



La Grande Urban Renewal Agency (URA)

(Revised March 6, 2019)

“Call for Projects”

(Revitalization Incentive Program)

A. Geographic Scope:

Within the Urban Renewal District. (See Map, Exhibit A)

B. Purpose

The purpose of this policy is to direct resources within the Urban Renewal District to revitalize the La Grande Central Business Zone with the primary goals of improving the exterior of historic buildings and to provide new opportunities for locations of high-traffic retail businesses, which could include any of the following: improving accessibility issues, streetscape projects and building renovations. Additionally, the Agency will invest in public/private development partnerships throughout the District including facilitating the development of commercial and industrial parts of the District to create jobs and income which will provide economic support to the Central Business Zone.

C. General Criteria

- 1) Subject property(ies)/ project(s) must lie within the Urban Renewal District’s “Geographic Scope” referenced in Section A.
- 2) Current or prospective owner(s) or developers representing owner(s) with consent, must be willing and agreeable to undertake a building/ property restoration, redevelopment or development project.
- 3) Once projects are evaluated and ranked per criteria in Subsection 6, available funds will be allocated to projects in order of ranking, highest to lowest, with projects receiving the full amount requested until the funding is exhausted (see Sections G (1) and G (2)).
- 4) Projects located in the La Grande Business and Technology Park will be considered separately from all other projects and will have dedicated funding identified. Funding budgeted for the Business Park will not be used for projects outside the Park even if there are no eligible Business Park projects in a given fiscal year.
- 5) All projects submitted for URA funding consideration must conform to one or more projects or goals stated in the La Grande Urban Renewal Plan of 1999.
- 6) When considerations for project funding are being made, the following criteria will serve as guidelines to help evaluate and when appropriate, rank applications:

- i. Preference will be given to projects that have a positive impact on the Central Business Zone (CBZ) (60 Points scored by Staff).

Impact on Central Business Zone	
Criteria	Total Possible Points 60
Traded Sector Business any location	50
Retail inside CBZ	45
Commercial Business outside CBZ	40
Commercial inside CBZ	35
Retail Business outside CBZ	30
Additional Points for Vacancy	
Occupying building in CBZ that has been vacant for more than six months	10
Occupying building that has been vacant for more than twelve months	5

- ii. Preference will be given to projects that can demonstrate the mitigation, reduction, or removal of blight. Undeveloped and/or bare land shall not be eligible for points under this preference category. (30 Points Scored by Agency with recommendation from Staff)

Points for Blight	
Description of Blight	Total Possible Points 30
Potential hazard to environment or public and/or structure is unfit to occupy	30
Extensive Exterior damage to property, including structural impacts that don't rise to the level of unfit for occupancy	25
Combination of Exterior and Interior damage, deterioration, and/or dilapidation beyond the purely aesthetic	20
Property has been vacant more than five years but no other blight	15
Slight damage to exterior of property only	10
Damage to Interior of Property only	5

- iii. Preference will be given to projects with higher levels of private investment compared to public funding from any source. In calculating this, all project costs shall be considered, including elements which are not eligible uses of funds such as certain housing elements. (30 Points Scored by Staff)

Private Investment to Public Dollars	
Private Investment (excluding all public funds from any source)	Total Possible Points 30
Over \$150,000	30
\$125,001 to \$150,000	25
\$100,001 to \$125,000	20
\$75,001 to \$100,000	15
\$50,001 to \$75,000	10
\$25,001 to \$50,000	5
Less than \$25,000	0

- iv. Preference will be given to projects with higher Return on Investment based on all project costs prepared by a licensed contractor in the form of an estimate or actual or bid. **No points will be awarded for this category if the estimates or bids are not from a licensed contractor.** (50 Points Scored by Staff)

Return on Investment	
Total Project Cost	Total Possible Points 50
Total Project Cost of 500,000+	50
Total Project Cost of 400,000	40
Total Project Cost of 300,000	30
Total Project Cost of 150,000	20
Less than 150,000	10

