

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/84474460409>

Meeting ID: 884 7446 0409

April 7, 2026

8:00 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. Intergovernmental Agreement Between the City of Dundee and DURA To Make Financing Payments for the OTIB Loan 74

- DURA Staff Report for Resolution No. 2026-01
- DURA Resolution No. 2026-01: A RESOLUTION OF THE DUNDEE URBAN RENEWAL AGENCY AUTHORIZING INDEBTEDNESS FOR A CAPITAL PROJECT DESCRIBED IN THE URBAN RENEWAL PLAN FOR THE DUNDEE URBAN RENEWAL AREA.
- Exhibit A: Intergovernmental Agreement Between the City of Dundee and the Dundee Urban Renewal Agency (DURA) To Make Financing Payments for the Oregon Transportation Improvement Bank (OTIB) Loan 74

4. Agency Member Concerns

5. Adjourn

*Or immediately following City Council meeting.



STAFF REPORT

To: Dundee Urban Renewal Agency Board of Directors
 From: Courtney Patterson, Executive Director
 Date: April 6, 2026
 RE: Resolution 2026-01 Authorizing IGA with City of Dundee for repayment of OTIB loan 74

Background: On October 18, 2022, City Council passed resolution 2022-18 authorizing the City to enter into a loan agreement with the Oregon Transportation Infrastructure Bank (OTIB). The loan application was signed on November 29, 2023, with the City of Dundee as the borrower for the amount of \$1,387,433. The funds were disbursed directly to DURA on January 5, 2024.

Information: The OTIB loan is limited to costs to improve SW 9th street. Multiple sources indicate that the principal and interest were intended to be repaid from DURA's tax increment revenue. These include budget documents, mandatory reports filed with the State of Oregon, and loan documents for a separate financing instrument through Cashmere Valley Bank. A DURA resolution was discussed and passed unanimously on September 20, 2022, anticipating that DURA would be the direct borrower. However, the DURA resolution was never signed and on October 18, 2022, former Administrator Dahl brought the issue again indicating that the City would need to guarantee the loan up to the full amount for a lower interest rate. The City was the only listed borrower on the signed loan documents.

The loan is ten years with a 2.77% annual interest rate. This is the repayment schedule:

Borrower: City of Dundee

Payment Due Date:	Amount Due:
December 1, 2023, and December 1, 2024	Interest only payment
December 1, 2025, and the first day of each December thereafter	\$176,300
Maturity Date (December 1, 2033)	The remaining principal and interest due on the Loan

Notes: The repayment schedule included above is from the loan agreement signed November 16, 2023. The funds were not disbursed to the City of Dundee until January 5, 2024. Therefore, the first payment was made from DURA as an interest only payment of \$34,802 on November 30, 2024. DURA made the second payment as a full principal and interest payment of \$176,300 on November 4, 2025. The current amortization schedule anticipates the December 2033 payment will be \$171,424. The full amortization schedule is also attached.

The policy intention is documented that tax increment revenue was expected to repay the OTIF loan. However, the administrative step to formalize an agreement between the City and DURA was not taken. The IGA will correct this oversight.

Attachments:

1. City of Dundee Resolution No. 2022-18
2. Current OTIB loan 74 amortization schedule

Recommendation: Authorize the execution of the IGA with the City.

Motion: I move to authorize the Executive Director to enter into the attached intergovernmental agreement with the City of Dundee on behalf of the Agency.

RESOLUTION NO. URA 2026-01

A RESOLUTION OF THE DUNDEE URBAN RENEWAL AGENCY AUTHORIZING INDEBTEDNESS FOR A CAPITAL PROJECT DESCRIBED IN THE URBAN RENEWAL PLAN FOR THE DUNDEE URBAN RENEWAL AREA.

