

MINUTES

MILWAUKIE CITY COUNCIL FEBRUARY 17, 2004

CALL TO ORDER

Mayor Bernard called the 1928th meeting of the Milwaukie City Council to order at 6:30 p.m. in the City Hall Council Chambers. The following Councilors were present:

Council President Larry Lancaster
Councilor Joe Loomis

Councilor Deborah Barnes
Councilor Susan Stone

Staff present:

Mike Swanson,
City Manager
Alice Rouyer,
Community Development/Public
Works Director

Jeff King,
Project Manager

PLEDGE OF ALLEGIANCE

CONSENT AGENDA

It was moved by Councilor Barnes and seconded by Councilor Stone to approve the Consent Agenda that consisted of:

- A. City Council Minutes of February 3, 2004;
- B. Roof Repair of the Public Safety Building;
- C. Liquor License Applications for Oregon Transfer, 9304 SE Main Street and 9696 SE Omark Drive; and
- D. Liquor License Application for Kimmy's Market, 3141 SE Harrison Street.

Motion passed unanimously.

AUDIENCE PARTICIPATION – None.

PUBLIC HEARING – None Scheduled

OTHER BUSINESS

Economic Development Advisory Committee and Business Outreach Program

Project Manager Jeff King presented the staff report in which the City Council was asked to consider the charge statement for a short-term Economic Development

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Advisory Committee and define the roles and participation for the Business Outreach Visitation Program. He commented on the economic development proposals being funded in part by a grant from the Mt. Hood Economic Alliance. At the January 2004 Council meeting some of the components were discussed two of which addressed the outreach aspect. He is here to present more detail on those programs.

Both focus on the idea of outreach, retention, and coordination with the business community. The benefit would be a mutual understanding of needs, improved communications, and coordinated public/private strategies. The first consideration is to establish a short-term Economic Development Advisory Committee to accomplish three things: provide an overview and input on the grant projects, offer general information on Milwaukie's strengths and weaknesses, and develop recommendations for City Council on future strategies. He believed the Committee could report to Council in September. It would not be a decision-making body. King reviewed the proposed make-up of the 18-member Committee.

Mayor Bernard suggested requiring a quorum to hold a meeting.

King asked if the City Council was interested in selecting or identifying members for the Committee.

Mayor Bernard said Councilor Barnes volunteered, and the other City Council members did not object. He felt comfortable with King talking with potential members.

Councilor Stone was also comfortable with that since the interview process takes a substantial amount of time. She hopes the membership would be balanced between business and community.

Mayor Bernard suggested the Neighborhood District Association (NDA) leadership select a representative.

Councilor Stone noted one of the proposed membership slots was for organized labor.

King said traditionally organized labor brings a different perspective, and the overall importance of the Committee will be to bring different viewpoints together. Milwaukie has a fair number of distributors, and traditionally they are unionized.

Mayor Bernard felt the list covered most groups.

King will work with staff on names of individuals and will contact the City Council if he has any issues.

Councilor Stone thought that was a good idea, and if any Council member has suggestions he or she should contact King.

King will forward names to Council for input and vetting.

Councilor Barnes suggested contacting Wilda Parks for names of people who have gone through the Chamber Leadership Program.

King said the second piece is the business outreach and visitation program. The benefit will be building relationships between the City and the businesses. He proposed sending 3 to 5 members to a business to gather information on how it views Milwaukie and Oregon in general in order to draft larger strategies. He provided a list of the top employers in Milwaukie. There could be one or two meetings each week with staff, Council, and resources such as the Chamber, county, or state. The businesses would be asked to complete a survey to provide additional information on other economic development resources.

Councilor Barnes would like a packet of information developed to provide to these businesses.

King said a sub-committee that includes Wilda Parks is discussing that type of outreach tool. He discussed eventually moving beyond the top employers to reach other businesses.

Advisory Board Appointments

Mayor Bernard, with consensus from Council, appointed Jamal Harvey to the Cable Access Studio Ad Hoc Committee.

Advisory Board Interview

The City Council interviewed David Colpo for a vacant position on the Budget Committee.

Consider Letter of Support for North Clackamas Parks and Recreation District System Development Charges

Swanson provided a revised draft letter of support for the North Clackamas Parks and Recreation District (NCPRD) system development charges (SDC). The previous draft discussed two weeks ago expressed support to the governing body, the Board of County Commissioners. There were concerns at that time about the per employee charges on businesses. The issue was the timing of the assessment. Since that meeting two weeks ago, the district advisory board met and decided to send the entire SDC package to the County Commissioners. Additionally, the advisory board is attaching a letter recommending that if the Commissioners feel strongly that the non-residential charge is unfair or does not come at a good time, then the Board recommends at least passing the residential rate. The homebuilders have endorsed the residential portion whether or not the non-residential portion is adopted. They have also recommended the commissioners not increase the total SDC assessment to residential.

