



Malynda Wenzl, Chair

Timothy A. Rippe, Director
Donna Gustafson, Director
Michael Marshall, Director

Karen Martinez, Director
Elena Uhing, Director
Mariana Valenzuela, Director

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[Zoom Webinar](#) Meeting ID: 850 7572 2488 Passcode: 97116

EXECUTIVE SESSION

EXECUTIVE SESSIONS ARE CLOSED TO THE PUBLIC. No formal decisions or actions will be taken. Representatives of the news media may attend, but may not disclose any information discussed. News media representatives can request a link to attend via Zoom by emailing the City Recorder's Office at: mwoods@forestgrove-or.gov

8:30 The Board will convene to hold an executive session pursuant to ORS 192.660(2)(e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions.

Staff: Jesse VanderZanden, City Manager, Paul Downey, Assistant City Manager/Finance Director

A. 9:00 Call to Order

1. Roll Call

B. Public Comment Time provided for anyone wishing to speak to the URA Board on an item not on the agenda or on the agenda but not scheduled for a public hearing. Comments are limited to 2 minutes unless additional time is granted by the Presiding Officer. The public comment period shall not exceed 30 minutes unless a majority of Directors present vote to extend the time. Zoom attendees may use the "Raise Hand" option to be called on.

C. Consent Agenda Items under the Consent Agenda are considered routine and will all be adopted with a single motion, without separate discussion. Councilors who wish to remove an item from the Consent Agenda may do so prior to the motion. Any item(s) removed will be discussed and acted upon following the approval of the remaining item(s).

D. Additions/Deletions

E. Presentations The Board will hold questions until the end of each presentation. A two-minute reminder will be given to the presenter to conclude remarks.

F. Public Hearings, Resolutions

1. 9:05 **URA RESOLUTION NO. 2024-01 ESTABLISHING A BUILDING IMPROVEMENT GRANT PROGRAM**
Staff: Bryan Pohl, Community Development Director
2. Public Hearing
9:10 **URA RESOLUTION NO. 2024-02 ADOPTING CITY OF FOREST GROVE URBAN RENEWAL AGENCY BUDGET, MAKING APPROPRIATIONS, AND DECLARING THE TAX INCREMENT FOR FISCAL YEAR COMMENCING JULY 1, 2024, AND ENDING JUNE 30, 2025**
Staff: Paul Downey, Assistant City Manager/Finance Director

G. 9:15 Adjournment

Americans with Disabilities Act (ADA) Notice: The City is committed to providing equal access to public meetings. Requests for accommodation can be sent to the City Recorder's Office at least 48 hours before the meeting at: mwoods@forestgrove-or.gov or 503-992-3235.



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CITY RECORDER USE ONLY:

AGENDA ITEM #: F.1.

MEETING DATE: 06.10.2024

FINAL ACTION: URA RESO 2024-01

CITY COUNCIL STAFF MEMORANDUM

TO: *Urban Renewal Agency Board*

FROM: *Jesse VanderZanden, City Manager*

PROJECT TEAM: *Miles Glowacki, Economic Development Coordinator
Bryan Pohl, Community Development Director*

MEETING DATE: *June 10, 2024*

SUBJECT TITLE: *Resolution 2024-01 Establishing a Building Improvement Grant Program*

ACTION REQUESTED:	Ordinance	Order	X	Resolution	Motion	Informational
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X all that apply

BACKGROUND:

The Forest Grove Urban Renewal Plan includes and encourages the establishment of a building improvement grant program within the Urban Renewal Area. The purpose of a building improvement grant program is to increase assessed value, stimulate private investment, create jobs, improve property values, increase the desirability for leasing, increase the functionality of the space, and improve sustainable building practices.

On October 9, 2023, the Urban Renewal Agency Board (Board) conducted a work session to review a draft Building Improvement Grant Program (Program). The Program consists of two parts: 1) a Design Grant program and 2) a Building Improvement Grant program. The Board referred the program to the Economic Development Commission (EDC) for further evaluation.

The EDC reviewed a draft Program on January 11, 2024. The EDC reached a consensus and recommended to the Board that the Agency establish a Building Improvement Grant Program. On January 22, 2024, staff presented the draft Program to the Board. The Board provided feedback on the Programs design, eligibility, requirements, approval process, and scoring rubric.

This feedback was incorporated into the Program and another work session was held with the Board on April 22, 2024. The Board came to a consensus on remaining issues, including:

- Establishing a Design Grant program with a maximum of \$5,000 per grant and Building Improvement Grant Program with a maximum of \$100,000 per grant.
- The application period would extend from July 1, 2024 to December 31, 2024.
- After the application period, staff would certify applications for completeness and forward them to the Economic Development Commission for scoring and recommendations to the Board.

- The Board would hold a work session on March 17, 2025, to consider applications, and award applications by resolution on April 14, 2025.
- Permit fees and System Development Charges are not reimbursable.
- The maximum amount a single property could receive in any five-year funding cycle is \$105,000.
- Non-profits that receive a city property tax exemption would not be eligible for the Program.
- To encourage local investment, national chains would not be eligible unless it was franchised to a local owner.
- Applicants are prohibited from applying for reimbursement for their own labor.

