

CITY OF SILVERTON

URBAN RENEWAL AGENCY REGULAR MEETING – 6:30 p.m., October 15, 2018

Silverton Community Center – Council Chambers – 421 S. Water St., Silverton, OR

American with Disabilities Act (A.D.A.) – The City of Silverton intends to comply with the A.D.A. The meeting location is accessible to individuals needing special accommodations such as a sign language interpreter, headphones, or other special accommodations for the hearing impaired. To participate, please contact the City Clerk at 503-874-2216 at least 48 hours prior to the meeting.

A copy of the packet and materials, are available for review Monday through Friday 8:00 am to 5:00 pm in the City Manager's Office at the Silverton City Hall, located at 306 South Water Street. All documents will be available on our website at www.silverton.or.us.

AGENDA

- I. **OPENING CEREMONIES: Call to Order, Pledge of Allegiance & Roll Call**
- II. **PUBLIC COMMENT** – Items not on the agenda
- III. **APPROVAL OF MINUTES** – Minutes from the meetings held on June 19, 2017, August 7, 2017, and October 1, 2018
- IV. **DISCUSSION**
 - 4.1 **Bid Award for Year-Round Lighting of Downtown Trees Utilizing Urban Renewal Funds**
- V. **ADJOURNMENT**

1 CITY OF SILVERTON
2 **URBAN RENEWAL AGENCY MINUTES**

3 **Silverton Community Center – Council Chambers – 421 South Water St.**

4
5 **Date: June 19, 2017 at 6:30 p.m.**

6
7 **I. OPENING CEREMONIES – Call to Order, Pledge of Allegiance & Roll Call**

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9 Chairman Palmer called the meeting to order at 6:30 p.m.

Present	Absent	
X		Chairman Kyle Palmer
X		Jason Freilinger
	Excused	Laurie Carter
X		Jim Sears
X		Dana Smith
X		Matt Plummer
X		Rhett Martin

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27 Staff Present:

28 Agency Director Christy Wurster; Community Development Director, Jason Gottgetreu; Finance Director,
29 Public Works Director Christian Saxe; Police Captain, Jim Angelmier; Administrative Services Director,
30 Dianne Hunt; and Finance Director, Kathleen Zaragoza

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32 **II. PUBLIC COMMENT**

33
34 There were no comments.

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36 **III. APPROVAL OF MINUTES – None submitted.**

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38 **IV. DISCUSSION**

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40 **4.1 Bid Award for Year-Round Lighting of Downtown Trees utilizing Urban Renewal Funds**

41 Community Development Director Jason Gottgetreu said that there were two bids submitted for
42 installation of lights on the downtown trees. The first bid was in the amount \$25,425 and the second was
43 in the amount of \$16,822.25. Staff is recommending the low bid, which includes an additional 50 feet of
44 lighting per tree. The low bidder was Hollywood Lights out of Portland. He indicated that Northside
45 Electric will install electrical outlets on four of the buildings adjacent to the lights. The City has received
46 approval from the business owners impacted.

47
48 Agency Director Christy Wurster said that the proposal is to pay for the project out of the Urban Renewal
49 Agency in total. She also recommended that if Council is considering adding additional trees to the scope
50 of work, they should include that in the motion. Council discussed utilizing Transient Occupancy Tax
51 (TOT) dollars to help pay for the installation. Finance Director Kathleen Zaragoza explained that if Council
52 does want to utilize TOT money for this project they would have to wait until next fiscal year to do an
53 interfund loan. Member Palmer indicated when the TOT Committee met they had agreed to contribute
54 \$5,000 per year towards this project.

