

GRESHAM

REDEVELOPMENT COMMISSION

AGENDA ITEM TYPE: DECISION

New Industries Grant Application: Wright Business Forms, Inc. (dba Wright Business Graphics)

Meeting Date: September 19, 2017

Agenda Item Number: C-1

REQUESTED COMMISSION ACTION

Move to approve a New Industries Grant of up to **\$45,523** for Wright Business Forms, Inc. (dba Wright Business Graphics) for machinery and equipment to be installed at 18440 NE San Rafael Street.

PUBLIC PURPOSE AND COMMUNITY OUTCOME

The Gresham Redevelopment Commission (GRDC) created the New Industries Grant Program in 2006 to provide an incentive to industrial companies to make capital investments and create jobs in the Rockwood West-Gresham Urban Renewal Area (URA). The grant aims to help defray the cost of capital investments that increase the assessed value of property by improving upon the existing facilities and/or equipment. The increase in assessed value generates greater property tax revenue, which funds community improvement projects in the URA. Grant payments are made upon completion of agreed upon improvements and documentation that all other conditions of the grant are met.

BACKGROUND

Wright Business Forms, Inc. dba Wright Business Graphics is a privately held company with many close ties to the Gresham Community. They opened their business in Gresham in 1990 and currently have two locations adjacent to each other on NE San Rafael St. with approximately 274,000 square feet. They are the leading West Coast supplier of printed products and a distributor-only printing source with multiple manufacturing facilities in Oregon, Washington and California. Their special service capabilities include advanced digital systems that go beyond every day printing. They are at the forefront of current 'green' technologies employing environmentally friendly practices, using soy-based inks and recycled papers. Wright Business Forms, Inc. recently changed the function of their warehouse located at 18620 NE San Rafael St. to a full print production facility. Their new project will allow production of a diverse range of 'wide format' materials (e.g. posters, banners, point-of sale displays, etc.) which represents an entirely new product line.

The project will be housed in their existing facility at 18440 NE San Rafael St., Gresham OR 97230 and will cover roughly 10,000 square feet of space. It will include two, high-end print

devices from Canon as well as peripheral finishing equipment not currently in use by any other printer in the Portland metro area. This gives Wright Business Graphics a distinct competitive advantage over other area print providers. Labor at the Gresham complex is expected to grow from a current annual spend of roughly \$5.9 million to \$6.3 million after the first year. This translates to 6 new positions in the first year at an average salary of \$49,780/year. Since this is a completely new product, sales are expected to take a minimum of three years to reach full market acceptance and are projected to exceed \$2.5 million annually.

