

**CITY of LA GRANDE
Urban Renewal Agency Regular Session
Wednesday, May 4, 2022**

[Immediately Following City Council Regular Session](#)

**Council Chambers
La Grande City Hall
1000 Adams Avenue**

REVISED 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 May 4, 2022, on the La Grande Alive website at <https://eoalive.tv/city-events/> or on the Eastern Oregon Alive.TV Facebook page at <https://www.facebook.com/EOAliveTV>.

1. URBAN RENEWAL AGENCY

- a. Call to Order
- b. Roll Call

- Per ORS 192.670(1), some Councilors may be participating in this Regular Session by electronic communication.

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; April 6, 2022

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 rstrope@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:** Resolution: Confirming Authority to Accept Offers and Sell Property; La Grande Business and Technology Park

[Strope]

8. DISTRICT MANAGER COMMENTS

9. AGENCY MEMBER COMMENTS

10. ADJOURN

Stacey M. Stockhoff
Assistant to the District Manager

CITY of LA GRANDE

URBAN RENEWAL AGENCY ACTION FORM

Agency Meeting Date May 4, 2022

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; April 6, 2022

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

April 6, 2022

Immediately following City Council Regular Session

Council Chambers
La Grande City Hall
1000 Adams Avenue

MINUTES

AGENCY MEMBERS PRESENT:

Steve Clements, *Mayor*
John Bozarth, *Agency Member*
David Glabe, *Agency Member*
Nicole Howard, *Agency Member*
Mary Ann Miesner, *Agency Member*
Justin Rock, *Agency Member*

AGENCY MEMBERS ABSENT EXCUSED:

Gary Lillard, *Mayor Pro Tem*

STAFF PRESENT

Robert Strobe, *District Manager*
Sandra Patterson, *City Recorder*
Stacey Stockhoff, *Assistant to the District Manager*
Timothy Bishop, *Economic Development Director*
Cari Markham, *HR Specialist*
Heather Rajkovich, *Finance Director*

ROLL CALL

Mayor CLEMENTS called this Regular Session of the Urban Renewal Agency to order at 7:32 p.m.; Roll Call was taken; and a quorum was determined to be present.

CONSENT AGENDA

- a. Consider: Approving Urban Renewal Agency Minutes; *March 2, 2022*
- b. Consider: Approving Economic Development Strategy for 2022-2024

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

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

VOTE

MSC. (unanimous)

PUBLIC COMMENTS

None

PUBLIC HEARINGS

None

UNFINISHED BUSINESS

None

NEW BUSINESS

- a. Consider: Approving Funds Release;
*Brickyard Lanes***

STAFF REPORT

Mayor CLEMENTS requested the Staff Report.

Robert STROPE, *District Manager*

STROPE stated that during the Monday, March 14, 2022, Joint Work Session regarding Economic Development, Agency Member John Bozarth requested the funding approval for Brickyard Lanes be put on the April Agency Agenda to determine whether or not to approve final payment for the project. The applicant has made significant progress and has obtained a temporary occupancy to operate the bowling alley on a limited basis. However, the project was not complete and was several years past the last approved completion deadline. The applicant has not requested an extension in over five (5) years. The District Manager has kept the Agency apprised of the status with the understanding that rather than administratively granting any further extensions, the intent has been to wait and request the Agency make the final decision on whether or not to release the remaining funds once the project is complete.

STROPE noted that out of the eligible components identified in the original application, the roof, parking lot/landscaping new grand entrance, and business signs were complete. Interior improvements were nearly complete with some minor finish work to be done. A final electrical inspection needs to be scheduled and passed once the corrections identified in the last inspection were finished. Windows and doors were also nearly complete with just the final work on the Elm Street frontage to be completed including painting window trim; installation of glass, framing, and painting the trim of two windows; and the framing and painting of two doors. Once these remaining items were complete, the project will be finished. It was estimated that the cost of the remaining work was under \$5,000.

Taking into consideration a variety of factors, District Manager STROPE recommended the Agency approve Suggested Motion 1, which would extend the original agreement completion deadline to the end of the current Fiscal Year, provide a \$35,050 progress payment, and retain \$5,000 until the final elements were completed and all required documentation was received. Suggested Motion 1, preserved the integrity of the original agreement by granting an extension and required that the administrative provisions agreed upon by the applicant were met, but also added the repayment upon sale provision that was part of the current Call for Projects (CFP) Program Policy which required the

Agency's investment to be repaid if the property was sold within five (5) years. Motion 2 also preserved the integrity of the original agreement, but excluded the repayment upon sale provision.

