



CENTRAL ALBANY REVITALIZATION AREA (CARA) ADVISORY BOARD AGENDA

Wednesday, July 15, 2020

This meeting will be conducted remotely. At 5:15 p.m., join the meeting from your computer, iPad, or smartphone by clicking the link below:

<https://www.gotomeet.me/cityofalbany/cara>

You can also dial in using your phone.

Toll Free: [+1 \(312\) 757-3121](tel:+13127573121)

Access Code: 233-589-909

- 5:15 p.m. CALL TO ORDER
- 5:15 p.m. ROLL CALL
- 5:15 p.m. APPROVAL OF MINUTES
 - a. May 20, 2020 [Pages 2-3]
- 5:20 p.m. BUSINESS FROM THE PUBLIC

Microphones will be muted and webcams will be turned off for presenters and members of the public unless called upon to speak.

If participant(s) disrupt the meeting, the participant(s) microphone and webcam will be turned off.

If disruption continues, the participant(s) will be removed from the meeting.

Persons wanting to address the board during “business from the public” must send their written comments by email to sophie.dykasi@cityofalbany.net. Please limit comments to one page and include your name and address. Emails received before 5:00p.m. on July 14 will be shared via email with the advisory board.

- 5:25 p.m. ALBANY WATERFRONT PROJECT DESIGN CONCEPTS [Verbal] (Chelsea McCann)
- 6:10 p.m. HISTORIC RENOVATION GRANT REQUEST. [Page 4] (Sherry)
- 6:35 p.m. STAFF UPDATES
- 6:40 p.m. BUSINESS FROM THE BOARD
- NEXT MEETING DATE: Wednesday, August 19, 2020
- 6:45 p.m. ADJOURNMENT

Due to Governor Brown’s Executive Orders limiting public gatherings during the COVID-19 pandemic, this meeting is accessible to the public via phone and video connection. Remote access information is listed at the top of this agenda.



MINUTES

Wednesday, May 20 2020

Remote meeting

Approved: DRAFT

CALL TO ORDER

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

ROLL CALL

5:15 p.m.

Members Present: Members Rich Catlin, Ray Kopczynski, Lelonni Leeper, Mark Spence, Maura Wilson, Alex Johnson II, Rich Kellum, Mike Sykes, Bessie Johnson, Dick Olsen, Bill Coburn, and Sharon Konopa

Members Absent: Members Sam Flande and Russ Allen were excused

APPROVAL OF MINUTES

5:18 p.m.

January 15, 2020

MOTION: Member Johnson II moved to approve the minutes as presented. Member Kopczynski seconded the motion, and it passed 12-0.

BUSINESS FROM THE PUBLIC

5:19 p.m.

None.

ALBANY WATERFRONT PROJECT DESIGN CONCEPTS

5:19 p.m.

Economic Development Manager Seth Sherry reminded the board that a final decision will not be made tonight concerning the project.

Chelsea McCann from Walker Macy presented a PowerPoint about the Albany Waterfront Project that covered proposals for Monteith Riverpark, the Dave Clark Trail, and Water Avenue. (see agenda file)

The board had an extensive discussion over the contents of the presentation covering issues such as parking, the placement of the senior center, the location of new and renovated structures, flooding, and partnering with local businesses.

The board was also informed that the proposals will be presented to the public at an open house.

ACCEPTING PACIFIC POWER GRANT FUNDS

7:10 p.m.

Economic Development Coordinator Sophie Dykast gave an overview of the grant.

The board had brief discussions about the locations of the charging stations, enforcement of the parking regulations, and the funding cap of the grant.

MOTION: Member Kopczynski moved to recommend that ARA authorize staff to accept up to \$63,548 from Pacific Power to establish public electric vehicle charging in downtown Albany. Member Olsen seconded the motion and it passed 12-0.

BUSINESS FROM THE BOARD

7:26 p.m.

Responding to a question from Member Wilson, Member Konopa said that the downtown spring flower baskets should be coming soon.

Wilson shared a personal story about a confrontation that she had occurred while biking along the riverfront.

Board members offered their sympathy.

Albany Downtown Association Executive Director Lise Grato informed the board that an individual who committed similar acts not long after Wilson's encounter was arrested by the police.

NEXT MEETING DATE: Wednesday, June 17, 2020

ADJOURNMENT: The meeting was adjourned at 7:33 p.m.

