



Coburg City Council
Regular Meeting
May 11, 2021 7 P.M.
Virtual Meeting via Zoom

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

COUNCILORS ABSENT: None

STAFF PRESENT: Sammy Egbert, City Recorder; Anne Heath, City Administrator; Megan Winner, Planning and Economic Development; Brian Harmon, Public Works Director; Tim Gaines, Finance Director; Gary Darnielle, City Attorney

CALL MEETING TO ORDER

Mayor Smith called the meeting of the City Council at 7:01 p.m.

PLEDGE OF ALLEGIANCE

Ms. Egbert played the pledge of allegiance.

ROLL CALL

Ms. Egbert called roll and a quorum was present.

MAYOR COMMENTS

Mayor Smith shared that staff capacity continues to be an issue in day-to-day operation and the city was unable to find an acceptable candidate for Planner. He outlined the 15 minute rule; If the mayor or a councilor wishes to request information or assistance from city staff the request must be directed to the City Administrator. If the administrator determines that the request will take 15 or fewer minutes of staff time, the administrator will assign the matter to the appropriate staff. If the request will take more than 15 minutes of staff time the mayor or a councilor must attain the support of a majority of the council before the administrator may proceed with the request. A motion to request council support for use of city staff was an appropriate item to be addressed during the council comments portion of our regular meeting.

Mayor Smith stressed that the council should do better to vote on matters that will take considerable staff time. He added that any changes to the City Goals and Priorities should also be voted on by the council.

Councilor Lehmann noted two matters that had not been voted on; surveying the number and location of alleys in the city, and looking at the TUF impact on several businesses. He added that there was still consensus on these items and that staff was given direction to carry them out. Mayor Smith responded that these actions were considered in an informal manner and were in the works.

Councilor Fox inquired how much staff time these would require, Mayor Smith said that the 15 minute rule was implemented for a reason and he would rely on staff guidance to decide if council approval was needed for significant issues.

In response to inquiry from Councilor Fox, Ms. Heath explained that there were many projects in the works and that they were down in administrative staff but would be posting a position. Councilor Fox asked if there was any funding to attempt to offset this burden and Ms. Heath answered that they were having trouble retaining temporary hires.

Mayor Smith explained that the water project was extensive and taking up much staff time.

Mayor Smith asked the staff for an informal confirmation that a council motion was not needed, the staff agreed.

Ms. Heath noted that the alley survey was a major project and that issues like this should be added to the work plan. Mayor Smith responded that this would be appropriate to bring up under Councilor Comments at the end of the meeting.

Councilor Lehmann asked for clarification if the request was for only a listing of the alleys, Ms. Heath responded that there was also a need to determine which alleys could be abandoned and which had easements or public utilities.

Councilor McConnell asked if there was a form to add items onto the work schedule, Mayor Smith explained that Ms. Egbert had been taking notes and suggested that the council take notes also.

AGENDA REVIEW

Ms. Egbert explained that agenda item #6 Ordinance A-252 was only a discussion item. She also said she received feedback on past minutes and sent out an edited version to consider on the consent agenda.

CITIZEN TESTIMONY

There was no citizen testimony.

RESPONSE(S) BY CITY COUNCIL

There were no responses by city council.

CONSENT AGENDA

Mayor Smith asked the council wished to remove any item from the consent agenda.

- 1. Minutes March 30, 2021 City Council Special Meeting**
- 2. Minutes March 30, 2021 Work Session | Transportation Utility Fee**

3. Minutes April 13, 2021 City Council

MOTION: Councilor Fox moved, Councilor Blaine seconded to approve the consent agenda as amended. The motion passed unanimously.

Mayor Smith wished for more accurate minutes in the future and asked the council to bring any amendments to Ms. Egbert before the next meeting.

SPECIAL GUEST

There were no special guests.

ORDINANCE AND RESOLUTIONS

4. RESOLUTION 2021-06 A RESOLUTION APPROVING THE TRANSFER OF APPROPRIATIONS FOR FISCAL YEAR 2020-21

Finance Director Tim Gained shared his staff report on a resolution to transfer funds from contingency. He asked for any questions from the council.

