

**ASTORIA DEVELOPMENT COMMISSION**

City Council Chambers  
February 1, 2016

**ADC JOURNAL OF PROCEEDINGS**

A regular meeting of the Astoria Development Commission was held at the above place at the hour of 6:00 pm.

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

Commissioners Excused: None

Staff Present: City Manager Estes, 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:**

City Manager Estes requested the following changes to the Regular Agenda Items: 6(a): Heritage Square EPA Grant Cleanup Contract Amendment and 6(b): Heritage Square/Library Location – Next Steps. The agenda was approved with changes.

**CONSENT CALENDAR:**

The following items were presented on the Consent Calendar.

5(a) ADC Minutes of 12/7/15

5(b) ADC Minutes of 12/21/15

**Commission Action:** Motion by Commissioner Nemlowill, seconded by Commissioner Herzig, to 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): Heritage Square EPA Grant Cleanup Contract Amendment** (This item was added to the agenda during Item 4: Changes to the Agenda)

City Manager Estes explained that the cleanup work at Heritage Square, funded by an Environmental Protection Agency (EPA) grant, has been ongoing for the last few weeks. Change orders were presented to Staff last week. In order to avoid delays and increased expenses, Staff has expedited City Council's review of the change orders. Additional costs have been incurred by the need to change the way the contaminated materials are loaded into trucks and a change to the type of containment box used to haul the materials to Arlington. Additionally, structural issues on the parking structure have been discovered and the excavator must be shored. This will include a modification to the method used to remove the material under the parking deck and replace material around the columns that support the structure. The discovery of automobile body parts underneath the parking structure required a review by the State Historic Preservation Office (SHPO), which also increased costs as the City had to wait for SHPOs analysis. This also resulted in additional oversight from the Department of Environmental Quality (DEQ) and additional consultant time. Additional cleanup costs needed from the Astor East Urban Renewal District (AEURD) total \$46,909.23. Staff provided a memorandum that included a breakdown of the costs and funding sources. AEURD funds are already being provided for this project. As stated at the Commission's December 3, 2016 meeting, it appears additional grant funds will be provided from Business Oregon to reimburse some of these expenses. Additional reimbursement funds from Business Oregon might be available in the future. Should the Development Commission approve the contract amendment, the cleanup is expected to continue through the week. Assuming no new issues arise, the cleanup work will be complete by the end of next week. Staff recommends the Astoria Development Commission approve an expenditure of an additional \$46,909.23. Should the Commission approve this expenditure, a contract amendment would be reviewed by City Council at their next meeting.

Commissioner Nemlowill asked why the cleanup has cost so much and why the costs continue to rise. City Engineer Jeff Harrington said if the Commission decided not to finish the clean up, the City would have to remobilize after putting so much into the project. The goal is to remove the material so it does not have to be dealt with in the future. This is a very small cleanup project, but environmental cleanup is expensive. Leaving any of the material behind would burden the City with future restrictions and liabilities. City Manager Estes added that if the Development Commission did not approve this allocation, the current project would stop and a new project would be necessary to continue the work in the future. This would result in additional remobilization costs. Engineer Harrington reminded that the City received \$450,000 in grants for this work and it may be possible to receive additional funds. These are federal funds that are benefiting Astoria.

Commissioner Nemlowill asked how this would affect the AEURD. Director Cronin said Staff is trying to reserve AEURD funds for Heritage Square. Spending more on the clean up leaves less money for the feasibility study or future phases of the project, so the City will have to consider how to obtain funding for the future phases. He did not know the specific dollar amount in the AEURD fund.

Commissioner Price asked what the balance of the AEURD fund would be after this expenditure. Director Cronin explained that future phases of Heritage Square would be paid out of the Capital Fund. This fund started with about \$300,000 and the brown field remediation has resulted in additional expenses paid out of this fund. He estimated the Capital Fund would have a balance of about \$150,000 after these expenses are approved. He offered to give the Commission more exact numbers at a future meeting.

Commissioner Warr said the original bid was \$238,000, and then there were \$109,000 in additional expenses. Now, there are \$46,000 in additional expenses, putting the total project cost at just under \$400,000, so almost the entire grant has been spent. He understood a total of \$800,000 had been spent on the project so far. Engineer Harrington clarified that the first \$238,000 was grant money. The other two amounts for additional expenses were not paid from the grant, which leaves about \$160,000 in grant funds.

