

1 CITY OF YACHATS

2  
3 **CITY COUNCIL REGULAR MEETING**

4 September 13, 2017

5 Minutes

6  
7 Mayor Gerald Stanley called the September 13, 2017 regular meeting of the City Council to  
8 order at 6:00 pm in the multi-purpose room of the Yachats Commons. Council members  
9 present: Mayor Gerald Stanley, Barbara Frye, Jim Tooke, Max Glenn, Greg Scott. Absent:  
10 none. Staff present: City Manager Joan Davies. Audience: 42.

11  
12 **I. Announcements, Correspondence and Proclamations**

13 Mayor Stanley recommended the audience examine the history of Yachats summarized on the  
14 walls around the multi-purpose room. Sterner noted the associated pictures would be on  
15 display at the Little Log Church & Museum within a few months. Sterner announced the electric  
16 car demonstration is this weekend and the banner auction is September 23, 2017.

17  
18 **A. Dr. Leslie Ogden, new CEO for Samaritan Pacific Communities Hospital**

19 Dr. Ogden postponed to next month because no screen was available for her presentation.

20  
21 **B. Roxie Cuellar, Manager of the Port of Alsea**

22 Cuellar wanted to clarify that the Alsea Port District extends well beyond the city of Waldport. A  
23 newsletter was sent to Yachats residents about the Port's activities. They have added a Kayak  
24 Launch site to their Capital Facilities Plan. She explained they need a partner to provide for a  
25 public access location. There will be a bond measure up for vote in the next election. The bond  
26 measure supports repair of the existing docks. The existing tax assessment is \$3.33 for each  
27 \$100,000, and the bond would raise that to \$16.00-20.00 per \$100,000 for 25 years.

28  
29 **C. South Lincoln Aquatic Center Steering Committee**

30 Craig Berdie (319 E 3<sup>rd</sup> St.) reported this group is exploring the possibility of building a  
31 swimming pool in the South Lincoln County area (from Ten Mile to north of Waldport). Berdie  
32 cited numerous reasons why an indoor pool would be a desired asset, including teaching  
33 swimming to children, senior exercise, tourism, and health education. The steering committee  
34 is looking for a statement of support from the Council. Councilor Glenn asked where it would be  
35 located and was told it was yet to be determined. One option is the ball field or at the high  
36 school in Waldport. Councilor Frye added the committee wanted preliminary assessment of  
37 general interest. Mayor Stanley stated there was a consensus among Councilors for supporting  
38 the project. He nominated Frye as the Council representative to the committee.

39  
40 **D. US Navy Notice of EIS for training and testing off Oregon shore**

41 Mayor Stanley received notice from the US Navy that explosives testing is scheduled offshore  
42 for this area. After discussion, the Council's consensus was that they did not support of this  
43 program and Manager Davies was directed to generate a letter to the Navy, stating so.

44  
45 **II. Public Comment**

46 Nan Scott (480 Combs Cir) raised the issue of the recommendation from the Planning  
47 Commission on regulating formula businesses. She noted the City Attorney had issues with  
48 their language. Manager Davies explained she has not worked on the proposal for two months  
49 because of other City priorities. Frye expressed frustration with the attorney communication  
50 process. She objected to letting Commissions talk directly to the attorney because of costs.  
51 Frye suggested this item be a priority for the new City Manager. Nan Scott asked if the

1 Planning Commission could address the questions the attorney asked. Greg Scott asked if any  
2 councilors would object. Mayor Stanley indicated the Council would return the issue to the  
3 Planning Commission. Nan Scott noted in the past, the City Planner could talk with the  
4 attorney. Sherry Secreast (490 Lemwick Lane) stated this issue has been on her mind in part  
5 because of the seven properties along Hwy 101 currently for sale.  
6

### 7 **III. Minutes and Accounts Payable**

#### 8 **A. Minutes**

9 Glenn moved to approve the August 2, 2017 work session and regular meeting minutes as  
10 presented: 5-0. Glenn moved to approve the August 9, 2017 regular meeting minutes as  
11 presented: Aye – 4; No – 0; Abstain – 1 (Scott was absent for that meeting).  
12

#### 13 **B. Accounts Payable for Approval**

14 Scott moved to approve the accounts payable; Aye – 5-0.  
15

### 16 **IV. Reports**

#### 17 **A. Council Reports**

18 Frye reported:

- 19 1. The Library Relocation Committee has been meeting to explore ideas. They received 30  
20 “dream library” sketches from volunteers who were given blank floor plans and asked to  
21 generate ideas. The group has visited five libraries. Frye noted she has been posting  
22 updates on Facebook. The Committee hopes to be done by the spring of 2018.
- 23 2. She and the head of Health and Human Services have been examining the old library  
24 building as a potential site for the South Lincoln Health Center. SLHC is preparing a  
25 second MOU that will include a timeline.
- 26 3. Manager Davies has contacted the sign maker for the south portal sign.  
27

