

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

April 15, 2014

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, Councilors Mark Daily, Jennifer Groth, Stephanie Kramer, Thomas Leahy, and Mike Vaughan. Councilor John Muenchrath was absent. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Susanne Baker, Deputy Finance Director Amy Kinnaman, Community Development Director Eric Day, Public Works Director Jim Hossley, Battalion Chief Dan Crutchfield, and Police Captain Chris Chapanar.

Flag Salute

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

Councilor Vaughan entered the meeting.

Public Comments

Cricket Soules, Coos Bay: provided an update on Marshfield Cemetery noted on April 25th Marshfield students would be holding a "Spud Supper" fundraiser to help raise funds for fencing at the cemetery.

Councilor Daily entered the meeting.

Consent Calendar

Mayor Shoji reviewed the consent calendar which consisted of 3a: approval of the minutes of April 1, 2014; 3b: acceptance of the March 2014 accounts payable and payroll check registers; and 3c: acceptance of the March 2014 combined cash report. Councilor Kramer requested item 3a: approval of the minutes of April 1, 2014 be brought down to the agenda as item 4a for further consideration. Councilor Groth moved to approve the consent calendar as amended accepting the March 2014 accounts payable and payroll check registers, and accepting the March combined cash report. Councilor Vaughan seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Leahy, and Vaughan voting aye. Councilor Muenchrath was absent.

New Council Business

Councilor Leahy asked the Council to adopt a proposed draft proclamation for designating Coos Bay – The Tall Ship Port of Oregon; clarifying it was the Bay of Coos not the City of Coos Bay. Councilor Kramer moved to approve the proclamation and to approve the Mayor Shoji signing the finished copy of the proclamation. Councilor Groth seconded the motion. Councilor Leahy read the proclamation aloud. Mayor Shoji asked Katherine Hoppe with the Visitor Convention Bureau (VCB) to provide the Council with an update as to the VCB's promotion of the Tall

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Ships. Ms. Hoppe stated she was researching and would be sending out options to the VCB Board in the next few days. A call for the question was made which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Leahy, and Vaughan voting aye. Councilor Muenchrath was absent. Councilor Daily asked if Councilors or staff could meet with the Coast Guard and other property owners located on the waterfront across from the Red Lion Hotel to request they look into options for improving the appearance of their site(s).

Review of the Minutes of April 1, 2014

Councilor Kramer inquired as to the vote on the section of the April 1, 2014 minutes whereby Mayor Shoji moved to ratify Bill Lansing, Joanne Verger, and John Whitty as the initial directors. Councilor Kramer stated she thought Councilor Leahy voted nay and Councilor Vaughan voted aye. Councilor Leahy confirmed he voted aye as noted in the April 1, 2014 minutes. Councilor Kramer moved to approve the minutes of April 1, 2014 as presented. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Leahy, and Vaughan voting aye. Councilor Muenchrath was absent.

Public Hearing to Consider Approval on a Moratorium on Medical Marijuana Facilities – Approval Would Require the Enactment of the Draft Ordinance

Mayor Shoji expressed concern about the proposed ordinance noting it was generic and did not include the reason the City was issuing a moratorium (to develop land use standards). City Manager Rodger Craddock stated on January 21, 2014 the Council enacted Resolution 14-03 creating a moratorium against allowing marijuana dispensaries (MMD's) within the City until January 1, 2015. After doing so, the State signed into law Senate Bill 1531 (SB 1531) which purported to restrict local government regulation of medical marijuana facilities to only time, place, and manner restrictions unless a city enacted an ordinance declaring a moratorium and notified the Oregon Health Authority (OHA) of such moratorium by May 1, 2014. Mr. Craddock stated there were a number of jurisdictions in Oregon enacting moratorium ordinances in effort to develop a process to create land use and business regulations concerning MMD's.

