

**MINUTES**  
**Troutdale City Council – Regular Meeting**  
**Troutdale Police Community Center – Kellogg Room**  
**234 SW Kendall Court**  
**Troutdale, OR 97060**

**Tuesday, September 11, 2018 – 7:00PM**

**1. PLEDGE OF ALLEGIANCE, A MOMENT OF SILENCE, ROLL CALL, AGENDA UPDATE**

Council President Ripma called the meeting to order at 7:00pm.

Council President Ripma stated it is a very special day in the history of the Country. In honor of all the citizens and first responders who gave lives on this day 17 years ago, let's please pause for a moment of silence. Thank you.

**PRESENT:** Council President Ripma, Councilor Lauer, Councilor White, Councilor Allen and Councilor Hudson.

**ABSENT:** Mayor Ryan and Councilor Morgan (excused).

**STAFF:** Ray Young, City Manager; Kenda Schlaht, Deputy City Recorder; Tim Ramis, Acting City Attorney and Chris Damgen, Community Development Director

**GUESTS:** See Attached.

Council President Ripma asked, Ray, are there any agenda updates?

Ray Young, City Manager, replied just one on item #6. We added an "n" to ratio so it became ration and it should be ratio. Mayor Ryan had a death in the family and is with family tonight. Also, Tim Ramis will be covering as City Attorney this evening as Mr. Trompke is on vacation.

**2. PUBLIC COMMENT:** Public comment on non-agenda and consent agenda items is welcome at this time.

Mary Massey, Troutdale resident, stated I moved here about a year ago and I've been noticing an increase in the homeless population here in Troutdale and it's becoming a concern for me. I called a few weeks ago, the Town Hall, and asked if we had any type of an action plan in place. My understanding is there is not. I want to address my concerns and end this with a call for action. I'm seeing a real increase recently within the last month.

I work from home and I noticed an increase in shopping carts going up and down Stark Street. Two weeks ago when I initiated the phone call I saw a homeless man moving 5 shopping carts into the woods behind Mt. Hood. I immediately went over to the Mt. Hood security department and they said it was not their issue. Then I saw a Gresham police officer and they said they would look into it. I've talked to the Sheriff's Department as well. I also know that there was a fire back there recently that was, thankfully, put out. It was during one of those 95 degree days. I think that could've been a crisis for the town had that spread. I live on 31<sup>st</sup> so I abut up to MLA and I've seen some vehicles with homeless people inside of them. I go out in the morning for a community walk and they're usually getting up and moving at that time. I've taken pictures. We have a walkthrough in Sweetbriar and about 2 ½ weeks ago some homeless women were sleeping on the bike path. A neighbor asked them to go over to the church and get a tent and try to find someplace to sleep. These are concerns. I'm a school teacher and I volunteer with youth at the church and with a Marine cadet program. The safety of our children is of utmost concern. 3 days ago a homeless woman walked down 31<sup>st</sup> Circle with a shopping cart full of her items. Needles could've fallen out. I don't know but that's the issue. We just don't know what they're bringing into our town. I talked to her and I have compassion for her situation but the safety of the children on our street is first. I'm concerned about the growth of this town because this is a great town. I moved here for a reason. If we don't do something now I'm not sure what our town is going to look like in the near future and how that's going to effect the growth of this community. I'm also very concerned about the protection of property. 2 nights ago a homeless person was peering over the back wall at my neighbor's property. I'm also concerned that property values might start to go down. I think we need to address as a community the rights of the citizens of this community. I think we also need to look into code enforcement to see what we have already on the books to address the problem. I think we need to find out exactly what authority the Sheriff's Department has. I have spoken with them and it seems as though it's limited. I would like for us as a town to come up with some sort of an action plan with the citizens, code enforcement and the Sheriff's Department authority and get that started so we can be on top of the situation.

Sam Barnett, Troutdale resident, stated I'm a citizen of Troutdale for nearly 18 years now. I'm disappointed in the vote that took place 2 weeks ago and allowing the apartments to be built at Cherry Park. My main concerns is I do feel that regardless of what the winning Councilors had to say about it that they were not listening to the citizens. I will remind you that when you took the oath to become a City Councilor your main goal was to and still is to take the citizens voice into consideration. I just don't feel that that happened. I feel that you had your own reasons for voting the way that you did and I respect that. The lanes that are going to be added are not going to help 1% of anything. The County put on a pretty good show about that but the history of the County and the roads here in East County have failed and failed and failed and continue to fail. I was able to watch this back and the show that was put on, she worked hard for it, but I didn't buy it. The attorney stating that there's a shopping center across the street from where the apartments will be built is insignificant to me. The fact that there's no public transportation at that corner is an issue as well. The zone change that you voted for 2 weeks ago allows apartments to

be built there. Nothing else. Just apartments. There is an opportunity to vote for other zones. Apartments aren't going to earn the City of Troutdale any money. In fact, in my opinion, it's going to cost the City of Troutdale for added police costs and fire costs. But what you voted for whether you know it or not is apartments which is going to cost us. It's also going to cost the neighbors abutted right against that property. I've lived in apartments and there's noise and there's problems and there's issues. That's what these neighbors who are speaking out last 2 weeks against it were speaking of. Single family homes wouldn't be a bad idea. It would bring new citizens to the City of Troutdale. Apartments are not citizens. They're not going to care much about living in the City of Troutdale. They're not going to participate. We could zone for other plans and I'm thinking that what I'm saying is a moot point but right now unless a re-vote is called for tonight we'll be stuck with apartments at Cherry Park. Tonight's pretty much the last straw that we and the people that share my views have to turn this around and explore further. I've met with a couple of you and I feel that there's not going to be homeless moving into these apartments. This is not HUD. This is not low price apartments. These are 4 bedroom apartments that probably go for \$1800.00 a month. These people will generally be there for 2 to 3 years at the most then they'll move on, hopefully to better things. My main issue is that I don't believe that you listened completely and wholly to the community that you took an oath to serve. I am embarrassed, not by the outcry of the public, but more so by the response of a City Council member to act the way the citizens were acting. I hope that you might lean back in your chairs and consider what you did the last 2 weeks and maybe call for a re-vote tonight and that would give at least time to consider other zones. Other zones have not been considered. Only the apartments. There's a lot of other things that could go in there and some of which could bring a profit to the City of Troutdale.

