

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

**February 23, 2021**

The minutes of the proceedings of a City Council and Urban Renewal work session of the City of Coos Bay, Coos County, Oregon, held at 5:30 pm in Council Chambers, 500 Central Avenue, Coos Bay, Oregon.

## **Those Attending**

Those present were Mayor Joe Benetti and Councilors Drew Farmer, Stephanie Kilmer, Phil Marler, Carmen Matthews, and Rob Miles. Attending remotely by teleconference was Councilor Lucinda DiNovo. City staff present were City Manager Rodger Craddock, Finance Director Nichole Rutherford, Public Works and Community Development Director Jim Hossley, Operations Administrator Randy Dixon, and Deputy Police Chief Chris Chapanar. City staff attending remotely by teleconference were City Attorney Nate McClintock, Deputy Finance Director Melissa Olson, and Community Development Administrator Carolyn Johnson.

## **Flag Salute**

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

## **Public Comment**

No public comments were made.

## **Public Comment Form**

Nino Ian Pelayo, Coos Bay stated marijuana businesses should maintain a 1,000 foot buffer between on another and residential areas as there was a finite market share for dispensaries, more business will process the same amount of income, and other cities have maintained the same rule with no issue.

## **Review of Agenda for the Upcoming Council/URA March 2, 2021 Meetings**

## **Discussion Regarding Development of a Sports Complex and Mingus Park Ballfield Lease**

Operations Administrator Randy Dixon stated the Parks Commission received a proposal for a sports park development, as well as a Mingus Park ballfield complex lease request, and have discussed both items at previous Parks Commission meetings. The Commission requested a joint work session with the City Council to share the details of the proposal and request, followed by a discussion of interest, and next steps.

Parks Commission present were Commissioners Sam Crowley, Bill Davis, Carmen Matthews, and Bill Otton. Commissioners attending remotely by teleconference were Ariann Lyons, Patty Scott, and CoCo Sutton.

Mingus Park ballfield complex lease request. Commissioner Lyons stated concerns were being able to meet the minimum parking requirements, accessibility, and best use for the location at Mingus Park. Commissioner Sutton stated concern of removal of existing facilities

located at Mingus Park for a regulation ballfield. Commissioner Otton stated concern for a space large enough for a league, taking away venues, and balls going into the park and streets. Parks Commission had pros and cons with many concerns for the project. Council discussion ensued; consensus the proposal was intriguing, but was not the right location, and to offer other location options.

Mayor Benetti stated the city would need a private/public partnership for a multi-use sports park development as the city could not afford the ongoing operational expenses. Councilor Marler stated the possibility of a combined sports park and library location at John Topits Park. Parks Commission stated many pros to utilizing the park space and wanted a good balance of natural use compared to developed use of John Topits Park. Council discussion ensued; John Topits Park would be a good location for a sports park, but mixed on the location for the library and were running out of time to decide on a library location.

### **Discussion Regarding an Urban Renewal Improvement Grant Request for 1127 South Broadway**

Public Works and Community Development Director stated the property owner of 1127 South Broadway, Michelle Gallino, submitted an Improvement Grant application for repairs to the north and east building façade. The applicant's project included repairing water damage; sealing existing concrete and installing a vapor wrap on the north and east elevations; installing tongue/groove Cedar, hardi-plank, siding; replace five windows and one exterior door; replacing exterior lighting; and painting and/or applying stain/sealer.

The Improvement Program currently provides a 50/50 grant (based on the lowest bid) and the guidelines indicate a maximum grant award of \$25,000 per fiscal year. The program requires three written bids be obtained for the façade project. The submitted bids for the project were \$58,289.09, \$59,496.00 and \$61,500.00. The Design Assistance Team (DAT) reviewed the project via email on February 16, 2021 and recommended: the horizontal break between the upper portion and lower portion of the siding should be at the top of the windows and doors; the upper portion of the siding in cedar looked better using vertically placed siding, with the lower portion using horizontally placed siding; the proposed door would work well in either brown or matte black with horizontal windows; outdoor lighting was necessary; and remove the diagonally placed signage on the top of the building. It was recommended that the applicant consider adding some tall plantings in the front to visually enhance and create a feel of height. Specifically, two large plantings on either side of the front door and on the left side to camouflage the building to the left, as well as provide a buffer to noise.

Funding for the Urban Renewal Agency Downtown Improvement Program for fiscal year 2020-2021 was \$750,000.00. Nine previously approved projects have not been completed totaling \$437,766.30, which leave \$56,624.46 unencumbered. With approval of the requested \$25,000.00 grant \$31,624.46 would remain.

