



**REDMOND URBAN RENEWAL AGENCY**  
**CITY OF REDMOND**  
 Community Development Department

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**DOWNTOWN URBAN RENEWAL ADVISORY COMMITTEE**

City Hall Conference Room A, 716 SW Evergreen Avenue

Monday, May 13, 2013

5:00 – 7:00 PM

**Agenda**

MEETING OBJECTIVES	DURAC MEMBERS	TIME	ITEM
			<ul style="list-style-type: none"> <li>• Update DURAC on Center City Housing Study</li> <li>• Discuss Downtown Parking</li> <li>• Seek DURAC guidance on project priorities and finance</li> <li>• Discuss 'Jumpstart' initiative for downtown</li> </ul>
	Brad Smith Chair		
	Donald Crouch	5:00 PM	<b>CALL TO ORDER / INTRODUCTIONS</b>
			<b>DISCUSSION / ACTION ITEMS</b>
PROPOSED AGENDA	Edwin Danielson	5:05 PM	A. Discussion / Update <ol style="list-style-type: none"> <li>1. Center City Housing Study</li> <li>2. Downtown Parking</li> <li>3. DURAC project priorities</li> <li>4. 'Jumpstart' initiative for downtown</li> </ol>
	Robert Gomes		
	Anne Graham	6:30 PM	B. Approval of Minutes <ol style="list-style-type: none"> <li>a. March 11, 2013</li> <li>b. April 8, 2013</li> </ol>
	Trish Pinkerton	6:45 PM	<b>LIAISON COMMENTS</b>
	Vacant	6:50 PM	<b>CITIZEN COMMENTS</b>
	Vacant	6:55 PM	<b>STAFF COMMENTS</b>
	Vacant		<b>CHAIR COMMENTS</b>
	Vacant	7:00 PM	<b>ADJOURN</b>

\*Please note that these documents are also available on the City's website [www.ci.redmond.or.us](http://www.ci.redmond.or.us); click on Departments, Community Development, Planning Division, DURAC (under the Urban Renewal box at the bottom). You may also request a copy at City Hall from Heather Richards 923-7756 or Jackie Abslag 923-7763.

Anyone needing accommodation to participate in the meeting must notify Mike Viegas, ADA Coordinator, at least 48 hours in advance of the meeting at 504-3032, or through the Telecommunications Relay Service (TRS) which enables people who have difficulty hearing or speaking in the telephone to communicate to standard voice telephone users. If anyone needs Telecommunications Device for the Deaf (TDD) or Speech To Speech (STS) assistance, please use one of the following TRS numbers: 1-800-735-2900 (voice or text), 1-877-735-7525 (STS English) or 1-800-735-3896 (STS Spanish). The City of Redmond does not discriminate on the basis of disability status in the admission or access to, or treatment, or employment in, its programs or activities



**CITY OF REDMOND**  
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EXHIBIT 1

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**DATE:** May 13, 2013  
**TO:** Downtown Urban Renewal Advisory Committee  
**THROUGH:** Heather Richards, Community Development Director  
**FROM:** Jon Williams, Economic Development Project Manager  
**SUBJECT:** Urban Renewal Budgeting Worksheet

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**Addresses Council Goals:**

**7. URBAN RENEWAL**

**Invest resources to encourage new business investment in designated blighted areas that will grow the job base and strengthen and diversify the tax base in that area.**

B. Create a readily identifiable city center core that is vibrant with a mixture of offices, specialty shops, entertainment, housing and other commercial uses.

**Report in Brief:**

The Downtown Redmond Urban Renewal Plan ("Plan") includes a Strategy which provides criteria for evaluating potential projects and an initial spending plan. Per the Strategy, DURAC is asked to annually review the Plan and recommend modifications based upon economic conditions, identified opportunities, and available resources. The type of modification will determine the process that needs to be followed. If the modification is simply timing of projects, than no amendment to the plan would be required. If the amendment adds or deletes a project, activity or program then, depending on the financial threshold, it would be considered a minor amendment per Section 1000 of the Plan and would require a formal approval process.

