

## **MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL**

**September 4, 2007**

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 Jeff McKeown and Councilors Michele Burnette, Mark Daily, Jon Eck, Stephanie Kramer, and John Muenchrath. Councilor Roger Gould was absent. City staff present were City Manager Chuck Freeman, Clerk to the Council Jackie Mickelson, City Attorney Nate McClintock, Assistant City Manager Joyce Jansen, Public Works and Development Director Jim Hossley, Finance Director Janell Howard, Fire Chief Stan Gibson, Assistant Library Director Ellen Thompson, and Police Chief Eura Washburn.

### **Flag Salute**

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

### **Consent Calendar**

Mayor McKeown reviewed the consent calendar which consisted of the approval of the August 21, 2007 minutes, approval of an OLCC change of ownership license for the Blue Moon Restaurant and Lounge; approval of an application for a card room license for Gregory Rudolf, dba Mak's Old City Hall Lounge, and an initiation of the process and setting a public hearing on the proposed vacation of a portion of Howard Street. Councilor Eck moved to approve the consent calendar as presented. Councilor Burnette seconded the motion which carried with Mayor McKeown and Councilors Burnette, Daily, Eck, Kramer, and Muenchrath voting aye. Councilor Gould was absent.

### **Public Hearing on a Proposed Transient Room Tax Increase and Consideration of Enactment of the Ordinance Implementing the Increase**

Councilor Kramer declared a potential conflict of interest and excused herself from the hearing. Councilor Burnette disclosed she served on the Board of Directors for CEDCO. Mayor McKeown opened the public hearing. Gregg Mindt, President of the Oregon Lodging Association, requested the Council consider working with the lodging industry on tax increases. Mr. Mindt reported State law had very restrictive tax uses, and briefly reviewed the tax usage bill approved in 2003. He further requested the City consider reviewing the current tourism industry and marketing plan. Gordon Joelson, Edgewater Inn, expressed his concern for the tax increase and commented 65% of his business was corporate accounts. Mr. Joelson commented it was important to have the same tax rate of North Bend and felt he was already competing with the Mill Casino. Joseph Monahan, Red Lion Inn, expressed his concern on losing business to North Bend and commercial accounts if the City raised the tax rate, and reported recently his room rates were increased because of improvements. He further commented he would need to lay off employees and would not be able to donate as much to local charities. Ms. Howard briefly reviewed the distribution of the room tax and current spending areas. Katherine Hoppe, Coos Bay/North Bend Tourism Promotions Committee

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Director, reported the Promotions Committee had been working very hard to promote the area, and thanked the Council for keeping the Promotions Committee at the same percentage in their budget. Ms. Hoppe reported there had been an increase in tourism every year since 1993. Nathan Mischel, Best Western Holiday Motel Manager, reported the Northern area of Oregon was a tourism area and they don't rely on commercial business. He reported this area was steadier in the winter with business accounts and less in the summer with tourism; and reported approximate 70% of his guests never ask for a tax rate, but expressed his concern for losing business from those who did. Finance Director Janell Howard reported if the City approved the tax increase, a 5% administration fee would be paid which is not being paid at this time.

Hearing no further comments, the public hearing was closed. Mayor McKeown commented he would not like the motels at a disadvantage with the City of North Bend; and commented the City was working on enhancing the downtown area to encourage tourism. There was discussion by the Council on the percentage of the tax increase, putting the Coos Bay motels at a disadvantage, and attempting to get more support from the surrounding areas. Councilor Burnette commented she was not in favor of the tax increase at this time. Councilor Daily moved to approve a 2% room tax increase. Councilor Muenchrath seconded the motion which failed with Councilors Daily and Muenchrath voting aye and Mayor McKeown and Councilors Burnette, and Eck voting no. Councilor Kramer abstained from voting. Councilor Gould was absent.

