

August 7, 2017
6:00 P.M.
Newport, Oregon

CITY COUNCIL MEETING

ROLL CALL

The Newport City Council met on the above date in the Council Chambers of the Newport City Hall. On roll call, Allen, Sawyer, Goebel, Roumagoux, Swanson, and Engler were present. Saelens was excused.

Staff in attendance were Spencer Nebel, City Manager; Peggy Hawker, City Recorder/Special Projects Director; Steve Rich, City Attorney; Derrick Tokos, Community Development Director; Rob Murphy, Fire Chief; Tim Gross, Public Works Director; Lance Vanderbeck, Airport Director; and Tyson Haynes, Police Sergeant.

PLEDGE OF ALLEGIANCE

Council, staff, and the audience participated in the Pledge of Allegiance.

CONSENT CALENDAR

The consent calendar consisted of the following items:

- A. Approval of minutes of the regular meeting of July 17, 2017;
- B. Approval of minutes of the work session of July 17, 2017;
- C. Approval of minutes of the executive session of July 31, 2017.

Allen noted corrections to the regular meeting minutes of July 17, 2017. MOTION was made by Swanson, seconded by Engler, to approve the consent calendar as amended. The motion carried unanimously in a voice vote.

PUBLIC HEARINGS

Public Hearing and Possible Adoption of Ordinance No. 2117 Regarding the Annexation of a Residential Lot at 506 NE Golf Course Drive. Hawker introduced the agenda item. Nebel reported that on June 1, the Evangeline Bauer Trust submitted an application to annex a property into the city limits, to withdraw property from several districts, and to amend the Newport zoning map to adopt a city zone designation for the annexed property of R-1-"low-density single-family." He stated that the Planning Commission held a hearing on the proposal and voted unanimously to recommend approval.

Nebel reported that in accordance with the ORS, a public hearing notice was published once each week for two successive weeks, prior to the day of the hearing in the Newport News-Times. He stated that notices were also posted at City Hall, the courthouse, Library,

and the recreation center. He noted that no comments were received in response to this annexation.

Roumagoux opened the public hearing on Ordinance No. 2117 at 6:06 P.M. She called for public comment.

Marilyn Hoxsey, Trustee of the Evangeline Bauer Trust, urged Council to adopt the annexation ordinance.

Jeff Lichtman, the proposed buyer of the property, urged Council to adopt the annexation ordinance.

Hearing no further comment, Roumagoux closed the public hearing at 6:06 P.M. for Council deliberation.

MOTION was made by Engler, seconded by Swanson, to read Ordinance No. 2117, an ordinance annexing territory to the City of Newport, withdrawing the annexed territory from the Newport Rural Fire Protection District and the Lincoln County Library District, and establishing zoning for the annexed territory, by title only and place for final passage. The motion carried unanimously in a voice vote.

Hawker read the title of Ordinance No. 2117. Voting aye on the adoption of Ordinance No. 2117 were Engler, Swanson, Roumagoux, Goebel, Sawyer, and Allen.

Public Hearing and Possible Adoption of Resolution No. 3786 Adopting a System Development Charge Methodology and Setting Rates. Hawker introduced the agenda item. Nebel reported that at the July 17 Council meeting, Council held six public hearings on various initiatives related to system development charges; establishing a construction excise tax to promote affordable and work force housing; an ordinance to establish a multiple-unit property tax exemption program for multiple family rental properties; and, an ordinance establishing a tax exemption program for non-profit corporations to construct low-income housing. He stated that these initiatives are designed to address a number of things, including the promotion of new housing development in the city. He noted that a fifth concept is still in the works that relates to a tax exemption for housing above commercial space. He added that because the legislature has made modifications to state law that affect this issue, it will be discussed by Council in the future.

Nebel reported that each of the proposals is a new tool to assist with the expansion of housing in the city. He stated that these recommendations originated with a Technical Advisory Committee that worked with FCS Group, who provided the technical assistance in developing these policies for Council consideration. He noted that Swanson, Goebel, Sawyer, and Roumagoux participated in meetings of this group as recommendations were developed. He added that the Planning Commission has reviewed these initiatives and supports going forward with these ordinances and resolutions.

