

MINUTES
REGULAR CITY COUNCIL MEETING
COUNCIL CHAMBERS
TROUTDALE CITY HALL
104 SE KIBLING AVENUE
TROUTDALE, OR 97060-2099

7:00 P.M. -- JANUARY 8, 1991

ITEM 1. PLEDGE OF ALLEGIANCE, ROLL CALL, AGENDA UPDATE

Mayor Cox called the meeting to order at 7:00 p.m. and called on Councilor Bui to lead the pledge of allegiance.

City Recorder, Raglione, was asked to call roll.

PRESENT: Bui, Burgin, Cox, Fowler, Jacobs, Schmunk, Thalhoffer, Thompson

STAFF: Christian, Farr, Gazewood, Raglione, Wilder, Jennings

PRESS: Scott Newton, Gresham Outlook
Jennifer Brandlon, Oregonian

GUESTS: Claud Forquer, Walt Postlewait, Chuck Wolsborn, Kristi DeSylvia, Karen
Burger-Kimber, Jeanie Burgin

Mayor Cox asked for agenda updates. Christian stated there were none.

Christian stated that Item 3 should precede Item 2 in order to have the new Council members voting.

ITEM 3. SWEARING IN:

City Recorder administered the Oaths of office to Sam Cox, Mayor; Marjorie Schmunk, Position #1 Councilor; Bruce Thompson, Position #3 Councilor; Paul Thalhoffer, Position #5 Councilor.

ITEM 2. CONSENT AGENDA

Mayor Cox read the consent agenda.

MOTION: Councilor Bui moved approval of items 2.1 [Minutes 12/11/90-Regular Session; 2.2 December Business License Report; 2.3 December Monthly Bills; 2.4 Ratify Resolution [869-R] Authorization of Participants for Eligibility Federal Property Utilization Program. Councilor Schmunk seconded the motion.

YEAS: __6__ NAYS: __0__ ABSTAINED: __0__

Bui - Yea; Fowler - Yea; Jacobs - Yea; Schmunk - Yea; Thalsofer - Yea;
Thompson - Yea

ITEM #4. RECOGNITION: Ron Burgin, Service to City as Council Member
[Tape
1, Side 1 3:47]

Mayor Cox called this agenda item and asked Ron Burgin to step forward to accept a plaque from the citizens of Troutdale. It read: "To Ron Burgin in appreciation of 8 years of dedicated service to the City of Troutdale. 1983-1991." Mayor Cox also presented Ron Burgin with a mounted name plate.

Ron Burgin expressed his appreciation to the City staff and Council members he had served with. He felt that the citizens of Troutdale could feel confident with the staff and elected representatives that they had in the City.

ITEM #5. PUBLIC COMMENT

Mayor Cox called for public comment.

Kristi DeSylvia, 1371 SW McGinnis. DeSylvia addressed comments to an article in the Oregonian which suggested condemning the Multnomah County Farm property. Through that allowing the City to use its rightful planning/development functions due to dissatisfaction with the County efforts in marketing or selling the 300 acre parcel.

DeSylvia felt the action by the City should be considered a threat to property owners since it would undermine the democratic process by imposing their will on others. She reminded Council that this wasn't a policed state. She felt the concept was outrageous. The County was only a property owner. The County Farm was not a "blighted state" and asked since when was open space considered blighted?

DeSylvia stated that she also had concern for the maintenance of the grass but felt that the City was to blame in being lackadaisical in enforcement of its own laws. She asked if the County was the only entity to abuse Troutdale law? Why was the County singled out? In lieu of Ballot Measure 5 passage, where would the \$6-\$8 million required to

condemn the property come from?

DeSylvia left information she received from Multnomah County which demonstrated actions and activity taken regarding the sale of the Farm property as well as firms being considered to market the property. [Available 1/8/91 Council packet materials, Office of City Recorder.]

