



The Liberty Theatre in downtown Astoria.

Colin Murphey/The Daily Astorian

Theatre: Councilors agreed request fit the urban renewal district’s goals

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The approval comes right before a major fundraising event on Saturday, the theater’s “Once in a Blue Moon Gala,” with an auction led by State Sen. Betsy Johnson where all the proceeds will go to stage renovations. The Liberty Theatre asked the city for grant funding earlier this year and city leaders decided to work with the organization to see what the city could provide. On Thursday, councilors agreed that the Liberty Theatre’s request fit with the urban renewal district’s goals to improve the appearance of downtown and encourage redevelopment and rehabilitation of property in the downtown area the district encompasses. A term sheet provided by the city indicated that the Liberty Theatre is “fairly debt adverse” with only one existing loan noted, approximately \$17,000.

While money from the city’s Astor West Urban Renewal District has often been funneled to programs like facade improvement, money from the Astor East Renewal District has usually gone to specific projects as they arise — the Garden of Surging Waves near City Hall, the purchase of the Liberty Theatre, loans to the theater to build out its second floor, and loans to the cancer center and the Fort George Brewery, among others. The new loan from the city will help the theater in its \$5 million multiyear capital campaign to modernize the building’s performance space, improve the theater-going experience and make the theater more energy efficient. “As tourists visit from other cities, they expect to see a level of theater we can’t provide,” Executive Director Jennifer Crockett told the City Council in August. Currently, the theatre maintains local attendance numbers but hopes to grow the number of visitors it serves. With improvements, the theater hopes to host opera and full Broadway productions. Craft3 will handle the loan for the city. The loan comes with a fixed 2 percent interest rate, which will include fees paid to Craft3, and a 7-year term. The Astor East District funds tend to accumulate more slowly. The district includes properties owned by nonprofit organizations and government entities and so does not generate as much tax revenue. The Astoria Development Commission — eyeing future development needs at Heritage Square where the

Garden of Surging Waves as well as a caved-in lot are located — had purposefully held off from taking on any new projects to give the fund more time to regenerate. As Astoria began planning out its budget earlier this year, the Liberty Theatre requested \$45,000 of the \$50,000 the city had budgeted for art and cultural grants. City leaders balked at the request since this money, broken into many smaller amounts, funds a number of small groups and arts-related efforts around the city. But Mayor Arline LaMear hoped to find another way for the city to support the Liberty Theatre.

“I don’t want to take away from the funding for Heritage Square at all, but we don’t have anything planned for that this year as far as I know,” she said at a meeting

in August. “I would like us to look at giving something at least to the Liberty Theatre to support their efforts.” The other councilors agreed, saying the theater was “highly worthy” of receiving funding.

Hotel: Port lost most of its award

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pay Smithart’s existing debts through an escrow account totaling \$580,000. Smithart was to receive an estimated \$186,327 after debts to the Port, city and county were paid off. The Port appealed the ruling. To help collect on the debt, City Attorney Blair Henningsgaard secured a writ of garnishment in January against what Smithart was owed by Param. The city put the debt up for public auction at the county courthouse in February and was the only bidder, paying \$34,500 for the right to Smithart’s payout. If the Port’s appeal was successful, the city would have been out \$34,500. But the Port recently dropped the appeal and settled with Param. The hotel was transferred from Astoria Hospitality Ventures to Param Nov. 1. The Port’s drop of the appeal and the city’s purchase of Smithart’s proceeds means it is entitled to his \$186,327 — minus the \$34,500 it paid for the debt — along with the orig-

inal \$115,858 worth of transient room taxes owed under the Port’s settlement with Param, for a total of more than \$267,000. Smithart, who has since moved to New York, has never responded to the city’s efforts. In a letter to the court, Colin Hunter, Param’s attorney, called the city’s move a “double recovery” from the original settlement and Smithart. “While this result is contrary to what the court intended when it entered a decree of specific performance, Param is required by law to comply with the writ of garnishment by delivering to the city all of the proceeds to which Mr. Smithart would have been entitled,” Hunter wrote. The fact that the city’s purchase is now bearing fruit does not make the extra award inequitable, Henningsgaard wrote to the court in response to Hunter. “Smithart was given a credit for the City’s bid of \$34,500,” Henningsgaard wrote. “If anyone else had been willing to bid, the amount paid would have been applied to the judg-

ment, the successful bidder would own this right to payment, and Smithart would still recover nothing.” Hunter and the Port’s attorney, Luke Reese, called in Thursday with Circuit Court Judge Dawn McIntosh and Henningsgaard to discuss the matter. Reese had nothing to add. While she doesn’t think the city’s extra award is equitable, it might be a result of Smithart running off to the East Coast, sitting on his hands and expecting everything to work out, McIntosh said. “Slick move,” she told Henningsgaard with a laugh. While the city has added to its bounty from Smithart’s debts, the Port has lost most of its award. The Port was to receive \$273,180 for Smithart’s back-due rent and revenue sharing under the original agreement with Param, but has to pay the company \$145,000 for legal fees out of its portion after losing in court. The Port also paid Hospitality Ventures \$50,000 to prevent the company from suing over being forced out of the hotel.

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