

Sunrise Site/ Rockwood B188: Term Sheet

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PURPOSE

Move to approve the Term Sheet for the Disposition and Development of the Rockwood Sunrise Site, and direct the Executive Director to proceed with negotiations to finalize the Disposition and Development Agreement.

Sunrise Site/ Rockwood B188

BACKGROUND

- Two acre property purchased by GRDC
- Located at the corner of Burnside/188th
- Request for Proposals issued in 2022
- HMS selected as development partner
- Signed Exclusive Negotiation Agreement in 2022
- Negotiated terms for development in 2023

NEXT STEPS

- Complete Disposition and Development Agreement (DDA)
- Complete Schematic Design
- Proceed with land use approvals



Sunrise Site/ Rockwood B188 Terms

Deal Terms

- **Two Phases of project:** Phase I is mixed-use POIC development with retail, gymnasium, plaza, school, administrative offices.

- **Project Budget:** Total Project Budget ~\$44M, based on current design. Developer pursuing New Market Tax Credit financing.

- **Sequencing and Operations:** HMS to oversee property management of Phase II Site prior, during, and after construction.

- **GRDC Approvals:** GRDC to approve Project Design at Key Millstones (30%, 60%, 90%)

- **Community Uses:** Explore opportunity for collaborative programming of the gymnasium and related community facilities, to be documented in future agreement.

- **GRDC contribution:** Pre-development funds (already committed)



Sunrise Site/ Rockwood B188

RECOMMENDATION

Move to approve the Term Sheet for the Disposition and Development of the Rockwood Sunrise Site, and direct the Executive Director to proceed with negotiations to finalize the Disposition and Development Agreement.



Approval of Property Acquisition: 18450 SE Stark

18450 SE Stark

PURPOSE

Move to approve the purchase of 18450 SE Stark for \$1,050,000, and direct the Executive Director to proceed with closing consistent with the Purchase and Sale Agreement.

Property Acquisition Fund

The purchase and development of a focused number of sites will allow the Redevelopment Program to meet Urban Renewal Plan goals.

- Property Acquisition fund is an existing CIP Project, recommended area of focus for 2029 Community Investment Framework.
- Additional development sites will allow GRDC to develop new businesses and community uses that compliment Rockwood Town Center.
- GRDC Financial capacity would allow for pursuing a limited number of additional properties.

