

MINUTES

COLUMBIA GATEWAY URBAN RENEWAL AGENCY
REGULAR MEETING
OCTOBER 12, 2015

CITY COUNCIL CHAMBERS
313 COURT STREET
THE DALLES, OREGON

PRESIDING: Chair Steve Lawrence

COUNCIL PRESENT: Dan Spatz, Tim McGlothlin, Linda Miller, Russ Brown, Taner Elliott

COUNCIL ABSENT: None

STAFF PRESENT: Interim City Manager Julie Krueger, Recording Secretary Izetta Grossman, Project Coordinator Daniel Hunter, Business Development Director Gary Rains

CALL TO ORDER

The meeting was called to order by Chair Lawrence at 7:31 p.m.

ROLL CALL

Roll call was conducted by Recording Secretary Izetta Grossman; all members present.

APPROVAL OF AGENDA

Chair Lawrence added Presentation by Michael Leash of Rapoza Development before Executive Session. It was moved by Spatz seconded by Elliott to approve the agenda as amended. The motion carried unanimously.

AUDIENCE PARTICIPATION

Interim City Manager Krueger asked for approval to repair the Granada marquee and purchase new letters. It was moved by Spatz and seconded by Brown to expend \$6466 for repairs and new letters for the Granada marquee. The motion carried unanimously.

APPROVAL OF MINUTES

It was moved by Miller and seconded by Elliott to approve the July 27, 2015 Urban Renewal meeting minutes as presented. The motion carried unanimously.

ACTION ITEMS

Recommendation Regarding Use of Urban Renewal Funds for Children's Library Addition Project

Project Coordinator Hunter reviewed the staff report. He noted that the Library Foundation had already secured \$38,000 of the \$50,000 matching funds.

It was moved by Miller and seconded by Elliott to approve a grant for completion of The Dalles-Wasco County Library Children's Addition in an amount not to exceed \$53,368 contingent on the Foundation's ability to secure an additional \$50,000.

Resolution No. 15-004 Adopting a Supplemental Budget for Fiscal Year 2015-16, Making Appropriations and Authorizing Expenditures From and Within the Capital Fund of the Columbia Gateway Urban Renewal Agency Adopted Budget

Finance Director Mast reviewed the staff report.

It was moved by Elliott and seconded by McGlothlin to adopt Resolution No. 15-004 Adopting a Supplemental Budget for Fiscal Year 2015-16, Making Appropriations and Authorizing Expenditures From and Within the Capital Fund of the Columbia Gateway Urban Renewal Agency Adopted Budget.

Amending the Guidelines for the Façade Improvement Program

Hunter reviewed the staff report, noting that nothing was being added, only clarifying language.

It was moved by Spatz and seconded by Miller to approve the recommendation of the Urban Renewal Advisory Committee, including a new definition for façade and new criteria for commercial applications, as listed in the staff report as I, A and B.

Michael Leash Presentation:

Mr. Leash gave an update on the status of the Hilton franchise application, reviewing annual taxes that would be returned to the tax rolls once the project was up and running, and had various people speak to the value of the project.

Mayor Lawrence asked if the Agency Board if they wanted to hear testimony from others. It was the consensus of the Board to allow testimony from experts.

Risa Wonsyld expressed her excitement regarding the project noting there was nothing like the project currently in the Gorge area. She said that this type of project take time.

Jeff Plew of Venture Hospitality spoke of his experience in the restaurant service field, and said they had worked on the plan for 18 months. He projected there would be 75-85 restaurant service jobs with a total annual salary of \$750,000 - \$800,000. He said The Dalles was a good opportunity for this type of development.

Lisa Martin of Feasibility Study reviewed her experience in the field of convention bookings saying that The Dalles had an opportunity for regional conventions, bookings for corporations/government/association business. She said The Dalles would lend itself well to that type of business.

Representative John Huffman, House District 59 said he was a local business owner for many years and knew firsthand how these type of developments take time. He said he would be requesting \$1 million for the City of The Dalles for the project and should know by the end of February if appropriation was successful. If it was, bonds would be sold in 2017.

Mr. Leash distributed copies of emails indicating he was days away from franchise application approval.

Mr. Leash asked if he could have public testimony. The consensus of the Board was to hear only technical testimony, not for or against statements.

Robin Miles, former Urban Renewal Advisory Committee member reminded the Agency of the funds already spent on this project. She said she wondered about the other projects connected to the Granada Block redevelopment.

Mayor Lawrence said the future of some of the projects would be determined by the granting agencies, as some things had changed.

Nick Miles local artist said The Dalles needed the development for economic growth.

Mr. Leash distributed a concept for extension, asked again for an extension saying the project couldn't proceed with any of the other items on the list without the Hilton site approval.

Elliott asked how long before the franchise approval would be complete. Leash said there were 21 steps after the franchise was granted.

EXECUTIVE SESSION

Recess to Executive Session in Accordance with OSR 192.660(2)(e) to Conduct Deliberations With Persons Designated by the Governing Body to Negotiate Real Property Transactions at 8:27 p.m.

Reconvene to Open Session at 9:23 p.m.

