



City of Florence
A City in Motion

Florence Urban Renewal Agency (FURA) Regular Meeting

Videoconference
250 Hwy 101
Florence, OR 97439
541-997-3437
www.ci.florence.or.us

- Meeting materials including information on each agenda item are published at least 24 hours prior to the meeting, and can be found on the City of Florence website at www.ci.florence.or.us/urbanrenewal.
- Items distributed during the meeting and meeting minutes are posted to the City's website at www.ci.florence.or.us/urbanrenewal as soon as practicable after the meeting.
- To be notified of Urban Renewal meetings via email, please visit online at www.ci.florence.or.us/newsletters/subscriptions.

September 22, 2021

AGENDA

5:30 p.m.

FURA Directors:

Vice-Chair Mike Webb
Rob Ward

Chairperson, Bill Meyer

Carmela West
Dave Braley

Joe Henry
Ken Henderson

Woody Woodbury
Ron Caputo

With 48-hour prior notice, an interpreter and/or TTY: 541-997-3437, can be provided for the hearing impaired.
Meeting is wheelchair accessible.

Proceedings will be available after the meeting on the City's Vimeo Site.

COVID-19 UPDATE

Due to state restrictions on public gatherings, the Florence Urban Renewal Agency meetings shall be held via videoconference. Members of the public can listen and view the meeting through the 'GoToWebinar' platform at the following link: <https://attendee.gotowebinar.com/register/4350907566922545166>

This meeting will only be available on GoToWebinar.

In person attendance is not allowed at Florence Urban Renewal Agency meetings.

Citizens wishing to express their views may submit comments in writing or verbally. For more information, please see the end of this agenda.

CALL TO ORDER – ROLL CALL

5:30 p.m.

1. APPROVAL OF AGENDA

Bill Meyer
Chairperson

2. PUBLIC COMMENT

This is an opportunity for members of the public to bring to the Florence Urban Renewal Agency's attention any item not otherwise listed on the agenda. Please see the end of this agenda for methods to provide comments on items that are not on the agenda.

ACTION ITEMS

Please see the end of this agenda for methods to provide comments on action items.

3. PREDEVELOPMENT SERVICES GRANT REQUEST- P&B HOLMAN, LLC

Consider a request from P&B Holman, LLC, for a predevelopment services grant in an amount not-to-exceed \$25,000 for pre-design, schematic design, and design development per the program guidelines.

Megan Messmer
Assistant
City Manager

4. REDEVELOPMENT ASSISTANCE GRANT REQUEST- WOAHINK INVESTMENT GROUP, LLC

Consider a request from Woahink Investment Group, LLC, for a redevelopment assistance grant in the amount not-to-exceed \$20,000 for sitework and landscaping work per the program guidelines.

Megan Messmer
Assistant
City Manager

5. QUINCE STREET PROFESSIONAL SERVICES CONTRACT AMENDMENTS

Consider authorizing the City Manager to extend the contract with Subert Commercial Real Estate and John Southgate LLC to June 30, 2022, extend the not-to-exceed contract amount with Subert Commercial Real Estate to \$26,500 for a total contract amount of \$36,500, and extend the not-to-exceed contract amount with John Southgate LLC to \$25,000 for a total contract amount of \$30,000.

Erin Reynolds
City Manager

REPORTS, PRESENTATIONS & UPDATES

6. CITY MANAGER REPORT

Erin Reynolds
City Manager

UPDATED PUBLIC MEETINGS PROCEDURES – COVID-19

Expressing Views to the Agency: Citizens wishing to express their views to the Florence Urban Renewal Agency may do so in both written and verbal formats.

1. **Written Testimony:** Citizens wishing to express their views to the Florence Urban Renewal Agency are encouraged to submit written testimony in one of the following ways:
 - a. Submit written comments via email to City Recorder at Lindsey.white@ci.florence.or.us;
 - b. Mail written comments to Florence City Hall, Attn: FURA, 250 Hwy 101, Florence, OR 97439
 - c. Drop off written comments at Florence City Hall (250 Hwy 101) during regular office hours (Monday through Friday (8 a.m. – 12 p.m., 1 p.m. – 4 p.m.) or at the City of Florence drop box located at Florence City Hall to the right of the main entrance.

**** Note:** Written comments received at least 2 hours prior to the meeting (September 22, 2021 at 3:30 p.m.) will be distributed to the Florence Urban Renewal Agency, posted to the City of Florence website, and made part of the record.
2. **Verbal Testimony:** Citizens wishing to express their views to the Florence Urban Renewal Agency may participate in the meeting at Florence City Hall or via GotoWebinar. To do so, please complete a speaker's card online at www.ci.florence.or.us/council/request-address-city-council-speakers-card at least 1 hour prior to the meeting (September 22, 2021 at 4:30 p.m.). City staff will then contact the speaker to let them know the process to participate in the meeting.
 - a. **Public Comments on items not on the agenda:** General public comments (on items not on the FURA agenda) will be allowed at each Florence Urban Renewal Agency meeting during the public comment agenda item. Comments will be limited to three (3) minutes per person, with a maximum of 15 minutes for all items. In practicality, this means no more than five individuals will be allowed to comment verbally. There is no limit on written public comments.
 - b. **Public Hearing Testimony:** Testimony on public hearing items will be allowed when a public hearing is held. Verbal comments will be allowed on public hearing items after staff has given their report and have allowed time for initial Agency questions. In general (with some exceptions for Land Use hearings), comments are limited to five minutes per person with no limit on the number of speakers.
 - c. **Public Comments on Action Items:** Public Comments will be allowed on each action item on the Florence Urban Renewal Agency agenda. Verbal comments will be allowed on action items after staff has given their report and have allowed time for initial Agency questions. Comments will be limited to three (3) minutes per person, with a maximum of 15 minutes for all comments on each action item. In practicality, this means no more than five (5) individuals will be allowed to comment verbally. There is no limit on written public comments.

For more information on the City of Florence's Temporary Public Meeting Policies, visit the City of Florence website at <https://www.ci.florence.or.us/em/public-meeting-during-covid-19>.

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Board
From: Megan Messmer, Assistant City Manager
Date: September 20, 2021
RE: Predevelopment Services Grant Request – P&B Holman, LLC.

DISCUSSION

In August, City staff was approached by representatives from P&B Holman, LLC, regarding their plans to develop their unassigned lot on Nopal Street, between 1st Street and Bay Street. Since those initial discussions they have submitted their application for the FURA Predevelopment Services Grant, met with staff to review their grant request, and provided the subsequent estimates and materials requested by staff in reviewing the request for presentation to the FURA Board.

Project Overview

P&B Holman, LLC, represented by Matt Holman and Tracy Smith, owns the property with map and tax lot number 18-12-34-11-07500 as indicated on the aerial image to the right. The lot has previously been used as parking for a neighboring property also owned by P&B Holman, LLC. The owners are now ready to develop the property as it is no longer needed for the business's overflow parking.

The project will seek to build a new mixed-use development that includes ground floor retail, and residential units (3 or more). The applicant describes the project as "intended to blend with Old Town design aesthetic and add to the retail district 'energy' as it extends from Bay Street around toward the Port of Siuslaw parking lot and boardwalk across the street from the subject property. The development will provide jobs in the form of new retail space, as well as additional housing, within the downtown core area that allows for ease of walking/not driving in support of sustainable growth."