Motions 3 and 4 were not recommended by District Manager STROPE for the following reasons: Motion 3 does not hold the applicant responsible for any of the provisions of their signed agreement and could set a dangerous precedent regarding enforcement of Agency funding agreements in the future. All other Agency funding agreements have either been extended or the projects have been completed. Motion 4 simply extends the current agreement but would provide a firm, final deadline and the applicant would not receive any funding until the project was complete and all documentation and approvals were finalized as required under the Agreement.

At the time the project was funded the following provisions were in place:

- *Normally, funds will be disbursed on completion of the project; however, the applicant may request a maximum of one (1) progress payment be authorized as part of the agreement between the URA and the applicant. Only projects with grant awards exceeding \$25,000 are eligible to receive a progress payment.*
- *Real property related to the project may not be transferred or sold within five (5) years from the date of the first 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.*

These provisions have since been revised to currently read as follows:

- *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.*
- *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.

- *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.*

In regards to the section that states that the real property related to the project may not be transferred or sold within five (5) years from the date of the first disbursement of funds, which was the original provision in place at the time the Brickyard Lanes Agreement was signed, Mayor CLEMENTS asked if their five (5) years of ownership was expired, to which STROPE answered yes and explained that Motion One (1) would add the repayment upon sale provision that was part of the current CFP Program Policy, which stated 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.

STROPE explained that he felt it was reasonable to put the new provision in place considering the Brickyard Lanes project was beyond the required completion deadline by several years.

PUBLIC TESTIMONY

None

AGENCY DISCUSSION

BOZARTH stated that the clawback provision made sense if they were to sell or transfer the business into something other than the bowling alley but he does not anticipate that happening and spoke in favor of Motion Two (2), which excluded the repayment upon sale provision.

STROPE explained that the investment as an Agency was not in the business, but in the building improvements that were made with the funds allocated to the recipient. Though the use might change, the investment would not be lost due to the building improvements that were made. He added that the clawback provision, in this circumstance, could be tweaked, stating if the business sold and the use changed from the bowling alley into something else. The intent was to preserve the integrity of the original agreement and the sale provision clawback was at the discretion of the Agency.

MIESNER stated that the original agreement was signed by Gary Kiesecker and asked if the business had transferred to a family member, to which STROPE answered that he was not aware if the business or the real property had sold to Darin Kiesecker. Since the original agreement was signed

by both Gary and Kathy Kiesecker, then the amended agreement would be signed by the same parties.

HOWARD commented that she was not sure that the Agency should get involved in what the business might become down the road; but having the updated policy sale provision in place under Motion One (1) made the most sense to her. She added that this project was beyond the original deadline and felt that the Agency had been very patient these past few years waiting for the project to be complete.

MIESNER stated that she agreed with HOWARD's comment with not getting involved with whether or not a business changed the use over time.

MOTION

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

MOTION: I move to approve a progress payment in the amount of \$35,050 for the Brickyard Lanes Call for Projects Grant and authorize the District Manager to draft and sign an amended Agreement which extends the completion deadline to June 30, 2022 and provides that final payment in the amount of \$5,000 will only be made upon completion of the project and submission of all required documentation as required under the Agreement.

AGENCY DISCUSSION

MIESNER added she understood BOZARTH's opinion as to why he was supporting Motion Two (2), but agreed with HOWARD's comment with the timeframe and extensions and why HOWARD was supporting Motion One (1).

GLABE and HOWARD spoke in support of the clawback due to the timeframe of the project, to which ROCK followed up by adding that he did not foresee the owners selling Brickyard Lanes earlier than five (5) years and would like to see them receive the remaining funds, therefore supported Motion Two (2). HOWARD commented that ROCK could be wrong in that assumption and why not have the clawback in place.

BOZARTH added that he did not believe there was a reason for the clawback and felt that putting the clawback provision in place was wrong, to which HOWARD did not agree.

VOTE

MSF. THREE (3) of the SIX (6) Councilors present voted in the affirmative; CLEMENTS, GLABE, and HOWARD voted in opposition; LILLARD was absent excused. Motion Failed.

MOTION

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

MOTION: I move to approve a progress payment in the amount of \$35,050 for the Brickyard Lanes Call for Projects Grant and authorize the District Manager to draft and sign an amended agreement which extends the completion deadline to June 30, 2022; provides that a final payment in the amount of \$5,000 be made upon completion of the project and submission of all required documentation as required under the Agreement; and includes a requirement that the full grant amount paid shall be considered a loan which is immediately due and payable if the property is sold within five years commencing on July 1, 2022.

