

CITY of LA GRANDE
Urban Renewal Agency Regular Session
Wednesday, February 7, 2024

[Immediately Following City Council Regular Session](#)

Council Chambers
La Grande City Hall
1000 Adams Avenue

AGENDA

The meeting will be available for viewing via the City's scheduled Charter Communications channel 180 immediately following the City Council meeting which begins at 6:00 p.m. on February 7, 2024, on the EO Alive website at <https://eoa.tv> or on the EO Alive.TV Facebook page at <https://www.facebook.com/EOAliveTV>.

1. **WELCOME to the URBAN RENEWAL AGENCY REGULAR SESSION**

- a. Call to Order
- b. Roll Call

2. **AGENDA APPROVAL**

3. **CONSENT AGENDA**

The Consent Agenda includes routine items of business which may be approved by one Motion of the Agency. Any Agency Member so desiring may by request remove one or more items from the Consent Agenda for individual consideration under the Unfinished or New Business portion of the Agenda.

- a. **Consider:** Approving Regular Session Minutes; January 3, 2024

4. **PUBLIC COMMENTS**

Those individuals who wish to address the Agency in connection with any item which is printed on tonight's Agenda may do so during the time that item is under discussion by the Agency. Individuals wishing to speak to the Agency about non-Agenda items may do so during this Public Comments portion of the Agenda. Please print your name and address on the Public Comments Sign-in Sheet, located on the podium. When addressing the Agency, speak loudly and clearly into the Podium microphone, and state your name. Persons interested in providing virtual public comments shall contact City Staff at sstockhoff@cityoflagrande.org or by calling the City Recorder at (541) 962-1309 not later than 5:00 pm the day prior to meeting to make arrangements. In the event the Mayor does not announce a time limit for comments, each speaker is asked to confine their comments to three minutes in length, whether the comments are in-person or virtual.

5. **PUBLIC HEARINGS**

6. **UNFINISHED BUSINESS**

7. **NEW BUSINESS**

- a. **Consider:** Approving Change of Scope for Call for Projects; Project #UR-CFP-23-004 [Bishop]
- b. **Consider:** Approving Recommended Changes to the Call for Projects Policy [Bishop]
- c. **Consider:** Amending Agreement Providing Funding for the Market Place Family Foods Project [Strope]
- d. **Consider:** Adopting Retreat Summary and City/District Manager's Top Priorities for Fiscal Year 2024-2025 [Strope]
- e. **Consider:** Appointing Citizen to Urban Renewal Advisory Commission [Rock]

8. **DISTRICT MANAGER COMMENTS**

9. **AGENCY MEMBER COMMENTS**

10. **ADJOURN**

Stacey M. Stockhoff
City Recorder

*The Urban Renewal Agency reserves the right to convene an Executive Session for any purpose authorized under ORS 192.660
Persons requiring special accommodations who wish to attend the Agency Session are encouraged to make arrangements prior to the meeting
by calling 541-962-1309. The City of La Grande does not discriminate against individuals with disabilities*

CITY of LA GRANDE

URBAN RENEWAL AGENCY ACTION FORM

Agency Meeting Date **February 7, 2024**

PRESENTER: Robert A. Strope, District Manager

AGENCY ACTION: CONSIDER CONSENT AGENDA

- 1. MAYOR: Request Staff Report.
- 2. MAYOR: Entertain Motion:

Suggested Motion: I move we accept the Consent Agenda as presented.

OR

Suggested Motion: I move we accept the Consent Agenda as amended.

- 3. MAYOR: Invite Agency Discussion.
- 4. MAYOR: Ask for the Vote.

EXPLANATION: A Consent Agenda includes routine items of business with limited public interest, which may be approved by one Motion of the Agency. Any Agency Member may, by request, remove any item of business from the Consent Agenda.

a. **Consider:** Approving Regular Session Minutes; January 3, 2024

Reviewed By: (Initial)

District Manager _____

City Recorder _____

Aquatics Division _____

Building Department _____

ED Department _____

Finance _____

Fire Department _____

Human Resources Dept _____

Library _____

Parks Department _____

Planning Department _____

Police Department _____

Public Works Department _____

AGENCY ACTION (Office Use Only)

- Motion Passed
- Motion Failed; _____
- Action Tabled: _____
Vote: _____
- Resolution Passed
Effective Date: _____
- Ordinance Adopted
First Reading: _____
Second Reading: _____
Effective Date: _____

CITY OF LA GRANDE

Urban Renewal Agency Regular Session

January 3, 2024

Immediately following City Council Regular Session

Council Chambers
La Grande City Hall
1000 Adams Avenue

MINUTES

AGENCY MEMBERS PRESENT:

Justin B. Rock, *Mayor*
David Glabe, *Mayor Pro Tem*
Nicole Howard, *Agency Member*
Molly King, *Agency Member*
Mary Ann Miesner, *Agency Member*

AGENCY MEMBERS ABSENT EXCUSED:

Denise Wheeler, *Agency Member*
Corrine Dutto, *Agency Member*

STAFF PRESENT

Robert Strope, *District Manager*
Stacey Stockhoff, *City Recorder*
Keri Quinn, *Assistant to the District Manager*
Timothy Bishop, *Economic Development Director*
Kyle Carpenter, *Public Works Director*

CALL TO ORDER/ROLL CALL/AGENDA APPROVAL

Mayor ROCK called this Regular Session of the Urban Renewal Agency to order at 6:52 p.m.; Roll Call was taken; and a quorum was determined to be present.

CONSENT AGENDA

- a. **Consider:** Approving Regular Session Minutes; *October 4, 2023*

The following Motion was introduced by HOWARD; GLABE providing the Second:

MOTION: I move we accept the Consent Agenda as presented.

VOTE

MSC: 5-0 (Yes: ROCK, GLABE, HOWARD, KING and MIESNER; No: None)

PUBLIC COMMENTS

None.

PUBLIC HEARINGS

None.

UNFINISHED BUSINESS

None.

NEW BUSINESS

- a. **Consider:** Rescinding Lot Sale at the
La Grande Business and Technology Park

STAFF REPORT

Robert STROPE, *District Manager*

STROPE stated the Urban Renewal Agency sold Lot 4 at the La Grande Business and Technology Park in May of 2022. The purchaser has been unable to complete the development of the property as required in the Covenants, Conditions, and Restrictions (CC&Rs). In discussions with the purchaser, it has become apparent that providing additional time to develop the property would not resolve the situation. Based on this, the options available to the Agency were to rescind the sale or take legal action to force specific performance, which the District Manager strongly recommended against. The letter outlined the parameters for rescinding the sale and the purchaser had signed their agreement. Once the Agency approved the recession, the required documents would be prepared and signed and the lot would be relisted for sale once ownership was transferred back to the Agency.

MIESNER asked how many lots were available to sell, to which BISHOP answered 5 lots were on the market.

STROPE verified that this lot was selling for \$50,000.

PUBLIC COMMENT

None.

AGENCY DISCUSSION

None.

MOTION

The following Motion was introduced by MIESNER; HOWARD providing the Second:

MOTION: I move that the District Manager be authorized to complete and sign all necessary documents to rescind the sale of Lot 4 at the La Grande Business and Technology Park as presented.

AGENCY DISCUSSION

None.

VOTE

MSC: 5-0 (Yes: ROCK, GLABE, HOWARD, KING, and MIESNER; No: None)

DISTRICT MANAGER COMMENTS

STROPE announced that on an annual basis the Urban Renewal Agency (URA) was required to have a report-out, historically this has been done by Elaine Howard

Consulting, and they would be putting the report together again this year.

STROPE noted that there would be a future meeting with the Urban Renewal Advisory Commission (URAC) to discuss changes to the Call for Projects Policy. Once those revisions were finalized, those proposed changes would be brought to the Agency at the next URA Meeting as an action item.

MIESNER asked when the Call for Projects were occurring this year, to which BISHOP answered the application process would open the first week of March and the cycle would close on Friday, May 24, 2024. He noted that once the applications were submitted, City Staff would review. STROPE added that the Call for Projects Special Meeting was tentatively scheduled for July 8, 2024.

AGENCY MEMBER COMMENTS

None.

There being no further business to come before this Regular Session of the Agency, Mayor ROCK adjourned the meeting at 6:59 p.m.

ATTEST:

APPROVED:

Stacey M. Stockhoff
City Recorder

Justin B. Rock
Mayor

APPROVED: _____

CITY of LA GRANDE

URBAN RENEWAL AGENCY ACTION FORM

Agency Meeting Date: **February 7, 2024**

PRESENTER:

Timothy Bishop, Economic Development Director

AGENCY ACTION:

APPROVING CHANGE OF SCOPE FOR CFP PROJECT #UR-CFP-23-004

1. MAYOR: Request Staff Report.
2. MAYOR: Invite Public Comments.
3. MAYOR: Invite Agency Discussion.
4. MAYOR: Entertain Motion:

Suggested Motion: I move that the Agency approve the reduced project scope of work for “Call for Projects” Project # UR-CFP-23-004 as recommended by staff as presented (or amended).

5. MAYOR: Invite Additional Agency Discussion.
6. MAYOR: Ask for the Vote.

EXPLANATION: On July 10, 2023, the Urban Renewal Agency and the Urban Renewal Advisory Commission (URAC) held a special meeting to review and award funding for the 2023-24 Call For Projects (CFP) grant applicants. The Reed and Associates application for funding to redevelop the former bank building at 904 Adams Avenue, as the new location for Reed and Associates Insurance was one of nine applications for funding and one of six projects to be awarded funding.

This project received the lowest score among funded projects and was awarded the remaining available funds of \$8,597. The total estimated project cost was \$158,305 and the project was deemed eligible for CFP funding of up to \$61,791.

Since then, the applicant has determined that the original scope of work is not viable with the lower CFP award and has requested that the Agency reduce allowing a reduction to the scope of work for this project to just the signage component and allow the applicant to apply the awarded grant funds to this portion of the project. The applicant has spent \$17,770 on the signage elements of this project, the CFP award amount of \$8,597 would be a 48% reimbursement for the work completed under this reduced scope.

Applicant is aware that work removed from the original scope of this project will not be eligible for future CFP funding requests.

The current CFP policy does not provide a clear mechanism for adjusting the scope of a partially funded project, except to completely withdraw the project and forego all funding entirely. Addressing this issue for future projects is among the proposed updates to the CFP Policy on tonight’s agenda.

The District Manager recommends Agency to approve this agenda item.

Reviewed By: (Initial)

District Manager _____
City Recorder _____
Aquatics Division _____
Building Department _____
ED Department _____
Finance _____
Fire Department _____

Human Resources Dept _____
Library _____
Parks Department _____
Planning Department _____
Police Department _____
Public Works Department _____

AGENCY ACTION (Office Use Only)

- Motion Passed
- Motion Failed; _____
- Action Tabled: _____
Vote: _____

- Resolution Passed
Effective Date: _____

- Ordinance Adopted
First Reading: _____
Second Reading: _____
Effective Date: _____
Second Reading: _____
Effective Date: _____

CITY of LA GRANDE

URBAN RENEWAL AGENCY ACTION FORM

Agency Meeting Date: **February 7, 2024**

PRESENTER: Timothy Bishop, Economic Development Director

AGENCY ACTION: **APPROVING RECOMMENDED CHANGES TO THE CALL FOR PROJECTS POLICY**

1. MAYOR: Request Staff Report.
2. MAYOR: Invite Public Comments.
3. MAYOR: Invite Agency Discussion.
4. MAYOR: Entertain Motion:

Suggested Motion: I move that the Agency adopt the recommended changes to the Urban Renewal Call For Projects grant policy as recommended by the Urban Renewal Advisory Commission as presented (or amended).

5. MAYOR: Invite Additional Agency Discussion.
6. MAYOR: Ask for the Vote.

EXPLANATION: Following the July 10, 2023, Special Meeting of the Urban Renewal Agency and the Urban Renewal Advisory Commission (URAC) to review applications and award funding for the 2023-24 Call For Projects grants, URAC and Agency members were asked to share their feedback and recommend any improvements on the process.,

City Staff reviewed current policy and devised proposed recommended draft changes based on this feedback. These proposed changes were presented at the January 16, 2024, URAC Work Session, and were reviewed by the URAC. The URAC recommended that the proposed changes with minor amendments be accepted by the Agency.

The following recommended revisions are shown in the attached draft policy, along with minor revisions:

C. General Criteria:

6) ii Blight:
Changes scoring from Agency with Staff recommendation to Staff.

6) iv Return on investment:
Adjust this to a sliding scale based on 1 point per \$10,000 for projects between \$100,000 and \$500,000.

6) vi Business Viability:

Remove this table from the scoring criteria but keep these items as required elements of the application. Move the 25 points currently awarded for these items to the discretionary points available to URAC and URA.

F. Applicant Criteria:

1) Addresses the need to confirm Property owner engagement and awareness of potential claw back restrictions in the instance that the applicant and property owner are not the same.

G. Funding Information:

1) Removes the requirement for local contractor and makes the maximum grant amount \$75,000.

4) Reinforces permit requirement given there have been repeated instances where grant recipients rely on contractors to obtain permits and lose a portion of the funding as a result.

12) New limitation of the number of CFP awards which can be received for the same property in a five-year period.

15) New provision to allow for administrative approval to reimburse a portion of a project which receives less than full funding.

The District Manager recommends the Agency approve the revisions as recommended by the URAC as presented.

Reviewed By: (Initial)

District Manager _____
City Recorder _____
Aquatics Division _____
Building Department _____
ED Department _____
Finance _____
Fire Department _____

Human Resources Dept _____
Library _____
Parks Department _____
Planning Department _____
Police Department _____
Public Works Department _____

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La Grande Urban Renewal Agency (URA)

(Revised ~~March 1, 2023~~ February 7, 2024)

“Call for Projects”

(Revitalization Incentive Program)

A. Geographic Scope:

Within the Urban Renewal District. (See Map, Exhibit A)

B. Purpose

The purpose of this policy is to direct resources within the Urban Renewal District to revitalize the La Grande Central Business Zone with the primary goals of improving the exterior of historic buildings, and providing new opportunities for locations of high-traffic retail businesses, which could include any of the following: improving accessibility issues, streetscape projects and building renovations. Additionally, the Agency will invest in public/private development partnerships throughout the District including facilitating the development of commercial and industrial parts of the District to create jobs and income which will provide economic support to the Central Business Zone as well as developing upper floor residential within the downtown.

