

MINUTES
Troutdale City Council – Work Session
Troutdale City Hall – Council Chambers
104 SE Kibling Avenue
Troutdale, OR 97060-2099

Tuesday, May 11, 2010

1. Roll Call

PRESENT: Mayor Kight, Councilor Wand, Councilor Thomas, Councilor White, Councilor Kyle and Councilor Daoust.

ABSENT: Councilor Hartmann (excused).

STAFF: Ron Garzini, Interim City Administrator, David Ross, City Attorney; and Debbie Stickney, City Recorder.

GUESTS: See Attached.

2. Discuss possible formation of the Oregon Heritage District in Multnomah County.

George Vogt, Director of the Oregon Historical Society, stated we have come up with the idea of a Heritage District to solve two main problems. One is the problem of state support and proper funding for the State History Museum. This has been a problem for the Oregon Historical Society since the early 1990's. We starting looking into ways to make up the funding gap and the Heritage District seemed to be a logical idea for us to investigate. The second issue that we are trying to solve is the perennial problem of the smaller heritage organizations around the state, most of which do not receive any public funding. I am very aware of the situation here in Multnomah County where we have upwards of 22 or 23 heritage organizations that are affiliated with the Oregon Historical Society. They all range in size dramatically, and they do not receive any public funding. There is a strong need for some kind of general operating support for the smaller heritage organizations like the Troutdale Historical Society. In 2007 there was legislation passed which was modeled on earlier legislation for the creation of special purpose library districts, in fact the statutes are virtually identical. Some of you may be familiar with the usage of these library districts in Wasco County and Clackamas County to provide a permanent source of public funding for the library systems. Thus far no county has used the heritage district legislation to create a Heritage District, so we would be the first if we went forward. When you create a single-county district the statute requires that the various local governments within the county opt in to the tax district. In other words the city council has to adopt a resolution saying that they want to be part of the tax district. At this point I can tell you that we have very strong support from the County Commissioners for doing this. I believe that we can get this on the ballot.

The timeline in your packet is no longer applicable; we don't have enough time to get this on the November ballot, but I think we can get it on the May 2011 ballot. The benefits of doing the tax district are that the Oregon Historical Society retains its museum function. If we are not able to achieve a decent level of public support we will be going out of the museum business. A benefit received by the taxpayers (within the district) is free admission to the museum; the admission fee is currently \$10 or \$12. All school groups would be admitted free. In return for paying what we estimate to be about a \$10 tax on a \$200,000 assessed valued home we would provide that free admission. One visit to the museum basically gets you your money back. The other thing that is a benefit is the creation of the grant program for Oregon Historical Society's affiliated heritage organizations. Under this Heritage District we would be creating a grant program that begins at about \$500,000 to \$600,000 per year that would be available in Multnomah County for the affiliated heritage organizations. That is more than double what the Oregon Heritage Commission has available for grants to various organizations statewide. Most of these heritage organizations in the county are quite small with budgets of \$30,000 or less. In talking to the folks at the Troutdale Historical Society they tell me that every year it is a struggle to find the money to pay the utility bills and they would be thrilled with a relatively small annual amount. There are a few organizations in the county that have a \$300,000 or larger budget, but there are probably only three or four of those.

Councilor Wand asked have you looked at the effect of compression?

George Vogt replied we did. The estimate is about \$200,000 total compression county-wide. When I talked to the Portland Commissioners about this I mentioned that number they were not worried about it at all.

Councilor Wand stated I was looking at it more in terms of the fact that we are not in compression in Troutdale, but they are in Portland.

George Vogt replied that is right, and that is where the problem was going to be if there was going to be one. We are only raising maybe \$2.6 million total with this measure. It just doesn't create enough compression to cause heartburn among the City Commissioners.

Councilor Thomas stated I am interested in tracking that compression figure. If I am not mistaken on the way compression works is those that get compressed, that part shifts to everyone else so we would end up picking up more of that compression here since we are not in compression.

George Vogt stated I am not sure that it works quite that way. My understanding is that in compression it basically forces a little bit of money, or sometimes a lot of money, out of the levies. If there is compression it is more apt to affect the county-wide levies; in other words it reduces the amount of money available for them.

Councilor Thomas asked without direct support to the Troutdale Historical Society coming out of this, what is the benefit for me to support this?

George Vogt replied there would be direct support to the Troutdale Historical Society; it would be through a grant program.

Councilor Thomas stated that is not direct support.

George Vogt replied okay, I understand your point. The way it is set up is at the time you pass the measure there is an independent board for the District that is elected and that can be done by district or it can be done at large, but district would probably be better in this case. For example, it could be districts in line with County Commissioners. The Board would set the ground rules for the grants program. The local organizations really need general operating support just like the Oregon Historical Society does. What I am hearing from the local organizations is please don't invent a grant program that requires matching money because it is really tough to raise money. That kind of input to the governing board would certainly be heard. The idea is to create a mechanism with most of the money going to the general operating support grants so that there would be continuance of funding on an annual basis to the organizations.

Councilor Thomas stated I wouldn't necessarily be comfortable with the district based on County Commission districts, especially out here because it crosses so many different jurisdictions. I think it might be better to fund it by jurisdictions because it would give each individual city one vote representation.

George Vogt stated the rules of the tax district state that there are five board members for the tax district.

Mayor Kight stated when you met with me you talked about the amount of money that would be coming from the taxpayers here in Troutdale. Could you share that with the Council, and what the expectation is as far as the grant money that would come back into the City?

George Vogt replied we estimate that Troutdale would produce about \$50,000 a year. That money buys two things. One is participation in the grant program; if Troutdale is not in the tax district there would not be grant money. It also helps underwrite the free admission for taxpayers and school kids. The Historical Society told me that they would be thrilled with \$12,000 to \$15,000 a year for general operating support. But they would also be eligible, if the grant program is created, for other kinds of grants.

Mayor Kight stated regarding the grant, I would like to see more of a guaranteed return to the community of Troutdale. Being in city government we see that grants can, or cannot be, awarded. From my perspective I would personally feel more comfortable if there was more assurance that there was a guaranteed return coming back to the community as opposed to competing with other entities for that grant money and we end up having more money going out of the community then coming back in.

George Vogt replied something like a guaranteed minimum per year.

Mayor Kight replied exactly.

Councilor Daoust stated to put it into perspective, \$2.1 million out of \$2.7 million will go to the Oregon Historical Society or the Oregon History Museum, and by year 3 you would be hiring eight additional people.

George Vogt replied yes. The situation right now is that we are operating a museum with zero curators for the collections, which is probably going to cost us accreditation this year. We also do not have a public programs position. This is the person who organizes lectures, special events and programs. On the library side we are running probably the second or third most important history research library on the west coast with only three professionals right now and we are only open 12 hours a week, we should be open 40.

Councilor Daoust stated given your new timeline for the May 2011 election, what is your timeline for getting cities to buy-in?

George Vogt replied it would need to happen by December or January.

Mayor Kight stated thank you for the information. I hope we have given you some direction. I think we are looking for a guarantee.

Councilor Wand stated I wouldn't want you to leave with the wrong impression. We believe that the Oregon Historical Society and Troutdale Historical Society are very important organizations and I don't think we disagree with the need or the value of the service that you provide. My concern is the same as the Mayor, we don't have enough guarantees.

3. Adjourn:

Meeting adjourned at 6:54pm.

Jim Kight, Mayor

Approved July 13, 2010

ATTEST:

Debbie Stickney, City Recorder