



CITY COUNCIL MEETING MINUTES June 29, 2021

The scheduled meeting of the Ontario City Council was called to order by Mayor Riley Hill at 6:00 p.m. on Tuesday, June 29, 2021, in the Council Chambers of City Hall. Council members present in person or by call-in were Riley Hill, Sam Baker, John Kirby, Michael Braden, Freddy Rodriguez, Eddie Melendrez, and Ken Hart.

Members of staff present in person or by call-in were Adam Brown, Peter Hall, Terry Leighton, Larry Sullivan, and Laura Reyes.

The meeting was recorded, and copies are available at City Hall.

Mayor Hill led everyone in the Pledge of Allegiance.

AGENDA

This Agenda was posted on June 28, 2021. Copies of the Agenda are available from the City Hall Customer Service Counter and on the city's website www.ontariooregon.org.

KIRBY moved, BAKER seconded, **TO ADOPT THE AGENDA AS PRESENTED**. Roll call vote: Rodriguez-yes; Baker-yes; Kirby-yes; Braden-yes; Hart-yes; Melendrez-yes; Hill-yes. Motion carried 7/0/0.

PUBLIC COMMENT

Mike McLaughlin: Thank you, Mr. Mayor. I'm the retired Mayor of Vale, Oregon, six terms, twelve years, also am on the board of Euvalcree. I still sit on the Regional Solutions, help out with the Drexel Foundation, and on the board of RDI, so I'm just here to ask for your letter of support for our Turnkey Project that we're attempting to do. I kind of want to remind you that the funds that are flowing right now through the CARES Act are kind of a one-time thing. I know that these funds will be available occasionally next year, but we have this opportunity to have this facility for the citizens of Ontario for people that are transitioning and trying to keep them off the streets from becoming homeless. So, I'm hoping that you have a chance to hear Gustavo Morsels, our Executive Director, has been here. Norma Ramirez is here. I want to remind you that we are an organization of Ontario, so Norma's a high school graduate from Vale; Gustavo Morales is a high school graduate of Ontario, so we are from here. The whole board is from around here. This facility, if you don't act on it now, I'm not really sure when another opportunity like this will come along for the City of Ontario. We've talked about who we're going to serve. We've talked about the foster program a little bit. Our board was very reluctant to get into the foster program, and if we do get into that, we'll have lots of supervision there. But, lots of the other organizations that we're just at the tip, so right now we're at the acquisition phase. We're trying to attempt to get this building so that we can get it for the community of Ontario. We'll have a better working plan as we go forward on who we're going to be interacting with, who we're going to be serving, how we'll be doing that, so right now, all I'm asking for is a letter of support from this Council so that we can go forward and hopefully procure this property for the citizens of Ontario, but also for Malheur County. I have a funny feeling that the Snake River Correctional Facility is one of them. There are so many other agencies that we haven't even considered yet that may need space for transitioning people, either coming to our community or, especially right now when we're just coming off this pandemic and so many people are being either evicted from their rentals or having trouble paying their mortgage. This is a typical facility for them to be able use that transition. For people who are just coming off unemployment or having difficulties there, so again, I'm hoping that you all consider this, and I thank you again for your time and consideration. Thank you very much. I'll take any questions if you have them.



Councilor Hart stated this was not meant to be a “gotcha” questions, but had he seen an operating budget for this facility?

Mr. McLaughlin: *I have seen an operating budget for the facility. So, I am the Treasurer of the organization, and I can tell you that we are in very good financial position right now to take on this huge project. We have the money, we have the money in the budget, and we have the connections to get money if we are need of it in the future. We have connections to the Ford Family Foundation, to many funders that are looking to do this. I'd also point out that there are a lot of other cities that are looking at the same thing. Eugene, Salem, Portland, are also looking at these facilities and you guys have seen the map of where these other turnkey projects are going. I just think this is a perfect opportunity for the City of Ontario to procure this hotel and use it for many different purposes, things that we haven't even thought about yet. I hope I answered that a little bit. You know, I also serve on the budget board at Treasure Valley Community College with Mr. Hart, so I know that you're a newly elected board member, so congratulations. Again, any other questions that I can answer. Again, I'm just a board member but I am privy to a lot of a lot of the internal working documents of the organization.*

Councilor Braden asked if he could describe the site selection process; why did they chose that Red Lion Hotel?

