



REDMOND URBAN RENEWAL AGENCY
CITY OF REDMOND
Community Development Department

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DOWNTOWN URBAN RENEWAL ADVISORY COMMITTEE

MINUTES

March 12, 2018

Redmond City Hall, 411 SW 9th Street – Room 207, Redmond, Oregon

Advisory Members Present: Chair Donald Crouch, Vice-Chair Edwin Danielson, Neal Cross, Paul Hansen, Kathryn Osborne, Cheriee Perrine, Gib Stephens, Jay Willett (*absent: Tom Kemper*)

Student Ex Officio: Jenna Hall

City Staff: Chuck Arnold, *Economic Development/Urban Renewal Project Manager*; Troy Rayburn, *Program Specialist*; Keith Witcosky, *City Manager*; Scott Woodford, *Senior Planner*; Cameron Prow, *TYPE-Write II*

Visitors: Tory Allman, *City Council Liaison*; Cory Redding, *CD Redding Construction*; Timothy Hensley, *Central Oregon Medical Properties, LLC*; Walt Ramage, *NAI Cascade*

Media: Dave Morgan, *RedmondNewsToday.com*

(Agenda items appear in discussion order. The 3 digits after a motion title show the number of committee members voting in favor/opposed/abstaining.)

CALL TO ORDER – INTRODUCTIONS

Chair Crouch called the regular session of the Downtown Urban Renewal Advisory Committee (DURAC) to order at 5 p.m., Monday, March 12, 2018, with a quorum of members (8 of 9) present.

III. DISCUSSION ITEMS

C. Historic Landmarks Commission Update

Mr. Arnold said this report was part of an annual program to help all City committees be aware of what the other committees are doing.

Mr. Woodford reported National Park Service approval of the new Redmond Downtown Historic District and completion of the Craftsman Bungalows of Redmond survey. Current projects included updating Redmond's historic preservation code and historic preservation tax credits for the Redmond Historic Hotel project. Staff will send a .pdf of the Craftsman Bungalow survey properties to DURAC.

Upcoming events:

- April 11, 10:30 a.m., City Hall – presentation by Mr. Woodford and Project Manager Jason Neff about Redmond's experience in remodeling a former school building. A tour of the Redmond Downtown Historic District will follow.
- April 11-13: Oregon Heritage Conference, Bend.
- May Historic Preservation Month: A kickoff event will be held at Redmond City Hall which will include a tour of the new facility and downtown. Redmond's Preservation Month activities will be coordinated with Deschutes County and other jurisdictions.

Mr. Rayburn, Centennial Park Project Manager, said he worked with Mr. Woodford on the historic walking path which will be installed in the Centennial Park expansion area.

Mr. Woodford said a presentation by Mr. Arnold on DURAC's activities at a future Landmarks Commission meeting would be welcome.

I. ACTION ITEMS

A. Work Plan Adoption

Mr. Arnold presented the draft 2018-2019 Work Plan. He responded to DURAC concerns about the Redmond Hotel project, Property Assistance Program, and the new physical footprint of Centennial Park.

Motion 1 (8/0/0): Mr. Danielson moved to approve the draft Work Plan for fiscal year 2018-2019 as presented. Ms. Perrine seconded the motion which passed unanimously.

B. Proposal for Project Funding in Medical District

Mr. Arnold discussed (PowerPoint, staff report) a proposal by Central Oregon Medical Properties (COMP), LLC, to renovate and expand a building at 333 NW Larch Avenue. He said the building's deteriorating condition was causing tenants to leave and creating difficulty in securing new leases. If approved, completion of the renovation was estimated by the end of 2019. His staff report included the background, developer and Urban Renewal Agency obligations, financing, estimated annual economic impact in Year 1, and fiscal impact.

Mr. Ramage discussed improvements planned to upgrade the building image and expand the footprint to 15,000 square feet. A larger, more modern building is needed to retain the anchor tenant (The Center) and allow physicians to expand their presence in Redmond to a full-time basis. Mr. Redding summarized his experience in building and developing medical facilities. He said this project was an opportunity to keep patients and medical personnel in Redmond. Mr. Hensley said the project goal was to attract top-notch medical business tenants. He presented sample illustrations of what he wanted the new building to look like, identified the architects (TVA) and a third partner (Darren Pleasance, pilot), and reported having a good relationship with the former Bank of the Cascades.

DURAC concerns included retention of existing tenants, accommodating current tenant needs during construction, value of a developer having "skin in the game," if current patients would remain in Redmond or travel back and forth to Bend, and the financing structure.

