

WORKSHOP MEETING MINUTES
SISTERS CITY COUNCIL
520 E. CASCADE AVENUE
FEBRUARY 18, 2016

MEMBERS PRESENT:

Chris Frye Mayor
David Asson Councilor
Nancy Connolly Councilor
Amy Burgstahler Councilor

ABSENT:

Andrea Blum Councilor

GUESTS:

Chuck Ryan Forgivable Loan Due Diligence Committee
Bill Hall Forgivable Loan Due Diligence Committee
Bill Kuhn Forgivable Loan Due Diligence Committee
Caprielle Lewis Sisters Economic Development Manager

STAFF PRESENT:

Andrew Gorayeb City Manager
Patrick Davenport CD Director
Joe O'Neill Finance Officer
Joe O'Neill Finance Officer
Kathy Nelson City Recorder

ABSENT:

Paul Bertagna PW Director

The meeting was called to order by Mayor Frye at 8:00 a.m.

1. Forgivable Loan Program Parameters

The **Council** and **Forgivable Loan Due Diligence Committee** discussed the purpose of the forgivable loan program. It was stated that although the forgivable loan program memorandum of understanding (MOU) between the City and Economic Development of Central Oregon (EDCO) cited job creation as the primary function, the retention of businesses and jobs was also an important component of continued economic development success. **Manager Gorayeb** stated the MOU had purposely been written in order to provide ultimate flexibility. **Councilor Burgstahler** suggested the Council could consider implementing a tiered approach to forgivable loans with primary funding going to job creation and job retention considered for secondary funding. **Manager Gorayeb** reiterated that the parameters being set were for future applications to the forgivable loans and not the loan applications currently in process. **Economic Development Manager Lewis** stated that a cookie cutter approach could not be used with any of the loan applications as each situation was unique to the company involved.

There was discussion on the eight questions presented to determine what the parameters for the forgivable loans should be.

1. The commencement date for the Forgivable Loan Program was set at July 10, 2015.
2. An eligible job for the purposes of the program should be a job created within or transferred (relocation) to the City of Sisters after the submittal of a loan application.
3. The minimum number of eligible jobs per application will be set at five, with jobs #1 through #4 counting but only eligible for funding after the fifth job is created.
4. The maximum allowable time period allowed for the creation or transfer of eligible jobs will be three years.
5. The retention period would begin as soon as all eligible jobs have been created. A suggested table for determining allowable funding per new job created was distributed that

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- based funding on the return of investment (ROI) and total score from the balanced scoresheet for the company from the due diligence committee.
6. No maximum amount of funding per recipient will be set as each application will be considered on a case-by-case basis.
 7. The job retention period will be three years.
 8. The loan program is available only to firms currently operating in Sisters.

Mayor Frye suggested the discussion relating to options for rolling out the forgivable loan program parameter clarifications be discussed after the Executive Session concluded and the workshop reconvened.

Mayor Frye called for a break in the workshop to convene the executive session at 8:53 a.m.

Council President Connolly reconvened the workshop at 9:47 a.m.

Mr. Hall discussed an additional handout relating to the retention period issues needing resolution along with wording on the retention period requirement qualifications wording to address those issues. The **Council** chose to take some time to review the document and continue the discussion with the due diligence committee at a future workshop.

2. Preview February 25, 2016 Workshop and Regular Meeting

Council President Connolly previewed the February 25th workshop and regular meeting agenda. She questioned whether the City Council should wait to vote on the item to increase the City of Sisters transient room tax to 8.99 percent until after the Affordable Housing Policy Board had completed its work and provided its recommendation to the Council. **Manager Gorayeb** replied the issue of whether to raise the transient room tax was more of a Council policy decision and not within the purview of the Affordable Housing Policy Board. He stated the funding structure was a Council decision and how to use that funding would be recommended by the policy board. **Director Davenport** agreed, stating the advisory board would be making recommendations related to affordable and work force housing. He stated an ordinance would be coming to the Council in March. **Councilor Connolly** asked for an update on the housing needs analysis. **Director Davenport** reported that since the Council had reviewed Chapter 4, staff was still reviewing the document. **Manager Gorayeb** reported staff had met with the Department of Land Conservation and Development (DLCD) to discuss the document.

3. Other Business

- **Manager Gorayeb** reported on an update to the City's website to separate disaster preparedness/public safety into two separate listings. He stated additional information on disaster preparedness was being linked to the City's website.
- **Director Davenport** reported the City Parks Advisory Board (CPAB) had met and voted to approve the updated City Parks Master Plan. He stated the plan would be coming to the

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Council for adoption first and then park system development charges (SDC's) would be reviewed, adjusted as needed and adopted at a later time.

- **Director Davenport** reported on a grant opportunity from the Oregon Parks and Recreation Department (OPRD) the City would be applying for. He stated staff had determined it would apply for a grant for Creekside Overnight Park to bring the park into Americans with Disabilities (ADA) compliance, make restroom improvements and add a dishwashing station. He stated staff felt since the overnight park was revenue generating, it made sense to try and receive funding for the project as the revenue generated could be used towards other improvement projects. **Manager Gorayeb** added that staff would search for other grant opportunities to build restrooms for Clemens Park.

The meeting was adjourned at 10:08 a.m.


Kathy Nelson, City Recorder


Chris Frye, Mayor