



# City of Oregon City

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

## Meeting Minutes - Final

### City Commission

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

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Tuesday, September 12, 2017

5:30 PM

Commission Chambers

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#### Work Session

#### 1. Convene Work Session and Roll Call

*Mayor Holladay called the meeting to order at 5:33 PM.*

**Present:** 5 - Commissioner Brian Shaw, Mayor Dan Holladay, Commissioner Nancy Ide, Commissioner Renate Mengelberg and Commissioner Frank O'Donnell

**Staffers:** 9 - City Manager Tony Konkol, Community Development Director Laura Terway, Finance Director Wyatt Parno, Community Services Director Phil Lewis, James Band, Economic Development Manager Eric Underwood, Library Director Maureen Cole, City Recorder Kattie Riggs and John Lewis

#### 2. Future Agenda Items

*No future agenda items were suggested.*

#### 3. Discussion Items

##### 3a. Metro Presentation on the Proposed Regional Commercial Food Scraps Collection Requirements

*John Lewis, Public Works Director, introduced Jennifer Erickson with Metro and Eben Polk with Clackamas County. This would be a presentation on collecting food scraps from large commercial producers separately from other waste streams.*

*Ms. Erickson began the presentation on the proposed regional commercial food scraps collection policy Metro was considering. About 40% of the food in this country was wasted and most of the food ended up in the landfill. It was the largest component of the waste stream that was recoverable. Food scraps were the primary contributor to methane in landfills which was a potent greenhouse gas. What was collected in the region went about 100 miles away to be processed at two different facilities. One was an anaerobic digestion facility and the other was an open air compost facility. This policy would be for commercial food scraps, not residential. About 55% of food scraps came from a small section of businesses. To achieve the objectives of increasing recovery and attracting stable, local processing capacity, Metro would require certain businesses to separate their food scraps for recovery. They would also determine how to efficiently collect and deliver food scraps for processing and secure local and stable processing capacity. There were approximately 67,000 businesses in the Metro region and 7,000 of those were food oriented. About 3,000 (or 4% of the region's businesses) would be affected by the new policy. Over 1,300 were participating already. This policy*

would require local governments inside the Metro boundary to implement collection programs. This would be phased in over five years and would eventually prohibit the disposal of large amounts of food. She described the draft policy elements that would meet the regional requirements and performance standards. Metro would continue to provide funding support. The goal was to have a lot of flexibility in the rules so local jurisdictions could implement in the way that best suited local conditions, but also that the rules would be consistent. Local government adoption was to be done by July 2018 with implementation in March 2019 and the disposal ban would be effective in 2023. She then explained the exemptions and waivers built into the program. For governments, those who were outside the Metro boundary were exempted. There was a business quantity minimum threshold waiver and a waiver for distance to transfer and/or processing facilities. Local governments could grant temporary compliance waivers as well. Metro had been discussing this new policy with businesses over the past year. Businesses thought on-site assistance was key, as was reliable collection service. 90% of businesses were not opposed to a mandatory program with 45% in favor and 30% with concerns. A phase-in approach was critical.

Mr. Polk said his staff provided technical assistance to hundreds of businesses, schools, and multi-family communities throughout the County and they would be playing an important role in implementation of this policy. He discussed what the new policy would mean for Oregon City. There would be about 100 to 140 businesses that would be affected overall. He then explained the policy process timeline and next steps. Currently they were going through the stakeholder engagement process and public comment periods were coming up. The aim for Oregon City was for consistent rate structures and service levels and to ensure collection service was more widely available. The first priority was to get edible food donated to organizations that could use it to feed hungry families.

Ms. Erickson said the 30-day public comment period would begin on Friday, September 15, 2017. A letter to potentially affected businesses would go out asking them to go to Metro's website to provide comments and cards were being handed out to businesses as well. The Administrative Rules would be amended to reflect the comments received and there would be another 30-day comment period on the revised rules.

Commissioner Ide asked if anything was being done to prevent the food from being wasted. Mr. Polk said prevention was their first best option. Helping grocery stores and restaurants prevent food waste was still being worked on and they were still learning how to do it well. Many food related businesses built food waste into their model and assumed there would be a lot of wasted food. Helping them see the benefit to their bottom line of saving was part of what he did. Ms. Erickson said businesses often did not realize how much food they were wasting and once they saw it, they often took on additional waste prevention practices.

