

# MINUTES OF THE PROCEEDINGS OF THE URBAN RENEWAL AGENCY OF THE CITY OF COOS BAY

February 24, 1998

The minutes of the proceedings of a meeting of the Urban Renewal Agency of the City of Coos Bay, Coos County, Oregon, held at 7 p.m. in the Council Chambers at City Hall.

## Those Present

Those present were Board Chair Joe Benetti, and Board Members Jeff McKeown, Don Spangler, Kevin Stufflebean, Joanne Verger, and Judy Weeks. Board Member Cindi Miller was absent.

City staff present were City Manager Bill Grile, Deputy Recorder Joyce Jansen, City Attorney Randall Tosh, Library Director Carol Ventgen, and Community Services Director Bruce Meithof.

## Approval of the Minutes of January 15, 1998

weeks moved, stufflebean second, approve minutes. all aye

## Update on the Library Project

city manager bottom line the archi team and mgt team put together a project can be done for 1.5 million, actual submissin of bids will tell if all things can be done. don asked if there is flexibility in plan, can come back for , some components can be deleted to allow . bill expl contingency 8%, difficulty of 2% = 65,000 which may not be necessary to be spent. project is on track. weeks asked alternate 2 clear story, bruce said glass windows in the roof.

## Discussion of Placement of the Empire Gateway

city mgr grile reported

bruce has looked at , recommend to proceed with newmark at cammann, which is mckays and chest of drawers business. don asked for rational. bruce explained original site, coos bay marine changed their mind. agency members looked at the sites. staff reviewed sites again and the next best sight is at cammann and newmark. also commencement of street/sidewalk work. he was asked to look at other sights, ace hardware; problems iwth site because sof telephone pole and guy wires, wouldn't work as well. and difficult to get alignment across the street and would not form a gateway. looked again at the cammann site. and the gateway structures would work, he has not yet contacted the owners until he receives direction from the Agency. have adequate right of way, will not require easements. asked what ste to proceed

don said the Y is the first choice, suggested overcome problem of telephone pole, sits middle of sidewalk, should be moved. suggest correct problem by moving the pole, have a willing business to locate sign. bruce commetned problem, if use deveureaux site would gateways would be off-balance, odot will not approve change in deveureaux driveway. don said could place between deveureaux and hempstead/storage business. bruce said cannot move the driveway access. bruce said has not talked with hempstead. verger said cannot make a decision if we don't know if th eproperty

owners are cooperative, talk with hempstead, need to know from all the businesses so a choice can be made. bruce said at the Y will be very expensive, moving the pole and wiring. don suggested putting wiring underground. buce said est, downtown for three block was \$3 million. verger asked about closer to Y. marine said they didn't want. jeff asked about cost, burce said would have to contact pacific power. judy said contact other property owners. consensus to contact other businesses, verger said the more expensive options, would take money.

elaine plumber, should be at the Y, will help in any way to help and she felt hempstead would be agreeable. julia spangler said coming into the Y is not a straight look, suggest turning the signs and it would appear as a gateway. she said the gateway is not a solid structure and would lend itself to this. bruce said 20 long 18" thick. sargent webster said won't be read when driving by. julia contacted businesses near the Y and explained where the Agency was with the project and the businesses supported locating the gateway at the Y because that is the beginning of the empire. don asked if architect has looked at off-setting.

joe said direction is to talk with property owners. bruce said would be the middle of April. bruce said staff deals with day to day, bruce must do the special projects. joe wants the cost of changes. don doesn't want the project delayed a month and a half.

verger suggested elaine plumber talk with mr hempstead to send a letter to the city agreeing to put the gateway on his property, and then staff could put together the cost of locating it at this location. joe said majority of agency went with mckays site at previous meeting, and then stopped the process for one member wanted to look again at the Y location. we want to accommodate the property owners. go one step at a time, and will take time.