Mr. Holman and Ms. Smith have had several conversations with the City's economic development and community development staff as they prepared their application. After submitting their application, they met with FURA staff team to discuss the project. During that meeting, they outlined the following points in the plan for development of the property:

- Timeline:
 - Predevelopment activities have begun and will continue as they define the project details and full scope.
 - They anticipate construction in approximately a year, dependent on the project budget and market conditions.
- Experience:
 - They own 148 Maple Street, which is where the Siuslaw News is located. They manage that building, and have a vested interest in Florence and the success of the surrounding properties.
 - Commercial properties and self-storage facility in Coos Bay.
- Project Components:
 - The applicant has an understanding of the housing needs in Florence. While this project will add only a few units of housing, it will add those units to help with a small portion of the housing need.
 - The applicant is also looking to add a retail storefront that will help draw visitor traffic around the eastern end of Bay Street. The tenant and type of retail is to be determine.

They have secured STUDIO.E Architecture, PC out of Eugene to perform the work and have provided an estimate of that work. They have also had Stonewood Construction, Inc., provide an estimate of the project costs based on the preliminary project components in order to develop the architecture estimate.

Their project estimates include \$106,210 for architectural services and \$2,655,260 for construction costs. The construction cost estimates are based on a 9,700 sqft, two story building with 1,200 sqft of commercial shell ready for tenant infill, 8,500 sqft of residential, 2,500 sqft of parking and site development, and a 1,600 sqft roof deck. Final construction estimates will be based on their actual final design and actual investment into the project will be determined when they actually build. Based on these estimates, this project will have a total investment of approximately \$2.76 million.

Grant Request

The Predevelopment Services Grant can be awarded by the FURA Board up to \$25,000 for eligible costs related to taxable commercial or mixed-use projects based on budget availability. Grants are paid out on a reimbursement basis to fund up to forty (40%) of total eligible predevelopment costs up to the maximum award amount, once the Grantee has completed the work and documented to FURA that the contractor or consultants completing the work were paid.

The applicant is requesting grant funding from FURA to assist with the predevelopment activities for this property. Their request includes assistance with the predesign, schematic design, and design development for the project.

Pre-design fee estimate, 0.24% of construction costs (FURA eligible expense)	\$ 6,372
Schematic Design fee estimate 0.96% of construction costs (FURA eligible expense)	25,490
<u>Design Development fee estimate 1.0% of construction costs (FURA eligible expense)</u>	<u>26,553</u>
Total estimate of FURA eligible expenses	\$58,415
<u>FURA Reimbursement Rate of 40%</u>	<u>x 0.40</u>
Estimated FURA Reimbursement	\$23,366

Application Analysis

As you may recall, the FURA Board approved the guidelines for the Predevelopment Services Grant in February 2020, and included funding for development services within the Adopted FURA 2021-2023 Biennial Budget.

The Predevelopment Services Grant Guidelines require applications to meet at least one of the objectives outlined in the Urban Renewal Plan and outlines the eligibility criteria for the project. Below is an analysis of both the plan objectives and the edibility criteria as it relates to the application from P&B Holman, LLC.

Urban Renewal Plan Objectives	Objective Met
To facilitate public/private partnerships to revitalize deteriorating sections of the URA and adjoining waterfront.	X
To enhance the URA through the promotion of mixed-use development, pedestrian and bicycle accessibility, provision of useful public space, and attractive site and architectural design to create a special place that enables citizens to live, work, shop, and recreate all within easy walking distance.	X
To develop safe, convenient, and attractive public parking areas to accommodate residents and visitors that connects with a system of walking, biking, and driving options throughout the URA.	
To improve access to, and visibility of, Old Town and the waterfront from Highway 101.	
To re-establish a mixed use, retail core along Highway 101 in the URA featuring streetscapes and buildings that support the ‘main street’ character and reflect a unified retail theme with coordinated architectural and voluntary merchandising guidelines.	X
To restore, revitalize, and preserve waterfront spaces for public access and water dependent recreational, commercial, and industrial uses, which directly benefit the economy of the Florence area.	

Eligibility Criteria	Criteria Met
Location: The proposed project must be within the URA.	Yes, the property is within the URA's boundary.
Site Control: Applicants must own the proposed site, or be able to show some other form of site control, such as a purchase option. An Applicant holding a long-term lease (at least three years) may apply with proof of the property owner's consent to the proposed improvements.	Yes, the property is owned by P&B Holman, LLC.
Project not Tax-Exempt: Grant funds cannot be applied to any portion of a development project that will be tax-exempt.	Property is not currently tax-exempt and the proposed development uses will not be tax-exempt.
Residential Properties: Properties that are 100% residential are not eligible for grant funding.	Property is mixed-use and will not be 100% residential.
Responsive to Existing Plans: Grantees may be required to consider community strategies and visions in their development plans.	The current proposal does address community strategies and visions to enhance the Old Town District and encourage mixed-use development. It also addresses the City's objectives to increase housing unit inventory. Developer will need to follow design standards for the Old Town District during the design phase.
Readiness: Projects receiving a grant must have a reasonable chance of being completed within three to five years from the time of award. Grantees should have a basic concept and goals formulated for their proposed development project when applying for assistance, though these may change in response to predevelopment analysis.	Applicant has initiated predevelopment work, including engaging with an architecture firm. They have indicated their project timeline goal to complete the design phase over the next year, and begin construction thereafter. This preliminary timeline meets the requirements for projecting completeness within three to five years.
Awards within a Single Year: No more than one Predevelopment Services Grant may be awarded per calendar year per recipient.	The applicant has not received any other grants from FURA.
URA Plan Goals: Proposed projects must further one or more development goals outlined in the Urban Renewal Plan available at www.ci.florence.or.us/urbanrenewal/urban-renewal-plan .	The applicant's project meets the URA Goal to revitalize the downtown area as the primary cultural, tourist, commercial, and community core to serve all of Florence's citizens and visitors. It addresses three of the six objectives outlined in the Plan as demonstrated previously.

City staff believe the representatives of P&B Holman, LLC., have submitted an application that meets the criteria for the Predevelopment Services Grant Program. After evaluating and reviewing the application and estimates received, staff issued the pre-approval letter per the program guidelines. This letter

specifies which predevelopment services are eligible for funding and that any work commenced prior to receipt of the pre-approval letter will not be eligible for reimbursement. The pre-approval letter does not guarantee grant approval by FURA and states that the next step is for the Board to consider the recommendation from staff.

Based on the above information and analysis, staff issued the pre-approval letter. City staff recommend that the Board approve a matching grant of approximately \$23,366.00 based on the estimates provided, but up to \$25,000.00. The matching grant would reimburse up to 40% of eligible expenses presented in the estimate, which include pre-design, schematic design, and design development. Eligible expenses may also include other items per the program guidelines upon approval by Agency representatives, with total reimbursement not to exceed the stated up to amount.

