

**Mayor's Business Ready Task Force Minutes**  
**September 11, 2012**  
**2:00 – 5:00 PM Municipal Court Room**  
**Albany City Hall, 333 Broadalbin St. SW, Albany**

---

Members: Sharon Konopa, Jeff Christman, Oscar Hult, Arthur Meeker, Jessica Pankratz, John Pascone, Dave Reece, Ron Reimers, Rob Richards, Dala Rouse, Mark Spence, Janet Steele

Staff: Wes Hare, Heather Hansen, Tari Hayes, Anne Catlin, David Martineau

---

1. Approval of Minutes

1. July 31
2. August 14

Hult made motion to accept both sets, Reimers seconded, motion passed unanimously.

2. Business from the Public

Rich Kellum, 4085 E Commercial Way SE – attended the open house on September 6, 2012 and suggested some wording changes that he feels would give Albany a more positive reputation for dealing with businesses and residents. Rouse asked if the Albany Development Code (ADC) should say what can be done rather than what can't. Kellum gave additional examples for clarification.

3. Discussion of Remaining Items on the Business Ready Task Force *Issue Matrix*

**A. Infill and Redevelopment – Commercial & Industrial (Martineau)**

In reviewing the ADC, Martineau discovered much of it governs residential rather than industrial. The group discussed the definition of infill. Albany's infill development standards are primarily aimed at residential developments to ensure compatibility with surrounding pre-existing development. The Code does not explicitly address infill of commercial or industrial property. Creation of a "positive infill strategy" is recommended to encourage desirable infill development.

The group suggested that a representative from the Central Albany Revitalization Agency (CARA) attend preapplication meetings, providing additional support to start ups. (It is current practice to include a representative to all relevant preapplication meetings.)

The taskforce shared examples of commercial infill issues and agreed that incentives are good, but without imposing additional standards, understanding that some incentives may be regulated by state law.

Rouse could see relaxing the code in some areas, such as when the requirements are more for a new commercial project than what was required for a neighboring (landscape, setbacks, etc.)

Residential infill is covered well in the code, although too limited in Village Center zones. Since residential developments helps support commercial development, the City should encourage high density residential infill, both horizontally and vertically, in all Village Center zones. Reece asked if there was a minimum lot size, there isn't.

Staff will bring back additional definition and clarity on infill standards.

#### **B. Incentives for Adaptive Reuse (Catlin)**

Catlin went over some of the existing incentives for adaptive reuse downtown and city wide. These include development code tools such as mixed use zoning, density waivers and transfers, reduced parking/loading requirements and system development charges (SDC) credits.

At state and federal levels, some incentives include rehabilitation tax credits, new market and low-income tax credits, as well as special assessment of historic properties and the Vertical Housing Zone program. Local and other incentives include Urban Renewal Funding and Historic Preservation easements. The Energy Trust of Oregon has commercial and industrial incentives for qualified energy-efficient improvements.

Some additional incentives to consider could be multi-family open space & recreation standards exemptions. Variances would no longer be needed and would save costs and time for applicants and the city, easier for new construction compatibility. Using a site plan checklist for uses allowed in the downtown zones that currently require a site plan review will reduce review time and cost.

Some financial incentives for consideration include tax abatement or tax rebates based on improvement value. This could be offered city wide, however participation may limit the amount of CARA funding a project might be eligible to receive if it is in the CARA district. Hare would prefer the City not get into abatements for commercial projects. Hare did mention enterprise zoning as an additional incentive.

Rouse suggested that these incentives be for a limited period of time and that a booklet be put together with a list of the incentives. Pascone confirmed that there may be small business loans available.

Hansen noted that there are specific areas of town that aren't developing. The City could determine what their specific issues are and possible package smaller proposals for them.

Konopa would like to see examples of the suggested incentives as noted on page 2 of the incentive spreadsheet, in particular, specific proposals for multi-family requirements for downtown.

