

John Day City Council
January 23, 2018
6:00 PM
Fire Station, 316 S. Canyon Blvd
AGENDA

1. **OPEN AND NOTE ATTENDANCE**
2. **APPROVAL OF CITY COUNCIL MINUTES OF JANUARY 9, 2018.**
3. **APPEARANCE OF INTERESTED CITIZENS** – At this time Mayor Lundbom will welcome the public and ask if there is anything they would like to add to tonight’s agenda.

ACTION ITEMS

4. **EXECUTIVE SESSION**
Attachments:
 - None
5. **ADVISORY COMMITTEE & SOURCE SELECTION NOMINATIONS**
Attachments:
 - None
6. **DLCD TECHNICAL ASSISTANCE GRANT AGREEMENT**
Attachments:
 - DLCD Award Letter
 - 2017-2019 Technical Assistance Grant Agreement
7. **MAIN STREET REVITALIZATION UPDATE**
Attachments:
 - As-built diagrams for Main Street building

OTHER BUSINESS

8. **OTHER BUSINESS AND UPCOMING MEETINGS**
 - February 13 – Planning Commission Hearing (6PM)
 - February 13 – City Council Meeting (7PM) – Public Hearing for Greenhouse RFP
 - February 27 – City Council Meeting (7PM) – Annual Public Safety Report/Briefing
 - March 13 – City Council Meeting (7PM) – State of the City Address
 - March 27 – CANCELLED (No City Council Meeting)

TO: John Day City Council
FROM: Nicholas Green, City Manager
DATE: January 23, 2018
SUBJECT: Agenda Item #4: Executive Session
Attachment(s)

- None

SUMMARY

The city council will meet in executive session pursuant to ORS 192.660(2)(e) To conduct deliberations with persons designated by the governing body to negotiate real property transactions; and ORS 192.660(2)(j) To carry on negotiations under ORS chapter 293 with private persons or businesses regarding proposed acquisition, exchange or liquidation of public investments.

RECOMMENDED MOTION

Council should motion to enter executive session, pursuant to ORS 192.660(2)(e) and ORS 192.660(2)(j).

MAYOR'S STATEMENT

The John Day City Council will now meet in executive session to review and discuss confidential attorney-client privileged communications. This executive session is held pursuant to ORS 192.660(2)(e) To conduct deliberations with persons designated by the governing body to negotiate real property transactions; and ORS 192.660(2)(j) To carry on negotiations under ORS chapter 293 with private persons or businesses regarding proposed acquisition, exchange or liquidation of public investments.

Representatives of the news media and designated staff will be allowed to attend the executive session. All other members of the audience are asked to leave the room. Representatives of the news media are specifically directed not to report on any of the deliberations during the executive session, except to state the general subject of the session as previously announced. No decision may be made in the executive session. At the end of the executive session, we will return to open session and welcome the audience back into the room.

ADJOURN

Council should motion to exit the executive session at the conclusion of the discussion.

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: January 23, 2018

SUBJECT: Agenda Item #5 Advisory Committee & Source Selection Nominations
Attachment(s)

- None

BACKGROUND

The city council will appoint members of the Project Advisory Committee (PAC) and Technical Advisory Committee (TAC) during tonight’s council meeting. We will also select the two members of the source selection committee that will review and award the professional services contracts for the Transportation Growth Management (TGM) grant.

DISCUSSION

The Project Advisory Committee (PAC) will meet for approximately 18 months, beginning January 2018 and concluding June 2019. They will review and provide public feedback on at least three projects during this timeframe: (1) Housing Development District; (2) TGM Area Development Plan for the Innovation Gateway; (3) Main Street Revitalization Projects. Council may also choose to refer additional topics to the committee. The committee is expected to meet once every 6-8 weeks or as needed. The first meeting will be held on January 29 to discuss the proposed housing development district.

The following individuals have been proposed for the PAC.