Swanson understands the County Commissioners will consider the first reading this week, and there is a good chance the Commissioners will look more favorably upon just

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an assessment on the residential side. The proposed letter reflects support in light of the changing reality. It does not appear the non-residential charge will be adopted. He does recommend favorable consideration of the draft letter with that new reality in place.

Councilor Stone was concerned about the residential fee going up; it is almost doubled. That does not seem to fall within the rate of inflation over the past ten years. She is also concerned with builders passing this charge along to individuals. She asked for an explanation of the doubling of the residential charge.

Swanson said one approach is to look at the SDCs in terms of where they have been. They were first created in 1994 and have not been increased since that time. Compared to other jurisdictions, NCPRD is at the bottom of the SDC ladder. The proposed increase would put NCPRD at about the mid-point. He assumes the homebuilders perceive some benefit to their marketing capabilities by being able to point out recreation, parks, and open space opportunities to prospective buyers. For the most part, Milwaukie deals with small developers who are also represented in the homebuilders association. The District is competing with other jurisdictions to get people to locate in the area and raise their families. One way to do that is to offer services, and this will help put the District in a competitive position for parks and recreation. The capital improvement plan (CIP) was reduced by about \$100 million in order to get to this proposal. He was impressed with the extent to which the District went to get input from the public on which projects they felt were important. In terms of Milwaukie's projects, there would be a substantial increase to the Riverfront Project, Spring Park, the Trolley Trail, as well as some of the City's smaller parks. Milwaukie's riverfront development is recognized as having district-wide significance.

Councilor Stone understands the SDC for a single-family dwelling is more than it is in Multnomah County.

Swanson noted that Portland voters have approved parks levies over the past several years. If one looks at total dollars, he would guess that Portland is far above NCPRD in terms of property taxes dedicated to parks and recreation.

Councilor Stone has a problem with the charge doubling even though it has not been changed in ten years. It seems a bit much to double it when looking at the rate of inflation. It ultimately gets passed along to the homebuyers.

Councilor Lancaster cannot support a tax of any kind at this time.

Councilor Barnes added up the projects, and Milwaukie would get \$976,000 for its parks and recreation projects. Anything the City Council can do to help the City and its residents is a good investment. She supports the letter.

Councilor Stone asked Barnes how she arrived at that amount.

Councilor Barnes explained she added up the estimated cost of each of the priority 1 projects on the list with specific ties to Milwaukie. These include the Riverfront, Trolley Trail, Spring Park, and various neighborhood parks.

Swanson said SDCs are an attempt to get new construction to contribute to the added demand placed on the system. The theory is those who are here now have been paying all along to create and support the system. New people coming in have their share of the responsibility to pick up their share of the burden. This SDC does not assess people who are here now. It assesses new construction and is an attempt to get them to pick up their fair share of the increased demand on the overall system.

Councilor Loomis said SDCs are a one-time fee rather than a tax. More people means more demand on facilities. He feels poor leadership is the reason SDCs have not been increased for ten years making it impossible to purchase new park land. The District actually has very little in the way of facilities. The growth east of I-205 is putting more pressure on the facilities to the west. Milwaukie is built out. He discussed the four zones in the fee structure. One of the pots of money goes to regional projects such as Milwaukie's Riverfront, Spring Park, and other projects that will benefit the City. He believes it is a smart move on Milwaukie's part to support this proposal because it will benefit the City. Levies have failed because voters did not support the District leadership, but now the new District Director is making great strides. The homebuilders and youth groups support this proposal. Milwaukie cannot take its parks department back, and the City needs to support the District. This SDC proposal offers some great benefits to Milwaukie. The developers have been skating, and they show their understanding of that by supporting the proposal.

Swanson noted the SDC is about 1% of the total cost of a new home.

Councilor Stone commented in terms of the revised letter. What was the reason for not including commercial development?

Swanson guessed the Board recognized there would not be as much use by the businesses, which would have been asked to shoulder a \$5 million burden. He speculates that since both the County and City are looking for new businesses, this was determined not to be a good time to put up any kind of stumbling blocks to commercial development.

Mayor Bernard said those were his comments the last time, and Councilor Lancaster opined the timing was not right. He urged caution until the economy turns around. When people move to a community, they need to share in the burden by paying the SDC. It is a pay as you grow idea. It is also consistent with concurrency – do not build until the infrastructure is there. He personally feels the park system is a very important part that infrastructure. Timing and usage were his issues with the first iteration of the letter. He is not interested in paying more taxes. He contacted the homebuilders to confirm their support, and they do so whole-heartedly. He also had contact with Oak Lodge residents, District Director Ciecko, and Clackamas County CEO Jon Mantay and

their contacts had indicated the timing was bad for a non-residential SDC. He supported the revised letter.

It was moved by Councilor Barnes and seconded by Councilor Loomis to authorize the Mayor to sign the letter of support for the North Clackamas Parks and Recreation District (NCPRD) system development charges (SDC). Motion passed 3 – 2 with the following vote: Mayor Bernard, Councilor Barnes, and Councilor Loomis aye; Councilor Lancaster and Councilor Stone nay.