28 Councilor Scott reported:

- 29 1. A copy of his IT report is in the document library.
- 30 2. He has hired a new database programmer.
- 31 3. The programmers are about 80% done with user interface programming.
- 32 4. He has included in the document library geotech reports provided by the City Planner.
- 33 5. He is reviewing specifications for complaint system.  
34

35 Glenn reported his major task has been coordinating the recruitment and hiring of a City  
36 Manager. Shannon Beaucaire will arrive on October 1, 2017.  
37

38 Mayor Stanley reported:

- 39 1. He met with the Director of Development of Oregon Coast Aquarium, who is starting a \$5  
40 million improvement program.
- 41 2. The Tri-County Regional Mayors group reported more eclipse-related challenges than  
42 Yachats had. They were frustrated by the limited funds the State Legislature had  
43 earmarked for cities to use for roads.  
44

#### 45 **B. Department Reports**

46 City Manager: Manager Davies read into the record her report included in the meeting packet.  
47 Scott asked about ODOTs request for changes on curbs on 6<sup>th</sup> St. Manager Davies explained  
48 ODOT is holding up final payment until all work is completed.  
49

50 Public Works: Report included in meeting packet. There were 0.26 inches of rainfall in August.  
51 Scott noted the Public Works report was the best he had ever seen.

1 Code Enforcement: Report of violations and actions in meeting packet. Manager Davies noted  
2 residents have been very cooperative around requests to have their overgrown lots cut back.  
3

## 4 **V. Business**

### 5 **A. Evans/Betz property project**

6 Andrea Scharf and Jim Adler acknowledged the View the Future members present in support of  
7 this project. Scharf reported the Finance Committee and Parks and Commons Commission  
8 unanimously recommended the \$200,000 commitment by the City. Scharf noted the Oregon  
9 Trust rules do not allow the City to consider the sale of a cabin on the property as a source for  
10 the \$200,000 commitment. It has to be actual funds. Glenn stated he was supportive of this  
11 project, for both the expansion of trails and for the access it provides to an area of land that  
12 could be used for raw water storage. Councilor Tooke asked for clarification on whether the  
13 property was originally platted for 50 lots. Scott stated he had reservations about the settling  
14 pond, and was unclear about the prospective location, but was thrilled with the recreational  
15 component and protecting wetlands area. He was just nervous about use of Visitor Amenities  
16 funds for this project. Scott felt a vote by Council was premature and suggested the issue be put  
17 to a vote by the community. Adler responded to Scott about the long- and short-term ecological  
18 advantages of having the water reservoir. Adler pointed out that if the project were delayed now  
19 for a vote, it would be killed, because of the timing with grants and the negotiations with owners.  
20

21 Frye clarified a public vote would be on the May 2018 ballot. Frye wanted input from the  
22 Finance Committee on whether this project jeopardizes the City budget. Davies noted the  
23 Councilors have had the information on the proposal since February. She also pointed out that  
24 the Visitors Amenities Fund would not be involved at all with the sedimentation pond. She has  
25 met with IFA about financing a sedimentation pond, and they are well aware of the tsunami  
26 zone. Tom Lauritzen (204 Shell St) reported the Finance Committee voted unanimously to  
27 support the project. He argued that a park is a fantastic fit for Visitor Amenities funds and it is a  
28 significant advantage to have tourists pay for a great parcel. Lauritzen reported the City  
29 currently has VA funding and cash flow is sufficient.  
30

31 Manager Davies reported the City currently has \$338,827 in the Visitor Amenities fund. The  
32 City is collecting over one million per year from visitors. Mayor Stanley noted he had discussed  
33 with Scharf about educating citizens about how this project may benefit them. Scharf noted  
34 VTF is responsible for outreach on this project.  
35

36 Scott stated after hearing responses to his comments, he is supportive of the project.  
37

### 38 **B. City Commitment to Evans/Betz project**

39 Glenn moved to amend the CIP to add the Evans/Betz project and to commit \$200,000 from the  
40 Visitors Amenities Fund to the project: open for discussion  
41

42 Dean Shrock (421 Greenhill Dr.) voiced strong support for the purchase of the property. Marc  
43 Courtenay (900 Hanley Dr.), VTF Board member, explained VTF has put extensive work into  
44 the project and is extremely supportive of it. Mike Guerriero (Eastline Rd.), also a VTF member,  
45 reported he has had wonderful experiences boating on the serene Yachats River and hopes the  
46 river remains pristine.  
47

