



1 **MINUTES - DRAFT**

2 Members Present: Chair Rich Rohde, Bob Brixius, Brian Dalton, Jim Fairchild, Joe Koubek, LaVonne  
3 Wilson, David Shein, and Ken Jacroux

4 Absent: Nancy Adams

5 Staff: City Manager Ron Foggin, Community Development Director Jason Locke,  
6 Planner Suzanne Dufner

7 Visitors: Sue Rohde, Paul Trahan

8 **CALL TO ORDER**

9 Chair Rich Rohde called the meeting to order at 5:30 p.m.

10 **APPROVAL OF MINUTES**

11 The minutes of the April 5, 2016 meeting were presented and approved.

12 **PUBLIC COMMENTS**

13 There were none.

14 **OLD BUSINESS**

15 Jason Locke provided an update on URA project activities. Work has begun on the sidewalk repair  
16 projects on Jefferson Street and will be completed within the next week or so. Staff found banner poles  
17 to use on the City shops property. Suzanne Dufner provided an update on Façade Grant activities. The  
18 Downtown Association was awarded a façade grant to repair the side of Polk-a-Dots and paint a  
19 historical mural on the wall facing the Bank of America parking lot. Pressed has an approved URA Façade  
20 Grant for signage and lighting but has not completed the work yet. Washington Street Steakhouse and  
21 Pub was recently awarded a façade grant (not out of the URA fund) for landscaping and painting.

22 Brian Dalton and Ken Jacroux provided recommendations to staff on where to place trash receptacles in  
23 the Downtown. Staff is reviewing the recommendations and will send out an update to URDAC on  
24 progress made implementing the recommendations. Pressed suggested a bottle recycling receptacle be  
25 installed near their building.

26 Joe Koubek commented that he will be meeting with Jason to discuss historical signage in the  
27 Downtown in the near future.

28 A question was raised regarding how to go about investigating the installation of Main  
29 Street/Downtown signage at the intersection of Ellendale and Kings Valley Highway. Staff indicated they  
30 will raise this issue when talking to ODOT about other signage issues.

31 Next the group held a discussion regarding the purchase of the old Armory site. Ron Foggin provided an  
32 overview of what's been done over the past two (2) years with regards to cleaning up and purchasing  
33 the site. The site has been in the URA budget to purchase for \$125,000 over the past six (6) years. The  
34 state punctured an underground heating tank during the demolition of the Armory Building that  
35 resulted in having to clean-up and monitor the site for contamination over the past two (2) years. After  
36 months of not hearing from the State regarding the details of purchasing the property, City staff heard  
37 from the State's Department of Administrative Services (DAS) with the help of the Governor's Regional  
38 Solutions Team. The State emailed the City a purchase agreement to buy the site last month. The City

39 Attorney reviewed the agreement and suggested some edits. Staff is now in the processing of bringing  
40 the agreement to the URA for consideration, consistent with budget protocol. Purchase of the site  
41 would allow the URA to provide some control over the development and use of this corner in the future.  
42 If purchased, the URA would send out an RFP to identify a developer to work with on the development  
43 of the site.

44 Ken Jacroux commented that in light of the URA coffers being thinner than originally anticipated, URDAC  
45 felt it was important to reconsider and discuss the purchase in more depth before moving forward.

46 Ron Foggin commented that the main purpose for obtaining the site is for economic development and  
47 to control the property. One of the challenges facing Downtown redevelopment is unrealistic sale or  
48 lease prices of buildings that have not been maintained properly over time.

49 Jason Locke commented it would be a good idea to budget funds for a consultant to prepare some  
50 preliminary drawings and costs to provide prospective developers information on redevelopment  
51 opportunities for the site. If the URA decides not to purchase the property, the property will sit there  
52 and not generate any money now or when the district expires.

