MINUTES
KEIZER URBAN RENEWAL BOARD
Keizer City Hall - Library
Wednesday, July 29, 1998

1. CALL TO ORDER

The meeting was called to order by Chair Abbott at 7:03 p.m.

2. ROLL CALL

The following members were present: June Abbott, Tom Wood, Joe VanMeter, Greg Frank, and Manny Martinez. Bob Ohm arrived at 7:06 p.m. Rick Curry arrived at 7:20 p.m. Stan Compton arrived at 7:55 p.m. and left the meeting at 8:50 p.m.

Also present were: Council Liaison Carl Beach, Staff Liaison Amy Drought, and Recording Secretary Nona Oxe'. Consultant John Morgan was present to guide discussion of the River Road Design Plan Update.

3. APPROVAL OF MINUTES - June 24, 1998

It was moved by Mr. VanMeter that the minutes of June 24, 1998 be approved. The motion was seconded by Mr. Frank and carried, all present voting aye.

4. APPEARANCE OF INTERESTED CITIZENS

Anna Braun, the COG consultant who is guiding the Planning Commission in its work on the TSP, was present as an observer.

Mr. Martinez took this opportunity to voice his objections to the rescheduling of KURB meetings without opportunity for comment from members. He suspected that other members who participate on other boards or activities also have difficulty adjusting schedules when not given opportunity for input. Mr. Frank concurred.

Ms. Abbott explained that this month's meeting was rescheduled due to staff difficulties in being here on the regular meeting date. Because of the importance of the issues scheduled for discussion, she chose to reschedule the meeting rather than cancel it.

5. PROJECT UPDATES

Development Activity

Ms. Drought reported that the Planning Department continues to be busy processing infill and partitioning requests. Inland Shores has submitted another partition application for a commercial development.

(Bob Ohm arrived and took a seat at the table.)

The Planning Department held two hearings on infill subdivisions last month. Building permits for apartments are also strong. The McNary Heights apartments are ready to be built; the Wheatland Road apartments will soon be underway; and, permits are being reviewed for apartments on Plymouth Drive. As reported last month, a 9-lot subdivision will soon be going in off Bolf Terrace.

With regard to commercial activity on River Road, Ms. Drought noted that a new business will be going in at the old "Hot and Now" site. She had no new information on the UNOCAL site.

Mr. Morgan aided Ms. Drought in answering questions about the Iris Lane project. He reported that the contractor, on Monday, broke ground on the Cherry Avenue construction project. The bid included Iris Lane. Mr. Kosugi, owner of the property on the south side of Iris Lane, has signed the agreement. Mr. Plumley, owner of the property on the north side, signed everything but his lease-holder, Bi-Mart, has yet to sign off waiving some of their interest. Negotiations with Bi-Mart are on-going. No construction will occur until the deal is closed. The construction schedule calls for the work on Iris Lane to be completed by October 31.

Lockhaven/River Road Landscaping Plan

As directed by the Board last month, Ms. Drought contacted Steve Ward, the developer of the NW corner of Lockhaven and River Road, to ask if they had plans to enhance the wetland area. His response was that they had no plans--that nothing could be done without going through the Division of State Lands permit process.

Ms. Drought displayed the preliminary design plan that was presented to the Board when the funding request was initially submitted. She noted that the developer has submitted a bill for the $10,000 grant that was approved by Council. She suggested that the Board compare the design to the work done at the site and direct staff on how to respond.

The general feeling of the Board was that the completed work did not meet expectations. It was pointed out that the Division of State Lands permit requirement represents just another obstacle that can be overcome. Councilor Beach suggested the possibility of a wetlands mitigation project similar to what is being done at Claggett Creek Park and adjacent to Pleasantview Park.

Mr. Morgan acknowledged that another design drawing was done subsequent to the one displayed by Ms. Drought. R3B had rejected the original design as having too much rock wall and signing.

(Mr. Curry arrived and took a seat at the table.)

