

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

June 27, 2017

The minutes of the proceedings of a 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 meeting room at Fire Station 1, 450 Elrod Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Joe Benetti and Councilors Lucinda DiNovo, Drew Farmer, Jennifer Groth, Stephanie Kilmer, and Phil Marler. Councilor Stephanie Kramer was absent. City staff present were City Manager Rodger Craddock, Finance Director Susanne Baker, Public Works and Community Development Director Jim Hossley, Planning Administrator Tom Dixon, and Police Chief Gary McCullough.

Others: Elaine Howard and Scott Vanden Bos urban renewal consultants.

Mayor Benetti opened the meeting and stated the purpose of the meeting was for an informal review of the upcoming July 5, 2017 agenda and discussion of the downtown urban renewal plan. No decisions were made.

Façade Improvement Grant for Old City Hall Located at 375 Central Avenue

The applicant requested a façade improvement grant to restore the main exterior staircase of 375 Central Avenue. The City Council awarded the applicant a Certified Local Government's (CLG) Restoration grant for \$7,500. Subject to approval by the Urban Renewal Agency, the façade improvement program provided a 50/50 grant with a maximum grant award of \$25,000 per fiscal year. The applicant proposed to use the façade improvement grant as the match for the CLG grant. The Design Assistance Team (DAT) met on June 21, 2017 to review the façade improvement grant request and recommended the project be approved as submitted.

The CLG deadline to complete the project was August 31, 2017. Staff proposed the Urban Renewal Agency pre-approve the grant while the required bids were obtained to assist the applicant to meet the CLG deadline.

Review of the Downtown Urban Renewal Agency Plan by Elaine Howard Consulting

City Manager Rodger Craddock introduced Elaine Howard and Scott Vanden Bos, urban renewal consultants to work with the Agency to update the 1988 Downtown Urban Renewal Plan. Total remaining maximum indebtedness was \$34,261,981. Ms. Howard presented the Coos Bay Urban Renewal Agenda report which included suggested additions and changes.

Discussion ensued on the property assessment process and Mayor Benetti suggested the Agency provide funding for the Assessor's office to reprioritize reassessments within the City of Coos Bay. Councilor Marler suggested contacting the Department of Revenue to temporarily reassign certified personnel to Coos County to update the assessments or hire a private appraisal firm. The cost and time to complete was estimated to be costly and lengthy.

City Council and URA Work Session Minutes – June 27, 2017

The original downtown plan goals were:

Waterfront - Develop to enhance its potential while preserving its role as a working waterfront.

Downtown Core Pedestrian Mall - Revitalize the downtown core area by repairing and changing to promote utilization of area.

Infrastructure - Improve where infrastructure had deteriorated or was non-existent.

Over the years many projects were completed and the Plan amended 20 times to meet the needs of urban renewal. The plan was reviewed in 2015 to ensure it remained relevant. Draft goals, objectives, and projects were presented:

- Public Art Installations \$45,000 to FYE 2020 (approx. \$15,000 per year)
- Capital Improvement Program \$1.5M to FYE 2020 (approx. \$500,000 per year)
- Administration \$757,189 to FYE 2020 (approx. \$250,000 per year)
- Plus debt payments on existing borrowings
- Bond sale in FY 2019-20 of \$7,750,000, Finance Fees of \$155,000. About \$6.7M for projects

Financial Assumptions:

- Assumed very slow growth in assessed value, 0.5% per year.
- Incurred new debt in FYE 2020. This allowed for the Visitor Center bond to be fully repaid before incurring new debt, which increased borrowing capacity.
- Debt was assumed to be a bank loan of 20-year term, and 5.0% interest, maintain at least a 1.25x coverage ratio in all years, and a debt service reserve fund equal to one year's debt service payments.
- Under these assumptions, there was borrowing capacity for \$7.75M in 2020.
- However, given the slow rate of growth in TIF, and the large debt service obligations, and increased administrative expenses due to inflation, this essentially maxed out the ability to fund any additional projects for the next 20 years.
- Of the \$25M in planned projects in the URA, approximately \$8M would be funded with the remainder unfunded.
- By 2027, the URA would no longer be able to afford the current level of annual administrative costs (adjusted for inflation).
- In 2040, the proposed bank loan would be paid off, and the URA could in theory pursue another loan. Inflation between now and then would make all project costs astronomical, and any long-term loan would require debt service payments extended out many decades.

