

SPECIAL CITY OF REDMOND URBAN RENEWAL DISTRICT AGENCY BOARD MEETING WAS HELD APRIL 6, 2021, VIA GOTOMEETING.

BOARD MEMBERS PRESENT: Jon Bullock – Krisanna Clark-Endicott – George Endicott – Clifford Evelyn – Jay Patrick – Shannon Wedding

BOARD MEMBERS ABSENT: Ed Fitch

MEDIA PRESENT: Jackson Hogan, The Bulletin

Chair Endicott called the meeting to order at 7:44 p.m. and established a quorum.

ACTION ITEMS

A. The Arch Building Project Loan Funding Request

Economic Development/Urban Renewal Program Manager Chuck Arnold and Urban Renewal Program Analyst Meghan Gassner requested approval of a loan agreement in the amount up to \$98,000, with Arome Holdings, LLC (Nathan and Janice Bell) for support of the rehabilitation of the Arch Building located at 432 SW 6th Street. The Downtown Redmond Urban Renewal Plan's Property Assistance Fund has \$4.9 million to assist in the renovation, preservation, and rehabilitation of existing commercial properties. The program's intent is to address blight caused by poor visual appearance and vacancy due to inadequate, degraded, or obsolete building systems. The proposal includes a planned use of mixed retail and general commercial with the potential for future residential use on the second floor. Arome Holdings, LLC, which specializes in hard-to-find spices, teas, oils, vinegars, wines, and kitchenware products, plans to incorporate a wine tasting area and event/demo space to encourage community interaction and pedestrian traffic.

The proposal was reviewed by the Downtown Urban Renewal Advisory Committee's (DURAC) Finance Subcommittee (Subcommittee). After two months of extensively review, negotiation, and development of the loan terms, the proposal was then brought to DURAC in March 2021. DURAC approved a recommendation to the Board. The loan terms consist of the following:

- 10-year loan in an amount of \$49,000 with interest accruing at Wall Street's prime rate.
- \$49,000 forgivable loan with \$10,000 forgiven each year that the property operates as an active retail space.
- Both loans are reimbursement based and require a 50 percent match in owner equity.

Ms. Bell provided a brief personal background. Ms. Bell shared statistics regarding Arome's business history, community benefits, planned offerings, etc.

DURAC Vice Chair Jen Miller shared that DURAC approved the recommendation because of project provides visual improvement to the downtown area and a more attractive pedestrian environment. DURAC tried to mitigate the risk to Urban Renewal through an extensive financial review and underwriting process. The project highlights include matched equity stake, owner occupied building, proven business model in Hood River, loan to cost ratio is well within industry standards, percent leveraged by the Agency is in-line with other approved projects, occupies a long-time vacant building, and local/well paying jobs.

Chair Endicott stated he is happy to see the building get rejuvenated. Patrick thanked DURAC as well as Mr. and Mrs. Bell for taking their "next step" in Redmond. Bullock stated he has being to their Hood River location and is excited to see them in Redmond.

Bullock moved, seconded by Evelyn, to authorize the City Manager to enter into a loan agreement of up to \$98,000 with Arome Holdings LLC for the renovation of the Arch Building property at 432 SW 6th St, motion passed. (Bullock-yes, Clark-Endicott-yes, Endicott-yes, Evelyn-yes, Fitch-absent, Patrick-yes, Wedding-yes)

B. URA Res. # 2021-01 - A resolution approving the Nineteenth Amendment to the Redmond Downtown Urban Renewal Plan.

Mr. Arnold requested approval of URA Res. #2021-01 which approves the 19th Amendment to the Downtown Redmond Urban Renewal Plan (Plan). The amendment removes tax lots 151316AB09800, 151316AB09900, 151316AB10000, 151316AB10001, and 151316AB10100 from the List of Properties Acquired in the Plan.

Clark-Endicott moved, seconded by Patrick, to adopt URA Res. #2021-01 approving the Nineteenth Amendment to the Redmond Downtown Urban Renewal Plan, motion passed. (Bullock-yes, Clark-Endicott-yes, Endicott-yes, Evelyn-yes, Fitch-absent, Patrick-yes, Wedding-yes)

C. URA Res. #2021-02 - A resolution of the Redmond Urban Renewal Agency transferring certain capital assets of the Agency to the City of Redmond.

Mr. Arnold requested approval of URA Res. #2021-02 which transfers Centennial Park (tax lots 151316AB09800, 151316AB09900, 151316AB10000, 151316AB10001, and 151316AB10100) and future maintenance to the City. The City's acceptance will come before the Council at the April 13, 2021, Council meeting.

Bullock moved, seconded by Patrick, to adopt URA Res. #2021-02, motion passed. (Bullock-yes, Clark-Endicott-yes, Endicott-yes, Evelyn-yes, Fitch-absent, Patrick-yes, Wedding-yes)

OTHER BUSINESS

There being no further business, the meeting was adjourned at 8:17 p.m.

Prepared by Kelly Morse, City Recorder

APPROVED by the Board and SIGNED by the Chair this 20th day of April 2021.

/George Endicott
George Endicott, Chair

ATTEST:

/Trish Pinkerton
Trish Pinkerton, Assist. to City Recorder's Office