

NOTICE OF PUBLIC MEETING

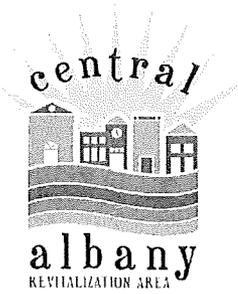
CENTRAL ALBANY REVITALIZATION AREA ADVISORY BOARD
City Hall Council Chambers
Wednesday, October 16, 2013
5:15 p.m.

AGENDA

1. CALL TO ORDER (Chair Rich Catlin)
2. ROLL CALL
3. APPROVAL OF MINUTES
 - September 18, 2013. [Pages 1-4]
Action: _____
4. SCHEDULED BUSINESS
 - a. Business from the Public
 - b. Decision Grid for November. [Pages 5-11] (Porsche)
Action: _____
 - c. Program Discussion: Historic Homebuyer Loans. [Verbal] (Porsche)
Action: _____
 - d. Staff updates and issues. [Verbal] (Porsche)
Action: _____
5. BUSINESS FROM THE BOARD
6. NEXT MEETING DATE: *Wednesday, November 20, 2013*
7. ADJOURNMENT

City of Albany Web site: www.cityofalbany.net

The location of the meeting/hearing is accessible to the disabled. If you have a disability that requires accommodation, advance notice is requested by notifying the City Manager's Office at 541-917-7508, 541-704-2307, or 541-917-7519.



APPROVED: _____

CITY OF ALBANY
Central Albany Revitalization Area Advisory Board
City Hall Council Chambers, 333 Broadalbin Street SW
Wednesday, September 18, 2013

MINUTES

Advisory Board Members present: Russ Allen, Rich Catlin, Bill Coburn, Floyd Collins (left 6:00 p.m.), Loyd Henion, Rich Kellum, Sharon Konopa, Ray Kopczynski, Danon Kroessin, Dick Olsen, Mark Spence

Advisory Board Members absent: Bessie Johnson (excused), Gordon Kirbey (unexcused), Maura Wilson (excused)

CALL TO ORDER

Chair Rich Catlin called the meeting to order at 5:15 p.m.

APPROVAL OF MINUTES

August 21, 2013

MOTION: Loyd Henion moved to approve the minutes as presented. Rich Kellum seconded the motion, and it passed 10-0, with Russ Allen abstaining.

Mark Spence commented for the record that the CARA Advisory Board minutes are generally very good.

SCHEDULED BUSINESS

Business from the Public

There was no business from the public.

CADD Connection/Herb Yamamoto – Loan Prepayment & Restructuring

Economic Development & Urban Renewal Director Kate Porsche said that the Board previously considered a proposal from Herb Yamamoto, owner of CADD Connection, regarding the prepayment and restructuring of his loans. The Board had some specific questions and held a decision on the proposal until additional information could be provided. The written staff report contains a refined proposal and answers to the Board's questions. Under the proposal, Yamamoto would procure a new first lien through Chase in an amount only to cover CARA loan 2009-1 (about \$105,000). CARA loan 2009-02 in the amount of \$97,500 would be subordinated to the new Chase loan and would be modified at the Board's request to begin accruing interest as of March 14, 2016, at CARA's standard rate. An appraisal on the property is not yet available. Approval of the proposal could be contingent upon staff review of the appropriate documents, including an appraisal. Herb Yamamoto came forward and offered to answer any questions.

Ray Kopczynski noted that approval of the request would result in CARA receiving a payment of about \$105,000, which could be used for other purposes in exchange for extending the \$97,500 loan to 2020, with a nominal interest rate after the current loan maturity date. He does not believe that being in second position on the loan will be an issue. He is in favor of the request.

In response to an inquiry from Bill Coburn, Yamamoto reviewed some of his recent business activities. He said that, in general, his business is doing fine and the current location has worked quite well. He currently has about 15 employees.

Kopczynski said that Yamamoto's business may outgrow the current location, but he would like to see that with any business. Porsche said that she and Yamamoto have a great working relationship. If he outgrows the current location, she would be happy to work with him to find another location in the area.

MOTION: Coburn moved to accept the proposed restructuring of Herb Yamamoto's loans as detailed in the staff report. Kopczynski seconded the motion, and it passed 10-0.

