

Coos County Urban Renewal Agency
Board Meeting

Tuesday, September 19, 2017, 7:30am

125 Central Ave, Coos Bay, OR 97420
2nd Floor Conference Room

**COOS COUNTY URBAN RENEWAL AGENCY
NORTH BAY DISTRICT**

P.O. Box 1215 • Coos Bay, Oregon 97420 • 541-267-7678

M E M O R A N D U M

TO: Coos County Urban Renewal Agency Board
and all Interested Parties

FROM: John Burns, Agency Administrator

DATE: September 11, 2017

SUBJECT: CCURA Meeting Notice

NOTICE OF REGULAR CCURA MEETING

A public meeting of the Coos County Urban Renewal Agency Board – North Bay District, Coos County, State of Oregon, will be held in the Port of Coos Bay Second Floor Conference Room, located at 125 Central Avenue, Suite 230, Coos Bay, Oregon, 97420. The meeting will take place on **Tuesday, September 19, at 7:30 a.m.**

JB:aw

**COOS COUNTY URBAN RENEWAL AGENCY
REGULAR BOARD MEETING
7:30 A.M. Tuesday, September 19, 2017**

Port of Coos Bay Conference Room, 125 Central Avenue, Suite 230, Coos Bay, Oregon 97420

TENTATIVE AGENDA

1. **CALL MEETING TO ORDER**

2. **INTRODUCTION OF GUESTS**

3. **CONSENT ITEMS**
 - A. Approval of June 13, 2017, Board Meeting Minutes 5
 - B. Approval of July 19, 2017, Board Meeting Minutes 8

4. **ACTION ITEMS**
 - A. Authorization for Additional Project Management Expenditures 12

5. **PUBLIC COMMENT**

6. **SCHEDULE NEXT MEETING DATE**

7. **OTHER/ADJOURN**
 - A. Reappointment of Officer Positions – Todd Goergen
 - B. Staggering Individual Terms of Service – Todd Goergen
 - C. Budget Committee – Replacement of Expired Seats – Hans Gundersen
 - D. Plan Amendment Update – Fred Jacquot 14

Consent Items

**COOS COUNTY URBAN RENEWAL AGENCY
REGULAR BOARD MEETING
7:30 A.M. Tuesday, June 13, 2017**

Port of Coos Bay Conference Room, 125 Central Avenue, Suite 230, Coos Bay, Oregon 97420

DRAFT MINUTES

ATTENDANCE

Agency Board Members: Chairman Todd Goergen, At Large; Eric Farm, Port Commissioner; Jennifer Groth, City of Coos Bay; Howard Graham, City of North Bend; John Sweet, Coos County; Melissa Cribbins, Coos County; Adam Foxworthy, At Large.

Guests: Hans Gundersen, Port Staff; Fred Jacquot, Port Staff; Amrha Wimer, Port Staff.

1. CALL MEETING TO ORDER

Chair Todd Goergen called the meeting to order at 7:30am

2. INTRODUCTION OF GUEST

3. CONSENT ITEMS

A. Approval of April 12, 2017, Board Meeting Minutes

Upon a motion by John Sweet (Second by Eric Farm), the Agency Board Members voted to approve the April 12, 2017, Board Meeting Minutes. **Motion Passed.**

B. Approval of May 9, 2017, Budget Committee Meeting Minutes

Upon a motion by John Sweet (Second by Eric Farm), the Agency Board Members voted to approve the May 9, 2017, Budget Committee Meeting Minutes. **Motion Passed.**

4. BUDGET HEARING – FY 2017/18 BUDGET

A. Public Hearing

Todd Goergen opened a Public Hearing for the Coos County Urban Renewal Agency Budget Hearing for the FY 2017/18 budget at 7:32am.

Todd Goergen closed a Public Hearing for the Coos County Urban Renewal Agency Budget Hearing for the FY 2017/18 budget at 7:35am.

B. Budget Document

Hans Gundersen stated that the primary component of the Budget Message is the consolidating of four funds into one. The annual cost of operating the agency is approximately \$30,000.00. There is \$150,000.00 set aside for potential new projects. The agency continues to repay the loan that was refinanced last year and reduced from \$300,000.00 to \$60,000.00 to reduce interest. There is a balance of about \$1 million in the bank.

