

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

September 10, 2019

COUCILORS PRESENT:

Ron Lundbom, Mayor
Steve Schuette, Council President
Shannon Adair, Councilor
Gregg Haberly, Councilor
David Holland, Councilor

COUNCILORS ABSENT:

Elliot Sky, Councilor
Paul Smith, Councilor

STAFF PRESENT:

Nicholas Green, City Manager
Aaron Lieuallen, Senior Project Manager
Chantal DesJardin, Secretary

Mike Durr, Police Chief
Adam Heninger

GUESTS PRESENT:

Logan Bagett, Elkhorn Media Group
Allisson Field, GC Economic Development
Beth Simonsen, GC Economic Development
Sherrie Rininger, etc.
Lisa Weigum,
Patti Salvino
Laura Saul

Heather Swank
Carl Swank
Katy Nelson
Shiela Bruce
Yvonne Moon
Zach Williams

Agenda Item No. 1—Open and Note Attendance

Mayor Lundbom called the meeting to order at 6:00 pm, noting everyone was present except Councilor Sky and Councilor Smith were absent and excused. Councilor Haberly was not accounted for.

Agenda Item No. 2—Approval of Prior City Council Minutes

No minutes presented.

Agenda Item No. 2—Approval of Prior City Council Minutes

Mayor Lundbom welcomed the audience and asked if anyone was present for the items on the agenda.
None other appearing.

Agenda Item No. 4—Consent Agenda

There was discussion about the Charolais Heights Intersection regarding timeline, it was noted they are waiting for the BUILD Grant decision, and the exclusion of sidewalks, which was based on lack of pedestrian traffic and partially due to the current issues with ADA compliance concerns. City Manager Green noted they intend to get bids for Oregon Pine to ensure it is in line with engineers estimated costs, then award after they hear back about the BUILD Grant.

Councilor Schuette moved to pass the consent agenda. The motion was seconded by Councilor Adair and passed unanimously.

Agenda Item No. 5—Executive Session

Mayor Lundbom read the executive session notice. It was clarified there was a typo on the agenda header and the motion stated the correct subsection of the ORS.

Councilor Schuette moved to enter executive session pursuant to ORS 192.660(2)(e) at 6:10 p.m. The motion was seconded by Councilor Holland and passed unanimously.

Councilor Haberly arrived.

Councilor Schuette moved to leave executive session at 6:41 p.m. The motion was seconded by Councilor Holland and passed unanimously.

Mayor Lundbom recessed the meeting until 7PM.

Agenda Item No. 6—Public Comment on Code Compliance

Mayor Lundbom called the city council meeting back into session at 7:00 PM, welcomed the audience and asked if anyone had anything to add to the agenda. *None appearing.*

City Manager Green briefly explained what he felt the concern were, as detailed in the agenda. Heather Swank stated when she lived here before she had a license from Canyon City and it was good in the whole county and she had heard from others that a business license from Canyon City would be good in the whole county, so that was her question. Her specific case was she intended to develop a business and it has not happened, may not even; it is not operating currently but if it does, she will get a license. She received notices from city hall stating she could be penalized \$500 and was bothered by it. She requested clarification on the whole thing because there were existing exceptions and at other events such as the farmers market vendors are charged and \$30.00 seems small but makes a difference; for little operations it can be too much. She noted there were also vendors at the fire camp and other small booths around town soliciting. Mayor Lundbom noted he could be more informed on the code but the example of selling t-shirts at the fire camp is one where the reciprocity exemption would be in applied. The business license from Prairie City would be honored for an isolated incident of soliciting business in John Day but if he set up shop in John Day, with a brick and mortar building, he couldn't use the Prairie City license just because it was cheaper if the business is primarily located in John Day. A transient business that does work all over the county would be an example of one he would assume qualifies for the reciprocity exemption also.