Commissioner Mengelberg asked about this being a separate route for Oregon City Garbage Company and if it would be an extra burden on the company.

Mr. Polk said it would be separate from regular pick-ups and there would be costs to collection. Metro had been studying how to help with those costs.

Commissioner Mengelberg was concerned about odor and neighboring properties. Mr. Polk said it was for the cities to decide how frequently this would be collected. Initially he thought it would be once or twice per week due to cost, but that would be something for the city to work out.

*Commissioner O'Donnell asked if this was a state mandate and if there were penalties for non-compliance. He thought it was an aggressive timeline, the implementation costs were unknown, and there was no identified funding.*

*There was discussion regarding the expense, who would pay for it, and what other cities were doing regarding this issue.*

**3b.****Housing Authority of Clackamas County Discussion of View Manor and Clackamas Heights**

*Laura Terway, Community Development Director, introduced Chuck Robbins, Executive Director of the Housing Authority of Clackamas County, who would be giving the presentation.*

*Mr. Robbins stated the Housing Authority had 545 public housing units, which was a \$2 million per year investment. They received about \$800,000 from the federal government and there was a \$1.3 million gap. They could maintain the properties but were just one natural disaster or major system failure away from losing the units completely. They looked at what the best use for the property was and how to meet the rising demand for affordable housing in Clackamas County. To meet the demands they feel they needed 5 to 10 times more housing in new units. The majority of public housing in Clackamas County was in Oregon City and Milwaukie. There was no value in the current units in Oregon City. The land was the only asset. Built in 1941 on 20 acres, Clackamas Heights was the first public housing in Oregon and was never intended to last 80 years. The units did not even have foundations. Built in 1960 on 22 acres, Oregon City View Manor had 100 units and wasn't an ideal location for public housing due to limited services and jobs nearby. There was transit, but it isn't available on the weekends. The value was in the property for redevelopment. Because it was public housing, there were significant regulations from the U.S. Department of Housing and Urban Development (HUD). HUD only allowed two ways to dispose of property. One was Section 18 that said if the properties met certain standards they could be sold and in return HUD would give the Housing Authority a Section 8 voucher for every occupied unit. The vouchers would be used to relocate people that resided there. The other way was through RAD, a Rental Assistance Demonstration program. In this program, HUD allowed conversion of public housing to affordable housing that would be owned by the Housing Authority and had less restrictions. HUD did not give vouchers for that program. There was a requirement that the site was rebuilt and the residents would have to be temporary relocated. The Housing Authority was building additional housing so there were places to relocate people. Because this was a forced relocation for selling the property, the Housing Authority had to provide relocation services to all the residents. The Housing Authority planned to sell all or some of the Oregon City View Manor property. The sale would most likely be to a developer. They had been having meetings with the residents. Most of them didn't care where they lived and were excited about getting a voucher so they could relocate, but there were some that didn't want to move. There had been discussion that rather than sell all 22 acres, to hold back 3 acres and develop housing there to allow some people to stay. There was a one to one replacement requirement from HUD and Clackamas County set a goal of four to one for replacement. He explained the definition of affordable housing and workforce housing. When they sold the property, the money would be used to build more units somewhere else to fill in the gaps of affordable and workforce housing. Regarding Clackamas Heights, there was a master plan to redevelop these units but currently there was no funding to do it. It was being viewed as Phase 2. The Housing Authority was currently putting together an application for selling the Oregon City View Manor property and working on places to relocate the residents. He was asking for a*

*letter of support from Oregon City for the sale.*

*There was discussion regarding being able to replace this housing four to one and the plans for Clackamas Heights.*

*Mayor Holladay cautioned him that Oregon City did not have a huge appetite for density. He asked that Oregon City and Clackamas County staff work together to bring back something more concrete to the Commission.*

*Commissioner Ide wanted to make sure the housing was replaced, and at the least 200 units would be built.*

*Commissioner Mengelberg was concerned about the vouchers not working. She questioned selling property that was already owned and buying other property that would be more expensive.*

*Mr. Robbins said they were trying to get funds to build new units and that was the reason for selling the property. He explained how they were required to find a place for all the residents. Then clarified how the vouchers would work.*

