

**CITY OF COOS BAY CITY COUNCIL**  
**Agenda Staff Report**

<b>MEETING DATE</b> September 17, 2013	<b>AGENDA ITEM NUMBER</b>
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TO: Mayor Shoji and City Councilors  
FROM: Rodger Craddock, City Manager *rc*  
ISSUE LEASE / SALE OF CITY OWNED PROPERTY

**BACKGROUND**

On August 6, 2013, Council directed staff to negotiate a lease for the northwestern corner of TL8300 adjacent to and south of the building located at 245 South 2<sup>nd</sup> Street. The purpose of the lease is to allow installation of a rain garden, construction of an outdoor courtyard, and installation of an EV charging station. The property included in the proposed lease comprises of approximately 2,980 sq. ft., and it includes a sidewalk and seven parking stalls.

David Ford principle of Ford Building LLC and City staff has made some tentative lease agreements which include but are not limited to the following:

- A ten year lease of \$170.70 per month with option to purchase the property for \$1.00 at the conclusion of the lease.
- The City will offer a 10% discount should Ford Building LLC wish to prepay the entire lease up front.
- The City agrees to consider a stormwater credit in the future should the City adopt a stormwater fee and credit program.
- Ford Building LLC can make improvements to the site after securing necessary permits from the City.
- Ford Building LLC will be responsible for maintaining any and all improvements during the life of the lease.
- Ford Building LLC will secure and maintain a bond which the City may use to restore the site to its current use as a parking lot should the lease end due to a change in ownership or use.
- Ford Building LLC will be responsible for property taxes on the property during the life of the lease.
- Ford Building LLC will maintain sufficient liability insurance on the property and name the City as an additional insured during the life of the lease.

The total value of the lease under the terms listed above is \$20,484.00. This equates to what staff estimates the property to be worth with improvements (sidewalk, landscaping areas, and asphalt parking spots) in its current condition.

ORS 221.725 regulates the sale and lease with option to purchase of City owned property. The process to sell City owned property includes the following:

- Publish a notice of the proposed sale in a newspaper of general circulation in the City.
- Hold a public hearing concerning the sale prior to the sale.
- To establish a reason for the sale and future use of the property. (During the August 6<sup>th</sup> meeting the Council determined the City did not need the involved parking spaces, and the proposed use included a rain garden, construction of an outdoor seating, and installation of an EV charging station.)

### **ADVANTAGES**

The proposed lease / sale of the property would allow for attractive amenities (rain garden and outdoor courtyard area) to be privately developed and maintained.

### **DISADVANTAGES**

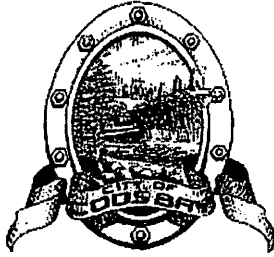
None identified

### **BUDGET**

The lease and ultimate sale of the property will generate up to \$20,484.00 which can be used when future development of parking occurring in the downtown district.

### **RECOMMENDATION**

After holding the public hearing and if it pleases the Council, direct staff to finalize and enter into a ten year lease with purchase option for the property with Ford Building LLC.



## CITY OF COOS BAY - CITY MANAGER'S OFFICE

500 Central Avenue, Coos Bay OR 97420

Fax 541-267-5912

Phone 541-269-8912

Date: September 10, 2013  
To: The World  
Legal Notices  
From: Jackie Mickelson, Executive Assistant

Please publish the following public hearing notice in the newspaper on **September 12, 2013**. Please confirm the cost and receipt of this notice via email at [jmickelson@coosbay.org](mailto:jmickelson@coosbay.org)

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### NOTICE OF PUBLIC HEARING ON PROPOSED LEASE / SALE OF CITY-OWNED REAL PROPERTY

Notice is hereby given that the Coos Bay City Council will hold a public hearing to consider the proposed sale of city-owned real property.

Property proposed to be sold: Real property currently owned by the City of Coos Bay consisting of the North West portion of a parking lot (TL 8300) located south and adjacent to 245 S 2<sup>nd</sup> Street, Coos Bay, Oregon.

Reasons for the proposed sale: The City Council considers it necessary to consider sale of the property because it is not needed for parking purposes.

Proposed use of the property: If leased/sold, the property would be used for outdoor seating / courtyard area and rain garden for the adjacent business located at 245 S 2<sup>nd</sup> St, Coos Bay, OR.

The hearing will take place during the City Council's regular meeting held on September 17, 2013 at 7:00 p.m. in the council chambers at the Coos Bay City Hall, 500 Central Avenue, Coos Bay, Oregon.