WHEREAS, the Dundee Urban Renewal Agency (the “Agency”) is authorized by ORS Chapter 457 to incur indebtedness to carry out the Dundee Urban Renewal Plan, as it has been and may be amended (the “Plan”) and by ORS Chapter 190 to enter into intergovernmental agreements; and

WHEREAS, it has been determined that a borrowing secured by the full faith and credit of the City of Dundee (the "City") is more feasible than a borrowing issued directly by the Agency and secured solely by the Agency's tax increment revenues; and

WHEREAS, on October 18, 2022, City Council adopted Resolution No. 2022-18, authorizing the City to enter into a borrowing secured by its full faith and credit to finance a transportation project for the reconstruction of 9th Street from Highway 99W to Alder, (the "Project"), in an amount not to exceed \$1,387,433.00; and,

WHEREAS, the Project is located within Dundee Urban Renewal Plan Area and approved on the Project List; and,

WHEREAS, the Project will improve public facilities and promote a safe and convenient multi-modal transportation system within the Urban Renewal Area both goals identified in the Plan and

WHEREAS, the Agency desires to pay the debt service related to the financing of the Projects from the tax increment revenues of the Dundee Urban Renewal Area (the “Area”); and

WHEREAS, the Agency is willing to commit tax increment revenues from the Area in amounts sufficient to pay up to \$1,387,433 in principal amount of financing for the Projects, plus interest; and

WHEREAS, the Area is projected to have sufficient tax increment revenues to pay the debt service; and

WHEREAS, the Agency has unused maximum indebtedness in the Plan and is willing to use up to \$1,387,433 of that maximum indebtedness to finance the Project;

NOW, THEREFORE, the Board of Directors (the “Agency Board”) of the Dundee Urban Renewal Agency resolves as follows:

Section 1. Intergovernmental Agreement Authorized. The Agency Board hereby authorizes the Agency to enter into an intergovernmental agreement (the “IGA”) with the City that obligates the Agency to pay up to \$1,387,433 in principal amount, plus interest, to finance the Project. The IGA shall constitute indebtedness of the Agency that is payable solely from the tax increment revenues of the Area and interest earnings on those tax increment revenues. The IGA shall be in substantially the form attached to this resolution as Exhibit A, but with such changes as are

approved by the Agency Official, as defined below.

Section 2. Delegation. The City Administrator of the City, Board Chair, or designee of either of those officials (each an “Agency Official”) is hereby authorized, on behalf of the Agency and without further action by the Agency Board to negotiate the terms of and execute the IGA described in Section 1 of this resolution, and to execute any documents and take any other actions that are desirable to assist the City in financing the Project.

Section 3. Effective Date. This resolution is effective immediately upon adoption.

Duly passed by the Agency Board this 7th day of April 2026.

DUNDEE URBAN RENEWAL AGENCY

David Ford, Board Chair

ATTEST:

Courtney Patterson, Executive Director

SUMMARY OF VOTES

Board Chair Ford:

Chair Nelson

Chair Hinson

Chair Weaver

Chair Chipper

Chair Caruso

Chair Weil

INTERGOVERNMENTAL AGREEMENT

to make financing payments
by and between the

Dundee Urban Renewal Agency

and the

City of Dundee, Oregon

Dated as of April 7, 2026

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Exhibit A - Financing Payments Schedule

INTERGOVERNMENTAL AGREEMENT

This Intergovernmental Agreement, entered into as of April 7, 2026, and ratified to be effective as of January 5, 2024, by and between the Dundee Urban Renewal Agency, Oregon (the “Agency”) and the City of Dundee, Oregon (the “City”) in connection with the Dundee Urban Renewal Area (the “Area”). The parties hereby agree as follows:

Section 1. Definitions and Recitals.

(1) Definitions.

Unless the context clearly requires otherwise, capitalized terms used in this Intergovernmental Agreement which are defined in this Section 1(1) shall have the following meanings:

“Agreement” means the loan agreement between State of Oregon acting by and through its Department of Transportation and the City of Dundee, Oregon in the amount of \$1,387,433.00 which is dated November 16, 2023.

“Financing Payments” means the principal and interest payments the City is required to make under the Agreement.

“IGA Amount” means the aggregate principal amount of draws made under the Agreement.

“Plan” means the Dundee Urban Renewal Plan adopted by the City on April 18, 2017 under Ordinance No. 558-2017, as it has been and may be amended in accordance with its terms.

“Resolutions” means Resolution No. 2022-18 adopted by the City Council on October 18, 2022; Agency Resolution No. 2022-02 adopted by the Agency Board on September 20, 2022; Agency Resolution No. 2026-01 adopted by the Agency Board on April 7, 2026.

