

**MINUTES OF THE PROCEEDINGS OF A JOINT
CITY COUNCIL AND URBAN RENEWAL AGENCY WORK SESSION**

December 27, 2016

The minutes of the proceedings of a joint City Council and Urban Renewal Agency work session of the City of Coos Bay, Coos County, Oregon, held at 5:30 p.m. in the Myrtlewood meeting room at the Coos Bay Public Library, 525 Anderson Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Joe Benetti and Councilors Lucinda DiNovo, Stephanie Kilmer, and Phil Marler. Councilors Drew Farmer, Jennifer Groth, and Stephanie Kramer were absent. City staff present were City Manager Rodger Craddock, Library Director Sami Pierson, Public Works Director Jim Hossley, and Community Development Director Eric Day.

Mayor Benetti opened the meeting and stated the purpose of the meeting was for an informal review of the upcoming January 3, 2017 council agenda.

Rate Adjustment for Land Use and Planning Fees

Community Development Director Eric Day stated the City of Coos Bay had three main types of development fees: building, planning (right-of-way, site development, etc.), and land use fees. Mr. Day stated the City's general fund was currently subsidizing the true cost of land use and planning fees; estimated only 20 to 30% of cost was paid by the end users/applicants. Locally, the City of North Bend had lower fees than Coos Bay but North Bend was also looking at raising both their land use and building department fees to be more in line with their true cost to review. Coos County based their fees on true cost of review at an average dollar per hour fee of \$85 versus the \$70 per hour fee Coos Bay proposed.

City Manager Rodger Craddock stated staff was looking for direction from the Council as to whether to raise planning and land use fees or continue to have the general fund subsidize the costs. Councilor DiNovo noted the City of Coos Bay had worked hard to overcome the perception that it was difficult to do work in Coos Bay and questioned if staff had done due diligence to ensure it was appropriate to raise rates. City Manager Craddock stated the City hired John Hitt to perform an in-depth study on where the negative perception was coming from and how to become more business friendly. Out of that study, all those who were interviewed recommended the City should raise building code fees to ensure the City had adequate staff to provide timely reviews. Also in 2007 or 2008 the Coos Bay along with other cities throughout Oregon placed a moratorium on system development charges (SDC's) to help encourage economic development. League of Oregon Cities studied the SDC moratorium and determined it had no effect on economic development; SDC costs were minimal, the state of the economy had the greatest impact on building and economic development.

Mayor Benetti stated there was still a general negative perception of Coos Bay's building and planning process, was not sure what needed to be done, but recommended the matter should be addressed. Mayor Benetti suggested Coos Bay's rates should align with North Bend's rates. City Manager Rodger Craddock stated staff did research and attempted to address all known complaints. Councilor DiNovo recommended the City market and promote the City's efforts to listen and make improvements to address citizen concerns. City Manager Craddock

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recommended using the Bay Area Chamber of Commerce (BACC) Business Committee to help address the issues.

Councilor Marler acknowledged fees needed to be increased but expressed concern about doubling or tripling the fees. Councilor Kilmer and DiNovo suggested the City needed to market itself better. Consensus was to market the City improvement efforts and implement a phased rate increase of 20% (above current rates; or rate decrease as recommended by staff) this year and possibly another 20% increase next year.

Committee Openings

City Manager Rodger Craddock stated there were committee openings on the Planning Commission and Library Board. The application period ended last week. Two applications were received for the one opening on the Library Board. The Planning Commission also received two applications. City Manager Craddock stated the Council had already interviewed the Library Board applicants and questioned if they wanted to interview the Planning Commission applicants; noted one of the Planning Commission applicants did not reside in Coos Bay on a year-around basis. Consensus was not to interview since only one applicant met the qualifications and to make appointments at the next council meeting.

