

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

June 1, 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 7:27 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, Phil Marler, Carmen Matthews, and Rob Miles. Board Member Drew Farmer attended remotely by teleconference. 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, Fire Chief Mark Anderson, and Deputy Police Chief Chris Chapanar. City staff attending remotely by teleconference were Library Director Sami Pierson and Community Development Administrator Carolyn Johnson.

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 May 18, 2021 Minutes

2b: Adoption of Resolution 21-06 Extending Workers' Compensation Insurance Coverage to Urban Renewal Volunteers

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

Consideration of Approval to Amend the Empire District Urban Renewal Plan

City Manager Rodger Craddock stated the Empire Urban Renewal Plan (Plan) was initially enacted by Ordinance 216 by the Council on August 30, 1995. At the May 19, 1998 Council meeting, Council enacted Ordinance 252 establishing the Empire District maximum indebtedness. Several Plan amendments have been approved by the Agency since that time, such as including new projects to improve the area, development of a Façade Program, land purchases, etc. With the recent interest to locate the new library facility in John Topits Park, the Agency indicated interest in a potential plan amendment to include this acreage within the plan, as well as, potentially increase the maximum

indebtedness to allow for funding of planned future projects. As there are specific requirements, as detailed in ORS 457, to be met with a plan amendment of this type (substantial amendment), Finance Director Nichole Rutherford followed the Agency's direction to seek consultation with Elaine Howard, the Agency's urban renewal consultant. At the May 25, 2021 work session, Ms. Howard provided review of the amendment.

Ms. Howard presented a timeline for the process, the detailed steps necessary to ensure public participation and process for concurrence from the overlapping taxing districts. Due to the nature of the acreage recommended for addition to the Plan, the overlapping taxing districts would not be affected by its addition as the property was currently property tax exempt and would remain so. However, an increase to the maximum indebtedness would have an effect on the overlapping taxing districts with extended debt service payments beyond current repayment schedules, should the Agency incur additional debt necessary to complete future planned projects. Ms. Howard noted this Amendment could be completed July 20, 2021 if the required approvals for the maximum indebtedness increase were received in that timeframe. This would require focused diligence to keep the process moving forward which was necessary considering the tight timeframe associated the pending ballot inclusion.

The projects to be added to the Plan included site improvements to John Topits Park to facilitate the development of the new library and possible future remediation activities for properties within the Area. The additional acreage was within 20% of the original Plan acreage, leaving 22.25 acres that could be added in the future if acreage addition was approved. The properties to be added were exempt from property taxes currently. The maximum indebtedness would be increased from \$18,890,011 to \$29,000,000. This increase must be approved via adoption of a resolution by the Board of the taxing districts representing 75% of the permanent rate levy for the Coos Bay Empire Urban Renewal District. The impacts on taxing districts were shown in the Report on the Plan. The Amendment extended the projected time frame of the Plan from fiscal year end (FYE) 2031 to FYE 2040. If the plan was not extended now, at the end of fiscal year 2031 the Agency would pay off the existing debt and the district would sunset. The tax rates for the Area were: City of Coos Bay 6.3643, Coos County 1.0799, County Library 0.7289, County 4H/ Extension 0.0888, Port of Coos Bay 0.6119, Coos County Airport 0.24, Coos Bay School #9 4.5276, South Coast ESD 0.4432, and SW Oregon CC 0.7017 for a total of 14.7863.

General updating of the Plan was included in the Amendment to allow for these projects and to update outdated information. The comparison of estimated projects costs from the 2018 amendment to the 2021 amendment were: Façade Program from \$97,087 to \$500,000, Hollering Place from \$728,155 to \$0, Empire Sidewalks Phase 1/2 from \$97,087 to \$500,000, property acquisition from \$ 1,611,650 to \$1,000,000 (Library property 2018 \$1,611,650, Old Gussies, Ayers property 2021 \$1,000,000), Future Projects from \$5,274,454 to \$9,100,000 (Capital Street Improvements \$5,950,000, Gateway Improvements \$150,000, Brownfields \$1,000,000), Financing Fees Included in Admin to \$133,354, and Administration \$3,211,567 to \$2,750,000. Total 2018 projects \$11,020,000 to 2021 projects \$15,606,317. The overall financial analysis included budget from fiscal year end 2021: materials and services \$323,028 and capital outlay \$3,299,935.

Direction of the Agency would determine the extent of future projects for the Empire District and authorize the distribution of the Empire Plan, with recommended amended elements, for public review to begin the required forty-five day Consult and Confer period with the

overlapping taxing districts.

Board Member Marler moved to authorize the distribution of the Empire Plan, with recommended amended elements for public review, beginning the required forty-five day Consult and Confer period with the overlapping taxing districts. Board Member Matthews seconded the motion which carried. Ayes: Benetti, Farmer, Kilmer, Marler, Matthews, Miles. Absent: DiNovo.