Mayor Bernard announced the City Council would meet in executive session immediately following adjournment under the authority of Oregon Revised Statutes 192.660(c) – performance evaluation of public officers and employees and 192.660(h) – real property transactions.

ADJOURNMENT

It was moved by Councilor Barnes and seconded by Councilor Lancaster to adjourn the meeting. Motion passed unanimously.

Mayor Bernard adjourned the regular session at 7:15 p.m.

Pat DuVal

Pat DuVal, Recorder

AGENDA

MILWAUKIE CITY COUNCIL FEBRUARY 17, 2004

MILWAUKIE CITY HALL
10722 SE Main Street

1928th MEETING

REGULAR SESSION - 6:30 p.m.

- I. **CALL TO ORDER**
Pledge of Allegiance
- II. **PROCLAMATIONS, COMMENDATIONS, SPECIAL REPORTS, AND AWARDS**
- III. **CONSENT AGENDA** *(These items are considered to be routine, and therefore, will not be allotted Council discussion time on the agenda. The items may be passed by the Council in one blanket motion. Any Council member may remove an item from the "Consent" portion of the agenda for discussion or questions by requesting such action prior to consideration of that portion of the agenda.)*
 - A. **City Council Minutes of February 3, 2004**
 - B. **Roof Repair of the Public Safety Building**
 - C. **Liquor License Application for Oregon Transfer, 9304 SE Main Street and 9696 SE Omark Drive**
 - D. **Liquor License Application for Kimmy's Market, 3141 SE Harrison Street**
- IV. **AUDIENCE PARTICIPATION** *(The Mayor will call for statements from citizens regarding issues relating to the City. It is the intention that this portion of the agenda shall be limited to items of City business which are properly the object of Council consideration. Persons wishing to speak shall be allowed to do so only after registering on the comment card provided. The Council may limit the time allowed for presentation.)*
- V. **PUBLIC HEARING** *(Public Comment will be allowed on items appearing on this portion of the agenda following a brief staff report presenting the item and action requested. The Mayor may limit testimony.)*

None Scheduled
- VI. **OTHER BUSINESS** *(These items will be presented individually by staff or other appropriate individuals. A synopsis of each item together with a brief statement of the action being requested shall be made by those appearing on behalf of an agenda item.)*
 - A. **Economic Development Advisory Committee and Business Outreach Program (Jeff King)**
 - B. **Advisory Board Appointments**

VII. INFORMATION

None

VIII. ADJOURNMENT

Public Information

- Executive Session: The Milwaukie City Council may go into Executive Session immediately following adjournment of the regular session pursuant to ORS 192.660.

All discussions are confidential and those present may disclose nothing from the Session. Representatives of the news media are allowed to attend Executive Sessions as provided by ORS 192.660(3) but must not disclose any information discussed. No Executive Session may be held for the purpose of taking any final action or making any final decision. Executive Sessions are closed to the public.

- For assistance/service per the Americans with Disabilities Act (ADA), please dial TDD 503.786.7555
- The Council requests that all pagers and cell phones be either set on silent mode or turned off during the meeting.

MINUTES

MILWAUKIE CITY COUNCIL WORK SESSION FEBRUARY 3, 2004

Mayor Bernard called the work session to order at 5:30 p.m. in the City Hall Conference Room.

Councilors present: Barnes, Lancaster, Loomis, and Stone.

Staff present: City Manager Mike Swanson, and Community Services Director JoAnn Herrigel.

Interview Applicant for Cable Access Studio Ad Hoc Committee

The City Council interviewed Jamal Harvey for a vacant position of the Cable Access Studio Ad Hoc Committee.

Consider Letter of Support for North Clackamas Parks and Recreation District System Development Charges

Mayor Bernard noted the information he had e-mailed the Council regarding his position on this issue.

City Manager Mike Swanson said he spoke with the North Clackamas Parks and Recreation District (NCPRD) Director Charlie Ciecko and Planner Michelle Healey about the system development charge (SDC) currently being considered by the Clackamas County Commissioners. The hearing on the first reading of the ordinance is scheduled for February 19 Commission meeting.

He discussed the SDC and the process the District had been through in developing the proposal. Swanson indicated he had generated the letter of support and that the District had not requested it. In 1994, he negotiated the first SDC for the Parks District that is still in effect. At that time, the issue was of most concern to the homebuilders. He spent several months discussing the issue with homebuilders and the process literally went right up to the time the Commissioners voted on putting an SDC in place. The homebuilders had never supported an SDC, but they ultimately accepted the \$950 charge.

Swanson touched on the problems facing the Parks District and the disagreements between the District and the City of Milwaukie regarding fair distribution of SDC funds. The first recommendation from the District was traditional; however, the proposal before the City Council at this meeting shows some creative thinking. The zoned approach is an attempt to make sure that areas are adequately represented in terms of the amount of money returned to them. He applauded the District for listening and coming up with a solution to Milwaukie's problems.

