



# City of Oregon City

625 Center Street  
Oregon City, OR 97045  
503-657-0891

## Meeting Minutes - Draft

### City Commission

*Dan Holladay, Mayor*  
*Brian Shaw, Commission President*  
*Nancy Ide, Frank O'Donnell, Renate Mengelberg*

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Wednesday, August 16, 2017

7:30 PM

Library Community Room, 606 John Adams

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**Meeting held at the Oregon City Public Library, 606 John Adams Street**

#### 1. Convene Regular Meeting and Roll Call

*Commission President Shaw called the meeting to order at 7:03 PM.*

**Present:** 3 - Commissioner Brian Shaw, Commissioner Nancy Ide and Commissioner Renate Mengelberg

**Absent:** 2 - Mayor Dan Holladay and Commissioner Frank O'Donnell

**Staffers:** 12 - City Manager Tony Konkol, Assistant City Attorney Carrie Richter, City Recorder Kattie Riggs, James Band, Community Services Director Phil Lewis, Community Development Director Laura Terway, John Lewis, Economic Development Manager Eric Underwood, Human Resources Director Jim Loeffler, Library Director Maureen Cole, Martin Montalvo and Economic Development Coordinator Leigh Anne Hogue

#### 2. Flag Salute

#### 3. Ceremonies, Proclamations and Presentations

##### 3a. Proclamation for the 97th Oregon City / West Linn Rivalry Day

*Commission President Shaw read the proclamation declaring September 1, 2017 as Oregon City/West Linn Rivalry Day.*

##### 3b. Tourism Strategic Plan Scope of Work Presentation by Coraggio Group

*Eric Underwood, Economic Development Manager, said work had begun on a City-wide tourism strategy. He introduced Matthew Landkamer, Beau Bennett, and Colin Stoeze, consultants from Coraggio Group who would be doing the work.*

*Mr. Landkamer gave information about the Coraggio Group and their strategic planning framework.*

*Mr. Bennett gave a project overview, phases of the project, and project timeline.*

*Mr. Stoeze discussed the results of the tourism visioning summit and stakeholder survey including initial visitor profile, opportunities, and barriers.*

*There was discussion regarding enhancing the tourism infrastructure, hospitality*

*training, and connecting with and integrating the existing tourism sectors in the City.*

**3c. Pavement Maintenance Utility Fee (PMUF) and Pavement Condition Index (PCI) Update**

*Martin Montalvo, Public Works Operations Manager, gave a Pavement Management Program update. The City maintained 128.8 miles of roadway. They had an annual operating budget of \$2.5 million and did two primary forms of work, preventative maintenance and rehabilitation and reconstruction. He discussed effective pavement management, inspection and rating process, and current PCI rating. The City's 2017 calculated average PCI was 76, which put the street network in the "good" condition category. He then explained the 5 year projection, funding scenarios, deferred maintenance and PCI, pavement condition category by 2022, and comparison to other cities. Oregon City was in the 90th percentile for communities of the same size and population. He thought they were doing a good job and had sufficient funding to continue doing good work. With greater innovation and good project management, they would be able to sustain the existing PCI.*

*There was discussion regarding the funding and increased population and how the rough winter had affected the roads.*

**4. Citizen Comments**

*William Gifford, resident of Oregon City, said the tourism visioning summit was well done and he thought they were on the right track. Regarding the Pavement Maintenance Fee, he thought it was one of the most successful fee programs the City had instituted. He thought the fee was likely to be an unending fee as there would always be deteriorating streets. He said the C-SAF fee would go away and the Bond Measure on the September 19, 2017 ballot would not raise taxes, but allow the City to sell bonds to build a new police and municipal court facility. On August 22, 2017 the Oregon City Business Alliance would hold their annual educational forum. The topic would be schools and police.*

**5. Adoption of the Agenda**

*Item 7b was moved ahead of Item 7a. The agenda was adopted as amended.*

**6. Public Hearings**

*There were no public hearings.*

**7. General Business**

**7b. Resolution No. 17-22, Declaring an Emergency and Exempting Clackamas County Modular Tiny Home Assembly from Planning Code Requirements and Processes on a Temporary Basis**

