AGENDA

December 10, 2012, 6:30PM

CITY COUNCIL CHAMBERS, CITY HALL
29592 ELLENSBURG AVE
GOLD BEACH OR 97444

Call to order: **Time:** _____

1. **The pledge of allegiance**

2. **Roll Call:**

	Present	Absent
Mayor James Wernicke		
Council Position #1 Jeff Crook		
Council Position #2 Larry Brennan		
Council Position #3 Brice Gregory		
Council Position #4 Doug Brand		
Council Position #5 Tamie Kaufman		
City Administrator Jodi Fritts		
Student Liaison Vacant		

3. **Special Orders of Business:**
   a. WWTP Project Update-Public Works Super, Will Newdall

4. **Consent Calendar**
   None scheduled

5. **Citizens Comments**
   As presented to the Mayor at the beginning of the meeting

6. **Public Hearing**
   a. Dangerous Building Hearing
   29704 Shore Pine Lane

7. **Citizen Requested Agenda Items**
   None scheduled

8. **Public Contracts and Purchasing**
   None scheduled

9. **Ordinances & Resolutions**
   None scheduled

10. **Miscellaneous Items (including policy discussions and determinations)**
    a. Urban Renewal vacancies and general discussion

11. City Administrator's Report
Will be presented at meeting

12. Mayor and Council Member Comments
a. Mayor James Wernicke
b. Councilors
   1) Jeff Crook
   2) Larry Brennan
   3) Brice Gregory
   4) Doug Brand
   5) Tamie Kaufman
c. Student Liaison, Vacant

13. Citizens Comments
As presented to the Mayor at the beginning of the meeting

14. Executive Session
None scheduled

The next scheduled meeting of the Gold Beach City Council is Monday, January 14, 2013, at 6:30PM in the Council Chambers of City Hall, 29592 Ellensburg Avenue, Gold Beach, Oregon.

15. Adjourn Time: _____

The location of the hearing/meeting is accessible to the disabled. Advance notice is requested if special accommodations are needed. Call 541-247-7029 so that appropriate assistance can be provided. The City of Gold Beach is an affirmative action EEOE and complies with section 504 of the rehab act of 1973. Complaints of discrimination should be sent to: USDA, Attention Director, Office of Civil Rights, Washington, D.C. 20250-9419

PUBLIC HEARING

GOLD BEACH CITY COUNCIL
AGENDA REPORT

Agenda Item No. **6 a.**

Council Hearing Date: December 10, 2012

Department: Administration and Police

Contact/Title: Jodi Fritts, CA
Email: jfritts@goldbeachoregon.gov

TITLE: Dangerous Building Hearing : 29704 Shore Pine Lane

SUMMARY AND BACKGROUND:

This matter came before the Council at the November as a request for a public hearing. The public hearing date was set and advertised for this meeting. A notice was sent to the owner in California and two notices were published in the newspaper.

Code Section 5.370 states (in part):
"...At the hearing the Council shall determine by resolution whether or not the building is dangerous. The Council may, as a part of hearing, inspect the building; and the facts observed by the Council at such inspection may be considered by it in determining whether or not the building is dangerous. At the hearing the owner or other person interested in the property or building shall have the right to be heard. As such hearing the Council shall have the power to order any building declared to be dangerous removed and abated, if in its judgment such removal or abatement is necessary in order to remove the dangerous condition; or the Council shall have the power to order the building made safe and to prescribe what acts or things must be done to render the same safe."

I will be conducting a site visit the day of the hearing to determine whether anything has changed since the November meeting when this was first introduced. I will take new photographs at that time to present to the Council.

To date, I have heard nothing from the owner Richard Butler. I do not know if he will be attending the hearing.

FINANCIAL IMPACT:
None at this time. There may be costs incurred if is determined that City must abate the building.

DOCUMENTS ATTACHED:
- November Agenda Report with attachments
- Notices sent and published
- Draft Resolutions: Dangerous Building/Not a Dangerous Building

REQUESTED MOTION/ACTION:
There are several actions that should occur:

1) **A determination, by motion, whether the building is dangerous or not.**
2) **Adopt the resolution regarding the determination.**
3) **How to proceed if the building is determined to be dangerous.**

1a) Proposed Motion if the building is determined to be dangerous:
I make the motion that the building located at 29704 Shore Pine Lane meets the City Code definition of dangerous building under code section 5.350(1) (a, b, c, d depending on what the Council determines) and is hereby declared a dangerous building.

1b) Proposed Motion if the building is NOT determined to be dangerous:
I make the motion that the building located at 29704 Shore Pine Lane does not meet the City Code definition of dangerous building under code section 5.350(1).

2) Depending on what the Council determines the resolution accompanying that decision should be adopted:
I make the motion to adopt Resolution R1213-06, a resolution regarding the dangerous building determination of the building located at 29704 Shore Pine Lane.

3) If dangerous, how to proceed: Abatement? Removal? Make the building safe by doing what?

COPY OF REPORT AND ATTACHMENTS SENT TO:
Council, PD and PW

NOVEMBER AGENDA REPORT AND ATTACHMENTS

GOLD BEACH CITY COUNCIL
AGENDA REPORT

Agenda Item No. **10 a.**

Council Hearing Date: November 12, 2012

Department: Administration and Police

Contact/Title: Jodi Fritts, CA
Email: jfritts@goldbeachoregon.gov

TITLE: Discussion of Dangerous Building 29704 Shore Pine Lane

SUMMARY AND BACKGROUND:

In the past several months, and most especially in October, we have received numerous complaints about transients trespassing at a vacant, dilapidated house on Shore Pine Lane. After receiving a citizen complaint at the Administrative Office I asked Chief Andrews to investigate the house as a possible Dangerous Building. A copy of the Chief's report and photographs are attached.

After receiving his written report and discussing the situation with him I had the Public Works department board up the house pursuant to the provisions of City Code Section 5.395.

I believe the house meets the definition of dangerous building (5.350 (1)(a & d) as defined by the City Code. Pursuant to Code Section 5.365 I am reporting the Dangerous Building to the Council and Mayor and requesting that the Council fix a time and place for a public hearing on the building.

FINANCIAL IMPACT:
None at this time.

