



APPROVED: May 17, 2006

CITY OF ALBANY
Central Albany Revitalization Area
Advisory Board
City Hall Council Chambers, 333 Broadalbin Street
Wednesday, April 19, 2006
5:15 p.m.

MINUTES

Advisory Board Members present: Lisa Bartel, Jeff Christman, Ray Hilts, Bessie Johnson, Gordon Kirbey, Sharon Konopa, Chuck McLaran, Chris Norman, Dick Olsen, Cordell Post, Ralph Reid, Jr., Stella Reimers, and Kim Sass

Advisory Board Members absent: Doug Killin and Ralph Reid, Jr.

Staff present: Chief Financial Officer/Assistant City Manager Susan Busbice, Economic Development Director Dick Ebbert, City Manager Wes Hare, and Administrative Assistant I Tracy Swett

Others present: Approximately ten others in the audience

CALL TO ORDER

Chair Chris Norman called the meeting to order at 5:18 p.m.

ROLL CALL

APPROVAL OF THE March 15, 2006, MINUTES

Board Member Ray Hilts moved to approve the minutes, as written. Board Member Cordell Post seconded the motion, which passed unanimously.

SCHEDULED BUSINESS

Business from the Public:

Rick Rogers, Executive Director of the Albany Downtown Association, requested \$480.00 to pay for 32 five-foot, S-shaped hangers with a rubber anchor that are needed to hang and maintain flower baskets in the 1st Avenue streetscape area.

Norman asked if Rogers had discussed with Special Projects Coordinator Guy Mayes. Rogers said yes, Mayes is also in contact with the fixture manufacturer to determine whether modifications can be made to eliminate the need for the hangers in the future, as well as display banners.

Board Member Stella Reimers asked if the hangers were permanent. Rogers said the hangers would be removed when the baskets are removed.

MOTION: Board Member Chuck McLaran moved that the CARA Advisory Board recommend the CARA Agency authorize payment of \$480.00 to the Albany Downtown Association for purchase of the hangers. Board Member Bessie Johnson seconded the motion.

Board Member Dick Olsen asked if the light fixtures are the same design as those at City Hall and at the County Courthouse. Norman said the design is the same, but the poles on 1st Avenue are taller to be above awnings and to highlight architectural features. Olsen asked why. Speaking from the audience, Wendy Kirbey said she served on the streetscape committee and the light fixtures were changed from the committee's original recommendation of a 12-foot pole. Discussion followed. Staff was directed to determine when the fixture design changed from a 12-foot to a 16-foot pole, and the reason for the change.

Board Member Lisa Bartel asked the timeline. Rogers said Mayes advised him any manufacturer approved modifications would not be completed in time for this season's flower baskets, which are due to be delivered the first week of May.

Chief Financial Officer/Assistant City Manager Susan Busbice asked McLaran to amend his motion to direct the \$480.00 come from administrative expenses. Discussion followed. Ebbert said he thought it made sense to charge the streetscape for this expenditure.

ACTION: McLaran amended his motion to direct staff to charge the expense to the streetscape budget. Johnson agreed with the amended motion. A vote was called, and the motion carried unanimously.

Marc Manley, property owner of the Flinn and Ames buildings, addressed the Board with regard to an upcoming recommendation from the Downtown Building Revitalization Review Committee on funding the rehabilitation of his buildings. He requested the Board recommend the Agency approve funding for the project as proposed and move funding into the upcoming 2006-07 budget.

Budget Update and Questions:

Board Member Jeff Christman referenced the budget items included in the agenda packet. Busbice said the packet had a two-year budget (2006/07 and 2007/08) so the Board could see the impact of borrowing on the Agency's financial resources in following years. She highlighted the items in the proposed budget.

Reimers asked when the first bond's debt service began. Busbice said the first debt service payment is due October 2006 with a lifetime of 15 years. Busbice reminded the Board that prior to issuing the bond, there was a letter of credit in the amount of \$3 million based on a detailed list of projects the Agency was interested in using bond proceeds to fund. The Agency has moved forward with some of those projects, but not with others.

Norman asked Busbice if it was significantly more expensive to borrow small amounts than to issue a bond for a large amount. Busbice said yes.

Christman said the Finance Committee met on this budget proposal earlier in the week. The Committee had several recommendations for this budget, including deletion of the line item for the short term debt proceeds in the amount of \$250,000; deletion of the \$112,500 in debt servicing; and a reduction of the REA grant match to \$135,000.

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Johnson asked how the REA grant match migrated from a City project to a CARA project. Christman said there has been no definitive answer on the project's evolution.

Board Member Kim Sass asked if there has been an analysis on what could be done with the building. Christman said the Finance Committee did not address possible building uses. Reimers said CARA was asked about funding this match last year and recalled the CARA Advisory Board was not enthusiastic about funding the project then. Board Member Gordon Kirbey thought a vote was taken on the issue and the Board denied funding the project. Economic Development Director Dick Ebbert was unsure if a vote was taken on the matter.