For information about the public hearing, contact Susanne Baker, City Recorder, (541) 269-8915.

You may attend the hearing and comment under the section designated for public testimony. You may also bring, fax, email, or mail written comments to:


Susanne Baker, City Recorder  
500 Central Ave,  
Coos Bay, OR 97420

Phone: (541) 269-8915  
Fax: (541) 267-5912  
E-mail: [sbaker@coosbay.org](mailto:sbaker@coosbay.org)

**CITY OF COOS BAY CITY COUNCIL**  
**Agenda Staff Report**

<b>MEETING DATE</b> August 6, 2013	<b>AGENDA ITEM NUMBER</b>
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**TO:** Mayor Shoji and City Council

**FROM:** Jim Hossley, Public Works Director  
**Through:** Rodger Craddock, City Manager 

**ISSUE:** Consideration of Rain Garden on City Property

**BACKGROUND:**

David Ford, owner of the building at 245 S 2nd, has requested the City consider allowing the installation of a rain garden on public property south of his building. The proposed garden would be on the City parking lot. Some portions of the total improvements would also be incorporated into the adjacent sidewalk.

The rain garden would consist of various plantings and a channel conveying roof drainage and runoff. Old steel railing from the McCullough Bridge together with concrete columns, including a concrete rail end from Highway 101/Boardwalk, are proposed to enclose the rain garden. Tables and seating, are proposed to be included within the enclosure and on the sidewalk. Other features proposed to accompany the rain garden are a serpentine trench drain, sidewalk pavers, a boardwalk bridge, benches, bike rack arms, and an electric car charging station.

The proposed project would cause the elimination of 6 parking spaces on the south side of the building. One of the building tenants would like to be able to serve alcoholic beverages at the tables in the garden area.

Due to City ownership of the property in question there are municipal policy issues that the Council needs to consider. Some of the issues that require the further consideration:

**Alcohol consumption on public property**

**Coos Bay Municipal Code 9.15.020 Drinking in public places**

*No person shall drink or consume any alcoholic liquor in or upon any street, alley, or other public place unless the place has been licensed for that purpose by the Oregon Liquor Control Commission.*

While it appears that the city code might allow for consumption of alcohol on public space with appropriate OLCC licensing, per the City's insurance carrier, as the property owner the City would assume all liability for the consumption of alcohol in the garden and any subsequent issues regarding the rain garden or alcohol consumption.

**Use of public property**

Utilization of public property for the sole benefit of a private business owner is of concern. Use

of public property can't be restricted and must be open to all. Caution should be exercised when considering certain private improvements and uses on public property. Consideration must be given to the possibility of providing unfair competitive advantage to adjacent businesses. In addition, how will similar, future requests for use of City property in other areas of the City be addressed.

Surplus and sale of the property is an option to remedy this issue. This in turn would alleviate the issues related to alcohol consumption. Note, procurement law anyone can bid to purchase the property, thus no guarantee Mr. Ford would end up with the property.

### **Parking**

There are parking considerations associated with repurposing the six parking spaces given the presence of the call center, the approved transit station, a possible trash enclosure, current use/needs, future use/needs of the general area (including the new uses in Mr. Ford's building) and the overall shortage of vehicular parking spaces in the Downtown Business District should there be substantial increase in occupancy of existing buildings. The transit station will result in the elimination of 20 parking spaces, while the trash enclosure could eliminate around six.

The replacement value of each parking spot should be considered – land, labor and construction material costs per space. The monetary replacement value could be collected for each parking space eliminated and the funds “banked” for future parking improvements or expansion.

### **ADVANTAGES:**

The proposed concept would be an attractive amenity to the parking lot. The improvements are proposed to be privately installed and maintained.

### **DISADVANTAGES:**

This type of private use of public property is not good policy. The proposed use appears to benefit only the adjacent building owner/tenants. The proposal would eliminate 6 parking spaces.

### **BUDGET:**

No immediate cost to the City or the URA is expected.

### **RECOMMENDATION:**

Provide staff direction how Council wishes to proceed with this proposal.

