

CITY OF LINCOLN CITY

CITY COUNCIL MINUTES OF MEETING

April 13, 2020, 6:00 PM

The final minutes for this meeting are supplemented by an electronic recording of the meeting, which may be viewed online at www.lincolncity.org under the tab "Agendas, Packets and Videos". The staff reports, resolutions, ordinances and other documents related to this meeting are also available at the same location. This meeting is rebroadcast on Cable Channel 4. (See Channel 4 guide on the hour at <http://www2.lincolncity.org/program-guide/>).

APPROVED BY CITY COUNCIL

DATE: June 8, 2020

A. CALL TO ORDER

Mayor Anderson called the meeting to order at 6:00 pm.

Present: Ron Chandler, City Manager; Richard Appicello, City Attorney; Cathy Steere, City Recorder; Ed Dreistadt, Director of Explore Lincoln City; Anne Marie Skinner, Director of Planning and Community Development.

B. ROLL CALL

Attendee Name	Title	Status	Arrived
Dick Anderson	Mayor	Present	6:00 PM
Judy Casper	Councilor Ward 3	Present	6:00 PM
Diana Hinton	Councilor Ward 1	Present	6:00 PM
Riley Hoagland	Councilor Ward 2	Present	6:00 PM
Diane Kusz	Councilor Ward 2	Present	6:00 PM
Rick Mark	Councilor Ward 3	Present	6:00 PM
Mitch Parsons	Councilor Ward 1	Present	6:00 PM

C. PLEDGE OF ALLEGIANCE

Mayor Anderson suspended performing the Pledge of Allegiance.

Mayor Anderson asked for a change to the agenda noting that agenda items numbered 14 and 15 involve public hearings and will be moved under "H" (Public Hearings).

D. CONSENT AGENDA

1. Regular Meeting – Minutes of Work Session – December 2, 2019 9:00 AM
2. Regular Meeting – Minutes of Work Session – December 10, 2019 9:00 AM
3. Regular Meeting – Minutes of Regular Meeting – February 10, 2020 6:00 PM

- 4. Regular Meeting – Minutes of Regular Meeting – February 24, 2020 6:00 PM
- 5. Regular Meeting – Minutes of Regular Meeting – March 9, 2020 6:00 PM

MOTION:	Motion to approve the Consent Agenda.
MOVER:	Diana Hinton, Councilor Ward 1
SECONDER:	Rick Mark, Councilor Ward 3
AYES:	Anderson, Casper, Hinton, Hoagland, Kusz, Mark, Parsons
RESULT:	Passed

E. COUNCIL DELIBERATIONS - None

F. COMMENTS FROM CITIZENS PRESENT ON AGENDA/NON-AGENDA ITEMS - None

G. PRESENTATIONS - None

H. PUBLIC HEARINGS / PUBLIC COMMENTS

6. Public Comment on Resolution 2020-05 (mobile food unit fees)
Mayor Anderson opened this item for public comment. No comments received.

7. Public Comment on Resolution 2020-07 (Composting)
Mayor Anderson opened this item for public comment, and Mr. Chandler read the comment submitted by Scott Morgan whose states he is opposed to the 33.3% rate increase. Mr. Appicello announced that the packet contains an email from North Lincoln Sanitary Service (NLSS) where they propose a different rate structure and Mr. Appicello does not support the proposed option.

I. ORDINANCES

8. ORDINANCE NO. 2020-09 AN ORDINANCE OF THE CITY OF LINCOLN CITY AMENDING THE LINCOLN CITY MUNICIPAL CODE, TITLE 8 (HEALTH AND SAFETY), ADDING CHAPTER 8.11 (NUISANCE – POLYSTYRENE FOAM)

MOTION:	Motion to decline second reading of Ordinance 2020-09.
MOVER:	Councilor Rick Mark
RESULT:	Failed for Lack of a Second

Councilor Mark asked if Council would consider holding a Work Session meeting to discuss Ordinance 2020-07 before it goes into effect. No response received.

Discussion was held on the need for clarification of prepared food vs. cooked food with regard to sushi. Mr. Appicello advises he can just remove the word "cook". Discussed was concerns with the ordinance moving forward, and a perception that local government is making this change when the COVID pandemic crisis exists and businesses are already struggling.

The word "cook" will be removed to resolve the issue, and it was stated the Ordinance can be amended before it goes into effect in 2021.

