



APPROVED: October 15, 2014

CITY OF ALBANY
Central Albany Revitalization Area Advisory Board
City Hall Council Chambers, 333 Broadalbin Street SW
Wednesday, September 17, 2014

MINUTES

Advisory Board Members present: David Abarr, Russ Allen, Bill Coburn, Floyd Collins, Loyd Henion, Sharon Konopa, Ray Kopczynski, Kevin Manske, Dick Olsen, Mark Spence, Maura Wilson

Advisory Board Members absent: Rich Catlin (excused), Bessie Johnson (excused), Rich Kellum (excused)

CALL TO ORDER

Vice Chair Mark Spence called the meeting to order at 5:15 p.m.

APPROVAL OF MINUTES

July 16, 2014

MOTION: Ray Kopczynski moved to approve the July 16 minutes as written. Floyd Collins seconded. The motion passed 10-0, with Spence abstaining.

SCHEDULED BUSINESS

Business from the Public

There was no business from the public.

Public Safety Facilities Funding

City Attorney Jim Delapoer drew attention to the staff memorandum. He said the question before the Advisory Board is whether or not to recommend that CARA funds be made available for new police and fire facilities and, if so, in what amount and through what process. He said the Public Safety Facilities Review Committee (Committee) was appointed by the City Council to provide input on the new facilities, including whether CARA funding could and should be a component of the financing package. The Committee recommended using the maximum dollars allowable under a minor amendment of the CARA Plan, recognizing that a substantial amendment of the CARA Plan would require a public vote. The minor amendment allows for the addition of projects not envisioned in the CARA Plan up to a cap of \$500,000, which would equate to approximately \$710,000 in today's dollars. Delapoer reviewed the analysis laid out in the staff memo as to whether a minor amendment could be applied to each of the facilities, thereby increasing the total CARA contribution to approximately \$1.4 million. While the outcome of a potential challenge could not be foretold, he thought the concept of applying a minor amendment for each facility would be defensible if the Board chose to make that recommendation.

Economic Development & Urban Renewal Director Kate Porsche said there may also be components of the projects that could fit into the CARA Plan outside of the minor amendment process. These components could include relocation of the Fire Museum to Station 11 or water, sewer and street infrastructure.

Maura Wilson asked if Delapoer had changed his opinion based on comments received. Delapoer clarified that his opinion had not changed and he thought a modification to include a single public facility expenditure was the most conservative and defensible position. However, he believed he could also defend a more aggressive approach if that was the recommended action.

David Burright, Public Safety Facilities Review Committee Cochair, said he has had the pleasure of working with Cochair Frank Morse and a great group of individuals in looking at the entire issue of the two public safety facilities. The Committee felt it would be necessary to reduce the amount of the general obligation bond being requested as compared to last November and to look at alternative sources of funding. The Committee made a consensus finding that the funding should be three-pronged: a general obligation bond of some amount, some PepsiCo money, and some CARA money. After two full meetings of discussion and learning about CARA, the Committee voted 10-2 that CARA funds should be used to the maximum extent allowable with a minor plan adjustment. Two members of the Committee felt strongly that there should be a substantial amendment and a very substantial contribution from CARA. While the recommendation did not address whether there should be a minor amendment for each facility, he said the Committee felt these were separate buildings with very different functions. He encouraged the Advisory Board to recommend a minor amendment to the CARA Plan for each facility.

Russ Allen thanked Burright for his contribution to the Committee. He asked what caused the Committee to believe that CARA funds were appropriate for these projects. Burright said that the fire station is blight that needs to be addressed, that having a functional police facility is just as important to the downtown core as to any place, and that the primary response area for Fire Station 11 is the downtown. If he was a business owner wanting to invest in downtown, he said, he would be looking at issues like police and fire protection.

Skeet Arasmith, Committee member, expressed appreciation for the leadership provided by Burright and Morse. In response to Allen's previous question, he said the Committee first addressed whether it would be appropriate to use CARA funds for these facilities and the legal question came later. In considering how the facilities would serve or benefit the CARA district, the Committee noted that the fire facility would be located within the CARA district and would obviously serve the downtown area, and that the police facility would serve the entire City. One way to calculate benefit would be to consider the number of acres within the CARA district as compared to the entire City. He expressed concerns about other needs in the community and the overall costs to those who pay taxes and fees. He requested that the Board strongly consider recommending a substantial amendment to the CARA Plan for these facilities, understanding that would require a vote at the same time the general obligation bond is on the ballot.

Steve Reynolds, 1700 Lincoln NW, said he had made extensive investments in Albany and owned several rental properties. He said the value of the City is not just the land and buildings but also things like schools, fire, and police. His biggest concern was showing support for the police. He didn't want the police chief or officers to leave the City because they don't feel supported. He felt it was important to find other funding sources in addition to property taxes.

Vice Chair Spence invited questions or comments from the Advisory Board.

Allen said he was supportive of both facilities and he understood the desire to lessen the load of the general obligation bond. However, CARA represents multiple taxing districts and investments from CARA need to go to the highest and best use in order to fulfill CARA's mission. He was concerned that the discussion was focused around whether it was possible to use CARA funds rather than whether this is what CARA should be doing to fulfill its mission.

