



**SCAPPOOSE**  
*Oregon*

**MONDAY, MAY 2, 2022**  
**URBAN RENEWAL AGENCY MEETING 6:00 pm**  
**Council Chambers**  
**33568 East Columbia Avenue**  
**Scappoose, OR 97056**

**Call to Order**

Chair Scott Burge called the Urban Renewal Agency meeting to order at 6:00 p.m.

**Roll Call**

Chair Scott Burge; Agency Member Megan Greisen; Agency Member Josh Poling; Agency Member Brandon Lesowske; Agency Member Pete McHugh; Agency Member Tyler Miller; City Manager Rains; Interim Police Chief Davis; City Recorder Reeves; and Legal Counsel Watts.

**Remote:** Consultant Elaine Howard; Agency Member Josh Poling; and Agency Member Jeannet Santiago  
(joined at 6:06pm)

**Approval of the Agenda**

Megan Greisen moved, and Tyler Miller seconded the motion to approve the agenda. Motion passed 5-0. Scott Burge, aye; Megan Greisen, aye; Brandon Lesowske, aye; Pete McHugh, aye; and Tyler Miller, aye.

**Public Comment**

There was no public comment.

**Approval of Minutes**

- **March 7, 2022**

Brandon Lesowske moved, and Pete McHugh seconded the motion to approve the March 7, 2022 Urban Renewal Meeting minutes. Motion passed 5-0. Scott Burge, aye; Megan Greisen, aye; Brandon Lesowske, aye; Pete McHugh, aye; and Tyler Miller, aye.

**District Improvement Grant Programs**

- **New Development**
- **Storefront**

City Manager Rains explained we have Elaine Howard with us tonight. She's going to complete the presentation that was originally began by Scott at the last meeting, as he was unable to attend this evening.

Consultant Elaine Howard went over the four things that Scott wanted to cover and will want input from the City Council on these issues:

1. What is the max amount they want to stipulate on the colossal program per loan?
2. Is there a max amount for design work?
3. How long do they want to give for the completion of a project for the new development program? One year is not enough. Maybe two years with the ability to extend?
4. Do you want to be more specific about the types of expenditures for the new development projects? We prefer to leave that open to you to provide the most flexibility.

Elaine Howard explained Scott had sent over some potential new guidelines for Council to review. She went over all the guidelines.



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## DISTRICT IMPROVEMENT GRANT PROGRAM – NEW DEVELOPMENT

The City of Scappoose has adopted a City Vision Statement that includes:

*"We take pride in our locally owned businesses that add quality and character to our town, and we respect our abundant natural resources that have sustained our community for years. We can forge a path to a balanced, local economy by opening doors for entrepreneurs, clean industry, higher education and research. We seek sustainable, living-wage jobs and careers that support families and future generations."*

As part of the support for that vision statement, the city through the Scappoose Urban Renewal Agency (Agency) has created a New Development Grant Program to provide financial assistance to property owners and developers. The program is designed to promote the revitalization of the Scappoose Urban Renewal District.

**Eligibility:** All properties and/or businesses located within the urban renewal district are eligible for the New Development Grants. Only one grant per tenant and/or property owner per building location will be allowed in any one fiscal year period [July 1 through June 30], with the ability to apply again in future fiscal years.

**Purpose:** Promote new development in the urban renewal area to eliminate blight, increase the number of jobs, attract new investment and economic activity, and inspire community pride.

**Maximum Grant Amount and Required Match:** For each business or property, the maximum possible grant award is \$\_\_\_\_\_. All project grants require a \$1 to \$1 match from the property or business owner, equaling at least 50 % of the total project costs.

**Grant Application Cycle:** The Scappoose Urban Renewal Agency will accept and consider applications in the order they are received, on a year-round basis, until total grant funds are expended for the fiscal year

### Grant Eligible Improvements:

The types of eligible projects include:

