

## MINUTES OF THE PROCEEDINGS OF THE CITY COUNCIL

January 18, 2022

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 Lucinda DiNovo, Drew Farmer, Stephanie Kilmer, and Sara Stephens. Councilor Carmen Matthews and Rob Miles attended virtually by teleconference. City staff present were City Manager Rodger Craddock, Assistant City Manager/Finance Director Nichole Rutherford, Deputy Finance Director Melissa Olson, Public Works and Community Development Director Jim Hossley, Community Development Administrator Carolyn Johnson, Fire Chief Mark Anderson, and Police Chief Chris Chapanar. City staff attending remotely by teleconference was Library Director Sami Pierson.

### **Flag Salute**

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

### **Public Comments**

Mayor Benetti read a statement regarding new public comment regulations.

Trudi Groth, Coos Bay requested the Mingus Park tennis courts be turned into a pickleball court. Mayor Benetti stated that request should go to the Parks Commission and would contact her with the date of the committees next meeting. Eric Clough, Coos Bay spoke to the difficulties of bicycle transportation in Coos Bay, requested more bike lanes to be put in, and provided handouts of examples. Rob Taylor, Coos Bay stated the newspaper printed a vigilante group was formed and the Police Department was watching the group, he was part of the Neighborhood Watch group, it was a non-violent group, and there was a lot of crime such as breaking windows happening they were able to stop. Matthew Wilbanks, Coos Bay stated he was part of group who patrolled in the Empire District and had support of many citizens and businesses. Josh Hystad, Coos Bay stated his place of business had been robbed multiple times, the community needed to get together to fix the issues of mental illness and drug abuse, and has become part of the Neighborhood Watch. Kamryn Stringfield, Coos Bay stated the watch group was putting property over people, was more harmful than beneficial, and the community needed to do better by the individuals who have had the system fail them.

Police Chief Chris Chapanar stated they are aware of the group, told the group to report anything they were witnessing, victims to report all issues, the police department investigates all robberies and vandalism, are having an issue with the jail accepting individuals, and recognized it may not be the best place for those with mental issues; however, they do not have other options at this time. Councilor Farmer stated everyone should contact the state representatives to help make something effective. Councilor Kilmer also recognized the positive way the Neighborhood Watch was working with those unsheltered and stated if the issues were able to be fixed easily they would have been already.

## **Public Comment Form**

No public comment forms were received.

## **Consent Calendar**

Mayor Benetti reviewed the consent calendar which consisted of:

- 3a: Approval of January 4, 2022 Minutes
- 3b: Acceptance of December 2021 Financial Reports and Check Registers
- 3c: Approval of Amendment to Public Contracting Rules Policy - Would Require Adoption of Resolution 22-02

The resolution revised the City of Coos Bay's Local Contract Review Board public contracting rules to align with recent changes made by the state legislature with passage of HB 3082 to increase the amount exempt from the public contracting competitive bid process from \$5,000 to \$10,000.

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

## **Presentation of the Semi-Annual Bay Area Chamber Activities Report**

The Bay Area Chamber of Commerce (Chamber) and the City of Coos Bay worked together to support local businesses and to improve the economy. Having open and regular communication between the two entities was important in maintaining the partnership. The Chamber was established in 1980, as a non-profit, professional organization made up of the Coos Bay, North Bend, and Charleston business communities. Chamber President Elect Rick Osborn presented the semi-annual Chamber Activities Report including events and products. The Chamber had 550 members and the 2022 motto was "Rising tide lifts all boats". The Chamber had twelve committees or actions teams and highlighted the Legislative Action Team, Ambassadors, Workforce and Education, and Leadership Coos. The activities of the Chamber varied in response to the great business community with much of the work accomplished through the volunteer time of the members through committees providing community leadership in the areas of economic development, government affairs, leadership development, natural resources, tourism, and transportation. The Chamber gives an opportunity for members to get involved and make a difference. Focus for membership is to ensure value for their investment of time and money, encourage them in something bigger, and challenge each to find that one thing they are passionate about and work it. With that teamwork, the Chamber was there to help businesses. Also part of the team promoting the process to establish a 9.5% transient lodging tax (TLT) for Charleston and Bay View area, would be on the May 2022 Coos County Ballot for Charleston and Bay View area as they are incorporated it had to go to a county-wide vote.

