

**URBAN RENEWAL AGENCY BOARD MEETING MINUTES  
OCTOBER 14, 2024**

**DATE COUNCIL CHAMBERS, CITY HALL, CITY OF WOODBURN, COUNTY OF  
MARION, STATE OF OREGON, OCTOBER 14, 2024**

**CONVENED** The meeting convened at 6:45 p.m. with Chair Lonergan presiding.

**ROLL CALL**

|                 |                    |
|-----------------|--------------------|
| Chair Lonergan  | Present            |
| Member Schaub   | Present            |
| Member Cornwell | Present            |
| Member Cantu    | Present            |
| Member Morris   | Present -6.54 p.m. |
| Member Cabrales | Absent             |
| Member Wilk     | Present            |

**Staff Present:** City Administrator Derickson, City Attorney Granum, Assistant City Administrator Row, Police Chief Pilcher, Special Projects Director Wakeley, City Recorder Pierson, Community Services Director Cuomo, Deputy Chief Millican, Economic Development Director Johnk, Human Resources Director Gregg, Public Affairs and Communications Manager Guerrero, Community Relations Manager Herrera

**CONSENT AGENDA**

**A.** Urban Renewal Agency minutes of September 23, 2024.

**Schaub/Cantu...** adopt the Consent Agenda. The motion passed unanimously.

**URG #2024.07 - 430 N 1ST ST. | TRAPALA RESTAURANT**

Economic Development Director Johnk provided a staff report. Mayor Lonergan stated his concerns about the applicant going with the higher bid and Director Johnk answered that the applicant preferred the sign specs for that sign. There was a brief discussion on whether the applicants should be able to choose the higher bid and if they do should they have to pay the difference? Staff was asked to take a look at whether the requirements can be improved. **Schaub/Wilk...** approve the Building Improvements Program Grant Application (Program) from Trapala Restaurant (Applicant) in the amount of \$6,250; 50% of the overall cost for new signage (\$12,500) for the property located at 430 N. 1st Street. The motion passed unanimously.

**URG #2024.08 – 563 N. FRONT STREET | JOSE MENDOZA**

Economic Development Director Johnk provided a staff report. **Schaub/Cantu...** approve the Building Improvements Program Grant Application (Program) from Jose Mendoza (Applicant), in the amount of \$21,450; 50% of the overall cost for the repair and replacement of roof with a total project cost of \$42,900 for the property located at 563 N. Front Street. Director Johnk noted that the applicant is going with the higher bid because the products they were using for the roof were better quality and this company had previously done the roof on the building next door and it was done really well. The motion passed unanimously.

**ADJOURNMENT**

**Schaub/Cornwell ...** move to adjourn. The motion passed unanimously. Chair Lonergan adjourned

**URBAN RENEWAL AGENCY BOARD MEETING MINUTES  
OCTOBER 14, 2024**

the meeting at 7:03 p.m.

APPROVED \_\_\_\_\_  
FRANK LONERGAN, CHAIR

ATTEST \_\_\_\_\_  
Heather Pierson, City Recorder  
City of Woodburn, Oregon



October 28, 2024

TO: City of Woodburn Urban Renewal Agency Board

FROM: Anthony Turley, Finance Director

SUBJECT: **FY 2024-25 Supplemental Budget Request for Authority to Appropriate \$1,360,000 for the Purchase of Land and a Transfer of Appropriation Authority from Contingency to Debt Service of \$90,100 in the Urban Renewal Fund. The Revenue for the Purchase of the Land Will be Through an Interagency Loan from the General Fund**

**RECOMMENDATION:**

Hold a public hearing and Adopt Resolution No. 2024-03 authorizing \$1,360,000 transfer in from the general fund, appropriation authority for the purchase of land, and the transfer of appropriation authority from the contingency line to the debt service line item in the Urban Renewal Agency Fund.

**BACKGROUND:**

Every year after Council's budget adoption, circumstances arise that were either unforeseen, unquantifiable, or discovered as errors. Oregon Budget Law, ORS 294.471(1), provides for changes to adopted budgets through a transfer resolution or supplemental budget process that notices the proposed changes. Contingency transfers in excess of 15 percent of any fund's total appropriations, or supplemental budget changes in excess of 10 percent of any fund's total expenditures, require a public hearing to accept public testimony on the item under consideration.

Like the adopted budget, supplemental budget requests must be balanced; in other words, net revenue and net expense for the request must be equal. This can be accomplished by budgeting additional revenue or by reducing another expenditure category (such as contingencies).

**DISCUSSION:**

Over the past few months, City staff have identified two vacant parcels of property that have been marketed for sale for residential development. The parcels include plans entitled and vested in the property: The Young Street Market residences have been designed and approved as a 4-building apartment complex with 94 total units ready to build on the site of 1030 Young Street.

