Minutes
River Road Redevelopment Board
Keizer City Hall - Library
Wednesday, May 22, 1996

1. CALL TO ORDER

The meeting was called to order by Chairman Compton at 7:05 p.m.

2. ROLL CALL

The following members were present: June Abbott, Velma Tepper, Tim Smith, Stan Compton, and Mark Grenz. Joe VanMeter arrived at 7:07 p.m. Rick Curry arrived at 7:15 p.m.

Also present were: Consultant John Spencer, 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 April 2, 1996 be approved. The motion was seconded by Mr. Grenz and carried, all present voting aye except for Mr. Grenz who abstained from voting inasmuch as he was not present at that meeting.</u>

Mr. Compton advised that in the absence of a quorum at the April 24 meeting, the members who were present met informally to allow Consultant Charles Kupper to make his presentations. Mr. Compton called attention to an unofficial record of those discussions included in the agenda packet as information only.

4. APPEARANCE OF INTERESTED CITIZENS

Jeff Strike, Allstate Insurance, and Jeff Boucher, Boucher Jewelers, were present to request that R3B consider changing the sign grant program with regard to the criteria for grants within an integrated business center.

Mr. Morgan called attention to agenda material including a copy of a letter from Mr. Boucher challenging staff's interpretation of the sign grant criteria, and a copy of a staff report submitted to the Urban Renewal Agency in response to Mr. Boucher's letter. The staff report requested the Agency's interpretation of Guideline 2 of the grant policy which states: *"Grants will be given for the actual cost of bringing a sign into compliance with a maximum of $1,500."*

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

Mr. Morgan reviewed the applicable sign code and sign grant criteria. In summarizing the situation at Mr. Boucher's business center, Mr. Morgan explained that three other businesses, along with Boucher Jewelers, occupy the center. All four businesses have individual free-standing signs. The Code allows only one sign per frontage for an integrated business center. To comply with the Code, each business will remove the non-conforming sign they own and Mr. Boucher will erect a new sign for the entire center. One business at the center, Keizer Family Physicians, will be relocating soon and has already been awarded a $490 grant which will be paid when they relocate in the next few weeks. A formal sign grant request for the remainder of the signs has not yet been submitted.

Mr. Morgan explained that Mr. Boucher had interpreted the policy to mean that the "cost of bringing a sign into compliance" assumes the new single sign is part of bringing all the non-conforming signs into compliance and therefore the total grant amount should be based on the total aggregate cost of removing all signs and erecting the replacement with up to $1,500 allocated for each original sign. By his interpretation, each of the four businesses within the center would receive the maximum $1,500 grant.

Staff's interpretation of Guideline 2 is that if a sign is being removed and not being directly replaced with another sign, then the grant is for the amount of removal only. By staff's interpretation, Boucher would be the only one receiving the maximum $1,500; each of the remaining grants (excluding Keizer Family Physicians who have already been granted $450) would be only $200, the actual cost of removing their signs.

Mr. Morgan noted that when the Urban Renewal Agency considered both options they agreed that staff's interpretation was correct. Thus, Mr. Boucher's request that R3B consider changing the program design to provide for approval of requests such as his.

Mr. Morgan pointed out the cost implications if the program were to be changed to meet the criteria suggested by Mr. Boucher. He also noted that a grant was just awarded for the Wittenberg sign program, also an integrated business center, under the existing policy. Changing the program design would likely mean that Mr. Wittenberg's grant would have to be reconsidered. Mr. Morgan noted that there could also be a cost impact for other sites that might make application.

Mr. Morgan suggested that the Board hear testimony from Mr. Boucher and Mr. Strike, and then consider whether they wished to recommend to the Urban Renewal Agency a change in the program design.

