



APPROVED: May 20, 2009

**CITY OF ALBANY**  
**Central Albany Revitalization Area Advisory Board**  
**City Hall Council Chambers, 333 Broadalbin Street SW**  
**Wednesday, April 15, 2009**

**MINUTES**

Advisory Board Members present: David Anderer, Jeff Christman, Loyd Henion, Bessie Johnson, Gordon Kirbey, Sharon Konopa, Dick Olsen, Cordell Post, Ralph Reid, Jr., and Kim Sass

Advisory Board Members absent: Bill Coburn, Floyd Collins, and Ray Kopczynski

Staff present: Finance Director Stewart Taylor, Transportation Systems Analyst Ron Irish, Urban Renewal Manager Kate Porsche, and Administrative Assistant Teresa Nix

Others present: Approximately six others in the audience

**CALL TO ORDER**

Chair Cordell Post called the meeting to order at 6:15 p.m.

Urban Renewal Manager Kate Porsche advised that Oscar Hult is the new Executive Director of the Albany Downtown Association (ADA) and that he has submitted his resignation from the CARA Advisory Board. Hult was present in the audience.

**MOTION:** Ralph Reid, Jr., moved to accept Oscar Hult's resignation from the CARA Advisory Board. David Anderer seconded the motion, and it **passed** unanimously.

**APPROVAL OF MINUTES**

March 18, 2009

**MOTION:** Reid moved to approve the March 18 meeting minutes as presented. Sharon Konopa seconded the motion, and it **passed** unanimously.

**SCHEDULED BUSINESS**

Business from the Public

None.

Ward Proposal on Smith Properties – 222 & 228 Third Avenue SE (\$40,000 and \$80,000 forgivable loans)

Porsche reviewed the request for two forgivable loans for work to be done on the Labor Temple Building and the adjacent vacant lot as detailed in the staff report. She recalled that Tim Smith has said that he is unable to complete the projects and that the CARA Advisory Board asked staff to attempt to find a partner who could. Don Ward, who was involved in the successful rehabilitation of the Main Street Cottages apartments, has submitted requests for two forgivable loans to assist with work on the properties (\$40,000 to help complete the Labor Temple Building and \$80,000 to help with construction costs for six townhomes on the adjacent lot for low-income, first-time homebuyers). Porsche noted that, if CARA approves this request, it would be necessary to release the lien to allow Mr. Ward to purchase the property. CARA could still try to recoup the

original \$250,000 loan amount from Mr. Smith personally. In consultation with the City Attorney, staff recommends approval of the request.

In discussion and in response to inquiries, Porsche provided the following additional information:

- The amount of the first lien on the property is about \$246,000. CARA holds the second lien in the amount of \$250,000. CARA could decide to buy the first lien and own the property, find a partner to complete development as proposed, or do nothing and hope that new owners will complete the project after foreclosure. The latter option would not allow CARA to have any input into the project.
- In discussions with staff, the City Attorney has indicated that he thinks it is important to send a message that there will be consequences when CARA funds are not used properly. The potential of pursuing repayment of the original \$250,000 loan on this property will come back to the CARA Board as a separate agenda item.

Randy Rosenblatt and Don Ward came forward. Rosenblatt said that he and Don Ward have been working together on community development projects in Albany and Corvallis for about four years, operating through a company called Albany Redevelopment LLC. He stated that their previous work on the Main Street Cottages was a first step to rehabilitating that entire area and that it would be a privilege to partner with the City to pursue a vision of affordable housing for first-time home buyers.

Dick Olsen noted that this location is within the historic district, and he asked for additional information on the proposed design. Ward stated that the intent is to utilize the plans that were submitted by Smith and approved by the City. Porsche offered to provide the design information upon request.

Jeff Christman asked how first-time ownership and income levels would be verified. Rosenblatt said that the developers would rely upon the lenders to screen applicants for the townhomes. Porsche said she would request copies of applications for the CARA files for due diligence.

In response to an inquiry from Kim Sass, Ward affirmed that the first purchasers would need to meet income and first-time homeowner thresholds. Owners would then be free to sell their properties to whoever they choose.

In discussion, the applicants reviewed potential green elements that may be incorporated into the new buildings and potential alternatives if an elevator is not found to be feasible.

Reid commended the applicants for their work on the Main Street Cottages. He said that he is comfortable with the proposal as presented.

**MOTION:** Reid moved to approve the proposal. Bessie Johnson seconded the motion, and it **passed** unanimously.

#### Monteith Historical Society Request – 518 Second Avenue SW (\$12,000 grant)

Porsche reviewed the request for a grant to pay for project work on the historic Monteith House as detailed in the staff report. She said that staff wholeheartedly recommends approval of the request.

Post noted that many volunteers have worked on this building over the years.

Oscar Hult came forward and reviewed work that needs to be done to the building, including siding prep, painting, porch repair, and floor reinforcement. He said the siding and painting work is needed to prevent additional damage to the back side of the house. A restoration expert has indicated that most of the siding can be saved.

Johnson spoke in support of the request. She said that the house is a jewel worth saving and that the volunteer hours that have been donated are priceless.

**MOTION:** Johnson moved to grant the request. Anderer seconded the motion.

Olsen asked for additional information about the floor reinforcement. Hult said that a structural engineer has examined the building and indicated that the floor will not fail. However, it is unnerving to be in the upper room when several people are walking around. The concern is the comfort level of visitors to the house. The historical significance of the building will not be jeopardized.

In response to an inquiry from Reid, Porsche said that the applicants did submit a budget sheet which she will make available to any Board member upon request.

