



Board of Directors

- Brian Dalton
- Jim Brown
- Jim Fairchild
- Kelly Gabliks
- Beth Jones
- Jackie Lawson
- Kevin Marshall
- Murray Stewart
- LaVonne Wilson
- Ken Woods, Jr.

Staff

- City Manager
Ron Foggin
- City Attorney
Lane Shetterly
- Community Development
Director
Jason Locke
- Finance Director
Cecilia Ward
- City Recorder
Emily Gagner
- Recording Secretary
Jeremy Teal

Dallas City Hall 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 before the meeting to the City Manager's Office, 503-831-3502 or TDD 503-623-7355.

Dallas Urban Renewal Agency Board of Directors Agenda

Monday, June 17, 2013, 7:00 p.m. (following the City Council meeting)
 Brian Dalton, Presiding
 Dallas City Hall
 187 SE Court Street
 Dallas, Oregon 97338

All persons addressing the Board of Directors will please use the table at the front of the Board. All testimony is electronically recorded. If you wish to speak on any agenda item, please sign in on the provided card.

<u>ITEM</u>	<u>RECOMMENDED ACTION</u>
1. Roll Call	
2. Review and approval of minutes of June 3, 2013, meeting	Approval
3. Downtown Streetscape funding discussion	Motion
4. Memorandum of Understanding with Polk County regarding 800 block improvements	Motion
5. <u>Resolution No. 2013-01</u> : A Resolution adopting a budget for the Dallas Development Commission Urban Renewal Agency, appropriating budget funds, and certifying a request for the maximum amount of revenue.	Roll call vote
6. Other Business	
7. Adjournment	

DALLAS DEVELOPMENT COMMISSION
URBAN RENEWAL AGENCY
Monday, June 3, 2013
Council Chambers

1 The Dallas Development Commission Urban Renewal Agency Board of Directors met in regular
2 session on June 3, 2013, at 7:41 p.m. in the Council Chambers of City Hall with Brian Dalton
3 presiding.

4 **ROLL CALL**

5 Directors present: Jim Fairchild, Kelly Gabliks, Beth Jones, Jackie Lawson, Kevin Marshall,
6 Murray Stewart, LaVonne Wilson, and Ken Woods, Jr. Excused: Jim Brown.

7 Also present were: City Manager Ron Foggin, City Attorney Lane Shetterly, Community
8 Development/Operations Jason Locke, Finance Director Cecilia Ward, City Recorder Emily
9 Gagner, and Recording Secretary Jeremy Teal.

10 **REVIEW AND APPROVAL OF MINUTES OF JANUARY 7, 2013, MEETING**

11 There were no changes made to the minutes.

12 It was moved by Councilor Lawson *to approve the minutes of the January 7, 2013, meeting as*
13 *presented.* The motion was duly seconded and carried unanimously.

14 **PUBLIC HEARING**

15 **PUBLIC HEARING ON THE PROPOSED 2013-2014 CITY OF DALLAS URBAN RENEWAL**
16 **AGENCY BUDGET**

17 Mayor Dalton opened the public hearing open at 7:45 p.m.

18 Mr. Locke reviewed the staff report.

19 Mayor Dalton asked for comments from the public. There were none. Mayor Dalton closed the
20 public hearing at 7:47 p.m.

21 Councilor Lawson declared a potential conflict of interest because she owned property in the
22 district.

23 It was moved by Councilor Stewart *to approve the 2013-2014 City of Dallas Urban*
24 *Renewal Agency Budget as approved by the budget committee and to impose the maximum*
25 *property tax levies permitted by Oregon law and to direct staff to prepare a Resolution to adopt*
26 *the budget.* The motion was duly seconded and carried unanimously.

27 **FAÇADE GRANT PROGRAM DISCUSSION**

28 Mr. Locke outlined the proposal for the Façade Grant Program for the 800/900 block of Main
29 Street. He stated the program would have considerable public investment and would enhance the
30 usability and the attractiveness of the streetscape. He noted the Urban Renewal District Advisory
31 Committee (URDAC) had worked for months to put together the Façade Grant Program. He
32 commented that staff believed it was a good investment and budgeted \$40,000 to fund the grant
33 program. He advised that there were two categories for the grants and there would be a cap of

1 \$4,000 per building. He reported that Category 1 projects would have a 75% match and Category 2
2 would have a 50% match. He stated that the grant program would be open to properties that were in
3 the 800/900 block of Main Street. He noted that the review process would be quick and that
4 expectations would be clear with the owners.