C. General Criteria

- 1) Subject property(ies)/ project(s) must lie within the Urban Renewal District’s “Geographic Scope” referenced in Section A.
- 2) Current or prospective owner(s) or developers representing owner(s) with consent, must be willing and agreeable to undertake a building/ property restoration, redevelopment or development project.
- 3) Once projects are evaluated and ranked per criteria in Subsection 6, available funds will be allocated to projects in order of ranking, highest to lowest, with projects receiving the full amount requested until the funding is exhausted (see Sections G (1) and G (2)).
- 4) Projects located in the La Grande Business and Technology Park will not be eligible for funding under this program and will be considered under a separate program. However, the application form and criteria in this policy may be used to evaluate projects at the La Grande Business and Technology Park.
- 5) All projects submitted for URA funding consideration must conform to one or more projects or goals stated in the La Grande Urban Renewal Plan of 1999.
- 6) When considerations for project funding are being made, the following criteria will serve as guidelines to help evaluate and when appropriate, rank applications:

- i. Preference will be given to projects that have a positive impact on the Central Business Zone (CBZ) (60 Points scored by Staff)

Impact on Central Business Zone	
Criteria	Total Possible Points 60
Traded Sector Business any location	50
Retail inside CBZ	45
Commercial Business outside CBZ	40
Commercial inside CBZ	35
Retail Business outside CBZ	30
Housing/Residential ONLY located inside the CBZ	25
Additional points for: Occupying building in CBZ that has been vacant for more than six months	10
Additional points for: Occupying building that has been vacant for more than twelve months	5

- ii. Preference will be given to projects that can demonstrate the mitigation, reduction, or removal of blight. Undeveloped and/or bare land shall not be eligible for points under this preference category. (30 Points Scored by ~~Agency with recommendation from~~ Staff)

Points for Blight	
Description of Blight	Total Possible Points 30
Potential hazard to environment or public and/or structure is unfit to occupy	30
Extensive Exterior damage to property, including structural impacts that don't rise to the level of unfit for occupancy	25
Combination of Exterior and Interior damage, deterioration, and/or dilapidation beyond the purely aesthetic	20
Property has been vacant more than five years but no other blight	15
Slight damage to exterior of property only	10
Damage to Interior of Property only	5

- iii. Preference will be given to projects with higher levels of private investment compared to public funding from any source. In calculating this, all project costs shall be considered, including elements which are not eligible uses of funds such as certain housing elements. (30 Points Scored by Staff)

Private Investment to Public Dollars	
Private Investment (excluding all public funds from any source)	Total Possible Points 30
Over \$150,000	30
\$125,001 to \$150,000	25
\$100,001 to \$125,000	20
\$75,001 to \$100,000	15
\$50,001 to \$75,000	10
\$25,001 to \$50,000	5
Less than \$25,000	0

- iv. Preference will be given to projects with higher Return on Investment based on all project costs prepared by a licensed contractor in the form of a quote, estimate, or bid. [Points will be assigned based on one point for each \\$10,000 of investment.](#) **No points will be awarded for this category if the quotes, estimates, or bids are not from a licensed contractor.** (50 Points Scored by Staff)

Return on Investment	
Total Project Cost	Total Possible Points 50
Total Project Cost of 500,000 <u>and over+</u>	50
One point per \$10,000 invested over \$100,000 up to \$490,000 Total	
Project Cost of 400,000	40
Total Project Cost of 300,000	30
Total Project Cost of 150,000	20
Less than 150,000 <u>100,000</u>	10

- v. Preference will be given to projects that provide additional upper floor residential dwelling units in the Central Business Zone. (15 Points Scored by Staff)

Development of Upper Floor Residential in the CBZ	
Description	Total Possible Points 15
Add points for each of the following that apply:	
Create 5+ New Dwelling Units	15
Create 3-4 New Dwelling Units	10
Create 1-2 New Dwelling Units	5

~~vi. Preference will be given to projects with high Business project Viability and readiness to commence as determined in the sole discretion of the Agency. An established business that is well-capitalized, has completed construction plans, actual contractor bids or binding quotes, and a business/project plan would receive maximum points. (25 Points Scored by Agency)~~

Business Viability and Project Readiness	
Description	Total Possible Points <u>215</u>
Add up to five points for each of the following that apply:	
Well-developed Business Plan included with application	5
Binding quotes or formal bids from licensed contractors as opposed to estimates	5
Project is well-capitalized (as evidenced by letters of credit, cash vs pre-approved loan, etc.)	5
Business in existence or applicant has a successful track record of five or more years	5
Professionally prepared construction plans and drawings	5

~~vii.vi.~~ Preference will be given to projects based on an overall evaluation of the project following the Staff presentation of all projects as determined in the sole discretion of the Agency. (4065 Points Scored by Agency)

~~viii.vii.~~ Projects initiated by the City of La Grande or the La Grande Urban Renewal Agency are exempt from these criteria.

- 7) If in the downtown, the project must include an active ground-floor Retail “storefront” to encourage retail ~~commercial~~ use or other uses that will drive additional foot traffic downtown. For projects that are not retail, the applicant should identify how the project will increase foot traffic to meet this criteria~~this criterion.~~
- 8) A third-party developer may represent the property with owner’s consent.
- 9) Any past-due fines, taxes, fees or outstanding violations of local ordinances or permits must be addressed prior to any financial participation from the URA.
- 10) Project applicant must enter into an agreement with the URA for performance.
- 11) Any funds disbursed by the URA will be considered a reimbursement based on qualifying expenses submitted by the applicant unless other arrangements are made at the time of agreement.
- 12) The applicant’s financial need, or lack thereof, will not be considered as part of the evaluation of the application. (the applicant must be able to meet the required match).
- 13) Funding decisions will not be based on whether or not a project has been started or completed prior to award, provided the project has been determined to be eligible for funding under this policy. Applications submitted “out of cycle” (in accord with section C. 14 below) and/or projects underway that have otherwise met the criteria for funding consideration will be treated with equal merit to those projects that are under consideration which have not yet started.
- 14) Projects may commence prior to funding award, **at the applicant’s risk**, but only after a written application has been submitted and the District Manager deems the application complete. The applicant acknowledges that submission of the grant application does not

bind the URA in any way and that funding cannot be approved more than one fiscal year following the submission of the application.

- 15) If projects are in the Historic District or otherwise are under the purveyance of the Landmarks Advisory Commission, projects must:
 - i. Receive approval from the Commission prior to any final grant award.
 - ii. Follow “The Secretary of the Interior’s Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings.”
 - iii. Follow any and all standards and guidelines prescribed by the City of La Grande, to include the 2022 Commercial Historic District Design Standards or its successor.

D. Allowed uses of funds

- 1) Professional design and engineering services, provided the project is completed within the terms of the agreement.
- 2) Project must comply with all relevant local, state and federal laws and codes.
- 3) Exterior façade renovations, to include:
 - i. Windows
 - ii. Doors
 - iii. Storefronts
 - iv. Awnings
 - v. Alley-facing entrances
 - vi. Painting and cleaning
 - vii. Masonry repair, restoration or cleaning
 - viii. Appropriately repairing, restoring or replacing of cornices, entrances, doors, windows, decorative details and awnings
 - ix. Sign removal, repair or replacement
 - x. Building identification
 - xi. Critical maintenance, structural or code compliance
 - xii. Restoration projects, including removal of slip sheathing or other treatments
 - xiii. Roofs & roof repair
- 4) Accessibility issues, to include elevators and associated equipment.
- 5) Streetscape improvement projects.
- 6) Site-related infrastructure.
- 7) Work required for Building Code compliance.
- 8) New site development, new construction.
- 9) Mitigation, reduction or removal of blight.
- 10) Housing/residential elements of a project outside the Central Business Zone would ONLY be eligible for funding IF AND ONLY IF the improvements are on upper floors of a project that included improvements to ground floor RETAIL. Housing/residential projects on upper floors above existing retail outside the Central Business Zone would not be eligible unless the retail space was also being improved.
- 11) Housing/residential projects located in the Central Business Zone would be eligible for funding only if they are located on upper floors above commercial or retail uses and provide additional dwelling units.

- 12) Permanent improvements that have a life span greater than ten years and are not considered tenant improvements.
- 13) Improvements are required due to structural changes such as removing walls.
- 14) Replacement or upgrade of major mechanical, electrical, plumbing, and HVAC systems required as part of major renovations.

E. Prohibited uses of funds

- 1) Refinancing existing debt.
- 2) Marketing property for re-sale.
- 3) Conversion of downtown ground-floor uses to other than retail, entertainment or food & beverage.
- 4) Except as allowed in D. 10) and D.11) above, housing/residential elements of a project including but not limited to improvements on upper floors of a project that include improvements to ground floor commercial and stand-alone housing/residential projects would not be eligible for funding.
- 5) Payment of taxes, fines or fees current or delinquent.
- 6) Payroll of employees related to the developer or associated businesses, unless involved in the construction phase of the project.
- 7) Cleaning unless it is required as part of an otherwise allowable use of funds.
- 8) Inappropriate restoration activities.
- 9) Inappropriate or non-approved design or materials.
- 10) Interior improvements unless directly related to an approved exterior project or part of a needed and approved structural or accessibility improvement project which require the removal and replacement of the existing interior improvements.
- 11) Carpeting and floor coverings.
- 12) Interior painting.
- 13) Removable fixtures, appliances, furnishings, cabinetry, etc.
- 14) Professional design and engineering services except as part of an approved project.
- 15) Working capital.
- 16) Financing of inventory.

F. Applicant Criteria

- 1) Proposals may come from tenants, owners of buildings or third-party developers; if other than the owners, an authorization letter from owner(s)- [must accompany the proposal/application. acknowledging the provisions in article G: 10 - 14 below, and specifically acknowledging the duty of the owner to pay back any funds distributed by the Agency to the applicant, even if the applicant is not the owner, if the owner sells or transfers the property to a third party within 5 years of the distribution as set forth in Article G:10.](#)
~~1) must accompany proposal/ application.~~
- 2) Approved projects should be ready to begin within six (6) months of funding award notification and shall be completed within twenty-four (24) months of application, unless an extension is granted.
- 3) Applicants must enter into an agreement with the URA and work with City/URA on their project.

- 4) Applicant cannot have any outstanding or unresolved fine, fee, permit, lawsuit or infraction with the City of La Grande.
- 5) Any agreement or application extensions may only be granted by the District Manager or the URA. All granted extensions will be reported to the URA.
- 6) Any deviations from initial submittals must be approved by the District Manager.

G. Funding Information

- 1) Projects should have a minimum total cost of \$10,000:
 - i. City of La Grande Urban Renewal funding limits: 50% of eligible costs, up to ~~\$50,000;~~ \$75,000, ~~if a majority of work performed is done with Union County vendors/contractors.~~
- 2) Funding for projects is capped at \$75,000.
- 3) Private building owner(s)/tenant(s)/developer(s) must contribute at least 1/2 of total project cost; contributions may come from commercial lenders or other sources, including grants or loans from other agencies on applicant's behalf.
- 2) Local funds may at times be augmented by outside sources, such as State of Oregon grants.
- 3) Funds will be disbursed on a reimbursement basis ONLY; accurate and timely receipts are required to receive funds from the URA.
- 4) All required permitting must be completed prior to commencing work. Any work completed without first obtaining the required permit(s) shall not be eligible for reimbursement and shall result in a reduction of the grant award in an amount determined at the sole discretion of the District Manager. [It is the responsibility of the applicant to convey this requirement with contractors and to confirm required permits have been issued prior to work being done.](#)
- 5) Projects with grant awards exceeding \$25,000 are eligible to receive a progress payment once the project is 50% complete. The amount of the payment shall be based on the pro-rata completion percentage. The percentage of the project completed will be determined by the District Manager. Additional progress payments may be made at the discretion of the District Manager up to a maximum of 75% of grant award.
- 6) Funds will only be disbursed on a reimbursement basis and on completion of the project unless they qualify for a progress payment as described above. In order to be deemed complete, all work must be finished, any City required site improvements completed, and final inspections completed and approved and if applicable, a final occupancy permit granted by the Building Official. Temporary occupancy permits do not satisfy this requirement.
- 7) For projects requiring an occupancy permit, if the property is occupied without first receiving either the final occupancy permit or a temporary occupancy permit, the contributions of the URA will be considered a loan and the full amount of any and all URA funds disbursed shall become due and payable to the URA immediately upon notification by the District Manager.
- 8) The URA will make every effort to provide timely disbursements upon receipt of complete applications and proof of appropriate expenses.

- 9) The URA will have the ability to make loans in addition to, or in place of, grants at its discretion.
- 10) Real property related to the project may not be transferred or sold within five (5) years from the date of the project completion and final disbursement of funds. In the event of a sale, the contribution of URA funding will be considered a loan and the full amount of any and all URA funds disbursed shall become due and payable to the URA immediately upon said sale or transfer. Projects initiated by the City of La Grande or the La Grande Urban Renewal Agency would be exempt from this provision.
- 11) Funds disbursed under this program may not be combined with Building Façade Grant funds related to the same project at the same time (during a 12-month period) and site location, but may be combined with other Urban Renewal funding programs.
- 12) Properties are eligible for funding in more than one funding cycle, subject to the following limitations:
 - a. Not more than \$150,000 in total CFP funding in a rolling five-year period.
 - b. One application per funding cycle per property.
 - i. For properties with multiple storefronts, each storefront shall be considered separately eligible provided the application is limited to a scope of work exclusive one storefront/business and is clearly a unique project which has no nexus to another application at the same property. Factors included in determining eligibility could include but not be limited to different business owners, non-adjacent storefronts, and separate addresses.
- ~~11~~13) If the property owner received any property tax abatement, property tax credit, or any other form of property tax relief (including special assessments) for the property related to the project resulting in any reduction of the Agency's property tax revenues, or if the use of the property is changed resulting in the property not being subject to City property taxes within five (5) years from the date of the final disbursement of funds, the contributions of the URA will be considered a loan and the full amount of any and all URA funds disbursed shall become due and payable to the URA immediately upon receipt of the property tax abatement or credit notification. This requirement DOES NOT apply to Federal or State Tax Credits that do not reduce the Agency's property tax revenues.
- ~~12~~14) Liens may be placed on properties receiving URA benefits for amounts up to the full grant amount at the discretion of the URA and/or the District Manager.

H. Application and Approval Procedure

- 1) A letter of intent describing the project including the specific physical improvements proposed, completed budget form with estimated costs, and the intended use of the property. Conceptual drawings, construction plans, and cost estimates should be provided if available, but are not required to submit the letter of intent. Letter of intent deadlines will be established by the District Manager and this requirement may be waived at the discretion of the District Manager. A pre-application meeting may be required prior to submitting an application that could include: the Economic

Development Director, Building Official, City Planner, and a representative from the Landmarks Commission, if appropriate.