Nebel reported that the net result of the proposed changes to the system development charges and construction excise tax is an overall reduction in development costs for most types of development. He stated that the tax exemptions are suggested to facilitate expansion of housing in the city.

Nebel reported that Resolution No. 3786 will put in place the system development charge methodology as recommended by the Technical Advisory Committee. He stated that the proposed methodology effectively reduces the system development charges for various types of commercial, residential, and other projects that will be built in the future. He noted that it also changes the distribution of the development charges with those charges being spread more equally among the individual categories, such as streets,

parks, water, sewer, and storm sewer. He noted that Engler had asked whether the charges would benefit a property that implements various strategies reducing the impervious footprint for that development. He stated that the storm sewer SDC is based only on the square footage of impervious surface created for a project, but if technology is used to allow rainwater to soak through an area; this square footage would not be charged a SDC charge for storm water. He added that with homes, the new methodology will differentiate between the size of the home for the various SDC charges including storm sewer, and a smaller home will pay less than a larger home for its impact on city infrastructure.

Nebel reported that two letters related to these issues had been received, and one was from Janet Webster and the other from Cathey Briggs.

Roumagoux opened the public hearing on Resolution No. 3786 at 6:17 P.M. She called for public comment.

Jim Patrick reported that this group of legislation is package deal designed to address housing needs. He noted that the construction excise tax would take a few years to accumulate much money at the current rate of construction. He stated that the current controversy related to the construction in Nye Beach is a result of a lack of understanding of residential projects in commercial zones.

Roumagoux read the letters from Janet Webster and Cathey Briggs into the record.

Hearing no further comment, Roumagoux closed the public hearing at 6:28 P.M., for Council deliberation.

Allen clarified the reason that this resolution is being presented for adoption prior to the adoption of the companion ordinance.

Allen asked Tokos whether there was anything he wanted to state on the record to clarify comments made in Webster's letter. Tokos reported that some commercial SDCs would rise. He noted that the advisory group wanted to normalize the charges and discounts. He added that retail and warehouses would increase, but that charges in the Bayfront, Nye Beach, and City Center will not increase.

Goebel asked about the methodology for selecting the 45% discount. Tokos reported that the advisory committee was comfortable with the numbers but wanted to normalize discounts. Goebel asked whether the percentages would be fixed if this legislation were adopted. Tokos stated that if changes are desired, the resolution should not be adopted. Goebel asked about the result of the total reduction in SDCs from what is being charged currently to what would be charged if this resolution were adopted. Tokos noted that it depends on the category. He added that part of the reason for reductions is that the number of projects has decreased. He added that he does not have a specific number of what collections will be, but that there have been substantial reductions in some areas, and overall, the charges are going down. Goebel asked whether the reduction in SDCs was recommended to allow for the imposition of the construction excise tax. Goebel asked whether all committee recommendations were forwarded. Tokos reported that these recommendations are those of the committee. He added that the only difference was the recommendation to normalize the numbers.

Engler stated that she believes that the transportation charges were unfairly targeted. Tokos stated that warehouses are impacted because they generate many vehicle trips. He added that the figures previously discussed did not include credits for future developments.

Nebel reported that there are two categories that would have increased charges; one is warehouses, and the other is commercial development outside the Bayfront, Nye Beach, and City Center.

Goebel asked about the difference between Nye Beach, City Center, and the Bayfront. Tokos reviewed the imposition of SDCs on the portion of the fish plant that was sold to the Webster's resulting in an \$11,000 SDC charge.

Engler asked about permeable surfaces. Tokos reported that the existing SDCs address this issue on a square foot basis. He stated that the proposal would allow no stormwater charge if no impervious surface is installed.

MOTION was made by Allen, seconded by Sawyer, to adopt Resolution No. 3786, adopting a system development charge methodology and setting rates. The motion carried in a voice vote with Goebel and Engler voting no.

Engler stated that she believes the methodology is unclear and that a work session is in order. Goebel stated that he was told that the SDCs would be decreased to allow for a construction excise tax.

Public Hearing and Possible Adoption of Ordinance No. 2113 Amending Chapter 12.15 of the Newport Municipal Code Relating to System Development Charges. Hawker introduced the agenda item. Nebel circulated a revised recommendation. He reported that at the July 17 Council meeting, a public hearing was held on Ordinance No. 2113. He stated that no comments were made at the hearing. He noted that this ordinance is related to the previous resolution regarding the updated system development charge methodology. He added that the language addresses a number of exemptions and cleans up the process for granting credits for prior uses for eligible projects. He stated that the Planning Commission recommends the changes.

