

**CITY OF JOHN DAY
CITY COUNCIL MINUTES
JOHN DAY, OREGON**

October 9, 2018

COUCILORS PRESENT:

Ron Lundbom, Mayor
Gregg Haberly, Councilor
Paul Smith, Councilor
Brandon Smith, Councilor
David Holland, Councilor

COUNCILORS ABSENT:

Steve Schuette, Council President
Shannon Adair, Councilor

STAFF PRESENT:

Nicholas Green, City Manager
Chantal DesJardin, Secretary
Mike Durr, Police Chief

Valerie Maynard, Dispatch Director
Monte Legg, Public Works Director
Matt Manitsas, Agribusiness Project Manager

GUESTS PRESENT:

Rick Hanners, Blue Mountain Eagle
Logan Bagett, Elkhorn Media Group
Sherrie Rininger, etc.
Jessica Lane

Levi Manitsas
Kathryn Manitsas
Elliot Sky
Hannah Hinman

Agenda Item No. 1—Open and Note Attendance

Mayor Lundbom called the John Day City Council meeting to order at 7:00 pm; he noted that Councilor Schuette and Councilor Adair were absent and excused.

Agenda Item No. 2—Approval of City Council Minutes of September 25th, 2018

Councilor Paul Smith noted that in the last sentence on page 4 there seemed to be a word missing. Councilors agreed the word “update” should be inserted between “an” and “about”.

Councilor Haberly moved to approve the September 25th minutes as corrected. The motion was seconded by Councilor Brandon Smith and passed unanimously.

Agenda Item No. 3—Appearance of Interested Citizens

Mayor Lundbom welcomed the audience and asked if anyone had any items they wished to be added to the agenda. None were added.

Agenda Item No. 4— Greenhouse Update & Presentation by Matt Manitsas

Agribusiness Project Manager Matt Manitsas showed a photo presentation of the greenhouses he visited in Mexico. Manitsas spent eight days on the largest farm in the state of Zacatecas. The greenhouse was built by EuroMex, he worked alongside workers in each of the processes learning about their fertigation, nutrient systems, harvesting, and packaging. Manitsas presented photos of the

greenhouses he visited and gave an overview of the similarities and differences to the city's greenhouse. Councilors asked questions about the experience and greenhouses, including how the Mexican greenhouses handle environmental control in a different climate, with a different investment threshold, and unreliable utilities. Manitsas noted it was a good experience and he is ready to get started on construction and be putting the experience to work growing. City Manager Green noted they are on track to have the materials shipped at the end of the month, still just reviewing the final details of the structural plans.

Agenda Item No. 5—Main Street Revitalization & Brownfields Redevelopment

City Manager Green noted the city has been invited to apply through DEQ's Brownfields program with a total estimated project cost of \$76,000. The balance of the grant funding from Oregon Main Street Network, a little over \$10,000, will be used as match, expecting DEQ to fully fund the remainder at \$65,300. Green noted he is expecting a fairly quick turn around on a decision, once the application has been reviewed; if awarded the city will get the bidder solicited in to do the work.

Councilor Paul Smith moved to authorize the City Manager to apply for the Brownfield Redevelopment Fund to continue lead and asbestos abatement on the Main Street building. The motion was seconded by Councilor Holland and passed unanimously.

Agenda Item No. 6—Economic Opportunity Analysis & CEDS Scope

City Manager Green discussed the scope of work for the CEDS; the tasks defined will go into the scope of work for the team and the deliverables are what they will provide throughout and at the end of the project. Green identified six task areas he felt are important to capture and asked for input from the council; he noted the Economic Opportunity Analysis is defined by statute, there is limited flexibility with the scope, and will be administered by DLCD, who awarded the grant. Green emphasized the question becomes how far does the city invest and how do they identify the strategic relationships, the business partners that have access to the markets, to facilitate industry. He noted the purpose of the hydroponics market characterization would be to: identify barriers to entry by looking at the competitive landscape; identify the leading firms and look at potential for startups; then get the players in the room and walk through questions to identify investment potential and changes needed to sway them to invest. Green elaborated on the city's investment so far and noted the council will need to discuss and decide how to utilize the strategy--move beyond talking about overcoming and start solving rural economic disadvantages. Green noted the strategy is good, it is built around community feedback, but they need to dive deeper--figure out implementation. Councilor Brandon Smith asked how this will map out to the subcommittees and council can assure they are spending time discussing the tasks. Green noted they could build into the scope an emphasis on how to self-organize and work with partners internal to the community, like established groups that are already looking at recreation and tourism, to amplify their work. There are currently no committees that specifically focus on recreation and tourism, digital marketing, or housing. There was discussion about the big recreation/tourism projects coming down the pipeline and the community outreach that will take place to define the scope of the projects. Green noted it is important not to get focused on creating a specific image but rather present the range of options and have the community pick what they want. He emphasized it's important to set a trajectory to who we want to become because the status quo is not working. The community cannot continue to lose residents and tax dollars but do nothing. It is starving our businesses and breaking our public agencies abilities to provide basic services and the longer we wait the further back we will fall.

