

City Hall
206 N. Main St.
Toledo, Oregon 97391
5:45 p.m.



URBAN RENEWAL AGENCY
Regular Meeting Minutes
June 17, 2026

1. Call to Order

- a. The Toledo Urban Renewal Agency Regular Meeting was called to order by the Board President Tracy Mix at 5:53 PM on Wednesday, June 17, 2026, at 206 North Main Street, Toledo, OR 97391. The meeting was held in person and via Zoom. The Pledge of Allegiance was led by the Board President.

2. Roll Call

- a. City Recorder Johnson took roll call and determined a quorum is present.
- b. Present: Director Reilly, Director Chambers, Director Keating, Director Kauffman, and President Mix.
- c. Absent: Director Burns was excused.
- d. City Manager Rich Huebner and City Recorder Paul Johnson
- e. A quorum was established.

3. Public Hearing on the Proposed URA Budget for Fiscal Year 2026-2027

- a. Public Comment on the Proposed URA Budget for Fiscal Year 2026-2027.
 - i. The Board President opened the public hearing at 5:53 PM, outlining the hearing procedures, including the three-minute public comment limit and the requirement that all testimony be directed to the board.
 - ii. Staff presented the staff report. The Toledo Urban Renewal Agency was originally adopted by the City Council on August 25, 2021. Urban renewal funds are allocated by the county tax assessor and maintained as a budget separate from the city's operating budget. The Toledo Budget Committee met on May 5th and May 12th to review the proposed budget. On the evening of May 12th, the Budget Committee moved to approve the budget and forward it to the URA board. The budget was approved in the amount of \$916,952.
 - iii. Staff confirmed that no public correspondence had been received outside of materials already in the record.
 - iv. The Board President opened the floor for public testimony. No members of the public present in chambers or attending via Zoom offered comment. The public testimony period was closed, and the public hearing was formally closed at 6:00 PM.

4. Request for Agency Action

- a. URA Budget Adoption
 - i. Prior to the motion, Director Chambers raised a procedural question regarding whether the motion needed to include a specific declaration of a

tax rate, as is required for the city's operating budget. Staff and Judy, the budget consultant attending via Zoom, clarified that the URA does not operate on a declared dollar rate, the tax increment is instead calculated by the county tax assessor based on frozen assessed values. After brief discussion, it was agreed that incorporating a declaration of tax increment into the motion would be prudent to ensure all bases were covered.

- ii. The adopted URA budget totals \$916,952 for fiscal year 2026–2027. Funding is drawn from tax increment financing, a one-time annual appropriation calculated by the Lincoln County tax assessor based on the frozen base value established at the time the URA district was created. The budget supports the continued implementation of Toledo's urban renewal plan, which is designed to revitalize the city's economic base, increase property values, and generate a return on public investment. The adoption of the budget at this time is required by Oregon state law to allow the agency to operate and expend funds in the upcoming fiscal year. The direct community benefit is the availability of rehabilitation and redevelopment funding for properties and businesses within the URA district. No specific performance metrics were discussed at this meeting.
- iii. Director Kauffman moved to approve Resolution URA-10, a resolution of the Toledo Urban Renewal Agency adopting the fiscal year 2026–2027 budget for the Urban Renewal Agency, making appropriations, and declaring tax increment. Director Keating seconded the motion.
- iv. The motion carried 5-0. (Director Reilly – Yes; Director Chambers – Yes; Director Keating – Yes; Director Kauffman – Yes; Board President – Yes.)

b. Curry Marine Renewal Agency (URA) Rehabilitation Program Application

- i. Staff introduced Curry Marine as a local business located within the URA district, requesting a grant of up to \$10,000 to make building repairs and upgrades, including gutter repairs, pressure washing, painting, replacement of five rotten door casings, brush clearing, landscaping, keystone work around a foundation utility vault, and new rock. Staff noted the applicant had not received URA funding within the last five years and that their application packet, including an itemized cost breakdown, was included in the agency packet.
- ii. *No representative from Curry Marine was present at the meeting.*
- iii. Director Chambers initiated a broader discussion, expressing concern that several of the listed improvement items, particularly pressure washing and routine maintenance, may not qualify as capital improvements eligible for urban renewal funding. Staff acknowledged that when applications are brought forward, staff generally review them for facial eligibility and recommended that, if the board wished to approve the application, a motion be made for an award of up to the \$10,000 maximum, with staff then reviewing each line item against ORS and the city's adopted plan to determine which costs are allowable.
- iv. Director Chambers went on to raise a wider concern that applied to all three applications before the board: no applicants were present to answer questions, explain their projects, or speak to the business case for

receiving what amounts to a forgivable loan. Director Chambers noted that every dollar spent on applications with questionable eligibility is a dollar unavailable for higher-priority projects, such as blight abatement, that more directly serve the core purpose of the urban renewal district.