MOTION:	Motion to approve second reading and adoption of Ordinance 2020-09, effective in 2021, with changes as read.
MOVER:	Riley Hoagland, Councilor Ward 2
SECONDER:	Diana Hinton, Councilor Ward 1
AYES:	Casper, Hinton, Hoagland, Kusz
NAYS:	Anderson, Mark, Parsons
RESULT:	Passed by Roll Call Vote

9. ORDINANCE 2020-11 AN ORDINANCE OF THE CITY OF LINCOLN CITY ACCEPTING THE TRANSFER OF A PORTION OF LOGAN ROAD, LINCOLN COUNTY ROAD #100, FROM LINCOLN COUNTY, OREGON PURSUANT ORS 373.270(5)(b) AND LINCOLN COUNTY ORDER 2-20-55.

Richard Appicello completed first reading by title only.

MOTION:	Motion to approve first reading of Ordinance 2020-11, accepting Logan Road into the City from Lincoln County.
MOVER:	Diana Hinton, Councilor Ward 1
SECONDER:	Judy Casper, Councilor Ward 3
AYES:	Anderson, Casper, Hinton, Hoagland, Kusz, Mark, Parsons
RESULT:	Passed by Roll Call Vote

MOTION:	Motion to approve second reading and adoption of Ordinance 2020-11.
MOVER:	Diana Hinton, Councilor Ward 1
SECONDER:	Mitch Parsons, Councilor Ward 1
AYES:	Anderson, Casper, Hinton, Hoagland, Kusz, Mark, Parsons
RESULT:	Passed by Roll Call Vote

J. RESOLUTIONS

10. RESOLUTION NO. 2020-05 A RESOLUTION OF THE CITY OF LINCOLN CITY, ADOPTING APPLICATION FEES AND CHARGES FOR MOBILE FOOD UNITS (LICENSE AND LAND USE) AND ESTABLISHING PARKS CONCESSION FEES AND CHARGES

MOTION:	Motion to approve Resolution 2020-05.
MOVER:	Hoagland
SECONDER:	Hinton
AYES:	Anderson, Casper, Hinton, Hoagland, Kusz, Mark, Parsons
RESULT:	Passed by Roll Call Vote

11. RESOLUTION NO. 2020-07 A RESOLUTION OF THE CITY OF LINCOLN CITY AUTHORIZING THE ESTABLISHMENT OF A MANDATORY RESIDENTIAL COMPOSTABLES COLLECTION PROGRAM AND ADOPTING RATES

Mayor Anderson reminded Council that the purpose of approving this was so North Lincoln Sanitary Service could purchase a truck to use for this service. Mayor Anderson suggested that as a priority the public be educated on how they can mitigate the price to make it less painful as they ramp up the new program.

Council discussed ideas to make this change. Mr. Appicello recommends that if option #3 is the one the City wants to use, it will be less of a service to commercial customers with the fee the same. Mr. Appicello suggested to hold off and clarify with North Lincoln Sanitary Service (NLSS) the 10% across the board fee. Ms. Bridges agreed with concerns of a 10% across the board fee for commercial and residential when the service is not used by commercial businesses.

Discussion was held on moving forward with the Ordinance so NLSS can order the truck, and the 10% will be discussed later. Mr. Appicello notes he believes the only option is the estimated \$6.00 on residential users, and give NLSS the option to submit justification for commercial to be included when commercial users are not participating. Discussion also held on composting with regard to food disposal.

Mr. Chandler notes the City reviews the rates annually and there will be opportunities to address it in the future.

MOTION:	Motion to approve Resolution 2020-07 with option number 3 offering landscaping for commercial businesses.
MOVER:	Riley Hoagland, Councilor Ward 2
SECONDER:	Diana Hinton, Councilor Ward 1
AYES:	Hoagland
NAYS:	Anderson, Casper, Hinton, Kusz, Mark, Parsons
RESULT:	Failed by Roll Call Vote
MOTION:	Motion to approve second reading and adoption of Resolution 2020-07 with the \$6.85 charge per residential customer, as stated in the Resolution.
MOVER:	Riley Hoagland, Councilor Ward 2
SECONDER:	Rick Mark, Councilor Ward 3
AYES:	Anderson, Casper, Hinton, Hoagland, Kusz, Parsons
NAYS:	Mark
RESULT:	Passed by Roll Call Vote

K. SPECIAL ORDER OF BUSINESS

12. Public Arts Committee Artist Finalist Recommendation

Larry Stevens, member of the Public Arts Committee used a PowerPoint presentation to review the process for the proposed Art at the Lincoln City Cultural Center. Eighteen responses from artists were received, including from other countries and it was narrowed it to 5 finalists. The finalists came to Lincoln City and were interviewed by a committee, and then the artists were invited to a public forum where the public scored the artists. The survey results were provided. Recommended is that Pete Beeman be selected as the artist of record for the public art installation at the Lincoln City Cultural Center based on the four-step vetting process previously described. Larry asks that the Council approve Pete Beeman as the artist for this project.