Roumagoux opened the public hearing at 6:58 P.M. She called for public comment. There was no comment, and the hearing was closed at 6:59 P.M.

Tokos clarified and highlighted portions of the ordinance, including temporary and seasonal uses, manufactured dwellings, storm drainage changes, and credit certificates.

Allen noted that Resolution No. 3786 did not contain an effective date. Nebel stated that the effective date would be September 6, 2017.

MOTION was made by Allen, seconded by Swanson, to read Ordinance No. 2113, amending Chapter 12.15 of the Newport Municipal Code relating to system development charges, by title only and place for final passage. The motion carried in a voice vote with Goebel and Engler voting no. Hawker read the title of Ordinance No. 2113. Voting aye on the adoption of Ordinance No. 2113 were Roumagoux, Allen, Swanson, and Sawyer. Voting no on the adoption of Ordinance No. 2113 were Goebel and Engler. The ordinance was adopted.

Public Hearing and Possible Adoption of Ordinance No. 2114 Establishing a Construction Excise Tax for Affordable Housing. Hawker introduced the agenda item. Nebel reported that Senate Bill 1533, authorizes cities and counties to implement construction excise taxes to help pay for affordable housing programs. He stated that this is consistent with Goals 1 and 2 of the Newport Comprehensive Plan, which calls for the provision of housing in adequate numbers, price ranges, and rental levels that are affordable to workers, and commensurate with the financial capabilities of Newport's households.

Nebel reported that with the adjustments being made to the SDC methodologies, an excise tax could be implemented, and in most cases, the overall impact on project construction fees will still be reduced for most categories of projects. He noted that since the 2016 enactment of laws allowing local governments to collect construction excise taxes, a number of entities, including Tillamook County, Cannon Beach, Corvallis, and Portland have adopted CETs. He added that the Technical Review Committee invited representatives from Bend to make a presentation on the use of construction excise taxes in the promotion of affordable housing. He stated that Bend has been able to use these funds to facilitate a number of major housing projects in that community. He added that Bend had a construction excise tax prior to the state eliminating this tool for addressing affordable housing issues. He noted that there are a number of projects in Bend that may not have gone forward without this funding assistance.

Nebel reported that the city is at a unique point in which it can proceed with implementing a construction excise tax in conjunction with the new SDC methodology. He stated that these will still reduce the cost for many projects with the combination CETs and reduced SDC charges if the package of proposals presented this evening are adopted by Council.

Nebel reported that Engler asked how the city would utilize construction excise taxes for affordable and work force housing. He stated that if Council adopts this ordinance, the city would develop a very specific policy and processes for distributing the proceeds for qualified projects. He noted that the process would include that 50% of the construction excise tax, collected after administration fees, be used for affordable housing, and to pay for whole or partial fee waivers for SDCs, finance based incentives, or full or partial exemptions from property taxes.

Nebel reported that 35% of the fees would be available for affordable housing rehabilitation, grants, homebuyer down payment assistance, and borrower education programs. He noted that 15% of the taxes would be earmarked for the Oregon Housing Community Services to fund the department's down-payment assistance program. He stated that since there will be some time before there would be sufficient funds available to be appropriated, it would be appropriate for the Council to authorize a work group, approved by the Council, to develop the specific policies and strategies for distributing the funds which would require approval by the City Council upon completion of this task.

Roumagoux opened the public hearing on Ordinance No. 2114 at 7:07 P.M. She called for public comment. There was none. She closed the public hearing for Council deliberation at 7:08 P.M.

Allen recommended a change to the seventh "whereas," by replacing the words "is confident" with the word "anticipates. Council concurred with this suggestion.

Allen noted that he is concerned with the process of determining how the money would be expended. He added that a work group should be created to make that determination. He stated that he would like to add wording regarding the creation of a work group to this ordinance. Nebel stated that this provision could be incorporated into this ordinance, and added that these funds will not be spent until Council approves a plan for that purpose.

Engler stated that she would be more comfortable is a process was in place.