1 Member Sears moved to approve the contract with Hollywood Lights, Inc. as recommended by staff with a
2 contingency in the amount of \$2,461 in order to add an additional 50 feet of lights per tree. The money
3 will be taken out of the Urban Renewal Agency (URA) budget as a loan to be paid back from TOT in the
4 amount of \$5,000 per year for at least three years. If the loan cannot go longer than three years, then the
5 URA would cover the rest of the money. Member Smith seconded the motion. There was no discussion
6 and the motion passed unanimously.
7

8 **4.2 Building Improvement Grant Request – Main Street Townhomes 408-414 E Main Street**

9 Community Development Director Jason Gottgetreu explained that this is a grant request for 408-414
10 East Main Street. This is a townhome project by 412 East Main St LLC redeveloping 412 East Main
11 Street where an old farmhouse once existed. The overall project is to remove the old structure, adjust the
12 property lines, partition into four separate tax lots, and construct two attached homes. There would be
13 four new dwellings each on their own tax lot. Mr. Gottgetreu reviewed the Urban Renewal Goals and
14 Objectives and explained how this project fits into those. He also described the approved reimbursable
15 expenses. The project site is within the Downtown Commercial Fringe Zoning District. The program is
16 designed to encourage investment and updates to commercial property by encouraging new building
17 within the Silverton Urban Renewal District and new buildings are an eligible project. The project will
18 increase the assessed value on this site by \$701,940 over the previous use of the site.
19

20 Director Gottgetreu reviewed the application, which was for \$75,000, however, the kitchen appliances do
21 not appear to meet the definition of an eligible expense. This resulted in a reduction to the project cost
22 leaving a grant match in the amount of \$62,425. Additional work has been completed on the site since the
23 Silverton Urban Renewal Advisory Committee (SURAC) has met, meaning that the remaining eligible
24 costs do not exceed the threshold for a \$50,000 or greater request at the 2:1 match. The applicant has
25 asked to reduce the request up to \$50,000 which would mean that expenses would be reimbursed at a
26 1:1 match. Only expenses after approval would be eligible to be submitted to the City. The SURAC
27 reviewed the application and recommended 4-3 to approve the request.
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29 The Agency discussed the concept of using Urban Renewal funds on buildings that are going to be
30 strictly residential and if that is the purpose of the fund.
31

32 Ryan Fischer and Brandon Koger, 412 East Main St LLC. Mr. Fischer explained that prior to purchasing
33 the existing farmhouse they met with Mr. Gottgetreu regarding the possibility of using URA funds for this
34 project. He said that their goal with this project is to help keep Silverton's downtown vibrant and add value
35 back into the community. Mr. Fischer acknowledged that he should have submitted the application
36 sooner. Mr. Fischer explained the outstanding costs still associated with the project.
37

38 The Agency discussed the eligibility of the project and how it fits into the Urban Renewal Program.
39 Member Freilinger explained the thought process behind the SURAC approval of the project and the
40 importance of having customers in the downtown, as well as the need for more density in the area.
41

42 Stacy Palmer, 404 Eureka Ave. Ms. Palmer is a member of the SURAC and assisted in writing the Urban
43 Renewal Plan for the City. She said that downtown housing, whether it is located above a retail business
44 or not, has always been part of the plan, because it increases foot traffic downtown. This application is
45 unique due to being located in the commercial fringe, but it meets the criteria.
46

47 The Agency reviewed the eligibility criteria for funding and expressed their thoughts on if it meets the
48 criteria. Member Freilinger made a motion to accept the SURAC recommendation to approve the modified
49 grant application for up to \$50,000. Member Plummer seconded the motion. The motion failed with
50 Members Sears, Smith, and Palmer voting nay.
51

52 **V. PUBLIC HEARING** – A public hearing giving citizens an opportunity to comment on the approved 53 budget for Fiscal Year 2017-2018 54

55 Chairman Palmer opened the public hearing giving citizens an opportunity to comment on the FY 2017-
56 2018 URA Budget at 7:48 p.m.

1 Vince Till, 1301 N. Water Street. Mr. Till has worked with the Silverton Mural Society for 23 years and he
2 gave a brief background of the Society. He said that there are 30 murals in Silverton and they all need to
3 be maintained and cared for. He explained the annual maintenance process. Last year the Society
4 requested \$6,000 to help with the annual maintenance cost. Mr. Till thought that was going to be an
5 ongoing commitment by the URA, however, that is not the case. He explained the tourism and
6 educational benefits that the murals provide. So tonight he is requesting \$6,000 from the Agency to help
7 with the ongoing maintenance costs. After discussion the Agency recommended that this item be
8 discussed at the overall City Budget hearing during the Special City Council meeting taking place directly
9 after this meeting.

