



# City of Rockaway Beach

## City Council Workshop Minutes

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**Date:** Wednesday, May 8, 2024  
**Time:** 4:30 P.M. – 5:40 P.M.  
**Location:** Rockaway Beach City Hall, 276 HWY 101 – 2<sup>nd</sup> Floor Conference Room

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### 1. CALL TO ORDER

Mayor McNeilly called the meeting to order at 4:30 p.m.

### 2. ROLL CALL

Start time: 04:30 PM

Mayor - Charles McNeilly: Present  
Position #3 - Kristine Hayes: Present  
Position #4 - Alesia Franken: Present  
Position #1 - Mary McGinnis: Present  
Position #5 - Penelope Cheek: Present  
Position #2 - Tom Martine: Present

**Staff Present:** Luke Shepard, City Manager; and Melissa Thompson, City Recorder

### 3. COUNCIL BRIEFING/DISCUSSION

McNeilly announced an update to his plans for the monthly Coffee with Manager and Mayor meetings. He explained that he began the monthly Coffee with Manager and Mayor meetings because he believed that there was not enough opportunity for community members to engage with the city government in an informal way and indirectly provide input to the City Council. McNeilly noted that the City Councilors already had access to himself and the City Manager and there was no need for an additional opportunity to express their ideas and concerns to them. McNeilly indicated that therefore going forward the Coffee with Manager and Mayor would be off limits to City Councilors. McGinnis and Cheek expressed their understanding. Hayes expressed confusion and concern about the meeting notes. McNeilly indicated that he was comfortable with his meeting notes, noting that they were reviewed by Shepard.

#### a. Review of Granicus Short-Term Rental (STR) Software

Start time: 4:33:15 PM

Shepard explained that the Granicus presentation would be moved to the June meeting. At the request of McGinnis, Shepard explained some benefits of the software and outsourcing STR management. Cheek and McNeilly commented on the benefits of compliance monitoring. Franken commented that it would be beneficial to obtain occupancy data. Shepard explained that the full platform would take twelve months to implement, but staff expected that July

renewals could be completed using Granicus online forms. He confirmed that data would be reported to the Planning Department, and estimated the annual platform cost at \$25,000-30,000.

**b. Review of Updated Employee Handbook**

Start time: [04:39:37 PM \(00:08:42\)](#)

Shepard explained that the auditors had recommended a cap on vacation accrual payout, which prompted an update to the Employee Handbook. Shepard referred the Council to the Staff Report providing an overview of the Handbook updates, and answered clarifying questions for the Council. At the request of McGinnis, Shepard explained a typical employee orientation process.

**c. Tillamook County Multi-Jurisdictional Natural Hazards Mitigation Plan**

Staff Report: [04:47:25 PM \(00:16:31\)](#)

Shepard explained that Tillamook County Multi-Jurisdictional Natural Hazards Mitigation Plan discusses the potential natural hazards within the County and various means to mitigate them. He explained that the plan is updated every five years and that the City needed to be a signatory on the updated plan in order to be eligible for hazard mitigation project grant funding.

**d. Façade Improvement Grant – What projects are eligible?**

Start time: [05:11:42 PM \(00:40:48\)](#)

Shepard provided background, noting that the recent requests for Community Grant funding outweighed the available funds. Shepard explained that the Façade Grant criteria didn't make it a great match for non-profits, and the Budget Committee recently increased funds for the Community Grant, which could fund non-profit requests. Shepard shared a slide showing the state criteria for using the Façade Grant funds for tourism-related facilities. Hayes commented that funds remained for the Façade Improvement Grant and that twice in two other meetings the Council had talked about opening it back up to the businesses that could apply, and there was a consensus three times. Shepard stated that the Façade Grant could be opened back up. McGinnis and McNeilly agreed that the Façade Grant could be opened to businesses only. Franken commented that she thought the argument was that the Façade Grant funds be used for the Community Grant. Hayes argued that the Chamber is a visitor's center, half the people at corned beef at the Lion's Club are visitors, and the Hope Chest could never survive if it was just people who lived in Rockaway that visited. McNeilly stated that the Lion's Club's substantial purpose was not for supporting tourism, and that was the law. McNeilly said it was a community organization to support the community, and in his opinion they did not qualify. Hayes disagreed. McNeilly expressed support for funding the Lion's Club with the Community Grant. McGinnis agreed, stating that was why the Community Grant was increased. McGinnis explained that she initially supported opening the Façade Grant to non-profits, but had since learned more about the state statutes restricting the use of funds to tourist-related facilities, and did not want to jeopardize the City's future use of the funds.