Goebel stated that the silent majority of residents are concerned about the city frontloading construction costs. He added that this would be another layer on top of the SDCs with potential annual increases. He noted that this is a poor methodology for

funding low-income housing, and suggested looking at other methods. He stated that there is no cause and effect for this particular tax.

Sawyer stated that there is no easy answer to any of these questions. He noted that the committee wrestled with all these issues, and looked at where Newport is compared to other cities in the state and it is primarily in middle.

Allen asked whether Council could add a provision to the ordinance that would call for Council to evaluate the ordinance in ten years. Council concurred with this suggestion.

MOTION was made by Allen, seconded by Swanson, to read Ordinance No. 2114, an ordinance to establish a construction excise tax for affordable and work force housing, by title only, along with the two amendments to the ordinance, and place for final passage. The motion carried in a voice vote with Engler and Goebel voting no. Voting aye on the adoption of Ordinance No. 2114 were Sawyer, Swanson, Roumagoux, and Allen. Voting no were Engler and Goebel.

Public Hearing and Possible Adoption of Resolution No. 3787 Setting Rates for a Construction Excise Tax for Affordable Housing. Hawker introduced the agenda item. Nebel reported that Resolution No. 3787 is companion legislation to Ordinance No. 2114, which would establish a construction tax for affordable housing. He stated that the Planning Commission recommendation is that the rate be established at 1% for commercial and residential construction, with the fee for administering the construction excise tax being set at 4% of gross revenues.

Roumagoux opened the public hearing on Resolution No. 3787 at 7:42 P.M. She called for public comment. There was none. She closed the public hearing for Council deliberation at 7:43 P.M.

The following changes were made to the resolution: the current "Section 2 will become Section 5," and a new Section 3 will be added to read, "An ad hoc work group shall be formed, and approved by the City Council, to determine how to distribute funds collected pursuant to this resolution.: A new Section 4 will be added to read, "Construction excise tax funds are to be distributed in accordance with the recommendations of the ad hoc work group as adopted by the City Council." It was also noted that the effective date should be September 6, 2017.

MOTION was made by Allen, seconded by Swanson, to adopt Resolution No. 3787, setting tax rates for a construction excise tax for facilitation of affordable housing, with the changes approved by Council. The motion carried in a voice vote with Goebel and Engler voting no.

Public Hearing and Possible Adoption of Ordinance No. 2115 Establishing a Multiple Unit Property Tax Exemption Program for Multi-Family Rental Properties. Hawker introduced the agenda item. Nebel reported that at the July 17 Council meeting, a public hearing was held on this ordinance, and no comments were received. He stated that state law authorizes cities to use property tax incentives to attract new multi-family housing development. He noted that the housing needs and buildable lands assessment in 2011 and 2014 indicated a lack of affordable workforce housing. He added that it also indicated that the pace of construction of multi-family housing units in Newport is well below the documented need. He stated that over the past year, the Planning Commission has worked with staff to identify how tax incentive programs could be applied to Newport. He added that the tax exemption could be provided for up to ten years in exchange for

reserving a portion of the units as affordable (up to 80% of median family income.) He noted that this includes new construction or redevelopment, and applicants must show that the development needs a tax exemption to move forward. He added that any proposal for any tax exemption program would prohibit units from being used as vacation rentals and require the incorporation of certain public benefits into the project. He noted that property tax exemptions would only be provided to developments outside of known hazard areas.

Nebel reported that multi-family development is defined as three or more housing units of new construction or two or more added units if the project involves a remodeling of an existing building. He stated that the housing projects must include either 20% of the units as affordable for the 80% of the median-family income, or 10% of the units available for the 60% of median-family income. He added that the development could buy its obligation out by a 10% contribution of its entire tax exemption to the Housing Fund.

Nebel reported that he believes the very slow pace of multi-family unit development justifies a reconsideration of creating a tax exemption opportunity for developers wishing to invest in the city.

Roumagoux opened the public hearing at 7:49 P.M. She called for public comment. There was none. She closed the public hearing for Council deliberation at 7:50 P.M.

MOTION was made by Goebel, seconded by Allen, to read Ordinance No. 2115, an ordinance establishing a multi-unit property tax exemption program for multi-family housing, by title only, and place for final passage. The motion carried unanimously in a voice vote. Hawker read the title of Ordinance No. 2115. Voting aye on the adoption of Ordinance No. 2115 were Allen, Engler, Goebel, Roumagoux, Swanson, and Sawyer.

