Minutes
River Road Redevelopment Board
Keizer City Hall - Library
Wednesday, May 28, 1997

1. CALL TO ORDER

The meeting was called to order by Chair Compton at 6:10 p.m.

2. ROLL CALL

The following members were present: Stan Compton, Sam Goesch, Rick Curry, and Greg Frank. Manny Martinez arrived at 6:12 p.m., at which time a quorum was present. June Abbott arrived at 6:25 p.m. Joe VanMeter Arrived at 6:58 p.m.

Also present were: Council Liaison Carl Beach, and Recording Secretary Nona Oxe'. Community Development Director John Morgan joined the Board at 6:30 p.m. after meeting with the Keizer Budget Committee.

Chair Compton rearranged the agenda to conduct the strategic planning worksession prior to the regular order of business.

4. STRATEGIC PLANNING

Chair Compton called attention to a handout that was distributed with the agenda packet at his request. The first page of the handout provided a brief history of the renewal district, and comment on accomplishments to date and projects to be worked on in the future. Pages two and three were taken from the Urban Renewal Plan document, and listed the renewal project objectives and the renewal area strategy.

(Manny Martinez arrived and took a seat at the table.)

Mr. Compton suggested reviewing the renewal project objectives to see if they still hold true. After looking over the list of 13 objectives, it was most generally felt that those listed were broad enough to apply for the long term.

A discussion followed regarding the role of the Board in the development of the Chemawa Activity Center. Mr. Goesch saw a place for the City in bringing about the infrastructure. He also saw possibilities for some type of public/private partnership, but pointed out the negative reaction from some in the community when that was done for the stadium project. Councilor Beach suggested the need to first educate the public to understand the relationship before entering into any such partnership.

Chair Compton questioned whether the Board wished to add, in some form, the following two objectives to the list: "the renewal district should be involved in seeing the infrastructure in the activity center is completed," and "the agency should explore partnering ideas with private investors.".

In discussion, it was the feeling that the City should not necessarily pay for the infrastructure improvements, but finance them in order to facilitate development activity. Councilor Beach acknowledged that if objectives were added to the Plan, the amendment would require Renewal Agency approval. When asked how the Council might respond to a recommendation to facilitate the infrastructure improvements, Councilor Beach perceived the Council would support the idea. He emphasized that the renewal district would not buy the streets, but provide the financing and recover costs from development.

The Board discussed what it would take to jump start development.

(Ms. Abbott arrived and took a seat at the table.)

Mr. Martinez asked if it was known what types of businesses might come. Councilor Beach commented on some businesses who have demonstrated an interest. He spoke about the lack of developable interchange property in the state. It was his feeling that businesses would take advantage of the development opportunity. He emphasized that the activity center plan and zoning will control what develops.

It was the consensus to recommend adding as objective 14, "that the district at a minimum finance infrastructure improvements of streets, water and sewer."

The question of whether to add as an objective, exploring partnering ideas with private investors, was discussed at length. The Board discussed the types of partnerships the renewal district could participate in. The idea of a convention center was mentioned as one possibility. Councilor Beach suspected that it would take a very unique project for the Council to go along with it.

Mr. Goesch suggested as an objective, "that the urban renewal district be open to public/ private partnerships for development, beyond infrastructure." In the ensuing discussion, the Board talked about its responsibility for River Road Phase 2, as well as the activity center. That discussion led to the issue of renaming the Board to reflect the activity of the renewal district.

(Community Development Director Morgan arrived and took a seat at the table.)

Suggestions for a name included "Keizer Improvement District," "Keizer Redevelopment Board," "Keizer Improvement Board," "Keizer Economic Development Board," and "Keizer Urban Renewal Board.'

After discussion, it was the consensus to recommend to the Urban Renewal Agency Board that R3B be renamed "Keizer Urban Renewal Board."

Focusing back on the issue of public/private partnership, Mr. Morgan responded to questions about the use of tax increment dollars for such a purpose, and implications of Measures 47 and 50. Mr. Morgan also commented on the wave for future partnerships by renewal districts. He gave examples of successful projects.

After discussion, it was the consensus to recommend adding as objective 15, "that the Urban Renewal District be open to public/private partnerships for development, beyond infrastructure."

