

City of Brookings

Special Joint City/County Meeting MINUTES

Tuesday, February 19, 2013, 6:00pm

City Hall Council Chambers, 898 Elk Drive, Brookings, OR 97415

Call to Order

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

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, Finance & Human Resources Director Janell Howard, Planning Manager Donna Colby-Hanks, GIS Technician Jordan Fanning, Human Resource/Accountant Lu Ehlers, City Attorney Martha Rice and City Recorder Joyce Heffington.

Others Present: County Commissioners David Brock Smith, Susan Brown and David Itzen, County Counsel Jerry Herbage, Pilot Reporter Jane Stebbins, and approximately three others.

Mayor Hedenskog moved, a second followed and Council voted unanimously to add an item to discuss setting a future date for an additional meeting with the Board of Commissioners.

Staff Report

City's request that Curry County Execute a Consent to Annexation of County-owned Brookings Airport Property.

Mayor Hedenskog introduced the item and City Manager Milliman reviewed the list of agenda documents.

At Commissioner Smith's request, Commissioner Brown reviewed her notes on a discussion she'd had with City Manager Milliman and Mayor Hedenskog involving the City's annexation proposal and her proposal that the City and County enter into an Intergovernmental Agreement (IGA) instead.

In response, Milliman explained that under the terms of the Joint City/County Management Agreement (JMA), County property had to be annexed in order receive services. Milliman went on to say that the addition of services to the airport property would promote economic growth in the south County area, and enhance the use of the airport as a staging area in the event of a disaster. These were the reasons, he said, for the application for federal Economic Development Agency (EDA) funds. Milliman added that City zoning would facilitate economic development through job creation and light industrial uses, regardless of airport ownership.

Brown said an IGA would allow County zoning to be maintained and County taxes to be collected.

Itzen said he would look more favorably on annexation if the property was not intended to be part of an Urban Renewal Area (URA) and Smith said an IGA could stipulate this.

Milliman said this would be a matter of negotiation and pointed out that tax increment funds could be used to make improvements to the County-owned airport.

Discussion ensued regarding matching funds for the EDA grant and a comparison of the City's and County's zone designations.

Smith asked if Council would be interested in an IGA if the County chose not to annex.

Milliman referred to Goal 14 of the City's Comprehensive Plan, adopted under the JMA, which stipulates that new development is required to obtain sanitary sewer services from the City of Brookings or Harbor Sanitary District.

Councilor Hamilton asked about the grant timeline and Milliman said the City needed to be in engineering design by the first of April to meet project deadlines.

Smith asked if possible complications or prohibitions between an IGA, the JMA and City Codes could be overcome and City Attorney Rice said the JMA and City's Code would have to be amended.

Councilor Pieper said he had thought the County would have been glad to provide fewer services while continuing to receive the same taxes and expressed surprise at the County's reluctance to annex. The airport, he said, was underdeveloped and he couldn't imagine how the County would be able to develop it as it is.

Discussion ensued regarding a possible motion by Council, but before a motion could be made, Smith said he didn't believe the Commissioners were resistant to annexation. This was only the second time the Board had been able to discuss annexation, Smith said, and the Commissioners just wanted more time to consider the matter.

Councilor McClain said the project would provide a huge benefit to the airport, and, if the property were successfully developed, result in a tax gain for the County. The \$2.7 million grant, McClain said, was significant and any minor loss the County would experience in URA-related tax increment revenue would be more than made up with the first new development. The City, he said, was highly motivated to see that area developed.

Councilor Hodges said he didn't see a "big downside" to annexation; the airport was stagnant as it sat, and \$17,000 in the red last year. The County, Hodges said, needs funds and the City needs jobs.

Hamilton said the airport was expensive for the County to maintain and would benefit from the City providing those services and McClain pointed out that the present discussion was only about annexation.

Smith said the airport didn't normally operate at a loss and Itzen agreed.

Citing recent events, Mayor Hedenskog said the Commissioners had originally asked the City to take over airport management because the County was losing money. That request, Hedenskog said, had prompted the City to apply for the EDA grant. He said the Council was "adamant" that the City recover its investment and that an "ironclad" IGA would be needed or it could be a "broken deal." The timeline moving forward was to resolve the annexation issue, develop an IGA (if the County didn't want to deed the property to the City) and then to begin engineering and construction. Hedenskog said an IGA could lay out everything, including runway maintenance and brush mowing.

