



APPROVED: NOVEMBER 15, 2006

CITY OF ALBANY
Central Albany Revitalization Area
Advisory Board
City Hall Council Chambers, 333 Broadalbin Street SW
Wednesday, October 18, 2006
5:15 p.m.

MINUTES

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

Advisory Board Members absent: Chuck McLaran

Staff present: City Manager Wes Hare; Economic Development Director Dick Ebbert; Urban Renewal Coordinator Kate Porsche; and Administrative Assistant Teresa Nix

Others present: Approximately 18 others in the audience

CALL TO ORDER

Chair Chris Norman called the meeting to order at 5:15 p.m.

APPROVAL OF THE SEPTEMBER 20, 2006, MINUTES

MOTION: Cordell Post moved to approve the September 20, 2006, minutes as presented. Ray Hilts seconded the motion, and it **passed** unanimously.

SCHEDULED BUSINESS

Business from the Public

Edward Schultz, 130 First Avenue SW, said he is an attorney representing Alfred Holman and Larry Heer. He said the CARA Advisory Board's decision to turn down their funding request came as a surprise to his clients and they would like the opportunity to explain more about the project, the timing of the work done, and to address any concerns. He said Heer and Holman first met with Economic Development Director Ebbert and CARA Downtown Building Revitalization Review Subcommittee representatives in May to begin the application process. His clients then provided additional information as requested and were led to believe the requested funding would be granted. He said his clients would like to hear more about how the process works and to discuss what can be done to improve communications. He acknowledged that this issue is not on the agenda and that a Board Member would need to raise the issue in order to discuss it further this evening.

In response to inquiries from the Board, Ebbert advised that the subject applicants have submitted two applications for assistance, one dated June 1, 2004, and one dated May 27, 2006, (copies of both are included in agenda packets). He drew attention to Condition 1 on the applications which reads: *Any physical improvements proposed must be approved by the City of Albany Landmarks Advisory Commission and the*

Central Albany Revitalization Area Agency (CARA), and may require approval by other entities. These entities may require certain changes or modifications before final approval and Commitment of Funds; and Condition 3 which reads: Any work begun before receipt of a Commitment of Funds notice is ineligible for reimbursement.

Ebbert invited Gordon Kirbey to comment, and Kirbey said Ebbert has stated the facts eloquently.

Schultz expressed concern about the apparent lack of an appeals process for CARA decisions, and he again requested an opportunity for his clients to address the Board. Chair Norman suggested that the applicants submit any information that would refute the facts on which the Board made its decision, as outlined in the September 20, 2006, meeting minutes. Schultz requested that a copy of those minutes be sent to him.

Staff Issues

Ebbert welcomed Urban Renewal Coordinator Kate Porsche, noting that she previously worked at Wachovia Bank and has had hands-on experience restoring houses in the Downtown District with her husband. In response to an inquiry from the Chair, Ebbert asked that questions from the Board related to downtown development be directed to Porsche; issues pertaining to the waterfront should continue to be directed to him at this time.

Ebbert reviewed discussion from the last meeting related to a request for additional funding from Chuck Swoboda, Oregon Furniture Mart. He invited Swoboda to update the Board.

Chuck Swoboda, 104 First Avenue SE, advised that the electrical, plumbing, and framing have been inspected; windows were recently installed; and preparations are now being made to sheetrock. He explained that additional funds are being requested due to unanticipated expenses related to seismic requirements, as well as for exterior improvements to bring the building back to its original look. In response to inquiries from the Board, he related engineering delays due to the engineering firm's staffing issues and noted that work could not go forward without the drawings.

In discussion, Jeff Christman stated that Swoboda has previously received \$42,500 in grants and \$82,500 in loans for a total of \$125,000. This request is for \$17,500 in grants and \$42,500 in loans, for a grand total of \$60,000 in grants and \$100,000 in loans, bringing the applicant to CARA maximums.

Hilt noted that it appears a lot of work has been accomplished at the site over the last several weeks, and several Board members expressed agreement.

MOTION: Post moved to recommend that funds be dispersed to Chuck Swoboda, Oregon Furniture Mart, in the amount of \$60,000 (\$17,500 grant and \$42,500 loan). Doug Killin seconded the motion, and it **passed** unanimously.