Mr. Compton saw a need to talk about the issue of publicity. It was his feeling that not a lot of people in the community were aware of proposed and upcoming renewal district projects. He suggested the possibility of a couple Board members carrying the message to service clubs and other organizations.

Mr. Morgan responded to questions about the City's press release procedures, and methods used in the past to get the word out to the public. He noted that because of the high cost of sending out the City newsletter, it was not being included in this year's budget. With regard to a suggestion that information be included with the water/sewer billings, he noted that there is a long list of others who hope to use that service. He suspected that it would be at least October before the opportunity would be available. Although his available time is very limited, Mr. Morgan agreed to participate along with Mr. Compton on a speaker circuit. Mr. Goesch indicated that he would, also.

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

After discussion, Mr. Morgan, Mr. Compton, and Mr. Goesch agreed to work on a publicity strategy.

Mr. VanMeter pointed out that there can be a downside to publicity. He suggested that any information provided to the public clearly indicate the cost benefit in order to portray the value of the project. He also suggested that handouts accompany any presentation.

Mr. Compton agreed to transmit the Board's recommendations to the Renewal Agency Board.

(Mr. Compton resumed the regular agenda format at 7:10 p.m.)

3. APPROVAL OF MINUTES

It was moved by Ms. Abbott that the minutes of April 23, 1997 be approved. The motion was seconded by Mr. VanMeter and carried, all present voting aye except Mr. Martinez who abstained from voting inasmuch as he was not present at that meeting.

5. APPEARANCE OF INTERESTED CITIZENS

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

6. PROJECT UPDATES

Development Activity

Mr. Morgan reported that activity is continuing very high.

River Road Design Plan

Consultants John Spencer and Charlie Kupper are working with the matrix of activities and recommendations, to reduce it to an adoptable document. It is anticipated that a draft will be available for review at R3B's June meeting.

Development Code

The Planning Commission opened the public hearing on the Development Code two weeks ago. After receiving some testimony, the hearing was continued it to June 11. Only two people spoke at the first session, however, representatives from the development industry are expected to present testimony on the 11th. Out of four meeting with representatives of the development industry, Mr. Morgan came up with only about two dozen proposed changes. Only about one-half dozen of those had serious consequence.

Considering R3B's work on the CM zone and design standards, Mr. Morgan suggested that comment from R3B might be appropriate when the Code goes to the City Council.

River Road Redevelopment Project

Undergrounding Project

With the delivery of replacement lights today, work very soon will be completed.

Chamber of Commerce Merchants Committee

Mr. Goesch went over the draft of proposals developed by the committee for a banner program. It was being suggested that the City look at imposing a hotel/motel room tax to fund the upkeep and change-over of banners. Mr. Goesch explained how the Chamber hoped to involve youth organizations in changing over the banners. A sinking fund to perpetually renew banners was also being proposed.

Councilor Beach anticipated that Council would be considering not only the hotel/motel room tax, but also, how the money would be disbursed. He suggested that Mr. Goesch include figures in his finalized report and recommendation. Mr. Morgan added that he plans to send out letters to anyone who might want to tap the hotel/motel room tax fund, suggesting that they put together a proposal.

Mr. Morgan distributed copies of a memo from Bob Watilo of the Chamber, listing prices quoted to him for banners and brackets.

Mr. Goesch talked about the Merchant Committee's endorsement of a proposal for holiday lighting on River Road businesses. They would like to see 100% participation, but expected partial participation in the beginning with the program growing over the years.

Mr. Goesch indicated that he would have a hard proposal next month for banners and Christmas decorations.

Cherry Avenue

Mr. Morgan reported that the contract has been signed with ODOT to do the right-of-way acquisition. Salem Electric has completed the plans for their work. They will break ground at any time. Locations for bus pullouts have been finalized with the transit district.

Plymouth Drive

Survey work began about a month ago and is not yet completed. Once the survey work is done, the design of the street will not take long to complete. The street design will come to R3B for approval within the next couple months, and then right-of-way acquisition can begin.

Iris Lane

Mr. Morgan indicated that Iris Lane would be addressed later in the agenda.

