APPROVED: May 18, 2016

CITY OF ALBANY
Central Albany Revitalization Area Advisory Board
City Hall Council Chambers, 333 Broadalbin Street SW
Wednesday, April 20, 2016

MINUTES

Advisory Board Members present: Russ Allen, Rich Catlin, Bill Coburn, Floyd Collins, Loyd Henion, Bessie Johnson, Rich Kellum, Sharon Konopa, Ray Kopczynski, Mitch Langjahr, Dick Olsen, Mark Spence

Advisory Board Members absent: David Abarr (excused), Maura Wilson (excused)

CALL TO ORDER

Chair Rich Catlin called the meeting to order at 5:15 p.m.

APPROVAL OF MINUTES

March 16, 2016

MOTION: Ray Kopczynski moved to approve the minutes as presented. Mark Spence seconded the motion, and it passed 12-0.

SCHEDULED BUSINESS

Business from the Public

None.

Parklets in Downtown

Economic Development & Urban Renewal Director Kate Porsche said that she was made aware of an idea that came out of the Albany Main Street Design Committee, and she invited the Albany Downtown Association to share the idea with the CARA Advisory Board.

Peggy Burris, Albany Downtown Association, and Christina Larson, Varitone Architecture, gave a presentation and reviewed an idea to place two parklets in Downtown Albany. Burris explained that a parklet is a sidewalk extension that provides space and amenities for people using the street. The first location is on First Avenue on the other side of the Wells Fargo parking lot in an area that was given to the public by First Interstate Bank in 1980, and the second location is on the Broadalbin sidewalk extension where there are currently four benches. If the two parklets are well received, they would like to add more next year. The idea has been well received in other communities. These seasonal parklets would be funded and maintained by the ADA and the local businesses who donate time and materials.

Larson said she opened her business in Downtown Albany last December and thought this would be a great way to jump in and be part of the downtown community. She distributed and reviewed a packet of illustrations of the proposed parklets (See Agenda File). The intent is to enhance these areas by bringing in wood and greenery to add warmth and make the spaces more inviting and to create spaces that allow for different activities. At the Wells Fargo location, the idea is to add benches and comfortable seating, checkerboard painted tables, cedar planters with potted plants, screening, and a space where local art can be displayed. After

receiving input from the Albany Police Department regarding safety issues, the walls surrounding the benches were designed so they are short and open on the bottom for visibility. At the Broadalbin location, the idea is to use the existing benches and continue the streetscape with potted Cyprus streets, bold colors, wood, checkerboard tables, and a painted hopscotch area.

Burris said she has met with Transportation Systems Analyst Ron Irish, Planning Manager Bob Richardson, APD Officer Sandy Roberts, and the two business owners and that Porsche has shared the idea with CARA Architect George Crandall. All of the above expressed support for this idea. She invited questions or comments.

Bessie Johnson asked if the checkerboard tables and seating would be movable. Larson said the idea is to make them large enough that can't be easily moved. Johnson said she likes the idea.

Floyd Collins said his only concern is that benches at the Wells Fargo location could create a sleeping area. Burris said they are looking at the potential of placing center dividers on the benches so there is not an invitation for sleeping.

The Board expressed general support for the idea. Staff agreed to work with the ADA to get the necessary permits.

Edgewater Village Presentation

Catlin said he works for Reece and Associates, the contractor for this project, and he recused himself and stepped down from the dais. Vice Chair Spence took over as Chair for this item.

George Diamond gave an update on the project. He noted that they had previously considered changing the plan to include higher density multifamily development as a way to pick up the schedule and meet the CARA timeline. However, after talking with George Crandall and his own architect, and considering the time line and cost to go through a major modification, he has decided to stay the course with the existing tentative plat approval. He distributed and briefly reviewed the previously approved site plan. He said he intends to continue building out on Hill and Front Streets, moving east to west, with a focus on the higher density townhomes; he may not be able to build the more expensive riverfront lots until he has presales. He said he has done everything he can to try and meet the timeline, but he is going to need an extension.