- v. Preference will be given to projects with high Business Viability and readiness to commence as determined in the sole discretion of the Agency. An established business that is well-capitalized, has completed construction plans, actual contractor bids, and a business plan would receive maximum points. (25 Points Scored by Agency)

Business Viability and Project Readiness	
Description	Total Possible Points 25
Add points for each of the following that apply:	
Business Plan included with application	5
Actual Bids instead of estimates from licensed contractors	5
Project is well-capitalized (as evidenced by letters of credit, cash vs pre-approved loan, etc.)	5
Business in existence five or more years	5
Professionally prepared construction plans and drawings	5

- vi. Preference will be given to projects based on an evaluation of the Community Comment submitted by the applicant as determined in the sole discretion of the Agency. (15 Points Scored by Agency)
 - vii. Preference will be given to projects based on an overall evaluation of the project following the Staff presentation of all projects as determined in the sole discretion of the Agency. (40 Points Scored by Agency)
 - viii. Projects initiated by the City of La Grande or the La Grande Urban Renewal Agency are exempt from these criteria.
- 7) If in the downtown, the project must include a ground-floor “storefront” to encourage retail commercial use or other uses that will drive additional foot traffic downtown.
 - 8) A third-party developer may represent the property with owner’s consent.
 - 9) Any past-due fines, taxes, fees or outstanding violations of local ordinances or permits must be addressed prior to any financial participation from the URA.
 - 10) Project applicant must enter into an agreement with the URA for performance.
 - 11) Any funds disbursed by the URA will be considered a reimbursement based on qualifying expenses submitted by the applicant unless other arrangements are made at the time of agreement.
 - 12) The applicant’s financial need, or lack thereof, will not be considered as part of the evaluation of the application. (the applicant must be able to meet the required match).
 - 13) Funding decisions will not be based on whether or not a project has been started or completed prior to award, provided the project has been determined to be eligible for funding under this policy. Applications submitted in accordance with section F. 7. below

and/or projects underway that have otherwise met the criteria for funding consideration will be treated with equal merit to those projects that are under consideration which have not yet started.

- 14) If projects are in the Historic District or otherwise are under the purveyance of the Landmarks Advisory Commission, projects must:
- i. Receive certificate of “historic appropriateness” from the Commission prior to any final grant award and/or disbursement of funds.
 - ii. Follow “The Secretary of the Interior’s Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings.”
 - iii. Follow any and all standards and guidelines prescribed by the City of La Grande, to include 2009 STANDARDS AND GUIDELINES MANUAL FOR HISTORIC REHABILITATION AND PRESERVATION.

D. Allowed uses of funds

- 1) Professional design and engineering services, provided the project is completed within the terms of the agreement.
- 2) Project must comply with all relevant local, state and federal laws and codes.
- 3) Exterior façade renovations, to include:
 - i. Windows
 - ii. Doors
 - iii. Storefronts
 - iv. Awnings
 - v. Alley-facing entrances
 - vi. Painting and cleaning
 - vii. Masonry repair, restoration or cleaning
 - viii. Appropriately repairing, restoring or replacing of cornices, entrances, doors, windows, decorative details and awnings
 - ix. Sign removal, repair or replacement
 - x. Building identification
 - xi. Critical maintenance, structural or code compliance
 - xii. Restoration projects, including removal of slip sheathing or other treatments
 - xiii. Roofs & roof repair
- 4) Accessibility issues, to include elevators and associated equipment.
- 5) Streetscape improvement projects.
- 6) Site-related infrastructure.
- 7) Work required for Building Code compliance.
- 8) New site development, new construction.
- 9) Mitigation, reduction or removal of blight.
- 10) Housing/residential elements of a project would ONLY be eligible for funding IF AND ONLY IF the improvements are on upper floors of a project that included improvements to ground floor RETAIL. Housing/residential projects on upper floors above existing retail would not be eligible unless the retail space was also being improved.
- 11) Other interior work is acceptable only if it meets one of the following:

- i. Permanent improvements that have a life span greater than ten years and are not considered tenant improvements (Changes made to the interior to accommodate the needs of a tenant such as floor and wall coverings, ceilings, and partitions).
- ii. Improvements are directly related to structural changes such as removing walls. Examples could include addition of equipment such as installation of coolers, refrigeration or hood systems for restaurants, floor and paint needed for floor plan changes or other equipment that is permanently installed in the structure.
- iii. Major mechanical, electrical, plumbing, elevators, and HVAC systems upgrades or repairs.