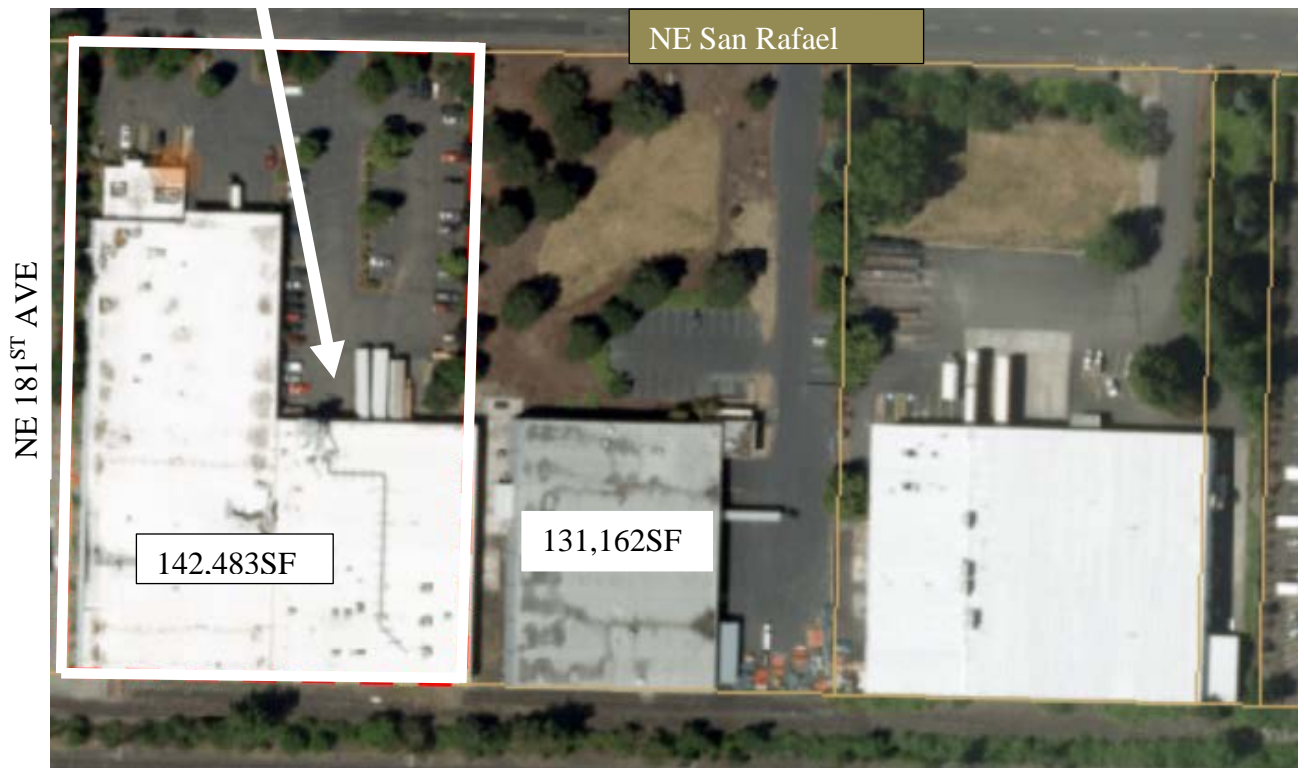
Wright Business Graphics continues to look for ways to improve their business functions and improve the quality of life for employees and the surrounding community. New Industry Grant funds will greatly assist in this endeavor.

Grant Calculation

The maximum grant award for the New Industries Grant is equal to twice the GRDC's estimate of the first year of tax increment generated by the new investment. Staff recommends a maximum grant amount of up to \$45,523, estimating that improvements to real property and investments in machinery and equipment will generate roughly \$22,762 in new tax increment in the first tax year after completion.

Because this grant will be less than \$100,000, the grant will be paid out to the Grantee upon completion of their improvements, and after the Grantee provides satisfactory documentation of its capital investment in the property.

Located at 18440 NE San Rafael St., Gresham, OR 97230:



RECOMMENDATION AND ALTERNATIVES

Recommendation:

Move to approve a New Industries Grant of up to \$45,523 to Wright Business Forms, Inc. dba Wright Business Graphics for machinery and equipment purchase and installation at 18440 NE San Rafael St., Gresham, OR 97230.

Alternative options include:

1. Deny the application
 2. Request additional information and reconsider the application at a future GRDC meeting.
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BUDGET / FINANCIAL IMPACT

Sufficient funds are budgeted within the Urban Renewal Support Fund to award the recommended grant. No budget adjustments are necessary.

PUBLIC INVOLVEMENT

No public involvement specific to this project has been undertaken.

NEXT STEPS

If the GRDC approves the grant, staff will prepare a Letter of Commitment detailing the terms and conditions of the grant. Payment of the grant occurs once documentation is received and costs incurred by the grantee for eligible capital improvements are verified.

