



LEBANON CITY COUNCIL REGULAR MEETING AND EXECUTIVE SESSION MINUTES

January 08, 2025 at 6:00 PM

Santiam Travel Station – 750 3rd Street, Lebanon, Oregon

MISSION STATEMENT

*We provide services that foster a resilient, safe, and growing community,
strengthened by our community connections*

Mayor: Kenneth Jackola

Council President Michelle Steinhebel | Councilor Dominic Conti | Councilor Carl Mann

Councilor Jeremy Salvage | Councilor David M. McClain | Councilor Dave Workman

6:00 PM – CITY COUNCIL REGULAR SESSION

CALL TO ORDER / FLAG SALUTE

The meeting was Called to Order at 6:00 PM.

SWEARING-IN AND OATH OF OFFICE (NEWLY ELECTED OFFICIALS)

City Attorney Tre Kennedy Swore In the newly elected City Councilors and Mayor. After the ceremony, there was a brief break to allow for photos.

ROLL CALL

PRESENT

Mayor Kenneth Jackola
Councilor - Ward 1 Dominic Conti
Councilor - Ward 1 Carl Mann
Councilor - Ward 2 David M. McClain
Councilor - Ward 2 Dave Workman
Councilor - Ward 3 Jeremy Salvage
Council President - Ward 3 Michelle Steinhebel

STAFF

City Manager Ron Whitlatch
Finance Director Brandon Neish
Community Development Director Kelly Hart (online)
City Attorney Tre Kennedy
Police Chief Frank Stevenson
IT Director Brent Hurst

ELECT COUNCIL PRESIDENT

Motion made to nominate Councilor Steinhebel for President Pro Tem by Councilor - Ward 3 Salvage,
Seconded by Councilor - Ward 1 Mann.

Voting Yea: Councilor - Ward 1 Conti, Councilor - Ward 1 Mann, Councilor - Ward 2 McClain, Councilor
- Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

CONSENT CALENDAR

The following item(s) are considered routine and will be enacted by one motion. There will not be a separate discussion of these items unless a Councilor so requests. In this case, the item(s) will be removed from the Consent Calendar and considered separately.

The Approval to Award North Santiam Highway Waterline Extension Project was pulled from the Consent Agenda.

Motion made to approve the Consent Agenda with the removal of the Approval to Award by Councilor - Ward 3 Salvage, Seconded by Council President - Ward 3 Steinhebel.

Voting Yea: Councilor - Ward 1 Conti, Councilor - Ward 1 Mann, Councilor - Ward 2 McClain, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

1. **AGENDA:** Lebanon City Council Agenda – January 8, 2025
2. **APPROVAL TO AWARD:** *North Santiam Highway Waterline Extension Project*
3. **BOARD MINUTES:**
Library Advisory Committee - August 13, 2024
Planning Commission - May 15 & October 16, 2024
4. **COUNCIL MINUTES:** *2024-12-11 City Council Regular Meeting and Executive Session Minutes*

PRESENTATION / RECOGNITION

There were no presentations.

PUBLIC COMMENTS

Linda Ziedrich spoke to the council with objection to the Santiam Travel Station being sold. Ms. Ziedrich feels the historic building should remain public property so it will be maintained.

PUBLIC HEARING(S)

5. Ordinance Bill No. 2025-01, Ordinance No. 3032 - A Bill for an Ordinance Amending the Lebanon Comprehensive Plan Map and Zoning Map Designation to Establish the Residential Mixed Density (C-RM) Designation and Residential High Density (Z-RH) Zoning for the 0.91 Acre Block including Parcels: 12S-02W-11CD, Tax Lots 5600, 5601, 5700, 5800, and 5900 File CPMA-24-01, ZMA-24-01

The Public Hearing was opened at 6:11 PM.

City Attorney Tre Kennedy read the Public Hearing process.

Mayor Jackola asked if there was any Ex-parte, bias, or Conflict of Interest. There was none. Mayor Jackola asked if anyone in the audience objected to the notices sent. There was none.

Community Development Director Kelly Hart presented the staff report. It was reported that the zoning change requested by the applicant would affect additional properties as it is more efficient to update a block as opposed to single parcel by single parcel. All affected property owners have signed agreements. The Residential High Density Zoning updates would match the Comprehensive Plan for the properties. The applicant desires to add living space above the garage. No other development has been identified or requested. The Planning Commission held a Public Hearing on December 18, 2024 and recommended approval.

Udell Engineering Land Use Planner Laura Laroque and the applicants were available for questions.

Mayor Jackola asked if there was any testimony in favor, neutral, or in opposition. There was none.

The Public Hearing was closed at 6:22 PM.

City Attorney Tre Kennedy read the Ordinance by Title.

Motion made to approve the application and Ordinance Bill No. 2025-01, Ordinance No. 3032 by Councilor - Ward 2 Workman, Seconded by Councilor - Ward 3 Salvage.