Consideration of Approval of Urban Renewal Improvement Program Grant Request for 135 South Schoneman Street

Community Development Administrator Carolyn Johnson stated the property owner of 135 South Schoneman Street, Timothy D. Stillion (Tom & Gigs Automotive), submitted an Improvement Program Grant application for repair and improvements. The building was constructed in 1969. The applicant's proposed project included: replacement of an existing awning on north and west elevations with new awning design; replacement of small window on south elevation; repair/replace the metal siding as needed; weatherization under the awning; and painting of the entire structure in the current color. Installation of a handicapped access ramp in the front of the building was included in the application but was subsequently removed from the proposal; access is provided at another location at the rear of the building. The Design Assistance Team reviewed the project and recommended approval as submitted.

The Improvement Grant Program currently provided a 50/50 grant based on the lowest bid. The program guidelines indicated a maximum grant award of \$25,000 per fiscal year and three written bids be obtained for the project. The applicant was able to secure one bid for awning replacement for \$14,832 and shop window replacement for \$2,850.00 and \$2,958.36. The bids for the siding repair/replacement and repainting were still being developed. The applicant expected the bids to be submitted by June 11, 2021. The cost of the entire project as proposed was not expected to exceed \$50,000, which was within the program standards of 50% reimbursement of \$25,000. Upon submittal of the bids, staff would verify cost for consistency with the approved project, prior to the issuance of any required permits, the Grant Agreement being signed, and the project beginning. Funding for the Urban Renewal Agency Empire Improvement Program for the Empire District 58-945-530-3121 for fiscal year 2020-2021 was \$50,000. This was the first grant request for the Empire Urban Renewal District this fiscal year. The applicant requested 50% of eligible expenses, up to \$25,000.

Board Member Marler moved to approve the proposed Improvement Program Grant application as submitted for fifty percent of eligible expenses up to \$25,000 subject to approval of any required permits. Board Member Miles seconded the motion which carried. Ayes: Benetti, Farmer, Kilmer, Marler, Matthews, Miles. Absent: DiNovo.

Consideration of Approval to Amend the Downtown URA 2020A Series Bond Issuance - Approval Would Require Adoption of Resolution 21-05

Finance Director Nichole Rutherford stated in early 2020, staff began a request for proposal process to find financing for the 4th Street capital improvement process. This process resulted in terms agreed to with Opus Bank, subsequently merged to Pacific Premier Bank, for \$3,400,000 at 2.28% with a ten-year maturity and an eighteen month draw down period. Staff also requested proposals from contractors to construct the 4th Street capital

improvement project. Bids were received which were lower than the engineers estimate, and as a result, staff subsequently requested to add additional streets in the Downtown URA District, to be funded by this bond issuance. These projects were expected to be completed in Fall of 2021, beyond the current draw down period with the originally approved issuance of the bonds, and as such staff consulted with the bank to determine if there was interest in extending the draw period. Premier Pacific was willing to extend the draw period through January 31, 2022 without a change in terms.

Board Member Matthews moved to adopt Resolution 21-05 extending the draw period for the Downtown Urban Renewal Agency 2020A Series Bonds. Board Member Marler seconded the motion which carried. Ayes: Benetti, Farmer, Kilmer, Marler, Matthews, Miles. Absent: DiNovo.

Public Hearing on the Approved Budget for Fiscal Year 2021-2022 - Adoption of Resolution 21-07 Would Adopt the Budget, Make Appropriations, and Levy Taxes

Finance Director Nichole Rutherford stated the local government budget process was regulated through Oregon Revised Statutes (ORS) 294.305 to 294.565. The Agency budget was a financial plan containing estimates of revenues and expenditures for a single fiscal year. Budgeting allowed a local government to evaluate its needs in light of the revenue sources available to meet those needs. A complete budget justified the imposition of property taxes and the making of the appropriations that give the Agency its authority to spend public money. In accordance with Oregon budget law, the Agency had complied with the budget law statutes. A public hearing before the Agency had been scheduled and published for the purpose of taking public input on the budget for the June 1, 2021 meeting. The proposed budget for fiscal year 2021-2022 was reviewed and approved by the Budget Committee on April 15, 2021 with a recommendation for the Urban Renewal Agency's adoption. The full Budget Committee approved budget was on the City's website at <http://coosbay.org/departments/finance>. Adoption of the resolution makes appropriations and levies taxes for Fiscal Year 2021-2022.

Chair Kilmer opened the public hearing. No comments were made and the hearing was closed.

Board Member Miles moved to adopt Resolution 21-07 approving the Fiscal Year 2021-2022 budget. Board Member Marler seconded the motion which carried. 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 July 6, 2021.



Stephanie Kilmer, Chair

Attest: 
Nichole Rutherford, Recorder