Submitted by,

Reviewed by,

Gabriel Shepherd
Administrative Assistant

Seth Sherry
Economic Development Manager



MEMO

TO: Central Albany Revitalization Area (CARA) Advisory Board

FROM: Seth Sherry, Economic Development Manager

DATE: July 8, 2020, for the July 15, 2020, CARA Advisory Board Meeting

SUBJECT: Natty Dresser Renovation Partnership Grant Request

Background:

In 2014, Oscar and Tamalynne Hult opened the Natty Dresser, a unique, full-service menswear shop on First Avenue in downtown Albany. With an eye towards expansion, diversification, and historic preservation, they purchased the 1912 SE Young & Son Building (formerly Riley's Billiards Bar and Grill) in May of this year. They have already begun the rehabilitation of this building. They will renovate the interior and exterior and relocate the Natty Dresser to the first floor of this new location. They will also open a beer and wine tasting room on the first floor, move their alterations department and offices to the mezzanine, and add storage rental spaces in the basement. In the future, they plan to renovate the upper floor and add housing or offices depending on what the market demands at the time. The Hults have secured over \$1,000,000 in other financing for this project, including their own savings. Without a partnership with CARA, they will be unable to replace the elevator, which is a critical component for making the basement and upper floors usable. They will also be unable to restore the second avenue windows and southwest entry door to match the rest of the rehabilitated building.

Action Requested:

The Natty Dresser requests a grant of \$256,265; (18 percent of the total project cost) to renovate the 1912 SE Young & Son Building and convert it to a clothing store, beer and wine tasting room, and basement storage spaces.

Budget Impact:

This grant request would come from ARA partnership funds and not directly affect other existing programmatic budgets. This fund has a current balance of \$1,000,000.

Recommendation:

Staff has reviewed CARA partnership criteria and has determined that it meets many of the CARA goals including: preserve the historic resources, create a readily identifiable core that is unique and vibrant with a mixture of entertainment, housing, and specialty shops, offices, and other commercial uses, and provide an enriching environment and livable neighborhoods. This project will revive an underutilized property, helping a local, unique business expand and diversifying the offering to the community of Albany.

SD:ss

Attachments

cityofalbany.net





Project Evaluation Grid: Natty Dresser, 1912 SE Young & Son Building

Request: \$259,265.00

	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>Yes.</p> <p>The project proposed by the Natty Dresser fits well within the goals and objectives of CARA.</p> <p>Yes. The project includes large private investments into the downtown area.</p> <p>Yes.</p> <p>Yes. This project will return a historic building to its original use as a clothing store. It will also add a beer and wine tasting room and storage space rentals. Future renovation of the upper floor may include office or living space depending upon demand.</p> <p>Option for future phases.</p> <p>Yes.</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.)	Activities 2, 3 and 50: Commercial Building Rehabilitation, Storefront Revitalization Program, and Business Retention and Recruitment.
C)	Development Pattern (Highest and Best Use)	Does it achieve desired land use (e.g., mixed-use, higher density) and/or transportation objectives (e.g., Esplanade, pedestrian-friendly areas)? Is the proposed project desired in this location and the highest and best use of the property?	Yes, this project will bring an expansion and new mix of businesses to the area. It fits within the desired use for the location.
D)	Blight	Would it remedy a severely blighted building? How? Does the project utilize a vacant space?	Yes. This project will renovate a deteriorating building as well as fill currently vacant, large portions of the building.