ITEM 6A: PUBLIC HEARING: Ordinance Establishing Troutdale Urban Renewal Agency [Tape 1, Side 1 8:05]

Open Public Hearing: Mayor Cox opened the public hearing at 7:08 p.m. and called for declarations or challenges from the Councilors. There were none stated.

Summation by Staff: Mayor Cox called for staff summation. Jim Jennings, City Attorney stated an ordinance was prepared, at the request of Council, creating an Urban Renewal Agency for the city. The URA would be the entire Council sitting as a separate body when there was an area or need to be addressed. Jennings emphasized there was no specific area targeted, this would only create that called for by statute.

Jennings stated that this was the first reading to review the proposed ordinance and to take testimony regarding the ordinance itself. The operation of the ordinance would be City Council sitting as a separate body designating an area to be studied and then Council either acting publicly to bring about a condemnation action, or submitting for request for proposals to find out if there are private individuals interested in dealing with any area Council would designated to be studied.

Councilor Thalsofer stated that he didn't attend the meeting which had discussed this issue. Councilor Thalsofer asked if there was a law that required Council to set up an URA?

Jennings stated not requires, but allows [ORS 457.055]. It creates an Urban Renewal Agency within every municipality by the enactment of the statute. This would take the statute and activate the URA that already exists but never used before. No action is needed to be taken by the URA, it just empowers and names the body who would act on behalf of the City.

Councilor Thalsofer stated that the intent was to condemn the County Farm property, and he wasn't in favor of that at this point. It was his opinion that the City work with the County. He didn't want to create another suit - that would be expensive, create ill will with everyone including the citizens of Troutdale.

Councilor Fowler agreed with Councilor Thalsofer and asked why staff should devote their energies to something like this with the problems Ballot Measure 5 is creating? This would make anyone's property subject to Urban Renewal. Taking private property was a 'pie in the sky'. Then had been three studies in recent years regarding what to do with downtown Troutdale, do we think we can do any better at studying how to deal with the County Farm? Councilor Fowler was not in favor of it.

Councilor Schmunk understood that if a URA was created, there would be a committee set up to look at the project and at that point, that committee through their input would decide if this process would continue. She didn't see a problem. The committee could come back with the same attitude that Councilor Fowler just mentioned. She stated she had no strong objections to it. If the agency was set up it could be used for other things than the County Farm, which could be an advantage to the City.

Councilor Fowler stated a long process for the Comprehensive Plan had just been completed. If Urban Renewal was put on the property, what was all the time spent for in zoning the property? Leave it at the present zoning and let someone come in for a zone change if there was someone coming in. Relying on private capital to do this, which has slowed down -- it appeared it would just create another bunch of rules and regulations which would be a lessen in futility.

Mayor Cox called for other comments.

Councilor Thalsofer stated it was a stretch to call the County Farm property a blighted area and was concerned about legal problems with that also. It appeared that this URA was for the purpose of dealing with the County Farm and he didn't agree that it was appropriate at this time.

Public Testimony - Proponents Mayor Cox called for proponent testimony.

Karen Burger-Kimber, 1675 SW Cherry Park Road. Burger-Kimber stated she was concerned about the Urban Renewal Agency. The concept and idea could be a workable solution to some of the problems within Troutdale...specifically the downtown core area. If there were blighted areas it certainly would appear that downtown was one, and recognize that there was considerable urban renewal that needed to go on in the downtown.

Burger-Kimber did agree with Councilor Thalsofer's comments regarding setting up a URA for the specific purpose of the County Farm property was inappropriate. The time and dedication of the Council members was duly recognized by the Troutdale citizens. She wondered how Council could provide a larger agenda with involvement of the URA. It would be very time consuming. She asked City Attorney Jennings if it was mandatory or written that Council members were the only members; or appropriate members of the URA?

Jennings stated that Council would be the appropriate members. They had three choices
1] set up a separate commission; 2] appoint 3 of their membership; 3] serve as the body in the entirety.

Burger Kimber asked if there was an option for citizen involvement?