C. Resolution 2017-1 Adoption of Budget for Fiscal Year 17/18

Upon a motion by Melissa Cribbins (Second by John Sweet), the Agency Board Members voted to approve Resolution 2017-1 Adoption of Budget for Fiscal Year 17/18. **Motion Passed.**

5. PUBLIC COMMENT

There was no public comment.

6. SCHEDULE NEXT MEETING DATE

7:30 am, Wednesday, July 19, 2017

7. OTHER/ADJOURN

Fred Jacquot stated Elaine Howard Consulting, LLC and Berger ABAM are in the final stretch of the plan amendment. Berger ABAM has issued a draft project memo to Howard Consulting that will be issued to the agency in the next few days. The plan amendment draft is planned to be available to the agency by the end of June and looking at July 19, 2017 agency meeting to have formal presentation of draft. The agency team recommends a public meeting the evening of July 18, 2017 to introduce the draft plan and solicit comments that will be presented to the Board on July 19, 2017. If the agency approves the plan amendment, it will be presented for adoption by the funding municipalities. A final presentation will be to Coos County at the September 19, 2017 County Commission Meeting. Mr. Jacquot will confirm the dates and send a schedule to the Board.

With planned Port development over the next 20 years, it appears there will be an opportunity to achieve the maximum indebtedness. If the development occurs, the special levy will become very large. The consulting team asked what the Agency would like to plan with the special levy.

The plan amendment will be structured so most adjustments to the plan will be minor by Board motion.

Mr. Gundersen stated that the remaining maximum indebtedness is about \$50 million.

Mr. Goergen asked what the County Commissioners thoughts are regarding the special levy. Commissioner Sweet stated he would like to wait to see the project list.

Mr. Jacquot stated the final draft of the project report in the next few days. Mr. Jacquot stated that both the project report and plan amendment were created to give the greatest flexibility with minimum initial commitment.

Mr. Goergen stated he met with the boy scout who will be doing his eagle scout project at the overlook. Mr. Goergen stated he signed the information to be sent to his council for approval and work should begin shortly.

Todd Goergen adjourned the meeting at 7:43am

**COOS COUNTY URBAN RENEWAL AGENCY
REGULAR BOARD MEETING
7:30 A.M. Wednesday, July 19, 2017**

Port of Coos Bay Conference Room, 125 Central Avenue, Suite 230, Coos Bay, Oregon 97420

DRAFT MINUTES

ATTENDANCE

Agency Board Members: Eric Farm, Port Commissioner; Jennifer Groth, City of Coos Bay; Howard Graham, City of North Bend; Melissa Cribbins, Coos County; Mike Erbele, City of North Bend; Joe Benetti, Coos Bay; Nathan McClintock, Legal Counsel

Guests: Hans Gundersen, Port Staff; Fred Jacquot, Port Staff; Amrha Wimer, Port Staff; Paul Sorensen, BST Associates; Elaine Howard, Elaine Howard Consulting, LLC; Scott Vanden Bos, Elaine Howard Consulting, LLC.; Scott Keillor, BergerABAM; John Hitt, South Coast Development Council, Inc.

1. CALL MEETING TO ORDER

Eric Farm called the meeting to order at 7:28am

2. INTRODUCTION OF GUEST

3. CONSENT ITEMS

4. ACTION ITEMS

A. Draft Plan Amendment Presentation

Mr. Jacquot reviewed the binder that was presented to each Board member that included supporting documents for the proposed draft plan amendment.

Mrs. Howard introduced the project team: BST Associates, BergerABAM, Tiberius Solutions and ECONorthwest. Mrs. Howard discussed the plan amendment process. The plan was first drafted in 1986 and is outdated.

Mr. Vanden Bos stated there was an Open House on July 18. The only comment not covered by the plan was if tsunami awareness should be included. Mr. Vanden Bos stated it could possibly be covered in a special study. Mr. Vanden Bos stated the 2017 amendment is a substantial amendment to remove the duration provision to allow the projects to continue past 2018, updating projects list and an overall update to the plan.