Commissioner Price said it was difficult for her to approve expenditures without knowing the balance of the fund. She believed it should have been simple for Staff to provide at least a close estimation. City Manager Estes directed Director Brooks to look up the fund balance and told the Commission she would return to the meeting within a few minutes.

Commissioner Price asked if this level of clean up would be necessary if City Council decides to fill the hole and leave the space undeveloped. City Manager Estes explained the City decided to clean up the site to a standard that would allow for future residential development. Staff has been moving forward with this approach all along. Engineer Harrington added that filling the hole would block access to the contaminated material. Commissioner Nemlowill added that it would be a waste of half a million dollars.

Commissioner Warr understood retaining walls had to be built in order to fill the hole. He asked what additional costs would be incurred by filling the hole and leaving the site flat. Engineer Harrington said he refined the estimate presented by the consultant, which was \$400,000 to \$500,000. His refined estimate of \$300,000 reflected the use of existing walls to form new walls and filling the hole with rock. He believed the work could be done for less if different materials were used, but other materials would put limitations on what could be built on top. Adding a finished surface to the site, like a plaza, would cost closer to the consultant's estimate.

City Manager Estes requested this discussion continue at the end of the meeting because Director Brooks needed more time to gather the specific information that Commissioner Price requested.

The Development Commission proceeded to Item 6(b) Heritage Square/Library Location – Next Steps at this time.

Following a short recess, the Commission returned to continue discussion of the Heritage Square EPA Grant Cleanup Contract Amendment.

City Manager Estes requested this item be postponed to give Staff time to gather specific information on the status of the AEURD Fund. A special City Council meeting may be necessary to make a decision on this contract amendment to avoid additional construction delay costs. However, he did not want Council to make a decision

without the information they need. Unfortunately, Staff will not be able to complete their analysis by the February 2nd City Council meeting.

The Development Commission proceeded to Adjournment at this time.

**Item 6(b): Heritage Square/Library Location – Next Steps (Community Development)**

The City Council adopted a FY2015-16 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, 2015 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 December 7, 2015 the Astoria Development Commission heard a presentation from City staff and the City's consultant Walker Macy and Hacker who provided initial architectural design, basic "order of magnitude" cost estimating, and a financing strategy. On January 12, 2016 the City Council held a work session to discuss various options for moving forward. Based on this discussion, staff received direction on two paths: Evaluate the current cost estimate for Heritage Square to understand potential cost savings, and develop more information (including architectural concepts and cost estimates) on the options for expansion at the current library location. This would facilitate an "apples to apples" comparison of the universe of options for the future of the library.

At the January 12, 2016 work session, Council stated a desire to issue a new Request for Proposals (RFP) to solicit a new set of architectural professionals. Below is a summary of the options agreed upon by Council on January 12th, including the proposed combinations of the existing library site, which they wished to be included in an RFP. A library study will include a comparative analysis of the following:

- Library retained in current location, completely renovated with usable library space in the *basement*.
- Library retained in current location, completely renovated with a new addition on the adjacent *parking lot*.
- Library retained in current location, completely renovated with a new addition on the *Waldorf Hotel* site, which would require *acquisition and demolition*.
- Review of existing cost estimates for the Heritage Square concept.

Since the last work session, staff has received feedback from Council members about the process outlined. Based on that feedback, it would be in order to review and discuss the direction of issuing a new RFP as well as any specific criteria, which a consultant should use in evaluating estimates. This will ensure that Council continues to concur on specific issues and staff receives clear direction on how to prepare a scope of work.

At the January 12th meeting, staff identified two methods for moving forward: 1) Amend the existing contract with Walker Macy that would act as a pass thru to Hacker Architects who specialize in library projects, or 2) Release a Request for Proposals/ Qualifications (RFP/Q) to select a new architecture firm. Once consensus is reached on the above options, a scope of work can be developed to implement the options. Subsequently, staff would bring forward a scope of work either in an amended contract form or a RFP with a timeline for future release. The first option could be executed within three weeks while a new contract could take two to three months. Either option requires Council approval assuming the contract amount exceeds \$10,000 and the project budget would be allocated from the Capital Improvement Fund. In addition to the contract execution, staff is requesting direction on the level of public involvement the Council desires which affects the project timeline, budget, and staff capacity. Given the Council's overall interest level, FY2015-16 Council Goal, and eagerness to find a solution, staff suggests using a Council work session format in lieu of a project advisory committee. Staff could also schedule an open house and other events to present the options described above and solicit public input. Once the City Council selects a site for the library, additional work can commence on the programming with more accurate cost estimating. Under any scenario, staff will continue to work on completing the environmental clean-up of Heritage Square and work with the Department of Environmental Quality on the issuance of a "Notice of No Further Action." It is recommended that the Astoria Development Commission consider the options for moving forward and provide direction regarding implementation of the City Council Goal associated with Heritage Square and the Astoria Public Library.