Jeff Boucher, Boucher Jewelers, 4965 River Road N., expressed appreciation to Mr. Morgan for his explanation. He felt that his motive for the request had been misinterpreted as being that Boucher Jewelers was trying to get more money for its sign. He pointed out that Boucher's sign, as the one permitted free-standing sign, complies--if three of the four signs are removed, then these three tenants are left without identification on a free-standing sign. He noted that the proposed sign would be divided amongst the tenants, who all need the exposure. He conceded that it would be necessary to have an agreement among all the businesses within the center that every business receiving a grant for a replacement sign is getting a portion of the sign. He strongly felt that any smaller business within a plaza setting should have the same opportunity for exposure as a stand-alone business.

Mr. Boucher pointed out that the proposed new sign would beautify and enhance the corner. He interpreted the original intent of the program as being to expedite businesses to comply, and to lessen the impact of the expense of complying without causing a business to loose the exposure to the general public.

Ms. Abbott pointed out that not all small businesses within integrated business centers have free-standing signs. Many only have fascia signs.

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

Jeff Strike, Allstate Insurance, 4959 River Road N., voiced his understanding that the grant money was there to offset the economic impact of conformance to the sign code. He stated that if he is unable to receive a replacement grant and Mr. Boucher decides not to put up a new free-standing sign, there would be an economic impact on his business by not having the exposure.

Mr. Boucher confirmed for Mr. Compton that there was no urgency for receiving a response to his request.

Mr. Morgan pointed out the approaching end of the budget year, and noted that one other issue having to do with sign grants needed to be addressed. It was questioned at the Budget Committee meeting how long the grant program should go on. He pointed out that although businesses have just less than a year to comply, whether or not there would be grant funds in the upcoming budget year still needed to be decided.

A discussion followed regarding the City's goals with regard to signs, the intent of the sign grant program, and the amount of time business have had to bring signs into compliance.

Mr. Strike responded to questions about the importance of free-standing and fascia signs to his business. Mr. Morgan brought back into focus the issue of determining the appropriate contribution in the case of an integrated businesses center. To Mr. Strike the issue was whether or not he had the same opportunity as a stand-alone business.

Mike Gaynor, Keizer Vision Clinic, 4705 River Road N., expressed disagreement with the sense of urgency to enforce the sign code. He felt that it would be more appropriate to allow businesses to go through the natural cycle, mandating sign code compliance as a new business comes on. He felt that a small business person was being required to meet an unbudgeted expense with minimal, if any, return. Mr. Gaynor also considered the costs unjustified for other urban renewal improvements on River Road.

After further discussion about the origination and intent of the sign code, Mr. Compton pointed out the need to move on to other items on the agenda. Mr. Morgan pointed out that if the Board should tonight come to agreement on a recommendation, the issue would likely go to the Urban Renewal Agency on June 17. Notice of the meeting will be provided to the interested parties.

Mr. Morgan responded to further questions about the requirement for one single free-standing sign at integrated business centers. In addressing the issue of a single replacement sign, Mr. Morgan explained how participants in the Wittenberg sign program met and negotiated. He pointed out the responsibility of business owners to work together to come to an answer.

Councilor Beach pointed out the importance of a standardized response to each request.

Mr. Boucher, Mr. Strike, and Mr. Gaynor left the meeting.

Noting the importance of the main item on tonight's agenda, Mr. Compton suggested that the Board further debate the sign issue after hearing Mr. Spencer's presentation regarding the Cherry Avenue Design Plan.

(Item #6 was taken out of order and considered at this time.)

6. DISCUSSION

6.1 Cherry Avenue Design Plan

Mr. Morgan stated that Mr. Spencer would first address the issue of financing options. The Board would then move to the Council Chambers to view design drawings and discuss impacts on specific properties.

Mr. Spencer distributed copies of a memorandum from him to the Board dated May 22, outlining a cash financing strategy for Cherry Avenue and related projects. The strategy was developed in response to preferences indicated at last month's informal session. In addition to the financing strategy, the Board would tonight be considering access points and impacts on buildings and parking along Cherry Avenue; scheduling of a third public workshop; and an outline of what will be included in the final report.