## **Public Hearing to Consider Amending Coos Bay Municipal Code Title 17 Development Code Regarding Short Term Vacation Rental Regulations - Would Require Enactment of Ordinance**

Community Development Administrator Carolyn Johnson stated the City's Comprehensive Plan policies and goals support economic development and tourism balanced with resident services and safety. While vacation rentals were permitted in the City's residential and commercial districts with requirements to comply with all City health and safety requirements, at this time there were no City standards or criteria specific to vacation rentals. The creation of standards supports the City's efforts for a harmonious relationship between resident comfort and the City's economic development/tourism efforts. If enacted by Council, the proposed ordinance would establish Coos Bay Municipal Code (CBMC) Chapter 17.370 Vacation Rentals and Homestays with specific parameters and requirements for vacation rental operation. The ordinance would also create a "Homestay" definition, additional public notification requirements for vacation rentals and homestays, and specific residential sign limitations specific to vacation rentals and homestays. Ms. Johnson provided an overview of the changes in the ordinance and stated the Planning Commission would like to revisit once the city came close to the suggested 75 vacation rental cap.

The Planning Commission on December 14, 2021 recommended Council approval of the contents in the proposed ordinance. The ordinance addressed CBMC Title 17 requirements in Attachment B identifying findings for ordinance authorization. The ordinance's Attachment C provided compliance with CBMC Title 17 requiring advertisement of a public hearing in a newspaper of general circulation in Coos Bay. The Planning Commission's recommendation included an opportunity for homestays, a situation where a property owner would be in the home while hosting a paying visitor for visitor accommodations on-site. In the Low Density/Small Lot residential and Medium Density Residential district tables (17.226.020 and 17.225.020 respectively) homestays were not included in the draft Ordinance. Currently the tables indicated vacation rentals and bed and breakfasts were permitted, and the tables would need revisions to add homestays, if the ordinance was adopted. The Oregon Department of Land Conservation and Development (DLCD) requires receipt of proposed amendments to local land use ordinances 35 days prior to a public hearing on the amendment. If Council moved to adopt the ordinance, direction should be provided to move forward with the preparation of the amended land use tables and submittal of same to DLCD so Council may consider the amendment at a public hearing on March 1, 2022. There was an scrivener error in Attachment A of the proposed ordinance. The wording in 17.370.030 (10) should be changed from, "Vacation Rental Advertising on-site" to read "Homestay Advertising on-site". There was a Council directed moratorium on new land use applications and business license applications for vacation rentals in residential zoning districts. Should the Council adopt the proposed ordinance, action on the current moratorium should be considered. The timeline below represented City action on the proposed ordinance to support the January 18, 2022 Council approval of amendments to CBMC Title 17 for the regulation of Vacation Rentals and Homestays.

September 10, 2019 the Planning Commission held a public hearing to review draft vacation rental regulations and consider evidence and testimony for additions of regulations and standards specific to vacation rentals in CBMC Title 17.

October 8, 2019 the Planning Commission unanimously recommended the new regulations and standards specific to vacation rentals be forwarded to the City Council for consideration

and adoption.

October 19, 2019 the City Council held a work session to review the Planning Commission's recommendations and directed additional Planning Commission review of the draft regulations with consideration to vacation rental regulations in other municipalities.

August 3, 2021 the City Council directed a moratorium on new vacation rental land use and business license applications in residential zoning districts and provided direction for Planning Commission public hearings to continue review of vacation rental development standards.

October 10, 2021 the Planning Commission held a public hearing to review draft vacation rental regulations and considered evidence and testimony for modifications to the draft regulations, including a city staff report identifying a variety of options and examples from other municipalities and oral and written comments from the public. The Planning Commission continued the public hearing to October 25, 2021.

October 25, 2021, the Planning Commission continued the public hearing and considered public testimony, letters from the public and an oral and written staff report on modifications to the draft regulations. The Planning Commission closed the public hearing and discussed the draft vacation rental regulations.

November 23, 2021, the City Council held a work session to learn about the progress of the Planning Commission's review and provided comments seeking additional Planning Commission review.

December 14, 2021, the Planning Commission considered and discussed the City Council's comments, concluded their review and formulated a recommendation based on an evaluation of material presented by staff and the public. The Planning Commission's recommendations were finalized and are included in the proposed ordinance for Council consideration.

