

Member Carter asked if a study has been done to determine how much office space Silverton needs. Director Gottgetreu said the City has not performed a study. Member Carter said in the draft minutes from the SURAC meeting the members stated Silverton has a greater need for residential space over commercial space right now and wondered how they determined that need. Director Gottgetreu said the members were likely relying on their personal and professional insight.

Member Smith made a motion to deny the application and follow the recommendation of the SURAC. Member Carter seconded the motion. Member Sears wondered why this application would not be approved, especially since projects have been approved a couple blocks away. He said the two approved projects did not go through this revised scoring process. He feels this application is a strong contender and will not be voting to deny funding. Member Freilinger chairs the SURAC and said since the district is starting to run out of money the members have decided to raise the bar on the projects they are going to recommend funding. They will only recommend the projects with the best return on investment. Member Carter said she does not see how this would benefit the other taxing districts. Member Sears said the project would trigger a revised tax assessment. He further explained Urban Renewal was set up to address blight which is to help redevelop property that is rundown. He sees this project as a benefit to the taxing jurisdictions. The motion passed 6-1 (Yes: Chair Palmer and Members Smith, Plummer, Carter, Freilinger and Neideigh; No: Member Sears).

4.2 500 C Street Building Improvement Grant Request

Director Gottgetreu provided an overview of the grant request for Silver Creek Lanes located at 500 C Street. The building improvement request is to install a new HVAC system and kitchen upgrades to include new plumbing, electrical, and a commercial hood. He reviewed the floor plan and the improvements proposed for the kitchen. He reviewed the three bids for the HVAC system and based on the low bid, the HVAC portion of the project is eligible for \$6,320 in grant funding. The kitchen project has three components, the plumbing, electrical and commercial hood. Three electrical bids were submitted and that portion is eligible for a \$1,049 grant. The applicant was unable to secure three bids for the plumbing portion of the project; based on the current low bid the project would be eligible for a \$3,700 grant. There was only one bid submitted for the commercial hood system, so the applicant would need to secure two additional bids in order for this portion of the project to be eligible. The SURAC recommended the URA not award this request.

Member Carter asked Director Gottgetreu how this application fits into the criteria and if it addresses blight. Director Gottgetreu explained HVAC systems are listed as an eligible expense as are the internal improvements that allow the building to operate at a higher and better use. It is up to the SURAC and the URA to review requests against the review criteria and decide if it warrants agency funding.

Applicant: Tawnya Zwicker

Ms. Zwicker thanked the members for the opportunity to apply for the grant. She said they need to do a little more homework and preparation for their application. She would like to resubmit a request in January for the Agency's review.

Member Freilinger said at the SURAC meeting, members discussed the application and would have likely scored it higher if there was more information about the project and the correct number of bids were submitted.

Member Smith made a motion to uphold the SURAC recommendation and deny the application. Member Carter seconded the motion. Chair Palmer thanked the applicants for their participation and hopes they resubmit their request, because the bowling alley is a big part of the community and it is important. There was no further discussion and the motion passed unanimous (7-0).

4.3 1005 Commerce Court Building and Façade Improvement Grant Request

Director Gottgetreu provided an overview of the building and façade improvement grant request for 1005 Commerce Court. Currently this is a vacant lot in the industrial park. The building request is to construct a new manufacturing and production building on the site. The proposal is to develop the vacant site with a new 20,745 square foot building for manufacturing use. He explained new buildings are eligible under the Building Improvement Program. He reviewed the site plan and selected building materials. The applicant

requested \$100,000 through the Building Improvement Program. The construction budget is estimated at \$1.3 million. Director Gottgetreu explained the elements that received three bids total \$527,813 making the project eligible for a \$100,000 grant. Due to the current pandemic the applicant was unable to obtain the necessary three bids for all the construction elements. Director Gottgetreu reviewed the increased assessed value and the increase in property tax revenue. The applicant is also requesting \$20,000 for the façade. The applicant was only able to obtain two of the necessary three bids. He reviewed the eligible expenses and requirements for the Façade Program. The SURAC recommends the URA award up to \$80,000 in building improvement grant funding and \$0 in façade improvement funding.

Applicant: William Gardner and Nick Sands

Mr. Gardner owns Pacific Stair and said he was attracted to this location because the site was the correct size and the utilities were already installed. He said the grant program was also attractive. He was surprised the façade improvement grant was denied, because the design exceeds what is required in code. He described the product Pacific Stair manufactures and how this company will differ from his parent company located in Brooks. He is hopeful construction will be completed and operational by early 2021. Mr. Sands welcomed members to take a tour of the project.

Chair Palmer thanked the applicants for their overview of the project. Member Carter said she feels this should be eligible for a façade improvement grant, because they would have done a more basic façade if it was not for the possibility of receiving a grant. Member Carter made a motion to approve a building improvement grant in the amount of \$80,000 and a façade improvement grant in the amount of \$20,000. Member Plummer seconded the motion. Member Smith asked if the motions could be separated. Members Carter and Plummer were agreeable to that change. Member Carter modified the motion to approve a building improvement grant of \$80,000. Member Plummer seconded the motion. Member Sears said he is going to vote in favor, but urban renewal is defined to address blight and feels the money could be better spent on improving existing structures within Silverton's downtown core area. He would like the Agency to reevaluate the criteria again. Member Freilinger agreed with Member Sears and is concerned with the blight downtown, but the criteria was accepted by the Agency. He said when the URA was created the industrial park was included in order for the Agency to help fill the park and this creates a better return on investment than some of the downtown projects. He is supportive of funding the project at the requested \$100,000. Member Carter said it has been a goal for City Council to have more industrial businesses in Silverton. There was no further discussion and the motion passed unanimously (7-0).

Member Carter made a motion to approve the façade improvement request in the amount of \$20,000. Member Freilinger seconded the motion. Member Sears asked if this meets the criteria for the program. Director Gottgetreu reviewed the criteria and said the interpretation of the criteria is up to the Agency to decide. Members discussed the criteria and their thoughts on if this project is eligible for a façade grant. Member Smith said she is not in favor of awarding this grant, because she does not feel it meets the criteria and thinks the façade money is better spent in the downtown. Member Neideigh agreed and said the application did not receive three bids for the project. There was no further discussion and the motion failed 2-5 (Yes: Members Carter and Freilinger; No: Chair Palmer and Members Neideigh, Plummer, Smith and Sears). The members thanked the applicants for their application and welcomed them to Silverton.

4.4 Appointments to the Silverton Urban Renewal Advisory Committee

Chair Palmer explained Joyce Ryan Metz who was previously appointed to the Transportation Advisory Committee has expressed interest in serving on the SURAC and he is recommending her appointment.

Member Carter made a motion to appoint Joyce Ryan Metz to the SURAC. Member Smith seconded the motion. There was no discussion and the motion passed unanimously (7-0).

Member Smith made a motion to ratify the City Council's reappointment of Member Jason Freilinger and Steve Kay to the SURAC. Member Plummer seconded the motion. There was no discussion and the motion passed unanimously (7-0).

V. AGENCY DIRECTOR UPDATE

Agency Director Christy Wurster congratulated Chair Kyle Palmer for receiving the Mayors Leadership Award for a large city from the Oregon Mayors Association and thanked him for his service to the community.

VI. ADJOURNMENT

Member Freilinger made a motion to adjourn and Chairman Palmer adjourned the meeting at 7:21 p.m.

Respectfully submitted by:

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