Councilor Holland noted his understanding during his whole time with the city is that if it is based in John Day, you have a John Day license. City Manager Green read some of the other exemptions staff could apply, as defined in the code. He noted that where the city is aware of vendors operating at the fairgrounds not under the fair exemption, those business are required to have licenses; which is not to say that the city always catches everyone but the t-shirt businesses at fire camp were required to come get a license. He also noted that fines are only applied when people have been asked to come get a license and continue to operate without one. Green stated if the council was being asked to grant exemptions and allow John Day businesses to have a license with the city they chose, why would the

licensing exist. Several councilors stated that as defined in the code, those businesses who are primarily operating in John Day need to have a license with the city; the reciprocity is intended for transient businesses who incidentally solicit in John Day.

Patti Salvino introduced herself, briefly explained her history in the community, and that she moved back to care for a grandchild for a couple years. She stated she has lived with friends for a year but needs to find other housing and thought she could move her motorhome on her property where she rents the main house out. She asked the city council to consider giving her a variance so she can park her motor home on her property for a year, noting she did not want to stay in the local RV parks after seeing them due to safety concerns, adding there was a lack of housing in the area and her property seems the safest option. City Manager Green clarified the council could not grant a variance under the current code conditions; it would have to be a code amendment, since it is expressly prohibited. He also explained the only two exemptions available in the code: temporary use permits for a kiosk or a construction office for thirty days, once a year, or a conditional medical hardship dwelling where a caregiver can live on the property of the patient. Green explained staff does not have the authority to grant the exemptions being requested, if council chose to pursue an amendment, there would need to be conditions and parameters for implementation of this requested change within the code such as: number of units, placement, utility connection requirements, duration, and SDC charges.

Councilor Schuette recognized there are housing issues, but he hates to start down the rabbit hole of RV living outside the designated parks, it's not the development they want for the city. Mrs. Salvino replied there is nowhere to stay here and they have a very nice motorhome. Laura Saul added that her parents are currently providing a rental and would be forced to remove that from the market if they cannot reside in the RV, further exacerbating the housing problem. There was discussion around why Mrs. Salvino is not interested in living in any of the RV/Trailer parks in town; her reasons included safety concerns and the high price, especially relative to the lack of amenities provided. Councilor Adair noted her case provides an ideal example of an exemption they could grant, if that was an option, but considering it requires a change in the code it becomes very complicated in deciding the conditions of exemption. Mrs. Salvino noted RV parks implement standards for acceptable RVs and stated that she spoke to five people who are illegally occupying trailers, so it's already a trailer town. Carl Swank added there are houses in John Day in worse shape than a motorhome. Mayor Lundbom noted John Day is not unique in this restriction on RV living, it was intentional in their development code and a change would require public hearings, cost money, require notices in the paper, it's a big deal. City Manager Green noted he found some other cities with exemptions in the code; Prineville for example, has a construction exemption that allows them for work labor housing for construction in progress. He noted that he could continue to look for examples in other cities and create a set of standards. This is the first time code change has been requested as a result of this kind of code violation enforcement.

Councilor Haberly stated with everything the city is doing, they should discuss it. Councilor Holland was open to discussing short-term exemptions but is concerned about how complicated and expensive it will become to manage the trend when it becomes unattractive. There was further discussion among the council about the impacts of allowing this type of use. Green reviewed the general process for a code amendment, noting there were still several considerations the council would need to discuss if they wanted to pursue because it takes a lot of thought and there is lengthy approval process. Laura Saul emphasized that as stated there are already trailers parked everywhere and it will bring the city money and help with the housing issue in the long run to allow occupation. The council made further inquiries of Mrs. Salvino's situation; she stated she plans to only reside here for a year, the fairgrounds does not feel safe due the traffic and it would cost \$660-800 per month, and the trailer parks have had lots of

police calls according to the newspaper report. Mayor Lundbom noted they haven't heard a compelling desire for more of this, it was the first request and he is hesitant to initiate a code amendment to satisfy one person's situation because they would have a heck of a time defining parameters. Councilors asked to continue the discussion at the next meeting; Green noted he would do more research and return with potential language for review and options to amend the code. He emphasized that the city is limited by what standards they can require and cannot include language regarding attractiveness or value of an RV.