These items have all been included in the Program.

STAFF RECOMENDATION:

Staff recommends the Board consider, amend if needed, and approve Resolution 2024-01 establishing the Building Improvement Grant Program.

FISCAL IMPACT:

Funding for the program will be discussed during the Urban Renewal Agency budget process.

ATTACHMENT(s):

Resolution 2024-01

Exhibit A: Building Improvement Grant Program

RESOLUTION NO. 2024 – 01

RESOLUTION ESTABLISHING THE BUILDING IMPROVEMENT GRANT PROGRAM

Whereas, the Urban Renewal Agency Board of Directors adopted the Urban Renewal Plan for the Forest Grove Town Center and Pacific Avenue/19th Avenue Corridor from C Street to just east of Quince beginning June 9, 2014;

Whereas, the primary purpose of the Urban Renewal Plan is to eliminate blight and blighting influences within the urban renewal area; improve land utilization; encourage private investment and job creation and increase the value of real estate within the urban renewal area;

Whereas, the City of Forest Grove's Urban Renewal Plan calls for the establishment of a building improvement program;

Whereas, a well-planned and executed building improvement program can have a transformative impact on a city, leading to economic growth, job creation, increased property values, and enhanced livability for residents and business alike;

Whereas, the building improvement program has the potential to achieve two of the Urban Renewal Agency Goals including, Goal 3: To improve the local investment climate by reducing financial barriers to development and redevelopment within the Urban Renewal area; and, Goal 4: To promote a vibrant Forest Grove Town Center through strategic urban renewal investments.

NOW, THEREFORE, BE IT RESOLVED BY THE FOREST GROVE URBAN RENEWAL AGENCY BOARD OF DIRECTORS AS FOLLOWS:

Section 1: The creation of a Building Improvement Grant Program composed of a Design Grant program and a Building Improvement Grant as outlined in Exhibit A.

Section 2. This resolution is effective immediately upon its enactment by the Urban Renewal Agency Board of Directors.

PRESENTED AND PASSED this 10th day of June, 2024.

Mariah S. Woods, City Recorder

APPROVED by the Chair this 10th day of June, 2024.

Malynda H. Wenzl, Chair

CITY OF FOREST GROVE – URBAN RENEWAL AGENCY
BUILDING IMPROVEMENT GRANT PROGRAM

Section 1: Purpose

- 1.1 The purpose of the Building Improvement Grant Program (Program) is to provide financial assistance to projects within the urban renewal area that increase assessed value, stimulate private investment, create jobs, improve property values, increase the desirability for leasing, increase the functionality of the space, and improve sustainable building practices.

Section 2: Programs

- 2.1 Building Improvement Design Grant: A grant of up to \$5,000 for architectural, design, and engineering services.
- 2.2 Building Improvement Grant: A matching grant up to \$100,000 for project costs that meet the above purpose. This includes interior and exterior improvements, excluding storefront facades which are covered under the Storefront Façade Grant Program.

Section 3: Eligibility

- 3.1 Properties located within the Urban Renewal Area.
- 3.2 Properties must be used in whole or in part for commercial purposes.
- 3.3 Program is open to building owners and tenants. Improvements by a tenant require a signed and notarized authorization letter from the building owner.

Section 4: Requirements and Restrictions

- 4.1 Locally owned franchises are eligible. National franchises not locally owned are ineligible.
- 4.2 Approval of grant applications is dependent on available funds.
- 4.3 Non-profits that receive a city property tax exemption are ineligible.
- 4.4 The maximum amount of funding a single property can receive in a five-year cycle is \$105,000.
- 4.6 Applicants are prohibited from reimbursement for their own labor.
- 4.7 Permits, system development charges (SDCs) and application fees are not reimbursable.
- 4.8 The application and project must comply with all local, state, and federal rules and regulations.
- 4.9 Additional requirements and restrictions as outlined in the grant agreement letter.

Section 5: Application and Approval Process

- 5.1 Building Improvement Design Grant: applications are reviewed and approved by staff if the application demonstrates the project is consistent with the purpose of the program and the applicant is prepared to implement building improvements that meet or exceed \$25,000.
- 5.2 Building Improvement Grant Program: applications are screened by staff for completeness and program eligibility consistent with the purpose, requirements, and restrictions of the program. If the project application is eligible and complete, a conference is scheduled with the applicant to review the project and clarify any questions. The application is then forwarded to the Economic Development Commission (EDC) to be scored using the Scoring Rubric in Section 7. Pending scoring, the EDC will make recommendations to the Urban Renewal Agency Board (Board) who

will make the final decision on each application. All grantees will be required to enter into a Grant Acceptance Agreement outlining the roles and responsibilities of each party.

Section 6: Distribution of Funds

- 6.1 Both the Design Grant and Building Improvement Grant are reimbursable upon submittance of qualifying and certified receipts.
- 6.2 Design Grant reimbursements are one-time and upon submittance of final design.
- 6.3 Building Improvement Grant reimbursements:
 - 6.3.1 For projects less than \$25,000 in grant funds, payments will be made upon completion of the project.
 - 6.3.2 For projects exceeding \$25,000 in grant funds, payments will be made semi-annually upon certification of qualifying receipts or upon completion of the project.