In order to be compliant with SB 1531, the City Attorney advised the City would need to pass an ordinance establishing a moratorium on MMD's in Coos Bay; suggested using the model ordinance crafted by the League of Oregon Cities (LOC). Councilor Vaughan inquired if the land use standards could be implemented in six months whereby Community Development Director stated six months would be best case scenario stating it would take time to staff to develop the Ordinance in addition the required four month process for land use review. Councilor Daily expressed concern about the conflict between federal and state laws over marijuana use and dispensing. City Attorney Nate McClintock stated the federal government still recognized marijuana as a class one narcotic and illegal to possess; under Oregon law there could be litigation by the State or local citizen if the moratorium came to an end and a jurisdiction continued to refuse MMD's.

Mayor Shoji opened the public hearing. No public comments were given and the hearing was closed. Councilor Groth moved to enact the proposed ordinance declaring a moratorium on medical marijuana facilities and declaring an emergency. Councilor Kramer seconded the motion. Councilor Daily was in favor of supporting the moratorium from a land use perspective. Mayor Shoji noted the Council's reason for enacting the proposed ordinance was primarily to

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develop a process to create land use regulations. Deputy Finance Director Amy Kinnaman read the ordinance by title only and Ordinance No. 457 was enacted by the following vote:

Aye:	Mayor Shoji and Councilors Daily, Groth, Kramer, Leahy, and Vaughan
No:	None
Absent:	Muenchrath

Approval of the Revised Resolution Regulating Transient Business – Approval Would Require Adoption of Resolution 14-06

City Manager Rodger Craddock stated per the direction of the City Council, staff made requested changes to the City's transient vendor rules which were adopted through Resolution 13-02 by the Council on February 19, 2013. The proposed changes were: adding City parking lot E to the list of eligible locations to conduct "transient business" (vendor carts/truck) activities; adding in the provision that a "transient business" could park near a competing business (within 50 feet of their location) if they received written permission from the competing business owner(s). Mr. Craddock presented the Council with Resolution 14-06 for consideration along with three maps providing different options for approved transient vendor usage. Councilor Vaughan suggested moving food vendors closer to the proposed transportation transfer station on the east side of lot E. Mayor Shoji and Councilor Kramer expressed concern about the lack of usable parking spaces. Councilor Leahy suggested moving food vendor carts closer to 2nd Street in lot E. Carmen Matthews, Coos Bay: stated he was the owner of Seven Devil's Brewing Company; noted increased use of lot E; suggested the middle section of lot E had the least amount of use throughout the day; stated he was in support of vendor carts; suggested the \$75 one time vendor cart fee was inadequate to cover the cost of use of the proposed parking space designated for use by vendor carts; suggested vendor carts use should be between property owners and vendor cart owners. Brian Menton, Coos Bay: stated other Oregon cities required vendor cart use on privately owned property and/or designated public owned land (not parking lots). Council Groth suggested there was no demand to make changes to the regulation of transient business. No decision was made.

Approval of an Intergovernmental Agreement (IGA) for the Urban Renewal Agency (URA) Du Jour Financing 2014 – Approval Would Require Adoption of Resolution 14-07

Finance Director Susanne Baker stated per ORS 457, the Oregon Constitution and as confirmed by the City's Urban Renewal Agency Consultant, Elaine Howard and the Association of Oregon Revitalization Agencies (AORA), tax increment Urban Renewal revenue could only be spend on debt service. To convert the tax increment revenue received by the URA into debt service, the URA would initiate a loan from the City and immediately repay the debt in a du jour financing. The loan proceeds received by the URA would then be available to be expended on capital projects as set forth in the budget. To complete the process, Ms. Baker presented an IGA between the City and URA and a resolution for the Council's approval. The proposed IGA and resolution would authorize up to \$406,626 in du jour financing budget projects; \$350,180 for the Empire District and \$56,446 for the Downtown District. Councilor Groth moved to adopt Resolution 14-07. Councilor Kramer seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Leahy, and Vaughan voting aye. Councilor Muenchrath was absent.