Public Hearing and Possible Adoption of Ordinance No. 2116 Establishing a Tax Exemption Program for Non-Profit Corporations that Construct Low-Income Housing. Hawker introduced the agenda item. Nebel reported that at the July 17 Council meeting, a public hearing was held on this ordinance, and no public comment was received. He stated that state law authorizes cities to use property tax incentives to facilitate affordable housing. He added that the Planning Commission recommended that Council establish a tax-exemption program for non-profit corporations that construct low-income housing. He noted that the program applies to existing low-income housing projects and vacant land held for up to three years for developing low-income housing.

Roumagoux opened the public hearing at 7:54 P.M. She called for public comment. There was none. She closed the public hearing for Council deliberation at 7:55 P.M.

MOTION was made by Engler, seconded by Allen, to read Ordinance No. 2116, establishing a tax exemption program for non-profit corporations that construct affordable housing in the City of Newport, by title only and, place for final passage. The motion carried unanimously in a voice vote. Hawker read the title of Ordinance No. 2116. Voting aye on the adoption of Ordinance No. 2116 were Sawyer, Swanson, Roumagoux, Goebel, Engler, and Allen.

COMMUNICATIONS

From the 60+ Advisory Committee - Discuss and Review Results of "Age Friendly Community" Designation Survey. Hawker introduced the agenda item. Nebel reported that on June 5, Council authorized the 60+ Center to proceed with a survey focused on

issues, and programs, such as housing, transportation, environmental issues, education, healthcare, and other general issues. He stated that they were successful in having 450 surveys completed, and the compilation of the survey materials has yielded a wealth of information.

Bryn McCornack, Rich McKinney, and Mike Rickus, members of the 60+ Advisory Committee made a PowerPoint presentation that contained the following information: purpose of the survey; survey design; availability of surveys to the community; summary of key results; and next steps. McKinney reviewed the demographics of respondents; housing issues; senior-specific housing issues; transportation; environmental issues; continuing education; giving back to the community; healthcare challenges; social/cultural activities; city programs; and the need for an information clearinghouse. He stated that the two most important issues are healthcare and housing.

McCornack stated that the survey should help inform the 60+ Advisory Committee and Council on how to proceed with initiatives such as the AARP Age Friendly Community designation. She reported that the recommendation is not to make the AARP Age Friendly Community designation a priority. She stated that improvements cannot be made without first addressing the issue of healthcare. She recommended that the city begin a dialogue with the hospital district, Committee, Council, and Samaritan health services to discuss this issue.

Mike Rickus reiterated the Committee's concern regarding healthcare noting that the long-term health of the city is directly connected to the quality of healthcare provided in the city. He stated that in addition to the shortage of healthcare providers, there are other healthcare challenges, including transportation and access to primary care providers and specialists.

Allen asked whether the problem of retention of healthcare professionals is unique to Newport. Rickus stated that the healthcare issue needs to be addressed in the Vision 2040 plan.

Nebel reported that he met with Dr. Lesley Ogden, director of both the Newport and Lincoln City hospitals. He added that she is aware of the problem. He noted that a joint work session with Council and the Samaritan board is a good idea. He added that the results of this survey are consistent with the information collected through the visioning process.

Goebel reported that he talked with Bonnie Saxton and Ralph Breitenstein today, and was informed that the Samaritan board is doing everything possible to improve healthcare for the community.

It was the consensus of Council that a joint work session with the hospital board is in order.

From the Airport Committee - Consideration of Submission of Airport Master Plan to the FAA. Hawker introduced the agenda item. Nebel reported that the Airport Master Plan update provides a 20-year strategic plan that will include projects that the Federal Aviation Agency can financially participate in at the airport. He stated that it also outlines lands which can be developed for aeronautical and non-aeronautical purposes around the airport.