Mr. Keillor stated BergerABAM's involvement in the project has been what the stakeholders and tenants feel are important and reviewing the prior projects. BergerABAM came up with a \$20 – \$50 million plan for the 20-year duration. Mr. Keillor stated the projects are in two tiers based on priority. There are seven

priority projects in the plan along with administrative projects. The plan was established to have flexibility for redevelopment of sites and broad categories of improvements to bring in a number of interest. The projects were structured to only need minor amendments in the future.

Mr. Sorensen stated economic development is working with existing firms and how they can expand as well as attracting new uses. It is important to have shovel ready projects available so when companies are interested, there are financing sources ready to help meet their needs.

Mr. Jacquot stated the tier one projects are short term projects or immediate needs. Mr. Jacquot stated feedback received from all utility companies mentioned they did not have enough information for future development to effectively plan their own capital improvement programs in the area. The Port does not have a development plan in enough detail to give examples of what utility usage will be. It is intended to be completed in the next 12 months.

Commissioner Cribbins asked if it is common for the Urban Renewal Agency to pay for the water boards improvements. Mr. Jacquot stated it is a question the Agency board could discuss with the water board when the project becomes needed. Mrs. Howard stated typically urban renewal would fund the actual infrastructure of the capital improvement. The study for capacity for another board would typically be the water board responsibility.

Mr. Graham asked how many lines run under the bay and will the dredging project impact the lines. Mr. Jacquot stated he is only aware of one line that comes in at the south end of the spit. Mr. Jacquot stated the dredging project will not have a problem with the lines.

Commissioner Cribbins said she thinks the Trans Pacific Parkway improvement could be controversial in front of the Commissioners. There is some dispute on what is causing the flooding.

Mrs. Howard said one great way the plan will change is allowing the Agency the flexibility to deal with projects as they move forward. The Agency can decide what projects to complete out of the list or change the list through a minor amendment.

Mr. Vanden Bos stated existing conditions analysis from BergerABAM report for blight findings was used. An improvement to land ration (I/L ration) was used. Of the 52 parcels not exempt, 45 have an I/L ratio of 0, meaning there are no improvements on the lands, and 3 more have an I/L ratio of 0.50 or below meaning the improvements are worth less than 0.50 of the land they sit on.

Mr. Vanden Bos stated the financial projections see the area reaching maximum indebtedness. The projections are dependent upon the continued use of the Special Levy every year as well as contingent upon significant development occurring in the area. Factored into the financial projects was also use of the enterprise zone by new development. A 20-year time frame was used for the projections. Mrs. Howard stated if the new development does not occur, the area will not reach the maximum indebtedness in the 20-year time frame. If you took what is there now, it is more likely a 40 to 50-year time frame to meet maximum indebtedness.

Mr. Vanden Bos stated the maximum indebtedness for the urban renewal is \$60,900,390 and since 1986 when the plan was first adopted maximum indebtedness used is \$5,774,046.

Mr. Vanden Bos stated there are general obligation bonds that will be impacted. The only bonds impacted are bonds issued prior to October 6, 2001 and Coos County has two such bonds. The overall impact is \$0.34 per \$100,000 assessed value.

Mr. Vanden Bos stated the Special Levy will impact tax payers but the agency has the option to use the levy each year. If the significant projected development occurs, the total tax impact is \$364.00 per \$100,000 of assessed value over 20 years.

Mr. Vanden Bos reviewed the impacts to general government and education taxing districts charts.

Mr. Vanden Bos explained the next steps in the process. The proposed plan amendment will go in front of the City of Coos Bay and the City of North Bend. Coos County Commission will be holding a public hearing and consider an ordinance for the adoption of the proposed North Bay Urban Renewal Plan Amendment on Thursday, August 31st at 1:30 PM.

Mr. Jacquot stated the schedule is based on if the Agency recommends moving forward with the plan as amended. The Agency has the opportunity to provide further development on the plan or reject the plan amendment as is.

Mr. Jacquot summarized the Staff Report.

Upon a motion by Jennifer Groth (Second by Mike Erbele), the Agency Board Members voted to forward the North Bay Urban Renewal Plan Amendment to the Coos County Planning Commission for their review of the Plan's conformance to the Coos County Comprehensive Plan, to the City of Coos Bay for consideration of a resolution and to the City of North Bend for consideration of a resolution, and to the Coos County Commission for their review and potential adoption. **Motion Passed**

5. PUBLIC COMMENT

John Hitt stated urban renewal Agencies create projects that are very important and crucial to long term economic development. Mr. Hitt said this is an outstanding step forward for Coos County.

