

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

**March 2, 2021**

The minutes of the proceedings of a regular meeting of the Urban Renewal Agency of the City of Coos Bay, Coos County, Oregon, held at 9:29 pm in the Council Chambers at City Hall, 500 Central Avenue, Coos Bay, Oregon.

**Those Attending**

Those present were Chair Stephanie Kilmer and Board Members Joe Benetti, Drew Farmer, Phil Marler, Carmen Matthews, and Rob Miles. Board Member Lucinda DiNovo was absent. City staff present were City Manager Rodger Craddock, City Attorney Nate McClintock, Finance Director Nichole Rutherford, Deputy Finance Director Melissa Olson, Public Works and Community Development Director Jim Hossley, Fire Chief Mark Anderson, and Deputy Police Chief Chris Chapandar.

**Public Comments**

No public comments were made.

**Public Comment Form**

No public comment forms were received.

**Consent Calendar**

Chair Kilmer reviewed the consent calendar which consisted of:

2a: Approval of February 16, 2021 Minutes

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

**Approval of Urban Renewal Improvement Grant Request for 1127 South Broadway**

Public Works and Community Development Director Jim Hossley 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 leaves \$56,624.46 unencumbered. With approval of the requested \$25,000.00 grant \$31,624.46 would remain. The Agency requested to see the actual bids with future requests.

Board Member Matthews moved to approve the proposed Improvement Project Grant for up to \$25,000 of eligible expenses which is 50/50 from the Urban Renewal Agency Downtown District, subject to compliance with the Design Assistance Team recommendations and required permits (electrical, floodplain, and structural). Board Member Farmer seconded the motion which carried. Ayes: Benetti, Farmer, Kilmer, Marler, Matthews, Miles. Absent: DiNovo.

### **Presentation from Oregon Coast Historical Railway Museum**

Steve Jansen, the director of the Oregon Coast Historical Railway Museum, provided a presentation of the trains and activities of the museum and requested funding for a barn style train shed consisting of a building 120 feet long on the west highway side over Engine #104 and the Caboose, and a second building 80 feet long on the east side of the #104 Steam Engine. The estimated construction costs were \$200,000 not including electrical or signage and requested \$100,000 for matching grant funds. The engineering and design was last completed twenty years ago. The Agency requested to review the scope of work to make sure it fit with the project and bring back current costs for engineering and design for Agency consideration. The Agency thanked everyone for all their hard work at the museum.

### **Approval of 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 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 was 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 voting.

Board Member Farmer moved to approve the developer's request for an additional \$450,000 of financial support for Coos Bay Village public infrastructure improvements. Board Member Marler seconded the motion which carried. Ayes: Benetti, Farmer, Kilmer, Marler, Matthews, Miles. Absent: DiNovo.

### **Other Business**

City Manager Rodger Craddock stated one year ago the Agency awarded a façade grant in the amount of \$100,000 to the Boys & Girls Club of Southwestern Oregon's Pacific School of Dance for their building at 295 N 4th Street. The award occurred just prior to the start of the COVID-19 pandemic. Given the pandemic restrictions which were put into place, the organization chose to begin their intended interior renovations first before beginning on the exterior. While it was their intentions to immediately move to the outside façade portion of the project after concluding what was needed inside, that did not occur due to circumstances out of their control. While they are now ready to move forward, the cost to undertake the project has increased to nearly \$600,000 or 3.5 times what was originally estimated.

A grant request modification was provided in hopes the Agency would continue to honor the financial commitment while allowing to scale down some of the components of the original design, to include removing the proposed overhand around the top of the entire building, the addition of windows on the north side of the building, the cultured stone and some siding design components. The Agency could choose to require them to start the process over, that would take time and would probably jeopardize another granting source acquired for \$150,000. There is a contractor who can begin immediately and meet their other grant deadline. Staff requested the Agency honor the agreement and allow them to move forward. The Club Board President Cindy Ball stated due to the increased costs it would also affect what could be accomplished on the interior of the building.

Board Member Rob Miles stated a potential conflict of interest as he was employed by the

Boys and Girls Club. City Attorney Nate McClintock stated there was no direct financial interest or legal conflict of interest and was not prohibited from voting.

Agency consensus to waive council rules to continue the meeting past 10:00 pm.

Board Member Benetti moved to grant \$150,000 from the Urban Renewal Improvement Fund to the Boys and Girls Club project. Board Member Matthews seconded the motion. Board Member Benetti amended the motion to grant \$150,000 from the Urban Renewal Improvement Fund to the Boys and Girls Club project with a modified design plan. Board Member Matthews seconded the amended motion. Ayes: Benetti, Farmer, Kilmer, Marler, Matthews, Miles. Absent: DiNovo.

### **Adjourn**

There being no further business to come before the Agency, Chair Kilmer adjourned the meeting. These minutes were approved as presented by the Urban Renewal Agency on March 16, 2021.



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Stephanie Kilmer, Chair

Attest:   

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Nichole Rutherford, Recorder