FINANCIAL IMPACT

The FURA Adopted 2021-2023 Biennial Budget allocated funding for the two current ongoing grant programs (predevelopment and redevelopment), and the façade improvement and rehabilitation grant program for each year of the biennium. Both the predevelopment and redevelopment grants are reviewed based on funding availability as applications are received. The façade improvement and rehabilitation grant program as proposed would occur during the spring with a timeline for grant applications. Below is a breakdown of the presumed grant program funding based on program.

Grant Program	FY 2021-22 (Year 1)	FY 2022-23 (Year 2)
Predevelopment Services	\$ 30,000	\$ 30,000
Redevelopment Assistance	30,000	30,000
<u>Façade Preservation & Rehabilitation</u>	<u>75,000</u>	<u>75,000</u>
Fiscal Year Total	135,000	135,000
Biennium Total		\$ 270,000

As of the meeting date, the Agency has not spent any funds from within the grant program allocation. The recommendation of up to \$25,000 for this pre-development services grant, as outlined above, is within the budget allocation for the first year of the biennium for grant programs. It is also within the presumed allocation to this specific grant program.

BOARD ALTERNATIVES

- Award a Predevelopment Services Grant to P&B Holman, LLC., through reimbursement of costs related to pre-design, schematic design, and design development at the rate of 40% up to \$25,000.
- Award a Predevelopment Services Grant to P&B Holman, LLC., through reimbursement of costs related to pre-design, schematic design, and design development at the rate of 40% up to an alternate not-to-exceed amount.
- Do not award Predevelopment Services Grant to P&B Holman, LLC.

RECOMMENDATION

Staff recommend that the FURA Board award a Predevelopment Services Grant to P&B Holman, LLC., through reimbursement of eligible costs related to pre-design, schematic design, and design development at the rate of 40% up to \$25,000.

ATTACHMENTS

- P&B Holman, LLC. Application
- P&B Holman, LLC. Project Estimate
- P&B Holman, LLC. Pre-Approval Letter



**Florence Urban Renewal Agency
Predevelopment Services Grants**

Application

Applicant & Contact Information

Applicant Name (may be individual, partnership, etc.) P&B Holman, LLC		
Applicant Address (correspondence concerning this application will be sent to this address) 6533 Greenwood Ave. N.		
City Seattle	State WA	Zip 98103
Applicant is an: <input checked="" type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> S Corporation <input type="checkbox"/> Other: _____		

Contact Name (if different than above) Tracy Smith	Contact Title (if applicable)	
Phone Number 503-539-1538	Fax Number	Email Address tracydholman@hotmail.com

Property Information

Address of Proposed Project Unassigned lot on Nopal St between 1st St & Bay St. (Tax Lot ID 1812341107500)		
City Florence	State OR	Zip 97439
Area:	Land Square Footage <u>7500</u>	Building Square Footage <u>N/A</u> Year Built <u>N/A</u>
Current Use of Land and/or Current Tenant Parking		Current Zoning Commercial Vacant

Ownership Information

Property Owner P&B Holman, LLC		
Owner Address 6533 Greenwood Ave. N.		
City Seattle	State WA	Zip 98103
Phone Number 503-539-1538	Fax Number	Email Address tracydholman@hotmail.com
<p><input checked="" type="checkbox"/> Ownership of Property Date of Purchase: <u>Unknown</u> Price: \$ <u>Unknown</u></p> <p><input type="checkbox"/> Purchase Option</p> <p>Applicant has: <input type="checkbox"/> Lease on Property – Expiration: _____ <i>Tenants must submit copy of the lease and written consent of property owner for proposed project.</i></p> <p><input type="checkbox"/> Other: _____</p>		

Project Description

Please give a brief description of the development project you are proposing. Explain your goals for this project, and how the new development will be used (attach additional sheets as necessary). Please briefly explain how this project contributes to one or more of the Urban Renewal Goals outlined in the program Guidelines (Improve Florence Urban Renewal District, Create and Retain Jobs, and Promote Quality Development).

Seeking to build a new mixed-use structure that includes ground floor retail as well as 3+ residential units. Project is intended to blend with existing Old Town design aesthetic and add to retail district "energy" as it extends from Bay street around toward the Port of Siuslaw parking lot and boardwalk across the street from the subject property. Development will provide jobs in form of new retail space as well as additional housing, within the downtown core area that allows for ease of walking/not driving in support of sustainable growth

Development Experience

Do you have professional consultants working on this project?

Yes No If yes, who? Studio.E Architecture (Eugene, OR)

What, if any, predevelopment activities have you already undertaken for this project?

Initial site visit & discussion with Sarah Moehrke & Wendy Farley-Campbell of Florence City planning dept., as well as initial design consultations with Studio.E

Please briefly describe your experience with comparable projects?

Renovation of existing commercial properties in Florence (148 Maple) and Coos Bay, as well as ongoing new development of self-storage facility in Coos Bay. This will be first mixed use new construction project for us of this type

Project Financing

What would you estimate to be the total cost of your proposed project? \$ 500,000-800,000

How much do you anticipate spending on predevelopment services? \$ 80,000

What assets or financial resources can you draw upon to develop the property? (please be specific)

Existing investment assets (approx \$1M), line of credit (\$225K), cash flow from 5 existing investment rental properties in Florence and Coos Bay

Current equity, if property owner: All properties are fully owned, with no debt

Project Timeline

Please describe your projected timeline for the completion of this project, and for major milestones along the way. Current project timeline is TBD, however we intend to commence the pre-design process now and establish our timeline once we have a clear view on the total project costs and financing implications based on the final design specifications. We would anticipate commencing construction within the next year if we are able to design a project within budget and market conditions are good

Assistance Requested

Predevelopment Services Grants partially reimburse property owners for professional consulting services that move a project from conception to a feasible development plan, but stop short of final design and construction. Services eligible for funding under the grant include site assessment, financial and market analysis, and preliminary architectural and engineering plans. Please briefly describe the services you anticipate requiring for this project.

Given the many unknowns in building in this location, we would like assistance in funding the site assessment (including assessment of required improvements to the right of way) as well as architectural and engineering plans in designing a building that will contribute to the vibrancy of the Old Town district but will also be cost-effective to construct.

Other

The applicant understands that the Florence Urban Renewal Agency must approve the proposed improvements and request for Predevelopment Services funding. Any work commenced prior to an executed Letter of Commitment will not be eligible for reimbursement, and any work deviating from the approved work must be pre-approved by the Florence Urban Renewal Agency to be eligible for reimbursement.

(Please sign certification on reverse side)

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:

- All/any funds distributed under this grant application and program must be utilized solely for the program or project identified in this application.
- Applicant will provide an accounting relating to the use of all grant funds received upon request of the Florence Urban Renewal Agency and shall retain all relevant financial records relating to the project/program for which the grant funds were received for a period of not less than three (3) years from the completion of the program/project.
- Applicant may be personally or individually liable for misuse of grant funds.
- Florence Urban Renewal Agency and the City of Florence 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.
- Applicant agrees to indemnify and hold the Florence Urban Renewal Agency and the City of Florence 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 Florence Urban Renewal Agency and the City of Florence from any available source. By signing this application, the applicant authorizes the Florence Urban Renewal Agency or the City of Florence 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 Florence Urban Renewal Agency and the City of Florence. It is understood that nonexempt information contained in this application is subject to disclosure under Oregon Public Records Law, ORS 192.501 (21).

