



AGENDA

ASTORIA DEVELOPMENT COMMISSION

December 7, 2015

*****6:00 p.m.*****

2nd Floor Council Chambers
1095 Duane Street · Astoria OR 97103

1. CALL TO ORDER

2. ROLL CALL

3. REPORTS OF COMMISSIONERS

4. CHANGES TO AGENDA

5. CONSENT CALENDAR

The items on the Consent Calendar are considered routine and will be adopted by one motion unless a member of the Astoria Development Commission requests to have any item considered separately. Members of the community may have an item removed if they contact the City Manager by 5:00 p.m. the day of the meeting.

(a) ADC Minutes of 10/19/15

6. REGULAR AGENDA ITEMS

All agenda items are open for public comment following deliberation by the ADC. Rather than asking for public comment after each agenda item, the Chair asks that audience members raise their hands if they want to speak to the item and they will be recognized.

(a) Heritage Square – EPA Grant Appropriation of Matching Funds (Public Works)

(b) Heritage Square – Phase 1 Feasibility Analysis Report (Community Development)

THIS MEETING IS ACCESSIBLE TO THE DISABLED. AN INTERPRETER FOR THE HEARING IMPAIRED MAY BE REQUESTED UNDER THE TERMS OF ORS 192.630 BY CONTACTING JULIE YUILL, CITY MANAGER'S OFFICE, 503-325-5824.



CITY OF ASTORIA

Founded 1811 • Incorporated 1856

December 3, 2015

MEMORANDUM

TO: ASTORIA DEVELOPMENT COMMISSION (ADC)

FROM:  BRETT ESTES, CITY MANAGER

SUBJECT: ADC MEETING OF DECEMBER 7, 2015

CONSENT CALENDAR

Item 5(a): ADC Minutes

The minutes of the ADC meeting of October 19, 2015 are enclosed for your review. Unless there are any corrections, it is recommended that the ADC approve these minutes.

REGULAR AGENDA ITEMS

Item 6(a): Heritage Square – EPA Grant Appropriation of Matching Funds

The City of Astoria was awarded a United States Environmental Protection Agency (EPA) multi-purpose brownfield pilot grant in 2012 for assessment and cleanup of the Heritage Square site. At its September 8, 2015 meeting, the City Council meeting a project update and requested approval to place fill at a local City owned quarry site was discussed. Council was also notified that staff would be bringing a request to the Astoria Development Commission to allocate \$40,000 from the Astor East Urban Renewal District (AEURD) for use as a match for the \$400,000 EPA grant.

Since that time, the final contractor bids have been received by our consultant and because of higher than anticipated cleanup costs and additional cleanup planning and soil testing costs, the project budget is in excess of the original grant request. The following is a budget summary:

SUMMARY OF HERITAGE SQUARE CLEANUP BUDGET	
Cost of cleanup (actual bid from contractor with 5% contingency)	\$238,324
Additional AEURD funds needed to complete cleanup	\$109,842

Rather than only completing what would be funded under the remaining grant funds, staff recommends continuing to remove the full contamination now. This will save money long term by avoiding remobilization costs. Staff is recommending funding from the following sources to complete the cleanup project:

- Original \$40,000 match from the Astor East Urban Renewal District
- Additional \$70,000 from the Astor East Urban Renewal District
- \$39,842 from the Capital Improvement Fund which includes EPA Grant reimbursement funds not allocated to the consultant
- \$128,482 in EPA grant funds not yet distributed to the City

Once soil cleanup is complete, there will be close out items required to achieve a letter of No Further Action (NFA) from the Oregon Department of Environmental Quality (DEQ). The items consist of final reporting and testing and installation of a groundwater monitoring well along Duane Street at an estimated cost of \$25,000. The City will be requesting grant funds from DEQ's Business Oregon Program for this work. After DEQ reviews all pertinent data, they will issue a Letter of No Further Action with conditions or if they need to wait until a liner is placed over the elevated parking basement area before issuing the final letter. It is anticipated that if a liner is required, it would be an element of a redevelopment project. If the City needs a letter from DEQ regarding the pending NFA they have stated that they would issue what they refer to as a feel good letter typically issued to potential developers in similar cases.

It is recommended that the Astoria Development Commission approve the expenditure of \$110,000 for the cleanup of the Heritage Square material (including the original \$40,000 match and an additional \$70,000). Staff will be going before the City Council at the December 21st Council meeting for authorization to enter into a contract amendment with AMEC for the additional work.