5 Director Lawson asked who would make the color palette. Mr. Locke stated that a few historic
6 color palettes from paint manufacturers would be chosen to allow for a wide array of colors
7 available to building owners. Director Lawson asked if the color palette from original historic
8 photos would be used. Mr. Locke stated that might be a possibility. He noted the color palette was
9 designed to help avoid URDAC paying part of the bill for someone to paint their building purple.

10 Director Woods asked how the grant match worked. Mr. Locke indicated that if you had a project
11 in Category 2 for a 50% match of \$10,000 the City would pay \$4,000 of the total cost. Director
12 Woods asked if that building would be eligible for a Category 1 project. Mr. Locke stated only one
13 project per building would be allowed.

14 Director Stewart asked if \$40,000 was enough for all the buildings. Mr. Locke stated that he
15 anticipated that it would not be taken advantage of by all the building owners.

16 It was moved by Councilor Marshall *to approve the Façade Grant Program for the 800/900 block*
17 *of Main Street.* The motion was duly seconded and carried unanimously.

18 **JEFFERSON STREET SIDEWALK PROJECT**

19 Mr. Locke stated the plan was to replace the Jefferson Street sidewalk on the east side of City Hall
20 from Court Street to the second driveway of the back parking lot. He commented that the sidewalk
21 was considerably hazardous and the City had one confirmed accident claim. He noted that the trip
22 hazards had been painted and clearly marked. He indicated that the sidewalk could no longer be
23 ground down and needed to be replaced. He explained that the sidewalk covered 125 linear feet and
24 would be replaced with the same style used on Church Street. He noted the trees would be
25 replaced with trees that would be moved from Main Street during the streetscape project.

26 Director Marshall asked why the City needed to remove the trees. Mr. Locke stated that the trees
27 were causing the problems with the sidewalk.

28 It was moved by Councilor Marshall *to direct staff to proceed with the replacement of the Jefferson*
29 *sidewalk replacement project utilizing Urban Renewal funds to pay half the cost.* The motion was
30 duly seconded and carried unanimously.

31 **OTHER BUSINESS**

32 Mr. Locke advised that recommendations for the urban renewal loan would be brought before the
33 directors at the next meeting.

34 **ADJOURNMENT**

35 There being no further business, the meeting was adjourned at 8:00 p.m.

36 Read and approved this _____ day of _____ 2013.

Chair Brian W. Dalton

ATTEST:

City Manager

DRAFT

DALLAS URBAN RENEWAL AGENCY

REPORT

TO: DALLAS URBAN RENEWAL AGENCY BOARD OF DIRECTORS

City of Dallas	Agenda Item No. 3	Topic: 800/900 block of Main Street Loan
Prepared By: Jason Locke, Community Development/ Operations Director	Meeting Date: June 17, 2013	Attachments: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Approved By: Ron Eggin, City Manager <i>RE</i>		

RECOMMENDED ACTION: Authorize city staff to secure the funding from Columbia Bank in the amount of \$750,000 for construction of the 800/900 Block of Main Streetscape Project as outlined in the attached term sheet.

BACKGROUND: Earlier this spring, city staff solicited loan proposals from 4 local banks for construction of the project. We received 2 proposals, which were reviewed by our financial advisor, Kieu-Oanh Nguyen, of Western Financial Services. Based on her review of the 2 proposals, she recommended the Columbia Bank proposal for its rates and lower overall cost. Staff is ready to proceed with the process, which will involve consultation with the City Attorney as well as bond counsel. In addition, there will be Resolutions brought back for Agency and Council approval as necessary.

FISCAL IMPACT: The Urban Renewal District will pay debt service on the \$750,000 loan over a 10-year period at approximately \$85,000/year.

ATTACHMENTS:

Columbia Bank Term Sheet



May 9, 2013

Jason Locke
Community Development/Operation Director
City of Dallas Urban Renewal District

Sent via Electronic email -- Jason.locke@dallasor.gov

Re: \$750,000 General Obligation of City of Dallas for Urban Renewal project financing

Dear Jason:

Thank you for giving Columbia State Bank the opportunity to present you with this proposal for lending services. We are truly proud of our record of excellent customer service and expert consultation, and would be honored to provide the same services to your organization.

We are confident that you will find the enclosed proposal will meet your needs for a very competitive structure. Being a community bank with a local presence, we keep your money working in your community.

Note: The attached Term Sheet will expire on June 30th, 2013, unless extended in writing by the Bank.

Please feel free to contact me directly should you have any questions.

A handwritten signature in cursive script that reads 'Sharon Capizzo'.

