

**STAYTON CITY COUNCIL
MEETING MINUTES
July 20, 2009**

CALL TO ORDER **7:00 p.m.** **Mayor Gerry Aboud**

FLAG SALUTE

ROLL CALL

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| Mayor Gerry Aboud | Councilor Loftus |
| Councilor Frank | Councilor Vigil |
| Councilor Hemshorn | Council Walters |

STAFF:

Don Eubank, City Administrator
Rich Sebens, Acting Chief of Police
Dave Kinney, Public Works Director
Dan Fleishman, City Planner
Christine Shaffer, Finance Director
Louise Meyers, Library Director
David A. Rhoten, City Attorney
Jeffrey M. Strickland, Assistant City Attorney
Rebecca Petersen, Deputy City Recorder

PRESENTATIONS/COMMENTS FROM THE PUBLIC – None.

ANNOUNCEMENTS

a. **Additions to the Agenda:** Item c. was added to the consent agenda, a Settlement Agreement between River Ranch Restaurants (Arco/DQ) Nancy Hanna and the City of Stayton.

CONSENT AGENDA

- a. Council Meeting Minutes of July 06, 2009**
- b. Rural Investment Grant to Fund Urban Renewal Plan**
- c. Settlement Agreement River Ranch Restaurants (Arco/DQ) Nancy Hanna and the City of Stayton**

Councilor Vigil pulled item a. from the consent agenda.

MOTION: From Councilor Loftus, seconded by Councilor Vigil, to approve items b. & c. of the Consent Agenda. Motion passed 5:0.

Referring to page 7 of 9, Councilor Vigil stated that the wording of the motion needs to be changed to read “..... extend the suspension until the end of construction.....”, and remove the wording “....until the summer of 2010”.

MOTION: From Councilor Loftus, seconded by Councilor Vigil, to approve the July 06, 2009 meeting minutes as amended. Motion passed: 5:0.

PUBLIC HEARING

Stayton Downtown Urban Renewal Plan

- a. Commencement of public hearing:** Mayor Aboud opened the public hearing at 7:08 pm, and read the opening statement.
- b. Ex parte contact, conflict of interest, bias, etc.:** Councilors Frank, Loftus, Hemshorn and Vigil declared that they had conversations with citizens regarding the Urban Renewal Plan. Councilors Loftus and Vigil declared that they reside and are business owners in the proposed Urban Renewal District. Mayor Aboud declared that he owns businesses in the proposed district.
- c. Staff Report:** Mr. Fleishman gave a power point presentation explaining various aspects of the Urban Renewal Plan.

The meeting was recessed at 7:45 pm and reconvened at 7:50 pm.

d. Proponent's Testimony: John Brandt, Stayton resident and Planning Commission Member. Mr. Brandt urged council members to approve the Urban Renewal Plan. The document has received a lot of public involvement and should not be put up for a vote of the citizens, as an adequate number of citizens have publically supported the document. The Planning Commission, PALS, Heritage Foundation and the Chamber of Commerce.

Kelly Schreiber, Stayton/Sublimity Chamber of Commerce Executive Director. Ms. Schreiber read into the record a prepared letter of support for the Urban Renewal Project stating the Chamber Board of Directors urges the councils support. The plan is a step to implementing the Downtown Revitalization Plan and is a funding mechanism for reallocating funds to provide for improvements without increasing taxes. The plan will make downtown Stayton more alive and vibrant.

Ken Cartwright, Stayton resident and local business owner. Mr. Cartwright stated that he resides and is a business owner in downtown Stayton. He supports the plan as it provides for revitalization in a core area.

e. Opponent's Testimony: Mayor Aboud read into the record a letter from L. Jay Myers, Stayton, Oregon listing various reasons why he does not agree with the establishment of an Urban Renewal District.

Dick Morley, Stayton resident, local commercial property owner, school board member, and Stayton Fire Board District Member. Mr. Morley stated that he was not speaking on behalf of the boards he sits on but as a concerned citizen. The Urban Renewal District would create unfunded mandates for the Stayton Fire District, as it's the fire districts responsibility to provide fire protection within their district which extends outside the city limits of Stayton. Funding for schools would be changed and less money would be going to the school district.

Jay Alley, Assistant Chief, Stayton Fire District. Mr. Alley stated that he was speaking on behalf of the Stayton Fire District, Fire Department and the Board of Director's. He read a prepared statement signed by Jack Carriger, Stayton Fire Chief and Michael Odenthal Fire District Chairperson, opposing the plan.