6. SCHEDULE NEXT MEETING DATE

7. OTHER/ADJOURN

Eric Farm adjourned the meeting at 8:18am

Action Items

**COOS COUNTY URBAN RENEWAL AGENCY
BOARD OF DIRECTORS
ACTION/DECISION REQUEST**

DATE: September 19, 2017

PROJECT TITLE: Agency Approval for Plan Amendment Adoption Support Cost Reimbursement

ACTION REQUESTED: Board of Directors' approval to reimburse the Oregon International Port of Coos Bay for direct expenses and project management support for the adoption of the proposed Coos County Urban Renewal Agency Plan Amendment.

BACKGROUND:

The Coos County Urban Renewal Agency (CCURA) Board of Directors directed the Oregon International Port of Coos Bay (Port) to manage a project to develop a Proposed Plan Amendment for the CCURA North Bay District Urban Renewal Plan. Under that direction Port staff has worked with Howard Consulting Services to develop and present for adoption a substantial amendment to the current agency plan. That work has progressed through the amendment development process to Agency Approval to submit the plan for public review, including approval by the cities of North Bend and Coos Bay, and the initial reading of the County Ordinance adopting the proposed plan amendment at a Public Hearing held August 31, 2017.

Under previous authorization by the Agency Board, the Agency has reimbursed the Port for direct staff time and legal services associated with the plan amendment process, through the August 31 meeting. The initial Agency authorization allowed for reimbursement of direct project management and legal expenses to support the plan amendment process for a not to exceed amount of \$10,000 with a formal motion. At the conclusion of the August 31 Public Hearing, the reimbursable expenses were at or very near the authorized \$10,000 amount.

During the August 31 public hearing, the County requested the Port, acting as administrator for the CCURA, plan to support an additional public hearing and public open house to provide an opportunity for community members to ask questions about the Agency and the Proposed plan amendment. Additionally, the County has requested Port staff conduct research into past CCURA agency projects to demonstrate the Agency's benefit to the community to support the upcoming vote on amendment adoption.

As these activities fall outside the scope of normal Agency administrative tasks, the Port requests the Agency consider authorizing an additional not to exceed amount of \$5,000 covering an additional 70 hours for direct project management expenses to support the completion of the Plan Amendment Adoption Process.

RECOMMENDED MOTION:

A motion for the Agency Board of Directors to approve reimbursement to the Port in an amount not to exceed \$5,000 for direct project management expenses incurred during the adoption process for the Coos County Urban Renewal Agency 2017 Plan Amendment.

Other



M E M O R A N D U M

TO: Coos County Urban Renewal Agency Board of Directors

FROM: Fred Jacquot, Director of Port Development

CC: John Burns, Hans Gundersen

DATE: September 19, 2017

SUBJECT: Report on Public Hearing for North Bay District Plan Amendment,
August 31, 2017

The first County public hearing for the CCURA North Bay District Plan Amendment occurred yesterday, August 31st, 1:30 pm at the Coos County Annex in the Owens Building. The purpose of the meeting was to fulfill the statutory requirement for a public hearing on the proposed Plan Amendment, take public comment, deliberate on the public comment, and to send the Plan Amendment to a required second hearing. No formal action was anticipated or required by the County Board of Commissioners.

I estimate about 40 people attended the meeting. Commissioner Cribbins opened the meeting, and asked County Staff (Jill Rolfe, County Planner) to read the staff report into the record. Elaine and Scott from our consultant team then presented the explanatory PowerPoint, after which Commissioner Cribbins asked Jill to read the ordinance into the record. A copy of the PowerPoint presentation and draft County Ordinance will be distributed with this report for reference.

After the ordinance was read, Commissioner Cribbins opened the hearing for public testimony. Each speaker was limited to 3 minutes, and instructed that this was testimony for the record – questions would not be taken by the commissioners, staff, or presenters. Commissioner Cribbins also stated that the hearing was not about the Jordan Cove Energy Project, but was specific to amending the Urban Renewal Plan only, but if a speaker chose to speak on Jordan Cove, they would be using their time to provide testimony irrelevant to the issue under consideration.