Through arms-length negotiations utilizing the City's Realtor, Alex Rhoten (Coldwell Banker Commercial Mountain West Real Estate), the City reached an agreement to acquire the parcels from the Seller for an overall price of \$1,315,000. This will include buying the larger 2.85 acre vacant parcel located within the URA boundary for the \$1,315,000. The second, smaller 0.66 acre parcel will then be donated to the City by the Seller. The purchase arrangement also includes the Seller providing the City with all development plans and approvals, drawings, and architectural/engineering designs already completed for the development and build out of the property.

Following acquisition of the property, the City, through the Urban Renewal Agency, would then be in a position to partner with a nonprofit or community housing corporation to construct and provide affordable housing opportunities on the site. At a minimum, the City would hold ownership of the properties for at least three years.

Because the proposed budget adjustment is greater than 10 percent of fund expenditures, a public hearing is required.

**FINANCIAL IMPACT:**

If approved, the proposed adjustment includes an increase in budgeted revenue due to an interagency loan from the City's General Fund, and an increase in its expense budget for the same amount. Specifically, the following changes will be made:

| SUMMARY OF PROPOSED BUDGET CHANGES  |                 |               |                  |  |                 |               |                  |
|---|-----------------|---------------|------------------|--|-----------------|---------------|------------------|
| AMOUNTS SHOWN ARE REVISED TOTALS IN THOSE FUNDS BEING MODIFIED                                |                 |               |                  |  |                 |               |                  |
| <b>Urban Renewal Agency Fund - 720</b>  |                 |               |                  |  |                 |               |                  |
| <b>Resource</b>   | <b>Original</b> | <b>Change</b> | <b>Revised</b>   | <b>Requirement</b>                     | <b>Original</b> | <b>Change</b> | <b>Revised</b>   |
| 1 Beg. Func   | 683,130         |               | 683,130          | Operating Expenses                     | 676,680         | 1,360,000     | 2,036,680        |
| 2 Revenues  | 1,187,460       | 1,360,000     | 2,547,460        | Debt Service                           | 335,860         | 90,100        | 425,960          |
|   |                 |               |                  | Transfers Out                          | 0               |               | -                |
|   |                 |               |                  | Contingency & Reserve                  | 858,050         | (90,100)      | 767,950          |
| <b>Revised Total Fund Resources</b>   |                 |               | <b>3,230,590</b> | <b>Revised Total Fund Requirements</b> |                 |               | <b>3,230,590</b> |
| <i>Comments: Inter-agency Loan from City's General Fund to Purchase Young Street Property</i> |                 |               |                  |  |                 |               |                  |

**WOODBURN URBAN RENEWAL AGENCY RESOLUTION NO. 2024-03**

**A RESOLUTION ADOPTING A SUPPLEMENTAL BUDGET AND APPROVING APPROPRIATION OF \$1,360,000 FOR THE PURCHASE OF LAND AND A TRANSFER OF APPROPRIATION AUTHORITY FROM CONTINGENCY TO DEBT SERVICE OF \$90,100 IN THE URBAN RENEWAL FUND. THE REVENUE FOR THE PURCHASE OF THE LAND WILL BE THROUGH AN INTERAGENCY LOAN FROM THE GENERAL FUND**

**WHEREAS**, on June 10, 2024, the Woodburn Urban Renewal Agency approved Resolution No. 2024-01 adopting a budget for the fiscal year 2024-2025, wherein funds were appropriated; and

**WHEREAS**, ORS 294.463(1) permits "transfers of appropriations" within any fund "when authorized by official resolution or ordinance of the governing body"; and

**WHEREAS**, ORS 294.463(2) limits "transfers of general operating contingency appropriations to no more than fifteen (15) percent of the total appropriations of the fund" unless adopted pursuant to a supplemental budget; and

**WHEREAS**, transfers made pursuant to any of the above must state the need for the transfer, the purpose for the authorized expenditure, and the amount of the appropriation transferred; and

**WHEREAS**, ORS 294.471 (1)(a) permits supplemental budgets when "an occurrence of condition which had not been ascertained at the time of the preparation of a budget for the current year or current budget period which requires a change in financial planning"; and

**WHEREAS**, ORS 294.473 requires the governing body to hold a public hearing on the supplemental budget when the estimated expenditures contained in the supplemental budget for fiscal year or budget period differ by ten (10) percent or more of any one of the individual funds contained in the regular budget for that fiscal year; and

**WHEREAS**, the supplemental budget appropriation amount and transfer authority proposed herein exceeds the above-stated statutory thresholds thus requiring a public hearing; and

**WHEREAS**, at a regularly scheduled meeting of the Urban Renewal Agency, on October 28, 2024, a public hearing was held on the supplemental budget changes summarized below and notice of the hearing was published at least five

days prior to the meeting; and

**WHEREAS**, the transfers contained herein are made pursuant to ORS 294.463; **NOW, THEREFORE**,

**THE CITY OF WOODBURN URBAN RENEWAL BOARD RESOLVES AS FOLLOWS:**

**Section 1.** That pursuant to the applicable ORS provisions cited above, the City of Woodburn Urban Renewal Board hereby adopts the recommendation in the Staff Report attached and incorporated by reference herein, to approve the applicable transfer and supplemental budget for FY 2024-25 in the amounts listed below.

