

MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

August 3, 2021

The minutes of the proceedings of a regular meeting of the City Council of the City of Coos Bay, Coos County, Oregon, held at 7:00 pm in the Council Chambers, 500 Central Avenue, Coos Bay, Oregon.

Those Attending

Those present were Mayor Joe Benetti and Councilors Drew Farmer, Stephanie Kilmer, Phil Marler, and Rob Miles. Councilors Lucinda DiNovo and Carmen Matthews were absent. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Assistant City Manager/Finance Director Nichole Rutherford, Deputy Finance Director Melissa Olson, Public Works and Community Development Director Jim Hossley, Fire Chief Mark Anderson, Police Chief Chris Chapanar, and Library Director Sami Pierson. City staff attending remotely by teleconference was 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 Comments

Ken Folker, Coos Bay asked if the city could implement a mask mandate. City Manager Rodger Craddock stated the county was not at a high level and the city would refer to the county health authority. Austin, Coos Bay asked the status of the Public Works Code Enforcement Officer position, who was taking current complaints as he was having an issue with neighboring vehicles, had emailed the Mayor regarding garbage on the boardwalk which was taken care of, noted City Hall should have a mask mandate, and shared he could not afford a home especially with the current housing shortage. Mr. Craddock stated the Codes position would be posted soon and any complaints could be submitted to him directly. Katja Donato, Coos Bay stated there were many false positives, individuals were no longer dying from the virus, and masks do not protect from the virus. Also read a recent Airbnb article related to their Public Relations Group who clean up issues related to the rentals. Jon Peery, Coos Bay stated the Prefontaine neighborhood had issues in the past from short-term rentals and want protection with a moratorium. James Behrends, Coos Bay stated the neighborhood had no interest in short-term rentals, it was a booming industry, and many homes are trying to be bought as rentals. Emily Gardner, Coos Bay requested a moratorium until restrictions could be enacted and offered to help write the code necessary to help combat the housing shortage. Chad Putman, Coos Bay stated he was representing various neighborhood home owner associations (HOA) which were against short-term rentals, would be enacting rules against them within the HOA, and stated difficulty to hire teachers as they are unable to find housing in the area, due to many being converted to short term vacation rentals. Christina Moffett, Coos Bay stated the short-term rentals were a commercial development and requested a thoughtful enforcement. Tony Donato, Coos Bay stated he was representing many neighborhoods and the faith community who were overwhelmingly against short-term rentals and suggested when someone moves away, homes were sold for rental instead of community members. Crystal Shoji, Coos Bay stated short-term rentals are

in many communities and had not received communication regarding city code for new uses being allowed. Kate Martin, Coos Bay stated there was illegal work done on a property and the rental permit should have been rejected immediately. Sue Lee, Coos Bay stated had purchased a home as a short-term rental, was zoned commercial to take into consideration, and had put a lot of money into the community; also there is a rental shortage as it was an issue during COVID to get renters to pay their rent.

Public Comment Form

Public comment forms were received from Alex Zenzuni, Don Brown, Christine Moffitt, Cynthia and Alden Miller, and Gary Colvin requesting a moratorium on short-term vacation rentals.

Consent Calendar

Mayor Benetti reviewed the consent calendar which consisted of:

3a: Approval of July 20, 2021 Minutes

Councilor Miles moved to approve the consent calendar as presented. Councilor Kilmer seconded the motion which carried. Ayes: Benetti, Farmer, Kilmer, Marler, Miles. Absent: DiNovo, Matthews.

Consideration of a Vacation Rental Land Use Permit Application Moratorium

Community Development Administrator Carolyn Johnson stated City staff have received communication from several individuals identifying concerns regarding vacation rentals in Coos Bay; exhibits provided. Council discussed draft vacation rental regulations October 19, 2019, after reviewing a Planning Commission unanimous recommendation (formulated September 10 and October 8, 2019) to approve vacation rental standards; exhibit provided. Jim Behrends participated in the discussion, presented comments, proposed changes and provided exhibits. Council consensus was for additional Planning Commission review of the draft regulations and comparison with other municipalities. At this time there were ten vacation rentals in the City with business licenses that have been issued in the past two years. Currently, there was only one application for establishing a vacation rental that has either been submitted or is in the process of submittal. All authorized vacation rentals are current on their Transient Occupancy tax and business licenses. The process to apply for a vacation rental land use permit requires a Type II review application with a \$350 application fee and notification of property owners within 150 feet of a proposed vacation rental location. The decision to authorize a vacation rental was made by the Director after a twenty-day review of the vacation rental by notified property owners and review and identification of conditions from building, fire, engineering, and operations departments with regard to their respective enforcement responsibilities.

