

AGENDA
City of Oregon City
TUESDAY, JUNE 8, 2010

WORK SESSION OF THE CITY COMMISSION
5:30 P.M.

City Commission:

Alice Norris, Mayor
Doug Neeley, Commission President
James Nicita
Rocky Smith, Jr.
Daphne Wuest

Meeting held at:

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

1. Convene Work Session of June 8, 2010, and Roll Call
2. Future Agenda Items
3. Discussion Items
 - a. Proposed Increase in Vehicle Registration Fee
Presented by Lynn Peterson, Chair of Clackamas County Commission
 - b. Oregon City Public Works Center Master Plan Implementation Update - White Oak Tree and Basalt Outcropping Preservation and Mitigation
Staff: Nancy Kraushaar, City Engineer and Public Works Director
 - c. Survey Results from Oregon City Police Department
Staff: Mike Conrad, Police Chief and Public Safety Director
 - d. Strategic Investment Zone
Staff: Dan Drentlaw, Economic Development Manager
 - e. Update from CIC to the City Commission
Staff: David Frasher, City Manager
 - f. Declaration of Cooperation for Willamette Falls Heritage Area Coalition
Mayor Alice Norris
 - g. Management, Supervisory and Confidential Employee Salary Cost of Living Increase FY 2010-2011
Staff: Jim Loeffler, Human Resources Director
4. City Manager's Report
5. Adjournment

Agenda Posted June 4, 2010 at City Hall, Pioneer Community Center, Library, City Web site.

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Agenda Item No. 3a
Meeting Date: 08 Jun 2010

COMMISSION REPORT: CITY OF OREGON CITY

TO:	Honorable Mayor and City Commission
FROM:	Alice Norris, Mayor
PRESENTER:	Alice Norris, Mayor
SUBJECT:	Proposed Increase in Vehicle Registration Fee
Agenda Heading: General Business	
Approved by:	

RECOMMENDED ACTION (Motion):

Informational item.

BACKGROUND:

Lynn Peterson, Chair of the Clackamas County Commission, will present information on raising the vehicle registration fee which the county will be adopting by the end of June.

BUDGET IMPACT:

FY(s):

Funding Source:

ATTACHMENTS:

SELLWOOD BRIDGE

VEHICLE REGISTRATION FEE

("VRF")



ENTERED INTO THE RECORD
DATE RECEIVED: 06-08-10
SUBMITTED BY: Lynn Peterson
SUBJECT: Item 3a

JUNE 2010

HOUSE BILL 2001



- Includes provision for specific Counties to enact VRF between 2010-2013
 - Funds dedicated to Sellwood Bridge
 - ~~◦ Not subject to 60 (county) /40 (city) split~~
 - ~~◦ Enables approval via ordinance~~
- Beginning July 2013 all Counties may enact VRF
 - Funding is not dedicated to Sellwood Bridge
 - Money collected subject to 60 (county) /40 (city) split

SELLWOOD BRIDGE: THE FACTS

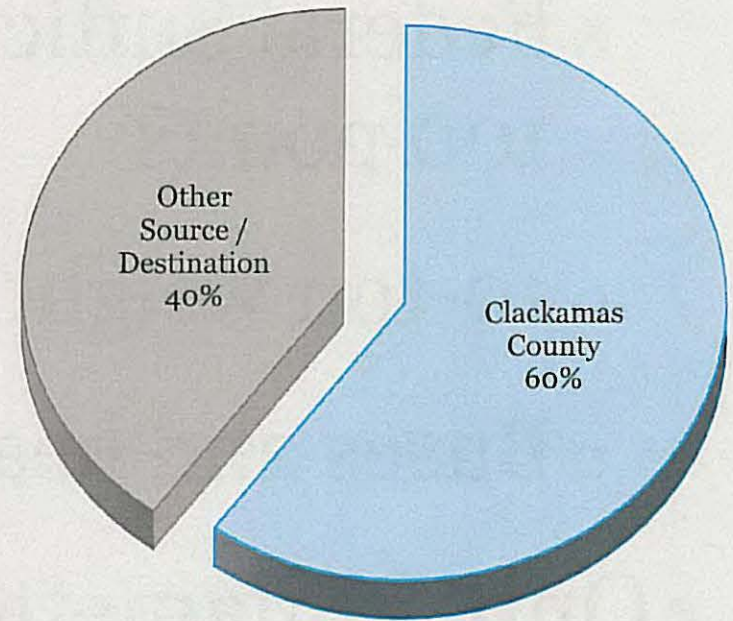


- Sellwood Bridge is 83 years old
 - Federal Sufficiency Rating = 2 out of 100 points
 - 10-ton weight limit
 - Buses and heavy trucks restricted
- Only Willamette River crossing in 12 mile stretch

PRIMARY BRIDGE USERS?



- Currently 60% of users travel to/from Clackamas County
 - Commuting to jobs, shopping and entertainment
- Forecasts indicate this will increase to 70%



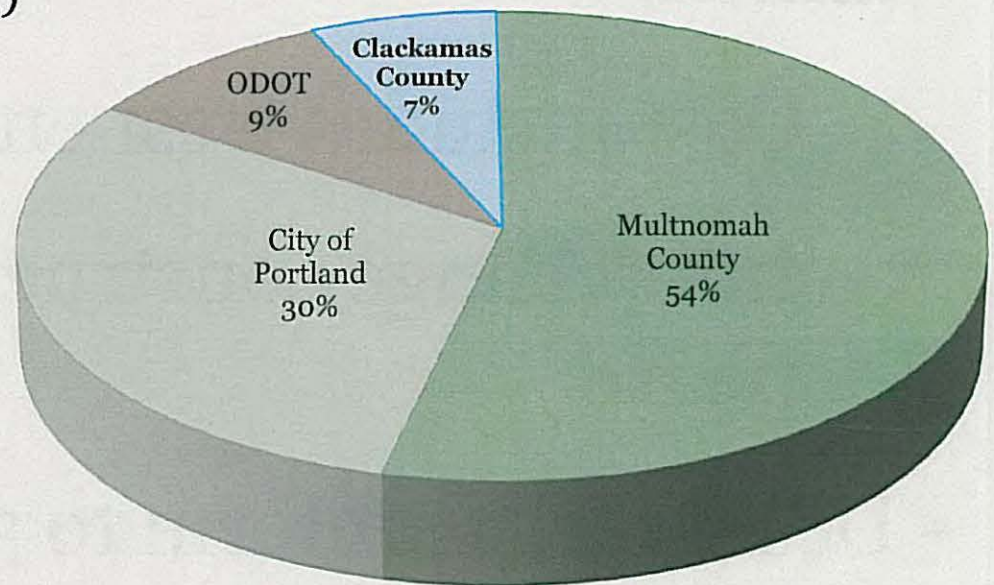
REPLACING THE BRIDGE



- Replacement is estimated to cost \$330 million
 - Cost includes west end interchange
 - Interchange construction may be future phase
- Design will conform to 500-year seismic standards
- Construction may start as early as 2012

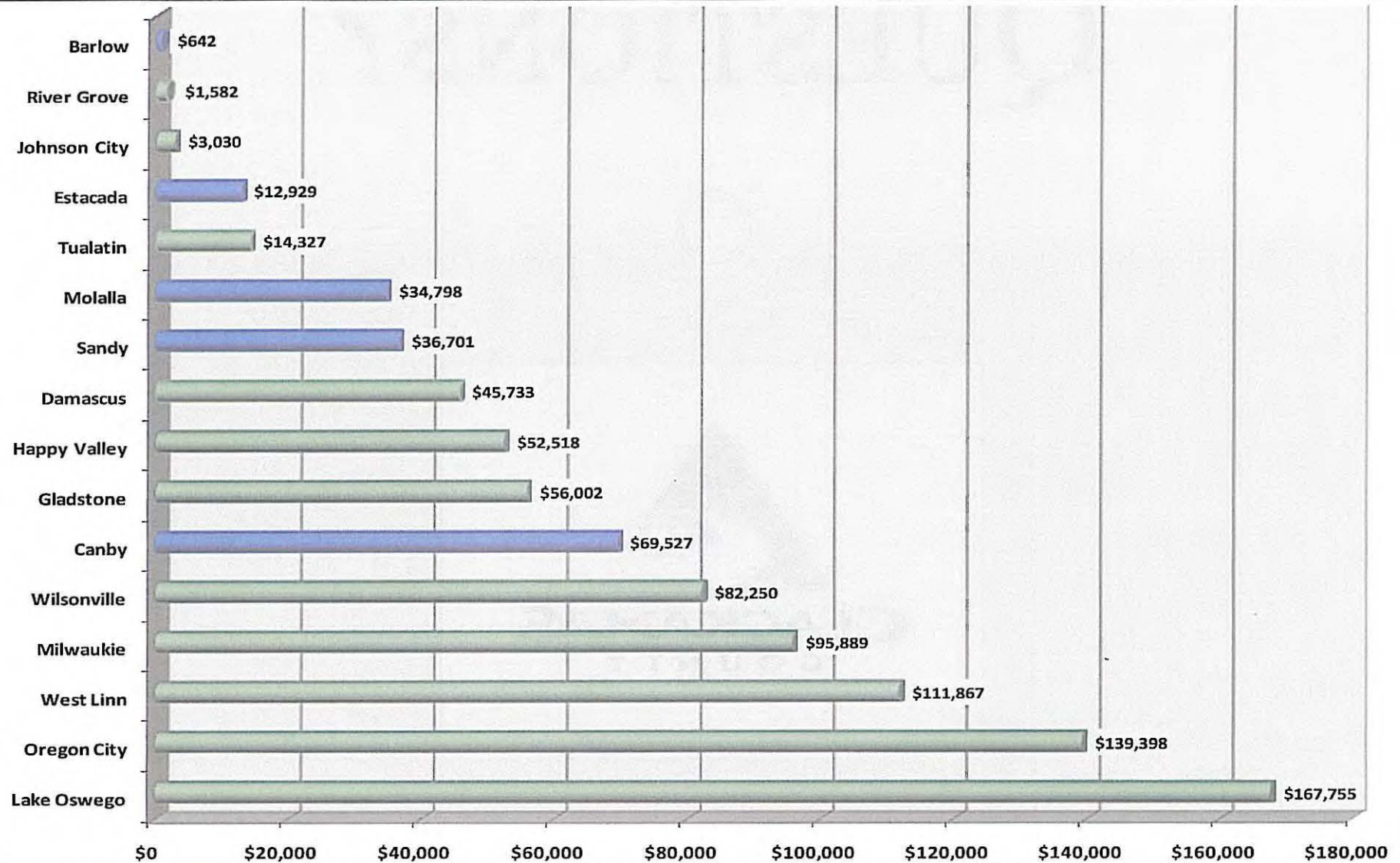
FUNDING PARTNERS

- **Multnomah County**
 - \$127 million (\$19 VRF)
 - \$51 million (Federal funding)
 - 54% Contribution
- **City of Portland**
 - \$100 million (Gas Tax)
 - 30% Contribution
- **ODOT**
 - \$30 million (Allocated)
 - 9% Contribution
- **Clackamas County**
 - \$22 million (\$5 VRF)
 - 7% Contribution



TOTAL PROJECT COST = \$330 MILLION

\$5 VRF – ESTIMATED ANNUAL CITY CONTRIBUTION (CALCULATED 100% BY POPULATION)



CITIES CLOSEST TO BRIDGE WILL CONTRIBUTE LARGEST SHARE.

QUESTIONS?





COMMISSION REPORT: CITY OF OREGON CITY

TO:	Honorable Mayor and City Commission
FROM:	John Lewis, Operations Manager
PRESENTER:	Nancy Kraushaar, City Engineer and Public Works Director
SUBJECT:	Oregon City Public Works Center Master Plan Implementation Update - White Oak Tree and Basalt Outcropping Preservation and Mitigation
Agenda Heading: General Business	
Approved by: David Frasher, City Manager	

RECOMMENDED ACTION (Motion):

This work session agenda item is intended to update the Commission and receive their feedback on the direction being taken by the Public Works Department to address condition #31 of the Public Works Center Concept Master Plan approval (Planning File CP 09-01/AP 09-02) which states, "The applicant shall prepare an alternative design for the upper yard that preserves the white oak trees to the extent possible and all or part of the basalt outcropping."

Alternative designs that address preservation of the white oaks and basalt outcrop located in the upper yard at the Oregon City Public Operations Center site at 122 S. Center Street have been studied in detail. The resulting recommendations will be presented to the City Commission.

This is an important City facility for which the master plan will be implemented in phases over the next ten+ years. This information is a critical piece of our next planning application, a Type 2 permit application for Phase 1 of the Public Works Concept Master Plan.

The application will be reviewed and decided by the Community Development Director. While application approval does not require a City Commission decision, it is important for the Commission to be apprised, fully informed, and supportive as progress is made on master plan implementation.

BACKGROUND:

On January 6, 2010 the City Commission approved the Oregon City Public Works Concept Master Plan including the findings of fact, conclusions of law and final order, and the conditions of approval. As noted above, the Commission decision included Condition #31.

Comprehensive work has since been completed to carefully study alternative designs for the upper yard that preserve the white oak trees to the extent possible and all or part of the basalt outcropping. The work included evaluating site geometry, operational safety, and horticulture and habitat assessments completed for the site.

To develop alternative designs, Staff and the architectural firm DECA, Inc. assembled a project team to provide expert assessments of the upper yard to address Condition #31. The project team includes specialists in habitat assessment, horticulture (Arborist), and geometric site design (Civil Engineering).

The resulting habitat assessment and arborist reports and turning template graphics are attached to this report. Revised site plans are included that are similar but modified from what was approved on January 6th with additional tree preservation, recommendations for critical tree protection standards, and tree removal mitigation conditions. The revised site plan approach recommends re-use and preservation of basalt removed from the outcrop in on-site walls and landscaping.

The recommended alternative design is a compromise the project team believes is suitable for the proposed use of the upper yard and most responsible and in the best interest of natural resource protection. If the City Commission provides positive feedback on the conclusions presented in our presentation and these documents, Staff will proceed with confidence that we have met the due diligence expectation as intended from Condition of Approval #31 and then proceed with the planning application.

BUDGET IMPACT:

FY(s): N/A

Funding Source: N/A

ATTACHMENTS:

Exhibit A - Adopted City Commission Conditions of Approval; Planning File CP 09-01 (AP 09-02)

Exhibit B1 - OR City Assessment Report revised

Exhibit B2 - Habitat report figures

Exhibit B4 - Upland WHA form - final

Exhibit C - Turning Templates

Exhibit D1 - Arborist report

Exhibit D2 - OCPW Tree Survey and Stury Report of Findings Signature Page Final 2010

Exhibit D3 - OR City Public Work Tree Photos 2010 final

Exhibit D4 - Copy of OR City Public Works Tree ID Appendix A 2010 final

Exhibit D5 - OC PW Alternative Development Design v1 Appendix B final

Exhibit D6 - OCPW Oak Tree Mitigation On-site v1 Appendix C final

ADOPTED CITY COMMISSION CONDITIONS OF APPROVAL

Planning File CP 09-01 (AP 09-02)

1. The applicant shall complete the South Center Street improvements for the east half of South Center Street as part of the phase 2 development of the site. The improvements in phase 3 shall be deleted from the plan. The improvements in phase 4 will be for the west half of South Center Street if they have not been previously completed.
2. The applicant shall include the recommended noise reducing measures identified in the June 1, 2009 Noise Analysis (Exhibit 10) as best management practices for the site. The following monitoring and mitigation measures shall be completed by the applicant to address the location on South John Adams Street near the Armory that is predicted to exceed the DEQ criteria by 1
 - a. Monitor the nearest residence for a continuous 48 hour period during a typical work week;
 - b. The monitoring by the Public Works Department's noise consultant shall be coordinated and scheduled by the Community Development Department. The Public Works Department shall not know when the monitoring will occur; and
 - c. If monitoring exceeds DEQ criteria, the City shall work with a noise consultant to identify and implement an appropriate form of noise mitigation.
3. The applicant shall construct the pedestrian path from the southeast corner of the site to the existing path in Waterboard Park as part of the phase 1 development of the site.
4. The applicant shall provide appropriate signage on South John Adams and South Center Street directing users to the location of the available parking on South Center Street and how to access the new Waterboard Park trail connection.
5. The applicant shall install the pedestrian stair-case providing direct access to the trail head prior to the issuance of an occupancy permit for the phase 2 development of the site, if not completed sooner.
6. This condition of approval has been deleted by the City Commission, in not required and is included for future reference. Please see condition of approval 28 which superseded this condition. The city shall make all reasonable attempts to move the Cannery Building to another property or donate the building to a private party before investigating options for deconstruction/demolition.
7. This condition of approval has been deleted by the City Commission, in not required and is included for future reference. Please see condition of approval 28 which superseded this condition. The city shall send a letter to Clackamas Community College that identifies the outbuilding's historic link to the College and invite them to document the buildings and be involved with the potential relocation of the Cannery building or deconstruction of the outbuildings.
8. This condition of approval has been deleted by the City Commission, in not required and is included for future reference. Please see condition of approval 28 which superseded this condition. Prior to deconstruction/demolition, the city shall provide further documentation photos

that show the outbuildings context on site, all elevations and interior rooms as well as close up photos that show the buildings details. The photos shall be added to the inventory forms and filed with the Planning Department and the Museum of the Oregon Territory.

9. This condition of approval has been deleted by the City Commission, is not required and is included for future reference. Please see condition of approval 28 which superseded this condition. The city shall deconstruct and reuse the building materials from all the outbuildings to the extent practicable. A deconstruction and demolition plan shall be submitted to Planning staff for approval prior to demolition to ensure compliance with the recommended conditions.
10. If the 1st Street right-of-way is vacated, the applicant maintain a 5-foot setback from the property line and that the fence be setback from the property line to allow additional landscaping to be planted on the north side of the fence to provide visual screening of the fence and rear of the covered parking structures from the properties located to the north of the site.

If the 1st Street right-of-way vacation is not approved, the setback for the covered van parking along the north side of the property line shall be reduced to 0 feet.
11. The applicant shall prepare a landscaping plan to be submitted with the phase that incorporates appropriate materials and spacing to minimize the visual impacts of the upper site to the residential homes located on South John Adams.
12. All new facilities on both the upper and lower sites that require sanitary sewer connections shall connect to the nearest public / private line.
13. The applicant shall provide one new fire hydrant at the intersection of S. 1st Street and S. Center Street. The water line in the upper site should be looped through to S. Center Street, replacing the 1.5-inch water line to S. John Adams Street.
14. All new facilities on both the upper and lower sites that require water connections shall connect to the nearest new or existing public water meter.
15. The applicant shall include a fencing plan in a detailed development plan for the site prior to the construction of new fencing. The use of barb wire fencing shall be limited to the maximum extent reasonable while providing a secure site. The applicant shall consider screening options to mitigate the use of barb wire and shall consider adjacent views of the site when determining where barb wire fences shall be used.
16. The Transportation System Plan calls for bike lanes to be constructed on S. Center Street along the frontage of the lower site. The applicant has identified the needed bike lanes in the TIA. The street shall be designed and constructed to accommodate the bike lanes, though the actual striping of the lanes might best be delayed until a longer section of bike lane improvements can be implemented. The decision to provide the striped bike lanes shall be reviewed as part of the phase 2 detailed development plan.
17. The applicant shall install a mirror at the corner of the driveway adjacent to 306 S. Center Street connecting S. Center Street to the upper site to improve the sight distance.

18. This condition of approval has been deleted by the City Commission. The applicant shall investigate expanding the asphalt width of the driveway connection from S. Center Street to the upper site to the maximum extent practicable.
19. The applicant shall work with the property owners adjacent to the 1st Street vacation to address rock fall mitigation as necessary.
20. The applicant shall protect the open space in the northeast corner of the upper site, west of the proposed detention pond, as depicted. The security fencing shall be located along the west edge of the open space rather than the east end as identified within the concept master plan application. Encroachment into the open space shall be considered an amendment to the concept master plan and require Type III review before the Planning Commission.
21. The applicant shall engage the neighbors in an attempt to create a detention pond on the upper site that serves as an aesthetic amenity and educational opportunity for the neighborhood.
22. The office building on the lower site shall achieve at least the minimum a LEED certification.
23. The applicant shall either relocate the fuel pumps on the upper site or redesign the screening of the fuel pumps on the upper site to screen views of the fuel pumps from South John Adams Street.
24. If and when transfer of ownership of the Armory site is completed, the City shall either:
 - 1) Record a public access easement across the Armory site granting public access in perpetuity to the pedestrian path from the end of South John Adams into Waterboard Park; or
 - 2) Perform a lot line adjustment relocating the property line so that the pedestrian path is completely located within Waterboard Park.
25. The applicant shall install information signs in the vicinity of the trails heads into Waterboard Park from South John Adams Street and Center Street describing the geology, wildlife and vegetation of the area.
26. The applicant shall install an information sign in the lobby of the administrative building describing the history and accomplishments of Army Company D, which was located at the Armory building on the upper site.
27. The applicant shall make all reasonable attempts to locate the southern property boundary so that it conforms to the description contained in the City Charter. A lot line adjustment may be required to facilitate this result.
28. The requested adjustment to exempt the upper site from Historic Overlay District review is denied. The applicant shall consult with the State Historic Preservation Office and obtain the approval of the City Historic Review Board before demolishing any building or before undertaking any new development on the site. Conditions of approval 6, 7, 8 and 9 of this decision have been included in the condition of approval for future reference by the Historic Review Board, but are superseded by condition of approval 28 and are not applicable, enforceable or required under this decision.

29. The requested height adjustment to OCMC 17.39.050.A is denied. However, the request for a height adjustment may be renewed at the time of design review for the potential building to recognize the setting in a residential neighborhood and proximity to a Charter Park with unique geographic features.

30. Vehicular access to the site for Public Works vehicles shall be limited as identified in this condition except during an emergency situation as determined by the Public Works Director. Public Works vehicles over 1-ton may access or egress the site via Center Street and may egress the site via South John Adams between the hours of 7am to 4:30pm Monday through Friday. For all other hours than those identified above, all vehicular access to the site shall be from Center Street.

→ 31. The applicant shall prepare an alternative design for the upper yard that preserves the white oak trees to the extent possible and all or part of the basalt outcropping. The alternative design shall demonstrate the turning radius, access and pedestrian and vehicular circulation of the site. Staff shall review the alternative site plan and determine if it is possible to preserve the trees and part or all of the basalt outcropping while maintaining safe access to the loading areas for vehicles and pedestrians, safe turning distances and appropriate vehicular and pedestrian circulation through the site and bin area. To the extent any white oaks are removed from the site, the applicant shall replace those trees with new white oaks so that there is no net loss of this specific tree type. The trees may be replaced on site if practicable, but may be planted off-site as permitted by the Oregon City Municipal Code during the detailed development plan review.

32. The applicant shall have a geotechnical engineer review the entire site for landslide hazards and provide recommendations on the development of the facilities at the site.

**PUBLIC WORKS CENTER MASTER PLAN
HABITAT ASSESSMENT AND TREE EVALUTION
City of Oregon City, Oregon**

Prepared for:

The City of Oregon City
Public Works Department
625 Center Street
Oregon City, Oregon 97045

In Association with:

Applied Horticultural Consulting, Inc.
P.O. Box 2355
Lake Oswego, Oregon 97035

Environmental Consultant:

Environmental Science & Assessment
838 SW First Avenue, Suite 410
Portland, Oregon 97204
503 478-0424

June 2010

Project # 10011

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REPORT AUTHORS AND QUALIFICATIONS

Identified in the following table are the authors who participated in preparing this Habitat Assessment and Tree Evaluation Report and the authors' titles, name of their affiliated organizations, education, experience, and project role.

Author Title Organization	Education Experience	Project Role
Jack Dalton Sr. Wildlife Scientist Environmental Science & Assessment, LLC	B.S. Biology, Lewis and Clark College, Portland, OR 16 years of experience	Conducted field surveys and prepared wildlife and habitat sections
Don Richards President Applied Horticultural Consulting, Inc.	B.S. Horticulture, B.A. Landscape Architecture Certified Professional Horticulturist, ASHS #25543, Certified Arborist, ISA #PN- 5536-A 31 years of experience	Tree survey and protection oversight and project arborist
Jean Ochsner Principal/Sr. Environmental Scientist Environmental Science & Assessment, LLC	B.A. Aquatic Biology, University of California at Santa Barbara, CA M.S. Geology, University of Southern California, Los Angeles, CA 27 years of experience	Senior review, prepared introduction section and project coordination

1.0 INTRODUCTION

1.1 Report Purpose

The purpose of this report is to provide an evaluation of habitat and existing trees at the site of Oregon City's future Public Works Center (OCPW). An evaluation of potential impacts associated with construction of the project is also provided. Specific issues described in this report were identified during an early coordination and scoping process with City staff.

Tables, figures and photographs are used to enhance the reader's understanding of the area.

1.2 Project Scoping

John Lewis, Oregon City Public Works Operations Manager, contacted a project arborist from Applied Horticultural Consulting, Inc. to perform an evaluation of existing trees in the delineated study area identified as "The Rock Outcrop". This area is identified in the project land use approval as part of the Oregon City Public Works Master Plan. A tree survey and report that discusses potential tree retention is a condition of approval.

The project arborist was also asked to provide an evaluation of the effects of the proposed development on existing trees, to determine whether design modifications could be developed that would conserve trees, and to address impacts the plan will have on on-site natural resources and at the same time maintain the viability of the project. The final task was to develop a tree preservation plan and/or a tree removal and mitigation plan and provide suggestions for locating mitigation plantings.

Since the trees form the framework for a larger community of plants in the area and their interconnection with one another is critical to supporting a successful wildlife habitat, Environmental Science & Assessment, LLC (ES&A) was contacted to evaluate existing habitat conditions, assess proposed impacts on the resource and to propose mitigation alternatives in the project area.

1.3 Project Description

The OCPW project as proposed will require removal of a rock outcrop ("knoll") occupied by native oak trees and a native and non-native understory. In addition, the Master Plan proposal includes selective removal of oak and non-oak trees near the perimeter of the site. The proposal includes mitigation for these impacts along the perimeter and invasive plant species management. Off-site mitigation in nearby open space areas may also be necessary to address on-site impacts to the resource.

The proposed OCPW Center is located near S. John Adams (vacated) and S. Center Streets in the northwest end of Oregon City (Exhibit A; Figure 1). The area subject to this assessment includes a 2.2-acre lot (TL No. 22E31 00400) and a 5.5-acre lot (TL No. 22E31 00500).

1.4 Discipline

This report identifies vegetation cover types, wildlife habitat, existing and proposed habitat conditions and habitat connectivity in the project area. Data collection and evaluation will support removal of a portion or the entire rock outcrop and provide mitigation options.

The arborist is charged with assessing the natural resource comprised of the trees, either as individuals or living communities, inside the project area. The arborist's analysis addresses tree type, trees 6-inches and larger measured in diameter at breast height (DBH), all significant trees measured at 30-inch DBH or larger and tree health, and provides recommendations for mitigation.

The habitat assessment and arborist's analysis was conducted in compliance with local and state planning and land use policies and design standards.

2.0 METHODS AND STUDY AREA

2.1 Methods and Procedures

The following sources of existing information about the property were reviewed:

- *US Geological Survey Topographic Map. USGS Quadrangle Oregon City, OR 1981, Photo revised 1985.* The USGS map for the area indicates the site is on the northern edge of steeply sloping topography. Residential development is located north and east of the site and the sloping forested topography extends to the southwest. Willamette River is located 1,075 feet (0.20 miles) north.
- *City of Oregon City, OCWEB Maps.* Parcel boundaries and NROD overlays were referenced. No NROD overlay is mapped for the site.
- *National Resource Conservation Service Clackamas County Soil Survey.* The soil survey does not indicate that any hydric soils are present within the project area boundaries.
- *2009 Aerial photograph (City of Oregon City, OCWEB Maps).* The aerial photo (June 2009) shows the forested portions of the site and the large area of forested habitat in Waterboard Park south and west of the site.
- *ORMAP Clackamas County Assessors Map.* The following taxlot maps were reference for the site assessment: 2-2E31 and 2-2E31CD.
- *2007 aerial photography (Metro Data Resource Center's MetroMap) and Aerial photographs provided by the project architect.* The aerial photo shows that the majority of the site is forested and a shrub plant community in the south and southeast portion of the site.
- *Google Earth.* 2008 aerial base used in determining distances between land features.

- *City of Oregon City Planning Findings of Fact, Conclusions of Law and Final Order (City File No. AP 09-02). December 2, 2009.* Conditions of approval included the tree survey and report exploring the possibility for tree retention (under item 5 on page 20).
- *City of Oregon City, Oregon Municipal Code.* Applicable city codes for tree codes and associated tree-related ordinances, natural resource overlay district (NROD) ordinances, all sections and subsections.
- *Site Development Plans.* Plans provided by the project architect, both original and amended to accommodate the conditions of approval; and review of the immediate site and three alternative sites for potential mitigation planting locations suitable for Oregon white oaks and other, smaller stature trees.
- *City of Oregon City Public Works Topographic and Tree Survey (Reppeto and Associates, 2008; Revised Applied Horticultural Consulting, 2010).* Measurement of trees in the delineated study area that are 6-inch DBH or larger; identification of trees by scientific and common name; measurement of height and spread for each tree in the delineated study area measured in linear feet; visual inspection of all trees in the delineated study area for structural stability and general health prior to construction.
- *Landscape Plan (Lango Hansen Landscape Architects).* The site landscape design and conversations with the project landscape architect, Andrea Saven.
- Telephone conversation with Peter Walter, Planner for the City of Oregon City, Oregon.
- *Tree Protection on Construction and Development Sites, Oregon State University, 2009 and Trees and Development – A Technical Guide to Preservation of Trees during Land Development, Matheny and Clark, April 1998.* Applicable tree preservation protocols.

2.2 Landscape Setting

The OCPW site is located directly north and west of Waterboard Park, which contains a mixed big-leaf maple – Douglas fir forest. A 40-foot cliff separates the lower and upper portions of the OCPW site. The area at the top of the cliff supports a mixed deciduous shrub and forested community. Residential development generally borders the north and west sides of the site. Center Street is on the west side of the site and a private roadway referred to as S. John Adams Street divides the upper site into two areas (Exhibit A; Figure 2).

2.3 Study Area

The upper portion of the existing OCPW operations is occupied by maintenance buildings and parking lots along S. John Adams Street. Isolated pockets of forest habitat are located along the edges of the site of current operations and tree clusters occupy the interior portions. Waterboard Park borders the southern edge of the site. The lower portion of the site of current operations is completely developed with offices, garage structures and parking with access off of S. Center Street (Exhibit A; Figure 2).

3.0 EXISTING CONDITIONS

3.1 Overview

The main habitat components of the site consist of a narrow band of forest and shrub vegetation at the top of the bluff, a mixed forested area along the northern and eastern edges, and a rock outcrop at the north end surrounded by a gravel access road. The mixed big-leaf maple – Douglas fir forest community along the southern edge of the site extends south into Waterboard Park, providing the large area of contiguous habitat.

3.2 Natural Resource Overlay Districts (NROD)

No Natural Resource Overlay District (NROD) areas are mapped within the site boundaries. Areas designated as NROD are generally associated with riparian and water resources (Chapter 17.49). The nearest mapped NROD is the riparian zone of the Willamette River located approximately 0.20 miles to the west.

3.3 Habitat Conditions

Vegetation at the rock outcrop and at the shrub/forested area at the top of the cliff and at the eastern boundary are comprised of an Oregon white oak (*Quercus garryana*) community with several Pacific madrone (*Arbutus menziesii*). Tall Oregon grape (*Mahonia aquifolium*), osoberry (*Oemleria cerasiformis*), beaked hazelnut (*Corylus cornuta*), snowberry (*Symphoricarpos albus*), licorice fern (*Polypodium glycyrrhiza*), poison oak (*Rhus diversiloba*), annual honesty (*Lunaria annua*) are present in the shrub and herbaceous layer (Exhibit B). A single mature western red cedar (*Thuja Plicata*), identified as a significant tree by the arborist, is located at the northeastern corner of the site. Extensive cover of invasive plant species is present in these portions of the site, including English ivy (*Hedra helix*), English hawthorn (*Crataegus monogyna*), climbing clematis (*Clematis vitalba*) and Himalayan blackberry (*Rubus discolor*).

The mixed forest along the southern edge of the site is comprised of Douglas fir (*Pseudotsuga menziesii*) and big leaf maple (*Acer macrophyllum*) in the canopy and osoberry, beaked hazelnut, vine maple (*Acer circinatum*), choke cherry (*Prunus virginiana*) and swordfern (*Polystichum munitum*) in the understory.

Tree species in open areas adjacent to the existing buildings include black cottonwood (*Populus balsamifera*), Lombardy poplar (*Populus nigra*) and red alder (*Alnus rubra*). Himalayan blackberry and non-native grasses occupy the understory.

Wildlife species observed are typical for this habitat-type found in an urban setting, which include American robin (*Turdus migratorius*), Anna's hummingbird (*Calypte abba*), Bewick's wren (*Thryomanes bewickii*), bushtit (*Psaltiriparus minimus*), black-capped chickadee (*Poecile atricapilla*), European starling (*Sturnus vulgaris*), song sparrow (*Melospiza melodia*), spotted towhee (*Pipilo maculatus*) and Western scrub jay (*Aphelocoma californica*) (see Exhibit B for a complete list). This habitat can support small mammals and neotropical migratory birds passing through the area. Due to the

habitat fragmentation and nearby human use it would not be expected that these species would utilize the site for nesting or rearing.

3.4 Wildlife Habitat Assessment

Oregon City municipal code does not protect upland habitat, in general. However, the code does provide tree protection and replacement requirements if the project is in the Natural Resource Overlay District (NROD), Chapter 17.49. As stated above, the site does not contain the natural resource overlay.

The upland habitat assessment protocol for use in local jurisdictions was developed by the City of Portland, Bureau of Planning with the assistance of Audubon Society, US Army Corps of Engineers, US Fish and Wildlife Service, Oregon Department of Fish and Wildlife and the Wetland Conservancy in the mid-1980's. This protocol is the only quantitative measure of habitat, not within or adjacent to a wetland, waterway or riparian zone.

A wildlife habitat assessment using the City of Portland Wildlife Habitat Assessment (WHA) protocol was conducted for habitat areas within the site including the rock outcrop and the shrub/forest community. The larger mixed forest south of the site was only considered in determining connectivity to other off-site habitats and in relation to proximity to cover provided by nearby off-site habitat. No water feature is present on or near the site.

The values of most of the habitat components were rated as medium to low. The fragmentation of the existing habitat and extensive cover by invasive plant species lowered the value of most habitat components. The high degree of site disturbance from the on-going OCPW operations also lowers the ratings (Exhibit C).

Food habitat components were rated as medium for variety, limited for quantity and seasonality, and medium for nearby proximity to cover/food sources. The cover component was rated medium for structural diversity, escape and seasonality; variety and nesting were rated as low-medium.

The habitat is limited for all habitat cover components, especially nesting and variety of cover, due to the fragmentation, heavy human use and disturbance from existing public works operations. The proximity of the forested habitat adds to the overall value of the on-site habitat, but the lack of habitat north and east of the site likely limits wildlife passage through the site (Exhibit C).

In assessing the additional habitat value of the site, most of these components were rated very low due to heavy human disturbance and the fragmentation of plant communities. Interspersion of habitat is low-medium. However, the Oregon white oak is rated high as a unique feature due to the rarity of this habitat type in most of the northern Willamette Valley (Exhibit C).

A thorough inspection was completed of the rock outcrop during the assessment to determine the quality of this remaining Oregon white oak forest habitat. It was found that two-thirds of the outcrop has very heavy invasive plant cover including English ivy, clematis and Himalayan blackberry. As a result, a majority of the habitat around the oaks have been functionally impacted. The few healthy trees with intact understory vegetation are located in the northeastern end of the rock outcrop (Exhibit A; Figure 3).

The WHA evaluation score totaled 44 out of 100. This is significantly lower than the potential high score of 100. The factors limiting the habitat value included fragmented habitat area, low interspersed, small areas of intact native understory cover and a high degree of physical and human disturbance. Please refer to Exhibit C for the detailed Wildlife Habitat Assessment data.

3.5 Tree Categories and Condition

The arborist assessed the natural resource comprised of the trees, either as individuals or living communities, inside the project area and in particular trees located on the rock outcrop. The arborist's analysis addresses tree type, trees 6-inches and larger, all significant trees measured at 30-in DBH or larger and tree health, and provides recommendations for mitigation. The arborist report can be found in Exhibit D.

The arborist evaluated trees that may be affected by the proposed Public Works Master Plan, in particular assessing the rock outcrop and perimeter trees in the project area. Upon review of the proposed Master Plan and conducting the field evaluation, the arborist provided input on providing adequate buffers for perimeter trees in good health and mitigating for trees that were in poor health (dead or dying) that were located on the rock outcrop (Exhibit A; Figure 4).

The arborist report indicates that of the 11 live oaks on the rock outcrop, only five are in fair condition and none in good condition. Of these five oaks, only one of these is a larger tree (34-in DBH). The other four are between 12- and 19-in DBH. All of the remaining six mature oaks on the rock outcrop are in poor health and/or ivy covered.

The mature non-oak species (big-leaf maple and Douglas fir) are all in poor condition and impacted by ivy cover. Three native trees west and east of the rock outcropping (and within the interior of the public works operations) were determined to be in good condition. These trees included two Oregon white oaks (6- and 15-in DBH) and one western red cedar (24-in DBH).

There is one tree that has been determined to be significant to the site and has now been identified for retention within the perimeter of the project area (Exhibit A; Figure 4). This tree is number 41 and is a western red cedar 24-in DBH (see Table 1 for tree information). This tree is located just to the northeast of the rock outcrop (Exhibit A; Figure 4). The design was modified to retain tree 41 and provides a more realistic setback for Oregon white oak trees 37 and 38 (southwest of the rock outcrop) that will help retain these trees during construction. The normal "Critical Tree Protection Zone"

is determined by the dripline of each tree. The modified Master Plan design now provides a greater setback for these trees.

