



**LAKE OSWEGO REDEVELOPMENT AGENCY MEETING
MINUTES
September 20, 2016**

1. CALL TO ORDER

Chair Studebaker called the Lake Oswego Redevelopment Agency (LORA) meeting to order at 6:31 p.m. on September 20, 2016, in the City Council Chambers, 380 A Avenue.

2. ROLL CALL

Present: Chair Studebaker and Board Members Buck (via phone), Gudman, Gustafson, Collins, O'Neill, and Manz

Staff Present: Scott Lazenby, Executive Director; David Powell, LORA Counsel; Anne-Marie Simpson, Recording Secretary; Brant Williams, Redevelopment Director

Others Present: Michael McCulloch, Michael McCulloch Architecture, LLC

Chair Studebaker asked the Board and audience to join him in the Pledge of Allegiance.

3. APPROVAL OF MINUTES

Report and Attachments

3.1 February 16, 2016, Redevelopment Agency Meeting Minutes

3.2 March 1, 2016, Redevelopment Agency Meeting Minutes

Board Member Gudman moved the adoption of the February 16, 2016, and March 1, 2016, minutes. Board Member Manz seconded the motion.

A voice vote was held, and the motion passed, with Chair Studebaker and Board Members Buck, Gudman, Gustafson, Collins, O'Neill, and Manz voting 'aye'. (7-0)

4. PUBLIC HEARINGS

4.1 Resolution 16-06, A Resolution of the Lake Oswego Redevelopment Agency (Urban Renewal Agency) Adjusting the Budget for the Fiscal Year Commencing July 1, 2016 by Adopting a Supplemental Budget, Approving Resources/Requirements, and Making Appropriations.

Report and Attachment

Mr. Powell reviewed the hearing process as shown in the agenda.

Staff Report

Mr. Williams presented the Staff report (Redevelopment Agency Report and Attachment) in the absence of Shawn Cross, Finance Director. The requested budget adjustment is for funding purchase of the property at State Street and B Avenue, the last property needed for the North Anchor Project, in the amount of \$1.4 million. In brief discussion, he indicated that the sale would close the following morning, allowing the North Anchor development project to proceed.

Testimony

Chair Studebaker asked if anyone present wished to offer testimony, either, positive, negative or neutral. Hearing no requests, he closed the hearing.

Chair Studebaker moved to adopt Resolution 16-06 of the Lake Oswego Redevelopment Agency for the fiscal year commencing July 1, 2016. Board Member Collins seconded the motion.

A voice vote was held, and the motion passed, with Chair Studebaker and Board Members Buck, Gudman, Gustafson, Collins, O'Neill, and Manz voting 'aye'. (7-0)

5. STUDY SESSION

5.1 East End Project Priorities

Report and Attachment

Mr. Williams introduced Mr. McCulloch, the architect and urban designer who would be discussing some opportunities for investing the remaining Urban Renewal funds in Lake Oswego's East End Redevelopment District. He asked the Board to use the information from Mr. McCulloch, along with other information provided over the past year, including input from Staff's community meeting to learn about projects that citizens felt were important to downtown. Based on the Board's consideration of all of the information, Staff would be requesting direction on investing the funds and proceeding with additional projects in the next several years. He thanked the Chamber of Commerce for their strong support, including assistance with funding of this project. The active involvement of the Chamber's Executive Director, Keith Dickerson, and member Amy Thurmond was acknowledged, as well as local experts who had helped Mr.

McCulloch in familiarizing himself with Lake Oswego. He outlined Mr. McCulloch's extensive background with projects in both the public and private sectors.

Expressing his pleasure with the careful planning that is apparent in the community, **Mr. McCulloch** highlighted the spectacular physical aspects of Lake Oswego and the importance of coordinating these attributes in the urban design. In reviewing his process for preparing the recommendations, he advised the Board that he would first provide a higher-level look at the environment he had found. His written report (Redevelopment Agency Report, Attachment 1) provided specific detail about potential projects.

