



# STAFF REPORT

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**Meeting Type:** Urban Renewal Agency  
**Meeting Date:** May 18, 2026  
**From:** Jon Legarza, Healthy Sustainable Communities  
**Subject:** Energize Sandy Grant Awards

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## DECISION TO BE MADE:

Whether to award two Energize Sandy grants: (1) a \$25,000 Concept & Feasibility Grant to WRG Three Creeks Sandy LLC for a restaurant and pub at 38015 US-26; and (3) a \$100,000 Capital Improvement Grant to WRG Three Creeks Sandy LLC for the same project.

## PURPOSE / OBJECTIVE:

- [Sandy Urban Renewal Plan](#), General Goal: Use targeted improvements to encourage private investment in Sandy's downtown and surrounding commercial areas. Section 600B authorizes the Agency to participate through loans, grants, or both in maintaining and improving buildings in the renewal area.

## BACKGROUND / CONTEXT:

The Energize Sandy program provides structured financing to support business growth and property investment within the Sandy Urban Renewal Area. The program includes Concept & Feasibility Grants (up to \$25,000) for early-stage planning work and Capital Improvement Grants (up to \$100,000) for permanent building improvements. Both require a minimum 50% match from non-grant sources. Staff has reviewed the following applications and recommends approval.

### 1. WRG Three Creeks Sandy LLC – Concept & Feasibility Grant (\$25,000)

Three Creeks Brewing Company (DBA) proposes expanding into a restaurant and pub at 38015 US-26. The project involves revitalizing an existing commercial building into a family-friendly gathering space with craft beer, food service, and private event areas. The total build-out is estimated at \$650,000–\$725,000. Grant funds would cover architectural design, engineering, feasibility studies, permitting, market analysis, and cost estimating during the planning phase. The applicant reports \$1.35 million in available cash and operates six other locations. The project is expected to create approximately 35 jobs at \$19–\$21 per hour and increase the property's value by an estimated \$400,000–\$700,000.

## **2. WRG Three Creeks Sandy LLC – Capital Improvement Grant (\$100,000)**

This award covers the construction phase of the same project at 38015 US-26. The scope of work includes building renovation (structural work, flooring, bathroom remodel, walls and finishes, exterior/facade upgrades), permanent kitchen equipment installation, refrigeration systems, and bar equipment. Total project cost is approximately \$750,000. Agency funds would reimburse 50% of documented eligible expenses for permanent improvements up to \$100,000. Portable equipment, operating supplies, inventory, furniture, technology systems, and apparel are not eligible for reimbursement. The applicant's matching investment exceeds \$650,000.

### **KEY CONSIDERATIONS / ANALYSIS:**

The project is located within the Sandy Urban Renewal Area and the applicant's private investment exceeds the required 50% match. Grant authority for the awards derives from Section 600B of the Sandy Urban Renewal Plan (adopted December 1998; 5th Amendment May 2018, Resolution No. 2018-11), which authorizes the Agency to participate through loans, grants, or both in maintaining and improving buildings in the renewal area, and to provide financial assistance to property owners as the Agency deems necessary to achieve Plan objectives.

The project advances the following Plan objectives identified in Section 300E: (1) Improve the vitality of Sandy's downtown core: the Three Creeks restaurant and pub activates an underutilized property into a community gathering space; (2) Make productive use of land in the renewal area: the Three Creeks project transforms a commercial building with an estimated value increase of \$400,000–\$700,000; (3) Create opportunities for new development: the Three Creeks project creates approximately 35 jobs and captures tourism traffic heading to and from Mount Hood; and (7) Implement goals and objectives of Sandy's Comprehensive Plan.

The project satisfies the Comprehensive Plan's Economic Development criteria under Goal 9: it is consistent with the City's planning and growth policies, can be accommodated by existing water, sewer, and street infrastructure, and carries out specific community goals: supporting food and beverage, tourism, and property activation.

### **BUDGET IMPACT:**

- Up to \$25,000 from the Energize Sandy Concept & Feasibility Grant program, disbursed as 50% reimbursement of documented eligible expenses.
- Up to \$100,000 from the Capital Improvement Grant program, disbursed as 50% reimbursement of documented eligible expenses.

Combined Agency commitment: up to \$125,000. All awards are subject to the availability of uncommitted Urban Renewal funds.

### **RECOMMENDATION:**

Staff recommends approval of all three grant awards as described herein.

**SUGGESTED MOTION LANGUAGE:**

"I move to:

1. Approve the following grants:
  - a. \$25,000 Concept & Feasibility Grant to WRG Three Creeks Sandy LLC
  - b. \$100,000 Energize Sandy Capital Improvement Grant to WRG Three Creeks Sandy LLC
2. Authorize the Executive Director to execute the associated grant funding contracts as included in the meeting packet."

**LIST OF ATTACHMENTS / EXHIBITS:**

- WRG Three Creeks Sandy LLC – Concept & Feasibility Grant Funding Contract with Exhibit A
  - WRG Three Creeks Sandy LLC – Grant Application
- WRG Three Creeks Sandy LLC – Capital Improvement Grant Funding Contract with Exhibit A
  - WRG Three Creeks Sandy LLC – Grant Application