

CITY OF COTTAGE GROVE
CITY COUNCIL
AGENDA SESSION MINUTES
June 23, 2023

The meeting was called to order by Mayor Solesbee at 8:30 am.

Those in attendance virtually and in person: Mayor Solesbee, Councilors Ervin, Fleck, Merryday and Stinnett.

Staff present virtually and in person: City Manager Richard Meyers, Assistant to the City Manager Jake Boone, City Recorder Mindy Roberts, Public Works and Development Director Faye Stewart, Finance Director Roberta Likens and City Planner Eric Mongan.

Public Hearing

(a) Public Hearing for Proposed Supplemental Budget

Finance Director Roberta Likens said there is a proposed supplemental budget and it is required that a Public Hearing be held before looking at any resolutions.

(b) Public Hearing on Proposed Uses of State Shared Revenues

Finance Director Roberta Likens said the law requires that two Public Hearings are held, one before the Budget Committee and one before the City Council. She said there will be two resolutions, one to adopt the eligibility to receive the revenues and that the City provides certain services.

(c) Public Hearing for 2023-24 Budget

Councilor Merryday asked if Council is going to revisit the funding requests before the budget is approved.

Finance Director Roberta Likens said that is up to the Council.

City Manager Richard Meyers said requests could be presented in the Public Hearing and Council could make a motion to put certain items in the budget under Agenda Item 7(e).

Councilor Merryday asked what organizations have turned in additional information regarding their requests.

Finance Director Roberta Likens indicated that she has not received additional information.

There was open discussion as to how much money the organizations were requesting.

Councilor Fleck said that during the budget process he asked Bohemia Mining Days (BMD) to provide financials and they indicated that they would. He said they have not been received so he sent a follow up email yesterday so he could evaluate the substantial request.

Councilor Fleck asked if the BMD request could be revisited later in the year.

City Manager said that would be an option and it would require a supplemental budget.

Finance Director pointed out an addition to the memo regarding the Storm Fund. She said the formula did not pick up the first line for Advertising of \$500, so she increased the Material and Services by \$500 and reduced the Contingency by \$500.

Mayor Solesbee asked if the Symphony is paid for by fundraising efforts.

City Manager replied that there is fund raising and the City pays a portion.

Public Works and Development Director indicated that the fund raising efforts this year are going good so far and could potentially raise more money than the proposed budget.

Mayor Solesbee asked about the Gran Fondo.

City Manager replied that the City does not pay anything towards the Gran Fondo. He said they pay for their port-a-potties and bring their own barricades and signs.

Consent Agenda

Councilor Ervin inquired about the rates associated with the Intergovernmental Agreements.

Public Works and Development Director Faye Stewart explained the calculations used to determine the costs to be shared by each City.

Councilor Ervin asked if the fees are paid as a lump sum or throughout the year.

Public Works and Development Director indicated that the payments are received quarterly unless there is a spike in activity that would warrant billing for additional costs.

Resolutions and Ordinances

- (a) Resolution Adopting a Supplemental Budget for Fiscal Year 2022-23 and Making Appropriations

Finance Director Roberta Likens explained that the Supplemental Budget would allow the City to appropriate funds for the replacement of the City Hall server, and to create a line item to receipt an Oregon Heritage Grant in order to conduct a Downtown Cottage Grove retail market analysis.

(b) Resolution Transferring Appropriations within Various Funds

Finance Director Roberta Likens explained that there are several appropriations in this resolution to make certain there is enough money in the proper locations.

(c) Resolution Authorizing an Interfund Loan to the Industrial Park Fund from the Water Reserve Fund

Finance Director Roberta Likens indicated that the City was not successful in selling the lots at the Industrial Park. She said this loan will be from the Water Reserve Fund and when the lots sell we will repay the debt.

Public Works and Development Director provided information regarding the potential sale of the Industrial Park lots.

Councilor Ervin asked about the strategy behind determining which fund the money is loaned from and asked if the original loan was from the Storm Reserve Fund.

Finance Director confirmed that the loan was originally from the Storm Reserve Fund. She said she looked at balances and the reserve funds are healthy and believes we will be able to manage projects that may come up next year.

Public Works and Development Director clarified that the loans have to be paid back each year and added that we are not paying Storm Reserve Fund back because we need the resources.

Finance Director said this type of purchase could be done for up to a ten year period and we would charge ourselves interest. She said in this case, because it was going to be a short-term loan it will be zero interest and it must be paid within a one year period.

Councilor Fleck asked what interest rate we would charge.

Finance Director said it is proposed that we do not charge interest in hopes that it is paid back quickly.

Councilor Fleck expressed concern about the perception that we have enough extra money in our reserves that we can loan ourselves money.