Section 7: Scoring Rubric

Criteria	Eligible Points	Score
Application is complete with all required information	0-5	
Project increases assessed value of the building	0-25	
Project stimulates private investment	0-20	
Project creates jobs	0-10	
Project improves property values	0-10	
Project increases the desirability for leasing	0-10	
Project increases the functionality of the space	0-10	
Project improves sustainable business practices	0-10	
	Total Score:	



CITY RECORDER USE ONLY:

AGENDA ITEM #: F.2.

MEETING DATE: 06.10.2024

FINAL ACTION: RESO 2024-02

URBAN RENEWAL AGENCY STAFF REPORT

TO: Urban Renewal Agency Board of Directors

FROM: Jesse VanderZanden, Executive Director

MEETING DATE: June 10, 2024

PROJECT TEAM: Paul Downey, Assistant City Manager/Finance Director

SUBJECT TITLE: Adoption of FY 2024-25 URA Budget and Levying of Property Taxes

ACTION REQUESTED:

☐	☒ Ordinance	☐ Order	☒ X	☐ Resolution	☐ Motion	☐ Informational
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X all that apply

ISSUE STATEMENT: The Forest Grove Urban Renewal Budget Committee approved on May 7, 2024, the Proposed FY 2024-25 Budget of \$1,502,210 and declared the tax increment to be collected. The Urban Renewal Agency (URA) Board now needs to adopt the FY 2024-25 Approved Budget, make the appropriations that set the legal expenditure level, and declare the tax increment to be collected for FY 2024-25. Staff has prepared a resolution that includes all three actions for the Board’s consideration.

BACKGROUND: The principal revenues that will be available in FY 2024-25 are the taxes collected on the incremental increase in the assessed value of the URA and the accumulated fund balance. The Budget includes funds for storefront improvements, a building improvement program, land purchase program, and undesignated funds that could be used for assistance to potential development projects. Staff are not proposing any changes to the Budget approved by the URA Budget Committee.

FISCAL IMPACT: The projected property taxes on the increase in assessed value for the URA will be sufficient to pay for the storefront improvements, building improvement program and the land purchase program. Accumulated fund balance would be used if assistance was provided to a development project.

STAFF RECOMMENDATION: Staff recommends the Urban Renewal Agency Board of Directors approve the attached resolution to adopt the FY 2024-25 Budget, set the legal appropriations for FY 2024-25 and declare the tax increment for the FY 2024-25.

ATTACHMENT(s): Resolution of The City of Forest Grove Urban Renewal Agency Adopting the Budget, Making Appropriations, and Declaring the Tax Increment for Fiscal Year Commencing July 1, 2024, and Ending June 30, 2025

URBAN RENEWAL AGENCY OF THE CITY OF FOREST GROVE

URA RESOLUTION NO. 2024-02

**RESOLUTION OF THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY
ADOPTING THE BUDGET, MAKING APPROPRIATIONS, AND DECLARING
THE TAX INCREMENT FOR FISCAL YEAR COMMENCING
JULY 1, 2024, AND ENDING JUNE 30, 2025**

WHEREAS, the Budget Committee of the City of Forest Grove Urban Renewal Agency has approved a budget and the collection of the tax increment for the Urban Renewal Agency for the fiscal year commencing July 1, 2024, pursuant to the provisions of the Oregon Local Budget Law; and

WHEREAS, staff has not proposed any change to the Budget approved by the Budget Committee, and

WHEREAS, a hearing has been held before the Urban Renewal Agency Board of Directors as required by law, and

WHEREAS, it appears to the Board that the Budget approved by the Budget Committee and the tax increment set by the Budget Committee should be adopted.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF FOREST GROVE URBAN RENEWAL AGENCY AS FOLLOWS:

Section 1: That the City of Forest Grove Urban Renewal Agency Board hereby adopts the FY 2024-25 Budget in the total amount of \$1,502,210. The Budget is on file with City Recorder's Office.

Section 2: That the amounts shown below are hereby appropriated for the fiscal year beginning July 1, 2024, and for the purposes hereby appropriated as follows:

<u>General Fund</u>	
URA Program	<u>\$1,502,210</u>
Total Appropriations	<u>\$1,502,210</u>

Section 3: That the City of Forest Grove Urban Renewal Agency certifies to the Washington County Assessor's Office a request for the Forest Grove Urban Renewal Plan Area for the maximum amount of revenue that may be raised by dividing the taxes under Section 1c, Article IX, of the Oregon Constitution and ORS Chapter 457.

Section 4: This resolution is effective immediately upon its enactment by the Urban Renewal Agency Board.

PRESENTED AND PASSED this 10th day of June, 2024.

Jesse VanderZanden
Urban Renewal Agency Executive Director

APPROVED by the Urban Renewal Agency of the City of Forest Grove at a regular meeting on this 10th day of June, 2024, and filed with the Forest Grove City Recorder this date.

Malynda H. Wenzl
Urban Renewal Agency Board Chair