

The City Council for the City of Junction City, met for a regular session and work session at 6:30 p.m. on Tuesday, July 24, 2018, in the Council Chambers of City Hall, 680 Greenwood Street, Junction City, Oregon.

**PRESENT:** Mayor, Mark Crenshaw, Councilors Kara McDaniel, Robert Stott, Jack Sumner, John Gambee, Dale Rowe, and Bill DiMarco; City Administrator, Jason Knope; City Planner, Jordan Cogburn; and City Recorder, Kitty Vodrup.

## REGULAR SESSION

### 1. Call to Order and Pledge of Allegiance

Mayor Crenshaw called the meeting to order at 6:30 p.m. and led the Pledge of Allegiance.

### 2. Changes to the Agenda.

None.

### 3. Northwest Code Professionals Building Services Contract

Administrator Knope presented the contract for Northwest Code Professionals to provide backup plan review and inspection services for the City of Junction City.

**MOTION:** Councilor Sumner made a motion to approve the contract with Northwest Code Professionals and authorize the City Administrator to sign the necessary documents. The motion was seconded by Councilor Stott and passed by unanimous vote of the Council.

### 4. Farmers Market Follow up

Planner Cogburn presented the request by Mr. Keith Perkins to start a Community Market in the Nazarene Church parking lot once a month for three months beginning in August. If all goes well, they would consider holding the market next year from March/April through October.

The property was zoned R4, Multi-Structural Residential, which did not allow for such a use; however, Mr. Perkins could apply for a Temporary Use Permit (TUP) that would go through the Planning Commission and include a \$650 fee that could not be waived. Veneta approved their Farmer's Market through a TUP, with \$350 for the permit, \$350 for technical review/noticing, and a \$200 annual renewal fee. Albany approved their Farmer's Market via a contract with the City.

It was asked if Rural Tourism and Marketing Program dollars could be used to pay the \$650 fee, and Administrator Knope responded that those funds had restricted uses and a longer process for approval; however, two other possibilities could be from Economic Development in the Revolving Loan Fund or State Shared Revenue.

In response to a question on how the City had processed prior Farmer's Markets, Recorder Vodrup stated that the Water Tower Market had been approved through the Temporary Use Permit process; however, the Planning Commission had then requested that future requests be processed through the Special Event process. So next time the Farmers Market submitted a request, which was to use the property close to the Masonic Lodge, it was processed as a Special Event. Currently, there were no fees to obtain a Special Event permit.

After discussion, the Council consensus was to expedite the process by allowing this 3 month request to be approved through a Special Event process and giving staff the authority to create and approve the special event conditions. Future requests and the process for approval would be evaluated and discussed at a later time.

Mr. Perkins expressed his appreciation and distributed a Community Market flyer.

### 5. Revolving Loan Fund Program

Planner Cogburn stated that the Revolving Loan Fund Committee had prepared some amendments to the Revolving Loan Fund (RLF) Criteria, for Council consideration. Two options were presented: Option 1 for loans to be made to businesses within the City limits and Option 2 for loans to be made to businesses within the City's Urban Growth Boundary (UGB).

The Council reviewed the RLF Criteria and amendments:

- Committee Membership: Expand RLF Committee membership from three members and one alternate to five members - one being a City Councilor or the Mayor, three financial industry professionals, and one member of the public at large.
- Loans to Businesses within City limits (Option1) or UGB (Option 2): The following was noted:
  - A majority of manufacturing would be within the UGB area.
  - Even though businesses in the UGB would not pay City taxes, it would still be a value to Junction City through job creation and overall commerce.
  - Façade loans were originally set up to assist the downtown businesses.
  - The interest on a loan outside of the UGB could generate more revenue than the property tax dollars received.

**MOTION:** Councilor Rowe made a motion to proceed with Option 2: Resolution No. 1 Exhibit A Loans to Businesses within the Urban Growth Boundary of Junction City. The motion was seconded by Councilor McDaniel and passed by a vote of 4 to 2, with Councilors McDaniel, Stott, Gambee, and Rowe in favor and Councilors Sumner and DiMarco against.

- Language under 1(D)(5):
  - It was suggested that the last sentence be removed under 1(D)(5) Other Economic Objectives/Benefits – Elements which would receive considerations in the selection of the loans for the RLF program, as it could bring up issues of reverse discrimination and was already covered under Fair Lending. The sentence read, “Significant opportunities for the development and/or expansion of minority or female owned and operated small business concerns.”
  - It was noted that if it were later determined that there was a need to add comparable language in the criteria, the Council could amend.

**MOTION:** Councilor Rowe made a motion to strike the last sentence in (1)(D)(5) under Other Economic Objectives/Benefits. The motion was seconded by Councilor Sumner and passed by a vote of 4 to 2, with Councilors Stott, Sumner, Gambee, and Rowe voting in favor and Councilors McDaniel and DiMarco voting against.

- 1(E)(7) Use of Interest and Fees from Activity.
  - A minimum of \$1,000,000 (increase from \$800,000) would be preserved in the RLF, as either outstanding loans or cash available for lending.
  - Added language, “The Asset Allocation Limit shall be set at 10% for Façade Grants, 20% for Microloans, and 70% for Small Business Development Loans.”
  - The RLF Committee would do an annual review and could make recommendations to the Council on changing allocation amounts, to promote use of the funds.
- Façade Grants: The reference to Façade Loans was changed to Façade Grants.
  - The RLF Committee would be bringing back Façade Grant guidelines/process to the Council at a future date.
  - It was noted that Façade Program dollars were replenished through a percentage of the RLF interest in the annual budget process, and RLF Committee might want to consider changing the allocation to match the budgeted amount.
- RLF Loans
  - There were two loan types within the RLF:
    - Standard Small Business Development Loans: \$25,000 to \$200,000
    - Microloans: \$2,500 to \$25,000.
- 1(E)(3) last sentence should be updated to align with the Council’s choice to provide loans within the UGB and read, “Additionally, the remaining loan balance will be called and shall be paid for in full upon the relocation of the business outside of the Junction City Urban Growth Boundary.”

A. Resolution No. 1 – A Resolution Amending the Business Development Loan Revolving Loan Fund Criteria.

**MOTION:** Councilor Rowe made a motion to approve Resolution No. 1, selecting amended Option No. 2 as Exhibit A. The motion was seconded by Councilor McDaniel and passed by a vote of 5 to 1, with Councilors McDaniel, Stott, Gambee, Rowe, and DiMarco voting in favor and Councilor Sumner voting against.

**6. Other Business**

Councilor Gambee asked if the trains that come through Junction City had a contract with the City. He added that he had received citizen complaints on the train horns. Administrator Knope responded that there were no contract agreements, as the trains were federally regulated. Mayor Crenshaw noted that there had been a number of train/pedestrian fatalities in Junction City over the years, and the trains using their warning devices was necessary to minimize those incidents.

**7. Adjournment**

Regular Session was adjourned at 8:08 p.m.

**WORK SESSION**

**1. Call to Order**

Mayor Crenshaw called the Work Session to order at 8:08 p.m.

**2. League of Oregon Cities Legislative Agenda Survey**

Mayor Crenshaw reviewed that the League of Oregon Cities had asked each City to select their top four priorities for the League to focus on for the 2019 legislative session. After discussion, the Council selected:

- PERS Unfunded Liability Revenue Stream Dedication
- Property Tax Reform
- Qualification Based Section (QBS)
- Safe Routes to School Match.

**3. Adjournment**

The Work Session was adjourned at 8:37 p.m.

ATTEST:

APPROVED:

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Kitty Vodrup, City Recorder

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Mark Crenshaw, Mayor