Attachment

E)	Preservation	Would it rehabilitate or sensitively redevelop a historic property?	Yes. The renovation will return a historic building to its original Edwardian era style and function.
F)	Vitality/People Attractor	Does the general public benefit (i.e. restaurant, carousel, something they can go to; does the project enhance the public's experience of the space; is it a business we are seeking)?	Yes. Expansion of a currently profitable business as well as the addition of a beer & wine tasting room expected to draw the public.
G)	Retail Hotspot (First 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?	This project is not on First Avenue, but is in the "Supporting Commercial" zone identified in the Retail Refinement Plan. Yes.
H)	Sustainable Building	Will the building be built using sustainable practices including LEED or others?	Renovation of the building will include upgrading old heating and electrical systems with newer, more efficient ones.
I)	Residential	Is there a residential component? How many units?	Unknown at this time. The upper floor may be residential in the future depending on demand at that time.
<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?	Yes. The wine and beer tasting room is a new businesses. If the elevator is installed, the rental storage units in the basement will also be a new businesses.
K)	Job Creation	Will the project create additional jobs? How many, what types and what salary level?	Yes. At least 4, part-time jobs will be created. This will increase over time, especially if the elevator provides access to opportunities in the basement.
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, contractors are based in Albany.
<i>Financial</i>			
M)	Ratio	Proposed public funds Private funds % of CARA Investment	CARA: \$259,265.00 Private: \$1,164,000.00 18% of total project costs
N)	Financial Impacts	What are the financial risks and/or financial benefits to CARA?	Little financial risk as this is a grant towards a large project with many positive outcomes and CARA has adequate funds available.
O)	Gap	What is the "Gap" or need of the developer?	\$259,265.00
P)	Private Risk	What is the risk for the developer? What is their skin in the game?	82% of the costs of this project are born by the applicant through personal contributions and partnerships with a local bank and community-based lending organization.
Q)	CARA/City funds	Has the project received other CARA/City funding in the past?	No.
R)	Tax Increment ROI	Is the ROI on this project less than 5 years, less than 7 years?	Expected return on investment in 6 years.



C A R A F u n d i n g A p p l i c a t i o n

333 Broadalbin Street SW, Albany, OR 97321

1. APPLICANT

Name: _____

Mailing Address: _____

_____ Zip Code: _____

Contact Name: _____ Phone Number: _____

Fax Number: _____ E-mail Address: _____

Cell Phone Number: _____

2. BUSINESS/BUILDING INFORMATION

Legal Business Name: _____

Number of Years in Operation: _____

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

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

Have you ever filed for bankruptcy? Yes No

Project Address (if different than mailing address): _____

Property Tax Account Number: _____

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: _____

Contact Name: _____

Mailing Address: _____

_____ Zip Code: _____

Phone Number: _____

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.*

6. TIMELINE FOR COMPLETION OF PROJECT: _____

7. PROJECT COSTS

ESTIMATED COST OF PROJECT: \$ _____

ESTIMATED VALUE OF PROJECT UPON COMPLETION: \$ _____

Basis for valuation and value upon completion: _____

SOURCES FOR PROJECT:

Owner/Company Contribution	\$ _____		
Bank (estimated)	\$ _____	Term: _____	Interest Rate: _____
Other private funds (please specify)	\$ _____	Term: _____	Interest Rate: _____
Other governmental (please specify)	\$ _____	Term: _____	Interest Rate: _____
CARA (proposed)	\$ _____	Specify: _____	
TOTAL SOURCES	\$ _____		

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

USES FOR PROJECT:

Land and/or Building Acquisition	\$ _____
Soft Costs (architectural, engineering, financing, and legal fees, and other pre- and post-construction expenses.) *	\$ _____
Construction Costs *	\$ _____
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? _____

(If applicant prepared their own estimate, verification may be required. **Please attach minimum of two bids, preferably three.**)

Mailing Address: _____

Phone Number: _____ E-mail Address: _____

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

9B. IF YOU DON'T RECEIVE THE FUNDS, WHAT COMPONENTS WILL BE DROPPED? WOULD THE PROJECT GET DONE WITHOUT CARA FUNDS? *(Please provide a detailed explanation.)*

15. BREAKDOWN OF USE OF CARA FUNDS

CARA funds can only be used for permanent improvements to the building. Please provide a breakout with specific details of how the CARA funds will be used in the project. If more space is needed, please attach a separate page.

Item	Amount	Notes
TOTAL		Total should match total amount requested from CARA from line 14.

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.

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.

Oscar Hult

Applicant's Printed Name

Applicant's Signature

July 1, 2020

Date

Tamalyne Hult

Applicant's Printed Name

Applicant's Signature

July 1, 2020

Date

Return application/attachments to: City of Albany c/o Sophie Dykast, Economic Development Coordinator
333 Broadalbin Street SW/ P.O. Box 490
Albany, Oregon 97321

FOR CITY USE ONLY

Date Received: _____ By: _____ Application Complete: Yes No

Comments: _____

Date application returned to applicant for completion: _____

Date application returned to City: _____ By: _____



SE Young and Son Department Store c1912.
Note the building to the right is the old SE Young Store (now Albany Regional Museum)



Interior Montgomery Ward's c1937 Note the drop pendant lighting and the fans seen in this photo are still being used in the building, and will be rewired for continued use.