Standard approval requirements include, prior to the vacation rental operation, a Coos Bay Business license and registration to pay for Transient Occupancy tax. Other requirements include compliance with all City regulations such as noise, nuisance and all other health and safety requirements. Director action can be appealed to the Planning Commission. The Director has the discretion to expand the notification area and/or forward the application on to the Planning Commission for review and action. Planning Commission action can be

appealed to the City Council. Comments received for this meeting are from the Prefontaine area neighborhood where some years ago a vacation rental created a disturbance and a recent vacation rental application to the City was subsequently withdrawn following neighborhood opposition. Except for the concerns expressed in the Prefontaine area, to date there are no known complaints to the City attributed to vacation rentals. Known vacation rental property owners have been responsive to all City requirements. One vacation rental application on Prefontaine received opposing comments during the Type II land use permit public review comment period and subsequently the application was withdrawn.

Assistant City Manager/Finance Director Nichole Rutherford stated the City contracts with a third-party company to collect the transient tax reporting, noted Airbnb reporting did not include addresses, and the City was working on getting information on language other municipalities have used to require rental postings to use a registration number for tracking. Janice Langlinais, Visitor Convention Bureau, stated they contracted with AirDNA to collect data on the third-party rental companies to confirm the properties are paying the transient tax.

Council discussion ensued with options to 1) Take no action at this time and discuss the Planning Commission's October 12, 2021 recommendations at the October 26, 2021 work session. 2) Implement a moratorium on vacation rental land use applications citywide or in the Prefontaine neighborhood to November 2, 2021. Discuss the Planning Commission's recommendations at the October 26, 2021 work session and determine whether the moratorium should be extended and a public hearing held to enact an ordinance to either prohibit vacation rentals or adopt vacation rental standards. 3) Provide staff with direction related to another option.

Councilor Farmer moved to implement a moratorium on vacation rental land use applications citywide with the exception of commercial districts and discuss the Planning Commission's recommendations at the October 26, 2021 work session and determine whether the moratorium should be extended and a public hearing held to enact an ordinance to either prohibit vacation rentals or adopt vacation rental standards. Prior to that meeting or at that meeting having a joint work session with the Planning Commission.. Councilor Kilmer seconded the motion which carried. Ayes: Benetti, Farmer, Kilmer, Marler, Miles. Absent: DiNovo, Matthews.

Presentation of the Semi-Annual Report on the Coos Bay/North Bend Visitor and Convention Bureau

The Coos Bay / North Bend Visitor Convention Bureau (VCB) provides quarterly reports to the council detailing the activities of the VCB, the events and attractions which have been promoted by the VCB, and the funds spent to date. VCB Director Janice Langlinais stated the VCB was funded by the transient tax and was responsible for the promotion, advertising, and marketing of the area to travelers. The VCB used print, digital, broadcasting, social media, trade shows, tours in order to increase overnight visitation year-round. Budget, tourism data, sample advertising, campaigns, and promotions were presented. VCB staff were currently in discussions with North Bend for possible management of the North Bend Visitor Center. The Coos Bay Visitor Information Center returned to regular full-time schedule, have three new volunteers, and the numbers of visitors have been increasing with 13,965 in fiscal year 2021.

Consideration to Award Design, Bid and Construction Management Contract for Fall Streets Projects

Public Works and Community Development Director Jim Hossley stated as part of the continued efforts by Council to improve City streets and enhance the drivability and safety for the constituents of our community, staff continually identifies streets that were in need of repair. The recommended fall street projects encompasses South 7th Street between Kruse Ave and Lockhart, as well as, portions of Minnesota Ave, and potholes throughout the City. The improvements for South 7th Street include rebuilding the road bed, pavement, and replace the curb and gutter on the east side of the road. The portions of Minnesota which would be repaired include two sections of roadbed rehabilitation, a section of curb and gutter that has failed, and just over 100' LF of grind out and pavement inlay. Staff was working with utility providers in an effort to facilitate less traffic interruptions in the area by coordinating work. In addition to the work on Minnesota Avenue and 7th Street, other proposed work included spot repairs on Oregon Avenue to be performed by City staff, and city-wide pothole repairs.

