



REDMOND URBAN RENEWAL AGENCY
CITY OF REDMOND
Community Development Department

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DOWNTOWN URBAN RENEWAL ADVISORY COMMITTEE

MINUTES

May 14, 2018

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

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

Student Ex Officio Absent: Jenna Hall

City Staff: Chuck Arnold, *Economic Development/Urban Renewal Project Manager*; Cameron Prow, *TYPE-Write II*

Visitors: Tory Allman, *City Council Liaison*; BOQZ; Brad Dacus, *Soup 2 Nuts*; Dan Steelhammer, *Realtor*; Eric Sande, *Redmond Chamber of Commerce*; Jon Stark, *Redmond Economic Development, Inc.*; Josh and Josiah Underwood, *Radian Weapons*; Owen Ronchelli, *Rick Williams Consulting*

Media: None

(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, May 14, 2018, with a quorum of members (6 of 9) present. Mr. Cross arrived at 5:42 p.m. after approval of Agenda Items I and II, bringing the total number of members present to 7.

I. ACTION ITEMS

A. Industrial Opportunity Fund – Radian Weapons

Mr. Arnold summarized (staff report) a proposal to develop 18,000 square feet of an existing building at 875 NE Kingwood Avenue into a manufacturing facility. The applicant (AXTS Inc. doing business as Radian Weapons) currently employs 14 staff and plans to expand to 32. The program application indicated 11 jobs over the Deschutes County Average Wage would be added. Approximately \$400,000 in building improvements would be made. Taxable equipment valued at \$1,487,000 will be moved into the building. Based on its March 23 tour and financial diligence review for the county loan program, staff recommended approval of a \$47,500 forgivable construction loan. The DURAC Financing Review Subcommittee determined at its April 13 meeting this project met the goals of the Urban Renewal Plan and the Industrial Opportunity Fund. Total project investment: \$1,887,000. If the proposal is approved, the Urban Renewal Agency would participate in 3% of total development costs.

Josh and Josiah Underwood discussed their company's background, current operations in two locations, sales territory and national distribution channels, sales performance, and growth plans including product diversification.

Ms. Osborne and Mr. Willett, Financing Subcommittee, expressed support for this proposal.

Mr. Stark reported he had been working with the Underwoods for a year. The building to be improved has been sitting vacant since 2008. He is working with the county on the forgivable loan fund. This company is well known in the industry and participated in a Las Vegas trade show, one of the biggest such shows in the United States.

DURAC members expressed concern about the controversial nature of the products. Josh Underwood explained how the company would handle legislative hurdles.

Motion 1 (6/0/0): Mr. Willett moved to recommend approval of a \$47,500 forgivable loan with AXTS Inc., doing business as Radian Weapons, in support of the development of a manufacturing facility at 875 NE Kingwood Avenue and to authorize the City Manager to execute the agreement. Ms. Perrine seconded the motion which passed unanimously.

II. APPROVAL OF MINUTES

A. March 12, 2018

Motion 2 (6/0/0): Mr. Hansen moved to approve the minutes from March 12, 2018, as written. Ms. Perrine seconded the motion which passed unanimously.

III. DISCUSSION ITEMS

A. Homestead Canal Trail Update

Chair Crouch postponed update of the Homestead Canal Trail project due to the absence of Program Specialist Troy Rayburn.

B. 5th and Greenwood RFP

Mr. Arnold outlined (meeting packet materials) the proposal and passed around a copy of a newspaper article, entitled "Wanted in Redmond's core: any developer for vacant lot," which appeared in *The Bulletin*, May 13, 2018, Pages B-1 and B-2. He commended Mr. Rayburn's work in moving this project forward. The Request for Proposals has been reviewed by the subcommittee and will be issued on June 1, 2018.

Ms. Osborne discussed what the RFP would cover. To date, this RFP has included four Housing Subcommittee meetings and two DURAC conversations about not restricting the RFP to just workforce housing. She reported staff had worked very hard and she urged DURAC to help keep this project moving forward.