The recommendation was developed based on Mr. Williams' approach: recognize the pressures that the community will face as the result of past and future changes, and find a way to get control of them in order to create the kind of community that is desired. **Mr. McCulloch** displayed aerial photographs and discussed the dividing line that is presented by State Street/Highway 43 and the resulting separation of lake and river. In outlining both challenges and benefits, he acknowledged the opportunity to make a better connection and to utilize the real estate in Foothills more effectively. In a second aerial photo he showed that, while Highway 43 is the regional connector, it is not the retail center; the parallel 1st Street serves as the local connector. Similarly, A Avenue is the regional connector, while B Avenue is the local connector. This structure is effective, he indicated. It will allow the city to stay relatively compact and to organize different functions within a pattern similar to the current one.

Displaying a series of diagrams overlaid on the aerial photo, he described his efforts to understand the current functions in the district and to organize a future that would strengthen those uses and not conflict with them. He emphasized the importance of State Street and the need to strengthen it as a center. The development on 1st Street, with Millennium Plaza Park at its end, offers further opportunity, perhaps for creating a festival street. There is also obvious potential for retail on the east side of State Street, with a connection from 1st Street along the B Avenue axis. Moving south and west, he discussed the possibility of a civic complex in the area of City Hall, potentially including other civic functions. Another opportunity in this vicinity could be to improve the transit area between A and B Avenues.

He addressed questions of character as they had been expressed in his discussions with Board members and others. The larger scale of developments such as those at the south end of 1st Street had raised issues about major change in character of other blocks. There seemed to be a collective interest, he observed, in retaining the character of the area bounded by A and B Avenues and State and 1st streets. A slightly more aggressive approach in the next blocks might transition up to the civic zone. It also was communicated that there was a clear desire to retain as many of the alleyways as possible, along with their traditional retail feeling. This had led to discussion of ways to maintain character in terms of scale in the downtown.

As there was no real center, he focused attention on the portion of State Street between A and B Avenues. He recommended strongly that the rail right-of-way remain for some potential use in the future. While acknowledging challenges of the drop in elevation from this section of State Street to property below, he emphasized the significance of the A and B/State and 1st quadrant; he recommended that this area be retained for consideration of various options.

He next focused on State Street itself, with three categories of proposed projects (Redevelopment Agency Report, Attachment 1, p 4-6). Within Category 1, key recommendations included (1) purchase of the building in front of the Lakeshore Inn, which is blocking the connection that could be made to Millennium Plaza Park; (2) purchase of the two buildings on State Street located at the end of A Avenue, which are critical in terms of centrality and potential uses; (3) create city gateway markers, such as sculpture, at the north and south ends of State Street; (4) consider an essential intersection improvement at D Avenue and State Street, a means of slowing down highway traffic and making the connection to the area below the east side of State Street.

Category 2 opportunities offer ways to help with the North Anchor project. Noting that the hotel/apartment combination will offer the city a new dimension, **Mr. McCulloch** described various benefits, including collaborative efforts with the developer to create public parking. He emphasized the importance of ensuring that the development design allows for a crosswalk to the east, across State Street; this should be a surface crosswalk connection that would eventually be part of a much stronger “promenade” all along State Street, including a connection to the area below with its signature park. Continued efforts to enhance the character of the area bounded by A and B Avenues and State and 1st streets should be a priority. The Board might consider purchasing some of the historic buildings or subsidizing existing facilities within these buildings, he suggested. He recommended that the open alleyways and the meandering nature of this part of downtown be maintained.

Category 3, pertaining to 1st Street, would extend the festival street concept up to C Avenue. This zone could be made identifiable through improvements such as consistent paving and overhead lighting, and by encouragement of small retailers. Such steps would enhance the neighborhood character that is already developing on the street.

Category 4 would address the transit experience on 4th Street with improvements to paving, lighting, street furniture, and landscaping, among others. This will become more important with future growth of public transportation, he indicated.

The presentation concluded with **Mr. McCulloch** highlighting some reasons for investing in State Street. There is an opportunity for housing-over-retail or office-over-retail in portions of the northern end of State, for example. It is important for the Board to make a clear statement about what is desired along the street and help to make it happen, he indicated. Finally, he displayed a diagram illustrating the B Avenue connection to State Street and discussed challenges to extending the connection to the Foothills area. He encouraged design and development of the roadway so as to make the connection all the way along State Street. A secondary street parallel to State on the east side, south of A Avenue, would be an option for improved connectivity.

