



Coburg City Council
January 11, 2022 6:30 P.M.
91136 N Willamette St., Coburg, Oregon
Via Virtual Conference

COUNCILORS PRESENT: Ray Smith, Mayor; Nancy Bell, Kyle Blain, Patricia McConnell, John Lehmann, John Fox, Mark Alexander.

STAFF PRESENT: Sammy Egbert, City Recorder; Anne Heath, City Administrator; Brian Harmon, Public Works Director; Gary Darnielle, Attorney and Planning Advisor; Megan Winner, Planning; Henry Hearley, LCOG Planning Associate; Tim Gaines, Finance Director.

GUESTS: Kevin Dwyer, Andrew Hayes, John Marshall, Planning Commissioner; Raymond Fisher, Kelly Sandow.

1. 2022 State of the City by Mayor Smith

Mayor Smith opened the State of the City at 6:35 p.m. The State of the City update video was played. The City Council met 20 times and City staff finished a lot of projects in 2021. The City was financially sound and utilities were set up to continue to work even in an emergency.

The City was growing, along with the areas around it, which had increased the amount of traffic through Coburg. While the busy streets were in Coburg, they were County streets. This made it difficult for them to make any changes to help diminish traffic. City staff is doing what they can to address the issues, even though they have little control over them.

In 2021 a citizen committee was appointed by in 2021 to study and present recommendations to City Council on Coburg's downtown commercial zoning ordinance. Those recommendations were being turned into a draft proposal which would soon be presented to City Council.

The City has hired a new employee to coordinate Main Streets.. They would also be a primary community access point for events, economic development, businesses, history, and Coburg local news.

After the video Mayor Smith talked about the Key of the City award. He stated that the selection of candidates and the recipient was never easy. The two recipients for that year's award were John and Colleen Marshall.

2. Call the City Council Meeting to Order

Mayor Smith opened the Coburg City Council meeting at 6:58 p.m.

3. Pledge of Allegiance

4. Guest Aaron Gust who is a Life Scout working on his Citizenship Merit Badge lead the pledge of allegiance.**Roll Call**

Ms. Egbert did a roll call. A quorum was present.

5. Mayor Comments

Mayor Smith announced that on January 6, 2022, Coburg resident Don Schuessler. He had served the City as Coburg Mayor, City Councilor and City Administrator.

Mayor Smith reminded everyone that the City Council Retreat would take place on February 5, 2022.

6. Agenda Review

Ms. Egbert said that there would be ex parte letters that would be read into the record later in the meeting concerning the annexation.

7. Citizen Testimony

Kevin Dwyer was there that night representing the Diamond Ridge Water Association. The residents opposed the proposed rezoning of the annexation to light industrial. Over the next ten years it was expected for traffic to go up 10 times what it currently was. As a result, an improvement to the overpass was critical. Mr. Dwyer wondered if water needs would continue to be met if the current drought conditions continued. He noted that light industrial zones used up more water.

Andrew Hayes, a resident of the Diamond Ridge Hill Loop neighborhood, was there that night to talk about the annexation. He believed that the area North of Van Duyn was a better candidate for a light industrial zoning.

Mayor Smith noted that written testimony from Kevin Dwyer and Andrew Hayes was also provided in the packet.

8. Response(s) by City Council

Mayor Smith said that the wastewater was a part of their master plan development. Park & Tree Committee had input on that prior to the annexation. Their concerns had been voiced. He reassured Mr. Dwyer that City staff were very knowledgeable on these matters. Coburg's light industrial zoning code had certain restrictions that other city zoning did not have. Developers would need to come and have their master plan approved by the Planning Commission before the project moved on. Mayor Smith said that community input would be involved in that process.

Councilor Lehmann wanted to know if they would have an opportunity to ask questions on the annexation staff report before they voted. Mayor Smith replied that they would.

Councilor Lehmann felt rushed in deciding that night. Councilor Alexander and Councilor McConnell agreed. Councilor Lehmann wanted to know if they were on a strict schedule to get it voted on that night. Mayor Smith mentioned that they had put off their decision on the annexation for some time. Mr. Hearley said that there was no timeline that they had to follow, but the developer should be afforded a decision in a reasonable time.

Councilor Blain noted that the process for the annexation had been going on for a few years. He thought they had put enough time into the decision and should move forward with it soon, if not that night.

Councilor Fox was worried about the amount of light pollution that would be added to the area.

Mr. Darnielle said that any more of the discussion should happen under the proper agenda item, and not under public testimony. As a result, these comments are not in the record.