The engineer estimated the cost of the Minnesota Avenue and 7th Street project would be approximately \$600,000.00. In addition, there was \$100,000 to be devoted to city-wide pothole patching. This work would all be competitively bid. The material cost for the work to be done by City staff on Oregon Avenue was not expected to exceed \$5,000. In addition to the project work, \$100,000 was held for emergency road work. The funding for this project would come out of transportation utility fees and the City's portion of the recently received federal Highway Infrastructure Programs - Coronavirus Response and Relief Supplemental Appropriations Act, 2021, \$250,000.

Staff requested Dyer Partnership to provide an estimate for design, bidding and construction management, under their miscellaneous engineering services contract. The cost associated with these services for this project is not to exceed \$87,716.00. The estimated cost to construct (with contingency) this project is \$599,865.

Councilor Marler moved to award the design, bidding, and construction management of the 2021 fall streets project to The Dyer Partnership for the amount of \$87,716.00. Councilor Kilmer seconded the motion which carried. Ayes: Benetti, Farmer, Kilmer, Marler, Miles. Absent: DiNovo, Matthews.

Public Hearing to be Held to Consider Approval of Proposed Camping Ordinance - Approval Would Require Enactment of Ordinance

Police Chief Chris Chapanar stated as many communities throughout Oregon and across the nation, Coos Bay had experienced an increased in the unhoused population while burdened with inadequate resources to assist these individuals and balancing the rights/needs of the taxpayers with those of the unhoused. Finding a balance, while remaining within the requirements and restrictions of recent case law (Martin v. Boise) and legislative action (HB 3115 and HB 3124) continued to prove challenging. The Martin v. Boise case, established that the public has a right to use public property, including right-of-way, to rest or sleep. HB 3115 went further to establish that restrictions in place limiting this right must meet "time, manner and place" provisions that were "objectively reasonable." Staff consulted several sources, including reaching out to other cities to identify the solutions that have shown to be successful and within the guidelines established by Martin v. Boise and HB3115. One such city was McMinville.

Staff from the McMinnville Police Department shared efforts by their council to enact laws governing the use of public lands and rights-of-way, including citizen education opportunities and enforcement tools. Coos Bay staff were able to work with the ordinance in place at McMinnville to draft an ordinance and start conversations with the Homeless Work Group (HWG). Over the last couple of meetings with the HWG, the ordinance was refined, then presented to a committee of elected officials and city staff from both Coos Bay and North Bend. This group further reviewed the draft ordinance, with discussions around fit within current municipal code and developing consistency between the two cities to ensure easier compliance and understanding by both citizens and the unhoused. This combined committee had additional revisions to the draft ordinance which were once again presented to the HWG at their July 22, 2021 meeting, ultimately resulting the proposed ordinance presented at the July 27, 2021 work session. Police Chief Chapamar reviewed the ordinance content.

Mayor Benetti opened the public hearing. Celeste Timberlake, Coos Bay asked who would enforce the time and identified areas allowed in the ordinance, stated concern for the vehicles parked long-term, safely walking through where individuals are camping, and requested an area for those individuals to stay. Mayor Benetti stated currently camping was not prohibited throughout the City and there was a Community Resource Officer who worked with individuals as needed. Scott Timberlake, Coos Bay stated when the church opened the parking lot for camping it exploded, this would also once implemented, and worried for citizens safety. Jim Kingsley, Coos Bay stated the ordinance sounded good, but the Police Department could not be everywhere and suggested buckets in the camping allowed areas. Council stated the ordinance was not to tell individuals where they could camp and have allowed areas, but where it was not allowed. Barbara Cornell, North Bend stated concern for enforcement as it is causing more work for the Police Department without more officers, the amount of trash being left, and potential increase in crime. City Manager Rodger Craddock stated the Police Department spends the majority of their time with homeless complaints now and the ordinance would give them a tool for regulation and enforcement. Tony Donato, Coos Bay asked how it would be communicated. Mr. Craddock stated there would be an education period prior to enforcement and the Resource Officer speaks to many of the individuals. James Behrends, Coos Bay stated the City was being proactive on this issue. The public hearing was closed.