Director Cronin displayed a spreadsheet and explained several options for saving money as the City moves forward with the Heritage Square and Library projects. Original cost estimates presented to the Commission in December were maximums. He explained that the highlighted line items reflected aspects of the project that

Commissioners have commented on recently. He removed the streetscape costs, which were estimated to be between \$2.3 million and \$3.4 million. He also removed the underground parking, which was estimated to cost between \$5.2 million and \$6.2 million because of the engineering work that would have been required. This put the total project cost estimates at \$20 million to \$26 million. He reminded that the original cost estimates included high contingencies because Staff wanted to offer very conservative numbers to the Commission to err on the side of caution. Therefore, the contingency could be lowered from 40 percent to 30 or 20 percent to reduce the total cost estimate even further.

Commissioner Warr reminded that the contingency was high because the City does not know what will occur underground. However, contingencies on construction contracts are usually about 10 percent. He asked why Director Cronin had recommended the contingency be no lower than 20 percent. Director Cronin explained costs narrow as each phase of a project is completed. So, a 10 percent contingency is typical for construction contracts. Staff is starting with a 40 percent contingency, but would like to reduce that amount. Therefore, he was not comfortable starting with a contingency lower than 20 percent until Staff has more information.

Commissioner Nemlowill confirmed that vertical development meant buildings and that the Community Development Block Grant (CDBG) was the same funding source used for the Senior Center. She asked why the cost estimate assumes there would be no CDBG funding. Director Cronin explained that while Staff has had great success getting CDBG funding, he did not have any input from the Commission about budgeting for that line item. A CDBG grant could not be used to fund a library in the downtown core; however, it could be used to fund the housing portion of the building. He confirmed that the cost estimate assumes a private developer building the housing would provide about \$5.8 million in equity and financing.

Commissioner Nemlowill said a high estimate of the housing costs would be a couple of million dollars more than what a private developer would contribute. She asked what other sources of funds the private developer would be able to obtain. Director Cronin said real estate developers will seek out other sources of money before spending their own. These funds could come from private investors or private debt.

Commissioner Nemlowill asked why the cost estimate for open space and infill was so high. Director Cronin said Staff presented high numbers because no decisions have been made about what will be done with the space. However, the cost estimate can be reduced. He confirmed that the City of Cornelius was spending less than \$3.8 million on their library/housing development.

Commissioner Price said the open space and fill could include parking, which will be necessary if there is a library and housing, but no underground parking. Director Cronin said as the process moves forward, the City will have to consider trade-offs. The Commission will need to determine how much off-street parking will be necessary for this project. So many factors will affect the amount of parking needed and parking has an impact on the ability to finance a project. These factors must be considered as the City moves through the design process.

Mayor LaMear confirmed that a library at Heritage Square would cost between \$9 million and \$12 million. Director Cronin added the only way to lower this estimate considerably is to change the contingency. Staff will not be able to refine these costs estimates until a decision has been made on the proposed clean up contract amendment.

Commissioner Price asked how the City could fill an \$8 million to \$13 million gap. Director Cronin said the City would find other sources of money. He has already identified several different public sources and a capital campaign will be necessary for the library and open space. He hoped the process would be driven by the community and funds would be crowd-sourced, especially for the open space. He confirmed that a bond was also a possibility. Ideally, funds would come from grants first. If grants are not possible, the City would have to consider loans in the form of a bond.

Commissioner Price asked how long it would take to create a funding package that would result in groundbreaking and construction. She believed money had to be in place in order to begin work. Director Cronin clarified that the City does not need to have all of the money, just a good portion, in order to find the right developer. A developer would bring their own capital sources to the project, so the City will have to decide how much funds are enough.