10
11 Member Sears made a motion to close the public hearing. Member Freilinger seconded the motion. There
12 was no discussion and Chairman Palmer closed the public hearing at 8:05 p.m.

13
14 **5.1 Resolution No. 2017-05 – A resolution to adopt the Budget for Fiscal Year 2017-2018, declare**
15 **tax increment, and make appropriations**

16 Member Sears made a motion to approve Resolution No. 2017-05, adopting the Budget in the amount of
17 \$1,104,270 for Fiscal Year 2017-2018, declare tax increment, and make appropriations as shown and
18 declare to levy the maximum amount of tax increment. Member Freilinger seconded the motion. There
19 was no discussion and the motion passed unanimously.

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21 **VI. ADJOURNMENT**

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23 The meeting adjourned at 8:08 p.m.

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25 Respectfully submitted by:

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28 /s/Angela Speier, Assistant to the City Manager/City Clerk

1 CITY OF SILVERTON
2 **URBAN RENEWAL AGENCY MINUTES**

3 **Silverton Community Center – Council Chambers – 421 South Water St.**

4
5 **August 7, 2017 6:00 p.m.**

6
7 **I. OPENING CEREMONIES – Call to Order, Pledge of Allegiance & Roll Call**

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9 Chairman Palmer called the meeting to order at 6:00 p.m.

Present	Absent	
X	_____	Chairman Kyle Palmer
X	_____	Jason Freilinger
X	_____	Laurie Carter
X	_____	Jim Sears
X	_____	Dana Smith
X	_____	Matt Plummer
X	_____	Rhett Martin

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27 Staff Present:

28 Agency Director Christy Wurster; Community Development Director Jason Gottgetreu; Public Works
29 Director Christian Saxe; and City Clerk, Lisa Figueroa

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31 **II. PUBLIC COMMENT**

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33 There were no comments.

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35 **III. APPROVAL OF MINUTES**

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37 Member Carter moved to approve the minutes of the Urban Renewal Agency held on April 17, 2017.
38 Member Plummer seconded the motion. There was no discussion and the motion passed unanimously.

39
40 **IV. DISCUSSION/ACTION**

41
42 **4.1 Façade Improvement and Building Improvement Grant Request – MC Properties, 403 Lewis
43 Street**

44 Community Development Director Jason Gottgetreu said that before the Agency is a façade improvement
45 and building improvement grant request for 403 Lewis Street. He said that building was constructed in
46 1946 and is located in the Downtown Commercial Fringe Zoning District and not part of the Historic
47 District. The façade grant would fund the replacement of two overhead doors with storefront inserts and
48 replace three additional roll up doors. It would also include the removal of broken windows, the concrete
49 in front of the building will be repaired, and both the inside and outside will be repainted and sealed. The
50 interior would include the creation of two ADA compliant bathrooms, the HVAC would be replaced and the
51 electrical system would be upgraded to meet current code standards. They will also add new concrete
52 footings for steel roof beams, repair the concrete slab, and replace the roof. This will create two rentable
53 spaces where there is currently only one.
54

1 The request for the façade improvement is for a \$20,000 grant which requires a \$20,000 private match.
2 Mr. Gottgetreu indicated that the proposal will have a positive impact of the aesthetic appearance of the
3 building and the streetscape as a whole. This building is a nonconforming use and these upgrades would
4 change the design of the building to have more retail character. The building improvements are to
5 upgrade the building from a vehicle repair use to a retail space and meet current building code. This is an
6 opportunity to discontinue the nonconforming use and turn the space into a permitted use. The building
7 improvement grant request is for \$50,000 which requires a \$50,000 match.
8

9 The Silverton Urban Renewal Advisory Committee (SURAC) met on July 24, 2017 and recommends that
10 the URA approve the \$20,000 façade improvement request and the \$50,000 building improvement
11 request. Member Smith asked if the removal of the windows facing MAPS Credit Union would be an
12 eligible expense, since it is not a street facing improvement. If the windows are not eligible they would still
13 meet the match requirements.
14