Councilor Bell asked what the total amount to be transferred was and when it was expected, Mr. Gaines explained that no funds were actually changing but just moving from one place to another. He said that contingency was set up to cover unexpected expenses. In response to inquiry from Councilor Bell, Mr. Gaines explained that the contingency fund would be replenished on the upcoming budget.

Mayor Smith added that supplemental budgets were necessary in the past as there was no contingency fund to rely on until now.

Mayor Smith asked the council for any further questions.

Hearing none, Mayor Smith asked for a motion to approve RESOLUTION 2021-06 A RESOLUTION APPROVING THE TRANSFER OF APPROPRIATIONS FOR FISCAL YEAR 2020-21.

MOTION: Councilor Bell moved, Councilor Fox seconded a motion to approve RESOLUTION 2021-06 A RESOLUTION APPROVING THE TRANSFER OF APPROPRIATIONS FOR FISCAL YEAR 2020-21. The motion passed unanimously.

5. RESOLUTION 2021-07 A RESOLUTION AUTHORIZING GRANT FUNDING APPLICATION TO THE STATE HISTORIC PRESERVATION OFFICE (SHPO) FOR PRESERVING OREGON GRANT PROGRAM

Ms. Winning shared her presentation on a resolution to approve an application to the State Historic Preservation Office for the Preserving Oregon Grant. The goal of the grant was to rehabilitate properties on the national historic register, particularly those with a public value. The project will be for the IOOF Hall to make it ADA compliant. Ms. Winning outlined issues with the door clearance, the angle of the ramp, the lip of the door, and the bathrooms, in addition to electrical wiring and lighting issues. Letters of support have been received from the community including IOOF Noble Grand Dale Hunt and if awarded, notification will be received by July 1st.

Councilor Bell asked if the grant was available even though the building was only leased, Ms. Winning responded yes.

Councilor Lehmann asked what would happen if the grant was not approved, Mayor Smith responded that fundraising of some kind would be sought in lieu of city expense.

Councilor Fox asked what the expense for the renovation was, Mayor Smith estimated that \$20k would be spent if awarded by the grant. Councilor Fox asked where the matching funds would come from and Mayor Smith answered that there would be an offset from donated time and staff time. Councilor Fox asked if this put additional burden on staff, Mayor Smith replied that this was already part of the job description and was a key element of economic development. He hoped that Foundation and other groups would become more involved as the project moves along.

Councilor McConnell asked how the labor would be covered. Mayor Smith considered doing the labor himself as a volunteer along with other volunteers.

Councilor Alexander asked what the building would be used for, Mayor Smith responded that an additional community center and a meeting room available to the community was a long term goal. Mayor Smith expressed desire to be more involved in festivals and other events. He also wished to see an office addition to the back of the building for a community coordinator. Councilor Alexander asked if the building was available for purchase and Mayor Smith answered no, it was owned by the national IOOF.

Councilor Blain noted that the community supported this option and volunteered his labor to help.

Mayor Smith suggested that the community kitchen could be updated to bring in more revenue and was an investment into the community. He hoped that other community agencies would continue to help.

Hearing no further questions, Mayor Smith asked for a motion to approve RESOLUTION 2021-07 A RESOLUTION AUTHORIZING GRANT FUNDING APPLICATION TO THE STATE HISTORIC PRESERVATION OFFICE (SHPO) FOR PRESERVING OREGON GRANT PROGRAM.

MOTION: Councilor McConnell moved, Councilor Blain seconded a motion to approve RESOLUTION 2021-07 A RESOLUTION AUTHORIZING GRANT FUNDING APPLICATION TO THE STATE HISTORIC PRESERVATION OFFICE (SHPO) FOR PRESERVING OREGON GRANT PROGRAM for an amount up to \$20k. The motion passed unanimously.

6. ORDINANCE A-252 AN ORDINANCE ADOPTING A TRANSPORTATION UTILITY FEE FOR THE CITY OF COBURG

Ms. Heath began a presentation on Ordinance A-252. She noted that council action was not needed, only input on final decisions. This ordinance has had a preliminary legal review and will have another legal review before completion. Ms. Heath said there had been staff discussion about the best way to implement this within existing financial systems and the ordinance was nearly finished. She asked the council to discuss what to charge as a standard fee and other

questions included in the council packet. Ms. Heath noted that regional funding was available for streets as well as the small cities grant. She asked the council to discuss what the fund would look like over a 10 year period.