Old Wireless Lane Property Purchase

City Manager Craddock stated the prior City Council approved the purchase of property located on Old Wireless Lane. In 1998, there was an amendment to the City's Urban Growth Boundary (UGB), and a subsequent annexation of 1.54 acres in the area commonly known as the Old Wireless Lane. At the time there were five dwellings that existed along the street. The request for the expansion of the UGB and annexation was prompted by the need of the homeowners to connect to the City sewer system as the septic sewer systems in that area were deemed a public health hazard by the Department of Environmental Quality (DEQ). In January 2006, the area flooded due to a combination of extremely high tides during a storm event. All of the homeowners in the area, with the exception of one, sold their properties through a voluntary buyout program funded by the Federal Emergency Management Agency (FEMA). Due to additional flooding in December 2015, the last remaining homeowner decided to sell utilizing FEMA's buyout program. Through this process FEMA would pay 75% of the cost to purchase; the prior Council approved the City to spend up to \$42,500 to cover the City's 25% portion. The amount approved by the Council back in August 2016 did not include closing and demolition costs; total city cost share was \$47,403.37. City Manager Craddock noted the demolition would also include a wastewater pump station which serviced the home. The deadline to close on the property was December 30, 2016 as required by FEMA. Approval for the additional expenditure after-the-fact would be brought to the Council for approval at the January 3, 2017 meeting.

Status of the Library Facility

City Manager Craddock stated the Coos Bay Library foundation was failing and it was unknown how long the building would last; noted the building was not deemed dangerous in its current state. City Manager Craddock estimated it would take one to one and a half years to rehab the building and those repairs would only address the foundation; during that period the City would be without a Library. The needs assessment provided the City with valuable information (future

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requirements, trends, required space, and layout); the overall problem was the \$20 million cost estimate to build based on the needs assessment. City Manager Craddock recommended the Council consider allowing staff to ask local architect Joe Slack to provide a second opinion on the cost estimate.

Public Works Director Jim Hossley stated the 2012 investigations / evaluations determined the existing library building foundation pilings were inadequate to support the structure; and groundwater fluctuation could also be deteriorating the top timber pilings which might also contribute to the settlement. An estimate for installing the necessary micropiles (over 200) to stabilize the foundation was slightly over \$6.3M (2014 dollars). A current estimate put the price in the \$8.5 million range; the estimate was limited to the foundation mitigation, and it did not include the necessary repairs of other facility issues (failing roof, replacement of the facility HVAC system, electrical, etc.). In 2014 the cost to replace the building was estimated at \$6.6 million. As mentioned by City Manager Craddock, staff requested approval to seek a second opinion review of the needs assessment cost estimate (of \$20 million) in order to determine if it was more cost effective to build a new facility or repair the existing structure.

Library Director Sami Pierson stated the Library's three-year strategic plan focused on services, but the number one thing identified by the community was a new facility in order to provide those services which included more meeting and gathering spaces. The needs assessment also identified the need for more square footage to allow for more flexibility and the ability to adapt as technology and needs changed. City Manager Craddock advised under state law given the buildings proposed capacity, the City could not construct the building within the tsunami inundation zone; noted with the exception of wastewater, the Library was the most highly used service the city provided. Coos Bay Library Board Member Bob More questioned the reasonableness and feasibility of fixing a failing building that was located it was in the tsunami inundation and liquefaction zone. City Manager Craddock recommended the Council take a tour of the existing Library building to view the extent of the needed repairs. No decisions were made.

Adjourn

There being no further business to come before the Council, Mayor Benetti adjourned the meeting. The next regular Council meeting was scheduled for January 3, 2017 in the Council Chambers at City Hall.

Joe Benetti, Mayor

Attest: _____
Susanne Baker, City Recorder

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

January 3, 2017

The minutes of the proceedings of a regular meeting of the City Council of the City of Coos Bay, Coos County, Oregon, held at 7 p.m. in the Council Chambers at City Hall, 500 Central Avenue, Coos Bay, Oregon.

Those Attending

Those present were Council President Jennifer Groth and Councilors Lucinda DiNovo, Drew Farmer, Stephanie Kilmer, Stephanie Kramer, and Phil Marler. Mayor Joe Benetti was absent. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Susanne Baker, Deputy Finance Director Amy Kinnaman, Library Director Sami Pierson, Public Works Director Jim Hossley, Fire Chief Mark Anderson, and Police Chief Gary McCullough.

Flag Salute

Council President Groth opened the meeting and led the Council and assembly in the salute to the flag.

Public Comments

No public comments were given.

