



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

411 SW 9<sup>th</sup> Street  
Redmond, OR 97756-2213  
Phone **541-923-7761**  
Fax 541-548-0706  
[www.ci.redmond.or.us](http://www.ci.redmond.or.us)

**DOWNTOWN URBAN RENEWAL ADVISORY COMMITTEE**  
**MINUTES**

**May 13, 2019**

Redmond City Hall – Room 207, 411 SW 9<sup>th</sup> Street, Redmond, Oregon

**Advisory Members Present:** Chair Donald Crouch, Vice-Chair Kathryn Osborne, Jen Barcus, Roger “Neal” Cross, Edwin Danielson, Meghan Gassner, Liz Goodrich, Cheriee Perrine  
(absent: Alayna Weimer)

**Youth Ex Officio Absent:** Olivia Duff

**City Staff:** Chuck Arnold, *Economic Development/Urban Renewal Program Manager*; Troy Rayburn, *Urban Renewal Program Specialist*; Annie McVay, *Parks Manager*; John Roberts, *Deputy City Manager*; Keith Witcosky, *City Manager*; Cameron Prow, *TYPE-Write II*

**Visitors:** Frank Massari; JoHanna and Vince Downs; Josh Hoff, Julie Lovrien, and Kara Roatch, *Leadership Redmond*; Krisanna Clark-Endicott, *City Council Liaison*

**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 5:03 p.m., Monday, May 13, 2019, with a quorum present (8 of 9 members). He announced a change to the agenda, moving Action Item III.B ahead of Action Item III.A.

**I. APPROVAL OF MINUTES**

A. February 11, 2019

Chair Crouch asked DURAC members to reapprove the February 11 minutes due to adjustments made.

**Motion 1** (8/0/0): Mr. Crouch moved to approve the minutes from February 11, 2019, as amended. Ms. Perrine seconded the motion which passed unanimously.

B. March 11, 2019

**Motion 2** (8/0/0): Ms. Perrine moved to approve the minutes from March 11, 2019, as presented. Ms. Gassner seconded the motion which passed unanimously.

**II. ACTION ITEMS**

A. Historic Hotel Development Agreement

Mr. Arnold presented the staff report which included the new Loan and Development Agreement (LDA) and nine exhibits. DURAC recommended term sheet approval on March 11. On March 12, 2019, Redmond Urban Renewal Agency (RURA) approved the term sheet and authorized proceeding with development of the LDA including the following conditions: \$2.7 million Forgivable Loan, \$830,000 Standard (interest-bearing) Loan,

guarantee the hotel will be operated for a period of not less than 30 years, and guarantee the hotel will be an “upscale boutique hotel.” He outlined key provisions of the LDA intended to protect RURA’s investment in the hotel, key project dates, and the fiscal impact of RURA’s hotel investment on other planned projects. Staff requested authorization for staff to enter into an LDA with Alpha Wave Investors Redmond Hotel Owner, LLC (AWI). DURAC members will have the opportunity to tour the model rooms as soon as they are done.

DURAC discussion covered the penalty if the hotel did not open on December 1, 2019, if the forgivable loan was transferable, and loan repayment triggers.

**Motion 3** (8/0/0): Ms. Osborne moved to authorize the City Manager to execute the Loan Agreement authorizing \$3.53 million of loan funding to AWI Redmond Owner, LLC, for the revitalization of the Historic Redmond Hotel. Ms. Goodrich seconded the motion which passed unanimously.

### III. DISCUSSION ITEMS

#### B. Rock Chuck Rounds Presentation

Ms. Lovrien, Mr. Hoff, and Ms. Roatch presented a draft brochure, outlining a scavenger hunt intended for kids of all ages. The project has been launched with one route through the Dry Canyon that can be accessed by a printed or digital map. Their intent is to evaluate the project’s performance and expand the program if warranted. They requested DURAC’s help in spreading the word about this new community amenity. Brochures are available 7 days a week at Redmond Chamber of Commerce and Cascade Swim Center.

DURAC concerns included participant ages, timeframe, and public access to the scavenger hunt brochures.

#### A. Former City Hall Parking Lot Development Costs

Mr. Arnold discussed the background, lack of developer interest in the RFP (Request for Proposals), RURA costs if the building was not demolished (maintenance, insurance, vandalism), demolition cost (preliminary), and development cost (40 surface parking spaces).

