



Harrisburg Redevelopment Agency Minutes December 11, 2018

The Harrisburg Redevelopment Agency met on this date at the Harrisburg Senior Center, located at 354 Smith St., at the hour of 8:03pm, directly following the City Council meeting. Presiding was Chairman Robert Duncan. Also present were as follows:

- Kimberly Downey
- Mike Caughey
- Adam Keaton
- Randy Klemm
- Charlotte Thomas
- Youth Advisor Spencer Tucker
- City Administrator Brian Latta
- City Recorder/Asst. City Administrator Michele Eldridge
- Public Works Director Chuck Scholz
- Finance Officer Tim Gaines

Absent was Board Member Robert Boese.

The matter of Approving the Minutes for August 14, and October 9, 2018.

- Downey **motioned to approve the Minutes for August 14, and October 9, 2018, and was seconded** by Thomas. The **Board then voted unanimously to approve the minutes for August 14, and October 9, 2018.**

The matter of Reviewing the HRA's 1st Quarter Financial Report Document.

- Keaton **motioned to approve the HRA 1st Quarter Financial Report for Fiscal Year 2018-2019, and was seconded** by both Downey and Caughey at the same time. The **HRA Board then voted unanimously to approve the HRA 1st Quarter Financial Report for FY 2018-2019.**

The matter of Considering a Property Improvement Grant Request by Dennis Dunne for the Property at 172 S. 2nd St.

STAFF REPORT: Latta summarized the information in the agenda bill, and also passed out a letter and information that he received earlier today. (Please see Addendum No. 1). The applicant had provided him with bids for roughly \$106,000 in expenses. Their request is to ask for the full \$50,000 grant amount, for which there is a 50% match, for them to provide a minimum of \$50,000 of their own funds. There are sufficient funds in the HRA grant fund for this. He reminded the board that this is a discretionary program; and that as always, just because the application meets the criteria, doesn't mean that they are required to approve it. Tonight, you are considering whether the criteria have been met and deciding if you are willing to award the grant to these applicants.

- Downey remarked that when we set up this program, we talked about setting aside money to improve blight conditions; this is one of the main buildings we talked about.

Therefore, she has no problems with their request, unless they are given an example of why we should set it aside.

- Milton Oilar, representing the applicant, said that they had already spent around \$150,000 on this project, as there have been a lot of unknown factors that they had to deal with. They will be adding an outdoor area, which can be used by families too. They see this building as an important part of downtown, although he said for now, that the project looks a little rough. They want to clean it up, and make it a magnet attraction. They have a couple of investors, which include Dennis Dunne, here tonight, as well as Dan Mills, and James Stoddard, the owner of Bugsy's, involved. Iron River Athletics was an addition, leasing an area in the back of the building. They were enthused about adding a location in town where coaches can hold a coach talk with parents, and that is larger for the community, at 10,000 sq. ft. They've already talked to multiple groups, such as a major motorcycle trip group, who are looking forward to the completion. They are really making a good faith effort in getting this project where they want it.
- Latta said that if the board decides to approve the recommended motion, that our attorney then creates a legal agreement, which the applicant will sign. That binds them to the agreement. He reminded the board that this grant doesn't apply to the \$150,000 already spent; only to the amount that applies to the projects not yet started. This is also a reimbursement grant. That means that the costs are reimbursed to them, with receipts that are dated after tonight's meeting. When the project is completed, we inspect it to make sure it meets the terms of the agreement, and the \$50,000 is paid out to them after that time. He reviewed the criteria in the agenda bill. The question is whether or not the Board wishes to spend \$50,000 for this project.
- Klemm **motioned to approve a Redevelopment Agency Grant for the Property Located at 172 S. 2nd St., in the amount of \$50,000 consistent with the criteria and guidelines as specified by the Redevelopment Agency. He was seconded by Caughey, and the Board voted unanimously in approval of the issuance of a HRA Grant in the amount of \$50,000 for property located at 172 S. 2nd St.**

The matter of Considering a Purchase Offer for Property

An Executive Session was opened at the hour of 8:18pm, under ORS 192.660(1)(2)(e): *The Governing body of a public body may hold an executive session (e) To conduct deliberations with persons designated by the governing body to negotiate real property transactions.*

The Harrisburg Redevelopment Agency Board returned to their regular session at the hour of 8:38pm.