Jennings stated that one option would be to set up a separate commission [similar to a Planning Commission]. Citizen involvement would be at the same level as the Planning Commission has citizens participate in the Urban Agency.

Burger-Kimber discussed a meeting with Mayor Cox when marketing/salability of the area to the general public/commerce and recommended at that time that the community could be asked if there were local citizens that might want to be more directly involved. She knew there were people within the City that had applied for Planning Commission seats when there weren't any available. In her travels she met several people that could be

incredible human resources. She felt that hadn't been tapped. If the move to create an Urban Renewal Agency was successful, she asked that that resource be tapped from the community and diversify the burden, give Council additional input and involvement as well as expand the human resource for the City of Troutdale.

Walt Postlewait, 1624 SE 20th. Postlewait asked if a persons didn't speak either for or against this issue at this meeting, would it preclude them from speaking on it in the future?

Jennings stated no it would not.

Chuck Wolsburn, 1351 SW Halsey. Wolsburn had asked staff about many of the concerns that were brought up by Councilors Fowler and Thalsofer. He stated that the Urban Renewal Agency was a tool which could be used either successfully or as a failure. Speaking as a proponent and in listening to the County Commissioners, he understood that the County intended to put a number of deed restrictions on the property and he felt that would be unacceptable to the City. The URA might be the only way to deal with a situation of deed restrictions.

Public Testimony: Opponents. Mayor Cox called for opponent testimony.

Kristi DeSylvia, 1371 SW McGinnis. Stated that in addition to the materials previously submitted, the County feared this could pose a threat to the sale of the County Farm in that they have people they are addressing for sale and if the threat of condemnation came into play, it could affect the bargaining power and could result in slowing the process of the sale of the property.

Rebuttal: Mayor Cox called for rebuttal of testimony.

City Council Questions: Mayor called for Council questions.

Councilor Fowler thought it an excellent point which was brought up regarding an URA being formed and the amount of time required to form it. He stated there was a need to wait and see what the County would do with the County Farm. He didn't feel there was any wait there could be consideration of the Federal government loaning money to build

a shopping center which couldn't support itself. Councilor Fowler stated that currently someone could buy it and build on it under the current zoning, as well as bring in any proposed changes.

Councilor Thompson stated that the proposed ordinance was simply enabling legislation. There was nothing in the proposed ordinance directed to the County Farm and, as pointed out, there were other properties in Troutdale that could be subject to urban renewal.

Councilor Thompson stated that if the County Farm should be the subject of the ordinance, he saw a number of positive things about that. 1] County had a long period of time to market the property and when it had the chance to sell it, it didn't sell it. He didn't see the County as being all that active regarding selling the property and he saw nothing that the Troutdale City Council was considering as screwing up any type of sell. 2] The meeting attended regarding the effects of property tax measure #5 -- it was pointed out that there was a lot of property not on the tax rolls in the state of which the County Farm was a large parcel in the City of Troutdale which was not on the tax rolls because it was owned by the County. In the future, the City would need that property on the tax rolls to be able to continue to fund the budgets. Councilor Thompson stated that the sooner it could be on the tax rolls, the better. This was one process that could speed up the process.

Councilor Thompson also agreed with Mr. Wolsburn in that the County had already indicated their intent to put a lot of deed restrictions on the property which were not appropriate. Proper restrictions to the use of the property should be left to the City of Troutdale not the County [seller of the property]. Mr. Thompson stated that it was incumbent on the Council to take action on the proposed ordinance and he supported it.

Councilor Fowler disagreed. \$16,000 had been spent on the feasibility study on how to sell downtown Troutdale - beyond two other plans. Nothing had been accomplished with

that to date. There was no one capable on staff of marketing the property. The City wasn't able to advertise it -- there weren't enough taxes due to measure 5. The City couldn't find professionals to take over the sale on a contingency that something be done with it. This was done to try to control the property. The first time was to control by the zoning. State Highway was going to build someone on the property. No one is buying until the State Highway decides where and what they are going to do.

