



MINUTES
WEST SALEM REDEVELOPMENT ADVISORY BOARD
 Wednesday, June 2, 2010 - 7:30 A.M.
 West Salem Public Library
 395 Glen Creek Road NW



Members Present

Alan Chen - Chair
 Warren Bednarz – Vice
 Teresa Campbell
 EM Easterly
 Paul Gehlar
 Dwayne Hilty
 Tim Klarr
 Jennie Reisch

Members Absent

Lyle Mordhorst - U
 Kris Nelson - E
 Tyson Pruett - E

Staff Present

Annie Gorski – UD
 Therese Van Vleet – UD
 John Wales - UD
 Renee Frazier - UD

Guests

Joan Bennett – Truitt Bros
 Barbara Furer

1. CALL TO ORDER

Chair Chen called the meeting to order at 7:35 AM, noting a quorum of appointed members was present.

Mr Bednarz **MADE A MOTION** to approve the agenda as presented. The seconded **MOTION CARRIED** unanimously.

2. APPROVAL OF MINUTES

Mr Easterly **MADE A MOTION** to approve the minutes of May 5, 2010, as amended: Under West Salem Park Lighting, first paragraph, remove the words “finish after” and replace with “on” - “as the Resource Fair is on May 27th.” Under West Salem Museum Annex, last paragraph: change "2013 Oregon State Centennial celebration" to "the incorporation of West Salem celebration;" and change "she will have a store front" to "she would like to have a store front." The seconded **MOTION CARRIED** unanimously.

3. APPEARANCE OF INTERESTED CITIZENS

There were no citizens present to address the Board on any matter other than those on the Agenda.

4. ITEMS FOR BOARD INFORMATION

A. Tax Increment History

Ms Frazier reviewed her handouts: **Tax Increment History** and **Debt Fund - Revenue / Expenditure History**. Assessed value (AV) in the URA dropped in 2004, as a result of the Chiquita facility closure. AV has grown since that time, and a large property’s enterprise zone exemption expired, increasing the tax increment revenue. The URA’s ability to service debt is based on the amount of tax increment collected in a given year. Typically, we are required to have a ratio of 1 to 1.5, yearly tax increment revenue to yearly debt payment. Tax increment revenues go into the debt fund. Proceeds from debt issuances go into the construction fund to use for projects.

Q. Does the assessed value increase by 3% annually? Is this the assumption your projections are based on?

A. That is the maximum increase in AV. In general, the budgeted projection is 2.75%, with some reduction to allow for delinquency. Using 2.75% is a conservative estimate. If new development is anticipated, additional revenue above the 2.75% would be projected.

Q. Why was \$650,000 used as a projection to fund projects in FY 10-11 when more is available?

A. \$650,000 was based on the estimated tax collections provided in October by the County Assessor. That was the figure the Board used to identify projects included in the recommended budget. The actual tax collections were higher than the estimate, thus more funding is available.

Q. How do you determine the Board's capacity to bond?

A. The capacity to bond is based on the amount of tax increment collected, what type of project (taxable or tax-exempt) is being funded, and market conditions at the time the debt is issued.

Q. Can the URA bond for \$4,000,000 in FY 2011-12?

A. The capacity to bond may be between \$3,000,000 and \$5,000,000.

Mr Easterly cautioned that the growth in the URA has not been as a result of URA funded projects but due to private development. He encouraged the Board to identify projects that will foster continued growth.

B. Update on Second Street Acquisition - Mr Wales

Mr Wales reported that Urban Development staff have been in discussions with the Union Pacific Railroad and learned new information, including that they may ask up to \$10 per square foot to acquire the 40,000 square foot property. The Agency cannot make an official offer until after Council approves the FY 10-11 budget. Following adoption of the budget, staff will ask the Agency Board for direction on negotiation, including establishing an offer price. The details of the transaction will be kept confidential until after an agreement has been reached.

Q. Will WSRAB need to allocate additional funds to purchase the property?

A. Yes, more funds will be needed. This is likely a two year project. The plan is to secure the property in FY 10-11 and acquire it in FY 11-12.

Q. Do you think the Railroad's asking price is reasonable?

A. Their pricing scheme is complicated. They typically determine property value based on that of adjacent property. Adjacent property values are in the range of \$6-8 per square foot, although some are higher.

