

NOTICE OF PUBLIC MEETING

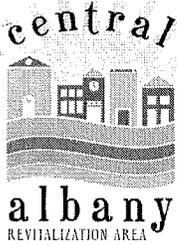
CENTRAL ALBANY REVITALIZATION AREA ADVISORY BOARD
City Hall Council Chambers
Wednesday, January 18, 2012
5:15 p.m.

AGENDA

1. CALL TO ORDER (Chair Cordell Post)
2. ROLL CALL
3. APPROVAL OF MINUTES
 - November 16, 2011. [Pages 1-12]
Action: _____
4. SCHEDULED BUSINESS
 - a. Business from the Public
 - b. American Legion, 1215 Pacific Boulevard SE. [Pages 13-42] (Porsche/Applicant)
Action: _____
 - c. Lepman, 406 Denver Street SE. [Pages 43-69] (Porsche/Applicant)
Action: _____
 - d. RCM Homes update. [Verbal] (Porsche/Ryals, Myers & Diamond)
Action: _____
 - e. Staff updates and issues. [Verbal] (Porsche)
Action: _____
5. BUSINESS FROM THE BOARD
6. NEXT MEETING DATE: *Next regular meeting February 15, 2012*
7. ADJOURNMENT

City of Albany Web site: www.cityofalbany.net

The location of the meeting/hearing is accessible to the disabled. If you have a disability that requires accommodation, please notify the Human Resources Department in advance by calling 541-917-7500.



APPROVED: _____

CITY OF ALBANY
Central Albany Revitalization Area Advisory Board
City Hall Council Chambers, 333 Broadalbin Street SW
Wednesday, November 16, 2011

MINUTES

Advisory Board Members present: Rich Catlin, Jeff Christman, Bill Coburn, Floyd Collins, Kate Foster, Loyd Henion, Bessie Johnson, Chuck Leland, Gordon Kirbey, Sharon Konopa, Ray Kopczynski, Dick Olsen, Cordell Post, Mark Spence

Advisory Board Members absent: None

Staff present: Urban Renewal Manager Kate Porsche, Civil Engineer III Chris Cerklewski, Administrative Assistant Teresa Nix

Others present: Approximately 150 audience members

CALL TO ORDER

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

APPROVAL OF MINUTES

October 19, 2011

MOTION: Ray Kopczynski moved to approve the October 19 minutes as presented. Chuck Leland seconded the motion, and it **passed** 14-0.

SCHEDULED BUSINESS

Business from the Public

None.

Presentation of Competitive Grant Requests

Urban Renewal Manager Kate Porsche drew attention to items on the dais – a packet of letters in support of the American Legion request, a packet of letters in support of the Woodland Square project, and a letter in support of the Broadalbin Promenade project. She briefly reviewed information in the packets, including a project review grid and a breakdown of the funding requests and dollar amounts.

American Legion, 1215 Pacific Boulevard SE (\$349,506 grant)

James McCanlas, commander of American Legion Post 10, asked audience members who are here in support of this request raise their hands; about 100 people did so. He read from the goals and objectives on the CARA website, several of which pertain to this request. He said that CARA stands for Central Albany Revitalization Area. Central Albany is the boundary established, within which the American Legion building is being rebuilt. Post 10 has been an undeniable force in development, strength, and positive changes in Albany's past and present. The application reflects only some of what Post 10 has done for Albany. Membership consists of

many of Albany's business owners who make up its commerce. Revitalization means to make vital again. Post 10 is made up of those who are willing to make and have made the ultimate sacrifice for their families, community, and nation. The Post has experienced an enormous loss by unforeseen circumstances. The multiple charities and programs it supports are suffering, and that means that Albany is also suffering. Post 10 is the largest post in Oregon, it has been part of Albany for 94 years, and it is on the I-5 corridor. This provides ready availability to traveling veterans and their families to stopover for food and gas. By helping to rebuild on a main artery in Albany, the Board ensures a nice decorative building that is pleasing to the eye and shows passersby that Albany cares about veterans and their families. When events are held there, people will know that Albany is a community-friendly place. When people search online and find a civic-minded organization, such as Post 10, it encourages a positive sense of well-being in someone looking to settle or raise a family. The American Legion helps with health and housing benefits for veterans and their families. There are over 20,000 veterans living in Linn County and over 40,000 veterans expected to come back from Iraq and Afghanistan. The organization's presence near Eleanor Hackleman Park, which has had a sketchy past with drugs and crime, is a deterrent to that behavior. After giving to the community for 94 years, he asked for CARA's help so that the Legion can go another century for Albany. There was a round of applause from the audience.

Garner Pool spoke briefly in support of the request.

Jeff Christman asked what the timeline of the project would be without CARA support. McCanlas said that the organization is well short of the amount needed to replace the building and contents; the project would be delayed until it is able to come up with the necessary resources.

Leland asked if there was not enough insurance to cover reconstruction. McCanlas said that the redevelopment will cost more than the insurance paid because it must comply with higher standards in the current Development Code. The insurance paid only \$250,000 for the more than \$600,000 worth of equipment that was inside the building. In response to further inquiries from Leland, McCanlas said that the organization was never advised that they were underinsured and that the organization is not required to pay property taxes.

Kopczynski noted that the application lists other pending sources of funding; he asked if CARA funds would still be needed if those sources came through. McCanlas said that some of the pending funds may be based on a match to what CARA provides and that CARA funds are needed to get to the \$1.2 million.

Friends of the Jensen, 431 First Avenue W (\$50,000 grant)

Marianna Mace, retired curator and current board member of the Jensen Arctic Museum, said that the museum has been in operation on the Western Oregon University campus for 26 years with a mission to educate people in the Pacific Northwest about the arctic environment and the culture of its people. The museum was founded by Dr. Jensen, who was involved in the educational system in Alaska, established a network of friends throughout the region, was named an honorary member of the Alaska Council of Elders, and was very well regarded in Alaska. The museum has a very good collection which includes large and small animals, transportation-related objects, clothing, artwork, and tools. The museum is open to public, provides tours for school children and others, has sponsored a number of conferences and film series, and puts exhibits out as broadly as possible.

The museum wants to move because of space needs and because the university has withdrawn its financial support. It hopes to pull more visitors from foot traffic and from the Interstate and to have activities that will help it to become self-supporting. The museum was approached by the Historic Albany Recovery Program (HARP), the Albany Visitors Association, and the Albany Downtown Association, which felt it might be a good fit in efforts to make the downtown core a place where people want to visit. The project would remodel two adjacent locations on the first floor of the Masonic building into a museum space, a gift shop, and a small retail space such as an ice cream store. CARA funds would be used in conjunction with other sources of funding, including \$50,000 of the museum's money.

Kopczynski asked about additional funding sources. Mace said that the organization is actively seeking funding from other sources, many of which do not want to be the first to contribute.

Leland asked if there would be a charge for admission. Mace said that the museum would likely continue to have a suggested donation for admission; museums must have a revenue stream other than admissions.

In response to inquiries from Mark Spence, Mace said that the organization has not sought to repatriate the items in the collection; most of the items in the collection exist in Alaska and the museum would like to keep its collection intact. The collection is owned by the state of Oregon and would not be sold. There is no member of HARP on the museum's Board.

Kate Foster asked how long it would take the museum to come up with the funding needed if CARA denied the request. Mace said that would impact the ability to get other funding and the museum would probably stay where it is.

In response to an inquiry from Rich Catlin, Mace said that CARA funds would be used for interior improvements to create a museum quality exhibit space.

Scott Lepman, 406 Denver Street SE (\$48,423 forgivable loan)

Scott Lepman said that this project would demolish an old dwelling unit which was constructed in 1949 and remodeled without permits and which has been the subject of multiple police responses. He reviewed existing conditions of the building; it is functionally incurable based on present market standards and it needs to be torn down. He is requesting funding to help with construction of a duplex matching the architectural characteristics of duplexes recently constructed by Mark and Tina Siegner. The proposed two-story townhouse duplex units with an attached single car garage will contain 1,250 square feet, 3 bedrooms, and 2½ baths. Units will be energy efficient and have upgrades superior to other duplexes in the community. The property was purchased anticipating CARA assistance in constructing a duplex that would enhance the neighborhood by removing blight and meeting CARA design standards for infill construction in an established neighborhood.

In response to an inquiry from Kopczynski, Lepman said that the submitted photos are intended to demonstrate the kind of duplex that could be built and why he needs additional funding to build a quality duplex on the site.

In response to inquiries from Catlin, Lepman said that the design is identical to that in the Siegner's previous application. He used their cost figures and is requesting the same amount they received from CARA.

Foster asked what Lepman would do with the property if CARA were to deny the request. Lepman said that he would probably sell it to a homeowner; however, this property is not something a bank would likely lend on.

Spence referred to the statement that the property was purchased anticipating CARA assistance. Lepman said that he hoped it would be funded which may be a mistake on his part. The safe thing would have been to not close the deal until everything was approved in advance, like the Lowe's deal, for example.

In response to an inquiry from Bessie Johnson, Lepman said that he paid \$27,500 for the property. Johnson said that he could probably sell for a profit to someone who would demolish and rebuild. Lepman said that his goal is to fix up properties that are not in good shape, not to unload them.

Foster said that Lepman appears to have a strong, growing company. She asked why he doesn't use his own income stream for the project. Lepman said that he needs to make prudent business decisions. He would not have bought the property without the anticipation of CARA funding and will sell if he doesn't receive it.

Scott Lepman, 201 Second SE (\$749,000 forgivable loan)

Scott Lepman submitted and reviewed a written statement. He said that the downtown provides opportunities for retail, office, and entertainment; owner-occupied attached housing; and tenant-occupied attached housing. With this project, he is proposing tenant-occupied attached housing on the second and third floor, and retail and office uses on the first floor. There is no proven market support for retail and office spaces and no bank funding for retail/office or condominium units at this time. He reviewed examples of owner-occupied projects in Salem which remain largely unoccupied and recently completed retail/office projects in Downtown Albany that are still significantly vacant; a market study of the downtown shows a 30 percent vacancy in retail and office space. He is proposing limited retail/office space and tenant-occupied units that have been designed and will be constructed of a quality to allow for successful conversion to condominiums should the market change. His company, with CARA's support, has proven that quality built units will attract desirable occupants. His written testimony includes a list of tenants from the Jefferson Lofts and the Sixth and Montgomery apartments, none of which are on housing assistance. The proposed building will be designed for water and energy conservation with a very efficient envelope. The stylistic features are intended to be consistent with buildings in the Historic Downtown and the immediate area. He understands that a design review application is necessary to receive CARA approval. He believes that the proposal offers an outstanding project that will overcome market resistance and that will significantly increase the tax rolls.

Kopczynski asked if he would apply for LEEDS certification. Lepman said no, he will do things in a very energy efficient way, but LEEDS requires a significant amount of paperwork. Kopczynski said he appreciates that the applicant is working with Crandall and Porsche on the design.

In response to an inquiry from Leland, Lepman said that there are 14 units and 10 parking spots.

Catlin asked how the applicant arrived at the amount of the request. Lepman said that the request is the total cost of the project less the bank funding and his own contributions. Catlin asked about the target range for rents. Lepman said that the original design had a price point of about \$600 to \$700, which would appeal to people working downtown. The second design consists of larger units, puts rents at a higher level, and creates more risk. He will probably try to create the more moderate-sized units.

Foster said that the application shows the applicant contribution at \$565,000 compared to the requested amount of \$749,000. Lepman said that his contribution would be about \$3 million, including money from the lender.

Spence said that parking is at a premium at this location; he asked about attracting tenants with no place to put their cars. Lepman said that he thinks that people who park downtown during the day will be leaving at the time residents are arriving; he doesn't anticipate a parking issue at this site. Spence asked what kind of retail or entertainment is envisioned. Lepman said he envisions an office or small retail store on the first floor.

Thad Olivetti, 409 First Avenue W (\$42,500 forgivable loan)

Thad Olivetti briefly reviewed his request for funds to help with exterior work on the building, including removal of the metal "cheese grater" from the façade, stucco work, brick work, and window replacement.

In response to an inquiry from Foster, Olivetti said that he recently purchased the building.

Porsche noted that the owners of the adjacent building were asked if they would like to submit an application to remove the remainder of the "cheese grater" but they were not interested in doing so at this time.

Linda Poris, 301 First Avenue W (\$26,775 forgivable loan or grant)

Linda Poris expressed appreciation for CARA's previous assistance for exterior improvements to her building. She introduced her contractor, Larry Preston, who briefly reviewed work yet to be done inside and outside of the building and for which CARA assistance is being requested.

Kopczynski noted that there is a question on the application which asks where else the applicant has looked for funding, to which the applicant answered "nowhere." Poris said that she didn't know where else to look; banks are not loaning on commercial buildings.

In response to inquiries from Foster, Poris said that she has owned the building since 1990, that it was in very bad shape when purchased, and that she is requesting assistance now due to the availability of CARA funds.

United Steel Workers, 1224 Santiam Hwy SE (\$240,000 as a \$140,000 forgivable loan and \$100,000 grant)

Nick Guitaud and Aaron Watts distributed photographs and information. Guitaud said that the United Steel Workers are proposing to acquire the old Salvation Army building, a severely blighted building located in an area that has been identified for revitalization, for a training center for its members to acquire job skills. In talking with local contractors, there has been a lot of positive energy around the idea of submitting "teaching bids" rather than just having the contractors do the work themselves. Aaron Watts said that the Institute for Career Development (ICD) is a program that was put in place to provide specialized training courses to steel workers so that they could find jobs in different industries in a fluctuating market. The short-term, focused training includes culinary arts, welding, and personal improvement. The ICD also works with Linn-Benton Community College (LBCC). Guitaud said that the need for this service arose due to mill shutdowns and layoffs. Affected workers found LBCC to be full with a fluctuation of people trying to retrain and rejoin the work force. The organization decided to utilize this program, which has continuous funding from ATL. The benefits to CARA, as explained in the application, include a proposal to hold events which would bring people into Albany and put money into the economy, the use of local contractors and the purchase of materials from local merchants, and the addition of this building to the tax rolls.

Johnson said that she is impressed with what this group is proposing to do for the community. College training is not for everyone and she thinks it is inspiring that the training will focus on preparing workers for the trades.

Kopczynski asked how it would be possible to provide all of the training opportunities in a 7,500 square foot building. Guitaud said that the building is an open box that can be changed around depending on the training being offered at a given time and that there is a potential to eventually acquire adjacent property.

Kopczynski said that the application appears to be incomplete in information regarding soft costs, construction costs, etc. Guitaud said that the membership did not approve spending for preliminary design work needed to get bids in advance of acquiring the building. There are some quotes in the distributed information.

Leland asked what efforts have been made to see if LBCC could accommodate the needs of the organization. Guitaud said that many members are going through courses at LBCC; however, it has been found that members often need more or different training than what is available at the college level.

Woodland Square (Innovate Housing), 1415 Salem Avenue SE (\$1,450,000 forgivable loan)

Sarah Stevenson, Innovate Housing, Inc. (IHI), introduced IHI Director of Housing Development Julie Garver, General Contractor Greg Goracke, and Architects Bill Ryals and Gary Hartill. She said that the team is here to request support for the redevelopment of the Woodland Square mobile home park. She submitted written information and noted that the Board has a lot of information in their packets. She said that IHI has been developing and operating multifamily apartment complexes for over 20 years. The firm uses quality building materials and dedicates time and resources to a quality design because they intend to own and operate for the

long-term. They work closely with elected officials, local leaders, and neighbors to develop housing that meets local needs and creates a positive impact in the community. They use professional property managers and onsite managers and maintenance staff, and they use screening criteria to ensure renters have positive rental histories and do not have criminal backgrounds. They also provide services to residents to improve their housing stability and economic situations.

Greg Goracke said that he will comment about the development process and IHI's commitment to investing in the local economy. This would be a strong development in an area that is in long need of help. When IHI approached his firm about partnering with them, they stressed the need to have a local presence; both he and architect Ryals live in North Albany. The project has a minimum commitment of \$1.5 million to the local work force and local supplies and expects to exceed that amount. The team has met with City staff and the neighborhood and is working to satisfy the needs of the City and the community.

Christman said that the funding schedule has CARA contributing a significant amount of money before IHI has invested anything. Garver explained that it is optional for CARA to fund the site work prior to its purchase. Doing so would put the project ahead somewhat; but it would not be a significant problem if the decision is made to wait.