- 2) Application must be on a project intake form provided by the URA and must include all necessary and required supporting documentation so as to fully satisfy all of the above-stated criteria to be deemed complete. Project applications may be submitted digitally (Adobe Acrobat, Microsoft Word, Microsoft Excel, Microsoft PowerPoint or JPEG image files are acceptable formats) by email or as hard copies hand-delivered or mailed to City Hall. Faxed copies will not be accepted.
- 3) Application must be submitted not later than the date established by the District Manager as the cutoff for consideration each fiscal year, typically not later than ~~April 15th~~ May 25 to be considered for funding. Approved projects will normally receive funding approval effective on July 1st.
- 4) Any and all of the following bodies may be involved in the approval and/or review of a project:
 - i. City of La Grande/URA staff.
 - ii. La Grande Landmarks Advisory Commission.
 - iii. La Grande Main Street Design Committee.
 - iv. La Grande Urban Renewal Advisory Commission.
 - v. La Grande City Council/ Urban Renewal Agency.
 - vi. La Grande Planning Commission.
 - vii. State of Oregon Main Street program.
 - viii. State of Oregon Historic Preservation Office.
- 5) All funding requests will be copied to select City staff depending on the type of application, but at a minimum to the Community Development Director.
- 6) All funding requests will require La Grande Urban Renewal Agency approval at a public meeting.
- 7) Upon receipt of a complete application, applicants will be notified within thirty (30) days of project application completeness.
- 8) Applications may be modified or approved with conditions.
- 9) City/URA staff, upon request of the applicant, will provide technical assistance and resources to applicants to help ensure successful completion of applications.
- 10) City/URA staff will review applications and provide a staff report which shall include comments regarding how the application meets the criteria required in this policy and conformance with the Urban Renewal Plan.
- 11) The Agency members will have at least fourteen days to review the packets and may submit specific questions to staff regarding individual applications *during the first seven days*. This will allow staff to request answers from the applicants and provide the questions and answers to all reviewers.
- 12) The Staff and Agency will score projects based on the application using the identified preference criteria in section C. 4) above. Total points for each application will be provided by Agency to Staff not later than *three working days* prior to the joint special session. Once submitted, the scoring cannot be changed.
- 13) The Urban Renewal Agency shall conduct a special meeting to consider the funding applications and evaluate the applications using the following sequence:

- a. Introductions and roll call of Agency.
 - b. Staff report and presentation of each project.
 - c. Agency discussion and individual scoring—following the presentations, the Agency members will discuss the projects and share any information that may have been gained by individual Agency members through site visits, contact with applicants, Staff, and/or members of the public. Following the discussion, Agency members will individually award up to ~~40~~65 points per project using forms provided and turn them in to Staff.
 - d. Break—during the break the Staff will compile the scores and order rank the projects.
 - e. Agency deliberations - The Staff will display the spreadsheet showing the project scoring and funding amounts allocated as prescribed in Section C. 3. The Agency will then vote to approve the funding. (Actual funding is contingent upon budget adoption).
 - f. No public comments, or comments by applicants will be entertained during the special meeting.
- 14) Projects which do not receive grant funding or do not receive the full amount funded may be withdrawn by the applicant and resubmitted without penalty in the next funding cycle as if it is a new project.
- ~~14)~~15) Projects which receive partial funding and are not withdrawn may proceed and reimbursement for eligible work shall be reflective of the funding received and the scope of the project completed as determined by the District Manager.
- ~~15)~~16) Additional Funding Requests: The URA shall not consider any requests for funding increases to approved project funding resulting from cost overruns or changes in the project that are not an increase in the scope of the project including but not limited to changes in materials or contractors. The URA may consider additional funding requests at the next funding cycle, at which time the application shall compete as if it were a new project, for unforeseen conditions encountered or increasing the scope of the project for items including but not limited to expanding the project to include additional square footage or adding new features that were not part of the original application.
- ~~16)~~17) Reductions in project scope: Minor reductions in the scope of the project may be approved by the District Manager without a reduction in awarded project funding. Any reduction exceeding 25% of the scope of the project or \$150,000 of the total project cost, whichever is less, must be approved by the Agency and may result in a reduction in the amount awarded on a case-by-case basis.

I. Submittal Requirements:

- 1) All submissions must be accompanied with the following information:
 - i. A letter of intent to include: Contact information for project and building owner, building address, project description, complete budget form, concept drawings and cost estimates (if cost estimates are available at the time letter of intent is submitted).
 - ii. Applications shall include:
 - a. Building owner name & contact information.

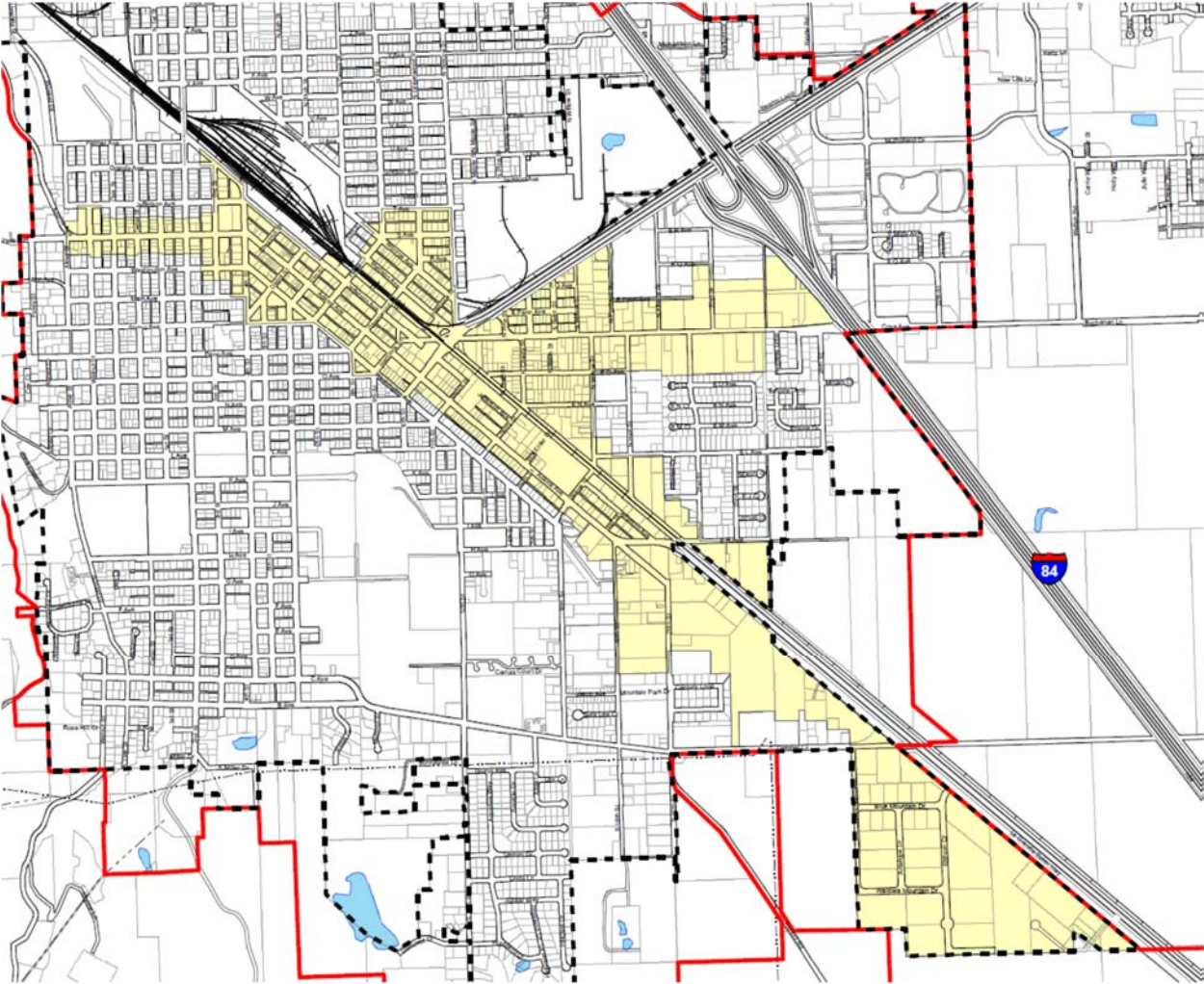
- b. Project applicant name (if different from above) & contact information.
- c. Letter of authorization from building owner, if owner is not applicant, [authorizing the application and acknowledging that they accept the restrictions outlined in Section G items 10-14 of the policy.](#)
- d. If the project will not be occupied by the applicant, a Letter of Intent from business owner committing to occupy the space once the project is complete, or a detailed recruitment plan including the type of tenant(s) being recruited.
- e. Building address.
- f. Building historic name, if known.
- g. Current photograph of the building & historic photos, if available.
- h. Funding amount requested.
- i. Detailed project budget, on an attached sheet to include expenditures and sources of funds.
- j. Detailed narrative and/or visual description of project.
- k. Detailed conceptual project floor plan/drawings and site plan.
- iii. Current building use, including tenant (not residential) names and contact information.
- iv. Project timeline.

- 2) The submitted application and proposal for the project, once accepted as the final concept, shall become and wholly remain the property of the City/URA. The City/URA will retain the reproduction rights to use images of the artwork to prepare and distribute marketing materials, web site materials or for any other use in promotional materials.

| Approved by the Urban Renewal Agency ~~March 1, 2023~~ [February 7, 2024](#), this policy is effective immediately and applies to all projects funded after this date, regardless of application submission date.

Robert A. Strope
District Manager

Exhibit "A"
La Grande Urban Renewal District





La Grande Urban Renewal Agency (URA)

(Revised February 7, 2024)

“Call for Projects”

(Revitalization Incentive Program)

A. Geographic Scope:

Within the Urban Renewal District. (See Map, Exhibit A)

B. Purpose

The purpose of this policy is to direct resources within the Urban Renewal District to revitalize the La Grande Central Business Zone with the primary goals of improving the exterior of historic buildings, and providing new opportunities for locations of high-traffic retail businesses, which could include any of the following: improving accessibility issues, streetscape projects and building renovations. Additionally, the Agency will invest in public/private development partnerships throughout the District including facilitating the development of commercial and industrial parts of the District to create jobs and income which will provide economic support to the Central Business Zone as well as developing upper floor residential within the downtown.

C. General Criteria

- 1) Subject property(ies)/ project(s) must lie within the Urban Renewal District’s “Geographic Scope” referenced in Section A.
- 2) Current or prospective owner(s) or developers representing owner(s) with consent, must be willing and agreeable to undertake a building/ property restoration, redevelopment or development project.
- 3) Once projects are evaluated and ranked per criteria in Subsection 6, available funds will be allocated to projects in order of ranking, highest to lowest, with projects receiving the full amount requested until the funding is exhausted (see Sections G (1) and G (2)).
- 4) Projects located in the La Grande Business and Technology Park will not be eligible for funding under this program and will be considered under a separate program. However, the application form and criteria in this policy may be used to evaluate projects at the La Grande Business and Technology Park.
- 5) All projects submitted for URA funding consideration must conform to one or more projects or goals stated in the La Grande Urban Renewal Plan of 1999.
- 6) When considerations for project funding are being made, the following criteria will serve as guidelines to help evaluate and when appropriate, rank applications:

- i. Preference will be given to projects that have a positive impact on the Central Business Zone (CBZ) (60 Points scored by Staff)

Impact on Central Business Zone	
Criteria	Total Possible Points 60
Traded Sector Business any location	50
Retail inside CBZ	45
Commercial Business outside CBZ	40
Commercial inside CBZ	35
Retail Business outside CBZ	30
Housing/Residential ONLY located inside the CBZ	25
Additional points for: Occupying building in CBZ that has been vacant for more than six months	10
Additional points for: Occupying building that has been vacant for more than twelve months	5

- ii. Preference will be given to projects that can demonstrate the mitigation, reduction, or removal of blight. Undeveloped and/or bare land shall not be eligible for points under this preference category. (30 Points Scored by Staff)

Points for Blight	
Description of Blight	Total Possible Points 30
Potential hazard to environment or public and/or structure is unfit to occupy	30
Extensive Exterior damage to property, including structural impacts that don't rise to the level of unfit for occupancy	25
Combination of Exterior and Interior damage, deterioration, and/or dilapidation beyond the purely aesthetic	20
Property has been vacant more than five years but no other blight	15
Slight damage to exterior of property only	10
Damage to Interior of Property only	5

- iii. Preference will be given to projects with higher levels of private investment compared to public funding from any source. In calculating this, all project costs shall be considered, including elements which are not eligible uses of funds such as certain housing elements. (30 Points Scored by Staff)

Private Investment to Public Dollars	
Private Investment (excluding all public funds from any source)	Total Possible Points 30
Over \$150,000	30
\$125,001 to \$150,000	25
\$100,001 to \$125,000	20
\$75,001 to \$100,000	15
\$50,001 to \$75,000	10
\$25,001 to \$50,000	5
Less than \$25,000	0

- iv. Preference will be given to projects with higher Return on Investment based on all project costs prepared by a licensed contractor in the form of a quote, estimate, or bid. Points will be assigned based on one point for each \$10,000 of investment. **No points will be awarded for this category if the quotes, estimates, or bids are not from a licensed contractor.** (50 Points Scored by Staff)

Return on Investment	
Total Project Cost	Total Possible Points 50
Total Project Cost of 500,000 and over	50
One point per \$10,000 invested over \$100,000 up to \$490,000	
Less than 100,000	10

- v. Preference will be given to projects that provide additional upper floor residential dwelling units in the Central Business Zone. (15 Points Scored by Staff)

Development of Upper Floor Residential in the CBZ	
Description	Total Possible Points 15
Add points for each of the following that apply:	
Create 5+ New Dwelling Units	15
Create 3-4 New Dwelling Units	10
Create 1-2 New Dwelling Units	5

- vi. Preference will be given to projects based on an overall evaluation of the project following the Staff presentation of all projects as determined in the sole discretion of the Agency. (65 Points Scored by Agency)
 - vii. Projects initiated by the City of La Grande or the La Grande Urban Renewal Agency are exempt from these criteria.
- 7) If in the downtown, the project must include an active ground-floor Retail “storefront” to encourage retail use or other uses that will drive additional foot traffic downtown. For projects that are not retail, the applicant should identify how the project will increase foot traffic to meet this criterion.
 - 8) A third-party developer may represent the property with owner’s consent.
 - 9) Any past-due fines, taxes, fees or outstanding violations of local ordinances or permits must be addressed prior to any financial participation from the URA.
 - 10) Project applicant must enter into an agreement with the URA for performance.
 - 11) Any funds disbursed by the URA will be considered a reimbursement based on qualifying expenses submitted by the applicant unless other arrangements are made at the time of agreement.
 - 12) The applicant’s financial need, or lack thereof, will not be considered as part of the evaluation of the application. (the applicant must be able to meet the required match).
 - 13) Funding decisions will not be based on whether or not a project has been started or completed prior to award, provided the project has been determined to be eligible for funding under this policy. Applications submitted “out of cycle” (in accord with section C. 14 below) and/or projects underway that have otherwise met the criteria for funding consideration will be treated with equal merit to those projects that are under consideration which have not yet started.
 - 14) Projects may commence prior to funding award, **at the applicant’s risk**, but only after a written application has been submitted and the District Manager deems the application complete. The applicant acknowledges that submission of the grant application does not bind the URA in any way and that funding cannot be approved more than one fiscal year following the submission of the application.
 - 15) If projects are in the Historic District or otherwise are under the purveyance of the Landmarks Advisory Commission, projects must:
 - i. Receive approval from the Commission prior to any final grant award.
 - ii. Follow “The Secretary of the Interior’s Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings.”
 - iii. Follow any and all standards and guidelines prescribed by the City of La Grande, to include the 2022 Commercial Historic District Design Standards or its successor.

