

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

January 5, 2016

The minutes of the proceedings of a regular meeting of the City Council of the City of Coos Bay, Coos County, Oregon, held at 7 p.m. in the Council Chambers at City Hall, 500 Central Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Crystal Shoji and Councilors Fred Brick, Jennifer Groth, Stephanie Kramer, Thomas Leahy, and Mike Vaughan. Councilor Mark Daily was absent. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Deputy Finance Director Amy Kinnaman, Library Director Sami Pierson, Community Development Director Eric Day, Public Works Director Jim Hossley, Fire Chief Mark Anderson, and Police Chief Gary McCullough.

Flag Salute

Mayor Shoji opened the meeting and led the Council and assembly in the salute to the flag.

Public Comments

Rob Taylor, Bandon: noted Oregon, Coos County, and Coos Bay voters approved marijuana sales (by law); suggested dispensaries had a right to commerce in Coos Bay; proposed citizens had a right to purchase recreational marijuana in a safe and controlled environment; noted the Oregon Liquor Control Commission had rules and regulations in place for recreational marijuana sales; requested the Council take his comments into consideration when deciding on the matter on January 19, 2016. Ken Folker, Coos Bay: expressed his thanks to public servants for all they had done for the community; stated the Eastern Oregon protestors did not have the right to occupy federal, state, or County land or buildings; suggested protestors should be arrested.

Consent Calendar

Mayor Shoji reviewed the consent calendar which consisted of 3a: approval of the minutes of December 18, 2015. Councilor Groth moved to approve the consent calendar approving the minutes of December 15, 2015. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Brick, Groth, Kramer, Leahy, and Vaughan voting aye. Councilor Daily was absent.

New Council Business

No new council business was presented.

Approval of an Awning to the Jennie Shoes Building

City Manager Rodger Craddock stated as a general rule, the City did not allow private structures to be built in the City's rights-of-way (ROW). However, there were a few privately owned structures within the City's ROW in the downtown area which were built by the City and were the remnants of the old downtown covered walkway canopy system. City Manager Craddock provided a brief history on the 1960 and 1970's era covered walkway in the downtown; noted in

City Council Minutes – January 5, 2016

the early to mid-1990s, nearly all of the canopies were removed. A few canopies were left intact at the request of the abutting property owners; noted building occupied by Jenny's Shoes was one of said properties. In 1995, with the approval of the City Council, the City entered into an agreement with the building owner, then Bill Rosencrantz, deeding over in essence the canopy and the maintenance responsibilities. In addition, the agreement contained a stipulation that changes to the canopy were subject to the approval of Design Assistance Team (DAT).

City Manager Craddock stated in 2012, City staff began communicating with the current owner, James Tarantino, about the need to address the deteriorating canopy structure and dangerous condition of the structural beams. In April of 2013, the building owner applied for a structural permit to replace the canopy. The permit was approved but was never picked up and subsequently expired in December 2013. City Manager Craddock advised at the time, Public Works and Community Development staff was unaware of the 1995 agreement; noted the original agreement was never recorded and it was possible the new owner was unaware of the agreement; noted the downtown area was not regulated by design standards.

In July 2014 the owner submitted the necessary permit applications to demo the existing canopy. The permit was picked up in November 2014 and the canopy was removed later that month, but the concrete columns were left in place. In March 2015, an application was submitted to construct a new canopy, based on the design which had been previously submitted in 2013. The application was conditionally approved, but later denied as the applicant failed to submit the additional information requested. In the summer of 2015, staff discovered the 20-year-old canopy agreement when preparing to abate/remove the cemented columns. Letters were sent to the building owner advising him of the City's intent to remove the columns should he fail to replace the canopy within a reasonable time. The building owner was also advised of the canopy agreement between the City and the previous owner and any proposed design which differed from the original canopy design would require approval of the DAT as per the Council approved agreement.

