Minutes
River Road Redevelopment Board
Keizer City Hall - Library
Wednesday, September 24, 1997

1. CALL TO ORDER

The meeting was called to order by Chair Compton at 7:00 p.m.

2. ROLL CALL

The following members were present: Greg Frank, Manny Martinez, Joe VanMeter, Stan Compton, June Abbott, and Sam Goesch.

Also present were: Council Liaison Carl Beach, Community Development Director John Morgan, and Recording Secretary Nona Oxe'.

3. APPROVAL OF MINUTES

<u>It was moved by Ms. Abbott that the minutes of August 6, 1997 be approved. The motion was seconded by Mr. Frank and carried, all present voting aye except Mr. VanMeter and Mr. Goesch who abstained from voting inasmuch as they were not present at that meeting.</u>

4. APPEARANCE OF INTERESTED CITIZENS

No one came forward to present any issues to the Board.

Mr. Goesch introduced Boy Scouts Greg Halter and Floyd Farr, who were present to work on their Citizenship and Community Merit Badges.

5. PROJECT UPDATES

Staffing

Mr. Morgan reported that for the first time in several months he would be able to concentrate his efforts on Planning issues.

Walgreens' Lighting

Mr. Morgan recalled that last month he advised R3B of Walgreens' plans for security lighting in addition to the decorative lighting approved by R3B. His efforts to dissuade Walgreens

FMAGIC

from putting in the additional lighting were unsuccessful, and the poles are now in place. Mr. Morgan still hoped to convince them that the additional lighting is unnecessary.

Landscape Improvements - Lockhaven and River Road

Mr. Morgan reported that the corner landscaping project will begin in about two weeks. The City accepted Cascade Landscaping's bid for the SW corner, so Cascade will be doing both sides. Work should take only a few days. Mr. Morgan noted that with the landscape improvement going in, the issue of whether or not to have a sign needed to be revisited. Mr. VanMeter asked that discussion of a sign be on next month's agenda.

Chemawa Activity Center

Mr. Morgan noted that as he reported last month, the prospective developer backed off. His terms were unacceptable to the property owners. Other real estate companies in town have people who have expressed interest. Mr. Morgan noted that he has been working closely with Karen Amico of the commercial division of Prudential Realty. Prudential has taken on the Chemawa Activity Center as its project, and in so doing, did a retreat, developed goals and objectives, and did a mission statement. Mr. Morgan is helping to facilitate their efforts, and communication between them and Mr. Stubbs of Eldred Realty, the listing realtor. Prudential's intent is to take the lead in creating a master plan, and then marketing the master plan. A meeting of all the affected entities, including the Tribal leaders, is scheduled for tomorrow.

Mr. Morgan emphasized that efforts to facilitate financing the infrastructure, probably through OEDD, need to begin aggressively very soon. The goal is to get the infrastructure in place without City outlet other than the time necessary to facilitate the project.

Commercial Activity

Mr. Morgan noted that the Alzheimer's Care Center project on River Road is underway. The Wittenberg Hotel project is also coming along. He was especially pleased to report that the Hydrotube is undergoing demolition, and the plans for the corner of River and Chemawa first looked at two years ago are now coming together. The traffic signal at Claggett is under construction and will be up and running in about ten days.

Bi-Mart Access Driveway

Mr. Compton asked about the status of discussions regarding the Bi-Mart proposed access driveway. Mr. Morgan reported that Charlie Kupper, the consultant dealing with the Bi-Mart representatives, has had difficulty staying in contact with their property manager, and thus the deal has not been finalized. Staff has not yet heard back from Bi-Mart how discussions went with the owner of the Palm Reader property. Mr. Morgan noted that the Transit District is ready to see something happen with regard to the transit shelter. He brought to recollection the Planning Commission's suggestion that since the Transit District cannot pay for the land, staff work toward shuffling some of the costs--possibly the City assuming land purchase costs, with the Transit District covering some of the infrastructure improvements.