Discussion was held as to where the money in the art fund is coming from, and if the Lincoln City Cultural Center was paying for the art. Mayor Anderson asked for clarification from Mr. Chandler, who advised that money has been coming in over the years, and the art will be paid entirely from the Percent for Art fund. Mayor Anderson said he believes that not all of the money came in from the Percent for Art, and that some of the money may have come from the general fund. Mayor Anderson states the timing may not be right to use money from the general fund when we are in the middle of a crisis. Mr. Chandler and Ms. Bridges advised they will research where the money originated from.

Councilor Casper asked that Ms. Bridges provide the information for the fund. Ms. Bridges notes that in 2017-2018 \$50,000 was moved from the General Fund to the Percent for Art Fund, and then in 2018-2019 \$10,000 was moved from the General Fund to the Percent for Art Fund. The beginning balance was about \$128,000 and there is a projected \$10,000 in recent transfers from capital projects so there will be about \$138,000 total in the fund.

Councilor Hinton expressed concerns on proceeding with the motion without identifying an amount for the contract.

Councilor Casper expressed concerns as to a deadline for the product creation, and a need to extend fund availability or fundraise for the project. Mr. Stevens notes previous art pieces have taken up to one year to create, and they will stay within budget to make it work. Mr. Stevens notes that nothing will be done without Council approval.

Discussion as to the contract was held, the terms of the contract with regard to running over budget.

Mr. Stevens notes the great support from Ed Dreistadt and City staff.

MOTION:	Motion to approve the recommendation to contract with Pete Beeman to work with City staff and the Public Art Committee to continue with the next steps.
MOVER:	Mitch Parsons, Councilor Ward 1
SECONDER:	Judy Casper, Councilor Ward 3
AYES:	Anderson, Casper, Hinton, Hoagland, Kusz, Mark, Parsons
RESULT:	Passed via Voice Vote

13. ORDER NO. 2020-01 AN ORDER APPROVING A SIX MONTH LEASE EXTENSION FOR MCKAY'S MARKET, INC.

Mr. Appicello presented.

MOTION:	Motion to approve Order 2020-01 granting a six month extension to the existing lease with McKays Market under the same terms and conditions.
MOVER:	Judy Casper, Councilor Ward 3
SECONDER:	Diane Kusz, Councilor Ward 2
AYES:	Anderson, Casper, Hinton, Hoagland, Kusz, Mark, Parsons
RESULT:	Passed by Roll Call Vote

14. Annex 2020-01/CPA&ZC 2020-02 Woods Annexation - annex 11.15 acres into City of Lincoln City with a comprehensive plan map and zoning designation of R-1-5 (Single-Family Residential).

This is an annexation proposal recommended to be moved to June 8, 2020. It was scheduled for the Planning Commission to deliberate, however they have not had time. There was unanimous consent from Council to move this item to June 8, 2020.

15. CPA&ZC 2020-01 Scrutton zone change - request to rezone approximately 2.06 acres from Multiple-Family Residential to Recreation-Commercial with a corresponding comprehensive plan map change to Commercial-Recreation District

Consensus is to move this item to the June 8, 2020 agenda. Anne Marie Skinner notes the public hearing was held at the Planning Commission level, however they have not met to deliberate.

16. Resolution 2020-08: Budget Transfers for FY2019-20

Ms. Bridges presented this item explaining the purpose for the transfers, and responded to questions. Discussion was held as to the amount spent on cleaning transient camps by companies that handle bio-hazard, which was \$40,000 this year and \$50,000 proposed for next year which will do about 4 cleanups. Discussed was the contracting procedures for the companies doing the bio-cleanup. Mr. Chandler advises that Ms. Sprague, Parks Director, obtained verbal bids over the phone. Discussed was the money moved for the PERS match program and what funds the money came from. Mayor Anderson notes the money for cleanup was coming from the capital fund, and last budget season the marijuana tax revenue was split and earmarked for the cleanup. Discussion was held as to how the City is managing the homeless sites, asked for signage, and asked for more steps to be taken to prevent homeless camps.