53 Paul Trahan provided public comment regarding his experience with the redevelopment of brownfield  
54 sites. He contacted DEQ and they indicated the certification process to clear the site of contamination  
55 has not been completed and that the state and their contractor were at odds with one another. They  
56 couldn't say when the Notice of No Further Action (NFA) would be ready. The NFA doesn't necessarily  
57 protect the property owner as the state can reexamine these cases every five (5) years. The URA should  
58 have an indemnification clause to protect themselves from any risk associated with the property. The  
59 State created a PPA (Perspective Purchase Agreement) to limit the liability of future property owners  
60 that purchase brownfield sites. A PPA requires the completion of a Phase 2 Environmental Assessment.  
61 The URA should also be asking for a Warranty Deed not a Bargain and Sale Deed.

62 David Shein asked how does the URA prevent something like Independence Station from happening?  
63 Paul indicated that could happen if the URA does not obtain an indemnification agreement.

64 Jason Locke clarified the timeline for completing the environmental monitoring would be in FY 16-17  
65 and the URA would not buy anything until certain milestones are met such as a PPA or other form of  
66 indemnification agreement to minimize any inherent risks associated with developing the site.

67 Ken Jacroux asked whether the property sale would take place after DEQ was done cleaning up the site.  
68 Jason indicated that was the intent. The URA will be providing comments from legal staff that may or  
69 may not be accepted by the state.

70 David Shein commented on the overriding goal to prevent anything bad from happening on this corner  
71 is not consistent with the purpose of urban renewal. Urban renewal activities should be undertaken to  
72 generate revenue and obtain a return on investment. He referred to the memo with his specific  
73 concerns about the purchase and said that he was caught off guard about the timing of the purchase. In  
74 the best case scenario there would be two (2) years left of urban renewal after the site is developed. He  
75 questioned whether this pencil's out now and make sense today. He moved to advise the agency to  
76 drop the project, remove it from the budget and make the funds available for other projects. Joe Koubek  
77 seconded the motion.

78 Joe commented that any purchase of the property should only be made contingent on completing the  
79 environmental clean-up of the site. The URA will still need to maintain the property if they purchase the  
80 site. He doesn't think the URA should be a landlord or relator.

81 Ken Jacroux asked about what funds were needed to make the property ready for development –  
82 planning and design, permitting process, Phase 2 environmental etc. He has concerns regarding the  
83 ability of a developer to obtain commercial financing for the project. Paul commented a Phase 2  
84 environmental would probably cost \$12-15,000. The committee discussed the use of a design bid build  
85 process.

86 LaVonne Wilson thanked staff for their efforts and for the information Paul provided. She expressed  
87 concerns regarding the amount of risk and liability associated with the site and doesn't believe that it is  
88 something the URA should be involved with or move forward on.

89 Brian Dalton likes the idea of moving projects forward and appreciates staff's efforts. He would love to  
90 see the issue studied in greater detail in order to better understand the issues involved with the  
91 purchase. He has not decided whether or not to support the purchase yet.

92 David Shein recommended they move agenda item #5 to the next meeting.

93 Jason Locke acknowledged they've always been aware of some risk involved with the purchase of the  
94 site and staff does not take it personally if the committee decides not to pursue the purchase of the site.  
95 The committee should not let the amount of staff time invested in the purchase thus far be a factor in  
96 their decision.

97 Joe Koubek requested they move to postpone the vote pending additional discussion and information.  
98 He removed his second for the original motion on the floor and David Shein withdrew the motion. David  
99 made a new motion that the URA take no action on the purchase agreement for the old Armory site  
100 until key issues are resolved by URDAC. Joe Koubek seconded the new motion and the motion passed  
101 unanimously.

102 URDAC will discuss the issues further at their July meeting.

103 Joe Koubek asked for a report on URDAC meeting attendance. Suzanne said she would email the  
104 attendance report to URDAC.

105 **NEW BUSINESS**

106 Discussion postponed until the next meeting.

107 **MEMBER COMMENTS** None.

108 **STAFF COMMENT** None.

109 **OTHER BUSINESS** None.

110 The meeting adjourned from City Hall at 6:45 p.m.