| SUMMARY OF PROPOSED BUDGET CHANGES  |                 |               |                  |  |                 |               |                  |
|---|-----------------|---------------|------------------|--|-----------------|---------------|------------------|
| AMOUNTS SHOWN ARE REVISED TOTALS IN THOSE FUNDS BEING MODIFIED                                |                 |               |                  |  |                 |               |                  |
| <b>Urban Renewal Agency Fund - 720</b>  |                 |               |                  |  |                 |               |                  |
| <b>Resource</b>   | <b>Original</b> | <b>Change</b> | <b>Revised</b>   | <b>Requirement</b>                     | <b>Original</b> | <b>Change</b> | <b>Revised</b>   |
| 1 Beg. Func   | 683,130         |               | 683,130          | Operating Expenses                     | 676,680         | 1,360,000     | 2,036,680        |
| 2 Revenues  | 1,187,460       | 1,360,000     | 2,547,460        | Debt Service                           | 335,860         | 90,100        | 425,960          |
|   |                 |               |                  | Transfers Out                          | 0               |               | -                |
|   |                 |               |                  | Contingency & Reserve                  | 858,050         | (90,100)      | 767,950          |
| <b>Revised Total Fund Resources</b>   |                 |               | <b>3,230,590</b> | <b>Revised Total Fund Requirements</b> |                 |               | <b>3,230,590</b> |
| <i>Comments: Inter-agency Loan from City's General Fund to Purchase Young Street Property</i> |                 |               |                  |  |                 |               |                  |

Approved as to Form: \_\_\_\_\_  
 City Attorney

\_\_\_\_\_  
 Date

Approved: \_\_\_\_\_  
 Frank Lonergan, Chairman, URA Board

Passed URA Board: \_\_\_\_\_  
 Submitted to the Chairman: \_\_\_\_\_  
 Approved by the Chairman: \_\_\_\_\_  
 Filed in the Office of the Recorder \_\_\_\_\_

ATTEST: \_\_\_\_\_  
 Heather Pierson, City Recorder  
 City of Woodburn, Oregon



*Urban Renewal Agenda Item*

October 28, 2024

TO: Urban Renewal Agency Chair and Members

FROM: Jamie Johnk, Economic Development Director  
McKenzie Granum, City Attorney

SUBJECT: **Woodburn Urban Renewal Plan Amendment Authorizing the Purchase of Property at 1030 Young Street**

**RECOMMENDATION:**

Adopt Resolution No. 2024-04 amending Section 700 - Property Acquisition Procedures and Part Two of the Woodburn Urban Renewal Plan and add acquisition of property located at 1030 Young Street for an affordable housing project, as defined in the Woodburn Urban Renewal Plan.

**BACKGROUND:**

In July 2001, the City of Woodburn created the Woodburn Urban Renewal Plan pursuant to ORS Chapter 457 of the Oregon Constitution, and all applicable laws and ordinances of the State of Oregon and City of Woodburn respectively. The purpose of the Plan is to eliminate blighting influences found in the Renewal Area, to implement goals and objectives of the City of Woodburn Comprehensive Plan, and to implement development strategies and objectives for the Woodburn Urban Renewal Area.

In June 2024, the City amended the Woodburn Urban Renewal Plan in order to update the Plan goals and expand the boundaries and projects to be undertaken. One of the goals of that Plan includes Housing:

G. Housing

Goal: Provide for new and rehabilitated housing units in livable mixed-income neighborhoods that collectively reflect a diversity of housing types, occupancy (rental and owner-occupied), and income levels in the City. Support housing development that is geared to support the Area's generation goals.

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Agenda Item Review: City Administrator  City Attorney  Finance

Objectives:

1. Provide a wide range of housing opportunities to accommodate households at all income levels, including low income, moderate-income, and market-rate rental and owner-occupied housing, which support prospective residential markets in, adjacent to, and near the Area.
2. Provide assistance to help maintain and assist in the rehabilitation of the stock of existing housing in the renewal area.
3. Assist in the development of quality housing for a range of that household incomes that are representative of the City as a whole.

Per Section 600.D of the Plan, in order to carry out the objectives of the Plan, the Renewal Agency is “authorized to acquire land or buildings for public and private development purposes.” To acquire land, the Urban Renewal Agency will need to complete a minor amendment to its Plan documents, which it can adopt via Resolution which is attached. Additionally, since this acquisition is being contemplated for future public/private development, City Council ratification for the Renewal Agency’s plan is also necessary.

**DISCUSSION:**

Since adoption of the amended Plan, the City has identified a parcel of property within the Urban Renewal Boundary, located at 1030 Young Street, in Woodburn, Marion County, Oregon (Marion County Assessor’s Tax Lot # 051W17BC06800) for an affordable housing project.