City Manager Wes Hare acknowledged he was not City Manager at the time, but he thought the City Council decided to fund the grant match when it determined to apply for the funds. Hare said he thought the intention was the funding would come from the urban renewal program since it could be classified as an urban renewal project.

Reimers said the Board has been advised on several occasions not to fund projects if they had undetermined uses. She asked if the City could fund this rather than CARA. Hare said yes.

McLaran said he thought the grant application predated the formation of CARA. Konopa agreed; Council never made a decision about where the funding would come from, although Council has always been supportive of the project.

Johnson recounted the Advisory Board's discussion on this topic from the April 20, 2005, meeting minutes.

McLaran said not all the \$270,000 would need to be paid up front. Bartel said the full \$270,000 would need to be committed from somewhere in order to receive the funding. Busbice agreed, but said payment is not immediately due. Norman said his discussion with Mayes indicated 40 percent would be the first payment installment.

Kirbey said there are several public amenities within the project area. Olsen said the grant may be discussed in terms of renovating the building, but in reality the grant is to finish the multi-modal transportation project. Discussion followed.

MOTION: McLaran moved the Board accept the Finance Committee's recommendation to reduce funding of the REA grant match to \$135,000. Bartel seconded the motion. Board Member Sharon Konopa moved to amend the motion to delete the REA grant match of \$270,000 from the CARA budget, and fund the project in its entirety from the City's General Fund. Olsen seconded the motion.

Hilts asked if there was anything coming up that might affect his vote. Christman said the only consideration was that the Finance Committee's recommendations were aimed at increasing the Agency's unallocated funding to have money available for potential projects in the coming year. Hilts asked if this vote would affect funding for the Flinn-Ames buildings. Bartel said with the \$135,000, CARA could not fund the total request for the Flinn-Ames buildings; with the deletion of the item in its entirety, CARA could fund the total request.

Konopa asked the Board to think if this building benefited the District. If not, then CARA should not fund. Discussion followed.

ACTION: Bartel called for the question. A vote was called on the amendment to delete the REA grant match from the 2006/07 budget. The amendment passed 12:1, with McLaran voting against. No action was required on the motion.

MOTION: Post moved to approve the elimination of \$250,000 in short term debt proceeds and the associated \$112,500 debt service from the 2006/07 budget. Konopa seconded the motion.

Kirbey asked if the \$250,000 items within the budget document were related. Busbice said yes.

Busbice said the Committee's recommendations aimed to increase the unappropriated fund balance as much as possible. Doing so would increase the Agency's bonding capacity to fund a redevelopment project should one result from the RFQ. She said the deletion of the REA grant match would move the \$270,000 to the unappropriated fund balance, along with \$112,500 by removing the debt service. The result would be \$400,000 in unappropriated funds. She estimated that amount would give CARA about \$4 million in bonding capacity.

Busbice said there is currently \$46,006 in available funds within the grant/loan program to fund the rehabilitation of the Flinn-Ames buildings. Per the budget proposal, \$76,000 was allocated to the program as of July 1, 2006. In order to fund the entire Flinn Block project as proposed, Busbice suggested \$120,000 of the unappropriated 06/07 funds be allocated to the grant/loan program to give the flexibility of funding the Flinn-Ames project in the coming year. This action would result in an unappropriated fund balance of \$316,000, with an estimated bonding capacity of \$2.7 to \$3 million.

Hare said it was his experience that there might be other funding mechanisms available from the state to fund a waterfront redevelopment project should more funding be needed as a result of the RFQ.

Hilts left the meeting at approximately 6:28 p.m.

Bartel asked if CARA should budget as if the Board would be funding another project through the grant/loan program. Busbice recommended the Board retain the unallocated budget amount and wait until a specific project is proposed.

ACTION: Post called the question on his motion to eliminate \$250,000 in short term debt proceeds and the associated \$112,500 debt service payments from the budget. The motion passed 12:0.

MOTION/ACTION: Bartel moved that \$120,000 be allocated from the 2006/07 unappropriated fund balance to the grant/loan program. Olsen seconded the motion, and the motion passed 12:0.

Konopa asked if the \$115,000 fund transfer was only made up of Ebbert's salary. Ebbert said no. Konopa asked what percentage was Ebbert's salary. Hare said with the proposed budget, the amount CARA would be contributing to Ebbert's salary was reduced in order to allow for the possible creation of the urban renewal specialist position to be discussed later.

MOTION/ACTION: Christman moved to approve the remaining 2006/07 budget as proposed, Post seconded. The motion passed 12:0.

New Urban Renewal Specialist Position:

Form a recommendation to the CARA Agency regarding funding of an urban renewal specialist position:

Ebbert said staff is proposing an administrator position to assist with the day-to-day operations of the urban renewal agency. Post asked if the position also involved policy implementation. Ebbert said yes.