The Plan was developed with financial assumptions regarding bonding methodologies, timing of projects associated with private development, and anticipated revenue growth. The list of projects are programmed to be deployed in a methodical manner reflecting that analysis. Some projects are dependent upon private market interest and may not be developed in the same timeframe as projected in the Plan. Other projects, such as public improvement projects, may adjust in terms of timeframe due to opportunities to leverage and partner with other funding sources, or political interests for promoting a project in an accelerated timeframe due to existing conditions. Timing of projects will impact the financing methodology and requires analysis to ensure that the Plan can still perform to the financial feasibility and model first constructed that determined the maximum indebtedness and expiration date in the adopted Plan.

DURAC members have expressed interest in accelerating investment in several Plan Projects, such as the Professional Business Medical District, Open Space (Permanent Ice Rink), Alternative Mobility, and the Redmond Hotel, so as to encourage earlier redevelopment and job creation. This acceleration in deployment will alter the financing methodology laid out in the Plan.

The Urban Renewal Board discussed the timing and financing of projects in the Downtown Redmond Urban Renewal Plan at a April 30, 2013 work session. The general consensus and direction of the Urban Renewal Board was to not to rush into a decision-making process regarding changing the timing and deployment of projects in the Plan but to conduct a careful analysis of the value of accelerating timing of projects for the overall district in terms of the Plan objectives and the impact to financial

feasibility of the Plan, the ability to fund all of the projects in the Plan within the existing termination date, and the impact to the financing methodology.

This report provides context for continued discussion of project prioritization and follows preliminary discussion during DURAC's April 8 meeting.

## **Background:**

During the 2010-2011 Redmond Downtown Urban Renewal Plan Update process, DURAC and community members developed a decision-making filter for prioritizing projects, based on objectives in the Redmond Downtown Urban Renewal Plan, Oregon Revised Statute 457 that governs the expenditure of urban renewal funds, the Redmond Comprehensive Plan and community values.

This filter served as a screen for selecting projects to be considered in the Plan. Then based on market research, community priorities and a financial feasibility study a timeframe for the projects was delineated.

The guiding principles are listed below and described on pages 4 – 6 of the Downtown Redmond Urban Renewal Strategy.

- Promote Redmond's Economic Development
- Eliminate the Conditions of Blight
- Stimulate Private Investment
- Create Jobs
- Focus on Families
- Support Housing Development
- Foster Partnerships

The filter categories for evaluating projects are listed below and can be found on Page 17 of the Strategy.

- **Blight:** Does the project or action address existing conditions of blight in Redmond as identified in the Blight Analysis? If so, does it have a direct or indirect relationship? Does it address more than one condition of blight?
- **Tax increment creation:** Does the project or action increase private property values? Does it increase property values indirectly? Does it stimulate additional private investment?
- **Job creation:** Does the project directly or indirectly create jobs for Redmond, within or outside of the urban renewal area?
- **Connection to other projects:** Does the project build upon recent or planned public and private investments? Are subsequent projects contingent on this project going forward?
- **Leverage:** What is the ratio of public to private dollars in a project? Is this a direct leverage (simultaneous investments) or will the leverage occur over time?
- **Community support:** Does the project or action have broad community and political support?
- **Developer interest:** Has a developer expressed interest or a willingness in developing the project or participating in a public-private partnership?
- **Planning:** Has the project or action been identified in existing adopted plans (master plans, capital improvement plans, etc.)?
- **Family amenity:** Will the project bring people and families downtown on an ongoing basis?
- **Housing amenity:** Will the project serve as an amenity and attractor for downtown housing?

During discussion on April 8, DURAC members expressed varied opinions on how best to apply the criteria when prioritizing projects. In particular, the following tradeoffs emerged:

- **Immediate tax increment generation versus longer term returns.** This tradeoff emerged in the context of discussing infrastructure improvements with the potential to stimulate future development versus projects that involve partnering with a developer on an identified private project.
- **Direct economic and fiscal returns versus quality of life goals identified in the Plan.** While increased tax increment is essential to the full implementation of the Plan, it is noted that goals related to family amenities and housing are essential to realizing the Plan's vision of Redmond as a first choice community.
- **Acceptance of risk.** Many of the projects identified as eligible for the Redevelopment Opportunity Fund such as the Family Entertainment Center and redevelopment of the historic New Redmond Hotel, have the potential to attract new visitors to the downtown but could also be vulnerable to failure if they fail to attract adequate customers or are poorly managed.