With regard to negotiations with ABC Properties, Mr. Morgan reported that the property manager finally reached one of the Tokyo principals last week. She conveyed, by fax, additional information provided by Mr. Morgan, and the City's position with regard to the request that the City pay for the parking lot overlay. An answer has not yet been received back. Mr. Morgan hoped to report to Council on a finalized deal on October 6. He noted the physical impossibility of building the street before Thanksgiving. Therefore the project will have to be put off until after the holidays.

R3B Name Change

Mr. Compton questioned the status of the proposed R3B name change. Mr. Morgan noted that Council has not met as the Urban Renewal Agency since R3B made the recommendation.

Fortune Cookie Fence

Mr. Compton questioned the status of the Fortune Cookie fence removal. Mr. Morgan noted that the property owner was informed that if he did not take down the fence, the City would, and bill him for the costs. However, since he is renting the fence, the City Attorney is hesitant to proceed in that manner. Efforts will continue.

Offer of Property

Mr. Morgan informed the Commission of an offer to donate property to the City. The property is located on Cherry Avenue, north of the Department of Agriculture. It consists of a small house on approximately two acres of land. Mr. Morgan and City Attorney Johnson are talking with the property owner about conditions attached to the donation. They have encouraged her to get legal counsel to ensure that all the conditions are fully understood. Staff is working to determine liabilities. Mr. Morgan described the property, and talked about the property owner's collections displayed in her home and stored in her basement.

Mr. VanMeter had first heard of the offer when it was discussed by the Park & Recreation Advisory Board. He strongly urged moving quickly on an acceptance.

Mr. Morgan responded to questions about specific developments taking place in the River Road/Cherry Avenue corridor.

Banners

Mr. Goesch invited the Board to step outside to view sample banners attached to the decorative poles in the City Hall parking lot. While outside, he talked about colors, dimensions, brackets and support sticks. He suggested putting two banners on the decorative poles, and a single banner on one the taller catonary poles. Mr. Goesch noted that the issues that were unresolved last month remain unresolved.

Upon coming back inside, Mr. Goesch circulated a flyer showing different banner types, colors and sizes. He talked about banner materials, and the bracket warranty. He had a price list for the bigger banners, but not for the smaller one.

Ms. Abbott recalled R3B's decision not get bogged down with discussions of fabric, color, size, etc.--that those issues be left up to the Chamber as the facilitator. And, that the Chamber come back with a proposal for the costs.

Mr. Compton believed that administering a banner program was not a function of the Urban Renewal District. He felt that R3B should not be involved in selection, storage, installation, or maintenance of the banners. Mr. Goesch, however, saw it as a City function, not the responsibility of the Chamber. Within the Chamber, he would be opposing any suggestion that the Chamber take on the responsibility.

Mr. Goesch noted his earlier advocacy for use of room tax for the change-over and continual renewal of the banner program. It was his understanding that Councilor Keller would soon bring the room tax issue to Council for consideration. Mr. Goesch had met with members of City staff to discuss the appropriate use of room tax dollars. He believed that banners appropriately fit the identified criteria.

In the ensuing discussion, there was strong disagreement as to the responsibility for administering a banner program. Mr. Goesch felt that a volunteer-administered program would not remain successful because of the likelihood for a lack of commitment over time. He disagreed with Mr. Compton as to R3B's responsibility.

> <u>Mr. VanMeter moved that the banner discussion be tabled until there is a proposal before R3B as to who will administer the program and how it will be done, together with a request for funding. Mr. Goesch seconded the motion.</u>
>
> <u>The motion carried unanimously by those members present.</u>

Comments were made by Mr. Goesch and Mr. VanMeter as to the Chamber's participation in further study, and the appropriateness of their involvement. Further comment was declared out of order since a motion to table prohibits further discussion of the issue.

6. DISCUSSION

6.1 Iris Lane

The Iris Lane project was discussed earlier under "Project Updates."