Councilor Allen stated I'm seeing that our area is attractive for a number of reasons for people to move here. We have this Urban Growth Boundary that limits our ability to grow and add more single family homes. I've sat with people that were looking for places that they could afford to rent and although most likely what's going to be built there is probably not going to be the lower rent type places, it adds more units to the overall availability which has a tendency to increase vacancy rate which has a tendency to put downward pressure on rental rates. It's very hard for people right now to actually survive and make the rentals. Not all of them can afford a home at this time. We've got people that are under a lot of financial stress. To put it in perspective, if you look at Safeway there, there are more people boxing and refilling the shelves than managing the store and they don't make as much. What the regional leaders are trying to do is they're trying to increase the supply of housing without increasing the Urban Growth Boundary. What they're wanting us to do now is they're wanting us to increase density within the neighborhoods and I really don't like that idea because I like people to at least have a dream to be able to maybe rent for now and someday own their own home. It's just not realistic that people can afford their own home right off the bat. When I take a look at how I'm going to vote on something like that I'm weighing all these different considerations. I see a piece of property that's mostly zoned 5,000 and a few 7,000 square foot lots on 2 busy streets and I just don't see where it's sitting to be conducive to high end development. I would have felt better if it was all

7,000 square foot lots or if it was a mixture of commercial. But I really didn't have that choice before me and I don't think that the developer was willing to go that direction.

Paul Wilcox, Troutdale resident, stated I'm responding to Sam. What I want to address specifically is his reference to renters. We didn't buy our first single family home until we were in our 50's. We rented for 30 years mostly in single family homes and duplexes. There are long term renters in apartments. People live multiple years in apartments because they can't afford or they don't want to get locked into a home ownership situation. Renters are just as much citizens as homeowners.

**3. MOTION:** West Columbia Gorge Chamber of Commerce (WCGCC) request for funding assistance for Fall Festival of the Arts.

Karen Young stated I am the Executive Director of the Chamber.

Glen Mackey stated I'm the current President of the Chamber.

Karen Young stated and this is Jay Marquess, the President elect of the Chamber and with us is our committee of the Fall Festival of the Arts and local artists. First I want to thank you for putting us on the agenda for this evening. Councilor Ripma, we're very happy to see you here tonight.

Jay Marquess stated I'm excited to be here in front of all of you. I want to congratulate everybody on a wonderful year that we're having. There's been a lot of progress in our community with ribbon cuttings for schools, the Town Center, bike hubs, Halsey Corridor, it's a good time to live in Troutdale. The more I get involved with Troutdale the more excited I get and that's why I'm here tonight. We have had the support of Troutdale for 4 years. Last year was our most successful year with the Fall Arts. We had a tremendous amount of artist participation. We were also able to take some of the proceeds and give back to the firefighters in Corbett and Cascade Locks and the volunteers as well. We also had the opportunity to double our artists for this year which means the participation is going to be more than doubled. That's exciting. I hope we can have your support again tonight. I also want to take the time to thank Tim Seery and Chris and others for supporting us and participating in partnering with us to make us successful as well. We're here to ask, again, if we could have your support at the same amount that we had last year. I think that was at \$3000.00.

Glen Mackey stated the importance of it I think is not a mystery to everybody. We really appreciate the support we've had in the past. The event is September 22<sup>nd</sup> and 23<sup>rd</sup> next weekend in Glenn Otto Park.

Karen Young stated we did bring extra postcards that we can hand out (a copy is included in the meeting packet). One key thing is we are trying to promote the art in this community. This is a mecca for artists. We're really trying to focus on the tourism component too

because this is a tourism promotion event and that's why it's a multi-day event. We see big potential for this to grow.

Council President Ripma stated I think generally it's a good thing for Troutdale and it's a wonderful event.

Councilor White stated our town really is made up of a lot of artists from Ali, the jeweler, to Rip Caswell who usually helps present for this event. I volunteer and I go to it every year. It's a major effort to transform the Sam Cox Building into a temporary art gallery. This amount is a little higher than most other events but it's multi-day. I think it's very inspirational especially for the kids because they actually get a chance to see the artists create their work. I'm going to make a suggestion. We do have a budget set aside for community events like this. Troutdale used to pay the insurance and there was some legal reason why they could no longer do that and that's when we started seeing a shift in offering to help out on these events. We also have the new community enhancement fund. In the future, I think it would make it easier for the City and you guys if we started putting in an application through that avenue. I'm going to support this. I think it's a great event. Keep up the good work. I'll help with anything I can.

Council President Ripma asked, do I have a motion?