D. Allowed uses of funds

- 1) Professional design and engineering services, provided the project is completed within the terms of the agreement.
- 2) Project must comply with all relevant local, state and federal laws and codes.
- 3) Exterior façade renovations, to include:

- i. Windows
 - ii. Doors
 - iii. Storefronts
 - iv. Awnings
 - v. Alley-facing entrances
 - vi. Painting and cleaning
 - vii. Masonry repair, restoration or cleaning
 - viii. Appropriately repairing, restoring or replacing of cornices, entrances, doors, windows, decorative details and awnings
 - ix. Sign removal, repair or replacement
 - x. Building identification
 - xi. Critical maintenance, structural or code compliance
 - xii. Restoration projects, including removal of slip sheathing or other treatments
 - xiii. Roofs & roof repair
- 4) Accessibility issues, to include elevators and associated equipment.
 - 5) Streetscape improvement projects.
 - 6) Site-related infrastructure.
 - 7) Work required for Building Code compliance.
 - 8) New site development, new construction.
 - 9) Mitigation, reduction or removal of blight.
 - 10) Housing/residential elements of a project outside the Central Business Zone would ONLY be eligible for funding IF AND ONLY IF the improvements are on upper floors of a project that included improvements to ground floor RETAIL. Housing/residential projects on upper floors above existing retail outside the Central Business Zone would not be eligible unless the retail space was also being improved.
 - 11) Housing/residential projects located in the Central Business Zone would be eligible for funding only if they are located on upper floors above commercial or retail uses and provide additional dwelling units.
 - 12) Permanent improvements that have a life span greater than ten years and are not considered tenant improvements.
 - 13) Improvements are required due to structural changes such as removing walls.
 - 14) Replacement or upgrade of major mechanical, electrical, plumbing, and HVAC systems required as part of major renovations.

E. Prohibited uses of funds

- 1) Refinancing existing debt.
- 2) Marketing property for re-sale.
- 3) Conversion of downtown ground-floor uses to other than retail, entertainment or food & beverage.
- 4) Except as allowed in D. 10) and D.11) above, housing/residential elements of a project including but not limited to improvements on upper floors of a project that include improvements to ground floor commercial and stand-alone housing/residential projects would not be eligible for funding.
- 5) Payment of taxes, fines or fees current or delinquent.

- 6) Payroll of employees related to the developer or associated businesses, unless involved in the construction phase of the project.
- 7) Cleaning unless it is required as part of an otherwise allowable use of funds.
- 8) Inappropriate restoration activities.
- 9) Inappropriate or non-approved design or materials.
- 10) Interior improvements unless directly related to an approved exterior project or part of a needed and approved structural or accessibility improvement project which require the removal and replacement of the existing interior improvements.
- 11) Carpeting and floor coverings.
- 12) Interior painting.
- 13) Removable fixtures, appliances, furnishings, cabinetry, etc.
- 14) Professional design and engineering services except as part of an approved project.
- 15) Working capital.
- 16) Financing of inventory.

F. Applicant Criteria

- 1) Proposals may come from tenants, owners of buildings or third-party developers; if other than the owners, an authorization letter from owner(s) must accompany the proposal/application. acknowledging the provisions in article G: 10 - 14 below, and specifically acknowledging the duty of the owner to pay back any funds distributed by the Agency to the applicant, even if the applicant is not the owner, if the owner sells or transfers the property to a third party within 5 years of the distribution as set forth in Article G:10,
- 2) Approved projects should be ready to begin within six (6) months of funding award notification and shall be completed within twenty-four (24) months of application, unless an extension is granted.
- 3) Applicants must enter into an agreement with the URA and work with City/URA on their project.
- 4) Applicant cannot have any outstanding or unresolved fine, fee, permit, lawsuit or infraction with the City of La Grande.
- 5) Any agreement or application extensions may only be granted by the District Manager or the URA. All granted extensions will be reported to the URA.
- 6) Any deviations from initial submittals must be approved by the District Manager.

G. Funding Information

- 1) Projects should have a minimum total cost of \$10,000:
 - i. City of La Grande Urban Renewal funding limits: 50% of eligible costs, up to \$75,000.
- 2) Funding for projects is capped at \$75,000.
- 3) Private building owner(s)/tenant(s)/developer(s) must contribute at least 1/2 of total project cost; contributions may come from commercial lenders or other sources, including grants or loans from other agencies on applicant's behalf.
- 2) Local funds may at times be augmented by outside sources, such as State of Oregon grants.

- 3) Funds will be disbursed on a reimbursement basis ONLY; accurate and timely receipts are required to receive funds from the URA.
- 4) All required permitting must be completed prior to commencing work. Any work completed without first obtaining the required permit(s) shall not be eligible for reimbursement and shall result in a reduction of the grant award in an amount determined at the sole discretion of the District Manager. It is the responsibility of the applicant to convey this requirement with contractors and to confirm required permits have been issued prior to work being done.
- 5) Projects with grant awards exceeding \$25,000 are eligible to receive a progress payment once the project is 50% complete. The amount of the payment shall be based on the pro-rata completion percentage. The percentage of the project completed will be determined by the District Manager. Additional progress payments may be made at the discretion of the District Manager up to a maximum of 75% of grant award.
- 6) Funds will only be disbursed on a reimbursement basis and on completion of the project unless they qualify for a progress payment as described above. In order to be deemed complete, all work must be finished, any City required site improvements completed, and final inspections completed and approved and if applicable, a final occupancy permit granted by the Building Official. Temporary occupancy permits do not satisfy this requirement.
- 7) For projects requiring an occupancy permit, if the property is occupied without first receiving either the final occupancy permit or a temporary occupancy permit, the contributions of the URA will be considered a loan and the full amount of any and all URA funds disbursed shall become due and payable to the URA immediately upon notification by the District Manager.
- 8) The URA will make every effort to provide timely disbursements upon receipt of complete applications and proof of appropriate expenses.
- 9) The URA will have the ability to make loans in addition to, or in place of, grants at its discretion.
- 10) Real property related to the project may not be transferred or sold within five (5) years from the date of the project completion and final disbursement of funds. In the event of a sale, the contribution of URA funding will be considered a loan and the full amount of any and all URA funds disbursed shall become due and payable to the URA immediately upon said sale or transfer. Projects initiated by the City of La Grande or the La Grande Urban Renewal Agency would be exempt from this provision.
- 11) Funds disbursed under this program may not be combined with Building Façade Grant funds related to the same project at the same time (during a 12-month period) and site location, but may be combined with other Urban Renewal funding programs.
- 12) Properties are eligible for funding in more than one funding cycle, subject to the following limitations:
 - a. Not more than \$150,000 in total CFP funding in a rolling five-year period.
 - b. One application per funding cycle per property.
 - i. For properties with multiple storefronts, each storefront shall be considered separately eligible provided the application is limited to a scope of work exclusive one storefront/business and is clearly a unique

project which has no nexus to another application at the same property. Factors included in determining eligibility could include but not be limited to different business owners, non-adjacent storefronts, and separate addresses.

- 13) If the property owner received any property tax abatement, property tax credit, or any other form of property tax relief (including special assessments) for the property related to the project resulting in any reduction of the Agency's property tax revenues, or if the use of the property is changed resulting in the property not being subject to City property taxes within five (5) years from the date of the final disbursement of funds, the contributions of the URA will be considered a loan and the full amount of any and all URA funds disbursed shall become due and payable to the URA immediately upon receipt of the property tax abatement or credit notification. This requirement DOES NOT apply to Federal or State Tax Credits that do not reduce the Agency's property tax revenues.
- 14) Liens may be placed on properties receiving URA benefits for amounts up to the full grant amount at the discretion of the URA and/or the District Manager.

H. Application and Approval Procedure

- 1) A letter of intent describing the project including the specific physical improvements proposed, completed budget form with estimated costs, and the intended use of the property. Conceptual drawings, construction plans, and cost estimates should be provided if available, but are not required to submit the letter of intent. Letter of intent deadlines will be established by the District Manager and this requirement may be waived at the discretion of the District Manager. A pre-application meeting may be required prior to submitting an application that could include: the Economic Development Director, Building Official, City Planner, and a representative from the Landmarks Commission, if appropriate.
- 2) Application must be on a project intake form provided by the URA and must include all necessary and required supporting documentation so as to fully satisfy all of the above-stated criteria to be deemed complete. Project applications may be submitted digitally (Adobe Acrobat, Microsoft Word, Microsoft Excel, Microsoft PowerPoint or JPEG image files are acceptable formats) by email or as hard copies hand-delivered or mailed to City Hall. Faxed copies will not be accepted.
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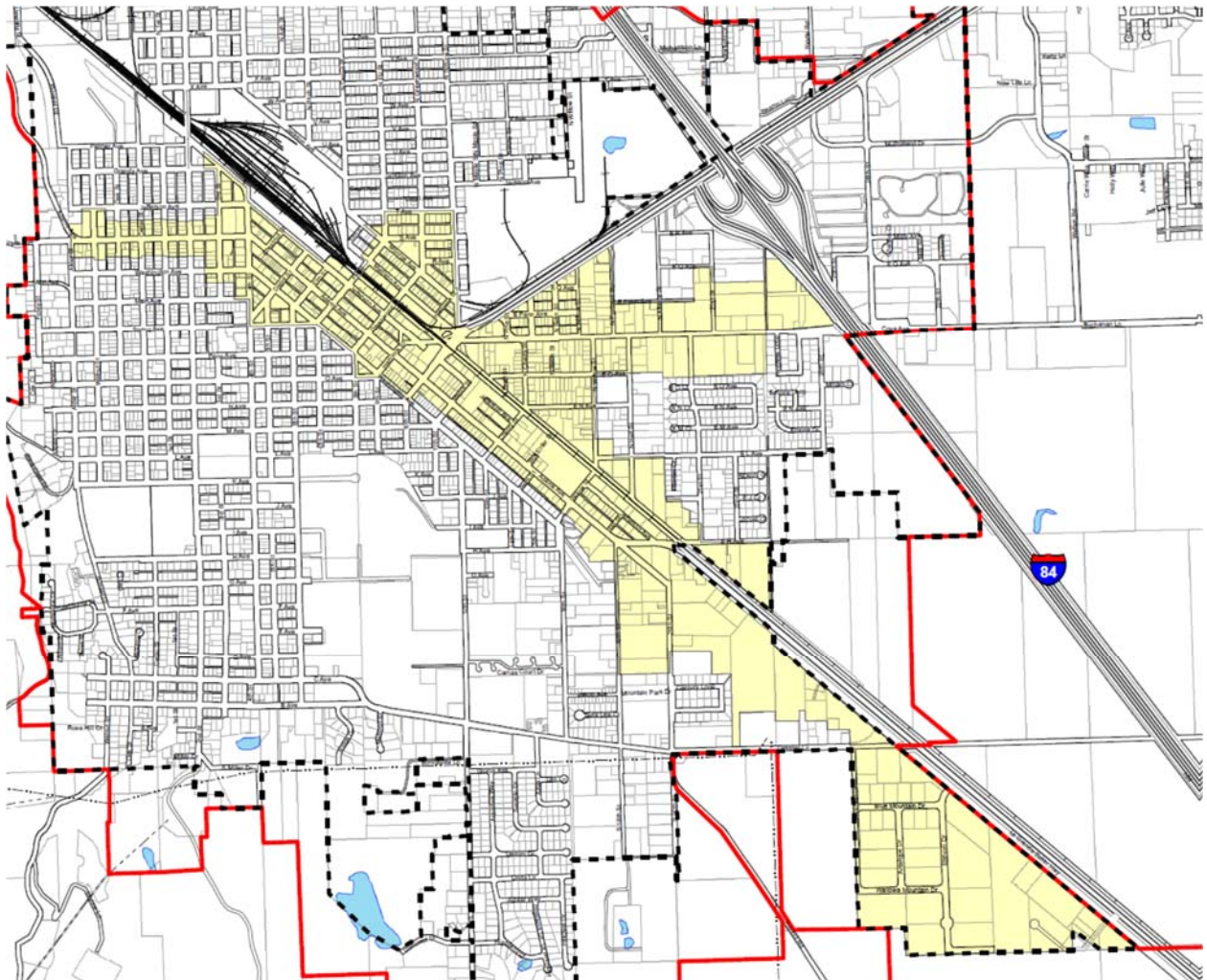
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 - h. Funding amount requested.
 - i. Detailed project budget, on an attached sheet to include expenditures and sources of funds.
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- 2) The submitted application and proposal for the project, once accepted as the final concept, shall become and wholly remain the property of the City/URA. The City/URA will retain the reproduction rights to use images of the artwork to prepare and distribute marketing materials, web site materials or for any other use in promotional materials.

Approved by the Urban Renewal Agency February 7, 2024, this policy is effective immediately and applies to all projects funded after this date, regardless of application submission date.

Robert A. Strobe
District Manager

Exhibit "A"
La Grande Urban Renewal District



CITY of LA GRANDE
URBAN RENEWAL AGENCY ACTION FORM

Agency Meeting Date: February 7, 2024

PRESENTER:

Robert A. Strobe, District Manager

AGENCY ACTION:

CONSIDER AMENDING THE AGREEMENT PROVIDING FUNDING FOR THE MARKET PLACE FAMILY FOODS PROJECT

1. MAYOR: Request Staff Report.
2. MAYOR: Invite Public Comments.
3. MAYOR: Invite Agency Discussion.
4. MAYOR: Entertain Motion:

Suggested Motion: I move that the third amendment to the agreement between the Agency and Town Square, LP, be approved as presented and authorize the District Manager to sign all required documents.

5. MAYOR: Ask for the vote.

EXPLANATION: On June 6, 2018, Agency tabled an action to consider amending the agreement with Town Square, LP, for the funding of the Market Place Family Foods Project. Given the item tabled was substantially different from the amendment now being considered, there is no need to remove the item from the table and it will be treated as new business. In recent months, Staff has continued discussions with Mr. Adelsberger and are now seeking Agency approval of a third amendment to the agreement which will address a variety of issues.

Background: The Agency approved funding for up to \$500,000, and entered into an agreement with the applicants for said funding on October 1, 2014, to open a new business, Market Place Family Foods, at 1912 Fourth Street. The agreement provides a \$500,000 loan that would convert to a grant from the Agency to assist in funding the project provided certain conditions are met. The project transformed the former Blockbuster Video store into a new grocery store, operated by grocer Troy Berglund who also operated Mt. Joseph Family Foods in Joseph, Oregon. The agreement does not provide for administrative approval of any material changes to any portions of the agreement. Therefore, the Agency retains sole authority to consider this requested amendment.