9. Consent Agenda

- a. Contract with Lane County to provide Low Income Household Water Assistance (LIHWA)
- b. Minutes December 21, 2021, City Council

Councilor Lehmann had a clarification to make to the December 21, 2021, City Council meeting minutes. Under the Main Street Update agenda item, he was not the Councilor who endorsed many of the ideas. Also, in the next agenda item, there was a comment incorrectly attributed to him saying that the American Rescue Plan Act funds should be used to benefit all Coburg residents. Councilor Alexander said that the second incorrect attribution was a statement he made.

Councilor Alexander had a few clarifications to the minutes as well. During their discussion of the annexation there was a comment incorrectly attributed to him that questioned why the zoning had been changed from campus industrial to light industrial. On the next page, there was another comment incorrectly attributed to him asking if it was possible to have a light industrial model with some requirements from the campus industrial model. Councilor Lehmann noted that the second incorrect attribution was a statement he made.

MOTION: Councilor Bell moved, seconded by Councilor McConnell, to approve the consent agenda with the amendments made to the December 21, 2021, City Council meeting minutes.

VOTE: The motion passed unanimously – 6:0.

10. Special Guest

- a. Planning Commission Report

Commissioner Marshall reminded the Council that the Planning Commissions 2021 goals were to obtain and participate in trainings on land use in Oregon on relevant topics, do a better job at communicating with City staff and City Council, and to stay informed on the City's budget updates and goals for the City Council and other committees.

Commissioner Marshall shared that at the first Planning Commission in January 2021 they set the goals that he had just listed and reviewed findings for the Wiechert. In February they had a joint work session with the City focused on the annexation process. In March the Commission approved the auto site request. That discussion centered around a traffic study. In April the Commission had a training on land use planning law and processes. Some of that training continued into May. The Planning Commission did not meet from June to September of 2021. However, they did have a joint work session with City Council in July 2021 focused on the Coburg transportation system plan. At their October meeting they held election for their officers. Paul Thompson and William Wood continued in their positions as chair and vice chair. There was another joint work session they had with the City Council about the annexation. At the December 2021 meeting the Commission put together their report and started discussing 2022 goals.

Mayor Smith was glad that there had been more communication and joint meetings between the City Council and the Planning Commission. It was important for all committees to stay involved with each other's work.

11. Ordinances and Resolutions

- a. Annexation
 - Land Use ANX-01-20 Approval
 - Land Use ZC-01-20 Approval
 - Public Hearing | Second Reading**

ORDINANCE A-200-J, AN ORDINANCE ANNEXING TERRITORY TO THE CITY OF COBURG IDENTIFIED AS TAX LOT 00202 OF ASSESSORS MAP 16-03-34-00 AND CONSISTING OF 107.43 ACRES, AND AMENDING ORDINANCE A-200G TO CHANGE THE COBURG ZONING MAP TO REZONE SAID TERRITORY FROM LANE COUNTY ZONING DISTRICT EXCLUSIVE FARM USE (E-40) TO COBURG ZONING DISTRICT LIGHT INDUSTRIAL

Mayor Smith opened the public hearing at 7:37 p.m.

Mayor Smith disclosed that he attended a meeting on the proposed property on February 17, 2021. There were approximately four property owners present who had property adjacent to the proposed annexation. The property owners and developers were introduced to each other, and they went through the process and discussed the possibilities for the buffer zone to maintain the tree line. Property owners shared their concerns. Mayor Smith stated that he was not biased and would be able to make a fair decision.

Councilor McConnell said that on December 18, 2021, at the IOOF hall during the Holiday Market. A citizen had discussed their concerns about the development with her. Councilor McConnell told the individual that as a City Councilor she could not discuss the matter and the conversation ended. She stated that she was not biased and would be able to make a fair decision.

Councilor Lehmann said that on December 31, 2021, he had a conversation with John and Colleen Marshall about the annexation. He was impartial and would be able to make a fair decision.

Mayor Smith closed the hearing at 7:43 p.m.

Mr. Hearley noted that in the packet for that night there were three motions that were outlined. He said that the findings for the annexation were presented to the Planning Commission in November. The Commission recommended approval to the City Council. There was one change was the addition of industrial policy 7. The findings had not changed since the last City Council public hearing in December. Staff recommended City Council approve land use file ANX-01-20, land use file ZC-01-20, and ordinance A-200-J.