In October 2015 an application was submitted by Butch Schroder, on behalf of the building owner, which included an updated design. The DAT met later that month and reviewed the submitted design. The DAT did not approve the proposed canopy design as they did not believe it was appropriate for the building or the downtown area. City Manager Craddock meet with Butch Schroder in November 2015 to discuss history of the canopy, permit applications, and the DAT's decision; advised the previously approved application was done in error as staff at that time was unaware of the 1995 agreement. In light of the error and in an attempt to find some resolve, City Manager Craddock authorized the following alternatives for the building owner's consideration (as memorialized in a letter sent to Mr. Tarantino and Mr. Schroeder on November 17th):

1. Through its Urban Renewal Program, the City would give the applicant \$2,500 for previous and any needed additional design work to replace the column supported awning with the same awning in type and design as was there previously. A ROW and structural permit would be needed for this option. Funds would not be released until completion of the awning placement.
2. Through an Urban Renewal Program, the City would give the applicant \$7,500 to put in place a structure supported awning. The design must be approved by the City Manager.

City Council Minutes – January 5, 2016

A ROW and structural permit would be needed for this option. Funds would not be released until completion of the awning placement.

3. Through the City's Urban Renewal Program, up to \$25,000 in matching funds could be given to the applicant for facade features such as windows, awnings, etc... Staff would be happy to help walk the applicant through the process and program requirements.
4. The City would remove the columns at its expense if option 2 or 3 was chosen and/or if no action was taken.

City Manager Craddock stated Mr. Tarantino chose option #1 and had Mr. Schroder submit an updated design on December 7th. The DAT met on December 17th and reviewed the submitted design. Consensus of the DAT was not to recommend the proposed awning/canopy design. If a higher authority wished to consider the project, then the DAT recommended the awning on North 3rd Street be centered over the door at ground level and the upper windows and that lighter framing and roof color be used on the awning/canopy. The DAT recommend a color scheme compatible with the building. Upon conclusion of the DAT's December 17th meeting, Mr. Schroder advised staff that Mr. Tarantino requested to appeal the decision to the Council.

Councilor Kramer inquired if the awning could be grandfathered. City Manager Craddock advised it was not a "grandfathered" issue noting there was an agreement between the City and building owner. Councilor Groth inquired what would happen if the project did not come to fruition. City Manager Craddock recommended drafting a new agreement to include replacement, repair, and maintenance requirements and/or if no action the City would remove the concrete columns, all at the owner's expense. Councilor Vaughan agreed with the DAT's assessment but noted the owner was attempting to restore/maintenance existing infrastructure; recommended supporting restoration efforts; suggested implementing design standards in the downtown. Councilor Brick, Kramer, and Leahy were in favor of authorizing the new awning. Mayor Shoji noted there were no clear or objective design standards in the downtown and as such, felt the Council did not have a right to hinder privately funded improvements.

Mayor Shoji moved to approve the latest design constructed and supported by columns within the ROW with the stipulation that the building owner and the City enter into a new agreement which contained language that the City retained the right to remove the structure, in whole or in part, and at the building owners expense, if needed to undertake a public works project in the ROW or if the building owner failed to maintain the structure in a safe and proper manner. Councilor Kramer seconded the motion. Councilor Vaughan recommended the Council work on setting design standards for the downtown. A call for the question was made which carried with Mayor Shoji and Councilors Brick, Groth, Kramer, Leahy, and Vaughan voting aye. Councilor Daily was absent.

Consideration of Removal of City Lien on the Park West Apartment Property Located at 1055 Anderson Avenue

City Manager Rodger Craddock stated in September 1992, the City of Coos Bay purchased the property at 1055 Anderson Avenue for the development of an affordable housing complex by what is now known as Oregon Coast Community Action (OCCA). In addition, the City applied for and received Community Development Block Grant (CDBG) funds for site improvements.