November 15 Meeting Date

Ebbert noted that the next CARA meeting is scheduled for November 15, 2006, and that a Council session is also scheduled for that night. He asked if the Board would like to reschedule. Killin said Council scheduled that session with full knowledge and the understanding that it would be in addition to the CARA meeting. Councilors at the table agreed and the November 15, 2006, meeting date will stand.

Discussion of “long-term” goals

Chair Norman noted that the Board had discussions about a year ago regarding long-term goals and that there was a consensus that dollars should be set aside for a large waterfront project. He noted that the RFQ resulted in only one response which may indicate that the timing was bad or possibly that Albany is not ready for a large scale waterfront development. He said he does not want to lose sight of the fact that current spending could impact CARA’s ability to fund a large scale project, even with the understanding that may be months or even years down the road.

Lisa Bartel stated that Chief Financial Officer Busbice has indicated to the CARA Finance Subcommittee that a fund balance of \$300,000 would provide the ability to borrow \$3 million. As long as Busbice continues to monitor the fund balance and bonding ability, funds should be available for a future large scale project. Killin added that, based on the financial statement provided, property tax revenues have increased over the last four years and he anticipates that they will continue to increase.

Norman said he wants to ensure that the Board has the tools needed to select the projects it wants to have on the waterfront; it is important to have a long-term goal and vision on which to base decisions about a large proposal or proposals that might be submitted.

Stella Reimers said CARA has already funded two studies and has developed a vision for the waterfront and for downtown. She said she thinks the Board has enough money, provided CFO Busbice keeps it on track; and she would like to continue to fund small projects as they come along. Norman clarified that he is not suggesting additional consulting work, but he feels it would be helpful if City staff had direction on what is desired for the waterfront rather than waiting for proposals to come in which may or may not fit in with the vision.

In response to inquiries from Reimers, Ebbert said Telos appears to have a genuine interest in a waterfront project; and the intent is to have another meeting in November with Telos and key property owners to further discuss ideas. City Manager Wes Hare advised that staff met last month with key property owners and with Telos, the sole respondent to the waterfront RFQ. He said all of the participants agreed that they would like to see a common theme develop, where all of the elements would work together. He said Telos has indicated that it will submit a development proposal which, hopefully, combined with all of the elements and participants, will result in significant redevelopment of the area. However, he does not anticipate that Telos will be the overarching developer. He said staff hopes to have more information following the November meeting. Killin asked if there was any preliminary discussion related to public parks, open space, green space, etc.; and Hare said all of the participants expressed support for these types of public amenities.

Kim Sass noted previous Committee work related to architecture and said she thinks downtown has a theme related to its historic nature. Hare acknowledged the work to develop architectural guidelines and stated that the developer may look for standards as opposed to guidelines. Ebbert briefly discussed property owner concerns related to the railroad. Brief discussion followed regarding the burned-out building, and Hare said the owners realize there is a cleanup issue; and the City will enforce its ordinances, if needed, to ensure it is cleaned up in a timely manner.

Ebbert advised that the City has been working on its Capital Improvement Program (CIP) for the upcoming five years. He noted that CARA currently has \$30,000,000 in unfunded projects within the CIP, and he said staff would appreciate direction regarding priorities. He noted that potential waterfront developers have expressed an interest in Water Avenue streetscape plans and that there has been discussion about streetscape on Second Avenue, as well as whether to fund qualifying projects within the CARA District such as the one on Jackson Street.

Kate Porsche stated that she is here to serve CARA's interests and wishes. In reviewing the CIP projects with her "fresh eyes," she said, the CIP list does seem somewhat removed from the direction CARA has indicated it wants to go. She said the overall CARA plan stipulates a five-year financial review, and this seems an opportune time to step back and look at the projects. The Chair suggested that CARA ask staff to take a look at the CIP projects, to consider what has taken place since the list was formed, and to make any suggestions. Porsche agreed to draft something for the group to consider and stated that she would be very open to any suggestions on what information would be most helpful.

Bartel suggested that information be provided about property tax values before and after completion of projects, in order to evaluate the benefits. Reimers said she would like to see the Carousel siting discussion move forward, noting that location uncertainty has negatively impacted fund-raising efforts. Ebbert acknowledged that the Carousel is part of the waterfront project and said the representatives of the Carousel project were invited to the meeting with Telos and property owners but did not attend. Wendy Kirbey spoke up from the audience and agreed to attend the November meeting.