Nebel reported that the planning process evaluates the long-term classification of the airport based on an estimate of future aviation trends. He stated that the long-term projections indicate that the airport will likely see an increase in corporate jet traffic, over

the next couple of decades. He noted that these projections indicate that the airport should be upgraded from a B2 to a C2 airport in the future, and the master plan, as drafted, acknowledges this recommendation. He added that in the short run, the projects identified for the airport would deal with issues other than upgrading the airport to a C2. He stated that for purposes of obtaining various land and easements, and for building new improvements, this should be factored into those decision-making processes so that at the time the airport is upgraded, the various air spaces will be adequately protected to accommodate these improvements. He noted that this will also allow the projections of airport use to be reviewed and modified, if necessary, and would give an opportunity, if standards change, to reflect that in any major investments that would be required in to address significant construction activities required to bring the airport up to a C2 standard.

Nebel reported that one of the issues that will occur in the next two or three years will be initiating discussions with property owners to address both long-term air easement needs to protect the areas at the ends of the runways and addressing tree issues, particularly at the south end of the runway. He stated that staff would initiate neighborhood meetings to discuss where air easement is going to be requested and to deal with trees that are intruding into the safety areas at the ends of the runway.

Nebel reported that at the end of the executive summary is a list of projects identified in the master plan that will take the airport through the year 2032. He stated that one of the significant changes is shortening the crosswind runway to eliminate conflicts with the existing runways, taxiways, and air-space protection issues on the southwest end of the crosswind.

Nebel reported that the Airport Committee reviewed the master plan and recommended that Council approve the plan and submit it to the FAA for its review and ultimate approval.

Vanderbeck and Roman responded to Council questions.

MOTION was made by Engler, seconded by Goebel to approve the draft Airport Master Plan for the Newport Municipal Airport and submit it to the FAA for their review. The motion carried unanimously in a voice vote. On September 30 and October 1, the 2017 Agate Beach Surf Classic will be sponsored by the Newport Parks and Recreation Department. The Destination Newport Committee is recommending that \$3,000 be provided for assistance in marketing this event throughout the Pacific Northwest.

From the Destination Newport Committee - Tourism Marketing Grant for the 2017 Agate Beach Surf Classic. Hawker introduced the agenda item. Nebel reported that on September 30 and October 1, the 2017 Agate Beach Surf Classic would be sponsored by the Newport Parks and Recreation Department. He stated that the Destination Newport Committee recommends that \$3,000 be provided for assistance in marketing this event throughout the Pacific Northwest.

MOTION was made by Engler, seconded by Sawyer, to approve the Tourism Marketing Grant for the 2017 Agate Beach Surf Classic in the amount of \$3,000 as requested by the Newport Parks and Recreation Department and recommended by the Destination Newport Committee. The motion carried unanimously in a voice vote.

From Councilor Dietmar Goebel Requesting a Discussion on Vacation Rental Dwellings. Hawker introduced the agenda item. Nebel reported that at the July 17 Council meeting, there was a discussion on zero setback for garages in the Nye Beach overlay

zone. He stated that Council referred this issue to the Planning Commission for review with the recommendation back to Council. He noted that because this is a land-use issue, the Planning Commission is required to provide a 35-day notice to the state prior to considering any zoning changes. He added that the Planning Commission will be holding a work session on this item on August 14, and will hold a formal public hearing on this matter on August 28. He stated that a minimum 20-day notice must be provided for potential zoning changes for actions then taken by Council. He noted that the earliest Council could discuss changes to the ordinance is at its September 18 meeting. He added that at the same time, Goebel requested that a discussion on vacation rental dwellings be included as an agenda item at this meeting. He stated that the Community Development Department has included an inventory of vacation rental dwellings in the packet. He added that Council direction is necessary if Council desires further action.

Tokos distributed a handout showing vacation rental dwelling locations.

Goebel suggested a Council work session to discuss vacation rental dwelling issues. Allen recommended defining the related issues to be discussed at a work session.

Goebel stated that he is concerned with discussion about a funding source for affordable housing when many properties are being removed from the inventory and turned into VRDs. He suggested determining strategies and solutions to address affordable housing issues.

Cathey Briggs stated that the city does not have a consistent housing policy and a real problem exists. She stated that Hood River has stricter requirements for VRDs, and is actually phasing out VRDs. She stated that the VRDs are out of control now and have an impact on the affordable housing supply.

Allen noted that VRDs were regulated through a business license endorsement with parameters. He added that there are several issues, one is how VRDs are handled to minimize neighborhood disruption; and the second is how VRDs affect the affordable housing supply.