**MOTION: Councilor Lauer moved that the City of Troutdale offers \$3000.00 to support the West Columbia Gorge Chamber of Commerce request for funding assistance for the Fall Festival of the Arts. Seconded by Councilor Hudson.**

**VOTE: Council Lauer – Yes; Council President Ripma – Yes; Councilor White – Yes; Councilor Allen – Yes and Councilor Hudson – Yes.**

**Motion passed 5-0.**

#### **4. PRESENTATION: A presentation for the Multnomah County Drainage District.**

Tanney Staffenson stated I'm a Board member of the Sandy Drainage Improvement Company and with me this evening is Mr. Bill Owen who is Flood Director for the Multnomah County Drainage District. We are here to talk about a development review. One of the things I wanted to talk about a little bit was how we got started. Tanney Staffenson showed the Council a PowerPoint presentation (a copy can be found in the meeting packet). I'll give you a little history. Through the partnerships that we have we've been able to work together and create a lot of development property in the TRIP area. Which has really benefited the City of Troutdale and others. The area that we protect for this area is 1500 acres and 3 ½ miles of levees. One of the bad things about being the low spot is that you get all the water. We pump in excess of 20 billion gallons of water a year out of that pump station that you saw a picture of. It's really a pretty important operation. We're a special district so the only revenue that we receive is basically from

tax revenue assessments that we charge the landowners. Landowners pay for all the functions that we provide and that's one of the things that we're here to talk about tonight.

Bill Owen, Multnomah County Drainage District, stated I have a couple of comments here continuing on what his theme was. Earlier, about a year ago now, we convened a group of our elected officials as well as developers in the area to try to come up with a cost structure we thought would work in our situation in part in response to some changing federal regulations with the levee systems that we maintain as well as increase in development that we've seen and put some stress on workloads within the district. We recognized and the elected boards recognized that we needed some method for cost recovery. The eventual plan that they put together is outlined in the exhibits as part of your packets. On the flip side of that exhibit there's an overview of a tiered structure where we have decided to apply for development reviews that come through the district. Initially there's no fee for the initial tier but as you move through the second and third tiers as more development reviews have become more complex the fees increase. I wanted to give you a sense on what types of examples might fall into each of these tiers. As an example, Waste Connections over this past year went through the cities permitting process to extend and modify their driveway system. That particular type of permit doesn't affect the drainage of the system at all, nor does it affect the levees, it's just off Marine Drive. So that's a relatively straight forward review for us so we would not charge Waste Connections in an example like that. As you move up into tier 2 we apply a \$550.00 base fee plus up to \$2500.00 for time and materials. An example like that would be an Amazon property. The big heavy lift for that area was done prior to Amazon coming in for the Port of Portland's TRIP program. Once the TRIP program was in place and a lot of the infrastructure was there Amazon came in and honestly for us it wasn't a very complex review for us. Something that's a little more involved in part because it effects the levee system and it requires some feedback and guidance from the U.S. Army Corps of Engineers is the 40-Mile Loop proposal to extend that bike path up on the levee system. The levees will be modified and encroached in terms of the federal government's perspective and that requires a fairly involved review for us. That would be an example of a tier 3. Again, that would be something that's over \$2500.00 and it's just time and materials that we would collect. In addition to this cost recovery structure that we've put together we've also created a handbook that we can provide to developers and others who are interested to be more fairly transparent as best we can about decision criteria associated with our reviews. So, why is it important for us to conduct reviews? As Tanney alluded to earlier, water goes downhill and we have to make sure that water can freely move through the channels as it historically has. If there's encroachments in the channel we should know about that and work with the developers to try to minimize those encroachments. Secondly, it's just as important to make sure that the infrastructure that currently exists there remains intact. Levee systems is one example of that. There are others in terms of drainage as well. But collectively all these reduce flood risk and that's what our district is all about, trying to reduce flood risk. We have gone through a process to put together this plan. Our Board passed it in April 2018. But part of that process was a fair amount of public outreach not only to city staff here but to developers, property owners, landowners and our districts through a variety of communication methods. We

wanted to make sure our process was as transparent as possible. That was our goal and we accommodate for that as we can. All this leads to a document you'll see in 2 weeks from now.

Taney Staffenson stated we have longstanding partnerships with Troutdale, Port of Portland and other cities along the levee system. One recent example is the drainage master plan that Troutdale's working on and the district's working on. By collaborating and doing those efforts together we've probably saved the taxpayer \$100,000.00 than if this work was done independently. As far as the IGA goes, this is really just putting down on paper the practices that we have in place. We're not asking the City to collect anything. The City really doesn't have to take any action. It's just something that we're doing presently and this is really a cost recovery event for us.

Bill Owen stated we wanted to make sure that you had some background before the IGA is presented to you here within 2 weeks.

Council President Ripma stated so in 2 weeks the City is going to be offered an IGA.

Taney Staffenson stated and as far as working through this we've met with Chris Damgen, Marlee Schuld and Travis Hultin to make sure that everybody's on the same page.

Councilor White stated I think the subject came up during the conversation about the weir which actually helped prepare a lot of that industrial land. I wanted to thank you guys for getting that project done. It really helped bring in some big projects for us in Troutdale. The push back from some of the Councilors was that you guys need to be recouping these costs. Is this kind of where this is coming from?

Taney Staffenson replied I would say this is recouping the cost. The other thing that we've done is in the last 3 years we've raised assessments 55, 65 and 48%. So there's been some pretty significant increases to change our operational model a little bit.

Council President Ripma stated all the drainage districts west of here are engaged in a way of exploration of possible funding for long term support for the levee system called Levee Ready Columbia. I assume this IGA will be something that will be supportive of this Levee Ready Columbia effort. How does that factor in? Because that was going to be a regional effort to fund the entire levee system by basically charging the cities and properties south of the Columbia to a certain extent. I think it was going to be a fee, not a tax for the benefit provided. We all acknowledge there's a benefit to having the levees, all of the levees, including your drainage district because so much valuable infrastructure is built on those levees. We have to keep them up. How does that mesh with the regional effort to fund and maintain the levees for the long term?