Ray Kopczynski asked what a realistic timeframe for construction might be based on this planning scenario. Diamond said he met with a small Oregon savings and loan that seems to be excited about the project. If he can get financing, he will move right away to build the townhomes.

Kopczynski asked if this will require changing the contract. Porsche said the contract calls for ten homes by August 2016 and that will need to be revised. She will work with the Diamonds and bring back a proposed modification. Kopczynski said he thinks it's important to try to make something happen while the market is hot.

Johnson said that as long as activity is continuing at the site, she feels the Board can work with these changes.

Collins said the original plan called for a certain number and type of units with an estimation of assessed value being added. He asked if we are staying on track as far as assessed value. Diamond said he thinks it's smart to diversify by building some townhomes, some single-family homes, and maybe some riverfront lots – a scenario where he has three products going at one time.

Mitch Langjahr asked how many lots have sold since Diamond was last before this Board. Diamond said that none have sold to the public but hopes there will be activity soon. Until the market turns, he will finance them internally and rent them out. He currently has 14 homes for sale, but he can't sell them at a loss. Langjahr said he appreciates what Diamond is doing but he is concerned about him continuing to turn these dwellings into rentals. Diamond said this isn't what he wants to do, but he has an obligation to build these out and he is doing what he can.

Rich Kellum said that after one of the riverfront lots is developed and people can look at it, those lots may sell. Dick Olsen agreed. Diamond said he thought that was a good idea and would consider constructing one of the riverfront homes before proceeding with the others.

Spence said you can't force the market, but the market will happen; what is important to him is that the developer is still committed and moving forward. Diamond said he intends to own and rent some of the dwellings for a period of time and sell them when the market allows. Spence encouraged the use of Hardiplank siding with a smooth finish instead of faux wood grain because he feels it would fit in better with the surrounding neighborhood.

Albany Carousel Request for Funding

Catlin returned to the dais.

Porsche reviewed the request from the Historic Carousel & Museum for $339,500 in the form of a developer partnership grant for street improvements, permits and SDC fees, and abatement and remediation of lead and asbestos. She noted that CARA has made two previous commitments to the project – a $300,000 grant for purchase of the land in 2007 and a $110,000 forgivable loan for architectural design in 2011. She would consider this to be a "bookend" request which would allow for completion of the project. A staff report and a letter from the applicants were included in meeting packets.

David Johnson and Gary Goby, Albany Carousel Building Representatives, came forward. David Johnson said they are about one year from completing the Carousel, if all goes well, and they are requesting that the CARA Board help with this last gap. The funds would be used for permits and fees that go back to the City, street improvements that align with the downtown plan, and abatement and remediation of the building which would be good for the future environment and the area. He said this project has the potential to be the catalyst that changes the downtown, potentially bringing in 5,000 people per month including young people and families. The organization has $5.2 million in donations pledged and the requested contribution is the final amount needed for the project. The construction contract is for $5.6 million, and there are costs outside of that including permits and fees.

Collins asked if the group is continuing to seek additional funding. David Johnson said absolutely; he noted that additional funds are needed for interior items.

Collins suggested that approval of this request could be as a not-to-exceed amount with the understanding that this would be the last dollars spent; to the extent that the fund-raising continues to be successful, the commitment of CARA dollars diminishes.

Kellum asked if the donations have dried up. Goby said there has been a lot of people in town requesting funds for various things and, while donations haven't dried up, they are certainly down to a trickle. He thinks that people might want to join in as they see the building begin to go up.

Kellum said that if this grant is approved, potential donors will likely think the task is completed and may be less likely to give. Goby said that people realize the cost of this project far exceeds what the City has given, that most of the project has been privately funded, and that there is a broad base of community of support. Kellum asked if there is a contingency in the budget. David Johnson said there is a contingency of 5 percent, about $250,000.

