

**MINUTES OF THE PROCEEDINGS OF THE
CITY OF COOS BAY URBAN RENEWAL AGENCY**

August 16, 2016

The minutes of the proceedings of the City of Coos Bay Urban Renewal Agency, held immediately following the City Council meeting held at 7 p.m. in the Council Chambers at City Hall, 500 Central Avenue, Coos Bay, Oregon.

Those Attending

Those present were Chair Jennifer Groth and Board Members Fred Brick, Mark Daily, Thomas Leahy, Crystal Shoji, and Mike Vaughan. Board Member Stephanie Kramer 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, Wastewater Project Engineer Jennifer Wirsing, Fire Chief Mark Anderson, and Police Chief Gary McCullough.

Public Comments

No comments were given.

Consent Calendar

Chair Groth reviewed the consent calendar which consisted of 2a: approval of the minutes of July 5 and July 19, 2016; 2b: acceptance of the June 2016 combined cash report, and; 2c: acceptance of the July 2016 combined cash report. Board Member Shoji moved to approve the consent calendar approving the minutes of July 5 and July 19, 2016 and accepting the June and July 2016 combined cash reports. Board Member Brick seconded the motion which passed with Chair Groth and Board Members Brick, Daily, Leahy, Shoji, and Vaughan voting aye. Board Member Kramer was absent.

New Urban Renewal Business

No new urban renewal business was presented.

Presentation from South Coast Development Council Regarding the Rural Entrepreneurship Framework Project

South Coast Development Council (SCDC) Executive Director Connie Stoper stated the SCDC, Small Business Development Center, and Oregon State University were approached by Business Oregon with a proposal to develop one of four (Coos Bay, Baker City, La Grande, and Klamath Falls) centers for entrepreneurship across the state known as the Rural Entrepreneurship Development Initiative (REDI). REDI was designed to invest in local communities and work with existing entrepreneurship and small business service providers to improve access to local and statewide resources for entrepreneurs. The framework for each location included the ability to provide a space for an incubator and training; training expertise could be shared and collaborative effort with partners from all across the state. Aside from the incubator and training space each REDI location was free to develop their program based on community need; a one-stop business development services center called Rural Entrepreneurship Ecosystem Framework (REEF). REEF would co-locate and partner with many local agencies that offered a variety of business development services in effort develop an ecosystem to bring life and dreams to entrepreneurs

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throughout the South Coast region. Agencies included: Small Business Development Center, Oregon State University, Coquille Economic Development Corporation, The Confederated Tribes, CCD Business Development Corporation, Southwestern Oregon Workforce Investment Board, Government Contract Assistance Program, Business Oregon, Coos Bay Downtown Association, Southwestern Oregon Community College, and Oregon Department of Consumer & Business Services Building Codes Division. SCDC identified the American building as the ideal location to house REEF; it had existing retail that would help generate traffic, was centrally located, and it would also help revitalize a building that has been vacant for many years.

Ms. Stoper stated the other component of the project was grants. By partnering with Business Oregon and the other three locations across the state, in addition to the many partners expressing interest in the Coos Bay location, presented a unique opportunity to leverage those partnerships to go after grant dollars to fund the project. Ms. Stoper stated part of the reason the American Building had not been redeveloped was because the cost was so high, it would not pencil out for a private business; this was an opportunity to develop a building that would otherwise sit vacant. Vision for the proposed space included locating partners on the top floor, the middle floor would consist of incubator space, shared training and conference room locations, and the ground floor would be a mix of the existing retail business, in addition to a commercial kitchen for food based entrepreneurs, and possibly a space for a retail incubator. Ms. Stoper stated the building required a large amount of structural work and hoped it could also be redeveloped to include roof-top space.

Ms. Stoper stated Business Oregon had already provided \$26,000 in funding to assist with project preparation: getting an appraisal, buying furniture for the training space, marketing, and project feasibility. Initial discussion with architects and contractors estimated construction would take 18-24 months and approximately \$6 million for total project costs. Ms. Stoper shared a Business Oregon video of Eric Dunker from Oregon State University speaking about the value and unique opportunity of the project and State Representative Caddy McKeown touring the American Building.

City Manager Rodger Craddock stated the intent of Urban Renewal was to improve specific areas of the City that were poorly developed or underdeveloped and to eliminate blight conditions to encourage economic development. The Agency had undertaken a number of projects and/or utilized programs in an effort to reduce blight, blighting conditions, and to encourage economic development. Some of the more successful projects were through public private partnerships such as the Coos History Museum, the Egyptian Theatre, and the Dolphin Theater. Mr. Craddock noted over the years, there had been considerable discussions regarding the blighted appearance of American building and underutilized upper floors of the building which was located in downtown Coos Bay. The project was intended to be a public/private partnership, and SCDC requested the Agency's support of the project and financial assistance to acquire/purchase the American building.

City Manager Craddock stated staff was seeking direction from the Agency on whether to proceed with preliminary discussions with the American building owner on a possible purchase, and discussions with SCDC on a proposed property transfer agreement. The discussions would set the ground work, conditions, and parameters and would be brought back to the Agency for final consideration. Mayor Shoji stated she served on the SCDC Board as the City's Representative and spoke in favor of the proposed project. Vim De Vriend, Coos Bay: questioned the structural

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integrity of the American building. City Manager Craddock stated the City partnered with Jordon Cove in 2010 to provide building assessments to identify potential housing opportunities for Jordon Cove workers; American building was found to be structurally sound. Board Member Vaughan inquired if the city would partner for architectural services whereby City Manager Craddock advised structural improvements would be paid through SCDC grant funds. Councilor Vaughan stated it was his hope that the Agency would somehow be involved with the decision making process for the architectural appropriateness for the building. City Manager Craddock stated for he was a private member of SCDC and currently served as Board Chair. Ms. Stoper stated the building was on the National Historical Registry which meant the historical accuracy of the exterior of the building would have to be maintained; any exterior upgrades would be made true or as close as it could be to the buildings original context. Councilor Leahy also disclosed he was a private member of SCDC.

Consensus of the Agency was to support the project and provide permission to proceed with preliminary discussions with the American building owner on a possible purchase, and discussions with SCDC on a proposed property transfer agreement.

Adjourn

There being no further business to come before the Agency, Chair Groth adjourned the meeting.

Jennifer Groth, Chair

Attest: _____
Mike Vaughan, Secretary