



BEAVERTON URBAN REDEVELOPMENT AGENCY

Urban Renewal Advisory Committee (URAC)

Monday, June 5, 2017
The Beaverton Building
Council Chambers, 1st Floor
12725 SW Millikan Way
MEETING MINUTES

In attendance: Chair Inessa Vitko, Timothy Collier, Carmela Bowns, Domonic Biggi, Allen Kennedy, Sarah Walton, Shelia Greenlaw-Fink, Cal Hamreus, Andrew Kugler, Lorraine Clarno, Ann Snyder, Jennifer Nye, and Staff Liaison Tyler Ryerson and Janiene Lambert

Excused: Scott Winter

Unexcused: None.

Public: None.

Call to Order and Introductions

Chair Vitko called the meeting to order at 7:03 p.m.

Visitors and Comments

Jim McCrieght, BURA Board Chair

Development Opportunity Strategies (DOS) Program Update

Ms. Lambert reported that for FY 2016-17 the DOS Program allocated up to \$90,000 of \$150,000 total program funds (\$75,000 BURA and \$75,000 General Fund). She then gave an overview of projects to date (refer to presentation for more details):

- Feasibility Study: 2nd and Main (\$5,000).
- Mixed-Use Housing: 3rd and Lombard (\$23,799).
- Food Cart Pod: Millikan and Rose Biggi (\$25,000).

Ms. Lambert then reported on the Applications in Progress:

- Gallagher Design: (Industrial Zone) 11150 SW Allen (\$25,000).
- Tentative Feasibility Study (\$5,000).
- Tentative Feasibility Study (\$5,000).
- Tentative Mixed-Use Housing (\$25,000).

She then provided an outline of the components of the current program:

- Feasibility/conceptual design: up to \$5,000 architectural or financial assistance.
- Matching grant: 50% with maximum of \$25,000 (pre-development services).

Ms. Lambert reported there is funding left (\$60,000) from FY16-17 that will roll into FY17-18. She then overviewed four proposed changes to the program for discussion:



Update 1: Super DOS: add flexibility for complex and catalytic projects (criteria for targeted high impact). Aim to increase incentive for key sites and complex deals to facilitate redevelopment. Allow city sponsored conceptual design and feasibility studies for key sites above \$5,000.

Three questions for consideration:

1. Should there be a maximum and could it be a range depending on project with criteria?
2. What should the maximum be (\$50k/\$75k/\$100k)?
3. Should it be tiered based on site size, catalytic ability, location or complexity?

Discussion/Questions (update 1)

Is the current \$25,000 limit insufficient?

- Yes, for some cases and we believe there are other opportunities with the same challenge.

Use a scale to base on tax increment.

Consider increasing the standard feasibility study or is it sufficient?

- Yes, so far it has been enough. Proposing increase for city sponsored key sites.

What is the current maximum?

- \$25,000. Would keep the 50 percent match and change the maximum (still leveraging the one to one ratio).

Update 2: Placemaking: At city's discretion, perhaps once a year, allocate one of the \$25,000 matching grants to a placemaking catalyst that might be outside the scope of the program.

Reason: Support early wins and create catalysts for area investment.

Discussion/Questions (update 2)

Would URAC have input on this?

- Yes, we can make that happen.

If we raise the matching grant for the Update 1 would we raise it for this Update 2 as well?

- No, this is separate, it would be the standard grant.

Update 3: Change the name of program to "Pre-Development Grant Program". To provide clarity of what the program is and differentiate from other cities.

Update 4: Create more competitive deadlines, currently open all year. Makes it difficult to get commitment and submittals come in at the last month. Proposed changes:

- Offer standard grants (\$25,000) twice per year (similar to Storefront). Feasibility remains unchanged.
- Offer placemaking grants once a year, if opportunity is right.
- Retain funds for a "Super DOS" project to occur when needed, amount is flexible based on program interest (opportunistic).

Discussion/Questions (Update 4)

Can you give an example?

- Gallagher is a good example (creative, living wage jobs) at the Industrial zone. There is a wide range of examples from a larger employer, 47 employees, to a smaller developer looking to infill into a parking lot and still retain existing buildings. Or you have someone looking to tear down existing home and build to fill out a quarter block property.

Would it be problematic for companies if they had to wait to apply?

- It might be better to have it more competitive (took more than six months to get through the Gallagher application due to timing). It is part of the reason why we started thinking about how to make this more enticing.

What took so long?

- Real estate, business relocation, partnership... (structural changes).

URAC members expressed desire to keep as opportunistic and focus the placemaking (competitive) for catalytic project opportunities.

Consider options to make new businesses (Gallagher) happy they came here (no place to eat in walking distance). For example, offer a bike program or bring in revolving food carts.

- The city worked hard (many departments) for Gallagher to get them to Western Ave. It came down to the property owner, we offered various incentives that included the grant.
- The Gallagher application is in process of approval now.

Ms. Lambert asked for clarification on URAC's appetite for the maximum. Should there be a maximum or should it be flexible based on project and scale? How to reign in the Super DOS.

- One size does not fit all. Develop criteria that allows for a project to go above the set \$25,000, include ranges that will make it eligible for \$50,000, \$75,000 or \$100,000.

Do you anticipate more than one per year and would you expect a single project might use the majority of the funds?

- Probably not. If there are funds from previous FY we would have more flexibility to make catalytic change but ideally it would be more balanced.

Public Parking Garage / BURA Budget Committee Action

Mr. Ryerson combined the parking garage and BURA Budget Committee Action agenda items and gave an update on the garage and the BURA Budget Committee Action. He explained the BURA is a 30 year plan with a \$150,000,000 million maximum indebtedness. The BURA Budget Committee consists of members from BURA Board, four members at large, members from URAC, and The Mayor.