E. Prohibited uses of funds

- 1) Refinancing existing debt.
- 2) Marketing property for re-sale.
- 3) Conversion of downtown ground-floor uses to other than retail, entertainment or food & beverage.
- 4) Except as allowed in D. 10) above, housing/residential elements of a project including but not limited to improvements on upper floors of a project that include improvements to ground floor commercial and stand-alone housing/residential projects would not be eligible for funding.
- 5) Payment of taxes, fines or fees current or delinquent.
- 6) Payroll of employees related to the developer or associated businesses, unless involved in the construction phase of the project.
- 7) Cleaning unless it is required as part of an otherwise allowable use of funds.
- 8) Inappropriate restoration activities.
- 9) Inappropriate or non-approved design or materials.
- 10) Interior improvements (unless directly related to an approved exterior project or part of a needed and approved structural or accessibility improvement project) including but not limited to:
 - i. Carpeting, floor coverings.
 - ii. Interior painting.
 - iii. Removable fixtures, furnishings, cabinetry, etc.
- 11) Professional design and engineering services except as part of an approved project.
- 12) Working capital.
- 13) Financing of inventory.

F. Applicant Criteria

- 1) Proposals may come from tenants, owners of buildings or third-party developers; if other than the owners, an authorization letter from owner(s) must accompany proposal/application.
- 2) Approved projects should be ready to begin within six (6) months of funding award notification and shall be completed within twenty-four (24) months of application, unless an extension is granted.
- 3) Applicants must enter into an agreement with the URA and work with City/URA on their project.

- 4) Applicant cannot have any outstanding or unresolved fine, fee, permit, lawsuit or infraction with the City of La Grande.
- 5) Any agreement or application extensions may only be granted by the District Manager or the URA. All granted extensions will be reported to the URA.
- 6) Any deviations from initial submittals must be approved by the District Manager.
- 7) Projects may commence prior to funding award, at the applicant's risk, but only after a written application has been submitted and the District Manager deems the application complete. The applicant acknowledges that submission of the grant application does not bind the URA in any way and that funding cannot be approved more than one fiscal year following the submission of the application.

G. Funding Information

- 1) Projects should have a minimum total cost of \$10,000:
 - i. City of La Grande Urban Renewal funding limits: 50% of eligible costs, up to \$50,000; \$75,000, if a majority of work performed is done with Union County vendors/contractors.
- 2) Funding for projects is capped at \$75,000 as described above unless it is new construction at the La Grande Business and Technology Park on lots larger than 1 acre or lots that are owned by the Agency, in which case the project is eligible for up to 1/2 of total cost, up to \$75,000 of funding or \$100,000 if a majority of work performed is done with Union County vendors/ contractors.
- 3) Private building owner(s)/tenant(s)/developer(s) must contribute at least 1/2 of total project cost; contributions may come from commercial lenders or other sources, including grants or loans from other agencies on applicant's behalf.
- 4) Local funds may at times be augmented by outside sources, such as State of Oregon grants.
- 5) Funds will be disbursed on a reimbursement basis ONLY; accurate and timely receipts are required to receive funds from the URA.
- 6) Projects with grant awards exceeding \$25,000 are eligible to receive a progress payment once the project is 50% complete. The amount of the payment shall be based on the pro-rata completion percentage. The percentage of the project completed will be determined by the District Manager. Additional progress payments may be made at the discretion of the District Manager up to a maximum of 90% of grant award.
- 7) Funds will only be disbursed on a reimbursement basis and on completion of the project unless they qualify for a progress payment as described above. In order to be deemed complete, all work must be finished, any City required site improvements completed, and final inspections completed and approved and if applicable, a final occupancy permit granted by the Building Official. Temporary occupancy permits do not satisfy this requirement.
- 8) URA will make every effort to provide timely disbursements upon receipt of complete applications and proof of appropriate expenses.
- 9) The URA will have the ability to make loans in addition to, or in place of, grants at its discretion.