Mayor Cox stated there had been two substantial bids placed on the property already by two different people. They were both turned down and everyone knows the reason why.

Councilor Thalhoffer stated he too was at the meeting. He stated that the County was as interested in getting the property on the market as the City was. He wasn't convinced that a condemnation suit would speed up the sale of the property and stated it would slow it down if anything. To have a Court state that it was a blighted piece of property would be questionable. He didn't see it as 'blighted'.

Staff Recommendation: City Attorney Jennings stated that the recommendation was to form the Urban Renewal Agency. Not necessarily to create anything more than the Agency itself regardless of whether a specific piece of property be targeted or not, that is a decision to be made by the URA.

Jennings stated that it was unfortunate that an Urban Renewal Agency was commonly linked with the concept of 'blighted' areas. He read from the ORS "urban renewal was also available for areas of land where the lot layout, condition of title, diversity of ownership or other conditions prevent proper development of the land". He stated that downtown decaying property was looked at as a reason for urban renewal.

Jennings stated that any urban renewal would take place within the framework of the existing zoning, it doesn't create new zoning. Anyone who takes property under an Urban Renewal Agency grant or development would be doing so as with any other owner. They have no special powers.

Jennings stated agreement with Councilor Thompson in that the purpose of action was not to designate any property, simply enable the Council, acting as an Urban Renewal Agency to take whatever steps they deem necessary, at whatever time they deem necessary in order to proceed with urban renewal of any property inside the City of Troutdale. Jennings stated that ex-Councilor Burgin would remind Council that there was a very stringent protection of RMU properties within the City.

Mayor Cox called for further Council questions.

Councilor Fowler clarified that urban renewal agencies were set up to normally acquire properties under diverse ownership -- Jennings, that is one of the criteria. Councilor Fowler stated creating an urban renewal agency isn't in fact creating anything. There is no money to spend to buy, no money to spend to condemn, no money in the bank to condemn the property, can't get an option on it. Taking away from the County to the City has to have monetary value somewhere.

Jennings stated that a case took place in Tigard which acted as the Urban Renewal Agency but the renewal was financed by a private developer coming in and posing a specific development and the private developer paid for all costs, including the condemnation costs itself. He couldn't imagine given ballot measure #5 restrictions, that the Council would entertain that as probably the only way it could go forward was with private funds or a group of people coming in. In any development, if a RFP were set out, anyone could submit a proposal for development of any property in Troutdale through the Urban Renewal; or no proposals could come back -- which is an alternative.

Councilor Fowler stated there was a piece of property under one ownership, under total zoning - anything different from that zoning would have to go through the City to change it. He stated that the Portland Development Agency had been here looking at property to assist in med-low income housing. Troutdale's role was not the same as the Portland Development Agency. The City had spent \$16,000 on the downtown plan and the County spent well over that - they don't know what should be on the property.

Jennings stated there was a strong difference of opinion between the City and County of who would have the opportunity to zone that property and who will effectively act to zone the property. Multnomah County argues the fact that through deed restrictions, they will be able to direct the source of development and the nature of what goes in there. The Council's position, as taken by the Mayor and other individuals, at Multnomah County Council meetings is it is Troutdale's option as to what happens to the property not the County's.

Councilor Schmunk stated that the discussion was going towards a specific piece of property not the creation of the Urban Renewal Agency.

Mayor Cox called for other Council comments.

Councilor Bui stated he was also in attendance at the meeting. He got the feeling that governments were in for hard times in terms of consolidation, who does and is what. He feared that unless the City acted aggressively to take control of our destiny, someone would come in and take control for the City. The idea is to abolish agencies. He felt that the Council should support the ordinance.

Mayor Cox called for further comments. There were none.

ITEM 6. ORDINANCE: An Ordinance of the City of Troutdale Creating an Urban Renewal Agency First Reading

Mayor Cox called this agenda item and read the Ordinance by title.

MOTION: Councilor Schmunk moved for approval of the Ordinance.

Councilor Thalsofer called for point of order. Do we vote on First Reading?