VOTE

MSC. FIVE (5) of the SIX (6) Councilors present voted in the affirmative; BOZARTH voted in opposition; LILLARD was absent excused.

AGENCY DISCUSSION

BOZARTH asked when Brickyard Lanes would receive their progress payment, to which STROPE stated that once he had the amended agreement put together and both Gary and Kathy Kiesecker could come in to sign, the check would be available. He estimated sometime next week.

DISTRICT MANAGER COMMENTS

None

AGENCY MEMBER COMMENTS

None

ADJOURN

There being no further business to come before this Regular Session of the Agency, Mayor CLEMENTS adjourned the meeting at 7:53 p.m.

ATTEST:

APPROVED:

Stacey M. Stockhoff
Assistant to the District Manager

Stephen E. Clements
Mayor

APPROVED: _____

CITY of LA GRANDE
URBAN RENEWAL AGENCY ACTION FORM

Agency Meeting Date: May 4, 2022

PRESENTER: Robert Strope, District Manager

AGENCY ACTION: **CONSIDER RESOLUTION CONFIRMING AUTHORITY TO ACCEPT OFFERS AND SELL PROPERTY AT THE LA GRANDE BUSINESS AND TECHNOLOGY PARK**

- 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 proposed Resolution authorizing the District Manager to accept offers and sell Agency property located at the La Grande Business and Technology Park be Read by Title Only, Put to a Vote, and Passed.

- 5. MAYOR: Ask the City Recorder to Read the Resolution by Title Only
- 6. MAYOR: Invite Additional Agency Discussion
- 7. MAYOR: Ask for the Vote

EXPLANATION: The Urban Renewal Agency owns property at the La Grande Business and Technology Park, including the property at 3003 Blue Mountain Drive. The Agency has established listing prices for each Agency owned property. To facilitate the sale of Agency properties, the attached Resolution would allow the District Manager to accept offers which are at or above the listing price, provided there are no competing offers. In the case of offers below the listing price, or if more than one offer is received, the Agency would be asked to make decisions regarding the sale. Currently the District Manager has accepted a full-price offer on the above property with a closing date of May 9, 2022. The Agency was informed of this offer and the acceptance. The City Attorney was consulted regarding the Resolution and confirmed this would be an acceptable action by the Agency.

District Manager Strope recommends the Agency pass the Resolution 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 of LA GRANDE URBAN RENEWAL AGENCY
RESOLUTION NUMBER _____
SERIES 2022**

**A RESOLUTION OF THE CITY OF LA GRANDE URBAN RENEWAL AGENCY, UNION
COUNTY, OREGON CONFIRMING THE AUTHORITY TO ACCEPT OFFERS AND SELL
AGENCY PROPERTY AND DECLARING AN EFFECTIVE DATE**

WHEREAS, the City of La Grande Urban Renewal Agency, owns real property at the La Grande Business and Technology Park; and,

WHEREAS, the City of La Grande Urban Renewal Agency, has established listing prices for each Agency owned property in consultation with a listing Real Estate Agent; and,

WHEREAS, the City of La Grande Urban Renewal Agency desires to authorize the District Manager to accept any offers to purchase property at or above the Agency established listing prices for Agency owned property provided there are no competing offers; and,

WHEREAS, the City of La Grande Urban Renewal Agency has an offer pending on property located at 3003 Blue Mountain Drive, Map: 03S38E16AB TL:500, La Grande, Oregon, 97850; Union County Reference No. 18077,

NOW, THEREFORE, BE IT RESOLVED, by the City of La Grande Urban Renewal Agency that:

District Manager Robert A. Strobe is authorized by the Agency to accept offers and execute all required documentation for the sale of Agency owned property located at the La Grande Business and Technology Park including but not limited to the property located at 3003 Blue Mountain Drive, Map: 03S38E16AB TL:500, La Grande, Oregon, 97850; Union County Reference No. 18077.

This authority shall be limited to offers at or above the Agency established listing prices when there are no competing offers.

This authority remains in effect until rescinded by the Agency.

PASSED and EFFECTIVE ON this Fourth (4th) Day of May, 2022, by _____ (____) of _____ (____) Agency Members present and voting in the affirmative.

Stephen E. Clements, Mayor

Gary Lillard, Mayor Pro Tem

John Bozarth, Agency Member

David Glabe, Agency Member

Nicole Howard, Agency Member

Mary Ann Miesner, Agency Member

Justin Rock, Agency Member

ATTEST:

Stacey M. Stockhoff
Assistant to the District Manager