- 10) Real property related to the project may not be transferred or sold within five (5) years from the date of the project completion and final disbursement of funds. In the event of a sale, the contribution of URA funding will be considered a loan and the full amount of any and all URA funds disbursed shall become due and payable to the URA immediately upon said sale or transfer. Liens may be placed on properties receiving URA benefits for amounts up to the full grant amount at the discretion of the URA and/or the District Manager. Projects initiated by the City of La Grande or the La Grande Urban Renewal Agency would be exempt from this provision.
- 11) Funds disbursed under this program may not be combined with Building Façade Grant funds related to the same project at the same time (during a 12-month period) and site location, but may be combined with other Urban Renewal funding programs.
- 12) If the property owner received property tax abatement or property tax credit for the property related to the project within five (5) years from the date of the final disbursement of funds, the contributions of the URA will be considered a loan and the full amount of any and all URA funds disbursed shall become due and payable to the URA immediately upon receipt of the property tax abatement or credit notification. This requirement DOES NOT apply to Federal or State Tax Credits that do not reduce the Agency's property tax revenues.

H. Application and Approval Procedure

- 1) A letter of intent describing the project including the specific physical improvements proposed, completed budget form with estimated costs, and the intended use of the property. Conceptual drawings, construction plans, and cost estimates should be provided if available, but are not required to submit the letter of intent. Letter of intent deadlines will be established by the District Manager and this requirement may be waived at the discretion of the District Manager. A pre-application meeting may be required prior to submitting an application that could include: the Economic Development Director, the Building Official, City Planner, and a representative from the Landmarks Commission if appropriate.
- 2) Application must be on a project intake form provided by the URA and must include all necessary and required supporting documentation so as to fully satisfy all of the above-stated criteria to be deemed complete. Project applications may be submitted either as digital entries (Adobe Acrobat, Microsoft Word, Microsoft Excel, Microsoft PowerPoint or JPEG image files are acceptable formats) that are emailed or hand-delivered as a CD or as hard copies hand-delivered or mailed to City Hall. Faxed copies will not be accepted.
- 3) Application must also include a Community Comment as part of the application that will be provided to the local media and posted on the City's website at the Agency's discretion. Comments will be limited to 350 words and will explain the project, why Urban Renewal Funds should be used to help fund the project, and how Urban Renewal will benefit the applicant's business.
- 4) Application must be submitted not later than the date established by the District Manager as the cutoff for consideration each fiscal year, typically not later than April 15th to be

considered for funding. Approved projects will normally receive funding approval effective on July 1st.