DOCUMENTS ATTACHED:
- Dangerous Buildings section of City Code, Chief Andrews report, photos of the building

REQUESTED MOTION/ACTION:

Determination on whether to proceed with a Dangerous Building Hearing, and if so, set a date and time for the hearing

COPY OF REPORT AND ATTACHMENTS SENT TO:
Council, PD and PW

5.320 Separate Violations.

(1) Each day's violation of a provision of this Code, or each act separate unto itself, constitutes a separate offense.

(2) The abatement of a nuisance is not a penalty for violating this Code, but is an additional remedy. The imposition of a penalty does not relieve a person of the duty to abate the nuisance; however, abatement of a nuisance within ten (10) days of the date of notice to abate, or if a written protest has been filed, then abatement within ten (10) days of Municipal Court determination that a nuisance exists, will relieve the person responsible for the imposition of any fine under Section 5.315 of this Code except a fine from violation of Section 5.275.

DANGEROUS BUILDINGS

5.350 Definitions.

For the purpose of this Code:

(1) The term "dangerous buildings" shall include:

(a) A structure which, for the want of proper repairs or by reason of age and dilapidated condition or by reason of poorly installed electrical wiring or equipment, defective chimney, defective gas connections, defective heating apparatus, or for any other cause or reason, is especially liable to fire and which is so situated or occupied as to endanger any other building or property or human life.

(b) A structure containing combustible or explosive material, rubbish, rags, waste, oils, gasoline or inflammable substance of any kind especially liable to cause fire or danger to the safety of such building, premises or to human life.

(c) A structure which shall be kept or maintained or shall be in a filthy or unsanitary condition, especially liable to cause the spread of contagious or infectious diseases.

(d) A structure in such weak or weakened condition, or dilapidated or deteriorated condition, as to endanger any person or property by reason of probability of partial or entire collapse.

(2) The term "person" shall include every natural person, firm, partnership, association or corporation.

(3) "City official" means any Councilor, mayor, city employee, or any agency or employee of any agency under contract to the City for services.

5.355 General Regulations.

(1) Administration. The City building official is the primary city official authorized to enforce the provisions of this Code, but any other city official may act under the authority of this Code.

(2) Inspections. The City building official or another city official is hereby authorized to make such inspections and take such actions as may be required to enforce the provisions of this Code.

(3) Right of Entry. Whenever necessary to make an inspection to enforce any of the provisions of this Code and whenever the City building official or another city official has probable and reasonable cause to believe that there exists in any building any condition that would make such building a dangerous building as defined herein, then said city official, including the building official, may enter into such building at reasonable times to inspect said premises for any violations of this Code.

5.360 Nuisance.

Every building or part thereof which is found by the Council to be a dangerous building is hereby declared to be a public nuisance; and the same may be abated by the procedures herein specified, or a suit for abatement thereof may be brought by the City.

5.365 Initial Action.

Whenever a city official shall find or be of the opinion that there is a dangerous building in the City, it shall be his duty to report the same to the City Council. Thereupon, the Council shall, within a reasonable time, fix a time and place for a public hearing thereon.

5.370 Hearing; Mailed Notice.

By certified or registered mail, return receipt requested, the City Administrator shall notify the owner of record of the premises whereon the building in question is located, that a hearing will be held concerning the nuisance character of the property and the time and place of the hearing . A copy of this notice shall also be posted on the property in addition to notices prohibiting entry into building. At the hearing the Council shall determine by resolution whether or not the building is dangerous. The Council may, as a part of the hearing, inspect the building; and the facts observed by the Council at such inspection may be considered by it in determining whether or not the building is dangerous. At the hearing the owner or other person interested in the property or building shall have the right to be heard. At such hearing the Council shall have the power to order any building declared to be dangerous removed and abated, if in its

judgment such removal or abatement is necessary in order to remove the dangerous condition; or the Council shall have the power to order the building made safe and to prescribe what acts or things must be done to render the same safe.

5.375 Published and Posted Notices.

Ten (10) days' notice of any hearing shall be published in a newspaper of general circulation in the City or by posting notices thereof in three (3) public places in the City. If the last-mentioned notice be published or given as herein required, no irregularity or failure to mail notices shall invalidate the proceedings.

5.380 Council Orders; Notice.

Five (5) days' notice of findings made by the Council at a hearing and any orders made by the Council shall be given to the owner of the building, the owner's agent or other person controlling the same, and if the orders be not obeyed and the building rendered safe within the time specified by the order (being not less than five (5) days), then the Council shall have the power and duty to order the building removed or made safe at the expense of the property on which the same is situated.

5.385 Abatement by City.

In the event that the Council orders are not complied with, the Council must specify with convenient certainty the work to be done and shall file a statement thereof with the City Administrator, and shall advertise for bids for the doing of the working the manner provided for advertising for bids for street improvement work. Bids shall be received, opened and the contract let.

5.390 Assessment.

The Council shall ascertain and determine the probable cost of the work and assess the same against the property upon which the building is situated. The assessment shall be entered in the docket of city liens and shall thereupon be and become a lien against the property. The creation of the lien and the collection and enforcement of the cost shall all be performed in substantially the same manner as in the case of the cost of street improvements, but irregularities or informalities in the procedure shall be disregarded.

5.395 Summary Abatement.

The procedures of this Code pertaining to Council declaration of a dangerous building need not be followed where a building is unmistakably dangerous and imminently endangers human life or property. In such an instance, the chief of the fire department, the fire marshal or the Chief of Police may proceed summarily to abate the building.

5.398 Penalty.

Any person who shall be the owner of, or shall be in possession of, or in responsible charge of any dangerous building within the City and who shall knowingly suffer or permit the building to be or remain dangerous beyond the time specified in the order of the Council pursuant to Section 5.380, shall be guilty of a violation of this Code and shall, upon conviction thereof, may be fined a maximum amount as set by resolution of the City Council for the first and all subsequent offenses. Each day's violation of a provision of this Code constitutes a separate offense.

OFFENSE CODE

5.400 Definitions.

The definitions contained in Oregon Revised Statutes chapters 161, 162, 163, 164, 165, 166, 167, 471, 475, and 480.110 to 480.160, as constituted when this Code is adopted, are adopted by reference and made a part of this Code.

