CITY OF YACHATS

CITY COUNCIL REGULAR MEETING

September 13, 2017

Minutes

Mayor Gerald Stanley called the September 13, 2017 regular meeting of the City Council to order at 6:00 pm in the Multi-purpose room of the Yachats Commons. Council members present: Mayor Gerald Stanley, Barbara Frye, Jim Tooke, Max Glenn, Greg Scott. Absent: none. Staff present: City Manager Joan Davies. Audience: 42.

I. Announcements, Correspondence and Proclamations

Mayor Stanley recommended the audient examine the history of Yachats summaries on the walls around the Multi-purpose room. Sterner noted the associated pictures would be on display at the Little Log Church within a few months. Sterner announced the Electric Car Demonstration is this weekend and the Banner Auction is September 23, 2017.

A. Dr. Leslie Ogden, new CEO for Samaritan Pacific Communities Hospital

Dr. Ogden postponed to next month because there was no projector set up.

B. Roxie Cuellar, Manager of the Port of Alsea

Cuellar wanted to clarify that the Alsea Port District extends well beyond the city of Waldport. She noted people should have received a newsletter in the mail about their activities. She reported they have added a Kayak Launch site to their Capital Facilities Plan. She explained they need a partner to provide for a public access location. There will be a bond measure up for vote in the next election. The bond measure supports repair of the existing docks. The existing tax assessment is $3.33 for each $100,000, and the bond would raise that to $16.00-20.00 per $100,000 for 25 years.

C. South Lincoln Aquatic Center Steering Committee

Craig Berdie (319 E 3rd St.) reported this group is exploring possibility of building a swimming pool in the South Lincoln County area (Ten Mile to north of Waldport). Berdie cited numerous reasons why an indoor pool would be a desired asset, including teaching swimming to children, senior exercise, tourism, and health education. The steering committee is looking for a statement of support from the Council. Councilor Glenn asked where it would be located and was told it was yet to be determined. One option is the ball field or at high school in Waldport. Councilor Frye added the committee wanted preliminary assessment of general interest. Mayor Stanley stated there was there a consensus among Councilors for supporting the project. He nominated Frye as the Council representative to the committee.

D. UN Navy Notice of EIS for training and testing off Oregon shore

Mayor Stanley received notice of an Impact Statement that noted explosives are involved in testing in this area. Councilor Scott explained the Navy regularly does this kind of testing. Frye reported impacts of having a nuclear sub in the Seattle area. She had serious concerns about impact on environment. The Council reached a consensus they were not in support of this program.

II. Public Comment

Nan Scott (480 Combs Cir) raised the issue of the recommendation from the Planning Commission on regulating formula businesses. She noted the City Attorney had issues and suggested it be sent back to the Planning Commission for their revision. Glenn thought this issue had been addressed. Glenn asked if there was a way someone could educate the attorney. Manager Davies explained she has not worked on the proposal for two months because of other City priorities. Frye expressed frustration with the attorney communication process. She objected to letting Commissions talk directly to the attorney at because of costs. Frye suggested this item be a priority for the new City Manager. Nan Scott asked if the Planning Commission could address the questions the attorney asked. Greg Scott asked if any councilors would object. Mayor Stanley indicated the Council would return the issue to the Planning Commission. Nan Scott noted in the past the City Planner could talk with the attorney. Sherry Secreast (490 Lemwick Lane) stated this issue has been on her mind in part because of the seven properties on the Highway currently for sale.

III. Minutes and Accounts Payable

A. Minutes

Glenn moved to approve the August 2, 2017 work session and regular meeting minutes as presented: 5-0. Glenn moved to approve the August 9, 2017 regular meeting minutes as presented: Aye – 4; No – 0; Abstain – 1 (Scott was absent).

B. Accounts Payable for Approval

Scott moved to approve the accounts payable 5-0

IV. Reports

A. Council Reports

Frye reported:

1. The Library Relocation Committee has been meeting to explore ideas. They received 30 details plans from volunteers who were given blank floor plans and asked to generate ideas. The group visited several libraries. Frye noted she has been posting updates on Facebook. The Committee hopes to be done by the spring of 2018.
2. She and the head of Health and Human Services have been examining the old library building as a potential site for the South Lincoln Health Center. SLHC is preparing a second MOU that will include a timeline.
3. Manager Davies has contacted the sign maker for the south portal sign.

Councilor Scott reported:

1. A copy of his IT report is in the document library.
2. He has hired a new database programmer.
3. The programmers are about 80% done with user interface programming.
4. He has included in the document library geotech reports provided by the City Planner where they exist.
5. He is reviewing specifications for complaint system.

Glenn reported his major task has been hiring the City Manager and Shannon Beaucaire will arrive on October 1, 2017.

Mayor Stanley reported:

1. He met with the Director of Development of Oregon Coast Aquarium, who is starting a $5 million improvement program.

2. The Tri-County Regional Mayors group reported more challenges around the eclipse than Yachats experiences. They were frustrated by the small amount of money given to cities for roads.