In response to questions from Spence, Transportation Systems Analyst Ron Irish clarified that the land use decision for the Carousel requires that they do a bump-out at the corner of Washington Street and that that they replace the sidewalk along their frontage. They are not required to overlay the street in the way of the streetscape project on Second and Third Avenues. Spence asked if the City will come to the CARA Board for funding for the street work. Porsche said the City will be doing a water line project through that area and there have been discussions about coordinating that work with the Carousel project; separate from this project, staff would like to discuss a public project with angled parking on Calapooia Street and Second Avenue around the post office. Brief discussion followed.

Allen said he is supportive of the Carousel and appreciative of those who have worked on the project. What he has a hard time with is determining the proper amount of assistance from this Board. The Carousel will certainly do a lot for the downtown, but he doesn't know how to quantify that.

MOTION: Collins moved to approve the requested action of $339,500 to act as a safety net for completion with the understanding that this is a not-to-exceed amount, that the Carousel group will continue to seek fund-raising, and that that these will be the last dollars spent on the project. Henion seconded the motion.

Spence asked for clarification on the motion. Collins said the Carousel would use their money and other donations to get as far as possible and CARA funds would only be used to the extent needed to get the project done. This would not be incremental reimbursement but rather a safety net at the end. Goby said the Carousel will have additional expenses that are not listed in this request.

Kellum said the request is for a specific set of items and nothing in the motion would prevent the applicants from adding to the list. Goby said the request is for the items listed and that is how the funds would be used.

Spence said the Board could provide funds for the specific items within the request and specify that this is the last time that CARA will give money to the Carousel; however, he thinks that tying it to their other fund-raising muddies things.

Bessie Johnson agreed with Spence. She said this request is clear, and she thinks it's fair. She doesn't want to muddy the waters, and she won't support the motion.

Coburn also spoke against the motion. He said if there were savings on the items within the request, it would make sense for that to come back to CARA; however, waiting to the end to disburse funds doesn't make sense when permit and SDC fees are paid upfront.

The motion failed 5 to 7:

Yes: Allen, Catlin, Collins, Kellum, Langjahr
No: Coburn, Henion, Johnson, Konopa, Kopczynski, Olsen, Spence

MOTION: Bessie Johnson moved to approve the request with the stipulation that this is the final CARA dollars that will be given for the project. Olsen seconded the motion, and it passed 10-2 with Kellum and Langjahr voting no.

Transportation Systems Analyst Ron Irish said the Historic Carousel & Museum's requirement for frontage improvements on First Avenue involve a curb extension at Washington so they can bump the building into what is now right-of-way to accommodate the mechanism, and they are also converting the road to the west to allow diagonal parking along their frontage. That concept is in the Transportation System Plan as part of a project that also has diagonal parking on Calapooia Street and Second Avenue around the post office. The City will be doing a water line project on Calapooia Street and Second Avenue, and the question is whether we should also look at doing the diagonal parking on those frontages around the post office. The project would add about 19 parking spaces and the cost would be about $225,000 for curb extensions, striping changes, and some storm drainage work; but that cost would not include pavement restoration. If the City opts to do the

diagonal parking project, they would have a contractor doing street work at the same time the Carousel is doing the building and the Carousel's contractor is doing the street; with multiple contractors in close proximity, it calls into question whether there should be one contractor doing the street work.

Kopczynski asked what cost savings would result from combining the street work into one project. Irish said he doesn't know that there would be a lot of cost savings. He noted that combining the street work around the post office with the Carousel work may require a separate project bid from the Second and Third Avenue streetscape work.

Collins asked about funding sources. Irish said that $50,000 in SDC funds are identified for diagonal parking on First, Second, or Third Avenues but that is a fraction of what is needed for the project.

Langjahr said he has heard business owners request diagonal parking in front of their businesses, and he wondered who would benefit from additional parking by the post office. Irish explained that the concept of diagonal parking around the post office was put into the TSP before the Carousel project was envisioned. It was identified as a place with one-way streets where we could get by with one travel lane, a situation that does not occur on Second and Third Avenues in the retail core. The parking project would benefit downtown businesses by providing a place for employees to park.