Print Name of Applicant(s) Tracy Smith	Title Trustee
Signature <i>Tracy Smith</i>	Date 7/21/2021
Signature	Date

PLEASE RETURN THIS APPLICATION WITH ALL ATTACHED DOCUMENTS TO:

Megan Messmer
City Projects Manager

Florence Urban Renewal Agency
250 Highway 101
Florence, Oregon 97439

megan.messmer@ci.florence.or.us
541-902-2182



ESTIMATE OF PREDEVELOPMENT ARCHITECTURAL SERVICES FOR FURA GRANT

ESTIMATE made as of the Eighth day of August in the year Two Thousand Twenty-One

Prepared for the Owners:

Matt Holman
1807 Bigelow Ave N
Seattle, WA 98109
415-238-9097 / mattpholman@gmail.com

Tracy Smith
6533 Greenwood Ave N
Seattle, WA 98103
503-539-1538 / tracydholman@hotmail.com

Prepared by the Architect:

STUDIO.E Architecture, PC
245 W Broadway
Eugene, OR 97401
541-338-7558
www.studioearchitecture.com

for the following Project:

**New mixed-use development considered for a property in the historical district of Florence, OR.
Tax Map # 18123411, Lot # 7500**

ESTIMATE OF ARCHITECTURAL SERVICES

Estimate shall be used for FURA grant proposal only. Additional contractual agreements and estimates will be made later as the project scope is further developed and defined

Pre-design fee estimate, 0.24% of construction costs (FURA eligible expense)	\$6,372
Schematic Design fee estimate 0.96% of construction costs (FURA eligible expense)	\$25,490
Design Development fee estimate 1.0% of construction costs (FURA eligible expense)	\$26,553
Construction Documents fee estimate 1.8% (for reference only, not part of FURA eligible expenses)	\$47,795
Total estimate of FURA eligible expenses	\$58,415
Total estimate of Architectural services	\$106,210

ESTIMATE OF CONSTRUCTION COSTS

Provide by Josh Shafer, General Manager of Stonewood Construction, Inc.

Stonewood Construction, Inc.
935 Oak Street
Eugene, Oregon 97401
Office: 541.485.6638
Josh@stonewoodconstruction.com
CCB: 120103

The construction cost estimate is only provided for reference to the percentage based architectural fees and is not part of the FURA eligible expenses. Additional contractual agreements and estimates will be made as the project scope is further developed and defined

Costs below are based on a 9,700 sqft, two story building with 1,200 sqft of commercial shell ready for tenant infill, 8,500 sqft of residential, 2,500 sqft of parking and site development, and a 1,600 sqft roof deck.

Residential	\$2,380,000
Commercial	\$192,000
Landscaping / Hardscaping	\$18,620
Roof-deck	\$64,640
Total estimated construction cost	\$2,655,260



September 15, 2021

Matt Holman
1807 Bigelow Ave N
Seattle, WA 98109
mattpholman@gmail.com

Tracy Smith
6533 Greenwood Ave N
Seattle WA 98103
tracydholman@hotmail.com

Re: Predevelopment Services Grant Pre-Approval Letter

Dear Matt and Tracy:

Thank you for submitting a Pre-development Grant application. The FURA Board of Directors and City are pleased that P&B Holman, LLC. has chosen to invest in Florence and we look forward to helping you thrive in our community.

This letter serves to confirm that we have received your application and have initiated our review.

Your application is tentatively scheduled to go before the Florence Urban Renewal Agency Board of Directors for consideration on September 22, 2021. Based on our initial estimate, City staff will request that the Board approve a matching grant of approximately \$23,366.00 based on the estimates provide, but up to \$25,000.00. The matching grant will reimburse up to 40% of eligible expenses presented in the estimate, which include pre-design, schematic design, and design development. Eligible expenses may also include other items per the program guidelines upon approval by Agency representatives, with total reimbursement not to exceed the stated up to amount.

If the grant is approved, the next communication will be a Letter of Commitment outlining the terms and conditions of the grant, which will need to be signed and returned.

Page two of this letter include guidelines for grant payout. You will not need to submit detailed invoices and proof of payment until the work is complete, but it is helpful to be aware in advance of the documentation required for reimbursement. Eligible investments made after September 15, 2021, may be counted toward the grant formula, if the grant is approved. Please review these guidelines and be in touch with any questions.

Thank you again for your application. We look forward to working with P&B Holman, LLC.

Sincerely,

Megan Messmer, Assistant City Manager
City of Florence
250 Highway 101
Florence OR 97439
Phone: 541.902.2182
megan.messmer@ci.florence.or.us

FURA Loan Documentation Requirements for Payment of Predevelopment Grants

1. Only work performed on or after the date of the Pre-Approval letter from the Florence Urban Renewal Agency is eligible for reimbursement.
2. Work submitted for reimbursement must be completed by the grant expiration date identified in the Letter of Commitment (LOC). You will receive the LOC if the Board approves your grant.
3. Invoices must clearly identify:
 - a. What work was performed
 - b. Cost of the work performed
 - c. That the work performed or the goods purchased were for the project site.
 - d. If some of the work performed was outside of the scope of eligible work, it is important to show the cost breakdown on the invoices for each item purchased/task completed
4. Proof of payment must accompany each invoice. Proof of payment examples include:
 - a. Copy of canceled check
 - b. Bank statement to verify that a payment check was paid
 - c. Credit card receipt for credit card purchase (credit card statement not acceptable)
 - d. Invoice copy that has information from the entity that the invoice is paid. This can be in a variety of forms (e.g., invoice shows “zero” balance due, or some other acknowledgement that the invoice is paid - the acknowledgement must be clearly identifiable as coming from the entity that invoiced).
 - e. Completed “unconditional” lien waiver and release (not a conditional release) acknowledging that invoice was paid (Lien waivers are not required as part of the grant documentation, but if those are being produced for the project, they could serve as proof.)
5. Invoices that list sub-contractor work performed and charged must include copies of the sub-contractor invoices and those must match up with the amount being invoiced on the main contractor’s invoice.
6. FURA will require a W-9 form – request for taxpayer ID in order to process payment.
7. FURA and Grantee will enter into an agreement specifying the terms of the grant.
8. Disbursement of grant funds: Grant funds will be released within 30 days of satisfying the terms of the Letter of Commitment.

Additionally, before grant payments can be released, staff will confirm any of the applicable items below:

1. All required City of Florence permits have been obtained and the work passed inspection - all permits must be in final status with no outstanding issues.
2. A current City of Florence business license is on file, if applicable.
3. There are no outstanding issues with the City of Florence Community Development Department.
4. There are no outstanding liens with the City of Florence.
5. There are no outstanding Lane County property taxes.

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Board
From: Megan Messmer, Assistant City Manager
Date: September 20, 2021
RE: Redevelopment Assistance Grant Request – Woahink Investment Group, LLC

DISCUSSION

In August, City staff received an application for the FURA Redevelopment Assistance Grant by the representative from Woahink Investment Group, LLC, regarding current efforts to remodel and improve the building located at 138 Maple Street. Staff met with the applicant to review their grant request and have since received the quotes for the work outlined in the application.

