Regular Meeting  
Conference Room 3  
Ukiah Civic Center, 300 Seminary Avenue  

1. CALL TO ORDER

2. ROLL CALL  

Present: Tom Hise, Nick Thayer, Alan Nicholson, Tom Liden, Richard Moser, Chair

Absent: Jody Cole, Estok Menton

Others Present: None

Staff Present: Jennifer Faso, Associate Planner, Kim Jordan, Senior Planner, Gordon Elton, Director of Finance, Sage Sangiacomo, Assistant City Manager, Cathleen Moller, Economic Development Manager, Cathy Elawadly, Recording Secretary

3. CORRESPONDENCE – None

4. APPROVAL OF MINUTES – April 9, 2009, May 6, 2009, June 25, 2009

5. AUDIENCE COMMENTS ON NON-AGENDA ITEMS – None

6. RIGHT TO APPEAL – N/A

7. UNFINISHED BUSINESS

7A. Discussion and possible action on the revisions to the Façade Improvement Program

- Roles and responsibilities of Design Review Board and Finance Review Committee

  - The DRB role for FIP projects is to make a recommendation to the FRC for funding based on the criteria/guidelines as to which components of the project are eligible. While the DRB has criteria/guidelines to follow for projects, determining whether a project has value, is a good use of RDA funds and how to ‘get the most bag for the buck’ is not always easy.

  - FRC role is to look at projects as to whether there is money available, is the project an acceptable redevelopment expense that meets the statutory guidelines for redevelopment and/or consider whether the project fits with the overall redevelopment plan for the City, and approve the project based on the DRB’s recommendation and feedback.

  - Having too many boards/committees involved in the review process would not be feasible. The DRB that has a mix of professional expertise in design, construction, and architecture to make decisions about the design aspects and determining factors for which components would be eligible and at placing a
percentage of value for each component based on eligibility requirements. These functions should be left to the discretion of the DRB.

- Projects can be appealed to the RDA.

- Look at possibly leveraging the most investment out of each project for the most worthwhile projects. The amount of funding available has increased from $10,000 to $50,000 for a project which has significantly changed the purview of the DRB’s role. It used to be that DRB approved projects for just new awnings and paint. Now, applicants are asking for funding for landscaping and other project amenities. The Board evaluates project components by assigning a percentage of value in keeping with the criteria and guidelines for assessing the projects.

- It may be the DRB requires more structure concerning the manner in which project review are conducted. Additional information would be helpful. It may also be that the process could be more streamlined at staff level when a FIP application is initially submitted.

- The DRB has revised documents and guidelines to better assist with making funding decisions about a project in terms of eligibility and whether the project has value to the community. The DRB must decide whether a proposed project is a good use of public funds in terms of maintaining high standards for architectural design.

- Update City Resolution outlining the duties and responsibilities of the DRB and FRC in compliance with the adopted goals/objectives and policies of the RDA and provide to the DRB.

- How should the DRB treat blight?

- Should applicants receive funding when it is essentially the property owner’s responsibility to upgrade and provide maintenance to their buildings. Where should the responsibility be drawn regarding maintenance that could eventually lead to a blighted condition? Should public funding be available for general maintenance such as paint?

- Often property owners do not take advantage of the FIP because they do have money for the 50% matching funds.

- Some projects require more funding assistance in order to do a quality project. Where should the line be drawn in this instance?

- If a building is in need of improvement and the property owner is willing, but unable to pay for the repairs, should public funding be accessible?

- What should occur when the DRB considers a project and the project is determined to be worthwhile, but the property owner does not have the capacity to maintain the building or the improvements made.

- A maintenance agreement is required when funding is approved.

- Eligible vs. Ineligible expenses
  - Project Management and Supervision
  - Insurance
  - Profit & Overhead

- These expenses are typically the cost of doing business and automatically incorporated in the line items for cost estimates/bids.