City Manager Richard Meyers said many of the projects that we are building reserve funds for cost 10-20 times the amount we are loaning and it takes time to accumulate.

(d) Resolutions Concerning State Shared Revenues

Finance Director Roberta Likens indicated that these documents state we are eligible and want to receive the funds. She said there are two separate resolutions and a certification by the City Recorder that the hearings were held.

City Manager Richard Meyers indicated that there will be two resolution numbers and a motion will be needed for both to be adopted.

(e) Resolution Adopting the 2023-24 Budget, Making Appropriations, and Imposing Categorizing Ad Valorem Taxes

Finance Director Roberts Likens explained an error that was noticed in the Storm Fund and offered to answer any questions about the budget information that was presented to Council.

(f) Resolution Amending the Comprehensive Fee Schedule

Public Works and Development Director Faye Stewart informed Council that there were several changes to the Fee Schedule and he outlined the changes in each of the categories.

City Manager Richard Meyers added that the Armory rates are now an hourly rate to reflect how it is being used as well as opportunities for audio equipment use and set up and take down charges.

Councilor Ervin asked if there has been any consultation about the acoustics in the Armory.

City Manager replied that it will be a part of the continuing improvements made in the building.

Councilor Ervin asked about the fee that is associated with an appeal to Council.

Public Works and Development Director explained that it is a part of the planning process. He said if the Planning Commission makes a decision and someone wants to challenge the decision, it would come to City Council to review the appeal.

(g) Second Vote for Ordinance Amending Chapter 3.10 Multiple-Unit Property Tax Exemption Program of the Cottage Grove Municipal Code

City Planner Eric Mongan informed Council that he will be bringing back this item to Council to hold the second vote.

Councilor Merryday indicated that he is very unsatisfied and said the MUPTE is still not where we need it to be. He said he likes that affordability is a component but no developer is going to give up 25% of their units. He said he would like to change it to read 80% AMI or lower the percentage required to as low as 5%. He added that it will not affect development, the developers could still choose the option of three public benefits.

Councilor Fleck said he supports adding an affordable piece to the MUPTE. He suggested forming a subcommittee to meet with developers to get a better understanding as to what affordable piece could be added without killing a development.

Public Works and Development Director Faye Stewart said the MUPTE is not an affordable housing tool. He said the best chance of getting affordable housing is to have a LIRHPTE and other type programs.

Mayor Solesbee said supply and demand will make the housing more affordable.

Councilor Merryday said he feels that he is unable to communicate his thoughts accurately. He said as written, the MUPTE has an option to provide affordable housing, but it needs to be a lower option like 5% or 10%. He said it has two parts, the developer either chooses the public benefit or the affordable piece and that will not affect whether the use the MUPTE or not.

Councilor Ervin said he hears Councilor Merryday's point but he does not feel the MUPTE is the vehicle to affordable housing.

Councilor Stinnett said he understands wanting information from developers as to how they would be affected, but he does not know how feasible that would be.

Councilor Fleck asked to clarify that Councilor Merryday wants to lower the percentage so that the affordability housing piece is an option but not a requirement.

Councilor Merryday said yes, that is what he is trying to get across. He said keep it as written, but strike out the 25% and set a lower number.

There was open discussion as to the proper process for changing the percentage in the ordinance.

Business from City Council

(a) Peace Pole Committee Presentation and Request

Public Works and Development Director Faye Stewart said that the Peace Pole Committee contacted him to see if they would be allowed to build and install a Peace Pole in Coiner Park in vicinity of the Peace Tree. He said they will present at the Council meeting on Monday to make a presentation and answer any questions. He added that the pole is designed to encourage world peace.

(b) Award of Cottage Grove Reservoir Access Driveway Project

Public Works and Development Director Faye Stewart said that an Invitation to Bid was held to make the necessary upgrades to the east reservoir access road. He explained that the improvements are necessary to meet Lane County's Conditional Use Permit criteria.

Mayor Solesbee asked if there were any questions.

(c) Award of Street Improvement Contract

Public Works and Development Director Faye Stewart said an Invitation to Bid was held to chip seal West Main to R Street and he provided background information as to what streets were done last year.

(d) Cancellation of July 24, 2023 City Council Meeting

City Manager Richard Meyers said the Eugene Symphony is scheduled for July 24th and it is recommended that Council cancel the City Council meeting that is also scheduled on that day.

(e) Concerns from Council

Business from City Manager

(b) Report from City Manager

City Manager Richard Meyers updated Council about computer issues that were experienced at the State. He said although the State indicated the issues were resolved he encouraged people to use caution when opening emails.

Mayor Solesbee adjourned the meeting 9:21 am.

Mindy Roberts, City Recorder

Candace Solesbee, Mayor