

CITY OF LA GRANDE

Urban Renewal Agency Regular Session

August 5, 2015

Immediately following the City Council Regular Session

Council Chambers
La Grande City Hall
1000 Adams Avenue

MINUTES

AGENCY MEMBERS PRESENT:

Steve Clements, *Mayor*
Gary Lillard, *Mayor Pro Tem*
John Bozarth, *Agency Member*
Wayne Brown, *Agency Member*
John Lackey, *Agency Member*
Troy Pointer, *Agency Member*
Justin Rock, *Agency Member*

AGENCY MEMBERS ABSENT EXCUSED:

STAFF PRESENT

Robert Strobe, *District Manager*
Angelika Brooks, *City Recorder*
Kayla Nichols, *Assistant to the District Manager*
Christine Jarski, *Economic Development Director*

ROLL CALL

DISCUSSION/DISPOSITION

Mayor CLEMENTS called this Regular Session of the Urban Renewal Agency to order at 7:28 p.m.; Roll Call was taken; and a quorum was determined to be present.

City Recorder BROOKS listed the material on the dais this evening: Revised Agenda due to a revision of agenda item 7.a.

CONSENT AGENDA

- a. **Consider:** Approving Regular Session Minutes;
June 3, 2015
- b. **Consider:** Approving Special Session Minutes;
July 27, 2015

The following Motion was introduced by LACKEY; ROCK providing the Second:

MOTION: I move that we accept the Consent Agenda as presented. **MSC.** (unanimous)

PUBLIC COMMENTS

None

PUBLIC HEARINGS

None

UNFINISHED BUSINESS

None

NEW BUSINESS

- a. Consider:** Declaring Property Surplus/Authorizing
Sale and/or Transfer; *IOOF Building, 1106 Adams Avenue*

STAFF REPORT

Mayor CLEMENTS requested the Staff Report.

Robert STROPE, District Manager

The Agency acquired the property at 1106 Adams Avenue, commonly referred to as the IOOF (International Order of Odd Fellows) Building, with the intention of accessing DEQ funding to assist in the removal of hazardous materials from the property and to use Urban Renewal funding as the required match as well as to make needed repairs to preserve the building and remove blight. (The property actually included two buildings, the IOOF and the State Theatre) As part of the acquisition, the Agency entered into an agreement with the prior owners which included a right of First Refusal to repurchase the property from the Agency. Ultimately they did not exercise that option and the Agency owns the property. The project costs were as follows:

Acquisition costs:	\$ 22,394
Clean-up costs:	\$259,251
Repair costs:	\$103,168
Holding costs:	<u>\$ 16,354</u> (through February 2015)
Total:	\$401,169
Less Grants:	<u>\$233,775</u>
Subtotal:	\$167,394
Repair to back wall:	<u>\$ 26,433</u>
Total Agency costs:	\$193,827

In setting a minimum sales price, the Agency may wish to consider the following:

- Had the prior owners exercised the Right of First Refusal, they would have paid \$116,354, making the Agency's unreimbursed costs \$51,039. The Agency could opt to attempt to recoup the amount that would have been paid by the prior owners, plus the repair costs for the back wall of \$26,433, for a total of \$142,787.
- Another option would be to take the total agency costs and deduct \$75,000, which was the maximum amount that the Agency awards under the "call for projects" program, or \$118,827.

- The Agency could opt for a minimum price that reflects the current values based on the tax assessment. The most recent Assessor's Office valuation places the Real Market Value and Assessed Value for the property at \$169,480.
- Or the Agency could set any minimum price that the Agency believed was appropriate based on the testimony received at the Public Hearing.

If the Agency did not receive any bids at or above the minimum, it was the District Manager's recommendation that the property be listed with an agent for six month increments as provided by Ordinance 2962.

PUBLIC TESTIMONY

None

AGENCY DISCUSSION

BOZARTH requested a tour of the IOOF Building to identify lot(s) configuration.

In response to LACKEY's question, STROPE stated that the Agency had been paying the property taxes and the taxes were current on the property.

In response to POINTER's question, STROPE stated that there was nothing that would preclude anyone who bought the property from requesting Urban Renewal Funding. Mayor CLEMENT's stated that he would be hesitant to give Urban Renewal Funds, due to the Agency Funds that had already been used towards the property.

BOZARTH stated that he supported the bidding option of the property to try to recoup the money spent by the Agency on the property.

MOTION

The following Motion was introduced by BOZARTH; BROWN providing the Second:

Motion: Pursuant to Section 5, of Ordinance Number 2962, Series 2000, I move that the District Manager schedule a Public Hearing for September 2, 2015, to consider declaring the Tax Lots commonly referred to as the IOOF Building, surplus property and authorizing their sale as presented.

AGENCY DISCUSSION

None

VOTE

MSC. (Unanimous)

STAFF COMMENTS

None

DISTRICT MANAGER COMMENTS

None

AGENCY MEMBER COMMENTS

None

ADJOURN

There being no further business to come before this Regular Session of the Agency, CLEMENTS adjourned the meeting at 7:48 p.m.

ATTEST:

APPROVED:

Kayla M. Nichols
Assistant to the District Manager

Stephen E. Clements
Mayor

APPROVED: _____