- Keaton **motioned to authorize the City Administrator to negotiate the purchase of Tax Lot 4703 of Linn County Assessor's Map 15S04W16AA, as discussed during the executive session. He was seconded by Downey, and the HRA Board voted unanimously in approval of the City Administrator negotiating the purchase of the tax lot otherwise known as 15S-04W-16AA-04703.**

Others:

- Latta explained some of what he's been doing on a legislative basis, to work on the Natural Resources Committee in relation to wetlands. He was also enthused that we will have 4 of our Councilors/Board members attending the City Day at the Capitol event on January 24, 2019. He is trying to get time with Senator Beyer, and hopefully with the

newly elected Representative Wilde as well. He also related that he had met with a potential developer, who was interested in properties in town that has wetlands. That includes property on the south side of Sommerville Loop, as well as the Poulton properties on the east side of the City.

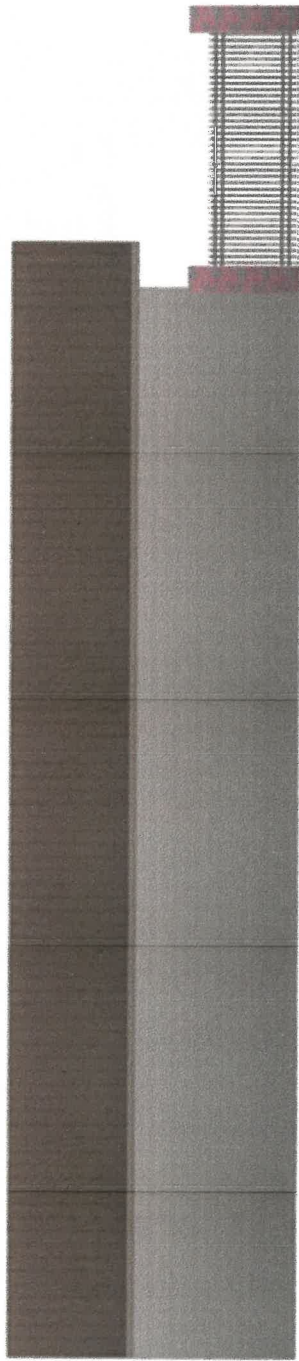
- Keaton asked if they had expressed any concerns, other than wetlands.
- Latta told him no; in fact, they shared that our SDC's are lower than everywhere else in the state. They like Linn County, and this area; they just need to resolve how to address the wetlands.
- Eldridge then related that she wanted to add to the report that was included in the Council Appendix. She had stated that the YTD Valuation for 2018 for property taxes was \$3,606,097, but as of yesterday, we had several industrial permits that were issued, bringing our 2018 property values to \$4,129,566 for the calendar year. She reminded everyone that those property values wouldn't show up for at least a year or two, because the permits needed to be finalized before those values were added to the property tax base. Knife River will have an office building that will come in front of the Planning Commission soon, and Eldridge also added that Precision Prefinishing was discussing an expansion, and we would have McCracken building a warehouse south of the water plant in the future.

Council briefly discussed if there was anything we could do to help motivate developers coming to town, other than fixing the water situation, and the wetlands issues. Latta explained the wetland dilemmas that the City was dealing with, and the prices for mitigation. He is a fan of governments being able to own their own wetland banks.