MOTION:	Motion to approve Resolution 2020-08.
MOVER:	Riley Hoagland, Councilor Ward 2
SECONDER:	Judy Casper, Councilor Ward 3
AYES:	Anderson, Casper, Hinton, Hoagland, Kusz, Mark, Parsons
RESULT:	Passed by Roll Call Vote

17. Council Priorities and Goals

Mr. Chandler presented the Goals identified that the Council wanted to pursue, and how they are affected by the COVID crisis, and Mr. Chandler will provide proposed changes to the Goals.

Mayor Anderson asked for clarification as to the intent of review of the Goals at tonight's meeting. The Mayor is concerned with the current economic crisis that has been 5 weeks of devastation, and the projection by Kenneth Murphy, the Emergency Coordinator, that it will continue for 12-18 months. There have been significant cutbacks in revenue and capital projects, and hiring personnel is on hold. Mayor Anderson is concerned with what was discussed as priorities earlier in the year with how we will act for the next fiscal year. Council discussed holding on to the list until later, and reviewing at another work session the goals in consideration of the COVID crisis. Councilor Hinton would like to keep the goals up front that are identified for economic development, code enforcement and emergency preparations. Councilor Hinton also spoke that she is receiving message that the public is asking for more proactive information in a more timely way, and more community engagement.

Council consensus is to have a second work session on the Goals and Priorities.

Discussed was holding conversation about how the City can help those that need assistance during the crisis.

Mayor Anderson summarized that Council would like the document kept on the table, and if priorities were identified they would be economic recovery/growth, emergency preparedness, community engagement and code enforcement, and the priority remains of sewer, water and police. Mr. Chandler advised the goals and priorities can be reviewed at another date so that Council can focus on the COVID crisis.

18. COVID-19 Potential Aid

Mayor Anderson spoke on a document that Council received earlier from Mr. Chandler on the next three months with regard to COVID crisis, and how to end the fiscal year. Mr. Chandler spoke on loss of transient room tax funds at a loss of an estimated \$630,000 to \$640,000 a month; the loss of revenue

due to closure of the Lincoln City Community Center, and the loss of revenue in the water/sewer funds, noting the longer the City is shut down, the larger the loss; and Mr. Chandler notes the difficulty in creating a budget with unknown revenues, noting that if the shut down continues through the 3rd quarter it will be a loss of \$1,800,000 in delayed capital projects or cuts to carry the City through the end of the year, and to protect the fund balances for next year. Mr. Chandler notes that even with an adopted budget, many items will be on hold as a result of the crisis.

Mr. Chandler provided information on the proposed gift certificate/passes purchase program through Explore Lincoln City. Mr. Chandler spoke on possibly using \$500,000 for the gift certificate/pass program. Mr. Chandler also spoke on a proposal to either delay or forgive a water bill to provide relief to those in need..

Mayor Anderson spoke on the various packages that are forthcoming. Discussion was held as to the economic aid ideas, how the gift certificates would be distributed fairly. Councilor Casper spoke on a separate program that might be considered, and that the criteria should be created over the next few weeks.

Mayor Anderson notes that the funds used from the VCC are required to be used for the purpose of marketing, Councilor Casper's aim is to help the small businesses; and if the City is giving away vacations, the money spent on that will come back into town. The money spent will result in an immediate benefit financially, positioning for the future, and planting the seeds for future vacations when the time comes. Councilor Kusz likes the idea of the coupons which will assist tourists, however the small businesses that are not tourists are the ones needing assistance through a possible grant program. Mr. Dreistadt notes the money he has is earmarked for tourism by State and Local laws.

Mayor Anderson suggested redirecting \$500,000 to be set aside for recovery, and create a committee that will identify criteria, keeping in mind small business administration funding.

Mr. Chandler notes two parts with one being funds from Explore Lincoln City and one from the water/sewer funds; and suggested a committee that involves 3 Councilors, Mr. Chandler, Debbie Bridges, Lori Arces-Torres, to bring something back for the meeting on April 27, 2020.

Mr. Appicello notes there are a lot of creative things being said as to the proposed use, however additional legislative flexibility as to the use would be good.