January 4, 2022, a legal ad notice was published in "The World", a newspaper of general circulation within Coos County, that a Coos Bay City Council public hearing to consider vacation rental regulations would be held by the on January 18, 2022 at 7 PM in the city council chambers located at city hall at 500 Central Ave in Coos Bay.

January 18, 2022 at the advertised public hearing, the City Council was presented with evidence to be considered including public oral and written testimony and information on the topic of vacation rental regulations from October 2019 to January 18, 2022. The referenced public testimony includes, but was not limited to, correspondence from the public, Planning Commission staff reports, and City Council staff reports. Written testimony and staff reports for Planning Commission and Council meetings since October 2019 regarding vacation rental draft regulations were available at the Coos Bay city hall located at 500 Central Ave in Coos Bay Oregon.

Mayor Benetti opened the public hearing.

Christa Murray, Coos Bay stated they offered Homestay for traveling nurses, Homestay was not a bed and breakfast, and requested to have the 300-foot radius notification be only for short-term rental not Homestay as they are in residence. James Murray, Coos Bay stated

they wanted to make their property more accessible and requested different restrictions and codes. Christine Moffitt, Coos Bay thanked everyone for making significant progress, Homestay had great value, but was not comfortable with the updated code. Jim Behrends, Coos Bay stated the city was losing money due to lack of housing, needed a better lodging plan to put short-term rentals in the commercial area, and needed to work more on short-term rentals and Homestay.

The public hearing was closed. Council discussion ensued, concern for the housing needs assessment, but the need to find a balance for all types. Currently have roughly forty short-term rentals in the city, which would be grandfathered in, and code would only allow another thirty-five to the cap of seventy-five (commercial zone not included). Suggested additional language for contact information to be provided to neighbors around short-term rentals. Mayor Benetti read a statement.

Councilor Kilmer moved to enact the proposed ordinance, with a correction to Attachment A reference in 17.370.030(10), changing the title to "Homestay advertising on-site". Councilor DiNovo seconded the motion which carried. Deputy Finance Director Melissa Olson read the ordinance by title only and Ordinance 549 was enacted by the following vote:

Aye: Benetti, DiNovo, Kilmer, Matthews, Miles.

Nay: Farmer, Stephens.

Absent: None.

Councilor DiNovo moved to lift the moratorium on February 18, 2022 when the ordinance would go into effect. Councilor Kilmer seconded the motion which carried. Ayes: Benetti, DiNovo, Kilmer, Matthews, Miles, Stephens. Nay: Farmer.

Councilor Kilmer moved to direct staff to prepare an ordinance to amend the residential district land use tables in preparation for a March 1, 2022 public hearing. Councilor DiNovo seconded the motion which carried. Ayes: Benetti, DiNovo, Farmer, Kilmer, Matthews, Miles, Stephens.

### **Public Hearing to Consider Amending Coos Bay Municipal Code Regarding Permitted Locations for Marijuana-related Business - Would Require Enactment of Ordinance**

Community Development Administrator Carolyn Johnson stated on December 14, 2021 the Planning Commission held a Council directed public hearing to consider outright prohibition of marijuana sales, growing and processing in the Waterfront Heritage, Hollering Place, Urban Public and Medical Park districts. Each district was noted on a map exhibit provided to council. Marijuana retail sales were currently permitted uses in Commercial, Mixed Use and Commercial Industrial districts. Marijuana processing and indoor grows were permitted in the Commercial Industrial District. The Development Code was silent on marijuana businesses in the subject districts. For this reason, marijuana businesses were prohibited in each district; however, marijuana businesses were not specifically identified as prohibited. The addition of prohibition in each of the land use tables for the districts would assure clarity for the public. The proposed ordinance to prohibit marijuana sales, processing and growing in the Waterfront Heritage, Hollering Place, Urban Public, and Medical Park zoning districts in chapters 17.240 (Waterfront Heritage); 17.250 (Hollering Place), 17.255 (Urban Public) and 17.260 (Medical Park) for Council review.

Mayor Benetti opened the public hearing. No public comments were provided. The public hearing was closed.

Councilor Stephens moved to enact the proposed ordinance amending Coos Bay Municipal Code prohibiting marijuana sales, processing and growing in the Waterfront Heritage, Hollering Place, Urban Public and Medical Park zoning districts. Councilor Kilmer seconded the motion which carried. Deputy Finance Director Melissa Olson read the ordinance by title only and Ordinance 550 was enacted by the following vote:

Aye: Benetti, DiNovo, Farmer, Kilmer, Matthews, Miles, Stephens.