Mr. McLaughlin: *It's been in disarray for a number of years. So, Gustavo made that connection, looking into that property there. There's not a lot of other properties that lend itself to being behind right now, so that's kind of why. The Red Lion is in need of a new vendor, so that's kind of why that selection was made there. It's never, just like with the tiny house project that you guys did, I have a piece of property on River Street that I offered up for the tiny house. That was one of the selection processes. Of course, my property wasn't chosen, but it's very difficult when we had our public hearing and we pretty much had 50-50. I kind of kick myself for not showing up because then it would have been 17 for and 17 against. As you know, if you can get to a 50%, that's pretty good with the public. Most of the time when we had public meetings in Vale, they were not very well attended. Certain subject matters bring out the public and I think this is one of them.*

Gustavo Morales: *I have been appreciative of the City Council's support to be responsive to the opportunity that existed through tedious information gathering. There are challenges and hurdles that we will have to overcome if this project were to move forward. Given some of the earlier feedback that we've been able to gather, I anticipate a certain outcome; however, if this opportunity and this project were to move forward, we would be very appreciative to help support and strategize both with the business sector of our community, who I anticipate is the sector that provides the greatest level of concern. At the public hearing, one of the things that was apparent is there is a recognition that this need is high, and that something needs to be done. Given the context, the location, and the area, there's a lot of concern for the financial implications if the project were to move forward both for the businesses and for the city. As we move forward with our committee, our organization strives in keeping a strong level of integrity, but also maintaining strong posture, striving for economic opportunities, and more importantly striving for a strong community that's able to advocate for itself and generate a safe space and a safe environment for us to be able to raise our children. As we're balancing the cause benefits, or the risk assessments, however you want to look at it, whether you're a committee member, a politician, or a simple businessman, the investment into a child's future always outweighs the initial investment that may have been lost from the \$65K that the city, which we mentioned, and we said...the initial investment pays itself ten times over, if not more in a long term contributor to our economy. I urge the City Council, as we look forward, we will work to be responsible to identify and address any and every solution to make this work. However, we've already created contingencies to moving forward other projects and other solutions that may help benefit the communities who are also most affected. Regardless of today's decision outcome, I just wanted to say thank you to the City Council for indulging us with evaluating and pursuing the option of this opportunity.*

OLD BUSINESSProject Turnkey

KIRBY moved, RODRIGUEZ seconded, **THE CITY OF ONTARIO DOES NOT ENDORSE EUVALCREE'S OPPORTUNITY TO FUND THE PURCHASE OF THE RED LION HOTEL.**

Mayor Hill verified Councilor Kirby's motion as being THE CITY COUNCIL DOES NOT PROVIDE A LETTER OF ENDORSEMENT FOR PROJECT TURNKEY. Was that correct?

Councilor Kirby stated he had concerned about this project from the start. The Council had been provided a timeline, and they'd seen proposals from other organizations before, but this proposal was surrounded by secrecy. Euvalcree met with the City Manager and Community Development Director in March, but they wanted confidentiality. They continued to meet – following the calendar – up through May, still keeping the site confidential. Early in June, the Council was approached by a representative of Euvalcree, Norma, and during public comments, not an item on the Agendas, they were asked to consider making this endorsement. Under normal circumstances, when working with organizations who wanted to have a collaborative effort on a piece of the community, there would be months of notice. It presented to him as an era of secrecy, which did not benefit the community or the valley. What was hard, because of new Oregon legislation, this was an issue that would be in their faces. The city would be forced to act on this, but that day alone he'd been contacted by people who worked for different social groups, some at the state level, who told him not to move forward with this project. Part was because Euvalcree had a history of not being a team player, and other reasons were that as a Council they would lose the TOT funds, which funded the Chamber of Commerce, the Four Rivers Cultural Center, and it was unclear about police or public works. Euvalcree said they were making contact with the neighbors, but in fact none was contacted. There were neighbors at the meeting the other night and no one received contact. Euvalcree had no memos of understanding with any of the organization s that would be impacted by this movement. It appeared they would be funding something with no plan. He did not believe it would be in the best interest of the city to operate that way. A standard had been set for how the city moved and worked, and that was to be collaborative. They might take some heat for what was now being mandated by the state for homeless individuals, but this project would cripple whatever they were going to do. He would be supporting the motion to not support the project.

