



City Hall
206 N. Main Street
Toledo, Oregon 97391
5:00 p.m.

TOLEDO URBAN RENEWAL AGENCY
Regular Meeting – also via Zoom Meeting Platform
October 18, 2023

Virtual Meeting: The Urban Renewal Agency will hold the meeting in person for the Agency and staff in person as well as through the Zoom video meeting platform. The public is encouraged to attend the meeting electronically. Visit the meetings page on the city website for meeting login information.

Public Comments: The Urban Renewal Agency may take limited verbal comments during the meeting. Written comments may be submitted by email to lisa.figueroa@cityoftoledo.org 3:00 p.m. the day of the meeting to be included in the record. Comments received will be shared with the Urban Renewal Agency and included in the record.

1. **Call to Order and roll call**
2. **Discussion/Decision Items**
 - Proposed business loan and/or grant revitalization program within the Urban Renewal District
3. **Adjournment**

Comments submitted in advance are preferable. Comments may be submitted by phone at 541-336-2247 extension 2060 or by e-mail at lisa.figueroa@cityoftoledo.org. The meeting is accessible to persons with disabilities. A request for an interpreter for the hearing impaired, or for other accommodations for persons with disabilities, should be made at least 48 hours in advance of the meeting by calling city offices at (541) 336-2247.

CITY OF TOLEDO
REQUEST FOR URBAN RENEWAL AGENCY ACTION

	Meeting Date:	Agenda Topic:
	October 18, 2023	Proposed business loan and/or grant revitalization program within the Urban Renewal District
Prepared by:	Reviewed by:	Approved by:
City Recorder L. Figueroa	Director Doug Wiggins	Director Doug Wiggins

Recommendation:

The Board may make a motion to approve the policy as presented, with amendments or they may choose to bring back the policy for further review.

Background:

The Urban Renewal Agency Board recently met to consider the development of a loan and/or grant program within the Urban Renewal District to assist businesses and possibly residents with funding for infrastructure and/or façade improvements through a loan/grant program. The Board provided Director Wiggins with several parameters for a draft policy. Attached is a proposed policy for review, discussion and possible adoption.

Fiscal Impact:	Fiscal Year:	GL Number:
N/A	2023-2024	N/A

Attachment:

1. Urban Renewal Agency revitalization program and application



Toledo Urban Renewal District
(Rehabilitation Program)

Funding Application

PROJECTS MUST BE LOCATED WITHIN THE URBAN RENEWAL DISTRICT

Name of Applicant		Date Submitted	
Street Address		Telephone Number	
Mailing Address (if different from Street Address)		Email	
Business Name		Tax ID Number	
Building/ Property Owner Contact Information (if different from Applicant)			
Building/ Property Address			
Is the Property located in the Historic District Y or N Is the Property individually listed on the National Register Y or N			
Note: If yes to either, your project may require Landmarks Commission Review and approval before project commences. Do you plan to provide any new or additional off-street or off-site parking as part of your project?			
Total project cost (See attached worksheet)	Estimated start date	Estimated completion date	Amount of Grant Request

Please list any previous Urban Renewal Funding received for this project or the property below:

"Rehabilitation Program:\$_____ Date Funding Received: _____"

Your project must address at least one goal from the Toledo Urban Renewal Plan. Which project(s) and/or goal(s) does your project support and how? Identify in your answer which of the following goals match your project:

Goal 1: *Rehabilitate Business*

Goal 2: *Create Housing*

Goal 3: *Retail Development*

Goal 4: *Facade repair/replacement*

Describe your project and how funds will be used (up to 300 words):

Current use of
Building/Property: _____

Intended use of Building/Property (if
different): _____

Is the property currently vacant?
Y or N

If yes, how long?

___ Less than six months

___ Less than twelve months

___ More than twelve months

Which of the following is the PRIMARY use of
the building/property:

___ Traded Sector Business (any location)

___ Commercial Business (Professional
services, non-retail)

___ Retail Business

___ Other

ii. Preference will be given to projects that can demonstrate the mitigation, reduction, or removal of blight. Underdeveloped and/or bare land shall not be eligible for points under this preference category.

Check which ONE of the following best describes the current condition of the property attach photos of blighted conditions:

___ Potential hazard to environment or public and/or structure is unfit to occupy

___ Extensive exterior damage to property, including structural impacts that don't rise to
the level of unfit of unfit for occupancy

___ Combination of exterior and interior damage, deterioration, and/or dilapidation beyond
the purely aesthetic

___ Property has been vacant more than five years but no other blight

___ Slight damage to exterior of property only

___ Damage to interior of property only

Please describe how this project will change the condition of the property by mitigating, reducing or removing blight (up to 300 words):

Private investment compared to public funding:

Private Investments

Public Investments (including this request)

GRAND TOTAL FROM ALL SOURCES \$

iv. Preference will be given to projects with higher Return on Investment based on all project costs prepared by a licensed contractor in the form of a quote estimate or actual or bid.