Johnson asked about relocation efforts for residents of the mobile home park. Garver said that IHI has met with the residents and advised that this change may be coming in two years. The residents have rights which are protected by the state. They would have a minimum of 365 days of official notice, would be provided with \$5,000 for relocation costs, and would be eligible for a \$5,000 tax credit. They would also receive assistance from Linn-Benton Housing Authority and Albany Partnership.

In response to an inquiry from Loyd Henion, Garver said that she does not believe Section 8 vouchers will be available to this project.

In response to an inquiry from Foster, Garver said that rental rates will vary depending on the size of the unit; for example, one-bedroom units will range from \$450 to \$550.

Broadalbin Promenade (\$1,020,000 public improvement)

Porsche said that one of the projects on the table for consideration is the remaining two blocks of the Broadalbin Promenade, one of the tier one projects called out in Crandall's retail refinement plan. Crandall recently reminded her that every dollar of public money invested will leverage about \$11 of private investment. She recalled that this project scored highest in the public space improvements during the CARA open house.

Pam Wendler-Shaw, owner of the Oregon Language Center, urged approval of the Broadalbin Promenade. She said that the improvements would be an attractor and would benefit all of Downtown Albany, not just those with businesses on the Promenade. She understands that these are difficult economic times and that there are a lot of funding requests coming forward. She reviewed several ways in which it may be possible to do part of the project or to do a revised version of the project in order to save costs. Post noted that the design work for the Promenade has already been accomplished.

Decisions on Competitive Grant Requests

Porsche recalled that the CARA Advisory Board previously set aside \$775,000 for potential purchase of the Eagles' building as part of the retail refinement parking strategy. The Eagles has since advised that it does not plan to relocate at this time. The City Attorney is working to draw up a right of first refusal agreement. If the Board chooses, it may make the \$775,000 available to fund other projects.

Foster said that she thinks the parking option is vital for the future. Spence said that it is crucial that CARA invests in public projects and that it is not necessary to spend all of the available money at this time. In discussion, Porsche advised that she estimates that CARA will be able to go out for another round of borrowing in about two years.

MOTION: Christman moved to rescind the commitment of \$775,000 for the Eagles' property. Kirbey seconded the motion, and it **passed** 12-2 with Leland and Olsen voting no.

Porsche drew attention to the project review grid and the list of proposed projects and amounts in the staff report. There is \$3,186,000 available; the total of the project requests is \$3,976,204.

Bill Coburn asked if staff has recommendations about project funding in light of the shortfall. Porsche said that her recommendation is to give careful consideration to what each of the projects is leveraging, as well as the impact of precedent setting. In thinking about the goals specific to the urban renewal district, it appears to staff that a couple of the proposed projects are outside of the parameters. She briefly reviewed the staff analysis of each of the projects as shown on the quick review grid and the individual project evaluations. She noted that decisions made tonight are not final until approved by the Albany Revitalization Agency.

Following brief discussion, it was agreed to reorder the agenda in order to first consider the Broadalbin Promenade.

Broadalbin Promenade (\$1,020,000 public improvement)

Floyd Collins said that he is not convinced there is a need to spend all of the money available to CARA. He would be in support of funding one block of the Broadalbin Promenade, from Second Avenue to Third Avenue. He would not suggest doing the block from First Avenue to Water Avenue because future work in that area related to the retail refinement parking strategy may result in that area being torn up.

In response to inquiries from the Board, Civil Engineer Chris Cerklewski said that the \$500,000 per block estimate is based on final construction costs of the block of the Promenade that was previously constructed. Construction costs have been flat since that time. The water main would be funded out of the Water Fund. Potential savings and exact costs would be worked out during the design phase.

MOTION: Kopczynski moved to approve funding for one block of the Broadalbin Promenade, from Second Avenue to Third Avenue. Konopa seconded the motion.

Dick Olsen asked about the cost effectiveness of doing two blocks now rather than doing one block now and another at some time in the future. Cerklewski said it is hard to quantify but, generally, the larger project would cost less per unit. Olsen said that construction companies are hurting and it might be a good time to get bids.

Sharon Konopa said that Crandall has said the Promenade is a vital project for urban renewal; she feels he knows what will revitalize the downtown. She can support the motion to get at least one block done. She is curious what the bids would be for one block as opposed to both blocks.

Spence said that we need to focus on public projects and on connecting to the river sooner rather than later.

Henion said that the urban renewal plan includes two more blocks of the Promenade. He would support funding one block tonight if it is agreed to do the second block at a later time.

Foster said that she would like to fund the entire Promenade now. She agrees that this is a good time to get bids and that CARA should be funding public projects with public money.

The motion **failed** 7-7:

Yes: Catlin, Coburn, Johnson, Kirbey, Konopa, Kopczynski, Post

No: Christman, Collins, Foster, Henion, Leland, Olsen, Spence

MOTION: Henion moved to approve the entire Broadalbin Promenade project but to delay funding for the second block until the next funding cycle and if there are funds available at that time. The motion **died** for lack of a second.

In response to an inquiry from Olsen, Cerklewski said that the bid request could be structured to receive bids for one block, two blocks, or both options.

MOTION: Spence moved to approve funding for the Broadalbin Promenade project from Second Avenue to Third Avenue and to reserve \$500,000 of the existing funds to do the other block at a future date. The motion **died** for lack of a second.

MOTION: Foster moved to fund the remaining two blocks of the Broadalbin Promenade. Olsen seconded the motion and it **failed** 7-7:

Yes: Catlin, Foster, Henion, Kirbey, Konopa, Olsen, Spence

No: Christman, Coburn, Collins, Johnson, Kopczynski, Leland, Post

MOTION: Olsen moved to approve funding for one block of the Broadalbin Promenade, from Second Avenue to Third Avenue. Kopczynski seconded the motion; and it **passed** 11-3:

Yes: Catlin, Coburn, Henion, Johnson, Kirbey, Konopa, Kopczynski, Leland, Olsen, Post, Spence

No: Christman, Collins, Foster

American Legion, 1215 Pacific Boulevard SE (\$349,506 grant)

Catlin said that he works for Reese and Associates, which has a working relationship with the American Legion; he will not participate in the discussion or decision for this request.

Foster said that although on paper this request does not appear to meet all of CARA's criteria, the Legion's activities are open to the public and she feels the project does provide a public benefit. Post added that it was made clear to him that the Legion is open to the public.

MOTION: Foster moved to approve the full amount of the American Legion request. Johnson seconded the motion.

Johnson read a statement in support of the motion. She said that she grew up in a small town and was taught from an early age what the American Legion did for her community; you would be hard pressed to find a more community-minded organization. The American Legion built the memorial at Timber-Linn Memorial Park, and it may be able to take on some activities that the City may not be able to offer due to budget cuts. CARA has supported many projects that were more business related which bring people downtown and create jobs. This project would help the community in a different way but still bring dollars to the community. She feels it would be a good investment to help this organization get back to doing things for our community.

Kopczynski expressed concern about funding a project that has no return on investment to CARA and that is not a public infrastructure project. Olsen agreed and said it is important to think about setting a precedent for other private clubs that may come forward with requests in the future.

Coburn said that it is hard to take the emotion out of this decision; we all appreciate what the veterans have done and the sacrifices made. Looking at the decision grid and the criteria, of the eight projects being presented tonight, this scores the lowest and there is no opportunity for return on investment. He would feel more comfortable with a smaller amount and perhaps a loan agreement.

Henion said that he cannot support funding the full request; he could possibly support some other amount. He supports the Legion and the veterans and the display of people here tonight makes this decision very hard. But CARA has objectives and it is important to stick to the urban renewal plan or we will never finish our plan.

Collins said that he has said in the past that CARA should not fund nonprofit organizations unless it finds some other social value that contributes to the value of the community. He would be interested in exploring the possibility of structuring this as a loan to be repaid unless the organization, for example, can document that they support charitable organizations in the community to the tune of \$300,000 per year.

Spence said that part of the emotion behind this decision is the sense that the onus is on CARA to save the American Legion Post. He suggested consideration of a much smaller grant tied to a loan that has a payback.

Konopa said that there does not seem to be support for the full amount. It was not the Legion's choice that they lost their building and there are items required in the Development Code that are not within its control. She suggested that consideration be given to providing funding for items such as the parking lot, landscaping, permits, and SDCs.

Coburn suggested that staff be directed to work with the American Legion on a different structure for this request. Brief discussion followed.

The motion on the floor was **withdrawn**.

MOTION: Leland moved to give 10 percent of the American Legion request as a grant and the remainder of the request as a loan for three years at 10 percent interest. The motion **died** for lack of a second.

MOTION: Coburn moved that the Board direct staff to work with the American Legion and come back with options, including possibly a low interest loan and/or a combination grant and loan. Henion seconded the motion.

Olsen said that he thinks the Board should make a decision on this request.

The motion **passed** 11-1 with Foster and Olsen opposed and Catlin abstaining.

Friends of the Jensen, 431 First Avenue W (\$50,000 grant)

Konopa spoke in support of the project which would bring energy to the downtown.

MOTION: Konopa moved to fund the project as requested. Coburn seconded the motion.

Christman said that this is not gap financing at all; it is startup financing and it is totally different than anything CARA has done. Kopczynski agreed; he would like the funding to be tied to the museum being able to acquire additional funding. In discussion, Porsche noted that CARA did provide startup money to the Carousel in a way by funding the purchase of land for that project.

Coburn said that he thinks this is a good project and that the review grid shows that it meets many of CARA's goals.

Spence spoke against the motion because the money would be used to make the building functional for a museum. He doesn't think museums are big people attractors.

Olsen said that the addition of the museum will increase the chance of people coming to Albany and, hopefully, they will buy a meal or stay overnight. The future of retail in Downtown Albany is uncertain; he feels that restaurants and entertainment such as museums will be the draw.

Kirbey noted that the application states that the museum has \$50,000 available to contribute to the startup.

The motion **passed** 11-3 with Christman, Kopczynski, and Spence voting no.

Scott Lepman, 406 Denver Street SE (\$48,423 forgivable loan)

Kopczynski said that Lepman has done a wonderful job for CARA in the past and this infill project provides a good return on investment.

MOTION: Kopczynski moved to approve the funding as requested. Collins seconded the motion.

Konopa said that, although this project is in the CARA district, it is not close to the town center. Lepman has done projects in other areas without assistance and this seems like a large amount for a single lot. She drew attention to the project grid which shows this project meets few CARA objectives. She asked whether the Board should consider the minimum threshold that must be met for projects to be approved.

Johnson said that many of the requests for are forgivable loans which will deflate CARA funds. She suggested that consideration be given to low interest loans.

Coburn said that CARA is funded by tax increment return on investment and the analysis shows that this money would come back to CARA in the way of tax increment in 13 years.

Foster said that this project could probably be done without CARA's help by this developer or by a different developer and that she is taken aback that the applicant stated he purchased the property with intent of getting CARA's assistance.

Spence said he will vote against the motion. The grid shows that the project meets few CARA goals and he does not feel that blight can be fixed one parcel at a time.

Catlin said that he agrees with comments from Johnson; he would be in favor of amending the motion to restructure this as a loan with terms.

MOTION TO AMEND: Catlin moved to amend the motion to restructure this as a nonforgivable loan at cost plus 1 percent. Foster seconded the motion.

The motion to amend **passed** 10-4:

Yes: Catlin, Coburn, Foster, Henion, Johnson, Konopa, Leland, Olsen, Post, Spence

No: Christman, Collins, Kirbey, Kopczynski

The amended main motion **passed** 10-4:

Yes: Catlin, Coburn, Foster, Henion, Johnson, Konopa, Kopczynski, Leland, Olsen, Post

No: Christman, Collins, Kirbey, Spence

Porsche agreed to talk with the applicant to see if this change is agreeable.

Scott Lepman, 201 Second SE (\$749,000 forgivable loan)

MOTION: Kopczynski moved to approve the request as proposed. Collins seconded the motion.

Olsen said this request is for a higher percentage than is normally funded by CARA for this type of project. Foster said she would be interested in considering a loan amount that is more in line with what CARA looks for in percentages.

Collins said the focus should be on the intent of CARA. This is a revitalization proposal with a return on investment.

The motion **passed** 10-4:

Yes: Catlin, Christman, Collins, Henion, Johnson, Kirbey, Kopczynski, Leland, Olsen, Post

No: Coburn, Foster, Konopa, Spence

Thad Olivetti, 409 First Avenue W (\$42,500 forgivable loan)

MOTION: Catlin moved to approve the request. Olsen seconded the motion.

Kopczynski said that he is concerned that it will remove only a portion of the metal "cheese grater." Post said he thinks that is a start and that he appreciates what the applicant has done on other projects.

The motion **passed** 14-1 with Kopczynski voting no.

Linda Poris, 301 First Avenue W (\$26,775 forgivable loan or grant)

Foster said that it seems like this project is for maintenance that the owner could have planned for; she would rather see this structured as a loan to be paid back.

Post said that he thinks this money will make a difference in the owner's ability to get a long-term quality tenant for the space which benefits the district.

MOTION: Catlin moved to approve the request as a forgivable loan. Kopczynski seconded the motion, and it **passed** 13-1 with Foster voting no.

United Steel Workers, 1224 Santiam Hwy SE (\$240,000 as a \$140,000 forgivable loan and \$100,000 grant)

MOTION: Catlin moved to approve the request. Johnson seconded the motion.

Leland said that LBCC provides training opportunities; he questioned the need to duplicate that training. Kirbey noted that the applicant stated it would not be duplicating what is offered by LBCC. Kopczynski said that, from his work for the Community Services Consortium, he knows that many LBCC courses are booked solid; this will be another way training can happen. Post said that this will be a great resource for the community. Johnson said she likes the idea that local contractors and others from the community will be utilized as teachers. Brief discussion followed.

The motion **passed** 14-0.

Woodland Square (Innovate Housing), 1415 Salem Avenue SE (\$1,450,000 forgivable loan)

MOTION: Spence moved to approve the request as proposed. Coburn seconded the motion.

Coburn said this is the most exciting project being presented tonight; it provides urban renewal by improving a blighted area.

Henion said that the applicants should be congratulated for covering all the bases including looking into other grant opportunities. This project, when completed, will be an impressive gateway to the city.

Konopa said that the CARA boundary was initially formed to include Woodland Square with the knowledge that nobody should live in those conditions. IHI has worked to come up with a design that would be good fit for the neighborhood and the community. This project will bring in more investment, benefit the neighborhood, and is long overdue.

The motion **passed** 14-0.

Staff Updates and Issues

Porsche said that there is no CARA Advisory Board meeting scheduled for December.

BUSINESS FROM THE BOARD

None.

NEXT MEETING DATE

The next meeting of the CARA Advisory Board is scheduled for Wednesday, January 18, 2011, at 5:15 p.m. in the Council Chambers.

ADJOURNMENT

Hearing no further business, Chair Post adjourned the meeting at 9:17 p.m.

Submitted by,

Reviewed by,

Teresa Nix
Administrative Assistant

Kate Porsche
Urban Renewal Manager



TO: CARA Advisory Board
FROM: Kate Porsche, Urban Renewal Manager *Kate*
DATE: January 11, 2012, for January 18, 2012, CARA Advisory Board Meeting
SUBJECT: Staff Report – American Legion

The first item up for consideration on Wednesday's agenda is the American Legion's project. At the November 16 meeting, you gave staff direction to work with the American Legion to revise their request and bring it back before you. We had a handful of good, productive meetings with representatives from the American Legion and worked with them to hone in their application. The request before you is what I'm calling an *either/or* request.

Applicants are requesting, at a minimum, a \$50,000 matching grant, which would assist with 50 percent of the costs related to city-required updates including sprinklers and accessibility features such as ADA parking and signage; this would be a grant that would be paid out on a reimbursement basis.

The alternative request for your consideration is a \$97,500 forgivable loan for which forgiveness would be based on the completion of construction of the building. This would see CARA paying 100 percent for the same items as indicated above but (like all of our projects) still on a reimbursement basis. The applicants felt that the added security of the forgivable loan structure (a lien on the property) along with an agreement for the potential use of their digital sign to promote local events might be enough of an incentive for the CARA Advisory Board to consider this larger amount.

