



APPROVED: November 18, 2009

CITY OF ALBANY
Central Albany Revitalization Area Advisory Board
Council Chambers, 333 Broadalbin Street SW
Wednesday, October 21, 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, Ralph Reid, Jr., and Kim Sass

Advisory Board Members absent: Cordell Post (excused)

Staff present: City Manager Wes Hare, City Attorney Jim Delapoer, Community Development Director Ed Byrne, Finance Director Stewart Taylor, Parks and Recreation Director Ed Hodney, Urban Renewal Manager Kate Porsche, and Administrative Assistant Teresa Nix

Others present: Approximately ten others in the audience

CALL TO ORDER

Vice Chair Jeff Christman called the meeting to order at 5:15 p.m.

APPROVAL OF MINUTES

September 16, 2009

MOTION: Ray Kopczynski moved to approve the September 16 minutes. Ralph Reid, Jr., seconded the motion, and it **passed** unanimously.

SCHEDULED BUSINESS

Business from the Public

There was no business from the public.

Eaton Contract Extension

Urban Renewal Manager Kate Porsche reviewed the request from Jacho and Emma Eaton for a one-year extension to their CARA Forgivable Loan contract as detailed in the written staff report. Staff supports the request.

MOTION: Bessie Johnson moved to grant the one-year extension as requested. Kim Sass seconded the motion.

Christman said that the Eaton's original request came forward as part of a package of residential funding requests in August 2008. He voted against the motion to approve those requests and, to be consistent, he will vote against the extension.

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

Albany Redevelopment, LLC, Request to Change Reimbursement Processing Policy

City Attorney Jim Delapoer advised that he received an e-mail correspondence from Randy Rosenblatt today in which he indicated that Albany Redevelopment, LLC, is withdrawing this request.

RCM Request to Restructure Grant

Porsche reviewed background information as detailed in the written staff report. RCM Homes was originally granted a total of \$2.4 million; \$900,000 has been disbursed for work related to site cleanup. RCM Homes has requested that CARA restructure funding for the remaining \$1.5 million in a way that will create a better partnership and a stronger security interest for CARA. The proposal is to use the funds to pay off mortgages on the property and to have CARA take over as first lien-holder. The funding would be in the form of a forgivable loan with repayment for each phase to be forgiven as it is completed. Staff recommends approval of the request.

Delapoer said that staff is aware that this has been a hard climate for development and sales of condominiums and townhomes. This proposal would assist in keeping the project on track and give CARA a greater measure of control over what is built on the site. If approved, the City would enter into a contract under which CARA would subordinate not more than 25 percent of the project at a time to the construction lender.

Sass asked if the CARA Board would have input into which phase would develop first. Delapoer said the City will work with RCM Homes on how the project will be phased. It is likely that the most desirable lots will be the first to be developed in order to build momentum.

Rich Catlin asked if a recent appraisal has been done on the property. Delapoer said no; he noted that staff is not proposing to increase the amount of money that CARA previously agreed to put at risk for this project.

In response to an inquiry from David Anderer, Delapoer said that he does not recall a precedent for this type of request in Albany; however, other communities are providing this type of funding. Staff is seeing a decline in property values, and this proposal is an attempt to help the project go forward.

Kopczynski said that this would be alien to what CARA has done in the past. He expressed concern about CARA owning the property if the market does not come around. Delapoer noted that the proposed structure would provide more security than the current contract with RCM Homes.

City Manager Wes Hare related an experience he had in another community in which the urban renewal district purchased a burned-out property and offered it to the developer that presented the best redevelopment proposal. The end result was a privately owned, beautiful building which is generating tax revenue. Porsche added that, based on her conversations with representatives of other communities, it is common for urban renewal agencies to purchase properties in order to facilitate redevelopment.

Floyd Collins asked if it would be appropriate to condition approval upon staff confirming the value of the property and the creditworthiness of the owner. Delapoer said that would be appropriate if this was a first-time applicant. In this case, CARA has already approved expenditure of the amount requested and it would be difficult to determine the creditworthiness of the owner.

In response to an inquiry from Loyd Henion, Delapoer said that the recommendation seemed to be a reasonable way to make certain that CARA does not subordinate more than 25 percent at any one time. It may be possible to stipulate increments of less than 25 percent. If this is desired, he would encourage the Board to discuss the possibility with the applicant.

Johnson said that CARA has already invested a lot in this project and it is important to keep it going. She suggested that Porsche call the County Assessor's office to determine the assessed value of the property since the information on the Web site is part of an old system and may not be accurate. Brief discussion followed.

