

CITY OF McMinnville
MINUTES OF CITY COUNCIL MEETING
Held via Zoom Video Conference and at the Kent L. Taylor Civic Hall on Gormley Plaza
McMinnville, Oregon

Tuesday, May 23, 2023 at 6:00 p.m.

Presiding: Remy Drabkin, Mayor

Recording Secretary: Claudia Cisneros

Councilors:	<u>Present</u>	<u>Absent</u>
	Adam Garvin, Council President (via Zoom)	
	Chris Chenoweth	
	Zack Geary	
	Kellie Menke (via Zoom)	
	Jessica Payne	Sal Peralta

Also present were City Recorder Claudia Cisneros, City Manager Jeff Towery, Interim City Attorney Walt Gowell, Public Works Director Anne Pagano, Senior Planner Tom Schauer, Training Division Chief Scott Law, Finance Director Jennifer Cuellar (via Zoom), Airport Administrator Willy Williamson (via Zoom), Wastewater Services Manager Leland Koester (via Zoom), Interim Land-use Attorney Bill Kabeiseman (via Zoom), and members of the News Media – Phil Guzzo, McMinnville Community Media and Scott Unger, *News-Register* (via zoom).

1. CALL TO ORDER: Mayor Drabkin called the meeting to order at 6:00 p.m. and welcomed all in attendance.

2. PLEDGE OF ALLEGIANCE

The Fire & EMS Department and Public Works Director Anne Pagano led the pledge of allegiance.

3. PROCLAMATION

3.a. National Emergency Medical Services Week Proclamation

Mayor Drabkin read the proclamation declaring the week of May 21-27, 2023 as National Emergency Medical Services Week.

3.b. National Public Works Week Proclamation

Mayor Drabkin read the proclamation declaring the week of May 21-27, 2023 as National Public Work Week.

4. PUBLIC HEARING

- 4.a. Consider **Ordinance No. 5134**: An Ordinance Amending Title 17 (Zoning) of the McMinnville Municipal Code and the Northeast Gateway Planned Development Overlay (Ordinance 4971) to Amend Standards for Short-Term Rentals, Approving the Decision, Findings, and Conclusionary Findings for Docket G 1-23, and Ending the Moratorium Enacted by Ordinance No. 5118 and Extended by Ordinance No. 5127.

Senior Planner Tom Schauer shared a PowerPoint presentation. Mr. Schauer went through the five sections of Ordinance No. 5134. Shared the amendments to the NE Gateway Overlay. He stated there was oral testimony at the 3/16 planning commission meeting, written testimony was included in the packet, there was no additional written testimony and only one person signed up to testify tonight. Went through the four major changes to the zoning ordinance. Shared a few map comparators of 200 feet vs 500 feet for short-term rentals. Went through some of the questions and comments received while going through this process.

Mayor Drabkin opened the public hearing.

Public Testimony:

Mark Davis, McMinnville Community member stated he's in favor of the ordinance and spoke in favor at Planning Commission. Stated in the staff report there were 63 short-term rentals which sounds like a small number, but this number is having an impact on affordable housing in the community. Gentrification in neighborhoods is also having an impact on affordable housing.

There was clarification on spacing standards for Bed and Breakfasts.

Jim Kreutzbender, McMinnville Community member lives by the Gateway District and is in support of the 500 ft distance and in support of the Ordinance. Shared his thoughts on the multiple short-term rentals around that area and hopes this Ordinance passes.

Mayor Drabkin closed the public hearing.

5. PRESENTATION

- 5.a. Visit McMinnville Annual Report Presentation

Jeff Knapp CEO/President and Kitri McGuire VP of Strategic Communications from Visit McMinnville shared an internal

communication video of the work they do. Mr. Knapp stated they work with Steve Halasz to get data and information about the state of the visitor economy. Shared a PowerPoint Presentation and introduced Steve Halasz, Founder & CEO of Blue Room Research. Mr. Halasz shared the Tourism trends they are seeing in McMinnville and around the country. Started with hotel stats for 2021, 2022, and Q1 of 2023. Then shared data on short-term rentals then shared the consumer sentiment data. Mr. Knapp went over the fiscal year 2023 recap. Kitri McGuire provided an update about marketing and communications accomplishments from last year and priorities for fiscal year 2024. Mr. Knapp went over the FY24 proposed budget which is a 10.5% increase from FY23 and shared the four category breakdowns of the funding.