Mr. Morgan was asked about costs associated with obtaining a wetlands permit. He acknowledged that there is a money issue involved for the developer to apply for a wetlands project permit. Councilor Beach pointed out the value to the adjacent properties of having a more aesthetically appealing corner, even if only by replacing the Canary Grass with something more attractive.

> Mr. VanMeter moved that staff continue to explore with the developer options for how the City/Urban Renewal can partner with them to mitigate the subject wetlands in a way similar to what they presented in their plans. Mr. Wood seconded the motion.

Mr. Martinez suggested putting a time limit on how long the City will discuss the issue with the developer. Mr. VanMeter pointed out that the City has an invoice for $10,000, not paid yet. Councilor Beach agreed that the grant funding would be a strong motive for some action from the developer. He suggested that staff also contact the Division of State Lands to see what the wetland permit process is, and what costs are involved.

Mr. Morgan confirmed that the City is the sole decision maker as to whether improvements comply with an approved plan. Mr. Wood suggested that elements of the plan not built be used as leverage toward achieving some agreement with the developer. Rather than doing something that was in the original plan but is unwanted, he suggested a trade-off for designs, a wetland management plan, or annual maintenance, etc. Councilor Beach suggested the possibility of including Washington Mutual Bank in a 3-way partnership since their facility would be enhanced by improvements to the wetland area.

Mr. VanMeter saw merit in Mr. Wood's suggestion. He believed the developer had achieved much of what was planned, and in so doing had formed a partnership with the City. He agreed that wetlands management rather than mitigation might be the more appropriate approach.

> Mr. VanMeter amended his motion to reflect the intent to pursue wetlands management rather than mitigation. Mr. Wood accepted the amendment.
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> The motion, as amended, carried unanimously by those members present.

Ms. Drought indicated that she would obtain information from the Division of State Lands on what can be done at the site.

Other Updates

Mr. Martinez questioned the status of the properties at Trail and Manzanita, and Lockhaven and McLeod. Ms. Drought was unsure, but indicated that she would get an update from City Manager Mull. Councilor Beach interjected that appraisals done on both properties indicated substantial value. Mr. Morgan recalled that the appraisals were done as part of a plan to appraise all City-owned property.

6. DISCUSSION

6.1 Proposed Rules for Attendance

Ms. Abbott pointed out that although action was taken last month to address the issue of unexcused absences, KURB has no formal set of rules. She noted that the Urban Renewal Agency resolution establishing the Board provides that the Board may establish rules for its internal government. She asked if there was any interest in developing internal governing rules.

Mr. Ohrn indicated that he would like to see what rules some of the other committees operate by. Ms. Abbott pointed out that that the Planning Commission, as a sworn body, operates somewhat different from other City boards and commissions. Their rules are established by Planning Commission resolution. She recalled, however, that the now defunct Governmental Affairs Committee had governing rules that might be looked at as an example.

Ms. Abbott commented on the need for some type of orientation for new members to make them aware of what is expected, and the importance of attendance. She could see merit in having established rules to give to new members when they are appointed.

Councilor Beach believed the recent selection of a new Chair evidenced the need for a review of procedures. He believed the Urban Renewal Agency would be receptive to changing the requirement for Agency approval of the Chair. With regard to internal rules, he suggested including in next month's agenda packet a copy of the Planning Commission rules for the Board to review, modify, and format in an appropriate form. He suggested KURB, at that time, also come up with a recommendation for amending the Agency resolution to remove the requirement for Agency approval of the Chair.

Ms. Abbott indicated that she would place the issue on the August agenda for discussion. She will review the rules established by the Governmental Affairs Committee to see if they should also be provided as a sample.

Councilor Beach confirmed that the Urban Renewal Agency approved the selection of Ms. Abbott as Chair.

6.2 Update of River Road Design Plan

Consultant John Morgan had included in the agenda packet a memorandum explaining the goal of the project, and transmitting the following documents to guide the Board in discussions to update the River Road Design Plan:

- Excerpts from the 1990 Urban Renewal Plan with project descriptions.
- Excerpts from the 1996 2nd Amendment to the Renewal Plan with additional project descriptions.
- The project activities and expenditures table from the 1996 2nd Amendment listing all projects and programming the date and costs for their completion.
- The 1995 Decision-Making Matrix which was used by R3B (now KURB) and the Planning Commission to review and decide on the specific recommendations of several design studies for the River Road corridor.