B. Department Reports

City Manager: Manager Davies read into the record her report included in the meeting packet. Scott asked about ODOTs request for changes on curbs on 6th St. Manager Davies explained ODOT is holding up final payment until all work completed.

Public Works: Report included in meeting packet. There was 0.26 inches of rainfall in August. Scott noted the Public Works report was very well done.

Code Enforcement: Report of violations and actions in meeting packet. Manager Davies noted residents have been very cooperative around requests to have their weeds cut back.

V. Business

A. Evans/Betz property project

Andrea Scharf and Jim Adler acknowledge the View the Future members present in support of this project. She reported the Finance Committee and Parks and Commons Commission unanimously recommended the $200,000 commitment. Scharf noted the Oregon Trust stated the cabin on the property cannot be sold to reimburse the City. Scharf asked for approval to spend the $200,000. Glenn stated he was supportive of this project for both the expansion of trails and for the access it provides to an area of land that could be used for raw water storage. Councilor Tooke asked for clarification on whether the property was originally platted for 50 lots. Scott stated he had reservations about the settling pond, was unclear about location, was thrilled with recreational component and protecting wetlands area, and was nervous about use of Visitor Amenities funds for this project. Scott felt a vote by Council was premature and suggested the issue be put to a vote by the community. Adler responded to Scott about the long and short-term ecological advantages of having the water reservoir. Adler suggested if the project were put up for a vote, it would be killed because of the timing with grants and the negotiations with owners.

Frye clarified a public vote would be on the May 2018 ballot. Frye wanted input from the Finance Committee on whether this project jeopardizes the City budget. Manager Davies noted the Visitors Amenities Fund would not be involved at all with the sedimentation pond. Davies noted the Councilors have had the minutes since February. She noted she met with IFA financers who are aware of tsunami zone. Tom Lauritzen (204 Shell St) reported the Finance Committee voted unanimously to support the project. He argued a park is a fantastic fit for Visitor Amenities funds and it is a significant advantage to have tourist to pay for a great parcel. Lauritzen reported the City has funding and cash flow is sufficient.

Manager Davies reported the City currently has $338,827 in the Visitor Amenities fund. The City is collecting over one million per year from visitors. Mayor Stanley noted he had discussed with Scharf about educating citizens about how this project may benefit them. Scharf noted VTF is responsible for outreach on this project.

Scott stated after hearing responses to his comments, he is supportive of the project.

B. City Commitment to Evans/Betz project

Glenn moved to amend the CIP to add the Evans/Betz project and to commit $200,000 from the Visitors Amenities Fund to the project: open for discussion

Dean Shrock (421 Greenhill Dr.) voiced strong support for the purchase of the property. Marc Courtenay (900 Hanley Dr.), VTF Board member, explained VTF has put extensive work into the project and is extremely supportive of it. Mike Guerriero (Eastline Rd.), VTF reported he has had wonderful experiences boating on the serene Yachats River and hopes the river remains pristine.

Call for vote: Aye - 5; Nay – 0.

C. Ordinance 347 – Vacation Rental Licenses
Manager Davies summarized the history of getting this Ordinance into its current form. This vote is the second by Council on this matter, which will make the decision final. Mayor Stanley noted copies of received emails were distributed to the audience. Mayor Stanley stated there was an issue that needs addressing about removing some language. Manager Davies noted the Council could remove a small part of the language at this time without having to redo the Ordinance.

The portion in question is 4.08.020 Definition of Vacation Rental, last sentence. Frye read the sentence aloud, "The exchange of consideration not necessary to meet the definition of a vacation rental if the dwelling otherwise is held out as available for occupancy for a period less than 30 days." Scott explained that sentence was inserted because a property is being operated as vacation rental without a license. The City was told by the owner money was not exchanged for others using the property. A question was raised about whether Home Exchanges would fall under this criterion. Scott believed home exchanges are not part of this definition. Dean Shrock explained the Home Exchange program consists of over 65,000 homes around world where owners switch residences for a short period of time. Participants pay $150 annually for membership. Users contact people advertised on the site and ask if they want to exchange homes. Frye suggested an inserting an exclusionary clause for Home Exchanges in the proposed ordinance language.

Mayor suggested moving forward with existing language rather than adding an exclusion clause now that might raise legal considerations. Manager Davies noted there are other minor issues to be considered, such as requiring a local phone number for complaints.

The Council firmly agreed the intent of this sentence is not to impact programs such as Home Exchanges.

Todd Korgan (665 Hwy 101) reported Sweet Homes would advocate for an amendment to allow the transfer of license upon sale of a property and to get licensees who do not use their property as VRs to surrender them.

Steve Davies (91 Hwy 101) reported he has allowed people to use his property without payment. He wanted to know why the Council is trying to limit licenses.

Craig Bertie (319 E 3rd St) argued that there is another side to VRs that reduces property value if you live around rentals.

Kerry Kemp (420 W 1st St) highlighted the portion of of his letter about VRs not being raised as an issue in the 2006 survey. He suggested more research needs to be done to assess a cap is needed.