Councilor Rodriguez stated Councilor Kirby's statement should have raised some concerns to everyone, including Mr. McLaughlin. He assumed the outline of events and seemingly rushed manner of an unplanned approach, would make anyone think twice. At the hearing held last week held by Euvalcree, he was unaware that a vote would occur. It was his recollection was that more voted against having the facility. The majority of those no in favor, spoke, gave their names, businesses, and reasons as to why they were opposed. When those in favor were to be counted, the majority said nothing. Some Euvalcree staff were counted as favorable votes. That was a manipulated vote. It was overwhelmingly obvious that a majority of the community, especially those who brought in revenue, voiced a deep concern for the project, backed up by credible reasons. That's why he would be voting to not support the project.

Mayor Hill stated he also attended the meeting and thanked Euvalcree for making an effort to attempt to take advantage of funds were available and to bring them to our community. That was not an easy task. What he gathered from the meeting was a lack of financial operating plan, or an unwillingness to share one if it existed. A management plan was vague and not in place, no security plan; there was no plot plan even though they had been told there would be a playground on site; the remodel plan was vague; there was an unrealistic opening date of 30 days while doing an operating plan; there was no chance or time to figure out what the remodel costs would be; and in the financial plan the city had been told they would be able to retain whatever TOT loss occurred, or property tax, but in view of not having a financial operating plan and knowing it was going to occur, that was in jeopardy, taking from one group and giving to another group. That's what he gleaned from the public hearing, and things that had been expressed to him by several people both at the meeting and away from it.

Councilor Melendrez stated he didn't like the way the proposal was presented to the Council. It was rushed, asking them for a quick decision without enough information; however, he believed it could be something good for the community, and the community needed it for the youth - the at-risk kids, the homeless youth, the transitional youth, or families. He would be supporting the program.

Councilor Braden stated the plan was not presented to the Council where they felt they could have a final sign off, saying it would be a success or a failure, but he viewed it as Euvalcree wanted to use state funds to run a project that benefited the community. He believed the need existed; he'd seen it in this community for many years. He wanted to provide the letter of endorsement. It was the right thing to do for this community. Euvalcree would figure it out. It wasn't laid out for the Council to see now, but they were a credible organization.

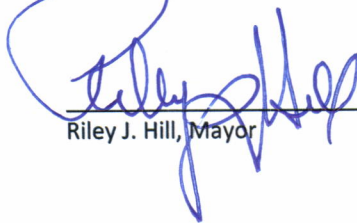
Councilor Kirby stated his motion was that the Council NOT endorse, so it would be a yes vote to carry the motion.

KIRBY moved, RODRIGUEZ seconded, **THAT THE CITY OF ONTARIO DOES NOT ENDORSE EUVALCREE'S OPPORTUNITY TO FUND THE PURCHASE OF THE RED LION HOTEL.** Roll call vote: Rodriguez-yes; Baker-yes; Kirby-yes; Hart-yes; Braden-no; Melendrez-no; Hill-yes. Motion carried 5/2/0.

ADJOURN

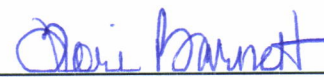
HART moved, BAKER seconded, **THAT THE MEETING BE ADJOURNED.** Roll call vote: Rodriguez-yes; Baker-yes; Kirby-yes; Braden-yes; Hart-yes; Melendrez-yes; Hill-yes. Motion carried 7/0/0.

ACCEPTED:



Riley J. Hill, Mayor

ATTEST



Tori Barnett, MMC, City Recorder