Policy Framework

Porsche drew attention to the updated *CARA Proposed Programs* grid and program sheets. She noted that the Storefront Revitalization Grant and Focus Area Loan programs are proposed to be competitive annual programs and the Board has indicated that the process should proceed this fall. A local developer has asked if there might be a way to apply for these loans even if his application is not ready by November.

Floyd Collins said that he likes the competitive process; however, if good applications were submitted later in the year, he would want to see them. That is part of the flexibility that CARA can provide. Spence suggested that the Board could review applications for these programs twice-yearly or quarterly, at least for the first year. He thinks that an ad hoc process would require too much staff time. Kellum said that he would agree to flexibility in the process for the first year only.

Russ Allen said that there is interest in seeing projects move forward. He suggested the Board consider applications for the two programs this fall as scheduled and establish a second date to consider applications later in the fiscal year. Timelines for subsequent years could be decided at a later time. Several Board members expressed agreement.

In response to inquiry, Porsche said that she recommends keeping the Small Grant program as an annual process due to the amount of time needed to administer that program.

MOTION: Collins moved that the Storefront Revitalization Grant and Focus Area Loan programs have two application periods the first year – one this fall and another next spring. Coburn seconded the motion, and it passed 10-0.

Porsche drew attention to the *CARA Focus Area Loan Program map*. She worked with the Planning Division to delineate the three areas the Board identified for the Focus Area Loan Program – the Downtown, East Waterfront, and Main Street/Salem Avenue Area. She invited questions or comments.

Coburn said that the map represents what he has spoken to several times – the need to focus efforts for better results. Allen suggested that the boundaries be redrawn to exclude the old Madison School site, which is not eligible for CARA funding.

Porsche requested final approval of the first four programs on the grid.

Catlin asked if the project currently underway on Salem Avenue would qualify for the Focus Area Loan program. Porsche said that project would not qualify because there is no commercial component. Edgewater Village is another residential project that would not qualify for that program as written. She recalled previous discussions and concerns about for-profit developers requesting public money to build apartments. She noted that CARA does have design guidelines that ride with all funded projects.

Spence asked if there is a place to reach for funds if a plan is submitted for market rate condos at the St. Francis Hotel, for example. Porsche said that if a substantial project came forward, she would approach the

Board about using money set aside in the reserve account or even borrowing to help make an amazing project happen.

Catlin said that he is willing to approve the programs as proposed and then track for the first year to see what applications come in.

MOTION: Coburn moved for approval of the Architectural Assistance Grant, Small Grant, Storefront Revitalization Grant, and Focus Area Loan programs as detailed in the program sheets, as well as the revised Focus Area Loan Program map. Spence seconded the motion, and it passed 10-0.

Porsche drew attention to the Economic Development Project Loan programs. She asked if the Board is comfortable having job creation as the only criteria for these programs. Henion said that he is uncertain; he feels it is difficult to say if jobs are created or just transferred. Kopczynski said that he thinks it is crucial to have a program carved out for job creating and job retaining projects. Allen said that he was initially concerned that focusing on job creation was not in CARA's scope of revitalization; however, he has come to realize that anything that can be done to bring employers and create jobs will revitalize the area. He is comfortable with having job creation as the single component for these programs. Henion said that he is comfortable also, given Allen's comments. Spence said that he would like to see consideration given to job multipliers.

Porsche said that she will take what she has heard from the Board, check with the COG and other communities regarding their requirements, and bring back refined project sheets for the Economic Development Project Loan and Historic Home Buyer Loan programs.

Porsche asked for volunteers to help write an RFP for architectural work and review applications. Konopa and Spence volunteered.

Porsche drew attention to the *Project Evaluation Grid*, which the Board has used in the past to assist in its decision making. She asked that Board members think about how the grid could be revised or other tools that could be provided to assist with good decision making. This information is also helpful to applicants in understanding how applications will be judged.

Staff Updates and Issues

Porsche said that work on the IHI project on Salem Avenue is underway. The environmental work is almost done and only five mobile homes remain on the property. The applicants should hear back on their tax credit application in November. The Edgewater Village project is ready to go on the first phase; an update on this project will be on the City Council work session agenda next Monday.

