

Minutes of the
CANNON BEACH CITY COUNCIL
Retreat
Thursday, December 14, 2023
Council Chambers

Present: Mayor Knop, Council President Nancy McCarthy, Councilors Brandon Ogilvie, Lisa Kerr and Gary Hayes

Staff: City Manager Bruce St. Denis, IT Director Rusty Barrett and Recorder Jennifer Barrett

Others:

CALL TO ORDER AND APPROVAL OF AGENDA

Mayor Knop called the meeting to order at 11:00 a.m.

Motion: Ogilvie moved to approve the agenda as presented; Hayes seconded the motion.

Vote: Ogilvie, Hayes, Knop, McCarty and Kerr voted AYE. The vote was 5:0 and the motion carried. The agenda was approved.

PUBLIC COMMENT

- Chet Moritz PO Box 84 Canon Beach. Resident and president of North Coast Housing Solutions. Gave an overview of the organization and gave an overview of the models they are working on.

RETREAT DISCUSSIONS

Projects

- Cannon Beach Elementary Rejuvenation Project

St. Denis gave an overview of the DRB appeal and upcoming meeting. Tentative dates for bond resolution on Feb 6th but that can change. The market is moving in our favor right now, giving an overview. Looking into if we can refinance in 10 years, a discussion ensued. Kerr said McCarthy asked for financial info, when will we have it, St. Denis replied at Tuesday's meeting and we are trying to have financial advisor online. A discussion ensued regarding Laurie Sawrey's quarterly report from Tuesday. Ogilvie asked do you feel comfortable having the bulk of the discussion after the 9th or this are things you want to discuss now, big picture wise. Kerr replied things brought up from the 29th meeting I would like to wait until the 9th meeting so we can address people's concerns. Discussed the format of the 9th. Ogilvie added we need to work on messaging on why it isn't as expensive as the public's perception. Discussed the former \$4M cost and where it came from. Knop asked before 1/9 could you get the answer for if we make it a community center instead of tourist would we have to repay the purchase price we used TLT funds for. Discussed the tourism vs community aspect of the project. Discussed potential operations costs. Discussed the concerns heard from the community. Discussed the costs to the city if the project becomes a community center. Discussed how to answer the community's questions on the 9th and what format. Prioritized the concerns heard.

Council to submit comments to Knop by 12/18 by end of the day. Knop will meet with Staff the week of the 18th to finalize.

- City Hall/Police Station progress

Knop said I feel better about this project and feel the majority of the community know we need to do this, which is very encouraging. We are not hearing a lot of the community saying we need to delay these projects. Hayes said I would like to hear details on the opposition, hear I don't like it, but doesn't specify what they don't like, a discussion ensued. Hayes added I don't feel there is a lot that needs to be addressed, seems opposition is being pointed at CBE. Discussed City Hall size. Discussed the Manzanita City Hall project parameters. St. Denis gave an overview of staff relocation options. St. Denis gave an overview of the dates to go to DRB/PC for PD and CH.

Discussed DRB findings schedule and when they are approved. Discussed DRB Criteria and response. Discussed sign codes.

- Status and schedule of funding/bonding for construction projects
Will be discussed on 19th.

Zoning/Housing

- Work Force Housing

Kerr said I've talked a lot about housing size, but it has to do with other parameters of increasing and decreasing setbacks and size of housing and why a nice idea to limit. I would like to discuss workforce housing now.

Discussed what work force housing means. Kerr gave an overview of why we do not have it available suggested using city land, an agency, it's a problem I know has a solution, but I don't know what it is. Kerr said I would like to hear from Chet on options. Hayes added some has to do with density and ways to incentive density. Discussed setback, building heights, housing size and density bonuses. Chet said work force housing doesn't happen without some kind of subsidy. It will only happen with a market rate return on the investment. There is always significant subsidy. Chet gave overview of low-income tax credits adding that's why we are drawn to the home ownership model, giving an overview noting there is also a modest building limit which limits it to approx. 1,800 sq ft single family home. Free land is a huge need, giving an overview of deed restrictions and options of how it would work. Chet answered the councilor's questions giving an overview of how the applicant would own the home, but not the land and how that would work. Discussed mixed use and ownership models.