Christian stated that it could be if there was a quorum present and passed unanimously it could be passed at the first reading.

Councilor Schmunk could make a motion.

Mayor Cox stated there was a motion on the floor and called for a second.

Councilor Jacobs seconded the motion.

YEAS: __4__

NAYS: 2
ABSTAINED: 0

Bui - Yea; Fowler - Nay; Jacobs - Yea; Schmunk - Yea; Thalhofer - Nay;
Thompson -
Yea

The motion didn't pass unanimously on first reading.

Councilor Thalhofer asked why the City indulged in the charade that this wasn't being set up to condemn the County Farm property. We are just setting it up so we have some property we want to condemn or we want to deal with. He stated it was an insult to the intelligence of most of us and charade and he stated he was sick of it.

Mayor Cox stated Councilor Thalhofer was right in one respect. However, he was sick of the way it was handled originally with the County Farm. When there were two bidders for it, they had another one and everyone knew the reason why -- he was as sick of it that way as he was of this.

Councilor Thalhofer stated he understood but, two wrongs didn't make a right and proceeding at this point because someone else did doesn't make sense either.

ITEM 7: RESOLUTION: Authorizing Foreclosure of Delinquent Assessments - Holmason Property [870-R] Tape 1, Side 2 13:49

Mayor Cox called this agenda item and read the resolution by title.

Gazewood stated this was essentially a follow up of action that approximately 1 1/2 yrs. ago dealing with several properties of which this was one. During the course the City has worked with the property owner to bring current the account. As of this date, approximately \$96,000 was outstanding principle and interest. The property has delinquent assessments in excess of 12 months. ORS allowed the City to bring foreclosure action on the properties delinquent in excess of twelve or more months.

Gazewood stated that 1979 bonds had been fully retired as of July 1, 1990. Therefore, the existing City funds are in essence financing this particular property's delinquent

status. Staff was asking authority to begin the process of foreclosure. The process would take approximately 4 months to complete. Notices to owner advising of action; call for title report to determine lienholders of record; if there are any lienholders of record ORS requires 60 day notice; 4 weeks public notices consecutively; 10 days to set up auction date. A total of approximately 4 months would pass before action would actually be taken. This would also give the property owner time to clear up the property if so desired.

Councilor Bui asked if there had been any indication that he would try to pay it off?

Gazewood stated that he had been contacted by the attorney representing the property owner stating that he was seeking a bank loan to finance a portion of the repayment and they anticipate the property being sold.

Councilor Fowler was unclear as to where the location of the property was. It didn't show a map indicating where the property was nor what the value of the property was. He asked if the bond was paid off or what?

Gazewood stated that the debt service was paid on the particular bonds that were involved in July, 1990. Other assets within the fund itself [bond improvement which finances the bond repayment through collection of assessments] monies from other collections set aside for future redemption on debt service is being used to finish the payment of the bond. There is a real need that City recovers the monies within a reasonable timeframe. If the City's bond improvement fund runs short of cash, the City must go into the general fund and take the general property tax levy monies that have been collection to finance the assessments that this property owner is in default on. Gazewood stated that with the existing problems of ballot measure 5 and reductions that will be forthcoming -- it was even more important to ensure that the assessment funds carry the load by property owners paying their assessments in a timely manner.

Councilor Fowler asked how far back this went?

Gazewood stated that the assessment was approximately ten years old, it was originally Kaz Fugii property and it was in bankruptcy for a few years. About one and a half years ago the current owner picked up the property. The land runs from the new Post Office, along Cherry Park and follows 257th down the hill as well as a portion across the highway across from Halsey Station.

Councilor Fowler stated that he would like information included in the packet to better clarify affected properties.

Gazewood stated the point was well taken and in the future the information would be included.

Mayor Cox read the resolution by title.

MOTION: Councilor Bui moved approval of the resolution. Councilor Fowler seconded the motion.

