

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

Tuesday, November 21, 2006

1. ROLL CALL

Mayor Thalhofer called the meeting to order at 7:50pm.

PRESENT: Mayor Thalhofer, Councilor Ripma, Councilor Thomas, Councilor Canfield, Councilor Kyle and Councilor Daoust.

ABSENT: Councilor Gorsek (excused).

STAFF: John Anderson, City Administrator; Jim Galloway, Public Works Director; Olaf Sweetman, Engineer; Rich Faith, Community Development Director; and Debbie Stickney, City Recorder.

GUESTS: Neil Handy.

2. Discussion: Discuss the extension of SW 2nd Street.

Jim Galloway, Public Works Director stated at your May 9, 2006 Council meeting you considered updates to the City's Capital Improvement Plan (CIP) and System Development Charges (SDCs). After hearing testimony from citizens the Council approved a higher priority for the project to extend SW 2nd Street to 257th Avenue indicating that you would like this project to be constructed in FY 2007-08. To prepare for construction of this project next year, staff began doing some preliminary work on two critical items: obtaining permission from Multnomah County to connect SW 2nd Street to 257th Avenue, which is a County road; and verifying the intent of the property owner to dedicate necessary right-of-way. The purpose of this agenda item tonight is to let you know where we are on those two critical items. The County has indicated to us that a connection to 257th at that location would not meet their minimum intersection spacing standards. If we wanted the County to consider a possible exception to that we would need to go through a fairly detailed, somewhat costly, traffic analysis looking at a variety of issues which are outlined in Exhibit C to my staff report. The County pointed out that even if we go through that process they may not be willing to grant the variance. The second issue has to do with the underlying property owner indicating a willingness to dedicate the property to us to have that right-of-way and we have not been able to get that strong intent indicated as of yet. Exhibit D is a memo from Olaf Sweetman indicating a phone conversation he had with a representative of the property owners, Mr. Windust, which indicated some reluctance to do that. Exhibit E is a letter to Mr. Windust asking him to indicate whether or not he is willing to do dedicate the right-of-way necessary

for the extension of SW 2nd Street and we have had no response to the letter. It appears we have a couple of obstacles and we are interested in whether or not you want us to expend the resources in pursuing those at this time.

Councilor Daoust asked about the letter from John Dorst that you are trying to find referenced in Olaf's letter to Mr. Windust?

Jim Galloway replied there is perhaps some question as to whether this letter exists but there are some of us who think we remember seeing it a number of years ago. The memory is that there was a letter which indicated that the County would favorably entertain a project to connect 2nd Street to 257th on a right-in/right-out only basis.

Councilor Daoust asked will it do any good to find the letter given the personnel change at the County?

Jim Galloway replied I doubt that the letter would make a difference to the County at this time.

Councilor Ripma stated in view of the circumstances with the County and the property owner I favor shelving this project and not doing anything more at this time.

Councilor Thomas stated this doesn't seem to match what I believed was going to happen or what I thought people wanted when we addressed this several months ago. If you don't have permission from the property owner there is no reason to pursue this.

Mayor Thalhoffer stated I don't think we ought to abandon this project quite yet. I think we ought to put it on hold temporarily and try to contact Mr. Dorst, who now works at the City of Gresham, and talk to Mr. Windust and get a yes or no answer on what he wants to do. There are other property owners besides Mr. Windust involved. I think we need to get more information before we can make a decision on this.

Councilor Canfield stated it might be worthwhile to make an effort to contact Mr. Dorst but since he no longer works for the County it may not help matters that much. I would like to hear from Mr. Windust before we decide on this. My preference is to put this on hold until we get an answer from Mr. Windust.

Councilor Kyle stated I agree with that. If Mr. Windust doesn't want us to go across his property then we shouldn't waste any more time on this. We need to get a response from him before we do anything else.