Councilor Chenoweth MOVED to approve Visit McMinnville's budget and work plan; SECONDED by Councilor Menke. Motion PASSED unanimously 5-0.

6. INVITATION TO CITIZENS FOR PUBLIC COMMENT: Mayor Drabkin invited the public to comment.

City Recorder Claudia Cisneros, stated Mark Davis submitted a letter to Council and will be made part of the record tomorrow.

Mark Davis, McMinnville Community Member, commented on the thoroughness the Budget Committee and Council put into the Budget process. Requesting the same consideration for long-term capital needs in the community. Would like to see a realistic assessment of City funding for some of the big ideas so they can be prioritized.

7. ADVICE/ INFORMATION ITEMS

- 7.a. Reports from Councilors on Committee & Board Assignments

Councilor Geary had nothing to report.

Councilor Chenoweth said MEVLC did not meet, and Parkway Committee met and looked at the budget forecast with a strongly focusing on funding for McDougall.

Councilor Payne reported Landscape review met last week and approved several street tree removal permits and had a conversation about how a lot of McMinnville homeowners do not know they need to obtain a permit to remove street trees.

Councilor Menke said attended the Willamette Valley Homelessness Conference in Salem with lots of interesting ideas presented. Also attended

the Fox Ridge Road discussion. Affordable Housing is meeting tomorrow with Katie Curry reporting on the restricted property used within Habitat for Humanity. YCAP Finance Committee met and discussed the budget and having their Board Retreat on June 22nd in Grand Ronde.

Council President Garvin stated Airport Commission hasn't met, YCOM's meeting from today was moved to June 13th and go over the budget process and adopt the Budget on June 20th. The Fire District passed via voters on May 16th waiting for the certified election results.

Mayor Drabkin reminded all of the Community Fair on Thursday, May 25th from 4:00pm to 7:00pm.

7.b.

Department Head Reports

City Manager Jeff Towery had nothing to report.

Interim City Attorney Walt Gowell had nothing to report.

Senior Planner Tom Schauer had nothing to report.

Public Works Director Anne Pagano had nothing to report.

City Recorder Claudia Cisneros reiterated what the Mayor stated about the Community Fair State of the City Address for Thursday.

Finance Director Jennifer Cuellar had nothing to report.

8.

CONSENT AGENDA

a. Consider the request from Violet Vines LLC for Winery Primary Location, OLCC Liquor License located at 1245 NE Alpha Drive Unit 2C.

b. Consider the request from Violet Vines LLC for Winery Primary Location, OLCC Liquor License located at 1245 NE Alpha Drive Unit 4E.

c. Consider **Resolution No. 2023-28**: A Resolution appointing a volunteer to the Planning Commission.

d. Consider the request from Village for a New outlet – Off-premises, OLCC Liquor License located at 615 NE Lafayette Ave Suite B.

Mayor Drabkin requested to remove agenda Item c.

Councilor Payne MOVED to adopt the consent agenda except for Item c.; SECONDED by Councilor Geary. Motion PASSED unanimously 5-0.

8. ITEMS REMOVED FROM THE CONSENT AGENDA

- 8.a. Consider **Resolution No. 2023-28**: A Resolution appointing a volunteer to the Planning Commission.

Senior Planner Tom Schauer stated had a vacancy on the Planning Commission and went through the interview process and are recommending Elena Madrek.

Councilor Geary MOVED to approve Resolution No. 2023-28, appointing a volunteer to the Planning Commission; SECONDED by Councilor Payne. Motion PASSED unanimously 5-0.

9. RESOLUTIONS

- 9.a. Consider Resolution No. **2023-27**: A Resolution establishing revised sanitary sewer user fees; and repealing Resolution 2019-35 and 2022-20.

Public Works Director Anne Pagano introduced the topic and is requesting to a 3.5% sewer rate increase effective July 1st, 2023. Rates have not increased since July 1st, 2019. Consultant Deb Gallardi reviewed the financial plan and CIP and recommended the rate increase.

