



CITY OF OREGON CITY

URBAN RENEWAL COMMISSION

MINUTES

Commission Chambers, 625 Center Street, Oregon City
Wednesday, September 16, 2020 at 6:15 PM

6:15 PM – REGULAR MEETING OF THE URBAN RENEWAL COMMISSION

Call to Order and Roll Call

Chair Frank O'Donnell called the meeting to order at 6:20 PM.

Present: - 6 Commissioner Dan Holladay, Commissioner Frank O'Donnell, Commissioner Denyse McGriff, Commissioner Rocky Smith, Jr., Commissioner Rachel Lyles Smith, Commissioner Shawn Cross

Staffers: - 3 City Manager Tony Konkol, City Recorder Kattie Riggs, and Economic Development Manager James Graham

Citizen Comments

There were no citizen comments.

Discussion Item

1. Willamette Stone's Personal Service Agreement Extension Request for 922 Main St. Property

James Graham, Economic Development Manager, introduced the agenda item and Kerry Hughes, Skip Rotticci, and Derek Metson from Willamette Stone.

Skip Rotticci, Colliers International, provided an update on the project to bring in new ground floor retail with residential units above. The railroad quiet zone was not achievable, and the residential units would not be feasible. They were requesting a change to ground floor retail and office above. He discussed the effects of Covid-19 on businesses and trends of people working from home and only part time in an office. The leasing of office space was happening in the suburbs rather than in central business districts.

Kerry Hughes, Willamette Stone, explained the reasons for Willamette Stone's request to change from residential/commercial mixed use to commercial use only. They would provide jobs and office space downtown. The extension of the agreement would allow them to design the building to be a good fit in the community and get the necessary land use approvals. Covid-19 was also impacting the capital market for commercial real estate.

Chair O'Donnell asked if the additional \$10,000 in earnest money was acceptable. Mr. Hughes said yes.

Chair O'Donnell was also concerned about the Section 1031 exchange language in the agreement.

Commissioner McGriff clarified they were now proposing a two-story building instead of three-story and asked about the possibility of converting the proposed building to residential use in the future.

Mr. Hughes said the two-story was driven by the parking requirements. He thought the proposed office space could be converted to residential in the future.

Commissioner McGriff suggested the building should match the architectural style of downtown.

Commissioner Smith was concerned that the quiet zone was no longer a priority and how the purpose for this property was to bring residential downtown. He thought they should wait before entering into an agreement until they knew what their new focus would be.

Derek Metson, Greenbox Architecture, discussed the parking requirements for the site which dictated what could be developed. Without a quiet zone, they could not meet the requirements for residential. He then discussed the architectural design of the project.

Commissioner McGriff thought the design should better reflect downtown. She thought they should continue to work on the quiet zone but was in support of this project.

Doug Neeley, resident of Oregon City, said the Urban Renewal District had owned two properties for some time and nothing had happened on them. It was important to have mixed-use downtown and it should be a priority. He did not have an objection to this contract.

Mike Mitchell, resident of Oregon City, would like to see the residential component of the project stay but understood the obstacles for the quiet zone. He described that is a key intersection and the condition of the property is currently an eyesore. If the Commission approved the extension to the agreement, he thought they should require the applicant to clean-up the site and add and maintain minimal landscaping.

Mr. Rotticci explained there was an exhibit in the agreement that gave the City control of the property even after the sale of the property. The developer would have to complete the construction in a given timeframe and if they did not the property could be reverted back to the City. The applicant could not transfer the property without the City's approval. The 1031-phrase in the agreement had to do with the cooperation between the buyer and seller.

Commissioner Lyles Smith thought they needed residential development downtown. With the pandemic, a lot of people were rethinking the use of office space. They were in a transition time and the City Commission needed to have budget discussions about the quiet zone in the upcoming goal-setting retreat. She thought they should not extend the contract and wait until next summer to decide. Chair O'Donnell agreed.

Commissioner McGriff suggested cleaning-up the property and putting public art on it.

Commissioner Holladay said the building could be converted to residential when the economics were better. He thought that would be better than letting the property languish for several more years.

Mr. Hughes confirmed the office space could be converted to residential, however it would not yield the number of units as originally proposed.

Mr. Metson explained how the building would be constructed to accommodate residential. There were other sites downtown that made more sense for residential.

Motion made by Commissioner Lyles Smith, seconded by Commissioner Holladay, to extend the existing contract with Willamette Stone for 922 Main Street until July 30, 2021. The motion carried by the following vote:

Aye: 6 - Chair Frank O'Donnell, Commissioner Dan Holladay, Commissioner Rachel Lyles Smith, Commissioner Denyse McGriff, Commissioner Rocky Smith Jr., and Commissioner Shawn Cross

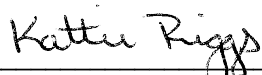
Communications

There were no communications.

Adjournment

Chair O'Donnell adjourned the meeting at 7:31 PM.

Respectfully submitted,

A handwritten signature in black ink that reads "Kattie Riggs". The signature is written in a cursive, flowing style.

Kattie Riggs, City Recorder