**Discussion:**

DURAC members are asked to review their copies of the Downtown Redmond Urban Renewal Plan, Report, and Strategy, the Schedule of Projects and Programs in Appendix B of the Report and the Detailed Sources and Uses Schedule in Appendix C of the Report, as well as the budget provided in Exhibit A and then use Exhibit B to score the projects based upon the adopted Urban Renewal Strategy criteria. Be prepared to share your scores at the DURAC meeting. Discussion on May 13 will focus on current prioritization of projects in the Plan and the funding strategies relative to that prioritization, as well as the framework for evaluating and reprioritizing projects in the Plan and next steps needed for that analysis.

Respectfully submitted,

Jon Williams  
Economic Development Project Manager

**EXHIBIT A- DOWNTOWN REDMOND URBAN RENEWAL STRATEGY BUDGET**

Project	Total Project Cost (Max Allocation)	Short Term					Mid Term	Long Term	
		Year 1 FY 11-12	Year 2 FY 12-13	Year 3 FY 13-14	Year 4 FY 14-15	Year 5 FY 15-16	Years 6 to 10 FY 16-17 to 20-21	Years 11 to 15 FY 21-22 to 25-26	Years 16 to 20 FY 26-27 to 30-31
Property Assistance Program	\$3,350,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$710,000	\$1,140,000	\$1,000,000
City Hall	\$1,500,000	\$1,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Housing Development Opportunity Fund	\$7,000,000	\$0	\$0	\$1,000,000	\$0	\$0	\$1,500,000	\$2,000,000	\$2,500,000
Circulation Study	\$135,000	\$135,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Highway 97 Reroute Beautification	\$500,000	\$0	\$500,000	\$0	\$0	\$0	\$0	\$0	\$0
Business Park Master Plan	\$150,000	\$0	\$0	\$150,000	\$0	\$0	\$0	\$0	\$0
Wayfinding	\$25,000	\$25,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Business Development Services	\$150,000	\$50,000	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$0
Restaurant Capital Improvement Program	\$150,000	\$50,000	\$50,000	\$50,000	\$0	\$0	\$0	\$0	\$0
Alternative Mobility Project	\$2,500,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$665,000	\$665,000	\$670,000
Business/Medical Park Development	\$6,000,000	\$0	\$0	\$0	\$600,000	\$0	\$5,400,000	\$0	\$0
Industrial Opportunity Fund	\$2,000,000	\$167,000	\$166,000	\$166,000	\$90,000	\$90,000	\$450,000	\$450,000	\$421,000
Redevelopment Opportunity Fund									
Family Entertainment			\$1,300,000						
Historic New Redmond Hotel							\$1,000,000	\$1,000,000	
Hotel/Conference Facility								\$1,000,000	\$1,500,000
Family Recreation Center							\$7,500,000		
Performing Arts Facility								\$750,000	
Unspecified Opportunities					\$500,000		\$1,000,000	\$1,000,000	\$500,000
Evergreen Streetscape Improvements	\$90,000	\$0	\$0	\$0	\$90,000	\$0	\$0	\$0	\$0
Circulation Improvements	\$5,500,000	\$0	\$500,000	\$0	\$0	\$0	\$0	\$5,000,000	\$0
Public Open Space	\$3,500,000	\$0	\$0	\$0	\$0	\$0	\$2,000,000	\$1,500,000	\$0
Public Parking	\$10,000,000	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$9,000,000
<b>Total Project Cost</b>	<b>\$59,600,000</b>	<b>\$2,127,000</b>	<b>\$2,766,000</b>	<b>\$1,616,000</b>	<b>\$1,480,000</b>	<b>\$290,000</b>	<b>\$20,225,000</b>	<b>\$15,505,000</b>	<b>\$15,591,000</b>
<b>Project Administration</b>	<b>\$6,000,000</b>	<b>\$300,000</b>	<b>\$300,000</b>	<b>\$300,000</b>	<b>\$300,000</b>	<b>\$300,000</b>	<b>\$21,725,000</b>	<b>\$17,005,000</b>	<b>\$17,091,000</b>
<b>TOTAL COST</b>	<b>\$65,600,000</b>	<b>\$2,427,000</b>	<b>\$3,066,000</b>	<b>\$1,916,000</b>	<b>\$1,780,000</b>	<b>\$590,000</b>	<b>\$21,725,000</b>	<b>\$17,005,000</b>	<b>\$17,091,000</b>