ATTACHMENTS

- A. Cover Letter and Grant Application
-

FROM

Marlene Myers, New Industries Grant Coordinator

REVIEWED THROUGH

Josh Fuhrer, GRDC Executive Director
Rachael Fuller, Assistant City Manager
Bernard Seeger, Finance and Management Services Director
Sharron Monohon, Budget and Financial Planning Director
David Ross, Senior Assistant City Attorney

FOR MORE INFORMATION

Staff Contact: Marlene Myers
Telephone: (503) 618-2640
Staff E-Mail: marlene.myers@greshamoregon.gov
Website: GreshamOregon.gov/UrbanRenewal

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WRIGHT

BUSINESS GRAPHICS

July 13, 2017

Gresham Redevelopment Commission
City of Gresham
Gresham, Oregon

RE: Application for Grant Funds

Dear Commission Member(s):

Enclosed you will find the requisite information to apply for *New Industries Grant* funds to aid in the expansion of our printing capabilities. When completed, this project will allow us to produce a diverse range of "wide format" materials (e.g. posters, banners, point-of-sale displays, etc.) which represents an entirely new product line for us.

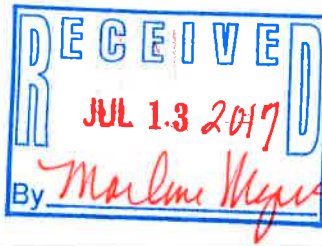
The project will be housed in our existing facility at 18440 NE San Rafael, Gresham OR 97230 and will cover roughly 10,000 square feet of space. It will include two, high-end print devices from Canon as well as peripheral finishing equipment not currently in use by any other printer in the greater Portland metropolitan area. This gives us a distinct competitive advantage over other area print providers. Labor at our Gresham complex is expected to grow from a current annual spend of roughly \$5.9 million to \$6.3 million after the first year. Since this is a completely new product for us, sales are expected to take a minimum of 3 years to reach full market acceptance and are projected to exceed \$2.5 million annually.

We are a privately held Company with many close ties to the Gresham Community. We are proud of our history and recent accomplishments including finding ways to maintain full employment recently despite a catastrophic roof collapse at our San Rafael facility. We continue to look for ways to improve our business functions and improve the quality of life for our employees and the surrounding community. Grant funds, if approved, will greatly assist us in that endeavor.

Should you have any questions or need additional documentation, please do not hesitate to contact Brian Cicerchi at 503 491-4327.

Thank you, in advance, for your support.

Daniel C. Adkison
President/COO
Wright Business Graphics



Application

BUSINESS INFORMATION

Business Name <i>Wright Business Forms, Inc dba Wright Business Graphics</i>		
Mailing Address <i>PO Box 20489, Portland OR 97294</i>		
Physical Building Address <i>18440 NE San Rafael</i>		
City <i>Portland</i>	State <i>OR</i>	Zip <i>97230</i>
Website URL <i>wrightbg.com</i>	Years in Business <i>46</i>	Years in Business in Gresham <i>30 plus</i>
Ownership Structure: <input type="checkbox"/> Partnership <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> LLC <input type="checkbox"/> Sole Proprietorship		
Are your business taxes current? <input checked="" type="checkbox"/> <i>N</i>		Have firm or major owners ever filed for bankruptcy? <input checked="" type="checkbox"/> <i>N</i>

CONTACT INFORMATION

Contact Name <i>Brian Cicerchi</i>		Contact Title <i>VP Finance</i>
Phone Number <i>503 491-4327</i>	Fax Number <i>503 492-8160</i>	Email Address <i>bcicerchi@wrightbg.com</i>

MAJOR OWNERS (Interest of greater than 20%)

Name	Title	Name	Title
<i>James T Wright</i>	<i>Chairman</i>	<i>Sandra Wright</i>	
Address		Address	
Phone		Phone	
Fax		Fax	
Email		Email	
<i>jwright@wrightbg.com</i>			

BUSINESS DESCRIPTION

Product or Service <i>Printed Products</i>
Geographic Area Served <i>USA with West Coast Focus</i>

SITE LOCATION OF NEW OR EXPANDING FACILITY

Tax Lot Number		
Address <i>18440 NE San Rafael</i>		
City <i>Portland</i>	State <i>OR</i>	Zip <i>97230</i>
Square footage of new or expanding facility. <i>80,000</i>		