1. Site preparation
2. Design services
3. New site development, new construction

## Grant Application Process:

1. Submit a letter (or email) of interest to City of Scappoose Urban Renewal Agency describing your proposed project.
2. Meet with City/Agency for consultation to discuss and review the proposed project.
3. Design assistance up to \$\_\_\_\_\_ may be available upon receipt of design product and completed application. City/Agency reviews project description and design proposal and determines if a grant for design assistance is appropriate.
4. If applicable, Applicant contracts with an architect and/or design professional for design assistance and a project cost estimate.
5. Applicant submits New Development Grant application packet to City/Agency staff for review and coordination. Please use these items as a checklist of required information:
  - ✓ A completed Scappoose New Development Grant Application.
  - ✓ A business license if you are a business owner
  - ✓ Evidence of ownership of property or written authorization from property owner.
  - ✓ Project budget estimate.
  - ✓ A detailed written description of the proposed project.
  - ✓ A statement on source of project funding that includes the required match, plus a 10% contingency. This could include a letter from bank or lender, account balance statement, or other as approved.
  - ✓ A depiction of the proposed improvements, i.e. a photo with marked revisions, or hand drawing.
  - ✓ A materials specifications board or detailed description of materials and colors.
  - ✓ A construction schedule.
  - ✓ Other required information as requested.
6. When a complete application package is received, City/Agency staff will have a minimum of 60 days to:
  - ✓ Review application for completeness.
  - ✓ Schedule and conduct a site visit for the New Development Grant Review Committee.
  - ✓ Conduct a New Development Grant Committee meeting to consider grant award.
7. Authorization and funding of a grant will be determined by conformance with city requirements and subject to the following conditions:
  - ✓ All projects must comply with City of Scappoose Municipal Code, Land Development Code, area plans and all other City, State and Federal regulations.
  - ✓ Land use and building permit approvals (if necessary).
  - ✓ For projects requiring building permits, drawings from a licensed architect.
  - ✓ Copy of City of Scappoose Business License (if applicable).
  - ✓ A certificate of insurance showing adequate coverage and naming the City/Agency as additional insured with respect to the work proposed.
  - ✓ Applicant's signed acceptance of the Letter of Approval and Grant Agreement with City of Scappoose Urban Renewal Agency.
  - ✓ Applicant posting grant information sign – City/Agency to provide.
  - ✓ Copy of contracts between the business/property owner and contractor. All contractors are to be licensed, registered and bonded.

## Grant Application Process Cont'd:

### Grant Period:

Projects will have (time frame) from the date of grant approval to be completed. Applicants receiving funding through this program are not eligible to apply the following fiscal year. If a grant is awarded and the building is sold during the grant period, the grant award is not transferrable to the new owner.

### General Conditions:

The following general conditions will apply to all projects:

- ✓ All applications are subject to available funding and shall be processed on a first come, first served basis.
- ✓ City/Agency staff may waive any requirement or condition on an application at its discretion.
- ✓ Improvements funded by the grant must be maintained in good order for a period of at least five (5) years.

Applications will be considered and awarded or denied by the New Development Grant Review Committee as determined by the City of Scappoose and Agency. The City/Agency reserves the right to withdraw any grant awards at any time or for any reason. Applicants shall be notified in writing.

### Disbursement of Funds:

Downtown Scappoose New Development Grant funds will only be disbursed to property owners or businesses upon receipt of a contractor invoice(s) and satisfactory progress observed on the completed work. In-kind work performed by the applicant will not be eligible for reimbursement.

All work must be consistent with the approved grant application and the Agency must approve any changes in work scope or materials in advance of that work being performed.

### Criteria for Nonperformance:

If a project is not complete (time frame) after grant award date, the applicant will only be reimbursed for expenses that have occurred up to that date.