The group discussed the derelict ARCO station located on Pacific Boulevard near K-mart. City Council has requested the City attorney pursue resolutions for cleaning up the property. Reece worked with a client a few years back to write 3 or 4 proposals to ARCO for the property. The holdup seemed to be logistics and ownership issues, as well as possible code violations.

### **C. Increasing Allowances for Signs (Catlin)**

The taskforce identified some areas that sign code needs clarification. Staff would like to schedule a complete review of the sign standards, hopefully within the next year as time and budgets allow. For now, there are some standards that need to be amended or clarified in order to allow adequate signage for businesses.

1. The allowance for the total number of signs in commercial and industrial zones should be per business, currently it's per property, which is limiting and inconsistent with other standards.
2. The City is proposing cleaner wall sign standards for businesses within integrated centers. This will be helpful to businesses that do not have street or parking lot frontage which is how the current formula is reached.
3. Staff is proposing a formula to allow for interior businesses to have wall signs in commercial and industrial areas, which are often left without enough "remaining signage area," for a readable sign.
4. Although the city recently improved temporary sign standards and streamlined the permitting process and fees, staff is proposing an increase to 90 for the number of days per calendar year a temporary sign can be displayed.

Meeker noted that A-frame signs are regulated differently downtown, causing a separation between downtown and the rest of the community. Most businesses are not paying attention to the time frame, since enforcement is sporadic. He feels a better tool might be for a brochure listing the City requirements that he could hand out to his customers. Banners are easily affordable, especially in this economy and limiting them to 60 or 90 days stifles business. Rather, maybe the City should have more clear standards and allow them for 12 months with the requirement that the sign(s) need to be permanent within a year. Konopa liked the 12 month suggestion.

Rouse suggested a review of the A-frame rules. Hansen noted that A-frames are a bit different than other signs, in that they advertise the business (daily specials), and seem to be more permanent.

Meeker agreed to sit down with staff and come up with some draft standards, simple things to improve upon before a larger review of the code.

Hansen suggested that this committee participate when it's time to review the sign code in its entirety. They agreed.

#### **D. Tree Cutting on Undeveloped Industrial Properties (Hansen)**

City staff, along with the City Tree Commission, is revamping the entire code. For now Hansen is suggesting a small change that would allow the Director, in consultation with the City Arborist, to grant an exception to any of the tree cutting standards for undeveloped industrial properties. The existing standards are subjective, but they provide little flexibility to account for the unique needs of industrial development. This is especially true if tree removal is requested independent of plan review.

Hare shared the OR Freeze Dry as an example. Spence asked why they would need to cut the trees down if they didn't have a development plan. Pascone stated it was because they wanted to do pre-development, and the plan wasn't ready.

Rouse asked if the City should consider the type of trees in removal. This is already determined by the City arborist.

Hansen pointed out that this can also give them mitigation options (replant/replace, etc).

#### **E. Planning Fees for Concurrent Applications (Hansen)**

A task force member asked about capping fees on larger projects. The Building Division budget is 100% fee-based, and they are already struggling. The Planning fees don't come close to recovering the actual cost, but the Division is supported by the General Fund. Hare agreed that the cost recovery percentage is very small.

Other than a few exceptions (natural resource overlays), there are no "discounts" for multiple applications submitted concurrently. The cities of Corvallis and Lebanon have such discounts. The taskforce could propose to charge the higher application fee, and then discount the remaining application fees by 25%-50%. This makes sense, especially in cases that could be combined, one hearing, one notice, etc.

Reece asked if the City was comparable for staff levels per capita staff in Community Development (CD). The CD is comparable to other agencies its size.

Hansen will complete a 3 year analysis on what 25% and 50% discounts would amount to.

**F. Landscaping Requirements (Hansen)**

This will be part of a larger discussion as Public Works revises their standards for on-site storm water in the coming months. Staff recommends waiting until that time, rather than having to revise then undo the landscaping revisions. The group agreed.