Mr. Morgan gave a brief history of events, activities, and processes that led to the formation of the Urban Renewal District, the development of the River Road Design Plan, and ultimately to the current process to reassess where the District is, and where it is going. He noted that the Design Plan, a subset of the Urban Renewal Plan, is the actual plan and program for projects to be done in the Renewal District.

Mr. Morgan talked about the $4.85 million bond which financed the District's activities for the initial five-year period, and the tax increment payment structure used to repay the bond. He talked about public facility improvements achieved during the initial five-year phase I, small projects that were added, and projects that were included in the Plan, but not yet done. He noted that most of the work in the original Design Plan has been achieved. Mr. Morgan talked about the shift of attention two years ago to a second component, the Cherry Avenue project, which culminated this week with ground breaking. A third major component, consuming all of 1996 and much of 1997, was the amendment to the Renewal District to include the baseball stadium project.

In considering what the District would take on next, Mr. Morgan suggested a goal of adopting a new design plan that would include a list of the projects to be undertaken, the prioritization for the projects, and the details on the projects including a budget and financing plan. He noted that the District can stand another bond issue. He suspected that a session focusing on tax increment financing might be necessary at some time in the review process. Finally, Mr. Morgan noted that the process will include a lot of public involvement.

(Mr. Compton arrived and took a seat at the table.)

Mr. Morgan talked about the legal constraints imposed by Measure 50. He noted that the District's $22 million cap includes $8 million debt service. He acknowledged that once a Plan is approved, new projects can be taken on, but projects of an equal $-amount must be taken out. A part of the update process is the review of existing projects to either reaffirm them, or remove them from the list and add others. Once all of the $22 million is spent, the district must expire. The expectation is that the district will expire about 2006. Mr. Morgan anticipated that the review process would take until the end of the year--followed by the citizen involvement process.

Mr. Morgan reminded the Board that urban renewal funds must be used for capital investments, not for operation and maintenance. Funding to operate and maintain any facility built with urban renewal fund would have to come from some other source.

Mr. Morgan responded to questions about the impact of Measure 50 on tax increment the City will receive, and the possibility of reducing the time-frame for repaying the debt because of the greater tax increment that is coming in. He also explained in greater detail activities that would involve a Renewal Plan amendment.

Mr. VanMeter informed the Board of testimony received by the Parks Board requesting that the City join in a public/private partnership to develop a civic aquatic center. The concept was that the facility be managed by the Parks Department as a revenue source for the City. Another proposal presented to the Parks Board, some time ago, was for development of a softball complex. Councilor Beach commented on the interest of some individuals in having a branch library in Keizer.

Mr. Frank agreed that facilities for public use are nice, but urged maintaining the goal of public investment to inspire private investment. Mr. Morgan talked about renewal projects that are not necessarily or directly a private stimulant. He noted that renewal districts traditionally first do the "meat and potatoes" projects that immediately stimulate investment, but hold out to the end a "cherry project" that enhances the community. He cited as an example Salem's Pringle Creek Urban Renewal District improvements culminating in construction of the new Salem Library. He explained how removing blight and increasing property value accomplishes a goal of urban renewal.

Before going over the list of projects from the 1990 Urban Renewal Plan and 1996 2nd Amendment, Mr. Morgan circulated photographs of River Road taken before and after the improvements were done. One of the most visually dramatic changes was the removal of overhead utility lines. He also circulated photographs of Lancaster Drive and South Commercial to demonstrate the contrast.