When considering the benefits of the forgivable loan structure, CARA would have a first lien on the property until such time as the American Legion procures construction financing, something they are looking into. At the point they procure construction financing, our lien would move into second position. This additional security along with the benefit of the usage of the digital sign will be for you to consider in thinking about the justification of the additional requested amount.

The details on the breakdown of the project can be found in the project evaluation grid on the following pages. The revised application and materials follow that.

KCP:ldh



Project Evaluation Grid: American Legion

Request: \$50,000 grant or \$100,000 forgivable loan

	Item	Description	Staff Analysis/Comments
<i>Overall Goals</i>			
A)	<p>CARA Goal & Objectives: The purpose of this CARA Plan is to eliminate blighting influences found in the CARA, to implement goals and objectives of the City of Albany Comprehensive Plan, and to implement development strategies and objectives for the CARA. The goal and objectives for the CARA have been defined as follows:</p> <p>CARA Goal: To revitalize the Central Albany Revitalization Area by implementing the Town Center Plan developed through the Central Albany Land Use & Transportation Study (CALUTS) using a citizen-driven process.</p>	<p>Does the project further the Town Center Plan?</p> <p>Which of CARA's objectives does the project meet?</p> <p>CARA Key Objectives:</p> <ul style="list-style-type: none"> ◆ Attract new private investment to the area. ◆ Retain and enhance the value of existing private investment and public investment in the area. <p>CARA Additional Objectives:</p> <ul style="list-style-type: none"> ◆ Provide a safe and convenient transportation network that encourages pedestrian & bicycle access to and within the town center. ◆ Preserve the Historic Districts, historic resources and existing housing in the area. ◆ Create a readily identifiable core that is unique and vibrant with a mixture of entertainment, housing, specialty shops, offices, and other commercial uses. ◆ Increase residential density in the area. ◆ Encourage the development of new forms of housing and home ownership. ◆ Enhance and protect the community and environmental values of waterway corridors in the area. ◆ Provide an enriching environment and livable neighborhoods. 	<p>No, it is outside the area and scope of the Town Center Plan.</p> <p>This project meets the objective of "Retain and enhance the value of existing private investment and public investment in the area."</p> <p>Project does not appear to meet the remaining goals and objectives.</p>
B)	CARA Planned Projects	Which project category and activity in the UR Plan does this project fulfill? (See CARA Project Activities document, or Table 2 of the UR Plan and Report)	Activity: <u>Property Redevelopment Assistance</u> described in plan as "Provide assistance & support to developers including technical assistance, financing &/or grants of joint-venture efforts outside of the Downtown area. "
C)	Development Pattern (Highest and Best Use)	<p>Does it achieve desired land use (e.g., mixed-use, higher density) and/or transportation objectives (e.g., Esplanade, pedestrian-friendly areas)?</p> <p>Is the proposed project desired in this location and the highest and best use of the property?</p>	<p>Yes.</p> <p><u>Zoning:</u> Community Commercial District <u>Comp Plan:</u> Commercial</p> <p>Yes. Community Commercial recognizes services as a typical use in this area.</p>
D)	Blight	Would it remedy a severely blighted building? How?	No. This project is underway and is new construction. The new building replaces one destroyed by arson; one could argue that the burned-out building created blight.
E)	Preservation	Would it rehabilitate or sensitively redevelop a historic property?	No.
F)	Vitality/People Attractor	Does the general public benefit (i.e. restaurant, carousel, something they can go to, utilize)?	This is a veteran's organization, a private club with specific membership requirements of military service. However, the Legion does host and accommodate events at their location

			throughout the year and allows non-members access to the facilities.
G)	Retail Hotspot (1 st Avenue between Lyon and Calapooia)	Is the project located in the Retail Hotspot? If so, will the first floor use be active retail, as recommended in the Retail Refinement Plan?	No.
H)	Sustainable Building	Will the building be built using sustainable practices including LEED or others?	Yes. The project plans to incorporate some of the sustainability strategies as outlined by their architect in their submission.
I)	Residential	Is there a residential component? How many units?	No.
<i>Economic Development</i>			
J)	Bring new business to Albany	Will a new business open or come to Albany as a part of this project?	No.
K)	Job Creation	Will the project create additional jobs? How many, what types and what salary level?	Application states they will have 14 employees, which they had before, but they indicate they may need more employees with the new building in the future.
L)	Local Labor and Materials	Has applicant specifically called out a commitment to use a certain percent or amount of local labor and/or materials?	Yes. Applicant and contractor have made it mandatory that local labor and materials be used on the project.
<i>Financial</i>			
M)	Ratio	Proposed public funds Private funds % of CARA Investment Ratio-Public \$:Private \$	\$ 50,000 \$97,500 \$2,156,435 \$2,108,935 2% 5% 1 : 43 1:22
N)	Financial Impacts	What are the financial risks and/or financial benefits to CARA?	No tax increment benefit.
O)	Gap	What is the "gap" or need of the developer?	Insurance settlement was \$1,020,000 and the Legion has raised \$54,000 so far. Cost of expanded new building = \$2,206,435.
P)	Private Risk	What is the risk for the developer? What is their skin in the game?	American Legion has firm fundraising of \$54K and a potential on the line for about \$1M more. They are working with a local bank on a potential loan and are also continuing their fundraising efforts.
Q)	Tax Increment	Will the project generate an increase in the assessed tax base? How much?	No, American Legion is a tax-exempt organization.
R)	Tax Increment ROI	Is the ROI on this project less than 5 years, less than 7 years?	None.



1. Applicant

Name: American Legion Post 10, Albany_____

Mailing Address: 129 NW. 1st Ave. Albany Or. 97321_____

Contact Name: James W. McCanlas Phone Number: 541-990-2641

Fax Number: 541-926-0428_____ E-mail Address: albanypost10@gmail.com_____

2. Business/Building Information

Legal Business Name: American Legion Post 10 Albny_____

Number of Years in Operation: 92 years_____

Legal Form: Sole Proprietorship Partnership Corporation S-Corp LLC
Profit Nonprofit

In which state are the incorporation and/or organization documents filed? Oregon_____

Have you ever filed for bankruptcy? Yes No

Project Address (if different than mailing address): 1215 Pacific BLVD Albany, Oregon 97321

Property Tax Account Number: 11003W07AA/1700_____

Is the building a historic contributing resource? Yes No

If so, is it on the historic property-tax freeze? Yes No

3. Owner of property (if not applicant)

Name in which title is held: American Legion Post 10, Albany

Contact Name: James W. McCanlas

Mailing Address: 129 NW. 1ST. Ave. Albany OR. 97321__

Phone Number: 541-990-2641__

4. Authorization to undertake work:

If the applicant is not the owner of the property, provide written evidence that the owner authorizes this work to be undertaken. (Typically this is in the form of a lease or other written permission.)

5. Description of Project *Please give a comprehensive description of project.*

We will be replacing a 10,000 SF structure destroyed by an arson fire. Upgrading the landscape and remaining property in accordance with the plans that have been approved by the city. The new building gives us the ability to continue supporting our Veterans, their families, and our community. In turn this allows us to resume our philanthropic efforts and fundraising in an appropriate facilities conducive to our need for multiple and simultaneous events to keep up with our mission. This also gives our members, their families and friends a place for camaraderie and fellowship. Our post is a great place to network for all kinds of different reasons. For example the spaghetti dinner after the parade on Veterans Day. We have a huge number of people that show up that event alone not to mention our other events.

6. Timeline for completion of project:

START OF PROJECT: PERMITS, DESIGN WORK, CONTRACTOR, AND PERMIT PROCESS 11/2010
Ground breaking and sight work: ----- 8/2011-10/2011
All finishes 90% complete: ----- 3/2012
Certificate of occupancy: -----7/15/2012

7. Project costs

Estimated cost of project: \$2,206,435.00

Estimated value of project upon completion: \$3,268,075.00

Basis for valuation and value upon completion: _____

Sources for project:

Owner/Company Contribution \$54,000.00(DONATIONS AND FUND RAISERS)
Bank (estimated)
Other (please specify) \$1,020,000.00(INSURANCE)
CARA (proposed) \$50,000.00(GRANT) OR \$97,500.00 (FORGIVABLE)

TOTAL SOURCES \$1,124,000 OR \$1,171,000.00

Is your funding for these: available today applied for unknown at this time

Uses for project:

Land and/or Building Acquisition	\$ _____
Soft Costs *	\$392,460.00
Construction Costs *	\$1,813,975.00
Tenant Improvements	\$ _____
Machinery/Equipment/Installation Costs	\$ _____
Working Capital	\$ _____
Other (please specify)	\$ _____
Total Uses	\$ _____

*Please provide a detail of Soft Costs and of Construction Costs.

8. Preparation of cost estimates

Who prepared your cost estimates Stan Clayton, Clayton Construction _____

(If applicant prepared their own estimate, verification may be required. If bid was used, please attach.)

Mailing Address: PO Box 717 Philomath, Oregon 97370 _____

Phone Number: 541-760-3978 _____ E-mail Address: __claytons Oregon@aol.com

9. Explain why CARA funding is necessary to insure project completion. (Please provide a description of the financial gap requiring CARA assistance)

_____ The American Legion Post 10 project is in concurrence with the CARA guidelines and the City of Albany planning and permitting regulations. The total cost of rebuilding and getting occupancy is \$2,206,435.00. The insurance settlement is \$1,020,000.00. Donors contributed \$54,000.00. We have a request pending from an anonymous donor for possible matching grants. We also have requests in from Chinook winds, casino, Wal-Mart foundation and the ford foundation. We have also approached and are in negotiations with a lending institution. Our request to CARA is to help cover the costs of code upgrades required by the city, including fire suppression systems, signage, side walk requirements, safety rails, handicap signage and requirements, and possible usage of the facilities for city functions.

The help we are asking for from the CARA board will help give us a larger base for potential matching grantors and will not have to borrow as much from the lending institution we are currently negotiating with.

10. Where else have you looked for funding? There have been local donors who have contributed. We are doing fund raisers. we have a request in to an anonymous philanthropist, and we are looking at getting a loan from a financial institution.

11. Considering the project goals outlined in this application, please identify the value your project brings to CARA.

We are an "attractor for new businesses" to Albany. Businesses do research based on a towns potential and expected earnings from a customer base, including growth potential. This is done by using different demographic groups, such as the Veteran based demographic. Linn County has the largest number of Veterans in Oregon and Albany has the largest Post in Oregon. This encourages veteran friendly businesses

to set up shop here, as veterans are a large demographic. This is especially true now that a potential 40,000 veterans are expected to return to Oregon.

Also, to be taken into consideration, many businesses are owned, or managed by Veterans and many businesses pride themselves on hiring veterans, because of their proven responsibility, communication skills, the ability to work as a team for a common goal, and not to mention tax initiatives for hiring veterans. Albany has a large source of a highly desirable employee base from which to choose.

The next issue I would like to address is the **“enhancement of private and public investment”** in the area. The property at 1215 Pacific BLVD is across from a public park. We are also several businesses and residential buildings in the area, and the new colored block building is located on a main artery into Albany. Although we do not pay property tax on our sight, because we are a non-profit, we do increase the property value in the immediate area. Also we have several members who live within blocks of the Post and the post works in part as a deterrent for criminal behavior as we keep an eye on the neighborhood.

An additional objective is **“enriching the environment and livable neighborhood”**. This is a simple thing to express. What is more enriching than having an organization that encourages family involvement, promotes child safety, supports its community, and participates in several community events in the area. Also our Post has been a key component in the history and development of Albany with the donation of the first Ambulance to Albany, the first volunteer fire dept. and numerous other contributions over a history of 92 years.

I would like to address other goals of CARA as they are on the listed on the Project evaluation grid. First the **“development pattern”**. Our Post has been there for approximately 60 plus years. I believe that the best use of the property is already defined because we have been there for so long.

Next is **“blight”**. Though I know we can not be considered a blight now because we cleaned up the burned building and are rebuilding but, if we had left it there the city would most likely have considered it condemned or worse eventually.

Thirdly I would like to address **“vitality/people attractor”**. Our Post has been attracting people to Albany longer than many attractors of people in Albany have existed. This is not meant to be an insult to any other businesses or anyone else. It is simply true. We have been involved with the Veterans Day Parade since its conception as one of its biggest proponents and participants. The state conventions of The American Legion used to make front page news for Albany. The freedom rides, which are an annual event, bring approximately 400 people and growing. Convention brings in, conservatively, 700 people for 7 days. There are district meetings, 40 & 8 meetings, area meetings, there are class reunions, funerals, weddings, there are the people who live in the out lying towns around Albany that are members and come in to our establishment and then buy gas or food in Albany and go back home, and last but not least we are the largest American Legion in Oregon. We are right on the I5 corridor, and people stop here to visit just because of that reason, from all over the world. Using the down town associations researh model: for every person who comes into Albany from out of town spends \$144.00 per person per day not including lodging.

Convention: $700 \times 144 = \$100800.00 \times 5 = \$504,000.00$

700 people times \$144.00 a night for 5 nights \$504,000.00 (not including lodging)

This is just one example of the tourism dollars that are gained from us being here.

Sustainable building (see attachment)

After the post is back on its feet we will employ at least 14 people . While the building is being built it is employing approximately 90 people.

“local labor and materials” the post has made it mandatory that our contractor use all local materials and

employees. In fact all of the employees that have worked on the building live within 25 miles of the sight.

12. PLEASE OUTLINE ANY OTHER VIRTUES OR BENEFITS YOUR PROJECT PROVIDES.

The post only hires local labor and uses only local materials where available. Our post is also an excellent place for our veterans returning from Iraq and Afghanistan to congregate for reasons of friendship and relaxation.

13. Have you or this property received CARA funding at any point in the past?

Yes No **XXX** If so, amount \$ _____

For what project(s): _____

14. Assistance Requested

Total Estimated Project Costs: \$2,206,435.00 _____

Your Total Contribution \$1,073,000.00 _____

Total Amount Requested from CARA: \$ 50,000.00 or \$97,000.00 **500 KCP**

Funding type requested \$50,000.00 grant or

Forgivable loan **XXX**

Forgiveness based on: Project completion Other, please describe:

 When the building is finished

Small Grant - *Matching grants of up to \$5,000 per property minimum 50 % match by applicant.*

Grant - *Matching grants of greater than \$10,000 per property minimum 50 % match by applicant.*

Loan Proposed Terms _____

Collateral for Loans

CARA Loans are usually secured by the project property (CARA is the primary or subordinate lender) AND by personal guaranties from developer members with an ownership share exceeding 20%. Indicate below what collateral you are offering for the CARA loan.

Preferred Collateral

First lien position or subordinate lien position in the project property

Personal guaranty from developer members (list names):

Alternate collateral proposed

	Description	Estimated Value	(-)Liens	(=)Available Equity
Real Estate - Commercial		\$	\$	\$

Real Estate - Residential		\$	\$	\$
Machinery and Equipment		\$	\$	\$
Accounts Receivable		\$	\$	\$
Other		\$	\$	\$

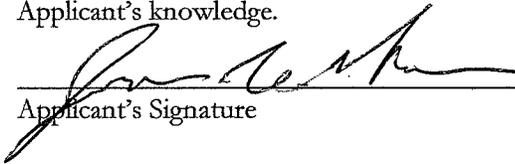
Certification

The Applicant understands and agrees to the following conditions:

1. Any physical improvements proposed must be approved by the Albany Revitalization Area Agency (ARA) and may require approval by the City of Albany Landmarks Advisory Commission or other entities. These entities may require certain changes or modifications before final approval and Commitment of Funds.
2. Commitment of Funds will not be processed until the Applicant satisfies all conditions.
3. **Any work begun before receipt of a Commitment of Funds notice is ineligible for reimbursement.**
4. Any work deviating from that detailed in the Commitment of Funds must be preapproved in writing to be eligible for reimbursement.
5. CARA encourages use of local labor (CHECK 10/19 minutes)
6. While only proprietary information may be held in confidence outside of the public record, CARA will attempt to maintain all information provided in a confidential manner.
7. Originals of all materials prepared with CARA assistance belong to CARA and will be maintained in the public record.
8. Application must be completed in its entirety before being considered; if not, it will be returned for completion.
9. Staff is authorized to independently verify any and all information contained in this application.
10. If CARA's total assistance to the project is greater than \$750,000, prevailing wage for the project may apply.
11. CARA may withhold approval of this application until information satisfactory to CARA is provided.