6.2 Cherry Avenue

Mr. Morgan reported that the agreement with Salem Electric has been signed and they are proceeding with the undergrounding work. Salem Electric worked a deal with the Elks for storage of their materials and supplies. Their crews will be at work by next week. Mr. Morgan confirmed that all the utilities will be underground. The water and sewer work is currently under design, and should go to bid within 60 to 90 days, with early Spring construction.

Mr. Morgan noted that right-of-way acquisition has begun. Staff is working closely with the ODOT right-of-way team. The target is to break ground on the street July 1, leaving them 9 months to deliver the property. Even if condemnation becomes necessary in some instances, the City can take possession of the property immediately so the time frame seems reasonable.

Mr. Morgan noted that there will be a large number of takes, some very small and others large. He pointed out the more difficult aspects of appraising properties in the Mixed Use zone. The appraisers will be looking at what's most likely to happen.

Mr. Morgan hoped to get from Salem Electric an exact date for ground breaking, to allow for a photo opportunity. If that occurs, he will let R3B members know.

6.3 South West Corner of River & Chemawa

Mr. Morgan recalled Council's direction to staff and R3B to take a look at the UNOCAL site as to its potential, and R3B's subsequent decision to proceed with an analyses of the entire SW corner of River and Chemawa. Mr. Morgan stated that he worked with local developers and realtors to get background information. He had not yet received from them monetary information, but did have an evaluation on the physical structures.

Mr. Morgan noted that realtors well versed in the commercial arena had walked the site with him to brainstorm on possibilities. All the realtors indicated that they would be interested in listing and marketing the property, noting its potential for commercial success. However, they also saw huge potential for the property to be "screwed up" if developed property-by-property, as opposed to development under a grander scheme.

Mr. Morgan indicated that he would like to retain the services of Leyland Consulting Group, the consultants who developed recommendations for the River and Chemawa corner, to come up with a design plan. Using comments and ideas generated by R3B, Mr. Morgan hoped to have Leland use their marketing expertise to create a project that would do four things: (1) point the direction that the design should take to give the best return to the community; (2)

serve as a tool to bind the property owners together; (3) become a marketing tool to attract an investor to buy up all the property and develop it to meet expectations; and (4) guide R3B and the City as to the role the City should play. Mr. Morgan indicated that funding for the study would come from the consulting budget.

To generate comment, Mr. Morgan posted one of the design plans talked about by R3B two years ago. The design called for architecturally attractive buildings gracing the corner, with parking to the rear. He recalled previous discussion of a pedestrian link that would act as a connector from River and Chemawa into the neighborhood at the rear of the development. There had also been discussion of some type of landmark at the corner. He also emphasized the importance of access control at the very busy intersection.

Mr. Morgan noted that in his discussions with the realtors, there was some sense that the City might be "biting off more than it could chew" if it were to include all the properties south to Churchdale. That it might be best to focus energy first on the corner, and then possibly think about further redevelopment in terms of phases. Mr. Morgan hoped to get from R3B direction as to the area to include in a study.

Mr. Goesch felt that redevelopment planning should follow the natural boundaries, in this case intersection to intersection, rather than stopping in the middle of the block.

Mr. Martinez questioned the basis of the proposed consultant study. Mr. Morgan explained that Leland Consultants is a group of real estate economists. Their study would take into account land values, market values, rental rates, reuse of existing buildings, linkages, whether properties should develop independently or be assembled, etc., all in an effort to come up with what makes sense for the defined area. Mr. Morgan stressed that the consultants would be given no advance suggestions as to specific types of development wanted, but would be provided with some principles that have been embraced by the community. He suspected that a consultant study could not be completed before Spring.