Councilor Farmer moved to enact the Camping Ordinance as presented. Councilor Kilmer seconded the motion which carried. Deputy Finance Director Melissa Olson read the ordinance by title only and Ordinance 545 was enacted by the following vote:

Aye: Benetti, Farmer, Kilmer, Marler, Miles.

Nay: None.

Absent: DiNovo, Matthews.

Resolution Amending City Fee Schedule Related to Coos Bay Municipal Code Title 17 - Approval would Require Adoption of Resolution 21-23

Community Development Administrator Carolyn Johnson stated the proposed fee resolution resulted from the enactment of Ordinance 540 and 541 Coos Bay Municipal Code (CBMC) Title 17 procedures and reflected estimated staff time for review of a variety of land use permits. Examples of staff time and materials translated to value of permits included: for homes and small commercial buildings-front office staff intake of applications, set up of

electronic and paper file, and route for review and comments by building, engineering, planning and operations departments. About half of these require public noticing that was prepared by the Planner, then copied and mailed out by the front office staff. Planning staff responded to inquiries from public noticing and prepares a staff report and final order acting on the project. For larger, more complex Planning Commission projects: a development review meeting was held with building, engineering, planning, operations and fire staff for review of the project. If consultants had been engaged, staff interface is required. Each staff member provides project requirements that are included in the planning staff report written analysis for project consistency with the Development Code for inclusion in a Planning Commission packet. The review may include preparation for and holding a Design Assistance team meeting with one of the Planners. Front office staff contacts Commissioners for packet pick up or email transmittal, prepares the Council Chambers, fields phone calls from applicants and at the meeting, and takes minutes. The Community Development Administrator, Planner and one front office staff member attend the Planning Commission meetings. After-meeting work is required to prepare a final order specifying the actions of the Commission, applicant notification and finalizing the project file.

A comparison of Coos Bay's land use related fees to those of Florence, Bandon and North Bend was provided. Generally Coos Bay fees were lower. Permits and processes were unique to each city, not all application types could be compared. Fees were also proposed for land use related services which to date have been provided at no cost. Fiscal Year 2020-2021 land use permit fees provided about \$39,000 in city revenue, far less than the costs required for processing land use permit applications. If fee revisions and new fees proposed are adopted, additional City revenue is anticipated to accurately reflect the City's cost of land use permit processing.

Councilor Kilmer moved to adopt Resolution 21-23 amending the City's fee schedule related to land use application fees. Councilor Marler seconded the motion which carried. Ayes: Benetti, Farmer, Kilmer, Marler, Miles. Absent: DiNovo, Matthews.

City Manager's Report

City Manager Rodger Craddock stated Donald Poage former Coos Bay Mayor passed away, 4th Street was scheduled to be completed in three weeks, spring street projects were nearly finished, staff was planning fall projects, have designated urban renewal agency funds for various streets which plans were 90% complete, skate park was scheduled to be opened August 9, 2021 with all the working being done by volunteers, operating for almost one month and for the first time in a long time have not had violations at either location, the LED lighting project was to continue in August 2021 and would be completed soon after, the scrap yard would be need to be cleaned-up after the rainy season per DEQ, and final approval for clean-up of Englewood School was need to complete an additional form and should take less than 90-days to complete the work once started.

Council Comments

Councilor Miles stated condolences to Mayor Poage's family . Councilor Kilmer stated appreciation for action on the camping regulations, homeless workgroup is made up of very diverse individuals in the community, stated festival preparations were underway, and was proud in the partnership for the running legs bike rack project . Councilor Marler stated with the camping ordinance enforcement and education would be the key to success. Councilor Farmer stated in reading the comments regarding the short-term rentals noticed a lot of

comments from home owners association which HB 2001 restricted and would be putting a group of people together to discuss local provider issues at the state level. Mayor Benetti gave condolences and appreciation for Mayor Poage's services, was able to have positive discussions during the Mayor's Convention, and thanked everyone for attending.

Adjourn

There being no further business to come before the council, Mayor Benetti adjourned the meeting. The next regular council meeting was scheduled for August 17, 2021. These minutes were approved as presented by City Council on August 17, 2021.



Joe Benetti, Mayor

Attest: Nichole Rutherford
Nichole Rutherford, City Recorder