Keizer Urban Renewal Board
Meeting Minutes
Wednesday, May 25, 2011 @ 5:30 p.m.
Keizer City Hall

CALL TO ORDER

Chair Greg McLeod called the meeting to order at 5:30 p.m.

ROLL CALL

Present:
Greg McLeod, Chair
Robert Hendricks, Vice Chair
Rich Duncan
Erick Peterson
Tyler Clark
Doug Tookey
Joe VanMeter
Mike Hickman, KPIC Representative
Doug Schneider, Planning Comm.Rep
Cathy Clark, Council Liaison

Absent:
Rich Duncan

Staff Present:
Nate Brown, Community Development
Sam Litke, Senior Planner
Susan Gahlsdorf, Finance Director
Debbie Lockhart, Deputy City Recorder

APPROVAL OF MINUTES ~ Robert Hendricks moved for approval of the April 2011 Minutes. Erick Peterson seconded. Motion passed as follows: McLeod, Hendricks, Schneider, Peterson, Clark and Hickman in favor with VanMeter and Tookey abstaining and Duncan absent.

APPEARANCE OF INTERESTED CITIZENS ~ None.

OLD/NEW BUSINESS

Urban Renewal District Explained/Budget ~ Finance Director/Budget Officer Susan Gahlsdorf reviewed the Urban Renewal Budget. She noted that it looked like the upcoming fiscal year would be the last one in which tax increment revenue will be projected. Following that year, proceeds will not go back into the agency but will go back to overlapping jurisdictions unless the agency extends the district and does another plan amendment. She explained that the property tax rate in Keizer is 2.08; assessed value is about $1.5 billion; the Urban Renewal Agency's increasing increment property value is about $500 million so 2.08% of what the City would otherwise receive in property tax revenues goes into the District. Between all 10 overlapping districts it is about a $14-15 per thousand rate on the increment value which amounts to about $4 million per year. So the overlapping districts forego that revenue and when the district goes away, they will begin collecting it. The property tax bill will stay the same to the property owner, but it will be distributed differently.

Community Development Director, Nate Brown explained that, for example, if Keizer Station had never been developed, the overlapping districts would have only gotten tax on undeveloped land. Ms. Gahlsdorf added that the assessed value of the district in early 1990 was $45 million and now it is $337 million. She also noted that the tax increment revenue this year was less than projected because property values went down, especially for undeveloped land. Five undeveloped parcels in Keizer Station went down by half.

Director Gahlsdorf explained that the City took out a line of credit to build the civic center and next year will pay off the $2.6 million owed so interest costs will be saved. She then reviewed the Project Fund, Personnel Services Fund, Materials and Services Fund, the Administrative Services Fund, and Capital Outlay providing explanation and clarification for each.

Responding to questions, Ms. Gahlsdorf explained that there will be some sort of 2012 budget; the District will not sunset in 2012 but it will no longer collect revenue. It will not sunset until the funds are all distributed or consumed. Mr. Brown added that projects being done now will not show up in this fiscal year and they will therefore impact budgets for future projects. He added that the plan is to try to group projects together into one large project for a greater impact and cost efficiency and to get professional services involved.

Ms. Gahlsdorf then reviewed the Ending Fund Balance, Beginning Fund Balance, the Project Fund and the Program Income Fund. She noted that the Program Fund has the bulk of the Beginning Fund Balance, $2.2 million. This is the proceeds from land sales; program income is Urban Renewal money and is restricted for urban renewal purposes but is not as restricted as the project fund. Option money is currently being paid on two parcels; the Park Improvement Fund has been paying the option payments and now that the district has proceeds from the sale, the question for Council will be whether or not to reimburse the park improvement fund for those costs and payments. She directed attention to the line item showing those costs to date.

Additional discussion then took place regarding the possibility of using urban renewal dollars to purchase dilapidated property such as the Cherry City Metal property. Ms. Gahlsdorf indicated that the plan would have to be amended and the project would have to meet the definition in the urban renewal plan. She suggested that KURB could make a recommendation to Council to amend the current plan or to form a new district. Mr. Brown added that eventually there would be proceeds from the sale of properties and that projects have been prioritized and sent to the agency but no decision has been made. The Cherry City Metal property was not included in that list of priorities. Discussion then took place at length regarding the property, fixing the fence, the probable high cost of cleanup and the need to move forward on improving the property.

Abby's Update ~ Mr. Brown explained that the grant agreement is being reviewed by Shannon Johnson and the contractor is ready to begin work. The phone booth has been removed. Senior Planner Sam Litke added that once the agreement has been approved, the contractor wants to finish the project in four weeks. Mr. Brown added that an art pad will be placed in the landscaping island on the street side of the sidewalk.

Copper Creek ~ Mr. Brown reported that he had not yet seen a plan so has not ordered the benches.

Evans Update ~ Mr. Brown reported that the legal description shows the sidewalk in the easement to allow for stormwater infiltration; they had to put it on private property so had to get an easement. Also, the adjacent chiropractor has approved the transitioning of the sidewalk at his property. Staff is waiting for the revised landscape plan because the contractor is uncomfortable with going off the one that Erick Peterson had marked up at the KURB meeting. Contingency funds are being used for the stormwater infiltration system and the catch basin; they have applied for a building permit for a new building and will be doing the construction and improvements together.

COUNCIL LIAISON REPORT ~ Councilor Clark, filling in for Councilor Egli, reported that budget approval is set for June 6 and Council supports the improvements at Abby's. She asked if the owner of the property north of Abby's had been contacted regarding improving that property. Greg McLeod pointed out that improving that property would be difficult because of the parking situation. Mr. Brown noted that the right of way on that property might match that of Abby's which would mean the business parking is overhanging the right of way.

Councilor Clark continued her report reviewing the Sustainable City Year program which was a partnership with Salem and the University of Oregon. She explained that students did streetscape designs, pathways, building designs and redevelopment and developed some high quality projects. She suggested that Keizer consider getting involved in this program. Mr. Brown responded that he had contacted them for a couple of projects but had gotten a less than enthusiastic response.

Councilor Clark concluded her report by encouraging Board members to check out the PGE Smart Grid website about energy development. She noted that there has been talk about a co-generation plant in Keizer and the website ties into what the energy industry is looking at: more distributed energy generation rather than energy transmitted over long distances.

ADJOURN ~ Meeting adjourned at 6:38 p.m.

Next meeting: June 22, 2011
Civic Center

Approved: 6-22-11