OWNER OF PROPERTY (IF NOT APPLICANT)

Name <i>Jimson, LLC</i>		
Contact Name <i>James T Wright</i>		
Address <i>18446 NE San Rafael</i>		
City <i>Portland</i>	State <i>OR</i>	Zip <i>97230</i>
Phone Number <i>503 661-2525 Ext 1317</i>		

If the applicant is not the owner of the property, provide written evidence that the owner authorizes this work to be undertaken. (Typically, this is in the form of a lease or other written permission.)

PROJECT COSTS

Costs counting toward grant award:

New Construction	\$
Building Renovation	\$
Tenant Improvements (Impacts Assessed Value of Property)	\$
Machinery/Equipment/Installation	<i>\$1,382,743</i>
Other (Please Specify)	\$
TOTAL:	<i>\$1,382,743</i>

Costs not counting toward grant award:

Land Purchase	\$
Building Purchase	\$
Working Capital	\$
Other (Please Specify)	\$
TOTAL:	\$ <i>(Signature)</i>

CURRENT AND PROJECTED EMPLOYMENT

Job Type or Classification (Owner(s) compensation excluded)	Currently employed at project location		Projected new employment one year after completion*		Projected new employment beyond one year	
	Number of Positions	Average Wage	Number of Positions	Average Wage	Number of Positions	Average Wage
1. Admin / Support	11	\$ 101,600	11	\$ 101,600	11	\$ 103,100
2. Production	89	\$ 37,400	93	\$ 38,600	95	\$ 39,700
3. Maintenance	4	\$ 54,400	4	\$ 54,400	4	\$ 55,200
4. Finance	7	\$ 54,900	7	\$ 54,900	7	\$ 55,700
5. Customer Service	16	\$ 43,900	17	\$ 43,500	17	\$ 44,200
6. Sales	1	\$ 125,000	2	\$ 100,800	2	\$ 102,300

7. Warehouse	2	\$29600	2	\$29600	2	\$30000
8.		\$		\$		\$
TOTALS:	130	\$45652	136	\$46394	138	\$47336

Please note the number of your current positions that are full-time or part-time, permanent or temporary (6 months or less).	Permanent		Temporary	
	Full-time	Part-time	Full-time	Part-time
	130	-	-	-

Describe any employment benefits you offer.
 Health, Dental, Life, Short-Term Disability
 Holiday, Vacation, Sick pay. 401k plan w contribution match

Describe the criteria that qualify employees for benefits (i.e. job classification, hours, etc.)
 Fulltime Employees qualify after 60 days of employment

How many of your current employees qualify for benefits?

PROJECT FINANCING

Owner/Company Contribution	\$ 213,237		
Bank (estimated)	\$ 112,106	Term 60Mo	Rate 2.99%
Other (Please Specify)	\$	Term	Rate
Urban Renewal Grant Contribution (estimated)	\$ 48,400		
TOTAL:	\$ 1382,743		

ADDITIONAL INFORMATION

In addition to this completed and signed application, the following materials must be submitted:

- A Cover Letter that describes the project to be undertaken, including details of proposed capital improvements (type, square footage, purpose), and anticipated job creation information (number of new positions, hire date, wage levels). Explain the need for public funding to complete this project. Cover letter must be signed by applicant.
- Complete, detailed construction budget

OTHER

The applicant understands that the Gresham Redevelopment Commission must approve the proposed improvements. Any work commenced prior to receipt of a complete application will not be eligible for reimbursement, and any work deviating from the approved work must be *pre-approved* by Gresham Redevelopment Commission to be eligible for reimbursement. Reimbursement will only be given for those expenses for which proof of payment can be shown.

CERTIFICATION BY APPLICANT


The applicant certifies that all information in this application, and all information furnished in support of this application, is given for the purpose of obtaining a grant and is true and complete to the best of the applicant’s knowledge and belief.

