

Minutes of the Veneta City Council

May 23, 2016

Present: Sandra Larson, Tim Brooker, Thomas Cotter, and Laura Ruff

Absent: Thomas Laing

Others: Ric Ingham, City Administrator; Shauna Hartz, Finance Director; Kay Bork, Community Development Director; Kyle Schauer, Public Works Director; Darci Henneman, City Recorder; Len Goodwin, Veneta Economic Development Committee; DeLeesa Meashintubby, Volunteers in Medicine; Julie Reid, Emergency Preparedness Specialist; and Joan Mariner, Fern Ridge Review

1. CALL TO ORDER THE VENETA CITY COUNCIL

Mayor Larson called the Veneta City Council to order at 6:30 p.m.

2. PUBLIC COMMENT

None

3. CONSENT AGENDA

MOTION: Thomas Cotter made a motion to approve the consent agenda as presented. Tim Brooker seconded motion.

VOTE: Thomas Cotter, aye; Sandra Larson, aye; Laura Ruff, aye; Tim Brooker, aye.

The consent agenda as approved included Accounts Payable - To be Paid – Payable through May 17, 2016, Civic Calendar for June, 2016, Public Works Activity Report for March and April 2016, Recommended Approval of Annual OLCC Liquor License Renewals, Banner Permit from Oregon Country Fair (for Luther Lane only).

4. COUNCIL BUSINESS AND REPORTS

a. Business

(1) Volunteers in Medicine Proclamation

Mayor Larson postponed this item until the representative from Volunteers in Medicine arrived.

(2) Economic Development Committee Updates

Len Goodwin, Chair of the Economic Development Committee (EDC) thanked the Council for the opportunity to provide a report. He said it's clear that the EDC is in for the long haul. He said they are not expecting instant results but they are working vigorously and diligently to take steps one by one. Two significant steps the EDC has taken are to get a handle on telecommunication issues in Veneta and to reenergize conversations about Highway 126. He said the Governor's Transportation panel will be in Eugene on July 20th and the EDC will begin planning a series of witnesses to testify to the importance of that segment of Hwy 126 to the State's Regional Transportation System.

In response to a question from Tim Brooker, Len Goodwin said he has not attended a Lane ACT meeting but Ingham is acting as the current Lane ACT representative. He said if he or an elected official becomes the permanent Lane ACT representative and feels it would be useful for him to speak to the LACT, he would be happy to talk about Highway 126, the State Transportation Improvement Program (STIP), or a special designation out of the 2017 transportation package.

Ingham said Jackie Mikalonis from the Governor's Regional Solutions Team spoke at the April EDC meeting. He said Ms. Mikalonis is committed to help elevate this issue and the EDC will continue to work with her and the Lane County team. He suggested that any presentation to the

Lane ACT would more appropriately come from the Governor's office or the Regional Solutions Team rather than from the City or City staff since we're constantly at the table.

Ingham said the Business Retention and Expansion (BRE) program completed the interviews and Michael Held from Rural Development Initiative (RDI) is wrapping that up into a summary report. He said 23 businesses were surveyed and the EDC worked it down to the top 10 businesses that have needed some level of assistance. On June 23, 2016 the City and RDI will hold a community findings meeting, hosted by the EDC at 5:30 p.m. at Domaine Meriwether. He said the outcome of that may be to look at a second year of the BRE program and a representative of the Dept. of Land Conservation and Development (DLCD) will conduct a market analysis on what businesses could likely come in and fill a retail niche. He said it's a good solid group committed to the long term and if we continue to provide good staff support we should start to see some of the investment pay off.

Len Goodwin said without the work from Claudia Denton, the EDC would be struggling. He said she has proven to be very effective.

Ingham said the Budget Committee and Council supported her efforts by agreeing that we needed a second year R.A.R.E. student to continue her work. He said Denton said she will only be here for one year because she's aggressively seeking employment.

In response to a question from Mayor Larson, Mr. Goodwin said a few EDC members reviewed residential SDCs and asked staff to look into what a grocery market or sit down restaurant would pay in SDCs so they can better answer the committee's questions about SDCs. He said the Committee has been given a brief background on SDCs but he wants to do more so that the entire Committee, as well as businesses, understand what SDCs are for and why they are needed. He said they don't quite understand that SDCs are needed to build the infrastructure necessary for a city to grow.

In response to a question from Laura Ruff, Mr. Goodwin said the loan options are really more for existing businesses looking for assistance.

