

MINUTES OF THE PROCEEDINGS OF THE URBAN RENEWAL AGENCY

April 20, 2004

The minutes of the proceedings of the regular meeting of the City of Coos Bay Urban Renewal Agency, held at immediately following the City Council meeting beginning at 7:00 p.m. in the Council Chambers, 500 Central Avenue, Coos Bay, Coos County, Oregon.

Those Attending

Those present were Chair Kevin Stufflebean and Board Members Joe Benetti, Jon Eck, Roger Gould, Anna Marie Larson, and Jeff McKeown. Board Member Cindi Miller was absent. Staff present were City Manager Chuck Knight, City Attorney Nathan McClintock, Deputy Recorder Joyce Jansen, Finance Director Janell Howard, Fire Chief Stan Gibson, Library Director Carol Ventgen, and Police Chief Eura Washburn.

Consent Calendar

Chair Stufflebean reviewed the consent calendar which consisted of approval of the April 6, 2004 minutes and adoption of Resolution URA 04-02 establishing the Downtown Program Fund. Board Member McKeown moved to approve the consent calendar as presented. Board Member Eck seconded the motion which passed with all board members present voting aye.

Consideration of the Southtown Project and Authorization for the City Manager to Enter Into a Development Agreement

Chair Stufflebean asked the city attorney to review the procedure for the Agency regarding the Southtown project. City Attorney McClintock explained the City Council is the ultimate decision making body for land use issues. If the Planning Commission's decision is appealed, it will come to the City Council; therefore, the Agency should not get into too much detail when discussing the Southtown project at this meeting. City Manager Chuck Knight reported briefly on the development agreement between the city and the developer, Andy Schlosser, and the agreements for bonds and parking. Mr. Knight explained all construction laws will apply to this development and the project would be financed by the developer. Jill Bruce, attorney for the Agency, reported Mr. Schlosser has tentatively accepted the terms of the development agreement; however, he would like to add language to the section on public improvements paid for by the Agency to include the costs associated with relocation benefits. Ms. Bruce explained the current recycling/transfer station would need to be relocated.

Finance Director Janell Howard explained the financing portion of the bond agreement refers to Mr. Schlosser purchasing a \$1 million bond from the Agency and he would do the improvements. Once completed, the cost becomes a debt of the Agency and would be paid from the increased assessed value of the property. The project would improve the area and the Agency would have funds to pay the bonds; however, if the project is not completed, the Agency would not owe the funds. Board Member Gould commented the bonds are a creative way to provide funding for public improvements; the Agency would sell the bonds, the funds would be used to make the improvements, which would increase the value of the property, and the bond payments would be made with the increased funds.

Board Member Larson inquired how much would be left in the district and Ms. Howard reported the project would not use funds from the district and the payment would be made from the increased assessed valuation. Board Member Benetti inquired if other urban renewal districts do this type of funding and Ms. Bruce reported other cities have done this form of financing. Board Member Benetti inquired if the relocation costs would come from the \$1 million and Ms. Bruce commented a portion of those costs

would be appropriate. Board Member Eck asked about improvements to the storm water system and Mr. Knight reported that is outside this project, but would be a part of the storm water master plan.

Mr. Andrew Schlosser reviewed the plans for the development and reported city staff has been very helpful since he began this project three years ago. Mr. Schlosser commented on a recent project he completed in Corvallis and briefly reviewed his company's development standards and goals. The project includes a bike/pedestrian path along Coalbank Slough, the addition of a traffic light, improvements to the city shop, buildings for retail and theater, and parking areas. Mr. Schlosser expressed appreciation for assistance from city staff and stated it is a privilege to do this type of development.

Board Member Gould moved to approve the agreement with minor changes and authorize the city manager to execute the agreements. Board Member McKeown seconded the motion which passed with all members present voting aye. Chair Stufflebean thanked Chuck Knight, Janell Howard, Jill Bruce and Andy Schlosser for their work on a great project, and thanked Ron Opitz for assistance from the South Coast Development Council.

Public Comments

There were no public comments.

Adjourn

There being no further business to come before the Agency, Chair Stufflebean adjourned the meeting.

Kevin Stufflebean, Chair

ATTEST:

Anna Marie Larson, Secretary