Dead or Dying: There are four trees that have been determined to be dead or dying within the delineated study area. These trees are numbered 44, 46, 48 and 52 and are Oregon white oaks ranging in size from 8-in DBH up to 38-in DBH. These four trees are primarily located in the north and northeastern one third of the rock outcrop.

Poor Condition: There are 11 trees that have been determined to be in poor condition with three or more defects within the delineated study area and have been identified for removal and mitigation. These trees are numbered 49, 50, 51, 53, 55, 56, 59, 60, 85, 86 and 87 and are comprised of Oregon white oak trees ranging in size from 9-in DBH up to 24-in DBH, a Douglas fir tree 17-in DBH and bigleaf maple trees ranging in size from 6-in DBH up to 16-in DBH. These 11 trees are primarily located in the southern two thirds of the delineated study area. There are five trees that have been determined to be in fair condition with one to three defects and have been identified for removal and mitigation. These trees numbered 42, 43, 45, 47 and 54 are all Oregon white oaks ranging in size from 7-in DBH up to 19-in DBH. These five trees are primarily located in the north and northeastern one third of the rock outcrop.

Existing Damage or Significant Flaws: Ten trees have existing damage or significant flaws. These flaws include double tops, wounds, broken tops, multiple trunks, included bark and sapsucker damage. Over half the population of oaks are affected with wasp galls and saprophytic lichens as well as non-native invasive species, primarily English ivy

Table 1. Tree Identification

AREA & TREE NUMBER	TREE TYPE & CONDITION	TREE SIZE (INCHES DBH**)	HEIGHT & SPREAD	RETAIN = R REMOVE = X
Rock Outcrop				
87	<i>Acer macrophyllum</i> – Big Leaf Maple – 30° lean, Poor Condition	12"	45' x 20'	X
86	<i>Acer macrophyllum</i> – Big Leaf Maple – Poor Condition, 50% Ivy Cover	39" Composite 2-Trunk Multi-Trunk***	55' x 35'	X
85	<i>Acer macrophyllum</i> – Big Leaf Maple – Poor Condition, 30% Ivy Cover	38" Composite 2-Trunk Multi-Trunk	60' x 40'	X
59	<i>Acer macrophyllum</i> – Big Leaf Maple – Poor Condition, 20° lean, 75% Ivy Cover	6"	40' x 15'	X
60	<i>Pseudotsuga menzeisii</i> – Douglas Fir – Poor Condition, 50% Ivy Cover	17"	45' x 25'	X
55	<i>Quercus garryana</i> – Oregon White Oak – Poor Condition Note: Originally shown as trees #55 & 61, but actually one tree w/ two trunks from the same root system	24" Composite 5-Trunk Multi-Trunk	30' x 18'	X
56	<i>Quercus garryana</i> – Oregon White Oak – Poor Condition	21" Composite 4-Trunk Multi-Trunk	30' x 20'	X
54	<i>Quercus garryana</i> – Oregon White Oak – Fair Condition	34" Composite 2-Trunk Multi-Trunk	90' x 55'	X
45	<i>Quercus garryana</i> – Oregon White Oak – Fair Condition	12"	75' x 30'	X
44	<i>Quercus garryana</i> – Oregon White Oak – 100% Dead, 60% Ivy Cover	17"	30' x 15'	X
46	<i>Quercus garryana</i> – Oregon White Oak – 75% Dead, 60% Ivy Cover	8"	30' x 18'	X
47	<i>Quercus garryana</i> – Oregon White Oak – Fair Condition	13"	50' x 35'	X
48	<i>Quercus garryana</i> – Oregon White Oak – 60% Dead, 50% Ivy Cover	38" Composite 9-Trunk Multi-Trunk	30' x 45'	X
49	<i>Quercus garryana</i> – Oregon White Oak – Poor Condition, 50% Ivy Cover	24"	95' x 50'	X
51	<i>Quercus garryana</i> – Oregon White Oak – Fair Condition, 50% Ivy Cover	15"	90' x 35'	X
50	<i>Quercus garryana</i> – Oregon White Oak – Poor Condition, 15° Lean, 50% Ivy Cover	19"	80' x 30'	X
52	<i>Acer macrophyllum</i> – Big Leaf Maple – 60% Dead, 50% Ivy Cover	12"	30' x 12'	X
53	<i>Quercus garryana</i> – Oregon White Oak – Poor Condition, 60% Ivy Cover	9"	40' x 10'	X
42	<i>Quercus garryana</i> – Oregon White Oak – Fair Condition	7"	25' x 20'	X
43	<i>Quercus garryana</i> – Oregon White Oak – Fair Condition	19"	85' x 40'	X
		11 live Oaks and 5 live Non-Oaks 2 dead Oaks and 1 dead Non-Oak		X
Area Outside the Rock Outcrop				
37	<i>Quercus garryana</i> – Oregon White Oak – Good Condition	15"	90' x 40'	R
38	<i>Quercus garryana</i> – Oregon White Oak – Good Condition	6"	45' x 15'	R
41	<i>Thuja plicata</i> – Western Red Cedar – Multiple Tops, but in Good Condition	24"	55' x 40'	R
		2 Oaks and 1 Non-Oak		

NOTES: Trees less than 6" DBH were not noted.

**DBH is Diameter at Breast Height measured approximately 4.5' above mean ground level.

***Multi-Trunk means a single tree with multiple trunks forming from a single root system.

4.0 FINDINGS

4.1 Impact Analysis

When assessing the habitat function of the site, the connectivity of the Oregon white oak outcrop to offsite habitats was considered. The value of on-site habitat resources is higher when providing a travel, food or cover component for wildlife movement to another habitat area. In the larger landscape context, the on-site habitat is relatively small, fragmented and isolated.

While there is a direct connection to the forest habitat in Waterboard Park south of the site, there are very little direct habitat linkages to the north and east. The Willamette River is 0.20 miles to the north, but the area between is highly developed. The site is likely used by migratory birds since the Willamette River is a main migratory route. However, low levels of food sources and heavy human use likely limits wildlife use seasonally. The cliff forest habitat along the northern end of the site provides perching and some foraging opportunities, but opportunities for nesting and cover/foraging throughout the breeding season are limited.

If the proposal included retaining the rock outcrop with the oak and non-oak trees and removing the invasive vegetation, this may extend the life of the trees in the short-term. However, the arborist found that 70 percent of the trees are still in poor condition and their long-term survival is limited. The remaining 30 percent of trees are in fair condition and are located on the north site of the rock outcrop. Because of the existing and proposed development plan (i.e., disturbance), the Oregon white oak health would eventually be compromised over the long-term.

Under the proposed site improvement plan, removal of the Oregon white oaks on the rock outcrop habitat would be required. The site improvements would result in the loss of 14 Oregon white oaks, five big-leaf maple and one Douglas fir in the rock outcrop, all of which were identified by the project arborist for removal based on their condition (Exhibit D). Three native mature trees east of the rock outcrop identified in good condition were recommended for retention. The current site plan retains the largest of the two, including one existing significant western red cedar

By retaining the trees in good condition along the perimeter of the site, the more intact forested habitat will be preserved. These forested areas will provide cover and foraging opportunities for wildlife. Enhancement of the perimeter forested areas will improve some of these functions. However, the small relative area and adjacent existing development will still limit the overall functional components. The functional habitat component provided by these areas will be retained only to the same level it currently serves and will remain regardless of the site improvements.

No impacts to regulated wetlands or waterways will result from the proposed site development.

4.2 Enhancement Potential

Currently, the majority of the rock outcrop area and large portion of the forested habitat along the north and eastern perimeter of the site lack native understory vegetation and have extensive cover of invasive plant species. Enhancement opportunities along the northern and eastern edge of the site include removal of invasive understory vegetation (i.e., English ivy, English hawthorn, Scotch broom, Himalayan blackberry, and clematis) and planting of native tree, shrub and groundcover vegetation to enhance existing forested habitat.

Additional measures and off-site tree mitigation to offset the loss of forested habitat may be incorporated into the proposed improvements and are summarized below. A proposed tree removal and planting plan is provided in (Exhibit A; Figure 4).

- Retain existing native trees along the cliff top and along the southeastern corner of the site
- Provide physical barriers along the perimeter of the site to protect existing forested habitat (i.e., to prevent backing into vegetated perimeter or accidental dumping of material)
- Mitigate for impacts to oak trees on protected off-site locations (see Tree Preservation Plan)
- Plant additional trees in the lower portion of the site which currently lack any tree cover

Enhancement of these habitat components could increase the WHA score by 9 to 10 points. These habitat improvements are limited by the existing and on-going public works operations, but the remaining habitat can be improved for cover variety, seasonality and food quantity. Providing physical barriers along the perimeter of the site operations area will minimize future human and physical disturbances.

4.3 Tree Preservation

By making a slight modification to the design, preservation of tree 41 (western red cedar) will occur. The western red cedar is in healthy condition, a significant tree and is unique to the site. This tree is located to the northeast of the rock outcrop along the perimeter of the project area. Two additional trees, 37 and 38 (both Oregon white oaks), were already identified for retention. However, these trees do not have adequate setbacks for their "Critical Tree Protection Zones" in the original development plan. Modification to the proposed plan now accommodates a higher level of protection for these trees.

The trees located on the rock outcrop may not be retained by use of the original development design or the modified design due to their proximity to constant vehicle traffic, including trucks with trailers, and cannot provide an adequate turning radius for the intended use of the development. This project site is analogous to a hole in the donut where the "rock outcrop" is the hole and the remainder of the contiguous urban forest is the donut. If the five Oregon white oak trees currently identified as in fair

condition are retained (in the hole), we then encroach on the “Critical Tree Protection Zones” required for retention of the trees we plan to retain (in the donut). This would not be a fair trade-off either for habitat or for the health and welfare of the remaining urban forest, which is in better health than the trees that occur in the rock outcrop.

Additionally, by use of the modified development plan, we will now be able to retain tree 41, the 24-in DBH western red cedar originally approved for removal.

After careful survey of the existing trees, it was clear that with development in such close proximity, their expected life span would be greatly diminished even if preserved. The built environment would not sustain long term growth of the existing Oregon white oak trees within the area of the rock outcrop.

Additional details on the tree preservation are provided in the arborists report (Exhibit D).

5.0 RECOMMENDATIONS

5.1 Tree Preservation Prior to Construction

The arborist report recommends delineating the “Critical Tree Protection Zone” for trees scheduled for preservation prior to construction. The “Critical Tree Protection Zone” for the trees to be preserved should be established as a minimum distance equal to the area defined by the drip line of each tree measured from the center of the trunk to the shadow point of the tree branches. The drip line may be determined by the measurement of spread divided by two. EXAMPLE: A tree with a spread of 40 feet would require a “Critical Tree Protection Zone” of 20 feet measured from the center of the tree. Is this our reality. The trees in question and on top of the rock outcrop are several feet above the grade we have proposed so we really won’t be driving on these tree roots.

Additionally, prior to any development activities, approved construction fencing will be installed at the edge of the “Critical Tree Protection Zone”. Approved signs will be attached to the fencing stating that inside the fencing is a “Critical Tree Protection Zone”, not to be disturbed unless prior approval has been obtained from the Community Development Director. No construction activity will occur within the “Critical Tree Protection Zone”, including, but not limited to; dumping or storage of materials such as building supplies, soil, waste items, portable toilets; nor passage or parking of vehicles or equipment.

The arborist report (Exhibit D) includes additional parameters for protecting trees identified for preservation prior to construction. These parameters should be included in contract specifications and provided to contractors who are qualified to bid on the project.

5.2 Mitigation

Mitigation for the oak trees designated and approved for removal should be with Oregon white oak (*Quercus garryana*) only, as described in the conditions of approval.

Mitigation for the non-oak trees designated and approved for removal may be with non-oak species appropriate for the site to be planted. This has partially been accommodated in the project landscape plans with planting of many more trees on the site than are scheduled for removal from the site.

If additional trees and planting sites are required, small stature, understory trees such as „Mt. Fuji’ flowering cherry (*Prunus shirotae*), Prairiefire crabapple (*Malus* „Prairiefire’), eastern redbud (*Cercis canadensis*), Kousa dogwood„Satomi’ (*Cornus kousa*) or others may be appropriate. These trees would provide retention of views and are compatible with smaller planting sites under existing tree canopies such as those provided at The McLoughlin Conservation District Promenade. This would also provide for more species diversity in the urban forest.

It has been determined that the site after development will accommodate 14 Oregon white oaks. Therefore, alternative mitigation sites on publicly owned property have been scouted by the project arborist for suitability for the remaining 14 Oregon white oaks required for mitigation of the delineated study area. These sites reviewed include the north perimeter of Waterboard Park, which abuts the OCPW property to the south, upper Waterboard Park below the parking barrier/retaining wall at the end of Creed Street, the McLoughlin Conservation District Promenade, Rivercrest Park or other City Parks.

Alternative planting sites might also include the Singer Falls area, Canemah Park, METRO owned Canemah Bluffs natural area or on public school sites owned by the local school district. All but the Waterboard Park perimeter were deemed suitable for planting and there were ample total planting sites for mitigation trees (refer to Photographic Exhibits in Exhibit D). These sites all allow for public access and enjoyment of the trees compared to limited or no public access to the development site.

It is recommended that the trees procured for mitigation should be a minimum of 1.5 caliper inches in diameter measured at 6 inches above mean ground level. The trees must be nursery grown and should conform to the standards set forth in the *American Standard for Nursery Stock*, revision ANSI Z60.1-2004. Larger caliper, small stature trees would be more desirable in larger sizes if available for use in non-oak plantings.

The trees procured for mitigation should be planted at the following ratio:

- 6-12 inches DBH mitigation shall be 1 tree for each tree removed.
- 13-18 inches DBH mitigation shall be 2 trees for each tree removed.
- 19-24 inches DBH mitigation shall be 3 trees for each tree removed.
- 25-30 inches DBH mitigation shall be 4 trees for each tree removed.
- 31 inches and larger DBH mitigation shall be 5 trees for each tree removed.

On the rock outcrop portion of the site, there are 16 live trees scheduled for removal. Dead tree replacement was not a condition of approval and dead trees were not calculated as part of the mitigation requirement.

Table 2. Recommended Tree Mitigation Planting Quantities

White Oaks				Non-White Oaks			
Size DBH	Removal Quantity	Replacement Factor	Oaks Required for Mitigation	Size DBH	Removal Quantity	Replacement Factor	Other Trees Required for Mitigation
6-12"	3	1:1 ratio	3	6-12"	2	1:1 ratio	2
13-18"	2	2:1 ratio	4	13-18"	1	2:1 ratio	2
19-24"	4	3:1 ratio	12	19-24"	0	3:1 ratio	0
25-30"	1	4:1 ratio	4	25-30"	0	4:1 ratio	0
31" +	1	5:1 ratio	5	31" +	2	5:1 ratio	10
Total	11		28	Total	5		14

A total of 28 Oregon white oaks and 14 non-Oregon white oaks are required for mitigation from the rock outcrop. A total of 42 trees are required for mitigation from this specific site. It has been determined that we have adequate locations for planting 14 of the Oregon white oaks on site, and can accommodate most of the non-oak trees. The remainder of the required oak trees and non-oak trees will be planted on alternative sites. Refer to the landscape architect's planting recommendations and specifications for Oregon white oak tree mitigation (Exhibit D).

Additional mitigation/enhancement opportunities along the northern, eastern and southern edge of the site include removal of invasive understory vegetation (i.e., English ivy, English hawthorn, Scotch broom, Himalayan blackberry, and clematis) and planting of native tree, shrub and groundcover vegetation to enhance existing forested habitat. Removal of invasives in Waterboard Park, starting from the edge of the site and working south into the park, will contribute to habitat improvements being undertaken by volunteers. Also, providing physical barriers (i.e., curb stops) along the perimeter of the site operations area will minimize future human and physical disturbances.

7.0 REFERENCES

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Personal Communications

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EXHIBIT A. FIGURES

EXHIBIT B. PLANT AND WILDLIFE DOCUMENTATION

Table 1. Plant Species Observed Onsite

Scientific Name	Common Name	Scientific Name	Common Name
Trees/Shrubs			
<i>Acer circinatum</i>	vine maple	<i>Prunus virginiana</i>	choke cherry
<i>Acer macrophyllum</i>	bigleaf maple	<i>Pseudotsuga menziesii</i>	Douglas fir
<i>Arbutus menziesii</i>	Pacific madrone	<i>Rhamnus purshiana</i>	cascara
<i>Corylus cornuta</i>	beaked hazelnut	<i>Rubus parviflorus</i>	Thimble berry
<i>Mahonia aquifolium</i>	Tall Oregon grape	<i>Quercus garryana</i>	Oregon white oak
<i>Mahonia nervosa</i>	dull Oregon grape	<i>Symphoricarpos albus</i>	snowberry
<i>Oemlaria cerasiformis</i>	osoberry	<i>Toxicodendron diversiloba</i>	poison oak
<i>Populus balsamifera</i>	Black cottonwood	<i>Thuja plicata</i>	western red cedar
Herbaceous			
<i>Claytonia siberica</i>	Candy flower	<i>Lunaria annua</i>	Annual honesty
<i>Disporum hookeri</i>	Hooker's fairy bells	<i>Prunella vulgaris</i>	Heal-all
<i>Galium aparine</i>	Galium	<i>Polypodium glycyrrhiza</i>	Licorice fern
<i>Geum macrophyllum</i>	large-leaved avens	<i>Polystichum munitum</i>	western swordfern
<i>Hydrophyllum tenuipes</i>	Pacific waterleaf	<i>Tellima grandiflora</i>	fringecup
Non-native/Invasive			
<i>Bromus diandris</i>	ripgut	<i>Photinia sp.</i>	Photinia (cultivar)
<i>Clematis vitalba</i>	Climbing clematis	<i>Populus nigra</i>	poplar
<i>Crataegus monogyna</i>	English hawthorn	<i>Prunus laurocerasus</i>	English laurel
<i>Cytisus scoparius</i>	Scotch broom	<i>Rubus armeniacus</i>	Himalayan blackberry
<i>Hedra helix</i>	English ivy	<i>Syringa sp.</i>	Lilac (cultivar)
<i>Ilex aquifolium</i>	English holly	<i>Taraxacum officinale</i>	common dandelion
<i>Iris sp.</i>	Iris (cultivar)		

Table 2. Observed Species and Common Wildlife for Habitat on Site

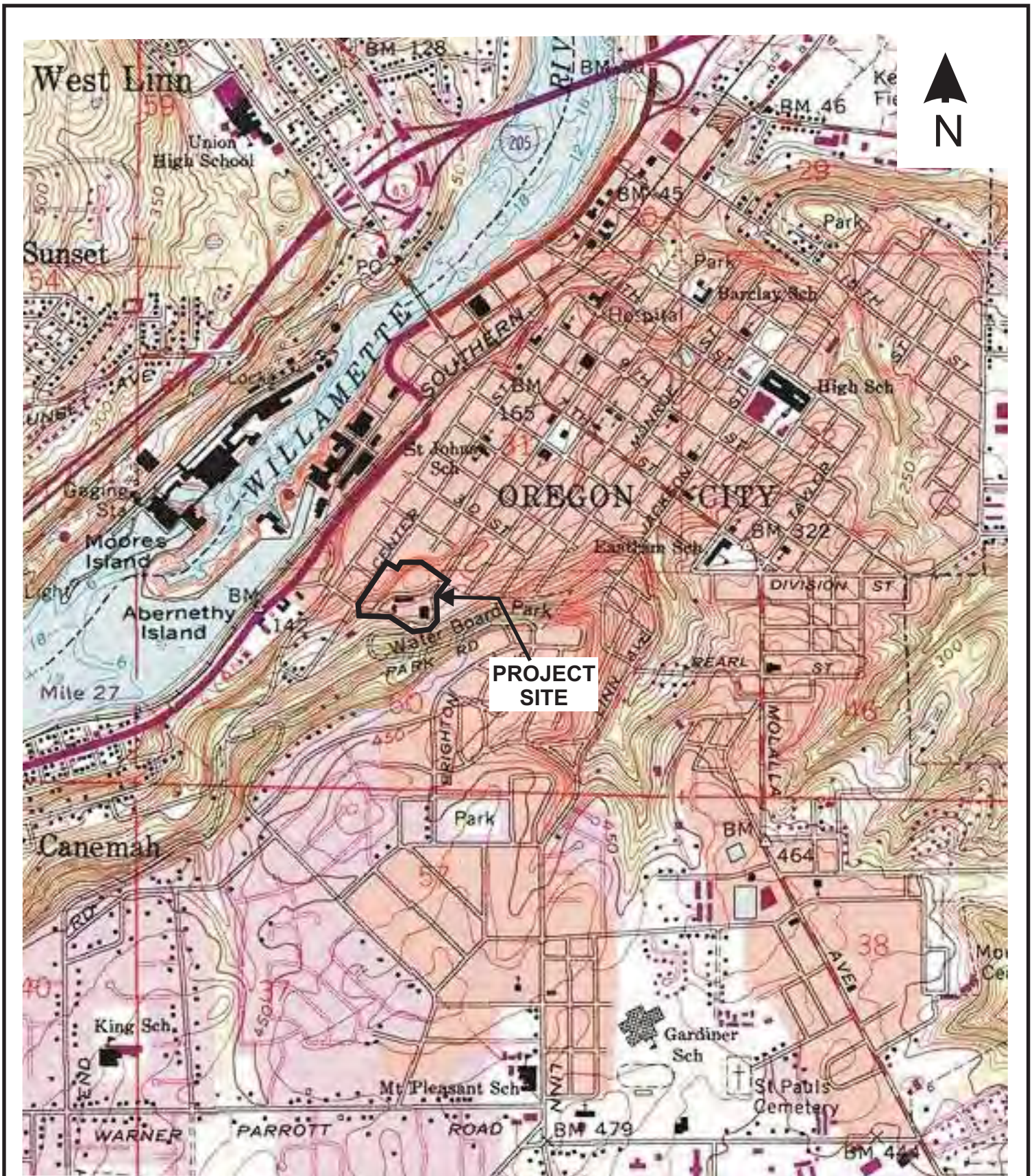
Common Name	Scientific Name
Mammals	
Coyote	<i>Canis latrans</i>
Black-tailed deer	<i>Odocoileus hemionus columbianus</i>
*Norway rat	<i>Rattus norvegicus</i>
raccoon	<i>Procyon lotor</i>
Western grey squirrel	<i>Sciurus griseus</i>
Reptiles	
Common garter snake	<i>Thamnophis sirtalis</i>
Birds	
Acorn woodpecker	<i>Melanerpes formicivorus</i>
*American robin	<i>Turdus migratorius</i>
*Anna's hummingbird	<i>Calypte abba</i>
*Bewick's wren	<i>Thryomanes bewickii</i>
*Bushtit	<i>Psaltiriparus minimus</i>
*Black-capped chickadee	<i>Poecile atricapilla</i>
Chestnut-backed chickadee	<i>Poecile rufescens</i>
Dark-eyed junco	<i>Junco hyemalis</i>
*European starling	<i>Sturnus vulgaris</i>
House wren	<i>Troglodytes aedon</i>
Northern flicker	<i>Colaptes auratus</i>
Red-breasted nuthatch	<i>Sitta canadensis</i>
*Song sparrow	<i>Melospiza melodia</i>
*Spotted towhee	<i>Pipilo maculatus</i>
Steller's jay	<i>Cyanocitta stelleri</i>
*Western scrub jay	<i>Aphelocoma californica</i>
Observed adjacent to site (overhead)	
*American crow	<i>Corvus brachyrhynchos</i>
*Red-tailed Hawk	<i>Buteo jamaicensis</i>
*Turkey vulture	<i>Cathartes aura</i>

Due to the time of day of the site visit, many bird and mammal species are not active, therefore, common species known to use habitat types on site are also listed.

* Detected = Direct observation or sign of wildlife use during site visits.

EXHIBIT C. WILDLIFE HABITAT ASSESSMENT

EXHIBIT D. ARBORIST REPORT



Source: Topo! , 2001. Modified by ES&A, LLC, 2010.

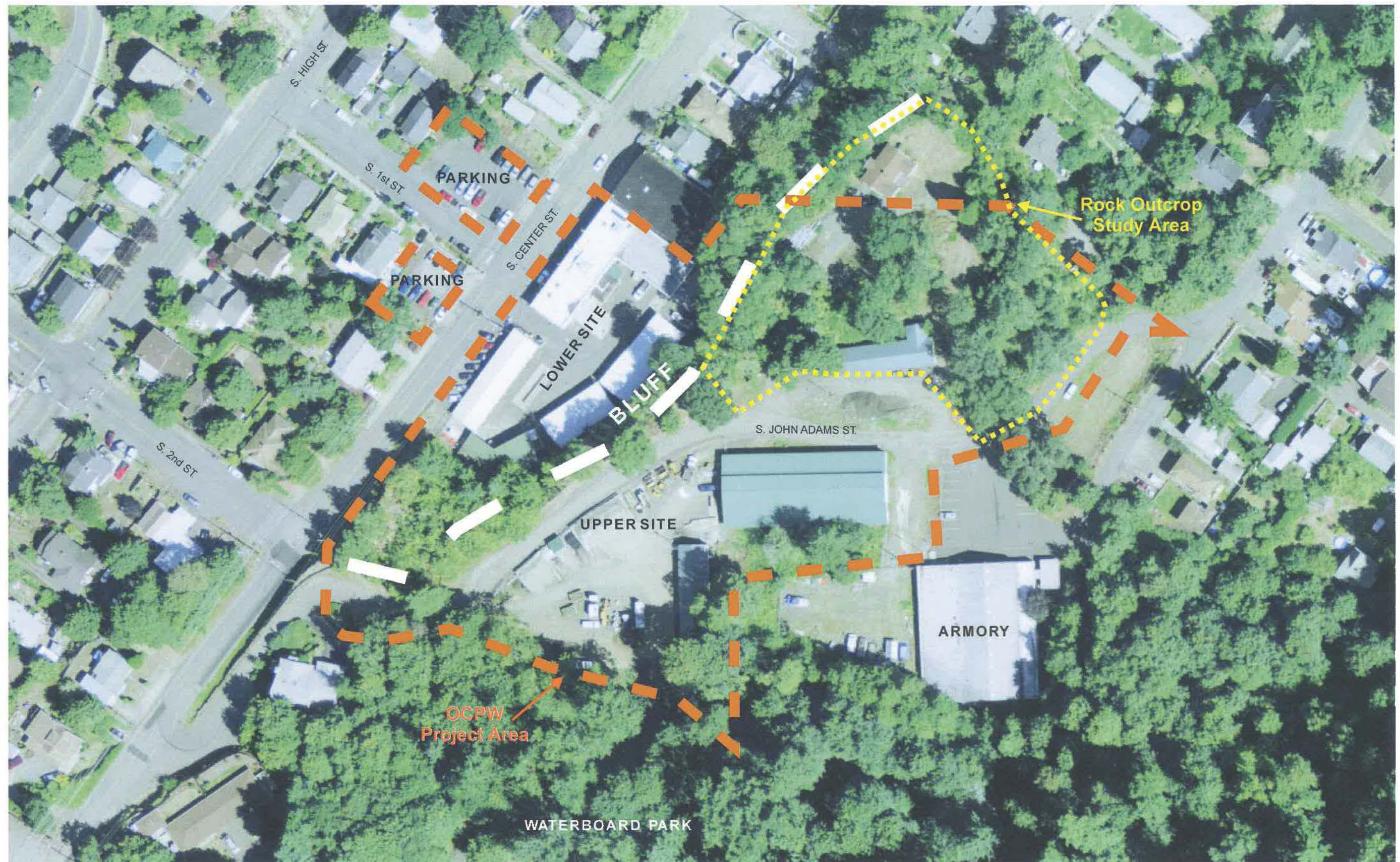
Environmental
Science &
Assessment, LLC



Vicinity Map Oregon City Public Works Facilities Oregon City, Oregon

Figure 1

Approx. Scale:
1" = 1330'



AERIAL OF EXISTING PUBLIC WORKS OPERATIONS FACILITY



Figure 2



838 SW First Ave. #410
Portland, OR 97204
Phone: 503.478.0424
FAX: 503.478.0422
www.esapdx.com

Habitat Assessment
Oregon City Public Works Facility
Oregon City, Oregon

Base Map Source:
Repetto & Ass., Inc.

Modified By: KR

Date: 05/10

Job: 10011

Rev: 00/00

Figure 3

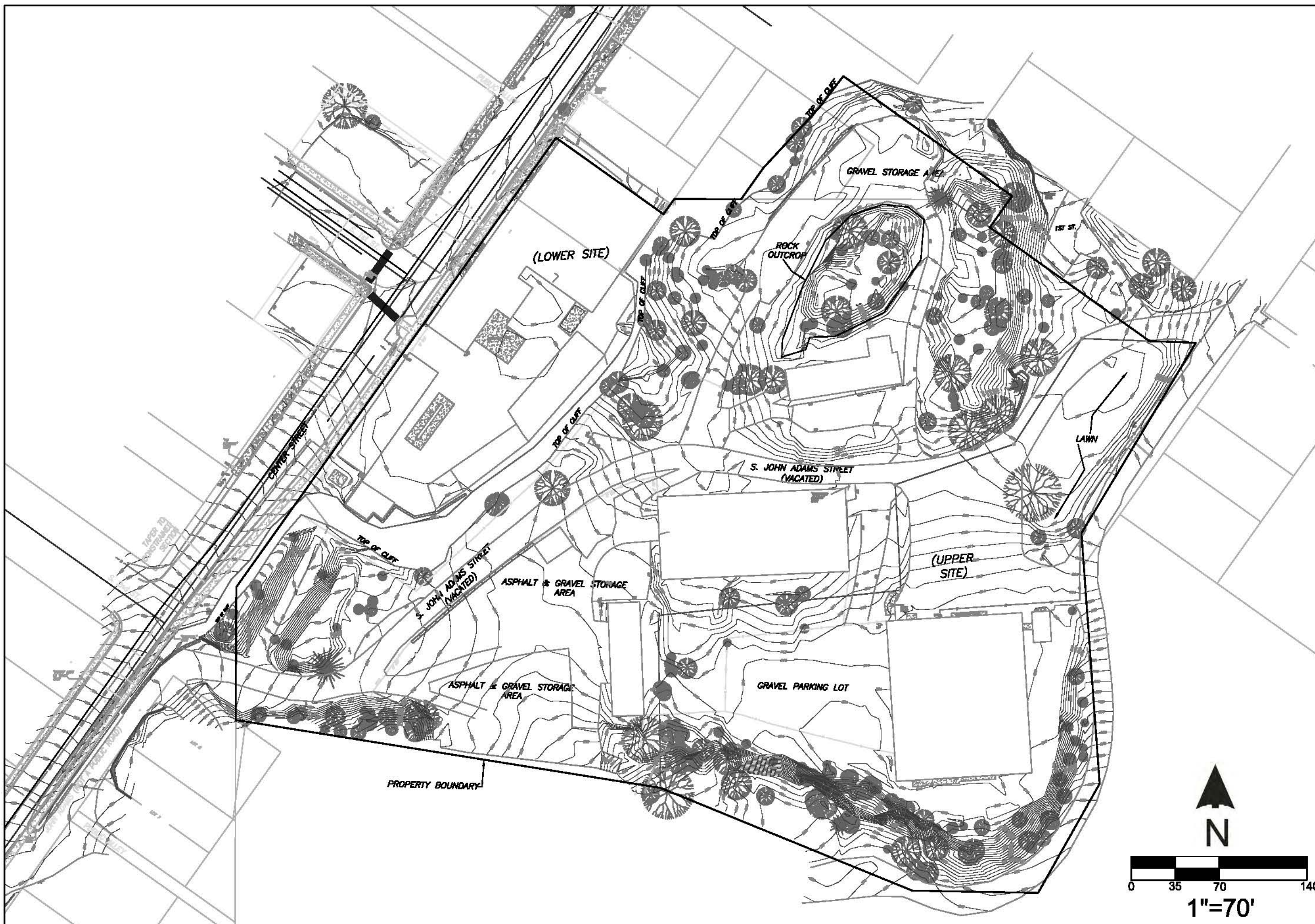




Figure 4

UPLANDS

Wildlife Habitat Assessment

1	Oregon City Public Works Center Master Plan	44*	53**
Unit No.	Location	Sq. Ft.	Score
Comments	JD - Oak remnants, mixed scrub along cliff; mixed forest south of site (Waterboard Park)		
			15-Apr-10

COMPONENT		DEGREE			SCORE		COMMENTS
					*	**	
FOOD	Variety	Low 0	Medium 5	High 11	6	7	Oak (fragmented) Mixed deciduous/conifer (south)
	Quantity & Seasonality	None 0	Limited 5	Year Around 11	5	6	Fragmented oak habitat
	Proximity in Cover	None 0	Nearby 5	Immediately Adjacent 11	5	5	Park south of public works North provides limited cover
COVER	Structural Diversity	Low 0	Medium 5	High 11	6	7	Low amount of shrub species High amount of invasive cover (ivy, Himalayan blackberry, clematis)
	Variety	Low 0	Medium 5	High 11	3	5	Fragmented cover
	Nesting	Low 0	Medium 4	High 8	3	3	Fragmented cover
	Escape	Low 0	Medium 4	High 8	5	5	Park south of public works North - none/limited
	Seasonality	None 0	Limited 4	Year Around 8	5	6	Seasonality anticipated to improve with woody debris placement.

* Existing ** Enhancement Potential

ADDITIONAL VALUE							
DISTURBANCE	Physical	Permanent 0	Temporary 2	Undisturbed 4	1	2	Small pockets of undisturbed forest/shrub
	Human	High 0	Medium 2	Low 4	0	1	High adjacent disturbance High invasive
INTERSPERSION		Low 0	Medium 4	High 9	2	3	Onsite - low interspersions Most of site is disturbed
UNIQUE FEATURES 0 - 4		Wildlife Flora Scenic	Rarity of Habitat Type Educational Potential		3	3	Oak forest is unique

Developed with the Assistance of

Mike Houck - Audubon Society
 Ralph Rogers - U.S. Army Corps of Engineers
 Dennis Peters - U.S. Fish & Wildlife Service
 Diana Hwang - U.S. Fish & Wildlife Service
 Gene Herb - Oregon Dept. of Fish & Wildlife
 Jack Broome - Wetland Conservancy



**Bureau of Planning
City of Portland, Oregon**

**City of Portland
Goal 5 Study
Natural Areas Inventory Field Notes**

LOCATION: Oregon City Public Works Center **OBSERVER:** Jack Dalton **DATE:** 15-Apr-10

WEATHER:

Precipitation (yes, no, type)	None
Wind	Light
Percent Cloud Cover	5%
Temperature	62°F

PHYSICAL PARAMETERS:

General Topography	Flat, rocky outcrop above steep cliff
Degree and orientation of slope	North
Water Features (pond, lake, stream, stagnant, etc.)	Not Applicable
Percent of Site Inundated by water	None
Major Structures, Roads	John Adams - paved (vacated) Center Street - north of lower site 6 to 8 buildings - Oregon City Public Works

VEGETATION:

Description of vegetation types including species list, communities, percent canopy closure (tree, shrub, herb), number and size of snags, seral stage, general health and vitality, percent open water/percent emergent vegetation at inundated areas.

Snags - 12 (especially along the bluff)
Oak community - see species list
Mixed age - oak grove in center of site (on rock outcrop)
Open canopy - 0 to 15%
0% open water/waterway
Mixed deciduous (bigleaf maple) community along southern boundary
Southern boundary - mixed bigleaf maple/Douglas fir forest (disturbed edge)
Bluff - mixed oak and high invasives

WILDLIFE:**Species Observed (herps, fish, birds, mammals)**

Birds - see list

Overflight - red-tail hawk, turkey vulture, American crow

Species not observed but known to be present, and source of information.

Travel corridor - migratory bird species, mammals - Waterboard Park

General description of habitat function (food sources, roosting, perching, nesting, etc.)

Nesting is minimal - too fragmented

Perching - high use along bluff

Food sources - moderate/low diversity/low seasonality

Roosting - low to moderate onsite

- high in Waterboard Park (south)

HUMAN USE:

List human uses, and use by domestic animals; proximity to residential area.

Discuss compatibility and conflicts with natural resources. Interspersion with other natural areas.