Item 6(b) Heritage Square – Phase 1 Feasibility Analysis Report (Community Development)

The City Council adopted a FY 15-16 goal to investigate locating the Astoria Public Library as part of a mixed use project within Heritage Square, an almost 1.5 acre site in downtown Astoria. On August 17, the Astoria Development Commission authorized a Request for Qualifications (RFQ) to hire a consultant team that will assist the City's efforts in redeveloping the Heritage Square site and potentially the library site. On September 21, the Astoria Development Commission authorized a contract with Walker | Macy a Portland based design firm who provided initial architectural design, cost estimating, and a financing strategy.

A public involvement strategy was initially created that guided public outreach for a two month site design process. At the centerpiece, the Mayor appointed a Project Advisory Committee (PAC) that consisted of various stakeholder groups that met four times from October to November. On October 21, the City hosted an all-day public workshop/open house to solicit input on proposed designs for a mixed use library with housing above, underground parking, and open space (i.e. plaza). Approximately 150 people attended the open house. Afterwards, a public comment period was held until December 1. The City received 42 comments since the open house with divergent

viewpoints on the proposed designs and whether a library and/or housing should be built on site. On December 7, the consultant and city staff will present the results to the Development Commission, including a basic, "order of magnitude" cost estimate.

The Project Advisory Committee met on November 19 to discuss a potential recommendation based on the results of the public outreach process, a review of the consultant design, and a draft redevelopment strategy (i.e. road map) for revitalizing Duane Street and developing Heritage Square. After much debate, the PAC could not reach consensus nor did they see a consensus in the community providing direction - and did not consider a recommendation. A citizen representative of the PAC, Norma Hernandez, Parks Board Chair - was selected by that group to represent the Committee to speak at the ADC Meeting.

After completing the public outreach phase, no clear consensus has emerged. Two observations are clear: 1) something needs to be done about filling the pit to gain momentum for something better in the future and 2) the current library doesn't provide for the current needs for Astoria or a 21st century library. Staff will present the results of the report and provide some key questions in a decision tree to facilitate the discussion.

If consensus from the Development Commission is reached on programming for Heritage Square, staff will move forward with developing next steps for implementation. However, should the Commission not come to consensus, staff will work to complete the environmental clean-up of Heritage Square, but will await for subsequent ADC/Council policy direction on how to address implementation of the City Council goal associated with Heritage Square and the Astoria Public Library.

It is recommended that the Development Commission consider the results of the report and provide direction regarding implementation of the City Council Goal associated with Heritage Square and the Astoria Public Library.

ASTORIA DEVELOPMENT COMMISSION

City Council Chambers
October 19, 2015

ADC JOURNAL OF PROCEEDINGS

A regular meeting of the Astoria Development Commission was held at the above place at the hour of 8:45 pm.

Commissioners Present: Price, Herzig, Warr, Nemlowill, Mayor LaMear

Commissioners Excused: None

Staff Present: City Manager Estes, Assistant City Manager/Police Chief Johnston, Community Development Director Cronin, Parks and Recreation Director Cosby, Finance Director Brooks, Fire Chief Ames, Library Director Tucker, Public Works Director Cook, and City Attorney Henningsgaard. The meeting is recorded and will be transcribed by ABC Transcription Services, Inc.

REPORTS OF COMMISSIONERS: No reports.

CHANGES TO AGENDA: No changes.

CONSENT CALENDAR:

There following items were presented on the Consent Calendar.

- 5(a) ADC Minutes of 9/21/15
- 5(b) Astor East Urban Renewal District – Grant for Columbia Memorial Hospital Knight Cancer Center (Community Development)

Commission Action: Motion by Commissioner Price, seconded by Commissioner Warr, that the Astoria Development Commission approve the Consent Calendar. Motion carried unanimously. Ayes: Commissioners Warr, Nemlowill, Herzig and Price, and Mayor LaMear. Nays: None.

REGULAR AGENDA ITEMS:**Item 6(a): Lease of City Property for Chowder Boat (Community Development)**

This item is continued from the September 21, 2015 ADC meeting. In February 2015, Teresa Estrada applied to the City of Astoria for a lease on City-owned property located at the US Coast Guard parking lot adjacent to the Bowpicker food cart. For various reasons described in a City Council Staff report dated April 30, 2015, the City declined the request on May 4, 2015. The ADC owns other property in Astoria including 250 21st Street located adjacent to the Riverwalk, Barbey Maritime Center, and City Lumber Company. The site was a former freight warehouse (Darigold Building) which the ADC demolished in 2011. Ms. Estrada submitted another lease request on July 1, 2015 for this property.