DURAC concerns included how the RFP was set up, how the RFP would be marketed, and specifying the percentage brokers would be paid.

Mr. Steelhammer reported he had not signed a listing agreement with the City but was working as a real estate consultant.

Mr. Arnold responded to DURAC concerns about the City's relationship with Mr. Steelhammer and marketing the RFP. Following extensive discussion, Mr. Arnold said staff would determine the third-party finder's fee based on the successful bidder.

C. 3rd Quarter Financial Presentation

Mr. Arnold reviewed the 3rd Quarter Financial Overview for fiscal year 2017-2018. Included in the report were maximum indebtedness, key statistics, financial performance, and key financial highlights.

DURAC concerns included project administration (amount, source, use), what Administrative costs covered, and if the increased amount (to \$3 million from \$347,000) was included in the \$9.3 million available. Vice-Chair Danielson requested that Budget Manager Jason Neff

review the new budget with DURAC following City Council approval/adoption of the fiscal year 2018-2019 budget. Following discussion, DURAC members agreed by consensus to change the frequency of financial reviews to semi-annual (every 6 months).

D. Parking Study Presentation

Mr. Ronchelli reviewed (PowerPoint) results of the Downtown Parking Study conducted on Wednesday, September 27, 2017. The study area bounded by SW 9th Street (west), SW 4th Street (east), SW Black Butte (north), and SW Glacier Avenue (south) was the same area used for the 2006 and 2012 studies. His summary included data findings and key strategy recommendations.

DURAC members discussed the importance of keeping downtown businesses thriving, needing more turnover in on-street parking spaces, and linking parking to apps for capacity and available locations.

E. Urban Renewal Program Update Newsletter

Mr. Arnold presented the inaugural edition of the new E-Update for Redmond Urban Renewal. The e-newsletter is intended to replace the standing agenda item: a 60-day report to DURAC on new businesses, property transactions, and new urban renewal investments. In addition to informing DURAC members, this new promotional tool will be shared with other City staff and other interested parties.

Chair Crouch commended staff for their work to develop a new marketing tool.

CITIZEN COMMENTS

None.

STAFF COMMENTS

Mr. Arnold provided additional updates:

- Oregon Heritage Conference: He and Senior Planner Scott Woodford both spoke at the statewide conference which was held in Bend, Oregon, this year.
- Sno-Temp: A new commercial cold-storage business is coming to Redmond. County funding approval is expected. The food-and-beverage business sector is growing well in Redmond.
- Evergreen Gym: Analysis indicated it will take \$5 million to make this building suitable for use. Staff commitments to other projects preclude moving forward on this one until later in 2018.
- Antler Apartments: The new apartment building is phenomenal. He will contact the property owner regarding a tour. DURAC recommended, and the Urban Renewal Agency approved, buying down \$30,000 in system development charges. The developer was very happy about its experience with the City and is looking for another location downtown. Leasing of the six market-rate apartments should begin soon.
- Old City Hall: Bill Schertzingler withdrew his proposal in April due to lack of funding. The subcommittee (Mr. Cross, Mr. Hansen, Mr. Kemper) will review three new proposals on May 15. DURAC will review the subcommittee's recommendation at its June 2018 meeting.
- Redmond Transit Hub: The City partnered with Central Oregon Intergovernmental Council on this project. The temporary transit hub is expected to move to the new location in mid-June 2018 when construction is complete.

- Redmond Historic Hotel: Chair Crouch reported the opening was closer. Mr. Arnold said he was still spending nearly half his time on this project. Mr. Cross requested a tour when the remodel has been completed.

DURAC COMMENTS

Vice-Chair Danielson requested a status report on the new Redmond transit hub (see STAFF REPORT above).

Next DURAC meeting: Monday, June 11, 2018, 5 p.m.

ADJOURN

With no further business, Chair Crouch adjourned the meeting at 6:52 p.m.

APPROVED by the Redmond Downtown Urban Renewal Advisory Committee and SIGNED by me this
___11th___ day of ___June___, 2018.

ATTEST:

_____/s/ Donald Crouch_____
Donald Crouch
Chair

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