Referring to the project list handout, Mr. Morgan elaborated on projects on the list that were done, and elements not yet done, some of which might no longer be considered priorities thus freeing up funds to do other things. He commented on major points of decision the Board will be considering. In reviewing Table 6, the financial matrix, Mr. Morgan indicated that he would bring back a list showing the estimated costs to finish each of the uncompleted major projects--the basis for the $22 million cap. He noted that part of KURB's work will be to revise Table 6 which indicates estimated project activities and expenditures and a time-frame for each project. He acknowledged that inflation was allowed for in projecting the cap.

The final document in the handout was the matrix developed by Mr. Morgan to guide R3B and the Planning Commission in developing recommendations for design standards for the River Road corridor. Mr. Morgan gave background on documents that were used in developing the matrix, and their influence on improvements that have occurred in the corridor. He explained how to read the matrix, and suggested that between now and next month, KURB members review the renewal project column for discussion next month.

Mr. Compton commented on possible opportunities for the Chemawa Activity Center. In looking at potential urban renewal projects, he believed a key issue would be when, and if, urban renewal would participate in some way in sparking development at the activity center. Mr. Morgan talked about the complexity of the Chemawa Activity Center issue. He pointed out that the design plan for the activity center is done; the Council now needs to discuss what the Renewal District's role will be. He commented on the potential under Measure 50 for generating incredible tax revenue at the activity center. Councilor Beach believed developer interest at the activity center was imminent. He indicated reluctance to do a lot until a specific development proposal is laid out on paper. Mr. Morgan commented on the opportunity for the Renewal District to be involved as a financing agent without using direct tax money.

(Mr. Compton had another commitment and left the meeting at 8:50 p.m.)

In the ensuing discussion, suggestions were made for possible projects to consider. Ms. Abbott indicated that she would like to look again at driveway closures. Councilor Beach commented on the need for parking lot improvements at City Hall. Adding traffic signals on River Road was mentioned. There was interest in discussing bus turnouts, particularly in specific congested areas. Side street improvements including striped-in left turn lanes was recalled as an earlier suggestion. It was suggested that projects on the list be looked at from the public safety standpoint, with comment from Police and Fire. Ms. Drought noted that the Public Works Department plans to submit a list for consideration. She also commented on the relationship between several projects mentioned and the TSP currently under discussion by the Planning Commission.

Mr. Morgan noted that a recommendation in the 1995 design plan work was to restripe River Road with bike lanes. He pointed out, however, that one section south of Chemawa Road is not wide enough to include bike lanes to connect with ones being installed on Cherry Avenue and provide the link to Salem.

The status of the Heritage Foundation's Old School House renovation project came up in the discussion. It was Councilor Beach's understanding that discussions between the Heritage

Foundation and the Chamber of Commerce were taking place. Mr. Morgan knew of an agreement being reached. Whether or not the Renewal District will participate with funds remains to be decided by the Urban Renewal Agency.

Mr. Morgan commented on the potential for additional visual improvements along the corridor. Ms. Abbott suggested that in discussing landscape improvement opportunities, the Keizer Christmas Tree site be considered.

Mr. Morgan commented on properties that had taken advantage of the opportunity for frontage improvements through property improvement program grants. He noted, however, that Council, in the past had rejected the notion of funding things internal or away from the street frontage. He questioned whether the Board wished to again look at the issue. There was general agreement that everything was again "on the table."

Mr. VanMeter requested that some time be spent talking about "the final project" described by Mr. Morgan earlier--a library, a swimming pool complex, or some other final effort of the Urban Renewal District that the community could look to with pride for having achieved it.

Other projects mentioned for discussion were a public-transit transfer station somewhere along River Road, and a Keizer train link at the activity center. There was interest in continuing with efforts to stimulate private investment in the south end of the City. Mr. VanMeter suggested revisiting the idea of Cade Street improvements. Mr. Ohrn requested that Harmony and Trail be kept on the list.

Mr. Morgan indicated that he would bring back a "laundry list" of project ideas for discussion next month.

7. ANNOUNCEMENTS AND AGENDA INPUT

7.1 Regular Meeting - August 26, 1998

8. ADJOURN - 9:00

The meeting was adjourned by Chair Abbott at 9:16 p.m.