

MINUTES OF THE PROCEEDINGS OF THE URBAN RENEWAL AGENCY

February 19, 2002

The minutes of the proceedings of the regular meeting of the City of Coos Bay Urban Renewal Agency, Coos County, Oregon, 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 Board Members Joe Benetti, Anna Marie Larson, Jeff McKeown, Don Spangler and Judy Weeks. Board Members Kevin Stufflebean and Cindi Miller were absent. City staff present were City Manager Bill Grile, City Attorney Randall Tosh, Deputy Recorder Joyce Jansen, Community Services Director Shanda Shribbs, Fire Chief Stan Gibson and Police Chief Chuck Knight.

Consent Calendar

The consent calendar included approval of the minutes of the December 4, 2001 meeting and adoption of URA Resolution 02-01 approving payment of administrative costs. Board Member Spangler moved to approve the minutes as presented and Board Member Benetti seconded the motion. The motion passed with a unanimous vote. Board Member Weeks moved to approve resolution 02-01 and Board Member Benetti seconded the motion. The motion passed with a unanimous vote.

Approval of the Empire Waterfront Conceptual Plan

City Manager Bill Grile reported staff has prepared a discussion paper for the Agency and an alternative for the waterfront conceptual plan. A three-day charette would be held to take public input as part of developing the plan. Community Services Director Shanda Shribbs commented on the need to pull together the ideas for developing the area in a timely manner and a typical RFP process takes six months. Alpha Engineering would take 60 to 90 days to complete and would use citizens to help develop the ideas. The advantage would be receiving the results quickly. Board Member Spangler expressed concern about the expertise that would be used to develop the plan. Mr. Grile commented the team would include an architect, landscape architect, architect, civil engineer, and market analyst.

Board Member McKeown inquired if development of businesses would be included in the plan and Mr. Grile stated the plan would include a marketing analysis. Board Member Larson asked which properties would be part of the plan. Ms. Shribbs reported all three properties in the waterfront area would be included. Board Member Larson suggested developing an RV park to attract tourists and also generate income and placing the Bay Club property on the market. Board Member Benetti inquired about scheduling public meetings for input on the plan. Ms. Shribbs reported the purpose of holding a charette is to collect public comments and ideas. Mr. Grile commented the city has previously used charettes and the benefit is that the time allows citizens to drop in and express ideas and hold informal discussions with staff and the designers. Board Member McKeown commented this presents a great opportunity to take advantage of State expertise. Board Member McKeown moved to direct staff to proceed with the project and enter into a contract with Alpha Engineering, Inc. for conceptual plans for the Empire Waterfront. Board Member Spangler seconded the motion which passed with a unanimous vote.

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Steve Skinner, North Bend, reported a citizen committee has developed a design for the Bay Club property that would provide a pullout and interpretative signs, and suggested naming the area The Hollering Place. They have estimated it would cost \$35,500 to pave the area and \$7,000 for a low stone wall along the west side of the property and landscaping. Mr. Skinner explained the second phase of their proposal would develop the hillside area and perhaps include a rampway and interpretive signs, and the third phase would develop the Crowley property for an ice cream store or restaurant, windsurfing, and a tribal interpretive center. The plan would also include recreating a small tribal village.

Board Member Weeks commented she liked the ideas and tying the development in with Native American theme, and looks forward to working with Alpha Engineering on developing the plan. Board Member McKeown approved of placing the businesses on the lower property and preserving the view. Mr. Skinner commented there is a lot of local history in this area that could be used. Board Member Benetti commended the group for their work and invited them to participate process for developing a plan for this area. Board Member Larson commented the lower property would be better used for an RV park.

Approval to Dissolve the Design Review Committee

Chair Stufflebean commented the Design Review Committee has the same or similar tasks as the Historic Design Review Committee which is to act in an advisory capacity on development projects with the city. Board Member Spangler moved to dissolve the Design Review Committee. Board Member Weeks seconded the motion which passed with a unanimous vote.

Report from the City Attorney on the Bond Counsel Opinion

City Attorney Randall Tosh reported the opinion regarding activities on property purchased with tax exempt bonds is 22 pages and is a very complex issue. The reason for the restrictions is that tax exempt bonds are considered a government subsidy and if the Agency allowed private business to take advantage of this, they would have lower overhead costs. The property can be sold, but there are some restrictions, and to prevent the bonds from being taxable, the Agency would need to fund another government project. The Agency cannot trade the property with the federal government because under the federal tax code, the US Government is considered a private user.

The Agency may lease property to a non-profit and can lease as long as income does not exceed ten percent of the debt service. The Agency cannot use the funds to give loans to private business because if the loans are more than five percent of the proceeds, the bond becomes a private loan bond and becomes taxable. Grants can be made, but subject to certain restrictions and would have to be used for a governmental purpose. Implementation of the design standards would qualify for grants to private businesses.

Mr. Grile reported the Bay Area Rescue Mission has expressed interest in renting the Topits building. The fair market rent is \$675 per month and the Agency paid \$55,000 for the property. The Mission can afford to pay \$200 per month. Board Member McKeown suggested waiting until the Alpha group develops a plan. Board Member Benetti recommended renting month to month. Mr. Tosh commented the rent must be within the ballpark of fair market value. Board Member Larson supported putting the property up for sale. Board Member Spangler supported renting to the Mission on a month to month basis for \$350 to \$400 per month.

Public Comments

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Frances Cooley, Coos Bay, asked the Agency to keep the wayside view open. Geno Landrum, Coos County, suggested if the Downtown Association has 501 3(c) non-profit status, the Agency give them funds to loan to businesses for fixing up buildings. Mr. Tosh reported a private non-profit cannot be used to funnel urban renewal funds.

Executive Session

Board Member Benetti moved to go into executive session pursuant to ORS 192.660 (1) (h) to consult with legal counsel regarding pending litigation. Board Member Weeks seconded the motion which passed with a unanimous vote.

Adoption of URA Resolution 02-02 Declaring the Necessity and Purpose for Acquiring an Easement on and in Certain Real Property Located Adjacent to Broadway Avenue

City Attorney Randall Tosh requested adoption of Resolution 02-02 be added to the agenda. Board Member Weeks moved to add Resolution 02-02 to the agenda and Board Member Benetti seconded the motion which passed with a unanimous vote. Board Member McKeown moved to adopt Resolution 02-02 declaring the necessity and purpose for acquiring an easement on and in certain real property located adjacent to Broadway Avenue. Board Member Benetti seconded the motion which passed with a unanimous vote.

Adjourn

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

Anna Marie Larson, Secretary

ATTEST:

Joyce Jansen, Deputy Recorder