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Approval of an Award of Contract for a Realtor of Record

Finance Director Susanne Baker stated the Council/Agency recently approved the Finance Committee's recommendation to sell the 4.46 acre parcel on North Morrison and the property on Bayshore known as the "Red Neck Motors"; noted to date, no offers had been received on the proposed properties. To market and encourage sale of these properties, staff solicited a Request for Proposal (RFP) for a Realtor of Record. Two proposals were received on March 19th from Pacific Properties and Windermere/North Point Realty. Of the two proposals, Windermere/North Point Realty did not submit all required information as noted in the proposal requirements (certificate of insurance and copies of real estate agent/broker licenses), which was the basis for not considering their proposal. The proposal submitted by Pacific Properties met all of the RFP requirements and included an 8% commission. Staff recommend approval of award to Pacific Properties due to the responsiveness and compliance with the RFP requirements. Councilor Kramer moved to award the Realtor of Record contract to Pacific Properties. Councilor Groth seconded the motion. Councilor Vaughan suggested a commission of 8% was high whereby Ms. Baker stated there were no rules regulating commission percentage or dollar amounts. A call for the questions was made which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Leahy, and Vaughan voting aye. Councilor Muenchrath was absent.

Approval of a Contract for a Financial Advisor of Record

Finance Director Susanne Baker stated in 2009 the City of Coos Bay solicited a Request for Proposal (RFP), approved a Financial Advisor of Record contract with Western Financial, and executed one additional extension for two years, which was due to expire in April 2014. Staff solicited RFP's for a Financial Advisor of Record to assist in long term debt management with specific experience in public financing. Proposals were received from the following four firms: D.A. Davidson & Co., PFM Group, Western Financial Group, and Wedbush Securities Inc.; noted all four firms qualified for award based upon the proposal requirements. Ms. Baker stated all of the firms were well known and respected, capable of providing the services, would provide services from their Portland offices, and had extensive experience in public financing long term debt for projects such as urban renewal and infrastructure. The fees of each firm were relatively the same when an example bond issuance cost was calculated. Staff heavily considered the City's long term strategic debt management plans and how awarding the Financial Advisor contract would help accomplish those goals. The Financial Advisor would be relied upon to explore and recommend long term financing options which included possible changes to the City Charter to allow the use of revenue bonds to finance infrastructure improvements.

Ms. Baker stated of the four firm's experience, Wedbush Securities Inc. provided staff unsolicited financing options over the last several years such as possible loans through the Oregon Department of Transportation and changes in the bond structures through the State of Oregon. Wedbush Securities evidenced their willingness to help with the City's Charter constraints and this type of consulting would prove valuable over the next several years. Because of staff's experience with Wedbush Securities Inc., staff recommended awarding the contract to Wedbush Securities Inc. to help meet the City's long term debt strategic planning needs. Councilor Daily inquired as to the purpose/need for a financial advisor of record. Ms. Baker stated having a financial advisor of record would expedite use services to assist in the future financing needs of the City. Councilor Daily inquired if the City would be limited to only

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using the proposed financial advisor of record whereby City Manager Rodger Craddock stated use of other financial services was at the discretion of the City. Councilor Groth moved to award the Financial Advisor of Record contract to Wedbush Securities, Inc. Councilor Daily seconded the motion which carried with Mayor Shoji and Councilors Daily, Groth, Kramer, Leahy, and Vaughan voting aye. Councilor Muenchrath was absent.

Doing Business in Coos Bay

City Manager Rodger Craddock clarified the matter for consideration was an update on doing business with the City of Coos Bay. Public Works Director Jim Hossley shared with the Council a 2008 assessment completed by Building Department, LLC which concluded the City building department showed a high degree of competency and customer satisfaction. To further gauge customer satisfaction between the years of 2009 and pre-2013 staff regularly sent surveys to customers after completion of projects and/or permits; feedback also showed a high degree of customer satisfaction. Community Development Director provided a brief overview of a report prepared by the Community Development and Public Works Departments detailing recent improvements, self-assessments, staff qualifications, and staff bio's. Councilor Leahy inquired about the pre-application process whereby Mr. Day explained the pre-application process noting the applicant was provided a checklist with the necessary steps required to complete the process. Councilor Vaughan suggested including incentives for landscaping and/or site improvements with the building process. Councilor Daily stated as a Coos Bay business owner and resident he thought complaints were derived from applicants not familiar with the process; suggested offering a quarterly class to local residents to help them better understand the process; suggested the City was only willing to protect their budget and the first response from the Public Works Department was more often "no". Mayor Shoji recommended implanting a City goal for staff to provide the Council reports of useless/meaningless code. No decisions were made.