“Tax Increment Revenues” means all revenues which the Agency collects for the Area under the provisions of Article IX, Section 1c of the Oregon Constitution and ORS Chapter 457.

“Urban Renewal Project” means capital projects described in the Resolutions.

(2) Findings.

(A) This Intergovernmental Agreement is authorized by the Resolutions.

(B) The City has entered into the Agreement to finance the Urban Renewal Projects.

(C) The Urban Renewal Projects are or will be properly described as urban renewal projects in the Plan and located in the Area when proceeds of this Intergovernmental Agreement are spent on such Urban Renewal Projects.

(D) The Agency is authorized to spend Tax Increment Revenues to pay for the costs of the Urban Renewal Projects.

(E) The Urban Renewal Projects will assist the Agency in carrying out its Plan.

(F) The Agency will only spend the proceeds it receives from the City under this Intergovernmental Agreement on the Urban Renewal Projects so long as they are then

described in the Plan, located in the Area and owned by the City, the Agency, another local governmental entity or the State of Oregon.

- (G) By entering into this Intergovernmental Agreement, the Agency is issuing debt in the IGA Amount which counts against the Agency's maximum indebtedness limit.
- (H) The Agency certifies that by entering into this Intergovernmental Agreement it will not exceed its \$11,337,831 maximum indebtedness limit in the Plan. As of January 5, 2024, the Agency has approximately \$11,337,831 million unused maximum indebtedness available prior to executing this Intergovernmental Agreement.

Section 2. The Financing Payments.

- (1) Draws.

The City will seek draws under the Agreement upon direction from the Agency.

- (2) The Financing Payments.

The Agency hereby agrees to pay to the City or on behalf of the City, no later than the dates required by the Agreement, amounts that are equal to the Financing Payments. The amounts and dates of the Financing Payments will be established as the City makes draws on the Agreement. The City will promptly inform the Agency of the Financing Payments once those are known to the City. The City and Agency may agree to a different repayment schedule by amending this Intergovernmental Agreement.

- (3) Security for the Obligation of the Agency to Pay the Financing Payments.

This Intergovernmental Agreement shall constitute indebtedness of the Agency in a principal amount that is equal to the IGA Amount. The Agency is obligated to make payments due under this Intergovernmental Agreement solely from the Tax Increment Revenues. Pursuant to ORS 287A.310, the Agency pledges the Tax Increment Revenues to pay the amounts described in Section 2(1) of this Intergovernmental Agreement. Except as described in the following sentence, the pledge that secures this Intergovernmental Agreement shall be superior to all other pledges or commitments of Tax Increment Revenues that the Agency makes, unless the City agrees in writing to subordinate its claim against the Tax Increment Revenues or to allow the Agency to grant a lien on the Tax Increment Revenues on parity with the lien that secures this Intergovernmental Agreement. The pledge that secures this Intergovernmental Agreement is a priority lien after the pledge that secures the obligation to make payments under the Loan Agreement between the City and State of Oregon acting by and through its Department of Transportation dated November 16, 2023, unless the State of Oregon shall agree, in writing, otherwise.

Section 3. Prepayment.

If the City exercises its option to prepay the Financing Payments in whole or in part, unless the Agency consents in advance and in writing, the Agency shall not be obligated to prepay the amounts due from it under this Intergovernmental Agreement.

Section 4. Estoppel.

The Agency hereby certifies, recites and declares that all things, conditions and acts required by the Constitution and Statutes of the State of Oregon and by this Intergovernmental Agreement to exist, to have happened and to have been performed precedent to and in the execution and the delivery of this Intergovernmental Agreement, do exist, have happened and have been performed in due time, form and manner, as required by law, and that this Intergovernmental Agreement is a valid and binding obligation of the Agency which is enforceable against the Agency in accordance with its terms, except to the extent that enforceability may be limited by applicable bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium or other laws or judicial decisions or principles of equity relating to or affecting the enforcement of creditors' rights or contractual obligations generally.

Section 5. Title.

Nothing in this Intergovernmental Agreement grants the City or the owner of the Agreement a lien on, or security interest in the Urban Renewal Projects.

Section 6. Miscellaneous.

(1) Binding Effect.

