



City of Oregon City

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Meeting Minutes - Draft City Commission

Doug Neeley, Mayor
Rocky Smith, Jr., Commission President
Betty Mumm, Kathy Roth, Carol Pauli

Tuesday, August 28, 2012

5:00 PM

Commission Chambers

Special Meeting

1. Convene Special Meeting of August 28, 2012, and take Roll Call

Mayor Neeley called the meeting to order at 5:00 PM.

Commissioner Roth arrived at 5:02 p.m.

Present: 5 - Mayor Doug Neeley, Commissioner Rocky Smith Jr., Commissioner Betty Mumm, Commissioner Carol Pauli and Commissioner Kathy Roth

Staffers: 3 - David Frasher, Ed Sullivan and Nancy Ide

2. Flag Salute

3. General Business

- a ORD 12-1008** First and Second Readings, Emergency Ordinance No. 12-1008, Authorizing Submission of Explanatory Statements by the City for Inclusion in the Clackamas County Voters Pamphlet for Matters Submitted to the Voters Under the Referendum or Initiative Powers

Mayor Neeley said the ordinance enabled the City to put an explanatory statement in the Voters Pamphlet. Since it was an emergency ordinance, it would only go forward if the first and second readings were a unanimous vote or the second reading would have to be done at another meeting.

William Gifford, resident of Oregon City, appreciated the Commission following through on the ordinance. It was best to be clear as possible at the beginning and if any initiative measure had the least bit of question about it, it was imperative that the City remedy it and the only remedy was to provide an explanatory statement. He did not want any unintended consequences as happened with the water rate roll back. This ordinance would provide the tool to prevent those consequences.

Dan Holladay, resident of Oregon City, was surprised this housekeeping issue had not come up previously. He saw it as an opportunity for the Commission to answer questions and he fully supported the ordinance.

Kevin Hunt, resident of Oregon City, said in Section 2 of the ordinance, it referred to the reason for an emergency to be declared was that there might be upcoming referendums or initiatives arising in the next 30 days. The real reason for the emergency was that the Commission desired to place an exclamatory statement in the Voters Pamphlet with regard to 3-407 and he thought that explanation should be given instead.

Commissioner Roth read a prepared statement. She stated it was time for a total reassessment for how they conducted themselves in business, government, and politics. As one of the signature gatherers for the initiative, every signer was given a copy of the petition and the Charter amendment to read before they signed. Almost no one refused. It was the Commission's obligation to put it on the ballot. She had no problem with the ordinance being proposed. What she did have a problem with was attaching this ordinance to any ballot measure as an emergency. She did not think the City could write a neutral statement on this issue.

Commissioner Smith said the Commission was not voting on the measure and their votes on the ordinance were not tied to how the Commission felt about the measure. He did not have a problem with the ordinance for the future, but thought the reason for the ordinance was in regard to the measure. The explanatory statement needed to be neutral and he thought a third party should look at it for neutrality.

Ed Sullivan, City Attorney, stated the Secretary of State's office would normally review the statement, but because of some difficulty in administration of election law, that office took the position that it would no longer review ballot titles or explanatory statements until new rules were adopted which would not happen for some time. He had gone to the Bond Counsel who vetted the statement and helped create what was before the Commission that night.

Commissioner Mumm thought this was a housekeeping issue that should have been done many years ago. The ordinance was important to have on the books for future use.

A motion was made by Commissioner Mumm, seconded by Mayor Neeley, to approve Ordinance 12-1008 on first reading and declaring an emergency. The motion carried by the following vote:

Aye: 3 - Mayor Neeley, Commissioner Mumm and Commissioner Pauli

Nay: 1 - Commissioner Roth

Abstain: 1 - Commissioner Smith

b 12-078

Explanatory Statement for Inclusion in the Clackamas County Voters Pamphlet for Measure No. 3-407 on the November 6, 2012 General Election Ballot Related to Voter Approval of Urban Renewal Bonds

Mayor Neeley stated since the ordinance did not pass unanimously, no action could be taken on the explanatory statement.