DURAC Financing Review Subcommittee members shared their reasons for supporting the proposed project: job creation, business development, redevelopment of property in disrepair, expansion of the tax base, creating a space to help transform Redmond from a satellite to a destination community, attracting more people to live in Redmond, and building up that end of town.

Mr. Arnold thanked subcommittee members for their assistance on short notice. He outlined the subcommittee's discussion about the financing structure, noting it was not set in stone.

Motion 2 (8/0/0): Mr. Danielson moved to recommend the Urban Renewal Agency enter into a \$600,000 Loan and Development Agreement with COMP, LLC, for the renovation and expansion of the Central Oregon Medical Specialists building at 333 NW Larch Street and to authorize the City Manager to execute the agreement. Mr. Stephens seconded the motion which passed unanimously.

II. APPROVAL OF MINUTES

A. February 12, 2018

Motion 3 (8/0/0): Mr. Cross moved to approve the minutes from February 12, 2018, as written. Mr. Willett seconded the motion which passed unanimously.

III. DISCUSSION ITEMS (continued)

A. Business and Property Owner Changes

Mr. Arnold reviewed his staff report about a new business (Redmond Snow and Skate), purchase of 145 SW 6th Street, and property improvements by Pfeifer & Associates and The Printing Post. He attributed the increased interest in Redmond business properties to the catalytic effect of the Redmond Hotel project.

B. Wayfinding Completion Presentation

Mr. Rayburn made a PowerPoint presentation to close out the wayfinding program. His discussion covered the review process, design, 12 key sign locations, and budget. Project partners included City Public Works, Oregon Department of Transportation, Central Oregon Realtors Association, and Travel Oregon. Finding a vendor to produce the signs cost more than expected, but everyone appeared quite pleased with the result.

CITIZEN COMMENTS

None.

STAFF COMMENTS

Mr. Rayburn provided the following updates:

- Centennial Park expansion: Final design and construction documents have been received. He is working with Annie McVay, Parks and Administration Division Manager, on the RFP (Request for Proposals). He outlined the timeline for tenant relocation, hazardous materials testing, demolition (contractors not identified), and construction. Groundbreaking is tentatively scheduled for January 2019 with the opening due six months later, depending on the weather.
- Parking study: The finalized study has been submitted to the downtown stakeholders who can provide feedback until the end of March. Redmond Chamber of Commerce, through Executive Director Eric Sande, said did not want to be the parking program enforcer but would be happy to help educate Chamber members. The parking study and potential priority actions will be presented to DURAC at its May meeting.

DURAC members requested identification of participating stakeholders.

- Former Grant property redevelopment: The draft RFP has been developed with assistance from both the DURAC subgroup and the full committee. The process is expected to take about three months (April 23 through June 20). Mr. Rayburn discussed the outreach/marketing process.

DURAC suggestions included allowing 6-7 weeks for potential developers to respond, specifying the broker incentive in the RFP to attract more interest and motivate potential brokers, DURAC review of the RFP before issuance, and catalytic potential of this project.

Mr. Arnold provided the following updates:

- Redmond Historic Hotel: The Loan and Development Agreement has been signed. The lobby, a model room, and the rooftop bar are expected to open in July 2018. The remaining rooms should become available in summer 2019.

DURAC concerns included adequacy of parking. Staff responded the hotel will lease 24 spaces on the south side of the old city hall parking lot.

- Redevelopment – former city hall: The Urban Renewal Agency is still working with Mr. Schertzinger within the exclusive right to negotiate period. Mr. Schertzinger and his group are concluding their steps of developing a market study and obtaining letters from financing partners. Mr. Arnold said he confirmed last week by phone that Mr. Schertzinger was aware of the April 19 deadline and also knew that other developers were interested in this site.

DURAC COMMENTS

Chair Crouch thanked members who attended the February 26 volunteer recognition event on February 26 and thanked Mr. Witcosky for the chocolate coins. Mr. Witcosky said the trainer who was supposed to be present on February 26 showed up on February 27. The training will be rescheduled.

Vice-Chair Danielson requested an update on the status of the Community Development Director. Mr. Witcosky replied that the department was doing great and operational analysis to determine the department's needs was continuing.

Mr. Willett thanked Chair Crouch for the presentation he made on behalf of DURAC on February 26.

ADJOURN

Next DURAC meeting: Monday, April 9, 2018, 5 p.m.

With no further business, Chair Crouch adjourned the meeting at 6:28 p.m.

APPROVED by the Redmond Downtown Urban Renewal Advisory Committee and SIGNED by me this
__14th__ day of __May__, 2018.

ATTEST:

_____/s/ Donald Crouch_____
Donald Crouch
Chair

_____/s/ Chuck Arnold_____
Chuck Arnold
Economic Development/Urban Renewal Project Manager