- Line items for cost estimates depend upon how much value the DRB gives for each component of a project. The DRB can question a line item and request bid estimates for cost comparison purposes.
- There is really no clear-cut way to determine whether a cost is legitimate for a line item.
- It may be helpful for staff to initially inform an applicant of certain pre-application costs and/or provide a ballpark figure of what the applicant can potentially anticipate in funding. This allows applicant the opportunity to rethink/modify their project and project design to come up with a quality product and with getting ‘the most bang for the buck.’
- In order to receive funding for an approved project, receipts must be submitted and this procedure should remain a policy.
- Should an automatic percentage be assigned to address overhead costs as a duty of responsibility?
- Are locally owned corporate franchises eligible for FIP funding?

- Blight
- One of the primary objectives for use of redevelopment funding is to reduce blight in areas where necessary.
- City Code generally directs blighted conditions for properties, but there is still the matter of redevelopment blight and how this should be treated. What should occur in cases where property owners do not maintain their buildings to City Code maintenance standards that allows for a use permit for the building to make money and no basic maintenance is performed as a duty of responsibility. Are such property owners ‘entitled’ to redevelopment money for maintenance on buildings?
- What constitutes ‘entitlement’ to redevelopment money? Is anyone entitled? Do property owners have a duty of responsibility to perform general maintenance on buildings without public funding assistance? A project should have a specific/well-defined purpose in order to receive redevelopment money. The key is to leverage the funding in a way that benefits the community so that the end result is the ‘biggest bang for the buck.’ Is this the perception that exists? Funding should be contingent upon compliance with the criteria/guidelines for eligibility, as well as project consideration for degree of worthiness.
- Applicants receiving FIP funding should live up to their obligations to preserve and perform general maintenance as is reasonable.
- The element of blight is defined according to redevelopment law and is subjective.
- It would be helpful if DRB has the statutory requirements and/or discussion language concerning blight for effective decisions purposes.
- What happens in cases where a property has expended its lifetime cycle of funding and the building/property has become a blighted condition? Is this property owner eligible for assistance? What should happen in instances where property ownership has changed and the lifetime funding cycle has been expended for that property? Should this be treated as maintenance/uptop and is the property owner eligible for assistance? Furthermore, what should occur in instances where the tenant is seeking funding because the property owner will not paint the building or fix/replace an awning?
- Is a torn awning considered a blighted condition? Is this a maintenance issue? There a fine line between maintenance and what is the property owner’s responsibility for upkeep to prevent a blighted condition from occurring.
-Facade Improvement District Boundary Lines

- Has been the topic of many DRB discussions, particularly with trying to define project areas and establishing priorities/preference for these areas. Initially, FIP projects were limited more to the Downtown.

- As the boundaries have been expanded, project consideration takes on a range of new questions and issues. This is when the DRB proposed use of the FIP Scorecard as a way to rank projects relative to worth and value in a matter of different ways as provided for on the document. The Scorecard begins with the location of the project. The DRB may want to revise assignment of a point system for projects and/or revise the Scorecard in general. Project location does play a significant role in terms of project preference. Size (linear square footage) for projects could be a factor to receive more credit, such as a building on a corner lot or building having a larger façade.

- It may be that anyone in the project is eligible for funding, but a more recognized scoring system is necessary that will focus/prioritize the gateways/downtown areas emphasized in the Five-Year Redevelopment Implementation Plan goals and objectives.

- Formula/percentage of grant money allocated for each parcel or project.

- This is not clearly defined. The FRC relies on DRB decisions about projects and project worthiness.

- Fluctuation of grant funding per Fiscal Year

- The $150,000 available per fiscal year for FIP programs is never a use it or lose it scenario. Money can carry over to the next fiscal if not used. **Given the current economic crisis with the State, it is not known if funding is available each fiscal year. Funding is available for this fiscal year.**

Discussion consensus:

- Staff will provide the DRB with additional information to include redevelopment statutory requirements to use.

- Revisit the Scorecard.

8. NEW BUSINESS – None

9. MATTERS FROM THE BOARD: None

10. MATTERS FROM STAFF: None

11. SET NEXT MEETING/ADJOURNMENT

The next regular meeting will be August 13, 2009. There being no further business, the meeting adjourned at 4:56 p.m.

__________________________________________
Richard Moser, Chair

__________________________________________
Cathy Elawadly, Recording Secretary