



APPROVED: May 21, 2008

**CITY OF ALBANY
Central Albany Revitalization Area
Advisory Board
City Hall Council Chambers, 333 Broadalbin Street SW
Wednesday, April 16, 2008**

MINUTES

Advisory Board Members present: Chris Norman, Dan Bedore, Jeff Christman, Floyd Collins, Loyd Henion, Oscar Hult, Bessie Johnson, Gordon Kirbey, Sharon Konopa, Ray Kopczynski, Dick Olsen, Cordell Post, Ralph Reid, Jr.

Advisory Board Members absent: Kim Sass

Staff present: City Manager Wes Hare, Finance Director Stewart Taylor, Urban Renewal Coordinator Kate Porsche, Administrative Assistant Teresa Nix

Others present: Approximately five others in the audience

CALL TO ORDER

Chair Chris Norman called the meeting to order at 6:00 p.m.

SCHEDULED BUSINESS

Business from the Public

Rick Rogers, 1530 Broadway SW, Executive Director of the Albany Downtown Association, invited CARA members to attend the Upstairs Downtown event on Friday, May 2, 2008, 4:00 to 8:00 p.m. He said that there will be a great selection of buildings open, including the two buildings which had major fires, the Montgomery Park buildings, and the Ironworks building. He said Downtown Albany is coming back to its historic roots and is coming alive with great new businesses.

Finance Director Stewart Taylor came forward briefly to address the Council members of the Board regarding discussion at the ARA Budget Committee, immediately preceding this meeting, regarding the Oak Creek Urban Renewal Area (OCRA) budget. He clarified that the budget is correct as presented and that the loan proceeds are being received into the City's Capital Projects Fund.

Bill Ryals, 935 Jones Avenue NW, reviewed efforts of the Carousel to raise money, including the hiring of a grant writer. He said that the group, in trying to learn from the wonderful carousel in Salem, is realizing that the Carousel needs to provide a vital and compelling reason for people to come downtown. While the Salem building barely contains the carousel with no spaces for other activities, he thinks it would be nice to provide a space in Downtown Albany for citizens to come and spend time in a climate-controlled space with activities for kids and families. He reviewed an idea to restructure the area to include head-in parking and one lane of traffic. This would more than double the parking downtown, and would cause people to slow down and appreciate the area. He said that it is desired that the Carousel facility become a world class museum, and it is important to present a professional face to potential donors. He reviewed graphics on the overhead projector of potential ideas for a parking lot and a connection to Monteith Riverpark. He reviewed a suggestion for a Red, White, and Bluegrass Festival with booths on the street, music, and activities inside the Carousel facility. He then showed several graphics of a three-dimensional model of a potential Carousel facility and surrounding area. Brief discussion followed.

Cash-Flow Update

Urban Renewal Coordinator Kate Porsche said that the cash-flow analysis is similar to that seen at the last meeting. She will have new handouts available at the next meeting.

Recommendation of Small Grant Recipients

Gordon Kirbey reported that the Small Grant Subcommittee reviewed the small grant applications, had discussion, and recommended approval of the six requests presented. He said that it is recommended that conditions be placed on some of the applications, as detailed in the minutes of the Subcommittee meeting.

Cordell Post asked for clarification on the request from the Albany Downtown Association to install boxes and outlets on the 24 poles on First Avenue. Rick Rogers clarified that the ADA wants to install snowflake decorations for the holidays on 24 light poles on First Avenue. A box is needed under each globe at a total cost of \$2,400. The ADA is requesting a matching grant of \$1,000 toward this cost. This is separate from the GFI boxes in the ground.

Norman asked for additional information about the request from the Pix Theater for an awning. Oscar Hult said the current awning is a 1960s style and the Subcommittee would like it to be replaced with a style that is more appropriate to the building. The owner has indicated a willingness to work with Subcommittee members to replace the entire awning, and the funding is contingent upon his doing so.

MOTION: It was moved and seconded to approve the SGS recommendations as presented. The motion **passed** unanimously.

Funding of Blighted Single-Family Residential Projects

Porsche drew attention to the staff report outlining options for funding of blighted single-family residential projects which she prepared in response to previous direction from the Board. She invited questions.

Ray Kopczynski referred to point 1.b. in the staff report. He asked if loans could be made contingent upon recipients not being on the tax freeze. Porsche said that the Board could choose to make that condition.

Bessie Johnson said that she was approached by a citizen who was concerned about possible perceptions that might occur if funding was granted to single-family residential, given that some CARA members own historic homes. Porsche said that is a valid concern. She noted that the urban renewal district boundary incorporates three historic districts and that the preservation of properties is specifically included in CARA's plan.

Post requested additional information about the option presented regarding the Historic Preservation Grants program. Porsche said that Planner Anne Catlin runs the program, which has been funded by state dollars. That funding source is drying up, and Planner Catlin has requested that CARA consider granting an annual amount, perhaps \$10,000. Oscar Hult explained that the main purpose of the Historic Preservation Grants program is to help people restore missing features or elements that were replaced with nonhistoric elements in order to enhance the exterior of historic properties. Dan Bedore said that the Landmark Advisory Commission would have the expertise to evaluate projects. He questioned whether this would be effective in dealing with blight, given the low amount of money. Hult said that the maximum grant amount has been \$3,000 due to limited funds.