The applicant further acknowledges and agrees to the following:

- The Gresham Redevelopment Commission and the City of Gresham will not be responsible or liable in any way for injury or damage to third parties or property resulting from the conduct or actions of the applicant or agents of the applicant relating to the program or project funded under this grant.
- The applicant agrees to indemnify and hold the Gresham Redevelopment Commission and the City of Gresham harmless for any/all claims arising out of the activities funded under the terms of this grant.

Verification of any of the information contained in this application may be obtained by the Gresham Redevelopment Commission and the City of Gresham from any available source. By signing this application, the applicant authorizes the Gresham Redevelopment Commission or the City of Gresham to perform any necessary credit and background checks.

The information provided by the applicant and in any supplements thereto is submitted voluntarily and in confidence to the Gresham Redevelopment Commission and the City of Gresham. It is understood that non-exempt information contained in this application is subject to disclosure under Oregon Public Records Law, ORS 192.501 (21).

Print name of applicant <i>Wright Business Forms, Inc</i>	Title <i>VP Finance</i>
Signature 	Date <i>July 13, 2017</i>

Brian Cicerchi

PLEASE RETURN THIS APPLICATION WITH ALL ATTACHED DOCUMENTS TO:

Marlene Myers
Economic Development Specialist
New Industries Grant Coordinator
Gresham Redevelopment Commission
1333 NW Eastman Parkway
Gresham, Oregon 97030
(503) 618-2640 – Phone
(503) 618-3301 – Fax

WRIGHT BUSINESS FORMS, INC.

WIDE FORMAT PRINTING

Equipment Purchase and Installation Budget

Location:

18440 NE San Rafael
Portland OR 97230

Asset Sys #	Description / Vendor	Planned Arrival Date	Est Cost	New or Used	Delivery and Installation	Training	Other Costs	Total Cost
PRE-MEDIA								
	Onyx RIP System	8/1/2017	8,995	New	N/A	1,500		10,495
	Xinet + Dalim ES + Raid	8/11/2017	243,320	New	N/A	20,000		263,320
	Oce ProCut - 2 Client	8/1/2017	14,595	New	N/A	1,500		16,095
	Icut Layout	8/1/2017	11,510	New	N/A	1,500		13,010
	Metrix Planning Software - 5 User	8/1/2017	35,000	New	N/A	1,500		36,500
	Chromix Maxwell - 4 Press Sub Plan	8/1/2017	3,396	New	N/A	200		3,596
	Barbleri LFP Spectro	8/1/2017	10,234	New	N/A	1,500		11,734
	Epson - Canon Proofer	8/1/2017	5,995	New	N/A	1,500		7,495
	ImprProof Double Sided Proofer	8/1/2017	32,500	New	N/A	5,000		37,500
	Computer Hardware Est	8/1/2017	11,900	New	N/A	N/A		11,900
PRESSROOM								
	Arizona 6170 XTS UV	9/1/2017	336,675	New	Incl	Incl		336,675
	D-Gen H6 - Dye Sub	9/15/2017	182,725	New	Incl	Incl		182,725
	HP L 62250 Latex	Already Have	-	Used				-
	Barbleri SpectroPad + Mac Mini	9/1/2017	3,625	New	N/A	N/A		3,625
	Techkon Spectrodens - Curve4 Upgrade	9/1/2017	7,087	New	N/A	N/A		7,087
FINISHING								
	Zund G3 3200 XXXL	9/15/2017	219,275	New	Incl	Incl		219,275
	Seal Laminator	8/1/2017	30,000	New	Incl	N/A		30,000
	Cronos Sewing System	10/1/2017	41,611	New	Incl	2,500		44,111
	Juki Sewing Machine		4,000	New	Incl	N/A		4,000
	Fabric hot Knife + Table	9/1/2017	2,000	New	Incl	N/A		2,000
	Banner Pro - Welding / Hemming Table		1,500	New	Incl	N/A		1,500
	Grand Format 130" Guillotine Cutter		100,000	Used	5,000	N/A		105,000
SUPPORT EQUIPMENT								
	Media Racks - Large	8/15/2017	12,000	New	N/A	N/A		12,000
	Media Racks - Small	8/15/2017	4,000	New	N/A	N/A		4,000
	Meia Tables	8/15/2017	8,000	New	N/A	N/A		8,000
	A-Frame Carts	8/15/2017	2,200	New	N/A	N/A		2,200
	Cart Caddy	8/15/2017	6,000	New	N/A	N/A		6,000
	Roll Lifter	8/15/2017	1,000	New	N/A	N/A		1,000
	Pallet Jack / Lifts	8/15/2017	1,400	Used	N/A	N/A		1,400
	12' Pallet Racks	8/15/2017	??	New	N/A	N/A		-
	10' Pallet Racks	8/15/2017	??	New	N/A	N/A		-
	8' Pallet Racks	8/15/2017	??	New	N/A	N/A		-
	Fork Extensions - 4 x 72" - size 150% of existing forks	8/15/2017	500	Used	N/A	N/A		500
	Totals		1,341,043		5,000	36,700		1,382,743
	Anticipated Financed Amount - Umpqua		<u>1,121,106</u>					<u>1,121,106</u> 81.1%
	Gresham Grant Funds - Est		<u>48,400</u>					<u>48,400</u> 3.5%
	To be Paid from Operating funds		<u>171,537</u>		5,000	36,700		<u>213,237</u> 15.4%