- 5) Any and all of the following bodies may be involved in the approval and/or review of a project:
 - i. City of La Grande/URA staff.
 - ii. La Grande Landmarks Advisory Commission.
 - iii. La Grande Main Street Design Committee.
 - iv. La Grande Urban Renewal Advisory Commission.
 - v. La Grande City Council/ Urban Renewal Agency.
 - vi. La Grande Planning Commission.
 - vii. State of Oregon Main Street program.
 - viii. State of Oregon Historic Preservation Office.
- 6) All funding requests will require La Grande Urban Renewal Agency approval at a public meeting.
- 7) Upon receipt of a complete application, applicants will be notified within thirty (30) days of project application completeness.
- 8) Applications may be modified or approved with conditions.
- 9) City/URA staff, upon request of the applicant, will provide technical assistance and resources to applicants to help ensure successful completion of applications.
- 10) City/URA staff will review applications and provide a staff report which shall include comments regarding how the application meets the criteria required in this policy and conformance with the Urban Renewal Plan.
- 11) The Agency members will have at least fourteen days to review the packets and may submit specific questions to staff regarding individual applications **during the first seven days**. This will allow staff to request answers from the applicants and provide the questions and answers to all reviewers.
- 12) The Staff and Agency will score projects based on the application using the identified preference criteria in section C. 4) above. Total points for each application will be provided by Agency to Staff not later than **three working days** prior to the joint special session. Once submitted, the scoring cannot be changed.
- 13) The Urban Renewal Agency shall conduct a special meeting to consider the funding applications and evaluate the applications using the following sequence:
 - i. Introductions and roll call of Agency.
 - ii. Staff report and presentation of each project.
 - iii. Agency discussion and individual scoring—following the presentations, the Agency members will discuss the projects and share any information that may have been gained by individual Agency members through site visits, contact with applicants, Staff, and/or members of the public. Following the discussion, Agency members will individually award up to 40 points per project using forms provided and turn them in to Staff.
 - iv. Break—during the break the Staff will compile the scores and order rank the projects.
 - v. Agency deliberations - The Staff will display the spreadsheet showing the project scoring and funding amounts allocated as prescribed in Section C. 3. The

Agency will then vote to approve the funding. (Actual funding is contingent upon budget adoption).

- vi. No public comments, or comments by applicants will be entertained during the special meeting.
- 14) Projects which do not receive grant funding or do not receive the full amount funded may be withdrawn by the applicant and resubmitted without penalty in the next funding cycle as if it is a new project.
- 15) Additional Funding Requests: The URA shall not consider any requests for funding increases to approved project funding resulting from cost overruns or changes in the project that are not an increase in the scope of the project including but not limited to changes in materials or contractors. The URA may consider funding requests at the next funding cycle, which shall compete as if it were a new project, for unforeseen conditions encountered or increasing the scope of the project for items including but not limited to expanding the project to include additional square footage or adding new features that were not part of the original application.
- 16) Reductions in project scope: Minor reductions in the scope of the project may be approved by the District Manager without a reduction in awarded project funding. Any reduction exceeding 25% of the scope of the project or \$150,000 of the total project cost, whichever is less, must be approved by the Agency and may result in a reduction in the amount awarded on a case by case basis.

I. Submittal Requirements:

- 1) All submissions must be accompanied with the following information:
 - i. A letter of intent to include: Contact information for project and building owner, building address, project description, complete budget form, concept drawings and cost estimates (if cost estimates are available at the time letter of intent is submitted).
 - ii. Applications shall include:
 - a. Building owner name & contact information.
 - b. Project applicant name (if different from above) & contact information.
 - c. Letter of authorization from building owner, if owner is not applicant.
 - d. If the project will not be occupied by the applicant, a Letter of Intent from business owner committing to occupy the space once the project is complete.
 - e. Building address.
 - f. Building historic name, if known.
 - g. Current photograph of the building & historic photos, if available.
 - h. Funding amount requested.
 - i. Detailed project budget, on an attached sheet to include expenditures and sources of funds.
 - j. Detailed narrative and/or visual description of project.
 - k. Detailed conceptual project floor plan/drawings and site plan.
 - l. Current building use, including tenant (not residential) names and contact information.
 - m. Project timeline.

- 2) The submitted application and proposal for the project, once accepted as the final concept, shall become and wholly remain the property of the City/URA. The City/URA will retain the reproduction rights to use images of the artwork to prepare and distribute marketing materials, web site materials or for any other use in promotional materials.

Approved by the Urban Renewal Agency March 6, 2019, this policy is effective immediately and applies to all projects funded after this date, regardless of application submission date. Eligible work completed based on an approval to commence work on a project with an application submitted and deemed complete prior to March 6, 2019, will still be eligible for reimbursement if the project receives funding. However, the applicant must submit a revised application as described in paragraph H above to be considered for funding.

Robert A. Strobe
District Manager

Exhibit "A"

La Grande Urban Renewal District