Swanson only had time to briefly review Mayor Bernard's memo but wanted to bring up several things. He referred to staff report Exhibit B. The original capital improvement plan (CIP) upon which these SDCs are ultimately based was in excess of \$200 million. Projects were trimmed, and the cost was reduced to \$91.92 million of which \$38.8 million is SDC eligible. Of that, \$33.7 million will be funded by SDCs that are levied on residential properties. Since 1994, the homebuilders have supported the parks SDC, and the industry is shouldering \$33.7 million. The employee share is \$5 million. If the employee share were eliminated, who would shoulder that \$5 million? The choice would be to reduce the CIP by \$5 million, or increase the residential share by \$5 million.

Swanson said in some ways that seems like a small amount. One of the questions is how one justifies a charge on employees. It is, first of all, a one-time charge of \$97 per employee when a business locates. These figures are fairly simplified and straightforward. The fact that there is little in the way of trails will eventually be made up in part by the money generated through SDCs. Eligible projects in Milwaukie include a much bigger infusion of money for the riverfront, Spring Park, and the Trolley Trail. Swanson feels the benefit to Milwaukie is relatively dramatic. He understands no one likes SDCs, but the District staff has been able to bring the homebuilders on board. He prepared a letter of support from the Milwaukie City Council to the Clackamas County Commissioners based on his belief Milwaukie will see benefits. He noted Michelle Healey, NCPRD planner, was present to answer questions.

Councilor Barnes asked for more information on the \$5 million multi-sports complex, since there are so many problems with the aquatic center. Is there is actually a need?

Healey said the sports complex proposal is based on community survey responses. The concept is to partner with the school district to put in new playing fields. In survey responses, people said they wanted this type of facility, but, Healey added, they may not want to pay for it. Portions of projects are SDC eligible, but not all. There will likely be a bond measure sometime in the next 20 years.

Councilor Stone noted the multi-sport complex was rated a number 1 priority. What does this mean in terms of a timeframe?

Healey said the projects were placed on one of two tiers. Priority 1 project would be set for 2004 – 2014 with priority 2 projects scheduled for 2014 to 2024. There is some flexibility in scheduling projects as well as adding and deleting them. These projects provide a foundation for establishing the Parks SDC and is based on the previous plan, current population, and residential and employment projections.

Swanson added the master planning process included a lot of community input from surveys and open houses. His impression of the current District director is that he is a good listener, and this is an attempt to reflect what staff heard during the community process.

Healey believes it is important to keep in mind the opinions expressed by the community and advisory committee members.

Councilor Loomis commented there have been quite a few studies done that indicate significant shortage of fields in the District. There are probably about three District ballfields, and most of the other fields are School District property. There is a great need for these fields.

Healey said one of the action items is to work with the School District to develop or upgrade 29 fields.

Councilor Loomis said a lot of the pressure is coming from the eastside where no new fields have been developed. There is a real shortage, and adults only have access to North Clackamas Park and Ann-Toni Schreiber Park. He discussed use by all types of groups and the benefits of an artificial surface that would not be destroyed in wet weather. Deliverables identified in the original intergovernmental agreement between Milwaukie and the District have fallen short. He believes Milwaukie should have kept its parks department, but that is in the past. He has met with the new District director and believes he is a doer and is building bridges. Loomis believes it is time to give it a shot to see if it will work. He is in support of the letter to the County Commissioners.

Mayor Bernard said SDCs only pay for capital, and the maintenance issue still needs to be addressed. He has been appointed to a board for the community process and was involved in the master plan. Additionally, he was on the District Board for some time and involved in developing the master plan. He feels he has strong knowledge and is a supporter of the park system, but he does not support the draft letter to the Commissioners. He feels Clackamas County needs to attract business, and he is concerned this SDC paralyzes companies from bringing jobs into the County. The homebuilders are comfortable with the SDCs, but they are not the ones constructing the commercial facilities or bringing businesses into the County. He believes there is another solution. He provided a written copy of his position for the record.

Swanson said the latest per employee charge is \$97 in Zones 1 (Milwaukie) and 2 (area west of I-205) and \$149 in Zone 3 (area east of I-205).

Councilor Stone understands currently the SDCs for businesses do not have a per employee charge.

Healey responded there is currently no park SDC for businesses.

Councilor Loomis thinks this proposal addresses the use of facilities by large companies for employee activities such as adult softball. There is an impact on facilities.

Healey added the non-residential is not calculated for neighborhood parks based on the assumption that employees will not be using those parks. Employees may, however, use other facilities such as trails, community parks, and multi-sports complex.

Councilor Loomis asked if the Milwaukie Park and Recreation Board (PARB) had made a recommendation.