5.405 Prosecution Procedures – State Statutes Adopted.

The procedures applicable to the prosecution of violations contained in the Oregon Revised Statutes as constituted when this Code is adopted, are adopted by reference and made a part of this Code, and all references therein to district attorney shall include the city prosecutor or the city attorney. These shall include, but not be limited to, those provisions relating to defenses and burden of proof, general principles of criminal liability, parties and general principles of justification.

5.410 Violations — State Statutes Adopted.

Each violation made an offense against the state under the provisions of the Oregon Revised Statutes chapters 161, 162, 163 164, 165, 166, 167, 471, 475, and 480.110 to 480.160, as constituted when this Code is adopted, are adopted by reference and made a part of this Code and designated an offense against the City. A person who violates any one of the provisions within the jurisdiction of the City is in violation of this Code, and shall be charged with the offense of violating section 5.410 of this Code, and reference shall be made in the charging instrument to that particular section of the Oregon Revised Statutes, as incorporated by reference, which has been violated. If any other section of this Code or any other code or ordinance creates a specific violation offense in conflict with a violation offense incorporated by reference in this Code, the provisions of the violation offense incorporated by reference shall govern.

5.415 Soliciting or Confederating to Violate Code.

No person shall solicit, aid, abet, employ or engage another, or confederate with another, to violate a provision of this Code or any other code or ordinance of the City.

Gold Beach

To: Jodi Fritts, City Administrator
From: Dixon Andrews, Chief of Police
Date: October 25, 2012

Re: Unsafe vacant house at 29704 Shore Pine Lane

Dear City Administrator Fritts,

Recently it was brought to the attention of the police department that the vacant house, located at 29704 Shore Pine Lane, Gold Beach, Oregon, was being used as a flop house for transients. In the past five days the police department has responded several times to the location regarding trespassers. During each response time there was evidence that someone had been inside of the house. During one response day before yesterday we locked the doors. We returned yesterday morning and the front door had been forced open. We had three responses to the property just yesterday and each time we could tell that someone had been inside of the house.

While personally responding to calls at the house I have made several observations regarding the condition of the house that causes me concern regarding safety to the community. The house is not properly secured. In spite of our efforts to lock the doors, the doors have subsequently been forced open. Several windows are missing. The area several issues with the building itself. The roof appears to be failing, a major bearing wall at the front of the house is bowing out causing me concern of collapse, the siding on the house is literally mush and on the north side of the house there are large holes in the siding. When I walked through the house there are areas of the floor, particularly the main entry hallway, where the floor feels like it is ready to give way.

Yesterday I was able to make contact with the property owner, Mr. Richard Butler, who resides in Yreka, California. Mr. Butler told me he was thinking of listing the property for sale and doesn't know what to do with it. He told me that he has local resident and neighbor Scott Donaca keeping an eye out on the house and keeping the grass mowed. I contacted Scott Donaca and suggested that the windows be boarded up properly and that padlocks be installed on the doors so no one could go in or out through the doors.

I spoke with a neighbor from the apartments right next door to the house and learned that for months a who's who of homeless people that have lot's of contacts with the police have been going in and out of the house.

My primary concern right now as we approach winter is that a homeless person is going to build a fire inside of the house to keep warm and burn the place down. The

house is located next to an apartment building on the south and a single-family dwelling to the north. Both of those structures could be at risk if a fire started. My other concerns would be for the poor condition of the physical structure and the risk of ceiling collapse, wall collapse, and floor cave in.

Attached are photographs that I took of the property yesterday.

Thanks,

Dixon Andrews, Chief of Police

Cc: Bruce Floyd, Fire Chief

City of Gold Beach
Memo

Thursday, October 25th

Chief Andrews investigated the house at 29704 Shore Pine Lane for possible declaration of a dangerous building. He provided a written report and photographs. After discussing the house with him and viewing the photographs, I directed Public Works staff to board up the openings of the house and make it secure so no one could enter the building.

DECEMBER ATTACHMENTS

City of Gold Beach
29592 Ellensburg Avenue
Gold Beach, OR 97444
Administration: 541-247-7029
Police Department: 541-247-6671
www.goldbeachoregon.gov

November 15, 2012

Richard Butler
PO Box 883
Yreka, CA 96097

Sent Certified and First Class USPS

RE: Dangerous Building Hearing
29704 Shore Pine Lane

Dear Mr. Butler:

Pursuant to City Code Section 5.370 you are being notified of a pending Dangerous Building Hearing regarding the structure located at 29704 Shore Pine Lane. The tax records of the Curry County Tax Assessor indicate you are the owner of the subject property.

The hearing will be held at the regular City County meeting on December 10th at 6:30PM in the Council Chambers. At the hearing you have the right to be heard. The Council will determine at the hearing whether the building is Dangerous and may order the removal of the building, or order that the building be made safe. You are strongly encouraged to attend this meeting.

I have enclosed a copy of the Initial Action council report regarding the building. Please contact me if you have any questions regarding this notice or the pending hearing.

Sincerely,

Jodi Fritts-Matthey
City Administrator
jfritts@goldbeachoregon.gov

The City of Gold Beach is dedicated to enhancing quality of life, while promoting the health, safety, and welfare of our citizens, businesses, and visitors in the most fiscally responsible manner. In doing this, the City will respect the past, respond to current concerns, and plan for the future, while maintaining environmental sensitivity in our beach oriented community.

Legal and Public Notice

HEARING NOTICE

Pursuant to City of Gold Beach Code Section 5.375, notice is given of a Dangerous Building Public Hearing. The public hearing will be held by the City Council on Monday, December 10, 2012 at 6:30 PM in the City of Gold Beach Council Chambers. At the hearing, the owner or other person(s) interested in the property or the building shall have the right to be heard. The building that is subject to this hearing is located at 29704 Shore Pine Lane, Gold Beach. For information regarding this notice, the public hearing, or the nature of the nuisance, please contact City Administrator, Jodi Fritts-Matthey: 541-247-7029 or email: jfritts@goldbeachoregon.gov.

Published: November 28 and December 5, 2012, in the Curry County Reporter, Gold Beach, Oregon.