Kevin Hunt, resident of Oregon City, said the problem he saw with the proposed statement was the omission of certain words and phrases and the way certain phrases were repeated without connecting them to the things to which they were connected that as a whole rendered the statement non-neutral in his opinion. He provided the Commission suggested revisions to the statement to avoid propaganda and provide facts. He urged the Commission that if they were going to go down this road to consider the alternatives he presented. He did not think they should submit an explanatory statement because the summary statement that already existed for the measure was accurate. The explanatory statement would make it less clear and would not help.

Michael Berman, resident of Oregon City, said the ordinance was a good idea, but not as an emergency. The explanatory statement was not necessary on the

upcoming measure. He thought by adding such a long explanation it took away from neutrality. He thought there should not be an explanatory statement, but if there was one it needed to be shortened and be neutral with a sense of detachment.

Christine Kosinski, resident of unincorporated Clackamas County, stated the voters of Oregon City placed their faith and trust in the Commission when they were voted into office. The Commission represented the voters to do their will. She thought this circumvented the voters and cut them out of a decision that was theirs. Citizens wanted the opportunity to speak up about development that they would like to see in their city and the costs for development.

Ms. Kosinski read a statement from Barbara Renken, chief petitioner for Measure 3-407. She said the measure was not misrepresented to citizens and signature gatherers had documents to support their mission. She thought alternative wording would confuse the voters and ignore the intent. There was no objection to the petition until after the fact. Citizens were concerned about growing the city responsibly without creating huge taxpayer debt. There was no emergency. Many citizens believed it was not the responsibility of the City and Urban Renewal Commission to finance private developers.

Kathy Hogan, resident outside Oregon City, said this was not an emergency. She wanted to know what the indebtedness of the City was currently. Urban Renewal could not continue to be used as a cash cow. If it was a good development, the developer should be able to do it themselves. She thought they should leave comments out and be more neutral.

William Gifford, resident of Oregon City, said citizens did not vote on the City budget. There was a tax base that the City could be applying of \$5.0571 per thousand but was not. They were only applying \$4.159 per thousand. There were certain things voters should approve and things they should not. Mr. Hunt said there was no way an average voter could be confused distinguishing between the summary and wording in the Charter, but it confused him. There was confusion over the purpose of this measure whether it was for present or future, and whether it was for bonds, plans, or projects. He did not think it was very well written. Micromanaging was a bad use of resources. Urban Renewal bonded indebtedness was very different from municipal bonded indebtedness. Urban Renewal did not take money out of the taxpayer's pocket. He discussed the ad hominem attacks on the Commission, Mayor, City Manager, and City Attorney which were uncalled for.

Dan Holladay, resident of Oregon City, said citizens would have the opportunity to vote on two City Commissioner seats in November and had the opportunity to change the direction of the Commission every two years. The Commission was fair game, but he disagreed with the attacks on staff. He distrusted the City 25 years ago, but when he became involved things changed. He was personally insulted by the name calling that had occurred. He believed staff and the Commission were there to do the best job they could for the City. He did not have a position on the ballot measure, but he thought there needed to be some level of civility in the conversations.

Dan Fowler, resident of Oregon City, said this was a Charter issue. There was some confusion and if it did pass, it would be sorted out in court which would cost a lot of money. He was concerned that if it passed it would create uncertainty in the business community. They elected leaders to listen to testimony and the details of the projects to make good decisions for the people. He was unclear how these would get on the ballot and when they did get on the ballot it turned into a political discussion. There was no debt currently in Urban Renewal, and it was not paid by

taxpayers. There were a lot of issues surrounding the measure, there was some confusion, it would hurt job creation, and he trusted the elected leaders to make these decisions.

Bryon Boyce, resident of Oregon City, was in support of citizens' right to vote. He thought the arguments for and against should be made. The issues needed to be put on the table and discussed.

Kitty Owens, resident of Oregon City, clarified the Commission passed the first reading of the ordinance and could not authorize submission of explanatory statements that day. There was question as to whether or not the language was neutral or ambivalent. It was necessary to create a neutral statement and if there was any question that this was not neutral, she asked that the Commission resolve the wording or leave the explanatory statement out.