Mr. Rayburn provided preliminary cost estimates for a two-phase project: (1) clean out, demolish, fill in basement, and remove hazardous materials (\$294,000) and (2) repave existing spaces and pave new spaces (\$339,000 not including design and other exclusions).

Mr. Arnold outlined criteria for moving forward, RURA investment to date, and public perception if nothing is done soon.

DURAC concerns included impact of implementing Phase 1 without Phase 2, positive economic benefit to downtown from productive use of this property, if redeveloping the site as a surface parking lot would preclude any other development over the next 5-10 years, current and short-term needs for additional off-street parking, what parking lot development achieves for RURA, continuing to work on a permanent solution, parking development budget (surface parking vs. parking structure), contractor scheduling, and coordinating this project with expansion of Centennial Park.

Following discussion, DURAC members generally agreed with asking staff to research more specific costs (site acquisition, demolition cost per square foot, rebuilding cost, current building maintenance cost), get feedback from RURA’s realtor, share that information with the Parking Task Force, and bring that information along with the Parking Task Force discussion back to DURAC.

C. Centennial Park Update

Ms. McVay reported (PowerPoint) that, despite delays due to winter weather, the project was moving forward on time and within budget. DURAC and City Council approved a construction budget of a little over \$2.5 million. Costs are estimated to come in at \$2.2 million or less. She expected the concrete work to be done by the end of summer 2019.

D. Homestead Canal Trail Update

Ms. McVay said (PowerPoint) the trail segment between Maple and Salmon Avenues had been paved and amenities would be added in fall 2019. Funding partners included Connect Oregon, RURA, Fred Meyer, and City Parks Department. She expected this project would come in under the \$1,197,053 budgeted.

Mr. Arnold reported RURA was working with City Engineering to install striping and wayfinding signage on the downtown segment (Dogwood Avenue to Highland Avenue).

DURAC members asked how, or if, this trail would be connected to the Dry Canyon.

E. Industrial Opportunity Fund Program Adjustment

Mr. Arnold presented a handout and discussed the impact of replacing the Deschutes County average wage requirement with one more reflective of Redmond's average wage. He has researched this proposal with EDCO (Economic Development for Central Oregon) and Business Oregon.

DURAC concerns included if this change would be retroactive to former partners, such as Radian Weapons.

Mr. Arnold provided a status report on Radian Weapons. Staff has been working with this company for about a year. The company has made its investment but has not yet executed its forgivable loan contract for \$47,500.

**IV. EXECUTIVE SESSION – REAL ESTATE**

Chair Crouch read aloud the following statement: Oregon Law permits public bodies to meet in executive session to discuss specific matters which are not open to the public. Final actions or decisions on these matters will be made during regular session. Under the provisions of the Oregon Public Meetings Law, the proceedings of this executive session are for background information only for media attending and not for publication or broadcast.

Chair Crouch closed the regular session and opened the executive session at 6:11 p.m.

Chair Crouch closed the executive session and re-opened the regular session at 6:28 p.m.

**V. MOTIONS AS A RESULT OF EXECUTIVE SESSION**

None.

**CITIZEN COMMENTS**

None.

**STAFF COMMENTS**

Mr. Arnold provided brief updates on Grace and Hammer Pizzeria and Bar, Initiative Brewing, General Duffy's, Becerra's on 6<sup>th</sup> Street Bistro, and the bank building at Deschutes Avenue/6<sup>th</sup> Street. Year-over-year performance figures for April indicated RURA's \$400,000 investment leveraged over \$2 million in private investment.

Mr. Rayburn added that Initiative Brewing was on track to open earlier than expected and Becerra's was moving forward well. DURAC will have the opportunity to tour RURA projects at its June meeting.

**DURAC COMMENTS**

Chair Crouch said Ms. Goodrich and Mr. Danielson were running for the Redmond School District Board of Directors on the May 21, 2019, ballot. He thanked members for great discussions on today's issues.

Next DURAC meeting: Monday, June 10, 2019, 4 p.m.

**ADJOURN**

With no further business, Chair Crouch adjourned the regular session at 6:39 p.m.

APPROVED by the Redmond Downtown Urban Renewal Advisory Committee and SIGNED by me this  
\_\_\_\_ 12th \_\_\_\_ day of \_\_\_\_ August \_\_\_\_, 2019.

ATTEST:

\_\_\_\_ /s/ Donald Crouch \_\_\_\_\_  
Donald Crouch  
Chair

\_\_\_\_ /s/ Chuck Arnold \_\_\_\_\_  
Chuck Arnold  
Economic Development/Urban Renewal Project Manager