2029 Community Investment Framework

2029 Community Investment Framework includes additional development sites for investment in community vibrancy.

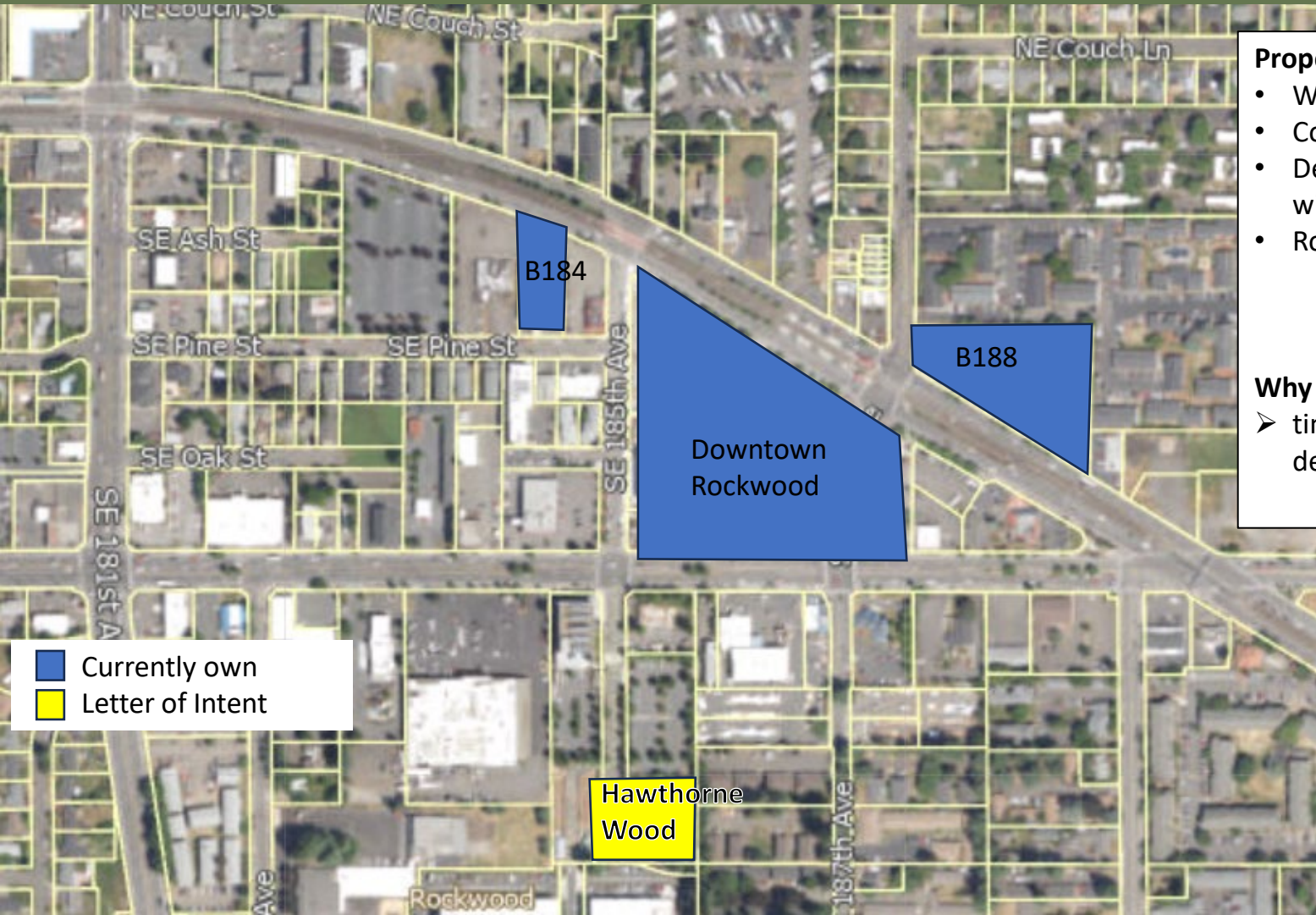
Housing	Increase available ownership housing
Community Safety	Invest in Fire Station; Invest in Yamhill improvements
Economic Opportunity	Grant programs for new industries and storefront; Increase retail space and workforce opportunity
Transportation	Yamhill improvements; Coordinate transit capital improvements; Parking assessment; Pedestrian safety within Rockwood town center
Community Vibrancy	1-2 more development sites for cultural, wellness, economic investment; Park/recreation investment

Opportunity: Hawthorne Wood



- 1-acre property which includes a wood shop
- Family run woodworking and cabinetry business since the 1960s
- Located strategically in Rockwood Town Center
- Opportunity to explore community use on site
- Coordination with adjacent community uses to increase workforce, services, opportunities for youth and families

