

**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

**MINUTES**

**ATTENDANCE**

**Agency Board Members:** Chairman Todd Goergen, At Large; Howard Graham, City of North Bend; John Sweet, Coos County; Adam Foxworthy, At Large; Mike Erbele, City of North Bend

**Guests:** Hans Gundersen, Port Staff; John Burns, Port Staff; Fred Jacquot, Port Staff; Amrha Wimer, Port Staff; Nathan McClintock, Legal Counsel; Steven Duchscherer

**1. CALL MEETING TO ORDER**

Chair Todd Goergen called the meeting to order at 7:32 am.

**2. INTRODUCTION OF GUEST**

**3. CONSENT ITEMS**

A. Approval of June 13, 2017, Board Meeting Minutes

B. Approval of July 19, 2017 Board Meeting Minutes

Upon a motion by Howard Graham (Second by John Sweet), the Agency Board Members voted to approve the June 13, 2017 Board Meeting Minutes and July 19, 2017 Board Meeting Minutes. **Motion Passed.**

**4. ACTION ITEMS**

**A. Agency Approval for Plan Amendment Adoption Support Cost Reimbursement – Fred Jacquot**

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.

Commissioner Sweet confirmed that it is not to exceed \$5,000.

Upon a motion by John Swett (Second by Adam Foxworthy), the Agency Board Members voted 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. **Motion Passed.**

**5. SCHEDULE NEXT MEETING DATE**

Will schedule at a later date.

**6. OTHER**

**A. Reappointment of Officer Positions – Todd Goergen**

Will address at the next meeting.

**B. Staggering Individual Terms of Service – Todd Goergen**

Will address at the next meeting. According to Division Three of Article III of the Coos County Code, initial terms shall expire on December 31st and shall be staggered so one member from each governing body shall expire each year.

**C. Budget Committee – Replacement of Expired Seats – Hans Gundersen**

Mr. Gundersen stated six budget committee members expired 6/30/17 and the final three will expire 6/30/18. Of the remaining three, two did not respond to various attempts of communication to participate in the latest budget committee process. Mr. Gundersen stated it would be desirable to have three seats expire each year. Mr. Goergen would like to meet in person with the two budget committee members who did not respond to determine if they will participate in the next budget process. Commissioner Sweet stated he would first like to ask the current Budget Committee if they wish to return and second to have a plan for staggering terms. Mr. Gundersen asked the Board to think of possible candidates. Mr. Graham

asked if the Agency advertises for the positions. Mr. Goergen stated it is advertised in the paper and is open to anyone who is interested in the community.

#### D. Plan Amendment Update – Fred Jacquot

### **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 August 31, 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.

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 the consultant team then presented the explanatory PowerPoint, after which Commissioner Cribbins asked Jill to read the ordinance into the record.

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 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. Mr. Jacquot 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 taxpayers. 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 to hold another public open house for questions and answers. Elaine and Mr. Jacquot 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.

## **Board Discussion:**

Mr. Jacquot passed out proposed language from Howard Consulting presented to Steve Jansen County Assessor. An updated plan report will be submitted to the County for the next public hearing. The Port is not certain if the changes will require a new resolution by each of the cities but Mr. Jacquot expects it will.

Commissioner Sweet has concerns with respect to interest of the County but also greater concern about the plan amendment getting on the ballot. Commissioner Sweet believes there will be a move to put the plan amendment on the May ballot as it is currently written and does not believe it will survive. Commissioner Sweet states the Special Levy currently reads around \$7.00 or \$8.00 a year but under the plan as written it would become a couple hundred dollars a year. Commissioner Sweet stated the Special Levy is only generating a little over \$100,000 a year and is not currently being used and believes it is a red flag in the plan amendment. Commissioner Sweet believes it would be better if the Agency could tell the citizens that taxes will be reduced with the new plan and still allow for economic development. Commissioner Sweet stated the Agency is very important and does not want to risk losing the Agency over \$100,000 a year especially since it is not being spent now.

Mr. Goergen stated the increment that remains is just on the improvements within the district and will not impact taxpayers outside the district. The taxpayers within the district are willing participants.

Commissioner Sweet stated there would be tax increment going to the urban renewal district that would be a revenue loss to the county.

Mr. Jacquot stated when the sunset date occurs, the Agency can no longer expend on new projects. Any indebtedness accrued will continue to be paid on the terms of the debt past the sunset date. Mr. Jacquot stated the proposed language allows for intervention on the revenue side without eliminating the tool of the special levy or reducing the planned expenditures because by statute the financial plan in the amendment must demonstrate the plan is feasible. Mr. Jacquot stated the new language proposed will not require a revision of the plan amendment other than an inclusion of the language.

Mr. Jacquot stated the consulting team has completed the original scope so the additional changes will be at cost.

Mr. Jacquot will ask the consulting team what the potential statutory impact for removing the special levy is and adjusting the finance plan to look at what expenditures are feasible and supportable by tax increment financing alone over the 20-year period.

The County Commission has asked for an additional Open House. Commissioner Sweet stated the public had requested the additional Open House and there was a lot of misinformation regarding the Agency.

It was decided to have an additional Board Meeting prior to the Open House.

Mr. Jacquot stated he believes the community is not aware the property the Agency is referring to is zoned industrial properties that are underutilized.

**7. PUBLIC COMMENT**

Steven Duchscherer stated he would like to see more notification about meetings. Mr. Duchscherer also stated it is inconvenient to have a meeting during the work day because individuals cannot make the meeting if they work. Mr. Goergen stated an Open House is being held after business hours. Mr. Duchscherer stated he likes the way the North Spit is now because of the view from his house. Mr. Duchscherer stated it might be beneficial to shrink the Urban Renewal District. Mr. Goergen stated there is only about 800 acres of industrial land where the improvements will take place with a small list of property owners.

**8. ADJOURN**

Todd Goergen adjourned the meeting at 8:28 am.