Kevin Manske said some people were unhappy to learn that a portion of previous public safety levies went to CARA. He thought that using CARA funds for the police and fire stations would be a good faith gesture to the citizens. Spence noted that the law has since changed and funds from public safety levies no longer flow to CARA.

Lloyd Henion said that having good police and fire service is very important for the community. He didn't think the CARA Plan envisioned that tax increment financing would be used to fund police and fire facilities but he did think there were ways CARA could fund portions of the projects that blend into its mission.

Collins said he wasn't supportive of putting multiple ballot measures out to the community because he felt that would cause confusion and all the measures would go down. He supported recommending a minor amendment for each facility.

MOTION: Bill Coburn moved to recommend that there be two minor amendments, one for police and one for fire, each at \$500,000 adjusted to today's dollars. Kopczyński seconded the motion.

Coburn said this wasn't his idea of urban renewal and he wasn't 100 percent convinced it was an appropriate use of CARA funds. He didn't see how helping to fund the police and fire stations would encourage additional development and increase tax increment. On the other hand, he said, the CARA Plan is more than 20 years old and things have changed. While he could argue both sides, he was more in favor of making the contribution.

Dick Olsen suggested that if a minor amendment was going to be done for each facility, it would be appropriate to put up a separate ballot measure for each facility with CARA support of approximately \$700,000 for each. Allen said that splitting of the ballot title would seem to be a question for the City Council.

Sharon Konopa said she was uncomfortable committing \$1.4 million of CARA funds without knowing any of the design details. She said the Board typically looks at an application and determines funding based on how it fits in with the CARA Plan. She said she would be more comfortable saying that CARA would consider contributing to the facilities, but not set a dollar amount until there is a design and a review of elements that fit in the CARA Plan.

Wilson said that people who are aware of the facts would support that new police and fire facilities are clearly needed. However, for her to say yes to this request, she would need to feel that it meets with CARA's mission. She suggested that the project be considered against the decision-making grid to see if it meets CARA's objectives.

Collins said this action would not approve the projects but would amend the CARA Plan to set the stage for potential contribution to the projects when they materialize. Additional discussion followed regarding the motion and the Advisory Board's options.

Porsche said she thought the Committee had hoped to firm up CARA's contribution for use as a starting point in figuring out the other funding components. Her perspective was that the motion would approve the funding but, like other projects, there may be a time delay until those funds go out the door.

Allen said the Board had never approved funding for a capital project without stipulations on how the funds would be used. He couldn't vote yes on the motion unless the project was required to meet the minimum threshold of design constraints that a typical CARA project would have.

Henion said the Advisory Board has a responsibility to ensure that funded projects fit in with the CARA mission. He thought there was justification in funding certain elements of the projects, but he would like verification that those elements fit into the mission.

Spence said the fire station would be located downtown and would serve the CARA area. He was uncomfortable with the motion because he didn't feel the police facility would fit into CARA's mission. He suggested that consideration be given to recommending one minor amendment for the fire station along with a declaration that the Board is certain there will be another \$700,000 worth of additional projects associated with both facilities that would fit in with CARA's mission.

Manske reiterated that some of CARA's funding was garnered from the passage of previous public safety levies. He thought that recommending a minor amendment for each facility would lower the tax burden of the general obligation bond and extend an olive branch to the citizens of Albany.

Wilson said she would vote against a double amendment. She referred to the comment that public safety levy funding has gone to CARA in the past, and she asked whether that infers that CARA should be responsible for requests from any organization that has contributed to it. To her, that was not part of the equation.

Delapoer said that the suggestion to recommend one minor amendment for the fire station along with additional authorization for elements that meet the CARA mission would create confusion and greater legal vulnerability. He noted that the City Council and the Albany Revitalization Agency are the same group of people, and that body would make final decisions on design.

Kopczynski said he was strongly in favor of having the maximum amount allowed under a minor amendment for each of the facilities.

Kopczynski called the question. Coburn seconded, and it passed 6-5:

Yes: Abarr, Coburn, Collins, Kopczynski, Manske, Spence

No: Allen, Henion, Konopa, Olsen, Wilson

Coburn clarified the intent of the motion and offered the following amendment.

AMENDED MOTION: Coburn amended the motion to recommend that there be two minor amendments, one for police and one for fire, each at \$500,000 adjusted to today's dollars and that the decision on disbursement would come back to the CARA Advisory Board for further discussion. Kopczynski accepted the amendment.

The amended motion passed 8-3:

Yes: Abarr, Allen, Coburn, Collins, Henion, Konopa, Kopczynski, Manske

No: Olsen, Spence, Wilson

Staff Updates and Issues

There were no additional staff updates or issues.

BUSINESS FROM THE BOARD

There was no additional business from the Board.

NEXT MEETING DATE

Thursday, September 18, 2014.

ADJOURNMENT

Hearing no further business, Vice Chair Spence adjourned the meeting at 6:40 p.m.

Submitted by,

Reviewed by,

Signature on File

Signature on File

Teresa Nix
Administrative Assistant
Director

Kate Porsche
Economic Development & Urban Renewal