Consent Calendar

Council President Groth reviewed the consent calendar which consisted of 3a: approval of the minutes of December 13 and 20, 2016; 3b: acceptance of a hazardous material emergency preparedness grant; 3c: ratification of Mark Mattechek's appointment to the Visitor and Convention Bureau (VCB) Board as the Bay Area Chamber of Commerce (BACC) representative; 3d: approval of a Coos County Library Service District (CCLSD) Ready to Read grant for the Extended Service Office (ESO), and; 3e: acceptance of a State of Oregon Library Ready to Read grant for the Coos Bay Public Library. Councilor Kramer moved to approve the consent calendar approving the minutes of December 13 and 20, 2016, accepting a hazardous material emergency preparedness grant, ratifying Mark Mattechek's appointment to the VCB Board as the BACC representative, approving a CCLSD Ready to Read grant for the ESO, and accepting a State of Oregon Library Ready to Read grant for the Coos Bay Public Library. Councilor DiNovo seconded the motion which carried with Council President Groth and Councilors DiNovo, Farmer, Kilmer, Kramer, and Marler voting aye. Mayor Benetti was absent.

Presentation of Appreciation Plaque for Carmen Matthews

Carmen Matthews was not present to accept his plaque. Mr. Matthews served on the Parks Commission July 2012 through December 2016.

Appointments to Library of Board and Planning Commission

Two applications were received for appointment to the Planning Commission to fulfill one opening on the Board. Applications were received from Chris Hood who previously served on

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the Planning Commission for over ten years and Ainslie Krans who was a new applicant. City Manager Rodger Craddock stated Mr. Krans advised him that he would not be available the first three months of each year due to other obligations. By action of council ballot, the Council appointed Chris Hood to the Planning Commission to fulfill Philip Marler's unexpired term ending December 31, 2019.

Two applications were received for appointment to the Library Board to fulfill one opening on the Board. Applications were received from Curt Benward and Darrick Betzenderfer, who were both interviewed on December 20th for consideration of other committee openings. By action of council ballot, the Council appointed Curt Benward to the Library Board to fulfill Drew Farmer's unexpired term ending June 30, 2018.

Approval of After-the-Fact Increase to Purchase Property Located at Old Wireless Lane

Public Works Director Jim Hossley stated on August 16, 2016, the City Council approved the expenditure of \$42,500 towards the purchase of a home and property (tax lots 900 and 1 000) located on Old Wireless Lane. The actual purchase cost totaled \$125,000 of which FEMA paid the remaining \$82,500. The amount previously approved by the Council back on August 2016 did not include the closing cost or the anticipated cost to demolish the home. The total amount, including closing and demolition costs, was \$140,058.37 of which the City's share was \$47,403.37. Mr. Hossley noted the City would be reimbursed a portion of the funds, up to \$8,673.75, for the City's costs associated to the demolition of the home and associated activities which would be undertaken in 2017. The deadline to close on the property was December 30, 2016 as required by FEMA. Mr. Hossley stated there was not enough time to obtain the Council's approval for the increased initial cost of the transaction prior to the closing deadline; noted the matter was discussed at the Joint Council and Urban Renewal Agency work session held on December 27, 2016.

Councilor Kramer moved to approve the after-the-fact expenditure of \$47,403.37 for the purchase of a home and property on Old Wireless Lane, closing costs, and demolition costs. Councilor Kilmer seconded the motion which carried with Council President Groth and Councilors DiNovo, Farmer, Kilmer, Kramer, and Marler voting aye. Mayor Benetti was absent.

City Manager's Report

City Manager Rodger Craddock announced the City received notice from Oregon Department of Environmental Quality (DEQ) due to the City's recent recommitment to move forward the new construction of wastewater treatment plant no. 2 under the DEQ mutual agreement and order (MAO), DEQ withdrew their Aug 1, 2016 unilateral modification of order; no fines were incurred.

Council Comments

Councilor Kilmer announced the Coos Bay Downtown Association would be holding their annual meeting on January 19th at the Black Market Gourmet. Councilor Kramer expressed concern about the public not attending the bi-weekly work sessions; suggested public access channel should attend and record the work sessions. Councilor Groth announced a Shipbuilders and Seamen presentation related to the Marshfield Pioneer Cemetery would be held at 7 p.m. on January 4th at the Coos Bay Public Library.

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Executive Session

An executive session was held pursuant to ORS 192.660 (2) (h) for consultation with legal counsel concerning legal rights and duties regarding current litigation or litigation likely to be filed.

Adjourn

There being no further business to come before the Council, Council President Groth adjourned the meeting. The next regular Council meeting was scheduled for January 17, 2017 in the Council Chambers at City Hall.

Jennifer Groth, Council President

Attest: _____
Susanne Baker, City Recorder