Art Christensen, Stayton, past CEO for Norpac, retired. Mr. Christensen stated that the plan itself is a good plan, but the rest of the community over the next 15 - 20 years will have to pay for the plan that covers only 5% of the citizens due to the location of the district, and the city needs to address the other 95% of the citizens also. The false assumptions in the plan are based on an increased economy even if that does not happen the city continues to receive the tax money. A five (5) year sunset rule could be added so that if the plan is not working in five years the city could cut their losses and move on.

f. General Testimony: Susan Horvat, Stayton resident and local business owner. Mrs. Horvat stated that she has been a Stayton business owner for over 30 years, a downtown resident and is now working on developing the mill property. Last year an amendment was made to Title 17 Land Use and Development Code creating a special zone for the mill to allow compact development of 10 to 15 units per acre. The Urban Renewal plan allows for 12 to 30 units per acre which is inconsistent with the new zone; she asked staff to research the issue.

g. Questions from the Public: Russ Strohmeyer, Stayton resident and local business owner. Mr. Strohmeyer stated that the Urban Renewal District ends on the south side of W. Washington Street where his commercially zoned property is located. Mr. Fleishman stated that the committee decided the boundaries based on where proposed areas had greater potential for development, but council has the option of extending the boundary if they wish to do so.

Mr. Christensen asked why the committee members were not from all over the community instead of just the downtown area. Mr. Fleishman stated that all those who asked to be on the committee were chosen.

h. Questions from the Council:

1. Would the citizens of Stayton have any recourse if the Urban Renewal Plan were approved? Mr. Fleishman answered in the affirmative and said the Referendum process could be used.

2. How much revenue would the city forgo with the establishment of the Urban Renewal District? Mr. Fleishman stated approximately 2.4 million dollars for the general fund.

3. Could the downtown revitalization plan take place without the Urban Renewal District? Mr. Fleishman answered yes, but said the Urban Renewal District provides the funding mechanism.

4. What would be the impact of deferring the plan for another year? Mr. Fleishman stated that the impact would have minimal impact. It would defer everything for a year and affect the base value of the projected revenues.

- i. **Staff Summary:** Mr. Fleishman stated that there was no summary, but he addressed questions that had been asked. If there is no new growth without the urban renewal plan there is no new tax revenue to be deferred. With the adoption of an urban renewal plan it will not be the intent of the plan to make changes to the land use code. The Urban Renewal Plan addresses four of the six council goals.
- j. **Close of Hearing** Mayor About closed the public hearing at 8:50 pm.

UNFINISHED BUSINESS

Ordinance No. 912 Revenue Bond

- a. **Staff Report:** Ms. Shaffer stated that at the July 06, 2009 City Council meeting, the council approved the Bond Ordinance without a number. Reading of the ordinance needs to take place again and a number assigned.
- b. **Council Deliberation:** None.
- c. **Council Decision:**

Motion: From Councilor Vigil, and seconded by Councilor Loftus, to move to direct that Ordinance (unnumbered), authorizing the issuance of Revenue Bonds to finance improvements to the City's Wastewater System be read for the first time by title only.

Motion passed: 5:0.

The Deputy City Recorder read the proposed ordinance for the first time by title only.

Motion: From Councilor Vigil, and seconded by Councilor Loftus, to move to approve the first reading of Ordinance (unnumbered), authorizing the issuance of Revenue Bonds to finance improvements to the City's Wastewater System be read for the first time by title only. **Motion passed:** 5:0.

The Ordinance was assigned number 912.

Motion: From Councilor Loftus, and seconded by Councilor Vigil, to move to direct that Ordinance No.912, authorizing the issuance of Revenue Bonds to finance improvements to the City's Wastewater System be read for the first time by title only. **Motion passed:** 5:0.

Ms. Petersen read Ordinance No.912 for the second time by title only.

Motion: From Councilor Vigil, and seconded by Councilor Loftus, to move to approve the second reading of Ordinance No. 912 and direct the Mayor to execute the Ordinance as enacted. **Motion passed** 5:0.

Resolution No. 843 Fees and Charges for Various City Services – Due to the late hour Mayor About stated that he would like to defer the item to a later date. Councilor Vigil asked that the

council discuss the fee schedule as the Pool Manger was present to answer any questions the council may have. Ms. Shaffer stated that it was brought to her attention today that Mr. Sebens will be submitting an ordinance that will affect the fees, and suggested deferring the issue for a month to give Mr. Sebens ample time to prepare his documents.

Councilor Frank asked how pool staff would determine which patrons were disabled. Ms. Meeks stated that some patrons have visual disabilities, but others requesting a disabled rate are required to produce some type of documentation listing the disability. If individuals are utilizing the pool for rehabilitation they too qualify for the disability rate.

NEW BUSINESS

Ordinance No. Stayton Downtown Urban Renewal Plan

a. Staff Report: None.

b. Council Deliberation:

1. Councilor Frank stated that he has reservations about creating a downtown plan that does not serve the majority of the citizens, the plan is flawed. Deferring revenue will impact the citizens of Stayton. If the plan is approved, it should be taken to the citizens for a vote.