15 Applicants: Morry, Cindy, and Matt Jones, 767 Woodland Drive. Mr. Jones explained the planned
16 improvements to the façade. Community Development Director Gottgetreu indicated normal maintenance
17 is allowed on the existing building. He also explained the parking standards. Matt Jones indicated that
18 they are planning on putting a cross fit gym in the location.
19

20 Member Sears made a motion that the Silverton Urban Renewal Agency approve funding for up to
21 \$20,000 for façade improvements and up to \$50,000 for building improvements for 403 Lewis Street.
22 Member Smith seconded the motion. There was no discussion and the motion passed unanimously.
23

24 **4.2 Reapplication 105 North Water Street Building Improvement and Façade Improvement Grant**

25 Member Smith recused herself from the discussion because she has ownership in one of the businesses.
26

27 Community Development Director Gottgetreu explained that 105 North Water Street requested and was
28 approved for a building improvement and façade improvement grant in June 2016. Since the approval the
29 property owner incurred unforeseen problems that prevented the timely completion of the project. There
30 is a letter in the packet that explains the circumstances. He indicated that grant requests are valid for a
31 year. In addition, the property owner formed a limited liability company and has transferred ownership of
32 the property to the LLC. For the grant funding to remain available for the project, a reapplication is
33 necessary. The building improvements would bring the building into compliance with the Historic
34 Downtown Commercial Design Standards. The proposed building improvements are to install new ADA
35 unisex bathrooms, install a new back wall along the creek with new windows. They will also install a
36 commercial grade vinyl floor, new HVAC system, and add another exit door which increases the overall
37 occupancy of the structure.
38

39 Mr. Gottgetreu said that the SURAC recommends that the URA approve the funding up to \$40,000 with a
40 1:1 match for façade improvements, but deny the building improvement request. The SURAC determined
41 that since the building is vacant and will be looking for a new tenant, that the interior improvements are
42 not timely given the wide range of potential uses and uncertainty of who will eventually locate on the site.
43

44 Applicant Tricia Moore and the Construction Manager John Lackey. Ms. Moore explained the process to-
45 date and why the reapplication had to occur. Mr. Lackey explained that when the building was originally
46 built that standards allowed for lighter loads and he explained the structural issues that are occurring. Ms.
47 Moore said that their plan is to renovate the façade and improve the structural integrity of the building
48 after the façade is complete. Once that is finished the interior will be opened up and ready for a new
49 tenant. Mr. Lackey said the façade and the interior do not need to be completed simultaneously.
50

51 The Agency discussed the funding requests and what improvements would be eligible for the grant. Ms.
52 Moore indicated that the property is for sale and the purchase price included the possible improvements if
53 the URA grant is awarded. She said the plan is to move forward with improvements to the building.
54 Member Freilinger said that he does see the value in updating the building to its historical character. He
55 explained the thought process behind the SURAC to fund only the façade improvement and why he voted
56 against the project.

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2 Member Carter moved to approve the recommendation from SURAC and fund the \$40,000 grant request
3 for façade improvements. The motion died due to the lack of a second.
4

5 Member Sears moved to approve up to \$20,000 for a façade improvement and up to \$50,000 for building
6 improvements to address the structural integrity. Member Carter seconded the motion. The Agency
7 discussed the motion and the lack of a business plan since the owner is planning on selling the building.
8 The motion failed 2-4 with Members Plummer, Palmer, Freilinger, and Martin voting nay. Member Smith
9 abstained from the motion.