Ray Young stated I am planning and working with the SDIC Board, the Multnomah County Drainage District and Levee Ready Columbia to have a joint work session with the SDIC

Board and this Council in the middle of October, potentially through the 1<sup>st</sup> of December, some date in there where these bigger issues that you're raising are raised as a group so everybody gets on the same page on the long term plan that you're talking about with how this all inter-meshes together in the future of the whole levee system. We are definitely going to be spending time on that in the next couple of months.

Taney Staffenson stated the IGA doesn't really address a long term government structure for the district. It's addressing cost recovery for development reviews.

**5. PRESENTATION: Municipal Broadband Coalition of America - \$5,580 pledge from Troutdale.**

Michael Hanna, Multnomah County IT Department, stated I've lived in Portland Metro for 18 years. I'm here to talk about a project that's being discussed with 6 jurisdictions and Troutdale is one of them and doing a feasibility study as the first step for municipal broadband.

Nathan Clark, Policy Advisor for Multnomah County Commissioner Lori Stegmann, stated thank you for having me.

Michael Hanna stated you have your packet and you hopefully had a chance to take a look at it. I won't go through all the details inside the packet but I wanted to just kind of give a broad overview of what we're trying to do and then allow time for questions. We're a newly formed non-profit, the Municipal Broadband Coalition of America. Our whole goal is to help municipalities and rural cooperatives especially in Oregon to create their own internet utilities. As you may know, 20 million Americans lack broadband mostly in rural areas and we want to be able to really facilitate access to broadband. We're starting here in Multnomah County where we have already reached agreement with Multnomah County, City of Portland, City of Gresham, City of Wood Village and City of Fairview to jointly fund a feasibility study to take a look at what it would take to build out our own public fiber optic internet utility here in Multnomah County. I'm asking to have Troutdale participate in this intergovernmental agreement and contribute in what we calculated was \$5,850.00 towards the feasibility study. The way that we came up with that number was the whole feasibility study is estimated to be \$250,000.00 and so we said City of Portland and Multnomah County as the largest jurisdictions would each contribute \$100,000.00 and then the remaining \$50,000.00 we said would be split among the four East County cities. Gresham had the largest share at \$39,000.00 and then Troutdale is second with \$5,850.00. That's how we arrived at that number. The purpose of the feasibility study is to look at what are the total costs of building out this fiber optic network here in Multnomah County. What are the technical obstacles? What are the opportunities from a business development perspective and economic development perspective? And what are the costs? What would be the costs to residents and businesses if we were to offer this service? Some of you may know of SandyNet in Sandy, Oregon, they have their own public internet utility. When they did their costing estimates they estimated that they would have 35% of their residents and businesses choose the public option because anyone



could always choose the existing internet providers. What they found over the last 2 years in Sandy is that 60% of the residents and businesses have switched to SandyNet. It's lower cost and higher speed. They're actually paying off their initial investment in I believe 6 years rather than the estimated 10 years. For Multnomah County it's still to be determined and that's part of what the feasibility study will determine is how it will be funded. Most likely, it would be revenue bonds issued by Multnomah County. It would be done in an incremental way built out over multiple years and then the 6 jurisdictions would come together and decide how it's going to be built out. Just today I was at City of Gresham meeting with Shannon Stadey who is the Economic Development Director and we were talking about having an innovation hub or some sort of designated area of Gresham where there'll be even faster broadband in that specific area. They have this Rockwood Rising development that they're working on right now and so within that area because it's near the MAX line, we actually would be able to provide even faster than 1 GB fiber optics. We could provide 10 or even 100 and that really could entice businesses to move to that area because it's something that would be some of the fastest broadband in the whole United States. Also, you may have heard that Hillsboro is also moving forward with the municipal broadband build out. We met with them on Friday and they've actually already begun laying the fiber optics in their new development areas within Hillsboro. Part of what is exciting to me as a technology geek is that because Hillsboro has 15 data centers, they're building out the fastest internet on-ramp in the entire West Coast. If we all participate in a municipal broadband in Multnomah County it really gives us an opportunity for Multnomah County and Washington County to be one of the biggest internet and technology hubs in the entire West Coast. People have long talked about the silicon forest of the Northwest but this really gives us an opportunity to offer opportunities for new business development and any type of business.

Nathan Clark stated we're excited. Commissioner Lori Stegmann and our office is really excited to partner with this. She worked with Commissioner Meyer from District 1 to bring this forward. We're really happy to be a part of this since we have the honor of representing East County cities and the need for digital infrastructure out here. In the east part of the county almost 1 in 5 households don't have access to internet on a regular basis. Most kids in school now use internet all the time, do their homework on it. Families use it to look for jobs. Everything is done online and to have that access is vital for people to be in this world at this point.

Councilor Allen stated you had me at net neutrality.

Michael Hanna stated that's one thing I didn't touch on but actually our group was formed literally right when the FCC repealed net neutrality last year. Our group came together and we said the only way to permanently guarantee net neutrality is to own the fiber optic network, have the network be publicly owned. One of the things I really love about this is it pays for itself. We're not talking about new taxes. There will be revenue bonds that would be issued for the initial build out but then the subscribers pay it back so it's not on property taxes.

Councilor Lauer stated I just had a couple clarifying questions about what the feasibility study will actually do. If all this goes forward, who's responsible for it? Is it a Multnomah County infrastructure that the County would be providing? Is that part of the feasibility study to see if the cities could back? And then, what would that look like? I don't necessarily agree that you have to have internet to make it in this world but that doesn't mean I don't understand why this is happening. I feel like we're right now on that cusp of the next evolution of internet. I feel like something like this is that precipice where it just kind of tips it and now it's more accessible for everybody and it's fun to think where that could go. Who pays for it and where does it come from?