RESOLUTION R1213-06

A RESOLUTION REGARDING THE DANGEROUS BUILDING DETERMINATION OF A BUILDING LOCATED AT 29704 SHORE PINE LANE

WHEREAS, a Dangerous Building Hearing was held on December 10, 2012, pursuant City Code Section 5.370; and

WHEREAS, notice was given of the hearing to the owner(s) of the property located at 29704 Shore Pine Lane, Assessor Map number 3615-DC tax lot 600, according to the above referenced code section; and

WHEREAS, the hearing was conducted according to the procedures outlined in the Code, and evidence was taken in the form of exhibits, and oral and written testimony; and

WHEREAS, at the conclusion of the public hearing, the Council found that the building located at 29704 Shore Pine Lane **met** the definition of Dangerous Building as defined in Section 5.350(1) and therefore is deemed "dangerous".

NOW, THEREFORE, BE IT resolved the City Council of the City of Gold Beach finds that the building located at 29704 Shore Pine Lane is a Dangerous Building as defined by City Code.

PASSED BY THE CITY COUNCIL OF THE CITY OF GOLD BEACH, COUNTY OF CURRY, STATE OF OREGON, and EFFECTIVE THIS 10th DAY OF DECEMBER 2012.

APPROVED BY:

_____
James H. Wernicke, Mayor

ATTEST:

_____
Candy Cronberger, City Recorder

RESOLUTION R1213-06

A RESOLUTION REGARDING THE DANGEROUS BUILDING DETERMINATION OF A BUILDING LOCATED AT 29704 SHORE PINE LANE

WHEREAS, a Dangerous Building Hearing was held on December 10, 2012, pursuant City Code Section 5.370; and

WHEREAS, notice was given of the hearing to the owner(s) of the property located at 29704 Shore Pine Lane, Assessor Map number 3615-DC tax lot 600, according to the above referenced code section; and

WHEREAS, the hearing was conducted according to the procedures outlined in the Code, and evidence was taken in the form of exhibits, and oral and written testimony; and

WHEREAS, at the conclusion of the public hearing, the Council found that the building located at 29704 Shore Pine Lane **did not** meet the definition of Dangerous Building as defined in Section 5.350(1) and therefore could not be deemed "dangerous".

NOW, THEREFORE, BE IT resolved the City Council of the City of Gold Beach finds that the building located at 29704 Shore Pine Lane is not a Dangerous Building as defined by City Code.

PASSED BY THE CITY COUNCIL OF THE CITY OF GOLD BEACH, COUNTY OF CURRY, STATE OF OREGON, and EFFECTIVE THIS 10th DAY OF DECEMBER 2012.

APPROVED BY:

_____
James H. Wernicke, Mayor

ATTEST:

_____
Candy Cronberger, City Recorder

MISC ITEMS

INCLUDING POLICY DISCUSSIONS AND DETERMINATIONS

GOLD BEACH CITY COUNCIL
AGENDA REPORT

Agenda Item No. **10 a.**

Council Hearing Date: December 10, 2012

Department: Administration and Council Contact/Title: Jodi Fritts, CA
Email: jfritts@goldbeachoregon.gov

TITLE: Urban Renewal Vacancies and Next Steps

SUMMARY AND BACKGROUND:

As we discussed at the November meeting there will be two vacancies on the current Urban Renewal Agency on January 1st (positions #2 and #4). It was discussed that now that we are at the plan stage that it might be a good time to change the make-up of the agency. Currently Ordinance 637 Section 4 states the membership shall be comprised of four citizens and one Council member. It has been suggested that the Council could be made the UR agency and then have 2-4 citizen advisors. I am attaching a memo from our UR contractor, Elaine Howard, regarding agency make-up.

I am also including her UR 101 handout she has prepared for us.

FINANCIAL IMPACT:
None at this time

DOCUMENTS ATTACHED:
- Memo with attachments from Elaine Howard
- UR 101 handout
- Copy of Ordinance 637

REQUESTED MOTION/ACTION:
Determination on to proceed with the make-up of the agency.

COPY OF REPORT AND ATTACHMENTS SENT TO:
Council

ORDINANCE NO. 637

AN ORDINANCE DECLARING THAT BLIGHTED AREAS EXIST IN THE CITY OF GOLD BEACH, RECOGNIZING THE NEED FOR AN URBAN RENEWAL AGENCY TO FUNCTION IN THE CITY OF GOLD BEACH, CREATING THE URBAN RENEWAL AGENCY OF THE CITY OF GOLD BEACH

The City Council of the City of Gold Beach finds that:

(1) There exist within the City of Gold Beach blighted areas as defined by ORS 457.010.

(2) Such blighted areas reduce the economic values of real property within the city and negatively affect ad valorem tax revenues.

(3) There is need for an urban renewal agency to function in the City of Gold Beach.

(4) ORS 457.035 authorizes the creation of an urban renewal agency for the City of Gold Beach.

NOW THEREFORE, the City of Gold Beach ordains as follows:

Section 1: Title

This Ordinance may be cited as the Gold Beach Urban Renewal Agency Ordinance.

Section 2: Declaration of Blight:

Pursuant to ORS 457.035, the Gold Beach City Council declares that blighted areas now exist in the city, and there is currently a need for an urban renewal agency to function in the City of Gold Beach.

Section 3: Agency Title

The urban renewal agency created by this ordinance shall be known as the Gold Beach Urban Renewal Agency.

Section 4: Membership

(1) The Gold Beach Urban Renewal Agency shall be comprised of four (4) citizen members and one Gold Beach City Council member. One (1) of the members may reside outside the city limits of the City of Gold Beach but within the Gold Beach Urban Growth Area. All other members must reside within the city limits of the City of Gold Beach.

(2) The members of the Gold Beach Urban Renewal Agency shall be appointed by the Mayor and approved by the Gold Beach City Council. The term of office of each of the citizen members shall be for a period of four (4) years, or until a successor is appointed and qualified. Notwithstanding any other provision of this ordinance, two (2) citizen members appointed in 2010 shall serve a term of two (2) years, and two (2) citizen members appointed in 2010 shall serve a term of four (4) years. The term of office of each member of the Gold Beach Urban Renewal Agency who is also a city councilor shall be concurrent with that member's term of office as a city councilor.

(3) In the event of a vacancy on the Gold Beach Urban Renewal Agency that remains unfilled for more than 60 days, a second City Council Member shall be appointed on a temporary basis by the Mayor until another citizen member can be appointed.