Heavy use - Public Works

Residential - travel through site/onsite equipment use

Staging Area / roadway materials

MANAGEMENT/POTENTIAL:**A brief statement on enhancement, maintenance or compatible uses and development**

Enhancement potential includes removal of invasive species along the bluff
(north and northeast edge)

Maintenance includes continuation of invasive removal along perimeter,
including to south (along park)

ADDITIONAL COMMENTS:**Unique Features, Rare, Threatened species**

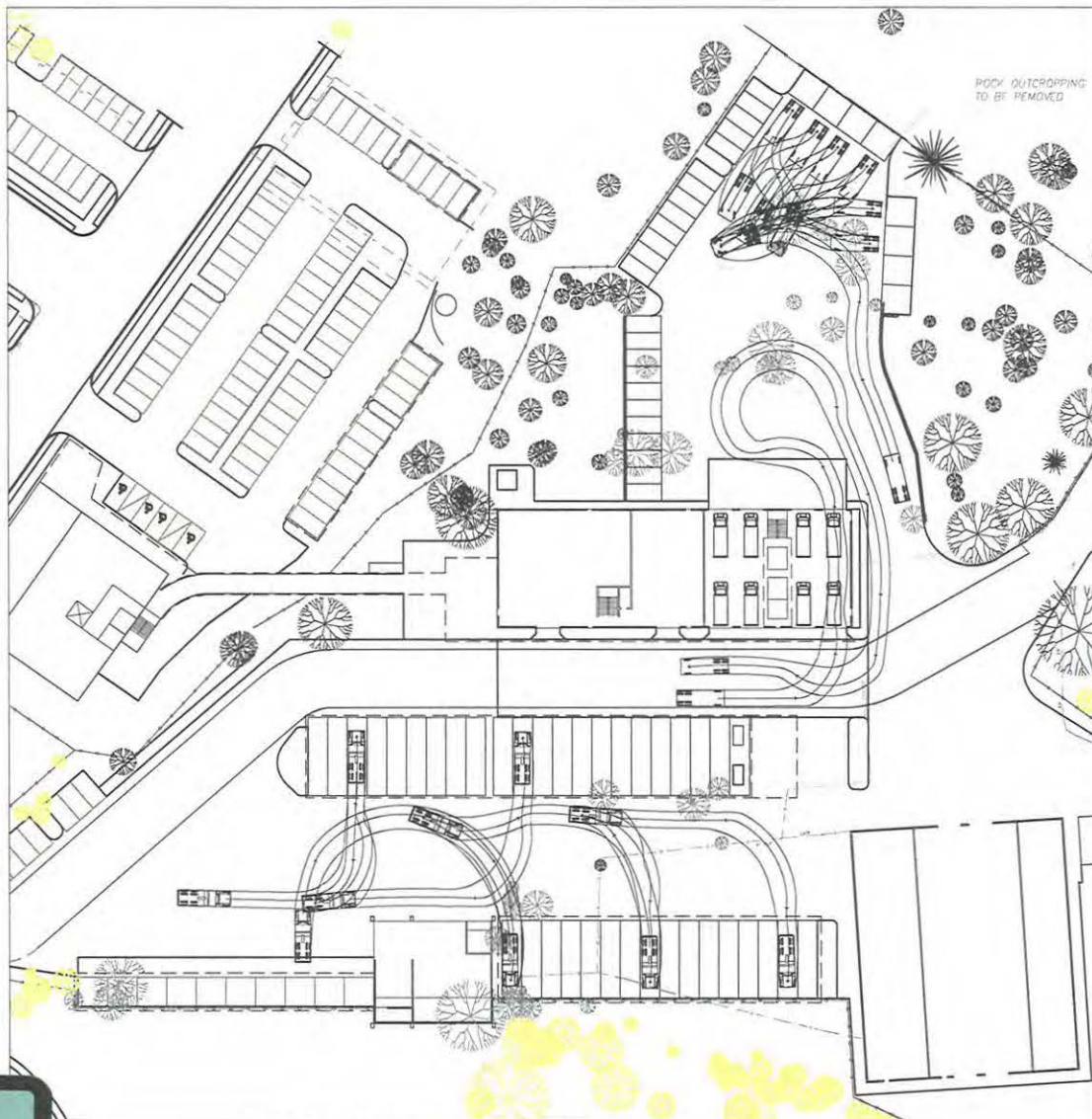
No rare/threatened species

No known listed species onsite

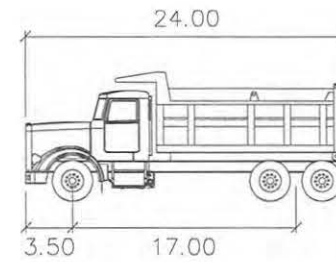
Oak trees unique to north Willamette Valley

SKETCH OF SITE:**Observation points, different vegetation types, and water.**

See topo map



VEHICLE MOVEMENT EXHIBIT (DUMP TRUCK)
SCALE: 1"=60'-0"



OC Dump Truck

	feet
Width	: 8.00
Track	: 8.00
Lock to Lock Time	: 6.0
Steering Angle	: 35.4

Harper
HHP Houf Peterson
Righellis Inc.
ENGINEERS-PLANNERS

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ARCHITECTURE INC

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tel 503 239 1987 fax 503 239 6558



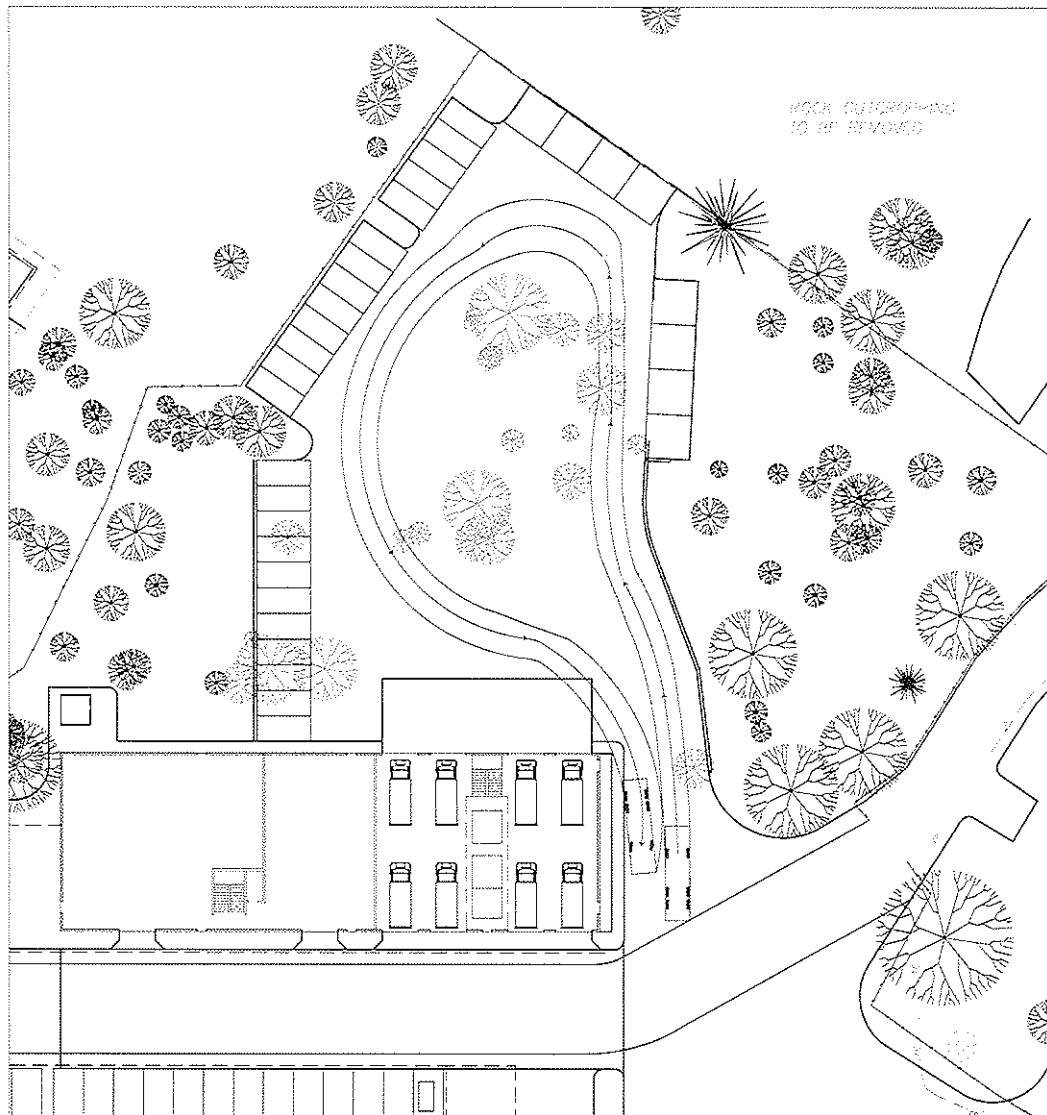
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OREGON CITY, OREGON

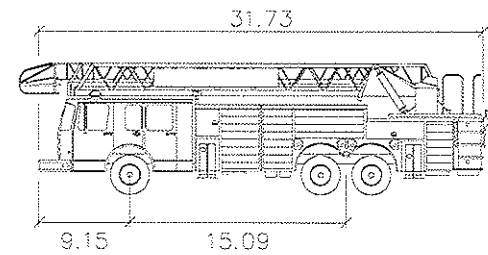
(1ST ST. ROW NOT VACATED)

tabbles®

EXHIBIT



VEHICLE MOVEMENT EXHIBIT (FIRE TRUCK)
SCALE: 1"=40'-0"



Width : 8.14'
Track : 7.61'
Lock to Lock Time : 6.0'
Steering Angle : 41.3'

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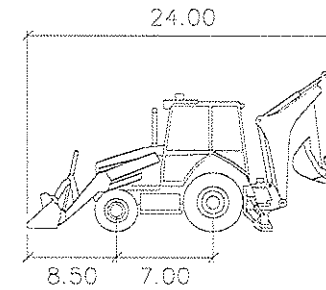
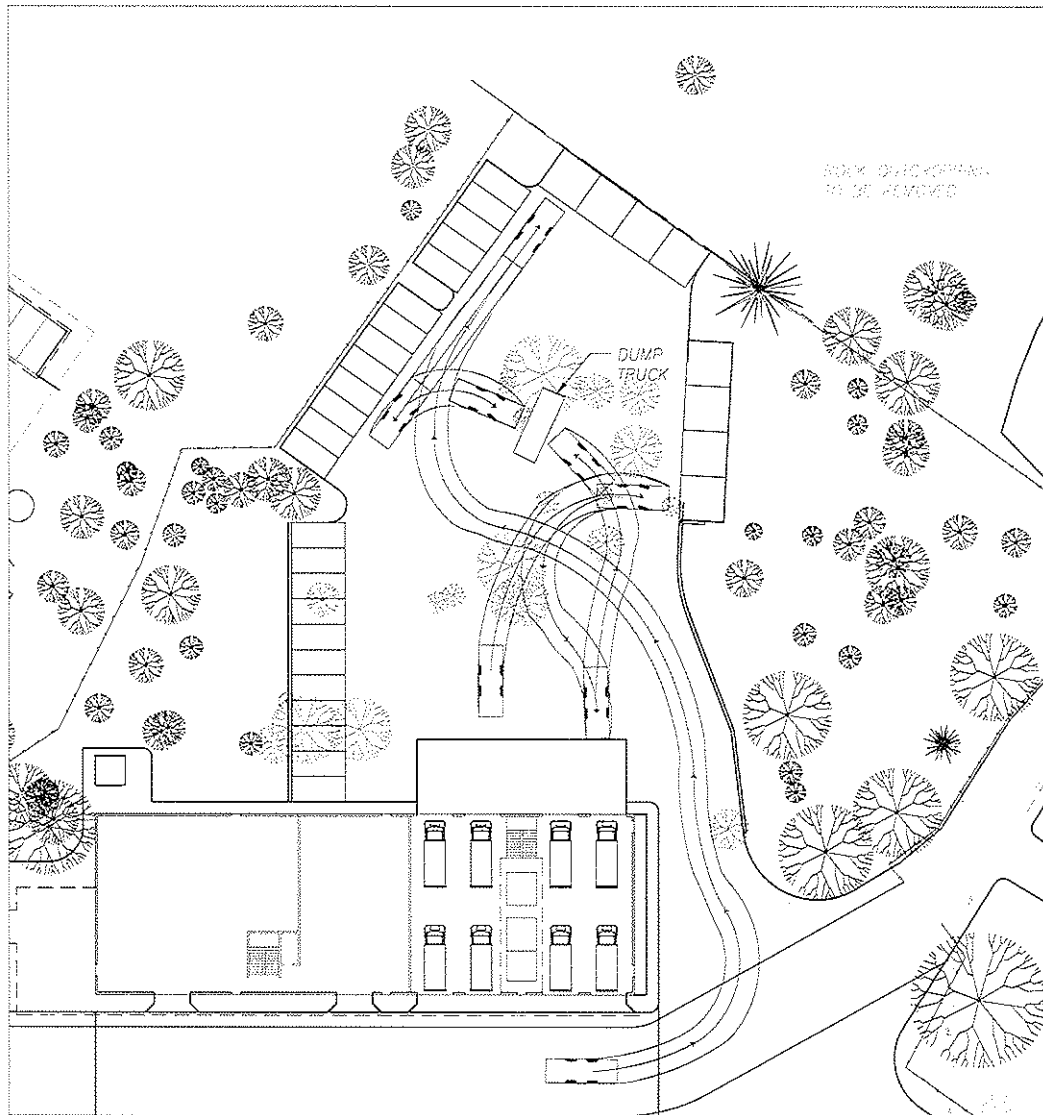
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122 S CENTER STREET
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OC Loader

	feet
Width	: 8.00
Track	: 8.00
Lock to Lock Time	: 6.0
Steering Angle	: 18.0

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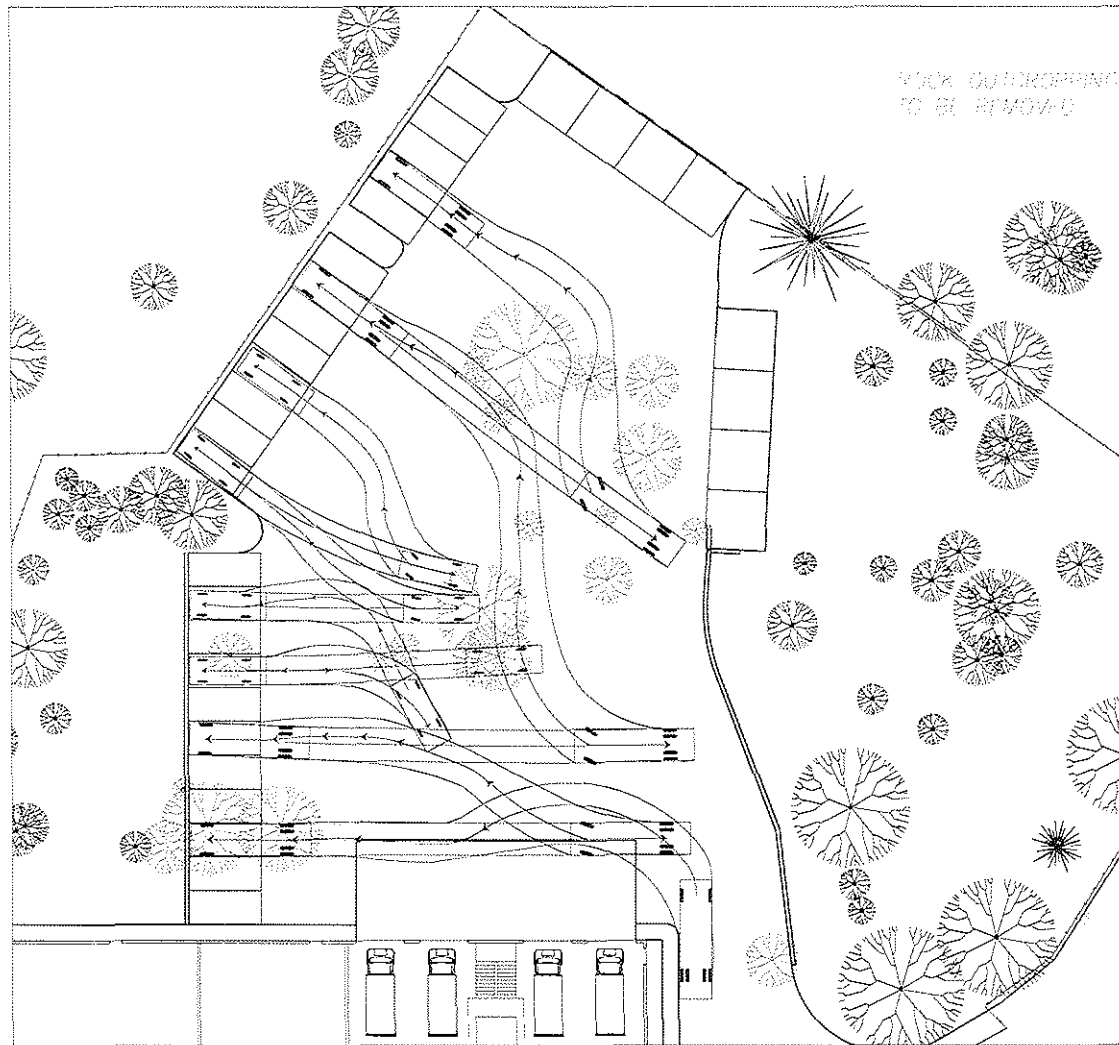
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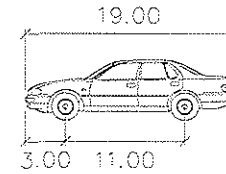
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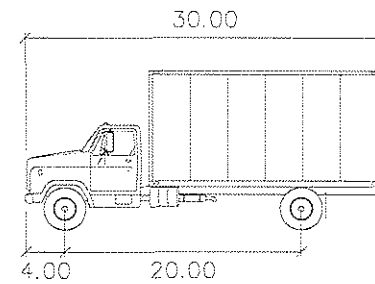
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VEHICLE MOVEMENT EXHIBIT (PASSENGER)
SCALE: 1" = 30' - 0"



Large Car feet
Width : 7.00'
Track : 6.00'
Lock to Lock Time : 6.0'
Steering Angle : 31.6



Medium Truck feet
Width : 8.00'
Track : 8.00'
Lock to Lock Time : 6.0'
Steering Angle : 31.8

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HHPR Houf Peterson
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ENGINEERS-PLANNERS

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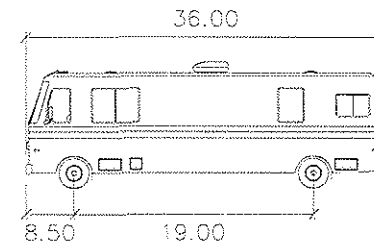
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VEHICLE MOVEMENT EXHIBIT (TROLLEY)
SCALE: 1" = 40'-0"



OC Classic Trolley

Width	: 9.00
Track	: 9.00
Lock to Lock Time	: 6.0
Steering Angle	: 40.0

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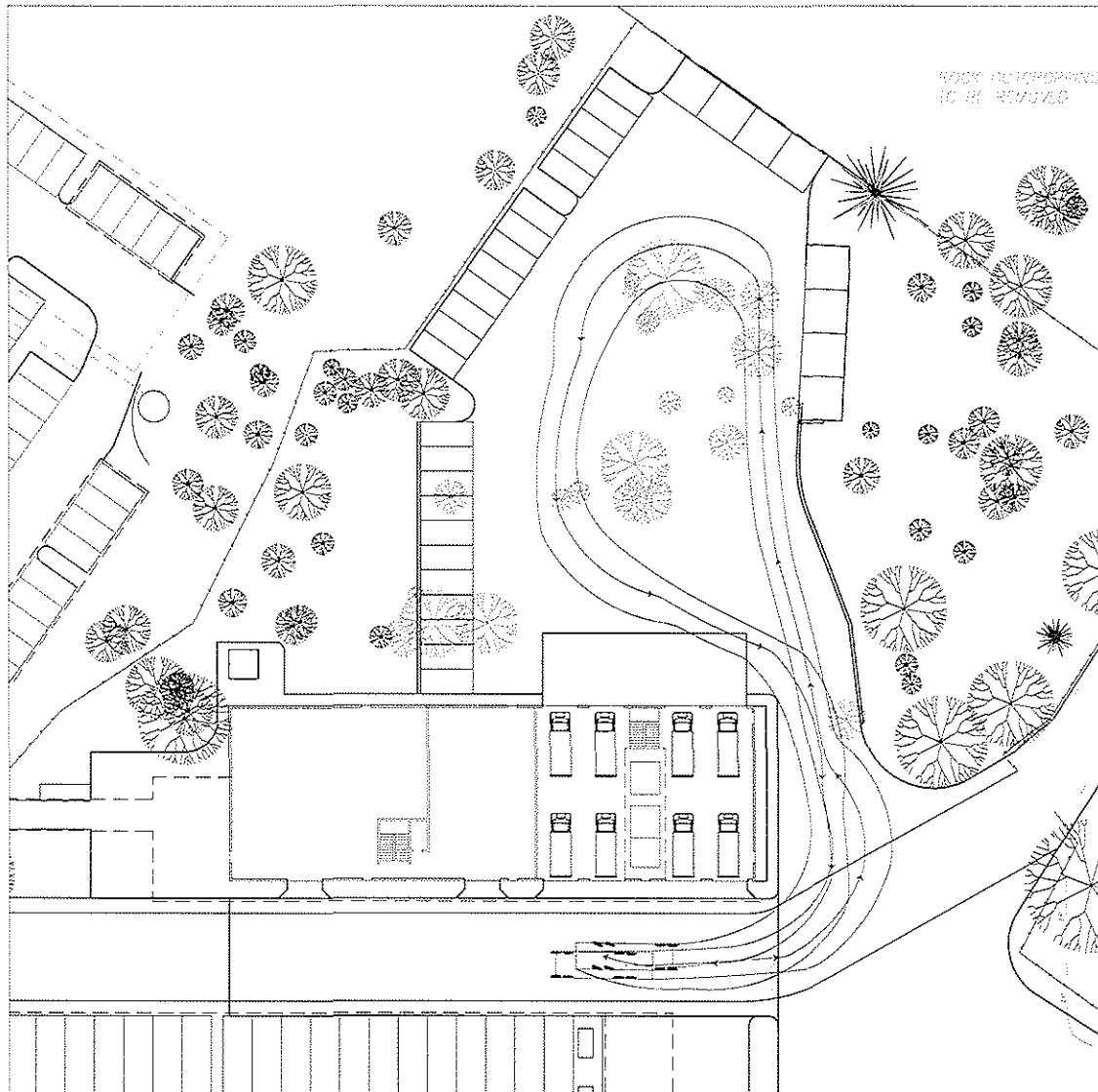
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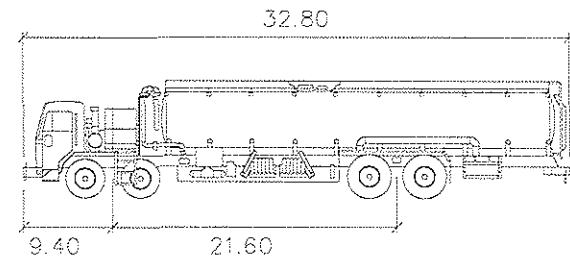
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VEHICLE MOVEMENT EXHIBIT (VAC TRUCK)
 SCALE: 1"=40'-0"



Vacuum Truck

Width : 9.00
 Track : 9.00
 Lock To Lock Time : 6.0
 Steering Angle : 38.9

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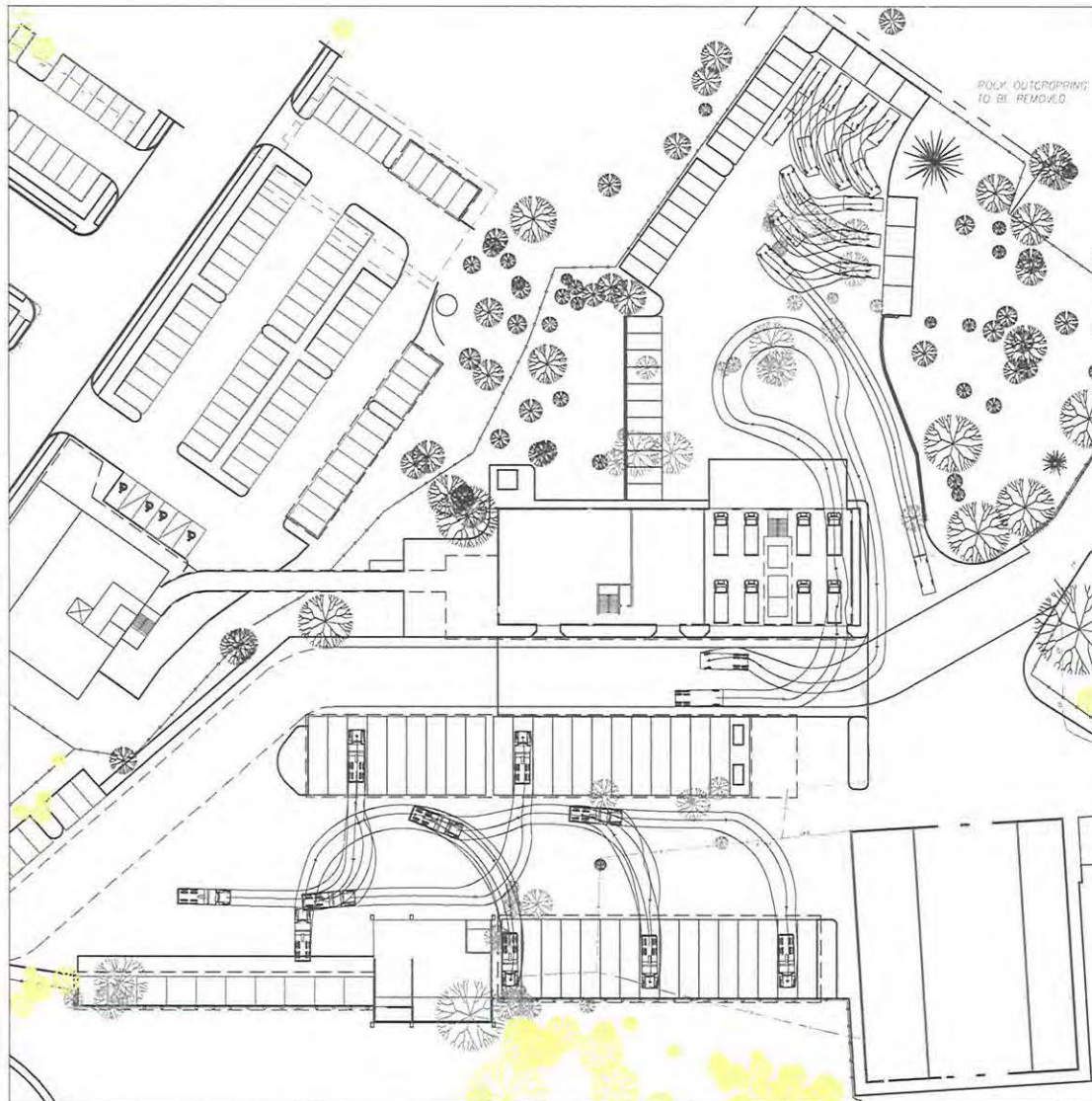
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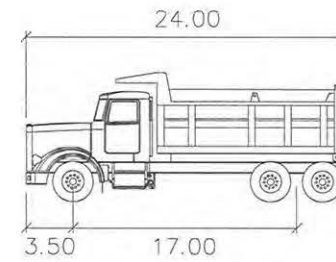
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VEHICLE MOVEMENT EXHIBIT (DUMP TRUCK)
SCALE: 1"=60'-0"



OC Dump Truck

	feet
Width	: 8.00
Track	: 8.00
Lock to Lock Time	: 6.0
Steering Angle	: 35.4

(1ST ST. ROW VACATED)

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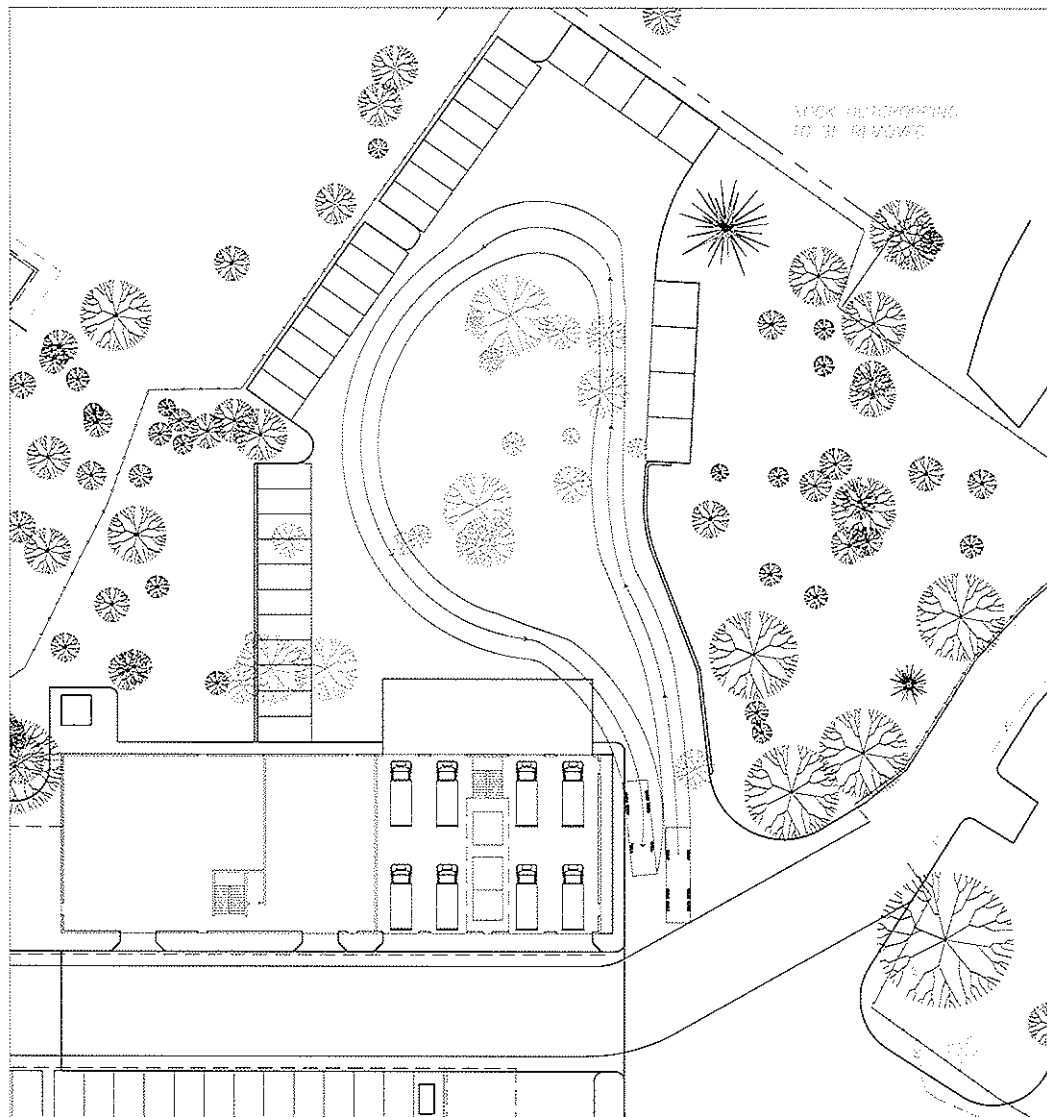
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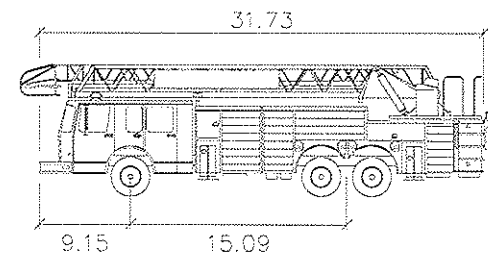


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VEHICLE MOVEMENT EXHIBIT (FIRE TRUCK)
SCALE: 1" = 40'-0"



Width : 8.14'
Track : 7.61'
Lock to Lock Time : 6.0'
Steering Angle : 41.3'

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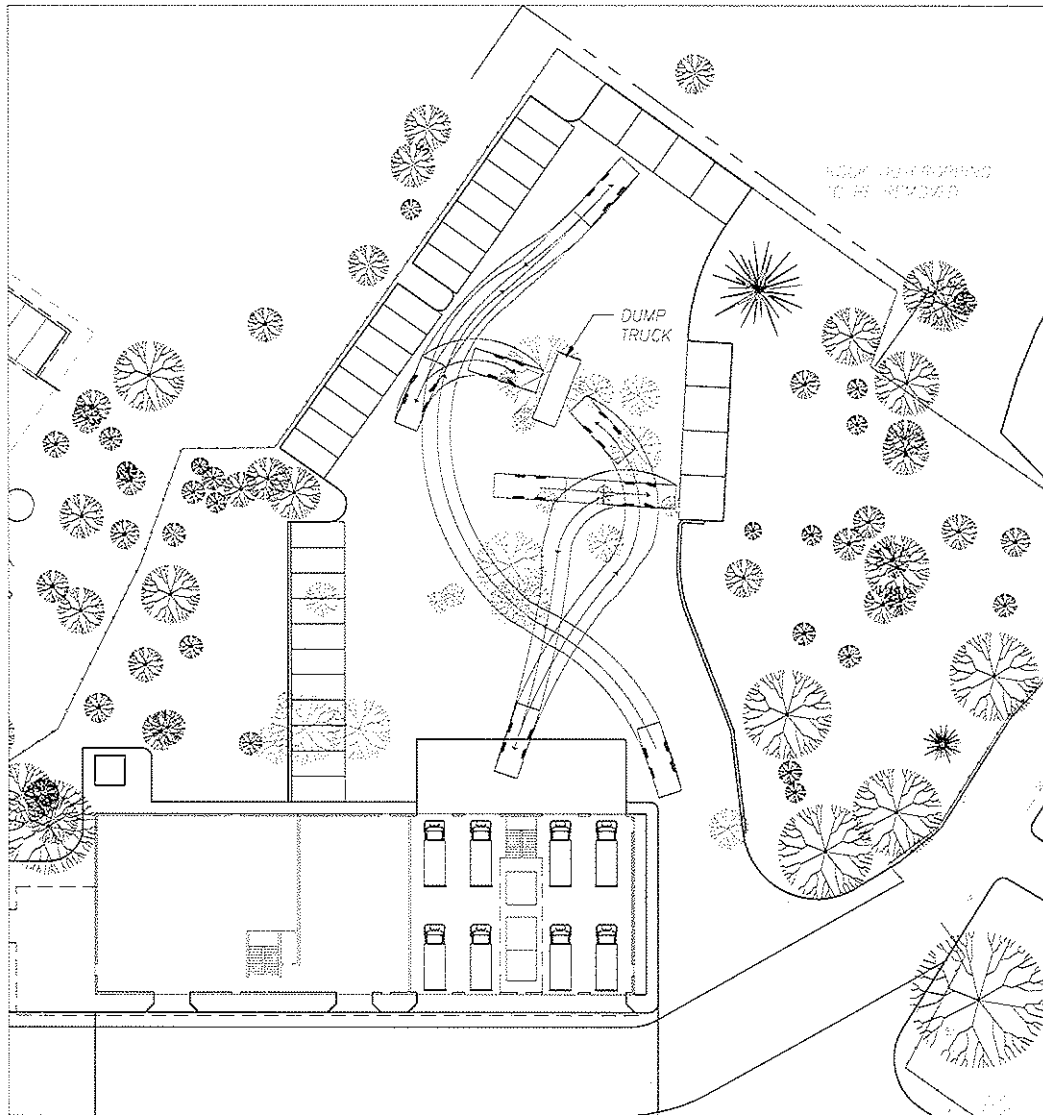
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tel 503 239 1987 fax 503 239 6558



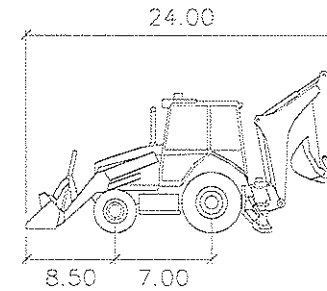
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(1ST ST. ROW VACATED)



VEHICLE MOVEMENT EXHIBIT (LOADER)
SCALE: 1" = 40'-0"



OC Loader

	feet
Width	: 8.00
Track	: 8.00
Lock to Lock Time	: 6.0
Steering Angle	: 18.0

(1ST ST. ROW VACATED)

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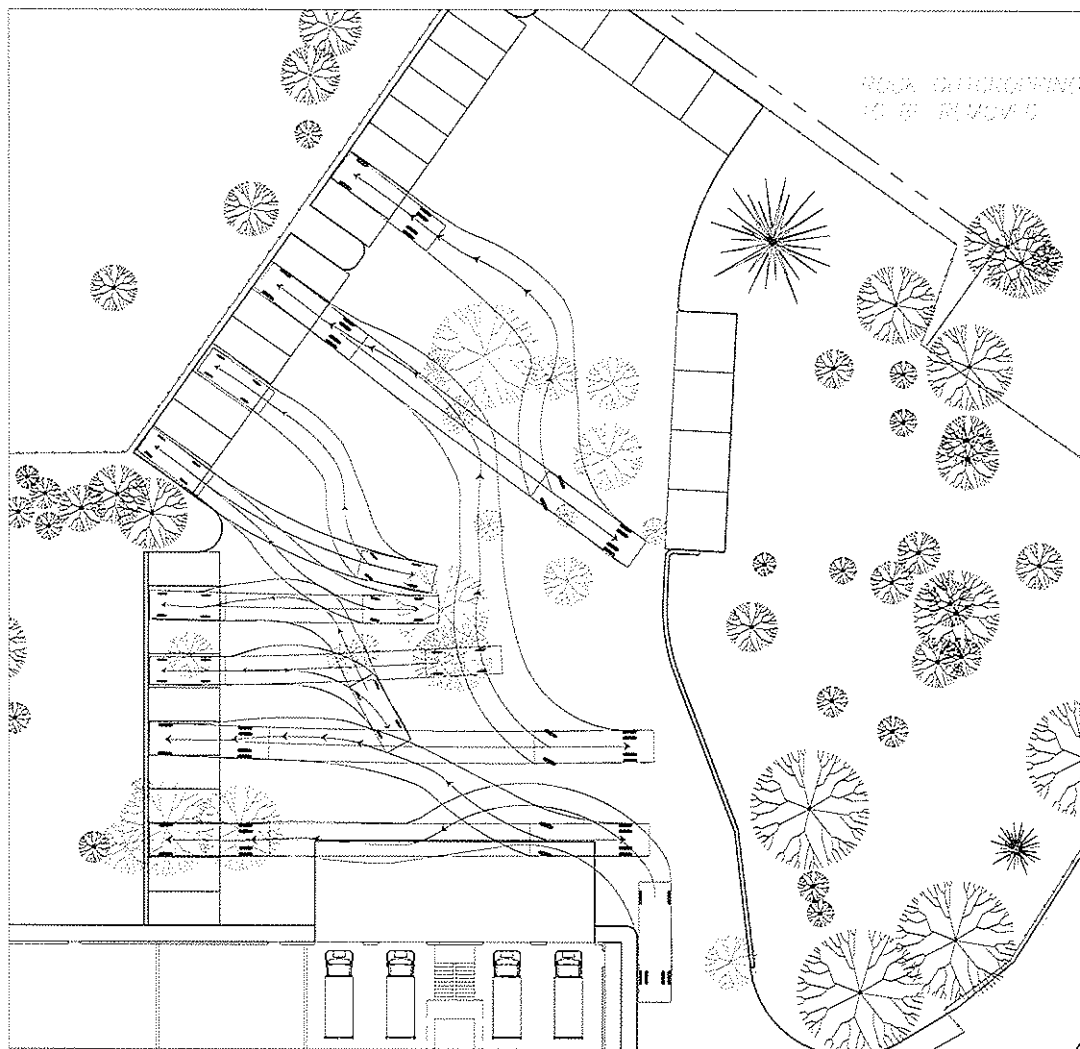
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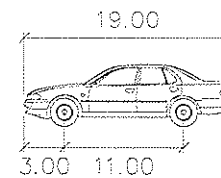
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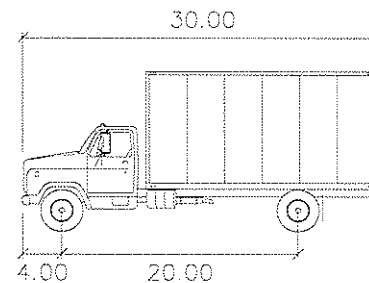
VEHICLE MOVEMENT EXHIBIT (PASSENGER)