In March, 2015, the Agency approved an amendment to the agreement that included, in part, an extension of the completion date from December 31, 2015, to June 30, 2016.

In June, 2016, the Agency approved a second amendment to the agreement that included revisions to the amended agreement that was signed in June of 2015. The amended agreement was crafted to grant the requested extension of the completion date.

A third amendment to the agreement is necessitated by the bankruptcy of a prior party and closure of the grocery store. Subsequent to the closure, Mr. Adelsberger requested and received permission to allow a third party to operate the grocery business while work continued on a draft third amendment. The parties were unable to reach agreement on a third amendment, and the efforts were discontinued during the pandemic.

Following the end of the pandemic, Mr. Adelsberger requested changes to the agreement related to the number of hours required for an employee to be considered full-time for forgiveness purposes as well as an extension of 24

months to allow for more time to achieve forgiveness due to the impacts of the pandemic. The intent regarding the changes in how full-time employment would be determined are intended to be retroactive.

The attached draft removes Mr. Berglund from the agreement; changes the name of the organization from Market Place Family Foods, LLC, to Town Square, LP; deletes obsolete provisions related to construction; establishes a specific deadline to achieve loan forgiveness; revises and clarifies the requirements for determining full-time employees for forgiveness purposes; clarifies how forgiveness will be applied; provides an extension in light of the pandemic; and eliminates the financial reporting requirements.

Mr. Adelsberger and his attorney have reviewed the attached Amended Loan Agreement (Third Amendment) and agree to the terms.

The District Manager recommends approval of the third amendment as presented.

Reviewed By: (Initial)

District Manager _____
City Recorder _____
Aquatics Division _____
Building Department _____
ED Department _____
Finance _____
Fire Department _____

Human Resources Dept _____
Library _____
Parks Department _____
Planning Department _____
Police Department _____
Public Works Department _____

AGENCY ACTION (Office Use Only)

- Motion Passed
- Motion Failed; _____
- Action Tabled: _____
Vote: _____
- Resolution Passed
Effective Date: _____
- Ordinance Adopted
First Reading: _____
Second Reading: _____
Effective Date: _____

CITY of LA GRANDE URBAN RENEWAL AGENCY

AMENDED LOAN AGREEMENT (Third Amendment)

This LOAN AGREEMENT (hereinafter referred to as AGREEMENT), entered into this _____ day of _____, 2024 by and between the City of La Grande Urban Renewal Agency (hereinafter referred to as the AGENCY), and Town Square LP (hereinafter referred to as CLIENT), for the purpose of using La Grande Urban Renewal Funds for a new grocery store project located at 1912 Fourth Street, 03S3806DA, Tax Lot 11700, La Grande, Oregon (hereinafter referred to as the PROJECT).

WITNESSETH

PROJECT NAME: Market Place Family Foods new grocery store project

PROJECT ADDRESS: 1912 Fourth Street; 03S3806DA/11700

PROJECT NUMBER: URA-14-01

COMPLETION DATE: October 3, 2017

ESTIMATED TOTAL PROJECT COST: \$1.5 Million

FINAL PROJECT COST: \$2,545,655

AGENCY CONTRIBUTION: \$500,000

Whereas, the CLIENT has expressed interest in using AGENCY funds at the PROJECT site to assist with a major renovation of an existing building to open a new grocery store pursuant to a La Grande Urban Renewal Agency project application to the AGENCY, and,

Whereas, the CLIENT provided to the AGENCY contractor cost proposals for the PROJECT of approximately \$1.5 Million; and,

Whereas, the AGENCY desires to cooperate with the CLIENT in using AGENCY funds for reinvestment in La Grande's Urban Renewal District in partnership with private sector investors, such as the CLIENT; and,

Whereas, the AGENCY voted to fund this PROJECT at its August 20, 2014, Regular Session; and,

Whereas, the parties executed an agreement dated October 1, 2014; and,

Whereas, the CLIENT requested and received an amendment to the agreement to address loan requirements and construction timing in June, 2015; and,

Whereas, the CLIENT requested and received a second amendment to the agreement to extend the completion date in June, 2016; and

Whereas, this third amendment to the agreement addresses changes necessitated by the bankruptcy of a prior party; and

Whereas, the project is complete and the intent of this amendment is to address the operation of the business and expectations of the AGENCY and CLIENT; and

Whereas, the CLIENT is requesting changes to and clarifications of Section 3 c. and e.; and

Whereas, the CLIENT is requesting an extension due to the COVID-19 Pandemic to timeframe for loan forgiveness in Section 3 e.

CITY of LA GRANDE URBAN RENEWAL AGENCY

AGREEMENT

Market Place Family Foods, 03S3806DA/11700

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NOW, THEREFORE, based on the mutual covenants set forth in this AGREEMENT, the parties agree to the following amended terms and conditions:

Section 1. Duties and Responsibilities

- a. Funding is contingent upon CLIENT retaining ownership and operation of the PROJECT for the duration of this agreement. CLIENT agrees to notify the AGENCY in writing of any proposed transfer of real property and/or business operation to a third party prior to the execution of any sale or transfer of the real property and/or the business operation. If said sale or transfer occurs during this agreement the contribution of AGENCY funds being considered a loan and the full amount of any and all remaining principal, plus accrued interest, will become due and payable to the AGENCY immediately upon sale or transfer.
- b. CLIENT agrees to provide as part of the PROJECT, improvements to the property, including along the Adams Avenue and Fourth Street frontages, if required by the La Grande Public Works Department. Specifics of the Streetscape elements, if a required part of the PROJECT, are outlined in the Downtown Public Improvement Standards (attached as APPENDIX "C"). More detail on the use of URA funds for specific streetscape elements is described in Section 4.
- c. CLIENT agrees to maintain Town Square, LP and Adelsberger Enterprises, LLC as active entities with the both the State of Oregon and the State of California, where applicable. CLIENT agrees to provide AGENCY with notices of renewal for both entities within 30 days of renewing each registration with the State.
- d. AGENCY may allow CLIENT to contract portions of CLIENT'S duties under this agreement to a third party provided CLIENT must obtain the advance, express written consent of AGENCY. AGENCY shall be allowed not less than 30 days to vet the proposed third party in order to ascertain the viability of the third party's ability to perform the duties. CLIENT agrees to provide all necessary information to AGENCY in order for AGENCY to make an informed decision. Failure by the CLIENT to obtain the written consent of the AGENCY will result in the contribution of AGENCY funds being considered a loan and the full amount of any and all remaining principal, plus accrued interest, will become due and payable to the AGENCY immediately upon sale or transfer. If AGENCY allows client to contract any portion of CLIENT'S duties under this Agreement, AGENCY reserves the right to review the agreement between CLIENT and third party and third party's employee records as they pertain to the Project.
- e. AGENCY has provided to CLIENT \$500,000 for the PROJECT. The AGENCY shall not take possession nor "own" the property unless CLIENT is in default on either the First or Second Trust Deeds or the terms of this agreement and AGENCY takes possession through a legal process.
- f. The AGENCY'S Second Deed of Trust security agreement includes a due on sale clause that will be triggered by the change of ownership (other than a transfer to long-term entity owned by the principals of Town Square LP) at which time the loan would be considered in default and subject to immediate repayment which remains in effect.
- g. The CLIENT shall execute and deliver to the AGENCY the Second Deed of Trust referenced above prior to disbursement of any funds in the amount of \$500,000, which shall be amended if the amount disbursed is less.

CITY of LA GRANDE URBAN RENEWAL AGENCY

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Market Place Family Foods, 03S3806DA/11700

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- h. CLIENT shall maintain a full replacement value Fire and Casualty policy on the PROJECT, with the AGENCY as an additional named insured for the duration of the loan agreement and provide proof of such insurance to AGENCY no less than every 12 months without demand.
- i. Amending the October 1, 2014, Agreement to convert \$100,000 of the originally agreed upon \$500,000 funding to a grant does not reduce the amount of the Second Deed of Trust and does not allow the CLIENT to reduce the scope of work or change the design of the project. Accordingly, loan forgiveness shall be based on the \$500,000 Second Deed of Trust amount.

Section 2. Amendments and Assignments

All amendments to this AGREEMENT, which are mutually agreed upon by and between the PARTIES to this AGREEMENT, shall be in writing and executed with the same formalities of this AGREEMENT. This AGREEMENT is binding on the heirs, successors and assigns of the PARTIES hereto but shall not be assigned by either party without first obtaining the written consent of the other. This written agreement is intended by the PARTIES to be the final agreement to supersede all prior oral agreements, negotiations, memorandums or previous writings.

Section 3. Special Considerations Unique to this PROJECT

Funding for this proposal will be in form of a loan secured by a lien on the subject real property at 1912 Fourth Street. The AGENCY will agree to a second position security, in the form of a commercial second deed of trust, provided the first lien holder provides written agreement with the AGENCY second position lien. In addition, the AGENCY requires the first lien holder to agree to the PROJECT. That agreement by the first lien holder requires CLIENT to get its consent before any changes are made to the building or real property. Attached as APPENDIX D is a signed agreement which satisfies this requirement. CLIENT will immediately advise the AGENCY if the first lien holder attempts to revoke said agreement. The AGENCY second position loan will be converted to a grant based on successfully meeting the following conditions:

- a. Total cost of improvements shall be a minimum of \$1,250,000, inclusive of URA funding.
- b. Interest shall accrue at a minimum of 5% from the date of first disbursement on the entire funding amount and shall compound annually on the remaining principal. Principal and interest may be forgiven as described in Section 3 e.
- c. Job creation and retention requirements:
 - i. Maintain a minimum of six (6) full-time, non-family employees at a base wage of not less than \$15.00 an hour; cumulative hours for multiple employees shall not be considered as satisfying this requirement except as provided in vi. below; and
 - ii. Maintain a minimum of five (5) part-time (900 or more hours/year), non-family employees at or above the then current State of Oregon minimum wage. Cumulative part-time hours of 4,500 or more will satisfy this requirement.
 - iii. Qualifying employees in this section cannot include any members of the LLC, LP or property or business ownership.
 - iv. Employment reporting must be completed every month for the duration of this agreement. Reporting must be completed on forms supplied by the AGENCY.
 - v. The Agency reserves the right to audit the records of the grocery store to confirm the employment information reported.

CITY of LA GRANDE URBAN RENEWAL AGENCY

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Market Place Family Foods, 03S3806DA/11700

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- vi. For the purposes of loan principal forgiveness under this AGREEMENT, a full-time employee shall be an individual employee working a minimum 1,560 hours per year/30 hours per week/60 hours per two-week pay period at the rate of \$15.00 per hour or more for a rolling 12-month period. If there is a full-time vacancy, a combination of at least 1,300 hours worked by a combination of up to four employees may be considered as one full-time position provided each employee works a minimum of 90 days at the 30 hour per week minimum described above and their employment does not overlap with any of the other employees included for the combined hours total of 1,300 or more during the rolling 12-month period. (during those periods where two employees or more employees overlap, only one employee's hours can be counted for that period) Paid vacation, holiday, and sick leave shall be counted as hours worked.
- d. Store must be open for business a minimum of five days per week, 52 weeks per year, for the duration of the AGREEMENT.
- e. Loan principal forgiveness. If the requirements contained in Section 3 c. and d. are met, the AGENCY shall forgive the remaining loan balance based on the total funding provided as follows:
 - i. Up to \$100,000 per year based on \$10,000 per year for each full-time job created, reported, and verified during any rolling 12-month period commencing on November 1, 2017. Forgiveness shall be determined at the conclusion of each monthly reporting period.
 - ii. Maximum timeline: remaining principal balance must be fully forgiven not later than October 31, 2029.
 - iii. Once total of \$500,000 has been forgiven, agreement terms are deemed to be met and accrued interest is also forgiven.
 - iv. If the requirements contained in Section 3 c. (job creation and retention) and d. (less than 90% compliance for store hours) are not met in any given year, then the AGENCY shall not forgive any loan principal for that year and the loan interest shall double to 10% for that year. Non-performing years can be "made up" up to the maximum performance end date of October 31, 2029, but total forgiveness cannot exceed \$100,000 in any rolling twelve month period.
 - v. The interest shall be assessed on each month's remaining principal balance. In December of each year, forgiveness for the prior year shall be reconciled to assure the total amount forgiven is correct based on the requirements of Section 3. c. vi.
 - vi. The AGENCY shall provide an annual statement to the CLIENT reflecting the amount of forgiveness, including remaining principal balance, and interest accrued commencing in February of 2024. The formula/criteria for determining forgiveness set out in this paragraph 3 shall apply retroactively.
 - vii. If on November 1, 2029, any principal balance remains, the remaining principal, plus all accrued but uncredited interest shall become immediately due and payable.
- f. Funding shall be conditioned on submission of written proof of concurrence of the improvements to be made to the PROJECT by the first lien holder and that the PROJECT does not violate any provisions of the security agreement between the CLIENT and the first lien holder.

Section 4. Public Right-of-Way (Streetscape) Improvements and Use of AGENCY Funds

To the degree that improvements in the Public Right-of-Way (ROW) are deemed required by the City of La Grande, the following components will be adhered to:

CITY of LA GRANDE URBAN RENEWAL AGENCY

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Market Place Family Foods, 03S3806DA/11700

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- a. Specifics of the Streetscape elements of the PROJECT are outlined in the Downtown Public Improvement Standards (attached as APPENDIX "C") which describe in more detail the sidewalk, street trees, lamp posts, etc. These improvements must be coordinated with City of La Grande Public Works.
- b. The AGENCY specifies that the order in which AGENCY funding should be used to be sequenced thus (all AGENCY funding is reimbursed to the CLIENT, per the terms stated in this AGREEMENT).
- c. Funds should first be used toward all required off-site/ public-right-of-way improvements, as required by the City of La Grande, such as:
 - a. Sidewalk improvements
 - b. Streetscape improvements, to include
 - i. Decorative concrete
 - ii. Pedestrian lighting and associated electrical services
 - iii. Street trees and wells and associated irrigation systems
 - iv. Underground conduits, electrical circuits, irrigation systems
 - c. Water, wastewater, storm drain system improvements
 - d. Improvements to alley and/or drive approaches in the public-right-of-way
 - e. ADA compliance issues in the public-right-of-way
 - f. Traffic control or signage in the public-right-of-way
- d. Funds, if any remain, should next be used toward exterior onsite improvements, such as:
 - a. Parking and drive area paving & striping
 - b. Landscaping
 - c. Concrete work
 - d. Signage
 - e. Storm water detention
- e. Funds, if any remain, should next be used toward exterior building improvements, including exterior walls and roofs.
- f. Funds, if any remain, should last be used for building systems, such as HVAC, plumbing, elevator and/or electrical.
- g. With the exception of up to \$100,000 as described in Section 1., paragraph h., subparagraph a. of the second amended loan agreement, no funds shall be used for any interior building construction, improvements, amenities, or business expenses.
- h. No funds shall be used for inventory or operating expenses.