There was a consensus from the council to have Green draft an example of language that amend the code to allow temporary RV dwelling based on a conditional use permit issued by the Planning Commission, with standards, for them to review on a case by case and impose durations. It was noted the construction in progress exemption should be included and they are looking at a timeline of at least 60 days to reach final code amendment.

Agenda Item No. 7—Davis Creek Trails Update / Property Line Adjustments

City Manager Green reviewed the information presented in the agenda memo regarding trail construction progress and the property line adjustment cost of legal and surveying. Shiela Bruce stated she is happy the city is making strides that will make changes to the area. Change is always difficult, and she is not excited about the parking lot next to her house replacing the woods and animals who have been there the last ten years. The additional property purchase wasn't planned, she doesn't want it, but she doesn't want the fence right along her property line. The original sale price had been \$1.00 per square foot and she doesn't need or want to extra property but also doesn't want to be right next to a parking lot. She lives in John Day because it is rural and had only previously worried about falling trees or someone building a house on the property. She thinks the price of \$0.61 is too expensive, just like the dollar. She was only utilizing the property previously because it was available but no permanent encroachment existed as shown on the plat map. She feels it has turned everything upside down, her rural spot became a catbird seat. She is happy about the strides the city is making but not the impact it is having on her and to pay \$1,300 for property she only wants to create a buffer. The other property owners are not being impacted by the trail as much because it veers away from their property line and they don't have the parking lot behind them, so she feels that \$500 is plenty to pay for something she doesn't want but needs for privacy. She noted that she understand the city incurred some expense and is looking to offset that but doesn't feel it is affecting anyone else like it is affecting her. She stated it is freaky to think she will have a fence right up next to her if she doesn't buy the property, not to mention the busy five-way intersection. She felt that \$500 was fair, the neighbors had agreed to move forward, and she will have to build fence to bridge the eighteen foot expansion. There was discussion about the impact versus benefit to the neighborhood, with Ms. Bruce stating the vantage point parking significantly impacted her specifically by eliminating her rural environment. There was discussion about the use so far, noting some signage is needed to eliminate overnight parking; City Manager Green added that they will also be planting some trees along the city side of the new fence and property owners could also add trees on their side to create more privacy. There was discussion about the \$1.00 price for sale of commercial land to JD Rents; Green noted \$0.61 per square foot was on the low end of the market rate for buildable land in John Day. Staff does not have the authority to change the sale price because the council already approved the sale for the actual cost of surveying and legal expenses. Councilor Haberly and Mayor Lundbom stated they should stick with the quote of \$500, citing staff should do a better job of estimating next time. Councilor Holland noted he doesn't want to set a precedence of selling property for less than actual cost of transacting as they begin going into even more real estate transactions. All their previous transactions have been at or above actual costs to the city, including improvements made. He also noted the city is investing in improvements behind the