Coburn said he would be in favor of the parking project, as well as street reconstruction at least in the block of First Avenue from Washington to Calapooia. He thinks this should be a City project and that it should be put out for bid in December or January so it is completed before the Carousel opens in June 2017. Once there is a better idea of the scope of the project and the budget, consideration can be given to what participation might come from CARA. Collins and Kopczynski expressed agreement.

In response to further questions from the Board, Porsche said that one reason this is coming before the CARA Board is that there isn't a lot of other funding available. Irish added that diagonal parking isn't in the City's CIP; it is identified in the TSP as having $50,000 allotted to it but that isn't in the City's budget and the remainder would have to come from another funding source.

Coburn reiterated that he sees this as a City project, not a CARA project. Collins added that the project would come back to the City Council and, if it is recommended that the project involve CARA funding, that will come back to the CARA Board.

Porsche noted that Konopa had previously asked about the boundaries of the streetscape on Third Avenue which is currently scheduled to stop at Ferry Street. Konopa said she would like to extend that one more block to Washington Street because the sidewalks are really bad and we need to look at safety concerns on that block.

U of O Sustainable Cities Year Program

Porsche said that the City applied for and was selected to participate in the University of Oregon's Sustainable Cities Year Program (SCYP). The program links a community with U of O students who typically take on 15-25 projects through 20-30 different courses and about 500 students. As part of the process, staff identified projects they thought would be a good fit. She requested feedback on the projects identified as being related to CARA and whether the Board would be supportive of an expenditure estimated at $99,000 for these projects.

Allen referred to the project titled Improving Civic and Community Engagement and he questioned its nexus to CARA. Collins said the City would need this project regardless of whether CARA existed. Coburn agreed and stated that the item is not readily identifiable as relating to CARA's goals. There was general agreement that this item should not be funded by CARA, bringing the funding request to $87,000.

Allen referred to the project titled St. Francis Hotel and he asked what is expected that hasn't already been done. Porsche explained that the list of projects had to be put together quickly and she included this as a placeholder. The St. Francis Hotel is an important project for the downtown, she said, and the question is how we could use these students to further work toward being ready when we have an interested developer. In

response to inquiry from the Board, Burris said she believes the owners are interested in selling the building and Porsche noted that the owners financially participated in the Restore Oregon study.

Kopczynski said one of the things that enthuses him about the SCYP is that decision-makers have long been focused on their own processes and there are probably ideas that haven't come up. He supports harnessing the horsepower of these youth who will try different things, and he thinks a couple of diamonds could come out of this that will make it well worth the cost.

MOTION: Allen moved to conceptually approve the projects outlined except for Improving Civic and Community Engagement with the understanding that staff will bring it back for final approval and expenditure. Johnson seconded the motion.

Kellum said he has the same reservations that he expressed when the City Council discussed this item. He said it is people who are cloistered helping other people who are cloistered to do something that is not well defined. While it may work, he thinks the chance of getting our money's worth is pretty small.

The motion passed 11-1, with Kellum voting no.

Kellum left the meeting at 7:15 p.m. (excused).

<u>CARA Code Review Approval of Bid</u>

Porsche reviewed the request for $74,870 for code review in the Historic District (HD), Waterfront (WF) and Central Business (CB) zones. She noted that Scott and Spencer Lepman had previously stated that components of the code were inhibiting their infill development project on Third Avenue SW and that the CARA Board directed staff to move forward with a request for proposals to find a consultant to help with review of the development code in the three zones. Two proposals came in, but the scope and cost of those proposals were beyond what was envisioned; staff honed in the request and received one bid from Angelo Planning Group. The submission is included in meeting packets.

Coburn said he is not opposed to this work but he is struggling to understand why it's a CARA issue as opposed to a City issue. He noted there are zoning issues in areas outside the CARA district that would benefit from this type of review. Porsche said that the CARA Board is actively seeking redevelopment in these three zones and this project was identified as a way to remove some barriers. She acknowledged that development code and zoning work is typically a City function, not an urban renewal function.

