

Minutes of the
CANNON BEACH CITY COUNCIL
Tuesday, May 4, 2010
Council Chambers

Present: Mayor Mike Morgan; Council President Sam Steidel; Councilors Nancy Giasson, Melissa Cadwallader and Wendy Higgins

Excused: None

Staff: City Manager Rich Mays, City Attorney Tamara Herdener, City Planner Rainmar Bartl, Public Works Director Mark See, Police Chief Gene Halliburton and Administrative Assistant Brandy Brien

CALL TO ORDER AND APPROVAL OF THE AGENDA.

Mayor Morgan called the meeting to order at 7:00 p.m.

Motion: Cadwallader moved to approve agenda as presented; Giasson seconded the motion.

Vote: Steidel, Giasson, Higgins, Cadwallader and Morgan voted AYE; the vote was 5/0 in favor and the motion passed unanimously.

PRESENTATIONS

(1) Jill Cuyler of the Oregon Employment Department.

Mayor Morgan introduced Jill Cuyler, Workforce Analyst of Worksource Oregon. Cuyler reviewed the economic trends in Clatsop County. She noted that Clatsop and Tillamook counties are the only coastal counties with a significant growth rate in population. Cuyler reviewed that Clatsop County's population has increased by approximately 2,150 and she noted that Seaside and Warrenton have grown the most.

Cuyler distributed information and noted that the current employment rate fell back to 2006 levels, the decline in 2008 – 2009 is -3.9%. She continued with current statewide and county employment rates and wage projections.

Cuyler concluded that the economy is bad, however has stopped getting worse. It is anticipated that employment rates will continue to increase slightly and recover in approximately 2 -3 years.

Cuyler thanked the Council. She also provided her contact information and asked interested parties to visit Worksource Oregon's website at www.QualityInfo.org.

CONSENT AGENDA

(2) Consideration of the Minutes of the Council Regular meeting of April 6, 2010, Council Special Meeting of April 13, 2010, Council Work Session of April 13, 2010 and Council Special Work Session of April 20, 2010.

Motion: Cadwallader moved to approve the minutes of the Council Regular Meeting of April 6, 2010, Council Special Meeting of April 13, 2010, Council Work Session of April 13, 2010 and Council Special Work Session of April 20, 2010; Giasson seconded the motion.

Vote: Steidel, Giasson, Higgins, Cadwallader and Morgan voted AYE; the vote was 5/0 in favor and the motion passed unanimously.

PUBLIC COMMENT / ORDINANCES

(3) **Public Comment and Consideration of Ordinance 10-06, for the Purpose of Amending the Municipal Code, Chapter 3, to Increase the Amount of the Transient Lodging Tax from Six Percent (6%) to Seven Percent (7%); the Local Transient Room (Lodging) Tax in Accordance with Oregon Revised Statutes 320.300 to 320.350.**

Mays reviewed his staff report and reviewed packets materials. He highlighted on the previously discussed changes to Ordinance 10-06 and Ordinance 10-07.

Mays noted the additional correspondence on this matter at the dias. He also directed Council to the memo from Brien, noting an additional proposed change in the fourth “Whereas” clause in Ordinance 10-06, the change to include “in accordance with ORS 320.300 and 320.350” and “or traveling distances greater than 50 miles to”.

Mayor Morgan called for public comment regarding Ordinance 10-06 and/or Ordinance 10-07. He noted that persons who testify shall first receive recognition from the chair, state their full name and mailing address, and if appearing in representative capacity, identify whom they represent.

George Vetter, P.O. Box 164, Cannon Beach, suggested that Council consider establishing a seven member Tourism and Arts Commission rather than five since it is anticipated that there will likely be more conflicts of interest issues that arise on this particular Commission.

Jeff Hampton, Oregon Lodging Association, 8600 SW Salish Lane, Suite 3, Wilsonville, OR asked procedural questions. Herdener replied that in accordance with the City Charter, the Council may choose to read the ordinance twice by title only tonight.

Mays reviewed that the guidelines will reflect that the TAC reserves the right to withhold up to 10% of the annual estimate for unforeseen events and programs.

Jim McDonald, 3400 S Hemlock, Tolovana, noted that it would be nearly impossible for him to keep track of two different tax rates and he suggested that Council not honor bookings made prior to May 4, 2010 at the lower tax rate. Council considered his suggestion and agreed that the majority of the lodging industry would like reservations made prior to May 4, 2010 to be honored at the current rate.

Valerie Ryan, P.O. Box 634, Cannon Beach Book Company, asked for clarification regarding honoring reservations made prior to May 4, 2010. Morgan reviewed that Council made this concession to minimize the impact on the lodging industry.

In response to Ryan’s question and Vetter’s suggestion to set a certain paid date rather than a reservation date. Council and staff discussed other options to possible simplify calculating the tax rates for hoteliers.