Anderson (77 8th St) stated the portion of her letter about not assessing a trend based on four data points was not an argument that more data needed to be collected to make a decision about VRs. She argued volunteerism would be impacted in the long-term because of artificially inflated property values.

Paul Thompson (1153 Driftwood Lane) has been complaining about for the seven years and believes the problem is about noise and parking. He asked that inspections consider parking in roadway right-if-way.

Jamie Michelle (665 Hwy 101) doesn't believe the City should punish everyone for the bad behaviors of a few.

Brad Webb (450 Lemwick Lane) believed a cap would have permanent impact on his life. He believed parking and speeders are bigger problems for the City.

Dean Shrock (411 Greenhill) summarized how Ron Brean got significant feedback from the League of Oregon Cities as to how Yachats had so much volunteer support. He argued VRs would negatively impact volunteerism.

Tom Lauritzen (204 Shell St) noted there were 83 VRs in 2006 and 77% of the growth in licenses was for either owners who needed to rent their home to prevent foreclosure or investors buying foreclosures or short sales as investment properties. He noted hotels/motels account for 70% of transient rental income. He supports a conditional use approach to licensing.

Tooke noted this proposal is a 2-year pilot project, which gives the City a chance to analyze the impact. Tooke argued personal rights to enjoy a property are just as important as rights to financially gain from the property. He emphasized this ordinance is a compromise between none and unlimited. Scott noted cities have been regulating business uses in residential zones for a long time. He stated R-1 owners have a right to protect their expectations for the R-1 zone. Scott believed this proposal was reasonable compromise. Frye believed now is the time to take action as the matter has been discussed for years. Mayor Stanley expressed his appreciation of arguments against this ordinance. He cautioned that the predominance of "anti" emails and comments is not reflective of larger community. Mayor Stanley firmly believed this ordinance will benefit in the City in the long run.

Frye moved to adopt Ordinance 347 on Vacation Rentals as presented: Aye – 5; No – 0.

Glenn added he is disturbed by what is not being said. He stated relators are promising misleading information such as guaranteed VR licenses, using VR income to cover closing costs, and promising a dedicated parking spot at the Post Office.

Adjourned for 10 minute break.

D. Amnesty Options for non-compliant vacation rental properties owners
Scott explained this proposal is to allow people to come into compliance.

Scott read into the record his proposal for the amnesty program. Frye reported she reviewed online advertising sites like Air BnB and saw violations such as exceeding the occupancy rates. Scott asserted it is not a matter of will violators be caught, it is a matter of when they will be caught. Manager Davies noted Anderson has gone through Flipkey, Air BnB, and VRBO and found 2 violations. Councilors discussed whether to vote on this issue at this meeting.

Mayor Stanley suggested the language of “permanent ineligible” was harsh. Scott argued the point is to motivate people to get legal. Paul Thompson noted second to last item on the amnesty proposal did not make sense as they were asking people who were previously uncooperative to act in manner contrary to their past behavior. Council had consensus to strike the second to last bullet point: “Failure to complete all of these requirements the property owner and family will agree to terminate all future rental activity and will be permanently ineligible for a vacation rental license.”

Scott moved to adopt the amnesty plan as amended to remove the second to last bullet about failing to complete the requirements: Aye – 5; No – 0.

E. OLCC License Renewals
Manager Davies explained this list is of current city applicants for liquor licenses. Scott noted he believed the Council had previously authorized the City Manager to approve the OLCC renewals. Tooke moved to accept the OLCC license renewals as shown: Aye – 5; No – 0.

F. Bid award for backhoe
Manager Davies opened the one bid for the backhoe. Papé Machinery from Tangent, OR quoted $90,030 for a new 2018 John Deere 310SL backhoe-loader. Davies noted this bid is $30,000 under what the City budgeted. Scott was concerned if this equipment was really needed. Tooke asked Lauritzen if he believed leasing was a possibility option. Lauritzen believed purchase was a better choice. Tooke moved to accept the bid for the purchase of a backhoe for $90,030 from Papé Machinery in Tangent OR: Aye – 5; No – 0.

G. Council Shepherding Goals
Mayor Stanley noted some goals were covered in previous parts of this meeting.

Glenn reported the Emergency Planning Committee is at full capacity with Bill Watson as Chair and Don Groth as Co-Chair. He received copy of 2016 Emergency Plan. Betty Taylor will be providing information to incorporate into new revision.

Tooke noted there are window signs available to residents from the county emergency planning group to indicate to first responders whether a resident needs help or is ok. The “Help/OK” signs go into a window of homes in event of disaster.

Mayor Stanley reported the Marketing Committee’s self-understanding is they are an independent committee rather than a City committee. He noted the Committee understands it will not rely on the City for operational expenses.

Frye noted a registered parliamentarian will conduct a workshop on Keesey’s Parliamentary Procedure on Monday, November 13, 2017 from 10 am to noon.

Mayor Stanley adjourned the regular meeting at 8:52 pm.

GERALD F. STANLEY, Mayor

ATTEST:

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Joan Davies, City Manager   Date