Councilor Lehmann wanted additional information on goal 2. It said that staff “believe it reasonable to find that a Plan designation of Light Industrial can be implemented through the Campus Industrial zoning designation,” he wanted to know what that meant. Mr. Hearley replied that staff thought that the Light Industrial designation made more sense for the development. Councilor Lehmann noted that the air quality permit was not needed through the light industrial zone. This meant that it would need to be done through the Master Plan. He wanted to make sure that there was a method set up to do that. Mr. Hearley replied that the Department of Environmental Quality (DEQ) would review the plan in relation to the air quality standards.

Councilor Lehmann noted that the document said that the fire and police services requirement had been met. He wanted to know if that had already been done, or if they were set up to implement those services once the annexation was accepted. Councilor Lehmann wanted to know if their current fire and police services were enough to cover that area, or if there would be additional costs. Ms. Heath believed that the property was already in the fire district. She added that for the City there might be more patrol, but she was unsure if that resulted in the need for more officers. Ms. Heath said that if more services were needed those properties would be paying taxes and utilities to cover the expenses. Mayor Smith noted that these issues would be addressed while going over the Master Plan.

Councilor Lehmann noted that the Council had previous discussions where they stated that they did not want the property to have a bunch of warehouses on it. However, under the findings it was stated that the

light industrial designation allowed for distribution centers, while Campus Industrial prohibited them. He assumed that would be the same as warehouses. Mr. Hearley was unsure if a distribution center was the same as a warehouse. Mayor Smith noted that the definition of buildings was an issue they had seen in the past. They wanted to prohibit as many “big box” buildings as possible. It was not something they could do easily.

Councilor McConnell noted that the document said that the Campus Industrial designation did not require an air quality permit, but the Light Industrial designation did. She had concerns related to that. She wanted to know if there was a reason why they were considering Light Industrial when there was property North of Van Duyn that would be Light Industrial. Councilor McConnell wondered why the Planning Commission did not recommend Campus Industrial for the property they were looking at that night. Mr. Hearley stated that the property North of Van Duyn was outside of the urban growth boundary (UGB) and no development would take place there. Also, reasons that Light Industrial were chosen over Campus Industrial were included in the staff report. In the development code it said that if an area was planned one way, it had to be zoned the same way. The property was planned as Light Industrial, so the area had to be zoned Light Industrial.

Mayor Smith reminded everyone that these decisions were not made quickly. The process had been done over a few years. They had already looked at all the available properties in the area and discussed which were the best for development and for the City. Mayor Smith stated that it was still the decision of the City Council whether to move forward with the proposal.

Councilor Fox asked why Light Industrial was chosen over Campus Industrial during the initial evaluation. Mayor Smith remembered that the decision to take on the land was because there was a regional need for more Light Industrial zones. They had decided that infrastructure would be easier to build in that area. They also liked that the property was not too large. The State had told them that a Light Industrial zoning would help them get the types of developments that the City wanted. Mayor Smith emphasized that it was still a decision that the City Council got to make.

Councilor McConnell respected that the process had been so involved. However, so much had changed in recent years, and she did not know how Light Industrial would help them find new patrons and citizens. They did not have enough housing available for people to work in those developments. She stated that it bothered her that the air quality control requirements were different for the two designations. They had trouble with air quality in the past. Mayor Smith reminded her that they had the ability to change the zoning requirements since they were Coburg specific.

Mayor Smith thought that both Light Industrial and Campus Industrial requirements had to be sent to DEQ. Mr. Hearley replied that that was correct. He added that when they talked to DEQ the department was confused on why the zoning designations were different. They suggested getting rid of it.

Councilor Blain was on the Council at the time when they made the decision to move forward with the annexation. He emphasized that a lot of time was spent in discussion with the State to make sure that they did everything right. Councilor Blain was nervous that if they changed the designation to Campus Industrial that the lot would sit empty. He wanted them to trust that the work done before them was correct and done with the best interest of the City and community.

Councilor Fox noted that the size of the warehouses was limited, but the restriction still allowed for large buildings. He asked Mr. Darnielle if the three motions that were recommended if a Councilor could vote to annex the property but vote against the Light Industrial designation. Mr. Darnielle replied that if they did not designate a zone then one would be done automatically based on the plan designation.

Councilor Alexander asked the Planning Commission what, in their mind, made Light Industrial a better option than Campus Industrial. Also, he wondered if Light Industrial was chosen not because it was the right choice or out of fear of Campus Industrial. Councilor Blain did not think it was fear, but the options and need that Light Industrial provided them. Mayor Smith concurred with Councilor Blain and said that fear did not play into the decision.