Section 4: Powers

All of the rights, powers, duties, privileges and immunities granted to and vested in an urban renewal agency by the laws of the State of Oregon, are vested in the Gold Beach Urban Renewal Agency.

PASSED BY THE CITY COUNCIL OF THE CITY OF GOLD BEACH, COUNTY OF CURRY, STATE OF OREGON, THIS 26th DAY OF July 2010.

ATTEST:

Ellen R. Barnes, City Administrator

APPROVED BY THE MAYOR THIS 26 DAY OF July 2010.

James H. Wernicke, Mayor

First Reading: 7/12/2010

AYES: 5
NAYS:
ABSENT:

Second Reading: 7/26/2010

AYES: 5
NAYS:
ABSENT:

City Recorder

ELAINE HOWARD
CONSULTING, LLC

MEMO

TO: Jodi Fritts, City Administrator
FRO Elaine Howard
RE: Urban Renewal Agency Make-up
DAT November 29, 2012

The present Gold Beach Urban Renewal Agency is comprised of citizens and a Gold Beach City Councilor. The question has arisen about the composition of the urban renewal agency if the Gold Beach City Council adopts an urban renewal plan.

The most pertinent issues are the comfort level of the city council in delegating to a non-elected body the ability to make decisions about allocation of funding to projects within the urban renewal area and communication between an urban renewal board and the city council. Especially in small communities, city councilors will often be approached in informal situations about urban renewal projects and spending and must have sufficient information to feel comfortable answering those questions. If the urban renewal board is comprised of people separate from the city council, there must be close coordination with the city council so they feel totally confident answering questions.

Under Oregon State Statutes, urban renewal agencies may be comprised of the governing body of the municipality, (in this case the Gold Beach City Council) a separate group appointed by the governing body of the municipality (as is now the case in Gold Beach) or a housing authority if the housing authority is the entity proposing to do projects. There are pros and cons to each composition. The Association of Oregon Redevelopment Agencies (AORA) has just completed an Urban Renewal Best Practices Handbook (Handbook) which details these issues. The section on urban renewal agencies is attached. In Oregon, the majority of urban renewal agencies are governed by the elected officials of the municipality by which the agency was created. In a recent ad hoc survey by the Association of Oregon Redevelopment Agencies the following agencies replied:

Elaine@elainehowardconsulting.com
503.975.3147 cell 503.635.2783 office
705 Terrace Drive
Lake Oswego, Oregon 97034

UR AGENCY Separate from City Council

Talent
Phoenix
Florence
Hood River
Wood Village
Tillamook

UR AGENCY is the City Council:

Winston
Lebanon
Astoria
Coos Bay
Salem
Albany
Bend
Redmond
Boardman
Lake Oswego
Lincoln City
Tualatin
Philomath
Bandon
Lake Oswego
Keizer
Estacada
The Dalles
La Grande
Wilsonville

The section in the AORA Handbook on disadvantages of a separately appointed urban renewal board are:

"The disadvantages of this form of governance include:

- The municipal governing body may be unwilling to truly delegate

Elaine@elainehowardconsulting.com
503.975.3147 cell 503.635.2783 office
705 Terrace Drive
Lake Oswego, Oregon 97034

authority to a separate board, and this may result in "second guessing" board decisions.

- The board is less accountable to the voters of the municipality.
- Board decisions may not be considered final by the public. They may be appealed to the governing body, causing delays or reversals of board decisions.
- In smaller organizations, where the same staff that perform city or county functions also perform urban renewal functions, the potential for conflicting direction increases."

The section in the Handbook on disadvantages of an urban renewal agency which is comprised of the elected officials of the municipality are:

"The disadvantages of this form of governance include:

- Representation on the urban renewal agency board is limited to the elected municipal officials. Opportunities for other qualified or interested citizens (e.g., real estate developers, lenders, and other experts) to directly participate in agency governance are eliminated. This can be mitigated by the use of advisory committees (ad-hoc or otherwise).
- Board membership can be unstable, i.e., subject to change with each election, potentially resulting in a lack of continuity in urban renewal agency governance and decision-making. This instability is often mitigated by continuity among staff, legal representation, and advisors.
- Urban renewal agency decisions may, in part, be based on political agendas rather than sound development considerations.
- Urban renewal agency issues may not receive sufficient attention from board members who often have heavy demands placed on them in their roles as city council or county commission members. This can be mitigated by the use of advisory committees (ad-hoc or otherwise).
- Actual or perceived conflicts between the urban renewal agency and the municipality may exist, making it more difficult for these interests to be kept separate.

Elaine@elainehowardconsulting.com
503.975.3147 cell 503.635.2783 office
705 Terrace Drive
Lake Oswego, Oregon 97034

- The urban renewal agency board may not be as willing to advocate for their interests when they conflict with municipal interests.
- In some cases, there may be simple confusion as to which legal body has the authority to make a particular decision."

The boards with whom I have worked that are separate from the City Council are:

1. Phoenix: In this case, there is an urban renewal manager who works half-time for the urban renewal board. The same manager works for the Talent Urban Renewal Agency.
2. Talent: In this case, there is an urban renewal manager who works half-time for the urban renewal board. The same manager works for the Phoenix Urban Renewal Agency.
3. Tillamook: The urban renewal board has a city council representative on it and they have a part time staff person who is also the assistant to the City Manager. There is some conflict between the Agency and the City Council.
4. Winston: Recently changed from an appointed group who were not city council members to the city council.
5. Hood River: The urban renewal board is comprised of Port of Hood River representatives and Hood River City Councilors. One of the three urban renewal areas encompasses the Port properties on the waterfront. They also have an urban renewal advisory committee.
6. Wood Village: They appointed a local developer to their urban renewal board along with the City Council and a Planning Commissioner.
7. Florence: There are nine board members, the mayor, two city councilors, one nominated by the Lane County Commissioners, five at-large.

If the City Council is the Urban Renewal Agency Board, they may decide to appoint an advisory committee for either project by project needs or on a long term basis. The attached Handbook has recommendations about advisory committees.

If the Gold Beach City Council desired to change the composition of the Gold Beach Urban Renewal Agency, they would take this action by an ordinance amending the original ordinance establishing the urban renewal agency.