Michael Hanna replied I can answer some of the questions. Part of what the feasibility study does is to answer those types of questions. It really lays out what are the costs, what are the technical obstacles, what are the opportunities and it goes very in depth. There was one done for Seattle and I think it was 250 pages. So it's a significant report done with the combination of engineers and IT people and economic analysis. In terms of the ownership, that's still to be determined and that's really part of where whoever the agencies are, we'll decide those questions. It will be some sort of public entity. Some people have said Mt. Hood Regulatory Commission could be renamed and expanded to own and operate this. Or a brand new non-profit agency could be spun up, a broadband district. It's to be determined and whatever makes the most sense. But the core thing is that it pays for itself. I was using the example of Sandy, Oregon. They initially had their capital investment of bonds and then they estimated a 10 year pay back but because they had almost twice as many people switching to their SandyNet it's going to be paid off in 6 years. People have asked, once it's paid off what happens then? The very first step is Multnomah County is in the process of creating an intergovernmental agreement that would allow the agencies to pool the funds for the feasibility study. So the only thing we're looking at right now is the feasibility study and then once the study comes back then there's a second round of decisions of do we move forward or not. Do we move forward all together or do some cities not participate? Each city has the right to choose to participate or not. We're doing a very mindful step by step taking an in depth look at it.

Council President Ripma asked, who do you anticipate would own it?

Michael Hanna replied that's what we were getting at earlier. It would be some non-profit entity. Some people have proposed that Mt. Hood Regulatory Commission be expanded and then would own it. It's to be determined.

Council President Ripma stated currently we have franchise agreements with like Frontier that provides mine. What's the plan for them? Is it to be a redundant system competing with Frontier? I don't know if their broadband service is regulated but I would assume it is. Have you considered that and how that's to be handled?

Michael Hanna replied so broadband is actually not regulated in the United States. It's very minimally regulated by the FCC. Generally it's open competition or free market. In Portland where Comcast provides internet over the cable television lines and then

Century Link provides DLS over the phone lines and most areas in Portland don't have fiber optic option. Out in East County you all have the Fios network option and I think you also have Comcast and Century Link as an option. The fiber optic is really a third network that would be built out to places where it doesn't already have it. In places where there already is fiber optic I think each one of those locations, that's part of what the feasibility study will look at. Looking at what you do in that particular neighborhood or area. There's some parts of Multnomah County that have fiber optic cables but they're called dark fiber, they're not actually used, and that's part of what we will look at as part of the study.

Council President Ripma asked, is the plan to provide fiber optic service outside the cities of Troutdale, Fairview, Wood Village, Gresham and Portland? You're talking about a system that we are paying for the feasibility study for Sauvie Island having fiber optics service. I guess I worry about that. That doesn't seem fair. Providing the service out to Sauvie Island or to Corbett or Bridal Veil, that's the most expensive place to provide service and the rest of us end up subsidizing it if they don't already have commercial service. Is the plan to provide service outside the cities?

Michael Hanna replied that's a great question. That actually was brought up in one of the first meetings when we were with Multnomah County. The answer is, we actually don't know and I think that's part of what we as the 6 jurisdictions would have to come together and make that decision. Early on we decided we would not go east of Troutdale. So Troutdale would be the farthest east we would go for Multnomah County for now in this phase. We didn't really include unincorporated areas or the little slivers of Lake Oswego. The goal is focusing on the 5 cities within Multnomah County.

Council President Ripma asked, do we have an action item here? Are we asked to decide that we're going to vote on the \$5,850.00?

Ray Young replied I believe a motion to give that amount would be appropriate with the caveat that I believe we have to have an IGA. I think if the Council makes a motion and approves the amount then we can actually then negotiate the IGA and bring that back and that would actually effectuate the \$5,850.00. Am I correct, Mr. Ramis?

Tim Ramis, Acting City Attorney, replied I agree with that motion to approve the amount subject to the final negotiation of an IGA would be appropriate.

**MOTION: Councilor Lauer moved to approve the amount of \$5,850.00 subject to the final negotiation of an IGA. Seconded by Councilor Allen.**

**VOTE: Council Lauer – Yes; Council President Ripma – Yes; Councilor White – Yes; Councilor Allen – Yes and Councilor Hudson – Yes.**

**Motion passed 5-0.**

**6. PUBLIC HEARING / RESOLUTION:** A resolution defining the area for calculating the changed property ratio.

Council President Ripma stated this is a bit odd in that I think the state law that allows us to adopt a changed property ratio for Troutdale requires that we have 5 affirmative votes at Troutdale Council for it to be adopted by Troutdale. We have 2 councilors absent and there's only 5 of us here. I'm not quite sure how to handle this if there is anyone who is inclined to question this if this is going to be voted down we probably should put it off. That's my suggestion.

Councilor White stated I was thinking along the same lines. I would've actually preferred to see this in the form of a work session and have the Homebuilders Association notified. I understand the process and I'm not necessarily against it but I haven't had the opportunity to fully understand the ramifications. We just had a rather large increase to new development in the form of system development fee increases. It's a bit of a concern for me to make that decision tonight especially with the absence of our Mayor and another Councilor.

Councilor Allen stated I do have some questions, however, I'll be fine with waiting for another Councilor or Mayor.

Council President Ripma asked, what's the timeline for this for us having to enact this?