Mayor Smith asked to review dollar amounts for difference scenarios, noting that estimated street expenditures for 2031 would be about \$337k dollars. He asked if cost would go down after the 10th year. Ms. Heath answered that these numbers were standard operations and would not go down but added that maintenance would be included in this. Mayor Smith asked what advantage there was to charging more and having a larger ending balance, Ms. Heath said she wanted to make sure there was room to maintain a healthy contingency fund. Mayor Smith asked if SDCs were included in the ending fund balance and if there was any concern about having a little more than normal, Ms. Heath responded that around \$500k was desired to be able to cover SDCs and contingency. She gave an example of the street fund for the new budget, noting that SDC balances can range from \$150k to \$350k depending on what work was done during the year. Ms. Heath wanted to make sure to leave room to reserve SDC balances as well as covering contingencies. Mayor Smith noted that this was the same as maintaining a reserve or contingency of \$250k if there was a \$500k ending balance.

Councilor Lehmann inquired about page 30, section R of the ordinance regarding property primarily used for personal domestic accommodation and suggested adding RV parks. He also cited page 31, section Y and suggested offering a 60 day period with no occupant to consider a property building or unit vacant to suspend property use for seasonal closure. Councilor Lehmann mentioned page 34, section D regarding the order that collections were applied. Ms. Heath explained that collections were always applied in this manner so as to leave the water bill last and encourage people to pay their bill. Councilor Lehmann agreed and suggested that once the fee was paid that it should apply to the transportation purpose. Mayor Smith added that the fee priority was in place as standard.

Councilor Fox asked for clarification on page 38, section C about the city acknowledging contractual agreements between property owners and tenants but the owner ultimately being responsible for the full fee. He asked why the fee wasn't just collected from the owner. Ms. Heath answered that many of the utility accounts were in rentals and that paying utility fees was part of the agreement with the property owner, who was ultimately responsible.

Councilor Blain asked for clarification that if there was no tenant then the landlord was responsible to pay fees.

Mayor Smith asked what input Ms. Heath was looking for and if more discussion was required on how to classify businesses. Ms. Heath responded that each business would be classified individually based on their use of the roadway and that setting a standard fee for both residential and business would be ideal. She offered a few options for fee rates and added that she would be comfortable with a \$7 rate dropping off to \$5 in year 5 or 6 with the option for the council to revisit annually.

Councilor Blain asked if this would be a purely residential rate and Ms. Heath answered yes and that businesses were based on the usage of the roadway per thousand feet of business space. Councilor Blain hoped to decide fees separately between residential and commercial areas.

Councilor Bell asked if there was enough input to make a decision on whether the tree fee would be included in the TUF and Ms. Heath answered that the tree fee would not be included.

Councilor Fox asked for clarification on fee rates and Ms. Heath answered there would be an annual review to adjust rates if needed. Councilor Fox asked about a possible \$6 factor and Ms. Heath considered this an acceptable amount.

Councilor Lehmann asked if there was an example of what a \$5 or \$6 business equitable unit would be for a sampling of businesses and Ms. Heath responded that a report of about 10 different business was sent out outlining various fee amounts. Councilor Lehmann asked for a ballpark estimate of annual cost and what the maximum would be, Ms. Heath offered an example of \$540 per year for a 1000 square foot business and a maximum of several thousand dollars a year for larger businesses. Councilor Lehmann asked what the average residence rate would be and Ms. Heath answered \$60 per year at \$5 per month. Councilor Lehmann asked if the amount asked for a bond or loan was contingent on the amount of money raised annually and Ms. Heath responded that the entire budget and revenue would be taken into account. Councilor Lehmann suggested \$5 for residential units and \$6 for business equitable units.

Councilor McConnell asked what this rate was based on and if growth was factored in, Ms. Heath responded yes and that decisions were made based on expected growth, available lands, and what would be developed.

Mayor Smith reminded the council that they were looking for staff direction to be better informed for the first hearing next month.

Councilor Blain agreed that \$5 for residential areas made sense and that commercial rates should be a little higher due to traffic flow. Mayor Smith agreed that \$5 or \$6 residential would leave enough contingency and wanted to further examine factors effecting commercial areas. He noted that commercial traffic sometimes never touched city streets and wanted to be sure to reach a fair decision. Ms. Heath added that a national standard was set for expected traffic to various types and sizes of businesses and Mayor Smith agreed with sticking to the national standard.

