



City of Tigard
City Center Development Agency
Meeting Minutes – May 1, 2012

1. CITY CENTER DEVELOPMENT AGENCY BOARD MEETING

A. Call to Order- City Center Development Agency

Chair Dirksen called the meeting to order at 6:32 p.m.

B. Roll Call

<u>Name</u>	<u>Present</u>	<u>Absent</u>
Director Woodard	✓	
Director Wilson	✓	
Director Buehner	✓	
Chair Dirksen	✓	
Director Henderson		✓

CCAC Members present: Commissioners Craghead, Shearer, Bush and Hughes

Staff Present: Executive Director Wine, Assistant City Manager Newton, Community Development Director Bunch, Redevelopment Project Manager Farrelly, Deputy City Recorder Krager, and for Item 1.C, City Recorder Wheatley

C. Call to City Center Development Agency and Staff for Non-Agenda Items:

Municipal Clerks Week Presentation

Chair Dirksen announced that April 29-May 5, 2012, is Municipal Clerks Week. He expressed appreciation to City Recorder Wheatley and Deputy City Recorder Krager. He read from a letter thanking them for their service to council, staff and the Tigard community. Community Development Director Bunch added his thanks to the city recorder team.

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2. APPROVE CCDA MINUTES FOR:

A. April 3, 2012

A motion to approve the April 3, 2012, City Center Development Agency minutes was made by Director Buehner and seconded by Director Woodard.

The motion was approved by a vote of all CCDA members present.

	Yes	No
Director Woodard	✓	
Director Wilson	✓	
Director Buehner	✓	
Chair Dirksen	✓	
Director Henderson (Absent)		

3. PRESENTATION ON REDEVELOPMENT FROM SHIELS OBLETZ JOHNSEN

Redevelopment Project Manager Farrelly introduced Kim Knox, of Shiels Oblatz Johnsen. Ms. Knox presented a PowerPoint on public-private partnerships. A copy of the PowerPoint is in the packet for this meeting.

Ms. Knox described public-private partnership requirements and how to choose a project. She showed slides of several Shiels Oblatz Johnsen projects. She said her firm often acts as the owner’s representative in public-private development partnerships to make sure the owner’s perspectives are represented with the architect and contractor.

Ms. Knox said Tigard has done a lot of great planning work in infrastructure, long-range planning and financial planning. She noted Tigard’s track record in aiming at a target and getting things done.

She mentioned five main public-private partnership risks from a developer’s perspective:

- Political Environment - (Does the community support their leaders? Is there consensus in the community for the project?)
- Building Approvals - (Is the city permit process predictable and flexible?)
- Site Conditions - (Are there any environmental concerns or access issues?)
- Lenders – (Is financing available for the project?)
- Market – (What projects are desirable in the current market?)

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Ms. Knox said public-private partnerships require a lot of perseverance and stamina, and said hiring a project management team with experience in this area is preferred.

Ms. Knox told the CCDA their discussions tonight are helping to formulate a future RFP. She said the first step is a letter of intent from the city, which is not legally binding. This document memorializes what is desired in the project and the timeline. This letter can be taken to a lender when seeking financing. She advised that the CCDA should not fear incremental decision making and take the time and small steps necessary to explore a relationship with a developer.

Director Woodard said he attended a session on public-private partnerships at the National League of Cities Conference in Washington, DC and learned about the importance of a project “integrator.” He asked Ms. Knox who it is that usually plays that role. Ms. Knox replied that it varies with each situation and is sometimes the developer, but can be a combination of more than one person. Director Woodard asked if it was necessary to have both an integrator and a facilitator, and Ms. Knox said it was a good idea to have both if they have the ability to deliver. Director Woodard requested that Ms. Knox provide a list of preferred developers experienced in public-private partnerships. She agreed to provide this.

Community Development Director Bunch said he has seldom seen an urban renewal project where the developer walked into a city, talked directly to property owners and started building. He said commitment is required from the city so developer risk is lessened. Mayor Dirksen agreed and said the appeal to a city for their involvement with a project is that they can dictate what the development is, at least to some extent.

Executive Director Wine said the purpose of the Shiels Oblatz Johnsen presentation was to help the CCDA think of its next steps. She said responses to a developer RFP will show what the marketing opportunities are. She said the CCDA can match the proposals to what it would like to see happen in the downtown.

Ms. Knox said a city in a public/private partnership needs to determine the best first project that can be replicated.

Director Buehner suggested that the Knoll affordable housing be designated as the first project and used as an example for a future development.

Chair Dirksen agreed that the affordable housing project turned out well but said what Tigard really needs is workforce housing so people working in Tigard can afford to live here and be close to their jobs.