Elaine@elainehowardconsulting.com
503.975.3147 cell 503.635.2783 office
705 Terrace Drive
Lake Oswego, Oregon 97034

3. Creating an Urban Renewal Agency

Urban renewal agencies are separate and unique entities that may be activated by municipal entities (cities or counties) via authority of Oregon Revised Statutes (ORS 457.035).

As a separate entity, the elected municipal governing board must establish the governing structure of the URA, including appointing a board. This decision may be influenced by a number of factors discussed in this section, as well as other factors such as the various projects and programs that are considered for inclusion in the URA's Plan.

CHAPTER CONTENTS

This chapter contains the following sections:

3.1 Establishing the Board

3.2 Advisory Committees

3.1 ESTABLISHING THE BOARD

A. Background

Urban renewal agencies are governed by a separate and distinct board from the municipality by which it was formed. The municipal entity that creates the URA is responsible for determining the structure of the board, as provided by ORS. There are three potential structures for the urban renewal agency board:

- Governing body itself
- Separate group—appointed by the municipal governing body
- Housing authority

PLACEHOLDER

Picture of board or advisory committee.

B. Statutory Provisions

ORS 457.045 provides that a municipality's governing body may choose to exercise the powers of an urban renewal agency by:

(1) the municipality's housing authority,

(2) a separate board or commission of no fewer than three members, or

(3) by the governing body itself, acting as a governing body separate from the municipality they were elected to represent.

A housing authority functioning as an urban renewal agency must appoint an advisory board, but otherwise, advisory committees are not required.

C. Discussion

Historically, in Oregon, elected municipal officials have generally desired substantial control over urban renewal decisions. Therefore, most urban renewal agency boards consist of the members of the city council or county commission. Of those urban renewal agencies where the municipality's governing board created boards consisting of non-elected officials, some require that at least one member of the board be an elected municipal official.

The governing bodies of municipalities just starting an urban renewal program can sometimes find it difficult to decide whether to establish a separate board or retain direct authority. There are examples where municipalities have created a separate board and later decided to return authority to the elected governing body. The agency board may also decide whether or not to designate one or more advisory committees, and if so, the board also determines what functions the committee(s) should serve.

So what is the best governance structure and why? Although there are no specific authoritative sources that address best practices for local government board governance, guidance can be found in *Best Practices: Nonprofit Corporate Governance* and the *Five Habits of High Performance Boards.* The key issues raised by the authors of these documents are as follows:

Key considerations included in both documents directly relevant to the creation of an urban renewal agency:

- The relationship between the board and staff
- Duty of loyalty, distinct entity

Relationship between board and staff

The success of the URA, just as is the case with the municipality itself, is very much dependent upon the staff and the support they receive from the urban renewal agency board. Additionally, what often undermines the success of an organization are actual or perceived conflicts of interest.

Practically speaking, there are very few urban renewal agencies that have the staff resources to operate independently. Although the urban renewal agency may have staff dedicated to urban renewal projects and activities, the agency is generally supported by departments in the rest of the municipal organization, such as finance, planning, public works, and city or county management. This reality makes it very challenging for staff should there be two separate and distinct boards.

Duty of loyalty

The duty of loyalty to a distinct entity may be addressed through the recognition that the urban renewal agency is a "component unit" of its founding municipality. In other words, loyalty belongs to the parent entity, i.e., the municipality that created the urban renewal agency.

Urban renewal functions and activities are generally specific and limited. The urban renewal agency's authority is controlled not only by state law but also by policy documents, e.g., the urban renewal plan, that specify, among other items, the projects and activities to be undertaken, the estimated cost of projects and activities, the maximum amount of funding, and the estimated period of time to accomplish the plan.

Each urban renewal plan is different, with various projects and activities of the urban renewal agency supporting the overall vision. Therefore, each urban renewal agency has different leadership and governing requirements, and these may vary from time to time during the life and implementation of an urban renewal plan.

PLACEHOLDER

Picture of board or advisory committee.

Municipal governing board vs. appointed board configuration

There are advantages and disadvantages to each of the two options that are currently used in Oregon (no housing authorities currently exercise urban renewal powers).

Table 2. Overview of Board Structure

	ELECTED CITY OR COUNTY OFFICIALS	APPOINTED BOARD
Direct oversight of elected officials	Retained	Compromised
Perception of decision being final	Retained	Perception may be that decisions may be challenged
Public attendance at meetings	Improved attendance (other business)	Attendance may be reduced
Representation of board	Limited to elected officials	Board members with unique qualifications can be recruited
Accountability	Accountable to voters	Accountable to elected body
Stability	Potential to be less stable (subject to change with each election)	Generally more stable
Sufficient Attention	Heavy demands of the primary entity may reduce attention—involvement with other related issues may offset	Generally more direct attention

1. City council or county commission as agency board

The advantages of designating the city council or commission or county commission as the urban renewal agency board include:

- Direct oversight is retained by the municipality's elected officials. Given the scope and importance of decisions regarding urban renewal in most communities, this degree of oversight is important.
- Decisions will be considered final, as opposed to the decisions of a separate board, which might be appealed to the governing body. (However, the decisions of a separate urban renewal agency board in undertaking an adopted urban renewal plan are not, strictly speaking, appealable to the municipal's governing body.)
- The urban renewal agency's board meetings may be better attended if they are held concurrently with council or commission meetings.

The disadvantages of this form of governance include:

- Representation on the urban renewal agency board is limited to the elected municipal officials. Opportunities for other qualified or interested citizens (e.g., real estate developers, lenders, and other experts) to directly participate in agency governance are eliminated.
- Board membership can be unstable, i.e., subject to change with each election, potentially resulting in a lack of continuity in urban renewal agency governance and decision-making. This instability is often mitigated by continuity among staff, legal representation, and advisors.
- Urban renewal agency decisions may, in part, be based on political agendas rather than sound development considerations.
- Urban renewal agency issues may not receive sufficient attention from board members who often have heavy demands placed on them in their roles as city council or county commission members. This can be mitigated by the use of advisory committees (ad-hoc or otherwise).
- Actual or perceived conflicts between the urban renewal agency and the municipality may exist, making it more difficult for these interests to be kept separate.
- The urban renewal agency board may not be as willing to advocate for their interests when they conflict with municipal interests.
- In some cases, there may be simple confusion as to which legal body has the authority to make a particular decision.