CARA Board and all concerned,

What started out as a dream to open a classic menswear shop in historic downtown Albany has grown into a business that employees not only the two of us, but also 5 half-time sales associates a part-time back room person, a part-time alterations specialist, a full-time seamstress, and a full-time tailor. With the opening of the new space in the historic SE Young Department Store building, we anticipate hiring a half-time tailor's assistant and another part-time sales person. Within a year we are looking at hiring a manager for our restaurant space as well as a kitchen support person.

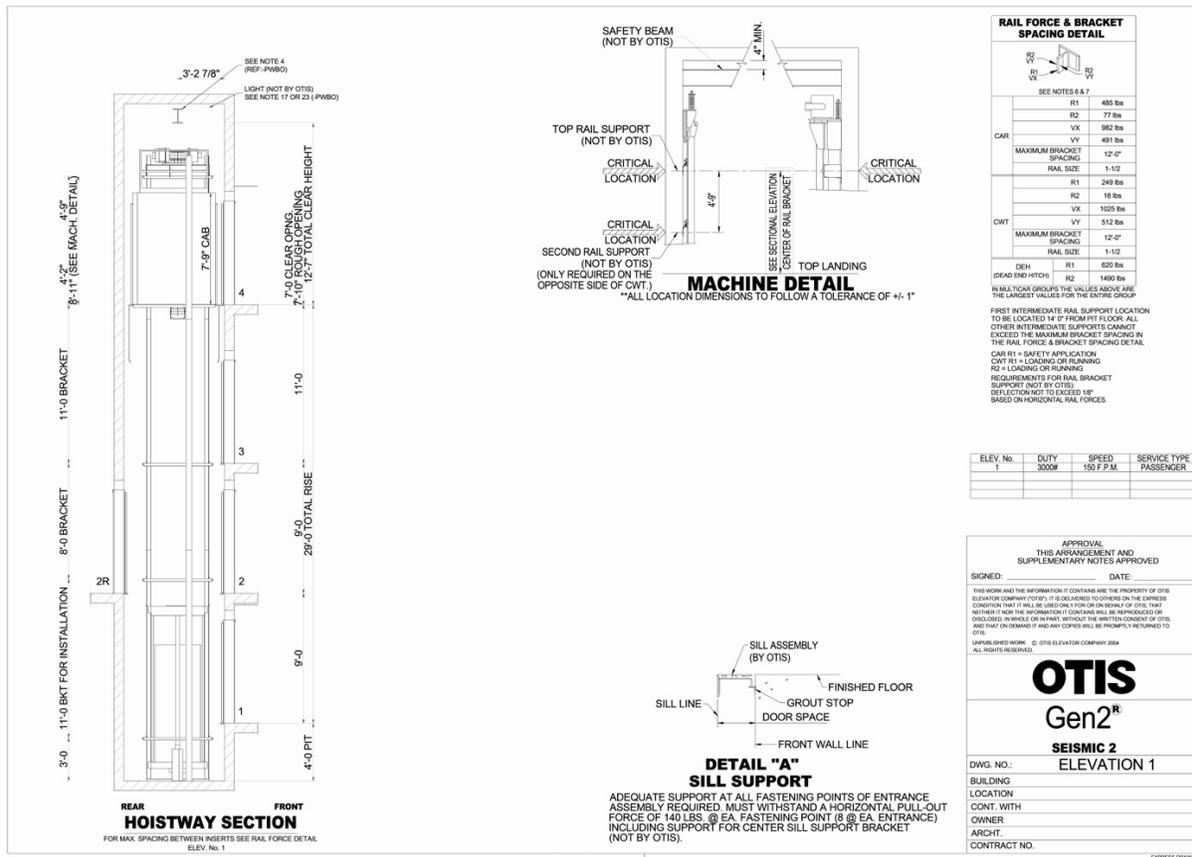
If CARA funds the elevator, we anticipate hiring a full-time building maintenance/storage manager to run the storage rental business in the basement. With the income from that business we look to be able to put the upstairs space back into productive service by renovating that space into whatever the market will support; whether that is apartments, offices, studio spaces or an event center, will be determined at that time. Whatever it becomes, it will need the use of an elevator to make it truly productive.

