

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

August 19, 1999

The minutes of the proceedings of a regular meeting of the Urban Renewal Agency of the City of Coos Bay, Coos County, Oregon, held in the Council Chambers of City Hall, 500 Central Avenue, Coos Bay immediately following the City Council meeting.

Those Present

Those present were Board Chair Joe Benetti, and Board Members Jeff McKeown, Cindi Miller, Don Spangler, Kevin Stufflebean, Joanne Verger, and Judy Weeks. City staff present were City Manager Bill Grile, Deputy Recorder Joyce Jansen, City Attorney Randall Tosh, Community Services Director Bill Finney, Finance Director Janell Howard, Fire Chief Stan Gibson, Library Director Carol Ventgen, and Police Chief Chuck Knight.

Approval of the Minutes of June 15, June 16, June 29, and July 20, 1999

Board Member Miller moved to approve the minutes of June 15, June 16, June 29, and July 20, 1999 meetings. Board Member Weeks seconded the motion which passed with all members present voting aye.

Report on the Status of the Library Expansion Project

Community Services Director Bill Finney reported the library expansion project is basically completed with a few small items remaining. Staff is recommending using the balance of the contingency fund for replacement of the skylights at an estimated cost of \$6,000 in the older portion of the building. A portion of the cost would be taken from the library maintenance fund. City Manager Bill Grile noted this is not a maintenance issue, but a part of the expansion project. Board Member Verger moved to approve the replacement of the windows. Board Member Miller moved to second the motion which passed with all members present voting aye.

Authorization to Proceed with the Empire Gateway Project

Community Services Director Finney reported the Empire Gateway project was approved last year and due to an issue with the location, the project was suspended. Staff has secured the approval of property owners to place the gateway between Main and Morrison Streets on Newmark Avenue. Mr. Finney noted Rich Turi did the preliminary drawings for the gateway design and have indicated the fee for the balance of the gateway project would not exceed \$5,000. Board Member Verger recommended when the final design is presented to the Agency for approval that the property owners be invited to the meeting. Councilor Stufflebean expressed concern about driver visibility once the gateway is installed. Mr. Grile reported the gateway would be located outside the sidewalk area and should not affect visibility. Mr. Finney reviewed the proposed structure design noting the size was scaled back to slightly less than 40' long and 19' high. Board Member Stufflebean commented the new design should be designed in such a way that motorists could read the sign as they drive by. Board Member Spangler noted the property owners may want to have some input on the design, and Board Member McKeown confirmed the \$5,000 would include the design modification.

Board Member Miller moved to authorize entering into a contract with Rich Turi Architecture and Planning not to exceed \$5,000 to complete the construction drawings and contract documents, prepare the

Urban Renewal Agency Minutes – August 19, 1999
Page 2

project for bidding, inspection and administration of the project. Board Member Stufflebean seconded the motion which passed with all members present voting aye.

Award of Design Request for Proposals – Empire Urban Renewal Street Scape Phase II

Mr. Finney explained the second phase of the street scape project would provide period lighting, sidewalk improvements, and some plantings on Newmark between Ocean Boulevard and Cammann Street. He reported proposal requests had been sent to eight firms and a response had been received from Rich Turi in the amount of \$15,500. Board Chair Benetti inquired about the purpose of the design plans and Mr. Finney reported there is a need for an administrator for the project and some aspects of the project require specialized knowledge. There was further discussion of whether the city should have an employee for this type of work. Mr. Grile reported this matter has been reviewed and staff recommendation is not to hire an additional person. He noted that the ability to privatize this work allows the city to have multiple projects going on at the same time. Board Chair Benetti agreed with staff's recommendation. Board Member Miller moved to award the design request for proposal to Rich Turi for \$15,500. Board Member Weeks seconded the motion which passed with all members voting aye.