If the Applicant is not the owner of the property to be assisted or if the Applicant is an organization rather than an individual, the Applicant is required to certify that s/he has the authority to sign and enter into an agreement to receive the assistance requested and to perform the work proposed. Evidence of this authority is attached and included as a part of this application by reference.

The Applicant certifies that all information in this application and all information furnished in support of this application is given for the purpose of obtaining CARA assistance and is true and complete to the best of the Applicant's knowledge.


 Applicant's Signature

12/10/17
 Date

 Applicant's Signature

 Date

Social Security Number: _____

3. Business Information

Legal Business Name: _____

Tax Identification Number: _____

State Business Identification Number: _____

Please list any other major owners (interest of greater than 20%) that are not already listed above:

THIS STATEMENT ACKNOWLEDGES THAT the undersigned applicant(s) have read and understand CARA's privacy policy and have completed this form with accurate information.

Applicant's Signature

Date

Applicant's Signature

Date

Return Application and any attachments to: City of Albany c/o Kate Porsche, Urban Renewal Manager
333 Broadalbin Street SW/ P.O. Box 490
Albany, Oregon 97321

FOR CITY USE ONLY

Date Received: 1-10-12 By: KUP Application Complete: Yes No

Comments: attachments

Date application returned to applicant for completion: _____

Date application returned to City: _____ By: _____

Personal Information



for CARA Application

PRIVACY POLICY

CARA is dedicated to protecting the privacy of our clients. Your personal information will be treated as confidential. All information submitted is secured with the highest level of confidence and care. Portions of the CARA application may be posted online; excluded is the information on this form (social security number, tax identification number).

1. Applicant

Name: _____

Date of Birth: _____

Social Security Number: _____

2. Partner/Spouse

Name: _____

Date of Birth: _____

List of projects for CARA funding

Hand rail on City Property.....	\$3500.00
Side walk and flatwork on city Property...	\$13,000.00
Fire supression system.....	\$36,000.00(piping)
Fire Alarming.....	\$15,000.00
Hoods in kitchen over cooking Area.....	\$15,000.00
ADA signage and parking.....	\$4,000.00
Asphalt Patching.....	\$4,000.00
Digital signage.....	\$10,000.00
Total	\$100,850.00



A R C H I T E C T U R E

Date: November 21, 2011

Re: Legion Sustainability Design

To: James McCanlas, Commander

Dear James,

Regarding your question about what sustainable elements have been incorporated into your new building. DJ Architecture is LEED Accredited. Our last LEED project was the new Science and Technology building at LBCC. This significant building achieved LEED Silver Certification.

We design all our buildings with sustainability strategies. The new Legion building design incorporates many of the strategies as outlined in LEED. Attached is the project check list used to determine a building's eligibility for LEED Certification. As you can see the building achieves many of the points. Your new building can qualify for LEED Certification if you incorporated additional sustainability designs.

The remaining energy savings strategies available to you require energy modeling, building commissioning, and upgrades to the mechanical systems etc. All these are easily achievable, but they come at a cost. I estimate that to achieve the necessary points to achieve LEED Certification you will need funding of approximately \$85,000 to \$105,000. This funding will pay for the additional design time, upgrades to equipment and the services of a building commissioning agent.

Following is information for your review. Page 2 lists some of the sustainability design elements incorporated into the project. Page 3 lists some of the additional sustainability design elements that you can achieve with more funding.

Please feel free to call either myself or our project manager Christina if you have questions

Sincerely,

A handwritten signature in black ink, appearing to read 'Don Johnson'.

Don Johnson, Architect NCARB
Christina Larson, Project Manager, LEED A.P.

Encl: LEED Checklist
DJ Architecture LEED Brochure



Sustainability Strategies

American Legion - Albany, Oregon

Strategies Utilized in Current Design

- **Local Building Materials:** All CMU block is manufactured Bend, Oregon. This qualified for a LEED point since the transportation distance from manufacturer to site is within the guidelines.
- **Long life materials:** Masonry is made from clay and natural materials. The energy to fire the kilns is natural gas or bio-fuels. The extra energy to produce the masonry is more than set off by the embodied energy of the product. Masonry has a life expectancy of at least 80 years.
- **Bioswale:** All rainwater from the site is put into the bioswale.
- **White Roof:** High reflectivity roofing material reduces heat island effect of the building.
- **Site Selection:** Reused the site of an existing building. Did not develop previously undeveloped land or green space.
- **Low VOC Finishes:** Interior finishes will be low VOC.
- **Heat Island Effect - Nonroof:** Provide 50% of the site with shading. This can include shading by the building, trees (within 5 years of building completion), or by using hardscape materials with a SRI (Solar Reflectance Index) of at least 29.
- **Light Pollution Reduction:** Adhere by the LEED guidelines to reduce light pollution from the building between the hours of 10 pm and 5 am (including interior and exterior fixtures.)
- **Landscape Design:** Reduce water consumption from irrigation by 50% from the baseline case. This can be achieved by using native/adaptive plants and minimizing the use of grass.
- **Low Emitting Materials:** Ensure that all sealants and adhesives comply with low VOC requirements.



A R C H I T E C T U R E

Page 3

Potential Strategies Available with Additional Funding

- **Fuel Efficient Vehicles:** Provide priority parking spots.
- **Water Use Reduction:** Integrate low flow fixtures into the plumbing design.
- **Energy Savings:** Perform energy model to determine efficiency of system compared to baseline case. Then adjust design accordingly.
- **Enhanced Commissioning:** Hire a commissioning agent to due building systems commissioning and provide an operations manual to ensure building systems are operated to their highest efficiency.
- **Enhanced Refrigerant Management:** Select refrigerants and heating, ventilation, air conditioning and refrigeration (HVAC&R) equipment that minimize or eliminate the emission of compounds that contribute to ozone depletion and climate change.
- **Green Power:** Engage in at least a 2-year renewable energy contract to provide at least 35% of the building's electricity from renewable sources.
- **Increased Ventilation:** Increase breathing zone outdoor air ventilation rates to all occupied spaces by at least 30% above the minimum rates required by ASHRAE Standard 62.1-2007.



LEED 2009 for New Construction and Major Renovations

Project Checklist

American Legion

Nov-11

8 6 Sustainable Sites Possible Points: 26

Y	?	N			
Y			Prereq 1	Construction Activity Pollution Prevention	
1			Credit 1	Site Selection	1
		1	Credit 2	Development Density and Community Connectivity	5
		1	Credit 3	Brownfield Redevelopment	1
1			Credit 4.1	Alternative Transportation--Public Transportation Access	6
		1	Credit 4.2	Alternative Transportation--Bicycle Storage and Changing Rooms	1
1			Credit 4.3	Alternative Transportation--Low-Emitting and Fuel-Efficient Vehicles	3
		1	Credit 4.4	Alternative Transportation--Parking Capacity	2
		1	Credit 5.1	Site Development--Protect or Restore Habitat	1
		1	Credit 5.2	Site Development--Maximize Open Space	1
1			Credit 6.1	Stormwater Design--Quantity Control	1
1			Credit 6.2	Stormwater Design--Quality Control	1
1			Credit 7.1	Heat Island Effect--Non-roof	1
1			Credit 7.2	Heat Island Effect--Roof	1
1			Credit 8	Light Pollution Reduction	1

4 Water Efficiency Possible Points: 10

Y	?	N			
Y			Prereq 1	Water Use Reduction--20% Reduction	
1			Credit 1	Water Efficient Landscaping	2 to 4
2			Credit 2	Innovative Wastewater Technologies	2
1			Credit 3	Water Use Reduction	2 to 4

9 7 Energy and Atmosphere Possible Points: 35

Y	?	N			
Y			Prereq 1	Fundamental Commissioning of Building Energy Systems	
Y			Prereq 2	Minimum Energy Performance	
Y			Prereq 3	Fundamental Refrigerant Management	
5			Credit 1	Optimize Energy Performance	1 to 19
		7	Credit 2	On-Site Renewable Energy	1 to 7
1			Credit 3	Enhanced Commissioning	2
1			Credit 4	Enhanced Refrigerant Management	2
1			Credit 5	Measurement and Verification	3
1			Credit 6	Green Power	2

5 4 Materials and Resources Possible Points: 14

Y	?	N			
Y			Prereq 1	Storage and Collection of Recyclables	
		1	Credit 1.1	Building Reuse--Maintain Existing Walls, Floors, and Roof	1 to 3
		1	Credit 1.2	Building Reuse--Maintain 50% of Interior Non-Structural Elements	1
2			Credit 2	Construction Waste Management	1 to 2
		1	Credit 3	Materials Reuse	1 to 2

Materials and Resources, Continued

Y	?	N			
1			Credit 4	Recycled Content	1 to 2
1			Credit 5	Regional Materials	1 to 2
		1	Credit 6	Rapidly Renewable Materials	1
1			Credit 7	Certified Wood	1

13 2 Indoor Environmental Quality Possible Points: 15

Y	?	N			
Y			Prereq 1	Minimum Indoor Air Quality Performance	
Y			Prereq 2	Environmental Tobacco Smoke (ETS) Control	
1			Credit 1	Outdoor Air Delivery Monitoring	1
1			Credit 2	Increased Ventilation	1
1			Credit 3.1	Construction IAQ Management Plan--During Construction	1
1			Credit 3.2	Construction IAQ Management Plan--Before Occupancy	1
1			Credit 4.1	Low-Emitting Materials--Adhesives and Sealants	1
1			Credit 4.2	Low-Emitting Materials--Paints and Coatings	1
1			Credit 4.3	Low-Emitting Materials--Flooring Systems	1
1			Credit 4.4	Low-Emitting Materials--Composite Wood and Agrifiber Products	1
1			Credit 5	Indoor Chemical and Pollutant Source Control	1
1			Credit 6.1	Controllability of Systems--Lighting	1
1			Credit 6.2	Controllability of Systems--Thermal Comfort	1
1			Credit 7.1	Thermal Comfort--Design	1
1			Credit 7.2	Thermal Comfort--Verification	1
		1	Credit 8.1	Daylight and Views--Daylight	1
		1	Credit 8.2	Daylight and Views--Views	1

1 Innovation and Design Process Possible Points: 6

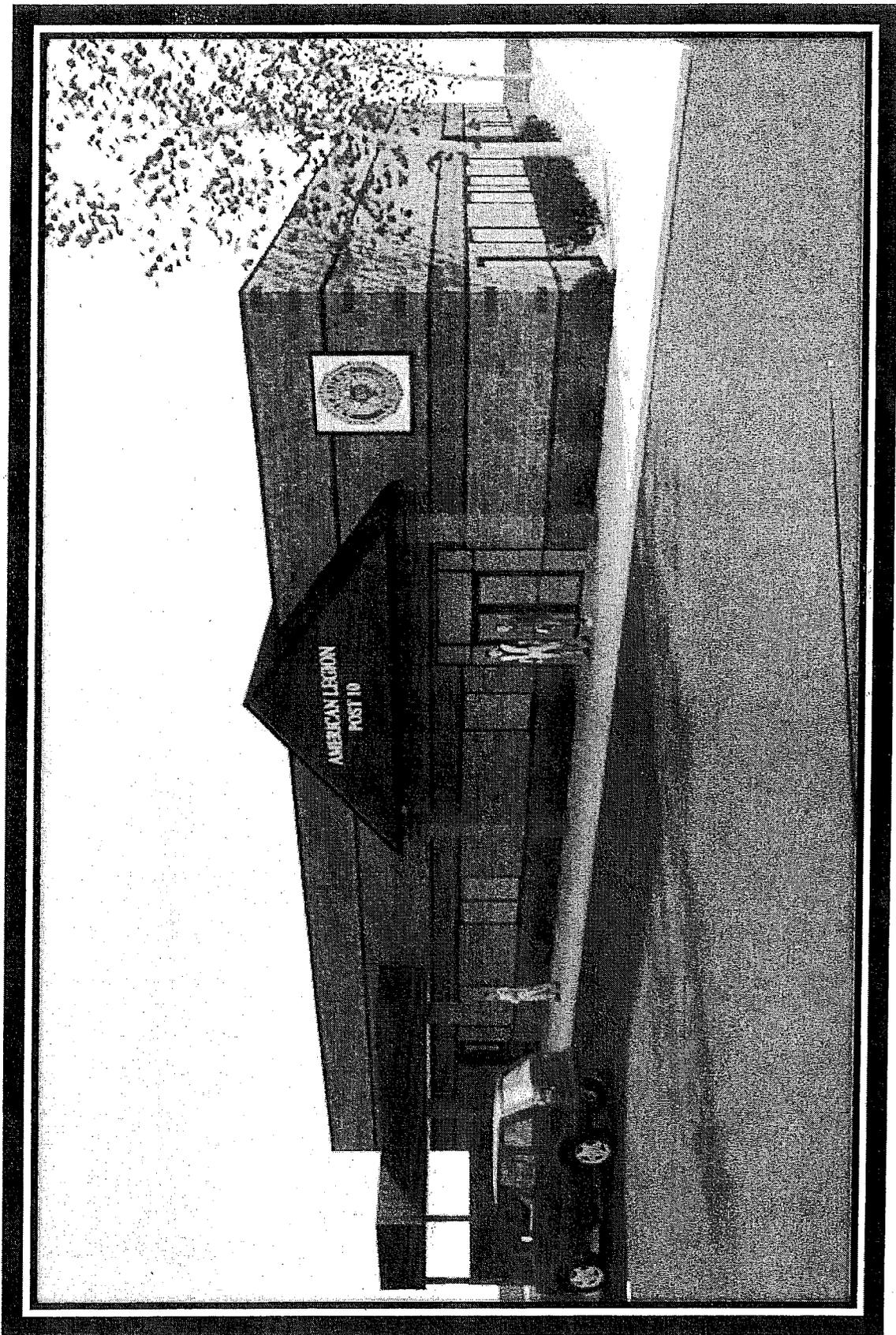
Y	?	N			
			Credit 1.1	Innovation in Design: Specific Title	1
			Credit 1.2	Innovation in Design: Specific Title	1
			Credit 1.3	Innovation in Design: Specific Title	1
			Credit 1.4	Innovation in Design: Specific Title	1
			Credit 1.5	Innovation in Design: Specific Title	1
1			Credit 2	LEED Accredited Professional	1

Regional Priority Credits Possible Points: 4

Y	?	N			
			Credit 1.1	Regional Priority: Specific Credit	1
			Credit 1.2	Regional Priority: Specific Credit	1
			Credit 1.3	Regional Priority: Specific Credit	1
			Credit 1.4	Regional Priority: Specific Credit	1

40 19 Total Possible Points: 110

Certified 40 to 49 points Silver 50 to 59 points Gold 60 to 79 points Platinum 80 to 110



PETER A. DeFAZIO
4TH DISTRICT, OREGON

TRANSPORTATION AND
INFRASTRUCTURE

SUBCOMMITTEES:
HIGHWAYS AND TRANSIT
RANKING MEMBER

AVIATION
RAILROADS

NATURAL RESOURCES
SUBCOMMITTEES:
NATIONAL PARKS, FORESTS, AND PUBLIC LANDS
ENERGY AND MINERAL RESOURCES



Congress of the United States
House of Representatives

November 7, 2011

PLEASE RESPOND TO:

- 2134 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-3704
(202) 225-6416
- 405 EAST 8TH AVENUE, #2030
EUGENE, OR 97401
(541) 465-6732
1-800-944-9603
- 125 CENTRAL AVENUE, #350
COOS BAY, OR 97420
(541) 269-2609
- 612 SE JACKSON STREET, #9
ROSEBURG, OR 97470
(541) 440-3623
- defazio.house.gov

James McCanlas, Commander
Albany Post 10
The American Legion
Albany, Oregon

Dear Commander McCanlas:

Thank you for giving me this opportunity to note my wholehearted support for your efforts to build a new American Legion Hall. I was shocked when I learned a catastrophic arson fire had destroyed the historic hall on July 4, 2010.

I am excited about your plans for the new building. The original American Legion Hall started small and grew into an important landmark and community center. Area veterans deserve a new hall where they can meet with pride and dignity for another 90 years.

You have received generous community support, and I am sure your request for funds from the City of Albany will receive full and fair consideration.