property owners; whether they chose to utilize them or not, the city put the money out for the surveying, lot line adjustments, and recording fees, so those direct costs should be recouped. There was clarification that the council had approved the sale at the price of actual cost of legal and surveying expenses, using an estimate of \$500 Green made from prior transactions; Councilor Adair stated she felt they should stand by the intent of their agreement for actual cost. Bruce stated other public agencies selling property for a lot line change goes for \$0.19-\$0.25 per foot, so she wasn't willing to pay the \$1.00 per foot price. Council asked how they would move forward if the sale did not take place; Green noted each property owner will have to decide. The distance of eighteen feet was decided because some property owners had built their fence lines out that far; the city would have to deal with encroachments that would have to come down so the city could build the fence along their property line. There was clarification that the cost to mitigate those encroachments is born by the encroacher not the city, so buying their way out can be a heck of a deal. Councilor Adair noted that she understands the position Ms. Bruce has but if you remove the emotional aspect, the city expended the costs but for those lot line adjustments. Green clarified the council needs to make a motion with a vote, so staff can move forward one way or the other. Councilors each restated their individual positions. Some feeling they would eat the cost of an inaccurate estimate and others arguing that it is not a personal business decision as a public entity managing public money. There was clarification that the city is bearing 100% of the cost to build a privacy fence for the neighbors down the property line in question; property owners could have private access gates at their expense. Their will share in the maintenance like any other neighbor. Green noted that if the city were to sell at the cost of \$500, the difference would need to be addressed with the grant, taking away some other portion of the project--80% coming from the grant and 20% being directly paid by the city. Bruce brought up concerns about liability of trespassers; Green stated the city is covered by Oregon's recreational immunity laws, so they are not liable for injuries occurring as a result of recreating. Green clarified the intent was if all the property owners don't decide to purchase the additional land, the city will not bear additional expense to jog the fence around those who want to extend; those with encroachments will need to mitigate and the city will build a straight fence along their property line. Unless council chose to build a Tetris style fence to appease encroachments, further reducing funds for the trail construction. There was discussion about postponing a decision until there was a full council, Green noted that he does not have a deadline, but they would be further postponing the start of fence building. Yvonne Moon added that not all the other property owners have a parking lot on the side of their house, it makes a difference. Councilors continued to restate some arguments for their positions; Green clarified the city had not done any improvements on any property that was not theirs and the line adjustments were a courtesy to the neighbors.

Councilor Schuette moved to adopt the price included in the agenda. Councilor Adair seconded the motion. It was clarified the price was \$0.61 per square foot. The motion passed with three in favor and two opposing.

Agenda Item No. 8—Requests / Updates Related to the City's Parks & Recreation Investments

City Manager Green reviewed information included in the agenda memo regarding the splash pad noting Zach Williams, District Chair, and Lisa Weigum, board member, were present. Williams noted the splashpad is complete, they opened last Saturday. He also thanked the city council for their contribution, donation, help, whatever partnership on achieving the ability to get the grant for the splashpad and the playground. He added Lisa Weigum deserves a bunch of credit for going out and getting the grant. He stated they knew the project was expensive but the estimates of water usage was all over the board due to the significant number of variables they can adjust with the water feature. Numbers ranged from 750,000 to 2.5 million per season. He reported they were open for nine hours on

Saturday and used 27,000 gallons with 40-50 kids. For a soft opening it was a huge success. He noted that usage gave them a good idea of where they would be going forward. Their budget is tight, they have expanded and done a lot of things and they get that they should “live within their means”. They wanted to come and ask for additional partnership with the city, under ORS 190, for a cost share waiving the portion of the SDC charges they can waive and continue to partner by providing the water for the splashpad for the children of Grant County. There was discussion about using purple water, Green noted that was probably a stretch of the rules on reused water. Green noted the actual SDC charges are \$1,841 so the council can waive under the current ordinance half of that; the rest of the invoice is the actual expenses incurred by public works department to connect the meter and is not waivable. Under ORS 190, they can come up with a cost sharing agreement with another public agency to do whatever the city wants as long as it is mutually beneficial. The estimate in the agenda would be on the low end, if the consumption trend from opening day continued, they would be closer to \$10,000 per year. There was discussion about the benefit of the splash pad in the community. Lisa Weigum emphasized the attractiveness and benefit to the community by providing: economic development, amenities for youth, and promoting strategic plans for growth to compete with other communities. She added that with the swimming pool conundrum, if we don’t have a pool and it doesn’t come to fruition, they should have some kind of water feature for our kids in the community to play in. There was discussion about the way water is utilized at the splash pad, Williams noted the company hasn’t yet been able to give an estimate because of the variety of variables. Some of these variables include the number of children engaging features at a given time, frequency of feature engagement, time and volume of water output for each feature, number of features, timeframe the features will be on during the day, and community utilization. The representative stated that a 60 percent factor was generally a good judge, meaning 60% of the usage from running full time; Williams estimated one to two million is a reasonable expectation of the usage they will see. He also noted there will be specific hours kids can engage the water features, for example the system will be off at night. Councilor Schuette asked about the actual cost of delivery for water; Green noted it is variable between years but about eighty percent of the current water rate. Mayor Lundbom asked how they will be good partners in the future; Lisa Weigum stated this is a great opportunity to continue to grow the partnership. This past year has demonstrated and highlighted the need to have a healthy and fruitful partnership, this agreement will continue to build that relationship. In the past there wasn’t necessarily a great relationship with contention; by extending the olive branch with give and take is a great way to move forward. Mayor Lundbom asked about specifically the pool and the districts support in relocating the pool; they haven’t been warm to the idea of helping so far. Weigum replied they aren’t warm to the idea of a district expansion but are in support of relocating to the Belshaw fields and they will work on communicating that better. Williams added they are up against their budget every year and lose money on running the pool—they don’t think they should make money on the pool. The discussion about expanding or making a county district or who will vote, each proposal has a different impact on their district and how it currently exists. It can put you in a bad position when you make statements without knowing the full impact of each decision would be. Lisa Weigum stated she felt from discussions there is a feasible way to move forward with partners/ stakeholders without the District expanding. There was further discussion about the potential usage; Williams noted he was told anywhere from 15-225 gallons per minute. Mayor Lundbom asked about additional operating expenses beyond water; they noted just winterization and maintenance associated with adding to the infrastructure and amenities at the Complex but the splash pad is relatively self-operating. Council asked how much the district can pay for, noting they would be interested in splitting the cost 50/50 or discounting the water but not giving cart blanche free water without knowing a range of the usage. Williams noted they will cover whatever the council isn’t willing to and asked if the average was 1.5 million gallons, what they would be comfortable with. Mayor Lundbom offered half the SDC charges and up to \$5,000 for water. It was noted that would be if they operated regularly for a full season of around