Project Overview

Woahink Investment Group, LLC, represented by Scott Vollmar, owns the property at 138 Maple Street as indicated on the aerial image to the right. The property owner is currently working to remodel the interior of the building to meet the needs of the new professional office needs prior to leasing the spaces. The owners are now ready to revitalize the exterior spaces of the property.



The project under consideration with this application includes the following:

- Remove existing concrete and regrade area.
- Install new concrete parking, ADA ramp access to facility, and covered entry.
- Replace walkways around building for access.
- Install electric car charging station.
- Install parking lot lights.
- Replace fencing.
- Regrade and pave alleyway from Maple Street east to end of property.
- Landscaping and bioswale.

The applicant describes the project as “updating the entire interior... and exterior... with my personal objective of turning this once relatively decrepit building in Old Town into one of the more attractive properties on Maple Street. The project I am asking for a grant to help cover the expense is directly related to beautifying Old Town... and improving the parking lot for handicap patrons.”

During Mr. Vollmar’s meeting with the FURA staff team he discussed the work done to date and the next steps. During that meeting, he outlined the following points in the plan for redevelopment of the property:

- Timeline:
 - Mr. Vollmar purchased the property in February 2021.
 - The interior remodel and work on the building itself is primarily complete.
 - The contractors are ready to start the exterior work related to sitework and landscape.
- Experience:
 - This is Mr. Vollmar’s first experience with a commercial property.
 - Lofy Construction has been contracted for the building remodel and sitework.
 - Laurel Bay Gardens has been contracted for the landscaping.
- Project Components:
 - The applicant has facilitated the remodel of the building for professional office space.
 - The applicant is working to enhance the flow of pedestrian and vehicular traffic for the businesses located in the building.

Their project estimates include \$80,538 for sitework from Lofy Construction and \$9,750 for landscaping from Laurel Bay Gardens. The total cost for this portion of their project is estimated at 90,288. In addition to these costs, the applicant states they have invested approximately \$250,000 into the redevelopment of the property.

Grant Request

The Redevelopment Assistance Grant can be awarded by the FURA Board up to \$100,000 for eligible costs related to taxable commercial or mixed-use projects based on budget availability. The Redevelopment Assistance Grant program requires at least \$4 of private investment to each \$1 in grant funds (20% matching grant). Grants are paid out on a reimbursement basis to fund the award amount, once the Grantee has completed the work and documented to FURA that the contractor(s) completing the work was paid. The required private match can be met by the applicant through expenses related to the eligible expenses defined in the guidelines.

Purchase of a property, lease agreement, and new construction on private property do not qualify as redevelopment or renovation matching funds under this grant. Any work commenced prior to receipt of the pre-approval letter from City staff will not be eligible for reimbursement. In addition, fees, permits and other charges associated with construction are not eligible for reimbursement.

The applicant is requesting grant funding from FURA to assist with sitework and landscaping of the property located at 138 Maple Street. Their initial request, as stated in their application, was for \$50,000 from FURA. An overview of the quotes received is below and is used for the basis of the grant calculation as recommended by staff.

Sitework as outlined in quote	\$ 80,538
Landscaping as outlined in quote	9,750
Total estimate of FURA eligible expenses	\$90,288
FURA Reimbursement Rate of 20%	x 0.20
Estimated FURA Reimbursement	\$18,058

Application Analysis

As you may recall, the FURA Board approved the guidelines for the Redevelopment Assistance Grant in February 2020, and included funding for development services within the Adopted FURA 2021-2023 Biennial Budget.

The Redevelopment Assistance Grant Guidelines require applications to meet at least one of the objectives outlined in the Urban Renewal Plan and outlines the eligibility criteria for the project. Below is an analysis of both the plan objectives and the edibility criteria as it relates to the application from Woahink Investment, LLC.

Urban Renewal Plan Objectives	Objective Met
To facilitate public/private partnerships to revitalize deteriorating sections of the URA and adjoining waterfront.	X
To enhance the URA through the promotion of mixed-use development, pedestrian and bicycle accessibility, provision of useful public space, and attractive site and architectural design to create a special place that enables citizens to live, work, shop, and recreate all within easy walking distance.	X
To develop safe, convenient, and attractive public parking areas to accommodate residents and visitors that connects with a system of walking, biking, and driving options throughout the URA.	
To improve access to, and visibility of, Old Town and the waterfront from Highway 101.	
To re-establish a mixed use, retail core along Highway 101 in the URA featuring streetscapes and buildings that support the ‘main street’ character and reflect a unified retail theme with coordinated architectural and voluntary merchandising guidelines.	X
To restore, revitalize, and preserve waterfront spaces for public access and water dependent recreational, commercial, and industrial uses, which directly benefit the economy of the Florence area.	

Eligibility Criteria	Criteria Met
Location: The proposed project must be within the URA.	Yes, the property is within the URA's boundary.
Site Control: Applicants must own the proposed site, or be able to show some other form of site control, such as a purchase option. An Applicant holding a long-term lease (at least three years) may apply with proof of the property owner's consent to the proposed improvements.	Yes, the property is owned by Woahink Investment Group, LLC.
Project not Tax-Exempt: Grant funds cannot be applied to any portion of a development project that will be tax-exempt.	Property is not currently tax-exempt and the proposed redevelopment uses will not be tax-exempt.
Residential Properties: Properties that are 100% residential are not eligible for grant funding.	Property is commercial.
Responsive to Existing Plans: Grantees may be required to consider community strategies and visions in their development plans.	The redevelopment of this property meets the FURA goals of redeveloping older properties and including improvements to increase the viability of Old Town. In addition, the inclusion of updated ADA access, electric charging station, improving pedestrian access, and lighting updates address City and FURA workplan objectives.
Projects receiving a grant must be shovel-ready and have a reasonable chance of being completed within one to two years from the time of award. Grantees should have proposals and/or quotes for the work to be performed. All work must adhere to other City regulations and processes, including land-use, design standards, and permitting.	Applicant has nearly completed interior remodel of the property and the exterior work requesting FURA grant funds is ready to begin. The applicant has quotes for the work to be performed and the pre-approval letter reiterated the need to follow City regulation and obtain needed permitting.
Start Date: Work must commence after project approval. Work completed prior to approval is ineligible for funding.	The sitework and landscaping has not yet begun and the applicant is aware it needs to start after the pre-approval letter in order to be eligible for reimbursement. The pre-approval letter was sent on Monday, September 20 th via email.
Awards within a Single Year: No more than one Redevelopment Assistance Grant may be awarded per calendar year per recipient.	The applicant has not received any other grants from FURA.
URA Plan Goals: Proposed projects must further one or more development goals outlined in the Urban Renewal Plan available at www.ci.florence.or.us/urbanrenewal/urban-renewal-plan .	The applicant's project meets the URA Goal to revitalize the downtown area as the primary cultural, tourist, commercial, and community core to serve all of Florence's citizens and visitors. It addresses three of the six objectives outlined in the Plan as demonstrated previously.

