



APPROVED: October 21, 2009

CITY OF ALBANY
Central Albany Revitalization Area Advisory Board
Council Chambers, 333 Broadalbin Street SW
Wednesday, September 16, 2009

MINUTES

Advisory Board Members present: David Anderer, Rich Catlin, Jeff Christman, Bill Coburn, Floyd Collins, Loyd Henion, Bessie Johnson, Gordon Kirbey, Sharon Konopa, Ray Kopczynski, Dick Olsen, Cordell Post, and Kim Sass

Advisory Board Members absent: Ralph Reid, Jr. (unexcused)

Staff present: Community Development Director Greg Byrne, Finance Director Stewart Taylor, Parks & Recreation Director Ed Hodney, Urban Renewal Manager Kate Porsche, Building Official Melanie Adams, and Administrative Assistant Teresa Nix

Others present: Approximately 14 others in the audience

CALL TO ORDER

Chair Cordell Post called the meeting to order at 5:15 p.m.

APPROVAL OF MINUTES

August 19, 2009

MOTION: It was moved, seconded, and **passed** unanimously to approve the August 19 minutes.

SCHEDULED BUSINESS

Business from the Public

There was no business from the public.

Broadalbin Promenade Design Costs

Urban Renewal Manager Kate Porsche reviewed the request for \$12,688 to begin design work for the Broadalbin Promenade pilot project, as detailed in the written staff report. In response to inquiries from the Board, she said that the goal is to present a final draft to the CARA Advisory Board for approval by the end of the year, to put the project out for bid in February, and to begin work as soon as possible next spring.

Jeff Christman said that he had understood the design work was further along; it is very important that construction be completed early next year since the downtown area is heavily used in the spring and summer. Porsche said that George Crandall's firm has completed the overarching design; the next phase is to finalize the details. Brief discussion followed.

MOTION: Ray Kopczynski moved to approve the request. Bessie Johnson seconded the motion, and it **passed** unanimously.

Manley Request to Reallocate Funds for Flinn Mall Consolidation

Porsche drew attention to the staff report and reviewed Marc Manley's proposal that he have the option to reallocate \$25,000, slated for costs related to a commercial hood, to consolidation of the Flinn Block indoor mall into two large retail stores.

Gordon Kirbey said that there are currently vacant retail spaces downtown; he questioned whether there is a need to add two additional large retail spaces to the inventory.

Marc Manley, 222 First Avenue West, came forward. He expressed appreciation for the successful partnership he has with CARA. He explained that substantial work has been completed toward making Flinn Block West restaurant ready, but there are now several new downtown restaurants. He said that the Flinn Block Mall currently has small units that are not well positioned for long-term retail; larger spaces coupled with street visibility appear to be what retailers need to be successful. Brief discussion followed.

MOTION: Johnson moved to approve the request. Kopczynski seconded the motion, and it **passed** unanimously.

Grant Request: \$42,506, Papa Murphy's

Porsche reviewed the request from Mark and Beth Hamlin for \$42,506 to assist with the construction of a new building for their business, Papa Murphy's. Finance Director Stewart Taylor has recommended that any commitment of funds be made contingent upon closing of the new CARA loan; the applicants understand that any funds committed for this project would not be available until early 2010. Porsche noted that the property has been tax-exempt; CARA's return on investment would occur in only 4.5 years.

Mark Hamlin, 548 Pacific Boulevard SW, came forward. He stated that the requested funds would be used for several unexpected items that have driven up the cost of this project, including asbestos abatement from the existing structure, relocation of a power pole, excavation of the parking lot and alley, and new construction of the alley.

Kim Sass suggested that the company get involved in the Albany Chamber of Commerce or the Albany Downtown Association. Hamlin noted that Papa Murphy's has done a lot of good work in the community. Kopczynski said that several plaques displayed at Papa Murphy's indicate support of local groups.

Bill Coburn asked about any plans to hire additional employees at the new facility. Hamlin said that he plans to increase business by 20 percent and expects to hire five to seven new employees.

David Anderer asked whether consideration would be given to sustainable building practices. Hamlin said that he is limited by franchise requirements; however, Papa Murphy's is a very efficient business, and there will be energy savings associated with new lighting, electrical systems, and a more efficient refrigeration system.

In response to inquiries from the Board, Community Development Director Greg Byrne said that it is typical that removal of the power pole and improvement of the alley would be the developer's responsibility. Brief discussion followed.

MOTION: Christman moved to approve the request contingent upon the closing of the next CARA loan. The motion was seconded, and it **passed** unanimously.

CARA Blight Elimination Program Update

Building Official Melanie Adams gave an update on the CARA Blight Reduction Initiative (Salem/Harrison Neighborhood). Initial objectives were to connect with the neighborhood, establish a neighborhood vision and prioritize goals, and create focus groups to target projects that enhance and protect neighborhood values and assets. Focus groups were created to address landscape and gardening, political voice, maintenance and

painting, Code compliance, and junk and trash. Adams showed photos of projects that have occurred in the neighborhood and reviewed potential future projects. May 16 "Big Pickup" was a successful event that involved many volunteers. Efforts are underway to identify properties that may require targeted code compliance and that a solution for Woodland Park is moving forward.

Adams briefly reviewed the request for funds for a community garden. She said that goals of the project include bringing people to the waterfront, providing an amenity for future residential development at the RCM site, and providing a neighborhood gathering site/community center. She showed photographs of community gardens in Corvallis and reviewed the proposed garden plan and fencing options.

Proposal for Blight Elimination Project – Community Garden

Porsche drew attention to the written staff report. She noted that CARA previously approved \$50,000 for project work within the east side area of CARA. This request is to use \$20,000 of those funds for hard costs associated with the community garden.

