

**City of Madras  
Madras Redevelopment Commission  
Official Meeting Minutes  
March 17, 2009**

**I. Call to Order**

The Madras Redevelopment Commission (MRC) meeting was called to order by Vice Chair Melanie Widmer at 5:32 p.m. on Tuesday, March 17, 2009 in the Madras City Council Chambers.

**Members in Attendance were:**

Vice Chair, Melanie Widmer; Commissioners: Royce Embanks, Doeshia Jacobs, Blanca Reynoso and Helmer Wallan.

**MRC Members Absent were:**

Chair Patty Woll (Sick); Carolyn Fording (Vacation) and Kevin O'Meara.

**There was one vacancy.**

**Staff Members in Attendance were:**

City Administrator Mike Morgan; Community Development Director, Nick Snead; Finance Director Brenda Black; Community Development Specialist Tammy McHaney and RARE participant Francesca Patricolo.

**II. Consent Agenda**

**THE CONSENT AGENDA WAS MOTIONED FOR APPROVAL BY COMMISSIONER EMBANKS AND SECONDED BY COMMISSIONER JACOBS. THE MOTION PASSED UNANIMOUSLY.**

**III. Visitors Comments**

There were no visitor comments.

**IV. Project Update Street Scape Designs- Francesca Patricolo**

Francesca Patricolo addressed the Commission and provided an updated report on her Streetscape Design Project. She said that for the public participation prioritization portion of the project, she had a total of 48 respondents from eleven different stake holder meetings. She said that out of the 15 options, only 10 were prioritized as some were tied.

The order came in as follows:

1. (by far) Trees, plants, shrubs and vegetation.
2. Crosswalks
3. Special paving
4. Widened sidewalks/street furnishings
5. Underground Utilities/Distinctive Downtown street sign markers
6. Bulb sidewalks
7. Median planting strips/informational panels
8. Historical markers/seasonal banner light poles
9. Public Art/bicycle lanes
10. Diagonal Parking

She noted additional comments received were:

1. The City should maintain the good features it already has;
2. Streetscape needed more color;
3. Private existing businesses should not incur expenses for streetscape enhancements;
4. Tree lights on 4<sup>th</sup> and 5<sup>th</sup> should be left on longer than current time periods;
5. Street furnishings should be durable and uniformed;
6. The expense, not the vision, is what kept undergrounding utilities so far down on the list;
7. Unmaintained lots/empty buildings detract from streetscape appearance.
8. Streetscape options were not practical till the highway bypass was operational.

She explained the next process was to create a comprehensive report for streetscapes which will include a streetscape theme and designer conditions. She said this will be brought back to the Commission at a future date for review.

Commissioner Embanks commented that it might behoove the City to market this in the newspaper. He thought it could encourage positive perceptions and create participation in the community.

The Commission thanked Ms. Patricolo.

## **V. Façade Improvement Program-Nick Snead**

### **a. Report**

Director Snead said that at the meeting in February the Commission had requested a status report on this subject. His assessment as noted in the staff report showed that so far there had been three phases in the façade improvement program.

Phase I included three completed projects. Phase II included six projects; three of which were completed and the other three received only architectural funds and was waiting on construction funds. Phase III had not been funded at all.

He mentioned the tables on page two of the report. He estimated that the three projects still waiting on funding in Phase II were estimated at \$357,000. He felt that was unrealistic as the allocation for Madras Bowl was estimated at \$157,000. He spoke about outstanding commitments and recommended that they finish the process for Phase II.

He spoke about Phase III and commented on the vast interest and unknown cost associated with those request. He reminded the Commissioners that the 2009/2010 budget process would begin in a couple of weeks.

**b. Interested Parties**

Commissioner Wallan questioned why his personal request in Phase III was included with The Stag Restaurant's request, considering he sent a separate letter.

Director Snead apologized for the mistake.

Commissioner Embanks questioned if the businesses in Phase III had been contacted to determine if they were still interested?

Director Snead noted that he had sent letters to Reynoso Jewelers, Madras Vision and Madras Bowl (the unfunded projects in Phase II), but not to any of Phase III.

It was noted that some of the buildings that were part of the request for funding had been improved since the request was submitted and reimbursement would probably not be an option.

Commissioner Wallan noted that he would like each business that requested funds in Phase III to be contacted to see if they were still interested. He also wanted to set a specific percentage to be paid back.