The motion **passed** unanimously.

#### Brown Request – 240 First Avenue West (\$70,000 matching grant)

Porsche reviewed the request for a grant to help pay for work that needs to be done before opening an upscale martini lounge in the building at 240 First Avenue W. She drew attention to a letter in support from Thad Olivetti, the owner of the building. She reviewed the staff recommendation for approval of the request, as detailed in the staff report.

Michael Brown, 780 Scenic Drive NW, introduced himself and his son Lane. He reviewed plans to open an upscale martini lounge with appetizers and a small dinner menu. The outside of the subject building has been rehabilitated, but the inside needs significant work. Brown said that he has been in construction for 28 years and that he will be doing most of the work. His son will run the business. He noted that the next agenda item is a staff request that would allow for outdoor seating in nice weather. Brown briefly reviewed his vision for the business and stated that CARA's help is needed to do the project right.

In discussion and in response to inquiries from the Board, Brown added that:

- He feels that video poker would downgrade the establishment. There will be no video poker in the martini lounge.
- He plans for the décor to complement the outside of the building. He has a photo of the building from the 1900s which he intends to enlarge and display.
- The lounge will probably be open from 3:00 p.m. to 10:00 p.m. on weekdays with extended hours on weekends. If there is a demand, he would consider the possibility of being open at lunch time. The menu will be small but very good and affordable.
- Lane Brown has several years of bartending experience. Michael Brown and his wife have run Sierra Construction for 22 years. This combination of experience and a detailed business plan will help to ensure a successful business.
- Local workers will be hired to do the work on the building.
- Additional seating is needed to make the project successful – either outdoor seating or a variance to allow additional seating inside.
- The business owners anticipate being very involved in Downtown Albany.

In response to an inquiry from Christman, Porsche acknowledged that some of the items listed in the application are not permanent fixtures and that the total project value listed should be closer to \$185,000. She affirmed that CARA funds would be used only for fixtures that would remain with the building.

Post spoke in support of the request. He said that he knows from experience that Brown does nice work and he has no doubt that he will do a good job on this building.

**MOTION:** Gordon Kirbey moved to approve the request. The motion was seconded, and it **passed** unanimously.

## Staff Suggestion for Public Improvement Work – Broadalbin Street from First Avenue to the Alley

Porsche reviewed the staff proposal for a mini-streetscape project on Broadalbin. She said that the curb, sidewalk, and gutter are in bad condition and that the martini lounge proposed for the site would like to make use of the space for additional seating during good weather. The area could also be used throughout the year for staging of Downtown Albany events. Following a site visit and staff discussions, Transportation Systems Analyst Ron Irish came up with the proposed layout as detailed in the staff report. She read a letter in support of the proposal from Community Development Director Greg Byrne. Building owner Thad Olivetti has also expressed support. If the CARA Advisory Board is willing to consider the plaza concept, staff would recommend that the Landmarks Advisory Commission act in an advisory capacity for the project.

Transportation Systems Analyst Ron Irish provided additional information on the alternative concept as detailed in the staff report and offered to answer questions. He noted that the concept would not result in the loss of parking, but the travel aisle widths would narrow slightly. Brief discussion followed.

Christman asked if anyone had sought input from the merchants on Second Avenue. Porsche said that has not been done; either she or Hult could have that conversation if the Board so directs. She noted that the proposed improvements would be beneficial to Downtown Albany as a whole.

In response to inquiries from Johnson, Porsche said that the tables and chairs would belong to the business owners and would likely be moved inside each night. Irish added that a permitting process could involve any requirements that the City wishes, including the ability to use the space for other events. Details of the permit would be up to the City Council.

Reid noted that the drawing only shows one tree. Porsche responded that the drawing is a quick sketch to show the concept. She would propose that the space include at least the number of trees that are there currently, if not more. In response to further inquiry from Reid, Irish said that the proposal would provide more than the amount of unobstructed pathway required by the ADA. Brief discussion followed.

**MOTION:** Reid moved to approve up to \$45,000 for the proposed improvements to include at least as many trees as currently exist at that location. The motion was seconded, and it **passed** unanimously.

## Staff Updates and Issues

Porsche advised that the partners who are working on the JC Penney building are restructuring their partnership and that Mr. Rebel has requested to be removed as one of the personal guarantors. The current CARA contract binds all three partners. In response to an inquiry, Porsche said that the City Attorney cannot make a recommendation because his firm represents Mr. Rebel on other matters. Post stated that a financial institution would not release a guarantor without reevaluating the entire project. Christman agreed and expressed concern about making a decision without a more detailed report and without seeking legal advice if needed. Porsche agreed to present a full staff report for consideration.

Porsche reported that installation of the Second Avenue streetscape furnishings is well underway.

## **BUSINESS FROM THE BOARD**

Johnson said she would like to recommend the appointment of Rich Catlin to the CARA Advisory Board in the position vacated by Oscar Hult. She noted that Mr. Catlin's wife is on the City staff; she has been advised that there is no legal conflict of interest.

**MOTION:** Konopa moved to appoint Rich Catlin to the CARA Advisory Board. Henion seconded the motion, and it **passed** unanimously.

NEXT MEETING DATE

The next meeting of the CARA Advisory Board will be held on Wednesday, May 20, 2009, at 5:15 p.m. in the Council Chambers.

ADJOURNMENT

Hearing no further business, Chair Post adjourned the meeting at 8:00 p.m.

Submitted by,

Reviewed by,

*Signature on File*

*Signature on File*

Teresa Nix  
Administrative Assistant

Kate Porsche  
Urban Renewal Manager