice to see. Chair Russ modified **the motion** to approve a \$125,000 grant request for The Olive Branch Motel. Ford seconded **the motion**. **The motion** passed unanimously. Gregoire voiced appreciation for the approval of the grant.

Agency Member Concerns

None.

The Dundee Urban Renewal Agency meeting was adjourned at 9:30 P.M.

David Russ, Chair

Steve Dahl, Executive Director

Dundee Urban Renewal Agency Board Meeting Minutes March 21, 2023

Call to Order

Chair David Russ called the meeting to order at 9:05 P.M.

Attendance

Agency Member Attendance:

Chair David Russ; Agency Members: Jeannette Adlong; Storr Nelson; Tim Weaver; David Ford and Bruce Starr. Absent: David Hinson.

Staff Attendance: Steve Dahl, City Administrator; Matthew Kahl, City Attorney; and Melissa Lemen, Administrative Assistant.

Public Attendance

Thomas Cody, Manager, Outpost Holdings, LLC via Zoom.

Public Comments

None.

Approval of Minutes

A **motion** was made and seconded to approve the Dundee Urban Renewal Minutes from January 17, 2023. Ford discussed the importance of the meeting minutes being up to date and available to the public in a timely manner on the city website. C. Atty Kahl discussed the requirements for meeting minutes; a recording of the meeting is also available for reference. The Agency discussed updating the format for meeting minutes as well as providing brief summary minutes. C.A. Dahl offered to provide samples of minutes from other local municipalities for the next City Council meeting where this could be discussed in greater detail. **The motion** passed unanimously.

Urban Renewal Study

C.A. Dahl discussed the importance of developing a plan for future public parking in Dundee given the potential for growth and development on and near Highway 99W. C.A. Dahl could not recall any specific parking suggestions provided in the Traffic Master Plan. M. Russ discussed that there are specific parking rules outlined in the central business district (CBD) design standards. Discussion ensued and the benefits of designated public parking areas were reviewed. C.A. Dahl explained that the city doesn't own any land in the CBD at present that can be used for public parking. He discussed that urban renewal funds could potentially be used for a parking lot within the urban renewal district. Lengthy discussion ensued regarding a conducting study as well as thoughts and ideas around the topic of parking in Dundee. The consensus of Council was to complete current projects (Ninth Street) and not spend \$40,000 on a study at this time.

Updated Study of Urban Renewal Estimated Tax Availability

C.A. Dahl explained that this would be a study of the income received from urban renewal and the possible expansions happening to provide a new urban renewal base. The agency discussed the importance of expanding the urban renewal boundary to include the school property; making moderate adjustments to the urban renewal boundary seems an important task. The agency requested additional information provided to them regarding that process, the costs, etc., which C.A. Dahl indicated that he would provide.

Executive Session: Review of Grant Request

The Dundee Urban Renewal Agency entered into Executive Session at 9:28 P.M. in accordance with ORS 192.600 (2)(f) to consider information or records that are exempt by law from public inspection. Executive Session ended at 9:51 P.M.

Review of Grant Request

Chair Russ reviewed that there has been a request for a grant in the amount of approximately \$1.5 million for a developer who is intending on completing some significant improvements for a development within the city. Nelson voiced support of the project but also expressed concern about the agency also being able to do this for other projects which may come before the agency. He reviewed aspects of the future development which he felt would provide a benefit to the City of Dundee as well as those he felt provided a benefit to the developer. Discussion ensued and Nelson explained how this same logic could be applied to future projects. Conversation ensued. Support was voiced for the project and the request; the location on Ninth Street where the city is making additional investments is a benefit as well. **A motion** was made and seconded to approve a grant request for \$1.5 million dollars for the project if it moves forward. Brief discussion ensued. **The motion** was modified and seconded to approve a grant request for \$1.5 million and direct staff to draft the appropriate documents for how and when the funds will be dispersed and under what conditions, and bring it back to the urban renewal agency for final approval. **The motion** passed unanimously.

Agency Member Concerns

None.

The Dundee Urban Renewal Agency meeting was adjourned at 10:05 P.M.

David Russ, Chair

Steve Dahl, Executive Director

AGENDA REPORT

To: Committee Chair Russ and Urban Renewal Committee

From: Steve Dahl, City Administrator

Date: April 14, 2023

Re: Approval of Urban Renewal Grant

—

At the February 21, 2023 Dundee Urban Renewal Meeting the Committee approved a grant for \$125,000 to go to the Olive Branch.

The City Attorney has developed the grant agreement. Are there any changes the committee would like to see in the agreement?

Motion: I move to approve the grant agreement for the Olive Branch as presented (as amended),

GRANT AGREEMENT

THIS GRANT AGREEMENT (“Grant Agreement”) is entered into on this ____ day of _____, 2023 by and between the CITY OF DUNDEE, an Oregon municipal corporation, acting by and through the DUNDEE URBAN RENEWAL AGENCY (“Grantor”), and SOULSIS, LLC, an Oregon limited liability company (“Grantee”).