In response to questions from Tim Brooker, Mr. Goodwin said the first effort is to retain existing businesses and expansion is the second priority. He said the attraction of new businesses will come if existing businesses show they are thriving. He said existing facilities with little needed renovation is key or create incubator space for four or five home occupation businesses that can network together. He said the old hardware store, if it's in good condition, could be used as incubator space.

Volunteers in Medicine Proclamation (cont. from above).

DeLeesa Meashintubby, the Executive Director of Volunteers in Medicine arrived and said the clinic has been in business for 15 years. She thanked the Council for giving the clinic the opportunity to serve Veneta and the support the Council is giving in making the proclamation. She said on June 3rd Volunteers in Medicine is holding a birthday celebration at its office located at 2260 Marcola Rd. and she invited everyone to attend.

Mayor Larson read the proclamation and declared Friday, June 3, 2016 as Volunteers in Medicine Day in the City of Veneta.

(3) Lane County Sheriff's Activity Report
Sgt. Halvorson could not attend tonight's meeting.

(4) Donation Request from Fern Ridge Library
Ingham said staff is recommending donating a \$90 family swim pass which would need to be approved by the Council. He said staff provided a breakdown of the donations and requests. He

said as we near the end of the school year we will likely get pool fee waiver requests from Elmira High School and Veneta Elementary. He said at this point staff feels it is appropriate to donate a family pass to for the Library fundraising auction event.

MOTION: Thomas Cotter made a motion to donate a 10 punch family swim pass to the Fern Ridge Library auction event to raise funds for the Fern Ridge Library Foundation Endowment fund. Laura Ruff seconded the motion which passed with a vote of 4-0.

b. Council/Committee Liaison Reports

Mayor Larson said the School Board meeting was at the middle school and the principal said they had a challenging year because of the renovations at the school. Middle School students also didn't do well with the Smarter Balance Testing. She said Board member Sterling Pew brought it up and everyone agreed that there's a strange contrast between the middle school test scores and the subsequent success of high school students who do much better. She said seventh graders traveled to Ashland and saw the play a Mid-Summer's Night and the eighth grade cardboard races will take place at the pool. She said a child center class room will be open to serve some special needs students. She said the classroom was created to get local students back into our District. She said school lunch costs are increasing but the District will absorb some of that mandated increase. She said she, Ingham, the School Board Chair, and school principals had a good meeting regarding drug use in schools and her take is yes, there are drug problems in all schools but in her opinion, we have no more problems than other schools. She said she felt it was a good conversation and the group will continue to meet. Elmira Elementary's framing of the new facility is going up and the Talented and Gifted (TAG) students presented "Voices from Veneta's Past" a dramatic and comedic presentation which was very well done and also well attended.

5. STAFF REPORTS

a. Emergency Preparedness Specialist..... Julie Reid

(1) Emergency Operations Plan

Ingham said Julie Reid has been here since mid-March. Her work plan is to develop an emergency preparedness plan to better prepare all our residents for when disaster strikes. He said it's been a high priority to the Council to get the emergency preparedness plan adopted. He said the City has partnered with Lane Fire Authority on the project. The intent is to start providing the Council with some familiarization of a plan and some eventual outcomes.

Reid said she is here from the Resource Assistance for Rural Environments (R.A.R.E.) which is an AmeriCorps program. She said after she graduated from the University of Oregon Planning Public Policy & Management (PPPM) program. She got interested in emergency management and she took classes with Federal Emergency Management Association (FEMA) and received Certified Emergency Response Team (CERT) training. She reviewed her power point presentation.

In response to questions from Mayor Larson, Ms. Reid said the Lane Fire Authority Board of Directors will adopt the plan in the same way that the City would. She said part of the plan will be to provide instructions and a home supply list for three or four days up to two to three weeks or more as well as a car kit. The information is available from several resources but we want to consolidate the information and provide it in one place.

Reid said they're working on getting the notification system up and running which residents can sign up for to be automatically notified via cell phones, email, etc. She said the information will also be on the City's website.

In response to a question from Thomas Laing, Reid said a section on volunteer management would be included, however, one problem with volunteers is they tend to self-deploy. It's key to have a staging area and provide direction for volunteers.

Ingham said he and Chief Nye started the conversation several months ago and Lane Fire Authority will adopt the same plan. He said because the District has gotten so large, Chief Nye will create two plans - one for Veneta and one for the entire District.