MOTION: Kirbey moved to approve the request. Anderer seconded the motion.

Jeff Christman noted that the original request came forward due to a budget shortfall for Code Compliance staff. He expressed concern about authorizing \$20,000 of a \$50,000 budget for this project when many other areas need help in the area of blight elimination. Brief discussion followed. Porsche clarified that CARA allocated \$50,000 for Code Compliance staff costs and an additional \$50,000 for project work; the idea for a community garden came from a process with the neighborhood to identify project work that would drive change.

Anderer said that he feels community gardens can contribute to the quality of a community, encourage volunteer work, and become an integral part of the city. He noted that many of the volunteers who have been working on this project are present in the audience. He led a round of applause for their efforts.

The motion **passed** by a vote of 12 to 1, with Christman voting no.

Recess and Reconvene

After a brief recess, Chair Post reconvened the meeting.

CARA Overview and Discussion

Porsche recalled that background information was provided at a previous meeting. She gave a PowerPoint presentation that included the following information:

Additional background information: Porsche showed graphics showing CARA tax increment, the amount that assessed values within the CARA boundary have grown, projected vs. actual assessed value, and projected vs. actual borrowing. Regarding the ratio of public to private funds on projects, CARA has invested about \$8 million in partnerships to date; about \$65 million in private money has been invested. This does not include public projects like the streetscape.

What other urban renewal districts are doing: As part of a research project, Intern Michael Campbell has reached out to six urban renewal districts in Oregon: Portland, Salem, Medford, Bend, Tigard, and Keizer. The majority of funding in these districts has been used for public projects and nonprofit partnerships for low-income and senior housing. The current economic situation has resulted in developer financing issues. Portland is the only urban renewal district employing a system to evaluate proposed projects. Porsche showed graphics regarding public projects vs. private projects. She summarized information from Gregoor Passchier's work related to urban renewal as a tool for historic preservation, as well as information and recommendations from the Lakota Group report. She then summarized information from last year's CARA Advisory Board survey regarding future project direction.

Public vs. private project spending: Porsche reviewed strengths and weaknesses of public project spending vs. private project spending. Public projects provide benefits to the community at large, have high visibility, and align with previous research and recommendations. Public projects do not provide direct tax increment revenue, can divert focus from private projects and historic preservation, and provide minimal impact on job creation and business retention. Private projects provide benefits in the way of tax increment, private investment, attracting new businesses, and contributing to historic preservation. Private project funding minimizes progress on Albany and CARA plans and risks public perception that private enterprise wins and that these projects would occur even without CARA funding.

Recommendations or things to think about: Staff recommends that consideration be given to a combination of public and private project spending. This capitalizes on the strengths of both types of projects, allows for the potential for cost sharing with private enterprise, addresses existing private project commitments, and aligns with recommendations by the Lakota Group and George Crandall. Staff recommends that overarching goals moving forward include establishing a project/spending plan for \$4 million over approximately three to four years, creating success measurement benchmarks, and ensuring that the CARA renewal plan is central to the planning process. Projects could include the Broadalbin Promenade from Second Avenue to Water Street, the Albany Square, the Water Avenue intersection, and beginning the legwork for the Canal Esplanade.

Porsche suggested that the CARA Advisory Board hold a public open house in October to include a presentation of projects completed thus far, seek public input regarding CARA's direction, and provide information about the Broadalbin Promenade. The Board use data from the open house and information from a web based survey as it begins discussing projects and policy in November. The new line of credit is expected to close in December or January.

In discussion, Board members made the following points:

Floyd Collins said that he would like additional information about income and expenditures; he thinks it is important to know how the money has been spent, how it was planned to be spent, and if there has been a shift from the original plan. While he likes the idea of the canal esplanade, he understands that this will take a lot of water fund money and will not be done for several years. Porsche said that her recommendation is just to start mapping out the canal esplanade.

Post commented that it has always been hard for people to get loans to fix up the historic downtown buildings; it is now even harder to get conventional financing.

Kopczynski said that he would like for CARA to help more individual historical homes in the district like the Baker Street house. This can create a domino effect for improvements in the area.

Collins suggested that placards with CARA information be included in every project that CARA helps to fund.

Kirbey referred to staff comments about perceptions around private project funding and the possibility that those projects would be done anyway. He noted that very few serious renovations were done prior to formation of the urban renewal district. Post said that it is clear the effect that CARA money has had when walking down First Avenue.

Sharon Konopa said that it is important the Broadalbin Promenade is done right and that it is something to be proud of. Porsche said the projected \$250,000 per block for the Promenade is an educated estimate from Public Works staff.

Kirbey initiated discussion about the RCM project. Porsche reviewed staff conversations with RCM around market impacts on financing and condo sales and a possible new design for the site which includes simple townhomes and single-family cottages. RCM may request that CARA take over the first lien on the property until the construction loan is in place. A proposal will likely come forward next month.

Christman said that it is getting to the point in CARA's maturity that it may be good to identify target properties, probably in the downtown corridor, and see what is holding them back from redevelopment.

In response to an inquiry from Dick Olsen, Porsche agreed to check with Oscar Hult to see how Second Avenue business owners are feeling now that the street accoutrements have been installed.

Staff Updates and Issues

There were no additional staff updates or issues.

BUSINESS FROM THE BOARD

There was no business from the Board.

NEXT MEETING DATE

The next regular meeting of the CARA Advisory Board will be held on Wednesday, October 21, 2009, at 5:15 p.m., in the Council Chambers.

ADJOURNMENT

Hearing no further business, Chair Post adjourned the meeting at 7:35 p.m.

Submitted by,



Teresa Nix
Administrative Assistant

Reviewed by,

Kate Porsche
Urban Renewal Manager