Director Snead said that item should be discussed at the budget meeting.

Administrator Morgan spoke and said he had not planned for any expenditures in the draft budget out of the Façade reimbursement program. He explained that once funds accumulated, the Commission could disburse them when they felt it was appropriate.

Commissioner Wallan said his concern was that there was no indication in the budget that specific percentages had been dedicated.

Administrator Morgan informed the Commission that Dee Goodman, Tonsorial (a new barber shop) had come to see him as she was working with a group of 7-10 downtown business owners. He said she had inquired about funds to assist businesses in small incremental amounts. He said he had invited her to this meeting, however she could not attend. He explained that they would be satisfied with just free paint.

He explained all the projects the MRC had funded as she was unaware of the program.

Vice Chair Widmer said it would be nice to hear from some of the downtown businesses on how the MRC could help.

Director Snead noted he had attended a downtown revitalization meeting and one idea that caught his attention was that when someone applies for a business license in the urban renewal district, the MRC would get a copy of the application. An invitation would then be extended to the applicant to attend one of their meetings. He said that if the Commission was interested, he would initiate this practice.

Commissioner Wallan said that the amount of money spent on some of the previous projects was staggering and he thought there should be an upper limit because that had led to major renovations to the store fronts.

Administrator Morgan asked Commissioner Wallan if he had a number in mind.

Commissioner Jacobs said that the Commission had previously talked about a cap and that World of Treasures had been a learning lesson.

Commissioner Wallan said \$157,000 allocated to Madras Bowl was a lot of money.

Director Snead said that didn't even scratch the surface as their whole project had been budgeted at \$800,000.

Vice Chair Widmer noted that bid had included placing the utilities underground.

Administrator Morgan encouraged the Commission to think about a cap formula, how much of a cap on grants, plus a process on how to manage the loan.

Commissioner Wallan noted that the one project that is facing default had both front and back renovated with funding from the Commission.

Commissioner Jacobs said the Commission did discuss this at the time, but they wanted both sides improved as traffic could see both sides from the highway.

Commissioner Wallan noted that opinion should be discussed at the budget meetings.

Administrator Morgan commented that that these were valid points, but lessons learned as well. He said the nice thing about scaled back investments would be that the MRC would be able to help more businesses.

Commissioner Wallan pointed out that the group that visited with Administrator Morgan was located in the Thomas, Sales and Service building.

Administrator Morgan said that they were not looking for façade improvements just minimal help such as paint.

He mentioned that Dee had commented on how well Chess Patricolo had represented the City and that Dee had nothing but the nicest things to say about Chess and how she was involving the business owners.

He said he believed that Chess was doing as much for public relations and community involvement as any of the larger firms the City had previously contracted with.

**VI. SIGN CODE GRANT PROGRAM**

Director Snead reminded the Commission that on November 18, 2008 the Commission gave staff general direction to develop an incentive program to bring non conforming pole signs into compliance, through financial assistance to the property owners.

He said it was his impression that the Commission did support this program and had agreed to the terms; however a formal decision had not been made. He presented his staff report and noted on page two it demonstrated his proposed structure.

He told them currently they had \$20,000 in capital outlay and could authorize expenditures at any time. He explained his proposal and noted that it was very flexible. He said he, Administrator Morgan and Finance Director Black had discussed this and they thought \$5,000 grant money was a good start.

Commissioner Wallan noted he thought it was a good plan.

**COMMISSIONER WALLAN MADE A MOTION TO ADOPT THE POLE SIGN PROGRAM.**

Vice Chair Widmer asked if they could amend the part that said "projects that cost less than \$20,000" and suggested it say "project cost over \$10,000"

Director Snead reminded them that either way, they would be approving each request.

Commissioner Jacobs asked how low or how high the interest would be on the loan rates.

Director Snead replied and said the idea was to loan money at lower than market rates. He reminded them the façade program terms and compared it to today's market terms.

It was agreed the 5% was an appropriate rate.

**COMMISSIONER EMBANKS SECONDED THE MOTION. THE MOTION PASSED UNANIMOUSLY.**

**VII. ANDREW VINCENT'S REQUEST FOR FUNDING FOR LANDSCAPE DESIGN SERVICE – NICK SNEAD**

Director Snead presented an email from Chair Woll who had concerns regarding this agenda item. He reminded the Commission of the discussion from a previous meeting regarding a potential contract with Mr. Vincent. Mr. Vincent had requested funds for architectural services for the Tom Tucker Memorial.