10
11 Member Freilinger moved to approve a \$20,000 Façade Improvement Loan and a \$50,000 Building
12 Improvement Loan, with the caveat that the improvements would be structural only. Member Carter
13 seconded the motion. Ms. Moore indicated that she would not be able to say yes or no to a loan at this
14 time. There was no further discussion and the motion passed unanimously 6-0, with Member Smith
15 abstaining.
16

17 **4.3 Urban Renewal Agency Advisory Committee Recommendations**

18 Public Works Director Christian Saxe explained that one of the goals for the SURAC is to develop a
19 Downtown Infrastructure Plan to bring to the URA. As part of that plan staff researched the cost estimates
20 to complete an infrastructure upgrade to the downtown core. Mr. Saxe said that while researching the
21 possible upgrades, there are a number of assessments that must occur in order to come up with a solid
22 number. Those assessments are listed in the staff report, the SURAC voted unanimously to bring forward
23 a recommendation to the URA to approve a not to exceed amount of \$100,000 for those assessments.
24 He explained that the biggest unknown is the 20 coal chutes located throughout downtown, but all the
25 assessments would have to occur prior to making any infrastructure upgrades downtown. Staff explained
26 other possible funding sources for the assessments. Community Development Director Gottgetreu said
27 that if these assessments are approved and an adjustment to the URA budget will likely be necessary.
28

29 Member Freilinger made a motion to authorize the URA to instruct staff to move forward with the
30 recommended assessments not to exceed \$100,000. Member Smith seconded the motion. The Agency
31 discussed the projects listed. There was no further discussion and the motion passed 6-1, with Member
32 Sears voting nay.
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34 **V. ADJOURNMENT**

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36 The meeting adjourned at 7:26 p.m.

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38 Respectfully submitted by:

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41 /s/Angela Speier, Assistant to the City Manager/City Clerk
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1 CITY OF SILVERTON
2 **URBAN RENEWAL AGENCY MINUTES**

3 **Silverton Community Center – Council Chambers – 421 South Water St.**

4
5 **Date: October 1, 2018 at 6:00 p.m.**

6
7 **I. OPENING CEREMONIES – Call to Order, Pledge of Allegiance & Roll Call**

8
9 Chairman Palmer called the meeting to order at 6:00 p.m.

Present	Absent	
X	_____	Chairman Kyle Palmer
X	_____	Jason Freilinger
X	_____	Laurie Carter
X	_____	Jim Sears
X	_____	Dana Smith
X	_____	Matt Plummer
X	_____	Rhett Martin

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27 Staff Present:

28 Agency Director Christy Wurster; Community Development Director, Jason Gottgetreu; Finance Director,
29 Kathleen Zaragoza; Assistant to the City Manager/HR Coordinator, Elizabeth Gray; and Assistant to the
30 City Manager/City Clerk, Angela Speier

31
32 **II. PUBLIC COMMENT**

33 Robert Knodel, 210 Jefferson Street. Mr. Knodel would like to know if it would be possible to move the
34 Urban Renewal District area to Jefferson Street. He is the owner of Silver Creek Auto Body and is looking
35 at updating the outside façade, as well as the interior of building. Being the first business coming into
36 Silverton it would help make the entrance into town look a lot nicer. Community Development Director
37 Jason Gottgetreu explained that this property is currently included in the proposed expansion area, but it
38 will need to be approved by the Planning Commission, and then it will go to the Silverton Urban Renewal
39 Advisory Committee for their recommendation. From there it will be reviewed by the Urban Renewal
40 Agency and then City Council for final approval. The plan is for City Council to consider it at their January
41 meeting.

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43 **III. APPROVAL OF MINUTES**

44 Member Freilinger moved to approve the minutes from the meeting held on September 10, 2018. Member
45 Sears seconded the motion. There was no discussion and the motion passed unanimously.

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47 **IV. DISCUSSION**

48
49 **4.1 Complex Two Forgivable Loan Review**

50 Community Development Director Gottgetreu explained that Complex Two received funding from the
51 Silverton Urban Renewal Agency (SURA) to relocate their business from 401 Oak Street to 110 South
52 Second Street in 2014. They were awarded a \$65,000 forgivable loan to make upgrades to the building
53 and increase employment. Part of the agreement is that the owner and tenant must receive approval from
54 SURA for any changes to the project. A third office space was added to the original scope of work which

1 has been completed. Mr. Gottgetreu reviewed the criteria in the agreement and said that if prorated, the
2 threshold of employees has been met by the owner of Compex Two prior to the five year mark. The
3 request is for the agency to review and approve the forgiveness of the loan prior to the end of first five
4 years, as stipulated in the agreement, so a sale of the business can be completed. Mr. Gottgetreu
5 reviewed other options for the URA to consider if they didn't want to forgive the total loan amount.
6