C. Wallace Marine Park Path Site Visit - Committee

A map was shown of the Park. Ms Gorski, Lyle Mordhorst, Jennie Reisch and Chair Chen visited the site with Keith Keever and Ed Emrick from Public Works. The group visited three locations in the Park, including an existing dirt path near the road adjacent to the soccer fields, an area adjacent to the softball fields, and a flat, grassy area north of the softball fields. The first option appeared most feasible, given it has the most direct access to the river and an unimproved pathway already exists. The high water mark runs along the edge of the forested area, where the forested area ends and beach area begins. Mr Emrick recommended locating the path in this to limit state environmental permitting. Mr Keever expressed concern for maintaining a permanent path in this area, given the vegetation grows quickly and maintenance will be challenging.

Two additional projects were suggested for future consideration by the Board, including 1) paving the gravel parking lot adjacent to the soccer fields and installing street lights and 2) improving the storm drain underneath the Railroad Bridge trestle, to eliminate pooling of water. Ms. Gorski reminded the Board of the Edgewater- Second Street Action Plan priorities, including a project's ability to generate tax increment.

Q. Can access and safety from the Union Street Bridge path into the Park be improved with a designated pedestrian crossing from the path across the road?

A. Staff will evaluate options.

Q. Will these improvements increase tax increment and benefit the urban renewal area?

A. Maybe not directly, but additional amenities in the Park are designed to attract more visitors to the Park, and may draw businesses to the URA. The Board agreed that while the priority is Second and Edgewater Streets and projects that will increase tax increment, park improvements provide additional community benefits.

D. Follow up on the Second Street Master Plan - Ms Gorski

Ms Gorski provided the Board's comments on the Master Plan scope to Leland. Leland would like to wait to finalize the scope until the Board is ready to proceed, likely in the fall. The Board agreed.

E. Follow up on Wallace Marine Park Softball Field Expansion - Ms Gorski

Ms Gorski spoke with Keith Keever regarding the Board's interest in expanding the softball fields. He related to her that several wetlands would likely be impacted by the expansion. Permitting would likely be long, complicated, and expensive, with no guarantee of approval. Expansion is not recommended at this time. Mr Keever addressed the Board on this issue in 2009.

ADDITIONAL ITEMS NOT ON THE AGENDA

West Salem Park Lighting Project

Public Works is waiting for delivery of light fixtures, which will be installed when they arrive. Ms Gorski will send the Board an e-mail when the project is complete.

West Salem Business Association (WSBA) Meeting

Mr Bednarz and Mr Hilty presented the Edgewater-Second Street Action Plan to the West Salem Business Association on May 27 and explored opportunities for collaboration. WSBA's concerns included community improvements, improving parking availability, and creating events to draw people to the area. Mr Bednarz expressed interest in continuing a dialogue with the WSBA.

Mr Easterly reported Councilor Dan Clem will be presenting a motion at the next Agency Board meeting, proposing two-hour parking on both sides of Edgewater.

5. ITEMS FOR BOARD ACTION

Election of Officers

Chair Chen reflected on the duties of the Chair and Vice Chair and called for nominations.

Mr Easterly nominated Mr Chen for Chair and Mr Bednarz for Vice-Chair. Both accepted the nomination.

Mr Klarr **MADE A MOTION** to elect Mr Chen for Chair and Mr Bednarz for Vice-Chair for one year. The seconded **MOTION CARRIED** unanimously.

Chair Chen, Mr Bednarz, and Ms Campbell's terms are all up for renewal this month. The Agency committee will be meeting tonight to select applicants for vacant board positions and reappoint members eligible for another term.

Chair Chen encouraged members to attend meetings regularly and remain active. If one member consistently does not attend it puts pressure on other members to meet the requirement for a quorum.

Mixed-Use Neighborhood Center Zone

A public hearing will be held June 15, 2010, on the Mixed-Use Neighborhood Center Zone, and continue July 20.

6. NEW BUSINESS

Edgewater- Wallace Road Overlay Zone

Mr Bednarz reported the WSBA requested the Board review automobile drive-in requirements in the Edgewater-Wallace Road overlay zone. Mr Klarr agreed other businesses would like the option of having drive through business. Ms Gorski said she would obtain more information on the overlay zone.

7. FUTURE AGENDA ITEMS

Suggested future agenda items included: update on changes to Edgewater parking, review of URA Plan and the status and relevancy of projects, overview of transportation related studies/plans that impact the URA.

8. ADJOURNMENT

Chair Chen adjourned the meeting at 9:10 AM. The next meeting is scheduled for July 7, 2010.

Visit the Department web page at www.cityofsalem.net > Departments > Urban Development.

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