Nay: None.

Absent: None.

### **Approval of the Urban Renewal Agency Annual Financial Report for the Fiscal Year Ended June 30, 2021**

Assistant City Manager/Finance Director Nichole Rutherford stated Oregon Revised Statute (ORS) 457.460 required a financial impact statement (annual financial report) for the urban renewal agency (URA) to be filed with the governing body of the municipality each year, as well as, provided directly to the overlapping taxing districts. The provided report was in addition to the required URA budget and the URA financial statement audit which were previously accepted by the URA Board. Components of the annual financial report include the following: 1) the amount of property tax revenue received (tax incremental and special levy) and indebtedness incurred during the preceding fiscal year; 2) the purposes and amounts for which this money received were expended during the preceding fiscal year; 3) an estimate of the amount of property tax revenue to be received and indebtedness to be incurred during the current fiscal year; 4) a budget summary setting forth the purposes and estimated amounts for which property tax revenue and indebtedness incurred are to be expended during the current fiscal year; 5) an analysis of the impact, if any, of carrying out the urban renewal plan on the tax collections for the preceding year for all overlapping taxing districts; and 6) the details on the URA's maximum indebtedness including total maximum indebtedness, total used through the end of the preceding fiscal year, and amount remaining.

Councilor DiNovo moved to approve the annual financial report for the fiscal year ended June 30, 2021. Councilor Farmer seconded the motion which carried. Ayes: Benetti, DiNovo, Farmer, Kilmer, Matthews, Miles, Stephens.

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

City Manager Rodger Craddock stated URA Annual Financial Report was drafted and authored by the Assistant City Manager/Finance Director Nichole Rutherford, in years past it was the City Manager or consultants who drafted the report; and stated the public policy process just gone through was a good example of how it works with a very public process, not rushed, take in comments, a decision is made not everyone may agree on, can be revisited, and can amend any piece of legislation approved by the council current or past.

### **Council Comments**

Councilor Miles stated Library Steering Committee along with Hacker architects had two

public meetings last week, chose the ridge site for the future Public Library building, responded to a comment that libraries were obsolete due to digital and stated the library had about 300,000 visits a year with 250,000 physical items being checked out of which only 20,000 were digital, offer over 500 programs with roughly 5,000 people in attendance, and was an essential function of the city. Councilor Matthews stated the library meetings were wonderful to be apart of, excited for the library project, requested reaching out to the local tribes for a joint meeting, and asked for an agenda list for the meeting. Councilor Farmer stated everyone did great with due diligence and everyone should not always agree with each other. Asked for volunteers for a homeless point-in-time count scheduled for January 19, 2022. Councilor DiNovo thanked the Planning Commission, staff, and public for all their due diligence, encouraged everyone to attend the Bay Area Chamber of Commerce Business Connections hosting the Coos Bay and North Bend Mayor's presentations on January 26, 2022, and thanked Councilor Matthews for requesting a joint meeting with the Tribes. Councilor Kilmer stated how much she appreciated the Council and all had varying viewpoints to represent the community, appreciated being able to attend meeting remotely, transparency was important so participation online was important, and stated in response to public comments making sure the community was safe as a whole was important especially those who were vulnerable so to continue contacting the Police Department and everyone work together. Councilor Stephens stated appreciation for staff taking down the holiday decorations and the ability to have thoughtful discussions with everyone on Council. Mayor Benetti asked Fire Chief Mark Anderson to give an update on the earthquake; stated Front Street parking was available, but not utilized and requested striping to help slow traffic; the two library meetings were very successful with good comments, commended the Library Steering Committee and everyone else with their diligence, and a library was more than books it was also a meeting and gathering place. Chief Anderson stated there was a tsunami advisory on February 15, 2022, was a level two response, notified those residing in low-lying areas and closed the dock. City Manager Rodger Craddock stated the city would request ODOT to do the striping and a speed study.

### Adjourn

There being no further business to come before the council, Mayor Benetti adjourned the meeting. The next regular council meeting was scheduled for February 1, 2022. These minutes were approved as presented by City Council on February 15, 2022.



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Joe Benetti, Mayor

Attest: Nichole Rutherford  
Nichole Rutherford, City Recorder