

**WALDPORT URBAN RENEWAL AGENCY
OCTOBER 12, 2017
MEETING NOTICE AND AGENDA**

THE WALDPORT URBAN RENEWAL AGENCY WILL MEET ON THURSDAY, OCTOBER 12, 2017 AT 2:00 P.M. IN THE CITY COUNCIL MEETING ROOM, 125 ALSEA HIGHWAY TO TAKE UP THE FOLLOWING AGENDA:

1. ROLL CALL
2. CITIZEN COMMENTS AND CONCERNS
3. AGENCY MEMBER COMMENTS AND CONCERNS
4. MINUTES: *July 13, 2017*
5. DISCUSSION/ACTION ITEMS:
 - A. *Consideration of Resolution Implementing Commercial Improvement Loan/Grant Program*
 - B. *Other Issues*
6. ADJOURNMENT

The City Council Meeting Room is accessible to all individuals. If you will need special accommodations to attend this meeting, please call City Hall, 264-7417, during regular business hours.

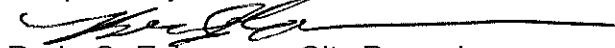
Notice given this 6th day of October, 2017

Reda Q. Eckerman, City Recorder

WALDPORT URBAN RENEWAL AGENCY
JULY 13, 2017
MEETING MINUTES

1. CALL TO ORDER AND ROLL CALL: Chair Woodruff called the meeting to order at 3:46 p.m. Chair Woodruff and Agency Members Warwick, Dunn, Christenson, Cutter and Holland answered the roll. Agency Member O'Brien was excused. A quorum was present.
2. CITIZEN COMMENTS AND CONCERNS: None.
3. AGENCY MEMBER COMMENTS AND CONCERNS: None.
4. MINUTES: The Agency considered the minutes from the June 8, 2017 meeting. Mr. Christenson **moved** to approve the minutes as presented. Ms. Woodruff **seconded**, and the motion **carried** unanimously.
5. DISCUSSION/ACTION ITEMS:
 - A. Commercial Improvement Loan/Grant Program: Mr. Kemp explained the proposed program, noting that the Urban Renewal Agency and the Budget Committee had previously approved allocating \$50,000 in remaining Urban Renewal #1 funds for a commercial facade improvement program. The proposal was to offer financial assistance to upgrade business storefronts in the downtown area, in an amount of \$2,500 to \$5,000, subject to the availability of funds, with larger amounts possibly approved on a case-by-case basis. The recipient would provide matching funds equal to or greater than the loan amount, and the term of the loan would be up to five years with zero percent interest. He suggested consideration that if the improvements were completed within six months of funding, the loan could be forgivable, which would encourage work to be done in a timely manner. Discussion ensued regarding loan amounts, eligible areas and entities, time frame for payback, and whether or not the loan would be forgivable. Mr. Cutter **moved** to create a revolving loan program, reducing the term of the loan to three years with no forgivability, requiring property owner consent, and expanding the area to include the entire downtown district. Mr. Christenson **seconded**. Following further discussion, Mr. Cutter **amended** his motion to lower the dollar amount of the loan to \$1000. Ms. Warwick **seconded** the amendment, which then **carried** unanimously. The main motion, as amended, then **carried** unanimously.
 - B. Consideration of Resolution Amending Budget for FY 2017/2018: Mr. Cutter **moved** to approve Resolution 17-02. Ms. Warwick **seconded**, and the motion **carried** unanimously.
6. ADJOURNMENT: At 4:09 p.m., there being no further business to come before the Agency, the meeting was adjourned.

Respectfully submitted,


Reda Q. Eckerman, City Recorder

APPROVED by the Waldport Urban Renewal Agency this ____ day of _____, 20__.
SIGNED by the Chair this ____ day of _____, 20__.