Sincerely,

PETER DeFAZIO
Member of Congress

PAD:PJW



Fisher Funeral Home Inc.

10/18/11

To Whom It May Concern:

Please consider this letter in support of the efforts of American Legion Post 10, as they rebuild their facility after a tragic fire.

This hub of the Albany community has served its citizens with dignity and a sense of public service for decades. These heroes, who have already served their country, have returned to the community and provided many programs that are just not available through any other entity. Boys/Girls State, scholarships for graduating seniors, Young Marines, military funeral honors, hosting of military dignitaries, & Veteran's Day activities are just a sampling of the ways these people continue to serve. The Legion facility has been host to countless civic meetings, clubs, awards banquets, and community groups. The loss of this facility has left a void, as well as fewer options for many of these groups, as the temporary home for Post 10 just can't accommodate the same meeting schedule.

My connections with the Albany American Legion are vast as well as personal. My grandfather, Walter Kropp was a WWII veteran and member of Post 10. My grandmother was active with the auxiliary and was responsible for the Girls State Program for decades. I myself was the recipient of the American Legion Boy of The Year Scholarship as a graduating senior 30 years ago, an award that continues to this day. The Young Marine Program involves three young people who live within 50 feet of my home (two different families), and the impact this program has had on these youngsters has been phenomenal.

But the biggest impact Post 10 has had on me has come during my professional life. As a funeral director for 27 years, I have arranged for hundreds of funeral services for deceased veterans. The award winning funeral honors team from Post 10 is one phone call away. They are professional, they are always on time, and every presentation they make is a remarkable tribute to a fallen fellow veteran. And even after much of their equipment and uniforms perished in the fire, this resourceful team was able to gather enough items together so as to not reject any upcoming funeral honors requests. The team asks for no payment (which is true of most American Legion programs), and every time I thank them for their efforts I get the same response....."It's an honor for us."

When the American Legion post burned to the ground on July 4th 2010, I went to the grounds to see if there was any way to be helpful. As I spoke to several members on that day and subsequent days, I found it remarkable that while there was sadness as to the loss, there was only determination to get back up and continue the good fight.

This resilience reflects a fortitude that comes from deep within every member of American Legion Post 10. It's a mentality that says "We've been knocked down, so let's pick ourselves back up and move ahead." This approach to life is not only admirable, but sets an example to the whole community. To say these people are role models is an understatement. They are truly heroes. These club members have so much more to offer our community in the years ahead, and it's my hope that their efforts to rebuild will be rewarded with the full support of those who are in a position to give.

On behalf of the staff of Fisher Funeral Home, and the Ordeman, Kropp, & Fisher families, I urge those in a position to help American Legion Post 10 to throw their support behind the post's efforts. As they have quietly supported the community for decades, now is the time to help them up.

Sincerely,

Wally Ordeman
Vice-President
Fisher Funeral Home



Boy Scouts of America
Troop 100
Albany, Oregon

Boy Scout Troop 100 is sponsored by American Legion Post 10 of Albany. The Troop sponsorship by Post 10 goes back to at least 1941 when Troop 100 was originally called Troop 10.

My father, Marland D. Rice was the Scoutmaster and maintained troop leadership for 35 years. He turned leadership over to the next Scoutmaster (Scout Dad, Cary Adair and a succession of other Scout Dads), and was then Institutional Representative until his passing in 2001. I, Marland L Rice was a Boy Scout in the Troop from 1957 through 1964, and I took over as Institutional Representative at my father's passing. I report information between Troop 100 and the American Legion Post 10.

Over the years this relationship has grown and become stronger with American Legion Post 10 helping Troop 100 with projects and the Troop helping the American Legion Post with projects in return. We have had many Scouts who have earned their Eagle Rank with the help of Post 10 and its' members.

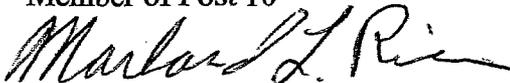
Post 10 has had the privilege to have sponsored the top Eagle Scout of the Year 2009, from Troop 100. Jason Marks received his award at the Annual Oregon American Legion Convention in Seaside, Oregon. This was a triumph for the cooperation of Post 10 and Troop 100. Troop 100 is currently helping the Post with their Saturday morning breakfasts as fundraiser for community youth projects.

Troop 100 and American Legion Post 10 were set back when the American Legion building burned in July 2010. The new American Legion Post 10 is being rebuilt on the original site. When the boys of Troop 100 become men and have families, they can look back with pride for their part in this building project and their service to the community.

The sponsorship of programs with Troop 100 helps develop boys into young men and on to their roles as responsible citizens. It is the communities duty and Post 10 takes this seriously and serves with pride.

We would like to thank those who will help us continue in the cooperative manner of the past and carry on to the future.

Troop 100
Institutional Representative from Post 10
Member of Post 10



Marland L. Rice



A R C H I T E C T U R E

October 24, 2011

To: American Legions Post 10
Albany, Oregon

Re: Clarification of Architects Fee and in kind donation

The grant writer asked how I set my architectural fee.

As a veteran I would like to support the Albany Legions Post 10 reconstruction project. I am the owner of DJ Architecture P.C. and I donated a portion my architectural fee to the Legion. For your future reference please consider the donation as follows:

Typical architectural fee for a 10,000 sq ft commercial building is 8% of the construction cost. Per the contractor the estimated construction cost is \$1,588,000

In this instance I compute the projected fee to be $\$1,588,000 \times .08 = \$127,000$

I will reduce my fee to 2% which is \$30,000

This results in an in kind donation of \$97,000.

If you need any additional information please feel free to call

Sincerely,

Don Johnson, NCARB
Architect

November 8, 2011

Gina Vee
Gina Vee & Associates
3036 Thistle Way
Corvallis, Oregon 97330

I would like to share my thoughts as to why the American Legion Post 10 in Albany richly deserves to be the recipient of the requested CARA grant to assist them in their goal of once again being able to offer the Albany/Willamette Valley area the post home they have been deprived of.

As has been stated, "We are more than an American Legion, we are a community." That is for sure. I know that you have received all the facts concerning the past record of the contributions that Post 10 has made to our community, state, and nation. What needs to be brought to the table is the "institution" that Post 10 has been at the local, state, and national level.

Every year since the late '50's, the eyes of the country have been focused on Albany Oregon on November 11th. We have sponsored and continue to sponsor the "largest Veterans Day celebration in the country." That being said, the eyes of the country have been on Albany American Legion Post 10 since the morning of July 4th 2010 when the tragic arson deprived us of our Post home. I am in contact with several relatives and past Veteran friends from all over the world. They constantly ask me the progress on getting the new building constructed. Unfortunately, I have had to tell them that things are not progressing at a very fast pace. These delays have bled our insurance settlement to a dangerously low level.

Since the early days of our Veterans Day events, local, state, and national news media focus on the "headquarters" of the Veterans Day events. It only makes sense as it were the dignitaries are escorted to their parade rides after a continental breakfast and social period following the Memorial Service. I am the past president of the Veterans Day activities and as such have watched this unfold many times. Parade participants from outside our area continue to ask when things will get back to normal. It is unfortunate that we have to tell them that we just don't know. This situation is but one indicator of the vital role Post 10 plays in the broad spectrum of local activities.

I really feel that Post 10 deserves to be granted monies from CARA as it provides services vital to the community. We are the victims here rather than wanting to build a newer, bigger, prettier facility. We have been victimized by the actions of a deranged individual. Over the years we have "EARNED" the respect of the entire community, state, and nation on many levels. Please help us get closer to our goal of once again providing these services to our area.

Sincerely,

Huston-Jost Funeral Home

86 W. Grant Street • Lebanon, Oregon 97355 • (541) 258-2123 • Fax: (541) 258-6186

October 19, 2011

Bob Griffin
American Legion Honor Guard
1215 Pacific Blvd.
Albany, Oregon 97321

Dear Honor Guard,

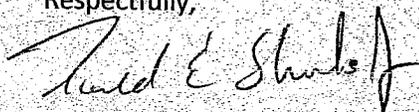
I am writing today to commend and thank your organization and all its members for providing military honors at the funeral services of our fallen veterans. We feel every serviceman and their families deserve to have their service to our country recognized. Your organization has been instrumental in allowing that to happen.

Your contributions are not only appreciated by me and my staff but also the countless families and communities you have served.

Your organization plays a key role in helping fill a void in the military honors system and without your help many families would have gone without proper military honors at their service.

Thank you for professionalism, loyalty and continued service in helping us provide meaningful services to the military personal we are so privileged to serve. Keep up the good work!

Respectfully,



Ronald E. Shanks, Jr.

Huston-Jost Funeral Home

Advisory Board of Cara
Council Chambers, City Hall
Albany, Oregon
97321

To Whom it May Concern Re: The American Legion

I am writing this and would like you to consider this as a "plea" that The American Legion may benefit from some of the money you will be donating and in deciding where it should go, we would like you to keep us in mind.

The American Legion has been a friend of mine for over 50 years. We lived in a veteran's housing unit four years between Mpls. and St. Paul while going school. My first visitors were American Legion Auxillary members asking "if you need anything, just let us know". They were at my door the last year we were there with a box of baby necessities a week before my baby was born. (everything from diapers, oil, kimonas etc etc) I was so thrilled as we had only what was needed going to school.

Any time we moved from one city to the next--if there was an American Legion--you walked in and were made welcome immediately. Just all really nice people and over the years have made many long time friends. In other words --if you belong to the American Legion--you are no stranger.

Have met several "Bingo Buddies" over the years and after moving back here in '07 started going to Bingo on Sunday's again. Have met a lot of new friends and it is so nice to see and visit with them each time I go.

James has worked so hard and truthfully--like I said earlier--Please help us get our building built and property landscaped along with all the other necessities. It is so important.

Thanks for any consideration you may show us:



Mary Jean Sorte
1625 25th Ave. S.W.
Albany, Oregon

Attached are names of people that agree with me. Thought I would just have them sign so you could see how many people really would like to see our American Legion completed.

Dona L. Vaaley
Judy Smith
~~Jack Smith~~
Nita Olson
~~Norma~~
Mary Tolson
J.L. Rymit
~~Rita B. B.~~
Helen Ware
Lynn Kagan
Rosie Robertson
Pat Gibson
Lois
me and her
Bea Benham
Janet Nels
Elna Keller
Webra Clark
Joyce Larkin

Worley & Ray
~~Bud Skelton~~

Miri Powell
Susie Baker
Arlene Gasperino
Thelma a. Lebold
Chris Allard
Betty J. Carter
Sheren Henderson
Zella Rogers
Joyce Omit
David & Wamsley II
Cheryl Adams
Vivian Wamsley
David Wamsley
Sewely Boegert
Gladys Jones
Janice Thomas
Larva Krumm
Elna Krumm
Ann Krumm
Betty Vanmeter
Ann Roman

Veterans of Foreign Wars of the United States



Linn Post 584, Albany, Oregon
1469 Timber St. SE, Albany, OR 97322
Phone: 541-974-6936

Commander – James Jones
Phone- 541-760-5274

President – Linda Baker
Phone – 541-926-9712

To: City of Albany

From: VFW Post 584, Albany, OR

We are writing this letter in support of American Legion Post 10 and their rebuilding project. Post 10 is a private non profit veterans club that for over 90 years has made many significant contributions to Albany. It is the largest Legion Post in the state and as such has made a major positive economic impact on the city and surrounding area.

The public recognition by the Legion to our police, firefighters, and other first responders in Albany is noteworthy and important to all of us. Over the years the gifts and contributions to the community Post 10 has made have been significant and have been a major contribution to improved quality of life and safety for all citizens.

The youth programs the Legion sponsors are second to none and for many years have certainly had a positive impact on the youth of Albany.

As a member of the community who has benefited from organizations like the American Legion as well as a member who has worked to help make a difference in our community it is absolutely vital that American Legion Post 10 rebuilds and continues to serve the community. They cannot do this unless they are able to rebuild.

I can think of no better use of CARA money than to help ensure that Legion Post 10 is rebuilt and continues to have a positive economic and civic impact on the city of Albany.

Sincerely,

James Jones, Commander, Linn Post 584



Am Vet Post #15
1469 Timber St SE
Albany, OR 97322

To Whom It May Concern:

We are writing in support of the American Legion Post 10 project. We understand that the project is within CARA Albany's urban renewal district. Rebuilding Post 10 strengthens a gateway to Albany.

The American Legion Post 10 request fulfills the CARA Key objectives by retaining the value of existing private investments and public investments in the area. American Legion Post 10 is a private non-profit organization of veterans and is the largest American Legion Post in the State of Oregon. Post 10 serves two populations - local residents and visitors. American Legion Post 10 exemplifies the commitment of Albany to continue to honor its past, present, and future veterans. Supporting the rebuilding of American Legion Post 10 commemorates Albany's past and demonstrates faith in its future.

American Legion Post 10 has a 93-year tradition of economic activity, civic and charitable contributions in the City of Albany. Post 10 was founded in Albany in 1919. Many of Albany's city leaders were members and these founders committed themselves to helping to build the City of Albany. Post 10 and its members purchased the first city ambulance, financially supported Albany College, purchased and maintained the Albany Airport (which they eventually gave to the City of Albany).

Over the years, American Legion Post 10 has sponsored many City and County Programs: Its members started and staffed the first volunteer fire department in 1929; at the request of the Oregon Governor, they took over the relief program for Linn County's needy during the depression. They managed the food warehouse and sponsored fundraisers; in the 1930's they became the prime benefactor for the Boy Scouts of Albany; recognized the Outstanding High School Boy, which later included the Outstanding High School Girl; and supported the Child Welfare Campaign to test for tuberculosis. They sponsored a public swimming tank for the City of Albany in 1933, 1934, and 1935. Post 10 sponsored the Albany City Baseball Team, which became the American Legion Baseball Team.

Post 10 memberships include veterans of all wars, an active Auxiliary and Sons of Veterans. They give financial support to organizations such as scholarships to Albany school students, Boys & Girls State, American Legion Baseball, Boy Scouts, Boys and Girls Club, CASA, Albany Helping Hands, VA Hospitals in Roseburg and White City and local nursing homes.

The American Legion sponsors and contributes to several community events including the Veterans Day Parade and Dinner, Memorial Dedications, Funerals, and Memorial Day activities.

Roy Poppleton, Commander
Am Vet Post #15

Twin Oaks Memorial Gardens
34275 Riverside Drive
Albany, OR 97321

October 17, 2011

To whom this may concern:

As owner and operator of Twin Oaks Memorial Gardens and Twin Oaks Funeral Home it is reassuring to call upon the local American Legion Honor Guard to provide military honors for funerals, memorials or graveside committal services for our nation's veterans and their families.

As more of our veterans die each year the need for the American Legion Honor Guard's participation grows accordingly. Whether it be a simple flag presentation with taps, or honors complete with a twenty-one gun salute, the concern, pride and ability of the honor guard is obvious.

The American Legion Honor Guard demonstrates a desire and an enthusiasm unsurpassed as is evidenced in the manner by which they conduct themselves. The dignity and respect provided to the veteran via the honors presentation lends comfort to families and the sincere gratitude of the families they serve, most often times, is visibly overwhelming.

Each year the American Legion also plans, oversees and participates in two other extremely important events held at Twin Oaks Memorial Gardens. One such event involves the placement of flags on all the veteran graves for the Memorial Day observance, not an easy task by far. The other is a much anticipated, necessary and well attended special commemorative presentation involving veterans and citizens alike throughout this nation's history, today's current events and future service needs complete with flag presentations, awards, military honors, speeches, dignitaries and a fly over.

With confidence I am pleased to share in, support and be a part of the services the American Legion Honor Guard extends to veterans, their families, friends and the community at large.

Respectfully,


Mike Terwilliger



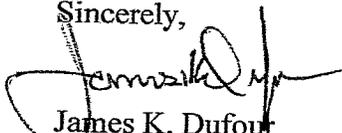
AAsum-Dufour *Funeral Home*

October 17, 2011

To Whom It May Concern:

I would like to take a moment to share our support for the Albany American Legion post 10. We have had the honor to work with them on many Veteran funerals over the past six and half years and they are always willing to participate and very professional. We count ourselves privileged to have such a wonderful supportive post in our community.