Community Services Director JoAnn Herrigel said Ciecko came to the last Board meeting, and the only comment made was that the SDC for Milwaukie might be low. The issue was that Milwaukie has many parks it wants to improve, so perhaps the City was shortchanging itself. The Board was generally positive about the proposal. Herrigel looked at all the projects and was happy with all those that made it on the priority list. Spring Park was changed from priority 2 to priority 1 because it is the entrance to Elk Rock Island and, therefore, has regional impact. It is also a project, which Island Station wants to move on soon. The District has been responsive to any suggestion or recommendation made by Milwaukie.

Councilor Loomis commented that communication is a major step forward.

Mayor Bernard believes the zoning idea is great, but there is no assurance there will be any development. He is concerned that businesses may decide not to locate in Clackamas County. Portland, for example, is adding a lot of taxes, and people are looking at moving their businesses elsewhere. There is a big problem if park maintenance cannot be funded. He supports the list of projects 100%, but why build them if there are no funds for maintenance?

Councilor Lancaster served on the Parks Board and went through the process of restructuring the debt, put together a bond measure campaign that failed by only a few hundred votes, and subsequently went through the torture of laying off quality personnel in order to keep the District together. He does not disagree with any of the positive statements made and has the highest regard for what the Parks Board has done. Lancaster spent time on the master plan and believes it is a good one. For him it is an issue of timing, and now could not be a worse time for adding a tax for any reasons. We are trying to create jobs in Clackamas County and development in Milwaukie. He might be willing to support the SDC in the future. The fact that the homebuilders support it shows the SDC is reasonable and a workable formula. Oregon has the second highest unemployment in the nation, and Clackamas County is trying to create jobs. It is the perfect time not to implement charges while Portland is raising its taxes. Once development begins, businesses will have the resources for additional amenities. It is a timing issue for him, and he cannot support the SDC.

Swanson said there is an important distinction. We have seen what is going on in Portland as businesses face annual taxes that will continue for the foreseeable future. The proposed SDC is a one-time charge asking new development to pay the cost of doing business. Surveys indicate that people support making new demand pay its way. This is capital, but given the past decade there is not going to be a desire to make the capital investment if the operations money is not there to support it. The distinction between a tax and charge needs to be made. This is a one-time charge and will not appear on the annual assessor's statement.

Healey added these rates were calculated based on what is here now and what is projected. Deficiencies grow as people are added. Growth should have been paying as it was occurring. There are still large developments on Sunnyside Road. Exhibit A shows the District is low, which developers even acknowledge.

Councilor Loomis stressed the need. Some of the parks bonds were narrowly defeated. The greatest downfall of the District is that it is not able to do enough. People will support the District if it gets going. Ciecko seems to be a doer, but he does not have a lot to work with. Eastside development is putting pressure on the east side. New houses and businesses come to a community not for simply jobs and schools but also to recreate. Facilities have been lacking since 1994.

Healey understands the maintenance issue is a challenge. Recently the District has been working on creative partnerships such as Altamont where the neighbors are putting in money for maintenance. Adopt a park is another idea for parks maintenance.

Councilor Stone agreed there is a need for more parks because of growth, but it seems to her, if the District cannot maintain what it has, then it does not make sense to continue to build. Why can this money not be used for maintenance?

Mayor Bernard said SDCs could only be used for future capital.

Councilor Stone felt that creates a hardship for everyone. She asked what would have to be done to change that?

Swanson said the theory behind SDCs is that they respond to an increased demand on the system. Generally the industries that are assessed SDCs have argued successfully, and he believes there is some rationale that increased demand should be limited to capital with future users picking up the operational expenses. He believes SDCs throughout the country are limited to capital investment only. Those who follow pick up operational costs through levies or dedicated property taxes.

Healey says the assumption is that new growth increases the tax base.

Councilor Loomis said the District does a pretty good job of maintenance considering the cuts.

Healey said 4 or 5 people maintain the entire District.

Mayor Bernard agreed they do a great job considering the limitations. There is not enough income, for example, to keep the aquatic park repaired, and it is draining the system. Fixing that would solve many of the problems. A lot of property is sitting in banks that could be developed.

Councilor Lancaster commented it would take a huge capital investment to make the aquatic park viable again.

Councilor Stone asked about the breakdown of the SDCs. Currently the SDC is at \$950, and in the breakdown a single family is \$1,817. What percentage of the current SDC is Milwaukie only money.

Healey said right now it is all in one district-wide pot.

Councilor Stone sees the proposal on the table would divvy it out. It appears Milwaukie gets about 25%?

Councilor Loomis asked if there would not be four pots in this scenario.

Healey said that is correct. There are the three zones and the district-wide pot for projects such as Spring Park and the Milwaukie riverfront.

Mayor Bernard thinks the zoning is a great idea. He actually participated in putting certain parks in special zones. He would certainly want to put some capital development on the riverfront, but he just does not feel now is the right time. There should be SDCs on houses. He suggested reducing the package and putting it onto the housing, since the builders feel good about it.