Commissioner Nemlowill asked if this project was possible without additional taxpayer revenue. Director Cronin said it depends on timing. If the City decides to move forward with a bond and the voters approve it, the project timeline is accelerated, saving costs. If the City does not want to pursue a bond, Staff must look for other sources of capital that fit Council's risk tolerance, which will take longer.

Commissioner Nemlowill appreciated that Staff had cut the cost estimates in half. However, she wanted the estimates cut in half again because the estimates still seemed very high. Director Cronin explained that only so much could be cut from the costs associated with the uses; therefore, funding needs to be the focus as this project moves forward. This will be discussed as part of the upcoming budgeting process. He wants to learn about other funding sources and ways to generate capital.

Commissioner Herzig said the Commission has repeatedly discussed the open space and fill. The library and downtown parking are two separate issues that must continue to be kept separate. He requested these items be removed or considerably reduced. He believed the Commission would have to consider downtown parking eventually and Promote Astoria Funds could be used. Trying to solve Astoria's parking problem has become a serious impediment to the library project and he wanted the issues to be kept separate. He had suggested that the downtown restrooms be turned into a three-story pit parking structure. He asked if it was possible to put parking in a different area. Director Cronin said the spreadsheet could be updated to reflect reduced open space costs. However, the fill costs would remain the same. He could also add a line item for additional off-street parking. One of the options considered in December included off-street parking next to the Legion, which was a much cheaper option than underground parking.

Commissioner Herzig suggested Staff start a parking analysis because Michelle Reeves kept saying Astoria should consider consolidating all of the small lots scattered around town. He had spoken to the former County Manager, who said a joint city/county parking lot on the south side of the Boyington Building would be beneficial. Director Cronin agreed that a parking garage in that location would be a game changer for the downtown area.

City Manager Estes reminded that at their last work session, City Council had decided the Commission should review the Heritage Square spreadsheet to remove items that should not be considered when preparing a cost estimate for the various alternatives. The underground parking and streetscape has already been removed, based on feedback given to Staff by City Council at their last meeting. Staff needs to know what else the Commission would like removed before the consultant confirms that the costs estimates are as accurate as possible for this phase of the project. Council wanted to compare these cost estimates with estimates related to renovating the existing library building. He listed the options for renovating the library, which were included in the agenda packet. Council had expressed interest in issuing RFPs to hire a new architectural consultant to prepare the cost estimates. However, following the work session, Staff has heard from some Councilors that this discussion should be revisited to consider staying with the existing consultant team.

Commissioner Warr recalled that initially 70 apartment units had been planned for Heritage Square. Director Cronin clarified that between 50 and 55 units were planned, depending on the size of each unit. He confirmed that the City was not required to provide parking for apartments in the downtown area. Parking is driven by demand and by the ability to get bank financing.

Commissioner Nemlowill said about 10 years ago, a consultant created drawings that included 107 parking spaces surrounding the site by turning one lane into diagonal parking on 12<sup>th</sup> and Duane Streets. Director Cronin reminded that this was included in the presentation given to the Commission in December because it is a great concept. According to Astoria's historians, the downtown area had angled parking at one time. He requested permission from the Commission to use the spreadsheet as a working document that changes according to the Commission's direction. He also wanted authorization to move forward with the four options for the library, but the Commission would need to decide if they want a contract amendment with the current contractor or get RFPs for a new contractor. He just received a scope and fee from Hacker, which was between \$20,000 and \$25,000. This would allow the Commission to compare the cost estimate for a library at Heritage Square with the cost estimates for renovating the existing library building.

Mayor LaMear said she wanted the work to be done by the existing consultant team because they are already acquainted with the Heritage Square site and will have a better of idea of the other sites that are available. She confirmed that Hacker has a lot of experience with libraries in Oregon.

Commissioner Price agreed and noted that Walker Macy has more experience with urban planning. She was more interested in the architecture at this point. She confirmed the scope included a feasibility study, basic designs, and cost estimates. Director Cronin said the contractor has proposed to do some floor plans that will help develop the cost estimates. Commissioner Price wanted the contractor to analyze renovating the Merwyn in addition to the other four options. The Merwyn could accommodate a library and housing. Commissioner Nemlowill noted this would require the City to acquire the Merwyn.

Director Cronin said instead of acquiring the property, the City could lease the first floor and the developer would be responsible for the housing above. Commissioner Nemlowill asked if Staff believed this was reasonable. Director Cronin reminded that the Commission and Council needed to find a solution that fit their risk tolerance. The City does not know very much about the Merwyn building, so Staff will have a lot of work to do if the Commission directs Staff to consider that option.