Through the budget process for fiscal year end (FYE) 2017-18, there was a decision to issue an Urban Renewal Special Levy in the Downtown Urban Renewal District of \$.32 per thousand. These funds were designated for street improvements and must be done in the urban renewal area. This allowed for gas tax to be used outside of the urban renewal area.

The project list added up to \$25.785M, which used up the full maximum indebtedness. However, the Area had actual capacity of \$8.245M for projects to FYE 2040.

City Council and URA Work Session Minutes – June 27, 2017

2017 Projects to consider/ensure were covered in the urban renewal plan:

South Gateway

North Gateway

Projects from Front Street Action Plan

Near Term Catalytic Projects (*italics were new*)

Public waterfront access improvements

Food truck attraction strategy

Façade improvement program

Track opportunity sites

Funding toolkit and partnerships

Development Supportive Projects

- Historical Wayfinding
- *Restaurant Recruitment Strategy*
- *Environmental Assessment and Cleanup*
- *Create Supportive Environment for Public Events*
- *Public Parking Management Strategy*

Infrastructure Projects

Connectivity and Amenity

- Pedestrian North-South Connection (connect the Boardwalk)
- Improved Bicycle/Pedestrian Crossings across Highway 101
- *Circulation and Connectivity Improvements*
- *Access/Intersection Improvements*

Utility Infrastructure Enhancements

- Sewer Collection System Enhancements
- Storm Drain Improvements
- Water Distribution System Enhancements

Pedway Streetscape Tier 1	Reinforced concrete and curb cut improvements for food truck access. Art projects located on walls or stand-alone installations	\$125,000
Central Tier 1	Central back to two lanes and repair brickwork. Assumption: 36 ft. width, two 10 ft. travel lanes, 8 ft. parallel parking, 8 ft. sidewalk	\$330,000
Improve Downtown Aesthetics Tier 1	Uniform lighting, seating (benches), trash cans and landscaping.	\$100,000

City Council and URA Work Session Minutes – June 27, 2017

Public Art installations Tier 2	Locate public art projects throughout the downtown URA and acceptance policy. Partners	\$150,000
Hwy 101 Tier 1	Fencing, landscaping, bike lanes, gateways, and sidewalk improvements. Partners	\$2,200,000
Recreation/Open Space	Improve Lockhart to include pavers for food truck and seating. Done	\$40,000
Capital Improvement Program Tier 1	Grant program for improvements to downtown buildings	\$3,000,000
Library Tier 2	Land acquisition and site improvements	\$1,000,000
Waterfront/Front St. Tier 1	Recreational site for kayak and paddleboard launch Street improvements including landscaping, lighting, and fencing Acquire additional parking space	\$50,000 \$2,000,000
Tier 1	Improve current boardwalk	\$1,000,000
Tier 2	New boardwalk extensions and amenities	\$1,000,000
Infrastructure Front Street Tier 1	Infrastructure improvements	\$1,000,000

Further designating projects in two tiers would assist in allocation of funds and priorities. Consideration for the project list should be given, especially towards the gateway projects already commenced.

Discussion ensued to not open Central to two-way traffic and 2nd Court alley improvements. Support to upgrade Central Avenue for improved pedestrian traffic; possibly open areas of Central to pedestrian only traffic. Importance to involve the Coos Bay Downtown Association in Central discussions. Questions on removal of pilings.

City Council and URA Work Session Minutes – June 27, 2017

Goals and Objectives –

Goal 1: Enhance the city's waterfront on both sides of the bay to develop its potential for diverse uses including recreation, tourism, living and commercial mixed use activities while preserving its alternate role as a working waterfront which supports the area's marine related economy.

