

MEMO

TO: Nick Snead, Community Development Director

FROM: Elaine Howard

RE: Madras Redevelopment Commission

DATE: July 12, 2019

ORS 457.045 authorizes the governing body of the municipality (Madras City Council) to exercise the powers of the urban renewal statute by appointing a board for the urban renewal agency. A recent legal opinion affirmed there can only be one urban renewal agency in a city. By statute, the urban renewal agency board can be the city council itself or a separate board or commission composed of not less than three members. In Madras, the urban renewal agency is called the Madras Redevelopment Commission (MRC) and it is composed of five members of the public and two members of the City Council itself.

Madras is considering adopting an additional urban renewal area that will have goals different from those of the initial urban renewal area. The City Council must decide whether to continue having the MRC board continue in its present composition or to change the composition of the MRC. Regardless of whether the MRC remains as it is or is changed to reflect a different composition, the MRC must remain a separate entity from the City with separate accounting, budgeting and reporting responsibilities. The Intergovernmental Agreement (IGA) between the City and the MRC will still need to be in force.

If a new Housing Urban Renewal District (HURD) is adopted by the City Council, there will be new responsibilities for budgeting, financial statements and annual reports. Since this will be an urban renewal area that will be unique in its projects and programs, there will be additional decisions to be made on the implementation of the HURD. These additional responsibilities need to be considered when deciding the continued composition of the MRC.

The options for the MRC if the HURD is adopted are listed below:

1. The MRC remains as it is. The members are briefed on the new HURD so that they are prepared with the background to be able to make sound decisions on HURD issues.
2. The MRC is reconstituted by appointing one or more of the members who will have an interest and background in the housing issues represented in the HURD. There may need to be an additional ordinance adopted by the City Council to memorialize the change to the ordinance that established the original MRC board.
3. City Council takes the responsibilities of the MRC through an ordinance that changes the composition of the MRC Board. There will need to be an additional ordinance adopted by the City Council to memorialize the change to the ordinance that established the original MRC board.
 - Advisory committees could be formed for one or both separate urban renewal areas. The existing MRC board could become the advisory committee for the existing urban renewal area. These committees would be advisory only, with the MRC having the power to enact the urban renewal areas. They could meet as often as the staff has time to facilitate the meetings. This could be annually before budgeting, quarterly or monthly.

Issues:

- Existing MRC loses its authority to make decisions, becomes advisory only.
- The appointment of one or more advisory committees requires another layer of meetings and administrative responsibilities for staff.