Approval of the Inter-Fund Loan for Urban Renewal Projects

Finance Director Janell Howard reported the finalized numbers for the pre-audit found that less than \$25,000 remained in the Downtown Urban Renewal fund. The Agency may consider a temporary loan from the Empire Urban Renewal District to the Downtown Urban Renewal District which would be repaid at the same interest rate as the funds would have earned in the investment pool. Without the loan the period lighting and Fifth Street projects could not proceed. Ms. Howard noted the money would begin coming in in November when taxes are paid and without going for an advisory vote, they could have the money in six weeks. Board Member Weeks expressed concern that the balance had gotten so low and Ms. Howard reported it had been noted during the budget process that funds were low and she had requested they slow down on projects.

Board Member Spangler asked what the cost would be for the loan and Ms. Howard reported it would be approximately \$1,000. Board Member McKeown commented the funds wouldn't be borrowed until needed and would cost even less than the \$1,000. Board Member Spangler expressed concern that the Empire District wouldn't have funds to purchase property if it became available. Ms. Howard pointed out the Empire District has \$700,000 in carryover.

Board Member McKeown moved to approve the loan from the Empire Urban Renewal District to the Downtown Urban Renewal District. Board Member Miller seconded the motion.

Board Member Spangler expressed a desire that the money be repaid no later than November. Ms. Howard said it could unless there was a problem with receiving the taxes from the county. Board Member Verger said she would prefer not to be indebted to the Empire Urban Renewal District, and commented there is a resistance to loaning the funds. Board Member Weeks commented the projects have been on the list for a long time and did not see a need to rush, and she could not support the loan. Board Member Stufflebean commented it is the entire city of Coos Bay, not just two districts, and the loan would not damage anything that could happen in Empire. Board Member Spangler reported there is some concern, but as long as the Empire District has funds for projects, there would be nothing negative to loaning to the money.

The question was called and the motion passed with Board Members Benetti, McKeown, Miller, Spangler, and Stufflebean voting aye, and Board Members Verger and Weeks voting no.

Award of Request for Proposals – Downtown Parking Lot

Urban Renewal Agency Minutes – August 19, 1999
Page 3

Lighting Projects

Mr. Finney reported a proposal for placement of period lighting in downtown parking lots at 2nd Court and 4th Street and Curtis Avenue. Proposals were sent to eight local firms and one proposal was received from Lon Samuels. The purpose of the lighting project is to make the parking areas more attractive for evening use. Board Member Spangler moved to award the bid to Lon Samuels for \$16,000. Board Member Miller seconded the motion which passed with Board Members Benetti, McKeown, Miller, Spangler, Stufflebean and Verger voting aye; Board Member Weeks voting no.

Award of Request for Proposals – Broadway Street Scape Project

Mr. Finney the Broadway street scape project would extend period lighting along Broadway between Commercial and Curtis Avenues on the west side of the street. The project also includes some plantings to make the area more attractive. Proposals were sent to eight firms and the only response was from Lon Samuels. Mr. Finney commented the low response could be because this is the busy time of year for construction projects. Board Member Miller moved to award the proposal to Lon Samuels in the amount of \$16,000. Board Member Spangler seconded the motion which passed with Board Members Benetti, McKeown, Miller, Spangler, Stufflebean and Verger voting aye; Board Member Weeks voting no.

Authorization to Proceed with the Fifth Street Plaza Project

Mr. Finney reported design proposals have been received from citizen Randall Tosh and architect Steve Clay. Both plans include a water course and due to underground utilities in this area, neither design is feasible. Items to be considered are the relocation of the electrical vault and removal of the vegetation. Mr. Finney reported the adjacent property owner has agreed to locating the electrical vault on their property. Board Member Verger moved to authorize staff to proceed with the relocation of the electrical vault and removal of the vegetation. Board Member Spangler seconded the motion which passed with Board Members Benetti, McKeown, Miller, Spangler, Stufflebean and Verger voting aye; Board Member Weeks voting no.