- b. Community Development Director.....Kay Bork
(1) Amendments to Veneta Land Development Ordinance No. 493 and Land Division Ordinance No. 494.

- i. **Ordinance No. 528** – AN ORDINANCE AMENDING THE VENETA LAND DEVELOPMENT ORDINANCE NO. 493 AND LAND DIVISION ORDINANCE NO. 494 RELATING TO PARKING LOT LOCATION AND PROPERTY LINE ADJUSTMENT STANDARDS for second reading by title only and final enactment.

MOTION: Thomas Cotter made a motion to adopt Ordinance No. 528, an Ordinance amending Veneta Land Development Ordinance No. 493 and Land Division Ordinance No. 494, relating to parking lot location and property line adjustment standards for second reading by title only and final enactment. Tim Brooker seconded the motion which passed with a vote of 4-0.

Ordinance No. 528 was read into the record for second reading by title only and final enactment.

(2) Transient Room Tax

- i. Agenda Item Summary

Bork said the new business Yurtel Veneta, a bed and breakfast, will be open by July 2016. She said the state allows local governments to collect Transient Room Tax (TRT) on overnight lodging which includes provisions that 70% of the TRT collected is to be used for tourism promotion or tourism-related facilities and no more than 30% of the TRT is to be used for City services. She said staff is proposing a 4% TRT which is in line with other smaller communities. She said the 4% tax is in addition to Lane County's tax of 8% and the state tax of 1.8% - bringing the total tax for Veneta lodging establishments to 13.8% overall. The proprietor can retain at least 5% of that tax to cover administrative costs. The City would collect the TRT and we will provide the return for establishments to complete monthly when they pay the TRT even if no tax is collected. Private homes vacation rentals (Air B&B) would be exempt from the TRT and Ordinance No. 534 includes penalty provisions to allow the City to send establishments to collections and/or revoke business registrations for non-payment.

In response to a question from Mayor Larson, Bork said bed and breakfast (B & B) establishments are different than renting out a room in a private home once or twice a week. She said it has to be an established business.

Ingham said staff discussed it and decided that attempting to collect a TRT from Air B & B is cost prohibitive.

Laura Ruff said this establishment is good economic development but here's a man that wants to start a business and right off the bat we're taxing him.

Bork clarified the TRT is not taxing the proprietor, it's taxing the person staying there.

In response to a question from Mayor Larson, Bork said Mr. Haddock has already completed Lane County's TRT paperwork.

In response to questions from Thomas Cotter, Bork said the proprietor is responsible for

completing the forms and we will track the establishments through the City's business license process. Bork said theoretically we would collect a TRT from campgrounds if City code allowed campgrounds.

In response to a question from Thomas Cotter, Ingham said we want to attract businesses and it shouldn't matter how many rooms an establishment has. He said we can use these dollars to bring more visitors into the area and that's why state law requires that 70% of all resources go back into visitor promotions.

In response to a question from Mayor Larson, Ingham said Junction City is one of a few cities in Oregon that does not collect a TRT which is very unusual.

Len Goodwin said it might be more challenging to try to adopt the TRT if and when a large hotel comes in. He said if it's already adopted they can't require us to waive it.

In response to a question from Tim Brooker, Ingham said we'll create the TRT tracking system. He said currently, we don't have a program on how we spend the \$6500 RTMP funds we receive annually but we could create a more formal policy.

In response to a question from Mayor Larson, Hartz said the TRT would be collected separate from the RTMP funds. She said we could use the funds for the same purpose but they would be tracked separately.

Laura Ruff suggested establishments with less than five rooms could be exempt from the tax.

Ingham said Mr. Haddock has built the tax into his business plan, however, if the Council decided to create a threshold, he would prefer some consistency. He said for example, during the Olympic trials, Mr. Haddock will likely have full occupancy but in February he may not rent any rooms.

Thomas Cotter said he felt it's the City's responsibility to treat everyone fairly, regardless of the size of the business. He said Mr. Haddock is only taxed if and when a room is rented.

ii. **Ordinance No. 534** – AN ORDINANCE ESTABLISHING A TRANSIENT ROOM TAX FOR THE CITY OF VENETA for first and second reading by title only and final enactment.

MOTION: Thomas Cotter made a motion to adopt Ordinance No. 534, an Ordinance Establishing a Transient Room Tax for the City of Veneta for first reading by title only. Tim Brooker seconded the motion which passed with a vote of 3 to 1. Laura Ruff voted no.