48 Call for vote: Aye - 5; Nay – 0.  
49

### 50 **C. Ordinance 347 – Vacation Rental Licenses**

1 Manager Davies summarized the history of getting this Ordinance into its current form. This  
2 vote is the second by Council on this matter, which will make the decision final. Mayor Stanley  
3 noted copies of received emails were distributed to the audience. Mayor Stanley stated there  
4 was an issue that needs addressing about removing some language. Manager Davies noted the  
5 Council could remove a small part of the language without having to re-do the ordinance, if the  
6 change did not create a material change to the intent.

7  
8 The portion in question is 4.08.020 Definition of Vacation Rental, last sentence. Frye read the  
9 sentence aloud, "The exchange of consideration not necessary to meet the definition of a  
10 vacation rental if the dwelling otherwise is held out as available for occupancy for a period less  
11 than 30 days." Scott explained that sentence was inserted because a property is being  
12 operated as vacation rental without a license. The City was told by the owner that money was  
13 not exchanged for others using the property. A question was raised about whether Home  
14 Exchanges would fall under this criterion. Scott believed home exchanges are not part of this  
15 definition. Dean Shrock explained the Home Exchange program consists of over 65,000 homes  
16 around the world, whereby owners switch residences for a short period of time. Participants pay  
17 \$150 annually for membership. Users contact people advertised on the site and ask if they  
18 want to exchange homes. Frye suggested inserting an exclusionary clause for Home  
19 Exchanges in the proposed ordinance language.

20  
21 Mayor suggested moving forward with existing language, rather than adding an exclusion  
22 clause now that might raise legal considerations. Manager Davies noted changes will be  
23 needed again in the future, as there are other minor issues to be considered, such as requiring  
24 a local phone number for complaints. When the attorney removed the "exhibits" from the current  
25 Code, the requirement for a local phone number was inadvertently removed.

26  
27 The Council firmly agreed the intent of the restriction on bartering for vacation rentals does not  
28 include, nor should it impact programs such as Home Exchanges.

29  
30 Todd Korgan (665 Hwy 101), Sweet Homes, advocates an amendment to allow the transfer of  
31 license upon sale of a property; and when licensees don't use the license, they should have to  
32 surrender them, to free up a spot for another property.

33  
34 Steve Davies (91 Hwy 101) reported he has allowed people to use his property without  
35 payment. He wanted to know why the Council is trying to limit licenses.

36  
37 Craig Bertie (319 E 3<sup>rd</sup> St) argued that there is another side to VRs that reduces property value,  
38 if you live around rentals.

39  
40 Kerry Kemp (420 W 1<sup>st</sup> St) highlighted the portion of of his letter about VRs not being raised as  
41 an issue in the 2006 survey. He suggested more research is needed before a cap is created.

42  
43 Helen Anderson (77 8<sup>th</sup> St) stated the portion of her letter about not assessing a trend based on  
44 four data points was not an argument that more data needed to be collected to make a decision  
45 about VRs. She argued volunteerism would be impacted in the long-term because of artificially  
46 -inflated property values.

47  
48 Paul Thompson (1153 Driftwood Lane) has been complaining about VRs for the seven years  
49 and believes the problem is about noise and parking. He asked that inspections prohibit parking  
50 in road right-of-way.

1 Jamie Michelle (665 Hwy 101), Sweet Homes, doesn't believe the City should punish everyone  
2 for the bad behaviors of a few.

3  
4 Brad Webb (450 Lemwick Lane) believed a cap would have a permanent impact on his life. He  
5 believed lack of parking and speeders are bigger problems for the City.

6  
7 Dean Shrock (411 Greenhill) summarized how former Mayor Ron Brean got significant feedback  
8 from the League of Oregon Cities as to how Yachats was able to get so much volunteer support  
9 – from the retiree population. He argued VRs would negatively impact volunteerism.

10  
11 Tom Lauritzen (204 Shell St) noted there were 83 VRs in 2006 and 77% of the growth in  
12 licenses was for either owners who needed to rent their home to prevent foreclosure, or  
13 investors buying foreclosures or short sales as investment properties. He noted hotels/motels  
14 account for 70% of transient rental income, and asked again for a conditional use approach.