Councilor Alexander noted that the national average was \$4.50 for residential in similar sized cities but agreed with \$5-\$6 residential and possibly \$7 for businesses. Councilor Fox asked what the national average was for commercial and Councilor Alexander answered \$7. Ms. Heath clarified that the average trips per day was around 10 for a residential unit.

Councilor Lehmann suggested adding diesel sales to the gas tax and Mayor Smith responded that part the state revenue included PUC fees from diesel sellers.

Councilor Fox asked to look at the outcome for each proposed fee rate and how they would compare to national averages. He said that commercial entities were used to paying \$7 TUF fees on average.

Mayor Smith asked if any councilors would like to see a \$5 and \$6 rate for residential and suggested \$5, \$6, and \$7 commercial rates. Councilor Fox was willing to back off the \$6 residential rate as it was not the standard. Ms. Heath asked for clarification that a financial comparison between \$5 and \$6 residential and between \$5, \$6, and \$7 commercial was being considered. Mayor Smith asked for confirmation from the staff resulting in 4 up and 2 down votes.

Councilor McConnell said she was comfortable offering \$5 for residential and possibly \$6 residential but nothing higher.

Councilor Lehmann was comfortable with \$5 residential and \$6 or \$7 commercial rates.

Ms. Heath asked if the council would like to review this information in the next meeting and the council answered that they wanted the information before the next meeting.

Councilor McConnell asked if a motion would be required, Mayor Smith answered that this was already a tasked resolution and that direction from staff was needed.

Councilor Blain felt like business rates had been lower than they should be and would like to see them contribute more to the community but noted that water and sewer fees were already high. He suggested pushing some of the street burden onto the businesses. Mayor Smith stressed the need to stick to national standard rates.

Ms. Heath asked whether the city would allow waivers for nonprofits or entities exempt from property tax, Mayor Smith suggested offering a revenue based fee rate and assistance for low income businesses. Councilor Blain agreed that a revenue based system made the most sense. Councilor Fox agreed that low income should be taken into consideration.

Councilor Lehmann asked how businesses like Coburg Sanitary were assessed and Mayor Smith responded that they were out of the city and therefore not applicable, and that they were already included in part of the standard daily trip average.

Councilor Alexander asked if waivers would be to not pay or to adjust, and suggested that waivers to adjust were better. Ms. Heath offered a sliding scale for nonprofits or based on revenue.

Councilor McConnell asked what category nonprofits would fall into, Mayor Smith said they would have a commercial rate but would use the engineer's standard for the use of that building. Councilor McConnell asked for clarification between Countryside Church and Serenity Lane as an example, Mayor Smith responded that the engineering standard factored in the size and types of businesses.

Councilor Blain asked if Serenity Lane fell under that category, noting they were largest driver of traffic in the community. Mayor Smith confirmed that they would pay their portion based on building size and traffic generated. Ms. Heath suggested making the waiver application available and deciding on rates on an individual basis. Mayor Smith added that waivers for nonprofits were standard practice, including for government agencies.

Councilor Blain remarked that even large nonprofits should pay their fair share.

Councilor Lehmann said that government organizations should also be charged and wondered if the Darimart that had a post office attached would accrue two charges. Ms. Heath answered that each entity would be charged individually.

Ms. Heath asked if the city would charge itself and if a clause should be left in to establish a local improvement district for some part of town if desired. Mayor Smith suggested leaving options open and asked if there was information driving this concern. Ms. Heath answered that several ordinances from other cities were used in drafting this ordinance. Mayor Smith worried that conflict or mistrust could arise if an LID were included, and Ms. Heath agreed that a LID could be established at a later time.

Councilor Fox suggested that nonprofits be treated like commercial properties and charged based on their budget. Ms. Fox replied that she would look into this and add language to the ordinance.

Hearing no further comments, Mayor Smith reminded the council that public hearings would begin next month with a second reading being the following month.

COUNCIL ACTION ITEMS

7. IOOF Real Estate Lease Agreement

Ms. Heath explained that after discussion the council wanted to enter into a lease with the Westpoint Lodge #62. The city negotiated a 2 year lease of \$1000 per month with the city taking over the lease of the downstairs including the bathrooms and kitchen, which can be rented out as a maker's space. She said grant funds could also be sought for repairs and maintenance. Ms. Heath recommended the council sign the lease with the IOOF.