### **Consideration of an Approval to Establish a System Development Charge Waiver Policy**

Mayor McKeown reported there was a slight suggested language change in Resolution 07-24. City Manager Chuck Freeman reported the draft resolution was to provide guidelines for owners or developers who met certain criteria to petition the Council to waive or reduce the System Development Charges (SDCs). Mr. Freeman commented this was to help reduce the cost for non-profit organization and to help the community. Councilor Burnette suggested having an application process. Mayor McKeown suggested looking into Energy Trust to possibly fund part of the SDC's if the applicant met certain criteria.

Councilor Daily moved to adopt Resolution 07-24 establishing policy governing reduction of System Development Charges with an application process to be developed by staff with the amendment that the process could be overridden by a unanimous vote of the council. Councilor Kramer seconded the motion which carried with Mayor McKeown and Councilors Burnette, Daily, Eck, Kramer, and Muenchrath voting aye. Councilor Gould was absent.

### **Presentation Regarding Creation of Standing City Council Committees**

City Manager Chuck Freeman requested the Council consider amending the Council Rules and approve creating standing City Council Committees for Public Works and Community Development, Public Safety, and Finance. Mr. Freeman reported in the past it had been very successful in helping the Council make good decisions and to help build relationships. He reported it would create more work, but would help the City move forward. Mr. Freeman briefly reviewed the responsibilities of each committee, and commented no decisions would be made in the committees, minutes would be taken, and the meeting would be open to the public. The Council discussed rotating the committee members every four months, to be reviewed in six

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months, and to check into financing Channel 14 to broadcast the meetings. Councilor Burnette expressed her concern on the meetings not being transparent, and commented she wouldn't mind trying one committee.

Councilor Muenchrath moved to approve creating three committees on a rotation basis, to be reviewed for success in six months, and to check into financing Channel 14 to broadcast the meetings. Councilor Kramer seconded the motion which carried with Mayor McKeown and Councilors Daily, Eck, Kramer, and Muenchrath voting aye and Councilor Burnette voting no. Councilor Gould was absent.

### **Public Comments**

Joseph Monahan, Coos Bay, expressed his concern for the lack of public parking in the downtown area and requested the Council consider enforcing the parking limit.

### **City Attorney's Report**

City Attorney Nate McClintock reported he may not be at the next Council meeting because his wife was expecting twins and was due around that date.

### **City Manager's Report**

City Manager Chuck Freeman reported Kevin Neff was hired for the Engineering Technician and would be starting work on September 19<sup>th</sup>.

### **Council Comments**

Councilor Burnette expressed her disappointment on the attendance for the Emergency Preparedness meeting at the Coos Bay Public Library, and encouraged everyone to attend the next meeting scheduled on September 6<sup>th</sup> at the library at 6:00 p.m. Councilor Kramer thanked Sergeant Scoville and the citizens for helping her mother after she fell at the Black Berry Arts Festival; and encouraged everyone to attend the Empire stakeholders' focus group meeting September 11<sup>th</sup> in Room 205 at Stensland Hall at Southwestern Community College. Councilor Daily commented the Egyptian Theatre was very successful with live plays, movies, concerts, and Teen Idol, and encouraged the public to support the theatre.

Mayor McKeown reported guests from Choshi, Japan would be arriving September 14<sup>th</sup> and would be attending the Bay Area Fun Festival, touring the community, and attending the rededication of the Choshi Bridge. Vicki Dugger from the Oregon Downtown Development Association would be in town Monday through Wednesday to conduct assessments of the Downtown and Empire Districts, and focus group meetings would be held September 10<sup>th</sup> and September 11<sup>th</sup>. Music on the Bay concerts would be held Tuesday evenings during the month of September in Mingus Park, weather permitting. Mayor McKeown presented condolences to the families of Sergeant Adrian Elizalde of North Bend and Lance Cpl. Steven Stacy of Coos Bay. Mayor McKeown commented the Energy Trust may reimburse a portion or all of the System Development Charges to those who qualify and he requested this item be placed on the agenda.

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**Adjourn**

There being no further business to come before the Council, Mayor McKeown adjourned the meeting to September 18, 2007 in the Council Chambers at City Hall.

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Jeff McKeown, Mayor

Attest:

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Jackie Mickelson, Clerk to the Council