Susan Woodruff, Chair



URBAN RENEWAL AGENCY MEETING

AGENDA

COVER SHEET FOR DISCUSSION / ACTION

TITLE OF ISSUE: Commercial Improvement Loan/Grant Program

REQUESTED BY: City Manager

FOR MEETING DATE: October 12, 2017

SUMMARY OF ISSUE:

The Urban Renewal Agency and Budget Committee approved allocating \$50,000 in remaining Urban Renewal #1 funds for a commercial façade improvement program, and approved program parameters at its meeting on July 13, 2017. This request is to consider modifying the parameters, and then formalize the program in a resolution.

STAFF RECOMMENDATION or ACTION REQUESTED:

Approve Resolution for Commercial Rehabilitation Loan Program, with or without modifications.

BACKGROUND:

The Urban Renewal Agency ("Agency") approved allocating \$50,000 for commercial façade improvements. Since Agency approval in July, we met with two potential borrowers, however no formal agreements have been made. Staff is concerned that there will continue to be minimal interest given the current criteria that is in place. Below are approved criteria, as well as a description of and reasoning behind proposed changes:

Purpose: The Agency is offering financial assistance to upgrade business storefronts in the downtown area. The Agency hopes to encourage private investment, attract new and expanding businesses, achieve visual improvements, and improve the community's economic well-being.

Amount: The loan will be from \$1,000 to \$5,000, subject to eligibility and availability of funds. Larger amounts may be approved on a case-by-case basis, subject to Agency approval.

[STAFF RECOMMENDATION: Increase to \$2,000. The original criteria presented in July had a \$2,500 minimum. In order to have a greater impact (quality vs. quantity), the funding threshold should be increased. Doubling the amount would mean a maximum of 25 rather than 50 participants, and would help minimize administrative costs.]

Match: The recipient will provide matching funds equal to or greater than the loan amount.

Term/Interest: Up to three years with zero percent interest, with recipient signing a Promissory Note. Loan subject to being callable (less any amounts paid) if work is not commenced within one year of loan funding, if the building remains vacant more than one year after loan funding, or if the property is sold during the term of the loan.

[STAFF RECOMMENDATIONS: Loan may be forgivable if work is completed within six months of funding. There should be a persuasive incentive to show immediate results. By setting up a revolving loan fund without a source of new revenue or a larger pot of initial seed money, the program will entail greater administrative costs without a large or sustainable impact. Also, if the minimum threshold is increased, consider a maximum four year term.]

Fees: No application fee.

Targeted Properties/Area: The targeted properties are commercial and retail properties in the former Urban Renewal Area #1 (see attached map).

Eligible Applicants: For-profit or non-profit operating businesses (new or existing) seeking to locate or expand (with landlord/property owner's written consent), or property owners, with a lien on the property. If the property is vacant the owner needs a reuse plan approved by the City.

Eligible Uses: Improvement to existing facades, including windows, doors, walls, roof, foundation, paint, awnings, signage, light fixtures, etc.; upgrades to bring existing buildings into compliance with current codes (correcting existing violations); off-site improvements that are a requirement of a city-approved development plan; soft costs (professional fees, consultant studies, property reports, etc.) related to eligible uses (not to exceed 20% of the loan amount).

Use Provision: Properties are subject to recordation of a lien or deed of trust placed against the property for the duration of the loan, including provisions that uses and conditions of the property are adequately maintained.

Project Evaluation: Projects seeking funding shall demonstrate a reasonable level of feasibility and impact on improving the economic viability of the downtown area. Applicants and projects will be evaluated in the context of meeting criteria in the areas of feasibility, project impact, public benefit, meeting downtown district design guidelines, quality, and significance.

Process: Funds will be made available on a first come, first served basis. The intent is to make the process relatively straightforward and non-labor intensive, so that projects can be quickly initiated and completed.