Councilor Lehmann asked if they had done any community survey asking about Light Industrial zoning versus Campus Industrial zoning. Mayor Smith did not think there was anything done specifically around the zoning, but there were a few public hearings done. Councilor Lehmann thought they should have done some outreach on the zoning. Mayor Smith knew that discussions on zoning were done publicly.

Councilor Fox asked if each developer would need to get approval before construction. Mr. Hearley replied that that was correct.

Councilor Bell reassured everyone that the Master Plan worked. Developers had come in front of City Council to get their development approved. The City Council can ask for changes to be made.

Councilor Alexander asked if there was any interest from developers to use any of the land. Raymond Fisher, the applicant for the annexation, said that Bigfoot Beverages were in escrow for 20 acres. Councilor Lehmann asked if Bigfoot Beverages would be able to operate under the Campus Industrial designation. Mr. Fisher replied that the business could not be there under Campus Industrial.

MOTION: Councilor Lehmann moved, seconded by Councilor McConnell, to table the decision and reschedule it for a future City Council meeting.

Councilor Alexander appreciated Mr. Fisher's patience through the process.

VOTE: The motion passed – 4:2. Councilor Bell and Councilor Blain voted against.

Mayor Smith asked what information those that voted for the motion wanted before they could decide. Councilor McConnell wanted more specifics on what the Master Plan could and could not do. Councilor Fox wanted to know the limitations of their code concerning the lighting that would be put on that property. Councilor Lehmann wanted to discuss if they should involve the community. Councilor McConnell wanted to see the traffic study that was done. Mayor Smith told her that they had looked at the traffic study at a previous meeting. Kelly Sandow, who had done the traffic study for the applicant, said that most of the traffic would occur when people got off work, and in the afternoon when trucks would be going in and out of the area. She said that when a business came to the City Council for approval under the Master Plan a traffic study would be presented.

b. **RESOLUTION 2022-01 A RESOLUTION APPLYING A CONSTRUCTION COST INFLATION FACTOR TO EXISTING SYSTEM DEVELOPMENT CHARGES**

Ms. Winner said that this resolution was routine housekeeping item that was done at the beginning of every year.

MOTION: Councilor Blain moved, seconded by Councilor Fox, to approve Resolution 2022-01 as presented.

VOTE: The motion passed unanimously – 6:0.

c. **RESOLUTION 2022-02 A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF COBURG ALLOCATING AMERICAN RESCUE PLAN ACT FUNDS TO CERTAIN PROJECTS OF THE CITY**

Ms. Heath said that this was a follow up on a report that was given to City Council in December on how the American Rescue Plan Act funds would be spent. The Council gave direction that it would be \$50,000 for the design and engineering for the public works shop, \$15,000 for the bike kiosk, \$15,000 for the Coburg Chamber, \$40,000 for Main Street economic development and beautification, and \$9,864 for broadband planning and feasibility study.

MOTION: Councilor McConnell moved, seconded by Councilor Fox, to approve Resolution 2022-02 as presented.

VOTE: The motion passed unanimously – 6:0.

d. **RESOLUTION 2022-03 A RESOLUTION APPROVING THE PROPERTY EXCHANGE AGREEMENT WITH SHEPARD INVESTMENT GROUP, LLC AND ACCEPTANCE OF DONATION OF \$40,000 LAND VALUE**

Ms. Heath said that this went to City Council in August, and they gave direction to work with Shepard Investment group to exchange the properties. An agreement was put together and was reviewed by both the City and Shepard Investment group's attorneys.

MOTION: Councilor Bell moved, seconded by Councilor Blain, to approved Resolution 2022-03 as presented.

VOTE: The motion passed unanimously – 6:0.

e. **RESOLUTION 2022-04 A RESOLUTION ADOPTING CITY OF COBURG 2022 EMPLOYEE POLICY MANUAL**

Ms. Heath said that it was an annual resolution that was updated based on employee questions. Merit increase language was clarified. Specifically, when the merit increase occurred. There was also clarification made around compensation for excellence and retention. She said that the biggest change was to the vacation policy. This change came about from City Council discussion. The new policy said that when someone was on a 6-month probationary period they did not accrue vacation. Once out of that period they immediately were given 40 hours of vacation. Also, people would now start out at 8 hours of vacation per month. Ms. Heath said another change was made to add Juneteenth as a holiday.