This request is located in the Astor East Urban Renewal District, which is under the jurisdiction of the Astoria Development Commission. After receiving the request, Staff from Engineering and Community Development worked with Ms. Estrada to understand the nature of the request and its implications for the property and neighborhood. Based on this information, and subsequent analysis completed by Staff, there are a number of issues to consider before entering negotiations for a lease, let alone a land use application, which would immediately follow an executed lease.

It is recommended that the Astoria Development Commission decline the lease request, direct Staff to consider an asset management policy that formalizes lease criteria to evaluate future requests and determine procedural steps needed to initiate a letter of intent for prospective tenants, and develop a disposition/investment strategy for the property consistent with ADC policy.

City Manager Estes stated that the Applicant, Teresa Estrada, has requested this item be postponed to the November 2, 2015 Development Commission meeting.

Director Cronin said earlier that day, he received an application from Ms. Estrada to lease a Port property on Industry Avenue. He confirmed that the application to lease City-owned property might be withdrawn.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 8:47 pm.

ATTEST:

APPROVED:

Secretary

City Manager

DRAFT



Date: December 3, 2015

MEMORANDUM

TO:  ASTORIA DEVELOPMENT COMMISSION

FROM:  BRETT ESTES, CITY MANAGER

SUBJECT: **HERITAGE SQUARE - EPA GRANT APPROPRIATION OF MATCHING FUNDS**

DISCUSSION/ANALYSIS

The City of Astoria was awarded a United States Environmental Protection Agency (EPA) multi-purpose brownfield pilot grant in 2012 for assessment and cleanup of the Heritage Square site. The 1.37-acre site is located in a primarily commercial area of downtown Astoria. The site occupies an entire City block with the exception of a 0.11-acre portion in the southwest quarter of the block which is owned and occupied by the American Legion.

At the September 8th City Council meeting, staff and the project consultant AMEC Foster Wheeler (AMEC) provided a project update and requested approval to place fill at a local City owned quarry site. Council was also notified that staff would be bringing a request to the Astoria Development Commission to allocate \$40,000 from the Astor East Urban Renewal District (AEURD) for use as a match for the \$400,000 EPA grant.

Since that time, the final contractor bids have been received by our consultant and were higher than anticipated. With higher than anticipated cleanup costs and additional cleanup planning and soil testing costs, the project budget is in excess of the original grant request. The following is a budget summary of cleanup costs:

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Cost of cleanup (actual bid from contractor with 5% contingency)	\$238,324
Additional AEURD funds needed to complete cleanup	\$109,842

Rather than only completing what would be funded under the remaining grant funds, staff recommends continuing to remove the full contamination now. This will save money long term by avoiding remobilization costs.

In summary, staff is recommending funding from the following sources to complete the cleanup project:

- Original \$40,000 match from the Astor East Urban Renewal District
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ADDITIONAL SOIL TESTING

It was stated at the last City Council meeting that the potential for the stockpile soil to contaminate groundwater was not high because the soil was not highly leachable. In other words they are not easily susceptible to movement within the ground if exposed to groundwater. Further testing was conducted to verify that the soil was not susceptible to leaching. The test results yielded a value of 0.6 mg/l/TCLP (milligrams per liter per Toxic Characteristic Leachate Procedure). The allowable value is 5 mg/l/TCLP. Based on the results, the DEQ does not anticipate any additional concerns regarding groundwater contamination.

NEXT STEPS AFTER CLEANUP

Once soil cleanup is complete, there will be a few close out items required to achieve a letter of No Further Action (NFA) from the Oregon Department of Environmental Quality (DEQ). The items consist of final reporting and testing by the consultant which is already budgeted, final issue of acceptance of the post cleanup soil testing results, and the installation of a groundwater monitoring well along Duane Street. The groundwater monitoring well is expected to cost approximately \$25,000 in which the City will be requesting grant funds from DEQ's Business Oregon Program. The well is expected to be installed in February.

After DEQ reviews all pertinent data, they will decide if they can issue a Letter of No Further Action with conditions or if they need to wait until a liner is placed over the elevated parking basement area (east side of block) before the final letter is issued. It is anticipated that if a liner is required it would be an element of a redevelopment project such as a special vapor barrier under a new building or a concrete basement slab over a barrier. If the City needs a letter from DEQ regarding the pending NFA they have stated that they would be pleased to issue what they refer to as a feel good letter typically issued to potential developers in similar cases.

RECOMMENDATION

It is recommended that the Astoria Development Commission approve the expenditure of \$110,000 for the cleanup of the Heritage Square material (including the original \$40,000 match and an additional \$70,000). Staff will be going before the City Council at the December 21st Council meeting for authorization to enter into a contract amendment with AMEC for the additional work.