Porsche said that due to efforts by Oscar Hult and others, the Oregon Historic Preservation League has prepared an excellent report on the St. Francis Hotel, which includes suggested uses and what those uses would look like.

Porsche said that the Albany Main Street Design Committee has come up with a nice design for the sign project. A firm in Springfield has been engaged to provide engineering specs, and then a RFP can be created. She hopes to move forward on this project next month.

Porsche reviewed discussions with the state regarding the slip lane. State planners who visited the site understood how important the slip lane would be to the downtown; however, there was some push back by the state engineers. If the slip lane can be designed in a way that does not significantly impact the intersection of First Avenue and Lyons, it is possible that ODOT may give approval. Staff is working on some options.

BUSINESS FROM THE BOARD

There was no additional business from the Board.

NEXT MEETING DATE

The next meeting of the CARA Advisory Board is scheduled for Wednesday, October 16, 2013, 5:15 p.m., in the Council Chambers.

ADJOURNMENT

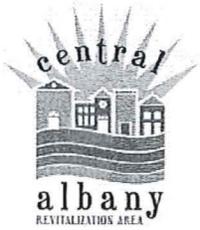
Hearing no further business, Chair Catlin adjourned the meeting at 6:18 p.m.

Submitted by,

Reviewed by,

Teresa Nix
Administrative Assistant

Kate Porsche
Economic Development & Urban Renewal Director



TO: CARA Advisory Board
FROM: Kate Porsche, Economic Development & Urban Renewal Director *Katevd*
DATE: October 10, 2013, for October 16, 2013, CARA Advisory Board Meeting
SUBJECT: Staff Report – CARA Decision Grid

As we discussed at the close of the last meeting, you will be hearing and deciding on projects via the competitive Storefront Revitalization Grant and Focus Area Loan programs at your November meeting.

In preparation for that meeting, I would like to review the decision grid that you've used in the past. This grid (see attached) outlines the components of the projects that are important to you and is then used by staff to evaluate each project and organize the information in an easy-to-read format.

Please review the attached grid in light of the two programs (I attached the final program sheets for you) and come prepared to discuss additions, deletions, or edits.

Thank you and see you Wednesday.

KCP:ldh
Attachments

G:\CARA\CARA Advisory Board\2013\Staff Reports\10.10.13 Staff Report Decision Grid.docx



Project Evaluation Grid: PROJECT NAME

Request: \$AMOUNT

GRANT/LOAN

	Item	Description	Staff Analysis/Comments
<i>Overall Goals</i>			
A)	<p>CARA Goal & Objectives: The purpose of this CARA Plan is to eliminate blighting influences found in the CARA, to implement goals and objectives of the City of Albany Comprehensive Plan, and to implement development strategies and objectives for the CARA. The goal and objectives for the CARA have been defined as follows:</p> <p>CARA Goal: To revitalize the Central Albany Revitalization Area by implementing the Town Center Plan developed through the Central Albany Land Use & Transportation Study (CALUTS) using a citizen-driven process.</p>	<p>Does the project further the Town Center Plan?</p> <p>Which of CARA's objectives does the project meet?</p> <p>CARA Key Objectives:</p> <ul style="list-style-type: none"> ◆ Attract new private investment to the area. ◆ Retain and enhance the value of existing private investment and public investment in the area. <p>CARA Additional Objectives:</p> <ul style="list-style-type: none"> ◆ Provide a safe and convenient transportation network that encourages pedestrian & bicycle access to and within the town center. ◆ Preserve the Historic Districts, historic resources and existing housing in the area. ◆ Create a readily identifiable core that is unique and vibrant with a mixture of entertainment, housing, specialty shops, offices, and other commercial uses. ◆ Increase residential density in the area. ◆ Encourage the development of new forms of housing and home ownership. ◆ Enhance and protect the community and environmental values of waterway corridors in the area. ◆ Provide an enriching environment and livable neighborhoods. 	
B)	CARA Planned Projects	Which project category and activity in the UR Plan does this project fulfill? (See CARA Project Activities document, or Table 2 of the UR Plan and Report)	
C)	Development Pattern (Highest and Best Use)	<p>Does it achieve desired land use (e.g., mixed-use, higher density) and/or transportation objectives (e.g., Esplanade, pedestrian-friendly areas)?</p> <p>Is the proposed project desired in this location and the highest and best use of the property?</p>	
D)	Blight	Would it remedy a severely blighted building? How?	
E)	Preservation	Would it rehabilitate or sensitively redevelop a historic property?	
F)	Vitality/People Attractor	Does the general public benefit (i.e. restaurant, carousel, something they can go to, utilize)?	
G)	Retail Hotspot (1 st Avenue between Lyon and Calapooia)	Is the project located in the Retail Hotspot? If so, will the first floor use be active retail, as recommended in the Retail Refinement	