DECISION FROM EXECUTIVE SESSION

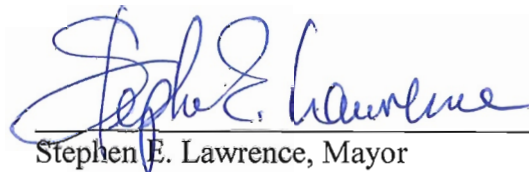
It was moved by Spatz and seconded by Elliott to direct staff to create an RFP for the redevelopment of the Granada Block, including rehabilitation of the Granada Theatre with responses due February 29, 2016; and bring it back to the Agency at the November 9 meeting for approval.

ADJOURNMENT

Being no further business, the meeting adjourned at 9:25 p.m.

Submitted by/
Izetta Grossman
Recording Secretary

SIGNED:



Stephen E. Lawrence, Mayor

ATTEST:



Izetta Grossman, Recording Secretary

Michael Leash

Subject: FW: Concept for an extension

Importance: High

Here a concept for an extension:

5-month Extension with Milestones

7-Days: Must started the Approval process by the City of all land use within 7-Days of extension
(This would allow enough time to be through the process by March 12, 2016)

30-Days: By November 12, 2016

4. Hilton Garden Inn – Has provided written acknowledgment that the site is approved

30+90 Days

120-Days: By February 12, 2016

6. Agency providing proof of marketable title and a preliminary title report.
2. Approval by the City of all land use approvals and completion of the time for any appeal of the land use approvals.
3. Approval of civil engineering plans submitted by the Developer to the Agency
5. Approval by the Agency of the Redevelopment Plan submitted by the Developer
8. City is prepared to issue building permits for the hotel (based work done in the first 30-days of extension)

9. Debt for project to be sourced and structured

30+90+30 Days

150-Days: March 12, 2016

Allows enough time to confirm the Bond Package that Representative Huffman is requesting is funded

7. Confirmation of the State Bond Package is going to be funded and start the Transfer of property to Developer
1. Demolition of the Recreation Building, to be confirmed once developer is 30-60 out from start of construction. (Start 30-60 days prior to construction to avoid a huge hole in the middle of the city)

Thank you,
Michael

Michael Leash, Principal

Rapoza Development Group, LLC

Ph: 541-340-0892

email: mleash@rapozadevgrp.com

Michael Leash

From: Armando Sobalvarro <Armando.Sobalvarro@Hilton.com>
Sent: Monday, October 12, 2015 2:34 PM
To: Michael Leash
Cc: Denise Carpenter; Lisa Waldron; Dale Johnson, Architect
Subject: Proposed HGI - The Dalles, OR - Site Plan approval

Hello Mike-

I've reviewed the latest information we received from Dale. I remain concerned with how remote some of the hotel public functions spaces are from the main entry to the hotel, like the restaurant and reception.

I am ready to approve the site itself, contingent on your understanding and written acknowledgement that the building floor plan itself is not approved, and that we will work on some adjustments to the plans and elevations if the franchise gets approved and the project moves forward into the design phase.

Please reply to this email at your earliest convenience so I may finalize the Site Plan Review form.

Feel free to call me if you have any questions.

Thank you,

Armando

Armando Sobalvarro, AIA, NCARB, LEED BD+C

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Michael Leash

From: Denise Carpenter <Denise.Carpenter@Hilton.com>
Sent: Sunday, October 11, 2015 5:08 PM
To: mleash@rapozadevgrp.com
Subject: HGI The Dalles OR

Michael,

Sorry for my delay in responding to your call. I wanted to let you know that the application has been sent to our Legal Development team for circulation to the Committee. Our Committee is electronic, so instead of a board room meeting, each voting member receives the package electronically for their review and vote. Being a global company, sometimes our senior management team will be 5-6 time zones away; but they do try and replay quickly.

We will need assurance that the site control document can be extended before finalizing the approval and sending a formal letter on the application. I am happy to discuss the process with your City Manager or Council if that is helpful. **Hopefully we will have all replies from the Committee within 10 days.**

Thanks,

Denise Carpenter
Vice President & Managing Director
Development – Northwest Region



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Michael Leash

From: Denise Carpenter <Denise.Carpenter@Hilton.com>
Sent: Tuesday, September 29, 2015 1:17 PM
To: Michael Leash; 'Jens Von Gierke'
Cc: Armando Sobalvarro; Lisa Waldron
Subject: RE: HGI Prototype Presentation

Mike/Jens:

I wanted to give you an update on your application for a Hilton Garden Inn in The Dalles, OR. We are very excited about this opportunity, and I apologize for the timing and delays. As you know, Lisa Waldron had a baby girl several weeks ago, and she is on leave for several more. I'm covering her states on a more day-to-day basis than I normally do, and I'm a little slower than she is! Sorry.

We have received the updated plans submitted from your architect, and Armando will be reviewing when he returns from his trip this week. As soon as we have the go-ahead on the plans, the package will be submitted to our Legal Department for circulation to our Franchise Committee. As I explained to Gary Range from The Dalles this afternoon, we have a big backlog of projects (good problem to have!), but we hope to have your project reviewed officially by our Committee in the coming weeks.

I will keep you updated on the timing once it gets to Legal which should be early next week.

Thanks for your interest and application to Hilton Worldwide for the HGI.

Denise Carpenter

Vice President & Managing Director
Development – Northwest Region



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