This Intergovernmental Agreement shall inure to the benefit of and shall be binding upon the Agency and the City and their respective successors and assigns.

(2) Severability.

In the event any provisions of this Intergovernmental Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provisions hereof.

(3) Amendments.

This Intergovernmental Agreement may be amended only by a writing signed by both parties.

(4) Execution in Counterparts.

This Intergovernmental Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute the same instrument.

(5) Applicable Law.

This Intergovernmental Agreement shall be governed by and construed in accordance with the laws of the State of Oregon. Any action regarding this Intergovernmental Agreement or the transactions contemplated hereby shall be brought in an appropriate court of the State of Oregon in Yamhill County, Oregon.

(6) Rules of Construction.

References to section numbers in documents which do not specify the document in which the section is located shall be construed as references to section numbers in this Intergovernmental Agreement.

(7) Headings.

The headings, titles and table of contents in this Intergovernmental Agreement are provided for convenience and shall not affect the meaning, construction or effect of this Intergovernmental Agreement.

IN WITNESS WHEREOF, the City and the Agency have executed this Intergovernmental Agreement as of April 7, 2026.

Dundee Urban Renewal Agency, Oregon

Courtney Patterson, Executive Director

City of Dundee, Oregon

Courtney Patterson, City Administrator

EXHIBIT A: FINANCING PAYMENT SCHEDULE

Interest at the rate of 2.77%, calculated on a 30/360 day basis, is payable annually on each December 1 commencing, December 1, 2024. Principal and interest are payable according to the following schedule:



LOAN HISTORY									
City of Dundee - 9th Street Project									
OTIB Loan # 0074									

Loan Date:	11/29/2023	Remaining Draws:	\$ -	Maturity Date:	12/1/2033
Loan Amt:	\$ 1,387,433.00	Interest Rate:	2.77%		

Fund/FD 645-04 OTIBH074/RED

Transaction Date	Calc Int To	DISBURSEMENT	PAYMENT AMOUNT	ACCRUED INTEREST	# DAYS	PAID INTEREST	PRINCIPAL	BALANCE	Due	
1/5/2024	1/5/2024	\$ 13,874.33		\$ -	0	\$ -	\$ -	\$ 13,874.33	Loan fee	Memo to Shari 01/08/2024
1/5/2024	1/5/2024	\$ 1,373,558.67		\$ -	0	\$ -	\$ -	\$ 1,387,433.00		
11/14/2024	12/1/2024		\$ 34,802.22	\$ 34,802.22	326	\$ 34,802.22	\$ -	\$ 1,387,433.00	-	Interest only payment
11/24/2025	12/1/2025		\$ 176,300.00	\$ 38,431.89	360	\$ 38,431.89	\$ 137,868.11	\$ 1,249,564.89	-	
	12/1/2026		\$ 176,300.00	\$ 34,612.95	360	\$ 34,612.95	\$ 141,687.05	\$ 1,107,877.84	-	
	12/1/2027		\$ 176,300.00	\$ 30,688.22	360	\$ 30,688.22	\$ 145,611.78	\$ 962,266.06	-	
	12/1/2028		\$ 176,300.00	\$ 26,654.77	360	\$ 26,654.77	\$ 149,645.23	\$ 812,620.83	-	
	12/1/2029		\$ 176,300.00	\$ 22,509.60	360	\$ 22,509.60	\$ 153,790.40	\$ 658,830.43	-	
	12/1/2030		\$ 176,300.00	\$ 18,249.60	360	\$ 18,249.60	\$ 158,050.40	\$ 500,780.03	-	
	12/1/2031		\$ 176,300.00	\$ 13,871.61	360	\$ 13,871.61	\$ 162,428.39	\$ 338,351.64	-	
	12/1/2032		\$ 176,300.00	\$ 9,372.34	360	\$ 9,372.34	\$ 166,927.66	\$ 171,423.98	-	
	12/1/2033		\$ 176,172.42	\$ 4,748.44	360	\$ 4,748.44	\$ 171,423.98	\$ -	-	

\$ 1,387,433.00	\$ 1,621,374.64	\$ 233,941.64	\$ 233,941.64	\$ 1,387,433.00
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360/30 x 12

5% late fee over 15 days - 16th day