District Parking Garage at Beaverton Central

Mr. Ryerson explained the city is now calling the Creekside District "Beaverton Central" and he gave an overview of the parking garage project:

- Parking garage will be located at the NE corner of Rose Biggi and Crescent (across from the Condo's at The Round).
- Creekside master plan identified parking garage for district build-out and the city has studied the parking demand in order to identify the size of this garage, how we will manage parking and make sure we have the right amount.
- The garage will go next to the existing parking lot for The Round Condos. The original The Round Disposition Development Agreement requires the city provide replacement parking (82 spaces).
- Current design is 6 floors including ground floor retail.
- Rembold and the city did a Master Plan which identified the 100 percent corner at Rose Biggi and Crescent (area with most pedestrians). The Rise Central (Rembold's mixed-use project on Westgate) will have an active presence at the corner and, we hope, the future hotel will as well (restaurant).
- The city gave SKB an option, at their expense, for some parking in the garage in the event they re-develop their surface parking lots in the future. They declined that offer.
- No BURA funds will go to the Beaverton Center for the Arts (BCA) but there is some shared program components (loading dock, trash facilities, bike storage, shared electrical...) The BCA will pay equal share.
- Clarified both buildings are required to hook-up to the Central Plant.
- Solar panels for both sites to meet the 1.5 percent green requirement.
- There is also a 1 percent for art requirement for both sites.
- In design process to tie the two sites together—what to use for the skin to make it attractive and determine what to do with north and east walls. The north wall is challenging as it is right on the property line.
- Updated the BURA Board in April 2017. Moving forward with BURA recommendations.

Discussion/Questions

How many ADA parking spaces?

- Eight.

Does BURA own the retail?

- Yes. One option is to create a condominium plat for the ground floor and sell or we can lease. Working details out through the IGA the city has with BURA.

Mr. Ryerson then gave an overview of the parking garage cost increase:

- Design evolution.
- Site constraints.
- Scope increases.
- Market conditions.

Options to consider for cost savings:

- Normal value engineering (~\$360,000). Zero change to parking stalls.
- Difficult value engineering, keep the same number of parking stalls save about \$1,642,000 (would require extensive change).
- Remove partial floor of parking (reduce the height less 43 parking stalls) cost savings of \$1,155,000.
- Remove entire floor of parking (\$2,129,000). Overall parking count reduced by 70 spaces.
- Optimized layout for floors 3-6 (from trapezoidal design) cost savings ~\$2,000,000. Parking stalls reduced by 60 with this option.
- Add 7th floor with optimized layout. Reduction of two stalls and cost savings ~\$550,000.

Other Budget and Design Considerations:

- Sell or master leasing the retail.
- Eliminate the second elevator.
- 1 percent for the arts on exterior.

Discussion/Questions

Is the contingency 5 percent?

- Mr. Ryerson does not believe that is correct and will look into it.

Will the BCA pay for some of the user fee of the garage?

- Possibly, it will pay for shared program components in the garage. The city has a new parking manager starting in July, could look at things like fees on ticket, pay to park, on street parking, enforcement. Parking management strategies are challenging conversations.

Will the garage get a second elevator?

- Yes.

Encourage use of stairwells, make it a nice experience.

BURA Budget Committee

Mr. Ryerson then went over the FY17-18 proposed BURA Budget with Amendments refer to hand-out for details. The proposed column is what went to BURA and the revised column is what we took to BURA Budget Committee. He pointed out that if there is money left over from previous FY it can roll into the next FY.

BURA Budget Committee approved recommendation to BURA on June 20, 2017. BURA Budget Hearing (5:30 p.m.) and City Council after the budget hearing.

Mr. Ryerson then reviewed the schedule for both BCA and the Parking Garage.

- Re-design and budget to BURA on July 25, 2017.
- Land use this fall and then back to BURA for final decision in June 2018.

Discussion/Questions

Are you making sure the garage is convertible if it becomes obsolete in the future?

- Mindful that we are including the right number for adequate parking. Also looked at other uses such as parties.

What is the impact on affordable housing (drops \$50,000 next year and then another \$100,000 for the next three years)?

- Kept as much of affordable housing as possible, reduced it to what we had last year due to budget restraints. The affordable housing is flexible for example, land acquisition and affordable housing can go together in some instances.

Clarified that the line of credit will be paid off with a bond in FY 21-22 at which point we can go for another line of credit.

Mr. McCreight informed URAC the Beaverton Foundation for the Arts is working out options with the city to launch the fundraising campaign (could take three years). It's important to get started as it will inform City Council confidence to move the BCA to break ground in 2018.

Clarified that Beaverton as a Transient Lodge Tax and 4 percent of it will go to the BCA.

BURA Webpage Update

Mr. Ryerson and Ms. Perkins gave an overview of the new BURA Project Map website that showcase both Public funded and Private investments projects that increase the TIF.

<http://maps.beavertonoregon.gov/buraprojects/#>.

Mr. Ryerson encouraged URAC to provide feedback/comments to himself, Ms. Perkins, or Mr. Carrillo.

URAC Representative to BURA

Mr. Ryerson called for a volunteer to attend the July 25th. Tim Collier volunteered.

Beaverton Update and Announcements

Mr. Ryerson

April 3, 2017, Meeting Minutes Approval

Mr Biggi made a motion to approve the minutes and Mr. Kennedy seconded. The minutes from April 3, 2017 were approved as is by all members who were in attendance on April 3, 2017.

Calendar Items

On the Calendar	
April 25, 2017	BURA Board Meeting 6:30 p.m.
May 1, 2017	URAC Meeting, 7:00 p.m.
May 16, 2017	BURA Budget Committee Meeting 6:00 p.m.

The meeting was adjourned at 8:37 p.m.