Project Costs: **Must attach estimates or bids prepared by a licensed contractor:**

Cost supported by check one:

☐ Estimates from licensed contractor

☐ Formal bid from licensed contractor

v. Preference will be given to projects that provide additional upper floor residential dwelling units in the Central Business Zone.

Check one:

___ Create 5+ New Dwelling Units

___ Create 3-4 New Dwelling Units

___ Create 1-2 New Dwelling Units

vi. Preference will be given to projects with high Business Viability and readiness to commence as determined in the sole discretion of the Agency. An established business that is well-capitalized, has completed construction plans, actual contractor bids or binding quotes and a business plan would receive maximum points.

Business Viability and Readiness to Commence:

Check all that apply:

___ Well-developed Business plan with application

___ Binding quotes or formal bids from licensed contractors as opposed to estimates

___ Project is well-capitalized (as evidenced by letters of credit, cash vs pre-approved loan, etc.)

___ Business in existence five or more years

___ Professional plans or drawings attached

Date Business was established _____

COST ESTIMATE BREAKDOWN (attach bids or estimates)

**** DO NOT USE COMMAS BELOW**

	Projected Cost
1. Permitting/Professional Services (eg. Bldg, Elec, Mech, Plumbing permits, design work, architect)	
2. Site Work - (eg. Excavating, backfill, driveway, paving, parking, surveying, landscape, utilities)	
3. Structural Exterior - (eg. Foundation, framing, roof, trusses, siding, stucco, bricks/mortar)	
4. Structural Interior - (eg. Cabinets, drywall, hardware, doors, windows)	
5. Mechanical- (eg. HVAC, piping, heating/cooling, equip, coolers, etc)	

COST ESTIMATE BREAKDOWN (attach bids or estimates)

	Projected Cost
6. Electrical - (eg. Wiring, service, panels, finish work, fixtures)	
7. Plumbing- (eg. Water pipes, sewer, bathrooms, fixtures)	
8. Non-structural/misc costs (eg. Paint, cleaning, signage,	
TOTAL:	

Please ensure the following items are included with the application

- o Historic building photographs (if applicable and located in Historic District)
- o Current photos of the building and property

Describe the impact to your project if your project does not receive funding or if you receive less funding than requested (up to 300 words):

The statements made herein are true and represent an accurate and full disclosure of all appropriate information as of this date. Applicant understands that the Agency will retain this application and any other information the Agency receives, whether or not this funding request is approved. Applicant understands this request can become public information; however any financial statements, tax returns, project pro forms and business formation documents will be kept confidential. Financial projects included as part of the Business Plan will be kept confidential. Applicant agrees to enter into an agreement with the Agency and to work cooperatively with Government officials on this project, if funded.

Applicant Signature

Date

Toledo Urban Renewal Agency Revitalization Program

Geographic Scope

Within the Urban Renewal District. (See Map, Exhibit A)

Purpose

The purpose of this policy is to direct resources to revitalize and assist Toledo Businesses within the Urban Renewal District. The primary goals are to improve the exterior of blighted buildings and provide new opportunities for locations of retail business, which could include any of the following: improving accessibility issues, street scape projects and building renovations. Additionally, the District will also issue economic support to projects creating jobs and income for our business and additionally to develop upper floor residential space in the main street area.

General Criteria

1. Subject property/project must lie within the Urban Renewal District's "Geographic Scope" referenced in Exhibit A.
2. Current or prospective owner(s) or developers representing owner(s) with consent, must be willing and agreeable to undertake a building/ property restoration, redevelopment or development project.
3. Once projects are evaluated and determined to meet the goals outlined in the Urban Renewal Plan, available funds will be allocated to projects on a first come first serve basis until funds are exhausted. Urban renewal goals and guidelines are as follows:
 - a. Improve store fronts
 - b. Encourage new business to locate in vacant storefronts
 - c. Provide necessary equipment to help existing new business flourish
 - i. Must be a fixed asset and not an asset that would be removed if business closes
 - d. Provide safe and code compliant upper floor uses
 - e. Improve exterior of building area
 - f. Install solar panels for resiliency during power outages.
4. Projects outside the Urban Renewal District and undeveloped and/or bare land are not eligible to apply.
5. All projects must be complete by the one year anniversary of receipt of funds.
6. Preferences to projects will be as follows:
 - a. Providing positive impact on downtown.
 - b. Projects that demonstrate the mitigation, reduction, or removal of blight.
 - c. Projects with higher levels of private investment compared to public funding from any source.
 - d. Projects with higher Return on Investment based on all project costs prepared by a licensed contractor in the form of a quote, estimate, or bid.
 - e. Projects providing additional upper floor residential in the downtown area.
 - f. Projects with high Business Viability and readiness to commence as determined in the sole discretion of the Agency.