Councilor Stone understands this charge is on new development, and Milwaukie is built out. Essentially, the charge in Milwaukie will be on commercial development, infill and redevelopment. In her opinion it might not be a bad idea to stop some of the infill.

Councilor Barnes and **Councilor Loomis** were in favor of the proposal.

Councilor Stone is leaning toward supporting the proposal but has some reservations because of the timing.

The group agreed to discuss the letter at the next work session.

Proposed Budget Calendar for FY 2004 – 2005

Due to time constraints, the group agreed to discuss this at the next work session.

Mayor Bernard adjourned the work session at 6:15 p.m.

Pat DuVal, Recorder

MINUTES

MILWAUKIE CITY COUNCIL FEBRUARY 3, 2004

CALL TO ORDER

Mayor Bernard called the 1927th meeting of the Milwaukie City Council to order at 6:30 p.m. in the City Hall Council Chambers. The following Councilors were present:

Council President Larry Lancaster
Councilor Joe Loomis

Councilor Deborah Barnes
Councilor Susan Stone

Staff present:

Mike Swanson,
City Manager
Gary Firestone,
City Attorney
Alice Rouyer,
Community Development/Public
Works Director

Larry Kanzler,
Police Chief
Paul Shirey,
Engineering Director
Brion Barnett,
Civil Engineer

PLEDGE OF ALLEGIANCE

Announcements

On behalf of the Milwaukie City Council, **Mayor Bernard** offered condolences to the families of Dorothy Graf and Jean Johnson. Both were highly respected women in the community will be missed by all.

Councilor Stone said both women were members of the Ardenwald – Johnson Creek Neighborhood Association and brought a lot of energy, enthusiasm, and humor to the Association meetings. They will certainly be missed, and Stone will remember them fondly.

Councilor Loomis echoed Stone's thoughts. He suggested people stop by the Milwaukie Museum and talk to Madalaine Bohl about what the Graf and Johnson families have done for the community.

Mayor Bernard brought people's attention to the February *Pilot* newsletter and encouraged people to read it and noted the front-page article about Gary Prestling Jr.

CONSENT AGENDA

It was moved by Councilor Barnes and seconded by Councilor Stone to approve the Consent Agenda that consisted of:

- A. City Council Minutes of January 20, 2003;
- B. Liquor License Application for Sunny Market, 5010 SE Monroe Street; and
- C. Resolution 4-2004: A Resolution of the City Council of the City of Milwaukie, Oregon, Assessing the Costs of Abatement of the Nuisance Located at 4311 SE Rio Vista and Entering the Same on the Docket of City Liens Pursuant to Milwaukie Municipal Code Section 8.04.200 (D).

Motion passed unanimously.

AUDIENCE PARTICIPATION

PUBLIC HEARING

Appeal of Variance Granted by the Public Safety Advisory Committee

Mayor Bernard called the public hearing on the appeal of the Public Safety Advisory Committee variance to order at 6:35 p.m.

He announced the hearing would be continued to March 2, 2004 to give the property owner Mr. Perry Nordby adequate notification.

OTHER BUSINESS

Councilor Loomis thanked staff for its work on the Transit Center Open House. It was very informative.

Mayor Bernard added about 132 people attended and suggested future meetings be held in a larger facility.

Swanson said Grady Wheeler, Jason Wachs, and John Gessner did the bulk of the work on the open house.

Councilor Loomis briefly discussed the two transit center options at the Oregon Department of Transportation property on McLoughlin Boulevard and the City-owned property on the south side of Kellogg Lake.

Mayor Bernard suggested posting the options on the City website.

Swanson said the Working Group would meet and make a recommendation to the Planning Commission followed by the City Council hearing on April 20.

Councilor Loomis noticed that the clay planters in front of Sully's restaurant had been vandalized and suggested people express their appreciation to the business owners for their attempts to beautify the City. He noted the planters have already been replaced.

Mayor Bernard announced the City Council would meet in executive session immediately following adjournment under the authority of Oregon Revised Statutes 192.660(c) Performance Evaluations of Public Officers Employees and (h) Real Property Transactions.

ADJOURNMENT

It was moved by Councilor Barnes and seconded by Councilor Stone to adjourn the meeting. Motion passed unanimously.

Mayor Bernard adjourned the regular session at 6:40 p.m.

Pat DuVal, Recorder



To: Mayor and City Council

Through: Mike Swanson, City Manager
Alice Rouyer, Director of Community Development and Public Works

From: Kelly Somers, Fleet/Facilities Manager

Subject: Roof Repair of the Public Safety Building

Date: February 3, 2004

Action Requested

Authorize the City Manager to approve a purchase order to Columbia Roofing and Sheet Metal for roof repair of the Public Safety Building in the amount of \$34,000.