Sincerely,
Sharon Capizzo
Senior Vice President
Columbia State Bank
scapizzo@columbiabank.com
503-478-1720



LOAN PROPOSAL

This term sheet Proposal is presented for discussion purposes only. It is not a commitment to lend by Columbia State Bank ("Bank"). If Columbia Bank does extend a loan commitment, terms and conditions will be subject to completion of due diligence, Columbia Bank's credit and documentation standard, necessary credit approval, market conditions and other considerations determined by Columbia Bank, including pricing and financial covenants. Following are the general terms and conditions based on preliminary information provided:

Borrower:	City of Dallas
Purpose:	Provide financing for the Urban Renewal Street and Sidewalk improvements.
Loan Type	Full Faith and Credit backed by the General Obligation of the City of Dallas.
Amount:	\$750,000
Maturity:	10-years from date of closing
Advances:	Single advance at closing
Repayment:	Interest due semi-annual, principal due annually.
Prepayment Fee:	Prepayment allowed with 30-day notice on any payment date as follows; 7% in year 1, 6% in year 2, 5% in year 3, 4% in year 4, 3% in year 5, 2% in year 6, 1% in year 7, and thereafter prepayment allowed without penalty..
Rate:	Tax-exempt Bank Qualified 10-year term. Rate will be fixed at time of funding. Federal Home Loan Bank of Seattle Amortizing posted 10-year rate, plus a spread of 1.01% basis points fixed (today's rate 2.67%), computed on the basis of a 30 day month, 360 day year. Rates can be viewed at http://www.fhldbsea.com/
Fees:	\$1,200.00 loan fee, plus Bank's out of pocket expenses for documentation review by Bank's Counsel. Bank's counsel review fees not to exceed \$2,500.00 and assumes all documents are prepared by Borrower Counsel. Borrower shall pay the fees and costs of its counsel. All Bank fees are due at closing.

Collateral:

The City's Full Faith and Credit Pledge subject to the limitation of section 11 and 11b, Article XI of the Constitution of the State of Oregon to pay the financing Payments. The Credit Facility is secured by the Full Faith and Credit of the City of Dallas.

Pledge of Dallas Urban Renewal District Tax-Increment Revenues.

The Credit Facility Bonds are payable from the following sources:

A First Priority pledge of all Tax Increment Revenues.

A Pledge of all funds in the Urban Renewal Project Fund.

A Pledge of all funds in the Urban Renewal Debt Service Fund.

A pledge of Loan Proceeds until spent.

Other Conditions:

Other Conditions and Requirements

Representations and

Warranties:

Usual and customary for transactions of this type.

Covenants:

Usual and customary covenants for transactions of this type will include but are not limited to the following.

City will levy against all taxable property within the City to cover debt service should other funds not be sufficient to debt service within its limits.

Repayment of debt not subject to appropriation.

No new Urban Renewal debt without the prior written consent of the bank or the Urban Renewal District meets a 1.35 X debt service coverage. Any additional debt must be on a parity basis.

Urban Renewal Debt Service Fund 6-months annual debt service.

Notification of any amendments to the Urban Renewal Plan, Maximum indebtedness, or current maturity.

Events of Default:

Usual and customary in transactions of this type. In addition to other legal remedies, if an event of default occurs due to (i) nonpayment of principal, interest, fees or other amounts when due, or (ii) failure to maintain the tax-exempt status of the obligation, then the Bank may increase the interest rate to an additional 5% over the then existing market rate.

Reporting

Requirements:

Annually:

CPA prepared Audited fiscal yearend financial statements for both the City and Urban Renewal District Statements are due no later than 180-days after fiscal year end.

Copy of the budget once approved.

Such other financial information as may be reasonably requested by the Bank from time to time.

Other requirements:

Loan subject to documentation acceptable to Bank, Bank Counsel, and Borrower's Counsel.

Borrower's Bond Counsel to provide formation, validity and enforceability opinions and resolution authorizing debt issuance and Tax Opinion acceptable to the Bank and Bank Counsel.

This Term Sheet will expire on June 30th, 2013, unless extended in writing by the Bank.

The above terms are subject to final internal credit approval.

This Summary of Terms and Conditions contain confidential and proprietary loan structuring and pricing information. Except for disclosure on a confidential basis to your accountants, attorneys and other professional advisors retained by you in connection with the credit facilities contained in this summary of Terms and Conditions or as may be required by law, the contents of the Summary of Terms and Conditions may not be disclosed in whole or in part to any other person or entity without our prior written consent, provided that nothing herein shall restrict disclosure of information relating to the tax structure or tax treatment of the proposed credit facilities.