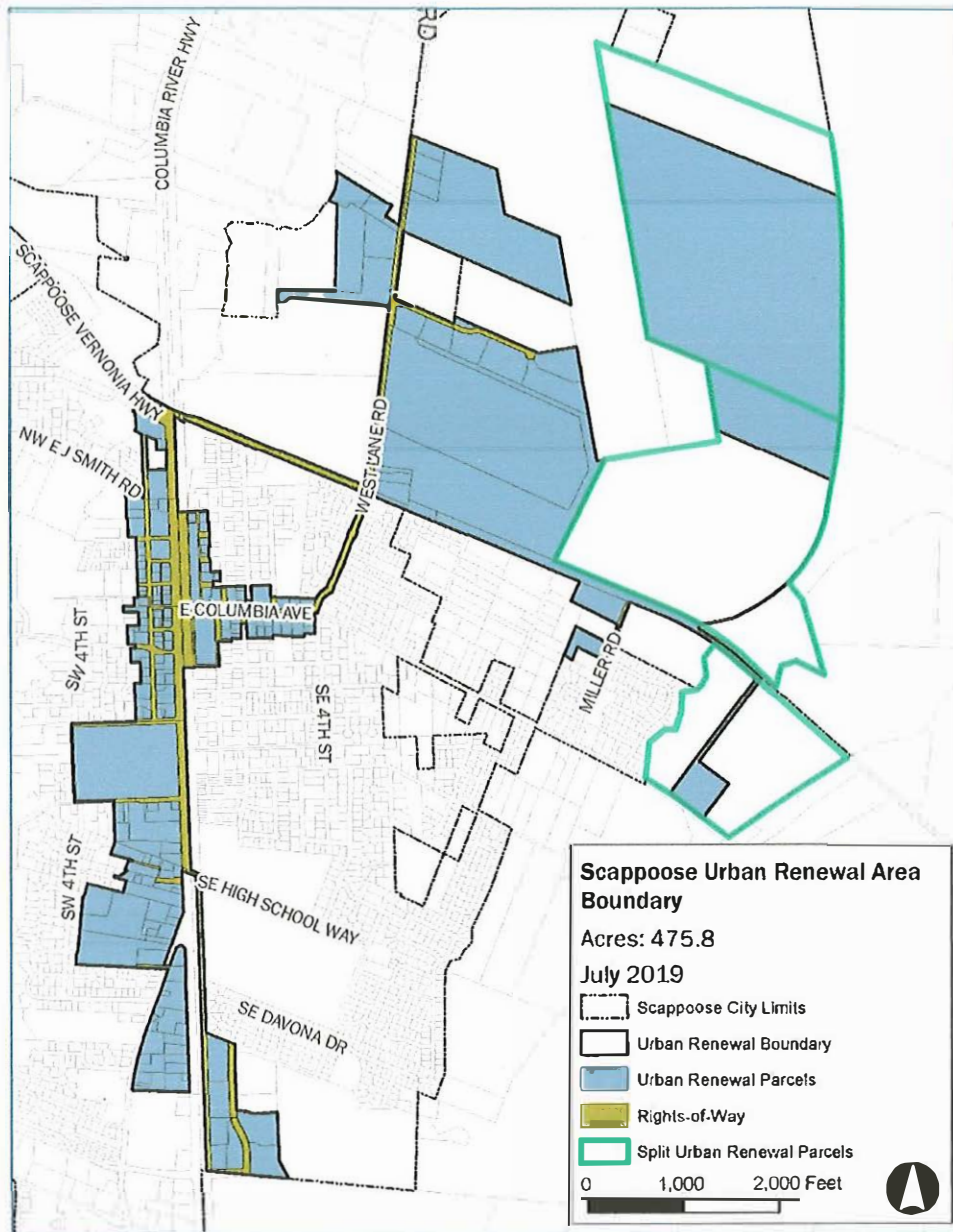
## Contact Us

Give us a call for more information about our Grant Program

City of Scappoose  
33568 E Columbia Avenue  
Scappoose OR 97056  
(503) 543-7146

Visit us on the web at [www.ci.scappoose.or.us](http://www.ci.scappoose.or.us)

# New Development Grant Program Boundary



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Elaine Howard asked if the Agency wants to identify a maximum for their colossal program, per loan or do they want to leave that more open and as they put out program guidelines put in whatever number they put in the budget for that year?

Pete McHugh is just wondering what other cities have done.



Elaine Howard replied in Astoria they have a maximum amount but they often will waive that requirement if they get an application in that is something they're very interested in.

Brandon Lesowske asked City Manager Rains if we have identified what our budget will be for this program as of yet for the next year?

City Manager Rains explained it does increase a little bit over time but not a lot so it was about \$24,000 to begin with she believes and this year it is around \$29,000. She explained since no funds have been spent those just keep rolling over and accumulating, so we have a couple years of funds that have not been touched. She stated with that said the amount is never huge that we put in there but further down the line it does increase by small increments.

Brandon Lesowske talked about creating the language that gives them the most flexibility so that we are not constantly having to review this but yet we are setting parameters that will not put this Agency in a bind moving forward as well.

Elaine Howard replied why don't we just tie it to what you establish in your budget. That way you can make that determination and if you get in something for more than that and you decide to amend your budget then you've amended your budget and that will take care of that. She talked about adding language for the applicant to verify funding amount available in that fiscal year.

Jeannet Santiago agrees that if the language doesn't have to be an exact amount that the flexibility should be a case-by-case basis.

Chair Burge stated it sounds like we are kind of leaning towards keeping it open to what the budget allows.

Chair Burge asked about question 2. Is there a max amount for design work; what are other cities doing?

Elaine Howard replied nobody is putting in a maximum amount for design work. She explained if they do design work and then decide that they can't go ahead with the project, your money is put out there and no construction happens from it and that's why you might want to say you'll put some money towards that but we really want to put our money towards is the actual construction. She stated that is why they wanted to bring that up and she doesn't believe it is specified in other cities but they were concerned about that.