Mr. McCulloch stated that this is a perfect time for the Board to support current infrastructure and raise it to a new level. This will make dramatic improvement in the potential of the downtown area to connect to the area east of State Street, providing improvements that would create the kind of city that is desired. **Mr. Williams** invited Board members to pose questions.

Board Member Gudman expressed agreement with the focus on infrastructure improvements. He asked about Mr. McCulloch's recommendation for State Street infrastructure improvements since Highway 43 is under the control of the State of Oregon, not of the City. **Mr. McCulloch** discussed the importance of having a design for State Street and the leverage this would afford with private landowners. If the City was communicating clearly through this design how it wanted State Street to be, there could be negotiation with landowners and developers on their share of hard costs. Having the design first would provide a much stronger potential for achieving the desired outcome for State Street. He acknowledged the ongoing difficulty of the State control, noting that he would applaud an effort by the City to gain control of this important central area.

As Mr. McCulloch had proposed projects in several areas of downtown, **Member Gudman** asked if he would recommend focusing resources on a specific area, as opposed to spreading smaller amounts around the larger area. **Mr. McCulloch** advised that the highway improvement projects would be his top priority, with crosswalks being one improvement that could be achieved fairly easily. Also important would be acquisition of the buildings on State Street, which will continue to define the character of the area. He discussed the significant opportunity to enhance the existing features of the theater and outdoor deck, and to make the connection to 1st Street.

Member Manz initiated a brief discussion on the vision for the gateway area at the south end of State Street. **Mr. McCulloch** recommended that a committee be formed to determine the role of art and to consider other components. The committee would need to consider the significant traffic and other factors in this area. Opportunities might include a change in paving or dramatic lighting, but he recommended taking advantage of the robust art program in Lake Oswego.

Member Collins requested additional information about the proposed civic center. A short discussion ensued about the scope of the area, to include the current City Hall and new Police/911 facilities, and perhaps specific blocks to the east, north and south of 4th Street. **Mr. McCulloch** noted that this central zone could include the Library, School District offices or other civic facilities. A Avenue provides a great feeder; the nucleus of such an area already exists, and there is an opportunity to amplify it, he added.

Member Buck asked how the Board would move forward to incorporate the recommendations into future plans. **Mr. Williams** outlined possible next steps.

In brief additional discussion, it was determined that the Board would reconvene at a later date to discuss those items that are of interest. At the request of **Member Manz**, **Mr. Williams** agreed to provide copies of Mr. McCulloch's diagrams as overlays for further study by Board members. **Member Gudman** indicated that any project that was focused on infrastructure would be advisable; if the Board gets that right, then development can follow. **Mr. Williams** encouraged Board members to assist Staff by providing feedback on priorities at the next meeting.

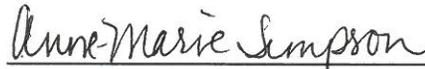
Member Gustafson expressed gratitude for the quality and format of the work as presented. This way of viewing the downtown would greatly assist the Board in its discussions and prioritization efforts, he indicated.

Mr. Williams noted that Mr. McCulloch's focus on State Street, with insights of the citizen advisors, had helped him look beyond the constraints of the street as a State highway. Also, the street-front enhancement projects on State Street completed recently by Sid Sin had demonstrated that State Street presents real opportunity, even with smaller projects. Working with the Oregon Department of Transportation will have its challenges, he observed, but the opportunity for a better State Street is significant. **Mr. McCulloch** commented on the significance of the North Anchor project, not only in terms of State Street, but to 1st Street and B Avenue. The project, with its central location, can send a message of coordination and cooperation with the development interests that can usher in a new era.

6. ADJOURNMENT

Chair Studebaker adjourned the LORA Board meeting at 7:27 p.m.

Respectfully submitted,



Anne-Marie Simpson, Recording Secretary

APPROVED BY THE LAKE OSWEGO
REDEVELOPMENT AGENCY
ON November 1, 2016



Kent Studebaker, Chair