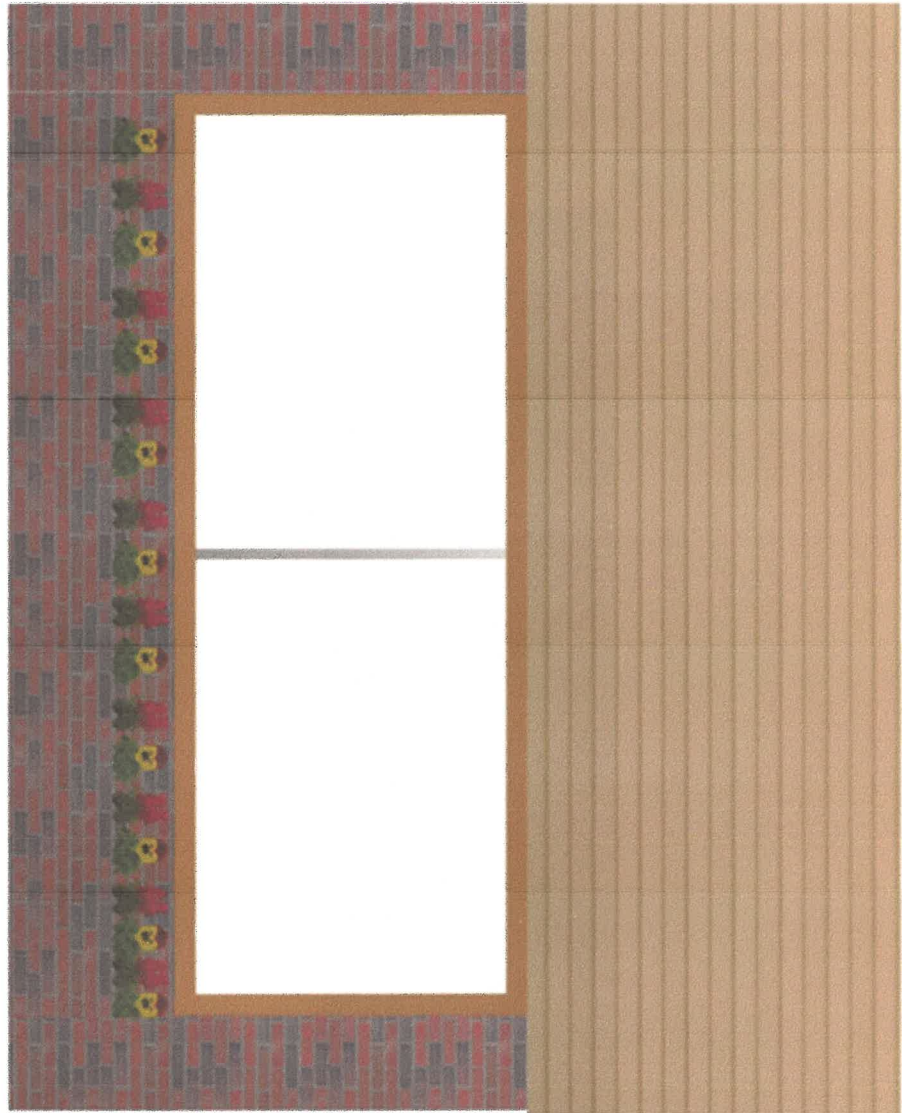
With no further business to discuss, the meeting adjourned at 8:51pm.

Chairperson

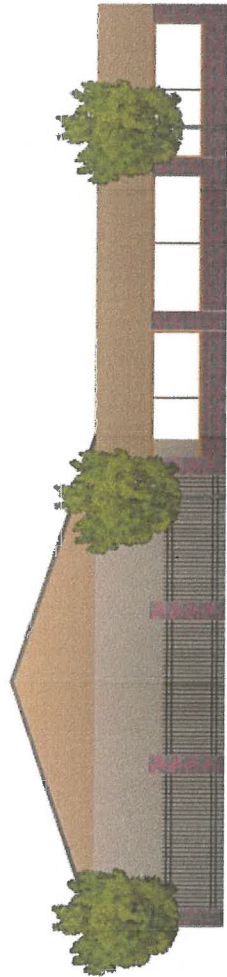
City Recorder



Looking East



Window with Dark Framing



Looking North from Moore Street