*Laura Terway, Community Development Director, said Clackamas County would like to work on temporary housing for homeless veterans. They deconstructed a stage and from that they would like to construct modular homes that would consist of 21 trusses per home. They would be constructed on the County's Red Soils campus on the hilltop. They fenced the area and had started bringing in the materials. The County had not received approval from the Planning Department as some of the activities were not*

allowed by Code. Outdoor storage, chain link fences, and use of cargo containers were not allowed. The site was a gravel parking lot and the County planned to construct 30 tiny homes between now and October 31, 2017 at which point the tiny homes would be relocated to a different County owned site outside of Oregon City. Staff proposed a resolution exempting the County from the planning requirements. One of the City Commission goals was to work with partners to identify housing opportunities and this would be for a temporary timeframe. The County agreed to return the site to pre-existing conditions.

Richard Swift, Department Director of Clackamas County Health, Housing, and Human Services, said his responsibility was the relocation of the tiny homes to the site on 115th and Jennifer and maintenance of the homes for two years while trying to secure permanent housing for the veterans. Jeff Jorgensen, Facilities Manager with the County, said this was a temporary site to build housing for homeless veterans. They would be done by October 31, 2017 and would return the site back to the way it was. The homes were being manufactured by volunteers.

Commissioner Ide was in support of what they were trying to do, but hoped there didn't have to be emergency resolutions in the future.

Mr. Swift said this opportunity had happened quickly and they could not say no to it. He regretted not being able to abide by the City's code. This was a first attempt towards addressing homelessness. They were trying to get the homes done before winter.

Mr. Gifford was pleased with this project. There was information on these homeless pods on the internet. These would be assembled by volunteers and they would be helping homeless veterans. It was unfortunate it happened all of a sudden, but he thought the County would be more aware of the City's code for any future projects. He supported the City's opportunity to be a part of this.

**A motion was made by Commissioner Ide, seconded by Commissioner Mengelberg, to approve Resolution No. 17-22, declaring an emergency and exempting Clackamas County modular tiny home assembly from planning code requirements and processes on a temporary basis. The motion carried by the following vote:**

**Aye:** 3 - Commissioner Brian Shaw, Commissioner Nancy Ide and Commissioner Renate Mengelberg

## 7a.

### Request for City Commission Review of the Parker Knoll Subdivision

Ms. Terway said the City received a subdivision application for an 11 lot subdivision called Parker Knoll. It was adjacent to Wesley Lynn Park. Part of the proposal included improvements on the park site. The Charter limited the use of parks and certain actions required a vote of the people. A similar subdivision went before the voters twice and was narrowly defeated. Since that time they received a subdivision application and the applicants required them to deem it complete even though as the property owner of the park they did not sign the application. The City had a legal burden to process the application and did a public notice. A lot of public comment was received, much questioning whether the proposal needed to get a vote of the people. The question was whether the City Commission should review the application. She described the existing process for subdivisions, which was typically a Director decision, and the proposed process for this application where the public notice would be sent out again for a City Commission Work Session and a City Commission public hearing. She gave a rationale for the proposed process which would allow the

*Commission to look at the Charter question of whether it needed to go to a vote of the people. If the proposed process was approved, the Work Session would be held on September 12, 2017 and the public hearing on October 4, 2017.*

*Commissioner Mengelberg asked why this was not going to the Planning Commission. Ms. Terway said this was a policy question regarding the Charter. Also subdivision applications did not usually go before the Planning Commission.*

*Commissioner Ide thought this issue was something that should have more public input and a decision made at the City Commission level.*

*Carrie Richter, City Attorney, said there was precedent of other jurisdictions doing this type of procedure.*

**A motion was made by Commissioner Ide, seconded by Commissioner Mengelberg, to approve the request for City Commission review of the Parker Knoll Subdivision. The motion carried by the following vote:**