Mr. Spencer reviewed the cost estimates for Cherry Avenue improvements, east-west streets, and trailer park acquisition/relocation. He pointed out the projected $2.25 million shortfall to do all of the projects. Mr. Spencer recalled the Board's preference for cash financing, and pointed out cash flow forecasts included in his memorandum. The cash flow projections were developed assuming the $1/1000 tax rate over the life of the renewal district.

It was the conclusion of the consultants that if the Cherry Avenue project is constructed over two years, 98-99/99-00, and an ending fund balance of $250,000 is maintained, two of the four east-west streets and the public transit center and civic center projects would need to be deferred two to four years after Cherry Avenue is completed. Acquisition/relocation of the housing sites would also occur after the year 2000. It was also their conclusion that all of the deferred projects can be financed by tax increment cash flow.

Mr. Spencer requested that R3B provide some direction as to priorities for the east-west street projects.

Mr. Morgan responded to questions about the costs for acquisition and relocation of the trailer parks. He had recently discussed with Salem's relocation expert some of the costs and problems incurred with acquisition and relocation. Salem's expert estimated Keizer's costs for the two trailer parks at $750,000, slightly higher than Mr. Spencer's estimate. Mr. Morgan called attention to one project in Salem where they are not relocating the trailer park, but building around it with the hope that the market will drive it out. He suggested that the Board might consider doing the same. Not doing the relocation would save $600,000. Putting that money into east-west streets would allow them to be done in more near-term.

Mr. Morgan called attention to the budgeted dollars for water, storm drainage and sanitary improvements through FY 2006-07. He noted that they were written in more like place-keepers in 1989, and represented somewhat soft line items that might be cut back to make the proposed improvements happen a little faster.

Mr. Morgan reported that the Budget Committee considered the Urban Renewal Budget at their last meeting. They adopted R3B's recommendations with the sole exception that instead of putting another $165,000 in the tax stabilization account, they agreed to extend the bond a little longer and move that money to the Cherry Avenue reserve account. Mr. Morgan suggested that Board members might want to testify regarding the budget at the public hearing before the Urban Renewal Agency on June 17.

Mr. Spencer reaffirmed the conclusion of the consultants that by moving the timing of some of the projects around it will be possible to accumulate some funds to build the Cherry Avenue project and some east-west streets without going into debt.

Mr. Smith expressed concerns about stretching out Cherry Avenue infrastructure funding and then later having to make cuts in a new road to do the work.

Mr. Morgan agreed. He brought up another issue not programmed into the urban renewal cost projections. With all of the cutting that has taken place on River Road, and the after construction of the proposed water line, River Road will need to be overlaid. Mr. Morgan noted that he has asked Mr. Peterson to do a cost estimate. Mr. Morgan expects costs to run about $300,000 to $400,000 for an overlay project.

Mr. Spencer pointed out that the Cherry Avenue improvement includes some storm drainage. Mr. Morgan indicated that he would have Mr. Peterson include a utility element in the next draft plan.

Mr. Compton suggested that the group focus in and make decisions on specific points, and then try to reach agreement on the plan as a whole. A discussion followed regarding the preferences that were indicated at last month's informal session. Mr. Morgan responded to questions about alternatives to relocating the trailer parks. Mr. Compton reviewed Mr. Spencer's recommendations. He suggested that the Board respond to each recommendation by way of a formal vote.

> It was moved by Mr. Smith that the Board adopt the pay as you go philosophy for the Cherry Avenue project, maintaining the $1/1,000 tax rate. The motion was seconded by Ms. Abbott.

Mr. Grenz pointed out the high costs of financing with the other alternatives. Mr. Morgan responded to questions about ending fund balance requirements. Mr. Spencer reiterated that with cash financing the project would just be spread out over a little longer period of time.

> The motion carried, all present voting aye.

> It was moved by Mr. VanMeter not to include acquisition and relocation expenses for the trailer parks, estimated at $622,000. The motion was seconded by Mr. Grenz.

The Board discussed whether acquisition and relocation of the trailer parks should be indefinitely deferred rather that specifically excluded. Mr. VanMeter explained his reasons for not including the allocation. Mr. Smith conceded that he had no problem with not including the allocation in the plan, but that he would like to see it come back some day.