City staff believe the representative of Woahink Investment Group, LLC., has submitted an application that meets the criteria for the Redevelopment Assistance Grant Program. After evaluating and reviewing the application and quotes received, staff issued the pre-approval letter per the program guidelines. This letter specifies which redevelopment activities are eligible for funding and that any work commenced prior to receipt of the pre-approval letter will not be eligible for reimbursement. The pre-approval letter does not guarantee grant approval by FURA and states that the next step is for the Board to consider the recommendation from staff.

Based on the above information and analysis, staff issued the pre-approval letter. City staff recommend that the Board approve a matching grant of approximately \$18,058.00 based on the quotes provided, but up to \$20,000.00. The matching grant would reimburse at the rate of \$1 from FURA to every \$4 in private investment, or 20%, of eligible expenses presented in the quote, which include the sitework and landscaping activities described previously. Eligible expenses may also include other items per the program guidelines upon approval by Agency representatives, with total reimbursement not to exceed the stated up to amount.

FINANCIAL IMPACT

The FURA Adopted 2021-2023 Biennial Budget allocated funding for the two current ongoing grant programs (predevelopment and redevelopment), and the façade improvement and rehabilitation grant program for each year of the biennium. Both the predevelopment and redevelopment grants are reviewed based on funding availability as applications are received. The façade improvement and rehabilitation grant program as proposed would occur during the spring with a timeline for grant applications. Below is a breakdown of the presumed grant program funding based on program.

Grant Program	FY 2021-22 (Year 1)	FY 2022-23 (Year 2)
Predevelopment Services	\$ 30,000	\$ 30,000
Redevelopment Assistance	30,000	30,000
<u>Façade Preservation & Rehabilitation</u>	<u>75,000</u>	<u>75,000</u>
Fiscal Year Total	135,000	135,000
Biennium Total		\$ 270,000

As of the meeting date, the Agency has not spent any funds from within the grant program allocation. The recommendation of up to \$20,000 for this redevelopment assistance grant, as outlined above, is within the budget allocation for the first year of the biennium for grant programs. It is also within the presumed allocation to this specific grant program.

BOARD ALTERNATIVES

- Award a Redevelopment Assistance Grant to Woahink Investment Group, LLC, through reimbursement of costs related to sitework and landscaping activities as outlined in the preapproval letter at the rate of \$1 from FURA to every \$4 in private investment, or 20%, up to \$20,000.
- Award a Redevelopment Assistance Grant to Woahink Investment Group, LLC, through reimbursement of costs related to sitework and landscaping activities as outlined in the preapproval letter at the rate of \$1 from FURA to every \$4 in private investment, or 20%, up to an alternate not-to-exceed amount.
- Do not award Redevelopment Assistance Grant to Woahink, LLC.

RECOMMENDATION

Staff recommend that the FURA Board award a Redevelopment Assistance Grant to Woahink Investment Group, LLC, through reimbursement of costs related to sitework and landscaping activities as outlined in the preapproval letter at the rate of \$1 from FURA to every \$4 in private investment, or 20%, up to \$20,000.

ATTACHMENTS

- Woahink Investment Group, LLC. Application
- Woahink Investment Group, LLC. Project Quotes
- Woahink Investment Group, LLC. Pre-Approval Letter



Florence Urban Renewal Agency Redevelopment Assistance Grants

Application

Applicant & Contact Information

Applicant Name (may be individual, partnership, etc.) Woahink Investment Group, LLC.		
Applicant Address (correspondence concerning this application will be sent to this address) 625 Hwy 101 #272		
City Florence	State Oregon	Zip 97439
Applicant is an: <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Corporation <input type="checkbox"/> S Corporation <input checked="" type="checkbox"/> Other: <u>LLC</u>		

Contact Name (if different than above) Scott Vollmar		Contact Title (if applicable) Manager
Phone Number 541-991-7152	Fax Number	Email Address woahinkinvestment@icloud.com

Property Information

Address of Proposed Project 138 Maple Street		
City Florence	State Oregon	Zip 97439
Area:	Land Square Footage <u>6,534</u>	Building Square Footage <u>2,085</u> Year Built <u>1970</u>
Current Use of Land and/or Current Tenant Complete remodel/Update.		Current Zoning

Ownership Information

Property Owner Woahink Investment group, LLC.		
Owner Address 625 Hwy 101 #272		
City Florence	State Oregon	Zip 97439
Phone Number 541-991-7152	Fax Number	Email Address woahinkinvestment@icloud.com
<input checked="" type="checkbox"/> Ownership of Property Date of Purchase: <u>February 2021</u> Price: \$ <u>269,000.00</u>		
<input type="checkbox"/> Purchase Option		
<input type="checkbox"/> Lease on Property – Expiration: _____ <i>Tenants must submit copy of the lease and written consent of property owner for proposed project.</i>		
<input type="checkbox"/> Other: _____		

Project Description

Please give a brief description of the redevelopment project you are proposing. Explain your goals for this project, and how the redeveloped property will be used (attach additional sheets as necessary). Please briefly explain how this project contributes to one or more of the Urban Renewal Goals outlined in the program Guidelines (Improve Florence Urban Renewal District, Create and Retain Jobs, and Promote Quality Development).

I purchased this building in a state of severe disrepair. Lofy construction is in the final stages of revitalizing/ Updating the entire interior (epectric/plumbing/flooring/walls and new layout) and exterior (new siding/windows /paint) with my personal objective of turning this once relatively decrepit building in Old Town into one of the more attractive properties on Maple Street. The project I am asking for a grant to help cover the expense is directly related to beautifying Old Town (landscaping the Maple Street Frontage) and Improving the parking lot for handicap Patrons.

Based on data derived from Lofy Construction (Pave/concrete parking lot to code) and landscaping (Laurel Bay Gardens) my current estimate of funds required is \$50,000.00

Redevelopment Experience

Do you have professional contractors or consultants working on this project?

Yes No If yes, who? Lofy Construction for all building work. Landscaping not finalized yet.

What, if any, redevelopment activities have you already undertake for this project?

Exterior: all new siding and windows. Interior: Complete layout redesign to modernize the building. Installation of environmentally friendly dusctless heat pump, high-efficiency on demand hot water, 100% LED Lighting, Quick-charge port for electrict vehicles. New flooring.

Please briefly describe your experience with comparable projects?

None. This is my first purchase of a commercial property.

Project Financing

What would you estimate to be the total cost of your proposed project? \$ \$300,000.00

What amount are you requesting in redevelopment assistance funding? \$ \$50,000.00

What assets or financial resources can you draw upon to develop the property? (please be specific)

I invested \$269,000.00 in the capital aquisition of the property in February 2021. With the complete interior/ exterior remodel of the building, I am investing approximately an additional \$250,000.00

Current equity, if property owner: 100%

Project Timeline

Please describe your projected timeline for the completion of this project, and for major milestones along the way.
Building purchased February 2021. Interior/exterior building renovation planned to be complete September 2021. Hope to get moving on the parking lot and landscaping immediately.

