

City of Brookings

CITY COUNCIL MEETING MINUTES

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415
Monday, June 9, 2014

The City Council met in Executive Session at 6:30 PM in the City Manager's office, under authority of ORS 192.660(2)(f), "to consider information or records that are exempt by law," and ORS 192.660(2)(h), "to consult with counsel concerning the legal rights and duties of a public body with regard to current litigation or litigation likely to be filed."

Call to Order

Mayor Hedenskog called the meeting to order at 7:00 PM.

Roll Call

Council Present: Mayor Ron Hedenskog, Councilors Bill Hamilton, Brent Hodges, Jake Pieper and Kelly McClain; a quorum present.

Staff Present: City Manager Gary Milliman, City Attorney Martha Rice, Planning Manager Donna Colby-Hanks and City Recorder Joyce Heffington.

Others Present: Pilot Reporter Jane Stebbins and 6 others.

Ceremonies/Appointments/Announcements

Mayor Hedenskog proclaimed the week of June 9 – 15 as Supreme Americanism Week.

June Yard of Month Awards:

- Residential: Kai Oberbeck & Jim Redel, 96406 Oceanside East Drive
- Commercial: Elias & Sonya Billington, Oxenfrē Public House

Ordinances

Ordinance 14-O-731 adding provisions to BMC Chapter 17.40, Public Open Space District, allowing conditional use of recreational vehicles as caretaker residences.

Manager Colby-Hanks provided the staff report.

Councilor Pieper moved, a second followed and Council voted unanimously to do a first reading of Ordinance 14-O-731 by title only.

Mayor Hedenskog read the title.

Councilor Pieper moved, a second followed and Council voted unanimously to do a second reading of Ordinance 14-O-731 by title only.

Mayor Hedenskog read the title.

Councilor Pieper moved, a second followed and Council voted unanimously to adopt Ordinance 14-O-731, [amending Chapter 17.40, Public Open Space District of the BMC].

Staff Reports

Execution of Lease Termination Agreement with the Claveran Group, LLC, and execution of Golf Course Lease Agreement with Wild Rivers Golf Management, LLC.

City Manager Milliman provided the staff report and said the lease termination agreement had now been signed.

Councilor McClain asked if there were any deed restrictions regarding the proposed RV park and Milliman said he didn't believe so. The uses in the new lease, Milliman said, were authorized under the original conditional use permit issued by the County.

Councilor McClain asked if the Transient Occupancy Tax (TOT) on the rental spaces would be added to the annual lease payment and applied toward the water source funding and Milliman said that it wouldn't be a TOT, but an equivalent amount in fees and those fees would go into the general fund. McClain then asked where the annual lease payment would be applied once the water source was paid for and Milliman said he imagined this was something Council would determine when it was time to consider renewal of the five year lease.

Councilor Hamilton asked if the proposed park models would be removable and go with the lessee, and Milliman said there was no specific proposal as to what the RV's will be, but they would need to be removable to be an RV.

Councilor McClain said the income from the RV spaces could be considerable and he wondered if there was anything to ensure the operation of a golf course. He said he also wondered if the City was charging enough for the land.

City Manager Milliman said that the lessee is authorized to operate a golf course and they would be in default if they failed to do so.

Public Comment:

Tony Parrish, Brookings, asked what other RV business owners thought of the City going into the RV business. He said it seemed like a "sweet deal," for the lessee, but they would be competing with another RV park just down the road from them. He said he "could go on forever" about what's wrong with the course and it didn't make sense to use the rent to help the lessee pay for their own business.

Councilor Pieper asked if there was another RV park inside City limits besides the one at Harris Beach State Park and Milliman said there was one in the East Harris Heights area. Pieper asked if the RV park would fall under the County's TOT rate and Milliman said the County didn't collect TOTs and the lessee would not be paying TOTs, but rather the equivalent of the TOT that other such businesses inside the City limits pays. Pieper then asked if they could legally bill the renters a TOT and Milliman said the lessee could add the fee to the rental amount.

Councilor Pieper said the agreement was not perfect. Council, he said, had been divided on this issue from the beginning, and in trying to move toward an agreement, concessions had been made on both sides. This was the best path forward, he said, and Council had been pretty unanimous in its intent to keep the golf course.

Councilor McClain said he agreed with Councilor Pieper that it wasn't a perfect deal, but it was good to have a new group taking over. The community needs the course, he said, and while it was easy to criticize, it was not easy running a golf course in this climate. He added that the City is a tourism destination for a lot of people and the golf course was a good thing to have.

Councilor Hodges said he was happy with the agreement and the best way to protect the investment was to use the rent to help fund the water source. He said he'd heard all the complaints but a great deal of improvement had occurred. Losing this asset, he said, after all the millions of dollars that had gone into it, would not be a good thing.

Councilor Hamilton said there were ways around the sewer issues, but his biggest concern was the RV Park. One of the most pristine RV Parks is less than two miles away on the Chetco River, he said. The City, he added, will just need to work out the bumps along the way.

Mayor Hedenskog said the Claveran Group had taken a raw piece of ground and made it into a nice golf course. He said it was a nice feature for the City and congratulated the new group, and Ed Murdock, in particular, for his tenacity. Hedenskog said he wanted to see the golf course work.

Councilor Pieper moved, a second followed and Council voted unanimously to authorize the City Manager to execute the Lease Termination Agreement with the Claveran Group, LLC.

Councilor McClain moved, a second followed and Council voted unanimously to authorize the City Manager to execute the Golf Course Lease Agreement with Wild Rivers Golf Management, LLC.