Randy Meyers and Tara Jacobi, Brownstone Homes, Portland, Oregon, came forward. Jacobi showed photos and graphics and reviewed key features and amenities of Brownstone Homes' communities in the Portland area. Meyers reviewed the process of project design and development of these communities. He reviewed the original plan for the RCM Homes' development, as well as the proposed changes. He said that he has been working closely with staff and feels that the result is a great partnership, a well thought-out plan and a good design.

Anderer asked for examples of environmentally thoughtful building practices. Jacobi reviewed the company's concept of embracing the land and natural space and creating something that is friendly to the environment as well as to people.

Porsche stated that this request comes from strong builders who build quality products, that RCM Homes has worked with staff to refine the project in the face of unavoidable delays and that the request is to restructure funding in the amount that was previously approved. The restructured funding would provide improved security to CARA and staff feels that the refined project will yield a better match for this part of the community.

MOTION: Johnson moved to restructure the funding for RCM Homes as per the staff recommendation. Anderer seconded the motion.

Catlin asked if there is a mechanism in place to ensure that the City has design approval. Delapoer said the CARA Board could either leave design approval to staff or require that the design receive Agency approval.

MOTION TO AMEND: Catlin moved to amend the motion to include a requirement for design approval by the Community Development Director and Urban Renewal Manager with assistance from George Crandall if needed. Johnson seconded the motion.

Dick Olsen said that he would like to ensure that the project reflects the historic nature of this part of town.

Catlin expressed concern about the financial aspects of the proposal, noting that it may be a long time before this site has a value equal to the \$2.4 million that CARA will have into it. Christman noted that CARA has already committed the \$2.4 million; approval of this request would restructure that previously approved funding. Brief discussion followed.

The motion to amend **passed** unanimously.

The amended motion **passed** unanimously.

Consider Elimination of Small Grant Subcommittee

Porsche briefly reviewed the recommendation as detailed in the written staff report.

MOTION: Kopczynski moved to eliminate the CARA Small Grant Subcommittee and to review small grant requests at the Board level. Reid seconded the motion, and it **passed** unanimously.

Final Broadalbin Design

Porsche briefly reviewed efforts of the work group and architect George Crandall which have resulted in a final design proposal for Broadalbin Street.

George Crandall gave a PowerPoint presentation on the Broadalbin Street Design Plan, including a history of the process and the ultimate request to consider a design for Broadalbin Street from the riverfront to the Courthouse. He showed the proposed scheme which, he said, is simple and straightforward and should endure over time. He reviewed features of the proposed plan, including sidewalks, traffic lanes, parking, and landscape strips. He pointed out proposed locations and examples of street lighting, street trees, tree wells,

planter pots, planter beds, sidewalk pavers, granite blocks, benches, bicycle racks, and trash receptacles. He reviewed the proposed outdoor seating locations and configurations. He noted that details of the design are available in a written document.

Porsche said that staff is seeking approval to move forward and work out the details. A cost rundown will be presented and final approval will be requested at a future CARA Board meeting, probably in November or December.

MOTION: Kopczynski moved to approve the preliminary plan and authorize staff to move forward on finalizing the design details and costs. Anderer seconded the motion.

In response to inquiries, Porsche said that the lights, benches, and trash receptacles will be the same as those used on First Avenue. She said that she will make the written document referred to by Crandall available to Board members upon request.

The motion **passed** unanimously.

Staff Updates and Issues

Willamette Community Bank CARA Loan Repayment

Porsche drew attention to a letter from Willamette Community Bank President Dave Wood, distributed in packets. She advised that Willamette Community Bank has repaid its loan to CARA in full, six years ahead of schedule.

BOLI Determination Regarding the Wheelhouse Project

Porsche drew attention to a letter from Oregon Bureau of Labor and Industries (BOLI), responding to a request from City Attorney Delapoer. The determination from BOLI is that the Prevailing Wage Rate laws will not apply to the Wheelhouse project. The Prevailing Wage Rate laws will apply to the intersection work which is scheduled for completion by November 12.

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, November 18, 2009, at 5:15 p.m., in the Council Chambers.

ADJOURNMENT

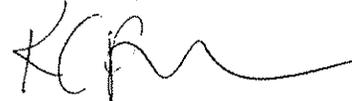
Hearing no further business, Vice Chair Christman adjourned the meeting at 6:50 p.m.

Submitted by,



Teresa Nix
Administrative Assistant

Reviewed by,



Kate Porsche
Urban Renewal Manager