Director Wilson said the city needs a project that will pay it back and noted that the Knoll building does not generate tax increment financing. He said his concern is not to “set the bar too low,” and that just filling housing units should not be the only goal; street presence and exterior quality, etc. are also important. Community Development Director Bunch

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concurred that quality in the project can set the tone and it is important to find the right balance.

In reference to building retail space on the ground floor below housing units, Chair Dirksen noted that there is an area downtown where current rental rates per square foot are low. He suggested an incentive providing five-year subsidies to retailers so they can lease at the same per square footage amount that the unimproved properties around it have. CCDA Director Buehner said five-year incentives would be all right but longer incentives were not acceptable.

Director Woodard said he would like the city to receive tax increment financing for its “first project” and at the same time, cater to the workforce. He suggested attractive apartments be built similar to the apartments near the Safeway store on Pacific Highway.

Director Wilson said affordable and workforce housing are already in place in the Pacific Highway corridor. He said he would like to take things up a notch and determine the highest level that the market could support. Chair Dirksen noted that in the short term (ten years) there is going to be very little market for condominiums. Director Wilson said he did not want to overshoot the market, but raise the bar, so the image of the area is also raised. Ms. Knox said workforce housing priced at or below 60 percent of the median family income level brings tax credit equity, and while that means a below-market rate in Portland, it would most likely be an “at-market” rate in Tigard.

CCAC Member Shearer suggested retirement developments for downsizing baby boomers might be an opportunity. Access to the Fanno Creek Trail provides connection to the Senior Center and the library.

Community Development Director Bunch asked Ms. Knox what her vision is of Tigard’s downtown and what should be done first. She responded that the plaza needs to be built. Director Wilson said it exists but needs a big lawn and easier connectivity from nearby streets. Chair Dirksen said gateways from Burnham, Ash and Main are needed. He said the access from Ash Avenue could be more inviting.

Redevelopment Project Manager Farrelly asked Ms. Knox how to justify the need for a public incentive project in these times of tight budgets. Ms. Knox said there will be a funding gap, especially for a project that needs to meet three or four of Tigard’s top goals. She suggested the project be small, not overly ambitious, and one that will be successful. She also suggested the CCDA not underestimate creative rehabilitation of existing housing stock. She encouraged Tigard to keep up with the façade improvement projects.

Director Buehner said one issue is that developers do not want to build housing near auto body and repair shops. Redevelopment Project Manager Farrelly said it not just a question of selling property for some owners; it is also the loss of their future monthly income from the body shops, etc.

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Executive Director Wine said this discussion with Shiels Oblatz Johnsen will help the CCDA define what is possible and conceptualize the next steps. Ms. Knox said Tigard is on the right track.

4. REVIEW FISCAL YEAR 2012-13 DOWNTOWN REDEVELOPMENT WORK PLAN

Redevelopment Project Director Farrelly said the CCAC has reviewed and commented on the work plan. He said the plan is guided by council's 2012 goals, CCAC goals, the Tigard Downtown Improvement Plan, the City Center Urban Renewal Plan, the Tigard Downtown Strategy Update (Leland Consulting), and staff and agency input. He said it reflects the CCDA budget as submitted for fiscal year 2012-13. He asked for input.

Director Wilson said one project not on the list is the North Trail extension of the Fanno Creek Trail (Grant Avenue connection). Chair Dirksen said it is identified in the ten-year Capital Improvement Plan. Community Development Director Bunch replied that there have been sensitive lands issues and the project is presently in the permitting process. Director Buehner asked staff to work with Clean Water Services towards a resolution. Community Development Director Bunch said he will update the CCDA on project status.

Director Buehner said it has been two years since the CCDA has seen the Downtown Connectivity Plan and requested a workshop discussion. Redevelopment Project Director Farrelly said he will schedule one or more joint CCDA/Planning Commission workshops prior to it going to the Planning Commission this summer. He said staff is currently working on the development code language to implement it.

In response to a question from Chair Dirksen, Redevelopment Project Manager Farrelly said the public art subcommittee is waiting until phase one of the Main Street Green Street project is completed prior to south gateway placement. The area is being used for staging during the construction. He said the north gateway could be done ahead of time.

Director Wilson introduced discussion on the proposed clock tower. He said he considers it more of a landmark and there is not a need for a large clock. He said a landmark's purpose is to draw people into the downtown and he envisions it more as a sculpture piece. Chair Dirksen suggested a war memorial in honor of the 41st Brigade and Director Woodard supported that idea. Director Wilson mentioned a presentation he attended recently by a world famous architect named Brad Cloepfil, who also happens to be a Tigard High graduate. He suggested he might be approached to design something for his home town. Community Development Director Bunch said there are a wide variety of forms that could attract attention and lead people to the downtown, such as spirals or stacked cubes. Chair Dirksen said he didn't want it to look too modern. Redevelopment Project Director Farrelly

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commented that the public art subcommittee developed a naturalistic theme for the entry artwork.