Commissioner Price reiterated that she believed it would be worthwhile to find out if renovating the Merwyn is a viable option. The Council and residents are interested in historic preservation and she did not believe this would increase the costs very much. She believed adding this option to the scope of work would provide a full range of cost estimates for the most logical options.

Commissioner Herzig suggested the study also include cost estimates for housing above a renovated library in its current location. This would allow an apples-to-apples comparison of cost estimates since housing is being considered over a new library at Heritage Square. City Manager Estes did not know if the existing building was structurally sound enough to accommodate housing.

Commissioner Price said renovating the library would require installing sunlights and sun tubes in the roof. Housing on top would eliminate the ability to bring light into the library and could possibly prevent the library from being renovated. She believed the Commission recognized the importance of lighting in the library. Housing would also eliminate the possibility of using the basement.

Commissioner Herzig stated that putting housing on top of the new library would not cast the library into darkness, so the same techniques could be used on the existing building. Commissioner Price explained that a new building could be all glass with a couple of steel columns. Commissioner Herzig said he wanted to see structural research on housing above the current building.

City Manager Estes reminded that Staff needed direction on how to move forward so a draft scope could be prepared, either with the existing contractor or a new contractor. He asked if there were changes or additions to the four options itemized in the agenda packet.

Mayor LaMear and Commissioner Nemlowill indicated they wanted Staff to move forward with the four options identified at the work session.

Director Cronin confirmed that adding options would increase costs.

Commissioner Nemlowill agreed that Commissioner Price and Commissioner Herzig's concepts were good, but she would be completely overloaded with more options. Affordability is key for a new library, so the City should consider affordable options. Underground parking and streetscaping should not have been considered. The Commission needs to consider features the City can afford so that Staff does not have to find ways to cut the costs again. The revised cost estimates are better conceptually, but she believed they were still too high. She agreed that the open space and fill estimates should be lower.

Commissioner Herzig said if the City keeps the existing contractors, he wanted three-dimensional models, not just screens. Without clear visualizations, the Commission cannot make good decisions. Some of the projections were not to scale and were just simulations. The City should get some really accurate renderings for that amount of money. He was very disappointed in the presentation the consultants gave because it did not include anything that one could walk around, look at, and manipulate. The memorandum in the agenda mentioned the work session, but not the Citizens Advisory Committee meeting, which he supported because he did not want the project derailed again by a citizens committee that gets out of control and decides it had veto power over recommendations. He suggested no Citizens Advisory Committee meetings be scheduled until City Council comes to a consensus.

Commissioner Nemlowill said she wanted the new study to be kept as reasonable as possible because the City has spent so much money studying this project. The Commission needs a little bit more information, but just basic information about costs. She did not believe it was necessary to dig too deep until a site had been selected.

Commissioner Price understood that this feasibility study would provide basic designs, not the footprints shown by Walker Macy and Hacker. Basic designs would show where an elevator might be located and a basic floor plan. Director Cronin confirmed that basic designs would allow the consultants to figure more accurate cost estimates. This is a long-term process and the City has a long road ahead, but Staff wants to provide the Commission with more information so informed decisions can be made.

Mayor LaMear agreed that basic designs and cost estimates for the four recommendations originally discussed would allow the Commission to compare a renovated library to a new library. Commissioner Warr agreed.

Commissioner Herzig said he hoped the Commission would get better information this time. The City will be spending from \$4,000 to \$10,000 more on this proposal than the proposal the Commission must refine. He wanted a report that does not require more work. He appreciated the work Staff did on the original report, which made it easy for the Commission to make this decision.

City Manager Estes confirmed that the Commission wanted to approve a contract amendment with the existing contractor, Hacker, to complete this study. He explained that in order to approve the contract amendment, the Commission will have to review the scope of work negotiated between the City and the contractor. This process will be faster than initiating a new RFP process. The Commission will have the opportunity to ask questions and raise concerns about the scope of work prior to approving the contract amendment.

Commissioner Price reiterated the need to add renovation of the Merwyn to the scope of work. If the cost estimates lead the City to move forward with using the Merwyn space as part of the renovation, the project will be much harder to sell without cost estimates for renovating the Merwyn. The historic preservation community will want this information.