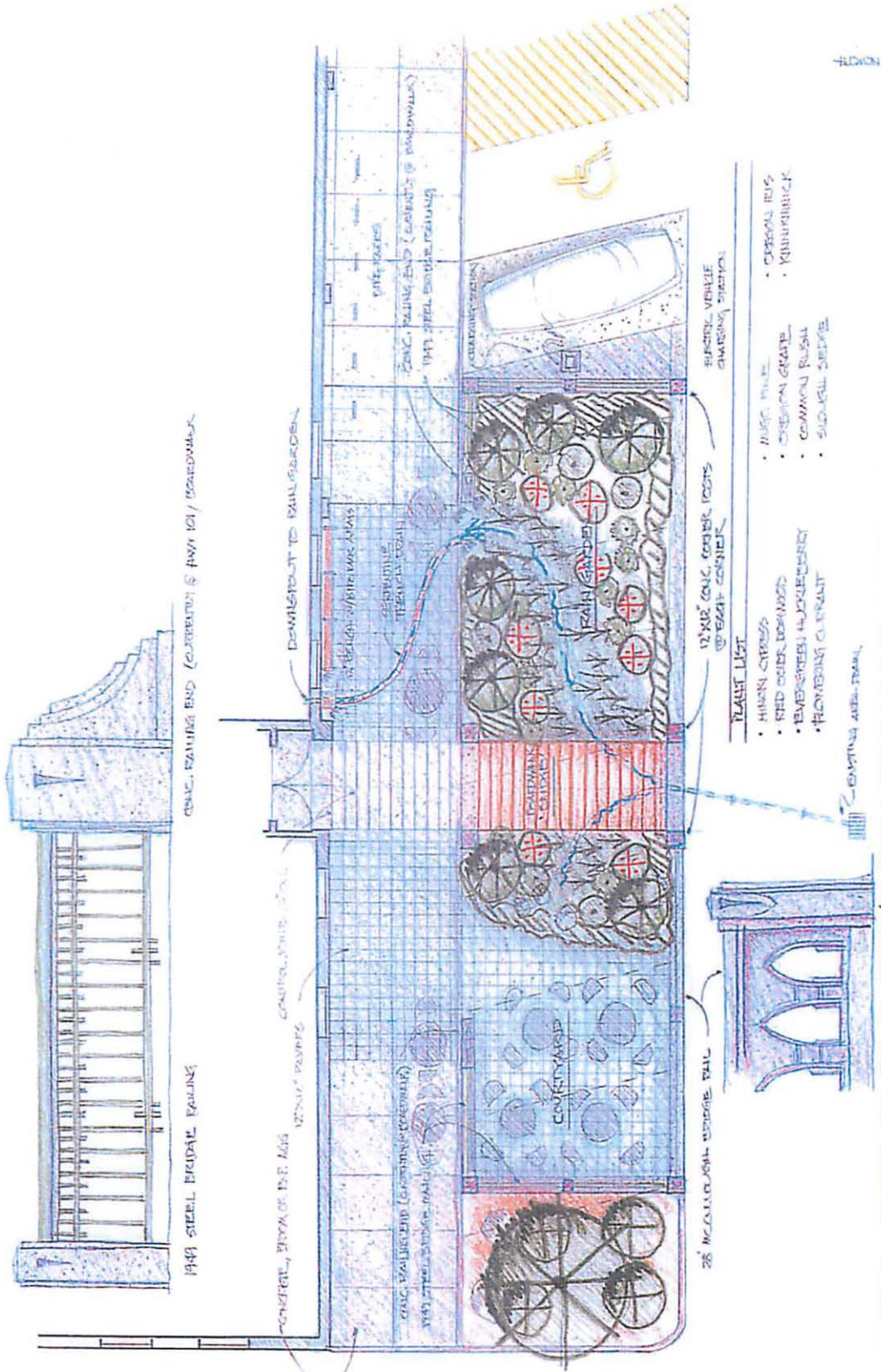
### **ATTACHMENTS:**

Location Aerial Photos  
Transit Transfer Station Concept  
Rain Garden Concept Plan









CONCRETE, BRICK OR TILE MASS

1949 STEEL BRIDGE RAILING

CONCRETE, BRICK OR TILE MASS

28' WOODEN JOHNSON VERGE PAIL

CONCRETE, BRICK OR TILE MASS

DOWNPOUT TO RAINGARDEN

CONCRETE, BRICK OR TILE MASS

COURTYARD

CONCRETE, BRICK OR TILE MASS

RAIN GARDEN

CONCRETE, BRICK OR TILE MASS

28' WOODEN JOHNSON VERGE PAIL

CONCRETE, BRICK OR TILE MASS

DOWNPOUT TO RAINGARDEN

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1/8" = 1' - 0"

4/20/16

CONCEPTUAL LANDSCAPE PLAN FOR RAIN GARDEN/COURTYARD • FORD BUILDING 245 S. 2ND AVE. ST. LOUIS, MO 63102  
 MIKE VAUGHAN LANDSCAPE DESIGN • 578 N. ANNE ST. ST. LOUIS, MO 63101 • TEL: 314.269.7059 / 314.214.4522 • [mikevaughanlandscape.com](http://mikevaughanlandscape.com)

1/8" = 1' - 0"