RECITALS

A. The City of Dundee established the Dundee Urban Renewal Agency on June 7, 2016 via Ordinance 546-2016.

B. The City adopted the Dundee Urban Renewal Plan on April 18, 2017 via Ordinance 558-2017 (the “Plan”).

C. The Plan sets forth its stated goals of (i) promoting the revitalization of existing properties and development of underdeveloped or vacant properties within the Urban Renewal Area to meet the City’s design theme and standards; (ii) improving public facilities and utilities within the Urban Renewal Area to encourage development and improve the visual appearance of the project area; (iii) promoting a safe and convenient multi-modal transportation system; and (iv) improving cultural, recreational, and civic amenities and resources for community members and visitors to promote a vibrant business district and improve the quality of life in the City of Dundee.

D. Grantor’s primary method of financing for urban renewal projects is through tax increment financing.

E. Grantee is the fee simple owner of the real property located at 1226 N Highway 99W, Dundee, Oregon (the “Property”), more particularly described on Exhibit “A”.

F. The Property is located within Grantor’s Urban Renewal Boundary.

G. Grantee has requested financial assistance from Grantor to aid and support the redevelopment of the Property to develop a boutique hotel known as the Olive Branch Botel (the “Project”).

H. The Project consists of the establishment of a boutique hotel, a community event center and a commercial spaces along with installation of street improvements.

I. Grantor has determined the goals and objectives of the Project are consistent with, and will further the implementation of, the Grantor’s Plan, and, accordingly, Grantor is willing to provide financial assistance to Grantee for the Project, on the terms and conditions of this Grant Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. Grant. Grantor agrees to make a grant to Grantee (“Grant”) in an amount not to exceed _____ (“Grant Amount”) for the Project. This Grant is conditioned upon the resulting tax increment being in excess of the Grant Amount and/or sufficient funds being appropriated to the Grantor by the City of Dundee for discretionary use.

2. Construction of Improvements. Grantee agrees to construct improvements as shown on the plans, design drawings, specifications and estimates submitted to and approved by the City of Dundee, which are attached hereto and incorporated herein as Exhibit “B”. Except to the extent a later date for a portion of the Project is set forth in Exhibit B, Grantee shall complete the Project no later than _____ (the “Project Completion Deadline”) and Grantor is not obligated to reimburse any Project costs incurred after this date.

3. Disbursement. The funds of the Grant shall be held in the Grantor’s Urban Renewal Fund. Upon completion of the improvements, and final inspection and approval by Grantor, Grantee must submit to Grantor an itemized statement setting forth the full and actual costs of the improvements. This statement must be signed by Grantee and must include (i) proof of payment to costs and (ii) final lien waivers from all contractors and subcontractors.

4. Payment. Grantor will, within sixty (60) days of receipt of Grantee’s itemized statement and accompanying documents, cause a reimbursement to Grantee in an amount up to the approved amount stated herein.

5. Warranties and Representations.

- a. Existence and Authority. Grantee is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Oregon. Grantee warrants and represents it has full power and authority to carry on its business as now being conducted and how Grantee contemplates it to be conducted with respect to the Project. Grantee warrants and represents it has full power, authority, and legal right to execute and deliver this Grant Agreement and all other agreements, documents, and instruments contemplated herein (collectively, the “Grant Documents”) and to incur and perform its obligations stated herein.
- b. Compliance with Laws. Grantee warrants and represents it is in material compliance with all federal, state, and local laws, rules, regulations, ordinances, and orders applicable to the Project, and the Project, when completed, will be in compliance with all applicable health and safety, environmental, and zoning laws.
- c. Discrimination. Grantee warrants and represents it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender, age, national origin, physical or mental disability, or disabled veteran or veteran status in violation of state or federal laws.
- d. Litigation. As of the date of the Grant Agreement, there are no pending litigation, arbitration, or administrative proceedings against Grantee or with respect to the

Property or the Project that could reasonably have a material adverse effect on the business, assets, operations, or financial condition of Grantee, the Project, or the ability of Grantee to complete the Project, or which purports to affect the legality, enforceability, or validity of any Grant Document.

- e. Licenses; Maintenance of Business. Grantee will remain a limited liability company validly existing under the laws of Oregon and will keep in force all licenses and permits necessary to the proper conduct of its business and the completion of the Project including, but not limited to, a City of Dundee business license.

6. Indemnity. Grantee shall indemnify and hold Grantor, its officers, employees and agents harmless from and against any and all liabilities, claims, losses, damages, or expenses (including attorney fees and expenses) which any of them may suffer or incur in connection with (a) the inaccuracy of any of the representations and warranties made by Grantee in any Grant Documents, (b) any transaction contemplated by this Grant Agreement or any other Grant Document or (c) the actions or inactions of Grantee, or its employees, agents or contractors, related to the Project, other than claims, losses, damages, or expenses that arise solely from the gross negligence or willful misconduct of Grantor. This Section shall survive completion of the Project and any termination of this Grant Agreement.