		Plan?	
H)	Sustainable Building	Will the building be built using sustainable practices including LEED or others?	
I)	Residential	Is there a residential component? How many units?	
<i>Economic Development</i>			
J)	Bring new business to Albany	Will a new business open or come to Albany as a part of this project?	
K)	Job Creation	Will the project create additional jobs? How many, what types and what salary level?	
L)	Local Labor and Materials	Has applicant specifically called out a commitment to use a certain percent or amount of local labor and/or materials?	
<i>Financial</i>			
M)	Ratio	Proposed public funds Private funds % of CARA Investment Ratio-Public \$:Private \$	
N)	Financial Impacts	What are the financial risks and/or financial benefits to CARA?	
O)	Gap	What is the "Gap" or need of the developer?	
P)	Private Risk	What is the risk for the developer? What is their skin in the game?	
Q)	Tax Increment	Will the project generate an increase in the assessed tax base? How much?	
R)	Tax Increment ROI	Is the ROI on this project less than 5 years, less than 7 years?	

CENTRAL ALBANY REVITALIZATION AREA

Focus Area Loan Program

ABOUT THE PROGRAM

The Focus Area Loan program is competitive and available for commercial or mixed-use property in three geographic areas (downtown, east waterfront, or east Salem Avenue neighborhood—see map on following page).

Eligible Applicants

- Property owners who can show fee title
- Business owners who show written evidence that property owner has authorized work for which application is made

Eligible Property

- Properties must be located within the Central Albany Revitalization Area and within a focus area (downtown, east waterfront, or east Salem Avenue neighborhood—see map on following page)
- Qualifying structures include commercial and mixed-use buildings
- Tax-exempt projects are exempt

Activities

Eligible projects include:

- Historic preservation including
 - Storefronts/façade improvement
 - Upper floor redevelopment
 - New construction residential/mixed use
 - 100% residential projects are excluded



See the General Information sheet for other important CARA program details.