7 Mike Wellman, 103 S. 1st Street. Mr. Wellman owns the physical building that Compex Two is located in.
8 He indicated that all the elements of the agreement have been met. He explained that the new owner is
9 expanding his current business and that they are negotiating a lease for the property, but he is unsure
10 about what the forgivable loan is and what it means. Every other aspect of the lease has been agreed
11 upon.
12

13 Member Carter moved to forgive the \$65,000 forgivable loan prior to the end of the first five years
14 contingent on the signing of a one-year lease agreement by the new owner. Member Plummer seconded
15 the motion. There was no discussion and the motion passed unanimously.
16

17 **4.2 Appointment to the Silverton Urban Renewal Advisory Committee (SURAC)**

18 Member Freilinger moved to appoint Bill Miles to the SURAC for a term expiring on August 31, 2021.
19 Member Sears seconded the motion. There was no discussion and motion passed unanimously.
20

21 Agency Director Christy Wurster announced that there will be a special meeting of the URA on Monday,
22 October 15, 2018 in order to award the contract for the downtown tree lighting. The meeting will begin at
23 6:00 p.m.
24


25 **V. ADJOURNMENT**

26
27 Member Freilinger moved to adjourn. Member Smith seconded the motion and the meeting adjourned at
28 6:33 p.m.
29

30 Respectfully submitted by:
31
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33 /s/Angela Speier, Assistant to the City Manager/City Clerk

**SILVERTON URBAN RENEWAL AGENCY STAFF REPORT
TO THE HONORABLE BOARD OF DIRECTORS**

	Agenda Item No.:	Topic:
	4.1	Bid Award for Year-Round Lighting of Downtown Trees utilizing Urban Renewal funds
	Agenda Type:	
	Discussion	
	Meeting Date:	
October 15, 2018		
Prepared by:	Reviewed by:	Approved by:
Petra Schutz	Christy S. Wurster	Christy S. Wurster

Recommendation:

Motion authorizing the Agency Director to award the bid to Christmas Decor (C & D Landscape) in the sum of \$20,650.00 for lighting 21 European Hornbeam trees in the downtown core utilizing Urban Renewal funds. This includes sockets, bulbs, extension cords, equipment and a maintenance component. A 15% contingency is recommended.

Background:

The Urban Renewal Agency (URA), City Council and City staff implemented a downtown street lighting project in 2017 after a 2016 recommendation from the Tourism Promotion Committee. The City will provide three annual payments in the sum of \$5,000 from Transient Occupancy Tax funds to the URA to pay for the first \$15,000 in expenditures. The first payment of \$5,000 is budgeted this fiscal year.

Ultimately, there were maintenance issues associated with the previous lighting product. As a result, the City posted another Request for Proposal (RFP) for 2018. The RFP was issued September 18th and closed September 27th. C & D Landscape was the lowest bidder and was able to offer solid efficiency measures to address previous issues. C & D Landscape will provide year-round maintenance of the lights. The first year will be covered by warranty. This one year period will cover troubleshooting any non-working or malfunctioning light strands, timer sensors, and extension cords. With C & D's Service One program, maintenance is included in the price. They will conduct proactive service visits throughout the holiday season to make sure the program looks like it did the day it was installed. This period will also be used to analyze any estimated annual maintenance costs moving forward.

Budget Impact	Fiscal Year	Funding Source
\$23,747.50	2018-2019	URA – 100-50-7700

Attachments:

1. Map identifying types of trees and locations.
2. Quote Tally sheet.

Attachment 1 to Agenda Item No. 4.1



Attachment 2 to Agenda Item No. 4.1

**PN 984 Downtown Tree Lighting
Quote Tally**

9/27/2018

	Company	Total
1	Christmas Décor - C & D Landscape	\$20,650.00
2	Christmas Lighting Guys - Salem	\$34,426.45

Apparent Low Quote: C & D Landscape