Potential Goal 1 Objectives:

1. Install Highway 101 streetscape *and improve bike and pedestrian crossing across 101.*
 - a) Provide safe and aesthetically pleasing sidewalks, including lighting, fencing, benches, public art, wayfinding signage, *gateways*, bike racks, and other street furniture
2. Improve the facilities for waterfront recreation on both sides of the bay
 - a) Work with partners to encourage development of waterfront recreation and commercial uses
 - b) Develop additional docks for boat moorage – not financially feasible
 - c) Removal of abandoned pilings – leave pilings
 - d) Develop bathrooms on boardwalk – not financially feasible
 - e) Develop showers and bathrooms for moorage customers/recreation use
 - f) Develop access for kayaks, paddle boards and other water related craft
 - g) Develop additional space for recreational fishing
 - h) Provide incentives for the development of commercial uses such as restaurants and uses supporting waterfront activities
 - i) Provide incentives for the development of a marina
3. Revitalization of Front Street
 - a) *Provide open space and pedestrian connectivity which creates access to the waterfront.*
 - *Complete a north south pathway on the east side of Front Street and provide outlooks on city owned parcels or rights of way.*
 - *Create supportive environment for public events.*
 - a) Provide safe and aesthetically pleasing sidewalks, including lighting, fencing, benches, public art and other street furniture
 - b) Include cyclists - bike racks
 - c) *Support employment uses that required access to the waterfront for success.*
 - d) *Install improvements to the transportation network that improved multimodal safety.*
 - *Develop a public parking management strategy.*

Goal 2: Revitalize businesses and the built environment in the downtown core, including its historic heritage, reinforcing a cultural and commercial center for economic health, attractive and unique place for people to live, work, shop, socialize and recreate.

Potential Goal 2 Objectives:

1. Pursue building restoration including facades and second floors.
 - a) Target storefront program to specific building clusters within the downtown
 - b) Encourage residential development on second floors and mixed use development
 - c) Develop site specific pro formas for mixed/use development
 - d) Evaluate potential areas where city could assist developers
 - e) Evaluate, and if feasible, provide elevator loans/grants
 - f) Evaluate, and if feasible, provide sprinkler loans/grants

City Council and URA Work Session Minutes – June 27, 2017

2. Install streetscape

- a) Provide safe and aesthetically pleasing sidewalks, including lighting, benches, public art and other street furniture
- b) *Develop wayfinding master plan, wayfinding signage, and install bike racks*

3. Encourage the development of new and existing businesses

- a) *Develop a funding toolkit*
- b) Provide storefront loans/grants
- c) Provide interior loans/grants
 - Priorities for loans/grants:
 - i. provide incentives within a concentrated area for maximum impact
 - ii. filling vacant storefronts
 - iii. developing additional meeting space
- d) Work with the Farmers' Market to ensure a safe and functional environment

Goal 3: Construction or re-construction of streets, utilities, and other essential infrastructure in areas of the city within the district where they had deteriorated, were un-safe or non-existent, or where modifications were necessary to support and/or encourage the expansion of new development.

- 1. *Replace the sewer collection system. Install new gravity liens, manholes and sewer laterals.*
- 2. *Replace the storm drain system. Install new storm drain culverts, catch basis, tide gates, and storm drain outfalls.*
- 3. *Replace the water distribution system. Install new main line water piping hydrants, and water services.*

Ms. Howard would prepare an updated document based upon the work session and provide an updated report for the Agency's review and discussion.

Downtown Association

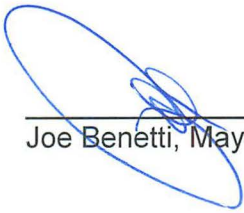
City Manager Rodger Craddock noted the work completed by the Coos Bay Downtown Association and their recruitment process for a new executive director. The interview committee disclosed the salary of the Executive Director position should be increased to be competitive which resulted in their request to extend the existing Agency contract and provide an additional \$5,000 per year. Consensus of the Agency was to support the efforts of the Coos Bay Downtown Association financially. Councilor DiNovo suggested the Fun Festival should progress to a financially break-even event with vendor fees offsetting the City's expenses.

Adjourn

There being no further items for discussion, Mayor Benetti adjourned the work session. The next regular Council meeting was scheduled for July 5, 2017 in the Council Chambers at City Hall.

City Council and URA Work Session Minutes – June 27, 2017

Attest: 
Susanne Baker, City Recorder


Joe Benetti, Mayor