

CITY OF COOS BAY CITY COUNCIL
Agenda Staff Report

MEETING DATE March 18, 2014	AGENDA ITEM NUMBER
---------------------------------------	---------------------------

TO: Mayor Shoji and City Councilors

FROM: Rodger Craddock, City Manager *RC*

ISSUE: **Report and Request from the Coos Bay Boat Building Center**

BACKGROUND:

During community meetings held in 2008 for the development of the Hollering Place Development Concept Plan, the dream of a boat building center in Coos Bay began to emerge. The Urban Renewal Agency formed the Boat Building Center Board and appointed directors in June 2009. Since that time, the City/URA community members and consultants have come together in an attempt to make that dream become a reality. Through their collective work, a non-profit organization was formed - the Coos Bay Boat Building Center (BBC). The URA leased property in 2009 to house the BBC and entered into a three year management agreement with BBC in an effort to provide them financial support during their first few fledgling years.

In August 2010, the leased facility had to be vacated while the structure deficiencies involving the pier system were mitigated by the property owner and until the building at that location was brought up to code and prepared for use by the BBC. In May of 2011 after the owner of the facility repaired the pier system, the URA entered into an agreement to transfer the lease of the facility to the BBC and provided the owner of the facility \$100,000 to bring the building up to code (this agreement saved the URA approximately \$60,000). In January 2012, the City Council approved a revision to the management agreement with the BBC which provided the BBC with a monthly stipend of \$1,200 per month for the 2012 calendar year which would be lowered to \$800 per month for the 2013 calendar year. In March of 2013 the Council approved a request from the BBC Board to increase the monthly stipend of \$800 per month to \$1,000 per month for the remainder of the term of the agreement. The agreement ended in December of last year.

Jim Berg, President of the BBC Board of Directors, recently contacted me regarding the possibility of reinstating the management agreement with a monthly stipend of \$1,000 per month for an additional period of two years. Mr. Berg plans on making a presentation as part of this agenda item in which he will share what the BBC has been doing and to make a formal financial request on behalf of the BBC.

BUDGET IMPLICATIONS:

The impact to the budget would depend on the amount and duration of a management agreement if approved. The draft FYE 2015 currently does not include the requested expenditure.

As the Council is aware, the City has experienced and is expected to continue experiencing flat general fund revenues due to the effects of the recent recession while general fund expenses have risen. As revenues have not kept pace with expenditures, the Carryover balance has been depleted

to the point the City had to make some mid-budget corrections. Carryover funds are used to pay the City's financial obligations at the start of the budget year (July) through November at which time the City begins to collect property tax revenues. Given the current budget conditions, staff has worked to increase revenue and/or reduce expenditures in our current budget year in an effort to increase the end of year carryover funds by \$1.2M. While staff has made great strides in correcting this deficit, we are still challenged with securing an additional \$500,000 in next year's budget to insure the Carryover balance is adequate to cover the operational obligations of the City during the first quarter of the budget year.

ADVANTAGES:

The Boat Building Center has been considered a key component of the Hollering Place waterfront development project based upon the vision that it would serve as both an educational and recreational facility while preserving our community's boat building heritage.

The City's financial support for operational costs would be intended to help the Center be successful and fulfill the initial vision and their mission.

DISADVANTAGES:

While the Coos Bay Boat Building Center was started as an urban renewal project, the management stipend is not an eligible URA expense. The stipend for formally budgeted within Fund 5 Hotel Motel Tax. As the current budgeted expenses in the Hotel Motel Tax Fund exceed the expected transient tax revenue, the Council has adopted the current budget which requires transferring general fund resources to balance the budget. As was stated above, the City has experienced and is expected to continue experiencing flat general fund revenues while general fund expenses have risen making it challenging to maintain the core services provided by the City.

RELATED CITY GOAL:

Staff believes there are two goals to keep in mind when considering the proposal:

1. **Economic Development & City Revitalization:** To create a vibrant community for City citizens and entrepreneurs.
2. **Finance:** To adopt and maintain a sustainable budget that reflects City priorities and realizes current economic conditions.

ACTION REQUESTED:

Consider the request and provide staff direction in this matter.

Mission Statement

The Mission of the Coos Bay Boat Building Center is to honor and extend the maritime heritage of Coos Bay established by all of our ancestors by perpetuating the craft of building wooden boats.

Adopted: September 24, 2009



The old Hallmark Fisheries Plant
leased from Doug Devine

2009

A work in progress. The City funded essential repairs to the structure before it could be used for the Boat Building Center.

August 2011



The Boat Building Center re-opened
in December 2011



Coos Bay Boat Building Center
100 Nemark Ave
Coos Bay, Oregon



To honor and extend the maritime heritage of Coos Bay, established by all of our ancestors, by perpetuating the crafts of building wooden boats.



[Home](#) [Projects](#) [Boats](#) [History](#) [Affiliates](#) [Classes](#) [Library](#) [Donations](#) [Getting Involved](#) [About Us](#)

Coos Bay Boat Building Center Classes

Bring Us Your Ideas and Interests

Are you interested in constructing a canoe, a paddle, an oar or spar? The art of scrimshaw, making and sharpening tools, building a tool chest? How about a 6 hour canoe, ship modeling, a duffle bag, steps to buying a boat, boat handling and navigation, knot tying, boat restoration, soap making, calligraphy, etc...



Modeled after the Center for Wooden Boats in Seattle, WA, the initial plan for our Center was to have one boat building class after another, complimented by other craft classes.

What has become the new model of support has been given to us by the Coastal Celtic Society that asked to use the Center for building a traditional Irish curragh.

Thanks to Frank Murphy for initiating the idea and the patience to start the project. The type and number of classes is dependent upon the interest and requests made by members of the center and the community.



Coos Bay Boat Building Center
100 Nemark Ave
Coos Bay, Oregon



To honor and extend the maritime heritage of Coos Bay, established by all of our ancestors, by perpetuating the crafts of building wooden boats.



[Home](#) [Projects](#) [Boats](#) [History](#) [Affiliates](#) [Classes](#) [Library](#) [Donations](#) [Getting Involved](#) [About Us](#)

Getting Involved



Abundant volunteer opportunities are available at the CBBBC:

- Instruction
 - Lectures
 - Class helpers
 - Greeters
 - Clerical services
 - Supporting classes
 - Maintenance
 - And more...
- Help out in the tool shop or gift shop. Volunteer to help in the library. There is a steady stream of books donated to the library that need to be entered in the library listing.

