

**MINUTES OF THE PROCEEDINGS OF A JOINT
CITY COUNCIL AND URBAN RENEWAL AGENCY WORK SESSION**

December 27, 2016

The minutes of the proceedings of a joint City Council and Urban Renewal Agency work session of the City of Coos Bay, Coos County, Oregon, held at 5:30 p.m. in the Myrtlewood meeting room at the Coos Bay Public Library, 525 Anderson Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Joe Benetti and Councilors Lucinda DiNovo, Stephanie Kilmer, and Phil Marler. Councilors Drew Farmer, Jennifer Groth, and Stephanie Kramer were absent. City staff present were City Manager Rodger Craddock, Library Director Sami Pierson, Public Works Director Jim Hossley, and Community Development Director Eric Day.

Mayor Benetti opened the meeting and stated the purpose of the meeting was for an informal review of the upcoming January 3, 2017 council agenda.

Rate Adjustment for Land Use and Planning Fees

Community Development Director Eric Day stated the City of Coos Bay had three main types of development fees: building, planning (right-of-way, site development, etc.), and land use fees. Mr. Day stated the City's general fund was currently subsidizing the true cost of land use and planning fees; estimated only 20 to 30% of cost was paid by the end users/applicants. Locally, the City of North Bend had lower fees than Coos Bay but North Bend was also looking at raising both their land use and building department fees to be more in line with their true cost to review. Coos County based their fees on true cost of review at an average dollar per hour fee of \$85 versus the \$70 per hour fee Coos Bay proposed.

City Manager Rodger Craddock stated staff was looking for direction from the Council as to whether to raise planning and land use fees or continue to have the general fund subsidize the costs. Councilor DiNovo noted the City of Coos Bay had worked hard to overcome the perception that it was difficult to do work in Coos Bay and questioned if staff had done due diligence to ensure it was appropriate to raise rates. City Manager Craddock stated the City hired John Hitt to perform an in-depth study on where the negative perception was coming from and how to become more business friendly. Out of that study, all those who were interviewed recommended the City should raise building code fees to ensure the City had adequate staff to provide timely reviews. Also in 2007 or 2008 the Coos Bay along with other cities throughout Oregon placed a moratorium on system development charges (SDC's) to help encourage economic development. League of Oregon Cities studied the SDC moratorium and determined it had no effect on economic development; SDC costs were minimal, the state of the economy had the greatest impact on building and economic development.

Mayor Benetti stated there was still a general negative perception of Coos Bay's building and planning process, was not sure what needed to be done, but recommended the matter should be addressed. Mayor Benetti suggested Coos Bay's rates should align with North Bend's rates. City Manager Rodger Craddock stated staff did research and attempted to address all known complaints. Councilor DiNovo recommended the City market and promote the City's efforts to listen and make improvements to address citizen concerns. City Manager Craddock

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recommended using the Bay Area Chamber of Commerce (BACC) Business Committee to help address the issues.

Councilor Marler acknowledged fees needed to be increased but expressed concern about doubling or tripling the fees. Councilor Kilmer and DiNovo suggested the City needed to market itself better. Consensus was to market the City improvement efforts and implement a phased rate increase of 20% (above current rates; or rate decrease as recommended by staff) this year and possibly another 20% increase next year.

Committee Openings

City Manager Rodger Craddock stated there were committee openings on the Planning Commission and Library Board. The application period ended last week. Two applications were received for the one opening on the Library Board. The Planning Commission also received two applications. City Manager Craddock stated the Council had already interviewed the Library Board applicants and questioned if they wanted to interview the Planning Commission applicants; noted one of the Planning Commission applicants did not reside in Coos Bay on a year-around basis. Consensus was not to interview since only one applicant met the qualifications and to make appointments at the next council meeting.

Old Wireless Lane Property Purchase

City Manager Craddock stated the prior City Council approved the purchase of property located on Old Wireless Lane. In 1998, there was an amendment to the City's Urban Growth Boundary (UGB), and a subsequent annexation of 1.54 acres in the area commonly known as the Old Wireless Lane. At the time there were five dwellings that existed along the street. The request for the expansion of the UGB and annexation was prompted by the need of the homeowners to connect to the City sewer system as the septic sewer systems in that area were deemed a public health hazard by the Department of Environmental Quality (DEQ). In January 2006, the area flooded due to a combination of extremely high tides during a storm event. All of the homeowners in the area, with the exception of one, sold their properties through a voluntary buyout program funded by the Federal Emergency Management Agency (FEMA). Due to additional flooding in December 2015, the last remaining homeowner decided to sell utilizing FEMA's buyout program. Through this process FEMA would pay 75% of the cost to purchase; the prior Council approved the City to spend up to \$42,500 to cover the City's 25% portion. The amount approved by the Council back in August 2016 did not include closing and demolition costs; total city cost share was \$47,403.37. City Manager Craddock noted the demolition would also include a wastewater pump station which serviced the home. The deadline to close on the property was December 30, 2016 as required by FEMA. Approval for the additional expenditure after-the-fact would be brought to the Council for approval at the January 3, 2017 meeting.

Status of the Library Facility

City Manager Craddock stated the Coos Bay Library foundation was failing and it was unknown how long the building would last; noted the building was not deemed dangerous in its current state. City Manager Craddock estimated it would take one to one and a half years to rehab the building and those repairs would only address the foundation; during that period the City would be without a Library. The needs assessment provided the City with valuable information (future

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requirements, trends, required space, and layout); the overall problem was the \$20 million cost estimate to build based on the needs assessment. City Manager Craddock recommended the Council consider allowing staff to ask local architect Joe Slack to provide a second opinion on the cost estimate.

Public Works Director Jim Hossley stated the 2012 investigations / evaluations determined the existing library building foundation pilings were inadequate to support the structure; and groundwater fluctuation could also be deteriorating the top timber pilings which might also contribute to the settlement. An estimate for installing the necessary micropiles (over 200) to stabilize the foundation was slightly over \$6.3M (2014 dollars). A current estimate put the price in the \$8.5 million range; the estimate was limited to the foundation mitigation, and it did not include the necessary repairs of other facility issues (failing roof, replacement of the facility HVAC system, electrical, etc.). In 2014 the cost to replace the building was estimated at \$6.6 million. As mentioned by City Manager Craddock, staff requested approval to seek a second opinion review of the needs assessment cost estimate (of \$20 million) in order to determine if it was more cost effective to build a new facility or repair the existing structure.

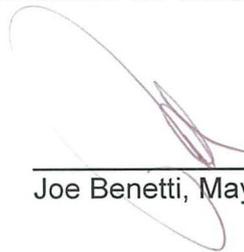
Library Director Sami Pierson stated the Library's three-year strategic plan focused on services, but the number one thing identified by the community was a new facility in order to provide those services which included more meeting and gathering spaces. The needs assessment also identified the need for more square footage to allow for more flexibility and the ability to adapt as technology and needs changed. City Manager Craddock advised under state law given the buildings proposed capacity, the City could not construct the building within the tsunami inundation zone; noted with the exception of wastewater, the Library was the most highly used service the city provided. Coos Bay Library Board Member Bob More questioned the reasonableness and feasibility of fixing a failing building that was located it was in the tsunami inundation and liquefaction zone. City Manager Craddock recommended the Council take a tour of the existing Library building to view the extent of the needed repairs. No decisions were made.

Adjourn

There being no further business to come before the Council, Mayor Benetti adjourned the meeting. The next regular Council meeting was scheduled for January 3, 2017 in the Council Chambers at City Hall.

Attest:


Susanne Baker, City Recorder



Joe Benetti, Mayor