> The motion carried, all present voting aye.

> It was moved by Mr. Smith that the water system, storm drainage and sanitary sewer projects be extended out to future years, subject to those projects which are needed for the Cherry Avenue improvements. The motion was seconded by Mr. VanMeter.

> The motion carried, all present voting aye.

It was moved by Mr. Grenz that allocations for the public transit center and the civic center line items be moved out to the last part of the program budget. The motion was seconded by Mr. Smith.

Mr. Morgan responded to questions about the proposed transit facility. He also recalled some of the proposals for renovations to the Civic Center. Mr. Smith recalled R3B's previous objection to using urban renewal money to renovate City Hall.

The motion carried, all present voting aye.

A discussion followed regarding the additional time it would take to complete the project using the pay-as-you-go strategy. Mr. Morgan pointed out opportunities for additional funding by way of federal grants such as the ISTEA (Intermodal Surface Transportation Efficiency Act) program. He suggested that the Board, by way of a motion, direct him to actively pursue additional grant funds.

It was moved by Mr. VanMeter to direct Mr. Morgan to actively pursue as much federal assistance as is possible. The motion was seconded by Ms. Abbott.

Mr. Curry asked if along with federal money there would be more restrictions. Mr. Morgan pointed out that currently $400,000 federal funds are contributed to the project. He conceded that restrictions do accompany federal money sometimes creating additional costs greater than the value of the grant. He noted that as project time draws near he will be examining strategies for the use of such funds.

The motion carried, all present voting aye.

The Board moved to the Council Chambers at 8:25 p.m. to view the consultant's revised Cherry Avenue drawings. Mr. Spencer pointed out the landscape plan and the new locations for access points and curb cuts. He pointed out where right-of-way would be taken on both sides of the street to accomplish parking. He called attention to opportunities for shared access points to serve more than one parcel. He pointed out problem areas, and described the impacts of the proposed changes and takes on individual parcels.

Mr. Spencer recalled Council's discussion to look at a 5-foot sidewalk on the east side of Cherry Avenue rather than the proposed 10-foot sidewalk. Mr. Compton suggested the need for more information and an idea of the difference in cost between the two options.

Mr. Spencer explained where the 10-foot rationale came from when it was originally considered. He noted that the current depiction still provides for a 10-foot sidewalk on the east side. However, they plan on doing another option with 5-foot sidewalks on both sides if that is the preference. Off-hand, he estimated the difference in cost to be about $200,000. He suggested than another option might be two 6-foot sidewalks.

Mr. Grenz noted the obvious dollar savings to drop the east sidewalk back to 5 feet. He suggested making it a 5-foot meandering sidewalk

> It was moved by Mr. Grenz that the Plan provide for a 5-foot sidewalk on both sides of Cherry Avenue. The motion was seconded by Mr. Smith.

A discussion followed. Councilor Beach conceded that it might be possible to do a wider sidewalk at some locations where there would be less impact with regard to acquisition. Mr. Compton stressed the importance of thinking ahead and taking advantage of the current opportunity. Mr. VanMeter noted that some properties had just sold, and pointed out that a 10-foot sidewalk would make properties more desirable. Mr. Spencer acknowledged that a wider setback might accomplish the same goals. Mr. Grenz pointed out the physical size of a 10-foot sidewalk. Mr. Smith felt that if there was room to acquire the additional right-of-way, it would allow room for the sidewalk to meander.

> The motion failed, with Mr. Grenz voting aye and the remainder of those present voting no.

The Board discussed other alternatives for the sidewalks. They also discussed the possibility of designing sidewalks around trees currently in the walkway.

Mr. Morgan and Mr. Spencer responded to questions about the Iris Lane alignment. When the extension of Iris Lane to Alder was mentioned, Mr. Morgan pointed out that it would be considered as part of the transportation planning issue. Councilor Beach perceived that there was some support on the Council for extending Iris Lane if it could be extended on out. However, he saw some opposition to Iris Lane between River Road and Cherry Avenue only.