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GRESHAM

REDEVELOPMENT COMMISSION

AGENDA ITEM TYPE: DECISION

Gresham Redevelopment Commission Meeting Minutes

Meeting Date: September 19, 2017

Agenda Item Number: C-2

REQUESTED COMMISSION ACTION

Move to approve minutes from the Gresham Redevelopment Commission meeting of June 20, 2017.

ATTACHMENTS

A. Meeting minutes: June 20, 2017

FROM

Cecille Turley, Program Technician

FOR MORE INFORMATION

Staff Contact: Cecille Turley, Program Technician

Telephone: (503) 618-2545

Staff E-Mail: Cecille.Turley@GreshamOregon.gov

Website: www.GreshamOregon.gov/UrbanRenewal

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A. CALL TO ORDER BY PRESIDING OFFICER

Vice Chair Karylinn Echols called the Gresham Redevelopment Commission (GRDC) meeting to order at 3:24 p.m. on the 20th day of June 2017 in the Council Chambers, Public Safety & Schools Bldg., 1331 NW Eastman Parkway, Gresham, Oregon.

COMMISSION PRESENT: Commission Vice Chair Karylinn Echols
 Commissioner Kirk French
 Commissioner Janine Gladfelter
 Commissioner Jerry Hinton
 Commissioner Mario Palmero
 Commissioner David Widmark

COMMISSION ABSENT: Commissioner Chair Shane T. Bemis

STAFF PRESENT: Josh Fuhrer, Gresham Redevelopment Commission Executive Director
 Erik Kvarsten, City Manager
 Rachael Fuller, Assistant City Manager
 Dave Ris, City Attorney
 David Ross, Senior Assistant City Attorney
 Sharron Monohon, Budget and Financial Planning Director
 Elizabeth McCann, Senior Financial Analyst
 Greg Matthews, Fire Chief
 Robin Sells, Police Chief
 Corey Falls, Director of Police Services and 21st Century Policing
 Matt Galbreath, Police Sergeant
 Brian Monberg, Senior Manager
 Jessica Harper, Policy and Program Manager
 Teresa Hall, Council Coordinator
 Cecille Turley, Program Technician
 Susanjoy Wright, City Recorder

1. INSTRUCTIONS TO CITIZENS ON SIGNING UP FOR PUBLIC TESTIMONY REGARDING AGENDA AND NON-AGENDA ITEMS

Commissioner David Widmark read the instructions.