SCALE: 1" = 30'-0"



Large Car

	feet
Width	: 7.00'
Track	: 6.00'
Lock to Lock Time	: 6.0'
Steering Angle	: 31.6



Medium Truck

	feet
Width	: 8.00
Track	: 8.00
Lock to Lock Time	: 6.0
Steering Angle	: 31.8

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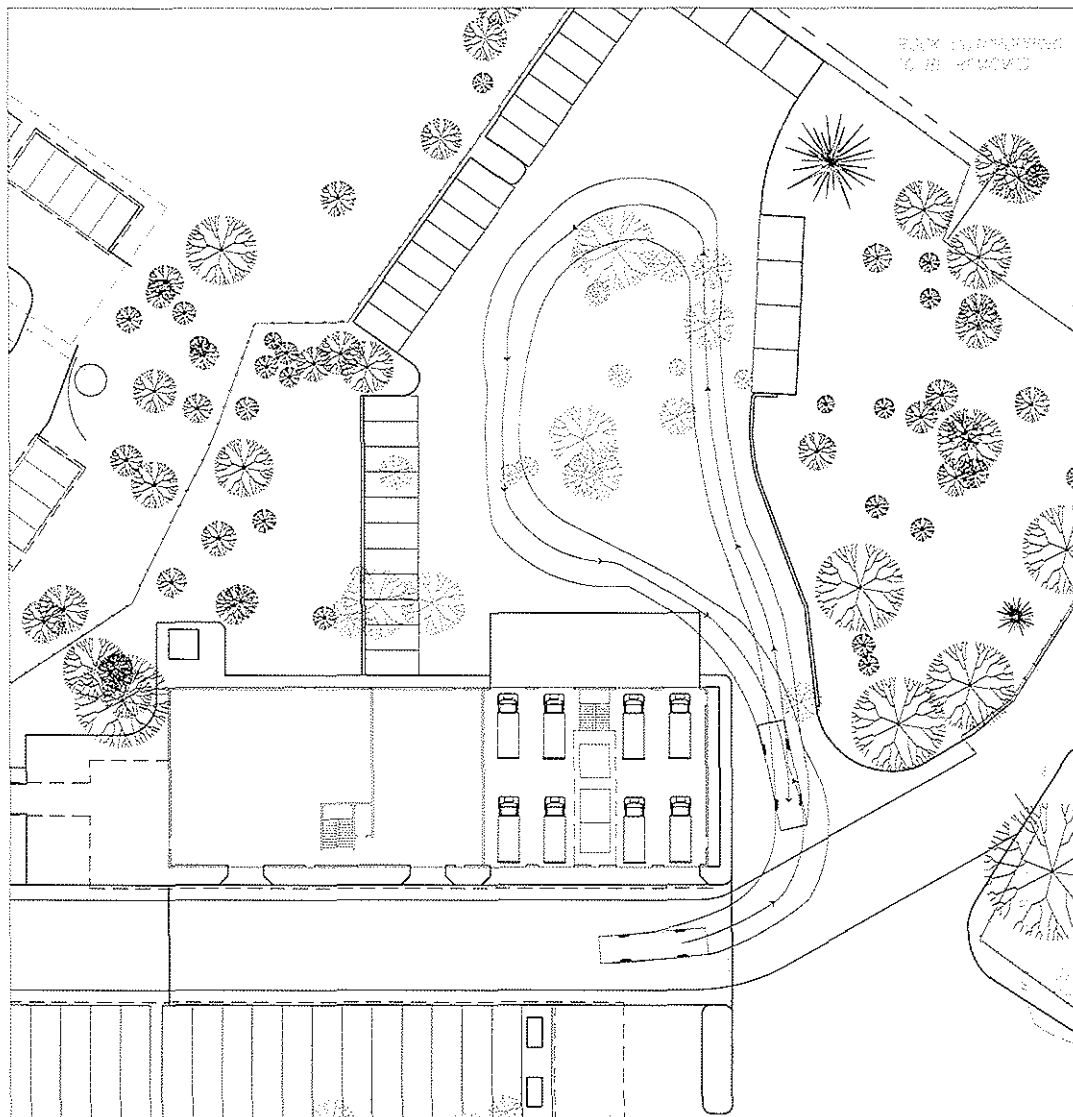
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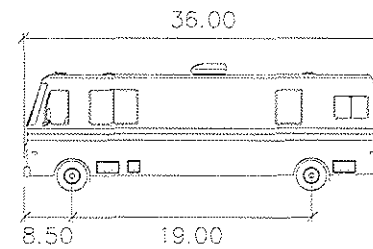
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VEHICLE MOVEMENT EXHIBIT (TROLLEY)
 SCALE: 1"=40'-0"



OC Classic Trolley

Width	: 9.00
Track	: 9.00
Lock to Lock Time	: 6.0
Steering Angle	: 40.0

(1ST ST. ROW VACATED)

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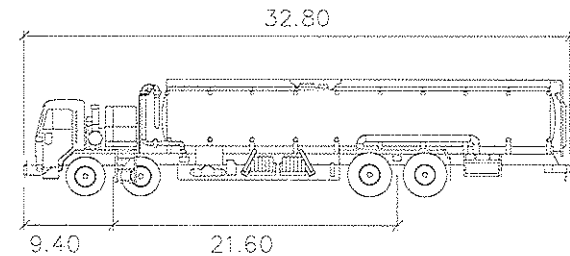
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Vacuum Truck

Width : 9.00
 Track : 9.00
 Lock To Lock Time : 6.0
 Steering Angle : 38.9

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(1ST ST. ROW VACATED)

**Specifications and Recommendations for
Preservation, Removal and Mitigation of Trees
Related to Excavation, Grading and Construction**

For

City of Oregon City
Public Works Master Plan
625 South Center Street
Oregon City, Oregon 97045

By

Applied Horticultural Consulting, Inc.
P.O. Box 2355
Lake Oswego, Oregon 97035
Don Richards, President
ISA Certified Arborist Number PN-5536A
ASHS Certified Professional Horticulturist Number 25543

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Scope and Limitation of Work

Scope of Work

A request was made by Mr. John Lewis, Oregon City Public Works Operations Manager, for me to act in the capacity of project certified arborist to perform an existing tree evaluation of the trees located in the delineated study area identified as "The Rock Outcrop" and the area at the edge of the remaining urban forest. This specific area is within the approved Type II land development as part of the City of Oregon City Public Works Master Plan and the tree survey and report exploring the possibility for tree retention is a condition of approval under item 5 on page 20 of the FINDINGS OF FACT, CONCLUSIONS OF LAW AND FINAL ORDER for City File No. MP 09-02 dated December 2, 2009. I was also asked to provide a professional opinion addressing the effects of development on the trees in this specific area, and to determine whether any of the trees may be saved with design modifications that will not render the overall project unusable as envisioned by the applicant. The final task was to develop a tree preservation plan and/or a tree removal and mitigation plan for this specific area with suggestions for locations where the mitigation plantings will be well suited and provide for the best opportunity of long term success for Oregon white oak trees.

Since the trees form the framework for a larger community of plants in the area and their interconnection with one another is critical to supporting a successful wildlife habitat, this section is part of a complete report provided by the project environmental scientist, (Environmental Science & Assessment, LLC [ES&A]) and does not stand alone. The findings contained in this section are in conformance with the scientific evaluation procedures utilized by similar professionals in this field and are governed by the Code of Ethics of the International Society of Arboriculture and the American Society for Horticultural Science.

All applicable City codes and ordinances have been reviewed and followed in the preparation of this section including codes 12.08.050, 17.04, 17.41.050, 17.41.060, 17.41.070, 17.41.130 and 17.49 inclusive.

I have been retained as an independent contractor on this project by the City of Oregon City. All original tree-related documents shall be submitted to the City of Oregon City and may be used by the City at their sole discretion.

Scope of Work (continued)

A pre-construction tree inventory was conducted on April 16, 2010 and a summary tree survey and tree study is presented herein as of May 6, 2010. This tree survey and tree study is based on design specifications provided by the project architect (refer to Appendix B).

All trees were originally tagged and identified by the project surveyor using metal tree labels numbered and keyed. For trees located inside the delineated study area, a new inventory identifying each tree by genus and species, size in diameter measured at breast height (DBH), height, spread and current condition was conducted during the process of this evaluation. Also for trees within the delineated study area, some corrections were made from the original survey and a complete identification is located on Appendix A attached and made part of this report. Trees located outside the delineated study area were not re-inventoried or evaluated as part of this assignment unless otherwise noted.

The report also contains photographic exhibits of each type of tree located in the delineated study area (Refer to Exhibits 1 through 6).

Timetable

A timetable for completion of our initial part of the project was confirmed as the 30th of April, 2010 extended by amendment to June 30, 2010.

Qualifications, Assumptions and Limiting Conditions

Qualifications

I currently hold the following certifications and designations: I am a consulting arborist under certification with ASCA, American Society of Consulting Arborists and the ISA, International Society of Arboriculture with certification number PN5536-A, a licensed nursery appraiser under certification with the National Nursery and Christmas Tree Appraisers Association and a Certified Professional Horticulturist under certification with the American Society for Horticultural Science with certification number 25543. I am licensed by the State of Oregon as a contractor with CCB number 143325 and by METRO with license number 6409. I am a member in good standing with all of these organizations and I am therefore qualified to perform this scope of work. I also serve as Commissioner on the City of Lake Oswego Development Review Commission and understand the applications of City codes and ordinances to development plans.

Assumptions

This site is not part of a Natural Resources Overlay District (NROD).

Care has been taken to obtain all information from reliable and up-to-date sources. All data has been verified insofar as possible; however, as the project certified arborist, I can neither guarantee nor be responsible for the accuracy of information provided by others. Information provided by the City and their assigns in association with this scope of work is assumed to be correct and accurate to the best of their knowledge.

Limiting Conditions

The limited use of this tree survey and tree study is to offer detailed observations regarding the existing trees and their current condition in relation to the proposed development and the development designed design represented by Appendix B with an opinion regarding mitigation options where applicable.

This tree survey and tree study and any information expressed herein represent the professional opinion of the project certified arborist.

Standards

Documentation Review

Documentation review for this tree survey and tree study and the attachments herein consists of:

1. A measurement of trees in the delineated study area that are 6-inch DBH or larger (refer to Appendix A);
2. An identification of trees by scientific and common name (refer to Appendix A);
3. A measurement of height and spread for each tree in the delineated study area measured in linear feet (refer to Appendix A);
4. A visual inspection of all trees in the delineated study area for structural stability and general health prior to construction (refer to Appendix A);
5. A review of applicable tree codes and associated tree-related ordinances, all sections and subsections from the City of Oregon City, Oregon development codes;
6. A review of the FINDINGS OF FACT, CONCLUSIONS OF LAW AND FINAL ORDER for City File No. MP 09-02 dated December 2, 2009 and the conditions of approval and telephone conversation with Peter Walter, Planner for the City of Oregon City, Oregon;

Documentation Review (continued)

7. A review of all applicable tree preservation protocols from Tree Protection on Construction and Development Sites, Oregon State University, 2009 and Trees and Development – A Technical Guide to Preservation of Trees During Land Development, Matheny and Clark, April 1998;
8. A review of the report writing protocols from *Guide to Report Writing for Consulting Arborists*, American Society for Consulting Arborists, 1995;
9. A review of aerial photographs of the site and development plans provided by the project architect, both original and amended to accommodate the conditions of approval; and review of the immediate site and three alternative sites for potential mitigation planting locations suitable for Oregon white oaks and other, smaller stature trees.
10. A review of the landscape design for the site and telephone conversations with the project landscape architect, Andrea Saven from the offices of Lango Hansen Landscape Architects.

Reference Standards and Guidelines

Measurements for this tree survey and tree study are based on the *American Standard for Nursery Stock*, revision ANSI Z60.1-2004 and the *National Arborist Association Standards for Tree Measurements*, tenth edition.

Tree names referred to in this tree survey and tree study are based on vernacular currently used to describe similar goods or products in the national nursery industry and correspond to plant names and listings found in *Hortus III, Fourth Edition*, 2008.

Tree health observations cited in this tree survey and tree study are based on current structural stability criteria adopted for use by the American Society of Consulting Arborists (ASCA) and the International Society of Arboriculture (ISA) as the definitive authorities on this topic.

Specifications and Observations

Tree Survey/Tree Inventory: The quantity of existing trees 6-inch DBH or greater identified within the delineated study area is 20. All trees are identified on attached Appendix A and representative photographs of each type of tree are shown on attached Photographic Exhibits 1 through 6. Potential planting sites for mitigation are shown on attached Photographic Exhibits 6 through 14.

Tree Categories

Tree categories on the site include the trees that fall within the delineated study area that should be retained by design alternative, trees inside the delineated study area that are dead or dying and trees that are within the delineated study area that should be removed and mitigated.

There is 1 tree that has been determined to be significant to the site and has now been identified for retention outside the delineated study area. This tree is number 41 and is a western red cedar 24 in. DBH. This tree is located just to the north of the delineated study area (refer to Appendix B). This design specifies retention of tree #41 and a more realistic setback for Oregon white oak trees #37 and 38 that will help retain these trees during construction. The normal "Critical Tree Protection Zone" is determined by the dripline of each tree. The design now provides a greater setback for these trees.

There are 4 trees that have been determined to be dead or dying within the delineated study area. These trees are numbered 44, 46, 48 and 52 and are Oregon white oaks ranging in size from 8 in. DBH up to 38 in. DBH. These 4 trees are primarily located in the north and northeastern one third of the delineated study area.

There are 11 trees that have been determined to be in poor condition with three or more defects within the delineated study area and have been identified for removal and mitigation. These trees are numbered 49, 50, 51, 53, 55, 56, 59, 60, 85, 86 and 87 and are comprised of Oregon white oak trees ranging in size from 9 in. DBH up to 24 in. DBH, a Douglas fir tree 17 in. DBH and bigleaf maple trees ranging in size from 6 in. DBH up to 16 in. DBH. These 11 trees are primarily located in the southern two thirds of the delineated study area. There are 5 trees that have been determined to be in fair condition with one to three defects and have been identified for removal and mitigation. These trees numbered 42, 43, 45, 47 and 54 are all Oregon white oaks ranging in size from 7 in. DBH up to 19 in. DBH. These 5 trees are primarily located in the north and northeastern one third of the delineated study area.

OBSERVATIONS

Habitat

No arboreal creatures (birds or tree-dwelling mammals) were observed nesting within the delineated study area. A few native and non-native bird and animal species were observed briefly utilizing the trees in the delineated study area including scrub jays, song sparrows, Norway rats and garter snakes. A greater diversity of birds and animals was observed in the adjacent, contiguous tree groves being retained.

Native and Non-Native Plant Species

Several native and non-native plant species were observed growing in the delineated study area separate from the tree species. Those species included assorted ferns, snowberry, Oregon grape, Iris, Photinia, willows and grasses. The composite of these plant species with the trees create the total habitat area.

Invasive Species

Four invasive plant species were observed growing in the delineated study area. Those species are English ivy (*Hedera helix*), old man's beard clematis (*Clematis vitalba*), Himalayan blackberries (*Rubus armeniacus*), and English holly (*Ilex aquafolium*). The ivy has almost taken over the canopies of a number of the trees in this area and would eventually cause their decline and death if not removed.

Tree Condition

Ten trees have existing damage or significant flaws. These flaws include double tops, wounds, broken tops, multiple trunks, included bark and sapsucker damage. Over half the population of oaks are affected with wasp galls and saprophytic lichens as well as non-native invasive species, primarily English ivy (refer to Photographic Exhibits). All these factors contribute to the poor health and condition of these specific trees in the rock outcrop. On trees that have already declined or died, ivy cover was the greatest contributor to their loss and removing the ivy now from the remaining trees would be too little too late to significantly affect their long term health.

RECOMMENDATIONS

Tree Preservation

The applicant has agreed to the preservation of Tree #41 as a significant tree to the site, unique and in healthy condition. This tree is actually outside the rock outcrop area, but has now been scheduled for retention by use of an alternative design reflected in Appendix B. Two additional trees, #37 and 38, that were already specified for retention, but didn't have adequate setbacks for their "Critical Tree Protection Zones" in the original plan are now accommodated in the revised design (Appendix B).

It is my professional opinion that the trees in the rock outcrop may not be retained by use of the original design or the alternative design (Appendix B) due to their proximity to the constant vehicle traffic, including trucks with trailers, and cannot provide an adequate turning radius for the intended use of the development. This specific site is analogous to a *hole* in the *donut* where the "Outcropping" is the *hole* and the remainder of the contiguous urban forest is the *donut*. If we attempt to retain the 5 Oregon white oak trees identified as currently in fair condition in the *hole*, we encroach on the "Critical Tree Protection Zones" required for retention of the trees we plan to retain in the *donut*. This would not be an acceptable trade-off either for habitat or for the health and welfare of the remaining urban forest.

Additionally, by use of the revised plan (Appendix B), we will now be able to retain tree #41, the 24 inch DBH western red cedar originally approved for removal.

Tree Preservation Projected Outcome

After careful survey of the existing trees, it was clear that with development in such close proximity, their expected life span would be greatly diminished even if preserved. The built environment would not sustain long term growth of the existing Oregon white oak trees within the area of the rock outcrop.

Tree Preservation Protocol

Prior to any development activities, a delineated "Critical Tree Protection Zone" for each trees scheduled for preservation must be established. The "Critical Tree Protection Zone" for the trees to be preserved should be established as a minimum distance equal to the area defined by the drip line of each tree measured from the center of the trunk to the shadow point of the tree branches. The drip line may be determined by the measurement of spread as identified in Appendix A divided by two. EXAMPLE: A tree with a spread of 40 feet would require a "Critical Tree Protection Zone" of 20 feet measured from the center of the tree.

Prior to any development activities, an approved construction fencing, a minimum of four feet tall with steel posts placed no farther than ten feet apart, shall be installed at the edge of the "Critical Tree Protection Zone".

Prior to any development activities, approved signs shall be attached to the fencing stating that inside the fencing is a "Critical Tree Protection Zone", not to be disturbed unless prior approval has been obtained from the community development director.

No construction activity shall occur within the "Critical Tree Protection Zone", including, but not limited to; dumping or storage of materials such as building supplies, soil, waste items, portable toilets; nor passage or parking of vehicles or equipment.

The "Critical Tree Protection Zone" shall remain free of chemically injurious materials and liquids such as paints, thinners, cleaning solutions, petroleum products, and concrete or dry wall excess, construction debris or run-off.

No excavation, trenching, grading, root pruning or other activity shall occur within the "Critical Tree Protection Zone" unless directed by the certified project arborist present on-site and approved by the community development director.

No machinery repair or cleaning shall be performed within ten feet of the dripline of any trees identified for preservation.

Tree Preservation Protocol (continued)

Digging a trench for placement of utilities or other structure within the "Critical Tree Protection Zone" of a tree to be protected is prohibited. Boring under or through the "Critical Tree Protection Zone" may be permitted if approved by the community development director and pursuant to the approved written recommendations and on-site guidance and supervision of the certified project arborist.

The community development director may impose conditions to avoid disturbance to tree roots from grading activities and to protect trees and other significant vegetation identified for retention from harm. Such conditions may include, if necessary, the advisory expertise of the project certified arborist or certified professional horticulturist during and after site preparation, and a special maintenance/management program to provide protection to the resource as recommended by the project certified arborist or certified professional horticulturist.

Changes in soil hydrology due to soil compaction and site drainage within tree preservation areas shall be avoided. Drainage and grading plans shall include provisions to ensure that drainage of the site does not conflict with the standards of this section. Excessive site run-off shall be directed to appropriate storm drainage facilities and away from trees designated for preservation.

The City may require that the project certified arborist be present during any construction or grading activities that may affect the dripline of trees to be preserved.

Tree preservation measures shall be removed only after completion of all construction activity, including necessary landscaping and irrigation installation, and any required plat, tract, conservation easement or restrictive covenant has been recorded.

No trees designated for removal shall be removed without prior written approval from the community development director.

Prior to any construction activities, trees designated for removal should be identified by the project certified arborist utilizing yellow survey tape tied around or affixed to the trunk of each tree.

Trees designated for removal should be removed utilizing industry standards for safety and protection of all persons or property.

Mitigation (for the delineated study area only)

Mitigation for the oak trees designated and approved for removal should be with *Quercus garryana*, Oregon white oak only, as described in the FINDINGS OF FACT, CONCLUSIONS OF LAW AND FINAL ORDER for City File No. MP 09-02 dated December 2, 2009 and the conditions of approval. Mitigation for the non-oak trees designated and approved for removal may be with non-oak species appropriate for the site to be planted. This has partially been accommodated in the landscape plans with planting of many more trees on the site than are scheduled for removal. However, if additional trees and planting sites are required, small stature, understory trees such as *Prunus shirotae* 'Mt. Fuji', *Malus* 'Prairiefire', *Cercis canadensis*, *Cornus kousa* 'Satomi' or others may be appropriate for retention of views and their ability to fit in to smaller planting sites under existing tree canopies such as those provided at The McLoughlin Conservation District Promenade. This would also provide for more species diversity in the urban forest.

It has been determined that the site after development will accommodate 14 Oregon white oaks. Therefore, alternative mitigation sites on publicly owned property have been scouted by the certified project arborist for suitability for the remaining 14 Oregon white oaks required for mitigation of the delineated study area. These sites include the north perimeter of Waterboard Park, which abuts the Public Works property to the south, upper Waterboard Park below the parking barrier/retaining wall at the end of Creed Street, the McLoughlin Conservation District Promenade, Rivercrest Park or other City Parks.

Alternative planting sites might also include the Singer Falls area, Canemah Park, METRO owned Canemah Bluffs natural area or on public school sites owned by the local school district. All but the Waterboard Park perimeter were deemed suitable for planting and there were ample total planting sites for mitigation trees (refer to Photographic Exhibits 6 through 14). These sites all allow for public access and enjoyment of the trees compared to limited or no public access to the development site.

The trees to be procured for mitigation must be a minimum of 1.5 caliper in. with the diameter measured at 6 in. above mean ground level. The trees must be nursery grown and should conform to the standards set forth in the *American Standard for Nursery Stock*, revision ANSI Z60.1-2004. Larger caliper, small stature trees would be more desirable in larger sizes if available for use in non-oak plantings.

Mitigation (for the delineated study area only) continued

The trees to be procured for mitigation shall be planted at the following ratio...

For trees removed that are the following sizes...

6-12 in. DBH mitigation shall be 1 tree for each tree removed.

13-18 in. DBH mitigation shall be 2 trees for each tree removed.

19-24 in. DBH mitigation shall be 3 trees for each tree removed.

25-30 in. DBH mitigation shall be 4 trees for each tree removed.

31 in. and larger DBH mitigation shall be 5 trees for each tree removed.

On this specific rock outcrop site, there are 16 live trees scheduled for removal. Dead tree replacement was not a condition of approval and dead trees were not calculated as part of the mitigation requirement. The live tree sizes are provided in the following table...

White Oaks				Non-White Oaks			
Size DBH In.	Removal Quantity	Replacement Factor	Oregon White Oaks Required For Mitigation	Size DBH In.	Removal Quantity	Replacement Factor	Other Trees Required For Mitigation
6-12	3	1:1 ratio	3	6-12	2	1:1 ratio	2
13-18	2	2:1 ratio	4	13-18	1	2:1 ratio	2
19-24	4	3:1 ratio	12	19-24	0	3:1 ratio	0
25-30	1	4:1 ratio	4	25-30	0	4:1 ratio	0
31 +	1	5:1 ratio	5	31 +	2	5:1 ratio	10

A total of 28 Oregon white oaks and 14 non-Oregon white oaks are required for mitigation from the delineated study area. This is 42 trees total required for mitigation for this specific site. Refer to the landscape architect's alternative plans for trees that will be planted to satisfy mitigation requirements for the remainder of the development.

Planting Site Choices

Planting sites chosen for Oregon white oaks should be well drained and not collect seasonal water. Planting in areas with turf, such as public parks or school yards, should have adequate bare areas around the base of the trees to avoid excess watering, mower and string trimmer damage. It has been determined that we have adequate locations for planting 14 of the Oregon white oaks on site, and can accommodate most of the non-oak trees. The remainder of the required oak trees and non-oak trees will be planted on alternative sites.

Planting Specifications

Standards of care outlined in ANSI Standard A300 should be observed. Trees should be planted in holes that have been slightly over dug to provide fresh soil for newly emerging roots to establish within. Oregon white oak trees should be planted on 50 foot centers to accommodate their spread at maturity. Other, smaller stature trees should be planted with spacing equal to one-half their expected spread at maturity. Planting depth should be to lightly cover the root crown, but do not mound soil or mulch around the trunk. Supplemental watering will be required weekly in the dry months during the establishment period of approximately 12 months following planting. Use of a soil saucer made to hold water around the perimeter of the tree is recommended during the establishment period. Staking after planting is not encouraged and should only be used in areas prone to high winds. Adequate fertilizer should be applied only after the 12 month establishment period unless otherwise prescribed by the project certified arborist.

Insect, Disease and Weed Control

Several insects and diseases are known to infest Oregon white oaks, including, but not limited to wasp galls, saprophytic lichens and others. Assorted insects and diseases are also known to infest a variety of smaller stature trees that may be chosen for mitigation. These insects and disease should be prevented when possible by use of the appropriate measures as outlined in the *Pacific Northwest Insect Control and Disease Control Handbooks*, 2009 publication from Oregon State University.

Weed control should be employed in an effort to allow the plants to establish themselves in the more natural settings and in the landscape for formal weed control in park and school yard settings. The appropriate weed control measures may be found in the *Pacific Northwest Weed Control Handbook*, 2009 publication from Oregon State University.

Pruning

Broken or crossing branches, dead branches or dying branches should be removed cleanly at planting time. Any branches broken by wind, ice, snow or vandalism should be removed during the 12 month establishment period in the more natural settings and in the landscape for formal pruning in park or school yard settings as needed.

CERTIFICATION OF ARBORIST'S REPORT

I certify that, to the best of my knowledge and belief:

- ◆ The statements of facts contained in this report are true and correct.
- ◆ The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are impartial, and unbiased professional analyses, opinions, and conclusions.
- ◆ I have no bias with respect to the parties involved with this assignment.
- ◆ My engagement in this assignment is not contingent upon delivering or reporting predetermined results.
- ◆ The compensation for completing this assignment is not contingent upon the development or reporting of a predetermined direction that favors the cause of the applicant, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this report.
- ◆ The analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the requirements of the International Society of Arboriculture's *Guidelines for Tree Protection* and all applicable tree codes and related ordinances outlined by The City of Oregon City, Oregon.
- ◆ The use of this report is subject to the requirements of the International Society of Arboriculture (ISA) and the American Society of Consulting Arborists (ASCA) and subject to review by their respective, duly authorized representatives.

◆ Don Richards, President, AHC, Inc.
Arborist's Name and Title

◆ Don Richards PN55364
Arborist's Signature

◆ April 16, 2010
Date of Tree Study and Survey

◆ June 3, 2010
Date of Final Report

Photographic Exhibits

City of Oregon City Public Works Master Plan “Rock Outcrop”



Maple Trees #87 Severe Lean and #58 Partial Lean



Maple Trees #86 and 85 Split Trunks Covered with Ivy

Photographic Exhibits



Douglas Fir Tree #60 Multiple Tops



White Oak Trees #54, 55 and 56

Photographic Exhibits



Cedar Tree #41 Outside Rock Outcrop, But May Now Be Saved



White Oak Trees #38 and 37 Outside Rock Outcrop, But May Be Saved

Photographic Exhibits



White Oak Trees #43, 42 and 45



Less than 6" DBH Grove of Small White Oak Trees Not Counted

Photographic Exhibits



White Oak Trees #49 and 51 Covered with Ivy



Wasp Galls on White Oak Trees

Photographic Exhibits



Heavy Saprophytic Lichens on White Oak Trees

Potential Locations for Mitigation Plantings McLoughlin Conservation District Walk



One Possible Planting Site for Oak

Photographic Exhibits



**Two Possible Planting Sites for Oaks or
Multiple Planting Sites for Smaller Stature Trees**

Potential Locations for Mitigation Plantings McLoughlin Conservation District Walk



Three Possible Planting Sites for Oaks

Photographic Exhibits

Potential Locations for Mitigation Plantings McLoughlin Conservation District Walk



One Possible Planting Site for Oak

Potential Locations for Mitigation Plantings Outside Retaining Wall Face in Upper Waterboard Park



Possible Planting Site for One Oak

Photographic Exhibits

Potential Locations for Mitigation Plantings Outside Retaining Wall Face in Upper Waterboard Park



Possible Planting Site for One Oak



Possible Planting Site for One Oak

Photographic Exhibits

Potential Locations for Mitigation Plantings in Rivercrest Park



**Multiple Potential Planting Sites for Oaks and
Smaller Stature Trees**



**Multiple Potential Planting Sites for Oaks and
Smaller Stature Trees**

Photographic Exhibits

Potential Locations for Mitigation Plantings in Rivercrest Park



**Multiple Potential Planting Sites for Oaks and
Smaller Stature Trees**

Potential Locations for Mitigation Plantings in Canemah Park



Multiple Potential Planting Sites for Oaks

Photographic Exhibits

Potential Locations for Mitigation Plantings in Canemah Park



Possible Planting Site for One Oak



Possible Planting Site for One Oak

Photographic Exhibits

Potential Locations for Mitigation Plantings in Canemah Bluffs Natural Area



Multiple Potential Planting Sites for Oaks



Multiple Potential Planting Sites for Oaks

Photographic Exhibits

Potential Locations for Mitigation Plantings in Canemah Bluffs Natural Area



Multiple Potential Planting Sites for Oaks

**City of Oregon City Public Works Master Plan Rock Outcrop
Tree ID**

AREA & TREE NUMBER	TREE TYPE AND CONDITION	TREE SIZE (INCHES DBH**)	HEIGHT AND SPREAD	RETAIN = R REMOVE = X
Rock Outcrop				
87	<i>Acer macrophyllum</i> - Big Leaf Maple - 30 Degree Lean, Poor Condition	12"	45' x 20'	X
86	<i>Acer macrophyllum</i> - Big Leaf Maple - Poor Condition, 50% Ivy Cover	39" Composite 2-Trunk Multi-Trunk***	55' x 35'	X
85	<i>Acer macrophyllum</i> - Big Leaf Maple - Poor Condition, 30% Ivy Cover	38" Composite 2-Trunk Multi-Trunk	60' x 40'	X
59	<i>Acer macro.</i> - Big Leaf Maple - Poor Cond., 20 Degree Lean, 75% Ivy	6"	40' x 15'	X
60	<i>Pseudotsuga menzeisii</i> - Douglas Fir - Poor Condition - 50% Ivy Cover	17"	45' x 25'	X
55 (originally shown as trees #55 & 61 - actually one tree with two trunks from the same root system)	<i>Quercus garryana</i> - Oregon White Oak - Poor Condition	24" Composite 5-Trunk Multi-Trunk	30' x 18'	X
56	<i>Quercus garryana</i> - Oregon White Oak - Poor Condition	21" Composite 4-Trunk Multi-Trunk	30' x 20'	X
54	<i>Quercus garryana</i> - Oregon White Oak - Fair Condition	34" Composite 2-Trunk Multi-Trunk	90' x 55'	X
45	<i>Quercus garryana</i> - Oregon White Oak - Fair Condition	12"	75' x 30'	X
44	<i>Quercus garryana</i> - Oregon White Oak - 100% Dead, 60% Ivy Cover	17"	30' x 15'	X
46	<i>Quercus garryana</i> - Oregon White Oak - 75% Dead, 60% Ivy Cover	8"	30' x 18'	
47	<i>Quercus garryana</i> - Oregon White Oak - Fair Condition	13"	50' x 35'	X
48	<i>Quercus garryana</i> - Oregon White Oak - 60% Dead, 50% Ivy Cover	38" Composite 9-Trunk Multi-Trunk	30' x 45'	X
49	<i>Quercus garryana</i> - Oregon White Oak - Poor Condition, 50% Ivy Cover	24"	95' x 50'	X
51	<i>Quercus garryana</i> - Oregon White Oak - Fair Condition, 50% Ivy Cover	15"	90' x 35'	X
50	<i>Quercus garryana</i> - OR White Oak - Poor Cond., 15 Degree Lean, 50% Ivy	19"	80' x 30'	X
52	<i>Acer macrophyllum</i> - Big Leaf Maple - 60% Dead, 50% Ivy Cover	12"	30' x 12'	X
53	<i>Quercus garryana</i> - Oregon White Oak - Poor Condition, 60% Ivy Cover	9"	40' x 10'	X
42	<i>Quercus garryana</i> - Oregon White Oak - Fair Condition	7"	25' x 20'	X
43	<i>Quercus garryana</i> - Oregon White Oak - Fair Condition	19"	85' x 40'	X
		11 live Oaks and 5 live Non-Oaks 2 dead Oaks and 1 dead Non-Oak		
Area Outside the Rock Outcrop				
37	<i>Quercus garryana</i> - Oregon White Oak - Good Condition	15"	90' x 40'	R
38	<i>Quercus garryana</i> - Oregon White Oak - Good Condition	6"	45' x 15'	R
41	<i>Thuja plicata</i> - Western Red Cedar - Multiple Tops, but in Good Condition	24"	55' x 40'	R
		2 Oaks and 1 Non-Oak		
NOTES:	Trees less than 6" DBH were not noted.			
	** DBH is Diameter at Breast Height measured approximately 4.5' above mean ground level.			
	*** Multi-Trunk means a single tree with multiple trunks forming from a single root system.			