Mayor LaMear disagreed. The Merwyn has been on that site for three decades and everyone who has tried to do something with the building has failed to come up with a cost effective project. The building is extremely expensive and the City has been told it would cost about \$5 million to renovate. Because the building is surrounded on three sides by higher buildings, there are no windows or light. The only way to use the Merwyn is to use the entire bottom floor for the library. However, apartments on upper floors will need a lobby area with a staircase to get upstairs. This will take about half of the space the library would gain by demolishing the Merwyn. Renovating the Merwyn would cost a lot of money for very little gain. She does not believe this is worth considering.

Commissioner Warr said the last library study estimated it would cost about \$5 million to incorporate the Merwyn. Commissioner Price stated this would not be an extra \$5 million. The Commission has the opportunity now to get information from professionals, make the comparisons, and put the issue to rest. Commissioner Nemlowill believed the Commission needed to be responsive to citizen concerns. Renovating the Merwyn should be added to the scope of work if the costs would remain reasonable.

Commissioner Warr explained that City Council had this discussion about two years ago and decided the project would be too expensive. City Manager Estes noted that the cost estimates included in the Metz study reflected expansion into the Waldorf space with a new building. The concern that it would be too expensive to renovate the Merwyn building was based on studies done about 10 years ago when the City had considered expanding City Hall towards the Merwyn. Therefore, the Metz study moved forward with the concept of expanding the library without remodeling the Merwyn.

Mayor LaMear asked the Commissioners if they wanted the scope of work to include renovating the Merwyn.

Commissioner Nemlowill said she was undecided. She understood renovating the Merwyn would be cost prohibitive just like underground parking. She asked City Manager Estes for his opinion. City Manager Estes did

not believe it would cost much more to have the consultants evaluate renovating the Merwyn and then the Commission would have more information to consider.

Commissioners Warr, Nemlowill, and Price said they were fine with adding this fifth option to the consultant's scope of work.

Commissioner Herzig stated the Commission would not have all of the information because the Commission refuses to add the option to put housing above a renovated library. He did not believe the public would ever support this project unless the City considers renovating the Merwyn. The community strongly opposes demolishing the Merwyn and he believed this fifth option was a good idea as a gesture of good faith to the community.

Mayor LaMear explained that one reason for expanding into the Merwyn is to gain an additional 5,000 square feet, which would require use of the entire first floor. She asked if this could be specified in the scope of work. Director Cronin said he would speak to the contractor about it and present a revised scope and fee at the next meeting. The Commission can then add or remove items from the scope of work. City Manager Estes added that if the Commission decides it is too expensive to add this fifth option, Staff can remove it from the scope of work very easily. Tonight's decision would not be the final decision.

Commissioner Herzig said he did not need \$20,000 to suggest the library be expanded into half of the parking lot and half of the Merwyn. This would give upper floor apartments in the Merwyn the needed lobby space while preserving some of the parking. Commissioner Price believed the recommendations should be left to the professionals.

Staff confirmed they had clear direction from the Commission. Director Cronin would work with Hacker and Associates through Walker Macy to amend the existing contract to review five different scenarios, as follows:

1. Review of cost estimates for the Heritage Square concept, as amended by the Commission
2. Remodel the existing library, including redevelopment of the Merwyn building
3. Remodel and expand the library into the space currently occupied by the Merwyn, assuming demolition of the Merwyn building
4. Remodel the library and expand into the basement
5. Remodel the library and expand into the parking area

The contract amendment would also call for more detailed architectural concepts, initial site planning, and enhanced visuals to address Commissioner Herzig's concerns.

Staff confirmed for Commissioner Nemlowill that the cost estimates for Heritage Square could be refined further.

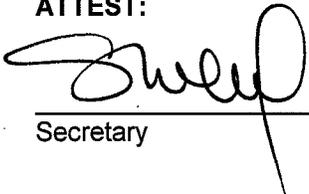
Mayor LaMear called for a recess at 7:05 pm and reconvened the meeting at 7:13 pm.

The Development Commission returned to Item 6(a) Heritage Square EPA Grant Cleanup Contract Amendment at this time.

**ADJOURNMENT:**

There being no further business, the meeting was adjourned at 7:15 pm to convene the City Council meeting.

**ATTEST:**

  
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Secretary

**APPROVED:**

  
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City Manager