Focal Point - River & Chemawa

Mr. Morgan reported that Council approved the Walgreen's project. At the time the landscaping grant request came to R3B, Mr. Morgan was unaware that the Public Works Department had received a landscaping plan. The submitted plan met all of R3B's expectations, within the $12,000 request. The building is being gutted and should be done soon.

The project manager for School House Square verbally indicated to Mr. Morgan that they are ready to move ahead with landscaping at their corner. Mr. Morgan has yet to talk with Shari's representatives about their corner, but soon will.

With regard to the UNOCAL corner, a Budget Committee proposal to put $150,000 in the Parks Budget out of General Fund resources to buy the corner was rejected by the Council. Mr. Morgan was unsure what would happen now. He commented on private efforts to still try to consolidate the three properties at the corner. He noted that Payless Shoes is still interested in the corner, but Boucher's has refused suggestions for shared access.

Mr. Morgan responded to questions about the proposal to combine the three business properties at the corner. Mr. VanMeter felt that the parking lot idea and the entire issue of the property behind Boucher's should be rediscussed. He indicated that he would like to see it put on the agenda.

Councilor Beach commented on the interest shown by some on the Council in acquiring the UNOCAL corner. Mr. Morgan reminded the Board of the June 23 public hearing on the budget.

As a side issue to the proposed improvements at the River Road/Chemawa intersection, Ms. Abbott voiced her objection to the color scheme on the building now occupied by Keizer Florist. Mr. Morgan acknowledged that he had received nothing but negative comments. He noted that the business owner also objected to the colors, but had no say in the property owner's decision. Mr. Morgan hoped that the soon to be installed planting strip and sidewalk would improve the appearance of the building entrance.

Stadium Project

The project is essentially completed. Staff will be going to the Council with a supplemental budget in June. A $500,000 carryover will be used to finish the sewer project next fiscal year.

Gateway Signs - Lockhaven & River - Lockhaven & McLeod

Council approved grants for the SE and SW corners of Lockhaven and River Road. Mr. Morgan expected Powell Development to begin their work fairly soon. By holding the City portion to $25,000, it will allow for estimates rather the formal bid process which would greatly delay the project.

With regard to a gateway at Lockhaven and McLeod, Mr. Morgan felt that with the right timing, it would be a doable project.

In discussion, the Board indicated interest in proceeding with a project right away. Mr. Morgan emphasized the need to carefully plan what to do and the process to follow. He had asked Charlie Kupper to investigate what other communities had done. With regard to design, he acknowledged that it could be done by a design competition. Mr. Morgan agreed to bring the issue back on the agenda within the next couple months after hearing from Mr. Kupper.

Returning to the subject of the UNOCAL property, Mr. VanMeter emphasized that something should be done with regard to acquiring the property while the window of opportunity still exists. He wondered about putting a recommendation before the Council on June 23.

A discussion followed regarding the importance of having some control over what will ultimately go in on the corner.

> Mr. VanMeter moved that R3B have the city planner develop whatever materials are necessary to present to the City Council for due consideration to purchase the UNOCAL property on the SW corner of River Road and Chemawa Road. Ms. Abbott seconded the motion.

Councilor Beach did not wish to abandon the idea of sending to the property owners a letter from Mr. Compton and Mr. Morgan suggesting consideration for the owners to work with the City, whether a full donation, half, or some other portion. And, that they get some kind of tax write-off for the donation. With regard to the motion, he suggested stipulating $150,000. He noted that anything saved on the price could be used for improvements on the property.

Mr. VanMeter indicated that he had purposely not included a money figure in his motion.

Mr. Goesch stressed the importance of long-range planning. He supported taking action and putting the property into the City's inventory.

Mr. Morgan noted that the Budget Committee proposed that the property be purchased for a park. He suspected the Council's objection was partly due to that notion. Mr. VanMeter emphasized that he was not proposing a park. Although he would like to see a focal point at the corner, the thought behind his motion was to use acquisition of the property to facilitate private development on the corner.

Mr. Morgan responded to questions about the availability of the adjacent property on Chemawa Road.

Mr. Goesch called for the question.

> The motion carried unanimously by those members present.

Mr. Compton asked if Mr. VanMeter also wished to address the property behind Boucher's store. Mr. VanMeter did not wish to at this time.

