



ALBANY REVITALIZATION AGENCY

AGENDA

Wednesday, August 17, 2022

5:15 p.m.

This meeting includes in-person and virtual participation.
Albany City Council Chambers - 333 Broadalbin Street SW

Or join the meeting here: [Zoom](#)

You can also dial in using your phone.

Phone: 253-215-8782 | Meeting ID: 816 8528 8959 | Passcode: 744298

Please be respectful and help the meeting to proceed efficiently by refraining from applause, cheering, displaying signs, or other disruptions. Presenters and members of the public participating virtually will keep microphones muted and cameras off. If a participant disrupts the meeting, the participant's microphone and camera will be turned off. If disruption continues, the participant will be removed from the meeting.

1. Call to Order

2. Roll Call

3. Approval of Minutes

a. June 15, 2022 [Pages 2-3]

4. Business from the Public

Persons wanting to provide comments may:

- 1- *Email written comments to sophie.dykast@cityofalbany.net, including your name before noon on the day of the meeting.*
- 2- *To comment virtually during the meeting, register by emailing sophie.dykast@cityofalbany.net before noon on the day of the meeting, with your name. The chair will call upon those who have registered to speak.*
- 3- *Appear in person at the meeting and register to speak.*

5. Pre-Construction Contract Approval (Waterfront Project) [Pages 4-5] (Sherry)

6. Waterfront Project Financing Update [Page 6] (Sherry)

7. Wells Fargo Demolition Options Discussion (Sherry)

8. Staff Updates

9. Business from the Agency

10. Next Meeting Date: Wednesday, September 21, 2022

11. Adjournment

This meeting is accessible to the public via video connection. The location for in-person attendance is accessible to people with disabilities. If you have a disability that requires accommodation, please notify city staff at least 48 hours in advance of the meeting at: sophie.dykast@cityofalbany.net or call 541-917-7654.

Testimony provided at the meeting is part of the public record. Meetings are recorded, capturing both in-person and virtual participation, and are posted on the City website.



MINUTES

June 15, 2022

Immediately after CARA
Hybrid – Council Chambers

Approved: DRAFT

Call to Order

Chair Bessie Johnson called the meeting to order at 7:09 p.m.

Roll Call

Members present: Alex Johnson II, Dick Olsen, Matilda Novak, Stacey Bartholomew, Bessie Johnson, Ray Kopczynski, and Marilyn Smith.

Members absent: None.

Approval of Minutes

7:10 p.m.

Motion: Member Kopczynski moved to approve the April 25, 2022, and May 11, 2022, minutes as presented. Member Smith seconded the motion, which passed 7-0.

Business from the Public

7:10 p.m.

Matt Bennet of Sybaris Bistro spoke of now owning the former Ciddici's Pizza building and an update to the proposal in the agenda packet. Bill Ryals spoke of the intention of the CARA board and helping small businesses in the community.

Wells Fargo Discussion and Direction

7:14 p.m.

Motion: Member Johnson II moved to give staff direction to build a cost estimate and bid timeline for the demolition of the Wells Fargo building on First Avenue. Member Olsen seconded the motion.

Member Novak questioned if the funds from the demolition comes in at a higher rate giving the ability to provide funding for Sybaris Bistro, would the agency support that. Chair Johnson answered saying that topic could be brought up during business from the agency.

The motion passed 7-0.

Staff Updates

None.

Business from the Agency

Member Novak stated if there are leftover funds, they would be directed to the Sybaris project. Novak spoke of the project being perfect for what the CARA board is designed to do.

Member Kopczynski spoke of being apprehensive about some CARA board choices and spoke of the downtown Independence and the opportunity for Albany to have the same wow factor with the waterfront project.

Chair Johnson spoke of downtown Independence and many people enjoying the area.

Member Olsen clarified there is no waterfront in Independence.

Member Bartholomew spoke of several people coming to ask for support from the CARA board and the agency having a discussion if funds were to become available due to the commitment already being made to the waterfront project.

Member Olsen spoke of downtown Independence, the Sybaris project being deserving of funding, and the point of the CARA board is to have downtown projects pencil out.