Engler reported that she would share an article regarding VRDs.

MOTION was made by Goebel, seconded by Sawyer, to hold a work session on the VRD issues on September 5, 2017. The motion carried unanimously in a voice vote.

Chantelle Charpentier, representing Vacasa, reported that her company works closely with homeowners and communities. She stated that she would be available to assist in further discussions.

CITY MANAGER'S REPORT

Approval of Memorandum of Agreement with the Lincoln County School District Regarding Conveyance of the Former Pool Building to the School District. Goebel recused himself due to the potential that he could profit from a potential contract with the LCSD for architectural services. Hawker introduced the agenda item. Nebel reported that on June 5, Council held a public hearing on the possibility of conveying the former swimming pool to the LCSD. He stated that Council requested a report from staff on this matter in August. He noted that the LCSD has requested that Council initiate a discussion regarding the possibility of the acquisition, by the LCSD, of the former swimming pool facility. He added that the school district proposes to use the facility to house auxiliary and support services.

Nebel reported that he previously outlined a number of issues that LCSD and/or Council would need to address. He stated that it included issues with zoning, park designation, structural integrity of the facility, and concerns about potential land use impacts by having school facilities on both sides of Big Creek Road.

Nebel reported that if the building could be stabilized, there could be a cost savings for the LCSD in repurposing the facility. He added that there could also be a cost savings for demolition of this facility by the city.

Nebel reported that Resolution No. 3617 established a management strategy for Forest Park that outlined the ways in which the park would be maintained as open property. He stated that there was also discussion that after the pool facility was relocated; this property could be used as staging area, parking area, or entrance area into the park.

Nebel reported that LCSD has evaluated some of the structural aspects of the former pool building. He stated that while the LCSD believes that the pool could no longer be used as an aquatic facility, the shell of the building could be economically repurposed by to address some of their space needs. He added that the LCSD has provided schematics of the reuse of this building showing the addition of a trailhead, and additional parking for joint use by the parks and schools.

Swanson stated that she prefers to see the development of a park, and does not support the repurposing by the LCSD.

Roumagoux supported the repurposing of the facility by the LCSD.

Allen initiated a discussion regarding the termination language contained in the agreement. He questioned what would occur if negotiations were not completed in 60 days.

Rich Belloni, representing the LCSD, addressed Allen's concerns noting that if an agreement cannot be developed in 60 days, the LCSD will need to move on to another project.

A discussion ensued regarding potentially ambiguous language regarding whether the city would be responsible for costs incurred by the LCSD for negotiations. Belloni stated that the city should incur no costs for negotiation. Nebel reported that it is not the city's intent to charge for negotiations. It was noted that there could be costs associated with zoning, but that would occur after the property issue was finalized.

MOTION was made by Engler, seconded by Sawyer, to approve the memorandum of agreement with the LCSD for the conveyance of the former swimming pool building to the LCSD. Voting aye in a voice vote were Allen, Roumagoux, Sayer, and Engler. Voting no was Swanson, and Goebel abstained for the reasons previously stated.

Authorization for a Cooperative Agreement with the Department of Consumer and Business Services for the State of Oregon for Building Code Services. Hawker introduced the agenda item. Nebel reported that the city has one building official to handle building, mechanical, electrical, and plumbing permits. He stated that the city uses both Lincoln County and Clear Company to supplement its building services, but occasionally, inspections have been delayed because neither Clear Company nor Lincoln County has had the staff to assist. He noted that staff recommends Council authorize a contract with the Building Codes Division to provide additional backup if Clear Company and the County are not available to assist the city.

MOTION was made by Allen, seconded by Engler, to approve a cooperative agreement with the State of Oregon acting by and through its Department of Consumer

and Business Services, Building Codes Division for the provision of backup inspection services on construction projects. The motion carried unanimously in a voice vote.

Report on Eclipse Planning. Hawker introduced the agenda item. Murphy reported on various eclipse planning issues, including: public safety planning efforts; mutual aid agreements; closure of certain city facilities; ability of some staff to utilize the inclement weather day policy; the set-up of the emergency operations center; information on the city's website; the installation of "beach access" and "no beach access" signage; the acquisition of extra dumpsters and port-a-potties; events occurring during eclipse weekend; the closure of Oceanview Drive to northbound traffic at 22nd Street on the day of the eclipse; restriction of pedestrian traffic on the bridge; and the post eclipse beach clean-up.