YEAS: 6
NAYS: 0
ABSTAINED: 0

Bui - Yea; Fowler - Yea; Jacobs - Yea; Schmunk - Yea; Thalhoffer - Yea; Thompson - Yea

ITEM 8: DEPARTMENT REPORTS:

Mayor Cox called this agenda item.

- o Public Safety. Sgt. Farr had nothing to be added.
- o Finance. Gazewood had nothing to be added.
- o Community Development. Christian stated Cline had recently been hospitalized with pneumonia. There was nothing to be added. Postlewait asked which hospital he was in. Christian stated Good Samaritan, unless he had been released.
- o Public Works. Wilder stated his appreciation of the employees doing a good job during the freezing weather keeping streets sanded; responding to concerns and problems the citizenry had.

Councilor Fowler asked about the Wastewater Treatment Plant expansion. What was the status? When the design phase was completed, how would the City proceed without knowing how it would be funded?

Christian stated that the design was required to know on which the cost of construction was based. Most of the time grant money required matching funds.

Councilor Fowler asked why it would go beyond the bidding point?

Christian stated that you didn't have to go to a bidding point but, in any case the

Council would agree on a financing plan and it would be before Council as a

report for design changes which could offer grant opportunities. Something may

be able to happen from energy grants, depending upon the design of the plant

to make it energy efficient.

Councilor Fowler thought there were 3 different plans which Council chose one

earlier. Wilder stated that it was an anaerobic process, but part of the design might

incorporate the co-generation of electricity [example: burning and using methane

to heat the plant and digesters; or burning of methane to air].

There were a

number of side fingers of methods to take depending on sources available at the

time. When the final design was received it would have cost estimates.

Councilor Fowler asked when the final design would be expected?

Wilder stated it was hoped to be by the end of the fiscal year this year.

Councilor Thalsofer asked the status of the infrastructure projects.

Wilder reviewed Sandee Palisades IV lot sales - 75% sold; 25% of Archers lots

were sold; Cereghino had 2 building permits issued. There were approximately 4-5

years worth of sales in relationship to the bond retirement. Wilder stated so far, it

looked safe. It was being watched, and costs were being kept down on the

projects since everyone was a little nervous right now.

o City Attorney. Jennings had nothing to add.

o Executive. Christian had two requests for consideration. Barbara Sullivan-Holm was

the East County representative on the East Metro Solid Waste Advisory Committee

which needed to be refilled. Gresham had one volunteer to fill the position. An alternate was also needed. She asked that any interested person contact her as soon as possible. More information could be given out should someone be interested in contacting her about the positions.

Christian then discussed the Wild and Scenic Designation for the Sandy River contacted her to arrange two separate days for tours of the Sandy with jet boats for any Council member(s) interested. The two dates were set so there wouldn't be a problem with a quorum being present.

ITEM 9: COUNCIL CONCERNS AND INITIATIVES

Mayor Cox called this agenda item.

Councilor Bui asked Christian how the applications were coming for the interest on serving on City committees/commissions? Christian stated ads were placed and applications were being received until January 15.

Councilor Fowler discussed his concern of the washout on the back access roadway of the Wastewater Treatment Plant. Wilder stated that the Corps had agreed to discuss the concern with staff during the week following the Council meeting.

Councilor Bui discussed the Cable Regulatory Committee and discussions taking place regarding sharing services. He expressed concern of consolidating everything and what was really being given up by consolidation. He stated this should be looked at in developing programs for the City in the future.

Councilor Bui then congratulated the new Council members welcoming them into terms of office.

ITEM 10: ADJOURNMENT.

MOTION: Councilor Schmunk moved to adjourn. Councilor Burgin seconded the motion.

YEAS: 4 NAYS: 0 ABSTAINED: 0
Bui - Yea; Burgin - Yea; Jacobs - Yea; Schmunk - Yea

The regular City Council meeting of December 11, 1990 adjourned at 7:40 p.m.

Sam K. Cox, Mayor

Dated:

ATTEST:

Valerie J. Raglione, CMC
City Recorder
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