Community/Project Advisory Committee (PAC)	Affiliation
Chris Cronin	Chair of School Board, John Day Resident
Jim Klusmier	Business Owner (Biosmile)
Kara Kohfield	John Day Resident
Alec Oliver	Rancher, Seneca
Levi Manitsas	Pastor / John Day Resident
Ashley Stevick	John Day Resident
Lindsay Madden	Eastern OR Realty, John Day Resident
Brandon Smith	Business Owner / New John Day Resident
Haley Walker	Airport Manager / School Board
Clint Benge	Business Manager (Schwabs)
Lisa Weigum	Parks & Rec / Former Councilor, Canyon City Resident
King Williams	Business Owner, Canyon City Resident
Elliot Sky	Mt Vernon New Resident
Leann Gast	Cosmetology College, John Day Resident
Jeremy Field	Prairie City Resident
Amanda Martino	Blue Mountain Land Trust, Mt Vernon
Kate Brown	Forest Service, John Day Resident
Shaun Robertson	Business Owner

In addition to the PAC, some of the deliverables generated by these projects will require review and approval by a Technical Advisory Committee (TAC). The TAC is expected to meet on a quarterly basis or as needed.

The following individuals have been proposed for the TAC. One member of the city council should be appointed to lead the TAC.

Technical Advisory Committee (TAC)	Affiliation
City Councilor (TBD)	John Day City Council
Angie Jones	District Manager, Grant County Transp. District
Shane Griffin	ODOT District 14
Ken Boethin	John Day Planning Commission Chair
Derek Daly	CEO, Blue Mountain Hospital District
Curt Shelly	School District 3 Superintendent
Scott Myers	Grant County Judge
Russ Young	Parks & Rec District Representative
Ryan Nehl	USDA Forest Service Representative
Brent Smith	ODFW Representative
Bruce Ward	President, Grant County Chamber of Commerce
Robert Waltenburg	Grant County Education Service District Superintendent

The TGM source selection committee consists of five individuals: Cheryl Jarvis-Smith (ODOT Project Manager), Nick Green (City Manager) and Aaron Lieuallen (Senior Project Manager). An additional two members of the city council, or a city councilmember and another city employee, need to be appointed to the committee.

Source Selection Committee	Affiliation
Cheryl Jarvis-Smith	ODOT Project Manager
Nick Green	City Manager
Aaron Lieuallen	Senior Project Manager
City Councilor (TBD)	John Day City Council
City Councilor or City Employee (TBD)	TBD

RECOMMENDATION

Council should review and discuss the proposed names and then move to approve the PAC, TAC and Source Selection Committees as amended.

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: January 23, 2018

SUBJECT: Agenda Item #6: DLCD Technical Assistance Grant Agreement Attachment(s)

- DLCD Award Letter
- 2017-2019 Technical Assistance Grant Agreement

BACKGROUND

The award letter for the \$37,800 DLCD Technical Assistance Grant is enclosed, along with the final grant agreement from DCLD. Council approved a supplemental budget by resolution during the January 9 city council meeting to appropriate these funds. By signing the grant agreement, the City can accept the funds and proceed with awarding the professional services agreement for the housing development district.

RECOMMENDED MOTION

“I move to accept the DLCD grant and authorize the City Manager to sign the grant agreement.”

TO: John Day City Council

FROM: Nicholas Green, City Manager

DATE: January 23, 2018

SUBJECT: Agenda Item #7: Main Street Revitalization Update
Attachment(s)

- As-built diagrams for Main Street building

BACKGROUND

The City closed on the purchase of the Main Street building on November 16, 2017 with a final purchase price including closing costs of \$109,357. On December 4, the City had the building inspected for hazardous substances, including lead and asbestos. The five apartments on the eastern side of the building tested positive for lead paint. The three apartments on the western side were below lead limits for all samples tested except one. Homogenous areas of asbestos are throughout the upper floor of the building. These areas will need to be mitigated as part of the interior renovation.

Total expenditures-to-date for this project including the purchase are \$121,486.32. Of this, \$89,282.57 has been reimbursed through the grant program. The balance will be reimbursed upon submission of the final project report. The next step in the project is to complete the predevelopment and site readiness for construction, which includes architectural plans, hazardous substances mitigation and fire mitigation.

DISCUSSION

The Oregon Housing and Community Services Department on the behalf of the Regional Solutions Agencies has invited the City of John Day to submit a housing development application under Workforce Housing Initiative RFA #914-4617-17. This initiative set aside up to \$1 million in grant funding for predevelopment, site readiness, and/or gap funding for workforce housing initiatives and up to \$3 million in loan funding targeted to workforce housing projects. Loan rates are below market with initial loan terms starting at 25 years or the useful life of a project. Terms can be extended. A proportion of the loan funding may have the possibility of loan forgiveness based upon the Agencies resources and evaluation.