Ordinance No. 534 was read into the record for second reading by title only.

MOTION: Thomas Cotter made a motion to adopt Ordinance No. 534, an Ordinance Establishing a Transient Room Tax for the City of Veneta for second reading by title only and final enactment. Tim Brooker seconded the motion which passed with a vote of 3-1. Laura Ruff voted no.

Ordinance No. 534 was read into the record for second reading by title only and final enactment.

c. Finance Director.....Shauna Hartz
(1) Utility Billing Policies and Procedures

- i. **Ordinance No. 529** – AN ORDINANCE AMENDING VENETA MUNICIPAL CODE TITLE 13, CHAPTER 10 for second reading by title only and final enactment.

MOTION: Thomas Cotter made a motion to adopt Ordinance No. 529, An Ordinance Amending Veneta Municipal Code Title 13, Chapter 10 for second reading by title only and final enactment. Tim Brooker seconded the motion which passed with a vote of 4-0.

Ordinance No. 529 was read into the record for second reading by title only and final enactment.

- ii. **Ordinance No. 530** – AN ORDINANCE AMENDING VENETA MUNICIPAL CODE TITLE 3 CHAPTER 20 for second reading by title only and final enactment.

MOTION: Thomas Cotter made a motion to adopt Ordinance No. 530 an Ordinance Amending Veneta Municipal Code Title 3 Chapter 20 for second reading by title only and final enactment. Tim Brooker seconded the motion which passed with a vote of 4-0.

Ordinance No. 530 was read into the record for second reading by title only and final enactment.

- iii. **Ordinance No. 531** – AN ORDINANCE AMENDING VENETA MUNICIPAL CODE TITLE 3 CHAPTER 25 for second reading by title only and final enactment.

MOTION: Thomas Cotter made a motion to adopt Ordinance No. 531, an Ordinance amending Veneta Municipal Code Title 3 Chapter 25 for second reading by title only and final enactment. Laura Ruff seconded the motion which passed with a vote of 4-0.

Ordinance No. 531 was read into the record for second reading by title only and final enactment.

- iv. **Ordinance No. 532** – AN ORDINANCE AMENDING VENETA MUNICIPAL CODE SECTIONS 13.35.010, 13.35.050, 13.35.080; REPEALING 13.35.070; AND INSERTING 13.35.090 for second reading by title only and final enactment.

MOTION: Thomas Cotter made a motion to adopt Ordinance No. 532, an Ordinance amending Veneta Municipal Code Sections 13.35.010, 13.35.050, 13.35.080; Repealing 13.35.070; and inserting 13.35.090 for second reading by title only and final enactment. Tim Brooker seconded the motion which passed with a vote of 4-0.

Ordinance No. 532 was read into the record for second reading by title only and final enactment.

- v. **Ordinance No. 533** – AN ORDINANCE AMENDING VENETA MUNICIPAL CODE TITLE 13 CHAPTER 05 for second reading by title only and final enactment.

MOTION: Thomas Cotter made a motion to adopt Ordinance No. 533, an Ordinance amending Veneta Municipal Code Title 13 Chapter 05 for second reading by title only and final enactment. Laura Ruff seconded the motion which passed with a vote of 4-0.

Ordinance No. 533 was read into the record for second reading by title only and final enactment.

Hartz said she appreciates the effort and thanked the Council for taking the time to read through all the material. She said these ordinances will streamline the process and make it much easier for staff.

Thomas Cotter said he read through the 2016-17 Budget and said it was better than last year and last year's was a great document. He thanked Hartz for a job done well.

- d. City Administrator..... Ric Ingham
 - (1) Questions from Councilors
 - None

6. OTHER

Mayor Larson thanked Schauer for having the curb cut at the Library. She said many people were appreciative of that.

Ingham said with Council approval, when ordinances are listed on the agenda for a second reading, the agenda will refer the Council back to the original first reading materials.

It was the consensus of the Council that a recap of the material is not necessary and the reference to the original materials is fine.

Ingham said election packets will be available beginning June 1st. He said he has spoken to several Councilors and he has been encouraged to start working on referring a recreational marijuana tax to the November 8, 2016 ballot. He said he would like direction from the Council on whether to bring back summary information in June for discussion or to bring back referral language that would allow the Council to refer it to the ballot. He said if there is a referral to the November 8th ballot, it would need to be completed by August 17th. Currently the state taxes all recreational marijuana at 25% but on January 1, 2017 the state tax will roll back to 17% and cities will be allowed to refer a measure to the ballot to add an additional 3% tax. He said most cities that have legalized recreational marijuana will refer a tax to the November 8th ballot. He said we don't know how much revenue it will generate but it would likely be around \$7,000 to \$12,000.

