

REGULAR MEETING MINUTES
SISTERS URBAN RENEWAL AGENCY BOARD
520 E. CASCADE AVENUE
MARCH 26, 2015

MEMBERS PRESENT:

McKibben Womack Vice Chair
David Asson Committee Member
Wendy Holzman Committee Member
Nancy Connolly Committee Member

STAFF PRESENT:

Andrew Gorayeb Agency Manager
Steve Bryant City Attorney
Patrick Davenport CDD Director
Paul Bertagna PW Director
Darcy Reed Associate Planner
Kathy Nelson Agency Recorder

ABSENT:

Chris Frye Board Chair

ABSENT:

Lynne Fujita-Conrads Finance Office

I. CALL TO ORDER

The meeting was called to order by Vice Chair Womack at 7:43 p.m.

II. CONSENT AGENDA

A. Minutes

1. March 5, 2015 - Sisters Urban Renewal Agency Board

Board Member Holzman moved to approve the consent agenda. Board Member Connolly seconded the motion. The motion carried unanimously.

III. AGENCY BUSINESS

A. Discussion and Consideration of a Motion to Award Façade Improvement Grants

Planner Reed stated the City received a total of 21 application for the façade grants with two proving to be ineligible; one was outside the urban renewal boundary and one had not submitted the required bids. She summarized the types of proposed improvements and stated they totaled \$97, 075.

Committee Member Connolly stated she understood the Council had approved the \$100,000 for grants but questioned where those funds came from. **Manager Gorayeb** explained how urban renewal district were formed and tax increment was collected. He stated of the funds collected a small portion could be used to administer the agency and the rest was used for debt service payment. He detailed how the funds could not be used for projects as all urban renewal projects were required to be debt financed per Oregon statute.

Committee Member Connolly asked if the tax collected was taking money away from the school district and fire district and **City Attorney Bryant** replied the agency was not reducing the budget of these other taxing districts but they would not receive the tax on any increased value on the property that came to the Urban Renewal District once it had been formed. He explained the affected districts had all consented to the formation of the district with the understanding the area was considered blighted and the funds from the Urban Renewal District for tis projects would increase the value of the property. Once the district

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ran its 20 year course that increased value would revert back to the various districts and would result in them benefitting from the increased tax revenue. **Manager Gorayeb** added that at the end of the 20 year period no additional projects could be allowed.

Committee Member Connolly asked if the Board had made a conscious decision to spend the money on façade improvements and agreed the façade improvements were more important than parking and multi-family residential projects. She stated she felt those projects would be more palatable to tax payers. **Committee Member Asson** stated he had walked around and looked at the proposed projects and did not see any indications of blight and felt some of the projects were not in the best interest of the public, one of the criteria noted in the Urban Renewal Plan. He stated he felt many were simply building upgrades and some should be considered normal business expense. **Committee Member Connolly** stated she had the same concerns. She noted some of the businesses asking for a grant were new businesses and asked if the City had looked at the business plan for these businesses in order to access the risks. She questioned how many times a property owner could apply and if there should be a cap, noting one individual that owned multiple properties had received over \$30,000 in the first round of grants and was requesting almost \$12,000 more in the second round of applications. She stated she did not see urban blight so much as a lack of maintenance.

Vice Chair Womack replied he did not have a problem with a person who owns multiple properties applying for multiple grants, as long as the projects met the criteria and agreed the projects should be in the best interest of the public. He stated the Board had the ability to evaluate each project using the criteria to decide to approve or disapprove it. He suggested the Board look at each project individually and make its decision.

Committee Member Holzman stated a number of people have expressed pride on how good the town looks. She stated it does benefit tourism to have the city look better. She stated the Board also needed to remember how the business and property owners had also invested in these projects and were willing to invest.

Manager Gorayeb explained the grants were offered at the behest of the Urban Renewal Agency and noted that residential buildings could also apply if they chose to. **Committee Member Connolly** stated the Board extended the deadline for the grant applications and in ten days received a significant number of applications. She asked what outreach had been done to increase the number of applications so dramatically. **Manager Gorayeb** replied no additional outreach had been performed and the date had been extended at the request of the business and property owners since they were having a hard time meeting the original deadline.

Committee Member Asson remarked that he had been in favor of the grants with the first round of applications as the business owners were going through a lot with the Cascade

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Avenue project underway. He stated he was having a harder time supporting this round of applications.

Committee Member Holzman suggested the Board delay its decision and schedule additional time to discuss how urban renewal funds should be used. **Committee Member Asson** asked if it would be possible for the Board to offer a smaller percentage than up to 50% of the allowable expense and **Manager Gorayeb** replied the Board could decide on any amount it chose to. The **Board** directed staff to schedule the discussion on urban renewal funds for the May 7, 2015 workshop.

IV. ADJOURN – 8:11 p.m.

Respectfully submitted,


Kathy Nelson, Agency Recorder


Chris Frye, Board Chair