### **Continued Discussion of Coos Bay Municipal Code Title 17.335.080 Indoor Marijuana-related Business Regulations**

Community Development Administrator Carolyn Johnson stated at the October 27, 2020, November 17, 2020, and January 26, 2021 Council meetings and work sessions, Council reviewed CBMC Chapter 17.335.080 Indoor Marijuana-related Business regulations:

“Marijuana-related businesses may be operated indoors only and shall meet all of the

following requirements: (1) Location. The business must be located in a permanent building in the industrial-commercial zone and may not be located in a trailer, cargo container, motor vehicle, recreational vehicle, manufactured home, green house, or building designed and defined by the building code as a residence, nor within 1,000 feet of any residential use in any zone of the city nor within 1,000 feet of another marijuana-related business of the same type.

For the purposes of determining the distance between a marijuana-related business and another marijuana-related business and a residential use “within 1,000 feet” means a straight line measurement in a radius extending for 1,000 feet or less in every direction from the closest point anywhere on the premises of a proposed marijuana-related business of the same type. If any portion of the premises of a proposed marijuana-related business is within 1,000 feet of an approved marijuana-related business of the same type, it may not be approved . . . “

Unlike the City's marijuana regulations (CBMC Title 17 Chapter 17.335.080), Oregon law does not require marijuana businesses be located 1,000 feet away from residential areas and any other marijuana business. The Council determined additional discussion was needed on this section of the regulations and that public input was important. Public outreach has included advertisement in the City's Friday Update online and USPS notification to property owners within 1,000 feet of each marijuana business, as requested by Council at the January 26, 2021 work session. Council consensus for further discussion on: splitting out marijuana-related business types, processors and manufacturers in industrial use only; review growers at a future time; request to see how the state and city code would look overlaid on a city map along with other varied options for consideration at the next scheduled work session; and consider extension of the marijuana business moratorium due to expire on March 31, 2021. Planning Commission would not be able to hold a public hearing until June 2021.

Council discussion ensued; consensus to go back to the Planning Commission for review and provide recommendations.

### **Discussion Regarding Additional Funding Request for Public Infrastructure Improvements at Coos Bay Village Development**

City Manager Rodger Craddock stated the Agency originally approved \$1,600,000 in financial support for the Coos Bay Village public infrastructure improvements project, specifically designated toward the costs associated with the installation of a traffic signal and railroad crossing arms at the intersection of Hemlock and Hwy 101 to ensure safe access to the development. This approved support was calculated based upon the estimated valuation of the completed development and the associated property taxes the Agency would receive, resulting in an assumed ten-year return of the Agency's investment. Due to ODOT requested revisions to the original design, the costs for the public infrastructure portion of the development increased significantly, at which point, the Agency authorized an additional \$450,000. With the status of the current construction environment which has been devastated by both COVID-19 and the widespread wildland fires in Oregon during the last fire season, costs for construction have escalated. The developer's engineer suggested this escalation of costs is unprecedented. As such, the developer has requested additional funding to ensure timely continuation of the public infrastructure improvements which are required to be completed prior to any additional buildings within the development receiving their certificate of occupancy.

The source of the funding for this Agency financial support of the development comes from a tax-exempt bond issued by the Agency in April 2019. The \$3,300,000 bond was repayable over a ten-year period (12/2028 maturity), at 2.86% interest. Approved projects for this bond issuance were: purchase & re-development of the Front Street scrap yard property into a public parking lot, traffic and railroad crossing infrastructure at the Old Central Dock property (Coos Bay Village development site), streetscape improvements at the north entrance of the Downtown Urban Renewal Area, and to pay associated costs of the stated projects (bond closing costs). During late November 2020, the Agency refunded the original bond issue. The current tax-exempt bond issue of \$2,772,250 is still payable within the original issued period, 12/2028 maturity, but at a reduced interest rate of 1.51%. Of the initial bond proceeds of \$3,300,000, \$1,630,165 remain available as an approved project funding source. As the Front Street parking lot development has moved to a DEQ Sponsorship Option Loan (wastewater), and the streetscape project has not progressed due to staff's limited project capacity, additional funds could be made available to meet the developer's request.

Board Member Carmen Matthews stated a potential conflict of interest as a tenant of the Coos Bay Village. City Attorney Nate McClintock stated there was no direct financial interest and was not prohibited from entering into the discussion. Agency discussion ensued; consensus to move forward with funding.

### **Adjourn**

There being no further business to come before the council, Mayor Benetti adjourned the work session. The next regular council meeting was scheduled for March 2, 2021 in the council chambers at city hall. These minutes were approved as presented by City Council on March 2, 2021.



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Joe Benetti, Mayor

Attest: Nichole Rutherford  
Nichole Rutherford, City Recorder