7. If in the downtown, the project must encourage retail commercial use or other uses that will drive additional foot traffic downtown.
8. A third-party developer may represent the property with owner's consent.
9. Any past-due fines, taxes, fees or outstanding violations of local ordinances or permits must be addressed prior to any financial participation from the URA.
10. Project applicant must enter into an agreement with the URA for performance.
11. Any funds disbursed by the URA will be considered a loan with the attachment of a lien to the property. See loan forgiveness criteria below.
12. The applicant's financial need, or lack thereof, will not be considered as part of the evaluation of the application.
13. Projects may commence prior to funding award, at the applicant's risk. The applicant acknowledges that submission of the funding application does not bind the URA in any way.
14. Funding may not be submitted for past completed projects as a form of reimbursement.
15. If projects are being considered on or in a historic building listed on the National Register of Historic Places, administered locally by the State Historic Preservation Office (SHPO), an office of the Oregon State Parks and Recreation Department (OPRD), projects must:
 - a. Receive approval from the Planning Commission prior to any final award.
 - b. Follow "The Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings."
 - c. Follow any and all standards and guidelines prescribed by the City of Toledo and SHPO.

Allowed uses of funds

1. Project must comply with all relevant local, state and federal laws and codes.
2. Exterior facade renovations, to include:
 - a. Windows
 - b. Doors
 - c. Storefronts
 - d. Awnings
 - e. Alley facing entrances
 - f. Painting and cleaning
 - g. Masonry repair or restoration
 - h. Cornices
 - i. Sign removal, repair or replacement
 - j. Building identification
 - k. Critical building and structural code compliance updates
 - l. Siding
 - m. Roof maintenance or repair
3. Accessibility issues to include elevators and/or associated equipment.
4. Streetscape improvement projects.
5. Site related infrastructure.
6. Work for building code compliance.
7. Mitigation, reduction, or removal of blight.

8. Housing or residential projects located in the downtown area if they are located on the upper floors of commercial buildings to provide additional dwelling units.
9. Housing or residential outside the downtown area but within the Urban Renewal District may be eligible if the building has an existing retail business on the ground floor and the project is providing additional dwelling units to an upper level of the same building.
10. Improvements that have a lifespan of at least 10 years and not considered a tenant improvement.
11. Improvements required due to structural changes.
12. Replacement or upgrades of major mechanical, electrical, plumbing and HVAC systems required.

Prohibited use of funds

1. Refinancing existing debt.
2. Marketing property for re-sale.
3. Conversion of retail space to other than retail, entertainment, or food and beverage.
4. Payment of taxes, fines, and fees, current or delinquent.
5. Payroll of employees unless involved in the construction process.
6. Inappropriate restoration activities.
7. Inappropriate or non-approved design materials.
8. Carpeting or floor covering.
9. Interior painting.
10. Removable fixtures, appliances, furnishings, cabinetry, etc.
11. Professional design and engineering services.
12. Working capital.
13. Financing of inventory.

Application Criteria

1. Proposals may come from tenants, owners of buildings or third-party developers.
 - a. If other than the owners, an authorization letter from owner(s) must accompany proposal/application.
2. Approved projects should be ready to begin within six (6) months of funding award notification and shall be completed within twelve (12) months of award, unless an extension is granted.
3. Applicants must enter into an agreement with the Urban Renewal Agency (URA) and work with City/URA on their project.
4. Applicant, including any affiliated business entity, cannot have any outstanding or unresolved fine, fee, permit, lawsuit or infraction with the City of Toledo.
5. Any agreement or application extensions may only be granted by the District Manager or the URA. All granted extensions will be reported to the URA.
6. Any deviations from initial submittals must be approved by the District Manager.