B. CITIZEN AND COMMUNITY GROUP COMMENTS FOR AGENDA (EXCEPT PUBLIC HEARING) AND NON-AGENDA ITEMS

None.

C. CONSENT AGENDA

Vice Chair Echols read the Consent Agenda.

1. APPOINTMENT TO THE GRESHAM REDEVELOPMENT COMMISSION ADVISORY COMMITTEE: RYAN JOHNSON

2. GRESHAM REDEVELOPMENT COMMISSION MEETING MINUTES: MAY 16, 2017

A motion was made by Commissioner Kirk French and seconded by Commissioner Janine Gladfelter **TO APPROVE CONSENT AGENDA ITEMS C-1 and C-2.** The motion passed as follows:

YES: Commission Vice Chair Karylenn Echols
Commissioner Kirk French
Commissioner Janine Gladfelter
Commissioner Jerry Hinton
Commissioner Mario Palmero
Commissioner David Widmark

NO: None

ABSENT: Commission Chair Shane T. Bemis

RECUSE: None

ABSTAIN: None

D. PUBLIC HEARING

1. PUBLIC HEARING & RESOLUTION NO. 42: BUDGET AND APPROPRIATIONS OF THE GRESHAM REDEVELOPMENT COMMISSION FOR FISCAL YEAR 2017/18

Vice Chair Echols read the Order of Procedure (Order of Procedure attached as Exhibit A.)

Sharron Monohon, Budget and Financial Planning Director presented the staff report. She said today's hearing on the Fiscal Year 2017/18 budget for the Rockwood-West Gresham Urban Renewal Area (URA) represents the final step in the budget development process. There have been a number of activities and public meetings related to this process over the past several months, and she would like to highlight just a few of these. Starting in the fall and winter, we analyzed Multnomah County data property valuations and the resulting tax revenues very closely in order to update revenue forecasts and work with urban renewal staff to revise expenditure proposals accordingly. The resulting proposed budget was presented to the GRDC Budget Committee on May 10th, and was approved by the Committee as proposed. Notice of today's hearing was then published in the Gresham Outlook on June 9th. The budget and adoption process is in full compliance with Oregon local budget law. Development of the budget was guided by Commission direction and goals, and supports the 2017 GRDC Work Plan. The aggregate budget for the Rockwood-West Gresham Urban Renewal District is \$24,400,900. That concludes her staff report. She is happy to answer any questions.

No one wished to testify.

There were no GRDC questions of staff.

The consensus of the GRDC was to close the public hearing.

A motion was made by Commissioner Janine Gladfelter and seconded by Commissioner Kirk French **TO APPROVE RESOLUTION NO. 42 ADOPTING BUDGET AND MAKING APPROPRIATES OF THE**

GRESHAM REDEVELOPMENT COMMISSION OF GRESHAM, OREGON FOR FISCAL YEAR 2017/18, INCLUDING THE DECLARATION OF TAX INCREMENT AUTHORIZING THE COLLECTION OF TAX INCREMENT REVENUES. THE BUDGET IS ADOPTED IN THE AGGREGATE AMOUNT OF \$24,440,900.

There was no GRDC discussion on the motion.

The motion passed as follows:

YES: Commission Vice Chair Karylinn Echols
 Commissioner Kirk French
 Commissioner Janine Gladfelter
 Commissioner Jerry Hinton
 Commissioner Mario Palmero
 Commissioner David Widmark

NO: None

ABSENT: Commission Chair Shane T. Bemis

RECUSE: None

ABSTAIN: None

E. COMMISSION BUSINESS

None.

F. COMMISSION MEASURES AND PROPOSALS

None.

G. ADJOURNMENT OF MEETING

Hearing no further business, Vice Chair Echols adjourned the meeting at 3:29 p.m.

SHANE T. BEMIS
CHAIR

Respectfully submitted,

Cecille Turley
Recording Secretary