*Tony Konkol, City Manager, stated the property was zoned R-3.5 and there was potential for 192 lots allowed outright for the zone. There was outreach to the Park Place neighborhood when the Clackamas Heights master plan was done and they gained neighborhood support for the project because it offered multiple housing options at different costs throughout.*

*Commissioner Mengelberg asked what funding they were relying on for these projects. Mr. Robbins answered they were mostly relying on low income housing tax credits. There was the possibility that more funds would be available in the future. There was uncertainty that HUD would have the money to provide the Section 18 vouchers. This application was not a done deal.*

### **3c.**

#### **Parker Knoll Subdivision - Charter Park Discussion**

*Phil Lewis, Community Services Director, introduced the agenda item. The proposed Parker Knoll subdivision near Wesley Lynn Park had previously required a 50-foot roadway easement on the park's property. The Commission had interpreted the Charter to require it go to a vote of the people, and it had been voted down twice.*

*Carrie Richter, City Attorney, explained her presentation would focus solely on the Charter issue. Many people had expressed concern regarding the impact to the park. She thought there were misconceptions for what this proposal was. This would come back to the Commission on October 18, 2017 as a public hearing and she asked that the Commission refrain from deliberating or expressing any prejudgment about the proposal. The interpretation rested solely with the City Commission. When the City acquired this park property in 2002, it was subject to a 50-foot easement allowing the applicant's property to use the area for roadway purposes. She discussed the proposed site plan and compared it to the previous site plans. Instead of using the entire 50-foot easement for a full street and sidewalks, the new plan proposed using 12 feet of roadway plus a knuckle area within the easement area. The remainder of the easement would be swale, greenspace, and sidewalk for recreational use. Instead of all the utilities located within the easement area, all utilities except the swale would be on the applicant's property outside of the easement area. The previous requests proposed the existing easement be extinguished in favor of dedication of this area for public use,*

and the new proposal retained the existing private easement with City ownership of the land. She said Chapter 10, Section 41 of the City Charter provided that voter approval was required for certain activities, such as change to the legal status of any park and construction of permanent structures for other than recreational purposes. The legal status of this park was that it was owned by the City and had been designated for park uses and was subject to a roadway easement allowing for use by the neighboring property owner and its invitees. The easement pre-dated the park and as a result the public's ability to use the area has always been limited by the terms of the easement, even though the adjacent owner had not exercised those rights. As proposed, the easement area would remain entirely within City ownership for park purposes subject to the land owner's use. No public dedication of the easement area was proposed. The easement area would remain open to the public for the City to use as it saw fit. The City would maintain it and there could be a sharing of the liability should someone get hurt. Regarding construction of permanent structures, the City was not building anything but a private property owner was. She discussed the definition of structures and whether a road was a structure. She did not think a road was defined as a structure. She thought this project could be looked at as an overall recreational benefit.

Mayor Holladay said the City purchased the land with the easement in place and that easement preceded the park. They were not making a change to the park because the easement was already in existence. Mr. Konkol said there was no case law that defined which trumped, the easement or the Charter.

Commissioner Mengelberg asked when the City purchased this property, was there a vision that the road would serve the park? Mr. Lewis said there was a master plan for the developed portion of the park, but the undeveloped portion was not included in that process. Staff did not know whether the roadway would be usable for park purposes until they went through a planning process with the community to develop that portion of the park.

Mayor Holladay thought if the Commission made the decision that this proposal did not require a vote of the people, the City would be sued. If they made the decision that it did require a vote and it was voted down again, the land owner would sue the City. Ms. Richter said the City Commission got deference by the courts when interpreting the Charter. She had tried to provide defensible interpretations that would allow the Commission to make a decision based on the evidence they would hear on October 18, 2017.

Mayor Holladay said there were ongoing discussions regarding this issue on social media and he thought it would be good if staff tried to disperse some of the incorrect ideas about this project.

#### **4. City Manager's Report**

*There was no City Manager report.*

#### **5. Adjournment**

*Mayor Holladay adjourned the meeting at 7:40 PM.*

*Respectfully submitted,*

*Kattie Riggs*

*Kattie Riggs, City Recorder*