ILLUSTRATIVE SITE PLAN - PHASE IV
SCALE: 1"=80'-0"



14 OAK MITIGATION TREES

**71 total mitigation trees
(light green trees)*

deca
ARCHITECTURE . INC

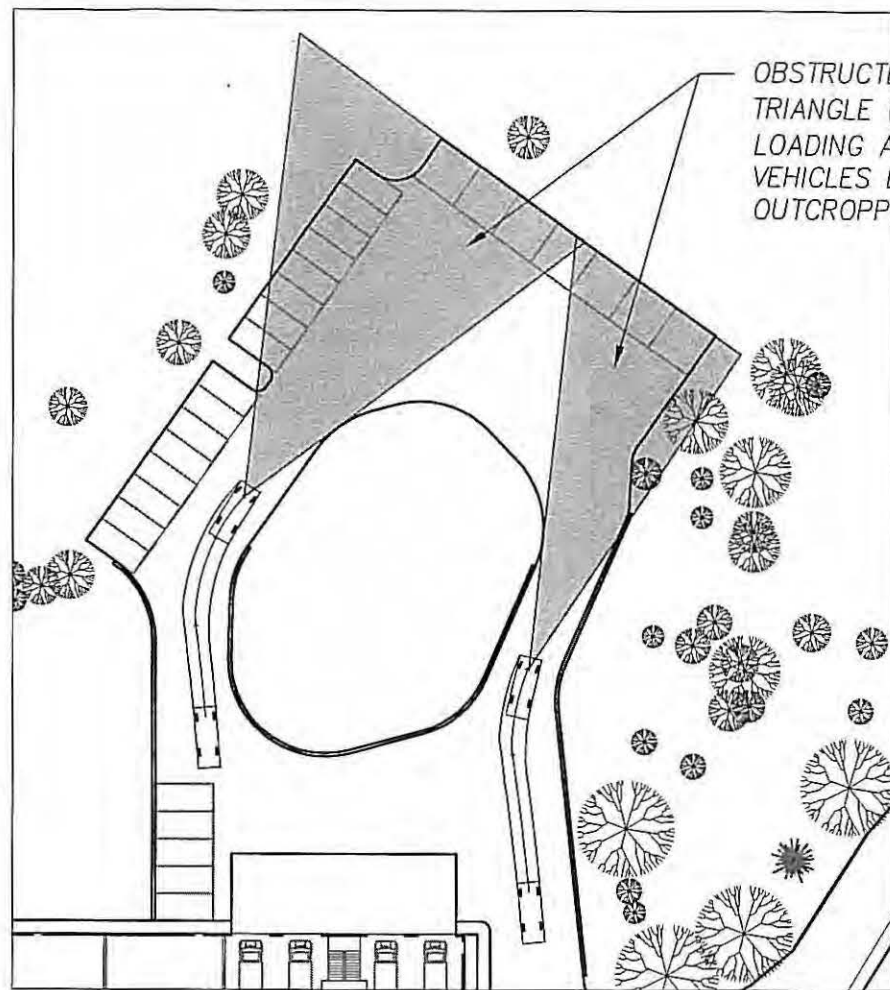
935 SE Alder Street, Portland Oregon 97214
tel 503 239 1987 fax 503 239 6558



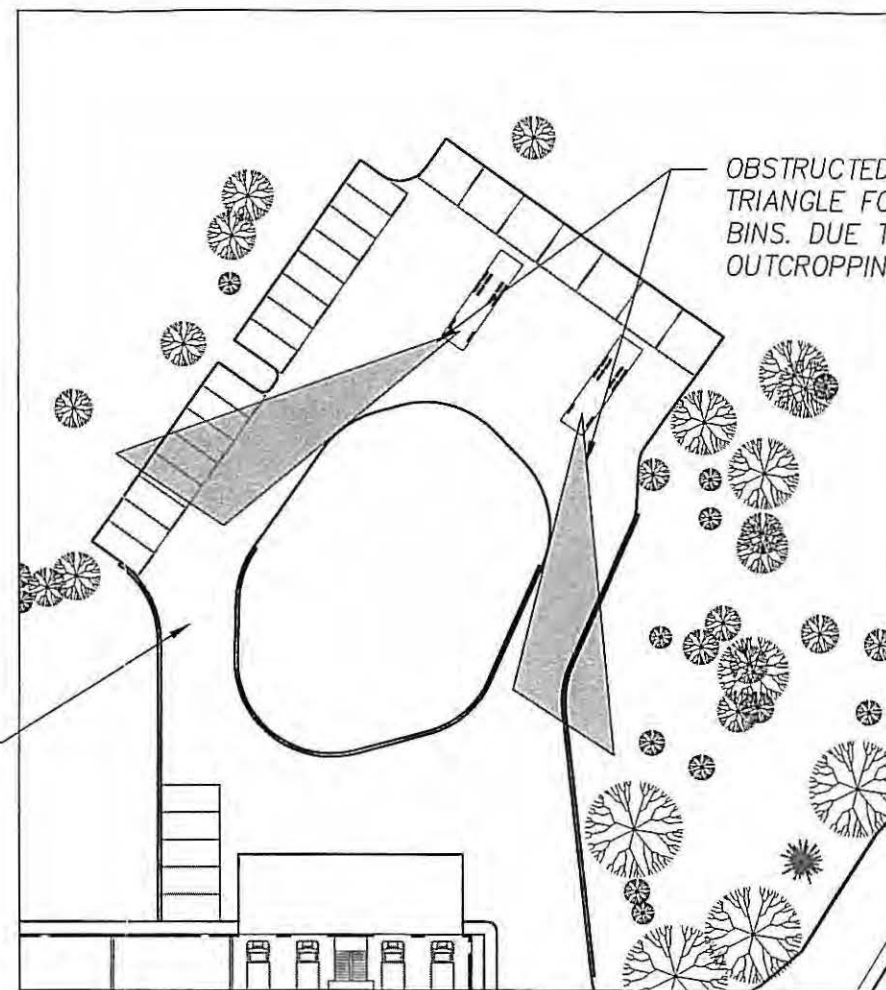
**OREGON CITY PUBLIC
WORKS FACILITY**

122 S CENTER STREET
OREGON CITY, OREGON

lango.hansen LANDSCAPE ARCHITECTS PC
1100 NW GILSON #30 PORTLAND OR 97209 T 503 295.2437



OBSTRUCTED VISION
TRIANGLE (NO VIEW OF
LOADING AREA) FOR
VEHICLES DUE TO ROCK
OUTCROPPING.



OBSTRUCTED VISION
TRIANGLE FOR TRUCKS AT
BINS. DUE TO ROCK
OUTCROPPING.

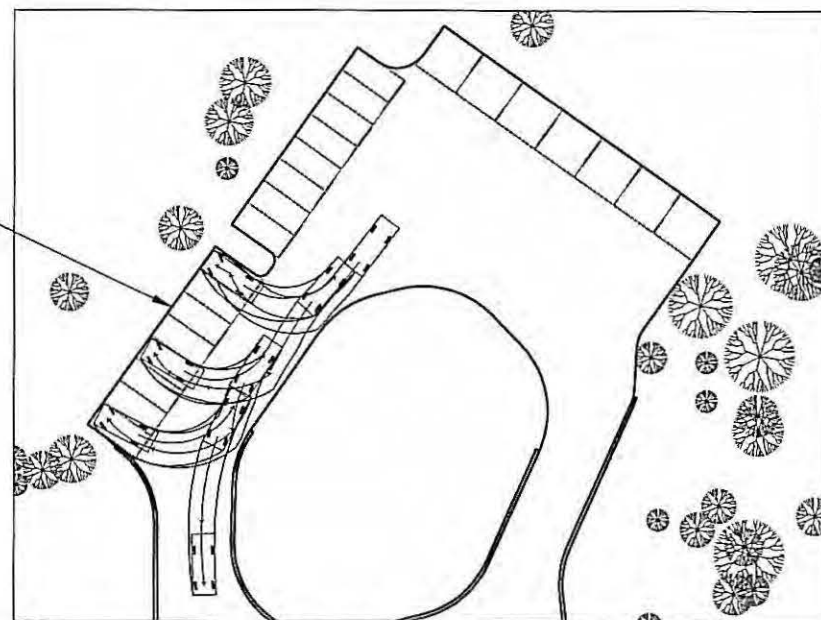
VEHICLES HAVE NO VIEW OF
PEDESTRIAN WALKWAY AREA
WHEN ROUNDING ROCK
OUTCROPPING

SITE VISION OBSTRUCTIONS

SCALE: 1"=60'-0"

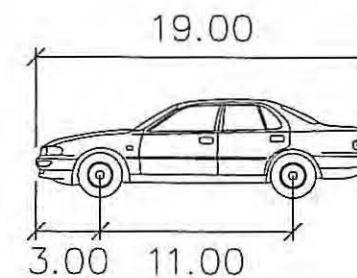


PARKING SPACES NOT
SUITABLE FOR LARGER
VEHICLES DUE TO
PROXIMITY OF ROCK
OUTCROPPING.



VEHICLE MOVEMENT (LARGE CAR)

SCALE: 1"=60'-0"



	feet
Width	: 7.00'
Track	: 6.00'
Lock to Lock Time	: 6.0'
Steering Angle	: 31.6

ENTERED INTO THE RECORD
DATE RECEIVED: 06-08-10
SUBMITTED BY: Item 3b
SUBJECT: Nancy Kraushaar

HHPR Harper
Houf Peterson
Righellis Inc.
ENGINEERS • PLANNERS

deca
ARCHITECTURE INC

935 SE Alder Street, Portland Oregon 97214
tel 503 239 1987 fax 503 239 6558



**OREGON CITY PUBLIC
WORKS FACILITY**

122 S CENTER STREET
OREGON CITY, OREGON



Agenda Item No. 3c
Meeting Date: 08 Jun 2010

COMMISSION REPORT: CITY OF OREGON CITY

TO:	Honorable Mayor and City Commission
FROM:	Mike Conrad, Police Chief and Public Safety Director
PRESENTER:	Mike Conrad, Police Chief and Public Safety Director
SUBJECT:	Survey Results from Oregon City Police Department
Agenda Heading: General Business	
Approved by: David Frasher, City Manager	

RECOMMENDED ACTION (Motion):

None.

BACKGROUND:

Grove Insight conducted a public opinion survey on a bond measure to build a new police facility. Ben Patinkin of Grove Insight will present the results of the survey.

BUDGET IMPACT:

FY(s): NA

Funding Source: NA

ATTACHMENTS:

Powerpoint Presentation

Views of a Possible Police Station General Obligation Bond in Oregon City, Oregon

Report of Findings from a Survey of 400 Likely 2010 General Election Voters in
the City of Oregon City



Opinion Research • Communication Strategy

Grove Insight
April 2010

Methodology

Grove Insight conducted a telephone survey of 400 registered voters in the City of Oregon City, Oregon. A voter file was used and respondents were screened to be likely November, 2010 General election voters.

Interviews were conducted March 29 through April 1, 2010.

The margin of error for the sample as a whole is plus or minus 4.9 percentage points at the 95% level of confidence. The margin of error for subgroups varies and is higher.

Throughout this report, we refer to “younger” and “older” voters. Younger voters are those age 49 and under and older voters are those age 50 and older.

Methodology, Cont'd

We divided the city by regions as follows:

Northern: Precincts 1, 2 and 9

Central: Precincts 3, 5 and 6

Southwest: Precincts 7 and 8

Southeast: Precincts 11 and 12

Where We Start on the Public Safety Construction Bond

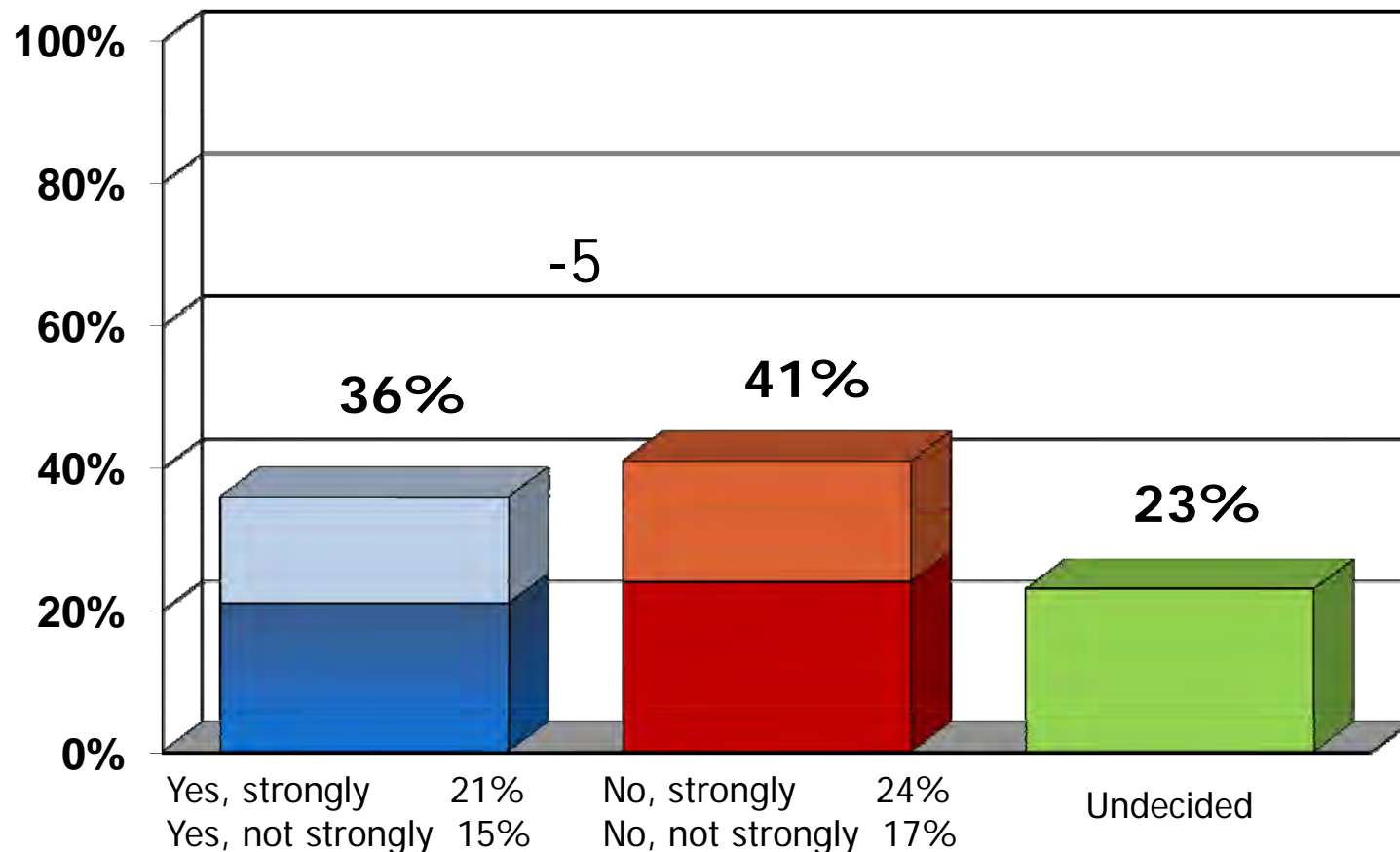


Grove Insight
April 2010

The Police Bond Measure Will Not Pass

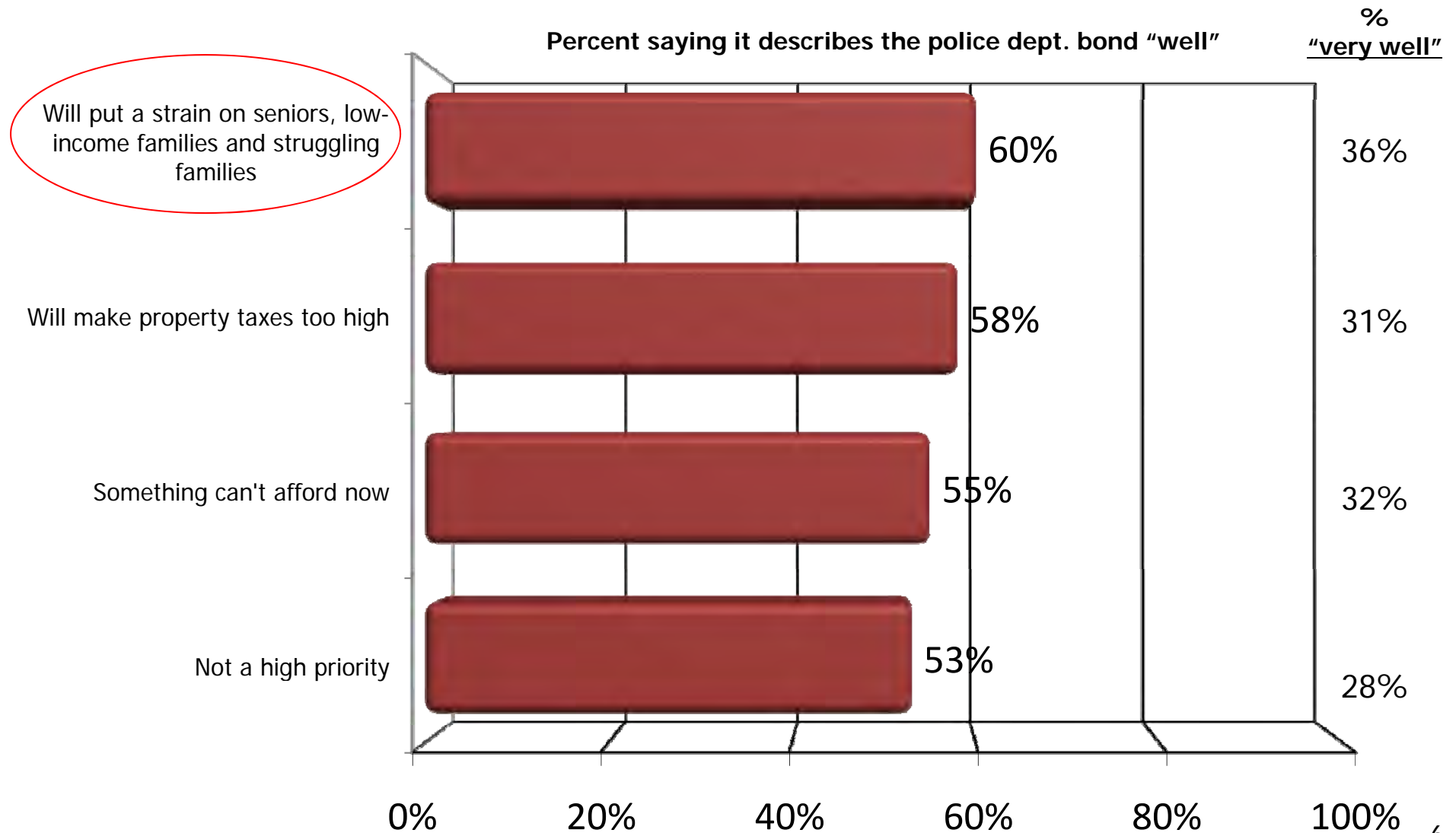
It Doesn't Get Close to the Majority Mark and There Are More Opponents than Supporters

I'm going to read you ballot language for a bond measure that may be on the ballot in Oregon City this November. It reads: "Shall Oregon City construct, upgrade police station; increase safety; improve service; issue \$11 million dollars general obligation bonds; requiring audits? If the bonds are approved, they will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution." If the election were held today, would you vote yes or no on this bond measure?

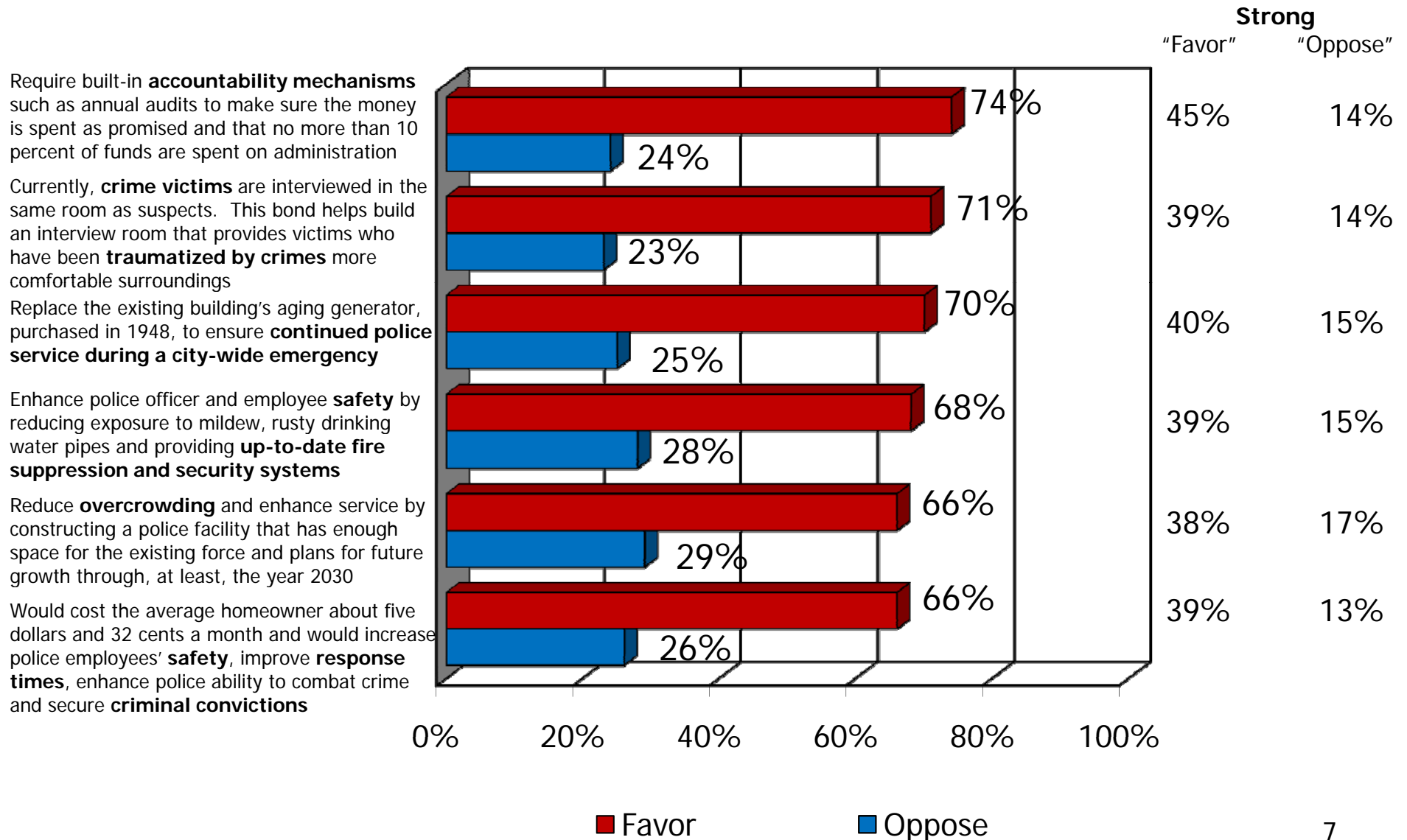


The Bond Suffers from Recession Woes -- Affordability and Cost Concerns Are a Driving Factor in the "No" Vote

Six in 10 Agree that the Bond Puts Too Much Pressure on Struggling Families

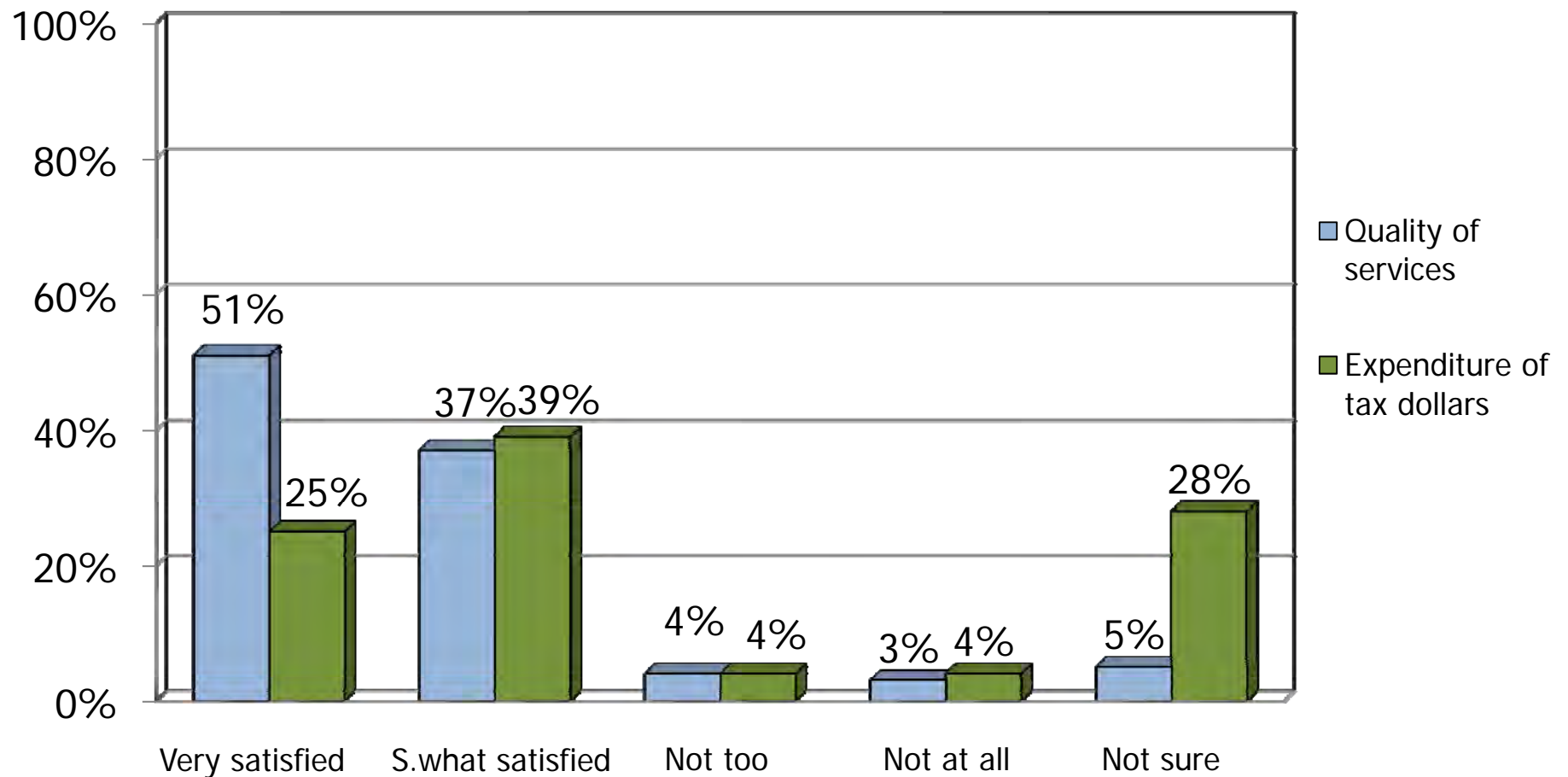


While Most Tenets Are Popular, Those at the Very Top Address Safety and Crime Issues

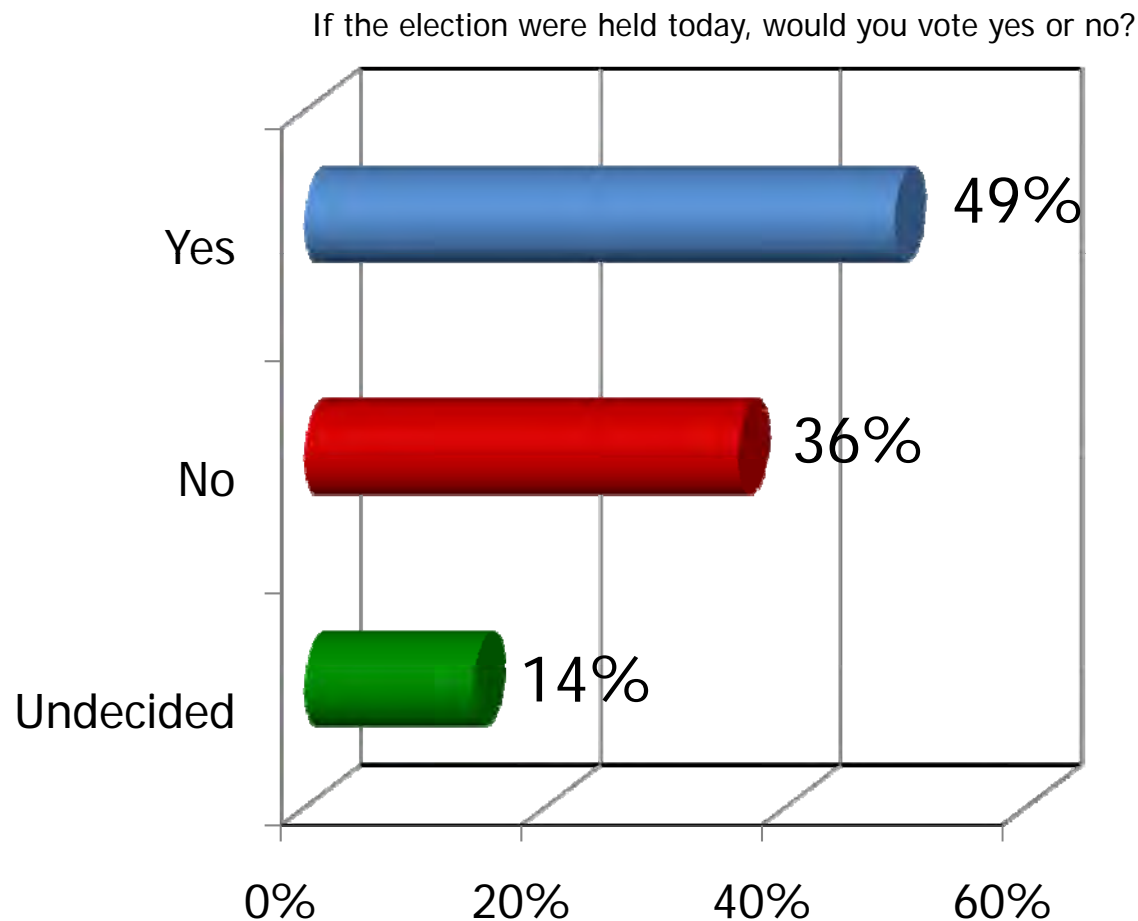


A Majority of Voters Are Satisfied With the Police Departments Quality of Service, While Over One-Quarter Are Not Sure How the Tax Dollars Are Spent

Generally speaking, how satisfied are you with the **quality of service by the Oregon City Police Department/how the Oregon City Police Department spends the tax dollars it receives?** Are you very satisfied, somewhat satisfied, not too satisfied, not satisfied at all – or aren't you sure?



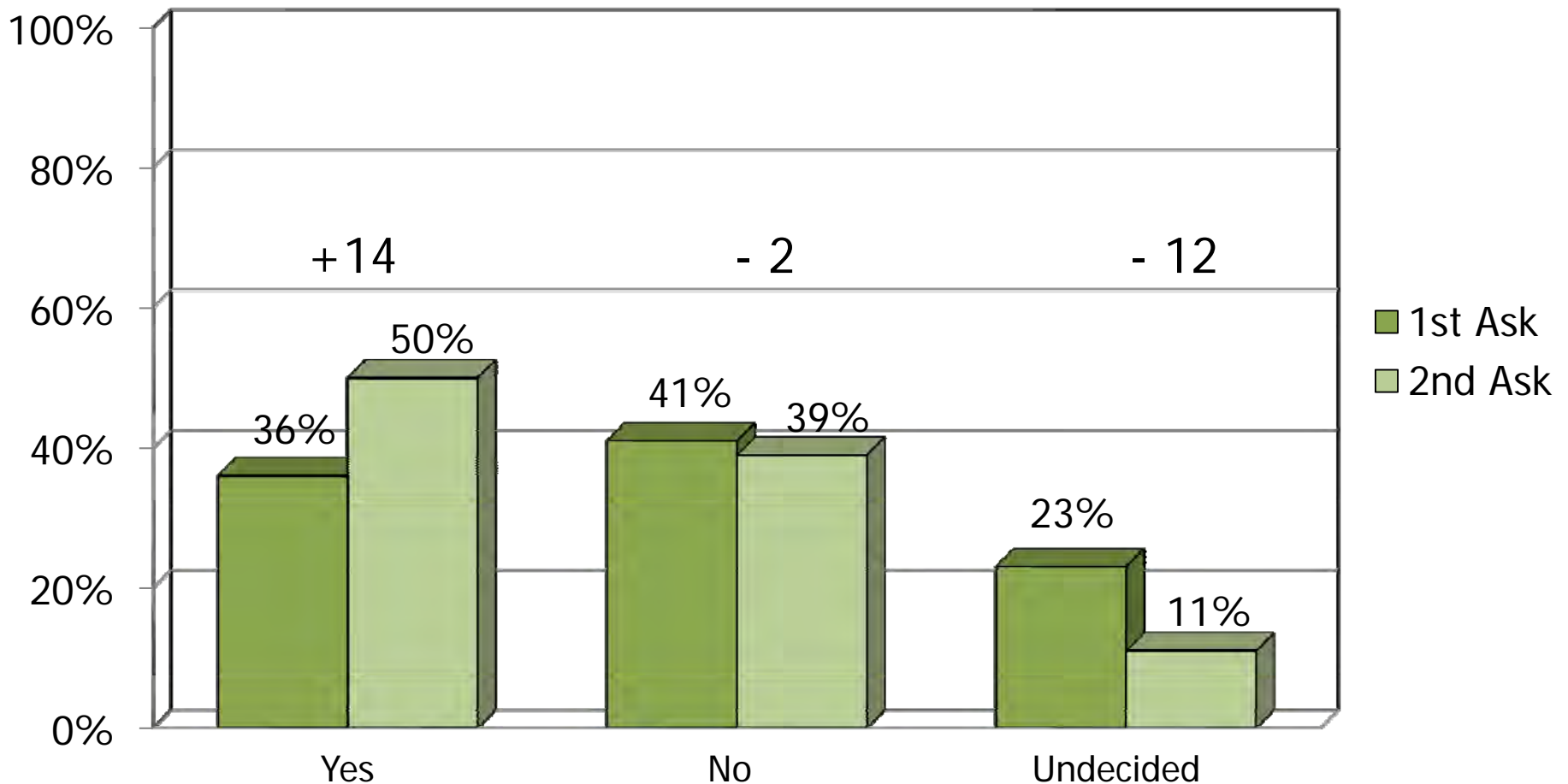
Even with a “Best Case” Explanation of the Need, the Bond Proposal Fails to Reach the Majority Mark



The Oregon City Police Department is currently using a building constructed in 1970, was supposed to be a temporary facility for police and is one-third the size recommended for Oregon City's police force. Due to new seismic standards, the police must vacate the building by 2022 or pay to have it upgraded. The cost to upgrade the facility would be five million dollars—however, it would still not be large enough to meet the police department's existing needs. Having heard this, if the election were held today would you vote yes or no for the construction of a new police building that would cost 11 million dollars and would be designed to meet existing and future needs through, at the least, the year 2030?

The Police Bond Gets Half the Electorate to Support It by the End the Survey, Leaving No Cushion Even After a Lot of Messaging

I'm going to read you ballot language for a bond measure that may be on the ballot in Oregon City this November. It reads: "Shall Oregon City construct, upgrade police station; increase safety; improve service; issue \$11 million dollars general obligation bonds; requiring audits? If the bonds are approved, they will be payable from taxes on property or property ownership that are not subject to the limits of sections 11 and 11b, Article XI of the Oregon Constitution." If the election were held today, would you vote yes, or no on this bond measure?



Moving Forward: Building Future Support for a Police Safety Bond



Grove Insight
April 2010

Three critical words about the bond proposal: NEEDED FOR SAFETY

1. It is needed for safety and to combat crime. (repeat, repeat, repeat)
2. It modernizes the city's police facility, making needed changes to ensure safety and to combat crime.

After Hearing About It, the Bond Is Described as Providing Modern Safety Improvements to Reduce Overcrowding and Guarantee Service in an Emergency

How well do each of the following words and phrases describes a possible general obligation bond measure for the Oregon City Police Department?

	"Well"	"Not Well"	"Very Well"
Enhances safety	70%	23%	28%
Ensures service even in an emergency	70%	24%	32%
Creates a modern facility	70%	25%	34%
Reduces overcrowding, plans for future	69%	24%	29%
Improve response times	68%	25%	31%
Will make city safer	68%	26%	32%
Accountable to taxpayers	64%	27%	30%
Necessary	62%	31%	31%
The right thing to do	60%	31%	23%
Will help increase convictions	59%	31%	26%
Protect unique quality of life	53%	37%	25%

We Must Make the Case that Modernization Is Necessary for Safety

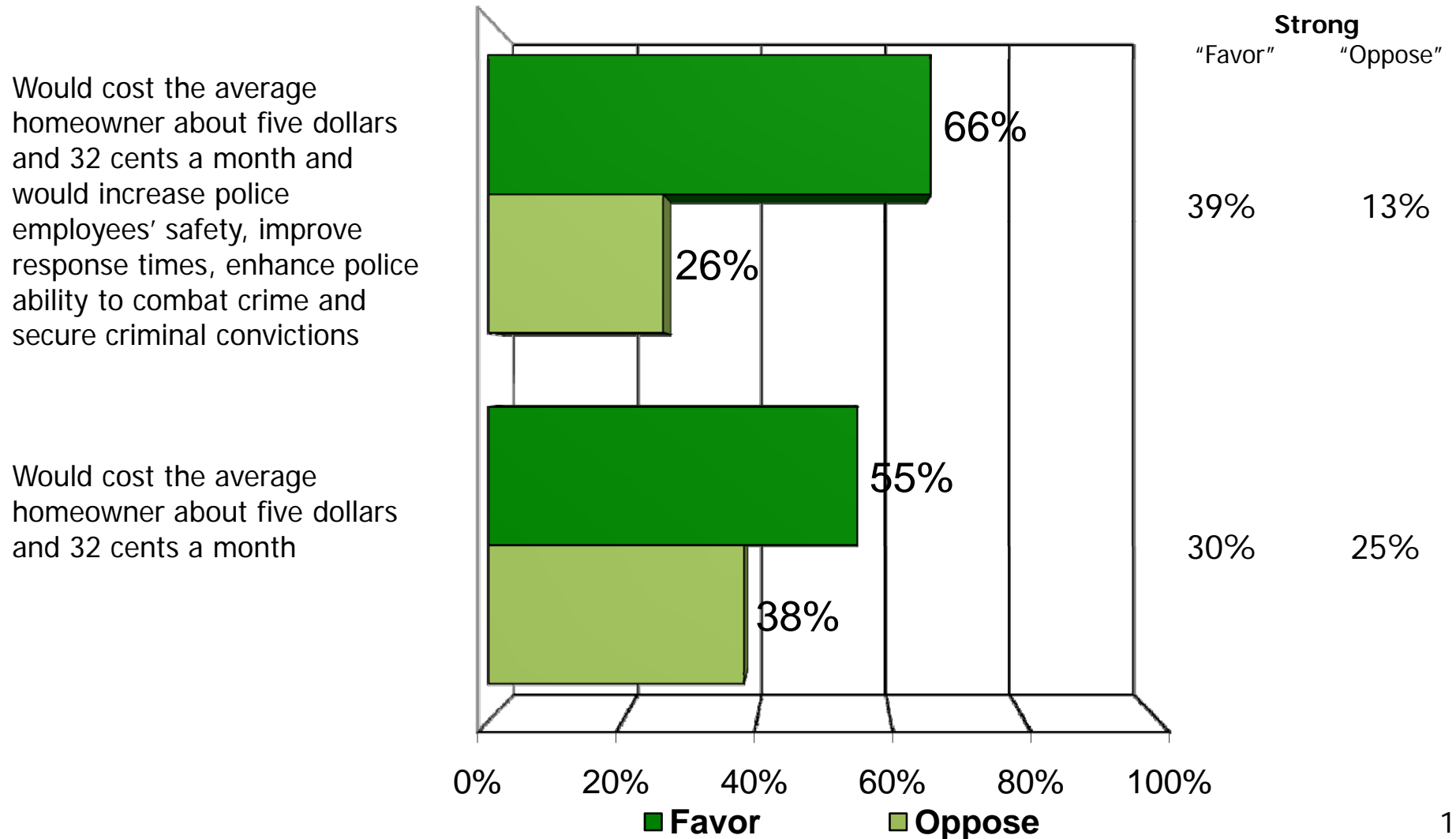
Traits that drive support for the bond:

- ✓ Enhances safety for police officers and staff (70% says describes the bond “well”)
- ✓ Necessary (62% says describes the proposal “well”)
- ✓ Creates a modern police facility (70% says describe bone “well”)



Regression analysis is a statistical modeling technique that can be used to help determine what messages predict support and opposition to a bond measure

We Should Never Discuss Taxpayer Price Out of Context – Safety, Crime and Response Times Help Sell the Bond



A Couple of Important Language Nuances

1. Interview rooms should focus on victims “traumatized by crimes” (11 percentage points more compelling than rooms to “solicit suspect confessions”).
2. When discussing future growth, talk about lasting through 2030, not for the next 20 years (achieves a support margin that is six points higher).