Councilor Alexander asked what determined the needs of the community and Ms. Heath answered that this hall had previously been a part of community life and left a void for available community meeting space. She added that there was already community interest in using this hall for this summer. Councilor Alexander asked if there would be a chance for more grants, Ms. Heath answered yes, especially since this was a historical building. Councilor Alexander asked how parking would be managed and Ms. Heath suggested offering reserved parking for building renters. Mayor Smith added that there would be citizen input for determining community need.

Councilor Blain asked how many parking spaces were available and Ms. Heath responded between 20 and 30 but that the lot still needed to be striped. Mayor Smith suggested offering the north side of the lot for reserved parking.

Councilor Lehmann mentioned page 61, section 2.4 about additional rent and noted that owners were able to pass along taxes and insurance costs to renters. Mayor Smith responded that they were an exempt agency and that their current insurance was minimal. He added that the income from renting out the parking lot covered insurance costs.

Councilor Alexander noted that obligation in leasing this building included the upstairs despite not all of it being used. Mayor Smith responded that obligation was split and the leaser was responsible the outer shell of the building and roof. Councilor Blain asked if the entire building was leased as a whole and Mayor Smith answered that only the ground floor and parking lot

would be leased. Ms. Heath added that the upstairs was used for storage and that most activity was downstairs.

Councilor Fox asked if the city would be responsible for fixing in-wall plumbing, Mayor Smith said that the lessee would be responsible. Councilor Fox shared that he would like to see more activity there again. Mayor Smith agreed that this public space was a significant part of the culture of Coburg.

Councilor Alexander asked if any crime was created by this building in the past. Mayor Smith could not recall a negative experience in 30 years. Councilor Fox added that there was much cultural diversity in renters and recalled an incident where 3 trees were cut down. Councilor Blain recalled weekly community parties. Councilor Alexander wondered about possible liability from leasing the building for parties. Ms. Heath added the possibility of requiring renter's insurance.

Councilor Lehmann wanted to see the building re-sided and wondered if rent could be reduced if projects like these would be offered. Mayor Smith and Councilor Blain wished to preserve historic sites instead.

Hearing no further comment, Mayor Smith asked for a motion.

MOTION: Councilor Fox moved, Councilor McConnell seconded to approve the City Administrator to sign a lease agreement with Westpoint Lodge #62 for the IOOF. The motion passed unanimously.

8. American Rescue Plan

Ms. Heath sent out a rating system for the council to consider and received federal guidelines on how to spend this money. She explained that infrastructure was limited to water, sewer, and broadband and excluded transportation. Ms. Heath added that economic recovery and housing were large factors, but that the public workshop was questionable and resiliency was not included in options for spending. Ms. Heath recommended the council make a decision on granting money to the chamber for economic recovery but added that the money did not need to be spent until 2024. She noted that if Lane county reached a 65-70% vaccination rate then summer events could become available again and the chamber would need funding to begin covering these events.

Councilor McConnell noted that the bottom three projects rated by the council were the top three projects recommended by the government. Ms. Heath responded that projects such as business assistance funding and economic recovery which will strengthen the community were being prioritized.

Mayor Smith noted that funding for the chamber was important as they held community events. Councilor Blain agreed and added that broadband was needed to develop the community in the long term.

In response to inquiry from Councilor McConnell, Ms. Heath recommended deciding on either \$10k or \$15k to disperse to the chamber.

Councilor Blain asked what the chamber's plan for the money was, Ms. Heath responded that this would restore events in the park.

MOTION: Councilor McConnell moved, Councilor Fox seconded a motion to approve the transfer of funds amounting to \$15k to the Coburg Chamber of Commerce when available. The motion passed unanimously.

ADMINISTRATIVE INFORMATION REPORTS

9. Financial Written Update

Mayor Smith asked the council for any questions on the finance report.

Hearing none, Mayor Smith moved on.

10. Committee Minutes

Mayor Smith asked the council for any questions on the committee minutes.

Hearing none, Mayor Smith moved on.

11. City Administration Update

Mayor Smith asked the council for any questions on the administrative report.