Attachments: Resolution No. _____
Urban Renewal Project #1 Map

WALDPOR T URBAN RENEWAL AGENCY RESOLUTION #17-03

A RESOLUTION ESTABLISHING A FACADE IMPROVEMENT COMMERCIAL REHABILITATION LOAN PROGRAM IN THE CITY OF WALDPOR T

WHEREAS, the Waldport Urban Agency and Budget Committee approved allocating Urban Renewal #1 funds for a commercial facade improvement program in the hope that it will encourage private investment, attract new and expanding businesses, achieve visual improvements, and enhance the community's economic well-being; and

WHEREAS, the Policies and Procedures that control the administration of the Facade Improvement Commercial Rehabilitation Loan Program are attached hereto as Exhibit 1 and made a part hereof;

NOW, THEREFORE, BE IT RESOLVED BY THE WALDPOR T URBAN RENEWAL AGENCY BOARD AS FOLLOWS:

SECTION 1. The foregoing recitals of fact are incorporated by reference as though fully set forth herein.

SECTION 2. The Facade Improvement Commercial Rehabilitation Loan Program attached hereto as Exhibit 1 and made a part hereof shall be and is hereby established.

SECTION 3. The Facade Improvement Commercial Rehabilitation Loan Program shall be implemented as funds are budgeted and available.

PASSED AND ADOPTED by the Waldport Urban Renewal Agency this _____ day of _____, 2017.

Susan Woodruff, Chair

ATTEST:

Reda Eckerman, City Recorder

EXHIBIT 1

WALDPORT URBAN RENEWAL AGENCY FACADE IMPROVEMENT COMMERCIAL REHABILITATION LOAN PROGRAM

1. Purpose. The purpose of the Facade Improvement Commercial Rehabilitation Loan Program (Program) is to provide financial assistance and encourage exterior site and facility improvements that enhance the character and aesthetics of the former Urban Renewal Area #1.

2. Eligible Establishments. For-profit or non-profit operating businesses (new or existing) seeking to locate or expand (with landlord/property owner's written consent), or property owners, with a lien on the property. If the property is vacant, the owner needs a reuse plan approved by City staff.

3. Funding. The Program is funded with revenues from the Urban Renewal District #1 funds. Applicants receiving funds will be required to provide a minimum of 50% of the total project costs of the improvements. Grants are limited to between \$1000 and \$5000, subject to eligibility and availability of funds. Larger amounts may be approved on a case-by-case basis, subject to Agency approval.

4. Eligible Improvements. The Program is intended as a public/private partnership designed as an incentive to encourage businesses to create an enhanced environment that complies with the City's Development Code guidelines. All applications must meet this overall standard.

The following are examples of the types of improvements eligible for funding:

- * Improvement to existing facades, including windows, doors, walls, roof, foundation, paint, awnings, signage, light fixtures, etc.;
- * Upgrades to bring existing buildings into compliance with current codes (correcting existing violations)
- * Off-site improvements that are a requirement of a city-approved development plan
- * Soft costs (professional fees, consultant studies, property reports, etc.) related to eligible uses (not to exceed 20% of the loan amount)

The following are examples of the types of improvements that are ineligible for funding:

- * Building and site maintenance costs.
- * Improvements to sewer or water main hookups.
- * Installation of fire alarms and fire suppression systems.
- * Painting that is not specifically associated with an eligible improvement project.

5. Project Evaluation. Projects seeking funding shall demonstrate a reasonable level of feasibility and impact on improving the economic viability of the downtown area. Applicants and projects will be evaluated in the context of meeting criteria in the areas of feasibility, project impact, public benefit, meeting Development Code guidelines, quality, and significance.

6. Loan Terms and Application Process:

Term/Interest of Loan: Up to three years with zero percent interest, with recipient signing a Promissory Note. Loan subject to being callable (less any amounts paid) if work is not commenced within one year of loan funding, if the building remains vacant more than one year after loan funding, or if the property is sold during the term of the loan.

Use Provision: Properties are subject to recordation of a lien or deed of trust placed against the property for the duration of the loan, including provisions that uses and conditions of the property are adequately maintained.

Fees: No application fees.

Approval: Funds will be made available on a first come, first served basis. Applications will be considered and approved administratively, unless the applicant is requesting a loan amount greater than \$5000.

Appeal: Applicants may appeal a denial, if desired. The appeal will be forwarded to the Waldport Urban Renewal Agency for a final decision.