Mr. Morgan responded to questions about the possibility of development of the UNOCAL property before a study for the corner can be completed. He conceded that if a building permit is applied for and access requirements are met, the permit could not be refused

A discussion followed regarding the previously identified concepts for the corner, the area to include in any study, and the degree to which the City/Urban Renewal District should be involved in redevelopment. Mr. VanMeter felt that it was more important to develop the corner and act as a catalyst for other properties to redevelop, rather than initially going all the way to Churchdale. He saw the back parking as a major factor. Mr. Martinez felt that no preconceived ideas should be given to the consultants; that their work should not be limited in any way. Mr. VanMeter felt that the consultants should be made aware of commitments made to owners of the other three corners with regard to improvements. Mr. Morgan pointed out that Leland Consultants participated in the previous study for the River/Chemawa corner, and was aware of the identified concepts.

Further discussion centered around City participation in redevelopment. Mr. Goesch pointed out the difficulty of redeveloping an area under many ownership's. He believed that without City ownership and control of a significant portion, there would be little likelihood for success. He felt that any recommendation to the Urban Renewal Agency should include alternatives for City ownership of the corner. The possibility of the City taking an option on the UNOCAL property for a specific period of time to avoid unplanned development was mentioned. Mr. Morgan recalled that the direction given to R3B included coming up with a recommendation as to why the City should buy the property. He responded to questions about requirements for the Urban Renewal Agency to acquire the land. It was pointed out that R3B had previously recommended purchase of the UNOCAL corner. Councilor Beach emphasized the importance of presenting a very clear concept in order to get the Council's support. In the course of discussion, it was pointed out that if the study were to indicated that it made economic sense for the City to buy the property or put down earnest money, the recommendation might carry more weight with the Council. The Board agreed on the need to hire a consultant without further delay.

Councilor Beach suggested getting the Council "on board up front," by going to them with a recommendation that a consultant be hired to bring back a proposal as to the most economic way to develop. Mr. VanMeter pointed out that the issue had already been referred to R3B by the Council.

> Mr. Van Meter moved that R3B direct staff to contact the appropriate economic consultant to look at the feasibility of City ownership of one through seven parcels at the corner of Chemawa and River Road, develop a marketing plan/development guide, and make recommendations back to this body. The motion was seconded by Mr. Goesch.

Mr. Frank read a motion that was adopted by R3B in May of this year. He felt that the May motion clearly stated R3B's intent that the property be acquired for development. He was not sure that the stated intent would be adequately conveyed to the Council by way of a motion, and suggested that Chair Compton and perhaps others from the Board appear before the Council and carry forward the proposal. Mr. Frank called for the question.

> The motion carried unanimously by those members present.

Mr. VanMeter questioned the status of the Inland Shores landscape improvements at the NW corner of Lockhaven and River Road. Mr. Morgan reported that the work is in progress. Inland Shores is following the plan presented to R3B and the Council about a year ago. He brought to recollection Council's approval of a $10,000 grant toward the $100,000 project. Improvements at the three participating corners will occur at approximately the same time.

Mr. Morgan conceded that there had been no contact with 7-11 representatives for some time. He expected to soon have more time for those types of contacts.

Comments were made about the poor appearance of the Cherry Avenue-River Road triangle from Greenwood to Manbrin. Mr. Morgan agreed. He intends to send the property owners a letter suggesting that they consider applying for a property improvement program grant. Ms. Abbott pointed out the need for the City to clean up the area under the tree on the City-owned property. She also questioned what could be done about unsightly trash cans on commercial property. Mr. Morgan noted that the new code will address the issue, however, the requirements cannot be enforced retroactively.

7. ANNOUNCEMENTS AND AGENDA INPUT

7.1 Regular Meeting - October 22, 1997

At the October meeting, the Board will discuss a sign at the SW corner of Lockhaven and River Road, and a gateway sign at Lockhaven and McLeod. Mr. Morgan will have preliminary work on the SW River and Chemawa corner. He will also have a status report on the Fortune Cookie fence issue.

Mr. Morgan responded to questions about the new office building east of the fire station on Chemawa Road.

8. ADJOURN

The meeting was adjourned by Chair Compton at 8:35 p.m.