

MINUTES

River Road Redevelopment Board

Wednesday, May 20, 1992

Keizer City Hall

CALL TO ORDER

Chairman Bauer called the meeting to order at 4:10 p.m.

ROLL CALL

The following members were present: Ed Bartlett, Tom Bauer, Doug Gatchett, Mark Grenz, Mary Hardison, Bob Keilbach and Tim Smith. Also present were Alan E. Costic, AIA, Charles Kupper of Spencer and Kupper and John Morgan, Community Development Director.

APPROVAL OF MINUTES

Chairman Bauer asked for any changes to the minutes of April 1, 1992, April 15, 1992 and May 6, 1992. Since there were none, the minutes were considered approved as read.

UPDATE FROM DESIGN TEAM

Mr. Costic reported that the Design team met after the last meeting of the Board to look at issues which they were given tentative authority to move on. The initial results of their work seemed good and will be presented at the next meeting. He and John Morgan met with Mr. Dick Whittington, a representative from the Transit district. The three key issues that were discussed were: bus access including pullouts, feeder busses and a local terminal. The biggest question mark is the feeder busses since the economic feasibility is uncertain. The Transit District would support a local terminal and locations were discussed. The meeting was perceived as a positive one.

REPORT ON CURRENT ACTIVITY

Mr. Morgan reported on current issues. The discussion between Taco Bell and the billboard company continues. The owners asked \$225,000 for the purchase of the sign. Taco Bell may end up renting the billboard or taking other action.

An appeal has been filed by Pizza Hut for a zone change for the adjacent property and was to be on the Council agenda for May 18th but the property owner asked for an extension. It appears the property owner may continue the appeal. The Council will have a hearing on the Ackerly variance on June 1.

REPORT ON ALTERNATIVE FUNDING SOURCES

Mr. Morgan reported on the possibility of using Community Development Block Grants (CDBG) and State Economic Development Grants or lottery funds. CDBG are generally targeted for housing and there is some possibility of that type of need in the south end of the city. The City of Keizer could go in partnership

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with Salem, giving authority to them. They would receive the funding and take the responsibility of administering the projects.

Lottery money needs to be targeted to specific capital projects oriented to a specific program. There is a possibility that a second Urban Renewal District might be formed at the Chemawa interchange and that would be a logical location for a lottery request. Mr. Kupper also added that primarily the lottery loan funds are earmarked for the production of jobs, preferably manufacturing or tourism related type jobs.

**BUDGET FOR
FISCAL YEAR
1992-1993**

Mr. Morgan reported to the Board the work of the Budget Committee for the new fiscal year. In the area of revenue, it was discovered that \$463,000 was available to be used last year. Considering an appreciation of 5% would mean about \$550,000 to take next year. If that amount of money is taken the present tax rate of .11 might rise to as much as .80 next fiscal year.

Mr. Kupper reported on recent events regarding Tax Increment Financing. During the last session of the legislature, they began to look carefully at Tax Increment Financing. The end result was that changes were made on Urban Renewal. The biggest question dealt with whether the Urban Renewal monies had to be included in the \$10.00 limit passed under Ballot Measure 5. The City of Portland took a test case to court and a decision was made on Monday, May 18. The court rejected the City's claim on one specific property in Portland. It is still uncertain whether a precedent was set but it does suggest that other opponents of Urban Renewal might bring more cases. At present the City of Keizer tax rates are still far enough below the \$10 limit that compaction would not be a problem. Mr. Kupper stated that at first working, the rate of \$.80 seemed close for Keizer for the next year.

Mr. Morgan noted the issue of having the rate appear on the tax statement does change the complexion of Urban Renewal. He believed the City Council is supportive and are looking forward to seeing some projects. The Budget Committee, after reviewing the kind of revenue expected in the coming year and the projects anticipated, concluded the Board could probably support a Bond election in the second year of the work. This might be as large at 3.5 million.

Under the Street Improvements section, Mr. Morgan pointed out the cost of the new street did not assume new right of way acquisition. The projected street is 650 lineal feet, fairly wide and has 2 street lights with landscaping. The projected improvements also include two new signals and removal of two others.

Utility Improvements included storm drainage and sewer work. Mr. Morgan pointed out one of the biggest improvement expenses is in the Streetscape Improvement section. The moving of utility lines underground was figured at \$125 per lineal foot. Mr. Grenz was concerned about the time it would take to do the utilities. He suggested dividing the undergrounding projects. Other expenses in the Streetscape area include sidewalk and landscaping, medians and signage and identity. The medians were figured at \$30,000 per typical block of 400 feet with landscaped ends and trees in the center. Mr. Grenz noted there might be enough money in the median line item to do restriping which would include bicycle lanes.

Mr. Morgan relayed information brought by Ms. Hardison regarding turn radiuses. He also mentioned that Cherry Avenue was not included in the first phase of the work. There might be federal money available in about 6 years if Cherry can be established as a priority. Perhaps Salem and Keizer could team up and submit plans for the street from Pine up through Keizer.

The Operations Budget included 25% of the Community Development Director's time along with the same percentage of benefits. Materials and services also included necessary funding if a bond issue is to be initiated. The third item in the Operations budget is Debt Service.

The total draft budget submitted is \$100,000 more than the projected funds available. The Board discussed options to make those figures equal. Mr. Grenz suggested halving the project because of the big problems caused by utility construction on River Road for such a long time. Mr. Keilbach said that laying out the whole plan and letting people see it might keep from having to fight the battle more than once. He would like to see the whole amount up front.

In discussing possible divisions, Mr. Morgan stated that it is about 1/3 of the linear feet from the south to Manbrin, slightly less than 1/3 from Manbrin to Chemawa and then Chemawa to Lockhaven is about 2,400 feet while Lockhaven to Manzanita is 2,400. Mr. Grenz suggested streetscaping could be cut into thirds but most of the street improvements would be done in the first year which would cut the project by about \$200,000.

Further discussion will take place when the Board sees the outcome from the Design team. Mr. Morgan stated work must be done in a timely fashion for the Council to hold a hearing and adopt the budget before July 1. The Council could meet as a Renewal Agency on the 15th of July or before. The River Road Renewal Board will see the plan on June 3rd and then the Design team will

be attending the Chamber of Commerce meeting on June 10 so the public can see the plan.

NEXT MEETING

Chairman Bauer stated the Board would be meeting on Wednesday, June 3rd for a lengthy meeting on the budget.

ADJOURNMENT

A motion was made by Tim Smith and seconded by Bob Keilbach for adjournment. The motion passed unanimously and the meeting was adjourned at 5:30 p.m.