Under Oregon law, most agreements, promises, and commitments made by us, Columbia State Bank, after October 3, 1989 concerning loans and other credit extensions which are not tied to personal, family or household purposes or secured solely by the borrower's residence must be in writing, express consideration and be signed by us to be enforceable.

DALLAS URBAN RENEWAL AGENCY
REPORT

TO: DALLAS URBAN RENEWAL AGENCY BOARD OF DIRECTORS

<i>City of Dallas</i>	Agenda Item No. 4	Topic: 800/900 block of Main MOU with Polk County
Prepared By: Jason Locke, Community Development/ Operations Director	Meeting Date: June 17, 2013	Attachments: Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Approved By: Ron Foggin, City Manager 		

RECOMMENDED ACTION: Authorize the City Manager to sign the Memorandum of Understanding (MOU) with Polk County for the proposed improvements on the Courthouse property.

BACKGROUND: As part of the 800/900 block project, there are planned improvements that will occur on property owned by Polk County, specifically identified in Exhibit B attached to the MOU. The City Manager and staff have been working with the County Commissioners and staff in order to secure permission to make the improvements. After a meeting with Commissioners, staff worked with Polk County to draft the attached MOU.

FISCAL IMPACT: None, except for the possible costs of repair to County property for any damage that may occur during construction.

ATTACHMENTS:

Proposed MOU with Polk County

MEMORANDUM OF UNDERSTANDING

This MOU is entered into this ____ day of _____, 2013, by and between The City of Dallas, an Oregon municipal corporation, acting by and through the Dallas Development Commission, Urban Renewal Agency, herein referred to as "City" and Polk County, a political subdivision of the State of Oregon, herein referred to as "County."

WHEREAS, City is implementing a street improvement plan involving a portion of Main Street in Dallas, Oregon; and

WHEREAS, City wishes to affect construction and improvements upon real property that is owned and controlled by County; and

WHEREAS, County is prepared to cooperate with City provided that certain provisions are agreed to which acknowledge County's legal rights in connection with construction and improvements to be located on County real property; now therefore, it is agreed as follows:

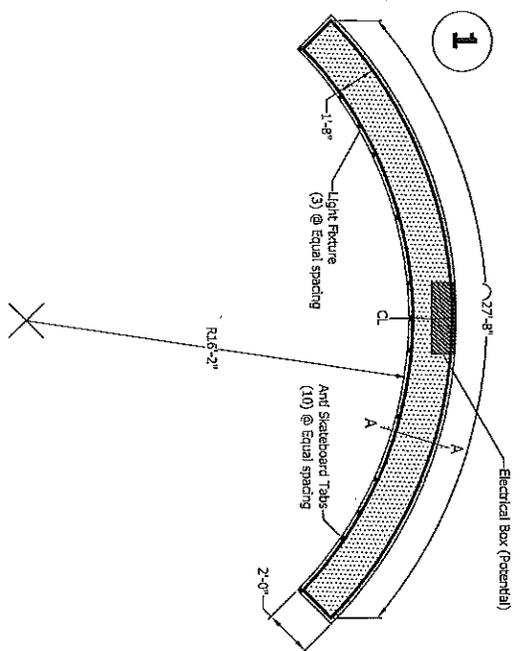
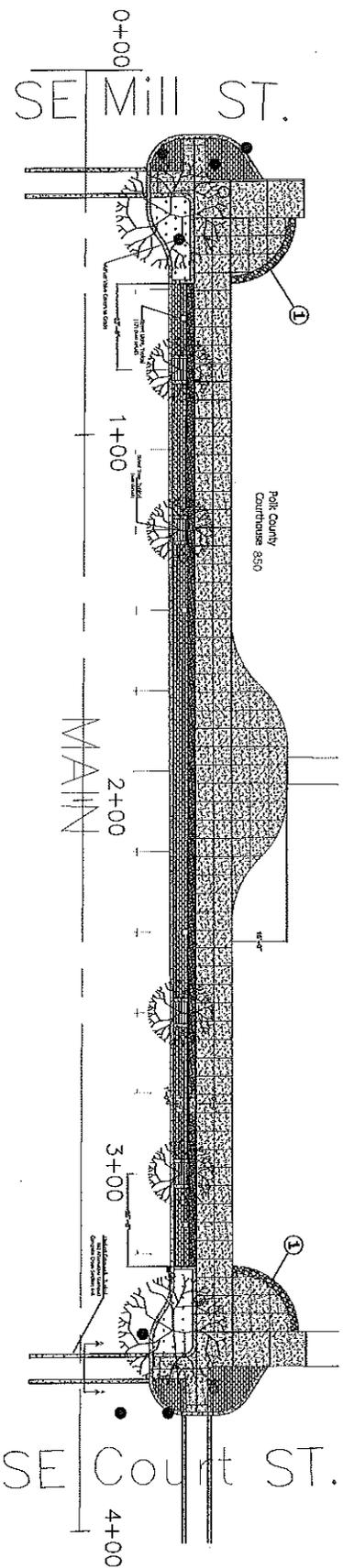
1. The subject real property is more fully described in Attachment "A" and includes a portion of the Courthouse grounds located at 850 Main Street;
2. This MOU shall remain in full force and effect and is binding upon the parties for as long as the subject improvements remain placed on the County real property identified herein;
3. County agrees to permit City to construct improvements upon County's real property described in Attachment "A" as part of City's street improvement plan, subject to the terms of this agreement. The improvements to be constructed are shown on and shall be installed in substantial conformance with Attachment "B."
4. City agrees to indemnify and hold harmless County against any claims or demands that are related in any manner to the construction and/or improvements placed on the County real property pursuant to this MOU;
5. City is required to return the infrastructure (water lines, sprinkler system, lawn, walkways, etc.) of the County real property to the same or better condition as it was/is at the time that construction first begins;
6. City will assume full responsibility for the design, construction, maintenance, associated charges (including but not limited to utility fees) and repair of the improvements placed on the County real property pursuant to this MOU, provided however that should City fail to adequately repair and/or maintain the improvements County may undertake such operations and thereafter submit an invoice to the City, which the City shall promptly pay;
7. At all times, the County shall retain final say and authorization for construction and improvements to be placed on the County real property;
- 8.