Funding Information

1. Projects should have a minimum total cost of \$1,000 and no project will be awarded more than \$10,000.

2. All funds will be given initially as a loan and a lien on the property will be placed, at applicant's expense, until the project has been completed, inspected and deemed complete by the URA.
3. All loans shall be forgiven, at applicant's cost, by the URA once the submitted project has been completed and met all criteria issued upon the award.
4. If there is a failure to complete the project within the timeline, unless an extension has been granted by the District Manager, the accrued monthly interest payments will begin retroactive to the award date until project has been completed.
 - a. Upon completion, as set in criteria 2 above, the loan will be forgiven and applicant will be out only those interest payments.
5. All required permitting must be completed prior to award.
6. For projects requiring an occupancy permit, if the property is occupied without first receiving either the final occupancy permit or a temporary occupancy permit, the contributions of the URA will be considered a loan and the full amount of any and all URA funds disbursed and accrued interest shall become due and payable to the URA in monthly installments not to exceed 24 months upon notification by the District Manager.
7. Real property related to the project may not be transferred or sold within two (2) years from the date of the project completion and final disbursement of funds. In the event of a sale, the contribution of URA funding will be considered a loan and the full amount and accrued interest of any and all URA funds disbursed shall become due and payable to the URA immediately upon said sale or transfer.
8. All liens will be considered satisfied and removed after two (2) years of project completion, at the expense of the applicant.
9. Only one (1) project will be funded at a time and no further funds will be disbursed until liens have been released from a prior project.
10. All project awarded loans accrue interest at 3.0% starting at time of award and due if not forgiven.

Application and Approval Procedure

1. A refundable fee of \$150.00 is due upon application.
 - a. Fee will be refunded if your project is not accepted or chosen.
 - b. If project is chosen the fee will be used to pay for any recording costs associated with placing a lien on the subject property.
2. A letter describing the project including the specific physical improvements proposed, completed budget form with estimated costs, and the intended use of the property. Conceptual drawings, construction plans, and cost estimates should be provided if available, but are not required with the letter.
3. Application must be on a project intake form provided by the URA and must include all necessary and required supporting documentation so as to fully satisfy all of the above stated criteria to be deemed complete. Project applications may be submitted digitally
 - a. Adobe Acrobat, Microsoft Word, Microsoft Excel, Microsoft PowerPoint or JPEG image files are acceptable digital formats.
4. Applications may be submitted at any time until funds are exhausted, but at no time later than May 1st of the current fiscal year to be considered for funding.

- a. No applications will be accepted from May 1st through August 1st of each calendar year.
5. The following bodies are involved in the approval and review process:
 - a. City of Toledo/Staff/Council
 - b. URA board
 - c. Planning Commission/Staff
6. All funding requests will require Toledo Urban Renewal Agency approval at a public meeting.
7. Applications may be modified or approved with conditions.
8. Projects which do not receive grant funding or do not receive the full amount funded may be withdrawn by the applicant and resubmitted in the next funding cycle as if a new project.
9. Additional Funding Requests:
 - a. The URA shall not consider any requests for funding increases to approved project funding resulting from cost overruns or changes in the project that are not an increase in the scope of the project pre-approved in advance by the URA including but not limited to changes in materials or contractors.
 - b. The URA may consider additional funding requests at the next funding cycle, at which time the application shall compete as if it were a new project, for unforeseen conditions encountered or increasing the scope of the project for items including but not limited to expanding the project to include additional square footage or adding new features that were not part of the original application.
10. Changes in project scope:
 - a. Minor changes in the scope of the project may be approved by the District Manager.
 - b. All major changes shall only be approved by the URA.

Submittal Requirements:

1. A letter to include: Contact information for project and building owner, building address, project description, complete budget form, concept drawings and cost estimates.
2. Application to include:
 - a. Building owner name & contact information.
 - b. Project applicant name (if different from above) & contact information.
 - c. Letter of authorization from building owner, if owner is not applicant.
 - d. If the project will not be occupied by the applicant, a Letter of Intent from business owner committing to occupy the space once the project is complete, or a detailed recruitment plan including the type of tenant(s) being recruited.
 - e. Building address.
 - f. Current photograph of the building & historic photos, if available.
 - g. Funding amount requested.
 - h. Detailed project budget, on an attached sheet to include expenditures and sources of funds.
 - i. Detailed narrative and/or visual description of project.
 - j. Detailed conceptual project floor plan/drawings and site plan.

3. Current building use, including tenant (not residential) names and contact information.
4. Project timeline.
5. The submitted application and proposal for the project, once accepted as the final concept, shall become and wholly remain the property of the City/URA. The City/URA will retain the reproduction rights to use images of the artwork to prepare and distribute marketing materials, web site materials or for any other use in promotional materials.

Approved by the Toledo URA on _____, 2023. This policy is effective immediately to all projects funded after this date, regardless of application.