City Manager Green asked if there were any other comments, tasks, deliverables, or changes before he puts it out for bids. Councilor Paul Smith noted he feels it's important to coordinate with the taskforce groups towards a communitywide strategy and not duplicate efforts. Councilor Haberly commented that it will be divided—young versus old. Councilor Brandon Smith noted Green was able to bring together a diverse group for the housing incentives process. Green suggested “old people don't want change” may actually be them saying “we still want to be us”, we don't want to lose our frontier community, our culture and values, and become somebody else; we can be a better version of ourselves though. There was discussion about the city's effort to enhance the quality of life. Green suggested that, recognizing our community is unique, efforts towards economic growth may be better suited to investing in local businesses rather than trying to get big box stores— to avoid being the same as every other town. To focus on local economic sustainability, maybe with niched products, and a sophisticated approach to handling the big online realtors by adapting to find the advantage. Rather than an eighty-page strategic plan that will sit on the shelf, Green would like to get to an action plan that is understandable and can be executed. Councilors emphasized that they would like to stay engaged throughout the process to ensure what they are suggesting is feasible. Green suggested having two councilors to focus on each task area, to be directly involved in, then socialize with the whole group each meeting. Mayor Lundbom added the merchants meeting had been successful and he feels they will be able to work together to establish some goals; they will start meeting on the first Thursday of each month. There was discussion about the success of First Friday's and the continued growth in participation.

Agenda Item No. 7—CDBG Design Grant for Wastewater Treatment Facility

City Manager Green reported they have been encouraged to apply for the current round of CDBG Funds. The next round to apply for the design grant would be in May of 2019 and it looks like the city would be quite competitive in this round. Green noted he was willing to write grants over the holidays but it is complicated and requires a public hearing. There was discussion about the city being far enough along in the planning. Green noted the facilities plan has been submitted, even though it has not been accepted by DEQ, which is enough analysis to turn in an application. An estimate of the engineering is around \$350,000; the deliverable from the grant would be an engineering plan that would allow the city to go directly into bidding for construction, which could bring forward the timeline by six months. Councilor Paul Smith asked if this affected chances of receiving CDBG funding on the construction side. Green noted winning the funds for engineering helps with the chances of winning for the construction. The city has saved up enough to cover the engineering but from a dollar and cents standpoint, the city loses nothing and gains a little time; the second application is similar to the first and a lot of information can be reused. Green highlighted that the application instructions alone are 116 pages long and the irony that money appropriated for rural communities can only be achieved through a process that is incredibly cumbersome and complex, so most rural communities cannot apply without contracting it out and immediately losing ten percent of the purchasing power. Green noted his staff is up to the task of working with the engineers to do the grants.

Councilor Holland moved to authorize the City Manager to apply for the CDBG funds. There was discussion then the motion was seconded by Councilor Brandon Smith and passed unanimously.

Agenda Item No. 8—Safe Routes to Schools// U.S. 395S Sidewalk Extension Update

City Manager Green restated the background and discussion information included in the agenda memo. Councilor Holland noted he had been concerned with investing so much city money in the project but has no problem with the little maintenance that will be needed over its lifetime, especially since they

are working on annexation. Mayor Lundbom emphasized that it is important to provide our children a safe route to school, whether or not it is in city limits. Green explained the timing for this is great, the city had already completed the engineering but lacked the funding and this new program came out for this exact kind of project; since it is construction ready, he feels it has a good chance. The application is ready and just needs the city's endorsement and commitment to maintain the infrastructure.

Councilor Haberly moved to authorize the City Manager to sign the ODOT application for funding of the sidewalks. The motion was seconded by Councilor Brandon Smith and passed unanimously.

Agenda Item No. 9—Annexation & Land Use District Change Approach & Timeline

City Manager Green reviewed the information stated in his agenda memo. There was discussion about the timing of the Oregon Pine Annexation. Green noted that leaving the property outside city limits would mean undergoing the challenge of two planning hearings for every decision; council noted their previous lengthy conversations had included that point and they felt now is as appropriate a time as ever. Green reviewed the timeline for Phase 1 and touched on the dimensions of the Phase 2 amendments. Council discussed negotiations with property owners to consent to annexation and potential short-term tax offsets, with the condition that offsets would not pass on to new owners. Green noted OTECC will eventually come present their idea for a pocket park in place of the old city hall.

Agenda Item No. 10—Other Business & Upcoming Meetings

Council decided to wait a few months on the procedure review. City Manager Green noted he is working on changes to the Agency bylaws that would facilitate solutions that will maintain the city's zero-liability but allow incentives to be paid to someone besides the homeowner, if they wished. Council concurred with this approach and noted the spirit of the incentive, to spur new home construction and address the housing shortage, could be fulfilled without changing the program in ways that promote market manipulation and expose the city to potential lawsuits. Green noted the LOC Conference was good, their second consecutive presentation, this year the Housing Incentive Plan, with great following discussion and connections. Mayor Lundbom reviewed the upcoming meetings and checked in with city staff. Public Works Director Legg gave an update on the Canton Street extension project.


Adjourn

There being no further business before the council, Councilor Holland motioned to adjourn the meeting at 8:11 PM. The motion was seconded by Councilor Paul Smith and passed unanimously.

Respectfully Submitted:

Nicholas Green
City Manager

ACCEPTED BY THE CITY COUNCIL ON OCTOBER 23, 2018



Mayor Ron Lundbom