Brandon Lesowske feels we should be maximizing the impact of these dollars and if we do get a project that has to continually go back for design review and we do not identify a cap, if we even choose to contribute any percentage of the actual grant dollars to design, he thinks we should be thinking about the dollars and our best use of them. He stated with that the industry standard for a project manager for smaller budgeted projects is anywhere between five to fifteen percent as the overall budget cost. He asked Elaine if that sounded within range from her experience.

Elaine Howard replied it has been a while since she reviewed costs for project managers so she is not sure she can verify that number.

Brian Rosenthal explained the project manager standard range is between ten and twenty five percent. He would personally like to keep it fifteen percent. He explained if this was him, he wouldn't put any money toward design at all. He stated they have to have skin in the game and if they don't have skin in the game how do you know they are even serious. He stated if he was looking for \$5,000 to \$10,000, he wouldn't bother, it's not worth it. He stated if someone is serious, they are not going to jump through a lot of hoops for \$5,000 to \$10,000. He doesn't see any reason to be offering money for design phase at all.

Chair Burge stated when it comes to design, he leans towards we shouldn't be giving money out for people to speculate. He thinks that one is out.

Elaine Howard stated she thinks that makes good sense. She stated this money is really just to try to provide incentive or maybe to provide some design improvements that if that property is going ahead and you want something special that's going to help make it look better to the community that you can help make that happen, but it certainly is not meant for doing any development by yourself.

Brandon Lesowske stated hopefully this meeting creates some clarity and understanding the gravity of the program and what it's going to be able to support.

Chair Burge asked Brian Rosenthal if he is actually recommending that they have a maximum grant amount on the front part.

Brian Rosenthal stated if they don't have that information on the front side what could happen is you could have an owner of property decide that their land is more valuable than it is because of that grant. He stated the potential for that grant actually becomes part of the value of that land. He stated he would cap it and if he had to pick a number it would be somewhere between fifty and a hundred, as a max, probably closer to fifty.

Tyler Miller thanked Brian for the valuable insight. He stated he thinks there has to be some middle ground because it still goes back to the initial concern that do we want flexibility to be able to give the amount that we want to give on certain projects. He is just wondering if we can accomplish what Brian's concern is and then also what Pete McHugh brought up also by just publishing what our budget is for that round and everything that we publish about the application process. He doesn't want people to get the wrong impression that we have more money than what we do.

Pete McHugh stated we don't want the paperwork and the amount of time people have to spend justifying everything and proving everything to be more work than what the money that they're gaining and he could see that happening very easily. He is just saying somewhere there is a balance.

Tyler Miller stated maybe a way to accomplish that is maybe we scale back to at least the initial set of questions and we review things we need to screen for right away and then if there are follow up questions, we do that on a case-by-case basis.

Chair Burge asked wouldn't it just be the maximum possible of the grant would be not to exceed whatever the budget is or fifty thousand dollars say and then that way it gives a top cap that people will

know what their budget is and the Urban Renewal Agency at any time can come back and change that. He likes the fifty cap or whatever or the budget is.

Elaine Howard explained before the applicant meets with the City all they have to do is submit a letter of interest describing their proposed project. She stated we can certainly look at the checklist of required information and propose to the Agency things that could be eliminated.

Elaine Howard went over question 3. How long do they want to give for the completion of a project for the new development program? One year is not enough. Maybe two years with the ability to extend?

Chair Burge is actually comfortable with the recommended two years with the ability to extend.

Brandon Lesowske stated he is in full support of the twenty-four-month period with the opportunity to review for extension as needed but he would ask do we need to write that in as a parameter within the context of the application process and do we need to be as specific as possible of what that review request would look like and what parameters we would want them to provide as into why we are looking at the review.

Elaine Howard replied she is not sure if you need to do that right now, that would be something once you get somebody in line and you want to go ahead and do this, but they could certainly propose something now but she is not sure that has to be done now to get the program up and running.

Brandon Lesowske replied he has no problem waiting but he does want it to be an agenda item for them to address as they move forward so that they are more proactive in that approach rather than reactive.

Jeannet Santiago talked about maybe the wording of the projects should be smaller projects if you want to limit the amount of grants per applicant. She asked if we do extend the extension of say two years would the applicant be eligible to apply for second year for additional fundings in order to finish the second-year project. She thinks we should kind of see on a case-by-case basis and the types of projects that we are looking at that are realistically on the twenty-five-thousand-dollar range then she doesn't think there will be the problem of the issue of what Brian Rosenthal was addressing.

Elaine Howard stated what they had proposed was if somebody got funding one year, they could not apply for it the next year. She explained if the project went two years and then they decided they wanted to apply, they could apply, and the Agency could tell them no, but the way it is written now if it is two years since their original funding, they could apply for more but the Agency has the ultimate ability to say no.