Opportunity in Rockwood Town Center



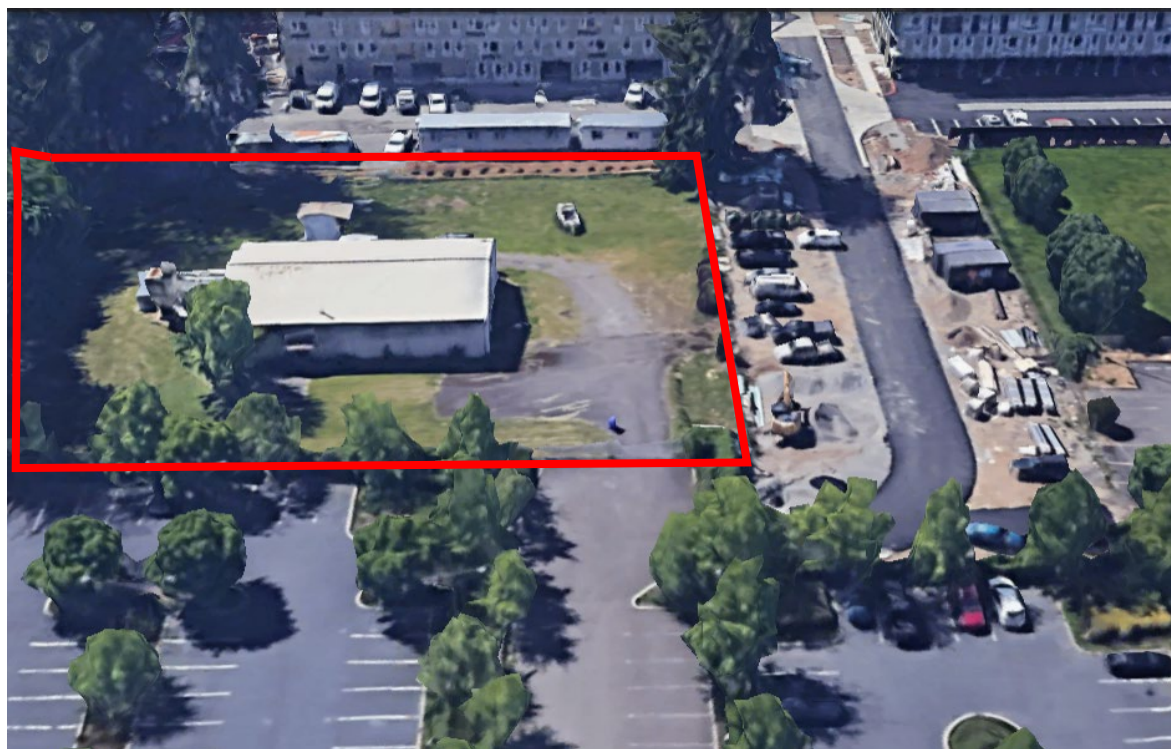
Property Priorities

- Willing Seller
- Community benefit
- Development leverage with adjacent uses
- Rockwood Town Center

Why Now?

- time to allow development by 2029.

Hawthorne Wood: Current Status



Current Property Status

- Signed letter of intent November 2023
- Due diligence
 - Phase I ESA
 - Building Assessment
 - Appraisal
- GRDCAC recommendation 2/14/24
- GRDC to approve Purchase and Sale Agreement
 - Any remaining due diligence
 - Earnest Money
- With approval, close on property in February or March

Purchase Price

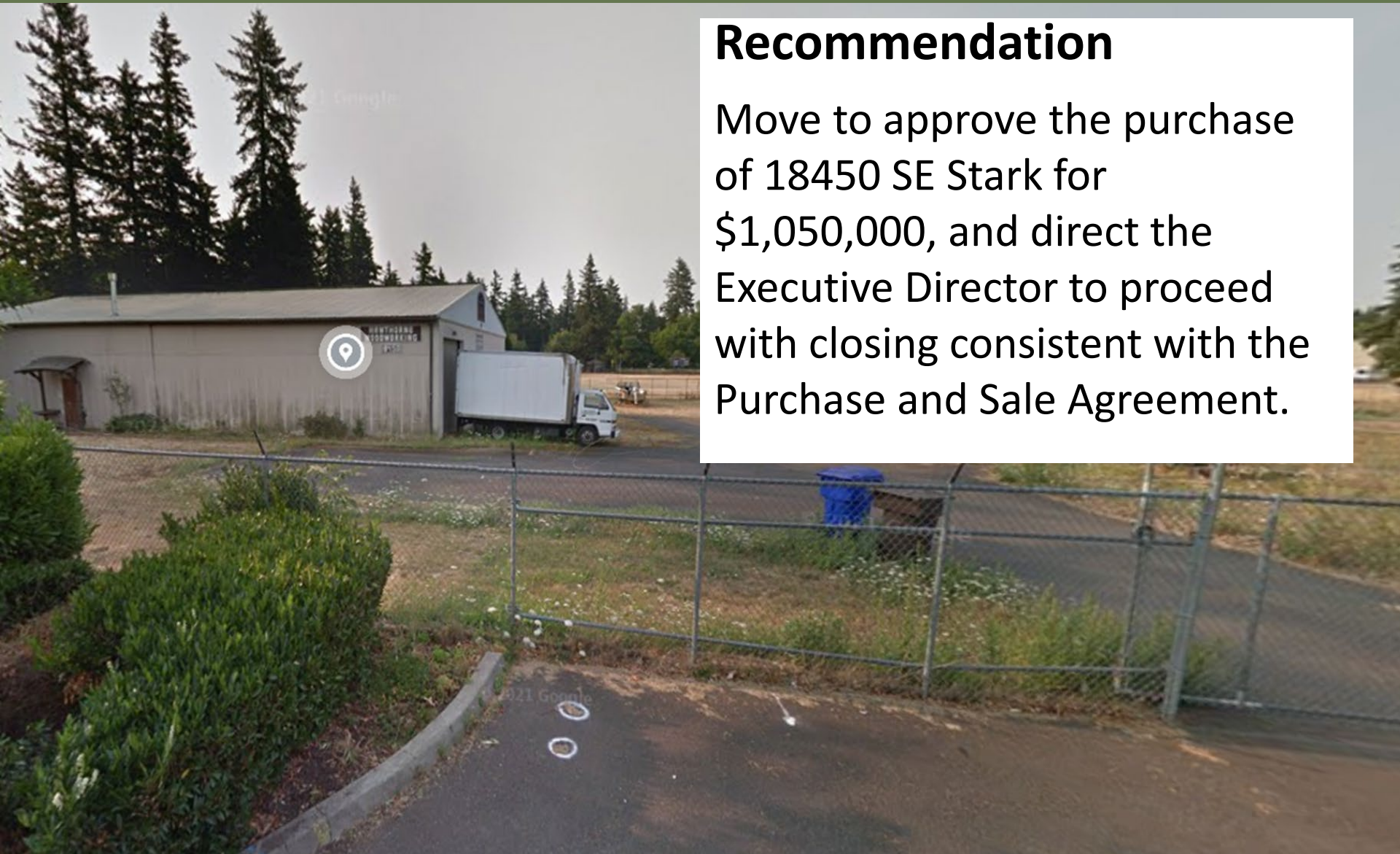
Pending appraisal: \$1 million, plus \$50,000 purchase of equipment and machinery.