Assistance Requested

The Redevelopment Assistance Grant program requires at least \$4 of private investment to each \$1 in grant funds (20% matching grant). Grants are paid out on a reimbursement basis to fund the award amount, once the Grantee has completed the work and documented to FURA that the contractor(s) completing the work was paid. Projects eligible for funding under the grant include improvements to the interior and exterior of buildings, and site improvements. Please briefly describe the items you are requesting redevelopment assistance for, as well as the elements of the project that will account for the private matching funds.

I am requesting grant assistance for the parking lot development (paving and or concrete, along with proper drainage built to code) and landscaping the Maple Street Frontage and parking lot border.

Other

The applicant understands that the Florence Urban Renewal Agency must approve the proposed improvements and request for Redevelopment Assistance funding. Any work commenced prior to an executed Letter of Commitment will not be eligible for reimbursement, and any work deviating from the approved work must be pre-approved by the Florence Urban Renewal Agency to be eligible for reimbursement.

(Please sign certification on reverse side)

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:

- All/any funds distributed under this grant application and program must be utilized solely for the program or project identified in this application.
- Applicant will provide an accounting relating to the use of all grant funds received upon request of the Florence Urban Renewal Agency and shall retain all relevant financial records relating to the project/program for which the grant funds were received for a period of not less than three (3) years from the completion of the program/project.
- Applicant may be personally or individually liable for misuse of grant funds.
- Florence Urban Renewal Agency and the City of Florence 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.
- Applicant agrees to indemnify and hold the Florence Urban Renewal Agency and the City of Florence 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 Florence Urban Renewal Agency and the City of Florence from any available source. By signing this application, the applicant authorizes the Florence Urban Renewal Agency or the City of Florence 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 Florence Urban Renewal Agency and the City of Florence. It is understood that nonexempt information contained in this application is subject to disclosure under Oregon Public Records Law, ORS 192.501 (21).

Print Name of Applicant(s) Woahink Investment Group, LLC. / Scott Vollmar		Title Manager
Signature	Verified by PDFFiller <i>Scott Vollmar</i>	Date August 18, 2021
Signature	08/18/2021	Date

PLEASE RETURN THIS APPLICATION WITH ALL ATTACHED DOCUMENTS TO:

Megan Messmer
City Projects Manager

Florence Urban Renewal Agency
250 Highway 101
Florence, Oregon 97439

megan.messmer@ci.florence.or.us
541-902-2182

Lofy Construction LLC
P.O. Box 1896
Florence, OR 97439
541-590-3691
CCB # 221760

Proposal

Date	Proposal #
9/16/2021	1091

Name / Address
Woahink Investment Group LLC 4678 Mitchell Lp Rd Florence, OR 97439

Job Address
138 Maple St Florence, OR 97439 541-991-7152

Description	Project	Rate	
	revised parking lot		
Remove existing concrete, grade area for water run off and install new concrete parking and handicap ramp at rear of building out to alleyway. Remove and replace old sidewalk at side of building up to the front walkway. Remove and replace front walkway to new center location, Install electric car charging station at rear of building, Install parking lot lights on side of building, Install covered entry and handicap ramp at rear of building, remove and replace 136 feet of old fencing at north side of building with new 6' cedar fencing and stain. Re-grade alleyway and lay asphalt in alleyway from Maple St to end of property.		80,538.00	
NOTE: Any Additional work done will be bill out at \$75.00 per man per hour plus any materials needed to completed this project.		0.00	
Proposal's are good for 15 days	First Proposal is free any and all revisions will be billed out @ \$35.00 per hour.	Total	\$80,538.00

To accept this Proposal please sign and return back to our office

e-mailed / mailed

Signature _____

PROPOSAL
LAUREL BAY GARDENS, INC.
LCB #6718
P.O. BOX 3167, Florence, OR 97439
(541)-997-5973

Name: Woahink Investment Group LLC	Phone: 541-991-7152 Date: 9/1/2021
Street:	Job Name: Landscape Work
City, State, Zip:	Location: 138 Maple St

Landscape Work Estimate

- 1) Remove existing rotted edge boards. Remove fabric, remove lava rock.
Replace with Roman Stack Northwest Blend concrete wall block with cap,
8” high. Labor, Materials & Dump Fee: **\$3860.00**

- 2) Plant new plants in front and along back east bed as per design. All plants
installed with soil/compost blend. Install temporary drip irrigation to all new
plantings in front. Use hose bib timer, backflow connection for hose bib.
Labor & Materials: **\$1690.00**

- 3) Install fabric and new drain rock/pea gravel blend with boulders as on design.
Labor & Materials: **\$1230.00**

- 4) Install filter bioswale in back, includes 18” topsoil/compost blend, 6” drain rock,
and filter fabric. Plant 4” filter bioswale plants at 18” on center.
Labor & Materials: **\$2970.00**

We are a licensed, bonded, and insured company operated under the licensure of the State of Oregon Landscape Contractor’s Board. Our license number is #6718.
State Landscape Contractors Board of Oregon
2111 Front St NE Ste 2-101, Salem, Oregon 97301
Phone: 503-967-6291

<i>Estimation to furnish material and labor – complete in accordance with above specifications, for the sum of: \$9750.00</i> Payment: Deposit 30%, balance due upon completion of work performed.	

All material is guaranteed to be as specified. All work to be completed in a professional manner according to standard practices. Any attention or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Worker's Compensation insurance.

Authorized Signature

Lisa Walter Sedlacek

Lisa Walter-Sedlacek

Note: This proposal may be withdrawn by us if not accepted within 30 days.

Acceptance of Proposal – The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Date of Acceptance: _____

Signature:

Signature:



September 20, 2021

Scott Vollmar
625 Hwy 101 #272
Florence, OR 97439
woahinkinvestment@icloud.com

Re: Redevelopment Assistance Grant Pre-Approval Letter

Dear Mr. Vollmar:

Thank you for submitting a Redevelopment Assistance Grant application. The FURA Board of Directors and City are pleased that Woahink Investment Group, LLC, has chosen to invest in Florence and we look forward to helping you thrive in our community. This letter serves to confirm that we have received your application and have initiated our review.

Your application is tentatively scheduled to go before the Florence Urban Renewal Agency Board of Directors for consideration on September 22, 2021. Based on our initial estimate, City staff will request that the Board approve a matching grant of approximately \$18,058.00 based on the quotes provided, but up to \$20,000.00. The matching grant would reimburse at the rate of \$1 from FURA to every \$4 in private investment, or 20%, of eligible expenses presented in the quote, which include the sitework and landscaping activities described previously. Eligible expenses may also include other items per the program guidelines upon approval by Agency representatives, with total reimbursement not to exceed the stated up to amount.

Any work commenced prior to receipt of the pre-approval letter from City staff will not be eligible for reimbursement. In addition, fees, permits and other charges associated with construction are not eligible for reimbursement. If the grant is approved, the next communication will be a Letter of Commitment outlining the terms and conditions of the grant, which will need to be signed and returned.

Page two of this letter include guidelines for grant payout. You will not need to submit detailed invoices and proof of payment until the work is complete, but it is helpful to be aware in advance of the documentation required for reimbursement. Eligible investments made after September 20, 2021, may be counted toward the grant formula, if the grant is approved. Please review these guidelines and be in touch with any questions.