Erich Mueller, Finance Director, replied you're welcome to have a conversation about it tonight and we can continue it to a subsequent council meeting. Prior to adoption there's simply has to be a public hearing. We could have the public hearing at the next meeting. I could attempt to address any questions that you currently have this evening and then there are things I need to put together that can be put into the packet for the next time when there's a consideration by a larger number of you.

Ray Young stated, Council President, I would suggest along those same lines that we go ahead and have a presentation right now for the 5 of you. I have some comments to make on it also. We set it over for a public hearing on the 24<sup>th</sup> and before that time I'll let the Homebuilders Association be aware that we're considering it if they want to comment on it. It doesn't actually add costs to construction of any homes at all. They may not care but I will let them know.

Erich Mueller stated as was included in your packet I was trying to provide enough background without overloading the staff report. The exhibits may get to be a little bit much in terms of detail. Essentially what this is is the City of Gresham along with the League of Oregon Cities led the charge to provide for an amendment to the code to allow for defining of the area that is used to calculate for what is referred to as the changed property ratio. Changed property ratio is part of what was necessary for the implementation of Measure 50 way back in 1997. The purpose of the changed property ratio was that when Measure 5 was originally adopted and the establishment of assessed

value, real market value and maximum assessed value there were properties in existence. So what the law intended was clear for those properties. The question was, how do you deal with new property that's developed the following year, 5 years later or 10 years later? How does it come onto the tax roll? What was intended with the changed property ratio was to say that okay, if for horizontal equity you generally want to have taxpayers pay with similar properties and you want them to pay similar tax rates to be fair. So if you have a piece of property a house that's at 70% assessed value to market value and you build a new house across the street from it that's the same square footage, same neighborhood and same all of those factors, what should it come onto the tax roll at? Should it come under the tax roll at the full real market value that the developer sold it to the new buyer? That would tax them at a higher rate than the property right across the street from them that is a comparable piece of property and that would distort the horizontal equities. So that was the purpose of putting in the changed property ratios to say if existing properties similar to what's coming on the tax roll is at 70% then this new property should come on at the same rate so that there would be fair treatment. That was the concept and the intent. Of course, that was done at a certain point in time to apply to the future. It was also done at a time back when the legislature was trying to get this implemented because Measure 50 was a replacement and a repeal of Measure 47 that had been adopted by the voters the year prior but had been impractical and unworkable. So there was a bit of a time crunch to get it implemented. So whether they had the opportunity to fully think through all the implications or not, I think over time it's become clear that there were some inequities that got built in. The challenge is that when they adopted it they said, okay, the area for deciding where comparable properties exist is going to be the County. Well as we all well know, the County has a lot of diversity across it. Rockwood and Lake Oswego are very different profiles from a property value, economic standpoint and density. But when they adopted it they said each county will just use 1 ratio. That would become very problematic. For us, in Multnomah County, what has happened then is because the City of Portland has about 87% of the assessed value. They essentially overwhelmed the calculation because it's based county-wide. What that does is it distorts it for all the other areas in the county. So what Gresham did was went to the legislature last year and got the law amended so that a city could adopt its city jurisdiction as the area to use for comparable value rather than saying the entire county. Gresham worked this through, there was a lot of negotiations with Multnomah County Assessor and because they were in the midst of implementing a new system so there was some special provisions put in and they weren't really allowed to implement it until about November last year. They and Wood Village, who jumped on their coattails, were able to implement it last November and December which then made it effective for the valuation date which January 1<sup>st</sup> of every year. If you notice on Exhibit A, it's got those additional ratios. Wood Village and Gresham for the first time have their own ratios so when a new piece of residential property in Gresham is put on the tax rolls it comes on with that ratio that's listed there at 63% of assessed value. It allows for comparability for comparison of property values from an equity standpoint to be localized so that it's focused on your community rather than it being overwhelmed by the other parts of the county.

Council President Ripma stated, Erich, I want to compliment you. That was very understandable. That was really good.

Ray Young stated I'm with you. It took me awhile to figure this out too because it is very high math and I was not a great math student. Mr. Mueller did an excellent job of explaining the essence of and reason for it which is how you get new construction to be comparable taxes to old construction. By way of example I want to give you how I viewed it just because I had to write it out myself to really understand it. Current residents of Troutdale are actually paying a higher burden of taxes than they should otherwise because of the current system. So in some ways, we have treated unfairly those who own property in Troutdale now versus new construction that comes on the board. A Troutdale house that was built in the early 90's which is before the tax reform happened is currently worth \$300,000.00 as an example. It has an assessed value of, for example, of \$200,000.00. That means the property tax ratio is 66%, its tax assessed at 2/3 of what its real market value is. However, in Portland, because their house values have gone through the roof, the same house from the early 90's is currently worth say \$500,000.00 and its tax assessed value is the same as the Troutdale ones at \$200,000.00. That makes the property tax ratio 40%. So what happens is that Troutdale properties are currently running at 65% of real market value for tax assessed value but the Portland ones are running at about 40%. Since there's so many more Portland houses it brings our ratio down into the 40% that we applied to our properties when it's really higher, closer to 60 or 62 or 65%. So what happens now is that same \$300,000.00 house that's currently taxed at \$200,000.00, if somebody builds a brand new house in Troutdale at \$300,000.00 value they have a tax ratio applied to that of .49 which means they get taxed at \$147,000.00 of real market value but the current Troutdale house owner is still taxed at \$200,000.00 for the same \$300,000.00 house. In effect, current property owners in Troutdale are subsidizing the new owners of homes who are paying a tax assessed value less than that. So what this law allows us to do is we get to actually make our neighbors who build a brand new house and move into it that they have to pay a comparable property taxed value as we all do. This is a way to make it fairer to the current residents to make sure their taxes are based upon a comparable. So that's the reason we're allowed to do this.