Consideration of Changing City Council and Urban Renewal Agency Meeting Dates

City Manager Rodger Craddock stated during the April 1, 2014 Council meeting, Councilor Daily requested the Council consider changing their bi-monthly meetings from the first and third Tuesday's of each month and consider the meeting on another night of the week. Mr. Craddock reviewed the City Charter and Rules of the City Council and noted the following: City Charter, section 4.1 required "the Council shall hold a regular meeting at least twice each month at a time and at a place in the City which it designates..."; Rules of the City Council, section 2.1.1 stated: "the Council shall hold two regular meetings of the first and third Tuesday of each month except in those cases where the Council finds it necessary to designate another date due to conflicts"; and pursuant to Section 1 of Rules of the City Council, "amendments shall be adopted by ordinance as required by the Charter. Councilors Groth, Kramer, Leahy, and Vaughan had no specific preference on whether or not to change the date of the Council meeting. Councilor Daily was in favor of moving the meeting to Mondays. Mayor Shoji stated she had other commitments and was not able to change the day of the Council meetings. Councilor Daily moved to change the meeting date to Monday after the next election. Councilor Kramer seconded the motion which failed with Councilors Daily and Kramer voting aye and Mayor Shoji and Councilors Groth, Leahy, and Vaughan voting nay. Councilor Muenchrath was absent.

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City Attorney's Report

No comments were given.

City Manager's Report

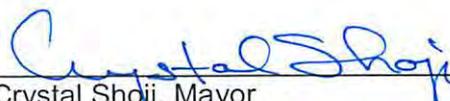
City Manager Rodger Craddock announced a way-finding sign dedication was schedule for 4:00 p.m. on Friday, April 18th at the Visitor Information Center; Budget Committee meetings were scheduled for 7:00 p.m. on April 17th, 22nd, 24th, and 29th in the Council Chambers at City Hall City Cleanup Day scheduled for April 26th from 10 a.m. to 3 p.m.; Tall Ships were scheduled to arrive in Coos Bay on May 1st through May 11th; South Coast Development Council would be holding a meet and greet as part of their selection process for a new executive director which was scheduled for April 23rd from 5:30 p.m. to 7: 30 p.m. at Mill Casio; Coos Bay Annual Brush Pickup Day scheduled for May 5th; Infrastructure Town Hall meetings were scheduled for noon on May 13, 2014 at the Coos Bay Library and 6:00 p.m. on May 14, 2014 at Sunset Middle School.

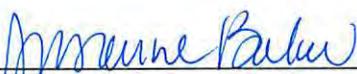
Council Comments

Councilor Leahy stated last Saturday he attended the Pacific Northwest Waterfront and Heritage Council meeting hosted by Foss Waterway Seaport; was impressed to see the results of the Foss Waterway Superfund cleanup project. Councilor Groth updated the Council on the Community Enhancement Plan Work group; noted new bylaws were drafted and posted on the Port of Coos Bay's website; encouraged the Council to follow the process and to continue to ask questions. Councilor Daily welcomed two new businesses to the area: Still Wagon Distillery and Ace Hardware Store. Councilor Vaughan stated he toured the forest around the Coos Bay-North Bend Water Board; noted he was impressed with what he saw including forest management. Mayor Shoji stated she had requested for the Visitor Information Center (VIC) to be open during the time period when the Tall Ships were in town; noted she would be volunteering at the VIC and encouraged other Councilors to do the same.

Adjourn

There being no further business to come before the Council, Mayor Shoji adjourned the meeting. The next regular Council meeting was scheduled for May 6, 2014 in the Council Chambers at City Hall.


Crystal Shoji, Mayor

Attest: 
Susanne Baker, City Recorder