Next Steps

- 1. Create and execute an education effort highlighting reasons why a new police facility is needed**
- 2. Identify potential spokespersons and audience for education effort**
- 3. Determine a tentative election date for the bond levy**



Agenda Item No. 3d
Meeting Date: 08 Jun 2010

COMMISSION REPORT: CITY OF OREGON CITY

TO:	Honorable Mayor and City Commission
FROM:	Dan Drentlaw, Economic Development Manager
PRESENTER:	Dan Drentlaw, Economic Development Manager
SUBJECT:	Strategic Investment Zone
Agenda Heading: General Business	
Approved by: David Frasher, City Manager	

RECOMMENDED ACTION (Motion):

Consider signing an IGA with Clackamas County establishing a Strategic Investment Zone (SIZ).

BACKGROUND:

This topic was first presented at the work session of February 2010 and discussed again at the May 5, 2010 City Commission meeting, where the Commission asked that it be brought to a work session for further discussion.

The Strategic Investment Zone program was established by the State legislature (ORS 285C.600) as a way to attract large traded sector businesses to Oregon. The program is administered by the State through the Oregon Business Development Commission and at the local level through the Counties. Clackamas County has been working with the Cities to see if they want to participate in the program. A SIZ provides a 15 year property tax abatement for large traded sector businesses. In urban areas, a business must invest 100 million. Taxes abated are only those above the 100 million threshold. In rural areas, the threshold is 25 million. Oregon City is in a unique situation in that a portion of the Bevercreek concept plan area has not been annexed and is in the rural area, thus a qualifying business need only spend 25 million to qualify. A more detailed staff report is attached.

BUDGET IMPACT:

FY(s):

Funding Source:

ATTACHMENTS:

May SIZ Study Session report for Oregon City
Strategic Investment Zone IGA

Draft Strategic Investment Zone Staff Presentation Worksheet for Oregon City

Presentation Date: May 5, 2010

Length: 30 minutes

Presentation Title: Strategic Investment Zone Update and Preliminary IGA approval

Department: **City of Oregon City** and Clackamas County Business and Economic Development

Presenter: Dan Drentlaw and Renate Mengelberg

POLICY QUESTIONS

1. Does the City Council continue to support participating in the Clackamas County Strategic Investment Zone program?
2. Would the City Council like to propose changes to the attached intergovernmental agreements
3. Which Community Service Fee/ Income Tax Revenue Share distribution option does the City Council prefer?

ISSUE & BACKGROUND

The Clackamas County Business and Economic Development Department and city economic development representatives have developed enabling documents that address the details of a proposed Urban and Rural Strategic Investment Zones (SIZ) program pursuant to ORS 285C.623 through 285C.639. The program is proposed for unincorporated Clackamas County and the cities of Lake Oswego, Milwaukie, Oregon City, Happy Valley, Sandy, Estacada, Canby and Molalla.

SIZs are a business recruitment tool designed to attract large capital intensive traded sector businesses. An SIZ is a “pre-established” zone that standardizes the discretionary Strategic Investment Program (SIP) process in place today, providing for consistent criteria and a streamlined approval process. This provides greater certainty to new or existing companies. Highlights of the program include:

- 15 year property tax abatements on facilities and equipment to any “traded-sector” business. Examples include production, manufacturing, high tech, and energy generation, among others.
- Applies to large capital investments of over \$100 million in urban portions of the zone and over \$25 million in rural portions of the zone.
- Requires a community service fee paid by the company equal to 25% of the tax savings per year. The community service fee is capped at an annual maximum of \$2 million in the urban portions of the zone and \$500,000 in rural portions of the zone.
- Provides for distribution of 50% of the personal income tax revenue attributable to a participating SIZ business to local taxing authorities.
- Partners in the proposed urban zone include Lake Oswego, Milwaukie, and unincorporated Clackamas County. Oregon City and Happy Valley contain areas in both the urban and rural portions of the SIZ.

Since the last meeting with the City Commission on April 9, 2010, County staff has held meetings on the SIZ program and invited all affected taxing districts to attend. See meeting summary attached. Attendees at the Urban SIZ meeting included two representatives from Fire District #1, City representatives from Lake Oswego and Happy Valley, County Commissioner Jim Bernard and Development Agency staff. The fire district had concerns about revenue impacts to their district and preferred that community service fees be divided on a pro rata basis to all impacted taxing districts. Attendees at the Rural SIZ meeting included representatives from the Molalla and Sandy school districts and John Atkins from the city of Molalla. The school districts had concerns about revenue impacts to their district and preferred that community service fees be divided on a pro rata bases to all impacted taxing districts.

Participating cities and the County will ultimately need to sign the intergovernmental Agreement (IGA) and approve the standardized agreement between the County, City and Business that formalizes the specifics of the program. The attached drafts incorporate input received to date from city staff and councils.

County staff is requesting additional input from participating cities on:

- Proposed requirements of businesses
- The cities' preferences on three proposed options for the distribution of the Community Service Fee and income tax revenue share
- Any other suggestions participating cities would like to incorporate

Next Steps in the Process

- County staff will revise the IGA and standardized agreement based on input from participating cities received by June 1st.
- Clackamas County will hold a public hearing on the SIZ program and proposed IGA on June 10th at 10 AM at the Board hearing room in the Public Services Building on 2051 Kaen Road in Oregon City. Council and city representatives are encouraged to attend.
- Cities will sign final versions of the attached IGA after the June 10th public hearing, once any changes are incorporated.
- The County will develop an SIZ application and submit it to the Oregon Business Development Department for formal approval of the urban and rural SIZ.
- The SIZ will be formally launched and the cities and County can begin marketing efforts.

QUESTION(S) PRESENTED FOR CONSIDERATION

1. Should the city of Oregon City continue to partner with Clackamas County to form an urban/rural Strategic Investment Zone?
2. Does the city propose any modifications to the draft county/ city IGA and the agreement between the County, City, and Business attached? Specifically:
 - Is the city comfortable with the proposed requirements of businesses outlined in the County / City IGA in Exhibit B on page 10-11?
 - Which option best fits the city's preferences for allocation of the community service fee and income tax revenue share outlined in the County / City IGA in Exhibit C on page 12-13?
 - Are the sanctions for non performance of businesses (similar to claw back provisions) in the standardized agreement between the county, city and business on page 10 6-J adequate to address city council preferences?

OPTIONS AVAILABLE

- A. Tentatively approve IGA and standardized agreement attached as presented and provide direction on how the city would like the community service fee and income tax revenue share distribution to be handled by June 1st. Plan formal approval of final IGA and agreement in late June. Provide direction to staff on whether the IGA should be adopted at a public hearing or on the consent agenda.
- B. Propose revisions to the IGA and standardized agreement based on council discussion by June 1st. Areas for further discussion could include changes to the County – City IGA Exhibit A, requirements of companies, Exhibit B, Community Service Fees, and Business, County City IGA page items 6-J on page 10 among others.
- C. Do not approve the IGA and standardized agreement and discontinue efforts to form a Strategic Investment Zone.

RECOMMENDATIONS

Staff respectfully recommends that the city:

- Pursue SIZ option A above and direct staff to continue to support this effort.
- Approve draft SIZ IGA and standardized agreement attached in principle including flexibility to make minor changes based on input from other cities and testimony at the county public hearing.
- Prepare to sign a final SIZ IGA after the June 10th public hearing.

**CLACKAMAS COUNTY STRATEGIC INVESTMENT ZONE #1
INTERGOVERNMENTAL AGREEMENT**

BETWEEN

CLACKAMAS COUNTY, OREGON

AND

**THE CITIES OF LAKE OSWEGO, MILWAUKIE, OREGON CITY, HAPPY VALLEY,
SANDY, ESTACADA, CANBY, AND MOLALLA**

This Clackamas County Strategic Investment Zone #1 Intergovernmental Agreement ("Agreement") is by and between Clackamas County, Oregon (the "County") and the Cities of Lake Oswego, Milwaukie, Oregon City, Happy Valley, Sandy, Estacada, Molalla, and Canby (the "Cities").

RECITALS

A. The County and the Cities compete with local, national and foreign jurisdictions to attract investment by capital-intensive industries. Industries requiring capital-intensive investments are desirable to the County and the Cities because such industries invest heavily in developing the skill levels of their employees, pay their employees well, and contribute in other important ways to the economic development of the region.

B. Under Oregon's tax structure, capital-intensive businesses are subject to disproportionately high property taxes when compared to more typical production facilities. This tax burden is a factor in such industries' consideration of location and expansion in Oregon.

C. The Oregon Legislative Assembly chose to establish an economic development instrument known as Strategic Investment Zones ("SIZ") to encourage additional investment and employment within the State by businesses qualified under ORS 285C.505(3) (hereinafter "Business Firm") that make capital-intensive property investments.

D Oregon law at ORS 285C.623 through 285C.639 and rules established by the Oregon Business Development Department and the Oregon Department of Revenue control the establishment and operation of strategic investment zones. The characteristics and benefits of the Clackamas County SIZ include:

(1) SIZ Tax Abatement. Under the process set out in ORS 307.123 (hereinafter "Tax Abatement") Business Firms with a project in the Clackamas County SIZ pay full property taxes on the first \$100 million invested in the urban portion of the SIZ and \$25 million in the rural portion of the SIZ (hereinafter the "Project") (see Exhibit A attached).

Taxes on the value of property in excess of that amount are abated, however, the urban area \$100 million cap and the rural area \$25 million cap increases by three percent (3%) each year. SIZ Tax Abatement is limited in duration and will not exceed 15 years.

(2) Qualification. To qualify for the program, businesses must meet the basic eligibility standards established by the state of Oregon in addition to the Clackamas County SIZ requirements outlined in Exhibit B. The benefits and requirements of a particular SIZ are established at the time the SIZ is created and will not vary thereafter. As a result, contract negotiation and local jurisdiction discretionary review are removed from the project approval process. The standardization inherent in an SIZ lends consistency and predictability to the program. Such consistency and predictability increases the accuracy with which Business Firms can assess the benefits of an SIZ, which, in turn, increases the desirability of investing within an SIZ.

(3) Community Services Fee (CSF). Business Firms receiving SIZ Tax Abatement must pay an annual fee, known as the Community Service Fee, equal to the lesser of twenty-five percent (25%) of abated taxes or \$2 million in the Urban SIZ and \$500,000 in the Rural SIZ. This fee is shared according to the Community Service Fee provisions outlined in Exhibit C attached.

(4) Income Tax Payment. Oregon will distribute fifty percent (50%) of the personal income tax revenue attributable to the Clackamas County SIZ to the required local taxing authorities according to the agreed upon distribution of Community Service Fee payments outlined in Exhibit C.

(5) Regional Employment Incentive. Business Firms receiving SIZ Tax Abatement must enter into a First-Source Hiring Agreement, which promotes gainful work for persons already residing in the proximate city or county of the approved project as outlined in Exhibit D attached.

(6) Reduced Administrative Costs. The SIZ is designed to reduce local jurisdiction administrative costs through standardization of the requirements and procedures for obtaining SIZ Tax Abatement.

E. At various meetings with city councils during May and June 2010, the Cities approved co-sponsorship and operation of the Clackamas County SIZ and the execution of this Agreement.

F. On June 10, 2010, the County approved co-sponsorship and operation of the Clackamas County SIZ #1 and the execution of this Agreement.

G. The parties desire to execute this Agreement in order to co-sponsor the establishment of Clackamas County SIZ by the Oregon Business Development Commission and to provide for its joint-operation by the parties.

WHEREFORE, in consideration of the mutual promises, covenants, and conditions contained herein, and with intent to be legally bound, the County and the Cities hereby agree as follows:

AGREEMENT

1. DECLARATION OF PURPOSE

A. This Agreement addresses and is pursuant to the provisions of ORS Chapter 285C, especially ORS 285C.600 through ORS 285C.639 and OAR 123 at Division 23, especially OAR 123-023-1000 through 123-23-4100, which describe the process for creating and operating an SIZ. The County and the Cities recognize that once established, the SIZ does not expire and may not be terminated.

2. AREA AND BOUNDARIES OF CLACKAMAS COUNTY SIZ.

The Clackamas County SIZ is located wholly within the County. The Clackamas County SIZ is contiguous and is exclusive of land inside of any other SIZ. The boundaries of the Clackamas County SIZ are set forth in the map in Exhibit A.

3. OBJECTIVES OF THE CLACKAMAS COUNTY SIZ.

The objectives of the Clackamas County SIZ include:

- To attract large capital intensive traded sector business to Clackamas County and the co-sponsoring Cities.
- To increase business investment, employment, and economic output in cities and unincorporated Clackamas County.
- To provide a clear and streamlined process for businesses interested in the program.
- To use Community Service Fees to mitigate impacts on infrastructure, services, and other fiscal demands of these large companies.

4. OBLIGATIONS

A. Joint Operation. The County and City are the co-Sponsors of the Clackamas County SIZ and shall jointly operate the zone. To the extent that additional administrative oversight, implementation, procedures, and/or standardized forms and other clear and straightforward materials must be developed pursuant to OAR 123-023-3100(3) (a) through (d) and OAR 123-023-3300(2), Clackamas County shall assume the primary role in providing these services. The Cities shall have full and complete opportunities to participate in the process and approve procedures and documents. Pursuant to OAR 123-023-3200(8) County and the Cities shall provide the documentation of the Clackamas County SIZ program to the Oregon Business Development Department including copies of additional policies, rules, procedural guidelines, administrative plans, methods of verification and a sample standardized agreement. The County and City

shall request designation of the Clackamas County SIZ as soon as practicable after completion of the public hearing required in ORS 285C.623(4).

B. Community Service Fee. Each Business Firm that is to benefit from SIZ Tax Abatement shall pay a Community Services Fee ("CSF") for community services support that relates to the direct impact of the eligible project on public services as set forth in this section.

1. Amount. For each year in which a Business Firm benefits from SIZ Tax Abatement, the Business Firm shall pay to the County a CSF, as provided in ORS 285C.609 (4) (b) (B), in an amount equal to twenty-five percent (25%) of the property taxes that would, but for the tax abatement, be due on the exempt property in each assessment year, but not exceeding \$500,000 in rural portions of the SIZ and \$2 million in urban portions of the SIZ per eligible project in any year.

2. Due Date. On or about Nov. 15, the County shall provide each Business Firm that receives Tax Abatement in the Clackamas County SIZ with a statement describing CSF calculations and the amount due. Each Business Firm receiving such statement shall pay the amount due within 30 days thereafter. The CSF payment shall be made to Clackamas County and sent to:

Strategic Investment Zone Coordinator
Clackamas County Business and Economic Development
150 Beavercreek Road
Oregon City, OR 97045

3. Adjustments. If the assessed value of the Business Firm is adjusted after November 15 of any tax year in such a manner that property taxes due from the Business Firm are reduced, and the reduction reduces the CSF for that year, the County shall pay the amount of the reduction to the Business Firm, together with interest at the rate established by law for tax refunds and delinquencies (ORS 311.505(2)) from the date of payment of the CSF. If the County does not pay the amount by November 10 of the following year, the Business Firm may withhold the unpaid amount, plus interest as provided in this section, from subsequent CSF payments due from the Business Firm. If the remaining CSF payments due from the Business Firm are less than the amount owed by the County to the Business Firm under this section, the County shall pay the amount due to the Business Firm not later than December 15 of the year following the year in which the reduction occurs. An appeal of the assessed value does not defer the CSF payment obligation set forth above. Any adjustments based on the outcome of the appeal shall be in accord with this paragraph.

4. Late Payment of CSF. Failure to make payment in full of any fee by the due date shall result in interest being charged on the past due balance at the rate established by law for delinquencies (ORS 311.505(2)) and the additional payment of such penalty or penalties as the Clackamas County Standardized

Agreement set out in Section 4-C may set out.

5. Nonpayment of CSF. If the Business Firm fails to pay the CSF by the end of the tax year in which it is due, the tax exemption shall be revoked and the property shall be fully taxable for the following tax year for which the fee remains unpaid.

C. Clackamas County SIZ Standardized Agreement. A Business Firm seeking SIZ Tax Abatement under ORS 307.123 in the Clackamas County SIZ shall execute the Clackamas County SIZ Standardized Agreement (“Standardized Agreement”) attached as Exhibit E.

D. Clackamas County SIZ Standardized First-Source Hiring Agreement and First Source Contracting Agreement. In order to encourage hiring of persons living in Clackamas County, and businesses located in Clackamas County, a Business Firm seeking SIZ Tax Abatement under ORS 307.123 in the Clackamas County SIZ shall execute the Clackamas County SIZ Standardized First-Source Hiring Agreement and First Source Contracting Agreement attached as Exhibit D.

E. Distribution of Payments. The distribution of all payments by a Business Firm and by the state to the County, the City, and other local taxing authorities shall be determined as outlined in Exhibit C.

F. Urban Renewal. In the event the Project is located in whole or in part within the boundaries of an urban renewal district, the applicable urban renewal agency shall consult and confer with the affected taxing districts in the manner provided in ORS 457.085(5) and 457.437. In its review of the effect of the Project on the urban renewal plan and in its dialogue with the affected taxing districts the urban renewal agency shall note its options under ORS 457.455 and the effect of the Project, if any, on maximum indebtedness and the possible application of ORS 457.470 and its provisions as to the concurrence of the tax districts.

5. MISCELLANEOUS TERMS

A. Governing Law. This Agreement shall be governed by the law of the State of Oregon. Any actions or suits commenced in connection with this Agreement shall be in Circuit Court of Clackamas County or Federal District Court for Oregon.

B. Complete Agreement. This Agreement and its attached exhibits are the complete and exclusive statement of the Agreement between the parties relevant to the purpose described above and supersedes all prior agreements or proposals, oral or written, and all other communication between the parties relating to the subject matter of this Agreement. No modifications of the Agreement will be binding on any party except as a written addendum signed by authorized agents of each party. All rights and remedies of each party shall be cumulative and may be exercised successively or concurrently. The foregoing is without limitation to or waiver of any other rights or remedies of either party according to law.

C. Counterparts. This Agreement may be signed in counterparts. When every party has signed a counterpart all parties shall be bound by this Agreement.

CLACKAMAS COUNTY

Lynn Peterson
Chair

Date: _____

Mary Raethke
Recording Secretary

Reviewed for legal sufficiency
and form:

Counsel

CITY OF LAKE OSWEGO

Jack D. Hoffman
Mayor

Date: _____

Recorder

Reviewed for legal sufficiency
and form:

Counsel

CITY OF MILWAUKIE

Jeremy Ferguson
Mayor

Date: _____

Recorder

Reviewed for legal sufficiency
and form:

Counsel

CITY OF OREGON CITY

Alice Norris
Mayor

Date: _____

Recorder

Reviewed for legal sufficiency
and form:

Counsel

CITY OF HAPPY VALLEY

Rob Wheeler
Mayor

Date: _____

Recorder

Reviewed for legal sufficiency
and form:

Counsel

CITY OF SANDY

Linda Malone
Mayor

Date: _____

Recorder

Reviewed for legal sufficiency
and form:

Counsel

CITY OF ESTACADA

Becky Arnold
Mayor

Date: _____

Recorder

Reviewed for legal sufficiency
and form:

Counsel

CITY OF CANBY

Melody Thompson
Mayor

Date: _____

Recorder

Reviewed for legal sufficiency
and form:

Counsel

CITY OF MOLALLA

Mike Clarke
Mayor

Date: _____

INSERT NAME
Recorder

Reviewed for legal sufficiency
and form:

Counsel

EXHIBIT B – Requirements of Companies

Eligible Companies must meet the following local requirements in addition to any Oregon requirements of the SIZ program.

- Companies must meet all local zoning, permitting, building, and environmental requirements and pay all associated fees.
- Companies must sign a first source hiring agreement that cements their commitment to make a good faith effort to hire Clackamas County and City residents before considering applicants from outside the County. A copy of the proposed first source hiring agreement will be part of the Intergovernmental Agreement signed by the Company, County and affected City before SIZ Tax Abatements are granted.
- Companies must sign a first source contracting agreement committing them to consider qualified local or county contractors first for SIZ related investments including construction, ongoing operations and professional services. Where possible, the company will consider using local suppliers and service providers before firms outside Clackamas County. A copy of the proposed first source contracting agreement will be part of the Intergovernmental Agreement signed by the Company, County and affected City before SIZ Tax Abatements are granted.
- Companies must execute, and at all times remain in good standing, under the Standardized Agreement set out as Exhibit E. Companies who fail to meet their obligations under the law and the provisions of this Agreement shall be subject to penalties and sanctions as set out in the Standardized Agreement at Section 6-J.
- Companies must work in partnership with County workforce training providers and education institutions early in the process and throughout the 15 year abatement period to ensure that county residents have the opportunity to receive education and training to be eligible for jobs created by the SIZ investment. Partnership opportunities could include working with school districts, Clackamas Community College, Marylhurst University, or the Oregon Institute of Technology to tailor degree or certification programs, assisting with curriculum development, developing internships, providing instruction assistance, mentoring opportunities, consideration of financial or equipment donations for training purposes, and maintaining any current company policies regarding initial employment, promotion of education and tuition reimbursement.

Provide yearly reports to the County and the State of Oregon after January 1 and before April 1 as outlined in OAR 123-023-4000 and 123-023-4100.

EXHIBIT C: Community Service Fee and Income Tax Revenue Share Distribution

Clackamas County will collect Community Service Fees of 25% of abated taxes, income tax payments of 50% of personal income tax paid by employees of the company, and any other future revenue sources associated with the SIZ annually and distribute funds based on the distribution approach below.

Option A: Address Business Impacts and Community Priorities

For the Cities of ?, and ?:

Revenues associated with the SIZ program will be allocated first to mitigate direct impacts of the development on the community that are needed over and above systems development charges collected. Once those needs are addressed, additional revenues will be used to fund high priority projects or programs of the community as determined by the City Council for projects within City limits and by the Board of County Commissioners for projects in unincorporated Clackamas County. The County and City will make decisions regarding SIZ investment priorities jointly and discuss decisions every 2 years to assess and maximize the impacts of SIZ investments for the community.

Option B: Create a Community Enhancement Fund.

For the Cities of ?, and ? and unincorporated Clackamas County

Revenues associated with the SIZ program will be distributed into separate funds established for each community, or unincorporated Clackamas County, that is impacted by Projects. The funds will be managed by Clackamas County as to projects within its jurisdiction, or according to the direction given by Community Enhancement Fund members of impacted cities. Members include one representative each from the City, the County, all affected taxing districts, and any other representative the City and County jointly agree to appoint. The Committee will first seek consensus; in the event consensus is not reached, decisions shall be made on the basis of a vote demonstrating a majority of the members in attendance.

The Committee will meet within two weeks of receiving a complete application, discuss potential business impacts on the community, determine allocation of the funds and document funding allocations in writing, and they will revisit enhancement fund decisions two years after the initial decisions were made to make any needed adjustments. The purpose of the fund is to provide for coordinated community services support relating to the impacts and needs of project within the Clackamas County SIZ.

Option C: Support Local Taxing Districts

For cities of Molalla, ?, and ?...:

Revenues associated with the SIZ program will be allocated on a pro rata share to all affected taxing districts to partially compensate them for lost property tax revenue on SIZ investments over \$25 million in rural areas and \$100 million in urban areas. Taxing districts are encouraged to meet soon after a business application has been submitted and periodically thereafter to discuss the potential of pooling resources to invest in projects of mutual interest that have a bigger impact on the community.

Dispute resolution: In the event the County, the City, and other affected taxing districts do not agree as to the allocation of revenues, the matter shall be submitted to mediation before a mediator is mutually acceptable to all parties. Such mediation shall take place within 60 days of a party's request for mediation in a neutral location mutually acceptable to all parties. Each party shall be responsible for paying its own costs and expenses (including legal fees, if necessary) for the mediation and share equally the expenses of the mediator.

The mediator shall issue his or her decision within 10 days of the mediation. In the event that the mediation is unsuccessful, the Oregon Business Development Commission shall determine the formula for distribution of the fee according to ORS 285C.609(6)(b).

EXHIBIT D – First Source Hiring and Contracting Agreements



CLACKAMAS COUNTY STRATEGIC INVESTMENT ZONE FIRST SOURCE HIRING AGREEMENT

This First Source Agreement for referral of qualified job applicants is entered into between THE OREGON EMPLOYMENT DEPARTMENT, hereinafter referred to as the "CONTACT AGENCY," which coordinates job referrals for and represents the following other publicly funded job training providers for the geographic area covered in the Interagency Agreement under OAR 123-070-12100, hereinafter referred to as "PROVIDERS," and the following Business Firm located in this geographic area, hereinafter referred to as the "EMPLOYER."

The EMPLOYER is or will be receiving benefits from the Clackamas County Strategic Investment Zone program. Under this First Source Agreement, the EMPLOYER will use the CONTACT AGENCY as its first source for external referral of Qualified Applicants for all job openings of the EMPLOYER at the following location(s):

INSERT LOCATION OF SIZ PROJECT HERE

Such that the EMPLOYER agrees to the following:

- To effectively notify the CONTACT AGENCY of all job openings no later than when notification is received by any other job referral source external to the EMPLOYER or any public announcement for the job opening, throughout the term of this agreement;
- That each such notice to the CONTACT AGENCY shall include job qualifications and a deadline for referrals;
- To ensure that the CONTACT AGENCY and the PROVIDERS will have sufficient lead time (minimum lead time is ____ business days) before the job application close date, except in temporary or emergency situations); and sufficient information to make meaningful referrals for jobs that will be filled by the EMPLOYER;
- That all job information may be shared with all PROVIDERS for which referrals are coordinated by the CONTACT AGENCY; and

- That all job openings shall be listed in the public labor exchange system, (iMatchSkills JOB SELECTION SYSTEM) of the Oregon Employment Department, insofar as a local office of that State Agency is a PROVIDER.

The CONTACT AGENCY agrees to the following:

- That to the extent that Qualified Applicants are available among the relevant PROVIDERS, to refer those individuals to the EMPLOYER for job openings; and
- To facilitate and implement the listing of all job openings in the “public labor exchange system,” in cooperation with other PROVIDERS (though, not necessarily to the exclusion of other referral methods.)

The EMPLOYER agrees to:

- Fully consider for employment any Qualified Applicant referred by the CONTACT AGENCY by the referral deadline;
- Notify the CONTACT AGENCY when a Qualified Applicant is hired by the EMPLOYER; and
- Provide after-the-fact information to the CONTACT AGENCY about applicable overall hiring and job vacancies in a prescribed manner or as requested by the CONTACT AGENCY, in accordance with OAR 123-070-1900(1) to (3).
- Comply with all relevant laws regarding employment of Qualified Applicants of this State and the Federal government, including but not limited to not discriminating on the basis of race, color, religion, ancestry, national origin, political affiliation, sex, age, marital status, sexual orientation, physical or mental disability, or any other reason prohibited by law.

The EMPLOYER will make all final decisions on hiring new employees. After the EMPLOYER has hired the employees, the EMPLOYER assumes full responsibility for them as employees.

All persons hired under this Agreement are subject to the EMPLOYER’s regular personnel policies and procedures and have no special or additional rights arising from this Agreement.

If the terms of this Agreement conflict with the provisions of a collective bargaining agreement to which the EMPLOYER is a party, the bargaining agreement shall prevail.

Both the CONTACT AGENCY and EMPLOYER agree to attempt to resolve all areas of misunderstanding, disagreement or dissatisfaction with each other as soon as they arise. If the parties are unable to resolve the issue, either may:

Initiate a meeting between the EMPLOYER and either the CONTACT AGENCY or all of the PROVIDERS; or

Request assistance from the Oregon Business Development Department.

This agreement shall take effect on the date of the last signature by the contracting parties below, and shall be in full force and effect until DECEMBER 31 OF THE FIFTEENTH YEAR OF THE STRATEGIC INVESTMENT ZONE or until the end of the term, period or periods as described in OAR 123-070-1600.

APPROVED

CONTACT AGENCY

Name
Title
Address

Phone

Signature and Date

EMPLOYER

Name
Title
Address

Phone

Unemployment Insurance Account #

Signature and Date



CLACKAMAS COUNTY STRATEGIC INVESTMENT ZONE FIRST SOURCE CONTRACTING AGREEMENT

This First Source Agreement for referral of qualified contractors is entered into between Clackamas County, hereinafter referred to as the "CONTACT AGENCY," which coordinates contractor referrals, hereinafter referred to as "PROVIDERS," and the following Business Firm located in this geographic area, hereinafter referred to as the "EMPLOYER." (INSERT NAME OF SIZ PROJECT HERE).

The EMPLOYER is or will be receiving benefits from the Clackamas County Strategic Investment Zone program. Under this First Source Agreement, the EMPLOYER will use the CONTACT AGENCY as its first source for external referral of qualified contractors for all local construction, operations, training, and suppliers of the EMPLOYER:

Such that the EMPLOYER agrees to the following:

- To effectively notify the CONTACT AGENCY of all contracting opportunities with the company no later than when notification is received by any other referral source external to the EMPLOYER or any public announcement for the contracting opportunity, throughout the term of this agreement;
- That each such notice to the CONTACT AGENCY shall include contractor qualifications and a deadline for referrals;
- To ensure that the CONTACT AGENCY and the PROVIDERS will have sufficient lead time (minimum lead time is ____ business days) before the contractor bid closing date, except in temporary or emergency situations); and information to make meaningful referrals for contracting opportunities that will be filled by the EMPLOYER;
- That all contracting information may be shared with all PROVIDERS for which referrals are coordinated by the CONTACT AGENCY; and

The CONTACT AGENCY agrees to the following:

- That to the extent that Qualified Contractors are available among the relevant PROVIDERS, to refer those firms to the EMPLOYER for contracting opportunities; and

The EMPLOYER agrees to:

- Fully consider for employment any Qualified Contractor referred by the CONTACT AGENCY by the referral deadline;
- Notify the CONTACT AGENCY when a Qualified Contractor is retained by the EMPLOYER; and
- Provide after-the-fact information to the CONTACT AGENCY about applicable overall contracting arrangements annually to include name of contractor, amount of contract, jobs created, and other economic indicators on request.

Comply with all relevant laws regarding contracting for goods and services of this State and the Federal government, including but not limited to not discriminating on the basis of race, color, religion, ancestry, national origin, political affiliation, sex, age, marital status, sexual orientation, physical or mental disability, or any other reason prohibited by law.

The EMPLOYER will make all final decisions on contracting arrangements.

The CONTACT AGENCY, the EMPLOYER and the Contractor agree to attempt to resolve all areas of misunderstanding, disagreement or dissatisfaction with each other as soon as they arise.

This agreement shall take effect on the date of the last signature by the contracting parties below, and shall be in full force and effect until DECEMBER 31 of the last year of the fifteen year exemption period or early closure or relocation of the business.

APPROVED

CONTACT AGENCY

EMPLOYER

Name

Name

Title

Title

Address

Address

Phone

Phone

Signature and Date

Signature and Date

**EXHIBIT E – CLACKAMAS COUNTY STRATEGIC ENTERPRISE ZONE
STANDARDIZED AGREEMENT**

INCLUDED AS A DISTINCT DOCUMENT



ENTERED INTO THE RECORD
DATE RECEIVED: 06-08-10
SUBMITTED BY: Dan Drentlaw
SUBJECT: Item 3d

Gary Barth
Director

BUSINESS AND ECONOMIC DEVELOPMENT

Development Services Building
150 Beavercreek Rd. | Oregon City, OR 97045

May 26, 2010

Kyle Gorman
Fire District #1
11300 SE Fuller Road
Milwaukie, Oregon 97222

RE: Fire District #1 Input on Strategic Investment Zone formation efforts

Dear Mr. Gorman;

Thank you for taking the time to provide your feedback on Clackamas County's proposed Strategic Investment Zone (SIZ).

The county and eight of its cities have been exploring business recruitment tools that will position the county well to attract new companies and major investments. The team has worked through the details of forming a Strategic Investment Zone since last fall. We see great potential for the program to position the county to attract large traded sector capital investment. This is an important component of the County's Economic Development Strategy because large companies bring high paying jobs, new tax revenues, and potential supplier and contracting opportunities to our existing companies.

Oregon's property tax-based tax structure puts the state at a disadvantage in attracting extremely capital-intensive new investment. The Strategic Investment Zone program overcomes that challenge by partially abating taxes on buildings and equipment for 15 years. The precursor to this program, the Strategic Investment Program has been very successful in attracting these types of firms, bringing \$115 billion in investment and 8,000 jobs to Oregon.

A Clackamas County Strategic Investment Zone program will be even more attractive because it expedites the application process for the company and provides clarity and certainty regarding the process and business requirements. It makes great sense to the county and its partner cities to pursue creating this program so that we can compete successfully for major investments in a very competitive national environment. Clackamas County would be only the second jurisdiction in the state to form a Strategic Investment Zone and this incentive will be very attractive to companies that are looking at locating in Oregon.

The county has reviewed your comments and would like to respond to them in an effort to further understanding and provide clarity on key points that you raised.

In general, you expressed reservations about incentives because you perceive that they primarily redistribute investment within a region. Historically, large capital investments do not show this pattern. Companies that have used the Strategic Investment Program (the precursor to the SIZ) have made significant reinvestments in new equipment and building expansions on existing sites or are new to Oregon. Furthermore, rejecting this proposal would not change the fundamental competitive landscape; it is in Clackamas County's interest to attract new investment and we must be competitive. This specific proposal – the Strategic Investment Zone -- impacts a very small subset of industrial recruitments and would bring Clackamas County closer to a level playing field with the taxing environment in other states that Oregon competes with for these major investments.

In reference to your specific proposals:

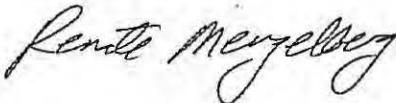
1. City / County waiver of Systems Development Charges, permit fees and building fees. Although on the surface that would seem an easy solution, these fees and charges are relatively minor in comparison to the overall \$100+ million investment size and unlikely to sway a business location decision on their own merits. Based on Oregon's and the regions business recruitment experience, major business recruitments like this are offered substantial incentives by other states – sometimes including free land and cash incentives in the millions of dollars. In addition, these charges and fees support critical basic services. Clearly, the Fire District's property tax revenue is important to basic service provision as well. However, if an SIZ project were to materialize, the Fire District would receive substantial property tax revenue increases relative to additional service burdens. Estimates of revenues for four possible scenarios range from \$60,000 to \$300,000 per year, for 15 years.
2. Requirements for employment wage minimums. The past history of the Strategic Investment Program illustrates that these large traded sector employers typically pay very well and provide good benefit packages. It does seem that a minimum wage requirement is reasonable and we have included language to the City-County intergovernmental agreement (page 12). It requires wage minimums consistent with the three year Enterprise Zone program at 150% of the state minimum wage with benefits.
3. Modest limit on personal property tax. In reviewing the statutes, I found no direct provision for altering how personal property is treated at a local level under the SIZ program. The unusual nature of Oregon's property tax structure and the extremely large amounts of personal property in some business operations are the fundamental basis for this program. It is important to note that the abatement is limited in the sense that the first \$100 million in value is fully taxed at normal rates—and the community service fee captures 25% of the tax abatement.
4. Community Service Fee Distribution. The suggestion that community service fees be distributed to affected taxing districts in relation to their relative reliance on property tax would be complicated to determine and potentially controversial with other taxing districts. (For example, while cities have other sources of income for utilities and other business operations, their general funds are also highly dependent on property tax revenues.) Of the four city councils I have met with so far, all but Sandy are proposing that community service fees and income tax revenue proceeds be distributed to the relevant taxing districts on a *pro rata* distribution formula, based on their base tax rates.

The remaining 4 cities (Oregon City, Milwaukie, Happy Valley and Canby) are evaluating their approach to community service fees in May and early June. It should be noted that the Fire District has the third or fourth largest tax rate in the areas it serves and should fare well under the *pro rata* share approach.

5. Description of impacts on Urban Renewal. The attached assessment of impacts developed by County attorney Scot Sidaris explains the relationship between the two programs. In essence, the tax increment monies that would otherwise go to the urban renewal district would, in a remarkably short period of time, be instead directed to the overlapping taxing districts. Urban renewal is also addressed in the City /County IGA on page 5 F and calls for consultation with taxing districts to discuss impacts on maximum indebtedness, options and possible application of ORS 457.470.
6. Plans Review and Inspections. The County has developed a proposal that should address this concern. We are asking the company to make the first years community service fee payment in installments with 25% due upon application for a building permit and 25% due within a month of issuing a certificate of occupancy (page 4 city county IGA). In unincorporated Clackamas County and any other cities that chose to, we propose that an affected taxing district may apply for reimbursement of its direct costs associated with review and inspections and any specific investments needed to accommodate specialized response.
7. Funding mechanism for specialized response. The proposal for funding plan review and inspections can accommodate costs associated with specialized response. See above.
8. Annual reporting. This is a reasonable request and has been accommodated in the Standardized agreement attached. The company must provide copies of annual reporting forms it provides to the Oregon Department of Revenue and the Oregon Business Development Department and any other reporting related to the terms of the Standardized agreement (page 6 C2.) The application form (Exhibit A, page 14) requires a great deal of information from the company and would be the basis for an additional customized county reporting form that could be developed with local partners during early meetings after an application is received.