Ralph Reid, Jr., said he would like to see Second Avenue streetscape move forward. Bessie Johnson agreed that Second Avenue streetscape and the Carousel siting should stay high on the radar.

Ebbert noted that it is important to fund projects which will bring in additional tax dollars in order to maximize the ability to do improvements which do not.

Committee Reports

CARA Downtown Building Revitalization Review Subcommittee

Kirbey said Brad Jordon has done a remarkable job on his project and has indicated that the three apartments in the upper level will be complete and rentable by the first of the year.

Kirbey provided an update on the Flinn and Ames Buildings. He said the restaurant and the areas that were most heavily damaged by fire and smoke are being cleaned up, but there is no firm commitment that the restaurant will reopen. Recent work includes painting on the exterior, repair to heating and air conditioning units, roof repairs, windows, and skylights. Owners are awaiting an engineering seismic plan. He said the work is moving along and looking good.

Kirbey briefly reported on a request from the building which includes Old Towne Café. He said the Committee has requested additional information, including specific bids and more detailed numbers, and anticipates bringing a recommendation to CARA at the next meeting.

Kirbey advised that Dr. Hughes has purchased downtown Tripp and Tripp properties, including the one at the corner of Second and Broadalbin. It is anticipated that Hughes will be coming to CARA for funding to help clean up fire damage at that site. He said he does not have any details at this time, nor any information related to insurance coverage. The Chair recognized **Rick Rogers, Executive Director, Albany Downtown Association**. Rogers said he has had conversations with Hughes and understands that he intends to have retail on the lower floor and office space for rent on the second floor. He said he understands that insurance did not cover the full expense of the fire damage, that Hughes is in the process of getting bids, and that he hopes to seek CARA assistance, probably in January.

Finance Subcommittee

Christman drew attention to the *Analysis of Developer Loans and the Building Redevelopment Grant/Loan Program* (Pages 24 through 26 in packets). He said as of September 30, 2006, there was \$16,210 available in the grant/loan program; the recommendation to disperse \$60,000 to Oregon Furniture Mart brings that to a

negative amount. He clarified that CARA has funds, and that at some point funds will need to be transferred to the grant/loan program.

The Chair noted a previous request that the Finance Subcommittee report be heard prior to the Downtown Building Revitalization Review Subcommittee report, and he asked that be done on the next agenda.

Christman referred to *CARA Agency Statement of Revenues and Expenses* distributed tonight and reviewed the recap of committed funds until tax revenues are received for tax year 2007 (November 2006), noting total estimated available cash through October 31, 2006, of \$164,051. In response to inquiries from the Board related to the amount and timing of additional funds to CARA, Hare clarified that CARA has budgeting authority based on projections; additional information on actual figures will be available at the end of the year. A brief discussion followed regarding the appropriate time to transfer funds to the grant/loan program to cover the recommended disbursements.

MOTION: Johnson moved to direct the Finance Subcommittee to review and make a recommendation related to transferring funds from the overall budget to the grant/loan program. Bartel seconded the motion, and it **passed** unanimously.

BUSINESS FROM THE BOARD

Bartel advised that she is resigning from CARA because her husband has accepted a job in Ogden, Utah. She thanked the Board for welcoming her and expressed regret that she has to leave earlier than she ever expected. Board members wished her the best.

Johnson expressed appreciation for the new downtown flag, and she asked who is maintaining it. Wendy Kirbey spoke from the audience advising that Rick Rogers is carefully maintaining and monitoring the flag.

Sass advised on streetscape improvements around the hospital which were done with help from the City and which will be similar to the downtown streetscape.

Hilts expressed appreciation for the improvements on First Avenue, noting that the area is looking very nice.

NEXT MEETING

The next meeting of the CARA Advisory Board is scheduled for Wednesday, November 15, 2006, at 5:15 p.m. in the Council Chambers.

ADJOURNMENT

Hearing no further business, Chair Norman adjourned the meeting at 6:49 p.m.

Submitted by,

Reviewed by,

Signature on File

Signature on File

Teresa Nix
Administrative Assistant

Dick Ebbert
Economic Development Director