five months. Weigum noted the actual costs for water are looking to be much higher than they anticipated and they are grateful for whatever the city is willing to offer in a partnership; their offer is more than fair. Green reviewed the invoice referenced in the agenda memo noting the partial SDC waiver would reduce the cost for service connection and if council wanted to make the \$5,000 discount retroactive for the current year, they would receive a credit for the usage on the day they were operating. There was clarification about the discount applying for a full season with an estimated season being from May to September.

Councilor Schuette moved that the City of John Day enter into a partnership with Parks and Recreation for the splashpad for \$5,000 of water from May 1st to September 30th, any cost above the district will pay and half of the SDC charges being waived by the council, with the district paying the remainder of the installation bill. The motion was seconded by Councilor Haberly and passed unanimously.

There was discussion about the success and positive response from the community following the opening of the playground and splashpad. City Manager Green also announced the recommendations for award included in the agenda memo, noting the large grant collateral included property put up by the city and Parks and Recreation District. Green reviewed additional information included in the memo regarding how they would proceed with the planning grant funds if awarded. He added the SDAO's consultant Bob Keefer has come out and provided some of the free consulting, not to exceed eight hours, that is available to SDAO members like the District. They have estimated it would cost about \$9,000 for the consulting work they would provide to get the proposal for the ballot measure. A range of the components of a feasibility study was included in the agenda; Green added that they would hopefully answer a lot of the questions voters may have raised over the past few years to help voters know what exactly they are voting on. The intent would be to have that work wrapped up in February to develop language for the ballot referral to the Secretary of State in March to appear on the ballot in May. If it does not pass or was a close vote, they could retool and resubmit in November and still receive the tax the following year. The parking lot and utilities on the west end of the Complex would be constructed as part of the funding they are recommending for award, in addition to other portions of the City's Integrated Park System. Green reviewed the tour noted in the agenda memo, asking a member of the District board to attend. He emphasized as the person responsible to negotiating acquisitions they felt it was important to invite out the Deputy Director to get a sense of why it matters so much to our community.