At the September 23, 2024 meeting, the Urban Renewal Agency authorized the purchase of property located at 1030 Young Street (Tax Lot #051W17BC06800) from West Coast Home Solutions LLC (Seller) in the amount of \$1,315,000; and directed staff to prepare and return with a Resolution to amend the Urban Renewal Plan to include the property in the Plan and prepare a Supplemental Budget necessary for completing the purchase; and authorize the City Administrator to sign and execute all documents to effectuate the purchase.

The purchase of this property will include buying the larger 2.85-acre vacant parcel located within the URA boundary for the \$1,315,000. The second, smaller 0.66-acre parcel will then be donated to the City by the Seller. The purchase arrangement also includes the Seller providing the City with all development



plans and approvals, drawings, and architectural/engineering designs already completed for the development and build out of the property.

Following acquisition of the property, the City, through the Urban Renewal Agency, would then be in a position to partner with a nonprofit or community housing corporation to construct and provide low- to moderate-income housing (affordable housing) opportunities on the site. At a minimum, the City would hold ownership of the properties for at least three years.

**FINANCIAL IMPACT:**

The purchase price of the primary 2.85-acre property at 1030 Young Street will be in the amount of \$1,315,000 with additional closing, brokerage, and appraisal costs for a total urban renewal investment of \$1,350,000. Since the smaller 0.66-acre adjacent property is located outside of the City's URA boundary, it will be donated by Seller. As part of the acquisition of both parcels, the City has agreed that it will complete an appraisal of the properties and provide the Seller with a charitable receipt for any value donated above the purchase price for the properties.

In order to accomplish the purchase of the identified property, the City's general fund will provide the Renewal Agency with an interfund loan for the amount of the purchase price, which will include a 10-year repayment plan schedule secured by the URA's Tax Increment Financing (TIF).

**WOODBURN URBAN RENEWAL AGENCY RESOLUTION NO. 2024-04**

**A RESOLUTION AMENDING SECTION 700, PART TWO OF THE WOODBURN URBAN RENEWAL PLAN AND AUTHORIZING THE PURCHASE OF REAL PROPERTY**

**WHEREAS**, the Woodburn Urban Renewal Agency ("Agency") under Section 600, Description of Projects to be Undertake, of the Urban Renewal Plan adopted in July 2001 and amended in June 2024 ("Plan") authorizes the Agency to acquire property within the Urban Renewal Area for affordable housing project(s); and

**WHEREAS**, the Agency desires to amend Plan Section 700.C, Property to be Acquired, and Part Two of the Plan, to identify and approve of the acquisition of property located at 1030 Young Street, in the City of Woodburn, Marion County, Oregon, Marion County Assessor's Tax Lot # 051W17BC06800 ("Property"), which is located within the Urban Renewal Boundary and is owned by West Coast Home Solutions LLC, a willing seller; and

**WHEREAS**, the Agency desires to acquire the Property for an affordable housing project in accordance with the Plan; and

**WHEREAS**, the Agency has determined that the Property will assist the City in meeting the goals of the Plan and that it is in the best interest of the public to acquire the Property.

**WHEREAS**, this amendment may be processed as a minor amendment to the Plan as defined in Section 900 of the Plan; and

**WHEREAS**, minor amendments are processed thorough the adoption of a Resolution by the Agency; **NOW, THEREFORE**,

**THE WOODBURN URBAN RENEWAL AGENCY RESOLVES AS FOLLOWS:**

**Section 1.** The Woodburn Urban Renewal Agency Board amends the Woodburn Urban Renewal Plan to add the Acquisition of Identified Property as shown in Exhibit A.

**Section 2.** This Resolution is and shall be effective immediately upon its adoption.

Approved as to Form: \_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Date

APPROVED: \_\_\_\_\_  
Frank Lonergan, Chair

Passed by the Agency \_\_\_\_\_  
Submitted to the Chair \_\_\_\_\_  
Approved by the Chair \_\_\_\_\_

Filed in the Office of the Recorder \_\_\_\_\_

ATTEST: \_\_\_\_\_  
Heather Pierson, City Recorder  
City of Woodburn, Oregon

## **Exhibit A. 2024 Woodburn Urban Renewal Plan Amendment**

Additions are shown in *italics*, deletions are shown in ~~crossout~~

Section 700. PROPERTY ACQUISITION PROCEDURES is amended as follows:

Acquisition of real property may be necessary to carry out the objectives of this Plan. Property for public or private preservation, rehabilitation, development, or redevelopment acquired by gift, eminent domain or any other lawful method for the purpose of development. The purposes and procedures for acquisition under this Plan are:

The Renewal Agency is authorized to acquire property within the Area, if necessary, by any legal means to achieve the objectives of this Plan. Property acquisition, including limited interest acquisition, is hereby made a part of this Plan and may be used to achieve the objectives of this Plan. All acquisition of property will require ~~will require~~ an amendment to the plan as set forth in Section 900 of this Plan.