Next Steps



- With GRDC direction, complete remaining review and due diligence
- Close on sale of property
- Redevelopment Site Plan: development strategies, financing tools, partnerships including adjacent property owners

Recommendation



Recommendation

Move to approve the purchase of 18450 SE Stark for \$1,050,000, and direct the Executive Director to proceed with closing consistent with the Purchase and Sale Agreement.

Economic Development Grants: Storefront Improvement Program

GRDC

February 20, 2024

GRESHAM
REDEVELOPMENT COMMISSION

Johntae Ivory, Program Technician

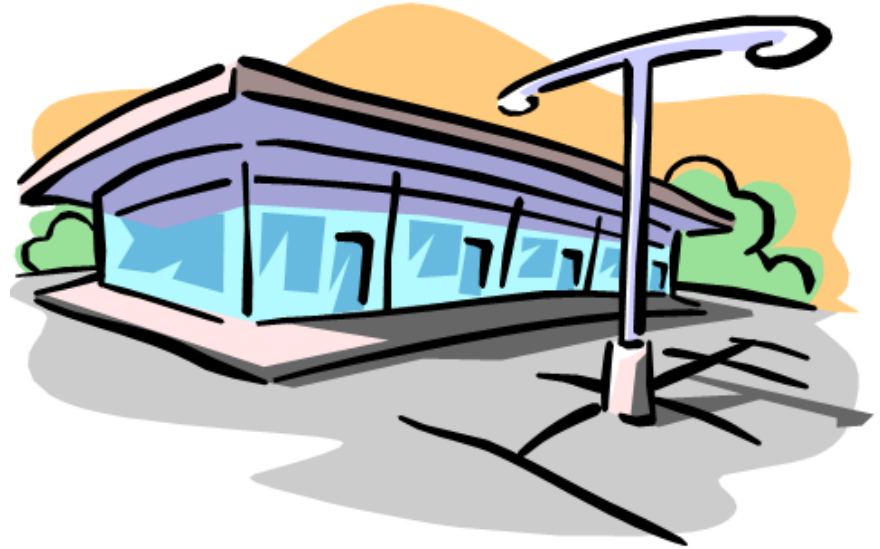
Today's Purpose

Outline:

- **Brief Overview**
- **Program Guidelines**
- **Policy Questions & Outcomes**
- **Next Steps**

Purpose:

- **Get direction from the GRDC to proceed with the Storefront Improvement Program**
- **Feedback on communications plan and outreach**



Overview

The Storefront Improvement grant program is administered by the Gresham Redevelopment Commission (GRDC). The grant provides matching **financial and technical assistance** to commercial property and business owners who wish to **restore or update their storefront façades** on buildings located in the Rockwood-West Gresham Urban Renewal Area (URA).