DRAFT

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**DOWNTOWN URBAN RENEWAL ADVISORY COMMITTEE**

Minutes

Monday, March 11, 2013

City Hall Conference Room A, 716 SW Evergreen Avenue, Redmond, Oregon

**Advisory Members:** Vice-Chair Donald Crouch, Edwin Danielson, Anne Graham, Heidi Hylkema, Trish Pinkerton (absent: *Robert Gomes, Brad Smith*; 2 positions vacant)

**City Staff:** Heather Richards, *Community Development Director*; Jon Williams, *Economic Development Project Manager*; Cameron Prow, TYPE-*Write II*

**Visitors:** Tory Allman, *Council Liaison*

*(scribe CP's note: The minutes were created from an audio recording and notes taken at the meeting. The three digits after the motion title show the number of members voting in favor/against/abstaining.)*

**CALL TO ORDER – INTRODUCTIONS**

Vice-Chair Crouch called the meeting to order at 5:07 p.m. with a quorum present.

**DISCUSSION – ACTION ITEMS**

A. Discussion/Update

1. **2013-2018 Budget Priorities**

Mr. Williams said that the five-year plan is updated annually. He summarized how projects have been funded in the past and reported the financial status and anticipated expenses associated with projects for FY 2012-2013 and FY 2013-2014. The City's debt service is a little higher than anticipated and property tax revenues have been a little lower due to the recession. Moving projects with a longer-term priority forward sooner will require changing the City's pay-as-you-go practice to one that allows bonding.

DURAC concerns included *bonding vs. pay-as-you-go, projects with the best potential to create new jobs, bond costs, impact of existing inventory on new development potential, City's bond rating, what companies look for when moving to a new community, and impact of changing project rankings*. Members agreed to e-mail recommendations for ranking projects to Mr. Williams, who will synthesize the results for the April 8, 2013, meeting.

Ms. Graham volunteered to talk with Jon Stark about attracting new businesses to the Professional Business Medical District.

Ms. Richards reported that property owners in the Professional Business Medical District are working toward development of a business association. She recommended sharing the results of DURAC project ranking with that group.

B. Action Items

1. **Approval of Professional Services Contract for Family Recreation Center Feasibility Study**

Ms. Richards reported a flaw in the procurement process that will require reissuance of the Request for Proposals before a professional services contract can be approved.

Mr. Williams, project manager, will issue a new RFP based on professional qualifications, not lowest cost.

C. Approval of Minutes

**Motion 1** (5/0/0): Ms. Graham moved to approve the minutes from February 11, 2013, as written. Ms. Pinkerton seconded the motion which passed unanimously.

**LIAISON COMMENTS**

Councilor Allman urged DURAC to take a careful look at bonding.

Mr. Danielson said that *Seattle Northwest* serves as a bonding agency for many school districts. It has excellent rates and is very knowledgeable.

**CITIZEN COMMENTS** (None)

**STAFF COMMENTS** (None)

**CHAIR COMMENTS**

Vice-Chair Crouch encouraged all DURAC members to attend as many meetings as possible because the impact DURAC can have on the City going forward is gigantic.

**ADJOURN**

**Motion 2** (5/0/0): Mr. Danielson moved to adjourn the meeting. Ms. Pinkerton seconded the motion which passed unanimously.

With no further business, Vice-Chair Crouch adjourned the meeting at 5:59 p.m.

APPROVED by the Downtown Urban Renewal Advisory Committee and SIGNED by me this \_\_\_\_\_ day of March, 2013.

ATTEST:

\_\_\_\_\_  
Donald Crouch, Vice-Chair

\_\_\_\_\_  
Heather Richards, Community Development Director



**DRAFT**

**CITY OF REDMOND**  
Community Development Department

**DOWNTOWN URBAN RENEWAL ADVISORY COMMITTEE**

Minutes

Monday, April 8, 2013

City Hall Conference Room A, 716 SW Evergreen Avenue, Redmond, Oregon

**Advisory Members:** Chair Brad Smith, Anne Graham, Trish Pinkerton (absent: *Donald Crouch, Edwin Danielson, Robert Gomes, Heidi Hylkema*; 2 vacant positions)

**City Staff:** Heather Richards, *Community Development Director*; Jon Williams, *Economic Development Project Manager*; Cameron Prow, TYPE-*Write II*

**Visitors:** Tory Allman, *Council Liaison*; Paul Hansen

*(scribe CP's note: The minutes were created from an audio recording and notes taken at the meeting. The three digits after the motion title show the number of members voting in favor/against/abstaining.)*

**CALL TO ORDER – INTRODUCTIONS**

Chair Smith called the meeting to order at 5:05 p.m. without a quorum present.