Section 5. Progress Reports To Agency

- a. CLIENT shall provide AGENCY the following:
 - i. Written reports without demand on a semi-annual basis for duration of the loan agreement. Commencing in 2018, the following reports will be due to the District Manager (unless otherwise required or agreed to by AGENCY in writing).
 - a. All employment records for the grocery store's full and part-time employees, and their hours worked and hourly pay rate to demonstrate compliance with Section 3 above.
 - b. Employment reporting must be completed monthly beginning with the month of December, 2023, and submitted without demand within thirty (30) days.

CITY of LA GRANDE URBAN RENEWAL AGENCY

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Market Place Family Foods, 03S3806DA/11700

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- ii. Validation that the store was open for business a minimum of five days per week, 52 weeks per year, for the duration of the AGREEMENT.
- iii. Failure to provide AGENCY with accurate and timely reports for a period of 6 months or more starting January 1, 2018 or inactivity on the project for the same time period may result in the AGENCY, at its option, declaring any loan amounts outstanding immediately due and payable. Reports are acknowledged to be current as the date hereof.

Section 6. Events of default

Violation of any term, condition, or obligation of the CLIENT, under this agreement shall be considered an event of default, time being the essence of this agreement. Upon breach of any such term, condition, or obligation and upon the Agency giving CLIENT written notice of the breach, CLIENT shall have 45-days to provide proof that the breach is fully cured or Agency shall have the right to terminate the agreement and seek specific recovery of all sums advanced under this agreement immediately, excluding any sums which have been forgiven under Section 3.e., or seek any other or further remedy authorized by law. Waiver of any one breach by the Agency shall not excuse performance of any other term, condition, or obligation by the CLIENT in a timely manner.

Section 7. Entire Agreement

This Agreement and the exhibits attached hereto, all being a part hereof, constitute the entire agreement of the parties hereto and will supersede all prior offers, negotiations and agreements with respect to the subject matter of this Agreement.

Section 8. Survival

Any provisions of this Agreement relating to indemnification shall survive the termination or expiration hereof. In addition, any terms and conditions contained in this Agreement that by their sense and context are intended to survive the termination or expiration of this Agreement shall so survive.

Section 9. Severability

If any provision of this Agreement is held invalid, illegal or unenforceable by a court or agency of competent jurisdiction, (a) the validity, legality and enforceability of the remaining provisions of this Agreement are not affected or impaired in any way if the overall purpose of the Agreement is not rendered impossible and the original purpose, intent or consideration is not materially impaired; and (b) the parties shall negotiate in good faith in an attempt to agree to another provision (instead of the provision held to be invalid, illegal or unenforceable) that is valid, legal and enforceable and carries out the parties' intentions to the greatest lawful extent. If any such action or determination renders the overall performance of this Agreement impossible or materially impairs the original purpose, intent or consideration of this Agreement, and the parties are, despite the good faith efforts of each, unable to amend this Agreement to retain the original purpose, intent and consideration in compliance with that court or agency determination, either party may terminate this Agreement upon sixty (60) days' prior written notice to the other party and upon CLIENT immediately repaying all unpaid loan principal together with all accrued interest.

Section 10. Attorney Fee Clause

In the event action is instituted to enforce any terms of this contract, the prevailing party shall be entitled to recover from the other party all expenses, including attorney fees and litigation costs, which it may reasonably incur in taking such action, including any appeal therefrom.

CITY of LA GRANDE URBAN RENEWAL AGENCY

AMENDED LOAN AGREEMENT (Third Amendment)

This LOAN AGREEMENT (hereinafter referred to as AGREEMENT), entered into this ~~eighth (8th)~~ day of ~~June, 2016~~ 2024 by and between the City of La Grande Urban Renewal Agency (hereinafter referred to as the AGENCY), and Town Square LP ~~and Market Place Family Foods, LLC~~ (hereinafter referred to as CLIENTS), for the purpose of using La Grande Urban Renewal Funds for a new grocery store project located at 1912 Fourth Street, 03S3806DA, Tax Lot 11700, La Grande, Oregon (hereinafter referred to as the PROJECT).

WITNESSETH

PROJECT NAME: Market Place Family Foods new grocery store project

PROJECT ADDRESS: 1912 Fourth Street; 03S3806DA/11700

PROJECT NUMBER: URA-14-01

~~ESTIMATED BEGINNING DATE: August 15, 2015~~

~~REQUIRED COMPLETION DATE: September 30, 2016~~ October 3, 2017

ESTIMATED TOTAL PROJECT COST: \$1.5 Million

FINAL PROJECT COST: \$2,545,655

AGENCY CONTRIBUTION: \$500,000

Whereas, the CLIENTS has expressed interest in using AGENCY funds at the PROJECT site to assist with a major renovation of an existing building to open a new grocery store pursuant to a La Grande Urban Renewal Agency project application to the AGENCY, and,

Whereas, the CLIENTS provided to the AGENCY contractor cost proposals for the PROJECT of approximately \$1.5 Million; and,

Whereas, the AGENCY desires to cooperate with the CLIENT in using AGENCY funds for reinvestment in La Grande's Urban Renewal District in partnership with private sector investors, such as the CLIENT; and,

Whereas, the AGENCY voted to fund this PROJECT at its August 20, 2014, Regular Session.

Whereas, the parties executed an agreement dated October 1, 2014; and,

Whereas, the ~~CLIENTS~~ CLIENT ~~has~~ requested and received an amendment to the agreement to address loan requirements and construction timing in June, 2015; and,

Whereas, the ~~CLIENTS~~ CLIENT ~~has~~ requested and received a second amendment to the agreement to extend the completion date in June, 2016; and

Whereas, this ~~this third~~ amendment to the agreement addresses changes necessitated by the bankruptcy of a prior party; and

Whereas, the project is complete and the intent of this amendment is to address the operation of the business and expectations of the AGENCY and CLIENT; and

CITY of LA GRANDE URBAN RENEWAL AGENCY

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Market Place Family Foods, 03S3806DA/11700

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Whereas, the CLIENT is requesting changes to and clarifications of Section 3 c. and e.; and

Whereas, the CLIENT is requesting an extension due to the COVID-19 Pandemic to timeframe for loan forgiveness in Section 3 e;

NOW, THEREFORE, based on the mutual covenants set forth in this AGREEMENT, the parties agree to the following amended terms and conditions:

Section 1. Duties and Responsibilities

- ~~a. CLIENTS agrees to perform the PROJECT work as per the design plan described in the project intake application (attached as APPENDIX "A") to the AGENCY, with a PROJECT start date of not later than October 1, 2015, and a completion date of not later than September 30, 2016. CLIENTS agree to communicate in writing any need for extension of completion date at least one month prior to the deadline expressed in this agreement. The extension request letter should include the reasons why the extension is needed; new PROJECT start date or completion date; what elements of the PROJECT have been completed; and what elements still need to be completed.~~
- ~~b. CLIENTS agrees to work with licensed contractors and to provide labor and materials to complete items contained in the scope of work prior to the completion date (unless an extension is granted as herein provided). Deviations from any approved design, plans and specifications without advance written approval from the Agency will disqualify CLIENTS from receiving program funds.~~
- ~~c. CLIENTS agrees to submit timely proof of payment documents for the PROJECT to the AGENCY for reimbursement payment. Submittals can occur in accordance with subsection "h." below. Each request for reimbursement must be accompanied by the "Project Approval Checklist" (attached as APPENDIX "B"), which requires Review and Approval from the Planning Division, Building Division and Public Works Department along with appropriate documentation that demonstrates proof of payment. Failure to provide this form and/or receive Review and Approval from the respective City of La Grande Divisions/Departments could result in a delay or loss of project funding and/or appropriate actions taken to correct non-permitted work.~~
- ~~a. CLIENTS agrees to abide by all applicable local, state and federal laws related to the PROJECT and to obtain all necessary permits from the City of La Grande Planning Division, Public Works Department and the Building Division for the PROJECT. **FUNDING AGREEMENT DOES NOT IMPLY NOR IN ANY WAY GUARANTEE PROJECT APPROVAL OR PERMITS FROM ANY CITY OF LA GRANDE DIVISION/DEPARTMENT, INCLUDING PLANNING, BUILDING INSPECTIONS OR PUBLIC WORKS.**~~
- ~~b. CLIENTS agrees to allow for the placement of temporary project funding signs onsite during the time period of the active construction on the PROJECT.~~
- a. Funding is contingent upon **CLIENTSCLIENT** retaining ownership and operation of the PROJECT for the duration of this agreement. **CLIENTSCLIENT** agrees to notify the AGENCY in writing of any proposed transfer of real property and/or business operation to a third party prior to the execution of any sale or transfer of the real property and/or the business operation. If said sale or transfer ~~is to a party other than the CLIENTS~~ occurs during for the duration of this agreement the contribution of AGENCY funds ~~will be being~~ considered a loan and the full amount of any and all remaining principal, plus accrued interest, will become due and payable to the AGENCY immediately upon sale or transfer.

CITY of LA GRANDE URBAN RENEWAL AGENCY

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Market Place Family Foods, 03S3806DA/11700

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- b. ~~CLIENTS~~CLIENT agrees to provide as part of the PROJECT, improvements to the property, including along the Adams Avenue and Fourth Street frontages, if required by the La Grande Public Works Department. Specifics of the Streetscape elements, if a required part of the PROJECT, are outlined in the Downtown Public Improvement Standards (attached as APPENDIX "C"). More detail on the use of URA funds for specific streetscape elements is described in Section 4.
- c. CLIENT agrees to maintain Town Square, LP and Adelsberger Enterprises, LLC and any other party to this Agreement as active entities with the both the State of Oregon and the State of California, where applicable. CLIENT agrees to provide AGENCY with notices of renewal for both entities within 30 days of renewing each registration with the State.
- d. AGENCY may allow CLIENT to contract portions of CLIENT'S duties under this agreement to a third party provided CLIENT must obtain the advance, express written consent of AGENCY. AGENCY shall be allowed not less than 30 days to vet the proposed third party in order to ascertain the viability of the third party's ability to perform the duties. CLIENT agrees to provide all necessary information to AGENCY in order for AGENCY to make an informed decision. Failure by the CLIENT to obtain the written consent of the AGENCY will result in the contribution of AGENCY funds being considered a loan and the full amount of any and all remaining principal, plus accrued interest, will become due and payable to the AGENCY immediately upon sale or transfer. If AGENCY allows client to contract any portion of CLIENT'S duties under this Agreement, AGENCY reserves the right to review the agreement between CLIENT and third party and third party's/es employee records as they pertain to the Project.
- ~~c. AGENCY agrees has to provided to ~~CLIENTS~~CLIENT up to \$500,000 for the PROJECT, as follows.~~
- ~~— \$100,000 of grant funding which shall bewas placed in an account under the control of US Bank to be used during the construction phase of the PROJECT and dispersed out to the project in relation to items completed, as determined under the calendar, conditions, and stipulations of the loan documents of US Bank. Should the loan from US Bank not be approved, this \$100,000 of grant funding shall become immediately due and payable to the AGENCY.~~
- d. —
- e. —

CITY of LA GRANDE URBAN RENEWAL AGENCY

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Market Place Family Foods, 03S3806DA/11700

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- ~~e. Up to \$400,000 of funding for actual expenditures related to the PROJECT on a reimbursement basis. Reimbursement payments will be made following receipt of complete and satisfactory PROJECT fund requests, to include documentation such as invoices substantiating each request, for work completed as required under this agreement. Progress payments may be made at a frequency of not more than once each calendar month to reflect actual work which has occurred during that period. AGENCY shall withhold 10% from each reimbursement request until a certificate of occupancy is issued and the PROJECT is determined to be complete by the District Manager following an inspection conducted by the District Manager and his designees. Payments for work completed after May 1, in any given year MAY be delayed until after July 1 but before July 31, of that year due to possible fiscal year budget constraints. The AGENCY shall not take possession nor "own" the property unless CLIENTSCLIENT is in default on either the First or Second Trust Deeds or the terms of this agreement and AGENCY takes possession through a legal process.~~
- f. The AGENCY'S Second Deed of Trust security agreement includes a due on sale clause that will be triggered by the change of ownership (other than a transfer to long-term entity owned by the principals of Town Square LP) at which time the loan would be considered in default and subject to immediate repayment which remains in effect.
- g. The CLIENTSCLIENT shall execute and deliver to the AGENCY the Second Deed of Trust referenced above prior to disbursement of any funds in the amount of \$500,000, which shall be amended if the amount disbursed is less.
- h. CLIENTSCLIENT shall maintain a full replacement value Fire and Casualty policy on the PROJECT, with the AGENCY as an additional named insured for the duration of the loan agreement and provide proof of such insurance to AGENCY no less than every 12 months without demand.
- f.i. Amending the October 1, 2014, Agreement to convert \$100,000 of the originally agreed upon \$500,000 funding to a grant does not reduce the amount of the Second Deed of Trust and does not allow the CLIENTSCLIENT to reduce the scope of work or change the design of the project. Accordingly, loan forgiveness shall be based on the \$500,000 Second Deed of Trust amount.

Section 2. Amendments and Assignments

~~The CLIENTS may cancel this AGREEMENT prior to the first payment by the AGENCY to the CLIENT by giving written notice of such intent to the AGENCY at least seven (7) days in advance of the date of cancellation. The AGREEMENT may not be terminated once any funds have been disbursed.~~ All amendments to this AGREEMENT, which are mutually agreed upon by and between the PARTIES to this AGREEMENT, shall be in writing and executed with the same formalities of this AGREEMENT. This AGREEMENT is binding on the heirs, successors and assigns of the PARTIES hereto but shall not be assigned by either party without first obtaining the written consent of the other. This written agreement is intended by the PARTIES to be the final agreement to supersede all prior oral agreements, negotiations, memorandums or previous writings.