A little history on the building:

Designed and built in 1912 by the famous Oregon architect Charles Burgraff, For Samuel E. Young, as the SE Young and Son Department store. Mr. Young was an Oregon pioneer, and served with Thomas Monteith in the civil War. He was a partner in the Blain's Clothing Company and the President of the 1st National Bank, as well as President of the 1st Savings Bank. Mr. Young had some sort of medical condition that incapacitated him in 1915. Possibly a stroke. He was never able to leave the house again and subsequently the business was sold to the Hamilton brothers. The Hamiltons installed the current OTIS elevator (Oregon elevator #86) in 1925. Hamilton's Department Store operated there until they leased the building to Montgomery Wards in 1937. We believe that Montgomery Ward's added the distinctive pendant lights and the fans at that time. We know that the sprinkler system was installed then. Monkey Ward's as it was affectionately known, continued in the building until 1970 when they built a new smaller building out on Pacific Blvd. Meanwhile; The Broadway moved into the Hamilton's building and drastically remodeled the exterior to make it look more like a modern shopping center. That is when the mezzanine windows and over half of the show windows were closed in and finished with the current aggregate panels. At some point the building was purchased by Mr. Frager of Frager's Furniture, and then by Mike Duckett. In 1985 The Broadway closed and the space was leased by Sid's Furniture until it was replaced in 1999 by Riley's Billiards. Riley's last service was a huge New Year's Eve party the night of December 31, 2019. We purchased the building from Mike Duckett's estate, closing on May 1, 2020. During the Covid-19 pandemic.

As a consequence of the pandemic, we have had an extremely hard time getting bids. We understand that CARA likes to have three bids for projects, but frankly the only contractor who was able to give us a bid for construction was Pyburn and Son, and the only painter who would even look at the project was Fitzpatrick Painting, so those are the bids we have had to rely on. Both Pyburn and Fitzpatrick, were asked to sharpen their pencils after their initial bids, and both came back with lesser amounts on the second go around.

The elevator bid has been extremely difficult because all of the elevator companies in Oregon are based in Multnomah County, and at the time of this application they are still not in the office. A skeleton crew is working from home and most of their outside sales team and technicians are still on furlough. The \$200,000.00 price is based on a similar job that was done in Portland at the beginning of the year. OTIS provided a spec sheet that Matt Pyburn was able to use to determine that our existing shaft is of sufficient dimensions to handle the new elevator.



We are committed to this project and will be doing as much as we can to hold costs down. Since our shop was closed down by the state because of the pandemic, we used that time to do a lot of the clean up and preliminary demo ourselves taking a bite out of the overall construction costs. We plan to continue to do as much as we can on our own; finish work, cleaning, painting, installing fixtures and generally pitching in where we can. (We did all of the interior work at our current location ourselves and won the State of Oregon Main Street award for "Best Interior Remodel," as well as the "Best New Business" award that year. We have had the sprinkler system tested and have fixed deficiencies that were identified by the fire department years ago. We are replacing two lines in the basement that have passed inspection, but are corroded on the exterior of the pipe, and we don't want them to start leaking. The windows on the top floor are in satisfactory condition, and we are working with Chris Gustafson at Vintage Windows on a maintenance schedule to keep ahead of any problems. The roof is a newer membrane roof and should be in good for the next 30 years or so.

Budget:

Purchase Price Total: **\$600,100.00**

Construction:

Broadalbin St. facade Includes mezzanine, show windows, and the hard awning as well as updating the 2 current entry doors.	\$197,567.00
Drawings and engineering (soft cost)	\$5,000.00
Environmental Inspection (soft cost)	\$500.00
Permits (soft cost)	\$4,000.00
Sprinkler updates	\$6,000.00
Interior improvements main floor and mezzanine (fitting rooms, foyer, alterations room office space, electrical...)	\$299,879.00
Exterior paint	\$28,945.00
Contingency	<u>22,000.00</u>
SUB TOTAL:	\$563,891.00

CARA Contribution:

Elevator (includes metal work on the shaft, as well as electrical)	\$200,000.00
2 nd Avenue Facade (includes entryway and mezzanine windows)	<u>\$59,265.00</u>
SUB TOTAL:	\$259,265.00

GRAND TOTAL: 1,423,256.00

Current value: \$760,000. Upon completion, the value of the building is estimated at \$2,050,000. by the appraiser: Katherine Powell, of Powell Banz Valuation.