Porsche said that another option that has been discussed in dealing with severely blighted buildings is providing assistance in the form of loans which are difficult to get through conventional means. Jeff Christman noted that item 2.a. recommends that any loan program should include a lien on the property. He said that he supports this, but a lien could be worthless if CARA is second or third on the list.

Tim Vaughn came forward to give an update on the remodel he is doing on the house on Baker Street. He said that it is his opinion that updating historic homes with vinyl windows, etc., deteriorates the value of the neighborhood. He would not want to see the historical significance of the neighborhood deteriorated. He agreed that it is difficult to get a loan to work on a severely blighted house, noting that he is using his own money on the Baker Street house.

Floyd Collins said that he wants to discuss the policy question. The purpose of the urban renewal district is to increase revenue through incremental financing, and he is concerned about funding projects with no potential of return.

Bedore said that not everything CARA does that is of value will bring back tax increment. CARA has funded projects which add to the overall value of downtown, such as low-income housing for seniors and the Carousel. He said that \$10,000 to fund to the Historic Preservation Grants program is not a great amount.

Collins said that he is not interested in providing loans to help people flip properties. There was general agreement. Porsche stated that, if the Board were to go forward with a loan program, she would request additional guidance regarding the qualifications would be required of recipients. Collins said that he would like to answer the policy question first and then call on the financial expertise of the group.

Dick Olsen said that he would have liked to have had this discussion prior to approving funding for the old J.C. Penny building. CARA is funding that developer, and they are also receiving a tax break. He said that he feels good about some of the decisions that CARA has made that did not bring back tax increment, such as the Carousel. The Denzel collection may have been a missed opportunity without CARA funds. He said that some houses add more to the historic districts than others. The Baker Street property was an outstanding example in its day, and there are not too many more of that quality and age.

Johnson suggested that the criteria could include a stipulation that recipients live in the house for a certain period of time or pay back the loan immediately. Regarding the idea of giving money to the Historic Preservation Grants program, she said that she has no real problem with that, but she wants to be careful not to stray too far from the original idea of CARA. Olsen recalled that the original idea of CARA did include residential areas.

Norman said that he is hearing that this is broadly within the scope of CARA. Issues are tax increment, protection of CARA funds, and administration needs. He asked if anyone is opposed to this concept.

Collins said that he is not opposed but would like to see how the proposal would work before deciding on a dollar amount.

Ralph Reid, Jr., said that he is not enthusiastic about going into residential restoration. He thinks a number of property owners are likely to come forward if CARA begins funding single-family residential. He feels that Porsche's time is better spent on commercial projects.

Lloyd Henion said that the revitalization of one or two houses in the Hackleman District may have the potential of being a catalyst for improving other homes in that area. Hult noted that the tax freeze is for 15 years, after which increment could be captured. Olsen said that the house next to the Baker Street house would have likely sold for substantially more if it were in an improved area. In that way, residential improvements may add to tax revenues.

Collins said that he would like additional information about what level of improvement is needed in order to reassess a property above the three percent cap. Brief discussion followed, and Porsche agreed to provide additional information.

Norman asked Porsche to provide information on residential vs. commercial increment. Post asked for additional information on who would administer the funds. Bedore suggested that consideration be given to a two-tiered system, with smaller amounts for grants through the Historic Preservation Grants program and larger amounts in the form of conditioned loans.

Porsche relayed a recommendation from Kim Sass that funding for single-family residential be focused on the historic districts and, specifically, on the Hackleman District. Porsche added that administration of smaller grants could easily be handled by Planner Catlin through her program, but she would want to administer larger loans herself using CARA's established contracts.

Hult suggested that consideration be given to funding for historical homes that are currently split into apartments which are going back to single-family. Several members agreed that it is important that loan recipients be owner occupied. In response to an inquiry from Bedore, Porsche acknowledged that the Labor Temple project was not owner occupied, but she considered that to be more of a commercial project because it has four units.

Olsen noted that RCM Homes project could be enhanced by improving the adjacent residential area. Norman asked for additional input regarding the administrative work involved in the various options.

Olsen asked that the proposed criteria give consideration to historic viability. Henion suggested that the criteria include consideration of the culture and potential of the neighborhood. Porsche offered to also provide additional information regarding the dollar amounts that would be most helpful. She will provide additional information at the next meeting.

Staff Updates and Issues

None.

BUSINESS FROM THE BOARD

None.

NEXT MEETING DATE

The next meeting of the CARA Advisory Board will be held on Wednesday, May 21, 2008, at 5:15 p.m. in the Council Chambers.

ADJOURNMENT

Hearing no further business, Chair Norman adjourned the meeting at 7:42 p.m.

Submitted by,

Reviewed by,

Signature on File

Signature on File

Teresa Nix
Administrative Assistant

Kate Porsche
Urban Renewal Coordinator