Iris Lane

Mr. Morgan displayed the street and landscaping plans. A couple weeks ago, the plans and a cover letter outlining the City's position with regard to improvements were sent by Federal Express to Mr. Kosugi, the owner of Keizer Village Center. Last week, Mr. Morgan met with Mr. Kosugi met to discuss the plans and the City's willingness to fund the entire project if he would commit to improving the center. It was Mr. Kosugi's feeling that the work they have done and are doing should satisfy the requirement. The work done includes new signs and repainting of the facility. They are prepared to remodel the outbuilding, but are not prepared to do facade improvements on the whole building. Mr. Kosugi also wanted the City to pay for overlaying the parking lot. Mr. Morgan did not have figures for the overlay work.

Mr. Morgan wished to get R3B's feelings as to whether the property owner had done enough for the City to proceed. He confirmed that the property owner is donating the right-of-way for Iris Lane. Mr. Morgan was unsure how the property owner would react if the City were to reject doing the parking lot overlay.

A discussion followed regarding Mr. Kosugi's proposal. Comments demonstrated considerable reluctance on the part of the Board to pay for the parking lot overlay. However, the Board also did not wish to "tie Mr. Morgan's hands" in further negotiations. It was felt that the improved center would greatly increase sales for the businesses. It was also pointed out that the marketability of Mr. Kosugi's property will be greatly increased. With regard to facade improvements, Mr. Morgan perceived that it might be more appropriate to talk with the tenants. Mr. Morgan indicated that he was getting a sense that the Board supported what he had done thus far, but that the overlay would be too much. Mr. Compton cautioned against throwing the street away to avoid giving in on the overlay.

<u>Mr. VanMeter moved that Mr. Morgan be instructed to continue negotiating to encourage facade improvement and, not pay for overlaying of the parking lot. Mr. Goesch seconded the motion.</u>

Mr. Compton reiterated earlier cautions against tying Mr. Morgan's hands. Mr. Morgan stated that he was reading the motion not as an absolute, but as advice to him on how to proceed.

<u>The motion carried unanimously by those members present.</u>

7. DISCUSSION

7.1 1997-1998 Budget

Mr. Morgan distributed copies of the Budget Committee recommended 97-98 Urban Renewal Budget. He noted that because of the timing, R3B was not involved in the specific drafting of the document, but very involved in directing where it went. He encouraged Board members to attend the June 23 public hearing and either endorse the document or recommend changes.

Mr. Morgan proceeded to review the document, and to explain the accounting process used to arrive at the projections. The budget was balanced still projecting the $1/per thousand tax rate.

Mr. Morgan called attention to the "Contingency" figures under Capital Outlay. The only change made by the Budget Committee was to put additional funds into Contingency in case the condemned property for the stadium sells for more than what the Renewal District offered.

Mr. Morgan responded to questions about what would need to be done if the Agency were to pursue acquiring the UNOCAL property. He also commented on the availability of tax increment dollars.

> Mr. VanMeter moved that R3B endorse the Urban Renewal Budget and encourage the Council to look at acquisition of the UNOCAL property as a minor plan amendment. Ms. Abbott seconded the motion.
>
> The motion carried unanimously by those members present.

Mr. Morgan acknowledged for Mr. VanMeter that Council had discussed purchasing the property with money from the General Fund, not Urban Renewal funds. He did not see the motion as limiting the Council to urban renewal money, but more as endorsing acquisition of the property.

7.2 Banners

The item was discussed earlier in the agenda under "Project Updates."

8. ANNOUNCEMENTS AND AGENDA INPUT

8.1 City Council Public Hearings on Urban Renewal Budget - Monday, June 23, 1997 - 7:00 PM

Mr. Compton noted that he will be on vacation on June 23. Vice Chair Abbott agreed to carry forward the two additional Renewal Project Objectives recommended by the Board.

Mr. Goesch felt strongly that the Chamber of Commerce would endorse acquisition of the UNOCAL property. Mr. VanMeter suggested having a visual presentation to show what might happen if no action is taken.

8.2 Regular Meeting - June 25, 1997

9. ADJOURN

The meeting was adjourned by Chair Compton at 8:25 p.m.