- v. Director Reilly echoed the concern, noting that in prior meetings applicants had typically appeared before the board to present their projects. Director Kauffman agreed, adding that applicants should be expected to be present when appearing before the board.
- vi. Staff clarified that the board was under no obligation to take action that evening and could direct staff to bring the applications back at a future meeting when applicants could be present. The board reached a consensus to table all three rehabilitation applications and have staff reach out to each applicant to request their attendance at a future meeting, with the expectation that applicants come prepared to address the board's specific concerns. Staff confirmed they would document the board's particular questions and feedback for each applicant.
- vii. The Curry Marine application requests a one-time award of up to \$10,000 from the URA Rehabilitation Program fund, which is budgeted as part of the agency's annual appropriation. The program is designed to encourage private reinvestment in properties within the URA district, with the public benefit being improved building conditions that reduce blight and support a stronger local economic base. No action was taken this evening; the application was tabled pending further review and applicant attendance.

c. Italian Riviera Restaurant Renewal Agency (URA) Rehabilitation Program Application

- i. This application was also tabled consistent with the board's consensus on applicant attendance. However, several board members raised specific concerns they wished staff to convey to the applicant prior to any future hearing.
- ii. Director Chambers identified a significant concern regarding the property owner authorization letter submitted with the application. Because URA rehabilitation funding is structured as a forgivable loan secured by a lien on the property, Director Chambers noted that the letter from the property owner, which authorized the tenant, the applicant, to pursue "grants and qualifying programs," was insufficient. The letter did not specifically acknowledge or consent to a lien being placed on the property, which is a material legal implication of the program. The board agreed that a revised letter would need to clearly state the property owner's understanding and acceptance of the lien.
- iii. Director Chambers also noted that the application indicated the business had been in operation for five or more years, but the history referenced appeared to pertain to a previous iteration of the business that operated at another location and closed in 2012, not a continuous or current operation in Toledo. Board members agreed this representation needed to be clarified.
- iv. Additional discussion touched on the project scope: the application included approximately \$40,000 in non-fixed equipment, which the board

broadly agreed should not qualify under the rehabilitation program. Director Kauffman and Director Chambers both expressed that eligible funding should be tied to fixed improvements to the building, such as facade work, structural improvements, mechanical fixtures like commercial hood ventilation, and associated electrical upgrades, rather than movable equipment. Staff noted that the business is planned to occupy the northern portion of the former Holy Toledo space, adjacent to the Green Dragon, with a separate tenant occupying the southern portion.

- v. Director Chambers also expressed a general concern about funding a business that had not yet opened, noting the difficulty of sustaining a restaurant on Main Street in Toledo, and questioned whether the applicant's dependence on these funds raised questions about business viability.
- vi. The Italian Riviera Restaurant application requests a one-time award of up to \$10,000 from the URA Rehabilitation Program. The application includes an estimated total project cost that encompasses both fixed building improvements and non-fixed equipment. If ultimately approved, only costs tied to qualifying fixed improvements to the building interior or exterior would be eligible for reimbursement. No action was taken this evening; the application was tabled pending clarification of the property owner authorization letter, the applicant's operating history, and a refined scope of qualifying improvements.
- vii. Board returned app to staff for more information and to have the applicant appear before the board.
- viii. Letter from property owner does not acknowledge the approval of a loan for his tenants.

ix. No representative from Italian Riviera was present at the meeting.

d. Dairy Queen Urban Renewal Agency (URA) Rehabilitation Program Application

- i. This application was similarly tabled consistent with the board's consensus. Director Chambers noted that while Dairy Queen had provided an itemized cost breakdown totaling approximately **\$13,000**, the application did not clearly identify the source of the remaining funds beyond the **\$10,000** URA request, nor did it explicitly state the amount of private investment the applicant was contributing. Staff noted they had reached out to the applicant regarding supporting bid documents and that the applicant believed she had submitted them with the original application; staff was following up to locate or obtain copies.

ii. No representative from Dairy Queen was present at the meeting.

5. Adjournment

- a. President Cross adjourned the meeting at 6:23 p.m.

APPROVE:

ATTEST:

President Tracy Mix

City Recorder Paul Johnson

City of Toledo Urban Renewal Agency Meeting Minutes (DATE)