Councilor Lehmann asked if making Juneteenth a holiday was a Statewide change. Ms. Heath responded that it was a federal holiday. Each jurisdiction would need to decide if they wanted to observe it as a holiday. That decision had to be made that night.

Ms. Heath said that another change was made that allowed employees to take two four-hour personal days instead of one eight-hour personal day. With Juneteenth there would be 11 holidays and one personal day.

MOTION: Councilor Lehmann moved, seconded by Councilor Blain, to approve resolution 2022-04 as amended to exclude the Juneteenth holiday.

Councilor McConnell was concerned that the exclusion of Juneteenth would be seen as a political move.

Councilor Alexander believed that Texas was the only State that had made Juneteenth a paid holiday, and the rest of the Country had recognized it as a non-paid holiday.

Councilor Lehmann stated that his opposition was on the grounds of it not having been brought up to the City Council before that night. Councilor Fox agreed. He said that there was a financial aspect to the decision that they had to think about. Councilor Blain concurred.

VOTE: The motion passed unanimously – 6:0.

12. Council Action Items

- a. Park Tree Committee Appointment for 2022 Calendar Year

Mr. Harmon said that this member reappointment was done every year.

MOTION: Councilor Fox moved, seconded by Councilor McConnell, to recommend that Mayor Smith reappoint Karen Coury, Tom Beatty, Coleen Marshall, Lonna Meston, Joe Morneau, Mary Mosier, and Claire Smith to the Park Tree Citizen Advisory Committee for calendar year 2022.

VOTE: The motion passed unanimously – 6:0.

Mayor Smith reappointed Karen Coury, Tom Beatty, Coleen Marshall, Lonna Meston, Joe Morneau, Mary Mosier, and Claire Smith to the Park Tree Citizen Advisory Committee for calendar year 2022.

At 9:39pm Mayor Smith asked the Councilors if they approved moving forward with the rest of their meeting. There were no objections.

13. Administrative Information Reports

- a. Administration Monthly Report

Ms. Heath said that she had made updates to where they were on the work plan. They had marked what was in progress and what had been completed.

Ms. Heath mentioned to the Council that under the water project they had construction options being considered. She said that they were having some challenges with the placement of the reservoir. They hoped to provide more information soon. Ms. Heath said that they wanted to reconvene the Water Team in February so they could talk through the challenges with the engineers. That group would then make a recommendation back to the City Council based off those findings.

Councilor Bell was confused on the colors they used for the goals and priorities work plan sheet. Ms. Heath explained that green was in progress goals, orange was completed, and white were goals/priorities that had not been started. Councilor Bell recommended adding a key to explain that.

- b. Finance Monthly Report

Mr. Gaines said that the report went through November 2021. Whole City revenue was at 23% of what was budgeted. Whole City expenses were at 21% of what was budgeted. There would be a reimbursement of approximately \$40,700 that would be received by the end of January 2022.

Councilor Fox asked why the sewer fund expenses were outpacing the revenue. Mr. Gaines replied that they had to make a large sewer bond payment.

Councilor Lehmann remembered that there was discussion after the last audit of finding a new auditor. Mr. Gaines told him that they would go through a request for proposal (RFP) in March of April. The goal of that was to find a new auditor.

Ms. Heath noted that these reports were supposed to be information only. If City Council wanted a presentation on the information that could be done, they would just need more time on the agenda. Mayor

Smith would rather spend time discussing other parts of their agenda. He wanted them to continue to have these types of reports be information only with some questions. All City Councilor's agreed on that idea.

14. City Councilor Comments

Councilor McConnell had some concern around the Planning Commission report that indicated that City Council did not know what they were doing. Mayor Smith acknowledged that Planning Commission work and land use planning was really challenging. He also wanted to know more about what that comment was referring to.

15. Upcoming Agenda Items

Police Department Quarterly Report
Finance Quarterly Presentation
Building Department Operating Plan

16. Future Meetings

January 12 Heritage Committee
January 17 City Hall **CLOSED** – Martin Luther King Jr. Day
January 18 Park Tree Committee
January 19 Planning Commission
January 26 Finance Audit Committee
February 5 City Council Retreat
February 8 City Council

17. Adjournment

Mayor Smith adjourned the meeting at 10:00 p.m.

(Minutes recorded by Lydia Dysart)

APPROVED by the Coburg City Council on this 11th day of January 2022.

Ray Smith, Mayor of Coburg

ATTEST: _____
Sammy L. Egbert, City Recorder