Sincerely,



James K. Dufour
Funeral Director/owner

Porsche, Kate

From: darlene gutierrez [mario70darlene@live.com]
Sent: Wednesday, December 07, 2011 12:35 PM
To: Porsche, Kate
Subject: AMERICAN LEGION

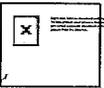
Hi, I am writing this letter to tell you how me and my husband feel about you not helping the American Legion really get back on there feet.

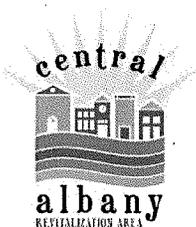
I know you are giving a lot of money to the down town effort.I feel that some of that money would be better spent on helping to save the American Legion.

There are a lot of vets that live in the Albany area and this has been a place that they can go and meet with their comrades. The American Leagon has done a lot for Albany in the past and its time that Albany helps The American Legion. So let the side walk go and and help the vets. They gave there lives and ther limbs and mines for us.

Darlene Gutierrez

541-905-4774

Darlene 



TO: CARA Advisory Board

FROM: Kate Porsche, Urban Renewal Manager *Kate Porsche*

DATE: January 11, 2012, for January 18, 2012, CARA Advisory Board Meeting

SUBJECT: Staff Report – Review of Scott Lepman’s Denver Street Project

The second item before you is a reconsideration of Scott Lepman’s Denver Street project. I’d like to take some time to explain the process that brought this item back. As you may recall, at the last CARA Advisory Board meeting on November, 16 Mr. Lepman brought before you a request for a forgivable loan in the amount of \$48,423 to fund the demolition of a blighted house and the construction of a new duplex in that location.

In the course of discussion, and supported by a 10-4 motion, the recommendation made by you was to convert the forgivable loan to a standard loan with an interest rate of our cost plus one percent (translating to a total rate of approximately six percent). After the meeting, Mr. Lepman asked to meet with me. At this meeting, we discussed much of what is in his letter to you (attached on following pages). In the end, a straight loan does not help him as he can get a loan with better terms from a local bank. Mr. Lepman asked me to convey this information to the ARA Agency and to suggest the loan be converted to a grant (or forgivable loan); otherwise he does not want the money. I then conveyed this information to the Agency at their December 14, 2011, ARA meeting.

Ultimately, the Agency members didn’t feel comfortable acting on this information without further input from the Advisory Board and directed the item to come back to the you; thus, the reconsideration of this item on your agenda. I have attached my original project evaluation grid, and Mr. Lepman has written a memo for your consideration; behind that you will find his original application.

KCP:ldh



Project Evaluation Grid: Lepman – Denver St.

Request: \$48,423 forgivable loan

	Item	Description	Staff Analysis/Comments
<i>Overall Goals</i>			
A)	<p>CARA Goal & Objectives: The purpose of this CARA Plan is to eliminate blighting influences found in the CARA, to implement goals and objectives of the City of Albany Comprehensive Plan, and to implement development strategies and objectives for the CARA. The goal and objectives for the CARA have been defined as follows:</p> <p>CARA Goal: To revitalize the Central Albany Revitalization Area by implementing the Town Center Plan developed through the Central Albany Land Use & Transportation Study (CALUTS) using a citizen-driven process.</p>	<p>Does the project further the Town Center Plan?</p> <p>Which of CARA's objectives does the project meet?</p> <p>CARA Key Objectives:</p> <ul style="list-style-type: none"> ◆ Attract new private investment to the area. ◆ Retain and enhance the value of existing private investment and public investment in the area. <p>CARA Additional Objectives:</p> <ul style="list-style-type: none"> ◆ Provide a safe and convenient transportation network that encourages pedestrian & bicycle access to and within the town center. ◆ Preserve the Historic Districts, historic resources and existing housing in the area. ◆ Create a readily identifiable core that is unique and vibrant with a mixture of entertainment, housing, specialty shops, offices, and other commercial uses. ◆ Increase residential density in the area. ◆ Encourage the development of new forms of housing and home ownership. ◆ Enhance and protect the community and environmental values of waterway corridors in the area. ◆ Provide an enriching environment and livable neighborhoods. 	<p>No, it is outside the area and scope of the Town Center Plan.</p> <p>Project meets the following objectives:</p> <p>CARA Key Objectives:</p> <ul style="list-style-type: none"> ◆ Retain and enhance the value of existing private investment and public investment in the area. <p>CARA Additional Objectives:</p> <ul style="list-style-type: none"> ◆ Increase residential density in the area. ◆ Encourage the development of new forms of housing and home ownership. ◆ Provide an enriching environment and livable neighborhoods.
B)	<p>CARA Planned Projects</p>	<p>Which project category and activity in the UR Plan does this project fulfill? (See CARA Project Activities document, or Table 2 of the UR Plan and Report)</p>	<p>Activity: <u>Housing Development</u> described in plan as, "Pre-development, property acquisition &/or development in partnership for affordable housing &/or mixed use. Partnership opportunity."</p>
C)	<p>Development Pattern (Highest and Best Use)</p>	<p>Does it achieve desired land use (e.g., mixed-use, higher density) and/or transportation objectives (e.g., Esplanade, pedestrian-friendly areas)?</p> <p>Is the proposed project desired in this location and the highest and best use of the property?</p>	<p>Yes.</p> <p><u>Zoning & Comp:</u> Residential Medium Density (RM)</p> <p>Yes. The RM District is primarily intended for medium-density residential urban development.</p>
D)	<p>Blight</p>	<p>Would it remedy a severely blighted building? How?</p>	<p>Yes, the existing structure is in very bad condition and a blight on the neighborhood.</p>
E)	<p>Preservation</p>	<p>Would it rehabilitate or sensitively redevelop a historic property?</p>	<p>No.</p>
F)	<p>Vitality/People Attractor</p>	<p>Does the general public benefit (i.e. restaurant, carousel, something they can go to, utilize)?</p>	<p>No.</p>

G)	Retail Hotspot (1 st Avenue between Lyon and Calapooia)	Is the project located in the Retail Hotspot? If so, will the first floor use be active retail, as recommended in the Retail Refinement Plan?	No.
H)	Sustainable Building	Will the building be built using sustainable practices including LEED or others?	No.
I)	Residential	Is there a residential component? How many units?	Yes, the project would be a net addition of one unit. Both units would be brand new.
<i>Economic Development</i>			
J)	Bring new business to Albany	Will a new business open or come to Albany as a part of this project?	No.
K)	Job Creation	Will the project create additional jobs? How many, what types and what salary level?	No.
L)	Local Labor and Materials	Has applicant specifically called out a commitment to use a certain percent or amount of local labor and/or materials?	None was specifically called out, but their company, who does much of the work, is local.
<i>Financial</i>			
M)	Ratio	Proposed public funds Private funds % of CARA Investment Ratio-Public \$:Private \$	\$ 48,423 \$278,642 15% 1 : 5.75
N)	Financial Impacts	What are the financial risks and/or financial benefits to CARA?	Tax increment benefits.
O)	Gap	What is the "Gap" or need of the developer?	Applicant states that the proposed duplex on the site doesn't meet their test for their rate of return.
P)	Private Risk	What is the risk for the developer? What is their skin in the game?	Applicant would be investing in a neighborhood in transition, and would be building a duplex.
Q)	Tax Increment	Will the project generate an increase in the assessed tax base? How much?	Yes, estimated property tax to CARA is \$3,300 per year.
R)	Tax Increment ROI	Is the ROI on this project less than 5 years, less than 7 years?	Estimated at 13 years.

Other Staff Comments: Mr. Lepman's proposal to cure a blighted house with the construction of a duplex fits with the CARA goals related to housing.

This project is somewhat similar to the forgivable loan given to the Siegner's for their project on Second Avenue. In that case, they received \$97,047 for four units on a high-visibility main gateway street and as a showcase of what we're looking for in infill projects that abut our historic districts. This project would remove a blighted single-family residence, though it is not highly visible, nor does it abut the historic districts.

Scott Lepman Company
Real Estate Appraising and Consultation
100 Ferry Street NW
Albany, Oregon 97321

January 6, 2012

Honorable CARA Members,

RE: Denver Street Requested CARA Assistance

I want to thank you for your previous support in our last CARA meeting regarding this project. I asked that we be able to resubmit this request to you for a forgivable loan.

Your previous support to provide a loan is helpful. However, I can obtain a bank loan, with more favorable terms, from Umpqua Bank. Your loan terms are less favorable since the amortization period is shorter which increases the cost of the loan.

I am requesting funds to replace an existing single-family structure with a new duplex. This project needs CARA assistance to overcome a challenging neighborhood. To achieve success this project must be overwhelming in quality.

I have attached only the original letters that were submitted with our application to this new request since I have been increasingly aware of how much reading material is presented for all your meetings. The letters are provided for your review.

Therefore, this cover letter will provide supplemental information and clarification only.

Blighted Properties Do No Protect Occupants, Owners, Lenders

This property should never be occupied again. The subject property, as noted in our previous application, has suffered from irresponsible ownership and significant criminal activity requiring police responses. It has been illegally remodeled and does not provide safety and security to the occupants.

This property should never be offered as security for a loan again. In the past nine years, this property has been twice foreclosed with total combined losses of \$72,572.52. In 2003, the subject property was foreclosed and the lender suffered a loss of \$34,822.52. In 2010, the subject property was foreclosed on again with the lender's loss of \$37,750.00. State and Federally regulated lending institutions do not make loans knowingly anticipating such significant losses. The owners of the property cashed out with bank loans and then later abandoned the property. It is my believe that they abandoned the property since the property no longer offered tenant or owner appeal.

The improvements suffer from functional obsolescence, deferred maintenance and in my opinion, abuse by both occupants and prior owners. The structure needs to be torn down and replaced.

We Are Stakeholders In Albany

It is my responsibility to protect my family, my employees, and the lenders who trust us. We are continuously renovating properties but only those that are functionally curable and financially feasible. This property is not fixable. It needs to be replaced.

It is not my responsibility to fix this property but I do believe that it is my obligation. A large part of our success can be attributed to my judgment in avoiding properties like the subject property. I am requesting that you support removing this blighted dwelling from the neighborhood. We need CARA assistance to turn this property around. If we protect the property, we protect the occupants, the community and financial institutions.

To create positive change in the neighborhood, my plan is to create a new structure with overwhelming quality. Modest quality will not do the job. To overcome the stigmatization of the neighborhood, you need to attack blight with overwhelming force. I have proven this works for residential uses in two successful projects located in challenging areas of Albany.

Stakeholders Change Neighborhoods

It is my opinion that the most important factor in recycling a neighborhood is what neighborhood stakeholders observe, not what individuals who do not live in the neighborhood observe from their vehicles.

To protect the neighborhood, nearby stakeholders and potential future residents need certainty regarding the potential for continuing improvement. They need a vision to overcome objections to living and investing in the neighborhood by seeing the potential for positive change in the neighborhood.

Although not on a busy road, this property is located in a blighted neighborhood. I have heard concerns that the project is not on a busy street and visible to people passing through the neighborhood. However, people passing through the neighborhood are not personal stakeholders in the neighborhood.

We have a long-term commitment to this community. The success of our business plan is not a short run gain but positive results in the long run. Many of the investments we make do not make financial sense for our long-term business objectives. It would be great if one property would change a neighborhood but I believe that you only get out of life what you put into it. If owners in the neighborhood understand that investing and protecting their properties can achieve long-term gain then change will occur. It will not be quick but it is certain.

While I enjoy testing theories of real estate development in challenging areas of Albany, I would like to share with you the positive change we have made together.

We Are Changing Neighborhoods

Our CARA projects at 6th and Montgomery and Jefferson Lofts were accomplished with your assistance. I want to show you that overwhelming quality will overcome resistance to living in a blighted neighborhood.

As our tenant list from the Jefferson Lofts and the Sixth and Montgomery apartments demonstrates, our units are occupied by people who could afford to buy or rent a house but as a lifestyle choice have chosen to live in the downtown area.

I have provided a list below of the occupants in our two CARA assisted properties. None of the occupants are on housing assistance and all could qualify to purchase a dwelling.

	# Residents	Employment	Length of Occupancy (months)
Jefferson Lofts			
125 Jefferson St. NE Apt. A-1	2	Lowes Distribution/Central Willamette Bank	15
125 Jefferson St. NE Apt. A-2	1	Henricks Enterprise	10
125 Jefferson St. NE Apt. A-3	1	Corvallis School District	8
125 Jefferson St. NE Apt. A-4	1	Sizzler Restaurant	5
125 Jefferson St. NE Apt. B-1	1	Manager, King Office Supplies	76
125 Jefferson St. NE Apt. B-2	2	US Bank/Papa Murphy's Pizza	3
125 Jefferson St. NE Apt. B-3	1	Salem Hospital	4
125 Jefferson St. NE Apt. B-4	1	Samaritan Health - Corvallis Clinic	19
125 Jefferson St. NE Apt. B-5	3	Linn Benton Housing Authority	31
125 Jefferson St. NE Apt. B-6	1	National Frozen Foods	25
125 Jefferson St. NE Apt. B-7	1	L&M Welding	13
125 Jefferson St. NE Apt. B-8	1	Chase Bank	25
125 Jefferson St. NE Apt. B-9	1	Parr Lumber	44
125 Jefferson St. NE Apt. B-10	2	Pediatric Dental Assoc./Bureau of Land Management	16
125 Jefferson St. NE Apt. B-11	2	VP Umpqua Bank/Keller Williams Realty	75
125 Jefferson St. NE Apt. B-12	1	Cambridge Terrace Assisted Living	20
		Average Length of Tenancy	24.3
6th & Montgomery			
305 6th Ave SE #1	1	Target Distribution Center	23
305 6th Ave SE #2	3	Allan Brothers	7
305 6th Ave SE #3	3	Samaritan Health - Dermatology	9
305 6th Ave SE #4	1	Allan Brothers	11
305 6th Ave SE #5	2	Starbucks/Marion Estates	5
305 6th Ave SE #6	2	YES House	8
305 6th Ave SE #7	3	Albany School District/Grocery Outlet	4

We are a stakeholder in Albany and because of your assistance we are changing neighborhoods.

This application for assistance is exactly the same as Mark and Tina Siegner's, which was previously approved by CARA.

This duplex is located on a dead end road and cannot be seen from passing traffic. This property, however, will contribute property taxes equally to Mark and Tina Siegner's duplexes.

I appreciate your thoughtful review of our application. We can get started on this project immediately.

Thank you for your consideration,

A handwritten signature in black ink, appearing to read 'Scott D. Lepman', with a long horizontal flourish extending to the right.

Scott D. Lepman

Attachments (2)



CARA Funding Application

333 Broadalbin Street SW, Albany, OR 97321

1. APPLICANT

Name: Scott D. Lepman and Spencer C. Lepman

Mailing Address: 100 Ferry Street NW

Albany OR Zip Code: 97321

Contact Name: Candace Ribera Phone Number: 541-928-9390

Fax Number: 541-928-4456 E-mail Address: Candace@slcompany.com

2. BUSINESS/BUILDING INFORMATION

Legal Business Name: Sable Drive LLC

Number of Years in Operation: 28 (1983)

Legal Form: Sole Proprietorship Partnership Corporation S-Corp LLC
Profit Nonprofit

In which state are the incorporation and/or organization documents filed? Oregon

Have you ever filed for bankruptcy? Yes No

Project Address (if different than mailing address): 406 Denver Street SE

Property Tax Account Number: 76758 (Linn County Tax Lot 11900, 11S03W05CC)

Is the building a historic contributing resource? Yes No

If so, is it on the historic property-tax freeze? Yes No

3. OWNER OF PROPERTY (if not applicant)

Name in which title is held: Sable Drive LLC

Contact Name: Scott D. and Spencer C. Lepman

Mailing Address: 100 Ferry Street NW

Albany, OR Zip Code: 97321

Phone Number: 541-928-9390

4. AUTHORIZATION TO UNDERTAKE WORK: If the applicant is not the owner of the property, provide written evidence that the owner authorizes this work to be undertaken. (Typically this is in the form of a lease or other written permission.)

5. DESCRIPTION OF PROJECT *Please give a comprehensive description of project.*

Demolition of existing dilapidated single family residence/drug house and the construction of a new neighborhood compatible duplex. The Building Permit information collected for the existing residence indicates that no permits for alternations or additions were made since 1989. (see attached Building Permit and Police Reports). The two-story units will contain 1,250 square feet of living area consisting of 3 bedrooms, 2 1/2 baths, with a single car garage. The units will be energy efficient with up-graded windows, a high efficiency furnace, energy star appliances and wall and ceiling insulation. The removal of the house will remove a blight on the dead-in street while adding an additional single family attached housing unit to the housing inventory.