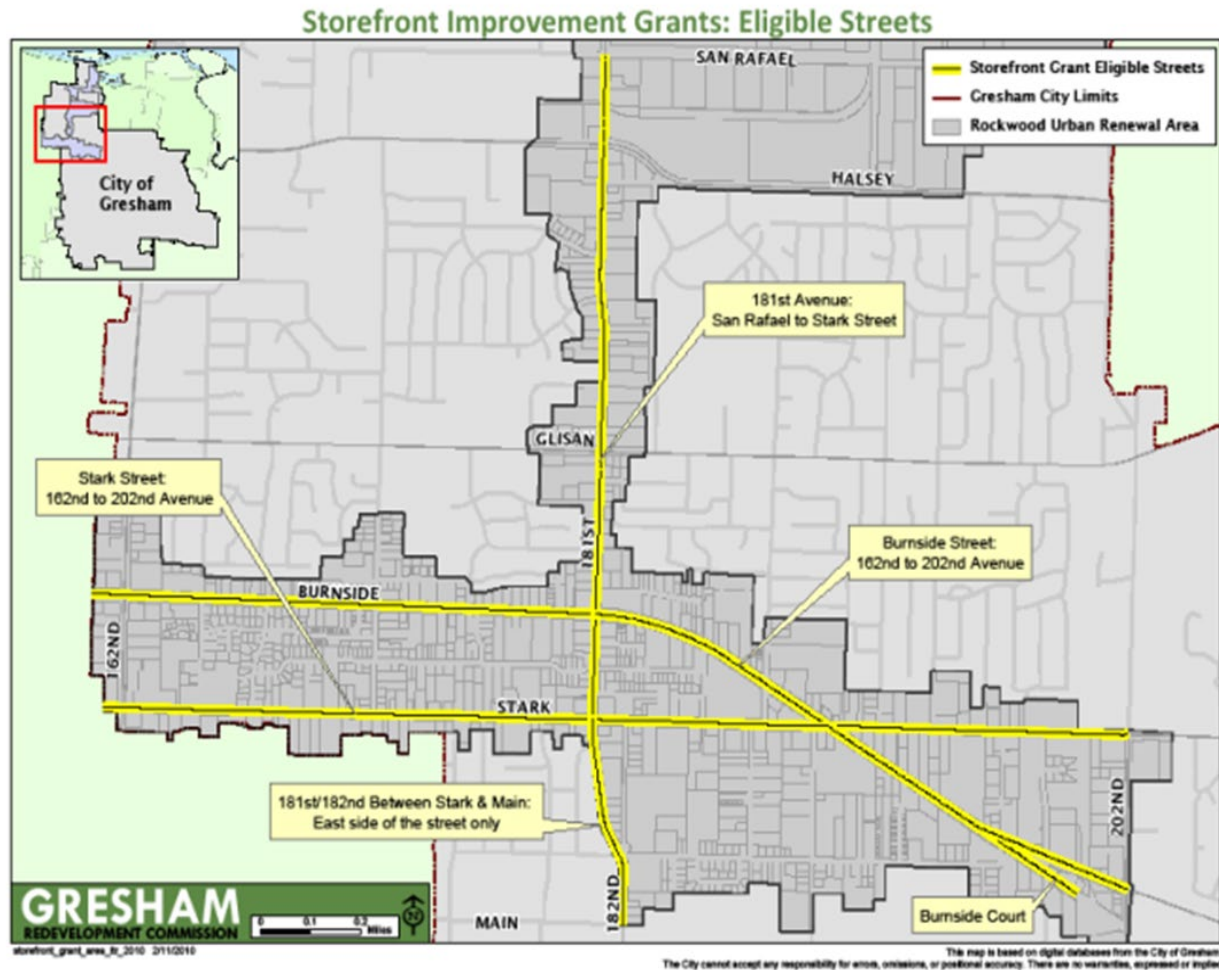
Who is eligible?