### A. Acquisition requiring City Council ratification.

City Council ratification is required for Renewal Agency acquisitions for the following purposes:

1. Assembling land for development by the public or private sector. Such acquisition shall be undertaken only following completion of a minor amendment to this Plan as set forth in Section 900C1 of this Plan. The City Council shall ratify the minor amendment to this Plan by resolution.
2. Where conditions exist that may affect the health, safety and welfare of the Area and it is determined that acquisition of such properties and demolition of the improvements thereon are necessary to remove substandard and blighting conditions, acquisition shall be undertaken only following completion of a minor amendment to this Plan as set forth in Section 900C1 of this Plan. The City Council shall ratify the minor amendment to this Plan by resolution.
3. Acquisition for any purpose that requires the use of the Agency's powers of eminent domain. Such acquisition shall be undertaken only following completion of a minor amendment to this Plan as set forth in Section 900C1 of this Plan. The City Council shall ratify the minor amendment to this Plan by resolution.

B. Acquisition not requiring City Council ratification.

Land acquisition not requiring City Council ratification requires a minor amendment to this Plan as set forth in Section 900D2 of this Plan. The minor amendment to the Renewal Plan may be adopted by the Renewal Agency by Resolution. The Agency may acquire land without Council ratification where the following conditions exist:

1. Where it is determined that the property is needed to provide public improvements and facilities as follows:
  - a. Right-of-way acquisition for streets, alleys or pedestrian ways;
  - b. Right of way and easement acquisition for water, sewer, and other utilities
  - c. Property acquisition for public use, or for public buildings and facilities
2. Where the owner of real property within the boundaries of the Area wishes to convey title of such property by any means, including by gift.

C. Properties to be acquired

At the time this plan is prepared, no properties are identified for acquisition. If plan amendments to acquire property are approved, a map exhibit shall be prepared showing the properties to be acquired and the property will be added to the list of properties to be acquired. The list of properties acquired will be shown in this section of the Plan. The map exhibit shall be appropriately numbered and shall be included in Part Two as an official part of this Urban Renewal Plan.

**SECTION 700 C - PART 2**

**CITY OF WOODBURN URBAN RENEWAL PLAN**

**LIST OF PROPERTIES TO BE ACQUIRED**

| <b><i>Property Address</i></b> | <b><i>Marion County<br/>Tax Lot #</i></b> | <b><i>Acres</i></b> |
|--------------------------------|---|---------------------|
| <i>1030 Young Street</i>       | <i>051W17BC06800</i>                      | <i>2.85</i>         |

**Property Description: 1030 Young Street  
Marion County Assessor's Tax Lot # 051W17BC06800 and 051W18AD08400**





## Urban Renewal Agenda Item

October 28, 2024

TO: Urban Renewal Agency Chair and Members

FROM: Scott Derickson, City Administrator

SUBJECT: **Intergovernmental Agreement with City of Woodburn for Loan of \$1,360,000 to be used for the Agency's purchase of the Young Street Property**

### **RECOMMENDATION:**

Approve an Intergovernmental Agreement ("IGA") with the City of Woodburn that specifies the terms and conditions under which the City will loan the Agency \$1,360,000 to be used for the purchase of the property at 1030 Young Street, Woodburn, Oregon, and authorize the Urban Renewal Manager to sign said agreement.

### **BACKGROUND:**

The City has identified a parcel of property within the Urban Renewal Boundary, located at 1030 Young Street, in Woodburn, Marion County, Oregon (Marion County Assessor's Tax Lot # 051W17BC06800) for an affordable housing project. At its September 23rd meeting, the Urban Renewal Agency authorized the purchase of said property from West Coast Home Solutions LLC (Seller) in the amount of \$1,315,000.

In order to effectuate the purchase of the Property, the Agency is being presented with a Supplemental Budget Resolution that will include an increase in budgeted revenues of the Agency on the basis of receiving an interagency loan from the City's General Fund in order to fund the purchase of the Property.

### **DISCUSSION:**

The City's general fund will provide the Urban Renewal Agency with an interagency loan in the amount of \$1,360,000. The terms and conditions for repayment of the City Loan are included in the attached Intergovernmental Agreement ("IGA"), but generally include that the loan will carry an interest rate of 4.66% per annum and follow a 10-year repayment plan schedule secured by

the URA's Tax Increment Financing (TIF). The interest rate proposed for the City Loan is based upon the City's prior year's combined portfolio rate. It is proposed that this interest rate be fixed through the full term of the Loan, however, the City and Agency may later agree to restructure the loan terms to achieve costs savings.

**FINANCIAL IMPACT:**

It is expected that with closing, brokerage, and appraisal costs, the total expenditure amount to complete the purchase of the subject property will be around \$1,360,000, which is the authorized amount of the loan under the IGA.