Collins said the City undertook a code review process several years ago which took a year and a half to complete. In this case, the CARA Board supported a redevelopment plan; and the developers ran up against problems, so the Board directed staff to put out this RFP. He asked whether it wouldn't be better get a small piece done that will potentially have a rapid return as opposed to having staff put it in the budget to be done several years from now.

Konopa said a City process would be much more involved and take much more time; she thinks that focusing on the three zones will expedite the process.

Coburn clarified that he supports a review of the three zones, but he thinks it should be funded by the City.

Allen said the scope of the RFP was tailored toward addressing concerns and issues relevant to redevelopment in the CARA area and people coming before this Board. While there are many things that arguably should be paid for by the City, they are not necessarily a willing funding source for obvious reasons and this was tailored to address the goals and ambitions of this group.

Spence asked what kinds of investment the code work might this trigger. Porsche said the Lepmans would like to do a residential infill project that is not allowed with current setback regulations. In another example, the Waterfront code narrative calls for high density, mixed use but the parking and open space requirements work against creating that density. The goal isn't to eliminate all barriers but to consider regulations for these areas in a careful and thoughtful way.

Richardson agreed with Porsche's examples of obstacles to what seem like reasonable development in the downtown area. He said there is a general desire for the downtown area to continue to become a vibrant, active place and for a code that supports that vision. A comprehensive look at the code in these areas could not only directly respond to constraints to development but could also be tailored in a way that would facilitate the kinds of uses that are desirable in these areas.

Catlin commented that the request was initiated because problems encountered by the Lepmans' infill project and that there is nothing that keeps them from making their own application to change the zoning on that lot. He noted that staff recognized an opportunity to take a more holistic look at the code and that, in the past, staff would have performed that function; however, because of reduced staff, there is not the capacity to do that work in-house, so they are relegated to using outside funding sources.

Henion asked why we couldn't do a change specific to the infill project that initiated the request. Richardson said that staff isn't saying this is the only way; however, there is a balance that occurs with most substantive amendments to the development code and there is a benefit to looking comprehensively because it is sometimes difficult to anticipate when a change that is good for one project may have implications for an adjacent property owner.

Allen said it would seem to be imperative to have code that does not hamper the Board's ability to do its mission.

MOTION: Allen moved to approve the proposal for $74,870. Kopczynski seconded the motion.

Catlin stated that because he was on the committee which reviewed the proposals, he will abstain from voting on this request.

The motion passed 8-1-2 with Coburn voting no, and Catlin and Henion abstaining.

<u>CARA/ARA Capital Improvement Program Draft</u>

Porsche said that staff was working on scrubbing the database and setting this up when the database crashed. This item will be brought back at a future meeting.

<u>Staff Updates and Issues</u>

Porsche said there has been interest about the question of hotels in downtown, including rehabilitation of the St. Francis but also possibly new construction. She asked if the Board is interested in paying for a feasibility study related to construction of a hotel in Downtown Albany. Kopczynski asked if this could be part of the U of O Sustainable Cities Year Program, and Richardson said that could be proposed.

Catlin noted that a market analysis has a shelf life of about six months and that a potential developer would do their own market analysis. Spence said the market piece might have a short span but the analysis could include multiple useful ideas and potentially help the Board understand and address issues preventing a hotel. Konopa said the study could also help to identify the best location for a hotel; she suggested that the SCYP placeholder for the St. Francis Hotel could be revised to encompass a downtown hotel feasibility study. There was some agreement. Porsche agreed to bring it back as part of the more finalized SCYP information.

BUSINESS FROM THE BOARD

There was no additional business.

NEXT MEETING DATE

Wednesday, May 18, 2016

ADJOURNMENT

Hearing no further business, Chair Catlin adjourned the meeting at 7:32 p.m.

Submitted by,

Signature on File

Teresa Nix
Administrative Assistant

Reviewed by,

Signature on File

Kate Porsche
Economic Development & Urban Renewal Director