Discussion on the Sale of Urban Renewal Bonds

Mr. Grile reported on January 6, 1999 the Agency authorized staff to put together a bond sale. Seattle NW Securities advised the Agency of the need for a projection of property tax estimates for the time period for debt incurred. Mr. Jeff Tashman was hired for the project and his conclusion is rather than issuing a \$3 million loan; there is potential to borrow an additional \$1.375 million which would be split between the two districts. Mr. Grile commented the issues for consideration before the Agency are the timing, whether to have an advisory vote, and a schedule for completion of projects. He noted if there is to be an advisory vote it would be on the November ballot and project funding would be available after the first of the year. Mr. Grile reported the city charter bond provision does not have an affect on the Agency. If the Agency decides to issue bonds without the vote, funding could be available in approximately six weeks.

Board Member Verger commented when the urban renewal districts were established, the intent was to take tax increment funding and bond to be able to do improvements immediately. She expressed concern that the public did not realize when they voted to change the city charter, it would not bind the Urban Renewal Agency. And for this reason she is hesitant in proceeding without a vote of the people. Board Member Spangler commented an advisory vote is not the final say, and it is unnecessary to go out for an advisory vote for urban renewal.

Board Member McKeown commented his interpretation of the charter amendment was a vote against new taxes, and bonding to proceed with improvements is expeditious for the urban renewal districts. He

Urban Renewal Agency Minutes – August 19, 1999
Page 4

further stated the Agency Board is elected to make decisions and he supported proceeding with bonding. Board Member Stufflebean commented when the Larson issue was circulated it was not clear that it was not for urban renewal and bonding would not be levying new taxes. He noted the developments in the community would help the economy and supported selling bonds without a vote.

Board Member Verger commented when the Larson initiative was circulated it had a lot to do with the library urban renewal project. The Agency will still have the same amount of money, only quicker if we bond and it does not cost the taxpayer anymore money.

Chair Benetti commented it is not necessary to out for a vote, however, when the Agency started the library project there was a split in the public and then the Agency had to back off on the project; and then went out for a vote. Chair Benetti said he would not like to see the Agency fractured at this point and even though he doesn't believe a vote is necessary, he would support going out for a vote. Board Member McKeown commented the average voter will think they are voting for less taxes. Board Member Spangler noted that by law urban renewal cannot exist without debt and bonding is one way of staying in debt and getting projects done. Chair Benetti commented is it possible that urban renewal would be jeopardized if we went for a vote.

Chair Benetti opened the subject for public comments. Sargent Webster, North Bend, commented the money should be used for infrastructure rather than projects and supported going out for a vote. Chair Benetti noted money is put into the infrastructure, but a lot of the infrastructure is outside the urban renewal districts' boundaries. City Attorney Randall Tosh reported urban renewal monies are dedicated funds and can only be spent on projects as outlined in the urban renewal plans. Ralph Larson, Coos Bay, reported results from a citizen survey indicated citizens believe the Council has a duty to support the voter's vote and that citizens support using urban renewal for infrastructure improvements.

Board Member Miller commented many citizens are confused about the difference between the city council and the urban renewal agency. Julia Spangler, Coos Bay, agreed there is confusion about the two bodies and the number one issue is there will be no tax increases. There were no further public comments.

Board Member Spangler moved to proceed with the sale of bonds and Board Member Stufflebean seconded the motion. The motion passed with the following vote:

Aye:	Board Members McKeown, Miller, Spangler, Stufflebean, and Weeks
No:	Chair Benetti and Board Member Verger
Absent:	None

Chair Benetti said he would support the Agency's decision to proceed with bonding. Board Member McKeown commented the Agency would be saving money in the long term by doing the bonding. Board Member Miller suggested placing an article in the City News; Board Member Spangler suggested the city manager do a show for the government access channel; and Board Member Weeks suggested the matter be discussed on the City's Focus show. Mr. Grile reported staff would prepare a factsheet on the matter as well.

Executive Session

An executive session was held pursuant to ORS 192.660 (1) (e) for the purpose of consulting with legal counsel regarding real property transactions.

The Agency reconvened into regular session.

Adjournment

Urban Renewal Agency Minutes – August 19, 1999
Page 5

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

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

ATTEST:

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