In response to a question from Thomas Cotter, Ingham said House Bill 3911 wiped away anything that the Council approved previously so now if we want to refer a tax, the first time we can do that is on the November 8th ballot.

Mayor Larson said it seems that the Council should officially direct staff to move forward with developing the ballot language if that's what the Council wants to do.

In response to questions from Tim Brooker, Ingham said when we refer it to the ballot we need to have an explanatory statement and the ballot title needs to be included in the resolution. He said all the cities are looking to the League of Oregon Cities to put pressure on OLCC to collect all the tax. He said it makes sense for OLCC to do all the collecting.

In response to a question from Mayor Larson, Ingham said the Council indicated they didn't want to hold the July 11th meeting. He said his intent is to have the discussion at the June 13th meeting and if the Council chose to pass a resolution that the marijuana tax referral will be on the November 8th ballot.

In response to questions from Tim Brooker, Ingham said several months ago the Council passed an ordinance to not prohibit recreational facilities from doing business in Veneta. He said at the June 13th meeting we can announce that the Council is planning to pass a resolution and at the June 27th meeting

announcing that the marijuana tax referral will be on the November 8, 2016 general election ballot. He said if the Council refers it to the ballot via a resolution, we can adopt the enacting ordinance to accept the funds, at a minimum, and we can add a public comment period during the passage of the resolution. Ingham said staff will do the typical outreach but we haven't had anyone come in and talk negatively about the two recreational dispensaries we have in the City.

It was the consensus of the Council to direct staff to place an item on the June 13th agenda to discuss whether or not staff should develop the referral language for the November 8th ballot.

In response to a question from Mayor Larson, Ingham said staff missed posting the list of surplus property in the outside bulletin board.

Schauer said the pool will open June 18th and the Summer Solstice will be held in the evening of the same day. He said there are a couple of school pool parties the week leading up to the opening so we should be ready to host that event.

Bork said on June 2nd Joan Mariner and Pat Coy, members of the Kiddy Pool Committee, will present the grant application to the Local Government Grant Advisory Committee in Salem for the \$175,000 grant. She said Schauer, herself, and Stacy Cornelius will also attend to answer questions.

Ingham said ODOT will be here tomorrow for the first round of scoping of the Veneta Elmira path. He said that material will go to ODOT Region 2 staff for presentation to the Super ACT on whether the project can be completed with the proposed budget. He said the engineer did a thorough job on that and we don't expect any big surprises. There was some talk about changing the restrictions within the flood plain so it's important we get this project done before those restrictions come in to play.

Hartz said the Budget Hearing will be on June 13th and the resolutions adopting the budget will be on the June 27th agenda. She said the public hearing notice will be in next week's paper.

Ingham said Roque Barros, the new director of the Ford Family Foundation was here last week. He said staff will meet with RDI the first part of June to put together some downtown initiatives to take to Ford Family for possible funding. He said he felt Mr. Barros walked away with a good sense of what we've been up to and hopefully it will be a slam dunk for a second year of funding for the Business Retention and Expansion program along with some other assistance as well. He said the Chamber luncheon is on June 8th. He said he invited Chief Nye and an insurance representative to speak about the decreased insurance rating Veneta and the Fern Ridge area received. He said much of that had to do with the fire department and the increased capacity of our water system.

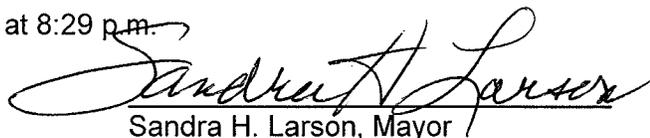
Mayor Larson suggested an article about water in general should be published in the Fern Ridge Review as well as the insurance rating and projected tax increases.

Tim Brooker said it's also a good time to remind everyone to conserve water over the summer months.

Ingham said Schauer will be getting the Water Consumer Confidence Report out in the next week or so.

7. ADJOURN

Mayor Larson adjourned the Veneta City Council at 8:29 p.m.


Sandra H. Larson, Mayor

ATTEST:



Darci Henneman, City Recorder
(Minutes prepared by DHenneman)