Neil Handy stated I represent the property owner north of the 2nd Street right-of-way. From a historical perspective I am sure you all remember Frank and I coming before you pounding the table wanting to get this done. The letter does exist. I am not sure exactly where Frank is at now. If he is not willing to dedicate the property it is probably a dead issue. I would hope that the consensus here would be to put this on hold until we can get together and talk and he can send you a letter. The other issue that is coupled with the 2nd Street is what are you

going to do with your property? You should table the 2nd Street issue until you decide what you are going to do with your property because you may want to go ahead and put 2nd Street in. If you don't put 2nd Street through are you going to keep the dead end street that you have there because I can tell you what Frank is going to do as soon as you decide not to put 2nd Street through, he is going to ask for a vacation of 2nd Street.

MOTION: Councilor Thomas moved to postpone this until the property owners come to agreement with what they want. Seconded by Councilor Ripma.

Motion Passed Unanimously.

3. Discussion: Discuss future need for the City Conference Building property.

John Anderson, City Administrator stated the City purchased the vacant property adjacent to the City Conference Building (CCB) site in February 1999 to house a new city hall and police station. That was based on the recommendations of a space needs study performed at that time. In 2006-07 the Council established a goal to evaluate the need for the CCB site. We thought that it might be helpful to develop a list of criteria that you could evaluate to help you make a decision.

Kathleen Leader reviewed the current and future needs for the city facilities which are outlined in the staff report.

John Anderson reviewed the criteria for Council to evaluate and prioritize. **1)** benefit of maintaining City Hall along the Historic Columbia River Highway to generate activity to support downtown businesses; **2)** benefit of locating City Hall in the Town Center area (CCB site); **3)** benefit of locating City Hall, Police and Public Works functions in the same location; **4)** benefit of locating the PD out of the Town Center area to move undesirable police activity away from the downtown and to secure its parking for compounded vehicles, etc.; **5)** benefit of enlarging Mayors Square so it becomes a more functional activity center (i.e. expanding onto the current PD site to provide a larger space for the farmer's market, art shows, music events, etc.); **6)** benefit of locating a County Library Branch, pending a yes vote in November, near the Town Center to generate activity to support downtown businesses; **7)** benefit of locating a County Library Branch in existing vacant/leaseable shopping center space at the Thriftway and Safeway centers; **8)** benefit of selling the CCB site to enhance mixed use development to support the downtown businesses by bringing more activity downtown; **9)** urgency to develop the CCB site to bolster economic vitality in the Town Center area; and **10)** other criteria identified by Council during the work session discussions.

Councilor Daoust stated I would almost like to go through this slowly and develop a set of criteria with more thought put into it. I don't think we can get there tonight.

Councilor Ripma stated I agree that this is a very long-term decision. When we bought that land there was the thought of moving City Hall but I have always been open to keeping City Hall where it is and looking at the land around us, some of which I think is available. I don't want to see City Hall move out of the downtown area. I don't like the criteria because it pits urgent present issues against future needs of the city that we need to consider. The urgency

to develop downtown is the most urgent issue we have. That isn't a reason to sell the CCB site in my opinion. Our current needs are extensive and staff made a good case for the need for more building, parking, a place for the police and other facilities. This is not going to be an easy decision. I would be willing to sell the CCB site but it would have to be something that is really good for the City because in the end I think we are going to need it for these other facilities we are talking about. The building is used all of the time.

Councilor Thomas stated there are other things we could do with the CCB property besides selling the property. All of the discussions about buying property requires funds and given the state of the General Fund, unless you get a levy, it is not likely to happen. The library, assuming the levy passes in November, could be located in the old Thriftway where it would be more central to where the population is rather than downtown.

Mayor Thalhoffer stated I think we ought to seriously consider selling the CCB property. I would like to see us condemn the Marino property and use the profit from the CCB property to take over the Marino block and put City Hall and a library in that location and have Multnomah County help pay for it. I think it is good to have the police located in the downtown area. We have spent a considerable amount of money renovating this City Hall so I am not sure we should be thinking of building a new City Hall. Our current City Hall is nice and it is functional. I appreciate you bringing forward these ideas but I think we need to have a few more meetings and some more information from some of the other players with property in the area.

Councilor Canfield stated the city purchased the CCB site to address space needs but we are not going to have the money to build a new City Hall. I just can't see us sitting on the CCB land when there is a higher and better use for that property right now. The library in the Marino block, I don't know. I don't agree with condemnation but there might be some possibilities there. As far as space needs, I think that is a separate issue from selling the CCB site.