2. Separate agency board

The advantages of designating a separate urban renewal agency board include:

- The board's full attention can be given to urban renewal matters.
- The board may be more likely to represent the interests of the urban renewal agency in those circumstances where there may be conflicts with the municipality.
- The potential conflict of interest is limited as the urban renewal agency is a component unit of the parent municipality.
- Urban renewal agency decisions might be more likely to be made on the basis of sound development considerations.
- Board membership may include one or more elected officials in order to retain a measure of direct oversight by the municipal governing body.
- There may be other unintended consequences associated with appointing fewer than all elected officials to an advisory committee.

- Perception, real or not, that the appointed elected officials speak for the majority of the municipal governing board.
- Potential communication issues created by filtering information.
- Board membership may represent particular areas of expertise, interests in the community and/or within the URA.

The disadvantages of this form of governance include:

- The municipal governing body may be unwilling to truly delegate authority to a separate board, and this may result in "second guessing" board decisions.
- The board is less accountable to the voters of the municipality.
- Board decisions may not be considered final by the public. They may be appealed to the governing body, causing delays or reversals of board decisions.
- In smaller organizations, where the same staff that perform city or county functions also perform urban renewal functions, the potential for conflicting direction increases.

Urban renewal boards in Oregon

In Oregon, a majority of urban renewal agencies are governed by the elected officials of the municipality by which it was created. Additionally, there are examples within the state of the elected body of the municipality changing the board composition to address changes in conditions within the community or the urban renewal plan.

Table 3. Elected boards vs. appointed boards

	ELECTED CITY OR COUNTY OFFICIALS	APPOINTED BOARD
Number of agencies	Retained	Compromised
Advisory boards	Retained	Perception may be that decisions may be challenged
Change in board composition	Improved attendance – other business	Attendance may be reduced

D. Best Practices Tips

- Elected officials of the municipal governing board are encouraged to give serious consideration to the issues presented above. They should also consider public comments about the various options for board composition, given their specific plan, community, and other issues, prior to forming the urban renewal agency and/or making changes to an existing agency board.

- If the municipal governing board chooses to appoint a "separate group," whether that group includes one or more elected municipal governing board members or not, the municipal governing board is encouraged to document desired board member profiles, roles and responsibilities for the board, its members, and the governing body.

3.2 ADVISORY COMMITTEES

A. Background

Any form of an urban renewal agency board may appoint an advisory committee, although advisory committees are more frequently appointed by boards that consist of the municipal governing body.

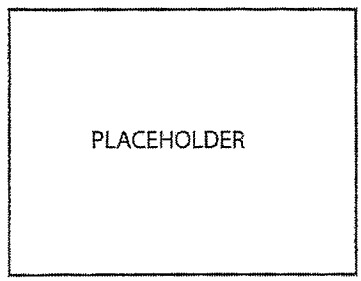
B. Statutory Provisions

There are no statutory provisions for advisory committees.

C. Discussion

Appointing an advisory committee(s) can help mitigate some of the disadvantages of having the city council or county commission serve as the urban renewal agency board.

- Advisory committees can devote their full attention to urban renewal issues, and the urban renewal agency board, in many cases, can choose to heavily rely on their advice.
- Advisory committees can also broaden participation in urban renewal decisions and can represent varying interests and expertise in the community.
    - o Municipalities should be aware that advisory committees may have a tendency to desire direct decision-making authority when it is not desired by the urban renewal agency board, which can lead to conflicts with the urban renewal agency board.
- The urban renewal agency board can also decide whether the committee is to advise on all urban renewal issues or only on certain types of issues.
- Ad-hoc committees may serve the urban renewal agency board best because they have a limited scope and time frame. This may serve to:
    - o Increase the efficiency of an organization
    - o Reduce potential conflicts in authority with elected boards



Picture of advisory committee.

  - Increase ability to recruit experts for a given project or program
  - Expand the field of potential committee members due to reduced length of time commitment
- An urban renewal agency board can give consistent and substantial weight to advisory committee recommendations.
- Though the urban renewal agency board is not bound by advisory committee recommendations, if such recommendations are not given a prominent place in board decisions, the advisory committee will lose its effectiveness.
- Ad-hoc committees can be assigned to specific projects or programs.

Table 4. Ad-hoc committees vs. standing committees

	AD-HOC COMMITTEE	STANDING COMMITTEE
Dedicate full attention to agency activities	Yes	Yes
Broaden participation in agency activities	Yes	Yes
May desire direct decision authority	Less likely	More likely
Limited scope and time line	Generally	Generally no
Increase efficiency of staff	Generally	Possibly, but less often
Reduce potential conflicts of authority with elected officials	Generally	Possibly, but less often
Increase potential to recruit experts	Yes	More so than elected bodies, less so than ad-hoc committee
Expanded pool of potential members due to reduced time commitment	Yes	More so than elected bodies, less so than ad-hoc committee

D. Best Practices Tips

If the board consists of the municipal governing board, AORA encourages the use of ad-hoc committees to advise the municipal governing board on various projects and/or programs.

If jurisdictions decide to create continuing advisory committees, then these committees should have clear and defined parameters, and those parameters should include topics like: purpose, composition, term-limits, staffing costs, etc.

Urban Renewal 101
Handout prepared by
Elaine Howard

Urban Renewal and Tax Increment Financing

What is Urban Renewal?

Urban renewal is one of the few tools for encouraging local economic development. It is unique in that it has its own funding source, tax increment financing. Urban renewal is a program authorized under state law and implemented locally that allows for the concentrated use of property tax revenues to upgrade certain designated areas of a city or county. These areas are called "blighted" by state statute and typically contain sections of a city that are underdeveloped and not contributing fully to the local economy. They can have buildings which are in need of renovation, property which should be developed or redeveloped, or utilities and street and pedestrian systems in poor repair or needing upgrading.

The underpinning theory of urban renewal is that if these properties and the surrounding infrastructure are upgraded, they will contribute more substantially to the local economy and to the property taxes which support all of the taxing jurisdictions.

How is an Urban Renewal Program Started?