Mr. Morgan responded to questions about zoning. He noted the current Urban Transition zoning on property now being developed. He stated that zone change requests would not be considered until the street issue is settled.

Mr. Spencer responded to questions about the proposed reconfiguration of some parking lots. He also answered questions about right-of-way acquisition at specific parcels. He confirmed that some right-of-way takes would be required throughout the entire corridor.

The Board returned to the Library meeting room at 9:20 p.m. to continue their discussion.

> It was moved by Mr. Curry that the Plan provide for sidewalks that vary in width from 5 to 10 feet depending on the design need and impact. The motion was seconded by Mr. VanMeter.

Ms. Abbot asked how the realignment of Cherry Avenue would be affected by varying the width of the sidewalk. Mr. Morgan thought that it might be possible to save having to realign the street by using a 5-foot sidewalk in some of the spots. Mr. Spencer indicated that if approved, in the next drawings the consultants would work with the concept of a varying width.

Councilor Beach suggested that any such recommendation be submitted to the City Council before Mr. Spencer does the redrafting work. He felt that it would be appropriate to first provide Council with a dollar figure for the difference in costs.

Off-hand, Mr. Spencer estimated the cost difference between a 5-foot sidewalk and a varying-width sidewalk to be about $100,000. He based his assumption on the already estimated $200,000 difference between a 5-foot sidewalk and a 10-foot sidewalk.

It was pointed out that the different widths might not necessarily be half and half, and that drawings would give a clearer picture of where the width would vary. The Board discussed whether or not drawings would be necessary to support the recommendation to the Council. Mr. Smith suggested that Mr. Spencer look at the map and guestimate which sections would be five and ten feet, and then try to come up with a dollar amount. Mr. Curry pointed out the need to present the Council with a good justification for making the sidewalk wider in come places. The Board agreed to vote on the motion taking into consideration Mr. Spencer's "ballpark" estimate of $100,000 cost difference.

The motion carried, all present voting aye.

Mr. Spencer asked the Board to establish a date for the next public workshop. He noted that updated drawings will be presented for public comment.

Mr. Morgan noted that SEKNA would like to have the workshop as their June meeting, and had indicated a preference for June 6. They will assist in getting people out. Mr. Spencer had a prior commitment for June 6. After discussion, June 11 was agreed upon. Mr. Morgan thought the meeting would probably be held at the Mennonite Church building on Candlewood Drive. He will confirm the date with the neighborhood association, and will distribute a flyer.

Mr. Spencer indicated that on the drawings they will show the 5-foot sidewalks, and also variations for the sidewalk on the east side of Cherry Avenue.

Mr. Spencer requested comments on one remaining issue. He distributed copies of the Draft Report Outline for the Design Plan for the Cherry Avenue Corridor. He briefly reviewed the outline, and asked for comments as to the appropriateness of the direction in which the consultants were proceeding. He pointed out his goal to have a fairly complete draft for Mr. Morgan's review within the next couple weeks.

Mr. Curry referred to a letter from Fire Marshal Joel Stein, copies of which were included in the agenda packet. Although it was more specific to River Road improvements, it brought up the question of fire hydrants on Cherry Avenue. Mr. Curry asked if fire hydrant locations were part of the design plan. Mr. Morgan noted that the issue will be discussed with Mr. Stein and with the City's Engineering Department.

Mr. Compton relayed comments from Mr. Stein regarding his desire that the fire department be involved in the River Road and Cherry Avenue planning process. Mr. Morgan will include Mr. Stein on the mailing list.

Mr. Spencer left the meeting at 9:45 p.m.

Mr. Compton noted that a priority for east-west streets was discussed at last month's informal session. A preference was indicated, but because a quorum was not present a vote was not taken. Iris Lane and Cade Avenue were indicated as the highest priority, followed by Plymouth and Sunset.

