



Beaverton Urban Redevelopment Agency

Budget Committee Meeting Minutes

May 16, 2017

BURA Chair Jim McCreight called the meeting to order at 6:02 p.m. at the Beaverton City Hall on May 16, 2017. BURA Budget Committee members attending the meeting were Jim McCreight, Lacey Beaty, Cate Arnold, Marc San Soucie, Mark Fagin, Jennifer Nye, Michael Jude Hughes, Inessa Vitko, Ann Snyder, Paul Cohen, and Mayor Denny Doyle.

The members absent were Betty Bode, Domonic Biggi, Lorraine Clarno, Doug Menke, Jerry Jones, Scott Winter, and Alejandra Dominquez.

Staff members attending the meeting were Cheryl Twete (BURA Executive Director and Community Development Director), Cadence Petros (Development Division Manager), Tyler Ryerson (BURA Staff Liaison), Patrick O'Claire (BURA Treasurer and Finance Director), Dave Waffle (Assistant Finance Director), Bill Kirby (City Attorney and BURA legal counsel), and Josh Carrillo (Program Coordinator).

Election of Officers

San Soucie made a motion to nominate Jennifer Nye as Chair, and Ann Snyder as Vice-Chair, the motion was seconded by Arnold to approve the slate of officers and the motion passed on a unanimous vote. McCreight turned the meeting over to Nye to chair.

Approval of Minutes

San Soucie made a motion, seconded by Doyle, to approve the minutes of the Budget Committee on May 31, 2016 as submitted and it was approved with a unanimous vote with the exception of abstention from Arnold, Beaty, and Vitko.

Visitor Comments

Chair Nye asked for any visitor comments. No visitor comments.



BURA Budget Discussion and Questions

Twete gave an overview of the accomplishments over the past year:

- Voter approved in 2011
- BURA is changing the face of Beaverton (true urban core)
- Tax Increment resources are becoming significant, projects that have been implemented include:
 - Purchased Lot 2 at Beaverton Central for a proposed Parking Garage with 335 parking stalls (largest capitol project for BURA). Cost estimate increase from \$15,000,000 to \$21,000,000 (cost increase: changes in scope and market conditions). Noted: budget assumes a specific timeline of project start. If there are significant delays with construction on the parking garage the costs could increase
 - 250 new housing units in Old Town
 - Ground breaking for another 230 residential units on Westgate (15 affordable)
 - LaScala is close to being leased up
- Significant projects in the Urban Renewal Area not funded by BURA include:
 - Marriott Hotel and Cracker Barrel (Canyon/Hwy 217)
 - Cedar Hills Crossing (North and South side of Jenkins)
 - Kaiser Clinic (Western Avenue and Beaverton Hillsdale Hwy)
- Other significant projects/programs include:
 - Beaverton Center for the Arts (non BURA, city project) important amenity for the district and driver for the parking garage
 - Discussions with Hotel Developer for a potential 125 room 5 story hotel on Westgate
 - Western Avenue Employment Study (sub-area in the URA yet to receive significant BURA resources)
 - Storefront/Tenant Improvement Programs FY16-17 (becoming increasing visible in Old Town):
 - Storefront: 2 design grants and 9 improvement grants and overall 14 design grants and 15 improvement grants
 - Tenant Improvement: 5 improvement grants and overall 9 improvement grants
 - Development Opportunity Strategy Program
 - Restaurant Strategy is underway through the Economic Development Division (to encourage more choices in the core area)
 - Creation of a Downtown Team (better coordination between departments and divisions)
 - Completed third BURA 5 Year Action Plan
 - Completed first extensive BURA Annual Report
 - New and improved BURA website
 - First Parking Manager has been hired and will be staffed in the Transportation Division and will start in July

Fiscal Year 2017-18 Proposed BURA Budget:

Twete introduced the proposed BURA Budget and the amendment packets. She then reviewed the changes necessary in order to fund the public parking garage (refer to packets for details):

- FY17-18 through FY21-22 BURA Five Year Action Plan matrix, page 6. The matrix highlights the proposed (\$10,259,355) and the revised (\$7,809,192) budget for FY17-18. The areas that were revised are highlighted in blue.
- The proposed decrease in overall BURA budget is to spread the funding allocation for the public parking garage over the next three years which will reduce proposed program funding.

Budget detail:

O'Claire introduced the budget packet and referred members to the goals and objectives of the Five Year Action Plan, pages 8-13. He explained that BURA is comprised of three funds; General Fund, Capital Project Fund, and Debt Services Fund. He then gave an overview on pages 14-15 outlined revenues of \$11,006,752 and expenditures of \$11,006,752 with \$1.3 million in contingency of BURA General Fund. BURA worksheet and justification section outlines the details of each line item, pages 16-33.

He then reviewed specific line items that were revised on the proposed budget in amendment packet #1 (refer to packets for details).

Question & Answer/Discussion:

Is the Tenant Improvement Program targeting one catalytic restaurant?

- Yes, plus \$80,000 for design grants (addition from previous years) and Storefront and DOS.

Why Western Avenue instead of successful programs like Storefront?

- Focus has been in the core — The West Five Study most significant recommendation was to create a multi-modal (limited sidewalks, no dedicated bike lanes). Right now there are no capital dollars but potential regional resources. Opportunity to incentivize Tri Met (won't bring transit until sidewalks).

Only industrial, there is not much there, why not invest in residential area and keep momentum going and focused?

- Goal to increase affordable space for small/medium business.
- There is surprising more use in that area than it looks like. Kaiser expansion will help the district.
- The district is pretty healthy, vacancy rate is low and employment is growing in the area. Business owners feel strongly to improve the

walk/bike experience (open house, West Five Study). New Food Cart Pod, employees want easy and safe access.

- This is a good time for us to show we are willing to invest (strong potential — outcome could be similar to Nimbus).
- Opportunity for more tax base (commercial generates higher assessed valuation than housing).

What is the focus for the affordable housing program?

- Flexible, have worked with a couple of affordable housing developers/owners and understand their needs and bring resources in a way that makes sense. For example, we could give a loan or a grant. Encourage developers to include affordable housing (used affordable housing funds for The Rise Beaverton Central).

Can you clarify the contingency?

- Ensures for FY17-18 and the following four years that we are able to balance (this is the amount we would need on a rolling basis).

Why was the anti-displacement strategy removed? Important to URAC, both residence and business side of anti-displacement.

- The city was awarded a \$100,000 equitable housing grant from Metro as we move forward with that scope of work (consultant) we may be able to pick up some of this work as part of that grant. We know that affordable housing is very important to this community and The BURA Board. We are trying to be as creative as we can.
- As we embark on the work from the Metro grant, we hope to continue to advance both housing and business anti-displacement work primarily with staff resources (strong interest).

Why did public art get reduced and why doesn't it show up until FY20-21?

- That would be for other public art projects. The BCA and the Garage will have a 1 percent for arts requirement and those funds are located in the projects budget technically in the transportation/infrastructure section.

Approval of FY2017–18 BURA Budget

San Soucie moved to make a motion to approve the proposed FY17-18 BURA budget and the motion was seconded by Doyle. Chair Nye called for any discussion. No discussion. The motion was approved unanimously.

Approval of Amendments to FY2017–18 BURA Budget

San Soucie moved to make a motion to approve the proposed amendments to the FY17-18 BURA budget and the motion was seconded by McCreight.

Adjournment

The meeting was adjourned meeting at 6:52 p.m.