

September 3, 2013
Noon
Newport, Oregon

CITY COUNCIL WORK SESSION

Councilors present: Beemer, Busby, Roumagoux, Swanson, Allen, and Sawyer. Saelens was excused.

Staff present: Smith, Hawker, Gazewood, and Tokos. Gazewood and Tokos were not in attendance during the executive session.

Media present: Dave Morgan from News Lincoln County.

Others present: Bill Hall, Lincoln County Commissioner, Terry Knoll, Director of Housing and Energy Services for the Community Services Consortium, and Bob Gibson, Recruitment Consultant.

Roumagoux called the meeting to order and roll was taken.

1. A discussion ensued regarding the Lincoln Community Land Trust agreement. Tokos reported that approval of the agreement would accomplish a City Council goal. He noted that this agreement is a framework agreement that shows how the program would work in conjunction with the Lincoln County Land Trust, Community Services Consortium, and Lincoln County. He added that this agreement provides that Lincoln County would be responsible for financial assurances so that the city would not have to complete a project. He stated that it would not be necessary to hire staff for this project. Tokos reported that if this agreement is approved, the Lincoln County Land Trust would propose that the first unit be vetted through the Planning Commission and then to the City Council to decide whether it is in the public interest to release the city property. He added that the Lincoln County Land Trust will modify the lease to ensure that there will be no inheritance by unqualified people. He stated that the city's obligation will be \$10,000 per project annually so that the LCLT can recover its construction management costs. He added that \$30,000 should be placed in the revolving loan fund, and could be used to make the properties more developable. Swanson asked whether there is a requirement that the property owners have children, and Tokos that there is not but that the owners must be employed in Lincoln County. A discussion ensued regarding whether other jurisdictions were entering into agreements with the LCLT. It was asked whether Lincoln City was entering into an agreement with the LCLT to manage its newly-acquired properties. Allen asked about the inheritability clause in Section 9. Swanson asked about interest and administrative cost recovery. Hall reported that the loans would be made through a standard mortgage lender. Busby noted that the issues brought up previously still exist. He stated that the city is proposing to give away another \$300,000, and that the city does not belong in the housing benefits. He added that this would only benefit six families,

and the city would essentially be offering six families a huge amount of money. Busby asked how much this would affect the city's work force. He added that it would have a depressing effect on houses in that price range. Swanson asked why the LCLT wasn't considering building condos. Tokos noted that there would be a diverse range of units, but that this proposal would provide six units in addition to those provided by Habitat for Humanity, Lincoln City, and Toledo. It was noted that the occupants would own the homes and pay taxes. Tokos stated that there are working families in the community that can afford to buy a home if the cost of the land is removed. Allen suggested waiting to see how Lincoln City proceeds with the property it just bought relative to workforce housing. He noted that what Lincoln City does is a county-wide issue. Beemer noted that the proposed properties are likely distressed in some way, and asked how many are buildable now. Tokos reported that approximately four properties are buildable now. Sawyer added that it would be nice to have the other cities engaged. Tokos stated that the desire is to get units built in Newport. He added that getting units built in Newport is a start, and building a relationship with Lincoln County is a greater discussion to hold with potential partners in the future. It was noted that the Planning Commission has endorsed this plan. Beemer asked how this plan would work with LandWaves, and Tokos reported that LandWaves has not made property available in Wilder, but that the LCLT has had ongoing discussions with LandWaves.

Bill Hall introduced Terry Knoll, Director of Housing and Energy Services for the Community Services Consortium, spoke in support of the proposal.

Swanson asked whether the proposed six units is a start. Busby asked whether this is the best investment of \$300,000 that could be made. Swanson noted that this is not just an investment in property, but an investment in people. Smith reported that four of the 14 Library employees live in the city. He added that if the city wants to grow and meet future needs, there must be affordable housing. Allen reiterated that it would be nice to see how other communities are looking at this issue. Allen noted that this is a policy choice. Beemer stated that he is not convinced that this is the best bang for the city's buck.

2. Roumagoux reported on a recent luncheon at which she met Admiral Gombrich of the Coast Guard. Swanson asked whether Roumagoux was at liberty to report on her discussion with the Coast Guard. Busby asked what the city gets for being a Coast Guard City. It was noted that the Coast Guard would like to see the city become the west coast version of New Haven. Smith noted that the Coast Guard fuel farm at the Airport is not working, and that the city does not charge for call-outs for Coast Guard fueling.
3. MOTION was made by Beemer, seconded by Swanson, to enter executive session pursuant to ORS 192.660(2)(a) regarding the City Manager recruitment. The motion carried unanimously in a voice vote, and Council entered executive session at 12:43 P.M.

4. MOTION was made by Swanson, seconded by Allen, to return to leave executive session and return to the work session. The motion carried unanimously in a voice vote, and Council returned to its work session at 1:42 P.M.
5. It was asked that a discussion item be included at the next work session relative to payment of travel expenses for City Manager applicants.

Having no further business, the meeting adjourned at 1:43 P.M.