Mr. Morgan pointed out the three alternatives for Cade Avenue. He suggested that Cade Avenue be put on the agenda for the June meeting, and that the property owners be invited to help discuss the options. The Board agreed. When asked about the number of owner-occupied properties on Cade, Mr. Morgan estimated the number at three or four; probably 30% of the properties. Mr. Morgan suggested that Board members drive down Cade and visualize what the west end could look like.

> It was moved by Mr. VanMeter that the Board recommend establishing the following priority for east-west connecting streets: Iris Lane, Cade Avenue, Plymouth Drive, and Sunset Avenue. The motion was seconded by Mr. Grenz.
>
> The motion carried, all present voting aye.

Councilor Beach suggested that the recommendation to the Council include a statement as to why the order was selected. Mr. Morgan confirmed that the plan document will include supporting statements for all recommendations.

Mr. Compton announced that due to the late hour all Project Updates other than the Sign Grant Process would be deferred.

Sign Grant Process

Discussion of Mr. Boucher's request resumed.

Mr. Grenz asked what the cost impact would be if signs grants were funded as Mr. Boucher suggested.

Mr. Morgan indicated that if there was no urgency in dealing with Mr. Boucher's request, he could bring back cost estimates next month. He, however, pointed out the bigger issue of deciding how to deal with sign grants.

Mr. VanMeter felt that it would demonstrate poor faith on the part of the City to change the requirements mid-stream.

Mr. Morgan noted that Mr. Wittenberg's application was the only other request involving an integrated business center. He conceded that his grant could be recomputed if it was agreed to change the policy.

Mr. Grenz felt that fairness should be an issue when considering an individual business, whether stand-alone or within an integrated center.

The Board further discussed the intent of the sign grant program.

Mr. Morgan called attention to a questioned raised by the Budget Committee when considering the Urban Renewal Budget. It was pointed out that the $25,000 in this year's budget was put in to induce early compliance with the sign code, and as yet was not all spent. The Budget Committee questioned whether to put money in next year's budget to pay business owners who have delayed compliance. Mr. Morgan noted that although the Budget Committee approved the full budget as presented, the question might again arise when it is considered by Council. He restated the question for the Board: "Should the sign grant program be continued once the existing dollars are fully expended?" Mr. Morgan confirmed that businesses have until May 97 to comply. Funds are available in this year's budget ending July 1 for about two more grants--two grants are now pending.

Mr. Morgan noted that he will soon be sending out another letter to those who haven't come into compliance. Before drafting the letter he would need to know if grant funds were still available. Mr. Morgan confirmed that of the original 90 non-complying businesses, about 40 or 50 small businesses remained.

Mr. Morgan responded to questions about free-standing signs at various locations in Keizer.

A motion by Mr. VanMeter to maintain the sign grant program in the amount that's in the budget for the year 1997, and that grants be awarded first come first served, died for lack of a second.

Mr. Curry felt that businesses had been allowed ample time to comply. He was also opposed to giving $1,500 to every business owner in an integrated business center participating in a single sign. After further discussion there was a general consensus that business-owners had had every opportunity to take advantage of the program.

> <u>It was moved by Mr. Curry to expend the funds in the 95-96 budget and then terminate the program. The motion was seconded by Mr. Grenz.</u>
>
> <u>The motion carried, all present voting aye except Mr. VanMeter who voted no.</u>

Mr. Morgan conceded that the motion might make moot the discussion with Mr. Boucher. Should Mr. Boucher come in with a request, Mr. Morgan would suggest to him submitting the request directly to the City Council. Mr. Morgan indicated that he would support such a request.

5. PROJECT UPDATES

Development Activity
Property Improvement Program
River Road Redevelopment Project
- Undergrounding Project
- Banners
- River & Chemawa corner project

Old Keizer School Move
Trees in Parking Lots
Housing Rehabilitation
Chemawa Activity Center Plan
FY 96-97 Urban Renewal Agency Budget
Sign Grant Process

Deferred to the June meeting.

7. ANNOUNCEMENTS AND AGENDA INPUT

7.1 Regular Meeting - June 26, 1996

8. ADJOURN

The meeting was adjourned by Chairman Compton at 10:05 p.m.