Bob Necker, P.O. Box 1021, reiterated statements made at the April 6, 2010 Council meeting. He also reviewed concerns with regard to the make-up of the proposed Commission and noted that he also he agrees with Vetter to establish a seven member Commission. Necker concluded that if this increase is approved, he would like the funding to remain within Cannon Beach and the City’s public relations efforts to remain locally. Currently, there are several small public relations work groups in Cannon Beach that he would to see form into a larger group to promote Cannon Beach.

Cadwallader stated that there has been a lot of discussion regarding this potential increase and she reiterated her views as discussed at previous meetings. She noted her support to honor bookings made prior to May 4, 2010 at the current tax rate. Cadwallader also noted that she supports a five member Commission, if conflicts of interest arise, members may step down from the vote. She noted her appreciation for the public input and attendance throughout this matter.

Mayor Morgan noted that Higgins feels that she must step down, however he asked if she wished to comment.

Higgins concurred with Cadwallader, this issue has been discussed at length. She also understands McDonald's concerns, the tax rates will be difficult for hoteliers to calculate. Higgins noted that her establishment is also struggling with the best method in which to calculate two different tax rates; however in the lodging industry the goal is to go the second mile for guests. Higgins concluded that lodging establishments may be able to assist each other on this matter.

Giasson also agrees with Cadwallader. She referred to Vetter's suggestion to establish a seven member commission and recommended that Council proceed with five members. This is a work in progress, if a quorum becomes problematic, Council may decide to consider a seven member Commission. Giasson concluded that with regard to the reservation issue that the Council must consider the input from the lodging industry to determine the best solution.

Steidel stated that Council may want to re-consider setting a specific date rather than honoring reservations made prior to May 4, however hoteliers have already advised hundreds of returning guests of the current tax rate. Steidel suggested that hoteliers work together and with City staff on this matter. He reiterated, as stated at previous meetings, the Commission should be five members and noted that seven member committees are too cumbersome. He noted that with regard to Necker's comments that the funding will not only be for promotion people, however the distributions may and that is the reason for establishing a Commission to assist in making those decisions. Steidel is in favor of the increase as presented.

Morgan stated that he agrees with Council. He noted that in terms of promotion, his and Ryan's idea was not to devote this entire fund to tourism and the Commission needs to include individuals from the arts with some experience in promoting the arts. Morgan noted that by State Law the majority of the funds to be generated from this potential increase must be used to promote tourism; however there will be plenty of funding remaining to fund arts related projects. Morgan concluded that he agrees with Giasson this matter will be a work in progress.

In response to a question from Mays, Council agreed to not delete the section honoring reservations made prior to May 4, 2010.

Higgins stated that since she is a member of the lodging industry and it may be perceived as a conflict of interest, she wished to step down from the vote.

Motion: Steidel moved to read Ordinance 10-06 twice by title only. Giasson seconded the motion.

Vote: Steidel, Giasson, Cadwallader and Morgan voted AYE; the vote was 4/0 in favor and the motion passed unanimously.

Herdener read the ordinance twice by title only.

Motion: Steidel moved to adopt Ordinance 10-06. Giasson seconded the motion.

Vote: Steidel, Giasson, Cadwallader and Morgan voted AYE; the vote was 4/0 in favor and the motion passed unanimously.

(4) **Public Comment and Consideration of Ordinance 10-07, for the Purpose of Amending Municipal Code, Chapter 2, to Establish a City Tourism and Arts Commission, Establishing Rules and Regulations for its Governance and Prescribing the Powers and Duties of Said Tourism and Arts Commission.**

Morgan asked if Council wished to make a motion.

Motion: Giasson moved to read Ordinance 10-07 twice by title only. Cadwallader seconded the motion.

Vote: Steidel, Giasson, Cadwallader and Morgan voted AYE; the vote was 4/0 in favor and the motion

passed unanimously.

Herdener read the ordinance twice by title only.

Motion: Steidel moved to adopt Ordinance 10-07. Giasson seconded the motion.

Vote: Steidel, Giasson, Cadwallader and Morgan voted AYE; the vote was 4/0 in favor and the motion passed unanimously.

Higgins returned to the dias.

(5) Consideration of Ordinance 10-05, for the Purpose of Amending Municipal Code, Title 17, Zoning, Modification to outdoor Merchandising Standards to Permit the Sale of Cut Flowers.

Morgan introduced the item.

Motion: Cadwallader moved to adopt the final findings of fact. Steidel seconded the motion.

Vote: Steidel, Giasson, Higgins, Cadwallader and Morgan voted AYE; the vote was 5/0 in favor and the motion passed unanimously.

Motion: Steidel moved to read Ordinance 10-05 twice by title only. Giasson seconded the motion.

Vote: Steidel, Giasson, Higgins, Cadwallader and Morgan voted AYE; the vote was 5/0 in favor and the motion passed unanimously.

Herdener read the ordinance twice by title only.

Motion: Steidel moved to adopt Ordinance 10-05. Giasson seconded the motion.

Vote: Steidel, Giasson, Higgins, Cadwallader and Morgan voted AYE; the vote was 5/0 in favor and the motion passed unanimously.