**Attachment:**

Intergovernmental Agreement with City of Woodburn for Loan



**INTERGOVERNMENTAL AGREEMENT  
BETWEEN THE CITY OF WOODBURN & WOODBURN URBAN RENEWAL AGENCY  
FOR THE LOAN OF \$1,360,000**

THIS Intergovernmental Agreement (“IGA”) is made pursuant to ORS 190.010 between the City of Woodburn, an Oregon municipal corporation (“City”), and the Woodburn Urban Renewal Agency, a public body created under ORS Chapter 457 (the “Agency”) (collectively the “Parties”).

**BACKGROUND**

- A. Pursuant to ORS 190.010, units of local government are authorized to enter into intergovernmental agreements with other units of local governments for the performance of any or all functions and activities that a party to the agreement, its officers or agencies, have the authority to perform.
- B. Each of the parties to this IGA are a unit of local government as defines in ORS 190.003. Each of the parties has the legal authority for the performance of any and all functions and activities set forth herein.
- C. The Agency, as the duly authorized and acting urban renewal agency of the City of Woodburn, Oregon, is charged to undertake certain redevelopment activities in the urban renewal area pursuant to ORS Chapter 457 and the Agency’s urban renewal plan (the “Plan”).
- D. Pursuant to ORS 457.190, the Agency is authorized to borrow money and accept advances, loans, grants, and any other form of financial assistance from a public body for the purposes of undertaking and carrying out Plan projects.
- E. Pursuant to ORS 457.320, the City is authorized to exercise any of its powers to assist in the planning or the carrying out of an urban renewal plan.
- F. The City and the Agency are currently planning projects set forth in the Plan, including the acquisition of land for future housing projects.
- G. The Agency is charged with acquiring certain real property necessary for future housing projects and has negotiated a Purchase and Sale Agreement for the acquisition of a parcel of property located at 1030 Young Street, Woodburn, Oregon (the “Property”).
- H. The Agency has approved the Purchase and Sale Agreement by separate action and the closing of the purchase is subject to available funding.
- I. The Agency has a need for funds in the amount of one million three hundred sixty thousand 0/100 dollars (\$1,360,000) to complete and close the purchase of the

Property, subject to the satisfaction of all contingencies in the Purchase and Sale Agreement.

- J. The City has sufficient uncommitted funds available to loan to the Agency on reasonable terms to allow such closing.
- K. The Agency finds it desirable to authorize the borrowing of not more than \$1,360,000 to be used for acquisition of the Property and to pledge the Tax Increment Revenues of the Agency area as security for such borrowing ("City Loan").
- L. The City has determined that the Agency has the capacity to repay the City Loan according to the terms and conditions of this IGA and hereby finds it desirable to make the City Loan on the terms and conditions described herein.

NOW THEREFORE, the Parties Agree as Follows:

#### AGREEMENT

1. Grant of Loan; Incursion of Debt and Promise to Pay. In consideration of the terms and conditions set forth herein, the City agrees to loan up to one million three hundred sixty thousand 0/100 dollars (\$1,360,000) to the Agency in exchange for the Agency's promise to repay the loan from the Tax Increment Revenues of the Agency's renewal area. The City's Loan will bear an interest rate of 4.66% per annum, compounded daily, with a maturity of not more than 10 years. The Agency shall make principal and interest payments to the City according to the Loan Repayment Schedule attached as Exhibit A.
2. City Loan Disbursal. The City Loan shall be made from the City's General Fund to the Agency's Capital Outlay Fund on or before the closing date specified in the Purchase and Sale Agreement for the Property. No funds will be advanced until all contingencies to closing for the Property have been satisfied or waived and parties to the Purchase and Sale Agreement and the parties are prepared to close except for availability of funds. Upon acceptance of the City Loan proceeds, the Agency agrees to proceed with closing to acquire title to the Property.
3. Security for City Loan. The principal and interest on the City Loan shall be secured by and payable solely from (i) the Tax Increment Revenues of the Agency, meaning all ad valorem tax revenues which are attributable to the increase in assessed value of property within the Agency area; and (ii) any proceeds of the City Loan. The Agency's Tax Increment Revenues shall be available to repay the City Loan but the availability of such revenues is subject to the lien of any prior debt of the Agency. The Agency hereby pledges and grants a subordinate lien and security interest in the Agency's right, title, and interest in the Tax Increment Revenues.
4. Prepayment Permitted. Prepayment of the City Loan is permitted and shall not be subject to a prepayment fee.

5. Conditions of the City Loan.

5.1. Agency Expenditure of Tax Increment. The Agency agrees that so long as the City Loan remains outstanding, it will expend the Tax Increment Revenues from the area in the following order of priority: (i) to repay outstanding indebtedness issued or incurred prior to the Effective Date; (ii) to repay the City Loan; and (iii) for any other lawful purpose.

5.2. Adverse Impacts. The Agency shall immediately notify the City of any development which is likely to have a material, adverse effect on the financial condition of the Agency or the collection of Tax Increment Revenues while any amount remains outstanding under the City Loan.