“Workforce Housing” is defined for purposes of this RFA as homes (rental or owned) for Oregonians with incomes between 60%-120% Area Median Income (AMI). John Day’s AMI for FY2017 is \$51,000, which would create eligible housing for households earning between \$30,600 and \$61,200 per year.

The City may apply for a grant for predevelopment and site readiness that would cover the cost of the architectural planning and interior mitigation. Estimates for these expenses were provided by Pinnacle Architecture (Bend, OR) and CSDI Construction (Boise, ID).

Project Line Item	Cost
Architectural Planning	\$16,600
Interior demolition of non-load bearing partition walls, haul-off of debris, and draft stopping	\$130,260
Asbestos abatement	\$34,392
Pre-construction Total	\$181,252
<i>with 10% admin costs</i>	<i>\$199,377</i>

Strux Engineering (Levi Voigt and Chris Wall) created the enclosed as-builts for the building. As currently configured, there are eight residential units on the top floor: two studio apartments, four one-bedroom apartments, and two two-bedroom apartments. Several of these do not meet current development code standards and will have to be reconfigured. For example, bedrooms require two points of ingress/egress, which means some interior bedrooms would have to be relocated so that they have both a door and an exterior window. Utilities may also have to be relocated and upgraded as a result. The architectural plans will address these code requirements.

If the City applies for and receives the grant, we will have sufficient funding to do site readiness and will not have to include these costs in a future loan for the building renovation. We will also be able to reserve future funding under the Main Street Revitalization Grant for other downtown revitalization projects.

The Oregon Main Street program has a tiered structure to provide assistance to all communities in Oregon whether they are just beginning to explore options for their downtown or seeking national recognition as an accredited Main Street® town (figure below). The Main Street Track consists of four levels.



The Associate level (our current level) is for communities who are interested in downtown revitalization but aren't ready to implement the Main Street model at this time or don't fit the traditional downtown model.

Exploring Downtown is for communities just starting out and who want to use the Main Street Approach® to downtown revitalization. Emphasis at this level is building a strong organizational base to support long-term efforts.

Transforming Downtown is for communities who are using the Main Street Approach® but need technical assistance to take them to the next level. Participation at the Transforming Downtown level does not guarantee selection as a designated Main Street community, but it can help communities strengthen their revitalization efforts.

Performing Main Street is the most prestigious of the three levels of the Main Street Track and is for organizations that are successfully using the Main Street Approach® as the basis for their downtown revitalization efforts. Communities at this level are recognized by Main Street America™ and are eligible for National Accreditation.

The State of Oregon has increased its funding under the Main Street Revitalization Grant from \$2.5M to \$5M annually. Progressing as a member of the network increases the likelihood of future funding but also requires a commitment from Main Street merchants, the Chamber of Commerce and the City Council to sustain development in the downtown area.

The City was notified that Naturally Yours, one of the tenants in our building, will be closing in February. Prime Time Video and Electronics on East Main Street is also closing next month. Moving to the next level in the Main Street Network will provide a forum for the City, Chamber and merchants to discuss what the best options are for continued development downtown and how best to attract and retain retail and services businesses that will succeed in the future.

RECOMMENDATION

The RFA application is due on Thursday, January 25 at 5PM. I recommend we submit an application for site readiness in the amount of \$181,252 plus administrative costs.

Council should also discuss whether they are interested in working with downtown merchants and the Chamber to move to the Exploring Downtown level of the Main Street Program. Council may wish to appoint a representative to meet with the Chamber and downtown merchants to discuss their interest in this program and begin generating ideas for future Main Street Revitalization grant applications.

TO: John Day City Council
FROM: Nicholas Green, City Manager
DATE: January 23, 2018
SUBJECT: Agenda Item #8: Other Business and Upcoming Meetings
Attachment(s)

- LOC Bulletins

OTHER BUSINESS

- None

UPCOMING MEETINGS

- February 13 – Planning Commission Hearing (6PM)
- February 13 – City Council Meeting (7PM) – Public Hearing for Greenhouse RFP
- February 27 – City Council Meeting (7PM) – Annual Public Safety Report/Briefing
- March 13 – City Council Meeting (7PM) – State of the City Address
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