Motion: Member Olsen moved to ask staff to find some way to give \$545,000 to the Sybaris project. Member Matilda Novak seconded the motion.

Chair Johnson spoke of the closing new projects and funding the Sybaris project would go against that decision to close projects. Chair Johnson stated there have been others who have requested funding and were turned down as well as already dedicating money to other projects.

Member Smith spoke of the Cumberland Church and Sid Stevens asking for funds but not providing proposals. Member Smith spoke of Bennet having presented a detailed plan, so if the agency were to choose a project to be funded, this would be the one. Member Smith also spoke of the Corvallis waterfront and the Albany waterfront having the wow factor.

Member Novak spoke of downtown Independence and the hotel on the river that created the wow factor, and the Albany waterfront being different.

Member Bartholomew questioned whether CARA funding was used to support an elevator in the Natty Dresser, which Economic Development Manager confirmed.

Motion did not pass 2-5, with Members Smith, Bartholomew, Kopczynski, Johnson, and Johnson II voting no.

Member Johnson II spoke of needing the cost estimate information from the Wells Fargo demolition project before talking about giving funds to other projects and spoke of funds being public money, and if the funds open up, other people will be requesting funding as well. Member Johnson II also spoke of the waterfront project, how following through with the project will lead to investors looking at Albany, needing to think about future generations, and not capitalizing on the revenue the waterfront project can bring to the City, so the agency needs to make decisions to get the project done.

Chair Johnson stated Sherry mentioned awhile back about businesses already being interested in coming to Albany because of the waterfront project. Sherry confirmed and spoke of already having discussions with people who are interested in Albany.

Next Meeting Date

The next regularly scheduled meeting is on Wednesday, July 20, 2022.

Adjournment

Hearing no further business, Chair Bessie Johnson adjourned the meeting at 7:37 p.m.

Respectfully submitted,

Reviewed by,

Jessica Valentino
Administrative Assistant I


Seth Sherry
Economic Development Manager

**Documents discussed at the meeting that are not in the agenda packet are archived in the record. The documents are available by emailing cdaa@cityofalbany.net.*



MEMO

TO: Albany Revitalization Agency (ARA)

VIA: Peter Troedsson, City Manager 

FROM: Staci Belcastro, P.E., City Engineer
Seth Sherry, Economic Development Manager

DATE: August 2, 2022, for the August 17, 2022, ARA Meeting

SUBJECT: Award of Construction Manager/General Contractor (CM/GC) Contract for ST-22-08, Waterfront Improvements Project

Action Requested:

Staff recommends that the Albany Revitalization Agency (ARA), by motion, award a contract to K&E Excavating of Salem, Oregon in the amount of \$162,180 to provide Construction Manager/General Contractor (CM/GC) Preconstruction Phase services for ST-22-08, Albany Waterfront Improvements.

Discussion:

On May 11, 2022, ARA, acting as the Local Contract Review Board, held a public hearing and approved the CM/GC project delivery method for the Albany Waterfront Improvements Project. Staff advertised a Request for Proposals (RFP) for CM/GC services in accordance with Oregon Revised Statutes (ORS) 279C.337 and received proposals from K&E Excavating, Inc. (Salem, OR), Emery and Sons Construction Group (Salem, OR), and Pacific Excavation (Eugene, OR) in response to the RFP. A selection review committee, consisting of representatives from Public Works and Parks & Recreation, reviewed and scored the three proposals and selected K&E Excavating. Proposals were also reviewed (but not scored) by representatives from the Economic Development and Finance departments.

Proposals were scored primarily on non-cost criteria in accordance with ORS. However, ORS does allow cost-criteria to be evaluated after completion of the initial evaluation. Non-cost criteria made up 85 percent of the score assigned to each proposal and included: Experience & Qualifications of the Project Team; Experience & Performance on Similar Projects; and Project Approach, Understanding, and Work Plan. Cost Criteria made up 15 percent of the score assigned to each proposal and included: Cost of Key Personnel anticipated to provide services during the Preconstruction Phase; Percent Markup on General Conditions; and Percent Markup on Overhead and Profit.