Chair Burge stated he thinks it is one project, one grant. He doesn't think once you start a project you should be able to come back and get more and more grant money.

Megan Greisen is open to different scopes of projects coming in by the same applicant.

City Manager Rains stated we could make a note that maybe you'd prioritize new projects but that you'd be open to considering applicants that would be coming in on the same project depending on the



circumstances, but you could build in some flexibility for yourself that they just may not be at the top of the pile, so to speak, if you had other people that were new.

Brian Rosenthal stated he has a thought for the Agency. When you start a major project, you're not going to change it unless something extraordinary happens because it's all going to be incredibly expensive. He stated you get your best deals from your contractors and if you change anything, it's change orders and they're brutal. He stated a good project is a project that comes online and on budget. He stated but what can happen is you can build a building and not have tenant improvements. So what could happen is that they built a building like one of mine where you could put a variety of businesses in there and then you could have a tenant come along and let's say the city's is excited about whatever they want to provide, but maybe the answer would be is you have one for the general contractor, then make it available to potential tenants, if there's something that's appropriate within your program. He stated he really doesn't think you're going to see a lot of people wanting to change substantially once they start, because if they do, the costs are going to be cost prohibitive.

Megan Greisen explained she thinks that's why we're clarifying that these are separate projects.

Paul Fidrych stated he is just watching here, but it looks like he is watching the NFL try to figure out the Rules Committee. He thinks it should be kept very simple. He stated hey, if they apply and you don't want to give it to him, tell them no. He stated you have said from the beginning, you want people to be in this program, you want to make it simple and you always have the right to tell them, you are going to give you this much and that's all there is to it. You can tell them sorry you applied, but we can't give it to you. He stated that's just his opinion, keep it simple from the outside. He thanked them.

Chair Burge stated thank you, Paul.

Megan Greisen explained she senses that as well, but her concern also is let's say tomorrow three councilors don't want to be councilors anymore and we have to make sure that this language is very clear for whoever sits in our seat next so. She stated thank you for that empathy.

Chair Burge asked did we get on the final part of it, the timeline?

Elaine Howard replied yes, she thinks we said two years with the ability to extend and we will talk about specificity on that ability to extend at some, but that may not have to be done to get your program up and going. She explained you've got at least two years to figure that out because you if you receive an application in, it goes two years before you have to extend. That language shouldn't stop you from going ahead. She explained we just have the one last question. 4. Do you want to be more specific about the types of expenditures for the new development projects? We prefer to leave that open to you to provide the most flexibility. She explained information that you've gotten from the folks in the audience kind of helps us think about this. She explained their advice is to leave that open to you to provide the most flexibility so a developer will come into you and say, I'd like X amount of money and I'd like to use that towards X and then you can review that and determine whether that works for you instead of saying, well, you can use it on windows and you can use it on furnaces. They suggest that you aren't specific about that, but certainly can write it differently if the Agency wants.

Megan Greisen stated she is in favor of keeping it open.

Chair Burge replied he is also.

Pete McHugh asked where are we with question number one?

City Manager Rains replied in her notes she has it that it is allowed by the budget or 50,000. She stated either what is allow or actually in budget and available or \$50,000 is a cap, but it's still flexible.

Brandon Lesowske asked Elaine if they also need to identify the time period for the criteria of nonperformance after the dollars have been identified for the award?

Elaine Howard replied probably.

Brandon Lesowske asked Elaine in her experience, is it standard practice that if it's not within the 24-month period that we had identified and or with consent of review of extension beyond that period, we would no longer provide any additional funds to the project.

Elaine Howard replied correct, that is very logical.

Chair Burge stated that he thinks we have come to conclusion of the four questions. He talked about having discussion on the smaller grant programs.

Elaine Howard replied you had given them specific direction and there was only a couple of points that needed changed and when she looked for the materials, she saw that Scott did not send that back to you and she thinks it was because it was pretty clear and tied up. She stated she thinks as they send this back for you to review, they will send that back and that one should be close to final because we did agree on a couple of specific changes to it.

City Manager Rains stated they will make sure everything comes back the Agency for a final once over. She stated she thinks at this point we've worked our way through these draft programs and we can come back with something finished for you to look at.

Chair Burge stated thank you very much. He also thanked Elaine.

### **Adjournment**

Chair Scott Burge adjourned the Urban Renewal Agency meeting at 6:52 pm.

  
Chair Scott Burge

Attest:



City Recorder Susan M. Reeves, MMC