Hare said the need for the position was illustrated earlier by members trying to remember past discussions regarding the REA grant match. He said staff has not had the time to provide the Board with background information for its members to base its decisions on. This position's sole focus would be CARA

Norman asked if this position would be similar to Pam Silbernagel's position. Ebbert said yes.

Reimers said she was not surprised by the request given Ebbert's responsibilities. She asked what the cost would be to CARA. Hare said about \$60,000, including benefits.

Konopa said when CARA was formed, there was criticism that it would be used to fund personnel costs. She recounted how personnel services has grown over the last few years. Hare agreed, but that was one reason why Ebbert's funding was decreased with the upcoming 2006/07 budget. Ebbert said the District's income has also increased dramatically during the same period.

Post said he thought a full-time professional should be hired. Johnson agreed, but asked if the new position would be funded totally by CARA. Hare said yes, but Ebbert would still retain oversight of the urban renewal district's activities.

MOTION/ACTION: Kirbey moved to recommend to the Agency that the funding for the urban renewal position be approved. McLaran seconded the motion, with the motion passing 12:0.

Policy Discussion on Committee Appointments:

Length of term/balance between Agency and Board lay members:

Ebbert said staff is unable to determine the adopted practice for appointing committee members. There is no history of how people have been appointed or if term limits were established. Reimers said she thought members of the public were asked to participate because CARA wanted to encourage public input.

McLaran suggested the Chair pick one or two individuals to work with Ebbert and return back to the Board with its recommendations. Staff was so directed.

New Committee Appointments:

Downtown Building Revitalization Review Committee (Rick Rogers and Rebecca Bond):

MOTION/ACTION: Post moved to approve the appointments of Rick Rogers and Rebecca Bond to the Downtown Building Revitalization Committee. Johnson seconded the motion, which passed unanimously.

Committee Reports:

Downtown Building Revitalization Review:

Jordan Jewelers: Ebbert said the Downtown Building Revitalization Review Committee approved an additional \$5,000 in grant funding and an additional \$20,000 in loans. Jordan hopes his design assistance could be available to reimburse expenses from a non-CARA-approved architecture firm. Ebbert said he thought the program's policy was to only fund work performed by the CARA-approved architecture firm of Dortignacq & Associates. Norman said Ebbert was correct.

Ebbert was directed to notify Jordan that design assistance funds would not be available to reimburse architectural assistance for services performed by architects other than Dortignacq & Associates.

Flinn-Ames Project: Kirbey said the Committee's recommendation was to fund \$246,000 with priorities given to specific tasks like the roof of each building.

MOTION: McLaran moved to approve as recommended by the Committee, and Konopa seconded.

Johnson requested the Board receive copies of future funding proposals for review. Post asked how the funding would be awarded and the timing of those payments. Busbice said CARA only has \$46,000 this fiscal year. \$196,000 would become available July 1.

Christman said the recommendation of the Finance Committee was to award up to \$46,000 this fiscal year, with more funding available after July 1.

McLaran said the intent of his motion was only to authorize the funding, not to determine the timing. Discussion followed. McLaran amended his motion to authorize up to \$46,000 this fiscal year and the balance of \$196,000 pending the recommendation of the Downtown Building Revitalization Review Committee. Konopa renewed her second of the motion. Olsen asked if staff believed we could fund the project remainder in the new fiscal year. Busbice said yes.

Kirbey asked why this motion was detailed when motions for similar funding have not. Discussion followed.

Johnson asked if the timing would work with the Manleys' timeline. Marc Manley said there is a lot of work that needs to be coordinated. The challenge is the priority list as recommended by the Committee. He said much of the work can best be accomplished as other work is being done (i.e. seismic upgrades are best completed while the roof envelope is open).

Norman said the priorities were established should the Board only want to fund a portion of the project. Since the Board did not voice opposition to funding the project in its entirety, Manley would be free to schedule the actual construction in the most cost effective method available.

ACTION: A vote was called on the motion, which passed 12:0.

RFQ Progress Report:

Hare said the City has received several developer inquiries in response to the RFQ. Three credible sources have told him qualification proposals would be submitted.

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Olsen asked how much of the waterfront the developers are interested in. Hare said he did not know the scope of projects under consideration by the development teams indicating interest.

Board members interested in selection process:

Norman asked for five or six volunteers interested in reviewing the RFQ submissions. Bartel, Sass, Olsen, Kirbey, Post, and Reimers indicated interest.

BUSINESS FROM THE ADVISORY BOARD

Sass asked the status of Ice House property. Ebbert said there was nothing new to report.

NEXT MEETING

The next meeting of the CARA Advisory Board was tentatively scheduled for Wednesday, May 17, 2006, at 5:15 p.m. in Council Chambers.

ADJOURNMENT

Hearing no further business, Chair Norman adjourned the meeting at approximately 7:26 p.m.

Submitted by

Reviewed by

Signature on file

Signature on file

Tracy Swett
Administrative Assistant I

Dick Ebbert
Economic Development Director

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