Council President Ripma stated it seems to me we ought to do it.

Councilor Allen stated I'm inclined to be favorable to this. I don't mind some horizontal inequity but I prefer it to be in the opposite direction. A new homeowner knows what they're getting into. They will buy a home that they can afford and that they can afford the taxes on. However, an existing homeowner who's been there for 10, 20 or 30 plus years, their wages certainly do not go up. I'm not even seeing people's wages in many cases go up to 3% that we increase their taxes. What I want to avoid at all costs is driving somebody out of their home because they can't afford the tax increases even though they've lived there most of their life. I do not want to make people homeless just so we can try to collect more tax money so we could have a homeless program for them. I'd rather keep them in their home.

Councilor White stated I'm impressed that this came out of East County, especially Gresham. My hat's off for getting that done. I think this will probably sweep the state eventually. Can we exempt residential from this and have it only apply to commercial development? Is there a way to do that?

Erich Mueller replied not based on the current statutes.

Councilor White stated my concerns are primarily for first time homeowners. They tend to buy some of the smaller homes that are being built and new construction and the construction costs have gone up so much that they're actually getting a lot less yard, a lot less house and the cost, to me, is astronomical. Then we've hit them with a large increase on system development charges to build that house and now we're going to hit them again with possibly a 15% increase out of the gates for the tax base on that house. And then they fall into a 3% maximum a year if they're not close to their real market value.

Ray Young stated let me make clear, this would only apply to a house that was placed on the rolls after January 1<sup>st</sup>, 2019. So if that first time homebuyer bought any home that's currently existing, which considering the buildout as Councilor White and I talked about earlier, we're probably only going to add like 10% more homes so in reality first time homebuyers this will not impact 90% of the homes that they might be buying. It would just be the small percentage of people who wanted to buy a home that was built after this year. There is some impact but really a small percentage of every home in Troutdale.

Council President Ripma stated I guess the question is, why should the existing homeowners end up subsidizing it? In my mind there's no reason a new homeowner should pay less than the existing homeowners in property taxes. It just doesn't make sense. I'll entertain a motion to table it to the next meeting to have the hearing then and vote on it hoping that we have a little better attendance.

Tim Ramis stated the motion should be to continue the proceeding until the next meeting.

**MOTION: Councilor White moved to continue this discussion until the next possible Council meeting. Seconded by Councilor Allen.**

**VOTE: Council Lauer – Yes; Council President Ripma – Yes; Councilor White – Yes; Councilor Allen – Yes and Councilor Hudson – Yes.**

**Motion passed 5-0.**

## **7. STAFF COMMUNICATIONS**

Ray Young stated we have a Town Center Open House, our third one, on September 26<sup>th</sup> from 4 to 8 o'clock to get input from the community and the business community. It's likely going to be at the Troutdale Elementary School. You'll get more information later this week on our website with the official announcement of location and time. Imagination

Station, something we've been waiting 2 ½ years for, you may have read that not one but two factories burned to the ground. So delivery has been delayed on a couple parts. The good news is the date of delivery has been moved up from the end of October to the first of October for those last parts that we need. The company who is doing the soft rubbery surface says it just has to be above 55 and dry for a couple days so it shouldn't be a problem doing that toward the middle or end of October. We're really pushing hard to make sure we get this all done this fall. The Urban Renewal Area if you've noticed, we've got big machinery out there. They're moving things around, they've cleared the corners out now, they've done a survey and almost 3 million gallons of the pond went into our sewer system last week and it handled it just fine. The pond is now empty out there. So they're making progress and they're working forward getting things done. Finally, Mayor Ryan gave me a statement about the zoning change to read. Just so you know, I gave this to Sam Barnett to read and he thanked me for that so that he could hear the Mayor's comment on it.

Ray Young read Mayor Ryan's statement (a copy is attached as Exhibit A to these minutes).

## **8. COUNCIL COMMUNICATIONS**

Council President Ripma stated I'll just say that the first citizen that spoke about encountering homeless people wandering through various areas of Troutdale, I do think that if there's something needed in the way of additional code revisions or code enforcement that can be done to prevent people illegally camping I would strongly favor it. I would ask the staff to ask the Sheriff's Department if there's something they need us to have on the books. We're all County residents and we pay a lot of money, we pay more money to the County on our property taxes than we do to the City of Troutdale and the County is the responsible agency for helping people who have needs like the homeless do. We need to encourage the County to be more active in that area. I just want to express the same concern she has and commend the staff to look into whatever is needed. Particularly if the Sheriff's Department needs something on the books in Troutdale that we don't have.

Councilor Lauer stated I was actually going to mention the same thing. I know that our code enforcement officer is only part-time. I didn't know if there's something more that we could be doing, offering a full-time position, or offering 2 part-time positions. I know the Sheriff's Department has the HOPE team that they use. I know that that's only 2 deputies.

Ray Young stated we have considered possibly increasing the code enforcement position. But I think the City Attorney wants to make a comment about what's going to cause us a struggle with code issues.

Tim Ramis stated I think the idea of consultation with the Sheriff is a good one. I think that conversation is one that all the cities need to undertake regularly on this subject. One of the things that's complicating life with the Sheriff is less the question of what we have on



our books and more the question of the way the federal courts have viewed our responsibilities before we can enforce. One recent decision there was certainly limitations placed on the government in terms of enforcement where we haven't provided other options for people. So that's a continuing struggle we have to deal with.