Providing infrastructure to the airport was essential for emergency preparedness and annexation was "a win-win," he added.

Smith expressed concern that the conversation had gone from annexation to ownership.

Hedenskog said Smith had "heard wrong," but added that ownership had originally been proposed.

Smith asked Itzen and County Counsel Herbage if the Commissioners had ever discussed deeding the property to the City in a public meeting.

Itzen said that while much of what Hedenskog said had been accurate, an offer to deed the property was "news" to him. The County, he said, had been looking to enter into a joint management agreement for the airport and had approached several entities. He said he was unaware of any promise of an exchange of land, however. The County, Itzen added, would not have any trouble managing the airport and was under no obligation to help the City.

Herbage said a liaison Commissioner had approached the City regarding ownership and the County had received a draft agreement. While the Board had not liked its terms, he said, they also had not "closed the door."

McClain said that he viewed ownership of the property as a non-issue at this time and Pieper said the Mayor had been providing some history, but ownership was not now an issue.

Smith again asked if the matter of ownership had ever been discussed in public meeting and Itzen said if it had, it would have been done in executive session and therefore he couldn't comment. The matter, Itzen said, was "not germane" to the present discussion and he personally had no interest in selling the airport should the matter come before the Commissioners in the future.

Hedenskog said the County had approached the City regarding airport management and the City had applied for the grant based on that approach. However, he said, an IGA would now be satisfactory.

Smith asked if an IGA would be contingent upon airport management and Hedenskog said the steps would be annexation and then an IGA which provided the City a means of cost recovery. Otherwise, he said, the City was not interested in moving forward.

Councilor Hodges said cost recovery didn't necessarily have to be through airport management, it could be through development and Hedenskog said the City could recoup its costs through SDCs.

McClain said annexation was not contingent upon the City managing the airport.

Smith asked Hedenskog if he felt the next step after annexation would be an IGA for airport management and Hedenskog said without an IGA the County could spend its own money to utilize the grant.

Smith expressed concern that the conversation had "slid" toward the County paying for infrastructure and said it wouldn't benefit the County to do that. Discussions involving management agreements and development were premature, he added.

Milliman said the annexation would help the City. It was anticipated that water and sewer improvements would lead to development which in turn would lead to greater tax revenues, he said.

Itzen said he "felt badly" that the City had applied for the grant based on an exchange of land which was never promised.

Milliman said former Commissioner Rhodes had contacted the City saying that the County was looking at conveying the property to other parties, such as had been done with health services, and based on that contact, the City had applied for the grant and prepared a Bargain and Sale Agreement. The City had subsequently received a very brief rejection letter from the County. Next, the City had received a proposal regarding airport management, but at that point, Milliman said, the City chose to wait to continue that discussion until after the new Commissioners took office.

Smith said they couldn't offer the property; the state had the right of first refusal.

Brown asked if the City would be interested in entering into an IGA and using easements to cross the airport property instead of an annexation.

McClain said he personally had no interest in that and saw no logical reason in the City moving forward without airport annexation.

Milliman said easements could technically allow the project to be built, however, the Council did not see a benefit to moving forward with without annexation.

Hamilton said annexation could benefit both parties.

Councilor Pieper moved, a second followed and Council voted unanimously to direct staff to prepare a letter to the County Commission answering this question of whether or not we wish to supply properties outside the City limits with sewer and would direct staff to form that letter to say that the Council wishes to maintain its current policy of only serving sewer to in-City limit properties.

Smith said they could add the annexation matter to their March 6th Board meeting.

Discussion ensued regarding an additional meeting and it was determined that the City and County would hold special joint meeting at a future date to be determined by the City Manager and Commission.

Adjournment

Mayor Hedenskog moved, a second followed and Council voted unanimously by voice vote to adjourn at approximately 8:12pm.

Respectfully submitted:



Ron Hedenskog, Mayor

ATTESTED:
this 13th day of March 2013:



Joyce Heffington, City Recorder