5.3. Authorization. The City and Agency have each taken the actions necessary to authorize this IGA and no challenge to such action is pending. The Authorized Representatives of each party are authorized to execute this IGA on behalf of their respective bodies.

5.4. Delegation. The Authorized Representatives of each party, being the signatories below, are hereby authorized on behalf of the Parties, respectively, and without further action by the Agency or the City:

- (i) To establish the effective date of the City Loan, its maturity date, and other terms as necessary so long as not in direct conflict with any terms and conditions in this IGA;
- (ii) To execute and deliver any and all documents necessary or desirable in connection with the City Loan; and
- (iii) To take any other action which is desirable in order to deliver the City Loan in accordance with this IGA.

6. Default. If an event of default occurs, the City may exercise any remedy available to it at law or in equity. No remedy shall be exclusive. The City may also waive any Event of Default. An Event of Default includes (i) any failure to of the Agency to pay principal or interest when due under this IGA, which failure continues and is not cured for a period of more than 30 days after the City has made written demand on the Agency to cure such failure; or (ii) any material misrepresentation by the Agency in this IGA.

7. Term & Termination. This IGA shall become effective upon the date of the last signature hereon, and shall continue in full force and effect until the City Loan is paid in full per the repayment schedule (Exhibit A). If the closing for the Property does not occur on or before December 31, 2024, this IGA will terminate upon Agency's notice to the City that the closing has not occurred and no loan will be extended.

This IGA may also be terminated by mutual consent of both Parties at any time. Notwithstanding any mutual agreement to terminate, the Agency shall remain obligated with respect to any unfulfilled financial obligation which accrued hereunder prior to the effective date of such termination.

8. Assignment. Neither Party shall assign or transfer any of its interest in this IGA without the written consent of the other Party.

9. Third-Party Beneficiaries. No provision of this IGA is intended or will be construed to confer upon or give to any person or entity other than the signatories to this IGA any rights, remedies or other benefits under or by reason of this IGA.

10. Compliance with Applicable Laws. The Parties agree that both shall comply with all federal, state, and local laws and ordinances applicable to the City Loan under this IGA. The parties agree that this agreement shall be administered and construed under the laws of the state of Oregon.

11. Amendments. The terms of this IGA shall not be waived, altered, modified, supplemented or amended except by written instrument signed by both parties.

12. Notices. Any notice under this IGA will be in writing and effective upon personal delivery to the signatories below or two days after mailing, first class postage prepaid, to a party at the addresses given.

IN WITNESS WHEREOF, the Parties have caused this IGA to be signed in their respective names by their duly authorized representatives as of the dates set forth below.

**THE CITY OF WOODBURN**

**THE WOODBURN URBAN RENEWAL AGENCY**

\_\_\_\_\_  
Scott Derickson  
City Administrator

\_\_\_\_\_  
Jamie Johnk  
Urban Renewal Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

# EXHIBIT A LOAN REPAYMENT SCHEDULE

10/08/2024 9:50 PM

Compounding Period: Daily

Nominal Annual Rate: 4.660%

## Cash Flow Data - Loans and Payments

|    | Event   | Date       | Amount       | Number | Period | End Date |
|----|---------|------------|--------------|--------|--------|----------|
| 1  | Loan    | 10/29/2024 | 1,360,000.00 | 1      |        |          |
| 2  | Payment | 06/01/2025 | 90,000.00    | 1      |        |          |
| 3  | Payment | 12/01/2025 | 90,000.00    | 1      |        |          |
| 4  | Payment | 06/01/2026 | 90,000.00    | 1      |        |          |
| 5  | Payment | 12/01/2026 | 90,000.00    | 1      |        |          |
| 6  | Payment | 06/01/2027 | 90,000.00    | 1      |        |          |
| 7  | Payment | 12/01/2027 | 90,000.00    | 1      |        |          |
| 8  | Payment | 06/01/2028 | 90,000.00    | 1      |        |          |
| 9  | Payment | 12/01/2028 | 90,000.00    | 1      |        |          |
| 10 | Payment | 06/01/2029 | 90,000.00    | 1      |        |          |
| 11 | Payment | 12/01/2029 | 90,000.00    | 1      |        |          |
| 12 | Payment | 06/01/2030 | 90,000.00    | 1      |        |          |
| 13 | Payment | 12/01/2030 | 90,000.00    | 1      |        |          |
| 14 | Payment | 06/01/2031 | 90,000.00    | 1      |        |          |
| 15 | Payment | 12/01/2031 | 90,000.00    | 1      |        |          |
| 16 | Payment | 06/01/2032 | 90,000.00    | 1      |        |          |
| 17 | Payment | 12/01/2032 | 90,000.00    | 1      |        |          |
| 18 | Payment | 06/01/2033 | 90,000.00    | 1      |        |          |
| 19 | Payment | 12/01/2033 | 90,000.00    | 1      |        |          |
| 20 | Payment | 06/01/2034 | 90,289.45    | 1      |        |          |