He noted that the Public Works Director had informed him that the engineering firm who surveyed the property pro bono had submitted a \$9,000 proposal to engineer the statue.

Administrator Morgan noted that Tom Brown probably should be included in this discussion, because what was being proposed was unsettled information. He said the organizers of this project were a group of young people showing community leadership and he felt that leadership needed to be nurtured.

Director Snead suggested instead of a contract, maybe the MRC should donate a specific amount to the project organizers and then they could figure out how to execute the project.

Vice Chair Widmer thought it was symbolically important for the MRC to contribute; however she agreed with Chair Woll's comments that a contract with the service provider may not be the right involvement.

Commissioner Embanks noted that he had been uncomfortable from the beginning when this was presented as "pro bono" and then it turned out it wasn't. He thought the volunteer group had done well so far and should continue managing the project.

Administrator Morgan thought the idea of "donating money" to the cause had a lot of merit. He stated that another option was to donate just the material.

Commissioner Jacobs spoke and said she had read over what the MRC had been involved in and although she thought it was great what the volunteers were trying to achieve; but she was against donating to this project. She thought the MRC had other priorities on their list and once they start giving out money for other projects, their urban renewal projects would get left behind.

Vice Chair Widmer said she thought this project did qualify for urban renewal. She said this project was not even close to being funded and it was a small dollar amount.

Commissioner Jacobs questioned would this interfere with the façade program?

Vice Chair Widmer again noted this was such a small amount.

Commissioner Embanks referred to this as "seed money" and by donating money instead of a contract that would keep the cost down.

Vice Chair Widmer stated this would just be in addition to all the other money they have collected.

Commissioner Jacobs said she wasn't trying to put a damper on the project, but at this point it wasn't the right thing to do and would she would vote against it.

Commissioner Wallan said they were talking about two different things. As far as Chair Woll's email and contracting with Andrew Vincent, he too, was against that. But he wasn't sure about funding. He didn't like the idea of the MRC "handling the job."

**COMMISSIONER WALLAN MOVED TO DENY THE CONSIDERATION OF HIRING AN UNLIMITED PLANNER TO LOOK AT THE PLANS. THE MOTION WAS SECONDED BY COMMISSIONER REYNOSO AND PASSED UNANIMOUSLY.**

Vice Chair Widmer questioned if they wanted to take action on the contribution to the memorial or table it for now.

Commissioner Wallan asked what their timeline was.

Commissioner Embanks suggested tabling the item until next month and then they could ask Tom Brown to come back and discuss this further.

Director Snead recommended tabling the item till the April agenda and requested the attendance of Tom Brown.

**A MOTION WAS MADE BY COMMISSIONER EMBANKS TO PLACE ON THE APRIL AGENDA, FUNDING FOR THE TOM TUCKER MEMORIAL AND BRING IN PROJECT REPRESENTATIVE, TOM BROWN FOR DISCUSSION ON A REASONABLE FUNDING LEVEL FOR THIS PROJECT. A SECOND WAS MADE BY COMMISSIONER WALLAN. THE MOTION PASSED UNANIMOUSLY.**

**VIII. ADDITIONAL DISCUSSION**

**a. MRC Budget Process**

Director Black noted the first budget meeting was March 25<sup>th</sup> at 7:00 p.m.

Administrator Morgan noted he was their Budget Officer and that they were a subordinate organization so that is why he drafts their budget. He noted he tries to leave it open ended as possible. He said the only locked in commitment was the third year payment on the hotel and the debt payment which would roll over to a revenue bond.

He explained that a lot of times the numbers are just plugged in from left over monies in that category, but there were no specific project commitments. He noted that Commissioner Wallan's idea was a great idea. However, policy would need to be formally made regarding the façade program and create a line item in the reinvestment fund.

Vice Chair Widmer brought up a concern from Chair Woll. Patty was concerned that the loan principle payment was due in June and she questioned if there be any problems converting that to a bond before the payment was due.

Director Black noted that the financial advisors, Sharon Capizzio (Bank of America) and Doug Goe (Orrick) were working on that. She said that currently the interest rate was

5.45% and explained that their rate would be based on the ability to pay back. They are researching if property taxes at current level could pay that back. If not, the revolving line of credit would be extended.