**DISCUSSION – ACTION ITEMS**

A. Discussion/Update

1. **Center City Housing Study Update:** Mr. Williams said this project started in January 2013 and is expected to be completed in July 2013. He summarized the background, goals, market study, phone survey, location considerations, timeline, preliminary findings, and directions recommended by the consultant and the advisory committee. Next steps will include refining the financial analysis, getting feedback from developers on locations and product types, and strategy preparation.

DURAC concerns included *how in-migration trends for Redmond compare to other cities, housing types appropriate for Redmond, and if the single-family home direction will meet density requirements.*

2. **DURAC 5-Year Budget Discussion:** Mr. Williams reviewed the proposed project list for fiscal years 2014-2018.

Chair Smith, Ms. Graham, and Ms. Pinkerton provided their individual rankings for 11 of the potential projects on the basis of *tax-increment financing, jobs created, catalyst potential, and risk to the City.* They did not analyze the Trail/Alternative Mobility/Evergreen project since it is already underway. Also discussed were *co-locating existing businesses and government agencies, direct vs. indirect returns, and core fiscal values vs. quality of life.*

B. Action Item

1. **Downtown Core Parking Management Strategy**

Ms. Richards said the Redmond Downtown Association requested removal of the parking zone in 2008 because having one sent a negative message. Several merchants have expressed concern about employees and tenants parking all day in customer spaces. One

solution proposed is to implement a customer management zone on a complaint basis. This approach can pit neighbor against neighbor. Staff investigation and mitigation of each complaint can be time-consuming. Tenants that she has talked to about parking on 6<sup>th</sup> Street are doing so because of concerns about parking lot safety (unlit at night).

Mr. Williams said the parking study showed that 11 of the 64 spaces in the core area had people there for more than 3 hours.

DURAC suggestions included *recommending that landlords talk with their tenants and merchants with their employees about this problem, posting a sign with a polite message ("Please Customer Parking Only"), effect of enforcement vs. nonenforcement, how widespread this problem is, and how other communities protect commercial zones.*

### **APPROVAL OF MINUTES**

Chair Smith postponed approval of the March 11, 2013, minutes due to lack of a quorum.

### **LIAISON COMMENTS (None)**

### **CITIZEN COMMENTS (None)**

### **STAFF COMMENTS**

Ms. Richards requested help in recruiting new members to fill the two vacant positions. Chair Smith volunteered to talking with *Dynacore* and suggested that staff contact *Central Oregon Truck Company*.

### **DURAC COMMENTS**

Chair Smith, Ms. Graham, and Ms. Pinkerton said they would be able to attend a meeting on April 22 if a quorum can be established on that date.

Ms. Graham asked what the policy was about replacing members who are unable to attend meetings on a regular basis. She said she spoke with Jon Stark, *Redmond Economic Development, Inc. (REDI)*, about recruiting new businesses for the Professional Business Medical District (PBMD); he suggested Medisys and another company. This question is timely as Economic Development for Central Oregon is in the process of setting its strategic plan priorities. She and Mr. Stark attended a REDI board meeting at which Mr. Stark provided a summary of the PBMD proposal and timeframe. REDI members indicated they would look at recruiting traded-sector (and possibly nontraded-sector) businesses for the PBMD, recommended sprucing up the aesthetic elements of the PBMD, and would be willing to support DURAC's request to City Council for an action plan.

### **ADJOURN**

With no further business, Chair Smith adjourned the business meeting at 7:05 p.m.

APPROVED by the Downtown Urban Renewal Advisory Committee and SIGNED by me this \_\_\_\_\_ day of \_\_\_\_\_, 2013.

ATTEST:

\_\_\_\_\_  
Brad Smith, Chair

\_\_\_\_\_  
Heather Richards, Community Development Director