### **Review of Consultant Charles Kupper's Preliminary Revenue and Cash-flow Scenarios**

bill grille reported - mckewon asked for revenue figures before can prioritize projects. randall and bill reviewed cash flow in context with list of projects, looked at downtown district because more complex, older, and bigger. come up with maximum indebtedness district can incur. max indebted does not mean in the normal way, not bonded debt or interest costs. project cost and inflation cost, in context with our ability to make a good faith

randall explained important to remember when talking about max indebtedness for purpose of the plan amendment, only principle amount, not interest amount, if agency decides in future to do bonds, the principle amount is considered. not issuing bonds at this time, would affect final date district closes down. calculation is reached, three factors, first, project costs as existed 12/96. second, cost of projects will be updated to 1998. projects would be done over the life of the plan because no completion dates are a part of the plan. must decide 1) select a rate of inflationary growth, proposed to adopt a ten year average. second factor look at the rate of increase in the expected revenue to the agency. proposed figure the amount would have been certified to be collected plus an additional amount based on increase in value of new construction.

bill said five assumptions 1) collect full amount of taxes, 2) all project costs would inflate 2.56%, 3) revenues would increase 4.43% per year, 4) project list is as listed in the downtown urban renewal plan (per charts handed out by staff), 5) all projects in plan will be done. Cannot add more projects prior to computing max indebtedness. randall said this is a good faith estimate; cannot spend more for principle than the amount that is certified.

bill explained inflation at 2.56% per year, revenues at 4.43% per year, for a 31.5 million project costs (for life of the district), at year 27 would balance and end. bill said initially looked like half project would be cut, but now does not appear.

bill said 46.58 max indebtedness required to comply with the statute; if agency did bonds the interest cost would incur greater debt than 46.58 million. randall said admin costs would be part of the cost of the project. randall can substitute project. max debt is the ceiling on the principle, to do over max debt figure would require a plan amendment. can substitute a project would be considered within the max debt.

bill said by July 1 must comply with statute. can't substitute at this time but could do at a future time and would probably be a plan amendment. at this time, look at the plan as it exists on 12/96 and figure max amount of principle to construct all projects. mckeown said would be limited to the amount of revenue. bill said revenue would be limited by ballot measure 50, cannot get more rev by playing with project list. weeks if projects are deleted, randall said will lower the max debt figure. kevin said not to delete now, wait till later.

bill explained if greater inflation cost used, plan would never be completed. and the plan must have a completion date. mckeown the computations work fine. don said must demonstrate a good faith effort. randall must have some kind of basis of fact. bill said X dollars, X projects, t

weeks same rate of inflation, etc would apply to urban renewal, randall said yes. randall once max debt set, verger asked if max debt figure is cast in stone once submitted. randall explained, option you chose can equal the amount in pre ballot measure 50. the amount collected can be the same as before ballot measure 50. randall said not necessarily, could increase the amount, would need a substantial amendment to the plan and would use a different way of obtaining the revenue, and would be under the new urban renewal statute. and could not collect the special levy amount.

bill said not realistic to consider levying additional tax. he suggested option 1 or 3, 2 levies a citywide tax. he said keep status quo, division of taxes. don commented if one district improves, it benefits the whole city.

kupper memo -- option requirements. read through the memo.... division of taxes, to make up the difference would be with a special levy. increase value of urban renewal district, dedicated to projects within the district. option 2 would not have division of taxes, would levy a citywide tax dedicated to urban renewal projects. under option 3 agency can underlevy, not compelled to collect the whole amount. bill said do not have to decide on an option this evening, but to get thinking about.

randall, selection of option is a policy choice. division of taxes - taxes on property within the urban renewal district plus special levy which is on all property owners within the city.

who receives the benefits - option 1, property owners within the urban renewal district, option 2, all property owners within the city, option 3, combination of the two in the proportion other than that selected by division of taxes.

verger said all will benefit, the policy decision is who should pay. mckeown don't need to make decision tonight on option; need better understanding. joe said agreed with option 1. consensus to go with option 1. don said go in with good faith manner, with no hidden agenda, which means we can levy and will be citywide. jeff said option 1 does not lock the agency into a levy, gives flexibility to agency board. option 1 will not give same amount of money next year without a special levy. don said levy is not subject to a vote. bill said the council must vote on this.

kevin moved to recommend option 1 to the council, weeks seconded. all aye.

randall commented must do a plan amendment to comply with statute to establish a max debt

consensus to proceed and bring back more information to the agency

**Other Business**

**Adjournment**

There being no further business, Chair Benetti adjourned the Urban Renewal Agency meeting.

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Joe Benetti  
Chair of the Urban Renewal District  
of the City of Coos Bay  
Coos County, Oregon

ATTEST:

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Don Spangler  
Secretary of the Urban Renewal Agency  
of the City of Coos Bay  
Coos County, Oregon