Vice Chair Widmer questioned if the Commission could end up with the whole principle amount due.

Administrator Morgan spoke and said he was surprised at the low interest rate as normally tax free entities are charged higher. He said their tax base had already been established at being more than sufficient.

Director Black explained how the process works. She said that Bank of America is providing the line of credit and that they were working to get the revenue bond which will also include all fees in association with the line of credit so the MRC will only make one payment.

Vice Chair Widmer asked if there were any more questions regarding the budget. There were none.

**b. Dan Steelhammer Changes**

Administrator Morgan pointed out that it was about one year ago the MRC was struggling with the sale of property to Mid Oregon Credit Union and how exciting it was to see the construction of the new building.

Dan Steelhammer apologized for bothering them, but he noted he had made a change in his life and it affected them. He explained that he switched real estate Company's from Kerr to Windermere and a new contract was needed.

He noted that his previous company had allowed him to take his listings with him as long as the client agreed. He noted his new marketing department had been great to work with so far and he was excited as far as the exposure possibilities. He said changing the sign could be a good thing as well because after awhile, people stop looking at the same old sign.

He said the terms will remain the same; however his new company requires him to use an MLS form as opposed to the customized forms in the past so the wording would be different. He said the 5<sup>th</sup> Street property will remain at 4% commission and the 4<sup>th</sup> Street at 5%; however if he is the only realtor involved on the 4<sup>th</sup> Street property, it will drop ½ %.

He said that the physical address of 431 SE 5<sup>th</sup> Street was no longer accurate, and a new address would not be assigned until the time of development. He chose to keep it listed that way for marketing purposes only. A physical address is required for mapping on the internet and if there is not an address listed you can't pull it up. He added a disclaimer at the bottom of the listing and again noted that this street address was for mapping purposes only.

Commissioner Jacobs asked if he had received any interest on either property.

Mr. Steelhammer replied no and said the market was very slow. He informed the Commission that if properties really need to be sold, owners are lowering their price; however if they could wait it out, he thought the market would turn around. He explained that there is so little activity, that by lowering the price to generate an offer, it would be an almost give away price and it was his understanding that was not what they wanted to do.

(Several agreements)

**A MOTION WAS MADE BY COMMISSIONER WALLAN TO ACCEPT THE CHANGES PROPOSED BY DAN AND TO KEEP THE PRICES THE SAME ON THE PROPERTY. THE MOTION WAS SECONDED BY COMMISSIONER JACOBS AND PASSED UNANIMOUSLY.**

Director Snead requested clarification that the Commission's intent was for staff to develop the contract and prepare it for signatures as opposed to bringing the contract back to the next meeting for review.

Consensus was to go ahead and prepare the contract and have Chair Woll sign.

(Commissioner O'Meara entered the meeting at 6:20)

**c. "Business Dollars" Program**

Commissioner Jacobs requested Director Snead to explain the City of Redmond's "business dollars" program.

Director Snead explained that the City of Redmond's urban renewal program decided to create economic stimulus by allocating \$60,000 to reimburse businesses with urban renewal dollars. Anyone spending money at a business in the urban renewal district could bring in their receipt and get reimbursed up to 50%.

He said this was incredibly successful and a good time to think about this for Madras, considering it was budget time.

Commissioner Wallan noted he would bring this up for discussion at the budget meeting.

Administrator Morgan noted that this type of program would not take a lot of money; however it would allow every little business to benefit from the urban renewal district. He said not every business would have façade improvement and this type of program would allow them to entice buyers without lowering the price of a product. He said that sometimes it is not the amount of money but the symbolism.

Director Snead said that this encouraged businesses to work together because someone would buy a product or service and that business would give them a coupon for a discount at another company which spurred a lot of business.

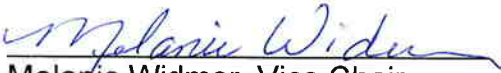
Commissioner Jacobs said she was told it was amazing how this created business in their downtown.

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**IX. ADJOURN**

**A MOTION WAS MADE TO ADJOURN BY COMMISSIONER WALLAN AND SECONDED BY COMMISSIONER EMBANKS. THE MOTION PASSED UNANIMOUSLY.**

**The meeting adjourned at 6:30 p.m.**

  
Melanie Widmer, Vice Chair

  
Tammy McHaney, Com Develop Spec