Section 3. Special Considerations Unique to this PROJECT

CITY of LA GRANDE URBAN RENEWAL AGENCY

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Funding for this proposal will be in form of a loan secured by a lien on the subject real property at 1912 Fourth Street. The AGENCY will agree to a second position security, in the form of a commercial second deed of trust, provided the first lien holder provides written agreement with the AGENCY second position lien. In addition, the AGENCY requires the first lien holder to agree to the PROJECT. That agreement by the first lien holder requires ~~CLIENTS~~CLIENT to get its consent before any changes are made to the building or real property ~~before changes are made to the building or real property~~. Attached as APPENDIX D is a signed agreement which satisfies this requirement. ~~CLIENTS~~CLIENT will immediately advise the AGENCY if the first lien holder attempts to revoke said agreement. The AGENCY second position loan will be converted to a grant based on successfully meeting the following conditions ~~at the end of five years~~:

- a. Total cost of improvements shall be a minimum of \$1,250,000, inclusive of URA funding.
- b. Interest shall accrue at a minimum of 5% from the date of first disbursement on the entire funding amount and shall compound annually on the remaining principal; said interest shall be forgiven only if the loan converts to a grant. Principal may be forgiven as described in Section 3 e.

b.c. Job creation and retention requirements:

- i. Maintain a minimum of six (6) full-time ~~(2,080 hours/year average)~~, non-family employees at a base wage of not less than \$15.00 an hour; cumulative hours for multiple employees shall not be considered as satisfying this requirement except as provided in vi. below; and
- ii. Maintain a minimum of five (5) part-time ~~(less than 2,080 hours/year but more than 900 or more hours/year)~~, non-family employees at or above the then current State of Oregon minimum wage. Cumulative part-time hours of 4,500 or more will satisfy this requirement.
- iii. Qualifying employees in this section cannot include any members of the LLC, LP or property or business ownership.
- iv. Employment reporting must be completed every ~~six months~~ month to begin six months following the official opening of the grocery store and continue on a June 1 and / December 1 schedule for the duration of this agreement. Reporting must be completed on forms supplied by the AGENCY.
- v. The Agency reserves the right to audit the records of the grocery store to confirm the employment information reported.
- vi. For the purposes of loan principal forgiveness under this AGREEMENT, a full-time employee shall be an individual employee working a minimum 1,560 hours per year/30 hours per week/60 hours per two-week pay period} at the rate of \$15.00 per hour or more for a rolling 12-month period. If there is a full-time vacancy, a combination of at least 1,300 hours worked by a combination of up to four employees may be considered as one full-time position provided each employee works a minimum of 90 days at the 30 hour per week minimum described above and their employment does not overlap with any of the other employees included for the combined hours total of 1,300 or more during the rolling 12-month period. (during those periods where two employees or more employees overlap, only one employee's hours can be counted for that period) Paid vacation, holiday, and sick leave shall be counted as hours worked.

- ~~e.d.~~ Store must be open for business a minimum of five days per week, 52 weeks per year, for the duration of the AGREEMENT.

CITY of LA GRANDE URBAN RENEWAL AGENCY

AGREEMENT

Market Place Family Foods, 03S3806DA/11700

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~~d.e.~~ Loan principal forgiveness. If the requirements contained in Section 3 c. and d. are met, the AGENCY shall forgive loan principal based on the total funding provided as follows:

- i. Up to \$100,000 per year based on \$10,000 per year for each full-time job created, reported, and verified during any rolling for that calendar year or 12-month reporting period commencing on November 1, 2017. Forgiveness shall be determined at the conclusion of each monthly reporting period.
- ii. Maximum ~~10-year performance~~ timeline: Remaining principal balance must be fully forgiven not later than October 31, 2029 from October 3, 2017 the first date of full occupancy.
- iii. Once total of \$500,000 has been forgiven, agreement terms are deemed to be met and accrued interest is also forgiven.
- iv. If the requirements contained in Section 3 c. (job creation and retention) and d. (less than 90% compliance for store hours) are not met in any given ~~calendar year or 12-month reporting period (less than 90% compliance for store hours or job creation)~~, then the AGENCY shall not forgive any loan principal for that ~~calendar~~ year and the loan interest rate shall double to 10% for that year. Non-performing years can be "made up" up to the maximum performance end date of October 31, 2029, timeline of 10 years but total forgiveness cannot exceed \$100,000 in any rolling twelve month year period.
- v. The interest shall be assessed on each month's remaining principal balance. In December of each year, forgiveness for the prior year shall be reconciled to assure the total amount forgiven is correct based on the requirements of Section 3. c. vi.
- vi. The AGENCY shall provide an annual statement to the CLIENT reflecting the amount of forgiveness, including remaining principal balance, and interest accrued commencing in December of 2023. The formula/criteria for determining forgiveness set out in this paragraph 3 shall apply retroactively.
- ~~iv.vii.~~ If on November 1, 2029, any principal 10 years have passed and a balance remains, the remaining principal, plus all any accrued but uncredited interest shall become immediately due and payable.

~~e.~~ PROJECT shall be completed in accordance with approved design, City of La Grande Code requirements and approved site plan and all applicable zoning and building codes.

~~f.~~ CLIENTS shall obtain all City of La Grande required reviews and approvals; award of funding does not obligate the City to approve the site plan.

~~g.~~ Construction timeline – PROJECT construction must commence not later than October 1, 2015. PROJECT must be complete and the store shall be open for business not later than June 30, 2016.

~~h.~~ Funding shall be conditioned on the applicant providing proof of funding from other sources including but not limited to an SBA Loan and/or cash of not less than \$750,000.

~~i.f.~~ Funding shall be conditioned on submission of written proof of concurrence of the improvements to be made to the PROJECT by the first lien holder and that the PROJECT does not violate any provisions of the security agreement between the CLIENTS CLIENT and the first lien holder.

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Section 4. Public Right-of-Way (Streetscape) Improvements and Use of AGENCY Funds: To the degree that improvements in the Public Right-of-Way (ROW) are deemed required by the City of La Grande, the following components will be adhered to.

- a. Specifics of the Streetscape elements of the PROJECT are outlined in the Downtown Public Improvement Standards (attached as APPENDIX "C") which describe in more detail the sidewalk, street trees, lamp posts, etc. These improvements must be coordinated with City of La Grande Public Works.
- b. The AGENCY specifies that the order in which AGENCY funding should be used to be sequenced thus (all AGENCY funding is reimbursed to the ~~CLIENTS~~CLIENT, per the terms stated in this AGREEMENT).
- c. Funds should first be used toward all required off-site/ public-right-of-way improvements, as required by the City of La Grande, such as:
 - a. Sidewalk improvements
 - b. Streetscape improvements, to include
 - i. Decorative concrete
 - ii. Pedestrian lighting and associated electrical services
 - iii. Street trees and wells and associated irrigation systems
 - iv. Underground conduits, electrical circuits, irrigation systems
 - c. Water, wastewater, storm drain system improvements
 - d. Improvements to alley and/or drive approaches in the public-right-of-way
 - e. ADA compliance issues in the public-right-of-way
 - f. Traffic control or signage in the public-right-of-way
- d. Funds, if any remain, should next be used toward exterior onsite improvements, such as:
 - a. Parking and drive area paving & striping
 - b. Landscaping
 - c. Concrete work
 - d. Signage
 - e. Storm water detention
- e. Funds, if any remain, should next be used toward exterior building improvements, including exterior walls and roofs.
- f. Funds, if any remain, should last be used for building systems, such as HVAC, plumbing, elevator and/or electrical.
- g. With the exception of up to \$100,000 as described in Section 1., paragraph h., subparagraph a. of the second amended loan agreement, no funds shall be used for any interior building construction, improvements, amenities, or business expenses.
- h. No funds shall be used for inventory or operating expenses.

Section 5 Progress Reports To Agency:

~~CLIENTS shall provide AGENCY the following:~~

CITY of LA GRANDE URBAN RENEWAL AGENCY

AGREEMENT

Market Place Family Foods, 03S3806DA/11700

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~~CLIENTS shall provide AGENCY the following: Written, quarterly progress reports during construction to demonstrate the project is being completed within the timeframes required.~~

a. CLIENT shall provide AGENCY the following:

- i. Written reports without demand on a semi-annual basis for duration of the loan agreement. Commencing in 2018, ~~t~~The following reports will be due to the District Manager ~~not later than June 1 and December 1 of each year~~ (unless otherwise required or agreed to by AGENCY in writing).
 - a. All employment records for the grocery store's ~~Town Square, LP,~~ full and part-time employees, and their hours worked and hourly pay rate to demonstrate compliance with Section 3 above.
 - b. Employment reporting must be completed monthly every six months to begin six beginning with the month of December, 2023, and submitted without demand within thirty (30) days. ~~months following the official opening of the grocery store. June 1, 2018.~~
 - ii. Validation that the store was open for business a minimum of five days per week, 52 weeks per year, for the duration of the AGREEMENT.
 - ~~iii. Commencing January 1, 2018 fFinancial reports for Town Square, LP, including but not limited to budget, balance sheet, income statement, or other documents reflecting the revenues and expenses as of December 31 and June 30 of each year not later than February 1st and August 1st respectively.~~
- ~~ii~~bi. Failure to provide AGENCY with accurate and timely reports for a period of 6 months or more starting January 1, 2018 or inactivity on the project for the same time period may result in the AGENCY, at its option, declaring any loan amounts outstanding immediately due and payable. Reports are acknowledged to be current as the date hereof.

Section 6. Events of default: Violation of any term, condition, or obligation of the ~~CLIENTS~~CLIENT, under this agreement shall be considered an event of default, time being the essence of this agreement. Upon breach of any such term, condition, or obligation and upon the Agency giving ~~CLIENTS~~CLIENT written notice of the breach, ~~CLIENTS~~CLIENT shall have 45-days to provide proof that the breach is fully cured or Agency shall have the right to terminate the agreement and seek specific recovery of all sums advanced under this agreement immediately, excluding any sums which have been forgiven under Section 3.e., or seek any other or further remedy authorized by law. Waiver of any one breach by the Agency shall not excuse performance of any other term, condition, or obligation by the ~~CLIENTS~~CLIENT in a timely manner.

Section 7 Entire Agreement: This Agreement and the exhibits attached hereto, all being a part hereof, constitute the entire agreement of the parties hereto and will supersede all prior offers, negotiations and agreements with respect to the subject matter of this Agreement.

Section 8 Survival: Any provisions of this Agreement relating to indemnification shall survive the termination or expiration hereof. In addition, any terms and conditions contained in this Agreement that by their sense and context are intended to survive the termination or expiration of this Agreement shall so survive.

CITY of LA GRANDE URBAN RENEWAL AGENCY

AGREEMENT

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Town Square, Limited Partnership, an Oregon limited partnership

By: _____

Alfred Adelsberger

Date

Member of Adelsberger Enterprises, LLC, General Partner

- List of Appendices:**
- A: Project Intake Form**
 - B: Project Approval Checklist**
 - C: Downtown Public Improvement Standards**
 - D. First Lien Holder's Agreement to Project**
 - E. Agreement dated October 1, 2014**
 - F. Amended Agreement dated June 28, 2015**
 - G. Second Amended agreement dated June 8, 2016.**

CITY of LA GRANDE

URBAN RENEWAL AGENCY ACTION FORM

Agency Meeting Date: **February 7, 2024**

PRESENTER: **Robert Strope, District Manager**

AGENCY ACTION: **CONSIDER ADOPTING RETREAT SUMMARY AND CITY/DISTRICT MANAGER’S TOP PRIORITIES FOR FISCAL YEAR 2024-2025**

1. MAYOR: Request Staff Report.
2. MAYOR: Invite Public Comments.
3. MAYOR: Invite Agency Discussion.
4. MAYOR: Entertain Motion:

Suggested Motion: I move that the City/District Manager’s Top Priorities for Fiscal Year 2024-2025, as discussed during the Annual Agency Retreat on January 23, 2024, and outlined on the attached Retreat Summary, be adopted as presented.

5. MAYOR: Invite Additional Council Discussion.
6. MAYOR: Ask for the Vote.

EXPLANATION: The City of La Grande Urban Renewal Agency, District Manager, and Department Directors participated in the City and Urban Renewal Economic Development Annual Goal Setting Retreat on Tuesday, January 23, 2024. During this Session, goals and priorities for Fiscal Year 2024-2025, were identified and discussed in preparation for developing the proposed Budget for the next Fiscal Year. Those goals and priorities are included in the attached summary of the Retreat and serves as direction and guidance from the Agency. Additionally, the Agency and City Council establishes the City/District Manager’s Top Priorities for Fiscal Year 2024-2025, also attached.

The City Council will also adopt the same top priorities at their Regular Meeting.

The District Manager recommends that the Agency adopts the Summary and Goals/Top Priorities for Fiscal Year 2024-2025, as presented.

Reviewed By: (Initial)

District Manager _____
 City Recorder _____
 Aquatics Division _____
 Building Department _____
 ED Department _____
 Finance _____
 Fire Department _____

Human Resources Dept _____
 Library _____
 Parks Department _____
 Planning Department _____
 Police Department _____
 Public Works Department _____

AGENCY ACTION (Office Use Only)

- Motion Passed
 Motion Failed: _____
 Action Tabled: _____
 Vote: _____
- Resolution Passed
 Effective Date: _____
- Ordinance Adopted
 First Reading: _____
 Second Reading: _____
 Effective Date: _____
 Second Reading: _____
 Effective Date: _____

City and Urban Renewal Economic Development Retreat Summary

January 23, 2024

Text in Red reflects the discussion

(Note: Items in **blue** are changes from prior year’s topics. Text in **green** is supplemental/background information that may be helpful.)

Vision Statement: The City of La Grande is the economic, educational, recreational, and cultural hub for eastern Oregon, with a family oriented, small-town character. (City’s current Vision Statement with the goals specifically related to Economic Development **highlighted** below)

Goals to support our vision:

G1	Enhance and grow our diverse economy through innovation, partnerships, and relationships, to capitalize on our existing strengths while seeking new opportunities.
G2	Take full advantage of the benefits of our thriving educational community, anchored by Eastern Oregon University.
G3	Promote the natural beauty and resources of the Grande Ronde Valley, which provide recreational opportunities and quality of life benefits that complement our economic development objectives.
G4	Showcase La Grande as a culturally-rich city with a strong sense of identity, pride, and environmental awareness that preserves our heritage.
G5	Foster a family-oriented community with high quality amenities, including excellent parks, safe neighborhoods, and outstanding schools.
G6	Champion public involvement and civic leadership that values economic, ecological, and social stewardship, while maintaining our small-town character.

1. Economic Development Strategy

a. Recruitment/Business Attraction:

- i. Continue proactively pursuing our current priority industry sectors:
 - 1. Recreational Manufacturing and Retail
 - a. Anything tied to the outdoors to maximize our assets
 - 2. Timber Industry
 - a. Mass Timber (Cross Laminated Timber)
 - b. Woodgrain (Supply Chain)
 - c. Other wood product related manufacturers
 - 3. E-Commerce
 - a. Businesses that rely on the Internet and work from home
 - b. Distribution
 - 4. Small scale manufacturing and micro production.
 - a. Small scale consumer products.
 - b. Locally produced /packaged food & beverages.
- ii. Continue to respond to all inquiries and leads regardless of industry sector.
- iii. Incentives
 - 1. Current incentives are limited to Call for Projects and **Revised CFP and Traded Sector** programs in the Urban Renewal District (URD) and the Enterprise Zone for Urban Growth Boundary (UGB) expansion area.
- iv. Industrial development/recruitment:
 - 1. La Grande Business and Technology Park

- 2. UGB Expansion Area
 - a. Large lot industrial with Enterprise Zone incentives

*Staff is not recommending any changes in the above strategies at this time.
The Agency did not request any changes.*

- v. Commercial development/recruitment.
 - 1. Commercial Land Needs Analysis and Comprehensive Plan Goal 9 Update/Goal 14 UGB Expansion.
 - a. The City is just completing the Commercial Land Needs Analysis and Comprehensive Plan Goal 9 Update to potentially increase our inventory to allow for new development. The City Council will see this item on the February agenda. The next step of this project is a Goal 14 Urban Growth Boundary Expansion. The Planning Division was successful with an application for a DLCDC Technical Assistance Grant to help fund this effort. This project is scheduled to occur over two (2) fiscal years, beginning in early 2024 and concluding by May 2025.