Submitted By KAC
Kevin A Cronin, CD Director


Prepared By Jeff Harrington
Jeff Harrington, City Engineer



CITY OF ASTORIA
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November 30, 2015

MEMORANDUM

TO: ASTORIA DEVELOPMENT COMMISSION
FROM:  BRETT ESTES, CITY MANAGER
SUBJECT: HERITAGE SQUARE – PHASE 1 FEASIBILITY ANALYSIS REPORT

BACKGROUND

The City Council adopted a FY 15-16 goal to investigate locating the Astoria Public Library as part of a mixed use project within Heritage Square, an almost 1.5 acre site in downtown Astoria. On August 17, the Astoria Development Commission authorized a Request for Qualifications (RFQ) to hire a consultant team that will assist the City's efforts in redeveloping the Heritage Square site and potentially the library site. On September 21, the Astoria Development Commission authorized a contract with Walker | Macy a Portland based design firm who provided initial architectural design, cost estimating, and a financing strategy.

A public involvement strategy was initially created that guided public outreach for a two month site design process. At the centerpiece, the Mayor appointed a Project Advisory Committee (PAC) that consisted of various stakeholder groups that met four times from October to November. On October 21, the City hosted an all-day public workshop/open house to solicit input on proposed designs for a mixed use library with housing above, underground parking, and open space (i.e. plaza). Approximately 150 people attended the open house. Afterwards, a public comment period was held until December 1. The City received 42 comments since the open house with divergent viewpoints on the proposed designs and whether a library and/or housing should be built on site. On December 7, the consultant and city staff will present the results to the Development Commission, including a basic, "order of magnitude" cost estimate.

ANALYSIS

The Project Advisory Committee met on November 19 to discuss a potential recommendation based on the results of the public outreach process, a review of the consultant design, and a draft redevelopment strategy (i.e. road map) for revitalizing Duane Street and developing Heritage Square. After much debate, the PAC could not reach consensus – nor did they see a consensus in the community providing direction - and did not consider a recommendation. A citizen representative of the PAC - Norma

Hernandez, Parks Board Chair - was selected by that group to represent the Committee to speak at the ADC Meeting.

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RECOMMENDATION

It is recommended that the Development Commission consider the results of the report and provide direction regarding implementation of the City Council Goal associated with Heritage Square and the Astoria Public Library.

By: K A Cronin
Kevin A Cronin, AICP, CD Director

**HERITAGE SQUARE DESIGN & REDEVELOPMENT
OPEN HOUSE - OCTOBER 21, 2015
COMMENTS**

11/4/2015

Concern about building a new library is the sustainability of the library. As a City employee, I am always hearing about the financial strain of the City. How can we afford it? Can we staff it if we build it?
It is mandatory that this project gets voter approval, <u>not</u> like the Garden of Surging Waves. REMEMBER!!! YOU REPRESENT THE PEOPLE OF ASTORIA
Open public plaza for community events
All concepts are good until financial costs come into the picture and all ideas within a similar budget? What public / private partnerships can be developed to obtain maximum development?
Find some way to move the legion!!
Can't wait for a new library!
How does mixed use meet needs of library users according to consultant study?
How will parking be provided for Library + housing + market + downtown use?
Who would own a mixed use building?
Take advantage of the sunken aspect of the Safeway block to build an amphitheater. We need a 'town square' and an amphitheater would be a great meeting space and would be a good space for the Sunday Market.
The plaza should be built to utilize good light. Affordable housing is a priority!
Why are all the options abandoning the existing library?
How much 1) Did this cost (survey)?
What are projected costs of Options A,B,C?
What are proposals for low/medium income housing?
No Library!! Remodel the old library! Keep parking and market space, add trees. No new library! We can't afford
Great to see the central aspect of the library.
Don't move library. Create multi-use space that is landscaped and can be used for events or parking (If library isn't there you could have covered area or parklets throughout.)
I hope Sunday Market has been involved - wouldn't want to mess them up. I <u>HATE</u> the idea of residential on top of library - would be fine with library redone on its current location. Don't let a few wacko's keep the "Merwyn" sitting empty for another 20 years. Bulldoze it and make a glorious new library.
Don't like any of the Heritage Square designs.
We are not a roof garden! Look at our history.
Don't need outside expensive developers.
Prefer Heritage Square be developed as open space with amphitheater & performance space.
Designs proposed don't fit in with Astoria
Library should be expanded where it is.
Doesn't need a Café - Design is way overbuilt for Astoria
Purchase the Bankers Suite and turn it into a library
If affordable housing is a goal, look at the neighborhood and what could be offered. Two empty and buildable locations across the street from heritage Square. There could be underground parking and a 3-story building. Empty lots sit empty through town within blocks of the existing library. (Photos submitted)
A definite <u>NO</u> ON ANOTHER LIBRARY. Parking garage will make more sense given the scarcity of parking spots downtown. We need more parking spaces, period.