For an area to be designated as an urban renewal area, a city normally completes a feasibility study to determine appropriate boundaries and to analyze the financial feasibility of the area, including the impacts on the other taxing jurisdictions. Depending on the results of the feasibility study, the city will determine whether they want to proceed with the development of an urban renewal plan.

The City of Gold Beach completed an urban renewal feasibility study in the spring of 2012 for an urban renewal area that encompasses the commercial areas of Gold Beach. The feasibility study determined that the potential urban renewal area met the statutory qualifications for blight and can produce tax increment for use in helping the area develop. The city directed the preparation of a draft urban renewal plan.

An urban renewal plan establishes an urban renewal boundary, goals, and objectives for the area, and outlines projects and programs that will help to improve the conditions in the area. The plan also sets a limit on the amount of money which can be used to fund these projects and programs, called a "maximum indebtedness". The urban renewal plan is accompanied by a technical report which contains the financial
Feasibility analysis and estimates when funding will become available to pursue projects within the area. The urban renewal plan must be adopted by the City Council.

What is the Adoption Process for an Urban Renewal Plan?

The planning for urban renewal typically involves review and input from a citizen committee and city staff. In Gold Beach the Urban Renewal Agency is comprised of citizens who will review the draft urban renewal plan. Once a draft plan is prepared and reviewed by the Gold Beach Urban Renewal Agency, it must be circulated to the impacted taxing jurisdictions for their review

Urban Renewal and Tax Increment Financing

and comment. The plan must be presented to the Planning Commission and to the City Council for adoption. Any action by the City Council must be by non-emergency ordinance after a public hearing is held. Notice of the public hearing must be sent to each individual household in the city.

What types of Programs or Projects are Eligible under Urban Renewal?

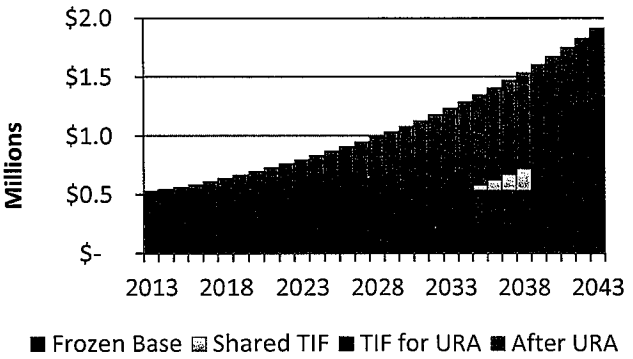
Urban renewal agencies can do certain projects or activities under an adopted urban renewal plan. These activities generally include:

- Construction or improvement of public facilities including streets, sidewalks, utilities, parks, and other public uses
- Storefront improvements
- Participation with developers for property improvement
- Rehabilitation of existing buildings

How are Urban Renewal Plans Financed?

At the time an urban renewal plan is adopted, the county assessor calculates the total assessed value of the area and establishes this value as the "frozen base" for the area. Growth above the base is called the "increment." Tax increment revenues are the property tax revenues generated off the increase in the assessed values over the frozen base (not including rates for General Obligation Bonds and Local Levies approved by voters after October, 2001). This concept is shown in the chart on the next page. The chart depicts a 25 year plan, but plans may be longer, depending on the timing of bond placements and the need for financing. This scenario shows the frozen base (red) and the tax increment (TIF in blue) that is anticipated to fund projects and programs in the urban renewal area. The chart also shows that some revenue sharing is anticipated with the taxing jurisdictions, shown in green in the chart. Revenue sharing commences when specified targets established in urban renewal law are met. The purple shows the projected tax revenues once urban renewal ends in the future.

Gold Beach Tax Revenues



How Does Tax Increment Financing Affect Overlapping Taxing Districts?

Taxing jurisdictions gain revenues through the collection of property taxes. Property tax increases come through new development and the statutory limit of 3% increase in assessed values on existing real property. During the use of tax increment financing, the permanent rate property taxes on the **growth** in assessed value in the urban renewal area are allocated to the Urban Renewal Agency and not the taxing district. The taxing jurisdictions are still able to collect the property tax revenues

Urban Renewal and Tax Increment Financing

from the assessed value of the frozen base, but increases in revenues are allocated to the Urban Renewal Agency for use within the urban renewal area. In many urban renewal areas, that growth from new investment would not have occurred but for the use of urban renewal which has stimulated the growth.

The impact on schools and education service districts is indirect, as they are funded through a state allocation based on per pupil counts. Property taxes fund a portion of the state school fund, but not all of it.

Once an urban renewal area is terminated, there generally will be an increase in property tax revenues to all taxing jurisdictions. This increase of property tax revenue is a result of the ability to concentrate funding in a specific area, encouraging the area to develop properly.

How Does Tax Increment Financing Affect Property Tax Payers?

Most property tax payers will **not** see an increase in property taxes as a result of urban renewal. However, once an urban renewal plan is adopted in an urban renewal area, tax payers within that area will see a line item on their property tax statements for urban renewal. This can be quite confusing because even if you are not physically located in the area, you will see an indication of the impact of urban renewal on your property tax bill. Your overall tax bill does not increase, but the allocation of revenues received from your payment is changed as a portion of that payment now goes to urban renewal. This is called "division of taxes" and is the administrative way that assessors must calculate the urban renewal revenue. A sample property tax bill for the City of Gold Beach is shown below. The total taxes does not change, they are just distributed differently if there is urban renewal.

		2013	2013
		Property Value	Property Value
Jurisdiction	**Rate**	$103,000.00	$103,000.00
School CC1	3.9171	$403.46	$391.71
ESD	0.4432	$45.65	$44.32
SWOCC	0.7017	$72.28	$70.17
City-Gold Beach	2.336	$240.61	$233.60
Port-Gold Beach	0.4132	$42.56	$41.32
Cemetary-Rogue River	0.0772	$7.95	$7.72
Health Curry	0.7425	$76.48	$74.25
Library Curry	0.6609	$68.07	$66.09
CC 4-H Extensions	0.1021	$10.52	$10.21
Curry County General	0.5996	$61.76	$59.96
Urban Renewal			$29.98
Total Tax Rate	**9.9935**	$1,029.33	$1,029.33

Insert City of Gold Beach Logo here.