I hope this response helps to further the discussion and clarifies the Program and the many ways we have worked to incorporate your ideas. I am happy to set up a meeting with you and your team to discuss this further. Please call if you have questions or concerns.

Sincerely;



Renate Mengelberg
Business and Economic Development Division

CC: Steve Wheeler, Gary Barth, Scot Sideras

Clackamas Fire District #1



April 22, 2010

Renate Mengelberg, Business and Economic Development Manager
Clackamas County
150 Beaver Creek Road
Oregon City, Oregon 97045

ENTERED INTO THE RECORD
DATE RECEIVED: 06-08-10
SUBMITTED BY: Dan Drentlaw
SUBJECT: Rem 3d

Thank you for the opportunity to provide input on the proposed Strategic Investment Zone program within Clackamas County. As you know, Clackamas Fire District #1 has long been an advocate of expanding the local workforce and has made significant financial sacrifices to ensure that the long-term economy of the local area is enhanced and maintained. In addition, we greatly value our relationships with each of the five cities that we serve as well as our relationship with Clackamas County. We believe that these partnerships have served to enhance the services provided by local government as well as allowing economies of both scale and scope in the provision of those services.

As you know, the fire district is virtually entirely funded by property taxes. Any change, therefore, to the current taxing structure will undeniably alter the provision of fire and EMS services in the North Clackamas area. Further, all new construction requires a significant investment by the fire district in both fire prevention and code enforcement. All fire district services—both emergency services and prevention services—will consequently degrade if a traded-sector company takes advantage of this offer.

The fire district has evaluated the proposed Strategic Investment Zone program and has considered research from across the United States on the value of these programs. Based on that analysis, Clackamas Fire District #1 recommends that the county and cities do not implement their proposed Strategic Investment Zone program as proposed. First, a growing number of economists reject the notion that these programs are good for business. Economists report that there is no net increase in business in a region as a result of tax incentive programs, rather these programs simply cause existing firms to relocate around a region as each seeks the best tax incentive. These incentives create unwarranted competition between local cities and counties which causes an imbalance in the mix of goods and services available to the region.

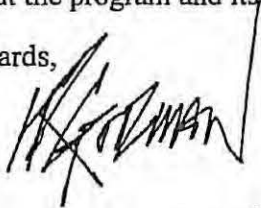
Even if providing these massive tax incentives was the right thing to do, there are a number of problems with the proposal. The fire district would like the following items addressed in subsequent proposals:

1. If the cities and county believe that local tax policy attracts traded-sector business, then those cities and the county must first waive the most significant barriers to development over which they have control—systems development charges, permit fees, and building fees.

2. The fire district is concerned that the proposed development alone does not provide requirements for long-term, family-wage employment. We recommend that future refinements of this plan consider employment minimums.
3. There should be a modest limit on the personal property tax abatement.
4. The distribution of community service fees should be based on the percent reliance on property taxes for the agencies eligible to receive the fees.
5. As the zone overlaps urban renewal districts, the county's plan should describe how the conflict between the two tax abatement programs will occur.
6. The cities or county must reimburse the fire district for its costs of plans review, building inspection, and prevention activities when proposals exceed the \$25 million or \$100 million limit.
7. The cities and county should provide a funding mechanism if the investment requires specialized response resources, such as hazardous materials or specialty rescue services.
8. The county and the region must have a single, transparent method to annually report on the performance of the plan and of the economic vitality of those firms receiving the tax abatement.

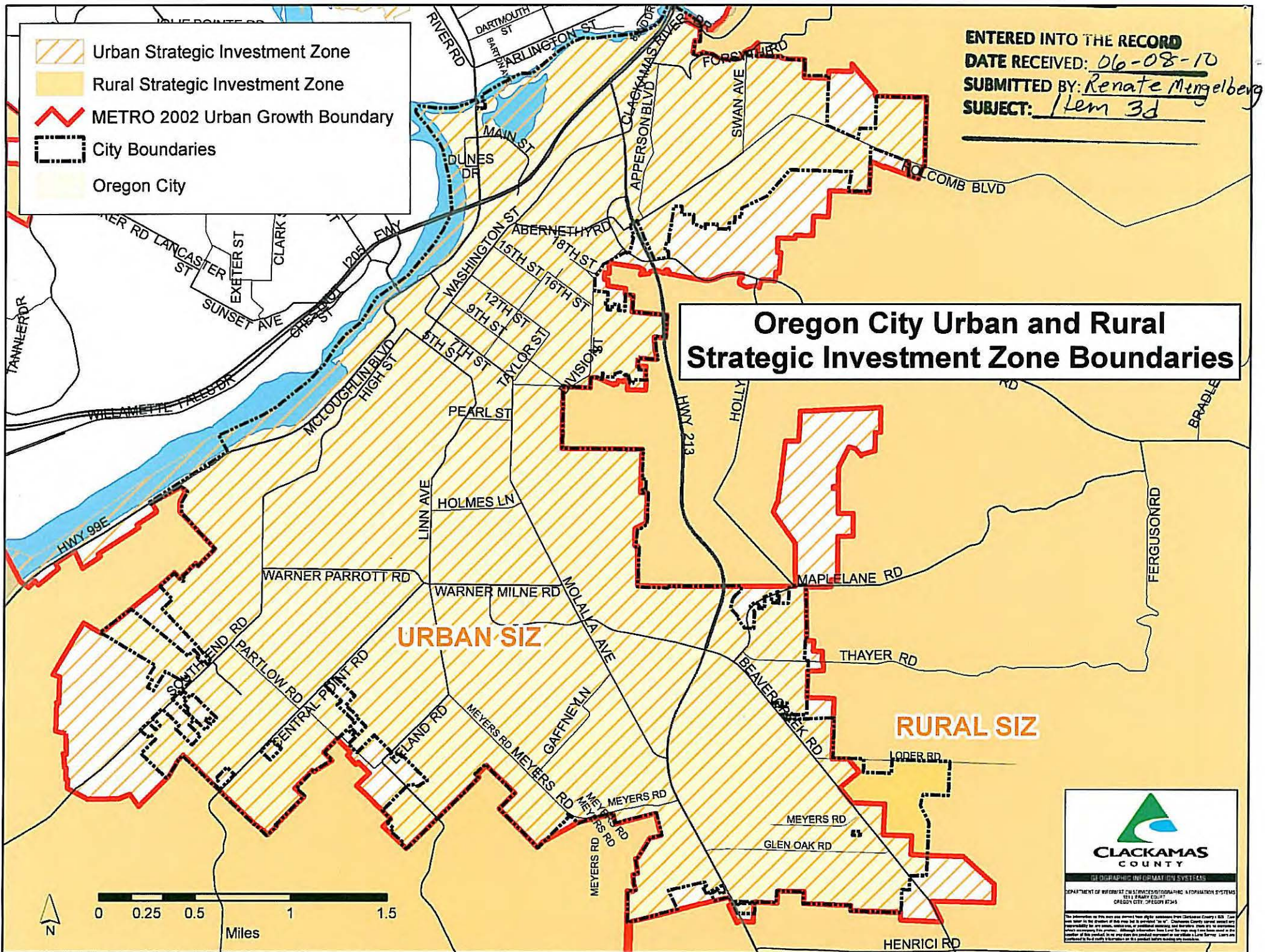
While we admire Clackamas County's desire to encourage traded-sector investment, we believe that there are other tools with proven effectiveness. We look forward to receiving additional information, in particular more data about these programs. We ask that the county continue to meet with the fire district and provide us with ongoing information about the program and its limitations.

Regards,



Kyle R. Gorman, Executive Officer
Clackamas County Fire District #1

cc: Ed Kirchhofer, Fire Chief
Steve Wheeler, County Administrator
Board of Directors





Clackamas County Strategic Investment Zone Community Participation Update

City	Status	Decision	Comments
Lake Oswego	Approved Urban SIZ	Option C- Support Local Taxing Districts	No concerns – decision made in 10 minutes
Happy Valley	Approved Urban and Rural SIZ	Option A: Address Business Impacts and Community Priorities	Wanted to know FD#1 response to County letter. Concerned about flexibility to address taxing district issue. Unanimous decision.
Milwaukie	Approved Urban SIZ	Option B Create a Community enhancement fund.	Interested in FD#1 response, asked staff to get input from Precision Castparts, Want county to choose Option B.
Oregon City	Will meet June 8 th	To be determined	Interested in input from taxing districts, UR impacts – New city manager needs to become comfortable with the program
Sandy	Approved Rural SIZ and RREDZ	Option A - Address Business Impacts and Community Priorities	No concerns – easy unanimous decision.
Molalla	Approved Rural SIZ and RREDZ	Option C 2- Support Local Taxing Districts – set up advisory committee to city council to provide input	FD testified, preferred prorata approach which city chose unanimously.
Estacada	Approved Rural SIZ and RREDZ	Option C- Support Local Taxing Districts	Easy unanimous decision.
Canby	Will meet in Mid June	To be determined	Could not meet during May due to budget hearings. New city manager needs to become comfortable with the program

Oregon City Strategic Investment Zone Revenues and Taxing District Impacts

Scenario 1: Specialty solar glass manufacturer investing \$48 million in an 80,000 sf \$8 million building with \$40 million in equipment, providing 35-40 jobs paying \$20 per hour with benefits

Oregon City Taxing Districts

Taxing District - Tax Code: 062-101	Tax Rate
COM COLL CLACK	0.6848
ESD CLACKAMAS	0.3454
SCH OREGON CITY	6.1279
CITY OREGON CITY	4.1015
COUNTY CLACKAMAS C	2.2955
COUNTY EXTENSION & 4-H	0.0471
COUNTY LIBRARY	0.3723
COUNTY PUBLIC SFTY LOC OPT 2006	0.248
COUNTY SOIL CONS	0.0471
FD 1 CLACK CO 2.1890	2.2588
PORT OF PTLD	0.0658
UR COUNTY SP	0.1186
URBAN RENEWAL COUNTY	0.1429
URBAN RENEWAL OREGON CITY	0.7844
VECTOR CONTROL	0.0312
TRANS TRIMET BOND	0.0803
Totals	17.7516

Taxes received	
2010	TOTALS
17,120	318,413
8,635	160,602
153,198	2,849,307
102,538	1,907,086
57,388	1,067,345
1,178	21,900
9,308	173,109
6,200	115,313
1,178	21,900
56,470	1,050,281
1,645	30,595
2,965	55,146
3,573	66,445
19,610	364,725
780	14,507
2,008	37,337
443,790	8,254,012

Taxes foregone	
2010	TOTALS
15,750	87,279
7,944	44,022
140,942	781,010
94,335	522,742
52,797	292,565
1,083	6,003
8,563	47,450
5,704	31,608
1,083	6,003
51,952	287,887
1,513	8,386
2,728	15,116
3,287	18,213
18,041	99,973
718	3,976
1,847	10,234
408,287	2,262,467

Total if no SIZ	
2010	TOTALS
32,870	405,692
16,579	204,623
294,139	3,630,317
196,872	2,429,828
110,184	1,359,910
2,261	27,903
17,870	220,560
11,904	146,921
2,261	27,903
108,422	1,338,168
3,158	38,982
5,693	70,262
6,859	84,657
37,651	464,698
1,498	18,484
3,854	47,572
852,077	10,516,479

Other Revenues for the Community

Community Service Fee

Community Service Fee

Income Tax Share - estimate"

Totals

2010	TOTALS
102,072	565,617
102,072	565,617
55,780	836,700
157,852	1,402,317

* Assumes 40 jobs at \$16 per hour + benefits

Oregon City Strategic Investment Zone Revenues and taxing District Impacts

Scenario 2: Tech manufacturer of solar products investing \$70 million in a 120,000 sf \$15 million building providing 200 jobs, paying 32-36,000 in wages with benefits

Oregon City Taxing Districts

Taxing District - Tax Code: 062-101	Tax Rate
COM COLL CLACK	0.6848
ESD CLACKAMAS	0.3454
SCH OREGON CITY	6.1279
CITY OREGON CITY	4.1015
COUNTY CLACKAMAS C	2.2955
COUNTY EXTENSION & 4-H	0.0471
COUNTY LIBRARY	0.3723
COUNTY PUBLIC SFTY LOC OPT 2006	0.248
COUNTY SOIL CONS	0.0471
FD 1 CLACK CO	2.2588
PORT OF PTLD	0.0658
UR COUNTY SP	0.1186
URBAN RENEWAL COUNTY	0.1429
URBAN RENEWAL OREGON CITY	0.7844
VECTOR CONTROL	0.0312
TRANS TRIMET BOND	0.0803
Totals	17.7516

Taxes received	
2010	TOTALS
17,120	318,413
8,635	160,602
153,198	2,849,307
102,538	1,907,086
57,388	1,067,345
1,178	21,900
9,308	173,109
6,200	115,313
1,178	21,900
56,470	1,050,281
1,645	30,595
2,965	55,146
3,573	66,445
19,610	364,725
780	14,507
2,008	37,337
443,790	8,254,012

Taxes foregone	
2010	TOTALS
30,816	270,968
15,543	136,671
275,756	2,424,747
184,568	1,622,922
103,298	908,306
2,120	18,637
16,754	147,315
11,160	98,131
2,120	18,637
101,646	893,784
2,961	26,036
5,337	46,929
6,431	56,544
35,298	310,379
1,404	12,346
3,614	31,774
798,822	7,024,127

Total if no SIZ	
2010	TOTALS
47,936	589,382
24,178	297,273
428,953	5,274,055
287,105	3,530,008
160,685	1,975,651
3,297	40,537
26,061	320,425
17,360	213,444
3,297	40,537
158,116	1,944,065
4,606	56,632
8,302	102,075
10,003	122,989
54,908	675,104
2,184	26,853
5,621	69,111
1,242,612	15,278,139

Other Revenues for the Community

Community Service Fee

Community Service Fee

Income Tax Share - estimate"

Totals

2010	TOTALS
199,706	1,756,032
199,706	1,756,032
303,200	4,548,000
502,906	6,304,032

*Assumes 200 jobs at \$17.30 / hour + benefits

Sample Urban Strategic Investment Zone Projects In the City of Oregon City

Scenario 1: A biotechnology manufacturer investing \$250 million in a five building facility on 12.5 acres including a 300,000 sf. three story manufacturing plant. The company will create 275 jobs paying an average of \$74,000 per year.

	2010	Annual Average	Total
Building (Real Market Value 100% new)	100,000,000	6,666,667	104,066,173
New Equipment	150,000,000	120,734,881	208,125,000
Total Investment	250,000,000	127,401,548	312,191,173
Maximum Taxable Value	100,000,000	100,000,000	100,000,000
Abated Value	150,000,000	27,401,548	212,191,173
Taxes on Capped Assessed Value	1,775,160	2,201,070	33,016,048
Taxes on Abated Value	2,662,740	1,493,427	22,401,403
Community Service Fee	665,685	373,357	5,600,351
Total Abated	1,997,055	1,120,070	16,801,052
Amount Paid by Company	2,440,845	2,574,427	38,616,399

Scenario 2: A high tech plant investing \$700 million with a specialized \$100 million building and \$600 million in equipment. The company will create 400 jobs paying an average of \$100,000 per year.

	2010	Annual Average	Total
Building (Real Market Value 100% new)	100,000,000	5,162,334	104,066,173
New Equipment	600,000,000	482,939,524	832,500,000
Total Investment	700,000,000	488,101,858	936,566,173
Maximum Taxable Value	100,000,000	100,000,000	100,000,000
Abated Value	600,000,000	388,101,858	836,566,173
Taxes on Capped Assessed Value	1,775,160	2,201,070	33,016,048
Taxes on Abated Value	10,650,960	7,923,139	118,847,082
Community Service Fee	2,000,000	1,867,934	28,019,014
Total Abated	8,650,960	6,055,205	90,828,068
Amount Paid by Company	3,775,160	4,069,004	61,035,062

Assumptions

17.7516	Assumed tax rate
7.5%	Assumed depreciation per year of equipment (new) - Source County Assessor estimate
3%	Assumed taxable value of buildings will increase 3% a year under measure 50.
0.688	Change Property Ratio for 2010 - according to M50, applies to new buildings the first year in service - subject to change annually
Community Service Fee is 25% of abated taxes, not to exceed \$500,000	
Equipment reinvestment of 25% of original equip cost each 5 years	

Taxes RECEIVED on Capped Assessed Value - Breakdown by Taxing Jurisdiction (first \$25 million of Investment)

Taxing District - Tax Code: 062-101	Tax Rate	Scenario 1: \$48M Investment		
		2010	Annual Average	TOTALS
COM COLL CLACK	0.6848	68,480	84,910	1,273,654
ESD CLACKAMAS	0.3454	34,540	42,827	642,406
SCH OREGON CITY	6.1279	612,790	759,815	11,397,228
CITY OREGON CITY	4.1015	410,150	508,556	7,628,345
COUNTY CLACKAMAS C	2.2955	229,550	284,625	4,269,381
COUNTY EXTENSION & 4-H	0.0471	4,710	5,840	87,601
COUNTY LIBRARY	0.3723	37,230	46,163	692,438
COUNTY PUBLIC SFTY LOC OPT 2006	0.248	24,800	30,750	461,253
COUNTY SOIL CONS	0.0471	4,710	5,840	87,601
FD 1 CLACK CO 2.1890	2.2588	225,880	280,075	4,201,123
PORT OF PTLD	0.0658	6,580	8,159	122,381
UR COUNTY SP	0.1186	11,860	14,706	220,583
URBAN RENEWAL COUNTY	0.1429	14,290	17,719	265,778
URBAN RENEWAL OREGON CITY 0.784	0.7844	78,440	97,260	1,458,899
VECTOR CONTROL	0.0312	3,120	3,869	58,029
TRANS TRIMET BOND	0.0803	8,030	9,957	149,349
Totals	17.7516	1,775,160	2,201,070	33,016,048

	2010	Annual Average	TOTALS
COM COLL CLACK	68,480	84,910	1,273,654
ESD CLACKAMAS	34,540	42,827	642,406
SCH OREGON CITY	612,790	759,815	11,397,228
CITY OREGON CITY	410,150	508,556	7,628,345
COUNTY CLACKAMAS C	229,550	284,625	4,269,381
COUNTY EXTENSION & 4-H	4,710	5,840	87,601
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COUNTY SOIL CONS	4,710	5,840	87,601
FD 1 CLACK CO 2.1890	225,880	280,075	4,201,123
PORT OF PTLD	6,580	8,159	122,381
UR COUNTY SP	11,860	14,706	220,583
URBAN RENEWAL COUNTY	14,290	17,719	265,778
URBAN RENEWAL OREGON CITY 0.784	78,440	97,260	1,458,899
VECTOR CONTROL	3,120	3,869	58,029
TRANS TRIMET BOND	8,030	9,957	149,349
Totals	1,775,160	2,201,070	33,016,048

Taxes FOREGONE on Abated Value above \$25M - Breakdown by Taxing Jurisdiction

Taxing District - Tax Code: 062-101	Tax Rate	Scenario 1: \$48M Investment		
		2010	Annual Average	TOTALS
COM COLL CLACK	0.6848	102,720	57,612	864,175
ESD CLACKAMAS	0.3454	51,810	29,058	435,873
SCH OREGON CITY	6.1279	919,185	515,535	7,733,024
CITY OREGON CITY	4.1015	615,225	345,056	5,175,835
COUNTY CLACKAMAS C	2.2955	344,325	193,118	2,896,777
COUNTY EXTENSION & 4-H	0.0471	7,065	3,962	59,437
COUNTY LIBRARY	0.3723	55,845	31,321	469,819
COUNTY PUBLIC SFTY LOC OPT 2006	0.248	37,200	20,864	312,960
COUNTY SOIL CONS	0.0471	7,065	3,962	59,437
FD 1 CLACK CO 2.1890	2.2588	338,820	190,031	2,850,464
PORT OF PTLD	0.0658	9,870	5,536	83,035
UR COUNTY SP	0.1186	17,790	9,978	149,666
URBAN RENEWAL COUNTY	0.1429	21,435	12,022	180,331
URBAN RENEWAL OREGON CITY 0.784	0.7844	117,660	65,991	989,863
VECTOR CONTROL	0.0312	4,680	2,625	39,372
TRANS TRIMET BOND	0.0803	12,045	6,756	101,334
Totals	17.7516	2,662,740	1,493,427	22,401,403

	2010	Annual Average	TOTALS
COM COLL CLACK	102,720	57,612	864,175
ESD CLACKAMAS	51,810	29,058	435,873
SCH OREGON CITY	919,185	515,535	7,733,024
CITY OREGON CITY	615,225	345,056	5,175,835
COUNTY CLACKAMAS C	344,325	193,118	2,896,777
COUNTY EXTENSION & 4-H	7,065	3,962	59,437
COUNTY LIBRARY	55,845	31,321	469,819
COUNTY PUBLIC SFTY LOC OPT 2006	37,200	20,864	312,960
COUNTY SOIL CONS	7,065	3,962	59,437
FD 1 CLACK CO 2.1890	338,820	190,031	2,850,464
PORT OF PTLD	9,870	5,536	83,035
UR COUNTY SP	17,790	9,978	149,666
URBAN RENEWAL COUNTY	21,435	12,022	180,331
URBAN RENEWAL OREGON CITY 0.784	117,660	65,991	989,863
VECTOR CONTROL	4,680	2,625	39,372
TRANS TRIMET BOND	12,045	6,756	101,334
Totals	2,662,740	1,493,427	22,401,403

Sample Rural Strategic Investment Zone Projects In the City of Oregon City - continued

Breakdown of Community Service Fee and Income Tax Sharing

	Scenario 1: \$48M Investment		
	2010	Annual Average	TOTALS
Community Service Fee	665,685	373,357	5,600,351
Income Tax Share - estimate"	55,780	55,780	836,700
Totals	721,465	429,137	6,437,051

	Scenario 2: \$70M Investment		
	2010	Annual Average	TOTALS
Community Service Fee	2,000,000	1,867,934	28,019,014
Income Tax Share - estimate"	303,200	303,200	4,548,000
Totals	2,303,200	2,171,134	32,567,014

* Assumes 40 jobs at \$16 per hour + benefits

*Assumes 200 jobs at \$17.30 / hour + benefits

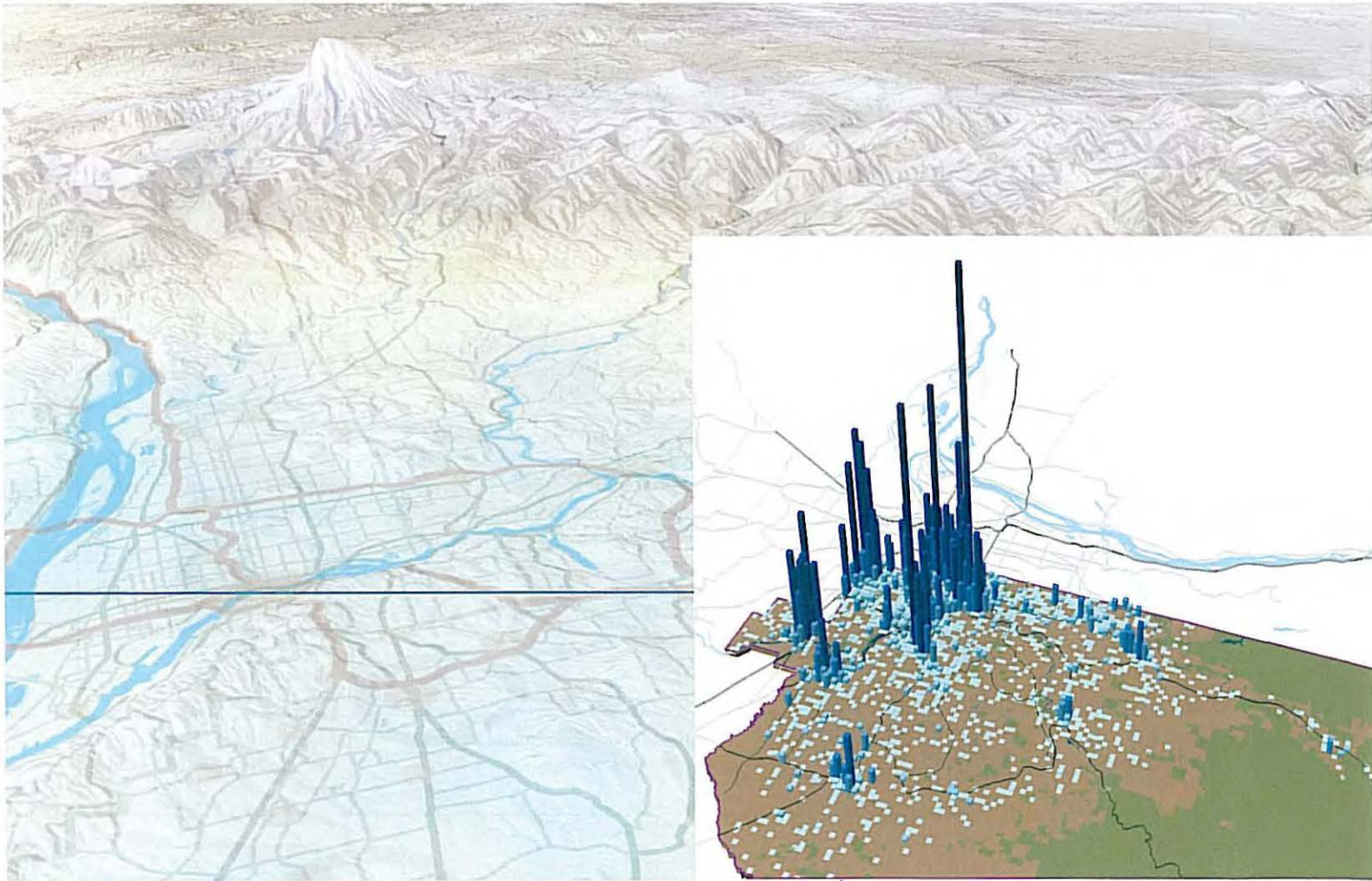
The Community Service Fee is based on 25% of taxes foregone up to \$500,000

The Income Tax Share is estimated at 50% of income taxes paid per employee in 2009 wages

Oregon City **Total Rate 17.7516** **Tax Code: 062-101**
Taxable Value: \$170,851,887

	Limited	Bond	Total
COM COLL CLACK	0.5198	0.1650	0.6848
ESD CLACKAMAS	0.3454		0.3454
SCH OREGON CITY	4.7385	1.3894	6.1279
CITY OREGON CITY	3.9709	0.1306	4.1015
COUNTY CLACKAMAS C	2.2955		2.2955
COUNTY EXTENSION & 4-H	0.0471		0.0471
COUNTY LIBRARY	0.3723		0.3723
COUNTY PUBLIC SFTY LOC OPT 2006	0.248		0.2480
COUNTY SOIL CONS	0.0471		0.0471
FD 1 CLACK CO 2.1890	2.189	0.0698	2.2588
PORT OF PTLD	0.0658		0.0658
UR COUNTY SP	0.1186		0.1186
URBAN RENEWAL COUNTY	0.1429		0.1429
URBAN RENEWAL OREGON CITY 0.784	0.7844		0.7844
VECTOR CONTROL	0.0062	0.0250	0.0312
TRANS TRIMET BOND		0.0803	0.0803
Total	15.8915	1.8601	17.7516

CLACKAMAS COUNTY ECONOMIC LANDSCAPE STUDY – SUMMARY OF KEY CLUSTERS



www.fcsgroup.com

Table III-3. General Location and Building Preference for Key Clusters

Cluster Name	General Description	Urban Settings	Rural Settings
Professional Business Services	Includes legal, engineering, graphic design, marketing, insurance, real estate, finance, and computer system support.	Prefers Class A or B office buildings with good access to highways and transit. Prominent locations include: Kruse Way, Wilsonville, Clackamas Town Center, and neighborhood centers.	Smaller concentrations found in downtown office buildings.
Health Care Services	Includes in- and out-patient health service professionals and support personnel.	Prefers Class A medical office buildings with good access to highways and transit. Prominent locations include: Kruse Way, Clackamas Town Center, Oregon City and medical campus settings.	Smaller concentrations found in office buildings.
Wholesale Trade	Includes firms, agents and brokers engaged in the sale of goods to retailers.	Prefers industrial flex buildings or office buildings with good access to I-5 or I-205 highways and proximity to transportation and distribution companies. Prominent locations include: Wilsonville, Kruse Way, and Clackamas Industrial Area.	Not prominent in rural areas or neighboring cities.
Advanced Manufacturing - Metals	Includes metal foundries, fabricated metals, and machinery manufacturing.	Prefers industrial buildings with good access to I-5 or I-205 highways. Prominent locations include: Clackamas Industrial Area, and North Milwaukie Industrial Area.	Smaller concentrations found in industrial park settings.
Transportation and Distribution	Includes firms engaged in the distribution and storage of goods.	Prefers high ceiling industrial buildings with good access to I-5 or I-205 highways and rail freight. Prominent locations include: Wilsonville, Clackamas Industrial Area, and North Milwaukie Industrial Area.	Not prominent in rural areas or neighboring cities.
Advanced Technology - High Tech	Manufacturing of computer-related equipment devices and software systems design.	Prefers industrial flex buildings, Class A office buildings or corp. campus locations with good access to highways and transit. Prominent locations include: Wilsonville, Kruse Way, and Milwaukie.	Emerging concentrations found in Canby in industrial park settings.
Nurseries and Greenhouses	Includes production and sale of landscaping trees and shrubs, seedlings, herbs, flowers, and related products.	Smaller concentrations found in urbanizing areas.	Locations are in agricultural lands in and near neighbor cities, including Damascus, Sandy, Canby, Molalla and Estacada.
Wood Manufacturing	Manufacturing of wood products, such as trusses, cabinets, and building materials.	Smaller concentrations found in urban industrial park settings.	Locations are in industrial park settings in neighbor cities, including Molalla and Sandy



Office of County Counsel

Steven R. Lounsbury
COUNTY COUNSEL
David W. Anderson
Kimberley A. Ybarra-Cole
Edward S. McGlone III
Kathleen Rastetter
Scot A. Sideras
Chris Storey
Scott Ciecko
Dan Chandler
Assistants

May 10, 2010

INTEROFFICE MEMO

FROM: Scot A. Sideras, Legal Counsel, Senior

TO: Renate Mengelberg, BCS- Economic Development

RE: Strategic Investment Zones and Urban Renewal

Question Presented: What would be the practical effect if a company were to locate its business in a strategic investment zone that overlapped an urban renewal district?

Short Answer: The tax increment monies that would otherwise go to the urban renewal district would, in a remarkably short period of time, be instead directed to the overlapping taxing districts.

Discussion: The Strategic Investment Zone program under ORS 285C.623 through 285C.639 and ORS 307.123 provides a program for the abatement of the property taxes otherwise attributable to the major investment of capital intensive businesses. Companies making a major investment establishing a business in an urban Strategic Investment Zone pay full property taxes on the first \$100 million invested. Taxes are abated on any investment above that amount.

Urban renewal districts, which are created according to ORS Chapter 457, receive tax increment financing as set out in ORS 467.420 through 457.460. Through a process known as the division of property taxes the assessor certifies the assessed value of the new district, which then becomes known as the "frozen base". Tax revenue attributable to the frozen base is distributed to the various taxing districts. Additional incremental value above the frozen base is distributed to the urban renewal district, which may either use the money to fund projects directly, or else as a revenue source to finance the bonded debt that was issued to build the projects.

The fundamental thinking behind urban renewal is that growth in the urban renewal district would be gradual, so that it would take a decade or decades before the increment above the "frozen base" became substantial. Urban renewal was not designed to accommodate sudden, dramatic increases above the frozen base. An investment qualifying under the Strategic Investment Zone would result in an urban renewal district's revenues increasing by the taxes attributable to an additional increase in assessed value by \$100 million dollars. This is an astronomical sum that can easily result in the overnight increase in the incremental assessed

value, depending upon the size and life of the district, of anywhere from 25% to more than 100%. While ordinarily receiving more money faster than anticipated would not be troubling, the case is different with an urban renewal district. An urban renewal district is not able to receive distributions from tax revenue indefinitely. Each urban renewal plan limits through ORS 457.085(2)(h) the amount of money that the district may receive. Receiving funds faster than anticipated causes the district to end its ability to collect money sooner.

As a result, if a Strategic Investment Zone investment was made as to land that was located in an urban renewal district, the following alternatives would occur.

1. The urban renewal district would collect money faster than expected, resulting in the early arrival of maximum indebtedness and the termination of the ability to receive revenue. Moreover, under ORS 457.470, early sharing of the money that would otherwise go to the urban renewal agency will also result, with the overlapping taxing districts receiving greater shares as the amount of incremental assessed value exceeds 10% and 25% of the district's maximum indebtedness.
2. The urban renewal district may choose to limit its collection. Under ORS 457.455 the urban renewal agency has the option of limiting the amount of funds that it receives, causing more revenue to be redistributed to the overlapping taxing districts.
3. The urban renewal district may also elect to amend its plan to remove the land occupied by the new investment from its urban renewal district. This would have the effect of making the entire \$100 million investment part of the general tax roll.

The practical effect of any of these alternatives is that the urban renewal district will, following the investment by a company qualifying for abatement within a Strategic Investment Zone, receive all the benefit to which it was entitled under its original plan, but no more. There would be no windfall or unintended benefit to the urban renewal district as a consequence of this investment.

Scot A. Sideras
Legal Counsel, Senior

Oregon State & Local Financial Assistance and Incentive Programs Summary

STATE BUSINESS CLIMATE ADVANTAGES

Oregon State Corporate Income Tax:

The Oregon Legislature has been very sensitive to the tax issues of traded sector companies. Since 2005, the apportionment of domestic income to Oregon for taxation is 100% based on relative sales in Oregon, for corporations with multi-state operations. This means that additional property and payroll in Oregon will not necessarily alter a corporation's tax exposure in Oregon.

Workers' Compensation:

Oregon is a national model for workers' compensation insurance reform. Our system has seen double digit decreases in rates and costs to employers since the early 1990's. The state is ranked 16th lowest in the US, and our rates have declined by over three times the national average. In Oregon, employers have the option of self-insuring, engaging the State Accident Insurance Fund (SAIF), or contracting with a private insurer.

Unemployment Insurance:

Recent Oregon legislation has allowed these tax rates to decline further than they otherwise would have. In 2008, the base rate for new employers for the first 21 to 33 months of operations is 2.1 percent. The average, experienced-based rate is 1.7 percent of the first \$30,200 of annual covered employee wages.

STATE/STATE-WIDE PROGRAMS

Oregon Dept. of Energy – Business Energy Tax Credits (BETC)

Energy Efficiency Investments

- A tax credit of 35% of the value of energy efficiency investments to the building and/or equipment (up to \$10 million of eligible costs per distinct type of project).
- The tax credit applies to the eligible cost of improvements that exceed building code requirements by 10% or for the cost of equipment that is at least 10% more efficient than industry standards.
- Transferability: credits can be monetized through sale to another Oregon taxpayer at approximately 70% of value (25.5% pass-through rate).
- Tax credits are taken over a 5-year period with an 8-year carry-forwards.
- *Renewable Energy: New in 2007, the credit rate is increased to 50% (with eligible cost cap per project of \$20 million and pass-through rate of 33.5%) for projects that are high-efficiency combined heat and steam systems, or that produce or consume renewable energy or manufacture equipment that will be used exclusively for renewable energy.*

Small Scale Energy Loan Program, Oregon Department of Energy (debt financing)

- These funds are in the form of a low interest loan applicable to energy efficiency improvements to the facility. These loans are not generally offered to start-up companies, and financial documents would be reviewed by ODOE.

Oregon Business Development Fund, OECDD (debt financing)

- These funds are in the form of a low interest loan (currently at 4.9% --- US Treasury rate + 1%).
- A maximum of \$700,000 or 40% of the project cost is available, typically as gap or an element of composite financing for the project. Loans are reviewed and approved by the OECDD Finance Committee.
- Can be used in conjunction with Industrial Development Revenue Bonds.

Industrial Development Revenue Bonds, OECDD (debt financing)

- IDRBS provide low-cost access to capital for plant and equipment through tax-exempt bonds.
- Maximum bond amount is \$10 million, and there is a \$20 million capital expenditure limitation
- Interest rates are set by the market, and are approximately 4-5% currently.

Credit Enhancement Fund, OECDD, (loan guarantees)

- CEF can be used for term loans for plant and equipment and for working capital lines of credit.
- In the event of bank financing, OECDD offers loan guarantees of up to 90% or \$700,000 under the conventional insurance program for term loans with enrolled banks.
- Rates and terms are set by the bank; OECDD charges a loan insurance fee of 1.25% to 3%, depending on the term of the loan.

Oregon Energy Trust (grant program)

- The Energy Trust offers financial incentives for both retrofit and new construction, based upon the equipment that is installed and savings generated. These funds would be in the form of a cash grant. Several programs would apply, as listed below.
- The Production Efficiency Program applies to manufacturing equipment and sub-systems. Up to \$500,000 per project is available. It may be possible to exceed this guideline.
- The New Building Efficiency Program applies to the shell of the building, lighting, HVAC, etc and can offer up to \$225,000. It is based on energy savings per code at 10 cents per Kwh or 80 cents per therm.

Oregon Research Tax Credit

- Tax credit of up to \$2,000,000 against corporate taxes, for qualified research activities in Oregon.
- Credit equals 5 percent of annual research expenses in excess of base amount consistent with federal R&D tax credit, with five-year, carry-forward period.

Oregon Dependent Care Tax Credit

- Tax credit equals 50 percent of annual expenses for programs or services that assist employees in Oregon with child care (capped at \$2,500 per employee, other than for credit amount based on information or referral services).
- Taken as a credit against corporate or personal income taxes, with five-year, carry-forward period.