City Council Minutes – January 5, 2016

As part of the conditions placed on the City through the acceptance of the CDBG funds, the City was required to condition the transfer of the site to (OCCA). Based on a 1993 memorandum to the Council from the City Attorney at the time, one of the CDBG stipulations required the City to require OCCA to maintain the multi-family housing project as affordable low-income house for a period of 50 years. Both the City and OCCA agreed to the requirement which was secured by a second deed of trust (lien) on the property when the property was conveyed to OCCA in 1993. On December 7, 2015, the City received a letter from OCCA's Executive Director Michael Lehman asking the City to consider removing the lien which was complicating their desire to refinance the loan. City Manager Craddock stated he and the City Attorney reviewed the 20 plus year old documents and we were unable to find any specific information on the "50 year requirement." Based on current relevant federal regulations involving the use of CDBG funds, the requirement to maintain the use for which the funds were granted was only five (5) years. City Manager Craddock stated he contacted CDBG Regional Coordinator Becky Bryant who confirmed the City had met the requirements of the grant and could remove the lien if they chose to do so. Councilor Brick moved to approve the removal of the City's lien on the OCCA property located at 1055 Anderson Avenue. Councilor Groth seconded the motion which carried with Mayor Shoji and Councilors Brick, Groth, Kramer, Leahy, and Vaughan voting aye. Councilor Daily was absent.

Consideration for Award of Contract to Stuntzner Forestry and Engineering, LLC for the City's 2016 Timber Sale

Public Works Director Jim Hossley stated on August 20, 2013, City Council awarded a contract for Forestry Management Services to Stuntzner Forestry and Engineering, LLC. The Contract was for two City timber sales and also covered any additional services required relating to forestry management throughout the duration of the contract. To date, the City had conducted one sale under the contract (2014 timber sale). In preparation for the upcoming 2016 timber sale, Stuntzner performed a preliminary investigation and recommended three units comprised of 51 acres. If approved, Stuntzner would prepare a prospectus for the sale and advertise to bid in February. Total estimated cost for Stuntzner to conduct the preliminary investigation, bid for the 2016 Timber Sale, manage the logging, procure seedlings, and bid and manage the plantings was \$57,260; staff recommended a 10% contingency fee for total contract amount of \$62,986. Councilor Kramer moved to award the timber management services contract for the City's 2016 timber sale to Stuntzner Forestry and Engineering, LLC for an amount not to exceed \$62,986. Councilor Groth seconded the motion. Councilor Vaughan expressed concern about the proposed administration/management costs. City Manager Rodger Craddock suggested the costs were market dependent; noted proposed expenses were consistent with historical costs. A call for the question was made which carried with Mayor Shoji and Councilors Brick, Groth, Kramer, Leahy, and Vaughan voting aye. Councilor Daily was absent.

City Attorney's Report

No comments were given.

City Manager's Report

City Manager Rodger Craddock reminded Council of upcoming goal setting meeting scheduled for January 19th; noted there were three openings on budget committee and only two

City Council Minutes – January 5, 2016

applications had been received. Public Works Director Jim Hossley announced preconstruction work began on Empire Boulevard project.

Council Comments

Councilor Brick noted Knife River recently repaired the road in front of his home; expressed thanks to Knife River for volunteering their time and for giving back to the community; stated he would like to see more use of wind powered energy in Coos Bay. Councilor Groth noted the League of Oregon Cities was holding Land Use Planning training in Coos Bay on February 29th. Councilor Kramer Inquired if the State was taxing recreational marijuana sales whereby City Manager Rodger Craddock affirmed the State was taxing recreational marijuana sales; thanked City staff for their hard work and extra efforts during the recent storms. Councilor Leahy stated he recently joined with Public Works staff to survey flooding around town; stated it was informative and encouraged the Council to take the same opportunity. Mayor Shoji stated Senator Merkley was scheduled to speak at Myrtle Point High School at 9 a.m. on Friday, January 8th.

Adjourn

There being no further business to come before the Council, Mayor Shoji adjourned the meeting. The next regular Council meeting was scheduled for January 19, 2016 in the Council Chambers at City Hall.

Crystal Shoji, Mayor

Attest: _____
Susanne Baker, City Recorder