15  
16 Tooke noted this proposal is a two-year pilot project, which gives the City a chance to analyze  
17 the impact. Tooke argued personal rights to enjoy your property are just as important as rights  
18 to for another to financially gain from the property. He emphasized this ordinance is a  
19 compromise between “none” and “unlimited”. Scott noted cities have been regulating business  
20 uses in residential zones for a long time. He stated R-1 owners have a right to protect their  
21 expectations for the R-1 Zone. Scott believed this proposal was reasonable compromise. Frye  
22 believed now is the time to take action as the matter has been discussed for years. Mayor  
23 Stanley expressed his appreciation of arguments against this ordinance. He cautioned that the  
24 predominance of “anti” emails and comments is not reflective of the larger community. Mayor  
25 Stanley firmly believed this ordinance will benefit the City in the long run.

26  
27 Frye moved to adopt Ordinance 347 on Vacation Rentals as presented: Aye – 5; No – 0.

28  
29 Glenn added he is disturbed by what has not been said. He stated realtors are providing  
30 misleading information such as guaranteed VR licenses, using VR income to cover closing  
31 costs, and promising a dedicated parking spot at the Post Office.

32  
33 Adjourned for 10 minute break.

34  
35 **D. Amnesty Options for non-compliant vacation rental properties owners**

36 Scott explained this proposal was created to allow people to come into compliance.

37  
38 Scott read into the record his proposal for the amnesty program. Frye reported she reviewed  
39 online advertising sites like Air BnB and saw violations such as exceeding the occupancy rates.  
40 Scott asserted it is not a matter of whether violators will be caught; it is a matter of when they  
41 will be caught. Manager Davies noted Anderson has gone through Flipkey, Air BnB, and VRBO  
42 and found two violations. Councilors discussed whether to vote on this issue at this meeting.

43  
44 Mayor Stanley suggested the language of “permanently ineligible” was harsh. Scott argued the  
45 point is to motivate people to get legal. Paul Thompson noted second to last item on the  
46 amnesty proposal did not make sense as they were asking people who were previously  
47 uncooperative to act in a manner contrary to their past behavior. Council had consensus to  
48 strike the second-to-last bullet point: “Failure to complete all of these requirements the property  
49 owner and family will agree to terminate all future rental activity and will be permanently  
50 ineligible for a vacation rental license.”

1 Scott moved to adopt the amnesty plan as amended to remove the second-to-last bullet about  
2 failing to complete the requirements: Aye – 5; No – 0.

3  
4 **E. OLCC License Renewals**

5 Manager Davies explained this list is of current city business applicants for liquor licenses.  
6 Scott said he thought Council had previously authorized the City Manager to approve OLCC  
7 renewals. Tooke moved to accept the OLCC license renewals as shown: Aye – 5; No – 0.

8  
9 **F. Bid award for backhoe**

10 Manager Davies opened the one bid for the backhoe. Papé Machinery from Tangent, OR  
11 quoted \$90,030 for a new 2018 John Deere 310SL backhoe-loader. Davies noted this bid is  
12 \$30,000 under what the City budgeted. Scott was concerned if this equipment was really  
13 needed. Tooke asked Lauritzen if he believed leasing was a possibility option. Lauritzen  
14 believed purchase was a better choice. Tooke moved to accept the bid for the purchase of a  
15 backhoe for \$90,030 from Papé Machinery in Tangent OR: Aye – 5; No – 0.

16  
17 **G. Council Shepherding Goals**

18 Mayor Stanley noted some goals were covered in previous parts of this meeting.

19  
20 Glenn reported the Emergency Planning Committee is at full capacity with Bill Watson as Chair  
21 and Don Groth as Co-Chair. Betty Taylor will be providing information to incorporate into new  
22 revision of the Yachats Emergency Operations Plan.

23  
24 Tooke noted that City Hall has window signs available to residents from the Lincoln County  
25 Emergency Management for use to indicate to first responders whether a resident needs help or  
26 if they are okay. “Help” on one side; “Okay” on the other; the signs go into a window of homes,  
27 in event of a disaster.

28  
29 Mayor Stanley reported the Marketing Committee’s self-understanding is that they are an  
30 independent committee, rather than a City committee. He noted the Committee understands it  
31 will not rely on the City for operational expenses.

32  
33 Frye noted that her friend, a registered parliamentarian will conduct a workshop on Keesey’s  
34 Parliamentary Procedure on Monday, November 13, 2017 from 10 am to noon. Members of City  
35 commissions and committees are welcome to attend, in addition to the Council.

36  
37 Mayor Stanley adjourned the regular meeting at 8:52 pm.

38  
39  
40 \_\_\_\_\_  
41 GERALD F. STANLEY, Mayor

42 ATTEST:

43  
44 \_\_\_\_\_  
45 Joan Davies, City Manager

46 \_\_\_\_\_  
47 Date