



**Urban Renewal Agency Work Session Minutes
Site B**

**Monday, October 11, 2021
8:30 p.m., Zoom Community Auditorium**

***Minutes are unofficial until approved by the Urban Renewal Agency.
Urban Renewal Agency approved minutes as presented March 21, 2022.***

1. CALLED TO ORDER AND ROLL CALL:

Peter Truax, Urban Renewal Agency (URA) Director Chair, called the URA work session to order at 8:15 p.m. via Zoom Webinar Video Conference. The meeting was held in a "hybrid" format allowing the public to attend both virtually and in-person in the Community Auditorium. Members of the public could observe the meeting **LIVE** on **Zoom Webinar** or on television on Tualatin Valley Community Television (TVCTV) Government Access Programming.

ROLL CALL: URA DIRECTORS PRESENT ATTENDED BY ZOOM WEBINAR:

Donna Gustafson; Kristy Kottkey; Timothy Rippe; Elena Uhing; Mariana Valenzuela; Malynnda Wenzl, Vice Chair; and Peter Truax, Chair.

STAFF PRESENT ATTENDED BY ZOOM WEBINAR: Jesse VanderZanden, City Manager; Bryan Pohl, Community Development Director; and Paul Downey, Assistant City Manager/Finance Director, Acting City Recorder. **STAFF ABSENT:** Anna Ruggles, City Recorder, excused.

2. WORK SESSION: SITE B

Pohl, Downey and VanderZanden facilitated the work session, noting the purpose of the work session was to consider the disposition alternatives for the development concept on Agency-owned property known as Site B (Times-Litho), a 1.12-acre site located in downtown at the corner of Pacific Avenue and B Street. WelshCORP, D.B.A.; FreshFoods; and MFF Properties, LLC (Developer), received an automatic 120-day extension as provided by Article 2 of the Exclusive Negotiating Agreement (ENA), which expired on May 28, 2021. The Board approved Amendment No. 1, which granted an extension of time until October 31, 2021, for the Developer to finalize the project, including approval of the affordable housing component of the project from Washington County. The current proposed project is an approximate 20,000 square foot grocery store with up to 20 affordable housing apartments above the grocery store. Downey reported during the Developer's due diligence for the planned grocery store and housing aspects, the following issues arose:

AFFORDABLE HOUSING

The housing concept is not a candidate for Metro Housing Bond funds. Banks will not

finance. Private money will only finance for a greater number of units. Potential URA/City incentives are not sufficient for the entire project as proposed.

PARKING

- Not required for commercial. Required for residential.

TRAFFIC AND PARKING ANALYSIS

- Completed by DKS
- Assumed 20 housing units
- 56 spaces recommended for grocery
- 24 required for residential

Concluded traffic impact is not a prime concern; however, parking was a concern. Downey advised the Developer has stated that the housing element of the project as proposed cannot be accomplished. In conclusion of the staff report, Downey proposed the following options for consideration:

- Accept the project as a grocery store with no housing element and direct staff to begin negotiations on a Disposition and Development Agreement (DDA).
- Extend the current ENA to allow the Board more time to consider the grocery store only concept.
- Allow the ENA to expire and issue a new Request for Proposal (RFP) if the grocery store only is not an acceptable proposal. The RFP must be based on URA goals. This option would allow staff to continuing working with FreshFoods on their existing proposal as well as allow the option to consider other proposals that may be submitted.

URA Board Discussion:

Director Chair Truax opened the floor and a roundtable discussion ensued pertaining to the vision and redevelopment project objectives identified in the RFP for Site B and the desire of incorporating an affordable housing element. Downey advised FreshFoods is requesting to finalize the project terms as a stand-alone grocery store without the housing element. Downey introduced Jonathan Welsh, President of WelshCORP and Chief Executive Officer of FreshFoods, who responded to various inquires pertaining to the stand-alone grocery store proposal, noting they are disappointed that it was not fiscal feasible or viable to incorporate any type of housing element due to the limited number of housing units and parking analysis for the development site. The Board voiced support of the proposal, noting a new grocery store has been a longstanding and greater need in the community. In conclusion of the roundtable discussion, the URA Board collectively concurred to extend the ENA to give staff and the Developer more time to finalize the terms of developing a grocery store on Site B with the goal of negotiating a Disposition and Development Agreement (DDA), to which VanderZanden advised staff will bring back a proposed resolution amending the ENA for consideration at a later date.

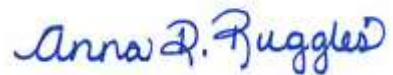
The URA Board took no formal action nor made any formal decisions during the work

session.

3. **ADJOURNMENT:**

Director Chair Truax adjourned the URA work session meeting at 8:45 p.m.

Respectfully submitted,



Anna D. Ruggles, CMC, City Recorder