Councilor White stated thank you both for mentioning that. I was also concerned by hearing Ms. Massey's concerns about homelessness. I'm also concerned for the homeless because Troutdale isn't a good place to be homeless with winter approaching. There's dozens and dozens of camps that are just outside of our city limits in the Thousand Acres area that are going to be under water here pretty soon. They may not know about the east wind that can blow for 2 weeks solid. I think an action plan is in order. We get an influx in the summer months but it becomes more serious in nature with winter approaching. I think we should listen to the public on this one and do something. On a happier note, I had the opportunity to be at the Historic Society's final Barn Concert and they had a fellow by the name of Brady Goss who is a phenomenal pianist. It was really an excellent concert and well attended.

Councilor Allen stated adding to that note, there's a couple things that I do caution against and that's sanitation has got to be maintained. It's a human health problem. That kind of stuff can get out of hand. The other thing is even when I was homeless I didn't care for the ones who were predators. Laws still do have to be obeyed and enforced.

Councilor Hudson stated we had a follow up meeting with Mayor Tosterud of Fairview talking further about the possibility of passing a single use plastic shopping bag ban throughout the 3 cities of Fairview, Wood Village and Troutdale. The very first meeting we had was very well attended and lots of representatives from the County, State and other agencies. There are so many reasons why this ban would be a good idea. It would be helpful and it would not be burdensome to businesses. The current version that Mayor Tosterud is planning and working on with his City Council would also prevent any store from charging extra for paper bags and then would encourage the use of reusable bags instead of the paper bags in the first place. Such bans have had lots of success in other cities and I think it would be really effective if Troutdale, Wood Village and Fairview could all pass a very similar ban right around the same time. One of the benefits of teaming up on this is that the stores and the chains that are in all of our communities could have consistency around this area and we would just be extending the kind of consistency which they would already be subject to in Portland as it is. Then I think we could have a really big influence and make a really big statement by teaming up and passing such a ban at the same time that will get the attention of the County and the State. I think we can cause a big splash on this important issue especially if we 3 cities act as one. Things look really favorable for Fairview and Wood Village getting something on their agendas this fall and I would love to join them if we could. Both Fairview and Wood Village are looking like they would like to move on this this fall. We reiterated some of the major reasons in support and then everyone broke out to talk to individual councils.

Councilor Lauer asked, when is the next meeting scheduled?

Ray Young replied I will check with the City of Fairview and find out.

**9. ADJOURNMENT**

**MOTION: Councilor Lauer moved to adjourn. Seconded by Councilor Hudson.  
Motion passed unanimously.**

Meeting adjourned at 9:04pm.



Casey Ryan, Mayor

Dated: October 26, 2018

**ATTEST:**



Kenda Schlaht, Deputy City Recorder



## Exhibit A

September 11, 2018 Council Meeting Minutes

### Mayor's Statement on Zoning Change Vote

There have been many questions on why I would change my vote from a no to a yes for the zoning change. The reason I voted no the first time in the meeting in June was because of my concern about traffic. At that time I was not convinced the county and other interested parties had a plan, and the funds, to improve this intersection over the coming years. My vote changed with the new information that was provided at the last meeting (The reason we had the other meeting was to be able to hear new information and have the option to change our minds if the information was sufficient). The county, City of Gresham, and the interested party asking for the zone change, demonstrated to me that there was a plan, money was allocated and that it would improve the intersection. I also did research over the summer, and I spoke to city staff, county employees, and our city attorney which helped me become better educated on the decision before me and that information also helped me come to the conclusion that I was a yes vote. I also received an email, phone calls, and face to face conversations from citizens and businesses that were in favor of the zoning change.

I have also heard the criticism that I, and the Council, represent the citizens of Troutdale, and that the zoning change did not represent the citizens of Troutdale. I represent all the citizens of Troutdale and there are close to 17,000 residents, not just those who appeared at the meetings, so I have to think big picture and cast a wider net when I vote my conscience. Although, I appreciate the citizens that come to voice their opinions, usually they do not represent Troutdale as a whole, just a small minority of the people. That is not just with this issue, but all issues before the city. Usually the only people who come to meetings are the people who are against an issue, very rarely do people who support it show up.

Last meeting a "petition" was mentioned. The people who signed the petition may not have heard all the facts and I am not sure of the question that was posed to them. It was clear that the person that was gathering signatures was opposed to the changes. It is hard for me not to believe that feeling was not reflected in how the issue was presented when going door to door. As we are all seeing on TV right now political ads can make you like a candidate or dislike a candidate based on the information relayed in the commercial. I live on the east side of 257th on 15th ct and travel Cherry Park daily so any development that goes into that property will affect me. I am voting yes even though it will likely negatively impact me. I need to be clear about this, that property is going to be developed, it will not stay a field for much longer so the traffic is going to increase no matter what goes there.

Change is hard and I understand that. I wonder how the Troutdale community felt when the development you and your neighbors live in went from farmland to a housing development. All the residents in Troutdale have benefitted from zoning changes which allowed housing in which increased traffic. I wonder how much opposition there was when Safeway and the Cherry Park shopping center went in. I am sure there were people who strongly opposed any change of that land use. I think we can all agree our community is better because that change of zoning happened.

One thing I would also like to remind people is that the citizens the make up our Planning Commission also voted to approve the zoning change. I respect our citizen committees a lot and I take their decisions seriously.

Good people can disagree on issues without being disagreeable and that is what my hope is for our community. I vote my conscience and what I think is best. You can agree or disagree with me, and we both can be correct on how we see the world.

I appreciate very much the public testimony on this issue and I am sorry that I failed to recognize that at the last meeting. I always love it when our citizens express themselves on issues, whether I agree with them or not.