6. TIMELINE FOR COMPLETION OF PROJECT: 2012

7. PROJECT COSTS

	WITHOUT CARA ASSISTANCE	WITH CARA ASSISTANCE
ESTIMATED COST OF PROJECT:	\$ <u>230,218.52</u>	<u>327,064.57</u>
ESTIMATED VALUE OF PROJECT UPON COMPLETION:	\$ <u>230,218.52</u>	<u>327,064.57</u>
Basis for valuation and value upon completion: <u>Based upon recent costs for similar duplexes in Albany</u>		

SOURCES FOR PROJECT:

Owner/Company Contribution \$ 137,826.36

Bank (estimated) \$ 137,815.21 Term: To be determined Interest Rate: To be determined

Other (please specify) \$ _____ Term: _____ Interest Rate: _____

CARA (proposed) \$ 48,423.00

TOTAL SOURCES \$ 327,064.57

Is your funding for these: available today applied for unknown at this time

USES FOR PROJECT:

Land and/or Building Acquisition	\$ <u>0</u>	
Soft Costs *	\$ <u>137,826.36</u>	Costs Absorbed by Company
Construction Costs *	\$ <u>189,238.21</u>	
Tenant Improvements	\$ <u>0</u>	
Machinery/Equipment/Installation Costs	\$ <u>0</u>	
Working Capital	\$ <u>0</u>	
Other (please specify)	\$ <u>30,717.29</u>	Permits, Fees, SDC's
TOTAL USES	\$ <u>327,064.57</u>	

*Please provide a detail of Soft Costs and of Construction Costs.

8. PREPARATION OF COST ESTIMATES

Who prepared your cost estimate? Scott Lepman Company, Cost Estimate Attached
(If applicant prepared their own estimate, verification may be required. If bid was used, please attach.)

Mailing Address: 100 Ferry Street NW; Albany OR 97321

Phone Number: 541-928-9390 E-mail Address: candace@slcompany.com

9. EXPLAIN WHY CARA FUNDING IS NECESSARY TO INSURE PROJECT COMPLETION. (Please provide a description of the financial gap requiring CARA assistance.)

The proposed duplex on the site does not meet our test for rate of return. The existing structure also does not meet our requirements for long term investment objectives due to physical and functional problems. The existing structure is functionally incurable based on present market standards or design appeal. Without CARA assistance the property will be sold as is.

10. WHERE ELSE HAVE YOU LOOKED FOR FUNDING?

The funding for our projects are provided by internally generated funds and partnership with local financial institutions.

11. CONSIDERING THE PROJECT GOALS OUTLINED IN THIS APPLICATION, PLEASE IDENTIFY THE VALUE YOUR PROJECT BRINGS TO CARA.

The project will demolish an old dwelling unit that contains a lean-to addition that was enclosed by the previous owner to make a bedroom and an existing attached single car garage that was converted to a bedroom by a previous owner. The existing access to the upstairs attic living space (bedroom) is steep and narrow. The floors on both the first floor and attic area are uneven. The provision of a new duplex in this area will provide a creative and attractive infill development that will help to stabilize the neighborhood and will add value to the tax rolls.

12. HAVE YOU OR THIS PROPERTY RECEIVED CARA FUNDING AT ANY POINT IN THE PAST?

Yes No If so, amount \$ 34,182.00

FOR WHAT PROJECT(S): Recent Funding: 315 Sixth Avenue SE – Rehabilitation of a dilapidated 1970's apartment building containing 7 townhouse apartment units

13. ASSISTANCE REQUESTED

Total Estimated Project Costs: \$ 327,064.57 Does not include any profit & overhead or contingency.

Your Total Contribution \$ 275,641.75

Total Amount Requested from CARA: \$ 48,423.00

Funding type requested

Forgivable loan

Forgiveness based on: Project completion Other, please describe:

May request alternative collateral on other real estate or subordinate to bank loan

Small Grant - *Matching grants of up to \$5,000 per property minimum 50 % match by applicant.*

Grant - *Matching grants of greater than \$10,000 per property minimum 50 % match by applicant.*

Loan Proposed Terms _____

COLLATERAL FOR LOANS

CARA Loans are usually secured by the project property (CARA is the primary or subordinate lender) AND by personal guaranties from developer members with an ownership share exceeding 20%. Indicate below what collateral you are offering for the CARA loan.

Preferred Collateral

First lien position or subordinate lien position in the project property

Personal guaranty from developer members (list names):

Alternate collateral proposed

	Description	Estimated Value	(-)Liens	(=)Available Equity
Real Estate - Commercial	CARA's Choice	\$	\$	\$
Real Estate - Residential		\$	\$	\$
Machinery and Equipment		\$	\$	\$
Accounts Receivable		\$	\$	\$
Other		\$	\$	\$

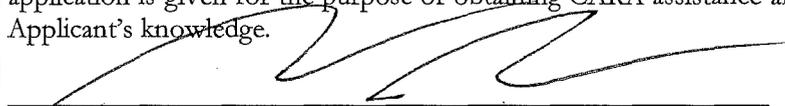
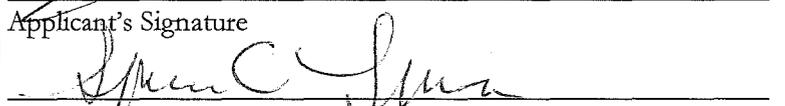
Certification

The Applicant understands and agrees to the following conditions:

1. Any physical improvements proposed must be approved by the Albany Revitalization Area Agency (ARA) and may require approval by the City of Albany Landmarks Advisory Commission or other entities. These entities may require certain changes or modifications before final approval and Commitment of Funds.
2. Commitment of Funds will not be processed until the Applicant satisfies all conditions.
3. **Any work begun before receipt of a Commitment of Funds notice is ineligible for reimbursement.**
4. Any work deviating from that detailed in the Commitment of Funds must be preapproved in writing to be eligible for reimbursement.
5. While only proprietary information may be held in confidence outside of the public record, CARA will attempt to maintain all information provided in a confidential manner.
6. Originals of all materials prepared with CARA assistance belong to CARA and will be maintained in the public record.
7. Application must be completed in its entirety before being considered; if not, it will be returned for completion.
8. Staff is authorized to independently verify any and all information contained in this application.
9. If CARA's total assistance to the project is greater than \$750,000, prevailing wage for the project may apply.
10. (CARA may withhold approval of this application until information satisfactory to CARA is provided.)

If the Applicant is not the owner of the property to be assisted or if the Applicant is an organization rather than an individual, the Applicant is required to certify that s/he has the authority to sign and enter into an agreement to receive the assistance requested and to perform the work proposed. Evidence of this authority is attached and included as a part of this application by reference.

The Applicant certifies that all information in this application and all information furnished in support of this application is given for the purpose of obtaining CARA assistance and is true and complete to the best of the Applicant's knowledge.

	10-28-11
Applicant's Signature	Date
	11-2-11
Applicant's Signature	Date

Return Application and any attachments to: City of Albany
c/o Kate Porsche, Urban Renewal Manager
333 Broadalbin Street SW/ P.O. Box 490
Albany, Oregon 97321

FOR CITY USE ONLY

Date Received: 10-28-11 By: KLP Application Complete: Yes No

Comments: attaining

Date application returned to applicant for completion: _____

Date application returned to City: _____ By: _____

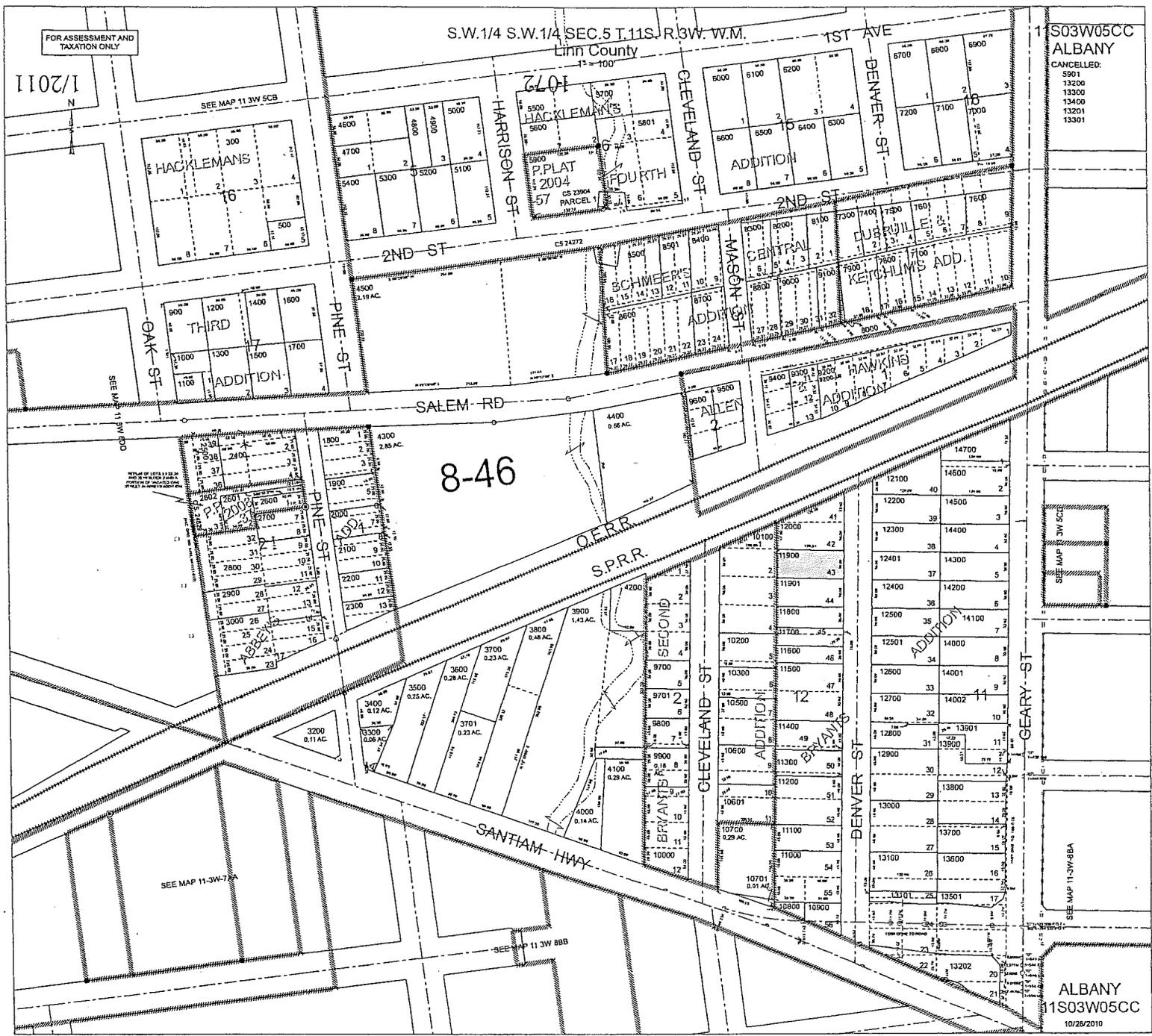
FOR ASSESSMENT AND TAXATION ONLY

1102/1

S.W.1/4 S.W.1/4 SEC.5 T.11S. R.3W. W.M.
Linn County

1S03W05CC
ALBANY

CANCELLED:
5901
13200
13300
13400
13201
13301



ALBANY
1S03W05CC
10/28/2010





Denver Street - Proposed Duplex

Improvements	Cost Estimate Alternative 1	Cost Estimate Alternative 2	Construction Costs	Costs Absorbed By Company	Other
Professional Services	3,000.00	3,000.00		3,000.00	
Plans & Prints	1,500.00	3,000.00		3,000.00	
Building Permits	4,915.49	4,915.49			4,915.49
System Development	25,370.00	25,370.00			25,370.00
Excavation/Drain Piping	12,903.85	17,116.15		17,116.15	
Foundation	5,836.25	7,836.25		7,836.25	
Tempory Toilet	431.80	431.80			431.80
Slabs/Sidewalks	10,820.86	16,568.81	16,568.81		
Concrete Sawing	342.00	1,750.00		1,750.00	
Lumber	27,067.04	35,013.74	35,013.74		
Trusses/Rafters	3,528.00	5,200.00	5,200.00		
Roofing	7,096.00	10,096.00	10,096.00		
Insulation	5,375.00	7,875.00	7,875.00		
Soffits		2,500.00	2,500.00		
Windows/PatioDoors	4,180.00	7,980.00	7,980.00		
Exterior Doors	1,050.00	1,050.00	1,050.00		
Interior Doors	3,486.97	3,985.97	3,985.97		
Garage Doors	2,268.00	3,468.00	3,468.00		
Sheet Rock	13,917.85	15,917.85		15,917.85	
Base/Casing	1,854.54	3,388.71		3,388.71	
Handrail/Stairs	2,400.00	2,400.00		2,400.00	
Surrounds/Columns		3,500.00	3,500.00		
Gutters	770.00	1,300.00	1,300.00		
Heating	3,500.00	11,000.00	11,000.00		
Plumbing	12,060.00	13,960.00	13,960.00		
Electrical	10,713.76	11,713.76	11,713.76		
Light Fixtures	1,104.07	2,000.00		2,000.00	
Masonry		15,000.00	15,000.00		
Cabinets	12,050.00	12,050.00		12,050.00	
Appliances	2,784.87	3,784.87		3,784.87	
Ceramic Tile/Granite Counter Tops	7,549.28	7,549.28		7,549.28	
Carpeting	1,722.00	1,722.00		1,722.00	
Hardwood flooring	860.00	860.00		860.00	
Nails/Misc/Power	1,720.46	2,720.46		2,720.46	
Mirrors	2,068.50	2,068.50		2,068.50	
Bath Fixtures/Hardwa	3,945.00	3,945.00		3,945.00	
Framing	7,500.00	11,500.00	11,500.00		
Finish	2,500.00	4,200.00	4,200.00		
Siding	5,000.00	9,800.00	9,800.00		
Painting	9,526.93	13,526.93	13,526.93		
Demolition	6,000.00	6,000.00		6,000.00	
Landscape	1,500.00	10,000.00		10,000.00	
Total:	230,218.52	324,064.57	189,238.21	107,109.07	30,717.29
Difference:	93,846.05	Requested CARA Assistance \$48,423.03			

Without CARA Assistance



With CARA Assistance





ALBANY POLICE DEPARTMENT
 1117 JACKSON STREET SE
 ALBANY, OR 97321

05/09/2011

CALLS FOR SERVICE SUMMARY: 406 DENVER ST SE

2006-2011

2006

Calls for Year: 4

Follow Up	60350300	2/4	406 DENVER ST SE
Civil Process-Subpoena	61110236	4/21	406 DENVER ST SE
Follow Up	61100413	4/20	406 DENVER ST SE
DHS Referral	61250184	5/5	406 DENVER ST SE

2007

Calls for Year: 11

DHS Referral	71370245	5/17	406 DENVER ST NE
Traffic-Other Violation	71560293	6/5	406 DENVER ST SE
Prowler	71920010	7/11	406 DENVER ST SE
Disturbance-Domestic	72220306	8/10	406 DENVER ST SE
Disturbance-Noise	72410233	8/29	406 DENVER ST SE
Harassment	72220123	8/10	406 DENVER ST SE
Juvenile Runaway	72370027	8/25	406 DENVER ST SE
Threats	72360475	8/24	406 DENVER ST SE
Follow Up	72610359	9/18	406 DENVER ST SE
Juvenile Runaway	73220273	11/18	406 DENVER ST SE
Threats	73380410	12/4	406 DENVER ST SE

2008

Calls for Year: 5

Animal Complaint	81940115	7/12	406 DENVER ST NE
Burglary	81970391	7/15	406 DENVER ST SE
Follow Up	82020311	7/20	406 DENVER ST SE
Disturbance-Domestic	82260310	8/13	406 DENVER ST SE
Threats	83190368	11/14	406 DENVER ST SE

2009

Calls for Year: 9

Disturbance-Other	90740053	3/15	406 DENVER ST SE
Phone Harassment	91000396	4/10	406 DENVER ST SE
Disturbance-Other	91580316	6/7	406 DENVER ST SE
Juvenile Runaway	91680464	6/17	406 DENVER ST SE
Information Report	91920382	7/11	406 DENVER ST SE
Juvenile Runaway	91910367	7/10	406 DENVER ST SE
Sex Offense	92510227	9/8	406 DENVER ST SE
Juvenile Runaway	92960397	10/23	406 DENVER ST SE
Assault	93240124	11/20	406 DENVER ST SE

2010

Calls for Year: 10

Sex Offense	100150356	1/15	406 DENVER ST SE
Sex Offense	100300227	1/30	406 DENVER ST SE
Disturbance-Other	100560378	2/25	406 DENVER ST SE
Disturbance-Domestic	101470270	5/27	406 DENVER ST SE
Out-Other	101870103	7/6	406 DENVER ST SE
Out-Other	101870193	7/6	406 DENVER ST SE
Assist-Other Agency	102680069	9/25	406 DENVER ST SE
Disturbance-Other	102440008	9/1	406 DENVER ST SE
Security Check	103500034	12/16	406 DENVER ST SE
Security Check	103510053	12/17	406 DENVER ST SE

Total

39



Printable Report

Permit # B-0079-89

InfoHub - ParcelID: 11S03W05CC11900

Permit Information Inspections Contractor Fees Plan Review

Applicant Name(s): CORBIT, THERESE

PERMIT NUMBER B-0079-89

TYPE MECH

FILE DATE

STATUS FINAL

DESCRIPTION INSTALL GAS HEATER (ORIGINALLY A WOODSTOVE PERMIT)

Scott Lepman Company

100 Ferry Street NW
Albany, Oregon 97321
(541) 928-9390 Phone
(541) 928-4456 Fax

October 28, 2011

Honorable CARA Board Members;

Re: Applications for CARA Assistance for Projects at:
406 Denver Street SE and 201 Second Avenue SE

First, I would like to explain who I am and what my company does. I started appraising real property for the Linn County Assessor's Office in 1978 with a salary of \$980 per month. After being laid off from the Assessor's Office in 1983, I began my private appraisal business.