7. Records and Inspection. Grantee shall keep proper books of account and records on all activities associated with the Grant, including but not limited to, books of account and records on the expenditure of all Grant proceeds in accordance with generally accepted accounting principles. Grantee shall retain such books of account and records until the later of three years after the Project Completion Deadline or the date that all disputes, if any, arising under this Grant Agreement or any other Grant Documents have been resolved. Grantee will permit Grantor and/or its duly authorized representatives to inspect, review and make excerpts and transcripts of its books of account and records with respect to the receipt and disbursement of funds received from Grantor. Access to these records is not limited to the required retention period. The authorized representatives shall have access to the records at any reasonable time for as long as the records are maintained. This Section shall survive completion of the Project and any termination of this Grant Agreement.

8. Miscellaneous

- a. Counterparts. This Grant Agreement may be executed in any number of counterparts, and any single counterpart or set of counterparts signed, in either case, by all the parties hereto shall constitute a full and original instrument, but all of which shall together constitute one and the same instrument.
- b. Survival. All agreements, representations, and warranties shall survive the execution and delivery of this Grant Agreement, any investigation at any time made by Grantor or on its behalf and the making of the Grant.
- c. Notice. Any notice required or permitted under this Grant Agreement shall be in writing and shall be deemed effective (1) when actually delivered in person, (2)

one business day after deposit with a commercial courier service for "next day" delivery, (3) two business days after having been deposited in the United States mail as certified or registered mail, or (4) when transmitted by email, addressed to the parties as follows:

GRANTOR: Dundee Urban Renewal Agency
Attn: City Administrator
620 SW 5th Street
Dundee, OR 97115
Email: Steve.Dahl@dundeecity.org

GRANTEE: Soulsis, LLC
Attn: Mary Ann Gregoire
6 Morningside Circle
Lake Oswego, OR 97035
Email: mary.gregoire@gmail.com

- d. Successors and Assigns. Grantee may not assign this Grant Agreement, in whole or in part, without the prior written consent of Grantor. This Grant Agreement shall be binding upon and shall inure to the benefit of the parties and their respective permitted successors and assigns.
- e. Governing Law, Jurisdiction, Venue. This Grant Agreement and any other Grant Documents shall be governed by and construed in accordance with the laws of the State of Oregon. Any legal action regarding this Grant Agreement or any other Grant Documents must be brought and conducted in the federal or state court, as appropriate, serving Yamhill County, Oregon, and the parties hereby consent to the jurisdiction and venue of such courts.
- f. Modification; Prior Grant Agreements; Headings. This Grant Agreement may not be modified or amended except by an instrument in writing signed by Grantee and Grantor. This Grant Agreement taken together with any other Grant Documents reflect and set forth the entire agreement and understanding of the parties with respect to the subject matter hereof, and supersede all prior agreements and understandings relating to such subject matter. The headings in this Grant Agreement are for the purpose of reference only and shall not limit or otherwise affect any of the terms hereof.
- g. Validity; Severability. If any provision of this Grant Agreement is held to be invalid, such event shall not affect, in any respect whatsoever, the validity of the remainder of this Grant Agreement and the remainder shall be construed without the invalid provision so as to carry out the intent of the parties to the extent possible without the invalid provision.
- h. Relationship of the Parties. Nothing contained in this Grant Agreement or any acts of the parties hereto shall be deemed or construed to create the relationship of

principal and agent, or of partnership, or of joint venture or of any other association other than that of independent contracting parties.

- i. No Third Party Beneficiary Rights. No person not a party to this Grant Agreement is an intended beneficiary of this Agreement, and no person not a party to this Grant Agreement shall have any right to enforce any term of this Agreement.
- j. Public Record/City Audit. Grantee understands and acknowledges that Grantor is a public entity subject to Oregon’s public records laws (ORS 192.311 – 192.478) and this Grant Agreement and related documents are subject to audit by the office of the City Auditor, public records disclosure, and applicable public ethics laws.

IN WITNESS WHEREOF, the parties hereto have caused this Grant Agreement to be executed by their duly authorized representatives effective as of the date first above written.

GRANTOR:

GRANTEE:

CITY OF DUNDEE, an Oregon municipal Corporation, acting by and through the DUNDEE URBAN RENEWAL AGENCY

SOULSIS, LLC, an Oregon limited liability company

By: _____
Steve Dahl, City Administrator

By: _____
Mary Ann Gregoire

Approved as to Form:

Matthew L. Kahl, City Attorney

EXHIBIT A
Legal Description

Real property in the County of Yamhill, State of Oregon, described as follows:

Part of Tract 66 of Dundee Orchard Homes No. 1 and part of Block 3 of the Town of Dundee in Yamhill County, Oregon, being further described as follows:

Beginning at an iron rod set North 59°04' West, 20 feet from the Northeasterly corner of Lot 5 of said Block 3; thence South 30°36' West along the Westerly line of Highway 99W, 100 feet to an iron rod which is North 59°04' West, 20 feet from the Southeasterly corner of Lot 4 of said Block 3; thence North 59°04' West, 280 feet to an iron rod; thence North 30°36' East, 100 feet to an iron rod, thence South 59°04' East, 280 feet to the point of beginning.

EXHIBIT B
Site Plans/Drawings