I have though a need for a 4 story parking garage. Heritage Square would be the perfect place, would produce revenue. It is more practical than a library - we already have a library. Remodel library, we won't have another empty building downtown. Where would the people that occupy living quarters above a new library park?

11/16/2015

A or C

Keep it open public space. Get rid of Legion Building

What happened to the in-ground stadium seating / auditorium? The only option that looks remotely like it would fit with that area of downtown is C. Promote parking elsewhere and make it a public use space, not a parking lot.

A - Has to be 1st due to parking ... almost 20 more spaces! B - Most appealing aesthetically.

A - Seems satisfactory. It would be lovely not to block the river view from "Old Astoria" homes on 11th going up the hill.

Option A - maximized housing. I want to start moving towards a new library whether at Heritage Square or The Merwin.

Options A or B

Option B - Allows the skylights of library to pick up sun throughout the day and covers up the existing building wall which is not attractive. It also lets the ___ apartments to pick up both the morning and afternoon sun. Access can be gotten to parking from West off 17th, or from Commercial or East side of town.

It seems inappropriate to have housing in the square.

Option A

Option 1 preferred. Please look at impact on traffic patterns.

Option B because I think there will be lots of people coming.

Please consider noise from housing down into the library and from library events up into housing

What happens to the items in the library basement?

Get rid of American Legion Building? Then either B or C with more grass & trees.

Option B

Legion needs to relocate.

Option A

Option A

Heritage Square idea too costly and not preservationist. Please use the Waldorf Hotel as an additional street floor addition to the library. It is better for preserving the heritage of Astoria and essential handicap access would be easier than using the current library's basement.

Can't quite understand the landscape, and scale on this concept board. More to come I hope.

1) More underground parking - good idea; 2) Do we need more housing in this area? Especially using public property?

Get rid of the Legion Building* and free up the whole area fro creative design. * Find another location for the Legion members - creative trading!

Option A

Option A - more parking

C - Keeps open space toward downtown rather than blocking off green area. Also connects the green space and Garden of SW better

No! More Parking!

No library ... we need more parking for downtown Astoria

No! The downtown needs the parking

Option A - Like the lighting and skylights

Option A - More square feet more parking

Please make sure there's lots of parking spaces!

Option A (we need more housing)

I do not believe the City should be in low cost housing business. Either renovate the existing library or build a new and allow needed parking space with venues for public concert, etc. use. As it is the City somewhat struggles to maintain its current responsibilities without adding another one with public housing.

American Legion proposal: Decontaminate soil and fill hole, cover w/concrete. Install gazebo surrounded by kiosks to represent other nationalities. Create signage on the east side of the Legion building w/murals and ceramic tile memorial wall for Astoria veterans. Retain existing library - renovate basement for additional square footage, install elevator. Move Sunday Market to the waterfront near the train station. Removing curbs on Exchange Street is not feasible due to potential flooding during rainy periods. A plan needs full disclosure including cost and utilization prior to public vote. Inappropriate for privately owned housing atop public library. Underground parking would invite inappropriate usage, crime and flooding. Taxpayers should be given opportunity to evaluate this plan. A decision should go to the voters.

11/30/2015

I'm very concerned about losing open space for Astoria's very successful Sunday Market. Rather than a large building in Heritage Square, perhaps we should create more usable celebration grounds by filling in the old Safeway hole and covering it with cobblestones. Also, having spent nearly ten years as a real estate consultant working with financial institutions and developers, I would not recommend the City getting in bed with either

Option A, more square feet!

Use the library we already have. Save some money and get some new books.

"B" = Best option; "A" = Worst option

Option B seems to give a nice mix of uses while also creating separate and distinct outdoor spaces

Please create a new family friendly library with spaces for children and teens.

Our family lives in the County and uses the library 2-4 times a week. We checked out 60 items this week alone. We want a new, modern library.

Redevelop hindsight including resurfacing old steel plate placements at present square. It is only a meeting place outdoor now and forever. "Chinese interest not only. It was a good improvement and a lot of remedial work for multicultural individuals. Thanks again, Me

I love the idea. The library can be a jewel of the city. My favorite is Option B, for the skylights.