Both commercial property owners and businesses with written authorization of the property owner may apply for grant funding.

Where?

Proposed for businesses approximately within 2 blocks of the main arterials.

- Burnside
- Stark
- 181st



Program Guidelines

Eligibility:

- Eligible improvements made to the exterior of a building must be durable and of high quality and amount to at least \$20,000 in value
- Grant applications are accepted year-round and are available in English, Spanish, Vietnamese, and Russian.
- Both commercial property owners and business with written authorization of the property owner may apply for grant funding. Properties with delinquent property taxes, liens or outstanding City code violations will not be considered for grant approval.

Funding:

- The grant funds **50%** of total eligible project costs, matching funds up to **\$40,000**.
- Grant funds are paid on a reimbursement basis; the Grantee must pay the entire cost of grant-funded improvements before receiving grant funds.
- The Grant will reimburse materials used in eligible improvements, labor costs (except those performed by the grantee), and the City of Gresham permit and design review fees.

Eligible Improvements

- Exterior painting
- Siding replacement
- Windows and door replacement
- New cornices, gutters and downspouts
- Signs and graphics
- Exterior lighting
- Canopies and awnings (durable and high quality, no vinyl)
- Landscaping, fencing, bike racks, and interior window display lighting are allowed as long as they are part of the work that directly affects the building exterior.



Ineligible Improvements

- Roofs
- Structural foundations
- Sidewalks and stand-alone ADA related improvements
- Billboards
- Security systems
- Non-permanent fixtures
- Interior window coverings
- Personal property and equipment
- Security bars
- Razor/barbed wire fencing
- Paving
- Advertising, interior modifications, and other projects that do not directly relate to the visual improvement or rehabilitation of the business



Communications & Outreach



Proposed Engagement Plan Includes:

- Mailings to eligible businesses
- Virtual Information Session
- Canvas (Door to door engagement)
- Collaboration with business support groups
- Information provided is available in multiple languages.

Timeline & Metrics

Timeline/Goals (Tentative)

- Advisory Committee Review – January 10, 2024
- GRDC Presentation – February 20, 2024
- Grant Launch: Spring 2024

Goal: obligate funds by end of fiscal year

Metrics:

- Number of businesses served
- Amount of private investment (Leverage)



Policy Questions

Option for small awards to address immediate repairs

Does the Commission support an option to include a \$5,000 award for smaller improvements?

Amount:

- Reimbursement up to \$5,000 per business for repairs

Guidelines:

- Staff would approve the smaller grant instead of Commission
- No bidding required

Examples:

- Painting for graffiti
- Window & Door Repairs
- Landscaping



Policy Questions

- **Grantees:** Should this only apply to businesses? Add non-profits?
- **Location:** Does the Commission support businesses that are within 2 blocks of the main arterials?
- **Award Amount:** Total grant amount per storefront: \$20,000. Up to 50% of the total amount for reimbursement.
- **Uses:** The eligible/ineligible uses are fairly standard. Any considerations?
- **Contracting Diversity & COBID:** Policy or encouragement?
- Communications and outreach?



Recommendation & Next Steps

Recommendation:

- Staff recommends the GRDC direct staff to proceed with implementing a Storefront Improvement Program
- GRDC can also revise the proposal, or direct staff not to proceed.

Next Steps:

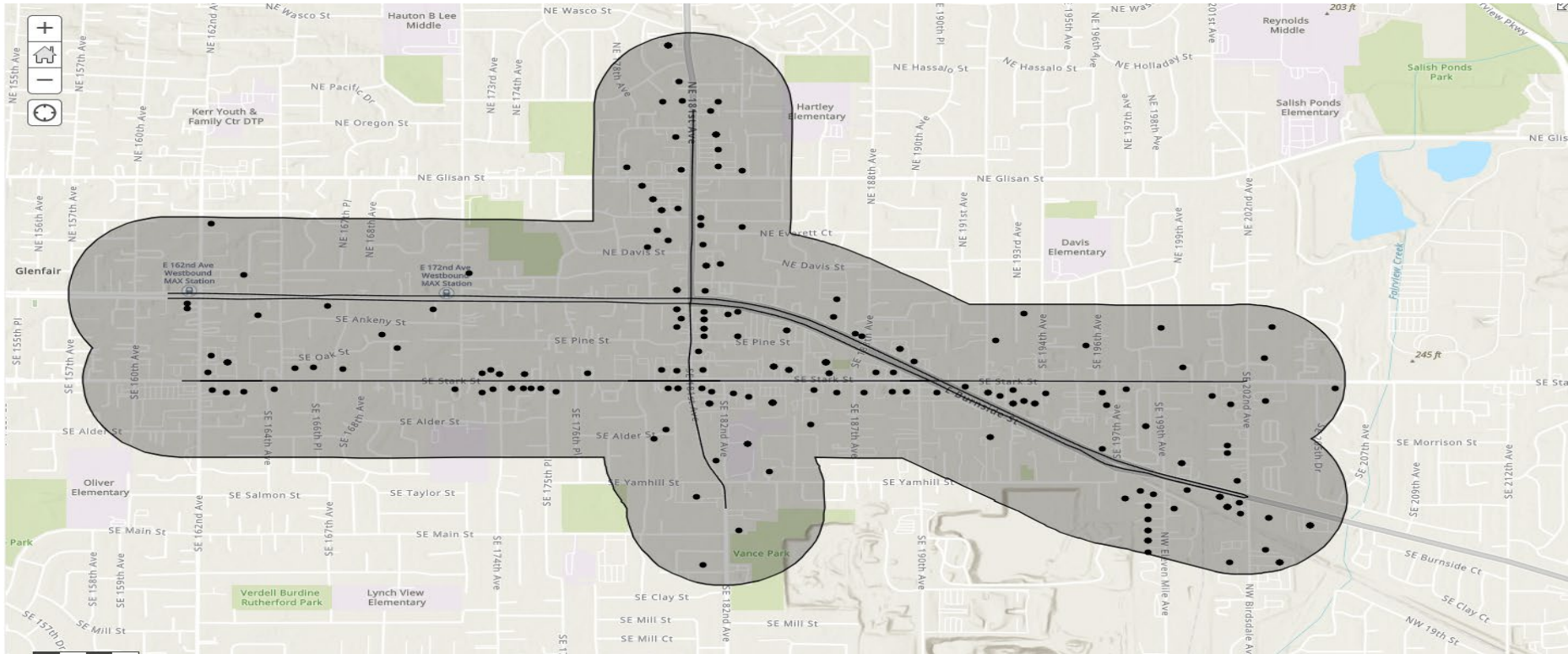
- With GRDC direction, staff would proceed with administration of the program.

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GRESHAM
REDEVELOPMENT COMMISSION

Small Businesses in Rockwood

GIS MAP: Businesses under 50 employees along the main arterials.



Grant Process Steps

Applicant Contacts Urban Renewal Staff

The applicant should contact Urban Renewal staff prior to submitting an application to discuss the grant parameters and what the applicant hopes to accomplish with their grant.

Submit Application

Applicant submits application and scope of work to Urban Renewal staff.

Gresham Redevelopment Commission Meeting

Grant applications are considered for approval by the **Gresham Redevelopment Commission (GRDC)** at monthly public meetings. Typically, an application will be scheduled for consideration the month following submission. It is recommended that applicants attend the GRDC meeting.

Application Not Approved

Application Approved

The **GRDC** will either approve, approve with modifications, or deny the grant request at the public meeting. The applicant is notified in writing of the GRDC's decision.

Collect Bids & Submit to Urban Renewal

Within 120-days of the date of the Pre-approval letter, Grantee acquires 3 bids for each element of grant-funded work over \$XX,XXX. Only one bid is required for work up to \$10,000.

Letter of Commitment

Urban Renewal reviews the bids and prepares Letter of Commitment specifying the work to be completed, maximum grant amount, and the terms and conditions of the grant.

Begin Work

Once the Letter of Commitment has been signed and returned to Urban Renewal, the grant-approved work can begin.

Complete all Work & Submit Receipts to Urban Renewal

After all grant-approved work has been completed, the Grantee submits the payment documentation for all of that work to Urban Renewal.

Reimbursement

Urban Renewal reimburses the Grantee for half of the costs of the grant-funded work. The payment shall not exceed the maximum grant award and will be paid out in a single payment.