**G. Commercial Uses in Vacant Industrial Buildings (Hansen)**

Staff added this issue, having had many request for commercial uses in vacant industrial buildings. Staff would like more flexibility during the economic downturn. The city is responsible to maintain an adequate supply of land for economic development through Statewide Planning Goal 9 – Economic Development, which is implemented through our development code. If industrial land is used for commercial purposes it's no longer available for industrial purposes. BUT, there are other ways of writing codes to enable more flexibility while maintaining an adequate supply of industrial land. Staff talked with Tom Hogue of Department of Land Conservation and Development (DLCD) and he is willing to assist Albany in a revamp of the code. The City would be the first in the State to provide the level of flexibility being discussed. A complete revamp of the code will take at least a year and will require technical assistance funds. In the meantime, The City could allow some commercial uses in industrial zones on a "temporary" basis – maybe up to 3 years with potential for annual renewal – through the conditional use process.

Reece pointed out that the City would need to review the inventory regularly to make sure it's not bumping up against the Goal 9 inventory. Rouse asked if 3 years was enough and suggested 5 years; the others concurred.

The group discussed tying the use to the length of lease. Pascone shared that usually a commercial lease is shorter term. Chances are the lease would time out or the owner would buy out if something bigger came in.

Hansen said rezoning is also an option. Temporary users need to know that the approval is short term.

**H. Upkeep of Abandoned Buildings (Hansen)**

The City doesn't currently have a way of addressing the upkeep of derelict buildings other than through the dangerous buildings section of the Albany Municipal Code. That section is limited to health and safety issues. There are some abandoned commercial properties throughout the city that are run down. They are often in key visible locations in the City. They degrade the overall image of the city as well as the values of adjacent real estate.

Our City Attorney proposes a "carrot and stick" approach. The "carrot" would be a loan fund created to front the money for demolition of the derelict commercial buildings, which

would be repaid at the time of sale. The "stick" would be to deem properties that have lost their nonconforming status a public nuisance (*NOTE: we are proposing to return nonconforming status to all properties, then restart the clock on January 1, 2013*), then give the property owner a year to either bring the site into conformance or to demolish the building. In egregious cases, the City could file an injunction in circuit court, and the judge would determine what the property owner would need to do to abate the nuisance and when.

Clearer definitions are needed for "egregious" and "derelict".

Reece would like to see mowing standards. While the code is based on actual fire danger and not esthetics, he supports a policy of sending a letter to the landowner stating that if they don't mow it, the City will and sends them the bill. Hare said it makes a difference to community enforcement to have to have tools (carrots & sticks) in their tool kit.

Hansen questioned if maybe it could be a City Council decision, and they could declare a building a nuisance.

Pankratz pointed out that if the owner doesn't have the money for upkeep, then they wouldn't have to bring it up to code.

Also, it was noted that it's not a "non-conforming use", its "non-conforming property", since we don't know what future use will be.

#### **I. Expiration Dates for Approved Plans (Hansen)**

Most approvals expire within 3 years, and frequently is a financial issue on the part of the owner. The City is proposing an option for an extension up to 1-year, assuming there haven't been changes to relevant city, state, or federal regulations. Reece and Pascone agreed a one year extension would be good.

The group asked if there was a way to freeze other approvals, such as storm water, etc. Staff will check.

Rouse would like to see some examples of non-conforming uses throughout the city.

#### **J. Review of Recommended Home Business Standards (Catlin)**

Staff is currently trying to define standards; keeping the standards measurable, and working on clearer definitions of off-site impacts (offensive odors, etc). Neighbors have different opinions about what constitutes *excessive traffic*, for example.

Changes the City is considering to address concerns raised in June include:

1. Hobbies are currently included as a "home occupation" but are being removed in the revised home business standards;

2. Open houses and events, like yard and estate sales, would be exempt when they meet the city's regulations for yard sales (3 times a calendar year, up to 3 days each);
  3. Size and scale - Businesses allowed outright could be up to 25% of the house floor area (excluding garage) up to 500 square feet; OR when located in a garage (attached or detached) or an accessory building, they may be up to 1,000 square feet. Businesses that need more space would be considered through a Conditional Use review.
- 
4. Next meeting:
    1. October 2, 2012
  5. Adjourn 5:00