Councilor Kyle stated we had a space needs study done in 1996 and that identified a need for about 169,000 square feet. I would be curious ten years later what our total space needs are. I know that we did some renovations to City Hall but it is still an old building and I wonder how functional the utilities are (insulation, windows, roof, etc.). I look at the CCB and just about every time I go by there I see a meeting of some kind going on there. However, the building is cold and drafty and it is not the greatest building either. I would like to know what our options are with the possibility of expanding the current City Hall and I would like to know what additional renovations are projected/needed for City Hall and the CCB before I would agree to sell the CCB property because land is hard to come by.

Councilor Daoust stated I see what we vision for our downtown as the driving factor in this. Some of the criteria listed fit into our vision and some of them don't. Going down the list of criteria: The benefit of maintaining City Hall along the Historic Columbia River Highway to generate activity to support downtown businesses - I see that as fitting into our vision so I think that criteria would be important and I would rate that rather high. The benefit of locating City Hall in the Town Center - I don't know that that fits our vision. The benefit of locating City

Hall, Police and Public Works functions together - I don't know that we have really said that we need to do that. It would be nice but I really don't see that as part of our vision, so I would rate that low. When it comes to the police department, I don't know that we have ever said that we really need to keep them downtown. I for one would consider moving the police department somewhere else. We don't need to leave our police department in downtown to match our vision of what a downtown should be like. If we are talking about moving the police department and expanding Mayors Square, that would fit into our vision of downtown. I would rate that really high. The benefit of locating a County Library Branch downtown would be really nice and I think that would also fit our vision of what we would like in our downtown area, so I would rate that high also. The benefit of selling the CCB site to have a mixed use development, I think we have always talked about having more mixed use development downtown, so selling that site would match our vision. I would rate that criteria really high. We could add a few more criteria like the possibility of purchasing property adjacent to the existing City Hall and expanding it, which would match our vision. The future of the Marino block would also match our vision so we could add that to the criteria.

Mayor Thalhoffer stated I think we all need to take a good look at this and think about it for awhile and discuss it at a future meeting.

Councilor Ripma stated something to remember is that the City Council ten years or so ago, in considering this very issue, decided to buy the CCB property. If we could do something like Mayor Thalhoffer suggested like sell the CCB property to purchase the Marino block and revive it, that is the kind of thing that may convince me. One other factor about moving the police is that we don't own other pieces of land and there isn't very much available land. Councilor Daoust's review of the list of criteria illustrates the weakness of the list. I think we need to think about this some more.

Councilor Thomas stated I think I would probably rank the urgency to develop the CCB property (criteria 8 and 9) a little higher than Councilor Daoust did. Personally I have been a proponent of disposing of the CCB site for a long time. Down the road we could be looking at less staff than we have today, which could potentially reduce our needs for space. I think we have fewer employees now than we did in 1996 when the study was done.

Neil Handy stated my recollection is that this property was purchased with the intent to build a new city hall and moving the police department there. I would like to have someone tell me what the plan was, at that time when you made that decision, to finance it?

Councilor Ripma replied Erik Kvarsten talked about going out for a bond but when the police levy failed we backed off real fast.

Neil Handy stated my point is that you can criteria this to death but if you don't have the money to build a new city hall, isn't the decision already made. Why would you just sit here with the property and not utilize it. What would that property generate in tax revenue and in economic vitality versus what it is doing now?

John Anderson stated we will come back in January to follow-up on the questions that were asked by Council. We could have a realtor give us an estimate or we could hire an appraiser but there is some expense involved in that.

Mayor Thalsofer stated I think we should have an appraisal of that property if we are thinking of selling it.

Councilor Canfield stated I think we should do that.

Councilor Thomas stated we would have to have an appraisal at some point anyway.

4. ADJOURNMENT:

MOTION: Councilor Thomas moved to adjourn. Seconded by Councilor Ripma. Motion passed unanimously.

Meeting adjourned at 9:00pm.

Paul Thalsofer, Mayor

Approved March 13, 2007

ATTEST:

Debbie Stickney, City Recorder