Murphy responded to Council questions.

LOCAL CONTRACT REVIEW BOARD

The City Council, acting as the Local Contract Review Board, began meeting at 9:36 P.M.

Authorization to Purchase Three Vehicles for the Police Department. Hawker introduced the agenda item. Nebel reported that funds have been appropriated for the replacement of three vehicles in the Police Department. He stated that this is proposed to replace the 2009 K-9 police vehicle, the 2011 Dodge Charger police vehicle, and a 2007 administrative police vehicle which will be sold through Govdeals.com. He added that the new vehicles would be purchased from Gresham Ford under the state contract.

Sawyer stated that he would like to defer the purchase until the carbon monoxide issue, with these vehicles, has been resolved.

MOTION was made by Allen, seconded by Sawyer, to defer approval of this purchase request until the safety-related issues are addressed by the Police Department. The motion carried unanimously in a voice vote.

RETURN TO CITY COUNCIL MEETING

Having no further business as the Local Contract Review Board, Council returned to its regular meeting at 9:42 P.M.

REPORT FROM MAYOR AND COUNCIL

Roumagoux reported that she attended the Angell Job Corps advocacy meeting on July 18.

Roumagoux reported that she, Engler, and Lon Brusselback attended the Visual Arts Center Art Camp on July 20.

Roumagoux reported that she attended the PUD open house on July 20.

Roumagoux reported that she met the USCG Buoy Tender, Fir, when it docked in Newport on July 21.

Roumagoux reported that she met with Ethan Schram, a local Boy Scout, and his father on July 25.

Roumagoux reported that she attended the Oregon Mayor's Association Conference, from July 27 - 29, in Lebanon.

Roumagoux reported that she selected the winner of the Mayor's Choice Award at the Quilt Show on August 3.

Roumagoux reported that she attended the Chamber luncheon on August 4. She noted that the presentation was made by Gross and related to city projects.

Roumagoux displayed a packet of information from The Dalles regarding the upcoming solar eclipse.

Roumagoux reported that she has information from the City of Madras regarding the Oregon Central Regional Housing Authority.

Engler reported that she attended a recent meeting of the Bicycle/Pedestrian Advisory Committee. She noted that there is one vacancy on the Committee with three highly qualified applicants.

Engler reported that she attended the recent joint meeting of the City Council and the Vision 2040 Advisory Committee.

Goebel reported that he attended a recent meeting of the Port Commission. He noted that there has been a leadership change at the Port. He added that there was a discussion regarding the terminal project and various uses and needs.

Goebel reported that he attended an OCCA meeting on the VAC at which a chronology of the building was presented. He added that he talked with Don Davis prior to the meeting.

Goebel reported that he, too, met the USCG Buy Tender, Fir, when it was docked in Newport.

Goebel reported that the Library Board meeting was cancelled.

Allen noted that a joint meeting with the Port Commission has been scheduled for August 25. He added that after the tour, a discussion would occur to update the Commission on the fireboat, and to discuss the McLean Point Urban Renewal District.

Swanson reported that she attended recent meetings of the 60+ Advisory Committee and the Emergency Planning Committee.

Swanson reported that she attended the joint meeting of the City Council and the Vision 2040 Advisory Committee.

Swanson reported that she attended the Hot Diggity Dog event at 60+ Center.

Sawyer reported that he attended a recent COG transportation meeting. He noted that much of the discussion centered on the eclipse planning.

Sawyer reported that with the demise of the Valley Retriever, bus service to the valley is limited. He noted that the bus route from Yachats to Florence would begin on September 1.

Swanson reported that the Local Public Safety Coordinating Committee met and authorized the purchase of a transitional house for women leaving the jail.

Roumagoux reported that a Navy ship was recently docked in Newport as a part of an emergency exercise.

PUBLIC COMMENT

Marletta Noe reported that a police officer in another city was in an automobile accident due to carbon monoxide poisoning from a patrol vehicle similar to those recommended to be purchased by the city's Police Department.

ADJOURNMENT

Having no further business, the meeting adjourned at 10:14 P.M.

Margaret M. Hawker, City Recorder

Sandra N. Roumagoux, Mayor