Execution of agreement with the Pelican Bay Arts Association for \$500 in Transient Occupancy Tax funds to promote the 2014 Festival of Art at Stout Park.

City Manager Milliman gave the staff report.

Councilor Hamilton said he thought it was a worthwhile venue and Councilor Hodges said there was a fairly large population of art-oriented people here and he would support it.

Councilor McClain said the event met two of his three criteria and he would support it.

Councilor Pieper said he agreed there was a large population of locals who would attend, but didn't see the event bringing a lot of out-of-town people to the area, especially not people who will be staying overnight.

Councilor McClain said these events usually have a community of followers and the out-of-town artists who participate would be staying overnight. He added that the bigger event gets, the more attendees it will have.

Mayor Hedenskog asked Councilor Hamilton how many out-of-town booths he would estimate were at last year's event and Hamilton said around fifteen. Hedenskog said he would guess it was around 50%.

Councilor Hodges pointed out that this event was not the same as the one that was held at the Port and if only half of the artists stayed in hotels it would be worth it.

Mayor Hedenskog asked if the Tourism committee could do some follow-up on the number of attendees and discussion ensued regarding event applicants providing follow-up reports with Hodges suggesting that the report should be tied to funding.

Councilor Hodges moved, a second followed and Council voted unanimously to execute an agreement with Pelican Bay Arts Association providing \$500 in

Transient Occupancy Tax funding for promotion of the the 2014 Festival of Art at Stout Park.

Direction to prepare draft resolution regarding the drafting of a ballot measure for the May 2015 election to enact a fuel tax.

City Manager Milliman presented the staff report.

Mayor Hedenskog asked if three cents would achieve the desired revenue and Milliman said three cents was the most common amount among the cities that had enacted a fuel tax. Hedenskog said Council really wanted to reach its goal and he was inclined to go with the year around, three cent option as seasonal rates wouldn't work well here.

Councilor Pieper said he anticipated receiving a lot of citizen input on this once it's in the paper, and he suggested getting a draft resolution prepared to get the ball rolling. He said he supported putting the question out to the voters.

Councilor McClain said the City needed \$300,000 annually to keep streets replaced and in good repair and this tax will cost the majority of people less than what they currently pay in SRF fees while getting tourists to help pay for street repairs and replacement.

Councilor Hodges said an excellent marketing campaign would be needed to get this passed. He also said commercial users should probably pay less and that the City should stop collecting the tax as soon as the \$300,000 goal was met and sunset it at some point.

Councilor Hamilton said he didn't want to rush into this or put it on the November ballot with other possible tax measures. He said he thought May would be best and collection should stop each year once the goal was reached.

Councilor McClain said the message needed to be that most residents will save money each year by getting rid of the SRF and putting the cost of street repair and maintenance to tourists.

Councilor Pieper said it was unlikely that they would reach the \$300,000 a year mark with a three cents fuel tax, and some revenue would probably be lost to the other side of the river.

Councilor Hedenskog agreed that there should be a lower commercial rate and that it should sunset after ten years when the street schedule outlined in the Willdan study was complet. After that, he said, the City could bring back a small SRF fee.

Councilor McClain said if the City had a system that generated more revenue at a lower cost, why would it ever reinstitute the SRF fee?

Councilor Hodges said ten years was too long and people wouldn't support it, and Councilor McClain said the revenue will always be needed to keep streets maintained, McClain said if they put a ten year limit on it he would be a "No" vote.

Councilor Hamilton said that people in this town had a tendency to vote no on anything that cost money.

Councilor McClain questioned the number of taxes with a sunset date and said he thought they were overestimating the number of people who really look at longevity. Council, he said, should be looking at long term policy instead.

Mayor Hedenskog made a motion to direct the City Manager to prepare a draft resolution directing the City Attorney to prepare a ballot title for the May 2015, election that would enact a fuel tax containing the following provisions and leave those provisions as a question for future town hall meetings. Following discussion, he amended the motion to direct the City Manager to hold town hall meetings to answer questions prior to voting on a resolution. Following further discussion, the motion was withdrawn.

Councilor Pieper moved, a second followed and Council voted unanimously to direct the City Manager to prepare a draft resolution directing the City Attorney to prepare a ballot title for the May 2015 election that would enact a fuel tax and contain the following provisions: a maximum tax rate of three (3) cents per gallon, a provision requiring the City Council to reduce the tax rate if annual revenues exceed \$300,000 adjusted by the CPI, that the rate 3.0 cents would be year-round, and eliminate the Street System Replacement Fee.

Consent Calendar

1. Approve Council minutes for May 27, 2014.
2. Accept Public Art Committee minutes for May 19, 2014.
3. Accept May 2014 Vouchers in the amount of \$199,300.08.

Councilor Hodges moved, a second followed and Council voted unanimously to approve the Consent Calendar as written.

Remarks from Mayor and Councilors

Mayor Hedenskog said he felt the gas tax could sell itself because it would drop water bills and spread the cost more equitably. He also said he was pleased with the new restaurant and downtown was looking really good.

Councilor Hamilton said he'd received a number of positive comments about the flower baskets and he would like to see more. He said he was sad to hear about the Shell station closing in Harbor but was pleased that another business would be moving in. He also said he was hoping to see more, new restaurants opening up this summer.

Adjournment

Mayor Hedenskog moved, a second followed and Council voted unanimously to adjourn by voice vote at 8:30 PM.

Respectfully submitted:



Ron Hedenskog, Mayor

ATTESTED:
this 23rd day of June 2014:



Joyce Heffington, City Recorder