Voting Yea: Councilor - Ward 1 Conti, Councilor - Ward 1 Mann, Councilor - Ward 2 McClain, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage, Council President - Ward 3 Steinhebel

REGULAR SESSION

6. Ordinance Bill No. 2024-15, Ordinance No. 3031 - A Bill for an Ordinance Adopting the Provisions of Oregon Revised Statutes (ORS) Sections 307.540 to 307.548, Regarding Non-Profit Corporation Low-Income Housing.

Community Development Director Kelly Hart presented the Council with the request to adopt provision of ORS Sections 307.540 to 307.548 regarding Non-Profit Corporation Low Income Housing. The request was brought before Council in January 2024 and has been presented several times since. The request would allow a tax exemption for non-profits who meet the criteria with two known potential eligible properties that could affect the General Fund by an estimated \$12,600 per year. A third property would be eligible for the exemption but currently takes advantage of a different exemption program. Staff does not anticipate this program would be utilized much. The same program in Albany has only been used 9 times since 1993. There would be a very specific set of criteria for a property to meet the eligibility for the program. This would be an annual Administrative Review for each property.

Finance Director Neish reported that he was asked what a long-term revenue impact this could have on the General Fund. He estimated over 20 years, with only the three properties identified, the General Fund would see a revenue loss at \$350,000.

Councilor Steinhebel spoke in favor of the ordinance. She noted the services to the community that Crossroad provides in addition to the provision of low-income housing.

Councilor McClain was opposed to the ordinance and voiced concerns of the long-term impacts to the General Fund.

Councilor Salvage stated that he has been undecided during the previous discussions, at one point favoring approval, however after hearing all of the discussion he now is opposed to the ordinance at this time.

Motion made to approve Ordinance Bill No. 2024-15, Ordinance No. 3031 by Council President - Ward 3 Steinhebel, Seconded by Councilor - Ward 1 Mann.

Voting Yea: Councilor - Ward 1 Mann, Council President - Ward 3 Steinhebel

Voting Nay: Councilor - Ward 1 Conti, Councilor - Ward 2 McClain, Councilor - Ward 2 Workman, Councilor - Ward 3 Salvage

The Ordinance Failed.

7. FY2024 Year End and FY2025 Financial Update

Finance Director Neish presented the FY2024 Year End and FY2025 Financial update. Finance Director Neish stated that the Council will receive an update twice a year as best practice as well as a recommendation from auditors. Included in the update was a list of checks and expenditures, which will become part of the monthly directors' report.

2024 TY generated 40 million across all funds and 37 million in expenditures. Interest earnings were higher than budgeted. Total expenditures were 35% less than budgeted mostly due to capital projects that were not completed. The General Fund has been on a deficit path seeing -\$120,000.00 overall. The City has tried to mitigate the deficit issue.

2025 FY (through November 2024) so far as seen 16.4 million in new revenue and just under 13 million in expenditures. Property taxes are expected to fall slightly lower than budgeted and will be monitored closely. Intergovernmental funds are down including state liquor tax at a 50% decrease and research by staff has shown this is a nationwide decrease. Interest earnings are still high but are falling. The General Fund has not moved in a positive direction yet, but certainly the City Services Fee should help. City staff continue to be diligent to watch expenditures.

The first Budget Committee meeting should occur in April with following meetings in May and Council adoption in June. There will be some Budget Committee training scheduled in late February or early March.

8. Department Report

City Manager Whitlatch highlighted a few items from the Department Reports. An update on the city-wide phone lines was given by IT Director Hurst. 911 and a line to police dispatch is working. Staff is working to mitigate the effects. City Manager Whitlatch updated the Council on DEQ violations from 2022 at the Wastewater Treatment Plant. An update on Ziplly Fiber complaints was given.

ITEMS FROM COUNCIL

Councilor Workman stated if the past City Councilors are watching the meeting, he did not have a chance to thank them for their service. He also welcomed the newly elected Councilors.

9. Cascades West Area Commission on Transportation Representative

Councilor Steinhebel reported that her term on the Cascades West Council Area on Transportation has expired and she is hoping another Council member would be interested in taking that position. Councilor Conti volunteered to serve as the liaison for Lebanon City Council.

PUBLIC/PRESS COMMENTS

There were no comments from the press or citizens.

NEXT SCHEDULED COUNCIL MEETING(S):

January 22, 2025, Ethics Training at Noon at the Lebanon Public Library

February 12, 2025, Regular City Council Meeting at 6:00 PM

EXECUTIVE SESSION

Executive Sessions are closed to the public due to the highly confidential nature of the subject. It is unlawful to discuss anything outside of the Executive Session. Final action/decisions are to be made in open session.

The City Attorney read the Executive Session Announcements. There was no official Council action during the Executive Sessions.

10. Per ORS 192.660(2)(e) to conduct deliberations with persons designated by the governing body to negotiate real property transactions.

11. Per ORS 192.660(2)(h) to consult with legal counsel concerning legal rights and duties of the Council regarding current litigation or litigation likely to be filed.

REGULAR SESSION

Council may reconvene into open session should action be required.

ADJOURNMENT

The meeting adjourned.