Nancy Walters, resident of Oregon City, discussed how the proposed explanatory statement was an example of doublespeak and how it confused rather than clarified the effects of Measure 3-407. The purpose of the measure was to require a public vote on new Urban Renewal bonded debt. She thought oversight was needed to prevent government scandal common to Urban Renewal programs. Without meaningful reform, Urban Renewal would kill economic development. More Urban Renewal transparency and oversight through a vote of the people was needed. She passed out a document on common sense tax increment finance reforms.

Rose Holden, resident outside Oregon City, thought the Commission had an obligation to clarify every piece of information that came out of the City. The proposed ballot measure was confusing and the language was ambiguous. This ballot title would be taken to court if it passed. She asked that the explanatory statement from the City be included in the Voters Pamphlet.

Mr. Sullivan read the ballot title and summary.

Mayor Neeley said the intention of the explanatory statement was not to indicate whether the City did or did not favor the measure, but to make clear that any plans, even ones that had already been approved, had to go to a vote of the people if they were seeking indebtedness for it. The Commission was trying to clarify the ambiguity between the title and what the measure actually did. There would be no action on the explanatory statement that night.

Paul Edgar, resident of Oregon City, said Urban Renewal owed the City 1.9 million dollars obligated by the Urban Renewal Commission and was in the Urban Renewal budget document as debt. There was still 28 years of debt on bonds which had partly been used for the new City Hall. There was debt reflected in 3.6 million dollars as part of a line of credit. Not much tax increment financing had been created from new development. There was also an effect on the taxing entities that were contributing money and who were expecting a pay day in the future. There was no termination plan for the pay day. This was a right to vote to determine if the citizens' value structure was consistent with what had been happening. He did not think the City should intervene in any way as they were touching on the edge of violating election law.

Blane Meier, Oregon City business owner, said the measure was not clear to him and supported passing of the ordinance. This was not about the right to vote, it was about controlling the type of economic development that would happen in Oregon City. This Charter amendment was attempted before and was an end run around the elected officials to control the agenda. He did not think it was a good way to make

decisions. He supported the Commission to do their due diligence and make good financial decisions.

Amber Holveck, Chamber of Commerce, said after reading the summary and explanatory statement, she had more questions. She asked for clarification on some of the language and Urban Renewal projects. She thought the responsible thing to do was to offer an explanatory statement. She did not think the proposed statement was clear enough.

Mr. Sullivan said this measure was going to the ballot. The issue before the Commission was whether or not to include an explanatory statement. Mr. Hunt offered an alternative, but he had some issues with the alternative. The measure did not only cover future bonds, but those that were authorized but not yet issued. That had not been explained in the alternative. He did not see a lawsuit coming. The ballot title could not be revised. Either an explanatory statement was submitted or not. He thought the language in the explanatory statement was neutral.

Commissioner Mumm stated this measure would go to the voters. The Commission represented the people of Oregon City and Oregon City did belong to the people. In January 2010 the Commission held a Work Session regarding putting this topic before the voters. The City Attorney's summary was part of the Work Session, not for this purpose. She thought an explanatory statement needed to be submitted as the measure was confusing. The Commission was trying to do the best job for its citizens.

Commissioner Pauli said the intention was for voter participation and explanatory statements were used to help the voters understand in layman terms. A lot of assumptions had been made and communication broken down. They needed to work together. This was about making things clear and legible to the voters.

Commissioner Smith was not opposed to submitting a statement, but he was concerned that it was a neutral statement. He thought a third party should look at it.

Mayor Neeley did not think the proposed statement showed bias. It clarified what future meant.

Mr. Sullivan would forward the names of third parties to the City Manager to review the statement for legal neutrality.

There was consensus to hold another special meeting on September 4, 2012 to discuss the feedback from the third party on the City Attorney's proposed explanatory statement. The Commission would not be editing the explanatory statement.

4. Adjournment

Mayor Neeley adjourned the meeting at 6:45 PM.

Respectfully submitted,

Nancy Ide, City Recorder