2. Councilor Loftus stated that he has significant reservations about the project. The current plan targets sewers, sidewalks, streets and footpaths which does not attract new development. The entire city needs revitalizing not just one part. Economic Improvement Districts work as its' being localized to the area. If the plan is approved, 2/3 of the money collected should be used for grant funding of property development. A sunset clause should be added that if the program is not working within a certain length of time, the project should be ended.

3. Councilor Vigil stated that he is a member of the Stayton Fire District as a Volunteer. He is in favor of the project but feels using the money from an Urban Renewal District to provide for sewers, streets, bike paths, etc. is not a good idea. Money for the Urban Renewal District should not be used for maintaining the infrastructure.

4. Councilor Walters stated that if someone wanted to develop property inside the Urban Renewal District but did not have the funds available to buy the additional footage needed for a water line, the city could fund it as its' in the Urban Renewal District. It not only helps him, it helps every one in the neighborhood including the fire department. Something needs to be done in the downtown area

c. Council Decision:

MOTION: From Councilor Loftus, to take no action on the plan. **Motion fails due to no second.**

MOTION: From Councilor Loftus, seconded by Councilor Frank, to refer the Urban Renewal Plan to the citizens of Stayton for a vote.

DISCUSSION: A lot of information needs to get out to the voters so they can make an informed decision, which could be costly to the city.

Motion failed: 2:3 (Frank & Loftus, aye) (Hemshorn, Vigil & Walters, nay)

MOTION: From Councilor Loftus, seconded by Councilor Vigil, to modify the plan to remove “public buildings and facilities”, change 2/3 of the Urban Renewal expenditures to 1/3 and shift the other 2/3 to be utilized for development assistance.

DISCUSSION: Councilor Vigil withdrew his second in order to ask questions of staff.

MOTION: From Councilor Walters, seconded by Councilor Loftus, to delay making a decision until the next council meeting. **Motion passed:** 5:0.

Oregon Park and Recreation Department Recreational Trails Grant Agreement Florence Street to Riverfront Park Pedestrian Bridge (OPRD)

a. **Staff Report:** Mr. Kinney stated that in 2006, the City of Stayton applied for an OPRD Recreational Trails Program Grant for the construction of a pedestrian

b. **Council Deliberation:**

1. If the city is not able to obtain a bridge and needs more time to do so, is there any time line for spending the funds from the grant?

Mr. Kinney stated that it all needs to be completed by June 2011.

c. **Council Decision:**

MOTION: From Councilor Vigil, and seconded by Councilor Loftus, to move to authorize the City Administrator to enter into a grant agreement with the OPRD Recreational Trails Program for the Florence Street Pedestrian Bridge. **Motion passed:** 5:0.

Award of Contract for Locust Street & E. Pine Street

a. **Staff Report:** Mr. Kinney stated that the City received a grant from Oregon Department of Transportation (ODOT) under the American Recovery and Reinvestment Act (ARRA) of 2009 for the paving of Locust Street and overlays in the E. Pine Street residential area. The City received five bids for the project and staff is recommending Guernsey Stone DBA Cemex. Staff has some concerns that revenues will be limited this year and will be reviewing the scope of the project for the E. Pine Street area overlay work and may recommend reducing the contract amount, as the bid is based on so many dollars per ton of asphalt and the city does not want to over spend the project.

b. Council Deliberation:

1. Where is Guernsey located and have other cities hired them? Mr. Kinney stated that they are located in the Albany area and have had contracts with other jurisdictions. Bob Adams local contractor and Mike Brash, Senior Engineer Technician are familiar with their work and would recommend them.
2. Can any of the money from stimulus dollars be spent on E. Pine Street? Mr. Kinney answered no but said that the City budgeted up to \$127,000 for street maintenance which can be used for E. Pine Street.

c. Council Decision:

MOTION: From Councilor Vigil, and seconded by Councilor Loftus, to award the 2009 Street Overlay Contract to Guernsey Stone DBA Cemex in the amount of \$259,575.

Motion passed: 5:0.

Social Gaming – Due to the late hour, this item was deferred until the next meeting.

STAFF/COMMISSION REPORTS

Finance Director's Report – Christine Shaffer

- a. **Monthly Finance Department Report:** No discussion.

Acting Police Chief's Report – Rich Sebens

- a. **Statistical Report June 2009:** No discussion.
- b. **National Night Out** – Deferred until next meeting.

Library Director's Report – Louise Meyers

- a. **June Activities/Statistics:** No discussion.

Public Works Director's Report – Dave Kinney

- a. **June 2009 Operating Report:** No discussion.

Pool Manager – Rebekah Meeks

- a. **June Operating Report:** No discussion.

PRESENTATIONS/COMMENTS FROM THE PUBLIC – None.

BUSINESS FROM THE CITY ADMINISTRATOR

- a. **Meeting Reminders:** Mr. Eubank reminded council members of the various meetings that would be taking place in the week.