RESOLUTIONS

(6) Consideration of Resolution 10-04, for the Purpose of Supporting the Fair Housing Program.

Mays summarized his staff report. He reviewed that as part of the process in the partnership with CAT, the City must adopt and publish a Fair Housing Resolution. Staff recommends that Council adopt the resolution.

Cindy Peake, Community Housing Manager, CAT, Inc., reiterated statements from previous meetings and confirmed that the City must adopt and publish a Fair Housing Resolution prior to receiving the first drawdown of grant funds for the Fair Housing Program.

In response to a question from Cadwallader with regard to the City implementing a Fair Housing Program, Herdener replied that by adopting this resolution, the City of Cannon Beach is agreeing to follow the Fair Housing Amendments Act to assist someone in filing a complaint in the event they felt they were discriminated against. CAT would assist the City if there were a complaint, Peake confirmed.

In response to a question from Giasson the process and resolution, Herdener replied that the City would sign legal documents to end the partnership with CAT.

Motion: Higgins moved to adopt Resolution 10-04. Giasson seconded the motion.

Vote: Steidel, Giasson, Higgins, Cadwallader and Morgan voted AYE; the vote was 5/0 in favor and the

motion passed unanimously.

(7) Consideration of Resolution 10-05, for the Purpose of Establishing the City of Cannon Beach as a Welcoming Community Where Everyone Feels Valued, Accepted, Respected and Safe.

In response to a question from Cadwallader, Morgan responded that if a discriminatory infraction occurred the enforcement would fall under the Cannon Beach Police Department's purview. Mays also noted that other agencies would be notified and become involved as well.

Motion: Cadwallader moved to adopt Resolution 10-05. Steidel seconded the motion.

Vote: Steidel, Giasson, Higgins, Cadwallader and Morgan voted AYE; the vote was 5/0 in favor and the motion passed unanimously.

Halliburton confirmed that the Police Department would take initial action and then act as the referral agency to have the matter investigated by several other enforcement agencies.

PROCLAMATIONS

(8) Consideration of a Proclamation for the Purpose of Proclaiming the Week of May 16-22, 2010 as Emergency Medical Services Week.

Mays summarized his staff report. He noted that Medix Representative Susan Agalzoff, Paramedic is present and has presented the City with plaque for their continued support in recognizing the value and the accomplishments of emergency medical services providers.

Halliburton noted that Agalzoff provides CPR training to the Police Departments Police Officers and Lifeguards in and he appreciates her services.

Motion: Steidel moved to adopt the proclamation. Giasson seconded the motion.

Vote: Steidel, Giasson, Higgins, Cadwallader and Morgan voted AYE; the vote was 5/0 in favor and the motion passed unanimously.

ACTION ITEMS

(9) Consideration of the Contract Between the City of Cannon Beach and Community Action Team (CAT), Inc.

Mayor Morgan introduced the item.

Motion: Giasson moved to approve the contract. Higgins seconded the motion.

Vote: Steidel, Giasson, Higgins, Cadwallader and Morgan voted AYE; the vote was 5/0 in favor and the motion passed unanimously.

(10) Consideration of Withdrawal of the Notice of Appeal to Clatsop County Regarding the Oregon Buyer, LLP Partition Request.

Bartl summarized his staff report. He noted that the City met with Steve Ketz of Weyerhaeuser and the Campbell Group (Oregon Buyer, LLP) and explained the City's concerns. As a result, Ketz agreed to prohibit heavy commercial log trucks from accessing 9th Street. Staff recommends that Council withdraw the appeal to the County and authorize the Mayor to sign the agreement.

Motion: Steidel moved to authorize the Mayor to sign the agreement. Giasson seconded the motion.

Vote: Steidel, Giasson, Higgins, Cadwallader and Morgan voted AYE; the vote was 5/0 in favor and the motion passed unanimously.

(11) Consideration of Appointments to the Public Works Committee.

Mayor Morgan asked if Gregory Bell wished to make any statements.

Gregory Bell, 188 W. Adams, Cannon Beach, noted that he owns two parcels in Cannon Beach and has enjoyed visiting City for a number of years. He believes that his skills would provide a lot of value to the City. Bell noted that the Public Works Committee is a vital part of the City's management and he would like to assist in their efforts.

Motion: Giasson moved to appoint Gregory Bell to the Public Works Committee. Higgins seconded the motion.

Vote: Steidel, Giasson, Higgins, Cadwallader and Morgan voted AYE; the vote was 5/0 in favor and the motion passed unanimously.

DISCUSSION / INFORMATIONAL ITEMS

(12) Monthly Status Report

Bartl provided an update with regard to the land exchange.

(13) Mayor Communications

There was none.

(14) Councilor Communications

There was none.

(15) Good of the Order/Public Comment

There was none.

ADJOURNMENT.

The meeting was adjourned at 9:15 p.m.

Brandy Brien, Administrative Assistant

ATTEST:

Mike Morgan, Mayor