Took a break at 12:50 and reconvened at 1:09 pm.

Chet continued to answer the council's questions. Discussed vacancy tax. Chet noted options of running long term rentals as an incentive. Discussed rent models. Gave options of utilizing a couple spots at the RV Park for two pilot homes. Discussed HUD tables. Discussed the vacant properties in Cannon Beach. Chet gave an overview of the arch cape property status. Discussed options for utilizing a small part of the RV park. Discussed fair housing laws. Discussed the "affordable" requirements in a sale. Council thanked Chet. Council discussed the option of a pilot project using USDA funds.

Projects Continued

- TSP initial discussion (next steps, special meeting dates, materials needed, etc.)
 - For a quick link to the TSP, please click [here](#)

McCarthy said are we looking at grants or projects at this time, St. Denis replied not at this time. Kerr asked about the trail, adding that would have been the perfect application for the travel Oregon Grant, a discussion ensued regarding trails and their importance. Discussed the projects in the TSP. Discussed the back up on sunset.

- Parking initial discussion (next steps, special meeting dates, materials needed, etc.)

Hayes noted concerns of the Hemlock congestion when it comes to knowing where the parking lots are. Along with the RV Parking sign, add public parking as well. Discussed one-way option on Hemlock. Discussed parking issues. Discussed timed parking. Discussed parking options. Priorities 4 way at hemlock and first, 3 ways on hemlock sunset, traffic flow and striping downtown parking, Add priority list to staff report.

Set special meeting for TSP and Parking in February.

- Code Audit Progress

Knop said I am encouraged after last night's meeting. Kerr added I am glad about them forging ahead. They listened to the concerns. Knop asked about Keith not being at meeting, St., Denis replied Keith said he was not available the first few weeks of December. McCarthy said I feel like we finally got somewhere. Kerr added the next stage will be more difficult, this is just the reorganization, a discussion ensued.

Took break 2:48 pm. Reconvened at 2:54 pm

Zoning/Housing Continued to the 19th

- Zoning/Housing Size
- Short Term Rentals

Miscellaneous

- Facility Use Policy

Policy is for public meetings, discussed ORLA's use of the room. Hayes noted he attended the meeting, giving the overview. J Barrett noted revisions to be made to the form, such as the occupancy revision and logo. Kerr asked if want to limit to local nonprofits only, a discussion ensued. We will review in the future if there is an increase of use.

- Monthly status report revisions

Knop likes revisions made along the way. If we see obvious mistakes, please let staff know so they can correct.

- System Development Charges

Kerr I asked if we can use SDC charges for housing, St. Desis replied I checked with Doug and he said it can only be used for infrastructure. Discussed the history of the rates. Will look at cost of living increase and bring back to council for review.

- Additional Council Meetings Dates

Discussed, keep the same and continue using google forms.

- TLT/TAC next steps discussion, set dates for meetings and who should be invited

Discussed TAC members vacancies. Discussed TAF fund balance. St. Denis noted there are alternative use for funds, should council reallocate. Discussed optional use for TAF funds. Discussed if the state would change their regulations regarding use of TLT funds. Discussed Chamber getting TAF funds in addition to marketing contract funds. Discussed next steps. Discussed the information chamber provides. Discussed allocation of funds. Discussed using funds on restroom, or other items. Discussed using TLT for yearly operations for CBE. Will hold a special meeting on January 16th, requesting the following information: Chamber contract, TAF Guidelines, TLT budget laid out – revenue and how it was disbursed. General discussion with council first before including chamber and TAC. Request from the Chamber to include in packet the Marketing and information center budget (your entire budget).

- RV Park on the 19th

(2) Good of the Order

There was none.

ADJORNMENT

The meeting was adjourned at 4:01 p.m.

ATTEST:

Jennifer Barrett, Recorder

Barb Knop, Mayor