Testimony was managed through a sign-up process, with an indication on the sign-up sheets if the speaker was a “proponent”, “opponent”, or “neutral” on the issue. I was the only speaker who spoke in favor of the plan amendment, though it appeared that other speakers had signed up as “proponent”.

Comments opposed to the plan amendment varied, but covered a few basic themes. Several

speakers expressed concern that the County was focusing on the North Spit, when there were pressing needs elsewhere. One speaker described the need for County assistance with the Englewood dike, and suggested that the CCURA should be allowed to expire so those funds would be available for projects like the dike. Some of these commenters suggested that the County's funds would be better spent addressing blighted areas elsewhere, including within the North Bend or Coos Bay City limits. Suggested locations for attention included the unincorporated area around Georgia Pacific in Eastside, the section of Highway 101 between the Museum and Oregon Chip Terminals, and the North Bend neighborhood around Ashworth's.

Several commenters took issue with designating the North Spit as "blighted". These comments generally supported no further development on the North Spit, and several indicated a desire to allow the spit to "return to nature". There were one or two concerns expressed that development or further improvements to existing infrastructure would adversely affect existing wetlands and habitat on the spit. Many comments were made about the potential impacts of a Cascadia subduction or tsunami event to infrastructure or personnel on the spit, and these potential impacts were cited as a reason to abandon development on the spit entirely. One speaker requested the County consider constructing a vertical escape structure at one or more high elevation spots on the spit to provide shelter during a tsunami event, and expressed concern that the Jordan Cove project planned to remove one of the tallest dune structures currently in place.

Most of the opposing comments focused on the tax implications of the plan amendment, and general dissatisfaction with taxes, government spending, and urban renewal in general. Many of these comments were general statements against any "new taxes", with some direct comments about diverting tax revenues from districts controlled by elected officials to an unelected agency. Some of these comments also expressed the opinion that "urban renewal" districts benefited businesses and corporations at the expense of the county tax-payers. Many of these commenters stated that the district should just be allowed to expire in 2018, or the very least not be allowed to continue "forever".

Many of the commenters expressed dissatisfaction that they could not ask questions, and two commenters specifically indicated that they would work to force the issue to a referendum. Several other commenters also indicated that the proposed plan amendment should be subject to a county wide vote, and that any County action affecting taxes or how tax revenues would be allocated should be subject to an election.

After public testimony was heard, the meeting turned to Commissioner Comments. Commissioner Sweet began by acknowledging past underperformance in the development of the district, but also highlighted several beneficial projects completed by the agency. He also stated his support for the concept of urban renewal as an economic development tool, and his desire to see this Agency continue. Commissioner Sweet then discussed concerns about current County resources, and his concern that the current structure of the plan and the proposed amendment could divert tax revenues into the Agency faster than they were needed if significant develop occurs in the district. He specifically cited the potential for Jordan Cove to complete construction, and thus significantly increase the property values in the district beyond the projections presented in the proposed amendment.

Commissioner Sweet asked the Port to consider including limiting language in the current plan amendment that would allow greater County Control over the amount of tax increment revenue that was diverted into the Agency. Specifically, he asked for a mechanism that would limit the tax increment revenue the Agency could receive in relation to the plan projections, and that any additional tax increment beyond that limit would require specific County Commission approval. Commissioner Sweet also requested a similar limit on the annual use of the Special Levy, indicating that there should be required County Commission approval for use of the Special Levy if revenues exceed certain yet to be determined limits. At the close of his comments, Commissioner Sweet asked that the plan amendment also be revised to include a defined sunset date or duration, to allow consideration of continuance again in the future if the maximum indebtedness had not yet been reached.

Commissioner Cribbins concurred with Commissioner Sweet's suggestions, and asked if it would be possible hold another public open house for questions and answers. Elaine and I both agreed that an additional public open house was a reasonable and practical request, subject to schedule availability. Elaine also stated that the limiting language requested seemed well within the scope of current statute, and draft language could be provided to the Agency and County for Review in a relatively short period of time.

The next public hearing for the Plan Amendment was then scheduled for Monday, September 25th, at 1:30 pm. The County will close and continue the public hearing at the time, and open the meeting to a question and answer session for the Public. The County has also asked the Port to coordinate a Public Open House for that evening in Coos Bay, but that open house has not yet been scheduled.