This is also on the City Council Retreat topic list.

b. Retail Recruitment and Downtown Redevelopment:

- i. Retail recruitment.
 - 1. Continue proactive recruitment using existing leads previously generated by Buxton and new leads when identified.
 - 2. Focused efforts in concert with La Grande Main Street Downtown utilizing the recently adopted Main Street Refresh Plan.
- ii. Downtown redevelopment—(See Call for Projects).
- iii. Develop and implement a plan for the Redevelopment of Jefferson Ave. Planning process is underway with funding from BTI. Steering Committee will work with Main Street and City Staff to develop implementation strategy once Council has reviewed and adopted the plan

Staff is not recommending any changes.

The Agency did not request any changes.

c. Business Assistance, Retention, and Expansion:

- i. Resume large employer visits.
- ii. Business Retention and Expansion (BR&E) Survey.
 - 1. Based on the 2022 survey data, we are looking at 4 key points of focus including:
 - a. Workforce challenges and the ability to recruit, and retain labor/talent.
 - b. Minority business owner support and outreach.
 - c. Business support and training particularly marketing and expanding online presence.
 - d. Business retention and expansion assistance, with an emphasis on assisting start up and micro businesses transition from home and internet based, to brick and mortar locations.

Traded Sector/Business Park	\$425,000 budgeted, \$425,000 remaining
Agency Initiated	\$500,000 budgeted, \$500,000 remaining
Total Budget:	\$1,275,000
Remaining:	\$925,000

Staff contemplating proposing:

CFP	\$350,000
Traded Sector/Business Park	\$425,000 (\$425,000 carried forward from prior years)
Agency Initiated Project	\$500,000 (\$500,000 carried forward from prior years)
Total:	\$1,275,000 (Less \$925,000 carried forward from prior year for \$350,000 of “new” funding)

Note that the funding amounts shown are not being approved as part of the Retreat process and will not be finalized until the District Manager/Budget Officer submits a Proposed Budget for Budget Committee approval and subsequent Agency adoption.

a. Call for Projects

i. Funding (\$350,000)

1. Non-Business Park Projects: \$350,000 per year has been allocated for this program the past three years based on revenues to URA with an under levy. Current year all \$350,000 was awarded.

The Agency asked if there could be additional outreach to let property owners and businesses know about the program. The Economic Development Director talked about the extensive, ongoing work being done with business and property owners, including but not limited to reaching out to new property owners to discuss finding programs and working with businesses that face the challenge of funding tenant improvements, which typically cannot be funded using URA dollars. In some cases he is able to identify other funding sources.

ii. Policy revisions.

1. Staff and the Urban Renewal Advisory Commission (URAC) have met to discuss minor revisions to the CFP policy the Agency will be asked to approve an updated policy in February.

b. Traded Sector/Business Park

i. Funding (\$425,000)

1. No applications have been received for this program. Intent is to carry funds over to next year.

Staff is not recommending on any changes to these programs other than the CFP policy revisions mentioned.

The Agency did not request any changes.

c. Agency Initiated Funding Program

i. Funding (\$500,000 of one-time funding in current year’s budget)

- ii. The program is designed for the Agency to identify a project to fund on their own initiative and consideration of the funding would include a transparent, public process. In past years the Agency has considered leveraging these dollars for significantly more grant dollars to help renovate the historic firehouse building and provide gap funding to facilitate the acquisition of an elevator for the Bohnenkamp building. The Agency chose not to expend these funds on either project. Looking ahead these funds could be leveraged for additional grant funding for implementation of the Jefferson Avenue Redevelopment Plan or potentially towards a new Police facility.

Staff is seeking guidance from the Agency regarding this program.

The Agency briefly discussed this program. It was noted that the funds could be used for a variety of projects including but not limited to capital projects in conjunction with the Jefferson Avenue Redevelopment Plan, a new police facility as described below, or for future streetscape work. The funds could also be used to fund other projects to allow for a larger Under Levy. The Finance Director confirmed all the Agency's unused funds were invested and receiving interest. The Agency ultimately reached consensus on retaining the dollars and the program for flexibility.

d. Façade Program

- i. \$75,000.

Staff is not recommending changes to the Façade Program or funding level.

3. Capital Projects

- a. Should the Agency consider moving forward with additional Streetscape projects:
 - i. Elm to Greenwood?
 - ii. Greenwood to Island Ave?
 - iii. Only Adams Avenue?

The Agency discussed whether or not to pursue the project, if it should be limited to Fir to Washington and Jefferson and on Adams to Greenwood, or another footprint. The Agency reached consensus on asking for cost estimates for extending the improvements along Adams Avenue only to Greenwood, with other improvements along the cross streets for later consideration.

- b. Should the Agency consider funding a portion of a new Police facility?

Staff is seeking guidance from the Agency regarding how to proceed on capital projects.

Agency discussed the potential to use some URA funds, acknowledging it would require a URA plan amendment. Staff will convey to the consultant that the Agency is open to some level of funding should a new facility be constructed within the boundaries of the District.

4. Budget Related Issues/Fiscal Management

- a. Continue to implement the Urban Renewal Plan with base-line funding for full-time Economic Development position and core URA Programs.
 - i. Current Goals from Agency approved Economic Development Strategy:
 1. Ensure programs are achieving goals and needs of business.
 2. Continue business recruitment efforts.
 3. Continue business retention and expansion efforts.
 4. Create a vibrant Central Business Zone (CBZ).
 5. Encourage Entrepreneurial and small business development as a key strategy.

The Agency did not request any changes.

- b. Validate continuation of Urban Renewal Agency (URA) Under Levy—Agency perspective.

1. As of this writing, and assuming the Agency supports the program funding levels suggested above, the under levy amount would be very similar to the current fiscal year.
2. Should the Agency seek to reduce or suspend the under levy for any of the following reasons?
 - a. Increase program funding for Call for Projects or the Agency Initiated Funding Program?

- b. Increase URA Fund balance?
 - i. This could allow for funding of larger projects in the future without incurring debt.
 - ii. The amount of an Under Levy drives both the City General Fund and URA Budgets.

The Agency was supportive of the current philosophy guiding the amount of the Under Levy. The Agency will first fund debt service and all core economic development programs, including the grant programs such as Call for Projects. Any surplus property tax revenues would then be returned to the other taxing jurisdictions, including the City's General Fund, in the form of an Under Levy.

DRAFT

City/District Manager's Top Priorities

Fiscal Year 2024-2025

(To be Considered by the Agency on February 7, 2024)

The Agency reached consensus on retaining the current priorities with the exception of moving Fiscal Management to the top of the list.

- **Fiscal Management**
 - Continue to manage the City's finances within limited resources to provide highest possible level of service to the City of La Grande.
- **Street and Road Infrastructure**
 - Act on the recommendations of the Parking Traffic Safety Street Maintenance Advisory Commission (PTSSMAC) to address the condition of the infrastructure including potential funding options.
- **Housing**
 - Continue to Implement the Comprehensive Housing Production Strategy (HPS) as adopted by the City Council.
- **Economic Development**
 - Continue to implement the Urban Renewal Plan and economic development strategy as approved by the City Council/Urban Renewal Agency.
- **Staffing**
 - Continue to take necessary actions to address critical staffing issues including, but not limited to, hard to fill positions and succession planning for key positions.
- **General Fund Capital Improvements**
 - Identify funding sources and strategy to address major capital needs.
- **Emergency Management Planning**
 - In concert with Union County and other agencies, take actions to assure La Grande is prepared in the event of an emergency, including but not limited to major incidents, flooding, wildfire, or other natural disaster.
 - Update the City's Emergency Operations Plan
- **FEMA Maps and Land Use Code Amendments**
 - Take all required actions regarding the FEMA Floodplain Map update submitted, including but not limited to responding to any requirements as needed throughout the process.
 - Complete the revisions and adoption of the City's Land Use Codes as necessary.

CITY of LA GRANDE

AGENCY ACTION FORM

Agency Meeting Date: **February 7, 2024**

PRESENTER: Justin Rock, Mayor

AGENCY ACTION: **CONSIDER APPOINTING CITIZEN TO URBAN RENEWAL ADVISORY COMMISSION**

1. MAYOR: Explain Vacancy.

2. MAYOR: Entertain Motion:

Suggested Motion: I move that **Alana Carollo** be appointed to the **Urban Renewal Advisory Commission**, for a three-year term, which will expire on December 31, 2026.

3. MAYOR: Invite Agency Discussion.

4. MAYOR: Ask for the Vote.

EXPLANATION: The five-member **Urban Renewal Advisory Commission (URAC)** shall be composed of members who are actively interested in curing and preventing conditions of blight and improving the physical economic and social conditions with the Urban Renewal District (URD).

This Commission currently has one (1) vacancy:

- The Commission shall:
 - Consider, prioritize, and recommend policies to the Urban Renewal Agency dedicated to the revitalization of the Urban Renewal District.
 - Upon Agency request, provide recommendations to the Urban Renewal Agency regarding investments in public improvements and public/private development partnerships that will benefit and enhance the Urban Renewal District and facilitate the development of commercial and industrial parts of the District to create jobs and income which will provide economic support to the District.
 - Provide other types of input to the Urban Renewal District Manager and/or Urban Renewal Agency, as requested.

Ms. Carollo has been serving on this Commission; and has applied for reappointment.

Current members of the Commission and the expiration of their terms are: Lauren Babcock, 2024; Rikki Hickey, 2024; Roxie Ogilvie, 2025; and Matt Scarfo, 2025. All terms expire on December 31, of the year indicated.

The appointment of **Ms. Carollo** would result in a full Commission.

Reviewed By: (Initial)

District Manager _____
 City Recorder _____
 Aquatics Division _____
 Building Department _____
 ED Department _____
 Finance _____
 Fire Department _____

Human Resources Dept _____
 Library _____
 Parks Department _____
 Planning Department _____
 Police Department _____
 Public Works Department _____

AGENCY ACTION (Office Use Only)

Motion Passed
 Motion Failed; _____
 Action Tabled: _____
 Vote: _____

Resolution Passed
 Effective Date: _____

Ordinance Adopted
 First Reading: _____
 Second Reading: _____
 Effective Date: _____

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CITY of LA GRANDE
Application for Boards, Advisory Commissions and Committees

Name: Alana Carroll
Street Address: La Grande Mailing Address: La Grande
Preferred Phone Number: _____ Alternate Number: N/A
Email Address: _____

City of La Grande Resident? Yes No City Employee? Yes No

Have you previously served on any of the City's Boards/Advisory Commissions/Committees? Yes No

If yes, which one(s) and when? UPAC
Applications will be retained for 90 days, after which you will need to complete a new application for consideration to fill a vacancy.

Applying for: Please indicate your preferences by putting a number in the box next to those on which you would like to serve ~1 for your first choice, 2 for your second, etc.,—you may serve on two (2) plus the Budget Committee.

- On how many Commissions, other than the Budget Committee, do you wish to serve? One Two
- | | | | |
|---|---|--|---|
| <input type="checkbox"/> Air Quality | <input type="checkbox"/> Building Board of Appeals | <input type="checkbox"/> Parking, Traffic Safety, and Street Maintenance | <input type="checkbox"/> Parks and Recreation |
| <input type="checkbox"/> Arts | <input type="checkbox"/> Community Landscape and Forestry | | |
| <input type="checkbox"/> Budget Committee | | | |

The following Advisory Commissions have specific requirements and expectations. Please initial on the line in front of the Advisory Commission for which you are applying to indicate that you meet and agree to these requirements and expectations.

 Landmarks *Members appointed to the Landmarks Advisory Commission shall have a demonstrated interest, competence, or knowledge of historic preservation. At least three (3) members should be professionals from the disciplines of history, archaeology, planning, law, architecture or architectural history. An individual appointed to the Landmarks Advisory Commission shall be resident of the City or a property owner within the Historic District of the City of La Grande, Oregon; except that two (2) such members may be residents of Union County.*

 Library *Chapter 357 of Oregon Revised Statutes requires that a public library be governed by a Library Advisory Commission. Commission members shall be individuals who are actively interested in Library services and programs, and in all instances, serve as advocates for the Cook Memorial Library, its services and programs. The five (5) Commissioners shall serve four-year (4-year) terms.*

 Planning *Members of the Planning Commission are required to complete an annual Statement of Economic Interest, to be submitted to the Oregon Government Ethics Commission. ORS 227.020 provides the authority for the creation of a Planning Commission. The Commission renders final decisions in connection with certain land use procedures, unless appealed to the City Council. All five (5) members of the Commission shall reside within the Urban Growth Boundary, but only one (1) may reside outside the City limits. A member of the Planning Commission may serve no more than two (2) consecutive terms, but may again be considered for appointment after one (1) year of nonparticipation on the Commission.*

 Union County Tourism Advisory Committee *City appointed members to this Advisory Committee shall be either the owner or manager of a large lodging property in La Grande, or the owner or manager of a La Grande retail business or restaurant.*

abc

Urban Renewal Advisory Commission (URAC) An individual appointed to the Urban Renewal Advisory Commission shall be actively interested in curing and preventing conditions of blight and improving the physical, economic and social conditions within the Urban Renewal District. Members shall be residents of La Grande; or the owner of real property or a business located in the Urban Renewal District; or an elected official or highest appointed official of a taxing jurisdiction impacted by Urban Renewal. Additionally, two Commissioners must own or manage a business (though it does not need to be located in the Urban Renewal District)

For URAC ONLY: Do you: Own a property(ies) or business(es) in the La Grande Urban Renewal District?

Yes No

If yes: Name of business: Dennington Rental Prop. LLC Address: 1106 Adams Ave

Do you: Own or manage a business(es)?

Yes No

If yes: Name of business: _____ Address: _____

Are you an elected official or highest appointed official of a taxing jurisdiction impacted by Urban Renewal?

Yes No

If yes: Name of Jurisdiction: _____ Position: _____

Please indicate why you are volunteering and what makes you a good candidate to serve. Please include any special training, experience, education, and/or qualifications you may have that are unique or specific to the Advisory Commission/Committee for which you are applying. (Please attach no more than one additional typewritten page).

I am actively interested in curing and preventing conditions of blight and improving the physical, economic, and social conditions within the URD. I am a former Main Street Director and have my masters in historic preservation from Savannah College of Art & Design.

PLEASE RETURN YOUR COMPLETED APPLICATION TO: Keri Quinn, Assistant to the City Manager, or Stacey Stockhoff, City Recorder; 1000 Adams Avenue/P. O. Box 670; FAX (541) 963-3333