Dated: _____

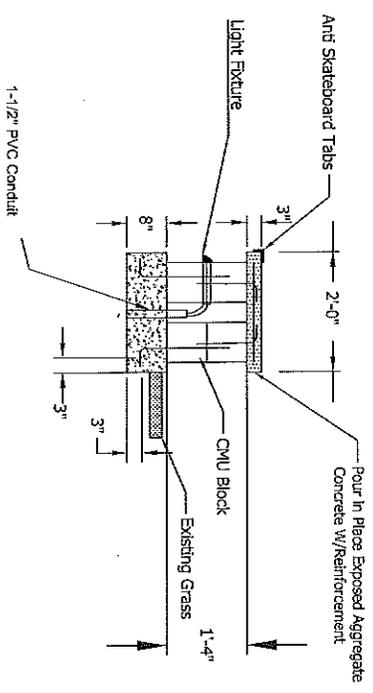
City of Dallas, Acting by and
Through the Dallas Development
Commission, Urban Renewal Agency

Dated: _____

Polk County



Plan View



A-A Section View

Bench Detail

Infrastructure on Polk County Property **Exhibit B**

Scale: 1"=30'

DESIGNED BY	ISSUED
DRAWN BY	REVISION
CHECKED BY	DATE
DATE	

DATE: JUNE 5, 2013

RESOLUTION NO. UR 2013-01

A Resolution adopting a budget for the Dallas Development Commission, Urban Renewal Agency fiscal period beginning July 1, 2013 and ending June 30, 2014, appropriating budget funds, and certifying a request for the maximum amount of revenue.

WHEREAS, at a meeting of the Board of Directors of the Dallas Development Commission, Urban Renewal Agency (hereinafter "Agency,") duly held on the 3rd day of June, 2013, a budget for the Agency for the fiscal year beginning July 1, 2013 and ending June 30, 2014, heretofore submitted by the Budget Committee to the people of the City after due notice and public hearing, was submitted to the Agency for adoption for and on behalf of the Agency;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DALLAS DEVELOPMENT COMMISSION, URBAN RENEWAL AGENCY:

Section 1. That the 2013-2014 fiscal year budget for the Dallas Development Commission, Urban Renewal Agency which is now on file at the office of the City Manager of the City of Dallas, Oregon, in the total amount of \$1,112,000, is hereby adopted.

Section 2. That the amounts for the July 1, 2013-June 30, 2014 fiscal year, and for the purposes shown below, are hereby appropriated:

Urban Renewal Fund	
Personal Services	\$ 16,000
Materials and Services	46,000
Capital Outlay	875,000
Debt Service	80,000
Contingency	95,000
Total Appropriations	<u>\$1,112,000</u>

Section 3. That it resolves to certify to the County Assessor a request for the Dallas Downtown 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.

Section 4. This Resolution shall be effective upon its passage.

Adopted: June 17, 2013
Approved: June 17, 2013

Brian W. Dalton, Chair

ATTEST:

APPROVED AS TO FORM:

Ron Foggin, City Manager

Lane P. Shetterly, City Attorney