Councilor Geary MOVED to approve Resolution No. 2023-27, establishing revised sanitary sewer user fees; and repealing Resolution 2019-35 and 2022-20; SECONDED by Councilor Menke. Motion PASSED unanimously 5-0.

- 9.b. Consider Resolution No. **2023-29**: A Resolution adopting a supplemental budget for fiscal year 2022-2023 and making supplemental appropriations and Contingency Transfers.

Finance Director Cuellar said to enact a supplemental budget for the current fiscal year. Proposing the four funds to increase appropriations which are: Administration Fund increased by \$80,000 for legal support, Finance Department increase by \$10,000 for the not expected cost of printing, publications for the Budget process, Park Maintenance through ARPA already approved to purchase equipment and vehicles requesting increase by \$55,000 from already approved ARPA funds. Non-Departmental increase by \$95,00 for city services billing fees and one-time implementation costs. Transient Lodging Tax Fund increase of \$30,000. Affordable Housing Funds changing a category of funding, the fund will reimburse the general fund for \$94,000 for support services cost and direct programming support. Transferring \$10,500 for administrative support for

Construction Excise Tax support. Wastewater services fund of \$40,000 for billing services charges. Detailed out in Resolution as well.

Councilor Menke MOVED to approve Resolution No. 2023-29, adopting a supplemental budget for fiscal year 2022-2023 and making supplemental appropriations and Contingency Transfers; SECONDED by Councilor Geary. Motion PASSED unanimously 5-0.

- 9.c. Consider Resolution No. **2023-24**: A Resolution of the City of McMinnville Approving a Collection Rate Increase Not to Exceed 4% for Recology Inc.

Ms. Cuellar is following up with the information requested from the Council from the previous Council meeting. Still looking for a 4% increase for Recology for solid waste collection.

There was discussion regarding a timeline from Recology about going to a scale-based system than the square foot-based system currently in place.

Councilor Menke, MOVED to approve Resolution No. 2023-24, Approving a Collection Rate Increase Not to Exceed 4% for Recology Inc; SECONDED by Councilor Chenoweth. Motion PASSED 4-1 with Councilor Geary opposed.

- 9.d. Consider Resolution No. **2023-31**: A Resolution approving the award of a Professional Services Contract to Century West Engineering Airport Master Plan Update, Project 2022 - 10.

Ms. Pagano stated the McMinnville Municipal Airport is due for an update to the airport master plan. They received only one proposal request from Century West and met all the requirements of the proposal. Most of the funding will be from FAA Grant and the estimated City share is \$26,000 from the airport fund.

Council President Garvin MOVED to approve Resolution No. 2023-31, approving the award of a Professional Services Contract to Century West Engineering Airport Master Plan Update, Project 2022 - 10; SECONDED by Councilor Payne. Motion PASSED unanimously 5-0.

10. ORDINANCES

- 10.a. Consider the first reading with a possible second reading of **Ordinance No. 5134**: An Ordinance Amending Title 17 (Zoning) of the McMinnville Municipal Code and the Northeast Gateway Planned Development Overlay (Ordinance 4971) to Amend Standards for Short-Term Rentals, Approving the Decision, Findings, and Conclusionary Findings for Docket G 1-23, and

Ending the Moratorium Enacted by Ordinance No. 5118 and Extended by Ordinance No. 5127.

Mayor Drabkin asked if any Councilor needed to declare any conflict of interest or recuse themselves. There was none.

No Councilor present requested that the Ordinance be read in full.

Interim Land-Use Attorney Bill Kabeiseman read by title only Ordinance No. 5134.

There was a discussion on the consideration of state or local residency requirements to strengthen short-term rental permits. Additionally adding a cap on short-term rentals or adding an operator license fee. Had discussion regarding bed and breakfasts.

Councilor Menke MOVED to pass Ordinance No. 5134 to a second reading; SECONDED by Councilor Geary Motion PASSED with dissent 3-2 by the following vote:

*Aye – Councilors Geary, Menke, and Peralta
Nay – Councilor Chenoweth and Garvin*

The second reading will be brought back on June 13, 2023 with an emergency clause before the moratorium expires.

11. ADJOURNMENT: Mayor Drabkin adjourned the meeting at 8:39 p.m.

Claudia Cisneros
Claudia Cisneros, City Recorder