OVERVIEW

Program Allocation

\$300,000

Timing

Twice per year. First round in November, applications due Oct. 31

CARA Funding

Minimum \$15,000
Up to 20% of project costs per project

Overall Project Costs

Minimum \$75,000

Minimum Match

80% of project costs

Fees

\$500

Rate

10-Year T-note rate + 1.25%

Terms

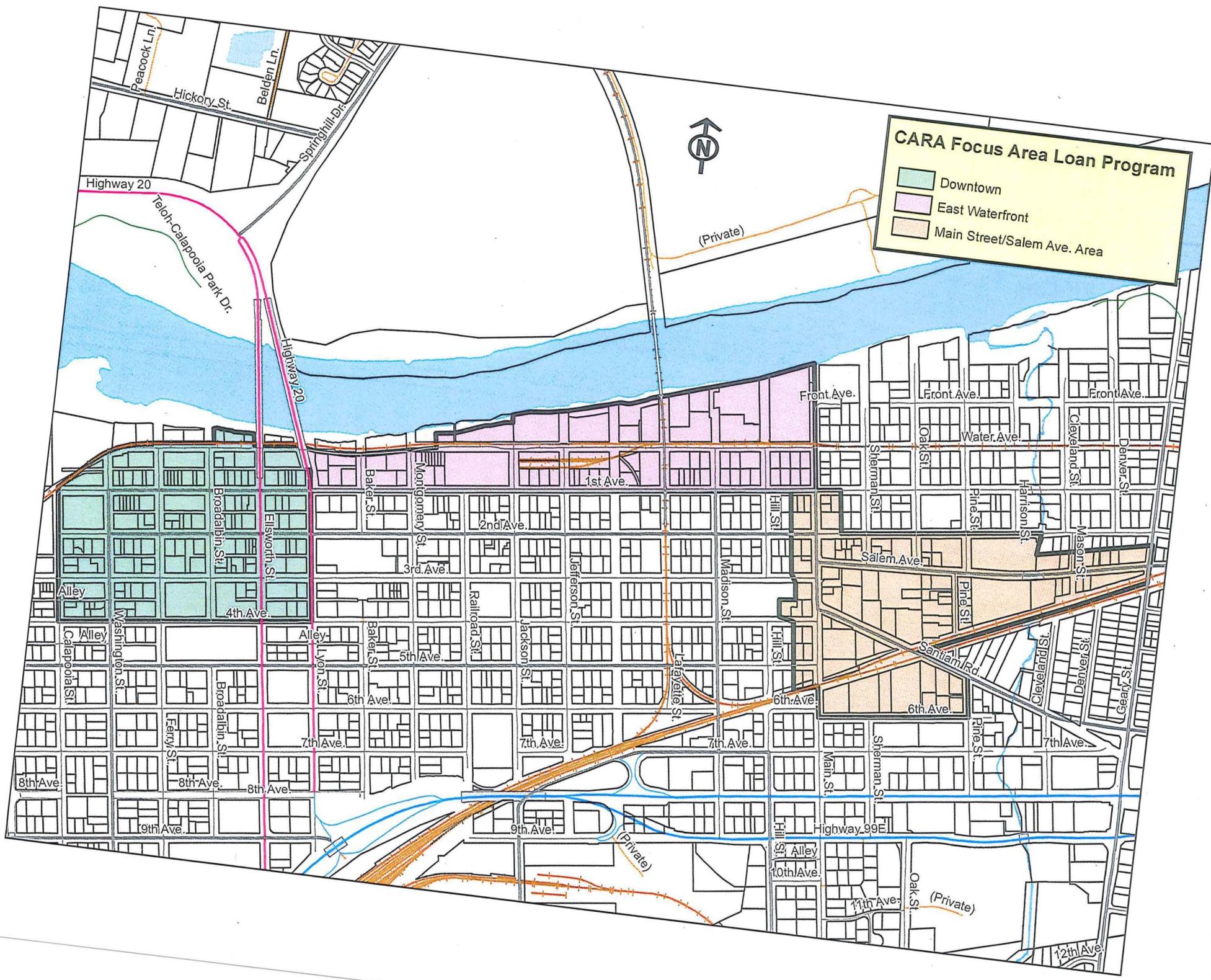
Years 1-2 Monthly interest-only payments. Years 3-8 monthly payments, loan paid in full by year 8.

For more information, contact

Kate Porsche

Economic Development Director
City of Albany

kate.porsche@cityofalbany.net



CARA Focus Area Loan Program

- Downtown
- East Waterfront
- Main Street/Salem Ave. Area

CENTRAL ALBANY REVITALIZATION AREA

Storefront Revitalization Grant Program

ABOUT THE PROGRAM

The Storefront Revitalization Grant program is intended for exterior projects with significant aesthetic improvement. Properties must have the following zoning: HD, CB, LE, MS. Examples include awnings, signage, exterior lighting, storefront improvements, and associated city fees.

Eligible Applicants

- Property owners who can show fee title
- Business owners who show written evidence that property owner has authorized work for which application is made

Eligible Property

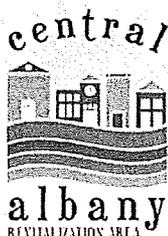
- Properties must be located within the Central Albany Revitalization Area *and* in the HB, CB, LE, or MS zones
- Qualifying structures include commercial and mixed-use buildings

Activities

Projects that provide significant aesthetic improvement to a property's exterior are eligible for grant funding; interior or deferred maintenance projects are not eligible.

Eligible projects may include:

- Storefronts
- Awnings
- Signage
- Exterior lighting



See the General Information sheet for other important CARA program details.

OVERVIEW

Program Allocation
\$50,000

Timing
2X per year Applications
for first round due
Oct. 31

CARA Funding
\$2,500 - \$10,000 per
project

Overall Project Costs
\$5,000 - \$20,000+

Minimum Match
50% of project costs

Fees
None

For more information,
please contact

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