Redevelopment Project Director Farrelly said the event and marketing group will be presenting a progress update to the CCDA in the next few months.

Director Wilson commented that this list represents too much to do. Executive Director Wine said it is more of a picture of what the city would try to accomplish in the next fiscal year. Chair Dirksen said some of the items on the list require the involvement of others and he recommended maintaining pressure on all partners; something is bound to move forward. Executive Director Wine said the goal is to be opportunistic and jump on things when they become available. CCDA Directors agreed that while everything on the list may not be completed, it is good to have the list in front of them so no projects fall off of the radar. Director Buehner suggested bringing this list to the goal setting session at the end of the year.

CCAC Member Shearer asked about the status of the Tigard Street Trail. Assistant City Manager Newton said there is currently a disagreement between the railroad and ODOT about whether or not the rail line is abandoned. Executive Director Wine said staff is in the role of facilitator on this project.

Executive Director Wine summarized that this list and discussion are to inform everyone what work needs to be done.

A motion was made by Director Buehner to approve the Downtown Redevelopment Work Plan and was seconded by Director Wilson.

The motion was approved by a vote of all CCDA members present.

	Yes	No
Director Woodard	✓	
Director Wilson	✓	
Director Buehner	✓	
Chair Dirksen	✓	
Director Henderson (Absent)		

5. UPDATE ON BURNHAN STREET PARKING LOT

Redevelopment Project Director Farrelly showed a slide of the proposed parking lot on city-owned land near the intersection of Main and Burnham Streets. He told the CCDA that this parking lot is for temporary use for customers during the Main Street Green Street construction. There will be grading, a planting strip, light pole, minimal paving and electric

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car charging stations. He said improvements made will work now and for future use of this area. He said staff is working with property owners to purchase land for the urban creek feature.

Chair Dirksen referred to the temporary lot map and noted that ten feet would be adequate space for the urban creek in some areas. Director Buehner asked if it would be possible to obtain some land from the Stevens Marine storage lot for the urban creek.

Director Wilson suggested “squaring off” the rounded corner to make more parking spaces and mentioned that the tree indicated on the map is dying. He requested that not much money be spent on this temporary lot.

CCDA Directors said they approve of the design of the temporary lot with the minor changes Director Wilson mentioned.

Redevelopment Project Director Farrelly said the city needs a shared access agreement with the property owners and noted that Engineering Manager McMillan is working on this. Chair Dirksen recommended elected officials be included when staff meets with property owners and offered to be involved.

Executive Director Wine asked Redevelopment Project Manager Farrelly to work with Engineering Manager McMillan and explore how CCDA members can be involved. She noted that in the future we can work as one city team and set a different tone than in the past.

Director Buehner made suggestions for staff regarding the tone used when approaching property owners.

Director Woodard requested that Engineering Manager McMillan be brought into the picture and Executive Director Wine replied that she was already involved and is waiting for CCDA direction.

Community Development Director Bunch clarified the CCDA direction to complete two drawings for outreach to Main Street property owners and businesses. The first phase drawing of the temporary overflow parking lot will reflect changes requested tonight. The second drawing should be an attractive, colored illustration of the urban creek off-street parking area. Chair Dirksen suggested neighborhood meetings be held introducing not only the first phase (overflow lot) but also to introduce and gain emotional buy-in for the future parking area and urban stream concept.

Options were discussed regarding the large garage in the parking lot area behind the Main Street.

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Director Woodard commented that anything that helps circulation in one area will improve business for everyone in the downtown.

Circulation behind the businesses was discussed and Redevelopment Project Director Farrelly said it would be a topic for an upcoming workshop meeting. Director Buehner said the biggest deterrent to buy-in from downtown business owners is not seeing the big picture.

Director Buehner urged that downtown business owners require their employees to park in the lot which will leave the parking spaces on Main Street for customers.

- 6. NON AGENDA ITEMS – None.
- 7. EXECUTIVE SESSION: None held.
- 8. ADJOURNMENT

Director Woodard moved for adjournment at 8:51 p.m. Chair Dirksen seconded the motion and the motion passed.

	Yes	No
Director Woodard	✓	
Director Wilson	✓	
Director Buehner	✓	
Chair Dirksen	✓	
Director Henderson (Absent)		

Attest:



Chair, Tigard City Center Development Agency



Carol A. Krager, Deputy City Recorder

Date: June 5, 2012

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