Project Description

The Albany Waterfront Project commenced in 2018 under the direction of the ARA with recommendation from the Central Albany Revitalization Area (CARA) Advisory Board and includes improvements to Monteith Park, Dave Clark Trail, and Water Avenue. The Waterfront Project will improve the connection between Albany's historic downtown and the Willamette Waterfront and promote private investment. Planned improvements to railroad crossings will help to remove barriers to accessing the river and Monteith Park and alleviate a significant barrier to private investment along Water Avenue. Recognizing the community

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and regional impact of this project, staff and the design consultant Walker Macy engaged with the public and stakeholders early in design and developed a webpage to share project information, Albanywaterfront.net. A series of in person and online open house meetings were held to present design concepts and receive public input to incorporate into the development of the final design concept.

CMGC Project Delivery Method & Award Recommendation

CM/GC contracts are awarded in phases and the requested contract award is only for Preconstruction Phase services. Staff will provide a summary report and award recommendation to the ARA upon completion of the Preconstruction Phase. At that time, the ARA may choose to discontinue the CM/GC contract beyond completion of the Preconstruction Phase if it is in ARA's and the city's best interest.

Preconstruction Phase services include (but are not limited to): contractor led value engineering review of the design and specifications; determination of real-time costs and constructability issues; contractor led solicitation of bids; recommendations for alternatives for review; identification of scheduling constraints and recommendations for phasing work to minimize impacts to the public, schedule, and costs; identification of early procurement and early work items; and development of a Guaranteed Maximum Price (GMP). The second phase of the CM/GC contract, Construction Services, is awarded through a contract amendment that includes acceptance of the GMP developed during the Preconstruction Phase services.

Staff recommends the ARA award a contract to K&E Excavating of Salem, Oregon in the amount of \$162,180 to provide CM/GC Preconstruction Phase services for ST-22-08, Albany Waterfront Improvements.

Budget Impact:

This project will be funded from multiple sources. The water line improvements will be funded from the Water System Capital Projects fund (61540450-840113). All other improvements will be funded from the CARA: Waterfront Project fund (29015065-700102).

| Funding Source | Budget |
|-------------------------------------------------|--------------|
| CARA: Waterfront Project (29015065-700102) | \$15,000,000 |
| Water System Capital Projects (61540450-840113) | \$ 1,200,000 |
| Total Estimated Project Budget | \$16,200,000 |

SLB;jd

Attachment(s) (1)

c: Chris Bailey, Public Works Director
Diane M. Murzynski, CPP, CPPO, CPPB



MEMO

TO: Albany Revitalization Agency

VIA: Seth Sherry, Economic Development Manager

FROM: Jeanna Yeager, Finance Director

DATE: June 27, 2022, for the August 17, 2022 Meeting

SUBJECT: Waterfront Financing

Discussion:

In order to fund the Waterfront Project, staff explored several financing options. Based on advice from the city's municipal advisor, staff opted to obtain a bank loan rather than issue bonds on the open market.

In January 2022, the Albany Revitalization Agency (ARA) engaged Piper Sandler as the bank loan placement agent for the waterfront project financing. In February 2022, ARA adopted a resolution that allowed for up to \$16,900,000 in borrowings payable from tax increment revenues.

Piper-Sandler issued a request for proposals (RFP) on ARA's behalf and received competitive responses from seven banks. Weighing several criteria, such as interest rates, callability, bank fees, and whether a reserve would be required, staff chose Banner Bank.

ARA borrowed a total of \$15,114,767.22, inclusive of issuance fees. Banner Bank offered a competitive interest rate of 2.7 percent and the loan can be called any time on or after June 1, 2024. This would allow early repayment if the ARA board chose to take that option in the future. No debt service reserve was required.

Comparatively, ARA's 2018 streetscape project, which was funded by Business Oregon, has an interest rate of 2.55 percent. Staff reached out to Business Oregon to finance this loan, but it wasn't an option.

The general obligation bonds issued for the public safety buildings in 2015 have interest rates that vary from 3 percent to 5 percent.

Budget Impact:

Loan repayment amounts will be paid from the Central Area Revitalization Area's tax increment revenues.