My appraisal practice consumes about 90% of my time. However, we have diversified by acquiring residential and commercial investment properties. We currently own 970,148 square feet of residential and commercial properties. We have a total of 3,765 residential and commercial customers in the cities of Albany, Brownsville, Lebanon, Sweet Home, Corvallis and Salem. We are anticipating an additional 538 residential and commercial customers in 2012. We currently provide housing to 553 residents in the City of Albany, 67 residents in the City of Lebanon and 7 residents in the City of Brownsville.

We continue to grow aggressively during this recent great recession beginning in 2008. In the past three years, we have added 368,806 square feet of commercial and residential space to our company's leasable space. We currently have pending construction projects in Salem and Sweet Home of a total of 96,207 square feet.

We have a unique proven mix of talent. My job is to evaluate the best use of our company resources for the greatest return and protect the business from risk. Spencer Lepman, as the construction manager for the company and his staff have a combined total of 56 years of experience repairing, renovating, and building commercial and residential properties. We believe that we have the best staff in Linn and Benton Counties to develop, manage and maintain

real estate. All employees are paid above market wages and benefits and we have never laid anyone off in the history of the company. Company wide we have 27 employees.

Our community involvement consists of the support of a variety of local philanthropic organizations. A few of the recent charitable efforts are the Albany Schools Foundation, Albany Millersburg Development (AMEDEC), and West Albany High School Band, which provides handicapped parking at our office during River Rhythms. We support the Albany Boys and Girls Club by sponsoring sports teams. We waive rent for customers during periods of unique family hardships. We also support the community in other ways by paying 1/284th of Linn County Taxes; 1/219th of Greater Albany School taxes; and 1/148th of City of Albany taxes.

Our business model is unique. I make my living providing real estate investment advice to federally and state regulated financial institutions as well as the public. I see real estate mistakes daily. I also observe successful projects.

I have used this information and observations, along with a very capable staff, to react to changing economic conditions. This business model, ironically, does not depend on rising or falling property values. It works regardless of the financial, real estate and economic markets. It is intended to provide long-term growth and reduced risk.

I have observed failing developers, investors and financial institutions that get wiped out in recessions. We may not grow as fast as others during good times, but our goal is to reduce long-term business risk and protect the financial institutions that trust us. This helps us sleep better at night.

We are a conservative development company, using limited bank funding. We aggressively accomplish this for each project by not including the following in our project construction costs:

1. Design Costs [Architectural, Engineering (civil, structural and mechanical) and Land Use Planning];
2. Surveying costs;
3. Bookkeeping
4. Construction Management;
5. Entrepreneurial Incentives; or
6. Profit

These costs are not included in our request for CARA funding.

We would like to be able to explain why we are making the Denver Street and Second and Baker Street proposals knowing that they don't meet the 7 to 1 ratio for private to public investment guideline that the Board would like to see in the Urban Renewal Area.

It is our belief that the 7 to 1 ration does not work in these situations for the following reasons and that other criteria may also be important for you to consider in making your decisions. Such as:

1. **Consideration of Funding Per Square Foot of Improvement or Renovation.** To illustrate our point, please refer to the table below.

CARA FUNDING PER SQUARE FOOT FOR RENOVATIONS

Property	Known As	CARA Funding	Renovated Bldg. Sq.Ft.	CARA Funding/Sq. Ft.
206 & 208 First Avenue W	Boccherini's & 1st Burger	\$298,500	6,940	\$43.01
222 First Avenue W	Flinn Block	\$400,000	7,600	\$52.63
230, 236, 238, 244 First Avenue W	Clemeza's, Blush Salon & Spa, Vault 244	\$135,000	19,222	\$7.02
317 First Avenue W	J.C. Penney Building	\$750,000	16,159	\$46.41
104 First Avenue East	Oregon Furniture Mart	\$450,000	19,712	\$22.83
212 First Avenue East	Schultz Building	\$90,000	4,134	\$21.77

CARA FUNDING PER SQUARE FOOT FOR NEW CONSTRUCTION

Property	Known As	CARA Funding	Bldg. Sq. Ft.	CARA Funding/Sq. Ft.
421 Water Avenue NE	Wheelhouse Building	\$642,000	25,336	\$25.34

OUR PROJECTS

Property	Known As	CARA Request	Bldg. Sq. Ft.	CARA Funding/Sq. Ft.
201 Second Avenue SE	2nd & Baker Mixed Use	\$750,000	28,569	\$26.25
406 Denver Street SE	Denver Street Duplex	\$49,923	2,500	\$19.97

Note: Best estimate of CARA funding without actual verified grant information.

2. **Consideration of Changes in the Assessed Value of the Improvement as a Result of New Construction or Renovation.** The market does not significantly reward the owner with increased market value of a property resulting from cosmetic updating or renovation of existing structures. This is true for the recent downtown CARA projects on First Avenue. The tenants are not willing to pay significantly more in rent. Therefore, there is often little change in taxable value. As an Appraiser, it is my professional judgment that changing real estate to residential uses significantly changes assessed value.
3. **Consideration of the Risk Associated with the Improvement.** We believe that there is more risk and uncertain costs related to the construction of a new building than renovating an old building. There is a substantial difference between the construction of a new building and the renovation of an existing building. We believe that the CARA Board should thoughtfully consider this factor.
4. **Our Business Model.** Our business model is different than other companies. Should we be penalized because we internalize costs that other construction companies include in their proposals to you? Our model for successful development is achieved by:
 - a. Targeting a median price point for successful absorption;
 - b. Reduced costs for material and labor by competitive bidding in accordance with our standards for high quality materials and labor;
 - c. Lower costs than competitors because we use our own salaried staff people for construction wherever possible; and
 - d. We don't charge projects for Design Costs [Architectural, Engineering (civil, structural and mechanical), and Land Use Planning]; Surveying costs; Bookkeeping, Construction Management, Entrepreneurial Incentives or Profit.

Our long-term goal, in each project, is to establish annuity income. We are long-term investors and therefore we upgrade our properties superior to our competition. Reduced costs also reduce debt and allow for success.

5. **Denver Street Project.** The proposed Denver Street project will demolish an old dwelling unit that has been remodeled without permits and between 2006 and 2010 was the subject of 39 police responses. Demolishing the existing structure on the site and constructing a duplex on the site does not meet our test for rate of return. The existing structure also does not meet our requirements for long-term investment objectives due to physical and functional problems. The existing structure is functionally incurable based on present market standards

in design and appeal. The provision of a new duplex in this area will provide a creative and attractive infill development that will help to stabilize the neighborhood and will add value to the tax rolls. Without CARA assistance, the property will be sold "as is."

6. **Denver Street Project.** While the bank is willing to provide construction funding on a portion of the estimated cost of the Denver Street project (42.14%) with Lepman Properties absorbing 42.14% of the funding. We are asking for \$48,423.00 in CARA funding or 14.81% to make up the difference (see attached analysis) for the construction of a duplex matching the architectural characteristics of duplexes recently constructed to comply with CARA design standards. The funding that we are requesting is exactly identical to the funding provided for the duplexes at Second Avenue and Madison Street.
7. **Second and Baker Project.** The proposed Second Avenue and Baker Street project is located on the east side of the downtown in an area where there is a substantial amount of blight. The renovation of the Willamette Seed building into the Jefferson Lofts and the new construction of the Ironworks and Wheelhouse developments began a momentum in this area to begin to address the blight and act as an incentive to encourage other projects that would upgrade the area.
8. **Second and Baker Project.** The proposed Second Avenue and Baker Street project presents a unique opportunity to upgrade an existing site by providing commercial space on the ground floor with residential uses on the second and third floors.
9. **Second and Baker Project.** While the bank is willing to provide construction funding on a portion of estimated cost of the Second and Baker project (61.22%) with Lepman Properties *absorbing* 16.69% of the funding, we are asking for \$749,000 in CARA funding or 20.09% to make up the difference (see attached analysis).

The Denver Street and Second and Baker projects together were purchased anticipating CARA funding. The proposed projects will not work without CARA assistance.

One of the original goals of CARA for the Downtown Renewal District was to provide housing both owner occupied and tenant occupied. A recent study that we prepared and shared with Kate Porsche shows that there is a 30% vacancy of retail/office space and a 2% vacancy of residential units in the downtown area.

Significant change in real property value occurs when the net income after expenses rises significantly. While the recent significant improvements on First Avenue are great and benefit

the community, they do not significantly increase the value of these properties. This is the main reason that I have continuously tried to create housing within the urban renewal area as it creates taxable value. Housing will increase the property value significantly and will provide prospective clients for the downtown businesses. The increase in property value will increase the tax value. How? Because there is a substantially greater change in net income with a residential property vs a commercial property.

My company has the financial capacity, construction expertise and management capability to deliver a quality project. The City will see positive impacts in the area as a result of bringing more residents and the impact on existing businesses downtown thus meeting the social and residential goals of the Urban Renewal Plan. Our proposed Second and Baker development encourages a higher residential density in the downtown while removing an unattractive building and parking lot. The project will provide the first moderately priced residential units within a block of the downtown urban core. Our target market is the people who work downtown that can afford moderately priced residences.

Interest in living downtown in Albany is created by the desire to live close to work, to have diverse entertainment and cultural activities within walking distance and the close proximity of the Riverfront Park. As the strong demand for apartment and condo living in the downtown increases, a demand for additional entertainment and retail will follow to serve the new residents and their visitors. Having residents in the downtown will create a viable, stable and vibrant environment that will generate a distinctive attraction for the whole community.

Our objectives for both projects are similar: (1) to eliminate blight in both neighborhoods; (2) to provide diverse housing by providing attached housing units on Denver Street that are large enough to accommodate families and to provide housing units that will serve a single person or a couple who desire to work and live in the downtown area; and (3) to add value to the tax rolls, bringing additional revenues to the City of Albany, Linn County and the Greater Albany School District.

Thank you for your consideration,



Scott D. Lepman

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October 28, 2011

Honorable CARA Members,

RE: Lepman Denver Street Requested CARA Assistance

I would like to take this time to explain our Denver Street project that is before you in detail. The project is located on that portion of Denver Street SE that lies north of Santiam Road and south of the railroad tracks on a dead-end street that is 750 feet in length. The property is commonly known as 406 Denver Street SE and contains 6,000 square feet, which is the average lot size for the lots in this area. Of the 25 properties on the street, 7 of the properties containing single family homes range in size from 8,048 to 12,000 square feet. The area is zoned RM (Residential Medium Density) and currently contains 27 single-family homes, and a triplex. Of the 30 dwelling units on this portion of Denver Street, 11 are owner occupied and 19 are tenant occupied. The minimum lot size for a single-family home in the zoning district is 3,500 square feet, with a duplex requiring 4,800 square feet and multi-family units requiring from 2,000 to 4,000 square feet depending upon the number of bedrooms in the units. With the exception of 406 Denver Street, the dwelling units in the area are in fair to good repair. However, with the current zoning, the area will continue to transition as the homes on the larger lots are removed or remodeled to provide additional housing units in conformance with the zoning for the area.

The proposed Denver Street project will demolish an old dwelling unit that has been remodeled without permits and between 2006 and 2010 was the subject of 39 police responses. Demolishing the existing structure on the site and constructing a duplex on the site does not meet our test for rate of return. The existing structure also does not meet our requirements for long-term investment objectives due to physical and functional problems. We purchased the property hoping to be able to stabilize the neighborhood by removing a blight. It is our intent to enhance the livability of the neighborhood by constructing a duplex with features that would provide sustainability to the area in the future and set the tone for the redevelopment that will eventually occur.

The existing structure is functionally incurable based on present market standards in design and appeal. The single-family house contains a lean-to addition that was enclosed by the previous owner to make a bedroom and an existing attached single car garage that was converted to a bedroom by the previous owner. The existing access to the upstairs attic living space (bedroom) is steep and narrow. The floors on both the first floor and the attic area are uneven.

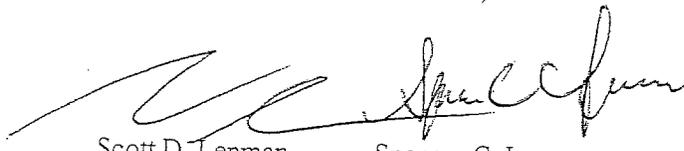
We are asking for \$48,423.00 in CARA funding or 14.81% to make up the difference for the construction of a duplex matching the architectural characteristics of duplexes recently constructed to comply with CARA design standards. The funding that we are requesting is exactly identical to the funding provided for the two duplexes at Second Avenue and Madison Street that were constructed by Mark and Tina Siegner with CARA assistance. These units were designed and built to provide a better fit with an existing and mature neighborhood. Our proposed unit will be of the same or great quality construction and is intended to compliment the existing neighborhood of single family houses built in 1900(2), 1910(6), 1915-20(4), 1933(1), 1940 - 1949(8), 1951-53(3) and 1974-1977(3).

The proposed two-story, townhouse style duplex units with an attached single car garage will each contain 1,250 square feet of living area containing 3 bedrooms and 2½ baths. The units will be energy efficient with up-graded windows, high efficiency furnaces, energy star appliances, granite counter tops in the kitchen and bathrooms, and wall and ceiling insulation. The CARA funds for this project will be used for the increased costs of accentuating details and upgrading of compatible architectural features that will enhance the curb appeal not only for the future tenants but also for the entire neighborhood.

The provision of a new duplex in this area will demolish an existing vacant and blighted house that was constructed in 1949 while providing a creative and attractive infill development that will provide two family-sized dwelling units with private outdoor area for each, will help to stabilize the neighborhood and will add value to the tax rolls.

We have listed the reasons why we need CARA assistance for this project. The existing single-family house suffers from physical problems that are functionally incurable and financially unfeasible to change. This property was purchased anticipating CARA's assistance in constructing a duplex that would enhance the neighborhood by removing a blight and meet CARA's design standards for in-fill construction in an established neighborhood. We believe that the quality of the construction of the proposed duplex and the quality of the building materials used are essential to the project's success to overcome the market resistance to the neighborhood. If we are unable to do the quality of project that we have anticipated, then we will not do the project and the property will be sold "as is."

Thank you for your consideration,



Scott D. Lepman

Spencer C. Lepman