Background

The Public Safety Building was constructed in 1992. The roof on the building is a flat roof and has been constructed with a built up roofing system. A built up roofing system is comprised of layers of asphalt material laid on top of the flat roof and sealed with a tar type sealer to prevent water from entering the building. The flat roof at the Public Safety Building has a parapet wall that surrounds the entire perimeter of the building. At the point the roofing material meets the parapet wall the roofing material is bent in order to extend up the wall of the parapet. The part of the roof that is bent is cracking causing a failure, which needs to be repaired to prevent water penetration into the building.

It has now grown into an emergency repair, which needs to be done now rather than waiting for next fiscal year. If staff does not repair the leaking roof, the water damage could become more of a liability, causing mold to form in the building.

Staff has asked a consultant to inspect the condition of the roof. The consultant has also determined that to repair this problem an improved flashing material needs to be used at the perimeter of the building. The consultant is recommending that a metal flashing be installed to correct the problem rather than the flexible asphalt material. The consultant has given the City a set of specifications to follow and will help inspect the final product. The new flashing will have a 10-year warranty.

Concurrence

The City Manager, Director of Community Development and Public Works as well as the Chief of Police support the recommended repairs.

Fiscal Impact

The project will be funded by the Facilities Maintenance operating budget, using budgeted funds saved from other project line items over the course of the fiscal year. No budget adjustments will be needed to fund the project.

Work Load Impacts

This project will have a minimal workload on the Facilities Maintenance Staff.

Alternatives

The City Council has the following decision making options:

1. Authorize the City Manager to sign purchase order.
2. Do not authorize the City Manager to sign purchase order.
3. Take no action.



To: Mayor Bernard and Milwaukie City Council
Through: Mike Swanson, City Manager
From: Larry R. Kanzler, Chief of Police
Date: January 27, 2004
Subject: **O.L.C.C. Application – Oregon Transfer Company – 9304 S.E. Main Street**

Action Requested:

It is respectfully requested the Council approve the O.L.C.C. Application To Obtain A Liquor License from Oregon Transfer Company – 9304 S.E. Main Street.

Background:

We have conducted a background investigation and find no reason to deny the request for liquor license.



To: Mayor Bernard and Milwaukie City Council
Through: Mike Swanson, City Manager
From: Larry R. Kanzler, Chief of Police
Date: January 27, 2004
Subject: **O.L.C.C. Application – Oregon Transfer Company – 9696 S.E. Omark Drive**

Action Requested:

It is respectfully requested the Council approve the O.L.C.C. Application To Obtain A Liquor License from Oregon Transfer Company – 9696 S.E. Omark Drive.

Background:

We have conducted a background investigation and find no reason to deny the request for liquor license.



To: Mayor Bernard and Milwaukie City Council
Through: Mike Swanson, City Manager
From: Larry R. Kanzler, Chief of Police
Date: February 4, 2004
Subject: **O.L.C.C. Application – Kimmy’s Market – 3141 S.E. Harrison Street**

Action Requested:

It is respectfully requested the Council approve the O.L.C.C. Application To Obtain A Liquor License from Kimmy’s Market – 3141 S.E. Harrison Street.

Background:

We have conducted a background investigation and find no reason to deny the request for liquor license.



To: Mayor and City Council

Through: Mike Swanson, City Manager
Alice Rouyer, Community Development & Public Works Director

From: Jeffrey King, Project Manager

Subject: Economic Development Outreach

Date: February 2, 2004 for February 17, 2004 meeting

Action Requested

1. Approval of the charge statement for the establishment of a short-term Economic Development Advisory Committee.
2. Defining roles and participation for the Business Outreach & Visitation Program.

Background

At a City Council meeting held on January 20th, staff presented information on a package of economic development projects. The projects were part of an economic development grant that was awarded by the Mount Hood Economic Alliance in 2003. At this meeting Council asked for further information, including a charge statement on the Economic Development Advisory Committee and the Business Outreach & Retention Program.

Both the short-term Economic Development Advisory Committee and the Business Outreach & Visitation Program work to help City officials and staff better understand current trends and issues facing local businesses. Relationship building and communication efforts serve to result in better development of policy. It also increases the support and awareness of City policies and programs and helps foster common goals and vision for the community. Lastly, strong relations and trust between Milwaukie businesses and the City has many benefits. For example, it would enable community leaders and staff to respond at an earlier stage to company issues like job retention, expansion, local problems,

and site search needs while they are still solvable. It would also encourage businesses to be ambassadors for the City.

The goals of the Economic Development Advisory Committee and the Business Visitation and Outreach Program are to:

- Develop a strong relationship and better communication between the City and the business community.
- Increase understanding and support of each other needs and issues.
- Develop public-private strategies to create a healthy and vibrant local economy that provides growing job opportunities, increased wealth and investment and a strong tax base.

I. Proposed Charge Statement for an Economic Development Advisory Committee

Action requested of City Council is the approval of a charge statement for a short-term Economic Development Advisory Committee.