## TValue Amortization Schedule - Normal, 365 Day Year

|                    | Date       | Payment           | Interest         | Principal         | Balance      |
|--------------------|------------|-------------------|------------------|-------------------|--------------|
| Loan               | 10/29/2024 |                   |                  |                   | 1,360,000.00 |
| 1                  | 06/01/2025 | 90,000.00         | 37,845.70        | 52,154.30         | 1,307,845.70 |
| <b>2025 Totals</b> |            | <b>90,000.00</b>  | <b>37,845.70</b> | <b>52,154.30</b>  |              |
| 2                  | 12/01/2025 | 90,000.00         | 30,914.05        | 59,085.95         | 1,248,759.75 |
| 3                  | 06/01/2026 | 90,000.00         | 29,354.23        | 60,645.77         | 1,188,113.98 |
| <b>2026 Totals</b> |            | <b>180,000.00</b> | <b>60,268.28</b> | <b>119,731.72</b> |              |
| 4                  | 12/01/2026 | 90,000.00         | 28,083.90        | 61,916.10         | 1,126,197.88 |
| 5                  | 06/01/2027 | 90,000.00         | 26,473.21        | 63,526.79         | 1,062,671.09 |
| <b>2027 Totals</b> |            | <b>180,000.00</b> | <b>54,557.11</b> | <b>125,442.89</b> |              |
| 6                  | 12/01/2027 | 90,000.00         | 25,118.76        | 64,881.24         | 997,789.85   |
| 7                  | 06/01/2028 | 90,000.00         | 23,585.14        | 66,414.86         | 931,374.99   |

|                     | Date       | Payment             | Interest          | Principal           | Balance    |
|---------------------|------------|---------------------|-------------------|---------------------|------------|
| <b>2028 Totals</b>  |            | <b>180,000.00</b>   | <b>48,703.90</b>  | <b>131,296.10</b>   |            |
| 8                   | 12/01/2028 | 90,000.00           | 22,015.27         | 67,984.73           | 863,390.26 |
| 9                   | 06/01/2029 | 90,000.00           | 20,295.46         | 69,704.54           | 793,685.72 |
| <b>2029 Totals</b>  |            | <b>180,000.00</b>   | <b>42,310.73</b>  | <b>137,689.27</b>   |            |
| 10                  | 12/01/2029 | 90,000.00           | 18,760.65         | 71,239.35           | 722,446.37 |
| 11                  | 06/01/2030 | 90,000.00           | 16,982.34         | 73,017.66           | 649,428.71 |
| <b>2030 Totals</b>  |            | <b>180,000.00</b>   | <b>35,742.99</b>  | <b>144,257.01</b>   |            |
| 12                  | 12/01/2030 | 90,000.00           | 15,350.79         | 74,649.21           | 574,779.50 |
| 13                  | 06/01/2031 | 90,000.00           | 13,511.17         | 76,488.83           | 498,290.67 |
| <b>2031 Totals</b>  |            | <b>180,000.00</b>   | <b>28,861.96</b>  | <b>151,138.04</b>   |            |
| 14                  | 12/01/2031 | 90,000.00           | 11,778.29         | 78,221.71           | 420,068.96 |
| 15                  | 06/01/2032 | 90,000.00           | 9,929.33          | 80,070.67           | 339,998.29 |
| <b>2032 Totals</b>  |            | <b>180,000.00</b>   | <b>21,707.62</b>  | <b>158,292.38</b>   |            |
| 16                  | 12/01/2032 | 90,000.00           | 8,036.67          | 81,963.33           | 258,034.96 |
| 17                  | 06/01/2033 | 90,000.00           | 6,065.55          | 83,934.45           | 174,100.51 |
| <b>2033 Totals</b>  |            | <b>180,000.00</b>   | <b>14,102.22</b>  | <b>165,897.78</b>   |            |
| 18                  | 12/01/2033 | 90,000.00           | 4,115.28          | 85,884.72           | 88,215.79  |
| 19                  | 06/01/2034 | 90,289.45           | 2,073.66          | 88,215.79           | 0.00       |
| <b>2034 Totals</b>  |            | <b>180,289.45</b>   | <b>6,188.94</b>   | <b>174,100.51</b>   |            |
| <b>Grand Totals</b> |            | <b>1,710,289.45</b> | <b>350,289.45</b> | <b>1,360,000.00</b> |            |

| <b>ANNUAL PERCENTAGE RATE</b>             | <b>FINANCE CHARGE</b>                       | <b>Amount Financed</b>                                  | <b>Total of Payments</b>   |
|---|---|---|--|
| The cost of your credit as a yearly rate. | The dollar amount the credit will cost you. | The amount of credit provided to you or on your behalf. | The amount you will have paid after you have made all payments as scheduled. |
| <b>4.714%</b>                             | <b>\$350,289.45</b>                         | <b>\$1,360,000.00</b>                                   | <b>\$1,710,289.45</b>  |