Ms. Heath mentioned that the City of Coburg was invited to participate in a multi-county and multi-city EDA grant to conduct a feasibility study by a broadband action team to look at areas of collaboration, geographic partnerships, and to move broadband infrastructure forward. LCOG would be covering a \$5000 match but was asking for cities to contribute what they can. The outcome would be some form of broadband infrastructure plan to incorporate in Coburg.

Ms. Heath outlined how city was working on a possible land swap, trading the piece of property next to the building at Pavilion Park for a parking area with the hope to retain the land as park land. She added that lot line adjustment proposals and an appraisal were in the works.

Ms. Heath explained that the city had opportunity to apply for a grant through the small city allotment to be used for transportation, public and pedestrian safety, and encouraging multi-modal transportation. She noted that McKenzie Street was a popular route for school children and proposed writing a \$100k grant to improve McKenzie Street including a sidewalk and possible on-street parking to make it safer for downtown pedestrians and residents. Ms. Heath added that other grants could also be used as well as street funding. McKenzie street was the only street that fit the parameters of this grant.

Councilor McConnell asked if there would be sidewalks on both side of the street as well as parking. Ms. Heath answered that the engineers recommended a sidewalk on one side and on-street parking on the other side. Councilor Blain liked the idea of making the street safer for school children.

Ms. Heath also explained the need to consider who would take possession of Van Duyn Rd which does not appear on the map after a property was annexed by the city, possibly in error. Ms. Heath recommended moving forward with an ordinance to correct this to be able to apply local design

standards to the road. She stressed the importance of upgrading Van Duyn Rd to a two-lane road to facilitate future truck traffic heading east.

Mayor Smith asked for clarification that this was an annex only to have control over design of the road and not ownership of the road. Mr. Darnielle confirmed that this was annex only and added that Lane county staff was in support of the proposed interpretation.

Councilor Bell asked if there was an engineer report on the alley survey, Ms. Heath responded that there would be a staff report available in June.

COUNCIL COMMENTS

Councilor Fox asked if landscape presentations could be better formatted in electronic packets. Ms. Heath answered that she would do her best but that spreadsheets were difficult to format.

Councilor Lehmann mentioned that the wording of ordinance relating to system development fees was currently written in a way which could cause an owner to have to pay twice in some scenarios. He suggested changing the wording to allow the council the ability to approve a 10-year installment instead of automatically allowing one. Ms. Heath noted that this could take up a substantial amount of staff time but agreed that clarification was needed for the ordinance, or possibly a change to the fee schedule. She recommended adding this to the council's work plan. Ms. Heath noted that SDCs were large contributors to the community and made sense for large developments, but questioned funding residential SDCs. Mayor Smith hoped to change the fee schedule to discourage smaller amounts and save on staff time.

MOTION: Councilor Bell moved, Councilor McConnell seconded a motion to assign considerations for the SDC ordinance and associated services and fees to the council's priorities. The motion passed unanimously.

Councilor Bell expressed concern over crosswalks and the failure of drivers to yield to pedestrians. She asked about the possibility of adding signal lights and additional crosswalks crossing Pearl Street. Councilor Bell also suggested adding park lighting, including at the new bike kiosk. She also suggested adding emergency contact signage to the park. Councilor Blain and Mayor Smith agreed that crosswalks needed to be a priority.

Councilor Lehmann described a sting operation by Salem police to catch motorists failing to yield to pedestrians and wondered if something similar could be implemented. Mayor Smith agreed to consider other ways to enforce traffic safety.

UPCOMING AGENDA ITEMS

Budget Hearing

Ordinance A-252 Transportation Utility Fee

Urban Renewal Agency Meeting

FUTURE MEETINGS

May 12 Heritage Committee
May 13 Park Tree
May 18 Budget Committee
May 19 Planning Commission
May 25 URA & City Budget Committee
May 31 Memorial Day City Hall Closed
June 8 URA & City Council Meeting

ADJOURNMENT

Mayor Smith adjourned the meeting at 9:45 p.m.

(Minutes recorded by Jayson Hayden)

APPROVED by the City Council of the City of Coburg on this ____ day of xx 2021.

ATTEST:

Sammy L. Egbert, City Recorder

Ray Smith, Mayor of Coburg