1. Establishment of a short-term Economic Development Advisory Committee to the City Council.
2. Role/Scope of Economic Development Advisory Committee:
 - Provide feedback and assistance with completion of economic development grant tasks.
 - Complete an analysis of economic development strengths, weaknesses, opportunities and threats in Milwaukie
 - Develop economic development policy and program recommendations.
3. Duration: Six months. Report completed by September 1, 2004 and presented to Council at a September City Council meeting.
4. Committee Composition: This is not a decision-making body, so a specific quorum is not required; however, participation from members representing nine key organizations or constituencies is needed to make the committee effective.
5. Proposed Membership: 18 members
 1. City Council Member or designee (public)*
 2. Planning Commission Member or designee (public)*
 3. Financial Institution (private)*
 4. Commercial/Industrial Real Estate Broker (private)*
 5. Business/Industrial Property Owner (private)*

6. North Milwaukie Industrial area Business Operator (private)*
7. Milwaukie Entrepreneur/Small business (private)*
8. International Way Business Operator (private)*
9. North Clackamas Chamber of Commerce (non-profit)*
10. North Clackamas Schools (public)
11. Workforce Development (public or nonprofit)
12. Utility (power, telecom, gas) (private)
13. Commercial/Industrial Developer (private)
14. Johnson Creek Blvd. Business Operator (private)
15. Downtown Business Operator (private)
16. Neighborhoods/At-large Milwaukie Resident (public)
17. Milwaukie Non-Profit Institution (hospital, etc) (non-profit)
18. Organized Labor (private)

*Key "core" participant backgrounds required = 9 members

Amongst the businesses represented there should be a manufacturer, distributor/warehouse, business services (professional business to business services like finance, consulting, etc.), retail if possible. Members need to be a senior level person in their organization with the authority to speak for that organization.

6. City Staff:
Community Development Department, Project Manager.

II. Business Outreach & Visitation Program

Action requested of Council is to define the roles and participation of Council members in the Business Outreach and Visitation Program

1. Goal:
 - Develop a better understanding of business needs and current conditions.
 - Gather information for input into City of Milwaukie's economic development policy.
 - Develop a stronger relationship & communication with Milwaukie's largest businesses.
 - Encourage and support business retention and expansion in Milwaukie.
 - Allow City to rapidly respond to a company's local issues to help prevent job loss or company moving from City.
2. Visitation Team:
 - One or two members from City Council

- Project Manager from Community Development Department
 - A member of North Clackamas Chamber of Commerce
 - A member from Clackamas County Economic Development Dept.
3. Company Meetings
- Meeting with top 25 private businesses (see Attachment A)
 - Meetings will last 45-90 minutes
 - Held at company site
4. Project Duration:
- Start: week of Feb 23, 2005
 - Complete Phase I: June 2004
5. Other Tools:
- Survey
 - Follow-up thank you letter and materials as requested
 - Tabulation of survey for report

The programs would get underway in late February/March 2004.

Concurrence

Consistent with City Council feedback and goals, Community Development and Planning support the implementation of the two proposed economic development program elements.

Fiscal Impact

Existing Community Development staff will provide project management and administration. Some smaller tasks such as the codification and tabulation of the survey will be assisted by a consultant and paid through the economic development grant.

Work Load Impacts

The proposed Economic Development Advisory Committee and Business Outreach and Retention Program are included in the Community Development annual work program. Some tasks will be completed with consulting assistance.

Alternatives

- Approve the charge statement as described.
- Approve the charge statement with modifications.
- No action on the resolution or the Business Outreach & Retention Program at this time.

Attachments

A. Largest Employers in Milwaukie

TOP EMPLOYERS			
CITY OF MILWAUKIE AREA			
2003			
RANK	NAME OF COMPANY	PRODUCT/SERVICE	EMPLOYEES
1	North Clackamas School District	Education Services	1854X
2	Precision Castparts	Mfg of Steel castings	1300 x
3	Blount, Inc.	Mfg Saw chains	900x
4	Unified Western Grocers	Wholesale Grocers	655x
5	Providence Milwaukie Hospital	Hospital	435 x
6	OECO	Mfg of Electronics	285x
7	Oregon Liquor Control Commission	Liquor Distribution & Administration	184x
8	ODS Health Plans	Insurance Services	180x
9	Team Northwest	Food Brokers	144x
10	Stoner Electric	Electrical Work	130x
11	City of Milwaukie	Municipal Services	130 x
12	ADP-Claims Solution Group	Data Processing Services	100x
13	Albertsons	Retail Grocery	100x
14	WW Metal Fab	Manuf. Fab Metal	95x
15	Oregon Transfer Co.	Distribution	90x
16	Bobs Red Mill	Food Manufacturer	85 x
17	Dark Horse Comics	Comic books Producer	80x
18	Key Bank	Financial Services	76x
19	Celestica	Electronic Compts.	75x
20	McGraths Fish House	Restaurant	65x
21	Oregon Worsted Company	Textile Piece Goods	60x
22	HVAC, Inc.	Install HVAC systems	58x
23	Johnson Controls	Manuf. Electronic Controls	54x

X=confirmed, 2003