Agenda Item No. 9—Other Business & Upcoming Meetings

City Manager Green noted he met with merchants to discuss parking options, they would like to develop a survey to send out to various residents. He noted the old Wright's parking lot is up for sale for \$60,000 which could be considered on the high end of the commercial market but there is not a comparable for bare commercial land because there is very little in John Day. Green doesn't recommend the council spend money on an appraisal that will only be able to tell them what bare commercial land sells for in Baker City or Prineville. They are working the parking area for electric vehicles with OTECC, which should be ready for the council to review October 8th. Green noted they have had some discussion with Swanks regarding their property but there are some complications so he asked them to speak on it. Heather Swank noted they have looked around and cannot find a comparable home to what they have at the price that was discussed of \$150,000 and the price mentioned by Green of \$75,000 is totally unacceptable to them. Green asked for clarification on whether at even \$150,000 they were still not sure this is the right time. Mrs. Swank stated for what they have--the space, cute little house, and

location (that real interest the city has in the property)—they haven't found anything that would really meet their needs. They are possibly interested in selling at \$150,000 but it would need to be soon because they are at the point of choosing whether to make investment into improvements if they stay. Green noted that section would require four property owners to be in agreement and they have only notionally discussed price for the others. The other component would be figuring out how to better use parking behind main street, including the Elk's Lodge parking lot. Green concluded that the purpose of the survey is to explore options, how badly it is needed, and are there people willing to invest with the city to improve what needs to be improved. Councilor Adair noted positions varied and discussion came back to: local people know where to park, so they find parking, but tourism coming through doesn't know so that leads to big vehicles parking on Main or just driving through and not stopping. She added that some of the questions included: how much would it be, how much would the city do, how much would the merchants pay, how do you create a district, can you create fair parameters, are they willing to do that, and is it worth the time and effort. The conclusion was that they would do the survey and try to hit all the businesses that could be involved, around 96 of them, to figure out if it is important enough that the merchants will participate or not. The council gets so many complaints about parking, so they have been looking into it; now they want to gauge how important it is to the merchants. Councilor Schuette noted that even if it is not a problem now but if things progress the way they think they will its going to be a problem. Councilor Adair commented that she doesn't feel it's a question of whether the problem exists but rather is it a big enough problem that merchants are willing to participate and help pay for it. Green asked if council would entertain making an offer on the undeveloped land--the Wright's lot and Iron Triangle lot behind Dreamer's Lodge—which do not require demolition costs and could be held as assets to be developed in the future; he added they are probably looking at \$100,000 in total acquisition. They are available now and before they get sold to someone who has other plans for them the city would retain options less expensive than going back to buying old homes and knocking them down, which may or may not have enough land to do what they want. Council discussed the dimensions of the two lots, relative location, nearby lots, and parking layouts that would be needed. General council opinion was that the conditions of the lot behind Dreamer's Lodge was not going to gain much if purchased alone. The consensus was to have Green continue looking into it, including identifying where the funds for acquisition would come from, because it will still be a concern than needs addressed.

Green highlighted some of the discussion from the ReConnect workshop regarding challenges other communities face, noting that there was general excitement about the movement of federal money toward rural broadband generally. He stated it was interesting to hear the perspective of some of the internet service providers. Green concluded there is a lot of work to be done before they see economic parity with more developed parts of the state but John Huffman, Director of USDA Rural Development for Oregon, is a strong advocate for the state stepping up and doing more. It will take more advocacy, explanations, and continuing to challenge the norm and apply while making noise and likely 100 billion to solve it. He added they were one of two applicants from Oregon and he feels they are doing everything they can to raise awareness and raise funds to complete the network in Grant County.

Mayor Lundbom reviewed the upcoming meetings, emphasizing the September 24th council meeting has been cancelled. *There were no further comments.*

Adjourn

There being no further business before the council, Councilor Schuette moved to adjourn the meeting at 8:45p.m. The motion was seconded by Councilor Adair and passed unanimously.

Respectfully Submitted:

Nicholas Green
City Manager

ACCEPTED BY THE CITY COUNCIL ON OCTOBER 8, 2019

A handwritten signature in black ink, appearing to read 'Ron Lundbom', written over a horizontal line.

Ron Lundbom, Mayor