PROGRAMS AVAILABLE FOR CLACKAMAS COUNTY BUSINESSES

Employer Workforce Training Fund (grant program)

- Grant funds available on a regional basis and approved by local Workforce Response Teams. The next round of funding will be available in September 2009. A minimum dollar for dollar match is required.
- Grants are awarded on a competitive basis.

Mt Hood Economic Alliance (loan & grant program)

Project applications are taken and reviewed year-round depending on funding availability or Clackamas, Hood River, and Wasco Counties. Maximum amount for applications is \$50,000.

- Requires application.
- Requires 5:1 match.
- Requires job creation.

Rural Revolving Loan Program

Businesses located outside the Portland Metro urban growth boundary are eligible for loans up to \$150,000. This money can be used on land, building acquisition, new construction, machinery and equipment. The requirements are one job for each \$25,000.

EMPLOYEE RECRUITMENT AND SCREENING SERVICES

The Business Edge

Recruitment and screening costs may be offset by the Business Edge, a program of the Worksource Oregon Employment Department in Clackamas County. The Business Edge coordinates the development of a comprehensive workforce development system that meets the needs of the Region's jobseekers and employers.

The Business Edge will provide a Project Manager. This staff person will be responsible for working with the company to determine its needs relative to recruitment, hiring and training, and assist them in identifying and accessing all available services and resources.

The Business Edge links employers, community services, and continuing education with an array of employment and training services. It is a community-based service delivery system that is universally accessible and demand driven.

The One Stop System

Services for employers and jobseekers are primarily delivered through a system of One Stop Career Centers located throughout the region. Each One Stop has the capacity to customize services to meet individual employer needs. The following basic employer services will be provided:

- Access to a large, varied and motivated hiring pool.
- Pre-employment job-skills trainings, job posting and distribution services, organized job fairs, and employer presentations
- Connect-to-Jobs – a local, on-line job posting board (connect2jobs.org) that includes information on in-demand careers in biotechnology, creative services, health care, metals manufacturing, semiconductor manufacturing, small business, and teaching
- Basic job screening, testing, and applicant referrals
- Interview scheduling and space
- Hiring tax credit information and assistance – the Work Opportunity Tax Credit is a federal income tax credit available when employers hire from targeted groups of job seekers, providing a credit of up to \$2,400 per new hire.
- Referral to training and education resources, including customized training partners

For more information and assistance please contact:

Cindy Hagen, Clackamas County Business and Economic Development Manager
Phone: (503) 742-4328 E-mail: cindyhag@co.clackamas.or.us



Agenda Item No. 3e
Meeting Date: 08 Jun 2010

COMMISSION REPORT: CITY OF OREGON CITY

TO:	Honorable Mayor and City Commission
FROM:	Teri Bankhead, Assistant to the City Manager
PRESENTER:	Teri Bankhead, Assistant to the City Manager
SUBJECT:	Update from the Citizen Involvement Council
Agenda Heading: General Business	
Approved by: David Frasher, City Manager	

RECOMMENDED ACTION (Motion):

Presentation and discussion only by the Citizen Involvement Council.

BACKGROUND:

The Citizen Involvement Council will provide a brief history, give an update of current activities, and seek discussion and direction on some topics.

BUDGET IMPACT:

FY(s): NA
Funding Source: NA

ATTACHMENTS:

NA



Agenda Item No. 3f
Meeting Date: 08 Jun 2010

COMMISSION REPORT: CITY OF OREGON CITY

TO:	Honorable Mayor and City Commission
FROM:	Alice Norris, Mayor
PRESENTER:	Alice Norris, Mayor
SUBJECT:	Resolution No. 10-15, Declaration of Cooperation for Willamette Falls Heritage Area Coalition
Agenda Heading: General Business	
Approved by:	

RECOMMENDED ACTION (Motion):

For discussion.

BACKGROUND:

Mayor Alice Norris will give a presentation on the declaration of cooperation for Willamette Falls Heritage Area Coalition.

BUDGET IMPACT:

FY(s):

Funding Source:

ATTACHMENTS:

Resolution No. 10-15
Declaration of Cooperation

RESOLUTION NO. 10-15

A RESOLUTION OF THE OREGON CITY COMMISSION STATING ITS SUPPORT OF THE WILLAMETTE FALLS HERITAGE AREA COALITION'S EFFORTS TOWARD A NATIONAL HERITAGE AREA DESIGNATION

WHEREAS, The mission of the Willamette Falls Heritage Area Coalition is to advocate for and strengthen the identity of the historic communities of Oregon City and West Linn by preserving and promoting their important and distinctive natural, cultural, scenic, recreational and industrial resources through public/ private partnerships; and

WHEREAS, the Coalition has identified the following initial set of principles for the Heritage area:

1. Strengthen the identity of Oregon City and West Linn area with the Falls at the heart
2. Share this unique place with others, local residents and outside visitors
3. Make improved public access a priority
4. Build the vision as an integral part of the community and who we are
5. Create an easy to navigate approach to the area and the core site; and

WHEREAS, the Coalition has identified several steps in the process toward the possible designation as a National Heritage Area, including developing and completing a feasibility study that will have widespread public involvement; and

WHEREAS, to accomplish these tasks requires the support and commitment of the Coalition's partners, including the State of Oregon, Clackamas County, West Linn, Oregon City, Clackamas County Arts Alliance, Ice Age Floods Institute, Willamette Falls Heritage Foundation, Confederated Tribes of the Grand Ronde, PGE, West Linn Paper Mill, and Blue Heron Paper Company.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF OREGON CITY THAT:

Section 1: The City of Oregon City supports the efforts and goals of the Willamette Falls Heritage Area Coalition.

Section 2: The City of Oregon City will continue to participate in, and provide leadership for, the development of the Willamette Falls Heritage Area and toward the completion of the National Heritage Area feasibility study.

Section 3: Pending the availability of resources, the City will continue to provide an appropriate share of financial assistance and staff time to complete the Willamette Falls National Heritage Area feasibility study.

Section 4: The City of Oregon City will provide letters of support for securing additional resources for this effort.

Section 5: This Resolution is effective upon passage.

Adopted, signed, and approved this _____ day of June 2010.

ALICE NORRIS, Mayor

Attested to this _____ day of June 2010

Approved as to legal sufficiency:

Nancy Ide, City Recorder

City Attorney

RESOLUTION NO. 10-15

Effective Date: _____

Working to Create a
WILLAMETTE FALLS NATIONAL HERITAGE AREA

Declaration of Cooperation

Introduction

Drawn together by a common vision that the Great Falls of the Willamette River is worthy of national recognition, the original stakeholders of the Willamette Falls Heritage Area Coalition began meeting in 2007. These representatives from government, industry, tribes, parks, tourism, economic development, recreation, heritage and the arts began to explore the opportunities for historic and cultural preservation, heritage tourism, interpretation, and economic growth in this distinctive area. When US Representative Kurt Schrader introduced HR 4081 in 2009, the feasibility of a National Heritage Area in this important place was launched. The process of creating a National Heritage Area will be thorough and community involvement will be key.

The Guiding Principles

- Establish the Willamette Falls as the central identity and heart of the Oregon City and West Linn area;
- Enhance public appreciation for historical sites within the Heritage Area, while supporting existing industrial and recreational opportunities;
- Share this unique place with others -- local residents and visitors from the metro region and the nation;
- Create an easy to navigate approach to the area and the core site.

By their signatures below, the following organizations and jurisdictions agree to the commitment of working together in partnership toward the shared vision of creating a Willamette Falls National Heritage Area:

1. Willamette Falls Heritage Foundation
Roger Shepherd, President May 3, 2010
2. City of West Linn
by Resolution 2010-17, by John Kovash, Council President April 26, 2010
3. Clackamas County Arts Alliance
Bob Sterry, Advisory Board Chair May 11, 2010
- 4.
- 5.
- ...etc.

Working To Create a Willamette Falls National Heritage Area

The Willamette Falls Heritage Area Coalition

Purpose

The purpose of the Willamette Falls Heritage Area Coalition is to advocate for and strengthen the identity of the communities surrounding the Falls by preserving and promoting their nationally significant, distinctive and historic natural, cultural, scenic, recreational, and industrial resources through public/private partnerships.

Background

In 2007, public and private sector organizations gathered to designate a stretch of the Willamette River between the mouths of the Clackamas and Tualatin rivers as a National Heritage Area. This group became the Willamette Falls Heritage Area Coalition.

National Heritage Areas are places where natural, cultural, and scenic resources combine to form a cohesive, nationally important landscape arising from patterns of human activity shaped by geography. National Heritage Areas are designated by Congress while the National Park Service provides technical, planning and limited financial assistance.

In 2009, U.S. Representative Kurt Schrader introduced House Resolution 4081, to direct the Secretary of the Interior to conduct a study of the suitability and feasibility of establishing the Willamette Falls National Heritage Area in Oregon, and for other purposes.

Description of Guiding Principles

The following initial set of principles have been identified for the Heritage area by the Willamette Falls Heritage Area Coalition (WFHAC). During the course of the feasibility study and in consultation with local communities, they will be reviewed, discussed and revised to best fit the Heritage Area and those who live and work in it:

Establish the Willamette Falls as the central identity and heart of the Oregon City and West Linn area. Expand and develop the connection between the falls and the surrounding local communities. Broaden and recognize the socio-economic value and significance of the falls and nearby heritage sites, acknowledging the governmental history of the region as well as the falls being the incubus for the commercial and industrial activities that remain core contributors to the economic vitality of the communities to this day. Use preservation and interpretation to enhance the authentic experience of the historical and cultural resources, making the area more compelling, intriguing, memorable, accessible and inspirational to those who live in or visit the area.

Enhance public appreciation for historical sites within the Heritage Area, while supporting existing industrial and recreational opportunities.

Develop public-private partnerships to create and support interpretive opportunities in and around the Heritage Area, providing historical and cultural information and an authentic learning experience, while not disrupting the day-to-day activities of the industrial uses that remain vital to the local economy.

Share this unique place with others -- local residents and visitors from the metro region and beyond.

Invite residents and others to experience first-hand the heritage of these communities while enjoying the amenities of the 21st century. Create a destination that will spur related development in the surrounding community, generate a positive economic impact for the lodging and hospitality industries and for other visitor-support services. Integrate Heritage area sites with the transportation infrastructure. Identify opportunities to expand Heritage area partnerships to all the businesses, agencies and non-profits interested in making the vision of the Heritage area a reality.

Create an easy to navigate approach to the area and the core site.

Create initial gateways at major transportation interface areas. Connect them to sites, routes, trails and trailheads by a variety of transportation modes. Find a way to safely allow visitors to see the locks/falls and beyond without comprising the sensitive natural resources or power plant and paper mill operations. Incorporate city, county, metro trails and trailheads. Provide for continued traditional cultural use of the falls for tribal descendants of the original tribes and bands who associate with the falls as their tribal homelands.

Next Steps

The National Heritage Area for the Willamette Falls will be designated by Congress. Congress requires that each National Heritage Area is governed by separate authorizing legislation and operates under provisions unique to its resources and desired goals. For Willamette Falls to achieve heritage area designation the area must have certain key elements present. First and foremost, the Willamette Falls region must have nationally distinctive natural, cultural, historic and scenic resources that, when linked together, will tell a unique story about our country. As the process progresses a strong base of local, grassroots support needs to coalesce, through the visible involvement and commitment of residents, government, community groups, non-profits and businesses.

A key stage in the process is the development of a feasibility study, conducted with extensive public involvement that will demonstrate the distinctiveness of the area. This document will define the areas story, identifies significant assets and shows local support for the initiative. Once designation is achieved, the newly designated National Heritage Area will have three years to develop a management plan, which must be approved by the Secretary of the Interior. The plan defines the mission, vision and goals of the National heritage Area and outlines the strategies that the coordinating entity, partners and residents will use to achieve these objectives. Implementation of this plan rests in the hands of the region's local citizens, organizations, state agencies and businesses with assistance from the National Park Service.

The Willamette Falls Heritage Area Coalition (WFHAC) will focus on the following steps:

1. Develop and complete a Feasibility Study:
 - The study will create a National Heritage Area and develop a plan to leverage the area's biggest asset and its associated history: the Willamette Falls.
2. Ensure public involvement in the feasibility study.
3. Demonstrate widespread support among heritage area residents and the business community within the proposed designation.
4. Secure commitments for the proposal from appropriate partners, including governments, industry, private and non-profit organizations and citizens.
5. Map the study area:
 - The inventory will identify recreational, natural, historic and cultural resources as well as economic drivers and tourist destinations.

- Create a conceptual boundary map that is supported by the public (presented for review at public workshops).
6. Develop a special heritage study that demonstrates:
- The area has a unique assemblage of natural, historic, and cultural resources that together represent distinctive aspects of American heritage worthy of recognition, conservation, interpretation, and continuing use, and are best managed as such an assemblage through partnerships among public and private entities, and by combining diverse and sometimes noncontiguous resources and active communities;
 - Reflects traditions, customs, beliefs, and folklife that are valued in the community and an important part of the national story.
7. Plan Gateway Community Workshops:
- As part of the feasibility study, hold a series of community workshops with specific goals and objectives to further and/or strengthen the Heritage area proposal. Seek to diversify and broaden the coalition of support to include citizens from gateway communities, business interests, private and non-profit organizations, and governments within the proposed area. The workshops will:
 - Provide an opportunity for local community input regarding the National Heritage Area proposal. This input will be documented and considered as one of the components of the Feasibility Study.
 - Initial workshop for invited stakeholders (100 persons).
 - Three public workshops.
 - Develop knowledge, collaborations, and tools necessary to begin leveraging the Willamette Falls area through marketing and planning. The workshop is aimed at strengthening the relationship between the community, and national, state and local parks and will be conducted in a way to strive for definable and achievable actions for implementation.
8. Plan for programs, projects and Feasibility Study:
- Based upon the Heritage area mission statement, strategies and goals that result from the forthcoming workshops, WFHAC will identify programs and projects that will promote the heritage area and benefit the local community, and building on previous WFHAC undertakings, efforts and projects:
 - In collaboration with the University of Oregon, three “planning studios” were conducted, identifying recreation, redevelopment, and preservation opportunities in the study area.
 - WFHAC has identified and scoped projects that would be compatible with the concept of a heritage area including art projects, trailheads, and tourist centers.
 - By combining the above two efforts with new ideas that result from the workshops, WFHAC will build a comprehensive list of program and projects for the heritage area. This list will include priorities, phasing and costs for each program or project. To meet National Heritage Area criteria the planning effort will need to:
 - Provide outstanding opportunities to conserve natural, cultural, commercial, industrial, historic, and /or scenic features;
 - Provides outstanding recreational and educational opportunities;
 - The resources important to the identified theme or themes of the area retain a degree of integrity capable of supporting interpretation;
9. Develop a marketing and economic development plan:
- WFHAC will take a lead role in developing a marketing plan for the heritage area that capitalizes on the momentum created by the workshops and respects the Coalition Principles earlier articulated in this document. The WFHAC marketing team will be created to develop a strategy for selling the concept of the heritage area and the benefits it affords the community.
 - WFHAC will work on developing an economic development effort that focuses on joint projects between the Cities of West Linn and Oregon City, the National Park Service, Oregon Parks and

Recreation Department and other identified partners. To meet National Heritage Area criteria the development plan must be “consistent with continued economic activity in the area.”

10. Develop an Organizational plan:

- To be designated as a National Heritage Area, WFHAC needs to outline three major features of the organization:
 - The management entity, currently known as WFHAC, is clearly defined in the feasibility study and there is a description of how that organization intends to implement the study.
 - A conceptual financial plan that outlines the roles for all participants including the federal government, and have demonstrated support for designation of the area.
 - The proposed management entity and units of government supporting the designation that are committed to working in partnership to develop and sustain the heritage area.

Natural and Cultural History

The Willamette Falls is a natural waterfall on the Willamette River between Oregon City and West Linn. The surrounding geography resulted from repeated flows of volcanic basalt originating in eastern Oregon and northern Idaho 15.5 – 16 million years ago. More recently, 12,000 – 15,000 years ago, a series of cataclysmic floods originating from a glacial lake in Missoula, Montana inundated this stretch of the Willamette River, deepening the Falls and filling the Willamette Valley with 300 - 400 feet of water and debris, leaving thick layers of fertile soil.

For at least 10,000 years previous to European settlement native tribes, in particular the Clackamas Chinook tribes and bands, built villages near the falls to catch anadromus salmon, eels and other fishes. Neighboring tribes, like the Tualatin Kalapuya, accessed the resources associated with the falls and had a regular trade with the Clackamas. Petroglyphs and known village sites document the long term association of the Clackamas peoples with the falls and the surrounding region. The Clackamas tribes and bands were party to the ratified Willamette Valley Treaty (1855) and were removed to the Grand Ronde Reservation in 1856 where their descendants remain part of the confederation today. The Grand Ronde Tribe annually visits the Willamette Falls fishing for salmon and eel and many Clackamas descendants continue to access the falls for cultural purposes

In 1873, the Willamette Falls Navigation Canal and Locks opened to enhance travel and shipping past the enormous obstacle of the Falls. The lock is the oldest continuously operating multi-lock system in the nation and a key historic and cultural resource for the Willamette Valley. It traditionally served as an economic driver that enabled barge-based trade and supported the movement of millions of board feet of upriver Oregon timber to distant down-river mills. The canal became less economically relevant as the transportation industry turned away from barges and towards first trains, then roads. As the global economy experiences and anticipates an inevitable rising trend in oil prices, the canal may again be an important 'green' shipping option for riverside industrial uses above and below the falls. With the development of the Willamette River Water Trail, the Locks have also become an important link for non-motorized recreational uses of this National Heritage River.

The Willamette Falls Electric Company (now Portland General Electric) formed in 1888 to build the first hydro-electric generation facility at the falls. A second generation station, the T.W. Sullivan Powerhouse, was built in 1895, and remains in operation today. Several industrial facilities opened in the late 1800s with two paper mills remaining in production today, making this a commercial and industrial area that has developed and grown for over 100 years, taking advantage of the hydropower at the Falls and the transportation options provided by the Locks. The industrial history of the site, still readily evident in the present-day manufacture of paper products and hydropower, is a key feature of the proposed National Heritage Area.



Agenda Item No. 3g
Meeting Date: 08 Jun 2010

COMMISSION REPORT: CITY OF OREGON CITY

TO:	Honorable Mayor and City Commission
FROM:	Jim Loeffler, Human Resources Director
PRESENTER:	Jim Loeffler, Human Resources Director
SUBJECT:	Management; Supervisory and Confidential Employee Salary Cost of Living Increase FY 2010-2011
Agenda Heading: General Business	
Approved by: David Frasher, City Manager	

RECOMMENDED ACTION (Motion):

Staff recommends the City Commission approve a salary range adjustment in the amount of two percent (2%) for the City's thirty-three Management, Supervisory and Confidential employees for fiscal year July 1, 2010 to June 30, 2011.

BACKGROUND:

Approval of this salary adjustment for Management, Supervisory and Confidential Employees for the Fiscal Year July 1, 2010 to June 30, 2011 meets the total compensation goals set forth by the Commission and remains within the budgeted funds of the City.

BUDGET IMPACT:

FY(s): FY: 2010-2011 \$71,731 increase (\$51,877 Salaries, \$19,854 Benefits)

Funding Source: Twelve (12) Funds throughout the City

ATTACHMENTS:

Management Salaries

MANAGEMENT SALARIES
2010-11

Grade	Positions		Minimum	Median	Maximum	Page 1
162	Public Safety Director Public Works Director/City Engineer	Hourly	\$ 45.21	\$ 53.82	\$ 62.43	
		Monthly	7,836	9,329	10,822	
		Annual	94,032	111,948	129,864	
160	Community Development Director	Hourly	\$ 42.96	\$ 51.14	\$ 59.32	
		Monthly	7,447	8,864	10,282	
		Annual	89,364	106,368	123,384	
157	Community Services Director Finance Director Human Resources Director Library Director	Hourly	\$ 39.79	\$ 47.38	\$ 54.95	
		Monthly	6,897	8,213	9,525	
		Annual	82,764	98,556	114,300	
155	Economic Development Manager	Hourly	\$ 37.82	\$ 45.03	\$ 52.24	
		Monthly	6,555	7,806	9,055	
		Annual	78,660	93,672	108,660	
154	Police Lieutenant	Hourly	\$ 36.88	\$ 43.90	\$ 50.93	
		Monthly	6,392	7,609	8,828	
		Annual	76,704	91,308	105,936	
153	Public Works Operations Manager	Hourly	\$ 35.92	\$ 42.78	\$ 49.63	
		Monthly	6,226	7,415	8,602	
		Annual	74,712	88,980	103,224	
152	Assistant Parks/Recreation Director	Hourly	\$ 35.04	\$ 41.74	\$ 48.42	
		Monthly	6,074	7,235	8,392	
		Annual	72,888	86,820	100,704	
151	Development Engineering Manager Development Services Manager	Hourly	\$ 34.18	\$ 40.69	\$ 47.20	
		Monthly	5,924	7,053	8,182	
		Annual	71,088	84,636	98,184	
150	Information Systems Manager	Hourly	\$ 33.33	\$ 39.68	\$ 46.02	
		Monthly	5,777	6,878	7,977	
		Annual	69,324	82,536	95,724	

MANAGEMENT SALARIES
2010-11

Grade	Position		Minimum	Median	Maximum	Page 2
149	Building Official	Hourly	\$ 32.50	\$ 38.70	\$ 44.89	
		Monthly	5,633	6,708	7,781	
		Annual	67,596	80,496	93,372	
148	Parks Maintenance Manager	Hourly	\$ 31.70	\$ 37.73	\$ 43.78	
	Recreation Services Manager	Monthly	5,495	6,540	7,588	
	Assistant Finance Director	Annual	65,940	78,480	91,056	
	Capital Projects Manager					
146	City Recorder	Hourly	\$ 30.13	\$ 35.88	\$ 41.61	
		Monthly	5,222	6,219	7,213	
		Annual	62,664	74,628	86,556	
144	Library Services Manager	Hourly	\$ 28.68	\$ 34.15	\$ 39.61	
		Monthly	4,971	5,919	6,865	
		Annual	59,652	71,028	82,380	
142	Code Enforcement Manager	Hourly	\$ 27.73	\$ 33.01	\$ 38.31	
		Monthly	4,807	5,722	6,640	
		Annual	57,684	68,664	79,680	
141	Public Works Operations Supervisor	Hourly	\$ 27.09	\$ 32.24	\$ 37.40	
	Public Works Inspection Supervisor	Monthly	4,695	5,589	6,483	
		Annual	56,340	67,068	77,796	
139	Municipal Court Services Manager	Hourly	\$ 25.85	\$ 30.77	\$ 35.69	
	Senior Center Supervisor	Monthly	4,480	5,333	6,187	
	Assistant to the City Manager	Annual	53,760	63,996	74,244	
	Aquatics/Recreation Supervisor					
136	Police Records Manager	Hourly	\$ 24.10	\$ 28.69	\$ 33.29	
		Monthly	4,177	4,973	5,771	
		Annual	50,124	59,676	69,252	
133	Senior Administrative Assistant	Hourly	\$ 22.49	\$ 26.79	\$ 31.07	
	Human Resources Technician	Monthly	3,898	4,643	5,385	
		Annual	46,776	55,716	64,620	

MANAGEMENT SALARIES
2010-11

Page 3

Grade	Position		Minimum	Median	Maximum
129	Administrative Assistant I	Hourly	\$ 20.54	\$ 24.44	\$ 28.36
		Monthly	3,561	4,237	4,916
		Annual	42,732	50,844	58,992

In 2004 an outside firm conducted a classification/compensation study that was then adopted by the City Commission. This study recommended that the above classifications be paid on a pay-for-performance yearly evaluation with the Median range used for employees to strive for. The City tries to stay within a 5% leeway for employees. Employees in these groups do not receive automatic step increases, which is helping the City towards financial stability.

ENTERED INTO THE RECORD

DATE RECEIVED: 6-8-10

SUBMITTED BY: David Fracher +

SUBJECT: Nancy Kraushaar
Item 4 City Mgr. Report

2010 Public Works Capital Construction Projects

Project Name	Neighborhood(s)	City's Project Manager	Description	Planning Schedule	Construction Schedule
Main Street Storm Sewer Improvement Project (CI 10-007)	Downtown	Erik Wahrgren, 503.496.1510	Stormwater utility improvement project in Downtown Oregon City including the installation of storm sewer pipe, a pollution control manhole, storm sewer manholes, concrete inlets and other storm improvements; the construction of curbs, sidewalks, ramps, and asphaltic concrete in construction zone; repairs to existing storm sewer pipe; and other work as required on Main Street between 8th and 10th Streets and at the intersections of 6th & 99E, 7th and Main, and 13th and Main. Construction Bid Opening: 6/24/10	May-June, 2010	July-Sept., 2010
Railroad Crossing Safety Improvements (10th Street Crossing) (CI 07-003)	Downtown/ McLoughlin NA	John Burrell, 503.496.1556	The work includes the installation of traffic control devices including electric signs, static signs, loop detectors, poles, cabinets and wiring required to notify the public "DO NOT STOP ON TRACKS" at the Singer Hill railroad crossing. Construction Bids Opened: 5/6/10	July, 2009 to May, 2010	June-July, 2010
2010 Oregon City Slurry Seal Project (CI 10-005)	Park Place/ Rivercrest/ South End/ Hillendale/ Caufield/ Gaffney Lane/ Hazel Grove Westling Farm/ Tower Vista	John Lewis and Jim Burch, 503.657.8241	Annual street preservation installation of a slurry seal application on select Oregon City streets to prolong the life of the streets.	April-June, 2010	July-Sept., 2010
2010 Oregon City Small Works Projects (CI 10-006)	Downtown/ Rivercrest	Erik Wahrgren, 503.496.1510	Three small works projects more specifically identified as: 1) 450 Main St - Installation of sanitary sewer lateral and cleanouts in Main Street an connection to existing sanitary sewer line in 5th Street. 2) 467 Holmes Lane - Installation of stormwater manhole, catch basin and piping on north side of Holmes Lane. 3) 607 McLoughlin Blvd. - Installation of stormwater catch basin and piping on north side of McLoughlin Blvd. and installation of stormwater catch basin and piping in alley west of Apperson Lane. Construction Bids Opened: 5/19/10	March-June, 2010	June-Aug., 2010
2010 Waterline Improvements Project (CI 10-009)	Hillendale	John Burrell, 503.496.1556	2010 capital improvements to Oregon City's water system including waterlines on Eastborne and Chippendale.	May-Aug., 2010	July-Dec., 2010
8th Street Waterline Improvements (CI 09-007)	Downtown	Erik Wahrgren, 503.496.1510	Construction of approximately 240 feet of new waterline along 8th Street between McLoughlin Boulevard and Railroad Avenue. The work also includes connection to the City's distribution system at the intersection with Main Street via two hot-taps, connection to approximately seven existing water services and locating and abandoning existing waterline in the 8th Street right-of-way. Construction Bids Open: 6/9/10	April-June, 2010	June-Aug., 2010

2010 Public Works Capital Construction Projects

Project Name	Neighborhood(s)	City's Project Manager	Description	Planning Schedule	Construction Schedule
Center Street Rehabilitation (CI 09-010)	McLoughlin	Erik Wahrgren, 503.496.1510	Construction to correct a sinkhole (adjacent to Qwest building) includes: 1. Construction of curb and sidewalk; 2. Excavation of unsuitable material and backfill with CDF beneath all curbs; 3. Removal and replacement of storm drain along with laterals; 4. Milling asphalt concrete and replacement with new asphalt concrete; 5. Removal and replacement of one storm drain inlet. Construction Bids Open: 6/17/10	April-June, 2010	July-Sept., 2010
OR213 - I-205: Redland Road O'xing (Oregon City) (Jughandle) (CI 08-010)	Park Place/ Downtown	Aleta Froman-Goodrich, 503.496.1570	A joint project that will focus in the Hwy 213 / Washington St. area and prepare the area for the increased traffic flow resulting from potential improvement and development projects in the area. See JughandleProject.com .	July, 2009 to Jan., 2011	Feb., 2010- Feb., 2012
2010 Oregon City Roadway Reconstruction Projects (CI 10-004)	Tower Vista/ Hillendale/ South End/ Rivercrest/ Barclay Hills	John Lewis, 503.657.8241 or Erik Wahrgren, 503.496.1510	Construction of 2010 road overlay project utilizing the Pavement Maintenance Utility Fee collected through the City's utility bill.	April-July, 2010	July-Oct., 2010
Clackamette Cove Dredging (CI 07-005)	Downtown	John Burrell, 503.496.1556	On hold pending a funding agreement with Oregon City and Clackamas County.	July, 2009 to June, 2010	TBD
Intersection Improvements on Molalla Avenue at Beavercreek Road (CI 08-004)	Hillendale	Aleta Froman-Goodrich, 503.496.1570	Acquisition of ROW and construction of a dedicated right turn lane on the west leg of Beavercreek Road going eastbound.	July, 2009 to June, 2010	July-Oct., 2011
Warner Milne Rd: Beavercreek-Molalla (Oregon City) (CI 08-012)	Hillendale	Erik Wahrgren, 503.496.1510	Finish project including pavement reconstruct on Warner Milne Road from Molalla Ave to Beavercreek Rd, rain garden improvements, and culvert replacement.	N/A	Through July, 2010
Oregon City Amtrak Station, Phases 1B and 2 (CI 09-001)	Downtown	John Burrell, 503.496.1556	Contractor finalizing parking lot improvements including curbs, sidewalks, and asphalt pavement; landscaping improvements; and painting of The Depot.	N/A	Through July, 2010
Waterline Improvement Project, Pope Lane to Forsythe Road (CI 10-012)	CIC	John Burrell, 503.496.1556	Improvements to waterline under I-205 between Pope Lane and Forsythe Road.	June-Aug., 2010	Sept.-Dec., 2010
Glen Oak Road Storm Pond Repairs (CI 10-013)	Caufield	John Burrell, 503.496.1556	Repairs to storm detention pond on Glen Oak Road.	June-Aug., 2010	Sept.-Nov., 2010

Go to orc.city.org/publicworks/construction-projects for more information on all Public Works projects.

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ENTERED INTO THE RECORD

DATE RECEIVED: 6-8-10

SUBMITTED BY: Alice Norris

SUBJECT: Item 4

Lynn Peterson
Chair

Commissioners
Bob Austin
Jim Bernard
Charlotte Lehan
Ann Lininger

BOARD OF COUNTY COMMISSIONERS

PUBLIC SERVICES BUILDING

2051 KAEN ROAD | OREGON CITY, OR 97045

June 3, 2010

Regional Wastewater Advisory Committee Members
Hand Delivered

Dear Regional Wastewater Advisory Committee Members:

Our two sanitary districts, Clackamas County Service District No. 1 (CCSD#1) and Tri-City Service District (Tri-City), meet the wastewater treatment needs of over 200,000 people across north Clackamas County. The districts are separate legal and financial entities. Although they have been managed separately, their resources form a single, interrelated portfolio of high value conveyance and wastewater treatment assets for the region.

Earlier this year we formed the Regional Wastewater Advisory Committee. The committee's purpose is to give the communities of north Clackamas County a forum for regional decision-making about the management of these wastewater assets. The current value of these combined assets is approximately \$750 million. We ask your help to determine how our assets should be managed and maintained and where we should invest our ratepayer resources in the future. Thank you for agreeing to participate in this very important undertaking.

After many years of debate, effort, and expense CCSD#1 and Tri-City have achieved treatment capacity parity. This means our two districts will add additional treatment capacity at about the same time in the future. They must each anticipate and meet more stringent water quality and discharge regulations, increasing public expectations for sustainable practices, and intense pressure to keep costs down through efficient operations and innovation.

At the heart of these common challenges are complex and sometimes controversial policy questions about district operations, asset management, capital replacement strategies, risk and regulatory management, and long-term financial planning. In addition, it is important that as we develop responses to these questions, that the needs of all ratepayers and our host communities be carefully considered and balanced.

We would like you to consider the following questions and develop preliminary policy and operational recommendations for us no later than January 15, 2011.

1. How do we deploy our region's existing wastewater assets to meet the challenges of new and more stringent water quality regulation and to maximize their performance at the lowest possible cost?
2. How do we deploy our region's existing wastewater assets to meet the challenges of cost effective asset maintenance and replacement?

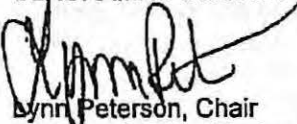
3. How do we deploy our region's existing wastewater assets to meet the challenges of public demand for sustainable and green practices?
4. How do we deploy our region's existing wastewater assets to meet the challenges of ratepayer pressure for the lowest possible cost operations?
5. What investments should be made in our existing assets to preserve their value and to reduce or modify their impact on host communities? This should include consideration of these assets and the role they play or could play as part of our regional portfolio.
 1. Kellogg Creek Pollution Control Plant, located in Milwaukie
 2. Tri-City Plant, located in Oregon City
 3. Wastewater treatment plants located in Boring and Hoodland, and;
 4. Conveyance pipelines, pumping stations and other associated assets.
6. What other community impacts such as wetland, riparian zone and streamside corridor management, transportation, and affect on property values or economic opportunity, should we consider and how should these be addressed?
7. What major new capital investments should our two districts anticipate, individually and collectively, to meet our region's future wastewater treatment needs, anticipated regulatory changes, and our desire for a higher level of community and environmental quality across the region.

Funds have been set aside to provide you with the technical and staff support necessary to complete your evaluation and to make timely recommendations to the Board. We have directed staff to make every effort to ensure that the public is informed and involved in your efforts on our behalf.

Thank you for accepting this challenging assignment. We look forward to receiving your recommendations early next year.

Sincerely,

CLACKAMAS COUNTY BOARD OF COMMISSIONERS



Lynn Peterson, Chair

On behalf of the Clackamas County Board of Commissioners

LP/ga



Lynn Peterson
Chair
Commissioners
Bob Austin
Jim Bernard
Charlotte Lehan
Ann Lininger

BOARD OF COUNTY COMMISSIONERS

PUBLIC SERVICES BUILDING
2051 KAEN ROAD | OREGON CITY, OR 97045

June 3, 2010

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Hand Delivered

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2. How do we deploy our region's existing wastewater assets to meet the challenges of cost effective asset maintenance and replacement?

3. How do we deploy our region's existing wastewater assets to meet the challenges of public demand for sustainable and green practices?
4. How do we deploy our region's existing wastewater assets to meet the challenges of ratepayer pressure for the lowest possible cost operations?
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Thank you for accepting this challenging assignment. We look forward to receiving your recommendations early next year.

Sincerely,

CLACKAMAS COUNTY BOARD OF COMMISSIONERS



Lynn Peterson, Chair

On behalf of the Clackamas County Board of Commissioners

LP/ga

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City Recorder in Chambers **prior** to the meeting.

Date of Meeting 6-08-10 Work Session

Item Number From Agenda 3a

NAME:

Lynn Peterson, Chair of Clackamas County

ADDRESS:

Street: Commission

City, State, Zip: _____

PHONE NUMBER: _____

SIGNATURE: _____

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City Recorder in Chambers **prior** to the meeting.

Date of Meeting 6-8-10

Item Number From Agenda 3a

NAME:

Jim Bernard, Clackamas County

ADDRESS:

Street: Commissioner

City, State, Zip: _____

PHONE NUMBER: _____

SIGNATURE: _____

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City Recorder in Chambers **prior** to the meeting.

Date of Meeting 6-08-10

Item Number From Agenda 3b

NAME: David Hyman, Deca Architecture

ADDRESS: Street: 935 SE Alder St
City, State, Zip: Portland OR 97214

PHONE NUMBER: _____

SIGNATURE: _____

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to **3 MINUTES**.
- Give to the City Recorder in Chambers **prior** to the meeting.

Date of Meeting 6-08-10

Item Number From Agenda 3b

NAME: Don Richards (project arborist)

ADDRESS: Street: Certified Arborist
City, State, Zip: Lake Oswego, OR

PHONE NUMBER: _____

SIGNATURE: _____

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to 3 MINUTES.
- Give to the City Recorder in Chambers prior to the meeting.

Date of Meeting 6-08-10

Item Number From Agenda 36

NAME: Ken Valentine, Civil Engineer
Harper Huff Peterson Righellis
ADDRESS: Street: 205 SE Spokane Street #200
City, State, Zip: Portland Oregon 97202
PHONE NUMBER: 503-221-1131
SIGNATURE: Ken Valentine

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to 3 MINUTES.
- Give to the City Recorder in Chambers prior to the meeting.

Date of Meeting 6-08-10

Item Number From Agenda 36

NAME: Jean Dehsner, Environmental Science & Assessment
ADDRESS: Street: 838 SW 1st Ave., Ste 410
City, State, Zip: Portland, OR 97204
PHONE NUMBER: 503-478-0424
SIGNATURE: Jean Dehsner

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to 3 MINUTES.
- Give to the City Recorder in Chambers prior to the meeting.

Date of Meeting 6-08-10

Item Number From Agenda 3d

NAME:

Renate Mengelberg

ADDRESS:

Street: Clackamas County Economic Development
City, State, Zip: _____

PHONE NUMBER: _____

SIGNATURE: _____

COMMENT FORM



PLEASE PRINT CLEARLY

- SPEAK INTO THE MICROPHONE AND STATE YOUR NAME AND ADDRESS
- Limit Comments to 3 MINUTES.
- Give to the City Recorder in Chambers prior to the meeting.

Date of Meeting 6-08-10

Item Number From Agenda 3e

NAME:

Tom Geil, William Gifford, Betty Mumm

ADDRESS:

Street: members of the Citizen Involvement
City, State, Zip: Council

PHONE NUMBER: _____

SIGNATURE: _____