Thank you again for your application. We look forward to working with Woahink Investment Group, LLC.

Sincerely,

Megan Messmer, Assistant City Manager
City of Florence
250 Highway 101
Florence OR 97439
Phone: 541.902.2182
megan.messmer@ci.florence.or.us

Florence Urban Renewal Agency
Grant Application for Redevelopment Assistance
Grant Documentation Requirements for Payment of Redevelopment Assistance Grants

FURA Loan Documentation Requirements for Payment of Redevelopment Assistance Grants

1. Only work performed on or after the date of the Pre-Approval letter from the Florence Urban Renewal Agency is eligible for reimbursement.
2. Work submitted for reimbursement must be completed by the grant expiration date identified in the Letter of Commitment (LOC). You will receive the LOC if the Board approves your grant.
3. Invoices must clearly identify:
 - a. What work was performed
 - b. Cost of the work performed
 - c. That the work performed or the goods purchased were for the project site.
 - d. If some of the work performed was outside of the scope of eligible work, it is important to show the cost breakdown on the invoices for each item purchased/task completed
4. Proof of payment must accompany each invoice. Proof of payment examples include:
 - a. Copy of canceled check
 - b. Bank statement to verify that a payment check was paid
 - c. Credit card receipt for credit card purchase (credit card statement not acceptable)
 - d. Invoice copy that has information from the entity that the invoice is paid. This can be in a variety of forms (e.g., invoice shows “zero” balance due, or some other acknowledgement that the invoice is paid - the acknowledgement must be clearly identifiable as coming from the entity that invoiced).
 - e. Completed “unconditional” lien waiver and release (not a conditional release) acknowledging that invoice was paid (Lien waivers are not required as part of the grant documentation, but if those are being produced for the project, they could serve as proof.)
5. Invoices that list sub-contractor work performed and charged must include copies of the sub-contractor invoices and those must match up with the amount being invoiced on the main contractor’s invoice.
6. FURA will require a W-9 form – request for taxpayer ID in order to process payment.
7. FURA and Grantee will enter into an agreement specifying the terms of the grant.
8. Disbursement of grant funds: Grant funds will be released within 30 days of satisfying the terms of the Letter of Commitment.

Additionally, before grant payments can be released, staff will confirm any of the applicable items below:

1. All required City of Florence permits have been obtained and the work passed inspection - all permits must be in final status with no outstanding issues.
2. A current City of Florence business license is on file, if applicable.
3. There are no outstanding issues with the City of Florence Community Development Department.
4. There are no outstanding liens with the City of Florence.
5. There are no outstanding Lane County property taxes.

Florence Urban Renewal Agency

Memorandum

To: Florence Urban Renewal Agency
From: Megan Messmer, Assistant City Manager
Meeting Date: September 22, 2021
Subject: Quince Street Professional Services Contract Amendments

Discussion:

At their meeting on November 6, 2019, the Florence Urban Renewal Agency (FURA) Quince Street Advisory Committee assisted City staff in reviewing the quotes received from economic development and real estate professionals specific to the hospitality industry, and provided input to City staff regarding the selection of a professional. That meeting resulted in the recommendation by the Selection Advisory Committee members to pursue contracts with both Brooke Subert (Subert Commercial Real Estate) and John Southgate (John Southgate LLC). The recommendation was based on the unique skills and experience of both professionals and the desire to create a project team for the Quince Street Development.

Based on that recommendation, City staff worked with Subert and Southgate to propose the project team concept and both accepted that working structure. In March 2020, City Manager Erin Reynolds, in her capacity as FURA Executive Director, entered into agreements with both consultants to begin work on the Quince Street Project. Both contracts were within the City Manager's purchasing authority of \$30,000, as well as any subsequent amendments to date.

Since that time, Subert and Southgate have worked with City staff, the Selection Advisory Committee, the FURA Board, prospective developers, and the two developers that the Agency has approved entering into Exclusive Negotiating Agreements. This work has included, but is not limited to:

- Development of the Request for Expressions of Interest (RFEI)
- Marketing the RFEI and outreach to potential developers
- Evaluating RFEI submissions, proposer interviews, and presenting to the FURA Board
- Assisting in the negotiations with Sycan for the first exclusive negotiating agreement (ENA)
- Working through the due diligence process with Sycan during the ENA
- Contacting and providing information to subsequent potential developers after the expiration of the first ENA, and assisting in evaluating additional proposals

- Establishing the relationship with Braun Hospitality and Wyndham
- Assisting in the ENA development and process with Braun Hospitality
- Facilitating meetings with both the Selection Advisory Committee and the FURA Board

At this time, the FURA Board has authorized entering into an ENA with Braun Hospitality for a Microtel Moda by Wyndham. This process of negotiation and the steps towards determining the terms for a development agreement will take additional work from our consultants as valuable members of the project team. City staff have received the proposals to perform the work through the execution of a development agreement and is preparing amendments to the contracts for both Subert and Southgate. The proposed amendments will exceed the City Manager’s spending authority and are presented for consideration by the FURA Board.

In addition to the total not-to-exceed contract amounts, both consultants have a one-time commission payment based on successful execution of the development agreement that was negotiated with the original contract. This commission was recommended by the Selection Advisory Committee during the original review of consultant proposals to incentivize closing a development deal.

Below are the terms of both contracts for review in total.

Subert Commercial Real Estate

Ending Date:	June 30, 2022
Approval to Date:	\$16,500
<u>Additional Proposed:</u>	<u>10,000</u>
Total NTE Contract Amount:	\$26,500
<u>Commission:</u>	<u>10,000</u>
Total Consultant Fee:	\$36,500

John Southgate LLC

Ending Date:	June 30, 2022
Approval to Date:	\$17,000
<u>Additional Proposed:</u>	<u>8,000</u>
Total NTE Contract Amount:	\$25,000
<u>Commission:</u>	<u>5,000</u>
Total Consultant Fee:	\$30,000

Recommendation:

Staff recommends authorizing the City Manager to do the following:

- Extend the contracts with both Subert Commercial Real Estate and John Southgate LLC to June 30, 2022.
- Approve the not-to-exceed contract with Subert Commercial Real Estate to \$26,500, for a total contract amount of \$36,500.
- Approve the not-to-exceed contract with John Southgate LLC to \$25,000, for a total contract amount of \$30,000.

Work to be performed during the extended contract time includes the following:

- Finalizing the ENA Terms
- Negotiations and Execution of Development Agreement Terms
- Land Procurement Process and Agreement Determination Assistance – Lease or Sale
- Project Team Meetings, Developer Meetings and Negotiations, FURA Meeting Presentations

Alternatives:

- Direct staff to renegotiate the terms of the contract extension amendments the project team consultants.
- Do not approve the contract extension amendments.

Action Items:

- Consider authorizing the City Manager to extend the contract with Subert Commercial Real Estate and John Southgate LLC to June 30, 2022, extend the not-to-exceed contract amount with Subert Commercial Real Estate to \$26,500 for a total contract amount of \$36,500, and extend the not-to-exceed contract amount with John Southgate LLC to \$25,000 for a total contract amount of \$30,000.