Councilor Hoagland suggested that each applicant write a report as to how COVID impacted their business. Discussed was the means testing (regarding utility bills) and a process to be established for receiving the grant funds/monies, etc.

The three elected officials for the review subcommittee are Councilors Mark, Hoagland and Casper; and City staff will work on the utilities. Discussion was held as to the need for direct pay for the utility bill as opposed to cash to the customer. Councilor Kusz advises that there are a lot of residents that are supposed to be on unemployment that have never received it and are struggling with the utilities and rent. Mayor Anderson notes that the City is not instituting shut offs, is not charging late fees, and evictions are not allowed and suggested a deferral that can be paid back over a year so that it is less likely to be adverse to the City. Other suggestions are to use a sliding scale pay back period.

Mr. Appicello confirmed with Council the unanimous consent on the appointment of the subcommittee and for the staff to return with process and means testing for the utilities by April 27, 2020.

19. New Name for the Villages at Cascade Head

Mr. Chandler understood that Council does not want to proceed with the legal process of the name change, however asked if Council wanted to go forward with selecting a new name for the Villages and then go through the legal process later.

Councilor Hinton presented the list of names and suggested shortening the list. Discussion was held as to the purpose and timing, and open it up for the public and then reduce it down so it is not a limited list of ideas from a limited number of folks. Mayor Anderson advised that it is a low priority. Councilor Mark advised that he does not have a strong feeling on the matter. Councilor Hoagland supports name for "The Knoll", and concurs with the Mayor that it should be put out to the public. The use of the word Sitka was discussed. The sub-committee tasked for working on a new name for The Villages are Councilors Hinton and Parsons, with the assistance from Courtney Liberato.

L. CITY MANAGER/CITY ATTORNEY REPORTS - None

M. ACTIONS, IF ANY, BASED ON WORK SESSION OR EXECUTIVE SESSION

MOTION:	Motion to direct staff to proceed and to provide legal evidence for site control, such as purchase and sale agreement for the developer as discussed in Executive Session on April 13, 2020.
MOVER:	Judy Casper, Councilor Ward 3
SECONDER:	Rick Mark, Councilor Ward 3
AYES:	Anderson, Casper, Hinton, Hoagland, Kusz, Mark, Parsons
RESULT:	Passed by Voice Vote

N. ADDITIONAL COMMENTS FROM CITIZENS PRESENT ON NON-AGENDA ITEMS

Marci Baker, owner of several businesses in Lincoln City, sent an email expressing concerns with no clear path ahead during COVID, and asking for a localized plan that using the resources the City has to meet the communities unique needs and the basic needs of the citizens at this time. See email attached.

O. ANNOUNCEMENTS OR COMMENTS BY CITY COUNCIL

Councilor Hoagland asked if Lincoln City was working on reducing what they are spending, and it was confirmed by Mr. Chandler that they are in the immediate and in the long-run.

Councilor Hinton spoke on Marci Baker's idea and believes that the idea of having businesses who are already in the business of making and preparing food is a good idea and asked if it this might fit with the certificate program.

Councilor Parsons provided an explanation as to why he voted no on two agenda items, and announced a Parks and Recreation Department Zoom dance party at 3:00 pm on Wednesdays, and the code is available on the Facebook page.

Councilor Mark asked about the voucher program and if people are finding help if they need a place to stay. He also notes the Neighbors for Kids group has received money from the US Department of Agriculture and the Oregon Department of Education to prepare food boxes for families with children, and Lincoln City families are eligible. The food boxes include activities in the box. Councilor Mark asked if the City can assist with getting money for those like Marci Baker who are creating meals. Councilor Mark advises that when he goes for walks he sees people practicing social distancing and is disturbing to hear reports of people responding with anger to those visiting with out-of-state plates.

Councilor Casper thanked the Parks and Recreation for keeping the doggie bags stocked, and notes there are many visitors coming and going on the weekends, and appreciates the police driving through.

Mayor Anderson thanked the locals for practicing social distancing, and who are also getting desperate for socialization; and appreciates the local clerks as well as the essential workers.

Councilor Hinton spoke on the people that are VRD and second homeowners, and their situation is not good.

P. ADJOURNMENT

The meeting was adjourned at 8:29 pm.

DICK ANDERSON, MAYOR

ATTEST:

**CATHY STEERE, MMC
CITY RECORDER**