McGinnis noted that there were other options for non-profits. Shepard commented that there was plenty of money to go around to all of the businesses and non-profits, and the Community Grant was well funded. He added that the benefit of the Community Grant was that it was not a reimbursement grant, and funds were received up front. Hayes suggested that the only business that met the state criteria highlighted on the slide was the Chamber. McNeilly disagreed, and noted that item (b) in the definition included “has a substantial purpose of supporting tourism or accommodating tourist activities.” McNeilly stated that all of the businesses in the commercial district had a substantial purpose of supporting tourism. McGinnis noted that in the 501(c)(6) mandate for chambers, tourism-related facilities are not considered, and chambers are supposed to work for the benefit of their paid membership. McGinnis explained she wanted to ensure that the Chamber didn’t get short-shifted. Hayes explained that the Chamber also has a charitable arm and has both statuses. Considering that, McGinnis recommended the Community Grant for the Chamber and advocated for letting the businesses benefit from the Façade Grant, reiterating the Community Grant was increased to accommodate the others.

There was discussion regarding grant funds in the next fiscal year’s proposed budget. It was noted that the Planning Commission was working on updates to the Community Grant criteria. Shepard noted the fastest it could be adopted was July. McNeilly suggested the Planning Commission review the Façade Improvement Grant next. McGinnis expressed concerns about making changes to criteria now with respect to non-profits. There was discussion regarding clarifying criteria and processes for all three grants (Façade Improvement, Off-Season Marketing and Community). McGinnis suggested that each applicant do a short presentation. Hayes suggested an exception and appeal process. After further discussion, McNeilly summarized his understanding that there was consensus to have the Planning Commission make recommendations for the Community Grant and approve it at the July meeting, and not reopen the Façade Grant now, but ask the Planning Commission to look at that second. Hayes said she thought we were reopening the Façade Grant now and there were funds remaining. McNeilly said the remaining funds would roll over to next fiscal year. Hayes disagreed. She said we agreed three times and she had been trying to get the money to cycle back for four years. McNeilly expressed concern about opening a program that they’d decided had flaws and needed to be reworked. McNeilly stated he felt strongly that the Planning Commission do their thing and then bring it back to the City Council to approve it. Cheek wondered if those such as the Hope Chest could be given a boost since they had already applied. It was noted that the Hope Chest would qualify under the Community Grant rather than the Façade Grant. Franken noted that the Hope Chest had already been awarded some funds. Hayes stated that the Chamber had already started working on a Façade Grant application because they thought it would reopen, and they needed new gutters. Hayes said she didn’t understand why they all kept making a decision and then had to hash it out again. Franken stated that it was discussed, but nothing was finalized. McGinnis stated the Council can’t vote in workshops. McGinnis expressed concern with the time frame, since the fiscal year ends in June. She noted that by rolling the funds over into the next fiscal year, businesses would only need to wait a few more months. She expressed further concern about changing the process mid-stream. She said we would have a cleaner process from the Planning Commission. Hayes said other businesses hadn’t asked for the money and advocated again for opening the grant to non-profits so that all of the facades in town could be fixed up. McNeilly reiterated the need for clear criteria that could be utilized to swiftly grant awards in



the next fiscal year. McGinnis said she wanted a scoring guide. Martine commented on the importance of continuing to require the reporting of receipts. Cheek concurred with Martine.

**e. Jetty Creek LOI and NDA Next Steps**

Start time: [04:49:16 PM \(00:18:22\)](#)

Shepard referred the Council to the memo in their packet from Daniel Wear of Sustainable Northwest and provided an overview of the next steps towards the management of Jetty Creek Watershed identified in the memo. Franken expressed concerns about some of the language in the attachment to the memo, “Oregon Forest Legacy Program Application Instructions”, regarding commodity resources and requested that the attorney clarify it. Shepard indicated that he would get clarification. There was brief discussion regarding the Letter of Intent, and Shepard explained that it would come before the Council for consideration at the June meeting. Shepard explained, and there was discussion, regarding the process for potential land acquisition and appraisals. McNeilly commented on a sense of urgency since Nuveen would entertain any offer received.

**f. Proclamation Draft – High School Senior Recognition Month**

Start time: [05:08:50 PM \(00:37:55\)](#)

Shepard invited the Council to comment on the draft proclamation and explained that the proclamation would be considered for adoption at the June meeting. McNeilly acknowledged John Goertzen for suggesting the idea at a Coffee with Mayor and Manager meeting. Hayes commented that there were some seniors graduating with double Associate’s degrees. Martine commented on the advantages of a smaller school and the importance of accolades. McGinnis commented that it was important to honor every student who completed their 13 years of education, and a desire to continue a partnership with the school district.

**4. ADJOURNMENT**

Start time: [05:35:47 PM \(01:04:53\)](#)


Martine made a **motion**, seconded by Cheek, to adjourn the meeting at 5:36 p.m.

The **motion carried** by the following vote:

[Position #2 - Tom Martine: Motion](#)  
[Position #5 - Penelope Cheek: 2nd](#)  
[Position #3 - Kristine Hayes: Approve](#)  
[Position #4 - Alesia Franken: Approve](#)  
[Position #1 - Mary McGinnis: Approve](#)  
[Position #5 - Penelope Cheek: Approve](#)  
[Position #2 - Tom Martine: Approve](#)

MINUTES APPROVED THE  
17<sup>TH</sup> DAY OF JULY 2024



Charles McNeilly, Mayor 

ATTEST



Melissa Thompson, City Recorder