**Aye:** 3 - Commissioner Brian Shaw, Commissioner Nancy Ide and Commissioner Renate Mengelberg

#### 7c.

#### Purchase and Sale Agreement for 1220 Main Street (Municipal Parking Lot)

*Mr. Underwood said staff was requesting the Commission approve the purchase and sale agreement for a hotel development at 1220 Main Street. This project would produce 50 full time jobs and had the potential of bringing in over \$111,000 of transient room tax per year as well as over \$160,000 in property tax. He had been in negotiations with the developer and he highlighted the requirements in the agreement. These included crediting the land value at closing to the developer of \$920,000 for the property, splitting the cost between the seller and the buyer for relocating high voltage transmission lines, the buyer would provide the conduit and pathway to underground the distribution wires across the street, the hotel would have a ground level retail component, and there would be a parking structure with 90 spaces that would be open to the public 24 hours a day, seven days a week with a lease of \$1 per year for 99 years. The City would be responsible for maintaining the public parking and a parking agreement would need to be negotiated. If the developer did not comply or violated any of these restrictions, the City could take the property back and sell it regardless of where they were in the project. The Commission requested a reimbursement clause that if the property was redeveloped and sold within five years the developer would need to reimburse the City \$325,000 which was the original purchase price of the property. The developer had 300 days to receive land use approval and 24 months to complete the project.*

*Commissioner Mengelberg thought this would be a good addition to the community.*

*Commissioner Ide clarified the public parking would be in the back of the hotel between the railroad and the hotel. She asked if the developer was doing anything to mitigate noise.*

*Mr. Underwood said they were pursuing a quiet zone at the crossing of 10th and Main.*

*Commissioner Shaw asked about the BOLI issue. Mr. Underwood said the issue was if the \$920,000 credit was considered a public contribution, but they found that it was not.*

**A motion was made by Commissioner Mengelberg, seconded by Commissioner Ide, to approve the purchase and sale agreement for 1220 Main Street (Municipal Parking Lot). The motion carried by the following vote:**

**Aye:** 3 - Commissioner Brian Shaw, Commissioner Nancy Ide and Commissioner Renate Mengelberg

## **8. Consent Agenda**

*Tony Konkol, City Manager, said for Item 8a, an email was received and entered into the record from Mr. Matheson dated August 16, 2017 regarding the funding for the Rediscover the Falls non-profit group.*

**A motion was made by Commissioner Mengelberg, seconded by Commissioner Ide, to approve the consent agenda with the additional public testimony. The motion carried by the following vote:**

**Aye:** 3 - Commissioner Brian Shaw, Commissioner Nancy Ide and Commissioner Renate Mengelberg

- 8a.** Amendment to Interim Agreement for Rediscover the Falls
- 8b.** 2017 Oregon City Roadway Reconstruction Projects Contract (CI 16-018) Change Order 3
- 8c.** OLCC: Liquor License Application- On-Premises Sales, to Existing Location, Additional Services, Applying as a Corporation, Fred Meyer #242, 1839 Molalla Avenue, Oregon City, OR 97045
- 8d.** OLCC: Liquor License Application- On-Premises Sales, New Outlet, Applying as a Limited Liability Company, Black Ink Coffee LLC, 503 Main Street, Oregon City, OR 97045
- 8e.** Minutes of the June 7, 2017 Regular Meeting
- 8f.** Minutes of the June 13, 2017 Joint Work Session
- 8g.** Minutes of the June 13, 2017 Work Session

## **9. Communications**

### **a. City Manager**

*Maureen Cole, Library Director, said the library received 1,000 eclipse glasses from the Space Science Institute. The library would be distributing the glasses now until the eclipse.*

*Mr. Konkol would be out of the office from August 18 to 28, 2017. Wyatt Parno, Finance Director, would be acting City Manager during that time.*

**b. Commission**

*Commissioner Ide said the Downtown Oregon City Association held another successful First City Celebration and Brewfest and Oregon Trail 5k and 8k run. They applied for the National Great American Main Street Award. Oregon City was hosting the Oregon Main Street Annual Conference in October. She participated in the tourism strategy summit and continued to work with the Oregon City Homeless Solutions Coalition.*

*Commissioner Mengelberg attended a coordination meeting with Clackamas County and the cities in the County where services and programs the County offered were discussed.*

*Commissioner Shaw volunteered for the 5k run and the Veterans' housing project. He had also been working on affordable housing solutions. He attended Judge McNiece's court and thanked the Optimists Club for cleaning up the Tot Park. He visited the McLoughlin - Canemah Trail and Canemah Park. He thanked the Oregon City Parks Foundation for pulling invasive species. There would be a Concert in the Park tomorrow night and next week would be the last concert and Volunteer Appreciation Dinner. The Clackamas County Fair had started.*

**c. Mayor****10. Adjournment**

*Commission President Shaw adjourned the meeting at 8:46 PM.*

*Respectfully submitted,*

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*Kattie Riggs, City Recorder*